



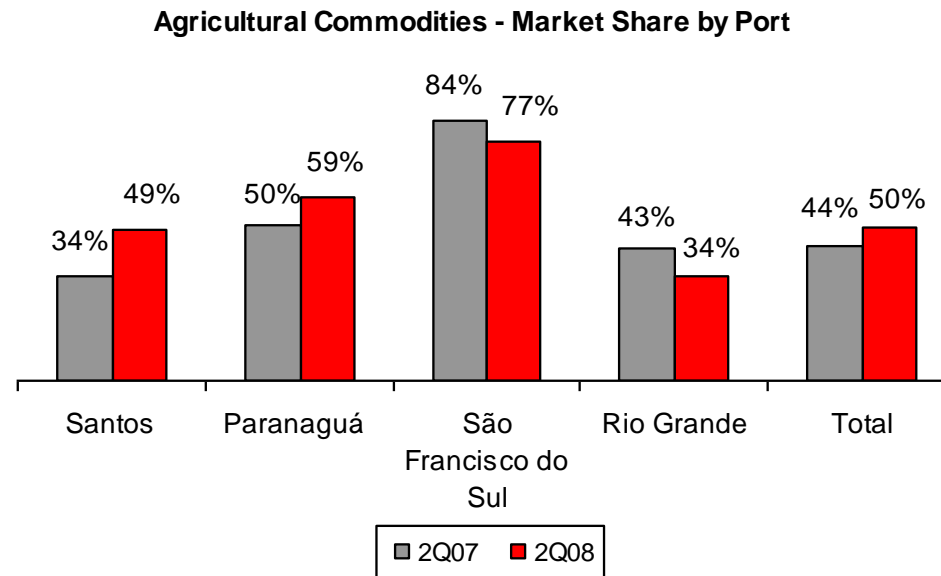
*We are always on the move.*

# 2Q08 and 1H08 Highlights



- Consolidated EBITDAR increased 21.9% in 1H08, reaching R\$619 million, and consolidated EBITDA grew 30.9% to R\$537 million. In 2Q08, consolidated EBITDAR increased 21.2% reaching R\$379 million
- Consolidated volumes increased 14.7% in 1H08, reaching 17,814 million RTK. Consolidated volume increased 15.2%, to 9,903 million RTK in 2Q08. In ALL Brasil, rail volume increased 18.6% in 2Q08 and 18.2% in 1H08, reflecting better safety levels and asset productivity gains in our network
- Average yield increased 6.1%, and consolidated revenues increased 21.6% in 1H08, to R\$1,385 million. In 2Q08, revenues increased 23.8%, to R\$805.2 million. Yield increase reflects higher tariffs on negotiated agreements, pass through of diesel price increase and changes in the transported freight mix
- ALL Argentina had a difficult quarter, impacted by the farmers' blocking railroads and highways during the months of May and June

- Volume increased 20.7% in the 2Q08, to 6,506 million RTK and 20.1% in 1H08 to 11,275 million RTK
- Our market share in the ports increased from 44% in the 2Q07 to 50% in the 2Q08



- EBITDAR increased 25.3%, reaching R\$459 million in the 1S08 and, in 2Q08, EBITDAR grew 23.3%, from R\$230 million in 2Q07 to R\$284 million in 2Q08
- In 1H08, revenues increased 26.1%, to R\$894 million. In 2Q08, revenues grew 27.3% to R\$547 million, with an average yield increase of 5.5% reflecting higher tariffs negotiated on our commercial agreements

Agricultural Commodities Products (million RTK)	2Q08	2Q07	% Change	1H08	1H07	% Change
Soy	3.460,7	2.690,5	28,6%	5.988,0	4.915,4	21,8%
Soy Meal	1.021,8	830,5	23,0%	1.517,3	1.248,7	21,5%
Fertilizers	720,8	606,4	18,9%	1.314,0	1.131,4	16,1%
Sugar	597,8	556,9	7,4%	1.009,9	771,0	31,0%
Corn	543,4	477,9	13,7%	894,6	794,0	12,7%
Wheat	14,8	36,4	-59,2%	270,2	105,3	156,7%
Rice	124,6	111,8	11,4%	225,9	231,7	-2,5%
Others	22,2	80,7	-72,5%	54,6	189,3	-71,2%
<b>Total</b>	<b>6.506,1</b>	<b>5.391,1</b>	<b>20,7%</b>	<b>11.274,5</b>	<b>9.386,9</b>	<b>20,1%</b>

- Industrial Products volume increased 14.0% in 1H08, pushed up by an 13.8% increase in fuel products flows, 18.4% increase in construction and 14.5% increase in intermodal flows. In 2Q08, volume increased 13.5% to 2,447 million RTK

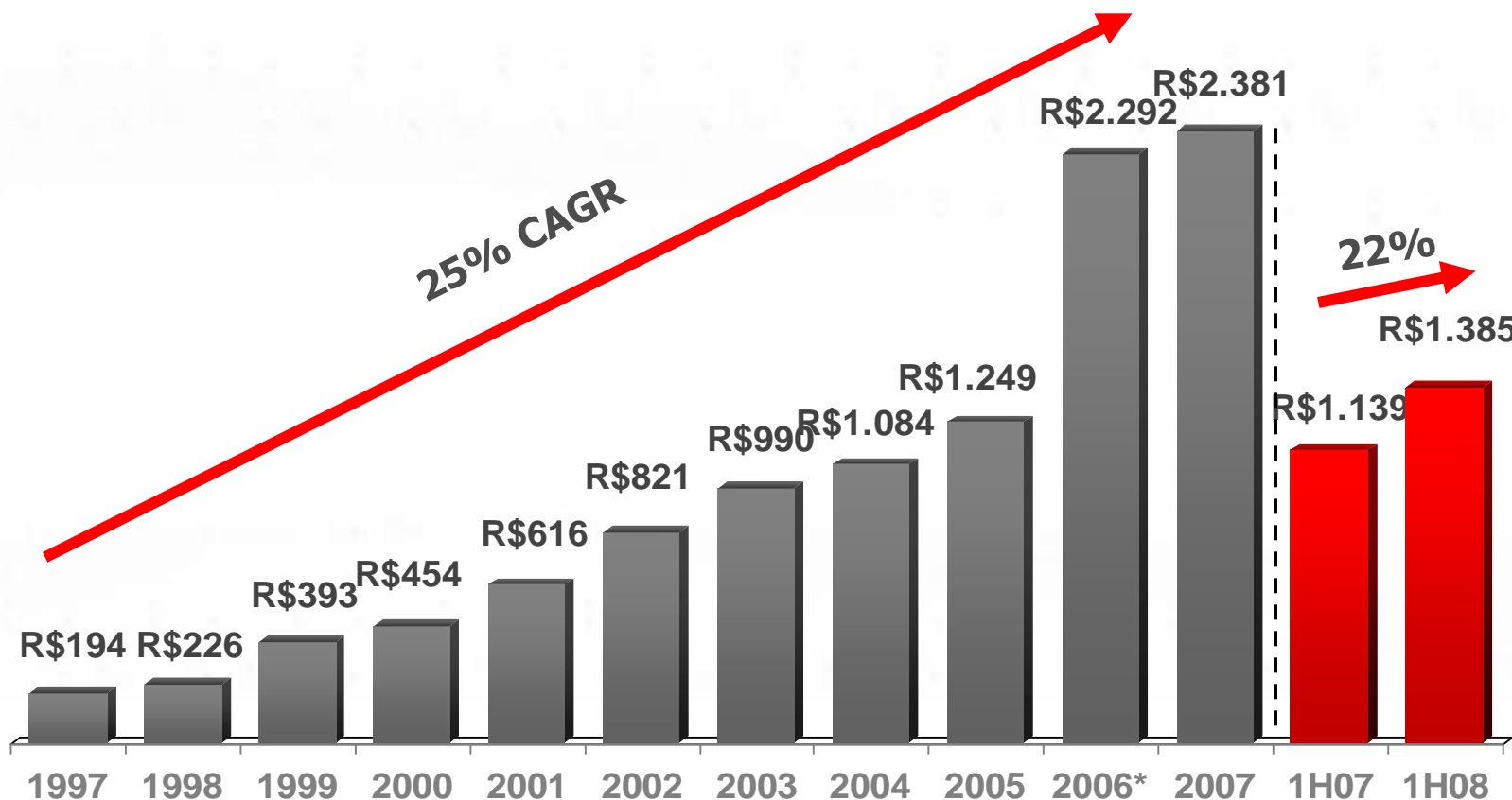
Intermodal Industrial Products (million RTK)	2Q08	2Q07	% Change	1H08	1H07	% Change
Steel Products	205,5	179,3	14,6%	445,9	393,9	13,2%
Wood Products	156,5	133,6	17,2%	301,9	257,5	17,3%
Food Products	135,8	117,2	15,8%	234,9	197,5	19,0%
Containers	222,7	195,0	14,2%	426,6	374,9	13,8%
Others	178,3	148,0	20,5%	364,0	324,4	12,2%
<b>Total</b>	<b>898,9</b>	<b>773,1</b>	<b>16,3%</b>	<b>1.773,3</b>	<b>1.548,2</b>	<b>14,5%</b>

Pure Rail Industrial Products (million RTK)	2Q08	2Q07	% Change	1H08	1H07	% Change
Fuel Products	1.077,6	979,4	10,0%	2.110,1	1.854,1	13,8%
Vegetal Oil	91,9	85,3	7,7%	142,4	152,5	-6,6%
Construction	378,5	318,1	19,0%	680,3	574,3	18,4%
<b>Total</b>	<b>1.548,0</b>	<b>1.382,8</b>	<b>11,9%</b>	<b>2.932,7</b>	<b>2.581,0</b>	<b>13,6%</b>

- EBITDAR increased 20.1% in 1H08, to R\$147 million. In 2Q08, EBITDAR increased 18.2%, reaching R\$88 million
- Revenues increased 20.4% in 1H08, reaching R\$351 million. In 2Q08, revenues increased 21.0%, from R\$154 million in 2Q07 to R\$187 million, with an average yield increase of 6.6%

- Highway Services: Volumes increased 16.8% to 24.8 million RK. EBITDA increased 56.8% in the 1H08, to R\$10 million and the EBITDA margin grew 3.2%, reaching 14.5%
- Argentina: Volume decreased 9.0%, impacted by farmers protests against higher export taxes imposed by the Government, which blocked major roads and railroad lines during the months of May and June
- EBITDA in ALL Argentina decreased 70.9% in 1H08, to P\$6.2 million and EBITDA margin fell to 5.4%, impacted by the reduction in transported volume and higher costs due to inflation and wage increases negotiated with unions

## Consolidated Gross Revenues (R\$ million)

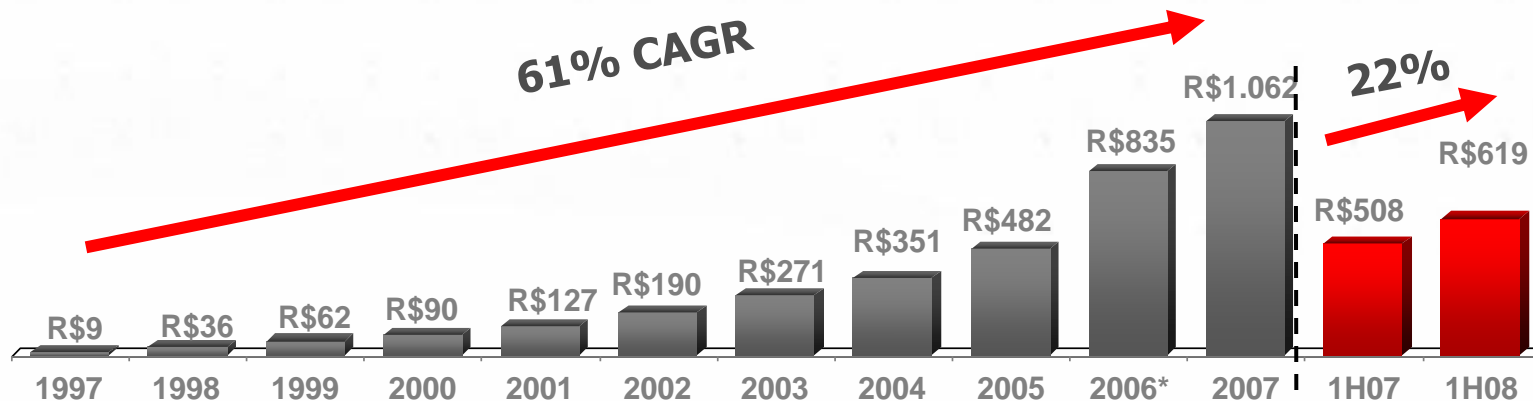


Notes:

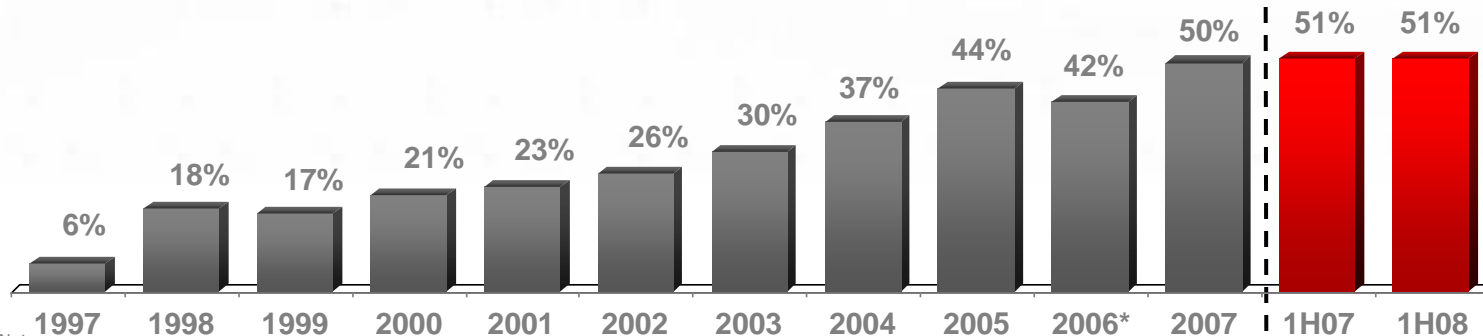
- (1) 1997 was the first year of operation after the privatization – Data from March 97 to February 98. 1999 figures account for the beginning of the Argentine operation.  
 (2) The financial results from ALL Argentina were not consolidated with those of ALL Brazil as of December 1, 2001, following the 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.  
 \* includes Brasil Ferrovias results in a pro-forma basis.



## Consolidated EBITDAR (R\$ million)



## Consolidated EBITDAR Margin



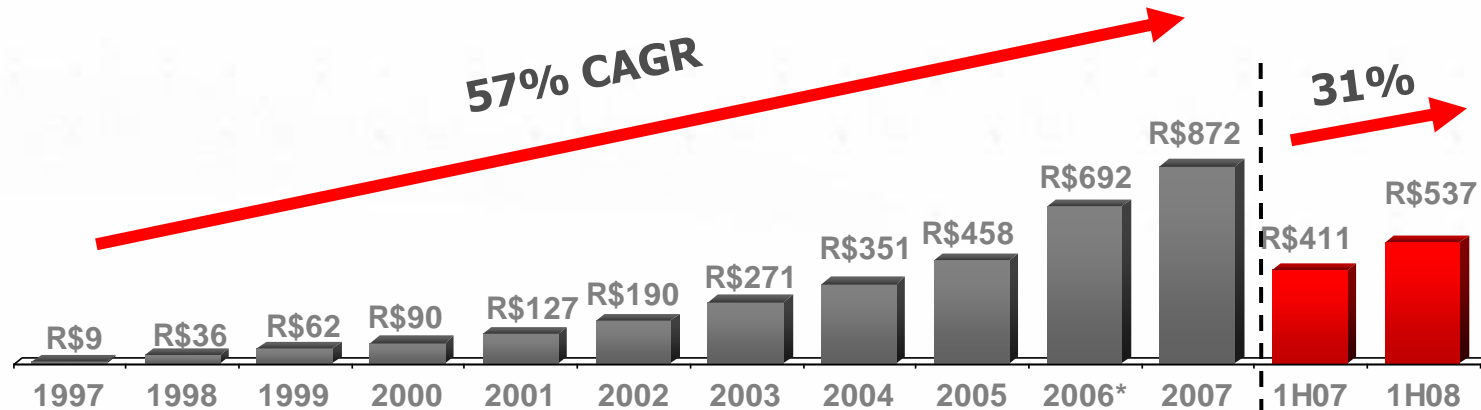
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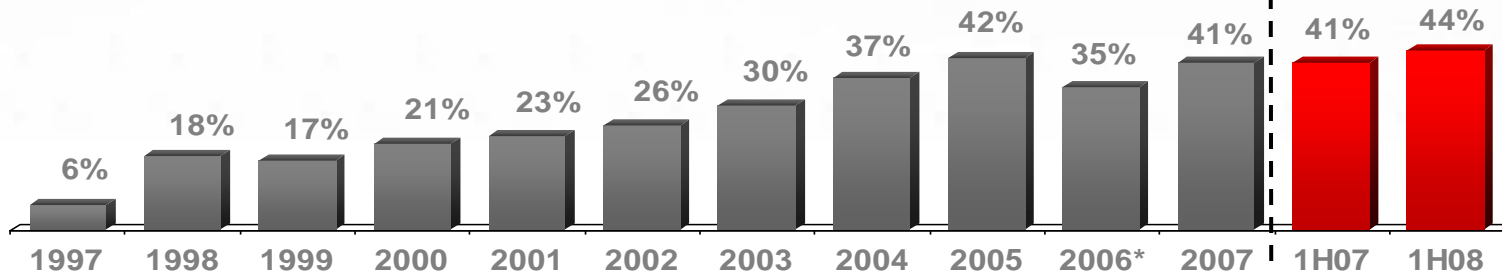
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## Consolidated EBITDA (R\$ million)



## Consolidated EBITDA Margin

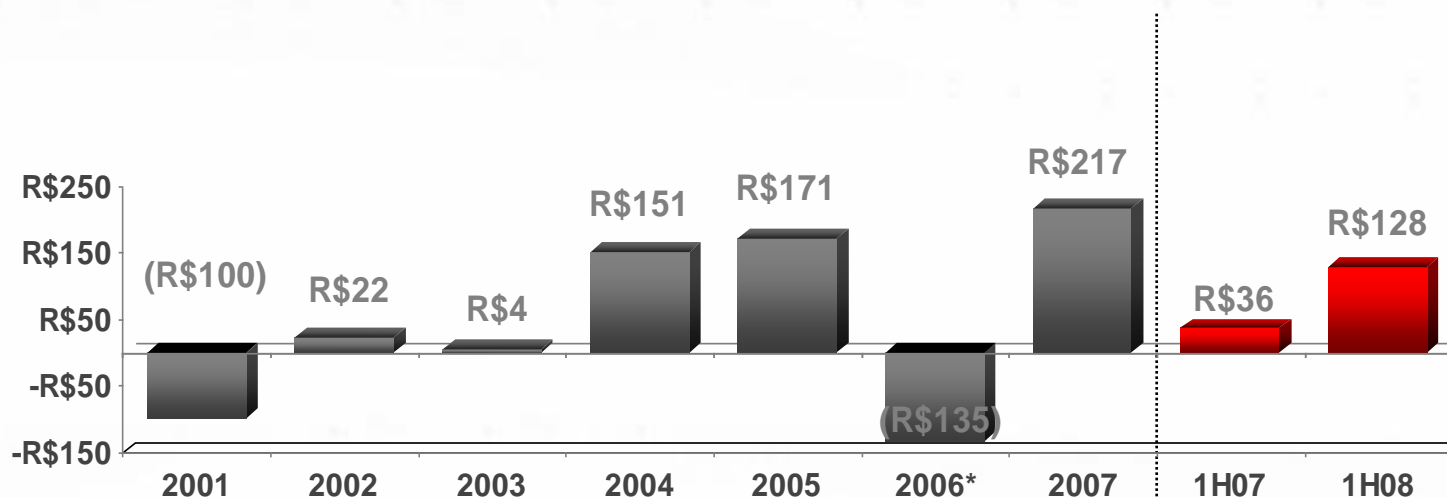


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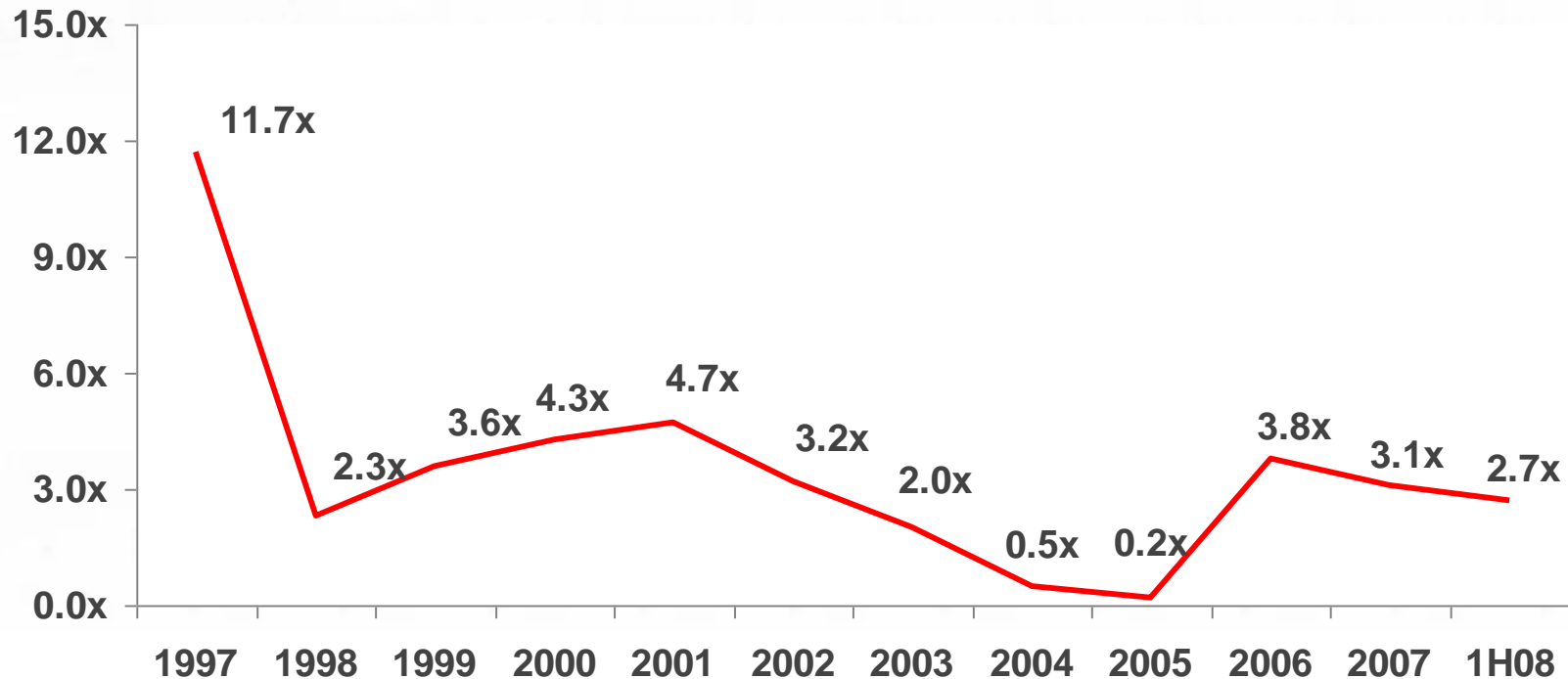
## Consolidated Net Income (R\$ million)



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## Net Debt/EBITDA



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- We maintain expected consolidated volume growth in the range of 12% to 14% in 2008
- We also maintain our expected CAPEX guidance within R\$700 million for 2008
- We have already purchased 50 locomotives to support our 2009 growth plan
- We have recently signed an agreement to build the rail network extension from Alta Araguaia to Rondonopolis. The project will be executed by a special purpose entity created by investors and does not change ALL's CAPEX plan. The implementation of the project is currently undergoing BNDES approval

*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.*