

Atento Reports Fiscal 2018 Third-Quarter Results Highlighted by Delivery of Turnaround in Brazil

- Adjusted EBITDA margin up 0.5 p.p. sequentially, driven by strong margin expansion in Brazil.
- Brazil Adj. EBITDA margin expansion of 3.3 p.p. sequentially to 11.9%.
- Revenues up 0.9% YoY in Q3, driven by continued growth in Multisector; YTD revenues increased 4.2%.
- Multisector revenue up 1.2% in the quarter, driven by growth in Brazil and EMEA.
- Higher value-added solutions expanded 0.7 p.p. to 27.1% of total revenue.
- Recurring EPS increased 17.3% to \$0.25
- Free cash flow before interest and acquisitions of \$36.7 million, with positive FCF of \$18.3 million
- Net debt down 3.0% sequentially to \$360.2 million, with net leverage at 1.8x
- Robust Balance Sheet and Cash Flow generation allow pursuit of accretive growth opportunities
- Share buyback program acquired 0.7 million shares in Q3 at a cost of \$5.3 million. At September 30, 2018, the remaining authorization to purchase outstanding shares was \$24.7million.

NEW YORK, November 12, 2018 -- Atento S.A. (NYSE: ATTO) (“Atento” or the “Company”), the largest provider of customer-relationship management and business-process outsourcing services in Latin America, and among the top five providers globally, today announced its third-quarter 2018 operating and financial results. All comparisons in this announcement are year-over-year and in constant-currency (CCY), unless noted otherwise, and may differ from 6K due to certain intra-group eliminations.

Summary

(\$ in millions except EPS)	Q3 2018	Q3 2017	CCY Growth	YTD 2018	YTD 2017	CCY Growth
Income Statement						
Revenue	432.6	501.3	+0.9%	1,396.4	1,443.0	+4.2%
EBITDA ⁽¹⁾	46.9	54.4	+2.4%	145.8	150.8	+5.2%
EBITDA Margin	10.9%	10.9%	0.0 p.p.	10.4%	10.5%	-0.1 p.p.
Adjusted EBITDA ⁽¹⁾	46.9	59.7	-7.8%	145.8	165.8	-4.3%
Adjusted EBITDA Margin	10.9%	11.9%	-1.0 p.p.	10.4%	11.5%	-1.1 p.p.
Net Income ⁽²⁾	3.1	(10.1)	n.m.	5.4	(4.7)	n.m.
Recurring Net Income ⁽²⁾	18.4	17.6	+17.3%	40.5	39.1	11.3%
Earnings Per Share ⁽²⁾	\$0.04	(\$0.14)	n.m.	\$0.07	(\$0.06)	n.m.
Recurring Earnings Per Share ⁽²⁾	\$0.25	\$0.24	+17.3%	\$0.55	\$0.53	+11.3%
Cashflow, Debt and Leverage						
Free Cash Flow ⁽³⁾	36.7	47.5		43.7	40.7	
Net Debt	360.2	342.9				
Leverage (x)	1.8x	1.5x				

(1) EBITDA is defined as profit/(loss) for the period from continuing operations before net finance costs, income taxes and depreciation and amortization.

Adjusted EBITDA is defined as EBITDA adjusted to exclude restructuring costs, site relocation costs and other items not related to our core results of operations. EBITDA and Adjusted EBITDA are not measures defined by IFRS. The most directly comparable IFRS measure to EBITDA and Adjusted EBITDA is profit/(loss) for the year/period from continuing operations.

(2) Reported Net Income and Earnings Per Share and Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Earnings Per Share refer only to continuing operations. Reported and Adjusted Earnings Per Share, for the period ended September 30, 2018, were calculated considering the weighted average number of ordinary shares of 73,885,474. For the period ended September 30, 2017, the number of ordinary shares was 73,909,056. Recurring Earnings and EPS attributable to Owners of the parent company

(3) We define Free Cash Flow before interest and acquisitions as operating cashflow minus Capex payments and income tax expenses.

Message of the CEO and CFO

Alejandro Reynal, Atento's Chief Executive Officer, commented, "We delivered a good quarterly result, driven by the performance of our Brazil and EMEA operations. Brazil, our flagship operation, remains at the forefront of Atento's profitable growth strategy and closed the quarter with a substantial margin improvement. During the period we also completed the carve out of Unimed Rio in Brazil, increasing our market share in the healthcare sector, one of the fastest growing verticals for CRM/BPO services in the country. We continue strengthening our market share in Latin America and diversifying our revenue mix, fueled by new client wins across our footprint."

Mauricio Montilha, Atento's Chief Financial Officer, said, "Atento's robust balance sheet and strong cash flow generation are allowing us to pursue accretive growth opportunities that further diversify our revenue base and to continue focusing on evolving the digital value offering to our clients. The recent strategic partnership with T-Systems in Brazil for managing datacenters will help accelerate the roll out of our digital and BPO solutions."

Mr. Reynal concluded, "As we expect to develop our business in a mixed political macro scenario, with volatility in some countries and potential improvement in others, our commercial pipeline remains strong and reflects the acceleration of our move into digital services, while new clients wins across all regions form a base for future profitable growth."

Third Quarter Consolidated Operating Results

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

Consolidated revenues increased 0.9% to \$432.6 million in the third quarter of 2018, driven by a 1.2% rise in Multisector sales, mainly in Brazil and EMEA. It is important to note the unfavorable year-on-year comparison base due to acquisitions in Brazil and Argentina that impacted results as of Q3 2017.

New client wins during the quarter helped offset overall volume and price pressures in the more massive CRM programs across the Company's geographic markets. On a nine-month basis, revenues grew 4.2% to \$1,396.4 million.

At the end of the quarter, Multisector revenues accounted for 61.6% of consolidated revenue. On a nine-month basis, Multisector revenues increased 6.1% and represented 61.3% of revenues.

Higher value-added solutions increased 0.7% sequentially to 27.1% of total revenues. Client demand for solutions, including Digital, remains at above 1/3 of qualified pipeline.

Revenues from Telefónica increased 0.5% in the quarter, accounting for 38.4% of total revenue. Atento remains Telefónica's reference partner for CRM/BPO services.

EBITDA increased 0.5 p.p. sequentially, driven by a 3.3 p.p. margin expansion in the Brazilian operation. Compared to last year's comparable quarter, EBITDA increased 2.4% to \$46.9 million, with the margin stable at 10.9%. On a nine-month basis, EBITDA increased 5.2% to \$145.8 million, with the margin declining 0.1 p.p. to 10.4%.

Recurring net income attributable to owners of the parent company increased 17.3% to \$18.4 million, or \$0.25 per share. The higher Recurring EPS was positively impacted by a \$7.6 million pre-tax gain resulting from a mark-to-market of the Real/US dollar hedge related to the interest of Atento's 2022 senior secured notes.

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

Segment Reporting

(\$ in millions)	Q3 2018	Q3 2017	CCY growth	YTD 2018	YTD 2017	CCY growth
Brazil Region						
Revenue	204.4	248.5	+2.8%	664.5	720.3	4.2%
Adjusted EBITDA	24.3	32.1	-5.7%	69.8	95.1	-17.2%
<i>Adjusted EBITDA Margin</i>	11.9%	12.9%	-1.0 p.p.	10.5%	13.2%	-2.7 p.p.
Operating Income/(loss)	1.4	3.0	-33.7%	(2.7)	13.9	N.M
Americas Region						
Revenue	174.1	198.4	-1.2%	558.2	557.5	6.5%
Adjusted EBITDA	19.7	23.7	-8.6%	66.8	62.9	11.2%
<i>Adjusted EBITDA Margin</i>	11.3%	12.0%	-0.6 p.p.	12.0%	11.3%	0.7 p.p.
Operating Income/(loss)	(2.8)	(0.9)	-30.9%	6.7	5.5	48.5%
EMEA Region						
Revenue	55.7	55.1	+2.1%	181.0	166.9	+0.7%
Adjusted EBITDA	5.7	3.5	+38.5%	16.7	11.6	+27.2%
<i>Adjusted EBITDA Margin</i>	10.3%	6.4%	+3.9 p.p.	9.2%	7.0%	+2.4 p.p.
Operating Income/(loss)	0.7	(9.2)	N.M	1.5	(12.4)	N.M

Brazil

Following a challenging beginning in the year, Atento delivered a solid margin turnaround in its flagship Brazilian operations, a result of operational improvements made in 1H18. Brazil's operations remain at the forefront of Atento's growth strategy, with a focus on profitability and evolving the value offering. Atento Brazil's solutions factory is helping accelerate the Group's move into digital services and leading the standardization and roll out of digital solutions (Data Driven Digital Sales, Data Driven Customer Care, Digital Back Office, Digital Collections), as well as the Analytics and Business Process Consulting offerings.

Additionally, it is important to highlight two key achievements during the third quarter:

- The Unimed Rio carve out, which accelerates Atento's penetration of the healthcare segment, one of the fastest growing verticals for CRM services in Brazil ([click here](#) for full details)
- The strategic partnership with T-Systems for managing data centers in Brazil, which speeds Atento's transformation into a digital BPO solutions provider enables faster and easier roll-outs of new services and solutions for clients ([click here](#) for full details).

Better Experiences. Higher Value

Revenues in Brazil grew 2.8% during the third quarter to \$204.4 million and 4.2% year-to-date, as multisector clients continued driving sales growth.

Financial Services clients drove a 3.4% YoY increase in Multisector sales, leading the way for the Group in revenue diversification. The share of total sales in Brazil was 0.4 p.p. higher to 70.3%. Year-to-date, Multisector revenue increased 4.9%.

On a quarterly and year-to-date basis, revenues from Telefónica increased 1.5% and 2.8%, respectively, representing 29.7% and 30.6% of total revenue in Brazil. During the quarter, Atento delivered the first digital solutions for Vivo within the TEF Group.

Adjusted EBITDA margin improved 3.3 p.p. on a sequential basis to 11.9%, reflecting the operational improvements made in the first half of 2018. Year-over-year, Adjusted EBITDA decreased 5.7% to \$24.3 million.

Americas Region

In the Americas region, revenue decreased 1.2% YoY to \$174.1 million, while increasing 6.5% year-to-date. The decrease was driven by lower volumes in the telco space, mainly in the more massive CRM and the impact of weaker economic activity in Argentina. Performance in the Financial Services sector was mixed, with new client wins in Chile offset by weaker volume and price pressures in Mexico.

Due to these factors, Multisector revenue declined 2.4%. At the end of the quarter, Multisector sales accounted for 58.3% of the revenue mix in the Americas, down 0.4 p.p. On a nine-month basis, Multisector sales increased 7.9%, 1.3 p.p. to 58.9% of Americas' revenue.

Telefónica revenue increased 0.2% and accounted for 41.7% of Americas sales during the quarter. Year-to-date, Telefónica revenues increased 2.9%, representing 41.1% of total Americas revenues in the period.

Adjusted EBITDA decreased 8.6% to \$19.7 million, with the margin declining 0.6 p.p. to 11.3% in the third quarter, in line with the expected normalized level, and rising 0.7 p.p. to 12.0% on a nine-month basis. The third quarter margin decline was mostly due to lower volumes in the more massive CRM programs and to weaker economic activity in Argentina.

EMEA Region

Revenue in the EMEA region grew 2.1% over last year's quarter to \$55.7 million. The growth was driven by a 6.8% rise in Multisector sales, which were supported by growth in non-Telefónica telco clients. Year-to-date, EMEA revenue increased 8.9%.

In the third quarter, Multisector revenue increased 1.8 p.p. to 40.5% of total EMEA sales. For the nine-month period, Multisector revenue rose 2.9 p.p. to 39.4% of the region's sales.

Due to lower volumes, Telefónica revenues decreased 0.9% in the quarter. Year-to-date, they declined 4.0%.

Adjusted EBITDA for the EMEA region grew 38.5% to \$5.7 million with the margin expanding 3.9 p.p. to 10.3%, a good result considering the more mature stage of this market. On a year-to-date basis, the Adjusted EBITDA margin expanded 2.4 p.p. to 9.2%. The margin expansion was primarily due to higher Multisector volumes, primarily non-Telefónica telco clients.

Cash Flow and Capital Structure

During the third quarter, Atento generated Free Cash Flow before interest and acquisitions of \$36.7 million, with a positive Free Cash Flow of \$18.3 million. Year-to-date, Free Cash Flow before interest and acquisitions amounted \$43.7 million.

Cash capex accounted for 2.7% of revenues compared to 3.5% year-to-date. The decrease is mainly explained by the optimization of the utilization rate.

Year-to-date EBITDA-to-cash conversion improved 5.3 percentage points to 29.9%.

At the end of September 2018, Atento held cash and cash equivalents of \$96.5 million and available revolving credit facilities of \$100 million, implying total liquidity of \$196.5 million.

Atento's net debt decreased 3.0% sequentially to \$360.2 million, while gross debt decreased 4.4% sequentially to \$458.0 million on lower use of revolvers and debt amortization. Net leverage increased to 1.8x from 1.7x in the second quarter, mainly due to the effect of currency translation on EBITDA.

Recent Developments

New Customer Relationship Center in Chile: On October 17th, Atento opened its fourth Customer Relationship Center in Chile, reinforcing its leadership position in the country. The center has over 350 operational workstations and the capacity to expand above 500 in the short term. Including state-of-the-art facilities, it already has more than 300 agents specialized in customer care and sales solutions for the banking and financial services sector. Solutions are provided through an omnichannel platform combining traditional and digital channels and automation solutions. The center is located in Santiago's Mall Plaza Norte and has common spaces and rooms for training and selection. [Click here](#) for full details.

CRC Gold Awards in Spain: On November 1st, Atento was recognized, for the 3rd consecutive year, as the best customer service outsourcer in Spain, on this occasion for its service to Endesa. The recognition is within the framework of the CRC Gold Awards, the benchmark awards Spain's CRM industry, for excellence in CRM/ BPO management in the country. [Click here](#) for full details.

Great Place To Work® Argentina: Atento was ranked number 6 on the list of Argentina's best companies to work in the "More than 1,000 employees" category, according to Great Place to Work®. Atento is the only company in the CRM/BPO sector to be included in this prestigious ranking for 12 consecutive years in the country, reflecting the strength of its corporate culture and its commitment to fostering an excellent work environment. Great Place to Work® also gave a special recognition for Atento Argentina's inclusion policy. Sixty-five percent of employees are women 50% represent mid-level leadership teams and supervisor roles, and 3 of the 8 seats on the company's Management Committee are held by women. [Click here](#) for full details.

Atento strengthens leadership in LatAm: Frost & Sullivan, the global consulting company specialized in growth strategies, has identified Atento as the clear leader in contact center outsourcing services in Latin America, according to its annual study, "Analysis of the Contact Center Outsourcing Services Market in Latin America and the Caribbean, Forecast to 2023". In addition to being the leader at the regional level, Atento is also the market leader in Brazil, Argentina, Chile, Peru and Mexico. In Brazil, the largest market in the region, which accounts for nearly 40% of the revenues in the continent, Atento's share reached 26.6% of the total market in 2017, an increase of 1.9p.p. vs the previous year and 12.3p.p. above its closest competitor. Atento also gained market share in Argentina, Colombia and Chile. When considering just aggregated domestic demand in Latin America (domestic market and the LATAM-Shore segment), Atento's market share reached 23.7%, an increase of 1.0 p.p. versus the previous year and 16.2 p.p. above its closest competitor. [Click here](#) for full details.

Better Experiences. Higher Value

Conference Call

The Company will host a conference call and webcast on Tuesday, November 13, 2018 at 10:00 am ET to discuss its financial results. The conference call can be accessed by dialing: +1 (877) 407-0784 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) 689-8560 toll free. No passcode is required. Individuals who dial in will be asked to identify themselves and their affiliations. The live webcast of the conference call will be available 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) solutions in Latin America, and among the top five providers globally, based on revenues. Atento is also a leading provider of nearshoring CRM/BPO services to companies that carry out their activities in the United States. Since 1999, the company has developed its business model in 13 countries where it employs 150,000 people. Atento has over 400 clients to whom it offers a wide range of CRM/BPO services through multiple channels. Atento's clients are mostly leading multinational corporations in sectors such as telecommunications, banking and financial services, health, retail and public administrations, among others. Atento's shares trade under the symbol ATTO on the New York Stock Exchange (NYSE). In 2016, Atento was named one of the World's 25 Best Multinational Workplaces by Great Place to Work® for a fourth 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.

Reconciliation of EBITDA and Adjusted EBITDA to profit/(loss):

(\$ in millions)	For the three months ended September 30,		For the nine months ended September 30,	
	2017	2018 (unaudited)	2017	2018
(Loss)/profit for the period	(10.1)	3.1	(4.7)	5.4
Net finance expense	37.7	18.3	68.8	59.8
Income tax expense	(2.8)	3.8	8.3	8.9
Depreciation and amortization	29.6	21.8	78.4	71.7
EBITDA (non-GAAP) (unaudited)	54.4	46.9	150.8	145.8
Restructuring costs ^(a)	1.3	-	10.2	-
Other ^(b)	4.0	-	4.8	-
Total non-recurring items ^(*)	5.3	-	15.0	-
Adjusted EBITDA (non-GAAP) (unaudited)	59.7	46.9	165.8	145.8

(*) We define non-recurring items as items that are limited in number, clearly identifiable, unusual, are unlikely to be repeated in the near future in the ordinary course of business and that have a material impact on the consolidated results of operations. Non-recurring items can be summarized as demonstrated below:

- a) Restructuring costs primarily included restructuring activities and other personnel costs that were not related to our core results of operations. Restructuring costs for the three and nine months ended September 30, 2017, primarily relates to the costs to adapt the organization in Argentina and Brazil to the lower level of activities and the investments made in Brazil, Mexico and Spain to implement a lower-cost operating model.
- b) Other non-recurring items for three and nine months ended September 30, 2017, mainly refer to consulting and other non-recurring costs.

Reconciliation of Adjusted Earnings to profit/(loss):

(\$ in millions)	For the three months ended September 30,		For the nine months ended September 30,	
	2017	2018	2017	2018
	(unaudited)			
(Loss)/profit for the period	(10.1)	3.1	(4.7)	5.4
Amortization of acquisition related intangible assets ^(a)	5.7	5.1	16.8	16.1
Restructuring costs ^{(b) (*)}	1.3	-	10.2	-
Other ^{(c) (*)}	4.0	-	4.8	-
Change in fair value of financial instruments ^(d)	2.4	5.9	2.6	-
Net foreign exchange gain/(loss)	3.2	9.3	4.2	31.1
Financial non-recurring ^(e)	17.7	-	17.7	-
Depreciation non-recurring ^(f)	2.8	-	2.8	-
Tax effect ^(g)	(7.4)	(4.6)	(13.0)	(10.7)
Total of add-backs	29.7	15.7	46.1	36.5
Adjusted Earnings (non-GAAP) (unaudited)	19.6	18.7	41.4	41.9
Adjusted Earnings per share (in U.S. dollars) (***) (unaudited)	0.27	0.25	0.56	0.57
Adjusted Earnings attributable to Owners of the parent (non-GAAP) (unaudited)	17.6	18.4	39.1	40.5
Adjusted Earnings per share attributable to Owners of the parent (in U.S. dollars) (***) (unaudited)	0.24	0.25	0.53	0.55

(*) We define non-recurring items as items that are limited in number, clearly identifiable, unusual, are unlikely to be repeated in the near future in the ordinary course of business and that have a material impact on the consolidated results of operations. Non-recurring items can be summarized as demonstrated below:

- (a) Amortization of acquisition related intangible assets represents the amortization expense of customer base, recorded as intangible assets. This customer base represents the fair value (within the business combination involving the acquisition of control of Atento Group) of the intangible assets arising from service agreements (tacit or explicitly formulated in contracts) with Telefónica Group and with other customers.
- (b) Restructuring costs primarily included restructuring activities and other personnel costs that were not related to our core results of operations. Restructuring costs for the three and nine months ended September 30, 2017, primarily relates to the costs to adapt the organization in Argentina and Brazil to the lower level of activities and the investments made in Brazil, Mexico and Spain to implement a lower-cost operating model.
- (c) Other non-recurring items for three and nine months ended September 30, 2017, mainly refer to consulting and other non-recurring costs.
- (d) Since April 1, 2015, the Company designated the foreign currency risk on certain of its subsidiaries as net investment hedges using financial instruments as the hedging items. As a consequence, any gain or loss on the hedging instrument, related to the effective portion of the hedge is recognized in other comprehensive income (equity) as from that date. The gains or losses related to the ineffective portion are recognized in the statements of operations and for comparability, and those adjustments are added back to calculate Adjusted Earnings.
- (e) Financial non-recurring relates to the costs incurred in the debt refinance process occurred in August 2017, which includes: (i) 2020 Senior Secured Notes call premium of \$11.1 million and amortization of issuance costs of \$4.9 million; (ii) Brazilian debentures due 2019 penalty fee of \$0.7 million and remaining balance of the issuance cost of \$1.0 million.
- (f) Non-recurring depreciation relates to the provision for accelerated depreciation of fixed assets in Puerto Rico and Mexico, due to the natural disasters.
- (g) The tax effect represents the impact of the taxable adjustments based on tax nominal rate by country. For the three months ended September 30, 2017 and 2018, the effective tax rate after moving non-recurring items was 19.0% and 31.0%, respectively. For the nine months ended September 30, 2017 and 2018, the effective tax rate after moving non-recurring items was 34.0% and 31.9%, respectively.

(**) Adjusted Earnings per share is calculated based on the weighted average number of ordinary shares outstanding of 73,909,056 as of September 30, 2017 and 73,885,474 as of September 30, 2018.

Financing Arrangements

Net debt with third parties as of September 30, 2017 and 2018 is as follow:

(\$ in millions, except Net Debt/Adj. EBITDA LTM)	As of September 30,	
	2017	2018
	(unaudited)	
Cash and cash equivalents	162.8	97.7
Debt:		
Senior Secured Notes	393.8	393.3
Brazilian Debentures	22.5	16.2
BNDES	56.3	27.9
Finance Lease Payables	9.8	6.2
Other Borrowings	23.4	14.3
Total Debt	505.7	458.0
Net Debt with third parties ⁽¹⁾ (unaudited)	342.9	360.2
Adjusted EBITDA LTM ⁽²⁾ (non-GAAP) (unaudited)	224.4	200.9
Net Debt/Adjusted EBITDA LTM (non-GAAP) (unaudited)	1.5x	1.8x

1) In considering our financial condition, our management analyzes Net debt with third parties, which is defined as total debt less cash and cash equivalents. Net debt with third parties is not a measure defined by IFRS and it has limitations as an analytical tool. Net debt with third parties 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 restructuring costs, site relocation costs and other items not related to our core results of operations.

Consolidated Statements of Operations for the Three and Nine Months Ended September 30, 2017 and 2018

(\$ in millions, except percentage changes)	For the three months ended September 30,		Change (%)	Change excluding FX (%)	For the nine months ended September 30,		Change (%)	Change excluding FX (%)
	2017	2018			2017	2018		
	(unaudited)				(unaudited)			
Revenue	501.3	432.6	(13.7)	0.9	1,443.0	1,396.4	(3.2)	4.2
Other operating income	4.8	7.2	50.6	139.2	13.9	15.1	8.9	33.1
Operating expenses:								
Supplies	(20.8)	(19.5)	(6.0)	20.6	(55.1)	(54.2)	(1.6)	9.6
Employee benefit expenses	(369.1)	(321.5)	(12.9)	1.6	(1,070.0)	(1,046.3)	(2.2)	5.1
Depreciation	(14.4)	(12.3)	(14.3)	(3.1)	(37.3)	(31.8)	(14.7)	(8.8)
Amortization	(15.2)	(9.4)	(38.0)	(27.1)	(41.1)	(39.8)	(3.1)	3.5
Changes in trade provisions	-	(0.3)	N.M.	N.M.	-	(0.4)	N.M.	N.M.
Other operating expenses	(61.8)	(51.5)	(16.6)	(3.1)	(181.0)	(164.8)	(8.9)	(1.8)
Total operating expenses	(481.3)	(414.7)	(13.8)	0.7	(1,384.5)	(1,337.4)	(3.4)	4.0
Operating profit	24.8	25.2	1.5	24.8	72.4	74.1	2.3	13.7
Finance income	2.4	0.8	(66.1)	(58.9)	6.0	2.2	(63.8)	(59.9)
Finance costs	(34.5)	(3.9)	(88.7)	(87.9)	(68.0)	(30.9)	(54.6)	(52.3)
Change in fair value of financial instruments	(2.4)	(5.9)	146.3	149.0	(2.6)	-	(100.0)	(100.0)
Net foreign exchange loss	(3.2)	(9.3)	N.M.	N.M.	(4.2)	(31.1)	N.M.	N.M.
Net finance expense	(37.7)	(18.3)	(51.4)	(47.9)	(68.8)	(59.8)	(13.1)	(7.2)
Profit before income tax	(12.9)	6.9	N.M.	145.9	3.6	14.3	N.M.	N.M.
Income tax benefit/(expense)	2.8	(3.8)	N.M.	N.M.	(8.3)	(8.9)	6.7	7.6
(Loss)/profit for the period	(10.1)	3.1	130.3	125.0	(4.7)	5.4	N.M.	N.M.
(Loss)/profit attributable to:								
Owners of the parent	(12.0)	2.7	122.4	119.4	(6.9)	4.0	N.M.	(142.4)
Non-controlling interest	1.9	0.4	(80.1)	(76.1)	2.2	1.5	(33.9)	(20.3)
(Loss)/profit for the period	(10.1)	3.1	130.3	125.0	(4.7)	5.4	N.M.	N.M.
Other financial data:								
EBITDA ⁽¹⁾ (unaudited)	54.4	46.9	(13.7)	2.4	150.8	145.8	(3.3)	5.2
Adjusted EBITDA ⁽¹⁾ (unaudited)	59.7	46.9	(21.4)	(7.8)	165.8	145.8	(12.1)	(4.3)

(1) For reconciliation with IFRS as issued by IASB, see section "Summary Consolidated Historical Financial Information - Reconciliation of EBITDA and Adjusted EBITDA to profit/(loss)".

N.M. means not meaningful

ATENTO S.A. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
 As of December 31, 2017 and September 30, 2018
 (In thousands of U.S. dollars, unless otherwise indicated)

<u>ASSETS</u>	<u>Notes</u>	December 31, 2017 (audited)	September 30, 2018 (unaudited)
NON-CURRENT ASSETS		764,127	675,299
Intangible assets		230,104	214,259
Goodwill		153,144	128,656
Property, plant and equipment		152,195	115,680
Non-current financial assets		90,076	85,740
Trade and other receivables		21,677	12,380
Other non-current financial assets		60,222	62,458
Derivative financial instruments		8,177	10,902
Other taxes receivable		7,282	5,956
Deferred tax assets		131,326	125,008
CURRENT ASSETS		566,178	534,823
Trade and other receivables		410,534	419,188
Trade and other receivables		388,565	391,358
Current income tax receivable		21,969	27,830
Other taxes receivable		12,072	16,903
Other current financial assets		1,810	1,008
Cash and cash equivalents		141,762	97,724
TOTAL ASSETS		1,330,305	1,210,122

ATENTO S.A. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2017 and September 30, 2018
(In thousands of U.S. dollars, unless otherwise indicated)

<u>EQUITY AND LIABILITIES</u>	<u>Notes</u>	<u>December 31, 2017</u>	<u>September 30, 2018</u>
		<u>(audited)</u>	<u>(unaudited)</u>
TOTAL EQUITY		377,839	316,810
EQUITY ATTRIBUTABLE TO:			
NON-CONTROLLING INTEREST		9,476	9,250
OWNERS OF THE PARENT COMPANY		368,363	307,560
Share capital		48	48
Reserve for acquisition of non-controlling interest		(23,531)	(23,531)
Share premium		639,435	615,288
Treasury shares		-	(5,337)
Retained losses		(94,535)	(66,403)
Translation differences		(170,063)	(227,179)
Hedge accounting effects		9,594	3,203
Stock-based compensation		7,415	11,471
NON-CURRENT LIABILITIES		582,870	543,838
Deferred tax liabilities		43,942	33,348
Debt with third parties		439,731	414,268
Derivative financial instruments		5,140	2,241
Provisions and contingencies		61,186	52,478
Non-trade payables		8,094	18,597
Option for the acquisition of non-controlling interest		23,752	19,624
Other taxes payable		1,025	3,282
CURRENT LIABILITIES		369,596	349,474
Debt with third parties		46,560	43,711
Derivative financial instruments		1,212	596
Trade and other payables		302,756	291,109
Trade payables		94,078	73,907
Income tax payables		8,058	11,355
Other taxes payables		86,166	90,281
Other non-trade payables		114,454	115,566
Provisions and contingencies		19,068	14,058

TOTAL EQUITY AND LIABILITIES
1,330,305
1,210,122
Cash Flow:

(\$ in millions)	For the three months ended September 30,		For the nine months ended September 30,	
	2018	2017	2018	2017
	(unaudited) (***)		(unaudited) (***)	
Operating Cash Flow ⁽¹⁾	48.5	65.4	94.7	105.5
Cash Capex ⁽²⁾	-9.6	-13.1	-38.3	-49.9
Income Tax Paid	-2.2	-4.8	-12.7	-14.9
Free Cash Flow before interest and acquisitions	36.7	47.5	43.7	40.7
Acquisitions	0.0	0.0	0.0	-14.5
Net Financial Expenses ⁽³⁾	-18.4	9.1	-44.6	19.4
Free Cash Flow (FCF)	18.3	56.6	-1.0	-6.8

(1) We define Operating Cash flow as Net Cash flow from/(used in) operating activities (as per 6K) adding back net interest and income tax expenses.

(2) Does not consider acquisitions

(3) Interest payments related to the 2022 SSN are done every February and August, until Bond maturity in August 2022. Q1 2018 includes hedge adjustments of negative \$3.1 million and withholding taxes of negative \$1.6 million, versus hedge adjustments of positive \$1.5 million and no withholding taxes in Q1 2017.

(4) Interest payments related to the 2022 SSN are done every February and August, until Bond maturity in August 2022. Therefore, settlement of hedging instruments will impact Q1 and Q3 Net Financial Expenses cashflow of each year. Q3 2017 includes one-off gains of ~\$25million from unwinding existing hedge instruments related to the debt refinance process.

(***) These preliminary results are unaudited and are based on management's initial review of operations for the third quarter ended September 30, 2018 and remain subject to the completion of the Company's customary annual closing and review procedures. Final adjustments and other material developments may arise between the date hereof and the filing of the Company's Annual Report on Form 20-F.