



DASA

3rd Quarter Earnings



3rd Quarter 2006 Financial Highlights

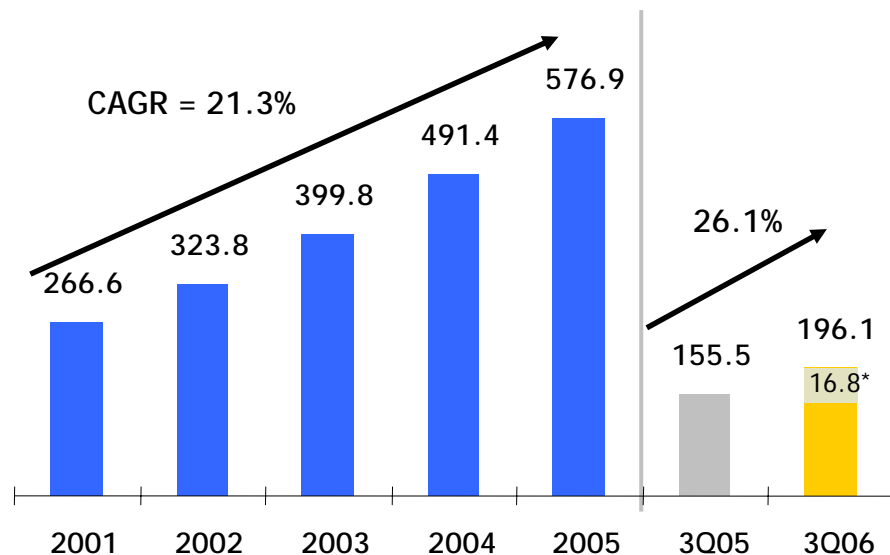
R\$ million	3Q06	3Q05	Change
Gross Revenues	196.1	155.5	+ 26.1%
Net Revenues	180.1	143.5	+ 25.5%
Gross Profit	66.0	48.6	+36.0%
<i>Gross Margin</i>	<i>36.7%</i>	<i>33.9%</i>	
EBITDA	48.1	35.2	+36.6%
<i>EBITDA Margin</i>	<i>26.7%</i>	<i>24.5%</i>	
Adjusted EBITDA	50.1	37.4	+ 34.0%
<i>Adjusted EBITDA Margin</i>	<i>27.8%</i>	<i>26.1%</i>	
Net Earnings / Losses	14.8	7.2	+106.6%
<i>Net Earnings / Losses Margin</i>	<i>8.2%</i>	<i>5.0%</i>	
Shareholder's Equity	468.0	270.7	+72.9%
Net Cash/Debt	(6.0)	(73.2)	-91.8%

Gross Revenues

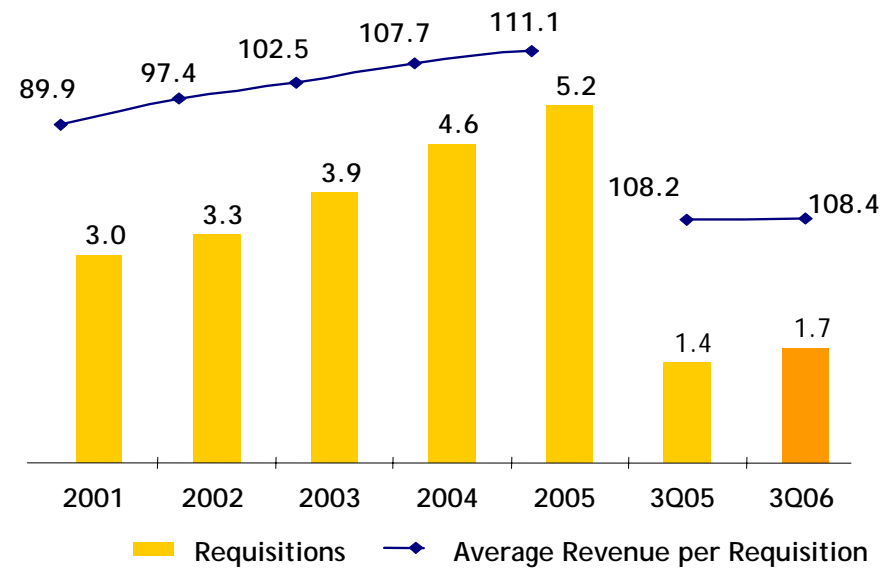
- ▶ Revenues increased 26.1% in the 3Q06, boosted by outpatient operations performance and a 53% growth from reference lab operations;
- ▶ Outpatient & Hospital revenues grew 15.3% (15.1% in volume and 0.2% in average revenue per requisition);
- ▶ Same units increased by 7.6% q-o-q, back to historic levels after reductions in flows of patients in DASA's PSCs during last quarter.

Revenues Growth

Gross Revenues Evolution (in R\$ million)



Growth Drivers (excluding Reference)



* Alvaro Reference Lab Revenues

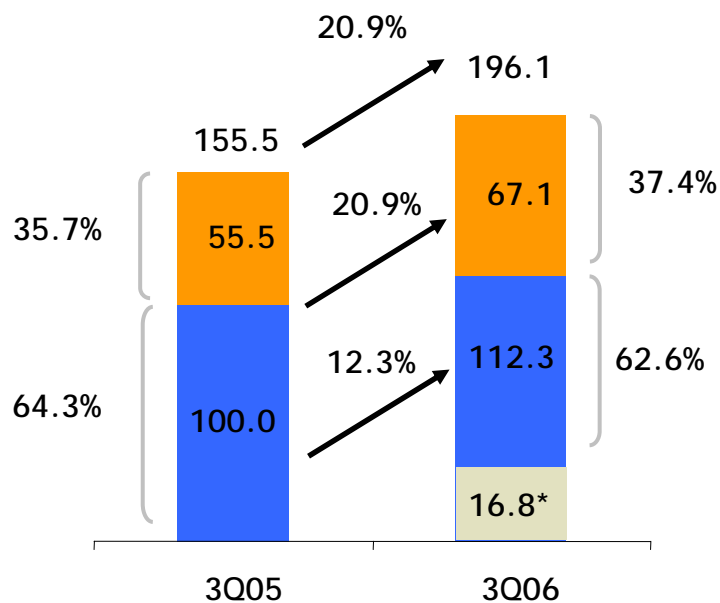
Gross Revenues per service line

- ▶ Revenues from imaging services grew by 20.9% q-o-q. accounting for 37.4% of Outpatient & Hospital gross revenues;
- ▶ Alvaro's revenues grew 52.6% in the 3Q06. leveraged by the increase in the number of client labs. more tests per requisition and a broader geographic coverage.

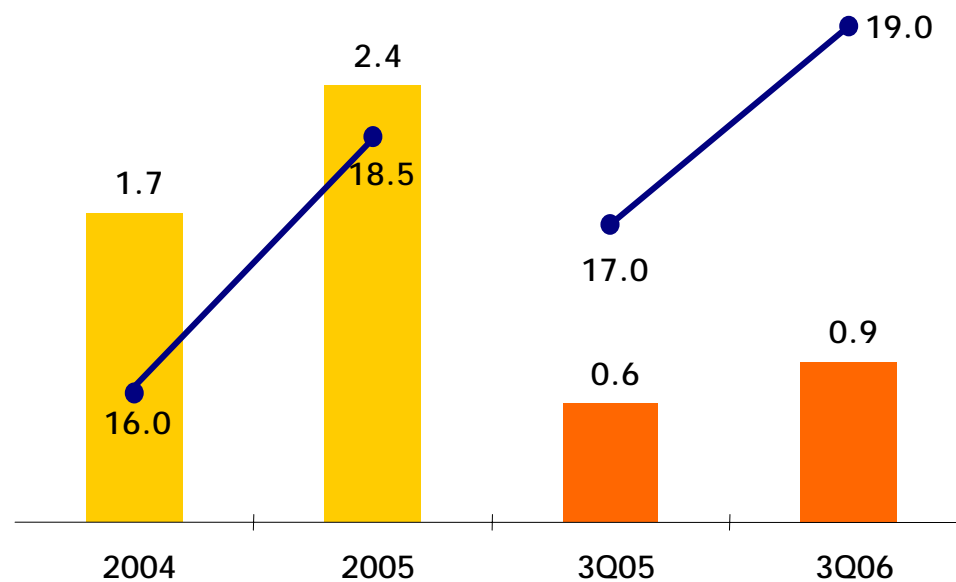
Reference and Outpatient Growth Performance (R\$ million)

Revenues per Service Line (as a % of Gross Revenues)

Revenues - Reference Market



* Alvaro Reference Lab Revenues

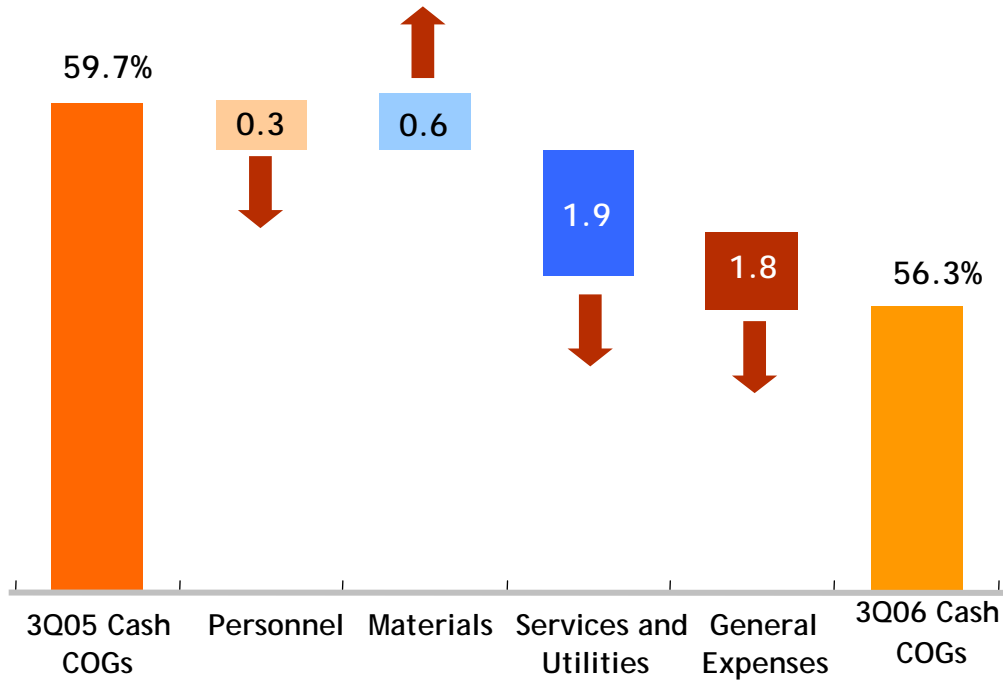


■ Requisitions ● Average revenue per requisitions

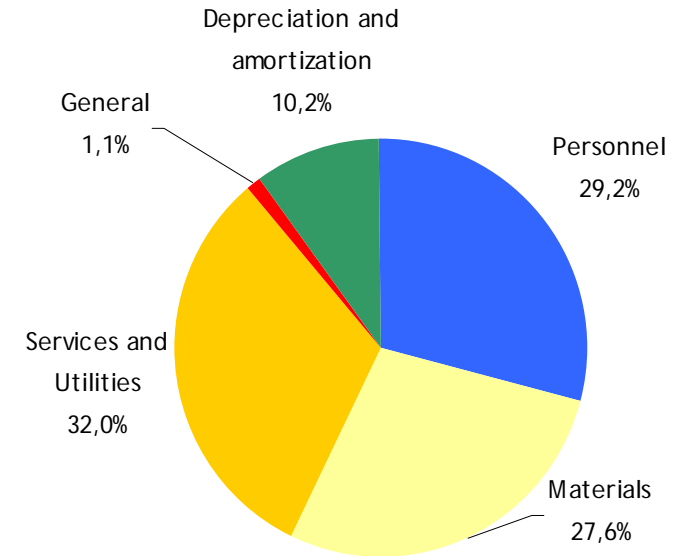
Gross Profit

- ▶ Gross margin improved 3.5 p.p. to 37.4% in the 3Q06. from 33.9% in the 3Q05. as a result of scale gains and operational synergies obtained as new operations are integrated to the business;
- ▶ Growth in material costs can be explained by additional costs from recently acquired companies. yet to be benefited by DASA's centralized purchase system.

Cash-GOGS Drivers



Cost of Goods Sold - 3Q06



* As a % of net revenues

Operating Expenses

- ▶ In the 3Q06 the operating expenses reached R\$ 43.1 millions. a 16.5% increase when compared to the 3Q05. mainly driven by higher selling. general and administrative expenses. that grew 42.7%;
- ▶ Those expenses relates to the enhancements on management. quality and IT done during 1H06. Adjusting by non recurring expenses. it is already possible to identify nominal reduction as revenues grow and the new 2006 level becomes stable.

Operating Expenses (R\$ million)

	<i>In R\$ Million</i>		
	3Q06	3Q05	Δ%
General and Administrative	(33,8)	(23,7)	42,7%
Net Financial	(2,2)	(4,1)	-46,1%
Goodwill Amortization	(7,4)	(9,4)	-20,9%
Other Operating Revenues/Expenses	0,3	0,2	104,3%
Operating Expenses	(43,1)	(37,0)	16,5%

General and Administrative Expenses (R\$ million) - 2006 quarterly

	3Q06	Chg%	2Q06	Chg%	1Q06
Consolidated	33,8	-8,6%	37,0	24,0%	42,1
<i>General and Administrative Expenses</i>	24,4	-4,5%	25,6	8,1%	23,7
<i>Non Recurring Expenses</i>	2,2	-71,0%	7,4	-49,5%	14,7
<i>Subsidiaries</i>	7,2	81,0%	4,0	8,1%	3,7

EBITDA and Adjusted EBITDA

- ▶ EBITDA in 3Q06 was leveraged by higher revenues, lower costs and decreasing SG&A expenses. The R\$ 2.2 million non-recurring expenses are in line with the 3Q05 posted amount;
- ▶ Adjusted EBITDA grew 33.4% to R\$ 49.9 million in 3Q06, compared to R\$ 37.4 million in 3Q05 with a 27.7% adjusted EBITDA margin.

EBITDA and Adjusted EBITDA (R\$ million)

