

INDEPENDENT AUDITORS REPORT

To
the management and shareholders of
ALL – América Latina Logística S.A.
Curitiba – PR

1. We have audited the balance sheets of ALL – América Logística S.A. and the consolidated balance sheets of ALL – América Logística S.A. and subsidiaries drawn up on December 31, 2009 and 2008, and the related statements of income, changes in financial position and cash flows for the periods then ended, as well as the statement of value added corresponding to the year ended December 31, 2008, prepared under the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements.
2. Our audits were conducted in accordance with the auditing standards applicable in Brazil and comprised: a) planning of the work, taking into consideration the significance of the balances, volume of transactions, and the accounting and internal control system of the Company and its subsidiary; b) checking, on a test basis, the evidences and records that support the amounts and accounting information disclosed, and c) evaluating the most significant accounting practices and estimates adopted by the Company's management, as well as the presentation of the financial statements taken as a whole.
3. In our opinion, the financial statements referred to in paragraph 1 fairly represent, in all material aspects, the equity and financial position of ALL – América Logística S.A. and the consolidated equity and financial position of ALL – América Logística S.A. and subsidiaries as of December 31, 2009 and 2008, and the results of its operations, the changes in its financial position and cash flows for the years then ended, as well as the value added referring to the year ended December 31, 2008, in conformity with the Brazilian accounting practices.
4. As mentioned in Note 5 (a), on October 20, 2006, indirect subsidiaries América Latina Logística Central S.A. ("ALL Central") and América Latina Logística – Mesopotámica S.A. ("ALL Mesopotámica"), executed, with the Argentine National State "Letters of Understanding", as part of the renegotiation process of its concession agreements. On the issue date of this Report, the Management of the subsidiaries and its counsels understand that the renegotiation process of the agreements has not been concluded yet, due to the absence of approval by the Executive Branch of such country. The main effects of the new contractual system which is being negotiated are also described in Note 5 (a). The subsidiaries estimated the recoverable amount of its permanent assets and taxes recoverable, on December 31, 2009, based on cash flow studies which take into consideration the changes proposed in the "Letters of Understanding" previously mentioned, which the Management of the subsidiaries deem as necessary to comply with its business plans. The recoverability of the amount of permanent assets and taxes recoverable, presently, depend on the approval by the Argentine National Executive Branch of the renegotiation of the concession agreement (previously approved by the "Comisión Bicameral de Seguimiento de Privatizaciones" of such country), and the successful implementation of the business plan developed by the Management. The resolution of these matters is still pending on the date of this Report and, subsequently, the present financial statements do not comprise any adjustment and/or reclassification from the effects that could derive from said uncertainties.

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5. As described in Note 7, the indirect subsidiary ALL Central has interrupted the recognition of revenues linked to tolls of “Unidad Ejecutora del Programa Ferroviário Provincial (U.E.P.F.P.)” as from January 2002. This decision is basically founded on the lack of recognition of services rendered by said Unit. In 2004, ALL Central started a demand with the Federal Contentious Administrative Court of the province of Buenos Aires, requiring the payment of toll values referring to the period between 1993 and 1996. Supported by its legal advisors’ opinion, that the collection suit of the amounts filed against U.E.P.F.P. has a relatively high probability of success, the Management did not record provision for losses of the amount receivable recorded at ALL Argentina of approximately R\$3,224 thousand (P\$4,762 thousand). On the other hand, and due to the agreements executed with the previous shareholders, ALL Argentina records a liability of similar value, due to the obligation of reimbursing 50% of the recovered amounts, referring to tolls incurred in the periods preceding the acquisition date of ALL Central and ALL Mesopotámica. The financial statements described in paragraph 1 do not contemplate possible adjustments or reclassifications that could arise as a result of these discussions.

Curitiba, February 25, 2010

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2-SP-015199/O-6

Luiz Carlos Passetti
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