

JSL

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The broadest portfolio of logistic services in Brazil

2Q13 Results Presentation

August 13, 2013

Highlights 2Q13

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

JSL Consolidada – Reported data – 2Q13 vs. 2Q12

- **Consolidated Gross Revenue** of **R$ 1.288 billion**, growth of **16.5%**
- **EBITDA**[1] of **R$ 169.8 million**, growth of **15.9%**
- **Net Income**[2] of **R$ 23.0 million**, growth of **35.3%**

JSL Logística – Reported data – 2Q13 vs. 2Q12

- Total Gross Revenue of **R$ 999.1 million** (**+25.6%**) and **record** of gross revenue from **Services** of **R$ 913.2 million** (**+24.0%**)
- **EBITDA**[1] of **R$ 162.8 million**, growth of **11.4%**
- **Net Income**[2] of **R$ 21.0 million**, growth of **7.7%**

Subsequent Events

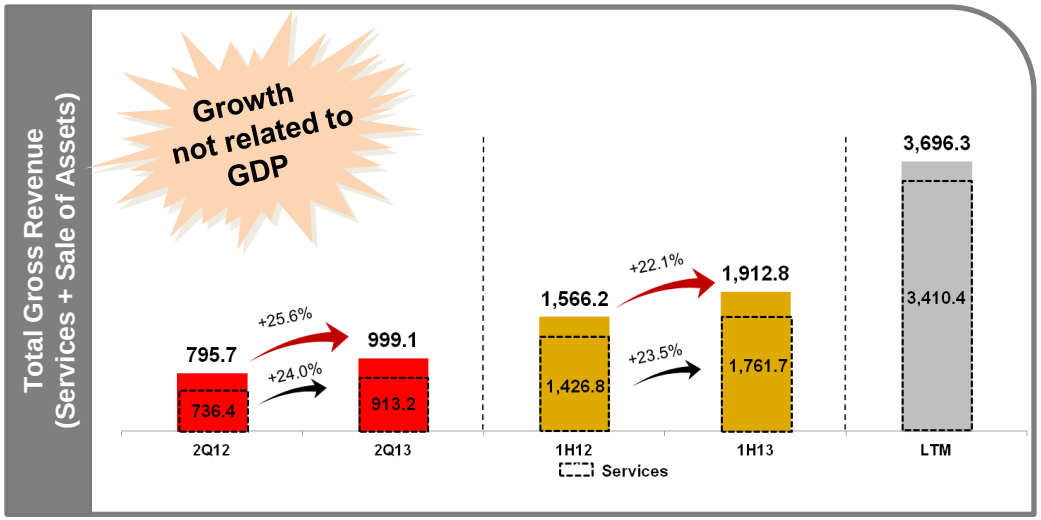
- **6th Debenture Issue,** totaling **R$ 400.0 million**, with an average maturity of 5.8 years
- **Winner** of the 2013 Fipecafi – Serasa Experian Transparency Award for the second time
- Opening of the **1st heavy** JSL **dealerships** in the **Northeast**
- In negotiating for the **purchase** of **heavy vehicle dealership** in the North

[1] JSL Consolidada: Excludes the effects in the amount of R$ 0.4million of non-recurring expenses of JSL Logística related to the acquisitions of Schio and Simpar Concessionárias (current JSL Concessionárias), special projects, and others. Also R$ 0.1 million in JSL Concessionárias de Veículos in 2Q13.
[2] Excludes the impact from the expenses detailed in item 1. It considers a rate of 34.0% for R$ 0.4 million in Logística and R$ 0.5 million in Consolidated.

Operating Highlights - JSL Logística

(R$ million)

JSL Logística – Reported Data – Comparisons with 2Q12



Record gross revenue from Services

- **Growth** of Revenue from **Same Contracts (RSC): 11.2%**
- **New Contracts** contributed with **R$ 133.1 million**

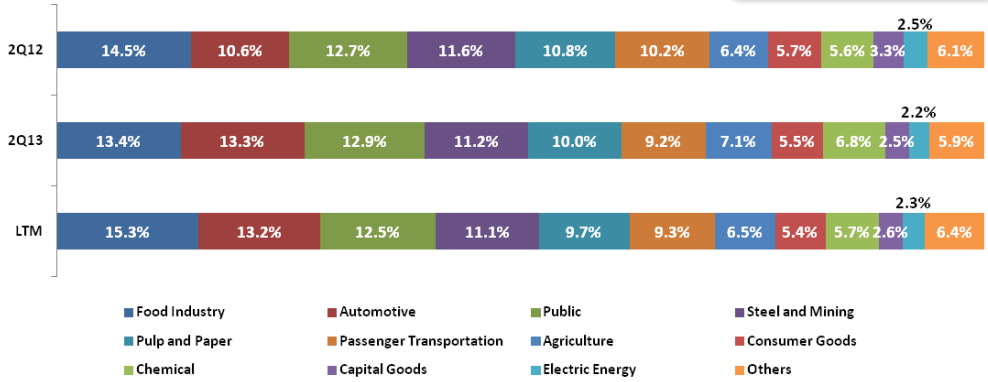
Resale of assets

- Due to more assets available for sale and the **new sale channels** from the **network of dealerships**, revenue from the Usual Resale of Assets was **44.7% higher** than in **2Q12**.

By Economic Sector

- **Continuous increase** in **sectoral diversification**

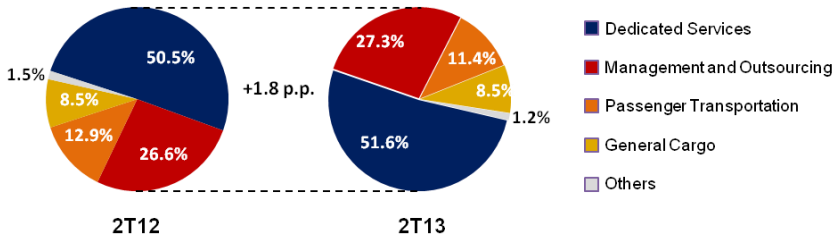
+16 sectors of economy



By Business Line

- Focus on **Logistics Services** with **higher value added**

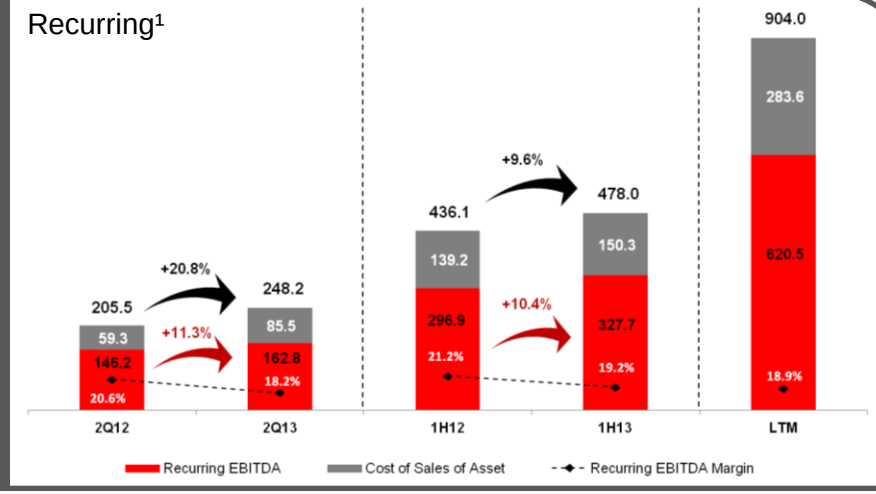
78.9% of Dedicated Services + Management and Outsourcing



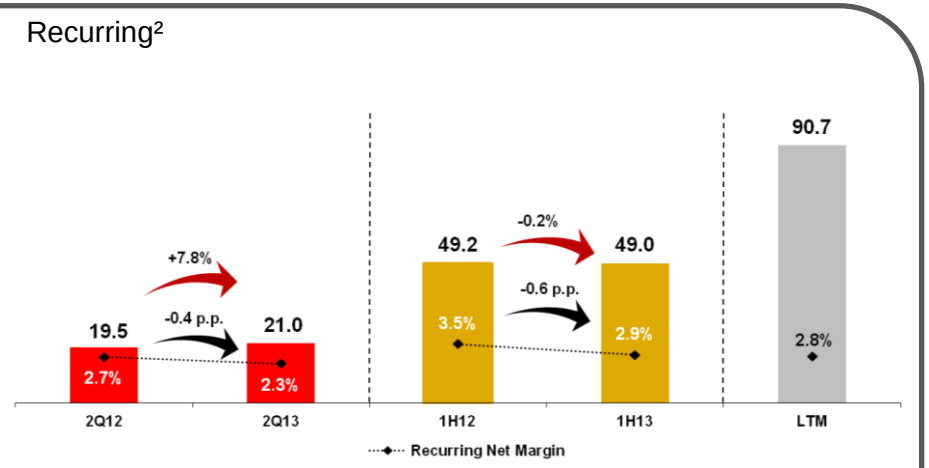
Financial Results – JSL Logística
(R$ million)

Comparison with 2Q12

EBITDA-A



Net Income



Highlights

- **The 11.4% growth in** EBITDA**,** coming to **R$ 162.8 million in 2Q13,** with a margin of **18.2%,** reduction of 1.6 p.p., due to the increased share of independent contractors and third parties, higher expenditures coming with the phase out of operations and higher costs with the implementation of new operations, partially offset by the dilution of administrative expenses

- **Recurrent Net Income** of **R$ 21.0 million**, growth of 2.3% due to reasons described above, offset by improved financial results

¹ Excludes the effects of non-recurring expenses related to the aquisitions of Schio and SIMPAR Concessionárias (currently JSL Concessionárias), special projects, totaling R$ 2.6 million in 2Q12 and R$ 3.6 million in 1H12, 0.4 million in 2Q13, R$ 0.7 million in 1H13 and 9.1 million in LTM

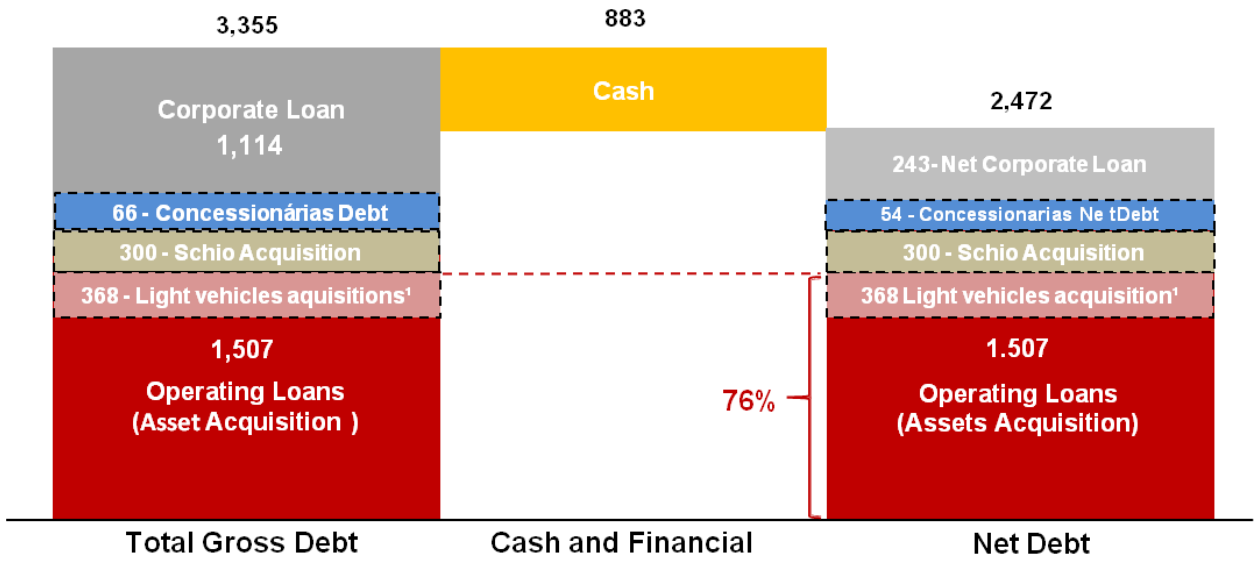
² Excludes the impact from the expenses detailed in item 1. It considers a rate of 34.0% for R$ 2.6 million in 2Q12, and R$ 3.6 million in 1H12, R$ 0.4 million in 2Q13, R$ 0.7 million in 1H13 and R$ 2.1 million in LTM

Indebtedness - JSL Consolidada

(R$ milhões)

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Net Debt Breakdown



Base:06/30/2013

¹Acquisition of light vehicles with own funds to acquire to increasing fleet

Debt profile in 2Q13:

- **76%** linked to **operational assets**
- **55%** linked to **TJLP/PRE-FIXED**
- **45%** linked to **CDI**
- **Average cost of debt 8.6% p.a.**

Leveraging Parameters

	2Q13	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	0.9x	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.

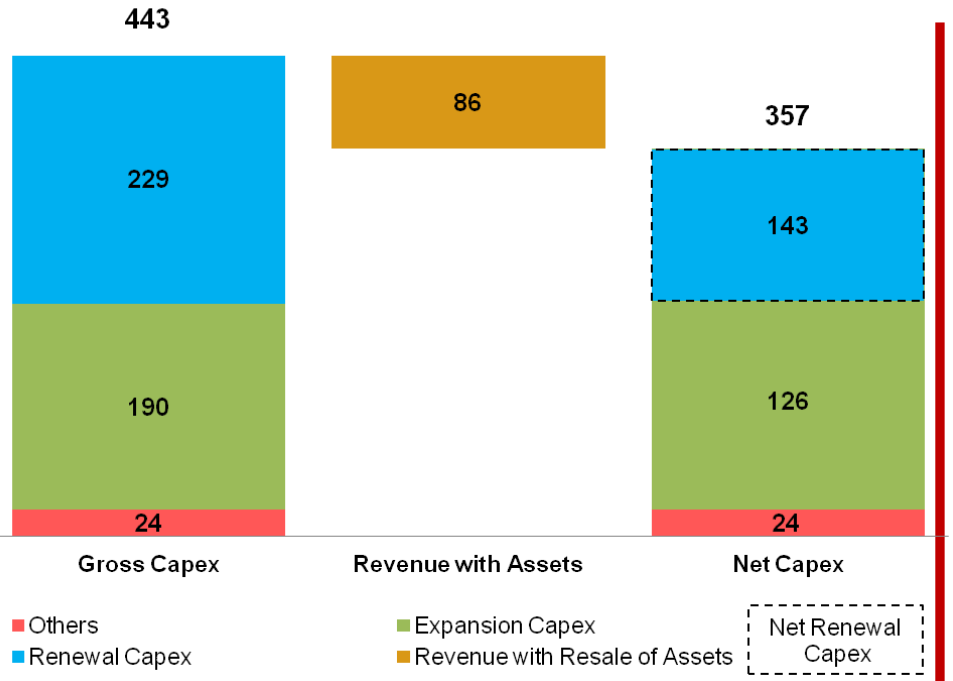
¹ **End of period; recurrent last 12 months**

Other Covenants: Net Debt/EBITDA: 3.7x; EBITDA/Net interest: 3.1x

Investments - JSL Logística

(R$ million)

2Q13 Capex



Capex profile:

- **43%** on **business expansion**
- **83%** in **Dedicated Services** and **Management and Outsourcing**
- **63%** in **heavy vehicles** and **32%** in **light vehicles**

Note that gross investments in renewal were higher than revenue from the sale of assets due to the assets that are still not in the phase-out stage, i.e. are still not available for sale.

Flexibility in the management of Renewal Capex due to the low average fleet age, as well as Expansion Capex, which is linked to the execution of new contracts

- **Expansion Capex contributes only partially to revenue and cash generation in the year in which it is executed, as it depends on the moment in which the new contracts come into effect, keeping in mind that they have an implementation period that ranges from 90 to 120 days (expenses without revenue)**

- **Full contributions from the contracts executed during a given year only take place in the following years, after a full year operating at their maturity**

JSL Logística and JSL Concessionárias de Veículos: Independent yet complementary businesses

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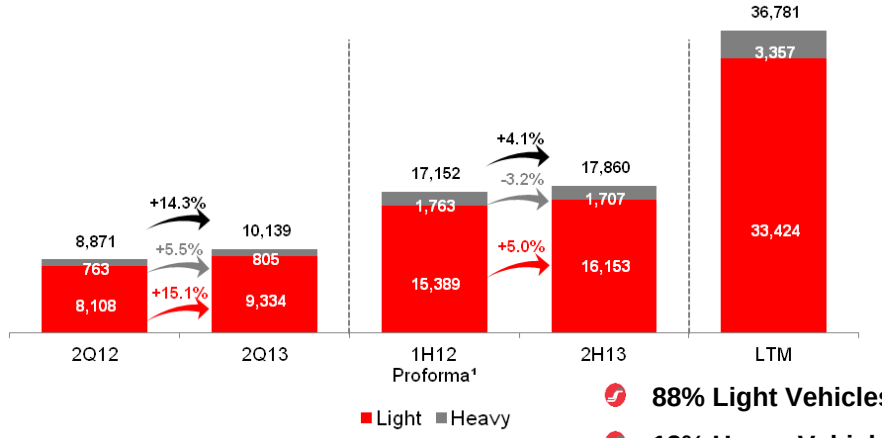
Revenue of JSL Concessionárias de Veículos (ex-SIMPAR Concessionárias), incorporated in February 2012

Synergy between JSL Logistics and JSLConcessionárias	2Q13			1H13			LTM		
	JSL Logistica	Through JSL Concessionárias	Synergy % of Total	JSL Logistica	Through JSL Concessionárias	Synergy % of Total	JSL Logistica	Through JSL Concessionárias	Synergy % of Total
Purchase of Light Vehicles (units)	4,336	2,949	68.0%	5,741	4,215	73.4%	11,893	7,724	64.9%
Purchase of Heavy Vehicles (units)	1,053	15	1.4%	1,598	149	9.3%	2,655	172	6.5%
Sales of Light Vehicles Used Vehicles (units)	1,585	758	47.8%	2,632	1,116	42.4%	4,542	1,826	40.2%

*Includes trades brokered by Concessionárias

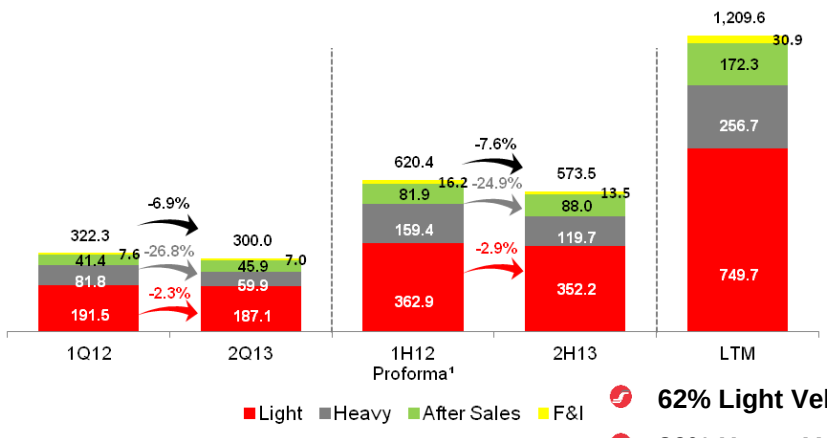
Highlights from JSL Concessionárias :

Volume and Mix of Vehicles Sold (units)



- 88% Light Vehicles
- 12% Heavy Vehicles

Gross Revenue and Revenue Mix (R$ million)



- 62% Light Vehicles
- 20% Heavy Vehicles

Recurring EBITDA¹ of R$ 7.1 million (margin of 2.5%) and Net Profit² of R$ 2.0 milion, an increase of more than 41x on EBITDA and reversal of net loss compared to 2Q12

¹Excludes non-recurring effects of R$ 0.6 million in 2Q13. ²Considers rate of 34% for R$ 0.1 million in 2Q12.

Consolidated Results - JSL Consolidada 2Q13

JSL Consolidated (R$ million)	JSL Logística	JSL Concessionárias	Exclusion	JSL Consolidada	JSL Logística	JSL Concessionárias	Exclusion	JSL Consolidada
Gross Revenue	**999.1**	**300.0**	**(11.2)**	**1,287.9**	**3,696.3**	**1,209.6**	**(32.4)**	**4,873.5**
Net Revenue	**894.5**	**282.4**	**(11.2)**	**1,165.8**	**3,285.6**	**1,128.5**	**(32.4)**	**4,381.7**
Gross Profit	**128.8**	**48.8**	**-**	**177.6**	**527.6**	**192.1**	**-**	**719.7**
Gross Margin	14.4%	17.3%	-	15.2%	16.1%	17.0%	-	16.4%
EBIT	**75.5**	**5.6**	**-**	**81.1**	**298.6**	**27.5**	**-**	**326.1**
EBIT Margin	8.4%	2.0%	-	7.0%	9.1%	2.4%	-	7.4%
Recurring Net Income	**21.0**	**2.0**	**-**	**23.0**	**90.7**	**8.8**	**-**	**99.6**
Recurring Net Margin	2.3%	0.7%	-	2.0%	2.8%	0.8%	-	2.3%
Recurring EBITDA	**162.8**	**7.1**	**-**	**169.8**	**620.5**	**33.8**	**-**	**654.3**
Recurring EBITDA Margin	18.2%	2.5%	-	14.6%	18.9%	3.0%	-	14.9%
Recurring EBITDA-A	**248.2**	**9.4**	**-**	**257.6**	**904.0**	**44.5**	**-**	**948.5**
Recurring EBITDA-A Margin	27.7%	3.3%	-	22.1%	27.5%	3.9%	-	21.6%

Some of the statements contained herein constitute additional information that has not been audited or reviewed by the auditors and is based on Management's current opinion and prognoses. Consequently, there may be material differences between said statements and the Company's actual future results, performance and events. Actual results, performance and events may differ substantially from those expressed or implied by said statements as a result of various factors, including the general and economic situation in Brazil and other countries; interest, inflation and exchange rates; changes in laws and regulations; and general competitive factors (at global, regional or national level). Consequently, Management accepts no responsibility for the conformity or accuracy of the additional information in this report that has not been audited or reviewed by the auditors. Said information should be examined and interpreted in an independent manner by shareholders and market agents who should carry out their own analyses and reach their own conclusions regarding the results disclosed herein.

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