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Company's Information / Capital Structure

Number of shares (in thousand)	Current Quarter 03/31/11
Paid-in Capital	
Common	201,708
Preferred	0
Total	**201,708**
Treasury Shares	
Common	4,226
Preferred	0
Total	**4,226**

Company's Information / Cash Dividends

Event	Approval	Type	Payment date	Type of share	Class of share	Earnings per share (Brazilian Reais/Share)
Board of Directors' Meeting	03/24/2011	Interest on own capital	05/19/2011	Common		0.05747
Ordinary General Meeting	04/25/2011	Dividends	06/22/2011	Common		0.01182

Individual Financial Statements / Balance Sheet Assets

(in thousands of Brazilian Reais)

Code	Description	Current Period 03/31/2011	Prior Period 12/31/2010
1	Total Assets	2,552,710	2,701,936
1.01	Current Assets	586,338	611,880
1.01.01	Cash and Cash Equivalents	231,711	276,923
1.01.03	Trade Accounts Receivable	227,813	225,238
1.01.03.01	Customers	227,813	225,238
1.01.06	Recoverable Taxes	4,665	5,279
1.01.06.01	Current recoverable taxes	4,665	5,279
1.01.07	Prepaid Expenses	17,445	1,161
1.01.08	Other Current Assets	104,704	103,279
1.01.08.01	Noncurrent assets for sale	1,035	291
1.01.08.03	Other	103,669	102,988
1.01.08.03.01	Dividends receivable	66,313	66,313
1.01.08.03.02	Other	37,356	36,675
1.02	Noncurrent Assets	1,966,372	2,090,056
1.02.01	Long-Term Assets	35,218	31,969
1.02.01.06	Deferred Taxes	12,944	9,987
1.02.01.06.01	Deferred Income Tax and Social Contribution	12,944	9,987
1.02.01.08	Due from Related Parties	311	303
1.02.01.08.02	Receivables from Subsidiaries	311	303
1.02.01.09	Other Noncurrent Assets	21,963	21,679
1.02.01.09.03	Escrow Deposits	21,880	21,596
1.02.01.09.04	Other	83	83
1.02.02	Investments	300,315	271,064
1.02.02.01	Interest in Subsidiaries	300,315	271,064
1.02.02.01.02	Interests in Subsidiaries	300,315	271,064
1.02.03	Property and Equipment	1,623,644	1,779,560
1.02.03.01	Property and Equipment in use	1,596,499	1,753,464
1.02.03.02	Property and Equipment leased	5,561	5,710
1.02.03.03	Property and Equipment in Progress	21,584	20,386
1.02.04	Intangible assets	7,195	7,463
1.02.04.01	Intangibles	7,195	7,463
1.02.04.01.03	Software	7,195	7,463

Individual Financial Statements / Balance Sheet Liabilities

(in thousands of Brazilian Reais)

Code	Description	Current Period 03/31/2011	Prior Period 12/31/2010
2	Total Liabilities	2,552,710	2,701,936
2.01	Current Liabilities	541,506	759,610
2.01.01	Social and Labor Obligations	60,996	46,037
2.01.01.01	Social obligations	4,529	3,803
2.01.01.02	Labor obligations	56,467	42,234
2.01.02	Trade accounts payable	153,658	399,878
2.01.02.01	Domestic Trade Accounts Payables	153,658	399,878
2.01.03	Tax Obligations	18,539	17,549
2.01.03.01	Federal Tax Obligations	16,998	16,199
2.01.03.01.01	Income Tax and Social Contribution payable	10,626	10,072
2.01.03.01.02	Other Federal Taxes	6,372	6,127
2.01.03.03	Other Municipal Taxes	1,541	1,350
2.01.04	Loans and Financing	239,400	221,665
2.01.04.01	Loans and Financing	214,371	202,669
2.01.04.01.01	Local Currency	214,371	202,669
2.01.04.02	Debentures	23,015	17,082
2.01.04.03	Finance Lease	2,014	1,914
2.01.05	Other Obligations	68,913	74,481
2.01.05.01	Due to related parties	15,634	12,854
2.01.05.01.02	Payables to subsidiaries	15,634	12,854
2.01.05.02	Other	53,279	61,627
2.01.05.02.01	Dividend and Interest on Capital Payable	33,015	40,207
2.01.05.02.04	Other Current Liabilities	20,264	21,420
2.02	Noncurrent Liabilities	1,058,781	1,043,584
2.02.01	Loans and Financing	952,361	947,214
2.02.01.01	Loans and Financing	381,328	375,836
2.02.01.01.01	Local Currency	195,525	195,506
2.02.01.01.02	Foreign Currency	185,803	180,330
2.02.01.02	Debentures	568,782	568,706
2.02.01.03	Finance Lease	2,251	2,672
2.02.02	Other Obligations	18,103	18,170
2.02.02.02	Other	18,103	18,170
2.02.02.02.03	Other Noncurrent Liabilities	18,103	18,170
2.02.03	Deferred Taxes	47,397	41,655
2.02.03.01	Deferred Income Tax and Social Contribution	47,397	41,655
2.02.04	Provisions	40,570	36,107
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	40,570	36,107
2.02.04.01.01	Tax Provisions	21,430	18,305
2.02.04.01.02	Social Securities and Labor Provisions	13,124	12,770
2.02.04.01.04	Civil Provisions	6,016	5,032
2.02.06	Deferred Financing Incentive	350	438
2.02.06.02	Deferred Financing Incentive	350	438

Individual Financial Statements / Balance Sheet Liabilities

(in thousands of Reais)

2.03	Shareholders' Equity	952,423	898,742
2.03.01	Capital	601,708	601,708
2.03.02	Capital Reserves	13,419	11,984
2.03.02.01	Share Premium	48,174	48,174
2.03.02.04	Options Granted	8,871	7,436
2.03.02.05	Treasury shares	(43,626)	(43,626)
2.03.04	Profit Reserves	329,400	273,939
2.03.04.01	Legal Reserve	13,664	13,664
2.03.04.02	Statutory Reserve	315,736	260,275
2.03.06	Equity assessment adjustments	7,896	11,111

Individual Financial Statements / Statement of Income

(in thousands of Brazilian Reais)

Code	Description	Accumulated Current Period 01/01/2011 to 03/31/2011	Accumulated Prior Period 01/01/2010 to 03/31/2010
3.01	Gross Revenues from Sales and/or Services	514,605	399,850
3.02	Cost of Goods and/or Services Sold	(377,182)	(309,289)
3.03	Gross profit	137,423	90,561
3.04	Operating Expenses/Income	(30,124)	(13,476)
3.04.01	Sales	(38,532)	(24,805)
3.04.02	General and Administrative	(17,513)	(9,324)
3.04.05	Other Operating Expenses	(707)	(652)
3.04.06	Equity in subsidiaries	26,628	21,305
3.05	Results from operations before taxes and financials	107,299	77,085
3.06	Financials	(30,178)	(18,063)
3.06.01	Financial Income	4,503	4,554
3.06.02	Financial Expenses	(34,681)	(22,617)
3.07	Income Before Taxes	77,121	59,022
3.08	Income Tax and Social Contribution	(13,524)	(9,456)
3.08.01	Current	(10,739)	(7,077)
3.08.02	Deferred	(2,785)	(2,379)
3.09	Net Income from continuing operations	63,597	49,566
3.11	Net income for the period	63,597	49,566
3.99	Earnings per share - (Reais / Share)	-	-
3.99.01	Basic earnings per share	-	-
3.99.01.01	Common	0.32204	0.25099
3.99.02	Diluted Earnings per Share	-	-
3.99.02.01	Common	0.32088	0.25031

Individual Financial Statements / Statement of Cash flows – Indirect Method

(in thousands of Reais)

Code	Description	Accumulated Current Period 01/01/2011 to 03/31/2011	Accumulated Prior Period 01/01/2010 to 03/31/2010
6.01	Net cash provided by (used in) operating activities	(12,188)	10,277
6.01.01	Cash flows provided by operating activities	327,976	272,028
6.01.01.01	Net income	63,597	49,566
6.01.01.02	Depreciation and amortization	24,663	25,641
6.01.01.03	Net book value of property and equipment written off	258,830	213,234
6.01.01.04	(Recog.) reversal of deferred income tax and social contribution	2,785	2,379
6.01.01.05	Equity in subsidiaries	(26,628)	(21,305)
6.01.01.06	Other	4,729	2,513
6.01.02	Variation in assets and liabilities	(340,164)	(261,751)
6.01.02.01	Trade accounts receivable	(3,202)	(13,589)
6.01.02.02	Vehicles acquisition – net of changes in cars makers	(347,371)	(251,619)
6.01.02.03	Escrow deposits	(284)	(1,025)
6.01.02.04	Recoverable taxes	(574)	1,588
6.01.02.05	Other assets	(11,966)	(31,801)
6.01.02.06	Trade accounts payable – other	(18,388)	19,686
6.01.02.07	Payroll and related charges	14,959	9,366
6.01.02.08	Income Tax and Social Contribution paid	(8,739)	(1,944)
6.01.02.09	Taxes payable	12,123	6,796
6.01.02.10	Interest on loans, financing and other liabilities payable	35,524	22,763
6.01.02.11	Interest paid	(10,993)	(19,099)
6.01.02.12	Insurance premiums	8,149	1,909
6.01.02.13	Other liabilities	(9,402)	(4,782)
6.02	Net cash provided by (used in) investing activities	(11,558)	26,650
6.02.01	Purchases of other property and equipment	(11,088)	(7,035)
6.02.02	Purchases of intangible assets	(470)	(160)
6.02.04	Dividends from subsidiaries	-	33,942
6.02.05	Other	-	(97)
6.03	Net cash provided by (used in) financing activities	(21,466)	(223,278)
6.03.01	Loans and financings – proceeds	-	1,948
6.03.04	Debentures – Amortizations	(1,649)	(224,361)
6.03.06	Interest on own capital	(19,817)	-
6.03.07	Intercompany Loan Amortization	-	(865)
6.05	Increase (decrease) in cash and cash equivalents	(45,212)	(186,351)
6.05.01	Cash and cash equivalents at beginning of period	276,923	192,234
6.05.02	Cash and cash equivalents at end of period	231,711	5,883

Individual Financial Statements / Statements of Changes in Shareholders´ Equity SCSE - 01/01/2011 up to 03/31/2011

(in thousands of Brazlilan Reais)

Code	Description	Paid-in Capital	Capital Reserves, Recognized Options Granted and Treasury Shares	Profit Reserves	Retained Earnings/ Accumulated Losses	Other comprehensive income	Shareholders' Equity
5.01	Beginning of period balances	601,708	23,095	273,939	-	-	898,742
5.03	Adjusted beginning of period balances	601,708	23,095	273,939	-	-	898,742
5.04	Capital transactions with shareholders	-	1,435	-	(11,351)	-	(9,916)
5.04.03	Options granted and recognized	-	1,435	-	-	-	1,435
5.04.07	Interest on own capital	-	-	-	(11,351)	-	(11,351)
5.05	Total Comprehensive Income	-	-	-	63,597	-	63,597
5.05.01	Net Income	-	-	-	63,597	-	63,597
5.06	Changes in Shareholders´ Equity	-	(3,215)	-	3,215	-	-
5.06.04	Equity assessment adjustment	-	(3,215)	-	3,215	-	-
5.07	End of period balances	601,708	21,315	273,939	55,461	-	952,423

Individual Financial Statements / Statements of Changes in Shareholders´ Equity SCSE - 01/01/2010 up to 03/31/2010

(in thousands of Reais)

Code	Description	Paid-in Capital	Capital Reserves, Recognized Options Granted and Treasury Shares	Profit Reserves	Retained Earnings/ Accumulated Losses	Other comprehensive income	Shareholders' Equity
5.01	Beginning of period balances	400,000	6,412	202,273	-	-	608,685
5.02	Prior year adjustments	-	41,612	58,267	-	-	99,879
5.03	Adjusted balances	400,000	48,024	260,540	-	-	708,564
5.04	Capital transactions with shareholders	-	892	-	(8,931)	-	(8,039)
5.04.03	Recognized Options Granted	-	892	-	-	-	892
5.04.07	Interest on own capital	-	-	-	(8,931)	-	(8,931)
5.05	Total Comprehensive Income	-	-	-	49,566	-	49,566
5.05.01	Profit / loss of the period	-	-	-	49,566	-	49,566
5.06	Changes in Shareholders´ Equity	-	(13,494)	-	13,494	-	-
5.06.04	Equity assessment adjustment	-	(13,494)	-	13,494	-	-
5.07	End of period balances	400,000	35,422	260,540	54,129	-	750,091

Individual Financial Statements / Statement of Value Added

(In thousand of Brazilian Reais)

Code	Description	Accumulated Current Period 01/01/2011 to 03/31/2011	Accumulated Prior Period 01/01/2010 to 03/31/2010
7.01	Revenues	533,422	411,473
7.01.01	Sale of goods, products and services	524,820	406,017
7.01.02	Other income	762	1,040
7.01.03	Revenues related to the construction of own assets	8,467	4,924
7.01.04	Recognition/Reversal of allowance for doubtful accounts	(627)	(508)
7.02	Costs and expenses acquired from third parties	(330,833)	(260,205)
7.02.01	Costs of products, goods and services sold	(307,939)	(249,845)
7.02.02	Materials, energy, outside services and other	(22,894)	(10,360)
7.03	Gross value added	202,589	151,268
7.04	Retentions	(24,663)	(25,641)
7.04.01	Depreciation, amortization and depletion	(24,663)	(25,641)
7.05	Net value added	177,926	125,627
7.06	Wealth received in transfer	31,131	25,859
7.06.01	Equity in subsidiaries	26,628	21,305
7.06.02	Financial income	4,503	4,554
7.07	Total value added for distribution	209,057	151,486
7.08	Wealth distributed	209,057	151,486
7.08.01	Personnel	48,594	34,422
7.08.01.01	Salaries and wages	39,171	27,741
7.08.01.02	Benefits	5,787	4,205
7.08.01.03	FGTS (severance pay fund)	2,201	1,584
7.08.01.04	Other	1,435	892
7.08.02	Taxes, tribute and contributions	44,225	31,714
7.08.02.01	Federal	32,695	22,797
7.08.02.02	State	10,515	8,134
7.08.02.03	Municipal	1,015	783
7.08.03	Third parties	52,641	35,785
7.08.03.01	Interests	34,681	22,617
7.08.03.02	Rents	17,960	13,168
7.08.04	Shareholders	63,597	49,565
7.08.04.01	Interest on capital	11,351	8,931
7.08.04.03	Retained earnings	52,246	40,634

Consolidated Financial Statements / Balance Sheet Assets

(in thousands of BrazilianReais)

Code	Description	3/31/2011	12/31/2010
1	Total Assets	3,212,623	3,343,888
1.01	Current Assets	734,887	751,385
1.01.01	Cash and Cash Equivalents	377,131	415,681
1.01.03	Trade Accounts Receivable	275,019	274,792
1.01.03.01	Customers	275,019	274,792
1.01.06	Recoverable Taxes	8,471	10,038
1.01.06.01	Current Recoverable Taxes	8,471	10,038
1.01.07	Prepaid Expenses	24,805	1,161
1.01.08	Other Current Assets	49,461	49,713
1.01.08.01	Noncurrent Assets for sales	18,809	20,105
1.01.08.03	Other	30,652	29,608
1.02	Noncurrent Assets	2,477,736	2,592,503
1.02.01	Long-Term Assets	41,991	38,028
1.02.01.06	Deferred Taxes	16,638	13,134
1.02.01.06.01	Deferred Income Tax and Social Contribution	16,638	13,134
1.02.01.09	Other Noncurrent Assets	25,353	24,894
1.02.01.09.03	Escrow Deposits	25,270	24,812
1.02.01.09.04	Other	83	82
1.02.03	Property and Equipment	2,423,711	2,542,220
1.02.03.01	Property and Equipment in use	2,396,472	2,516,117
1.02.03.02	Property and Equipment leased	5,561	5,710
1.02.03.03	Property and Equipment in Progress	21,678	20,393
1.02.04	Intangible assets	12,034	12,255
1.02.04.01	Intangibles	12,034	12,255
1.02.04.01.02	Goodwill on acquisition of investments	4,508	4,508
1.02.04.01.03	Software	7,526	7,747

Consolidated Financial Statements / Balance Sheet Liabilities

(in thousands of Brazilian Reais)

Code	Description	3/31/2011	12/31/2010
2	Total Liabilities	3,212,623	3,343,888
2.01	Current Liabilities	627,138	833,704
2.01.01	Social and Labor Obligations	75,765	58,023
2.01.01.01	Social Obligations	5,690	5,202
2.01.01.02	Labor Obligations	70,075	52,821
2.01.02	Trade Accounts Payable	219,746	442,956
2.01.02.01	Domestic Trade Accounts Payable	219,746	442,956
2.01.03	Tax Obligations	34,094	33,127
2.01.03.01	Federal Tax Obligations	32,123	31,350
2.01.03.01.01	Income Tax and Social Contribution	23,234	22,725
2.01.03.01.02	Other Federal Taxes	8,889	8,625
2.01.03.03	Municipal Taxes	1,971	1,777
2.01.04	Loans and Financing	239,388	233,672
2.01.04.01	Loans and Financing	214,373	202,669
2.01.04.01.01	Local Currency	214,373	202,669
2.01.04.02	Debentures	23,001	29,089
2.01.04.03	Financial Lease	2,014	1,914
2.01.05	Other Obligations	58,145	65,926
2.01.05.02	Other	58,145	65,926
2.01.05.02.01	Dividends and Interest on own capital Payable	33,015	40,207
2.01.05.02.04	Other Current Liabilities	25,130	25,719
2.02	Noncurrent Liabilities	1,633,062	1,611,442
2.02.01	Loans and Financing	1,471,916	1,463,083
2.02.01.01	Loans and Financing	501,643	492,521
2.02.01.01.01	In Local Currency	315,840	312,191
2.02.01.01.02	In Foreign Currency	185,803	180,330
2.02.01.02	Debentures	968,022	967,890
2.02.01.03	Finance Lease	2,251	2,672
2.02.02	Other payable	24,489	24,789
2.02.02.02	Other	24,489	24,789
2.02.02.02.03	Other Noncurrent Liabilities	24,489	24,789
2.02.03	Deferred Taxes	77,959	70,729
2.02.03.01	Deferred Income Tax and Social Contribution	77,959	70,729
2.02.04	Provisions	48,866	42,547
2.02.04.01	Tax, Social Security, Labor and Civil Provisions	48,866	42,547
2.02.04.01.01	Tax Provisions	27,005	22,398
2.02.04.01.02	Social securities and Labor Provisions	14,344	13,844
2.02.04.01.04	Civil Provisions	7,517	6,305
2.02.06	Deferred Financing Incentive	9,832	10,294
2.02.06.02	Deferred Financing Incentive	9,832	10,294
2.03	Consolidated Shareholders´ Equity	952,423	898,742
2.03.01	Capital	601,708	601,708
2.03.02	Capital Reserves	13,419	11,984

Consolidated Financial Statements / Balance Sheet Liabilities

(in thousands of Reais)

2.03.02.01	Share Premium	48,174	48,174
2.03.02.04	Options granted	8,871	7,436
2.03.02.05	Treasury shares	(43,626)	(43,626)
2.03.04	Profit Reserves	329,400	273,939
2.03.04.01	Legal Reserve	13,664	13,664
2.03.04.02	Statutory Reserve	315,736	260,275
2.03.06	Equity assessment adjustments	7,896	11,111

Consolidated Financial Statements / Statement of Income

(in thousands of Brazilian Reais)

Code	Description	Accumulated Current Period 01/01/2011 to 03/31/2011	Accumulated Prior Period 01/01/2010 to 03/31/2010
3.01	Gross Revenues from Sales and/or Services	681,552	552,785
3.02	Cost of Goods and Services Sold	(479,779)	(406,403)
3.03	Gross profit	201,773	146,382
3.04	Operating Expenses/Income	(67,953)	(48,889)
3.04.01	Sales	(49,451)	(36,616)
3.04.02	General and Administrative	(17,767)	(11,293)
3.04.05	Other Operating Expenses	(735)	(980)
3.05	Results from operations before taxes and financial	133,820	97,493
3.06	Financial	(42,857)	(28,173)
3.06.01	Financial Income	8,535	8,416
3.06.02	Financial Expenses	(51,392)	(36,589)
3.07	Income Before Taxes	90,963	69,320
3.08	Income Tax and Social Contribution	(27,366)	(19,754)
3.08.01	Current	(23,640)	(15,564)
3.08.02	Deferred	(3,726)	(4,190)
3.09	Net income from continuing operations	63,597	49,566
3.11	Net Income for the Period	63,597	49,566
3.11.01	Attributable to the Company's owners	63,597	49,566
3.99	Earnings per Share - (Reais / Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Common	0.32204	0.25099
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common	0.32088	0.25031

Consolidated Financial Statements / Statement of Cash flows – Indirect Method

(in thousands of Brazilian Reais)

Code	Description	Accumulated Current Period 01/01/2011 to 03/31/2011	Accumulated Prior Period 01/01/2010 to 03/31/2010
6.01	Net cash provided by (used in) operating activities	(5,118)	20,749
6.01.01	Cash flows provided by operating activities	433,906	372,047
6.01.01.01	Net income	63,597	49,566
6.01.01.02	Depreciation and amortization	52,349	44,844
6.01.01.03	Net book value of property and equipment written off	308,380	270,603
6.01.01.04	(Recognition) reversal of deferred tax assets	3,726	4,190
6.01.01.05	Other	5,854	2,844
6.01.02	Variation in the assets and liabilities	(439,024)	(351,298)
6.01.02.01	Trade accounts receivable	(982)	(14,428)
6.01.02.02	Vehicles acquisition – net of changes in car makers	(434,811)	(335,554)
6.01.02.03	Escrow deposits	(458)	(1,958)
6.01.02.04	Recoverable taxes	(1,144)	845
6.01.02.05	Other assets	(18,324)	(31,311)
6.01.02.06	Trade accounts payable - other	(20,178)	18,803
6.01.02.07	Payroll and related charges	17,742	11,615
6.01.02.08	Income Tax and Social Contribution paid	(19,877)	(8,797)
6.01.02.09	Taxes payable	23,082	15,501
6.01.02.10	Interest on loans, financing and other liabilities	52,040	36,658
6.01.02.11	Interest paid	(35,842)	(39,514)
6.01.02.12	Insurance premiums	8,149	1,909
6.01.02.13	Other liabilities	(8,421)	(5,067)
6.02	Net cash provided by (used in) investing activities	(11,966)	(7,131)
6.02.01	Purchases of other property and equipment	(11,416)	(6,955)
6.02.02	Purchases of intangible assets	(550)	(176)
6.03	Net cash provided by (used in) financing activities	(21,466)	(222,413)
6.03.01	Loans and financing – proceeds	373	1,948
6.03.04	Debentures - Amortizations	(2,022)	(224,361)
6.03.06	Interest on own capital	(19,817)	-
6.05	Increase (decrease) in cash and cash equivalents	(38,550)	(208,795)
6.05.01	Cash and cash equivalents at beginning of period	415,681	459,619
6.05.02	Cash and cash equivalents at end of period	377,131	250,824

Consolidated Financial Statements/Statements of Changes in Shareholders´ Equity - SCSE - 01/01/2011 up to 03/31/2011

(in thousands of Brazilian Reais)

Code	Description	Paid–in Capital	Capital Reserves, Recognized, Options Granted and Treasury Share	Profit Reserves	Retained Earnings/ Accumulated Losses	Other Comprehensive Income	Shareholders' Equity	Minority Interest	Consolidated Shareholders' Equity
5.01	Beginning of period balances	601,708	23,095	273,939	-	-	898,742	-	898,742
5.03	Adjusted balances	601,708	23,095	273,939	-	-	898,742	-	898,742
5.04	Capital transactions with Partners	-	1,435	-	(11,351)	-	(9,916)	-	(9,916)
5.04.03	Options Granted and Recognized	-	1,435	-	-	-	1,435	-	1,435
5.04.07	Interest on own capital	-	-	-	(11,351)	-	(11,351)	-	(11,351)
5.05	Total Comprehensive Income	-	-	-	63,597	-	63,597	-	63,597
5.05.01	Profit of the period	-	-	-	63,597	-	63,597	-	63,597
5.06	Changes in shareholders´ equity	-	(3,215)	-	3,215	-	-	-	-
5.06.04	Equity assessment adjustment	-	(3,215)	-	3,215	-	-	-	-
5.07	End of period balances	601,708	21,315	273,939	55,461	-	952,423	-	952,423

Consolidated Financial Statements/ Statements of Changes in Shareholders´ Equity - SCSE - 01/01/2010 up to 03/31/2010

(in thousands of Reais)

Code	Description	Capital	Capital Reserves, Recognized, Options Granted and Treasury Share	Profit Reserves	Retained Earnings/ Accumulated Losses	Other Comprehensive income	Shareholders' Equity	Minority Interest	Consolidated Shareholders' Equity
5.01	Beginning of period balances	400,000	6,412	202,273	-	-	608,685	-	608,685
5.02	Prior year adjustments	-	41,612	58,267	-	-	99,879	-	99,879
5.03	Adjusted balances	400,000	48,024	260,540	-	-	708,564	-	708,564
5.04	Capital transactions with Partners	-	892	-	(8,931)	-	(8,039)	-	(8,039)
5.04.03	Options Granted and Recognized	-	892	-	-	-	892	-	892
5.04.07	Interest on own capital	-	-	-	(8,931)	-	(8,931)	-	(8,931)
5.05	Total Comprehensive Income	-	-	-	49,566	-	49,566	-	49,566
5.05.01	Profit / loss of the period	-	-	-	49,566	-	49,566	-	49,566
5.06	Changes in Shareholders´ Equity	-	(13,494)	-	13,494	-	-	-	-
5.06.04	Equity assessment adjustment	-	(13,494)	-	13,494	-	-	-	-
5.07	End of period balances	400,000	35,422	260,540	54,129	-	750,091	-	750,091

Consolidated Financial Statements / Statement of Value Added

(In thousand of Brazilian Reais)

Code	Description	Accumulated Current Period 01/01/2011 to 03/31/2011	Accumulated Prior Period 01/01/2010 to 03/31/2010
7.01	Revenues	705,644	568,724
7.01.01	Sale of goods, products and services	695,294	562,328
7.01.02	Other income	2,639	2,238
7.01.03	Revenues related to the construction of own assets	8,467	4,924
7.01.04	Recognition/Reversal of allowance for doubtful accounts	(756)	(766)
7.02	Costs and expenses acquired from third parties	(396,689)	(332,321)
7.02.01	Costs of products, goods and services sold	(372,644)	(316,151)
7.02.02	Materials, energy, outside services and other	(24,045)	(16,170)
7.03	Gross value added	308,955	236,403
7.04	Retentions	(52,349)	(44,844)
7.04.01	Depreciation, amortization and depletion	(52,349)	(44,844)
7.05	Net value added	256,606	191,559
7.06	Wealth received in transfer	8,535	8,416
7.06.02	Financial income	8,535	8,416
7.07	Total value added for distribution	265,141	199,975
7.08	Wealth distributed	265,141	199,975
7.08.01	Personnel	61,022	44,497
7.08.01.01	Salaries and wages	49,514	36,188
7.08.01.02	Benefits	7,178	5,279
7.08.01.03	FGTS (severance pay fund)	2,895	2,138
7.08.01.04	Other	1,435	892
7.08.02	Taxes, tribute and contributions	70,987	53,295
7.08.02.01	Federal	53,959	39,141
7.08.02.02	State	15,867	12,944
7.08.02.03	Municipal	1,161	1,210
7.08.03	Third parties	69,535	52,617
7.08.03.01	Interests	51,394	36,589
7.08.03.02	Rents	18,141	16,028
7.08.04	Shareholders	63,597	49,566
7.08.04.01	Interest on capital	11,351	8,931
7.08.04.03	Retained earnings	52,246	40,635

Management Report/ Comments on the Company's Performance

In R$ thousand

1 - Car Rental	1Q10	1Q11	Var. %
Net revenues	405,978	520,296	**28.2%**
Costs	(308,009)	(374,436)	**21.6%**
Operating expenses (SG&A):			
Advertising and sales	(30,457)	(45,759)	**50.2%**
General, administrative and other	(9,585)	(14,597)	**52.3%**
Financial expenses, net	(18,669)	(30,630)	**64.1%**
Income tax and social contribution	(10,009)	(13,994)	**39.8%**
Net income from car rentals and sales	**29,249**	**40,880**	**39.8%**

2 - Fleet Rental	1Q10	1Q11	Var. %
Net revenues	144,298	158,144	**9.6%**
Costs	(97,283)	(103,557)	**6.4%**
Operating expenses (SG&A):			
Advertising and sales	(6,159)	(3,682)	**-40.2%**
General, administrative and other	(2,686)	(3,900)	**45.2%**
Financial expenses, net	(9,568)	(12,498)	**30.6%**
Income tax and social contribution	(9,435)	(12,926)	**37.0%**
Net income from car rentals and sales	**19,167**	**21,581**	**12.6%**

3 - Franchising	1Q10	1Q11	Var. %
Net revenues	2,509	3,112	**24.0%**
Costs	(1,111)	(1,786)	**60.8%**
Operating expenses (SG&A):			
Advertising and sales	-	(10)	**-**
General, administrative and other	(2)	(5)	**150.0%**
Financial expenses, net	64	271	**323.4%**
Income tax and social contribution	(310)	(446)	**43.9%**
Net income	**1,150**	**1,136**	**-1.2%**

4 - Consolidated	1Q10	1Q11	Var. %
Net revenues	552,785	681,552	**23.3%**
Costs	(406,403)	(479,779)	**18.1%**
Advertising and sales	(36,616)	(49,451)	**35.1%**
General, administrative and other	(12,273)	(18,502)	**50.8%**
	97,493	**133,820**	**37.3%**
Financial expenses, net	(28,173)	(42,857)	**52.1%**
Operating profit	**69,320**	**90,963**	**31.2%**
Income tax and social contribution	(19,754)	(27,366)	**38.5%**
Net income	**49,566**	**63,597**	**28.3%**
% over net revenues	9.0%	9.3%	

Net revenues

The Company's consolidated net revenues increased 23.3% (R$128.8 million), from R$552.8 million in 1Q10 to R$681.6 million in 1Q11, basically due to:

- Increase of 28.2% in net revenues from car rental, from R$406.0 million in 1Q10 to R$520.3 million in 1Q11, representing a growth of 33.7% in revenues from car rentals and 24.0% in revenues from sales of the decommissioned cars for fleet renewal. This increase was basically due to:

  i) an increase of 29.3% in volume of daily car rental, due to the strong demand for leases and 4.1% in the average rental rate on the basis of variations in the mix of rented cars and better contract negotiations, and
  ii) increases of 12.9% in the volume of cars sold to fleet renewal and 12.6% in the average price of cars sold, due to the decrease from 18 to 13 months in average age of cars sold

- Revenues from fleet rental increased 9.6% (R$13.9 million). This increase was, basically, due to the growth of: i) 19.2% in daily rental volumes and 7.8% in the average rental rate, showing the pricing strategy that aims to compensate the increase in the basic interest rate, and ii) the 9.9% increase in average price of cars sold, partially offset by a decrease of 22.2% in the number of cars sold to fleet renewal.

Revenues from franchising increased 24.0%, or R$0.6 million.

Costs

Consolidated costs increased 18.1%, from R$406.4 million in 1Q10 to R$479.8 million in 1Q11. Essentially, this increase can be explained as being a result of:

i) An increase of 21.6% in car rental costs from R$308.0 million in 1Q10 to R$374.4 million in 1Q11. This increase was, mainly, due to: i) growth about 22.7% in the costs of cars sold to fleet renewal, which was in line with the increase in revenues from sales of decommissioned cars for fleet renewal; and ii) a 19.2% increase in operating costs of car rental. This increase about 10% lower than the growth in daily rental volume was basically due to the decrease of about 9.2% in depreciation expenses and the decrease the average age of cars, which reduces maintenance costs

ii) Fleet rental costs presented an increase of about 6.4%, from R$97.3 million in 1Q10 to R$103.6 million in 1Q11. This increase was below the 9.6% growth in net revenues.

Operating expenses (SG&A)

The consolidated operating expenses (SG&A) increased 39.0% going from R$48.9 million in 1Q10 to R$68.0 million in 1Q11. As a percentage of revenues, operating expenses increased from 8.8% in 1Q10 to 10% in 1Q11.

Interest expenses, net

The consolidated net financial expenses increased 52.1%, from R$28.2 million in 1Q10 to R$42.9 million in 1Q11, mainly due to the increase of 25.5% in average net debt and the increase of 0.62p.p. in the average CDI rate.

Income tax and social contribution

Income tax and social contribution expenses increased 38.5%, from R$19.8 million in 1Q10 to R$27.4 million in 1Q11, essentially, due to the increase of 31.2% in income before income tax and social contribution. The effective income tax and social contribution rate increased slightly, from 28.5% in 1Q10 to 30.1% no 1Q11, basically due to interest on own capital in 1Q10 were about 3.5p.p. higher when compared to 1Q11.

Net income

The 28.3% growth in consolidated net income, corresponding to an increase of R$14.0 million (from R$49.6 million in 1Q10 to R$63.6 million in 1Q11) is, basically, due to the increase in volumes and rental rates as well as the prices of used cars sales in car and fleet rental.

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2011
(In thousands of Brazilian Reais - R$, unless otherwise stated)

1. OPERATIONS

Localiza Rent a Car S.A. ("Localiza"), headquartered at Avenida Bernardo Monteiro, 1,563, Belo Horizonte, Minas Gerais State, is since May 2005 a Brazilian publicly-held company listing on BM&FBOVESPA's New Market, which corresponds to the highest corporate governance standards in the Brazilian capital market, and trading under the ticker RENT3.

Localiza and its subsidiaries (the "Company") are mainly engaged in: car and fleet rental and franchising. As part of its fleet renewal program, Localiza and its subsidiary Total Fleet S.A. ("Total Fleet") sell their cars no longer used in rental operations.

As of March 31, 2011, Localiza System, including franchisees in Brazil and abroad, comprised 422 branches in 314 municipalities of Brazil and 43 branches in 26 municipalities of 7 Latin America countries. Out of 422 branches in Brazil, 236 are operated by Localiza and the remaining by franchisees (not reviewed by the independent auditors).

As of March 31, 2011, Localiza System's fleet comprised 95,142 cars, out of which: i) 84,271 belonging to the Company, including 28,191 of the fleet rental division; ii) 9,688 belonging to franchisees in Brazil; and iii) 1,183 belonging to franchisees abroad. After being used in the rental activity, the cars are sold substantially to end consumers in 54 sales points for decommissioned cars, located in 32 cities throughout Brazil.

Localiza's direct and indirect subsidiaries are summarized in Note 8(a).

2. BASIS OF PRESENTATION AND PREPARATION OF THE INTERIM FINANCIAL STATEMENTS AND SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

The Company's interim financial statements include:

- The individual interim financial statements prepared and presented in accordance with Technical Pronouncement CPC 21 - Interim Financial Statements and the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Statements (ITR), identified as "Individual – BR GAAP "; and

- The consolidated interim financial statements prepared and presented in accordance with Technical Pronouncement CPC 21 - Interim Financial Statements and the International Accounting Standard IAS 34 - Interim Financial Reporting, issued by International Accounting Standards Board – IASB, and in line with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Statements - ITR, identified as "Consolidated - IFRS and BR GAAP"

The accounting practices adopted in Brazil include those established in the Corporate Law as well as the new technical pronouncements, instructions, and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM).

The Company's Interim Financial Statements disclose investments in subsidiaries under the equity method of accounting, in accordance with prevailing Brazilian law. The accounting practices adopted in Brazil applied to the Company financial statements differ from IFRS applicable to the separate financial statements only with respect to the accounting for investments in subsidiaries under the equity method, whereas for IFRS purposes these investments would be stated at cost or fair value.

The Company elected to disclose these individual and consolidated Interim Financial Statements as a single set in the side-by-side format, as there is no difference between the consolidated shareholders' equity and the consolidated net income attributable to the Parent's shareholders, included in the consolidated financial statements prepared in accordance with IFRS and the accounting practices adopted in Brazil, and the Parent's shareholders' equity and net income included in the Company financial statements prepared in accordance with the accounting practices adopted in Brazil.

Due to limitations in the program used to complete these interim information, the consolidated balances of valuation adjustments to equity in the statements of changes in equity for the periods ended March 31, 2011 and 2010 correspond to R$7,896 and R$27,019, respectively, together with the caption "Capital Reserve, Options Granted and Recognized and Treasury Shares" and valuation adjustments to equity under the group of "Changes in shareholders' equity", when they should be in fact shown in specific columns and groups.

The other information on the basis of preparation and presentation interim financial statements and the summary of the main accounting policies were not changed compared to those disclosed in Note 2 to the Annual Financial Statements for the year ended December 31, 2010 (hereinafter referred to as "Financial Statements for year ended December 31, 2010"), published on 03/04/2011 in newspapers "Diario Oficial de Minas Gerais", "Diario do Comercio Minas Gerais", "Valor Economico" (synthetic form) and " Jornal Estado de Minas" (synthetic form) and available through the following websites: www.cvm.gov.br, and www.bmfbovespa.com.br and www.localiza.com/ri.

3. ACCOUNTING PRONOUNCEMENTS AND INTERPRETATIONS RECENTLY ISSUED AND NOT YET APPLIED BY THE COMPANY

The information related to accounting pronouncements and interpretations recently issued and not yet applied by the Company have not significantly changed from those disclosed in Note 3 to the Financial Statements for the year ended December 31, 2010. Some pronouncements mentioned on that note (IRFS 1, IAS 32 and IFRS 19), despite their mandatory adoption beginning on or after February 1, 2010, were not, until the date of these financial statements, subjected to CPC and CVM regulations; accordingly, they have not been applied by the Company on this interim financial statement.

4. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These consolidated interim financial statements have been approved and authorized for disclosure by the Executive Board on May 9, 2011.

5. CASH AND CASH EQUIVALENTS

The breakdown of cash and cash equivalents on March 31, 2011 and December 31, 2010 is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Cash and banks	1,531	12,842	1,373	13,404
Bank certificates of deposit (CDB)	68,911	195,974	164,383	283,623
Committed operations	161,269	68,107	211,375	118,654
Total	**231,711**	**276,923**	**377,131**	**415,681**

As of March 31, 2011, investments in CDB and committed operations yielded 100.9 % of the Interbank Certificate Deposit (CDI) rate variation (100.8% as of December 31, 2010), have immediate liquidity and redemption term lower than 90 days.

6. TRADE ACCOUNTS RECEIVABLE

The breakdown of trade accounts receivable on March 31, 2011 and December 31, 2010 is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Car Rental	234,062	230,960	235,999	236,166
Fleet Rental	-	-	41,766	40,532
Franchising	447	347	7,640	7,725
	234,509	**231,307**	**285,405**	**284,423**
Allowance for doubtful accounts	(6,696)	(6,069)	(10,386)	(9,631)
Total	**227,813**	**225,238**	**275,019**	**274,792**

Other information on trade accounts receivable (Individual and Consolidated) was not significantly changed from compared to that disclosed in Note 7 to Financial Statements for the year ended December 31, 2010.

7. OTHER CURRENT AND NONCURRENT ASSETS

The breakdown of other current and noncurrent assets, on March 31, 2011 and December 31, 2010 are as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	12/31/10	03/31/11	12/31/10
Other receivables from subsidiaries (Note 8(b))	6,605	7,310	-	-
Amounts receivable from the insurance company (*)	29,837	28,285	29,837	28,285
Other	997	1,163	898	1,405
Total	**37,439**	**36,758**	**30,735**	**29,690**
Current	**37,356**	**36,675**	**30,652**	**29,608**
Noncurrent	**83**	**83**	**83**	**82**

(*)Expenses incurred by Localiza on claims, cost of stolen cars and amounts receivable from the insurance company due to insurance intermediation services (Note 2.7.11 to the Financial Statements for the year ended December 31, 2010).

8. INVESTMENTS AND RELATED-PARTY TRANSACTIONS

(a) Information on subsidiaries

The businesses of car and fleet rental, foreign franchises and the management of ownership interests in Brazil and abroad are conducted by Localiza itself or one of its subsidiaries. These subsidiaries' operations are as follows:

Total Fleet S.A.: Privately-held corporation engaged in the fleet rental business.

Localiza Franchising Brasil S.A.: Privately-held corporation engaged in the franchise business in Brazil.

Localiza Franchising Internacional S.A.: Privately-held corporation engaged in the franchise business abroad. On December 28, 2009, it was merged into Localiza.

Localiza Franchising Internacional SRL - "LFI SRL": Limited liability company, headquartered in Argentina, currently dormant. It was a wholly-owned subsidiary of Franchising Internacional until the latter was merged into Localiza.

Prime Prestadora de Serviços S.A.: Privately-owned corporation engaged in the intermediation of sales of discontinued cars, previously used by Localiza and Total Fleet in its rental operations.

Localiza Car Rental S.A.: Privately-held corporation engaged in car rental activities.

Rental International LLC: Wholly-owned subsidiary of Localiza established to conduct financial activities abroad. The company is currently dormant.

Car Assistance Serviços de Administraçao de Sinistros S.A.: Privately-held corporation that manages claims occurred with Localiza fleet cars.

TF Assistance Serviços de Administraçao de Sinistros S.A.: Privately-held corporation, in pre-operating state, that will manage claims occurred with Total Fleet cars.

Interest in capital, shareholders' equity and income/expenses of direct and indirect subsidiaries are as follows:

			Interest					
	Number of shares		In capital (%)		In equity		In income statement	
	03/31/11	12/31/10	03/31/11	12/31/10	03/31/11	12/31/10	03/31/11	03/31/10
Direct subsidiaries:								
Total Fleet	103,280,354	103,280,354	100.0	100.0	286,706	261,447	25,259	18,535
Franchising Brasil	399,069	399,069	100.0	100.0	2,814	604	2,210	1,320
Prime (**)	15,000	15,000	100.0	100.0	-	-	(2,581)	(1,370)
Car Rental	1,339,961	1,339,961	100.0	100.0	5,456	4,165	1,292	1,380
Rental International (**)	1,000	1,000	100.0	100.0	-	-	(48)	(45)
Car Assistance	200,000	200,000	100.0	100.0	738	240	498	1,231
LFI SRL	25,000	25,000	100.0	100.0	93	100	(2)	(31)
					295,807	**266,556**	**26,628**	**21,020**
Goodwill on acquisition of investments					4,508	4,508	-	-
Effect of stock option plan (*)					-	-	-	285
Total					**300,315**	**271,064**	**26,628**	**21,305**
Indirect subsidiaries:								
TF Assistance	150,000	150,000	100.0	100.0	150	150	-	-

(*) Refer to expenses of the stock option plan granted to employees of subsidiaries (Note 17(c), item (i) of the Financial Statements for the year ended December 31, 2010).
(**) As these subsidiaries have recorded shareholders´ deficit, the Company recognized a provision for equity deficit in liabilities, as shown in the change of investments balance below.

Changes in investments in subsidiaries are as follows:

Balance as of December 31, 2010	**271,064**
Equity in subsidiaries	26,628
Reclassification of subsidiaries' equity deficit to current liabilities	2,623
Balance as of March 31, 2011	**300,315**

The summary of financial information of the main groups of balance sheet and statement of income of direct subsidiaries is as follows:

03/31/11	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Assets							
Current assets	198,427	15,403	4,797	10,143	18	4,214	136
Noncurrent assets:							
Long-term assets	4,628	1,138	968	-	-	-	-
Property and equipment	792,264	193	-	-	-	-	-
Intangible assets	296	35	-	-	-	-	-
Total	995,615	16,769	5,765	10,143	18	4,214	136
Liabilities and shareholders' equity							
Current liabilities	151,784	8,584	8,614	4,687	-	3,476	-
Noncurrent liabilities	557,125	5,371	11,742	-	311	-	43
Shareholders' equity	286,706	2,814	(14,591)	5,456	(293)	738	93
Total	995,615	16,769	5,765	10,143	18	4,214	136

12/31/10	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Assets							
Current assets	184,751	12,461	7,307	9,801	59	3,547	147
Noncurrent assets:							
Long-term assets	2,400	1,072	866	-	-	-	-
Property and equipment	762,455	205	-	-	-	-	-
Intangible assets	236	48	-	-	-	-	-
Total	949,842	13,786	8,173	9,801	59	3,547	147
Liabilities and shareholders' equity							
Current liabilities	167,152	7,847	8,024	5,636	-	3,307	47
Noncurrent liabilities	521,243	5,335	12,159	-	303	-	-
Shareholders' equity	261,447	604	(12,010)	4,165	(244)	240	100
Total	949,842	13,786	8,173	9,801	59	3,547	147

03/31/11	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Statement of income							
Net revenues	157,444	3,042	5,609	2,973	-	613	-
Gross profit	54,402	2,390	5,609	1,515	-	516	(2)
Operating income	38,185	2,656	(2,581)	1,673	(48)	588	(2)
Net income (loss)	25,259	2,210	(2,581)	1,292	(48)	498	(2)

03/31/2010	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Statement of income							
Net revenues	143,109	2,388	5,530	3,019	-	1,552	(1)
Gross profit	45,836	1,568	(1,580)	1,491	-	1,410	(1)
Operating income	25,576	1,630	(1,370)	1,751	(45)	1,413	(31)
Net income (loss)	18,535	1,320	(1,370)	1,380	(45)	1,231	(31)

b) Balances and transactions with related parties

(i) Balances and transactions with subsidiaries

	Total Fleet		Prime		Other	
	03/31/11	12/31/10	03/31/11	12/31/10	03/31/11	12/31/10
Balances:						
Trade accounts receivable	2,624	1,276	-	-	594	1,103
Dividends	55,645	55,645	-	-	10,668	10,668
Other short-term receivables (a) / (Note 7)	5,373	6,566	-	-	1,232	744
Payables to subsidiaries:						
Shareholders' deficit of subsidiaries and other	-	-	14,813	12,205	821	649

	Total Fleet		Car Rental		Other	
	03/31/11	03/31/10	03/31/11	03/31/10	03/31/11	03/31/10
Transactions:						
Recovery of administrative, advertising, and selling expenses (a)	-	-	-	(54)	(720)	(646)
Revenue from car rentals	1,173	1,049	815	1,369	1	26

(a) Total Fleet uses Localiza's administrative, publicity and sales structure and the amounts relating to this use are periodically collected by Localiza.

In addition, there are collaterals to loans and financing in the amount of R$915,896 (R$913,292 as of December 31, 2010) between Localiza and Total Fleet. There are also sureties between the companies related to letters of guarantees obtained to collateralize lawsuits that amount to R$10,706 (R$16,283 as of December 31, 2010).

Credits and obligations between related parties do not have determinate maturities and settlement date and are dependent on the companies' cash flows. Transactions are conducted based on conditions agreed upon between the parent Company and its wholly-owned subsidiaries.

- **Assignment of rights and obligations**

  On March 14, 2005, Localiza, Total Fleet and Prime entered into a contract pursuant to which they granted and transferred to Locapar, which subsequently granted the rights to its founder-partners, the totality of rights arising from tax and social security lawsuits filed by them, involving the (unaudited) original amount of R$216,446, net of closed lawsuits. In exchange, founder-partners assumed all the pecuniary obligations levied on lawsuits. Localiza, Total Fleet and Prime committed themselves to proceed with the lawsuits and use the credits earned to offset tax liabilities and, subsequently, transfer to the founder-partners the amounts corresponding to the benefit obtained in the offset, less a management fee of 3% on the amount of rights earned in the lawsuits and that have been effectively received or used to offset tax obligations.

(ii) Other related-party transactions

- **Compensation of key management personnel**

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**31/03/10**	**03/31/11**	**31/03/10**
Remuneration of the Board of Directors	146	437	146	437
Management and Executive Board:				
Fees and compensation	4,398	2,713	4,719	3,173
Payroll taxes	866	523	930	615
Share-based compensation	771	468	861	519
Total	**6,181**	**4,141**	**6,656**	**4,744**

The Company does not grant: (i) post-employment benefits; (ii) severance benefits; and (iii) other long-term benefits to Management or other employees.

9. PROPERTY AND EQUIPMENT

The gross book value, the accumulated depreciation and the residual value of property and equipment in each of the periods are as follows:

	Individual (BR GAAP)			Consolidated (BR GAAP and IFRS)		
	Cars	**Other fixed assets**	**Total**	**Cars**	**Other fixed assets**	**Total**
Cost:						
On December 31, 2010	**1,706,609**	**187,772**	**1,894,381**	**2,580,810**	**189,918**	**2,770,728**
Additions	119,539	11,088	130,627	231,779	11,416	243,195
Write offs (*)	(278,668)	-	(278,668)	(331,007)	-	(331,007)
As of March 31, 2011	**1,547,480**	**198,860**	**1,746,340**	**2,481,582**	**201,334**	**2,682,916**
Accumulated depreciation:						
On December 31, 2010	**(41,031)**	**(73,790)**	**(114,821)**	**(153,459)**	**(75,049)**	**(228,508)**
Additions	(18,730)	(5,198)	(23,928)	(46,325)	(5,255)	(51,580)
Write offs (*)	16,053	-	16,053	20,883	-	20,883
As of March 31, 2011	**(43,708)**	**(78,988)**	**(122,696)**	**(178,901)**	**(80,304)**	**(259,205)**

(*) Includes decommissioned cars due to car sale, robbery, damage and transfer of cars receivable from the insurance company and decommissioning cars to fleet renewal.

Residual value of property and equipment (cars and other property and equipment):						
As of December 31, 2010	**1,665,578**	**113,982**	**1,779,560**	**2,427,351**	**114,869**	**2,542,220**
As of March 31, 2011	**1,503,772**	**119,872**	**1,623,644**	**2,302,681**	**121,030**	**2,423,711**

The breakdown of the main classes of assets under "Other property and equipment", as well as their residual values, on March 31, 2011 and December 31, 2010, is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Leasehold improvements	43,019	38,799	43,019	38,799
Furniture and fixtures	17,165	16,363	17,986	16,957
IT equipment	7,207	7,684	7,309	7,804
Property and equipment in progress	21,584	20,386	21,678	20,393
Other (*)	30,897	30,750	31,038	30,916
Total	**119,872**	**113,982**	**121,030**	**114,869**

(*) As of March 31, 2011, includes R$5,561 relating to the net book value of the aircraft recorded as financial lease.

There are no property and equipment items pledged as collateral for liabilities.

10. TRADE ACCOUNTS PAYABLE

The breakdown of trade accounts payable on March 31, 2011 and December 31, 2010, is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Car markers	112,346	340,178	169,543	372,575
Maintenance services and parts	8,555	19,556	18,647	29,315
Rentals	3,289	3,302	418	1,763
Insurance policies	11,820	18,796	11,820	18,796
Other	17,648	18,046	19,318	20,507
Total	**153,658**	**399,878**	**219,746**	**442,956**

Balances payable to car markers refer to cars purchased at the end of each period bearing no financial charges and maturing in up to 60 days.

11. SOCIAL AND LABOR OBLIGATIONS

The breakdown of social and labor obligations, on March 31, 2011 and December 31, 2010, is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	12/31/10	03/31/11	12/31/10
Management fees	13,129	10,459	14,023	11,165
Accrued vacation	11,380	10,386	14,964	13,985
Provision for employee profit sharing	29,637	21,390	38,085	27,673
Social security contribution (INSS)	2,896	2,551	3,629	3,426
Severance pay fund (FGTS)	611	560	771	762
Other	3,343	691	4,293	1,012
Total	**60,996**	**46,037**	**75,765**	**58,023**

Localiza makes semiannual profit sharing payments for employees, based on their categories and performance evaluation. Such payments are classified as operating costs or expenses based on the functional assignment of the respective employees.

12. LOANS, FINANCING AND DEBENTURES

The breakdown of borrowings, financing and debentures, on March 31, 2011 and December 31, 2010 is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP & IFRS)			
	03/31/11	12/31/10	03/31/11	12/31/10	Maturity	Effective interest rate (EIR)
In local currency (R$)						
Debentures – 2nd issue	204.985	210.309	204.985	210.309	07/02/12 to 07/02/14	CDI + 0.59% p.a.
Debentures – 4th issue	386.812	375.479	386.812	375.479	5/5/12 to 5/5/17	113.9% & 114.3% of CDI
Debentures – 1st TF issue	-	-	399.226	411.191	9/30/12 to 9/30/15	CDI + 2.02% p.a.
Promissory notes - 5th issue	205.579	199.727	205.579	199.727	6/27/2011	108.0% of CDI
CCB	-	-	120.317	116.685	4/24/12 and 4/24/13	CDI + 1.50% p.a. + IOF
Leases	4.265	4.586	4.265	4.586	7/21/2013	CDI + 2.33% p.a.
NCC	203.270	197.177	203.270	197.177	11/23/12 to 6/18/16	111.1% & 111.4% of CDI + IOF
BNDES	1.047	1.271	1.047	1.271	5/15/2012	TJLP + 3.8% p.a.
In foreign currency						
Foreign currency borrowing - US dollar	185.803	180.330	185.803	180.330	5/25/2016	114.7% of CDI
	1.191.761	**1.168.879**	**1.711.304**	**1.696.755**		
Current	**239.400**	**221.665**	**239.388**	**233.672**		
Noncurrent	**952.361**	**947.214**	**1.471.916**	**1.463.083**		

Other information of loans, financing and debentures (Individual and Consolidated) were not significantly changed compared to those disclosed in Note 13 to Financial Statements for the year ended December 31, 2010

13. OTHER CURRENT AND NONCURRENT LIABILITIES

The breakdown of other current and noncurrent liabilities, on March 31, 2011 and December 31, 2010, is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Other taxes and fees payable	122	189	4,306	4,604
Advances from rental customers	-	9,076	439	9,966
Insurance premiums for transfer (*)	19,836	11,687	19,836	11,687
Deferred financing incentive	385	385	2,664	2,552
Other payables	18,024	18,253	22,374	21,699
Total	**38,367**	**39,590**	**49,619**	**50,508**
Current	**20,264**	**21,420**	**25,130**	**25,719**
Noncurrent	**18,103**	**18,170**	**24,489**	**24,789**

(*) Premiums received from customers that contracted insurance for rented cars and that are transferred by Localiza to the insurance company (Note 2.7.11 of the Financial Statements for the year ended December 31, 2010).

14. PROVISIONS AND ESCROW DEPOSITS

(a) Recognized provisions

The breakdown of provisions, on March 31, 2011 and December 31, 2010, is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Tax	21,430	18,305	27,005	22,398
Social security	5,582	5,498	5,627	5,542
Labor	7,542	7,272	8,717	8,302
Civil	6,016	5,032	7,517	6,305
Total	**40,570**	**36,107**	**48,866**	**42,547**

(b) Escrow deposits

The breakdown of escrow deposits, on March 31, 2011 and December 31, 2010, is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Tax	13,744	13,660	16,372	16,222
Social security	4,781	4,728	4,798	4,745
Labor	2,005	1,901	2,734	2,521
Civil	1,350	1,307	1,366	1,324
Total	**21,880**	**21,596**	**25,270**	**24,812**

Other information related to provisions and escrow deposits (Individual and Consolidated) were not significantly changed compared to those disclosed in Note 15 of the Financial Statements for the year ended December 31, 2010

15. TAXES ON INCOME – INCOME TAX AND SOCIAL CONTRIBUTION

(a) Deferred income tax and social contribution assets and liabilities

(i) Deferred income tax and social contribution assets

The breakdown of deferred income tax and social contribution assets, on March 31, 2011 and December 31, 2010, is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Temporary differences in the deductibility of provisions:				
Allowance for doubtful accounts	545	448	637	594
Accrued liabilities for provisions	8,562	7,165	10,170	8,287
Provision for payables to suppliers and other	1,309	784	2,952	2,312
Foreign currency loan	2,528	1,590	2,528	1,590
Tax loss carryforwards	-	-	351	351
Total deferred income tax and social contribution assets – noncurrent	**12,944**	**9,987**	**16,638**	**13,134**

(ii) Deferred income tax and social contribution liabilities

The breakdown of deferred income tax and social contribution liabilities, on March 31, 2011 and December 31, 2010, is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**	**03/31/11**	**12/31/10**
Cars depreciation (*)	47,397	41,655	77,959	70,729
Total deferred income tax and social contribution liabilities - noncurrent	**47,397**	**41,655**	**77,959**	**70,729**

(*) Refer mainly to the temporary difference in the calculation of car depreciation, as a result of the effect of adopting the measurement of assets at fair value on transition date and of the new concepts introduced by the accounting practices in the calculation methodology of depreciation. Localiza and its subsidiary Total Fleet continue to calculate the expenses with car depreciation using the depreciation criteria used through December 31, 2007.

As of March 31, 2011 and 2010, Localiza and its subsidiary Total Fleet calculated income tax and social contribution at the quarterly taxation regime.

The realization of deferred income tax and social contribution credits, referring to temporary differences, is contingent upon future events that will make the provisions that gave rise to them deductible, as provided for by prevailing tax legislation.

(b) Reconciliation of income tax and social contribution expenses at statutory and effective rates

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**31/03/10**	**03/31/11**	**31/03/10**
Pretax income	77,121	59,022	90,963	69,320
Statutory rate	34%	34%	34%	34%
Nominal expense	**(26,221)**	**(20,067)**	**(30,927)**	**(23,568)**
Adjustments to nominal expense:				
Equity in subsidiaries	9,053	7,244	-	-
Effect of the deduction of interest on capital	3,859	3,036	3,859	3,036
Other, net	(215)	331	(298)	778
Effective expense	**(13,524)**	**(9,456)**	**(27,366)**	**(19,754)**

16. SHAREHOLDERS' EQUITY

(a) Capital

As of March 31, 2011, capital was held as follows:

Shareholders	Common shares	%
Founders	69,153,520	34.28
Outstanding shares	128,313,175	63.61
Treasury shares	4,226,300	2.10
Board of Directors	15,005	0.01
Total	**201,708,000**	**100.00**
(-) Treasury shares	(4,226,300)	
Shares outstanding at period end	**197,481,700**	

(b) Interest on capital and dividends

(i) Interest on capital

The Company periodically pays interest on capital to shareholders. At Board of Directors' meetings, payments of interest on capital were approved as follows:

	Individual (BR GAAP)		
Approval date	**Total amount paid**	**Amount per share(in R$)**	**Ownership interest rate**
03/24/2011	11,351 (*)	0.057472	03/31/2011
Total 2011	**11,351**		

(*) As of March 31, 2011, interests on capital have not yet been paid to shareholder.

On January 21 and February 18, 2011, the Company paid interest on capital approved by the Board of Directors at meetings held on November 25 and December 22, 2010, totaling R$11,293 thousand and R$8,539 thousand, respectively.

(ii) Dividends and interest on capital payable

As of March 31, 2011 and 2010 dividends and interest on capital payable are as follows:

	Individual (BR GAAP) and Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**
Dividends:		
on net income for the year ended December 31, 2010	19,447	19,447
on net income in the first-time adoption of IFRS	3,890	3,890
Interest on capital	11,351	19,832
Withholding income tax on interest on capital	(1,673)	(2,962)
Total dividends and interest on capital payable	**33,015**	**40,207**

Other information related to shareholders' equity (Individual and Consolidated) were not significantly changed compared to those disclosed in Note 17 of the Financial Statements for the year ended December 31, 2010.

17. EARNINGS PER SHARE

The methods of calculating basic and diluted earnings per share did not change from those disclosed in Note 18 of the Financial Statements for the year ended December 31, 2010.

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The table below shows net income information and the number of shares used in the calculation of basic and diluted earnings per share:

	Individual (BR GAAP) and Consolidated (BR GAAP and IFRS)	
	03/31/11	**03/31/10**
Net income for the year	**63.597**	**49.566**
Basic earnings per share:		
Weighted average outstanding shares (in units)	197.481.700	197.481.700
Basic earnings per share (in R$)	**0.32**	**0.25**
Diluted earnings per share:		
Weighted average of outstanding shares (in units)	197,481,700	197,481,700
Dilutive effect of share purchase options (in units)	711,714	540,037
Shares applicable to dilution (in units)	198,193,414	198,021,737
Earnings per share (in R$) - diluted	**0.32**	**0.25**

18. SEGMENT REPORTING

Operating segments are defined as the components that develop business activities: (i) which may obtain revenues and incur expenses; ii) whose operating income/expenses are regularly reviewed by the main operating manager to make decisions on funds to be allocated to the segment and to evaluate its performance; and iii) for which there is individual financial information available.

The Company's management defined operating segments based on reports used by the Board of Directors to make strategic decisions.

Three operating segments subject to information disclosure were identified, which are separately managed. These operating segments' accounting policies are the same as those described in Note 2.

- Car Rental: division responsible for car rental in branches located in airports and off-airports. Cars are rented to individuals in business or leisure travel and to legal entities, including insurance companies and car makers. As part of its fleet renewal program, the car rental division disposes of its decommissioned cars at an average of 12 months after it is being used in rental, through a network of sales points and directly to end-consumers.

- Fleet Rental: division responsible for fleet rental to legal entities for periods of up to 4 years. As part of its fleet renewal program, the fleet rental division disposes of its decommissioned cars at the end of the contract entered into with the customer, through a network of sales points and directly to end-consumers.

- *Franchising:* division responsible for the management and granting of the Localiza brand's right, including the transfer of the knowledge required to operate the business.

(i) Operating segment financial reporting

(a) Consolidated assets and liabilities per operating segment are as follows:

	Car rental		Fleet rental		Franchising		Unallocated balances		Eliminations		Consolidated (BR GAAP & IFRS)	
	03/31/11	03/31/10	03/31/11	03/31/10	03/31/11	03/31/10	03/31/11	03/31/10	03/31/11	03/31/10	03/31/11	03/31/10
ASSETS												
Cash and cash equivalents	-	-	-	-	-	-	377,131	415,681	-	-	377,131	415,681
Marketable securities	-	-	-	-	-	-	-	-	-	-	-	-
Trade accounts receivable	232,425	231,622	38,402	37,671	7,193	7,380	-	-	(3,001)	(1,881)	275,019	274,792
Decommissioned cars to fleet renewal	1,035	291	17,774	19,814	-	-	-	-	-	-	18,809	20,105
Property and equipment	1,623,644	1,779,560	799,874	762,455	193	205	-	-	-	-	2,423,711	2,542,220
Other assets	177,269	158,398	13,574	6,330	1,049	1,328	-	-	(73,939)	(74,966)	117,953	91,090
Total assets	**2,034,373**	**2,169,871**	**869,624**	**826,270**	**8,435**	**8,913**	**377,131**	**415,681**	**(76,940)**	**(76,847)**	**3,212,623**	**3,343,888**
Liabilities and shareholders' equity												
Trade accounts payable	153,977	400,431	68,375	43,745	327	590	-	-	(2,933)	(1,810)	219,746	442,956
Loans, financing and debentures	-	-	-	-	-	-	1,711,304	1,696,755	-	-	1,711,304	1,696,755
Other liabilities	280,348	260,085	124,022	120,030	13,671	12,640	-	-	(88,891)	(87,320)	329,150	305,435
Total liabilities	**434,325**	**660,516**	**192,397**	**163,775**	**13,998**	**13,230**	**1,711,304**	**1,696,755**	**(91,824)**	**(89,130)**	**2,260,200**	**2,445,146**
Shareholders' equity	-	-	-	-	-	-	**952,423**	**898,742**	-	-	**952,423**	**898,742**
Total liabilities and shareholders' equity	**434,325**	**660,516**	**192,397**	**163,775**	**13,998**	**13,230**	**2,663,727**	**2,595,497**	**(91,824)**	**(89,130)**	**3,212,623**	**3,343,888**

(b) Consolidated statements of income per operating segment are as follows:

	Car rental		Fleet rental		Franchising		Consolidated (BR GAAP & IFRS)	
	03/31/11	03/31/10	03/31/11	03/31/10	03/31/11	03/31/10	03/31/11	03/31/10
Net revenues	**520,296**	**405,978**	**158,144**	**144,298**	**3,112**	**2,509**	**681,552**	**552,785**
Costs	**(374,436)**	**(308,009)**	**(103,557)**	**(97,283)**	**(1,786)**	**(1,111)**	**(479,779)**	**(406,403)**
Gross profit	**145,860**	**97,969**	**54,587**	**47,015**	**1,326**	**1,398**	**201,773**	**146,382**
Operating expenses:								
Advertising and sales	(45,759)	(30,457)	(3,682)	(6,159)	(10)	-	(49,451)	(36,616)
General, administrative	(13,870)	(8,926)	(3,897)	(2,367)	-	-	(17,767)	(11,293)
Other, net	(727)	(659)	(3)	(319)	(5)	(2)	(735)	(980)
Income before financial expenses, net	**85,504**	**57,927**	**47,005**	**38,170**	**1,311**	**1,396**	**133,820**	**97,493**
Financial expenses, net	(30,630)	(18,669)	(12,498)	(9,568)	271	64	(42,857)	(28,173)
Pretax income	**54,874**	**39,258**	**34,507**	**28,602**	**1,582**	**1,460**	**90,963**	**69,320**
Income tax and social contribution	(13,994)	(10,009)	(12,926)	(9,435)	(446)	(310)	(27,366)	(19,754)
Net income	**40,880**	**29,249**	**21,581**	**19,167**	**1,136**	**1,150**	**63,597**	**49,566**

Consolidated depreciation and amortization expenses per operating segment are as follows:

	03/31/11	03/31/10
Car Rental:		
Depreciation of cars	18,730	20,631
Depreciation of other property and equipment and amortization of intangible assets	5,793	4,898
Fleet Rental:		
Depreciation of cars	27,595	19,105
Depreciation of other property and equipment and amortization of intangible assets	207	178
Franchising:		
Depreciation of other property and equipment and amortization of intangible assets	24	32
Total depreciation and amortization expenses	**52,349**	**44,844**

19. REVENUES

The reconciliation between gross revenues and net revenues in the statement of income is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	03/31/10	03/31/11	03/31/10
Gross Revenues	527,650	408,322	700,552	565,711
Deductions:				
Taxes on sales	(10,973)	(6,847)	(16,653)	(11,087)
Discounts	(2,072)	(1,625)	(2,347)	(1,839)
Net Revenues	**514,605**	**399,850**	**681,552**	**552,785**

The breakdown of net revenues recognized during the period in each significant category is as follows:

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	03/31/11	03/31/11	03/31/11
Revenues from rental:				
Cars	232,198	172,439	233,060	174,398
Fleets	-	-	104,658	81,347
Franchising	70	122	3,112	2,509
Cars disposed for fleet renewal	282,337	227,289	340,722	294,531
Net Revenues	**514,605**	**399,850**	**681,552**	**552,785**

20. INFORMATION ON THE NATURE OF COSTS AND OPERATING AND DEPRECIATION EXPENSES RECOGNIZED IN THE STATEMENT OF INCOME

	Costs				Advertising, sales, and General and administrative, and Other			
	Company (BR GAAP)		Consolidated (BR GAAP & IFRS)		Company (BR GAAP)		Consolidated (BR GAAP & IFRS)	
	03/31/2011	03/31/2010	03/31/2011	03/31/2010	03/31/2011	03/31/2010	03/31/2011	03/31/2010
Cost of cars sold	(251,598)	(205,023)	(297,839)	(260,520)	-	-	-	-
Depreciation of cars	(18,730)	(20,631)	(46,325)	(39,736)	-	-	-	-
Car maintenance, car tax (IPVA), and other	(40,857)	(33,663)	(65,946)	(53,603)	-	-	-	-
Depreciation and amortization of other property and equipment and intangible assets	(3,294)	(3,136)	(3,380)	(3,231)	(2,639)	(1,874)	(2,644)	(1,877)
Payroll and related taxes	(27,529)	(20,109)	(31,464)	(23,441)	(20,476)	(12,948)	(28,879)	(21,784)
Profit sharing	(4,507)	(2,939)	(5,250)	(3,436)	(3,904)	(2,293)	(5,354)	(3,532)
Outside services	(3,133)	(3,068)	(3,966)	(3,751)	(4,528)	(2,465)	(4,889)	(3,017)
Leases	(13,135)	(10,720)	(13,469)	(10,889)	(5,198)	(3,446)	(5,222)	(3,995)
Office and maintenance supplies	(963)	(944)	(981)	(972)	(3,516)	(2,208)	(3,548)	(2,546)
Commissions	-	-	-	-	(4,164)	(2,846)	(4,323)	(3,356)
Advertising	-	-	-	-	(8,314)	(4,611)	(8,316)	(5,224)
Other	(13,436)	(9,056)	(11,159)	(6,824)	(4,013)	(2,090)	(4,778)	(3,558)
	(377,182)	**(309,289)**	**(479,779)**	**(406,403)**	**(56,752)**	**(34,781)**	**(67,953)**	**(48,889)**

21. FINANCIAL INCOME AND EXPENSES

	Individual (BR GAAP)		Consolidated (BR GAAP and IFRS)	
	03/31/11	**03/31/10**	**03/31/11**	**03/31/10**
Financial income:				
Interest revenues from short-term investments	3,880	4,382	7,623	8,053
Other interest revenues	623	172	912	363
	4,503	**4,554**	**8,535**	**8,416**
Financial expenses:				
Interest expense from loans, financing and debentures	(33,837)	(21,894)	(50,277)	(35,593)
Other interest expenses	(844)	(723)	(1,115)	(996)
	(34,681)	**(22,617)**	**(51,392)**	**(36,589)**
Financial expenses, net	**(30,178)**	**(18,063)**	**(42,857)**	**(28,173)**

22. FINANCIAL INSTRUMENTS AND RISK MANEGEMENT

(a) Sensitivity analysis

As required by ICVM 475 of December 17, 2008, the Company made sensitivity tests for adverse scenarios (CDI rate stress of 25% of 50% higher than the probable scenario), considering the following assumptions:

- As of March 31, 2011, The Company's net debt was R$1,334,173, see item (c) below;
- Market expectation for the base date of March 25, 2011, according to data from the Focus Bulletin issued by the Brazilian Central Bank, is an estimated average effective CDI rate of 12.06%, considered as the probable scenario for 2011, against the effective rate of 10.41% for the twelve-months period ended on March, 31, 2011.

	Consolidated (BR GAAP and IFRS)		
Description	**Probable scenario (*)**	**Scenario I - 25% stress**	**Scenario I - 50% stress**
Net Debt as of 03/31/11	**1,334,173**	**1,334,173**	**1,334,173**
Effective CDI rate for the twelve-month period ended on March 31, 2011	10.41%	10.41%	10.41%
Estimated annual CDI rate, according to proposed scenarios	12.06%	15.08%	18.09%
Effect on financial expenses:			
- according effective rates of 2010	(138,887)	(138,887)	(138,887)
- according to estimated scenarios	(160,901)	(201,193)	(241,352)
Annual increase in the Company's financial expenses	**22,014**	**62,306**	**102,465**

(*) As required by IFRS 7, Management understands that the 12,06% rate is the fairly possible scenario for 2011, according to Focus Bulletin of the Brazilian Central Bank

(b) Maturities Analysis

The analysis of loan, financing and debenture maturities, considering the interest rate of 11.75% as of March 31, 2011 is as follows:

	Consolidated (BR GAAP & IFRS)							
Debt	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**Total**
In local currency (R$):								
BNDES	724	381	-	-	-	-	-	**1.105**
Debentures - 2th issue	11.342	90.302	82.352	74.753	-	-	-	**258.749**
Debentures - 4th issue	45.624	70.330	67.523	100.583	92.262	94.646	129.764	**600.732**
Debentures - 1st TF issue	26.155	153.716	141.629	127.876	113.947	-	-	**563.323**
CCB	-	69.023	78.207	-	-	-	-	**147.230**
NCC	23.883	40.131	57.922	73.165	85.833	21.228	-	**302.162**
Leases	1.471	2.162	1.374	-	-	-	-	**5.007**
Promissory notes - 5th issue	211.310	-	-	-	-	-	-	**211.310**
In foreign currency (R$):								
Foreign currency loans	-	-	-	-	-	357.044	-	**357.044**
Total	**320.509**	**426.045**	**429.007**	**376.377**	**292.042**	**472.918**	**129.764**	**2.446.662**

(c) Net debt

The chart below presents the reconciliation between net debt and the amounts in the Consolidated interim financial statement of the Company as of March 31, 2011 and December 31, 2010:

	Consolidated (BR GAAP and IFRS)	
	03/31/11	**12/31/10**
	R$	**R$**
Short and long-term indebtedness	1,711,304	1,696,755
Cash and cash equivalents	(377,131)	(415,681)
Net debt	**1,334,173**	**1,281,074**
Shareholders' Equity	952,423	898,742
Indebtedness level	**1.40**	**1.43**

The Company defines net debt as short and long term indebtedness less cash and cash equivalents.

(d) Fair value

The estimated carrying amounts and fair values of loans, financing, debentures and other items are as follows:

	Consolidated (BR GAAP & IFRS)			
	Carrying amount		Fair value	
	03/31/11	12/31/10	03/31/11	12/31/10
Financial liabilities:				
Other financial liabilities:				
Loans, financing and debentures	1,711,304	1,696,755	1,704,332	1,688,977

In the opinion of the Company's Management, the carrying amounts of the other financial instruments, such as accounts receivable, trade accounts receivable, and cash and cash equivalents, recognized in the consolidated interim financial statement approximate their respective fair values, as the maturity dates of most balances are close to the balance sheet date.

Fair values were calculated through templates that use observable data and assumptions on future interest rates, among other applicable variables.

(e) Derivative

The Company does not have any derivative instrument other than the swap transaction, which has the sole purpose of hedging the loan raised in foreign currency, swapping exchange rate plus spread to 114.7% of CDI.

This is a matched transaction which consists formally of a loan agreement and a *swap* transaction contract, with the same maturity and counterpart and that should be simultaneously settled by a single net value. Accordingly, Management understands that, in essence, this transaction is a loan denominated in local currency plus a determined interest rate. Therefore, the accounting treatment and respective disclosures reflect the substance of the transaction. Therefore, the Company and its subsidiaries are not subject to risk of changes in exchange rates and, thus, there is no risk of changes in exchange rates to be measured by the sensitivity analysis, since its debt is only exposed to CDI variation.

The Company does not enter transactions involving financial instruments for speculative purposes.

Other information on Financial Instruments and Risk Management (Individual and Consolidated) were not significantly changed compared to those disclosed in Note 23 to Financial Statements for the year ended December 31, 2010.

23. FINANCE LEASES

The information on finance lease (Individual and Consolidated) were not significantly changed compared to those disclosed in Note 24 to Financial Statements for the year ended December 31, 2010.

24. RENTAL OBLIGATIONS

The information on rental obligations (Individual and Consolidated) were not significantly changed compared to those disclosed in Note 25 to Financial Statements for the year ended December 31, 2010.

25. SUBSEQUENT EVENTS

The Extraordinary and Ordinary General Meeting held on April 25, 2011 approved the following issues:

(i) allocation of the amount of R$23,337, equivalent to R$0.118173831 per share, of which R$19,447 relating to the net income for 2010 and R$3,890 corresponding to the difference between the net income recorded in 2009 when the new accounting practices adopted in Brazil were adopted for the first time (IFRS);

(ii) allocation of the total amount of R$260,275 to the statutory reserve “Investments, Expansion and Fleet Renewal Reserve”, according to item (f) of paragraph 2 – Article 24 of the Company’s, of which R$204,433 relating to the net income for 2010 and R$55,842 relating to the deemed cost adjustments to property and equipment recorded under “retained earnings”.

(iii) changes in the Company’s Stock Option Plan approved by the Extraordinary Shareholders’ Meeting held on 04/26/2006, according to the draft submitted to the attending shareholders, which was previously approved by the Company’s Board of Directors; and

(iv) creation of the Third Stock Option Plan, according to draft presented to the shareholders, which was previously approved by the Company’s Board of Directors.

26. SOCIAL REPORT (Not reviewed by the Independent Auditors)

	Consolidated					
Calculation basis for social indicators - R$ thousand	**03.31.11**			**03.31.10**		
Net revenues (NR)	681,552			552,785		
Earnings before taxes (EBT)	90,963			69,320		
Gross payroll (GP)	58,584			44,018		
Internal Social Indicators	**03.31.2011**			**03.31.2010**		
	Amount	**% over GP**	**% over NR**	**Amount**	**% over GP**	**% over NR**
Meals	3,239	6%	0%	2,579	6%	1%
Compulsory payroll related charges	12,808	22%	2%	9,919	23%	2%
Health care	1,297	2%	0%	996	2%	0%
Professional qualification and development	3,877	7%	1%	1,990	5%	0%
Day care center or child care allowance	50	0%	0%	47	0%	0%
Profit sharing	10,604	18%	2%	6,970	16%	1%
Other	2,583	4%	0%	1,671	4%	0%
Total - Internal social indicators	**34,458**	**59%**	**5%**	**24,172**	**56%**	**4%**
External Social Indicators	**03.31.11**			**03.31.10**		
	Amount	**% over EBT**	**% over NR**	**Amount**	**% over EBT**	**% over NR**
Education	-	0%	0%	25	0%	0%
Culture	-	0%	0%	240	0%	0%
Sports	-	0%	0%	60	0%	0%
Other	-	0%	0%	60	0%	0%
Total contributions to society	-	0%	0%	385	1%	0%
Taxes (excluding payroll related charges)	61,000	67%	9%	45,595	66%	8%
Total - External social indicators	**61,000**	**67%**	**9%**	**45,980**	**67%**	**8%**

4. Personnel indicators	**03.31.11**	**03.31.10**
Headcount at end of period	4,638	3,719
Number of employees hired during the period	390	313
Number of outsourced employees	128	96
Number of interns	29	43
Number of employees above age 45	309	214
Number of women working in the Company	2,124	1,768
% of supervisory positions held by women	48.8%	50.4%
Number of blacks working in the Company	2,619	1,851
% of supervisory positions held by blacks	36.2%	34.7%
Number of persons with disability or special needs	61	55

	03.31.11			Goals 2011		
5. Significant information regarding corporate citizenship						
Highest/lowest compensation ratio			51.6 (*)			51.6 (*)
Total number of occupational accidents			9			-
- The social and environmental projects developed by the company were established by	( ) directors	( ) directors and managers	(x) all employees	( ) directors	( ) directors and managers	(x) all employees
- The safety and health standards in the workplace were established by	( ) directors and managers	( ) all employees	(x) all + Cipa (Internal Accident Prevention Commission)	( ) directors and managers	( ) all employees	(x) all + Cipa
- Regarding union freedom, right to collective bargaining and internal workers representation, the company	( ) is not involved	(x) follows the standards of the International Labor Organization (ILO)	( ) encourages and follows the standards of the ILO	( ) will not be involved	(x) will follow the standards of the ILO	( ) will encourage and follow the standards of the ILO
- The profit sharing plan covers	( ) directors	( ) directors and managers	(x) all employees	( ) directors	( ) directors and managers	(x) all employees
- In selecting suppliers, the same ethical, social responsibility and environmental standards adopted by the company	(x) are not considered	( ) are suggested	( ) are required	(x) will not be considered	( ) will be suggested	( ) will be required
- As to the participation of employees in volunteer work programs, the company	( ) is not involved	( ) supports	(x) organizes and encourages	( ) will not be involved	( ) supports	(x) will organize and encourage
- Total number of complaints and criticisms from consumers	In the company (**)	In Procon 28	In court 219	In the company (**)	In Procon None	In court None
- % of complaints and criticisms from consumers handled or solved	In the company (**)	In Procon 21.4%	In court 98.6%	In the company (**)	In Procon None	In court None

(*) For the highest/lowest compensation ratio computation only employee data from headquarters (Belo Horizonte) was used..
(**) The client assistance department receives phone calls concerning mechanical problems, accidents, billing doubts of clients, as well as compliments and complaints. The Company does not compute complaints calls separately.

Other Relevant Information

1) Localiza Rent a Car S.A.'s shareholding with participation greater than 5%, up to the individuals level, as of March 31, 2011:

Participants	# of Common Shares (in units)	%
Jose Salim Mattar Junior	19,322,693	9.58
Antonio Claudio Brandao Resende	21,179,340	10.50
Flavio Brandao Resende	14,325,744	7.10
Eugenio Pacelli Mattar	14,325,743	7.10
Treasury shares	4,226,300	2.10
Free float *	128,328,180	63.62
Total	**201,708,000**	**100.00**

* Shareholders holding less than 5% of the Company's voting capital.

2) Controlling Shareholders, Management shares and free float:

a) As of March 31, 2011:

Participants	# of Common Shares (in units)	%
Controlling shareholders	69,153,520	34.28
Free float	128,107,158	63.51
Treasury shares	4,226,300	2.10
Board of Directors' Members	15,005	0.01
Executive Officers	206,017	0.10
Total	**201,708,000**	**100.00**

* The Company does not have Fiscal Council.

b) As of March 31, 2010:

Participants	# of Common Shares (in units)	%
Controlling shareholders	85,256,001	42.27
Free float	111,985,277	55.52
Treasury shares	4,226,300	2.10
Board of Directors' Members	26,105	0.01
Executive Officers	214,317	0.10
Total	**201,708,000**	**100.00**

3) The Company, its Shareholders, Officers and members of the Fiscal Council undertake to solve, by means of arbitration any and all dispute or controversy that may arise among them, related to or derived from, especially the application, validity, effectiveness, construal, infringement and its effects of the provisions contained in Law no. 6,404/76, in the Company's Bylaws, in the rules issued by the Brazilian Monetary Council, the Central Bank of Brazil, the Brazilian Securities and Exchange Commission, as well as other rules applicable to the capital markets operation in general, besides those mentioned in the "Novo Mercado" Listing Rules, the "Novo Mercado" Listing Agreement and the Market Arbitration Panel Rules.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT ACCOUNTANT'S REVIEW REPORT
To the Shareholders and Board of Directors of
Localiza Rent a Car S.A.
Belo Horizonte, MG

Introduction

We have reviewed the interim individual and consolidated balance sheet of Localiza Rent a Car S.A., contained in the Interim Financial Statements (ITR), as of March 31, 2011, and the related statements of income, changes in equity and cash flows for the three-month period then ended and other explanatory information.

Management is responsible for the preparation of this interim individual financial information, in accordance with CPC 21 - Interim Financial Statements, and interim consolidated financial information in accordance with CPC 21 and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board – IASB, as well for the presentation of this information in conformity with the standards issued by the Brazilian Securities and Exchange Commission (CVM), which are applicable to the preparation of the Interim Financial Statements (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with accounting practices adopted in Brazil and International Standard on Review Engagements (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the Individual Interim Financial Statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim individual financial statements included in the Interim Financial Statements (ITR) is not prepared, in all material matters, in accordance with CPC 21 applicable to the preparation of the Interim Financial Statements (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Conclusion on the Consolidated Interim Financial Statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements included in the Interim Financial Statements (ITR) is not prepared, in all material matters, in accordance with CPC 21 and IAS 34 applicable to the preparation of

the Interim Financial Statements (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Other Matters

Interim Statements of Value Added

We have also reviewed the interim individual and consolidated statements of value added (DVA) for the three-month period ended March 31, 2011, the presentation of which is required by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of interim financial information and considered supplemental information by IFRS, which does not require the presentation of a DVA. These statements were subject to the same review procedures described above and, based on our review, nothing has come to our attention that cause us to believe that they are not fairly presented, in all material aspects, in relation to the interim individual and consolidated financial statements taken as a whole.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

Belo Horizonte, May 10, 2011

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Delio Rocha Leite
Engagement Partner

Officers' Statement on the Interim Financial Statements

Hereby, the CEO, COO, CFO and Investor Relations Officer and the other Executive Directors of Localiza Rent a Car S.A., a publicly-held Company headquartered at Avenida Bernardo Monteiro, 1563, Corporate Taxpayer ID 16.670.085/0001-55 ("Localiza"), for the purposes of subsection VI of article 25 of CVM Instruction No. 480, of December 7, 2009, declare that they have:

i. reviewed, discussed and agreed with Localiza's Interim Financial Statements for the period ended March 31, 2011.

Belo Horizonte, May 9, 2011.

Salim Mattar - CEO
Eugenio Pacelli Mattar - COO
Roberto Antonio Mendes - CFO and Investor Relations Officer
Eugenia Maria Rafael de Oliveira - Statutory Director
Marco Antonio Martins Guimaraes - Statutory Director
Bruno Moreira de Andrade - Statutory Director

Officers' Statement on the Independent Accountant's Review Report

Hereby, the CEO, COO, CFO and Investor Relations Officer and the other Executive Directors of Localiza Rent a Car S.A., a publicly-held Company headquartered at Avenida Bernardo Monteiro, 1563, Corporate Taxpayer ID 16.670.085/0001-55 ("Localiza"), for the purposes of subsection V of article 25 of CVM Instruction No. 480, of December 7, 2009, declare that they have:

i. reviewed, discussed and agreed with the conclusion expressed in the Independent Accountant's Review Report of the Independent Auditors Deloitte Touche Tohmatsu, related to Localiza's Interim Financial Statements for the period ended March 31, 2011.

Belo Horizonte, May 9, 2011.

Salim Mattar - CEO
Eugenio Pacelli Mattar - COO
Roberto Antonio Mendes - CFO and Investor Relations Officer
Eugenia Maria Rafael de Oliveira - Statutory Director
Marco Antonio Martins Guimaraes - Statutory Director
Bruno Moreira de Andrade - Statutory Director