

NET INCOME OF R\$912 MILLION GROWS 13.6% IN 1Q15

Barueri, April 29, 2015 – Cielo S.A. (BM&FBOVESPA: CIEL3 / OTCQX: CIOXY) announces today its results for the first quarter of 2015. The Company's consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and in accordance with the accounting practices adopted in Brazil.

HIGHLIGHTS 1Q15

- **Net Operating Revenue** totaled **R\$2.4 billion**, up **29.4%** in relation to 1Q14 or **R\$534.1 million** and increase of **10.5%** compared to 4Q14 or **R\$223.1 million**;
- **EBITDA** of **R\$1,186.6 million**, up **18.5%** year-on-year or **R\$185.2 million** and increase of **28.3%** quarter-on-quarter or **R\$262.0 million**;
- **EBITDA Margin** of **50.5%**, down 4.6 percentual points compared to 1Q14 and up 7.1 p.p in relation to 4Q14;
- **Cielo's Consolidated Net Income** totaled **R\$911.8 million**, up **13.6%** year-on-year or **R\$109.1 million** and up **13.6%** quarter-on-quarter or **R\$108.8 million**;
- **Cielo's Net Income Margin** at **38.8%**, down 5.4 percentual points year-on-year and hike of 1.1 p.p quarter-on-quarter;
- **Prepayment of Receivables** reached **19.6%** over the financial volume of credit, up 0.9 p.p compared to 1Q14 and up 1.9 percentual points compared to 4Q14;
- **Prepayment of Receivables Managerial Net Revenue**¹ totaled **R\$265.1 million**, up **38.8%** year-on-year or **R\$74.1 million** and down **1.6%** quarter-on-quarter or **R\$4.3 million**;
- **Transaction Financial Volume** totaled **R\$126.5 billion**, up **5.8%** compared to 1Q14 or **R\$6.9 billion** and down 12.1% quarter-on-quarter or **R\$17.4 billion**;
- Completion of the association with **Banco do Brasil** for the creation of Token to manage payment accounts of **Ourocard Arrangement**;
- R\$3.5 billion of **private debentures** issued on February 27th at a cost of 111% of the CDI (Interbank Deposit Certificate);
- R\$4.6 billion of **public debentures** issued on April 13th at a cost of 105.8% of the CDI (Interbank Deposit Certificate) accounting more than R\$12 billion demand;
- Publication of Sustainability Report .

Operating and Financial Highlights	1Q15	1Q14	4Q14	1Q15X1Q14	1Q15X4Q14
Credit and Debit Cards					
Financial transaction volume (R\$ million)	126,539.4	119,573.6	143,928.8	5.8%	-12.1%
Number of transactions (million)	1,425.0	1,318.3	1,568.5	8.1%	-9.1%
Managerial Net Revenue of Prepayment of Receivables*					
% Prepayment over Total Credit Volume	19.6%	18.7%	17.7%	0.9 p.p.	1.9 p.p
Net Operating Revenue (R\$ million)					
EBITDA (R\$ million)	1,186.6	1,001.4	924.6	18.5%	28.3%
% EBITDA Margin	50.5%	55.1%	43.4%	-4.6 p.p.	7.1 p.p.
Cielo Net Income (R\$ million)					
% Net Margin	38.8%	44.2%	37.7%	-5.4 p.p	1.1 p.p

¹ Revenue net of funding (see explanation in managerial analysis of Prepayment of Receivable's revenue)

1Q15 OPERATING PERFORMANCE

Transaction Financial Volume

In 1Q15, Cielo Brasil captured 1.4 billion transactions, up 8.1% compared to 1Q14 and down 9.1% over 4Q14. Transaction financial volume totaled R\$126.5 billion, presenting an addition of 5.8% comparing to the R\$119.6 billion in the same period in 2014 and down 12.1% compared to 4Q14.

Specifically with credit cards, transaction financial volume totaled R\$75.5 billion in 1Q15, up 3.2% compared to 1Q14 and down 11.1% quarter-on-quarter.

With debit cards, transaction financial volume totaled R\$51.0 billion in 1Q15, an increase of 9.9% compared to 1Q14 and down 13.4% quarter-on-quarter.

The Agro product, which is included in total debit transactions, presented financial volume of R\$1.5 billion in 1Q15, down 36.1% compared to 1Q14 and down 56.2% quarter-on-quarter.

Excluding the Agro product over the total debit cards transactions, the financial volume captured would have been R\$49.6 billion in 1Q15, up 12.3% compared to 1Q14 and down 10.8% quarter-on-quarter.

Operating Highlights	1Q15	1Q14	4Q14	1Q15X1Q14	1Q15X4Q14
Credit and Debit Cards					
Financial transaction volume (R\$ million)	126,539.4	119,573.6	143,928.8	5.8%	-12.1%
Number of transactions (million)	1,425.0	1,318.3	1,568.5	8.1%	-9.1%
Credit Cards					
Financial transaction volume (R\$ million)	75,484.2	73,119.6	84,952.0	3.2%	-11.1%
Number of transactions (million)	610.3	591.6	672.5	3.2%	-9.2%
Debit Cards					
Financial transaction volume (R\$ million)	51,055.2	46,453.9	58,976.8	9.9%	-13.4%
Number of transactions (million)	814.7	726.7	896.0	12.1%	-9.1%
Agro Product					
Financial transaction volume (R\$ million)	1,487.0	2,326.8	3,391.8	-36.1%	-56.2%
Number of transactions (million)	0.02	0.03	0.05	-37.5%	-55.7%
Debit Excluding Agro					
Financial transaction volume (R\$ million)	49,568.2	44,127.2	55,585.0	12.3%	-10.8%
Number of transactions (million)	814.6	726.7	896.0	12.1%	-9.1%

Points of Sales Merchants and Equipment Base

The number of Points of Sales Merchants totaled 1.64 million at the end of 1Q15, up 14.1% over 1Q14 and up 1.1% over 4Q14. Active clients are those that have made at least a single transaction in the last 30 days. In the 60 days activity criterion, the increase compared to 1Q14 was 14.5% and 1.1% compared to 4Q14.

Points of Sales Merchants	1Q15	1Q14	4Q14	1Q15 X 1Q14	1Q15 X 4Q14
Points of Sales Merchants 30 days ('000)	1,637	1,435	1,619	14.1%	1.1%
Points of Sales Merchants 60 days ('000)	1,702	1,487	1,684	14.5%	1.1%



The installed POS base expanded 8.3% over 1Q14.

WiFi/GPRS equipment represented 63.5% of the installed base at the close of 1Q15.

POS Terminals	1Q15	1Q14	4Q14	1Q15 X 1Q14	1Q15 X 4Q14
# Installed POS ('000)	2,020	1,865	2,023	8.3%	-0.2%
% Wireless	63.5%	58.1%	62.6%	5.4 p.p	0.9 p.p.

1Q15 FINANCIAL PERFORMANCE

Net Revenue

1Q15 X 1Q14

Cielo's and its controlled companies' net revenue from capture, transmission, processing and transaction settlement services for credit and debit cards transactions, management of payment accounts related to the Ourocard Arrangement, POS rental and other revenues increased 29.4% or R\$534.1 million to R\$2,351.8 million in 1Q15, compared to R\$1,817.7 million in 1Q14. The increase in net revenue is chiefly related to the start of the operational activities of Token, in February 27, 2015, and the continuous business expansion of Cielo and its controlling companies Me-S and M4U.

1Q15 X 4Q14

Net revenue increased R\$223.1 million or 10.5% in 1Q15, compared to R\$2,128.7 million in 4Q14. The increase is chiefly due to the start of the operational activities of Token in February 27, 2015.

Cost of Services Provided

1Q15 X 1Q14

The cost of services provided increased R\$333.7 million or 50.6% to R\$993.4 million on 1Q15, compared to R\$659.7 million in 1Q14. The increase was chiefly due to the following:

- (i) Increase of R\$139.7 million due to the start of consolidation of the operational activities of Token from March, 2015;
- (ii) Costs addition of R\$113.0 million related to the subsidiaries Merchant e-Solutions, mainly due to dollar appreciation, and M4U;
- (iii) Increase of R\$30.5 million in costs related to transaction, such as capture and processing, call centers and telecom and brand's fees, due to increase of transactions volume;
- (iv) Increase of R\$25.0 million related to equipment costs, such as supplies, POS terminals installation, depreciation, maintenance and activation, chiefly due to the increase of POS terminal contents, especially for wireless technology equipment, purchase of terminal's inputs and the increase of captured volume, when compared to the same period of the prior year;
- (v) Increase of R\$10.9 million substantially related to an increase of headcount in IT and project development areas, among others.

1Q15 X 4Q14

The cost of services provided increased R\$87.6 million or 9.7% when compared to R\$905.8 million in 4Q14. This increase was chiefly due to the following:

- (i) Increase of R\$139.7 million due to the start of consolidation of the operational activities of Token from March, 2015;
- (ii) Increase of R\$52.9 million in costs related to the subsidiaries Merchant e-Solutions, due to dollar appreciation and the continuous business expansion, and M4U, result of a hike of mobile credit sales;
- (iii) Reduction of R\$51.2 million referred to lower expenses with improvement projects and maintenances in IT and operational environment as well as a reduction of consulting costs with the intention of mapping Cielo's operational system processes;
- (iv) Decrease of R\$31.4 million in costs incurred by equipments, such as supplies, installation, POS terminals activation and maintenance, chiefly due to a higher demand of merchants in 4Q14, explained by year-end celebrations;
- (v) Reduction of R\$21.1 million in costs related to transaction, such as capture and processing, call centers, telecom and brand's fees, due to a shrinkage of transactions volume in the quarter compared to 4Q14.

Operating Expenses

1Q15 X 1Q14

Operating expenses increased R\$69.1 million or 26.6% to R\$328.3 million in 1Q15, compared to R\$259.2 million in 1Q14. The main variations are described below:

Personnel Expenses – Personnel expenses increased R\$22.8 million or 27.3% to R\$106.5 million in 1Q15, compared to R\$83.7 million in 1Q14. This variation is chiefly related to an increase of headcount, to the 6.5% adjustment over wages established in Collective Agreement and the start of expenses with the consolidation of employees related to the management of payment accounts services provided by Token.

General and Administrative Expenses – General and Administrative Expenses, excluding depreciation, increased R\$36.5 million or 56.3% to R\$101.4 million in 1Q15, compared to R\$64.8 million in 1Q14. This variation is due to higher expenses with specialized professional services related to projects, as well as an increase in expenses boosted by commercial partners of the controlled Me-S and the average dollar appreciation in the period.

Sales and Marketing Expenses – Sales and marketing expenses decreased R\$12.3 million or 18.3% to R\$55.0 million in 1Q15, compared to the R\$67.4 million in 1Q14. This variation is chiefly due to lower marketing campaigns and initiatives expenses in 1Q15.

Equity Interest – Equity Interest's result increased R\$0.9 million or 35.0% to R\$3.7 million revenue in 1Q15, compared to R\$2.7 million in 1Q14. The increase is related to a better net income of the controlled companies Orizon and Paggio in 1Q15 in comparison to 1Q14.



Other Net Operating Expenses – Other net operating expenses increased R\$17.7 million or 46.7% to R\$55.6 million in 1Q15, compared to R\$37.9 million in 1Q14. The variation is chiefly related to an increase of allowance for doubtful accounts in 1Q15, as well as expenses with investment bankings and lawyers hired to the set up of Token with Banco do Brasil in 1Q15.

1Q15 X 4Q14

Operating expenses presented a reduction of R\$84.1 million or 20.4% in 1Q15, compared to R\$412.4 million in 4Q14. The main variations are described below:

Personnel Expenses – Personnel expenses increased R\$ 5.5 million or 5.5% to R\$ 106.5 million in 1Q15, compared to R\$101.0 million in 4Q14. This variation is chiefly due to the consolidation of employees expenses related to the management of payment accounts for services provided by the Token.

General and Administrative Expenses – General and administrative expenses, excluding depreciation, decreased R\$ 21.0 million or 17.2% in 1Q15, compared to R\$122.4 million in 4Q14. This variation is chiefly related to higher expenses with projects and consulting professional services in 4Q14.

Sales and Marketing Expenses – Sales and marketing expenses reduced R\$37.9 million or 40.7% in 1Q15, compared to R\$92.9 million in 4Q14. This variation is due to a higher volume of sales initiatives, customer loyalty and marketing initiatives in 4Q14, especially related to year-end sales seasonality.

Interest Equity – Interest equity result increased R\$0.2 million or 7.5% revenue in 1Q15, compared to R\$3.5 million in 4Q14. The increase is related to a better result of the controlling companies Orizon and Paggo in relation to 4Q14.

Other Net Operating Expenses – Other net operating expenses reduced R\$33.7 million or 37.7% in 1Q15, compared to R\$89.3 million in 4Q14. This variation is chiefly due to expenses with investment bankings and lawyers hired to the set up of Token with Banco do Brasil in 4Q14.

FINANCIAL RESULT

1Q15 X 1Q14

Financial result totaled R\$330.0 million in 1Q15, up 9.4% or R\$28.3 million in relation to 1Q14, which presented a figure of R\$301.7 million. The main variations are described below:

Financial Revenues – Financial revenues increased R\$49.5 million to R\$53.1 million in 1Q15, compared to R\$3.6 million in 1Q14. This variation is due to an addition of the average balance of financial applications, which gains were obtained by 2014 December's issuance of promissory notes and became partially applied up to Token creation.

Financial Expenses. Financial expenses increased R\$157.1 million to R\$188.2 million in 1Q15, compared to R\$31.1 million in 1Q14. This variation is chiefly due to an increase of the average indebtedness with third parties in the quarter, incurred by promissory notes and private debentures issued on December 2014 and February 2015, respectively.

Prepayment of receivables results

Financial volume of prepaid transactions in 1Q15 totaled R\$14.8 billion, reaching 19.6% of total credit volume and presenting a 8.6% growth in relation to 1Q14.

Gross revenue totaled R\$ 536.9 million, representing a growth of 30.9% in comparison to 1Q14.

Present value adjustment was R\$12.8 million, presenting reduction of 6.6% in relation to 1Q14 and cost of funding with third parties was R\$61.2 million on the quarter, presenting a reduction of 9.1% in relation to 1Q14. At the end of the quarter, the total volume of prepaid transactions with issuers was R\$ 3.6 billion as presented in our balance sheet.

As consequence, prepayment of receivables result increased R\$133.7 million or 40.6% to R\$462.9 million in 1Q15, compared to R\$329.2 million in 1Q14. The increase is chiefly related to a higher spread and financial volume of prepayment of receivables operations in 1Q15, as well as its product continuous expansion.

The average ticket of these operations in 1Q15 was R\$2.5 thousand, which was lower than the R\$3.0 thousand presented in 1Q14.

Prepayment of Receivables	1Q15	1Q14	1Q15X1Q14
% Prepayment over Total Credit Volume	19.6%	18.7%	0.9 p.p.
Financial Volume of Prepayment (R\$ million)	14,787.0	13,617.7	8.6%
% Pre-paid volume from regular credit	33.8%	26.9%	6.9 p.p
% Pre-paid volume from credit in installments	66.2%	73.1%	-6.9 p.p
Average Term (Calendar Days)	57.3	58.4	(1.1)
Average Term (Business Days)	38.7	39.5	1.2
Gross Revenue of Prepayment of Receivables (R\$ million)	536.9	410.2	30.9%
Present Value Adjustment Expenses (R\$ million)	(12.8)	(13.7)	-6.6%
Cost of Funding with Third Parties (R\$ million)	(61.2)	(67.4)	-9.1%
Prepayment of Receivables Net Revenue (R\$ million)	462.9	329.2	40.6%
Managerial Analysis			
Gross Revenue of Prepayment of Receivables (R\$ million)	536.9	410.2	30.9%
Cost of Funding* (R\$ million)	(271.8)	(219.3)	24.0%
Managerial Net Revenue (R\$ million)	265.1	191.0	38.8%

*Assuming the cost of 104% of CDI in Financial Volume of Prepayment

In the managerial analysis of prepayment of receivables' business is applied a rate of 104% of the CDI (interbank deposit certificate) for all prepaid volume on the quarter, which implies a cost of funding of R\$271.8 million in the quarter. Thus, managerial net revenue was R\$265.1 million in 1Q15, an increase of 38.8% compared to the same period in the prior year.

1Q15 X 4Q14

Financial result totaled R\$330.0 million in 1Q15, a 15.7% reduction or R\$61.4 million compared to 4Q14, which presented R\$391.4 million. The main variations are described below:

Financial Revenues – Financial revenues increased R\$45.1 million in 1Q15, compared to R\$8.0 million in 4Q14. This variation is due to an addition of the average balance of financial applications, which gains were obtained by 2014 December's issuance of promissory notes and became partially applied up to Token creation.

Financial Expenses – Financial expenses increased R\$148.5 million in 1Q15, compared to R\$39.7 million in 4Q14. This variation is chiefly due to an increase of the average indebtedness with third parties in the quarter, incurred by promissory notes and private debentures issued on December 2014 and February 2015, respectively.

Prepayment of receivables results

Financial volume of prepaid transactions in 1Q15 was down 1.5% in relation to 4Q14.

Gross revenue was 3.9% above last quarter figures. Present value adjustment expenses was down 59.0%, substantially below figures presented in 4Q14. Cost of funding with third parties presented a slight reduction of 1.8% in relation to 4Q14.

Prepayment of receivables result increased R\$39.8 million or 9.4% in 1Q15, compared to R\$423.1 million in 4Q14. The increase is chiefly related to an adjustment on pricing due to a hike on SELIC rate as well as the continuous expansion of this product.

The average ticket of these operations in 1Q15 was in line to figures presented in the prior quarter.

Prepayment of Receivables	1Q15	4Q14	1Q15X4Q14
% Prepayment over Total Credit Volume	19.6%	17.7%	1.9 p.p
Financial Volume of Prepayment (R\$ million)	14,787.0	15,010.2	-1.5%
% Pre-paid volume from regular credit	33.8%	31.5%	2.2 p.p
% Pre-paid volume from credit in installments	66.2%	68.5%	-2.2 p.p
Average Term (Calendar Days)	57.3	55.8	1.5
Average Term (Business Days)	38.7	37.4	(0.8)
Gross Revenue of Prepayment of Receivables (R\$ million)	536.9	516.7	3.9%
Present Value Adjustment Expenses (R\$ million)	(12.8)	(31.2)	-59.0%
Cost of Funding with Third Parties (R\$ million)	(61.2)	(62.3)	-1.8%
Prepayment of Receivables Net Revenue (R\$ million)	462.9	423.1	9.4%

Managerial Analysis

Gross Revenue of Prepayment of Receivables (R\$ million)	536.9	516.7	3.9%
Cost of Funding* (R\$ million)	(271.8)	(247.3)	9.9%
Managerial Net Revenue (R\$ million)	265.1	269.4	-1.6%

*Assuming the cost of 104% of CDI in Financial Volume of Prepayment

In the managerial analysis of prepayment of receivables business is applied a rate of 104% of the CDI (interbank deposit certificate) to the entire prepaid volume on the quarter, which implies a cost of funding of R\$271.8 million in the quarter. Thus, managerial net revenue was R\$265.1 million in 1Q15, down 1.6% in relation to the prior quarter.

EBITDA

EBITDA totaled R\$1,186.6 million in 1Q15, up 18.5% in relation to 1Q14 and up 28.3% over 4Q14.

EBITDA (R\$ million)	1Q15	1Q14	4Q14	1Q15 X 1Q14	1Q15 X 4Q14
Cielo Net Income	911.8	802.7	803.0	13.6%	13.6%
Other Shareholders that not Cielo S.A.	14.3	3.2	2.6	346.9%	450.0%
Financial Income (Expenses)	(330.0)	(301.7)	(391.4)	9.4%	-15.7%
Tax and Social Contribution	434.0	394.6	396.2	10.0%	9.5%
Depreciation and Amortization	156.5	102.6	114.2	52.5%	37.0%
EBITDA	1,186.6	1,001.4	924.6	18.5%	28.3%
% EBITDA Margin	50.5%	55.1%	43.4%	(4.6) p.p.	7.1 p.p.

EBITDA consists of net income, plus income tax and social contribution, financial income (expenses) and depreciation and amortization. It should be noted that, for this calculation, the share of minority shareholders is added to the parent company's net income. The EBITDA has limitation that may harm its use as an indicator of the profitability of the Company and its subsidiaries, since costs related to the business are not considered, and could deeply impact the income, e.g., financial expenses, taxes, depreciation, equity expenses and other related charges.

EBITDA is not an accounting measurement used in the accounting practices adopted in Brazil. It does not represent the cash flow for the presented periods and it should not be considered as an alternative to net income, an operating performance measure or as an alternative to operating cash flow or as a measurement of liquidity.

Furthermore, the Management believes that the EBITDA is an important parameter for the investors because it provides relevant information about the operating results and the profitability.

1Q15 MANAGERIAL PERFORMANCE

From this quarter, after the association with Banco do Brasil for the creation of Token, it was decided to disclose the information in a new way that the market can follow composition of Cielo's results.

Thereby, the chart below presents managerial information for market monitoring. It is important to highlight that the information presented is not audited and it is presented in BRL million or in the respective order of magnitude.

Cielo consolidated information has already been discussed in this report.

Hereinafter, on table 2, Cielo figures not considering the Token and its incurred expenses as, for instance, financial expenses, lawyers, investment banks, and others.



1) Cielo Consolidated					
	1Q15	1Q14	4Q14	1Q15 X 1Q14	1Q15 X 4Q14
Net Revenue	2,351.8	1,817.7	2,128.7	29.4%	10.5%
Cost+Expenses	(1,321.6)	(919.0)	(1,318.2)	43.8%	0.3%
Cielo Net Income	911.8	802.7	803.0	13.6%	13.6%

2) Cielo exToken					
	1Q15	1Q14	4Q14	1Q15 X 1Q14	1Q15 X 4Q14
Net Revenue	2,144.4	1,817.7	2,128.7	18.0%	0.7%
Cost+Expenses	(1,168.0)	(919.0)	(1,281.0)	27.1%	-8.8%
Cielo Net Income	955.2	802.7	827.6	19.0%	15.4%

Token

3) Cielo Brazil					
	1Q15	1Q14	4Q14	1Q15 X 1Q14	1Q15 X 4Q14
Net Revenue	1,697.9	1,521.1	1,756.7	11.6%	-3.3%
Cost+Expenses	(740.5)	(635.0)	(927.3)	16.6%	-20.1%
Cost+Expenses per transaction	R\$0.52	R\$0.48	R\$0.59	7.9%	-12.1%
Cielo Net Income	946.2	799.7	814.8	18.3%	16.1%

4) Other Subsidiaries					
	1Q15	1Q14	4Q14	1Q15 X 1Q14	1Q15 X 4Q14
Net Revenue	446.5	296.6	372.0	50.5%	20.0%
Cost+ Expenses	(427.5)	(284.0)	(353.7)	50.5%	20.9%
Cielo Net Income	9.0	3.0	12.8	200.5%	-29.6%

Finally, Cielo Brazil figures, on table 3, are split from other controlling companies, on table 4, to make it possible the monitoring of our soft guidance for Cielo Brazil cost + expense per transaction evolution and the isolation of the impact of business exogenous variables such as exchange rate oscillations, which impact our subsidiary Merchant e-Solutions.

In this case, it is possible to observe that Cielo Brazil cost per transaction was R\$0.52 and presented an increase of 7.9% in relation to 1Q14 and reduction of 12.1% in relation to 4Q14. In relation to the Other subsidiaries is important to highlight that the impact of the exchange rate was relevant, considering that the average dollar in 1Q15 was R\$2.86, an increase of 21% and 13% in relation to 1Q14 and 4Q14, respectively.

In relation to the new company Token, hereinafter is represented its net income of March as well as an analysis of its contribution to Cielo. At the column named "Business Result" is presented net income of R\$61.6 million which does not consider the amortization of intangible assets. At the column Accounting Value, which considers the amortization of intangible assets for a 30 years period, net income would be R\$40.8 million.

Considering net income accounting value, it is also envisaged the contribution for Cielo. In other words, it is considered only 70% of net income, which represents the share of Cielo in the association, in addition to the financial expenses incurred by Cielo in relation to Token. In this case, net contribution is negative at the magnitude of R\$33 million.



Under the same reasoning but excluding amortization (“cash basis”), as presented on the right chart, it is reached a negative net contribution of only R\$11 million.

Token ex extraordinary			
Business Result		Accounting Value	
Net Revenue	207.3	207.3	
Costs + Expenses	(114.0)	(114.0)	
Amortization*	-	(32.1)	
Result	93.3	61.2	
Income Tax\ CSLL**	(31.7)	(20.8)	
Net Income	61.6	40.8	
Share Cielo – 70%		28.6	
Financial expenses (post taxes)		(61.6)	
Net contribution		(33.0)	

“Cash Basis” (ex Token amortization)	
Net Revenue	207.3
Costs + Expenses	(114.0)
Amortization*	-
Result	93.3
Income Tax\ CSLL**	(20.8)
Net Result	72.5
Share Cielo – 70%	50.8
Financial expenses (post taxes)	(61.6)
Net contribution - cash basis	(10.8)

* Amortization of R\$11.6 billion intangible assets in 30 years

** Social Contribution

Bearing in mind these contribution scenarios, the accretion in cash-basis concept (not considering the amortization) will occur at the second half of 2016. The accretion in earnings concept (considering the amortization) will occur at the second half of 2017.

INVESTMENT IN POS AND CHIP&PIN

A total of R\$ 86.1 million was invested in new terminals (POS and Mobile CHIP&PIN) in 1Q15. It is important to highlight that this amount has no cash effect as it is funded through a BNDES-Finame facility.

INDEBTEDNESS

Finame

For BNDES credit line, the total amount at the end of 1Q15 was R\$456.0 million, at a weighted average interest rate of 4.98% per year.

Bonds Performance

At the end of 1Q15, the Company had R\$2.8 billion in principal and interest payable, on the bonds issued in November of 2012, at 3.75% per year interest rate. On March 31, 2015, spread was 309 bps (the spread was 222 bps on the issue date).

Promissory Notes

In December 29, 2014, the Company issued Promissory Notes with mature date of 180 days accounted to the issuance date. The total amount of the issuance was R\$4.6 billion, composed by 460 Promissory Notes with unitary nominal value of R\$10,000. Promissory Note's compensation shall include compensatory interest based on the cumulative percentage variation of 106.50% of average daily rate of DI interest - Interbank Deposits - average daily rate for one day expressed as a percentage per year, based on 252 business days, calculated and published by CETIP. The compensation shall be paid in full in one (1) single payment on the Maturity Date.

On April 13, 2015, was issued 460,000 (for hundred and sixty thousand) simple unsecured non-convertible debentures, in a single series, all nominative and book-entry, of the fourth issuance with 36 months of mature date (1/3 amortization of Principal a year) accounted to the issue date with unitary nominal value of R\$10,000 on the issue date, accounting to the total amount of R\$4.6 billion, completely destined to the early redemption of Promissory Notes issued in December 29, 2014 at a remuneration of 105.8% of the CDI (Interbank Deposit Certificate).

The remuneration shall be paid every six months, always on the thirteen (13) of April and October of each year, in successive installments, with the first payment on October 13, 2015 and the last on the due date, subject the possibility of early maturity and early redemption offer.

Financial covenants: Net debt / Adjusted EBITDA to net prepayment revenue from financial interest on prepayment of receivables with issuing banks consolidated $\leq 3x$.

Private Debentures

In February 27, 2015, the Company held the 1st (First), 2nd (Second) and 3rd (third) private issuances, of simple, non-stock-convertible, unsecured, in single series debentures. The three issuances have totaled the amount of R\$3.5 billion and established the maturity date on December 30, 2023, with a put/call option at the end of five years. The private debentures remuneration will involve compensatory interests based on the cumulative percentage variation from 100.00% to 111.00% of the daily average interest rate of the Interbank Deposit Certificate, according to the table below:

1st issuance: R\$2.4 billion - 111% of CDI

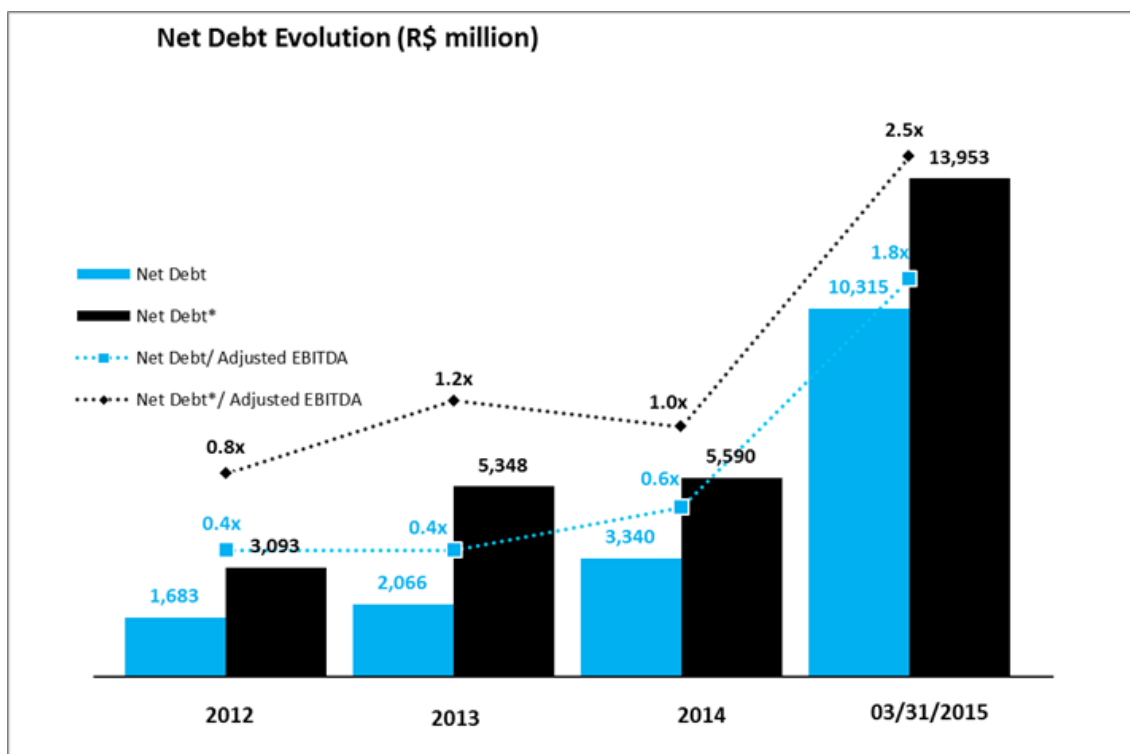
2nd issuance: R\$0.7 billion - 100% of CDI until 03.31.2015 and 111% of CDI after 03.31.2015

3rd issuance: R\$0.4 billion - 100% of CDI from the payment date until the date the "Transition Committee" is dismissed or until the end of the 9-year period

The compensatory interests will be paid biannually from the issuance date on, except for the last capitalization period that will be shorter because it will start in August 27, 2023 and end with the payment on the maturity date, along with the principal amount.

There are no clauses of financial covenants for loans and financing contracted from third parties.

The net debt/EBITDA ratio LTM adjusted to prepayment of receivables result on March 31, 2015 was 1.8x.



*Net Debt including the pre-payment with issuing banks

If we consider prepayment with issuer banks (R\$3.6 billion at the end of March, 2015), net debt/ Adjusted EBITDA LTM would be 2.5x.

CAPITAL MARKETS

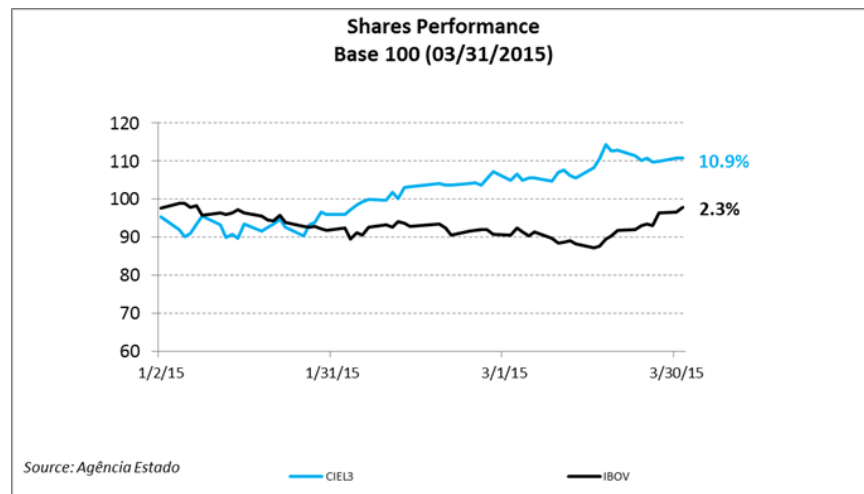
Ownership Structure

Cielo S.A. stock debuted on the BM&FBovespa's Novo Mercado on June 29, 2009, initially under the ticker symbol VNET3 and, due to the Company's name change, since December 18, 2009 under CIEL3. Cielo's stock is currently included on the Bovespa Index (Ibovespa), the Brazil Broad-Based Index (IBRA), the Brazil 50 Index (IBXL), the Brazil 100 Index (IBXX), the Carbon Efficiency Index (ICO2), the Financial Index (IFNC), the Corporate Governance Trade Index (IGCT), the Differentiated Corporate Governance Index (IGCX), Novo Mercado Corporate Governance Equity Index (IGNM), Corporate Sustainability Index (ISE), the Differentiated Tag Along Rights Index (ITAG), the Mid-Large Cap Index (MLCX),

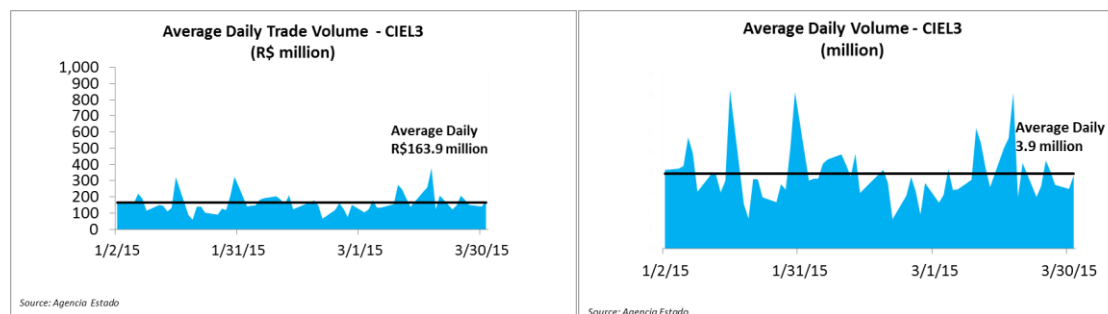
Shareholder's Structure	ON	%
Controlling Shareholders	1,107,609,717	58.71
Banco Bradesco	567,109,680	30.06
Columbus Holding S.A	540,499,920	28.65
Tempo Serviços LTDA	26,609,760	1.41
Banco do Brasil	540,500,037	28.65
Free-float	772,507,386	40.95
Treasury	6,560,023	0.35
Total	1,886,677,126	100.00

Stock Performance

In the first quarter of 2015, while Ibovespa appreciated 2.3%, Cielo's stock (adjusted for remuneration) appreciated 10.9%. On March 31, 2015, CIEL3 shares were quoted at R\$38.07/share (value adjusted to bonus of 04/10/2015), bringing the Company's market cap to R\$ 71.8 billion.



The average daily trading volume from January to March of 2015 totaled 3.9 million shares, with an average daily financial volume of R\$163.9 million, representing 0.6% of the free float. Since IPO, the average volume has been 2.1 million shares with an average daily trade volume of R\$103.4 million or 0.4% of the free float.



Dividends

In a Board of Directors meeting held on January 28, 2015, the distribution of the remaining balance for the fiscal year ended December 31, 2014 was approved. The remuneration were distributed as interest on equity and dividends, which were paid to the shareholders in accordance to their holdings in the Company's capital stock, "ad referendum", in the total amount of R\$769,679,929.60 (seven hundred sixty-nine million, six hundred seventy-nine thousand, nine hundred and twenty-nine reais and sixty centavos), out of which R\$66,800,000.00 (sixty-six million, eight hundred thousand reais) were distributed as interest on equity and subjected to withholding income tax at a rate applicable to each case. The amount of R\$702,879,929.60 (seven hundred and two million, eight hundred and seventy-nine thousand, nine hundred twenty-nine reais and sixty centavos) were distributed as dividends and shares held in treasury are not entitled to remuneration. The remuneration was paid

to shareholders on March 31, 2015 based on the shareholding position as of March 13, 2015, with the Company's shares traded "ex-rights" as of March 16, 2015.

Amount per share of dividends: R\$ 0.448628598

Gross amount per share of interest on equity: R\$0.042636571

Reduction of the Minimum Dividend

On April 10, 2015, the Ordinary and Extraordinary General Meeting was held, at which time the amendment to paragraph 1 of Article 29 of the Company's Bylaws was approved to reduce the minimum annual mandatory dividend from 50% (fifty percent) to 30% (thirty percent) of net profit. The dividend reduction is consequence of the indebtedness assumed by the company due to the Association with Banco do Brasil, according to information published in the Material Fact dated November 19, 2014.

Share Bonus

During the same Ordinary and Extraordinary General Meeting, cited above, at which time it was also decided to increase the capital stock from the current R\$2,000,000,000.00 (two billion reais) to R\$2,500,000,000.00 (two billion, five hundred million reais) , an increase of R\$500,000,000.00 (five hundred million reais) , through a share bonus, assigning them to shareholders, free of charge, with one (1) new common share for each 5 (five) common shares held at the close of April 10, 2015 trading day, from April 13, 2015, the Company's shares will be traded as "ex rights" of bonus, with the consequent amendment of Article 7 of the Company's Bylaws. Once approved, the ADRs – American Depositary Receipts traded on the North American Over-The-Counter Market (OTC) will be issued at the same proportion as the bonus shares.

After the share bonus, the Company has a total of 1,886,677,126 common shares.

CIEL3 - 03/31/2015	
Total Shares ('000)	1,886,677.13
Closing Price (R\$/Share)	38.07
Mkt. Cap (R\$'000)	71,825,798.19
Free-float ('000)	772,507.39
Free-float (R\$ '000)	29,409,356.19
ADTV ⁽¹⁾ (R\$'000)	163,870.9
ADTV ⁽¹⁾ / Free-float	0.56%
Dividends(*) (R\$'000)	1,833,326.40
Dividends (*) / Net Income	59.9%
Dividends / Share	0.97

(1) ADTV = Average Daily Trading Volume between 01/01/2015 and 03/31/2015

(*) Considering only the dividends related to the fiscal year of 2014.



CORPORATE GOVERNANCE

Corporate Governance is valuable for Cielo, so one of its goals is the continuous improvement pursuing the highest level for corporate governance, aiming to keep the most appropriate balance in the allocation of rights, powers, obligations and responsibilities among management, board of directors and shareholders, allowing the company to maximize its efficiency on its operation and to create value on long-term basis. In this respect, the Company is committed, voluntarily, to adopt practices that exceed the requirements of the law and of the stock exchange segment in which it is listed, BM&FBovespa Novo Mercado, with respect to corporate governance and shareholder rights, always ensuring ethical and sustainable behavior. As a result, aiming to ensure shareholders' rights and preserve the Company's Corporate Governance as well as the conduct of sustainable and ethical practices such as, the election of a Board of Directors composed of 30% (thirty percent) of independent members, the creation of a Corporate Governance Department dedicated to support the governance bodies of the Company and its subsidiaries, establishing a mechanism for the Board's self-assessment, collectively and individually, restricting the information exchange to the Corporate Governance Electronic Portal, maintaining the Related Party Transactions Policies as well as situations involving Conflicts of Interest, in addition to the Code of Ethics, which establishes rules of conduct when relating to all stakeholders: employees, customers, suppliers, investors, regulatory agencies, society and the government.

So that the interests of its directors are in the best interests of its shareholders, especially minority shareholders, the monitoring of the management and performance of Cielo is currently exercised by a Board of Directors composed of 11 directors, of which 3 are independent members, by a nonpermanent Fiscal Council composed of 5 directors, of which 2 are independent members, by an Executive Board composed of 7 members, and by Management Advisory Committees and Forums to the Board of Directors to the Executive Board, respectively.

The highest governance body of the Company is the Board of Directors, which is composed entirely of members who do not serve in the executive board. Besides the Board of Directors, all other management bodies of the Company are responsible for the effective adoption of best governance practices, with the attention to the Corporate Governance Committee, whose main responsibility is to recommend Cielo's governance strategy and guidelines.

Cielo disposes level one American Depositary Receipts (ADRs) since 2011 and so is listed at OTCQX. From 2014, Cielo joined the index ISE (Corporate Sustainability Index) of BM&FBOVESPA.

On the subject of sustainability, the Company maintains structured practices, such as the publication of a Sustainability Report, audited and guided by international standards, conducting and disseminating a Greenhouse Gas Emissions Inventory and the implementation of several policies that address important issues such as the environment, people management and corporate risk, gathered in a strict Code of Ethics shared among employees and suppliers. Cielo also has a Sustainability Committee, established in 2013 as an advisory body to the Board of Directors, which aims to contribute to the inclusion of topics related to Sustainability in the Company's business processes, ensuring business success on long-term basis, while contributing to a healthy environment, a fair society and economic and social development of Brazil.



1Q15 INCOME STATEMENTS – UNAUDITED

	1Q15	1Q14	4Q14	1Q15 X 1Q14	1Q15 X 4Q14
GROSS OPERATING REVENUE	2,586,531	1,995,338	2,342,984	29.6%	10.4%
ISS	(23,628)	(13,633)	(20,585)	73.3%	14.8%
PIS/COFINS	(189,529)	(164,016)	(193,698)	15.6%	-2.2%
TAXES ON SERVICES	(234,767)	(177,649)	(214,283)	32.2%	9.6%
NET OPERATING REVENUE	2,351,764	1,817,689	2,128,700	29.4%	10.5%
Cost of Services Rendered	(850,414)	(565,206)	(801,993)	50.5%	6.0%
Depreciation and Amortization	(142,955)	(94,525)	(103,830)	51.2%	37.7%
TOTAL COST OF SERVICES	(993,370)	(659,732)	(905,823)	50.6%	9.7%
Personnel	(106,490)	(83,679)	(100,983)	27.3%	5.5%
General and Administratives	(101,370)	(64,850)	(122,417)	56.3%	-17.2%
Depreciation and Amortization	(13,493)	(8,166)	(10,296)	65.2%	31.1%
Sales and Marketing Expenses	(55,041)	(67,384)	(92,858)	-18.3%	-40.7%
Equity Interest	3,711	2,749	3,453	35.0%	7.5%
Other Operating (Expenses) Income, Net	(55,588)	(37,891)	(89,295)	46.7%	-37.7%
OPERATING (EXPENSES) INCOME	(328,272)	(259,221)	(412,396)	26.6%	-20.4%
EBITDA	1,186,571	1,001,429	924,607	18.5%	28.3%
Financial Income	53,091	3,630	7,964	1362.6%	566.6%
Financial Expenses	(188,250)	(31,102)	(39,680)	505.3%	374.4%
Prepayment of Receivables Net Revenue	462,914	329,192	423,074	40.6%	9.4%
Fx Variation	2	(12)	6	-119.1%	-64.7%
FINANCIAL INCOME (EXPENSES)	329,995	301,707	391,364	9.4%	-15.7%
OPERATING INCOME	1,360,118	1,200,444	1,201,845	13.3%	13.2%
Current	(477,121)	(410,903)	(464,292)	-11.5%	2.8%
Deferred	43,169	16,337	68,053	-76.0%	-36.6%
INCOME TAX AND SOCIAL CONTRIBUTION	(433,952)	(394,566)	(396,239)	10.0%	9.5%
NET INCOME	926,166	805,878	805,605	14.9%	15.0%
Atributed to:					
Shareholders of Cielo S.A.	911,849	802,678	803,008	13.6%	13.6%
Other shareholders that not of Cielo S.A.	14,317	3,200	2,597	347.4%	451.4%
NET INCOME	926,166	805,878	805,605	14.9%	15.0%

1Q15 BALANCE SHEET - UNAUDITED

ASSETS	03.31.2015	12.31.2014
CURRENT		
Cash and cash equivalents	1,080,587	3,998,721
Trade accounts receivable	9,886,524	9,641,389
Trade accounts receivable from subsidiaries	72	384
Prepaid and recoverable taxes	1,151	1,514
Other receivables	15,822	10,212
Prepaid expenses	31,770	29,513
Total current assets	11,015,926	13,681,733
NONCURRENT ASSETS		
Deferred income tax and social contribution	793,663	756,733
Escrow deposits	1,159,283	1,108,475
Other receivables	24,386	20,192
Investments	62,578	58,867
Investments	726,589	723,915
Intangible Assets:		
Goodwill	1,339,268	1,122,767
Others intangibles	12,960,850	1,206,992
Total noncurrent assets	17,066,617	4,997,941
TOTAL ASSETS	28,082,543	18,679,674
LIABILITIES AND SHAREHOLDER'S EQUITY	03.31.2015	12.31.2014
CURRENT LIABILITIES		
Payables to merchants	1,620,166	1,330,176
Advances from issuing banks	3,637,750	2,250,035
Loans and Financing	5,051,880	4,833,602
Trade accounts payable	744,699	700,319
Taxes payable	207,855	442,548
Payables to merchants from subsidiaries	-	-
Dividends payable	54,500	475,801
Other payables	215,664	235,063
Total current liabilities	11,532,514	10,267,544
NONCURRENT LIABILITIES		
Loans and Financing	6,344,171	2,506,140
Reserve for contingencies	1,272,757	1,223,633
Income tax and social contribution deferred	407,725	344,665
Other payables	10,666	13,292
Total noncurrent liabilities	8,035,319	4,087,730
SHAREHOLDER'S EQUITY		
Capital	2,000,000	2,000,000
Capital reserve	74,673	75,854
Treasury shares	(183,397)	(194,478)
Equity adjustment	7,884	5,969
Retained earnings	2,995,255	2,421,765
Attributed to shareholders of Cielo S.A.	4,894,415	4,309,110
Other shareholders that not of Cielo S.A.	3,620,295	15,290
Total shareholder's equity	8,514,710	4,324,400
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	28,082,543	18,679,674