Tegma Gestão Logística SA

Earnings Release

2018 first-semester and second quarter

São Bernardo do Campo, August 7th, 2018

Note: The Company ceased to consider Tegma Logística Integrada S.A. in February 2018 as a direct investment, due to the creation of the joint venture "GDL" which has the objective of providing general and bonded warehouse services in Cariacica-ES. From this date on, GDL now holds direct control of Tegma Logística Integrada S.A., therefore, GDL results will be accounted in equity in the Company. Cariacica operation result for 2017 and for January 2018 is shown in the financial historical serial file in .xls on the Attachments tab and the Earnings release pro-forma tables are shown in the Earnings Release spreadsheets in .xls.

Highlights — Page

- Tegma transported **193,900 vehicles** in 2Q18, a 5.8% growth vs 2Q17 driven by solid domestic sales growth. — 4
- 2Q18 Tegma's **net revenue** growth was driven by the improvement of quantity of vehicles transported and by average distance growth. — 5
- Tegma's **EBITDA** in 2Q18 was R$ 45.1 million, driven by the revenues increase and by costs and expenses control. — 7
- 2Q18 Tegma's **net income** was R$ 28.2 million, an improvement vs 2Q17 due to revenue growth, cost and expense control and reduction of debt cost. — 8
- 2Q18 **free cash flow** was R$ 8.1 million, influenced by better results, by higher working capital consumption and by extemporary tax credits usage. — 9
- The company's **net debt** on June 30th, 2018 was R$ 57.4 million (0.4 x EBITDA of the last 12 months). — 10
- Tegma 2Q18 **ROIC** was 28.4%. — 11

			Chg % vs		
Operational and financial highlights	**2Q18**	**1S18**	**2Q17**	**1Q18**	**1S17**
Net revenue (R$ million)	293.3	555.3	10.6%	11.9%	16.0%
Operating income (R$ million)	36.2	58.8	176.6%	60.7%	114.0%
EBITDA (R$ million)	45.1	74.6	126.5%	53.3%	82.6%
Adjusted EBITDA	45.1	74.6	60.0%	53.3%	51.8%
Adjusted EBITDA Margin %	*15.4%*	*13.4%*	*4.8 p.p.*	*4.2 p.p.*	*3.2 p.p.*
Net income (R$ million)	28.2	42.2	17.2%	101.4%	42.9%
Net margin %	*9.6%*	*7.6%*	*0.5 p.p.*	*4.3 p.p.*	*1.4 p.p.*
Earnings per share (R$)	0.4	0.6	17.2%	101.4%	42.9%
Free cash flow (R$ million)	8.1	52.3	-28.1%	-81.6%	130.5%
CAPEX (R$ million)	(4.7)	(7.2)	-44.0%	92.0%	-52.9%
Vehicles transported (in thousand)	193.9	371.1	5.8%	9.4%	6.8%
Market Share %	*24.9%*	*24.8%*	*-1.3 p.p.*	*0.1 p.p.*	*-1.9 p.p.*
Average Km per vehicle transported	980.0	974.8	4.3%	1.1%	6.3%

To access the English results webcast (August 8th, 2 pm, US-EST) click here or call at +1 646 828-8246

Click here for our Financial historical and explanatory notes in EXCEL.
Click here for this report's spreadsheets in EXCEL.

TEGMA Gestão Logística

Quarter´s highlights

Impact of the Truck drivers' strike in May/18

In May 2018, truck drivers held a widespread strike that affected our operations for 11 days.

It was impossible to transport on Brazil's roads between May 21th and June 1st, resulting in the interruption of most of our operations during this period (only warehouse remained to operate). The strike impact in 2Q18 was partially offset on some operations by the restocking process during June.

As a result of the strike, the government issued the Provisionary Measure No. 832/2018, which deals, among several measures, with the minimum freight prices in Brazil. Several questions have been raised regarding its constitutionality and the matter will be considered by the Supreme Court on August 27th. Depending on the decision, this measure may have an impact on our operations. ANTT (National Agency of Terrestrial Transportation) opened a Subsidy Solicitation to gather suggestions to improve the methodology and respective parameters used in preparing the freight table.

New GDL storage client

Tegma, through its joint venture GDL, in partnership with Grupo DPSP - the company that manages Drogarias Pacheco and Drogaria São Paulo brands (drug retailers) - are opening a Distribution Center, located in Espírito Santo state. The warehouse will become operational from the second half of August on and the services provided will be receiving, storaging, separating and dispatching goods.

The new distribution center aims to make the DPSP logistics process quicker, allowing better lead times for stores in the state and also for a group of stores in Rio de Janeiro.

With a surface area of 7,000 sqr mtrs, controlled temperature areas and a modern inventory management system, the warehouse was designed with a capacity to ship more than 60 million items per year, improving the supply chain for 69 branches between Espírito Santo and Rio de Janeiro.

Tegma acquires land for a support yard for the Toyota factory in Sorocaba

Tegma announced that in July 2018 acquired land in the city of Sorocaba-SP to support the operations of the Toyota plant. The final contractual signing depends on some conditions yet. Tegma has been operating vehicle logistics for this plant for five years (since it opened) and is the main supplier for this automobile manufacturer. In 2018, due to the high number of vehicles produced, it decided to acquire a plot of land to build a new consolidation yard to increase the productivity of distribution and free up space inside the customer's factory.

The total forecasted amount of investment to acquire the land and to improve it is R$ 21 million, and it is expected to start operations from the end of 2018.

Tegma announces new loan contracted

In August 2018 Tegma signed a contract for a 4,131 type financing with Banco Itaú in the amount of R$ 50 million which matures in two years. This type of financing includes exchange variation protection using derivatives (swap) and is intended to extend the maturity of our debt. The cost of this new debt is CDI + 0.89% p.y, lower than our first debenture issue which took place in 2013.

After this financing was contracted, Tegma prepaid an Export Credit Bill (NCE) contracted with Banco do Brasil S.A., in the amount of R$ 40 million (plus accrued interest), due to June 2019 and with an interest rate of CDI + 2% p.y.

Tegma announces distribution of dividends and interest on equity

In a Board of Directors meeting held on August 7th, Tegma announced the distribution of R$ 21.1 million i (R$ 15.8 million in dividends and R$ 5.3 million in interest on equity), or R$ 0.31 per share. The interim dividends/IOC will be paid to the shareholders on August 22th, 2018, in favor of shareholders included in the Company's shareholding position on August 10th, 2018 ("Cut-off Date"). The Company's shares will trade "ex-dividend and ex-interest on equity" on August 13th, 2018. The dividend yield for the last 12 months corresponds to 5.0%

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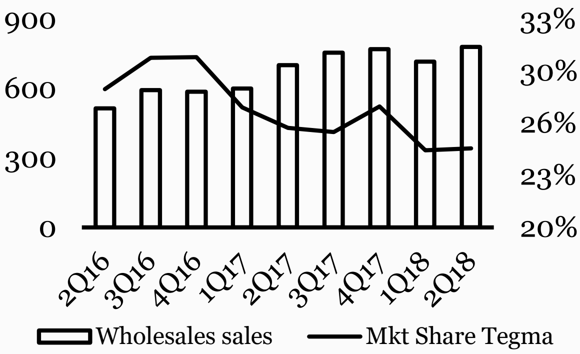
Operational highlights– Automotive division (DLV)

The trucker´s strike in May affected the performance of the automotive industry in 2Q18. Even with the production halted for 11 days, **domestic sales** reported a 12.8% increase in 2Q18 vs. 2Q17. **Exports** remained stable in 2Q18 compared to 2Q17. **Wholesale sales** performed much better than domestic sales and exports in 2Q18 vs. 2Q17, driven by automakers inventories change, as well as by a greater **production.**

In June 2018, the vehicle market **estimates for 2018 according to ANFAVEA** were: +12% production, +11% sales and flat for exports, vs +13%; +11% and 4%, respectively, in January 2018.

Chart 1 - Wholesale sales (in thous) and Tegma market share

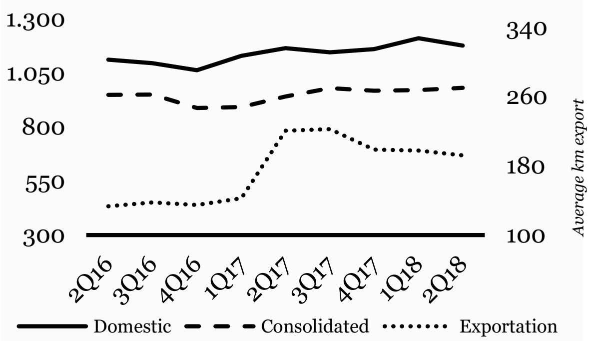


Source: ANFAVEA, Bacen e Tegma

The number of **vehicles transported** by Tegma increased by 5.8% in 2Q18 in the year-on-year comparison, a lower growth than the wholesale sales, resulting in a 1.3 p.p loss of market share compared to the same period of the previous year. The main reason was the two major clients market share loss in the annual comparison.

The **average distance of domestic travels** in 2Q18 continued it upward trend, as we can see in the chart 2. The **average distance from exports,** which showed improvement in 2Q17, remained between 190 and 200 kilometers for three quarters.

Chart 2 –Tegma average distance (in km)



Source: Tegma

	2Q18	1S18	Chg % vs 2Q17	Chg % vs 1Q18	Chg % vs 1S17
Vehicles and light commercial sales	**790.5**	**1,489.1**	**9.3%**	**13.1%**	**10.4%**
Domestic	600.9	1,129.2	12.8%	13.8%	13.7%
Exportations	189.5	360.0	-0.6%	11.2%	1.1%
A - Estimated wholesale sales	**780.1**	**1,496.2**	**11.3%**	**8.9%**	**15.0%**
(+) Production of vehicles and light commercial	701.6	1,370.0	12.0%	5.0%	12.5%
(+) Importation of vehicles	78.8	144.8	16.9%	19.5%	25.4%
(-) OEM's inventories change	0.3	18.6	-	-	-
B - Vehicles transported	**193.9**	**371.1**	**5.8%**	**9.4%**	**6.8%**
Domestic	155.4	290.7	11.2%	14.9%	9.8%
Exportations	38.5	80.4	-11.3%	-8.2%	-3.1%
Market share (B / A) %	*24.9%*	*24.8%*	*-1.3 p.p.*	*0.1 p.p.*	*-1.9 p.p.*
Average km per vehicle transported	**980.0**	**974.8**	**4.3%**	**1.1%**	**6.3%**
Domestic	1,175.3	1,190.7	1.1%	-2.7%	3.8%
Exportations	191.9	194.8	-12.9%	-2.8%	6.4%

Source: ANFAVEA e BACEN *(in thousands, except average Km)*

Revenue

The recovery in revenue in the last two years reflects the improved outlook for the Brazilian economy and the resumption of the automotive sector due to improved credit and consumer confidence.

Automotive logistics' gross revenue increased 17.3% in 2Q18 [22.2% in 1S18] in the annual comparison, a variation that is driven by: i) 5.8% growth in 2Q18 of the number of vehicles transported [6.8% in 1S18], ii) positively by the 4.3% increase in the average km per vehicle in 2Q18 [6.3% in 1s18] vs. the previous year, and iii) by the 2018 price readjustment.

In the integrated logistics division, revenue from **warehouse** operation in 2Q18 fell 25.8% [-17.4% in 1S18]. Disregarding GDL of the comparable basis, revenues would be R$ 11.3 million [R$ 22 milion in 2S18] a 32.0% growth in 2Q18 [41.6% in 1S18] in the annual comparison driven by improved volumes and new customers in Rio de Janeiro and São Paulo.

Industrial logistics' revenue increased 2% and 3% in the 2Q18 and 1S18 in the annual comparison respectively, due to the resilience of the operation.

Chart 3 – Gross revenue consolidated (in R$ mi)

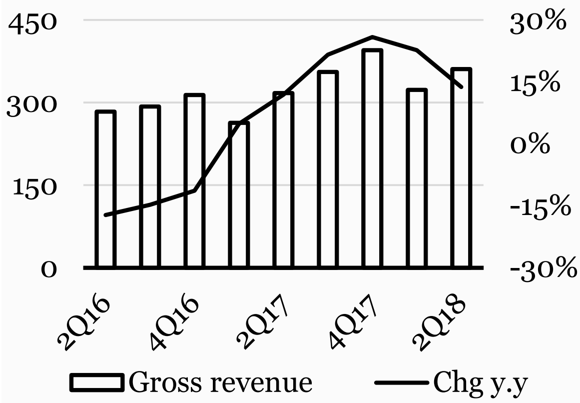
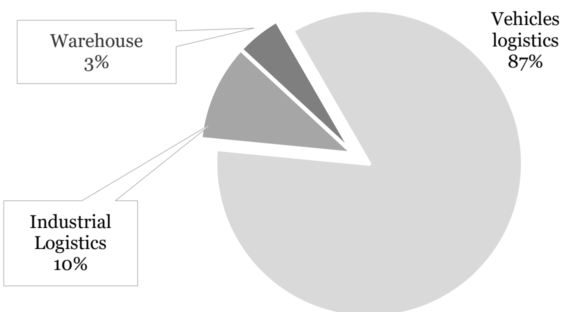


Chart 4 - Revenue share in the year 2Q18



The variation of taxes and deductions for 2018 and 2017 was affected by event 1 of non-recurring events of 2017. Without these events and disregarding GDL from the comparable basis, the deductions would have increased by 10.3% in 2Q18 and 16.8% in 1S18 in the annual comparison.

	2Q18	1S18	Chg % vs 2Q17	Chg % vs 1Q18	Chg % vs 1S17
Vehicle logistics	**315.3**	**590.3**	**17.3%**	**14.6%**	**22.2%**
Integrated logistics	**45.1**	**92.9**	**-6.1%**	**-5.6%**	**-4.0%**
Warehouse*	11.3	24.7	-25.8%	-15.8%	-17.4%
Industrial logistics	33.8	68.2	3.0%	-1.6%	2.0%
Gross revenue	**360.4**	**683.2**	**13.8%**	**11.6%**	**17.8%**
Taxes and deductions	(67.1)	(127.9)	29.9%	11.2%	26.3%
Net revenue	**293.3**	**555.3**	**10.6%**	**11.7%**	**16.0%**

** The 2017 and January 2018 figures still include GDL*
Click here to access the pro-forma spreadsheet

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Tegma Gestão Logística S.A | Earnings Release | 2Q18 | in R$ million

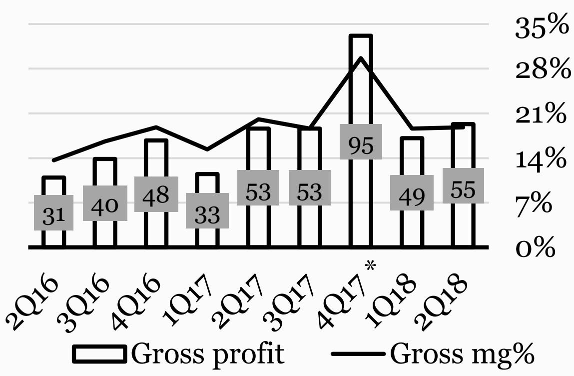
Gross Profit

The positive evolution of 500 bps of the company's gross margin as can be seen in chart 5 is due to revenue growth in the period and cost control undertaken during the last three years.

Personnel costs increased by 2.1% in 2Q18 [3.7% in 1S18] in the year-over-year comparison. Disregarding GDL, personnel costs increased 16.2% [16.4% in 1S18] mainly due to the increase of headcount in the vehicle operation because of increased numbers of vehicles transported and deployment of new customers in the integrated logistics warehousing.

Freight costs increased at the same rate as transportation revenue.

Chart 5 – Gross profit consolidated (in R$ mi)



** A total positive R$ 39 million of non recurring events affected 4Q17*

Other costs increased 4.8% in 2Q18 [3.0% in 1S18] in the annual comparison. Disregarding GDL, there was a 17.5% increase in 2Q18 [+17.3%in 1S18], mainly due to a 2Q18 depreciation adjustment of R$ 2.4 million negative in the automotive operation, regarding retroactive depreciation of works in the Suape-PE operation, which, since 2015 were classified as "property, plant and equipment in progress" and therefore were not being depreciated. The increase of maintenance and rent is consequence of increased volumes ans new clients in warehousing operation.

The **automotive logistics division's gross margin** in 2Q18 was stable in the annual comparison and up 1.4 p.p growth in 1S18. If there wasn´t the depreciation adjustment in 2Q18, gross margin would be 1.1 p.p higher [1.9 p.p in 1S18] vs 2017.

The decrease of **integrated logistics division's gross margin** in 2Q18 and 1S18 in the annual comparison occurred because of warehousing operations in the state of Espirito Santo became equity, through the GDL joint venture, from February 2018 on. Disregarding GDL operation, the division's gross margin would be 13.1% in 1S18, 2.7 p.p up versus 2Q17 and flat vs 1S17 (pro-forma, disregarding GDL as well).

2Q18	Automotive logistics	Integrated logistics	Consolidated	Chg % vs 2Q17 Automotive logistics	Integrated logistics	Consolidated
Net revenue	**256.0**	**37.3**	**293.3**	**18.6%**	**-24.4%**	**10.6%**
Cost of services	(205.6)	(32.5)	(238.0)	18.4%	-15.2%	12.3%
Personnel	-	-	(28.8)	-	-	2.1%
Freight	-	-	(188.2)	-	-	17.1%
Others	-	-	(41.6)	-	-	4.8%
Tax credit (PIS and COFINS)	-	-	20.5	-	-	23.3%
Gross profit	**50.4**	**4.8**	**55.2**	**19.6%**	**-56.4%**	**3.8%**
Gross margin%	*19.7%*	*12.9%*	*18.8%*	**0.2 p.p.**	**-9.5 p.p.**	**-1.2 p.p.**

1S18	Automotive logistics	Integrated logistics	Consolidated	Chg % vs 1S17 Automotive logistics	Integrated logistics	Consolidated
Net revenue	**478.5**	**76.9**	**555.3**	**23.0%**	**-14.1%**	**16.0%**
Cost of services	(383.7)	(67.6)	(451.3)	20.9%	-10.2%	14.9%
Personnel	-	-	(55.5)	-	-	3.7%
Freight	-	-	(353.7)	-	-	21.4%
Others	-	-	(80.6)	-	-	3.0%
Tax credit (PIS and COFINS)	-	-	38.5	-	-	26.4%
Gross profit	**94.8**	**9.3**	**104.1**	**32.1%**	**-34.9%**	**21.0%**
Gross margin%	*19.8%*	*12.1%*	*18.7%*	**1.4 p.p.**	**-3.9 p.p.**	**0.8 p.p.**

Click here to access the pro-forma spreadsheet

Tegma Gestão Logística S.A | Earnings Release | 2Q18 | in R$ million

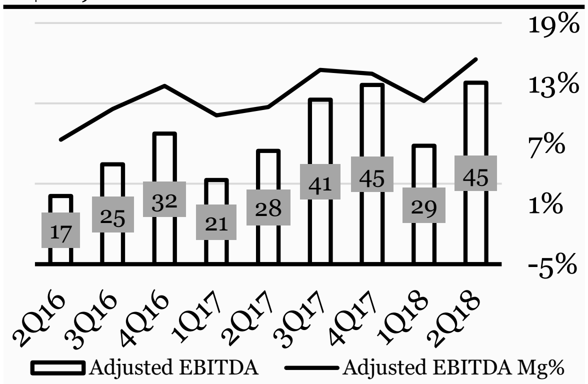
Operational income and EBITDA

The recovery trend in the **Company's adjusted EBITDA margin**, as shown in chart 6, reflects the growth in revenues and the costs and expenses control / reduction in the period.

General and administrative expenses of 2Q18 were 2.4% superior to 2Q17. This line was at a higher level in the last three quarters and in 2Q18 returned to a level that we consider as adequate.

Other expenses and revenues in 2Q18 were significantly lower in comparison with 2Q17 driven by non-recurring events that influenced the previous year´s quarter and lower judicial provisions.

Chart 6 - Consolidated adjusted EBITDA (in R$ mi)



The increase in **depreciation** of the automotive division in 2Q18 is due to the depreciation adjustment explained in the previous page. In 1S18, in addition to this event, there was also a review on estimates of useful life of some equipments. Disregarding GDL, the depreciation of integrated logistics division would have grown by 10.0% mainly due to investments in the operation of chemicals in new transport equipment carried out along 1S17.

The improvement of **automotive logistics' EBITDA** in 2Q18 and 1S18 in the annual comparison can be explained by the increase in revenue from the recovery of the number of vehicles transported/average distance and the control of fixed costs and expenses.

The **EBITDA margin of the integrated logistics** division growth in 2Q18 vs. the previous year occurred because of GDL operations, which became equity beginning in February 2018. Excluding the Cariacica-ES operation of the comparison bases, the margin of the division in 2Q18 would be 18.5% [18.7% in 1S18], 9.3 p.p higher than 2Q17 [+4.6 p.p vs 1S17] (pro-forma, also without GDL). The increase in margins is due to improvement in the storage and chemical operations with increase in revenue in the period and lower judicial provisions expenses.

2Q18	Automotive logistics	Integrated logistics	Consolidated	Chg % vs 2Q17		
				Automotive logistics	Integrated logistics	Consolidated
Gross profit	**50.4**	**4.8**	**55.2**	**19.6%**	**-56.4%**	**3.8%**
Expenses	(18.4)	(0.6)	(19.0)	-48.0%	-86.9%	-52.6%
General and administrative expenses	-	-	(16.2)	-	-	2.4%
Other expenses and revenues	-	-	(2.8)	-	-	-88.5%
Operating income	**32.1**	**4.2**	**36.2**	**371.5%**	**-33.7%**	**176.6%**
(+) Depreciation	6.2	2.7	8.9	77.4%	-18.6%	30.5%
EBITDA	**38.2**	**6.9**	**45.1**	**271.7%**	**-28.4%**	**126.5%**
Adjusted EBITDA	**38.2**	**6.9**	**45.1**	**43.5%**	**341.3%**	**60.0%**
EBITDA margin	*14.9%*	*18.5%*	*15.4%*	**2.6 p.p.**	**15.3 p.p.**	**4.8 p.p.**

1S18	Automotive logistics	Integrated logistics	Consolidated	Chg % vs 1S17		
				Automotive logistics	Integrated logistics	Consolidated
Gross profit	**94.8**	**9.3**	**104.1**	**32.1%**	**-34.9%**	**21.0%**
Expenses	(43.9)	(1.4)	(45.3)	-16.1%	-77.8%	-22.6%
General and administrative expenses	-	-	(36.8)	-	-	14.8%
Other expenses and revenues	-	-	(8.5)	-	-	-67.9%
Operating income	**50.9**	**7.9**	**58.8**	**162.9%**	**-2.4%**	**114.0%**
(+) Depreciation	10.0	5.8	15.8	47.4%	-12.1%	18.0%
EBITDA	**60.9**	**13.7**	**74.6**	**132.9%**	**-6.7%**	**82.6%**
Adjusted EBITDA	**60.9**	**13.7**	**74.6**	**43.2%**	**106.6%**	**51.8%**
EBITDA margin	*12.7%*	*17.9%*	*13.4%*	**1.8 p.p.**	**10.4 p.p.**	**3.2 p.p.**

Click here to access the pro-forma spreadsheet

Tegma Gestão Logística S.A | Earnings Release | 2Q18 | in R$ million

Income before tax and net income

2Q18 **financial result** was R$ 0.8 million negative [R$ 2.7 million negative in 1S18], as shown in the chart below:

	2Q18	1S18	Chg % vs 2Q17	Chg % vs 1Q18	Chg % vs 1S17
Financial revenue	1.8	4.3	-48.2%	-25.5%	-49.2%
Interest expenses	(3.0)	(6.7)	-52.6%	-19.4%	-54.7%
Interest expenses, net of revenue from financial investments	**(1.2)**	**(2.4)**	**-58.2%**	**-7.5%**	**-61.9%**
Complemetary expenses (tax refinancing programs)	-	-	-100.0%	-	-100.0%
Other financial revenues (expenses)	0.3	(0.3)	-	-	-86.3%
Financial result	**(0.8)**	**(2.7)**	**-**	**-56.3%**	**277.1%**

(Consolidated)

Interest expenses, net of financial investments in 2Q18, were R$ 1.2 million negative in 2Q18 [R$ 2.4 million in 1S18]. The 60% decrease in 2018 compared to 2017 is explained by the reduction of the average balance of net debt along 2017/18 and by the basic interest rate decrease, net of debt spread increase.

Equity in 2Q18, which corresponds to the GDL (50% of the joint venture) was negative R$ 0.2 million. Such result isn´t comparable to the negative R$ 0.4 million in 2Q17 due to the fact that the latter corresponds to two subsidiaries already discontinued, but can be compared to 1Q18 net result, which was negative in R$ 0.5 million (two months of GDL results). GDL is at the end of the integration process and not all expected synergies, both from cost and revenue, have been captured so far.

Income tax in 2Q18 presented an effective tax rate of 20% (24% in 1S18), lower than the company's nominal rate of 34%, mainly due to the income from ICMS tax credit if it were excluded from the tax base and of the positive impact by distribution of interest on capital (tax shield).

	2Q18	1S18	Chg % vs 2Q17	Chg % vs 1Q18	Chg % vs 1S17
Income before tax	**35.2**	**55.4**	**116.0%**	**73.9%**	**112.8%**
Real tax rate	-34%	-34%	-	-	-
Income tax and social contribution at the nominal rates	**(12.0)**	**(18.8)**	**116.0%**	**73.9%**	**112.8%**
Presumed ICMS tax credit	1.2	2.3	-	-	-
Interest on own capital	3.9	3.9	-	-	-
Permanent differences, equity equivalence and others	(0.2)	(0.6)	-	-61.5%	-
Income tax	**(7.0)**	**(13.2)**	**-**	**12.3%**	**-**
Effective tax Rate	*-20%*	*-24%*	*-67.6 p.p.*	*10.9 p.p.*	*-37.2 p.p.*

(Consolidated)

2Q18 **net income** was R$ 28.2 million [R$ 42.2 million in 1S18]. Considering that 2Q17 net income had R$ 15.5 million of positive non – recurring events, recurring net income increased 3.3 times in 2Q18 vs 2Q17.

	2Q18	1S18	Chg % vs 2Q17	Chg % vs 1Q18	Chg % vs 1S17
Operating income	**36.2**	**58.8**	**176.6%**	**60.7%**	**114.0%**
Financial result	(0.8)	(2.7)	-	-56.3%	276.8%
Equity	(0.2)	(0.7)	-40.3%	-46.7%	-7.1%
Income before tax	**35.2**	**55.4**	**116.0%**	**73.9%**	**112.8%**
Income tax	(7.0)	(13.2)	-	12.3%	-
Net income	**28.2**	**42.2**	**17.2%**	**101.4%**	**42.9%**
Net margin %	*9.6%*	*7.6%*	*0.5 p.p.*	*4.3 p.p.*	*1.4 p.p.*

Click here to access the pro-forma spreadsheet *(Consolidated)*

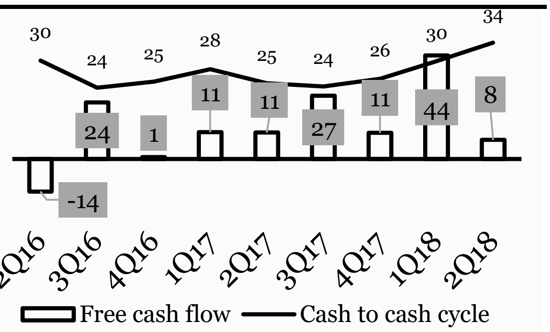
Tegma Gestão Logística S.A | Earnings Release | 2Q18 | in R$ million

Cash flow

Positive **free cash flow** of recent quarters has been possible due to the effort of controlling costs / expenses / CAPEX, the recovery of revenues and usage of R$ 38 millions extemporaneou tax credits (R$ 26 million in 1Q18 and R$ 12 million in 2Q18], explained in item 7 of non-recurring events in 2017. However, a negotiated delay of payment of a significant customer in the automotive segment impacted significantly working capital in 2Q18. As a result, the **cash cycle** increased by 4 days in 2Q18 vs. 1Q18 and prevented us from having an even greater cash flow.

The 2Q18 **CAPEX** was R$ 4.7 million [R$ 7.2 million in 1S18], as demonstrated below.

Chart 7 – Free cash flow (in R$ mi) and cash to cash cycle (in days) consolidated



Cash to cash cycle: days to receive - days to pay (Suppliers and freight / daily COGS)

Net cash provided from financing activities in 2Q18 was negative by R$ 43.5 million due to the payment of R$ 38.9 million in IOC / dividends and the anticipated payment of R$ 4.6 million principal of debt (FINAME). In 1S18, these events are added to the payment of R$ 66.8 million in 1Q18, payment that refers to the principal of the debentures (1st series), totalizing a negative R$ 110.3 million.

CAPEX	2Q18	2Q17	1S18	1S17
Land improvements	-	-	-	-
New operations	1.4	-	1.4	-
Maintenance	1.8	2.0	3.2	3.8
General improvements	0.5	1.7	0.5	2.4
IT	1.1	0.9	2.1	2.1
Contract renewal	-	3.9	-	6.9
Total	**4.7**	**8.4**	**7.2**	**15.3**

(consolidated)

	2Q18	2Q17	1S18	1S17
A - Cash at beginning of period	**125.5**	**126.0**	**148.7**	**192.9**
Operating cash flow (1)	11.9	18.2	59.2	34.9
(-) Capital expenditures "cash" (2)	(3.8)	(6.9)	(6.9)	(12.2)
B - Free cash flow (1 + 2)	8.1	11.3	52.3	22.7
C - Net cash generated by investing activities (ex CAPEX)	0.6	0.9	(0.1)	(11.8)
D - Net cash from financing activities	(43.5)	44.9	(110.3)	(20.7)
(=) Cash at end of period (A + B + C + D)	**90.7**	**183.0**	**90.7**	**183.0**

(consolidated)

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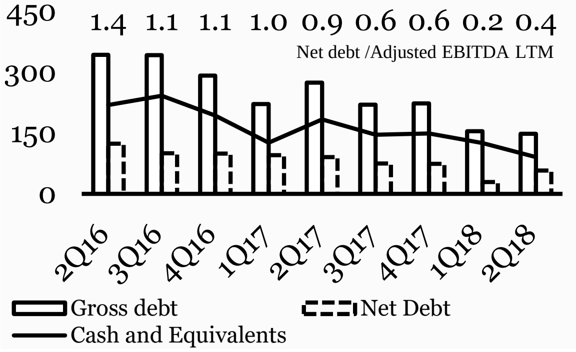
Tegma Gestão Logística S.A | Earnings Release | 2Q18 | in R$ million

Debt and cash

The downward trend in the company's leverage, both nominal and relative in the last two years, according to Chart 8, reflects the cash generation for the period and the increase in EBITDA in recent quarters.

Net debt on June 30th, 2018 was R$ 57.4 million, compared to R$28.7 million on March 30th 2018, increase explained by the payment of 2017 dividends and IOC amounting R$ 38.9 million and by the positive R$ 8.1 million free cash flow.

Chart 8 – Debt and cash consolidated (in R$ mi)

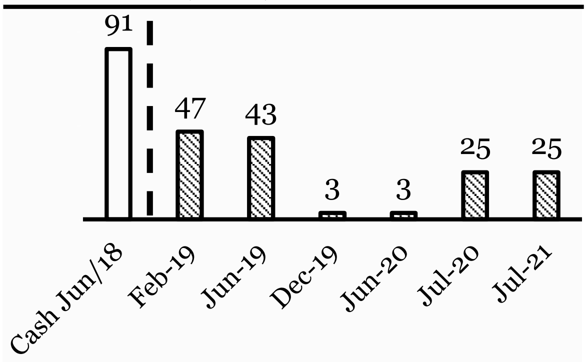


The 2Q18 **net debt / adjusted EBITDA LTM ratio** was 0.4x vs. 0.2x in 1Q18. The calculation of the coverage ratio (which is equivalent **to adjusted EBITDA / financial result**) is not applicable given that the recognition of financial income from several extemporaneous tax credits on 4Q17 made the financial result of the company become positive, considering the last 12 months. The company's covenants are <2.5x e >1.5x, respectively.

The company's **average cost of gross debt** on June 30th, 2018 was CDI + 1.72% p.y.

The debt repayment schedule, as shown in figure 9, shows that we have no debt due to 2018 and that in 1S19 the amount is R$ 90 million.

Chart 9 – Principal debt schedule amortization (R$ mi)



	2Q18	1Q18	4Q17	3Q17
Current debt	91.4	50.8	72.6	69.4
Non-current debt	56.7	103.4	150.3	150.6
Gross debt	**148.1**	**154.2**	**222.9**	**220.0**
(-) Cash	0.4	0.4	0.4	0.3
(-) Banking investments	90.3	125.1	148.3	145.0
Net debt	**57.4**	**28.7**	**74.1**	**74.7**
Adjusted EBITDA TTM	**160.2**	**143.3**	**134.8**	**122.6**
Net debt / Adjusted EBITDA TTM	*0.4*	*0.2*	*0.6*	*0.6*
Financial result TTM	**6.8**	**11.2**	**8.8**	**(7.6)**
Adjusted EBITDA TTM / Financial result TTM	-	-	-	*16.1*

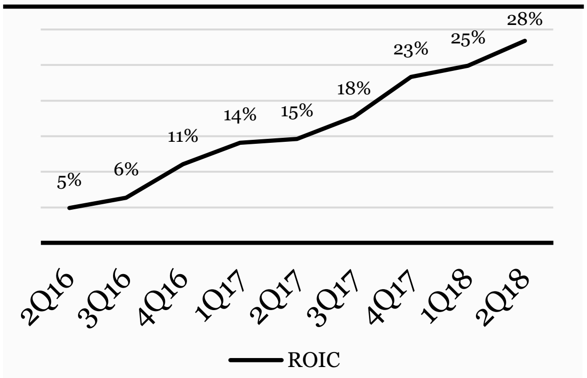
(consolidated)

Tegma Gestão Logística S.A | Earnings Release | 2Q18 | in R$ million

Return on invested capital

Given that the company believes that **return on investment** (ROIC) is significant for investors, since it reflects the company's value creation, we disclose the criteria that we consider the most appropriate for the company. ROIC is not a substitute for other accounting measures in accordance with IFRS and may not be comparable to similar measures used by other companies. The Company defines ROIC as operating profit (after-tax of 34%), divided by the capital invested (shareholders' equity plus net debt minus merger and acquisition goodwill) of the previous 12 months.

Chart 10 – Return over investments (ROIC) and after-tax cost of debt



ROIC: NOPAT / (Net debt + Equity – goodwill)
Reconciling the indicator in the file Historical Financials.xlm (figures)

The company's **ROIC**, as shown in Chart 10 and at the table below, had a significant recovery in the last two years.

The recovery, since the middle of 2016, has been drive by the improvement of revenues from the automotive logistics division, by the improvement of integrated logistics division and by the cost control that we have undertaken throughout the company since 2015. In addition, positive free cash flow in recent years has resulted in a reduction in the net debt of the company and consequently the reduction of the capital employed.

	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18
ROIC (A / B)	**6.3%**	**11.1%**	**14.1%**	**14.6%**	**17.7%**	**23.3%**	**24.9%**	**28.4%**
NOPAT (Oper inc *(1-34%)) (A)	**23.1**	**38.9**	**43.4**	**47.0**	**53.5**	**72.3**	**77.7**	**92.9**
Operating income (TTM)	35.0	58.9	65.7	71.2	81.0	109.5	117.7	140.8
Capital employed (B) (previous 12 months)	**363.9**	**351.5**	**308.0**	**321.5**	**301.8**	**309.9**	**312.0**	**327.0**
(+) Net debt	156.8	150.0	109.2	123.4	99.8	98.7	95.4	90.8
(+) Equity	371.0	365.4	362.8	362.1	365.9	375.1	380.5	400.1
(-) Aquisitions goodwill	163.9	163.9	163.9	163.9	163.9	163.9	163.9	163.9

(consolidated)

** ROIC should not be considered as a substitute for other accounting measures in accordance with IFRS and can not be comparable to compensation. The Company defined ROIC as operating income (after taxes), divided by the capital invested (cumulative net income is less than the operations and acquisitions) of the last 12 months. The company believes ROIC is important to investors since it reflects it´s value creation.*

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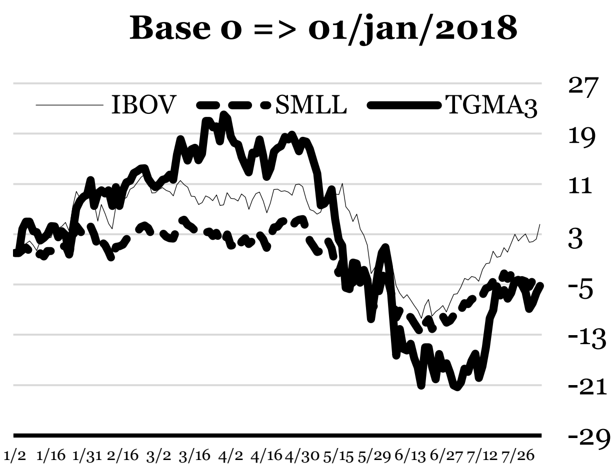
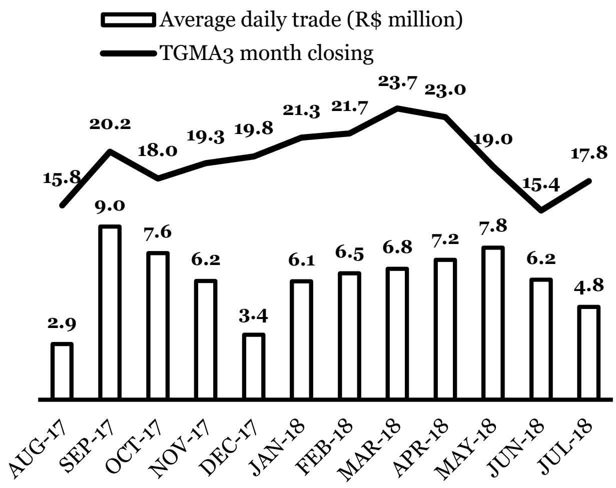
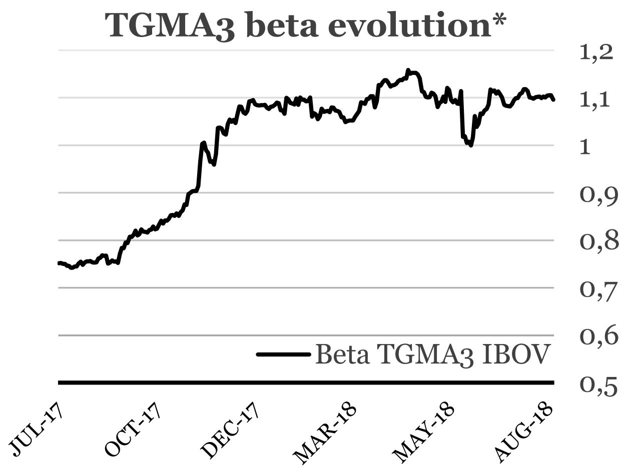
Tegma Gestão Logística S.A | Earnings Release | 2Q18 | in R$ million

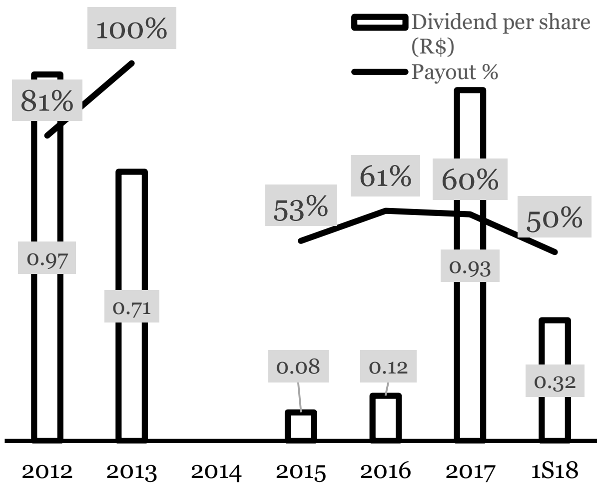
Performance TGMA3





September 2017 and April 2018: not considering block trades





* Tegma and Ibovespa Covariance / Ibovespa variance (252 trading sections)

Results conference call

|PORTUGUESE with simultaneous translation to ENGLISH|

Wednesday, August 8th, 2018

15:00 (Brasília)

2 pm (US-ET)

Tel.: +55 11 3193-1001 or +55 11 2820-4001

Phone: +1 646 828-8246

Port Webcast: click here English Webcast click here

Shareholder strucutre

Shareholder	# stocks TGMA3 ON	% Total
Mopia Participações e Empreendimentos Ltda.	15,396,481	23%
Cabana Empreendimentos e Participações Ltda.	4,817,704	7%
Coimex Empreendimentos e Participações Ltda.	13,207,034	20%
Other controlling shareholders (physical person)	1,179,073	2%
Directors and administration board	40,700	0%
Treasury	65,147	0%
Controllers, administrators e treasury	**34,706,139**	**53%**
Free float	**31,296,776**	**47%**
Total stocks	**66,002,915**	**100%**

Tegma Gestão Logística S.A | Earnings Release | 2Q18 | in R$ million

Tegma Gestão Logística SA and subsidiaries
Income statement
(in R$ million)

Income statement	2Q18	2Q17	Chg % vs 2Q17	1S18	1S17	Chg % vs 1S17
Gross revenue	**360.4**	**316.8**	**13.8%**	**683.2**	**579.9**	**17.8%**
Taxes and deductions	(67.1)	(51.7)	29.9%	(127.9)	(101.3)	26.3%
Net revenue	**293.3**	**265.1**	**10.6%**	**555.3**	**478.6**	**16.0%**
Cost of services	(238.0)	(211.9)	12.3%	(451.3)	(392.6)	14.9%
Personnel	(28.8)	(28.2)	2.1%	(55.5)	(53.5)	3.7%
Freight	(188.2)	(160.7)	17.1%	(353.7)	(291.4)	21.4%
Others	(41.6)	(39.7)	4.8%	(80.6)	(78.3)	3.0%
Taxes credit (PIS and COFINS)	20.5	16.7	23.3%	38.5	30.5	26.4%
Gross profit	**55.2**	**53.2**	**3.8%**	**104.1**	**86.0**	**21.0%**
General and administrative expenses	(16.2)	(15.8)	2.4%	(36.8)	(32.0)	14.8%
Other expenses and revenues	(2.8)	(24.3)	-88.5%	(8.5)	(26.5)	-67.9%
Operating income	**36.2**	**13.1**	**176.6%**	**58.8**	**27.5**	**114.0%**
(+) Depreciation	8.9	6.8	30.5%	15.8	13.4	18.0%
= EBITDA	**45.1**	**19.9**	**126.5%**	**74.6**	**40.9**	**82.6%**
(+) Non-recurring events	-	8.3	-	-	8.3	-
= Adjusted EBITDA	**45.1**	**28.2**	**60.0%**	**74.6**	**49.2**	**51.8%**
Mg% EBITDA	*15.4%*	*10.6%*	*4.8 p.p.*	*13.4%*	*10.3%*	*3.2 p.p.*
Financial result	(0.8)	3.6	-	(2.7)	(0.7)	276.8%
Equity	(0.2)	(0.4)	-40.3%	(0.7)	(0.7)	-7.1%
Income before tax	**35.2**	**16.3**	**116.0%**	**55.4**	**26.0**	**112.8%**
Income tax	(7.0)	7.8	-	(13.2)	3.5	-
Net income	**28.2**	**24.1**	**17.2%**	**42.2**	**29.5**	**42.9%**
Net margin %	*9.6%*	*9.1%*	*0.5 p.p.*	*7.6%*	*6.2%*	*1.4 p.p.*

Income statement - pro forma without Cariacica-ES operation	2Q18	2Q17	Chg % vs 2Q17	1S18	1S17	Chg % vs 1S17
Gross revenue	**360.4**	**310.1**	**16.2%**	**680.5**	**565.5**	**20.3%**
Taxes and deductions	(67.1)	(60.9)	10.3%	(127.5)	(109.1)	16.8%
Net revenue	**293.3**	**249.2**	**17.7%**	**553.0**	**456.4**	**21.2%**
Cost of services	(238.0)	(203.7)	16.9%	(448.5)	(375.7)	19.4%
Personnel	(28.8)	(24.7)	16.2%	(54.4)	(46.7)	16.4%
Freight	(188.2)	(160.7)	17.1%	(353.7)	(291.4)	21.4%
Others	(41.6)	(34.5)	20.4%	(78.8)	(67.4)	16.8%
Taxes credit (PIS and COFINS)	20.5	16.3	25.7%	38.4	29.9	28.6%
Gross profit	**55.2**	**45.6**	**21.2%**	**104.5**	**80.7**	**29.5%**
General and administrative expenses	(16.2)	(15.7)	3.3%	(36.8)	(31.8)	15.6%
Other expenses and revenues	(2.8)	(24.3)	-88.5%	(8.5)	(26.5)	-67.9%
Operating income	**36.2**	**5.6**	**544.2%**	**59.3**	**22.4**	**164.4%**
(+) Depreciation	8.9	6.0	49.4%	15.5	11.4	35.6%
= EBITDA	**45.1**	**11.6**	**289.6%**	**74.8**	**33.8**	**120.9%**
(+) Non-recurring events	-	18.1	-	-	18.1	-
= Adjusted EBITDA	**45.1**	**29.7**	**51.9%**	**74.8**	**52.0**	**43.8%**
Mg% EBITDA	*15.4%*	*11.9%*	*3.5 p.p.*	*13.5%*	*11.4%*	*2.1 p.p.*
Financial result	(0.8)	3.8	-	(2.7)	(0.5)	435.2%
Equity	(0.2)	6.9	-	(1.1)	4.1	-
Income before tax	**35.2**	**16.3**	**116.0%**	**55.4**	**26.0**	**112.8%**
Income tax	(7.0)	7.8	-	(13.2)	3.5	-
Net income	**28.2**	**24.1**	**17.2%**	**42.2**	**29.5**	**42.9%**
Net margin %	*9.6%*	*9.7%*	-	*7.6%*	*6.5%*	*1.2 p.p.*

Tegma Gestão Logística SA and subsidiaries
Balance sheet
(in R$ million)

	Jun-18	Mar-18	Dec-17	Mar-17
Current assets	**282.2**	**301.1**	**374.7**	**265.9**
Cash	0.4	0.4	0.4	0.3
Banking investments	90.3	125.1	148.3	125.8
Accounts receivable, net	175.9	149.5	171.2	116.1
Related parties	0.8	0.6	0.8	0.5
Inventories	0.2	0.2	0.2	0.2
Income tax and social contribution	1.9	2.4	5.2	2.8
Taxes to recover	4.0	14.8	42.8	2.6
Other receivables	5.1	5.0	4.5	10.5
Prepaid expenses	3.6	3.2	1.3	7.1
Non-current assets	**455.0**	**459.4**	**463.2**	**462.8**
Taxes to recover	9.3	9.2	23.9	9.9
Other receivables	6.2	6.2	1.9	15.0
Deferred taxes	13.7	14.1	36.6	23.3
Related parties	17.2	16.4	-	-
Judicial deposits	12.5	12.4	13.6	20.5
Investments	18.7	19.2	2.0	3.0
Property, plant and equipment, net	189.5	193.7	210.1	214.2
Intangible assets	187.9	188.1	175.1	176.9
Total assets	**737.2**	**760.5**	**837.9**	**728.7**

	Jun-18	Mar-18	Dec-17	Mar-17
Current liabilities	**176.8**	**145.4**	**193.1**	**212.1**
Loans and financing	43.4	1.5	1.1	0.9
Bonds	48.1	49.3	71.4	122.5
Suppliers and freights payable	26.7	28.0	32.2	23.2
Taxes payable	14.8	13.4	15.5	13.4
Refinanced taxes	-	-	6.0	-
Salaries and social charges	22.3	20.7	24.6	27.7
Other accounts payable	20.4	22.7	26.1	19.1
Related parties	0.8	0.8	0.8	1.2
Income tax and social contribution	0.4	5.8	12.2	0.8
Dividends payable	0.0	3.1	3.1	3.3
Non-current liabilities	**105.1**	**152.3**	**195.9**	**136.0**
Provision for capital deficiency	-	-	-	0.5
Loans and financing	6.7	53.4	53.6	1.3
Related parties	1.0	-	-	-
Bonds	50.0	50.0	96.7	96.7
Deferred taxes	6.3	5.2	6.6	22.8
Provision for contingencies and other liabilities	41.1	43.8	39.0	14.7
Shareholders equity	**455.3**	**462.8**	**448.8**	**380.5**
Capital stock	144.5	144.5	144.5	144.5
Capital reserve	174.1	174.1	174.1	174.1
Profit reserve	94.9	94.9	94.9	52.4
Retained earnings	42.2	14.0	-	5.5
Treasury shares	(0.3)	(0.3)	(0.3)	(0.3)
Assets valuation adjustment	-	-	-	(0.2)
Additional proposed dividend	-	35.7	35.7	4.7
Total liabilities and shareholders' equity	**737.2**	**760.5**	**837.9**	**728.7**

Tegma Gestão Logística SA and subsidiaries
Cash flow statement
(in R$ million)

	2Q18	2Q17	1S18	1S17
Income before income and social contribution taxes	**35.2**	**16.3**	**55.4**	**26.0**
Depreciation and amortization	8.9	6.8	15.8	13.4
Interest and exchange variation on unpaid loans, debentures	3.0	6.3	6.7	21.2
(Reversal of) provision for contingencies	2.1	20.9	12.4	21.2
Loss in goodwill withdraw	-	-	2.5	-
Allowance for doubtful accounts	(1.0)	(0.0)	(0.9)	0.1
Fair value in investment transfer	-	-	(1.8)	-
Equity pickup	0.2	0.4	0.7	0.7
Loss (gains) on disposal of assets	0.0	(0.1)	0.4	0.1
Provision (reversal of) in asset sales	-	0.2	-	0.2
Loss in investment sale	-	1.4	-	1.4
Interest on acquisition/stock option	-	-	-	0.1
Expenses (revenues) not affecting cash flows	**13.3**	**35.9**	**35.8**	**52.1**
Accounts receivable	(25.4)	(7.1)	(7.0)	30.9
Taxes recoverable	5.0	(16.3)	18.5	(18.7)
Judicial deposits	(0.7)	2.6	(1.1)	3.6
Other assets	(0.7)	4.1	(7.6)	(3.0)
Suppliers and freight payable	(4.5)	(1.5)	(7.5)	(23.0)
Salaries and related charges	1.6	0.3	(1.1)	0.5
Increase (decrease) in related parties	0.1	(0.2)	(0.5)	0.1
Other liabilities	(0.0)	(2.0)	(2.8)	(0.5)
Changes in assets and liabilities	**(24.6)**	**(20.0)**	**(9.1)**	**(10.2)**
Interest paid on loans, financing and swap	(1.3)	(0.1)	(2.2)	(0.1)
Interest paid on debentures	(3.1)	(6.8)	(7.8)	(19.8)
Indemnities payed	(2.9)	(4.5)	(7.5)	(5.0)
Income and social contribution taxes paid	(4.6)	(2.8)	(5.3)	(8.1)
(A) Net cash generated by (used in) operating activities	**11.9**	**18.2**	**59.2**	**34.9**
Dividends received	0.2	0.7	0.2	0.7
Acquisition of intangible assets	(0.6)	(0.6)	(1.8)	(1.7)
Acquisition of property and equipment and intangible assets	(3.2)	(6.3)	(5.2)	(10.5)
Proceeds from sale of assets	0.4	0.1	0.4	0.2
Payment of acquisition of investments	-	-	-	(12.7)
Cash from Tegma Logistica Integrada S.A.	-	-	(0.7)	-
(B) Net cash generated by (used in) investing activities	**(3.2)**	**(6.0)**	**(7.0)**	**(24.0)**
Dividend paid	(38.9)	(8.0)	(38.9)	(8.0)
New loans	-	53.1	-	54.5
Payment of debentures	(4.6)	(0.3)	(71.4)	(67.2)
(C) Net cash generated by (used in) financial activities	**(43.5)**	**44.9**	**(110.3)**	**(20.7)**
Changes in cash (A + B + C)	**(34.8)**	**57.0**	**(58.0)**	**(9.8)**
Cash at beginning of period	125.5	126.0	148.7	192.9
Cash at end of year	90.7	183.0	90.7	183.0

Tegma Gestão Logística SA and subsidiaries
Statements of change in equity
(in R$ million)

		Capital reserve		Income reserve								
	Capital	Capital reserve	Stock option granted	Legal reserve	Retained profit	Addicional dividend proposed	Treasury stock	Equity adjustment	Retained earnings (accumulated losses)	Total	Non-controlling interest	Total equity
Balance on April 1, 2017	**144.5**	**174.1**	**-**	**27.2**	**25.2**	**4.7**	**(0.3)**	**(0.2)**	**5.5**	**380.5**	**-**	**380.5**
Net income for the period	-	-	-	-	-	-	-	-	24.1	24.1	-	24.1
Exchange variation of investee located abroad	-	-	-	-	-	-	-	0.2	-	0.2	-	0.2
Allocation	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(4.7)	-	-	-	(4.7)	-	(4.7)
Balance on June 30, 2017	**144.5**	**174.1**	**-**	**27.2**	**25.2**	**-**	**(0.3)**	**-**	**29.5**	**400.1**	**-**	**400.1**
Balance on April 1, 2018	**144.5**	**174.1**	**-**	**28.9**	**66.0**	**35.7**	**(0.3)**	**-**	**14.0**	**462.8**	**-**	**462.8**
Net income for the period	-	-	-	-	-	-	-	-	28.2	28.2	-	28.2
Allocation:	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(35.7)	-	-	-	(35.7)	-	(35.7)
Balance on June 30, 2018	**144.5**	**174.1**	**-**	**28.9**	**66.0**	**-**	**(0.3)**	**-**	**42.2**	**455.3**	**-**	**455.3**

Tegma Gestão Logística SA and subsidiaries
Statements of value added
(in R$ million)

[	2Q18	2Q17	Chg % vs 2Q17	1S18	1S17	Var % vs 1S17
Gross sale of services, net	341.7	297.6	14.8%	647.1	547.4	18.2%
Other income	0.7	1.2	-42.7%	8.3	1.8	365.3%
(Reversal of) allowance for doubtful accounts	1.0	0.0	4,905.0%	0.9	(0.1)	-
Income	**343.3**	**298.8**	**14.9%**	**656.3**	**549.0**	**19.6%**
Cost of services provided	(188.3)	(160.7)	17.1%	(353.7)	(291.4)	21.4%
Materials, energy, third-party services and other operating expenses	(34.9)	(52.3)	-33.2%	(79.8)	(82.1)	-2.7%
Asset loss and recovery	-	(1.4)	-	-	(1.4)	-
Input products acquired from third parties	**(223.2)**	**(214.4)**	**4.1%**	**(433.6)**	**(374.8)**	**15.7%**
Net value added produced by the Company	120.1	84.4	42.4%	222.8	174.2	27.9%
Depreciation and amortization	(8.9)	(6.8)	30.4%	(15.8)	(13.4)	18.0%
Gross value added	**111.2**	**77.6**	**43.4%**	**206.9**	**160.8**	**28.7%**
Equity pickup	(0.2)	(0.4)	-40.8%	(0.7)	(0.7)	-7.5%
Financial income	3.0	11.7	-74.2%	5.7	17.0	-66.5%
Total value added to be distributed	**114.0**	**88.8**	**28.3%**	**212.0**	**177.0**	**19.7%**
				-	-	-
Personnel and related charges	**32.7**	**33.1**	**-1.1%**	**65.6**	**64.5**	**1.8%**
Direct compensation	26.8	28.0	-4.2%	52.2	54.1	-3.5%
Benefits and allowances	6.1	3.9	57.3%	12.0	7.5	59.5%
FGTS	(0.2)	1.2	-	1.4	2.9	-51.1%
Taxes, charges and contributions	**40.2**	**13.5**	**196.7%**	**77.2**	**45.0**	**71.5%**
Federal	23.4	8.4	177.3%	45.0	26.4	70.6%
State	15.4	3.6	323.9%	29.5	15.6	88.4%
Local	1.4	1.5	-4.3%	2.8	3.0	-8.1%
Financing agents	**41.1**	**42.2**	**-2.6%**	**69.2**	**67.5**	**2.4%**
Interest and exchange variations	3.8	8.1	-52.7%	8.4	17.7	-52.5%
Rent	9.1	10.1	-9.4%	18.6	20.4	-8.7%
Dividends	-	14.8	-	-	14.8	-
Retained profits (losses)	28.2	9.3	202.8%	42.2	14.8	185.8%
Value added distributed	**114.0**	**88.8**	**28.3%**	**212.0**	**177.0**	**19.7%**