

**Fernando Alterio:**

Good morning and thank you very much for joining our earnings presentation. I will begin with the operating performance and the event pipeline for the coming months.

In 2Q18, we promoted only live music shows, which totaled 58 events with 230 thousand tickets sold. The reduction in both figures, this quarter, is associated to (i) the seasonality in our business due to the artists' agenda, which concentrates more contents in some quarters than in others, and to (ii) the World Cup, which affected the number of indoor shows in our venues in June.

In Family and Theater, as we explained in previous quarters, we did not begin the promotion of any original Broadway musical in March as we do every year. This year, we held the première of The Phantom of The Opera only in August, so this segment did not contribute to our result in the second quarter.

However, between April and May, we rented Teatro Renault our theater for the musical The Sound of Music, promoted by Charles Möeller and Claudio Botelho, which proved to be a great success in attendance and made it easier to negotiate their association with T4F.

Charles Möeller and Claudio Botelho are recognized as one of the largest theater producers in Brazil and have promoted in recent years, in addition to The Sound of Music, Fiddler on the Roof, Hair, Sweet Charity, The Wizard of Oz, among many others. They will now work in association with T4F, which will have the majority stake in all theatrical productions, including adapted musicals and plays, reinforcing our position in this segment.

Now, talking about the event pipeline for the next months, in the second half of 2018, we will promote 16 outdoor shows, of which 12 are in stadiums. For comparison purposes, I point out that in the second half of 2017, we promoted 10 outdoor concerts (5 in stadiums and 5 in arenas).

- In 3Q18, we will promote the Villa Mix festival in Sao Paulo and open ticket sales for our sixth edition of Lollapalooza Brazil, which will take place in April 2019.
- In October, we will promote 10 concerts of Roger Waters' tour in stadiums: 8 in Brazil and 2 in Argentina.
- In November, we will present the Solid Rock festival at Allianz Park in Sao Paulo and in arenas in Buenos Aires and Santiago.

- And, in December, we will hold the Summer Break festival in arenas in Sao Paulo and Santiago with Noel Gallagher as headliner.

In indoor music, we have already booked more than 100 concerts of local and international artists for the second half of 2018.

In Family and Theater Events, we will continue to present the musical The Phantom of the Opera, which was our attendance record among all our musicals when it was performed in 2005/2006, and continues on top if we consider the number of tickets sold to date.

In Sports Events, we will continue to promote Stock Car, “Campeonato Brasileiro de Marcas” and Stock Light.

Now Flabia will comment on the financial results.

**Flabia Schiavon:**

Good morning!

As you can see on slide five (5) of our presentation, net revenue totaled seventy two (R\$72) million Reais in the second quarter.

In the segment of event promotion, net revenue decreased sixty percent (60%) due to the absence of family and theater events and the lower activity in live music, both in indoor and stadium concerts. In the second quarter of 2017, we presented 3 concerts in stadiums (2 of Justin Bieber and 1 of Elton John), while this quarter we promoted only one in stadium of Ozzy Osbourne’s tour. The other concerts took place in arenas, which resulted in a reduction in the number of tickets sold. The mix of events also led to a decrease in the average ticket price.

Net revenue of ticketing, F&B and venues operations decreased sixty seven percent (67%) in the second quarter of 2018, due to the lower activity in event promotion and the fact that we did not open sales for outdoor concerts in the second half of the year. On the other hand, in the same period last year, we started ticket sales for four (4) shows of Paul McCartney.

In sponsorship, net revenue was in line with the second quarter of 2017, which indicates an improvement year-on-year in this segment, given that we had a significant reduction in the number of events.

On the next slide, you can see that gross profit decreased sixty eight percent (68%) as a consequence of the reduced activity level in event promotion and in operations, partially offset by the maintenance of the sponsorship revenue.

It is important to highlight that SG&A reduced fourteen (14%) year-on-year and, if we consider other operating expenses, the reduction was even higher, reaching thirty nine percent (39%).

As a result, we ended the second quarter with an EBITDA of one point two (R\$1.2) million Reais.

On slide seven (7), we show our financial result, which was positive in almost seven (R\$7) million due to the financial income one (R\$1.1) million higher than the financial expenses. In addition to that, we registered a positive exchange variation of five point five (R\$5.5) million in the hedge operations of Brazil and Argentina.

Therefore, we ended the second quarter of 2018 with net income of three point seven (R\$3.7) million Reais.

On the last slide, I will talk about the Company's cash.

Regarding cash flow:

- We consumed fifty eight (R\$58) million Reais in operating cash, since we paid artists' fees and production costs of the concerts promoted during the first quarter of the years and we did not open sales in the second quarter for future large shows.
- And we invested one point one (R\$1.1) million, of which six hundred (R\$600) thousand in maintenance capex and five hundred (R\$500) thousand in financial investments.
- In the financing flow, we highlight the payment of (i) twenty-one (R\$21) million in dividends, (ii) R\$1.1 million in the acquisition of own shares (ii) and the receipt of three point four (R\$3.4) million from related parties.

As a result, we ended the quarter with one hundred seventy two (R\$172) million in cash, the same level as in the second quarter of 2017, even with the payment of dividends and a fifty one percent (51%) reduction in indebtedness, which totaled (thirty nine) R\$39 million.

Thank you very much! Fernando will return to conclude our presentation now

**Fernando Alterio:**

As we explained in the previous quarter, I recall that in our industry the best comparison basis is the annual, since there are many seasonality effects between quarters, which change according to logistics, artists' agendas and sales openings.

In 2016, the third quarter was the weakest of the year. In 2017, it was the first, and, in 2018, it will be the second quarter.

It is worth highlighting that we posted positive figures in terms of EBITDA and net income this quarter, despite the low level of activity and result, which were already considered in our initial projections, as well as a second half of the year stronger than the previous one.

At this moment, we are able to have a good visibility that the third quarter of the year will post better results than the same period last year. Therefore, we remain confident in achieving the guidance released at the beginning of the year, with EBITDA growth of 15% from 2017.

From this moment, the IR team is available to answer any questions.  
Thank you very much.