(A free translation of the original in Portuguese)

Localiza Rent a Car S.A.

Quarterly information (ITR) at September 30, 2012 and report on review of quarterly information

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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

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 market	CETIP	5/5/2010		Traditional	5/10/2010	

Commercial note

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

4. Auditor

Does the Issuer have an auditor?	YES
CVM code	385-9
Type of auditor	Brazilian Firm
Name/Corporate name	Deloitte Touche Tohmatsu Auditores Independentes
Individual Taxpayers' Registration Number (CPF)/ Federal Corporate Taxpayers' Registration Number (CNPJ)	49.928.567/0006-26
Period of services	9/30/2002 to 3/7/2012

Partner responsible	Period of services	CPF
Délio Rocha Leite	9/30/2002 to 3/7/2012	094.062.268-80

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	

7. Shareholders' Department

CONTACT	**Sílvio Neto Bezerra Guerra**
Date when the person assumed the position	**05/23/2005**
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

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Company information / Capital structure

Number of shares (In thousands)	Current quarter 9/30/2012
Paid-up capital	
Common shares	201,708
Preferred shares	0
Total	201,708
Treasury shares	
Common shares	3,202
Preferred shares	0
Total	3,202

Company information/cash dividends

Event	Approval	Description	Initial date of payment	Type of share	Class of share	Earnings per share (Reais/share)
Annual General Meeting	4/13/2012	Dividend	6/6/2012	Common		0.13266
Board of Directors' Meeting	12/15/2011	Interest on capital	2/10/2012	Common		0.07122
Board of Directors' Meeting	3/7/2012	Interest on capital	5/3/2012	Common		0.07298
Board of Directors' Meeting	6/21/2012	Interest on capital	8/17/2012	Common		0.07783
Board of Directors' Meeting	9/20/2012	Interest on capital	11/14/2012	Common		0.07534

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Individual financial statements / balance sheet - assets

(In thousands of Brazilian Reais)

Code	Description	Current period 9/30/2012	Prior period 12/31/2011
1	Total assets	3,197,382	3,431,374
1.01	Current assets	724,843	981,469
1.01.01	Cash and cash equivalents	391,393	597,741
1.01.03	Accounts receivable	284,938	278,913
1.01.03.01	Trade receivables	284,938	278,913
1.01.06	Recoverable taxes	12,388	13,158
1.01.06.01	Current recoverable taxes	12,388	13,158
1.01.07	Prepaid expenses	8,160	703
1.01.08	Other current assets	27,964	90,954
1.01.08.01	Non-current assets for sale	175	36
1.01.08.03	Other	27,789	90,918
1.01.08.03.01	Dividends receivable	3,484	32,435
1.01.08.03.02	Other	24,305	58,483
1.02	Non-current assets	2,472,539	2,449,905
1.02.01	Long-term assets	40,695	39,725
1.02.01.06	Deferred taxes	20,906	16,680
1.02.01.06.01	Deferred income tax and social contribution	20,906	16,680
1.02.01.08	Receivables from related parties	398	337
1.02.01.08.02	Receivables from subsidiaries	398	337
1.02.01.09	Other non-current assets	19,391	22,708
1.02.01.09.03	Escrow deposits	19,308	22,625
1.02.01.09.04	Other	83	83
1.02.02	Investments	668,650	474,142
1.02.02.01	Equity interests	668,650	474,142
1.02.02.01.02	Interests in subsidiaries	668,650	474,142
1.02.03	Property and equipment	1,734,278	1,918,312
1.02.03.01	Property and equipment in use	1,693,334	1,891,576
1.02.03.02	Property and equipment leased	6,693	5,114
1.02.03.03	Property and equipment in progress	34,251	21,622
1.02.04	Intangible assets	28,916	17,726
1.02.04.01	Intangible assets	28,916	17,726
1.02.04.01.02	Software	28,916	17,726

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Individual financial statements / balance sheet - liabilities and equity

(In thousands of Brazilian Reais)

Code	Description	Current period 9/30/2012	Prior period 12/31/2011
2	Total liabilities and equity	3,197,382	3,431,374
2.01	Current liabilities	456,208	697,538
2.01.01	Social and labor obligations	46,119	45,491
2.01.01.01	Social obligations	5,000	5,572
2.01.01.02	Labor obligations	41,119	39,919
2.01.02	Trade payables	202,938	415,612
2.01.02.01	Domestic trade payables	202,938	415,612
2.01.03	Tax obligations	10,474	26,156
2.01.03.01	Federal tax obligations	8,955	24,756
2.01.03.01.01	Income tax and social contribution payable	6,483	19,706
2.01.03.01.02	Other federal taxes	2,472	5,050
2.01.03.03	Municipal tax obligations	1,519	1,400
2.01.04	Loans and financing	133,137	119,511
2.01.04.01	Loans and financing	10,676	4,101
2.01.04.01.01	In local currency	9,583	2,413
2.01.04.01.02	In foreign currency	1,093	1,688
2.01.04.02	Debentures	119,445	113,220
2.01.04.03	Finance leases	3,016	2,190
2.01.05	Other obligations	63,540	90,768
2.01.05.01	Payables to related parties	15,765	23,291
2.01.05.01.02	Payables to subsidiaries	15,765	23,291
2.01.05.02	Other	47,775	67,477
2.01.05.02.01	Dividends and interest on capital payable	12,913	38,294
2.01.05.02.04	Other current liabilities	34,862	29,183
2.02	Non-current liabilities	1,484,970	1,613,253
2.02.01	Loans and financing	1,407,398	1,514,330
2.02.01.01	Loans and financing	520,590	537,946
2.02.01.01.01	In local currency	177,517	210,438
2.02.01.01.02	In foreign currency	343,073	327,508
2.02.01.02	Debentures	885,544	975,399
2.02.01.03	Finance leases	1,264	985
2.02.02	Other obligations	12,272	15,130
2.02.02.02	Other	12,272	15,130
2.02.02.02.03	Other non-current liabilities	12,272	15,130
2.02.03	Deferred taxes	38,995	58,525
2.02.03.01	Deferred income tax and social contribution	38,995	58,525
2.02.04	Provisions	25,991	24,939
2.02.04.01	Tax, social security, labor and civil provisions	25,991	24,939
2.02.04.01.01	Tax provisions	3,505	5,532
2.02.04.01.02	Social security and labor provisions	17,309	14,182
2.02.04.01.04	Civil provisions	5,177	5,225
2.02.06	Deferred revenues	314	329
2.02.06.02	Deferred revenues	314	329
2.03	Equity	1,256,204	1,120,583
2.03.01	Share capital	601,708	601,708
2.03.02	Capital reserves	44,595	19,029
2.03.02.01	Share premium	64,435	48,615
2.03.02.04	Options granted	13,210	13,595
2.03.02.05	Treasury shares	-33,050	-43,181
2.03.04	Profit reserves	499,730	499,730
2.03.04.01	Legal reserve	28,246	28,246
2.03.04.02	Statutory reserve	471,484	471,484
2.03.05	Retained earnings (accumulated losses)	110,055	0
2.03.06	Equity assessment adjustments	116	116

Individual financial statements / statement of income

(In thousands of Brazilian Reais)

Code	Description	Current quarter 7/1/2012 to 9/30/2012	Accumulated - current year 1/1/2012 to 9/30/2012	Same quarter of prior year 7/1/2011 to 9/30/2011	Accumulated - prior year 1/1/2011 to 9/30/2011
3.01	Revenue from sale of goods and/or services	578,635	1,707,861	570,005	1,617,092
3.02	Cost of goods and/or services sold	-444,586	-1,372,009	-414,388	-1,175,241
3.03	Gross profit	134,049	335,852	155,617	441,851
3.04	Operating income/expenses	-32,540	-101,396	-29,205	-87,403
3.04.01	Sales expenses	-51,640	-151,178	-47,210	-127,158
3.04.02	General and administrative expenses	-23,792	-70,409	-20,130	-56,687
3.04.04	Other operating income	2,417	2,566	0	0
3.04.05	Other operating expenses	0	0	-135	-912
3.04.06	Equity in subsidiaries	40,475	117,625	38,270	97,354
3.05	Result from operations before financial result and taxes	101,509	234,456	126,412	354,448
3.06	Finance result	-21,331	-80,860	-38,391	-99,350
3.06.01	Finance income	12,537	37,759	13,062	27,908
3.06.02	Finance expenses	-33,868	-118,619	-51,453	-127,258
3.07	Income before taxes	80,178	153,596	88,021	255,098
3.08	Income tax and social contribution	-8,732	1,269	-12,721	-42,171
3.08.01	Current	-6,689	-22,487	-10,462	-27,839
3.08.02	Deferred	-2,043	23,756	-2,259	-14,332
3.09	Net income from continuing operations	71,446	154,865	75,300	212,927
3.11	Net income for the period	71,446	154,865	75,300	212,927
3.99	Earnings per share - (reais /share)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares	0.36011	0.78184	0.38129	1.07820
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares	0.35836	0.77798	0.37992	1.07411

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Individual financial statements / statement of comprehensive income

Justification for not completing the table

The company has no statement of comprehensive income in the current period and previous.

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Individual financial statements / statement of cash flows - indirect method

(In thousands of Brazilian Reais)

Code	Description	Accumulated - current period 1/1/2012 to 9/30/2012	Accumulated - prior period 1/1/2011 to 9/30/2011
6.01	Net cash provided by operating activities	93,188	38,641
6.01.01	Cash flows provided by operating activities	1,074,230	1,034,176
6.01.01.01	Net income	154,865	212,927
6.01.01.02	Depreciation and amortization	207,929	77,076
6.01.01.03	Residual value of property and equipment disposals	844,027	831,884
6.01.01.04	Deferred income tax and social contribution	-23,756	14,332
6.01.01.05	Equity in subsidiaries	-117,625	-97,354
6.01.01.06	Other	8,790	-4,689
6.01.02	Variation in assets and liabilities	-862,131	-906,511
6.01.02.01	Trade receivables	-5,660	-16,359
6.01.02.02	Acquisition of cars, net of changes in balances with car makers	-1,029,627	-1,010,389
6.01.02.03	Escrow deposits	2,002	-1,702
6.01.02.04	Recoverable taxes	-7,228	-6,676
6.01.02.05	Other assets	44,638	4,616
6.01.02.06	Trade payables – other	-14,209	-17,562
6.01.02.07	Social and labor obligations	628	1,147
6.01.02.08	Taxes payable	20,060	26,961
6.01.02.09	Interest on loans, financing, debentures and other payables	117,759	121,245
6.01.02.10	Insurance premiums	11,367	10,505
6.01.02.11	Other liabilities	-1,861	-18,297
6.01.03	Other	-118,911	-89,024
6.01.03.01	Income tax and social contribution paid	-27,713	-21,493
6.01.03.02	Interest on loans, financing and debentures paid	-91,198	-67,531
6.02	Net cash used in investing activities	-109,447	-69,841
6.02.01	Purchases of other property and equipment	-46,987	-33,286
6.02.02	Purchases of intangible assets	-15,911	-2,868
6.02.03	Capital increase in subsidiary	-116,374	-100,000
6.02.04	Dividends from subsidiaries	69,825	66,313
6.03	Net cash provided by (used in) financing activities	-190,089	261,424
6.03.01	Loans and financing – proceeds	3,038	30,000
6.03.02	Loans and financing – repayments	-122,905	-201,936
6.03.03	Debentures – proceeds	0	500,000
6.03.05	Dividends	-26,302	-23,337
6.03.06	Interest on capital	-43,920	-43,303
6.05	Increase (decrease) in cash and cash equivalents	-206,348	230,224
6.05.01	Cash and cash equivalents at the beginning of the period	597,741	276,923
6.05.02	Cash and cash equivalents at the end of the period	391,393	507,147

Individual financial statements / statement of changes in equity - 1/1/2012 to 9/30/2012

(In thousands of Brazilian Reais)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Profit 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	25,566	0	-44,810	0	-19,244
5.04.03	Options granted recognized	0	5,443	0	0	0	5,443
5.04.05	Treasury shares sold	0	20,123	0	0	0	20,123
5.04.07	Interest on capital	0	0	0	-44,810	0	-44,810
5.05	Total comprehensive income	0	0	0	154,865	0	154,865
5.05.01	Net income	0	0	0	154,865	0	154,865
5.07	Closing balances	601,708	44,711	499,730	110,055	0	1,256,204

Individual financial statements / statement of changes in equity - 1/1/2011 to 9/30/2011

(In thousands of Brazilian Reais)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Profit reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	601,708	23,095	273,939	0	0	898,742
5.03	Adjusted opening balances	601,708	23,095	273,939	0	0	898,742
5.04	Capital transactions with shareholders	0	5,273	0	-36,477	0	-31,204
5.04.03	Options granted recognized	0	4,914	0	0	0	4,914
5.04.07	Interest on capital	0	0	0	-36,477	0	-36,477
5.04.08	Exercise of stock options with treasury shares	0	-82	0	0	0	-82
5.04.09	Goodwill on exercise of options	0	441	0	0	0	441
5.05	Total comprehensive income	0	0	0	212,927	0	212,927
5.05.01	Net income	0	0	0	212,927	0	212,927
5.06	Internal changes in equity	0	-8,166	0	8,166	0	0
5.06.04	Realization of equity assessment adjustment	0	-8,166	0	8,166	0	0
5.07	Closing balances	601,708	20,202	273,939	184,616	0	1,080,465

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Individual financial statements / statement of value added

(In thousands of Brazilian Reais)

Code	Description	Accumulated - current period 1/1/2012 to 9/30/2012	Accumulated - prior period 1/1/2011 to 9/30/2011
7.01	Revenue	1,780,859	1,669,356
7.01.01	Sale of goods and services	1,728,099	1,646,136
7.01.02	Other income	3,019	2,365
7.01.03	Revenues related to the construction of own assets	49,376	22,868
7.01.04	Recognition/Reversal of allowance for doubtful accounts	365	-2,013
7.02	Inputs acquired from third parties	-1,129,308	-1,051,061
7.02.01	Cost of products, goods and services sold	-1,034,775	-969,567
7.02.02	Materials, energy, third-party services and other	-94,533	-81,494
7.03	Gross value added	651,551	618,295
7.04	Retentions	-207,929	-77,076
7.04.01	Depreciation, amortization and depletion	-207,929	-77,076
7.05	Net value added	443,622	541,219
7.06	Value added received through transfer	155,384	125,262
7.06.01	Equity in subsidiaries	117,625	97,354
7.06.02	Finance income	37,759	27,908
7.07	Total net value added for distribution	599,006	666,481
7.08	Distribution of value added	599,006	666,481
7.08.01	Personnel	172,918	144,437
7.08.01.01	Salaries and wages	132,090	113,478
7.08.01.02	Benefits	26,915	18,789
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	8,468	7,256
7.08.01.04	Other	5,445	4,914
7.08.02	Taxes, charges and contributions	77,650	122,815
7.08.02.01	Federal	46,711	97,084
7.08.02.02	State	25,638	21,493
7.08.02.03	Municipal	5,301	4,238
7.08.03	Remuneration of third parties' capital	193,573	186,302
7.08.03.01	Interest	118,619	127,258
7.08.03.02	Rentals	74,954	59,044
7.08.04	Remuneration of own capital	154,865	212,927
7.08.04.01	Interest on capital	44,810	36,477
7.08.04.03	Retained earnings	110,055	176,450

(A free translation of the original in Portuguese)

Consolidated financial statements / balance sheet - assets

(In thousands of Brazilian Reais)

Code	Description	Current period 9/30/2012	Prior period 12/31/2011
1	Total assets	3,559,708	4,009,554
1.01	Current assets	876,518	1,147,636
1.01.01	Cash and cash equivalents	429,440	711,002
1.01.03	Accounts receivables	370,604	353,440
1.01.03.01	Trade receivables	370,604	353,440
1.01.06	Recoverable taxes	14,874	15,164
1.01.06.01	Current recoverable taxes	14,874	15,164
1.01.07	Prepaid expenses	11,154	703
1.01.08	Other current assets	50,446	67,327
1.01.08.01	Non-current assets for sale	14,989	28,992
1.01.08.03	Other	35,457	38,335
1.02	Non-current assets	2,683,190	2,861,918
1.02.01	Long-term assets	46,448	44,885
1.02.01.06	Deferred taxes	23,994	19,782
1.02.01.06.01	Deferred income tax and social contribution	23,994	19,782
1.02.01.09	Other non-current assets	22,454	25,103
1.02.01.09.03	Escrow deposits	22,371	25,020
1.02.01.09.04	Other	83	83
1.02.03	Property and equipment	2,601,373	2,794,236
1.02.03.01	Property and equipment in use	2,544,494	2,762,790
1.02.03.02	Property and equipment leased	22,532	9,279
1.02.03.03	Property and equipment in progress	34,347	22,167
1.02.04	Intangible assets	35,369	22,797
1.02.04.01	Intangible assets	35,369	22,797
1.02.04.01.02	Goodwill on acquisition of investments	4,508	4,508
1.02.04.01.03	Software	30,861	18,289

(A free translation of the original in Portuguese)

Consolidated financial statements / balance sheet - liabilities and equity

(In thousands of Brazilian Reais)

Code	Description	Current period 9/30/2012	Prior period 12/31/2011
2	Total liabilities and equity	3,559,708	4,009,554
2.01	Current liabilities	608,198	793,778
2.01.01	Social and labor obligations	63,841	58,682
2.01.01.01	Social obligations	6,956	7,217
2.01.01.02	Labor obligations	56,885	51,465
2.01.02	Trade payables	270,330	488,655
2.01.02.01	Domestic trade payables	270,330	488,655
2.01.03	Tax obligations	33,976	41,868
2.01.03.01	Federal tax obligations	31,844	40,308
2.01.03.01.01	Income tax and social contribution payable	26,370	32,543
2.01.03.01.02	Other federal taxes	5,474	7,765
2.01.03.03	Municipal tax obligations	2,132	1,560
2.01.04	Loans and financing	186,664	130,945
2.01.04.01	Loans and financing	14,178	4,159
2.01.04.01.01	In local currency	13,085	2,471
2.01.04.01.02	In foreign currency	1,093	1,688
2.01.04.02	Debentures	119,445	122,482
2.01.04.03	Finance leases	53,041	4,304
2.01.05	Other obligations	53,387	73,628
2.01.05.02	Other	53,387	73,628
2.01.05.02.01	Dividends and interest on capital payable	12,913	38,294
2.01.05.02.04	Other current liabilities	40,474	35,334
2.02	Non-current liabilities	1,695,306	2,095,193
2.02.01	Loans and financing	1,568,858	1,943,480
2.02.01.01	Loans and financing	647,201	665,507
2.02.01.01.01	In local currency	304,128	337,999
2.02.01.01.02	In foreign currency	343,073	327,508
2.02.01.02	Debentures	885,544	1,274,801
2.02.01.03	Finance leases	36,113	3,172
2.02.02	Other obligations	16,417	20,378
2.02.02.02	Other	16,417	20,378
2.02.02.02.03	Other non-current liabilities	16,417	20,378
2.02.03	Deferred taxes	67,355	92,373
2.02.03.01	Deferred income tax and social contribution	67,355	92,373
2.02.04	Provisions	32,217	30,080
2.02.04.01	Tax, social security, labor and civil provisions	32,217	30,080
2.02.04.01.01	Tax provisions	5,156	7,948
2.02.04.01.02	Social security and labor provisions	20,385	16,353
2.02.04.01.04	Civil provisions	6,676	5,779
2.02.06	Deferred revenues	10,459	8,882
2.02.06.02	Deferred revenues	10,459	8,882
2.03	Equity	1,256,204	1,120,583
2.03.01	Share capital	601,708	601,708
2.03.02	Capital reserves	44,595	19,029
2.03.02.01	Share premium	64,435	48,615
2.03.02.04	Options granted	13,210	13,595
2.03.02.05	Treasury shares	-33,050	-43,181
2.03.04	Profit reserves	499,730	499,730
2.03.04.01	Legal reserve	28,246	28,246
2.03.04.02	Statutory reserve	471,484	471,484
2.03.05	Retained earnings (accumulated losses)	110,055	0
2.03.06	Equity assessment adjustments	116	116

Consolidated financial statements / statement of income

(In thousands of Brazilian Reais)

Code	Description	Current quarter 7/1/2012 to 9/30/2012	Accumulated - current year 1/1/2012 to 9/30/2012	Same quarter of prior year 7/1/2011 to 9/30/2011	Accumulated - prior year 1/1/2011 to 9/30/2011
3.01	Revenue from sale of goods and/or services	807,001	2,371,223	757,513	2,145,418
3.02	Cost of goods and/or services sold	-587,139	-1,784,760	-518,659	-1,482,659
3.03	Gross profit	219,862	586,463	238,854	662,759
3.04	Operating income (expenses)	-91,049	-270,890	-81,565	-220,619
3.04.01	Sales expenses	-67,072	-194,921	-61,388	-162,727
3.04.02	General and administrative expenses	-26,727	-78,699	-20,431	-57,330
3.04.04	Other operating income	2,750	2,730	0	0
3.04.05	Other operating expenses	0	0	254	-562
3.05	Results from operations before financial result taxes	128,813	315,573	157,289	442,140
3.06	Finance result	-30,456	-108,134	-49,801	-137,826
3.06.01	Finance income	14,843	47,249	15,803	37,823
3.06.02	Finance expenses	-45,299	-155,383	-65,604	-175,649
3.07	Income before taxes	98,357	207,439	107,488	304,314
3.08	Income tax and social contribution	-26,911	-52,574	-32,188	-91,387
3.08.01	Current	-27,040	-81,804	-28,441	-73,275
3.08.02	Deferred	129	29,230	-3,747	-18,112
3.09	Net income from continuing operations	71,446	154,865	75,300	212,927
3.11	Net income for the period	71,446	154,865	75,300	212,927
3.11.01	Attributable to the Company's owners	71,446	154,865	75,300	212,927
3.99	Earnings per share - (reais /share)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares	0.36011	0.78184	0.38129	1.07820
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares	0.35836	0.77798	0.37992	1.07411

Consolidated financial statements / statement of comprehensive income

Justification for not completing the table

The company has no statement of comprehensive income in the current period and previous.

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of cash flows - indirect method

(In thousands of Brazilian Reais)

1 - Code	2 - Description	Accumulated - current period 1/1/2012 to 9/30/2012	Accumulated - prior period 1/1/2011 to 9/30/2011
6.01	Net cash provided by operating activities	194,627	10,860
6.01.01	Cash flows provided by operating activities	1,508,037	1,369,007
6.01.01.01	Net income	154,865	212,927
6.01.01.02	Depreciation and amortization	333,778	160,891
6.01.01.03	Residual value of property and equipment disposals	1,038,324	984,455
6.01.01.04	Deferred income tax and social contribution	-29,230	18,112
6.01.01.05	Other	10,300	-7,378
6.01.02	Variation in assets and liabilities	-1,103,640	-1,141,921
6.01.02.01	Trade receivables	-16,914	-37,721
6.01.02.02	Acquisition of cars, net of changes in balances with car makers	-1,330,458	-1,315,554
6.01.02.03	Escrow deposits	1,334	-2,159
6.01.02.04	Recoverable taxes	-9,860	-8,197
6.01.02.05	Other assets	10,678	1,328
6.01.02.06	Trade payables - other	-12,311	-15,740
6.01.02.07	Social and labor obligations	5,159	2,677
6.01.02.08	Taxes payable	80,114	71,786
6.01.02.09	Interest on loans, financing, debentures and other payables	154,952	169,861
6.01.02.10	Insurance premiums	11,367	10,505
6.01.02.11	Other liabilities	2,299	-18,707
6.01.03	Other	-209,770	-216,226
6.01.03.01	Income tax and social contribution paid	-77,653	-57,332
6.01.03.02	Interest on loans, financing and debentures paid	-132,117	-158,894
6.02	Net cash used in investing activities	-64,229	-37,353
6.02.01	Purchases of other property and equipment	-47,336	-34,051
6.02.02	Purchases of intangible assets	-16,901	-3,302
6.02.03	Other	8	0
6.03	Net cash provided by (used in) financing activities	-411,960	175,424
6.03.01	Loans and financing – proceeds	94,662	30,000
6.03.02	Loans and financing – repayments	-436,400	-287,936
6.03.03	Debentures – proceeds	0	500,000
6.03.05	Dividends	-26,302	-23,337
6.03.06	Interest on capital	-43,920	-43,303
6.05	Increase (decrease) in cash and cash equivalents	-281,562	148,931
6.05.01	Cash and cash equivalents at the beginning of the period	711,002	415,681
6.05.02	Cash and cash equivalents at the end of the period	429,440	564,612

Consolidated financial statements / statement of changes in equity - 1/1/2012 to 9/30/2012

(In thousands of Brazilian Reais)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Profit 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	25,566	0	-44,810	0	-19,244	0	-19,244
5.04.03	Options granted	0	5,443	0	0	0	5,443	0	5,443
5.04.05	Treasury shares sold	0	20,123	0	0	0	20,123	0	20,123
5.04.07	Interest on capital	0	0	0	-44,810	0	-44,810	0	-44,810
5.05	Total comprehensive income	0	0	0	154,865	0	154,865	0	154,865
5.05.01	Net income	0	0	0	154,865	0	154,865	0	154,865
5.07	Closing balances	601,708	44,711	499,730	110,055	0	1,256,204	0	1,256,204

Consolidated financial statements / statement of changes in equity - 1/1/2011 to 9/30/2011

(In thousands of Brazilian Reais)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Profit reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Non-controlling interests	Consolidated equity
5.01	Opening balances	601,708	23,095	273,939	0	0	898,742	0	898,742
5.03	Adjusted opening balances	601,708	23,095	273,939	0	0	898,742	0	898,742
5.04	Capital transactions with shareholders	0	5,273	0	-36,477	0	-31,204	0	-31,204
5.04.03	Options granted	0	4,914	0	0	0	4,914	0	4,914
5.04.07	Interest on capital	0	0	0	-36,477	0	-36,477	0	-36,477
5.04.08	Exercise of stock options with treasury shares	0	-82	0	0	0	-82	0	-82
5.04.09	Goodwill on exercise of options	0	441	0	0	0	441	0	441
5.05	Total comprehensive income	0	0	0	212,927	0	212,927	0	212,927
5.05.01	Net income	0	0	0	212,927	0	212,927	0	212,927
5.06	Internal changes in equity	0	-8,166	0	8,166	0	0	0	0
5.06.04	Realization of equity assessment adjustment	0	-8,166	0	8,166	0	0	0	0
5.07	Closing balances	601,708	20,202	273,939	184,616	0	1,080,465	0	1,080,465

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of value added

(In thousands of Brazilian Reais)

Code	Description	Accumulated - current period 1/1/2012 to 9/30/2012	Accumulated - prior period 1/1/2011 to 9/30/2011
7.01	Revenue	2,465,115	2,215,538
7.01.01	Sale of goods and services	2,389,873	2,187,091
7.01.02	Other income	25,234	7,635
7.01.03	Revenues related to the construction of own assets	49,761	23,222
7.01.04	Recognition/Reversal of allowance for doubtful accounts	247	-2,410
7.02	Inputs acquired from third parties	-1,387,265	-1,254,674
7.02.01	Cost of products, goods and services sold	-1,288,613	-1,170,200
7.02.02	Materials, energy, third-party services and other	-98,652	-84,474
7.03	Gross value added	1,077,850	960,864
7.04	Retentions	-333,778	-160,891
7.04.01	Depreciation, amortization and depletion	-333,778	-160,891
7.05	Net value added	744,072	799,973
7.06	Value added received through transfer	47,249	37,823
7.06.02	Finance income	47,249	37,823
7.07	Total value added to be distributed	791,321	837,796
7.08	Distribution of value added	791,321	837,796
7.08.01	Personnel	231,093	183,799
7.08.01.01	Salaries and wages	179,247	145,821
7.08.01.02	Benefits	34,901	23,562
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	11,508	9,502
7.08.01.04	Other	5,437	4,914
7.08.02	Taxes, charges and contributions	174,533	205,836
7.08.02.01	Federal	128,408	170,106
7.08.02.02	State	38,107	30,901
7.08.02.03	Municipal	8,018	4,829
7.08.03	Remuneration of third parties' capital	230,830	235,234
7.08.03.01	Interest	155,383	175,649
7.08.03.02	Rentals	75,447	59,585
7.08.04	Remuneration of own capital	154,865	212,927
7.08.04.01	Interest on capital	44,810	36,477
7.08.04.03	Retained earnings	110,055	176,450

Comments on company performance

In R$ million

1 - Car Rental	3Q11	3Q12	Var. %	9M11	9M12	Var. %
Net revenue	578.1	595.7	**3.0%**	1,638.0	1,755.5	**7.2%**
Costs	(410.8)	(441.2)	**7.4%**	(1,166.5)	(1,360.2)	**16.6%**
Operating expenses (SG&A):						
Advertising and sales	(57.3)	(57.9)	**1.0%**	(151.6)	(168.8)	**11.3%**
General, administrative and other	(16.4)	(18.9)	**15.2%**	(46.0)	(60.2)	**30.9%**
Finance expenses, net	(34.8)	(20.8)	**-40.2%**	(95.9)	(74.5)	**-22.3%**
Income tax and social contribution	(13.3)	(16.0)	**20.3%**	(43.7)	(20.4)	**-53.3%**
Net income from car rental and sales	**45.5**	**40.9**	**-10.1%**	**134.3**	**71.4**	**-46.8%**

2 - Fleet Rental	3Q11	3Q12	Var. %	9M11	9M12	Var. %
Net revenue	175.7	206.8	**17.7%**	497.1	603.0	**21.3%**
Costs	(105.9)	(143.0)	**35.0%**	(310.9)	(415.4)	**33.6%**
Operating expenses (SG&A):						
Advertising and sales	(4.2)	(9.6)	**128.6%**	(11.1)	(27.5)	**147.7%**
General, administrative and other	(4.0)	(5.6)	**40.0%**	(12.1)	(17.0)	**40.5%**
Finance expenses, net	(15.8)	(9.8)	**-38.0%**	(43.3)	(34.4)	**-20.6%**
Income tax and social contribution	(18.3)	(10.7)	**-41.5%**	(46.2)	(31.4)	**-32.0%**
Net income from car rental and sales	**27.5**	**28.1**	**2.2%**	**73.5**	**77.3**	**5.2%**

3 - Franchising	3Q11	3Q12	Var. %	9M11	9M12	Var. %
Net revenue	3.7	4.5	**21.6%**	10.3	12.7	**23.3%**
Costs	(1.9)	(2.0)	**5.3%**	(5.2)	(6.4)	**23.1%**
Operating expenses (SG&A):						
Advertising and sales	-	-	**-**	-	(0.1)	**-100.0%**
General, administrative and other	0.3	-	**-100.0%**	0.1	-	**-100.0%**
Finance income, net	0.8	0.2	**-75.0%**	1.4	0.7	**-50.0%**
Income tax and social contribution	(0.6)	(0.3)	**-50.0%**	(1.5)	(0.8)	**-46.7%**
Net income for the period	**2.3**	**2.4**	**4.3%**	**5.1**	**6.1**	**19.6%**

4 - Consolidated	3Q11	3Q12	Var. %	9M11	9M12	Var. %
Net revenue	757.5	807.0	**6.5%**	2,145.4	2,371.2	**10.5%**
Costs (*)	(518.6)	(587.1)	**13.2%**	(1,482.6)	(1,784.7)	**20.4%**
Operating expenses (SG&A) (*):						
Advertising and sales	(61.5)	(67.0)	**8.9%**	(162.7)	(195.0)	**19.9%**
General, administrative and other	(20.1)	(24.1)	**19.9%**	(58.0)	(75.9)	**30.9%**
	157.3	**128.8**	**-18.1%**	**442.1**	**315.6**	**-28.6%**
Finance expenses, net	(49.8)	(30.4)	**-39.0%**	(137.8)	(108.2)	**-21.5%**
Operating profit	**107.5**	**98.4**	**-8.5%**	**304.3**	**207.4**	**-31.8%**
Income tax and social contribution	(32.2)	(27.0)	**-16.1%**	(91.4)	(52.6)	**-42.5%**
Net income for the period	**75.3**	**71.4**	**-5.2%**	**212.9**	**154.8**	**-27.3%**
% of net revenues	9.9%	8.8%		9.9%	6.5%	

(*) The consolidated balance includes reclassifications of R$ 2.7 million between the captions of operating costs and expenses in 9M12 and R$ 0.9 million in 3Q12.

Comments on company performance

Net revenues

The Company's consolidated net revenue in 9M12 increased 10.5%, or R$ 225.8 million, basically due to:

- Increase of 7.2% in net revenues from the car rental division, or R$ 117.5 million, representing a growth of 12.5% in revenues from car rentals and 3.1% in revenues from sales of decommissioned cars for fleet renewal. The increase in the car rental revenue was basically due to the increase of 7.6% in the volume of daily car rentals and 3.5% in the average daily rate; and

- Increase of 21.3% in net revenues from the fleet rental division, or R$ 105.9 million, representing a growth of 19.5% in revenues from fleet rentals and 25.0% in revenues from sales of decommissioned cars for fleet renewal. The increase in the fleet rental revenue was basically due to the increase of 11.6% in the volume of daily fleet rentals and 6.0% in the average daily rate.

Revenues from franchising increased 23.3%, or R$ 2.4 million.

The Company's consolidated net revenue in 3Q12 increased 6.5%, or R$ 49.5 million, basically due to:

- Increase of 3.0% in net revenues from car rentals, or R$ 17.6 million, representing a growth of 12.2% in the revenues from car rentals and a decrease of 3.5% in revenues from sales of decommissioned cars for fleet renewal. This increase was basically due to the increase of 9.2% in the volume of daily car rentals and 1.5% in the average daily rate; and

- Increase of 17.7% in net revenues from fleet rentals, or R$ 31.1 million, representing a growth of 16.4% in revenues from fleet rentals and 20.4% in revenues from sales of decommissioned cars for fleet renewal. The increase of the fleet rental revenue was basically due to the increase of 8.2% in the volume of daily fleet rentals and 5.8% in the average daily rate.

Revenues from franchising increased 21.6%, or R$ 0.8 million.

Costs

Consolidated costs increased 20.4%, or R$ 302.1 million, in 9M12 and 13.2%, or R$ 68.5 million, in 3Q12.

In 9M12 and 3Q12, this increase in costs was greater than the increase in revenues basically due to the recording of R$ 100 million of additional depreciation in 2Q12 and of R$ 24.5 million in 3Q12 because of the Tax Exemption (IPI Reduction) for new cars, which reflected in the decrease in the estimated residual value of the cars. The direct costs, without the additional depreciation costs, remained in line with the revenue, around 70%.

Comments on company performance

Operating expenses (SG&A)

The consolidated operating expenses (SG&A) increased 22.7%, or R$ 50.2 million, in 9M12 and 11.6%, or R$ 9.5 million, in 3Q12. As a percentage of net revenue, operating expenses increased 1.1p.p. in 9M12, from 10.3% to 11.4%, and 0.5p.p. in 3Q12, from 10.8% to 11.3%. These increases were mainly due to the growth in property rentals and personnel expenses.

Finance expenses, net

Net finance expenses decreased 21.5% in 9M12 and 39.0% in 3Q12, mainly due to the decrease in the basic interest rate in the period.

Income tax and social contribution

The income tax and social contribution expense decreased 42.5% in 9M12 and 16.1% in 3Q12, while the effective tax rate decreased 4.6p.p., from 30.0% in 9M11 to 25.4% in 9M12, and decreased 2.6p.p. in 3Q12, from 30.0% in 3Q11 to 27.4% in 3Q12. The decrease of the effective tax was mainly due to the greater representativeness of the interest on capital in relation to income before tax and social contribution.

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

Notes to the interim financial information
for the period ended September 30, 2012
(All amounts in thousands of Brazilian reais – R$, unless otherwise indicated)

1. OPERATION

Localiza Rent a Car S.A. - ("Localiza"), headquartered at Avenida Bernardo Monteiro, 1,563, Belo Horizonte, State of Minas Gerais, has been, since May 2005, a Brazilian publicly-held company listed on BM&FBOVESPA's Novo Mercado, which corresponds to the highest level of corporate governance in the Brazilian capital market. The Company's shares are negotiated under the code **RENT3**.

Localiza and its subsidiaries ("Company") are mainly engaged in car and fleet rentals 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 September 30, 2012, the Localiza System, including franchisees in Brazil and abroad, comprised 513 car rental branches, of which: i) 464 branches in 324 cities in Brazil, of which 262 are operated by Localiza and the remaining by franchisees, and ii) 49 branches in 28 cities in 7 South American countries, all operated by franchisees.

At September 30, 2012, Localiza System's fleet comprised 107,312 cars, of which: i) 93,330 owned by the Company, including 32,027 of the Fleet Rental Division, ii) 11,833 owned by franchisees in Brazil; and iii) 2,149 owned by franchisees abroad. After being used in rental activities, cars are sold in order to generate cash for the fleet renewal. Decommissioned cars are substantially sold to final consumers at 73 sales points, located in 43 cities throughout Brazil, thus avoiding intermediation costs.

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

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

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 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 Brazilian Corporate Law, as well as the new standards, guidance and interpretations issued by the Brazilian 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 Company's 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 interim financial information, the statements of changes in equity for the nine-month periods ended September 30, 2012 and 2011 present the balances of equity assessment adjustments in the consolidated net amounts of R$ 116 and R$ 2,945, respectively, in the column "Capital Reserves, Options Granted and Treasury Shares" and the realization of equity assessment adjustment within the group "Internal changes in equity", when they should be presented in specific columns and groups.

The Company does not have other comprehensive income for the 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, 2011 (hereinafter referred "Financial Statements for the year ended December 31, 2011"), published on March 13, 2012 in the newspapers "Diário Oficial de Minas Gerais", "Diário do Comércio Minas Gerais", "Valor Econômico" (condensed form), "Estado de Minas" (condensed form) and "O Estado de São Paulo" (condensed form) and available through the following websites: www.cvm.gov.br, www.bmfbovespa.com.br and www.localiza.com/ri.

3. ACCOUNTING STANDARDS 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, 2011.

4. CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Cash and banks	2,070	15,599	2,231	16,231
Bank certificates of deposit (CDB)	177,446	181,415	191,947	222,171
Committed operations	211,877	400,727	235,262	472,600
Total	**391,393**	**597,741**	**429,440**	**711,002**

As at September 30, 2012, investments in CDB and committed operations yielded 101.9% of the Interbank Certificate Deposit (CDI) rate (102.1% at December 31, 2011), are highly liquid and redeemable in less than 30 days.

5. TRADE RECEIVABLES

The composition of trade receivables is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Car Rental	292,344	286,979	296,152	290,101
Fleet Rental	-	-	77,979	68,224
Franchising	1,268	973	8,568	7,457
	293,612	**287,952**	**382,699**	**365,782**
Allowance for doubtful accounts	(8,674)	(9,039)	(12,095)	(12,342)
Total	**284,938**	**278,913**	**370,604**	**353,440**

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, 2011.

6. OTHER CURRENT AND NON-CURRENT ASSETS

The composition of other current and non-current assets is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Balances stated separately in current assets:				
Prepaid expenses (**)	8,160	703	11,154	703
Recoverable taxes	12,388	13,158	14,874	15,164
	20,548	13,861	26,028	15,867
Other current assets:				
Amounts receivable from the insurance company (*)	19,230	36,530	30,153	36,530
Other receivables - subsidiaries (Note 7(b))	750	20,289	-	-
Other	4,325	1,664	5,304	1,805
Total other current assets	24,305	58,483	35,457	38,335
Balances stated separately in non-current assets:				
Other receivables - subsidiaries (Note 7(b))	398	337	-	-
Other non-current assets	83	83	83	83
	481	420	83	83
Total other current and non-current assets	45,334	72,764	61,568	54,285

(*) 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, 2011).
(**) Refers mainly to the car tax (IPVA) and the mandatory insurance against personal injury caused by automotive vehicles.

7. INVESTMENTS AND RELATED-PARTY TRANSACTIONS

(a) Information on subsidiaries

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

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

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

Prime Prestadora de Serviços S.A.: Privately-held corporation engaged in the intermediation of sales of decommissioned cars, previously used by Localiza and Total Fleet in their rental operations, as well as the realization of other rental-related services.

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

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

Car Assistance Serviços de 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.

TF Assistance Serviços de Administração de Sinistros S.A.: Privately-held corporation, currently in the pre-operating stage, which will manage insurance claims involving insured cars of the fleet of Total Fleet.

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

	Number of shares		Interest					
			In capital (%)		In equity		In results	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9M12	9M11
Direct subsidiaries:								
Total Fleet	103,280,354	103,280,354	100.0	100.0	650,768	449,502	94,266	89,910
Franchising Brasil	399,069	399,069	100.0	100.0	3,779	8,757	8,381	8,015
Prime	15,000	15,000	100.0	100.0	-	-	2,291	(7,183)
Car Rental	1,339,961	1,339,961	100.0	100.0	5,716	7,834	3,386	3,640
Rental International (*)	1,000	1,000	100.0	100.0	-	-	(67)	(63)
Car Assistance	200,000	200,000	100.0	100.0	3,799	3,444	9,370	3,038
LFI SRL(**)	23. 750	25,000	95.0	100.0	80	97	(2)	(3)
					664,142	**469,634**	**117,625**	**97,354**
Goodwill on acquisition of investment (Note 9 (b))					4,508	4,508	-	-
Total					**668,650**	**474,142**	**117,625**	**97,354**
Indirect subsidiary:								
TF Assistance	150,000	150,000	100.0	100.0	150	150	-	-
Indirect interest:								
LFI SRL (**)	1,250	-	5	-	4	-	-	-

(*) In the current period, Localiza recognized in its liabilities a provision for deficiency in net assets related to the subsidiary Rental International.
(**) On September 21, 2012, Localiza made a capital payment in Total Fleet S.A. with 5% of the investment in LFI SRL.

The changes in investments in subsidiaries, including goodwill, were as follows:

Balance at December 31, 2011	**474,142**
Payment of capital in subsidiary	133,645
Equity in subsidiaries	117,625
Dividends from subsidiaries	(40,875)
Reversal of negative equity (*)	(15,887)
Balance at September 30, 2012	**668,650**

(*) Prime and Rental International.

At the Extraordinary General Meeting held on May 24, 2012, the shareholders approved the payment of capital by the Company, in the amount of R$ 13,650, in the subsidiary Prime, using the balances of accounts receivable. As a result, Prime's share capital increased from R$ 950 to R$ 14,600.

At the Extraordinary General Meeting held on April 12, 2012, the shareholders approved the payment of capital by the Company, amounting to R$ 80,000, in the subsidiary Total Fleet, using part of the profit reserves. As a result, Total Fleet's share capital increased from R$ 320,000 to R$ 400,000.

At the Extraordinary General Meeting held on September 21, 2012, the shareholders approved the payment of capital by the Company, amounting to R$ 120,000, in the subsidiary Total Fleet, using cash and assets. As a result, Total Fleet's share capital increased from R$ 400,000 to R$ 520,000.

On July 19, 2012, the Board of Directors authorized the Executive Board to establish a new wholly-owned subsidiary, which will be responsible for the construction of the new headquarters of the Company in Belo Horizonte.

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

(i) Balance sheets

9/30/2012	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Assets							
Current assets	123,787	16,726	13,850	8,275	14	4,405	133
Non-current assets:							
Long-term assets	3,270	1,594	1,287	-	-	-	-
Property and equipment	866,925	170	-	-	-	-	-
Intangible assets	1,745	200	-	-	-	-	-
Total	**995,727**	**18,690**	**15,137**	**8,275**	**14**	**4,405**	**133**
Liabilities and equity							
Current liabilities	152,313	6,761	12,567	2,559	-	606	-
Non-current liabilities	192,646	8,150	9,491	-	399	-	49
Equity	650,768	3,779	(6,921)	5,716	(385)	3,799	84
Total	**995,727**	**18,690**	**15,137**	**8,275**	**14**	**4,405**	**133**

12/31/2011	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Assets							
Current assets	184,118	19,080	3,531	10,453	21	4,750	146
Non-current assets:							
Long-term assets	2,655	1,384	1,458	-	-	-	-
Property and equipment	875,736	188	-	-	-	-	-
Intangible assets	474	89	-	-	-	-	-
Total	**1,062,983**	**20,741**	**4,989**	**10,453**	**21**	**4,750**	**146**
Liabilities and equity							
Current liabilities	147,626	7,016	16,782	2,619	-	1,306	-
Non-current liabilities	465,855	4,968	11,066	-	338	-	49
Equity	449,502	8,757	(22,859)	7,834	(317)	3,444	97
Total	**1,062,983**	**20,741**	**4,989**	**10,453**	**21**	**4,750**	**146**

(ii) Income statement

9M12	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Statement of income							
Net revenues	600,975	12,246	41,394	10,503	-	10,671	-
Gross profit	187,895	9,334	38,208	4,717	-	10,473	(1)
Pretax income	142,536	10,065	3,606	4,629	(67)	10,701	(2)
Net income (loss)	**94,266**	**8,381**	**2,291**	**3,386**	**(67)**	**9,370**	**(2)**

9M11	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Statement of income							
Net revenues	494,695	10,058	20,251	8,563	-	3,447	-
Gross profit	185,105	7,972	20,251	4,333	-	3,256	(3)
Pretax income	136,065	9,531	(7,183)	4,705	(63)	3,520	(3)
Net income (loss)	**89,910**	**8,015**	**(7,183)**	**3,640**	**(63)**	**3,038**	**(3)**

(b) Balances and transactions with related parties

(i) Main balances and transactions with subsidiaries

	Total Fleet		Prime		Other		Total	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Balances:								
Trade receivables	1,832	1,585	-	-	1,587	1,253	3,419	2,838
Dividends	-	27,427	-	-	3,484	5,008	3,484	32,435
Other receivables (Note 6)	-	12,879	605	7,602	543	145	1,148	20,626
Other liabilities (Note 13)	8,386	-	6,921	22,859	458	432	15,765	23,291

	Total Fleet		Car Rental		Other		Total	
	9/30/2012	9/30/2011	9/30/2012	9/30/2011	9/30/2012	9/30/2011	9/30/2012	9/30/2011
Transactions:								
Revenue from car rentals	7,066	3,909	4,878	3,058	26	35	11,970	7,002

As at September 30, 2012, there were collateral signatures related to guarantees for loans and financing, amounting to R$ 751,890 (R$ 990,448 at December 31, 2011), between Localiza and Total Fleet. There were also collateral signatures between companies when bank guarantees were contracted for lawsuits totaling R$ 16,283 (R$ 14,828 at December 31, 2011).

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 the parent company and its wholly-owned subsidiaries.

(ii) Transactions with other related parties

- Key management personnel

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	9/30/2011	9/30/2012	9/30/2011
Remuneration of the Board of Directors	1,890	1,689	1,890	1,689
Management and Executive Board:				
Fees and remuneration	10,140	14,482	15,932	15,482
Payroll taxes	1,700	2,673	2,717	2,895
Options granted recognized	4,137	2,626	4,596	2,924
Pension plan (Note 25)	1,046	62	1,609	62
Total	**18,913**	**21,532**	**26,744**	**23,052**

The Company offers a Pension Plan to Management (see Note 25 for more details). Except for this Plan, the Company does not have other programs for the granting of severance benefits to Management.

8. PROPERTY AND EQUIPMENT

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

	Individual (BR GAAP)			Consolidated (IFRS and BR GAAP)		
	Cars	Other property and equipment	Total	Cars	Other property and equipment	Total
Cost:						
At December 31, 2011	**1,834,725**	**200,496**	**2,035,221**	**2,904,918**	**203,457**	**3,108,375**
Additions	831,162	46,987	878,149	1,124,443	47,336	1,171,779
Disposals (*)	(981,015)	(462)	(981,477)	(1,216,906)	(464)	(1,217,370)
Transfers	(3,382)	1,822	(1,560)	-	1,222	1,222
At September 30, 2012	**1,681,490**	**248,843**	**1,930,333**	**2,812,455**	**251,551**	**3,064,006**
Accumulated depreciation:						
At December 31, 2011	**(56,373)**	**(60,536)**	**(116,909)**	**(252,230)**	**(61,909)**	**(314,139)**
Additions	(184,310)	(20,689)	(204,999)	(309,782)	(20,858)	(330,640)
Disposals (*)	125,394	490	125,884	181,692	485	182,177
Transfers	-	(31)	(31)	-	(31)	(31)
At September 30, 2012	**(115,289)**	**(80,766)**	**(196,055)**	**(380,320)**	**(82,313)**	**(462,633)**

(*) Includes disposals due to car sales, robbery, damage and transfers of decommissioned cars for fleet renewal.

Residual value:						
At December 31, 2011	**1,778,352**	**139,960**	**1,918,312**	**2,652,688**	**141,548**	**2,794,236**
At September 30, 2012	**1,566,201**	**168,077**	**1,734,278**	**2,432,135**	**169,238**	**2,601,373**

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Leasehold improvements	67,860	58,447	67,860	58,447
Furniture and fixtures	23,127	19,679	23,488	20,417
IT equipment	10,653	8,627	10,757	8,734
Property and equipment in progress	34,251	21,622	34,347	22,167
Other	32,186	31,585	32,786	31,783
Total	**168,077**	**139,960**	**169,238**	**141,548**

As at September 30, 2012, the consolidated balances of "cars" and "other property and equipment" included the book value of property and equipment items recorded as finance leases (see Note 23), in the amounts of R$ 15,839 and R$ 6,693, respectively (R$ 4,165 and R$ 5,114, respectively, at December 31, 2011).

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

(a) 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 residual value estimated for the end of its useful life, less the estimated selling expenses.

On May 21, 2012, the Federal Government announced the IPI reduction for new cars by up to 7 p.p., with an estimated duration until August 31, 2012, which was subsequently extended to October 31, 2012. On October 24, President Dilma Rousseff announced a new extension of the IPI reduction up to December 31, 2012.

According to paragraph 51 of the Technical Pronouncement CPC 27, applicable to Property and Equipment, the residual value and useful life of an asset are reviewed at least at the end of each year and, if the expectations are different from the prior estimates, the change must be recorded as a change in accounting estimate, pursuant to Technical Pronouncement CPC 23.

Accordingly, the Company reviewed the residual values and useful lives of its fleet and concluded that the reduction in the IPI for new cars reflected in the decrease of the estimated residual value of the fleet by around R$ 180.5 million, with approximately R$ 116.0 million in the Car Rental division and R$ 64.5 million in the Fleet Rental division.

After the Government announced the IPI reduction, the Company adjusted the depreciation of its fleet to reflect the expected drop in the market value of cars. The additional depreciation of cars that were in the fleet at the end of each period was calculated as follows:

R$ million

Division	Additional depreciation				
	Realized			Estimated	Total
	6/30/2012	9/30/2012	Subtotal	After 9/30/2012	
Car Rental	85.0 73.3%	20.0 17.2%	105.0 90.5%	(*) 11.0 9.5%	116.0 100.0%
Fleet Rental	15.0 23.3%	4.5 6.9%	19.5 30.2%	(*) 45.0 69.8%	64.5 100.0%
Consolidated	100.0	24.5	124.5	(*) 56.0	180.5

Fleet in September 2012

Cars by maturity year of their useful lives				
2012	2013	2014	2015	Total
28,433 77.6%	8,059 22.0%	133 0.4%	4 0.0%	36,629 100.0%
2,703 10.1%	9,772 36.4%	10,954 40.9%	3,381 12.6%	26,810 100.0%
31,136	17,831	11,087	3,385	63,439

(*) The estimated additional depreciation of R$ 56.0 million will be recorded prospectively as from the third quarter of 2012, and may be reviewed in the case of future changes in the estimated residual market value, even due to the termination of the IPI reduction for new cars.

In 3Q12, the average annualized depreciation per car in the Car Rental Division was R$ 3,084.4. The depreciation for the cars bought before the IPI reduction was R$ 4,050.8 per car and R$ 1,213.8 for cars bought after this reduction. Around 40% of the fleet is composed of cars bought after the reduction. In this quarter, another R$ 20.0 million was recorded regarding the additional depreciation, which, together with the R$ 85.0 million recorded in 2Q12, totaled R$ 105.0 million or 90.5% of additional depreciation.

In the Fleet Rental Division, the additional depreciation totaled R$ 4.5 million in 3Q12. The impact on this division is lower since it is diluted by the contract terms, which vary between 2 and 4 years.

9. INTANGIBLE ASSETS

(a) Software

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

	Individual (BR GAAP)	Consolidated (IFRS and BR GAAP)
Cost:		
At December 31, 2011	**25,561**	**26,657**
Additions	15,911	16,901
Disposals	-	-
Transfers	(1,822)	(1,222)
At September 30, 2012	**39,650**	**42,336**
Accumulated amortization:		
At December 31, 2011	**(7,835)**	**(8,368)**
Additions	(2,930)	(3,138)
Disposals	-	-
Transfers	31	31
At September 30, 2012	**(10,734)**	**(11,475)**
Net book value of software:		
At December 31, 2011	**17,726**	**18,289**
At September 30, 2012	**28,916**	**30,861**

The other information related to 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, 2011.

(b) Goodwill on acquisition of investments

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

	Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011
Goodwill on acquisition of non-controlling interests in subsidiaries	4,918	4,918
Accumulated amortization	(410)	(410)
Net book value	**4,508**	**4,508**

In conformity with CVM Resolution 565/08, the goodwill arising on the acquisition of non-controlling interests in subsidiaries, allocated to the Car Rental Division, has not been amortized since January 1, 2009 and is tested for impairment at least annually.

10. TRADE PAYABLES

The composition of trade payables is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Car makers	147,274	345,739	199,303	405,317
Maintenance services and parts	11,878	23,947	25,310	37,136
Rentals	4,784	4,428	4,866	1,829
Insurance policies	14,268	11,841	14,268	11,841
Other	24,734	29,657	26,583	32,532
Total	**202,938**	**415,612**	**270,330**	**488,655**

Balances payable to car makers refer to cars purchased at the end of each period, bearing no financial charges and maturing on average in up to 30 days.

11. SOCIAL AND LABOR OBLIGATIONS

The composition of social and labor obligations is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Management fees	2,386	5,686	4,772	5,686
Accrued vacation pay	14,952	13,402	19,850	17,686
Provision for 13th month salary	8,422	-	9,314	-
Provision for employee profit sharing	15,327	20,607	22,917	27,871
Social security contribution (INSS)	3,319	3,752	4,552	4,883
Government Severance Indemnity Fund for Employees (FGTS)	785	846	1,052	1,065
Other	928	1,198	1,384	1,491
Total	**46,119**	**45,491**	**63,841**	**58,682**

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

12. LOANS, FINANCING AND DEBENTURES

The composition of loans, financing and debentures is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)			
	9/30/2012	12/31/2011	9/30/2012	12/31/2011	Maturity	Average effective interest rate
In local currency (R$)						
Debentures - 2nd issue	135,827	211,457	135,827	211,457	7/2/2013 to 7/2/2014	CDI + 0.6% p.a.
Debentures - 4th issue	357,662	375,747	357,662	375,747	5/5/2013 to 5/5/2017	114.2% of the CDI
Debentures - 5th issue	511,500	501,415	511,500	501,415	5/30/2016 to 5/30/2017	114.5% of the CDI
Debentures - 1st issue (Total Fleet)	-	-	-	308,664	9/30/2014 to 9/30/2015	CDI + 2.0% p.a.
Working capital and others	191,380	216,026	405,095	347,946	4/1/2012 to 12/15/2019	CDI + 1.1% p.a., equivalent to 113.3% of the CDI
Swap - Total Fleet (*)	-	-	1,272	-	12/15/2014	109.7% of the CDI x 9.6% p.a.
In foreign currency						
Foreign currency loan - U.S. Dollar	344,166	329,196	344,166	329,196	8/17/2015 to 8/16/2017	108.4% and 114.7% of the CDI
	1,540,535	**1,633,841**	**1,755,522**	**2,074,425**		
Current	**133,137**	**119,511**	**186,664**	**130,945**		
Non-current	**1,407,398**	**1,514,330**	**1,568,858**	**1,943,480**		

(*) See Note 22 (d) - ii for more details.

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Opening balance	**1,633,841**	**1,168,879**	**2,074,425**	**1,696,755**
Proceeds	3,038	653,000	94,662	788,051
Interest and finance charges	117,759	169,114	154,952	231,049
Repayment of principal	(122,905)	(217,581)	(436,400)	(404,348)
Repayment of interest	(91,198)	(139,571)	(132,117)	(237,082)
Closing balance	**1,540,535**	**1,633,841**	**1,755,522**	**2,074,425**

As at September 30, 2012, Localiza had three debenture issues outstanding, all not convertible into shares. Localiza's issues are subject to certain accelerated maturity events including, among others: **(i)** filing for or declaration of bankruptcy by the issuer or third parties not resolved within the legal term; **(ii)** issues relating to default in individual or aggregate amounts equal to or above R$ 25,000; **(iii)** reduction of capital of Localiza and/or buyback of own shares for cancellation, except if previously authorized by debenture holders; **(iv)** merger, combination or spin-off of Localiza, except if pursuant to article 231 of the Brazilian Corporate Law, or if the spun-off part or the Company arising from the merger or combination remains in the current Control Group of the Issuer; **(v)** downgrading of Localiza by Standard & Poor's by two or more grades, in the national scale, compared to the rating granted on

the respective issue dates, as follows: a) for the 2nd issue, in relation to the rating brAA- (BR, double A, negative)*;* b) for the 4th issue, in relation to the rating brAA- (BR, double A, negative); and c) for the 5th issue, in relation to the rating brAA (BR, double A), as a result of any change in the shareholding structure resulting in the loss, transfer or sale of the "Company's controlling power" by the current controlling shareholders and **(vi)** failure to comply with financial ratios calculated on a quarterly basis, based on the Company's consolidated financial statements, as follows:

Issue	Net debt/ EBITDA[1] (maximum limit)	EBITDA[1]/Net Finance Expenses (minimum limit)
2nd issue	3.25	2.00
4th and 5th issues	4.00	1.50

On June 29, 2012, Total Fleet settled in advance the 2nd installment of its sole issue of debentures, with original maturity on September 30, 2013, in the principal amount of R$ 100,000.

In the third quarter of 2012, the Company prepaid R$ 200,000 referring to the 1st issue of debentures of Total Fleet, with original maturities on September 30, 2014 and 2015, and R$ 30,000 referring to a portion of the loans for working capital with original maturity on September 30, 2015.

Additionally, the Company has loans and financing that include certain accelerated maturity events under conditions similar to those applicable to debentures. The Company's management understands that the restrictive clauses applicable to loans, financing and debentures were being complied with at September 30, 2012.

The other information on loans, financing and debentures (individual and consolidated) is not significantly changed compared to that disclosed in Note 12 to the Financial Statements for the year ended December 31, 2011.

In September 2012, the Company's Board of Directors approved the 6th issue of simple debentures non-convertible into shares in the amount of R$ 300,000, remunerated at CDI + 0.95p.p. per annum, with final maturity in 7 years. At September 30, 2012, the Company was in the phase of completion of the transaction with banks. The receipt of the funds is expected by the end of October.

[1] EBITDA means the Issuer's profit or loss, on a consolidated basis, for the last 12-month period before (i) finance expenses (income), net; (ii) income tax and social contribution; (iii) depreciation and amortization expenses.
For the 2nd and 4th issues, EBITDA is also adjusted for (i) non-operating expenses (income), net and (ii) non-controlling interests.
For the 5th issue, EBITDA is also adjusted for (i) stock option costs and (ii) non-recurring expenses.

13. OTHER CURRENT AND NON-CURRENT LIABILITIES

The composition of other current and non-current liabilities is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Amounts stated separately in current liabilities:				
Other federal taxes	2,472	5,050	5,474	7,765
Municipal tax obligations	1,519	1,400	2,132	1,560
Payables to subsidiaries (Note 7(b))	15,765	23,291	-	-
	19,756	29,741	7,606	9,325
Other current liabilities:				
Advances from rental customers	7,595	13,639	8,849	15,241
Insurance premiums for transfer (*)	25,684	14,317	25,781	14,317
Deferred revenues	178	452	4,005	2,984
Other	1,405	775	1,839	2,792
Total other current liabilities	34,862	29,183	40,474	35,334
Other non-current liabilities:				
Deferred revenues	314	329	10,459	8,882
Other	12,272	15,130	16,417	20,378
	12,586	15,459	26,876	29,260
Total current and non-current liabilities	67,204	74,383	74,956	73,919

(*) 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, 2011).

14. PROVISIONS AND ESCROW DEPOSITS

(a) Recognized provisions

The composition of provisions for contingencies is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Tax	3,505	5,532	5,156	7,948
Social security	6,013	4,181	6,489	4,229
Labor	11,296	10,001	13,896	12,124
Civil	5,177	5,225	6,676	5,779
Total	**25,991**	**24,939**	**32,217**	**30,080**

(b) Escrow deposits

The composition of escrow deposits is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Tax	9,170	13,350	10,954	14,767
Social security	5,088	4,952	5,088	4,967
Labor	3,033	2,565	4,265	3,485
Civil	2,017	1,758	2,064	1,801
Total	**19,308**	**22,625**	**22,371**	**25,020**

The other information on provisions and escrow deposits (individual and consolidated) is not significantly changed compared to that disclosed in Note 14 to the Financial Statements for the year ended December 31, 2011.

15. TAXES ON INCOME - INCOME TAX AND SOCIAL CONTRIBUTION

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

The composition of deferred income tax and social contribution is follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Temporary differences in the deductibility of provisions:				
Allowance for doubtful accounts	604	899	703	1,015
Provisions for contingencies	8,457	7,613	9,066	8,223
Provisions for payments to suppliers and other	1,354	1,369	3,273	3,395
Swap transaction with payment on a cash basis	10,491	6,799	10,923	6,799
Tax loss carryfowards	-	-	29	350
Total Deferred Income Tax and Social Contribution Assets - Non-current	**20,906**	**16,680**	**23,994**	**19,782**
Depreciation of cars (*)	38,097	58,170	65,189	92,018
Other	898	355	2,166	355
Total Deferred Income Tax and Social Contribution Liabilities - Non-current	**38,995**	**58,525**	**67,355**	**92,373**

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

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

(b) Income tax and social contribution - reconciliation of expenses at statutory and effective rates

The reconciliation of expenses at statutory and effective rates for the nine-month periods ended September 30, 2012 and 2011 is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M12	**9M11**	**9M12**	**9M11**
Income before taxes	153,596	255,098	207,439	304,314
Statutory rate	34%	34%	34%	34%
Expense at statutory rate	**(52,223)**	**(86,733)**	**(70,529)**	**(103,467)**
Adjustments to expense at statutory rate:				
Equity in subsidiaries	39,993	33,100	-	-
Effect of deduction of interest on capital	15,235	12,402	15,235	12,402
Other, net	(1,736)	(940)	2,720	(322)
Expense at effective rate	**1,269**	**(42,171)**	**(52,574)**	**(91,387)**

The reconciliation of expenses at statutory and effective rates for the three-month periods ended September 30, 2012 and 2011 is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q12	**3Q11**	**3Q12**	**3Q11**
Income before taxes	80,178	88,021	98,357	107,488
Statutory rate	34%	34%	34%	34%
Expense at statutory rate	**(27,261)**	**(29,927)**	**(33,441)**	**(36,546)**
Adjustments to expense at statutory rate:				
Equity in subsidiaries	13,762	13,012	-	-
Effect of deduction of interest on capital	5,085	4,422	5,085	4,422
Other, net	(318)	(228)	1,445	(64)
Expense at effective rate	**(8,732)**	**(12,721)**	**(26,911)**	**(32,188)**

In 2012, Franchising Brasil, Car Rental and Car Assistance calculated income tax and social contribution on the presumed profit basis in the amounts of R$ 1,684 (R$ 1,514 at September 30, 2011), R$ 1,243 (R$ 1,065 at September 30, 2011) and R$ 1,331 (R$ 482 at September 30, 2011), respectively. For this reason, these companies do not record deferred taxes.

(c) Income tax and social contribution payable

Localiza and its subsidiaries calculate income tax and social contribution on the quarterly taxation basis. The outstanding balance related to the calculation period of the last quarter of each period was as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Income tax and social contribution payable	6,483	19,706	26,370	32,543

The Company's income tax returns are subject to review by the tax authorities for a five-year period. Other taxes and contributions are also subject to review, pursuant to the applicable legislation.

16. EQUITY

(a) Share capital

As at September 30, 2012 and December 31, 2011, the ownership of capital and the respective reconciliation of the number of outstanding shares are as follows:

	Management				
	Founding partners	Board of Directors and Statutory Directors	Treasury shares	Outstanding shares	Number of shares - common
Balance at 12/31/2011	**68,129,621**	**228,825**	**4,183,180**	**129,166,374**	**201,708,000**
Acquisition (disposal) of shares, net	(4,080,311)	(132,519)	-	4,212,830	-
Exercise of stock options with treasury shares	285,064	113,531	(981,448)	582,853	-
Balance at 9/30/2012	**64,334,374**	**209,837**	**3,201,732**	**133,962,057**	**201,708,000**

At the Board of Directors' Meeting held on December 15, 2011, the launching of the American Depositary Receipts - ADRs Program - Level I ("ADRs Program") was approved. This program did not result in an increase in the Company's share capital or the issue of new shares. Its purpose is to broaden the ways foreign investors can reach the Company, as well as to increase the liquidity of the Company's shares. The American Depositary Receipts Program was approved by the CVM on 5/22/2012, and negotiations began on June 5, 2012. The Company's position at September 30, 2012 was 342,512 ADRs in the United States of America.

(b) Interest on capital and dividends

(i) Interest on capital and dividends

The Company periodically pays interest on capital to shareholders. Payment of interest on capital was approved by the Board of Directors as follows:

Approval date	Total amount paid	Amount per share (in R$)	Ownership interest date	Payment date
3/7/2012	14,417	0.072981038	3/15/2012	5/3/2012
6/21/2012	15,437	0.077831454	6/29/2012	8/17/2012
9/20/2012	14,956 (*)	0.075341448	9/28/2012	11/14/2012
Total 2012	**44,810**			

(*) Interest on capital had not yet been paid to the shareholders at September 30, 2012.

At a General Meeting, shareholders approved the payment of dividends as follows:

Approval date	Total amount paid	Amount per share (in R$)	Ownership interest date	Payment date
4/13/2012	26,302	0.132664191	4/30/2012	6/6/2012

(ii) Dividends and interest on capital payable

The balance of dividends and interest on capital payable is as follows:

	Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011
Dividends on profit for the year ended December 31, 2011	-	26,302
Interest on capital	14,956	14,068
Withholding income tax on interest on capital	(2,043)	(2,076)
Total dividends and interest on capital payable	**12,913**	**38,294**

(c) Capital Reserve

(i) Options exercised in 9M12

981,448 stock options had been exercised up to September 30, 2012, related to the Stock Option Programs of 2007, 2008, 2009 and 2010. The weighted average exercise price of the options, as well as the weighted average market price of Localiza shares at the exercise date, were as follows:

Program	Number of options exercised	Weighted average exercise price	Weighted average market price
2007 Program	433,150	R$ 25.10	R$ 33.68
2008 Program	318,973	R$ 23.33	R$ 33.67
2009 Program	180,683	R$ 8.38	R$ 33.20
2010 Program*	48,642	R$ 23.56	R$ 35.30
Total	**981,448**		

* Even if not vested, options may be exercised in the event of retirement of employees.

All these options were exercised by using treasury shares and, therefore, there was no issue of new shares of Localiza.

The other information on equity (individual and consolidated) is not significantly different from that disclosed in Note 16 to the Financial Statements for the year ended December 31, 2011.

(ii) 3rd Stock Option Plan - Consolidated

At the Extraordinary General Meeting held on April 25, 2011, the shareholders approved the creation of the 3rd Stock Option Plan, consisting of the granting of options for the purchase of the Company's shares (RENT3) to directors and managers. In order to participate in the Program, they must invest a portion of their annual profit sharing in the purchase of the shares. The Company will define on an annual basis a matching of options in each Program. For the 2012 Program, the Company defined the ratio of 4 options granted to each 1 share invested.

The value of the share, which is to be acquired by the beneficiaries when exercising the Option, will be calculated based on the average quotation of the RENT3, weighted by the volume of the negotiation over the last 40 trading sessions of the BM&FBOVESPA before the date of payment of the profit sharing.

The fair value of the options is estimated at the grant date, based on the Black & Scholes option valuation method, applied to the tranches of each of the programs separately.

The vesting period for exercising the options will be as from the third anniversary of the date of the grant of the Stock Options.

	3rd Plan 2012 Program
Date of the meeting of the approval	4/25/2011
Number of options granted / approved	616,484
Number of eligible participants	27
Year of exercise	2015
Starting date of the options exercise	May/2015

The changes in the 2012 Program of Stock Options up to the base date (September 30, 2012) were as follows:

	Beginning of the period		Granting/Approvals			Terminations		Exercises	Ending of the period	
Year	Eligible	Options	Eligible	Granted /approved options	Exercise price	Leaving eligible	Options returned	Options exercised	Eligible	Outstanding options
2012 Program:										
9/30/2012	27	616,484	-	-	33.36	-	-	-	27	616,484

The following weighted average assumptions were used for the calculation of the fair value of the stock purchase options:

	3rd Plan 2012 Program
	2012
Share price	33.36
Risk-free rate	9.45%
Expected annual volatility (*)	48.49%
Expected dividends	0.39%
Duration of the Program - Years	3.0
Fair value of the option on the grant date (R$/per share)	12.82
Remaining contractual term - Years:	3.0
Remaining remuneration costs (R$/thousand)	3,490

(*) The expected annual volatility was established based on the historical volatility of RENT3 shares in the capital market since Localiza went public in 2005, less dividends paid in each period.

The consolidated cost of this Program at September 30, 2012 amounted to R$ 563 thousand.

Considering the exercise of these options at September 30, 2012, the interest dilution percentage applicable to the current shareholders would be 0.31%.

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, 2011.

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

	Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)		Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)	
	9M12	9M11	3Q12	3Q11
Net income for the period	**154,865**	**212,927**	**71,446**	**75,300**
Basic earnings per share (*):				
Weighted average outstanding shares (in units)	198,078,728	197,483,297	198,400,319	197,486,491
Basic earnings per share (in R$)	**0.78184**	**1.07820**	**0.36011**	**0.38129**
Diluted earnings per share (*):				
Weighted average outstanding shares (in units)	198,078,728	197,483,297	198,400,319	197,486,491
Dilutive effect of stock options (in units)	982,278	753,258	971,139	715,255
Shares applicable to dilution (in units)	199,061,006	198,236,555	199,371,458	198,201,746
Diluted earnings per share (in R$)	**0.77798**	**1.07411**	**0.35836**	**0.37992**

(*) According to CPC 41 - Earnings per share, all shares (except treasury shares) are considered for the calculation of the weighted average of the outstanding shares.

18. SEGMENT REPORTING

Operating segments are defined as business areas: (i) which can earn revenues and incur expenses; ii) whose operating results are regularly reviewed by the chief operating decision maker on funds to be allocated to the segment and for the evaluation of its performance; and iii) for which individual financial information is available.

Management has defined the operating segments based on the reports used by the Board of Directors to make strategic decisions. Three operating segments subject to information disclosure were identified, which are separately managed through reports that support the decision-making. These operating segments' accounting policies are the same as those described in Note 2.

- Car Rental: division responsible for car rental in branches located inside and outside airports. Cars are rented to individuals traveling on business or leisure and to legal entities, including insurance companies and car makers. As part of its fleet renewal program, the car rental division decommissions its cars after 12 months of use in rental. Most of the decommissioned cars are sold directly to end consumers through the Company's own network of points-of-sale as this has been the most cost-effective alternative when compared to the discount required by other sales channels.

- Fleet Rental: division responsible for fleet rental to legal entities for long periods, usually 24 to 36 months. As part of its fleet renewal program, the fleet rental division decommissions its cars at the end of the contract entered into with the customer. The decommissioned cars are sold to car dealers and through a network of points-of-sale.

- Franchising: division responsible for the management and licensing of the right to use the Localiza brand, including the transfer of the knowledge necessary to operate the business.

(a) Financial reporting by operating segment

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

	Car Rental		Fleet Rental		Franchising		Unallocated balances		Eliminations		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Assets												
Cash and cash equivalents	-	-	-	-	-	-	429,440	711,002	-	-	429,440	711,002
Trade receivables	290,861	284,437	75,214	65,270	7,377	6,520		-	(2,848)	(2,787)	370,604	353,440
Decommissioned cars for fleet renewal	175	36	14,814	28,956	-	-		-		-	14,989	28,992
Property and equipment	1,734,278	1,918,312	866,925	875,736	170	188		-		-	2,601,373	2,794,236
Other assets	134,045	169,550	19,755	3,970	2,567	1,847	-	-	(13,065)	(53,483)	143,302	121,884
Total assets	**2,159,359**	**2,372,335**	**976,708**	**973,932**	**10,114**	**8,555**	**429,440**	**711,002**	**(15,913)**	**(56,270)**	**3,559,708**	**4,009,554**
Liabilities												
Trade payables	204,173	416,309	68,463	74,885	469	174	-	-	(2,775)	(2,713)	270,330	488,655
Loans, financing and debentures	-	-	-	-	-	-	1,755,522	2,074,425	-	-	1,755,522	2,074,425
Other liabilities	218,005	288,407	65,596	102,362	14,491	11,858	-	-	(20,440)	(76,736)	277,652	325,891
Total liabilities	**422,178**	**704,716**	**134,059**	**177,247**	**14,960**	**12,032**	**1,755,522**	**2,074,425**	**(23,215)**	**(79,449)**	**2,303,504**	**2,888,971**
Equity	-	-	-	-	-	-	**1,256,204**	**1,120,583**	-	-	**1,256,204**	**1,120,583**
Total liabilities and equity	**422,178**	**704,716**	**134,059**	**177,247**	**14,960**	**12,032**	**3,011,726**	**3,195,008**	**(23,215)**	**(79,449)**	**3,559,708**	**4,009,554**

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

	Car Rental		Fleet Rental		Franchising		Reclassification	Consolidated (IFRS and BR GAAP)	
	9M12	9M11	9M12	9M11	9M12	9M11	9M12	9M12	9M11
Net revenues	1,755,564	1,637,933	603,036	497,149	12,623	10,336	-	2,371,223	2,145,418
Costs	(1,360,179)	(1,166,460)	(415,456)	(310,979)	(6,389)	(5,220)	(2,736)	(1,784,760)	(1,482,659)
Gross profit	**395,385**	**471,473**	**187,580**	**186,170**	**6,234**	**5,116**	**(2,736)**	**586,463**	**662,759**
Operating expenses:									
Advertising and sales	(168,829)	(151,570)	(27,464)	(11,136)	(67)	(21)	1,439	(194,921)	(162,727)
General and administrative	(62,000)	(45,138)	(17,266)	(12,192)	-	-	567	(78,699)	(57,330)
Other income (expenses), net	1,783	(932)	233	239	(16)	131	730	2,730	(562)
Income before finance expenses, net	**166,339**	**273,833**	**143,083**	**163,081**	**6,151**	**5,226**	-	**315,573**	**442,140**
Finance expenses, net	(74,460)	(95,910)	(34,427)	(43,346)	753	1,430		(108,134)	(137,826)
Pretax income	**91,879**	**177,923**	**108,656**	**119,735**	**6,904**	**6,656**	-	**207,439**	**304,314**
Income tax and social contribution	(20,439)	(43,718)	(31,363)	(46,155)	(772)	(1,514)		(52,574)	(91,387)
Net income for the period	**71,440**	**134,205**	**77,293**	**73,580**	**6,132**	**5,142**	-	**154,865**	**212,927**

	Car Rental		Fleet Rental		Franchising		Reclassification	Consolidated (IFRS and BR GAAP)	
	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q12	3Q11
Net revenues	595,650	578,042	206,778	175,641	4,573	3,830	-	807,001	757,513
Costs	(441,137)	(410,865)	(143,058)	(105,864)	(2,006)	(1,930)	(938)	(587,139)	(518,659)
Gross profit	**154,513**	**167,177**	**63,720**	**69,777**	**2,567**	**1,900**	**(938)**	**219,862**	**238,854**
Operating expenses:									
Advertising and sales	(57,975)	(57,271)	(9,565)	(4,107)	(13)	(10)	481	(67,072)	(61,388)
General and administrative	(21,014)	(16,263)	(5,898)	(4,168)	-	-	185	(26,727)	(20,431)
Other expenses, net	2,146	(138)	332	256	-	136	272	2,750	254
Income before finance expenses, net	**77,670**	**93,505**	**48,589**	**61,758**	**2,554**	**2,026**	**-**	**128,813**	**157,289**
Finance expenses, net	(20,788)	(34,787)	(9,864)	(15,811)	196	797	-	(30,456)	(49,801)
Pretax income	**56,882**	**58,718**	**38,725**	**45,947**	**2,750**	**2,823**	**-**	**98,357**	**107,488**
Income tax and social contribution	(15,933)	(13,271)	(10,669)	(18,358)	(309)	(559)	-	(26,911)	(32,188)
Net income for the period	**40,949**	**45,447**	**28,056**	**27,589**	**2,441**	**2,264**	**-**	**71,446**	**75,300**

The Company operates in Brazil and in 7 South American countries and its revenues are mainly derived from its operations in the Brazilian market. The composition of consolidated net revenues, in Brazil and abroad, is as follows:

	Consolidated (IFRS and BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M12	9M11	3Q12	3Q11
Brazil	2,370,846	2,145,140	806,884	757,383
Abroad	377	278	117	130
Net revenues	**2,371,223**	**2,145,418**	**807,001**	**757,513**

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

	Consolidated (IFRS and BR GAAP)			
	9M12	9M11	3Q12	3Q11
Car Rental:				
Depreciation of cars	184,310	60,023	42,115	25,284
Depreciation of other property and equipment and amortization of intangible assets	22,805	16,740	7,999	4,871
Fleet Rental:				
Depreciation of cars	125,472	83,523	44,409	28,572
Depreciation of other property and equipment and amortization of intangible assets	869	528	317	108
Franchising:				
Depreciation of other property and equipment and amortization of intangible assets	322	77	110	27
Total depreciation and amortization expenses	**333,778**	**160,891**	**94,950**	**58,862**

19. REVENUES

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M12	9M11	9M12	9M11
Gross revenue	1,739,150	1,654,785	2,424,249	2,201,886
Deductions	(31,289)	(37,693)	(53,026)	(56,468)
Net revenue	**1,707,861**	**1,617,092**	**2,371,223**	**2,145,418**

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q12	3Q11	3Q12	3Q11
Gross revenue	588,800	582,571	824,371	776,423
Deductions	(10,165)	(12,566)	(17,370)	(18,910)
Net revenue	**578,635**	**570,005**	**807,001**	**757,513**

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M12	9M11	9M12	9M11
Revenue from rentals:				
Cars	769,242	710,787	803,454	714,149
Fleets	-	-	397,838	332,982
Franchising	377	278	12,623	10,336
Cars sold for fleet renewal	938,242	906,027	1,157,308	1,087,951
Net revenue	**1,707,861**	**1,617,092**	**2,371,223**	**2,145,418**

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q12	3Q11	3Q12	3Q11
Revenue from rentals:				
Cars	258,605	240,482	271,162	241,760
Fleets	-	-	136,593	117,305
Franchising	117	130	4,573	3,830
Cars sold for fleet renewal	319,913	329,393	394,673	394,618
Net revenue	**578,635**	**570,005**	**807,001**	**757,513**

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

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

	Costs				General and Administrative, Advertising and Sales, and Other			
	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)		Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M12	9M11	9M12	9M11	9M12	9M11	9M12	9M11
Cost of cars sold	(815,461)	(811,892)	(996,082)	(954,315)	-	-	-	-
Depreciation of cars	(184,310)	(60,023)	(309,782)	(143,546)	-	-	-	-
Car maintenance, car tax (IPVA) and other	(141,214)	(103,009)	(221,224)	(173,874)	-	-	-	-
Depreciation and amortization of other property and equipment and intangible assets	(11,233)	(10,048)	(11,605)	(10,331)	(12,386)	(7,005)	(12,391)	(7,014)
Payroll and related changes	(101,710)	(85,747)	(118,744)	(97,205)	(74,040)	(62,729)	(116,344)	(90,873)
Profit sharing	(12,833)	(9,415)	(16,096)	(11,428)	(12,091)	(10,410)	(17,348)	(14,878)
Third-party services	(15,094)	(10,755)	(17,429)	(13,493)	(25,082)	(19,736)	(26,081)	(20,338)
Rental of properties	(48,101)	(40,717)	(48,594)	(41,177)	(26,853)	(18,327)	(26,853)	(18,408)
Commissions	-	-	-	-	(13,811)	(12,493)	(14,358)	(12,989)
Advertising	-	-	-	-	(29,701)	(28,707)	(29,723)	(28,750)
Other	(42,053)	(43,635)	(45,204)	(37,290)	(25,057)	(25,350)	(27,792)	(27,369)
	(1,372,009)	**(1,175,241)**	**(1,784,760)**	**(1,482,659)**	**(219,021)**	**(184,757)**	**(270,890)**	**(220,619)**

	Costs				General and Administrative, Advertising and Sales, and Other			
	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)		Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11	3Q12	3Q11
Cost of cars sold	(274,723)	(297,105)	(336,299)	(348,057)	-	-	-	-
Depreciation of cars	(42,115)	(25,284)	(86,524)	(53,856)	-	-	-	-
Car maintenance, car tax (IPVA) and other	(51,076)	(25,179)	(77,220)	(46,918)	-	-	-	-
Depreciation and amortization of other property and equipment and intangible assets	(3,807)	(3,452)	(3,964)	(3,554)	(4,462)	(1,443)	(4,462)	(1,452)
Payroll and related changes	(35,446)	(30,042)	(41,950)	(33,954)	(25,332)	(22,383)	(40,140)	(33,010)
Profit sharing	(4,355)	(4,322)	(5,376)	(4,938)	(4,072)	(4,102)	(6,015)	(6,659)
Third-party services	(4,819)	(3,872)	(5,895)	(4,853)	(8,287)	(7,263)	(8,753)	(7,335)
Rental of properties	(16,507)	(14,553)	(16,701)	(14,654)	(9,034)	(7,413)	(9,034)	(7,437)
Commissions	-	-	-	-	(4,785)	(4,206)	(4,910)	(4,369)
Advertising	-	-	-	-	(10,127)	(10,763)	(10,132)	(10,805)
Other	(11,738)	(10,579)	(13,210)	(7,875)	(6,916)	(9,902)	(7,603)	(10,498)
	(444,586)	**(414,388)**	**(587,139)**	**(518,659)**	**(73,015)**	**(67,475)**	**(91,049)**	**(81,565)**

21. FINANCE INCOME AND EXPENSES

The finance income and expenses recognized in the statement of income are as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M12	9M11	9M12	9M11
Finance income:				
Interest income from financial investments	36,359	24,897	45,122	33,908
Other interest income, net of reversals	1,400	3,011	2,127	3,915
	37,759	**27,908**	**47,249**	**37,823**
Finance expenses:				
Interest expenses on loans, financing and debentures	(117,759)	(122,149)	(154,952)	(169,868)
Other interest expenses	(860)	(5,109)	(431)	(5,781)
	(118,619)	**(127,258)**	**(155,383)**	**(175,649)**
Finance expenses, net	**(80,860)**	**(99,350)**	**(108,134)**	**(137,826)**

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q12	3Q11	3Q12	3Q11
Finance income:				
Interest income from financial investments	11,584	11,846	13,644	14,349
Other interest income, net of reversals	953	1,216	1,199	1,454
	12,537	**13,062**	**14,843**	**15,803**
Finance expenses:				
Interest expenses on loans, financing and debentures	(34,126)	(49,953)	(45,563)	(64,523)
Other interest expenses	258	(1,500)	264	(1,081)
	(33,868)	**(51,453)**	**(45,299)**	**(65,604)**
Finance expenses, net	**(21,331)**	**(38,391)**	**(30,456)**	**(49,801)**

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Financial assets:				
Loans and receivables measured at amortized cost:				
Cash and cash equivalents (Note 4)	391,393	597,741	429,440	711,002
Trade receivables (Note 5)	284,938	278,913	370,604	353,440
Escrow deposits (Note 14(b))	19,308	22,625	22,371	25,020
Financial liabilities:				
Other financial liabilities measured at amortized cost:				
Trade payables (Note 10)	202,938	415,612	270,330	488,655
Loans, financing and debentures (Note 12)	1,540,535	1,633,841	1,755,522	2,074,425

(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 (interest rate and foreign exchange risk); (ii) credit risk; and (iii) liquidity risk.

The Company's risk management is carried out by the Audit and Risk Management Committee, a body created in 2007 by the Board of Directors, which is responsible for identifying and monitoring the Company's main risk factors. Additionally, the process of identification, analysis and monitoring of risks is realized by the Board of Directors, which has powers to make decision 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 fluctuates due to variations in interest rates. The market risk management is carried out in order to ensure that the Company is exposed only to risk levels considered acceptable in the context of its operations.

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** - The interest rate risk is the risk that the fair value or future cash flows of a certain financial instrument fluctuates due to variations in market interest rates.

  The Company uses the funds generated by operating activities to manage its operations and to ensure the renewal of its fleet and part of its growth. To complement its cash requirement for growth, the Company obtains loans and financing from the major Brazilian financial institutions and issues debt securities (debentures and promissory notes), which are mainly indexed to the variation of the CDI (interbank deposit rate). The inherent risk arises from the possibility of significant increases in the CDI rate.

As an interest rate risk management strategy, Management continuously monitors the CDI rate with the purpose of, if necessary, adjusting the rental rates to mitigate these fluctuations. Additionally, almost the entirety of the Company's cash and cash equivalents balance is also indexed to the CDI variation.

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

- At September 30, 2012, the Company's net debt was R$ 1,326,082, see (b) item (i) below.
- Market expectation, data provided by Focus Bulletin issued by the Brazilian Central Bank, for September 30, 2012, showed an estimated average effective CDI rate of 7.5%, a scenario considered as probable for the next 12 months, compared to an effective rate of 9.48% for the twelve-month period ended September 30, 2012.

	Consolidated (IFRS and BR GAAP)		
Description	**Probable Scenario (*)**	**Scenario I - 25% deterioration**	**Scenario II - 50% deterioration**
Net debt at 9/30/2012	**1,326,082**	**1,326,082**	**1,326,082**
Effective CDI rate for the twelve-month period ended 9/30/2012	9.48%	9.48%	9.48%
Estimated annual CDI rate, according to stress scenarios	7.50%	9.37%	11.25%
Effect on finance costs:			
- according to effective rate	(125,713)	(125,713)	(125,713)
- according to scenarios	(99,456)	(124,254)	(149,184)
(Increase)/decrease in current finance costs	**26,257**	**1,459**	**(23,471)**

(*) As required by IFRS 7, management understands that the 7.5% rate corresponds to the probable scenario for the next 12 months, according to Focus Bulletin of the Brazilian Central Bank.

- **Foreign exchange risk** - as mentioned in Note 12(f) to the Financial Statements for the year ended December 31, 2011 and Note 22(d), the Company does not have exchange risk exposure since it contracts swap transactions for loans denominated in foreign currency.

(ii) Credit risk

Credit risk is the risk of a counterparty not fulfilling its contractual obligations, leading the Company to incur financial losses. The Company's credit risk relates to trade receivables and cash and cash equivalents deposited in banks and other financial institutions.

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Loans and receivables:				
Cash and cash equivalents (Note 4)	391,393	597,741	429,440	711,002
Trade receivables (Note 5)	284,938	278,913	370,604	353,440
	676,331	**876,654**	**800,044**	**1,064,442**

- **Cash and cash equivalents** - the credit risk of balances with banks and other financial institutions is managed by the Company's finance department, according to policies established by the Board of Directors, aimed at minimizing the concentration of risks, and therefore, reducing any financial loss in the event of the bankruptcy of a counterparty.

  According to the limits established by the Board of Directors, financial investments exceeding 20% of the available funds can be made with financial institutions with equity higher than R$ 10 billion, and the maximum investment limit by bank is 40% of the total funds available for investment.

- **Trade receivables** - the management of the credit risk related to trade receivables is constantly monitored by the Company, which has established control policies.

  The Company reduces its credit risk as it operates to a significant extent with credit cards in car rental, mainly in operations with individuals. As at September 30, 2012, two of the largest credit card administrators represented 16.3% and 13.1%, individually, of the Company's trade receivables balance. The credit risk on operations with legal entities in car rental, as well as in fleet rental, is mitigated through a credit limit policy, based on the analysis of the financial position and past experience of these customers. The financial position of customers is continuously monitored, in order to evaluate and adjust, if necessary, the credit limit previously granted. The credit risk on sales of decommissioned cars is mitigated through the use of financing and/or leasing companies with recognized financial capacity and liquidity.

  Additionally, the management of credit risk includes the analysis of the recoverability of trade receivables, in which the need for an allowance for doubtful accounts is analyzed in order to adjust them to their probable realizable values. This analysis, made to attribute a certain risk rating to the customer based on internal criteria defined by management, takes into consideration the customer's current financial situation, past experience and the position of past-due receivables. Therefore, according to the customer's risk rating, receivables are adjusted to their probable realizable values by means of an allowance for doubtful accounts, which can be applied both to past-due notes and to notes not overdue, depending on the risk rating assigned to the customer. Further information on the allowance for doubtful accounts and past-due receivables can be found in Note 5 to the Financial Statements for the year ended December 31, 2011.

  The concentration of credit risk is limited because the Company has a broad customer base. All significant customers and transactions are located in Brazil.

iii) Liquidity risk

The liquidity risk is the risk of the Company not having sufficient funds to settle its obligations as they fall due. The management of the liquidity risk is carried out to ensure that the Company has the necessary funds to settle its financial liabilities at the maturity dates.

The management of the liquidity risk is carried out by the Finance Department and monitored by the Board of Directors. The liquidity risk management considers the funding requirements and the 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 through credit facilities, based on the continuous monitoring of the budgeted and actual cash flows and the combination of the maturity profiles of financial assets and liabilities.

Additionally, Management believes that the access to borrowings is relatively secure, considering that Localiza is rated as investment grade by the main rating agencies of the market, as follows:

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

The analysis of the maturities of undiscounted contractual cash flows of loans, financing and debentures, considering the interest rate contracted for each transaction and a 7.5% SELIC (Central Bank's base rate) as at September 30, 2012, is as follows:

	Individual (BR GAAP)						
	2012	2013	2014	2015	2016	2017	Total
Debt:							
In local currency (R$):							
Debentures - 2nd issue	-	77,008	72,064	-	-	-	149,072
Debentures - 4th issue	15,244	52,001	87,179	81,823	87,274	126,990	450,511
Debentures - 5th issue	21,656	41,632	41,632	41,295	280,887	260,239	687,341
NCC	7,751	49,727	66,659	81,942	20,782	-	226,861
Lease	868	2,593	1,016	175	-	-	4,652
In foreign currency (US$):							
Foreign currency loan	4,852	9,240	9,203	49,338	342,191	43,301	458,125
Total	**50,371**	**232,201**	**277,753**	**254,573**	**731,134**	**430,530**	**1,976,562**

	Consolidated (IFRS and BR GAAP)								
	2012	2013	2014	2015	2016	2017	2018	2019	Total
Debt:									
In local currency (R$):									
Debentures - 2nd issue	-	77,008	72,064	-	-	-	-	-	149,072
Debentures - 4th issue	15,244	52,001	87,179	81,823	87,274	126,990	-	-	450,511
Debentures - 5th issue	21,656	41,632	41,632	41,295	280,887	260,239	-	-	687,341
NCC	12,186	60,248	90,180	104,335	36,165	26,818	32,261	56,191	418,384
Swap - Total Fleet	688	1,611	1,611	-	-	-	-	-	3,910
Lease	11,399	56,137	26,287	175	-	-	-	-	93,998
In foreign currency (US$):									
Foreign currency loan	4,852	9,240	9,203	49,338	342,191	43,301	-	-	458,125
Total	**66,025**	**297,877**	**328,156**	**276,966**	**746,517**	**457,348**	**32,261**	**56,191**	**2,261,341**

(b) Capital management

The Company's business requires intensive long-term capital to finance the fleet, aimed at implementing its expansion strategy. The main objectives of capital management are to:

- ensure that the Company will continue as a going concern;
- maintain a strong credit rating; and
- maximize the return to shareholders.

The Company's management continuously monitors capital, adjusting its capital structure in view of economic conditions.

The Company is subject to external capital requirements, according to early maturity clauses related to its debenture issues, which establish the need to comply with certain financial ratios (see Note 12(a) to the Financial Statements for the year ended December 31, 2011).

(i) Indebtedness level

Capital monitoring is based on the Company's indebtedness level, which corresponds to net debt divided by equity. Net debt, in turn, is defined by the Company as short- and long-term debts less cash and cash equivalents. The Company's general capital management strategy has remained unaltered over the last two years.

The table below shows the Company's indebtedness levels:

	Consolidated (IFRS and BR GAAP)	
	9/30/2012	12/31/2011
Short- and long-term debts (Note 12)	1,755,522	2,074,425
Cash and cash equivalents (Note 4)	(429,440)	(711,002)
Net debt	**1,326,082**	**1,363,423**
Equity	1,256,204	1,120,583
Indebtedness level	**1.06**	**1.22**

(c) Fair value of financial instruments:

In transactions involving financial instruments, differences were identified between the carrying amounts and the fair values of loans, financing and debentures, as these instruments have extended payment terms and differentiated costs in relation to the rates practiced for similar contracts at the reporting dates.

The carrying amounts and fair values for loans, financing and debentures were calculated based on models that use observable data and future assumptions related to future interest rates, among other applicable variables. The rates used are obtained from financial institutions for transactions with similar conditions or based on market information, when available. Fair values are calculated by projecting the future flows of transactions based on the projection of the interest rate curves, discounted to present value using indicative data on prices and benchmark rates available in the market or based on premium payment conditions upon the early optional redemption established in the debenture deed of each issue. Estimated fair values are as follows:

	Individual (BR GAAP)				Consolidated (IFRS and BR GAAP)			
	Carrying amount		Fair value		Carrying amount		Fair value	
	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011	9/30/2012	12/31/2011
Financial liabilities - other financial liabilities:								
Loans, financing and debentures	1,540,535	1,633,841	1,525,559	1,634,257	1,755,522	2,074,425	1,737,171	2,074,841

Management understands that the carrying amounts of other financial instruments, such as cash and cash equivalents, trade receivables and trade payables, which are recognized in the individual and consolidated financial statements, do not differ significantly from their fair values, as the maturity dates of a substantial portion of the balances are close to the reporting date.

The Company does not have financial assets or liabilities carried at fair value and, therefore, does not present the classification of fair value by hierarchy level.

(d) Derivatives

Except for the swap transactions presented below, the Company does not have other derivative financial instruments.

(i) Exchange rate X CDI

At September 30, 2012, the Company had two swap transactions (plain vanilla) that were intended solely to hedge loans denominated in foreign currency, and both transactions were contracted with major financial institutions.

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

				Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)				
				9/30/2012				
				Rates		Notional amount		Amount (payable)/ receivable
Swap transaction	Contract date	Maturity	Counterparty	Assets	Liabilities	R$ 000	US$ 000	R$ 000
U.S. dollar x Reais	6/29/2010	5/25/2016	*Itaú BBA S.A.*	Dollar exchange variation + coupon of 6.44% p.a.	114.7% of the CDI variation	170,000	95,506	2,447
U.S. dollar x Reais	11/16/2011	8/16/2017	*Bank of America*	Dollar exchange variation + coupon of 1.60% p.a. + LIBOR 3M	102.5% of the CDI variation	123,000	75,000	28,590

The amounts payable/receivable are presented together with the balances of the respective loans (see Note 12).

(ii) CDI X Fixed rate

The fleet rental contract periods range from 24 to 36 months, and include a clause of annual adjustment for inflation. Considering that rental contracts are not adjusted by basic interest rates, Total Fleet contracted swap transactions exchanging the CDI variation for a fixed rate in order to hedge against the risk of loss of profitability of the rental agreements, thereby maintaining its competitiveness.

Accordingly, Total Fleet entered into a Swap contract (Cash Flow) with Banco Votorantim on June 15, 2012. This contract establishes an exchange of interest payment differentials between the counterparties every six months, on the following dates: December 17, 2012, June 7, 2013, December 16, 2013, June 16, 2014 and December 15, 2014 (the date on which the contract expires). The base value used was R$ 130,000, and the settlement value guaranteed by Votorantim is 109.7% of the CDI, whereas Total Fleet guarantees a settlement value of 9.6% p.a.

				Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)			
				9/30/2012			
				Rates		Notional amount	Amount (payable)/ receivable
Swap transaction	Contract date	Maturity	Counterparty	Assets	Liabilities and equity	R$ 000	R$ 000
CDI x Fixed rate	6/15/2012	12/15/2014	*Banco Votorantim*	9.6% p.a.	109.7% of the CDI variation	130,000	(1,272)

23. FINANCE LEASES

The information on finance leases (individual and consolidated) was not significantly changed compared to that disclosed in Note 23 to the Financial Statements for the year ended December 31, 2011. The variation presented in this account is due to the increase in 2012 of this type of financing.

24. RENTAL COMMITMENTS

The information on rental commitments (individual and consolidated) was not significantly changed compared to that disclosed in Note 24 to the Financial Statements for the year ended December 31, 2011.

25. PENSION PLAN

In August 2011, the Company began to sponsor a plan for the offering of additional pension benefits, through a supplementary pension plan managed by a major independent administrator.

The supplementary pension plan was established as the "defined contribution" type, and, therefore, there are no actuarial risks and investments to be assumed by the Company as sponsor. Consequently, no actuarial appraisals are necessary and there is no possibility of an actuarial gain or loss. Under the plan's regulations, the amounts are paid on an equitable basis with the Company's portion being equivalent to that of the employee, which varies according to a contribution scale based on salary bands of 1% or 5% of the employee's remuneration.

In July 2012, the Company signed an Addendum to the Contract of the Supplementary Pension Plan of the open Free Benefit Generating Plan (PGBL) type, in which additional contributions will be realized for the Statutory Directors working for more than 20 consecutive years in the Company and with only a few years remaining before retirement. These contributions aim at compensating for the years prior to the implementation of the pension plan and contributing to the continuity of the services provided by these Directors. The Company's objective is for these Directors to retire from the Company and mitigate the risk of competition.

26. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

This individual and consolidated interim financial information was approved and authorized for issue by the Board of Directors on October 25, 2012.

* * *

Comments on the behavior of business projections

1. FLEET RENEWAL EXPECTATION

a) Initial fleet renewal expectation

In the first quarter of 2012, the Company disclosed its expectation of renewing 67,000 cars that would be decommissioned to renew its fleet and offer quality, safety and comfort to its rental customers.

Up to September 30, 2012, the Company renewed 42,880 cars of its fleet, which represents 64% of the initial renewal expectation and 71% of the revised expectation.

b) Revision of the initial fleet renewal expectation

At the beginning of the current year, the car market presented an unsatisfactory performance, which led the Government to adopt measures to stimulate the sector, among which, the reduction of IPI for new cars by up to 7 p.p..

The market reacted positively to these stimuli and the inventories of car makers decreased significantly, which caused delays in the delivery of new cars, and, therefore the Car Rental Division decommissioned fewer cars to be renewed.

Consequently, Management revised the estimate of the total volume of sales of cars to be decommissioned from the fleet in 2012 to around 60 thousand cars (50 thousand of the Car Rental Division), assuming that the deliveries by the car makers will be normalized until the end of the present year.

The postponement of the renewal of 7 thousand cars to the beginning of 2013 does not affect the quality of the cars that will be rented and will not affect maintenance costs.

2. EXPECTATION OF OPENING OF NEW STORES

The Company closed 1Q12 with 67 points of sale of used cars for fleet renewal, with the addition of one store. Management expects to open 14 stores during the year with a view to supporting the Company's growth.

Up to September 30, 11 stores were opened, 79% of the expectation for the entire year. On the other hand, 4 smaller stores were closed.

(A free translation of the original in Portuguese)

Other information considered relevant by the Company

1. SOCIAL REPORT

The Company's Consolidated Social Report for the nine-month periods ended September 30, 2012 and 2011 is as follows:

	Consolidated	
1. Calculation basis for social indicators	**9/30/2012**	**9/30/2011**
Net revenue (NR)	2,371,223	2,145,418
Earnings before taxes (EBT)	207,439	304,314
Gross payroll (GP)	225,899	183,476

2. Internal Social Indicators	**9/30/2012**			**9/30/2011**		
	Amount	**% of GP**	**% of NR**	**Amount**	**% of GP**	**% of NR**
Meals	12,317	5%	1%	9,955	5%	1%
Pension plan	3,087	1%	0%	-	0%	0%
Compulsory social charges	48,927	22%	2%	40,039	23%	2%
Health care	9,320	4%	0%	6,077	3%	0%
Professional qualification and development	6,635	3%	0%	6,565	4%	0%
Day care center or child care allowance	269	0%	0%	184	0%	0%
Profit sharing	33,444	15%	1%	26,306	14%	1%
Other	11,247	5%	1%	7,266	4%	0%
Total - Internal social indicators	**125,246**	**55%**	**5%**	**96,392**	**53%**	**4%**

3. External Social Indicators	**9/30/2012**			**9/30/2011**		
	Amount	**% of EBT**	**% of NR**	**Amount**	**% of EBT**	**% of NR**
Education	296	0%	0%	305	0%	0%
Culture	1,176	1%	0%	1,216	1%	0%
Other	296	0%	0%	305	0%	0%
Total contributions to society	1,768	1%	0%	1,826	1%	0%
Taxes (excluding social charges)	134,724	65%	6%	173,977	57%	8%
Total - External social indicators	**136,492**	**66%**	**6%**	**175,803**	**58%**	**8%**

4. Personnel indicators	**9/30/2012**	**9/30/2011**
Headcount at the end of the period	5,642	4,957
Number of employees hired during the period	1,186	1,305
Number of outsourced employees	107	122
Number of interns	41	1
Number of employees above age 45	405	343
Number of women working in the company	2,604	2,270
% of supervisory positions held by women	46.01	48.11
Number of blacks working in the company	3,935	3,027
% of supervisory positions held by blacks	45.19	38.44
Number of people with disability or special needs	17	54

Other information considered relevant by the Company

	9/30/2012			Goals 2012		
5. Relevant information regarding corporate citizenship						
Highest/lowest compensation ratio			80.4(*)			80.38(*)
Total number of occupational accidents during the period			26			-
- 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) will not be considered	( ) will be suggested	( ) will be required
- As to the participation of employees in volunteer work programs, the Company	( ) is not involved	( ) supports	(x) organizes and encourages	( ) will not be involved	( ) supports	(x) will organize and encourage
- Total number of complaints and criticisms from consumers	In the company (**)	In Procon 163	In court 1,384	In the company (**)	In Procon NA	In court NA
- % of complaints and criticisms from customers handled or solved	In the company (**)	In Procon 47.24%	In court 51.95%	In the company (**)	In Procon NA	In court NA

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

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

Report on review of quarterly 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 September 30, 2012, comprising the balance sheet as at that date and the statements of income for the quarter and nine-month period then ended, and the statements of changes in equity and cash flows for the nine-month period 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 financial 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 financial 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 statements 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.

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 interim statements of value added for the nine-month period ended September 30, 2012. 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.

Prior-year information

The audit and the review of the financial statements for the year ended December 31, 2011 and the quarter and nine-month period ended September 30, 2011, respectively, presented for comparison purposes, were conducted by other independent accountants who issued both an independent auditor's report and review report thereon, dated March 7, 2012 and October 24, 2011, respectively, without qualifications.

Belo Horizonte, October 26, 2012

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

The CEO, COO, CFO and Investor Relations Officer and other Executive Directors 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 September 30, 2012.

Belo Horizonte, October 25, 2012

Salim Mattar - CEO
Eugênio Pacelli Mattar - COO
Roberto Antônio Mendes - CFO and Investor Relations Officer
Eugênia Maria Rafael de Oliveira - Statutory Director
Marco Antônio Martins Guimarães - Statutory Director
Bruno Moreira de Andrade - Statutory Director

(A free translation of the original in Portuguese)

Opinions and representations / officers' representation on the report on review of quarterly information

The CEO, COO, CFO and Investor Relations Officer and other Executive Directors 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 September 30, 2012.

Belo Horizonte, October 25, 2012

Salim Mattar - CEO
Eugênio Pacelli Mattar - COO
Roberto Antônio Mendes - CFO and Investor Relations Officer
Eugênia Maria Rafael de Oliveira - Statutory Director
Marco Antônio Martins Guimarães - Statutory Director
Bruno Moreira de Andrade - Statutory Director