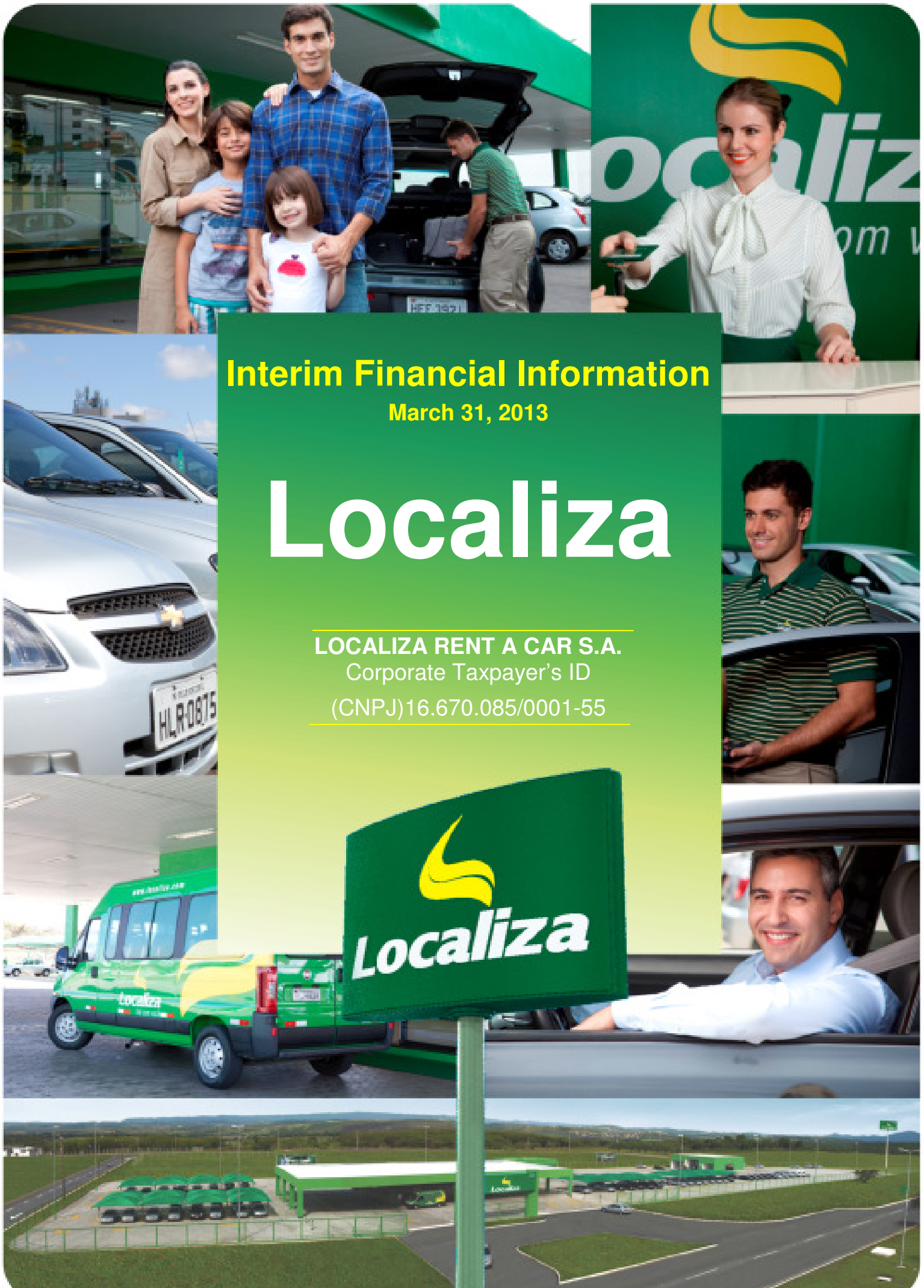


Interim Financial Information

March 31, 2013

Localiza

LOCALIZA RENT A CAR S.A.
Corporate Taxpayer's ID
(CNPJ)16.670.085/0001-55

(A free translation of the original in Portuguese)

Localiza Rent a Car S.A.

Interim financial information (ITR) at March 31, 2013 and report on review of interim financial information

(A free translation of the original in Portuguese)

Report on review of interim financial information

To the Board of Directors and Shareholders
Localiza Rent a Car S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim financial information of Localiza Rent a Car S.A., included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2013, comprising the balance sheet as at that date and the statements of income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim financial information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (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 Brazilian and 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.

Localiza Rent a Car S.A.

Conclusion on the parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Interim statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2013. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim financial information taken as a whole.

Belo Horizonte, April 25, 2013

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" MG

Guilherme Campos e Silva
Contador CRC 1SP218254/O-1 "S" MG

(A free translation of the original in Portuguese)

Contents

Information

General information 1

Address 2

Securities 3

Auditor 4

Share registrar 5

Investor relations officer or equivalent 6

Shareholders' department 7

(A free translation of the original in Portuguese)

1. General Information

Corporate name	LOCALIZA RENT A CAR SA
Date of adoption of the corporate name	10/2/1995
Type	Publicly-held corporation
Previous corporate name	LOCALIZA RENT A CAR LTDA.
Date of establishment	9/28/1973
Federal Corporate Taxpayers' Registration Number (CNPJ)	16.670.085/0001-55
Brazilian Securities Commission (CVM) code	1973-9
CVM registration date	5/6/2005
CVM registration status	Active
Date of effectiveness of status	5/6/2005
Home country	Brazil
Country in which the securities are held in custody	Brazil

Other countries in which the securities can be traded

Country	Date of admission

Activity sector	Transportation and Logistics Services
Description of activities	Car and fleet rental
Issuer category	Category A
Date of registration in the current category	1/1/2010
Issuer status	Operating phase
Date of effectiveness of status	5/6/2005
Type of ownership control	Private
Date of last change in ownership control	
Date of last change of the fiscal year	
Month/day of the end of the fiscal year	12/31
Issuer's website on the Internet	www.localiza.com

Newspapers in which the issuer discloses its information

Name of newspapers in which the issuer discloses its information	State
Diário Oficial de Minas Gerais	MG
Jornal Diário do Comércio	MG
Valor Econômico	SP

(A free translation of the original in Portuguese)

2. Address

Mail address	Av Bernardo Monteiro, 1563, Funcionários, Belo Horizonte, MG, Brasil, CEP 30150-902, Telephone (31) 32477040, Fax (31) 32477755, E-mail controladoria@localiza.com
Headquarters' address	Av Bernardo Monteiro, 1563, Funcionários, Belo Horizonte, MG, Brasil, CEP 30150-902, Telephone (31) 32477040, Fax (31) 32477755, E-mail controladoria@localiza.com

3. Securities

Shares

		Trading			Listing	
Market	**Managing entity**	**Beginning**	**End**	**Trading segment**	**Beginning**	**End**
Stock exchange	BM&FBOVESPA	5/6/2005		New Market	5/23/2005	

Debentures

		Trading			Listing	
Market	**Managing entity**	**Beginning**	**End**	**Trading segment**	**Beginning**	**End**
Stock exchange	BM&FBOVESPA	7/2/2007		Traditional	7/10/2007	
Organized OTC	CETIP	5/5/2010		Traditional	5/10/2010	

Commercial notes

		Trading			Listing	
Market	**Managing entity**	**Beginning**	**End**	**Trading segment**	**Beginning**	**End**
Organized OTC	CETIP	12/29/2010		Traditional	12/29/2010	

4. Auditor

Does the Issuer have an auditor?	YES
CVM code	287-9
Type of auditor	Brazilian Firm
Name/Corporate name	PricewaterhouseCoopers Auditores Independentes
Individual Taxpayers' Registration Number (CPF)/ Federal Corporate Taxpayers' Registration Number (CNPJ)	61.562.112/0005-54
Period of services	3/26/2012

Partner responsible	Period of services	CPF
Guilherme Campos e Silva	3/26/2012	714.114.966-04

5. Share Registrar

Does the Company have a service provider?	YES
Corporate name	Banco Bradesco S.A.
CNPJ	60.746.948/0001-12
Period of services	5/6/2005
Service address	Av. Yara, Prédio Amarelo, s/n, Cidade de Deus, São Paulo, SP, Brasil, CEP 06029-900, Telephone (31) 36849441, Fax (31) 36842094, E-mail 4010.acoes@bradesco.com.br

6. Investor Relations Officer or Equivalent

Name	Roberto Antônio Mendes Investor Relations Officer
CPF/CNPJ	137.768.946-87
Mail address	Av. Bernardo Monteiro, 1563, Funcionários, Belo Horizonte, MG, Brasil, CEP 30150-902, Telephone (31) 32477040, Fax (31) 32477755, E-mail ri@localiza.com
Date when the person assumed the position	1/3/2005
Date when the person left the position	

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7. Shareholders' Department

CONTACT	**Nora Mascarenhas Lanari**
Date when the person assumed the position	**11/8/2012**
Date when the person left the position	
Mail address	Av Bernardo Monteiro, 1563, Funcionários, Belo Horizonte, MG, Brasil, CEP 30150-902, Telephone (31) 32477040, Fax (31) 32477755, E-mail ri@localiza.com

(A free translation of the original in Portuguese)

Contents

Company information

Capital structure 1

Cash dividends 2

Individual financial information

Balance sheet - assets 3

Balance sheet - liabilities and equity 4

Statement of income 5

Statement of cash flows - indirect method 6

Statement of changes in equity

1/1/2013 to 3/31/2013 7

1/1/2012 to 3/31/2012 8

Statement of value added 9

Consolidated financial information

Balance sheet - assets 10

Balance sheet - liabilities and equity 11

Statement of income 12

Statement of cash flows - indirect method 13

Statement of changes in equity

1/1/2013 to 3/31/2013 14

1/1/2012 to 3/31/2012 15

Statement of value added 16

Comments on company performance 17

Notes to the interim financial information 20

Comments on the behavior of business projections 52

Other information considered relevant by the Company 53

Opinions and representations

Report on review of quarterly information- without exceptions 55

Officers' representation on the interim financial information 57

Officers' representation on the report on review of quarterly information 58

(A free translation of the original in Portuguese)

Company information / Capital structure

Number of shares (In thousands)	Current quarter 3/31/2013
Paid-up capital	
Common shares	201,708
Preferred shares	0
Total	201,708
Treasury shares	
Common shares	2,792
Preferred shares	0
Total	2,792

Company information/cash dividends

Event	Approval	Description	Initial date of payment	Type of share	Class of share	Earnings per share (Real/share)
Board of Directors' Meeting	12/18/2012	Interest on capital	2/8/2013	Common		0.07983
Board of Directors' Meeting	3/8/2013	Interest on capital	5/3/2013	Common		0.07336

(A free translation of the original in Portuguese)

Individual financial statements / balance sheet - assets

(In thousands of Brazilian Real)

Code	Description	Current period 3/31/2013	Prior period 12/31/2012
1	Total assets	3,730,064	3,672,501
1.01	Current assets	1,117,981	1,080,361
1.01.01	Cash and cash equivalents	712,636	713,017
1.01.03	Accounts receivable	306,259	291,414
1.01.03.01	Trade receivables	306,259	291,414
1.01.06	Recoverable taxes	10,276	12,429
1.01.06.01	Current recoverable taxes	10,276	12,429
1.01.07	Prepaid expenses	17,901	374
1.01.08	Other current assets	70,909	63,127
1.01.08.01	Non-current assets for sale	194	26
1.01.08.03	Other	70,715	63,101
1.01.08.03.01	Dividends receivable	39,716	39,716
1.01.08.03.02	Other	30,999	23,385
1.02	Non-current assets	2,612,083	2,592,140
1.02.01	Long-term assets	42,794	40,342
1.02.01.06	Deferred taxes	21,729	20,204
1.02.01.06.01	Deferred income tax and social contribution	21,729	20,204
1.02.01.08	Receivables from related parties	460	405
1.02.01.08.02	Receivables from subsidiaries	460	405
1.02.01.09	Other non-current assets	20,605	19,733
1.02.01.09.03	Escrow deposits	20,522	19,650
1.02.01.09.04	Other	83	83
1.02.02	Investments	752,490	703,099
1.02.02.01	Equity interests	752,490	703,099
1.02.02.01.02	Interests in subsidiaries	752,490	703,099
1.02.03	Property and equipment	1,781,772	1,814,392
1.02.03.01	Property and equipment in service	1,757,254	1,791,705
1.02.03.02	Property and equipment leased	7,111	6,825
1.02.03.03	Property and equipment in progress	17,407	15,862
1.02.04	Intangible assets	35,027	34,307
1.02.04.01	Intangible assets	35,027	34,307
1.02.04.01.02	Software	35,027	34,307

(A free translation of the original in Portuguese)

Individual financial statements / balance sheet - liabilities and equity

(In thousands of Brazilian Real)

Code	Description	Current period 3/31/2013	Prior period 12/31/2012
2	Total liabilities and equity	3,730,064	3,672,501
2.01	Current liabilities	538,949	579,051
2.01.01	Social and labor obligations	54,027	38,112
2.01.01.01	Social obligations	6,296	5,776
2.01.01.02	Labor obligations	47,731	32,336
2.01.02	Trade payables	240,973	304,601
2.01.02.01	Domestic trade payables	240,973	304,601
2.01.03	Tax obligations	13,766	14,049
2.01.03.01	Federal tax obligations	12,051	12,367
2.01.03.01.01	Income tax and social contribution payable	7,113	8,399
2.01.03.01.02	Other federal taxes	4,938	3,968
2.01.03.03	Municipal tax obligations	1,715	1,682
2.01.04	Loans and financing	167,138	141,238
2.01.04.01	Loans and financing	40,185	37,253
2.01.04.01.01	In local currency	39,270	36,234
2.01.04.01.02	In foreign currency	915	1,019
2.01.04.02	Debentures	124,793	101,305
2.01.04.03	Finance leases	2,160	2,680
2.01.05	Other obligations	63,045	81,051
2.01.05.01	Payables to related parties	8,770	8,938
2.01.05.01.02	Payables to subsidiaries	8,770	8,938
2.01.05.02	Other	54,275	72,113
2.01.05.02.01	Dividends and interest on capital payable	17,906	18,659
2.01.05.02.04	Other current liabilities	36,369	53,454
2.02	Non-current liabilities	1,783,463	1,768,697
2.02.01	Loans and financing	1,684,969	1,681,336
2.02.01.01	Loans and financing	498,175	495,178
2.02.01.01.01	In local currency	146,654	147,816
2.02.01.01.02	In foreign currency	351,521	347,362
2.02.01.02	Debentures	1,185,268	1,184,985
2.02.01.03	Finance leases	1,526	1,173
2.02.02	Other obligations	14,039	13,947
2.02.02.02	Other	14,039	13,947
2.02.02.02.03	Other non-current liabilities	14,039	13,947
2.02.03	Deferred taxes	54,754	46,826
2.02.03.01	Deferred income tax and social contribution	54,754	46,826
2.02.04	Provisions	29,610	26,487
2.02.04.01	Tax, social security, labor and civil provisions	29,610	26,487
2.02.04.01.01	Tax provisions	2,163	2,163
2.02.04.01.02	Social security and labor provisions	21,224	19,317
2.02.04.01.04	Civil provisions	6,223	5,007
2.02.06	Deferred revenues	91	101
2.02.06.02	Deferred revenues	91	101
2.03	Equity	1,407,652	1,324,753
2.03.01	Share capital	601,708	601,708
2.03.02	Capital reserves	56,720	48,067
2.03.02.01	Share premium	72,622	66,375
2.03.02.04	Options granted	12,915	14,294
2.03.02.05	Treasury shares	-28,817	-32,602
2.03.04	Revenue reserves	674,978	674,978
2.03.04.01	Legal reserve	40,293	40,293
2.03.04.02	Statutory reserve	471,484	471,484
2.03.04.10	Retention of profits	163,201	163,201
2.03.05	Retained earnings (accumulated losses)	74,246	0

(A free translation of the original in Portuguese)

Individual financial statements / statement of income

(In thousands of Brazilian Real, unless otherwise indicated)

Code	Description	Accumulated - current year 1/1/2013 to 3/31/2013	Accumulated - prior year 1/1/2012 to 3/31/2012
3.01	Revenue from sale of goods and/or services	571,377	554,045
3.02	Cost of goods and/or services sold	-421,934	-416,234
3.03	Gross profit	149,443	137,811
3.04	Operating income/expenses	-25,368	-24,289
3.04.01	Sales expenses	-52,504	-48,512
3.04.02	General and administrative expenses	-21,641	-20,911
3.04.04	Other operating income	0	211
3.04.05	Other operating expenses	-65	0
3.04.06	Equity in results of investees	48,842	44,923
3.05	Result from operations before financial result and taxes	124,075	113,522
3.06	Finance result	-21,402	-34,298
3.06.01	Financial income	11,821	11,233
3.06.02	Financial expenses	-33,223	-45,531
3.07	Profit before taxes on income	102,673	79,224
3.08	Income tax and social contribution	-13,860	-6,528
3.08.01	Current	-7,457	-7,429
3.08.02	Deferred	-6,403	901
3.09	Net income from continuing operations	88,813	72,696
3.11	Net income for the period	88,813	72,696
3.99	Earnings per share - (Real /share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common shares	0.44735	0.36798
3.99.02	Diluted earnings per share		
3.99.02.01	Common shares	0.44517	0.36608

(A free translation of the original in Portuguese)

Individual financial statements / statement of cash flows - indirect method

(In thousands of Brazilian Real)

Code	Description	Accumulated - current period 1/1/2013 to 3/31/2013	Accumulated - prior period 1/1/2012 to 3/31/2012
6.01	Net cash provided by operating activities	15,857	6,662
6.01.01	Cash flows provided by operating activities	347,848	338,128
6.01.01.01	Net income	88,813	72,696
6.01.01.02	Depreciation and amortization	26,890	33,983
6.01.01.03	Residual value of property and equipment disposals	268,172	272,783
6.01.01.04	Deferred income tax and social contribution	6,403	-901
6.01.01.05	Equity in results of investees	-48,842	-44,923
6.01.01.06	Other	6,412	4,490
6.01.02	Variation in assets and liabilities	-324,146	-297,946
6.01.02.01	Trade receivables	-15,481	4,599
6.01.02.02	Acquisition of cars, net of changes in balances with car makers	-322,647	-346,965
6.01.02.03	Escrow deposits	-872	3,348
6.01.02.04	Recoverable taxes	-985	-736
6.01.02.05	Other assets	-20,658	-1,552
6.01.02.06	Trade payables - other	-1,547	-17,435
6.01.02.07	Social and labor obligations	15,915	11,733
6.01.02.08	Taxes payable	7,458	5,390
6.01.02.09	Interest on loans, financing, debentures and other payables	32,033	45,141
6.01.02.10	Insurance premiums	-4,080	9,988
6.01.02.11	Other liabilities	-13,282	-11,457
6.01.03	Other	-7,845	-33,520
6.01.03.01	Income tax and social contribution paid	-5,444	-17,224
6.01.03.02	Interest on loans, financing and debentures paid	-2,401	-16,296
6.02	Net cash provided by (used in) investing activities	-7,302	3,589
6.02.02	Dividends from subsidiaries	0	20,031
6.02.03	Purchase of other property and equipment	-5,221	-13,504
6.02.04	Purchase of intangible assets	-2,081	-2,902
6.02.05	Other	0	-36
6.03	Net cash provided by (used in) financing activities	-8,936	-11,989
6.03.01	Loans and financing - proceeds	600	3,039
6.03.02	Loans and financing - repayments	-699	-806
6.03.06	Interest on capital	-15,852	-14,222
6.03.08	Exercise of share options with treasury shares	7,015	0
6.05	Increase (decrease) in cash and cash equivalents	-381	-1,738
6.05.01	Cash and cash equivalents at the beginning of the period	713,017	597,741
6.05.02	Cash and cash equivalents at the end of the period	712,636	596,003

Individual financial statements / statement of changes in equity - 1/1/2013 to 3/31/2013

(In thousands of Brazilian Real)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	601,708	48,067	674,978	0	0	1,324,753
5.03	Adjusted opening balances	601,708	48,067	674,978	0	0	1,324,753
5.04	Capital transactions with shareholders	0	8,653	0	-14,567	0	-5,914
5.04.03	Options granted recognized	0	1,638	0	0	0	1,638
5.04.05	Treasury shares sold	0	7,015	0	0	0	7,015
5.04.07	Interest on capital	0	0	0	-14,567	0	-14,567
5.05	Total comprehensive income	0	0	0	88,813	0	88,813
5.05.01	Net income	0	0	0	88,813	0	88,813
5.07	Closing balances	601,708	56,720	674,978	74,246	0	1,407,652

Individual financial statements / statement of changes in equity - 1/1/2012 to 3/31/2012

(In thousands of Brazilian Real)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	601,708	19,145	499,730	0	0	1,120,583
5.03	Adjusted opening balances	601,708	19,145	499,730	0	0	1,120,583
5.04	Capital transactions with shareholders	0	15,612	0	-14,417	0	1,195
5.04.03	Options granted recognized	0	2,101	0	0	0	2,101
5.04.05	Treasury shares sold	0	13,511	0	0	0	13,511
5.04.07	Interest on capital	0	0	0	-14,417	0	-14,417
5.05	Total comprehensive income	0	0	0	72,696	0	72,696
5.05.01	Net income	0	0	0	72,696	0	72,696
5.07	Closing balances	601,708	34,757	499,730	58,279	0	1,194,474

(A free translation of the original in Portuguese)

Individual financial statements / statement of value added

(In thousands of Brazilian Real)

Code	Description	Accumulated - current period 1/1/2013 to 3/31/2013	Accumulated - prior period 1/1/2012 to 3/31/2012
7.01	Revenue	583,035	571,128
7.01.01	Sale of goods and services	580,911	562,677
7.01.03	Revenues related to the construction of own assets	2,760	8,857
7.01.04	Recognition/Reversal of allowance for doubtful accounts	-636	-406
7.02	Inputs acquired from third parties	-350,723	-360,145
7.02.01	Cost of products, goods and services sold	-324,232	-331,062
7.02.02	Materials, energy, third-party services and other	-26,491	-29,083
7.03	Gross value added	232,312	210,983
7.04	Retentions	-26,890	-33,983
7.04.01	Depreciation, amortization and depletion	-26,890	-33,983
7.05	Net value added	205,422	177,000
7.06	Value added received through transfer	60,663	56,156
7.06.01	Equity in investees	48,842	44,923
7.06.02	Financial income	11,821	11,233
7.07	Total net value added for distribution	266,085	233,156
7.08	Distribution of value added	266,085	233,156
7.08.01	Personnel	65,332	54,834
7.08.01.01	Salaries and wages	50,225	42,484
7.08.01.02	Benefits	10,188	7,390
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	3,281	2,859
7.08.01.04	Other	1,638	2,101
7.08.02	Taxes, charges and contributions	49,883	35,228
7.08.02.01	Federal	34,026	24,099
7.08.02.02	State	13,877	9,982
7.08.02.03	Municipal	1,980	1,147
7.08.03	Remuneration of third parties' capital	62,057	70,398
7.08.03.01	Interest	33,223	45,531
7.08.03.02	Rentals	28,834	24,867
7.08.04	Remuneration of own capital	88,813	72,696
7.08.04.01	Interest on capital	14,567	14,417
7.08.04.03	Retained earnings	74,246	58,279

(A free translation of the original in Portuguese)

Consolidated financial statements / balance sheet - assets

(In thousands of Brazilian Real)

Code	Description	Current period 3/31/2013	Prior period 12/31/2012
1	Total assets	4,137,964	4,045,908
1.01	Current assets	1,376,652	1,248,334
1.01.01	Cash and cash equivalents	897,456	823,866
1.01.03	Accounts receivables	385,865	361,157
1.01.03.01	Trade receivables	385,865	361,157
1.01.06	Recoverable taxes	12,015	14,645
1.01.06.01	Current recoverable taxes	12,015	14,645
1.01.07	Prepaid expenses	27,886	374
1.01.08	Other current assets	53,430	48,292
1.01.08.01	Non-current assets for sale	9,298	13,277
1.01.08.03	Other	44,132	35,015
1.02	Non-current assets	2,761,312	2,797,574
1.02.01	Long-term assets	57,026	51,616
1.02.01.03	Accounts receivable	6,442	3,981
1.02.01.03.01	Trade receivables	6,442	3,981
1.02.01.06	Deferred taxes	26,232	24,510
1.02.01.06.01	Deferred income tax and social contribution	26,232	24,510
1.02.01.09	Other non-current assets	24,352	23,125
1.02.01.09.03	Escrow deposits	24,269	23,042
1.02.01.09.04	Other	83	83
1.02.03	Property and equipment	2,662,741	2,705,229
1.02.03.01	Property and equipment in service	2,513,797	2,565,471
1.02.03.02	Property and equipment leased	125,219	117,457
1.02.03.03	Property and equipment in progress	23,725	22,301
1.02.04	Intangible assets	41,545	40,729
1.02.04.01	Intangible assets	41,545	40,729
1.02.04.01.02	Goodwill on acquisition of investments	4,508	4,508
1.02.04.01.03	Software	37,037	36,221

(A free translation of the original in Portuguese)

Consolidated financial statements / balance sheet - liabilities and equity

(In thousands of Brazilian Real)

Code	Description	Current period 3/31/2013	Prior period 12/31/2012
2	Total liabilities and equity	4,137,964	4,045,908
2.01	Current liabilities	726,321	734,168
2.01.01	Social and labor obligations	74,016	53,188
2.01.01.01	Social obligations	8,335	7,926
2.01.01.02	Labor obligations	65,681	45,262
2.01.02	Trade payables	302,997	356,152
2.01.02.01	Domestic trade payables	302,997	356,152
2.01.03	Tax obligations	36,428	35,370
2.01.03.01	Federal tax obligations	33,958	33,013
2.01.03.01.01	Income tax and social contribution payable	26,111	26,035
2.01.03.01.02	Other federal taxes	7,847	6,978
2.01.03.03	Municipal tax obligations	2,470	2,357
2.01.04	Loans and financing	246,468	210,059
2.01.04.01	Loans and financing	43,991	40,185
2.01.04.01.01	In local currency	43,076	39,166
2.01.04.01.02	In foreign currency	915	1,019
2.01.04.02	Debentures	124,793	101,305
2.01.04.03	Finance leases	77,684	68,569
2.01.05	Other obligations	66,412	79,399
2.01.05.02	Other	66,412	79,399
2.01.05.02.01	Dividends and interest on capital payable	17,906	18,659
2.01.05.02.04	Other current liabilities	48,506	60,740
2.02	Non-current liabilities	2,003,991	1,986,987
2.02.01	Loans and financing	1,844,518	1,845,032
2.02.01.01	Loans and financing	624,982	621,909
2.02.01.01.01	In local currency	273,461	274,547
2.02.01.01.02	In foreign currency	351,521	347,362
2.02.01.02	Debentures	1,185,268	1,184,985
2.02.01.03	Finance leases	34,268	38,138
2.02.02	Other obligations	17,909	18,050
2.02.02.02	Other	17,909	18,050
2.02.02.02.03	Other non-current liabilities	17,909	18,050
2.02.03	Deferred taxes	87,781	76,807
2.02.03.01	Deferred income tax and social contribution	87,781	76,807
2.02.04	Provisions	39,536	35,167
2.02.04.01	Tax, social security, labor and civil provisions	39,536	35,167
2.02.04.01.01	Tax provisions	4,696	3,912
2.02.04.01.02	Social security and labor provisions	25,934	23,622
2.02.04.01.04	Civil provisions	8,906	7,633
2.02.06	Deferred revenues	14,247	11,931
2.02.06.02	Deferred revenues	14,247	11,931
2.03	Equity	1,407,652	1,324,753
2.03.01	Share capital	601,708	601,708
2.03.02	Capital reserves	56,720	48,067
2.03.02.01	Share premium	72,622	66,375
2.03.02.04	Options granted	12,915	14,294
2.03.02.05	Treasury shares	-28,817	-32,602
2.03.04	Revenue reserves	674,978	674,978
2.03.04.01	Legal reserve	40,293	40,293
2.03.04.02	Statutory reserve	471,484	471,484
2.03.04.11	Retention of profits	163,201	163,201
2.03.05	Retained earnings (accumulated losses)	74,246	0

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of income

(In thousands of Brazilian Real, unless otherwise indicated)

Code	Description	Accumulated - current year 1/1/2013 to 3/31/2013	Accumulated - prior year 1/1/2012 to 3/31/2012
3.01	Revenue from sale of goods and/or services	793,304	774,743
3.02	Cost of goods and/or services sold	-551,633	-545,014
3.03	Gross profit	241,671	229,729
3.04	Operating income (expenses)	-93,590	-85,244
3.04.01	Sales expenses	-67,003	-62,775
3.04.02	General and administrative expenses	-26,435	-22,515
3.04.04	Other operating income	0	46
3.04.05	Other operating expenses	-152	0
3.05	Results from operations before financial result and taxes	148,081	144,485
3.06	Finance result	-23,000	-43,579
3.06.01	Financial income	14,200	14,732
3.06.02	Financial expenses	-37,200	-58,311
3.07	Profit before taxes on income	125,081	100,906
3.08	Income tax and social contribution	-36,268	-28,210
3.08.01	Current	-27,016	-28,931
3.08.02	Deferred	-9,252	721
3.09	Net income from continuing operations	88,813	72,696
3.11	Net income for the period	88,813	72,696
3.11.01	Attributable to the Company's owners	88,813	72,696
3.99	Earnings per share - (Real / share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common shares	0.44735	0.36798
3.99.02	Diluted earnings per share		
3.99.02.01	Common shares	0.44517	0.36608

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of cash flows - indirect method

(In thousands of Brazilian Real)

1 - Code	2 - Description	Accumulated - current period 1/1/2013 to 3/31/2013	Accumulated - prior period 1/1/2012 to 3/31/2012
6.01	Net cash provided by operating activities	85,160	9,965
6.01.01	Cash flows provided by operating activities	496,202	482,385
6.01.01.01	Net income	88,813	72,696
6.01.01.02	Depreciation and amortization	69,107	65,455
6.01.01.03	Residual value of property and equipment disposals	320,941	340,876
6.01.01.04	Deferred income tax and social contribution	9,252	-721
6.01.01.05	Other	8,089	4,079
6.01.02	Variation in assets and liabilities	-383,557	-407,780
6.01.02.01	Trade receivables	-28,288	3,189
6.01.02.02	Acquisition of cars, net of changes in balances with car makers	-398,217	-461,291
6.01.02.03	Escrow deposits	-1,227	3,127
6.01.02.04	Recoverable taxes	-4,275	-1,454
6.01.02.05	Other assets	-32,252	-33,131
6.01.02.06	Trade payables (except for car makers)	3,528	-19,506
6.01.02.07	Social and labor obligations	20,828	15,712
6.01.02.08	Taxes payable	27,016	27,601
6.01.02.09	Interest on loans, financing and debentures	35,364	58,416
6.01.02.10	Insurance premiums	-4,080	9,988
6.01.02.11	Other liabilities	-1,954	-10,431
6.01.03	Other	-27,485	-64,640
6.01.03.01	Income tax and social contribution paid	-23,042	-29,632
6.01.03.02	Interest on loans, financing and debentures paid	-4,443	-35,008
6.02	Net cash used in investing activities	-7,707	-16,843
6.02.01	Purchases of other property and equipment	-5,436	-13,930
6.02.02	Purchases of intangible assets	-2,271	-2,913
6.03	Net cash provided by (used in) financing activities	-3,863	8,570
6.03.01	Loans and financing - proceeds	22,812	25,094
6.03.02	Loans and financing - repayments	-17,838	-2,302
6.03.06	Interest on capital	-15,852	-14,222
6.03.07	Exercise of share options with treasury shares, net	7,015	0
6.05	Increase (decrease) in cash and cash equivalents	73,590	1,692
6.05.01	Cash and cash equivalents at the beginning of the period	823,866	711,002
6.05.02	Cash and cash equivalents at the end of the period	897,456	712,694

Consolidated financial statements / statement of changes in equity - 1/1/2013 to 3/31/2013

(In thousands of Brazilian Real)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Non-controlling interests	Consolidated equity
5.01	Opening balances	601,708	48,067	674,978	0	0	1,324,753	0	1,324,753
5.03	Adjusted opening balances	601,708	48,067	674,978	0	0	1,324,753	0	1,324,753
5.04	Capital transactions with shareholders	0	8,653	0	-14,567	0	-5,914	0	-5,914
5.04.03	Options granted	0	1,638	0	0	0	1,638	0	1,638
5.04.05	Treasury shares sold	0	7,015	0	0	0	7,015	0	7,015
5.04.07	Interest on capital	0	0	0	-14,567	0	-14,567	0	-14,567
5.05	Total comprehensive income	0	0	0	88,813	0	88,813	0	88,813
5.05.01	Net income	0	0	0	88,813	0	88,813	0	88,813
5.07	Closing balances	601,708	56,720	674,978	74,246	0	1,407,652	0	1,407,652

Consolidated financial statements / statement of changes in equity - 1/1/2012 to 3/31/2012

(In thousands of Brazilian Real)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Non-controlling interests	Consolidated equity
5.01	Opening balances	601,708	19,145	499,730	0	0	1,120,583	0	1,120,583
5.03	Adjusted opening balances	601,708	19,145	499,730	0	0	1,120,583	0	1,120,583
5.04	Capital transactions with shareholders	0	15,612	0	-14,417	0	1,195	0	1,195
5.04.03	Options granted	0	2,101	0	0	0	2,101	0	2,101
5.04.05	Treasury shares sold	0	13,511	0	0	0	13,511	0	13,511
5.04.07	Interest on capital	0	0	0	-14,417	0	-14,417	0	-14,417
5.05	Total comprehensive income	0	0	0	72,696	0	72,696	0	72,696
5.05.01	Net income	0	0	0	72,696	0	72,696	0	72,696
5.07	Closing balances	601,708	34,757	499,730	58,279	0	1,194,474	0	1,194,474

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of value added

(In thousands of Brazilian Real)

Code	Description	Accumulated - current period 1/1/2013 to 3/31/2013	Accumulated - prior period 1/1/2012 to 3/31/2012
7.01	Revenue	811,880	799,003
7.01.01	Sale of goods and services	810,239	790,361
7.01.03	Revenues related to the construction of own assets	2,760	8,997
7.01.04	Recognition/Reversal of allowance for doubtful accounts	-1,119	-355
7.02	Inputs acquired from third parties	-427,423	-448,680
7.02.01	Cost of products, goods and services sold	-397,623	-418,137
7.02.02	Materials, energy, third-party services and other	-29,800	-30,543
7.03	Gross value added	384,457	350,323
7.04	Retentions	-69,107	-65,455
7.04.01	Depreciation, amortization and depletion	-69,107	-65,455
7.05	Net value added	315,350	284,868
7.06	Value added received through transfer	14,200	14,732
7.06.02	Financial income	14,200	14,732
7.07	Total value added to be distributed	329,550	299,600
7.08	Distribution of value added	329,550	299,600
7.08.01	Personnel	85,455	71,487
7.08.01.01	Salaries and wages	66,791	56,066
7.08.01.02	Benefits	12,717	9,487
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	4,309	3,833
7.08.01.04	Other	1,638	2,101
7.08.02	Taxes, charges and contributions	88,961	72,103
7.08.02.01	Federal	66,562	55,008
7.08.02.02	State	19,547	15,218
7.08.02.03	Municipal	2,852	1,877
7.08.03	Remuneration of third parties' capital	66,321	83,314
7.08.03.01	Interest	37,200	58,311
7.08.03.02	Rentals	29,121	25,003
7.08.04	Remuneration of own capital	88,813	72,696
7.08.04.01	Interest on capital	14,567	14,417
7.08.04.03	Retained earnings	74,246	58,279

Comments on company performance

In R$ million

1 - Car Rental	1Q12	1Q13	Var. %
Net revenue	568.7	587.2	**3.3%**
Costs	(411.3)	(417.7)	**1.6%**
Operating expenses:			
Sales	(53.4)	(58.3)	**9.2%**
General, administrative and other	(17.9)	(22.0)	**22.9%**
Income before financial expenses and income	**86.1**	**89.2**	**3.6%**

2 - Fleet Rental	1Q12	1Q13	Var. %
Net revenue	202.0	201.6	**-0.2%**
Costs	(130.8)	(130.6)	**-0.2%**
Operating expenses:			
Sales	(9.7)	(9.3)	**-4.1%**
General, administrative and other	(5.0)	(5.3)	**6.0%**
Income before financial expenses and income	**56.5**	**56.4**	**-0.2%**

3 - Franchising	1Q12	1Q13	Var. %
Net revenue	4.0	4.5	**12.5%**
Costs	(2.0)	(2.0)	
Operating expenses:			
Sales	-	-	-
General, administrative and other	-	-	-
	2.0	**2.5**	**25%**

4 - Consolidated	1Q12	1Q13	Var. %
Net revenue	774.7	793.3	**2.4%**
Costs (*)	(545.0)	(551.6)	**1.2%**
Operating expenses (*)			
Sales	(62.8)	(67.0)	**6.7%**
General, administrative and other	(22.4)	(26.6)	**18.8%**
	144.5	**148.1**	**2.5%**
Financial expenses, net	(43.6)	(23.0)	**-47.2%**
Operating profit	**100.9**	**125.1**	**24.0%**
Income tax and social contribution	(28.2)	(36.3)	**28.7%**
Net income for the period	**72.7**	**88.8**	**22.1%**
% of net revenues	9.4%	11.2%	

(*) The consolidated balance includes reclassifications of R$1.3 million between the captions of costs and operating expenses in 1Q13 and R$ 0.9 million in 1Q12.

Comments on company performance

Net revenue

The Company's consolidated net revenues increased 2.4%, or R$18.6 million, basically due to:

- Increase of 3.3% in net revenues from car rental, or R$ 18.5 million, reflecting the growth of 5.7% in revenues from car rentals and 1.1% in net revenues from sales of decommissioned cars for fleet renewal. This increase was basically due to:

  i) increase of 2.9% in the volume of daily car rental and 3.0% in the average rate; and
  ii) increase of 2.8% in the volume of cars sold for fleet renewal, partially offset by a decrease of 0.7% in the consolidated average price of cars sold.

- Decrease of 0.2% in net revenues from fleet outsourcing, or R$0.4 million, representing a growth of 9.5% in revenues from fleet outsourcing and a decrease of 17.5% in revenues from sales of decommissioned cars for fleet renewal. The decrease was basically due to the decrease of 22.9% in the volume of cars sold for fleet renewal, with a decrease of 0.7% in the consolidated average price of the cars sold, partially offset by the increase of 5.0% in the volume of daily fleets outsourcing and 3.8% in the average daily rate.

Revenues from franchising increased 12.5%, or R$ 0.5 million.

Costs

Consolidated costs increased 1.2%, or R$6.6 million. This increase was basically due to:

Increase of 1.6% or R$6.4 million in the costs of car rental, basically as a result of: i) increase in the Tax on Vehicles (IPVA), accessories and freight costs of R$7.1 million in 1Q13, due to the logistics of purchase and sale of cars according to the difficulty of receiving cars ordered in the 4Q12; ii) increase in costs with renewal of the licensing of cars of the fleet with more than 12 months, and therefore with the expectation of completion of the remaining operational life within 1Q13 (R$3.4 million); and iii) increase in costs and expenses with personnel and rental of properties, which suffer inflation and market impacts; and iv) partially offset by the decrease of 0.2% or R$0.2 million in the costs of fleet outsourcing, in line with the decrease of 0.2% in the net revenues from fleet outsourcing.

As a percentage of consolidated net revenues, consolidated costs remained almost unchanged, at around 70.0% in the two quarters under analysis.

Operating expenses

The consolidated operating expenses increased 9.9% or R$8.4 million. As a percentage of net revenues, operating expenses increased 0.8 p.p., from 11.0% in 1Q12 to 11.8% in 1Q13. This increase was mainly due to the growth of property rental and salary expenses.

Comments on company performance

Net financial expenses

Net financial expenses decreased 47.2%, or R$20.6 million, mainly due to a 0.9p.p. decrease in the benchmark interest rate (CDI), from 2.5% on average in the first quarter of 2012 to 1.6% in the same period of 2013, and the net debt reduction.

Net financial expenses for this quarter include a credit of R$4.0 million referring to mark-to-market adjustments of the swap contracts, if the Company had terminated such contracts on March 31, 2013. In 2012, mark-to-market generated an expense of R$3.2 million.

Income tax and social contribution

Income tax and social contribution expenses increased 28.7%%, from R$28.2 million in 1Q12 to R$36.3 million in 1Q13, mainly due to the increase of 24% in earnings before taxes. The income tax and social contribution effective rate maintained stable, with a slight increase of 1.1p.p from 27.9% in 1Q12 to 29.0% in 1Q13.

1. OPERATIONS

Localiza Rent a Car S.A. ("Localiza"), headquartered at Avenida Bernardo Monteiro, 1.563, Belo Horizonte, Minas Gerais State since May 2005 has been a Brazilian publicly-held company listed on BM&FBovespa's (Sao Paulo Securities, Commodities and Futures Exchange) New Market, which corresponds to the highest Corporate Governance level in the Brazilian capital market. Localiza's shares are traded under the ticker symbol RENT3.

Localiza and its subsidiaries ("Company") are mainly engaged in car rentals, fleet outsourcing and franchising. As part of its fleet renewal program, Localiza and its subsidiary Total Fleet S.A. ("Total Fleet") sell the decommissioned cars for renewal of the fleet.

At March 31, 2013, the Localiza Integrated Business Platform (which includes franchisees in Brazil and abroad) comprised 533 car rental branches, being: i) 478 branches in 339 cities in Brazil, of which 278 are operated by Localiza and the rest by franchisees, and ii) 55 branches in 33 cities in 8 South American countries, all operated by franchisees.

As of March 31, 2013, the fleet of Localiza's Integrated Business Platform comprised 111,358 cars, of which: i) 96,255 belonged to the Company, including 32,212 of the Fleet Outsourcing Division; ii) 12,360 belonged to franchisees in Brazil and iii) 2,743 belonged to franchisees abroad. After being used in the rental activity, the cars are sold to generate cash for fleet renewal. Decommissioned cars are sold substantially to end consumers at 74 sales points, located in 44 cities throughout Brazil, thus avoiding intermediation costs.

Localiza's direct and indirect subsidiaries are summarized in Note 7(a).

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

The Company's interim financial information includes:

- The individual interim financial information prepared and presented in accordance with the Accounting Standard CPC 21 - Interim Financial Reporting and the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of Interim Financial Information (ITR), identified as "Individual - BR GAAP "; and

- The consolidated interim financial information prepared and presented in accordance with the Accounting Standard CPC 21 - Interim Financial Reporting and the International Accounting Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, and consistent with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of Interim Financial Information (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 Commission (CVM).

The individual interim financial information discloses investments in subsidiaries under the equity method of accounting, in accordance with prevailing Brazilian legislation. The accounting practices adopted in Brazil applied to the individual interim financial information differ from IFRS applicable to the interim financial information only with respect to the measurement of investments in subsidiaries under the equity method, whereas, for IFRS purposes, these investments would be measured at cost or fair value.

Due to limitations in the program used to complete this quarterly information, the statements of changes in equity for the three-month period ended March 31, 2012 present the balances of carrying value adjustments in the consolidated net amounts of R$116, respectively, together with the column "Capital Reserves, Stock Options and Treasury Stock" and the realization of carrying value adjustment within the group of "Internal changes in equity", when they should be presented in specific columns and groups.

The Company does not have other comprehensive income in current and prior periods.

The other information on the basis of preparation and presentation of the interim financial information and the summary of significant accounting policies is the same as that disclosed in Note 2 to the Annual financial statements for the year ended December 31, 2012 (hereinafter referred to as "Financial Statements for the year ended December 31, 2012"), published on March 20, 2013 in the newspapers "Diário Oficial de Minas Gerais", "Diário do Comércio Minas Gerais", "Valor Econômico" (condensed form), and available through the following websites: www.cvm.gov.br, www.bmfbovespa.com.br and www.localiza.com/ri.

3. ACCOUNTING PRONOUNCEMENTS AND INTERPRETATIONS RECENTLY ISSUED

The information on accounting standards and interpretations recently issued is not significantly different from that disclosed in Note 3 to the financial statements for the year ended December 31, 2012.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are broken down as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Cash and banks	470	7,750	2,453	12,844
Bank certificates of deposit (CDB)	291,901	298,225	342,324	333,160
Repurchase transactions	420,265	407,042	552,679	477,862
Total	**712,636**	**713,017**	**897,456**	**823,866**

As of March 31, 2013, investments in CDB and repurchase transactions yield 101.6% of the CDI (101.6% as of December 31, 2012) and have immediate liquidity.

5. TRADE ACCOUNTS RECEIVABLE

The breakdown of trade accounts receivable is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Car rental	240,124	239,101	241,323	241,176
Fleet outsourcing	-	-	65,673	56,418
Sale of decommissioned cars	76,647	62,249	88,863	72,788
Franchising	951	891	12,846	10,035
	317,722	**302,241**	**408,705**	**380,417**
Allowance for doubtful accounts	(11,463)	(10,827)	(16,398)	(15,279)
Total	**306,259**	**291,414**	**392,307**	**365,138**
Current	**306,259**	**291,414**	**385,865**	**361,157**
Noncurrent	**-**	**-**	**6,442**	**3,981**

The other information on trade receivables (individual and consolidated) was not significantly changed compared to that disclosed in Note 5 to the financial statements for the year ended December 31, 2012.

6. OTHER CURRENT AND NONCURRENT ASSETS

Other current and noncurrent assets are broken down as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Balances recorded in a separate line of current assets:				
Prepayments (*)	17,901	374	27,886	374
Recoverable taxes	10,276	12,429	12,015	14,645
	28,177	12,803	39,901	15,019
Other current assets:				
Amounts receivable from insurance company (**)	19,500	18,572	33,268	30,355
Other receivables - subsidiaries (Note 7(b))	2,949	3,344	-	-
Others	8,550	1,469	10,864	4,660
	30,999	23,385	44,132	35,015
Total current assets	59,176	36,188	84,033	50,034
Balances recorded in a separate line of noncurrent assets:				
Other receivables - subsidiaries (Note 7(b))	460	405	-	-
Other noncurrent assets	83	83	83	83
	543	488	83	83
Total other current and noncurrent assets	**59,719**	**36,676**	**84,116**	**50,117**

(*) Basically refers to prepaid expenses with renewal of the Car Tax (IPVA) of the fleet and IPVA of the vehicles acquired in 1Q13, which are amortized based on the useful life of the vehicles during the year.
(**) 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, 2012).

7. INVESTMENTS AND RELATED-PARTY TRANSACTIONS

(a) Information on subsidiaries

The businesses of car rental and fleet outsourcing, franchises abroad 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 outsourcing business.

Localiza Franchising Brasil S.A.: privately-held corporation engaged in the franchise business in Brazil. It is also authorized to hold interests in other companies and to carry out car rental activities.

Localiza Serviços Prime S.A. (formerly denominated Prime Prestadora de Serviços S.A.): privately-owned corporation engaged in the intermediation of sales of decommissioned cars, previously used by Localiza and Total Fleet in its rental operations and in other services related to the car rental activity. The Extraordinary General Meeting held on February 4, 2013 approved the alteration of the name , Prime Prestadora de Serviços S.A. to Localiza Serviços Prime S.A.

Localiza Car Rental S.A.: privately-held corporation engaged in car rental and fleet outsourcing activities and in licensing of brands and franchises in Brazil.

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

Car Assistance Serviços de Administração de Sinistros S.A.: privately-held corporation engaged in the management of insurance claims involving insured cars of Localiza's fleet.

Localiza Franchising Internacional SRL - "LFI SRL": limited liability company, headquartered in Argentina, currently dormant. It was a wholly-owned subsidiary of the Company, but on September 21, 2012 Localiza made a capital contribution to Total Fleet S.A. with 5% of the investment in LFI SRL.

TF Assistance Serviços de Administração de Sinistros S.A.: a direct subsidiary of Localiza Franchising Brasil, currently in the pre-operating stage and which corporate purpose is to manage car claims for insurance companies, accreditation for negotiation with repair shops and other suppliers, regulation of claims, approval of budgets and services carried out, management of information and claims evidencing documents, and management of indemnities.

Rental Brasil Administração e Participação S.A.: privately-held corporation incorporated on July 24, 2012, in the operating stage, which corporate purpose is the management and participation as quota or shareholder in other companies.

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

			Equity interest					
	Number of shares		Capital (%)		In net worth		In income statement	
	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12	1Q13	1Q12
Direct subsidiaries:								
Total Fleet	103,280,354	103,280,354	100.0	100.0	692,826	652,584	40,242	37,030
Franchising Brasil	399,069	399,069	100.0	100.0	3,813	604	3,209	2,765
Prime (*)	15,000	15,000	100.0	100.0	-	-	(493)	2,363
Car Rental	1,339,961	1,339,961	100.0	100.0	5,914	4,165	1,749	791
Rental International (*)	1,000	1,000	100.0	100.0	-	-	(56)	(53)
Car Assistance	200,000	200,000	100.0	100.0	4,436	240	4,196	2,038
LFI SRL	23,750	23,750	95.0	95.0	71	76	(5)	(11)

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

Notes to the interim financial information for the period ended March 31, 2013

(All amounts in thousands of Brazilian Real - R$, unless otherwise indicated)

			Equity interest					
	Number of shares		Capital (%)		In net worth		In income statement	
	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12	1Q13	1Q12
Rental Brasil	15,000,000	15,000,000	100.0	100.0	40,922	40,922	-	-
					747,982	**698,591**	**48,842**	**44,923**
Goodwill on the acquisition of investments					4,508	4,508	-	-
Total					**752,490**	**703,099**	**48,842**	**44,923**
Indirect subsidiary:								
TF Assistance	150,000	150,000	100.0	100.0	150	150	-	-
Indirect interest:								
LFI SRL	1,250	1,250	5.0	5.0	4	4	-	-

(*) In 1Q13, Localiza recognized a provision for equity deficit of the subsidiaries Rental International and Localiza Serviços Prime.

Change in investments in subsidiaries, including goodwill, is as follows:

Balance as of December 31, 2012	**703,099**
Equity in results of subsidiaries	48,842
Provision for negative equity (*)	549
Balance as of March 31, 2013	**752,490**

(*) Prime and Rental International.

A summary of the financial information of the main elements of the balance sheets and income statements of the direct subsidiaries is as follows:

(i) Balance sheets

3/31/2013	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental Internacional	Car Assistance	Rental Brasil	LFI SRL
Assets								
Current assets	232,202	23,449	18,759	9,589	13	9,365	18,965	121
Noncurrent assets:								
Long-term assets	4,804	1,788	1,647	15	-	-	-	-
P&E	858,847	160	-	-	-	-	(*) 21,962	-
Intangible assets	1,646	364	-	-	-	-	-	-
Total	**1,097,499**	**25,761**	**20,406**	**9,604**	**13**	**9,365**	**40,927**	**121**
Liabilities and shareholders' equity								
Current liabilities	207,137	9,090	17,627	3,690	-	4,929	5	-
Noncurrent liabilities	197,536	12,858	10,088	-	460	-	-	46
Shareholders' equity	692,826	3,813	(7,309)	5,914	(447)	4,436	40,922	75
Total	**1,097,499**	**25,761**	**20,406**	**9,604**	**13**	**9,365**	**40,927**	**121**

12/31/2012	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental Internacional	Car Assistance	Rental Brasil	LFI SRL
Assets								
Current assets	154,253	17,238	15,407	8,665	14	5,147	19,067	129
Noncurrent assets:								
Long-term assets	4,490	1,724	1,483	1	-	-	-	-
Investment	4	-	-	-	-	-	-	-
P&E	868,592	158	-	-	-	-	(*) 22,087	-
Intangible assets	1,628	286	-	-	-	-	-	-
Total	**1,028,967**	**19,406**	**16,890**	**8,666**	**14**	**5,147**	**41,154**	**129**
Liabilities and shareholders' equity								
Current liabilities	178,296	8,568	13,786	4,501	-	4,907	232	-
Noncurrent liabilities	198,087	10,234	9,920	-	405	-	-	49
Shareholders' equity	652,584	604	(6,816)	4,165	(391)	240	40,922	80
Total	**1,028,967**	**19,406**	**16,890**	**8,666**	**14**	**5,147**	**41,154**	**129**

(*) Refers to land transferred by Localiza to Rental Brasil S.A. as capital increase. For disclosure purposes this was recorded in property and equipment.

(ii) Income statements

1Q13	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Income statement							
Net revenue	200,960	4,384	12,755	4,626	-	4,778	-
Gross profit	70,829	3,552	10,839	2,316	-	4,692	-
Income (loss) before income tax and social contribution	60,894	3,792	(457)	2,289	(56)	4,795	(5)
Net income (loss)	**40,242**	**3,209**	**(493)**	**1,749**	**(56)**	**4,196**	**(5)**

1Q12	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Income statement							
Net revenue	201,265	3,783	14,138	3,098	-	2,307	-
Gross profit	71,235	2,976	14,138	1,338	-	2,235	-
Income (loss) before income tax and social contribution	56,265	3,334	3,551	1,176	(53)	2,343	(11)
Net income (loss)	**37,030**	**2,765**	**2,363**	**791**	**(53)**	**2,038**	**(11)**

(b) Balances and transactions with related parties

(i) Balances and transactions with subsidiaries

	Total Fleet		Prime		Others		Total	
	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12
Balances:								
Accounts receivable	2,865	1,815	-	-	1,473	2,045	4,338	3,860
Dividends	29,929	29,929	-	-	9,787	9,787	39,716	39,716
Other accounts receivable (current and non-current) (Note 6)	-	-	2,323	3,021	1,086	728	3,409	3,749
Equity deficit in subsidiaries	-	-	7,308	6,816	448	391	7,756	7,207
Payables to subsidiaries (Note 13)	701	1,661	-	-	313	70	1,014	1,731

	Total Fleet		Car Rental		Others		Total	
	1Q13	1Q12	1Q13	1Q12	1Q13	1Q12	1Q13	1Q12
Transactions:								
Recovery of expenses and costs	2,401	250	114	134	1,146	1	3,661	385
Revenues from car rentals	3,379	2,303	1,952	1,294	1	19	5,332	3,616

As of March 31, 2013, there were collateral signatures related to guarantees for loans and financing, amounting to R$782,726 (R$767,683 on December 31, 2012), between Localiza and Total Fleet. There were also collateral signatures between companies when bank guarantees were contracted for lawsuits totaling R$16,187 (R$16,283 at December 31, 2012).

Intercompany receivables and payables do not have defined maturity and settlement dates and depend on the companies' cash flows. Transactions are conducted based on conditions agreed upon between Localiza and its wholly-owned subsidiaries.

(ii) Other related party transactions

- Compensation of key management personnel

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12(*)	1Q13	1Q12(*)
Compensation of Board of Directors	897	621	897	621
Management and Executive Board:				
Fees and compensation	3,203	3,219	5,572	4,567
Payroll taxes	824	886	1,331	1,258
Options granted recognized	1,142	700	1,142	700
Pension plan (Note 25)	846	86	1,263	94
Total	**6,912**	**5,512**	**10,205**	**7,240**

(*) Recalculated.

The Company offers a Pension Plan for management (see details in Note 25 to the financial statements for the year ended December 31, 2012). Except for this plan, the Company does not offer other severance benefits for the management.

8. PROPERTY AND EQUIPMENT

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

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

Notes to the interim financial information for the period ended March 31, 2013

(All amounts in thousands of Brazilian Real - R$, unless otherwise indicated)

	Individual (BR GAAP)			Consolidated (IFRS and BR GAAP)		
	Cars	Other property and equipment	Total	Cars	Other property and equipment	Total
Cost:						
As of December 31, 2012	**1,766,568**	**223,116**	**1,989,684**	**2,912,406**	**247,447**	**3,159,853**
Additions	260,512	5,221	265,733	341,534	5,436	346,970
Write offs/transfers (*)	(309,851)	(11,004)	(320,855)	(382,769)	(11,313)	(394,082)
As of March 31, 2013	**1,717,229**	**217,333**	**1,934,562**	**2,871,171**	**241,570**	**3,112,741**
Accumulated depreciation:						
As of December 31, 2012	**(99,850)**	**(75,442)**	**(175,292)**	**(378,136)**	**(76,488)**	**(454,624)**
Additions	(18,405)	(7,124)	(25,529)	(60,472)	(7,180)	(67,652)
Write offs/transfers (*)	37,027	11,004	48,031	61,272	11,004	72,276
As of March 31, 2013	**(81,228)**	**(71,562)**	**(152,790)**	**(377,336)**	**(72,664)**	**(450,000)**
Net book value:						
As of December 31, 2012	**1,666,718**	**147,674**	**1,814,392**	**2,534,270**	**170,959**	**2,705,229**
As of March 31, 2013	**1,636,001**	**145,771**	**1,781,772**	**2,493,835**	**168,906**	**2,662,741**

(*) Include write-offs due to car sale, robbery, damage and transfer of decommissioning cars for fleet renewal.

The breakdown of the main classes of assets under "Other property and equipment", as well as their net book values, is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Leasehold improvements (*)	77,864	80,933	77,864	80,933
Furniture and fixtures	23,536	23,644	24,248	24,380
IT equipment	11,046	10,901	11,159	11,013
Property and equipment in progress	17,407	15,862	23,725	22,301
Others	15,918	16,334	31,910	32,332
Total	**145,771**	**147,674**	**168,906**	**170,959**

(*) The period of leasehold improvements amortization, considering the expectation of renewal of property rental contracts, was revised in accordance with the terms of the contract.

As of March 31, 2013, the captions "Cars" and "Other property and equipment" include the net book values of property and equipment items accounted for as finance leases in the amount of R$125,820 (R$118,095 as of December 31, 2012). See Note 23 to the financial statements for the year ended December 31, 2012.

Decommissioned cars for fleet renewal are presented in "Non-current assets for sale".

Effect of the reduction in the IPI:

The depreciation of the cars is calculated based on the difference between the price of acquisition of the car and its realization residual value estimated for the end of its useful life, less the estimated selling expenses.

After the Government's announcement of the IPI reduction on May 21, 2012, the Company adjusted the depreciation of its fleet to reflect the expected drop in the market value of cars. The impact of the IPI reduction on the price of cars was estimated at R$180.5 million (R$116.0 million in the Car Rental Division and R$64.5 million in the Fleet Outsourcing Division). In the Car Rental Division, 95.9% of the additional depreciation had already been allocated in 2012 and in the Fleet Outsourcing Division, 51.6%.

The extension of the IPI reduction until the end of 2013 does not cause new impacts on depreciation, since the additional depreciation announced by the Company in 2Q12 included the adjustment for the entire fleet and was based on the assumption that the prices would not return to the levels they were before IPI reduction, even after the return of the tax.

9. INTANGIBLE ASSETS

(a) Software

The gross cost, the accumulated amortization and the net book value of software are as follows:

	Individual (BR GAAP)	Consolidated (IFRS and BR GAAP)
Cost:		
As of December 31, 2012	42,318	44,726
Additions	2,081	2,271
Write-offs	-	-
As of March 31, 2013	44,399	46,997
Accumulated amortization:		
As of December 31, 2012	(8,011)	(8,505)
Additions	(1,361)	(1,455)
Write-offs	-	-
As of March 31, 2013	(9,372)	(9,960)
Net book value of software:		
As of December 31, 2012	34,307	36,221
As of March 31, 2013	35,027	37,037

The other information on intangible assets - software (individual and consolidated) was not significantly changed compared to that disclosed in Note 9 to the financial statements for the year ended December 31, 2012.

(b) Goodwill on acquisition of investments

The gross amount, the accumulated amortization and the net book value of goodwill are as follows:

	Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12
Goodwill on acquisition of non-controlling interest in subsidiaries	4,918	4,918
Accumulated amortization	(410)	(410)
Net book value	**4,508**	**4,508**

Under CVM Resolution 565/08, goodwill on the acquisition of a noncontrolling interest in subsidiaries, allocated to the Car Rental Division, is no longer amortized beginning on January 1, 2009 but it is tested for impairment at least yearly.

10. TRADE ACCOUNTS PAYABLE

Trade accounts payable are broken down as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Car makers	184,644	246,725	231,720	288,403
Maintenance services and parts	12,095	23,614	23,754	32,903
Rentals	5,739	5,802	5,799	5,808
Insurance policies	14,268	14,268	14,372	14,268
Others	24,227	14,192	27,352	14,770
Total	**240,973**	**304,601**	**302,997**	**356,152**

Balances payable to car makers refer to cars purchased at the end of each period bearing no financial charges and maturing in up to 45 days.

11. SOCIAL AND LABOR OBLIGATIONS

Payroll and related taxes are broken down as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Management fees	3,403	2,362	6,806	4,724
Accrued vacation	17,471	16,174	22,488	21,472
Provision for 13th month salary (*)	3,387	-	4,359	-
Provision for employee profit sharing	23,470	13,800	32,028	19,066
Social security contribution (INSS)	4,002	3,796	5,227	5,171
Severance pay fund (FGTS)	920	842	1,184	1,136
Others	1,374	1,138	1,924	1,619
Total	**54,027**	**38,112**	**74,016**	**53,188**

(*) Provision for employees' 13th month salary accumulated during the year, which is usually paid by the Company in November of each year.

Localiza makes semiannual profit sharing payments to employees, based on their categories and performance evaluation, classified as "Cost", "Selling expenses" and "General, administrative and other expenses", in the income statement, according to the functional allocation of the respective employees.

12. LOANS, FINANCING AND DEBENTURES

Loans, financing and debentures are broken down as follows:

	Individual (BRGAAP)		Consolidated (IFRS and BRGAAP)			
	3/31/13	12/31/12	3/31/13	12/31/12	Maturity	Contract effective interest rate
In local currency (R$)						
Debentures - 2nd issuance	135,490	133,161	135,490	133,161	7/2/13 to 7/2/14	CDI + 0.6% p.a.
Debentures - 4th issuance	355,693	349,244	355,693	349,244	5/5/13 to 5/5/17	114.2% of CDI
Debentures - 5th issuance	509,339	500,001	509,339	500,001	5/30/16 to 5/30/17	114.5% of CDI
Debentures - 6th issuance	309,539	303,884	309,539	303,884	10/15/16 to 10/15/19	CDI + 1.07% p.a.
Working capital and other	190,357	187,013	428,079	416,938	4/1/12 to 12/15/19	Equivalent to CDI + 1.5% p.a. + IOF or ISS, if applicable (*)
Fixed rate swap	(747)	890	410	3,482	-	-
In foreign currency						
Foreign currency loans - US dollar	352,436	348,381	352,436	348,381	8/17/15 to 8/16/17	108.4% and 114.7% of the CDI
Total	**1,852,107**	**1,822,574**	**2,090,986**	**2,055,091**		
Current liabilities	**167,138**	**141,238**	**246,468**	**210,059**		
Noncurrent liabilities	**1,684,969**	**1,681,336**	**1,844,518**	**1,845,032**		

(*) Of the total of R$428,079, R$61,693 was contracted as leasing with an average fixed rate of 9.75% p.a.

The changes in loans, financing and debentures are as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Initial Balance	**1,822,574**	**1,633,841**	**2,055,091**	**2,074,425**
New borrowings	600	303,588	22,812	425,909
Interest and financial charges	32,780	150,917	34,954	192,399
Repayment of principal	(699)	(123,508)	(17,838)	(450,509)
Payment of interest	(2,401)	(143,154)	(4,443)	(190,615)
Fixed rate swap	(747)	890	410	3,482
Final Balance	**1,852,107**	**1,822,574**	**2,090,986**	**2,055,091**

As of March 31, 2013, Localiza had four debentures issued, all non-convertible into shares. Localiza's debentures are subject to certain covenants, as described below: **(i)** request or declaration of bankruptcy by the issuer or third parties that is not duly resolved within the legal term; **(ii)** default of individual or aggregate amount equal to or higher than R$25,000; **(iii)** Localiza capital decrease and/or repurchase of its own shares for cancellation, except if previously authorized by the debenture holders; **(iv)** amalgamation, merger or spin-off of Localiza, except if under the terms of Article 231 of the Brazilian Corporate Law or if the spun-off portion or the company resulting from the amalgamation or merger remain in the current Controlling Group of the issuer; **(v)** lowering of the issuance rating by Standard & Poor's in two or more notches of the risk rating at national scale, in relation to the rating on the issuance date, of which: a) for the second issuance, in relation to the rating brAA- (BR, double A, negative); b) for the 4th issuance, in relation to the rating brAA- (BR, double A, negative); c) for the 5th issuance, in relation to the rating brAA (BR, double A) and; d) for the 6th issuance, if the issuer's corporate rating is lowered to brA+ (BR, A, positive), due to any change in shareholding structure that results in the loss, transfer or disposal of the Company's controlling power by the current controlling shareholders; and **(vi)** non-maintenance of quarterly financial ratios, based on the Company's consolidated financial statements, as follows:

Issuance	Net debt/ Adjusted EBITDA (*) (maximum limit)	Adjusted EBITDA (*)/Net Financial Expenses (minimum limit)
Second issuance	3.25	2.00
Fourth, fifth and sixth issuance	4.00	1.50

(*) EBITDA means the issuer's net income or loss, on a consolidated basis, for the last 12-month period, before (i) financial expense (income), net; (ii) income tax and social contribution; (iii) depreciation and amortization expenses. In the 2nd and 4th issuances, EBITDA is also adjusted by (i) nonoperating expenses (income), net and (ii) noncontrolling interests. In the 5th issuance, EBITDA is also adjusted by (i) stock option costs and (ii) nonrecurring expenses. In the 6th issuance, EBITDA is also adjusted by impairment.

In addition, the Company has loans and financing that are subject to certain covenants, under similar conditions to those applicable to the debentures. As of March 31, 2013, management understands that the restrictive covenants applicable to loans, financing and debentures were being complied with.

The other information on loans, financing and debentures (individual and consolidated) was not significantly changed compared to that disclosed in Note 12 to the financial statements for the year ended December 31, 2012.

13. OTHER CURRENT AND NONCURRENT LIABILITIES

Other current and noncurrent liabilities are broken down as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Amounts recorded in a separate line of current liabilities:				
Equity deficit of subsidiaries (Note 7(b))	7,756	7,207	-	-
Payables to subsidiaries (Note 7 (b))	1,014	1,731	-	-
Other federal taxes	4,938	3,968	7,847	6,978
Municipal tax obligations	1,715	1,682	2,470	2,357
	15,423	14,588	10,317	9,335
Other current liabilities:				
Advances from rental customers	5,826	17,637	10,614	20,055
Insurance premiums for transfer (*)	26,076	29,640	26,161	29,819
Deferred financing incentive	31	33	5,851	4,045
Others	4,436	6,144	5,880	6,821
	36,369	53,454	48,506	60,740
Total current liabilities	51,792	68,042	58,823	70,075
Other noncurrent liabilities:				
Deferred financing incentive	91	101	14,247	11,931
Others	14,039	13,947	17,909	18,050
	14,130	14,048	32,156	29,981
Total current and noncurrent liabilities	**65,922**	**82,090**	**90,979**	**100,056**

(*) Premiums received from customers that contracted insurance for rented cars and that are transferred by Localiza to the insurance company (Note 2.7.11 to the financial statements for the year ended December 31, 2012).

14. PROVISION AND ESCROW DEPOSITS

(a) Recognized judicial provision

Provisions for contingencies are broken down as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Tax	2,163	2,163	4,696	3,912
Social security and labor	21,224	19,317	25,934	23,622
Civil	6,223	5,007	8,906	7,633
Total	**29,610**	**26,487**	**39,536**	**35,167**

(b) Escrow deposits

Escrow deposits are broken down as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Tax	9,268	9,218	11,261	11,133
Social security and labor	9,000	8,296	10,680	9,723
Civil	2,254	2,136	2,328	2,186
Total	**20,522**	**19,650**	**24,269**	**23,042**

The other information on Provisions and Escrow Deposits (individual and consolidated) has not significantly changed compared to that disclosed in Note 14 to the financial statements for the year ended December 31, 2012.

15. TAXES ON INCOME - INCOME TAX AND SOCIAL CONTRIBUTION

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

The breakdown of deferred income tax and social contribution is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Temporary differences in the deductibility of provisions:				
Allowance for doubtful accounts	1,121	1,044	1,368	3,073
Provision for litigation	9,824	8,761	11,058	9,858
Provision for payables to suppliers and others	1,523	1,144	4,122	1,414
Swap transactions with payments on a cash basis	9,261	9,255	9,655	10,136
Tax loss carry-forwards	-	-	29	29
Total deferred income tax and social contribution assets - noncurrent	**21,729**	**20,204**	**26,232**	**24,510**
Car depreciation (*)	53,630	45,695	80,166	72,579
Others	1,124	1,131	7,615	4,228
Total deferred income tax and social contribution liabilities - noncurrent	**54,754**	**46,826**	**87,781**	**76,807**

(*) Refers to the temporary difference in the calculation of depreciation and residual value, introduced by the new accounting practices (adoption of IFRS). Localiza and its subsidiary Total Fleet continue to calculate, for tax purposes, car depreciation expenses using the depreciation criteria adopted on December 31, 2007. Temporary differences are made at the end of the useful lives of cars, when they are derecognized.

Income tax and social contribution deferral credits, referring to temporary differences, depend on future events that will make the provision that gave rise to them deductible, as provided for by prevailing tax legislation.

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

The reconciliation between nominal and effective rates for the three-month periods ended March 31, 2013 and 2012 is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12	1Q13	1Q12
Pretax income	102,673	79,224	125,081	100,906
Nominal rate	34%	34%	34%	34%
Nominal expense	**(34,909)**	**(26,936)**	**(42,528)**	**(34,308)**
Adjustments to nominal expense:				
Equity in results of subsidiaries	16,606	15,273	-	-
Effect of the deduction of interest on capital	4,953	4,902	4,953	4,902
Other, net	(510)	233	1,307	1,196
Effective expense	**(13,860)**	**(6,528)**	**(36,268)**	**(28,210)**

Franchising Brasil, Car Rental and Car Assistance calculated, through 1Q13, income tax and social contribution under the deemed income regime in the amounts of R$583 (R$569 in 1Q12), R$540 (R$385 in 1Q12) and R$599 (R$305 in 1Q12), respectively. For this reason, these companies do not account for deferred taxes.

(c) Income tax and social contribution

Localiza and its subsidiaries calculate income tax and social contribution under the quarterly taxation regime. The outstanding balance relating to the computation period of the last quarter of each year is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Income tax and social contribution	7,113	8,399	26,111	26,035

The Company's income tax returns are open to revision by tax authorities for a period of five years. Other taxes, fees and contributions are also subject to revision, according to applicable legislation.

16. SHAREHOLDERS' EQUITY

(a) Capital

As of March 31, 2013 and December 31, 2012, ownership of capital and the related reconciliation of the number of outstanding shares were as follows:

	Management				
	Founder-partners	Board of Directors and Board of Executive officers	Treasury shares	Outstanding shares	Number of shares -ON
Balance as of December 31, 2012	**61,926,254**	**200,837**	**3,158,349**	**136,422,560**	**201,708,000**
Acquisition (sale) of shares, net	(144,898)	(10,415)	-	155,313	-
Exercise of stock options held in treasury	144,898	17,252	(366,638)	204,488	-
Balance as of March 31, 2013	**61,926,254**	**207,674**	**2,791,711**	**136,782,361**	**201,708,000**

In a meeting held on December 15, 2011, the Board of Directors approved the launching of the Company's Level I American Depositary Receipts (ADRs) ("ADR Program"). The ADR Level I Program did not result in capital increase or issuance of new shares, and aims at increasing the access of foreign investors to the Company, as well as to increase share liquidity. The Program was approved by CVM - Brazilian Securities Commission - on May 22, 2012 and trading began on June 5, 2012. As of March 31, 2013, the Company's position was 523,361 ADRs issued in the United States.

(b) Interest on capital and dividends

The Company periodically pays interest on capital to shareholders. The Board of Directors' meeting decided to pay interest on capital as follows:

Approval date	Total amount paid	Amount per share (in R$)	Shareholding position date	Payment date
3/8/2013	14,567 (*)	0.073362819	3/20/2013	5/3/2013
Total 2013	**14,567**			

(*) As of March 31, 2013 this interest on capital had not been paid to shareholders.

On February 8, 2013, the Company paid interest on capital approved by the Board of Directors at the meeting held on December 18, 2012, totaling R$15,852, with amount per share of R$0.079835756.

Dividends and interest on capital payable is as follows:

	Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12
Dividends on net income for the year ended 12/31/12	5,143	5,143
Interest on capital	14,567	15,852
Withholding income tax (IRRF) on interest on capital	(1,804)	(2,336)
Total dividends and interest on capital payable	**17,906**	**18,659**

(c) Capital reserve

(i) Options exercised in the 1st quarter of 2013

In 1Q13, 366,638 stock options related to the Stock Purchase Option Programs from 2007 to 2010 were exercised, using treasury shares. The weighted average strike prices of options exercised, as well as the weighted average fair value of Localiza's shares on the vesting date, were as follows:

Program	Number of options exercised	Cost on the grant date	Calculation by the cost value	Weighted average strike price	Weighted average fair value
2007 Plan	77,119	7.09	625	R$25.96	R$36.66
2008 Plan	87,215	0.88	86	R$24.08	R$36.66
2009 Plan	128,895	12.21	1,545	R$8.54	R$36.55
2010 Plan	73,409	12.10	761	R$23.15	R$36.60
Total	**366,638**		**3,017**		

All options were exercised using treasury shares, and therefore there was no issuance of new Localiza's shares.

The other information on shareholders' equity (individual and consolidated) was not significantly changed compared to that disclosed in Note 16 to the financial statements for the year ended December 31, 2012.

(d) Statutory reserve and profit retention

Management's proposal for the Ordinary and Extraordinary General Meeting that will be held on April 29, 2013 is:

i. retention of profit in the amount of R$163,201, from the 2012 remaining profit, after deduction of the legal reserve and mandatory minimum dividends, to ensure funds for fleet renewal, supported by the capital budget attached to the financial statements for the year ended December 31, 2012.

ii. capital increase with a portion of the Reserve for Investment, of R$375,000, through stock dividends, as this reserve has reached its statutory limit, to be reflected in the financial statements upon approval.

17. EARNINGS PER SHARE

The methods of calculating basic and diluted earnings per share are the same as those disclosed in Note 17 to the financial statements for the year ended December 31, 2012.

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

	Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12
Net income for the period	**88,813**	**72,696**
Basic earnings per share:		
Weighted average outstanding shares (in units)	198,529,725	197,553,195
Basic earnings per share (in R$)	**0.44735**	**0.36798**
Diluted earnings per share:		
Weighted average outstanding shares (in units)	198,529,725	197,553,195
Dilutive effect of share purchase options (in units)	976,073	1,024,113
Shares applicable to dilution (in units)	199,505,798	198,577,308
Diluted earnings per share (in R$)	**0.44517**	**0.36608**

18. SEGMENT REPORTING

Operating segments are defined as business areas: i) which may obtain revenues and incur in expenses; ii) which 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 using reports that support the decision-making process. 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 corporations, including insurance companies and car makers. As part of its fleet renewal program, the Car Rental Division decommissions its cars 12 months after having been used in rental. The major portion of decommissioned cars is sold directly to the final consumer, by means of a proprietary network of points for sale, since this is the less expensive alternative in relation to the discounts requested by other sales intermediation channels.

- Fleet outsourcing: division responsible for fleet rental to corporations for long-term periods, generally from 24 to 36 months. As part of its fleet renewal program, the Fleet Outsourcing Division decommissions its cars at the end of the contract entered into with the customer. Decommissioned cars are sold to the final consumers by means of a proprietary network of points of sale and car dealers.

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

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

Notes to the interim financial information for the period ended March 31, 2013

(All amounts in thousands of Brazilian Real - R$, unless otherwise indicated)

(a) Operating segment financial information

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

	Car rental		Fleet outsourcing		*Franchising*		Unallocated balances		Eliminations		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12
Assets												
Cash and cash equivalents	-	-		-		-	897,456	823,866	-	-	897,456	823,866
Accounts receivable	313,234	297,345	70,850	61,863	11,961	9,214	-	-	(3,738)	(3,284)	392,307	365,138
Decommissioning cars for fleet renewal	194	26	9,104	13,251	-	-	-	-	-	-	9,298	13,277
Property and equipment	1,803,734	1,836,479	858,847	868,592	160	158	-	-	-	-	2,662,741	2,705,229
Other assets	195,620	168,222	21,840	11,817	2,774	3,446	-	-	(44,072)	(45,087)	176,162	138,398
Total assets	**2,312,782**	**2,302,072**	**960,641**	**955,523**	**14,895**	**12,818**	**897,456**	**823,866**	**(47,810)**	**(48,371)**	**4,137,964**	**4,045,908**
Liabilities and shareholders' equity												
Trade accounts payable	242,110	305,539	64,440	53,131	119	791	-	-	(3,672)	(3,309)	302,997	356,152
Loans, financing and debentures	-	-	-	-	-	-	2,090,986	2,055,091	-	-	2,090,986	2,055,091
Other payables	259,706	248,979	106,642	95,142	21,875	18,060		-	(51,894)	(52,269)	336,329	309,912
Total liabilities	**501,816**	**554,518**	**171,082**	**148,273**	**21,994**	**18,851**	**2,090,986**	**2,055,091**	**(55,566)**	**(55,578)**	**2,730,312**	**2,721,155**
Shareholders' equity	**-**	**-**	**-**	**-**	**-**	**-**	**1,407,652**	**1,324,753**	**-**	**-**	**1,407,652**	**1,324,753**
Total liabilities and shareholders' equity	**501,816**	**554,518**	**171,082**	**148,273**	**21,994**	**18,851**	**3,498,638**	**3,379,844**	**(55,566)**	**(55,578)**	**4,137,964**	**4,045,908**

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

	Car rental		Fleet outsourcing		Franchising		Amounts not allocated		Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12	1Q13	1Q12	1Q13	1Q12	1Q13	1Q12	1Q13	1Q12
Net revenue	587,217	568,751	201,548	202,068	4,539	3,924	-	-	793,304	774,743
Costs	(417,666)	(411,281)	(130,592)	(130,804)	(2,074)	(2,023)	(1,301)	(906)	(551,633)	(545,014)
Gross Profit	**169,551**	**157,470**	**70,956**	**71,264**	**2,465**	**1,901**	**(1,301)**	**(906)**	**241,671**	**229,729**
Operating Expenses:										
Selling	(58,270)	(53,446)	(9,357)	(9,798)	(17)	(26)	641	495	(67,003)	(62,775)
General, administrative and other expenses	(22,064)	(17,854)	(5,183)	(5,011)	-	(15)	660	411	(26,587)	(22,469)
Income before financial expenses, net	**89,217**	**86,170**	**56,416**	**56,455**	**2,448**	**1,860**	**-**	**-**	**148,081**	**144,485**
Financial expenses, net									(23,000)	(43,579)
Earnings Before taxes									**125,081**	**100,906**
Income tax and social contribution									(36,268)	(28,210)
									88,813	**72,696**

The Company operates in Brazil and in another eight South American countries; however, its revenues derive mainly from its operations in the Brazilian market. The consolidated net revenue, in Brazil and abroad, is broken down as follows:

	Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12
Brazil	790,540	771,500
Export revenue	2,609	3,102
Abroad	155	141
Net revenue	**793,304**	**774,743**

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

	Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12
Car rental:		
Car depreciation	18,405	26,600
Depreciation of other property and equipment and amortization of intangible assets	8,261	7,114
Fleet outsourcing:		
Car depreciation	42,067	31,372
Depreciation of other property and equipment and amortization of intangible assets	264	263
Franchising:		
Depreciation of other property and equipment and amortization of intangible assets	110	106
Total depreciation and amortization expenses	**69,107**	**65,455**

19. REVENUES

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12	1Q13	1Q12
Gross revenue	583,895	564,993	815,524	793,017
Deductions:				
Discounts	(2,984)	(2,316)	(5,285)	(2,703)
Taxes	(9,534)	(8,632)	(16,935)	(15,571)
Net revenue	**571,377**	**554,045**	**793,304**	**774,743**

The breakdown of the net revenue recognized in each significant category is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12	1Q13	1Q12
Revenues from car rentals	271,081	257,757	283,206	267,942
Revenues from fleet outsourcing	-	-	141,762	129,531
Franchising	155	141	4,539	3,924
Cars disposed of for fleet renewal	300,141	296,147	363,797	373,346
Net revenue	**571,377**	**554,045**	**793,304**	**774,743**

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

The information on the nature of costs and operating expenses and depreciation and amortization recognized in the income statement is as follows:

	Costs				Selling, general and administrative and other			
	Individual (BR GAAP)		Consolidated (IFRS and BR		Individual (BR GAAP)		Consolidated (IFRS and BR	
	1Q13	1Q12	1Q13	1Q12	1Q13	1Q12	1Q13	1Q12
Cost of cars sold	(257,722)	(264,180)	(306,305)	(327,626)	-	-	-	-
Car depreciation	(18,405)	(26,600)	(60,472)	(57,972)	-	-	-	-
Car maintenance, car tax (IPVA) and other	(54,496)	(43,621)	(79,015)	(71,563)	-	-	-	-
Depreciation and amortization of other property and equipment and intangible assets	(4,084)	(3,667)	(4,234)	(3,716)	(4,401)	(3,716)	(4,401)	(3,767)
Payroll and related taxes	(39,041)	(32,975)	(45,665)	(37,475)	(27,100)	(23,162)	(40,470)	(35,416)
Profit sharing	(5,221)	(4,368)	(6,449)	(5,068)	(4,566)	(3,654)	(6,662)	(5,657)
Outside services	(4,975)	(4,982)	(5,650)	(5,412)	(7,761)	(7,580)	(7,895)	(7,925)
Lease of property and other	(19,404)	(16,624)	(19,763)	(17,142)	(10,360)	(8,783)	(10,360)	(8,783)
Commissions	-	-	-	-	(7,615)	(4,897)	(7,811)	(5,116)
Advertising	-	-	-	-	(5,115)	(8,287)	(5,115)	(8,296)
Others	(18,586)	(19,217)	(24,080)	(19,040)	(7,292)	(9,133)	(10,876)	(10,284)
	(421,934)	**(416,234)**	**(551,633)**	**(545,014)**	**(74,210)**	**(69,212)**	**(93,590)**	**(85,244)**
Total costs of goods and/or services sold	(421,934)	(416,234)	(551,633)	(545,014)	-	-	-	-
Total selling expenses	-	-	-	-	(74,210)	(69,212)	-	-
Total general, administrative and other expenses	-	-	-	-	-	-	(93,590)	(85,244)

21. FINANCIAL INCOME (EXPENSES)

Financial income (expenses) in the income statement are as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	1Q13	1Q12	1Q13	1Q12
Financial income				
Interest income from short-term investments	10,886	11,696	12,984	14,935
Other interest income	935	(463)	1,216	(203)
	11,821	**11,233**	**14,200**	**14,732**
Financial expenses:				
Interest expense on loans, financing and debentures	(31,826)	(44,609)	(35,774)	(57,762)
Other interest expenses	(1,397)	(922)	(1,426)	(549)
	(33,223)	**(45,531)**	**(37,200)**	**(58,311)**
Financial expenses, net	**(21,402)**	**(34,298)**	**(23,000)**	**(43,579)**

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The carrying amounts of financial assets and liabilities by category are as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Financial assets:				
Loans and receivables measured at amortized cost:				
Cash and cash equivalents (Note 4)	712,636	713,017	897,456	823,866
Trade accounts receivable (Note 5)	306,259	291,414	392,307	365,138
Escrow deposits (Note 14(b))	20,522	19,650	24,269	23,042
Financial liabilities:				
Other financial liabilities measured at amortized cost:				
Trade accounts payable (Note 10)	240,973	304,601	302,997	356,152
Loans, financing and debentures (Note 12)	1,852,107	1,822,574	2,090,986	2,055,091

(a) Risk management

In the normal course of its operations, the Company is exposed to the following risks related to its financial instruments: (i) market risk; (ii) credit risk, and (iii) liquidity risk.

The Company's risk management is conducted by the Audit and Risk Management Committee, created in 2007 by the Board of Directors to identify and monitor the main risk factors of the Company. In addition, the risk identification, analysis and monitoring is followed up by the Board of Directors, which has the power to decide on the strategies to be adopted by the Company.

i) Market risk

The market risk is the risk that the fair value or future cash flows of a certain financial instrument vary due to interest rate changes. The purpose of market risk management is to ensure that the Company is exposed only to acceptable risk levels in the context of its operations, in conformity with CPC 40.

The Company's financial instruments that are affected by the market risk include: i) cash and cash equivalents and ii) loans, financing and debentures.

- **Interest rate risk** - interest rate risk is the risk that the fair value or future cash flows of a certain financial instrument fluctuate due to market interest rate changes.

The Company uses the cash from operations in the working capital to conduct its business activities, renew the fleet and support part of its growth. To supplement its cash requirements for growth, the Company obtains loans and financing from major financial institutions in Brazil, and issues debt securities (debentures and promissory notes), that are mostly indexed to the CDI fluctuation. The inherent risk arises from the possibility of significant increases in CDI.

As a strategy to manage interest rate risk, Management continuously monitors the market expectation regarding the CDI variation in order to, if necessary, adjust rental fees to mitigate any increase. In addition, most of the Company's cash and cash equivalents balance is also indexed to CDI variation.

Fleet outsourcing contracts vary from 24 to 36 months and include an annual adjustment clause based on the inflation rate. As the outsourcing contracts cannot be adjusted based on the basic interest rate variation, Total Fleet contracted swap operations exchanging the CDI variation for a fixed rate in order to protect itself from the risk of losing profitability on outsourcing contracts and maintain its competitiveness. The volume contracted in swaps, added to the car leasing transactions at a fixed rate, total R$419,606, which correspond to the total leverage in the outsourcing fleet business.

As required by CVM 475/08, the Company made sensitivity tests for adverse scenarios (CDI rate stress of 25% or 50% higher than the probable scenario), considering the following assumptions:

- On March 31, 2013, the Company's net debt totaled R$1,193,530. Of this total, R$422,315 is excluded, which refers to the leasing transactions contracted at a fixed rate and the amounts corresponding to the hedge made in the contracting of swap transactions, changing the rates indexed at CDI for fixed rates, so that the net debt subject to the CDI rate variation totalled R$771,215 on March 31, 2013.

- Market expectation for the base date of March 31, 2013, according to data from the Focus Bulletin issued by the Brazilian Central Bank, is an estimated effective average CDI rate of 8.14%, considered as the likely scenario for 2013, against the effective rate of 7.51% in the 12-month period ended March 31, 2013.

	Consolidated (IFRS and BR GAAP)		
Description	**Probable Scenario (*)**	**Scenario I - 25% stress**	**Scenario II - 50% stress**
Net debt at March 31, 2013(letter (b) item (i))	**1,193,530**	**1,193,530**	**1,193,530**
(-) Leasing at a fixed rate and amounts hedged with swap for a fixed rate (Note 12 and Nota 22 item (d))	(422,315)	(422,315)	(422,315)
Net debt subject to the CDI variation	**771,215**	**771,215**	**771,215**
Effective CDI rate for the twelve-month period ended 3/31/2013	7.51%	7.51%	7.51%
Estimated annual CDI rate, according to stress scenarios	8.14%	10.18%	12.22%
Effect on financial expenses:			
- according to effective rates	(57,918)	(57,918)	(57,918)
- according to scenarios	(62,777)	(78,510)	(94,242)
Annual (increase) in financial expenses	**(4,859)**	**(20,592)**	**(36,324)**

As required by IFRS 7, management understands that the 8.14% rate corresponds to the likely scenario for the next 12 months, according to Focus Bulletin of the Brazilian Central Bank.

- **Currency risk**- as stated in Note 12(f) and Note 22(d) to the financial statements for the year ended December 31, 2012, the Company is not exposed to currency risk since it enters into swap transactions tied to foreign currency denominated loans.

(ii) Credit risk

The credit risk is the risk that a counterparty will not comply with its contract obligations, and the Company will incur in financial losses. The Company's credit risk basically arises from the trade accounts receivable and cash and cash equivalents deposited in banks and other financial institutions.

The maximum exposure to the Company's credit risk, based on the book value of the underlying financial assets, is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12	3/31/13	12/31/12
Loans and receivables				
Cash and cash equivalents:				
Short-term investments				
Aaa.br (Moody´s scale)	712,166	705,267	895,003	811,022
Cash and banks	470	7,750	2,453	12,844
Total cash and cash equivalents	712,636	713,017	897,456	823,866
Trade accounts receivable	306,259	291,414	392,307	365,138
	1,018,895	**1,004,431**	**1,289,763**	**1,189,004**

- **Cash and cash equivalents** - the credit risk in balances with banks and other financial institutions is managed by the Company's Finance Department, according to policies defined by the Board of Directors, which purpose is to minimize risk concentration and, therefore, minimize a potential financial loss in the case of bankruptcy of one counterparty.

  As determined by the Board of Directors, the Finance Directors must make investments in financial institutions with net worth above R$3 billion. Short-term investments greater than 20% of the funds available can only be made in financial institutions with net worth above R$10 billion; the maximum investment amount by bank is limited to 40% of total funds available for investment.

- **Accounts receivable** - the management of the credit risk related to accounts receivable is constantly monitored by the Company, which has established control policies.

  The Company reduces its credit risk by operating significantly with credit cards on car rental, in transactions with individuals. As of March 31, 2013, two of the largest credit card companies accounted for 16.7% and 12.8% of the Company's trade accounts receivable balance. The credit risk in transactions with legal entities for the car rental and fleet outsourcing is reduced by a credit limit granting policy, based on the analysis of the financial position of the customer and on past experience. Customers' financial position is continuously monitored in order to adjust the credit limit previously granted. The credit risk in the sale of decommissioned cars to the final consumer is reduced by the use of financing companies and/or lease companies with renowned financial and liquidity capacities. Sales to resellers are secured by surety or guarantee.

  In addition, credit risk management includes the analysis of accounts receivable recoverability, in which the necessity of recognizing an allowance for doubtful accounts is evaluated in order to adjust them to their probable realization amounts. This analysis, which purpose is to divide customers according to internal criteria defined by Management, takes into consideration the current financial position of the customer, past experience and the position of overdue bills. Therefore, according to that division, credits are adjusted to their likely execution of amounts through the recognition of an allowance for doubtful accounts, and may be applied both to overdue bills and current bills. More

information about the allowance for doubtful accounts and receivables is shown in Note 5 to the financial statements for the year ended December 31, 2012.

Credit risk concentration is limited because the customer basis is broad. All significant operations and customers are located in Brazil, and there is no customer that individually represents more than 10% of the Company's revenues.

iii) Liquidity risk

Liquidity risk is the risk of lack of funds to settle obligations. The liquidity risk management is conducted to ensure that the Company has the necessary funds to settle its financial liabilities on maturity.

The management of the liquidity risk is conducted by the Finance Department and monitored by the Board of Directors. Liquidity risk management is conducted considering funding requirements and liquidity management in the short, medium and long terms. The Company manages the liquidity risk by maintaining adequate financial resources available in cash and cash equivalents and by means of credit facilities used for funding, based on the maturity profiles of financial assets and financial liabilities.

Management also considers that the access to third party credit is facilitated, considering the corporate credit rating of Localiza according to the main market rating agencies, as follows:

Rating agency	Global	National (Brazil)
Fitch Ratings	BBB- / Positive	AA+(bra) / Positive
Moody's	Baa3 / Stable	Aa1.br / Stable
Standard & Poor's	BBB- / Stable	brAAA / Stable

Localiza is assigned an investment grade by three rating agencies, Fitch Ratings, Moody's and Standard & Poors.

The analysis of the undiscounted contractual cash flows of loans, financing and debentures, is as follows:

	Individual (BR GAAP)							
	2013	2014	2015	2016	2017	2018	2019	Total
Debentures - 2nd issue	71,471	71,862	-	-	-	-	-	**143,333**
Debentures - 4th issue	50,641	86,385	81,205	86,838	126,827	-	-	**431,896**
Debentures - 5th issue	39,697	40,266	39,939	279,873	259,903	-	-	**659,678**
Debentures - 6th issue	23,951	24,314	24,216	54,314	51,706	139,215	129,726	**447,442**
Commercial Credit Notes - NCC	48,983	66,216	81,680	20,757	-	-	-	**217,636**
Swap Localiza	95	1,553	-	-	-	-	-	**1,648**
Leases	2,013	1,464	565	26	-	-	-	**4,068**
Foreign currency - loans/with Swap	6,667	8,904	49,067	341,039	43,226	-	-	**448,903**
Total	**243,518**	**300,964**	**276,672**	**782,847**	**481,662**	**139,215**	**129,726**	**2,354,604**

	Consolidated (IFRS and BR GAAP)							
	2013	2014	2015	2016	2017	2018	2019	Total
Debentures - 2nd issue	71,471	71,862	-	-	-	-	-	**143,333**
Debentures - 4th issue	50,641	86,385	81,205	86,838	126,827	-	-	**431,896**
Debentures - 5th issue	39,697	40,266	39,939	279,873	259,903	-	-	**659,678**
Debentures - 6th issue	23,951	24,314	24,216	54,314	51,706	139,215	129,726	**447,442**
Commercial Credit Notes - NCC	59,030	89,391	103,765	35,864	26,562	32,056	56,054	**402,722**
Fixed Swap Total Fleet	1,853	6,218						**8,071**
Fixed Swap Localiza	95	1,553						**1,648**
Lease	65,145	55,082	3,317	26	-	-	-	**123,570**
Foreign currency - loan with Swap	6,667	8,904	49,067	341,039	43,226	-	-	**448,903**
Total	**318,550**	**383,975**	**301,509**	**797,954**	**508,224**	**171,271**	**185,780**	**2,667,263**

(b) Capital management

The Company's business requires long-term intensive capital to finance the fleet aiming at the implementation of its expansion strategy. The main purposes of capital management are:

- Ensuring the operating continuity of the Company;
- Maintaining an adequate debt profile;
- Ensuring a robust credit rating; and
- Maximizing shareholders' gains.

The Company's Management continuously monitors capital management, adjusting its capital structure to the current economic conditions.

The Company is subject to external capital requirements, according to the accelerated maturity relating to its debenture issuances that require the maintenance of certain financial ratios. See Note 12(a) to the financial statements for the year ended December 31, 2012.

(i) Debt ratio

Capital is monitored based on the Company's debt ratio, which corresponds to the net debt divided by equity. Net debt is defined by the Company as current and noncurrent debt less cash and cash equivalents. The Company's overall capital management strategy has remained unchanged over the last two years.

The table below provides the Company's debt ratios:

	Consolidated (IFRS and BR GAAP)	
	3/31/13	12/31/12
Short and long-term indebtedness (Note 12)	2,090,986	2,055,091
Cash and cash equivalents (Note 4)	(897,456)	(823,866)
Net debt	**1,193,530**	**1,231,225**
Shareholders' equity	1,407,652	1,324,753
Debt ratio	**0.85**	**0.93**
Value of the fleet	**2,503,133**	**2,547,547**
Net debt x value of the fleet	**0.48**	**0.48**

(c) Fair value of financial instruments:

Differences between the carrying amounts and the fair values of loans, financing and debentures were identified in transactions involving financial instruments, since these instruments have extended settlement terms and differentiated costs in relation to the rates charged for similar contracts at the balance sheet date.

The estimated carrying amounts and fair values of loans, financing, and debentures are calculated based on models that use observable inputs and future assumptions about interest rates, among other applicable variables. The rates are obtained from financial institutions for operations under similar conditions or based on information provided by the market, when available. The fair values are calculated by projecting the future flow of operating activities based on the projected interest rate curve, adjusted to present value using the data that indicates prices and benchmark rates available in the market or a rate based on the premium payment conditions upon the accelerated optional redemption set forth in the debenture deed. The estimated fair values are as follows:

	Individual (BR GAAP)				Consolidated (IFRS and BR GAAP)			
	Carrying amount		Fair value		Carrying amount		Fair value	
	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12	3/31/13	12/31/12
Other financial liabilities:								
Loans, financing and debentures	1,852,107	1,822,574	1,844,114	1,812,511	2,090,986	2,055,091	2,082,992	2,045,028

In the opinion of the Company's Management, the carrying amounts of the other financial instruments, such as cash and cash equivalents, trade accounts receivable and trade accounts

payable, recognized in the individual and consolidated financial statements at carrying amounts do not present any significant variation to approximate their respective fair values, as the maturity dates of most balances are close to the balance sheet date.

(d) Derivatives

As of March 31, 2013, the Company was party to two swap transactions (plain vanilla) only for purposes of protection against the respective foreign currency-denominated loans. Both transactions were entered into with major financial institutions.

The specific characteristics of each swap transaction, as well as its respective notional amounts, are as follows:

						Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)		
						3/31/13		
				Rates		Notional amount		(Payables)/ receivables
Swap transaction	Contracting	Maturity	Counterparty	Asset	Liability	R$ thousand	US$ 000	R$ thousand
US dollar x Real	6/29/10 to 11/16/11	5/25/16 to 8/16/17	Brazilian Banks	US dollar fluctuation + coupon of 1.60% p.a. to 6.44% p.a. + 3-month LIBOR	102.5% to 114.7% of the CDI fluctuation	293,000	170,506	25,857

Payables/receivables amounts are presented together with the balances of the related foreign currency loans; see Note 12.

CDI X Fixed Rate

Fleet outsourcing contracts vary from 24 to 36 months and include an annual adjustment clause based on the inflation rate. As the outsourcing contracts cannot be adjusted based on the basic interest rate variation, Total Fleet contracted swap operations exchanging the CDI variation for a fixed rate in order to protect itself from the risk of losing profitability on outsourcing contracts and maintain its competitiveness.

						Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)	
						3/31/13	
				Rates		Notional amount	(Payables)/ receivables
Swap transaction	Contracting	Maturity	Counterparty	Asset	Liability	R$ thousand	R$ thousand
CDI x Fixed rate	6/15/2012 and 11/5/2012	7/31/2013 to 12/15/2014	Sundry Banks	109.7% and 113.8% of the CDI fluctuation	8.1% p.a. to 9.7% p.a.	350,870 (*)	(410)

(*) The swaps short-position (fixed rate) corresponds to R$360,622 at March 31, 2013.

23. FINANCE LEASES

The information on finance leases (individual and consolidated) has not significantly changed compared to that disclosed in Note 23 to the financial statements for the year ended December 31, 2012. The variation presented in this account is due to the increase in 2012 of this type of financing.

24. RENTAL OBLIGATIONS

The information on rental obligations (individual and consolidated) has not significantly changed compared to that disclosed in Note 24 to the financial statements for the year ended December 31, 2012.

25. PENSION PLAN

The information on pension plan (individual and consolidated) have not significantly changed compared to that disclosed in Note 25 to the financial statements for the year ended December 31, 2012.

26. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

This individual and consolidated interim financial information were approved and authorized for issuance by the Board of Directors on April 25, 2013.

* * *

Comments on the behavior of business projections

The Company did not disclose projections.

Other information considered relevant by the Company

1. SOCIAL REPORT

The Company's Consolidated Social Report for the three-month periods ended March 31, 2013 and 2012 is as follows:

	Consolidated					
1. Calculation basis for social indicators	**1Q13**			**1Q12**		
Net revenue (NR)	793,304			774,743		
Earnings Before taxes (EBT)	125,081			100,906		
Gross Payroll (GP)	85,460			72,191		
2. Internal social indicators	**1Q13**			**1Q12**		
	Amount	**% on GP**	**% on NR**	**Amount**	**% on GP**	**% on NR**
Meals	4,933	6%	1%	3,149	4%	0%
Compulsory social charges	18,111	21%	2%	15,965	22%	2%
Health	4,542	5%	1%	2,811	4%	0%
Training and professional development	3,822	4%	0%	3,490	5%	1%
Day-care or day-care allowance	93	0%	0%	85	0%	0%
Profit sharing	13,111	15%	2%	10,725	15%	1%
Others	4,381	6%	1%	3,712	5%	1%
Total - Internal Social Indicators	**48,993**	**57%**	**7%**	**39,937**	**55%**	**5%**
3. External Social indicators	**1Q13**			**1Q12**		
	Amount	**% on EBT**	**% on NR**	**Amount**	**% on EBT**	**% on NR**
Education	80	0%	0%	130	0%	0%
Culture	400	0%	0%	520	1%	0%
Others	-	0%	0%	130	0%	0%
Total contributions to society	480	0%	0%	780	1%	0%
Taxes (net of social charges)	74,811	60%	9%	59,978	59%	8%
Total - External Social Indicators	**75,291**	**60%**	**9%**	**60,758**	**60%**	**8%**
4. Employee Indicators			**3/31/2013**			**3/31/2012**
Headcount at the end of the period			5,862			5,300
Number of employees hired during the period			369			365
Number of outsourced employees			227			93
Number of interns			37			43
Number of employees above age 45			456			386
Number of women working in the company			2,737			2,423
% of supervisory positions held by women			47.68%			48.10%
Number of Afro- Brazilians working at the company			4,222			3,447
% of management positions held by Afro- Brazilians			47.10%			41.60%
Number of people with disability or special needs			26			52

Other information considered relevant by the Company

	1Q13			Goals 2013		
5. Relevant information regarding corporate citizenship						
Highest/lowest compensation ratio			82.05 (*)			80 (*)
Total number of occupational accidents during the period			10			-
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	( ) 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) are not 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 269	In court 2,314	In the company (**)	In Procon NA	In court NA
- % of complaints and criticisms from customers handled or solved	In the company (**)	In Procon 29.74%	In court 34.10%	In the company (**)	In Procon NA	In court NA

(*) To calculate the ratio between the highest and lowest compensation paid in the Company, the head office's salaries were used (Belo Horizonte).
(**) The call center answers calls involving mechanical problems, accidents, doubts about the bill, as well as praises and complaints. The Company does not have a record of the number of calls concerning complaints only.

(A free translation of the original in Portuguese)

Opinions and representations / Report on review of quarterly information - without exceptions

Report on review of quarterly information

Report on review of interim financial information

To the Board of Directors and Shareholders
Localiza Rent a Car S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim financial information of Localiza Rent a Car S.A., included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2013, comprising the balance sheet as of that date and the statements of income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim financial information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (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 Brazilian and 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 parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

(A free translation of the original in Portuguese)

Opinions and representations / Report on review of quarterly information - without exceptions

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Interim statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2013. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim financial information taken as a whole.

Belo Horizonte, April 25, 2013

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" MG

Guilherme Campos e Silva
Contador CRC 1SP218254/O-1 "S" MG

(A free translation of the original in Portuguese)

Opinions and representations / officers' representation on the interim financial statements

REPRESENTATION

The CEO, COO, CFO and Investor Relations Officer and other Statutory Executive Officers of Localiza Rent a Car S.A. ("Localiza"), a publicly-held company headquartered at Avenida Bernardo Monteiro, 1563, Corporate Taxpayer ID 16.670.085/0001-55, in conformity with subsection VI, article 25 of CVM Instruction 480, of December 7, 2009, hereby declare that they have:

i. reviewed, discussed and approved Localiza's interim financial information for the period ended March 31, 2013.

Belo Horizonte, April 25, 2013.

Salim Mattar
CEO

Eugênio Pacelli Mattar
COO

Roberto Antônio Mendes
CFO and Investor Relations Officer

Eugênia Maria Rafael de Oliveira
Statutory Executive Officer

Marco Antônio Martins Guimarães
Statutory Executive Officer

Bruno Moreira de Andrade
Statutory Executive Officer

REPRESENTATION

The CEO, COO, CFO and Investor Relations Officer and other Statutory Executive Officers of Localiza Rent a Car S.A. ("Localiza"), a publicly-held company headquartered at Avenida Bernardo Monteiro, 1563, Corporate Taxpayer ID 16.670.085/0001-55, in conformity with subsection V, article 25 of CVM Instruction 480, of December 7, 2009, hereby declare that they have:

i. reviewed, discussed and agreed with the conclusion expressed in the report on review of quarterly information of PricewaterhouseCoopers Auditores Independentes, related to Localiza's interim financial information for the period ended March 31, 2013.

Belo Horizonte, April 25, 2013.

Salim Mattar
CEO

Eugênio Pacelli Mattar
COO

Roberto Antônio Mendes
CFO and Investor Relations Officer

Eugênia Maria Rafael de Oliveira
Statutory Executive Officer

Marco Antônio Martins Guimarães
Statutory Executive Officer

Bruno Moreira de Andrade
Statutory Executive Officer



Localiza Rent a Car S.A.