Odontoprev S.A.

Financial statements as of December 31, 2014 and 2013

(A free translation of the original report in Portuguese)

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Capital breakdown

Number of shares (units) From paid-in capital	Current period 12/31/2014
Common	531,294,792
Preferred	-
Total	531,294,792
Treasury Shares	
Common	4,047,794
Preferred	-
Total	4,047,794

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Cash distributions

Event	Approval	Type of distribution	Payment Date	Share type	Earnings per share
Board of Directors Meeting	03/27/2014	Interests on Capital	04/10/2014	Common	0.01609
Annual General Meeting	04/01/2014	Dividends	06/11/2014	Common	0.10950
Board of Directors Meeting	04/29/2014	Dividends	06/04/2014	Common	0.09376
Board of Directors Meeting	06/24/2014	Interests on Capital	07/10/2014	Common	0.01632
Board of Directors Meeting	07/29/2014	Dividends	09/03/2014	Common	0.07361
Board of Directors Meeting	09/16/2014	Interests on Capital	10/08/2014	Common	0.01479
Board of Directors Meeting	10/28/2014	Dividends	12/03/2014	Common	0.07057
Board of Directors Meeting	12/16/2014	Interests on Capital	01/07/2015	Common	0.01478
Proposal		Dividends		Common	0.10336

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Balance sheet at December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 12/31/2014	Prior Year 12/31/2013
1	Total assets	1,087,347	1,057,787
1.01	Current assets	369,979	347,360
1.01.01	Cash and cash equivalents	11,829	8,839
1.01.02	Financial instruments	239,632	232,098
1.01.02.01	Financial instruments at fair value	239,632	232,098
1.01.02.01.03	Investments linked to technical provisions	70,846	70,187
1.01.02.01.04	Investments not linked	168,786	161,911
1.01.03	Receivables	103,833	92,321
1.01.03.01	Trade accounts receivable	98,003	84,126
1.01.03.01.01	Healthcare receivables	130,555	119,076
1.01.03.01.02	(-) Allowance for doubtful accounts	(34,706)	(36,307)
1.01.03.01.03	Other receivables from health insurance	2,154	1,357
1.01.03.02	Sundry receivables	5,830	8,195
1.01.03.02.01	Advances to suppliers	575	1,505
1.01.03.02.02	Advances to employees	2,214	1,718
1.01.03.02.03	Other receivables	3,041	4,972
1.01.06	Taxes recoverable	2,432	3,896
1.01.06.01	Current taxes recoverable	2,432	3,896
1.01.07	Prepaid expenses	12,253	10,206
1.01.07.01	Deferred acquisition costs	11,398	9,401
1.01.07.20	Others	855	805
1.02	Non-current assets	717,368	710,427
1.02.01	Long-term receivables	146,767	152,690
1.02.01.06	Deferred taxes	105,183	114,142
1.02.01.06.01	Deferred income tax and social contribution	105,183	114,142
1.02.01.09	Other non-current assets	41,584	38,548
1.02.01.09.03	Judicial deposits	40,503	37,274
1.02.01.09.04	Other receivables	992	1,189
1.02.01.09.05	Notes receivable	89	85
1.02.02	Investments	38,435	35,868
1.02.02.01	Equity interests	38,435	35,868
1.02.02.01.02	Investments in subsidiaries	34,628	34,418
1.02.02.01.04	Other equity interests	3,807	1,450
1.02.03	Property and equipment	13,305	6,635
1.02.03.01	Property and equipment in use	13,305	6,635
1.02.04	Intangible assets	518,861	515,234
1.02.04.01	Intangible assets	518,861	515,234
1.02.04.01.02	Goodwill on acquisition of investments	492,876	492,876
1.02.04.01.03	System development. software licenses and other	25,985	22,358

The notes are an integral part of the Financial Statements.

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Balance sheet at December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 12/31/2014	Prior Year 12/31/2013
2	Total liabilities and shareholders' equity	1,087,347	1,057,787
2.01	Current liabilities	241,836	208,871
2.01.01	Social and labor charges	17,590	14,063
2.01.01.01	Social charges	5,992	5,510
2.01.01.01.01	Charges payable	5,992	5,510
2.01.01.02	Labor charges	11,598	8,553
2.01.01.02.01	Salaries, vacation pay and fees	11,598	8,553
2.01.02	Suppliers	9,233	13,677
2.01.02.01	Local suppliers	9,233	13,677
2.01.02.01.01	Commissions payable	5,254	4,249
2.01.02.01.02	Suppliers of goods and services	3,979	9,428
2.01.03	Tax liabilities	12,971	10,181
2.01.03.01	Federal tax liabilities	11,355	8,901
2.01.03.01.01	Tax and social contribuition payable	4,389	2,818
2.01.03.01.02	Other federal tax liabilities	6,966	6,083
2.01.03.03	Municipal tax liabilities	1,616	1,280
2.01.05	Other liabilities	33,054	32,698
2.01.05.02	Other	33,054	32,698
2.01.05.02.01	Dividends and interest on capital payable	6,643	6,124
2.01.05.02.04	Advances from customers	3,800	3,278
2.01.05.02.05	Other accounts payable	22,611	23,296
2.01.06	Provisions	168,988	138,252
2.01.06.02	Other provisions	168,988	138,252
2.01.06.02.04	IBNR reserves	14,453	13,438
2.01.06.02.05	IBNR reserves - incurred but not reported claims reserve	66,819	51,395
2.01.06.02.06	Unearned premiums reserve	87,716	73,419
2.02	Non-current liabilities	203,481	153,221
2.02.02	Other liabilities	1,675	1,892
2.02.02.02	Other	1,675	1,892
2.02.02.02.03	Other liabilities	960	1,177
2.02.02.02.04	Fees payable	715	715
2.02.03	Deferred taxes	4,424	3,465
2.02.03.01	Deferred income tax and social contribution	4,424	3,465
2.02.04	Provisions	197,382	147,864
2.02.04.01	Provision for tax, social security, labor and civil lawsuits	197,382	147,864
2.02.04.01.01	Provision for taxes	1,394	1,394
2.02.04.01.02	Provisions for social security and labor lawsuits	192,907	143,731
2.02.04.01.04	Provision for civil lawsuits	3,081	2,739
2.03	Equity	642,030	695,695
2.03.01	Capital	506,557	506,557
2.03.02	Capital reserves	21,959	16,999
2.03.02.01	Share premium	48,392	48,392
2.03.02.04	Granting of stock options	16,385	20,078
2.03.02.07	Deferred stock options granted	(6,848)	(12,493)
2.03.02.08	Additional paid-up capital	(35,970)	(38,978)
2.03.04	Profit reserves	113,514	172,139
2.03.04.01	Legal reserve	55,588	45,852
2.03.04.02	Statutory reserve	40,087	68,695
2.03.04.07	Tax incentive reserve	129	129
2.03.04.08	Additional proposed dividends	54,494	58,172
2.03.04.09	Treasury stock	(36,784)	(709)

The notes are an integral part of the Financial Statements.

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Statements of income

Years ended in December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 01/01/2014 to 12/31/2014	Prior Year 01/01/2013 to 12/31/2013
3.01	Gross sales and/or services revenues	1,139,838	1,048,704
3.01.01	Net installments	1,185,304	1,084,957
3.01.02	Revenues of Sales and services	(80)	27
3.01.04	Taxes on healthcare plan operations	(45,386)	(36,280)
3.02	Cost of sales and/or services	(540,534)	(487,843)
3.02.01	Indemnifiable claims, net	(473,593)	(443,753)
3.02.02	Social charges on services	(32,689)	(31,536)
3.02.03	Dental materials	(8,808)	(8,260)
3.02.04	Other operating incomes (expenses)	(10,020)	(12,672)
3.02.05	Incurred but not reported provision (IBNR)	(15,424)	8,378
3.03	Gross profit	599,304	560,861
3.04	Operating expenses	(327,983)	(300,842)
3.04.01	Selling expenses	(109,081)	(98,388)
3.04.01.01	Selling expenses	(109,081)	(98,388)
3.04.02	General and administrative expenses	(175,037)	(164,819)
3.04.05	Other operating expenses	(48,788)	(44,350)
3.04.05.01	Stock option plan	(7,738)	(6,350)
3.04.05.02	Allowance for doubtful accounts	(32,966)	(35,089)
3.04.05.03	Profit sharing	(8,084)	(2,911)
3.04.06	Share in the earnings of subsidiaries and associated companies	4,923	6,715
3.05	Profit before finance income (costs) and taxes	271,321	260,019
3.06	Finance income (cost)	12,994	11,069
3.06.01	Financial income	64,961	55,433
3.06.01.01	Financial income	32,120	22,224
3.06.01.02	Reversal of interest on capital	32,841	33,209
3.06.02	Financial expenses	(51,967)	(44,364)
3.07	Profit before taxation and profit sharing	284,315	271,088
3.08	Income tax and social contribution	(89,606)	(82,997)
3.08.01	Current tax	(79,688)	(74,174)
3.08.02	Deferred tax	(9,918)	(8,823)
3.09	Net results from continuing operations	194,709	188,091
3.11	Net income for the period	194,709	188,091
3.99	Earnings per share - (Reais/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common	0.36692	0.35469
3.99.02	Diluted earnings per share		
3.99.02.01	Common	0.36398	0.35054

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Statements of comprehensive income

Years ended in December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 01/01/2014 to 12/31/2014	Prior Year 01/01/2013 to 12/31/2013
4.01	Net income for the period	194,709	188,091
4.03	Comprehensive income for the period	194,709	188,091

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Statements of cash flows - Indirect method

Years ended in December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 01/01/2014 to 12/31/2014	Prior Year 01/01/2013 to 12/31/2013
6.01	Net cash provided by operating activities	273,671	208,974
6.01.01	Cash provided by operations	372,645	312,584
6.01.01.01	Net income for the period	194,709	188,091
6.01.01.02	Depreciation and amortization	6,355	4,762
6.01.01.03	Monetary variations, net	13,509	6,053
6.01.01.05	Provision for contingencies	36,718	33,179
6.01.01.06	Disposal of property and equipment and investments	813	522
6.01.01.07	Share in the losses of subsidiary and associated companies	(4,923)	(6,715)
6.01.01.08	Allowance for doubtful accounts	(1,601)	10,463
6.01.01.09	Stock option plan	7,738	6,350
6.01.01.10	Incurred but not reported claims reserve	15,424	(8,378)
6.01.01.11	Tax and social contribuition payable	89,606	82,997
6.01.01.12	Unearned premiums reserve	14,297	(4,740)
6.01.02	Changes in assets and liabilities	(98,974)	(103,610)
6.01.02.01	Financial instruments at fair value	(7,534)	(32,437)
6.01.02.02	Healthcare receivables	(12,276)	865
6.01.02.03	Others receivable	1,842	(4,113)
6.01.02.05	Long-term receivables	(215)	(148)
6.01.02.06	IBNR reserves	1,015	(3,490)
6.01.02.08	Salaries, vacation pay and fees	3,045	2,047
6.01.02.09	Taxes and contributions payable	1,701	84
6.01.02.10	Suppliers - Healthcare transactions	(4,627)	9,570
6.01.02.11	Long-term liabilities	(3,808)	(2,436)
6.01.02.13	Income tax and social contribution payable	(78,117)	(73,552)
6.02	Net cash used in investing activities	(15,171)	(12,058)
6.02.01	Purchase of property and equipment	(9,775)	(1,236)
6.02.02	System development, software licenses and other	(7,628)	(8,270)
6.02.05	Write-off of investments by means of merger	671	-
6.02.06	Investment Acquisition	(1,250)	(1,052)
6.02.07	Dividends received from subsidiaries	5,000	3,000
6.02.08	Advance for future capital increase in Investee	(2,189)	(4,500)
6.03	Net cash used in financing activities	(255,510)	(191,568)
6.03.01	Dividends and Interest on capital paid	(216,657)	(181,974)
6.03.02	Acquisition of own shares - in treasury	(48,114)	(17,272)
6.03.04	Received on exercise of stock options	9,261	7,678
6.05	Increase (decrease) in cash and cash equivalents	2,990	5,348
6.05.01	Cash and cash equivalents at the beginning of period	8,839	3,491
6.05.02	Cash and cash equivalents at the end of the period	11,829	8,839

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Statement of changes in shareholders' equity

Year ended in December 31, 2014

(In thousands of Reais)

Code	Description	Paid-up capital	Capital reserves, stock options and treasury stock	Profit reserves	Earnings (accumulated deficit)	Other Comprehensive Income	Total equity
5.01	Opening balance	506,557	16,290	172,848	-	-	695,695
5.03	Adjusted balance	506,557	16,290	172,848	-	-	695,695
5.04	Capital transactions with shareholders	-	(31,115)	(32,286)	(184,973)	-	(248,374)
5.04.03	Granting of stock options recognized	-	7,738	-	-	-	7,738
5.04.04	Treasury shares acquired	-	(48,114)	-	-	-	(48,114)
5.04.05	Treasury shares sold	-	9,261	-	-	-	9,261
5.04.06	Dividends	-	-	-	(126,246)	-	(126,246)
5.04.07	Interest on Capital	-	-	-	(32,841)	-	(32,841)
5.04.13	Additional proposed dividend (complement)	-	-	54,494	-	-	54,494
5.04.14	Additional proposed dividend (use of statutory reserve)	-	-	(28,608)	(25,886)	-	(54,494)
5.04.16	Additional dividend (complement) paid	-	-	(58,172)	-	-	(58,172)
5.05	Total comprehensive income	-	-	-	194,709	-	194,709
5.05.01	Profit for the period	-	-	-	194,709	-	194,709
5.06	Internal changes in Equity	-	-	9,736	(9,736)	-	-
5.06.01	Increase reserves	-	-	9,736	(9,736)	-	-
5.07	Closing balance	506,557	(14,825)	150,298	-	-	642,030

The notes are an integral part of the Financial Statements.

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Statement of changes in shareholders' equity

Year ended in December 31, 2013

(In thousands of Reais)

Code	Description	Paid-up capital	Capital reserves, stock options and treasury stock	Revenue reserves	Earnings (accumulated deficit)	Other Comprehensive Income	Total equity
5.01	Opening balance	506,557	19,534	173,922	-	-	700,013
5.03	Adjusted balance	506,557	19,534	173,922	-	-	700,013
5.04	Capital transactions with shareholders	-	(3,244)	(10,479)	(178,686)	-	(192,409)
5.04.03	Granting of stock options recognized	-	6,350	-	-	-	6,350
5.04.04	Treasury shares acquired	-	(17,272)	-	-	-	(17,272)
5.04.05	Treasury shares sold	-	7,678	-	-	-	7,678
5.04.06	Dividends	-	-	-	(114,940)	-	(114,940)
5.04.07	Interest on Capital	-	-	-	(33,209)	-	(33,209)
5.04.13	Additional proposed dividend (complement)	-	-	58,172	-	-	58,172
5.04.14	Additional proposed dividend (use of statutory reserve)	-	-	(27,635)	(30,537)	-	(58,172)
5.04.15	Additional Dividends Proposed; Surplus of Interest on Own Capital Approved	-	-	(41,016)	-	-	(41,016)
5.05	Total comprehensive income	-	-	-	188,091	-	188,091
5.05.01	Profit for the period	-	-	-	188,091	-	188,091
5.06	Internal changes in Equity	-	-	9,405	(9,405)	-	-
5.06.01	Increase reserves	-	-	9,405	(9,405)	-	-
5.07	Closing balance	506,557	16,290	172,848	-	-	695,695

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Statements of added value

Years ended in December 31, 2013 and 2014

(In thousands of Reais)

Code	Description	Current Year 01/01/2014 to 12/31/2014	Prior Year 01/01/2013 to 12/31/2013
7.01	Income	1,152,258	1,049,895
7.01.01	Sales of goods and services	1,185,304	1,084,957
7.01.02	Other incomes	(80)	27
7.01.02.02	Sales of goods and services	(80)	27
7.01.04	Provision/reversal of impairment of trade receivables	(32,966)	(35,089)
7.02	Inputs acquired from third parties	(714,003)	(652,216)
7.02.01	Costs of goods and services	(473,593)	(443,753)
7.02.02	Materials, energy, outsourced services and other	(15,689)	(14,421)
7.02.04	Others	(224,721)	(194,042)
7.02.04.01	Other operating revenues (expenses)	1,035	(1,755)
7.02.04.02	Selling expenses	(108,137)	(98,388)
7.02.04.03	Administrative expenses	(102,195)	(102,277)
7.02.04.04	Incurred but not reported claims reserve	(15,424)	8,378
7.03	Gross value added	438,255	397,679
7.04	Retentions	(6,355)	(4,762)
7.04.01	Depreciation, amortization and depletion	(6,355)	(4,762)
7.05	Net value added generated	431,900	392,917
7.06	Value added received through transfer	37,043	28,939
7.06.01	Share in the results of subsidiaries	4,923	6,715
7.06.02	Financial income	32,120	22,224
7.07	Total value added to distribute	468,943	421,856
7.08	Distribution of value added	468,943	421,856
7.08.01	Personnel	58,514	48,817
7.08.01.01	Direct remuneration	44,766	36,020
7.08.01.02	Benefits	10,781	10,282
7.08.01.03	FGTS	2,967	2,515
7.08.02	Taxes and contributions	182,445	163,383
7.08.02.01	Federal taxes	168,849	151,105
7.08.02.02	State taxes	32	76
7.08.02.03	Municipal taxes	13,564	12,202
7.08.03	Remuneration of third-party capital	25,537	15,215
7.08.03.02	Rentals	6,411	4,060
7.08.03.03	Others	19,126	11,155
7.08.03.03.01	Finance costs	19,126	11,155
7.08.04	Remuneration of own capital	194,709	188,091
7.08.04.01	Interest on capital	32,841	33,209
7.08.04.02	Dividends	126,246	114,940
7.08.04.03	Profits reinvested/loss for the year	35,622	39,942
7.08.05	Others	7,738	6,350
7.08.05.01	Granting of stock options	7,738	6,350

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Consolidated balance sheet at December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 12/31/2014	Prior Year 12/31/2013
1	Total assets	1,102,673	1,073,885
1.01	Current assets	399,989	378,782
1.01.01	Cash and cash equivalents	12,613	10,266
1.01.02	Financial instruments	253,095	246,856
1.01.02.01	Financial instruments at fair value	253,095	246,856
1.01.02.01.03	Investments linked to technical provisions	73,305	73,896
1.01.02.01.04	Investments not linked	179,790	172,960
1.01.03	Receivables	108,088	96,948
1.01.03.01	Trade accounts receivable	99,117	85,627
1.01.03.01.01	Healthcare receivables	132,320	121,438
1.01.03.01.02	(-) Allowance for doubtful accounts	(35,357)	(37,168)
1.01.03.01.03	Other receivables from health insurance	2,154	1,357
1.01.03.02	Sundry receivables	8,971	11,321
1.01.03.02.01	Advances to suppliers	892	1,694
1.01.03.02.02	Advances to employees	3,190	2,460
1.01.03.02.03	Other receivables	4,889	7,167
1.01.04	Inventories	932	954
1.01.06	Taxes recoverable	12,990	13,535
1.01.06.01	Current taxes recoverable	12,990	13,535
1.01.07	Prepaid expenses	12,271	10,223
1.01.07.01	Deferred acquisition costs	11,398	9,401
1.01.07.20	Others	873	822
1.02	Non-current assets	702,684	695,103
1.02.01	Long-term receivables	151,760	157,533
1.02.01.06	Deferred taxes	106,472	115,333
1.02.01.06.01	Deferred income tax and social contribution	106,472	115,333
1.02.01.09	Other non-current assets	45,288	42,200
1.02.01.09.03	Judicial deposits	42,884	39,600
1.02.01.09.04	Other receivables	2,315	2,512
1.02.01.09.05	Notes receivable	89	88
1.02.02	Investments	6,174	3,750
1.02.02.01	Equity interests	6,174	3,750
1.02.02.01.04	Other equity interests	6,174	3,750
1.02.03	Property and equipment	17,026	9,924
1.02.03.01	Property and equipment in use	17,026	9,924
1.02.04	Intangible assets	527,724	523,896
1.02.04.01	Intangible assets	527,724	523,896
1.02.04.01.02	Goodwill in acquisition of investments	500,296	500,296
1.02.04.01.03	System development, software licenses and other	27,428	23,600

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Consolidated balance sheet at December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 12/31/2014	Prior Year 12/31/2013
2	Total liabilities and shareholders' equity	1,102,673	1,073,885
2.01	Current liabilities	252,147	219,839
2.01.01	Social and labor charges	23,681	19,183
2.01.01.01	Social charges	7,539	6,798
2.01.01.01.01	Charges payable	7,539	6,798
2.01.01.02	Labor charges	16,142	12,385
2.01.01.02.01	Salaries, vacation pay and fees	16,142	12,385
2.01.02	Suppliers	10,192	14,728
2.01.02.01	Local suppliers	10,192	14,728
2.01.02.01.01	Commissions payable	5,263	4,286
2.01.02.01.02	Suppliers of goods and services	4,929	10,442
2.01.03	Tax liabilities	13,953	11,476
2.01.03.01	Federal tax liabilities	11,944	9,844
2.01.03.01.01	Tax and social contribuition payable	4,490	3,119
2.01.03.01.02	Other federal tax liabilities	7,454	6,725
2.01.03.02	State tax liabilities	28	-
2.01.03.03	Municipal tax liabilities	1,981	1,632
2.01.05	Other liabilities	33,556	33,703
2.01.05.02	Other	33,556	33,703
2.01.05.02.01	Dividends and interest on capital payable	6,643	6,124
2.01.05.02.04	Advances from customers	3,805	3,293
2.01.05.02.05	Other accounts payable	23,108	24,286
2.01.06	Provisions	170,765	140,749
2.01.06.02	Other provisions	170,765	140,749
2.01.06.02.04	IBNR reserves	15,021	14,308
2.01.06.02.05	IBNR reserves - incurred but not reported claims reserve	67,899	52,612
2.01.06.02.06	Unearned premiums reserve	87,845	73,829
2.02	Non-current liabilities	206,278	156,244
2.02.02	Other liabilities	2,998	3,215
2.02.02.02	Other	2,998	3,215
2.02.02.02.03	Other liabilities	2,283	2,500
2.02.02.02.04	Fees payable	715	715
2.02.03	Deferred taxes	4,424	3,465
2.02.03.01	Deferred income tax and social contribution	4,424	3,465
2.02.04	Provisions	198,856	149,564
2.02.04.01	Provision for tax, social security, labor and civil lawsuits	198,856	149,564
2.02.04.01.01	Provision for taxes	2,567	2,576
2.02.04.01.02	Provisions for social security and labor lawsuits	193,189	144,145
2.02.04.01.04	Provision for civil lawsuits	3,100	2,843
2.03	Consolidated equity	644,248	697,802
2.03.01	Capital	506,557	506,557
2.03.02	Capital reserves	21,959	16,999
2.03.02.01	Share premium	48,392	48,392
2.03.02.04	Granting of stock options	16,385	20,078
2.03.02.07	Deferred stock options granted	(6,848)	(12,493)
2.03.02.08	Additional paid-up capital	(35,970)	(38,978)
2.03.04	Profit reserves	113,514	172,139
2.03.04.01	Legal reserve	55,588	45,852
2.03.04.02	Statutory reserve	40,087	68,695
2.03.04.07	Tax incentive reserve	129	129
2.03.04.08	Additional proposed dividends	54,494	58,172
2.03.04.09	Treasury stock	(36,784)	(709)
2.03.09	Non-controlling interests	2,218	2,107

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Consolidated statements of income

Years ended in December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 01/01/2014 to 12/31/2014	Prior Year 01/01/2013 to 12/31/2013
3.01	Gross sales and/or services revenues	1,156,121	1,069,606
3.01.01	Net installments	1,204,015	1,109,665
3.01.02	Revenues of Sales and services	6,951	5,147
3.01.04	Taxes on healthcare plan operations	(46,395)	(37,421)
3.01.05	Taxes on sales of goods and services	(8,450)	(7,785)
3.02	Cost of sales and/or services	(548,837)	(501,165)
3.02.01	Indemnifiable claims, net	(476,031)	(451,644)
3.02.02	Social charges on services	(32,926)	(31,839)
3.02.03	Dental materials	(4,643)	(4,582)
3.02.04	Other operating incomes (expenses)	(19,950)	(21,764)
3.02.05	Incurred but not reported provision (IBNR)	(15,287)	8,664
3.03	Gross profit	607,284	568,441
3.04	Operating expenses	(333,829)	(305,356)
3.04.01	Selling expenses	(109,446)	(99,226)
3.04.01.01	Selling expenses	(109,446)	(99,226)
3.04.02	General and administrative expenses	(171,421)	(159,747)
3.04.05	Other operating expenses	(51,492)	(46,485)
3.04.05.01	Stock option plan	(7,738)	(6,350)
3.04.05.02	Allowance for doubtful accounts	(33,316)	(35,840)
3.04.05.03	Profit sharing	(10,438)	(4,295)
3.04.06	Share in the earnings of subsidiaries and associated companies	(1,470)	102
3.05	Profit before finance income (costs) and taxes	273,455	263,085
3.06	Finance income (cost)	14,696	11,914
3.06.01	Financial income	66,683	56,742
3.06.01.01	Financial income	33,842	23,533
3.06.01.02	Reversal of interest on capital	32,841	33,209
3.06.02	Financial expenses	(51,987)	(44,828)
3.07	Profit before taxation and profit sharing	288,151	274,999
3.08	Income tax and social contribution	(93,159)	(86,563)
3.08.01	Current tax	(83,339)	(77,814)
3.08.02	Deferred tax	(9,820)	(8,749)
3.09	Net results from continuing operations	194,992	188,436
3.11	Consolidated profit/loss for the period	194,992	188,436
3.11.01	Attributable to stockholders of the Parent company	194,709	188,091
3.11.02	Attributable to non-controlling interests	283	345
3.99	Earnings per share - (Reais/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common	0.36692	0.35469
3.99.02	Diluted earnings per share		
3.99.02.01	Common	0.36398	0.35054

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Consolidated statements of comprehensive income

Years ended in December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 01/01/2014 to 12/31/2014	Prior Year 01/01/2013 to 12/31/2013
4.01	Consolidated net income for the period	194,992	188,436
4.03	Consolidated Comprehensive income for the period	194,992	188,436
4.03.01	Granted to shareholders of parent company	194,709	188,091
4.03.02	Granted to non-controlling shareholders	283	345

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Consolidated statements of cash flows - Indirect method

Years ended in December 31, 2014 and 2013

(In thousands of Reais)

Code	Description	Current Year 01/01/2014 to 12/31/2014	Prior Year 01/01/2013 to 12/31/2013
6.01	Net cash provided by operating activities	280,396	215,577
6.01.01	Cash provided by operations	382,546	320,101
6.01.01.01	Net income for the period	194,992	188,436
6.01.01.02	Depreciation and amortization	6,761	5,140
6.01.01.03	Monetary variations, net	13,042	5,702
6.01.01.05	Provision for contingencies	37,079	33,191
6.01.01.06	Disposal of property and equipment and investments	813	532
6.01.01.07	Share in the losses of subsidiary and associated companies	1,470	(102)
6.01.01.08	Allowance for doubtful accounts	(1,811)	10,645
6.01.01.09	Stock option plan	7,738	6,350
6.01.01.10	Incurred but not reported claims reserve	15,287	(8,664)
6.01.01.12	Tax and social contribuition payable	93,159	86,563
6.01.01.13	Unearned premiums reserve	14,016	(7,692)
6.01.02	Changes in assets and liabilities	(102,150)	(104,524)
6.01.02.01	Financial instruments at fair value	(6,334)	(33,344)
6.01.02.02	Healthcare receivables	(11,679)	4,033
6.01.02.03	Others receivable	907	(5,176)
6.01.02.04	Inventories	22	33
6.01.02.05	Long-term receivables	32	(1,234)
6.01.02.06	IBNR reserves	713	(3,580)
6.01.02.08	Salaries, vacation pay and fees	3,757	2,797
6.01.02.09	Taxes and contributions payable	1,847	(252)
6.01.02.10	Suppliers - Healthcare transactions	(5,221)	10,667
6.01.02.11	Long-term liabilities	(4,226)	(1,223)
6.01.02.13	Income tax and social contribution payable	(81,968)	(77,245)
6.02	Net cash used in investing activities	(22,393)	(18,114)
6.02.01	Purchase of property and equipment	(10,661)	(2,471)
6.02.02	System development, software licenses and other	(7,843)	(8,389)
6.02.05	Write-off of investments by means of merger	84	-
6.02.06	Investment Acquisition	(1,784)	(7,254)
6.02.08	Advance for future capital increase in Investee	(2,189)	-
6.03	Net cash used in financing activities	(255,751)	(191,615)
6.03.01	Dividends and Interest on capital paid	(216,898)	(182,021)
6.03.02	Acquisition of own shares - in treasury	(48,114)	(17,272)
6.03.04	Received on exercise of stock options	9,261	7,678
6.05	Increase (decrease) in cash and cash equivalents	2,252	5,848
6.05.01	Cash and cash equivalents at the beginning of period	10,266	4,418
6.05.02	Cash and cash equivalents at the end of the period	12,518	10,266

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Consolidated statement of changes in equity

Year ended in December 31, 2014

(In thousands of Reais)

Code	Description	Paid-up capital	Capital reserves, stock options and treasury stock	Profit reserves	Earnings (accumulated deficit)	Other Comprehensive Income	Total equity	Non controlling Interests	Consolidated Equity
5.01	Opening balance	506,557	16,290	172,848	-	-	695,695	2,107	697,802
5.03	Adjusted opening balance	506,557	16,290	172,848	-	-	695,695	2,107	697,802
5.04	Capital transactions with shareholders	-	(31,115)	(32,286)	(184,973)	-	(248,374)	(172)	(248,546)
5.04.03	Granting of stock options recognized	-	7,738	-	-	-	7,738	-	7,738
5.04.04	Treasury shares acquired	-	(48,114)	-	-	-	(48,114)	-	(48,114)
5.04.05	Treasury shares sold	-	9,261	-	-	-	9,261	-	9,261
5.04.06	Dividends	-	-	-	(126,246)	-	(126,246)	-	(126,246)
5.04.07	Interest on capital	-	-	-	(32,841)	-	(32,841)	-	(32,841)
5.04.13	Additional proposed dividend (complement)	-	-	54,494	-	-	54,494	-	54,494
5.04.14	Additional proposed dividend (use of statutory reserve)	-	-	(28,608)	(25,886)	-	(54,494)	-	(54,494)
5.04.16	Additional Dividends (complement) Paid	-	-	(58,172)	-	-	(58,172)	-	(58,172)
5.04.20	Other	-	-	-	-	-	-	(172)	(172)
5.05	Total comprehensive income	-	-	-	194,709	-	194,709	283	194,992
5.05.01	Profit for the period	-	-	-	194,709	-	194,709	283	194,992
5.06	Internal changes in Equity	-	-	9,736	(9,736)	-	-	-	-
5.06.01	Increase reserves	-	-	9,736	(9,736)	-	-	-	-
5.07	Closing balance	506,557	(14,825)	150,298	-	-	642,030	2,218	644,248

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Consolidated statement of changes in equity

Year ended in December 31, 2013

(In thousands of Reais)

Code	Description	Paid-up capital	Capital reserves, stock options and treasury stock	Profit reserves	Earnings (accumulated deficit)	Other Comprehensive Income	Total equity	Non controlling interests	Consolidated equity
5.01	Opening balance	506,557	19,534	173,922	-	-	700,013	1,288	701,301
5.03	Adjusted opening balance	506,557	19,534	173,922	-	-	700,013	1,288	701,301
5.04	Capital transactions with shareholders	-	(3,244)	(10,479)	(178,686)	-	(192,409)	474	(191,935)
5.04.03	Granting of stock options recognized	-	6,350	-	-	-	6,350	-	6,350
5.04.04	Treasury shares acquired	-	(17,272)	-	-	-	(17,272)	-	(17,272)
5.04.05	Treasury shares sold	-	7,678	-	-	-	7,678	-	7,678
5.04.06	Dividends	-	-	-	(114,940)	-	(114,940)	-	(114,940)
5.04.07	Interest on Capital	-	-	-	(33,209)	-	(33,209)	-	(33,209)
5.04.13	Additional proposed dividend (complement)	-	-	58,172	-	-	58,172	-	58,172
5.04.14	Additional proposed dividend (use of statutory reserve)	-	-	(27,635)	(30,537)	-	(58,172)	-	(58,172)
5.04.15	Additional Dividends Proposed; Surplus of Interest on Own Capital Approved	-	-	(41,016)	-	-	(41,016)	-	(41,016)
5.04.20	Others	-	-	-	-	-	-	474	474
5.05	Total comprehensive income	-	-	-	188,091	-	188,091	345	188,436
5.05.01	Profit for the period	-	-	-	188,091	-	188,091	345	188,436
5.06	Internal changes in Equity	-	-	9,405	(9,405)	-	-	-	-
5.06.01	Increase reserves	-	-	9,405	(9,405)	-	-	-	-
5.07	Closing balance	506,557	16,290	172,848	-	-	695,695	2,107	697,802

The notes are an integral part of the Financial Statements.

Odontoprev S.A.

Consolidated statements of added value

Years ended in December 31, 2013 and 2014

(In thousands of Reais)

Code	Description	Current Year 01/01/2014 to 12/31/2014	Prior Year 01/01/2013 to 12/31/2013
7.01	Income	1,177,650	1,078,972
7.01.01	Sales of goods and services	1,204,015	1,109,665
7.01.02	Other incomes	6,951	5,147
7.01.02.02	Sales of goods and services	6,951	5,147
7.01.04	Provision/reversal of impairment of trade receivables	(33,316)	(35,840)
7.02	Inputs acquired from third parties	(682,133)	(626,575)
7.02.01	Costs of goods and services	(476,031)	(451,644)
7.02.02	Materials, energy, outsourced services and other	(11,566)	(10,850)
7.02.04	Others	(194,536)	(164,081)
7.02.04.01	Other operating revenues (expenses)	123	(2,677)
7.02.04.02	Selling expenses	(108,502)	(99,226)
7.02.04.03	Administrative expenses	(70,870)	(70,842)
7.02.04.04	Incurred but not reported claims reserve	(15,287)	8,664
7.03	Gross value added	495,517	452,397
7.04	Retentions	(6,761)	(5,140)
7.04.01	Depreciation, amortization and depletion	(6,761)	(5,140)
7.05	Net value added generated	488,756	447,257
7.06	Value added received through transfer	32,372	23,635
7.06.01	Share in the results of subsidiaries	(1,470)	102
7.06.02	Financial income	33,842	23,533
7.07	Total value added to distribute	521,128	470,892
7.08	Distribution of value added	521,128	470,892
7.08.01	Personnel	88,304	75,813
7.08.01.01	Direct remuneration	67,094	55,814
7.08.01.02	Benefits	16,459	15,826
7.08.01.03	FGTS	4,751	4,173
7.08.02	Taxes and contributions	201,040	181,157
7.08.02.01	Federal taxes	183,069	164,721
7.08.02.02	State taxes	1,626	1,577
7.08.02.03	Municipal taxes	16,345	14,859
7.08.03	Remuneration of third-party capital	29,054	19,136
7.08.03.02	Rentals	9,908	7,517
7.08.03.03	Others	19,146	11,619
7.08.03.03.01	Finance costs	19,146	11,619
7.08.04	Remuneration of own capital	194,992	188,436
7.08.04.01	Interest on capital	32,841	33,209
7.08.04.02	Dividends	126,246	114,940
7.08.04.03	Profits reinvested/loss for the year	35,622	39,942
7.08.04.04	Non-controlling interest on retained earnings	283	345
7.08.05	Others	7,738	6,350
7.08.05.01	Granting of stock options	7,738	6,350

The notes are an integral part of the Financial Statements.

Management's Report

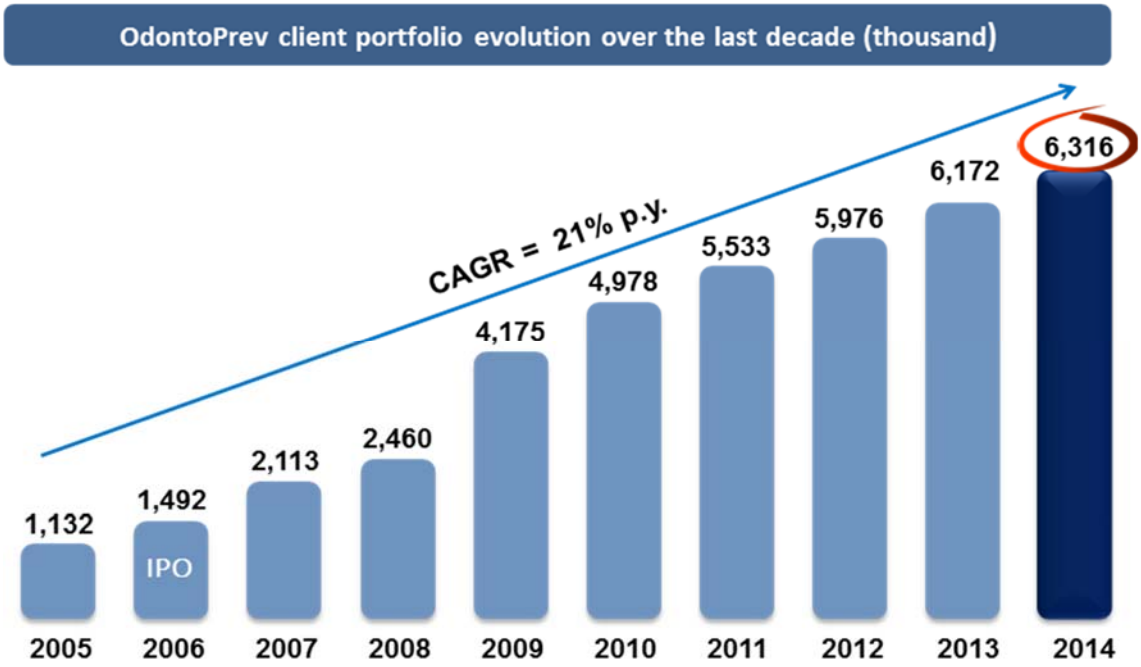
Dear Shareholders,

Management from Odontoprev S.A. (OdontoPrev or the Company) submits for your consideration the financial statements for the years ended December 31, 2014 and 2013.

General Overview of the Company and the Market in which it operates

OdontoPrev operates with private health plans, offering dental assistance.

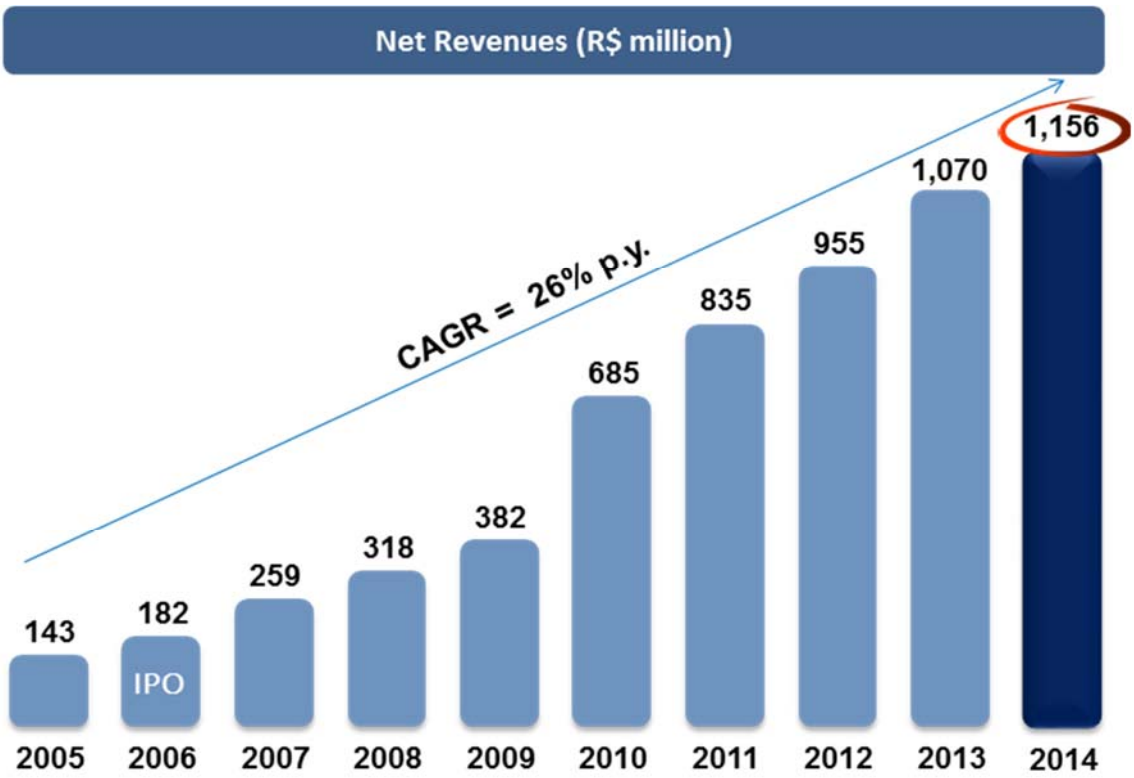
OdontoPrev has been operating for 27 years, and is the lead company in the sector, attending approximately 6.3 million Brazilians, who receive differential oral health solutions. OdontoPrev has its own technological platform, which is world class. The Company has an accredited network of approximately 25,000 dentists throughout the country.



Operational and financial performance

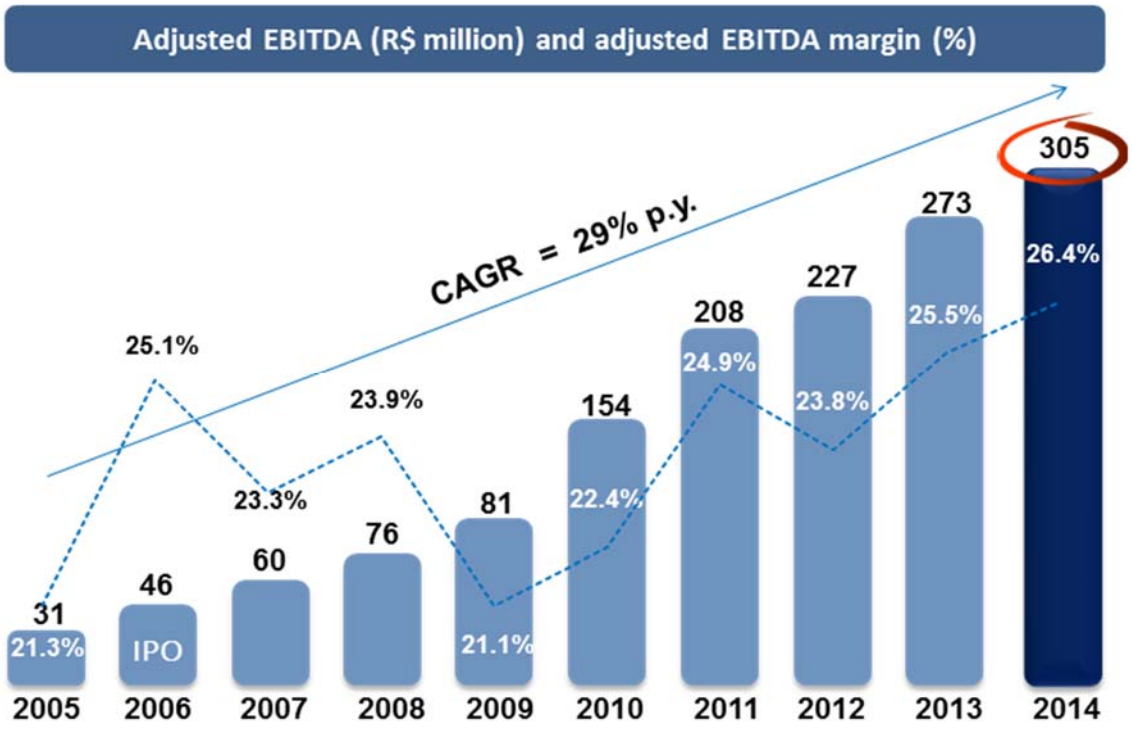
The number of beneficiaries attended by OdontoPrev reached 6,316,368 in 2014, representing annual growth of 2.3%, with a net increase of 144,441 new clients.

Net operational revenue (NOR) increased 8.1% during the period, increasing from R$1,069,606 in 2013 to R$1,156,121 in 2014, with an average price variation of 5.5%, from R$15.22 to R$16.07 per beneficiary/month, reflecting the price adjustment for corporate contracts.

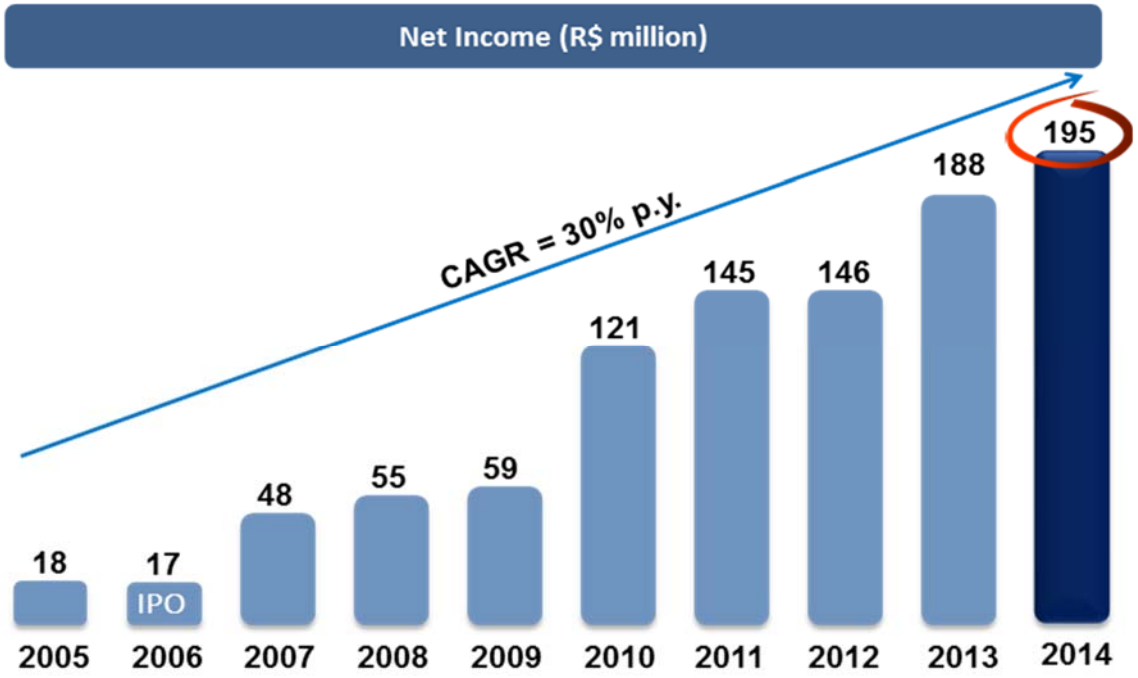


The cost of services represented 46.2% of net operational income for the year, compared to 47.7% in 2013. Selling expenses represented 9.5% of net operational income in 2014, 0.2% above the 9.3% reported in 2013. Administrative expenses represented 14.2% of net operational income in 2014, compared to 13.8% in 2013.

Generation of operational cash, measured based on EBITDA (LAJIDA) criteria, net of non recurring expenses for the year, reached R$304,983 in 2014, an increase of 11.8% compared to 2013. In relation to net operational, EBITDA margin was 26.4% in 2014, 0.9% above the 25.5% reported in 2013.



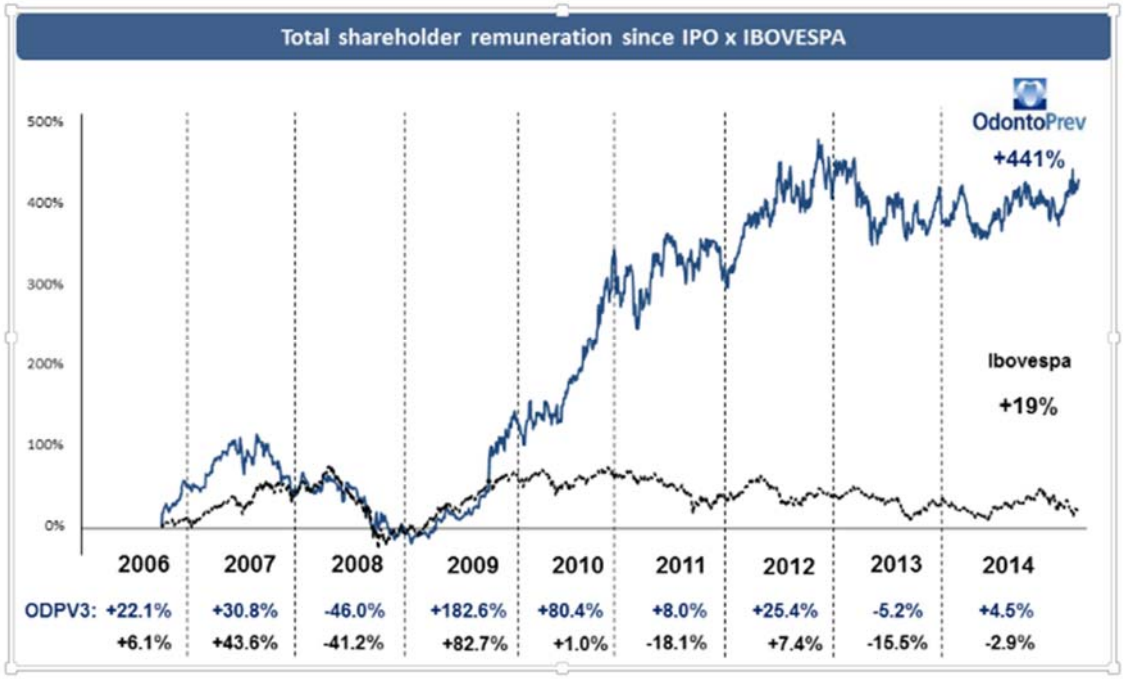
Net income was R$ 194,709, 3.5% higher than the amount of R$ 188,091 recorded in 2013.



OdontoPrev closed 2014 with net cash of R$265,708 and zero debts.

Capitals market

In 2014, Odontoprev completed eight years since its initial public offering (IPO) on the BM&FBovespa New Market, and at the end of the year, achieved a capitalization of R$5.2 billion. In 2014, the total return to Odontoprev shareholder was 4.5%, represented by a variation of 0.3% in shares and 4.2% in dividends and interest on own capital (R$ 0.41/share), versus a negative variation of 2.9% for Ibovespa.



Awards and Recognitions in 2014

OdontoPrev received the highest assessment for the sector for the Development of Supplemental Health Index (IDSS) in 2014, amongst leading companies from the market, according to the Brazilian Healthcare Regulatory Agency (ANS). The IDSS measures performance and qualifications of the medical and dental operators, based on four scales: attention to health, structure and operation, economic capacity and client satisfaction.

For the fifth consecutive year, OdontoPrev was awarded first place for the health sector in Latin American, in corporate ranking from the American magazine *Institutional Investor*.

Additionally, the Company was elected as "Best Investor Relations in the Health sector" of IR Magazine Awards - 2014, on a survey coordinated by FGV, IR Magazine and IBRI (Brazilian Institute of Investor Relations).

Repurchase Program

In November 2014, Odontoprev concluded the Annual Share Repurchase Program, sufficient to back the balance of stock option plan maturing up to 2016. The average quotation for share purchase was R$ 9.09.

Creation of IT Statutory Director Position
In January 2015, the Board of Directors of Odontoprev elected Marcelo Galvão as Information Technology Director. Mr. Galvão has a Bachelor's degree in Computer Engineering from UNICAMP and a Master's degree from Ecole Centrale de Lyon, France, with over 20 years of professional experience.

Corporate Governance
Since going public, OdontoPrev has participated in the New Market, the segment with the highest standard of corporate governance from BM&FBOVESPA. In addition to the rules for the segment, the Company has the following differentiated practices:

- President of the management board who is distinct from the president of the executive board;
- Statutory audit committee, Audit Committee and Human Resources Committee;
- Internal Audit Management, accountable to the Board of Directors;
- Prior call of General Meetings with 30 days in advance;
- Practice of making full quarterly profit distribution to shareholders

Statement from the Statutory Board of Directors
In compliance with the rulings stated in the CVM instructions, the Statutory Board of Directors of OdontoPrev state that it has discussed, reviewed and agrees with the opinions expressed in the independent auditors' report and with the financial statements for the year ended December 31, 2014, and authorizes their publication.

Relationship with Independent Auditors
KPMG Auditores Independentes was contracted by the Company to provide the external audit services of the financial statements, and for the effects of CVM Normative Instruction 381, we declare that during the year ended December 31, 2014, they did not provide any other services that could affect their professional independence.

Barueri, March 04, 2015.

The Directors

Notes to the quarterly interim financial statements (company and consolidated)

(In thousands of Reais)

1 Operations and general information

Odontoprev S.A. ("Company" or "OdontoPrev"), a public stock corporation, with its head Office at Avenida Marcos Penteado de Ulhôa Rodrigues, 939 - 14º Floor, section 1401, Jatobá Building, Castelo Branco Office Park, Tamboré, São Paulo - Brazil, started to operate on August 28, 1987. Its corporate objective is to provide private odontological assistance plans and within this context, the administration, sale or availability of these plans to corporate entities and/or individuals, as well as the participation, as a partner, shareholder or quotaholder in other civil or commercial companies, in commercial enterprises of whatever nature, in Brazil and/or overseas, and the administration of its own assets and/or those of third parties.

The Company is classified as a dental operator in the tertiary sector, according to Resolution 39 of the Affiliate Board of Directors of the Brazilian Healthcare Regulatory Agency (ANS), of October 27, 2000.

The Company holds interests in the following associates and direct and indirect subsidiaries:

	Percentage holding (%)									
	December 31, 2014					December 31, 2013				
	Subsidiaries		Associates		Joint	Subsidiaries		Associates		Joint
COMPANIES:	**Direct**	**Indirect**	**Direct**	**Indirect**	**Venture**	**Direct**	**Indirect**	**Direct**	**Indirect**	**Venture**
Clidec - Clinica Dentária Especializada Cura Dar's Ltda. (Clidec)	99.9	-	-	-	-	99.9	-	-	-	-
Odontoprev Serviços Ltda. (OdontoPrev Serviços)	99.9	-	-	-	-	99.9	-	-	-	-
Easy Software Ltda. (Easy)	-	51.0	-	-	-	-	51.0	-	-	-
Dental Partner Comércio de Produtos e Equipamentos Odontológicos Ltda. (Dental Partner)	-	99.9	-	-	-	-	99.9	-	-	-
G2D Serviços Tecnológicos S.A. (G2D)	-	-	-	16.1	-	-	-	-	16.1	-
Clidec Participações S.A. (Clidec Participações)	-	60.0	-	-	-	-	60.0	-	-	-
OPERATOR DENTAL TERTIARY SECTOR - RDC 39 (ANS):										
Brasildental Operadora de Planos Odontológicos S.A. (Brasildental)	-	-	-	-	25.0	-	-	-	-	-
Garcia Pedrosa Ltda. (Rede Dental)	99.9	-	-	-	-	99.9	-	-	-	-
Adcon Administradora de Convências Odontológicos Ltda. (Adcon)[1]	-	-	-	-	-	99.9	-	-	-	-
INSURANCE COMPANY:										
Odontored CV Sociedad Anônima de Capital Variable (Odontored)	-	-	49.0	-	-	-	-	49.0	-	-
CHAIN OF DENTAL RADIOLOGY CLINICAL:										
Clínicas Radiológicas Papaiz (Grupo Papaiz)	-	-	-	-	49.0	-	-	-	-	49.0

[1] Incorporated on May 1st, 2014 with the approval of the EGM and ANS (letter No. 201/2014 / DIOPE (ASSNT) / ANS - Proceding 33902.260097 / 2014-15).

- **Clidec -** established on July 2, 1970 with the objective of providing dental care services.

- **OdontoPrev Serviços -** established on December 3, 1999, provides sales assistance, consulting and business management services and holds interests in other companies as partner or stockholder.

- **Easy -** established on November 3, 1993, controlled by Odontoprev Serviços, develops and licenses software and holds interests in other companies as partner or stockholder.

- **Dental Partner -** established on November 14, 2008, controlled by Clidec, distribute, in retail and wholesale, dental equipment and products, sanitizers, drugs, medicines, pharmaceutical inputs and related items.

- **G2D -** associated with Odontoprev Serviços for was established on December 19, 2011 and owns a platform offering the online schedule of appointments with health professionals.

- **Clidec Participações:** indirect subsidiary of the Company, and its shareholders are Clidec, which holds 60% and some of the sellers and existing executives from the Papaiz Group, who hold 40%.

- **Brasildental:** established on March 12, 2014, operates private dental care plans and, accordingly, the management, market or provide these plans to legal entities and/or individuals. On July 8, 2014, by means of Official Letter 331/2014/DIOPE (COHAB)/ANS - Proceeding 33902.415159/2014-24 of July 14, 2014, it received registration to commence its operations.

- **Rede Dental -** established on August 31, 1990 to operate private dental care plans and manage, sell or provide these plans to legal entities and/or individuals.

- **Odontored -** established on August 13, 2009, located in Mexico City DF, Mexico, engaged in developing dental care plans, including their operation, management and sale, as well as to provide direct or indirect (through third-parties) dental care assistance.

- **Papaiz Group:** chain of dental radiology clinics company acquired on January 31, 2013, through its subsidiary Clidec, in partnership with the Fleury Group.

Approval of the quarterly interim financial statements

The issue of the interim financial statements of the Company and its subsidiaries was authorized by the Board of Directors on March 4, 2015.

2 Description of significant accounting policies

2.1 Preparation and presentation

The Company's individual financial statements have been prepared in accordance with accounting practices adopted in Brazil issued by the Brazilian Accounting Pronouncements Committee (CPC), and the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), assuming that the Company will continue to operate as a going concern in Brazil.

The financial statements have been prepared and are presented in accordance with the ANS Chart of Accounts and the requirements of the Brazilian Securities Commission (CVM).

In 2014 the amount with respect to "Deferred Acquisition Costs", previously classified under intangible assets was reclassified to current assets.

2.2 Consolidated financial statements: accounting policies

a. Subsidiaries

All entities over which the Company has influence and direct or indirect control on the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights or most of the risks and rewards originated from these investments, in accordance with IFRS. Subsidiaries are fully consolidated from the date on which control is transferred to OdontoPrev.

The Company applies the acquisition method to account for business combinations, which are recorded at the fair value of transfered assets, liabilities and equity, calculated on the acquisition date. Acquisition-related costs are expensed as incurred. Non-controlling interests in subsidiaries are recognized proportionally based on the fair value at the acquisition date.

The excess of cost of acquisition over the fair value on the acquisition date of any equity investment is recorded as goodwill, after allocation of tangible and/or intangible assets.

Investments in subsidiaries and the share in the results of investees, according to investiments (note 1), as well as intercompany asset and liability balances and transactions, have been eliminated on consolidation. Balances receivable and payable and profit (loss) from intercompany transactions between consolidated entities have also been eliminated..

b. Associates

Are all entities over which the Company has significant influence and has the power to take part in decisions related to financial and operating policies, without holding control. Investments in associates are accounted for using the equity method and are initially recognized at cost, which included spending the transaction until 2012.

c. Joint venture

Are all entities in which there is the sharing, contractually agreed upon, of the business control, which only exists when decisions on significant activities require the unanimous consent by the parties sharing the control. Jointly controlled investments are valued using the equity accounting method.

d. Exclusive investment fund

According to CPC 36 (R3)/IFRS10 we have consolidated the exclusive investment fund "Bradesco - Fundo de Investimento Renda Fixa OdontoPrev" (note 4.1.1 (b)).

2.3 Parent company financial statements

In the parent company's financial statements, subsidiaries are recorded based on the equity accounting method. The same adjustments are made in the parent company and consolidated financial statements to obtain the same profit or loss and equity attributable to the owners of the Company.

2.4 Operating segments

Operating segments are reported in a consistent manner with the internal reporting provided to the Company's chief operating and strategic decision-maker, i.e. the Statutory Board, which is responsible for allocating resources and assessing the performance of the operating segments (note 18).

2.5 Foreign currency translation

a. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). These financial statements are presented in reais (R$).

b. Translation of balances in foreign currency

Foreign currency transactions are translated into the functional currency of the parent company using the current exchange rate (assets and liabilities) and the exchange rate prevailing at the dates of the transactions (equity). Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of balances at the reporting date are recognized in the statement of income.

2.6 Current assets

2.6.1 Classification

a. Cash and cash equivalents

Include cash on hand, bank deposits and other short-term highly liquid investments with original maturities of three months or less, with immaterial risk of change in value (note 5).

b. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading, which are classified in this category if acquired principally for the purpose of selling in the short-term, corresponding to financial assets classified as current assets (notes 4.1.1 a; b; and 6).

c. Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. The loans and receivables of the Company and its subsidiaries comprise healthcare receivables (note 7), which correspond to the trade accounts receivable for the sale of dental care plans.

These are reported in the balance sheet at the nominal values of titles that represent these receivables, with the corresponding entry recorded to net consideration (profit and loss) or Unearned premiums reserve, according to the coverage period of the contracts in force at the balance sheet date, and at the amounts receivable from reimbursement of events.

2.6.2 Recognition and measurement

Financial assets are initially recognized at fair value, and transaction costs are expensed in the statement of income. Financial assets are written off when the rights to receive cash flows from the investments have expired or have been transferred, and the Company and its subsidiaries have substantially transferred all risks and rewards of ownership.

Gains or losses arising from the changes in financial assets at fair value through profit or loss category are presented in the statement of income in the period in which they arise.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired (note 2.6.5).

2.6.3 Fair value estimation

The Company adopted CPC 46/IFRS 13 for financial instruments that are measured in the balance sheet at fair value, this requires disclosure of fair value measurements by level of the hierarchy, and its financial risk management policy is to contract financial products available in the Brazilian market, whose market value can be reliably measured, seeking high liquidity to meet its future liabilities and with a prudent liquidity risk management policy (note 4.1.3).

2.6.4 Offsetting of financial instruments

Financial assets and liabilities are disclosed in a net amount in the balance sheet when there is a legal right, current and neforceable to offset the recognized amounts and whether there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.6.5 Impairment of financial assets carried at amortized cost

The Company and its subsidiaries assess at the end of each year whether there is evidence that the credit quality of an asset or group of assets is impaired, and impairment losses are incurred as a result of a loss event that has an impact on the estimated future cash flows of the asset or group of financial assets.

- Significant financial difficulty of the issuer or debtor;
- A break of contract (default or delinquency in interest or principal payments);
- Declaration of bankruptcy or reorganization of the service receiver;
- The disappearance of an active market for that financial asset;
- Data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition, including: (i) adverse changes in the payment status of borrowers in the portfolio; and; (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

  By assessing the existence of objective evidence of impairment, the Company and its subsidiaries measure the provision, reducing the carrying amount to its recoverable value and recognizing the amount of the provision in the statement of income.

If, in a subsequent period, the amount of the impairment loss decreases and it can be related objectively to an event occurring after the impairment was recognized, the reversal of the loss is recognized in the statement of income, limited to the book value that would have been determined if the devaluation loss had not been recorded in prior periods.

The provision for impairment of trade receivables is set up according to CPC 38/IAS 39 guidelines.

Losses from client receivables are registered to the account "provision for doubtful receivables" to profit and loss. Amounts which are accounted for as impairment losses are generally written off when Management no longer anticipates recovering the financial asset.

The other types of financial assets classified as loans and receivables do not include assets classified as impaired. The maximum exposure to credit risk at the reporting date of the balance sheet is the book value of each class of accounts receivables.

2.6.6 Deferred Acquisition Costs

They are the directly attributable and incremental costs for the origination or renewal of contracts that can be reliably measured, that is, the amounts paid as commission to agents. Other expenditures are recorded as commercialization expenses, as incurred. This asset is amortized to profit or loss over a twelve-month period.

2.7 Non-current assets

2.7.1 Long-term receivables

a. Deferred income tax and social contribution (assets)

Deferred tax assets with probable deductibility are recognized in relation to taxable temporary differences, that is, on those differences that will result in amounts to be excluded from the calculation of taxable income tax and social contribution of future years, when the carrying amount of the asset is recovered. They are basically recorded on temporary differences related to: goodwill for expected future profitability from merged subsidiaries (this tax benefit is recorded in conformity with the current accounting standards CPC 32/IAS 12 and is based on future tax benefits generated in the ordinary course of OdontoPrev's business); provision for impairment of trade receivables; tax, social security, civil and labor contingencies and others provisions (note 9.1).

Deferred tax is measured based on the rates anticipated to be used for temporary differences when these are reversed.

Deferred tax assets and liabilities are compensated when there is a legal right to compensate current tax assets and liabilities, and when they refer to taxes charged by the same tax authorities and on the same entity subject to taxation, or on separate taxable entities but when there is the intention to liquidate the current tax assets and liabilities on a net basis or when the tax assets and liabilities will be realized simultaneously.

Deferred income tax and social contribution assets are revised at each reporting date for the financial statements and are reduced to the extent that realization is no longer probable.

For purposes of determining deferred and current income tax, the Company takes into consideration the impact of uncertainties related to the tax positions taken and whether additional taxes and interest may be due. The Company believes that the provision for income tax recorded to liabilities is sufficient in relation to all of the tax periods outstanding, based on its assessment of various factors, including interpretations of tax laws and past experience. This assessment is based on estimates and assumptions and may involve a series of judgments regarding future events. New information may become available, which could result in the Company changing its judgment as to the adequacy of the existing provision; any alterations to the provision would affect the income tax expense for the year in which these adjustments are made.

b. Judicial deposits

These refer basically to deposits for lawsuits relating to the payment of the National Institute of Social Security (INSS) contribution of independent contractors and the increase in the Social Contribution on Revenues (COFINS) rate, as mentioned in note 9.2.

c. Other receivables

Correspond to the amount for cases of potential risks identified in relation to past acquisitions (note 9.3).

2.7.2 Investments

These are represented by investments in Subsidiaries, Related Companies and Jointly Controlled Subsidiaries which are valued using the equity accounting method based on their respective balance sheets (note 10).

2.7.3 Property and equipment

Property and equipment comprise mainly computer equipment, furniture and fixtures, and leasehold improvements, and it is stated at cost of acquisition, less corresponding accumulated depreciation, calculated using the straight-line method in accordance with the estimated economic life of assets at annual rates (note 11).

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset carrying amount is written down immediately when is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the amounts obtained with the carrying amount and are recognized in the income.

2.7.4 Intangible assets

a. Goodwill on acquisition of investments

Refers to goodwill based on expected future profitability, paid on the acquisition of investments (investments in subsidiaries - note 12.1). Goodwill represents the excess of the cost of an acquisition over the net fair value of assets and liabilities of the acquired entity, including the allocation of intangible assets.

Goodwill is tested annually for impairment (note 12.1), and carried at cost less accumulated impairment losses, which are not reversed.

b. System development, software licenses and others

System development and software license expenses are capitalized on the basis of the costs incurred to acquire and bring them to use. They are amortized using the straight-line method over 60 months (note 12.2).

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets.

Goodwill attributable to the brand, customer portfolio and agreement for non-competition are amortized using the straight-line method, using the terms identified in the appraisal report (note 12.2).

2.8 Impairment of non-financial assets

In accordance with CVM Resolution 639/10, CPC 01 (R1)/IAS 36 assets are tested for impairment in order to: (i) verify whether there is any loss due to assets impaired; and (ii) measure any impairment loss of existing assets to complement or reverse the provision for impairment of trade receivables, when applicable.

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment (note 12.1).

Assets that are subject to amortization are periodically reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

2.9 Dental care plan contracts

The Company issues dental care plan contracts under which it assumes financial risks, insurance risks and risks relating to future fluctuations in dental costs. In general, significant insurance risks is defined as the possibility of incurring claims of a higher value than the monthly installments paid by the beneficiaries.

On first-time adoption of CPC 11/IFRS 4 the Company classified the post-paid group plans which do not transfer insurance risk or transfer insignificant insurance risk (note 4.2) as “Investment contracts” recording the result in "Net installments" at the value realized.

a. Liability Adequacy Test (LAT)

The Company prepared at December 31, 2014 a liability adequacy test of all dental care plan contracts in effect. This test is prepared based on the net carrying amount of all liabilities arising from insurance contracts, as permitted by CPC 11/IFRS 4, less intangible assets, such as deferred acquisition costs, directly related to these insurance contracts.

Should any deficiency be identified, the Company immediately recognizes the loss in the statement of income, initially reducing the deferred acquisition costs up to the limit of zero (or other intangible assets, such as those arising from exclusivity contracts and those directly related to insurance contracts) and, subsequently, recognizes additional provisions for insurance liabilities already recognized at the testing date, when the loss exceeds the carrying amount of these assets. Any asset which was written down due to this test, cannot be reinstated by the

Company when the test shows favorable results in future periods.

For this test, the Company prepared a methodology based on its best estimate of all future cash flows, which also include additional and accessory claim settlement expenses, using current assumptions for the test and no insufficiency was identified.

2.10 Technical reserves

According to RN 322/13, the Company and its Subsidiaries record in current liabilities the unearned premiums reserve, thus recognizing revenue according to the contractual term (note 13.2).

The events pending settlement involving dental care assistance are classified in IBNR reserves "Technical reserves for dental care operations" in accordance with RN 290/12, amended by RN 322/13. Costs of services provided are recorded based on claims reported by accredited service providers upon the analysis of the events covered by the plans, with a corresponding entry to the accounts of result of net indemnifiable claims (note 13.2).

The operators should record on a monthy bases, in accordance with the determinations of the National Health Agency (ANS), Normative Resolution (RN) 209/09, which was subsequently amended by RNs 227/10, 243/10, 246/11 and 313/12, the IBNR reserves - incurred but not reported claims reserve by the Company (note 2.18 and 13.2).

2.11 Taxes and contributions payable

a. Federal tax liabilities

(i) **Income tax (IRPJ) and social contribution (CSLL):** these are calculated based on criteria established by the legislation in force. IRPJ is calculated at the rate of 15% of taxable income, plus a 10% surtax on taxable income exceeding R$240 per year, and includes the tax incentive portion. CSLL is calculated at the rate of 9% of adjusted accounting profit, as established by the current legislation.

(ii) **Other federal tax liabilities:** these comprise provisions for Social Integration Program (PIS) and Social Contribution on Revenues (COFINS), which are calculated based on the criteria established by the legislation in force. PIS is calculated at the rate of 1.65% and COFINS at the rates of 3.0% and 4.0%, both on billings less paid indemnifiable claims.

b. Municipal tax liabilities

These comprise the provision for Services Tax (ISS), calculated based on criteria established by the legislation in force. ISS is calculated at rates that vary from 2.0% to 5.0%.

2.12 Comissions payable

Payables related to brokerage service provided by brokers - commissions payable - which are generally settled monthly.

2.13 Other current liabilities

Include: (i) labor obligations; (ii) suppliers of goods and services; (iii) advances from customers; (iv) dividends and interest on own equity payable; (v) other payables.

Other current liabilities are stated at known or determinable amounts, usually at the value of the related invoice, and include, when applicable, accrual of interest and inflation adjustments.

2.14 Deferred income tax and social contribution (liability)

Deferred tax liabilities, whose payment is probable, are recognized in relation to the taxable temporary differences, that is, on differences that result in amounts to be added to the calculation of taxable income in future years, when the carrying amount of the asset or liability is recovered or settled.

2.15 Contingent liabilities and legal obligations

The Company and its subsidiaries assess their contingent liabilities based on the requirements of the accounting pronouncement CPC 25/IAS 37, in which for the lawsuits assessed as "probable losses", based on the assessments of internal and external legal attorneys, the similarity of previous disputes, the complexity of the lawsuit and the opinion to the legal courts, 100% of the claimed amount is provided.

According to the history for lawsuits classified as "possible losses" involving dental treatments to beneficiaries of the dental plan in which the Company and/or its subsidiaries are parties, 25% of the claimed amount is provided. Disputes involving dental treatments are directly related to the activity of the Company and / or its subsidiaries, depending on its outcome, may: a) demonstrate a failure in the operations, b) indicate possible deficiencies in the service rendered, c) affect the image of the Company and / or its subsidiaries. Consequently, we consider these relevant enough to be accounted for.

The Company and its subsidiaries also consider material, making individually estimates and recording a related provision for, the administrative proceedings with ANS and other consumer protection agencies (e.g.: Procon), especially those in which a pecuniary monetary penalty was applied. The proceedings with ANS, depending on their outcome, may generate impact on the health operators' performance indicators, and the proceedings with the consumer protection agencies may results in damages to the image of the Company and its subsidiaries.

Legal, tax and social security obligations arise from lawsuits related to tax obligations, whose legality or constitutionality is being challenged, and are fully recognized in the interim financial statements and monetarily restated in accordance with current tax legislation (Special System for Settlement and Custody (SELIC)) interest rate.

2.16 Share capital

Common shares are classified as equity.

The Company buys back shares to provide shares for the stock option program (note 17.6), which are recorded as deductions from profit reserves.

2.17 Revenue recognition

a. Effective consideration

Income from considerations derived from operations related to private dental assistance plans in the form of previously agreed prices have to be appropriated for the amount corresponding to the daily allocation - *pro rata die* - for the individual coverage period of each contract, as from the first day of coverage. The installments for the consideration corresponding to the coverage

period for the subsequent month are registered in the Unearned premiums reserve (notes 2.10 and 13.2).

b. Sales of goods and services

Revenues from sales of goods and services provided by the subsidiaries, (note 18 item (iv)), are allocated to the statement of income on accrual basis.

c. Finance income

This income arises from financial instruments and tax credit and judicial deposit accruals.

2.18 Recognition of costs of services

The costs of services provided by accredited professionals and dental clinics are recognized in the statement of income on the accrual basis, when claims covered by the plans are reported and analyzed, together with the recording of IBNR reserves - incurred but not reported claims reserve. The costs of operating the company-owned dental care network are recognized as incurred.

2.19 Employee benefits (variable remuneration)

Employee and management profit sharing, even in the form of financial instruments, is classified as profit sharing, in operating expenses. The Company and its subsidiaries adopt the following procedures: (i) employee profit sharing expenses are classified as profit sharing results in operating expenses, according to CPC 33(R1)/IAS 19; and (ii) all the estimated costs of stock options granted under share-based payment contracts (Note 17.6), also in accordance with CPC 10(R1)/IFRS 2. These operating expenses are recorded with a corresponding entry to equity, in “options granted”.

The Company grants stock options to be exercised on a future date and after a vesting period, subject to continuing service by the beneficiary to the Company (vesting condition - CPC 10 (R1)/IFRS 2).

On the option grant date, the Company calculates the fair value of each option based on the financial model, widely known as Black & Scholes, taking into consideration several factors on the option grant date, such as volatility of shares, share exercise price, share market price, vesting period, risk-free discount rate, and other factors. Share-based remuneration expense is recorded in accordance with the vesting period and as the beneficiary renders the services to the Company up to the date on which the capital instrument may be acquired by the beneficiary.

2.20 Distribution of dividends and interest on capital

Dividends and interest on capital distribution to the OdontoPrev's stockholders are recognized as a liability in the financial statements based on the Company's bylaws that provide a mandatory minimum dividend of 50%. Any amount that exceeds the minimum required is maintained in equity, in the account “additional dividend proposed”, until it is approved by the stockholders at the annual general meeting.

2.21 Earnings per share

The Company calculates basic earning and diluted earnings per share in accordance with CPC 41 / IAS 33 (note 25).

2.22 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The IASB has published several pronouncements, interpretations or accounting guidelines (new or modified), which is mandatory adoption in fiscal years beginning after January 1, 2015, those that may have some impact to the Company are as follows:

IFRS 9, "Financial Instruments", issued in November 2009, is the first step in the process to substitute CPC 38/IAS 39 "Financial Instruments - Recognition and Measurement". IFRS 9 introduces the new requirement for classifying and measuring financial assets. The aforementioned standard was approved and will become effective as from January 1, 2018.

IFRS 15, will replace the guidance on revenue recognition that currently exists. The new standard is applicable from January 1, 2017. Although insurance contract revenues are outside its scope, the Company is assessing the impact that IFRS 15 is likely to have on its financial statements and its disclosures.

3 Critical accounting estimates and judgments

The preparation of financial statements in accordance with accounting practices adopted in Brazil and IFRS requires management to use judgment to determine and record accounting estimates, which are periodically reviewed. The transactions involving these estimates may be settled at amounts which differ from those estimated due to the inaccuracy inherent to their determination process.

a. Estimates used in the calculation of impairment of financial assets

As required by IFRS, the Company applies the rules for analysis of impairment for financial assets measured at amortized cost. In this respect, the Company uses a high level of judgment to determine the level of uncertainty associated with the realization of estimated contractual flows of financial assets, including considerations receivable from customers.

Currently, losses identified in the impairment test of receivables represent approximately 2.8% of the total revenues of the Company and its subsidiaries, of which approximately 72.9% arises from individual prepaid contracts.

b. Estimates used in the evaluation of tax credits

Deferred tax assets and liabilities are recognized to the extent it is probable that future taxable income is available. This requires a high level of judgment by the Company's management for determination of estimates as to the capacity and timing of future taxable income generation (notes 2.7.1 (a) and 9.1).

c. Estimates used in the calculation of impairment of non-financial assets

As required by IFRS, the Company applies the rules for analysis and assessment of impairment for non-financial assets. In the calculation of goodwill impairment, the Company uses the income approach through the discounted cash flow methodology.

In the assessment of value in use, management believes that no reasonably possible change in any of the main assumptions mentioned in note 12.1 would make the carrying amount exceed significantly its recoverable value.

d. Estimates and judgments used in evaluation of insurance liabilities

The Company has prepaid dental care plan contracts, which are classified as insurance contracts due to their characteristics of, transferring significant insurance risk to the Company. Estimates used in the recording of insurance liabilities represent an area in which the Company uses critical accounting estimates in the preparation of financial statements in conformity with IFRS. Several sources of uncertainties should be considered in the estimation of the liabilities to be ultimately settled by the Company. The Company uses all available internal and external information sources concerning past experiences and indicators that may affect the decision making of the Company's management and experts to define actuarial assumptions and the best estimate of claim settlement amounts for contracts whose insured event has already occurred. Consequently, the provisions may differ from the amounts actually paid in the future for these obligations (refer to accounting policy on the management of insurance risk and sensitivity analysis in note 4.2).

e. Estimates and judgments used in the evaluation of provisions for tax, civil and labor contingencies

The Company is a party to labor, tax and civil lawsuits in progress on the date of preparation of the financial statements. The process used by management to determine and record the accounting estimates takes into consideration the legal advice of experts, progress of the lawsuits and judgment status (or court) of each specific case. In addition, the Company uses its best judgment on these cases and historical information about losses, in which there is a high level of judgment used, to record the provisions in accordance with CPC 25/IAS 37 (note 16.1).

4 Risk management

The main risks arising from the businesses of the Company and its subsidiaries listed below, are managed by different departments and comprises a series of fund allocation strategies and policies considered appropriate by management.

Polices and strategies are accompanied by the Audit Committee, that was created and installed on March 26, 2010, by the definition of the Supervisory Board of directors, in accordance with company bylaws.

4.1 Financial risk factors

4.1.1 Market risk (interest rate)

Considering the Company's market and financial position, interest rate risk arises from the possibility that the Company and its subsidiaries are subject to changes in interest rates that may generate impacts on the fair value of the financial instruments portfolio.

The Company and its subsidiaries adopt the policy to invest in securities issued by financial institutions (CDBs) and short term funds, complying with internal assessment criteria and limits established based on qualitative and quantitative information, including the requirement to allocate resources in compliance with RN159/07 and RN 206/09, from ANS, amended by RNs 208/09 and 290/12 amended by RN 322/13, to guarantee the technical provisions. Almost all of the Company’s and its subsidiaries’ portfolio of financial instruments are exposed to variations in interest rates on the domestic market.

At December 31, 2014, 92.7% (92.9% at December 31, 2013) of the resources are held in investment funds. These funds, the majority of which are exclusive, are affected by variations in

the rates for National Treasury government securities (NTB and FTB).

In compliance with CVM Resolution 475, of December 17, 2008, CPC 40 (R1) the Company and its subsidiaries performed a sensitivity analysis of their financial instruments, based on the variation in the Special System of Settlement and Custody (SELIC) rate, as shown below:

		Consolidated			
				December 31, 2014	
	Selic (a.a)[1]	CDBs	Investiments Funds	Federal Securities	Total
Aplications		18,206	7,248	227,641	253,095
Forecast profitability for next 12 months:					
Probable	12.96%	2,359	939	29,502	32,801
Overthrow 25%	9.72%	1,770	705	22,127	24,601
Overthrow 50%	6.48%	1,180	470	14,751	16,401
Lifting 25%	16.20%	2,949	1,174	36,878	41,001
Lifting 50%	19.44%	3,539	1,409	44,253	49,202

[1]Based on future interest rate curves reported by BM&F Bovespa S.A.

a. The distribution of investments in CDBs with financial institutions, as well as their classification by rating agencies:

	Consolidated				Ratings of financial institutions						
					Fitch		Moody's		S&P		
	December 31, 2014	Average yeld - % of CDI	December 31, 2013	Average yeld - % of CDI	ST	LT	ST	LT	ST	LT	Level of hierarchy[1]
Banco Bradesco S.A.	-	0.0%	2,938	99.3%	F1+(bra)	AAA(bra)	BR-1	Aaa.br	brA-1+	brAAA	2
Banco Industrial e Comercial S.A.	742	107.0%	682	105.0%	F1+(bra)	AAA(bra)	BR-1	Aa1.br	-	brAAA	2
Banco Panamericano S.A.	-	0.0%	51	104.0%	F1+(bra)	AA-(bra)	BR-1	A1.br	brA-1	brAA-	2
Banco Santander Brasil S.A.	11,941	101.5%	4,160	100.5%	F1+(bra)	AAA(bra)	BR-1	Aaa.br	brA-1+	brAAA	2
Banco Votorantim S.A.	5,523	103.3%	8,985	103.5%	F1+(bra)	AA+(bra)	BR-1	Aaa.br	brA-1	brAA+	2
	18,206		**16,816**								

[1] Level 2: Discounted cash flow methodology or another method to determine the asset price based on observable market data (note 2.6.3).

b. Composition of the portfolio of the "Bradesco - Fundo de Investimento Renda Fixa OdontoPrev" exclusive fund:

				Balance at December 30, 2014	
Assets[1]	Description	Emission	Maturity	Consolidated	Level of hierarchy[2]
Federal Public Bonds	Financial Treasury Bills - FTB	03/06/2009	03/07/2015	57,528	1
Federal Public Bonds	Financial Treasury Bills - FTB	07/03/2009	09/07/2015	46,042	1
Federal Public Bonds	Financial Treasury Bills - FTB	07/15/2011	03/01/2018	31,942	1
Federal Public Bonds	Financial Treasury Bills - FTB	01/11/2013	09/01/2018	25,489	1
Federal Public Bonds	Financial Treasury Bills - FTB	07/19/2013	03/01/2019	6,537	1
Federal Public Bonds	National Treasury Bills - NTB	12/22/2010	01/01/2015	1,499	1
Committed	National Treasury Bills - NTB-O	01/10/2014	04/01/2016	58,604	1
				227,641	

[1] These are subject to risk Brazil currently rated "BBB" by Fitch.
[2] Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities (note 2.6.3).

4.1.2 Credit risk

This risk arises from the possibility of the Company and its direct and indirect subsidiaries not receiving the amounts arising from considerations and services as they become due. The credit policy takes into consideration the specific characteristics of dental care plan operations and is

focused on maintaining the flexibility required by market conditions and customers' needs. Through appropriate internal controls, the Company constantly monitors its receivables, and calculates the provision for impairment of receivables (note 2.6.5).

None of the Company's customer represents 10% or more of the total of the respective class of financial assets.

4.1.3 Liquidity risk

The main objective of liquidity risk management is to monitor the settlement terms of the receivables and payables of the Company and its subsidiaries, as well as the liquidity of their financial instruments. Prepare projected cash flow analyses and periodically review the liabilities assumed and the financial instruments used, mainly those related to assets pledged as guarantee of technical reserves.

The receivables comprising the Company's cash flows arise mainly from prepaid collective contracts, which establish the settlement of monthly payments (mainly at the beginning of each month) for the use of benefits. In turn, the payments to the accredited network and brokers, the main suppliers, occur throughout the month.

4.2 Insurance risk and dental care cost fluctuation risk

OdontoPrev's business model is based on the customers' monthly payments, in medium and long-term contracts, and is exposed to a risk of insurance and dental care cost fluctuation, taking into consideration that in the dental care plan sector the risk is limited to the frequency that the services rendered by the accredited network are used and the low individual cost of the treatments given.

In the development and formation of dental care plans are taken into consideration the following factors:

- **Risk model -** This refers to the determination of the person responsible for the cost of dental treatment during the life of the contract (classified as prepaid or postpaid).

The cost of dental treatments can be covered by the Company, the customer or shared by both in several manners. When OdontoPrev bears part of or all costs, the per capita monthly rate includes their actuarial estimate, as well as other administrative and selling expenses (prepaid). When the customer bears these costs, the per capita monthly rate includes only administrative and selling expenses, and the dental surgeons' fees are transferred directly to the customer (postpaid).

Most of the customers have opted for the prepaid risk model, it is more predictable for the customer, avoiding unintended cost oscillations during the life of the contract, and it is also easier to manage.

- **Service model -** This defines how the member will receive the dental care service contracted: (i) through an accredited network; (ii) with a dental surgeon of the member's choice; or (iii) in company-owned units. In the accredited network, the member receives the necessary dental care services, those covered by the contract, without any additional disbursement, and the beneficiary can also rely on the systems for control of quality and selection of professionals. In the system in which the member can choose the professionals, they must pay directly to the dentist and subsequently request the reimbursement of the costs, under the limits of the contract. When the customer opts for the company-owned units, two types are available: the dental care plan itself, named by ANS as own dental care segment, or the lease of exclusive dental clinics in the customers' facilities.

  In the first model, the type of coverage and the payment of a per capita monthly rate are defined. In the second model, the Company pays a fixed amount to the dental clinic, without defining a type of coverage, designation of beneficiary or per capita rate.

- **Enrollment model** - This determines if the entire group (mandatory enrollment) or part of the group (free enrollment) of beneficiaries will be included in the plan, and how the payment of the per capita monthly rate will be made, that is, if it will be totally paid by the customer, by the beneficiary, or divided between them, in various proportions.

- **Types of coverage -** This describes all the dental care treatments whose costs are totally or partially covered in the dental care plan contracted. The current regulation determines minimum dental care coverage, defined by ANS.

  The most contracted type of coverage is the full plan, which is higher than the minimum dental care plan, but does not include prostheses, orthodontics and dental implants.

- **Factor for moderated use** - These are rules for use and access to covered dental care services, which contribute to determine costs of these services and avoid abusive use of the system. The main types used are: (i) co-payment, which comprises the payment by the beneficiary of part of the treatments effectively received; (ii) grace periods, which comprise periods in which the beneficiary cannot use the services covered by their plan; and (iii) deductibles, which comprise levels of amounts by dental care event which are the sole responsibility of the beneficiaries, above which the effective coverage of the plan is valid.

  The moderation factors are included in several dental care plan structures, mainly for enrollment plans and individual customers.

- **Fees -** Special remuneration is considered for the professionals of accredited network, as well as several levels of reimbursement to be chosen.

  In addition to the insurance risk, the dental care cost fluctuation risk also has direct impact on the dental care plan contracts. These costs can increase due to the frequency of use, legislation and higher prices of dental care materials.

  To control costs, the Company has its own system that ensures the individual evaluation of all treatments made, through images and analyses of electronic records, thus monitoring the dental costs per customer.

The contracts are effective over approximately 24 months, originally with a termination clause establishing a 90-day prior notice and contractual fine for terminations requested out of term. Most of the contracts also have an annual adjustment of the rates adopted through the claims ratio, which consists of the division of the costs incurred over the past twelve months by the net consideration that is, cost of services divided by sales and adjustment based on inflation, according to an index established with each customer.

The Company constantly monitors its contracts in order to minimize risks, as well as maintain their financial balance. All the aforementioned procedures are intended to minimize possible losses or decreases in the contribution margin. Currently, the Company considers that a claims ratio of up to 60% permits a margin that supports the Company's administrative expenses.

In the period ended December 31, 2014, according to note 18, the consolidated claims ratio was 47.5% and the contribution margin (gross income less selling expenses divided by sales income) was 43.1%.

In the table below we highlight the increase / decrease in contribution margin resulting from changes in the claims ratio:

			Consolidated			
			Changes in the claims ratio			
	Year ended in December 31, 2014		Equal to 60%		Equal to 40%	
Net operating revenue	1,156,121	100.0%	1,156,121	100.0%	1,156,121	100.0%
Cost of services	(548,837)	-47.5%	(693,673)	-60.0%	(462,448)	-40.0%
GROSS INCOME	**607,284**	**52.5%**	**462,448**	**40.0%**	**693,673**	**60.0%**
Selling expenses	(109,446)	-9.5%	(109,446)	-9.5%	(109,446)	-9.5%
CONTRIBUTION MARGIN	**497,838**	**43.1%**	**353,002**	**30.5%**	**584,227**	**50.5%**
(Decrease)/increase - contribution margin			**(144,836)**	**-12.6 p.p**	**86,389**	**7.4 p.p**

4.3 Operating risk - Market of operations (competition)

The Company operates in a competitive market and competes with other companies that offer dental care plans with similar benefits, including health care companies, mainly health care insurance and medical and hospital operators, dental care cooperatives, charitable entities and exclusive dental care operators.

OdontoPrev has a diversified selling strategy, which enables that its products be sold to a wide range of potential groups in an efficient manner, and its several distribution channels provide flexibility in satisfying the needs of the entire spectrum of customers. The Company sells dental care plans to companies, associations and individuals by means of: (i) an internal sales team; (ii) external brokers; (iii) commercial associations and new distribution channels; (iv) channels Bradesco.

Currently, the factors that stimulate the growth in the dental care plan sector are the following: (i) structural imbalance between the supply and demand of services; (ii) lack of alternatives in the public system; (iii) growing inclusion of dental care plans in employee benefit programs; (iv) opportunities represented by the increasing interest of new distribution channels; and (v) regulation.

4.4 Capital risk

The Company carries out its capital risk management activities based on a centralized management model, with the main purpose of meeting the requirements of minimum regulatory capital for its segment, in accordance with capital requirements defined by ANS. The Company's strategy and model consider both “regulatory capital” and “economic capital”.

The capital risk management strategy is to maximize the Company's capital value through optimization and diversification of available capital sources. The decisions about allocation of capital are made as part of the periodical review of the Company's strategic planning.

During the reporting period and prior periods, the Company maintained capital levels above the minimum regulatory requirements.

The Note 13 describes the rules for determining technical reserves and criteria for maintenance of minimum equity and solvency margin, according to definitions applicable to dental care plan operators.

5 Cash and cash equivalents

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Cash	38	39	60	67
Amounts in transit	7,668	4,568	7,797	4,740
Short-term deposits	2,091	4,232	2,557	5,459
Financial investments (current interest account)	2,032	-	2,199	-
	11,829	**8,839**	**12,613**	**10,266**

6 Financial assets at fair value through profit or loss (financial instruments)

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Bank Deposits Certificates (CDBs)	18,206	16,732	18,206	16,816
Investment funds (not exclusive)	4,813	4,425	7,248	8,431
Federal Public Bonds (exclusive fund)	216,613	210,941	227,641	221,609
	239,632	**232,098**	**253,095**	**246,856**

- **CDBs -** Refer to floating rate securities indexed to the Interbank deposit certificate (CDI) daily interest rates, mostly of which have daily liquidity (note 4.1.1 (a)).

- **Investment funds -** The investment fund participations are valued based on the value disclosed by the investment funds' administrators.

- **Federal Public Bonds -** These refer to the assets from exclusive funds, which are managed by Banco Bradesco S.A. and Bradesco Asset Management, under market conditions (note 4.1.1 (b)).

A portion of the financial instruments at December 31, 2014, totaling R$70,846 (R$70,187 at December 31, 2013) for the Company and R$73,305 (R$73,896 at December 31, 2013) for the group, is pledged to ANS to guarantee the technical reserves, in accordance with RN 206/09, amended by RN 208/09, 290/12 and 322/13, with no mandatory collateral security for IBNR reserves Provision for claims with a maturity under 30 days and to unearned premiums reserve.

Composition of the investment portfolio by maturity:

					Company
	No maturity date	**Up to 180 days**	**181 to 360 days**	**Over to 360 days**	**Total**
Bank Deposit Certificates (CDBs)	-	6,265	-	11,941	18,206
Investment funds (non exclusive)	4,813	-	-	-	4,813
Federal Public Bonds (exclusive fund)	-	56,150	43,815	116,648	216,613
At December 31, 2014	**4,813**	**62,415**	**43,815**	**128,589**	**239,632**
At December 31, 2013	**4,425**	**74,842**	**45,446**	**107,385**	**232,098**

					Consolidated
	No maturity date	**Up to 180 days**	**181 to 360 days**	**Over to 360 days**	**Total**
Bank Deposit Certificates (CDBs)	-	6,265	-	11,941	18,206
Investment funds (non exclusive)	7,248	-	-	-	7,248
Federal Public Bonds (exclusive fund)	-	59,027	46,042	122,572	227,641
At December 31, 2014	**7,248**	**65,292**	**46,042**	**134,513**	**253,095**
At December 31, 2013	**8,431**	**74,947**	**45,446**	**118,032**	**246,856**

Changes in investment portfolio composition are shown in the table below:

				Company				Consolidated
	CDBs	**Investment Funds**	**Federal Public Bonds**	**Total**	**CDBs**	**Investment Funds**	**Federal Public Bonds**	**Total**
At December 31, 2012	**15,580**	**4,153**	**179,927**	**199,660**	**16,054**	**7,922**	**189,512**	**213,488**
Application	-	-	516,930	516,930	-	-	569,720	569,720
(-) Redemption	(4,734)	-	(497,168)	(501,902)	(5,132)	-	(549,517)	(554,649)
Income	5,886	272	11,252	17,410	5,894	509	11,894	18,297
At December 31, 2013	**16,732**	**4,425**	**210,941**	**232,098**	**16,816**	**8,431**	**221,609**	**246,856**
Incorporated value Adcon	86	305	-	391	-	-	-	-
Application	-	-	545,235	545,235	-	6,918	601,693	608,611
(-) Redemption	(221)	(336)	(564,365)	(564,922)	(219)	(8,641)	(621,542)	(630,402)
Income	1,609	419	24,802	26,830	1,609	540	25,881	28,030
At December 31, 2014	**18,206**	**4,813**	**216,613**	**239,632**	**18,206**	**7,248**	**227,641**	**253,095**

7 Healthcare receivables (Loans and receivables - Customers)

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Invoices/premiums receivable	130,555	119,076	132,320	121,438
Provision for impairment of trade receivables	(34,706)	(36,307)	(35,357)	(37,168)
Healthcare receivables	**95,849**	**82,769**	**96,963**	**84,270**
Debit notes	2,154	1,357	2,154	1,357
	98,003	**84,126**	**99,117**	**85,627**

The composition of the Company and Consolidated health care receivables by maturity is as follows:

	Company				Consolidated			
Maturity	**Invoices/premiums and debit notes receivable**	**Provision for impairment of trade receivables**	**December 31, 2014**	**December 31, 2013**	**Invoices/premiums and debit notes receivable**	**Provision for impairment of trade receivables**	**December 31, 2014**	**December 31, 2013**
Falling due No maturity date	78,176	(6,010)	72,166	63,714	79,285	(6,020)	73,265	64,954
Up to 30 days	17,836	-	17,836	14,346	17,842	-	17,842	14,593
From 31 to 90 days	11,173	(3,172)	8,001	6,066	11,182	(3,172)	8,010	6,080
Over to 90 days	25,524	(25,524)	-	-	26,165	(26,165)	-	-
	132,709	**(34,706)**	**98,003**	**84,126**	**134,474**	**(35,357)**	**99,117**	**85,627**

Changes in provision for losses and amount of receivable from customers are shown in the table below:

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Trade accounts receivable	**132,709**	**120,433**	**134,474**	**122,795**
Invoices/premiums receivable	130,555	119,076	132,320	121,438
Debit notes receivables	2,154	1,357	2,154	1,357
Provision for impairment of trade receivables	**(34,706)**	**(36,307)**	**(35,357)**	**(37,168)**
Trade accounts receivable	(36,307)	(25,844)	(37,168)	(26,523)
Incorporated value Adcon	(150)	-	-	-
Reverals (provisions) recorded in the year, net	(32,966)	(35,089)	(32,980)	(35,840)
Losses with customers	34,717	24,626	34,791	25,195
(=) Receivable from customers	**98,003**	**84,126**	**99,117**	**85,627**
Advances from customers	**(3,800)**	**(3,278)**	**(3,805)**	**(3,293)**
(=) Receivable from customers, net	**94,203**	**80,848**	**95,312**	**82,334**

8 Current taxes recoverable

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
IRPJ	26	1,122	4,429	6,169
CSLL	75	122	1,719	1,436
IRRF	1,288	1,871	2,414	2,566
PIS and COFINS	308	307	3,617	2,806
ISS	718	474	738	484
INSS	17	-	73	72
ICMS	-	-	-	2
	2,432	**3,896**	**12,990**	**13,535**

9 Long-term receivables

9.1 Deferred income tax and social contribution

	Company				Consolidated			
	December 31, 2013	**Debit (credit) in income**	**December 31, 2014**	**Expected realization**	**December 31, 2013**	**Debit (credit) in income**	**December 31, 2014**	**Expected realization**
Provision for impairment of trade receivables	12,344	536	12,880	Up to 12 months	12,639	533	13,172	Up to 12 months
Provision for tax, social security, labor and civil contingencies	49,794	16,836	66,630	Over 12 months (note 16.1 b)	49,939	16,793	66,732	Over 12 months (note 16.1 b)
Goodwill on expected future profitability - merged subsidiaries	43,840	(28,573)	15,267	Up to 12 months	43,840	(28,573)	15,267	Up to 12 months
Other provisions	8,164	2,242	10,406	Up to 12 months	8,915	2,386	11,301	Up to 12 months
	114,142	**(8,959)**	**105,183**		**115,333**	**(8,861)**	**106,472**	
Deferred income tax	83,928	(6,588)	77,340		84,803	(6,515)	78,288	
Deferred social contribution	30,214	(2,371)	27,843		30,530	(2,346)	28,184	

9.2 Judicial deposits

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
TAX	**1,557**	**1,173**	**3,662**	**3,280**
COFINS	-	-	1,889	2,084
Other	1,557	1,173	1,773	1,196
Social security and labor	**38,422**	**35,593**	**38,693**	**35,808**
INSS	38,062	35,241	38,062	35,241
Other	360	352	631	567
Civil	**524**	**508**	**529**	**512**
	40,503	**37,274**	**42,884**	**39,600**

9.3 Other receivables

The acquisition of the controlling share of the companies listed below was approved, whose accounting, tax and labor procedures were reviewed, and cases involving potential risks were identified (note 12.1), which has a corresponding entry to the amount recorded under “Other payables” (note 16.2).

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
DentalCorp	992	993	992	993
Care Plus	-	12	-	12
Prontodente	-	41	-	41
OdontoServ	-	143	-	143
Grupo Papaiz	-	-	1,323	1,323
	992	**1.189**	**2,315**	**2,512**

Acording to the Agreement entered into between the former owners of these companies and the Company, in certain circumstances, the former owners guarantee the reimbursement of any payments the Company is required to make. The amounts recorded in other receivables are deposited in investment funds and CDBs in the name of the former owners who can only use these funds with in the Company's and subsidiaries authorization in order to avoid any credit risk related to the acquisition of control of the companies mentioned above.

10 Investments

						Company			
					2014	Equity in the results of		Investment balances	
Subsidiaries	**Share capital**	**Number quotas/ shares held**	**Holding (%)**	**Profit for the period**	**Equity**	**December 31, 2014**	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Rede Dental	1,162	1,162	99.9	3,263	7,490	3,263	4,173	7,490	8,227
Adcon[1]	-	-	99.9	81	-	81	345	-	715
				Equity Interests - Dental Care		**3,344**	**4,518**	**7,490**	**8,942**
Clidec	12,790	12,790	99.9	1,665	17,864	1,665	1,495	17,864	17,238
OdontoPrev Serviços	2,278	2,278	99.9	1,133	9,274	1,133	736	9,274	8,238
				Equity Interests - Others		**2,798**	**2,231**	**27,138**	**25,476**
				Other equity interests[2]		**(1,219)**	**(34)**	**3,807**	**1,450**
						4,923	**6,715**	**38,435**	**35,868**

[1]Incorpored as of May 1st, 2014.
[2]Includes participation in Brasildental (note 1).

11 Property, plant and equipment

Company

	Computer Equipment	Vehicles	Facilities	Machinery and equipment	Furniture and fittings	Communication equipment	Dental care equipment	Total for own use	Construction Work-in-progress	Leasehold improvements	Total
Net book value at December 31, 2013	**2,193**	**594**	**90**	**468**	**1,095**	**1,031**	**40**	**5,511**	**304**	**820**	**6,635**
Additions	1,459		2,491	10	1,594	261	1	**5,816**	(34)	3,993	**9,775**
Disposals	(7)	(106)	(62)		(57)	-	-	**(232)**	-	(581)	**(813)**
Depreciation	(946)	(115)	(148)	(70)	(322)	(140)	(11)	**(1,752)**	-	(602)	**(2,354)**
Incorporated Value - Adcon	5	-	-	2	53	-	2	**62**	-	-	**62**
Net book value at December 31, 2014	**2,704**	**373**	**2,371**	**410**	**2,363**	**1,152**	**32**	**9,405**	**270**	**3,630**	**13,305**
Acquisition cost	9,498	1,074	2,515	1,062	4,280	1,856	431	**20,716**	270	4,769	**25,755**
Accumulated depreciation	(6,794)	(701)	(144)	(652)	(1,917)	(704)	(399)	**(11,311)**	-	(1,139)	**(12,450)**
Net book value at December 31, 2014	**2,704**	**373**	**2,371**	**410**	**2,363**	**1,152**	**32**	**9,405**	**270**	**3,630**	**13,305**
Annual depreciation rate (%)	**20**	**20**	**10**	**10**	**10**	**10**	**10**	**-**	**-**	**20**	**-**

Consolidated

	Computer Equipment	Vehicles	Facilities	Machinery and equipment	Furniture and fittings	Communication equipment	Dental care equipment	Total for own use	Construction Work-in-progress	Leasehold improvements	Total
Net book value at December 31, 2013	**2,337**	**595**	**189**	**558**	**1,516**	**1,032**	**630**	**6,857**	**1,861**	**1,206**	**9,924**
Additions	1,530		2,515	21	1,682	408	346	**6,502**	(34)	4,193	**10,661**
Disposals	(6)	(106)	(62)		(57)	(1)	-	**(232)**	-	(581)	**(813)**
Depreciation	(968)	(115)	(165)	(81)	(385)	(149)	(135)	**(1,998)**	-	(748)	**(2,746)**
Net book value at December 31, 2014	**2,893**	**374**	**2,477**	**498**	**2,756**	**1,290**	**841**	**11,129**	**1,827**	**4,070**	**17,026**
Acquisition cost	10,040	1,107	2,700	1,258	4,971	2,008	1,241	**23,325**	1,827	6,358	**31,510**
Accumulated depreciation	(7,147)	(733)	(223)	(760)	(2,215)	(718)	(400)	**(12,196)**	-	(2,288)	**(14,484)**
Net book value at December 31, 2014	**2,893**	**374**	**2,477**	**498**	**2,756**	**1,290**	**841**	**11,129**	**1,827**	**4,070**	**17,026**
Annual depreciation rate (%)	**20**	**20**	**10**	**10**	**10**	**10**	**10**	**-**	**-**	**20**	**-**

12 Intangible assets

12.1 Goodwill on acquisition of investments

Goodwill is allocated to the business units which benefited from the business combination from which the goodwill was originated for the purpose of impairment testing, as presented in the following table:

	Historical data relating to the acquisition and / or approval				December 31, 2014			December 31, 2013
	Date	Total Value	Asset Value	Date of Incorporation	Goodwill	Amortization [1]	Net	Net Goodwill
Bradesco Dental	10/18/2009	723,392	313,752	07/01/2010	409,640	-	409,640	409,640
OdontoServ[2]	02/27/2009	30,841	10,025	12/01/2009	20,816	-	20,816	20,816
Prontodente	12/22/2008	5,445	(235)	12/01/2009	5,680	-	5,680	5,680
Sepao	10/24/2008	9,203	82	12/01/2009	9,121	(303)	8,818	8,818
SRJSPE	06/26/2008	13,720	(130)	12/01/2008	13,850	(1,616)	12,234	12,234
Care Plus	06/19/2008	13,113	(230)	12/01/2008	13,343	(1,563)	11,780	11,780
Biodent	06/19/2008	2,837	98	12/01/2008	2,739	(319)	2,420	2,420
Rede Dental	10/08/2007	7,584	(119)	not incorpored	7,703	(1,544)	6,159	6,159
DentalCorp	02/09/2007	25,244	386	03/03/2008	24,858	(9,529)	15,329	15,329
Total - Company		**831,379**	**323,629**		**507,750**	**(14,874)**	**492,876**	**492,876**
Easy	07/08/2008	3,100	456	not incorpored	2,644	(265)	2,379	2,379
G2D[3]	08/09/2012	750	416	not incorpored	334	-	334	334
Grupo Papaiz[4]	01/31/2013	5,487	780	not incorpored	4,707	-	4,707	4,707
Total - Consolidated		**840,716**	**325,281**		**515,435**	**(15,139)**	**500,296**	**500,296**

[1] Accumulated Amortization up to December 31, 2008. After this date are performed impairment test.
[2] Including Adcon incorporated on May 1st, 2014.
[3] Associated company (note 1).
[4] Equivalent to 60% of the investment of the Clidec in Clidec Participações (note 1).

The last goodwill impairment test was carried out at December 31, 2014. This test used the income approach, through the discounted cash flow methodology. This approach is based on the nature of the cash-generating units evaluated, the existence of historical financial and operational control of the business unit, availability of financial projections and discussions with management. No evidence of impairment was identified in the period for these assets; therefore, the Company considered that a provision for impairment was not necessary.

The following listed the assumptions used to perform the impairment test:

Calculatio period:	6 years, from January 1, 2015 to December 31, 2020, and perpetuity.
Projection currency:	R$ nominal, considering inflationary effect.
Discount rate:	14.5% according to the method CAPM[1]
Specific assumptions:	(i) financial statements and management of the BU and OdontoPrev's; (ii) management information
Growth rate in perpetuity:	growth of 0.5% per year, based on vegetative population growth rate of long-term (IBGE) plus inflation (IPCA) of long-term 5.4% per year.

Macroeconomic assumptions:

Description	2015P	2016P	2017P	2018P	2019P	2020P
GDP growth	0.45%	1,75%	2.30%	2.50%	2.18%	2.33%
Inflation - IPCA índex	6.60%	5.68%	5.40%	5.28%	5.45%	5.38%

[1]CAPM - *Capital Asset Pricing Model*

12.2 System development, software licenses and others

		Company		Consolidated	
	Amortization period	**December 31, 2014**	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
System development	60 months	26,572	21,394	26,784	21,649
Software licenses	60 months	11,660	9,210	13,376	10,671
Intangible assets - OdontoServ	straight-line method (appraisal report)	9,779	9,779	9,779	9,779
Other		-	-	19	19
Accumulated amortization		(22,026)	(18,025)	(22,530)	(18,518)
		25,985	**22,358**	**27,428**	**23,600**

12.3 Changes in intangible assets

	Company			Consolidated		
	Goodwill on acquisition of investment	**System development, software licenses and other**	**Total**	**Goodwill on acquisition of investment**	**System development, software licenses and other**	**Total**
At December 31, 2013	**492,876**	**22,358**	**515,234**	**500,296**	**23,600**	**523,896**
Additions	-	7,628	7,628	-	7,843	7,843
Amortization	-	(4,001)	(4,001)	-	(4,015)	(4,015)
At December 31, 2014	**492,876**	**25,985**	**518,861**	**500,296**	**27,428**	**527,724**
Cost	507,750	48,011	555,761	515,435	49,958	565,393
Accumulated amortization and impairment	(14,874)	(22,026)	(36,900)	(15,139)	(22,530)	(37,669)
Net book amount	**492,876**	**25,985**	**518,861**	**500,296**	**27,428**	**527,724**

13 Minimum capital and technical reserves

ANS establishes new rules for recognizing technical provisions and minimum capital requirements, according to RN 209, amended by RNs 227/10, 243/10, 247/11, 313/12 and IN 50/12.

13. 1 Minimum Capital

a. Adjusted minimum equity (AME) represents the minimum amount of equity or net assets, calculated by multiplying the K Factor by the capital base.

b. The solvency margin corresponds to the amount of adjusted equity sufficient to cover the higher of 0.20 times the sum of the last 12 months premium, or 0.33 times the annual average of the last 36 months' net claims.

In the table below, we presentation calculation AME, MS and S:

	Company	
	December 31, 2014	**December 31, 2013**
Base capital	6,673	6,264
(x) K Factor [1]	0.48%	0.48%
Adjusted minimum equity (AME)	**32**	**30**
Equity	642,030	695,695
Legal obligations	77,696	92,803
Equity Interests in Others Dental Care	(8,235)	(8,942)
Deferred acquisition costs	(11,398)	(9,401)
Prepaid expenses	(855)	(805)
Intangible assets	(518,861)	(515,234)
Adjusted minimum equity (AME)	**180,377**	**254,116**
(A) 0.20 times the sum of the last 12 months premium	234,264	214,454
(B) 0.33 times the annual average of the last 36 months' net claims	143,959	131,610
Solvency Margin (MS) total = higher amount (A) and (B)	**234,264**	**214,454**
Adequacy total[2] AME - MS total)	**(53,887)**	**39,662**
MS required[3] (%)	41.00%	38.00%
MS equired[3] (R$)	96,048	81,493
Adequacy required (AME - MS required)	**84,329**	**172,623**

[1]K Factor corresponds classification: group dentistry, testuary sector, region 4 according to Annex RN 209/09.
[2]Total solvency margin should be set up until December 31,2022 according to RN 313/12.
[3]Required solvency margin as provided for in the scale of dilution according to RN 313/12.

13. 2 Changes in Technical Reserves

According to CPC 11/IFRS 4, paragraph 37, the changes in reserves related to claims/events (insurance liabilities) are as follows:

	Unearned premiums reserve		IBNR reserves		IBNR reserves - incurred but not reported claims reserve		Deferred acquisition cost[1]	
	Company	**Consolidated**	**Company**	**Consolidated**	**Company**	**Consolidated**	**Company**	**Consolidated**
At December 31, 2012	**78,159**	**81,521**	**16,928**	**17,888**	**59,773**	**61,276**	**8,288**	**8,288**
Events reported/incurred in the year	-	-	443,753	451,644	-	-	-	-
Events paid	-	-	(447,243)	(455,224)	-	-	-	-
Provision for events/claims incurred but not reported (IBNR)	-	-	-	-	(8,378)	(8,664)	-	-
Unearned premiums	788,528	793,170	-	-	-	-	-	-
Premiums recognized in income	(793,268)	(800,862)	-	-	-	-	-	-
Deferred acquisition costs	-	-	-	-	-	-	19,527	19,527
Amortized acquisition costs	-	-	-	-	-	-	(18,414)	(18,414)
At December 31, 2013	**73,419**	**73,829**	**13,438**	**14,308**	**51,395**	**52,612**	**9,401**	**9,401**
Events reported/incurred in the year	-	-	473,593	476,031	-	-	-	-
Events paid	-	-	(472,578)	(475,318)	-	-	-	-
Provision for events/claims incurred but not reported (IBNR)	-	-	-	-	15,424	15,287	-	-
Unearned premiums	848,796	852,391	-	-	-	-	-	-
Premiums recognized in income	(834,818)	(838,375)	-	-	-	-	-	-
Deferred acquisition costs	-	-	-	-	-	-	25,282	25,282
Amortized acquisition costs	-	-	-	-	-	-	(23,285)	(23,285)
At December 31, 2014	**87,397**	**87,845**	**14,453**	**15,021**	**66,819**	**67,899**	**11,398**	**11,398**

[1] Assets directly related to insurance contracts.

14 Taxes and contributions payable

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Federal tax liabilities	**4,389**	**2,818**	**4,484**	**3,119**
IRPJ	2,725	1,803	2,776	2,006
CSLL	1,664	1,015	1,708	1,113
Other federal liabilities	**6,966**	**6,083**	**7,488**	**6,725**
COFINS	2,520	1,795	2,702	1,983
PIS	867	840	914	918
IRRF	3,206	3,140	3,444	3,458
Other	373	308	400	366
State tax liabilities	**-**	**-**	**28**	**-**
Municipal tax liabilities	**1,616**	**1,280**	**1,981**	**1,632**
	12,971	**10,181**	**13,953**	**11,476**

15 Other payables

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Sundy provisions:	**18,002**	**14,223**	**18,341**	**14,556**
Comissions	3,270	4,008	3,270	4,008
IT support and service	515	434	515	434
Telecommunications	451	422	459	431
Services	1,397	1,288	1,602	1,537
Associations	30	80	30	80
Location	159	85	235	151
Traveling	275	233	318	242
Indemnifiable and charges	10,658	7,673	10,658	7,673
Materiais operacionais	1,135	-	1,135	-
Marketing actions	99	-	99	-
Insurance	13	-	20	-
Credit to identify	**4,003**	**8,255**	**4,025**	**8,616**
Others	**606**	**818**	**742**	**1,114**
	22,611	**23,296**	**23,108**	**24,286**

16 Non-current liabilities

16.1 Provisions for contingencies

The Company's management set up provisions based on the opinion of its internal and external legal advisors and considers that the amounts recorded in “Provisions for contingencies”, in long-term liabilities, are sufficient to cover potential losses arising from court decisions. The amounts related to possible losses not accrued, relate to 723 civil lawsuits (not related to treatments made to the dental plan beneficiaries) and to 52 labor lawsuits of the Company and its subsidiaries, totaling in December 31, 2014 R$31,889 (R$28,776 at December 31, 2013).

	Company		Consolidated	
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Tax	**1,394**	**1,394**	**2,567**	**2,576**
Social secutity and labor	**192,907**	**143,731**	**193,189**	**144,145**
INSS	192,123	143,339	192,123	143,339
Other	784	392	1,066	806
Civil	**3,081**	**2,739**	**3,100**	**2,843**
	197,382	**147,864**	**198,856**	**149,564**

Company

	December 31, 2014					
		Social security and labor				
Changes	**Tax**	**INSS**	**Others**	**Civil**	**Total**	**December 31, 2013**
Opening balance	1,394	143,339	392	2,739	147,864	108,973
Establishment	-	32,814	591	3,313	36,718	33,179
Write-offs	-		(291)	(3,412)	(3,703)	(2,516)
Monetary adjustment	-	15,970	92	329	16,391	8,228
Incorporated Value - Adcon	-	-		112	112	-
Provisions	**1,394**	**192,123**	**784**	**3,081**	**197,382**	**147,864**
Judicial deposits	(1,557)	(38,062)	(360)	(524)	(40,503)	(37,274)
Net provisions	**(163)**	**154,061**	**424**	**2,557**	**156,879**	**110,590**
Number of law suits					190	152

Consolidated

	December 31, 2014					
		Social security and labor				
Changes	**Tax**	**INSS**	**Others**	**Civil**	**Total**	**December 31, 2013**
Opening balance	2,576	143,339	806	2,843	149,564	110,749
Establishment	2	32,814	858	3,405	37,079	33,191
Write-offs	(11)	-	(696)	(3,476)	(4,183)	(2,614)
Monetary adjustment	-	15,970	98	328	16,396	8,238
Provisions	**2,567**	**192,123**	**1,066**	**3,100**	**198,856**	**149,564**
Judicial deposits	(3,662)	(38,062)	(529)	(631)	(42,884)	(39,600)
Net provisions	**(1,095)**	**154,061**	**537**	**2,469**	**155,972**	**109,964**
Number of law suits					207	159

a. Tax

Liabilities related to tax contingencies under dispute are maintained up to the rendering of a final and non appealable decision.

The Company and its subsidiary Clidec filed a lawsuit requesting to pay COFINS as established by LC7/70 rather than in accordance with Law 9.718/98, and to offset the difference in amounts paid at the rate of 3% against social contribution. The Company was partially successful, since the increase in the COFINS calculation basis was determined unconstitutional.

b. Social security and labor

(i) INSS

The Company and its subsidiary Rede Dental are discussing in court the social security contribution levied on the remuneration paid to accredited dentists of 20%, as set forth by LC 84/96 and subsequently by Law 9.876/99 (new wording provided for in article 22, item I of Law 8.212/91). The Company alleges that because the services are not rendered to the insurance companies but to the insured parties, they would be outside the scope of the mentioned contribution. It should be mentioned that Bradesco Dental had already a lawsuit with the same objective, and had made judicial deposits up to July 2010, being the date of the merger into the Company, and when it became the plaintiff. In the consolidated accounts, these obligations had been fully accounted for and totaled R$192,123 at December 31, 2014 (R$143,339 at December 31, 2013), and for which there are monetarily restated judicial deposits of R$38,062 (R$35,241 at December 31, 2013).

(ii) Other

The Company and its subsidiaries are parties to various labor lawsuits, most of them relating to: (i) recognition of employment relationship; (ii) equal pay; (iii) overtime; (iv) union classification; (v) indemnity. At December 31, 2014, the amount provided for totaled R$1,066 (R$806 at December 31, 2013).

c. Civil claims

The Company and its subsidiaries are parties to civil lawsuits, mainly involving requests for indemnification for moral and property damages, totaling R$3,100 at December 31, 2014 (R$3,558 at December 31, 2013).

16.2 Other payables

	Company		Consolidated	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
DentalCorp	960	993	960	993
Prontodente	-	41	-	41
OdontoServ	-	143	-	143
Grupo Papaiz	-	-	1,323	1,323
	960	**1,177**	**2,283**	**2,500**

17 Shareholders´equity

17.1 Share capital

At December 31, 2014 and December 31, 2013, the Company's subscribed and paid-up capital was R$506,557 comprising 531,294,792 common shares, with no par value.

According to Article 8 of its bylaws, the Company is authorized to increase its capital up to the limit of 80,000,000 shares, with no changes in the bylaws.

The closing price of the Company's shares (ODPV3 - BM&FBOVESPA) at December 31, 2014 was R$9.86 (R$9.83 per share at December 31, 2013), The book value per share at December 31, 2014 was R$1.21 (R$1.31 per share at December 31, 2013).

17.2 Capital reserves

	Company and Consolidated	
	December 31, 2014	**December 31, 2013**
Share premium	48,392	48,392
Granting of stock options	16,385	20,078
Granting of deferred stock options	(6,848)	(12,493)
Additional paid-up capital	(35,970)	(38,978)
	21,959	**16,999**

- **Options granted** - Amount of the 4th and 5th and the amount estimated of 6th, 7th and 8th grants of options, using the Black & Scholes methodology.

- **Deferral of granted stock options** - Balance of the 6th, 7th and 8th grants of options to be appropriated to the remaining vesting period.

- **Additional paid-up capital** - Amount of the difference between the constitution estimated by the Black & Scholes methodology and the amount received upon the exercise of the 1st, 2nd, 3rd and 4th grants of options.

17.3 Profit reserves

	Company and Consolidated	
	December 31, 2014	**December 31, 2013**
Legal reserve	55,588	45,852
Statutory reserve	40,087	68,695
Tax incentive	129	129
	95,804	**114,676**

- **Legal reserve** - This reserve must be recorded by the Company through the allocation of 5% of the profit for the year, up to 20% of the capital.

- **Statutory reserve** - Pursuant to the Company's bylaws, profit is allocated as follows: i) deduction of losses, if any; ii) 5% for recognition of the legal reserve up to 20% of the subscribed capital; iii) mandatory dividend of 50% on profit, complying with the following adjustments: a) decrease of amounts allocated to the legal and contingency reserves for the year; b) increase of amounts resulting from reversal, for the year, of contingency reserves previously recorded; and iv) recognition of the statutory reserve including the remaining balance, with the distribution of interest on capital and dividends exceeding the mandatory dividends subject to approval.

17.4 Treasury shares

On February 25, 2014, the Board of Directors authorized the acquisition of 6,202,148 shares of the Company, through the use of funds consigned in a statutory reserve for the purpose of guaranteeing the 100% exercise of the buy option of the shares granted in 2011 (5th), 2012 (6th) and 2013 (7th).

On November 3, 2014 the Company announced the completion of its Annual Buyback Program. Of the total repurchase 6,202,418 originally scheduled: (i) 907,791 options were canceled, due to staff leavers; (ii) 1,296,833 options were exercised in 2014; and (iii) 4,047,794 shares are held in treasury

as at December 31, 2014 totaling R$ 36,784 (R$ 709 refers to 77,868 shares on December 31, 2013). The average price for the shares was R$ 9.09.

17.5 Retained earnings and additional proposed dividend

In compliance with CPC 26 (R1)/IAS 1, the changes in retained earnings of the December 31, 2013 up to December 31, 2014:

	Company	
	December 31, 2014	**December 31, 2013**
Profit for the period	194,709	188,091
Proposed profit allocation[1]:	**(194,709)**	**(188,091)**
Legal reserve	(9,736)	(9,405)
Interest on capital	(32,841)	(33,209)
Interim dividends	(126,246)	(114,940)
Additional proposed dividend	(25,886)	(30,537)
	-	-

The dividends and interest on capital are as follows:

					Company	
			Decision		Year	
Approval	**Type**	**Date**	**Earnings per share (R$)**	**Payment date**	**2014**	**2013**
RCA	Interest on capital	3/26/2013	0.01571	4/10/2013	-	8,316
RCA	Interest on capital	6/25/2013	0.01556	7/10/2013	-	8,238
RCA	Interest on capital	10/29/2013	0.01782	11/13/2013	-	9,464
RCA	Interest on capital	12/20/2013	0.01354	1/8/2014	-	7,191
RCA	Interest on capital	3/27/2014	0.01609	4/10/2014	8,545	-
RCA	Interest on capital	6/24/2014	0.01632	7/10/2014	8,671	-
RCA	Interest on capital	9/16/2014	0.01479	10/8/2014	7,832	-
RCA	Interest on capital	12/16/2014	0.01478	1/7/2015	7,793	
				Interest on capital	**32,841**	**33,209**
RCA	Interim dividends	4/30/2013	0.09495	6/4/2013	-	50,268
RCA	Interim dividends	7/30/2013	0.05877	9/4/2013	-	31,114
RCA	Interim dividends	10/29/2013	0.06318	12/4/2013	-	33,558
RCA	Interim dividends	4/29/2014	0.09376	6/4/2014	49,809	-
RCA	Interim dividends	7/29/2014	0.07361	9/3/2014	39,104	-
RCA	Interim dividends	10/28/2014	0.07057	12/3/2014	37,333	
				Interim dividends	**126,246**	**114,940**
AGM	Additional proposed dividends	4/1/2014	0.10950	6/11/2014	-	58,172
AGM	Additional proposed dividends[1]	4/6/2015	0.10336	-	54,494	-
				Additional dividends	**54,494**	**58,172**
				Total resolved dividends	**213,581**	**206,321**

RCA = Board of Directors Meeting
AGM = Annual General Meeting
[1]To be submitted to shareholder approval at the AGM on April 6, 2015.

	December 31, 2014	December 31, 2013
Profit for the period	**194,709**	**188,091**
(-) Legal reserve	(9,735)	(9,405)
Adjusted basis	**184,974**	**178,686**
(%) Percentage minimum dividend as Statute	50	50
Mandatory minimum dividend	**92,487**	**89,343**
Dividends	126,246	114,940
Interest on capital[1]	27,915	28,228
Additional dividends	54,494	58,172
Resolved dividends and Interest on capital	**208,655**	**201,340**
Complement (surplus) minimum mandatory dividend	(116,168)	(111,997)
Complement (surplus) minimum mandatory dividend	**92,487**	**89,343**

[1]Net amount of withheld tax - 15%

Proposed additional dividend: according to the management's proposal for destination of income for the year 2014, is being submitted for approval at AGM (to be held on April 6, 2015), the complementary dividend of R$ 54,494, consisting of R$ 25,886 part of net income and R$ 28,608 balance existing in statutory reserve.

17.6 Stock option plan

At the General Meeting held on April 19, 2007, stockholders approved the creation of the stock option plan (the "Plan") pursuant to article 19 - XVIII of the Company's bylaws, designated for the employees and officers of the Company and its subsidiaries. The Plan is managed by the Board of Directors, which has powers to take the required actions for its maintenance, according to the approved guidelines. Options granted under the Plan are limited to 5% of capital.

The exercise price will be monetarily adjusted based on the variation of the General Market Price Index (IGPM), released by Fundação Getulio Vargas, in the period between the date of the granting of a series and the option exercise date, after deduction of the remuneration paid to stockholders during this period.

The option vesting period is three years from the date of the granting of the options.

Beneficiaries may exercise their options, totally or partially, provided that they inform the Company in writing, observing the six-year exercise deadline and each vesting period. The exercise notice shall only be valid and effective if submitted to the Company's management one month before each RCA, the dates of which are disclosed in the corporate events calendar, unless another term is set by the Board of Directors and communicated in advance to the beneficiaries.

During a period of three years from the option exercise date, beneficiaries cannot sell and/or offer a number of shares calculated based on formula contractually defined.

Presented below are the eight stock option plans granted between 2007 and 2014, and the fair value of the stock option plan benefit was estimated based on the Black & Scholes stock option.

					Concession							
					Original		After unfolding[2]				Fair value per unit of benefit (R$)	
Nº	Year	Date of approval	Recommendation[1]	Approval	Amount	Option value	Amount[3]	Option value	Risk-free rate (%)	Expected annualized volatility (%)	Grant-date	Grant-date after *split*[1]
1ª	2007	08/02/2007	P	BD	221,859	44.85	2,662,308	3.74	11.3	33.9	20.18	1.68
2ª	2008	02/28/2008	P	BD	353,494	32.42	4,241,928	2.70	11.4	24.3	19.72	1.64
3ª	2009	03/25/2009	P	BD	255,002	17.60	3,060,024	1.47	9.3	40.6	14.17	1.18
4ª	2010	08/11/2010	HRC	BD	698,707	12.93	2,096,121	4.31	6.0	26.6	7.00	2.33
5ª	2011	09/20/2011	HRC	BD	583,815	20.87	1,751,445	6.96	5.3	30.1	13.23	4.41
6ª	2012	09/20/2012	HRC	BD	1,609,097	8.22	1,609,097	8.22	3.4	36.1	5.01	5.01
7ª	2013	08/20/2013	HRC	BD	3,000,000	7.44	3,000,000	7.44	5.1	36.2	3.66	3.66
8ª	2014	02/25/2014	P	BD	228,497	7.30	228,497	7.30	5.1	33.4	3.25	3.25
					6,950,471		**18,649,420**					

BD = Board of Directors / P = President / HRC = Human Resources Committee

[1] In the first seven grants Randal Luiz Zanetti (former CEO and Chairman of the Board of Directors since April 1, 2014) was voluntarily a non-beneficiary.

[2] Splitting of shares of July 1, 2010 and April 2, 2012.

[3] The total number granted of 18,649,420 shares represents 3.5% of the total capital of 531,294,792 shares.

The maximum compensation cost of these stock option plans calculated on the date they were granted was R$47,467 at December 31, 2014:

	Beginning of the period				Cancellations		Option exercised		End of period	
Year	Eligible beneficiaries	Options	Fair value option	Maximum cost	Eligible beneficiaries terminated	Cancelled options	Eligible options	Exercised options	Eligible options	Existing options
2007	31	2,662,308	1.68	4,477	10	989,304	21	1,673,004	-	-
2008	46	4,241,928	1.64	6,971	9	977,544	37	3,264,384	-	-
2009	51	3,060,024	1.18	3,613	10	839,916	41	2,220,108	-	-
2010	47	2,096,121	2.33	4,891	8	209,803	38	1,836,318	1	50,000
2011	45	1,751,445	4.41	7,724	7	221,174	34	1,296,833	4	233,438
2012	51	1,609,097	5.01	8,055	12	358,112	-	-	39	1,250,985
2013	52	3,000,000	3.66	10,994	8	486,630	-	-	44	2,513,370
2014	1	228,497	3.25	742	-	-	-	-	1	228,497
		18,649,420		**47,467**		**4,082,483**		**10,290,647**		**4,276,290**

An expense is recognized from the stock ption plans along the vesting period, with the corresponding entry made to shareholders' equity, to a specific capital reserve account, for the amount of R$7,738 at December 31, 2014 (R$6,350 at December 31, 2013).

The Board of Directors approved the sale of 10,290,647 shares, as a result of the options exercised by the Plan's beneficiaries, referring to the Grant Program of 2007 (1st), of 2008 (2nd), of 2009 (3rd), of 2010 (4th) and of 2011 (5 th).

18 Operating segments

The activities of the Company and its subsidiaries are organized in the following business segments:

(i) Collective individual plans: the costs of the beneficiaries´ dental care service, all aspects related to the management of the plan and the population's dental health are assumed by the Company, in exchange for a per capita monthly payment;

(ii) Collective post-paid plans: the customer assumes the entire actuarial risk of the contract, bearing the cost of services. The administrative services, support and health management are basically the same products as offered in prepaid products. In this model, Odontoprev receives a fixed monthly tax per capita for management services as well as reimbursement of the cost of dental services provided in the reference month;

(iii) Individual prepaid plans: the costs of beneficiaries´ dental care services, all aspects related to plan administration and management of oral health are assumed by the Company in exchange for a per capita monthly payment;

(iv) Other: include several less significant segments to the Company's total revenue, as follows:

- Dental care service in the Company's dental clinics: include the installation of dental clinics in the facilities of specific customers (in company), and the units available for all beneficiaries (through Clidec);
- Management and Advisory Services (provided by Odontoprev Serviços);
- Acquisition and distribution of dental care materials for the accredited network (through Dental Partner);
- Software development (through Easy).

Below we present the contribution margin per channel / operating segment of the Company and its subsidiaries:

Company

	Colective				Individual					
	Prepayment		Postpayment		Prepayment		Other		Total	
	Year ended December 31,		Year ended December 31,		Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2014	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Net installments	1,004,969	928,305	27,972	25,433	152,363	131,219	-	-	1,185,304	1,084,957
Direct taxes on healthcare plan operatins	(36,927)	(29,795)	(1,053)	(944)	(7,405)	(5,541)	-	-	(45,386)	(36,280)
Sales of good and services	-	-	-	-	-	-	(80)	27	(80)	27
SALES OF GOOD	**968,042**	**898,510**	**26,919**	**24,489**	**144,958**	**125,678**	**(80)**	**27**	**1,139,838**	**1,048,704**
Cost of services	(487,397)	(445,966)	(12,132)	(8,731)	(41,005)	(33,146)	-	-	(540,534)	(487,843)
OPERATING RESULT	**480,645**	**452,544**	**14,787**	**15,758**	**103,953**	**92,532**	**(80)**	**27**	**599,304**	**560,861**
Selling expenses	(67,274)	(61,509)	(4,040)	(4,081)	(37,767)	(32,798)	-	-	(109,081)	(98,388)
CONTRIBUTION MARGIN	**413,371**	**391,035**	**10,747**	**11,677**	**66,186**	**59,734**	**(80)**	**27**	**490,223**	**462,473**
Margin sales (%)	**42.7**	**43.5**	**39.9**	**47.7**	**45.7**	**47.5**	**100.0**	**100.0**	**43.0**	**44.1**
Margin total (%)	**84.3**	**84.6**	**2.2**	**2.5**	**0.1**	**12.9**	**(0.0)**	**0.0**	**100.0**	**100.0**
Main assests allocated by segment:										
Invoices / Premiums receivable	97,112	88,350	5,282	5,642	28,161	25,079	-	5	130,555	119,076
Debit notes	-	119	2,148	1,238	-	-	6	-	2,154	1,357
Provision for impairment of trade receivables	(12,911)	(17,582)	(1,739)	(1,409)	(20,056)	(17,316)	-	-	(34,706)	(36,307)
Assets allocated by segment	**84,201**	**70,887**	**5,691**	**5,471**	**8,105**	**7,763**	**6**	**5**	**98,003**	**84,126**
Assets not allocated by segment:										
Cash and cash equivalents	-	-	-	-	-	-	-	-	11,829	8,839
Financial assets at fair value	-	-	-	-	-	-	-	-	239,632	232,098
Deferred Acquisition Costs	-	-	-	-	-	-	-	-	11,398	9,401
Current taxes recoverable	-	-	-	-	-	-	-	-	2,432	3,896
Other receivables	-	-	-	-	-	-	-	-	5,830	8,195
Inventories	-	-	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-	855	805
Long-term receivables	-	-	-	-	-	-	-	-	146,767	152,690
Investments	-	-	-	-	-	-	-	-	38,435	35,868
Property and equipment	-	-	-	-	-	-	-	-	13,305	6,635
Intangible assets	-	-	-	-	-	-	-	-	518,861	515,234
Assets not allocated	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**989,344**	**973,661**
TOTAL ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,087,347**	**1,057,787**

Consolidated

	Colective				Individual					
	Prepayment		Postpayment		Prepayment		Other		Total	
	Year ended December 31,		Year ended December 31,		Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2014	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**	**2014**	**2013**
Net installments	1,023,680	948,489	27,972	25,433	152,363	135,743	-	-	1,204,015	1,109,665
Direct taxes on healthcare plan operatins	(37,936)	(30,676)	(1,053)	(944)	(7,405)	(5,801)	-	-	(46,395)	(37,421)
Sales of good and services	-	-	-	-	-	-	6,951	5,147	6,951	5,147
Taxes on sales of good and services	-	-	-	-	-	-	-	(7,785)	(8,450)	(7,785)
SALES OF GOOD	**985,744**	**917,813**	**26,919**	**24,489**	**144,958**	**129,942**	**6,951**	**(2,638)**	**1,156,121**	**1,069,606**
Cost of services	(495,700)	(457,109)	(12,132)	(8,731)	(41,005)	(35,325)	-	-	(548,837)	(501,165)
OPERATING RESULT	**490,044**	**460,704**	**14,787**	**15,758**	**103,953**	**94,617**	**6,951**	**(2,638)**	**607,284**	**568,441**
Selling expenses	(67,639)	(61,666)	(4,040)	(4,081)	(37,767)	(33,479)	-	-	(109,446)	(99,226)
CONTRIBUTION MARGIN	**422,405**	**399,038**	**10,747**	**11,677**	**66,186**	**61,138**	**6,951**	**(2,638)**	**497,838**	**469,215**
Margin sales (%)	**42.9**	**43.5**	**39.9**	**47.7**	**45.7**	**47.1**	**100.0**	**100.0**	**43.1**	**43.9**
Margin total (%)	**84.8**	**85.0**	**2.2**	**2.5**	**0.1**	**13.0**	**1.4**	**(0.6)**	**100.0**	**100.0**
Main assests allocated by segment:										
Invoices / Premiums receivable	98,877	90,349	5,282	5,642	28,161	25,442	-	5	132,320	121,438
Debit notes	-	120	2,148	1,237	-	-	6	-	2,154	1,357
Provision for impairment of trade receivables	(12,494)	(18,248)	(2,807)	(1,409)	(20,056)	(17,511)	-	-	(35,357)	(37,168)
Assets allocated by segment	**86,383**	**72,221**	**4,623**	**5,470**	**8,105**	**7,931**	**6**	**5**	**99,117**	**85,627**
Assets not allocated by segment:										
Cash and cash equivalents	-	-	-	-	-	-	-	-	12,613	10,266
Financial assets at fair value	-	-	-	-	-	-	-	-	253,095	246,856
Deferred Acquisition Costs	-	-	-	-	-	-	-	-	11,398	9,401
Current taxes recoverable	-	-	-	-	-	-	-	-	12,990	13,535
Other receivables	-	-	-	-	-	-	-	-	8,971	11,321
Inventories	-	-	-	-	-	-	-	-	932	954
Prepaid expenses	-	-	-	-	-	-	-	-	873	822
Long-term receivables	-	-	-	-	-	-	-	-	151,760	157,533
Investments	-	-	-	-	-	-	-	-	6,174	3,750
Property and equipment	-	-	-	-	-	-	-	-	17,026	9,924
Intangible assets	-	-	-	-	-	-	-	-	527,724	523,896
Assets not allocated	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,003,556**	**988,258**
TOTAL ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,102,673**	**1,073,885**

19 Health care payments (sales revenue)

Health care payments consist of a net premium, according to the ANS chart of accounts, plus the gross revenue from sales and/or services and taxes, and are equivalent to the sales as established by the Brazilian Corporation Law. The contra-entry to these payments is the account "Health care receivables" and "Other receivables", in current assets, respectively, as follows:

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
Net installments	1,185,304	1,084,957	1,204,015	1,109,665
Direct taxes on healthcare plan operatins	(45,386)	(36,280)	(46,395)	(37,421)
Sales of good and services	(80)	27	6,951	5,147
Taxes on sales of good and services	-	-	(8,450)	(7,785)
	1,139,838	**1,048,704**	**1,156,121**	**1,069,606**

The net consideration includes at December 31, 2014, R$27,972 (R$25,433 at December 31, 2013) for the Company and the Consolidated Group, respectively, which refer to the administered plans, different from CPC11/IFRS 4 which defines it as service income.

20 Indemnifiable claims, net (cost of goods and/or services sold)

The remuneration stipulated in contracts with our network of dentists as well as reimbursements made to members for the use of dental services outside the accredited network compose the net covered claims charged to the income statement with an equivalent reduction in the IBNR provision in current liabilities.

By adding to the claims / events the total social charges on services, dental care material and other operating expenses:

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
Indemnifiable claims, net	(473,593)	(443,753)	(476,031)	(451,644)
Social charges on services	(32,689)	(31,536)	(32,926)	(31,839)
Dental care materials	(8,808)	(8,260)	(4,643)	(4,582)
Other income (expenses)	(10,020)	(12,672)	(19,950)	(21,764)
Operating materials	(6,881)	(6,161)	(6,923)	(6,268)
Own units	-	-	(9,872)	(8,940)
(Provisions) / reversals	(3,139)	(6,511)	(3,155)	(6,556)
Incurred but not reported provision (IBNR)	(15,424)	8,378	(15,287)	8,664
	(540,534)	**(487,843)**	**(548,837)**	**(501,165)**

21 Selling expenses

Refer to commissions paid to independent brokers and other distribution channels. At December 31, 2014, these expenses totaled R$109,081 and R$109,446 (R$98,388 and R$99,226 at December 31, 2013), in the Company and Consolidated accounts, respectively.

22 General and administrative expenses

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
Personnel and third-party services	(118,006)	(114,828)	(107,514)	(101,670)
Rentals and occupancy	(28,167)	(24,498)	(32,993)	(29,422)
Charges and fees	(4,145)	(3,799)	(4,206)	(3,917)
Publicity and advertising	(11,094)	(12,058)	(11,533)	(12,778)
Travelling, printing materials and subscriptions	(5,885)	(5,161)	(6,387)	(5,689)
Depreciation and amortization	(6,355)	(4,762)	(6,761)	(5,140)
Other expenses	(1,385)	287	(2,027)	(1,131)
	(175,037)	**(164,819)**	**(171,421)**	**(159,747)**

23 Finance result

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
Proceeds from financial investments	26,830	17,409	28,030	18,296
Monetary restatement of judicial deposits	2,821	1,928	2,821	1,928
Other	2,469	2,887	2,991	3,309
Financial revenue	**32,120**	**22,224**	**33,842**	**23,533**
Revertion of interests on capital	**32,841**	**33,209**	**32,841**	**33,209**
Bank fees	(2,220)	(2,150)	(2,267)	(2,460)
Monetary restatement of provision of contingencies	(16,391)	(8,228)	(16,396)	(8,238)
Interests on capital	(32,841)	(33,209)	(32,841)	(33,209)
Other costs	(515)	(777)	(483)	(921)
Financial expenses	**(51,967)**	**(44,364)**	**(51,987)**	**(44,828)**
	12,994	**11,069**	**14,696**	**11,914**

24 Income tax and social contribution calculation

	Company		Consolidated	
	Year ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
IRPJ and CSLL calculation basis	**284,315**	**271,088**	**288,151**	**274,999**
(x) Current rate (%)	34	34	34	34
Expected income tax and social contribution expenses at the effective rate	**(96,667)**	**(92,170)**	**(97,971)**	**(93,500)**
Effect of income tax and social contribution on permanent/temporary differences:				
Equity in the results of subsidiaries	1,674	2,283	(500)	35
Tax losses	-	-	-	134
Provision for contingencies	(16,836)	(13,186)	(16,759)	(13,156)
Provision for impairment of trade receivables	(595)	(2,790)	(616)	(2,834)
Other Provisions	(1,285)	(3,843)	(1,287)	(3,999)
Amortization of goodwill	28,574	28,814	28,574	28,814
Interest on capital	11,166	11,291	11,166	11,291
Granting of stock options	(2,631)	(2,159)	(2,631)	(2,159)
Other	(3,088)	(2,414)	(3,315)	(2,440)
IRPJ and CSLL calculation basis	**(79,688)**	**(74,174)**	**(83,339)**	**(77,814)**
Deferred IRPJ and CSLL	**(9,918)**	**(8,823)**	**(9,820)**	**(8,749)**

25 Earnings per share

a. Basic

	Year ended December 31,	
	2014	2013
Profit attributable to the Company's shareholders (R$ thousands)	194,709	188,091
Weighted average number of common shares outstanding (thousands)	530,663	530,299
Basic earnings per share (R$)	**0.36692**	**0.35469**

b. Diluted

	Year ended December 31,	
	2014	2013
Profit attibutable to the Company's shareholders (R$ thousands)	**194,709**	**188,091**
Common shares (in thousands)		
Weighted average number of share outstanding	530,663	530,299
Adjustment of share option scheme (note 17.6)	4,276	6,280
Weighted average number of share for diluted earnings per share	**534,939**	**536,579**
Diluted earnings per share (R$)	**0.36398**	**0.35054**

26 Commitments

The Company and its subsidiaries had commitments related to agreements for lease of their offices and dental clinics, with the following maturities:

	Company	Consolidated
Up to one year	2,954	5,013
From one to five years	7,946	10,940
	10,900	**15,953**

All agreements can be canceled with a termination penalty.

27 Related parties

Transactions between the Company and its subsidiaries consist of agreements for the rendering of administrative services and accreditation as service providers, rendering of dental care services, information technology services and supply of dental products, whose amounts, terms and rates were agreed and applied under the similar to conditions as those agreed with unrelated parties, as follows:

Assets / (Liabilities)	Nature	OdontoPrev	Clidec	OdontoPrev Serviços	Easy	Dental Partner	Rede Dental
Other receivables	Administrative services	-	-	-	-	59	-
Suppliers of goods and services	Administrative services	(59)	-	-	-	-	-
Revenue / (Expenses)							
Plans premiums	Dental care plans	104	-	-	-	-	-
Net installments sales of good and services	Administrative services	-	11,657	35,111	-	8,989	-
Indemnifiable claims, net	Dental care services	(5,625)	-	-	-	-	(100)
Dental care materials	Dental care materials	(8,989)	-	-	-	-	-
Administrative	Administrative services	(40,906)	(34)	(72)	(72)	-	(63)
Year ended December 31, 2014		**(55,416)**	**11,623**	**35,039**	**(72)**	**8,989**	**(163)**
Year ended December 31, 2013		**(52,018)**	**11,455**	**32,107**	**8**	**8,632**	**(184)**

The Company has transactions with companies of the Bradesco Group, of which Bradesco Saúde, stockholder of OdontoPrev, is part. These operations are listed below:

	Bradesco Group
Assets / (Liabilities)	
Cash and deposits in cash in financial institutions	2,269
Financial investments	225,784
Healthcare receivables	5,559
Unearned premiums reserve	(5,559)
Suppliers of goods and services	(18,529)
Revenue / (Expenses)	
Plan premiums	60,113
Other expenses	(6,180)
Financial income	26,171
Financial expenses	(1,685)
Year ended December 31, 2014	**78,419**

The Company also has a contract for distribution of dental care plans with Banco Bradesco S.A. effective for 10 years, Banco Bradesco S.A. is the sales agent. Up to December 31, 2014, R$35 was paid for the accounting services.

In 2014, R$24 were paid to Bradesco Corretora on a brokerage fee basis on the repurchase of shares issued by the Company.

The Company holds 25.01% of the total capital of Brasildental whose incorporation process was supported by Banco Bradesco BBI S.A. and has resulted in incurred expenses amounting to R$ 5,000 for the year 2013, of which R$0 is pending payment as of December 31, 2014 (R$4,000 as of December 31, 2013).

In addition to these transactions, the Company also has the following: (i) accreditation contract for providing dental care assistance over an undetermined period to Mrs. Raquel Virgínia Zanetti and Mrs. Anete Scharfstein Zanetti, respectively sister and wife of Randal Luiz Zanetti (CEO until December 31, 2013 and current and president of the Board of Directors, since April 01, 2014), which totaled R$0 and R$1 at December 31, 2014; (ii) through its direct subsidiary Clidec, a commercial lease agreement for an undetermined period of a property located at Av. Paulista, 2,444, Conjunto 151, with Mr. Artemio Luiz Zanetti, father of the former CEO, which totaled R$35 at December 31, 2014.

The Company and its subsidiaries pay profit sharing to their employees and officers, subject to the achievement of operational goals and specific objectives, established and approved at the beginning of each year. At December 31, 2014, the titles of profit sharing were appropriated for amounts of R$8,084 (R$2,911 at December 31, 2013) and R$10,438 (R$4,295 at December 31, 2014), for the Company and Consolidated accounts respectively.

Annual compensation attributed to the Supervisory Board of Directors, the Fiscal Counsel and Statutory Directors, segregated into fixed and variable components, is as follows:

	Year ended December 31,	
	2014	**2013**
Statutory Board	**5,859**	**3,900**
Pro-labore and fees	3,610	3,008
Benefits	224	209
Bonus	2,025	683
Board of Directors	**1,374**	**1,221**
Pro-labore and fees	1,374	1,221
Fiscal Counsel	**285**	**285**
Pro-labore and fees	285	285
	7,518	**5,406**

The Statutory Directors hold stock options in accordance with the stock option plan (note 17.6):

	Beginning of the period		Cancellations		Exercised options		End of the period	
Year	Eligible beneficiaries	Options	Eligible beneficiaries terminated	Canceled option	Eligible beneficiaries	Exercised options	Eligible beneficiaries	Existing options
2007	6	1,285,488	3	584,424	3	701,064	-	-
2008	5	1,397,592	2	488,916	3	908,676	-	-
2009	7	1,378,356	3	678,084	4	700,272	-	-
2010	5	787,521	-	-	5	787,521	-	-
2011	5	533,829	1	126,934	3	286,660	1	120,235
2012	6	587,288	1	100,000	-	-	5	487,288
2013	6	1,134,588	1	212,264	-	-	5	922,324
2014	1	228,497	-	-	-	-	1	228,497
		7,333,159		**2,190,622**		**3,384,193**		**1,758,344**

The Supervisory Board of Directors and Fiscal Counsel do not have variable compensation, and the Company does not sponsor any complementary pension plan or other post-employment or termination benefits.

28 Insurance

The Company maintains insurance coverage in an amount considered sufficient to cover the risks involved.

	Consolidated
	December 31, 2014
Building	30,027
Machinery, furniture and fixtures	21,630
Material damages	**51,657**
Profits	147,300
Directors and officers liability	60,053
	259,010

29 Derivative financial instruments

The Company does not carry out transactions with derivatives for speculative purposes. At December 31, 2014 and 2013, the Company and its subsidiaries did not directly operate or maintain receiving or paying positions related to derivative financial instruments.

30 Reorganization

On December 30, 2014 a corporate reorganization that included the following transactions, was completed: (i) Bradesco Saúde S.A. (Bradesco Health) incorporated ZNT Empreendimento, Comércio e Participações SA (ZNT) through Santa Rita de Cássia, Empreendimentos, Comércio e Participações S.A. (Santa Rita) that was holder of 50.01% of the total share capital of OdontoPrev and (iii) incorporation of SRC by Bradesco Saúde.

Thus, Bradesco Saúde holds, directly, 50,01% of total share capital of Odontoprev.

31 Assessment of the consequences from the termination of the Transitory Tax Regime (TTR)

On May 14, 2014 Law 12.973 was published (being the conversion of provisional measure 627) which revokes the Transitory Tax Regime (TTR) and introduces other measures, including: (i) amendments to Decree-Law 1.598/77 which addresses corporate income tax and amends the legislation referring to the social contribution on net income; (ii) establishes that the amendment or adoption of accounting methods and criteria through administrative rules issued based on the authority attributed in business law, after the publication of this MP, will not have implications for the calculation of federal taxes until tax law regulates the matter; (iii) includes specific treatment on potential taxation of profits or dividends; (iv) includes provisions on the calculation of interest on shareholders' equity; and includes considerations about investments valued through the equity accounting method.

The requirements of Law 12.973/14, approval by Federal Revenue Department by means of Normative Instructions 1.493 and 1.515, have to be mandatorily adopted as from 2015, and early adoption of this new tax regulation for the calendar year 2014 is optional. In this context, the Company opted to early adopt the provisions of Law 12.973/14 as from calendar year 2014, basing itself on the analysis performed by Management on the possible impacts arising from the new provisions of the aforementioned law.

Comentary on the performance of business forecasts

The company's practice is not to disclose financial projections.

Proposal for allocation of net profit for the year

ODONTOPREV S.A.

Proposal for allocation of **net profit for the year**
Annual General Meeting (AGM) to be held on April 06, 2015
(art. 9, § 1, II, of CVM Instruction 481/2009)

Dear Shareholders,
Management from Odontoprev S.A. (the Company or OdontoPrev) submits, for examination and decision during the Company's, the following proposals:

I. The allocation of net profit for the year and ratification of the interest on own capital and dividends distributed as follows (details in annex I):

Considering that the Company reported for the financial year ended December 31, 2014, net profit of R$194,709,129.34 (one hundred and ninety four million, seven hundred and nine thousand, one hundred and twenty nine reais and thirty four cents), we propose that net profit for the year be allocated as follows:

i) R$9,735,456.47 (nine million, seven hundred and thirty five thousand, four hundred and fifty six reais and forty seven cents) to the account "revenue reserves - legal reserve";

ii) R$8,544,645.93 (eight million, five hundred and forty four thousand, six hundred and forty five reais and ninety three cents) as interest on own capital, which was declared on March 27, 2014, and paid on April 10, 2014;

iii) R$49,808,697.77 (forty nine million, eight hundred and eight thousand, six hundred and ninety seven reais and seventy seven cents) as dividends, which were declared on April 29, 2014 and paid on June 04, 2014;

iv) R$8,671,101.72 (eight million, six hundred and seventy one thousand, one hundred and one reais and seventy two cents) as interest on own capital, which was declared on June 24, 2014 and paid on July 10, 2014;

v) R$39,104,673.60 (thirty nine million, one hundred and four thousand, six hundred and seventy three reais and sixty cents) as dividends, which were declared on July 29, 2014 and paid on September 03, 2014;

vi) R$7,832,746.48 (seven million, eight hundred and thirty two thousand, seven hundred and forty six reais and forty eight cents) as interest on own capital, which were declared on September 16, 2014 and paid on October 08, 2014;

vii) R$37,332,541.64 (thirty seven million, three hundred and thirty two thousand, five hundred and forty one reais and sixty four cents) as dividends, which were declared on October 28, 2014 and paid on December 03, 2014;

viii) R$7,792,833.83 (seven million, seven hundred and ninety two thousand, eight hundred and thirty three reais and eighty three cents) as interest on own capital, which was declared on December 16, 2014 and paid on January 07, 2015;

ix) R$54,494,172.99 (fifty four million, four hundred ninety four thousand, one hundred seventy two reais and ninety nine cents) as dividends to be paid on May 06, 2015. As this dividend exceeds the net income, the use of R$ 28,607,741.09 (twenty eight million, six hundred and seven thousand, seven hundred and forty one reais and nine cents) of the existing balance of statutory reserve for payment is necessary.

II. Approval of the Company's capital budget for the financial year 2015, adopted as a reference, in accordance with the proposal for the capital budget (see annex II), which can be revised when necessary during the year, according to the Company's requirements.

* * *

ANNEX I

MANAGEMENT PROPOSAL FOR ALLOCATION OF RESULTS FOR THE FINANCIAL YEAR 2014

Dear Shareholders,

In accordance with the Statutes in force, the results reported shall be distributed as follows: i) set off against losses, if such exist; ii) 5% (five percent) to constitute the legal reserve, up to a limit of 20% (twenty percent) of subscribed capital; iii) minimum compulsory dividend of 50% (fifty percent) of net profit, observing the following adjustments: a) deducting the amounts allocated, during the year, to constitute the legal reserve and the reserve for contingencies, b) adding back the amounts resulting from the reversal, during the year, of reserves for contingences, previously created, and iv) constitution of statutory reserve (retained profits), and for the remaining balance, a decision can be made to distribute interest on own capital and dividends beyond the compulsory dividends.

In compliance with the legal rulings that govern this matter, Company management proposes to the shareholders, the distribution of net profit for the year 2014, for the amount of R$194,709,129.34 (one hundred and ninety four million, seven hundred and nine thousand, one hundred and twenty nine reais and thirty four cents).

1 - LEGAL RESERVE

In accordance with the ruling in article 193 of Law 6.404/76, the allocation of 5% (five percent) of net profit has to be allocated to the legal reserve, amounting to R$9,735,456.47 (nine million, seven hundred and thirty five thousand, four hundred and fifty six reais and forty seven cents).

2 - INTEREST ON OWN CAPITAL AND DIVIDENDS

Interest on own capital
During the Management Board Meeting held on March 27, 2014, as proposed by the directors, the counselors approved payment of interest on own capital, calculated based on the long term interest rate (TJLP) applied monthly to shareholders' equity, to the title holders of the shares issued by the Company, on March 28, 2014, for the amount of R$8,544,645.93 (eight million, five hundred and forty four thousand, six hundred and forty five reais, and ninety three cents), equivalent to R$0.016085041 per share, which was declared on March 27, 2014, and paid on April 10, 2014. The amount net of withholding tax is equivalent to R$7,262,949.04 (seven million, two hundred and sixty two thousand, nine hundred and forty nine reais and four cents), equivalent to R$0.013672285 per share.

In the management board meeting held on June 24,2014, as proposed by the Directors, the counselors approved payment of interest on own capital, calculated based on the long term interest rate (TJLP) applied monthly to shareholders' equity, to the title holders of the shares issued by the Company on June 25, 2014, for the amount of R$8,671,101.72 (eight million, six hundred and seventy one

thousand, one hundred and one reais, and seventy two cents), equivalent to R$0.016322541 per share, which was declared on June 24, 2014, and paid on July 10, 2014. The net amount is equivalent to R$7,370,436.46 (seven million, three hundred and seventy thousand, four hundred and thirty six reais and forty six cents), equivalent to R$0.013874160 per share.

In the management board meeting held on September 16, 2014, as proposed by the Directors, the counselors approved payment of interest on own capital, calculated based on the long term interest rate (TJLP) applied monthly to shareholders' equity, to the title holders of the shares issued by the Company on September 18, 2014, for the amount of R$7,832,746.48 (seven million, eight hundred and thirty two thousand, seven hundred and forty six reais, and forty eight cents), equivalent to $0.014785911 per share, which was declared on September 16, 2014, and paid on October 08, 2014. The amount net of withholding tax, is equivalent to R$6,657,834.51 (six million, six hundred and fifty seven thousand, eight hundred and thirty four reais and fifty one cents), equivalent to R$0.012568025 per share.

In the management board meeting held on December 16, 2014, as proposed by the Directors, the counselors approved payment of interest on own capital, calculated based on the long term interest rate (TJLP) applied monthly to shareholders' equity, to the title holders of the shares issued by the Company on December 16, 2014, for the amount of R$7,792,833.83 (seven million, seven hundred and ninety two thousand, eight hundred and thirty three reais, and eighty three cents), equivalent to R$0.014780234 per share, which was declared on December, 16, 2014, and paid on January 07, 2015. The amount net of withholding tax, is equivalent to R$6,623,908.76 (six million, six hundred and twenty three thousand, nine hundred and eight reais and seventy six cents), equivalent to R$0.012563199 per share.

Dividends
In the management board meeting held on April 29, 2014, as proposed by the Directors, the counselors approved payment of interim dividends to the title holders of the shares issued by the Company, on April 29, 2014, for the amount of R$49,808,697.77 (forty nine million, eight hundred and eight thousand, six hundred and ninety seven reais and seventy seven cents), equivalent to R$0.093760233 per share, which were declared on April 29, 2014 and paid on June 04, 2014.

In the management board meeting held on July 29, 2014, as proposed by the Directors, the counselors approved payment of interim dividends to the title holders of the shares issued by the Company, on July 29, 2014, for the amount of R$39,104,673.60 (thirty nine million, one hundred and four thousand, six hundred and seventy three reais and sixty cents), equivalent to R$0.073610904 per share, which were declared on July 29, 2014 and paid on September 03, 2014.

In the management board meeting held on October 28, 2014, as proposed by the Directors, the counselors approved payment of interim dividends to the title holders of the shares issued by the Company, on October 28, 2014, for the amount of R$37,332,541.64 (thirty seven million, three hundred and thirty two thousand, five hundred and forty one reais and sixty four cents), equivalent to R$0.070569975 per share, which were declared on October 28, 2014 and paid on December 03, 2014.

Is being submitted for the approval of the AGM supplementary dividend of R$ 54,494,172.99 (fifty four million, four hundred and ninety four thousand, one hundred and seventy two reais and ninety nine cents) to be paid until May 06, 2015. As this dividend exceeds the net income, the use of R$ 28,607,741.09 (twenty eight million, six hundred and seven thousand, seven hundred and forty one reais and nine cents) of the existing balance of statutory reserve for payment is necessary.

3 - RETAINED EARNINGS FORECAST IN CAPITAL BUDGET

As mentioned in items 1 and 2 to allocate 100% of net income for the year 2014 was made in the amount of R$194,709,129.34 (one hundred and ninety four million, seven hundred and nine thousand, one hundred and twenty nine reais and thirty four cents).

On December 31, 2014, we propose to maintain the balance of R$40,086,761.58 (forty million, eighty six thousand, seven hundred and sixty one reais and fifty eight cents) in statutory reserve to support the proposal capital budget presented in Annex II.

4 - SUMMARY OF ITEMS 1 TO 3

	Approval by	% or R$ per gross share	Decision	Holders	Date Constituition (C) /Payment (P)	Retained Profits	Lega Reserve	Proposed additional dividend	R$ Statutory Reserve
Balances at December 31, 2013						-	**45,851,895.80**	**58,172,157.64**	**68,694,502.67**
Additional Dividend	AGM		04/01/2014	04/02/2014	04/16/2014 (P)	-	-	**(58,172,157.64)**	-
Net profit for the year 2014						**194,709,129.34**			
Proposed allocation of profit:						**(194,709,129.34)**	**9,735,456.47**	**54,494,172.99**	**(28,607,741.09)**
Legal reserve	Statutes	5%	12/31/2014	-	12/31/2014 (C)	(9,735,456.47)	9,735,456.47	-	-
Interest on Capital	RCA	0.016085041	03/27/2014	03/28/2014	04/10/2014 (P)	(8,544,645.93)	-	-	-
Interest on Capital	RCA	0.016322541	06/24/2014	06/25/2014	07/10/2014 (P)	(8,671,101.72)	-	-	-
Interest on Capital	RCA	0.014785911	09/16/2014	09/18/2014	10/08/2014 (P)	(7,832,746.48)	-	-	-
Interest on Capital	RCA	0.014780234	12/16/2014	12/16/2014	01/07/2015 (P)	(7,792,833.83)	-	-	-
Interim Dividends	RCA	0.093760233	04/29/2014	04/29/2014	06/04/2014 (P)	(49,808,697.77)	-	-	-
Interim Dividends	RCA	0.073610904	07/29/2014	07/29/2014	09/03/2014 (P)	(39,104,673.60)	-	-	-
Interim Dividends	RCA	0.070569975	10/28/2014	10/28/2014	12/03/2014 (P)	(37,332,541.64)	-	-	-
Additional Dividend	AGM	0.103356061	12/31/2014	-	12/31/2014 (C)	(25,886,431.90)	-	54,494,172.99	(28,607,741.09)
Balances at December 31, 2014						**-**	**55,587,352.27**	**54,494,172.99**	**40,086,761.58**

CALCULATION OF MINIMUM COMPULSORY DIVIDENDS	
Net profit for the uear 2014	194,709,129.34
(-) legal reserve (5%)	(9,735,456.47)
(=) Net profit for the year 2014 avaiable for distribution	**184,973,672.87**
(x) % According to statutes	50
(=) MINIMUM COMPULSORY DIVIDENDS	**92,486,836.44**

In summary, Management proposes that net profit for the year of R$194,709,129.34 (one hundred and ninety four million, seven hundred and nine thousand, one hundred and twenty nine reais and thirty four cents), after constituting the legal reserve of R$9,735,456,47 (nine million, seven hundred and thirty five thousand, four hundred and fifty six reais and forty seven cents), are fully distributed, R$184,973,672.87 (one hundred and eighty four million, nine hundred and seventy three thousand, six hundred and seventy two reais and eighty seven cents), equivalent to 100% of the profit of the year is likely distribution.

Additionally, to make the amount of final dividend of R$ 54,494,172.99 (fifty four million, four hundred and ninety four thousand, one hundred and seventy two reais and ninety nine cents), proposes the use of R$28,607,741.09 (twenty eight million, six hundred and seven thousand, seven hundred and forty one reais and nine cents) of the existing balance of statutory reserve.

Barueri, March 04, 2015.

ANNEX II

MANAGEMENT PROPOSAL FOR 2015 CAPITAL BUDGET

According to the terms of paragraph 2 of Article 196 of Law 6.404/76, we submit for consideration by the shareholders, the capital budget of Odontoprev S.A. for the year 2015, for the amount of R$41,000,000.00 (forty one million reais), as detailed below:

Use of funds:	**Value (R$)**
Investments in software and hardware	14,000,000.00
Investments in facilities and equipment	1,000,000.00
Investments in acquisition and incorporation of companies and others	26,000,000.00
Total	**41,000,000.00**

1. The investments in software and hardware represent Management's estimates of the amounts to be used in new projects and to update the existing systems.

2. The investments in facilities and operational equipment refer mainly to expenditure on the construction and reform of existing clients and new attendance units and also improvements to the administrative facilities.

3. The amount that refers to investments in acquisitions/incorporations is allocated to purchase companies or incorporate companies that Management considers to be of interest to the Company.

The sources of financing for Odontoprev S.A.'s capital budget for the year 2015,will be:

Sources of funds	**Value (R$)**
Statutory reserve (retained profits)	40,086,761.58
Own funds and/or from third parties	913,238.42
Total	**41,000,000.00**

Thus, we propose the consideration and decision of the aforementioned capital budget.

Barueri, March 04, 2015.

ODONTOPREV S.A.

Additional information to the proposal of the Board of Directors for alocation of net income for the year 2014 and ratification of the early distribution of interest on own capital and dividends paid and payable

(art. 9, § 1, II, of CVM Instruction 481/2009)

1. Report net income for the year:

The Company obtained during the year ended December 31, 2014, net income of R$ 194,709,129.34 (one hundred and ninety four million, seven hundred and nine thousand, one hundred and twenty nine reais and thirty four cents).

2. Report the total amount and per share dividends, including interim dividends and interest on equity declared:

Distributions for the year ended December 31, 2014

		Common Stock - ON (R$ / share)		Date				Total amount (R$)	
	Approval	Gross	Net	Declared	Holders	Ex-rights	Payment	Gross	Net
Interest on capital	RCA	0.016085041	0.013672285	3/27/2014	3/28/2014	3/31/2014	4/10/2014	8,544,645.93	7.262.949,04
Interest on capital	RCA	0.016322541	0.013874160	6/24/2014	6/25/2014	6/26/2014	7/10/2014	8,671,101.72	7.370.436,46
Interest on capital	RCA	0.014785911	0.012568025	9/16/2014	9/18/2014	9/19/2014	10/8/2014	7,832,746.48	6.657.834,51
Interest on capital	RCA	0.014780234	0.012563199	12/16/2014	12/16/2014	12/17/2014	1/7/2015	7,792,833.83	6.623.908,76
Interim dividends	RCA	0.093760233	0.093760233	4/29/2014	4/29/2014	4/30/2014	6/4/2014	49,808,697.77	49.808.697,77
Interim dividends	RCA	0.073610904	0.073610904	7/29/2014	7/29/2014	7/30/2014	9/3/2014	39,104,673.60	39.104.673,60
Interim dividends	RCA	0.070569975	0.070569975	10/28/2014	10/28/2014	10/29/2014	12/3/2014	37,332,541.64	37.332.541,64
Complementary dividends[1]	will be set at the AGM 04/06/2014	0.103356061	0.103356061		will be set at the AGM of 04/06/2015	will be set at the AGM of 04/06/2015	date to be set up 5/6/2015	54,494,172.99	54,494,172.99
Total		**0.403270900**	**0.393974842**					**213,581,413.96**	**208,655,214.77**

[1] The amount of R $ 54,494,172.99 is composed of R$ 25,886,431.90 profit for the year 2014 and R$ 28,608,741.09 balance existing in statutory reserve.

3. State the percentage of net income distributed:

The income of R$ 194,709,129.34 (one hundred and ninety four million, seven hundred and nine thousand, one hundred and twenty nine reais and thirty four cents), after the legal reserve of R$ 9,735,456.47 (nine million, seven hundred and thirty five thousand, four hundred and fifty six reais and forty seven cents), was fully distributed R$ 184,973,672.87 (one hundred and eighty four million, nine hundred and seventy three thousand, six hundred and seventy two reais and eighty seven cents), equivalent to 100% of the profit of the year is likely distribution.

4. Report the total amount and the amount per share of dividends based on profits from previous years

To compose the amount of final dividend of R$ 54,494,172.99 (fifty four million, four hundred ninety four thousand, one hundred seventy two reais and ninety nine cents), the use of R$ 28,607,741.09 (twenty eight million, six hundred and seven thousand, seven hundred and forty one reais and nine cents) of the existing balance of statutory reserve for payment is necessary, R$0.054258708 per share.

5. State, after deducting the interim dividends and interest on equity declared:

a. The gross amount of dividends and interest on equity, separately, per each type and class

b. The form and time of payment of dividends and interest on own capital

c. Any restatement and interest on dividends and interest on capital

d. Date of declaration of payment of dividends and interest on capital used to identify those shareholders entitled to receive

		Proposed additional dividend (complementary)				
					Date	
Approval	**Common Stock - ON (R$ / share)**	**Proposal**	**Holders**	**Ex-rights**	**Payment**	**Total amount (R$)**
will be set at the AGM of 04/06/2015	0.103356061	03/04/2014	will be set at the AGM of 04/06/2015	will be set at the AGM of 04/06/2015	date to be set up 05/06/2015	54,494,172.99
			Total proposed dividend in 2014			**544,94,172.99**

6. Event of declaration of dividends or interest on equity based on income determined in six months or for shorter periods

a. Report the amount of dividends or interest on equity declared

b. Inform the relevant payments

		Common Stock - ON (R$ / share)		Date				Total amount (R$)	
	Approval	Gross	Net	Declared	Holders	Ex-rights	Payment	Gross	Net
Interest on capital	RCA	0.016085041	0.013672285	3/27/2014	3/28/2014	3/31/2014	4/10/2014	8,544,645.93	7,262,949.04
Interest on capital	RCA	0.016322541	0.013874160	6/24/2014	6/25/2014	6/26/2014	7/10/2014	8,671,101.72	7,370,436.46
Interest on capital	RCA	0.014785911	0.012568025	9/16/2014	9/18/2014	9/19/2014	10/8/2014	7,832,746.48	6,657,834.51
Interest on capital	RCA	0.014780234	0.012563199	12/16/2014	12/16/2014	12/17/2014	7/1/2015	7,792,833.83	6,623,908.76
Interim dividends	RCA	0.093760233	0.093760233	4/29/2014	4/29/2014	4/30/2014	4/6/2014	49,808,697.77	49,808,697.77
Interim dividends	RCA	0.073610904	0.073610904	7/29/2014	7/29/2014	7/30/2014	9/3/2014	39,104,673.60	39,104,673.60
Interim dividends	RCA	0.070569975	0.070569975	10/28/2014	10/28/2014	10/29/2014	12/3/2014	37,332,541.64	37,332,541.64
			Total interest on capital and dividends declared in 2014					**159,087,240.97**	**154,161,041.78**

7. Provide a comparative table showing the following amounts per share for each type and class:

a. Profit for the year and three (3) years

		Years ended December 31,			
Description	**Reference**	**2014**	**2013**	**2012**	**2011[2]**
Net income (R$)	**A**	**194,709,129.34**	**188,090,799.24**	**145,566,351.19**	**145,311,424.80**
Total common shares (unit)[1]	B	531,294,792	531,294,792	531,294,792	531,294,792
Treasury shares (unit)	C	4,047,794	77,868	-	1,298,400
Common shares - weighted average (unit)	D	530,663,137	530,299,000	530,241,556	530,460,571
Stock option (unit)	E	4,276,290	6,280,286	5,232,151	6,006,516
Basic earnings per share (R$)	**F = A / D**	**0.366916629**	**0.354688203**	**0.274528372**	**0.273934450**
Diluted earnings per share (R$)	**G = A / (D + E)**	**0.363983508**	**0.350536825**	**0.271845936**	**0.270867362**

[1] The total share capital consists only of common shares.

[2] For comparison consider stock split on April 1, 2013 the ratio 1:3.

b. Dividends and interest on equity paid in three (3) years

		Distribution for the year ended December 31, 2013							
		Common stock - ON (R$/share)		Date				Total amount (R$)	
	Approval	Gross	Net	Declared	Holders	Ex-rights	Payment	Gross	Net
Interest on capital	RCA	0.015709512	0.013353085	3/26/2013	3/26/2013	3/27/2013	4/10/2013	8,316,591.61	7,069,102.87
Interest on capital	RCA	0.015559753	0.013225790	6/25/2013	6/25/2013	6/26/2013	7/10/2013	8,237,309.64	7,001,713.19
Interest on capital	RCA	0.017818431	0.015145666	10/29/2013	10/29/2013	10/30/2013	11/13/2013	9,464,436.46	8,044,770.99
Interest on capital	RCA	0.013536659	0.011506160	12/20/2013	12/20/2013	12/23/2013	1/8/2014	7,190,902.50	6,112,267.13
Interim dividends	RCA	0.094952426	0.094952426	4/30/2013	4/30/2013	5/2/2013	6/4/2013	50,267,669.35	50,267,669.35
Interim dividends	RCA	0.058772660	0.058772660	7/30/2013	7/30/2013	7/31/2013	9/4/2013	31,114,156.72	31,114,156.72
Interim dividends	RCA	0.063179424	0.063179424	10/29/2013	10/29/2013	10/30/2013	12/4/2013	33,558,378.38	33,558,378.38
Complementary dividends[1]	AGM	0.109507350	0.109507350	1/4/2014	4/2/2014	4/3/2014	6/11/2014	58,172,157.64	58,172,157.64
			Total interest on capital and dividends declared in 2013					**206,321,602.30**	**201,340,216.27**

[1] The amount of R$ 58,172,157.64 is composed of R$ 30,536,814.62 profit for the year 2013 and R$ 27,635,343.02 balance existing in statutory reserve.

Distribution for the year ended December 31, 2012

		Common stock - ON (R$/share)		Date				Total amount (R$)	
	Approval	Gross	Net	Declared	Holders	Ex-rights	Payment	Gross	Net
Interest on capital	RCA	0.027899933	0.023714943	4/26/2012	4/27/2012	4/30/2012	5/23/2012	14,761,148.55	12,546,975.97
Interest on capital	RCA	0.017346929	0.014744890	7/26/2012	7/27/2012	7/30/2012	8/22/2012	9,216,333.15	7,833,883.18
Interest on capital	RCA	0.016313054	0.013866096	10/25/2012	10/25/2012	10/26/2012	11/21/2012	8,667,040.58	7,366,984.49
Interim dividends	RCA	0.052213784	0.052213784	4/26/2012	4/27/2012	4/30/2012	5/23/2012	27,624,991.68	27,624,991.68
Interim dividends	RCA	0.061613469	0.061613469	7/26/2012	7/27/2012	7/30/2012	8/22/2012	32,734,915.30	32,734,915.30
Interim dividends	RCA	0.048007793	0.048007793	10/25/2012	10/25/2012	10/26/2012	11/21/2012	25,506,290.63	25,506,290.63
Complementary dividends[1]	AGM	0.077476532	0.077476532	4/2/2013	4/2/2013	4/3/2013	5/3/2013	41,015,957.94	41,015,957.94
Total		**0.300871494**	**0.291637507**					**159,526,677.83**	**154,629,999.19**

[1] The amount of R$ 41,015,957.94 is composed of R$ 19,777,313.74 profit for the year 2012 and R$ 21,238,644.20 balance existing in statutory reserve.

Distribution for the year ended December 31, 2011

		Common stock - ON (R$/share)		Date				Total amount (R$)	
	Approval	Gross	Net	Declared	Holders	Ex-rights	Payment	Gross	Net
Interest on capital	RCA	0.044246307	0.037609360	8/4/2011	8/11/2011	8/12/2011	9/21/2011	23,507,832.30	19,981,657.10
Interest on capital	RCA	0.031995037	0.027195780	12/26/2011	12/26/2011	12/27/2011	1/10/2012	16,957,254.00	14,413,665.28
Interim dividends	RCA	0.088880173	0.088880173	8/4/2011	8/11/2011	8/12/2011	9/21/2011	47,221,573.20	47,221,573.20
Complementary dividends[1]	AGM	0.136086647	0.136086647	4/2/2012	4/2/2012	4/2/2012	4/25/2012	71,999,999.58	71,999,999.58
Total		**0.301208163**	**0.289771960**					**159,686.659.08**	**153,616,895.16**

[1] The amount of R$ 72,000,000.00 is composed of R$ 50,359,194.06 profit for the year 2011 and R$ 21,640,805.94 balance existing in statutory reserve.

[2] For comparison consider stock split on April 2, 2012 the ratio 1:3.

8. If profits are allocated to the legal reserve

a. Amount allocated to the legal reserve

Pursuant to article 193 of Law 6.404/76, it becomes necessary to apply 5% (five percent) of the net profit to the legal reserve in the amount of R $ 9,735,456.47 (nine million, seven hundred and thirty five thousand, four hundred and fifty six reais and forty seven cents).

b. Detail the calculation of the legal reserves:

	Legal reserve calculation
Net income 2014	194,709,129.34
(x) Percentage of constituition	5%
(=) Legal reserve	**9,735,456.47**

9. If the company has preferred shares entitled to fixed or minimum dividends

OdontoPrev has no preferred shares, all of their common shares.

a. Describe the calculation of fixed or minimum dividends: **Not applicable**.

b. State whether the income is sufficient to pay in full the fixed or minimum dividends: **Not applicable**.

c. Identify whether any unpaid portion is cumulative: **Not applicable**.

d. Identify the total amount of fixed or minimum dividends to be paid to each class of preferred shares: **Not applicable**.

e. Identify the fixed or minimum dividends to be paid per preferred share for each class: **Not applicable**.

10. Regarding the mandatory dividend

a. Describe the calculation method set forth in the statute:

	DIVIDEND CALCULATION OF MINIMUM REQUIRED
Net income 2014	194,709,129.34
(-) Legal reserve (5%)	(9,735,456.47)
(=) Net income 2014 distributable	**184,973,672.87**
(x)% according to Bylaws	50
(=) Minimum mandatory dividend	**92,486,836.44**

b. Inform whether it has been fully paid:

Determined under item 10.a. and paid in full.

c. Report any amount retained:

Not applicable (see 10. B.)

11. If there is retention of the mandatory dividend due to the financial situation of the company
OdontoPrev not made any withholding mandatory dividend.

a. Report the amount retained: **Not applicable.**

b. Describe in detail the financial situation of the company, including aspects related to the analysis of liquidity, working capital and positive cash flows: **Not applicable.**

c. Justify the withholding of dividends: **Not applicable.**

12. If profits are allocated to the contingency reserve
OdontoPrev not made any profits are allocated to the contingency reserve.

a. Identify the amount allocated to the reserve: **Not applicable**.

b. Identify the probable loss and its cause: **Not applicable**.

c. Explain why the loss is considered probable: **Not applicable**.

d. Justify the booking: **Not applicable**.

13. Allocation of net income to the reserve for unrealized profits
OdontoPrev not made any allocation of income to the reserve for unrealized profits.

a. Amount allocated to the reserve for unrealized profits: **Not applicable**.

b. State the nature of unrealized profits that led to the reservation: **Not applicable**.

14. Allocation of earnings to statutory reserves
OdontoPrev not made any allocation of profits to statutory reserves for the year ended December 31, 2014.

a. Describe the statutory provisions establishing the reserve:
As Bylaws in force, the results obtained are distributed as follows: i) reduction of losses, if any, ii) 5% (five percent) to the legal reserve until it reaches 20% (twenty percent) of the capital subscribed iii) mandatory dividend of 50% (fifty percent) of the net profit observing the following settings: a) amounts allocated during the fiscal year to the legal reserve and contingency reserves, b) higher the amounts resulting from the reversal in the year of reserves for contingencies previously, and iv) the statutory reserve (retained earnings), including the remaining balance and can be resolved to distribute interest on capital and dividends beyond mandatory dividends.

b. Identify the amount allocated to the reserve: **Not applicable**.

c. Describe how the amount was calculated: **Not applicable**.

15.If retained earnings provided in the capital budget
In 2014 the allocation of 100% of net income for the year 2014 in the amount of R$ 194,709,129.34 (one hundred and ninety four million, seven hundred and nine thousand, one hundred and twenty nine reais and thirty four cents) was performed.

a. Identify the amount withheld

On December 31, 2014, we propose to maintain the balance of R$ 40,086,761.58 (forty million, eighty six thousand, seven hundred and sixty one reais and fifty eight cents) in statutory reserve to support the proposal capital budget presented in Annex II.

b. Provide a copy of the capital budget

MANAGEMENT PROPOSAL FOR CAPITAL BUDGET 2015
Pursuant to paragraph 2 of Article 196 of Law 6.404/76, the present capital budget Odontoprev S.A. for the year 2015 in the amount of R$ 41,000,000.00 (forty one million reais), as detailed below:

Use of funds:	**Value (R$)**
Investments in software and hardware	14,000,000.00
Investments in facilities and equipment	1,000,000.00
Investments in acquisition and incorporation of companies and others	26,000,000.00
Total	**41,000,000.00**

1. Investments in software and hardware represent management's estimates of the amounts to be spent on new projects and upgrading of current systems.

2. Investments in facilities and operational equipment intended primarily to disbursements for construction and renovation in own clinical and patient service centers as well as improvements in administrative facilities.

3. The figure for investment in acquisitions / constitutions is intended to pay for the acquisition of companies or businesses that the constitutions of Directors review the Company's interest.

Funding sources for the capital budget Odontoprev SA for the year 2015 will be:

Source of funds:	**Value (R$)**
Statutory reserve (retained earnings)	40,086,761.58
Own and / or third party resources	913,238.42
Total	**41,000,000.00**

16. Allocation of income to the tax incentive reserve

OdontoPrev not made any allocation of income to the tax incentive reserve.

a. Amount allocated to the reserve: **Not applicable**.

b. Explaining the nature of allocation: **Not applicable**.

Other relevant information

(i) Shareholders with more than 5%

Shareholders holding more than 5% of the company's shares

Position at 12/31/2014

	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Bradesco Saúde S.A.	265,648,397	50.01	-	-	265,648,397	50.01
Aberdeen Asset Managers Limited	26,708,600	5.03	-	-	26,708,600	5.03
Others	238,937,795	44.96	-	-	238,937,795	44.96
Total	**531,294,792**	**100.00**	-	-	**531,294,792**	**100.00**

Distribution of the company's capital (company shareholders) down to individual holdings
Name: Bradesco Saúde S.A.

					Position at 12/31/2014	
	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Bradesco Seguros S.A.	14,078,158	100.00	-	-	14,078,158	100.00

Distribution of the company's capital (company shareholders) down to individual holdings
Name: Bradesco Seguros S.A.

					Position at 12/31/2014	
	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Bradseg Participações Ltda.	713,858	100.00	-	-	713,858	100.00

Distribution of the company's capital (company shareholders) down to individual holdings
Name: Bradseg Participações Ltda.

					Position at 12/31/2014	
	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Banco Bradesco S.A[1]	7,456,073,743	97.08	-	-	7,456,073,743	97.08
Tapajos Holding Ltda	224,265,918	2.92	-	-	224,265,918	2.92
	7,680,339,661	**100.00**	-	-	**7,680,339,661**	**100.00**

[1]Banco Bradesco S.A. is a public stock corporation

Distribution of the company's capital (company shareholders) down to individual holdings
Name: Banco Bradesco S.A.

					Position at 12/31/2014	
	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
NCF Participações S.A.	172,433,243	8.20	45,860,723	2.18	218,293,966	5.19
Cidade de Deus Cia Cial Participações	1,022,374,418	48.60	1,597,076	0.08	1,023,971,494	24.34
Fundação Bradesco	358,469,028	17.04	-	-	358,469,028	8.52
Capital Research and Management Company	-	-	106,862,006	5.08	106,862,006	2.54
Other	547,461,830	26.02	1,940,332,235	92.23	2,487,794,065	59.13
Treasury stock	2,898,610	0.14	8,984,870	0.43	11,883,480	0.28
	2,103,637,129	**100.00**	**2,103,636,910**	**100.00**	**4,207,274,039**	**100.00**

Distribution of the company's capital (company shareholders) down to individual holdings
Name: NCF Participações S.A.

					Position at 12/31/2014	
	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Cidade de Deus Cia Cial Participações	843,211,787	74.72	-	-	843,211,787	39.51
Fundação Bradesco	283,571,490	25.13	1,005,739,284	100.00	1,289,310,774	60.41
Nova Cidade de Deus participações S.A.	1,688,246	0.15	-	-	1,688,246	0.08
	1,128,471,523	**100.00**	**1,005,739,284**	**100.00**	**2,134,210,807**	**100.00**

Distribution of the company's capital (company shareholders) down to individual holdings
Name: Cidade de Deus Cia Cial Participações

					Position at 12/31/2014	
	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Nova Cidade de Deus participações S.A.	3,227,231,713	44.95	-	-	3,227,231,713	44.95
Fundação Bradesco	2,386,126,122	33.23	-	-	2,386,126,122	33.23
Lia Maria Aguiar	496,778,330	6.92	-	-	496,778,330	6.92
Lina Maria Aguiar	611,669,700	8.52	-	-	611,669,700	8.52
Maria Angela Aguiar	338,886,137	4.72	-	-	338,886,137	4.72
Other	119,047,291	1.66	-	-	119,047,291	1.66
	7,179,739,293	**100.00**	**-**	**-**	**7,179,739,293**	**100.00**

Distribution of the company's capital (company shareholders) down to individual holdings
Name: Nova Cidade de Deus Participações S.A.

					Position at 12/31/2014	
	Common shares		Preferred shares		Total	
Shareholder	Number	%	Number	%	Number	%
BBD Participações S.A.	148,802,208	53.70	-	-	148,802,208	26.07
Fundação Bradesco	128,305,348	46.30	293,633,235	100.00	421,938,583	73.93
	277,107,556	**100.00**	**293,633,235**	**100.00**	**570,740,791**	**100.00**

Distribution of the company's capital (company shareholders) down to individual holdings
Name: BBD Participações S.A.

					Position at 12/31/2014	
	Common shares		Preferred shares		Total	
Shareholder	Number	%	Number	%	Number	%
Treasury stock	64,789,213	36.77	16,409,803	12.35	81,199,016	26.27
Lazaro de Mello Brandão	11,170,706	6.34	-	-	11,170,706	3.61
NCD Participação Ltda.	-	-	67,233,882	50.60	67,233,882	21.75
Other	100,246,380	56.89	49,226,926	37.05	149,473,306	48.36
	176,206,299	**100.00**	**132,870,611**	**100.00**	**309,076,910**	**100.00**

(ii) Shareholding position: 12/31/2014

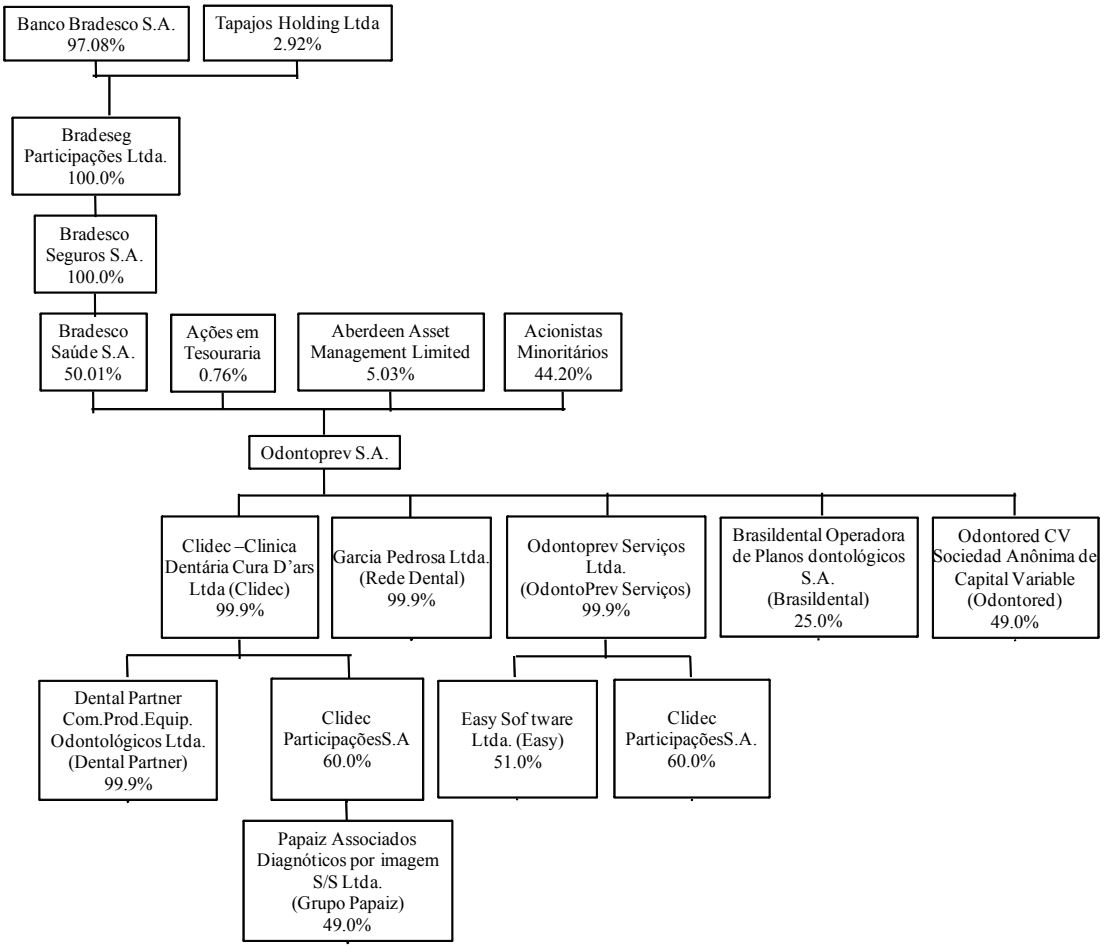
Consolidated shareholding position of controlling shareholders and management and outstanding shares
Position at 12/31/2014

Shareholder	Number of common shares (in units)	%	Number of preferred shares	%	Total number of shares (in units)	%
Controlling shareholders	**265,648,397**	**50.01**	**-**	**-**	**265,648,397**	**50.01**
Non-controlling shareholders	**8,578,392**	**1.61**	**-**	**-**	**8,578,392**	**1.61**
Supervisory Board of Directors	6,792,411	1.28	-	-	6,792,411	1.28
Executive Board	1,785,981	0.34	-	-	1,785,981	0.34
Statutory audit and tax committees	-	-	-	-	-	-
Treasury shares	**4,047,794**	**0.76**	-	-	**4,047,794**	**0.76**
Other	**253,020,209**	**47.62**	**-**	**-**	**253,020,209**	**47.62**
Total	**531,294,792**	**100.00**	**-**	**-**	**531,294,792**	**100.00**
Outstanding shares	**253,020,209**	**47.62**	**-**	**-**	**253,020,209**	**47.62**

(iii) Shareholding position: 12/31/2013

Consolidated shareholding position of controlling shareholders and management and outstanding shares						
Position at 12/31/2013						
Shareholder	**Number of common shares (in units)**	**%**	**Number of preferred shares**	**%**	**Total number of shares (in units)**	**%**
Controlling shareholders	**271,279,008**	**51.06**	**-**	**-**	**271,279,008**	**51.06**
Non-controlling shareholders	**3,452,773**	**0.65**	**-**	**-**	**3,452,773**	**0.65**
Board of Directors	174,812	0.03	-	-	174,812	0.03
Executive Board	3,277,961	0.62	-	-	3,277,961	0.62
Statutory audit committee	-	-	-	-	-	-
Treasury shares	**77,868**	**0.01**	**-**	**-**	**77,868**	**0.01**
Other	**256,485,143**	**48.28**	**-**	**-**	**256,485,143**	**48.28**
Total	**531,294,792**	**100.00**	**-**	**-**	**531,294,792**	**100.00**
Outstanding shares	**256,485,143**	**48.28**	**-**	**-**	**256,485,143**	**48.28**

(iv) Shareholdings on December 31, 2014



(v) Commitment Clause

The Arbitration Commitment Clause is mentioned in chapter VI - Arbitration, contained in the Bylaws (approved at the Special Meeting of 04/01/14).

"**Article 41** - The Company, its shareholders, management and members of the Statutory Audit Committee are committed to resolve, through arbitration, any and all disputes that may arise between them, relating to or originating, especially, from the application, validity, efficacy, interpretation, violation, and their effects, of the provisions comprised in Brazilian Corporation Law, in these bylaws, in the regulations issued by the National Monetary Council, the Brazilian Central Bank and the Brazilian Securities Commission, as well as other regulations applicable to the functioning of capital markets in general, besides those comprised in the Regulations of the New Market Listing, the Contract for Participation in the New Market and the Arbitration Regulations of the Market Arbitration Chamber.

* * *

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Independent auditors' review report

(A free translation of the original report in Portuguese)

To
Management and Shareholders of
Odontoprev S.A.
Barueri - SP

Introduction

We have audited the individual and consolidated financial statements of Odontoprev S.A. (the "Company"), identified as the Parent and Consolidated, respectively, which comprise the balance sheet as at December 31, 2014 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Company Management is responsible for the preparation and fair presentation of these individual financial statements in accordance with accounting practices adopted in Brazil and for the consolidated financial statements in accordance with international financial reporting standards issued by the *International Accounting Standards Board - IASB* and in accordance with accounting practices adopted in Brazil, for such internal control as management determines necessary to enable the preparation of these financial statements to be free from material misstatement, whether due to fraud or error.

The responsibility of the independent auditors

Our responsibility is to express an opinion on these financial statements based on our audit, conducted in accordance with Brazilian and International Auditing Standards. These standards require that we comply with ethical requirements and that the audit be planned in order to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves the execution of procedures selected to obtain evidence for the values and disclosures presented in the financial statements. The procedures selected depend on the auditor's judgment, including an evaluation of the risks of significant distortions in the financial statements, whether due to fraud or error. For this risk evaluation the auditor considers the internal controls relevant for the preparation and adequate presentation of the Company's financial statements to plan the audit procedures that are appropriate in the circumstances, but not for purposes of expressing an opinion on the effectiveness of these internal controls. An audit also includes an evaluation of the adequacy of the accounting practices adopted and the reasonableness of the accounting estimates made by management, and an evaluation of the presentation of the financial statements taken as a whole.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG Auditores Independentes, uma sociedade simples brasileira e firma-membro da rede KPMG de firmas-membro independentes e afiliadas à KPMG International Cooperative ("KPMG International"), uma entidade suíça.

KPMG Auditores Independentes, a Brazilian entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Opinion on the individual financial statements
In our opinion the individual financial statements referred to above, present fairly, in all material respects, the financial position of Odontoprev S.A. as at December 31, 2014, the results of its operations, and its cash flows for the year then ended, in conformity with accounting practices adopted in Brazil.

Opinion on the consolidated financial statements
In our opinion the consolidated financial statements referred to above, present fairly, in all material respects, the consolidated financial position of Odontoprev S.A. as at December 31, 2014, the consolidated results of its operations, and consolidated cash flows for the year then ended, in conformity with international financial reporting standards issued by the *International Accounting Standards Board - IASB* and in accordance with accounting practices adopted in Brazil.

Statements of added value
We have also examined the individual and consolidated statements of added value, for the year ended December 31, 2014, which are the responsibly of Company management, and presentation of which is required by Brazilian corporate legislation for public stock corporations, and as additional information for purposes of IFRS which do not require the statement of added value to be presented. These statements were subject to the same audit procedures described above, and in our opinion, are fairly presented, in all material respects, in relation to the financial statements taken as a whole.

São Paulo, March 4, 2015

KPMG Auditores Independentes
CRC 2SP014428/O-6
The original report in Portuguese was signed by
Luciene Teixeira Magalhães
Accountant CRC RJ-079849/O-3

Statutory audit committee report

The Statutory Audit Committee of OdontoPrev S.A., in compliance with legal and statutory rulings, has examined the Management Report and the Company's financial statements (parent and consolidated), for the financial year ended December 31, 2014. Based on this examination and considering the Independent Auditors' Report on the Financial Statements, issued by KPMG Auditores Independentes on March 4, 2015, determine that the aforementioned documents, and the proposal for allocating the profit for the year, including the anticipated distribution of dividends and interest on own capital can be considered and voted on in the General Meeting.

Barueri/SP, March 4, 2015.

Statement of directors on the financial statements

FOR PURPOSES OF ARTICLE 25 OF CVM INSTRUCTION 480/09

We declare, as the Statutory Directors of Odontoprev S.A., a public stock company, with its head office located in the City of Barueri, State of São Paulo, at Alameda Tocantins, nº 125, registered with CNPJ/MF under number 58.119.199/0001-51 ("Company"), in accordance with the terms of clause VI of paragraph 1 of article 25 of CVM Instruction 480, of December 7, 2009, that we have reviewed, discussed and agree with the opinions expressed in the report issued by the Company's independent auditors, KPMG Auditores Independentes with respect to the Company's financial statements for the year ended December 31, 2014.

Barueri, March 4, 2015.

Statement of directors on the independent auditor's report

FOR PURPOSES OF ARTICLE 25 OF CVM INSTRUCTION 480/09

We declare, as the Statutory Directors of Odontoprev S.A., a public stock company, with its head office located in the City of Barueri, State of São Paulo, at Alameda Tocantins, nº 125, registered with CNPJ/MF under number 58.119.199/0001-51 ("Company"), in accordance with the terms of clause V of paragraph 1 of article 25 of CVM Instruction 480, of December 7, 2009, that we have reviewed, discussed and agree with the Company's financial statements for the year ended December 31, 2014.

Barueri, March 4, 2015.