

3Q18'S EARNINGS CONFERENCE CALL

November 8th, 2018

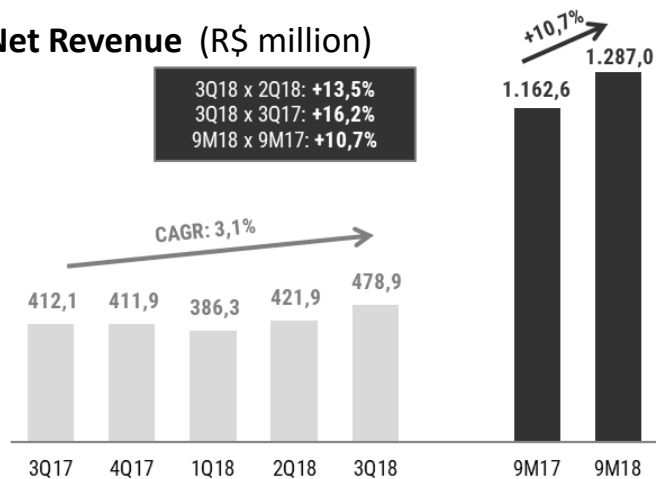
VALID

THE SECURE SIDE
OF INNOVATION

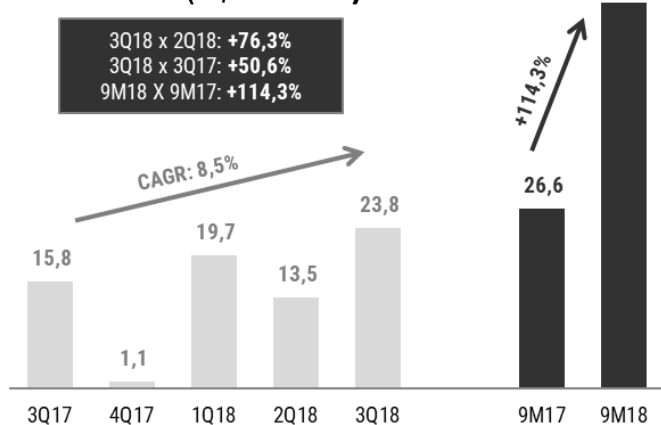


Consolidated Results

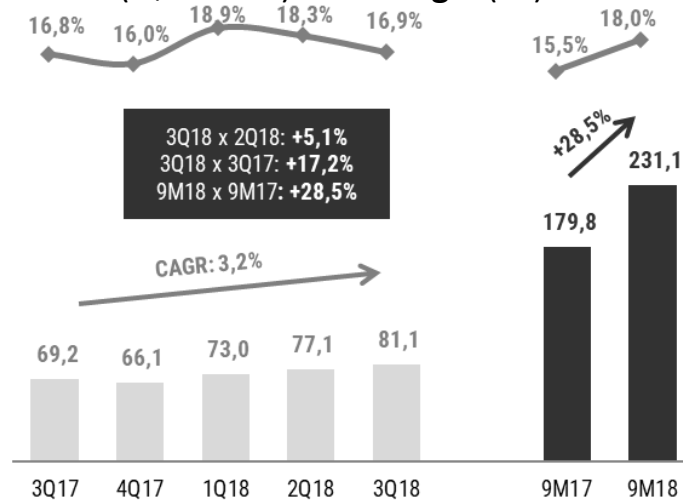
Net Revenue (R\$ million)



Net Income (R\$ million)



EBITDA (R\$ million) and Margin (%)

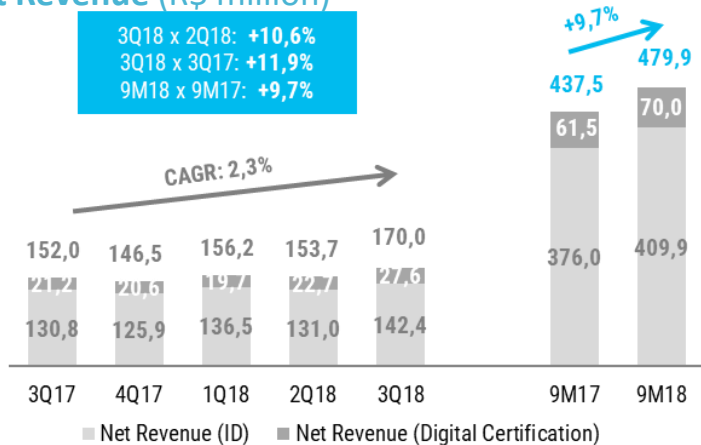


- Net Revenue increased by 16.2% vs. 3Q17 and by 10.7% in the 9M18.
- Revenues from foreign operations increased from US\$60.0 million to US\$61.1 million in 3Q18 vs. 3Q17.
- EBITDA increased by 17.2% compared to the 3Q17 and by 28.5% vs. 9M17.
- EBITDA was impacted by the recognition of an allowance for doubtful debt of R\$9.9 million in the Mobile division.
- **Historical record for the third time in 2018:** Not impacted by the allowance for doubtful debt, EBITDA would total R\$91 million, the highest of our history.
- Net Income increased by 50.6% compared to the 3Q17 and by 114.3% compared to the 9M17.
- Acquisition of a 51.8% stake in Agrotopus in October 2018.

Identity

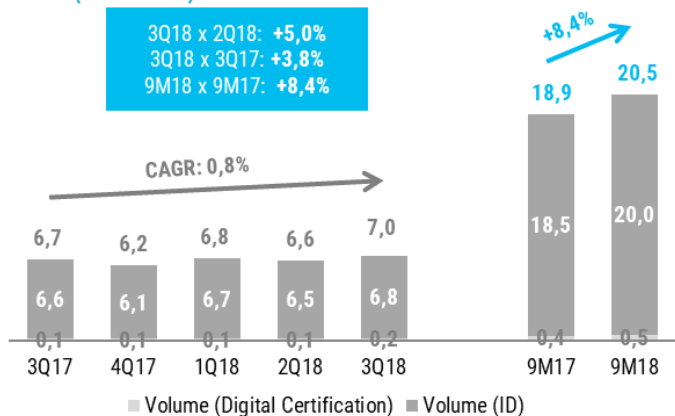
Net Revenue (R\$ million)

3Q18 x 2Q18: +10,6%
3Q18 x 3Q17: +11,9%
9M18 x 9M17: +9,7%

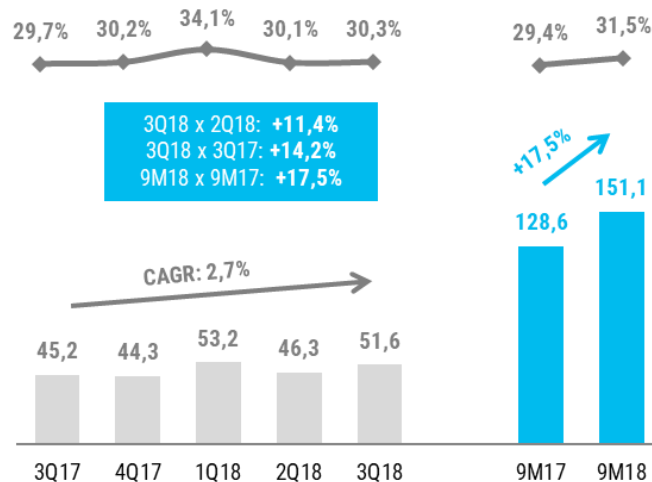


Volume (million)

3Q18 x 2Q18: +5,0%
3Q18 x 3Q17: +3,8%
9M18 x 9M17: +8,4%



EBITDA (R\$ million) and Margin (%)



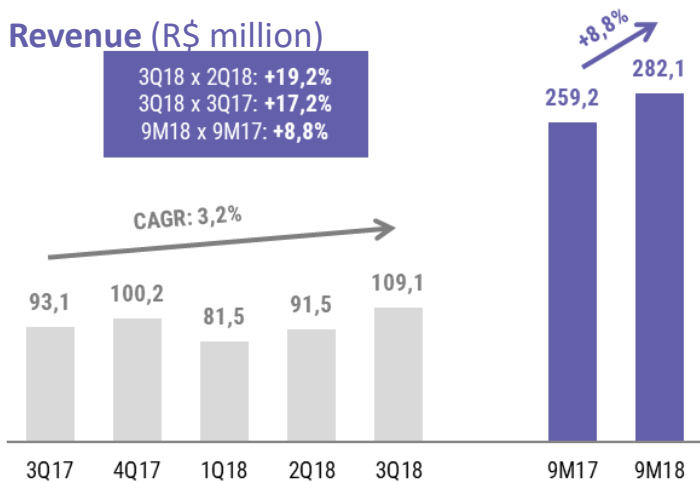
3Q18 x 2Q18: +11,4%
3Q18 x 3Q17: +14,2%
9M18 x 9M17: +17,5%

- Revenue increased by 11.9% compared to the 3Q17 and 9.7% compared to the 9M17.
- EBITDA of R\$51.6 million in the quarter and R\$151.1 million in the 9M18, an increase of 14.2% and 17.5%, respectively, compared to the 3Q17 and 9M17.
- Volume of driver cards and IDs increased by 4.6% compared to the 2Q18, 3.0% vs. 3Q17 and by 8.1% in the 9M18, positively impacted by the higher number of business days.
- New initiatives relating to Smart Cities beginning November 2018.

Mobile

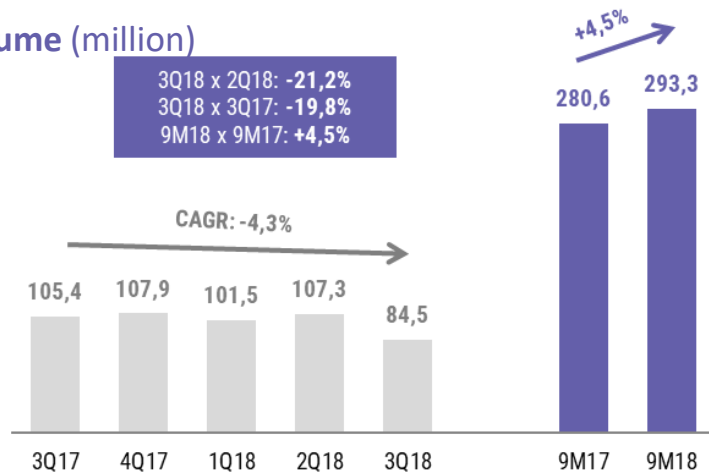
Net Revenue (R\$ million)

3Q18 x 2Q18: +19,2%
3Q18 x 3Q17: +17,2%
9M18 x 9M17: +8,8%

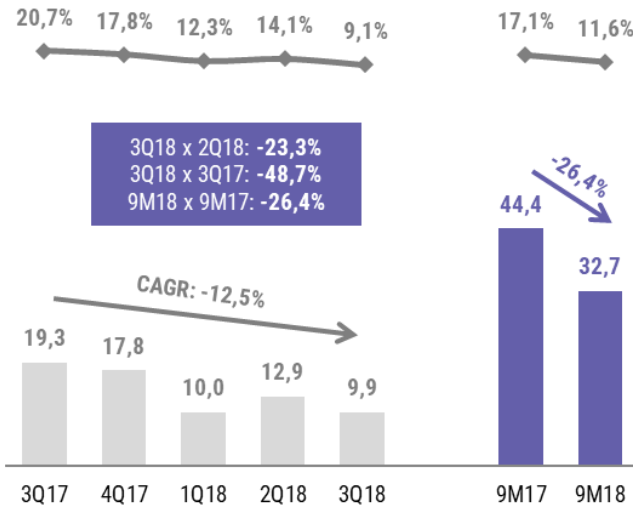


Volume (million)

3Q18 x 2Q18: -21,2%
3Q18 x 3Q17: -19,8%
9M18 x 9M17: +4,5%



EBITDA (R\$ million) and Margin (%)

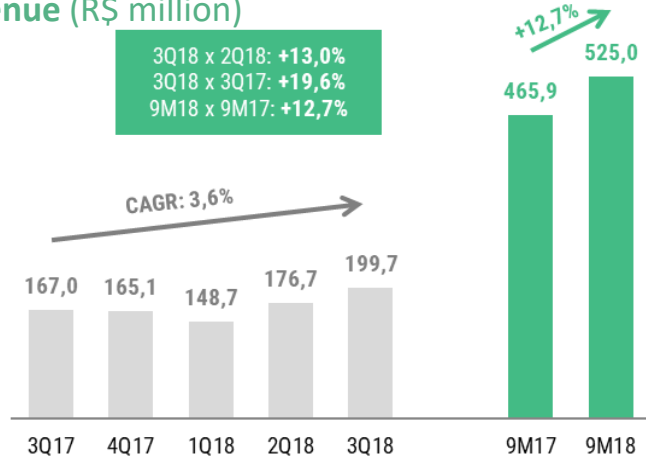


3Q18 x 2Q18: -23,3%
3Q18 x 3Q17: -48,7%
9M18 x 9M17: -26,4%

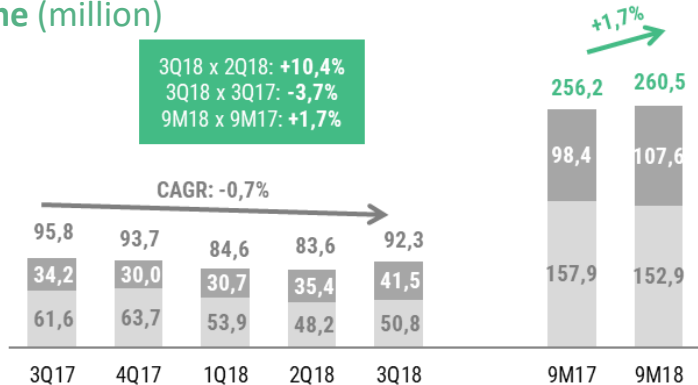
- Increase of 17.2% in the quarter compared to the 3Q17 and of 8.8% compared to the 9M17.
- EBITDA impacted by U\$S2.6 million (R\$9.9 million) due to the recognition of the allowance for doubtful debts as a result of the difficult faced by a customer in the remittance of foreign currency in the short term.
- Volume decreased by 19,8% compared to the 3Q17 and increased by 4.5% compared to the 9M17.

Payments

Net Revenue (R\$ million)

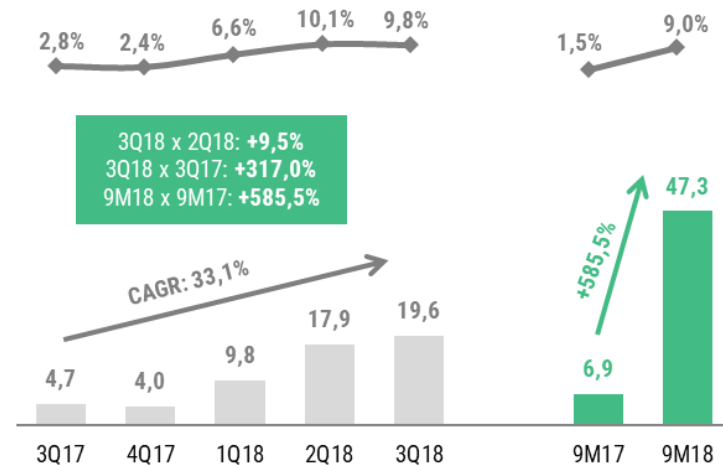


Volume (million)



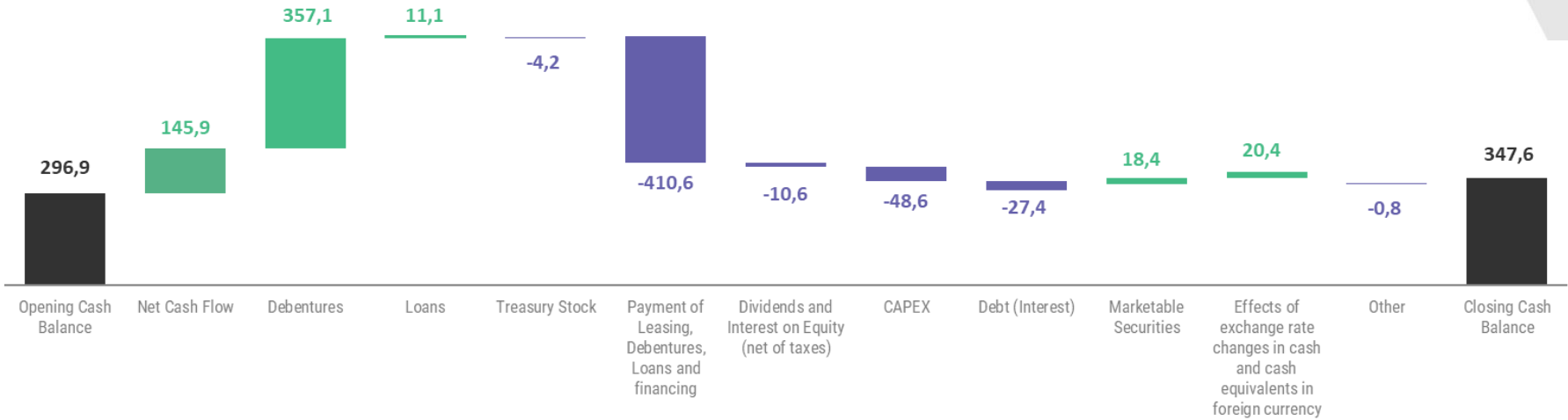
■ Volume (USA) ■ Volume (LATAM)

EBITDA (R\$ million) and Margin (%)



- Another quarter of consistent and gradual margin recovery in all regions: market stabilization and projects for efficiency improvement.
- Net revenue increased by 19.6% in the quarter vs. 3Q17 and 12.7% in the 9M18 vs. the 9M17 due to the increased volume in Brazil and improved mix of sales in the USA.
- EBITDA of R\$19.6 million in the 3Q18 compared to R\$4.7 million in the 3Q17, an increase of 317.0%.
- Volume decreased by 3.7% in the quarter vs. 3Q17 and increased by 1.7% compared to the 9M17.

Cash Flow



Cash provided from operating activities in the amount of R\$145.9 million, compared to R\$5.7 million in the same period of 2017.

During the 9M18, CAPEX costs totaled R\$48.6 million compared to R\$22.1 million in the same period of 2017.

In the financing activities, costs totaled R\$84.6 million in the period. The main financing activities included:

- Debentures (7th issuance): R\$357.1 million, net of issuance structuring costs;
- Loans: R\$11.1 million;
- Payment of dividends: R\$10.6 million;
- Payment of leasing, debentures, financing and loans: R\$410.6 million;
- Share buyback : R\$4,2 million; and
- Payment of interest on financing, loans and debentures: R\$27.4 million.

Payment of Dividends and Interest on Capital

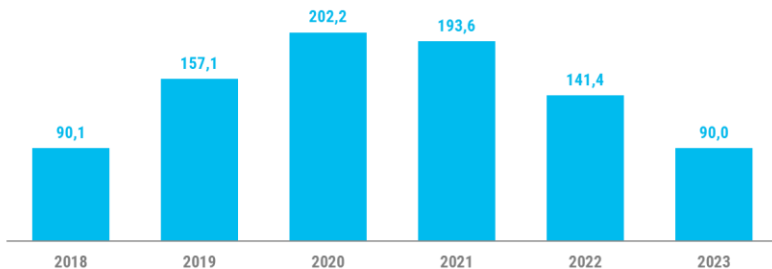
EVENT	DATA	YEAR	SHAREHOLDING POSITION DATE	PAYMENT DATE	GROSS AMOUNT PER SHARE R\$	GROSS AMOUNT R\$
Interest on Equity	12/12/2016	2016	12/15/2016	01/27/2017	0,235294	15.218.604,26
Dividends	04/28/2017	2016	04/28/2017	05/12/2017	0,168079	10.842.134,40
Dividends	11/08/2017	2017	11/14/2017	11/24/2017	0,200000	14.102.535,00
Dividends	04/26/2018	2017	04/26/2018	05/18/2018	0,150213	10.576.901,25
Interest on Equity	9/21/2018	2018	9/26/2018	10/11/2018	0,235290	16.565.774,59

We remain committed to distributing at least 50% of our adjusted net profit, without jeopardizing our policy of growing through acquisitions and development of new businesses.

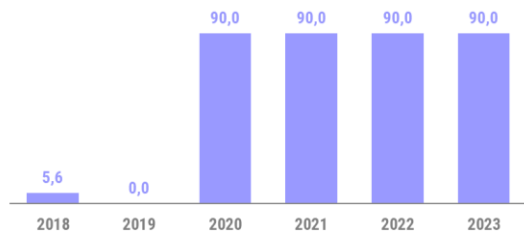
The Shareholders' Meeting, held on April 26th, 2018, approved the payment of dividends, in the amount of R\$10.6 million, complementary to the R\$14.1 million distributed on November 24th, 2017 for 2017. Therefore, we distributed the amount of R\$24.7 million in dividends related to the net profit of R\$27.7 million for the previous year. On October 11th, 2018, the interest on capital paid to shareholders amounted R\$16.6 million, equivalent to the gross amount of R\$0.235294118 per share.

Indebtness

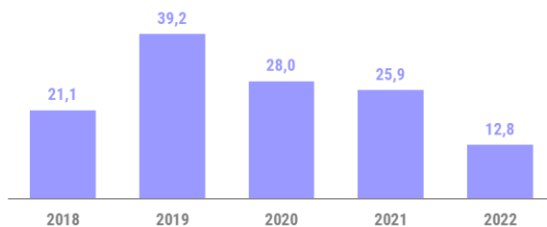
Debt Repayment Schedule 3Q18



■ Total Gross Debt in R\$ + accrued interest until 09/30



■ Debt pegged to R\$



■ Debt pegged to US\$

Gross debt + interest
R\$874.5 million

58.2% pegged to US dollar

R\$194.5 million in short term

R\$680.0 million in long term

Cash
R\$347.6 million

Net debt
R\$526.9 million

Net debt/EBITDA*
1.7

EBITDA*/Finance costs**
5.9

Covenants

Net debt/EBITDA \leq 3.00

Finance costs \geq 1.75x

* Accumulated EBITDA in the last 12 months.

** Accumulated finance costs in the last 12 months.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

This presentation includes forward-looking statements relating to Valid's business expectations, estimated operational and financial results and expected growth. These projections are exclusively based on the expectations of Valid's management with respect to its business in the future and its continuous access to capital to finance the Company's business plan. Such forward-looking statements mainly depend on the changes in market conditions, governmental rules, competitive pressure, industry performance and Brazilian economy, among other factors, in addition to the risks related to the disclosure documents filed by Valid; therefore, these forward-looking statements are subject to changes without prior notice.

Thank you

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OF INNOVATION

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