

“PRODUCTION AND SALES OF THE BRAZILIAN PUBLISHING SECTOR”

WHAT IS THE BRAZILIAN PUBLISHING SECTOR PRODUCTION AND SALES RESEARCH?

- AN ESTIMATE, PREPARED ACCORDING TO DATA FROM A SAMPLE OF PUBLISHING HOUSES, OF THE PUBLISHING SECTOR AND SUBSECTORS PERFORMANCE DURING ONE YEAR.

HOW IS THE RESEARCH DONE?

-STARTING BY THE REVIEW OF THIS SAMPLE BEHAVIOUR, THE DATA FROM THE UNIVERSE OF THE SECTOR IS UPDATED EVERY YEAR.

HIGHLIGHTS

1) BRAZILIAN BOOKS PUBLISHING SECTOR STRONGLY FELT THE IMPACTS OF THE RETRACTION EXPERIENCED BY BRAZILIAN ECONOMY IN 2015. THEIR GROWTH WAS RATED THIS YEAR IN A NEGATIVE 3.27% PERCENTAGE, WHICH MEANS A REAL DECREASE OF 12.63%, CONSIDERING THE IPCA VARIATION OVER THE LAST YEAR.

2) THE MAIN FACTOR THAT LED TO THIS VERY BAD RESULT WAS THE MARKET SEGMENT'S BEHAVIOR, WITH A NEGATIVE 3.99% NOMINAL GROWTH. THE GOVERNMENT SECTOR, IN SPITE OF AN ALSO NEGATIVE NOMINAL RESULT, PRESENTED A SMALLER DECREASE, OF 0.86%

3) THE NUMBER OF COPIES SOLD TO THE MARKET SUFFERED A REDUCTION OF 8.19% AND, IF WE CONSIDER ALSO THE SALES TO THE GOVERNMENT, THE DECREASE IN THAT VARIABLE REACHED 10.65%.

4) AS A RESULT, CONSIDERING ONLY SALES TO THE MARKET, WE CAN SEE THAT THE AVERAGE BOOK PRICE INCREASED BY 4.57% IN 2015, SHOWING AN ACTUAL REDUCTION OF 5.55%. THIS VARIABLE THUS RESUMES THE DOWNWARD TREND THAT HAS BEEN GOING ON FOR A FEW YEARS AND WHICH WAS BRIEFLY AND SLIGHTLY, INTERRUPTED IN 2014.

BRAZILIAN PUBLISHING BEHAVIOR

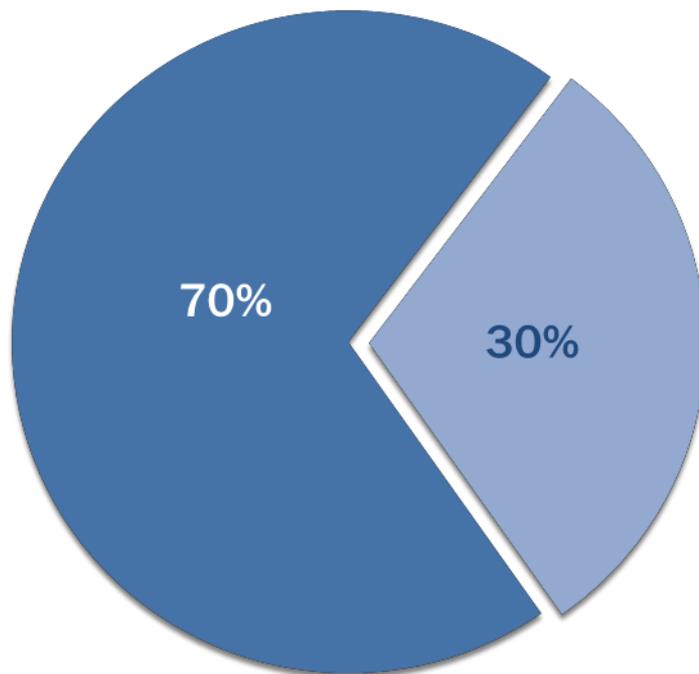
2014/2015

| | 2014 | 2015 | Var. % |
|-----------------------------|------------------|------------------|--------|
| TITLE | 60,829 | 52,427 | -13.81 |
| PRODUCED BOOKS Total | 501,371,513 | 446,848,571 | -10.87 |
| TURNOVER (R\$) Total | 5,408,506,141.17 | 5,231,396,423.43 | -3.27 |
| Market | 4,169,658,915.19 | 4,003,182,263.47 | -3.99 |
| Government | 1,238,847,225.98 | 1,228,214,159.96 | -0.86 |
| SOLD BOOKS Total | 435,690,157 | 389,274,495 | -10.65 |
| Market | 277,387,290 | 254,680,102 | -8.19 |
| Government | 158,302,867 | 134,594,394 | -14.98 |

PARTICIPATION OF THE SAMPLE

(sample/deduced)

TOTAL



■ Amostra

■ Inferido

TITLES PUBLISHED AND PRODUCED COPIES

NEW ISBN'S NUMBERS AND REPRINTS 2014/2015

| Production | Titles | | | Copies | | |
|--------------------|---------------|---------------|----------------------|--------------------|--------------------|----------------------|
| | 2014 | 2015 | var. % : 014/2015 | 2014 | 2015 | var. % : 014/2015 |
| New ISBN's Numbers | 19,285 | 17,282 | -10.39 | 90,891,196 | 87,525,534 | -3.70 |
| Reprint | 41,544 | 35,146 | -15.40 | 410,480,317 | 359,323,037 | -12.46 |
| TOTAL | 60,829 | 52,427 | -13.81 | 501,371,513 | 446,848,571 | -10.87 |

TOTAL TITLES PUBLISHED AND PRODUCED COPIES BY SUBSECTOR

| Subsector | (New ISBN's numbers + Reprints) | | | | | |
|----------------|---------------------------------|---------------|----------------------|--------------------|--------------------|----------------------|
| | Titles | | | Reprints | | |
| | 2014 | 2015 | var. % : 014/2015 | 2014 | 2015 | var. % : 014/2015 |
| Textbooks | 13,945 | 12,152 | -12.86 | 235,288,478 | 221,214,936 | -5.98 |
| General Titles | 23,171 | 18,319 | -20.94 | 139,758,997 | 112,814,417 | -19.28 |
| Religious | 7,938 | 7,241 | -8.78 | 82,129,522 | 77,358,173 | -5.81 |
| CTP | 15,775 | 14,715 | -6.72 | 44,194,516 | 35,461,046 | -19.76 |
| TOTAL | 60,829 | 52,427 | -13.81 | 501,371,513 | 446,848,571 | -10.87 |



Titles Published and Produced Copies by por subsector - New ISBN (2014/2015)

| Production | Titles | | | Copies | | |
|----------------|---------------|---------------|---------------|-------------------|-------------------|--------------|
| | 2014 | 2015 | Var. % | 2014 | 2015 | Var. % |
| Textbooks | 687 | 684 | -0.47 | 6,668,678 | 6,638,014 | -0.46 |
| General Titles | 8,951 | 7,184 | -19.74 | 57,175,367 | 55,118,790 | -3.60 |
| Religious | 1,856 | 1,828 | -1.54 | 15,164,585 | 14,142,309 | -6.74 |
| CTP | 7,791 | 7,586 | -2.63 | 11,882,565 | 11,626,420 | -2.16 |
| TOTAL | 19,285 | 17,282 | -10.39 | 90,891,196 | 87,525,534 | -3,70 |

Titles Published and Produced Copies by por subsector - Reprint (2014/2015)

| Production | Titles | | | Copies | | |
|----------------|---------------|---------------|---------------|--------------------|--------------------|---------------|
| | 2014 | 2015 | Var. % | 2014 | 2015 | Var. % |
| Textbooks | 13,258 | 11,469 | -13.50 | 228,619,800 | 214,576,921 | -6.14 |
| General Titles | 14,221 | 11,135 | -21.70 | 82,583, 630 | 57,695,627 | -30.14 |
| Religious | 6,081 | 5,413 | -10.99 | 66,964,937 | 63,215,863 | -5.60 |
| CTP | 7,984 | 7,129 | -10.70 | 32,311,951 | 23,834,626 | -26.24 |
| TOTAL | 41,544 | 35,146 | -15.40 | 410,480,318 | 359,323,037 | -12.46 |

PRODUCTION BY THEMATIC AREA 2014/2015

| Subject | 2014 | | 2015 | |
|---|--------------------|-------------|--------------------|-------------|
| | Number of Copies | Partic. (%) | Number of Copies | Partic. (%) |
| Textbooks | 211,518,868 | 42.19 | 219,390,259 | 49.10 |
| Religious | 81,408,282 | 16.24 | 87,672,975 | 19.62 |
| Adult Literature | 48,491,769 | 9.67 | 31,649,010 | 7.08 |
| Self-help | 21,676,729 | 4.32 | 19,369,691 | 4.33 |
| Children's Literature | 37,259,612 | 7.43 | 12,499,466 | 2.80 |
| Youth Literature | 20,085,348 | 4.01 | 11,277,437 | 2.52 |
| Law | 14,285,422 | 2.85 | 9,280,811 | 2.08 |
| Medicine, Pharmacy, Public Health and Hygiene | 6,426,059 | 1.28 | 8,292,267 | 1.86 |
| Economics, Adm. and Business and Public Admin. | 10,879,973 | 2.17 | 7,736,148 | 1.73 |
| Humanities and Social Sciences | 9,130,883 | 1.82 | 7,715,728 | 1.73 |
| Arts | 519,344 | 0.10 | 7,119,870 | 1.59 |
| Languages and Linguistics | 8,587,803 | 1.71 | 6,924,069 | 1.55 |
| Biographies | 5,265,245 | 1.05 | 4,193,354 | 0.94 |
| Education and Pedagogy | 3,879,854 | 0.77 | 1,983,337 | 0.44 |
| Psychology and Philosophy | 2,001,885 | 0.4 | 1,940,703 | 0.43 |
| Mathematics, Statistics, Logic and Natural Sciences | 2,108,127 | 0.42 | 1,463,913 | 0.33 |
| Tourism, Leisure and Gastronomy | 4,254,486 | 0.85 | 1,337,063 | 0.30 |
| Physical Education and Sports | 1,743,258 | 0.35 | 1,041,909 | 0.23 |
| Engineering and Technology | 2,653,205 | 0.53 | 1,001,887 | 0.22 |
| Dictionaries and School Atlas | 1,668,272 | 0.33 | 920,532 | 0.21 |
| Agricultural Veterinary and Pets | 405,926 | 0.08 | 533,322 | 0.12 |
| Information Technology, Computation and Programming | 612,453 | 0.12 | 459,708 | 0.10 |
| Architecture and Urbanism | 64,030 | 0.01 | 49,699 | 0.01 |
| Others | 6,444,682 | 1.29 | 2,995,414 | 0.67 |
| TOTAL | 501,371,513 | 100 | 446,848,571 | 100 |

TURNOVER AND SOLD COPIES TO THE MARKET

BY EDITORIAL SUBSECTOR 2014/2015

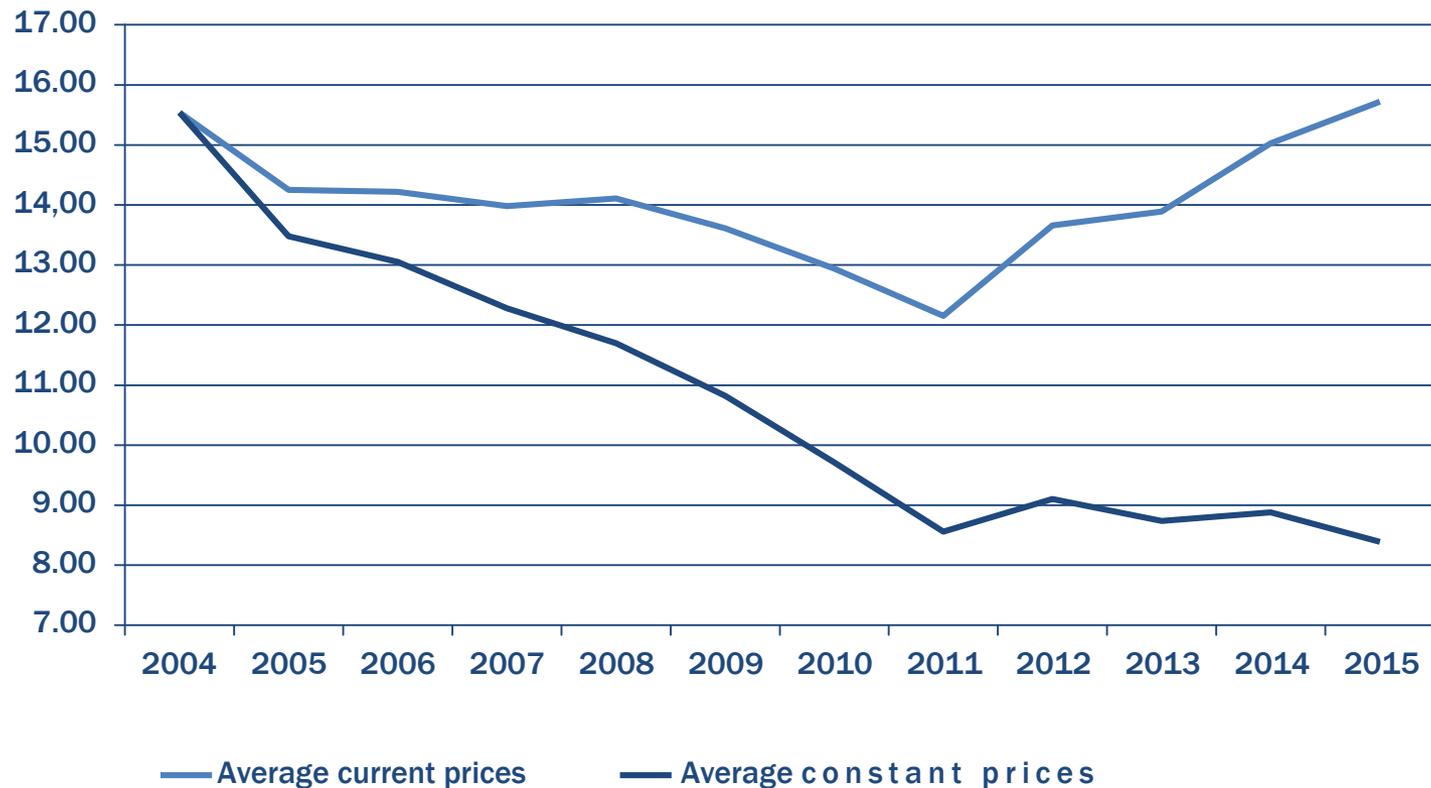
| SUBSECTOR | Turnover (R\$) | | | Sold Copies | | |
|----------------|-------------------------|-------------------------|--------------|--------------------|--------------------|--------------|
| | 2014 | 2015 | Var. % | 2014 | 2015 | Var. % |
| Textbooks | 1,446,367,040.52 | 1,386,064,754.90 | -4.17 | 57,260,368 | 50,772,492 | -11.33 |
| General Titles | 1,103,704,361.74 | 1,076,053,793.87 | -2.51 | 115,072,869 | 109,104,528 | -5.19 |
| Religious | 558,131,978.66 | 558,902,652.71 | 0.14 | 73,437,782 | 68,416,938 | -6.84 |
| CTP | 1,061,455,534.28 | 982,161,061.98 | -7.47 | 31,616,271 | 26,386,144 | -16.54 |
| TOTAL | 4,169,658,915.20 | 4,003,182,263.47 | -3.99 | 277,387,290 | 254,680,102 | -8.19 |

AVERAGE PRICEMARKET

2014/2015

| SUBSECTOR | 2014 | 2015 | Var. % |
|----------------|--------------|--------------|-------------|
| Textbooks | 25.26 | 27.30 | 8.08 |
| General Titles | 9.59 | 9.86 | 2.83 |
| Religious | 7.60 | 8.17 | 7.49 |
| CTP | 33.57 | 37.22 | 10.87 |
| TOTAL | 15.03 | 15,72 | 4,57 |

AVERAGE BRAZILIAN EDITORIAL PRICES 2004-2015/SOLD TO THE MARKET (R\$)



Turnover and Sold Copies to the Government

By Editorial Subsector Editorial 2014/2015

| TYPES OF SALES | Turnover (R\$) | | Sold Copies | | | |
|---------------------------------|-------------------------|-------------------------|--------------|--------------------|--------------------|---------------|
| | 2014 | 2015 | Var. % | 2014 | 2015 | Var. % |
| PNLD | 1,001,854,198.75 | 1,156,447,920.29 | 15.43 | 120,724,108 | 132,171,274 | 9.48 |
| PNBE | 159,448,338.30 | - | - | 31,424,020 | - | - |
| PNAIC | 15,214,537.35 | - | - | 3,243,805 | - | - |
| Federal Government Total | 1,176,517,074.40 | 1,156,447,920.29 | -1.71 | 155,391,933 | 132,171,274 | -14.94 |
| Other Government Agencies | 62,330,151.58 | 71,766,239.67 | 15.14 | 2,910,934 | 2,423,120 | -16.76 |
| Government Total | 1,238,847,225.98 | 1,228,214,159.96 | -0.86 | 158,302,867 | 134,594,394 | -14.98 |

GOVERNMENT'S AVERAGE PRICE 2014/2015

| | 2014 | 2015 | Var. % |
|---------------------------|-------|-------|--------|
| PNLD | 8.30 | 8.75 | 5.43 |
| PNBE | 5.07 | - | - |
| PNAIC | 4.69 | - | - |
| Other Government Agencies | 21.41 | 29.62 | 38.32 |

Turnover and Total Sold Copies

(MARKET + GOVERNMENT)

| | Turnover (R\$) | | | Sold Copies | | |
|-------|------------------|------------------|--------|-------------|-------------|--------|
| | 2014 | 2015 | Var. % | 2014 | 2015 | Var. % |
| TOTAL | 5,408,506,141.17 | 5,231,396,423.43 | -3.27 | 435,690,157 | 389,274,495 | -10.65 |

TEXTBOOKS SUBSECTOR

| | 2014 | 2015 | Var. % |
|-----------------------|------------------|------------------|--------|
| TITLES | 13,945 | 12,152 | -12.86 |
| PRODUCED COPIES Total | 235,288,478 | 221,214,936 | -5.98 |
| TURNOVER (R\$) Total | 2,491,687,951.80 | 2,544,783,653.46 | 2.13 |
| Market | 1,446,367,040.52 | 1,386,064,754.90 | -4.17 |
| Government | 1,045,320,911.28 | 1,158,718,898.56 | 10.85 |
| SOLD COPIES Total | 184,200,099 | 179,395,126 | -2.61 |
| Market | 57,260,368 | 50,772,492 | -11.33 |
| Government | 126,939,731 | 128,622,634 | 1.33 |

GENERAL TITLES SUBSECTOR

| | 2014 | 2015 | Var. % |
|------------------------------|-------------------------|-------------------------|---------------|
| TITLES | 23,171 | 18,319 | -20.94 |
| PRODUCED COPIES Total | 139,758,997 | 112,814,417 | -19.28 |
| TURNOVER (R\$) Total | 1,275,177,090.04 | 1,144,533,581.78 | -10.25 |
| Market | 1,103,704,361.74 | 1,076,053,793.87 | -2.51 |
| Government | 171,472,728.30 | 68,479,787.91 | -60.06 |
| SOLD COPIES Total | 142.769.420 | 115.018.471 | -19.44 |
| Market | 115.072.869 | 109.104.528 | -5.19 |
| Government | 27.696.551 | 5.913.944 | -78.65 |

RELIGIOUS SUBSECTOR

| | 2014 | 2015 | Var. % |
|----------------------|----------------|----------------|--------|
| TITLES | 7,938 | 7,241 | -8.78 |
| PRODUCED BOOKS Total | 82,129,522 | 77,358,173 | -5.81 |
| TURNOVER (R\$) Total | 559,648,204.36 | 559,044,021.71 | -0.11 |
| Market | 558,131,978.66 | 558,902,652.71 | 0.14 |
| Government | 1,516,225.70 | 141,369.00 | -90.68 |
| SOLD COPIES Total | 73,642,915 | 68,428,201 | -7.08 |
| Market | 73,437,782 | 68,416,938 | -6.84 |
| Government | 205,133 | 11,263 | -94.51 |

CTP SUBSECTOR

| | 2014 | 2015 | Var. % |
|----------------------|------------------|----------------|--------|
| TITLES | 15,775 | 14,715 | -6.72 |
| PRODUCED BOOKS Total | 44,194,516 | 35,461,046 | -19.76 |
| TURNOVER (R\$) Total | 1.081,992,894.98 | 983,035,166.47 | -9.15 |
| Market | 1,061,455,534.28 | 982,161,061.98 | -7.47 |
| Government | 20,537,360.70 | 874,104.49 | -95.74 |
| Sold copies Total | 35,077,723 | 26,432,697 | -24.65 |
| Market | 31,616,271 | 26,386,144 | -16.54 |
| Government | 3,461,452 | 46,553 | -98.66 |

FTURNOVER AND SOLD COPIES

(MARKET + GOVERNMENT)

| SUBSECTOR | Turnover (R\$) | | | Sold Copies | | |
|----------------|-------------------------|-------------------------|--------------|--------------------|--------------------|---------------|
| | 2014 | 2015 | Var. % | 2014 | 2015 | Var. % |
| Textbooks | 2,491,687,951.80 | 2,544,783,653.46 | 2.13 | 184,200,099 | 179,395,126 | -2.61 |
| General Titles | 1,275,177,090.04 | 1,144,533,581.78 | -10.25 | 142,769,420 | 115,018,471 | -19.44 |
| Religious | 559,648,204.35 | 559,044,021.71 | -0.11 | 73,642,915 | 68,428,201 | -7.08 |
| CTP | 1,081,992,894.98 | 983,035,166.47 | -9.15 | 35,077,723 | 26,432,697 | -24.65 |
| TOTAL | 5,408,506,141.17 | 5,231,396,423.43 | -3.27 | 435,690,157 | 389,274,495 | -10.65 |

PRODUCED TITLES AND EDITED COPIES (TRANSLATED AND NATIONAL AUTHORS 2014/2015)

| Production | Titles | | | Copies | | |
|------------------|---------------|---------------|---------------|--------------------|--------------------|---------------|
| | 2014 (%) | 2015 | Var. (%) | 2014 | 2015 | Var. |
| Translated | 5,918 | 4,781 | -19.21 | 26,186,676 | 19,877,367 | -24.09 |
| National Authors | 54,911 | 47,646 | -13.23 | 475,184,837 | 426,971,204 | -10.15 |
| TOTAL | 60,829 | 52,427 | -13.81 | 501,371,513 | 446,848,571 | -10.87 |

MARKETING CHANNELS

MARKET SALES – NUMBER OF COPIES 2014/2015

| CANAIS | Number of Copies | | | |
|--|--------------------|------------|--------------------|------------|
| | 2014 | Partic. % | 2015 | Partic. % |
| Bookstores | 138,281,607 | 49.85 | 130,643,748 | 51.30 |
| Distributors | 55,762,895 | 20.10 | 43,608,767 | 17.12 |
| Doorstep Selling and Catalog | 26,200,892 | 9.45 | 24,607,516 | 9.66 |
| Churches and Temples | 11,366,291 | 4.10 | 11,116,837 | 4.37 |
| Supermarket | 9,045,138 | 3.26 | 7,196,043 | 2.83 |
| Schools | 6,944,797 | 2.50 | 6,475,933 | 2.54 |
| Companies | 3,961,571 | 1.43 | 5,857,398 | 2.30 |
| Exclusively Online Booksellers | - | - | 5,018,607 | 1.97 |
| Direct Marketing | 3,667,217 | 1.32 | 4,391,358 | 1.72 |
| Newsstands | 5,409,567 | 1.95 | 4,075,047 | 1.60 |
| Internet (sales made by the publisher site) | 1,960,817 | 0.71 | 2,108,818 | 0.83 |
| Exportations | 2,909,134 | 1.05 | 2,076,279 | 0.82 |
| Private libraries | 306,630 | 0.11 | 736,034 | 0.29 |
| Joint sale with newspapers | 484,294 | 0.17 | 418,367 | 0.16 |
| Others | 11,086,440 | 4.00 | 6,349,351 | 2.49 |
| TOTAL | 277,387,290 | 100 | 254,680,102 | 100 |

MARKETING CHANNELS

MARKET SALES – TURNOVER 2014/2015

| CHANNELS | Turnover | | Partic. % | |
|--|--------------------------|-------------------------|------------|------------|
| | 2014 | 2015 | 2014 | 2015 |
| Bookstores | 2,507,579,259.72 | 2,336,629,670.04 | 60.14 | 58.37 |
| Distributors | 879,782,010.66 | 837,805,595.21 | 21.10 | 20.93 |
| Doorstep Selling and Catalog | 224,509,753.65 | 243,150,003.88 | 5.38 | 6.07 |
| Supermarket | 67,606,891.72 | 71,139,667.77 | 1.62 | 1.78 |
| Exclusively Online Booksellers | - | 70,523,355.82 | - | 1.76 |
| Schools | 66,929,062.84 | 70,474,211.75 | 1.61 | 1.76 |
| Churches and Temples | 59,592,439.57 | 62,891,261.00 | 1.43 | 1.57 |
| Exportations | 59,341,856.,91 | 48,811,082.40 | 1.42 | 1.22 |
| Direct Marketing | 49,587,150.,67 | 39,247,896.47 | 1.19 | 0.98 |
| Companies | 27,494,632.67 | 32,495,279.35 | 0.66 | 0.81 |
| Private libraries | 1,720,050.61 | 30,018,827.59 | 0.04 | 0.75 |
| Internet (sales made by the publisher site) | 25,894,558.25 | 27,418,318.87 | 0.62 | 0.68 |
| Newsstands | 31,197,530.27 | 13,471,185.80 | 0.75 | 0.34 |
| Joint sale with newspapers | 21,140,564.05 | 4,131,004.91 | 0.51 | 0.10 |
| Others | 147,283,153.60 | 114,974,902.61 | 3.53 | 2.87 |
| TOTAL | 4,169,658,915.,19 | 4,003,182,263.47 | 100 | 100 |

MARKETING CHANNELS

MARKET SALES - 2015

| CHANNELS | Number of Copies | | Turnover | |
|--|--------------------|------------|-------------------------|------------|
| | 2015 | Partic. % | 2015 | Partic. % |
| Bookstores | 130,643,748 | 51.30 | 2,336,629,670.04 | 58.37 |
| Distributors | 43,608,767 | 17.12 | 837,805,595.21 | 20.93 |
| Doorstep Selling and Catalog | 24,607,516 | 9.66 | 243,150,003.88 | 6.07 |
| Churches and Temples | 11,116,837 | 4.37 | 62,891,261.00 | 1.57 |
| Supermarket | 7,196,043 | 2.83 | 71,139,667.77 | 1.78 |
| Schools | 6,475,933 | 2.54 | 70,474,211.75 | 1.76 |
| Companies | 5,857,398 | 2.30 | 32,495,279.35 | 0.81 |
| Exclusively Online Booksellers | 5,018,607 | 1.97 | 70,523,355.82 | 1.76 |
| Direct Marketing | 4,391,358 | 1.72 | 39,247,896.47 | 0.98 |
| Newsstands | 4,075,047 | 1.60 | 13,471,185.80 | 0.34 |
| Internet (sales made by the publisher site) | 2,108,818 | 0.83 | 27,418,318.87 | 0.68 |
| Exportations | 2,076,279 | 0.82 | 48,811,082.40 | 1.22 |
| Private libraries | 736,034 | 0.29 | 30,018,827.59 | 0.75 |
| Joint sale with newspapers | 418,367 | 0.16 | 4.131.004,91 | 0.10 |
| Others | 6,349,351 | 2.49 | 114,974,902.61 | 2.87 |
| TOTAL | 254,680,102 | 100 | 4,003,182,263.47 | 100 |

DIGITAL CONTENT

DIGITAL CONTENT – NUMBER OF TITLES

| | Number of titles (books assets) | New ISBN's Numbers | Sold Copies | Turnover (R\$) |
|-------|---------------------------------------|-----------------------|-------------|-------------------|
| TOTAL | 45,838 | 3,866 | 1,264,517 | 20,439,476.97 |

Digital content data show the sum of the results obtained by the publishers who responded to the survey (189 publishers), and not the entire survey universe. We do not have yet a survey that indicates the order of magnitude of the universe of variables related to the production and sales of digital content, which prevents us from performing the statistical inference process.