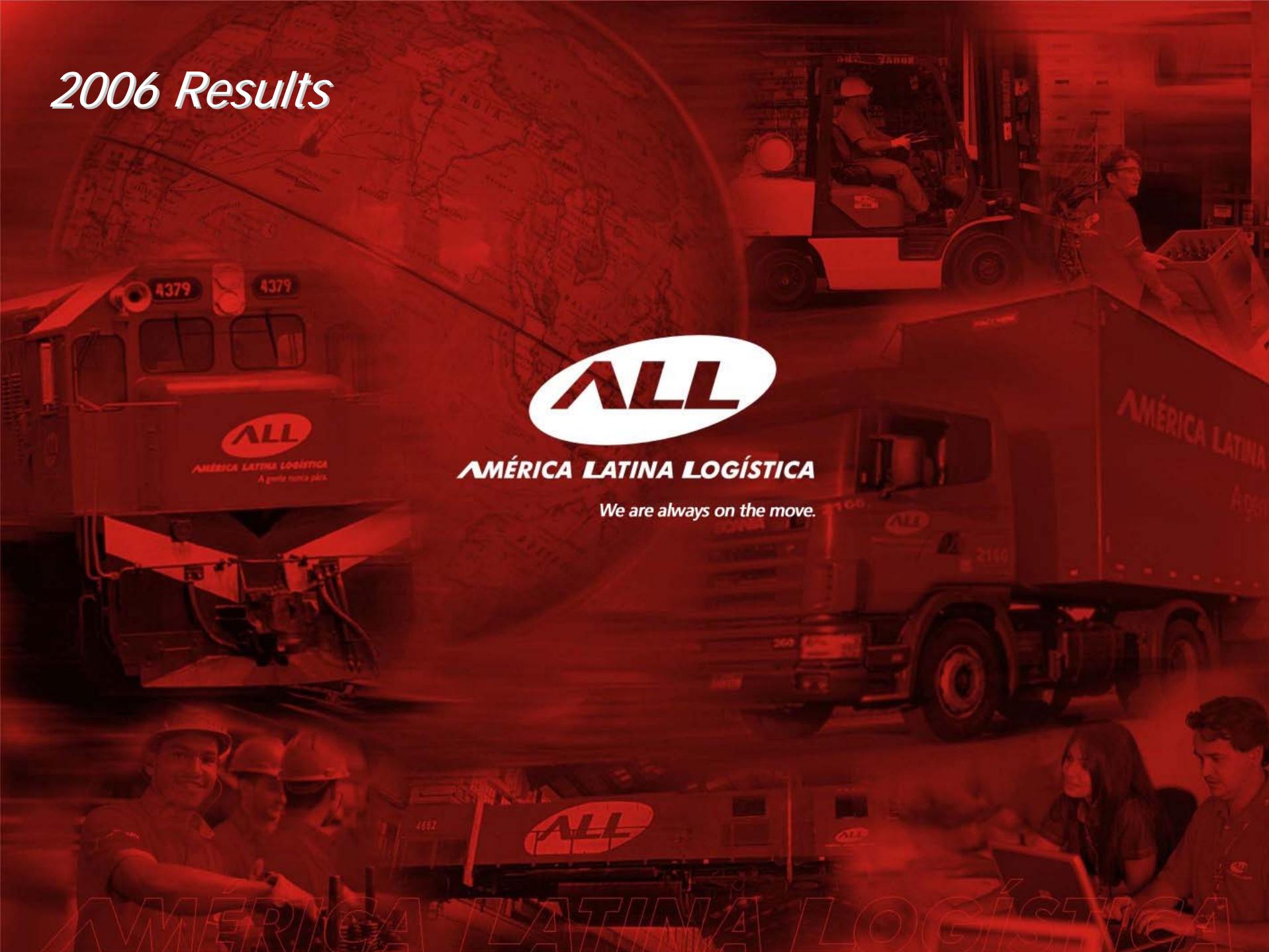


# 2006 Results



**AMÉRICA LATINA LOGÍSTICA**

*We are always on the move.*



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# 2006 Highlights



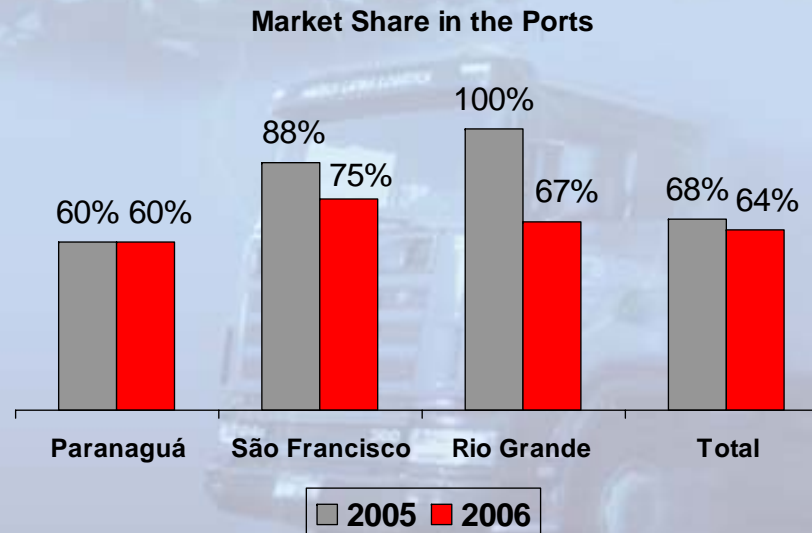
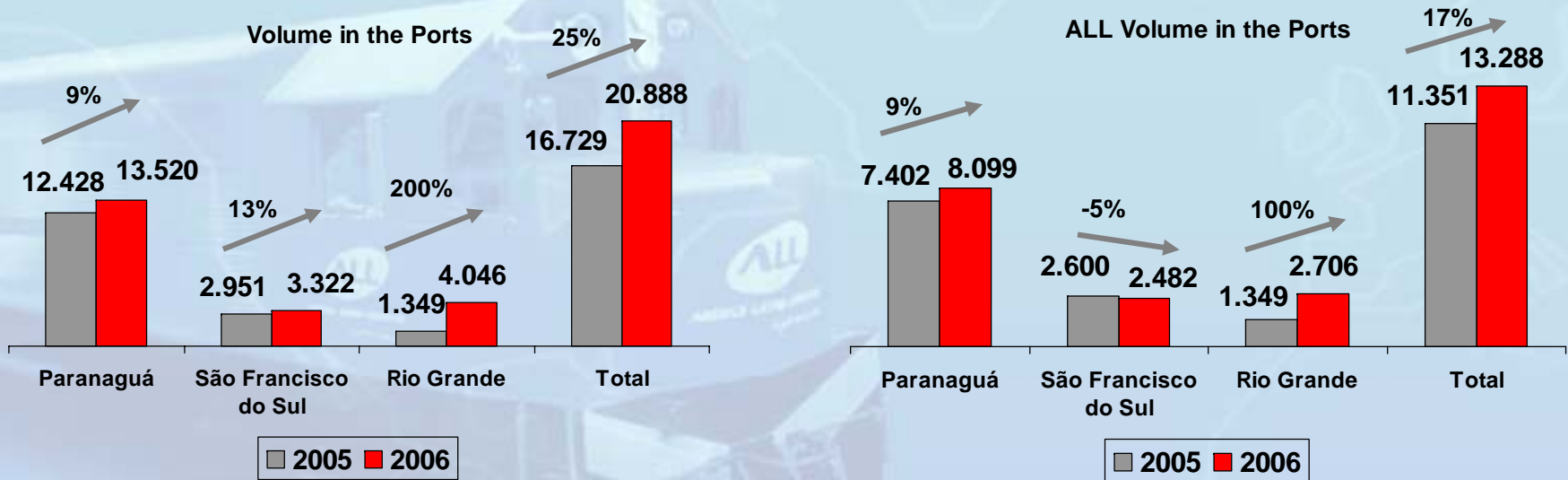
- Consolidated EBITDAR increased 22.7% in 2006, to R\$591.1 million and the EBITDAR margin improved 2.1 points, from 44.3% in 2005 to 46.5%
- Revenues were 17.4% up, reaching R\$1.5 billion in 2006 and volume in RTK increased 10.6% in 2006, to 22,047 million RTK, mainly driven by 13.4% increase in Agricultural Commodities, 21.9% increase in industrial intermodal flows and 5.9% increase in ALL Argentina
- The turn around process of Brasil Ferrovias was successfully completed. All teams and systems were unified and the operation control center in Curitiba now monitors our entire rail network throughout Brazil
- In 2H06, Brasil Ferrovias EBITDAR increased 85.6%, to R\$170.6 million and the EBITDAR margin expanded 24 percentage points, to 49.4%. Brasil Ferrovias EBITDAR increased 6.8%, from R\$228.4 million in 2005 to R\$244.0 million in 2006, while the EBITDAR margin grew 2.4%, to 33.3%

# Agricultural Commodities

- Volume increased 13.4% in 2006 to 11,554 million RTK, mainly driven by increases in corn (40.2%), sugar (38.4%), soy bean (37.4%) and fertilizers (17.8%)

Agricultural Commodities Products (million RTK)	2006	2005	% Change
Soy	4.939	3.594	37,4%
Soy Meal	1.506	2.019	-25,4%
Fertilizers	1.500	1.273	17,8%
Sugar	1.447	1.046	38,4%
Corn	1.017	725	40,2%
Wheat	467	832	-43,9%
Rice	509	462	10,3%
Others	168	241	-30,1%
<b>Total</b>	<b>11.554</b>	<b>10.192</b>	<b>13,4%</b>

# Agricultural Commodities



# Agricultural Commodities



- Revenues increased 27.3% to R\$766.8 million in 2006, with an average yield increase of 12.3% due to pass through of year-over-year inflation and diesel price increase
- EBITDAR increased 26.9% reaching R\$385.6 million in 2006 and the EBITDAR margin declined 0.2 percentage points to 58.2%

# Industrial Products

- Intermodal Industrial Products' volume increased 21.9% in 2006, mainly due to increased in containerized cargo, food products, steel products, wood and pulp & paper

Intermodal Industrial Products (million RTK)	2006	2005	% Change
Steel Products	644	470	37,0%
Wood Products	437	358	22,1%
Food Products	440	362	21,5%
Containers	688	561	22,6%
Others	106	148	-28,2%
<b>Total</b>	<b>2.316</b>	<b>1.899</b>	<b>21,9%</b>

- Industrialized Products volume increased 9.2% in 2006 to 6,142 million RTK

Pure Rail Industrial Products (million RTK)	2006	2005	% Change
Fuel Products	2.405	2.310	4,1%
Vegetal Oil	245	359	-31,8%
Construction	1.176	1.058	11,1%
<b>Total</b>	<b>3.826</b>	<b>3.727</b>	<b>2,6%</b>

# Industrial Products

- Revenues increased 20.9% in 2006, to R\$406.2 million, with an average yield growth of 10.8% in 2006 primarily driven by pass through of inflation and diesel price increases
- EBITDAR increased 20.5% in 2006, reaching R\$152.5 million and EBITDAR margin declined 0.3% from 45.4% in 2005 to 45.1% in 2006

# Highway Services & Argentina Operations



- Highway Services: EBITDA increased 43.5% in 2006, to R\$8.5 million and EBITDA margin improved from 4.4% to 7.1% as we added new operations during 2006, including Renault, Unilever and Minalba
- Despite a weak crop of soybean, corn and wheat, ALL Argentina volume increased 5.9% in 2006, from 4,110 million RTK in 2005 to 4,352 million RTK driven by improvements in its operational performance
- EBITDAR in ALL Argentina increased 9.1% in 2006, to P\$63.5 million and revenues increased 8.6%, to P\$220.7 million

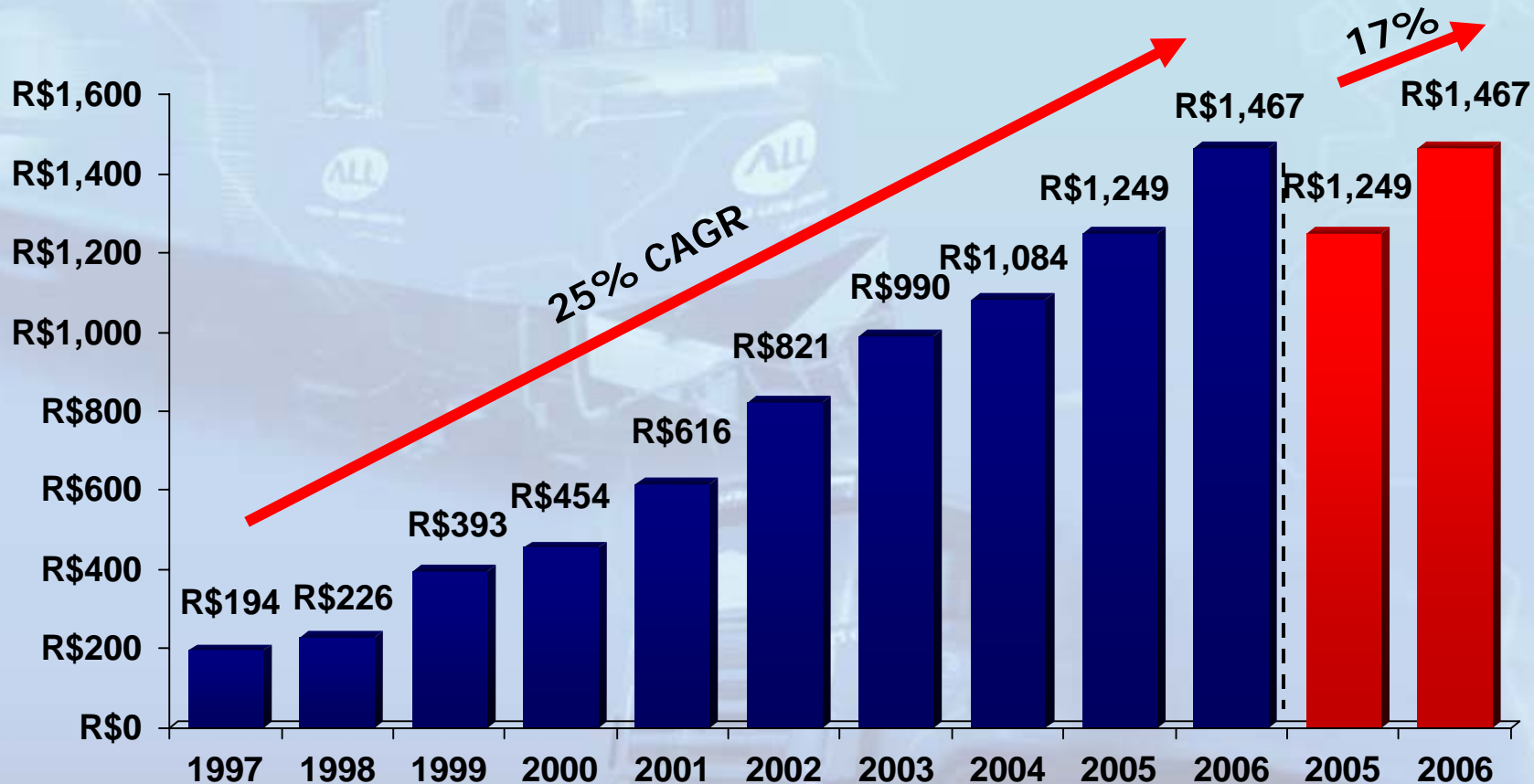


- Turn around process in Brasil Ferrovias was successfully concluded. All teams and systems were unified and the operational control center in Curitiba now monitors our entire rail network throughout Brazil
- EBITDAR in Brasil Ferrovias increased 85.6% in 2H06, reflecting the reduction in fixed cost base implemented since May 2006. EBITDAR margin increased 24 points, to 49.1%. In 2006, EBITDAR grew 6.8% compared to 2005 and EBITDA increased 44.8%, to R\$180.3 million
- Volume decreased 5.9% in 2H06 and revenues decreased 5.0%. In 2006, volume decreased 5.8% and revenues decreased 1.7%

# Consolidated Gross Revenues



## Consolidated Gross Revenues (R\$ million)

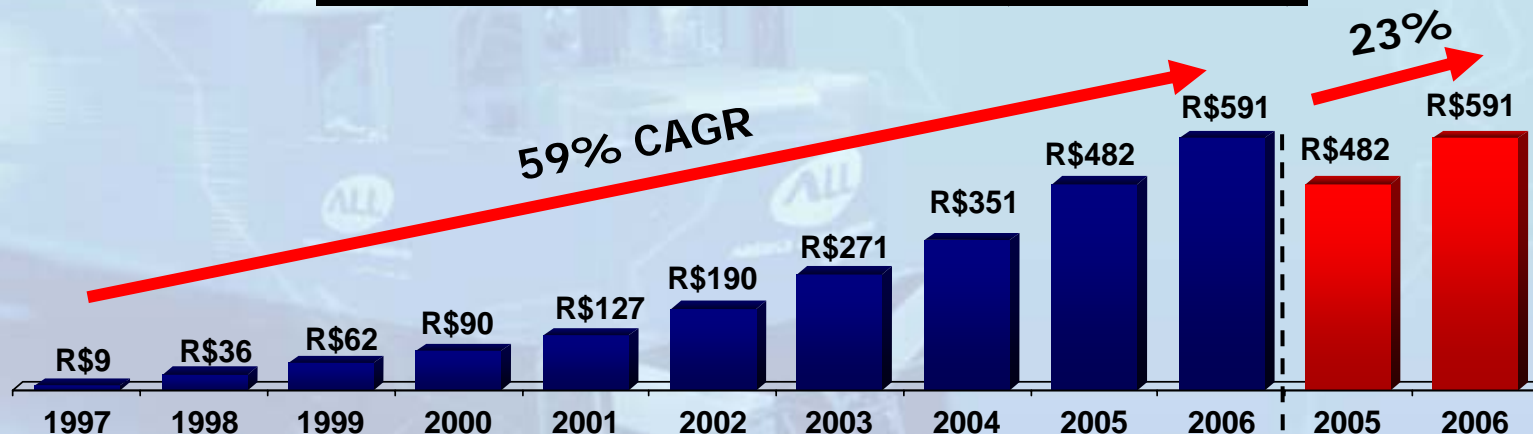


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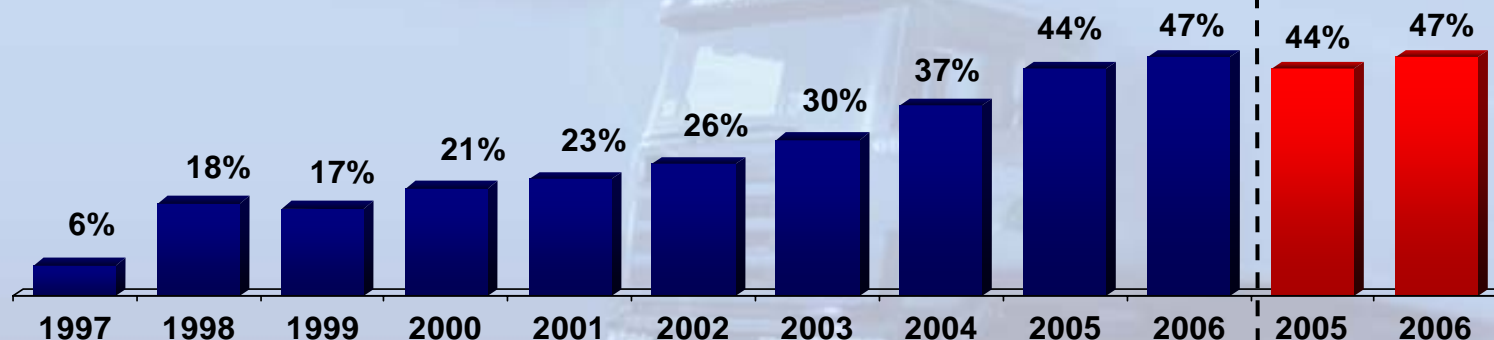
- (1) 1997 was the first year of operation after the privatization – Data from March 97 to February 98. 1999 figures account for the beginning of the Argentine operation.
- (2) The financial results from ALL Argentina were not consolidated with those of ALL Brazil as of December 1, 2001, following the sale of our then-existing interest in ALL Argentina to Logispar. Data for 2001 and 2003 are the combined results of ALL Argentina plus ALL Brazil. In December 2003, we acquired Logispar and consequently started consolidating its results with ALL Brazil as of January 1, 2004.

# Consolidated EBITDAR

## EBITDAR – Consolidated (R\$ million)



## EBITDAR Margin – Consolidated

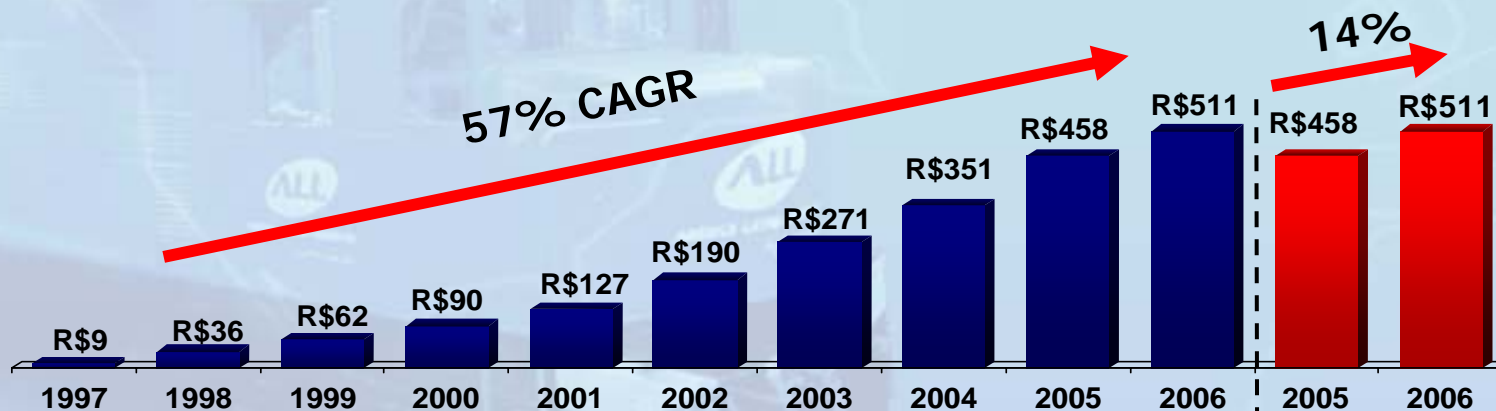


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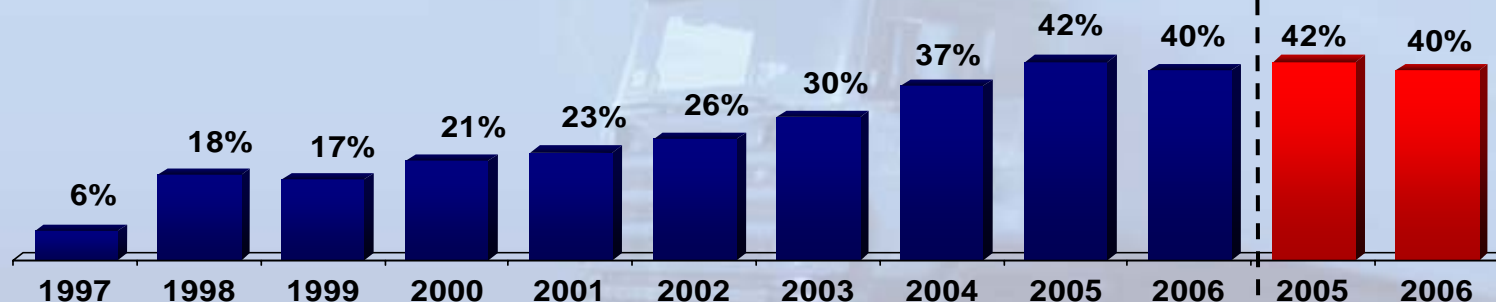
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# Consolidated EBITDA

## EBITDA – Consolidated (R\$ million)



## EBITDA Margin – Consolidated

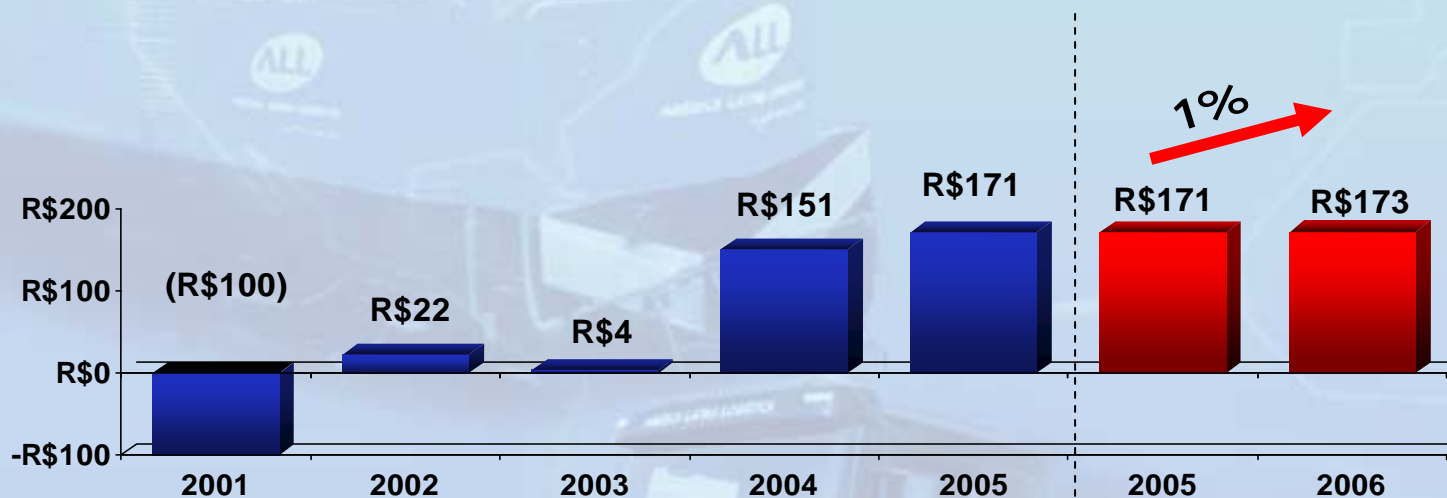


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# Consolidated Net Income

## Net Income – Consolidated (R\$ million)

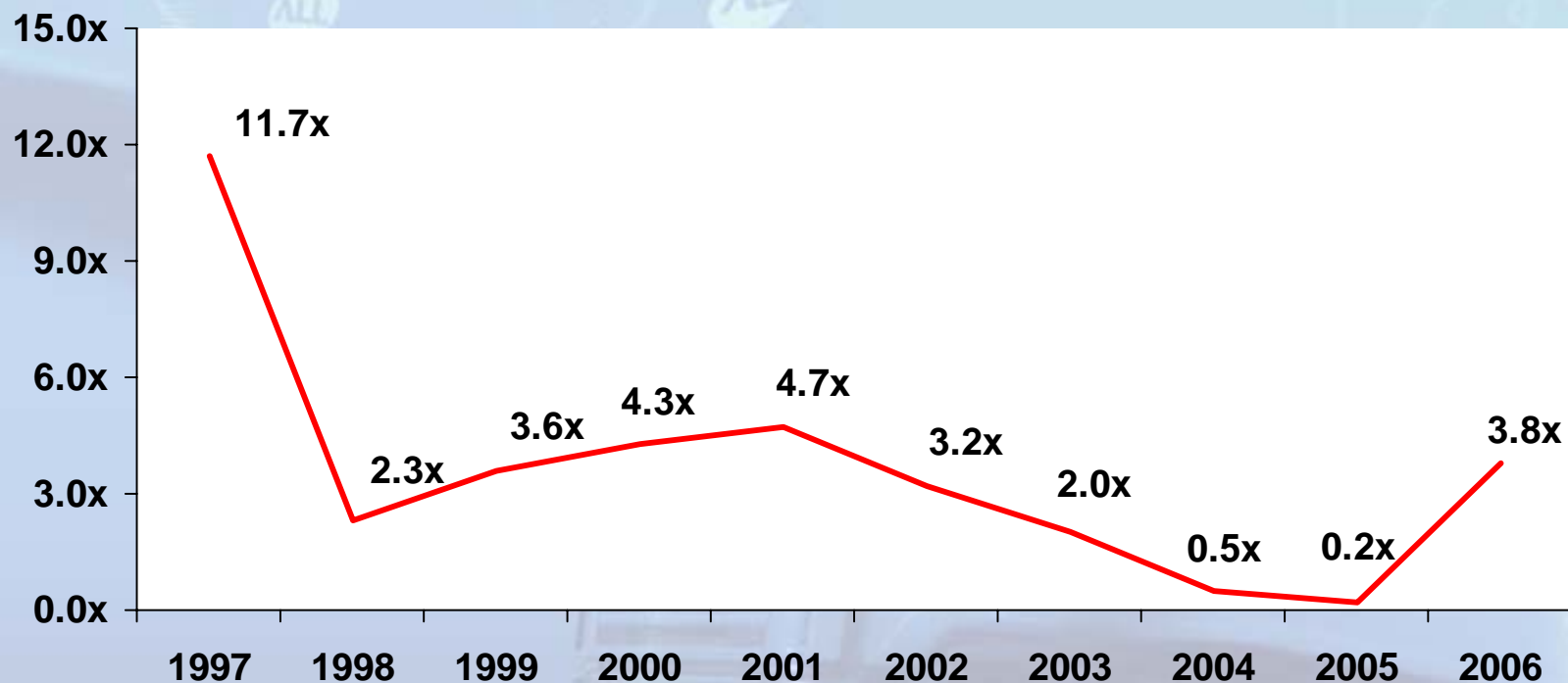


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## *Consistent Reduction in Net Debt/EBITDA*

### Net Debt/EBITDA



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# Other Comments

- Expectation for the soybean crop season has shifted to a more optimistic outlook and now estimates a 5% growth over 2006
- For 2007 season, 65% of expected volumes were contracted on take-or-pay agreements, which leaves 35% of our capacity to be sold in the spot market
- In preparation for 2007, 40 locomotives and 1,800 rail cars from Brasil Ferrovias' dead fleet will be recovered and 20,000 tons of tracks will be replaced by the 1H07
- Since January 1st, 2007, the companies have been operating fully integrated and from 1Q07, ALL's consolidate results will include Brasil Ferrovias

*We make forward-looking statements that are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of our management, and on information currently available to us. Forward-looking statements include statements regarding our intent, belief or current expectations or that of our directors or executive officers.*

*Forward-looking statements also include information concerning our possible or assumed future results of operations, as well as statements preceded by, followed by, or that include the words "believes," "may," "will," "continues," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions.*

*Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur. Our future results and shareholder values may differ materially from those expressed in or suggested by these forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.*