(A free translation of the original in Portuguese)

T4F Entretenimento S.A.

Quarterly Information (ITR) at September 30, 2018 and report on review of quarterly information

(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Board of Directors and Stockholders
T4F Entretenimento S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of T4F Entretenimento S.A. (the "Company"), included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2018, comprising the balance sheet as at that date and the statements of income and comprehensive income for the quarter and nine-month period then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and the International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the Quarterly Information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

T4F Entretenimento S.A.

Conclusion on the consolidated company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the Quarterly Information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the nine-month period ended September 30, 2018. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

São Paulo, November 7, 2018

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Ricardo Novaes de Queiroz
Contador CRC 1DF012332/O-2

T4F ENTRETENIMENTO S.A.

BALANCE SHEET
(In thousands of Reais - R$)

ASSETS	Note	Company 09/30/18	Company 12/31/17	Consolidated 09/30/18	Consolidated 12/31/17
CURRENT ASSETS					
Cash and cash equivalents	6	50,606	138,942	104,740	198,015
Derivative financial instruments		35	-	35	-
Restricted cash	7	10,782	6,773	10,782	6,773
Trade accounts receivables	8	69,963	122,684	104,855	174,193
Inventory		197	105	1,489	1,019
Recoverable taxes	9	8,989	2,316	28,068	24,576
Advances to suppliers	10	4,322	3,721	19,088	11,379
Prepaid costs	11	84,574	24,755	116,367	37,372
Dividends receivable from subsidiaries		-	1,461	-	-
Other receivables	12	4,119	1,379	23,024	19,171
Total current assets		233,587	302,136	408,448	472,498
NON-CURRENT ASSETS					
Long-term assets:					
Deferred income and social contribution taxes	29	48,658	55,180	56,148	59,527
Escrow deposits	21	7,738	22,071	10,130	24,698
Prepaid costs	11	15,387	-	15,387	-
Related parties	13	24,942	21,217	7,008	7,957
Total long-term assets		96,725	98,468	88,673	92,182
Investments in subsidiaries	14.a)	97,726	88,733	-	-
Goodwill on acquisitions of investments	14.b)	110,487	110,487	-	-
Property, plant and equipment	15.a)	8,154	9,412	13,031	15,697
Intangible assets:					
Goodwill on acquisition of investments	14.b)	-	-	111,903	113,008
Other intangible assets	15.b)	2,195	3,022	3,177	4,099
Total non-current assets		315,287	310,122	216,784	224,986
TOTAL ASSETS		548,874	612,258	625,232	697,484

LIABILITIES AND SHAREHOLDERS EQUITY	Note	Company 09/30/18	Company 12/31/17	Consolidated 09/30/18	Consolidated 12/31/17
CURRENT LIABILITIES					
Trade payables	16	22,796	22,174	78,616	69,077
Borrowing, financing and debentures	17	8,349	17,376	8,349	17,376
Accrued payroll and related taxes		5,005	3,455	6,436	5,321
Taxes payable	18	412	3,251	8,264	15,104
Advances from customers	19	127,106	158,065	156,735	195,959
Sponsorships - Cultural Incentive Law	20	-	4,282	-	4,282
Dividends payable		-	10,534	-	10,534
Related parties	13	26,961	27,849	-	-
Other payables	22	1,211	2,242	9,596	11,509
Total current liabilities		191,840	249,228	267,996	329,162
NON-CURRENT LIABILITIES					
Borrowing, financing and debentures	17	-	8,333	-	8,333
Provision for tax, civil and labor risks	21	7,083	21,815	9,189	23,885
Provision for losses in subsidiaries	14.a)	8,452	2,723	-	-
Deferred income and social contribution taxes	29	626	-	797	203
Taxes payable	18	5,185	5,293	5,340	5,752
Other payables	22	1,048	1,343	1,049	3,364
Total non-current liabilities		22,394	39,507	16,375	41,537
Total liabilities		214,234	288,735	284,371	370,699
SHAREHOLDERS EQUITY					
Capital	23	243,022	243,022	243,022	243,022
Share issuance costs	23	(9,665)	(9,665)	(9,665)	(9,665)
Capital reserve	23	5,797	4,853	5,797	4,853
Treasury stocks	23	(2,131)	(263)	(2,131)	(263)
Revaluation reserve	15.c)	811	935	811	935
Earnings reserve	23	80,771	70,510	80,771	70,510
Other comprehensive income	23	16,035	14,131	16,035	14,131
Equity attributable to controlling shareholders		334,640	323,523	334,640	323,523
Non-controlling interests in subsidiaries’ equity		-	-	6,221	3,262
Total consolidated shareholders' equity		334,640	323,523	340,861	326,785
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		548,874	612,258	625,232	697,484

The accompanying notes are an integral part of these financial statements.

T4F ENTRETENIMENTO S.A.

STATEMENTS OF INCOME
FOR THE QUARTERS AND NINE-MONTH PERIODS ENDED SEPTEMBER
(In thousands of Brazilian Reais - R$, except earnings per share)

		Company				Consolidated			
	Note	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
NET REVENUE	24	59,846	239,807	54,147	276,931	108,629	374,674	133,266	441,691
COSTS OF SERVICES AND SALES	25.b)	(31,868)	(179,188)	(34,494)	(209,234)	(76,493)	(296,425)	(98,701)	(343,427)
GROSS PROFIT		27,978	60,619	19,653	67,697	32,136	78,249	34,565	98,264
OPERATING (EXPENSES) INCOME									
Selling expenses	25.a)	(80)	(487)	(167)	(513)	37	(901)	(361)	(979)
General and administrative expenses	25.a)	(9,159)	(27,560)	(9,469)	(29,048)	(12,884)	(41,463)	(14,117)	(46,343)
Management compensation	13.2 e 25.a)	(1,175)	(6,473)	(1,472)	(5,530)	(1,412)	(7,775)	(1,667)	(6,695)
Share of profits of subsidiaries	14	2,274	1,140	4,018	3,315	-	-	-	-
Other operating (expenses) income, net	28	(423)	5,375	3,315	3,061	(114)	4,161	2,521	2,871
OPERATING PROFIT BEFORE FINANCIAL (EXPENSES) INCOME		19,415	32,614	15,878	38,982	17,763	32,271	20,941	47,118
FINANCIAL (EXPENSES) INCOME									
Financial expenses	27	(1,645)	(4,465)	(1,565)	(7,766)	(1,248)	(5,100)	(2,595)	(10,547)
Financial income	27	2,605	6,916	2,657	6,844	2,273	8,407	3,798	10,515
Exchange and monetary variations, net	27	(1,703)	(2,993)	622	1,154	(1,640)	1,484	666	1,536
OPERATING PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		18,672	32,072	17,592	39,214	17,148	37,062	22,810	48,622
INCOME TAX AND SOCIAL CONTRIBUTION									
Current	29	(1,346)	(4,253)	(90)	(90)	(1,234)	(9,349)	(4,799)	(10,349)
Deferred	29	(4,279)	(7,148)	(4,736)	(12,471)	(1,132)	(4,337)	(4,658)	(11,957)
PROFIT FOR THE PERIOD		13,047	20,671	12,766	26,653	14,782	23,376	13,353	26,316
PROFIT ATTRIBUTABLE TO:									
Controlling Shareholders						13,047	20,671	12,766	26,653
Non-controlling interests						1,735	2,705	587	(337)
						14,782	23,376	13,353	26,316
BASIC EARNINGS PER SHARE - R$	36					0.1939	0.3072	0.1891	0.3948
DILUTED EARNINGS PER SHARE - R$	36					0.1878	0.2975	0.1824	0.3807

The accompanying notes are an integral part of these financial statements.

T4F ENTRETENIMENTO S.A.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTERS AND NINE-MONTH PERIODS ENDED SEPTEMBER
(In thousands of Reais - R$)

	Company				Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
NET PROFIT FOR THE PERIOD	13,047	20,671	12,766	26,653	14,782	23,376	13,353	26,316
Other comprehensive income:								
Conversion adjustment	1,093	1,093	-	-	1,093	1,093	-	-
Exchange differences on translating foreign operations	(1,525)	811	(574)	536	(1,525)	811	(574)	536
Total comprehensive income for the period	12,615	22,575	12,192	27,189	14,350	25,280	12,779	26,852
Total comprehensive income attributable to:								
Controlling Shareholders					12,615	22,575	12,192	27,189
Non-controlling interests					1,735	2,705	587	(337)
					14,350	25,280	12,779	26,852

The accompanying notes are an integral part of these financial statements.

T4F ENTRETENIMENTO S.A.

STATEMENTS OF CHANGES IN EQUITY
(In thousands of Reais - R$)

	Note	Share capital	Share issuance costs	Capital reserve: Share-based payments	Capital reserve: Effects on capital transactions	Revaluation reserve	Earnings reserve: Legal reserve	Earnings reserve: Earnings retention reserve	Income period	Treasury Stocks	Comprehensive income	Equity attributable to controlling shareholder	Non-controlling interests in subsidiaries' equity	Consolidated equity
BALANCES AS AT DECEMBER 31, 2016		243,022	(9,665)	5,776	(2,043)	995	12,043	25,047	-	-	10,298	285,473	2,117	287,590
Share-based payments	33	-	-	644	-	-	-	-	-	-	-	644	-	644
Acquisition of treasury stocks	21	-	-	-	-	-	-	-	-	(46)	-	(46)	-	(46)
Realization of revaluation reserve	23	-	-	-	-	(540)	-	540	-	-	-	-	-	-
Net income for the period	23	-	-	-	-	-	-	(459)	26,653	-	-	26,194	(337)	25,857
Other comprehensive income	23													
Exchange variation on net investment of foreign subsidiaries		-	-	-	-	-	-	-	-	-	536	536	101	637
Total comprehensive income for the period		-	-	-	-	-	-	(459)	26,653	-	536	26,730	(236)	26,494
BALANCES AS AT SEPTEMBER 30, 2017		243,022	(9,665)	6,420	(2,043)	455	12,043	25,128	26,653	(46)	10,834	312,801	1,881	314,682
BALANCES AS AT DECEMBER 31, 2017		243,022	(9,665)	6,896	(2,043)	935	14,260	56,250	-	(263)	14,131	323,523	3,262	326,785
Share-based payments	33	-	-	944	-	-	-	-	-	-	-	944	-	944
Proposed additional dividends	23	-	-	-	-	-	-	(10,534)				(10,534)	-	(10,534)
Acquisition of treasury stocks	23	-	-	-	-	-	-	-	-	(1,868)	-	(1,868)	-	(1,868)
Realization of revaluation reserve	23	-	-	-	-	(124)	-	124	-	-	-	-	-	-
Net income for the period	23	-	-	-	-	-	-	-	20,671	-	-	20,671	2,705	23,376
Other comprehensive income	23													
Conversion adjustment		-	-	-	-	-	-	-	-	-	1,093	1,093	-	1,093
Exchange variation on net investment of foreign subsidiaries		-	-	-	-	-	-	-	-	-	811	811	254	1,065
Total comprehensive income for the period		-	-	-	-	-	-	-	20,671	-	1,904	22,575	2,959	25,534
BALANCES AS AT SEPTEMBER 30, 2018		243,022	(9,665)	7,840	(2,043)	811	14,260	45,840	20,671	(2,131)	16,035	334,640	6,221	340,861

The accompanying notes are an integral part of these financial statements.

T4F ENTRETENIMENTO S.A.

STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER
(In thousands of Reais - R$)

		Company		Consolidated	
	Note	2018	2017	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES					
Profit for the period		20,671	26,653	23,376	26,316
Adjustments to reconcile net profit for the period to net cash provided by (used in) operating activities:					
Share of profits of subsidiaries	14	(1,140)	(3,315)	-	-
Depreciation and amortization	25.b)	2,489	3,289	4,098	5,122
Gain on fair value of financial instruments		(35)	-	(35)	-
Residual value of property, plant and equipment written-off		189	6,237	328	8,145
Deferred income tax and social contribution		7,148	12,627	4,337	11,923
Financial charges and exchange differences on balances with subsidiaries, financing, borrowing and taxes payable		5,546	5,096	(7,994)	3,150
Share-based payments		944	644	944	644
Constitution of provision for tax, civil and labor risks	21	755	(988)	2,417	(391)
Reversal of allowance for doubtful accounts	25.a)	(11)	7	(667)	646
(Increase) decrease in operating assets and increase (decrease) in operating liabilities:					
Trade accounts receivables		52,732	(47,334)	68,687	(56,208)
Inventory		(92)	30	(741)	226
Recoverable taxes		(6,673)	146	(9,621)	(1,335)
Advances to suppliers		(601)	(24,639)	(7,849)	(22,724)
Other receivables		(2,740)	903	(6,670)	(9,325)
Escrow deposits		14,333	340	14,510	494
Prepaid costs		(75,206)	(4,980)	(94,382)	(14,796)
Trade payables		587	8,997	17,194	22,064
Taxes payable		(2,947)	(1,324)	(5,097)	2,428
Accrued payroll and related taxes		1,550	2,016	1,444	1,877
Advances from customers		(30,959)	61,901	(39,224)	71,095
Payment of tax, civil and labor lawsuits		(15,849)	-	(16,993)	-
Other payables		(9,617)	14,040	(8,770)	56,100
Net cash provided by (used in) operating activities		(38,926)	60,346	(60,708)	105,451
CASH FLOW FROM INVESTMENT ACTIVITIES					
Dividends received from subsidiaries		1,461	1,938	-	-
Financial investments		-	14,314	-	14,314
Purchase of property, plant and equipment and intangibles	15	(558)	(1,241)	(1,253)	(2,323)
Net cash provided by (used in) investment activities		903	15,011	(1,253)	11,991
CASH FLOW USED IN FINANCING ACTIVITIES					
Acquisition of own shares		(1,868)	(46)	(1,868)	(46)
Related parties		(10,269)	(5,989)	404	3,298
Payment of dividends		(21,068)	(6,315)	(21,068)	(6,315)
Payment of debentures - principal		(16,667)	(16,667)	(16,667)	(16,667)
Payment of debentures - interest		(1,959)	(5,249)	(1,959)	(5,249)
Net cash used in financing activities		(51,831)	(34,266)	(41,158)	(24,979)
EXCHANGE DIFFERENCES ON CASH AND CASH EQUIVALENTS		1,518	384	9,844	2,432
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(88,336)	41,475	(93,275)	94,895
CASH AND CASH EQUIVALENTS					
Cash and cash equivalents at beginning of period		138,942	84,968	198,015	123,147
Cash and cash equivalents at end of period		50,606	126,443	104,740	218,042
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(88,336)	41,475	(93,275)	94,895

The accompanying notes are an integral part of these financial statements.

T4F ENTRETENIMENTO S.A.

STATEMENTS OF VALUE ADDED
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER
(In thousands of Reais - R$)

	Company		Consolidated	
	2018	2017	2018	2017
REVENUE				
From services	275,009	318,141	414,155	488,757
Reversal of allowance for doubtful accounts	11	(34)	667	(615)
INPUTS PURCHASED FROM THIRD PARTIES				
Cost of services and sales	(173,043)	(201,778)	(286,458)	(327,977)
Supplies, power, outside services and other	(14,442)	(15,616)	(27,174)	(28,995)
Loss of assets	27	2,520	(158)	2,494
GROSS VALUE ADDED	87,562	103,233	101,032	133,664
DEPRECIATION AND AMORTIZATION	(2,489)	(3,289)	(3,959)	(5,122)
VALUE ADDED NET	85,073	99,944	97,073	128,542
VALUE ADDED RECEIVED IN TRANSFER	5,811	11,227	10,720	11,770
Financial income including exchange variations	3,923	7,998	9,891	11,861
Share of profits of subsidiaries	1,140	3,315	-	-
Other	748	(86)	829	(91)
TOTAL VALUE ADDED FOR DISTRIBUTION	90,884	111,171	107,793	140,312
VALUE ADDED DISTRIBUTED				
Personnel	15,333	19,392	21,254	29,645
Salaries and wages	12,322	15,090	17,752	24,484
Benefits	2,333	3,542	2,678	4,197
Severance pay fund (FGTS)	678	760	824	964
Taxes and fees	50,676	57,493	58,066	73,797
Federal	40,910	45,733	47,243	60,103
State	-	-	707	1,676
Municipal	9,766	11,760	10,116	12,018
Lenders and lessors	4,204	7,633	5,097	10,554
Interest	3,946	7,411	4,580	10,025
Leases	258	222	517	529
Shareholders	20,671	26,653	23,376	26,316
Profit for the period	20,671	26,653	20,671	26,653
Non-controlling interests	-	-	2,705	(337)
TOTAL VALUE ADDED DISTRIBUTED	90,884	111,171	107,793	140,312

The accompanying notes are an integral part of these financial statements.

1. GENERAL INFORMATION

T4F Entretenimento S.A. (the "Company"), located in the city of São Paulo, State of São Paulo, is a publicly-held corporation, whose shares are traded in the Novo Mercado segment of the São Paulo Mercantile and Futures Exchange (BM&FBOVESPA) under the ticker symbol "SHOW3", which together with its subsidiaries ("T4F Group"), is engaged in the management, promotion, organization, production, representation, programming and undertaking of live entertainment-related activities in general, such as sports, artistic and cultural events, and shows and performances of any type or nature, as well as the management and operation of performing arts venues.

The Company manages six venues in South America: Credicard Hall and Teatro Renault, in São Paulo, KM de vantangem Hall, in Rio de Janeiro, KM de vantangem Hall, in Belo Horizonte, and Teatro Opera Allianz, in Argentina. Overseas operations include events in Argentina, Chile and Peru, through its subsidiaries. With respect to sports events, the Company is responsible for the promotion and advertising of formula car races, which together form the main motorsports event in Brazil.

2. BASIS OF PREPARATION

Statement of compliance and basis of preparation

The individual and consolidated financial statements, and have been prepared based on the historical cost, except for the valorization certain financial instruments born of business combination which are measured at fair value.

The Company's financial quarterly information comprise:

• The presentation of the parent company and consolidated statements of value added is required by the Brazilian corporate legislation and the accounting practices adopted in Brazil for listed companies, while it is not required by IFRS. Therefore, under the IFRS, the presentation of such statements is considered supplementary information, and not part of the set of financial statements. The Statement of Value Added was prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added".

• The consolidated accounting information has been prepared in accordance with the Accounting Pronouncement CPC 21 - Interim Financial Reporting, and the International Accounting Standard IAS 34 - Interim Financial Reporting, applicable to the preparation of the interim information, and is being presented in accordance with the above referred to Pronouncements and the standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of Quarterly Information (ITR).

• The parent company accounting information has been prepared in accordance with Accounting Pronouncement CPC 21 - Interim Financial Reporting, and the International Accounting Standard IAS 34 - Interim Financial Reporting, applicable to the preparation of the interim information, and is being presented in accordance with the referred to pronouncements and the standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of the Quarterly Information (ITR). It is disclosed together with the consolidated financial information.

The accounting practices adopted in Brazil comprise those included in the Brazilian Corporate Law and the Pronouncements, Guidelines and Interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities Commission (CVM). The significant accounting policies applied to the preparation of these individual and consolidated financial statements are described below (Note 3).

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies described below have been consistently applied to the Company's and consolidated financial statements:

a) General principles

Assets, liabilities, income and expenses are carried on the accrual basis. Sales revenue is recognized in the income statement when the risks and rewards of ownership of the products sold are transferred to the buyer or when the services are effectively provided. Sales revenue is carried net of deductions, including taxes on sales.

b) Cash and cash equivalents

Comprise cash, banks and short-term investments. Short-term investments are stated at their fair values at the end of the reporting period, have maturities lower than 90 days, no fixed term for redemption, are highly-liquid, and are subject to an immaterial risk of change in value.

c) Trade accounts receivables and allowance for doubtful accounts

Trade receivables are stated and kept at their original amounts which approximate the amortized cost method, less the allowance for doubtful accounts, which is recognized based on an analysis of all receivables past-due with respect to: (i) the customer's justification for the delay; (ii) renegotiation and/or payment in installments of receivables; (iii) actual likelihood of receiving such amounts; and (iv) customer history. An allowance is recognized for receivables whose receiving is possible or remote. These amounts are not adjusted to present value since they have a short-term maturity and have an immaterial impact on the financial statements.

d) Prepaid costs

Refers mainly to amounts paid in advance to conduct events, shows and performances, and are recorded in the income statement for the period as the related events are held. Management reviews the carrying amount of these assets to determine and assess their impairment periodically or whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

e) Other current and noncurrent assets

Stated at the lower of cost or realizable value plus income and inflation adjustments earned, when applicable.

f) Investments in subsidiaries

In the individual financial statements, investments in subsidiaries are accounted for by the equity method.

g) Property, plant and equipment

Stated at purchase cost, including interest, when applicable, plus revaluation write-up, less depreciation calculated under the straight-line method at rates based on the estimated useful lives of the assets. Leasehold improvements, which are depreciated over the shorter of estimated useful lives of the assets or the lease terms.

h) Revaluation reserve

Recognized for the assets existing on January 1, 2006 and supported by appraisal reports issued by independent experts. Revalued assets refer to own assets represented by constructions, installations, leasehold improvements, furniture and fixtures, IT equipment and machinery and equipment, and is being realized as a credit to retained earnings accumulated by depreciation based on the revised estimated useful lives of the assets and/or by disposal. The related deferred income tax and social contribution are classified in balance sheet (note 29).

i) Acquisitions of subsidiaries - goodwill

Business acquisitions are accounted for under the acquisition method. The valuable consideration transferred to the former owners of the acquiree and the equity interests by the Company in exchange for the control of the acquiree in a business combination are measured at fair value, which is calculated by adding the fair values of the transferred assets and the liabilities incurred by the entity on the date of acquisition.

Acquisitions carried out before the date of transition to IFRSs

As required by the accounting practices adopted in Brazil prior to Law 11.638/07, the difference between the amount paid and the acquired subsidiary's equity is accounted as goodwill, based on the expected future earnings of the acquired business.

When the Company merged its direct shareholder ADTSPE Empreendimentos e Participações S.A. ("ADTSPE") in June 2007, goodwill that was originally recorded at ADTSPE was written off by means of a provision at ADTSPE itself. In addition, in accordance with prevailing tax regulations, this provision became deductible for tax purposes only after the merger of the company and based on the expected generation of operating profits. Therefore, an asset related to deferred income tax and social contribution arising from the merger process was recognized. This tax credit was fully used in 2017.

Beginning January 1, 2008, goodwill is no longer amortized for accounting purposes and is tested for impairment.

The Company adopted the option granted by IFRS 1 First-time Adoption of International Financial Reporting Standards and did not adjust goodwill on business acquisitions carried out prior to January 1, 2008, and maintained such acquisitions at their carrying amounts on the transition date.

When the Company identifies changes in circumstances that indicate an impairment of goodwill, it recognizes a provision to reflect the recoverable amount of the impaired assets.

j) Other intangible assets (excluding goodwill)

Refer mainly to (i) software licenses (ii) trademarks and (iii) copyrights, patents and other industrial property rights, services and operations. The amortization of software licenses is calculated on a straight-line basis at rates that take into consideration the estimated useful lives (note 15). When there is evidence that an asset does not generate any more economic benefits, this asset is charged to profit or loss.

k) Impairment of goodwill

Management established that the cash-generating units that correspond to each operating segment to which goodwill was allocated to conduct the impairment tests. These cash-generating units are tested for impairment annually or more frequently whenever there is an indication that a unit might be impaired. If the recoverable amount of a cash-generating unit is lower that its carrying amount, impairment losses are firstly allocated to write down the carrying amount of any goodwill allocated to the cash-generating units and subsequently to the other assets of it, prorated to the carrying amount of each of its assets. In the case of assets with finite useful lives, a goodwill impairment loss is not reversed in a subsequent period. Upon the sale of a subsidiary, the attributable goodwill amount is included in the calculation of the related gain or loss.

l) Impairment of assets

The Company's management reviews the carrying amounts of long-lived assets, to determine and assess possible impairment on a periodic basis or whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets might be impaired.

Analysis are performed in order to identify circumstances that could require testing long-lived assets for impairment and measure potential impairment losses. Assets are grouped and tested for impairment based on expected future cash flows over the estimated remaining useful lives of the assets. In this case, an impairment loss would be recognized based on the amount by which the carrying amount exceeds the probable recoverable amount of a long-lived asset. The probable recoverable amount of an asset is determined as the higher of: (i) fair value of assets less estimated costs to sell, and (ii) its value in use, which is equal to the present value of discounted cash flows derived from the asset or cash-generating unit.

Intangible assets with indefinite useful lives or not yet ready for use are tested for impairment at least annually or when there is any indication that such assets may be impaired.

If the recoverable amount of an asset is lower than its carrying amount, the carrying amount is written down to its recoverable amount. An impairment loss is immediately recognized in profit or loss. When an impairment loss is reversed in a subsequent period, the carrying amount of the asset is written up to reflect the revised estimate of its recoverable amount so that this amount does not exceed the carrying amount that would have been determined any impairment loss had not been recognized for the asset in prior years. The reversal of an impairment loss is immediately recognized in profit or loss.

m) Borrowings, financing and debentures

Borrowings financing and debentures are initially recognized at fair value, upon de recognition of the funds, net of the transaction costs. Subsequently, they are measured at amortized cost, i.e., plus foreign exchange differences or inflation adjustments and the related financial charges incurred through the end of the reporting period, according to contractual terms and conditions, using the effective interest method. Transaction costs incurred when funds are raised are accounted for as a reduction in fair value initially recognized.

n) Other current and noncurrent liabilities

Stated at known or estimated amounts plus, when applicable, charges and inflation adjustments incurred, pursuant to agreements in effect.

o) Provision

Recognized only when a past event results in a legal or constructive obligation, it is probable that disbursements will be required to settle an obligation, and the obligation amount can be reliably estimated. The amount recognized as a provision corresponds to the best estimate of the payment required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties that surround such obligation.

p) Advances from customers

Refer to the amounts received in advance for services related to sponsorship agreements, lease of box sets and boxes in performing arts venues, space assignment and sales in installments of tickets, which will be recorded in the income statements as the services are provided.

q) Revenue recognition

Rendering of services: Revenue from ticket sales (box office) is recognized when the events are held.

Revenue from convenience and delivery fees, originated in the sales of tickets via the Internet, by telephone, or in the points of sales is recognized when the convenience or ticket delivery service is provided.

Revenue from naming of the venues (naming rights) is recognized in income as the services are provided, based on the agreement's effective period and characteristics.

Revenue from sponsorship agreements is recognized when certain contractual obligations, such as, but not limited to, use of sponsor trademarks/images in media used to publicize the event, granting exclusivity in the sponsor's market segment, granting rights to use official trademarks and images of the event, and granting the right to the purchase in advance of tickets to customers of a certain sponsor, are complied with and/or discharged.

Product sale revenue: Food and beverage sales and merchandising are recognized when the goods are transferred to customers.

r) Current and deferred income tax and social contribution

Current and deferred income tax and social contribution are recognized in the income statement except, when applicable, in the proportion related to items recognized directly in equity or comprehensive income. In this case, taxes are recognized directly in equity or comprehensive income.

Except for the foreign subsidiaries, where the tax rates prevailing in each of the countries where they are located are applied, and subsidiary T4F Alimentos, Bebidas e Ingressos Ltda., which calculated income tax (IRPJ) and social contribution (CSLL) based on deemed income, income tax and social contribution on the Company's and other Brazilian subsidiaries' profits are calculated at the tax rates of 25% and 9%, respectively, based on actual income.

Current income tax and social contribution expenses are calculated pursuant the tax law prevailing at the end of the reporting period, pursuant to Brazilian tax regulations. Management periodically measures the positions assumed in the income tax return regarding the situations where applicable tax law is subject to possibly different interpretations and, when appropriate, recognizes provisions based on the amounts it expects to pay.

Deferred income tax and social contribution are calculated under the liability method on temporary differences arising from differences between the tax basis of assets and liabilities and their carrying amounts. Deferred income tax and social contribution are calculated using the tax rates effective at the end of the reporting periods, which must be applied when the corresponding deferred tax asset is realized or deferred tax liability is settled.

Deferred income tax and social contribution assets are recognized only to the extent that there is a reasonable certainty that future taxable income will be available and against which temporary differences can be utilized.

The amounts of deferred income tax and social contribution assets and liabilities are only utilized when there is a legally enforceable right to offset current tax assets against tax liabilities and/or when deferred income tax and social contribution assets and liabilities are related to the income tax and social contribution levied by the same tax authorities on the taxable entity or different taxable entities, where there is intention to settle the net balances.

s) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate prevailing at the end of the reporting period. Gains and losses arising on the adjustment of these assets and liabilities are recognized in profit or loss for the period as foreign exchange differences.

t) Functional and reporting currency

Items included in the financial statements of the Company and each one of the subsidiaries included in the consolidated financial statements are measured using the currency of the main economic environment in which the companies operate ("functional currency"). The functional currency of the Company and its subsidiaries located in Brazil is the Brazilian real. The functional currencies of the foreign subsidiaries are as follows: (i) Argentina: Argentinean peso; (ii) Chile: Chilean peso; Peru: Peruvian Nuevo Sol and (iv) United States: US dollar. The financial statements of the foreign subsidiaries are translated into Brazilian reais and the exchange differences arising on such translations are recorded in equity, in line item "Other comprehensive income" and recognized in income when such investments are realized. The consolidated financial statements are presented in Brazilian reais.

The results of operations and the financial positions of the subsidiaries that have a functional currency different from the reporting currency are translated to the reporting currency, as follows:

i) Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period;

ii) Income and expense accounts are translated at the average monthly rate;

iii) All exchange differences are recognized in the statement of comprehensive income, in line item 'Exchange differences on translating foreign operations'.

iv) In July 2018, considering that the inflation accumulated in the last three years in Argentina was over 100%, the application of the International Accounting Standard 29 Financial Reporting in Hyperinflationary Economies (IAS29) is now required. IAS 29 requires disclosure of the results of the company's operations in Argentina as if they were hyperinflationary starting January 1, 2018 (beginning of the period in which hyperinflation is identified).

In accordance with IAS 29, non-monetary assets and liabilities, shareholders' equity and statement of income of subsidiaries operating in highly inflationary economies are adjusted by the change in the general purchasing power of the currency, applying a general price index.

The financial statements of an entity whose functional currency is the currency of a highly inflationary economy, whether based on the historical cost approach or the current cost approach, shall be expressed in terms of the measurement unit current at the balance sheet date and converted to Real in the closing exchange rate of the period.

As a result of the above, the Company has assessed the possible impacts of hyperinflationary accounting for its Argentine subsidiaries on these consolidated interim financial statements and individual interim financial statements applying the rules of IAS 29 as follows:

• the hyperinflationary accounting and disclosure standard was applied as of January 1, 2018 (as per paragraph 4 of IAS 29, the standard should be applied to the financial statements of any entity from the beginning of the period in which it is identified the existence of hyperinflation);

• non-monetary assets and liabilities recorded at historical cost (for example, fixed assets, intangible assets, goodwill, etc.) and the shareholders' equity of the Argentine subsidiaries, restated by an inflation index. The impacts of hyperinflation resulting from changes in general purchasing power until December 31, 2017 would be reported in retained earnings and the impacts of changes in general purchasing power as of January 1, 2018 would be reported in the income statement in an account adjusted for hyperinflation, in the financial result. According to paragraph 3 of IAS 29, there is no defined general price index, but it allows judgment to be executed when updating the financial statements becomes necessary;

• the income statement would be adjusted at the end of period using the change in the general price index and then converted to the closing exchange rate of each period (instead of the cumulative average rate in the year for non-hyperinflationary economies), thus resulting in the accumulated results of the year in the income statement, both the inflation index and the currency conversion;

• the income statement for 2017 and the first and second quarters of 2018 and the respective balance sheets of the subsidiaries in Argentina were not restated. Pursuant to IAS 21, paragraph 42 (b), when amounts are converted to non-hyperinflationary currency, the comparative amounts should be those that would be presented as current year amounts in the previous year's financial statements (that is, not adjusted for subsequent changes in the price level or subsequent changes in exchange rates);

• In the absence of the issuance of the analogous pronouncement by the Accounting Pronouncements Committee (CPC), the Company applied IAS 29 as an accounting practice for the purposes of Highly Inflationary Accounting and Evidence in the interim individual financial statements.

u) Segment reporting

The report on operating segments is consistent with the internal report provided to the chief operating decision maker. The chief operating decision maker, responsible for allocating resources to the operating segments and assessing their performance, is represented by the Company's executive committee.

v) Financial instruments

Financial assets and financial liabilities are recognized when a Group entity becomes a party to the underlying contract financial assets and financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial assets and financial liabilities, as applicable, on their initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through income are immediately recognized in income.

Classification

The Company's financial assets are classified according to the purpose for which they were acquired or contracted into the following categories:

The category of classification Loans and receivables ceased to exist, was introduced by IFRS 9 the category Amortized cost: Includes non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recorded in current assets, except for maturities greater than 12 months after the end of the reporting period, when applicable, which are classified as noncurrent assets. As at September 30, 2018 and December 31, 2017, comprises cash and cash equivalents (note 6), the balances of trade receivables (note 8), and related parties (note 13).

Measurement

Regular purchases and sales of financial assets are recognized on trade day, i.e., on the date the Company agrees to buy or sell the asset. Financial assets at fair value through profit or loss are initially recognized at their fair value and transaction costs are expenses.

Gains or losses resulting from changes in the fair value of financial assets at fair value through profit or loss are recognized in the income statement in 'Financial income' or 'Financial expenses', respectively, in the period in which they occur.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is recorded in the balance sheet when there is a legally enforceable right to set off recognized amounts and intention to either settle them on a net basis or to recognize the asset and settle the liability simultaneously.

Derivative financial instruments

Derivative transactions contracted by the Company are restricted to non-deliverable forwards (NDFs) intended exclusively to mitigate the foreign exchange risks associated to the positions in the balance sheet and the projected foreign currency-denominated cash flows.

The fair value of derivatives (note 30) is calculated by the Company's treasury function based on information on each transaction and related market inputs available at the end of the reporting period, such as interest rates and exchange coupon. When applicable, these inputs are compared with the positions reported by the trading desks of each involved financial institution.

Other financial liabilities

Other financial liabilities, including debentures, are measured at the amortized cost using the effective interest method.

w) Share-based payments

Measured at their fair values using the Black & Scholes pricing model at the grant date, individually for each executive, since the first grant date. The expense corresponding to the fair value of the consideration for the services provided by the benefited executives is recognized in the income statement for the period when more stock options become vested, i.e., the accrual period of the service consideration (note 33).

x) Leases

Leases are classified as finance leases when they substantially transfer all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

Operating leases payments are recognized as expenses on a straight-line basis over the lease term, except when another approach is more appropriate to reflect the timing the economic benefits of the leased asset are consumed. Contingent payments arising on operating leases are recognized as expenses for the period they are incurred.

y) Statements of value added

The statement of value added was prepared using in the same accounting records used to prepare the financial statements. The first part of this statement presents the wealth created by the Company, represented by revenue (gross sales revenue, including taxes levied thereon, other income, and the effects of the allowance for doubtful accounts), inputs acquired from third parties (cost of sales and purchases of materials, electrical power, and outside services, including taxes levied at the time of the acquisition, the effects of impairment losses, and depreciation and amortization), and the wealth received from third parties (equity in subsidiaries, financial income and other income). The second part of the statement of value added presents the distribution of wealth among personnel, taxes, fees and contributions, lenders and lessors, and shareholders.

z) New and revised standards and interpretations

Up to June 30, 2018 some the new standards issued by the IASB became effective, and other issued standards will become effective in a subsequently period. The Company's management assessed these new standards and does not expect any material impacts on the reported amounts. On September 30, 2018, the Company is evaluating this standard to adjust the significant effects on the amounts that were or will be reported.

4. KEY ESTIMATES AND JUDGMENTS

The estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors that are considered to be relevant in the circumstances. The Company uses assumptions and estimates for the future to provide an understanding how the Company make its judgments on future events, including the variables and the assumptions used in the estimates, which require judgment regarding the impacts of relatively uncertain issues on the carrying amounts of its assets and liabilities; actual results may differ from these estimates.

In applying the accounting policies described above, the Company's and its subsidiaries' management adopted the following assumptions that could affect their financial statements:

a) Deferred income tax and social contribution

The liability method of accounting for income tax is used for deferred income taxes arising from temporary differences between the carrying amount of assets and liabilities and their tax amounts. Deferred income tax assets are revised at the each end of the annual reporting period and written down by the amount that is not realizable using future taxable income. Deferred income tax assets and liabilities are calculated tax rates applicable to taxable income in the years in which those temporary differences are expected to be realized. Future taxable income may be higher or lower than estimates made when determining whether it is necessary to record a tax asset.

Credits recognized on tax loss carryforwards are supported by taxable income projections, based on feasibility studies annually submitted to the Board of Directors. These studies consider the Company's and its subsidiaries' history of profitability, and profitability maintenance prospects, which permit to make a credit recovery estimate in future years. Other credits, based in temporary differences, especially the reserve for contingent tax liabilities, and the allowance for losses, were recognized according to their expected realization.

b) Derivative financial instruments

The Company measures its derivative financial instruments at fair value at the end of the reporting period, and the main evidence of fair value are the quotations obtained from market participants. However, the extreme volatility of the currency and interest rate markets in Brazil caused, in certain periods, significant changes in future exchange rates and interest rates over very short periods of time, producing significant changes in the market value of swaps and other financial instruments over a short timeframe. The fair value recognized in the consolidated financial statements may not necessarily reflect the cash amount the Company would receive or pay, as applicable, if it settled the transactions at the end of the reporting period.

c) Impairment test of long-lived assets

There are specific rules to test the impairment of long-lives assets, in particular property, plant and equipment, and goodwill and other intangible assets (note 3). Annually, the Company conducts a test to determine if there is any evidence that long-lived assets might be impaired.

d) Provision for tax, civil, and labor risks

The Company is a party to several lawsuits and administrative proceedings (note 21). Provisions are set up for all contingent liabilities that represent probable losses and can be reliably estimated. The likelihood of loss is assessed based on the available evidence, the hierarchy of laws, available case rulings, most recent court decisions and their relevance within the legal system, and the assessment made by the legal counsel. Management believes that the provision for risks is accurately presented in the financial statements.

e) Revenue recognition

Certain sponsorship agreements provide for the delivery of services and/or contractual rights, which are provided in different time periods over the term of the agreements, which require management to make a judgment on the portion of revenue corresponding to each agreement and their appropriate recognition.

5. CONSOLIDATION

The financial statements of all investees used in preparing the consolidated financial statements were prepared as of the same reporting date, using accounting policies consistent with those described in note 3. The Company's investments in proportion to the investor's interest in the subsidiaries' equity and profit or losses, and intragroup balances and transactions have been eliminated. Noncontrolling interests in subsidiaries are separately stated.

Consolidation encompasses the financial information of the Company and the following direct and indirect subsidiaries:

Direct subsidiaries	Equity Interest - %	
	2018	2017
Time for Fun Mídia Ltda.	99.99	99.99
Metropolitan Empreendimentos S.A.	99.99	99.99
T4F Alimentos, Bebidas e Ingressos Ltda.	99.99	99.99
T4F Inversiones S.A. e B.A. Inversiones S.A.	100.00	100.00
T4F USA Inc.	100.00	100.00
Vicar Promoções Desportivas S.A.	85.00	85.00
Ticket Co. SpA	100.00	100.00
T4F Peru Entretenimientos S.A.C.	60.00	60.00
Ticketek S.A.C	99.99	99.99
T4F Entretenimientos Argentina S.A.	98.29	98.29
T4F Entretenimiento Chile SpA.	100.00	-
T4F Bizarro Producciones SpA.	-	60.00

Indirect subsidiaries	Equity Interest - %	
	2018	2017
Ticketek Argentina S.A.	100.00	100.00
Clemente Lococo S.A.	100.00	100.00
T4F Chile S.A.	100.00	100.00
Tickets For Fun Chile S.A.	100.00	100.00
Promaser S.A.	100.00	100.00
T4F Entretenimientos Argentina S.A.	1.71	1.71
T4F Bizarro Producciones SpA.	60.00	-

The balances of assets and liabilities of direct and indirect subsidiaries as at September 30, 2018 and December 31, 2017 and the net revenue for the nine-month period ended September 30, 2018 and 2017 are shown below:

	09/30/18			12/31/17		09/30/17
Direct subsidiaries	Total Assets	Total Liabilities	Net Revenue	Total Assets	Total Liabilities	Net Revenue
Time for Fun Mídia Ltda	1,164	812	-	1,386	1,063	-
Metropolitan Empreendimentos S.A.	5,697	12,770	3,612	13,602	15,465	8,489
T4F Alimentos, Bebidas e Ingressos Ltda.	19,082	3,733	2,127	19,239	4,580	13,927
T4F Inversiones S.A. e B.A. Inversiones S.A. and indirect subsidiaries	70,796	19,356	10,922	79,493	31,963	29,869
T4F USA Inc.	3,156	2	-	2,539	3	-
Ticket Co. SpA	215,622	206,240	7,964	181,762	174,816	5,726
Vicar Promoções Desportivas S.A.	16,177	7,841	20,381	14,175	5,485	17,477
T4F Peru Entretenimientos S.A.C.	6,092	8,392	-	7,823	9,259	15,476
T4F Entretenimiento Chile SpA.	76,450	70,560	84,729	51,647	45,316	57,648
T4F Entretenimientos Argentina S.A.	28,060	25,942	6,966	42,791	37,238	17,640

The Company’s subsidiaries are engaged in:

• Time for Fun Mídia Ltda. – Current corporate name of Área Marketing Brazil Ltda, is mainly engaged is lease, production or assembly of outdoor media (outdoor) or indoor, the agency advertising and publicity, implementation, dissemination vehicles spoken press, written and televised and marketing, promotion and programming of shows and artistic, cultural and sporting events.

• Metropolitan Empreendimentos S.A. – the promotion and organization of, and holding artistic and cultural events, concerts, and shows in general.

• T4F Alimentos, Bebidas e Ingressos Ltda. – the sale of tickets to concerts and artistic performances in performing arts venues; the sale of food and beverages in general; the rendering of box office automation services; and the rendering of ticket production, distribution, sales and/or intermediation services for any type of sports, cultural or entertainment events in general.

• T4F Inversiones S.A. and B.A. Inversiones S.A. – located in Argentina, these are holding companies whose purpose is to invest to companies incorporated or to be incorporated in Argentina or abroad. T4F Inversiones S.A. currently holds direct or indirect interests in the following companies: T4F Entretenimientos Argentina S.A. (1.63%), Ticketek Argentina S.A. (12.3%), Clemente Lococo S.A. (95%), T4F Chile S.A. (99.31%), Ticketmaster Chile S.A. (99.35%), and B.A. Inversiones S.A. (5%). B.A. Inversiones S.A., in turn, holds direct or indirect interests in the following companies: T4F Inversiones S.A. (41.07%), T4F Entretenimientos Argentina S.A. (0.08%), Clemente Lococo S.A. (5%), Ticketek Argentina S.A. (87.7%), and T4F Chile S.A. (0.0005%).

• T4F USA Inc. – located in USA, is engaged in intermediating international concerts.

• Ticket Co. SpA. – located in Chile, is mainly engaged in selling and marketing concerts tickets.

• T4F Entretenimientos Argentina S.A. – it is engaged is the production, marketing and organization of live shows national and international.

• T4F PERU Entretenimentos S.A.C. – Started on December 4, 2013 it is engaged is the organization, promotion, production, marketing, management and development of all kinds of musical and artistic events in general.

• T4F Entretenimento Chile SpA. - located in Chile, mainly engaged in the representations, organization, promotion, production, marketing, management and development of all kinds of musical and artistic events in general. T4F Entretenimiento Chile SpA currently holds a direct investments in T4F Bizarro Producciones SpA of 60%.

• Ticketek SAC. - located in Peru, is mainly engaged in selling and organization sports events and concerts tickets and is not in operational.

• Vicar Promoções Desportivas S.A. – mainly engaged in providing publicity, promotion and organization services in the sports events area.

6. CASH AND CASH EQUIVALENTS

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Cash and banks	943	8,234	11,707	20,699
Short-term investments:				
Balanced Fund (a) (d)	7,405	96,967	49,188	139,734
Bank Certificates of Deposit (CDBs)/Interbank (b)	41,774	23,105	42,639	23,359
DI repurchase agreement (b)	484	7,319	1,206	10,906
Time Deposit (c)	-	3,317	-	3,317
Total	50,606	138,942	104,740	198,015

a) The fund aims, through active management in the interest markets, overcome the CDI's performance published by CETIP, maintaining a conservative performance profile. The composition is basically Private Credit and Financial Institutions FIDC. Investments in highly-liquid, fixed-income securities in the subsidiaries in Chile, average rate of 0.70% to 0.89% of MPR (Monetary Policy Rate - the basic interest rate of the Chilean Central Bank) with an immaterial risk of change in value and average yield pegged to market rates.

b) Highly-liquid, fixed-term CDBs and deposits, which yield rates ranging from 85% to 100% of the interbank deposit rate (CDI) fluctuation (85% to 100% as at December 31, 2017), maintained in Brazilian financial institutions. CDB are classified in line item 'Cash and cash equivalents' because they are financial assets that can be immediately redeemed without any decrease in redeemable amounts.

c) Refers substantially to the balance in Dollar in the Parent Company, which is maintained in current account abroad to meet the commitments contracted in that currency.

d) Financial applications made through an investment agent in Argentina in diversified portfolios.

7. RESTRICTED CASH

Refer to the funds that will be invested in cultural projects exploited by the Company, linked exclusively to their use in Rouanet Act projects (note 20). Total restricted cash in the individual and consolidated amounts is R$10,782 (R$6,773 as at December 31, 2017).

8. TRADE ACCOUNTS RECEIVABLES

a) Broken down as follows:

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Billed receivables (i)	16,114	25,266	29,063	39,018
Box office (ii)	36,317	78,409	47,028	103,498
Unbilled sponsorships, box sets and boxes (iii)	18,083	19,571	34,473	37,691
Total trade receivables	70,514	123,246	110,564	180,207
Allowance for doubtful accounts	(551)	(562)	(5,709)	(6,014)
Total	69,963	122,684	104,855	174,193

(i) Billed amounts related to sponsorship, box set and box, and naming rights contracts.
(ii) Receivables originated by the sale of tickets through credit and debit card companies.
(iii) Unbilled amounts arising from services provided related to sponsorship, box set, box, and naming rights contracts.

b) The aging list of trade receivables is as follows:

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Falling due:	69,475	118,819	97,324	162,765
Past-due:				
Up to 30 days	263	2,852	1,885	10,074
31 to 60 days	210	586	789	1,156
61 to 90 days	15	427	695	696
91 to 180 days	39	103	478	106
Over 180 days	512	459	9,393	5,410
Total trade receivables	70,514	123,246	110,564	180,207

c) Allowance to write down trade receivables to their recoverable amounts.

The changes in the allowance for doubtful accounts are as follows:

	Company	Consolidated
Balances at December 31, 2017	562	6,014
(+) Additions	-	956
(-) Reversals and write-offs	(11)	(1,261)
Balances at September 30, 2018	551	5,709

9. RECOVERABLE TAXES

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Prepaid income tax and social contribution	170	12	1,556	1,695
Withholding income tax (IRRF)	352	257	6,342	7,117
Tax on revenue (PIS)	1,125	-	1,159	19
Tax on revenue (COFINS)	5,130	-	5,282	84
Value Added Tax (VAT)	-	-	5,023	4,983
Taxes on billings (i)	-	-	758	1,132
Income tax credit first category - Chile	-	-	4,418	5,830
Other	2,212	2,047	3,530	3,716
Total	8,989	2,316	28,068	24,576

(i) Tax on gross revenue levied at the rates of 3-4 percent, withheld by the credit card companies when they pay to the Argentinean subsidiaries for tickets sold and pay using credit cards. Taxes are offset as the taxable event occurs. As the tickets are sold before the shows, the tax is withheld before there is an actual payment obligation and, therefore, this is how the right to offset is recognized.

10. ADVANCES TO SUPPLIERS

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Contracted events, concerts and performances (i)	3,509	3,251	4,842	7,335
Other	813	470	14,246	4,044
Total	4,322	3,721	19,088	11,379

(i) Refer to advances to suppliers of events, concerts and performances, not yet invoices by these suppliers, which will be recognized in income as such events, concerts and performances are held.

11. PREPAID COSTS

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Contracted events, concerts and performances	98,437	23,521	127,085	32,777
Others	1,524	1,234	4,669	4,595
Total	99,961	24,755	131,754	37,372
Current	84,574	24,755	116,367	37,372
No Current	15,387	-	15,387	-

(i) Refers to contractual prepayments for events to be carried out between 2020 and 2023.

12. OTHER RECEIVABLES

	Consolidated	
	09/30/18	12/31/17
Coparticipation of shows (i)	13,818	10,796
Third-party receivables (ii)	4,829	6,427
Repayment of Contingencies (iii)	3,329	-
Others	1,048	1,948
	23,024	19,171

(i) The amounts recorded in this caption refer substantially to amounts credited as a share of the results of the events carried out by T4F Bizarro, pursuant to a shareholders' agreement between T4F Entretenimiento SA and Eventos Bizarro.

(ii) Refers to amounts receivable at Ticketek S.A in the sale of third-party concert tickets.

(iii) Refer to civil, tax and labor lawsuits in the amounts of R$2,112 R$439 and R$778 as of September 30, 2018, respectively, recorded under "Provision for tax, civil and labor risks" (note 21) from third parties. Based on the agreements signed, these actions have guarantees of full compensation by third parties.

13. RELATED PARTIES

As at September 30, 2018 and December 31, 2017, the Company had transactions with the following related companies:

13.1. Intragroup transactions

Company:

		09/30/18			12/31/17		
	Category	Noncurrent assets	Current liabilities	Financial (expenses) income	Noncurrent assets	Current liabilities	Financial (expenses) income
Time for Fun Mídia Ltda.	Subsidiary	-	-	-	950	-	-
CIE Internacional S.A. de C.V. (i)	Shareholder	4,314	-	(545)	-	4,308	179
Metropolitan Empreendimentos S.A. (v)	Subsidiary	10,745	-	(2,739)	14,124	-	(5,446)
T4F Alimentos, Bebidas e Ingressos Ltda.	Subsidiary	2,073	-	(378)	2,098	-	-
T4F Chile S.A. (ii)	Indirect subsidiary	-	23,920	(4,725)	-	19,194	(798)
T4F Entretenimientos Argentina S.A. (vi)	Subsidiary	2,945	-	(243)	-	1,912	(28)
T4F USA Inc. (iii)	Subsidiary	-	3,041	(606)	-	2,435	(120)
Vicar Promoções Desportivas S.A.	Subsidiary	622	-	690	690	-	1,180
T4F Peru Entretenimientos S.A. (iv)	Subsidiary	4,243	-	925	3,355	-	(440)
Total		24,942	26,961	(7,621)	21,217	27,849	(5,473)

Consolidated:

		09/30/18		12/31/17	
	Category	Noncurrent assets	Financial (expenses) income	Noncurrent assets	Financial (expenses) income
CIE Internacional S.A. de C.V. (ii)	Shareholder	4,781	(545)	3,530	647
ACT Peru S.A.C	Other related parts	1,808	-	1,513	-
Eventos Bizarro SpA.	Others	419	-	2,914	-
Total		7,008	(545)	7,957	647

(i) The Company and its subsidiaries maintain, with their former controlling stockholders CIE Internacional SA and the current controlling shareholder, contracts in which they are responsible for contingencies of any nature related to events occurring between December 1, 2000 and December 14, of May 2007. In this way, when any payments of processes of this period occur, such amounts are added to these balances.

(ii) On December 14, 2009, the Company raised an intragroup loan with subsidiary T4F Chile S.A. totaling US$5,500,000. The loan is annually adjusted at LIBOR plus one percent interest.

(iii) It is represented by the amount receivable under the loan agreement entered into in June 2016 by the Company and its subsidiary T4F USA S.A., in the amount of US$700,000. The loan is annually adjusted at LIBOR plus two percent interest.

(iv) In assets, it is represented by the amount receivable under the loan agreement entered into in november 2014 by the Company and its subsidiary Peru Entretenimientos S.A., in the amount of US$6,800,000. After capitalization, the amount became of US$2,200,000. The loan is annually adjusted at 7.6% interest. In April 2017 the company has signed a new contract in the amount de US$800,000. The corresponding annual update rate is LIBOR+3%.

(v) The subsidiary received amounts for payment of operation costs in the period.

It is represented by the amount receivable under agreement entered into in September 2018 by the Company and its subsidiary T4F Entretenimientos Argentina S.A., in the amount of US$1,300,000. The loan is annually adjusted at LIBOR plus 2,4% percent interest.

The other balances refer to transfers of funds between related parties for the payment of expenses, which do not bear any interest and have no maturities.

13.2 Management compensation

Total management compensation is as follows:

Company	09/30/18				09/30/17			
	Fixed	Variable	Stock Options	Total	Fixed	Variable	Stock Options	Total
Administrative council	230	-	-	230	290	-	-	290
Administrative council	138	-	-	138	-	-	-	-
Officers	2,528	2,900	677	6,105	3,165	1,589	486	5,240
Total	2,896	2,900	677	6,473	3,455	1,589	486	5,530

Consolidated	09/30/18				09/30/17			
	Fixed	Variable	Stock Options	Total	Fixed	Variable	Stock Options	Total
Administrative council	230	-	-	230	290	-	-	290
Administrative council	138	-	-	138	-	-	-	-
Officers	3,267	3,463	677	7,407	4,078	1,841	486	6,405
Total	3,635	3,463	677	7,775	4,368	1,841	486	6,695

Management does not receive: (i) postemployment benefits; (ii) other long-term benefits; and (iii) severance benefits.

The annual limit of the overall compensation of the managers in the parent company was set at R $ 11,176 and includes: i) Fixed remuneration ii) benefits; iii) short-term variable remuneration; iv) long-term variable remuneration and v) Share-based payment.

14. INVESTMENTS IN SUBSIDIARIES

a) Information on subsidiaries

a.1) September 30, 2018

Direct or indirect subsidiaries	Equity (uncovered liability)	Net Profit (loss) for the period	Equity interests - %	Share of profits of subsidiaries	Provision for losses in subsidiaries	Investments in subsidiaries
Time for Fun Mídia Ltda	352	29	99.99	29	-	352
Metropolitan Empreendimentos S.A.	(7,073)	(5,210)	99.99	(5,210)	(7,072)	-
T4F Entretenimientos Argentina S.A	2,119	(1,001)	98.29	(1,001)	-	2,122
T4F Alimentos, Bebidas e Ingressos Ltda.	15,348	689	99.99	689	-	15,348
T4F Inversiones S.A. e B.A Inversiones S.A.	51,440	1,474	100.00	1,474	-	51,440
T4F USA Inc.	3,154	77	100.00	77	-	3,154
Ticket Co. SpA.	9,382	1,444	100.00	1,444	-	9,382
T4F Peru Entretenimientos S.A.C.	(2,300)	(545)	60.00	(327)	(1,380)	-
T4F Entretenimiento Chile SpA.	14,735	4,265	100.00	4,265	-	8,841
Vicar Promoções Desportivas S.A.	8,336	(353)	85.00	(300)	-	7,087
Total				1,140	(8,452)	97,726

a.2) December 31, 2017

Direct or indirect subsidiaries	Equity (uncovered liability)	Net Profit (loss) for the period	Equity interests - %	Share of profits of subsidiaries	Provision for losses in subsidiaries	Investments in subsidiaries
Time for Fun Mídia Ltda	323	34	99.99	34	-	323
Metropolitan Empreendimentos S.A.	(1,863)	(1,252)	99.99	(1,252)	(1,862)	-
T4F Entretenimientos Argentina S.A	5,553	2,616	98.29	2,617	-	5,553
T4F Alimentos, Bebidas e Ingressos Ltda.	14,659	5,843	99.99	5,842	-	14,659
T4F Inversiones S.A. e B.A Inversiones S.A.	47,531	3,896	100.00	3,896	-	47,531
T4F USA Inc.	2,536	72	100.00	72	-	2,536
Ticket Co. SpA.	6,946	131	100.00	131	-	6,946
T4F Peru Entretenimientos S.A.C	(1,435)	(1,464)	60.00	(878)	(861)	-
T4F Bizarro Producciones SpA.	6,332	4,462	60.00	2,677	-	3,799
Vicar Promoções Desportivas S.A.	8,689	(1,915)	85.00	(1,628)	-	7,386
Total				11,511	(2,723)	88,733

a.3) Changes in line item ‘Investments in subsidiaries’ and 'Provision for losses in subsidiariesas' at September 30, 2018 and 2017.

	Company	Company
	09/30/18	09/30/17
Net investment	86,010	89,001
Share of profits of subsidiaries	1,140	3,315
Exchange variation on cumulative translation adjustments	1,031	531
Conversion adjustment (hyperinflation)	1,093	-
Write off Investments (Incorporation Aurolights). (i)	-	(16,871)
Net investment	89,274	75,976
Provision for losses in subsidiaries	8,452	3,381
Net investment of provision for losses	97,726	79,357

(i) Decrease in investment arising from the incorporation of aurolights by T4F Entrenimento S.A.

b) Goodwill on acquisition of investments

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Vicar Promoções Desportivas S.A. (i)	9,244	9,244	9,244	9,244
Metropolitan Empreendimentos S.A. (ii)	36,269	36,269	36,269	36,269
T4F Entretenimento S.A. (iii)	213,625	213,625	213,625	213,625
Allowance for write-off of goodwill	(213,625)	(213,625)	(213,625)	(213,625)
T4F Inversiones S.A. e B.A. Inversiones S.A.(iv)	83,205	83,205	83,205	83,205
Impairment losses (iv)	(20,002)	(20,002)	(20,002)	(20,002)
Aurolights Equipamentos e Produção de Eventos S.A. (v)	1,771	1,771	1,771	1,771
Companies acquired in Argentina (vi)	-	-	1,416	2,521
Total	110,487	110,487	111,903	113,008

The recoverable amount of a CGU is determined on the basis of value-in-use calculations. These calculations use cash flow projections, before income and social contribution taxes, based on financial budgets approved by management for a period of five years.

(i) Goodwill arising on the acquisition of equity interest in Vicar, which is justified by future earnings.

(ii) In May 2007, in connection with the corporate restructuring process, ADTSPE, merged with and into the Company on June 30, 2007, acquired 85% of the capital of Metropolitan Empreendimentos S.A., which generated adjusted goodwill of R$40,298, recorded in books at its total amount, based on the same economic rationale that justified such goodwill.

(iii) As part of the corporate restructuring on June 30, 2007 the Company merged its direct parent ADTSPE for the purpose of aligning the corporate interests of its shareholders, reducing administrative costs, and maximizing the efficiency in information flow and management.

However, upon the acquisition of the equity interests in the Company, ADTSPE determined goodwill of R$237,361 based on expected future earnings. As a result of the downstream merger, net goodwill recorded at ADTSPE, was reduced to nil through an allowance account recognized by ADTSPE itself before the merger. After the amortization of goodwill and the reversal of the deferred tax incurred through December 31, 2007, the balances of goodwill and the allowance for goodwill write-off are R$213,625. As after the downstream merger this goodwill will be amortized for tax purposes based on expected generation of operating profits, ADTSPE recorded the related deferred income tax and social contribution assets totaling R$80,705, which were transferred to the Company at the time of the downstream merger.This tax credit was fully paid in 2017.

(iv) The capital contribution transaction through the assignment of equity interests in the companies B.A. Inversiones S.A. and T4F Inversiones S.A., occurred in 2007, generated goodwill, recorded in the books at its total amount, based on the same economical rationale that originated such goodwill. As of December 31, 2014, when subject to impairment test, based on a projected cash flow, an allowance for impairment loss was recognized in the amount of R$20,002, under line item "Other operating expenses" in the income statement. The following main factors, among others, resulted in the recognition of impairment: non-renewal of a few contents and increase in operating expenses denominated in foreign currency.

(v) Goodwill recognized on the acquisition of an equity interest in Aurolights. Initially recognized goodwill amounting to R$2,012, was analyzed by specialized professional as to the purchase price allocation. As a result of this allocation, it was determined that the amount R$241 refers to the trademark intangible assets and the remaining amount of R$1,771 is duly justified by future earnings.

(vi) Subsidiaries B.A. Inversiones S. A. and T4F Inversiones S.A. acquired all the shares of the companies Pop Art S.A., Ticketek Argentina S.A., and Clemente Lococo, and these transactions generated this goodwill.

15. PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

a) Breakdown of property, plant and equipment

	Company		Consolidated	
Revalued cost:	09/30/18	12/31/17	09/30/18	12/31/17
Land	-	-	105	187
Leasehold constructions, installations and improvements	76,678	76,391	96,842	98,371
Furniture and fixtures	4,581	5,326	8,735	9,720
Machinery and equipment	13,834	14,253	20,865	19,236
Data processing equipment	6,509	7,662	8,596	12,628
Structures	9,195	9,100	9,347	9,260
Vehicles	843	1,002	6,036	6,196
Advances for PP&E	117	141	150	144
Total	111,757	113,875	150,676	155,742

	Annual average depreciation rate - %	Company		Consolidated	
		09/30/18	12/31/17	09/30/18	12/31/17
Accumulated depreciation:					
Leasehold constructions, installations and improvements	13	(74,673)	(74,266)	(92,438)	(92,960)
Furniture and fixtures	6	(3,530)	(3,963)	(7,117)	(7,637)
Machinery and equipment	12	(9,786)	(9,769)	(15,657)	(13,405)
Data processing equipment	18	(6,098)	(7,086)	(7,725)	(11,557)
Structures	13	(8,983)	(8,804)	(9,066)	(8,887)
Vehicles	20	(533)	(575)	(5,642)	(5,599)
Total		(103,603)	(104,463)	(137,645)	(140,045)

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Property, plant and equipment, net:				
Land	-	-	105	187
Leasehold constructions, installations and improvements	2,005	2,125	4,404	5,413
Furniture and fixtures	1,051	1,363	1,620	2,083
Machinery and equipment	4,048	4,484	5,208	5,829
Data processing equipment	411	576	871	1,071
Structures	212	296	279	373
Vehicles	310	427	394	597
Advances for PP&E	117	141	150	144
Total	8,154	9,412	13,031	15,697

On January 1, 2006, the Company accounted for revaluation amounting to R$31,265, and revalued assets (constructions in leased properties, installations, furniture and fixtures, machinery and equipment, and data processing equipment) started to be depreciated on a straight-line basis over their new useful lives, except for leasehold constructions, installations and improvements, which are depreciated over the lease terms.

b) Breakdown of other intangible assets

Represents basically software licenses and Copyrights, patents and other industrial property rights, service and operating, as follows:

	Annual average depreciation rate - %	Company		Consolidated	
		09/30/18	12/31/17	09/30/18	12/31/17
Cost	-	11,796	11,826	15,241	16,269
Amortization	20	(9,601)	(8,804)	(12,064)	(12,170)
Total		2,195	3,022	3,177	4,099

c) Breakdown of revalued property, plant and equipment:

Company:

	09/30/18			12/31/17
	Revaluation	Accumulated revaluation depreciation	Residual revaluation amount	Residual revaluation amount
Constructions in leased properties	25,334	(25,334)	-	-
Furniture and fixtures	487	(365)	122	177
Machinery and equipment	1,978	(955)	1,023	1,149
Data processing equipment	173	(114)	59	64
Aurolights Equipment - Incorporation	211	(187)	24	28
	28,183	(26,955)	1,228	1,418
Taxes (34% - income tax and social contribution)			(417)	(483)
Revaluation reserve recognized in equity			811	935

Consolidated:

	09/30/18			12/31/17
	Revaluation	Accumulated revaluation depreciation	Residual revaluation amount	Residual revaluation amount
Constructions in leased properties	25,334	(25,334)	-	-
Furniture and fixtures	1,042	(869)	173	246
Machinery and equipment	3,732	(2,259)	1,473	1,644
Data processing equipment	232	(170)	62	67
Aurolights Equipment - Incorporation	211	(187)	24	28
	30,551	(28,819)	1,732	1,985
Taxes (34% - income tax and social contribution)			(589)	(675)
Eliminations in consolidation (i)			(332)	(375)
Revaluation reserve recognized in equity			811	935

(i) Revaluation reserve in subsidiary Metropolitan Empreendimentos S.A.

d) Changes in property, plant and equipment

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Opening balance	9,412	10,573	15,697	31,676
Additions:				
Leasehold constructions, installations and improvements in leased properties	304	391	434	704
Furniture and fixtures	3	32	85	89
Machinery and equipment	181	227	207	587
Data processing equipment	89	103	414	355
Structures	-	-	-	148
Vehicles	-	442	-	452
Advances for PP&E	-	165	30	139
Transfer of Property, plant and equipment - Incorporation (1)	-	31,559	-	31,559
Total additions	577	32,919	1,170	34,033
Write-off, net	(189)	(11,273)	(328)	(23,191)
Depreciation	(1,646)	(3,191)	(2,917)	(5,215)
Depreciation - Incorporation (1)	-	(19,616)	-	(21,512)
Exchange variations effects	-	-	(591)	(94)
	(1,835)	(34,080)	(3,836)	(50,012)
Closing balance	8,154	9,412	13,031	15,697

(1) the total amount of assets transferred by incorporation is R$11,943 and refers substantially to the amounts of R$6,540 in the machinery and equipment group, R$4,749 in the group of structures and R$654 in others. In December 2017, a significant portion of these assets were written off through sale and on December 31, 2017 the residual balance of the assets transferred by incorporation is R$670.

The Company and the subsidiary Metropolitan Empreendimentos S.A. pledged as collateral data processing equipment, machinery and equipment, and furniture and fixtures totaling R$140, for tax collection lawsuits, labor claims and customers' complaints.

The Company assessed its current position and concluded it does not hold property, plant and equipment under construction/in progress that would justify capitalizing the financial charges on the an asset's cost. Certain property, plant and equipment items of the Company are used according to the demand for performance/events, and can be temporarily idle, but are not obsolete or out of order. As at September 30, 2018, there is approximately R$14,137 fully depreciated still in use.

e) Changes in intangible assets

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Opening balance	3,022	4,291	4,099	5,345
Additions:				
Software	16	26	118	353
Intangible - Incorporation	-	29	-	29
Amortization (1)	(843)	(1,296)	(942)	(1,678)
Amortization - Incorporation	-	(24)	-	(26)
Write-offs, net	-	(4)	(98)	76
End of period	2,195	3,022	3,177	4,099

(1) Amortization is accounted for as cost of services provided and product sales (note 25.b).

16. TRADE PAYABLES

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Domestic suppliers	22,622	22,001	77,964	68,709
Foreign suppliers	174	173	652	368
Total	22,796	22,174	78,616	69,077

17. BORROWING, FINANCING AND DEBENTURES

Type	Annual interest rate - %	Company		Consolidated	
		09/30/18	12/31/17	09/30/18	12/31/17
Debentures (a)	CDI + 2,40%	8,341	25,637	8,341	25,637
Borrowing (b)	3,5%	8	72	8	72
Total		8,349	25,709	8,349	25,709
Current portion		8,349	17,376	8,349	17,376
Noncurrent portion		-	8,333	-	8,333

a) Debentures

On March 11, 2015, the Company entered into an Agreement for the second Issuance of Simple, Nonconvertible Debentures; the Company issued 50 single series debentures, totaling R$50,000, as authorized by the Extraordinary Shareholders' Meeting held on March 11, 2015.

The issuance was carried out in accordance with CVM Instruction 476, and other relevant statutory and regulatory provisions.

As at September 30, 2018, the Company is compliant with all restrictive covenants set out in the debenture indenture.

The debentures do not contain any restructuring clauses.

Debentures are guaranteed by:

i) Fiduciary assignment, the sponsorship and naming rights of concert halls.

ii) Collateral transfer, under a condition precedent, of all credit, purchase and/or debit card receivables.

b) Borrowings and financing

The type of credit BNDES - Finame credit available with the exclusive destination for purchasing equipment, maturity 54 months at a rate of 3.5% per year and a term of discharge in October 2018. The credit facility was used for performing art venues KM de Vantagens Hall in Belo Horizonte.

18. TAXES PAYABLE

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Tax on revenue (COFINS)	-	380	211	708
Tax on revenue (PIS)	-	79	46	148
Service tax (ISS)	(219)	1,546	(2)	1,898
Income tax and social contribution	-	649	6,756	9,080
Refis (a) (b)	383	349	150	217
Taxes on billings (c)	-	-	215	798
VAT	-	-	542	1,025
Tax on revenue (ICMS)	(37)	-	(322)	36
Third-party social security tax (INSS)	153	167	273	286
Other	132	81	198	453
Installment of taxes on foreign subsidiaries (d)	-	-	197	455
Current liabilities	412	3,251	8,264	15,104
Installment tax service (b)	1,148	1,354	1,148	1,354
Refis (a) (b)	4,037	3,939	4,036	3,939
Installment of taxes on foreign subsidiaries (d)	-	-	156	459
Noncurrent liabilities	5,185	5,293	5,340	5,752

(a) On May 27, 2009, the Federal Government issued Law 11941, which, among other amendments to the tax law, provides for a new tax installment plan for the payment of debts managed by the Federal Revenue Service of Brazil, the National Institute of Social Security (INSS), and the National Treasury Attorney General's Office (PGFN). The Company joined the mentioned tax installment plans in light of the existence certain debts than, until date, were being challenged at the administrative level and/or in courts. The remaining balance of in installments of R$5,599, is payable in 120 months, commencing June 2011. As at September 30, 2018, the remaining balance was R$4,037 (R$3,939 at December 31, 2017). This balance was subject to a tax credit and negative social contribution basis as provided for in the Joint Ordinance PGFN / RFB Nr. 15/2014, pending further approval by the Federal Revenue Service of Brazil.

(b) Tax installment program: On July 8, 2011, the City of São Paulo enacted Law 15406, which, among other amendments, establishes a new deadline for the enrollment, with the Incentive Tax Installment Plan (PPI), created under Law 14129, 2006, as prescribed in a tax installment plan.

Pursuant to the established rules, for compliance with the first stage of the installment plans, the Company filed, a request for enrollment with said tax installment plan in August 2011 to include debts challenged at the administrative level or in courts and the loss likelihood as possible. The consolidation of these installment plans was completed on August 30, 2011 and, on this date, the Company dropped the proceedings challenging taxes included in the installment plan, negotiated for payment in 120 months. As at September 30, 2018, these tax debts included in the tax installment plan total R$1,531 (R$1,703 at December 31, 2017).

(c) Tax on gross revenue levied at the rates of 3-4 percent on the Argentinean subsidiaries.

(d) At September 30, 2018, foreign subsidiary T4F Entretenimientos Argentina S.A. is a party to tax restructuring programs with the Argentinean tax authorities aimed at paying the following tax debts in installments: (i) taxes on revenue (installment plans agreed on 2015, totaling 120 monthly installments, with 80 monthly installments still outstanding); (ii) value added tax and income tax (installment plan agreed on 2009, totaling 120 monthly installments, with 10 monthly installments still outstanding).

19. ADVANCES FROM CUSTOMERS

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Naming rights agreements (a)	9,846	12,246	9,846	12,246
Sponsorships, box sets and boxes (b.1)	7,832	13,271	14,264	25,913
Private events (b.2)	289	10,233	290	10,260
Advance ticket sales (c)	109,139	122,315	132,335	147,540
Total	127,106	158,065	156,735	195,959

(a) Naming rights agreements: consist of sponsorship agreements, the purpose of which is to grant the sponsor the right to name venues or a specific event for a certain consideration. The agreements set out the terms and conditions under which the sponsor is entitled to name a certain venue or event, as a form of publicizing its trademark.

(b) Contracts: sponsorships, box sets, boxes, and private events

(b.1) Sponsorships: the contracts aim at ensuring compliance and fulfillment of certain obligations, such as, but not limited to, use of sponsor trademarks/images in media used to publicize the event, granting exclusivity in the sponsor's market segment, granting rights to use official trademarks and images of the event, and granting the right to the purchase in advance of tickets to customers of a certain sponsor, are complied with and/or discharged.

Box sets and boxes: the purpose of these agreements is the assignment of box sets and boxes located inside the venues, for a defined period.

(b.2) Private events: the purpose of these agreements is the assignment of rights to use part of the facilities of the venues to produce and hold private events, on certain dates.

(c) Advance ticket sales: refer to the advance sale of tickets, both in cash and by credit card, for the events, concerts and performances promoted and organized by the Company and its subsidiaries.

20. SPONSORSHIPS - CULTURAL INCENTIVE LAW

The Company raises funds that are invested in its own cultural projects approved by the Ministry of Culture, where the Company does not earn any benefits from the amounts received, as prescribed by Law 8313/91, as amended by Law 9874/99 (Rouanet law).

The amounts received are held in a bank account or in short-term investments specific and exclusive for each project and are recorded in line item 'Restricted cash' (note 7).

The balancing item of the amounts received is also a specific and single line item for each project, in current liabilities, and represents the Company's obligation to invest these funds in the approved project. Expenses incurred in each project are deducted directly from this line item, whose balance should be nil at the end of the project. Amounts possibly unrealized are returned to the Ministry of Culture when the company files the project's expense report.

The recognition of transactions with Rouanet Law incentives is temporary, and there is no recording in income or expense accounts. As of September 30, 2018 there were no amounts involved in this transaction.

21. PROVISION FOR TAX, CIVIL AND LABOR RISKS

The Company and its subsidiaries are parties to certain contingencies that include ongoing labor, tax and civil lawsuits, involving contingent liabilities. It is the management policy to recognize provisions for risks assessed as probable losses.

The accrued amounts for legal proceedings are broken down as follows:

	Company		Consolidated	
	09/30/18	12/31/17	09/30/18	12/31/17
Labor	4,708	7,863	6,107	9,345
Civil	2,186	13,766	2,631	14,097
Tax	189	186	451	443
Total	7,083	21,815	9,189	23,885

21.1) Tax provisions

As at September 30, 2018, the Company and its subsidiaries are parties to potential tax contingencies classified as of possible risk of loss by their legal counsel, amounting to R$98,709 (R$92,186 at December 31, 2017).

The main tax lawsuits that correspond to material contingencies for the Company are as follows:

a) ISS-related proceedings: most tax proceedings, whether lawsuits or administrative proceedings, refer to the discussion of the service tax (ISS) levied by municipalities, plus statutory fine and interest. As at September 30, 2018, the overall amount classified as possible losses for these proceedings is approximately R$53,522.

b) In December 2009, the Federal Revenue Service assessed the Company, which in brief refers to the collection of income tax and social contribution related to: (i) the disallowance of depreciation and amortization expenses deducted in calendar 2004; (ii) fine of 50% on the differences between the amounts recorded as monthly income tax and social contribution estimate in 2007 and 2006 and the amounts reported in the Declaration of Federal Tax Debits and Credits (DCTF), and (iii) underpayment of income tax and social contribution in 2005. The legal counsel's opinion on this lawsuit is that the likelihood of loss is possible. As at September 30, 2018 the adjusted amount in dispute is R$12,572 (R$12,321 at December 31, 2017).

c) In April 2010, the Federal Revenue Service assessed the Company to collect IRPJ and Social Contribution on Net Income (CSLL) related to the disallowance of tax loss carryforwards offset in previous years by Ocesa Mercury Entretenimento S/A, whenever the offset amount exceeded 30% of the adjusted net income. The possibility of full offset of these amounts in the year the company was liquidated through merger is being discussed, which would allow the utilization of all the tax loss carryforwards, without any percentage ceiling. The Company filed an objection against the assessment is awaits its judgment by the administrative court. The legal counsel's opinion on this lawsuit is that the likelihood of loss is possible. As at September 30, 2018, this proceeding's adjusted amount is R$5,414 (R$5,298 at December 31, 2017).

d) The Federal Revenue Service assessed the Company in 2010 and 2012 to collect amounts related to the Economic Intervention Contribution (CIDE). The Company filed an objection against these assessments is awaits its judgment by the administrative court. The legal counsel's opinion on these proceedings is that the likelihood of loss is possible. As at September 30, 2018, these two proceedings' adjusted amount is R$13,058 (R$11,771 at December 31, 2017).

e) In December 2013, the Company filed a lawsuit against Chile's Internal Revenue Services, the federal agency that assessed the Company by approximately R$17,997 as at September 30, 2018, aiming at annulling the assessed alleged violations involving the following issues: (i) difference in the application of the withholding income tax rate on certain types of agreements; (ii) nonpayment of the income tax in light of international treaties that avoid doubly taxation between certain countries; and (iii) difference in the payment date of income tax when a show is contracted. The legal counsel's opinion on the likelihood of an unfavorable outcome in issues (i) and (iii) is possible, in the estimated amount of 50 percent of total, and remote for issue (ii), in the estimated amount of 50 percent of total above reported.

f) On January 31, 2014 the Company was assessed by the Federal Revenue Service ("SRF"), which in summary challenges the claim of tax credits PIS and COFINS, levied on a noncumulative basis, referring to calendar 2009, where the SRF disallowed the tax credits claims on inputs that would allegedly be at odds with the statutory criteria and, therefore, would not entitle an entity to claim tax credits. The company filed a challenge to the tax assessment notice, which was judged partially valid, and the legal counsel's opinion on the aforementioned ruling is that the likelihood of loss is possible in relation to 14% of the launch. On September 30, 2018, the adjusted amount of debt classified as possible loss is R$ 2,705 (R$2,639 at December 31, 2017).

21.2) Provision for labor contingencies

As at September 30, 2018, the Company and its subsidiaries are parties to labor lawsuits with a possible likelihood of loss, amounting to R$9,933 (R$8,264 at December 31, 2017).

21.3) Provision for civil and other contingencies

As at September 30, 2018 the Company and its subsidiaries are involved in civil lawsuits classified as possible losses by its legal counsel amounting to R$27,066 (R$29,611 at December 31, 2017).

The main civil lawsuits that correspond to material contingencies for the Company are as follows:

a) The Company filed a lawsuit against Galaxy do Brasil Ltda., cross-defendant, to seek compensation for the damages caused by the rescission of a sponsorship agreement for one of its venues, and Galaxy do Brasil Ltda. is seeking that the Company be sentenced to discontinuing the use of certain trademarks and the payment of compensation for property damages and pain and suffering, as well as loss of profits. The lawsuit filed by the Company was dismissed and the lawsuit filed by Galaxy do Brasil Ltda. was judged partially grounded, and the Company was sentenced to paying compensation amounting to 5% of the net revenue earned from May 1, 2004 to June 24, 2005. In case the Company's appeal is rejected, the sentenced amount will be assessed during the award determination process. The estimated amount as at September 30, 2018 is approximately R$2,340 (R$2,123 at December 31,2017), and according to the legal counsel the likelihood of loss is possible. However, the Company also has amounts to receive from the Galaxy, which shall be determined in liquidation due to portions corresponding compensation due to the Company by Galaxy because of the sponsorship contract on occasion, during a certain period fixed by the Justice of São Paulo. The parties are currently awaiting the final decision of all appeals filed.

b) The Company is a defendant in public civil lawsuits "ACPs", as follows: (i) ACP filed by the Curitiba State Public Prosecution Office and attributed to the lawsuit R$1,178, to claim that the collection of the convenience fee be discontinued when a ticket is bought online or by telephone, or at various outlets at the official box office.The Company filed defense arguments and awaits a court decision. The legal counsel's opinion on the aforementioned ruling is that the likelihood of loss is possible; This lawsuits has become remote.

c) The Company is the defendant in civil actions related to the show "Quidam", performed in the cities mentioned below, in June-September 2009, as follows: (i) ACP filed by the Pernambuco State Public Prosecution Office, which attributed to the lawsuit R$1,047, to claim that the collection of (a) the convenience fee be discontinued when a ticket is bought online or by telephone, and (b) the delivery fee when the consumer elects to withdraw the ticket personally at the event's venue. The Company filed defense arguments and awaits a court decision; This lawsuits has become remote.

d) The City of São Paulo filed a Civil class action claiming that the different defendants are responsible for several irregularities in the management of a public property, which is the Pacaembu Stadium. With respect to the Company, the plaintiff alleges the Company has unduly benefited from exemption on the payment of public price when it used this stadium to hold a concert by the band Iron Maiden, in January 2004. As at September 30, 2018 the amount under litigation is R$1,657 (R$1,536 at December 31, 2017). According to the Company's legal counsel the likelihood of loss is possible.

As at September 30, 2018, the Company has escrow deposits amounting to R$10,130 (R$24,628 at December 31, 2017) made as guarantee of some lawsuits, which are disclosed in the balance sheet in a specific line item.

21.4) Changes in the provision for tax, civil and labor risks

Company	12/31/17	Provision (reversal)	Payments	Inflation adjustment	09/30/18
Labor	7,863	(455)	(2,973)	273	4,708
Civil	13,766	1,210	(12,876)	86	2,186
Tax	186	-	-	3	189
Total	21,815	755	(15,849)	362	7,083

Consolidated	12/31/17	Provision (reversal)	Payments	Inflation adjustment	Effects of exchange variation	09/30/18
Labor	9,345	387	(3,557)	288	(356)	6,107
Civil	14,097	2,030	(13,436)	84	(144)	2,631
Tax	443	-	-	8	-	451
Total	23,885	2,417	(16,993)	380	(500)	9,189

22. OTHER OBLIGATIONS

The amount accounted for as other obligations refers almost entirely to being passed on to customers by the management of ticket offices and the sale of third party event tickets in accordance with the flow established in the agreement.

23. SHAREHOLDERS EQUITY

a) Capital

As at September 30, 2018 and at December 31,2017, the Company's capital of R$243,022 and is represented by 67,500,665 registered common shares without per value.

b) Dividend policy: shareholders are entitled to a noncumulative minimum annual dividend of 25% of profit, adjusted in accordance with the rules provided for in the by laws.

	2017
Net income	44,354
(-) Legal reserve	(2,218)
Dividends calculation base	42,136
Compulsory dividends - 25%	10,534
Proposed additional dividends - 25%	10,534

c) Legal reserve: according to the prevailing law, the legal reserve is recognized at the rate of 5% of adjusted net income for the year.

d) An earnings retention reserve was established under Article 196 of Law No. 6,404/76, with the purpose of use in future investments.

e) Comprehensive income: Refer to the gain corresponding to foreign exchange differences arising on translating the interim financial statements of foreign subsidiaries.

f) Capital reserve: refers to the amount corresponding to the consideration for the services provided by the executives entitled to the Stock Option Plan (note 33).

g) Actions in Treasury

On 8 May, 2017, the Board of Directors authorized, for 18 months period, the buy back of up to 2,000,000 Company shares into treasury for subsequent sale or cancelation ("Share Buyback Program" or "Program").

Amount	Value Amount (R$ mil)	Minimum	Medium Weighted	Maximum	Market Value of Shares (R$ mil)*
214,600	2,131	6.10	9.88	10.77	1,538,682

24. NET REVENUE

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Gross revenue:				
Services	67,688	274,913	61,231	317,511
Products	27	96	224	630
Taxes levied	(7,869)	(35,202)	(7,308)	(41,210)
Net revenue	59,846	239,807	54,147	276,931

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Gross revenue:				
Services	116,591	412,075	139,516	470,426
Products	1,119	2,080	3,419	18,331
Taxes levied	(9,081)	(39,481)	(9,669)	(47,066)
Net revenue	108,629	374,674	133,266	441,691

25. COSTS AND EXPENSES BY NATURE

a) Expenses by nature

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Employee benefit expenses (note 26)	(4,729)	(17,247)	(5,301)	(18,308)
Outside services	(5,185)	(15,459)	(5,123)	(14,812)
Utilities and facilities	(327)	(1,053)	(388)	(1,003)
Reversal (constitution) of allowance for doubtful accounts	9	11	(27)	(34)
Other operating expenses	(182)	(772)	(269)	(934)
Operating expenses	(10,414)	(34,520)	(11,108)	(35,091)
Selling expenses	(80)	(487)	(167)	(513)
General and administrative expenses	(9,159)	(27,560)	(9,469)	(29,048)
Management compensation (note n° 13.2)	(1,175)	(6,473)	(1,472)	(5,530)
Total expenses by nature	(10,414)	(34,520)	(11,108)	(35,091)

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Employee benefit expenses (note 26)	(6,705)	(25,478)	(8,020)	(27,843)
Outside services	(6,223)	(19,267)	(6,074)	(18,793)
Utilities and facilities	(527)	(2,658)	(774)	(3,222)
Reversal (constitution) of allowance for doubtful accounts	22	667	31	(615)
Other operating expenses	(826)	(3,403)	(1,308)	(3,544)
Operating expenses	(14,259)	(50,139)	(16,145)	(54,017)
Selling expenses	37	(901)	(361)	(979)
General and administrative expenses	(12,884)	(41,463)	(14,117)	(46,343)
Management compensation (note n° 13.2)	(1,412)	(7,775)	(1,667)	(6,695)
Total expenses by nature	(14,259)	(50,139)	(16,145)	(54,017)

b) Cost by nature:

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Performers' fees, copyrights and agency fees	(13,042)	(83,146)	(11,358)	(95,870)
Transportations and leases	(4,025)	(26,963)	(2,864)	(25,752)
Third-part services	(3,407)	(23,651)	(6,596)	(30,729)
Travel and commuting	(1,189)	(4,049)	(1,077)	(5,137)
Utilities and facilities	(4,569)	(13,740)	(4,743)	(18,698)
Media and advertising	(1,649)	(8,155)	(3,221)	(12,136)
Depreciation and amortization	(767)	(2,489)	(1,123)	(3,289)
Employee benefit expenses (note 26)	(1,235)	(2,644)	(1,677)	(3,236)
Production costs	(1,985)	(14,351)	(1,835)	(14,387)
Total	(31,868)	(179,188)	(34,494)	(209,234)

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Performers’ fees, copyrights and agency fees	(26,671)	(122,993)	(36,869)	(137,883)
Transportations and leases	(8,173)	(37,058)	(8,078)	(37,575)
Third-part services	(6,368)	(33,577)	(10,713)	(43,035)
Travel and commuting	(1,677)	(5,288)	(1,926)	(6,719)
Utilities and facilities	(5,115)	(16,474)	(5,782)	(22,117)
Media and advertising	(3,207)	(11,796)	(5,610)	(17,041)
Depreciation and amortization	(1,145)	(3,959)	(272)	(5,122)
Employee benefit expenses (note 26)	(1,252)	(4,209)	(2,122)	(6,552)
Production costs	(22,885)	(61,071)	(27,329)	(67,383)
Total	(76,493)	(296,425)	(98,701)	(343,427)

26. EXPENSES ON EMPLOYEE

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Payroll and bonuses	(2,914)	(8,161)	(2,971)	(8,717)
Vacation pay	(334)	(1,292)	(402)	(1,315)
13th salaries	(229)	(677)	(285)	(729)
Payroll taxes	(1,170)	(3,846)	(1,209)	(3,801)
Profit sharing - bonuses	(317)	(3,469)	(427)	(3,321)
Share-based payments	(237)	(944)	(298)	(644)
Other employee benefits (i)	(763)	(1,502)	(1,386)	(3,017)
Total expenses on employee benefits	(5,964)	(19,891)	(6,978)	(21,544)
Benefits classified as cost of services	(1,235)	(2,644)	(1,677)	(3,236)
Benefits classified as general and administrative expenses	(4,729)	(17,247)	(5,301)	(18,308)
Total	(5,964)	(19,891)	(6,978)	(21,544)

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Payroll and bonuses	(4,467)	(15,397)	(5,442)	(17,756)
Vacation pay	(406)	(1,509)	(340)	(1,611)
13th salaries	(271)	(947)	(358)	(1,123)
Payroll taxes	(1,333)	(5,303)	(1,732)	(6,047)
Profit sharing - bonuses	(327)	(3,672)	(427)	(3,378)
Share-based payments	(237)	(944)	(298)	(644)
Other employee benefits (i)	(916)	(1,915)	(1,545)	(3,836)
Total expenses on employee benefits	(7,957)	(29,687)	(10,142)	(34,395)
Benefits classified as cost of services	(1,252)	(4,209)	(2,122)	(6,552)
Benefits classified as general and administrative expenses	(6,705)	(25,478)	(8,020)	(27,843)
Total	(7,957)	(29,687)	(10,142)	(34,395)

(i) The Company does not offer any defined contribution or defined benefit plan to its employees.

27. FINANCIAL INCOME (EXPENSES)

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Financial expenses:				
Interest payable	(197)	(316)	(124)	(524)
Tax on financial transactions (IOF)	(260)	(519)	(21)	(355)
Net losses on swap transaction	(396)	(396)	-	(669)
Interest on debentures	(365)	(1,265)	(934)	(3,539)
Other	(427)	(1,969)	(486)	(2,679)
Total	(1,645)	(4,465)	(1,565)	(7,766)

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Financial expenses:				
Interest payable	(123)	(550)	(753)	(2,908)
Tax on financial transactions (IOF)	(150)	(1,253)	(784)	(2,270)
Net losses on swap transaction	(396)	(396)	-	(669)
Interest on debentures	(365)	(1,265)	(934)	(3,539)
Other	(214)	(1,636)	(124)	(1,161)
Total	(1,248)	(5,100)	(2,595)	(10,547)

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Financial income:				
Interest receivable	-	-	122	324
Income from short-term investments	2,480	6,641	2,444	6,295
Other	125	275	91	225
Total	2,605	6,916	2,657	6,844

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Financial income:				
Interest receivable	268	437	826	2,111
Income from short-term investments	2,024	7,910	2,920	8,251
Other	(19)	60	52	153
Total	2,273	8,407	3,798	10,515

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Exchange variation, net:				
Losses	(5,337)	(13,323)	(1,242)	(3,837)
Gains	3,752	9,772	1,539	4,012
Inflation adjustments, net:				
Losses	(34)	(1,719)	(25)	(107)
Gains	(84)	2,277	350	1,086
Total	(1,703)	(2,993)	622	1,154

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Exchange variation, net:				
Losses	(6,369)	(18,514)	(2,068)	(8,578)
Gains	4,825	19,050	2,235	8,497
Inflation adjustments, net:				
Losses	(41)	(1,736)	(30)	(125)
Gains	(55)	2,684	529	1,742
Total	(1,640)	1,484	666	1,536

28. OTHER OPERATING INCOME (EXPENSES), NET

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Provision for tax, civil and labor risks	(226)	4,781	378	141
Loss on write-off of property, plant and equipment	(338)	27	2,949	2,942
Other operating income (expense), net	141	567	(12)	(22)
Total	(423)	5,375	3,315	3,061

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Provision for tax, civil and labor risks	(400)	2,584	(558)	(1,438)
Loss on write-off of property, plant and equipment	(426)	(69)	2,991	2,942
Other operating income (expense), net	712	1,646	88	1,367
Total	(114)	4,161	2,521	2,871

29. INCOME TAX AND SOCIAL CONTRIBUTION

a) Income tax and social contribution expense recognized in income statement

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Current income tax expense	(991)	(3,238)	(62)	(62)
Current social contribution expense	(355)	(1,015)	(28)	(28)
Deferred IRPJ and CSLL	(4,279)	(7,148)	(4,736)	(12,471)
Total	(5,625)	(11,401)	(4,826)	(12,561)

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Current income tax expense	(812)	(8,192)	(4,699)	(9,972)
Current social contribution expense	(422)	(1,157)	(100)	(377)
Deferred IRPJ and CSLL	(1,132)	(4,337)	(4,658)	(11,957)
Total	(2,366)	(13,686)	(9,457)	(22,306)

b) The reconciliation of income tax and social contribution recorded in income statement is as follows:

	Company			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Profit before IRPJ and CSLL	18,672	32,072	17,592	39,214
Statutory rate	34%	34%	34%	34%
Income tax and social contribution benefit (expense) at statutory rate	(6,348)	(10,904)	(5,981)	(13,333)
Effect of income tax and social contribution on:				
Nondeductible fines and expenses	30	(564)	(110)	(136)
Share of profits of subsidiaries	774	388	1,366	1,127
Share-based payment plan	(81)	(321)	(101)	(219)
Income tax and social contribution benefit (expense)	(5,625)	(11,401)	(4,826)	(12,561)
Percentage of effective rate	30%	36%	27%	32%

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Profit before IRPJ and CSLL	17,148	37,062	22,810	48,622
Statutory rate	34%	34%	34%	34%
Income tax and social contribution benefit (expense) at statutory rate	(5,830)	(12,601)	(7,755)	(16,531)
Effect of income tax and social contribution on:				
Nondeductible fines and expenses	(101)	(709)	(164)	(193)
Offset of tax loss carryforwards and temporary differences	(516)	(1,877)	(1,305)	(2,068)
Subsidiary taxed based on the deemed income	(46)	(87)	386	1,034
Subsidiary taxed abroad	4,208	1,909	(518)	(4,329)
Share-based payment plan	(81)	(321)	(101)	(219)
Income tax and social contribution benefit (expense)	(2,366)	(13,686)	(9,457)	(22,306)
Percentage of effective rate	14%	37%	41%	46%

c) Changes in and breakdown of deferred income tax and social contribution

The table below corresponds to the analysis of deferred tax assets (liabilities) presented in the individual and consolidated financial statements:

	12/31/17	Recognized in Income Statement for 01/07/18 to 09/30/18	Recognized in Income Statement for the period	09/30/18
Company				
Deferred tax assets on:				
Noncurrent:				
Allowance for doubtful accounts	191	(4)	(4)	187
Provision for tax, civil and labor risks	7,417	(4,527)	(5,752)	1,665
Income tax loss carryforwards	33,779	(427)	(1,395)	32,384
Social contribution tax loss carryforwards	13,038	(152)	(435)	12,603
Revaluation reserve for property, plant and equipment	(756)	130	130	(626)
Other provisons	1,511	700	308	1,819
Total net assets	55,180	(4,280)	(7,148)	48,032

Consolidated	12/31/17	Recognized in Income Statement for 07/01/18 to 09/30/18	Recognized in Income Statement for the period	Recognized in other comprehensive income	09/30/18
Deferred tax assets on:					
Noncurrent:					
Allowance for doubtful accounts	409	(458)	(27)	(84)	298
Provision for tax, civil and labor risks	7,677	(4,400)	(6,011)	(10)	1,656
Income tax loss carryforwards	33,909	(262)	(1,243)	(56)	32,610
Social contribution tax loss carryforwards	13,038	(152)	(435)	-	12,603
Revaluation reserve for property, plant and equipment	(756)	130	130	-	(626)
Other provisons	5,250	3,796	3,583	(23)	8,810
Total assets	59,527	(1,346)	(4,003)	(173)	55,351
Deferred tax liabilities on-					
Noncurrent:					
Revaluation reserve for property, plant and equipment	(203)	10	32	-	(171)
Total liabilities	(203)	10	32	-	(171)
Total net	59,324	(1,336)	(3,971)	(173)	55,180

d) Unrecognized deductible temporary differences, and unutilized tax losses and credits.

Deductible temporary differences, and unutilized tax losses and credits for which no deferred tax assets were recognized are attributable as follow:

	Consolidated	
	09/30/18	12/31/17
Subsidiaries' tax loss carryforwards	31,800	26,262
Deductible temporary differences	(181)	619
	31,619	26,881
Statutory rate	34%	34%
Deferred tax assets not recognized at the end of the period	10,750	9,140

Pursuant to CPC 32 and CVM Instruction 371/02, the Company recognized deferred income tax and social contribution basically arising from the revaluation reserve, temporary differences, and tax loss carryforwards. The tax credit was recognized because the Company recorded future taxable income based on its net income projections, which show that such amounts will be recovered in the coming years.

These credits are maintained in current and noncurrent assets according to their expected realization, based on taxable income generation projections, within the 30-percent limit of annual taxable income to offset tax loss carryforwards, pursuant to legislation in force. The Company prepared feasibility studies, which are reviewed and approved by the Board of Directors, which indicated the full recovery of the deferred tax amounts recognized.

The estimated realization is as follows:

Year	Company	Consolidated
2018	2,761	3,382
2019	5,922	6,543
2020	7,547	8,168
2021	8,335	8,956
2022	9,230	9,851
2023	9,809	10,430
2024	4,428	8,021
Total	48,032	55,351

30. FINANCIAL INSTRUMENTS

30.1. Capital management

The Company and its subsidiaries enter into transactions involving financial instruments, all recorded in balance sheet accounts, which are intended to meet their cash requirements and reduce the exposure to market, currency, and interest rate risks. These risks and instruments are managed by means of strategies, control systems and foreign exchange exposure limits, which is monitored by Company´s executive committee. The Company has intercompany borrowings, trade payables, and borrowings and financing, classified as financial instruments.

The Company manages its capital to ensure that both its parent and its subsidiaries can continue as going concerns, and at the same time maximizes the return of all its stakeholders by optimizing the balance debt and equity.

The Company's equity structure consists of its net debt (debentures and borrowings detailed in note 17, less cash and banks note 6) and the equity (note 23).

30.2. Classification of financial instruments

			Company	
Line Item	Classification (iii)	Note	09/30/18	12/31/17
Debentures (i)	Other financial liabilities	17	(8,349)	(25,709)
Banks	Assets at amortized cost	6	943	8,234
Short-term investments (ii)	Assets at amortized cost	6	49,663	130,708
Trade receivables of related parties (iii)	Assets at amortized cost	13.1	24,942	21,217
Trade payavles of related parties (iii)	Other financial liabilities	13.1	(26,961)	(27,849)
Trade receivables	Assets at amortized cost	8	69,963	122,684
Trade payables	Other financial liabilities	16	(22,796)	(22,174)
Total exposure			87,405	207,111
Effect on net income (loss)			(4,035)	(142)

			Consolidated	
Line Item	Classification (iii)	Note	09/30/18	12/31/17
Debentures (i)	Other financial liabilities	17	(8,349)	(25,709)
Banks	Assets at amortized cost	6	11,707	20,699
Short-term investments (ii)	Assets at amortized cost	6	93,033	177,316
Trade receivables of related parties (iii)	Assets at amortized cost	13.1	7,008	7,957
Trade receivables	Assets at amortized cost	8	104,855	174,193
Trade payables	Other financial liabilities	16	(78,616)	(69,077)
Total exposure			129,638	285,379
Effect on net income (loss)			4,909	3,721

(i) Debentures issued by the Company pay interest equivalent to 100% of the accumulated fluctuation of the average daily overnight interbank rates (DI), expressed as a percentage per base year of 252 business days (CETIP), compounded by a scaled surcharge, starting at 2.09% per year for 2010 and 2.40% per year for 2015 (note 17).

(ii) Short-term investments are basically realized based on the yield rates effectively negotiated, pegged to the CDI, and reflect usual market terms and conditions prevailing at the end of the report period (note 6).

(iii) The income, expenses, gains and losses related to the different categories of financial instruments are classified in line item 'Financial (expenses) income' (note 27).

Management considers that the carrying amount of the financial assets and financial liabilities described above, except for the derivatives, approximate their fair values. Additionally, the measurement of financial assets and financial liabilities at fair value is made using standards terms and conditions, are traded in active markets, and is based on observable market prices (level 2).

30.3. Risk factors that may affect the Company's business

a) Exposure to interest rate risks

This risk arises from the possibility of losses (or gains) due to fluctuations in the interest rates applicable to the Company's assets or liabilities obtained in the market. In order to minimize possible impacts resulting from interest rate fluctuations, the Company has alternated between fixed rates and variable rates, such as Libor and the interbank deposit rate (CDI) and periodically renegotiated their contracts to adjust them to the market. The sensitivity analysis of the financial instruments to interest rate fluctuations is shown in c) below.

b) Exposure to foreign exchange risk

This risk arises from the possibility of fluctuations in exchange rates affecting financial expenses (or income) and the liability (or asset) balance of contracts denominated in a foreign currency.

It is the Company's policy to contract non-deliverable forwards (NDFs) and units in a foreign exchange fund whenever its foreign currency-denominated assets and liabilities are exposed to foreign exchange fluctuations arising from contracts with international suppliers or the opening of foreign bank accounts. As at September 30, 2018, the Company purchased the financial instrument to protect certain liabilities, as follows:

Financial Instance	**Contract date**	**Currency**	**Value**	**Settlement date**	**PTAX Hiring**
NDF	07/20/18	USD	200,000.00	10/05/18	3.8070
NDF	09/27/18	USD	500,000.00	10/15/18	4.0126

As at September 30, 2018, the Company records the following foreign currency transactions in balance sheet:

			Company		Consolidated	
Line item	Classification	Currency	09/30/18	12/31/17	09/30/18	12/31/17
Banks	Assets at amortized cost	US Dollars	943	8,234	943	8,234
Loan to Peru subsidiary	Assets at amortized cost	US Dollars	4,243	3,355	-	-
Loans to shareholders and foreign	Financial other liabilities	US Dollars	(26,961)	(23,541)	-	-
Trade payables	Financial other liabilities	US Dollars	(174)	(173)	(652)	(368)
Total exposure			(21,949)	(12,125)	291	7,866
Effect on net income (loss)			(3,820)	(127)	1,826	(177)

• Banks and financial application: the Company has amounts in its bank account abroad as part of capital management policy and exchange variation exposure protection. These resources will be used for payments of future operational costs.

• Intragroup loans: refer to the balances receivable and payable arising from loan agreements entered into by the Company with its subsidiaries, denominated in foreign currencies.

• Except for the intercompany loan between the Company and subsidiary T4F Chile S.A., in the remaining amount of US$5,500,000, the balance due to related parties derives from transactions which terms and conditions could have been different if carried out with unrelated parties, and thus would represent part of the investment and not necessarily the fair value of the financial transactions.

• Trade payables: refer to balances payable in foreign currency.

c) Sensitivity analysis of exchange rate and interest rate fluctuations

The fluctuations of exchange rates and interest rates, such as the CDI, can have a positively or an adverse effect on the consolidated financial statements because of the increase in the balance denominated in foreign currency or indexed interest rate.

As Management considers that the carrying amounts of financial assets and financial liabilities approximate their fair values, the sensitivity analyses below show results applicable both to carrying amounts and the fair values of financial assets and financial liabilities.

Risk of changes in interest rates

In compliance with CVM Instruction 475/2008, as at September 30, 2018, management estimated, based on the quotations set down in the Focus report issued by the Central Bank of Brazil (BACEN), future interest rates, showing in each scenario the effect of the changes on fair value, as shown in the table below:

			Company		
			Scenário		
	Risks	09/30/18	Probable (i)	Possible - (ii)	Remote - (iii)
Debentures	Increase	(8,342)	(9,097)	(9,236)	(9,375)
Borrowings and financing	Increase	(8)	(7)	(7)	(8)
Short-term investments	Reduction	49,663	52,874	53,680	54,480
Net exposure		41,313	43,770	44,437	45,097

			Consolidated		
			Scenário		
	Risks	09/30/18	Probable (i)	Possible - (ii)	Remote - (iii)
Debentures	Increase	(8,342)	(8,876)	(9,009)	(9,142)
Borrowings and financing	Increase	(8)	(7)	(7)	(8)
Short-term investments	Reduction	93,033	116,304	122,124	127,939
Net exposure		84,683	107,421	113,108	118,789

(i) In the probable scenario the Company would have a positive result of R$2,457 and R$22,738 (Company and consolidated) over the next twelve (12) months, resulting from future CDI estimates for interest on debentures plus the surcharge of 2.40% per year. For short-term investments, the Company considered the same future CDI estimates and the average yield rate obtained by the Company on these investments at September 30, 2018.

(ii) In the possible scenario, by adopting the same criteria described for the probable scenario plus a 25% increase of the rates used, the estimates would generate a positive result of R$3,124 and R$28,425 (Company and consolidated, respectively).

(iii) In the remote scenario, by adopting the same criteria described for the probable scenario plus a 50% increase of the rates used, the estimates would generate a positive result of R$3,784 in the Company and of R$34,106 in the consolidated.

The loan to subsidiary T4F Argentina S.A. is adjusted using the Current Nominal Rate (TNA).

Risk of changes in foreign exchange rates

In compliance with CVM Instruction 475/2008 as at September 30, 2018, management estimated future foreign exchange rates, showing in each scenario the effect of the changes on fair value, as shown in the table below:

			Company		
			Scenário		
	Risks	09/30/18	Probable (i)	Possible - (ii)	Remote - (iii)
Banks	Reduction	943	930	1,163	1,395
Trade payables	Increase	(174)	(172)	(215)	(257)
Net exposure		769	758	948	1,138

			Consolidated		
			Scenário		
	Risks	09/30/18	Probable (i)	Possible - (ii)	Remote - (iii)
Banks	Reduction	11,707	11,549	14,437	17,324
Trade payables	Increase	(652)	(643)	(804)	(965)
Net exposure		11,055	10,906	13,633	16,359

(i) In the probable scenario the Company would have negative result of R$11 and R$149 (Company and consolidated, respectively) over the next twelve (12) months, resulting from the estimated exchange rates for the period.

(ii) In the possible scenario, based on the exchange rates used in the probable scenario stressed by 25%, the estimates would generate positive result of R$179 and R$2,578 (Company and consolidated, respectively).

(iii) In the remote scenario, based on the exchange rates used in the probable scenario stressed by 50%, the estimates would generate a positive result of R$369 and R$5,304 (Company and consolidated, respectively).

Gains or losses on financial instruments derivatives transactions are recorded in ‘Financial (expenses) income (note 27).

Credit risk

Arises from the possibility of the Company and its subsidiaries not receiving amounts generated by sales transactions and receivables from financial institutions generated by short-term investments. To mitigate this risk, the Company and its subsidiaries adopt the procedure of analyzing in detail the financial position of its customers, establishing credit limits, and constantly monitoring their balances. Amounts receivable are substantially tied to credit card sales where credit risk which is not imposed on the Company. Additionally, the Company maintains bank accounts and investments with major financial institutions line, approved by management, in accordance with objective criteria for diversification of credit risks.

Liquidity risk

Effectively managing liquidity risk implies to maintain enough cash and marketable securities, funds available through credit facilities used and the ability to settle market positions. Due to the dynamic nature of the Company and its subsidiaries’ business, the treasury function maintains flexibility in funds available through the maintenance of credit lines used.

Management monitors the Company’s consolidated liquidity level considering the expected cash flows against unused credit facilities, and cash and cash equivalents.

31. INSURANCE

The insurance coverage is determined according to the nature of the assets' risks, and is considered sufficient to cover potential losses arising from claims. As September 30, 2018 and at December 31,2017, insurance coverage is as follows:

		Insured amount	
	Type	09/30/18	12/31/17
General and premises civil liability	General and events, commercial and/or industrial premises, employer, valet, and pain and suffering. Promotions of artistic, sports and similar events, restaurants and athletes	75,053	62,400
Asset insurance - premises	Fire, lightning, explosion, windstorm, smoke, loss of rent, equipment, neon signs, amounts, riots, strikes, glass, asset theft/robbery, amount in transit, electric damages, floods, loss of profits, and all risk due to sprinkler leakage	218,328	168,590
		293,381	230,990

32. CO-OBLIGATIONS, LIABILITIES AND COMMITMENTS

a) Sponsorship agreements

The Company has entered into long-term sponsorship agreements, as follows: (i) naming rights of the venues where the Company operates, which, in brief, provide for the right of the sponsor to name these venues and the way its trademark is disclosed; (ii) sponsorship agreement, which provides for granting benefits to the sponsor's customers in certain events promoted by the Company, including, but not limited to, the presale of tickets, discounts, and preferred parking among others.

b) Lease of venues

The lease agreements of venues were entered into for a period above five years, which ensures the Company the right of mandatory renewal of the lease, if legal requirements are met. In the event of noncompliance with the defined lease term, an amount equal to three months of the rent prevailing on the date of termination will be charged to the lessee, and the lessee agrees to return the property in perfect usage conditions.

Lease payments, based on the monthly amounts in effect in September 30, 2018, are broken down as follows:

	Company	Consolidated
Up to year 1	10,774	10,026
From year 2 to 5	20,685	21,956
Total	31,459	31,982

c) Stand-by letters and guarantees

The Company had bank stand-by letters in effect the purpose of which is to ensure the payment of leases and certain lawsuits, and which total approximately R$61,291.

d) Service agreements

Under service agreements entered into among the Company and Inspiração Organização de Espetáculos Ltda., a Cirque du Soleil Group company, between 2006 and 2008, the Company recognized, based on the terms and conditions of the abovementioned agreements, that it is responsible for indemnifying Inspiração in connection with certain claims relating to contingencies related to the Service Tax (ISS), an obligation ratified in a specific agreement for ISS indemnity. This because of the discrepancy between municipal tax authorities in relation to the services provided by Inspiração (if classified in item 12.03 of the ISS service list, or item 12.13), impacting the place of payment of such tax. The Company´s understanding, based on the opinion of its legal counsel, was that Inspiração's services are classified in item 12.03, and the ISS is due in the place where services are effectively provided, that is, where the Circus shows are held. In December 2014, Inspiração was notified by the municipal government of São Paulo, which intends to receive the ISS arising from the Cirque de Soleil's shows held in other cities (Rio de Janeiro, Belo Horizonte, Distrito Federal and Porto Alegre), in addition to the amount paid to the municipal government of São Paulo. The Company, based on the abovementioned agreements, assumed the burden of defense of such notifications, which were considered as unreasonable by the municipal government through lower court decision; the cases pending judgment of appeal which, in the opinion of the Company's legal counsel, have possible likelihood of loss. The amount related to the administrative proceedings is R$32,762 at September 30, 2018.

33. SHARE-BASED PAYMENTS

The Annual and Extraordinary Shareholders' Meeting held on September 28, 2007 approved the Company's common stock option plan, ratified by the Extraordinary Shareholders' Meeting held on January 13, 2011 as amended by the Extraordinary General Meeting held on April 27, 2012 and extended by the Extraordinary General Meeting of April 20, 2016. Under this Plan, the Board of Directors can grant stock options to directors, employees in leadership positions, or other companies under its control. Stock options are granted under grant agreements entered into between the Company and the beneficiaries. All stock options granted under such Plan cannot exceed 5% of total shares of capital stock. The option can be partially or fully exercised during the period established in the related Option Agreement, within the plan's effective period.

The annual tranches that are not yet vested will expire immediately if the employment contract or term of office as director is, for any reason, terminated.

The agreements entered into before the registration of the Company's listing and the related IPO provided for the payment of any gains on the related stock options in cash; however, they also provided for that if an IPO were conducted, the Company would no longer be liable for the payment of such gains in cash as the benefited executives would be able to exercise their vested stock options through the issue of the granted stock.

The granted stock options were duly measured at their fair values on the grant dates, calculated using the Black & Scholes pricing model. The impacts on net income or loss for the year are as follows:

Grant year	Number of options granted	Amounts recorded in profit to 12/31/17	Amounts recorded in profit to 09/30/18	Amounts to be recorded in future periods
From 2007 to 2014	4,047,916	5,913	-	-
2015	950,000	384	56	53
2016	488,000	900	223	299
2017	1,200,000	490	665	889
Total	6,685,916	7,687	944	1,241

In determining the fair value of stock options, the following economic assumptions were used:

Individual plans of each executive benefited						
Grant dates	07/01/14	11/10/14	04/01/15		04/28/16	08/18/17
Number of executives benefited	13	1	8	1	6	23
End of last tranche options vesting period	07/01/18	12/30/18	04/14/20		04/27/21	04/14/22
Share price volatility	36.85%	38.80%	41.72%		54.77%	20.75%
Risk-free interest rate	12.06%	12.06%	12.06%		13.25%	1.86%
Exercise price per option in R$	5.03	4.77	2.36		6.03	4.31
Index		Not indexed	Indexed to IGP-M		Not indexed	Indexed to IGP-M
Exercise price adjusted - R$	5.79	4.77	2.63		4.77	5.99
Fair value per option – R$:						
Series 1	0.79	0.12	0.49	0.27	2.50	1.67
Series 2	0.97	0.18	0.56	0.4	3.19	1.69
Series 3	1.07	-	-	0.5	3.71	1.75
Series 4	1.12	-	-	0.56	4.14	1.81

As approved by the Company's Board of Directors, by the end of the reporting period ended September 30, 2018, the Company issued 601,015 subscribed, paid-in shares amounting to R$5,899, since some of the executives entitled to the Stock Option Plan have already exercised their vested stock options.

34. SEGMENT INFORMATION

IFRS 8 - Operating Segments requires that operating segments be identified based on internal reports on Company business components that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance.

a) Segment revenue and results

The segment information reported is consistent with other management reports provided to the main strategic and operating decision-makers to assess the performance of each segment and the allocation of funds. The main segmentation of the Company's business is based on the performance of activities related to: (i) promotion of events, which includes holding live concerts and shows, stage plays, and exhibits; (ii) operations, which includes ticket sales, sale of food and beverages, and operation of venues; and (iii) sponsorships. Segmentation by activity is also broken down by geographical areas, as follows: (i) Brazil; (ii) Argentina; and (iii) Chile.

The performance of the Company's operating segments was assessed based on gross operating revenues, taxation, net operating revenues, costs of services, expenses, the Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), net income for the year, and noncurrent assets. This measurement basis excludes the effects of interest, income tax and social contribution, and depreciation and amortization.

The tables below include summarized financial information of the Company's operating segments for the periods ended September 30, 2018 and 2017.

	Consolidated			
	07/01/18 to 09/30/18			
	Event promotion	Box office, food and beverages, venues operation in venues	Sponsorships	Total
Net revenue	71,039	17,045	20,545	108,629
Costs	(63,275)	(13,218)	-	(76,493)
Gross profit	7,764	3,827	20,545	32,136
Operating expenses allocable to segments	(1,467)	(3,596)	-	(5,063)
	6,297	231	20,545	27,073
Administrative expenses				(9,310)
Financel income (cost)				(615)
Pretax income				17,148

	Consolidated			
	01/01/18 to 09/30/18			
	Event promotion	Box office, food and beverages, venues operation in venues	Sponsorships	Total
Net revenue	243,476	60,311	70,887	374,674
Costs	(249,948)	(46,477)	-	(296,425)
Gross profit	(6,472)	13,834	70,887	78,249
Operating expenses allocable to segments	(7,954)	(12,303)	-	(20,257)
	(14,426)	1,531	70,887	57,992
Administrative expenses				(25,721)
Financel income (cost)				4,791
Pretax income				37,062

	Consolidated			
	07/01/17 to 09/30/17			
	Event promotion	Box office, food and beverages, venues operation in venues	Sponsorships	Total
Net revenue	77,380	31,976	23,910	133,266
Costs	(75,198)	(23,503)	-	(98,701)
Gross profit	2,182	8,473	23,910	34,565
Operating expenses allocable to segments	(5,019)	(437)	-	(5,456)
	(2,837)	8,036	23,910	29,109
Administrative expenses				(8,168)
Financel income (cost)				1,869
Pretax income				22,810

	Consolidated			
	01/01/17 to 09/30/17			
	Event promotion	Box office, food and beverages, venues operation in venues	Sponsorships	Total
Net revenue	264,981	117,950	58,760	441,691
Costs	(256,418)	(87,009)	-	(343,427)
Gross profit	8,563	30,941	58,760	98,264
Operating expenses allocable to segments	(13,263)	(10,241)	-	(23,504)
	(4,700)	20,700	58,760	74,760
Administrative expenses				(27,642)
Financel income (cost)				1,504
Pretax income				48,622

b) Geographical information

Company revenue by geographical area is broken down as follows:

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Net revenue:				
Argentina	(1,120)	17,589	21,116	46,591
Brasil	69,988	264,094	67,663	315,333
Chile	39,761	92,991	30,324	64,291
Peru	-	-	14,163	15,476
	108,629	374,674	133,266	441,691

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Gross profit:				
Argentina	241	5,247	8,520	17,919
Brasil	27,425	59,754	19,433	71,138
Chile	4,470	13,248	6,379	10,080
Peru	-	-	233	(873)
	32,136	78,249	34,565	98,264

	Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Operating (loss) profit:				
Argentina	(966)	(393)	6,250	9,674
Brasil	14,861	26,547	13,157	36,029
Chile	3,431	11,377	3,510	4,225
Peru	(208)	(546)	(124)	(1,358)
USA	30	77	17	52
	17,148	37,062	22,810	48,622

35. ADDITIONAL DISCLOSURES TO THE STATEMENTS OF CASH FLOWS

The following changes in the financial position during period ended September 30, 2018 and 2017 did not have any impact on cash and cash equivalents:

• Purchase of property, plant and equipment items and intangible assets, for which no payments were made in the period ended September 30, 2018, amounting to R$35 in the company and and consolidated (R$16 in company and R$19 in the consolidated on

• Changes in Rouanet Law restricted cash that does not affect cash, related to cultural projects, amounting to R$4,009 (R$387 at September 30, 2017).

36. EARNINGS (LOSS) PER SHARE

Basic loss per share are calculated by dividing profit (loss) for the period by the weighted average number of common shares outstanding in the same period.

Diluted loss per share are calculated by adjusting the weighted average outstanding common shares supposing that all potential common shares that would cause dilution are converted. Diluted earnings per share are calculated by adjusting the weighted average outstanding common shares supposing that all potential common shares that would cause dilution are converted. Accordingly, the o calculation of this weighted average has been affected by the stock option instruments (note 33).

The table below shows the calculation of earnings (loss) per share:

	Company and Consolidated			
	07/01/18 to 09/30/18	01/01/18 to 09/30/18	07/01/17 to 09/30/17	01/01/17 to 09/30/17
Profit for the period attributable to the shareholders of the Company	13,047	20,671	12,766	26,653
Number of common shares for basic earnings per share calculation purposes	67,286,065	67,286,065	67,508,165	67,508,165
Weighted average number of common shares for diluted earnings per share calculation purposes	69,472,066	69,472,065	70,004,165	70,004,165
Basic earnings (loss) per share - R$	0.1939	0.3072	0.1891	0.3948
Diluted earnings (loss) per share - R$	0.1878	0.2975	0.1824	0.3807

37. SUBSEQUENT EVENTS

The Company informs that at a meeting , held on november 5,2018, the Board of Directors approved the third issuance of simple debentures, not convertible into shares, with security interest, to be converted into the species with real guarantee, in a single tranche, for public distribution with restricted placement efforts, in compliance with CVM Instruction 476 of January 16, 2009, as amended (“CVM Instruction 476”)

The Company informs that at a meeting , held on november 5,2018, the Board of Directors approved the early termination of the Company’s share buyback program , approved by the Board of Directors at a meeting held on May 8, 2017, scheduled to occur on November 7, 2018, ; and the new share buyback program the maximum term for the acquisition of Company’s share under the Program will be 18 months, as of November 5th, 2018 and ending on May 4th, 2020.

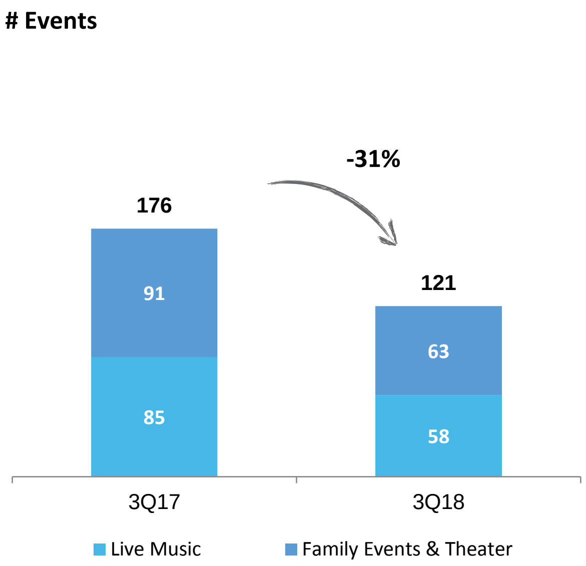
38. APPROVAL OF THE FINANCIAL STATEMENTS

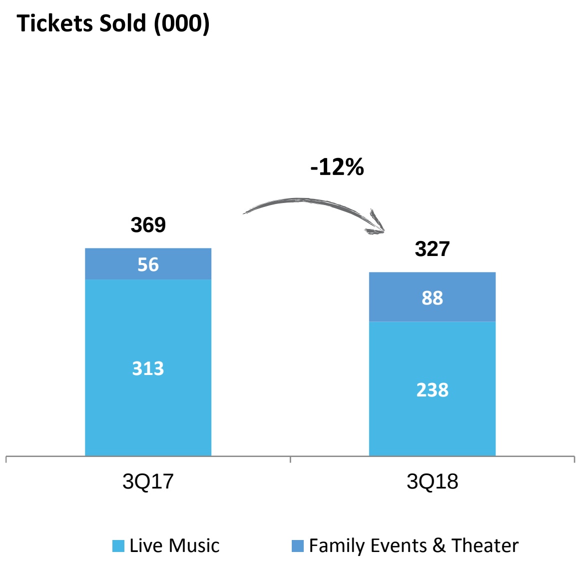
These individual and consolidated financial statements were approved by the Board of Directors at the meeting held and authorized for issue on November 5, 2018.

***

We report below comments on the financial statements related to the quarter ended on September 30, 2018 (3Q18). We recommend reading this material together with the Quarterly Financial Statements ("ITR").

Comments on the Consolidated Financial Performance





Operating Indicators

In 3Q18, we promoted 121 live music, family and theater events with 327 thousand tickets sold, which represented a decrease of 31% and 12% in the number of events and tickets sold, respectively.

In live music, we promoted 58 concerts with 238 thousand tickets sold. The reduction of 24% in tickets sold was lower than the decrease in the activity of shows, since we promoted the Villa Mix Festival at the Interlagos circuit, while in 3Q17 we promoted only indoor concerts. We highlight that, unlike what we had been announcing, we have seen a reduction in the demand for live music tickets in general since June this year, which we believe is temporarily associated to or is a reflex of the truckers strike in Brazil, followed by the World Cup, the crisis in Argentina and, more recently, the strong polarization of the elections in Brazil.

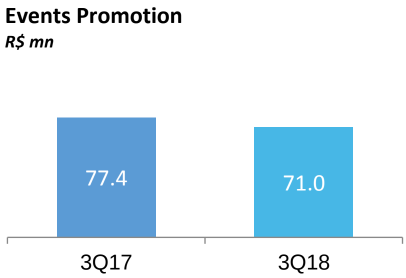
In family and theater, we held 63 presentations with 88 thousand tickets sold. There was a significant increase of 58% in the number of tickets sold, especially considering that the musical The Phantom of the Opera premiered only in August 2018, while Les Misérables was performed throughout 3Q17.

Net Revenue

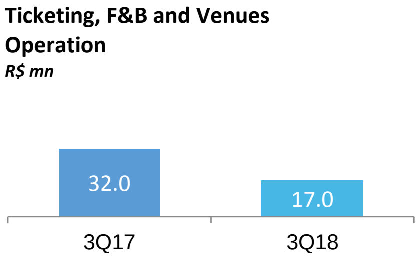
Net Revenue (R$ million)	9M17	9M18	Chg. %	3Q17	3Q18	Chg. %
Events Promotion	265.0	243.5	-8%	77.4	71.0	-8%
Live Music	225.0	220.1	-2%	67.1	53.8	-20%
Family Events and Theater	33.5	15.6	-54%	7.0	13.7	94%
Sports Events	6.5	7.8	21%	3.2	3.6	12%
Ticketing, F&B and Venues Operation	118.0	60.3	-49%	32.0	17.0	-47%
Sponsorship	58.8	70.9	21%	23.9	20.5	-14%
Events Promotion	44.5	62.6	40%	18.4	18.0	-2%
Ticketing, F&B and Venues Operation	14.2	8.3	-41%	5.5	2.6	-53%
TOTAL	441.7	374.7	-15%	133.3	108.6	-18%

In 3Q18, net revenue totaled R$108.6 million, down 18% from 3Q17. It is important to note that, as of this quarter, Argentina's consolidation reflects the effects of an economy with hyperinflation, which means that we started to use the final exchange rate, not the average rate, in the conversion of the financial statements. This resulted in a reduction of R$8.8 million in total net revenue this quarter, with the most significant impacts on ticketing operation and sponsorships due to the low activity in event promotion in Argentina in 9M18.

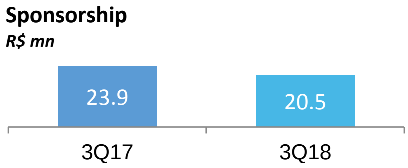
Net revenue in event promotion decreased 8% compared to 3Q17, amounting to R$71.0 million. The reduction reflects the decrease in tickets sold in live music shows, as the average ticket price remained in line year-on-year.



Net revenue of ticketing, F&B and venues operations fell by 47% in 3Q18 as a result the lower activity in event promotion, but due mainly to the decrease in tickets sold for live music shows in 3Q18 and in 4Q18.



Net revenue of sponsorship totaled R$20.5 million in 3Q18, down 14% from 3Q17 due to the hyperinflation effect in Argentina. Without this effect, sponsorship would have been in line with 3Q17.



Gross Profit

Gross Profit (R$ million)	9M17	9M18	Chg. %	3Q17	3Q18	Chg. %
Events Promotion	8.6	(6.5)	n.a.	2.2	7.8	256%
Ticketing, F&B and Venues Operation	30.9	13.8	-55%	8.5	3.8	-55%
Sponsorship	58.8	70.9	21%	23.9	20.5	-14%
Gross Profit	98.3	78.2	-20%	34.6	32.1	-7%
Gross Margin (%)	*22.2%*	*20.9%*	*-1.4 p.p.*	*25.9%*	*29.6%*	*3.6 p.p.*

Gross profit reached R$32.1 million in 3Q18 versus R$34.6 million in 3Q17, due mainly to the lower result in ticketing operation with ticket sales below our expectations in the quarter and especially for future shows.

Operating Expenses (Revenue)

SG&A (R$ million)	9M17	9M18	Chg. %	3Q17	3Q18	Chg. %
Sales	(1.0)	(0.9)	-8%	(0.4)	0.0	*n.a.*
General and Administrative	(46.3)	(41.5)	-11%	(14.1)	(12.9)	-9%
Management Compensation	(6.7)	(7.8)	16%	(1.7)	(1.4)	-15%
SG&A	(54.0)	(50.1)	-7%	(16.1)	(14.3)	-12%
Other Operating Revenues (Expenses)	2.9	4.2	45%	2.5	(0.1)	n.a.
Total	(51.1)	(46.0)	-10%	(13.6)	(14.4)	5%
% Total/Net Revenue	*11.6%*	*12.3%*	*0.7 p.p.*	*10.2%*	*13.2%*	*3.0 p.p.*

SG&A expenses and management compensation decreased 12% compared to 3Q17. Total expenses increased 5% due to the absence of credits related to sponsorship bonuses this quarter compared to 3Q17.

EBITDA

EBITDA Reconciliation (R$ million)	9M17	9M18	Chg. %	3Q17	3Q18	Chg. %
Net Result	26.3	23.4	-11%	13.4	14.8	11%
(+) Income Tax and Social Contribution	22.3	13.7	-39%	9.5	2.4	-75%
(+) Net Financial Result	(1.5)	(4.8)	219%	(1.9)	0.6	n.a.
(+) Depreciation	5.1	4.1	-20%	0.3	1.3	372%
=EBITDA	52.2	36.4	-30%	21.2	19.0	-10%
EBITDA Margin (%)	*11.8%*	*9.7%*	*-2.1 p.p.*	*15.9%*	*17.5%*	*1.6 p.p.*

As a consequence, EBITDA in 3Q18 amounted to R$19.0 million, versus R$21.2 million in 3Q17.

Financial Result

Financial Result (R$ million)	9M17	9M18	Chg. %	3Q17	3Q18	Chg. %
Financial Income	10.5	8.4	-20%	3.8	2.3	-40%
Interest Income	2.1	0.4	-79%	0.8	0.3	-68%
Income over Financial Investments	8.3	7.9	-4%	2.9	2.0	-31%
Others	0.2	0.1	-61%	0.1	(0.0)	n.a.
Financial Expenses	(10.5)	(5.1)	-52%	(2.6)	(1.2)	-52%
Interest Cost	(2.9)	(0.6)	-81%	(0.8)	(0.1)	-84%
Interests with Borrowings - Debentures	(3.5)	(1.3)	-64%	(0.9)	(0.4)	-61%
Losses with Swap Operations	(0.7)	(0.4)	-41%	-	(0.4)	n.a.
Tax on Financial Transactions	(2.3)	(1.3)	-45%	(0.8)	(0.2)	-81%
Taxes and Others	(1.2)	(1.6)	41%	(0.1)	(0.2)	73%
Exchange Variance	1.5	1.5	-3%	0.7	(1.6)	n.a.
Net Financial Result	1.5	4.8	219%	1.9	(0.6)	n.a.

In 3Q18, net financial result was negative in R$0.6 million, versus positive R$1.9 million in 3Q17. The result of a financial income R$1.1 million higher than financial expenses (due to the low indebtedness) was eroded by the negative exchange variation of R$1.6 million in the hedge operations in Brazil and Argentina.

Net Result

Net Income (R$ million)	9M17	9M18	Chg. %	3Q17	3Q18	Chg. %
Result Before Taxes	48.6	37.1	-24%	22.8	17.1	-25%
(-) Income Tax and Social Contribution (Current)	(10.3)	(9.3)	-10%	(4.8)	(1.2)	-74%
(-) Income Tax and Social Contribution (Deferred)	(12.0)	(4.3)	-64%	(4.7)	(1.1)	-76%
Net Income	26.3	23.4	-11%	13.4	14.8	11%
Net Margin (%)	*6.0%*	*6.2%*	*0.3 p.p.*	*10.0%*	*13.6%*	*3.6 p.p.*

As a consequence, the quarter ended on September 30, 2018, posted net income growth of 11% compared to 3Q17, reaching R$14.8 million.

Working Capital

Working Capital (R$ million)	3Q17	2Q18	3Q18	Chg. % (3Q18/2Q18)	Chg. % (3Q18/3Q17)
Assets	201.9	154.3	241.8	-36%	-24%
Accounts Receivable	123.6	50.8	104.9	-52%	-59%
Inventories	1.1	0.9	1.5	-40%	-16%
Advances to Suppliers and Anticipated Costs	77.2	102.6	135.5	-24%	33%
Liabilities	241.5	194.1	235.4	-18%	-20%
Accounts Payable (Suppliers)	73.9	68.9	78.6	-12%	-7%
Advances from Clients	167.6	125.3	156.7	-20%	-25%
Net Working Capital	(39.6)	(39.9)	6.4	n.a.	1%

In 3Q18, we posted working capital of R$6.4 million versus negative working capital of R$39.9 million in 2Q18 and R$39.6 million in 3Q17. Our business model runs with negative working capital, however this quarter we atypically had a concentration of installment sales of tickets and sponsorship at the end of 3Q18 for future events. Thus, the line accounts receivable increased R$54.0 million and the line advance to suppliers / anticipated costs grew R$32.9 million, due mainly to payment of artists' fees in advance.

Cash and Indebtedness

Cash and Indebtedness (R$ million)	9M17	9M18	Chg. %	3Q17	3Q18	Chg. %
Operating Cash Flow	105.5	(60.7)	n.a.	53.5	(54.4)	n.a.
Investment Cash Flow	12.0	(1.3)	n.a.	5.8	0.2	-96%
Financing Cash Flow	(25.0)	(41.2)	65%	(11.7)	(15.2)	30%
Exchange Variance	2.4	9.8	305%	0.9	2.9	242%
Increase (Reduction) in Cash and Equivalents	94.9	(93.3)	n.a.	48.5	(66.4)	n.a.
Balance in Cash and Financial Investments	218.0	104.8	-52%	218.0	104.8	-52%
Borrowings and Financing - Short Term	16.8	8.3	-50%	16.8	8.3	-50%
Borrowings and Financing - Long Term	8.3	-	-100%	8.3	-	-100%
Total Indebtedness	25.1	8.3	-67%	25.1	8.3	-67%
Net Cash (Debt)	192.9	96.4	-50%	192.9	96.4	-50%

We ended 3Q18 with R$104.8 million in cash and financial investments, or R$115.6 million considering restricted cash.

- Operating cash: we consumed R$54.4 million because, as explained above, we had an atypical use of working capital this quarter.
- Investments: we spent R$274 thousand in maintenance capex and we withdrew R$503 thousand in financial investments.
- Financing: we spent R$9.1 million on the amortization of principal and interest of the next-to-last installment of the debentures and R$6.1 million with related parties.

We ended 3Q18 with: (i) total indebtedness of R$8.3 million, down 67% from 3Q17 and (ii) net cash of R$96.4 million.

Subsequent events: 3rd Issuance of Debentures

According to the material fact released on November 5, 2018, the Board of Directors approved the third issuance of simple debentures, not convertible into shares, with security interest, to be converted into the species with real guarantee, in a single tranche, for public distribution with restricted placement efforts, in compliance with CVM Instruction 476 of January 16, 2009, as amended ("CVM Instruction 476"), in the following summarized terms and conditions:

a) Total Amount Issued: R$ 120,000,000.00 (one hundred, twenty million reais);

b) Term and Maturity Date: 4 (four) years, maturing so on November 5, 2022;

c) Compensation: CDI + 1.6225% per year;

d) Guarantees: (i) fiduciary assignment of naming rights agreements of venues operated by the Company, and (ii) fiduciary assignment of all receivables related to credit and/or debit cards payments; and

e) Allocation of Proceeds: (i) payment in advance of the Issuer's second issue, (ii) reinforcement of the Issuer's cash position, and (iii) new investments planned for 2019 including, without limitation, possible acquisitions of equity interest.

Event Pipeline

- **Live Music**

Outdoor

In October, we promoted 8 concerts of Roger Waters' tour in seven cities in Brazil and, in November, 2 concerts in Buenos Aires.

Also in November, we will promote (i) the Solid Rock festival with Judas Priest, Alice in Chains and Black Star Riders and (ii) the Summer Break festival with Noel Gallagher and Foster the People.

Ticket sales for the 7th Edition of Lollapalooza Brazil Festival in April 2019 have already totaled approximately 100 thousand tickets, before the announcement of the lineup, which will be released soon.

Indoor

In indoor music, we will promote around 60 concerts in 4Q18, including important local and international artists like Loreena McKennitt, Noel Gallagher, Sandy, Roupa Nova, Maria Bethânia and Zeca Pagodinho, Jorge & Mateus, among others.

- **Family Events & Theater**

We will keep promoting the musical The Phantom of the Opera in 4Q18, which in this version continues to be the biggest box office success among all the musicals we have presented.

- **Sports Events**

In 4Q18, we will promote the 3 final series of the 12 races of Stock Car and 2 of the 8 series of *Campeonato Brasileiro de Marcas* and *Stock Car Light*