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Logística



3Q10 Results

November 12, 2010

3Q10 Highlights

(3Q10 vs. 3Q09 - Reclassified)

- **Gross revenue of R$717.2 million** (+67.5%)
- **Record quarter** for gross revenue from services: **R$491.3 million** (+22.9%), with:
  - ✓ **+ 30.6% from Dedicated Services**
  - ✓ **+ 18.8% from Fleet Management and Outsourcing**
- Gross revenue from Sale of Assets of R$225.9 million (+690.6%)
- **Net income of R$58.4 million** (+113.9%)
- **EBITDA-A[1] of R$ 272.0 million** (+187.9%) and **EBITDA-A[1] margin of 41.7%** (+17.1 p.p.). Traditional EBITDA totaled R$ 133.9 million (+62.0%)

[1] **EBITDA Added ("EBITDA-A")** represents EBITDA plus the residual accounting cost of sales of assets, which is non-cash, since it represents merely an accounting entry at the time of demobilization of the assets. The Company's management believes that EBITDA-A is a better measure of the financial performance of the business.

3Q10 Highlights

- Expansion of **used vehicle dealership network**: 2 **new stores** launches (one for light vehicles), going from 5 stores at the end of 2Q10 to 7 by the end of October

- Winner of the Logistics Brazil Award granted by Brazil Comex Magazine to the **best road transportation company**

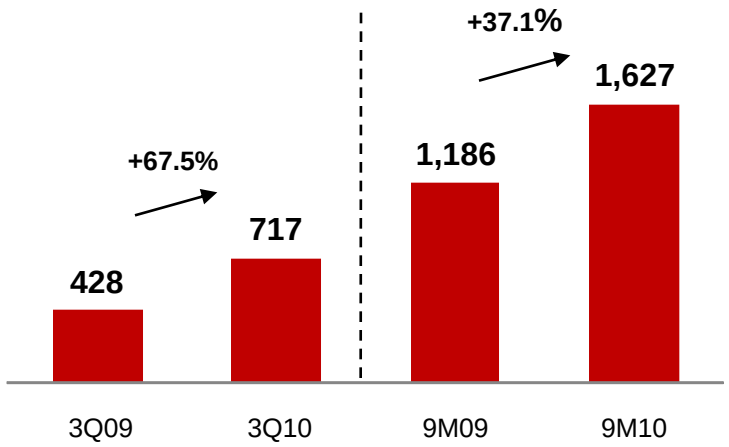
- Leader in road-based logistics in the **ranking of the 1,000 Best and Largest Brazilian Companies** by magazine *Exame* and in the **Valor 1,000 ranking** of the newspaper *Valor Econômico*, both based on revenue

Record of R$ 491 million in Gross Revenue from Services in 3Q10

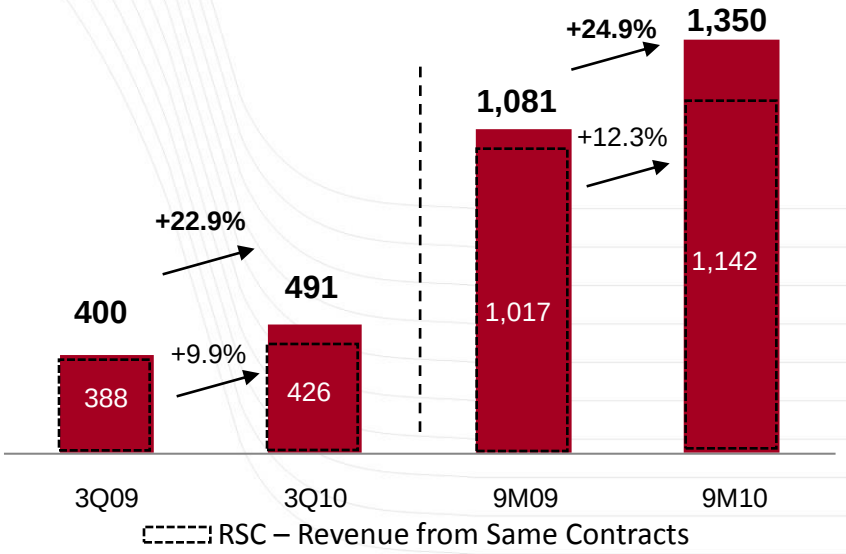
(R$ million)

Total Gross Revenue

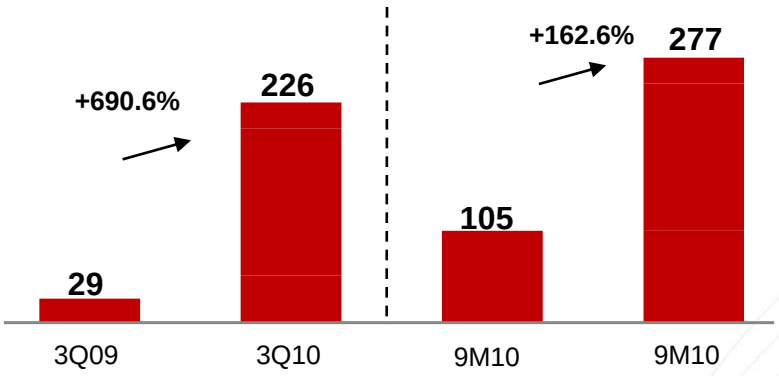
(Services + Sale of Assets)



Gross Revenue from Services



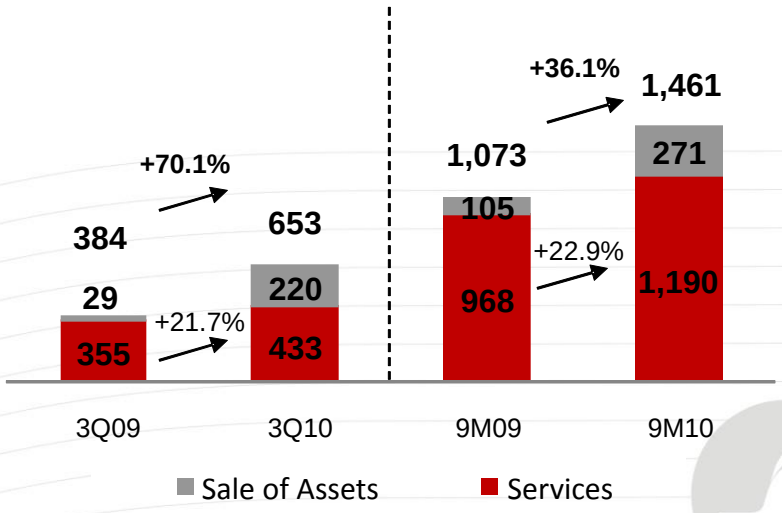
Gross Revenue from Sale of Assets



Impact from the accounting of rental as sales (CPC06) of R$ 142 mm in 3Q10

Total Net Revenue

(Services + Sale of Assets)



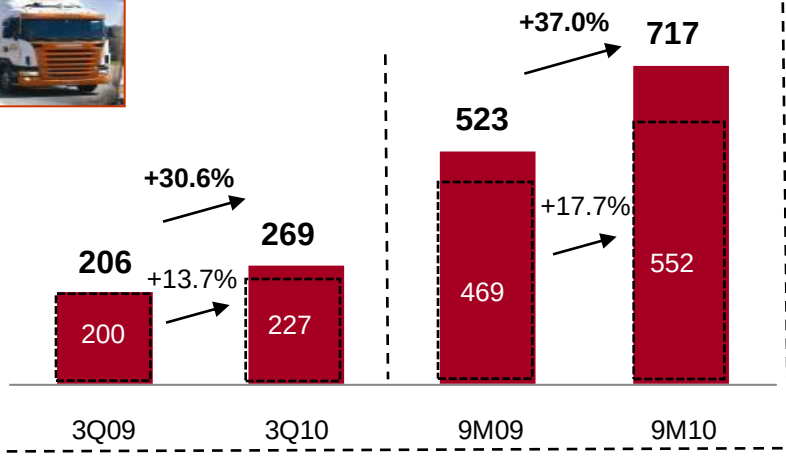
Gross Service Revenue Driven by Dedicated Services

(Gross Revenue - R$ million)

Dedicated Services



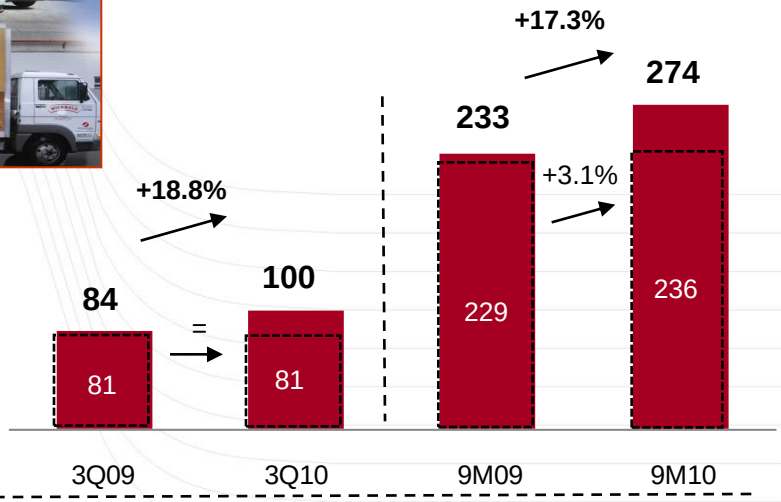
53%



Fleet Management and Outsourcing



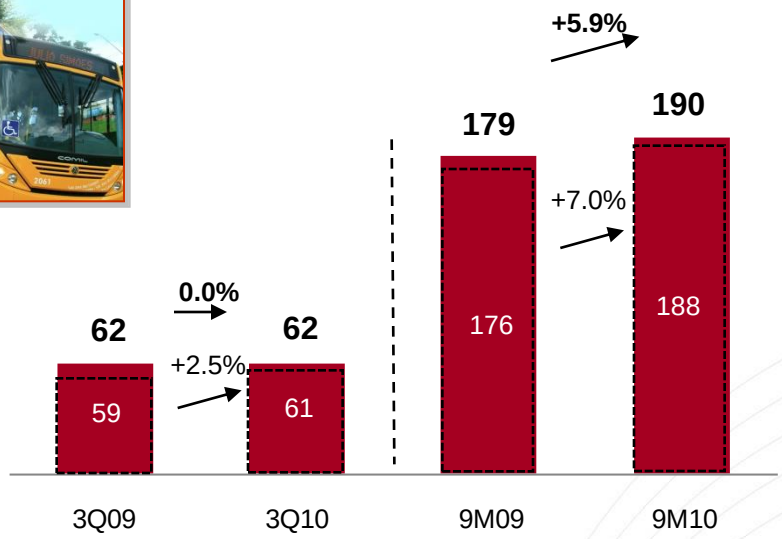
21%



Passenger Transportation



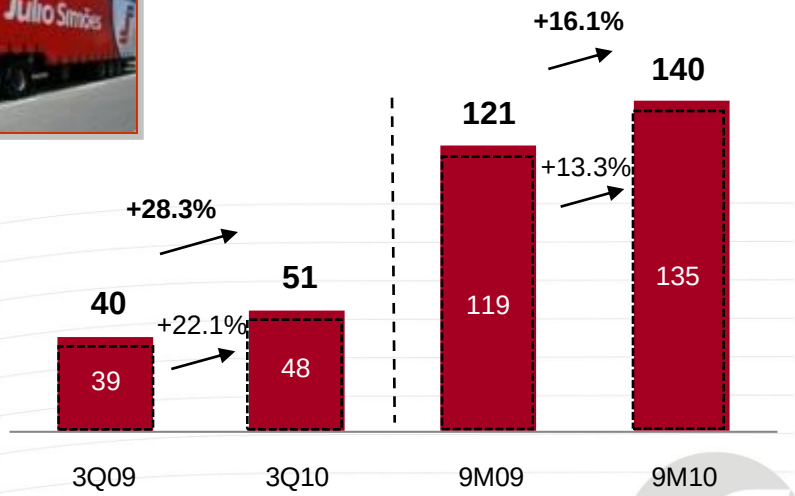
14%



General Cargo Transportation



10%



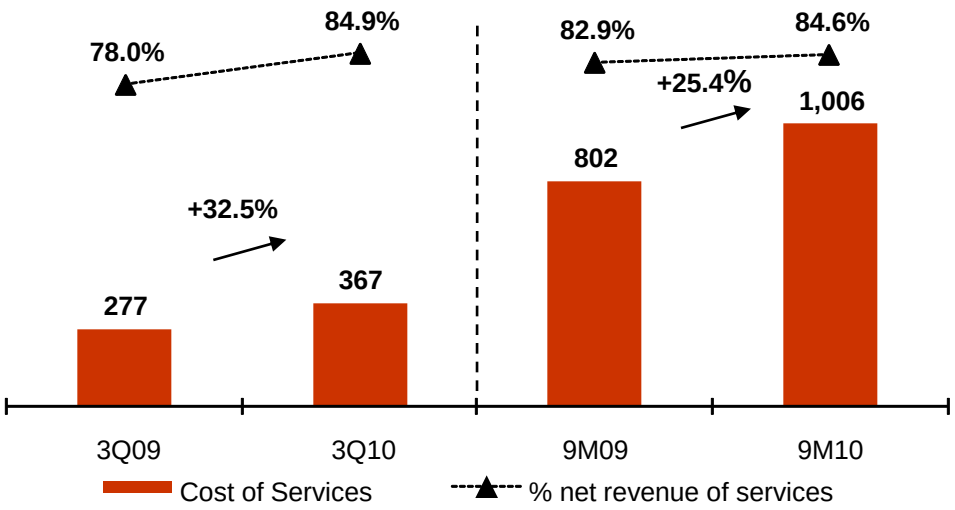
% of Gross Services Revenue in 9M10 RSC – Revenue from Same Contracts

Note: 2% of Gross Services Revenue is related to other activities

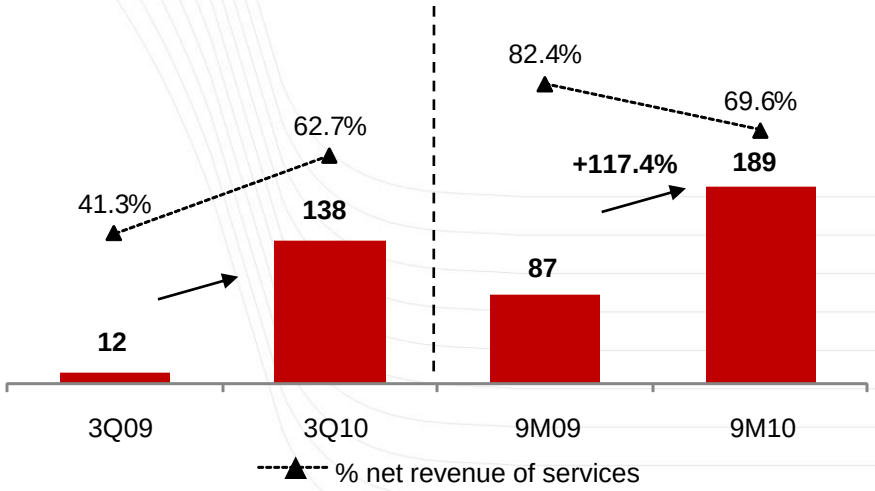
Costs

(R$ million) **3Q09 – Reclassified**

Cost of Services



Cost of Sales of Assets



Impact of R$ 70 mm from costs related to asset rental (CPC 06) in 3Q10

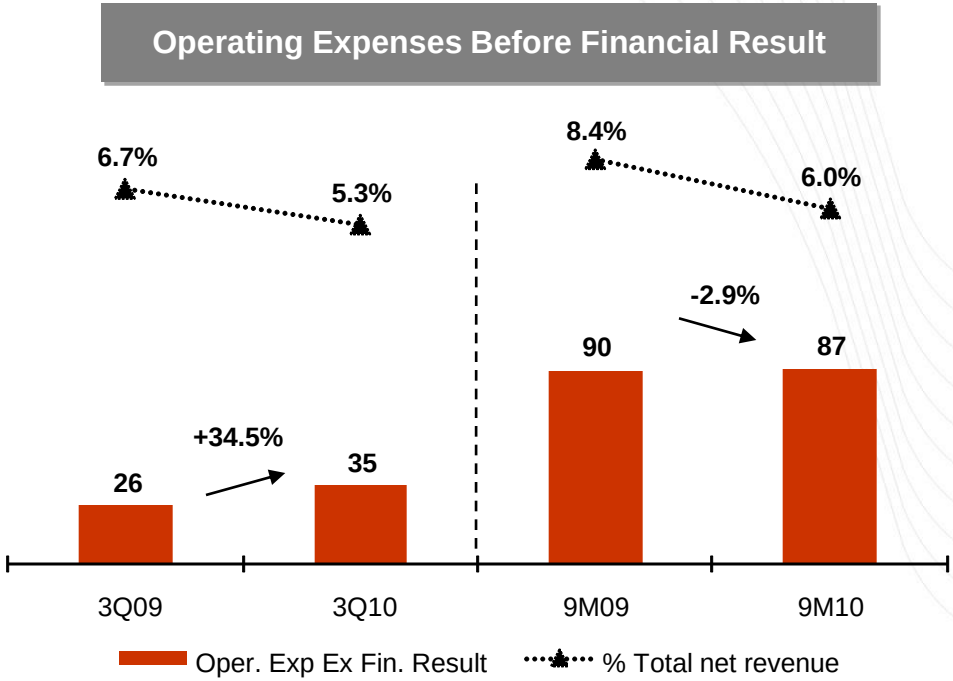
3Q10 vs. 3Q09:

- **Personnel:** - increase due to the implementation of new operations in Dedicated Services, which have not yet been fully reflected in revenue
  - severance costs due to the reductions in headcount resulting from the termination of 11 bus lines
  - impact from the wage increases granted in August (retroactive to May) related to the collective bargaining agreements
- **Higher use of outsourcing => lower costs with** fuel, lubricants, maintenance and parts

Gross Profit of R$ 147.7 million in 3Q10 => + 55.6% vs. 3Q09

Operating Expenses Before Financial Result

(R$ million) **3Q09 – Reclassified**



3Q10 vs. 3Q09

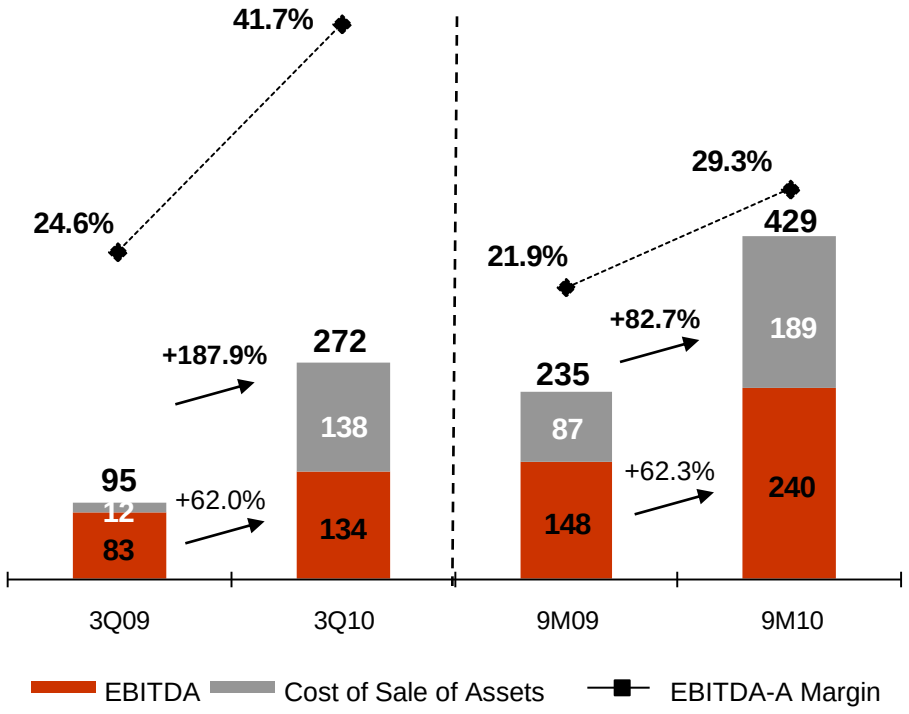
Higher dilution by revenue growth of expenses before financial in period, partially offset by:

- Effects from Collective Bargaining Agreements
- Larger administrative structure to support growth in business
- Opening of new used vehicle dealerships => higher spending on infrastructure and communication
- Increase in bad debt provision (R$ 3.1 million) and contingencies (R$ 10.1 million)

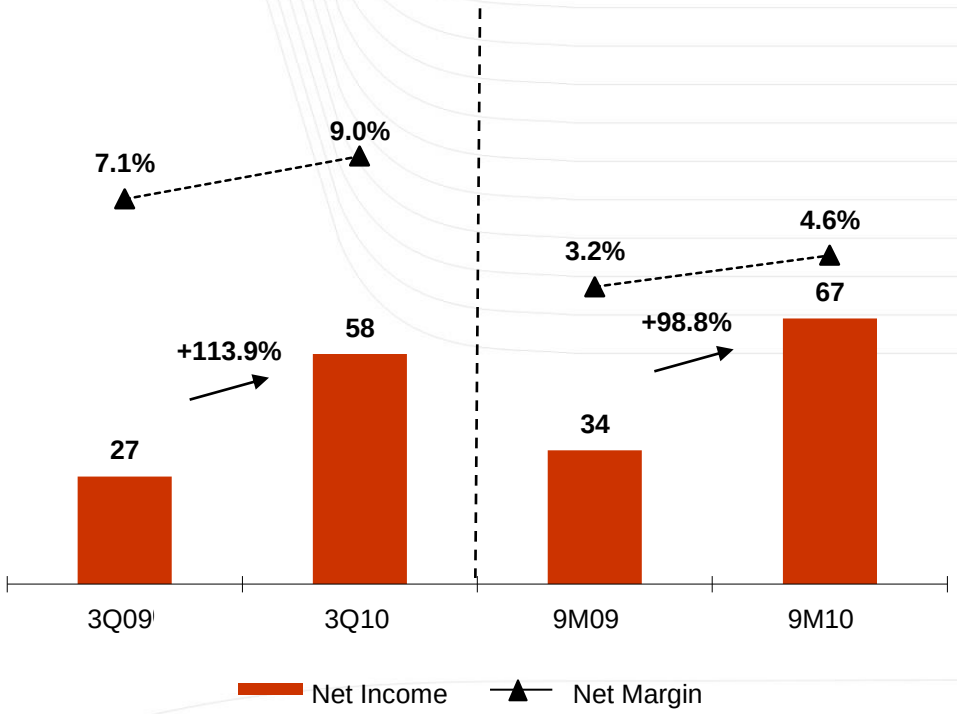
EBITDA-A Margin reaches 41.7% in 3Q10

(R$ million) **3Q09 – Reclassified**

EBITDA-A and EBITDA-A Margin



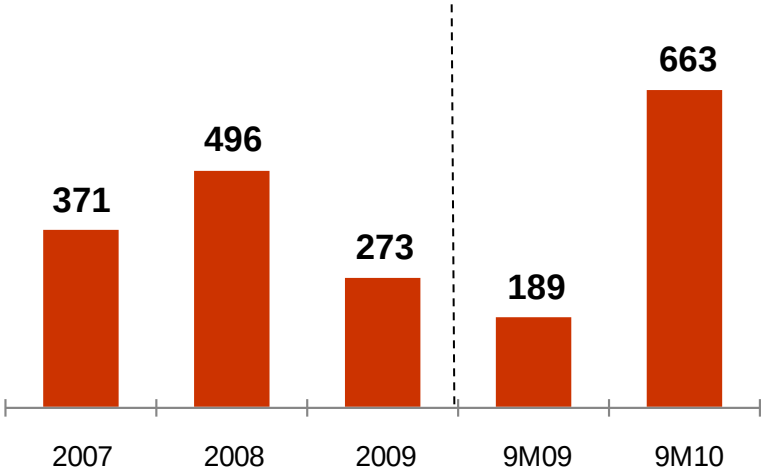
Net Income and Net Margin



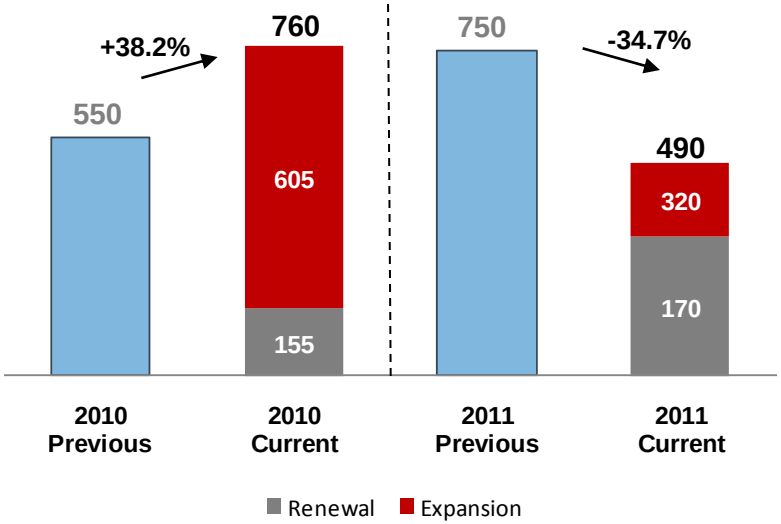
Investments

(R$ million)

CAPEX



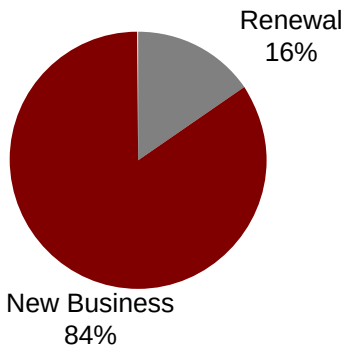
Estimate for 2011



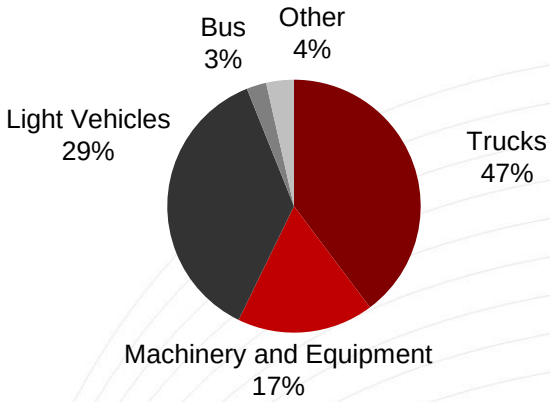
Part of the investments originally planned for 2011 were brought forward to 2010

Capex Breakdown 9M10

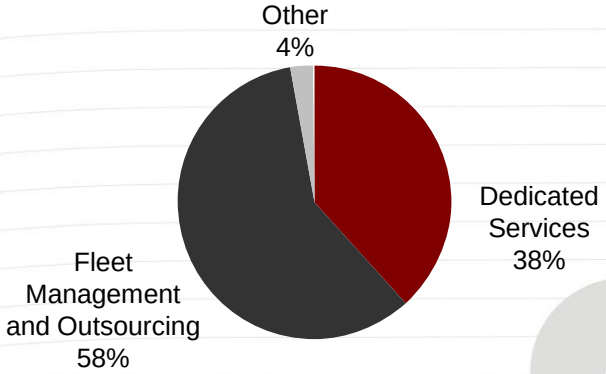
By Type



By Category



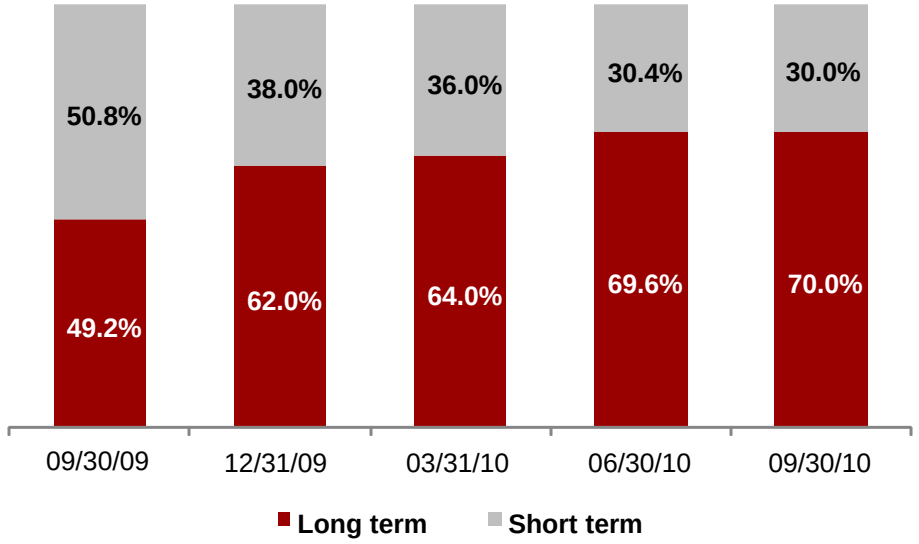
By Business



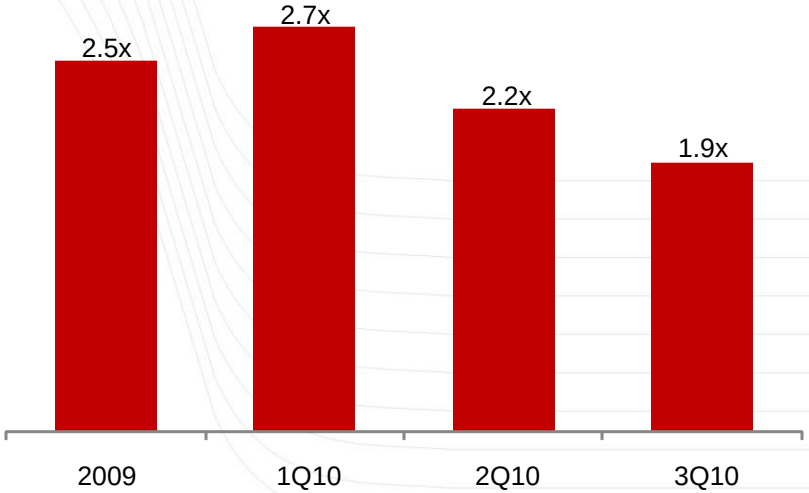
Continuous improvement in debt profile

(R$ million)

Short and Long-term Gross Debt

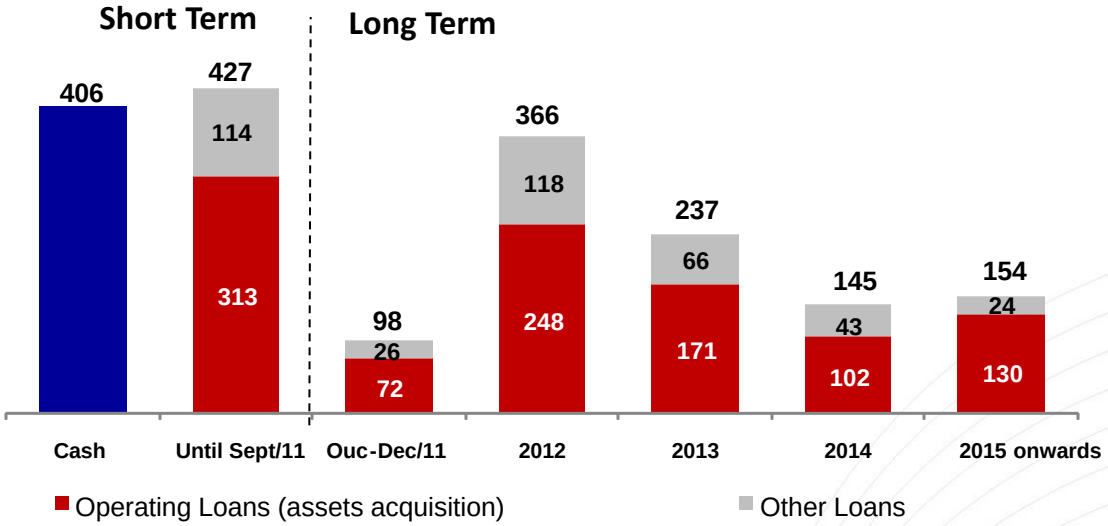


Net Debt / EBITDA-A [2]



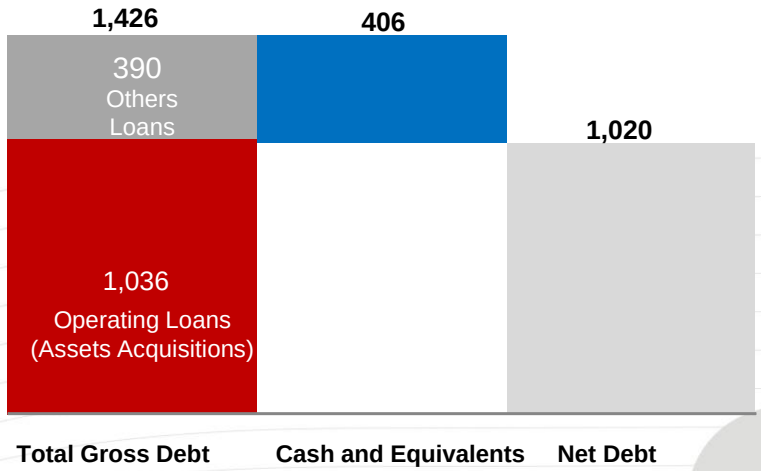
[2] Net Debt: end of the period/EBITDA-A: Last twelve months

Amortization of Gross Debt [1]



[1] Base Date: 09/30/2010

Breakdown of Net Debt



Final Considerations

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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