









Entender para Atender

*THE BROADEST PORTFOLIO OF LOGISTICS SERVICES IN BRAZIL*

# 3Q14 Results Presentation

## October 29th, 2014

**TK: JSLG3 / JSLGY**

NOVO MERCADO BM&FBOVESPA

# Highlights of 3Q14 (recurring data)

**Record of Total Gross Revenue of R$ 1.580 billion (+16,5%)** and **Record of Consolidated EBITDA**[2] of **R$ 261.6 million (+39.3%)**, margin of **18.2% (+3.0 p.p.)**

## JSL Consolidada – 3Q14 vs. 3Q13*

- **EBITDA-A**[2,4] of **R$ 383.2 million** (+ **31.7%**), margin of 26.6% (**+3.0 p.p.**)
- **Net Income**[2,3,4] of **R$ 39.2 million** (+ **48.5%**), margin of 2.7% (**+0.6 p.p.**)

## JSL Logística + Movida – 3Q14 vs. 3Q13*

- Total Gross Revenue of **R$ 1.249 billion**, growth of **17.4%**
- **Gross revenue from Services** of **R$ 1.087 billion**, growth of **13.2%**
- **EBITDA-A**[2,4] of **R$ 366.8 milion** (+**29.4%**), margin of 32.4% (**+3.0 p.p.**)
- **EBITDA**[2] of **R$ 248.6 million** (+**37.0%**), margin of 21.9% (**+3.1 p.p.**)
- **Net Income**[2,3] of **R$ 32.3 million**, growth of **16.6%**

## Subsequent Events

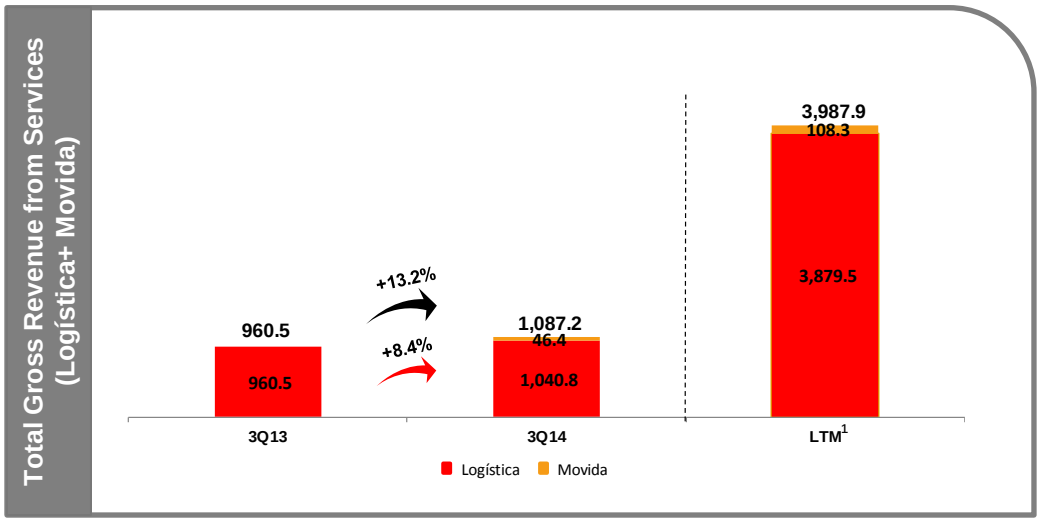
- Operational start-up of **JSL Arrendamento Mercantil**

**Continuous growth** based on **value generation for the customer**, **industry diversification** and the **broadest portfolio of logistic services**

* Comparison with the reported data, which exclude Movida
[1] Includes the consolidated financial results of JSL Logística and Movida, excluding the operations between the businesses
[2] JSL Consolidada: Excludes the effects of non-recurring expenses of R$ 13.0 million on 3Q14
[3] Excludes the impact from the expenses detailed in item 1. It considers a rate of 34.0% for R$ 0.5 million in Logística and excludes pre-operational companies net loss
[4] Excludes pre-operational companies expenses

# Operating Highlights
(R$ million)

JSL Logística + Movida – Comparisons with 3Q13*




## Gross revenue from Services

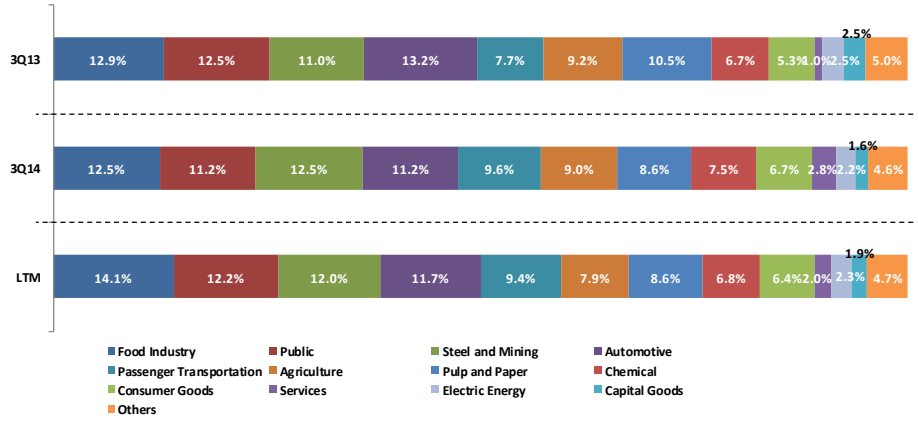
- **New Contracts** from Logistica along with **Movida** contributed with **R$180.7 million** (+18.8%)
- The basis of existing contracts decreased R$ 54.0 million (-5.6%)

## Resale of assets

- **Growth of 15.3%** in revenue from the Sale of Assets, due to:
  - more assets available for sale
  - Structured network of sales channels, through Dealerships and JSL Seminovos stores

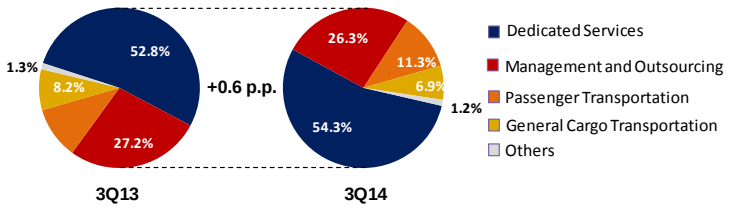
## By Economic Sector – Logística

- **Operating in more than 16 sectors of the economy**




## By Business Line – Logística

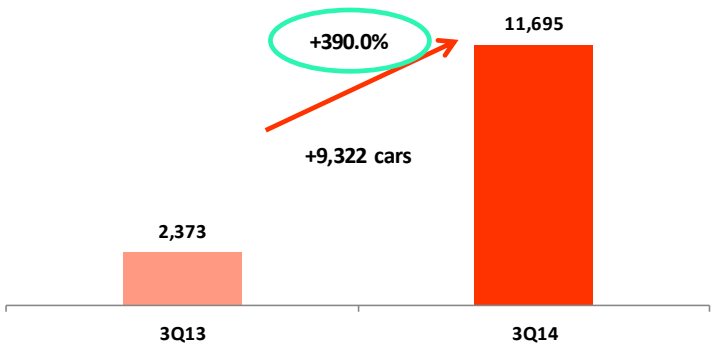
**80.6%** of **Dedicated Services + Management and Outsoucing**



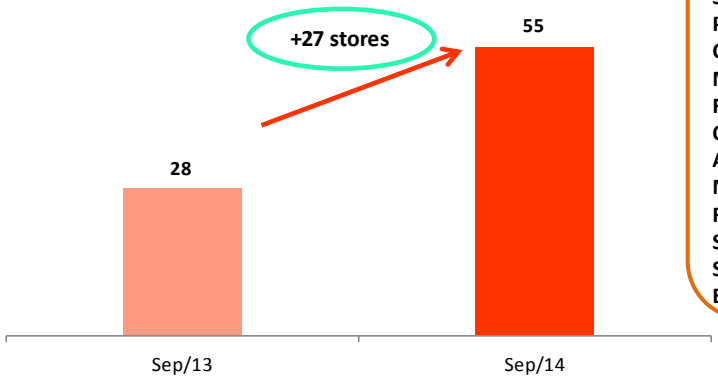

* Comparison with the reported data, which exclude Movida
[1] Considers Movida from December 2013

# Movida – Operational Information

## End of Period Fleet



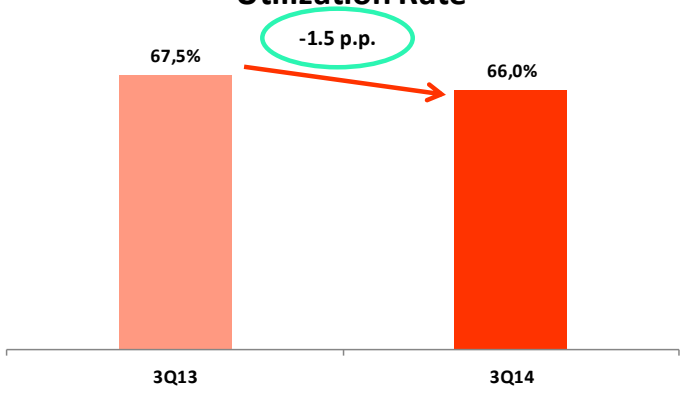

## Amount of stores



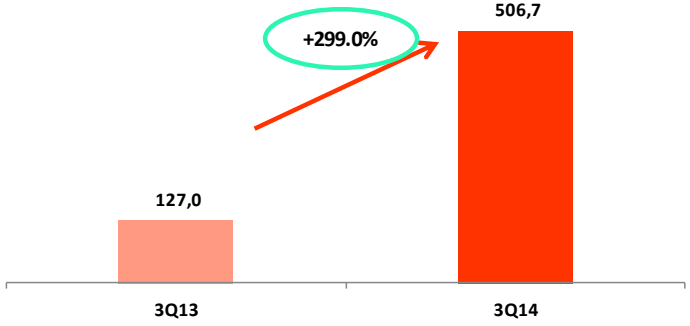

**Stores opened on 3T14**

João Pessoa – Airport
São Caetano do Sul – City
São Paulo – Tatuapé
Parauapebas – City
Campinas – City
Mogi das Cruzes – City
Foz do Iguaçu – City
Osasco – City
Aracaju – Airport
Maceió – City
Rio de Janeiro – Jacarepaguá
Sorocaba – City
São Paulo – Vila Prudente
Bauru – City

## Utilization Rate




## Daily Rentals (thousants)




**Movida has recorded substantial growth, but we believe its development potential is much higher than what it has already achieved**

# JSL Concessionárias

## JSL Concessionárias de Veículos results

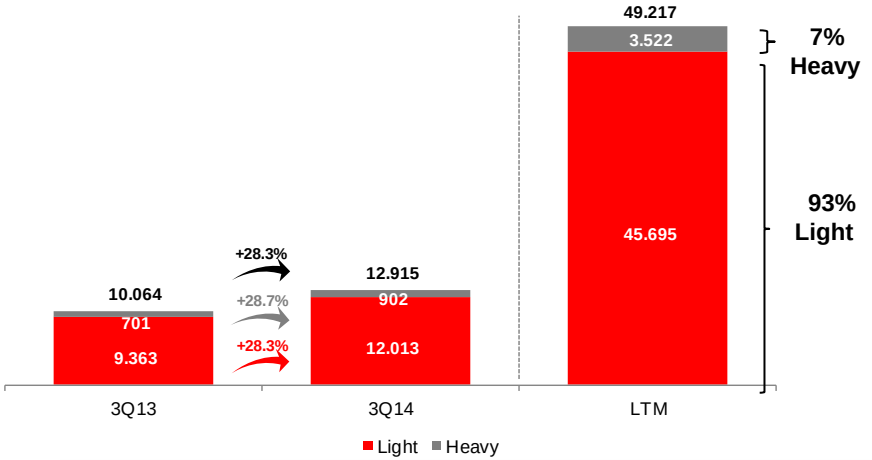
| Synergy between JSLConcessionárias, JSL Logistics and Movida | 3Q14 | | | LTM | | |
|---|---|---|---|---|---|---|
| | JSL Logística + Movida | Through JSL Concessionárias | Synergy % of Total | JSL Logística + Movida | Through JSL Concessionárias | Synergy % of Total |
| Purchase of Light Vehicles (units) | 10.611 | 4.107 | 38,7% | 24.902 | 14.955 | 60,1% |
| Purchase of Heavy Vehicles (units) | 1.671 | 0 | 0,0% | 3.514 | 220 | 6,3% |
| Sales of Light Vehicles Used Vehicles (units) | 3.010 | 1.372 | 45,6% | 10.357 | 4.614 | 44,5% |
| Sales of Heavy Vehicles Used Vehicles (units) | 310 | 8 | 2,6% | 1.375 | 31 | 2,3% |

| Financial Hihglights (R$ million) | 3Q13 | 3Q14 | Chg. 3Q14x3Q13 |
|---|---|---|---|
| **Net Revenue** | **283.0** | **333.1** | **+17.7%** |
| **Recurring Net Income[2]** | **(1.3)** | **6.8** | **+118.5%** |
| *Recurring Net Margin[2]* | -0.4% | 2.1% | +2.5 p.p. |
| **Recurring EBITDA[2]** | **5.5** | **13.0** | **+135.5%** |
| *Recurring EBITDA Margin[2]* | 2.0% | 3.9% | +2.0 p.p. |

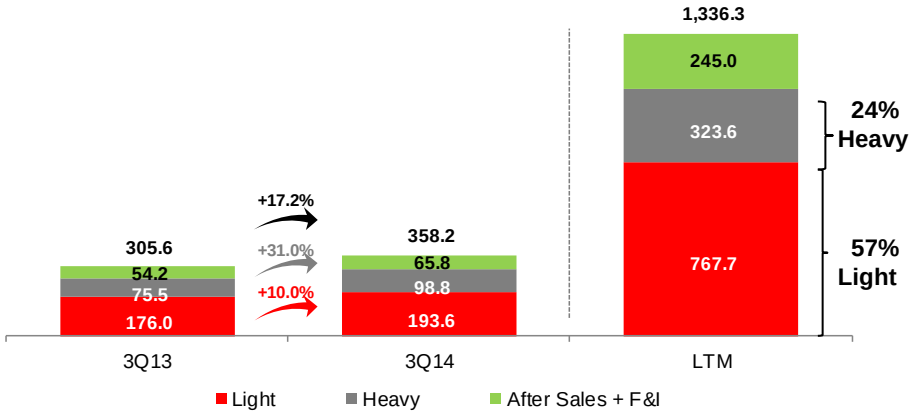
**Synergies in 3T14: 46.2% of used light vehicles sold came from JSL and Movida; 62.3% of direct sales were from JSL and Movida; 91.4% of Movida's sale of assets, which were through the Dealerships**

## Highlights of JSL Concessionárias de Veículos:

### Volume and Mix of Vehicles Sold (units)




### Gross Revenue and Revenue Mix (R$ million)




**In 3Q14, the recurring EBITDA[1] was R$ 13,0 millions (margin of 3.9%) and recurring Net Profit[2] of R$ 6.8 millions due to the improvement of the margins and the increase in the volume of sales of heavy vehicles and light used vehicles**

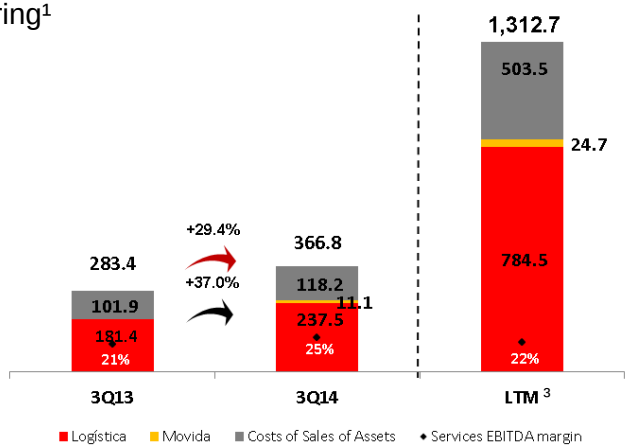
[2] Expenses with acquisitions, special projects, organizational structure optimization and other.

# Financial Results: JSL Logística + Movida (recurring data) (R$ million)

Comparison with 3Q13

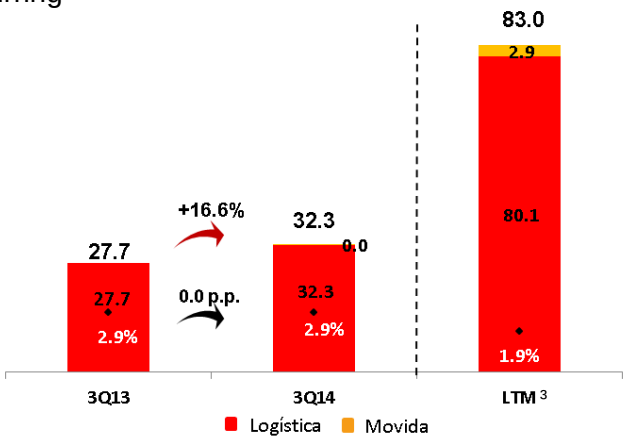
EBITDA-A

Recurring[1]




Net Income

Recurring[2]




## Highlights

- **37.0% growth** in EBITDA, reaching **R$ 248.6 million in 3Q14, composed of:**

  **Logística**: **R$ 237.5 million** (+30.9%), with services EBITDA margin of **25.5%**, **4.6 p.p. up**, mainly due to the review of the portfolio of contracts and the improvement of personnel cost structure

  **Movida**: **R$ 11.1 million**, with services EBITDA margin of 22.8% due to the higher number of daily rentals, as a result of the opening of new stores and increased fleet. Excluding sub-lease effects with JSL, the EBITDA margin from services would be 30.7%

- **The total recurring net income was R$ 32.3 million, consisting of:**

  **Logística**: R$ 32.3 million, 16.6% up on 3Q13, with a margin of 3.0%

  **Movida**: affected by the opening of 14 stores in the period

  Reminding that due to the growth dynamics, the net income remains affected by the investments in expansion, which generate financial expenses without the corresponding cash flow

[1] Excludes the effects of non-recurring expenses related to the acquisitions, special projects, and others, totaling R$ 2.9 million in 3Q13, R$ 3.6 million in 9M13, R$ 2.6 million in 3Q14, R$ 14.4 million in 9M14 and R$ 17.5 million in LTM

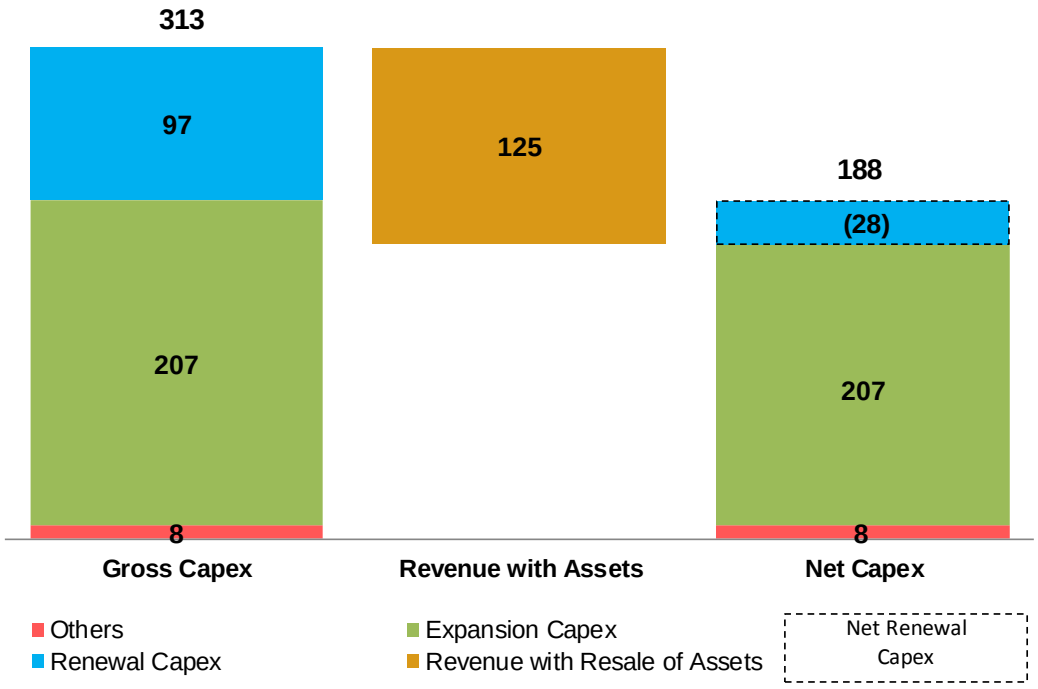
[2] Excludes the impact of the expenses in item 1. Considers a rate of 34.0% for R$ 2.9 million in 3Q13, R$ 3.6 million in 9M13, R$ 0.5 million in 3Q14, R$ 12.3 million in 9M14 and R$ 15.4 million in LTM

[3] Considers Movida from December 2013

# Capex - JSL Consolidada

(R$ million)

## 3Q14 Capex




Capex profile:

- **Logística R$ 176 million (53% in expansion)**
- **Movida R$ 130 million (87% in expansion)**
- **Concessionárias R$ 7 million (11% in expansion)**

Net Capex Profile:

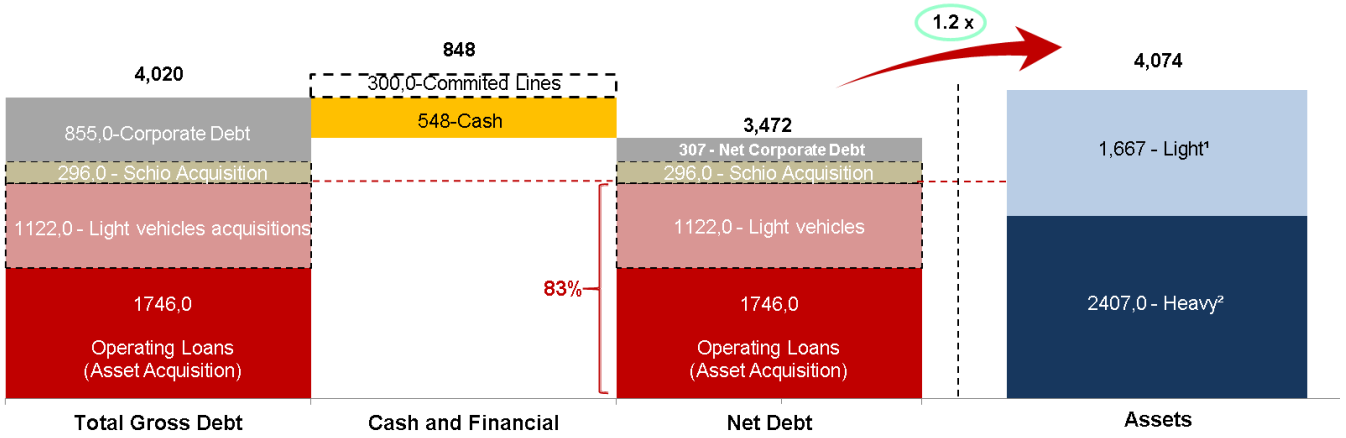
- **Expansion of R$ 207 million (110%)**

**Flexibility in the renewal of assets due to the low average fleet age (heavy vehicle 2.4 years and light vehicle 1.3 year)**

# Indebtedness - JSL Consolidada

(R$ million)

## Net Debt Breakdown




¹Considers: Net heavy fixed assets, construction in progress, improvements in third party properties, computers, furniture and fixtures, vessels, assets available for sale and heavy inventory paid at Concessionárias

²Considers: Net light fixed assets, light assets available for sale, light inventory paid at Concessionárias and accounts receivable, inventory and suppliers from operations of sales of assets with management

Base:09/30/2014

- **JSL liquidity stood at R$ 848 million**, comprising R$ 548 million in cash and cash equivalents and R$ 300 million in an overdraft
- **43%** linked to **pre-fixed** taxes (includes **TJLP**)
- **57%** linked to **float** taxes (basically **CDI**)
- Cost of net debt of 9.5% p.a.

### Leveraging Parameters

| | 3Q14 | Covenants |
|---|---|---|
| Net Debt¹/ EBITDA-A² | 2.6x | Max 3.0 x |
| EBITDA²/ Net Interest² | 4.8x | Min 2.0 x |
| Cash and Investments¹/Gross Debt ST¹ | 1.2x | N.A. |

**EBITDA-A** or EBITDA Added - corresponds to EBITDA plus the residual accounting cost from the sale of fixed assets, which is non-cash, since it represents merely an accounting entry of the removal of assets from the balance sheet at the moment they are sold. Thus, the Company's management believes that EBITDA-A is a better measure of operating cash flow than traditional EBITDA, representing the Company's capacity to meet its financial obligations. **¹ End of period; ² Recurrent last 12 months** Other Covenants: Net Debt/EBITDA: 4.1x; EBITDA/Net interest: 3.0x

# Consolidated Results – JSL Consolidada 3Q14 (recurring data) (R$ million)

| | 3Q14 | | | | | LTM | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **JSL Consolidada (R$ million)** | **JSL Logística** | **JSL Concessionárias** | **Movida** | **Exclusion** | **JSL Consolidada[1]** | **JSL Logística** | **JSL Concessionárias** | **Movida[2]** | **Exclusion** | **JSL Consolidada[1,2]** |
| **Gross Revenue** | **1,190.8** | **358.2** | **60.0** | **(29.1)** | **1,580.0** | **4,553.0** | **1,336.3** | **142.4** | **(115.0)** | **5,916.7** |
| **Net Revenue** | **1,078.1** | **333.1** | **56.9** | **(29.1)** | **1,439.1** | **4,133.5** | **1,241.8** | **135.3** | **(115.0)** | **5,395.5** |
| **Gross Profit** | **206.1** | **61.6** | **18.7** | **-** | **286.3** | **668.3** | **228.2** | **37.2** | **-** | **933.8** |
| *Gross Margin* | 19.1% | 18.5% | 32.9% | - | 19.9% | 16.2% | 18.4% | 27.5% | - | 17.3% |
| **EBIT** | **140.6** | **10.5** | **5.5** | **-** | **156.5** | **417.6** | **22.8** | **11.5** | **-** | **451.9** |
| *EBIT Margin* | 13.0% | 3.1% | 9.6% | - | 10.9% | 10.1% | 1.8% | 8.5% | - | 8.4% |
| **Recurring Net Income** | **32.3** | **6.8** | **0.0** | **-** | **39.2** | **80.1** | **10.0** | **2.9** | **-** | **93.0** |
| *Recurring Net Margin* | 3.0% | 2.1% | 0.0% | - | 2.7% | 1.9% | 0.8% | 2.1% | - | 1.7% |
| **Recurring EBITDA** | **237.5** | **13.0** | **11.1** | **-** | **261.6** | **784.5** | **32.6** | **24.7** | **-** | **841.7** |
| *Recurring EBITDA Margin* | 22.0% | 3.9% | 19.5% | - | 18.2% | 19.0% | 2.6% | 18.3% | - | 15.6% |
| **Recurring EBITDA-A** | **343.3** | **16.5** | **23.5** | **-** | **383.2** | **1,257.8** | **44.2** | **54.9** | **-** | **1,356.9** |
| *Recurring EBITDA-A Margin* | 31.8% | 4.9% | 41.3% | - | 26.6% | 30.4% | 3.6% | 40.6% | - | 25.1% |

[1] Excludes pre-operational companies expenses

[2] Considers Movida from December 2013

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# JSL S.A.

**Relações com Investidores**

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