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Localiza Rent a Car S.A.

Interim financial information (ITR) at September 30, 2013 and report on review of interim financial information

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

Report on review of quarterly information

Report on review of interim financial information

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

Introduction

We have reviewed the accompanying individual and consolidated interim accounting information of Localiza Rent a Car S.A., included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2013, 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 individual interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim 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 information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual interim information

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

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting 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

Statements of value added

We have also reviewed the individual and consolidated statements of value added for the nine-month period ended September 30, 2013. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the individual and consolidated interim accounting information taken as a whole.

Belo Horizonte, October 24, 2013

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

Guilherme Campos e Silva
Contador CRC 1SP218254/0-1 "S" MG

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Company information / Capital structure

Number of shares (In thousands)	Current quarter 9/30/2013
Paid-up capital	
Common shares	211,793
Preferred shares	0
Total	211,793
Treasury shares	
Common shares	3,806
Preferred shares	0
Total	3,806

Company information/cash dividends

Event	Approval	Description	Initial date of payment	Type of share	Class of share	Earnings per share (Reais/share)
Board of Directors' Meeting	3/8/2013	Interest on capital	5/3/2013	Common		0.07336
Board of Directors' Meeting	12/18/2012	Interest on capital	2/8/2013	Common		0.07983
Board of Directors' Meeting	6/20/2013	Interest on capital	8/14/2013	Common		0.07441
Annual General Meeting	4/29/2013	Dividend	6/18/2013	Common		0.02588
Board of Directors' Meeting	9/30/2013	Interest on capital	11/14/2013	Common		0.06996

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Individual financial information/ balance sheet - assets

(In thousands of Brazilian Reais)

Code	Description	Current quarter 9/30/2013	Prior year 12/31/2012
1	Total assets	3,848,487	3,672,501
1.01	Current assets	901,295	1,080,361
1.01.01	Cash and cash equivalents	535,647	713,017
1.01.03	Accounts receivable	305,303	291,414
1.01.03.01	Trade receivables	305,303	291,414
1.01.06	Recoverable taxes	12,862	12,429
1.01.06.01	Current recoverable taxes	12,862	12,429
1.01.07	Prepaid expenses	7,447	374
1.01.08	Other current assets	40,036	63,127
1.01.08.01	Non-current assets for sale	423	26
1.01.08.03	Other	39,613	63,101
1.01.08.03.01	Dividends receivable	0	39,716
1.01.08.03.02	Other	39,613	23,385
1.02	Non-current assets	2,947,192	2,592,140
1.02.01	Long-term assets	48,492	40,342
1.02.01.06	Deferred taxes	25,880	20,204
1.02.01.06.01	Deferred income tax and social contribution	25,880	20,204
1.02.01.08	Receivables from related parties	477	405
1.02.01.08.02	Receivables from subsidiaries	477	405
1.02.01.09	Other non-current assets	22,135	19,733
1.02.01.09.03	Escrow deposits	22,052	19,650
1.02.01.09.04	Other	83	83
1.02.02	Investments	867,976	703,099
1.02.02.01	Equity investments	867,976	703,099
1.02.02.01.02	Investments in subsidiaries	867,976	703,099
1.02.03	Property and equipment	1,991,776	1,814,392
1.02.03.01	Property and equipment in service	1,970,383	1,791,705
1.02.03.02	Property and equipment leased	8,060	6,825
1.02.03.03	Property and equipment in progress	13,333	15,862
1.02.04	Intangible assets	38,948	34,307
1.02.04.01	Intangible assets	38,948	34,307
1.02.04.01.02	Software	38,948	34,307

(A free translation of the original in Portuguese)

Individual financial information / balance sheet - liabilities and equity

(In thousands of Brazilian Reais)

Code	Description	Current quarter 9/30/2013	Prior year 12/31/2012
2	Total liabilities and equity	3,848,487	3,672,501
2.01	Current liabilities	626,358	579,051
2.01.01	Social and labor obligations	52,183	38,112
2.01.01.01	Social obligations	6,567	5,776
2.01.01.02	Labor obligations	45,616	32,336
2.01.02	Trade payables	288,315	304,601
2.01.02.01	Domestic trade payables	288,315	304,601
2.01.03	Tax obligations	26,131	14,049
2.01.03.01	Federal tax obligations	24,288	12,367
2.01.03.01.01	Income tax and social contribution payable	18,039	8,399
2.01.03.01.02	Other federal taxes	6,249	3,968
2.01.03.03	Municipal tax obligations	1,843	1,682
2.01.04	Loans and financing	216,122	141,238
2.01.04.01	Loans and financing	44,856	37,253
2.01.04.01.01	In local currency	43,573	36,234
2.01.04.01.02	In foreign currency	1,283	1,019
2.01.04.02	Debentures	169,376	101,305
2.01.04.03	Finance leases	1,890	2,680
2.01.05	Other obligations	43,607	81,051
2.01.05.01	Payables to related parties	8,214	8,938
2.01.05.01.02	Payables to subsidiaries	8,214	8,938
2.01.05.02	Other	35,393	72,113
2.01.05.02.01	Dividends and interest on capital payable	12,398	18,659
2.01.05.02.04	Other current liabilities	22,995	53,454
2.02	Non-current liabilities	1,668,000	1,768,697
2.02.01	Loans and financing	1,555,511	1,681,336
2.02.01.01	Loans and financing	497,648	495,178
2.02.01.01.01	In local currency	135,774	147,816
2.02.01.01.02	In foreign currency	361,874	347,362
2.02.01.02	Debentures	1,056,001	1,184,985
2.02.01.03	Finance leases	1,862	1,173
2.02.02	Other obligations	14,367	13,947
2.02.02.02	Other	14,367	13,947
2.02.02.02.03	Other non-current liabilities	14,367	13,947
2.02.03	Deferred taxes	63,070	46,826
2.02.03.01	Deferred income tax and social contribution	63,070	46,826
2.02.04	Provisions	34,966	26,487
2.02.04.01	Tax, social security, labor and civil provisions	34,966	26,487
2.02.04.01.01	Tax provisions	2,163	2,163
2.02.04.01.02	Social security and labor provisions	24,821	19,317
2.02.04.01.04	Civil provisions	7,982	5,007
2.02.06	Deferred revenues	86	101
2.02.06.02	Deferred revenues	86	101
2.03	Equity	1,554,129	1,324,753
2.03.01	Share capital	976,708	601,708
2.03.02	Capital reserves	27,681	48,067
2.03.02.01	Share premium	76,817	66,375
2.03.02.04	Options granted	14,241	14,294
2.03.02.05	Treasury shares	-63,377	-32,602
2.03.04	Revenue reserves	299,978	674,978
2.03.04.01	Legal reserve	40,293	40,293
2.03.04.02	Statutory reserve	96,484	471,484
2.03.04.10	Retention of profits	163,201	163,201
2.03.05	Retained earnings	249,762	0

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Individual financial information / statement of income

(In thousands of Brazilian Reais, unless otherwise indicated)

1 - Code	2 - Description	Current quarter 7/1/2013 to 9/30/2013	Accumulated - current period 1/1/2013 to 9/30/2013	Same quarter of prior year 7/1/2012 to 9/30/2012	Accumulated - prior period 1/1/2012 to 9/30/2012
3.01	Revenue from sale of goods and/or services	699,099	1,855,123	578,635	1,707,861
3.02	Cost of goods and/or services sold	-530,483	-1,382,835	-444,586	-1,372,009
3.03	Gross profit	168,616	472,288	134,049	335,852
3.04	Operating income/expenses	-21,218	-61,852	-32,540	-101,396
3.04.01	Sales expenses	-58,511	-165,982	-51,640	-151,178
3.04.02	General and administrative expenses	-20,405	-63,433	-23,792	-70,409
3.04.04	Other operating income	0	0	2,417	2,566
3.04.05	Other operating expenses	-226	-355	0	0
3.04.06	Equity in results of investees	57,924	167,918	40,475	117,625
3.05	Result from operations before financial result and taxes	147,398	410,436	101,509	234,456
3.06	Financial result	-29,285	-72,074	-21,331	-80,860
3.06.01	Financial income	12,817	38,380	12,537	37,759
3.06.02	Financial costs	-42,102	-110,454	-33,868	-118,619
3.07	Profit before taxes on income	118,113	338,362	80,178	153,596
3.08	Income tax and social contribution	-16,021	-44,013	-8,732	1,269
3.08.01	Current	-18,871	-33,445	-6,689	-22,487
3.08.02	Deferred	2,850	-10,568	-2,043	23,756
3.09	Net income from continuing operations	102,092	294,349	71,446	154,865
3.11	Net income for the period	102,092	294,349	71,446	154,865
3.99	Earnings per share - (Reais /share)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares	0.49110	1.45810	0.36011	0.78184
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares	0.48979	1.45281	0.35836	0.77798

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Individual financial statements / statement of comprehensive income

Justification for not completing the form:

The Company is not presenting a statement of comprehensive income because it did not have any comprehensive income in the current and prior periods.

Individual financial information / statement of cash flows - indirect method

(In thousands of Brazilian Reais)

Code	Description	Accumulated - current period 1/1/2013 to 9/30/2013	Accumulated - prior period 1/1/2012 to 9/30/2012
6.01	Net cash provided by operating activities	-25,643	93,188
6.01.01	Cash flows provided by operating activities	1,167,702	1,074,230
6.01.01.01	Net income for the period	294,349	154,865
6.01.01.02	Depreciation and amortization	83,190	207,929
6.01.01.03	Residual value of property and equipment disposals	927,167	844,027
6.01.01.04	Deferred income tax and social contribution	10,568	-23,756
6.01.01.05	Equity in results of investees	-167,918	-117,625
6.01.01.06	Other	20,346	8,790
6.01.02	Variation in assets and liabilities	-1,098,521	-862,131
6.01.02.01	Accounts receivable	-16,008	-5,660
6.01.02.02	Acquisition of cars, net of changes in balances with car makers	-1,203,651	-1,029,627
6.01.02.03	Escrow deposits	-2,402	2,002
6.01.02.04	Recoverable taxes	-7,411	-7,228
6.01.02.05	Other assets	-8,992	44,638
6.01.02.06	Trade payables - other	3,932	-14,209
6.01.02.07	Social and labor obligations	14,071	628
6.01.02.08	Taxes payable	50,248	20,060
6.01.02.09	Interest on loans and financing, debentures and other payables	105,648	117,759
6.01.02.10	Insurance premiums	-14,311	11,367
6.01.02.11	Other liabilities	-19,645	-1,861
6.01.03	Other	-94,824	-118,911
6.01.03.01	Income tax and social contribution paid	-33,604	-27,713
6.01.03.02	Interest on loans, financing and debentures paid	-61,220	-91,198
6.02	Net cash provided by (used in) investing activities	19,662	-109,447
6.02.01	Purchases of other property and equipment	-15,051	-46,987
6.02.02	Purchase of intangible assets	-8,810	-15,911
6.02.03	Capital increase in subsidiary	0	-116,374
6.02.04	Dividends from subsidiaries	59,090	69,825
6.02.05	Other	-4,710	0
6.02.06	Goodwill on the acquisition of investment	-7,846	0
6.02.07	Appreciation of assets	-3,011	0
6.03	Net cash provided by (used in) financing activities	-171,389	-190,089
6.03.01	Loans and financing - proceeds	2,253	3,038
6.03.02	Loans and financing - repayments	-97,622	-122,905
6.03.05	Dividends	-5,143	-26,302
6.03.06	Interest on capital	-45,887	-43,920
6.03.09	Treasury shares	-36,782	0
6.03.10	Other	11,792	0
6.05	Decrease in cash and cash equivalents	-177,370	-206,348
6.05.01	Cash and cash equivalents at the beginning of the period	713,017	597,741
6.05.02	Cash and cash equivalents at the end of the period	535,647	391,393

Individual financial information / information of changes in equity - 1/1/2013 to 9/30/2013

(In thousands of Brazilian Reais)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings	Other comprehensive income	Equity
5.01	Opening balances	601,708	48,067	674,978	0	0	1,324,753
5.03	Adjusted opening balances	601,708	48,067	674,978	0	0	1,324,753
5.04	Capital transactions with shareholders	375,000	-20,386	-375,000	-44,587	0	-64,973
5.04.01	Capital increase	375,000	0	-375,000	0	0	0
5.04.03	Options granted recognized	0	4,604	0	0	0	4,604
5.04.04	Treasury shares acquired	0	-36,782	0	0	0	-36,782
5.04.05	Treasury shares sold	0	11,792	0	0	0	11,792
5.04.07	Interest on capital	0	0	0	-44,587	0	-44,587
5.05	Total comprehensive income	0	0	0	294,349	0	294,349
5.05.01	Net income for the period	0	0	0	294,349	0	0
5.07	Closing balances	976,708	27,681	299,978	249,762	0	1,554,129

Individual financial individual / information 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	Revenue reserves	Retained earnings	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 for the period	0	0	0	154,865	0	154,865
5.07	Closing balances	601,708	44,711	499,730	110,055	0	1,256,204

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Individual financial information / information of value added

(In thousands of Brazilian Reais)

Code	Description	Accumulated - current period 1/1/2013 to 9/30/2013	Accumulated - prior period 1/1/2012 to 9/30/2012
7.01	Revenue	1,890,326	1,780,859
7.01.01	Sales of goods and services	1,879,069	1,728,099
7.01.02	Other revenues	3,019	3,019
7.01.03	Revenues related to the construction of own assets	10,357	49,376
7.01.04	Constitution/Reversal of allowance for doubtful accounts	-2,119	365
7.02	Inputs acquired from third parties	-1,178,989	-1,129,308
7.02.01	Cost of products, goods and services sold	-1,098,031	-1,034,775
7.02.02	Materials, energy, third-party services and other	-80,958	-94,533
7.03	Gross value added	711,337	651,551
7.04	Retentions	-83,190	-207,929
7.04.01	Depreciation, amortization and depletion	-83,190	-207,929
7.05	Net value added	628,147	443,622
7.06	Value added received through transfer	206,298	155,384
7.06.01	Equity in results of investees	167,918	117,625
7.06.02	Financial income	38,380	37,759
7.07	Total net value added for distribution	834,445	599,006
7.08	Distribution of value added	834,445	599,006
7.08.01	Personnel	204,854	172,918
7.08.01.01	Salaries and wages	159,206	132,090
7.08.01.02	Benefits	30,612	26,915
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	10,432	8,468
7.08.01.04	Other	4,604	5,445
7.08.02	Taxes, charges and contributions	139,446	77,650
7.08.02.01	Federal	103,751	46,711
7.08.02.02	State	28,777	25,638
7.08.02.03	Municipal	6,918	5,301
7.08.03	Remuneration of third parties' capital	195,796	193,573
7.08.03.01	Interest	110,454	118,619
7.08.03.02	Rentals	85,342	74,954
7.08.04	Remuneration of own capital	294,349	154,865
7.08.04.01	Interest on capital	44,587	44,810
7.08.04.03	Retained earnings	249,762	110,055

(A free translation of the original in Portuguese)

Consolidated financial information / balance sheet - assets

(In thousands of Brazilian Reais)

Code	Description	Current quarter 9/30/2013	Prior year 12/31/2012
1	Total assets	4,276,783	4,045,908
1.01	Current assets	1,248,920	1,248,334
1.01.01	Cash and cash equivalents	791,008	823,866
1.01.03	Accounts receivable	374,719	361,157
1.01.03.01	Trade receivables	374,719	361,157
1.01.06	Recoverable taxes	15,628	14,645
1.01.06.01	Current recoverable taxes	15,628	14,645
1.01.07	Prepaid expenses	10,810	374
1.01.08	Other current assets	56,755	48,292
1.01.08.01	Non-current assets for sale	17,677	13,277
1.01.08.03	Other	39,078	35,015
1.02	Non-current assets	3,027,863	2,797,574
1.02.01	Long-term assets	63,843	51,616
1.02.01.03	Accounts receivable	8,136	3,981
1.02.01.03.01	Trade receivables	8,136	3,981
1.02.01.06	Deferred taxes	29,103	24,510
1.02.01.06.01	Deferred income tax and social contribution	29,103	24,510
1.02.01.09	Other non-current assets	26,604	23,125
1.02.01.09.03	Escrow deposits	26,521	23,042
1.02.01.09.04	Other	83	83
1.02.03	Property and equipment	2,909,830	2,705,229
1.02.03.01	Property and equipment in service	2,699,986	2,565,471
1.02.03.02	Property and equipment leased	189,529	117,457
1.02.03.03	Property and equipment in progress	20,315	22,301
1.02.04	Intangible assets	54,190	40,729
1.02.04.01	Intangible assets	54,190	40,729
1.02.04.01.02	Goodwill on acquisition of investments	12,354	4,508
1.02.04.01.03	Software	41,836	36,221

(A free translation of the original in Portuguese)

Consolidated financial information / balance sheet - liabilities and equity

(In thousands of Brazilian Reais)

Code	Description	Current quarter 9/30/2013	Prior year 12/31/2012
2	Total liabilities and equity	4,276,783	4,045,908
2.01	Current liabilities	822,933	734,168
2.01.01	Social and labor obligations	69,703	53,188
2.01.01.01	Social obligations	8,969	7,926
2.01.01.02	Labor obligations	60,734	45,262
2.01.02	Trade payables	355,257	356,152
2.01.02.01	Domestic trade payables	355,257	356,152
2.01.03	Tax obligations	49,446	35,370
2.01.03.01	Federal tax obligations	46,751	33,013
2.01.03.01.01	Income tax and social contribution payable	37,520	26,035
2.01.03.01.02	Other federal taxes	9,231	6,978
2.01.03.03	Municipal tax obligations	2,695	2,357
2.01.04	Loans and financing	305,340	210,059
2.01.04.01	Loans and financing	43,465	40,185
2.01.04.01.01	In local currency	42,182	39,166
2.01.04.01.02	In foreign currency	1,283	1,019
2.01.04.02	Debentures	169,376	101,305
2.01.04.03	Finance leases	92,499	68,569
2.01.05	Other obligations	43,187	79,399
2.01.05.02	Other	43,187	79,399
2.01.05.02.01	Dividends and interest on capital payable	12,398	18,659
2.01.05.02.04	Other current liabilities	30,789	60,740
2.02	Non-current liabilities	1,899,721	1,986,987
2.02.01	Loans and financing	1,708,579	1,845,032
2.02.01.01	Loans and financing	624,689	621,909
2.02.01.01.01	In local currency	262,815	274,547
2.02.01.01.02	In foreign currency	361,874	347,362
2.02.01.02	Debentures	1,056,001	1,184,985
2.02.01.03	Finance leases	27,889	38,138
2.02.02	Other obligations	19,021	18,050
2.02.02.02	Other	19,021	18,050
2.02.02.02.03	Other non-current liabilities	19,021	18,050
2.02.03	Deferred taxes	108,661	76,807
2.02.03.01	Deferred income tax and social contribution	108,661	76,807
2.02.04	Provisions	46,718	35,167
2.02.04.01	Tax, social security, labor and civil provisions	46,718	35,167
2.02.04.01.01	Tax provisions	5,724	3,912
2.02.04.01.02	Social security and labor provisions	30,529	23,622
2.02.04.01.04	Civil provisions	10,465	7,633
2.02.06	Deferred revenues	16,742	11,931
2.02.06.02	Deferred revenues	16,742	11,931
2.03	Equity	1,554,129	1,324,753
2.03.01	Share capital	976,708	601,708
2.03.02	Capital reserves	27,681	48,067
2.03.02.01	Share premium	76,817	66,375
2.03.02.04	Options granted	14,241	14,294
2.03.02.05	Treasury shares	-63,377	-32,602
2.03.04	Revenue reserves	299,978	674,978
2.03.04.01	Legal reserve	40,293	40,293
2.03.04.02	Statutory reserve	96,484	471,484
2.03.04.11	Retention of profits	163,201	163,201
2.03.05	Retained earnings	249,762	0

(A free translation of the original in Portuguese)

Consolidated financial information / statement of income

(In thousands of Brazilian Reais, unless otherwise indicated)

1 - Code	2 - Description	Current quarter 7/1/2013 to 9/30/2013	Accumulated - current period 1/1/2013 to 9/30/2013	Same quarter of prior year 7/1/2012 to 9/30/2012	Accumulated - prior period 1/1/2012 to 9/30/2012
3.01	Revenue from sale of goods and/or services	935,939	2,542,369	807,001	2,371,223
3.02	Cost of goods and/or services sold	-660,321	-1,765,945	-587,139	-1,784,760
3.03	Gross profit	275,618	776,424	219,862	586,463
3.04	Operating income (expenses)	-101,305	-289,159	-91,049	-270,890
3.04.01	Sales expenses	-75,398	-210,391	-67,072	-194,921
3.04.02	General and administrative expenses	-25,672	-78,322	-26,727	-78,699
3.04.04	Other operating income	0	0	2,750	2,730
3.04.05	Other operating expenses	-235	-446	0	0
3.05	Results from operations before finance result and taxes	174,313	487,265	128,813	315,573
3.06	Financial result	-28,089	-72,197	-30,456	-108,134
3.06.01	Financial income	17,703	49,421	14,843	47,249
3.06.02	Financial expenses	-45,792	-121,618	-45,299	-155,383
3.07	Net income before taxes on income	146,224	415,068	98,357	207,439
3.08	Income tax and social contribution	-44,132	-120,719	-26,911	-52,574
3.08.01	Current	-38,882	-93,458	-27,040	-81,804
3.08.02	Deferred	-5,250	-27,261	129	29,230
3.09	Net income from continuing operations	102,092	294,349	71,446	154,865
3.11	Net income for the period	102,092	294,349	71,446	154,865
3.11.01	Attributable to the Company's owners	102,092	294,349	71,446	154,865
3.99	Earnings per share - (Reais / share)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares	0.49110	1.45810	0.36011	0.78184
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares	0.48979	1.45281	0.35836	0.77798

Individual financial information / information of comprehensive income

Justification for not completing the form:

The Company is not presenting a statement of comprehensive income because it did not have any comprehensive income in the current and prior periods.

(A free translation of the original in Portuguese)

Consolidated financial information / information of cash flows - indirect method

(In thousands of Brazilian Reais)

1 - Code	2 - Description	Accumulated - current period 1/1/2013 to 9/30/2013	Accumulated - prior period 1/1/2012 to 9/30/2012
6.01	Net cash provided by operating activities	147,803	194,627
6.01.01	Cash flows provided by operating activities	1,631,597	1,508,037
6.01.01.01	Net income	294,349	154,865
6.01.01.02	Depreciation and amortization	193,227	333,778
6.01.01.03	Residual value of property and equipment disposals	1,091,664	1,038,324
6.01.01.04	Deferred income tax and social contribution	27,261	-29,230
6.01.01.05	Other	25,096	10,300
6.01.02	Variation in assets and liabilities	-1,319,461	-1,103,640
6.01.02.01	Trade receivables	-21,174	-16,914
6.01.02.02	Acquisition of cars, net of changes in balances with car makers	-1,486,277	-1,330,458
6.01.02.03	Escrow deposits	-3,479	1,334
6.01.02.04	Recoverable taxes	-19,651	-9,860
6.01.02.05	Other assets	897	10,678
6.01.02.06	Trade payables - other	9,941	-12,311
6.01.02.07	Social and labor obligations	16,490	5,159
6.01.02.08	Taxes payable	93,462	80,114
6.01.02.09	Interest on loans, financing and debentures and other payables	115,211	154,952
6.01.02.10	Insurance premiums	-14,311	11,367
6.01.02.11	Other liabilities	-10,570	2,299
6.01.03	Other	-164,333	-209,770
6.01.03.01	Income tax and social contribution paid	-73,249	-77,653
6.01.03.02	Interest paid	-91,084	-132,117
6.02	Net cash used in investing activities	-39,342	-64,229
6.02.01	Purchases of other property and equipment	-16,692	-47,336
6.02.02	Purchases of intangible assets	-10,110	-16,901
6.02.03	Other	16	8
6.02.04	Acquisition of investment	-4,710	0
6.02.05	Goodwill on the acquisition of investment	-7,846	0
6.03	Net cash used in financing activities	-141,319	-411,960
6.03.01	Loans and financing - proceeds	81,843	94,662
6.03.02	Loans and financing - repayments	-147,142	-436,400
6.03.05	Dividends	-5,143	-26,302
6.03.06	Interest on capital	-45,887	-43,920
6.03.08	Treasury shares	-36,782	0
6.03.09	Other	11,792	0
6.05	Increase (decrease) in cash and cash equivalents	-32,858	-281,562
6.05.01	Cash and cash equivalents at the beginning of the period	823,866	711,002
6.05.02	Cash and cash equivalents at the end of the period	791,008	429,440

Consolidated financial information / information of changes in equity - 1/1/2013 to 9/30/2013

(In thousands of Brazilian Reais)

Code	Description	Paid-up share capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings	Other comprehensive income	Equity	Non-controlling interests	Consolidated equity
5.01	Opening balances	601,708	48,067	674,978	0	0	1,324,753	0	1,324,753
5.03	Adjusted opening balances	601,708	48,067	674,978	0	0	1,324,753	0	1,324,753
5.04	Capital transactions with shareholders	375,000	-20,386	-375,000	-44,587	0	-64,973	0	-64,973
5.04.01	Capital increase	375,000	0	-375,000	0	0	0	0	0
5.04.03	Options granted	0	4,604	0	0	0	4,604	0	4,604
5.04.04	Treasury shares	0	-36,782	0	0	0	-36,782	0	-36,782
5.04.05	Treasury shares sold	0	11,792	0	0	0	11,792	0	11,792
5.04.07	Interest on capital	0	0	0	-44,587	0	-44,587	0	-44,587
5.05	Total comprehensive income	0	0	0	294,349	0	294,349	0	294,349
5.05.01	Net income for the period	0	0	0	294,349	0	294,349	0	294,349
5.07	Closing balances	976,708	27,681	299,978	249,762	0	1,554,129	0	1,554,129

Consolidated financial information / information 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	Revenue reserves	Retained earnings	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 for the period	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

(A free translation of the original in Portuguese)

Consolidated financial information / information of value added

(In thousands of Brazilian Reais)

Code	Description	Accumulated - current period 1/1/2013 to 9/30/2013	Accumulated - prior period 1/1/2012 to 9/30/2012
7.01	Revenue	2,597,125	2,465,115
7.01.01	Sales of goods and services	2,570,863	2,389,873
7.01.02	Other revenues	19,660	25,234
7.01.03	Revenues related to the construction of own assets	10,357	49,761
7.01.04	Constitution/Reversal of allowance for doubtful accounts	-3,755	247
7.02	Inputs acquired from third parties	-1,424,009	-1,387,265
7.02.01	Cost of products, goods and services sold	-1,331,525	-1,288,613
7.02.02	Materials, energy, third-party services and other	-92,484	-98,652
7.03	Gross value added	1,173,116	1,077,850
7.04	Retentions	-193,227	-333,778
7.04.01	Depreciation, amortization and depletion	-193,227	-333,778
7.05	Net value added	979,889	744,072
7.06	Value added received through transfer	49,421	47,249
7.06.02	Financial income	49,421	47,249
7.07	Total value added to be distributed	1,029,310	791,321
7.08	Distribution of value added	1,029,310	791,321
7.08.01	Personnel	265,945	231,093
7.08.01.01	Salaries and wages	209,374	179,247
7.08.01.02	Benefits	38,168	34,901
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	13,799	11,508
7.08.01.04	Other	4,604	5,437
7.08.02	Taxes, charges and contributions	261,077	174,533
7.08.02.01	Federal	210,051	128,408
7.08.02.02	State	41,510	38,107
7.08.02.03	Municipal	9,516	8,018
7.08.03	Remuneration of third parties' capital	207,939	230,830
7.08.03.01	Interest	121,618	155,383
7.08.03.02	Rentals	86,321	75,447
7.08.04	Remuneration of own capital	294,349	154,865
7.08.04.01	Interest on capital	44,587	44,810
7.08.04.03	Retained earnings	249,762	110,055

Comments on company performance

In R$ million

1 - Car Rental (CR)	3Q12	3Q13	Var. %	9M12	9M13	Var. %
Net revenue	595.7	717.0	**20.4%**	1,755.5	1,905.3	**8.5%**
Costs	(441.2)	(526.6)	**19.4%**	(1,360.2)	(1,370.6)	**0.8%**
Operating expenses (SG&A):						
Selling	(57.9)	(66.5)	**14.9%**	(168.8)	(184.7)	**9.4%**
General, administrative and other expenses	(18.9)	(21.1)	**11.6%**	(60.2)	(65.0)	**8.0%**
Earnings Before Interest and Taxes (EBIT)	**77.7**	**102.8**	**32.3%**	**166.3**	**285,0**	**71.4%**

2 - Fleet Outsourcing (FO)	3Q12	3Q13	Var. %	9M12	9M13	Var. %
Net revenue	206.8	214.0	**3.5%**	603.0	622.6	**3.3%**
Costs	(143.0)	(130.2)	**-9.0%**	(415.4)	(384.8)	**-7.4%**
Operating expenses (SG&A):						
Selling	(9.6)	(9.5)	**-1.0%**	(27.5)	(27.6)	**0.4%**
General, administrative and other expenses	(5.6)	(5.6)	**0.0%**	(17.0)	(15.9)	**-6.5%**
Earnings Before Interest and Taxes (EBIT)	**48.6**	**68.7**	**41.4%**	**143.1**	**194.3**	**35.8%**

3 - Franchising (FR)	3Q12	3Q13	Var. %	9M12	9M13	Var. %
Net revenue	4.5	4.9	**8.9%**	12.7	14.4	**13.4%**
Costs	(2.0)	(2.1)	**5.0%**	(6.4)	(6.3)	**-1.6%**
Operating expenses (SG&A):						
Selling	-	-	**-**	(0.1)	(0.1)	**-**
General, administrative and other expenses	-	-	**-**	-	-	**-**
Earnings Before Interest and Taxes (EBIT)	**2.5**	**2.8**	**12.0%**	**6.2**	**8.0**	**29.0%**

4 - Consolidated	3Q12	3Q13	Var. %	9M12	9M13	Var. %
Net revenue	807.0	935.9	**16.0%**	2,371.2	2,542.4	**7.2%**
Costs (*)	(587.1)	(660.3)	**12.5%**	(1,784.7)	(1,765.9)	**-1.1%**
Operating expenses (SG&A) (*):						
Selling	(67.0)	(75.3)	**12.4%**	(195.0)	(210.4)	**7.9%**
General, administrative and other expenses	(24.1)	(26,0)	**7.9%**	(75.9)	(78.8)	**3.8%**
EBIT (CR + FO + FR)	**128.8**	**174.3**	**35.3%**	**315.6**	**487.3**	**54.4%**
Financial expenses, net	(30.4)	(28.1)	**-7.6%**	(108.2)	(72.2)	**-33.3%**
Operating profit	**98.4**	**146.2**	**48.6%**	**207.4**	**415.1**	**100.1%**
Income tax and social contribution	(27.0)	(44.1)	**63.3%**	(52.6)	(120.7)	**129.5%**
Net income for the period	**71.4**	**102.1**	**43.0%**	**154.8**	**294.4**	**90.2%**
% of net revenue	8.8%	10.9%		6.5%	11.6%	

(*) The consolidated balance includes reclassifications of R$4.2 million between the captions of costs and operating expenses in 9M13 and R$1.4 million in 3Q13.

Comments on company performance

Net revenue

The Company's consolidated net revenues in the 9M13 increased 7.2% when compared to the same period of 2012, basically due to:

- 8.5% increase in the net revenue from car rentals (includes revenue from the sale of cars for fleet renew), reflecting the 6.2% in revenues growth of from car rentals due to: (i) the 3.3% rental volumes and 3.1% in the average daily rate when compared to with 9M12, and (ii) 10.5% in revenues from sales of decommissioned cars due to the 7.8% increase in volumes and 3.3% in the average price of cars sold.

- Increase of 3.3% in the net revenue from fleet outsourcing (includes revenue from the sale of cars for fleet renew), due to: (i) an8.8% increase in revenues from the outsourcing of fleets mainly due to the increase of 3.3% in rental volume and 4.4% in the average rental rate, and (ii) extraordinary revenue of R$2.4 million recorded in May 2013, related to the indemnification for the anticipated devolution of 185 cars, and partially offset by the decrease in sales revenues of the decommissioned cars for fleet renewal of this division, which decreased 7.6% due to a reduction of 12.3% in the volume of cars sold partially offset by the increase of 6.9% in the average price of the cars sold.

- Revenues from franchising increased 13.4% or R$1.7 million.

The Company's consolidated net revenue in 3Q13 increased 16%, basically due to:

- Increase of 20.4% in the net revenue from car rentals (includes revenue from the sale of cars for fleet renewal), reflecting the growth of 6.8% in revenues from car rentals. Which was basically due to the increase of 2.4% in the volume of daily car rentals and 4.9% in the average daily rate when compared to the 3Q12. Sales revenue from decommissioned cars for fleet renewal of this division increased 31.7% because of the increase of the 25.1% in volume and 6.9% in the average price of the cars sold.

- Increase of 3.5% in the fleet outsourcing net revenue (includes revenue from the sale of cars for fleet renewal), because of the revenue increase from fleet outsourcing due to: (i) growth of 1.4% in the daily rental volume and increase of 3.9% in the average rental rate when compared to the 3Q12. Revenues from decommissioned cars sales for fleet renewal of this division remained unchanged.

- Revenues from franchising increased 8.9% or R$0.4 million.

Comments on company performance

Costs

The consolidated cost decreased 1.1% in 9M13. The 46.2% decrease of cars depreciation due to the recognition of R$124.5 million of additional depreciation in 9M12, to reflect the expected reduction in the estimated residual value of the cars was offset by the increase of: (i) 5.5% in the cost of cars sold due to the increase in the cars sales volume of 4.1% as compared with the 9M12, (ii) 19.4% in the costs of salaries, payroll charges and profit sharing due to the Collective Labor Agreement, salary advances and role review of jobs at the end of 2012, and (iii) 10.8% in costs of rental of properties, which were impacted by the inflation and the market.

In the 3Q13, costs increased by 12.5% due to: (i) 26.4% in the cost of cars sold due to 19.5% volume increase compared with to the 3Q12, (ii) 16.9% in the costs of salaries, payroll charges and profit sharing due to the Collective Labor Agreement, salary advances and review of jobs at the end of 2012, and (iii) 16.9% in properties rental costs, which were impacted by the inflation and the market. This increase was partially offset by the decrease of 36.5% in car depreciation due to additional depreciation recognition of R$24.5 million in 3Q12 to reflect the expected reduction in the estimated residual value of the cars.

Operating expenses

The consolidated operating expenses increased 6.8% in 9M13. This increase was mainly caused by the growth in property rental expenses, salaries and commissions, which was partially offset by the decrease in advertising expenditures. As a percentage of net revenues, operating expenses remained stable at approximately 11% in 9M12 and 9M13.

Financial expenses, net

Net financial expenses decreased 33.3% in 9M13 and 7.6% in 3Q13. Changes mainly relate to an accumulated effect of R$12.0 million in 9M13 of the mark-to-market of swap contracts, which exchanged rates based on the variation of the Interbank Deposit Certificate (CDI) rate for fixed rates, and the reduction of 10.7% in the average net debt in the 9M13.

Income tax and social contribution

The income tax and social contribution expenses increased 129.5% in 9M13 and 63,3%, or R$ 17.1 million, in 3Q13, because of the higher profit in the period. The effective income tax and social contribution rate increased 2.8% in 3Q13 and 3.7% in 9M13 when compared to with the same prior periods, due to the greater impact of interest on capital in relation to profit before taxes, (see further details in Note 15b).

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

Notes to the interim financial information
for the period ended September 30, 2013
(All amounts in thousands of Brazilian Reais, unless otherwise stated)

1. OPERATION

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

The main activities of Localiza and its subsidiaries ("Company") comprise car rentals, fleet outsourcing and franchising. As part of its fleet renewal program, Localiza and its subsidiary Total Fleet S.A. ("Total Fleet") sell their decommissioned cars for the renewal of the rental fleet.

On September 30, 2013, Localiza System, which includes franchisees in Brazil and abroad, comprised 539 car rental branches, being: i) 477 branches in 338 cities in Brazil, 286 of which were directly operated by Localiza and the remaining ones by franchisees, and ii) 62 branches in 36 cities in 8 South American countries, all operated by franchisees.

The fleet of the Localiza System comprised 117,200 cars, on September 30, 2013, being: i) 103,215 owned by the Company, including 32,809 of the Fleet Outsourcing Division; ii) 11,007 owned by franchisees in Brazil and iii) 2,978 owned by franchisees abroad. After being used in rental activities, cars are sold in order to generate cash for the fleet renewal. Substantial portion of decommissioned cars are sold to final consumers through 74 sales points, located in 44 cities throughout Brazil, thereby avoiding intermediation costs.

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

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

The Company's interim financial information includes:

- The individual interim financial information prepared and presented in accordance with the Accounting Standard CPC 21 (R1) - 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 (R1) - Interim Financial Reporting and the International Accounting Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, and consistent with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of Interim Financial Information (ITR), identified as "Consolidated - IFRS and BR GAAP".

The accounting practices adopted in Brazil include those established in the Corporate Law as well as the Technical Pronouncements, Guidelines, and Interpretations issued by the Brazilian Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities Commission (CVM).

In the individual interim financial information investments in subsidiaries are recognized under the equity method of accounting, in accordance with prevailing Brazilian legislation. The accounting practices adopted in Brazil applied to the individual interim financial information differ from IFRS applicable to separate 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.

Property and equipment - Localiza and Total Fleet review the estimated useful lives and the residual values of the cars in the fleet at least on a quarterly basis. The depreciable amount corresponds to the difference between the acquisition cost and the estimated residual value. Depreciation is recorded only if the estimated residual value of the asset does not exceed its carrying amount. Depreciation is recognized based on the estimated useful life of each asset on a straight-line basis. In the Fleet Outsourcing Division (Fleet Rental), cars are depreciated by the sum of digits or exponential method, since this is the method that best reflects the pattern of consumption of the economic benefits generated which are decreasing over the life of the car. Depreciation is recognized so that cost less the residual value (estimated sales price less estimated selling costs), is fully written off at the end of the useful life.

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

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

3. RECENTLY ISSUED ACCOUNTING STANDARDS AND INTERPRETATIONS

The accounting standards and Interpretations that were in effect on December 31, 2012, as disclosed in Note 3 to the financial statements for the year ended December 31, 2012, were not significantly different from those used for this financial information.

The accounting standards and Interpretations that became effective as from January 1, 2013, as disclosed in Note 3 to the financial statements for the year ended December 31, 2012, do not significantly affect the Company and its subsidiaries.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Cash and banks	2,068	7,750	19,999	12,844
Bank Deposit Certificates (CDB)	245,997	298,225	311,206	333,160
Repurchase transactions	287,582	407,042	459,803	477,862
Total	**535,647**	**713,017**	**791,008**	**823,866**

As of September 30, 2013, investments in CDB and investments with guaranteed repurchase transactions yield 101.9% of the CDI (101.6% as of December 31, 2012) and have immediate liquidity.

5. TRADE RECEIVABLES

The breakdown of trade receivables is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Car rentals	226,670	239,101	229,708	241,176
Fleet outsourcing	-	-	49,088	56,418
Sale of decommissioned cars	90,356	62,249	107,134	72,788
Franchising	1,223	891	15,959	10,035
	318,249	**302,241**	**401,889**	**380,417**
Allowance for doubtful accounts	(12,946)	(10,827)	(19,034)	(15,279)
Total	**305,303**	**291,414**	**382,855**	**365,138**
Current assets	**305,303**	**291,414**	**374,719**	**361,157**
Non-current assets	**-**	**-**	**8,136**	**3,981**

The other information on trade receivables (individual and consolidated) were not significantly altered compared to that disclosed in Note 5 to the financial statements for the year ended December 31, 2012, except for the balance of accounts receivable from the sale of decommissioned cars, which increased due to the larger volume of cars sold in 3Q13.

6. OTHER CURRENT AND NON-CURRENT ASSETS

Other current and non-current assets are comprised as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Balances stated separately in current assets:				
Prepayments (*)	7,447	374	10,810	374
Recoverable taxes	12,862	12,429	15,628	14,645
	20,309	12,803	26,438	15,019
Other current assets:				
Amounts receivable from insurance company (**)	23,917	18,572	35,682	30,355
Other receivables - subsidiaries (Note 7(b))	13,590	3,344	-	-
Other	2,106	1,469	3,396	4,660
	39,613	23,385	39,078	35,015
Total in current assets	59,922	36,188	65,516	50,034
Balances stated separately in non-current assets:				
Other receivables - subsidiaries (Note 7(b))	477	405	-	-
Other non-current assets	83	83	83	83
	560	488	83	83
Total in current and non-current assets	**60,482**	**36,676**	**65,599**	**50,117**

(*) Basically refers to prepaid expenses with the renewal of the Car Tax (IPVA), which are amortized based on the useful life of the vehicles.
(**) Expenses incurred on claims, cost of stolen cars and amounts receivable from the insurance company due to insurance intermediation services (Note 2.7.11 to the financial statements for the year ended December 31, 2012).

7. INVESTMENTS AND RELATED-PARTY TRANSACTIONS

(a) Information on subsidiaries

The businesses of car rental, fleet outsourcing and franchises in Brazil and abroad are conducted by Localiza or one of its subsidiaries.

These operations of the main subsidiaries are as follows:

Total Fleet S.A.: privately-held corporation engaged in the fleet outsourcing business.

Localiza Franchising Brasil S.A.: privately-held corporation operating Localiza´s franchise business in Brazil.

Localiza Serviços Prime S.A. ("Prime") (formerly denominated Prime Prestadora de Serviços S.A.): privately-owned corporation operating in the intermediation of sales of decommissioned cars, previously used by Localiza and Total Fleet.

Localiza JF Aluguel de Carros Ltda.: limited liability partnership, former franchisee of the Localiza brand that conducted the franchise business in the cities of Juiz de Fora and Rio Novo in Minas Gerais State and Três Rios, Resende and Volta Redonda in Rio de Janeiro State. On August 6, 2013 it was acquired by the Company (see item b(ii) below), which assumed the car rental operation in these cities.

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

Notes to the interim financial information for the period ended September 30, 2013

(All amounts in thousands of Brazilian Reais, unless otherwise stated)

The other subsidiaries of the Company, Localiza Car Rental S.A., Rental International LLC, Car Assistance Serviços de Administração de Sinistros S.A., Localiza Franchising International SRL, FR Assistance Serviços de Administração de Sinistros S.A. (formerly denominated TF Assistance Serviços de Administração de Sinistros S.A.) and Rental Brasil Administração e Participação S.A. are wholly-owned subsidiaries and privately-owned corporations.

The Extraordinary General Meeting held on July 26, 2013 approved the change in the name of TF Assistance Serviços de Administração de Sinistros S.A. to FR Assistance Serviços de Administração de Sinistros S.A.

The Company's participation in the capital, shareholders' equity and results of direct and indirect subsidiaries are the following:

			Participation					
	Number of shares		Capital (%)		In net worth		In results	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9M13	9M12
Direct subsidiaries:								
Total Fleet	103,280,354	103,280,354	100.0	100.0	792,336	652,584	139,752	94,266
Franchising Brasil	399,069	399,069	100.0	100.0	4,266	604	10,429	8,381
Prime (*)	15,000	15,000	100.0	100.0	-	-	(697)	2,291
Car Rental	1,339,961	1,339,961	100.0	100.0	6,405	4,165	6,495	3,386
Rental International (*)	1,000	1,000	100.0	100.0	-	-	(71)	(67)
Car Assistance	200,000	200,000	100.0	100.0	3,898	240	12,012	9,370
LFI SRL	23,750	23,750	95.0	95.0	68	76	(8)	(2)
Rental Brasil	15,000,000	15,000,000	100.0	100.0	40,922	40,922	-	-
Localiza JF	4,709,202	-	100.0	-	4,716	-	6	-
					852,611	**698,591**	**167,918**	**117,625**
Goodwill and surplus on the acquisition of investments:								
Fair value adjustment of property and equipment					3,011	-	-	-
Goodwill					12,354	4,508	-	-
Total					**867,976**	**703,099**	**167,918**	**117,625**
Indirect subsidiary:								
FR Assistance	150,000	150,000	100.0	100.0	150	150	-	-
Indirect investment:								
LFI SRL	1,250	1,250	5.0	5.0	4	4	-	-

(*) Localiza recognized a provision for the net capital deficiency of the subsidiaries Rental International and Localiza Serviços Prime in 9M13.

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

On December 31, 2012	**703,099**
Acquisition of investment in franchisee: (*)	
Investments	4,710
Fair value adjustment of property and equipment	3,011
Goodwill	7,846
Equity in the results of isubsidiaries	167,918
Dividends from subsidiaries	(19,376)
Provision for net capital deficiency (**)	768
On September 30, 2013	**867,976**

(*) Referring to investment, fair value adjustment of property and equipment and goodwill on acquisition of the franchisee of Juiz de Fora in August 2013.
(**) Prime and Rental International.

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

Notes to the interim financial information for the period ended September 30, 2013

(All amounts in thousands of Brazilian Reais, unless otherwise stated)

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

(i) Balance sheets

9/30/2013	Total Fleet	Franchising Brasil	Prime	Car Rental	Rental International	Car Assistance	Rental Brasil	LFI SRL	Localiza Juiz de Fora
Assets									
Current assets	299,773	23,189	17,824	10,237	15	4,594	18,429	119	933
Non-current assets:									
Long-term receivables	3,587	2,021	2,069	15	-	-	-	-	-
Investments	4	-	-	-	-	-	-	-	-
Property and equipment	879,968	136	-	-	-	-	22,587 (*)	-	12,352
Intangible assets	1,827	1,061	-	-	-	-	-	-	-
Total	**1,185,159**	**26,407**	**19,893**	**10,252**	**15**	**4,594**	**41,016**	**119**	**13,285**
Liabilities and equity									
Current liabilities	187,656	6,564	17,718	3,847	-	696	94	-	7,327
Non-current liabilities	205,167	15,577	9,688	-	477	-	-	47	1,242
Equity	792,336	4,266	(7,513)	6,405	(462)	3,898	40,922	72	4,716
Total	**1,185,159**	**26,407**	**19,893**	**10,252**	**15**	**4,594**	**41,016**	**119**	**13,285**

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

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

(ii) Statement of income

9M13	Total Fleet	Franchising Brazil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL	Localiza Juiz de Fora
Statement of operations								
Net revenue	620,978	13,928	39,480	17,106	-	13,634	-	612
Gross result	237,085	11,400	33,921	8,361	-	13,366	-	3
Result before Income Tax (IR) and Social Contribution (CS)	210,646	12,341	(536)	8,495	(71)	13,750	(8)	8
Net income (loss) for the period	**139,752**	**10,429**	**(697)**	**6,495**	**(71)**	**12,012**	**(8)**	**6**

9M12	Total Fleet	Franchising Brazil	Prime	Car Rental	Rental International	Car Assistance	LFI SRL
Statement of operations							
Net revenue	600,975	12,246	41,394	10,503	-	10,671	-
Gross result	187,895	9,334	38,208	4,717	-	10,473	(1)
Result before IR and CS	142,536	10,065	3,606	4,629	(67)	10,701	(2)
Net income (loss) for the period	**94,266**	**8,381**	**2,291**	**3,386**	**(67)**	**9,370**	**(2)**

(iii) Dividends from subsidiaries

9M13	Car Assistance	Franchising Brasil	Car Rental	Total
Prepaid dividends for 2013	8,354	6,767	4,255	19,376
Total	**8,354**	**6,767**	**4,255**	**19,376**

2012	Total Fleet	Franchising Brasil	Car Rental	Car Assistance	Total
Dividends for 2012	29,929	11,707	5,683	13,536	60,855
Total	**29,929**	**11,707**	**5,683**	**13,536**	**60,855**

(b) Balances and transactions with related parties

(i) Balances and transactions with subsidiaries

	Total Fleet		Prime		Other		Total	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Balances:								
Accounts receivable	2,411	1,815	-	-	3,206	2,045	5,617	3,860
Dividends	-	29,929	-	-	-	9,787	-	39,716
Other accounts receivable (current and non-current) (Note 6)	1,043	-	5,574	3,021	7,450	728	14,067	3,749
Net capital deficiency in subsidiaries (Note 13)	-	-	7,513	6,816	462	391	7,975	7,207
Payables to subsidiaries (Note 13)	-	1,661	-	-	239	70	239	1,731

	Total Fleet		Car Rental		Other		Total	
	9M13	9M12	9M13	9M12	9M13	9M12	9M13	9M12
Transactions:								
Recovery of charges and expenses	8,791	779	592	474	3,606	3,217	12,989	4,470
Revenue from car rentals	9,716	7,066	7,156	4,878	2	26	16,874	11,970

As of September 30, 2013, there were guarantees for loans and financing, amounting to R$798,546 (R$767,683 on December 31, 2012), between Localiza and Total Fleet. There were also sureties granted between companies when bank guarantees were contracted for lawsuits totaling R$6,604 (R$16,283 on December 31, 2012).

The Company optimizes cash through a centralized administration and the concept of sole cash funds.

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

(ii) Localiza JF Aluguel de Carros

At the Extraordinary General Meeting held on August 2, 2013 the shareholders approved the acquisition of all capital quotas of Localiza JF Aluguel de Carros Ltda. On August 6, 2013, a contract for purchase and sale totaling R$15,567 was signed, generating an investment of R$4,710, a goodwill of R$7,846 due to the future projected profitability allocated to the Division of Car Rental and a fair value adjustment of property and equipment of R$3,011.

(iii) Transactions with other related parties

- Key management remuneration

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M13	9M12 (*)	9M13	9M12 (*)
Remuneration of Board of Directors	5,403	2,090	5,403	2,090
Management and Executive Board:				
Fees and remuneration	8,460	10,682	14,913	17,148
Payroll taxes	2,247	2,779	3,725	4,321
Options granted recognized	3,135	3,568	3,135	3,568
Pension plan (Note 25)	1,565	876	2,552	1,308
Total	**20,810**	**19,995**	**29,728**	**28,435**

(*) Recalculated

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

8. PROPERTY AND EQUIPMENT

The gross cost, the accumulated depreciation and the 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:						
On December 31, 2012	**1,766,568**	**223,116**	**1,989,684**	**2,912,406**	**247,447**	**3,159,853**
Additions	1,183,433	15,051	1,198,484	1,475,441	16,692	1,492,133
Write offs/transfers (*)	(1,041,323)	(11,747)	(1,053,070)	(1,279,331)	(12,589)	(1,291,920)
On September 30, 2013	**1,908,678**	**226,420**	**2,135,098**	**3,108,516**	**251,550**	**3,360,066**
Accumulated depreciation:						
On December 31, 2012	**(99,850)**	**(75,442)**	**(175,292)**	**(378,136)**	**(76,488)**	**(454,624)**
Additions	(57,293)	(21,728)	(79,021)	(166,823)	(21,909)	(188,732)
Write offs/transfers (*)	99,347	11,644	110,991	181,482	11,638	193,120
On September 30, 2013	**(57,796)**	**(85,526)**	**(143,322)**	**(363,477)**	**(86,759)**	**(450,236)**

(*) Include write-offs due to car sales, robbery, damage and transfer of decommissioned cars for fleet renewal to non-current assets for sale, and the property and equipment balances referring to the acquisition of the franchisee of Juiz de Fora (further details in Note 7b (ii)).

Residual value:						
On December 31, 2012	**1,666,718**	**147,674**	**1,814,392**	**2,534,270**	**170,959**	**2,705,229**
On September 30, 2013	**1,850,882**	**140,894**	**1,991,776**	**2,745,039**	**164,791**	**2,909,830**

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)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Leasehold improvements (*)	78,434	80,933	78,488	80,933
Furniture and fittings	22,446	23,644	23,135	24,380
IT equipment	11,246	10,901	11,381	11,013
Property and equipment in progress	13,333	15,862	20,314	22,301
Land	681	681	16,503	16,503
Other	14,754	15,653	14,970	15,829
Total	**140,894**	**147,674**	**164,791**	**170,959**

(*) The expectation of the property rental contracts renewal, in accordance with the terms of the contract, is considered in the useful life period of leasehold improvements for amortization purposes.

The captions "Cars" and "Other property and equipment" on September 30, 2013 include the residual values of property and equipment items accounted for as finance leases in the amount of R$189,529 (R$118,095 as of December 31, 2012). See Note 23 to the financial statements for the year ended December 31, 2012.

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

Effect of the IPI Reduction:

Cars depreciation is calculated based on the difference between the car´s acquisition price and its estimated execution residual value at the end of its useful life, less the estimated selling expenses.

After the Government's announcement of the Excise Tax (IPI) reduction on May 21, 2012, the Company adjusted the depreciation of its fleet to reflect the expected drop in the car´s market value. The impact of the IPI reduction on the price of cars was estimated at R$180.5 million (R$116.0 million in the Car Rental Division and R$64.5 million in the Fleet Outsourcing Division).

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

The additional depreciation balance due to decrease in IPI is already insignificant in both Divisions.

Construction of the new Company's headquarters

At a meeting held on June 20, 2013, the Board of Directors approved the construction of the new headquarters of the Company. The expected investment is of approximately R$ 210,000 at current price levels. This investment will allow: (i) expenses reduction from property rentals in the future; (ii) a productivity gain with the centralization of administration and support activities, which are currently located at six buildings; and (iii) support of the Company´s growth allowing the integration and same location of the central management.

The 30 thousand m² land of was purchased 4.5 years ago and is currently owned by Rental Brasil Administração e Participação S.A., a wholly-owned subsidiary of Localiza. Approximately R$22,000 were spent on the land, projects and approvals from municipal authorities. These expenditures are not included in the approved amount above. All of the current furniture will be used in the new facilities.

9. INTANGIBLE ASSETS

(a) *Software*

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

	Individual (BR GAAP)	Consolidated (IFRS and BR GAAP)
Cost		
On December 31, 2012	42,318	44,726
Additions	8,810	10,110
On September 30, 2013	51,128	54,836
Accumulated amortization		
On December 31, 2012	(8,011)	(8,505)
Additions	(4,169)	(4,495)
On September 30, 2013	(12,180)	(13,000)
Residual value of software		
On December 31, 2012	34,307	36,221
On September 30, 2013	38,948	41,836

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

(b) Goodwill on the acquisition of investments

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

	Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012
Goodwill on acquisition of non-controlling interest in subsidiaries	4,918	4,918
Goodwill on acquisition of investments in franchisee (Note 7 b(ii))	7,846	-
Accumulated amortization	(410)	(410)
Residual value	**12,354**	**4,508**

In accordance with CVM Resolution 565/08, goodwill on the acquisition of a non-controlling interest in subsidiaries, allocated to the Car Rental Division, is no longer amortized as from January 1, 2009, but is tested for impairment at least annually.

Goodwill of R$7,846 on the acquisition of a franchisee, allocated in the Car Rental Division, will not be amortized and will be tested for impairment at least annually.

10. TRADE PAYABLES

Trade accounts payable are comprised as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Car makers	226,507	246,725	277,567	288,403
Maintenance services and parts	11,082	23,614	25,068	32,903
Rentals	6,600	5,802	6,600	5,808
Insurance policies	25,970	14,268	26,058	14,268
Other	18,156	14,192	19,964	14,770
Total	**288,315**	**304,601**	**355,257**	**356,152**

Balances payable to car makers refer to cars purchased at the end of each period, which carry no financial charges and mature in an average period of 45 days.

11. SOCIAL AND LABOR OBLIGATIONS

Payroll and related taxes are comprised as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Accrued vacation	18,630	16,174	24,197	21,472
Provision for 13th month salary (*)	10,008	-	12,954	-
Provision for employee profit sharing	16,979	13,800	23,590	19,066
National Institute of Social Security (INSS)	4,342	3,796	5,812	5,171
Government Severance Indemnity Fund for Employees (FGTS)	916	842	1,227	1,136
Other	1,308	3,500	1,923	6,343
Total	**52,183**	**38,112**	**69,703**	**53,188**

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

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

12. LOANS, FINANCING AND DEBENTURES

Loans, financing and debentures are broken down as follows:

	Individual (BRGAAP)		Consolidated (IFRS and BRGAAP)			
	9/30/2013	12/31/2012	9/30/2013	12/31/2012	Maturity	Effective contractual interest rate
In local currency (R$)						
Debentures - 2nd issue	68,149	133,161	68,149	133,161	7/2/2013 to 7/2/2014	CDI + 0.6% p.a.
Debentures - 4th issue	332,939	349,244	332,939	349,244	5/5/2013 to 5/5/2017	114.2% of CDI
Debentures - 5th issue	512,858	500,001	512,858	500,001	5/30/2016 to 5/30/2017	114.5% of CDI
Debentures - 6th issue	311,431	303,884	311,431	303,884	10/15/2016 to 10/15/2019	CDI + 1.07% p.a.
Working capital and other (*)	186,874	187,013	433,959	416,938	4/1/2012 to 12/15/2019	Equivalent to CDI + 1.5% a.a. (*)
Fixed rate swap	(3,775)	890	(8,574)	3,482	-	Swap – CDI for fixed rate
In foreign currency						
Foreign currency loans - US dollars	363,157	348,381	363,157	348,381	8/17/2015 to 8/16/2017	108.4% and 114.7% of the CDI
Total	**1,771,633**	**1,822,574**	**2,013,919**	**2,055,091**		
Current liabilities	**216,122**	**141,238**	**305,340**	**210,059**		
Non-current liabilities	**1,555,511**	**1,681,336**	**1,708,579**	**1,845,032**		

(*) R$ 76,793 of the total of R$ 433,959 was contracted as leasing by the wholly-owned subsidiary Total Fleet, with an average fixed rate of 10.28% p.a. (R$ 43,220, at the average rate of 9.58% p.a., at 12/31/2012).

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Opening balance	**1,822,574**	**1,633,841**	**2,055,091**	**2,074,425**
Proceeds	2,253	303,588	81,843	425,909
Interest and financial charges	109,423	150,917	123,785	192,399
Repayment of principal	(97,622)	(123,508)	(147,142)	(450,509)
Payment of interest	(61,220)	(143,154)	(91,084)	(190,615)
Fixed rate swap	(3,775)	890	(8,574)	3,482
Closing balance	**1,771,633**	**1,822,574**	**2,013,919**	**2,055,091**

As of September 30, 2013, Localiza had four debenture issuance, all non-convertible into shares. Localiza's debentures are subject to certain covenants, as follows: (i) request or declaration of bankruptcy by the issuer or third parties that is not duly resolved within the legal term; (ii) default of individual or aggregate amount equal to or higher than R$25,000; (iii) capital decrease by Localiza and/or repurchase of its own shares for cancellation, except if previously authorized by the debenture holders; (iv) amalgamation, merger or spin-off

of Localiza, except if under the terms of Article 231 of the Brazilian Corporate Law or if the spun-off portion or the company resulting from the amalgamation or merger remains in the current Controlling 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); c) for the 5th issue, in relation to the rating brAA (BR, double A) and; d) for the 6th issue, if the issuer's corporate rating is lowered to brA+ (BR, A, positive), due to any change in shareholding structure that results in the loss, transfer or disposal of the Company's controlling power by the current controlling shareholders; and (vi) non-maintenance of quarterly financial ratios, based on the Company's consolidated financial statements, as follows:

Net debt/Adjusted EBITDA (*) (maximum limit)	Adjusted EBITDA (*)/Net Financial Expenses(minimum limit)	Issue
3.25	2.0	2nd issue
4.00	1.50	Fourth, fifth and sixth issues

(*) EBITDA corresponds to the issuer's net income or loss, on a consolidated basis, for the last 12-month period, before (i) financial expense (income), net; (ii) income tax and social contribution; (iii) depreciation and amortization expenses. 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. For the 6th issue, EBITDA is also adjusted by impairment.

On September 10, 2013, the Board of Directors approved the 7th issue of simple debentures of Localiza, non-convertible into shares and unsecured, in a single series, with additional Real Guarantee by the wholly-owned subsidiary Total Fleet S.A. The 50,000 debentures have a par value of R$10 each on the issue date, totaling R$500,000. This issue has certain early maturity date conditions equivalent to the terms already mentioned and financial covenants identical to those of the 4th, 5th and 6th issues.

The financial settlement of this issue was on October 9, 2013. Funds were used to reinforce the cash and settle in advance the following debts:
i) R$30,000 – portion of borrowing maturing on 11/25/2013 and,
ii) R$130,000 – total redemption of the 2nd tranche of the 4th issue of debentures with final maturity in 2017 (annual payment of 30% in 2014/15 and 20% in 2016/17). The debentureholder waived the prepayment penalty, which would be R$1.6 million.

Additionally, the Company has loans and financings 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 on September 30, 2013.

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

13. OTHER CURRENT AND NON-CURRENT LIABILITIES

Other current and non-current liabilities are comprised as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Amounts stated separately in current liabilities:				
Accounts payable and net capital deficiency of subsidiaries (Note 7(b))	8,214	8,938	-	-
Other federal taxes	6,249	3,968	9,231	6,978
Municipal tax obligations	1,843	1,682	2,695	2,357
	16,306	14,588	11,926	9,335
Other current liabilities:				
Advances from rental customers	4,582	17,637	4,754	20,055
Insurance premiums for transfer (*)	15,845	29,640	15,951	29,819
Deferred revenues (**)	35	33	7,195	4,045
Other	2,533	6,144	2,889	6,821
	22,995	53,454	30,789	60,740
Total in current liabilities	39,301	68,042	42,715	70,075
Other non-current liabilities				
Deferred revenues (**)	86	101	16,742	11,931
Other	14,367	13,947	19,021	18,050
	14,453	14,048	35,763	29,981
Total in current and non-current liabilities	**53,754**	**82,090**	**78,478**	**100,056**

(*) Premiums received from customers that contracted insurance for rented cars and that were transferred by Localiza to the insurance company (Note 2.7.11 to the financial statements for the year ended December 31, 2012).
(**) Basically refers to negotiation with franchised companies of the right to use the brand Localiza, which are recognized in results over the periods of the contracts (on average, 60 months).

14. PROVISIONS AND ESCROW DEPOSITS

(a) Judicial provisions constituted

The composition of provisions for contingencies is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Tax	2,163	2,163	5,724	3,912
Social security and labor	24,821	19,317	30,529	23,622
Civil	7,982	5,007	10,465	7,633
Total	**34,966**	**26,487**	**46,718**	**35,167**

(b) Escrow deposits

Escrow deposits are comprised as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Tax	9,414	9,218	11,641	11,133
Social security and labor	10,235	8,296	12,365	9,723
Civil	2,403	2,136	2,515	2,186
Total	**22,052**	**19,650**	**26,521**	**23,042**

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

15. TAXES ON INCOME - INCOME TAX AND SOCIAL CONTRIBUTION

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

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Temporary differences in the deductibility of provisions:				
Allowance for doubtful accounts	1,867	1,044	2,349	3,073
Provisions for contingencies	11,931	8,761	13,492	9,858
Provision for payables to suppliers and others	2,577	1,144	5,359	1,414
Swap transaction with payment on a cash basis	9,505	9,255	7,874	10,136
IRPJ and CSLL losses	-	-	29	29
Total deferred income tax and social contribution assets - non-current	**25,880**	**20,204**	**29,103**	**24,510**
Car depreciation (*)	61,671	45,695	93,391	72,579
Leasing of the purchase of property and equipment	1,399	1,131	15,270	4,228
Total deferred income tax and social contribution liabilities - non-current	**63,070**	**46,826**	**108,661**	**76,807**

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

The execution of deferred income tax and social contribution assets, referring to temporary differences, depends on future events that will allow the deductibility of the related provisions, under the terms of 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, 2013 and 2012 is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M13	9M12	9M13	9M12
Pretax income	338,362	153,596	415,068	207,439
Nominal rate	34%	34%	34%	34%
Nominal Expense	**(115,043)**	**(52,223)**	**(141,123)**	**(70,529)**
Adjustments to nominal expense:				
Equity in results of subsidiaries	57,092	39,993	-	-
Effect of deduction of interest on capital	15,160	15,235	15,160	15,235
Other, net	(1,222)	(1,736)	5,244	2,720
Effective expense	**(44,013)**	**1,269**	**(120,719)**	**(52,574)**

The reconciliation between the statutory and effective rates for the three-month periods ended September 30, 2013 and 2012 is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q13	3Q12	3Q13	3Q12
Pretax income	118,113	80,178	146,224	98,357
Nominal rate	34%	34%	34%	34%
Nominal expense	**(40,158)**	**(27,261)**	**(49,716)**	**(33,441)**
Adjustments to nominal expense:				
Equity in results of subsidiaries	19,694	13,762	-	-
Effect of deduction of interest on capital	4,948	5,085	4,948	5,085
Other, net	(505)	(318)	636	1,445
Effective expense	**(16,021)**	**(8,732)**	**(44,132)**	**(26,911)**

Franchising Brasil, Car Rental and Car Assistance calculated, through 9M13, income tax and social contribution under the deemed income regime in the amounts R$1,912 (R$1,684 in 9M12), R$2,000 (R$1,243 in 9M12) and R$1,738 (R$1,331 in 9M12), 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 under the quarterly taxation regime. The outstanding balance relating to the computation period of the last quarter of each period is as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Income tax and social contribution payable	18,039	8,399	37,520	26,035

Income tax returns are subject to revision by the tax authorities for a period of five years. Other taxes, rates and contributions are also subject to revision, according to applicable legislation.

16. SHAREHOLDER'S EQUITY

(a) Capital

The Extraordinary General Meeting held on April 29, 2013 approved the Company's capital increase by R$375,000, from R$601,708 to R$976,708, with the issuance of 10,085,400 new common shares, equivalent to 5% of the Company's share capital. The shares without par value, were distributed to the shareholders, at no charge, as a stock dividend, under the terms of article 169 of Law 6,404/76, in the proportion of 1 new share per each 20 shares. With this increase, the total shares of the Company increased from 201,708,000 to 211,793,400. The capital increase was made through the capitalization of part of the balance of revenue reserves, specifically the statutory reserve "Investment reserve".

The stock dividend approved at the meeting held on April 29, 2013 was credited on May 7, 2013 to all shareholders of record on April 30, 2013.

The shareholdings as of September 30, 2013 and December 31, 2012, and the related reconciliation of the number of outstanding shares after the approved capital increase were as follows:

	Management				
	Founder-partners	Board of Directors and Board of Executive Officers	Treasury shares	Outstanding shares	Number of shares - ON
On December 31, 2012	**61,926,254**	**200,837**	**3,158,349**	**136,422,560**	**201,708,000**
Acquisition (disposal) of shares, net	(1,508,932)	(53,690)	1,072,200	490,422	-
Exercise of stock options with treasury shares	200,263	85,542	(581,915)	296,110	-
Stock dividend	3,096,308	10,381	157,740	6,820,971	10,085,400
On September 30, 2013	**63,713,893**	**243,070**	**3,806,374**	**144,030,063**	**211,793,400**

At a meeting held on December 15, 2011, the Board of Directors approved the launching of the Company's Level I American Depositary Receipts (ADRs) ("ADR Program"). This program did not result in an increase in the Company's share capital or the issuance of new shares and its purpose was to amplify the access of foreign investors to the Company, as well as to increase the liquidity of the Company's shares. The Program was approved by CVM - Brazilian Securities Commission - on May 22, 2012 and trading began on June 5, 2012. 851,287 ADRs were issued in the United States as of September 30, 2013.

(b) Interest on capital and dividends

The Company periodically pays interest on capital to shareholders. The Board of Directors' meetings approved the payment of interest on capital as follows:

Approval date	Total amount paid	Amount per share (in R$)	Shareholding date	Payment date
3/8/2013	14,567	0.073362819	3/20/2013	5/3/2013
6/20/2013	15,468	0.074410472	6/28/2013	8/14/2013
9/30/2013	14,552(*)	0.069967873	9/30/2013	11/14/2013
Total 2013	**44,587**			

(*) This interest on capital had not been paid to shareholders as of September 30, 2013.

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

The Ordinary General Meeting approved the payment of dividends to shareholders in order to complete the minimum mandatory dividend of 25% on the adjusted net income, as follows:

Approval date	Total amount	Amount per share (in R$)	Shareholding date	Payment date
4/29/2013	5,143	0.025886386	4/29/2013	6/18/2013

(c) Capital reserve

(i) Options exercised in 9M13

581,915 stock options related to the Stock Purchase Option Programs from 2007 to 2010 were exercised, utilizing treasury shares. The weighted average exercise prices of options, as well as the weighted average fair value of Localiza's shares on the exercise date, were as follows:

Program	Number of options exercised	Cost on the grant date	Calculation by the cost value	Weighted average exercise price	Weighted average market price
2007 Program	133,699	R$7.09	1,031	R$26.73	R$ 33.72
2008 Program	141,873	R$0.88	139	R$24.76	R$ 33.70
2009 Program	161,878	R$12.21	1,936	R$8.72	R$ 33.26
2010 Program	144,465	R$12.10	1,498	R$23.15	R$ 33.71
Total	**581,915**		**4,604**		

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

(iii) 3rd Stock Option Plan - Consolidated information

At the Board of Directors meeting held on April 25, 2013, the 2013 Program for the Stock Option Plan was approved, referring to the 3rd Stock Option Plan created in 2011. For the 2013 Program, the Company defined the ratio of 4 options granted for each share invested by the executive.

The value of the share, which is to be acquired by the beneficiaries when exercising the Option, was calculated based on the average quotation of the RENT3, weighted by the volume traded over the last 40 trading sessions of the BM&FBOVESPA before the date of payment of the profit sharing. The fair value of shares is estimated on the grant date, based on the Black & Scholes options valuation model, applied separately to each tranche of each program.

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 2013 Program
Approval meeting date	4/25/2013
Number of granted/approved options	412,228
Number of eligible employees	16(*)
Year of exercise	2016
Starting date of the options exercise	May/2016

(*) The Statutory Directors, Non-statutory Directors and top management are eligible for this program.

The changes in the 2013 Program of Stock Options up to the base date September 30, 2013 were as follows:

	Beginning of the period		**Granting/Approvals**			**Terminations**		**Exercises**	**End of the period**	
Year	**Eligible**	**Options**	**Eligible**	**Granted / approved options**	**Exercise price**	**Leaving eligible**	**Options returned**	**Options exercised**	**Eligible**	**Outstanding options**
2013 Program										
6/30/2013	16	412,228	-	-	34.22	-	-	-	16	412,228
9/30/2013	16	412,228	-	-	34.22	-	-	-	16	412,228

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

	3rd Plan 2013 Program
Share price	34.22
Risk-free interest rate	9.00%
Expected annualized volatility (*)	46.67%
Expected dividends	0.36%
Duration of the program in years	3.0
Option fair value on grant date (R$/share)	12.94
Remaining contractual term - Years:	3.0
Remaining remuneration costs (R$/thousand)	2,485

(*) The expected annualized volatility was determined based on the historical volatility of RENT3 shares in the capital market, as from the listing of Localiza's shares in 2005, less the dividends paid in each period.

The consolidated cost of this Program on September 30, 2013 amounted to R$226.

Considering the exercise of these options on September 30, 2013, the percentage dilution of shareholdings applicable to the current shareholders would be 0.19%.

(iv) Treasury shares

The number of treasury shares on September 30, 2013 was 3,806,374 shares (3,158,349 on December 31, 2012), acquired in accordance with the 1st and 4th repurchase programs approved at the Board of Directors' meetings held on December 18, 2007 and July 19, 2012, respectively.

The cost of acquisition of the treasury shares, including related costs, on September 30, 2013, was as follows:

1st repurchase program: R$26,595, net of execution of R$6,007 and an average unit cost of R$10.32 (minimum R$5.15 and maximum R$16.55).

4th repurchase program: 1,072,200 shares were acquired up to September 30, 2013, totaling an acquisition cost of R$36,782 and with an average unit cost of R$33.64 (minimum R$33.52 and maximum R$33.78).

The market value of the 3,806,374 shares was R$125,610 on September 30, 2013, (quotation of R$33.00 per share on September 30, 2013).

(d) Statutory reserve and profit retention

The Ordinary General Meeting held on April 29, 2013 approved management's proposal as follows:

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

ii. capital increase with a portion of the Reserve for Investment, of R$375,000, through stock dividends, as this reserve had attained its statutory limit.

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

17. EARNINGS PER SHARE

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

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

	Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)		Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)	
	9M13	9M12	3Q13	3Q12
Net income for the period	**294,349**	**154,865**	**102,092**	**71,446**
Basic earnings per share (*):				
Weighted average of outstanding shares (in units)	201,870,998	198,078,728	207,883,887	198,400,319
Basic earnings per share (in R$)	**1.45810**	**0.78184**	**0.49110**	**0.36011**
Diluted earnings per share (*):				
Weighted average of outstanding shares (in units)	201,870,998	198,078,728	207,883,887	198,400,319
Dilutive effect of stock options (in units)	736,301	982,278	558,145	971,139
Shares applicable to dilution (in units)	202,607,299	199,061,006	208,442,032	199,371,458
Earnings per share (in R$) - diluted	**1.45281**	**0.77798**	**0.48979**	**0.35836**

(*) 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.

For comparison purposes between the periods, earnings per share in 9M12 and 3Q12 was recalculated, considering the effect of the stock dividend in April 2013. Basic earnings per share was R$0.74461 in 9M12 and R$0.34296 in 3Q12 and diluted earnings per share was R$0.74093 in 9M12 and R$0.34129 in 3Q12.

18. SEGMENT REPORTING

Operating segments are defined as business areas: (i) which earn revenues and incur expenses; ii) which 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 separate financial information is available.

The Company's 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 process. The accounting policies of these operating segments are the same as those described in Note 2 to the financial statements for the year ended December 31, 2012.

- Car rental: division responsible for car rentals in branches located in airports and off-airports. Cars are rented to individuals for business or leisure travel and to corporations, including insurance companies and car makers. As part of its fleet renewal program, the Car Rental Division decommissions its cars after 12 months of use in rental. Most of decommissioned cars are sold directly to the final consumer, through a proprietary network of points of sale, since this is a less expensive alternative in relation to the discounts requested by other sales intermediation channels.

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

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

(a) Operating segment financial information

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

	Car rental		Fleet outsourcing		Franchising		Unallocated balances		Eliminations		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Assets												
Cash and cash equivalents:	-	-	-	-	-	-	791,008	823,866	-	-	791,008	823,866
Accounts receivable	316,329	297,345	57,312	61,863	14,801	9,214	-	-	(5,587)	(3,284)	382,855	365,138
Decommissioning cars for fleet renewal	423	26	17,254	13,251	-	-	-	-	-	-	17,677	13,277
Property and equipment	2,029,726	1,836,479	879,968	868,592	136	158	-	-	-	-	2,909,830	2,705,229
Other assets	175,133	168,222	13,866	11,817	3,667	3,446	-	-	(14,242)	(45,087)	175,413	138,398
Total assets	**2,521,611**	**2,302,072**	**968,400**	**955,523**	**18,604**	**12,818**	**791,008**	**823,866**	**(19,829)**	**(48,371)**	**4,276,783**	**4,045,908**
Liabilities												
Trade payables	291,396	305,539	68,661	53,131	95	791	-	-	(4,895)	(3,309)	355,257	356,152
Loans, financings and debentures	-	-	-	-	-	-	2,013,919	2,055,091	-	-	2,013,919	2,055,091
Other liabilities	268,142	248,979	86,152	95,142	22,093	18,060	-	-	(22,909)	(52,269)	353,478	309,912
Total liabilities	**559,538**	**554,518**	**154,813**	**148,273**	**22,188**	**18,851**	**2,013,919**	**2,055,091**	**(27,804)**	**(55,578)**	**2,722,654**	**2,721,155**
Equity	**-**	**-**	**-**	**-**	**-**	**-**	**1,554,129**	**1,324,753**	**-**	**-**	**1,554,129**	**1,324,753**
Total liabilities and equity	**559,538**	**554,518**	**154,813**	**148,273**	**22,188**	**18,851**	**3,568,048**	**3,379,844**	**(27,804)**	**(55,578)**	**4,276,783**	**4,045,908**

LOCALIZA RENT A CAR S.A. AND SUBSIDIARIES

Notes to the interim financial information for the period ended September 30, 2013

(All amounts in thousands of Brazilian Reais, unless otherwise stated)

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

	Car rental		Fleet outsourcing		Franchising		Reclassifications		Consolidated (IFRS and BR GAAP)	
	9M13	9M12	9M13	9M12	9M13	9M12	9M13	9M12	9M13	9M12
Net revenue	1,905,323	1,755,564	622,626	603,036	14,420	12,623	-	-	2,542,369	2,371,223
Costs	(1,370,660)	(1,360,179)	(384,795)	(415,456)	(6,348)	(6,389)	(4,142)	(2,736)	(1,765,945)	(1,784,760)
Gross profit	**534,663**	**395,385**	**237,831**	**187,580**	**8,072**	**6,234**	**(4,142)**	**(2,736)**	**776,424**	**586,463**
Operating expenses:										
Selling	(184,654)	(168,829)	(27,604)	(27,464)	(70)	(67)	1,937	1,439	(210,391)	(194,921)
General, administrative and other expenses	(65,047)	(60,217)	(15,926)	(17,033)		(16)	2,205	1,297	(78,768)	(78,699)
Result before financial expenses, net	**284,962**	**166,339**	**194,301**	**143,083**	**8,002**	**6,151**	**-**	**-**	**487,265**	**315,573**
Financial expenses, net									(72,197)	(108,134)
Net income before taxes									**415,068**	**207,439**
Income tax and social contribution									(120,719)	(52,574)
Net income for the period									**294,349**	**154,865**

	Car rental		Fleet outsourcing		Franchising		Reclassifications		Consolidated (IFRS and BR GAAP)	
	3Q13	3Q12	3Q13	3Q12	3Q13	3Q12	3Q13	3Q12	3Q13	3Q12
Net revenue	717,004	595,650	213,992	206,778	4,943	4,573	-	-	935,939	807,001
Costs	(526,568)	(441,137)	(130,214)	(143,058)	(2,110)	(2,006)	(1,429)	(938)	(660,321)	(587,139)
Gross profit	**190,436**	**154,513**	**83,778**	**63,720**	**2,833**	**2,567**	**(1,429)**	**(938)**	**275,618**	**219,862**
Operating expenses:										
Selling	(66,525)	(57,975)	(9,505)	(9,565)	(21)	(13)	653	481	(75,398)	(67,072)
General, administrative and other expenses	(21,084)	(18,868)	(5,599)	(5,566)	-		776	457	(25,907)	(26,727)
Result before financial expenses, net	**102,827**	**77,670**	**68,674**	**48,589**	**2,812**	**2,554**	**-**	**-**	**174,313**	**128,813**
Financial expenses, net									(28,089)	(30,456)
Net income before taxes									**146,224**	**98,357**
Income tax and social contribution									(44,132)	(26,911)
Net income for the period									**102,092**	**71,446**

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

	Consolidated (IFRS and BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M13	9M12	3Q13	3Q12
Brazilian operations	2,534,318	2,364,153	933,692	805,026
Export revenue (*)	7,552	6,693	2,073	1,858
Foreign operations	499	377	174	117
Net revenue	**2,542,369**	**2,371,223**	**935,939**	**807,001**

(*) Revenue from car rental arising as a result of rental from clients resident and domiciled abroad.

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

	Consolidated (IFRS and BR GAAP)			
	9M13	9M12	3Q13	3Q12
Car rental:				
Car depreciation	57,723	184,310	22,043	42,115
Depreciation of other property and equipment and amortization of intangible assets	25,265	22,805	8,504	7,999
Fleet outsourcing:				
Car depreciation	109,100	125,472	32,932	44,409
Depreciation of other property and equipment and amortization of intangible assets	808	869	290	317
Franchising:				
Depreciation of other property and equipment and amortization of intangible assets	331	322	110	110
Total depreciation and amortization expenses	**193,227**	**333,778**	**63,879**	**94,950**

19. REVENUES

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M13	9M12	9M13	9M12
Gross revenue	1,890,656	1,739,150	2,606,911	2,424,249
Deductions:				
Discounts	(8,568)	(8,335)	(16,388)	(9,466)
Taxes on revenues (*)	(26,965)	(22,954)	(48,154)	(43,560)
Net revenue	**1,855,123**	**1,707,861**	**2,542,369**	**2,371,223**

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q13	3Q12	3Q13	3Q12
Gross revenue	711,075	588,800	956,745	824,371
Deductions				
Discounts	(2,959)	(3,316)	(5,022)	(3,694)
Taxes on revenues (*)	(9,017)	(6,849)	(15,784)	(13,676)
Net revenue	**699,099**	**578,635**	**935,939**	**807,001**

(*) Taxes levied on revenues: Services Tax (ISSQN), Social Integration Program (PIS) and Social Contribution on Revenues (COFINS).

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M13	9M12	9M13	9M12
Revenue from car rentals	816,370	769,242	853,179	803,454
Revenues from fleet outsourcing	-	-	432,913	397,838
Franchising	492	377	14,420	12,623
Cars disposed for fleet renewal	1,038,261	938,242	1,241,857	1,157,308
Net revenue	**1,855,123**	**1,707,861**	**2,542,369**	**2,371,223**

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q13	3Q12	3Q13	3Q12
Revenue from car rentals	277,482	258,605	289,611	271,162
Revenues from fleet outsourcing	-	-	144,082	136,593
Franchising	174	117	4,943	4,573
Cars disposed for fleet renewal	421,443	319,913	497,303	394,673
Net revenue	**699,099**	**578,635**	**935,939**	**807,001**

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

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

	Costs				General and Administrative, Advertising and Sales, and Others			
	Individual(BR GAAP)		Consolidated (IFRS and BR GAAP)		Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M13	9M12	9M13	9M12	9M13	9M12	9M13	9M12
Cost of cars sold	(897,144)	(815,461)	(1,050,441)	(996,082)	-	-	-	-
Car depreciation	(57,293)	(184,310)	(166,823)	(309,782)	-	-	-	-
Car maintenance, road tax (IPVA) and other	(147,784)	(141,214)	(225,817)	(221,224)	-	-	-	-
Depreciation and amortization of other property and equipment and intangible assets	(12,527)	(11,233)	(13,034)	(11,605)	(13,370)	(12,386)	(13,370)	(12,391)
Salaries and payroll charges	(121,240)	(101,710)	(142,417)	(118,744)	(88,266)	(74,040)	(128,991)	(116,344)
Profit sharing	(14,865)	(12,833)	(18,632)	(16,096)	(13,168)	(12,091)	(18,591)	(17,348)
Third-party services	(15,260)	(15,094)	(17,499)	(17,429)	(24,556)	(25,082)	(25,089)	(26,081)
Property rental	(56,112)	(48,111)	(40,145)	(36,227)	(31,505)	(26,853)	(31,505)	(26,853)
Commissions	-	-	-	-	(19,464)	(13,811)	(20,055)	(14,358)
Advertising	-	-	-	-	(21,105)	(29,701)	(21,115)	(29,723)
Other	(60,610)	(42,043)	(91,137)	(57,571)	(18,336)	(25,057)	(30,443)	(27,792)
	(1,382,835)	**(1,372,009)**	**(1,765,945)**	**(1,784,760)**	**(229,770)**	**(219,021)**	**(289,159)**	**(270,890)**

	Costs				General and Administrative, Advertising and Sales, and Others			
	Individual (BR GAAP)		Consolidated(IFRS and BR GAAP)		Individual (BR GAAP)		Consolidated(IFRS and BR GAAP)	
	3Q13	3Q12	3Q13	3Q12	3Q13	3Q12	3Q13	3Q12
Cost of cars sold	(368,560)	(274,723)	(424,956)	(336,299)	-	-	-	-
Car depreciation	(21,613)	(42,115)	(54,975)	(86,524)	-	-	-	-
Car maintenance, road tax (IPVA) and other	(43,879)	(51,076)	(70,165)	(77,220)	-	-	-	-
Depreciation and amortization of other property and equipment and intangible assets	(4,187)	(3,807)	(4,389)	(3,964)	(4,532)	(4,462)	(4,515)	(4,462)
Salaries and payroll charges	(41,762)	(35,446)	(49,199)	(41,950)	(32,017)	(25,332)	(47,147)	(40,140)
Profit sharing	(4,937)	(4,355)	(6,122)	(5,376)	(4,349)	(4,072)	(6,468)	(6,015)
Third-party services	(5,451)	(4,819)	(6,234)	(5,895)	(9,115)	(8,287)	(9,365)	(8,753)
Property rental	(19,406)	(16,508)	(14,052)	(12,018)	(10,859)	(9,034)	(10,859)	(9,034)
Commissions	-	-	-	-	(6,208)	(4,785)	(6,385)	(4,910)
Advertising	-	-	-	-	(8,340)	(10,127)	(8,349)	(10,132)
Other	(20,688)	(11,737)	(30,229)	(17,893)	(3,722)	(6,916)	(8,217)	(7,603)
	(530,483)	**(444,586)**	**(660,321)**	**(587,139)**	**(79,142)**	**(73,015)**	**(101,305)**	**(91,049)**

21. FINANCIAL RESULTS

Finance incomes (costs) in the income statement are as follows:

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9M13	9M12	9M13	9M12
Financial income				
Income interest from financial investments	35,156	36,359	44,909	45,122
Other income interest , net of reversals	3,224	1,400	4,512	2,127
	38,380	**37,759**	**49,421**	**47,249**
Financial expenses				
Interest expense on loans, financing and debentures	(105,648)	(117,759)	(115,211)	(154,952)
Other interest expenses	(4,806)	(860)	(6,407)	(431)
	(110,454)	**(118,619)**	**(121,618)**	**(155,383)**
Financial expenses, net	**(72,074)**	**(80,860)**	**(72,197)**	**(108,134)**

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	3Q13	3Q12	3Q13	3Q12
Financial income				
Income interest from financial investments	11,656	11,584	15,893	13,644
Other income interest, net of reversals	1,161	953	1,810	1,199
	12,817	**12,537**	**17,703**	**14,843**
Financial expenses				
Interest expense on loans, financing and debentures	(39,178)	(34,126)	(42,279)	(45,563)
Other interest expenses	(2,924)	258	(3,513)	264
	(42,102)	**(33,868)**	**(45,792)**	**(45,299)**
Financial expenses, net	**(29,285)**	**(21,331)**	**(28,089)**	**(30,456)**

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)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Financial assets:				
Loans and receivables measured at amortized cost:				
Cash and cash equivalents (Note 4)	535,647	713,017	791,008	823,866
Accounts receivable (Note 5)	305,303	291,414	382,855	365,138
Escrow deposits (Note 14(b))	22,052	19,650	26,521	23,042
Financial liabilities:				
Other financial liabilities measured at amortized cost:				
Trade payables (Note 10)	288,315	304,601	355,257	356,152
Loans, financing and debentures (Note 12)	1,771,633	1,822,574	2,013,919	2,055,091

(a) Risk management

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

The Company's risk management is 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 performed by the Board of Directors, which has powers to make decisions 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, as defined in CPC 40. The purpose of market risk management is to ensure that the Company is exposed only to acceptable risk levels in the context of its operations.

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

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

The Company uses the resources generated by its operations to conduct its daily business activities, and finance its fleet renewal and part of its growth. To complement its cash requirements for growth, or to settle debts and improve the debt profile, the Company loans and financing from major financial institutions in Brazil, and issues debt securities, that are mostly indexed to the CDI fluctuation. The inherent risk arises from the possibility of significant increases in the CDI.

As a strategy to manage interest rate risk, Management continuously monitors the market expectation regarding the CDI variation in order to, if necessary, adjust rental fees to mitigate any increase.

Fleet outsourcing contracts vary from 24 to 36 months and include an annual adjustment clause based on the inflation rate. As the outsourcing contracts cannot be adjusted by the basic interest rate variation, the Company and its wholly-owned subsidiary Total Fleet contracted swap operations exchanging the CDI variation for a fixed rate for protection against the risk of losing profitability on outsourcing contracts and to maintain competitiveness. The volume in swaps of fixed rates, added to the car leasing transactions at a fixed rate, totaled R$ 425,745 on September 30, 2013, which corresponded to the total leverage with third-party capital in the fleet outsourcing business.

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

- The Company's net debt totaled R$1,222,911 on September 30, 2013. Out of this amount R$425,745 should not change according to CDI interest rate, since since they were fixed at an average rate of 9.17% per annum. Such amount refers to the leasing transactions contracted at a fixed rate and swap transactions made in order to fix rates that were previously indexed to the CDI.

- Market expectation, according to data from the Focus Bulletin issued by the Brazilian Central Bank, as of September 30, 2013, is an estimated effective average CDI rate of 9.75%, considered as the likely scenario for 2013, against the effective rate of 7.38% in the twelve-month period ended September 30, 2013.

	Consolidated (IFRS and BR GAAP)		
Description	Likely Scenario (*)	Scenario I - 25% deterioration	Scenario II - 50% deterioration
Net debt on September 30, 2013(letter (b) item (i))	**1,222,911**	**1,222,911**	**1,222,911**
(-) Leasing at a fixed rate and amounts hedged with swap for a fixed rate (Note 12 and Note 22 item (d))	(425,745)	(425,745)	(425,745)
Net debt subject to the CDI variation	**797,166**	**797,166**	**797,166**
Effective CDI rate for the twelve-month period ended 9/30/2013	7.38%	7.38%	7.38%
Estimated annual CDI rate, according to stress scenarios	9.75%	12.19%	14.63%
Effect on financial expenses:			
- according to effective rates	(58,830)	(58,830)	(58,830)
- according to scenarios	(77,723)	(97,174)	(116,625)
Annual (increase) in financial expenses	**(18,893)**	**(38,344)**	**(57,795)**

(*) As required by IFRS 7, management understands that the 9.75% rate corresponds to the likely scenario for the next 12 months, according to the Focus Bulletin of the Brazilian Central Bank issued on September 30, 2013.

- **Foreign exchange risk** - the Company has exposure to foreign exchange risk because it has loans in foreign currency of R$293,000 (notional reference amount).

  Each loan in foreign currency is protected, by a swap contract, with the same maturity and counterparty and should be simultaneously settled at a single net value. Therefore, management understands that, in essence, both transactions represent a loan denominated in local currency added to a determined interest rate. Therefore, the accounting treatment and respective disclosures reflect the substance of the transactions.

- **Credit risk -** the credit risk is the risk that a counterparty does not comply with its contractual obligations, thereby causing the Company to incur financial losses. The Company's credit risk basically arises from the trade accounts receivable and cash and cash equivalents deposited in banks and other major financial institutions.

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

	Individual (BR GAAP)		Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Loans and receivables				
Cash and cash equivalents:				
Short-term investments				
Aaa.br (Moody´s scale)	533,579	705,267	771,009	811,022
Cash and banks	2,068	7,750	19,999	12,844
Total cash and cash equivalents	535,647	713,017	791,008	823,866
Accounts receivable	305,303	291,414	382,855	365,138
	840,950	**1,004,431**	**1,173,863**	**1,189,004**

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

As determined by the Board of Directors, the Finance Director must make investments in financial institutions with a net worth above R$3 billion. Short-term investments greater than 20% of the funds available can only be made in financial institutions with an equity above R$10 billion. The maximum investment amount per bank is limited to 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 by operating significantly with credit cards for car rentals, mainly in transactions with individuals. As on September 30, 2013, two of the largest credit card administrators represented 17.7% and 13.8%, individually, of the Company's trade receivables balance. The credit risk in transactions with legal entities for car rentals and fleet outsourcing (fleet rentals) is reduced by regulations for the concession of credit limits, based on the analysis of the customer´s financial position of the and on past experience. The financial position of customers is periodically monitored in order to evaluate and adjust, if necessary, the credit limit previously granted. The credit risk in the sale of decommissioned cars is reduced through financing companies and/or leasing companies with well-known financial and liquidity capacities. Sales to resellers are secured by surety or guarantee.

Additionally, the management of credit risk includes the periodic analysis of trade receivables recoverability , in which the need to constitute an allowance for doubtful accounts is analyzed in order to adjust the receivables to their likely executable values.

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

ii) 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.

Liquidity risk management is carried out by the Finance Department and monitored by the Board of Directors. It is conducted considering 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, based on the ongoing monitoring of estimated and actual cash flows and the combination of the maturity profiles of financial assets and financial liabilities. The Company seeks to maintain at least enough cash to honor debts with suppliers and car manufacturers, as well as for interest falling due in the following 3 or 4 months.

The debt profile, represented by the principal amounts, was very comfortable on September 30, 2013, and there was no maturity concentration in any period of the debt. The balance of cash and cash equivalents on September 30, 2013 was more than enough to settle the debt falling due in 2013, 2014 and 2015.

The Car Rental Division fleet is adjusted according to the demand. The Company can increase its liquidity by selling part of its fleet if there is a decrease in the demand for rentals. This flexibility was proven during the global financial crisis in 2008, when the Company ceased purchases of cars for 6 months and substantially increased its cash position, enabling the prepayment of debt. In order to strengthen its capacity for fleet renewal, the Company has its own stores network for decommissioned cars sale..

Furthermore, management considers that the access to third party credit is facilitated, considering the investment grade rating for the corporate credit of Localiza according to the main market rating agencies, as follows:

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

The analysis of the contractual cash flows due, undiscounting loans, financing and debentures, in accordance with the table below, considers the interest rate assigned for each transaction and the maintenance of the 8.71% CDI rate as on September 30, 2013.

	Individual (BRGAAP)							
	2013	2014	2015	2016	2017	2018	2019	Total
Debentures - 2nd issue	-	72,737	-	-	-	-	-	**72,737**
Debentures - 4th issue	15,074	90,978	84,780	89,359	127,774	-	-	**407,965**
Debentures - 5th issue	23,705	48,173	47,782	285,739	261,848	-	-	**667,247**
Debentures - 6th issue	13,542	28,520	28,404	58,520	55,459	142,538	131,408	**458,391**
Commercial Credit Notes (NCC)	38,242	68,416	82,991	20,905	-	-	-	**210,554**
Swap Localiza	(119)	(3,116)	-	-	-	-	-	**(3,235)**
Leases	577	2,129	1,185	342	-	-	-	**4,233**
Loans in foreign currency/swap	2,725	10,631	50,631	47,191	351,259	-	-	**462,437**
Total	**93,746**	**318,468**	**295,773**	**502,056**	**796,340**	**142,538**	**131,408**	**2,280,329**

	Consolidated (IFRS and BRGAAP)							
	2013	2014	2015	2016	2017	2018	2019	Total
Debentures - 2nd issue	-	72,737	-	-	-	-	-	**72,737**
Debentures - 4th issue	15,074	90,978	84,780	89,359	127,774	-	-	**400,965**
Debentures - 5th issue	23,705	48,173	47,782	285,739	261,848	-	-	**667,247**
Debentures - 6th issue	13,542	28,520	28,404	58,520	55,459	142,538	131,408	**458,391**
Commercial Credit Notes (NCC)	44,291	93,589	106,858	37,604	28,046	33,244	56,849	**400,481**
Swap Total Fleet	(127)	(3,227)	-	-	-	-	-	**(3,354)**
Swap Localiza	28,027	79,974	-					**108,001**
Leases	-	-	18,759	342	-	-	-	**19,101**
Loans in foreign currency/swap	2,725	10,631	50,631	47,191	351,259	-	-	**462,437**
Total	**127,237**	**421,375**	**337,214**	**518,755**	**824,386**	**175,782**	**188,257**	**2,593,006**

(b) Capital management

The Company's business requires intensive long-term capital to finance the fleet, in order to implement its expansion strategy. The main goals of capital management are:

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

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

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

(i) Debt ratio

Capital is monitored based on the Company's indebtedness level, which corresponds to the ratio of net debt to equity. Net debt is defined by the Company as short- and long-term debts less cash and cash

equivalents. The Company's overall capital management strategy has remained unchanged over the last two years. The table below presents the Company's debt ratios:

	Consolidated (IFRS and BR GAAP)	
	9/30/2013	12/31/2012
Short- and long-term debts (Note 12)	2,013,919	2,055,091
Cash and cash equivalents (Note 4)	(791,008)	(823,866)
Net debt	**1,222,911**	**1,231,225**
Equity	1,554,129	1,324,753
Debt ratio	**0.79**	**0.93**
Value of the fleet	**2,762,716**	**2,547,547**
Net debt x value of the fleet	**0.44**	**0.48**

(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 estimated carrying amounts and fair values of loans, financing and debentures are calculated based on models that use observable inputs and future assumptions about interest rates, among other applicable variables. The rates 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 on the occurrence of the early optional redemption established in the debenture deed of each issue. The estimated fair values are as follows:

	Individual (BR GAAP)				Consolidated (IFRS and BR GAAP)			
	Carrying amount		Fair value		Carrying amount		Fair value	
	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012	9/30/2013	12/31/2012
Financial liabilities - other financial liabilities:								
Loans, financing and debentures	1,771,633	1,822,574	1,752,627	1,812,511	2,013,919	2,055,091	1,994,914	2,045,028

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 significantly differ from their fair values, as the maturity dates of a substantial portion of the balances are close to the reporting date.

(d) Derivatives

The Company was party to two swap transactions (plain vanilla) on September 30, 2013, only for protection purposes against the respective foreign currency-denominated loans. Both transactions were entered into with major financial institutions.

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

						Individual (BR GAAP)and Consolidated (IFRS and BR GAAP)		
						9/30/2013		
				Rates		Notional amount (notional)		(Payables) receivables
Swap transaction	Contract date	Maturity	Counterparty	Assets	Liabilities	R$ thousand	US$ thousand	R$ thousand
US 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	19,405
US dollar x Reais	11/16/2011	8/16/2017	Bank of América	Dollar exchange variation + coupon of 1.60% p.a. + 3-month LIBOR	102.5% of the CDI variation	123,000	75,000	43,361

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

CDI X Fixed Rate

Fleet outsourcing contracts vary from 24 to 36 months and include an annual adjustment clause based on the inflation rate. As the outsourcing contracts cannot be adjusted by the basic interest rate variation, Total Fleet executed swap agreements exchanging the CDI variation for a fixed rate for protection against the CDI rate variation.

						Individual (BR GAAP) and Consolidated (IFRS and BR GAAP)	
						9/30/2013	
				Rates		Notional amount	(Payables) receivables
Swap transaction	Contract date	Maturity	Counterparty	Assets	Liabilities	R$ thousand	R$ thousand
CDI x Fixed rate	6/15/2012 and 11/5/2012	7/31/2013 to 12/15/2014	*Various Banks*	109.7% and 113.8% of the variation of CDI	8.1% p.a. to 9.7% p.a.	329,820 (*)	8,574

(*) The short position of swaps (fixed rate) corresponded to R$ 329,820 at September 30, 2013.

23. FINANCE LEASES

The information on finance leases (individual and consolidated) has not significantly changed compared to that disclosed in Note 23 to the financial statements for the year ended December 31, 2012. The variation presented in this account is due to the increase in this type of financing in 9M13.

24. RENTAL COMMITMENTS

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

25. PENSION PLAN

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

26. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

This individual and consolidated interim financial information were approved and authorized for issuance by the Board of Directors on October 23, 2013.

* * *

Comments on the behavior of business projections

The Company did not disclose projections.

Other information considered relevant by the Company

1. SOCIAL REPORT

The Company's Consolidated Social Report for the nine-month periods ended September 30, 2013 and 2012 is as follows:

	Consolidated					
1. Calculation basis for social indicators	**9/30/2013**			**9/30/2012**		
Net revenue (NR)	2,542,369			2,371,223		
Earnings before taxes (EBT)	415,068			207,439		
Gross payroll (GP)	266,552			225,899		
2. Internal social indicators	**9/30/2013**			**9/30/2012**		
	Amount	**% on GP**	**% on NR**	**Amount**	**% on GP**	**% on NR**
Meals	15,584	6%	1%	12,317	5%	1%
Compulsory social charges	56,500	21%	2%	48,927	22%	2%
Health care	13,524	5%	1%	9,320	4%	0%
Training and professional development	5,833	2%	0%	6,635	3%	0%
Day care center or child care allowance	291	0%	0%	269	0%	0%
Profit sharing	37,223	14%	1%	33,444	15%	1%
Other	7,233	3%	0%	14,334	6%	1%
Total - Internal social indicators	**136,188**	**51%**	**5%**	**125,246**	**55%**	**5%**
3. External Social indicators	**9/30/2013**			**9/30/2012**		
	Amount	**% on EBT**	**% on NR**	**Amount**	**% on EBT**	**% on NR**
Education	310	0%	0%	296	0%	0%
Culture	1,439	1%	0%	1,176	1%	0%
Other	75	0%	0%	296	0%	0%
Total contributions to society	1,824	1%	0%	1,768	1%	0%
Taxes (excluding social charges)	217,252	52%	9%	134,724	65%	6%
Total - External social indicators	**219,076**	**53%**	**9%**	**136,492**	**66%**	**6%**

4. Employee Indicators	**9/30/2013**	**9/30/2012**
Headcount at the end of the period	5,762	5,642
Number of employees hired during the period	331	1,186
Number of outsourced employees	219	107
Number of interns	31	41
Number of employees above age 45	496	405
Number of women working in the company	2,648	2,604
% of supervisory positions held by women	46.98%	46.01
Number of Afro- Brazilians working at the company	4,222	3,935
% of management positions held by Afro- Brazilians	50.46%	45.19
Number of people with disability or special needs	42	17

Other information considered relevant by the Company

	9/30/2013			Goals 2013		
5. Relevant information regarding corporate citizenship						
Highest/lowest remuneration ratio			73.03(*)			80.00(*)
Total number of occupational accidents during the period			28			-
- 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 employees	( ) directors	( ) directors and managers	(x) all employees
- In selecting suppliers, the same ethical, social responsibility and environmental standards adopted by the Company	(x) are not considered	( ) are suggested	( ) are required	(x) are not considered	( ) will be suggested	( ) will be required
- As to the participation of employees in volunteer work programs, the company	( ) is not involved	( ) supports	(x) organizes and encourages	( ) will not be involved	( ) supports	(x) will organize and encourage
- Total number of complaints and criticisms from consumers	In the company (**)	In Procon 412	In court 3,281	In the company (**)	In Procon NA	In court NA
- % of complaints and criticisms from customers handled or solved	In the company (**)	In Procon 38.83%	In court 32.95%	In the company (**)	In Procon NA	In court NA

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

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

Report on review of quarterly information

Report on review of interim financial information

To the Board of Directors and Shareholders
LOCALIZA RENT A CAR S.A.

Introduction

We have reviewed the accompanying individual and consolidated interim accounting information of Localiza Rent a Car S.A., included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2013, 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 individual interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim 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 information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual interim information

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

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting 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

Statements of value added

We have also reviewed the individual and consolidated statements of value added for the nine-month period ended September 30, 2013. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the individual and consolidated interim accounting information taken as a whole.

Belo Horizonte, October 24, 2013

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

Guilherme Campos e Silva
Contador CRC 1SP218254/0-1 "S" MG