

[Deloitte cover sheet].

Saraiva S.A. Livreiros Editores.

Special Review of the Quarterly Statements – ITRs.

pursuant to Corporate Law.

First Quarter – 2004.

Deloitte Touche Tohmatsu Auditores Independentes.

[Letterhead of Deloitte Touche Tohmatsu].

INDEPENDENT AUDITORS' REPORT ON SPECIAL REVISION.

To the Shareholders and Board of Directors of Saraiva S.A.

Livreiros Editores

São Paulo - SP

1. We conducted a special review of the Quarterly Statements - ITRs of Saraiva S.A. Livreiros Editores and its subsidiary for the quarter that ended on March 31, 2004, including the balance sheets, individual and consolidated, the respective income statements, individual and consolidated, and the performance report, prepared under the responsibility of their Management and in accordance with the accounting principles adopted in Brazil.
2. We conducted our review in accordance with specific rules established by IBRACON – the Brazilian Institute of Independent Auditors, in conjunction with the Federal Accounting Council, which primarily included: (a) inquiry and discussion with the administrators responsible for the accounting, financial, and operating areas of the Company and its subsidiary as to the main criteria used to prepare the Quarterly Statements; and (b) examination of the statements and subsequent events that may have or could have substantial effects on the financial condition and operations of the Company and its subsidiary.
3. Based on our special review, we are not aware of any substantial change that should be made in the Quarterly Statements referenced in paragraph 1 to bring them in accordance with the accounting principles adopted in Brazil, applied in conformity with the rules issued by the Brazilian Securities Commission - CVM, especially those that apply to the preparation of the Quarterly Statements.
4. The individual and consolidated balance sheets prepared as of December 31, 2003, presented for the purpose of comparison, were audited by other independent auditors whose opinion, dated March 11, 2004, was unqualified. The individual and consolidated income statements for the quarter ending on March 31, 2003, presented for the purpose of comparison, were reviewed by other independent auditors, whose special review report, dated March 13, 2003, was unqualified.

São Paulo, May 6, 2004.

Signed: [illegible signature]

DELOITTE TOUCHE TOHMATSU

Independent Auditors

[*]CRC no. 2 SP 011609/O-8

[* CRC = Regional Accounting Council].

Signed: [illegible signature]

Marco Antonio Brandão Simurro

Accountant

CRC no. 1 RJ 052000/O-0 "S" SP

The pages of the ITRs, reviewed by us, are only stamped identification purposes.

SERVIÇO PÚBLICO FEDERAL [FEDERAL PUBLIC SERVICE].
CVM - COMISSÃO DE VALORES MOBILIÁRIOS [BRAZILIAN SECURITIES COMMISSION].

ITR - INFORMAÇÕES TRIMESTRAIS [QUARTERLY STATEMENTS]. **Base Date - 03/31/2004**
Corporate Law.

EMPRESA COMERCIAL, INDUSTRIAL E OUTRAS [COMMERCIAL, INDUSTRIAL AND OTHER COMPANY].

REGISTRATION WITH THE CVM DOES NOT IMPLY ANY INVESTIGATION OF THE COMPANY. ITS ADMINISTRATORS ARE RESPONSIBLE FOR THE VERACITY OF THE INFORMATION PROVIDED.

01.01 - IDENTIFICATION.

1 - CVM CODE 01047-2	2 - COMPANY NAME SARAIVA S.A. LIVREIROS EDITORES	3 - CNPJ [National Directory of Legal Entities Registration Number] 60.500.139/0001-26
4 - NIRE [Company Registration Number] 35300025300		

01.02 - HEAD OFFICE.

1 - COMPLETE ADDRESS Av. Marquês de São Vicente no. 1697		2 - NEIGHBORHOOD OR DISTRICT Barra Funda		
3 - CEP [ZIP CODE] 01139-904		4 - CITY São Paulo		5 - STATE SP
6 - AREA CODE 011	7 - TELEPHONE 3611-3344	8 - TELEPHONE [blank]	9 - TELEPHONE [blank]	10 - TELEX [blank]
11 - AREA CODE 011	12 - FAX 3611-3308	13 - FAX [blank]	14 - FAX [blank]	[blank]
15 - E-MAIL http://www.editorasaraiva.com.br				

01.03 - DIRECTOR OF INVESTOR RELATIONS (Company mailing address).

1 - NAME João Luís Ramos Hopp				
2 - COMPLETE ADDRESS Rua Edgar Teotônio Santana 206		3 - NEIGHBORHOOD OR DISTRICT Barra Funda		
4 - CEP 01140-030		5 - CITY São Paulo		6 - STATE SP
7 - AREA CODE 011	8 - TELEPHONE 3611-3344	9 - TELEPHONE [blank]	10 - TELEPHONE [blank]	11 - TELEX [blank]
12 - AREA CODE 011	13 - FAX 3619-3062	14 - FAX [blank]	15 - FAX [blank]	[blank]
16 - E-MAIL jlhopp@editorasaraiva.com.br				

01.04 - REFERENCE / AUDITOR.

FISCAL YEAR IN PROGRESS		CURRENT QUARTER		
1 - BEGINNING 01/01/2004	2 - END 12/31/2004	3 - NUMBER 1	4 - BEGINNING 01/01/2004	5 - END 03/31/2004
PREVIOUS QUARTER				
6 - NUMBER 4		7 - BEGINNING 10/01/2003		8 - END 12/31/2003
9 - AUDITOR'S NAME/COMPANY NAME Deloitte Touche Tohmatsu Auditores Independentes			10 - CVM CODE 00385-9	
11 - NAME OF THE TECHNICIAN IN CHARGE Marco Antonio Brandão Simurro			12 - CPF OF TEC. IN CHARGE 755.400.708-44	

**FEDERAL PUBLIC SERVICE.
CVM - BRAZILIAN SECURITIES COMMISSION.
ITR - QUARTERLY STATEMENTS.
Base Date - 03/31/2004 Corporate Law.
COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.**

01.01 – IDENTIFICATION.

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01.05 – CAPITAL STRUCTURE.

Number of Shares (Thousands)	1 – CURRENT QUARTER 03/31/2004	2 – PREVIOUS QUARTER 12/31/2003	3 – EQUAL EX. PREVIOUS QUARTER 03/31/2003
Paid-in Capital			
1 - Common	9,622	9,622	9,622
2 - Preferred	13,647	13,647	13,647
3 - Total	23,269	23,269	23,269
In Treasury			
4 - Common	0	0	0
5 - Preferred	333	333	333
6 - Total	333	333	333

01.06 – CHARACTERISTICS OF THE COMPANY.

1 – TYPE OF COMPANY Commercial, Industrial and Other Company
2 – STATUS Operational
3 – NATURE OF THE SHARE CONTROL National Private
4 – ACTIVITY CODE 110 – Graphics, Editors
5 – MAIN ACTIVITY Publishing and printing books
6 - CONSOLIDATION Total
7 – TYPE OF AUDITOR REPORT Unqualified

01.07 – COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS.

1- ITEM	2 – CNPJ	3 – COMPANY NAME
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01.08 – CASH DISTRIBUTIONS RESOLVED AND/OR PAID DURING AND AFTER THE QUARTER.

1 - ITEM	2 – EVENT	3 - APPROVAL	4 – DISTRIBUTION	5 – INITIAL PMT.	6 – TYPE OF SHARE	7 - INCOME VALUE P/SHARE
01	*] AGO/E	04/29/2004	Equity Capital Interest	05/31/2004	*] ON	0.4540385700
02	AGO/E	04/29/2004	Equity Capital Interest	05/31/2004	*] PN	0.4540385700

[* AGO/E = Normal/Special General Meeting; ON = Common Registered; PN = Preferred Registered].

FEDERAL PUBLIC SERVICE.

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01.01 – IDENTIFICATION.

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01.09 – SUBSCRIBED CAPITAL AND CHANGES IN THE CURRENT FISCAL YEAR.

1- ITEM	2 – DATE OF THE CHANGE	3 – VALUE OF THE CAPITAL (Thousands of Reais)	4 – VALUE OF THE CHANGE (Thousands of Reais)	5 – ORIGIN OF THE CHANGE	7 – NUMBER OF SHARES ISSUED (Thousands)	8 – SHARE PRICE UPON ISSUANCE (Reais)
01	04/29/2004	41,977	2,256	Profit Reserve	0	0.000000000

01.10 – DIRECTOR OF INVESTOR RELATIONS.

1 – DATE 05/11/2004	2 - SIGNATURE Signed: [illegible signature]
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**FEDERAL PUBLIC SERVICE.
CVM - BRAZILIAN SECURITIES COMMISSION.
ITR - QUARTERLY STATEMENTS.
Base Date - 03/31/2004 Corporate Law.
COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.
01.01 – IDENTIFICATION.**

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02.01 – BALANCE SHEET- ASSETS (Thousands of Reais).

1 - CODE	2 – DESCRIPTION	3 - 03/31/2004	4 - 12/31/2003
1	Total Assets	193,993	197,789
1.01	Current Assets	109,234	106,089
1.01.01	Cash and Cash Equivalents	4,032	1,964
1.01.01.01	Cash and banks	2,330	1,964
1.01.01.02	Financial applications	1,702	0
1.01.02	Credits	49,136	40,153
1.01.02.01	Clients	47,270	34,030
1.01.02.02	Dividends receivable from subsidiary	0	0
1.01.02.03	Taxes recoverable	1,537	5,048
1.01.02.05	Others	329	1,075
1.01.03	Inventory	55,997	61,437
1.01.03.01	Finished products	34,511	35,071
1.01.03.02	Merchandise for resale	3	15
1.01.03.03	Products in production	12,767	17,030
1.01.03.04	Raw materials	8,267	8,819
1.01.03.05	Packaging and consumable materials	449	502
1.01.04	Others	69	2,535
1.01.04.01	Deferred expenses	69	2,535
1.02	Long-Term Assets	1,515	5,356
1.02.01	Miscellaneous Credits	0	0
1.02.02	Credits with Associates	311	4,144
1.02.02.01	With Affiliates	0	0
1.02.02.02	With Subsidiaries	311	4,144
1.02.02.03	With Other Associates	0	0
1.02.03	Others	1,204	1,212
1.02.03.01	Deposits for tax incentives	0	0
1.02.03.02	Judicial deposits	173	155
1.02.03.03	Deferred income tax and social contr.	451	477
1.02.03.04	Dep. linked account - company acquisition	533	533
1.02.03.05	Others	47	47
1.03	Permanent Assets	83,244	86,344
1.03.01	Investments	50,507	55,151
1.03.01.01	Interest in Affiliates	0	0
1.03.01.02	Interest in Subsidiaries	50,099	54,743
1.03.01.02.01	Livraria e Papelaria Saraiva S.A.	50,099	49,433
1.03.01.02.02	Formato Editorial Ltda	0	5,310
1.03.01.03	Other Investments	408	408
1.03.01.03.01	Tax incentives	352	352
1.03.01.03.02	Others	56	56
1.03.02	Permanent Investments	28,013	29,346
1.03.02.01	Land	2,029	2,029
1.03.02.02	Buildings and constructions	5,374	5,448
1.03.02.03	Furniture, fixtures and installations	4,345	4,488
1.03.02.04	Vehicles	1,114	1,216
1.03.02.05	Machinery and equipment	4,186	4,446

**FEDERAL PUBLIC SERVICE.
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Base Date - 03/31/2004 Corporate Law.
COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.
01.01 – IDENTIFICATION.**

1 - CVM CODE 01047-2	2 - COMPANY NAME SARAIVA S.A. LIVREIROS EDITORES	3 - CNPJ 60.500.139/0001-26
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02.01 - BALANCE SHEET - ASSETS (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 -03/31/2004	4 -12/31/2003
1.03.02.06	Software and computer equipment	10,365	11,119
1.03.02.07	Other permanent investments	600	600
1.03.03	Deferred		1,847
1.03.03.01	Unamortized goodwill		1,586
1.03.03.02	Others		261

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02.02 – BALANCE SHEET – LIABILITIES (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 - 03/31/2004	4 - 12/31/2003
2	Total Liabilities	193,993	197,789
2.01	Current Liabilities	58,824	88,415
2.01.01	Loans and Financing	7,896	18,215
2.01.02	Debentures	0	0
2.01.03	Suppliers	12,296	44,349
2.01.04	Taxes, Fees and Contributions	2,838	1,806
2.01.04.01	Income tax	0	0
2.01.04.02	Social contribution	0	0
2.01.04.03	Taxes and social burdens	2,838	1,806
2.01.05	Payable Dividends	0	0
2.01.06	Provisions	15,186	4,102
2.01.06.01	Provision for vacation and burdens	3,191	2,443
2.01.06.02	Income tax provision	7,784	0
2.01.06.03	Social contribution provision	2,434	0
2.01.06.04	Management interest	950	1,659
2.01.06.05	Provision for holiday bonus and burdens	827	0
2.01.07	Debts with Associates	0	0
2.01.08	Others	20,608	19,943
2.01.08.01	Accounts and expenses payable	436	316
2.01.08.02	Royalties payable	7,879	5,405
2.01.08.03	Equity capital interest	10,414	10,414
2.01.08.04	Management interest payable	1,659	0
2.01.08.05	Losses in derivatives transactions	220	888
2.01.08.06	Acquisition of subsidiary	0	2,920
2.02	Long-Term Liabilities	14,216	14,342
2.02.01	Loans and Financing	11,280	11,440
2.02.02	Debentures	0	0
2.02.03	Provisions	2,403	2,015
2.02.03.01	Contributions and taxes	2,403	2,015
2.02.04	Debts with Associates	0	0

2.02.04.01	Subsidiary	0	0
2.02.05	Others	533	887
2.03	Deferred Income	0	0
2.05	Shareholders' Equity	120,953	95,032
2.05.01	Paid-in Capital	39,721	39,721
2.05.02	Capital Reserves	13,947	13,947
2.05.02.01	Tax incentive reserve	4,427	4,427
2.05.02.02	Investors' goodwill reserve	8,653	8,653
2.05.02.03	Working capital reserve	724	724
2.05.02.04	Others	143	143
2.05.03	Revaluation Reserves	0	0
2.05.03.01	Owned Assets	0	0
2.05.03.02	Subsidiaries/Affiliates	0	0
2.05.04	Revenue Reserves	40,127	40,127
2.05.04.01	Legal Reserve	6,980	6,980

FEDERAL PUBLIC SERVICE.

CVM - BRAZILIAN SECURITIES COMMISSION.

ITR - QUARTERLY STATEMENTS.

Base Date - 03/31/2004

Corporate Law.

COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.

01.01 – IDENTIFICATION.

1 - CVM CODE	2 – COMPANY NAME	3 – CNPJ
01047-2	SARAIVA S.A. LIVREIROS EDITORES	60.500.139/0001-26

02.02 – BALANCE SHEET - LIABILITIES (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 -03/31/2004	4 -12/31/2003
2.05.04.02	Statutory Reserve	0	0
2.05.04.03	Contingency Reserve	0	0
2.05.04.04	Unrealized Revenue Reserve	0	0
2.05.04.05	Retention of Earnings	0	0
2.05.04.06	Special Reserve for Undistributed Dividends	0	0
2.05.04.07	Other Revenue Reserves	33,147	33,147
2.05.04.07.01	Reserve for capital increase	36,017	36,017
2.05.04.07.02	Treasury stock	(2,870)	(2,870)
2.05.05	Retained Earnings/Losses	27,158	1,237

FEDERAL PUBLIC SERVICE.**CVM - BRAZILIAN SECURITIES COMMISSION.****ITR - QUARTERLY STATEMENTS.**

Base Date - 03/31/2004

Corporate Law.

COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.**01.01 - IDENTIFICATION**

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ
01047-2	SARAIVA S.A. LIVREIROS EDITORES	60.500.139/0001-26

03.01 - INCOME STATEMENT (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 - 01/01/2004 to 03/31/2004	4 - 01/01/2004 to 03/31/2004	5 - 01/01/2003 to 03/31/2003	6 - 01/01/2003 to 03/31/2003
3.01	Gross Revenue from Sales and/or Services	115,708	115,708	91,964	91,964
3.02	Deductions from Gross Revenue	(8,328)	(8,328)	(4,276)	(4,276)
3.03	Net Revenue from Sales and/or Services	107,380	107,380	87,688	87,688
3.04	Cost of Goods and/or Services Sold	(31,284)	(31,284)	(20,730)	(20,730)
3.05	Gross Income	76,096	76,096	66,958	66,958
3.06	Operating Expense/Revenue	(35,951)	(35,951)	(30,173)	(30,173)
3.06.01	Selling Expenses	(22,860)	(22,860)	(20,063)	(20,063)
3.06.02	General and Administrative Expenses	(9,674)	(9,674)	(8,292)	(8,292)
3.06.02.01	Management fees	(950)	(950)	(661)	(661)
3.06.02.02	Others	(8,724)	(8,724)	(7,631)	(7,631)
3.06.03	Financial	(2,153)	(2,153)	(842)	(842)
3.06.03.01	Financial Revenues	397	397	184	184
3.06.03.02	Financial Expenses	(2,550)	(2,550)	(1,026)	(1,026)
3.06.04	Other Operating Revenues	43	43	184	184
3.06.05	Other Operating Expenses	(1,974)	(1,974)	(1,831)	(1,831)
3.06.05.01	Depreciation and amortization	(1,945)	(1,945)	(1,767)	(1,767)
3.06.05.02	Others	(29)	(29)	(64)	(64)
3.06.06	Equity in Subsidiary's Income	667	667	671	671
3.07	Operating Income	40,145	40,145	36,785	36,785
3.08	Non-Operating Income	8	8	142	142
3.08.01	Revenue	8	8	142	142
3.08.02	Expenses	0	0	0	0
3.09	Earnings Before Taxes/Interest	40,153	40,153	36,927	36,927

3.10	Provision for Income Tax and Social Cont.	(13,279)	(13,279)	(12,598)	(12,598)
3.11	Deferred Income Tax	(3)	(3)	372	372

FEDERAL PUBLIC SERVICE.

CVM - BRAZILIAN SECURITIES COMMISSION.

ITR - QUARTERLY STATEMENTS.

Base Date - 03/31/2004

Corporate Law.

COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.

01.01 – IDENTIFICATION.

1 - CVM CODE	2 - COMPANY NAME	3 – CNPJ
01047-2	SARAIVA S.A. LIVREIROS EDITORES	60.500.139/0001-26

03.01 – INCOME STATEMENT (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 - 01/01/2004 to 03/31/2004	4 - 01/01/2004 to 03/31/2004	5 - 01/01/2003 to 03/31/2003	6 - 01/01/2003 to 03/31/2003
3.12	Statutory Interest/Contributions	(950)	(950)	(661)	(661)
3.12.01	Interest	(950)	(950)	(661)	(661)
3.12.01.01	Management interest	(950)	(950)	(661)	(661)
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Equity Capital Interest	0	0	0	0
3.15	Profit/Loss for the Period	25,921	25,921	24,040	24,040
[blank]	NUMBER OF SHARES, EXC. TREASURY (Thousands)	22,936	22,936	22,936	22,936
[blank]	EARNINGS PER SHARE	1.13014	1.13014	1.04813	1.04813
[blank]	LOSS PER SHARE	[blank]	[blank]	[blank]	[blank]

FEDERAL PUBLIC SERVICE.
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COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.
Base Date - 03/31/2004.

01047-2 SARAIVA S.A. LIVREIROS EDITORES 60.500.139/0001-26

04.01 - ACCOMPANYING NOTES.

In Thousands of Reais

1 Operating background.

The main activity of Saraiva S.A. Livreiros Editores (Editora) is editing elementary and middle school books, reference books, and books on law and economics / administration. The operating cycle of Editora is seasonal throughout the year, concentrating 80% of sales between the last quarter of the year and the first quarter of the following year. This concentration of revenue is determined by two factors: (a) the "Back to school" period in the first quarter; and (b) the sale of elementary school books to the government in the fourth and first quarters of the year.

2 Presentation of the financial statements.

The financial statements were prepared based on the accounting principles used in Brazil and the rules of the Brazilian Securities Commission.

Description of the main accounting principles.

a. Accounting estimates.

The accounting estimates are periodically reviewed and consider the best opinion of the management to determine the appropriate value to be recorded in the financial statements. Settlement of the transactions involving these estimates may result in different values due to the inaccuracies inherent to the process of making said estimates.

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01047-2 SARAIVA S.A. LIVREIROS EDITORES 60.500.139/0001-26

04.01 - ACCOMPANYING NOTES.

b. Current and long-term assets.

- **Financial investments.**
Recorded at cost, plus income incurred as of the date of the balance sheet, not exceeding the market value.
- **Allowance for doubtful accounts.**
Comprised of a sufficient amount to cover any losses in customer account receivables and outstanding checks. Unrecoverable credits are charged directly to income for the period.
- **Inventory.**
Valued at the average acquisition or production cost, not exceeding the market value.
- **Other current and long-term assets.**
Show by the net realization value.

c. Fixed Assets.

- **Investments.**
Investments in a subsidiary are valued using the equity method of accounting and the others are valued at cost, minus the devaluation provision.
-
- **Permanent Investments**
Recorded at the cost of acquisition, formation or construction. The depreciation is

calculated using the straight-line method based on rates considering the use life of the assets.

- **Deferred**

Recorded at acquisition or formation cost, basically referring to the unamortized goodwill, pre-operating expenses on commercial assignment and expenses incurred before the start-up of new stores. The pre-operating expenses are amortized within 5 years of the start-up of the stores or pursuant to the provisions of the lease agreements.

The goodwill is a result of the incorporation of investments made, which were economically justified based on the projection of future profitability within the expected investment return period, amortized in 60 monthly installments using the straight-line method.

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01047-2 SARAIVA S.A. LIVREIROS EDITORES 60.500.139/0001-26

04.01 - ACCOMPANYING NOTES.

d. Current and long-term liabilities.

- **Copyrights.**

Copyrights are credited at the time of sales completion, and in some cases, on acquisition of the publishing rights. In the former case, copyrights are considered as selling expenses and, in the latter case, they are included in the production cost.

- **Other current and long-term liabilities.**

Demonstrated by the known or computable values, plus, when applicable, the corresponding burdens, monetary and/or exchange variations incurred as of the date of the balance sheet.

e. Provisions for contributions and taxes.

The provisions are recorded based on the best estimates of risk involved.

f. Income tax and social contribution.

The taxes on the income or losses for the year include the current and deferred values.

The income tax and social contribution for the year are respectively calculated at the rate of 15% on the taxable income, plus the additional 10% and at a rate of 9% on the adjusted book income.

The deferred income tax and social contribution are included in the long-term assets and liabilities, as shown in Accompanying Note no. 11. They are recorded to reflect future tax effects resulting from: the temporary difference between the tax base of assets and liabilities and their respective book value; and tax losses and negative bases for social contribution.

The tax assets consider the following aspects: a) based on the expectation of future tax income, considering the tax rates in effect on the closing date of the fiscal year; b) annually revised and adjusted in the event of a substantial change in the expected profits; and c) the entry in the financial statements satisfies the requirements of CVM Regulatory Instruction no. 371, dated June 27, 2002.

FEDERAL PUBLIC SERVICE.

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COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.

Base Date - 03/31/2004.

01047-2 SARAIVA S.A. LIVREIROS EDITORES 60.500.139/0001-26

04.01 - ACCOMPANYING NOTES.

3 Consolidated financial statements.

The consolidated financial statements correspond to the financial statements of Saraiva S.A. Livreiros Editores and its subsidiary, as follows:-

**Percentage of
Interest**
2004 Livraria e
99.91

Papeleria Saraiva S.A.

The consolidated financial statements were prepared based on the accounting principles and the regulatory instructions issued by the Brazilian Securities Commission, which include:-

- The elimination of rights and obligations, as well as revenues, costs and expenses resulting from transactions carried out between companies included in the consolidation;
- The elimination of the investment in the parent company against the shareholders' equity of the subsidiary; and
- The minority shareholders' interest in the subsidiary's shareholders' equity and net profit for the period is highlighted on the balance sheets and the income statements, respectively.

4 Trade accounts receivable.

	Editora	Consolidated
Bills receivable	42,817	39,638
Credit cards	433	18,835
Outstanding checks	4,951	7,891
Allowance for doubtful accounts	(931)	(1,058)
	<u>47,270</u>	<u>65,306</u>

5 Inventory.

	Editora	Consolidated
Finished products	34,511	34,511
Merchandise for resale	3	45,240
Products in production	12,767	12,767
Raw materials	8,267	8,267
Packaging and consumable materials	449	781
	<u>55,997</u>	<u>101,566</u>

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04.01 - ACCOMPANYING NOTES.

6 Investments.

	Editora	Consolidated
Interest in subsidiary	50,099	-
Other investments	1,810	2,480
Devaluation provision	(1,402)	(1,937)
	<u>50,507</u>	<u>543</u>

The interest in the subsidiary is represented by the investment in Livraria e Papeleria Saraiva S.A.

The main information on the investments is:-

**Livraria e
Papeleria
Saraiva S.A.**

Number of shares in the capital – Thousands	57,540
Number of shares owned – Thousands	57,490
Percentage of equity interest	99.91 %
Adjusted capital	51,210
Shareholder's equity	50,143
Investment value	<u>50,099</u>
Net income for the period – Calculation basis for subsidiary income value	<u>667</u>
Equity in subsidiary's income	<u>667</u>

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Livraria e Papelaria Saraiva S.A. Balance Sheet as of 03/31/2004.

ASSETS	113,449	LIABILITIES	113,449
CURRENT ASSETS	71,756	CURRENT LIABILITIES	39,449
Cash and banks	2,762	Loans and financing	3,444
Trade accounts receivable	21,330	Suppliers	29,088
Inventory	45,568	Taxes and social contr.	1,924
Taxes recoverable	1,951	Accounts and expenses payable	4,919
Other credits and accounts receivable	92	Management interest	74
Deferred expenses	53		
		LONG-TERM LIABILITIES	23,857
		Prov. for taxes and contr.	17,730
LONG-TERM ASSETS	16,314	Loans and financing	5,442
Deferred inc. tax and social contr.	7,498	Subsidiary	311
Other unrealized gains	8,816	Others	374
FIXED ASSETS	25,379	SHAREHOLDERS' EQUITY	50,143
Investments	135	Capital	51,210
Permanent Investments	21,126	Capital reserves	2,190
Deferred	4,118	Accumulated losses	(3,257)

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7 Permanent Investments.

	Editora			
	Annual depreciation rate	Cost	Depreciation	Liquid
Buildings and constructions	4%	8,211	(2,837)	5,374
Machinery and equipment	10%	14,892	(10,706)	4,186

Furniture, fixtures and installations	10%	21,471	(17,329)	4,142
Vehicles	20%	2,775	(1,661)	1,114
Software and computer equipment	20%	23,056	(12,691)	10,365
Land	-	2,029	-	2,029
Permanent Investments in progress	-	203	-	203
Other permanent investments	-	<u>600</u>	<u>-</u>	<u>600</u>
		<u>73,237</u>	<u>(45,224)</u>	<u>28,013</u>

Consolidated

		Annual depreciation rate	Cost	Depreciation	Liquid
Buildings and constructions	4%	10,109	(3,517)	6,592	
Machinery and equipment	10%	15,203	(10,922)	4,281	
Furniture, fixtures and installations	10%	66,665	(48,369)	18,296	
Vehicles	20%	2,932	(1,733)	1,199	
Software and computer equipment	20%	37,371	(22,189)	15,182	
Land	-	2,032	-	2,032	
Permanent Investments in progress	-	322	-	322	
Other permanent investments	-	<u>1,235</u>	<u>-</u>	<u>1,235</u>	
		<u>135,869</u>	<u>(86,730)</u>	<u>49,139</u>	

8 Deferred.

	Editora	Consolidated
Pre-operating expenses and other deferred expenses	2,691	25,404
Unamortized goodwill	10,066	10,066
Accumulated amortization	<u>(8,033)</u>	<u>(26,629)</u>
	<u>4,724</u>	<u>8,841</u>

On February 3, 2004, as a result of the merger of the subsidiary, Formato Editorial Ltda., R\$2,135, the goodwill resulting from the acquisition that occurred on August 26, 2003, was transferred to the deferred assets. It will be amortized in 60 monthly installments using the straight-line method, beginning March of 2004.

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9 Loans and financing.

	Editora	Consolidated
Short-term		
Financing		
National currency		
BNDES – FINEM	973	4,417
Foreign currency		
International Finance Corporation (IFC)	<u>6,923</u>	<u>6,923</u>
	<u>7,896</u>	<u>11,340</u>
Long-term		
Financing		
National currency		
BNDES – FINEM	1,212	6,653
Foreign currency	<u>10,068</u>	<u>10,068</u>
International Finance Corporation (IFC)		
	<u>11,280</u>	<u>16,721</u>

The financing obtained by Editora from BNDES - FINEM, backed by mortgage, bears an annual interest rate of 3.5%, plus the Long-Term Interest Rate (TJLP). The financing obtained by the subsidiary, Livraria e Papelaria Saraiva S.A., also from BNDES - FINEM, 100% guaranteed by Editora, bears annual interest between 3% and 3.5%, plus the TJLP. In relation to the financing obtained by Editora, which agreement was extended on July 29, 2002, the use deadlines and grace periods for the remaining sub-credits were extended and clauses with additional obligations of the parent company were included, among which is: the obligation to not reduce capital; not participate in mergers, spin-offs or consolidations or encumber or dispose of permanent assets without prior authorization from BNDES.

The financing obtained from IFC, subject to the dollar exchange variation, bears an annual interest rate of 3% above LIBOR. The agreement is free of any security interests, provided that Editora maintains its current stock position in Livraria e Papelaria Saraiva S.A., and the controlling shareholders jointly hold at least 50% of the voting common shares in Editora until it is paid back in full. The agreement also calls for satisfaction of the performance indicators related to: a) Current Liquidity; b) Degree of debt; and c) Interest coverage ratio. Editora demonstrated performance indicators consistent with the specific obligations set forth in the agreement.

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BNDES - FINEM financing agreements are designed for the acquisition and implementation of an Integrated Enterprise Resource Planning System - ERP and the construction of a Distribution Center. The financing obtained by Editora from IFC, and by the subsidiary from BNDES - FINEM, is designed for the investment project in Mega Stores and the modernization of the subsidiary's conventional stores.

10 Related Parties

Related party transactions include commercial purchase and sale transactions and loans with Livraria e Papelaria Saraiva S.A. The transactions occurred under normal market conditions.

	Livraria e Papelaria Saraiva S.A.
Balances:	
Current assets	
Accounts receivable	3,295
Loans	311
Current liabilities	
Accounts payable	30
Transactions:	
Sale of goods	4,484
Purchase of goods	5

11 Deferred income tax and social contributions

The deferred income tax and social contributions originated as follows:-

	Editora	Consolidated
Long-term assets		
Tax loss and negative social contribution base	-	2,803
PIS/COFINS/Plano Real Litigation	<u>451</u>	<u>5,146</u>
	<u>451</u>	<u>7,949</u>

Long-term liabilities (recorded as “Contributions and taxes”)	166	166
Deferral of accelerated depreciation with tax incentive		
Unamortized goodwill – art. 7 of Law no. 9.532/97	<u>165</u>	<u>165</u>
	<u>331</u>	<u>331</u>

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The reconciliation of the expense calculated by using the combined tax rates with the expense on income tax and social contribution charged to income is shown as follows:-

	Editora	Consolidated
Book earnings before income tax and CSLL	40,153	40,644
Combined tax rate	<u>34%</u>	<u>34%</u>
Income tax and CSLL at the combined rate	(13,653)	(13,820)
Permanent additions:		
Nondeductible expenses	(168)	(197)
Permanent exclusions:		
Equity in subsidiary's income	227	-
Other exclusions	86	93
Other items	226	226
	<u>(13,282)</u>	<u>(13,698)</u>
Income tax and CSLL on the year's income:		
Current	(13,279)	(13,279)
Deferred	(3)	(419)
	<u>(13,282)</u>	<u>(13,698)</u>
Effective tax rate on adjusted net profits	<u>33.1%</u>	<u>33.7%</u>

CVM Instruction no. 371, dated June 27, 2002.

Editora and its subsidiary, Livraria e Papelaria Saraiva S.A., based: a) on the expectation of generating future taxable income and positive cash flow, brought to the current value; and b) on the actions being taken by the subsidiary's management to offset the losses in the last three fiscal years with positive results; thus adapting to the provisions and conditions set forth in CVM Instruction no. 371/02, kept the deferred tax assets on the long-term liabilities, represented by litigations that challenge federal taxes, and, in the case of the subsidiary, also on the balance of tax losses and negative social contribution bases, on its financial statements.

The management considers the accounting value of the deferred tax assets constituted in Editora related to the temporary differences that can be realized in the proportion of the final settlement of the legal actions filed.

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The estimate of the subsidiary's deferred tax assets focuses on the next four years following the current year, to wit:-

Dates of the balance sheets	Deferred tax assets	Balance of the deferred tax assets
Deferred asset balance on 03/31/2004	-	7,498
12/31/2004 (9 months)	592	6,906
12/31/2005	2,813	4,093
12/31/2006	2,240	1,855
12/31/2007	1,726	129
12/31/2008	127	-

12 Provision for contributions and taxes.

Editora and its subsidiary, Livraria e Papelaria Saraiva S.A., legally argued the legality of the federal taxes related to PIS, COFINS, Income Tax and CSLL.

The composition of the residual contingent liabilities, charged to “Contributions and taxes” is as follows:-

	Editora	Consolidated
PIS/COFINS - Increase in the tax base and rate	137	8,938
Income Tax/CSLL – Plano Real – Law no. 8.880/94	<u>1,935</u>	<u>10,864</u>
	<u>2,072</u>	<u>19,802</u>

13 Shareholders’ equity.

The totally paid in capital as of March 31, 2004, in the amount of R\$ 39,721, is represented by 23,269,203 shares; 9,622,313 common shares and 13,646,890 preferred shares with no par value. Editora is always authorized to increase its capital, by issuing new shares for subscription and regardless of statutory reform, by up to 10,000,000 shares.

In an AGO/E held on April 29, 2004, a capital increase to R\$41,977 by incorporating revenue reserves in the amount of R\$ 2,256, without changing the number of shares, was approved.

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The preferred shares cannot exceed 2/3 of the total shares issued; are not voting shares, except in the cases set forth by law or in the articles of association; cannot be converted into common shares; and give the shareholder the following advantages: a) special treatment in the event of disposition of control of Editora, pursuant to the articles; b) dividends equivalent to those attributed to common shares; and c) participation in the distribution of bonus shares resulting from capitalization of reserves, retained earnings and of any other funds, under the same conditions as the owners of common shares.

Any change in the preferences, rights and advantages inherent to the preferred shares is subject to prior approval from the holders of more than half of said shares in a Special Meeting or ratification within a fixed period of one year.

All shares are entitled to a minimum dividend of 25% of the net profits for each fiscal year.

The remaining balance of retained earnings is prior to the effectiveness of Law no. 6.404/76.

Treasury stock - CVM Instruction no. 10/80 and 298/97 (recorded under “Revenue Reserve”).

A resolution to authorize the acquisition of 500,000 preferred book shares issued by Editora to remain in treasury was adopted in an August 21, 2002 Board Meeting, based on the Articles of Association.

No shares were acquired in the period. The number of shares in treasury on the period's closing date is 332,500 with market value equivalent to R\$3,259,000 (R\$ 9.80 per share – 03/31/2004 price).

14 Financial instruments.

Derivatives transactions.

Editora carries out transactions recorded in balance sheet accounts, which are intended to meet its operating needs and reduce exposure to risks relating to currency and interest rate fluctuations. The transactions are carried out with recognized sound financial institutions and are managed by the finance department in accordance with the established position and exposure limits and monitoring of the risks involved.

The following derivatives transactions were carried out by Editora in the year:-

- a. Currency hedge agreements - cashless Swap to hedge the amortization payments of the financing with International Finance Corporate (IFC). The transactions were contracted in September of 2003, maturing in June of 2004 and January of 2004, maturing in December of 2004, involving approximately US\$ 2,420, and the net loss recorded in financial expenses in the year was R\$ 57; -

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- b. Interest rate Swap agreements in connection with the loans obtained pursuant to Bacen Resolution no. 2.770, entered into in previous periods and settled in this period. The financial expenses recorded in the year were R\$ 304, equivalent to the CDI variation.

Other financial instruments.

In compliance with CVM Instruction no. 235/95, the account balances and market values of the financial instruments included in the consolidated balance sheet as of March 31, 2004 are identified as follows:-

Description	Accounting balance	Market value
Cash and Cash Equivalents	6,794	6,794
Taxes recoverable	3,488	3,488
Deferred income tax and social contribution – Assets	7,949	6,478
Investments valued at cost, not publicly traded	543	543
Loans and financing:		
In national currency	11,070	11,070
In foreign currency	16,991	16,991
Deferred income tax and social contribution – Liabilities	331	331

Criteria, premises and limitations used to calculate the market values.

- a. *Deferred income tax and social contribution.*

The market value of differed income tax and social contribution was calculated based on their present value determined through the future cash flows and using the Long-Term Interest Rate (TJLP).

- b. *Loans and financing.*

The account balances of loans and financing are substantially similar to the financing obtained from BNDES and IFC. The market values for said financing are identical to the account balances, since there are no similar instruments in the domestic market with comparable maturity and interest rates.

c. *Limitations.*

The market values were estimated at a specific moment based on “significant market information”. The changes in the premises may substantially affect the estimates presented.

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04.01 - ACCOMPANYING NOTES.

15 Financial expenses.

The composition of the account in the period is as follows:-

	Editora	Consolidated
Financial expenses - 2770 Transactions	304	304
Losses from financial applications - Hedge	57	57
Interest monetary and exchange v. w/o financing	361	632
Other interest and passive monetary v.	1,281	1,475
Other financial expenses	547	976
	<u>2,550</u>	<u>3,444</u>

16 Insurance coverage.

As of March 31, 2004, Editora and its subsidiary had insurance coverage against fire and different risks for the fixed assets and inventory, for values considered sufficient to cover possible losses.

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05.01 - COMMENT ON THE PERFORMANCE OF THE COMPANY FOR THE QUARTER.

SEE COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER – 08/01 ITR.

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06.01 – CONSOLIDATED BALANCE SHEET – ASSETS (Thousands of Reais).

1 – CODE	2 – DESCRIPTION	3 - 03/31/2004	4 - 12/31/2003
1	Total Assets	253,738	261,146
1.01	Current Assets	177,697	181,247
1.01.01	Cash and Cash Equivalents	6,794	8,306
1.01.01.01	Cash and banks	5,092	8,306
1.01.01.03	Financial applications	1,702	0
1.01.02	Credits	69,215	58,286
1.01.02.01	Clients	65,306	49,220
1.01.02.02	Taxes recoverable	3,488	6,326
1.01.02.04	Others	421	2,740
1.01.03	Inventory	101,566	112,039
1.01.03.01	Finished products and merchandise	79,751	84,973
1.01.03.02	Products in production	12,767	17,411
1.01.03.03	Raw material	8,267	8,821
1.01.03.04	Packaging and consumable materials	781	834
1.01.04	Others	122	2,616
1.01.04.01	Deferred expenses	122	2,616
1.02	Long-Term Assets	17,518	17,440
1.02.01	Miscellaneous Credits	0	0
1.02.02	Credits with Associates	0	0
1.02.02.01	With Affiliates	0	0
1.02.02.02	With Subsidiaries	0	0
1.02.02.03	With Other Associates	0	0
1.02.03	Others	17,518	17,440
1.02.03.01	Deposits for tax incentives	0	0
1.02.03.02	Judicial deposits	8,987	8,949
1.02.03.03	Deferred income tax and social contr.	7,949	7,910
1.02.03.04	Others	582	581
1.03	Permanent Assets	58,523	62,459
1.03.01	Investments	543	3,328
1.03.01.01	Interest in Affiliates	0	0
1.03.01.02	Interest in Subsidiaries	0	2,785
1.03.01.02.01	Goodwill w/o investment in subsidiary	0	2,785
1.03.01.03	Other Investments	543	543
1.03.01.03.01	Tax incentives	487	487
1.03.01.03.02	Others	56	56
1.03.02	Permanent Investments	49,139	51,597
1.03.02.01	Land	2,032	2,032
1.03.02.02	Buildings and constructions	6,592	6,685
1.03.02.03	Furniture, fixtures and installations	18,618	19,474
1.03.02.04	Vehicles	1,199	1,308
1.03.02.05	Machinery and equipment	4,281	4,548

1.03.02.06	Software and computer equipment	15,182	16,315
1.03.02.07	Other permanent investments	1,235	1,235
1.03.03	Deferred	8,841	7,534
1.03.03.01	Unamortized goodwill	3,289	1,586

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06.01 – CONSOLIDATED BALANCE SHEET – ASSETS (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 - 03/31/2004	4 - 12/31/2003
1.03.03.02	Others	5,552	5,948

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06.02 – CONSOLIDATED BALANCE SHEET - LIABILITIES (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 - 03/31/2004	4 - 12/31/2003
2	Total Liabilities	253,738	261,146
2.01	Current Liabilities	94,979	127,899
2.01.01	Loans and Financing	11,340	21,579
2.01.02	Debentures	0	0
2.01.03	Suppliers	38,090	72,887
2.01.04	Taxes, Fees and Contributions	4,762	4,953
2.01.04.01	Income tax	0	0
2.01.04.02	Social contribution	0	0
2.01.04.03	Taxes and social burdens	4,762	4,953
2.01.05	Payable Dividends	0	0
2.01.06	Provisions	17,802	5,909
2.01.06.01	Provision for vacation and burdens	5,303	4,250
2.01.06.02	Income tax provision	7,784	0
2.01.06.03	Social contribution provision	2,434	0
2.01.06.04	Management interest	1,024	1,659
2.01.06.05	Provision for holiday bonus and burdens	1,257	0
2.01.07	Debts with Associates	0	0
2.01.08	Others	22,985	22,571
2.01.08.01	Accounts and expenses payable	1,231	1,079
2.01.08.02	Copyrights	7,879	5,501
2.01.08.03	Proposed interest w/o equity capital	10,414	10,414
2.01.08.04	Acquisition of subsidiary	0	2,920
2.01.08.05	Losses in derivatives transactions	220	888
2.01.08.06	Rent payable	1,582	1,769
2.01.08.07	Management interest payable	1,659	0
2.02	Long-Term Liabilities	37,762	38,172
2.02.01	Loans and Financing	16,721	17,259
2.02.02	Debentures	0	0
2.02.03	Provisions	20,133	19,578

2.02.03.01	Contributions and taxes	20,133	19,578
2.02.04	Debts with Associates	0	0
2.02.05	Others	908	1,335
2.03	Deferred Income	0	0
2.04	Minority Interest	44	43
2.05	Shareholders' Equity	120,953	95,032
2.05.01	Paid-in Capital	39,721	39,721
2.05.01.01	Adjusted capital	39,721	39,721
2.05.02	Capital Reserves	13,947	13,947
2.05.02.01	Reserves for tax incentives	4,427	4,427
2.05.02.02	Investors' goodwill reserve	8,653	8,653
2.05.02.03	Working capital reserve	724	724
2.05.02.04	Others	143	143
2.05.03	Revaluation Reserves	0	0
2.05.03.01	Owned Assets	0	0
2.05.03.02	Subsidiaries/Affiliates	0	0

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01.01 – IDENTIFICATION.

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ
01047-2	SARAIVA S.A. LIVREIROS EDITORES	60.500.139/0001-26

06.02 – CONSOLIDATED BALANCE SHEET - LIABILITIES (Thousands of Reais).

1 – CODE	2 – DESCRIPTION	3 -03/31/2004	4 -12/31/2003
2.05.04	Revenue Reserves	40,127	40,127
2.05.04.01	Legal Reserve	6,980	6,980
2.05.04.02	Statutory Reserve	0	0
2.05.04.03	Contingency Reserve	0	0
2.05.04.04	Unrealized Revenue Reserve	0	0
2.05.04.05	Retention of Earnings	0	0
2.05.04.06	Special Reserve for Undistributed Dividends	0	0
2.05.04.07	Other Revenue Reserves	33,147	33,147
2.05.04.07.01	Reserve for capital increase	36,017	36,017
2.05.04.07.02	Treasury stock	(2,870)	(2,870)
2.05.05	Retained Earnings/Losses	27,158	1,237

FEDERAL PUBLIC SERVICE.**CVM - BRAZILIAN SECURITIES COMMISSION.****ITR - QUARTERLY STATEMENTS.**

Base Date - 03/31/2004

Corporate Law.

COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.**01.01 – IDENTIFICATION.**

1 - CVM CODE 01047-2	2 - COMPANY NAME SARAIVA S.A. LIVREIROS EDITORES	3 - CNPJ 60.500.139/0001-26
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07.01 – CONSOLIDATED INCOME STATEMENT (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 - 01/01/2004 to 03/31/2004	4 - 01/01/2004 to 03/31/2004	5 - 01/01/2003 to 03/31/2003	6 - 01/01/2003 to 03/31/2003
3.01	Gross Revenue from Sales and/or Services	184,568	184,568	154,607	154,607
3.02	Deductions from Gross Revenue	(18,151)	(18,151)	(11,046)	(11,046)
3.03	Net Revenue from Sales and/or Services	166,417	166,417	143,561	143,561
3.04	Cost of Goods and/or Services Sold	(66,804)	(66,804)	(54,166)	(54,166)
3.05	Gross Income	99,613	99,613	89,395	89,395
3.06	Operating Expense/Revenue	(58,974)	(58,974)	(52,155)	(52,155)
3.06.01	Selling Expenses	(39,879)	(39,879)	(35,729)	(35,729)
3.06.02	General and Administrative Expenses	(12,637)	(12,637)	(11,573)	(11,573)
3.06.02.01	Management fees	(1,281)	(1,281)	(1,035)	(1,035)
3.06.02.02	Others	(11,356)	(11,356)	(10,538)	(10,538)
3.06.03	Financial	(3,019)	(3,019)	(1,837)	(1,837)
3.06.03.01	Financial Revenues	425	425	235	235
3.06.03.02	Financial Expenses	(3,444)	(3,444)	(2,072)	(2,072)
3.06.04	Other Operating Revenues	273	273	428	428
3.06.05	Other Operating Expenses	(3,712)	(3,712)	(3,444)	(3,444)
3.06.05.01	Depreciation and amortization	(3,543)	(3,543)	(3,367)	(3,367)
3.06.05.02	Others	(169)	(169)	(77)	(77)
3.06.06	Equity in Subsidiary's Income	0	0	0	0
3.07	Operating Income	40,639	40,639	37,240	37,240
3.08	Non-Operating Income	5	5	147	147
3.08.01	Revenue	5	5	147	147
3.08.02	Expenses	0	0	0	0
3.09	Earnings Before Taxes/Interest	40,644	40,644	37,387	37,387

3.10	Provision for Income Tax and Social Cont.	(13,279)	(13,279)	(12,814)	(12,814)
3.11	Deferred Income Tax	(419)	(419)	203	203

FEDERAL PUBLIC SERVICE.

CVM - BRAZILIAN SECURITIES COMMISSION.

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COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.

01.01 – IDENTIFICATION.

1 - CVM CODE	2 - COMPANY NAME	3 - CNPJ
01047-2	SARAIVA S.A. LIVREIROS EDITORES	60.500.139/0001-26

07.01 – CONSOLIDATED INCOME STATEMENT (Thousands of Reais).

1 - CODE	2 - DESCRIPTION	3 - 01/01/2004 to 03/31/2004	4 - 01/01/2004 to 03/31/2004	5 - 01/01/2003 to 03/31/2003	6 - 01/01/2003 to 03/31/2003
3.12	Statutory Interest/Contributions	(1,024)	(1,024)	(736)	(736)
3.12.01	Interest	(1,024)	(1,024)	(736)	(736)
3.12.01.01	Management Interest	(1,024)	(1,024)	(736)	(736)
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Equity Capital Interest	0	0	0	0
3.14	Minority Interest	(1)	(1)	0	0
3.15	Profit/Loss for the Period	25,921	25,921	24,040	24,040
[blank]	NUMBER OF SHARES, EXC. TREASURY (Thousands)	22,936	22,936	22,936	22,936
[blank]	EARNINGS PER SHARE	1.13014	1.13014	1.04813	1.04813
[blank]	LOSS PER SHARE	[blank]	[blank]	[blank]	[blank]

FEDERAL PUBLIC SERVICE.
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01047-2 SARAIVA S.A. LIVREIROS EDITORES 60.500.139/0001-26

08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

The Company's operational and financial information refers to the first quarter of 2004 (1Q04), except where otherwise indicated, is consolidated and shown in Reais, pursuant to Corporate Law. All comparisons were made against the first quarter of 2003 (1Q03), except when otherwise specified.

HIGHLIGHTS.

The main highlights of the 1Q04 were:-

Revenue – The consolidated gross revenue of R\$ 184.6 million, increased 19.4% compared to the same period in 2003; -

Ebitda – The consolidated cash flow (EBITDA) reached R\$ 47.2 million; a value 11.2% higher than the same period of the previous year; -

Income – The consolidated quarterly net profits reached R\$ 25.9 million (a new record), 7.8% higher than what was recorded in the 1Q03; -

PNLD/2005 – Editora Saraiva achieved the exceptional index of 21% of all collections of books approved by the Ministry of Education and Culture (MEC), being ranked number two in the participating publishing groups for sales to the Federal Government in the next National Textbook Program for the 2005 school year, the contract for which should be entered into in the second semester of 2004; -

E-commerce – Significant growth of the electronic retail platform. The gross revenue was 55.6% higher than the same period in 2003, corresponding to 18.8% of the total retail operations (Livraria).

EDITORA SARAIVA (SARAIVA S/A LIVREIROS EDITORES).

Editora Saraiva is the controlling shareholder of Livraria Saraiva, holding 99.91 % of the shares, and they have two distinct activities and corporate names. It is important to stress that the economic-financial data of Editora Saraiva includes interest in Formato Editorial (a company acquired in August of 2003 and absorbed in February of 2004).

The table below summarizes the main data on the economic-financial performance of Editora:-

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01047-2 SARAIVA S.A. LIVREIROS EDITORES 60.500.139/0001-26

08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

Description	1Q04		1Q03		HA %
	R\$ '000	VA %	R\$ '000	VA %	
Gross Revenue	115,708	107.8	91,964	104.9	25.8
Net Income	107,380	100.0	87,688	100.0	22.5
Gross Profit	76,096	70.9	66,958	76.4	13.6
Operating Expenses	34,479	32.1	30,122	34.4	14.5
EBITDA	43,576	40.6	38,723	44.2	12.5
Net Financial Expenses	2,153	2.0	842	1.0	155.7
Net Profits before Equity Account	25,254	23.5	23,369	26.7	8.1
Net Profits	25,921	24.1	24,040	27.4	7.8

Gross Revenue.

[Legend: Gross Revenue (Millions of R\$); 1Q00 – 81.2; 1Q01 – 86.7; 1Q02 – 83.3; 1Q03 – 92.0; 1Q04 - 115.7].

The gross revenue reached R\$ 115.7 million in the 1Q04, with a growth of 25.8%. This performance reflects the highest revenue from textbook sales to the Government in the PNLD (National Textbook Program), as shown below:-

PNLD (School Year)	Total Sale (Value of the Contract) R\$ millions	Appropriation of the Sales (Fiscal Year) R\$ millions			
		4Q02	1Q03	4Q03	1Q04
2003	41.4	36.5	4.9	-	-
2004	85.5	-	-	57.4	28.1

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

The net income registered growth of 22.5% in relation to the 1Q03, below the performance of the gross revenue due to the rise in the COFINS tax rate, as of February of 2004.

Gross Profit.

The gross profit reached R\$ 76.1 million, exceeding the R\$ 67.0 million of the 1Q03. The gross profit / net income ratio registered a 5.5 percentage-point reduction, from 76.4% in the 1Q03 to 70.9% in the 1Q04, reflecting the highest participation in sales to the government, which margin is below that verified in sales to the private market.

Operating Income.

The operating expenses / net income ratio showed an improvement, dropping from 34.4%

in the 1Q03 to 32.1% in the 1Q04. An even more precise way to analyze the expenditure performance is to consider the relation with gross revenue, thus eliminating the effect caused by the rise in the COFINS tax rate, as of February of 2004, on the net income comparison base. From this standpoint, the improvement reaches 3 percentage points, from 32.8% in the 1Q03 to 29.8% in the 1Q04

It is important to stress that we intend to continue improving efficiency in controlling operating expenses. In this respect, a plan of action focused on the company's cash management is under way, for the purpose of implementing measures to streamline expenses and reduce working capital requirements.

In the 1Q04, we continued the process of implementing the value-based management system (GVA), bringing the interests of the managers and of the shareholders closer in line.

Cash flow.

The operating cash flow measured by the EBITDA registered a growth of 12.5%, rising from R\$ 38.7 million in the 1Q03 to R\$ 43.6 million in the 1Q04.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

Financial Results.

The net financial expenses in the quarter totaled R\$ 2.2 million in the 1Q04, compared to R\$ 0.8 million in the 1Q03. This increase is primarily due to the exchange rate appreciation that occurred in the 1Q03, which resulted in a reversal in the exchange variation expense in that period and affected the base for comparison.

Net Profits.

The net profits, before equity in the subsidiary Livraria Saraiva, surpassed the 1Q03 results by 8.1%, rising from R\$ 23.4 million to R\$ 25.3 million in the 1Q04. Meanwhile, the net profit after equity registered a growth of 7.8%, reaching R\$ 25.9 million, corresponding to a net margin of 24.1% – the net profit / net income ratio.

Investments.

During the 1Q04, R\$ 1.7 million was invested. The highlights were as follows:-

- Absorption of Formato Editorial by Editora Saraiva, focusing activities on generating synergies; -
- Introduction of 12 new products from the electronic legal-content publishing division (Saraiva Data/www.saraivajur.com.br), which contributed to the 69% growth in the sales volume for this division in the period. 15 more new products are expected to be introduced in the 2nd quarter.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

LIVRARIA SARAIVA (LIVRARIA E PAPELARIA SARAIVA S/A).

The following table shows the main economic-financial performance data:-

Description	1Q04		1Q03		HA %
	R\$ '000	VA %	R\$ '000	VA %	
Gross Revenue	73,348	115.5	67,678	111.1	8.4
Net Income	63,525	100.0	60,909	100.0	4.3
Gross Profit	23,521	37.0	22,446	36.9	4.8
Operating Expenses	21,585	34.0	20,555	33.7	5.0
EBITDA	3,625	5.7	3,719	6.1	-2.5
Net Profits	667	1.0	671	1.1	-0.6

Gross Revenue.

[Legend: Gross Revenue (Millions of R\$); 1Q00 – 52.4; 1Q01 – 64.3; 1Q02 – 65.0; 1Q03 – 67.7; 1Q04 - 73.3].

Livraria's gross revenue reached R\$ 73.3 million in the 1Q04, with 8.4% growth over the same period in 2003. The main contribution to this increase came from the strong 55.6% expansion in the sales of the e-commerce division. In the physical stores, there was growth of 1.2%, reflecting the weak sales scenario still seen in the 1Q04 in national retail as a whole.

The net income registered a growth of 4.3% over the 1Q03, lower than the performance of the gross revenue due to the COFINS tax rate increase, as of February of 2004.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

Gross Profit.

A gross profit of R\$ 23.5 million was reflected in the 37.0% gross margin, slightly higher than the 36.9% of the 1Q03.

Operating Income.

Operating expenses showed good performance, especially if analyzed in relation to the gross revenue, to avoid the distortion that the COFINS rate increase caused in the comparison base. Expenses recorded a 5.0% increase, lower than the 8.4% increase in gross revenue. We emphasize the reduction in administrative expenses, which represented 3.6% of the gross revenue in the 1Q04, versus the 4.3% in the 1Q03. The adoption of a posture of strict control of expenses, especially in streamlining the staff and renegotiating the rental agreements for the stores, has generated increased efficiency. This result is even more significant when considering that the expenses are affected by the collective labor agreement of 12.5% granted in December of 2003.

Cash flow.

The operating cash flow measured by the EBITDA remained practically unchanged, dropping from R\$ 3.7 million in the 1Q03 to R\$ 3.6 million in the 1Q04. It is important to emphasize the growth achieved in the e-commerce division, which rose from R\$ 17,000 in the 1Q03 to R\$ 827,000 in the 1Q04.

With respect to management of the working capital, it should be pointed out that the average accounts payable period was extended six days, thanks to the efforts to strengthen partnerships with suppliers. The inventory turnover rate remained unchanged.

Net Profits.

The net profits remained practically unchanged at R\$ 0.7 million. The best performance of

the e-commerce division offset the reduction in the earnings of the physical stores.

Investments.

During the 1Q04, R\$ 377,000 was basically invested in information technology and maintenance.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

Award.

Livraria Saraiva received the ALSHOP VISA award, by popular vote, in the “Big Formats” category. Considered the Oscar of Brazilian retail, this award is recognition of the success of our Mega Stores with the public.

Saraiva.com – E-commerce division.

The gross revenue showed a strong growth of 55.6%, as well as the other indicators. The results obtained demonstrate the firm growth trend in the profitability indicators.

Indicators	1Q04	1Q03	Var.
Gross Revenue (R\$ thousands)	13,820	8,882	55.6%
EBITDA (R\$ thousands)	827	17	4764.7%
Clients (thousands)	1,142	777	47.0%
% of Livraria’s Gross Revenue	18.8	13.1	43.5%
Average Ticket (R\$)	81.00	76.00	6.6%

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER

CONSOLIDATED.

The following table shows the main consolidated economic-financial performance data:-

R\$ thousands	1Q04	1Q03	VAR
Gross Revenue	184,568	154,607	19.4%
Net Income	166,417	143,561	15.9%
Gross Profit	99,613	89,395	11.4%
<i>Gross Margin</i>	<i>59.9%</i>	<i>62.3%</i>	
Operating Income (EBIT) (a)	43,658	39,077	11.7%
<i>Operating Margin</i>	<i>26.2%</i>	<i>27.2%</i>	
Financial Result	3,019	1,837	64.3%
Net Profits	25,921	24,040	7.8%
<i>Net Margin</i>	<i>15.6%</i>	<i>16.7%</i>	
EBITDA (b)	47,201	42,444	11.2%
<i>EBITDA Margin</i>	<i>28.4%</i>	<i>29.6%</i>	
Total Assets	253,738	253,689	0.0%
Shareholders’ Equity	120,953	114,558	5.6%
Net Debt	21,487	36,655	-41.4%

(a) *Before the financial result.*

(b) *Operating income after interest, taxes, depreciations and amortizations.*

[Legend: Consolidated Gross Revenue; 1Q04 – Editora 60% - Livraria 40%; 1Q03 - Editora 56% - Livraria 44%].

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

Gross Revenue.

[Legend: Gross Revenue (Millions of R\$); 1Q00 - 129.6; 1Q01 - 146.4; 1Q02 - 145.0; 1Q03 - 154.6; 1Q04 - 184.6].

Consolidated gross revenue totaled R\$ 184.6 million in the 1Q04, registering 19.4% growth in relation to the 1Q03. The highest revenue from sales to the Government (PNLD) by Editora and the expansion of sales in the e-commerce division of Livraria were fundamental in obtaining this result.

Gross Profit.

The gross profit reached R\$ 99.6 million, registering an 11.4% increase in relation to the 1Q03. The consolidated gross margin dropped from 62.3% in the 1Q03 to 59.9% in the 1Q04, due the larger volume Editora's sales to the Government, which sales margin is lower than that obtained from sales in the private market.

Operating Income.

The operating income before financial expenses (EBIT) was R\$ 43.7 million in the 1Q04, indicating growth of 11.7% in relation to the 1Q03.

Cash flow.

The operating cash flow measured by EBITDA totaled R\$ 47.2 million in the 1Q04, with a growth of 11.2%.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

Financial Result.

The net financial expenses rose from R\$ 1.8 million in the 1Q03 to R\$ 3.0 million in the 1Q04, reflecting the exchange rate appreciation in the 1Q03, which affected the base for comparison.

Net Profits.

The consolidated net profits of the 1Q04 reached the record figure of R\$ 25.9 million, with a 7.8% growth in relation to the same period of the previous year.

Editora's best result was the main reason for the consolidated performance.

CAPITAL STRUCTURE.

The consolidated net debt showed a significant reduction, dropping from R\$ 36.7 million in March of 2003 to R\$ 21.5 million in March of 2004.

The financial liabilities exposed to exchange variation were equivalent to US\$ 3.5 million at the end of March of 2004, with semi-annual installments maturing between June/05 and

June/06. During the 1Q04, we continued our strategy of minimizing the impact of the exchange variation on the cash position, maintaining the hedge for installments due in the next 12 months.

Also during the 1Q04, BNDES [the National Bank for Economic and Social Development] released R\$ 0.4 million, corresponding to the balance of the investments made in the last two facilities inaugurated in the 4Q03: Mega Store Shopping Flamboyant, in Goiania, and Livraria Saraiva Itaim, in São Paulo.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

CAPITAL MARKET.

Below is a summary of Saraiva's stock activity, comparing the 1Q04 and the 1Q03:-

INDICATORS	1Q04	1Q03	Var. %
Number of Trades (1)	148	135	10%
Participation in Trading - % (1)	56.5	63.9	-12%
Quantity Traded – thousands (1)	620	1,130	-45%
Volume Traded - R\$ thousands (1)	6,151	9,936	-38%
Stock Price - R\$ (1)	9.80	7.61	29%
Total Outstanding Shares – thousands	22,937	22,937	0%
Market Value - R\$ millions	224.8	174.6	29%

Source: Bovespa.

(1) Refers to PN Share (SLED4).

PROSPECTS.

At **Editora**, we are fully prepared for consistent growth, supported by Saraiva's high level of competitiveness in every market in which it operates. The growth in the demand for education has intensified:-

- Our position is very strong (21% of all book collections approved) for sales in the PNLD/2005. This is the largest acquisition and distribution program for textbooks in the world. There are over 150,000 schools and 32 million students served; -
- The Government's indication regarding the acquisition of books for middle school students – PNLEM (*Programa Nacional do Livro para o Ensino Médio* or National Textbook Program for Middle Schools) opens up a new market with enormous growth potential (there are almost 8 million students currently studying in public middle schools). Although there is no defined schedule yet or even confirmation that the program will be implemented by the Government, a pilot project which objective is to acquire 2.5 million books during the second half of 2004 for students enrolled in the first year of public middle schools in the North-East is already under way; -

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER.

- The “Hungry for Books” Program, through which libraries will be set up in over one thousand Brazilian cities, is also in progress.

We also remain open to studying new acquisition or strategic alliance opportunities.

In the **Law Portal** (www.saraivajur.com.br), the rapid growth of the range of products offered and the expansion of distribution channels add significant potential to generate value in the medium and long term.

At **Livraria**, we have focused our efforts on seeking continual gains in operating efficiency in order to be in the position to translate the process of resumption of economic growth and recovery of buying power into increased profitability.

Our expectation is to gradually recover economic growth, with positive effects on the retail segment. We also continue to seek strategic locations in order to continue the expansion program for the network of physical stores.

In **on-line retail** (www.saraiva.com.br), the most recent results and indicators make us confident in the realization of its great value creation potential.

The declarations relating to business prospects, projections of operating and financial results and the Company's growth potential contained in this document are mere forecasts and were based on the Management's expectations in relation to the future of the Company. These expectations are highly dependent on market changes and on Brazil's overall economic performance and are, therefore, subject to change.

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09.01 - INTEREST IN SUBSIDIARIES AND/OR AFFILIATES.

1 - ITEM: 01.

2 - CORPORATE NAME OF THE SUBSIDIARY/AFFILIATE: LIVRARIA E PAPELARIA SARAIVA S.A.

3 - CNPJ: 61.254.454/0001-83.

4 - CLASSIFICATION: PRIVATELY HELD SUBSIDIARY.

5 - % INTEREST IN THE INVESTEE'S EQUITY: 99.91.

6 - % SHAREHOLDERS' EQUITY OF THE INVESTOR: 41.42.

7 - TYPE OF COMPANY: BUSINESS, INDUSTRIAL AND OTHER COMPANY.

8 - NUMBER OF SHARES OWNED IN THE CURRENT QUARTER: 57,490,000.

9 - NUMBER OF SHARES OWNED IN THE PREVIOUS QUARTER: 57,490,000.

FEDERAL PUBLIC SERVICE.

CVM - BRAZILIAN SECURITIES COMMISSION.

ITR - Quarterly Statements.

Corporate Law.

COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.

Base Date - 03/31/2004.

01047-2 SARAIVA S.A. LIVREIROS EDITORES	60.500.139/0001-26
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17.01 – SPECIAL REVIEW REPORT – UNQUALIFIED.

To the Shareholders

and Board of Directors of

Saraiva S.A. Livreiros Editores São Paulo -

SP

1. We conducted a special review of the Quarterly Statements - ITRs of Saraiva S.A. Livreiros Editores and its subsidiary for the quarter that ended on March 31, 2004, including the balance sheets, individual and consolidated, the respective income

statements, individual and consolidated, and the performance report, prepared under the responsibility of their Management and in accordance with the accounting principles adopted in Brazil.

2. We conducted our review in accordance with specific rules established by IBRACON – the Brazilian Institute of Independent Auditors, in conjunction with the Federal Accounting Council, which primarily included: (a) inquiry and discussion with the administrators responsible for the accounting, financial, and operating areas of the Company and its subsidiary as to the main criteria used to prepare the Quarterly Statements; and (b) examination of the statements and subsequent events that may have or could have substantial effects on the financial condition and operations of the Company and its subsidiary.
3. Based on our special review, we are not aware of any substantial change that should be made in the Quarterly Statements referenced in paragraph 1 to bring them in accordance with the accounting principles adopted in Brazil, applied in conformity with the rules issued by the Brazilian Securities Commission - CVM, especially those that apply to the preparation of the Quarterly Statements.
4. The individual and consolidated balance sheets prepared as of December 31, 2003, presented for the purpose of comparison, were audited by other independent auditors whose opinion, dated March 11, 2004, was unqualified. The individual and consolidated income statements for the quarter ending on March 31, 2003, presented for the purpose of comparison, were reviewed by other independent auditors, whose special review report, dated March 13, 2003, was unqualified.

São Paulo, May 11, 2004.

DELOITTE TOUCHE TOHMATSU	Marco Antonio Brandão Simurro
Independent Auditors	Accountant
[*]CRC no. 2 SP 011609/O-8	CRC no. 1 RJ 052000/O-0 “S” SP
[* CRC = Regional Accounting Council].	

The pages of the ITRs, reviewed by us, are only stamped for identification purposes.

FEDERAL PUBLIC SERVICE.**CVM - BRAZILIAN SECURITIES COMMISSION.****ITR - QUARTERLY STATEMENTS.**

Base Date - 03/31/2004

Corporate Law.

COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.**01.01 – IDENTIFICATION.**

1 - CVM CODE 01047-2	2 - COMPANY NAME SARAIVA S.A. LIVREIROS EDITORES	3 - CNPJ 60.500.139/0001-26
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SUBSIDIARY/AFFILIATE.

COMPANY NAME LIVRARIA E PAPELARIA SARAIVA S.A.

18.01 – INCOME STATEMENT OF THE SUBSIDIARY/AFFILIATE (Thousands of Reais).

1 - CODE	2 – DESCRIPTION	3 - 01/01/2004 to 03/31/2004	4 - 01/01/2004 to 03/31/2004	5 - 01/01/2003 to 03/31/2003	6 - 01/01/2003 to 03/31/2003
3.01	Gross Revenue from Sales and/or Services	73,348	73,348	67,678	67,678
3.02	Deductions from Gross Revenue	(9,823)	(9,823)	(6,769)	(6,769)
3.03	Net Revenue from Sales and/or Services	63,525	63,525	60,909	60,909
3.04	Cost of Goods and/or Services Sold	(40,004)	(40,004)	(38,463)	(38,463)
3.05	Gross Income	23,521	23,521	22,446	22,446
3.06	Operating Expense/Revenue	(22,361)	(22,361)	(21,320)	(21,320)
3.06.01	Selling Expenses	(17,024)	(17,024)	(15,676)	(15,676)
3.06.02	General and Administrative Expenses	(2,963)	(2,963)	(3,281)	(3,281)
3.06.02.01	Management fees	(331)	(331)	(374)	(374)
3.06.02.02	Others	(2,632)	(2,632)	(2,907)	(2,907)
3.06.03	Financial	(867)	(867)	(995)	(995)
3.06.03.01	Financial Revenues	27	27	51	51
3.06.03.02	Financial Expenses	(894)	(894)	(1,046)	(1,046)
3.06.04	Other Operating Revenues	231	231	244	244
3.06.05	Other Operating Expenses	(1,738)	(1,738)	(1,612)	(1,612)
3.06.05.01	Depreciation and amortization	(1,598)	(1,598)	(1,598)	(1,598)
3.06.05.02	Others	(140)	(140)	(14)	(14)
3.06.06	Equity in Subsidiary's Income	0	0	0	0
3.07	Operating Income	1,160	1,160	1,126	1,126
3.08	Non-Operating Income	(3)	(3)	5	5
3.08.01	Revenue	0	0	5	5

FEDERAL PUBLIC SERVICE.**CVM - BRAZILIAN SECURITIES COMMISSION.****ITR - QUARTERLY STATEMENTS.**

Base Date - 03/31/2004

Corporate Law.

COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.**01.01 – IDENTIFICATION.**

1 - CVM CODE 01047-2	2 - COMPANY NAME SARAIVA S.A. LIVREIROS EDITORES	3 - CNPJ 60.500.139/0001-26
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SUBSIDIARY/AFFILIATE.

COMPANY NAME LIVRARIA E PAPELARIA SARAIVA S.A.

18.01 – INCOME STATEMENT OF THE SUBSIDIARY/AFFILIATE (Thousands of Reais).

1 - CODE	2 – DESCRIPTION	3 - 01/01/2004 to 03/31/2004	4 - 01/01/2004 to 03/31/2004	5 - 01/01/2003 to 03/31/2003	6 - 01/01/2003 to 03/31/2003
3.08.02	Expenses	(3)	(3)	0	0
3.09	Earnings Before Taxes/Interest	1,157	1,157	1,131	1,131
3.10	Provision for Income Tax and Social Cont.	0	0	(216)	(216)
3.11	Deferred Income Tax	(416)	(416)	(169)	(169)
3.12	Statutory Interest/Contributions	(74)	(74)	(75)	(75)
3.12.01	Interest	(74)	(74)	(75)	(75)
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Equity Capital Interest	0	0	0	0
3.15	Profit/Loss for the Period	667	667	671	671
[blank]	NUMBER OF SHARES, EXC.	57,540	57,540	57,540	57,540
[blank]	EARNINGS PER SHARE	0.01159	0.01159	0.01166	0.01166
[blank]	LOSS PER SHARE	[blank]	[blank]	[blank]	[blank]

FEDERAL PUBLIC SERVICE.
CVM - BRAZILIAN SECURITIES COMMISSION.
ITR - Quarterly Statements.
Corporate Law.
COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.
Base Date - 03/31/2004.

01047-2 SARAIVA S.A. LIVREIROS EDITORES 60.500.139/0001-26

18.02 - COMMENT ON THE PERFORMANCE OF THE SUBSIDIARY/AFFILIATE.

Subsidiary/Affiliate: LIVRARIA E PAPELARIA SARAIVA S.A.

SEE COMMENT ON THE CONSOLIDATED PERFORMANCE FOR THE QUARTER – 08 / ITR.

FEDERAL PUBLIC SERVICE.
CVM - BRAZILIAN SECURITIES COMMISSION.
ITR - QUARTERLY STATEMENTS.
Base Date - 03/31/2004 Corporate Law.
COMMERCIAL, INDUSTRIAL AND OTHER COMPANY.
01.02 – IDENTIFICATION.

1 - CVM CODE 01047-2	2 - COMPANY NAME SARAIVA S.A. LIVREIROS EDITORES	3 - CNPJ 60.500.139/0001-26
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The pages respectively numbered 1-48 are stamped and initialed.