



# Agenda

- Company Profile
- Strengthens
- 1Q07 Highlights
- Financial Results
- Additional Comments



# Company Profile

## ■ Coverage Area

- 75% of Mercosur Block GDP
- 78% of South America's grain exports
- Brazil, Argentina, Chile and Uruguay
- Seven of the most active ports in Brazil and Argentina

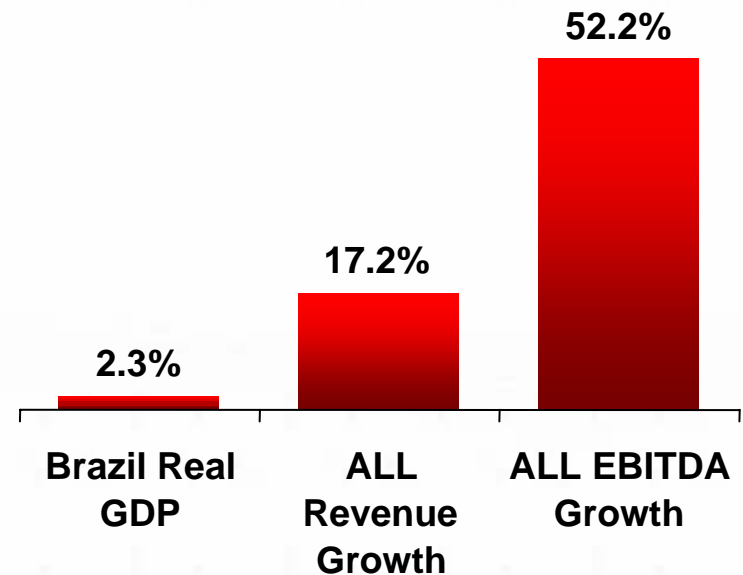


- Door-to-door transportation, local pick-up and delivery, dedicated fleet and complete warehousing services
- 20,000 km of rail track, 1,000 locomotives, 29,500 railcars, 1,300 highway vehicles, several distribution centers and warehousing facilities

## *High growth with low investment risk*

- Sustainable cost advantages in strategic locations
- Significant growth opportunities and strong client base
- Results oriented culture and seasoned management team
- Cost-effective and reliable full-service logistics operations built around our rail network

### 1997 - 2006 CAGR Real\*



## *Results Oriented Culture and Seasoned Management Team*

- Clear vision, strong values and articulated goals
- ALL created a cohesive results oriented corporate culture
- Progressive variable compensation program based on EVA
- Management stock option program
- Listed by leading business publications among the best companies to work for both in Brazil and Argentina



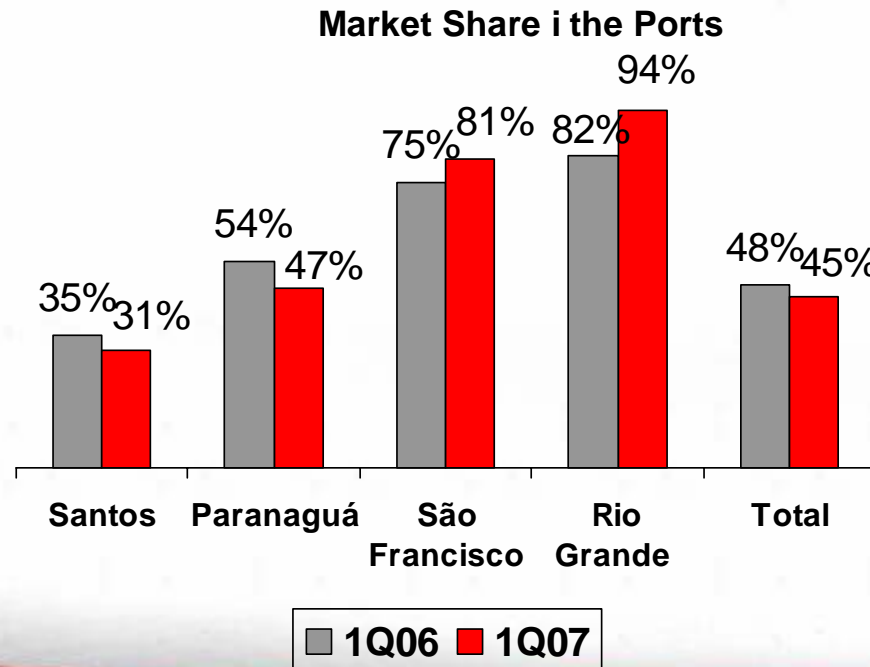
# 1Q07 RESULTS

# 1Q07 Highlights



- Consolidated EBITDAR increased 60.9% from R\$121.4 million in 1Q06 to R\$195.3 million in 1Q07 and consolidated EBITDAR margin improved 17 points from 28.2% to 45.6%. Net results improved R\$64 million in 1Q07
- Consolidated rail volumes increased 2.1% to 6,932 million RTK in 1Q07, while revenues decreased 0.7% to R\$488.1 million in 1Q07
- Enhancement process in the northern network continues with significant improvements in safety and asset reliability. Number of accidents per million train kilometer in the northern network decreased from 105 in Dec. 2006 to 64 in 1Q07, and locomotive average distance between failures increased 65.4% from 4,090 km to 6,765 km
- The soybean crop shows a positive market scenario, indicating a 13% yearly growth in our coverage area

- Volume decreased 1.5% in 1Q07 to 3,996 million RTK, with higher volumes in the southern network and lower volumes at the northern network as a result of the change from trucking to rail transportation in the connection between Campinas and Santos.
- Our market share in the ports decreased from 48% in 1Q06 to 45% in 1Q07





- EBITDAR increased 53.0% reaching R\$135.9 million in 1Q07 and EBITDAR margin grew 21.5 percentage points to 54.9%
  
- Revenues decreased 7.1% to R\$279.2 million in 1Q07, with an average yield decrease of 5.6% due to:
  - (i) a reduction in drayage services.
  
  - (ii) higher return cargo
  
  - (iii) a higher portion of agricultural volumes coming from the southern part of our network, where the yields are lower

- Intermodal industrial products grew 19.4% in 1Q07, mainly in wood products, paper and pulp, containers and food products

Intermodal Industrial Products (million RTK)	1Q07	1Q06	% Change
Steel Products	214,6	202,9	5,7%
Wood Products	123,9	80,6	53,7%
Food Products	80,3	69,8	15,0%
Containers	179,9	150,9	19,2%
Others	176,4	144,9	21,8%
<b>Total</b>	<b>775,1</b>	<b>649,1</b>	<b>19,4%</b>

- Industrial products volume increased 11.4% in 1Q07 to 1,973 million RTK

Pure Rail Industrial Products (million RTK)	1Q07	1Q06	% Change
Fuel Products	874,8	797,6	9,7%
Vegetal Oil	67,1	58,0	15,8%
Construction	256,2	266,8	-4,0%
<b>Total</b>	<b>1.198,1</b>	<b>1.122,4</b>	<b>6,7%</b>

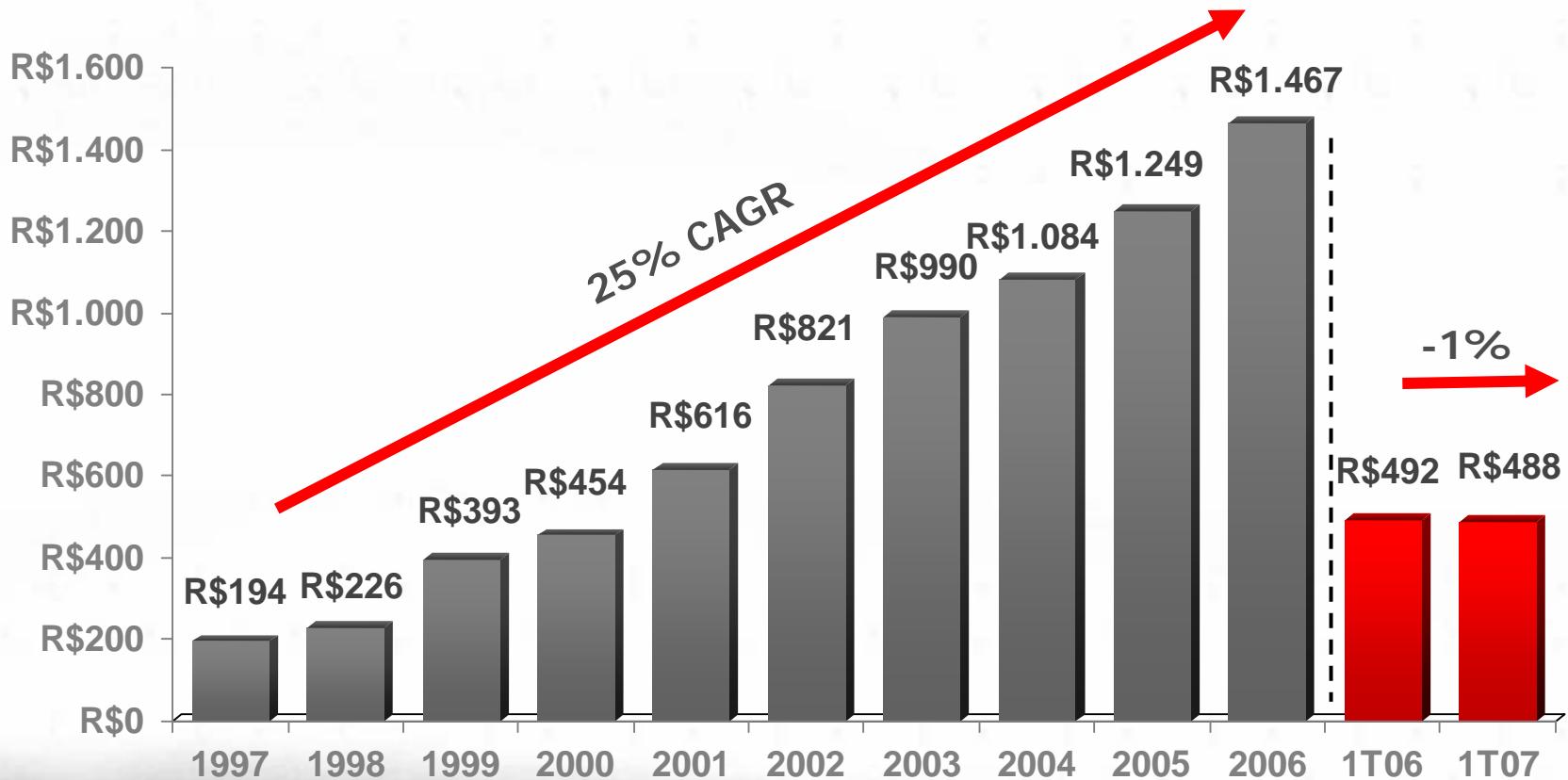
- EBITDAR increased 88,9% in 1Q07, reaching R\$48.1 million and EBITDAR margin grew 16,7% from 25,3% in 1Q06 to 42,0% in 1Q07
- Revenues increased 12,6% in 1Q07 to R\$137.5 million, with an average yield growth of 1,1%

- Highway Services: EBITDA increased 129% in 1Q07, to R\$3.2 million and EBITDA margin improved from 4.6% to 11.1%. In 1Q07 we added new operations, including General Motors and Volkswagen in Mercosur flows
- In Argentina, volume remained at 963 million RTK, in line with 1Q06, supported by a strategy of concentrating more rail cars in higher margins agricultural commodities flows
- EBITDAR in ALL Argentina increased 54.2% in 1T07, to P\$12.3 million and revenues increased 19.6%, to P\$58.0 million, with a yield increase of 19.6%

# Consolidated Gross Revenues



## Consolidated Gross Revenues (R\$ million)



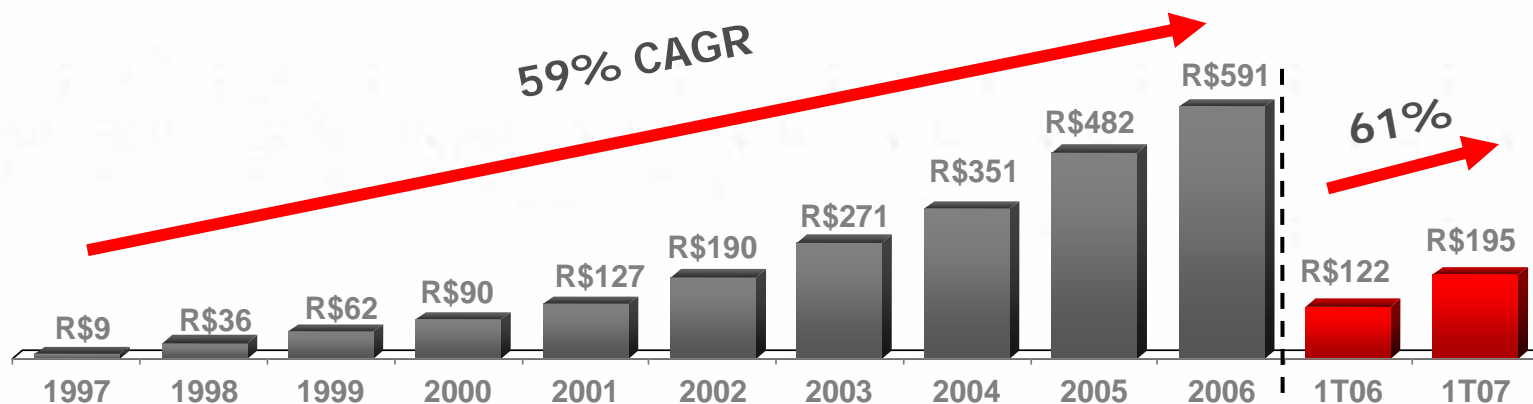
Notes:

- (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.

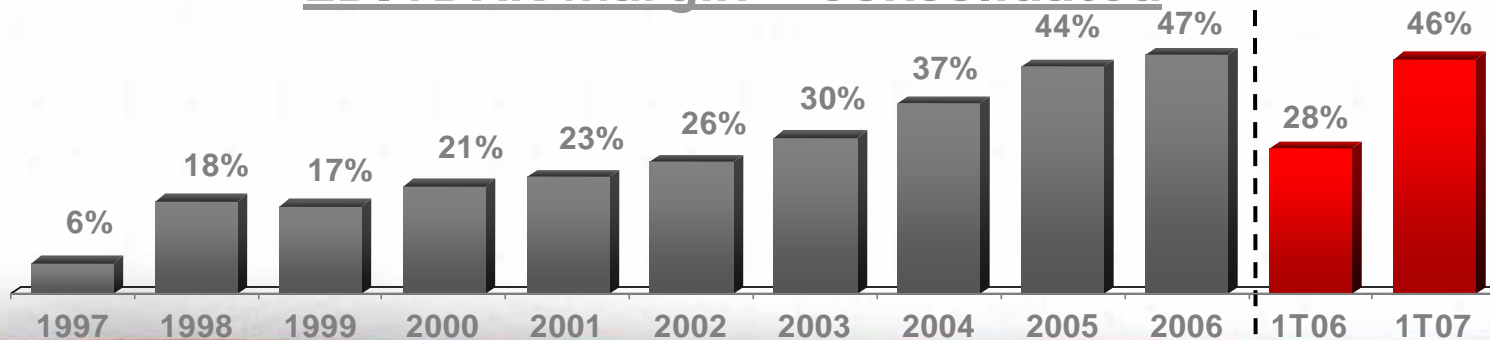


# Consolidated EBITDAR

## EBITDAR – Consolidated (R\$ million)



## EBITDAR Margin – Consolidated

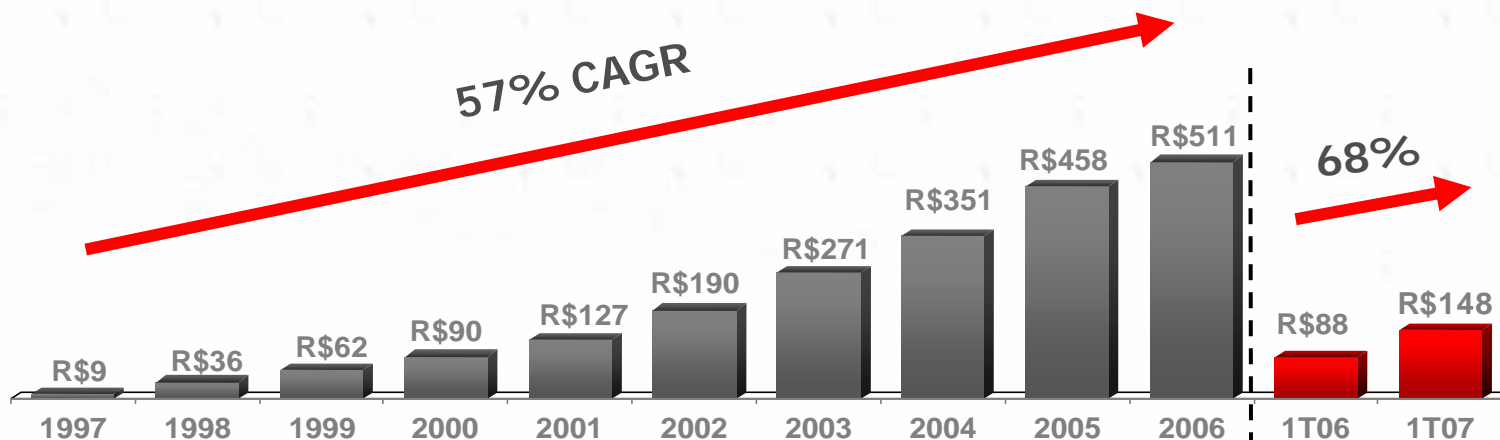


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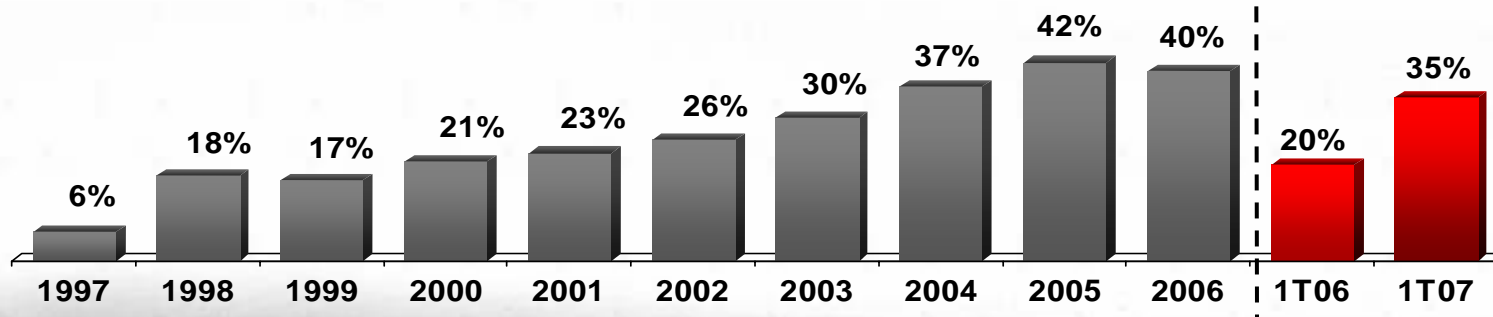
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# Consolidated EBITDA

## EBITDA – Consolidated (R\$ million)



## EBITDA Margin – Consolidated

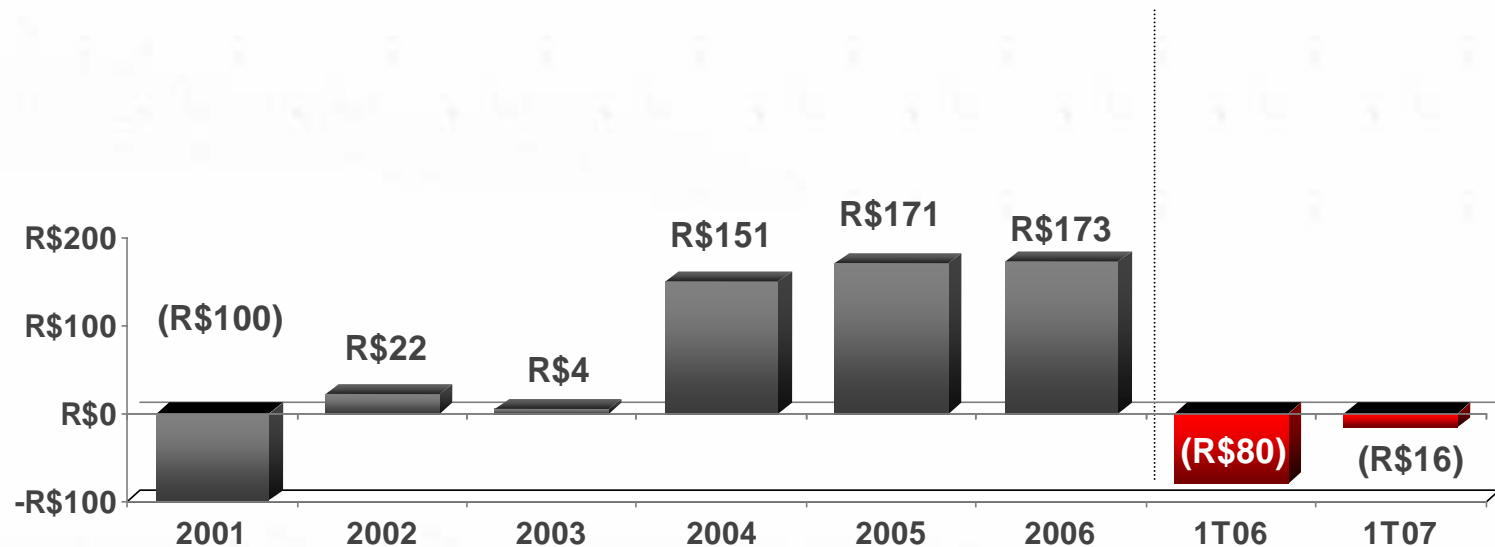


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# Consolidated Net Income

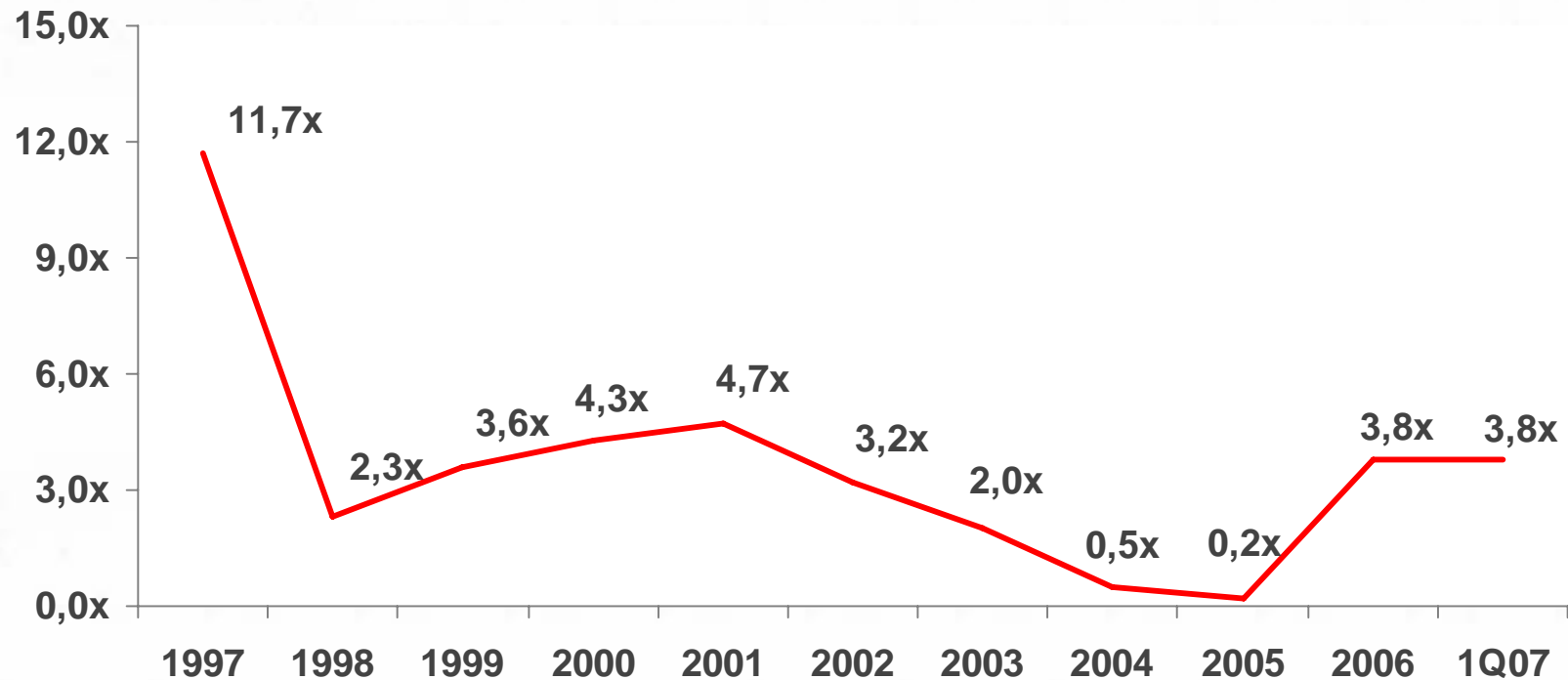
## Net Income – Consolidated (R\$ million)



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## Net Debt/EBITDA



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- The beginning of 2007's harvest season confirms better market condition than originally expected
- The process of bridging the gaps between northern and southern networks is well underway
- We maintain our growth expectations for 2007



*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.*