Atento Reports Fiscal 2020 First Quarter Results

Three Horizon Plan continues gaining traction with strong Multisector growth YoY
Robust contingency plan to protect employees and other stakeholders
Improved cash generation in the quarter
Total liquidity of $163 million guaranteeing business stability

NEW YORK, May 7, 2020 -- Atento S.A. (NYSE: ATTO) ("Atento" or the "Company"), the largest provider of customer-relationship management and business-process outsourcing services in Latin America, and among the top five providers globally, today announced its first-quarter operating and financial results for the period ending March 31, 2020. All comparisons in this announcement are year-over-year (YoY) and in constant-currency (CCY), unless noted otherwise, and may differ from the corresponding 6-K filing due to certain intra-group eliminations.

Q1 2020 highlights

Three Horizon Plan continues gaining traction
- Strong Multisector growth at higher margins
- Profitability improvements via better revenue mix and effective cost management
- Bulk of investments in digital transformation completed in 2019

2019 pipeline of acquired programs already showing results in Q1 2020
- 8.4% YoY Multisector growth across regions
- Multisector reached 67.5% of total revenue, up 510 bps from 62.4% in Q1 2019

Reported EBITDA improved YoY
- +10% EBITDA growth, with EBITDA margin expanding +120 bps
- +150 bps Brazil margin, due to Multisector growth and positive impact from certain discontinued TEF programs
- +60 bps Americas margin on improved revenue mix

Cash generation improved under Three Horizon Plan and DSO reduction
- Positive results of transformation plan combined with new working capital management policies
- DSO reduction from stricter collection policy

Robust contingency plan to protect employees and other stakeholders
- Contributing toward helping assure the continuity of essential services for citizens around the world through remote and secure customer services
- Over 60,000 work-at-home agents (WAHA), or approximately 55% of Company's call center employees
- Solid cash position of $163 million, reflecting strong operating cashflow and drawdown of credit facilities to enhance financial liquidity

World leading institutional investors HPS, GIC and Farallon to invest independently in Atento, acquiring Bain Capital's equity stake in the Company
- Participation reflects confidence in Atento's Three Horizon Plan
- HPS, GIC and Farallon have each agreed to certain transfer restrictions with regards to their Atento shares for a period of 24 months
- HPS will have the right to propose two directors, while GIC and Farallon will each have the right to propose one director.

Message from the CEO and CFO

Carlos López-Abadia, Atento's Chief Executive Officer, commented, "Atento responded early to the COVID-19 crisis, rapidly implementing measures to protect our employees, reinforcing our balance sheet, and ensuring that we continue to effectively deliver services, some of which are mission-critical, across our markets. I would like to thank each and every person on our teams for their commitment during this challenging period.

Our first quarter results were largely ahead of plan, as our transformation plan gained additional traction that further improved revenue mix, profitability and cash flow. While the economic effects of the crisis are impacting volumes and utilization rates, resulting market dynamics are creating opportunities with respect to the higher-growth in multisector customers, such as born-digital and tech.

We have also been able to continue building out our portfolio of next-generation services, such as digital, high-value voice, integrated multichannel and back office, which many companies continue purchasing as they seek to reduce costs in this difficult economic environment. In addition to safeguarding business continuity, our transition to a work-at-home model is providing access to a wider pool of talent, helping reduce absenteeism and turnover, as well as increase scale advantages and operating leverage. We expect, therefore, to emerge from the crisis far stronger than many of our competitors, near and far, enabling us to secure more profitable business opportunities and capture greater market share."

José Azevedo, Atento's Chief Financial Officer said, "Owing to significantly improved working capital policies, enhanced cash management, as well as stronger cost controls, we improved our first-quarter operating cash flow, helping increase our cash position in combination with drawdowns from Atento's credit facilities, to navigate the pandemic crisis.

Although we have been able to further accelerate our transformation initiatives, the bulk of related investments are now behind us and we are being cautious and prudent in this complex business environment, postponing non-essential capital expenditures, further reducing indirect costs, and protecting hard-earned margin gains. And while we have largely completed the process of discontinuing unprofitable client programs, we will continually review remaining programs and make any necessary adjustments.

Looking ahead, we believe we will be able to continue effectively executing our Three Horizon Plan, through new growth avenues, next generation services and digital acceleration, as well as operational improvements and financial discipline."

Institutional Investors to Acquire Bain Capital's Equity Stake in Atento

On May 7, the Company announced arrangements to facilitate HPS Investment Partners, GIC and an investment fund affiliated with Farallon Capital Management's acquisition of shares of the Company currently held indirectly by Bain Capital in exchange for notes currently held by them.

The transaction is subject to regulatory conditions, including anti-trust approvals in Brazil and Mexico. Following the transaction, Atento expects that HPS will hold approximately 25%, GIC 22% and Farallon 15% of the shares in the Company. The institutional investors will invest independently in Atento and will be able to propose candidates to be nominated to the Company's Board of Directors, subject to shareholder approval. HPS will have the right to propose two directors, while GIC and Farallon will each have the right to propose one director.

Each of HPS, GIC and Farallon have also agreed to certain transfer restrictions with regards to their Atento shares for a period of 24 months from the date of completion of the transaction. The arrangements with these investors are intended to ensure that there are no impacts on Atento's day-to-day business operations.

Summarized Financials

($ in millions except EPS)	Q1 2020	Q1 2019	CCY Growth [1]
Income Statement			
Revenue	**375.4**	436.7	*-2.8%*
EBITDA [2]	**40.8**	42.0	*10.1%*
EBITDA Margin	**10.9%**	9.6%	*1.2p.p.*
Net Income	**(7.4)**	(45.6)	*83.1%*
Recurring Net Income [3]	**(3.4)**	(5.5)	*50.8%*
Earnings Per Share [3]	**(0.10)**	(0.61)	*82.4%*
Recurring Earnings Per Share [3]	**(0.05)**	(0.07)	*43.8%*
Cash flow, Debt and Leverage			
Net Cash (Used In)/ from Operating Activities	**4.4**	(39.8)	
Cash and Cash Equivalents	**162.8**	77.9	
Net Debt	**564.3**	565.2	
Net Leverage	**3.7**	3.2	

(1) Unless otherwise noted, all results are for Q1 2020; all revenue growth rates are on a constant currency basis, year-over-year.
(2) EBITDA, Recurring Net Income/Recurring EPS are Non-GAAP measures.
(3) Reported Net Income and Earnings per Share (EPS) attributable to Owners of the Parent Company and includes the impact of non-cash foreign exchange gains/losses on intercompany balances.

First Quarter Consolidated Operating Results

The first quarter of 2020 registered significant improvements in growth and quality coupled with higher margins, as a result of continued diversification of Atento's client portfolio mix toward faster growing verticals and away from low-margin businesses, benefiting overall profitability.

Multisector remains the core growth engine of the Company, with sales in this segment increasing 8.4% across all regions to 67.5% of total revenue, up 510 bps compared to Q1 2019.

In Brazil, Multisector revenues increased 3.6%, mainly among born-digital clients and as a result of the pipeline acquired throughout 2019. In the Americas, higher volumes in the financials vertical, combined with the pipeline acquired last year among mostly tech and born-digital companies, also drove the 8.4% increase in Atento's Multisector revenues, particularly in Mexico and Colombia. In EMEA, Multisector growth was driven by the pipeline acquired in 2H 2019, leading to a mix 840 bps higher than Q1 2019.

Telefónica revenues decreased 19.9%, mainly reflecting the discontinuation of lower margin programs in 2H 2019 in Brazil and lower volumes in EMEA.

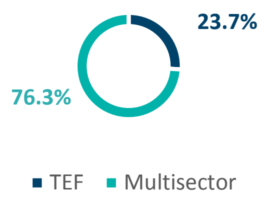
Reported EBITDA increased 10.1% YoY to $40.8 million, with EBITDA Margin at 10.9%, a 120 bps improvement versus Q1 2019, fueled by Brazil and the Americas and extending a positive EBITDA trend as a result of (i) customer and service mix moving to more profitable verticals and services; (ii) operational improvement initiatives gaining additional traction; and (iii) exiting low-margin business.

Segment Reporting

Brazil

($ in millions)	Q1 2020	Q1 2019	*CCY growth* (1)
Brazil Region			
Revenue	**172.0**	218.3	-7.1%
Adjusted EBITDA (2)	**24.4**	27.8	4.5%
Adjusted EBITDA Margin	**14.2%**	12.7%	1.5p.p.
Operating Income/(loss)	**(8.2)**	(5.9)	-70.3%

Brazil Revenue Mix – Q1 2020



(1) Unless otherwise noted, all results are for Q1 2020; all growth rates are on a constant currency basis and year-over-year
(2) EBITDA and Adj. EBITDA are Non-GAAP measures.

In Brazil, Atento's flagship operation, first quarter Multisector revenue increased 3.6%, accounting for 76.3% of Brazilian revenues in the quarter, a 580 bps expansion year-over-year, mainly with born-digital clients and as a result of the pipeline acquired throughout 2019.

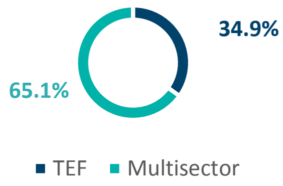
The decision to discontinue unprofitable programs in 2H 2019, which has also contributed to improved margins, led to a 30.2% decrease in Telefónica revenues during the quarter.

Reported EBITDA totaled $24.4 million, 4.5% higher than first quarter 2019, reflecting the improved revenue mix. The corresponding margin expanded 150 bps to 14.2%, driven by a 130 bps positive impact from discontinuing lower margin programs.

Americas Region

($ in millions)	Q1 2020	Q1 2019	*CCY growth* (1)
Americas Region			
Revenue	**147.4**	161.7	1.1%
Adjusted EBITDA (2)	**13.7**	14.1	1.3%
Adjusted EBITDA Margin	**9.3%**	8.7%	0.6p.p.
Operating Income/(loss)	**(6.9)**	(7.6)	9.0%

Americas Revenue Mix – Q1 2020



(1) Unless otherwise noted, all results are for Q1 2020; all growth rates are on a constant currency basis and year-over-year
(2) EBITDA and Adj. EBITDA are Non-GAAP measures.

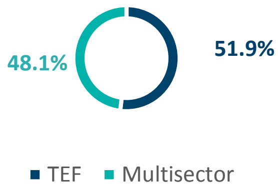
First quarter revenue in the Americas region grew 1.1% year-over-year to $147.4 million, mainly driven by higher volumes in tech and born-digital companies, combined with the pipeline acquired in 2019. Volumes were particularly strong in Mexico and Colombia, leading to an 8.4% increase in Multisector sales, up 360 bps to 65.1% of total revenue. TEF revenues declined 10.3%, mainly due to lower volumes in Peru.

EBITDA in the first quarter totaled $13.7 million, up 1.3%, with a corresponding margin of 9.3%, 60 bps higher than last year's comparable quarter. Most countries in the region reported higher profitability stemming from an improved service mix and better margins associated with tech and born-digital verticals, among others.

EMEA Region

($ in millions)	Q1 2020	Q1 2019	*CCY growth* (1)
EMEA Region			
Revenue	**57.5**	62.1	-4.8%
Adjusted EBITDA (2)	**3.7**	6.3	-39.2%
Adjusted EBITDA Margin	**6.5%**	10.1%	-3.6p.p.
Operating Income/(loss)	**(0.6)**	(4.0)	85.8%

EMEA Revenue Mix – Q1 2020



(1) Unless otherwise noted, all results are for Q1 2020; all growth rates are on a constant currency basis and year-over-year
(2) EBITDA and Adj. EBITDA are Non-GAAP measures.

Multisector sales grew 16.5% during the first quarter, driven by a pipeline of clients acquired during 2H 2019. Multisector sales represented 48.1% of total revenue, 840 bps higher when compared to Q1 2019.

TEF revenues decreases 18.5%, due to lower volumes, which led to a decrease of 4.8% in total revenues.

EMEA's reported EBITDA totaled $3.7 million in the first quarter, down 39.2% year-over-year. The corresponding margin was 6.5%, 360 bps lower versus Q1 2019 as a result of decreased TEF volumes, partially offset by a margin recovery associated with Multisector customers and stricter control of indirect costs.

Cash Flow

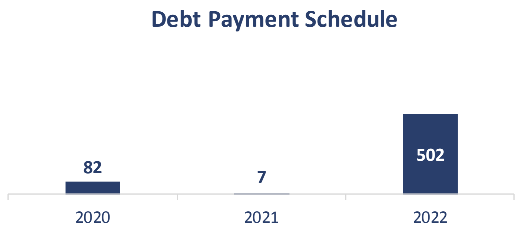
($ in millions)	Q1 2020	Q1 2019
Consolidated Cash Flow Statement		
Cash and cash equivalents at beginning of period	**124.7**	**133.5**
Net Cash (used in) from Operating activities	4.4	(39.8)
Net Cash used in Investing activities	(11.3)	(16.7)
Net Cash provided by Financing activities	58.8	1.8
Net (increase/decrease) in cash and cash equivalents	**51.9**	**(54.6)**
Effect of changes in exchanges rates	**(13.9)**	**(1.0)**
Cash and cash equivalents at end of period	**162.8**	**77.9**

Operational improvements under the transformation plan, along with enhanced contract and working capital management policies, led to a significant improvement in working capital during the first quarter, with net cash flow generated from operating activities totaling $4.4 million , compared to an outflow of $39.8 during the prior year's comparable period. Among the improvements in working capital was a reduction in days sales outstanding (DSO) resulting from a stricter collection that led to one-off overdue collection, which were highlighted during Atento's fourth quarter earnings conference call.

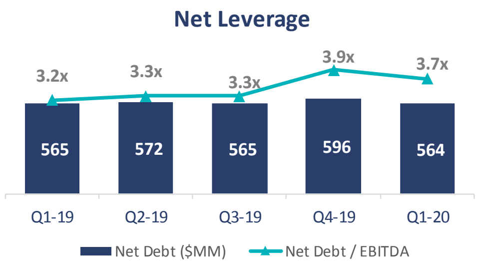
Cash capex was 3.0% of first quarter revenue, compared to 3.8% in Q1 2019, and still reflects the supplier payments carry-over related to projects executed in the 2H 2019, per the Company's Q4 2019 financial results materials. Due to risks associated with the COVID-19 pandemic, the company is postponing, for the foreseeable future, all non-essential capex.

Capital Structure

($ in millions) as of March 31, 2020	Maturity	Interest Rate	Outstanding Balance Q1 20
Indebtedness			
Senior Secured Notes	2022	USD 6.125%	495.3
Super Senior Credit Facility	2020	USD 5.223%	50.0
Other Credit Facilities	2020	CDI + 2.40%	29.9
Other borrowings and leases	2023	Variable	9.8
BNDES (BRL)	2022	TJLP + 2.0%	0.8
Debt with third parties			**585.8**
Leasing (IFRS16)			141.3
Gross Debt (third parties + IFRS16)			727.1
Cash and Cash Equivalents			**162.8**
Net Debt			**564.3**



Note: $ in millions @ Current FX as of March 2020



At March 31, 2020, cash and cash equivalents totaled $162.8 million, which included a drawdown of approximately $77 million from available revolving credit lines. Additionally, on April 6, 2020, Atento paid down a daily revolver line of $8.6 million, as part of a negotiation to increase the credit line to $21.7 million for a 12-month period, which was subsequently drawn upon on April 9th, bolstering the Company's cash position and financial flexibility.

Net debt was $564.3 million at the end of the first quarter, which included an additive effect of $141.3 related to IFRS16. Atento's total debt with third parties has an average maturity of 2.1 years and an average LTM cost of 7.0% per annum. At the end of the first quarter, reported net debt-to-EBITDA was 3.7x, compared to 3.9x in Q4 2019. Approximately $502 million, or 85.5% of the Company's debt with third parties, will mature in August 2022.

Update On COVID-19 Response: Executing on Immediate Plan and Preparing the Company for the Post-crisis

As a socially responsible company, Atento is fully committed to helping ensure that many essential services remain available to citizens around the world through remote and secure customer services. This commitment includes the implementation of a robust plan to protect the health and safety of Atento employees and to ensure business continuity, in response to the COVID-19 pandemic. The national governments of many of the countries in which the company operates have designated Atento's services as essential, three of which are using the Company's services to facilitate information management and delivery during the pandemic.

Currently, Atento has over 60,000 work-at-home agents (WAHA), or approximately 55% of the Company's call center employees. For agents still working at Atento facilities, distances between workstations have been increased and personal work equipment (individual headset, keyboard, mouse, etc.) made available. The implementation of strict health and safety measures in all operations has allowed Atento to keep almost all of its work sites open, which gives the Company broad capacity to meet the needs of all clients. The transition to Telework by Atento employees has been facilitated by the digital transformation process underway since last year, which has included re-skilling and digital recruiting, among other forms of employee development that are being strengthened under the Company's transformation plan.

While limited on-site capacity in most countries has been partially offset by expanding WAHA operations, slowing economies across markets have resulted in lower volumes. On the other hand, relevant changes in market dynamics are taking place and are expected to create medium- and long-term opportunities. Accordingly, management is adjusting certain elements of the Three Horizon Plan to effectively capture these emerging market opportunities and enable Atento to emerge from the COVID-19 crisis as a stronger company. With regard to pursuing new growth avenues within the CRM-BPO market, greater emphasis is being placed on global accounts, while continuing to attract born-digital and other Multisector clients and expanding in the US market. With respect to expanding Atento's portfolio of next-generation services and accelerating the development of related digital capabilities, WAHA is a new key capability that will hasten and facilitate the transformation of the Company's services portfolio. Additionally, as initiatives under the operational excellence plan continue to be implemented, improving financial and cost controls as well the performance of client programs will play an even greater role in Atento leading Next Generation Customer Experience in its markets.

Share Repurchase Program

On February 26, 2020, Atento's Board of Directors approved a new share buyback program, following approval at the Ordinary General Meeting of Shareholders on February 4, 2020. Under the program, the Company is authorized to repurchase up to $30 million of Atento shares for a period of 12 months, beginning March 10, 2020. The Company did not repurchase shares during the first quarter.

Conference Call

The Company will host a conference call and webcast on Friday, May 8, 2020 at 10:00 am ET to discuss its financial results. The conference call can be accessed by dialing: +1 (877) 407-3982 toll free domestic, UK: (+44) 0 800 756 3429 toll free, Brazil: (+55) 0800 891 6221 toll free, or Spain: (+34) 900 834 236 toll free. All other international callers can access the conference call by dialing: +1 (201) 493-6780 toll free. No passcode is required. Individuals who dial in will be asked to identify themselves and their affiliations. The live webcast of the conference call will be available on Atento's Investor Relations website at investors.atento.com. A web-based archive of the conference call will also be available at the website.

About Atento

Atento is the largest provider of customer relationship management and business process outsourcing (CRM BPO) solutions in Latin America, and among the top five providers globally, based on revenues. Atento is also a leading provider of nearshoring CRM/BPO services to companies that carry out their activities in the United States. Since 1999, the company has developed its business model in 13 countries where it employs 150,000 people. Atento has over 400 clients to whom it offers a wide range of CRM/BPO services through multiple channels. Atento's clients are mostly leading multinational corporations in sectors such as telecommunications, banking and financial services, health, retail and public administrations, in addition to born-digital ones, among others. Atento´s shares trade under the symbol ATTO on the New York Stock Exchange (NYSE). In 2019, Atento was named one of the World's 25 Best Multinational Workplaces and one of the Best Multinationals to Work for in Latin America by Great Place to Work®. For more information visit www.atento.com.

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Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements can be identified by the use of words such as "may," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "intends," "continue" or similar terminology. These statements reflect only Atento's current expectations and are not guarantees of future performance or results. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the potential impacts of the COVID-19 pandemic on our business operations, financial results and financial position and on the world economy. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements. These risks and uncertainties include, but are not limited to, competition in Atento's highly competitive industries; increases in the cost of voice and data services or significant interruptions in these services; Atento's ability to keep pace with its clients' needs for rapid technological change and systems availability; the continued deployment and adoption of emerging technologies; the loss, financial difficulties or bankruptcy of any key clients; the effects of global economic trends on the businesses of Atento's clients; the non-exclusive nature of Atento's client contracts and the absence of revenue commitments; security and privacy breaches of the systems Atento uses to protect personal data; the cost of pending and future litigation; the cost of defending Atento against intellectual property infringement claims; extensive regulation affecting many of Atento's businesses; Atento's ability to protect its proprietary information or technology; service interruptions to Atento's data and operation centers; Atento's ability to retain key personnel and attract a sufficient number of qualified employees; increases in labor costs and turnover rates; the political, economic and other conditions in the countries where Atento operates; changes in foreign exchange rates; Atento's ability to complete future acquisitions and integrate or achieve the objectives of its recent and future acquisitions; future impairments of our substantial goodwill, intangible assets, or other long-lived assets; and Atento's ability to recover consumer receivables on behalf of its clients. In addition, Atento is subject to risks related to its level of indebtedness. Such risks include Atento's ability to generate sufficient cash to service its indebtedness and fund its other liquidity needs; Atento's ability to comply with covenants contained in its debt instruments; the ability to obtain additional financing; the incurrence of significant additional indebtedness by Atento and its subsidiaries; and the ability of Atento's lenders to fulfill their lending commitments. Atento is also subject to other risk factors described in documents filed by the company with the United States Securities and Exchange Commission.

These forward-looking statements speak only as of the date on which the statements were made. Atento undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

SELECTED FINANCIAL DATA:

The following selected financial information should be read in conjunction with the interim consolidated financial statements presented elsewhere in the Form 6-K.

	For the three months ended March 31,	
($ in millions)	**2019**	**2020**
(Loss)/profit for the period	**(45.6)**	**(7.4)**
Net finance expense	17.3	16.9
Income tax expense	(2.9)	(0.2)
Write-off of deferred tax assets	37.8	-
Depreciation and amortization	35.3	31.5
EBITDA (non-GAAP) (unaudited)	**42.0**	**40.8**
Adjusted EBITDA (non-GAAP) (unaudited)	**42.0**	**40.8**

	For the three months ended March 31,	
($ in millions)	**2019**	**2020**
(Loss)/profit for the period	**(45.6)**	**(7.4)**
Amortization of acquisition related intangible assets (a)	5.1	5.0
Net foreign exchange gain/(loss) (b)	1.6	3.5
Tax effect (c)	33.2	(4.5)
Other	0.6	-
Total of add-backs	**40.8**	**4.0**
Adjusted Earnings (non-GAAP) (unaudited) (*)	**(5.1)**	**(3.4)**
Adjusted Earnings per share (in U.S. dollars) (unaudited) (**)	**(0.07)**	**(0.05)**
Adjusted Earnings attributable to Owners of the parent (non-GAAP) (unaudited)	**(5.5)**	**(3.4)**
Adjusted Earnings per share attributable to Owners of the parent (in U.S. dollars) (**) (unaudited)	**(0.07)**	**(0.05)**

(*) We define non-recurring items as items that are limited in number, clearly identifiable, unusual, are unlikely to be repeated in the near future in the ordinary course of business and that have a material impact on the consolidated results of operations. Non-recurring items can be summarized as demonstrated below:

(a) Amortization of acquisition related intangible assets represents the amortization expense of customer base, recorded as intangible assets. This customer base represents the fair value (within the business combination involving the acquisition of control of Atento Group) of the intangible assets arising from service agreements (tacit or explicitly formulated in contracts) with Telefónica Group and with other customers.

(b) Since April 1, 2015, the Company designated the foreign currency risk on certain of its subsidiaries as net investment hedges using financial instruments as the hedging items. As a consequence, any gain or loss on the hedging instrument, related to the effective portion of the hedge is recognized in other comprehensive income (equity) as from that date. The gains or losses related to the ineffective portion are recognized in the statements of operations and for comparability, and those adjustments are added back to calculate Adjusted Earnings.

(c) The tax effect represents the impact of the taxable adjustments based on tax nominal rate by country. For the three months ended March 31, 2019, in the context of a global Tax Audit of the periods 2013-2016, Atento Spain, as the representative company of the tax group comprised of the Spanish direct subsidiaries of Atento S.A., signed a tax agreement with the Spanish tax authorities. The criteria adopted by the Tax Administration was in connection with certain aspects, among others, of the deductibility of certain specific intercompany financing and operating expenses originated during the acquisition of Atento Spain, which was different from the tax treatment applied by the Company. As a result of this discrepancy, the amount of the tax credits of the Spanish tax group, together with the corresponding effects in subsequent tax periods, has being reduced in an amount of $33.2 million.

(**) Adjusted Earnings per share is calculated based on weighted average number of ordinary shares outstanding of 74,300,199 and 71,179,765 for the three months ended December 31, 2018 and 2019, respectively.

Financing Arrangements

Net debt with third parties as of March 31, 2019 and 2020 is as follow:

($ in millions, except Net Debt/Adj. EBITDA LTM)	On March 31, 2019	On March 31, 2020
Cash and cash equivalents	77.9	162.8
Debt:		
Senior Secured Notes	394.5	495.3
Super Senior Credit Facility	0.0	50.0
Brazilian Debentures	15.0	0.0
BNDES	19.0	0.8
Lease Liabilities (3)	179.9	146.1
Other Borrowings	34.8	35.03
Total Debt	643.2	727.1
Net Debt with third parties (1) (unaudited)	**565.2**	**564.3**
EBITDA LTM (2) (non-GAAP) (unaudited)	177.0	152.2
Net Debt/Adjusted EBITDA LTM (non-GAAP) (unaudited)	**3.2x**	**3.7x**

(1) In considering our financial condition, our management analyzes Net debt with third parties, which is defined as total debt less cash and cash equivalents. Net debt with third parties is not a measure defined by IFRS and it has limitations as an analytical tool. Net debt with third parties is neither a measure defined by or presented in accordance with IFRS nor a measure of financial performance and should not be considered in isolation or as an alternative financial measure determined in accordance with IFRS. Net debt is not necessarily comparable to similarly titled measures used by other companies.

(2) EBITDA LTM (Last Twelve Months)

(3) Consider the impact in March 31, 2020 of application of IFRS16 (former operating leases not related to short-term or low-value leases are now shown as debt) was $141.3 million and $4.8 million of other financial leases.

Consolidated Statements of Operations for the Three Months Ended March 31, 2019 and 2020

($ in millions, except percentage changes)	For the three months ended March 31, 2019	2020	Change (%)	Change excluding FX (%)
	(unaudited)			
Revenue	**436.7**	**375.4**	**(14.0)**	**(2.8)**
Other operating income	0.6	0.9	35.4	43.0
Other gains and own work capitalized	-	-	30.1	33.9
Operating expenses:				
Supplies	(16.8)	(16.7)	(0.6)	11.0
Employee benefit expenses	(339.3)	(289.0)	(14.8)	(3.6)
Depreciation	(21.8)	(19.8)	(9.3)	1.6
Amortization	(13.5)	(11.7)	(13.6)	(3.1)
Changes in trade provisions	-	(0.5)	N.M.	N.M.
Impairment charges	-	-	N.M.	(150.0)
Other operating expenses	(39.2)	(29.3)	(25.3)	(15.9)
Total operating expenses	**(430.6)**	**(367.0)**	**(14.8)**	**(3.7)**
Operating profit	**6.7**	**9.3**	**38.7**	**68.3**
Finance income	2.4	2.4	2.1	40.7
Finance costs	(18.1)	(15.9)	(12.6)	(4.0)
Net foreign exchange loss	(1.6)	(3.5)	118.7	N.M.
Net finance (expense)/benefit	**(17.3)**	**(16.9)**	**(2.5)**	**16.8**
Loss before income tax	**(10.6)**	**(7.6)**	**(28.5)**	**(15.1)**
Income tax (expense)/benefit	(35.0)	0.2	(100.5)	(100.5)
Loss for the period	**(45.6)**	**(7.4)**	**(83.7)**	**(83.1)**
Loss attributable to:				
Owners of the parent	(46.0)	(7.4)	(83.8)	(83.1)
Non-controlling interest	0.4	-	(100.0)	N.M.
Loss for the period	**(45.6)**	**(7.4)**	**(83.7)**	**(83.1)**
Other financial data:				
EBITDA (1) (unaudited)	**42.0**	**40.8**	**(3.0)**	**10.1**
Adjusted EBITDA (1) (unaudited)	**42.0**	**40.8**	**(3.0)**	**10.1**

N.M. means not meaningful

Consolidated Statements of Operations by Segment for the Three Months Ended March 31, 2019 and 2020

($ in millions, except percentage changes)	For the three months ended March 31, 2019	2020 (unaudited)	Change (%)	Change Excluding FX
Revenue:				
Brazil	218.3	172.0	(21.2)	(7.1)
Americas	161.7	147.4	(8.8)	1.1
EMEA	62.1	57.5	(7.5)	(4.8)
Other and eliminations (1)	(5.4)	(1.5)	(73.0)	(71.8)
Total revenue	**436.7**	**375.4**	**(14.0)**	**(2.8)**
Operating expenses:				
Brazil	(215.1)	(167.8)	(22.0)	(8.0)
Americas	(164.8)	(149.2)	(9.5)	0.7
EMEA	(61.8)	(58.4)	(5.5)	(2.7)
Other and eliminations (1)	11.1	8.4	(24.0)	(8.7)
Total operating expenses	**(430.6)**	**(367.0)**	**(14.8)**	**(3.7)**
Operating profit/(loss):				
Brazil	3.3	4.3	29.7	46.2
Americas	(2.9)	(1.5)	(47.5)	(26.0)
EMEA	0.7	(0.4)	N.M.	N.M.
Other and eliminations (1)	5.7	7.0	22.3	71.4
Total operating profit	**6.7**	**9.3**	**38.7**	**68.3**
Net finance expense:				
Brazil	(12.1)	(16.5)	37.0	63.6
Americas	(5.3)	(4.1)	(21.5)	(6.4)
EMEA	(0.7)	-	(97.9)	(97.8)
Other and eliminations (1)	0.7	3.8	N.M.	N.M.
Total net finance expense	**(17.3)**	**(16.9)**	**(2.5)**	**16.8**
Income tax benefit/(expense):				
Brazil	2.9	4.0	40.0	71.4
Americas	0.6	(1.2)	N.M.	N.M.
EMEA	(4.0)	(0.2)	(96.0)	(95.9)
Other and eliminations (1)	(34.5)	(2.5)	(92.8)	(92.6)
Total income tax benefit/(expense)	**(35.0)**	**0.2**	**(100.5)**	**(100.5)**
Profit/(loss) for the period:				
Brazil	(5.9)	(8.2)	39.5	70.3
Americas	(7.6)	(6.9)	(9.8)	9.0
EMEA	(4.0)	(0.6)	(86.1)	(85.8)
Other and eliminations (1)	(28.1)	8.3	(129.4)	(128.5)
(Loss)/profit for the period	**(45.6)**	**(7.4)**	**(83.7)**	**(83.1)**
(Loss)/profit attributable to:				
Owners of the parent	(46.0)	(7.4)	(83.8)	(83.1)
Non-controlling interest	0.4	-	(100.0)	N.M.
Other financial data:				
EBITDA:				
Brazil	22.4	21.0	(6.3)	9.7
Americas	9.9	10.1	2.5	2.2
EMEA	3.9	2.6	(35.0)	(32.8)
Other and eliminations (1)	5.8	7.0	22.0	70.2
Total EBITDA (unaudited)	**42.0**	**40.8**	**(3.0)**	**10.1**
Adjusted EBITDA:				
Brazil	27.8	24.4	(12.1)	4.5
Americas	14.1	13.7	(3.0)	1.3
EMEA	6.3	3.7	(41.0)	(39.2)
Other and eliminations (1)	(6.2)	(1.1)	(82.7)	(82.1)
Total Adjusted EBITDA (unaudited)	**42.0**	**40.8**	**(3.0)**	**10.1**

(1) Included revenue and expenses at the holding-company level (such as corporate expenses and acquisition related expenses), as applicable, as well as consolidation adjustments.

N.M. means not meaningful

Revenue Mix by Service Type

	For the three months ended March 31,	
	2019	2020
Customer Service	51.7%	56.4%
Sales	17.0%	13.3%
Collection	7.9%	7.1%
Back Office	12.8%	13.5%
Technical Support	6.7%	6.1%
Others	3.9%	3.6%
Total	**100.0%**	**100.0%**

Number of Workstations and Delivery Centers

	Number of Workstations		Number of Service Delivery Centers [1]	
	Q1 2019	Q1 2020	Q1 2019	Q1 2020
Brazil	**49,547**	**49,821**	**34**	**33**
Americas	**37,423**	**39,659**	**51**	**48**
Argentina [2]	4,475	4,358	12	12
Central America [3]	2,338	2,516	4	3
Chile	2,878	2,549	4	4
Colombia	8,854	9,087	10	9
Mexico	9,203	11,437	15	14
Peru	8,322	8,475	3	3
United States [4]	1,353	1,237	3	3
EMEA	**5,471**	**5,376**	**15**	**15**
Spain	5,471	5,471	15	15
Total	**92,441**	**94,856**	**100**	**96**

(1) Includes service delivery centers at facilities operated by us and those owned by our clients where we provide operations personnel and workstations.
(2) Includes Uruguay.
(3) Includes Guatemala and El Salvador.
(4) Includes Puerto Rico.

FX Rates

	2019		2019		2020	
	Average FY	December 31	Average Q1	March 31,	Average Q1	March 31,
Euro (EUR)	0.89	0.89	0.88	0.89	0.91	0.91
Brazil (BRL)	3.94	4.03	3.77	3.90	4.46	5.20
Mexico (MXN)	19.25	18.86	19.20	19.38	20.00	23.48
Colombia (COP)	3,281.35	3,277.14	3,135.29	3,190.94	3,534.22	4,064.81
Chile (CLP)	702.77	744.62	667.01	681.09	802.78	846.30
Peru (PEN)	3.34	3.32	3.32	3.32	3.40	3.44
Argentina (ARS)	48.22	59.89	39.05	43.35	61.55	64.47

Balance Sheet ($ Thousands)

ASSETS	December 31, 2019 (audited)	March 31, 2020 (unaudited)
NON-CURRENT ASSETS	**765,839**	**621,770**
Intangible assets	**160,041**	**113,371**
Goodwill	**119,902**	**100,746**
Right-of-use assets	**181,564**	**140,346**
Property, plant and equipment	**116,893**	**94,012**
Non-current financial assets	**82,158**	**75,101**
Trade and other receivables	22,124	17,200
Other non-current financial assets	54,652	42,811
Derivative financial instruments	5,382	15,090
Other taxes receivable	**5,650**	**4,639**
Deferred tax assets	**99,631**	**93,555**
CURRENT ASSETS	**538,772**	**528,757**
Trade and other receivables	**388,308**	**341,711**
Trade and other receivables	359,599	318,176
Current income tax receivable	28,709	23,535
Derivative financial instruments	-	**1,335**
Other taxes receivable	**24,664**	**21,719**
Other current financial assets	**1,094**	**1,233**
Cash and cash equivalents	**124,706**	**162,759**
TOTAL ASSETS	**1,304,611**	**1,150,527**

EQUITY AND LIABILITIES	December 31, 2019 (audited)	March 31, 2020 (unaudited)
TOTAL EQUITY	**207,020**	**99,149**
EQUITY ATTRIBUTABLE TO:		
OWNERS OF THE PARENT COMPANY	**207,020**	**99,149**
Share capital	49	49
Share premium	619,461	613,647
Treasury shares	(19,319)	(11,012)
Retained losses	(127,070)	(136,063)
Translation differences	(271,273)	(339,328)
Hedge accounting effects	(8,872)	(39,188)
Stock-based compensation	14,044	11,044
NON-CURRENT LIABILITIES	**718,989**	**663,079**
Deferred tax liabilities	20,378	16,772
Debt with third parties	633,498	595,755
Derivative financial instruments	2,289	4,490
Provisions and contingencies	48,326	34,669
Non-trade payables	11,744	9,330
Other taxes payable	2,754	2,063
CURRENT LIABILITIES	**378,602**	**388,290**
Debt with third parties	**87,117**	**132,716**
Derivative financial instruments	**167**	**-**
Trade and other payables	**272,547**	**233,330**
Trade payables	71,676	72,590
Income tax payables	12,671	13,480
Other taxes payables	93,765	72,265
Other non-trade payables	94,435	74,995
Provisions and contingencies	**18,771**	**22,253**
TOTAL EQUITY AND LIABILITIES	**1,304,611**	**1,150,527**

Cash Flow ($ thousand)

	For the three months ended March 31,	
	2019	2020
	(unaudited)	
Operating activities		
Profit before income tax	**(10,624)**	**(7,593)**
Adjustments to reconcile profit before income tax to net cash flows:		
Amortization and depreciation	35,324	31,454
Changes in trade provisions	3	537
Share-based payment expense	565	585
Change in provisions	9,555	4,108
Grants released to income	(239)	(183)
Losses on disposal of property, plant and equipment	45	216
Losses on disposal of financial assets	(2)	-
Finance income	(2,391)	(2,441)
Finance costs	18,138	15,861
Net foreign exchange differences	1,595	3,490
Changes in other (gains)/losses and own work capitalized	9,475	(1,266)
	72,068	**52,361**
Changes in working capital:		
Changes in trade and other receivables	(71,637)	(37,249)
Changes in trade and other payables	(2,531)	10,235
Other assets	4,604	3,159
	(69,564)	(22,393)
Interest paid	(18,338)	(19,645)
Interest received	(45)	9,728
Income tax paid	(3,703)	(7,148)
Other payments	(9,567)	(915)
	(31,653)	**(17,980)**
Net cash flows (used in)/from operating activities	**(39,773)**	**4,395**
Investing activities		
Payments for acquisition of intangible assets	(15,060)	(124)
Payments for acquisition of property, plant and equipment	(3,324)	(10,932)
Payments for financial instruments	(243)	(269)
Proceeds from sale of PP&E and intangible assets	1,959	-
Net cash flows used in investing activities	**(16,668)**	**(11,325)**
Financing activities		
Proceeds from borrowing from third parties	36,575	77,621
Repayment of borrowing from third parties	(21,094)	(9,370)
Payments of lease liabilities	(13,672)	(9,402)
Net cash flows provided by financing activities	**1,809**	**58,849**
Net (decrease)/increase in cash and cash equivalents	**(54,632)**	**51,919**
Foreign exchange differences	(964)	(13,866)
Cash and cash equivalents at beginning of period	**133,526**	**124,706**
Cash and cash equivalents at end of period	**77,930**	**162,759**