

2016

**1Q16 CONSOLIDATED  
EARNINGS RELEASE**

**1Q16: 162.0 MILLION VEH- EQU TOLLED, TOLL REVENUE OF R\$621.2 MILLION (3.7%), ADJUSTED EBITDA OF R\$402.8 MILLION (10.1%) AND NET INCOME OF R\$13.5 MILLION**

**São Paulo, May 13, 2016** – Arteris S.A. – (BM&FBovespa Novo Mercado: ARTR3) announces its consolidated results for the first quarter of 2016 ended March 31, 2016. Except where stated otherwise, the following financial and operating information is presented on a consolidated basis in Brazilian reais (R\$), pursuant to Brazilian Corporate Law.

**1Q16 HIGHLIGHTS**

- Tolled Traffic:** the volume of tolled traffic totaled 162.0 million vehicle equivalents in 1Q16, 7.1% down on 1Q15, due to Brazil's economic slowdown and the elimination, since April, of charging for the suspended axles of empty heavy vehicles on federal highways. If this law had not been in effect, tolled traffic would have fallen by 4.1% in 1Q16.
- Toll Plaza Revenue:** Toll plaza revenue came to R\$621.2 million in 1Q16, 3.7% up on 1Q15. Despite the reduction in traffic, toll plaza revenue remained positive, due to period tariff adjustments, which were above inflation in certain federal concessions due to the correction of imbalances.
- EBITDA and Adjusted EBITDA:** First-quarter EBITDA fell by 3.0% over 1Q15 to R\$328.6 million, while adjusted EBITDA increased by 10.1% to R\$402.8 million, with a margin of 69.9%.
- Debt:** Net debt closed 1Q16 at R\$5.9 billion, 4.3% more than at the end of 4Q15. Leverage, as measured by the Net Debt / Adjusted EBITDA less Fixed Concession Fee (last 12 months) ratio was 4.17x.
- Investments:** Investments in toll roads, mainly federal highways, came to R\$334.1 million in 1Q16.
- Net Income:** Arteris posted net income of R\$13.5 million in 1Q16, due to economic activity, higher depreciation and the financial result, which was impacted by the increase in debt and higher interest rates.



BM&FBovespa: ARTR3  
Bloomberg: ARTR3 BZ  
Thomson Reuters: ARTR.BR

Update on May 12, 2016  
Closing Price: R\$9.97 per share  
Market Cap: R\$3.4 billion

Financial Indicators	1Q16	4Q15	1Q15	Var 1Q16/4Q15	Var 1Q16/1Q15
Vehicle-Equivalents (Thousand)	161,969	171,013	174,440	-5.3%	-7.1%
Toll plazas revenue (R\$ Thousand)	621,200	624,263	599,007	-0.5%	3.7%
Net revenue (R\$ Thousand)	877,267	960,632	918,929	-8.7%	-4.5%
EBITDA (R\$ Thousand)	328,564	269,521	338,869	21.9%	-3.0%
Adjusted EBITDA (R\$ Thousand) <sup>1</sup>	402,773	352,710	365,707	14.2%	10.1%
Net income (R\$ Thousand)	13,502	(11,993)	56,732	n.d.	-76.2%
EBITDA margin*	57.0%	46.9%	59.9%	10.1 p.p.	-2.8 p.p.
Adjusted EBITDA margin*	69.9%	61.4%	64.6%	8.6 p.p.	5.3 p.p.
Equity (R\$ Thousand)	2,259,512	2,244,849	2,185,509	0.7%	3.4%
Total assets (R\$ Thousand)	10,266,410	10,081,570	9,417,105	1.8%	9.0%
Gross debt / Total capitalization <sup>2</sup>	74.3%	74.0%	72.8%	0.3 p.p.	1.5 p.p.
Net debt (R\$ Thousand)	5,902,963	5,657,831	4,657,952	4.3%	26.7%
Net debt / Adjusted EBITDA minus fixed concession charge <sup>3</sup>	4.17	4.10	3.23	0.1	0.9

<sup>1</sup> Considera ajustes relativos a reversões da provisão p/ manutenção de rodovias.

<sup>2</sup> Capitalização total = patrimônio líquido + dívida bruta

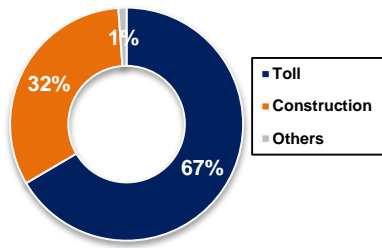
<sup>3</sup> EBITDA Ajustado acumulado nos últimos 12 meses

\* Margem EBITDA baseada na Receita Operacional Líquida, excluindo Receitas de Construção

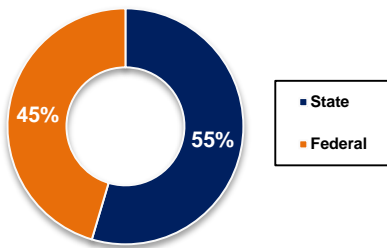
CONSOLIDATED INCOME STATEMENT (In thousands of Brazilian reais)					
	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
<b>GROSS SERVICE REVENUE</b>	<b>933,043</b>	<b>1,015,880</b>	<b>974,041</b>	<b>-8.2%</b>	<b>-4.2%</b>
Toll plazas revenue	621,200	624,263	599,007	-0.5%	3.7%
<b>State</b>	<b>339,189</b>	<b>370,287</b>	<b>333,985</b>	<b>-8.4%</b>	<b>1.6%</b>
Autovias	81,977	88,505	81,392	-7.4%	0.7%
Centrovias	89,348	96,939	86,970	-7.8%	2.7%
Intervias	91,704	101,337	90,839	-9.5%	1.0%
Vianorte	76,160	83,506	74,784	-8.8%	1.8%
<b>Federal</b>	<b>282,011</b>	<b>253,976</b>	<b>265,022</b>	<b>11.0%</b>	<b>6.4%</b>
Planalto Sul	30,639	26,966	28,283	13.6%	8.3%
Fluminense	46,494	43,464	44,646	7.0%	4.1%
Fernão Dias	63,178	61,539	61,539	2.7%	2.7%
Régis Bittencourt	78,197	65,936	70,803	18.6%	10.4%
Litoral Sul	63,503	56,071	59,751	13.3%	6.3%
Others	10,586	5,751	21,993	84.1%	-51.9%
Construction services	301,257	385,866	353,041	-21.9%	-14.7%
<b>DEDUCTIONS FROM REVENUE</b>	<b>(55,776)</b>	<b>(55,248)</b>	<b>(55,112)</b>	<b>1.0%</b>	<b>1.2%</b>
<b>NET SERVICE REVENUE</b>	<b>877,267</b>	<b>960,632</b>	<b>918,929</b>	<b>-8.7%</b>	<b>-4.5%</b>
<b>COST AND EXPENSES</b>	<b>(548,703)</b>	<b>(691,111)</b>	<b>(580,060)</b>	<b>-20.6%</b>	<b>-5.4%</b>
Cost of services (excl. depreciation and amortization)	(139,213)	(166,054)	(154,551)	-16.2%	-9.9%
Cost of construction services	(301,257)	(385,866)	(353,041)	-21.9%	-14.7%
Administrative expenses (excl. depreciation and amortization)	(30,523)	(59,613)	(40,210)	-48.8%	-24.1%
Directors' compensation	(5,033)	(3,116)	(5,671)	61.5%	-11.3%
Tax expenses	(111)	(683)	(854)	-83.7%	-87.0%
Provision for maintenance in highways	(74,209)	(83,189)	(26,838)	-10.8%	176.5%
Other operating income, net	1,643	7,410	1,105	-77.8%	48.7%
<b>EBITDA</b>	<b>328,564</b>	<b>269,521</b>	<b>338,869</b>	<b>21.9%</b>	<b>-3.0%</b>
<i>EBITDA Margin*</i>	<i>57.0%</i>	<i>46.9%</i>	<i>59.9%</i>		
<b>DEPRECIATION AND AMORTIZATION</b>	<b>(141,475)</b>	<b>(142,417)</b>	<b>(124,126)</b>	<b>-0.7%</b>	<b>14.0%</b>
Depreciation and amortization	(141,475)	(142,417)	(124,126)	-0.7%	14.0%
<b>FINANCE INCOME (COSTS)</b>	<b>(152,132)</b>	<b>(145,647)</b>	<b>(121,720)</b>	<b>4.5%</b>	<b>25.0%</b>
Finance income	28,749	32,127	47,383	-10.5%	-39.3%
Finance costs	(208,515)	(177,943)	(169,042)	17.2%	23.4%
Foreign exchange gain (loss), net	27,634	169	(61)		
<b>OPERATING PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>34,957</b>	<b>(18,543)</b>	<b>93,023</b>	<b>n.d.</b>	<b>-62.4%</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(21,455)</b>	<b>6,550</b>	<b>(36,291)</b>	<b>n.d.</b>	<b>-40.9%</b>
Current	(53,139)	(42,955)	(46,302)	23.7%	14.8%
Deferred	31,684	49,505	10,011	-36.0%	216.5%
<b>NET INCOME FOR THE PERIOD</b>	<b>13,502</b>	<b>(11,993)</b>	<b>56,732</b>	<b>n.d.</b>	<b>-76.2%</b>

\* The EBITDA Margin is based on Net Operating Revenue excluding Construction Revenue.

Gross Revenue Breakdown  
1Q16



Toll Revenue Breakdown  
1Q16



## Economic and Financial Performance

### Gross Service Revenue

Arteris recorded **gross revenue** of **R\$933.4 million** in 1Q16, **4.2% less** than in the same period in 2015, broken down as follows:

- ▶ **Toll revenue** came to **R\$621.2 million**, accounting for 67% of total 1Q16 revenue, **growth of 3.7%** over 1Q15;
- ▶ **Construction revenue** fell by **14.7%** to **R\$301.3 million**, or 32% of the total, reflecting the investments to improve the group's highway infrastructure. The decline in this item was due to increased investments in maintenance works, which are not registered in this line;
- ▶ **Other revenue**, accounting for approximately 1% of the total, came to **R\$10.6 million**, comprising the highway concessions' ancillary revenue.

### Toll Plaza Revenue

**Toll revenue increased by 3.7%** over 1Q15, despite the period's strong reduction in traffic, thanks to the tariff increases for all concessions. Some of the federal highway adjustments were above inflation due to the rebalancing of the contracts following the amendments.

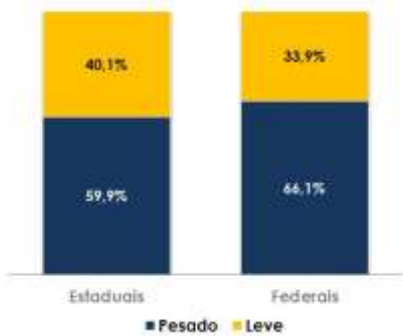
The **state concessionaires** recorded revenue of **R\$339.2 million** in 1Q16, accounting for 55% of total toll revenue, with a **slight increase** in the quarterly comparison (+1.6%), the 2.5% reduction in tolled traffic volume being offset by the 4.2% upturn in the average tariff.

The **federal highways** closed 1Q16 with revenue of R\$282.0 million, **6.4% more** than in 1Q15, thanks to period tariff adjustments above inflation despite the decline in traffic .

**Tolled Traffic:** The Company's **consolidated** tolled traffic volume came to **161,969,000 vehicle equivalents**, **7.1% down** on 1Q15.

Vehicle-Equivalents (Thousand)	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
<b>State Concessions</b>	<b>47,789</b>	<b>52,197</b>	<b>49,018</b>	<b>-8.4%</b>	<b>-2.5%</b>
Autovias	10,910	11,844	11,352	-7.9%	-3.9%
Centrovias	13,165	14,261	13,287	-7.7%	-0.9%
Intervias	15,015	16,595	15,488	-9.5%	-3.1%
Vianorte	8,699	9,497	8,891	-8.4%	-2.2%
<b>Federal Concessions</b>	<b>114,180</b>	<b>118,816</b>	<b>125,422</b>	<b>-3.9%</b>	<b>-9.0%</b>
Planalto Sul	6,382	6,436	6,894	-0.8%	-7.4%
Fluminense	10,958	11,431	12,225	-4.1%	-10.4%
Fernão Dias	35,138	37,827	38,447	-7.1%	-8.6%
Régis Bittencourt	31,259	32,737	35,393	-4.5%	-11.7%
Litoral Sul	30,444	30,385	32,463	0.2%	-6.2%
<b>Total</b>	<b>161,969</b>	<b>171,013</b>	<b>174,440</b>	<b>-5.3%</b>	<b>-7.1%</b>

**Traffic Breakdown  
(Vehicle Equivalents)  
1Q16**



The substantial reduction in the volume of tolled vehicles in recent quarters was due to the slowdown of Brazil's economy, in turn reducing GDP, especially in regard to industrial production. The impact of the slowdown led to a hefty decline in heavy traffic, mainly on our federal highways, an average 66% of whose traffic consists of heavy vehicle equivalents, versus 60% on the state highways.

Another factor contributing to the traffic downturn was the application, since April 2015, of the Truck Drivers' Law, which eliminated the charge on the suspended axles of empty heavy vehicles on the federal highways and whose impact was rebalanced by the last tariff adjustment in the contractual tariff revision, already effective in 2016. **If this law had not been in effect, first-quarter federal highway and consolidated tolled traffic would have fallen by 4.7% and 4.1%, respectively, over 1Q15.**

In terms of **composition**, **59.9%** of 1Q16 tolled traffic in the **state concessions** (measured in vehicle equivalents) consisted of **heavy vehicles** and **40.1%** consisted of **light vehicles**; with respective ratios of **66.1%** and **33.9%** in the **federal concessions**.

**Average Tariff:** In 1Q16, the **average consolidated tariff** of Arteris' concessionaires was **R\$3.84, 11.7% up** on 1Q15.

The following table shows average tariff trends in each of the concessionaires and on a consolidated and same-comparison basis:

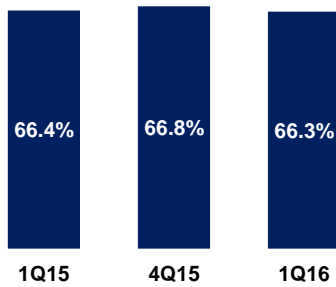
Average Toll Tariff (R\$ / Vehicle-Equivalents)	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
<b>State Concessions</b>	<b>7.10</b>	<b>7.09</b>	<b>6.81</b>	<b>0.1%</b>	<b>4.2%</b>
Autovias	7.51	7.47	7.17	0.6%	4.8%
Centrovias	6.79	6.80	6.55	-0.2%	3.7%
Intervias	6.11	6.11	5.87	0.0%	4.1%
Vianorte	8.76	8.79	8.41	-0.4%	4.1%
<b>Federal Concessions</b>	<b>2.47</b>	<b>2.14</b>	<b>2.11</b>	<b>15.5%</b>	<b>16.9%</b>
Planalto Sul	4.80	4.19	4.10	14.6%	17.0%
Fluminense	4.24	3.80	3.65	11.6%	16.2%
Fernão Dias	1.80	1.63	1.60	10.5%	12.3%
Régis Bittencourt	2.50	2.01	2.00	24.2%	25.1%
Litoral Sul	2.09	1.85	1.84	13.0%	13.3%
<b>Total</b>	<b>3.84</b>	<b>3.65</b>	<b>3.43</b>	<b>5.1%</b>	<b>11.7%</b>

In July 2015, the São Paulo state government **authorized the annual adjustment** of **state concessionaires'** tariffs, in line with the accrued period variation in the IGP-M general market price index of **4.11%**, as determined by the concession agreement. The **average** state concessionaire tariff stood at **R\$7.10** in 1Q16.

Federal concession tariffs were subjected to all the adjustments envisaged in the respective concession agreements in line with the 10.1% accrued period variation in the IPCA consumer price index, as well as from the financial rebalancing of the concession agreements related to the Truck Drivers' Law (in effect as of April 2015). There were also additional and more substantial increases to remunerate investments due to contractual amendments in Autopista Régis Bittencourt and Autopista Planalto Sul

The consolidated average tariff of the federal concessions was **R\$2.47 in 1Q16, 16.9%** up on 1Q15.

**AVI State**

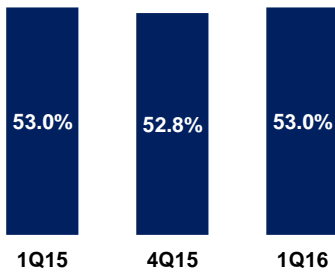


Electronic Collection: Revenue from electronic toll plaza payments (AVI System) in the state concessionaires accounted for 66.3% of total revenue in 1Q16, versus 66.4% in 1Q15, while the average ratio in the federal concessionaires was 53.0% in 1Q16, versus 53.0% in 1Q15

**Construction Revenue**

Construction revenue totaled R\$301.3 million in 1Q16 (-14.7%). It is worth noting that construction revenue represents the Company's investments in highway infrastructure (additions to intangible assets) and has no cash effect. Currently, investments are allocated almost entirely to the federal concessions. The decline was due to the fact that a portion of the increase in investments was related to maintenance works that are not recorded in this line.

**AVI Federal**



**Other Revenue**

The "other revenue" line is composed exclusively of **ancillary revenue** from the exploration/sale of highway right-of-way services.

Other revenue totaled **R\$10.6 million** in 1Q16, 51.9% down on 1Q15, due to the retroactive charging (between 2008 and 2014) for the use of Autopista Litoral Sul's right of way by telecommunication companies, totaling R\$13.5 million.

## Costs and Expenses

**Total costs and expenses**, which include non-cash items (construction costs, provisions, depreciation and amortization), **fell by 1.9%** over 1Q15 to **R\$690.2 million**, and were impacted by:

- (i) the **13.5%**, or R\$26.9 million, **decline in cash costs**;
- (ii) the R\$47.4 million upturn in **provisions for highway maintenance**;
- (iii) the R\$17.3 million rise in **depreciation and amortization**; and
- (iv) the R\$51.8 million reduction in **construction service costs**.

Costs and Services Expenses (R\$ Thousand)	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15	Var. Nominal 1T16/1T15
Third Party Services	(47,721)	(52,130)	(48,363)	-8.5%	-1.3%	642
Personnel	(49,564)	(66,546)	(57,311)	-25.5%	-13.5%	7,747
Conservation	(31,133)	(33,283)	(30,372)	-6.5%	2.5%	(761)
Inspection fee	(11,268)	(10,374)	(10,242)	8.6%	10.0%	(1,026)
Costs with granting authority	(5,470)	(5,952)	(5,364)	-8.1%	2.0%	(106)
Insurance and guarantees	(6,062)	(6,087)	(6,401)	-0.4%	-5.3%	339
Management Compensation	(5,033)	(3,116)	(5,671)	61.5%	-11.3%	638
Consumption	(11,921)	(13,921)	(12,038)	-14.4%	-1.0%	117
Civil, labor and tax risks	340	(1,694)	(1,043)	-120.1%	-132.6%	1,383
Tax expenses	(111)	(683)	(854)	-83.7%	-87.0%	743
Transportation	(9,660)	(10,494)	(10,454)	-7.9%	-7.6%	794
Other operating expenses, net	4,366	(17,776)	(12,068)	-124.6%	-136.2%	16,434
<b>Total (Cash Costs)</b>	<b>(173,237)</b>	<b>(222,056)</b>	<b>(200,181)</b>	<b>-22.0%</b>	<b>-13.5%</b>	<b>26,944</b>
<b>% Cash Costs / Net Revenue (excl. construction)</b>	<b>30.1%</b>	<b>38.6%</b>	<b>35.4%</b>	<b>-8.6 p.p.</b>	<b>-5.3 p.p.</b>	<b>-5.3 p.p.</b>
Cost of construction services	(301,257)	(385,866)	(353,041)	-21.9%	-14.7%	51,784
Provision for maintenance in highways	(74,209)	(83,189)	(26,838)	-10.8%	176.5%	(47,371)
Depreciation and amortization	(141,475)	(142,417)	(124,126)	-0.7%	14.0%	(17,349)
<b>Total</b>	<b>(690,178)</b>	<b>(833,528)</b>	<b>(704,186)</b>	<b>-17.2%</b>	<b>-2.0%</b>	<b>14,008</b>

The **main variations in cash costs** between the periods were as follows:

- Third-party services:** Third-party service costs came to R\$47.7 million in the first quarter, 1.3% down on 1Q15. Even with the adjustment of agreements for inflation, this improvement was directly related to the initiatives of the group's ongoing program to increase efficiency, such as the electronic auction system for hiring third parties and the intensive renegotiation of service provision contracts as a result of the current economic situation, in addition to the insourcing of Autopista Planalto Sul's previously outsourced toll collectors in April 2015, costs that have been booked under personnel costs since then.
- Personnel:** Personnel costs came to R\$49.5 million, 13.5% down on 1Q15, due to workforce restructuring and the reversal of a portion of the profit sharing payments, given that some of the established goals were not fully achieved. The Company also constituted social security (INSS) credits, due to the payment of charges on specific payroll funds in the last five years, over which there is a legal understanding that said amount should not be charged. These credits will be consumed by offsetting recurring INSS monthly payments. It is worth noting that, in 1Q15, the collective bargaining agreement became effective in March, while in 1Q16 it became effective in April, retroactive to March.
- Conservation:** Conservation costs totaled R\$31.1 million in 1Q16, 2.5% more than in 1Q15. This is a variable cost which depends on the period volume of highway repaving and infrastructure works, and the weather conditions in the regions where the works are taking place.

- † **Inspection:** These amounts are paid by the federal highways to the granting authority (ANTT) and are adjusted annually in accordance with the IPCA consumer price index. These fees totaled R\$11.3 million in 1Q16, 10.0% more than in the same period the year before.
- † **Costs with the granting authority:** These refer to the transfer of 1.5% of the gross toll revenue of the state concessionaires to the granting authority in the state of São Paulo (ARTESP), totaling R\$5.5 million in 1Q16.
- † **Insurance and Guarantees:** These costs, which basically refer to insurance policies related to engineering risk, fleet risk and performance bonds, totaled R\$6.1 million in 1Q16, 5.3% down on 1Q15, due to more effective contract renewal negotiations.
- † **Management Compensation:** Management compensation totaled R\$5.0 million in 1Q16, lower than in 1Q15 due to the reorganization of the Company's organizational structure, including a reduction in the number of executive officers in the holding company.
- † **Consumption:** This line includes expenses related to telephony, lighting and other electricity expenses of the business units, toll plazas and highway stretches, administrative materials (such as office supplies), signage materials (such as traffic cones and special signs), and materials used in traffic campaigns (pamphlets and booklets). In 1Q16, this line remained virtually flat (-1%), totaling R\$11.9 million.
- † **Civil, Labor and Tax Risks:** The amounts in this item refer to expectations of a probable loss in lawsuits involving Arteris and its subsidiaries. These costs totaled R\$0.3 million in 1Q16, the decline being a result of the change in the legal counsel's forecast regarding the ongoing lawsuits.
- † **Transportation:** This line includes expenses related to fuel consumption and rental and maintenance of the light vehicle fleet (traffic inspection, administrative vehicles and own rescue vehicles) and heavy vehicle fleet (tow trucks, water tankers, fire trucks and animal capture trucks, among others) of all of the group's concessionaires. In 1Q16, this line totaled R\$9.7 million, 7.6% less than in 1Q15, due to a reduction in the fleet as a result of optimization, and lower fuel consumption thanks to the improved management process.
- † **Other operating expenses:** these refer to other items related to the operations of the Company's concessionaires, in addition to the result of the works of the group's construction companies, provided exclusively to Arteris. The result of the group's construction companies accounts for the "other operating expenses" line and is variable in nature, depending on the volume of works contracted by the concessionaires to outsourced firms.  
  
These expenses totaled R\$4.4 million in 1Q16, R\$10.0 million less than in 1Q15, chiefly due to the R\$16.2 million improvement in the operating margin of the construction subsidiaries, from a negative R\$0.4 million in 1Q15 to a positive R\$18.7 million in 1Q16.

The main changes in **non-cash costs** were:



- † **Construction costs:** These costs, which are related to the accounting recognition of the Company's investments in intangible assets, almost all of which allocated to federal highway infrastructure improvements, totaled R\$301.3 million in 1Q16 (-14.7%).
- † **Provisions for maintenance:** These costs refer to the constitution of reserves related to future disbursements for paving maintenance and renewal on the highways under concession. The Company adjusts these provisions every quarter as it reviews and updates expectations regarding the timing and amount of these disbursements. The amount recorded in 1Q16 was R\$74.2 million, R\$47.4 million more than in 1Q15, due to the state concessionaires' final maintenance before the end of the concession agreements.
- † **Depreciation and amortization:** Depreciation and amortization are related to the adoption of IFRS rules, which require the complete amortization of intangible assets by the end of the concession period. In 1Q16, this line totaled R\$ 141.5 million, 14.0% more than in 1Q15, due to the increase in the intangible asset base as a result of the Company's investments.

## EBITDA and Adjusted EBITDA

Arteris reported EBITDA of R\$328.6 million in 1Q16, 3.0% down on 1Q15, while EBITDA adjusted for provisions for highway maintenance, which does not have a cash effect, totaled R\$402.8 million in 1Q16, 10.1% up year-on-year. The first-quarter EBITDA margin declined by 2.8 p.p. and the adjusted EBITDA margin increased by 5.3 p.p.

The main factors that increased adjusted EBITDA by R\$37.1 million (10.1%) were as follows:

- (i) Improved toll revenue, the decline in traffic being offset by tariff adjustments;
- (ii) The R\$20.5 million downturn in cash costs, as already explained.

EBITDA (Em milhares de reais)					
	1T16	4Q15	1Q15	Var% 1T16/4Q15	Var% 1T16/1Q15
<b>NET REVENUE</b>	<b>877,267</b>	<b>960,632</b>	<b>918,929</b>	<b>-8.7%</b>	<b>-4.5%</b>
Cost and expenses (excl. depreciation and amortization)	(548,703)	(691,111)	(580,060)	-20.6%	-5.4%
<b>EBITDA <sup>1</sup></b>	<b>328,564</b>	<b>269,521</b>	<b>338,869</b>	<b>21.9%</b>	<b>-3.0%</b>
EBITDA Margin*	57.0%	46.9%	59.9%	10.1 p.p.	-2.8 p.p.
(+) Provision for maintenance in highways	74,209	83,189	26,838	-10.8%	176.5%
<b>Adjusted EBITDA <sup>2</sup></b>	<b>402,773</b>	<b>352,710</b>	<b>365,707</b>	<b>14.2%</b>	<b>10.1%</b>
State Concessions	250,073	265,491	242,460	-5.8%	3.1%
Federal Concessions	134,072	86,351	125,829	55.3%	6.6%
Holding	(101)	5,780	(2,153)	-101.7%	-95.3%
Construction Companies	18,729	(4,912)	(429)	-481.3%	-4465.7%
<i>Adjusted EBITDA Margin*</i>	<i>69.9%</i>	<i>61.4%</i>	<i>64.6%</i>	<i>8.6 p.p.</i>	<i>5.3 p.p.</i>

\* The EBITDA Margin and the adjusted EBITDA Margin are based on Net Operating Revenue excluding Construction Revenue.

<sup>1</sup> EBITDA is Earnings before Interest, Taxes, Depreciation and Amortization, an operating performance indicator. EBITDA is not a measure adopted in accounting standards and does not represent cash flow for the periods presented and therefore should not be considered an alternative to cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and therefore cannot be compared to the EBITDA of other companies.

<sup>2</sup> Includes adjustments related to reversals of the provision for highway maintenance (accounting pronouncement ICPC 01).

The following table shows the calculation of EBITDA and Adjusted EBITDA for the Arteris companies in 1Q16:

Group Companies (R\$ Thousand)	Net Revenue			Costs and Services <sup>1</sup>			EBITDA	Provision for highways' s maintenance	Adjusted EBITDA	Margem EBITDA Ajustada*
	Services Revenue (A)	Construct Revenue (B)	Total (A + B)	Cost of Services (A)	Cost of Construction Service (B)	Total (A + B)				
Autovias	75,432	5,047	80,479	(46,696)	(5,047)	(51,743)	28,736	(31,435)	60,171	79.8%
Centrovias	82,180	2,044	84,224	(19,246)	(2,044)	(21,290)	62,934	(4,228)	67,162	81.7%
Intervias	85,057	13,428	98,485	(30,190)	(13,428)	(43,618)	54,867	(11,750)	66,617	78.3%
Vianorte	69,907	1,999	71,906	(16,956)	(1,999)	(18,955)	52,951	(3,172)	56,123	80.3%
<b>State Concessions</b>	<b>312,576</b>	<b>22,518</b>	<b>335,094</b>	<b>(113,088)</b>	<b>(22,518)</b>	<b>(135,606)</b>	<b>199,488</b>	<b>(50,585)</b>	<b>250,073</b>	<b>80.0%</b>
Planalto Sul	28,146	41,169	69,315	(19,563)	(41,169)	(60,732)	8,583	(3,279)	11,862	42.1%
Fluminense	42,572	82,552	125,124	(22,677)	(82,552)	(105,229)	19,895	(3,050)	22,945	53.9%
Fernão Dias	59,997	21,136	81,133	(43,730)	(21,136)	(64,866)	16,267	(8,311)	24,578	41.0%
Régis Bittencourt	71,890	72,271	144,161	(33,686)	(72,271)	(105,957)	38,204	(4,944)	43,148	60.0%
Litoral Sul	60,829	61,611	122,440	(33,330)	(61,611)	(94,941)	27,499	(4,040)	31,539	51.8%
<b>Federal Concessions</b>	<b>263,434</b>	<b>278,739</b>	<b>542,173</b>	<b>(152,986)</b>	<b>(278,739)</b>	<b>(431,725)</b>	<b>110,448</b>	<b>(23,624)</b>	<b>134,072</b>	<b>50.9%</b>
<b>Total Concessionaires</b>	<b>576,010</b>	<b>301,257</b>	<b>877,267</b>	<b>(266,074)</b>	<b>(301,257)</b>	<b>(567,331)</b>	<b>309,936</b>	<b>(74,209)</b>	<b>384,145</b>	<b>66.7%</b>
Arteris Holding	0	0	0	(99)	0	(99)	(99)	0	(99)	
Constructors	0	72,510	72,510	0	(53,783)	(53,783)	18,727	0	18,727	
Other companies and eliminations for consolidation		(72,510)	(72,510)	18,727	53,783	72,510	0	0	0	
<b>Total</b>	<b>576,010</b>	<b>301,257</b>	<b>877,267</b>	<b>(247,446)</b>	<b>(301,257)</b>	<b>(548,703)</b>	<b>328,564</b>	<b>(74,209)</b>	<b>402,773</b>	<b>69.9%</b>

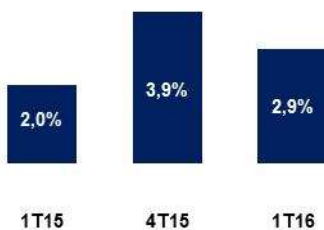
<sup>1</sup> Excludes Depreciation and Amortization

\* The EBITDA Margin is based on Net Operating Revenue excluding Construction Revenue.

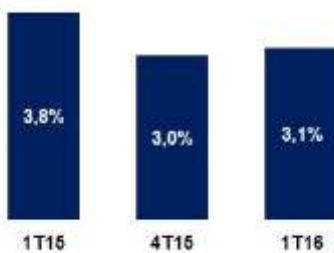
Taxa DI (média trimestral)



IGP-M (trimestral)



IPCA (trimestral)



## Financial Result

Financial Result (R\$ Thousand)	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
<b>Financial Income</b>	<b>28,749</b>	<b>32,127</b>	<b>47,383</b>	<b>-10.5%</b>	<b>-39.3%</b>
Interest Receivable	0	(2,167)	1,088	-	-
Financial Investments	23,146	32,786	41,170	-29.4%	-43.8%
Financial Charges - Reversal of Present Value Adjustments	735	368	3,677	99.7%	-80.0%
Ganho com Variação Cambial	0	0	0	-	-
Other Revenues	4,868	1,140	1,448	327.0%	236.2%
<b>Financial Expenses</b>	<b>(208,515)</b>	<b>(177,943)</b>	<b>(169,042)</b>	<b>17.2%</b>	<b>23.4%</b>
Financial Charges	(140,042)	(141,739)	(137,407)	-1.2%	1.9%
Monetary Adjustment of Concession Charges	(6,674)	(7,995)	(6,037)	-16.5%	10.6%
Financial Charges - Reversal of Present Value Adjustments	(10,886)	(12,158)	(20,279)	-10.5%	-46.3%
Perdas em operações de sw ap	(32,108)	0	0	-	-
Perdas no ajuste de valor de mercado de derivativos	(5,686)	0	0	-	-
Other Expenses	(13,119)	(16,051)	(5,319)	-18.3%	146.6%
<b>Net Exchange Variation</b>	<b>27,634</b>	<b>169</b>	<b>(61)</b>	<b>16251.5%</b>	<b>-45401.6%</b>
<b>Financial Result</b>	<b>(152,132)</b>	<b>(145,647)</b>	<b>(121,720)</b>	<b>4.5%</b>	<b>25.0%</b>

Arteris' **net financial result** was a net expense of **R\$152.1 million**, **4.5%** higher than the net expense of **R\$145.7 million** recorded in 1Q15, due to the following variations:

- Financial income totaled **R\$28.7 million** in 1Q16, **down by 10.5%**, chiefly due to lower investments in the period.
- Financial expenses increased by **17.2%** to **R\$208.5 million**, chiefly due to losses from swap operations and the adjustment of derivatives to market value, corresponding to the 4131 credit facility (for more details, see the "Indebtedness" section), mostly offset by exchange variation gains. The "other expenses" line refers mainly to PIS and Cofins taxes on financial revenue.

## Net Income

Arteris posted net income of **R\$13.5 million** in 1Q16, **76.2%** down on 1Q15, chiefly due to the increase in the provision for maintenance related to the state concessionaires' last maintenance cycle before the end of the agreement, **higher interest rates** and **the charging of PIS and Cofins tax rates** as of July, which had a **negative impact on the financial result**.

## Indebtedness

On March 31, 2016, the Company's **net debt** totaled **R\$5.9 billion, 4.3%**, or R\$245.1 million, **more** than on December 31, 2015.

Debt (In thousands of Brazilian reais)	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
<b>Gross Debt</b>	<b>6,532,975</b>	<b>6,386,403</b>	<b>5,855,332</b>	<b>2.3%</b>	<b>11.6%</b>
Short Term	2,372,179	1,961,411	1,106,676	20.9%	114.4%
Long Term	4,160,796	4,424,992	4,748,656	-6.0%	-12.4%
<b>Cash Position</b>	<b>630,012</b>	<b>728,572</b>	<b>1,197,380</b>	<b>-13.5%</b>	<b>-47.4%</b>
Cash and equivalents	498,757	488,529	1,094,166	2.1%	-54.4%
Restricted investments <sup>1</sup>	131,255	240,043	103,214	-45.3%	27.2%
<b>Net Debt</b>	<b>5,902,963</b>	<b>5,657,831</b>	<b>4,657,952</b>	<b>4.3%</b>	<b>26.7%</b>

<sup>1</sup> Short and long term

This quarter-on-quarter increase was primarily due to:

- ▶ **The R\$245.1 million upturn in gross debt**, as a result of the following:
  - i. New financing under Law 4131 in the holding company, totaling R\$388.8 million;
  - ii. The amortization of R\$50.3 million in BNDES financing;
  - iii. Debenture amortizations totaling R\$191.3 million;
  - iv. R\$233.6 million in interest on the debentures and BNDES financing;
  - v. R\$233.0 million in accrued interest on the Company's loans.
  
- ▶ **The R\$98.6 million reduction** in the **cash position** (cash and cash equivalents + financial investments), due to the allocation of funds to the Company's construction works plan, period financing amortizations and interest payments.

**4131 Financing:** In February and March 2016, the Company contracted two loans under Law 4131 with ScotiaBank, in US dollars converted into reais (swap), the first of which totaling R\$205.7 million at the CDI+1.85% p.a., maturing in August 2016, and the second totaling R\$183 million at the CDI+2.15% p.a., maturing in September 2016.

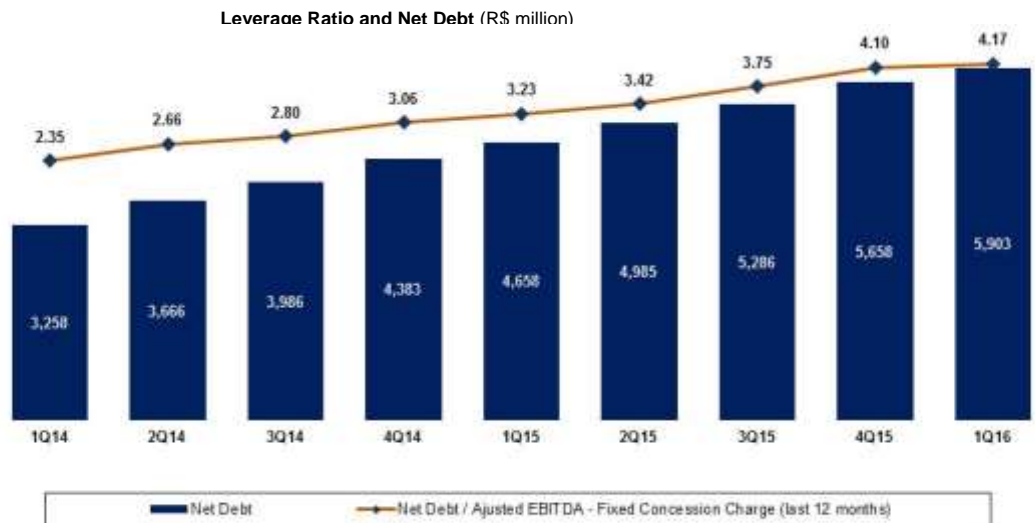
**BNDES Financing:** Arteris receives long-term loans from the Brazilian Development Bank (BNDES) to finance federal concession investment programs. **All five federal concessionaires have already received approval for long-term financing lines, guaranteeing the funds needed to implement the main contractual construction projects.**

Up to March 31, 2016 approximately **R\$3.5 billion** in BNDES funding had been **disbursed**, leaving **R\$222.8 million still available**.

BNDES FINEM (R\$ Thousand)			31/03/16
Concessionaries	Total Contracted	Total Taken	Available
<b>Total</b>	<b>3,763,122</b>	<b>3,540,320</b>	<b>222,802</b>
Planalto Sul	399,917	381,098	18,819
Fluminense	780,819	762,136	18,683
Fernão Dias	702,754	702,754	-
Régis Bittencourt	1,069,495	1,069,495	-
Litoral Sul	810,137	624,837	185,300

More details on the Company's debt profile are shown below:

At the close of 1Q16, net debt represented 4.17x Adjusted EBITDA less payment of the fixed concession fee in the last 12 months, an increase in leverage over the 4.10x recorded in the previous quarter.



At the end of 1Q16, consolidated gross debt (loans and financing plus debentures) totaled R\$6.5 billion, 46.7% of which corresponding to contracts indexed to the TJLP (long-term interest rate), 44.6% indexed to the CDI interbank rate and 8.9% indexed to the IPCA inflation rate.

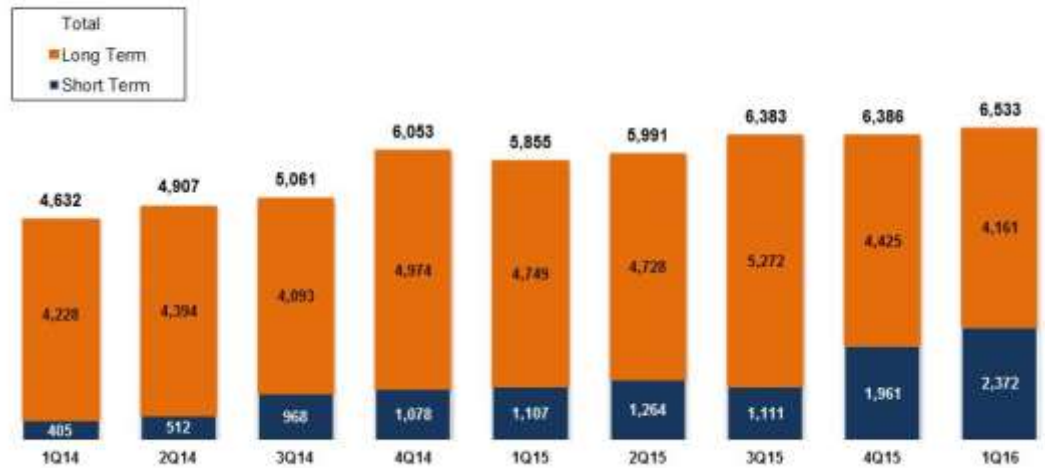
Gross Debt Profile (%)



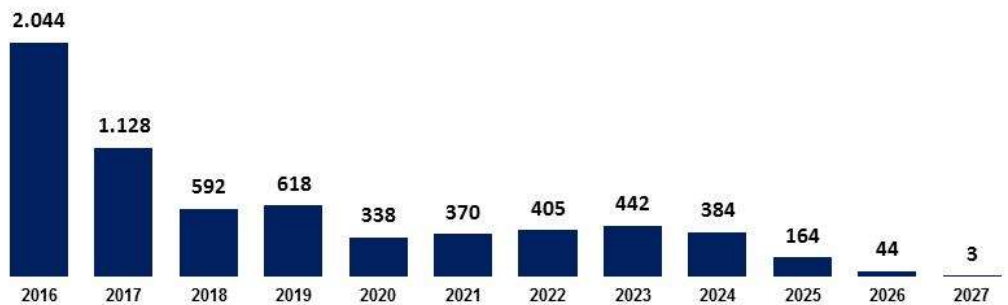
Gross Debt (In thousands of Brazilian reais)	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
<b>Indexes</b>					
TJLP	3,048,064	3,088,617	2,919,290	-1.3%	4.4%
CDI	2,910,736	2,556,099	2,326,989	13.9%	25.1%
IPCA	580,827	743,316	612,658	-21.9%	-5.2%
Other	2,765	3,141	3,207	-12.0%	-13.8%
Prepaid charges	(9,417)	(4,770)	(6,812)	97.4%	38.2%
<b>Total</b>	<b>6,532,975</b>	<b>6,386,403</b>	<b>5,855,332</b>	<b>2.3%</b>	<b>11.6%</b>

\*In the CDI line, we have two 4131 loans, one in the amount of R\$205.8 at the CDI+ 1.85% p.a., and the other totaling R\$183 million at the CDI + 2.15% p.a.

Gross Debt (R\$ million)



Gross Debt Amortization Schedule (R\$ million)



## Fixed Concession Fee paid to the Concession Authority (State Concessionaires)

In accordance with the concession contracts, the state concessionaires must pay the concession authority a fixed fee in exchange for granting the concession. This amount totaled R\$19.3 million in 1Q16.

Fixed Concession Charge Paid (R\$ thousands)	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
<b>Total</b>	<b>(19,330)</b>	<b>(19,330)</b>	<b>(18,567)</b>	<b>0.0%</b>	<b>4.1%</b>
Autovias	(2,035)	(2,035)	(1,955)	0.0%	4.1%
Centrovias	(3,045)	(3,045)	(2,925)	0.0%	4.1%
Intervias	(1,895)	(1,895)	(1,820)	0.0%	4.1%
Vianorte	(12,355)	(12,355)	(11,867)	0.0%	4.1%

The variation in the amount of the fixed concession fee between the periods (+4.1% on average) is due to the annual adjustment of the amounts due by the variation in the IGP-M inflation index in the last 12 months, which occurs on the same date as the annual tariff adjustment of the state concessionaires.

On March 31, 2016, the nominal amount and the number of monthly installments to be paid in regard to the fixed concession charge were as follows:

Concessionaires	Real Value (R\$ thousand)			# of Monthly Payments
	Short Term	Long Term	Total	
Autovias	9,181	12,666	21,847	29
Centrovias	13,552	15,607	29,159	26
Intervias	8,767	23,587	32,354	46
Vianorte	53,471	49,750	103,221	23
<b>Total</b>	<b>84,971</b>	<b>101,610</b>	<b>186,581</b>	

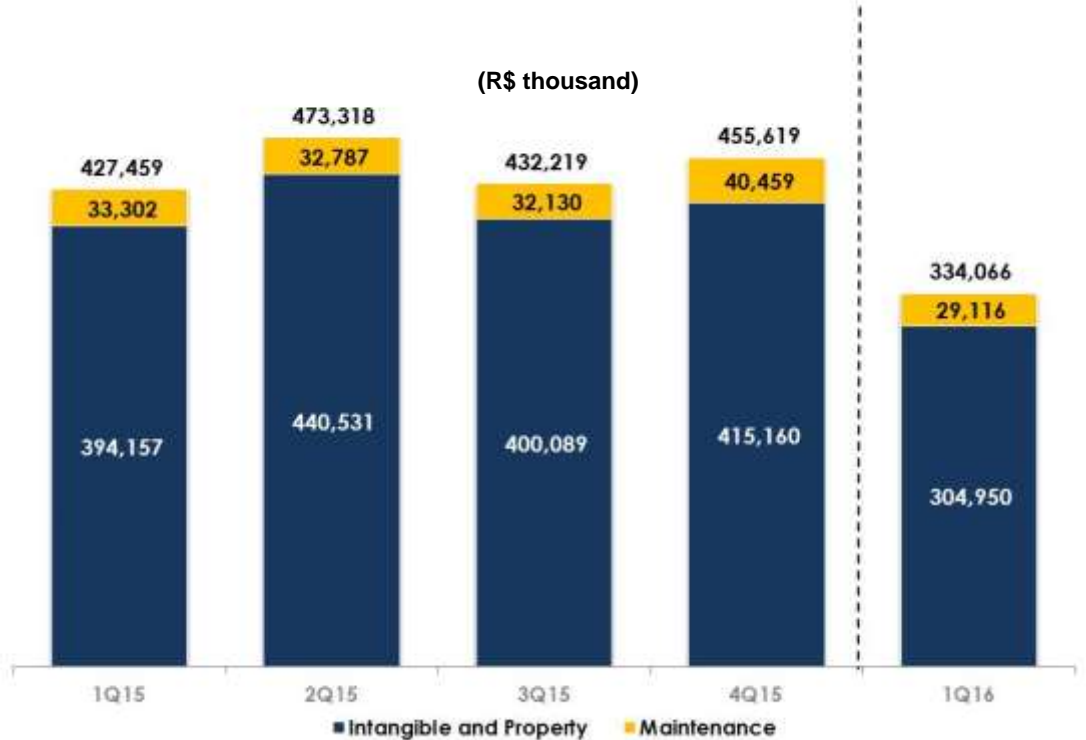
## Investments and Highway Maintenance

In 1Q16, the Company invested a total of **R\$334.1 million** in its highways, R\$305.0 million of which allocated to infrastructure works (recorded under intangible assets and property and equipment), mostly in the federal highways, and R\$29.1 million to state highway maintenance.

Capex Cash Flow (R\$ Thousand)	1Q16		
	Before IFRS (A + B)	IFRS	
		Intangible and Property (A)	Maintenance Realized (B)
Autovias	12,033	5,398	6,635
Centrovias	5,050	702	4,348
Intervias	21,326	14,328	6,998
Vianorte	11,588	453	11,135
<b>State Concessions</b>	<b>49,997</b>	<b>20,881</b>	<b>29,116</b>
Planalto Sul	38,936	38,936	-
Fluminense	65,608	65,608	-
Fernão Dias	24,077	24,077	-
Régis Bittencourt	82,839	82,839	-
Litoral Sul	67,687	67,687	-
<b>Federal Concessions</b>	<b>279,147</b>	<b>279,147</b>	<b>-</b>
<b>Total</b>	<b>329,144</b>	<b>300,028</b>	<b>29,116</b>
<i>Others invest. and consolidation adjustments</i>	4,922	4,922	-
<b>Total</b>	<b>334,066</b>	<b>304,950</b>	<b>29,116</b>

Investments through the end of all the concession agreements, including highway maintenance, are estimated at around **R\$6.6 billion**, already including the contractual amendments entered into by the Company at the end of 2014.

The Company's total investments in recent quarters are presented below:



The most important construction projects receiving investments in the first quarter of 2016 are described below:

**Autopista Fluminense**

Throughout the quarter, the concessionaire maintained the accelerated pace of the duplication works of Highway BR 101/RJ between the cities of Rio Bonito and Campos dos Goytacazes, a project that began in 3Q11 after it obtained the construction permit from IBAMA, Brazil's environmental protection agency. The project involves the duplication of 176.6 km of highway, 66.4 km of which concluded by 1Q16. Of the remaining 110.2 km, 57.6 km are currently undergoing works.



Avenida do Contorno  
(Autopista Fluminense)



Duplication of BR101-RJ / Macaé -  
Campos (Autopista Fluminense)





Duplication of Serra do Cafezal  
 (Autopista Régis Bittencourt)

**Autopista Régis Bittencourt**

The Serra do Cafezal (BR-116/SP) project, the concessionaire's main construction works project, continues to move ahead. The Company has already concluded and delivered 17.9 km of the duplication, of a total of 30.5 km, including two raised interchanges. In December 2014, the ANTT approved the necessary contractual rebalancing for the continuation of the works, including the construction of four tunnels, all of which in progress, and 42 bridges and overpasses (13 concluded, 20 in progress and 9 not yet begun).



Duplication of BR - 116/PR  
 (Autopista Planalto Sul)

**Autopista Planalto Sul**

The concessionaire's main project is the duplication of 25.4 km of the BR-116/PR between Curitiba (PR) and Mandirituba (PR), whose construction permit has already been obtained from IBAMA. Of this total, 14.5 km between Curitiba (PR) and Fazenda Rio Grande (PR) have already been concluded and freed for traffic, and the remainder, up to Mandirituba (PR), is under construction.

In 1Q16, the concessionaire concluded 9.9 km of side roads in Mafra (SC) and Mandirituba (PR).



Florianópolis Beltway (Autopista Litoral Sul)

**Autopista Litoral Sul**

The Florianópolis Beltway project, one of the most important works in the region, began in May 2014, immediately after IBAMA had granted the installation license for a 14 km stretch. In May 2015, the Company obtained a rectifying Environmental License covering a total extension of 47 km. The northern and intermediate stretches are currently undergoing works, including one raised interchange at km 215+380 and four underpasses.

In 1Q16, the concessionaire built 1.5 km of side roads and one underpass at km 646+05 on the BR-376/PR, in Tijucas do Sul (PR).



Access to Ribeirão Preto (Autovias and Vianorte)

**Autovias**

In September 2014, Autovias began duplicating 13.6 km of the SP 318 between km 235 and 249, in the São Carlos region. This is a new project which will be added to the concession agreement, resulting in a six-month extension of the concession term until May 2019, in accordance with the marginal cash flow method for the economic and financial rebalancing of the agreement.

**Intervias**

In February 2016, the Company concluded the implementation of 5 km corresponding to the second stage of the Mogi Mirim Beltway (SP).

In September 2014, the concessionaire began duplicating works on a 20.9 km stretch of the SP-147, between Mogi Mirim and Engenheiro Coelho (SP).



Mogi Mirim Beltway (Intervias)

## Personnel

Arteris closed 1Q16 with **5,805 employees**, **49.9%** of whom working for the **federal concessionaires**, **22.0%** for the **state concessionaires**, **25.4%** for the group's **construction companies** and the remaining **2.7%** for the **holding company**, as shown in the table below.

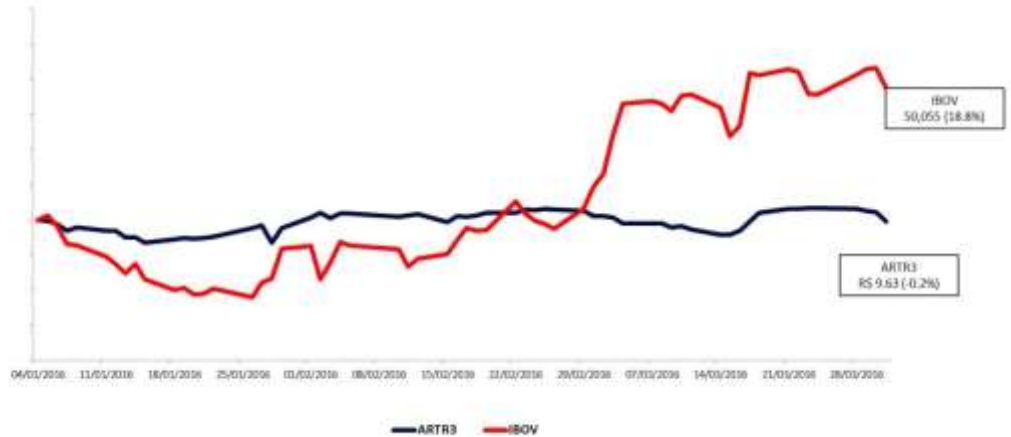
Personnel	1Q16	4Q15	1Q15	Var	
				1Q16/4Q15	1Q16/1Q15
Arteris (Holding)	158	162	154	(4)	4
<i>State Concessions</i>	<b>1,280</b>	<b>1,264</b>	<b>1,360</b>	16	(80)
Autovias	309	306	310	3	(1)
Centrovias	273	271	280	2	(7)
Intervias	417	421	520	(4)	(103)
Vianorte	281	266	250	15	31
<i>Federal Concessions</i>	<b>2,894</b>	<b>2,963</b>	<b>2,818</b>	(69)	76
Litoral Sul	631	690	613	(59)	18
Planalto Sul	351	352	268	(1)	83
Fluminense	482	480	451	2	31
Fernão Dias	818	827	867	(9)	(49)
Régis Bittencourt	612	614	619	(2)	(7)
Latina Manutenção	<b>1,311</b>	<b>1,428</b>	<b>1,655</b>	(117)	(344)
Latina Sinalização	<b>162</b>	<b>157</b>	<b>170</b>	5	(8)
<b>Total</b>	<b>5,805</b>	<b>5,974</b>	<b>6,157</b>	<b>(169)</b>	<b>(352)</b>

### Capital Market

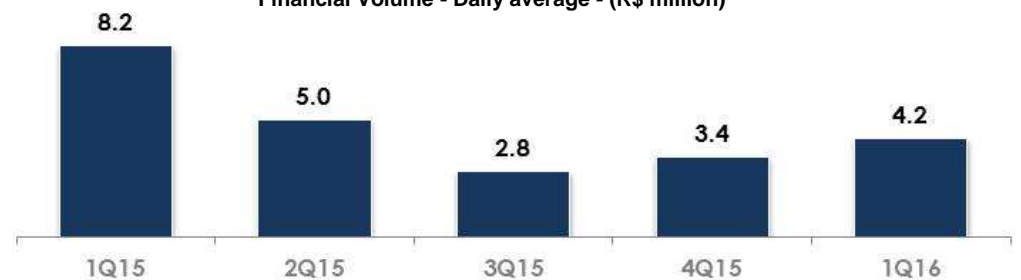
Arteris closed 1Q16 with a **market capitalization** of **R\$3.3 billion**, based on the closing price of R\$9.63 per share on March 31, 2016, corresponding to **depreciation** of **0.2%** since the beginning of the year. In the same period, the **Ibovespa Index** **increased** by **18.8%**.

Under the ticker **ARTR3**, the Company's stock was traded in 100% of BM&FBOVESPA trading sessions, with **financial trading volume** of approximately **R\$255.7 million** in 1Q16.

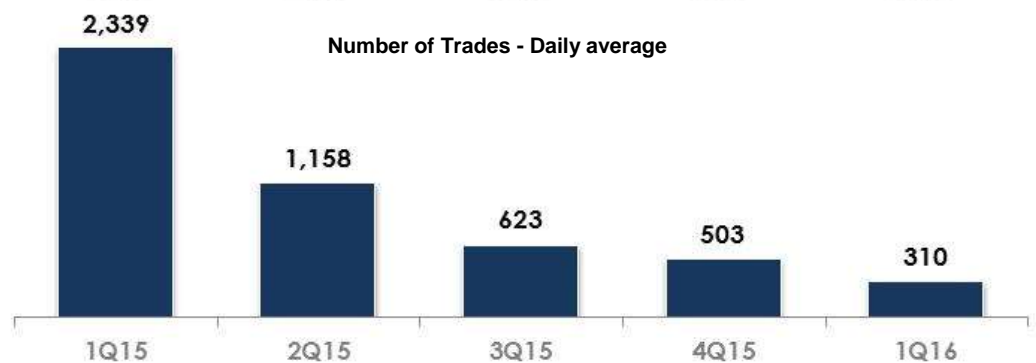
#### ARTR3 shares versus Ibovespa (1Q16)



Financial Volume - Daily average - (R\$ million)



Number of Trades - Daily average



Daily Average	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
Nº of Trades	310	503	2,339	-38.4%	-86.7%
Nº of Shares Traded	447,282	358,190	806,892	24.9%	-44.6%
Volume (R\$ Million)	4.3	3.4	8.2	25.3%	-48.0%

### Public Tender Offer for the Acquisition of Shares

On April 30, 2015, Arteris informed the market of its controlling shareholders' intention to hold a Public Tender Offer for the Acquisition of Arteris Shares with a view to cancelling the Company's registration as a category A publicly-held company and delisting it from the Novo Mercado. The process is currently undergoing analysis by the CVM. The controlling shareholders are awaiting authorization from the CVM to publish the notice and hold the offer.

Summarized schedule of the tender offer:

- ✦ August 25, 2015: an Extraordinary Shareholders' Meeting selects BNP Paribas to prepare the Appraisal Report
- ✦ September 22, 2015: Availability of the Appraisal Report (value interval: R\$8.74 to R\$9.55)
- ✦ September 23, 2015: Participes en Brasil S.L. announces that it will proceed with the tender offer
- ✦ March 21, 2016: Availability of the new Appraisal Report incorporating CVM requirements in a number of official letters (new value interval: R\$8.86 to R\$9.58)
- ✦ March 23, 2016: Participes en Brasil S.L. announces that it will proceed with the tender offer
- ✦ April 12, 2016: the CVM grants the tender offer request
- ✦ May 17, 2016: expected auction date

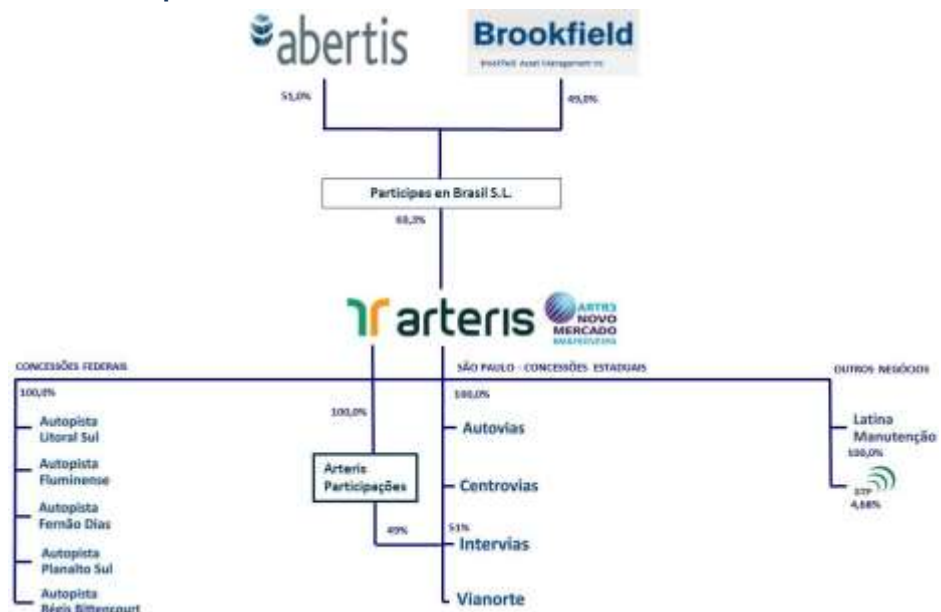
### Shareholding Structure

The Company's subscribed and paid-in capital was approximately R\$1.0 billion on March 31, 2016, represented by a single class of 344,444,440 common shares.



Reference Date: 03/31/2016

### Ownership Structure



## Portfolio of Concession Assets

Key data on our concession portfolio is presented below:

Concessionaires	Km	Toll Plazas	Fixed Concession Charge Payment Maturity	Concession Maturity	Contract Index
<b>State Concessions</b>					
Autovias	316.6	5	Aug-18	May-19	IGP-M
Centrovias	218.2	5	Jun-18	Jun-19	IGP-M
Intervias	375.7	9	Feb-20	Apr-28	IGP-M
Vianorte	236.6	4	Mar-18	Mar-18	IGP-M
<b>Federal Concessions</b>					
Planalto Sul	412.7	5	n.a.	Feb-33	IPCA
Fluminense	320.1	5	n.a.	Feb-33	IPCA
Fernão Dias	562.1	8	n.a.	Feb-33	IPCA
Régis Bittencourt	401.6	6	n.a.	Feb-33	IPCA
Litoral Sul	405.9	5	n.a.	Feb-33	IPCA

## Information disclosed by Abertis

The quarterly financial and operating information related to Arteris disclosed by Abertis is not necessarily identical to that reported by the Company, as IFRS rules in Brazil are somewhat different from those reported by Abertis. Abertis also includes in its results certain impacts related to the booking of the acquisition of Participes en Brasil S.L., which owns 69.3% of Arteris.

The table below shows the traffic trends of the Company's concessionaires as measured by ADT (Average Daily Traffic Intensity), a concept normally used by Abertis to measure traffic performance. ADT represents the concessionaires' average daily traffic volume in absolute vehicle terms and is calculated by taking the average daily number of vehicles in each toll plaza, weighted by the extension of the highway in kilometers.

ADT	1Q16	1Q15	Var%
<b>State</b>	<b>11,966</b>	<b>12,317</b>	<b>-2.8%</b>
Autovias	11,414	11,856	-3.7%
Centrovias	14,272	14,593	-2.2%
Intervias	9,748	10,033	-2.8%
Vianorte	14,146	14,505	-2.5%
<b>Federal</b>	<b>22,033</b>	<b>22,506</b>	<b>-2.1%</b>
Planalto Sul	6,833	6,900	-1.0%
Fluminense	16,173	17,315	-6.6%
Fernão Dias	24,673	25,292	-2.4%
Régis Bittencourt	21,655	22,647	-4.4%
Litoral Sul	38,764	38,414	0.9%
<b>Total</b>	<b>18,467</b>	<b>18,896</b>	<b>-2.3%</b>

## Corporate Profile

Arteris is a Brazilian highway concession company with more kilometers under management than any of its peers. Through its nine concessionaires – Autovias, Centrovias, Intervias, Vianorte, Autopista Fernão Dias, Autopista Fluminense, Autopista Litoral Sul, Autopista Planalto Sul and Autopista Régis Bittencourt – Arteris manages 3,250 kilometers in the states of São Paulo, Rio de Janeiro, Minas Gerais, Paraná and Santa Catarina. Arteris is a publicly-held company with shares listed in the Novo Mercado trading segment of the BM&FBovespa. The Company is controlled by Abertis and Brookfield Motorways. More information can be found at: [ri.arteris.com.br](http://ri.arteris.com.br)

*This release contains forward-looking statements relating to the business prospects, estimates of operating and financial results and growth prospects of Arteris. These are merely projections and as such are based exclusively on the expectations of Arteris' management concerning the future of the business and its continued access to capital to fund the Company's business plan. Such forward-looking statements depend substantially on changes in market conditions, government regulations, competitive pressures, and the performance of the Brazilian economy and the industry and are therefore subject to change without prior notice.*

APPENDIX 1

CONSOLIDATED BALANCE SHEET

<b>BALANCE SHEET</b>			
(In thousands of Brazilian reais)			
<b>ASSETS</b>	<b>03/31/16</b>	<b>12/31/15</b>	<b>03/31/15</b>
<b>CURRENT ASSETS</b>			
Cash and equivalents	498,757	488,529	1,094,166
Trade receivables	165,834	153,130	141,204
Amounts due from related parties	260	0	214
Inventories	10,688	8,866	8,572
Prepaid expenses	17,370	18,622	14,052
Recoverable taxes	83,696	83,846	53,915
Dividendos a Receber	5,674	6,223	0
Restricted investments	40,646	154,171	13,043
Other receivables	5,155	4,977	4,037
<b>Total current assets</b>	<b>828,080</b>	<b>918,364</b>	<b>1,329,203</b>
<b>NON-CURRENT ASSETS</b>			
Restricted investments	90,609	85,872	90,171
Contractual guarantees	0	24	68
Recoverable taxes	15,390	10,449	0
Prepaid expenses	704	150	33
Deferred income tax and social contribution	285,302	256,591	189,449
Escrow deposits	118,942	111,437	87,476
Other receivables	8,293	8,164	8,434
Investments in subsidiaries	1,053	1,053	1,053
Property and equipment	61,581	62,414	61,824
Intangible assets	8,856,456	8,627,052	7,649,394
<b>Total non-current assets</b>	<b>9,438,330</b>	<b>9,163,206</b>	<b>8,087,902</b>
<b>TOTAL ASSETS</b>	<b>10,266,410</b>	<b>10,081,570</b>	<b>9,417,105</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT</b>			
Loans and financing	604,379	234,496	209,593
Instrumento Financeiro Derivativo	37,794	0	0
Debentures	1,730,006	1,726,915	897,083
Suppliers	121,835	139,391	127,107
Payroll taxes	80,859	78,487	70,234
Taxes payable	70,528	63,663	58,188
Amounts due to related parties	152	0	152
Contractual guarantees	73,969	78,189	64,392
Proposed dividends	33,270	33,270	27,029
Concession fee obligations	82,779	79,765	74,725
Inspection fee	3,820	3,519	3,454
Provision for maintenance in highways	202,897	173,524	130,311
Provision for investments in highways	61,516	56,711	71,062
Advance insurance	798	3,942	6,861
Other payables	9,971	15,249	13,540
<b>Total current liabilities</b>	<b>3,114,573</b>	<b>2,687,121</b>	<b>1,753,731</b>
<b>NONCURRENT</b>			
Loans and financing	2,837,227	2,885,688	2,730,347
Debentures	1,323,569	1,539,304	2,018,309
Concession fee obligations	93,232	108,926	150,192
Deferred revenue	0	0	115
Deferred income tax and social contribution	59,857	62,870	85,828
Provision for maintenance in highways	482,688	457,361	425,618
Provision for investments in highways	58,611	63,604	50,370
Reserve for civil, labor and tax risks	16,634	17,517	15,446
Other payables	20,507	14,330	1,640
<b>Total non-current liabilities</b>	<b>4,892,325</b>	<b>5,149,600</b>	<b>5,477,865</b>
<b>EQUITY</b>			
Capital	1,033,198	1,033,198	873,822
Legal reserves	130,798	76,933	123,793
Profit reserves	1,117,787	1,156,989	1,210,165
Valuation adjustments to capital - foreign exchange differences on capital	(22,271)	(22,271)	(22,271)
<b>Total equity</b>	<b>2,259,512</b>	<b>2,244,849</b>	<b>2,185,509</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>10,266,410</b>	<b>10,081,570</b>	<b>9,417,105</b>

APPENDIX 2

CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT					
(In thousands of Brazilian reais)					
	1Q16	4Q15	1Q15	Var% 1Q16/4Q15	Var% 1Q16/1Q15
<b>GROSS SERVICE REVENUE</b>	<b>933,043</b>	<b>1,015,880</b>	<b>974,041</b>	<b>-8.2%</b>	<b>-4.2%</b>
Toll plazas revenue	621,200	624,263	599,007	-0.5%	3.7%
<b>State</b>	<b>339,189</b>	<b>370,287</b>	<b>333,985</b>	<b>-8.4%</b>	<b>1.6%</b>
Autovias	81,977	88,505	81,392	-7.4%	0.7%
Centrovias	89,348	96,939	86,970	-7.8%	2.7%
Intervias	91,704	101,337	90,839	-9.5%	1.0%
Vianorte	76,160	83,506	74,784	-8.8%	1.8%
<b>Federal</b>	<b>282,011</b>	<b>253,976</b>	<b>265,022</b>	<b>11.0%</b>	<b>6.4%</b>
Planalto Sul	30,639	26,966	28,283	13.6%	8.3%
Fluminense	46,494	43,464	44,646	7.0%	4.1%
Fernão Dias	63,178	61,539	61,539	2.7%	2.7%
Régis Bittencourt	78,197	65,936	70,803	18.6%	10.4%
Litoral Sul	63,503	56,071	59,751	13.3%	6.3%
Others	10,586	5,751	21,993	84.1%	n.a.
Construction services	301,257	385,866	353,041	-21.9%	-14.7%
<b>DEDUCTIONS FROM REVENUE</b>	<b>(55,776)</b>	<b>(55,248)</b>	<b>(55,112)</b>	<b>1.0%</b>	<b>1.2%</b>
<b>NET SERVICE REVENUE</b>	<b>877,267</b>	<b>960,632</b>	<b>918,929</b>	<b>-8.7%</b>	<b>-4.5%</b>
<b>COST OF SERVICES</b>	<b>(653,071)</b>	<b>(775,410)</b>	<b>(656,711)</b>	<b>-15.8%</b>	<b>-0.6%</b>
<b>GROSS PROFIT</b>	<b>224,196</b>	<b>185,222</b>	<b>262,218</b>	<b>21.0%</b>	<b>-14.5%</b>
<b>OPERATING (EXPENSES) INCOME</b>	<b>(37,107)</b>	<b>(58,118)</b>	<b>(47,475)</b>	<b>-36.2%</b>	<b>-21.8%</b>
General and administrative expenses	(33,606)	(61,729)	(42,055)	-45.6%	-20.1%
Management compensation	(5,033)	(3,116)	(5,671)	61.5%	-11.3%
Tax expenses	(111)	(683)	(854)	-83.7%	-87.0%
Other operating income, net	1,643	7,410	1,105	-77.8%	48.7%
<b>NET FINANCE INCOME (COSTS)</b>	<b>(152,132)</b>	<b>(145,647)</b>	<b>(121,720)</b>	<b>4.5%</b>	<b>25.0%</b>
<b>INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>34,957</b>	<b>(18,543)</b>	<b>93,023</b>	<b>n.d.</b>	<b>-62.4%</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(21,455)</b>	<b>6,550</b>	<b>(36,291)</b>	<b>n.d.</b>	<b>-40.9%</b>
Current	(53,139)	(42,955)	(46,302)	23.7%	14.8%
Deferred	31,684	49,505	10,011	-36.0%	216.5%
<b>NET INCOME FOR THE PERIOD</b>	<b>13,502</b>	<b>(11,993)</b>	<b>56,732</b>	<b>n.d.</b>	<b>-76.2%</b>



APPENDIX 3

CONSOLIDATED CASH FLOW STATEMENT

STATEMENT OF CASH FLOWS		
(In thousand of Brazilian reais)		
	1Q16	1Q15
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET INCOME</b>	<b>13,502</b>	<b>56,732</b>
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	141,475	124,126
Disposal of permanent assets	12,092	13,008
Deferred income tax and social contribution	(31,684)	(10,011)
Foreign exchange gain (loss) and interest on concession fees	6,674	6,037
Income from restricted investments	(7,334)	(5,319)
Interest and inflation adjustment on loans	(5,334)	31,812
Interest and inflation adjustment on debentures	116,823	104,964
Instrumento Financeiro Derivativo	37,794	0
Despesas Financeiras AVP	10,151	16,602
Recognition (reversal) of reserve for civil, labor and tax risks	67	1,215
Recognition (reversal) of provision for maintenance	74,209	18,397
Decrease (increase) in operating assets:		
Trade receivables	(11,969)	12,858
Amounts due from related parties	(260)	0
Inventories	(1,822)	1,378
Prepaid expenses	698	1,276
Recoverable taxes	(2,246)	(5,339)
Other credits	(178)	2,769
Contractual guarantees	24	0
Escrow deposits	(1,087)	(21,117)
Other receivables	(129)	(8,200)
Increase (decrease) in operating liabilities:		
Trade payables	(30,580)	13,709
Trade payables - related parties	0	0
Contractual guarantees	(11,092)	833
Payroll taxes	2,372	(6,581)
Taxes payable	30,514	34,394
Payable income tax and social contribution	(32,664)	(56,763)
Deferred revenue	0	(346)
Advances for insurance	0	0
Sinistros Recebidos	(3,104)	0
Other payables	5,859	6,629
Concession fee	(24)	(53)
Reserve for civil, labor and tax risks	(950)	(966)
Payment of interest	(196,195)	(189,643)
<b>NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>	<b>116,763</b>	<b>143,180</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(2,397)	(4,698)
Increase in intangible	(331,669)	(422,761)
Restricted cash investments	(84,349)	(35,914)
Redemption of deposits	198,086	196,163
Dividends received	549	0
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(219,780)</b>	<b>(267,211)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings		
Loans and financing	388,750	66,675
Funding / Issue of debentures	0	0
Payments - interest and principal	(256,175)	(240,363)
Payment of concession fee	(19,330)	(18,567)
Payment of dividends	0	0
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>113,245</b>	<b>(192,255)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>10,228</b>	<b>(316,285)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>488,529</b>	<b>1,410,451</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>498,757</b>	<b>1,094,166</b>

## GLOSSARY

**Adjustment to Present Value:** On December 28, 2007, Federal Law 11,638 was enacted, which amended, revoked and introduced new provisions to Brazilian Corporate Law, most notably Chapter XV concerning accounting matters, with the law coming into force on January 1, 2008. The main purpose of the new law was to update Brazilian Corporate Law to enable the convergence of generally accepted accounting practices in Brazil with International Financial Reporting Standards (IFRS), as well as to allow new rules and procedures to be issued by the Securities and Exchange Commission of Brazil (CVM), in accordance with international accounting standards.

Complementing this process, the CVM, through Instruction 469 dated May 2, 2008, instructed publicly traded companies on the disclosure and accounting treatment of certain changes introduced by Federal Law 11,638/07.

The main changes introduced by Federal Law 11,638/07 that impact the Company's standalone and consolidated Quarterly Financial Information include the mandatory valuation of significant long-term assets and liabilities, such as "Concession Rights" and "Concession Fee Obligations", at present value (Adjustment to Present Value). Previously the Company accounted "Concession Rights" and "Concession Fee Obligations" at their nominal value.

The effects from the adjustments to present value from "Concession Rights" and "Concession Fee Obligations" that occurred up to December 31, 2007 were accounted directly under Equity in 2008. As of January 1, 2008, the effects of the adjustments to present value have been accounted directly in the quarterly income statements.

**Adjusted EBITDA and Adjusted EBITDA Margin:** EBITDA adjusted by the reversal of the provisions for road maintenance. The Company believes adjusted EBITDA is the best way to show its operating cash flow. Adjusted EBITDA Margin is the ratio between net operating revenue excluding construction revenue and Adjusted EBITDA.

**Concession authority:** The federal, state or local government or federal district that is responsible for the public service, prior to the execution of works or otherwise, that is the subject matter of concession or permission. (Federal Law 8,987 of 1995 - Article 2 - CF. Article 1). The concessionaire has access to operate the infrastructure to provide the public services on behalf of the concession authority pursuant to the contractual conditions. The concession authority relies on the regulatory agencies (ARTESP in the state of São Paulo and ANTT for the federal government) to monitor and inspect the transportation services delegated and to regulate the highway concession program.

**Construction Revenue and Costs:** These are non-cash accounting entries under the new rules implemented by IFRS that seek to translate the amount of investment the Company makes in intangible assets. The amount recorded as construction revenue is exactly the same as the amount recorded as construction cost, i.e., it does not affect the Company's results.

**Costs with the Concession Authority:** These are payments that have been stipulated in the concession contracts. These costs are composed of: expenses with the "Variable Fee" for state concessions, which corresponds to 3% of gross revenue at the concessions Autovias, Centrovias and Vianorte, plus 3% of toll revenue and 25% of ancillary revenue; and by costs with "Inspection Funds" and "Technological Development" at the federal concessions, which are adjusted annually by the IPCA inflation index.

**EBITDA and EBITDA Margin:** EBITDA is Earnings before Interest, Taxes, Depreciation and Amortization. An operating performance indicator also known for its Portuguese acronym LAJIDA. EBITDA is not a measure adopted in accounting standards and does not represent cash flow for the periods presented and, therefore, should not be considered an alternative to cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and, therefore, cannot be compared to the EBITDA of other companies.

EBITDA Margin is the ratio between net operating revenue excluding construction revenue and EBITDA.

**Electronic Toll Collection /AVI System:** The AVI system is an electronic payment system used on our highways. Drivers who use the AVI system have an electronic sensor mounted on their windshield that enables the system to recognize the category of vehicle that they are driving. As they pass through the toll plaza lane, antennae capture the signals emitted and the sensors record the vehicle's presence and calculate the total amount owed, without the driver having to stop the vehicle.

**Federal Concessionaires:** Specific Purpose Companies created by the winners of the bidding process with which the Concession Contracts were signed which have the specific corporate purpose of maintaining, conserving and operating federal highways. Federal Concessionaires are regulated by the National Road Transportation Agency (ANTT). Arteris currently operates five federal concessionaires in Brazil: (Autopista Planalto Sul, Autopista Fluminense, Autopista Fernão Dias, Autopista Régis Bittencourt and Autopista Litoral Sul).

**Fixed Concession Fee:** In accordance with our concession contracts, the state concessionaires must pay the concession authority a fixed fee in exchange for the granting of the concession. The contracts also establish that the amount for the fixed fee must be settled in monthly payments over the duration of the concession period. We have opted to account the value of the grant of concession under assets and the total amount payable to the concession authority for the fixed concession fee under liabilities.

**Leverage Ratio:** The leverage ratio is defined as Net Debt (Gross Debt less Cash and Cash Equivalents) divided by Adjusted EBITDA (adjusted by the reversal of the provision for maintenance), less the Fixed Concession Fee in cash flow. The lower the leverage ratio, the greater the amount of funding that can be raised in credit markets.

**Monetary Restatement of the Fixed Concession Fee:** The concession contracts between the state concessionaires and the concession authority establish that the monthly payments of the fixed concession fee be adjusted by the IGP-M index every July 1st, which is the same date on which the tolls are adjusted by the same index.

**Provision for Maintenance:** Estimated spending required to settle the current obligations to maintain infrastructure at the operating levels stipulated in the contract, considering the wear caused by use. The Concessionaire must constitute a provision based on its best estimate of the spending required to maintain a certain level of service or to recuperate infrastructure to operating conditions prior to returning the assets to the concession authority at the end of the concession period, as stipulated in the contract.

**State Concessionaires:** Specific Purpose Companies created by the winners of the bidding process with which the Concession Contracts were signed which have the specific corporate purpose of maintaining, conserving and operating state highways. State Concessionaires are regulated by the São Paulo State Public Transportation Services Regulatory Agency (ARTESP). Arteris currently manages four state concessionaires in the state of São Paulo (Autovias, Centrovias, Intervias and Vianorte).

**Toll Adjustments:** As established in the concession contracts in the state of São Paulo, tolls are readjusted every July based on the variation in inflation measured by the IGP-M index in the 12-month period ending on May 31. On July 1, 2013, the IGP-M index will be replaced by the IPCA index as the basis for adjustment. The economic and financial imbalances resulting from the change in index will be evaluated once every two years and be rebalanced in relation to the contract duration transpired. Toll adjustments at the federal concessions are based on the variation in inflation measured by the IPCA index published by the Brazilian Geography and Statistics Institute (IBGE) in the period from the month preceding the base date in the toll proposal presentation, i.e., June 2007, to the month preceding the date on which tolls began to be collected. After this first adjustment, all subsequent adjustments take place annually and are also based on the cumulative variation in the IPCA index in the 12 months since the previous adjustment.

**Vehicle Equivalents:** Vehicle equivalent unit (VEU) is used as the basis for charging tolls. A passenger vehicle is considered a vehicle equivalent and a commercial vehicle (such as a truck or bus) is calculated by the number of axles, with each axle counting as one passenger vehicle. One passenger vehicle is equivalent to one axle on a commercial vehicle.