



## ALL REPORTS 3Q08 AND 9M08 RESULTS

**Curitiba, Brazil, November 12, 2008** – América Latina Logística S.A. – ALL (Bovespa: ALLL11)<sup>1</sup>, Latin America's largest independent logistics company, announces its results for the third quarter and nine months of 2008 (3Q08 and 9M08). ALL operates 21,300 km of rail tracks, 1,060 locomotives, 31,000 rail cars, 1,000 highway vehicles, distribution centers and warehousing installations. ALL's rail network serves an area that accounts for approximately 75% of Mercosur's GDP. The Company serves seven of the most active ports in Brazil and Argentina through which approximately 78% of all South America's grain exports are shipped annually. We offer a full range of logistics services, including domestic and international rail transportation, intermodal door-to-door transportation, distribution and warehousing. The services are provided in Brazil and Argentina by three business units: agricultural commodities, industrial products and highway services. Comparisons included in this report, unless otherwise stated, refer to the same period of 2007. Financial and operational information, unless otherwise stated, are presented in nominal Reais pursuant to Brazilian Corporate Law. Consolidated results, unless otherwise stated, excludes the results of Santa Fé Vagões (40% owned by ALL).

### Conference Calls:

**English**  
**November 13, 2008**  
Thursday  
12:00 p.m. US EST

**Portuguese**  
**November 13, 2008**  
Thursday  
1:30 p.m. US EST

### Meeting with Analysts and Investors:

**November 17, 2008**  
Monday  
4:30 p.m. (Brasília)

**Intercontinental São Paulo**  
Alameda Santos, 1.123  
São Paulo – SP

### OPERATING AND FINANCIAL HIGHLIGHTS

- ✓ **Net income increased 103%, from R\$105.8 million in 9M07 to R\$214.9 million in 9M08, excluding the R\$91.5 million extraordinary gains in 3Q07.** Consolidated EBITDA increased 25.6% in the period, to R\$858.4 million and EBITDAR increased 18.6% in 9M08, to R\$983.2 million. Year-over-year EBITDAR growth was mainly driven by higher revenues and margins in Brazil. EBITDAR increased 19.2% in agricultural commodities, 18.9% in industrial products, 46.3% in highway services and decreased 14.8% in Argentina. Consolidated EBITDAR margin increased from 51.5% in 9M07 to 52.0% in 9M08. In 3Q08, consolidated EBITDAR increased 13.2%, from R\$321.3 million in 3Q07 to R\$363.9 million in 3Q08, gaining 1.1% in margin to 53.8%.
- ✓ **Consolidated revenues increased 17.3% in 9M08 to R\$2,155.3 million.** Revenue growth was mainly driven by (i) 8.9% volume growth and (ii) 7.7% yield increase, benefiting from the take-or-pay nature of our commercial agreements, diesel price increase pass through in Brazil and strong yield in Argentina in 3Q08. Consolidated revenues increased 10.2% in 3Q08 compared to 3Q07, due to a strong 9.9% yield growth and almost flat volumes, reflecting a weaker agricultural commodities market in Brazil. Following very strong and profitable first semester, producers build up inventories while waiting for better commodity prices and exchange rate. This unusual scenario caused weaker volumes in 3Q08 and also indicates a stronger 4Q08 as the storage capacity must be cleared to receive 2009 crop.
- ✓ **ALL Argentina had a positive 3Q08.** After the Argentine Congress rejected in July the proposed tax increase in exports of grains, we saw rail traffic normalize and transported volumes increased 12.7%, to 1,252 million RTK in 3Q08. In 1H08, farmers interrupted railroads and highways several times pressuring against tax increase. EBITDA increased 84.3% and EBITDA margins expanded 2 percentage points in 3Q08, from 24.3% in 3Q07 to 26.1%, as we passed through to tariffs diesel price increases. In 9M08, volumes in ALL Argentina decreased 1.3% to 3,085 million RTK and EBITDA margins went from 20.3% in 9M07 to 15.5% mainly due to farmers protests in the first half of the year.
- ✓ **For 2009, productivity gains will push growth in volumes.** In face of a growing uncertainty at this time of global crisis, we are reducing our guidance for CAPEX to R\$600 million and volume growth between 10% and 12% for 2009, in order to preserve our cash and push productivity gains. We also expect marginal yield increase, assuming no changes in diesel price in the local market.

<sup>1</sup> Preferred shares (ALLL4) and common shares (ALLL3) are also listed at BOVESPA but with no significant liquidity



Table 1 - Financial Highlights (R\$ million)	3Q08	3Q07	% Change*	9M08	9M07	% Change*
<b>ALL Brazil Operations</b>						
Gross Sales	712.2	665.6	7.0%	2,035.5	1,731.3	17.6%
Net Sales	619.8	577.2	7.4%	1,775.0	1,506.5	17.8%
EBITDAR	349.2	313.4	11.4%	965.1	808.1	19.4%
EBITDAR Margin**	56.3%	54.3%	2.1%	54.4%	53.6%	0.7%
EBITDA	306.3	265.0	15.6%	840.3	662.4	26.9%
EBITDA Margin**	49.4%	45.9%	3.5%	47.3%	44.0%	3.4%
Net Income	88.5	162.0	-45.4%	225.8	202.1	11.7%
<b>ALL Consolidated***</b>						
Gross Sales	770.2	699.2	10.2%	2,155.3	1,837.9	17.3%
Net Sales	676.3	610.0	10.9%	1,891.8	1,610.7	17.5%
EBITDAR	363.9	321.3	13.2%	983.2	829.3	18.6%
EBITDAR Margin**	53.8%	52.7%	1.1%	52.0%	51.5%	0.5%
EBITDA	321.1	273.0	17.6%	858.4	683.5	25.6%
EBITDA Margin**	47.5%	44.8%	2.7%	45.4%	42.4%	2.9%
Net Income before Extraordinary Items****	87.0	70.1	24.0%	214.9	105.8	103.1%
Net Income****	87.0	161.6	-46.2%	214.9	197.3	8.9%
EPS (R\$/ Share)	0.15	0.28	-46.1%	0.37	0.34	9.6%
<b>Consolidated Balance Sheet Indicators</b>						
Total Assets	10,605.8	9,527.3	11.3%	10,605.8	9,527.3	11.3%
Shareholders Equity	2,635.4	2,592.3	1.7%	2,635.4	2,592.3	1.7%
Net Debt	2,803.9	2,756.7	1.7%	2,803.9	2,756.7	1.7%
Net Debt / (Trailing 12 months EBITDA)	2.7	3.2	-16.3%	2.7	3.2	-16.3%
Net Debt/ Equity	1.1	1.1	-3.3%	1.1	1.1	-3.3%

\* Reflects the change in the 3Q08 and 9M08 compared to the same period in 2007.

\*\* For EBITDAR margin and EBITDA margin change means percentage points gained/(lost)

\*\*\* Excludes results of Santa Fé Vagões (40% owned by ALL).

\*\*\*\* Includes net income from Santa Fé Vagões as a result of earnings on equity stake

Per share calculation based on number of existing shares as of September 30th, 2008

Values may not add up due to rounding

## Comments from Bernardo Hees – CEO

In one of the toughest market scenarios we ever faced in a third quarter, we are pleased to announce consolidated revenue growth of 10.2%, EBITDAR growth of 13.2%, EBITDA growth of 17.6% and net income prior to extraordinary items related to abolition of interest expenses on SUDAM in 3Q07 increased 24.0%. Agricultural exports through the ports we serve decreased by 33% year-over-year during the quarter, driven by producer and traders decision to build up inventories while waiting for better commodity prices and exchange rate. Our overall market share in the ports increased from 50% in 3Q07 to 71% in 3Q08, offsetting the major part of market contraction, and we got solid yield gains in the quarter, reinforcing the strong fundamentals and the defensive nature of our business. As storage capacity is expected to clear in order to receive the 2009 crop, volumes not transported in 3Q08 are expected to be exported before year-end, indicating an unusually strong 4Q08. In 9M08, we increased volumes by 8.9%, revenues by 17.3%, EBITDAR by 18.6%, EBITDA by 25.6% and net income before extraordinary items by 103%.

In Agricultural Commodities, gross revenues grew 2.1% to R\$462.6 million in 3Q08, as volumes decreased 6.0% and gross yield increased 9.9%, benefited by the take-or-pay nature of our commercial agreements and by the pass through of diesel price increase to tariffs. EBITDAR increased 13.2% to R\$363.9 million and EBITDAR margins improved 3 percentage points to 62.1%. In 9M08, agricultural commodities' volumes increased 9.2% to 17,620 million RTK, gross revenues grew 16.7% to R\$1,357.1 million and EBITDAR reached R\$716.2 million, increasing 19.2% year-over-year.

Industrial products' volume increased 12.1% in 3Q08, with (i) 15.2% growth in intermodal flows, gaining market share in all segments and (ii) 10.3% growth in pure rail volumes, driven by fuel products and construction segments. Gross revenues increased 18.7% to R\$212.1 million, EBITDAR increased 16.9% to R\$88.1 million and EBITDAR margin reached 51.1%. In 9M08, volumes increased 13.3%, revenues increased 19.7% to R\$563.3

million and EBITDAR increased 18.9% reaching R\$234.8 million. Highway services had a good quarter as EBITDAR increased 25.5% to R\$4.1 million and EBITDAR margins improved from 10.9% to 12.2% in the period. Volume of remunerated km (RK) increased 15.1% reflecting start-up of new contracts signed at the end of 2007 in the Mercosur corridor. In the nine months, trucking services' EBITDAR increased 46.3%, EBITDAR margins improved 2.6 percentage points to 13.7%, volumes increased 16.2% and revenues grew 17.0%.

Argentina had a strong performance in the quarter, compensating part of the weak performance in 1H08. Volume increased 12.7% as Congress rejected overtax on grain exports, ending farmers' protests. EBITDAR increased 54.5% to P\$23.3 million and EBITDAR margins increased 2.4%, reflecting yield gains related to inflation and diesel price pass through.

We maintain our volume guidance with expected volume growth between 12% and 14% in 2008, as the outlook indicates a strong export shift from 3Q08 to 4Q08. Moreover, with a solid financial position, with more than R\$2.5 billion in cash and no need to access credit market for the next two years, we can sustain investment requirements to support our growth plan as well as take advantage of potential market opportunities in good and bad scenarios. As we prepare for 2009, we have acquired 50 locomotives and the initial 600 railcars in agreements with our clients. In face of a growing uncertainty at this time of global crisis, we are reducing our guidance for CAPEX to R\$600 million, volume growth between 10% and 12% and marginal yield increase for 2009, in order to preserve our cash and force productivity gains, maintaining our strong confidence in the positive fundamentals of ALL.

## OPERATING PERFORMANCE BY BUSINESS SEGMENT

### Consolidated Results<sup>2</sup>

Consolidated EBITDAR increased 13.2% in 3Q08, from R\$321.3 million in 3Q07 to R\$363.9 million in 3Q08. The increase was mainly due to: (i) the take-or-pay nature of our commercial agreements, which partially compensates weaker volumes, (ii) full-quarter effect of the pass through of diesel price increase occurred in May08, (iii) fixed cost reductions implemented in face of lower volumes in 3Q, (iv) lower average diesel consumption, and (v) stronger performance in ALL Argentina, as the situation volume-wise normalized after the end of farmers' protests and as we were able to increase tariffs passing through inflation and diesel price increase. EBITDAR margins increased in 3Q08, from 52.7% in the 3Q07 to 53.8%. In 9M08, EBITDAR increased 18.6% reaching R\$983.2 million and EBITDAR margins increased 0.5%, reaching 52.0%.

Table 2 - EBITDAR (R\$ million)	3Q08	3Q07	Growth 3Q08	% Growth 3Q08	9M08	9M07	Growth 9M08	% Growth 9M08
ALL Consolidated	363.9	321.3	42.6	13.2%	983.2	829.3	153.9	18.6%
ALL Brazil	349.2	313.4	35.8	11.4%	965.1	808.1	157.0	19.4%
Agricultural Commodities	257.0	234.8	22.3	9.5%	716.2	600.9	115.3	19.2%
Industrial Products	88.1	75.3	12.7	16.9%	234.8	197.5	37.3	18.9%
Highway-Based Services	4.1	3.3	0.8	25.5%	14.1	9.7	4.5	46.3%
ALL Argentina	14.7	8.0	6.7	84.3%	18.0	21.2	(3.1)	-14.8%

Gross revenues increased 10.2%, from R\$699.2 million in 3Q07 to R\$770.2 million in 3Q08. Revenue growth in the quarter was driven by flat year-over-year volumes and a 9.9% increase in yield measured in R\$/000 RTK from R\$64.8 to R\$71.2, benefiting from the take-or-pay nature of our commercial agreements, diesel price increase pass through in Brazil and strong yield improvement in Argentina in 3Q08. Total volumes were roughly flat from 10,267 million RTK in 3Q07 to 10,291 million RTK in 3Q08, due an increase of 12.7% in ALL Argentina, partially offset by a 1.3% decrease in Brazil.

Table 3 - EBITDAR Margin (%)	Third Quarter			Nine Months		
	3Q08	3Q07	Change*	9M08	9M07	Change*
ALL Consolidated	53.8%	52.7%	1.1%	52.0%	51.5%	0.5%
ALL Brazil	56.3%	54.3%	2.1%	54.4%	53.6%	0.7%
Agricultural Commodities	62.1%	59.1%	3.0%	59.4%	58.6%	0.8%
Industrial Products	51.1%	50.3%	0.8%	50.3%	50.0%	0.3%
Highway Based Services	12.2%	10.9%	1.3%	13.7%	11.2%	2.6%
ALL Argentina	26.1%	24.3%	1.8%	15.5%	20.3%	-4.9%

\* Indicates percentage points gain / (loss)

<sup>2</sup> Excludes results of Santa Fé Vagões (40% owned by ALL).

After taking into account R\$42.9 million of railcar rental expenses, ALL's consolidated EBITDA increased 17.6% in 3Q08. Railcar rental expenses are related to the addition of client owned new railcars that we operated under operational lease agreements with our clients in agricultural commodities and industrial products business units. EBITDA in agricultural commodities increased from R\$190.8 million in 3Q07 to R\$217.5 million in 3Q08, or 14.0%, and industrial products EBITDA increased from R\$70.9 million in 3Q07 to R\$84.7 million in 3Q08, or 19.4%. Consolidated EBITDA margin increased 2.7 percentage points in 3Q08, reaching 47.5%. In 9M08, consolidated EBITDA increased 25.6%, from R\$683.5 million in 9M07 to R\$858.4 million in 9M08 and EBITDA margins rose 2.9% reaching 45.4%.

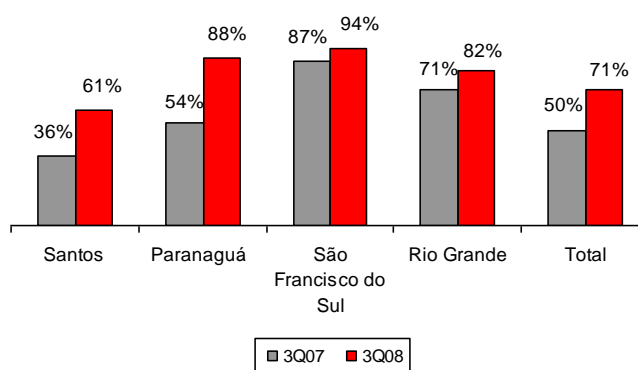
Table 4 - EBITDA (R\$ million)	3Q08	3Q07	Growth 3Q08	% Growth 3Q08	9M08	9M07	Growth 9M08	% Growth 9M08
ALL Consolidated	321.1	273.0	48.0	17.6%	858.4	683.5	174.8	25.6%
ALL Brazil	306.3	265.0	41.3	15.6%	840.3	662.4	178.0	26.9%
Agricultural Commodities	217.5	190.8	26.7	14.0%	600.6	467.3	133.3	28.5%
Industrial Products	84.7	70.9	13.8	19.4%	225.6	185.4	40.2	21.7%
Highway-Based Services	4.1	3.3	0.8	25.5%	14.1	9.7	4.5	46.3%
ALL Argentina	14.7	8.0	6.7	84.3%	18.0	21.2	(3.1)	-14.8%

In 9M08, consolidated volumes increased 8.9%, from 25,798 million RTK in 9M07 to 28,105 million RTK, reflecting asset productivity gains and safety improvements in our network during the period. Volumes increased 9.2% in agricultural commodities, 13.3% in industrial products, partially offset by an 1.3% decrease in ALL Argentina, as farmers' protests in the Country blocked the roads and railroads during the 1H08. Gross revenues increased 17.3% in the 9M08, reaching R\$2,155.3 million with average yield increase of 7.7% in the period.

### Agricultural Commodities

Agricultural commodities volumes decreased 6.0% in 3Q08, from 6,752 million RTK in 3Q07 to 6,345 million RTK, mainly driven by decreases in volumes of wheat (-78.0%), corn (-39.6%), and fertilizers (-30.5%). Despite a strong crop scenario, exported volumes were down 33% year-over-year in the ports we serve. The weakness in agricultural exports was driven by producer and traders build up of inventories while waiting for better commodity prices and exchange rate. At the end of September, corn storages volumes were 61% higher than in the same period 2007. The storage capacity is expected to be cleared during the 4Q08 in order to receive new crop in the beginning of 2009. In 9M08, volume growth reached 9.2%, to 17,620 million RTK, with growth in soy, soy meal and sugar.

Agricultural Commodities - Market Share by Port



Our market share in the ports increased 21 percentage points in the 3Q08, reaching 71%. Total export volumes at the ports were down 33% while ALL volumes decreased 3% in the same period as we were able to capture significant market share gains in all ports served.

Gross revenues increased 2.1%, from R\$453.3 million in 3Q07 to R\$462.6 million in 3Q08, and gross yield, measured in R\$/'000 RTK, increased 8.6% reaching R\$72.9 per '000 RTK, due to in the take-or-pay nature of our commercial agreements, the pass through of diesel price increase and a change in transported freight mix.

Agricultural commodities' EBITDAR increased 9.5% in 3Q08, from R\$234.8 million in 3Q07 to R\$257.0 million, and EBITDAR margin improved 3 percentage points to 62.1%, mainly driven by (i) take-or-pay agreements which compensate for weaker volumes, and (ii) higher diesel prices. EBITDA increased 14.0% in the 3Q08, reaching R\$217.5 million and EBITDA margins increased 4.5% to 52.6%, due to lower rental costs.

Table 5 - Agricultural Commodities (R\$ million)	Third Quarter			Nine Months		
	3Q08	3Q07	Change*	9M08	9M07	Change*
Volume (million RTK)	6,345	6,752	-6.0%	17,620	16,139	9.2%
Gross Revenues	462.6	453.3	2.1%	1,357.1	1,162.5	16.7%
Gross Yield (R\$/'000 RTK)	72.9	67.1	8.6%	77.0	72.0	6.9%
Net Revenues	413.9	397.5	4.1%	1,205.4	1,025.4	17.6%
EBITDAR	257.0	234.8	9.5%	716.2	600.9	19.2%
EBITDAR Margin	62.1%	59.1%	3.0%	59.4%	58.6%	0.8%
EBITDA	217.5	190.8	14.0%	600.6	467.3	28.5%
EBITDA Margin	52.6%	48.0%	4.5%	49.8%	45.6%	4.3%

\* For EBITDA and EBITDAR Margin indicates percentage points gain / (loss)

In 9M08, Agricultural commodities revenues increased 16.7%, from R\$1,162.5 million in the 9M07 to R\$1,357.1 million, EBITDAR increased 19.2% to R\$716.2 million and EBITDAR margin increased 0.8%, reaching 59.4%.

Table 6 - Agricultural Commodities Products (million RTK)	3Q08	3Q07	%	9M08	9M07	%
			Change			Change
Soy	1,870.5	1,409.5	32.7%	7,858.5	6,325.0	24.2%
Soy Meal	1,004.4	789.4	27.2%	2,521.7	2,038.2	23.7%
Fertilizers	736.9	1,060.4	-30.5%	2,050.9	2,191.8	-6.4%
Sugar	1,142.1	824.0	38.6%	2,152.0	1,594.9	34.9%
Corn	1,432.1	2,371.4	-39.6%	2,326.8	3,165.4	-26.5%
Wheat	23.4	106.3	-78.0%	293.6	211.5	38.8%
Rice	119.0	136.5	-12.8%	344.9	368.2	-6.3%
Others	16.6	54.4	-69.6%	71.2	243.7	-70.8%
<b>Total</b>	<b>6,345.1</b>	<b>6,751.9</b>	<b>-6.0%</b>	<b>17,619.6</b>	<b>16,138.8</b>	<b>9.2%</b>

## Industrial Products

Industrial products volumes increased 12.1% in 3Q08, from 2,404 million RTK to 2,694 million RTK, and 13.3% in 9M08, from 6,533 million RTK to 7,400 million RTK, as we keep gaining market share in pure rail and intermodal segments.

In intermodal flows, volume increased 15.2% in 3Q08 and 14.8% in 9M08 as we gain market share in almost all business segments with strong growth in steel products, containerized cargo and wood products. As we expect to grow intermodal flows at faster rates than pure rail industrial flows (i.e. fuel products and construction products flows) in the long term we should see intermodal flows accounting for an increasingly larger portion of total industrial flows.

Table 7 - Industrial Products (R\$ million)	Third Quarter			Nine Months		
	3Q08	3Q07	Change*	9M08	9M07	Change*
Volume (million RTK)	2,694	2,404	12.1%	7,400	6,533	13.3%
Gross Revenues	212.1	178.7	18.7%	563.3	470.5	19.7%
Gross Yield (R\$/'000 RTK)	78.7	74.3	5.9%	76.1	72.0	5.7%
Net Revenues	172.5	149.9	15.0%	466.9	394.8	18.3%
EBITDAR	88.1	75.3	16.9%	234.8	197.5	18.9%
EBITDAR Margin	51.1%	50.3%	0.8%	50.3%	50.0%	0.3%
EBITDA	84.7	70.9	19.4%	225.6	185.4	21.7%
EBITDA Margin	49.1%	47.3%	1.8%	48.3%	47.0%	1.4%

\* For EBITDA and EBITDAR Margin indicates percentage points gain / (loss)

In the fuel products, construction and vegetal oil segments - which are shipped almost exclusively by rail in our area of operation - we have two different situations: (i) in southern portion of our rail network, where we have a high market share our performance is dependent on growth in the respective industries; and (ii) in the northern portion of our rail network, where our market share is small and we have significant room to grow volumes independent of the market growth. Pure rail industrial products volumes increased 10.3% in 3Q08 and 12.4% in 9M08, mainly driven by an increase in construction reflecting higher activity on the sector and increasing market share in the northern network area.

<b>Table 8 - Intermodal Industrial Products</b> (million RTK)	<b>3Q08</b>	<b>3Q07</b>	<b>% Change</b>	<b>9M08</b>	<b>9M07</b>	<b>% Change</b>
Steel Products	260.3	215.9	20.6%	706.2	609.8	15.8%
Wood Products	185.5	166.3	11.5%	487.3	423.8	15.0%
Food Products	181.1	163.9	10.5%	416.1	361.4	15.1%
Containers	268.5	219.0	22.6%	695.1	594.0	17.0%
Others	98.8	97.9	0.9%	462.7	422.3	9.6%
<b>Total</b>	<b>994.2</b>	<b>863.1</b>	<b>15.2%</b>	<b>2,767.5</b>	<b>2,411.3</b>	<b>14.8%</b>

Industrial products' gross revenues increased 18.7% in 3Q08, from R\$178.7 million in 3Q07 to R\$212.1 million in 3Q08 with an average yield increase of 5.9%, mainly reflecting higher tariffs under contracts and pass through of diesel price. EBITDAR increased 16.9% reaching R\$88.1 million in 3Q08, EBITDAR margin increased from 50.3% to 51.1%, mainly due to changes in transported freight mix, and EBITDA increased 19.4% from R\$70.9 million in 3Q07 to R\$84.7 million.

<b>Table 9 - Pure Rail Industrial Products</b> (million RTK)	<b>3Q08</b>	<b>3Q07</b>	<b>% Change</b>	<b>9M08</b>	<b>9M07</b>	<b>% Change</b>
Fuel Products	1,157.8	1,102.7	5.0%	3,267.9	2,956.8	10.5%
Vegetal Oil	67.9	101.5	-33.1%	210.3	254.0	-17.2%
Construction	474.0	336.7	40.8%	1,154.3	911.1	26.7%
<b>Total</b>	<b>1,699.8</b>	<b>1,540.9</b>	<b>10.3%</b>	<b>4,632.5</b>	<b>4,121.8</b>	<b>12.4%</b>

In 9M08, gross revenues increased 19.7% to R\$563.3 million, average yield expanded 5.7%, EBITDAR increased 18.9%, reaching R\$234.8 million, and EBITDA increased 21.7% to R\$225.6 million.

### Highway Services Business Unit

Highway services' EBITDA increased 25.5% in 3Q08, reaching R\$4.1 million, and EBITDA margin expanded to 12.2%. The margin improvement reflects the process of discontinuation of unprofitable operations and the new operations contracted since 2005. In 9M08, EBITDA increased from R\$9.7 million in 9M07 to R\$14.1 million in 9M08, or 46.3%, and EBITDA margins grew 2.6% reaching 13.7%.

Volume measured in remunerated kilometers (RK) increased 15.1% in the quarter and 16.2% in the first nine months of the year, driven by the start-up of new flows for GM. Gross revenues increased 11.4% in 3Q08 reaching R\$37.5 million while average yield decreased 3.2% in the quarter due to mix changes. In 9M08, gross revenues increased from R\$98.3 million in 9M07 to R\$115.0 million, or 17.0%.

### Argentina Operations

ALL Argentina's gross revenues increased 20.2% from P\$65.4 million in 3Q07 to P\$78.7 million in 3Q08, due to a yield increase of 6.7%, and a volume increase of 12.7% to 1,252 million RTK. The stronger performance in ALL Argentina reflects the end of farmers' protests as Congress rejected export tax increase and the pass through of past inflation and diesel price increase. In 9M08, gross revenues increased 14.6%, reaching P\$196.0 million. Volumes decreased 1.3%, from 3,126 million RTK in 9M07 to 3,085 million RTK in 9M08 and yield increased 8.7% in the period reflecting higher diesel prices at the gas stations.

Agricultural commodities volumes increased 15.5% in 3Q08, from 332.1 million RTK in 3Q07 to 383.6 million RTK, as we were able to resume operations once Congress rejected the tax increase on grain exports.

<b>Table 10 - Agricultural Commodities Products</b> (million RTK)	<b>3Q08</b>	<b>3Q07</b>	<b>% Change</b>	<b>9M08</b>	<b>9M07</b>	<b>% Change</b>
Soy	217.2	195.7	11.0%	430.9	501.9	-14.1%
Soy Meal	11.8	9.8	20.1%	33.3	31.4	6.1%
Fertilizers	29.4	24.9	17.7%	70.2	64.5	8.9%
Sunflower	17.4	13.8	26.3%	48.4	47.7	1.5%
Corn	94.8	83.9	12.9%	175.7	160.3	9.6%
Wheat	11.3	2.7	321.5%	39.6	19.9	98.4%
Rice	1.8	1.2	46.9%	3.3	1.9	72.0%
<b>Total</b>	<b>383.6</b>	<b>332.1</b>	<b>15.5%</b>	<b>801.4</b>	<b>827.6</b>	<b>-3.2%</b>

Industrial products volumes increased from 778.7 million RTK in 3Q07 to 868.6 million RTK in 3Q08, as we gained market share in almost all segments.

<b>Table 11 - Industrialized Products</b> (million RTK)	<b>3Q08</b>	<b>3Q07</b>	<b>% Change</b>	<b>9M08</b>	<b>9M07</b>	<b>% Change</b>
Vegetal Oil	16.0	14.5	10.7%	36.5	33.3	9.6%
Steel Products	110.2	81.3	35.6%	264.5	213.3	24.0%
Wood	61.7	54.6	13.0%	149.1	153.1	-2.7%
Food Products	84.2	76.9	9.5%	205.2	215.7	-4.9%
Construction	446.3	429.8	3.8%	1,200.2	1,278.5	-6.1%
Container	114.8	87.3	31.5%	325.8	266.5	22.2%
Others	35.3	34.3	2.9%	102.2	137.1	-25.4%
<b>Total</b>	<b>868.6</b>	<b>778.7</b>	<b>11.5%</b>	<b>2,283.5</b>	<b>2,297.6</b>	<b>-0.6%</b>

EBITDA increased from P\$15.1 million in 3Q07 to P\$23.3 million in 3Q08, and EBITDA margins increased from 23.6% to 30.5%. The EBITDA expansion resulted from higher volumes as well as pass through of inflation and diesel price increase. In 9M08, EBITDA decreased 18.8% to P\$29.5 million and EBITDA margins decreased from 20.4% in 9M07 to 15.5% in 9M08.

In Reais, gross revenues increased 72.6% from R\$33.6 million in 3Q07 to R\$58.0 million in 3Q08. EBITDA in Reais increased 84.3% from R\$8.0 million in 3Q07 to R\$14.7 million in 3Q08. In 9M08, EBITDA decreased 14.8% to R\$18.0 million and EBITDA margins decreased 20.3%, to 15.5%.

### CONSOLIDATED RESULTS <sup>3</sup> For Third Quarter 2008 Compared to Third Quarter 2007

<b>Table 12 - Operational Indicators</b>	<b>Brazil</b>			<b>Argentina</b>		
	<b>3Q08</b>	<b>3Q07</b>	<b>% Change</b>	<b>3Q08</b>	<b>3Q07</b>	<b>% Change</b>
<b>Volumes</b>						
RTK (million)	9,039	9,156	-1.3%	1,252	1,111	12.7%
GTK (million)	15,298	15,693	-2.5%	2,567	2,349	9.3%
Total RK (million)	13.0	11.3	15.1%			
RK of Owned Fleet (million)	5.5	5.0	9.7%			
RK of Outsourced and Agregated Fleet (million)	11.8	9.6	22.9%			
Carloads (thousand)	225.6	226.5	-0.4%	44.2	40.1	10.2%
<b>Diesel Consumption</b>						
Rail (liters per 000 GTK)	5.17	5.23	-1.2%	3.39	3.24	4.6%
Trucking (liters per RK)	0.37	0.39	-5.4%			

### Consolidated Gross Revenue from Services

Consolidated gross revenue increased from R\$699.2 million in 3Q07 to R\$770.2 million in 3Q08, or 10.2%, due to a 7.0% increase in Brazilian operations' gross revenue, from R\$665.6 million in 3Q07 to R\$712.2 million in 3Q08, and a 72.6% increase in Argentine operations' gross revenue, from R\$33.6 million in 3Q07 to R\$58.0 million in 3Q08.

<sup>3</sup> Excludes results of Santa Fé Vagões (40% owned by ALL).

Table 13 - Gross Revenues (R\$ million)	3Q08	3Q07	Change	% Change
ALL Consolidated*	770.2	699.2	71.0	10.2%
ALL Brazil	712.2	665.6	46.6	7.0%
Agricultural Commodities	462.6	453.3	9.3	2.1%
Industrial Products	212.1	178.7	33.4	18.7%
Highway Based Services	37.5	33.6	3.8	11.4%
ALL Argentina	58.0	33.6	24.4	72.6%

\* Excludes results of Santa Fé Vagões (40% owned by ALL).

Brazilian operations gross revenues increased R\$46.6 million in 3Q08, when compared to the same period last year, reflecting an 8.1% increase in average yield, from R\$69.0 per thousand RTK in 3Q07 to R\$74.6 per thousand RTK in 3Q08. The higher yield reflects (i) take-or-pay nature of our commercial agreements, (ii) pass-through of diesel price increase, and (iii) a higher volume of trucking connections.

Agricultural commodities' gross revenues increased by R\$9.3 million, or 2.1%, as transported volume decreased 6.0% and as gross yield increased 8.6%, from R\$67.1 per thousand RTK in the 3Q07 to R\$72.9 per thousand RTK in the 3Q08. In industrial products, gross revenues increased R\$33.4 million, or 18.7%, with a 12.1% growth in transported volume and a 5.9% increase in average yield. In highway-based services unit, gross revenues reached R\$37.5 million in 3Q08 increasing 11.4%, from R\$33.6 million, while transported volume increased 15.1%, partially offset by a 3.2% decrease in average yield.

In Argentina, gross revenues increased 20.2% in Pesos as a result of an increase in average yield from P\$58.9 per thousand RTK in 3Q07 to P\$62.8 per thousand RTK in 3Q08 and transported volume increased 12.7% to 1,252 million RTK, as the situation in the Country normalized once Congress rejected the tax increase in grain exports, ending farmers' protests. In Reais, gross revenues increased 72.6% in the 3Q08, from R\$33.6 million in 3Q07 to R\$58.0 million in 3Q08, favored by a 4.6% appreciation of the Peso against the Real in 3Q08 compared to 3Q07.

### Taxes on Consolidated Gross Operating Revenue

Taxes on consolidated operating revenue increased 5.3% from R\$89.2 million in 3Q07 to R\$93.9 million in 3Q08. The tax increase resulted from a 4.5% increase in Brazilian operations' taxes - from R\$88.4 million in 3Q07 to R\$92.4 million in 3Q08, and by a 105.2% increase in Argentine operations' taxes due to higher revenues in Brazil and Argentina.

### Consolidated Cost of Sales

Consolidated costs of sales increased from R\$345.3 million in 3Q07 to R\$369.1 million in the 3Q08, or 6.9%, due to a 2.4% increase in Brazilian operations' cost of sales from R\$319.4 million in 3Q07 to R\$327.0 million in 3Q08 and an increase in Argentine operations' cost of sales from R\$25.9 million to R\$42.1 million, or 62.7%.

Table 14 - Cost of Sales *	Brazil			Argentina			Consolidated		
(R\$ million)	3Q08	3Q07	% Change	3Q08	3Q07	% Change	3Q08	3Q07	% Change
Fuel Expenses	(121.9)	(119.2)	2.3%	(9.8)	(5.9)	67.1%	(131.7)	(125.1)	5.3%
Rail portion	(113.0)	(112.2)	0.7%	(9.8)	(5.9)	67.1%	(122.8)	(118.1)	4.0%
Trucking portion	(8.9)	(7.0)	26.8%	0.0	0.0	na	(8.9)	(7.0)	26.8%
Outsourced and Contracted Trucking Expenses	(16.7)	(14.2)	17.8%	(5.1)	(3.0)	71.8%	(21.8)	(17.1)	27.1%
Drayage Services	(10.0)	(8.0)	24.8%	(5.1)	(3.0)	71.8%	(15.1)	(11.0)	37.5%
Other than Drayage Services	(6.7)	(6.2)	8.4%	0.0	0.0	na	(6.7)	(6.2)	8.4%
Labor Expenses	(44.1)	(41.7)	5.6%	(16.2)	(9.0)	79.9%	(60.2)	(50.7)	18.8%
Maintenance Expenses	(19.4)	(18.5)	4.9%	(3.9)	(2.3)	68.5%	(23.3)	(20.8)	12.0%
Depreciation and Amortization Expenses	(49.7)	(45.9)	8.2%	(4.0)	(2.3)	77.4%	(53.7)	(48.2)	11.4%
Concession and Lease Expense	(8.3)	(8.3)	0.4%	(1.4)	(0.8)	69.5%	(9.7)	(9.1)	6.8%
Other Expenses	(24.0)	(23.3)	3.2%	(1.7)	(2.7)	-34.7%	(25.7)	(25.9)	-0.7%
Railcar Rentals	(42.9)	(48.3)	-11.3%	0.0	0.0	na	(42.9)	(48.3)	-11.3%
<b>Total Cost of Sales</b>	<b>(327.0)</b>	<b>(319.4)</b>	<b>2.4%</b>	<b>(42.1)</b>	<b>(25.9)</b>	<b>62.7%</b>	<b>(369.1)</b>	<b>(345.3)</b>	<b>6.9%</b>

\* Excludes results of Santa Fé Vagões (40% owned by ALL).



Brazilian operations' cost of sales expansion in 3Q08 compared to the same period of 2007 was mainly driven by increases in (i) outsourced and contracted trucking expenses, as a result of higher volumes of trucking and drayage services (ii) higher maintenance costs and (iii) overall fuel expenses, reflecting diesel price increase partially offset by an improvement in diesel consumption.

The increase in Argentine operations' cost of sales in Reais during the same period mainly reflects higher volumes in the period as well as currency appreciation.

### Gross Profit

Consolidated gross profit increased 16.0%, from R\$264.7 million in 3Q07 to R\$307.2 million in 3Q08. The increase was due to a R\$66.2 million increase in consolidated net revenues partially offset by a R\$23.8 million increase in cost of sales.

### Operating Expenses

Consolidated operating expenses increased from R\$20.1 million in 3Q07 to R\$25.8 million in 3Q08, or 28.7%, mainly due to an increase of 23.2% in Brazil, from R\$16.7 million to R\$20.5 million.

Brazilian operations' SG&A expenses decreased 2.2% from R\$21.5 million in 3Q07 to R\$21.1 million in 3Q08. Other operating revenues and expenses decreased from an income of R\$4.9 million to an income of R\$0.6 million in Brazil in the same period. Argentina's SG&A increased from R\$2.6 million in 3Q07 to R\$4.4 million in 3Q08, and other operating expenses increased 14.1% to R\$1.0 million in 3Q08.

### Net Financial Expense

Consolidated net financial expenses worsened from R\$22.6 million in 3Q07 compared to R\$176.0 million in 3Q08 due to the R\$137.8 million extraordinary gain in 3Q07 related to the reversion of the interest rate expense on the Debenture of SUDAM (Superintendencia for the Development of the Amazon) and an increase in average interest rates throughout 2008. Brazilian operations' net financial expenses increased from R\$19.6 million in 3Q07 to R\$168.9 million in 3Q08 and Argentine operations' net financial expenses increased from R\$3.0 million in 3Q07 to R\$7.1 million in 3Q08.

### Other Costs and Expenses

Consolidated other costs and expenses - which includes equity earnings and gains on investments, non-operational results and translation gain or loss and monetary adjustment gain - improved from an expense of R\$9.2 million in 3Q07 to an expense of R\$6.4 million in 3Q08, due to an improvement in non-operational revenues, from a loss of R\$2.5 million in 3Q07 to a gain of R\$0.6 million in 3Q08.

Table 15 - Other Costs (R\$ million)	Brazil			Argentina			Consolidated		
	3Q08	3Q07	% Change	3Q08	3Q07	% Change	3Q08	3Q07	% Change
Equity Earnings and Gain on Investments	(6.5)	(6.4)	1.7%	(0.5)	(0.4)	41.2%	(7.0)	(6.8)	3.8%
Non-Operational Results	0.3	(2.5)	na	0.2	0.0	na	0.6	(2.5)	na
Translation Gain (loss) and Monetary Adjustment	0.0	0.0	na	0.0	0.0	na	0.0	0.0	na
<b>Other Costs</b>	<b>(6.2)</b>	<b>(8.9)</b>	<b>-30.2%</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>-27.9%</b>	<b>(6.4)</b>	<b>(9.2)</b>	<b>-30.1%</b>

### Income Taxes

Consolidated income taxes decreased from R\$51.0 million in the 3Q07 to R\$11.0 million in 3Q08, mainly driven by a reduction in earnings before taxes. Brazilian income taxes decreased from an expense of R\$50.6 million in 3Q07 to an expense of R\$8.7 million in 3Q08. In Argentina income tax worsened from an expense of R\$0.4 million in 3Q07 to an expense of R\$2.4 million in 3Q08.

## Net Income

As an effect of the results discussed above, consolidated net income decreased from R\$161.7 million in 3Q07 to R\$87.8 million in 3Q08. Net income before extraordinary item related to the reversion of the interest rate expense on the Debenture of SUDAM (Superintendencia for the Development of the Amazon) increased from R\$70.2 million in 3Q07 to R\$87.8 million in 3Q08. Including results coming from our stake in Santa Fe Vagões, net income decreased from R\$161.6 million in 3Q07 to R\$87.0 million in 3Q08.

## Investments

Consolidated investments decreased from R\$262.3 million in 3Q07 to R\$174.1 million in 3Q08, or -33.6%. The decrease reflects lower investments in Brazilian operations.

In Brazil, expansion CAPEX decreased 35.6% in 3Q08 compared to the same period of 2007. Among ALL Brazil expansion investments it is worth mentioning: (i) refurbishment of railcars and locomotives in the amount of R\$23.0 million and (ii) rail track investments of R\$49.8 million.

Investments in Argentina increased from R\$3.6 million in 3Q07 to R\$7.5 million in 3Q08, mainly due to the appreciation of the local currency against the Real.

Table 16 - Investments (R\$ million)	Brazil			Argentina			Consolidated		
	3Q08	3Q07	% Change	3Q08	3Q07	% Change	3Q08	3Q07	% Change
Maintenance	87.4	80.3	8.8%	1.8	2.0	-8.9%	89.2	82.3	8.4%
Expansion	79.2	178.4	-55.6%	5.7	1.6	255.7%	84.9	180.0	-52.9%
<b>Total Investments</b>	<b>166.5</b>	<b>258.7</b>	<b>-35.6%</b>	<b>7.5</b>	<b>3.6</b>	<b>108.7%</b>	<b>174.1</b>	<b>262.3</b>	<b>-33.6%</b>

## Cash Flow

Consolidated cash flow from operational activities decreased from a surplus of R\$267.0 million in 3Q07 to an outflow of R\$64.4 million in 3Q08, mainly due to a reduction in working capital gains and in net income. Cash outflow from investments decreased from an outflow of R\$262.3 million in 3Q07 to an outflow of R\$196.7 million in 3Q08, as expansion Capex went down 52.9% in the period. Cash flow from financing activities decreased from an inflow of R\$367.7 million in 3Q07, to an inflow of R\$277.7 million in 3Q08 reflecting higher amortization payments in 3Q08. The overall cash variation in 3Q08 was positive in R\$16.6 million compared as to a cash inflow of R\$372.4 million in 3Q07.

Table 17 - Cash Flow (R\$ million)	Brazil			Argentina			Consolidated		
	3Q08	3Q07	% Change	3Q08	3Q07	% Change	3Q08	3Q07	% Change
Operating Activities	(78.5)	270.4	na	14.1	(3.4)	na	(64.4)	267.0	na
Investing Activities	(189.2)	(258.7)	-26.9%	(7.5)	(3.6)	108.7%	(196.7)	(262.3)	-25.0%
Financing Activities	282.2	357.3	-21.0%	(4.5)	10.4	na	277.7	367.7	-24.5%
<b>Increase in Cash</b>	<b>14.5</b>	<b>369.0</b>	<b>-96.1%</b>	<b>2.1</b>	<b>3.4</b>	<b>-38.3%</b>	<b>16.6</b>	<b>372.4</b>	<b>-95.5%</b>

## Balance Sheet and Capital Structure

Consolidated net debt reached R\$2,803.9 million in 3Q08 compared to R\$2,683.9 million at the 2Q08. Net Debt to EBITDA ratio in 3Q08 remained in line with the previous quarter at 2.7X, and net debt to equity ratio increased from 1.0X in 2Q08 to 1.1X in 3Q08.

**CONSOLIDATED RESULTS <sup>4</sup>**  
*For the First Nine Months of 2008 Compared to the First Nine Months of 2007*

Table 18 - Operational Indicators	Brazil			Argentina		
	9M08	9M07	% Change	9M08	9M07	% Change
<b>Volumes</b>						
RTK (million)	25,020	22,672	10.4%	3,085	3,126	-1.3%
GTK (million)	43,127	39,365	9.6%	6,299	6,461	-2.5%
Total RK (million)	37.9	32.6	16.1%			
RK of Owned Fleet (million)	15.7	14.5	8.0%			
RK of Outsourced and Agregated Fleet (million)	40.0	28.4	40.8%			
Carloads (thousand)	643.3	593.2	8.4%	109.2	112.1	-2.6%
<b>Diesel Consumption</b>						
Rail (liters per 000 GTK)	5.29	5.36	-1.3%	3.45	3.30	4.6%
Trucking (liters per RK)	0.38	0.39	-2.8%			

**Consolidated Gross Revenue from Services**

Consolidated gross revenue increased by 17.3%, from R\$1,837.9 million in 9M07 to R\$2,155.3 million in 9M08, due to 17.6% increase in Brazilian operations' gross revenues, from R\$1,731.3 million in 9M07 to R\$2,035.5 million in 9M08, and a 12.3% increase in Argentine operations' gross revenues, from R\$106.6 million in 9M07 to R\$119.8 million in 9M08.

Table 19 - Gross Revenues (R\$ million)	9M08	9M07	Change	% Change
ALL Consolidated*	2,155.3	1,837.9	317.3	17.3%
ALL Brazil	2,035.5	1,731.3	304.2	17.6%
Agricultural Commodities	1,357.1	1,162.5	194.6	16.7%
Industrial Products	563.3	470.5	92.9	19.7%
Highway Based Services	115.0	98.3	16.7	17.0%
ALL Argentina	119.8	106.6	13.1	12.3%

\* Excludes results of Santa Fé Vagões (40% owned by ALL).

Brazilian operations' gross revenues increased 17.6% as transported volume increased 10.4%, from 22,672 million RTK in 9M07 to 25,020 million RTK in 9M08, and average yield measured in R\$/thousand RTK increased 6.6%, to R\$76.8 due to higher tariffs negotiated in our commercial agreements as well as pass through of diesel price increase.

Agricultural commodities' gross revenues increased 16.7% in 9M08, with a 9.2% increase in transported volume and a yield increase of 6.9%. In industrial products, gross revenues increased 19.7%, with a 5.7% increase in gross yield and 13.3% increase in transported volume. Gross revenues in highway based services business unit increased 17.0% in 9M08 due to a 16.2% increase in volume, and a yield increase of 0.7%, from R\$3.02 per Km to R\$3.04 per Km.

In Argentina, gross revenues increased 7.3% in Pesos, reaching P\$196.0 million in 9M08, as volume decreased 1.3% from 3,126 million RTK in 9M07 to 3,085 million RTK and gross yield increased 8.7%, from P\$58.4 per thousand RTK in 9M07 to P\$63.5 per thousand RTK in 9M08. In Reais, ALL Argentina gross revenues increased 12.3% in 9M08 to R\$119.8 million.

**Taxes on Consolidated Gross Operating Revenue**

Taxes on consolidated operating revenue increased 15.9% from R\$227.3 million in 9M07 to R\$263.5 million in 9M08, due to higher revenues in Brazil and Argentina. This tax increase resulted from a 15.9% increase in Brazilian operations' taxes - from R\$224.8 million in 9M07 to R\$260.5 million in 9M08m and an 18.9% increase in Argentine operations' taxes.

<sup>4</sup> Excludes results of Santa Fé Vagões (40% owned by ALL)

## Consolidated Cost of Sales

Consolidated costs of sales increased from R\$987.1 million in 9M07 to R\$1,074.4 million in the 9M08, or 8.8%, compounded by an increase of 8.0% in Brazilian operations' cost of sales from R\$902.6 million to R\$975.0 million and an increase of 17.6% in Argentine operations' cost of sales to R\$99.3 million.

Table 20 - Cost of Sales * (R\$ million)	Brazil			Argentina			Consolidated		
	9M08	9M07	% Change	9M08	9M07	% Change	9M08	9M07	% Change
Fuel Expenses	(341.5)	(301.0)	13.5%	(21.4)	(17.4)	23.3%	(362.9)	(318.4)	14.0%
Rail portion	(312.0)	(282.8)	10.3%	(21.4)	(17.4)	23.3%	(333.4)	(300.2)	11.1%
Trucking portion	(29.5)	(18.2)	62.0%	0.0	0.0	na	(29.5)	(18.2)	62.0%
Outsourced and Contracted Trucking Expenses	(47.6)	(34.7)	37.3%	(11.2)	(11.8)	-5.7%	(58.8)	(46.5)	26.3%
Drayage Services	(28.7)	(21.1)	35.9%	(11.2)	(11.8)	-5.7%	(39.8)	(32.9)	21.0%
Other than Drayage Services	(18.9)	(13.7)	38.2%	0.0	0.0	na	(18.9)	(13.7)	38.2%
Labor Expenses	(138.6)	(126.6)	9.5%	(38.1)	(29.5)	29.0%	(176.7)	(156.1)	13.2%
Maintenance Expenses	(63.2)	(57.6)	9.7%	(9.5)	(7.5)	26.7%	(72.7)	(65.1)	11.6%
Depreciation and Amortization Expenses	(155.9)	(141.6)	10.2%	(9.2)	(7.7)	19.5%	(165.1)	(149.3)	10.6%
Concession and Lease Expense	(24.9)	(24.9)	-0.1%	(3.3)	(2.9)	14.9%	(28.2)	(27.8)	1.5%
Other Expenses	(78.4)	(70.5)	11.3%	(6.6)	(7.6)	-13.5%	(85.0)	(78.1)	8.9%
Railcar Rentals	(124.8)	(145.8)	-14.4%	0.0	0.0	na	(124.8)	(145.8)	-14.4%
<b>Total Cost of Sales</b>	<b>(975.0)</b>	<b>(902.6)</b>	<b>8.0%</b>	<b>(99.3)</b>	<b>(84.5)</b>	<b>17.6%</b>	<b>(1,074.3)</b>	<b>(987.1)</b>	<b>8.8%</b>

\* Excludes results of Santa Fé Vagões (40% owned by ALL).

Brazilian operations' cost of sales expansion in 9M08 compared to the same period of 2007 was mainly driven by increases in (i) overall fuel expenses, reflecting higher volumes in rail and trucking business, as well as diesel price increase in 2Q08 (ii) outsourced and contracted trucking expenses, as a result of higher trucking volumes and drayage services and (iii) higher maintenance costs, partially offset by a reduction in railcar rental costs.

The increase in Argentine operations' cost of sales in Reais during the same period mainly reflects the local currency appreciation as well as higher labor costs.

## Gross Profit

Consolidated gross profit increased by 31.1% or R\$193.9 million, from R\$623.5 million in 9M07 to R\$817.4 million in 9M08, due to a R\$281.1 million increase in net revenues, partially offset by a R\$87.2 million increase in cost of sales.

## Operating Income and Expenses

Consolidated operating expenses increased from R\$44.8 million in 9M07 to R\$82.2 million in 9M08, or 83.5%. Brazilian operations' SG&A expenses increased from R\$64.8 million in 9M07 to R\$70.6 million in 9M08, or 8.9%, and other operating revenues and expenses worsened from an income of R\$32.0 million to an income of R\$2.0 million in the same period, leading to a 109% increase in operating expenses in Brazil, from R\$32.9 million in 9M07 to R\$68.6 million in 9M08.

Argentina's SG&A expenses increased 15.7% from R\$9.5 million in 9M07 to R\$11.0 million in 9M08 and other operating income and expenses increased 5.6%, reaching R\$2.5 million in the same period, resulting in an overall increase in Argentine operating expenses from R\$11.9 million in 9M07 to R\$13.5 million in 9M08.

## Net Financial Expenses

Consolidated net financial expenses increased by 57.6% from R\$301.7 million in 9M07 to R\$475.4 million in 9M08, mainly driven by the R\$137.8 million extraordinary gain in 3Q07 related to the reversion of the interest rate expense on the Debenture of SUDAM (Superintendencia for the Development of the Amazon) and higher interest rates in the period. Brazilian operations' net financial expenses increased 58.6%, from R\$291.1 million in 9M07 to R\$461.5 million in 9M08 and Argentine operations' net financial expenses increased from R\$10.6 million to R\$13.9 million in the same period.

## Other Costs and Expenses

Consolidated other cost and expenses, which includes equity earnings and gains on investments, non-operational results and translation gain or loss and monetary adjustment gains, improved from a loss of R\$21.1 million in 9M07 to a loss of R\$12.2 million in 9M08, due to equity earnings and loss on investments which decreased from a loss of R\$19.1 million in 9M07 to a loss of R\$15.9 million in 9M08 and non-operational results which improved from a loss of R\$2.0 million in 9M07 to a gain of R\$3.7 million in 9M08.

Table 21 - Other Costs (R\$ million)	Brazil			Argentina			Consolidated		
	9M08	9M07	% Change	9M08	9M07	% Change	9M08	9M07	% Change
Equity Earnings and Gain on Investments	(14.6)	(17.9)	-18.4%	(1.2)	(1.2)	0.8%	(15.9)	(19.1)	-17.2%
Non-Operational Results	1.6	(2.0)	na	2.1	0.0	na	3.7	(2.0)	na
Translation Gain (loss) and Monetary Adjustment	0.0	0.0	na	0.0	0.0	na	0.0	0.0	na
<b>Other Costs</b>	<b>(13.1)</b>	<b>(19.9)</b>	<b>-34.3%</b>	<b>0.9</b>	<b>(1.2)</b>	<b>na</b>	<b>(12.2)</b>	<b>(21.1)</b>	<b>-42.2%</b>

### Income Taxes

Consolidated tax expenses decreased from R\$57.7 million in 9M07 to R\$31.2 million in 9M08 mainly due to a reduction in earnings before taxes and in average tax rate. In Brazil, income tax expenses decreased from R\$58.0 million in 9M07 to R\$31.0 million in 9M08, while in Argentina tax expenses worsened from a gain of R\$0.3 million in 9M07 to a loss of R\$0.2 million in 9M08.

### Net Income

As a result of the above facts, our net income reached R\$216.4 million in 9M08, compared with a net income of R\$198.2 million in 9M07. Net income before extraordinary item related to the reversion of the interest rate expense on the Debenture of SUDAM (Superintendencia for the Development of the Amazon) increased from R\$106.7 million in 9M07 to R\$216.4 million in 9M08, or 103%. Including the result coming from our stake in Santa Fe Vagões, net income increased from an income of R\$197.3 million in 9M07 to an income of R\$214.9 million in 9M08.

### Investments

Consolidated investments decreased from R\$592.2 million in 9M07 to R\$499.4 million in 9M08, or -15.7%. The decrease mainly reflects lower investments in Brazil and Argentina.

Brazilian operations maintenance CAPEX in 9M08 increased 6.1% year-over-year, while expansion CAPEX decreased 26.2% to R\$277.3 million. Among ALL Brazil expansion CAPEX it is worth mentioning: (a) refurbishing of additional locomotives and railcars (R\$108.6 million); and (b) investments in rail track infrastructure (R\$139.0 million).

In Argentina, the maintenance investments decreased 13.1% and expansion CAPEX decreased 25.5%.

Table 22 - Investments (R\$ million)	Brazil			Argentina			Consolidated		
	9M08	9M07	% Change	9M08	9M07	% Change	9M08	9M07	% Change
Maintenance	200.8	189.2	6.1%	7.8	9.0	-13.1%	208.6	198.2	5.2%
Expansion	277.3	375.9	-26.2%	13.5	18.1	-25.5%	290.8	394.0	-26.2%
<b>Total Investments</b>	<b>478.0</b>	<b>565.1</b>	<b>-15.4%</b>	<b>21.3</b>	<b>27.1</b>	<b>-21.4%</b>	<b>499.4</b>	<b>592.2</b>	<b>-15.7%</b>

### Cash Flow

Consolidated cash flow from operational activities increased from R\$452.9 million in 9M07 to R\$480.4 million in 9M08, or 6.1%, mainly reflecting EBITDA increase in the period. Cash flow from investments decreased from an outflow of R\$592.2 million in 9M07 to an outflow of R\$522.6 million in 9M08, while cash flow from financing activities increased from an inflow of R\$148.9 million in 9M07 to an inflow of R\$732.4 million in 9M08. The overall cash variation in 9M08 was positive in R\$690.2 million, compared to a cash inflow of R\$9.5 million in 9M07.

Table 23 - Cash Flow (R\$ million)	Brazil			Argentina			Consolidated		
	9M08	9M07	% Change	9M08	9M07	% Change	9M08	9M07	% Change
Operating Activities	469.1	442.3	6.1%	11.3	10.6	6.4%	480.4	452.9	6.1%
Investing Activities	(501.3)	(565.1)	-11.3%	(21.3)	(27.1)	-21.4%	(522.6)	(592.2)	-11.8%
Financing Activities	721.5	136.3	429.4%	10.8	12.6	-14.0%	732.4	148.9	391.8%
<b>Increase in Cash</b>	<b>689.4</b>	<b>13.5</b>	<b>5006.6%</b>	<b>0.8</b>	<b>(3.9)</b>	<b>na</b>	<b>690.2</b>	<b>9.5</b>	<b>7165.1%</b>

### Balance Sheet and Capital Structure

Consolidated net debt reached R\$2,803.9 million in 9M08 compared to R\$2,683.9 million in the end of 1H08. Net Debt to EBITDA ratio remained at 2.7X in the end of 9M08, reflecting the EBITDA increase in the period and net debt to equity ratio increased from 1.0X in the end of 1H08 to 1.1X in 9M08.

## EVENTS TO DISCUSS 3Q08 RESULTS

### 3Q08 Results Conference Calls:

*[ENGLISH]*  
**November 13, 2008 – Thursday**  
**12:00 p.m. US EST (3:00 p.m. Brazil)**  
Phone: +1 (412) 858-4600  
Code: ALL

Replay: +1 (412) 317-0088  
Code: 424193#

*[PORTUGUESE]*  
**November 13, 2008 – Thursday**  
**1:30 p.m. US EST (4:30 p.m. Brazil)**  
Phone: +55 (11) 4688-6301  
Code: ALL

Replay: +55 (11) 4688-6312  
Code:885

### 3Q08 Results Investors Meeting:

**November 17, 2008 – Monday**  
**4:30 p.m.** (cocktail will be served after the meeting)

**Intercontinental São Paulo**  
Rooms Nelly and Melliet  
Alameda Santos, 1123  
São Paulo – SP

**RSVP:** [www.all-logistica.com/ir](http://www.all-logistica.com/ir) or (11) 3529-3777

For additional information, please access the Company's website – [www.all-logistica.com/ir](http://www.all-logistica.com/ir), or contact our Investor Relations Area:

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*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.*

**APPENDIX**

Table 24 - Financial Results (R\$ million)	Brazil			Argentina			Consolidated*		
	3Q08	3Q07	% Change	3Q08	3Q07	% Change	3Q08	3Q07	% Change
<b>Gross revenues</b>	<b>712.2</b>	<b>665.6</b>	<b>7.0%</b>	<b>58.0</b>	<b>33.6</b>	<b>72.6%</b>	<b>770.2</b>	<b>699.2</b>	<b>10.2%</b>
Deduction from gross revenues	(92.4)	(88.4)	4.5%	(1.5)	(0.8)	105.2%	(93.9)	(89.2)	5.3%
<b>Net revenues</b>	<b>619.8</b>	<b>577.2</b>	<b>7.4%</b>	<b>56.5</b>	<b>32.9</b>	<b>71.9%</b>	<b>676.3</b>	<b>610.0</b>	<b>10.9%</b>
Cost of sales	(327.0)	(319.4)	2.4%	(42.1)	(25.9)	62.7%	(369.1)	(345.3)	6.9%
Fuel	(121.9)	(119.2)	2.3%	(9.8)	(5.9)	67.1%	(131.7)	(125.1)	5.3%
Outsourced and contracted fleet	(16.7)	(14.2)	17.8%	(5.1)	(3.0)	71.8%	(21.8)	(17.1)	27.1%
Labor	(44.1)	(41.7)	5.6%	(16.2)	(9.0)	79.9%	(60.2)	(50.7)	18.8%
Maintenance	(19.4)	(18.5)	4.9%	(3.9)	(2.3)	68.5%	(23.3)	(20.8)	12.0%
Depreciation and Amortization	(49.7)	(45.9)	8.2%	(4.0)	(2.3)	77.4%	(53.7)	(48.2)	11.4%
Lease and Concession	(8.3)	(8.3)	0.4%	(1.4)	(0.8)	69.5%	(9.7)	(9.1)	6.8%
Other	(24.0)	(23.3)	3.2%	(1.7)	(2.7)	-34.7%	(25.7)	(25.9)	-0.7%
Railcar Rental	(42.9)	(48.3)	-11.3%	0.0	0.0	na	(42.9)	(48.3)	-11.3%
<b>Gross profit</b>	<b>292.8</b>	<b>257.7</b>	<b>13.6%</b>	<b>14.4</b>	<b>7.0</b>	<b>105.9%</b>	<b>307.2</b>	<b>264.7</b>	<b>16.0%</b>
Operating income (expenses)	(20.5)	(16.7)	23.2%	(5.4)	(3.4)	57.2%	(25.9)	(20.1)	29.0%
Selling, General and Administrative	(21.1)	(21.5)	-2.2%	(4.4)	(2.6)	71.2%	(25.5)	(24.1)	5.7%
Other	0.6	4.9	-88.4%	(1.0)	(0.8)	14.1%	(0.4)	4.0	na
Equity earnings and gain (loss) on investments	(6.5)	(6.4)	1.7%	(0.5)	(0.4)	41.2%	(7.0)	(6.8)	3.8%
<b>Operating profit (loss) before net financial expenses</b>	<b>265.8</b>	<b>234.7</b>	<b>13.3%</b>	<b>8.5</b>	<b>3.2</b>	<b>164.8%</b>	<b>274.3</b>	<b>237.9</b>	<b>15.3%</b>
Net financial expenses	(168.9)	(19.6)	760.7%	(7.1)	(3.0)	135.0%	(176.0)	(22.6)	677.6%
<b>Operating profit (loss)</b>	<b>96.8</b>	<b>215.0</b>	<b>-55.0%</b>	<b>1.4</b>	<b>0.2</b>	<b>607.9%</b>	<b>98.3</b>	<b>215.3</b>	<b>-54.4%</b>
Non-operating results	0.3	(2.5)	na	0.2	0.0	na	0.6	(2.5)	na
Income tax benefit (expense)	(8.7)	(50.6)	-82.9%	(2.4)	(0.4)	607.9%	(11.0)	(51.0)	-78.4%
<b>Net income (loss)</b>	<b>88.5</b>	<b>162.0</b>	<b>-45.4%</b>	<b>(0.7)</b>	<b>(0.2)</b>	<b>215.4%</b>	<b>87.8</b>	<b>161.7</b>	<b>-45.7%</b>

\* Excludes results of Santa Fé Vagões (40% owned by ALL).



Table 25 - Financial Results (R\$ million)	Brazil			Argentina			Santa Fé			Consolidated		
	3Q08	3Q07	% Change	3Q08	3Q07	% Change	3Q08	3Q07	% Change	3Q08	3Q07	% Change
<b>Gross revenues</b>	<b>712.2</b>	<b>665.6</b>	<b>7.0%</b>	<b>58.0</b>	<b>33.6</b>	<b>72.6%</b>	<b>0.2</b>	<b>3.9</b>	<b>-94.5%</b>	<b>770.4</b>	<b>703.1</b>	<b>9.6%</b>
Deduction from gross revenues	(92.4)	(88.4)	4.5%	(1.5)	(0.8)	105.2%	(0.0)	(0.8)	-95.5%	(94.0)	(90.0)	4.5%
<b>Net revenues</b>	<b>619.8</b>	<b>577.2</b>	<b>7.4%</b>	<b>56.5</b>	<b>32.9</b>	<b>71.9%</b>	<b>0.2</b>	<b>3.1</b>	<b>-94.3%</b>	<b>676.4</b>	<b>613.2</b>	<b>10.3%</b>
Cost of sales	(327.0)	(319.4)	2.4%	(42.1)	(25.9)	62.7%	(0.3)	(3.0)	-89.6%	(369.4)	(348.3)	6.1%
Fuel	(121.9)	(119.2)	2.3%	(9.8)	(5.9)	67.1%	0.0	0.0	na	(131.7)	(125.1)	5.3%
Outsourced and contracted fleet	(16.7)	(14.2)	17.8%	(5.1)	(3.0)	71.8%	0.0	0.0	na	(21.8)	(17.1)	27.1%
Labor	(44.1)	(41.7)	5.6%	(16.2)	(9.0)	79.9%	0.0	0.0	na	(60.2)	(50.7)	18.8%
Maintenance	(19.4)	(18.5)	4.9%	(3.9)	(2.3)	68.5%	0.0	0.0	na	(23.3)	(20.8)	12.0%
Depreciation and Amortization	(49.7)	(45.9)	8.2%	(4.0)	(2.3)	77.4%	0.0	0.0	na	(53.7)	(48.2)	11.4%
Lease and Concession	(8.3)	(8.3)	0.4%	(1.4)	(0.8)	69.5%	0.0	0.0	na	(9.7)	(9.1)	6.8%
Other	(24.0)	(23.3)	3.2%	(1.7)	(2.7)	-34.7%	(0.3)	(3.0)	-89.6%	(26.1)	(28.9)	-9.9%
Railcar Rental	(42.9)	(48.3)	-11.3%	0.0	0.0	na	0.0	0.0	na	(42.9)	(48.3)	-11.3%
<b>Gross profit</b>	<b>292.8</b>	<b>257.7</b>	<b>13.6%</b>	<b>14.4</b>	<b>7.0</b>	<b>105.9%</b>	<b>(0.1)</b>	<b>0.1</b>	<b>na</b>	<b>307.0</b>	<b>264.8</b>	<b>15.9%</b>
Operating income (expenses)	(20.5)	(16.7)	23.2%	(5.4)	(3.4)	57.2%	(0.3)	(0.2)	93.6%	(26.2)	(20.2)	29.5%
Selling, General and Administrative	(21.1)	(21.5)	-2.2%	(4.4)	(2.6)	71.2%	(0.3)	(0.2)	90.4%	(25.8)	(24.3)	6.2%
Other	0.6	4.9	-88.4%	(1.0)	(0.8)	14.1%	0.0	0.0	-79.9%	(0.4)	4.1	na
Equity earnings and gain (loss) on investments	(6.5)	(6.4)	1.7%	(0.5)	(0.4)	41.2%	0.0	0.0	na	(7.0)	(6.8)	3.8%
<b>Operating profit (loss) before net financial expenses</b>	<b>265.8</b>	<b>234.7</b>	<b>13.3%</b>	<b>8.5</b>	<b>3.2</b>	<b>164.8%</b>	<b>(0.4)</b>	<b>(0.0)</b>	<b>2190.3%</b>	<b>273.8</b>	<b>237.9</b>	<b>15.1%</b>
Net financial expenses	(168.9)	(19.6)	760.7%	(7.1)	(3.0)	135.0%	(0.3)	0.0	na	(176.3)	(22.6)	679.7%
<b>Operating profit (loss)</b>	<b>96.8</b>	<b>215.0</b>	<b>-55.0%</b>	<b>1.4</b>	<b>0.2</b>	<b>607.9%</b>	<b>(0.7)</b>	<b>0.0</b>	<b>na</b>	<b>97.6</b>	<b>215.3</b>	<b>-54.7%</b>
Non-operating results	0.3	(2.5)	na	0.2	0.0	na	(0.5)	(0.1)	323.8%	0.1	(2.6)	na
Income tax benefit (expense)	(8.7)	(50.6)	-82.9%	(2.4)	(0.4)	607.9%	0.4	0.0	na	(10.6)	(51.0)	-79.1%
<b>Net income (loss)</b>	<b>88.5</b>	<b>162.0</b>	<b>-45.4%</b>	<b>(0.7)</b>	<b>(0.2)</b>	<b>215.4%</b>	<b>(0.8)</b>	<b>(0.1)</b>	<b>631.5%</b>	<b>87.0</b>	<b>161.6</b>	<b>-46.2%</b>

Table 26 - Financial Results (R\$ million)	Brazil			Argentina			Consolidated*		
	9M08	9M07	% Change	9M08	9M07	% Change	9M08	9M07	% Change
<b>Gross revenues</b>	<b>2,035.5</b>	<b>1,731.3</b>	<b>17.6%</b>	<b>119.8</b>	<b>106.6</b>	<b>12.3%</b>	<b>2,155.3</b>	<b>1,837.9</b>	<b>17.3%</b>
Deduction from gross revenues	(260.5)	(224.8)	15.9%	(3.0)	(2.5)	18.9%	(263.5)	(227.3)	15.9%
<b>Net revenues</b>	<b>1,775.0</b>	<b>1,506.5</b>	<b>17.8%</b>	<b>116.8</b>	<b>104.1</b>	<b>12.2%</b>	<b>1,891.7</b>	<b>1,610.6</b>	<b>17.5%</b>
Cost of sales	(975.0)	(902.6)	8.0%	(99.3)	(84.5)	17.6%	(1,074.3)	(987.1)	8.8%
Fuel	(341.5)	(301.0)	13.5%	(21.4)	(17.4)	23.3%	(362.9)	(318.4)	14.0%
Outsourced and contracted fleet	(47.6)	(34.7)	37.3%	(11.2)	(11.8)	-5.7%	(58.8)	(46.5)	26.3%
Labor	(138.6)	(126.6)	9.5%	(38.1)	(29.5)	29.0%	(176.7)	(156.1)	13.2%
Maintenance	(63.2)	(57.6)	9.7%	(9.5)	(7.5)	26.7%	(72.7)	(65.1)	11.6%
Depreciation and Amortization	(155.9)	(141.6)	10.2%	(9.2)	(7.7)	19.5%	(165.1)	(149.3)	10.6%
Lease and Concession	(24.9)	(24.9)	-0.1%	(3.3)	(2.9)	14.9%	(28.2)	(27.8)	1.5%
Other	(78.4)	(70.5)	11.3%	(6.6)	(7.6)	-13.5%	(85.0)	(78.1)	8.9%
Railcar Rental	(124.8)	(145.8)	-14.4%	0.0	0.0	na	(124.8)	(145.8)	-14.4%
<b>Gross profit</b>	<b>800.0</b>	<b>603.9</b>	<b>32.5%</b>	<b>17.5</b>	<b>19.6</b>	<b>-11.2%</b>	<b>817.4</b>	<b>623.5</b>	<b>31.1%</b>
Operating income (expenses)	(68.6)	(32.9)	108.8%	(13.6)	(11.9)	13.7%	(82.2)	(44.8)	83.5%
Selling, General and Administrative	(70.6)	(64.8)	8.9%	(11.0)	(9.5)	15.7%	(81.6)	(74.3)	9.8%
Other	2.0	32.0	-93.8%	(2.5)	(2.4)	5.6%	(0.6)	29.5	na
Equity earnings and gain (loss) on investments	(14.6)	(17.9)	-18.4%	(1.2)	(1.2)	0.8%	(15.9)	(19.1)	-17.2%
<b>Operating profit (loss) before net financial expenses</b>	<b>716.7</b>	<b>553.1</b>	<b>29.6%</b>	<b>2.7</b>	<b>6.5</b>	<b>na</b>	<b>719.4</b>	<b>559.6</b>	<b>28.6%</b>
Net financial expenses	(461.5)	(291.1)	58.6%	(13.9)	(10.6)	30.7%	(475.4)	(301.7)	57.6%
<b>Operating profit (loss)</b>	<b>255.2</b>	<b>262.0</b>	<b>-2.6%</b>	<b>(11.2)</b>	<b>(4.1)</b>	<b>171.5%</b>	<b>244.0</b>	<b>257.9</b>	<b>-5.4%</b>
Non-operating results	1.6	(2.0)	na	2.1	0.0	na	3.7	(2.0)	na
Income tax benefit (expense)	(31.0)	(58.0)	-46.6%	(0.2)	0.3	na	(31.2)	(57.7)	-45.9%
<b>Net income (loss)</b>	<b>225.8</b>	<b>202.1</b>	<b>11.7%</b>	<b>(9.3)</b>	<b>(3.8)</b>	<b>143.3%</b>	<b>216.4</b>	<b>198.2</b>	<b>9.2%</b>

\* Excludes results of Santa Fé Vagões (40% owned by ALL).

Table 27 - Financial Results (R\$ million)	Brazil			Argentina			Santa Fé			Consolidated		
	9M08	9M07	% Change	9M08	9M07	% Change	9M08	9M07	% Change	9M08	9M07	% Change
<b>Gross revenues</b>	<b>2,035.5</b>	<b>1,731.3</b>	<b>17.6%</b>	<b>119.8</b>	<b>106.6</b>	<b>12.3%</b>	<b>10.9</b>	<b>6.9</b>	<b>58.2%</b>	<b>2,166.1</b>	<b>1,844.8</b>	<b>17.4%</b>
Deduction from gross revenues	(260.5)	(224.8)	15.9%	(3.0)	(2.5)	18.9%	(1.8)	(1.4)	31.3%	(265.3)	(228.7)	16.0%
<b>Net revenues</b>	<b>1,775.0</b>	<b>1,506.5</b>	<b>17.8%</b>	<b>116.8</b>	<b>104.1</b>	<b>12.2%</b>	<b>9.1</b>	<b>5.5</b>	<b>64.9%</b>	<b>1,900.8</b>	<b>1,616.1</b>	<b>17.6%</b>
Cost of sales	(975.0)	(902.6)	8.0%	(99.3)	(84.5)	17.6%	(9.3)	(5.5)	71.0%	(1,083.7)	(992.6)	9.2%
Fuel	(341.5)	(301.0)	13.5%	(21.4)	(17.4)	23.3%	0.0	0.0	na	(362.9)	(318.4)	14.0%
Outsourced and contracted fleet	(47.6)	(34.7)	37.3%	(11.2)	(11.8)	-5.7%	0.0	0.0	na	(58.8)	(46.5)	26.3%
Labor	(138.6)	(126.6)	9.5%	(38.1)	(29.5)	29.0%	0.0	0.0	na	(176.7)	(156.1)	13.2%
Maintenance	(63.2)	(57.6)	9.7%	(9.5)	(7.5)	26.7%	0.0	0.0	na	(72.7)	(65.1)	11.6%
Depreciation and Amortization	(155.9)	(141.6)	10.2%	(9.2)	(7.7)	19.5%	0.0	0.0	na	(165.1)	(149.3)	10.6%
Lease and Concession	(24.9)	(24.9)	-0.1%	(3.3)	(2.9)	14.9%	0.0	0.0	na	(28.2)	(27.8)	1.5%
Other	(78.4)	(70.5)	11.3%	(6.6)	(7.6)	-13.5%	(9.3)	(5.5)	71.0%	(94.3)	(83.5)	12.9%
Railcar Rental	(124.8)	(145.8)	-14.4%	0.0	0.0	na	0.0	0.0	na	(124.8)	(145.8)	-14.4%
<b>Gross profit</b>	<b>800.0</b>	<b>603.9</b>	<b>32.5%</b>	<b>17.5</b>	<b>19.6</b>	<b>-11.2%</b>	<b>(0.3)</b>	<b>0.0</b>	<b>na</b>	<b>817.1</b>	<b>623.6</b>	<b>31.0%</b>
Operating income (expenses)	(68.6)	(32.9)	108.8%	(13.6)	(11.9)	13.7%	(1.2)	(0.5)	149.3%	(83.4)	(45.3)	84.2%
Selling, General and Administrative	(70.6)	(64.8)	8.9%	(11.0)	(9.5)	15.7%	(1.3)	(0.5)	148.3%	(82.9)	(74.8)	10.7%
Other	2.0	32.0	-93.8%	(2.5)	(2.4)	5.6%	0.0	0.0	107.3%	(0.5)	29.6	na
Equity earnings and gain (loss) on investments	(14.6)	(17.9)	-18.4%	(1.2)	(1.2)	0.8%	0.0	0.0	na	(15.9)	(19.1)	-17.2%
<b>Operating profit (loss) before net financial expenses</b>	<b>716.7</b>	<b>553.1</b>	<b>29.6%</b>	<b>2.7</b>	<b>6.5</b>	<b>-59.1%</b>	<b>(1.5)</b>	<b>(0.5)</b>	<b>230.0%</b>	<b>717.9</b>	<b>559.2</b>	<b>28.4%</b>
Net financial expenses	(461.5)	(291.1)	58.6%	(13.9)	(10.6)	30.7%	(0.3)	0.1	na	(475.7)	(301.6)	57.8%
<b>Operating profit (loss)</b>	<b>255.2</b>	<b>262.0</b>	<b>-2.6%</b>	<b>(11.2)</b>	<b>(4.1)</b>	<b>171.5%</b>	<b>(1.8)</b>	<b>(0.3)</b>	<b>449.2%</b>	<b>242.1</b>	<b>257.6</b>	<b>-6.0%</b>
Non-operating results	1.6	(2.0)	na	2.1	0.0	na	(0.6)	(0.6)	-0.3%	3.1	(2.6)	na
Income tax benefit (expense)	(31.0)	(58.0)	-46.6%	(0.2)	0.3	na	0.9	0.0	na	(30.3)	(57.7)	-47.5%
<b>Net income (loss)</b>	<b>225.8</b>	<b>202.1</b>	<b>11.7%</b>	<b>(9.3)</b>	<b>(3.8)</b>	<b>143.3%</b>	<b>(1.5)</b>	<b>(0.9)</b>	<b>64.7%</b>	<b>214.9</b>	<b>197.3</b>	<b>8.9%</b>

Table 28 - Financial Highlights per business (R\$ million)	Agricultural Commodities		Industrial Products		Highway Based Services		ALL Argentina		Total*	
	3Q08	3Q07	3Q08	3Q07	3Q08	3Q07	3Q08	3Q07	3Q08	3Q07
Gross Revenues	462.6	453.3	212.1	178.7	37.5	33.6	58.0	33.6	770.2	699.2
Net Revenues	413.9	397.5	172.5	149.9	33.5	29.8	56.5	32.9	676.3	610.0
Cost of Sales	(206.0)	(210.6)	(90.8)	(80.9)	(30.2)	(27.9)	(42.1)	(25.9)	(369.1)	(345.3)
Gross Profit	207.8	186.8	81.7	69.0	3.3	1.9	14.4	7.0	307.2	264.7
EBIT	189.6	182.0	72.9	51.3	3.3	1.4	8.5	3.2	274.3	237.9
<b>EBITDA</b>	<b>217.5</b>	<b>190.8</b>	<b>84.7</b>	<b>70.9</b>	<b>4.1</b>	<b>3.3</b>	<b>14.7</b>	<b>8.0</b>	<b>321.1</b>	<b>273.0</b>
<b>EBITDAR</b>	<b>257.0</b>	<b>234.8</b>	<b>88.1</b>	<b>75.3</b>	<b>4.1</b>	<b>3.3</b>	<b>14.7</b>	<b>8.0</b>	<b>363.9</b>	<b>321.3</b>
<b>% Net Revenues</b>										
Net Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Cost of Sales	-50%	-53%	-53%	-54%	-90%	-94%	-75%	-79%	-55%	-57%
Gross Profit	50%	47%	47%	46%	10%	6%	25%	21%	45%	43%
EBIT	46%	46%	42%	34%	10%	5%	15%	10%	41%	39%
<b>EBITDA</b>	<b>53%</b>	<b>48%</b>	<b>49%</b>	<b>47%</b>	<b>12%</b>	<b>11%</b>	<b>26%</b>	<b>24%</b>	<b>47%</b>	<b>45%</b>
<b>EBITDAR</b>	<b>62%</b>	<b>59%</b>	<b>51%</b>	<b>50%</b>	<b>12%</b>	<b>11%</b>	<b>26%</b>	<b>24%</b>	<b>54%</b>	<b>53%</b>
<b>Volume</b>										
RTK million	6,345	6,752	2,694	2,404			1,252	1,111	10,291	10,267
RK million					13.0	11.3			13.0	11.3
<b>R\$ / Volume unit</b>	<b>R\$ / million RTK</b>		<b>R\$ / million RTK</b>		<b>R\$ / RK</b>		<b>R\$ / million RTK</b>		<b>R\$ / million RTK</b>	
Net Revenues	65.2	58.9	64.0	62.4	2.6	2.6	45.1	29.6	65.7	59.4
Cost of Sales	(32.5)	(31.2)	(33.7)	(33.6)	(2.3)	(2.5)	(33.6)	(23.3)	(35.9)	(33.6)
Gross Profit	32.8	27.7	30.3	28.7	0.3	0.2	11.5	6.3	29.8	25.8
EBIT	29.9	27.0	27.1	21.3	0.3	0.1	6.8	2.9	26.7	23.2
<b>EBITDA</b>	<b>34.3</b>	<b>28.3</b>	<b>31.5</b>	<b>29.5</b>	<b>0.3</b>	<b>0.3</b>	<b>11.8</b>	<b>7.2</b>	<b>31.2</b>	<b>26.6</b>
<b>EBITDAR</b>	<b>40.5</b>	<b>34.8</b>	<b>32.7</b>	<b>31.3</b>	<b>0.3</b>	<b>0.3</b>	<b>11.8</b>	<b>7.2</b>	<b>35.4</b>	<b>31.3</b>

\* Excludes results of Santa Fé Vagões (40% owned by ALL).

Table 29 - Financial Highlights per business (R\$ million)	Agricultural Commodities		Industrial Products		Highway Based Services		ALL Argentina		Total*	
	9M08	9M07	9M08	9M07	9M08	9M07	9M08	9M07	9M08	9M07
Gross Revenues	1,357.1	1,162.5	563.3	470.5	115.0	98.3	119.8	106.6	2,155.3	1,837.9
Net Revenues	1,205.4	1,025.4	466.9	394.8	102.7	86.4	116.8	104.1	1,891.8	1,610.7
Cost of Sales	(618.7)	(582.1)	(261.6)	(234.6)	(94.7)	(85.9)	(99.3)	(84.5)	(1,074.3)	(987.1)
Gross Profit	586.6	443.4	205.4	160.1	8.0	0.3	17.5	19.6	817.5	623.5
EBIT	531.0	416.1	176.5	135.6	9.3	1.5	2.7	6.5	719.4	559.6
<b>EBITDA</b>	<b>600.6</b>	<b>467.3</b>	<b>225.6</b>	<b>185.4</b>	<b>14.1</b>	<b>9.7</b>	<b>18.0</b>	<b>21.2</b>	<b>858.4</b>	<b>683.5</b>
<b>EBITDAR</b>	<b>716.2</b>	<b>600.9</b>	<b>234.8</b>	<b>197.5</b>	<b>14.1</b>	<b>9.7</b>	<b>18.0</b>	<b>21.2</b>	<b>983.2</b>	<b>829.3</b>
<b>% Net Revenues</b>										
Net Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Cost of Sales	-51%	-57%	-56%	-59%	-92%	-99%	-85%	-81%	-57%	-61%
Gross Profit	49%	43%	44%	41%	8%	0%	15%	19%	43%	39%
EBIT	44%	41%	38%	34%	9%	2%	2%	6%	38%	35%
<b>EBITDA</b>	<b>50%</b>	<b>46%</b>	<b>48%</b>	<b>47%</b>	<b>14%</b>	<b>11%</b>	<b>15%</b>	<b>20%</b>	<b>45%</b>	<b>42%</b>
<b>EBITDAR</b>	<b>59%</b>	<b>59%</b>	<b>50%</b>	<b>50%</b>	<b>14%</b>	<b>11%</b>	<b>15%</b>	<b>20%</b>	<b>52%</b>	<b>51%</b>
<b>Volume</b>										
RTK million	17,620	16,139	7,400	6,533			3,085	3,126	28,105	25,798
RK million					37.9	32.6			37.9	32.6
<b>R\$ / Volume unit</b>										
	R\$ / million RTK		R\$ / million RTK		R\$ / RK		R\$ / million RTK		R\$ / million RTK	
Net Revenues	68.4	63.5	63.1	60.4	2.7	2.7	37.8	33.3	67.3	62.4
Cost of Sales	(35.1)	(36.1)	(35.3)	(35.9)	(2.5)	(2.6)	(32.2)	(27.0)	(38.2)	(38.3)
Gross Profit	33.3	27.5	27.8	24.5	0.2	0.0	5.7	6.3	29.1	24.2
EBIT	30.1	25.8	23.8	20.8	0.2	0.0	0.9	2.1	25.6	21.7
<b>EBITDA</b>	<b>34.1</b>	<b>29.0</b>	<b>30.5</b>	<b>28.4</b>	<b>0.4</b>	<b>0.3</b>	<b>5.8</b>	<b>6.8</b>	<b>30.5</b>	<b>26.5</b>
<b>EBITDAR</b>	<b>40.6</b>	<b>37.2</b>	<b>31.7</b>	<b>30.2</b>	<b>0.4</b>	<b>0.3</b>	<b>5.8</b>	<b>6.8</b>	<b>35.0</b>	<b>32.1</b>

\* Excludes results of Santa Fé Vagões (40% owned by ALL).

Table 30 - EBITDA Reconciliation (R\$ million)	3Q08			3Q07		
	Brazil	Argentina	Consolidated	Brazil	Argentina	Consolidated
<b>Operating Profit before net financial expenses</b>	<b>265.8</b>	<b>8.5</b>	<b>274.3</b>	<b>234.7</b>	<b>3.2</b>	<b>237.9</b>
Depreciation e amortization.....	57.3	4.6	61.9	46.6	2.6	49.2
Lease and concession.....	8.3	0.0	8.3	8.3	0.0	8.3
Payment of lease and concession.....	(31.2)	0.0	(31.2)	(28.6)	0.0	(28.6)
Tax gains (1).....	0.0	0.0	0.0	1.0	0.0	1.0
Accidents / compensations (2)	1.4	0.0	1.4	0.2	1.2	1.4
Non-cash items (3).....	1.9	0.3	2.2	2.7	0.2	2.9
Non-recurring items (4).....	2.8	1.3	4.1	0.0	0.9	0.9
<b>EBITDA .....</b>	<b>306.3</b>	<b>14.7</b>	<b>321.1</b>	<b>265.0</b>	<b>8.0</b>	<b>273.0</b>

Table 31 - EBITDA Reconciliation (R\$ million)	9M08			9M07		
	Brazil	Argentina	Consolidated	Brazil	Argentina	Consolidated
<b>Operating Profit before net financial expenses</b>	<b>716.7</b>	<b>2.7</b>	<b>719.4</b>	<b>553.1</b>	<b>6.5</b>	<b>559.6</b>
Depreciation e amortization.....	180.6	10.6	191.2	149.0	8.9	158.0
Lease and concession.....	24.9	0.0	24.9	24.9	0.0	24.9
Payment of lease and concession.....	(93.6)	0.0	(93.6)	(84.8)	0.0	(84.8)
Tax gains (1).....	0.0	0.0	0.0	3.1	0.0	3.1
Accidents / compensations (2)	3.7	0.2	3.9	2.3	2.5	4.8
Non-cash items (3).....	4.5	0.9	5.4	14.6	0.7	15.3
Non-recurring items (4).....	3.4	3.7	7.2	0.0	2.6	2.6
<b>EBITDA .....</b>	<b>840.3</b>	<b>18.1</b>	<b>858.3</b>	<b>662.4</b>	<b>21.2</b>	<b>683.5</b>

(1) Tax gains in Brazil: R\$1.0 million in 3Q07 and R\$3.1 million in 9M07

(2) Accidents/compensation: Brazil and Argentina – amounts relating to compensation for accidents that occurred in previous periods.

(3) Non-cash items: Brazil: In 3Q08, R\$1.9 million representing the sum of R\$0.9 million of labor provisions and R\$1.0 million of equity loss. In 3Q07, R\$2.7 million, representing the sum of R\$1.7 million related to the goodwill of Logispar, R\$0.2 million of equity loss in Geodex acquisition and R\$0.8 million related to the goodwill of Brasil Ferrovias. In 9M08, R\$4.5 million representing the sum of R\$3.8 million of labor provisions and R\$0.7 million of equity loss. In 9M07, R\$14.6 million representing the sum of R\$4.5 million of labor provisions, R\$5.3 million related to the goodwill of Logispar acquisition, R\$3.2 million related to the goodwill of Brasil Ferrovias acquisition and R\$1.7 million in equity loss in Geodex.

(4) Non-recurring items: Brazil: In 3Q08, R\$2.8 million of severance payments. In 9M08, R\$3.4 million of severance payments

Table 32 - ALL Consolidated Balance Sheet\*

(R\$ million)	3Q08	2Q08	(R\$ million)	3Q08	2Q08
<b>Current Assets</b>	<b>3,067.0</b>	<b>3,037.2</b>	<b>Current Liabilities</b>	<b>2,066.0</b>	<b>2,490.7</b>
Cash and banks	19.8	22.6	Loans and financing	849.3	1,234.0
Financial Investments	2,486.3	2,466.8	Debentures	75.5	91.0
Trade accounts receivable	181.9	206.2	Suppliers	732.0	732.6
Inventories	71.9	84.3	Taxes, charges and contributions	166.7	185.3
Lease and concession	6.3	6.4	Lease and concession payable	22.7	20.1
Taxes Recoverable	195.8	181.5	Dividends and Interest on own capital	0.6	1.9
Differed Income Taxes	47.8	44.7	Salaries and payroll charges	87.1	87.4
Advances and Other receivables	33.2	9.5	Advances from customers	91.6	85.8
Prepaid expenses	15.8	7.7	Other payables	40.6	52.5
Other receivables	8.3	7.6			
<b>Long-Term Assets</b>	<b>673.8</b>	<b>652.0</b>	<b>Long-Term Liabilities</b>	<b>5,835.9</b>	<b>5,283.2</b>
Related Parties	9.3	9.8	Loans and financing	2,447.0	2,404.3
Lease and Concession	113.4	114.9	Debentures	1,938.1	1,444.0
Judicial deposits	261.8	254.0	Provision for contingencies	331.3	358.7
Taxes recoverable	236.0	234.7	Lease and concession payable	824.1	796.2
Other receivable	15.5	15.1	Other payables	295.4	280.1
Long term investments	0.0	0.0			
Prepaid expenses	37.8	23.5	<b>Deferred Income</b>	<b>16.4</b>	<b>16.6</b>
			Minority Stakes	16.7	14.3
<b>Permanent Assets</b>	<b>6,824.2</b>	<b>6,681.6</b>	<b>Shareholders' equity</b>	<b>2,630.1</b>	<b>2,566.1</b>
Investments	2,586.0	2,588.4	Capital stock	2,145.2	2,145.0
Property, plant and equipment	3,912.2	3,763.4	Surplus reserves	305.0	328.2
Deferred charges	326.1	329.8	Accumulated Net Income	179.9	92.9
<b>Total Assets</b>	<b>10,565.0</b>	<b>10,370.8</b>	<b>Total Liabilities and shareholders' equity</b>	<b>10,565.0</b>	<b>10,370.8</b>

\* Includes our 40% stake in Santa Fé Vagões.

Table 33 - Free Cash Flow (R\$ million)	3Q08	3Q07	Change	9M08	9M07	Change
<b>Net Income (in cash basis)</b>	<b>29.5</b>	<b>124.0</b>	<b>(94.5)</b>	<b>552.3</b>	<b>408.8</b>	<b>143.5</b>
Net Income	87.0	161.6	(74.6)	214.9	197.3	17.6
Depreciation and amortization	61.8	52.6	9.2	191.1	160.6	30.5
Lease and Concession	32.1	18.6	13.5	255.8	100.1	155.8
Interest Expenses (IS-CASH)	(151.4)	(108.8)	(42.6)	(109.6)	(49.1)	(60.4)
<b>Working Capital</b>	<b>11.1</b>	<b>126.3</b>	<b>(115.2)</b>	<b>(44.6)</b>	<b>77.3</b>	<b>(121.9)</b>
Clients	23.3	41.0	(17.7)	(43.5)	(48.1)	4.5
Inventory	12.4	(5.8)	18.2	(9.0)	(1.4)	(7.6)
Suppliers	(0.6)	99.2	(99.8)	48.1	197.2	(149.1)
Taxes	(37.7)	(4.9)	(32.7)	(71.9)	(53.8)	(18.1)
Labor	13.7	(3.1)	16.8	31.8	(16.6)	48.4
<b>Other Accounts Variation</b>	<b>(105.0)</b>	<b>16.3</b>	<b>(121.3)</b>	<b>(27.3)</b>	<b>(33.2)</b>	<b>5.9</b>
<b>Operating Activities</b>	<b>(64.4)</b>	<b>266.5</b>	<b>(330.9)</b>	<b>480.4</b>	<b>452.9</b>	<b>27.5</b>
<b>Capex</b>	<b>(174.1)</b>	<b>(262.3)</b>	<b>88.2</b>	<b>(499.4)</b>	<b>(592.2)</b>	<b>92.9</b>
<b>Sale of Investments</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Others</b>	<b>(22.6)</b>	<b>0.0</b>	<b>(22.6)</b>	<b>(23.2)</b>	<b>0.0</b>	<b>(23.2)</b>
<b>Investing Activities</b>	<b>(196.7)</b>	<b>(262.3)</b>	<b>65.6</b>	<b>(522.6)</b>	<b>(592.2)</b>	<b>69.7</b>
<b>Free Cash Flow</b>	<b>(261.1)</b>	<b>4.2</b>	<b>(265.3)</b>	<b>(42.2)</b>	<b>(139.4)</b>	<b>97.2</b>
<b>Capital increase</b>	<b>0.0</b>	<b>(3.4)</b>	<b>3.4</b>	<b>26.2</b>	<b>6.9</b>	<b>19.3</b>
<b>Dividends and Interest on own capital</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(51.2)</b>	<b>(15.0)</b>	<b>(36.2)</b>
<b>New loans</b>	<b>606.8</b>	<b>469.0</b>	<b>137.8</b>	<b>1,340.6</b>	<b>469.0</b>	<b>871.6</b>
<b>Share buyback</b>	<b>(22.3)</b>	<b>0.0</b>	<b>(22.3)</b>	<b>(118.5)</b>	<b>0.0</b>	<b>(118.5)</b>
<b>Repayments</b>	<b>(306.9)</b>	<b>(97.5)</b>	<b>(209.4)</b>	<b>(464.8)</b>	<b>(312.0)</b>	<b>(152.8)</b>
<b>Financing Activities</b>	<b>277.7</b>	<b>368.2</b>	<b>(90.5)</b>	<b>732.4</b>	<b>148.9</b>	<b>583.5</b>
<b>Change in Cash</b>	<b>16.6</b>	<b>372.4</b>	<b>(355.8)</b>	<b>690.2</b>	<b>9.5</b>	<b>680.6</b>
<b>Opening Balance of Cash</b>	<b>2,489.5</b>	<b>1,376.2</b>	<b>1,113.2</b>	<b>1,815.8</b>	<b>1,739.0</b>	<b>76.8</b>
<b>Closing Balance of Cash</b>	<b>2,506.0</b>	<b>1,748.6</b>	<b>757.5</b>	<b>2,506.0</b>	<b>1,748.6</b>	<b>757.5</b>