

Atento Reports Fiscal 2016 Second-Quarter Results
Strong Growth in Americas; Improvement in Profitability and Free Cash Flow

- Consolidated revenue down slightly, 13% growth in Americas largely offsets macro-driven decline in Brazil.
- Positive Revenue Diversification:
 - Americas revenue mix up 340 basis points to 41.8% of total revenue.
 - Mix of revenue from non-Telefónica clients up 290 basis points to 57% of total revenue.
 - All three geographic regions post increases in mix of revenue from higher value-add solutions.
- Approximately 3,150 workstations won in the quarter, up 10.5%.
- Margin protection achieved: Adjusted EBITDA up 0.2% with stable margin of 12%.
- Strong free cash flow before interest of \$39.4 million driven by significant improvement in working capital.
- Reaffirmed key financial targets for Fiscal 2016.

NEW YORK, August 2, 2016 – Atento S.A. (NYSE: ATTO), the largest provider of customer-relationship management and business-process outsourcing services in Latin America, and among the top three providers globally, today announced its second-quarter 2016 operating results. All comparisons in this announcement are year-over-year and in constant-currency (CCY), unless noted otherwise.

Summary

(\$ in millions except EPS)	Q2 2016	Q2 2015	CCY Growth	YTD 2016	YTD 2015	CCY Growth
Reported Revenue	452.4	515.7	-0.4%	871.8	1,031.6	0.9%
Adjusted EBITDA	54.2	62.1	0.2%	103.0	120.5	2.8%
Adjusted EBITDA Margin	12.0%	12.0%	-	11.8%	11.7%	10 b.p.
Adjusted EPS⁽¹⁾	\$0.13	\$0.21	-27.8%	\$0.26	\$0.43	-23.5%
Leverage (x)⁽²⁾	2.0x	1.6x		2.0x	1.6x	

- (1) Adjusted earnings per share, for the period ended June 30, 2016, were calculated considering the number of ordinary shares of 73,751,131. For the period ended June 30, 2015, the number of ordinary shares was 73,619,511.
- (2) Considered the pro-forma Net Debt adjusted to give effect to the Reorganization Transaction, regarding Preferred Equity Certificates.

Alejandro Reynal, Atento’s Chief Executive Officer, commented, “We continue to navigate the challenging growth environment in Brazil. However, our focus on driving the optimal balance of growth, profitability and liquidity enabled us to deliver revenue growth of 13% in the Americas, which almost complete offset the decline in Brazil, stable margins and positive free cash flow. Our performance was driven by new client wins and expanding our share of wallet with existing clients, particularly in financial services. In addition, each of our regions posted an increase in mix of revenue from higher value-add solutions. Our results this quarter underscore our commitment to remain the reference partner for the CRM BPO needs of our clients is on track.”

Mr. Reynal continued, “We have refreshed our long term growth strategy to further diversify our revenue base and selectively deploy capital to where its value is the highest. This sharpened focus includes consolidating our leadership position in core voice services, further expansion into higher value-add solutions, especially in financial services, and accelerated growth in digital services.”

Mauricio Montilha, Atento’s Chief Financial Officer, said, “Our proactive cost and efficiency initiatives continue to deliver expected benefits. Our focus on disciplined capital allocation, improving returns and strict working capital management, drove free cash flow before interest of \$39.4 million in the quarter, and \$13.1 million year-to-date. Our improving cash flow profile, strong liquidity position of \$215 million and low leverage of 2.0x reflect our enhanced financial flexibility.”

Mr. Montilha continued, “Persistent macro-economic headwinds in Brazil have weighed on our growth, and we expect this environment to continue through the year. However, against this backdrop, our success in driving the optimal balance of growth, profitability and liquidity provides us with the confidence to reaffirm our full-year outlook for revenue growth between 1% and 5% and adjusted EBITDA margin between 11% and 12%.”

Second Quarter Consolidated Operating Results

All comparisons in this announcement are year-over-year and in constant-currency (CCY), unless noted otherwise.

Revenue declined 0.4% as a shift in country mix due to foreign exchange, a 10.1% macro-driven decline in Brazil and a 1.3% decline in EMEA, were almost completely offset by a 13.0% increase in the Americas. Year-to-date, revenue grew 90 basis points. Our strategy to diversify our revenue progressed in the quarter as our mix of revenue from the Americas increased 340 basis points to a record 41.8% of revenue. Revenue from clients other than Telefónica increased by 4.8%, accounting for 57.0% of revenue, an increase of 290 basis points. This growth was supported by share of wallet gains, particularly in financial services, as well as new client wins in financial services and telecommunications. In addition, each region drove an increase in mix from higher value-add solutions. Revenue from Telefónica declined 6.6%, largely driven by the macro-driven declines in Brazil. On a reported basis, total revenue declined 12.3%.

Adjusted EBITDA increased 0.2%, mainly due to a favorable shift in mix of services, while adjusted EBITDA margin was flat at 12.0%.

Second quarter reported financial results included \$8.1 million in non-recurring items mostly related to proactive actions to align cost structure with current market conditions, including current and expected macro-driven volume declines in Brazil and Spain and the acceleration of sites to lower cost locations in Brazil.

Adjusted EPS declined to \$0.13 driven by foreign exchange, increases in net interest expense and depreciation, and a higher share count.

Free cash flow before interest expense was \$39.4 million, driven by a significant improvement in working capital. Year-to-date, free cash flow before interest was \$13.1 million.

The Company ended the second quarter with total liquidity of \$215 million and net debt to adjusted EBITDA of 2.0x.

Adjusted earnings and adjusted EBITDA are non-GAAP financial measures and are reconciled to their most directly comparable GAAP measures in the accompanying financial tables.

Segment Reporting

	Q2 2016	Q2 2015	CCY growth	YTD 2016	YTD 2015	CCY growth
Brazil Region						
Revenue	202.2	256.9	-10.1%	384.7	521.0	-8.1%
Adjusted EBITDA	27.1	34.6	-11.7%	52.0	66.4	-4.4%
Margin	13.4%	13.5%		13.5%	12.7%	
Americas Region						
Revenue	189.1	198.2	13.0%	366.3	385.6	14.4%
Adjusted EBITDA	24.3	28.3	0%	47.7	51.7	10.2%
Margin	12.9%	14.3%		13.0%	13.4%	
EMEA Region						
Revenue	61.6	61.1	-1.3%	121.6	125.9	-3.3%
Adjusted EBITDA	3.6	2.5	44.0%	6.3	6.4	-3.1%
Margin	5.8%	4.1%		5.2%	5.1%	

Brazil Region

The macro-economic environment in Brazil continues to drive a challenging growth environment. Revenue in the quarter declined 10.1%, with a 21.4% decrease in revenue from Telefónica. Revenue from non-Telefónica clients declined 2.8%. Importantly, our focus on revenue diversification drove a 9.2% increase in higher value-add solutions, lifting the mix of revenue from these services by 330 basis points to 39% of revenue. In addition, approximately 60% of the workstations won in the quarter came from financial services, a key growth sector for the Company. On a reported basis, revenue declined 21.3%.

Adjusted EBITDA decreased 11.7% while margin decreased 10 basis points to 13.4%. The decline in adjusted EBITDA was driven by the decline in revenue, however margin performance was aided by further actions to improve cost and efficiencies, focus on inflation pass-through, and the improved mix of higher value-add solutions. Cost and efficiency actions include the rationalization of headcount and the relocation of sites to lower-cost Tier 2 locations. At the end of the quarter, 62% of sites were located in Tier 2 locations, up 400 basis points from the end of Fiscal 2015.

Americas Region

Revenue for the Americas increased 13.0%, reflecting broad-based gains by country, sector and mix of higher value-add services. Revenue from non-Telefónica clients increased 17.8%, as their mix of total revenue reached 53.9%, up 290 basis points. Growth was supported by new client wins and share of wallet gains with existing clients in all markets, led by financial services. Growth was particularly strong in Argentina, Colombia, Chile, Peru and our U.S. nearshore business. Revenue from Telefónica increased 7.9%, driven by double-digit growth in Mexico, Colombia and Argentina and single-digit growth in Peru. Our focus on revenue diversification drove a 3.4% increase in revenue from higher value-add solutions, lifting the mix of these services to 12.1% of revenue, up 40 basis points. In addition, revenue from the Americas comprised a record 41.8% of total company revenue in the quarter, up 340 basis points. On a reported basis, revenue declined 4.6%.

Adjusted EBITDA was flat, while margin declined 140 basis points to 12.9% driven by investments in growth with new clients, an unexpected and mandatory minimum wage increase of 13% in Peru, and an increase in mix of revenue from telecommunications clients.

EMEA Region

In EMEA, our consistent focus on profitable growth drove improvements in the trajectory of revenue and profitability in the quarter. Revenue declined just 1.3%, an improvement on both a year-over-year and sequential basis. Revenue from non-Telefónica clients increased 1.7% led by gains from financial services. This is the first quarter of growth from non-Telefónica clients in over five quarters. Revenue from Telefónica declined 3.1%. Our focus on revenue diversification drove a 27.3% increase in revenue from higher value-add solutions, driving the mix of these services to 9.8% of revenue, up 220 basis points. In addition, revenue from non-Telefónica clients reached 39.0% of revenue, up 110 basis points. On a reported basis, revenue increased 0.8%.

Adjusted EBITDA increased 44%, while adjusted EBITDA margin increased 170 basis points to 5.8%. This solid performance was driven by the Company's disciplined approach to profitable growth opportunities and continued focus on cost and efficiency initiatives.

Strong Balance Sheet and Ample Liquidity Enhance Financial Flexibility

At June 30, 2016, the Company had cash, cash equivalents and short-term financial investments totaling \$159.5 million and undrawn revolving credit facilities of €50 million for total liquidity of \$215 million. Total net debt with third parties equaled \$459.1 million, a decrease of \$5.0 million. The Company's last twelve month (LTM) adjusted EBITDA to net debt with third parties was 2.0x.

During the second quarter of 2016, the Company invested \$9.5 million, or 2.1% of revenue, in capital expenditures.

Refresh of Strategy

The Company announced it has refreshed its focus on profitable growth opportunities as it looks to extend its leadership position in the \$10.4 billion Latin America CRM BPO market and expand its addressable market. This refresh supports the Company's commitment to further diversify its revenue base and also provides a roadmap for the disciplined deployment of capital to where its value is the highest. This refreshed focus includes consolidating our leadership position in core voice services, further expansion into higher value-add solutions, especially in financial services, and accelerated growth in digital services.

Fiscal 2016 Guidance

The Company expects to operate in a challenging growth environment in many of its markets during the balance of Fiscal 2016. In this environment, the Company remains focused on driving the optimal balance of profitable growth and liquidity, strengthening its balance sheet and maintaining financial flexibility. By continuing to execute on its priorities for Fiscal 2016, including tight cost controls and disciplined capital allocation, the Company is well-positioned to outperform the market, increase its leadership position in Latin America, and remain the reference partner for the CRM BPO needs of its clients.

For the full year Fiscal 2016, the Company expects:

- Consolidated revenue growth in the range of 1% to 5%, in constant currency.
- Adjusted EBITDA margin in the range of 11% to 12%, in constant currency.
- Non-recurring items, which are included as add-backs in adjusted EBITDA, in the range of \$15 million. The Company will continue to proactively align its cost structure with prevailing market conditions.
- Net interest expense in the range of \$60 million to \$65 million.
- Debt pay down of \$27 million.
- Cash capital expenditures of approximately 5% of revenue, reflecting investments in both growth and maintenance.
- Effective tax rate of approximately 32%.
- Fully diluted share count of approximately 73.8 million shares.

This guidance assumes no acquisitions or changes in the current operating environment, capital structure or exchange rates movements on the translation of our financial statements into US dollars. If the average of foreign exchange rates in the second quarter of Fiscal 2016 remain through the rest of the Fiscal 2016, net interest expense could be in the range of \$70 million to \$75 million.

Conference Call

Atento will host a conference call and webcast for analysts on Tuesday, August 2, 2016 at 5:00 pm ET to discuss the financial results. The conference call can be accessed by dialing: +1 (877) 407-3982 toll free domestic, UK: (+44) 0 800 756 3429 toll free, Brazil: (+55) 0 800 891 6221 toll free, or Spain: (+34) 900 834 236 toll free. All other international callers can access the conference call by dialing: +1 (201) 493-6780 toll free. No passcode is required. Individuals who dial in will be asked to identify themselves and their affiliations. The conference call will also be webcasted through a link on Atento's Investor Relations website at investors.atento.com. A web-based archive of the conference call will also be available at the above website.

About Atento

Atento is the largest provider of customer relationship management and business process outsourcing (CRM BPO) services in Latin America, and among the top three providers globally, based on revenues. Atento is also a leading provider for U.S.-based companies nearshoring CRM/BPO services to Latin America. Since 1999, the company has developed its business model in 14 countries where it employs more than 150,000 people. Atento has over 400 clients to whom it offers a wide range of CRM BPO services across multiple channels. Atento's clients are mostly leading multinational corporations in sectors such as telecommunications, banking and financial services, media and technology, health, retail and public administrations, among others. Atento's shares trade under the symbol ATTO on the New York Stock Exchange (NYSE). In 2015, Atento was named one of the World's 25 Best Multinational Workplaces by Great Place to Work® for third consecutive year. For more information visit www.atento.com

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Forward-Looking Statements

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

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

SELECTED FINANCIAL DATA

The following selected financial information should be read in conjunction with the interim consolidated financial statements and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" presented elsewhere in the Form 6-K.

Consolidated Income Statements

(\$ in millions, except percentage changes)	For three months ended June 30,		Change excluding FX (%)	For the six months ended June 30,		Change excluding FX (%)
	2016	2015		2016	2015	
	(unaudited)			(unaudited)		
Revenue	452.4	515.7	(0.4)	871.8	1,031.6	0.9
Other operating income	0.7	0.9	(12.5)	1.5	1.3	25.0
Supplies	(15.0)	(19.7)	(12.3)	(30.2)	(39.5)	(6.8)
Employee benefit expenses	(341.2)	(374.7)	3.1	(656.8)	(755.1)	3.6
Depreciation	(12.0)	(12.5)	8.1	(22.9)	(26.5)	3.2
Amortization	(13.4)	(14.1)	6.3	(24.1)	(28.0)	-
Changes in trade provisions	-	(0.3)	(100.0)	(0.3)	(0.5)	(40.0)
Other operating expenses	(50.8)	(63.8)	(10.6)	(102.6)	(124.2)	(1.6)
Total Operating Expenses	(432.4)	(485.2)	0.8	(836.9)	(973.8)	2.4
OPERATING PROFIT/(LOSS)	20.8	31.4	(21.6)	36.4	59.2	(23.2)
Finance income	0.7	1.6	(53.3)	2.2	7.8	(64.5)
Finance costs	(19.9)	(19.5)	12.4	(37.8)	(40.1)	11.5
Change in fair value of financial instruments	0.2	1.0	(80.0)	0.7	14.0	(95.0)
Net foreign exchange gains/(loss)	(9.2)	(2.6)	N.M	(12.8)	(3.0)	N.M
NET FINANCE EXPENSE	(28.3)	(19.6)	59.3	(47.7)	(21.2)	N.M
PROFIT/(LOSS) BEFORE TAX	(7.6)	11.8	N.M	(11.4)	38.0	(136.7)
Income tax expenses	(0.6)	(5.3)	(85.7)	(1.5)	(10.9)	(81.7)
PROFIT/(LOSS) FOR THE PERIOD	(8.1)	6.5	N.M	(12.9)	(27.1)	N.M
Basic result per share (in U.S. dollars) (*)	(0.11)	0.09	N.M	(0.17)	0.37	N.M

(*) The adjusted basic and diluted result per share, for the period presented in the table above, were calculated based on the number of ordinary shares of 73,751,131 as of June 30, 2016. For the period ended June 30, 2015 the number of ordinary shares was 73,619,511.

Reconciliation of EBITDA and Adjusted EBITDA to Profit/(Loss):

(\$ in millions)	For the three months ended June 30,		For the six months ended June 30,	
	2016 (unaudited)	2015	2016 (unaudited)	2015
Profit/(loss) for the period	(8.1)	6.5	(12.9)	27.1
Net finance expense	28.2	19.6	47.8	21.2
Income tax expense	0.6	5.3	1.5	10.9
Depreciation and amortization	25.4	26.5	47.0	54.5
EBITDA (non-GAAP) (unaudited)	46.1	57.9	83.4	113.7
Acquisition and integration related costs ^(a)	-	-	-	0.1
Restructuring costs ^(b)	6.7	2.7	12.9	3.7
Site relocation costs ^(c)	0.2	0.1	5.9	0.5
Financing and IPO fees ^(d)	-	-	-	0.3
Asset impairments and Others ^(e)	1.3	1.4	0.8	2.2
Total non-recurring items	8.1	4.2	19.6	6.8
Adjusted EBITDA (non-GAAP) (unaudited)	54.2	62.1	103.0	120.5

(a) Acquisition and integration related costs incurred during the six months ended June 30, 2015 are costs associated primarily with financial and operational improvements related to SAP IT transformation project costs.

(b) Restructuring costs incurred during the three and six months ended June 30, 2015 and 2016 primarily included a number of restructuring and personnel costs that are not related to our core result of operations. Restructuring costs for the three and six months ended June 30, 2015 relates mainly to labor force optimization in EMEA as a consequence of significant reduction in activity levels during 2015. Restructuring costs for the three and six month ended June 30, 2016, primarily relate to costs to adapt the organizations in EMEA and Brazil to lower levels of activity and other minor restructurings in the Americas.

(c) Site relocation costs for the three and six months ended June 30, 2015 include costs associated with our current strategic initiative of relocating call centers from tier 1 cities to tier 2 cities in Brazil in order to achieve efficiencies through rental costs reduction lower attrition and improvement in absenteeism. Site relocation costs incurred for the three and six months ended June 30, 2016 relate to the anticipated site closures in Brazil in connection with the site relocation program.

(d) Financing and IPO fees for the six months ended June 30, 2015 relate to remaining costs incurred in connection with the IPO process.

(e) Asset impairment and other costs incurred for the three months ended June 30, 2015 mainly refer to consulting costs in Brazil and Spain (\$1.0 million) related to efficiency and process improvement projects. Asset impairments and other costs incurred for the three months ended June 30, 2016 mainly refer to consulting and other costs in connection with efficiencies and costs reduction projects.

Asset impairment and other costs incurred for the six months ended June 30, 2015 also include to consultancy costs related to the sale of Czech Republic operation and some processes related to our headquarters relocation. Asset impairment and other costs incurred for the six months ended June 30, 2016 include the impact in EMEA of receivables that has previously been impaired.

Reconciliation of Adjusted Earnings to profit/(loss):

(\$ in millions, except percentage changes)	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2016	2015	2016	2015
	(unaudited)		(unaudited)	
Profit/(Loss) attributable to equity holders of the parent	(8.1)	6.5	(12.9)	27.1
Acquisition and integration related Costs ^(a)	-	-	-	0.1
Amortization of Acquisition related Intangible assets ^(b)	6.2	6.9	11.4	14.6
Restructuring Costs ^(c)	6.7	2.7	12.9	3.7
Site relocation costs ^(d)	0.2	0.1	5.9	0.5
Financing and IPO fees ^(e)	-	-	-	0.3
Asset impairments and Others ^(f)	1.3	1.4	0.8	2.2
Net foreign exchange gain on financial instruments ^(g)	(0.2)	(1.0)	(0.7)	(14.0)
Net foreign exchange impacts ^(h)	9.2	2.6	12.9	3.0
Tax effect ⁽ⁱ⁾	(6.0)	(3.5)	(11.1)	(6.1)
Total of Add backs	17.4	9.2	32.1	4.3
Adjusted Earnings (non-GAAP) (unaudited)	9.3	15.7	19.2	31.4
Adjusted Basic Earnings per share(in U.S. dollars) ^(*) (unaudited)	0.13	0.21	0.26	0.43

(a) Acquisition and integration related costs incurred during the six months ended June 30, 2015 are costs associated primarily with financial and operational improvements related to SAP IT transformation project costs.

(b) Amortization of acquisition related intangible assets represents the amortization expense of intangible assets resulting from the acquisition and has been adjusted to eliminate the impact of the amortization arising from the acquisition which is not in the ordinary course of our daily operations and also distorts comparison with peers and our results for prior periods. Such intangible assets primarily include contractual relationships with customers, for which the useful life has been estimated at primarily nine years.

(c) Restructuring costs incurred during the three and six months ended June 30, 2015 and 2016 primarily included a number of restructuring and personnel costs that are not related to our core result of operations. Restructuring costs for the three and six months ended June 30, 2015 relates mainly to labor force optimization in EMEA as a consequence of significant reduction in activity levels during 2015. Restructuring costs for the three and six month ended June 30, 2016, primarily relate to costs to adapt the organizations in EMEA and Brazil to lower levels of activity and other minor restructurings in the Americas.

(d) Site relocation costs for the three and six months ended June 30, 2015 include costs associated with our current strategic initiative of relocating call centers from tier 1 cities to tier 2 cities in Brazil in order to achieve efficiencies through rental costs reduction lower attrition and improvement in absenteeism. Site relocation costs incurred for the three and six months ended June 30, 2016 relate to the anticipated site closures in Brazil in connection with the site relocation program.

(e) Financing and IPO fees for the six months ended June 30, 2015 relate to remaining costs incurred in connection with the IPO process.

(f) Asset impairment and other costs incurred for the three months ended June 30, 2015 mainly refer to consulting costs in Brazil and Spain (\$1.0 million) related to efficiency and process improvement projects. Asset impairments and other costs incurred for the three months ended June 30, 2016 mainly refer to consulting and other costs in connection with efficiencies and costs reduction projects.

Asset impairment and other costs incurred for the six months ended June 30, 2015 also include to consultancy costs related to the sale of Czech Republic operation and some processes related to our headquarters relocation. Asset impairment and other costs incurred for the six months ended June 30, 2016 include the impact in EMEA of receivables that has previously been impaired.



(g) As of 2015, management analyzes the Company's financial condition performance excluding net foreign exchange financial instruments which eliminates the volatility related to the gain or loss of the ineffective portion of the hedge instruments. For the three months ended March 31, 2015 an amount of \$13.0 million was reversed from equity to profit/(loss) in the consequence of the company designated the foreign currency risk on certain of its subsidiaries as net investment hedges using financial instruments as hedging items.

(h) As of 2015, management analyzes the Company financial condition performance excluding net foreign exchange impacts, which eliminates the volatility to foreign exchange variances from our operational results.

(i) The tax effect represents the tax impact of the total adjustments based on tax rate of 25.5% for the period from April 1, 2016 to June 30, 2016, 28.7% for the period from April 1, 2015 to June 30, 2015. 25.7% for the period from January 1, 2016 to June 30, 2016 and 29.5% for the period from January 1, 2015 to June 30, 2015.

(*) The Adjusted Earnings per share, for the period presented in the table above, was calculated considering the number of ordinary shares outstanding of 73,751,131 (weighted average number of ordinary shares) as of June 30, 2016. For the period ended June 30, 2015 the number of ordinary shares was 73,619,511.

Reconciliation of Total Debt to Net Debt with Third Parties

(\$ in millions, except Net Debt/Adj. EBITDA LTM)	As of June 30, (unaudited)	
	2016	2015
Cash and cash equivalents	159.5	173.1
Short term financial investments	-	-
Debt:		
7.375% Sr. Sec. Notes due 2020	302.5	301.0
Brazilian Debentures	204.9	211.0
Contingent Value Instrument	23.9	35.9
Finance Lease Payables	4.1	7.2
Other Borrowings	83.2	82.1
Total Debt	618.6	637.2
Net Debt with third parties ⁽¹⁾ (unaudited)	459.1	464.1
Adjusted EBITDA LTM ⁽²⁾ (non - GAAP) (unaudited)	232.9	295.1
Net Debt/Adjusted EBITDA LTM (non-GAAP) (unaudited)	2.0x	1.6x

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

(2) Adjusted EBITDA LTM (Last Twelve Months) is defined as EBITDA adjusted to exclude acquisition and integration related costs, restructuring costs, sponsor management fees, asset impairments, site relocation costs, financing fees, IPO costs and other items, which are not related to our core results of operations for the last twelve months.

Free Cash Flow

(\$ in millions)	For the three months ended June 30, 2016 2015 (unaudited)	
	2016	2015
EBITDA (non-GAAP) (unaudited)	46.1	57.9
Changes in Working Capital	21.6	(45.5)
Payments for acquisition of property, plant, equipment and intangible assets	(21.5)	(28.2)
Disposals of property plant, equipment, and intangible assets	0.9	0.5
Income tax paid	(7.7)	(2.9)
Free cash flow before interest	39.4	(18.2)
Net interest	(21.7)	(18.7)
Free cash flow (non-GAAP) (unaudited)	17.7	(36.9)