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The Foundation represents my family’s interest in pursuing improved education as a means for Brazil to achieve greater equality, faster growth, and more competitiveness in the future.

You will read about the activities of the Foundation in a formal way in the full report. Being a believer in concrete or measured results, I will use this space to highlight some of the achievements of last year that either pleased me or struck me as relevant.

Our program to help public school principals improve their management skills is now being run in 450 schools, more than double the number of schools in the previous year. This was made possible by an initial backing from the Gerdau Group, combined with the efforts of about 20 entrepreneurs in São Paulo working under the title Educar São Paulo who then joined forces, allowing us to extend this program which will affect some 300 thousand public school children. The beauty of this is that with its new partners the program has greater leverage, and, being relatively modular, it can be extended to an even greater number of schools in Brazil in the future.

Most public school principals in Brazil have been trained as teachers. A course giving them a management perspective adds a new dimension to their abilities and results. We test the students of the schools regularly to measure changes in their abilities.
The Foundation represents my family’s interest in pursuing improved education as a means for Brazil to achieve greater equality, faster growth, and more competitiveness in the future.

The young tennis players going abroad through our program obtained 20 scholarships at U.S. universities totaling approximately US$ 1.2 M. These are kids who without our help would never get the benefit of a U.S. college education and exposure. Most of them come back to Brazil with their potential for obtaining jobs or acting entrepreneurially vastly increased.

The Fundação Estudar backed by the Lemann Foundation helps Brazilians to study abroad at top universities. At the end of 2005 we were pleased to see one of its first scholars, Carlos Brito, who earned an MBA at Stanford 16 years ago, appointed as CEO of InBev, a large international beer company.

These are all minor results in relation to Brazil’s educational needs, but they motivate us to keep striving at both the macro level of improving public education as well as at the level of helping individuals who can set an example, motivate others, and have a multiplier effect.

We thank our associates at the Foundation and friends who have contributed financially or with advice and know-how, making it possible for the Foundation to leverage its results.

Jorge Paulo Lemann
In its first three years of operations, the Lemann Foundation has had the opportunity to learn from its projects, from its partners and through the relationships it has established with the public education system. This learning process has led to concrete results, the key ones being the elaboration of a long-term investment strategy, the possibility of leveraging these investments through the human and material resources of outside partners, and the achievement of a measurable social impact.

At this point, the Lemann Foundation’s strategy allows investments to be prioritized and systemized on a broad basis: the Board members can make more sophisticated contributions, the partners can feel more secure in joining their resources with ours, and the deployment of projects with measurable results can be structured with greater efficiency and productivity.
The leveraging of our resources with those of third parties assures greater impact for our social initiatives, as well as theirs; each party contributes the best they can offer and the result is much greater than a simple sum of the parts; the social impact of each of our projects is measurable through the use of specific indicators.

Entering our fourth year of operations with a well-stuffed knapsack is a source of pride for our operational team and for the Board. This is only the beginning of our journey, but we are well equipped!

The Lemann Foundation Team
Investment Strategy

The Lemann Foundation invests in two areas:

>>> Improvement of the quality of k-12 public education in Brazil, according to a managerial approach, through our own projects as well as through those of our partners. In this set of undertakings, the foundation sponsors and articulates the initiatives proposed by the Institute for Education Management (IGE), a separate legal entity established to coordinate all our investment strategy in this area;

>>> Development of the potential of Brazilian youths, as an investor in projects undertaken by third parties, as further described in this report.

The strategy of both the Lemann Foundation and the IGE was designed based on a careful study of the generally accepted determinants of the low performance of Brazilian public school students.

While there are individual and demographic factors that influence both a student’s readiness to study as well as the conditions for learning within the public schools, the population of students served by the public schools has precisely this profile: a high diversity of income, race, social class and familial cultural level. All with the same right to a quality education.

Thus, the Foundation’s approach to social investment considers the school as seen from the inside; in other words, it is management in the widest sense: the optimization of the available resources in order for the students to develop their maximum potential.
This approach is built on three main pillars, each one serving as the basis for a group of investment challenges, and consequently for a group of projects:

**Management of learning conditions** – management of resources involved in serving the students, at both the school and the Department of Education level. Here, the projects are aimed at enhancing the knowledge and skills of management leadership (at both the school and the Department of Education level), while encouraging effective implementation of programs that measure student achievement.

Up to 2005, the projects in this area have involved the following courses for the training of school administrators: Managing for School Success (GSE), a distance-training, in-service program aimed at stimulating the school principal to lead his/her team in ways that will ensure the students’ academic success; and the School Manager Course (FGE), a 440-hour postgraduation course aimed at preparing school leaders for the challenges of guiding their schools toward effective development.

**Administrative management** – management in the strict sense as practiced by the State Departments of Education (SEDUCs). This area includes the selection, administration and development of human resources, management of material resources, budgets, computer systems and networks, controls, etc. Since this is a very wide field, where we still have much to learn, we have established a partnership with the National Council of State Departments of Education (CONSED). To support the SEDUCs in regard to public-education improvement, CONSED created the CONSED RH group, which studies the administrative practices of the participating states in order to disseminate the best practices among them.

**Stimulating social control** – management, by definition, must consider the everyday needs and expectations of the clients. With this in mind, we built the third pillar, which currently includes the IGE Journalism Prize and the School Management Case Studies, developed by highly respected educational institutions such as Ibmec and Fundação Getúlio Vargas (FGV).
Management for School Success (GSE)

The Management for School Success program is now in its second edition, after having been applied in the states of São Paulo and Santa Catarina with excellent results. This in-service distance learning course for public school directors allows them to improve their school’s educational management, without having to leave their workplace. With 360 hours of activities spread over 12 months, this is the first project of the management of learning conditions pillar. Last year the budget for this project was US$283,000.

In 2005 GSE begun its second class with participants from the states of Tocantins and Ceará, in municipalities scattered as shown in the maps beside. The participants of all the editions of the GSE will remain in contact by means of a permanent virtual network. In this community, the school principals will be able to exchange experiences and knowledge, as well as gain access to new content that will allow them to be updated on a permanent basis.

The table below shows the consolidated impact of GSE’s editions, including the partnership with the Educar SP group for metropolitan São Paulo, to begin in 2006.

<table>
<thead>
<tr>
<th>Location</th>
<th>Year</th>
<th>Partner</th>
<th>N. of Municipalities</th>
<th>N. of Directors</th>
<th>N. of Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>São Paulo and Santa Catarina States</td>
<td>2003/2004</td>
<td>Gerdau/IRS/IBM</td>
<td>129</td>
<td>200</td>
<td>101,800</td>
</tr>
<tr>
<td>State of Tocantins</td>
<td>2005/2006</td>
<td>Gerdau/IRS/IBM</td>
<td>34</td>
<td>157</td>
<td>63,000</td>
</tr>
<tr>
<td>State of Ceará</td>
<td>2005/2006</td>
<td>Gerdau/IRS/IBM</td>
<td>60</td>
<td>179</td>
<td>80,000</td>
</tr>
<tr>
<td>Metropolitan São Paulo</td>
<td>2006</td>
<td>Educar SP/IRS/IBM</td>
<td>1</td>
<td>150</td>
<td>210,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>224</td>
<td>686</td>
<td>454,800</td>
</tr>
</tbody>
</table>
Administrator giving the commitment oath during the graduation ceremony of the program’s first graduating class.

Award-winning school principals of the São Paulo and Santa Catarina editions.

The Instituto Razão Social is in charge of the project technological coordination and IBM, through its initiative “Reinventing Education” granted the licenses for the use of the tool.
School Manager Training Course (FGE)

FGE is a 440-hour postgraduation course for educational managers of public schools. The course uses the following groups of contents:

- People management – leadership, creativity, negotiation and conflict management, data analysis and IT;
- Management of learning and curricula: sociological, political, economic, educational, teaching and psychological concepts related to the school’s clientele;
- Strategic planning and administrative management: approaches necessary for the school’s operation, focusing management on efficiency and optimal use of time and resources.

Sixty-four participants, with approximately 70,000 students under their responsibilities, began the first FGE classes in September of 2005 in Fortaleza, the capital of the state of Ceará, at the undergraduate institutions Universidade de Fortaleza (Unifor) and Faculdade Sete de Setembro (Fa7).

In addition to investing in the design of the course syllabus, in this first edition of the course, the Lemann Foundation offered a 50% scholarship to the participants, matched by 30% from the state of Ceará Department of Education. The participants paid the remaining. The Foundation’s total investment in this program in 2005 was US$158,500.
The HR Group was created in 2004, as part of CONSED’s strategy to contribute to the development of the services offered by the associated state departments of education. The HR Group analyses, by systematizing data informed by the states, the teaching and school personnel career situation. It has carried out a comparative study of the career plans and salaries of teachers in each state and has researched the experiences of educational assessment undertaken by the SEDUCs.

The information obtained so far has not only allowed for a better understanding of the priorities and obstacles to the development of public education in the states, but has also brought about learning opportunities and
interaction among the various levels of professionals of the state Departments of Education. The Lemann Foundation’s investment in this project in 2005 was US$39,000, complementing US$160,000 raised by CONSED itself.
The IGE Journalism Award

This project is the base of the third pillar of the Foundation’s strategy, fostering the effective social oversight that can guarantee real advances in the quality of public education, especially that offered to the low-income population. The IGE Journalism Award will establish a network of professionals involved in journalistic coverage of k-12 public education, by making information and learning opportunities available to the journalists, besides showcasing their best work.

The initiative was launched in October 2005, and the first awarding ceremony will take place in the first semester of 2006. The News Agency
On the IGE Journalism Award’s Internet site one can find references for further reading, as well as downloads and links to selected information sources concerning basic public education for Children’s Rights (ANDI) provides the technical coordination for the project. Among other things, a Journalist Survival Guide with information and sources on this theme, as well as the Internet site www.premioigedejornalismo.org.br with links, downloads and bibliographic references for further reading were created. This project’s budget in 2005 was US$225,000.
Case studies are a way of further involving the academic community in the challenges of Brazil’s public education. So far, two opportunities for the production of case studies have been identified, resulting in an investment of US$76,000.

The undergraduate students in Business Administration and Economics at Ibmec-SP will study the characteristics of some administrators who participated in the first edition of the Management for School Success (GSE) project. The objective is to understand the profile of school principals who achieved the greatest success in implementing projects at their schools, during their participation in the course.

The nucleus of Public Administration and Citizenship at Fundação Getúlio Vargas – School of Administration of Companies of São Paulo (FGV-EAESP) will analyze the profile of the State Department of Education of Tocantins (SEDUC-TO), a GSE participant in 2005/2006. Based on the relationship established with the GSE project, the Foundation’s team identified some interesting characteristics in the state’s educational administration. Moreover, the performance of the students at the state schools in Tocantins increased by 14% in Language and 7% in Mathematics in the last SAEB (National Evaluation System of k-12 Education) exam in 2003.
Brascrici has been running its Second Chance program since 2000, offering scholarships for job training courses to low-income high school students at five public partner schools. The courses are designed to facilitate entry in the job market.

In 2005, the Lemann Foundation invested around US$317,900 in the Second Chance program and in Reading/Writing Workshops for the teachers at the partner schools. The additional investment was necessary to guarantee the students’ future employability, since they presented serious deficiencies in regard to the schools’ formal curriculum. For this same reason, the basic job skills training (PET-SENAC) as originally offered is currently being complemented by a combination of formal curriculum and training for telemarketing – operators and sales – called Professional Path (Itinerário Profissional – SENAC).
The internationally accepted indicator to measure the performance of projects of this nature is the students’ employment rate in the area for which they were trained, within a two-year follow-up period. In December 2005, the first graduating class [PET–SENAC from August of 2003] achieved an average employment rate of 87%. This result, together with the credibility that Brascri and the Lemann Foundation have garnered from the schools, has significantly increased the demand for these grants, with a 30% growth in the number of students enrolled, in the last year alone.

The graph below shows the growth in the employment rate of all the classes graduated so far.

![Students in an activity of the Reading Workshop, held in public schools.](image-url)
Vitae – Program of Support to Technical and Agrotechnical Vocational Training

This program exists since 1996 and fosters the updating of curricula and technical infrastructure of public and philanthropic institutions that provide vocational training at the high school level. Up to 2005, the program sponsored 201 projects through a total investment of US$16.4 million, increased by over US$6 million in additional resources matched by the schools or their partners.

The Lemann Foundation, which has participated in this initiative since 2003, supporting 23 projects, invested US$300,000 in the 9th edition of 2005/2006 in 7 projects. This was the last edition of the original project, since Vitae is now in the process of ending its activities. From 2006 on,
the program will be run by the Foundation for Support to Technology (FAT), with further support from new partners.

The Lemann Foundation expresses its highest praise to Vitae’s Board and collaborators, at this moment in which the institution is winding down its activities, after 20 years of supporting and encouraging exemplary initiatives for social development, improvements in Brazil’s education, and incentives to culture.
<table>
<thead>
<tr>
<th>School Name</th>
<th>Location</th>
<th>Project Description</th>
<th>N. of students in school</th>
<th>N. of students in course impacted</th>
<th>FL’s investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETE Prof. Eudécio Luiz Vicente</td>
<td>Adamantina – São Paulo</td>
<td>Located in a region that produces sugar and alcohol, this school was the first to offer a course to technicians of the sector in the state of São Paulo. The project aims at updating the infrastructure of classes and labs.</td>
<td>532</td>
<td>55</td>
<td>$74,932</td>
</tr>
<tr>
<td>CEDAF-Central de Ensino e Desenvolvimento Agrário de Florestal</td>
<td>Florestal – Minas Gerais</td>
<td>The school is participating in the program for the third time and will build on the previous projects to expand the offer of agribusiness courses by opening a new vegetable processing and quality control unit.</td>
<td>481</td>
<td>46</td>
<td>$48,036</td>
</tr>
<tr>
<td>ETE Dr. José Luiz Viana Coutinho</td>
<td>Jales – São Paulo</td>
<td>This school is key to support local, small, family owned, milk processing businesses. This new project is aimed at preparing local people to improve their businesses performance.</td>
<td>322</td>
<td>218</td>
<td>$42,309</td>
</tr>
<tr>
<td>CEFET da Paraíba</td>
<td>João Pessoa – Paraíba</td>
<td>The school is a regional reference in professional training for the telecom industry. This is the third school project approved in the contest, building on the previous ones. In this phase the school will acquire third-generation telecom and broadband equipment for the classes.</td>
<td>1306</td>
<td>424</td>
<td>$29,059</td>
</tr>
<tr>
<td>Escola Agrícola Assis Chateaubriand, Campus II da UEPB</td>
<td>Lagoa Seca – Paraíba</td>
<td>The school is located in the semi-arid region, dominated by small family farms where goat milk, cashews and typical fruits are produced. The project aims at preparing local people to add value to their products.</td>
<td>157</td>
<td>157</td>
<td>$52,153</td>
</tr>
<tr>
<td>Escola Agrícola de Jundiaí-UFRN</td>
<td>Macaíba – Rio Grande do Norte</td>
<td>This is the only agrotechnical school in the state of Rio Grande do Norte. It offers training for the local cattle raising and agriculture businesses. The project will implement new vegetable and milk processing units. Furthermore, the school raised additional funds to be used to increase the production of fruits and other products.</td>
<td>300</td>
<td>248</td>
<td>$44,292</td>
</tr>
<tr>
<td>ETE Dr. Luiz César Couto</td>
<td>Quatá – São Paulo</td>
<td>The school is located in a region where sugarcane plantations are expanding fast. Small family businesses of milk production are struggling with difficulties and the new unit will allow local training to add value to producers.</td>
<td>375</td>
<td>102</td>
<td>$36,760</td>
</tr>
</tbody>
</table>
For over 14 years now, the Estudar Foundation has been working to enhance the education of future Brazilian private-sector and governmental leaders. Up to 2005 it granted scholarships to 298 young professionals, of whom 264 have already graduated and are currently active in business and in the job market, including the public sector.

In 2005, an award was created to recognize achievements of graduated grantees and stimulate their professional and personal performance as well as their networking. The prize is an executive course at Harvard Business School, at the award winner’s choice. The Lemann Foundation’s investment amounted to US$100,000. A total of US$192,000 was distributed among 14 new scholarships.
The tables below show the distribution of new scholarships granted in the last 4 years and the performance of fund-raising efforts.

<table>
<thead>
<tr>
<th>Courses</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate Brazil</td>
<td>8</td>
<td>10</td>
<td>5</td>
<td>5</td>
<td>28</td>
</tr>
<tr>
<td>Undergraduate abroad</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>MBA Brazil</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MBA abroad</td>
<td>7</td>
<td>6</td>
<td>4</td>
<td>5</td>
<td>22</td>
</tr>
<tr>
<td>Exchange programs</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>LLM</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>PhD</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>COPPEAD</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
<td>20</td>
<td>15</td>
<td>14</td>
<td>67</td>
</tr>
</tbody>
</table>

Breakdown of resources by donator (US$)
Composed of 300 artworks by European traveling artists who visited Brazil during the 19th century, the Collection has been in the care of the Estudar Foundation since 1997. Due to its great educational potential, its main public consists of children and young students, but its historic and artistic importance also attracts the interest of the public at large as well as specialists.

Since 1998, the collection has participated in 12 national and international exhibitions, in cities such as São Paulo, Rio de Janeiro, Rome and Paris, to the great satisfaction of many visitors. In light of these results, in 2005...
the Brasiliana Collection participated in various projects which included the exhibition *Les Peintres Voyageurs Romantiques au Brésil* (1820–1870), as part of the Year of Brazil commemorations in France. Held in the Musée de la Vie Romantique, from June to November, 2005, the event attracted more than 30,000 visitors.

Due to the great success in Paris, Portugal’s Ministry of Culture began negotiations for the realization of the exhibition *Traveling Artists and 19th-Century Brazil*, to be held from January to April, 2006, at the Museu Soares dos Reis in the city of Porto.

With sponsorship from Telemar and the Telemar Institute, last year an agreement was signed for the publication of the Brasiliana Collection’s first catalog, to commemorate its 10th anniversary, in 2006. The book was released in January of this year, during the opening of the exhibition *Brasiliana Collection Multimedia*, at the Telemar Cultural Center in Rio de Janeiro.

Of the Brasiliana Collection’s total budget in 2005, 56% was obtained through the resources of outside partners (exhibitions, catalogs and in-kind services).
The Daquiprafora Sports Exchange program identifies grants available for student athletes at American universities, and selects young Brazilian tennis players to take advantage of these opportunities. Daquiprafora also advises the students throughout the university selection and visa application processes.

The Lemann Grant Program, begun in 1998, currently benefits 20 young athletes. The grantees have an obligation to pay back the value received from the program in order to open similar opportunities to new students.
In 2005, the Lemann Foundation invested US$38,737 in this initiative. Each US$1 invested by the Foundation resulted in US$31.5 in grants offered by the American universities.

The following table shows the main academic and athletic achievements of the students in the project:

<table>
<thead>
<tr>
<th>Success indicator</th>
<th>N. of grantees with awards</th>
<th>N. of awards</th>
</tr>
</thead>
<tbody>
<tr>
<td>All-American Athletics</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>All-Conference Athletics</td>
<td>14</td>
<td>20</td>
</tr>
<tr>
<td>National Ranking Athletics</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Team Award Athletics</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>All-American Academics</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>All-Conference Academics</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>42</td>
</tr>
<tr>
<td>Dean’s List (GPA &gt; 3.5)</td>
<td>5</td>
<td>-</td>
</tr>
</tbody>
</table>

Bruna Paes traveled in August, 2005, to Fresno State University in California.
The mission of the Tennis Institute (IT) is to foster the development of teenage and child tennis in Brazil. Located in Florianópolis, the project selects athletes with high technical potential and with an interest in building a successful professional career and personal life. The selected athletes receive grants that cover part or all of their training and travel expenses, and later pay back the value received once they begin to receive awards and sponsorships.

In 2005, the Lemann Foundation invested US$281,000 in this initiative, which in three years of operation has extended grants to 18 athletes. So far, these grant recipients have won 27 prizes in tournaments, as shown in the following table:

<table>
<thead>
<tr>
<th>Prizes in 2005</th>
<th>Number of prizes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>Champion</td>
</tr>
<tr>
<td></td>
<td>2nd place</td>
</tr>
<tr>
<td>Abroad</td>
<td>Champion</td>
</tr>
<tr>
<td></td>
<td>2nd place</td>
</tr>
</tbody>
</table>

Tennis player José Pereira competing in the South American Championship held in Itajaí, Santa Catarina
In 2005, the average restitution of the scholarships was 11.40%. Currently seven former scholarship holders are already returning the invested values. To expand this program, the Tennis Institute has also sought for new sources of funds and has established partnerships that have increased funds by approximately 15% over the previous year.
The aim of this institution is to help Brazilian female tennis players achieve a place among the top 100 players of the Women’s Tennis Association’s (WTA) ranking. The project enhances the prestige of women’s tennis in Brazil and currently supports five athletes in the development of their ability through modern techniques of training and systematic physical monitoring.

The Lemann Foundation invested US$30,000 in this initiative, and in the first six months of its existence the project has already shown results: during this period of intensive training the athletes’ average acceleration rose from 17.49 km/h to 18.51 km/h. Moreover, the average serve precision almost doubled, the success rate rising from 39% to 70%.
The Guga Kuerten Institute (IGK) supports initiatives in two areas:

• Education and social integration for the disabled;

• Sports activities for the overall development of children and teenagers.

The IGK’s Fund of Support to Social Projects (FAPS), began in 2002 and selects projects of institutions that provide service to disabled people in the state of Santa Catarina, which compete for a stipulated amount of funding and receive technical consulting from the Institute’s team.

Over the years, FAPS has garnered credibility by motivating collaborators, sponsors and communities to eagerly support the projects of the institutions. This has resulted in the leveraging of the fund’s resources,
In 2005, the Foundation contributed US$27,500 to another of IGK’s initiatives, the Children’s Island Sports Project. This work aids 400 low-income children and teenagers, from 7 to 14 years old, who practice tennis as a sports activity.

which is one of the measures of the success of this undertaking: for each dollar invested in the FAPS fund, another 90 cents are raised from third-party sources. This result is even more significant in light of the fact that most of the institutions are located in extremely poor cities.
This association was created in 1999 to offer sports activities and promote the personal development of children working in the neighborhood of the State University of São Paulo. The project’s name was changed to Sports Solidarity Association when it was officially registered as a legal entity in 2004.
In the second semester of last year, the number of children between 7 and 18 years old served by the institution doubled, to 204. The children and teenagers can practice track-and-field activities and swimming, while receiving educational, psychological and vocational orientation. In 2005, the Lemann Foundation invested US$30,000 in this initiative.
The Lemann Scholarship Program offers scholarships to the children of the poorest employees of Graded School – an international school located in São Paulo. It is an endowment fund constituted by a grant from the Lemann family, whose interests allow for the scholarships currently benefiting 11 students aged between 6 and 12.

In 2005, 11 students were part of the project.
The Swiss International Teachers’ Program (SITP)

This program is offered by Florida Gulf Coast University and sponsored by a group of businesspeople, companies and institutions of Swiss origin – including the Lemann Foundation. The program consists of four weeks of immersion in the English language concerning the subjects of ecology, management and computers. Last year, four Brazilian teachers who teach English in the Tocantins State public school system were selected.

As a payback for this opportunity, the teachers implement innovative projects in English-language teaching and make a commitment to implement them in their schools, upon their return to Brazil.
ISMART provides high-quality learning opportunities to low-income gifted children. In its sixth year, the program operates in the cities of São Paulo, Fortaleza and Rio de Janeiro, having increased the numbers of students from 263 to 372 by the end of the year.

The results obtained in 2005 were the best since its beginning, with many of the students being admitted to the best educational institutions in their cities, some of which rank among the best in Brazil. The following table summarizes the performance in the selection processes, some of them in the top positions:

<table>
<thead>
<tr>
<th>Performance in selection processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admission to 5th grade</td>
</tr>
<tr>
<td>Location</td>
</tr>
<tr>
<td>Rio de Janeiro</td>
</tr>
</tbody>
</table>

| Admission to High School – Private         |
| Location         | N. of students | Approved |
| Sao Paulo        | 21             | 15        |

| Admission to High School – Federal Public School |
| Location         | N. of students | Approved |
| Rio de Janeiro   | 22             | 11        |

| Admission to college                         |
| Location         | N. of students | Approved |
| Fortaleza        | 27             | 19        |
| Rio de Janeiro   | 5              | 4         |
| Sao Paulo        | 1              | 1         |
Ismart students who study at Colégio São Bento, Rio de Janeiro
Publication team

Coordination of production, writing and translation
Lemann Foundation Team

Graphic Design
Via Impressa

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