



ALL – AMÉRICA LATINA LOGÍSTICA S.A.
Corporate Taxpayer's ID (CNPJ/MF): 02.387.241/0001-60
Company Registry (NIRE): 41.3.00019886
Publicly-held Company

MATERIAL FACT

ALL – AMÉRICA LATINA LOGÍSTICA S.A. ("ALL") hereby informs the public that: (i) it has created a subsidiary known as Brado Logística e Participações S.A. ("Brado"); (ii) on this date, Brado entered into several operating agreements with ALL and its subsidiaries; and (iii) Brado will merge with Standard Logística S.A., CNPJ/MF 03.307.926/0001-12 ("Standard").

Creation of Brado Logística e Participações S.A.

Aiming to develop the transport of containers in its railroads, ALL created a new corporation, Brado, specifically to operate in the container segment, focusing on transportation, storage, operation of terminals and retro areas of ports, handling and other logistics services.

The container segment is fragmented and requires customized services, while railroads characteristically demand high volumes and standardized services. Thus, Brado will provide the customized service required by retail market and intends to be the player which will consolidate cargo in intermodal terminals, creating the scale and regularity the railroad transportation needs. Currently, ALL's share of the container market is less than 2% of a total of 2.6 million containers per year, considering only ALL's covered area.

Brado wants to replicate in Brazil a model that has proven to be successful in other countries, where market share of the railways in the container segment is above 50%. As the use of railroads in container transportation increases, the whole supply chain will benefit from higher efficiency and lower costs.

In the export flows, the containers will be transported by road to intermodal terminals located in the countryside, from where they will be transported by rail to the ports. In import flows, the process is the reverse. This model reduces transport costs, through the use of railroads, as well as storage costs, transferring parts of the volumes currently stored in ports to terminals located in the countryside.

Therefore, ALL and Brado entered into operating agreements on this date with the objective of establishing:

- (i) the terms under which Brado may invest in new terminals and provide operational management services to ALL's current container terminals, in order to consolidate container cargo and link roads to railroads;
- (ii) Brado investments in order to expand railroad capacity, which may include investments in single and double stack railroad cars, locomotives, permanent ways and tunnels; and
- (iii) the volume of cargo to be transported in railroads at competitive prices as compared to the trucking tariffs. The available railroad capacity will be increased as new investments are made by Brado. The amount of CAPEX required will be based on productivity and asset needs of each railroad route. Brado CAPEX schedule will depend on the Company's scale growth.

Brado will manage ALL's import, export and reefer container flows, and ALL will continue providing railroad transportation services. In 2009, such flows represented approximately 1% of ALL's EBITDA.

Merger of Standard's Stock

On this date, Brado entered into an agreement with the shareholders of Standard by which Brado will merge the stock issued by Standard ("Stock Merger"). As a result, Standard shareholders and ALL will hold stakes of 20% and 80%, respectively, in Brado. Moreover, ALL and the current shareholders of Standard will enter into a shareholders' agreement regulating their rights and obligations as Brado shareholders.

The shareholders of Standard may, in case Brado does not hold a public offering in three years, swap their shares for shares of ALL, based on the economic value of both companies at the date of the exchange.

Standard is a benchmark in the reefer market, with vast knowhow in the provision of logistics services to the retail sector, offering highly complex and value-added solutions. It brings together suppliers and customers through 11 container terminals, including intermodal and reefer terminals, in ALL's areas of operation, including the southern states of Brazil, São Paulo and Mato Grosso. In 2009, the Company's Net Revenue was R\$97 million, representing a 31% average gain per year since 2001, while EBITDA was R\$18 million, which shows 60% growth per year in the same period. Also, that year, BRZ Investimentos, a private equity company, invested R\$80 million in Standard, thereby acquiring 38% interest in its capital, evaluating Standard at R\$ 210 million.

Standard's shareholders, based on their market experience, actively participated in defining the operating agreements and business plans for the creation of Brado and in designing better solutions for container logistics. Moreover, the current founder and CEO of Standard, José Luis Demeterco, will be Brado CEO.

With the Stock Merger, Brado already begins operations with operating and administrative structure consisting of more than 1,000 employees, strong knowhow of the retail container sector, strategically positioned assets integrated to railroads, as well as ALL's meritocratic culture and efficient management model. Brado estimates to invest around R\$ 1 billion in the next five years, being approximately R\$ 250 millions in locomotives, R\$ 540 millions in railcars, R\$ 110 millions in terminals and R\$ 100 million in permanent way and systems, and will seek funds for the expansion of its capacity through financing (including BNDES loans), strategic investors and the capital markets.

Complementary information regarding this material fact are available in a presentation and a Q&A which can be found in ALL's website (www.all-logistica.com/ir).

The aforementioned operations are subject to usual conditions regarding this type of transaction, including required government authorizations. The operating agreements will remain effective until the end of the concession of each of ALL's concessionaires and, if the concessions are renewed, they will be renewed for the same period of time.

ALL will keep its shareholders informed of the progress of the subjects mentioned above.

Curitiba, December 20, 2010.

Rodrigo Barros de Moura Campos
Chief Financial and Investor Relations Officer