



ALL RAIL  
OPERATIONS



brado



RITMO



VETRIA

## ALL REPORTS 3Q14 AND 9M14 RESULTS

**Curitiba, Brazil, November 4<sup>th</sup>, 2014** – América Latina Logística S.A. – ALL (BM&FBovespa: ALLL3; OTCQX: ALLAY), the Latin America's largest independent logistics services company, announces its results for the third quarter and first nine months of 2014 (3Q14 and 9M14). The Company offers a full range of logistics services, including rail and trucking transportation, distribution, warehousing, customized container transportation combined with fractioned distribution and intermodal door-to-door transportation. ALL comprises four main businesses: (i) ALL Rail Operations, (ii) Brado Logística, (iii) Ritmo Logística and (iv) Vetrica Mineração.

On June 5<sup>th</sup> 2013, the Argentine Government rescinded the concessions of ALL in the country, in which the Company used to hold economic rights. As an effect of the rescission, results coming from Argentina's operations are now presented as "Results of Discontinued Operations". Therefore, discussions about ALL Rail Operations refer to Brazilian operations only, unless otherwise stated.

### Conference Calls:

**English**  
**November 5<sup>th</sup>, 2014**  
Wednesday  
8:30 a.m. US ET

**Portuguese**  
**November 5<sup>th</sup>, 2014**  
Wednesday  
7:00 a.m. US ET

### Meeting with Analysts and Investors:

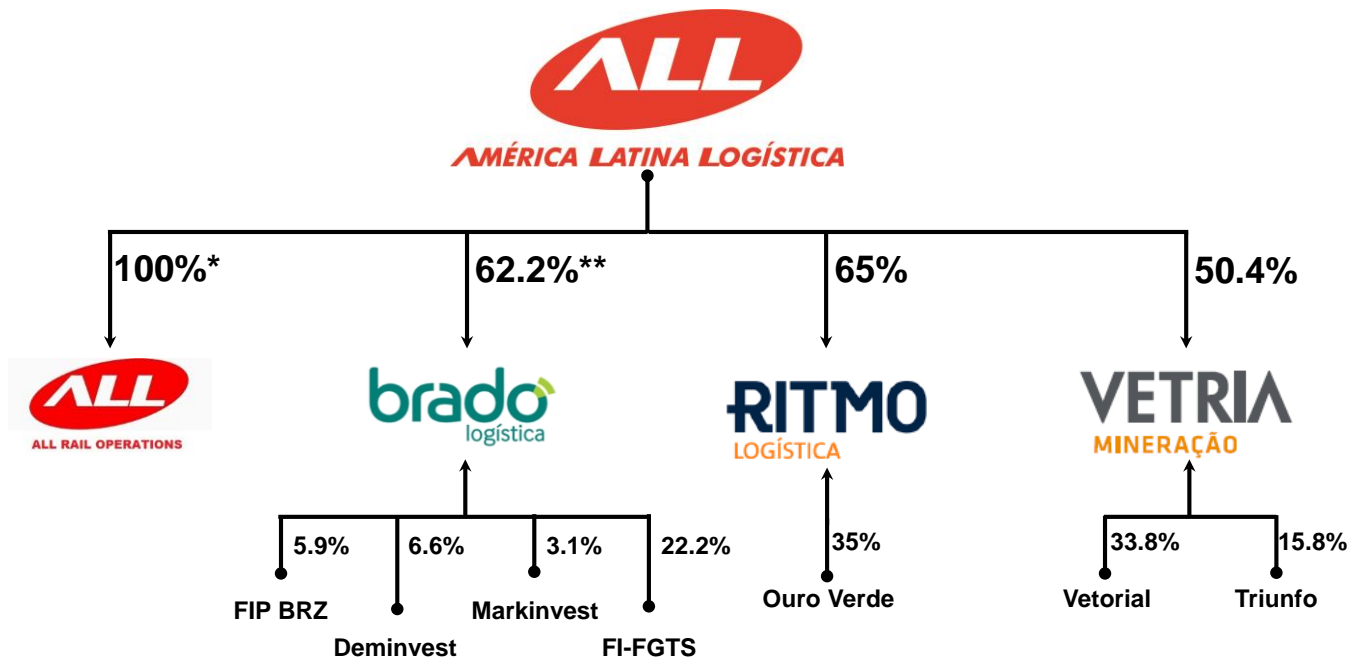
**November 7<sup>th</sup>, 2014**  
Friday  
5:30 a.m. US ET

**Blue Tree Towers**  
Av. Brigadeiro Faria  
Lima, 3989  
Vila Olímpia  
São Paulo - SP

### OPERATIONAL AND FINANCIAL HIGHLIGHTS

- ✓ **Consolidated EBITDA increased 0.9% in 3Q14 when compared to 3Q13, reaching R\$508.0 million**, as a result of a 0.6% growth in Rail Operations EBITDA, an increase of 23.5% in Brado Logística EBITDA, and a 28.6% decrease in Ritmo Logística EBITDA. In 9M14, Consolidated EBITDA grew 3.5% against 9M13, from R\$1,480.6 million to R\$1,532.1 million.
- ✓ **Rail Operations volumes increased 4.4% in 3Q14 against 3Q13, in spite of a very tough demand scenario.** Market conditions, especially in the agricultural segment, were impacted by a very good scenario of corn production in United States, which reduced materially international corn prices and Brazilian grains exports. With a double-digit decrease in grain exports in Brazil in 3Q14, transportation demand and spot market yields dropped throughout our rail network during the period.
- ✓ **Rail Operations average yield, measured in R\$/'000RTK, grew 3.1% in 3Q14 year-over-year**, supported by the tariffs set in our take-or-pay agreements in a scenario of depressed levels at spot market freight prices. Spot market freight prices declined approximately 25% in Wide Gauge (from Mato Grosso to Santos) and more than 13% in some origins in Paraná corridor, which are the two most important agricultural corridors that we operate, when compared to 3Q13.
- ✓ **Brado Logística presented another positive quarter**, with an EBITDA increase of 23.5% in 3Q14 against 3Q13, reaching R\$19.4 million, and a volume growth of 24.5% in this period. Brado's growth was mainly driven by Wide Gauge and Paraná corridors, which locomotives and railcars were added and where the major part of Brado's investments is concentrated.
- ✓ **Ritmo Logística had a tough quarter.** Volumes decreased 32.1%, pushed by both (i) Dedicated Solutions Unit, mainly due to discontinuation of low profitability operations in this segment, and (ii) Intermodal Unit, especially driven by the shortage in agricultural commodities transportation demand, shrinking margins due to the drop in spot market freight prices in the 3Q14.
- ✓ **For 4Q14, it is still difficult to anticipate agricultural commodity demand conditions.** With depressed international agricultural commodity prices, export volumes will depend on traders and producers commercial decisions and might be positively impacted by (i) volumes related to the last Brazilian Government PEPRO (Subsidy Equalizer Paid to Producer) auctions and (ii) the pressure to open storage capacity to accommodate the 2015 Brazilian harvest season. For industrial volumes, we expect a more regular scenario of ethanol exports, and the positive contributions of Brado and Eldorado volumes.

## ALL's Business Structure



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ALL Rail operations is composed of 4 rail concessions in Brazil, totaling 13 thousand km of rail tracks, through which the Company transports agricultural commodities and industrial products. The rail network serves an area that accounts for approximately 80% of Brazil's GDP, where four of the most active ports in Brazil are located, through which approximately 80% of all the country's grain exports are shipped annually.



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Brado Logística is a partnership between ALL, Standard Logística and FI-FGTS, which is developing the intermodal logistic of containers, focusing on rail transportation, storage, operation of terminals and other logistics services. Brado provides the service level required by the retail market and intends to change the container logistics in Brazil, consolidating the cargo in intermodal terminals and shipping it by railroad, in a very cost effective model.



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Ritmo Logística is a trucking based logistic company created by the merger of ALL Highway Services Business Unit and Ouro Verde highway operations. The company provides a variety of logistics solutions for several industrial segments in Brazil and Argentina, through its Dedicated Operations unit. Furthermore, Ritmo is well positioned to develop the Intermodal Highway Services, providing logistics for an unconsolidated market of more than 40 million tons that has its origin or destination in ALL's railway, with a low-capital-intensive model through the use of third party and outsourced fleet.



Vetria Mineração is a company created through a partnership between ALL, Triunfo and Vetorial Mineração which aims to develop an integrated solution for the extraction, logistics and commercialization of iron ore from the Urucum Massif, located in the region of Corumbá-MS. Vetria will have an integrated system with its own mine in Corumbá, railway logistics through a long-term operational agreement with ALL and a private port terminal in Santos. Vetria still depends on resolute conditions to start its operations.

\* Only on ALL Malha Norte, ALL holds 99.2% stake.



<b>Table 1 - Financial Highlights</b> (R\$ million)	<b>3Q14</b>	<b>3Q13</b>	<b>% Change</b>	<b>9M14</b>	<b>9M13</b>	<b>% Change</b>
<b>ALL Rail Operations</b>						
Net Sales	860.9	800.1	7.6%	2,594.6	2,413.9	7.5%
EBITDA	483.2	480.4	0.6%	1,469.4	1,423.0	3.3%
<i>EBITDA Margin <sup>(1)</sup></i>	<i>56.1%</i>	<i>60.0%</i>	<i>-3.9%</i>	<i>56.6%</i>	<i>59.0%</i>	<i>-2.3%</i>
Net Income *	28.4	76.3	-62.8%	117.4	29.8	294.2%
<b>Brado</b>						
Net Sales	74.5	70.9	5.1%	214.9	204.5	5.0%
EBITDA	19.4	15.7	23.5%	49.5	37.1	33.4%
<i>EBITDA Margin <sup>(1)</sup></i>	<i>26.1%</i>	<i>22.2%</i>	<i>3.9%</i>	<i>23.0%</i>	<i>18.1%</i>	<i>4.9%</i>
Net Income*	9.3	6.8	35.6%	22.1	10.2	115.5%
<b>Ritmo</b>						
Net Sales	56.7	72.1	-21.3%	165.2	197.1	-16.2%
EBITDA	5.3	7.4	-28.6%	13.3	20.5	-35.3%
<i>EBITDA Margin <sup>(1)</sup></i>	<i>9.3%</i>	<i>10.3%</i>	<i>-1.0%</i>	<i>8.0%</i>	<i>10.4%</i>	<i>-2.4%</i>
Net Income*	(0.1)	1.3	na	(0.6)	4.0	na
<b>ALL Consolidated</b>						
Net Sales	992.2	943.1	5.2%	2,974.7	2,815.5	5.7%
EBITDA	508.0	503.6	0.9%	1,532.1	1,480.6	3.5%
<i>EBITDA Margin <sup>(1)</sup></i>	<i>51.2%</i>	<i>53.4%</i>	<i>-2.2%</i>	<i>51.5%</i>	<i>52.6%</i>	<i>-1.1%</i>
Net Income*	37.6	84.4	-55.5%	138.8	44.0	215.4%
EPS (R\$/ Share) **	0.05	0.12	-55.5%	0.20	0.06	215.4%
<b>Consolidated Balance Sheet Indicators</b>						
Total Assets	19,036.7	18,131.5	5.0%	19,036.7	18,131.5	5.0%
Shareholders Equity	4,727.6	4,681.0	1.0%	4,727.6	4,681.0	1.0%
EBITDA (Trailing 12 months)	1,881.7	1,823.2	3.2%	1,881.7	1,823.2	3.2%
Net Debt	4,618.0	4,074.4	13.3%	4,618.0	4,074.4	13.3%
Net Debt / EBITDA (Trailing 12 months)	2.45	2.23	9.8%	2.45	2.23	9.8%
Net Debt/ Equity	1.0	0.9	12.2%	1.0	0.9	12.2%

<sup>(1)</sup> For EBITDA margin change means percentage points

\* Refers to ALL's stake, after minorities

\*\*Earnings per share calculation based on number of existing shares as of September 30th of 2013 and 2014



## Comments from Alexandre Santoro, CEO

We are announcing 9M14 results presenting a 5.7% growth in Consolidated Net Revenues, reaching R\$2,974.7 million and an increase of 3.5% in Consolidated EBITDA, to R\$1,532.1 million, due to positive contributions of (i) 3.3% of Rail Operations and (ii) 33.4% of Brado Logística, partially offset by Ritmo Logística figures. Consolidated Net Income improved from R\$44.0 million in 9M13 – which was impacted in 2Q13 by the negative accounting effect of the discontinuation of our operation in Argentina – to a profit of R\$138.8 million in the first nine months of 2014.

In 3Q14, ALL Rail Operations volumes increased 4.4% as compared to 3Q13, from 12,003 million RTK to 12,526 million RTK. Despite a better operational environment at Port of Santos than we faced in 3Q13 – as the two accidents that occurred in June of 2013 at our two most important rail terminals reduced the unloading capacity during the quarter – we faced a very tough demand scenario in 3Q14, which affected both transported volumes and yields throughout our rail network. Rail Operations EBITDA increased 0.6% in 3Q14 year-over-year, from R\$480.4 million to R\$483.2 million.

Agricultural commodities market conditions were impacted by a very good scenario of corn production in United States, which reduced materially international corn prices and Brazilian grain exports. With a solid supply of corn between the main producers and exporters of this commodity – United States and Brazil –, the competition environment increased in the quarter, shrinking transportation demand and spot freight prices. According to MDIC (Ministry of Development, Industry, and Foreign Trade) corn exports decreased 20.7% in Brazil and 18.5% at ports we serve.

In this market scenario, spot freight prices plunged abruptly, in approximately 25% in Wide Gauge corridor (from Mato Grosso to Santos) and more than 13% in some origins in Paraná corridor – which are the two main agricultural corridors that we operate –, when compared to 3Q13. However, since most of our volumes are take-or-pay contracts, we did not observe that drop in our consolidated rail yield.

In spite of a double-digit reduction in grain exports in Brazil, ALL agricultural commodities volumes grew 5.2% in 3Q14, mainly driven by (i) market share gains in corn transportation, (ii) Government export incentive (PEPRO auctions), (iii) an increase of soybean meal volumes, as there were high inventory levels of soy to be crushed from 1H14 and (iv) a full quarter contribution of Rondonópolis terminal, which started operations in August of 2013, increasing our average of transport distance.

Industrial products volumes increased 1.8% in 3Q14 compared to 3Q13. The high corn crop in United States also impacted Brazilian exports of ethanol – as its production in United States comes from corn – as the high global supply of this product led to a more competitive scenario. According to MDIC (Ministry of Development, Industry, and Foreign Trade), ethanol exports decreased 74.6% in Brazil year-over-year, impacting a small portion of our fuel products volumes. This drop was partially offset by another quarter of good performance of wood products and Brado's volumes, which continue to present positive results in the quarter.

Brado Logística presented a positive quarter, continuing its operational ramp-up during 3Q14. Volumes increased 24.5% in the quarter year-over-year, reaching 20.7 thousand containers handled in the period. The double-digit volume growth was reached by positive contributions of 50.3% in Paraná corridor and 44.8% in Wide Gauge corridor, as the company added rail cars and locomotives in 2013 and where major part of its investments for 2014 is concentrated. Brado's EBITDA grew 23.5% in 3Q14 against 3Q13, reaching R\$19.4 million.

Ritmo Logística did not present a good performance in 3Q14, as volumes decreased 32.1% against 3Q13 and EBITDA dropped 28.6%, to R\$5.3 million. Both Dedicated Solutions Unit and Intermodal Unit decreased their volumes in the quarter, mainly due to the discontinuation of low profitability operations and by the operational redesign of an important client logistics in 4Q13, which incorporated its road operation. EBITDA was impacted by the drop of volumes and by the loss of operational leverage over its fixed costs.

Rail operations capex will get over our original guidance of R\$800 million for 2014, and should amount between R\$900 million and R\$950 million in the year, reflecting extraordinary investments in addition to our recurrent organic capex. The amount does not include the investments on the duplication of our rail track from Campinas to Port of Santos, which is part of the agreement set with Rumo in 2009.

For 4Q14, it is still difficult to anticipate agricultural commodities demand conditions. With depressed international agricultural commodities prices, export volumes will depend on traders and producers commercial decisions and might be positively impacted by (i) volumes related to the last Brazilian Government PEPRO auctions and (ii) the pressure to open storage capacity to accommodate the 2015 Brazilian harvest season. For industrial volumes, we expect a more regular scenario of ethanol exports, and the positive contributions of Brado and Eldorado volumes.



On April 15<sup>th</sup> and May 8<sup>th</sup>, our Board of Directors and ALL shareholders approved, respectively, the proposal sent by Rumo Logística aiming to combine our operations with theirs, through the merger of ALL's shares into Rumo. The merger is still subject to approvals of Brazilian Antitrust Authority ("CADE"), National Land Transportation Agency ("ANTT"), and fulfillment of other precedent conditions. If all conditions were achieved, ALL shareholders will own 63.5% of "The new company" shares after the completion of the merger.

## DISCUSSION ON ALL CONSOLIDATED RESULTS

In 3Q14, ALL Consolidated Net Revenues grew 5.2% against 3Q13, reaching R\$992.2 million. This growth was composed by positive contributions of (i) 7.6% in Rail Operations, as a result of a volume and yield increase in the quarter and (ii) 5.1% in Brado Logística, which increased materially its number of containers handled in the period, being partially offset by a drop of 21.3% in Ritmo Logística figures, mainly due to a volume decreased in 3Q14 against 3Q13. In 9M14, Consolidated Net Revenues increased 5.7% when compared to 9M13, reaching R\$2,974.7 million.

	3Q14	3Q13	% Change*	9M14	9M13	% Change*
Net Sales	992.2	943.1	5.2%	2,974.7	2,815.5	5.7%
EBITDA	508.0	503.6	0.9%	1,532.1	1,480.6	3.5%
EBITDA Margin	51.2%	53.4%	-2.2%	51.5%	52.6%	-1.1%
Net Income **	37.6	84.4	-55.5%	138.8	44.0	215.4%
EPS (R\$/ Share)	0.05	0.12	-55.5%	0.20	0.06	215.4%

\* For EBITDA Margin indicates percentage points gained / lost

\*\* Refers to ALL's stake, after minorities

Consolidated EBITDA reached R\$508.0 million in 3Q14, due to contributions of R\$483.2 million of Rail Operations, R\$19.4 million of Brado Logística and R\$5.3 million of Ritmo Logística. In the first nine months of 2014, Consolidated EBITDA increased 3.5% against 9M13, reaching R\$1,532.1 million. The accumulated growth in Consolidated EBITDA reflects increases in Rail Operations and Brado Logística figures, partially offset by a decrease in Ritmo Logística results. Consolidated Net Income was R\$37.6 million in 3Q14 and reached R\$138.8 million in 9M14.

	3Q14	3Q13	Change	% Change	9M14	9M13	Change	% Change
ALL Consolidated	508.0	503.6	4.4	0.9%	1,532.1	1,480.6	51.5	3.5%
ALL Rail Operations	483.2	480.4	2.8	0.6%	1,469.4	1,423.0	46.3	3.3%
Brado Logística	19.4	15.7	3.7	23.5%	49.5	37.1	12.4	33.4%
Ritmo Logística	5.3	7.4	(2.1)	-28.6%	13.3	20.5	(7.2)	-35.3%

Consolidated EBITDA margin decreased 2.2 percentage points in 3Q14 compared to 3Q13, as margins in ALL Rail Operations and Ritmo Logística decreased 3.9% and 1.0% respectively, and was partially compensated by a 3.9% rise in Brado Logística margin. In 9M14, Consolidated EBITDA went down 1.1 percentage points year-over-year.

	3Q14	3Q13	Change *	9M14	9M13	Change *
ALL Consolidated	51.2%	53.4%	-2.2%	51.5%	52.6%	-1.1%
ALL Rail Operations	56.1%	60.0%	-3.9%	56.6%	59.0%	-2.3%
Brado Logística	26.1%	22.2%	3.9%	23.0%	18.1%	4.9%
Ritmo Logística	9.3%	10.3%	-1.0%	8.0%	10.4%	-2.4%

\*Indicates percentage points gained / lost

### ALL Rail Operations

ALL Rail Operations volumes increased 4.4% in 3Q14, reaching 12,526 million RTK. The growth was achieved in a very tough market condition, as United States presented a very good scenario of corn production, impacting significantly the exports of this commodity in the country. With a solid supply of corn between the main producers and exporters of this commodity – United States and Brazil –, the competition environment increased in the quarter, shrinking transportation demand and spot freight prices.



In spite of the tough demand scenario, ALL agricultural commodities volumes grew 5.2% in 3Q14, mainly driven by (i) market share gains in corn transportation, (ii) Government export incentive (PEPRO auctions), (iii) an increase of soybean meal volumes, as there were high inventory levels of soy to be crushed from 1H14 and (iv) a full quarter contribution of Rondonópolis terminal, which started operations in August of 2013, increasing our average of transport distance.

Industrial products volumes increased 1.8% in 3Q14 compared to 3Q13. The high corn crop in United States also impacted Brazilian exports of ethanol – as its production in United States comes from corn – as the high global supply of this product led to a more competitive scenario. Ethanol exports decreased in Brazil year-over-year, impacting a small portion of our fuel products volumes. This drop was partially offset by another quarter of good performance of wood products and Brado.

Rail Operations EBITDA in 3Q14 increased 0.6% year-over-year, as a result of a volume increase, a yield growth below current inflation (due to the drop of spot market freight prices) and a worse mix of transported cargo. In 9M14, EBITDA increased 3.3% against 9M13, reaching R\$1,469.4 million.

Table 5 - ALL Rail Operations	3Q14	3Q13	% Change*	9M14	9M13	% Change*
Volume (million RTK)	12,526	12,003	4.4%	33,936	33,192	2.2%
Net Revenues	860.9	800.1	7.6%	2,594.6	2,413.9	7.5%
Net Yield (R\$/'000 RTK)	68.7	66.7	3.1%	76.5	72.7	5.1%
EBITDA	483.2	480.4	0.6%	1,469.4	1,423.0	3.3%
EBITDA Margin	56.1%	60.0%	-3.9%	56.6%	59.0%	-2.3%

\*For EBITDA Margin indicates percentage points gained /lost

### Brado Logística

Brado Logística volumes grew 24.5% in 3Q14, from 16.6 thousand containers in 3Q13 to 20.7 thousand containers, pushed by Wide Gauge and Paraná corridors, and partially offset by Mercosur and Rio Grande corridors.

Brado's EBITDA increased 23.5% in 3Q14 year-over-year, reaching R\$19.4 million. This result was achieved as Brado (i) increased the number of containers handled and (ii) improved the average of transported distance, with the operations at Rondonópolis terminal. In 9M14, EBITDA increased 33.4%, reaching R\$49.5 million.

Table 6 - Brado Logística	3Q14	3Q13	% Change*	9M14	9M13	% Change*
Volume (Thousand Containers)	20.7	16.6	24.5%	55.6	47.5	17.0%
Net Revenues	74.5	70.9	5.1%	214.9	204.5	5.0%
Net Yield (Thousand R\$/Container)	3.6	4.3	-15.6%	3.9	4.3	-10.2%
EBITDA	19.4	15.7	23.5%	49.5	37.1	33.4%
EBITDA Margin	26.1%	22.2%	3.9%	23.0%	18.1%	4.9%

\*For EBITDA Margin indicates percentage points gained /lost

### Ritmo Logística

Ritmo Logística volumes decreased 32.1% in 3Q14, from 21.7 million driven kilometers in 3Q13 to 14.8 million driven kilometers. Volumes were affected by (i) a 23.9% drop in the Dedicated Solutions segment, mainly driven by the discontinuation of low profitability operations and (ii) a 45.3% decrease in Intermodal Business volumes, driven by depressed demand and prices in spot freight market and by the discontinuation of an important operation – as the client redesigned its logistics and incorporated its road operation in 4Q13.

Ritmo's EBITDA decreased 28.6% in 3Q14, to R\$5.3 million. This drop was an effect of the volume decrease and the company's worse performance in leverage over fixed costs, leading to a margin decrease year-over-year. In 9M14, Ritmo's EBITDA contributed positively with R\$13.3 million to ALL Consolidated number.



Table 7 - Ritmo Logística	3Q14	3Q13	% Change*	9M14	9M13	% Change*
Volume (million Driven KM)	14.8	21.7	-32.1%	43.2	60.2	-28.2%
Net Revenues	56.7	72.1	-21.3%	165.2	197.1	-16.2%
Net Yield (R\$/Driven KM)	3.8	3.3	15.9%	3.8	3.3	16.8%
EBITDA	5.3	7.4	-28.6%	13.3	20.5	-35.3%
EBITDA Margin	9.3%	10.3%	-1.0%	8.0%	10.4%	-2.4%

\*For EBITDA Margin indicates percentage points gained / lost

## ALL CONSOLIDATED RESULTS

Table 8 - ALL Consolidated Results (R\$ million)	3Q14	3Q13	% Change	9M14	9M13	% Change
<b>Net Revenues</b>	<b>992.2</b>	<b>943.1</b>	<b>5.2%</b>	<b>2,974.7</b>	<b>2,815.5</b>	<b>5.7%</b>
ALL Rail Operations	860.9	800.1	7.6%	2,594.6	2,413.9	7.5%
Brado Logística	74.5	70.9	5.1%	214.9	204.5	5.0%
Ritmo Logística	56.7	72.1	-21.3%	165.2	197.1	-16.2%
<b>EBITDA</b>	<b>508.0</b>	<b>503.6</b>	<b>0.9%</b>	<b>1,532.1</b>	<b>1,480.6</b>	<b>3.5%</b>
ALL Rail Operations	483.2	480.4	0.6%	1,469.4	1,423.0	3.3%
Brado Logística	19.4	15.7	23.5%	49.5	37.1	33.4%
Ritmo Logística	5.3	7.4	-28.6%	13.3	20.5	-35.3%
<b>EBITDA Margin</b>	<b>51.2%</b>	<b>53.4%</b>	<b>-2.2%</b>	<b>51.5%</b>	<b>52.6%</b>	<b>-1.1%</b>
ALL Rail Operations	56.1%	60.0%	-3.9%	56.6%	59.0%	-2.3%
Brado Logística	26.1%	22.2%	3.9%	23.0%	18.1%	4.9%
Ritmo Logística	9.3%	10.3%	-1.0%	8.0%	10.4%	-2.4%
<b>Net Income</b>	<b>37.6</b>	<b>84.4</b>	<b>-55.5%</b>	<b>138.8</b>	<b>44.0</b>	<b>215.4%</b>
ALL Rail Operations *	28.4	76.3	-62.8%	117.4	29.8	294.2%
Brado Logística *	9.3	6.8	35.6%	22.1	10.2	115.5%
Ritmo Logística *	(0.1)	1.3	na	(0.6)	4.0	na
<b>Earnings per Share (R\$/share)</b>	<b>0.05</b>	<b>0.12</b>	<b>-55.5%</b>	<b>0.20</b>	<b>0.06</b>	<b>215.4%</b>

\*Refers to ALL's stake, after minorities



Table 9 - ALL Cash Flow (R\$ million)	9M14	9M13	% Change
<b>Operating Activities</b>	<b>869.8</b>	<b>473.3</b>	<b>83.8%</b>
ALL Rail Operations	813.8	418.6	94.4%
Brado Logística	39.0	37.0	5.6%
Ritmo Logística	17.0	17.8	-4.5%
<b>Investing Activities</b>	<b>(1,053.3)</b>	<b>(698.3)</b>	<b>50.8%</b>
ALL Rail Operations Capex	(810.1)	(560.8)	44.5%
ALL Rail Operations Capex Related Inventory	(132.7)	(8.2)	1509.0%
Brado Logística	(104.3)	(122.1)	-14.6%
Ritmo Logística	(6.2)	(7.2)	-13.8%
<b>Financing Activities</b>	<b>(607.1)</b>	<b>37.8</b>	<b>na</b>
ALL Rail Operations	(677.3)	(417.6)	62.2%
Brado Logística	73.0	451.1	-83.8%
Ritmo Logística	(2.8)	4.3	na
<b>Change in Cash</b>	<b>(790.5)</b>	<b>(187.2)</b>	<b>322.3%</b>
ALL Rail Operations	(806.3)	(568.1)	41.9%
Brado Logística	7.7	366.0	-97.9%
Ritmo Logística	8.0	14.9	-46.1%
<b>Closing Balance in Cash</b>	<b>2,127.1</b>	<b>2,321.2</b>	<b>-8.4%</b>
ALL Rail Operations	1,701.3	1,931.4	-11.9%
Brado Logística	388.4	370.8	4.7%
Ritmo Logística	37.4	19.0	97.2%

Table 10 - ALL Consolidated Balance Sheet Indicators (R\$ million)	3Q14	3Q13	% Change
<b>Total Assets</b>	<b>19,036.7</b>	<b>18,131.5</b>	<b>5.0%</b>
ALL Rail Operations	17,970.8	17,235.3	4.3%
Brado Logística	924.9	764.7	21.0%
Ritmo Logística	140.9	131.4	7.2%
<b>Shareholders Equity</b>	<b>4,727.6</b>	<b>4,681.0</b>	<b>1.0%</b>
ALL Rail Operations	4,064.7	4,062.7	0.0%
Brado Logística	569.4	522.3	9.0%
Ritmo Logística	93.6	96.0	-2.5%
<b>EBITDA (Trailing 12 months)</b>	<b>1,881.7</b>	<b>1,823.2</b>	<b>3.2%</b>
ALL Rail Operations	1,796.4	1,747.3	2.8%
Brado Logística	67.4	47.1	43.2%
Ritmo Logística	17.8	28.8	-38.1%
<b>Net Debt</b>	<b>4,618.0</b>	<b>4,074.4</b>	<b>13.3%</b>
ALL Rail Operations	4,747.7	4,301.2	10.4%
Brado Logística	(127.5)	(229.5)	-44.4%
Ritmo Logística	(2.1)	2.6	na
<b>Net Debt / EBITDA (Trailing 12 months)</b>	<b>2.45</b>	<b>2.23</b>	<b>9.8%</b>
ALL Rail Operations	2.64	2.46	7.4%
Brado Logística	(1.89)	(4.87)	-61.2%
Ritmo Logística	(0.12)	0.09	na
<b>Net Debt / Shareholders Equity</b>	<b>1.0</b>	<b>0.9</b>	<b>12.2%</b>
ALL Rail Operations	1.2	1.1	10.3%
Brado Logística	(0.2)	(0.4)	-49.0%
Ritmo Logística	(0.0)	0.0	na





## ALL RAIL OPERATIONS – BUSINESS DESCRIPTION

ALL Rail operations is composed by 4 rail concessions in Brazil, totaling about 13 thousand km of rail tracks, 1 thousand locomotives and 28 thousand rail cars, through which the Company transports agricultural commodities and industrial products. The rail network serves an area that accounts for approximately 80% of Brazil's GDP, where four of the most active ports in Brazil are located, through which approximately 80% of Brazil's grain exports are shipped annually. Results are divided in two business units: Agricultural Commodities and Industrial Products.

The Agricultural Commodities business unit consists in three main flows of transportation: (i) Export flows, which ship soybean, soybean meal, corn, sugar and wheat, from the countryside terminals to the ports of Santos, Paranaguá, Rio Grande and São Francisco do Sul, (ii) Import flows, transporting mainly fertilizers and wheat from the ports to the countryside and (iii) for internal market distribution, through which agricultural commodities are transported to attend production demands among different regions in Brazil.

In Industrial Products, there are two different segments: Intermodal Products and Pure Rail Products. Intermodal Products comprises products which were not historically transported by railroad in Brazil because of the level of service needed in those operations, which was much higher than railroad offered in the past. As we improved our operational indicators along the years, we started to be able to capture those volumes, usually in a partnership model with our clients, where the needed investment is shared between both. The growth dynamic in this unit is based in the company's capacity of adding new projects or by further expansions of existing projects. The unit is composed by steel products, wood products, food products and containers.

In Pure Rail Products we have a different situation, as even before the privatization those volumes were highly transported by rail. The unit consists in construction, vegetal oil and fuel products transportation, which today are shipped almost exclusively by rail in our area of operation. The high market share we have in this segment leave us subject to market's performance, and we expect that growth in this unit should be aligned to Brazilian GDP in the long term.

Regarding ALL Rail Operation strategy, the company expects to grow its organic business volumes year-over-year. The growth is mainly sustained by market share gains and productivity improvements, as Capex level should remain stable, around R\$800 million per year, decreasing as a percentage of revenues through the years. Except for 2014, capex should amount between R\$900 million and R\$950 million in the year, reflecting extraordinary investments in addition to our recurrent organic capex. Moreover, in 2012 we concluded the construction of our new rail network from Alto Araguaia to Rondonópolis, and it started to operate in 3Q13.

### ALL Rail Operations Technical Sheet

<b>Rail Network</b> ( <sup>1,000 Km</sup> )	13,000	<b>Locomotives</b>	1,000
<b>Employees</b>	8,993	<b>Railcars</b>	28,000
<b>Business Units</b>	Agricultural Commodities Industrial Products		
<b>Ports</b>	Santos (SP) Paranaguá (PR)	Rio Grande (RS) São Francisco (SC)	
<b>Concessions</b>	ALL Malha Norte (MS/MT) – 2079 ALL Malha Oeste (MS) – 2026	ALL Malha Sul (SP/PR/SC/RS) – 2027 ALL Malha Paulista (SP) – 2028	



**DISCUSSION ON ALL RAIL OPERATIONS RESULTS**

<b>Table 11 - ALL Rail Operations</b> (R\$ million)	<b>3Q14</b>	<b>3Q13</b>	<b>% Change*</b>	<b>9M14</b>	<b>9M13</b>	<b>% Change*</b>
Volume (million RTK)	12,526	12,003	4.4%	33,936	33,192	2.2%
Net Revenues	860.9	800.1	7.6%	2,594.6	2,413.9	7.5%
Net Yield (R\$/'000 RTK)	68.7	66.7	3.1%	76.5	72.7	5.1%
EBITDA	483.2	480.4	0.6%	1,469.4	1,423.0	3.3%
EBITDA Margin	56.1%	60.0%	-3.9%	56.6%	59.0%	-2.3%

\*For EBITDA Margin indicates percentage points gained / lost

We started 3Q14 with a better operational situation at the Port of Santos when compared to 3Q13 – when two accidents at the main grain terminals in June 2013 impacted our rail unloading capacity at the port for some months. In spite of that, we faced a very tough demand scenario in 3Q14, impacting our transported volumes and yields throughout our rail network.

Market conditions, especially in the agricultural segment, were impacted by a very good scenario of corn production in United States, which reduced materially international prices of this commodity and Brazilian grain exports. In spite of a double-digit reduction in grain exports in Brazil, ALL agricultural commodities volumes grew 5.2% in 3Q14, mainly driven by (i) market share gains in corn transportation, (ii) the Government export incentive (PEPRO actions) –, which encouraged the flow from part of the commodity crop, (iii) an increase of soybean meal volumes, as there were high inventory levels of soy to be crushed from 1H14 and (iv) a full quarter contribution of Rondonópolis terminal, which started operations in August of 2013, increasing our average of transport distance.

Industrial products volumes increased 1.8% in 3Q14 compared to 3Q13. The high corn crop in United States also impacted Brazilian exports of ethanol, influencing a small portion of our fuel products volumes. This impact was partially offset by another quarter of good performance of wood products and Brado's volumes, which continue to present positive results in the quarter.

Net revenues grew 7.6% in 3Q14 compared to 3Q13, reaching R\$860.9 million, mainly due to a 4.4% volume increase and 3.1% net yield growth in 3Q14 against 3Q13 – which increased below inflation. During the harvest season, the freight price is usually pushed up by the increase in transportation demand in all stages of agricultural logistic chain, as it happened in 3Q13. As demand dropped abruptly, the usual pressure on spot freight prices did not happen, leading to a decrease in spot market freight prices. Net revenues in 9M14 increased 7.5% year-over-year, to R\$2,594.6 million.

Rail Operations EBITDA increased 0.6% in 3Q14 year-over-year, as a result of (i) the volume growth, (ii) an yield growth below current inflation (due to the drop of spot market freight prices), and (iii) the mix of transported cargo, of both agricultural and industrial cargo. In 9M14, Rail Operations EBITDA increased 3.3% year-over-year, reaching R\$1,469.1 million.

GTK increased 9.9% year-over-year, as volumes increased in the quarter. Diesel Consumption improved in 3Q14, due to operational gains we had in the period.

<b>Table 12 - Brazilian Operational Figures</b>	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
GTK (billion)	21.2	19.3	9.9%	57.9	55.7	3.9%
Diesel Consumption (Liters/ '000 GTK)	5.1	5.3	-4.5%	5.2	5.3	-1.1%

Since August of 2013, we ramped-up operations in our terminal in Rondonópolis, which is operating regularly since 4Q13 and is able to load around 1 million tons per month. The project consists in a 260 km rail extension from Alto Araguaia (MT) to Rondonópolis (MT), and the construction of an Intermodal terminal in Rondonópolis. The new rail track goes further into the Brazilian agricultural frontier and is part of Brazil's main agricultural corridor - from the State of Mato Grosso to Port of Santos. With the extension of our rail line, a major part of this volume is being loaded in Rondonópolis, increasing transported distance and RTK.

**Agricultural Commodities**

Along the quarter, agricultural commodities market conditions were impacted by a very good scenario of corn production in United States, which reduced materially international corn prices and Brazilian grain exports. With a solid supply of corn between the main producers and exporters of this commodity – United States and Brazil –, the



competition environment increased in the quarter, shrinking transportation demand and spot freight prices. According to MDIC (Ministry of Development, Industry, and Foreign Trade) corn exports decreased 20.7% in Brazil and 18.5% at ports we serve.

In this market scenario, spot freight prices plunged abruptly, in approximately 25% in Wide Gauge corridor (from Mato Grosso to Santos) and more than 13% in some origins in Paraná corridor – which are the two main agricultural corridors that we operate –, when compared to 3Q13. However, since most of our volumes are take-or-pay contracts, we did not observe that drop in our rail consolidated yield.

In spite of a double-digit reduction in grain exports in Brazil, ALL agricultural commodities volumes grew 5.2% in 3Q14, mainly driven by (i) market share gains in corn transportation, (ii) Government export incentive (PEPRO actions), (iii) an increase of soybean meal volumes, as there were high inventory levels of soy to be crushed from 1H14 and (iv) a full quarter contribution of Rondonópolis terminal, which started operations in August of 2013, increasing our average of transport distance.

<b>Table 13 - Agricultural Commodities Products</b> (million RTK)	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
Soybean	1,084.9	1,319.7	-17.8%	11,038.5	10,200.9	8.2%
Soybean Meal	1,395.7	823.4	69.5%	3,875.6	2,789.7	38.9%
Fertilizers	401.8	428.5	-6.2%	1,007.3	1,307.4	-23.0%
Sugar	1,817.6	1,759.7	3.3%	4,168.9	3,749.7	11.2%
Corn	4,781.9	4,764.0	0.4%	5,421.2	7,049.6	-23.1%
Wheat	69.7	0.0	na	145.9	204.1	-28.5%
Rice	71.5	55.6	28.6%	179.8	203.9	-11.8%
<b>Total</b>	<b>9,623.0</b>	<b>9,150.8</b>	<b>5.2%</b>	<b>25,837.2</b>	<b>25,505.3</b>	<b>1.3%</b>

Agricultural commodities net revenues increased 7.9% in 3Q14, pushed by 2.6% increase in average yield.

EBITDA increased 1.9% in 3Q14, reaching R\$397.0 million, driven by volume and yield growth. EBITDA Margin decreased 3.4 percentage points, mainly due to our mix of agricultural transported volumes.

<b>Table 14 - Agricultural Commodities</b> (R\$ million)	<b>3Q14</b>	<b>3Q13</b>	<b>% Change*</b>	<b>9M14</b>	<b>9M13</b>	<b>% Change*</b>
Volume (million RTK)	9,623	9,151	5.2%	25,837	25,505	1.3%
Net Revenues	678.9	629.1	7.9%	2,080.8	1,934.1	7.6%
Net Yield (R\$/'000 RTK)	70.6	68.8	2.6%	80.5	75.8	6.2%
EBITDA	397.0	389.4	1.9%	1,223.3	1,181.2	3.6%
EBITDA Margin	58.5%	61.9%	-3.4%	58.8%	61.1%	-2.3%

\* For EBITDA Margin indicates percentage points gained / lost

## Industrial Products

Industrial volumes increased 1.8% in 3Q14 against 3Q13, reaching 2,903 million RTK in the period. The growth was pushed by Intermodal Industrial Products, being partially offset by Pure Rail Products, which decreased volumes year-over-year. In the first nine months of 2014, industrial volumes increased 5.4% against the same period of 2013.

In Intermodal flows, volumes increased 9.5% in 3Q14 against 3Q13. This rise was supported by a 14.3% growth of woods products volumes and a 21.1% augment in containers transported volumes.

<b>Table 15 - Intermodal Industrial Products</b> (million RTK)	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
Steel and Mining Products	254.0	280.2	-9.3%	726.1	916.4	-20.8%
Wood Products	514.2	449.8	14.3%	1,427.1	1,015.0	40.6%
Food Products	9.8	19.7	-50.0%	31.7	66.1	-52.0%
Containers	568.8	469.5	21.1%	1,577.8	1,297.1	21.6%
Others	22.6	31.9	-29.1%	90.0	109.8	-18.0%
<b>Total</b>	<b>1,369.5</b>	<b>1,251.2</b>	<b>9.5%</b>	<b>3,852.8</b>	<b>3,404.4</b>	<b>13.2%</b>

The high corn crop in United States also impacted Brazilian exports of ethanol – as its production in United States comes from corn – as the high global supply of this product led to a more competitive scenario. According to MDIC (Ministry of Development, Industry, and Foreign Trade), ethanol exports decreased 74.6% in Brazil year-



over-year, impacting a small portion of our fuel products volumes. Pure Rail volumes decreased 4.2% in 3Q14 against 3Q13.

<b>Table 16 - Pure Rail Industrial Products</b> (million RTK)	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
Fuel Products	1,299.0	1,351.8	-3.9%	3,528.4	3,591.5	-1.8%
Vegetal Oil	6.5	6.1	7.1%	17.2	19.1	-9.7%
Construction	227.7	243.3	-6.4%	700.8	672.0	4.3%
<b>Total</b>	<b>1,533.3</b>	<b>1,601.1</b>	<b>-4.2%</b>	<b>4,246.4</b>	<b>4,282.6</b>	<b>-0.8%</b>

EBITDA decreased 5.2% in 3Q14, to R\$86.2 million. EBITDA Margin decreased 5.8 percentage points, mainly due to our mix of industrial transported volumes.

<b>Table 17 - Industrial Products</b> (R\$ million)	<b>3Q14</b>	<b>3Q13</b>	<b>% Change*</b>	<b>9M14</b>	<b>9M13</b>	<b>% Change*</b>
Volume (million RTK)	2,903	2,852	1.8%	8,099	7,687	5.4%
Net Revenues	182.0	170.9	6.5%	513.8	479.8	7.1%
Net Yield (R\$/'000 RTK)	62.7	59.9	4.6%	63.4	62.4	1.6%
EBITDA	86.2	90.9	-5.2%	246.1	241.8	1.8%
EBITDA Margin	47.4%	53.2%	-5.8%	47.9%	50.4%	-2.5%

\* For EBITDA Margin indicates percentage points gained / lost

## ALL RAIL OPERATIONS RESULTS

<b>Table 18 - ALL Rail Operations</b> (R\$ million)	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
<b>Net Revenues</b>	<b>860.9</b>	<b>800.1</b>	<b>7.6%</b>	<b>2,594.6</b>	<b>2,413.9</b>	<b>7.5%</b>
<b>COGS</b>	<b>(489.4)</b>	<b>(401.4)</b>	<b>21.9%</b>	<b>(1,394.8)</b>	<b>(1,221.3)</b>	<b>14.2%</b>
Fuel	(172.9)	(152.7)	13.2%	(474.4)	(427.1)	11.1%
Outsourced and contracted fleet	(11.7)	(10.4)	12.4%	(45.1)	(36.3)	24.2%
Labor	(56.5)	(53.7)	5.2%	(178.6)	(180.9)	-1.3%
Maintenance	(22.4)	(19.1)	17.0%	(83.0)	(67.9)	22.2%
Depreciation and Amortization	(136.7)	(123.4)	10.8%	(392.3)	(358.2)	9.5%
Rolling stock rental	(41.6)	(30.5)	36.4%	(133.5)	(69.2)	93.0%
Other Costs	(47.6)	(11.6)	310.8%	(87.9)	(81.6)	7.7%
<b>Operating income (expenses)</b>	<b>(25.9)</b>	<b>(41.7)</b>	<b>-37.9%</b>	<b>(124.8)</b>	<b>(128.7)</b>	<b>-3.0%</b>
<b>Equity Earnings (Loss)</b>	<b>2.1</b>	<b>(8.6)</b>	<b>na</b>	<b>3.6</b>	<b>(88.9)</b>	<b>na</b>
<b>Operating Profit</b>	<b>347.8</b>	<b>348.5</b>	<b>-0.2%</b>	<b>1,078.6</b>	<b>975.0</b>	<b>10.6%</b>
Net Financial Expenses	(311.7)	(242.2)	28.7%	(947.4)	(726.2)	30.5%
IR/Minorities/Others	(7.3)	(4.5)	63.3%	(12.8)	(30.4)	-57.7%
<b>Net Income from continued operations</b>	<b>28.8</b>	<b>101.8</b>	<b>-71.7%</b>	<b>118.3</b>	<b>218.5</b>	<b>-45.9%</b>
Net Income from discontinued operations	(0.4)	(25.5)	-98.6%	(0.9)	(188.7)	-99.5%
<b>Net Income</b>	<b>28.4</b>	<b>76.3</b>	<b>-62.8%</b>	<b>117.4</b>	<b>29.8</b>	<b>294.2%</b>

### Net Revenues from Services

Net revenues in ALL Rail Operations increased 7.6% in 3Q14, from R\$800.1 million in 3Q13 to R\$860.9 million. The growth was driven by the volume increase of 4.4% in the quarter and the yield augment in the quarter of 3.1% against 3Q13.

### Cost of Sales

ALL Rail Operations costs of sales increased 21.9% in 3Q14, from R\$401.4 million in 3Q13 to R\$489.4 million. The growth was mainly pushed by the augment of (i) 36.4% in rolling stock rental, (ii) 10.8% in depreciation and amortization, due to investment increase since 3Q13 and (iii) 310.8% in other costs.



### Operating Income (expenses)

ALL Rail Operations operating expenses improved from negative R\$41.7 million in 3Q13 to negative R\$25.9 million in 3Q14.

### Equity Earnings (Loss)

Equity earnings improved from negative R\$8.6 million in 3Q13 to R\$2.1 million.

### Financial Result

ALL Rail Operations net financial expenses grew 28.7%, to negative R\$311.7 million in 3Q14. This growth was mainly driven by CDI (Interbank Deposit Certificate rate) augment, increase in average debt balance when compared to 3Q13 and by the increase in inflation since last year.

### Net Income from continued operations

ALL Rail Operations net income from continued operations decreased 71.7% in 3Q14, reaching R\$28.8 million. The result was impacted mainly by the increase in financial result in the quarter.

### Net Income from discontinued operations

The net income from discontinued operations includes accumulated losses/profits in Argentine operation, and was negative R\$0.4 million in 3Q14.

### CAPEX

Brazil's Rail Operations investments reached R\$245.6 million in 3Q14. Rail operations capex will get over our original guidance of R\$800 million for 2014, and should amount between R\$900 million and R\$950 million in the year, reflecting extraordinary investments in addition to our recurrent organic capex. The amount does not include the investments on the duplication of our rail track from Campinas to Port of Santos, which is part of the agreement set with Rumo in 2009.

<b>Table 19 - Investments (R\$ million)</b>	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
Maintenance	98.6	89.9	9.7%	415.2	297.1	39.8%
Expansion	147.0	82.8	77.6%	394.9	263.7	49.7%
<b>Total</b>	<b>245.6</b>	<b>172.7</b>	<b>42.2%</b>	<b>810.1</b>	<b>560.8</b>	<b>44.5%</b>



## Cash Flow

<b>Table 20 - ALL Rail Op. Cash Flow</b>			
<b>(R\$ million)</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
<b>Net Income (in cash basis)</b>	<b>644.9</b>	<b>809.6</b>	<b>(164.7)</b>
Net Income *	117.7	313.6	(195.9)
Depreciation and amortization	396.1	448.0	(51.9)
Stock Options	(0.5)	6.5	(7.0)
Interest Expenses (IS-CASH)	198.8	58.3	140.5
Deferred Taxes	(67.2)	(16.8)	(50.4)
<b>Working Capital</b>	<b>168.1</b>	<b>(229.6)</b>	<b>397.7</b>
Clients	(106.0)	(25.8)	(80.2)
Inventory	60.8	(101.0)	161.8
Suppliers	238.3	(109.6)	348.0
Labor	(25.0)	6.8	(31.8)
<b>Other Accounts Variation</b>	<b>0.8</b>	<b>(161.4)</b>	<b>162.3</b>
<b>Operating Activities</b>	<b>813.8</b>	<b>418.6</b>	<b>395.3</b>
Capex	(810.1)	(560.8)	(249.3)
Capex Related Inventory	(132.7)	(8.2)	(124.4)
<b>Investing Activities</b>	<b>(942.8)</b>	<b>(569.0)</b>	<b>(373.8)</b>
Capital increase / Share buyback	0.0	(41.4)	41.4
Dividends and Interest on own capital	(2.3)	(58.7)	56.4
New loans	474.2	850.5	(376.2)
Debt Payments / Prepayments	(1,149.2)	(1,205.2)	56.0
Argentina Financing Activities	0.0	37.2	(37.2)
<b>Financing Activities</b>	<b>(677.3)</b>	<b>(417.6)</b>	<b>(259.7)</b>
<b>Change in Cash</b>	<b>(806.3)</b>	<b>(568.1)</b>	<b>(238.2)</b>
<b>Opening Balance of Cash</b>	<b>2,507.6</b>	<b>2,499.4</b>	<b>8.1</b>
<b>Closing Balance of Cash</b>	<b>1,701.3</b>	<b>1,931.4</b>	<b>(230.1)</b>

\* Refers to ALL's stake, after minorities and excludes the effects of Argentina's write-off and



**ALL RAIL OPERATIONS ATTACHMENTS**

<b>Table 21 - ALL Rail Operations Balance Sheet</b> <b>(R\$ million)</b>	<b>3Q14</b>	<b>2Q14</b>		<b>3Q14</b>	<b>2Q14</b>
<b>Current Assets</b>	<b>3,040.6</b>	<b>3,463.1</b>	<b>Current Liabilities</b>	<b>3,464.2</b>	<b>3,186.8</b>
Cash, banks and financial investments	1,701.3	1,949.9	Loans and financing/Debentures	1,679.7	1,308.1
Trade accounts receivable	392.0	445.6	Suppliers	901.0	868.5
Inventories	107.9	251.8	Taxes, charges and contributions	62.8	66.7
Taxes Recoverable	603.1	575.5	Lease and concession payable	18.4	18.6
Other receivables	236.3	240.3	Dividends and Interest on own capital	5.6	6.1
			Salaries and payroll charges	72.0	80.7
			Commercial Leasings	391.0	506.7
<b>Long-Term Assets</b>	<b>1,740.5</b>	<b>1,755.2</b>	Other payables	333.5	331.4
Lease of Concession Agreements	71.3	72.9			
Judicial deposits	339.7	322.3	<b>Long-Term Liabilities</b>	<b>10,442.0</b>	<b>10,899.2</b>
Taxes recoverable	1,200.2	1,222.4	Loans and financing/Debentures	4,769.3	5,279.4
Other receivable	129.2	137.5	Provision for contingencies	181.5	177.4
			Lease and concession payable	1,824.8	1,763.1
			Commercial Leasings	1,355.2	1,278.3
<b>Permanent Assets</b>	<b>13,189.8</b>	<b>12,976.0</b>	Real estate credit advances	235.2	241.7
Investments	1,894.2	1,970.2	Other payables	2,076.1	2,159.2
Intangible	2,327.4	2,339.1			
Property, plant and equipment	8,968.2	8,666.7	<b>Shareholders' equity</b>	<b>4,064.7</b>	<b>4,108.3</b>
<b>Total Assets</b>	<b>17,970.8</b>	<b>18,194.3</b>	<b>Total Liab. and shareholders' equity</b>	<b>17,970.8</b>	<b>18,194.3</b>

<b>Table 22 - Balance Sheet Indicators</b> <b>(R\$ million)</b>	<b>3Q14</b>	<b>2Q14</b>	<b>% Change</b>
Cash, Banks and Financial Investments	1,701.3	1,949.9	-12.7%
Trade Accounts Receivable	392.0	445.6	-12.0%
Property, Plant and Equipment	8,968.2	8,666.7	3.5%
<b>Total Assets</b>	<b>17,970.8</b>	<b>18,194.3</b>	<b>-1.2%</b>
Suppliers	901.0	868.5	3.7%
Loans, Financing and Debentures	6,449.0	6,587.5	-2.1%
Shareholders' Equity	4,064.7	4,108.3	-1.1%
<b>Net Debt</b>	<b>4,747.7</b>	<b>4,637.7</b>	<b>2.4%</b>
EBITDA (Trailing 12 Months)	1,796.4	1,793.6	0.2%
Net Debt/EBITDA (Trailing 12 Months)	2.6	2.6	2.2%
Net Debt/Equity	1.2	1.1	3.5%



**BRADO LOGÍSTICA – BUSINESS DESCRIPTION**

Brado Logística is a company created by ALL in association with Standard Logística and FI-FGTS which is developing the intermodal logistic of containers, focusing on rail transportation, storage, operation of terminals and retro areas of ports, handling and other logistics services. The container segment is fragmented and requires customized services. Brado provides the service level required by the retail market and intends to change the container logistics in Brazil, consolidating the cargo in intermodal terminals and shipping by railroad, in a very cost effective model. ALL owns a stake of 62.2% in Brado Logística.

The most correct way to look into Brado's business is breaking its operations between the four regions the company serves, represented by its corridors: (i) Wide Gauge corridor, linking the regions of Mato Grosso and São Paulo to Port of Santos, (ii) Mercosur corridor, connecting Brazil and Argentina, through the intermodal terminal in Uruguaiana-RS, (iii) Paraná corridor, connecting the countryside to Port of Paranaguá and São Francisco, and (iv) Rio Grande corridor, linking the producing regions in the state of Rio Grande do Sul to Port of Rio Grande.

Currently, Brado's share in container market is about 2%, considering only ALL's covered area. The company intends to invest R\$1 billion over the first five years of operation to reach a total market share of approximately 12%, in a market of 2.6 million containers. CAPEX will be 100% funded by equity and debt in Brado's balance sheet, with no cash being provided by the existing ALL Rail operations.

**Brado Logística Technical Sheet**

<b>Intermodal Terminals and Logistic Complex</b>	Uruguaiana (RS) Cruz Alta (RS) Esteio (RS) Porto Alegre (RS) Colombo (PR) Itajaí (SC)	Cambé (PR) Cascavel (PR) Guarapuava (PR) Araucária (PR) Cubatão (SP) Campinas (SP)	Ponta Grossa (PR) Tatuí (SP) Araraquara (SP) Bauru (SP) Rondonópolis (MT)
<b>Locomotives</b>	33		
<b>Railcars</b>	2,425		
<b>Employees</b>	1,400		
<b>Corridors</b>	<b>Wide Gauge</b> – Mato Grosso and São Paulo to Port of Santos <b>Paraná</b> –Countryside of Paraná to Port of Paranaguá and São Francisco <b>Rio Grande</b> – Country side of Rio Grande do Sul to Port of Rio Grande <b>Mercosur</b> – Connection between Brazil and Argentina		
<b>Attended Ports</b>	Santos (SP) Paranaguá (PR) São Francisco do Sul (SC) Rio Grande (RS)		

**DISCUSSION ON BRADO LOGÍSTICA RESULTS**

<b>Table 23 - Volume</b> (Thousand Containers)	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
Wide Gauge	7.0	4.8	44.8%	18.6	14.2	31.0%
Mercosur	2.2	3.0	-26.5%	7.1	8.3	-14.0%
Paraná	8.4	5.6	50.3%	21.1	15.1	39.8%
Rio Grande	3.1	3.2	-3.5%	8.8	10.0	-11.5%
<b>Total</b>	<b>20.7</b>	<b>16.6</b>	<b>24.5%</b>	<b>55.6</b>	<b>47.5</b>	<b>17.0%</b>

Brado Logística presented another positive quarter, continuing its operational ramp-up and increasing volumes in 24.5% in 3Q14 year-over-year. The volume growth was driven by Paraná and Wide Gauge corridors, in which it were added locomotives and railcars and where the major part of Brado's investments for 2014 is concentrated. In 9M14, volumes increased 17.0% against 9M13, reaching 55.6 thousand containers.



Paraná corridor had its best quarter in terms of volumes, as it increased 50.3% year-over-year, mainly pushed by a new cargo of wood products, which were loaded before by road operations, and a good performance of refrigerated products. Wide Gauge corridor continued to present positive results, with a 44.8% growth of volumes against 3Q13, driven by the increase in sugar cargo from Araraquara and Campinas and pulp and paper transported volumes.

In Rio Grande corridor, volumes decreased 3.5% in 3Q14 against the same period of last year, being still impacted by the end of a polyethylene operation during 3Q13 and the damages caused by the excessive rainfalls in June 2014, which continued to impact through 3Q14. In Mercosur corridor – that connects Brazil and Argentina – volumes dropped 26.5%, mostly impacted by operations in the Argentine rail network.

In terms of RTK, Brado's volumes grew 21.1% in 3Q14, from 469,5 million RTK in 3Q13 to 568,8 million RTK. This growth was a result of the (i) increase in the number of containers handled and (ii) improvement in average transportation distance, mainly pushed by the boost of operations in Rondonópolis terminal in Wide Gauge corridor.

Brado's EBITDA increased 23.5% in 3Q14, comparing to 3Q13, reaching R\$19.4 million, and 33.4% in 9M14 against 9M13, achieving R\$49.5 million. This significant growth was driven by (i) the increase in RTK and (ii) expansions in Brado's logistic complexes in Cambé (PR) and Cubatão (SP).

Table 24 - Brado Logística	3Q14	3Q13	% Change*	9M14	9M13	% Change*
Volume (Containers)	20.7	16.6	24.5%	55.6	47.5	17.0%
Net Revenues	74.5	70.9	5.1%	214.9	204.5	5.0%
Net Yield (Thousand R\$/Container)	3.6	4.3	-15.6%	3.9	4.3	-10.2%
EBITDA	19.4	15.7	23.5%	49.5	37.1	33.4%
EBITDA Margin	26.1%	22.2%	3.9%	23.0%	18.1%	4.9%

\* For EBITDA Margin indicates percentage points gained / lost

## BRADO LOGÍSTICA RESULTS

Table 25 - Brado Logística (R\$ million)	3Q14	3Q13	Change	9M14	9M13	Change
<b>Net Revenues</b>	<b>74.5</b>	<b>70.9</b>	<b>5.1%</b>	<b>214.9</b>	<b>204.5</b>	<b>5.0%</b>
<b>COGS</b>	<b>(54.7)</b>	<b>(55.5)</b>	<b>-1.3%</b>	<b>(161.2)</b>	<b>(161.3)</b>	<b>0.0%</b>
Third-Party Terminals	(2.0)	(1.1)	83.0%	(5.1)	(3.3)	55.6%
Drayage Services/Distribution	(10.9)	(13.2)	-16.9%	(31.6)	(40.1)	-21.2%
Labor	(14.7)	(14.2)	3.1%	(44.0)	(40.2)	9.3%
Depreciation and Amortization	(5.2)	(4.4)	19.1%	(16.3)	(12.8)	26.9%
Rail and Other Logistic Costs	(21.8)	(22.6)	-3.2%	(64.3)	(64.9)	-0.9%
<b>Operating income (expenses)</b>	<b>(6.2)</b>	<b>(4.7)</b>	<b>32.3%</b>	<b>(22.3)</b>	<b>(20.4)</b>	<b>9.5%</b>
<b>Equity Earnings (Loss)</b>	<b>0.0</b>	<b>0.0</b>	<b>na</b>	<b>0.0</b>	<b>0.0</b>	<b>na</b>
<b>Operating Profit</b>	<b>13.6</b>	<b>10.8</b>	<b>26.3%</b>	<b>31.4</b>	<b>22.9</b>	<b>36.9%</b>
Net Financial Expenses	7.6	0.9	726.9%	20.3	(4.7)	na
IR/Minorities/Others	(12.0)	(4.8)	146.7%	(29.6)	(7.9)	273.1%
<b>Net Income*</b>	<b>9.3</b>	<b>6.8</b>	<b>35.6%</b>	<b>22.1</b>	<b>10.2</b>	<b>115.5%</b>

\* Refers to ALL's stake, after minorities

### Net revenues from Services

Brado Logística net revenues increased 5.1% in 3Q14 year-over-year, from R\$70.9 million in 3Q13 to R\$74.5 million, pushed by the volume increase and was partially offset by a decrease in net yield in the same period.

### Cost of Sales

Brado Logística costs of sales improved 1.3% in 3Q14, from R\$55.5 million in 3Q13 to R\$54.7 million. The decrease was mainly driven by a drop of 16.9% in Drayage Services / Distribution, being partially offset by a growth of 83.0% in third-party terminals, mainly due the increase of Brado's volumes in Wide Gauge, which started to be unloaded in a very productive third-party terminal in Cubatão (SP).

### Operating income (expenses)

Brado Logística Operating income (expenses) increased to negative R\$6.2 million in 3Q14.

### Financial Result

Brado Logística financial result grew from R\$0.9 million in 3Q13 to R\$ 7.6 million in 3Q14. This improvement was mainly driven by the increase in Brado's financial revenues, as a result of the cash inflow from the capitalization of R\$400 million in 3Q13.

### Net Income

Brado Logística net income after minorities increased in the quarter, from R\$6.8 million in 3Q13 to R\$9.3 million in 3Q14.

### CAPEX

Brado Logística investments were R\$49.0 million in 3Q14. The company is prepared to carry on its investments plan, accelerating its capacity and increasing its volumes.

<b>Table 26 - Investments</b> (R\$ million)	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
Terminals/Infrastructure	13.0	4.1	214.9%	35.8	32.9	9.1%
Rolling Stock	36.1	27.4	31.5%	68.4	89.2	-23.3%
<b>Total</b>	<b>49.0</b>	<b>31.5</b>	<b>55.4%</b>	<b>104.3</b>	<b>122.1</b>	<b>-14.6%</b>

### Cash Flow

<b>Table 27 - Brado Logística Cash Flow</b> (R\$ million)	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
<b>Net Income (in cash basis)</b>	<b>41.6</b>	<b>26.3</b>	<b>15.3</b>
Net Income *	22.1	10.2	11.8
Depreciation and amortization	18.0	14.2	3.9
Stock Options	0.0	0.0	0.0
Interest Expenses (IS-CASH)	1.6	1.9	(0.4)
Deferred Taxes	0.0	0.0	0.0
<b>Working Capital</b>	<b>(7.8)</b>	<b>28.2</b>	<b>(35.9)</b>
Clients	(13.1)	(8.9)	(4.2)
Inventory	(0.1)	(0.0)	(0.0)
Suppliers	4.5	33.7	(29.2)
Labor	0.9	3.4	(2.5)
<b>Other Accounts Variation</b>	<b>5.2</b>	<b>(17.5)</b>	<b>22.7</b>
<b>Operating Activities</b>	<b>39.0</b>	<b>37.0</b>	<b>2.1</b>
Capex	(104.3)	(122.1)	17.8
<b>Investing Activities</b>	<b>(104.3)</b>	<b>(122.1)</b>	<b>17.8</b>
Capital increase / Share buyback	0.0	394.9	(394.9)
Dividends and Interest on own capital	(3.0)	0.4	(3.4)
New loans	86.0	102.6	(16.6)
Debt Payments / Prepayments	(10.0)	(46.8)	36.7
<b>Financing Activities</b>	<b>73.0</b>	<b>451.1</b>	<b>(378.1)</b>
<b>Change in Cash</b>	<b>7.7</b>	<b>366.0</b>	<b>(358.2)</b>
<b>Opening Balance of Cash</b>	<b>380.7</b>	<b>4.8</b>	<b>375.8</b>
<b>Closing Balance of Cash</b>	<b>388.4</b>	<b>370.8</b>	<b>17.6</b>

\* Refers to ALL's stake, after minorities

**BRADO LOGÍSTICA ATTACHMENTS**

Table 28 - Brado Logística Balance Sheet (R\$ million)		3Q14	2Q14		3Q14	2Q14
<b>Current Assets</b>		<b>466.8</b>	<b>460.0</b>	<b>Current Liabilities</b>	<b>106.6</b>	<b>88.7</b>
Cash, banks and financial investments		388.4	390.3	Loans and financing		36.9
Trade accounts receivable		51.4	44.9	Suppliers		40.2
Inventories		0.2	0.3	Taxes, charges and contributions		11.9
Taxes Recoverable		17.6	20.2	Salaries and payroll charges		11.6
Other receivables		9.3	4.3	Commercial Leasings		1.0
				Other payables		4.9
<b>Long-Term Assets</b>		<b>7.5</b>	<b>6.8</b>			(0.4)
Judicial deposits		5.8	5.4	<b>Long-Term Liabilities</b>	<b>248.9</b>	<b>222.7</b>
Taxes recoverable		0.0	0.0	Loans and financing		224.0
Other receivable		1.7	1.5	Provision for contingencies		6.6
				Commercial Leasings		3.3
<b>Permanent Assets</b>		<b>450.6</b>	<b>399.1</b>	Other payables		15.0
Intangible		58.7	51.7			
Property, plant and equipment		391.8	347.4	<b>Shareholders' equity</b>	<b>569.4</b>	<b>554.5</b>
<b>Total Assets</b>		<b>924.9</b>	<b>865.9</b>	<b>Total Liab. and shareholders' equity</b>	<b>924.9</b>	<b>865.9</b>

Table 29 - Balance Sheet Indicators (R\$ million)		3Q14	2Q14	% Change
Cash, Banks and Financial Investments		388.4	390.3	-0.5%
Trade Accounts Receivable		51.4	44.9	14.4%
Property, Plant and Equipment		391.8	347.4	12.8%
<b>Total Assets</b>		<b>924.9</b>	<b>865.9</b>	<b>6.8%</b>
Suppliers		40.2	36.1	11.4%
Loans, Financing and Debentures		260.9	229.6	13.6%
Shareholders' Equity		569.4	554.5	2.7%
Net Debt		-127.5	-160.7	-20.6%
EBITDA (Trailing 12 Months)		67.4	63.7	5.8%
Net Debt/EBITDA (Trailing 12 Months)		-1.9	-2.5	-25.0%
Net Debt/Equity		-0.2	-0.3	-22.7%

## RITMO LOGÍSTICA – BUSINESS DESCRIPTION

Ritmo Logística is a trucking based logistic company created by the merger of ALL Highway Services Business Unit and Ouro Verde highway operations. The company provides a variety of logistics solutions for several industrial segments in Brazil and Argentina, through its Dedicated Operations business unit. The Intermodal Highway Services provides solutions to clients with volumes having its origin or destination in ALL's railway. ALL owns a stake of 65% in Ritmo Logística.

In Dedicated Business Unit, the company provides customized services in (i) Automotive segment, mainly transporting auto parts between the clients' production units, (ii) General Cargo segment, dealing with segments as pulp and paper, chemicals and consumer goods, and (iii) Specialized Assets, which provides special logistics solutions in segments such as industrial gases, beverage (high maltose) and industrial glasses.

Furthermore, Ritmo is well positioned to develop the Intermodal Highway Services, an unexplored market of more than 40 million tons that has its origin or destination in ALL's railway, with a low-capital-intensive model through the use of third party and outsourced fleet.

### Ritmo Logística Technical Sheet

<b>Employees</b>	551
<b>Business Units/</b>	<b>Automotive</b> – Auto parts transportation <b>Specialized Assets</b> – High maltose, industrial gases and glasses <b>General Cargo</b> – Pulp and paper, Consumer goods <b>Intermodal</b> – Drayage services
<b>Trucks</b>	158
<b>Trailer</b>	437

## DISCUSSION ON RITMO LOGÍSTICA RESULTS

Ritmo Logística had another tough quarter, as volumes dropped 32.1% in 3Q14 year-over-year, driven by both Dedicated Solutions and Intermodal Business Units.

Table 30 - Volume (million Driven KM)	3Q14	3Q13	Change	9M14	9M13	Change
<b>Dedicated Operations</b>	<b>10.2</b>	<b>13.4</b>	<b>-23.9%</b>	<b>31.2</b>	<b>40.2</b>	<b>-22.3%</b>
Automotive	0.8	1.4	-42.3%	2.2	4.0	-44.2%
General Cargo	3.6	5.7	-37.7%	11.5	16.7	-31.3%
Specialized Assets	5.9	6.3	-7.6%	17.5	19.5	-10.2%
<b>Intermodal</b>	<b>4.5</b>	<b>8.3</b>	<b>-45.3%</b>	<b>12.0</b>	<b>20.0</b>	<b>-40.1%</b>
<b>Total</b>	<b>14.8</b>	<b>21.7</b>	<b>-32.1%</b>	<b>43.2</b>	<b>60.2</b>	<b>-28.2%</b>

Dedicated Solutions volumes dropped 23.9% in 3Q14 against 3Q13, as a result of (i) the reduction in the Automotive segment volumes, due to the lower economic activity in this sector and customs restrictions in Argentina, (ii) drop in General Cargo volumes, driven by the discontinuation of low profitability operations in this segment and also a lower demand of an important client, and (iii) decrease in Specialized Assets volumes, driven by the discontinuation of a chemical volume during 3Q13, which still impacted partially volumes in 3Q14.

Intermodal Business Unit volumes decreased 45.3% in 3Q14 year-over-year, mainly affected by the (i) shortage in agricultural commodities transportation demand, shrinking margins due to the drop in spot market freight prices in the period, and (ii) volume losses related to the redesign of an important client logistics in 4Q13, as he started to operate with his own trucks.

<b>Table 31 - Ritmo Logística</b>	<b>3Q14</b>	<b>3Q13</b>	<b>% Change*</b>	<b>9M14</b>	<b>9M13</b>	<b>% Change*</b>
Volume (million Driven KM)	14.8	21.7	-32.1%	43.2	60.2	-28.2%
Net Revenues	56.7	72.1	-21.3%	165.2	197.1	-16.2%
Net Yield (R\$/Driven KM)	3.8	3.3	15.9%	3.8	3.3	16.8%
EBITDA	5.3	7.4	-28.6%	13.3	20.5	-35.3%
EBITDA Margin	9.3%	10.3%	-1.0%	8.0%	10.4%	-2.4%

\* For EBITDA Margin indicates percentage points gained / lost

Ritmo's EBITDA decreased 28.6% in the quarter, to R\$5.3 million, as transported volumes decreased in 3Q14 and the company lost operational leverage over its fixed costs.

## RITMO LOGÍSTICA RESULTS

<b>Table 32 - Ritmo Logística</b> (R\$ million)	<b>3Q14</b>	<b>3Q13</b>	<b>Change</b>	<b>9M14</b>	<b>9M13</b>	<b>Change</b>
<b>Net Revenues</b>	<b>56.7</b>	<b>72.1</b>	<b>-21.3%</b>	<b>165.2</b>	<b>197.1</b>	<b>-16.2%</b>
<b>COGS</b>	<b>(53.6)</b>	<b>(66.1)</b>	<b>-18.8%</b>	<b>(156.4)</b>	<b>(179.3)</b>	<b>-12.8%</b>
Third-Party and Outsourced Fleet	(33.0)	(45.5)	-27.5%	(94.3)	(120.3)	-21.7%
Labor	(8.2)	(7.6)	8.7%	(19.8)	(22.2)	-10.7%
Fuel	(3.0)	(3.0)	0.2%	(9.4)	(8.9)	5.8%
Maintenance	(2.9)	(3.3)	-10.5%	(8.6)	(8.8)	-2.9%
Depreciation and Amortization	(4.5)	(2.3)	93.4%	(11.2)	(6.6)	71.3%
Others	(2.1)	(4.5)	-53.7%	(13.1)	(12.6)	4.3%
<b>Operating income (expenses)</b>	<b>(2.2)</b>	<b>(1.2)</b>	<b>90.5%</b>	<b>(6.8)</b>	<b>(4.4)</b>	<b>52.7%</b>
<b>Equity Earnings (Loss)</b>	<b>0.0</b>	<b>0.0</b>	<b>na</b>	<b>0.0</b>	<b>0.0</b>	<b>na</b>
<b>Operating Profit</b>	<b>0.8</b>	<b>4.8</b>	<b>-82.5%</b>	<b>2.0</b>	<b>13.4</b>	<b>-84.9%</b>
Net Financial Expenses	(1.1)	(1.5)	-26.4%	(3.5)	(4.1)	-13.4%
IR/Minorities/Others	0.1	(2.0)	na	0.8	(5.3)	na
<b>Net Income*</b>	<b>(0.1)</b>	<b>1.3</b>	<b>na</b>	<b>(0.6)</b>	<b>4.0</b>	<b>na</b>

\* Refers to ALL's stake, after minorities

### Net revenues from Services

Ritmo Logística net revenues decreased in 3Q14, from R\$72.1 million in 3Q13 to R\$56.7 million, mainly driven by the volume decrease and partially offset by a yield growth.

### Cost of Sales

Total cost of sales of Ritmo improved 18.8% in the quarter, from R\$66.1 million in 3Q13 to R\$53.6 million. This drop was pushed by the decrease of 27.5% in third-party and outsourced fleet, as we decreased our volume in the quarter.

### Operating income (expenses)

Ritmo Logística Operating income (expenses) increased from negative R\$1.2 million to negative R\$2.2 million in 3Q14.

### Financial Result

Ritmo Logística financial result improved from a loss of R\$1.5 million in 3Q13 to a loss of R\$1.1 million in 3Q14.

### Net Income

Net income decreased to negative R\$0.1 million in 3Q14, mainly driven by the reduction of transported volumes.

## CAPEX

In 9M14, Ritmo's investments totaled R\$6.2 million in the period.

Table 33 - Investments (R\$ million)	3Q14	3Q13	Change	9M14	9M13	Change
Rolling Stock	(1.1)	6.2	na	6.2	7.2	-13.8%
Terminals/Infrastructure	0.0	0.0	na	0.0	0.0	na
<b>Total</b>	<b>(1.1)</b>	<b>6.2</b>	<b>na</b>	<b>6.2</b>	<b>7.2</b>	<b>-13.8%</b>

## Cash Flow

Table 34 - Ritmo Logística Cash Flow (R\$ million)	9M14	9M13	Change
<b>Net Income (in cash basis)</b>	<b>8.7</b>	<b>12.3</b>	<b>(3.6)</b>
Net Income *	(1.0)	4.0	(5.0)
Depreciation and amortization	9.7	7.1	2.6
Stock Options	0.0	0.0	0.0
Interest Expenses (IS-CASH)	0.0	1.2	(1.2)
Deferred Taxes	0.0	0.0	0.0
<b>Working Capital</b>	<b>8.1</b>	<b>(2.2)</b>	<b>10.3</b>
Clients	11.7	2.0	9.7
Inventory	(0.0)	(0.3)	0.3
Suppliers	(4.3)	(5.9)	1.6
Labor	0.8	2.1	(1.3)
<b>Other Accounts Variation</b>	<b>0.2</b>	<b>7.7</b>	<b>(7.5)</b>
<b>Operating Activities</b>	<b>17.0</b>	<b>17.8</b>	<b>(0.8)</b>
Capex	(6.2)	(7.2)	1.0
<b>Investing Activities</b>	<b>(6.2)</b>	<b>(7.2)</b>	<b>1.0</b>
<b>Free Cash Flow</b>	<b>10.8</b>	<b>10.6</b>	<b>0.2</b>
Capital increase / Share buyback	0.0	0.0	0.0
Dividends and Interest on own capital	(1.5)	(0.9)	(0.6)
New loans	(0.3)	6.7	(7.0)
Debt Payments / Prepayments	(1.0)	(1.6)	0.5
<b>Financing Activities</b>	<b>(2.8)</b>	<b>4.3</b>	<b>(7.1)</b>
<b>Change in Cash</b>	<b>8.0</b>	<b>14.9</b>	<b>(6.9)</b>
<b>Opening Balance of Cash</b>	<b>29.4</b>	<b>4.1</b>	<b>25.3</b>
<b>Closing Balance of Cash</b>	<b>37.4</b>	<b>19.0</b>	<b>18.4</b>

\* Refers to ALL's stake, after minorities

**RITMO LOGÍSTICA ATTACHMENTS**

Table 35 - Ritmo Logística Balance Sheet (R\$ million)		3Q14	2Q14		3Q14	2Q14
<b>Current Assets</b>		<b>81.4</b>	<b>79.4</b>	<b>Current Liabilities</b>	<b>16.4</b>	<b>16.0</b>
Cash, banks and financial investments		37.4	32.7	Loans and financing	7.2	7.9
Trade accounts receivable		38.1	40.4	Suppliers	2.6	3.3
Inventories		0.1	0.2	Salaries and payroll charges	6.3	4.6
Taxes Recoverable		5.1	5.0	Other payables	0.3	0.2
Other receivables		0.7	1.1			
<b>Long-Term Assets</b>		<b>2.1</b>	<b>1.3</b>	<b>Long-Term Liabilities</b>	<b>31.0</b>	<b>32.4</b>
				Other payables	31.0	32.4
<b>Permanent Assets</b>		<b>57.5</b>	<b>61.4</b>	<b>Shareholders' equity</b>	<b>93.6</b>	<b>93.8</b>
Property, plant and equipment		57.5	61.4			
<b>Total Assets</b>		<b>140.9</b>	<b>142.1</b>	<b>Total Liab. and shareholders' equity</b>	<b>140.9</b>	<b>142.1</b>

Table 36 - Balance Sheet Indicators (R\$ million)		3Q14	2Q14	% Change
Cash, Banks and Financial Investments		37,4	32,7	14,4%
Trade Accounts Receivable		38,1	40,4	-5,6%
Property, Plant and Equipment		57,5	61,4	-6,3%
<b>Total Assets</b>		<b>140,9</b>	<b>142,1</b>	<b>-0,8%</b>
Suppliers		2,6	3,3	-21,5%
Loans, Financing and Debentures		35,3	37,4	-5,7%
Shareholders' Equity		93,6	93,8	-0,2%
Net Debt		-2,1	4,7	na
EBITDA (Trailing 12 Months)		17,8	20,0	-10,7%
Net Debt/EBITDA (Trailing 12 Months)		-0,1	0,2	na
Net Debt/Equity		0,0	0,1	na

## EVENTS TO DISCUSS 3Q14 AND 9M14 RESULTS

**3Q14 and 9M14 Results Conference Calls:**

*[ENGLISH]*  
**November 5<sup>th</sup>, 2014 – Wednesday**  
**8:30 a.m. US ET (11:30 a.m. Brazil)**  
Phone: +1 (646)843-6054  
Code: ALL

Replay: +55 (11) 2188-0155  
Code: ALL

*[PORTUGUESE]*  
**November 5<sup>th</sup>, 2014 – Wednesday**  
**7:00 a.m. US ET (10:00 a.m. Brazil)**  
Phone: +55 (11) 2188-0155  
Code: ALL

Replay: +55 (11) 2188-0155  
Code: ALL

**3Q14 and 9M14 Results Investors Meeting:**

**November 7, 2014 – Friday**  
**5:30 a.m. US ET**  
**8:30 a.m. Brazil time**

**Blue Tree Towers**  
Av. Brigadeiro Faria Lima, 3989  
Vila Olímpia  
São Paulo - SP

**RSVP:** [www.all-logistica.com/ir](http://www.all-logistica.com/ir) or +55 (11) 3529-3777

For additional information, please visit 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.*





Table 37 - Financial Results (R\$ million)	ALL Rail Operations			Brado			Ritmo			ALL Consolidated		
	3Q14	3Q13	% Change	3Q14	3Q13	% Change	3Q14	3Q13	% Change	3Q14	3Q13	% Change
Net revenues	860.9	800.1	7.6%	74.5	70.9	5.1%	56.7	72.1	-21.3%	992.2	943.1	5.2%
Cost of sales	(489.4)	(401.4)	21.9%	(54.7)	(55.5)	-1.4%	(53.6)	(66.1)	-18.8%	(597.8)	(522.9)	14.3%
Gross profit	371.5	398.7	-6.8%	19.8	15.4	28.1%	3.1	6.0	-48.6%	394.4	420.1	-6.1%
Operating income (expenses)	(25.9)	(41.7)	-37.9%	(6.2)	(4.7)	32.3%	(2.2)	(1.2)	90.5%	(34.3)	(47.5)	-27.8%
Equity earnings and gain (loss) on investments	2.1	(8.6)	na	0.0	0.0	na	0.0	0.0	na	2.1	(8.6)	na
Operating profit (loss) before net financial	347.8	348.5	-0.2%	13.6	10.8	26.3%	0.8	4.8	-82.5%	362.2	364.0	-0.5%
Net financial expenses	(311.7)	(242.2)	28.7%	7.6	0.9	726.9%	(1.1)	(1.5)	-26.4%	(305.1)	(242.7)	25.7%
Operating profit (loss)	36.1	106.3	-66.0%	21.2	11.7	81.6%	(0.3)	3.3	na	57.1	121.3	-52.9%
Minority Stakes/Others	(1.9)	(0.5)	1496.5%	(5.6)	(4.1)	36.0%	0.1	(0.7)	na	(7.4)	(5.3)	40.1%
Income tax benefit (expense)	(5.5)	(4.0)	36.0%	(6.3)	(0.7)	797.7%	0.1	(1.4)	na	(11.7)	(6.1)	92.6%
Net Income from continued operations *	28.8	101.8	-71.7%	9.3	6.8	35.6%	(0.1)	1.3	na	37.9	109.9	-65.5%
Net Income from discontinued operations	(0.4)	(25.5)	-98.6%	0.0	0.0	na	0.0	0.0	na	(0.4)	(25.5)	-98.6%
Net Income	28.4	76.3	-62.8%	9.3	6.8	35.6%	(0.1)	1.3	na	37.6	84.4	-55.5%

\* Refers to ALL's stake, after minorities

Table 38 - Financial Results (R\$ million)	ALL Rail Operations			Brado			Ritmo			ALL Consolidated		
	9M14	9M13	% Change	9M14	9M13	% Change	9M14	9M13	% Change	9M14	9M13	% Change
Net revenues	2,594.6	2,413.9	7.5%	214.9	204.5	5.0%	165.2	197.1	-16.2%	2,974.7	2,815.5	5.7%
Cost of sales	(1,394.8)	(1,221.3)	14.2%	(161.2)	(161.3)	0.0%	(156.4)	(179.3)	-12.8%	(1,712.4)	(1,561.8)	9.6%
Gross profit	1,199.8	1,192.6	0.6%	53.7	43.3	24.0%	8.8	17.8	-50.6%	1,262.3	1,253.7	0.7%
Operating income (expenses)	(124.8)	(128.7)	-3.0%	(22.3)	(20.4)	9.5%	(6.8)	(4.4)	52.7%	(153.9)	(153.5)	0.3%
Equity earnings and gain (loss) on investments	3.6	(88.9)	na	0.0	0.0	na	0.0	0.0	na	3.6	(88.9)	na
Operating profit (loss) before net financial	1,078.6	975.0	10.6%	31.4	22.9	36.9%	2.0	13.4	-84.9%	1,112.0	1,011.3	10.0%
Net financial expenses	(947.4)	(726.2)	30.5%	20.3	(4.7)	na	(3.5)	(4.1)	-13.4%	(930.7)	(735.0)	26.6%
Operating profit (loss)	131.1	248.8	-47.3%	51.6	18.2	184.3%	(1.5)	9.3	na	181.3	276.3	-34.4%
Minority Stakes/Others	(4.2)	(2.5)	67.1%	(13.4)	(5.0)	168.4%	0.3	(2.2)	na	(17.3)	(9.7)	78.6%
Income tax benefit (expense)	(8.6)	(27.8)	-69.1%	(16.2)	(2.9)	450.7%	0.5	(3.2)	na	(24.3)	(33.9)	-28.4%
Net Income from continued operations *	118.3	218.5	-45.9%	22.1	10.2	115.5%	(0.6)	4.0	na	139.7	232.7	-40.0%
Net Income from discontinued operations	(0.9)	(188.7)	-99.5%	0.0	0.0	na	0.0	0.0	na	(0.9)	(188.7)	-99.5%
Net Income	117.4	29.8	294.2%	22.1	10.2	115.5%	(0.6)	4.0	na	138.8	44.0	215.4%

\* Refers to ALL's stake, after minorities



Table 39 - Financial Results per Business unit (R\$ million)	Agricultural Commodities		Industrial Products		ALL Rail Operations		Brado		Ritmo		ALL Consolidated	
	3Q14	3Q13	3Q14	3Q13	3Q14	3Q13	3Q14	3Q13	3Q14	3Q13	3Q14	3Q13
Net revenues	678.9	629.1	182.0	170.9	860.9	800.1	74.5	70.9	56.7	72.1	992.2	943.1
Cost of Sales	(365.5)	(281.8)	(123.9)	(119.6)	(489.4)	(401.4)	(54.7)	(55.5)	(53.6)	(66.1)	(597.8)	(522.9)
Gross Profit	313.4	347.3	58.1	51.3	371.5	398.7	19.8	15.4	3.1	6.0	394.4	420.1
<b>EBITDA</b>	<b>397.0</b>	<b>389.4</b>	<b>86.2</b>	<b>90.9</b>	<b>483.2</b>	<b>480.4</b>	<b>19.4</b>	<b>15.7</b>	<b>5.3</b>	<b>7.4</b>	<b>508.0</b>	<b>503.6</b>
<b>% Net Revenues</b>												
Net revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Sales	-53.8%	-44.8%	-68.1%	-70.0%	-56.8%	-50.2%	-73.5%	-78.2%	-94.6%	-91.7%	-60.2%	-55.4%
Gross Profit	46.2%	55.2%	31.9%	30.0%	43.2%	49.8%	26.5%	21.8%	5.4%	8.3%	39.8%	44.5%
<b>EBITDA</b>	<b>58.5%</b>	<b>61.9%</b>	<b>47.4%</b>	<b>53.2%</b>	<b>56.1%</b>	<b>60.0%</b>	<b>26.1%</b>	<b>22.2%</b>	<b>9.3%</b>	<b>10.3%</b>	<b>51.2%</b>	<b>53.4%</b>
<b>Volume</b>												
RTK Million	9,623	9,151	2,903	2,852	12,526	12,003					12,526	12,003
<b>R\$ / Volume Unit</b>												
	R\$ / thousand RTK		R\$ / thousand RTK		R\$ / thousand RTK							
Net revenues	70.6	68.8	62.7	59.9	68.7	66.7						
Cost of Sales	(38.0)	(30.8)	(42.7)	(41.9)	(39.1)	(33.4)						
Gross Profit	32.6	38.0	20.0	18.0	29.7	33.2						
<b>EBITDA</b>	<b>41.3</b>	<b>42.6</b>	<b>29.7</b>	<b>31.9</b>	<b>38.6</b>	<b>40.0</b>						



Table 40 - Financial Results per Business unit (R\$ million)	Agricultural Commodities		Industrial Products		ALL Rail Operations		Brado		Ritmo		ALL Consolidated	
	9M14	9M13	9M14	9M13	9M14	9M13	9M14	9M13	9M14	9M13	9M14	9M13
Net revenues	2,080.8	1,934.1	513.8	479.8	2,594.6	2,413.9	214.9	204.5	165.2	197.1	2,974.7	2,815.5
Cost of Sales	(1,035.3)	(881.2)	(359.5)	(340.1)	(1,394.8)	(1,221.3)	(161.2)	(161.3)	(156.4)	(179.3)	(1,712.4)	(1,561.9)
Gross Profit	1,045.5	1,052.9	154.3	139.7	1,199.8	1,192.6	53.7	43.3	8.8	17.8	1,262.3	1,253.7
<b>EBITDA</b>	<b>1,223.3</b>	<b>1,181.2</b>	<b>246.1</b>	<b>241.8</b>	<b>1,469.4</b>	<b>1,423.0</b>	<b>49.5</b>	<b>37.1</b>	<b>13.3</b>	<b>20.5</b>	<b>1,532.1</b>	<b>1,480.6</b>
<b>% Net Revenues</b>												
Net revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Sales	-49.8%	-45.6%	-70.0%	-70.9%	-53.8%	-50.6%	-75.0%	-78.8%	-94.7%	-91.0%	-57.6%	-55.5%
Gross Profit	50.2%	54.4%	30.0%	29.1%	46.2%	49.4%	25.0%	21.2%	5.3%	9.0%	42.4%	44.5%
<b>EBITDA</b>	<b>58.8%</b>	<b>61.1%</b>	<b>47.9%</b>	<b>50.4%</b>	<b>56.6%</b>	<b>59.0%</b>	<b>23.0%</b>	<b>18.1%</b>	<b>8.0%</b>	<b>10.4%</b>	<b>51.5%</b>	<b>52.6%</b>
<b>Volume</b>												
RTK Million	25,837	25,505	8,099	7,687	33,936	33,192					33,936	33,192
<b>R\$ / Volume Unit</b>												
	R\$ / thousand RTK		R\$ / thousand RTK		R\$ / thousand RTK							
Net revenues	80.5	75.8	63.4	62.4	76.5	72.7						
Cost of Sales	(40.1)	(34.6)	(44.4)	(44.2)	(41.1)	(36.8)						
Gross Profit	40.5	41.3	19.1	18.2	35.4	35.9						
<b>EBITDA</b>	<b>47.3</b>	<b>46.3</b>	<b>30.4</b>	<b>31.5</b>	<b>43.3</b>	<b>42.9</b>						



Table 41 - EBITDA Reconciliation (R\$ million)	3Q14				3Q13			
	ALL Rail Operations	Brado	Ritmo	ALL Consolidate	ALL Rail Operations	Brado	Ritmo	ALL Consolidate
<b>Operating Profit before net financial expenses</b>	<b>347.8</b>	<b>13.6</b>	<b>0.8</b>	<b>362.2</b>	<b>348.5</b>	<b>10.8</b>	<b>4.8</b>	<b>364.0</b>
Depreciation e amortization	137.6	5.8	4.5	147.9	123.4	5.0	2.6	131.0
Equity earnings and gain (loss) on investments	(2.1)	0.0	0.0	(2.1)	8.6	0.0	0.0	8.6
<b>EBITDA</b>	<b>483.2</b>	<b>19.4</b>	<b>5.3</b>	<b>508.0</b>	<b>480.4</b>	<b>15.7</b>	<b>7.4</b>	<b>503.6</b>

Table 42 - EBITDA Reconciliation (R\$ million)	9M14				9M13			
	ALL Rail Operations	Brado	Ritmo	ALL Consolidate	ALL Rail Operations	Brado	Ritmo	ALL Consolidate
<b>Operating Profit before net financial expenses</b>	<b>1,078.6</b>	<b>31.4</b>	<b>2.0</b>	<b>1,112.0</b>	<b>975.0</b>	<b>22.9</b>	<b>13.4</b>	<b>1,011.3</b>
Depreciation e amortization	394.4	18.1	11.2	423.7	359.1	14.2	7.1	380.4
Equity earnings and gain (loss) on investments	(3.6)	0.0	0.0	(3.6)	88.9	0.0	0.0	88.9
<b>EBITDA</b>	<b>1,469.4</b>	<b>49.5</b>	<b>13.3</b>	<b>1,532.1</b>	<b>1,423.0</b>	<b>37.1</b>	<b>20.5</b>	<b>1,480.6</b>



Table 43 - ALL Consolidated Balance Sheet					
(R\$ million)	3Q14	2Q14		3Q14	2Q14
<b>Current Assets</b>	<b>3,588.8</b>	<b>4,002.5</b>	<b>Current Liabilities</b>	<b>3,587.2</b>	<b>3,291.5</b>
Cash, banks and financial investments	2,127.1	2,372.8	Loans and financing	1,062.1	839.8
Trade accounts receivable	481.5	530.9	Debentures	661.8	506.6
Inventories	108.1	252.3	Suppliers	943.8	907.9
Lease of Concession Agreements	6.2	6.2	Taxes, charges and contributions	76.2	78.1
Taxes Recoverable	625.7	600.7	Lease and concession payable	18.4	18.6
Prepaid expenses	8.9	10.3	Dividends and Interest on own capital	5.6	0.2
Other receivables	231.2	229.3	Salaries and payroll charges	88.4	95.3
			Advances from customers	135.1	119.4
			Commercial Leasings	392.0	507.9
			Other payables	203.6	217.7
<b>Long-Term Assets</b>	<b>1,750.1</b>	<b>1,763.4</b>	<b>Long-Term Liabilities</b>	<b>10,721.9</b>	<b>11,154.3</b>
Lease of Concession Agreements	71.3	72.9	Loans and financing	2,794.2	3,057.3
Judicial deposits	346.2	328.1	Debentures	2,227.1	2,450.9
Taxes recoverable	1,201.2	1,223.4	Provision for contingencies	188.6	183.9
Other receivable	125.3	133.2	Lease and concession payable	1,824.8	1,763.1
Prepaid expenses	6.0	5.8	Commercial Leasings	1,358.5	1,281.5
Long term investments	0.0	0.0	Real estate credit advances	235.2	241.7
			Other payables	2,093.5	2,176.0
<b>Permanent Assets</b>	<b>13,697.9</b>	<b>13,436.5</b>	<b>Shareholders' equity</b>	<b>4,727.6</b>	<b>4,756.5</b>
Investments	1,894.2	1,970.2	Capital stock	3,448.3	3,448.3
Intangible	2,386.9	2,391.6	Surplus reserves	1,162.7	1,123.7
Property, plant and equipment	9,416.8	9,074.7	Equity Adjustments	(147.2)	(71.8)
			Minority Stakes	263.8	256.4
<b>Total Assets</b>	<b>19,036.7</b>	<b>19,202.4</b>	<b>Total Liabilities and shareholders' equity</b>	<b>19,036.7</b>	<b>19,202.4</b>