ALL - América Latina Logística S.A.
and its subsidiaries
Quarterly Information
On June 30, 2009, 2008 and March 31, 2009 with independent auditors report on special review

SPECIAL REVIEW REPORT

To
Management and Shareholders of
ALL – América Latina Logística S.A.
Curitiba, Paraná State

1. We have reviewed the accounting information contained in the Quarterly Information – ITR, individual and consolidated, of ALL América Latina Logística S.A. and its subsidiaries for the six-month period ended June 30, 2009, comprising the balance sheets and the statements of income, of changes in financial position and of cash flows, notes to the quarterly information and the performance report, prepared under the Management's responsibility.

2. Our review was performed in accordance with the specific rules established by IBRACON - Brazilian Institute of Independent Auditors and CFC - Federal Accounting Board, which comprised mainly: (a) inquiry and discussion with managers responsible for the accounting, financial and operational areas of the Company and its subsidiaries, regarding the main criteria adopted in the preparation of the Quarterly Information; and (b) review of subsequent information and events, which have or may have a material effect on the financial situation and operations of the Company and its subsidiaries.

3. Based on our review, we are not aware of any material change that should be made to the accounting information contained in the Quarterly Information as mentioned in paragraph 1 for it to be in accordance with the accounting practices adopted in Brazil and rules issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Quarterly Information.

4. As mentioned in Note 5 (a), on October 20, 2006, the indirect subsidiaries ALL - América Latina Logística Central S.A. ("ALL Central") and ALL - América Latina Logística – Mesopotámica S.A. ("ALL Mesopotámica") executed the "Letters of Understanding" as part of the process of renegotiation of its concession agreements with the Argentine Government. On the issue date of this review report, the Management of subsidiaries and their counsel understand that the renegotiation process of agreements have not been concluded due to the approval by the Executive Branch of the country. The main effects of the new contractual system which is being negotiated are also being described in Note 5 (a). The subsidiaries estimated the recoverable amount of its permanent assets and certain recoverable taxes on June 30, 2009, based on cash flow studies that take into account the changes proposed in the "Letters of Understanding" previously mentioned, which the Management of subsidiaries deems as necessary to comply with its business plans. The recoverability of its permanent assets and the tax credits recorded on June 30, 2009 depend on the approval of the renegotiation of concession agreements by the Argentine Executive Branch (previously approved by the "Comisión Bicameral de Seguimiento de Privatizaciones" of the country), and the success of the implementation of the business plan prepared by the Management. The resolution of these matters is still pending on the date of this review report and, subsequently, the present quarterly information does no comprise any adjustment and/or reclassification from the effects which could result from said uncertainties.

SPECIAL REVIEW REPORT

5. As described in Note 7, indirect subsidiary ALL Central adjourned the acknowledgement of revenues from toll tariff of the "Unidad Ejecutora del Programa Ferroviário Provincial (U.E.P.F.P.)" as from January 2002. Such decision is mainly based on the acknowledgement of services rendered by part of said Unit. In 2004, ALL Central issued a lawsuit with the Federal Administrative Litigation Court of Buenos Aires, requiring the payment of toll values from 1993 to 1995. Supported by the opinion of its legal councils, that the collection of amounts filed against U.F.P.F.P. is very likely to succeed, the Management did not record provision for losses receivable recorded in ALL Argentina in the approximate amount of R$2,448 thousand (P$4,762 thousand). On the other hand, due to agreements entered into with former shareholders, ALL Argentina records a liability in the same amount, linked to the obligation of reimbursing 50% of the recovered amounts, related to tolls incurred in the periods that forewent the acquisition date of ALL Central and ALL Mesopotámica. The quarterly information – ITR described in the first paragraph does not comprise possible adjustments or reclassification that may arise as a result of these discussions.

6. Our report on the quarterly statements related to the period ended June 30, 2008, dated August 1, 2008 included an emphasis paragraph related to the pending matter existing as to the treatment to be given for future capital increase granted to ALL – América Latina Logística Argentina S/A as a result of pending discussions on the resolution instruments of Inspección General de Justicia ("IGJ"). In view of the evolution of discussions on the matter, including with the effective capitalization of said advances for future capital increase, we concluded that the emphasis paragraph would no longer be necessary in the issue of the present financial statements.

7. As mentioned in Note 3, as a result of changes in accounting practices adopted in Brazil during 2008, the statement of income, of changes in shareholders' equity, of cash flows referring to the quarter ended June 30, 2008, presented for comparison purposes, was adjusted and is being re-submitted as set forth in NPC 12 – Accounting Practices, Changes in Accounting Estimates and Error Correction.

Curitiba, June 30, 2009.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2-SP 15199/O-6 "F" PR

Luiz Carlos Passetti
Accountant CRC-1-SP-144.343/O-3 "S" PR

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND SUBSIDIARIES
BALANCE SHEETS FOR THE PERIODS ENDED ON JUNE 30, 2009 AND MARCH 31, 2009
(In thousands of reais)

		Parent Company		Consolidated	
	Note	6/30/09	3/31/09	6/30/09	3/31/09
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	518,095	609,694	2,207,044	2,252,830
Clients and operations receivable	7	53,439	49,667	232,300	196,065
Inventories	8	-	-	84,710	81,692
Credits with congeners		-	-	2,718	1,884
Lease and concessions	9	-	-	6,273	6,273
Recoverable taxes and contributions	10	74,909	77,364	282,869	304,430
Deferred income tax and social contribution	11	13,869	14,107	89,106	63,472
Dividends and interest on own capital		90,382	109,906	-	-
Advances and other accounts receivable		6,142	8,032	40,478	39,589
Prepaid expenses			-	14,467	5,249
Total current assets		756,836	868,770	2,959,965	2,951,484
NON-CURRENT					
LONG-TERM LIABILITIES					
Credits receivable from related companies	22	449,457	581,015	-	7,991
Lease and concessions	9	-	-	108,694	110,309
Debentures	12	104,040	101,165	-	-
Recoverable taxes and contributions	10	5,601	5,094	221,391	238,233
Deferred income tax and social contribution	11	44,032	43,313	132,861	146,041
Refundable deposits and restricted amounts	21	1,184	1,336	281,593	274,530
Temporary investments		-	-	530	517
Advances for future investments		62,642	62,642	-	-
Other realizable assets		-	-	14,925	15,384
Prepaid expenses		-	-	12,020	10,685
		666,956	794,565	772,014	803,690
PERMANENT ASSETS					
Investments	13	2,661,508	2,615,223	6,342	6,711
Intangible assets	14	104,466	108,207	2,709,534	2,725,046
Fixed assets	15	71,928	74,133	5,000,951	4,772,199
Deferred charges	16	-	-	209,414	212,155
		2,837,902	2,797,563	7,926,241	7,716,111
Total non-current assets		3,504,858	3,592,128	8,698,255	8,519,801
TOTAL ASSETS		4,261,694	4,460,898	11,658,220	11,471,285

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND SUBSIDIARIES
BALANCE SHEETS FOR THE PERIODS ENDED ON JUNE 30, 2009 AND MARCH 31, 2009
(In thousands of reais)

		Parent Company		Consolidated	
	Note	**6/30/09**	**3/31/09**	**6/30/09**	**3/31/09**
LIABILITIES					
CURRENT LIABILITIES					
Suppliers		76,726	263,308	835,714	884,215
Loans and financings	17	8,130	818	400,150	358,501
Debentures	18	186,963	167,065	241,358	202,024
Tax liabilities		3,772	3,065	170,360	150,247
Debt with congeners		-	-	4,060	2,143
Lease and concessions	20	-	-	24,077	25,405
Labor and social security liabilities		-	-	68,396	55,648
Advances from clients		22,558	24,248	81,234	80,954
Leasing	19	-	-	143,391	126,325
Tax and social security installments		-	-	18,885	19,197
Other accounts payable		-	-	99,619	67,184
Deferred income	25	-	-	2,065	2,203
Real estate credit advances	24	14,420	14,420	63,833	63,833
Dividends and interest on own capital		682	42,210	806	42,333
Total current liabilities		313,251	515,134	2,153,948	2,080,212
NON-CURRENT LIABILITIES					
LONG-TERM LIABILITIES					
Loans and financing	17	262,036	261,831	2,445,998	2,473,737
Debentures	18	898,058	897,572	1,800,328	1,790,097
Debts payable to related companies	22	83,896	127,238	2,104	871
Provision for contingencies	21	-	-	247,685	286,183
Lease and concessions	20	-	-	910,237	884,833
Advances from clients		-	-	3,538	6,288
Provision for unrealized profit	23	13,733	13,919	-	-
Leasing	19	-	-	847,525	722,083
Tax and social security installments		-	-	101,782	105,138
Real estate credit advances	24	110,551	114,156	526,793	547,470
Other long-term liabilities		-	-	10,939	11,716
Provision for unsecured liabilities in subsidiaries	13	15,236	9,663	4,762	2,092
Deferred income	25	-	-	25,481	26,170
Total non-current liabilities		1,383,510	1,424,379	6,927,172	6,856,678
Minority interest in subsidiaries		-	-	13,890	15,078
SHAREHOLDERS' EQUITY					
Capital stock	26	2,141,413	2,141,413	2,141,413	2,141,413
Capital reserve		(25,005)	(30,054)	(25,005)	(30,054)
Profit reserves		372,428	372,428	372,428	372,428
Accumulated losses		60,918	2,710	59,195	642
Asset adjustments		2,181	24,014	2,181	24,014
Advance for future capital increase		12,998	10,874	12,998	10,874
Total shareholders’ equity		2,564,933	2,521,385	2,563,210	2,519,317
TOTAL LIABILITIES		4,261,694	4,460,898	11,658,220	11,471,285

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND SUBSIDIARIES
STATEMENT OF INCOME FOR THE PERIODS ENDED ON JUNE 30, 2009 AND JUNE 30, 2008
(In thousands of reais)

		Parent Company		Consolidated	
	Note	**06/30/09**	**06/30/08**	**06/30/09**	**06/30/08**
Gross revenue from services					
Provision of cargo transportation services and other		414,664	139,004	1,493,792	1,395,722
Gross revenue deductions, mainly taxes (ICMS, ISS, PIS and COFINS)		(44,946)	(14,710)	(172,220)	(171,357)
Net revenue from services		369,718	124,294	1,321,572	1,224,365
Cost of services provided		(298,727)	(89,499)	(785,200)	(679,594)
Gross profit		70,991	34,795	536,372	544,771
Income from shareholding					
Equity accounting	13	42,932	129,966	(2,365)	301
Reversal (Provision) for unsecured liabilities in subsidiaries	13	(5,504)	(2,954)	-	-
Goodwill amortization in subsidiaries		(3,657)	(3,657)	(15,933)	(9,148)
Gain/loss in investments		(4,113)	(47,450)	(5,176)	-
		29,658	75,905	(23,474)	(8,847)
Other operating income (expenses)					
Selling		107	(506)	(3,402)	(3,609)
General and administrative		(4,657)	(7,050)	(66,254)	(63,514)
Other operating income (expenses), net		444	319	10,575	1,001
		(4,106)	(7,237)	(59,081)	(66,122)
Operating income before financial income		96,543	103,463	453,817	469,802
Financial expenses	29	(105,801)	(73,973)	(573,664)	(489,742)
Financial income	29	48,633	64,433	140,205	112,534
		(57,168)	(9,540)	(433,459)	(377,208)
Operating income before taxes and minority interest		39,375	93,923	20,358	92,594
Provision for income tax and social contribution	28	(1,262)	(1,097)	(16,996)	(40,639)
Deferred income tax and social contribution	28	(1,324)	(2,205)	32,333	37,501
		(2,586)	(3,302)	15,337	(3,138)
Minority interest in subsidiaries		-	-	1,783	1,854
Net income for the period		36,789	90,621	37,478	91,310
Number of shares at the end of the period (in thousands)		2,884,178	2,884,178	2,884,178	2,884,178
Net income per one thousand shares of capital at the end of the period – R$		12.7555	31.4199	12.9943	31.6588

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIODS ENDED ON JUNE 30, 2009 AND DECEMBER 31, 2008
(In thousands of reais)

	Realized Capital Stock		Capital Reserve		Profit Reserve					**Other**			
	Subscribed	Payable	Treasury Shares	Goodwill in the issue of shares	Legal	Tax Incentives	For Investments	Retained Earnings	Advance for Future Capital Increase	Asset Adjustments	Options granted and recognized	Accumulated Translation Adjustments	Total
Balance on December 31, 2008	**2,153,338**	**(11,925)**	**(124,328)**	**32**	**40,105**	**2,434**	**353,034**		**8,143**	**11,057**	**51,282**	**14,773**	**2,497,945**
Income (loss) for the year								36,789					36,789
Accumulated Translation Adjustments												(24,282)	(24,282)
Mark-to-market of financial investments										2,353			2,353
Mark-to-market of hedge instruments												(1,720)	(1,720)
Capital stock increase/decrease													-
Deferred IncomeTax and Social Contribution								24,129					24,129
- Law 11,638 (Effect of subsidiaries)													-
Granted options record - Stock Options											10,122		10,122
Treasury Shares			37,887				(23,145)						14,742
Advances for future capital increase									4,855				4,855
Outros													-
Balance on June 30, 2009	**2,153,338**	**(11,925)**	**(86,441)**	**32**	**40,105**	**2,434**	**329,889**	**60,918**	**12,998**	**13,410**	**61,404**	**(11,229)**	**2,564,933**

The notes are an integral part of the financial statements.

ALL – AMÉRICA LATINA LOGÍSTICA S.A. AND SUBSIDIARIES

STATEMENT OF CASH FLOW FOR THE PERIODS ENDED ON JUNE 30, 2009 AND JUNE 30, 2008

(In thousands of reais)

	Parent Company		Consolidated	
	06/30/09	06/30/08	06/30/09	06/30/08
Operating activities				
Net income for the year	36,789	90,621	37,478	91,310
Depreciation and amortization	4,220	6,164	186,133	168,333
Leasing and concessions	-	-	-	4,547
Equity accounting	(42,932)	(129,966)	(54)	(301)
Provision for unsecured liabilities	5,504	2,954	2,419	-
Goodwill amortization	3,657	3,657	15,933	9,148
Deferred income and social contribution taxes	25,453	2,205	(32,995)	(46,589)
Provision for unrealized profit	(372)	(372)	-	-
Realization of deferred revenues	-	-	(894)	(411)
Provision for contingencies	-	-	-	(45,695)
Exchange variation and charges on financing and debentures	(26,464)	(37,921)	56,949	40,518
Income from swap operations	-	(1,746)	-	-
Stock Options	10,122	2,185	10,122	9,881
Minority interest	-	-	(1,783)	14,298
	15,977	(62,219)	273,308	245,039
Increase (decrease) in assets				
Trade accounts receivable	(6,328)	(36,949)	(77,953)	(66,869)
Storehouse	-	(10)	8,950	(21,362)
Taxes recoverable	(4,303)	(11,844)	75,127	(4,236)
Dividends and interest on own capital	19,524	(42,993)	-	-
Other assets	(242,951)	(1,619)	(20,235)	20,778
	(234,058)	(93,415)	(14,111)	(71,689)
Increase (decrease) in liabilities				
Suppliers	(67,835)	115,423	(151,130)	48,722
Payroll and related charges	-	-	(12,649)	18,076
Taxes, fees and contributions	(299)	1,777	(43,697)	456
Leasings and concessions payable	-	-	56,403	219,214
Dividends and interest on own capital	(41,527)	(49,755)	(41,527)	(50,055)
Other liabilities	(102,183)	142,321	(8,041)	83,876
	(211,844)	209,766	(200,641)	320,289
Operational generation (use) of cash	(429,925)	54,132	58,556	493,639
Investment activities				
Acquisition of interest	-	207,219	-	-
Acquisition of fixed assets	(1,077)	(79,131)	(305,732)	(325,242)
Fixed assets write-off				
Inventories in fixed inversion	-	-	(32,418)	(613)
Leasing	-		(167,774)	
Cash provided by (used in) investment activities	(1,077)	128,088	(505,924)	(325,855)
Investment activities				
Financing				
Funding	-	28,067	121,818	733,756
Amortization	-	(2,006)	(297,508)	(156,126)
Debentures receipt	-	(5,068)	-	-
Capital increase and advance for future capital increase	-	26,256	-	26,256
Acquisitions/Stock options	19,597	(96,297)	19,597	(96,297)
Leasing	-	-	167,774	-
Related parties	-	224,765	-	(1,768)
Cash provided by (used in) financing activities	19,597	175,717	11,681	505,821
Cash and cash equivalents increase (decrease)	(411,405)	357,937	(435,687)	673,605
Cash and cash equivalents initial balance	929,500	259,731	2,642,731	1,815,846
Cash and cash equivalents final balance	518,095	617,668	2,207,044	2,489,451
Increase (decrease) in cash and cash equivalents	(411,405)	357,937	(435,687)	673,605

(In thousands of reais)

1 Operations

a) The Company

ALL - América Latina Logística S.A. (the "Company" or "Parent Company") was established on December 31, 1997.

The Company's main corporate objectives are:

- to hold interest in other companies, ventures and consortia, the purpose of which is related to transportation services, including rail transportation;
- to perform activities relating to transportation services, such as logistics, intermodal transportation, port operations, movement and storage of goods, operation and administration of storage warehouses and general warehouses;
- to acquire, lease or lend locomotives, wagons and other rail equipment to third parties;

On May 31, 2004, ALL joined the Special Corporate Governance Practices - Level 2 implemented by the São Paulo Stock Exchange (BOVESPA), where its shares are traded.

The Company operates rail transportation in Southern Brazil through ALL Malha Sul, and in the Central West region and State of São Paulo through the concessionaires, indirect subsidiaries, ALL – América Latina Logística Malha Paulista (ALL Malha Paulista, previously called Ferrovias Bandeirantes S.A. - Ferroban), ALL – América Latina Logística Malha Norte (ALL Malha Norte, previously called Ferronorte S.A.- Ferrovias Norte Brasil) and ALL – América Latina Logística Malha Oeste S.A. (ALL Malha Oeste, previously called Ferrovia Novoeste S.A.). It operates in Argentina through its subsidiary ALL - América Latina Logística – Argentina S.A. (ALL Argentina), holding company of ALL - América Latina Logística - Central S.A. (ALL Central) and ALL - América Latina Logística - Mesopotámica S.A. (ALL Mesopotámica), and also provides road transportation services in Brazil through ALL - América Latina Logística Intermodal S.A. (ALL Intermodal).

Concession terms are as follows:

Companies	Concession period	Area of Operation
ALL Malha Sul	February 2027	Southern region of Brasil
ALL Malha Paulista	December 2028	Mid-west region and São Paulo State
ALL Malha Oeste	June 2026	Mid-west region and São Paulo State
ALL Malha Norte	May 2079	Mid-west region and São Paulo State
ALL Central	August 2023	Argentina
ALL Mesopotámica	October 2023	Argentina
Portofer	June 2025	Port of Santos – São Paulo State
Terminal XXXIX	August 2022	Port of Santos – São Paulo State
TGG - Terminal de Granéis do Guarujá	August 2022	Port of Santos – São Paulo State
TERMAG - Terminal Marítimo de Guarujá	August 2022	Port of Santos – São Paulo State

All companies comprising ALL Group are listed in Note 3.

Novoeste Brasil S.A. (Novoeste Brasil), is a closely-held company and holding of the cargo rail transportation industry, and the parent company of ALL – Malha Oeste S.A. In July 2008, it was incorporated by Multimodal Participações Ltda.

ALL Central has the right to operate part of the Argentine rail network, in a total length of 5,690 km, the main lines of which extend from Mendoza, on the Chilean border, to Buenos Aires, by August 2023, a period that may be renewed for an additional 10 years. ALL Mesopotámica has the right to operate part of the Argentine rail network, in a total length of 2,704 km, the main lines of which extend from Buenos Aires to Uruguaiana (state of Rio Grande do Sul), by October 2023, a period that may also be renewed for an additional 10 years. In Uruguaiana (state of Rio Grande do Sul) these networks are interconnected to the rail network of ALL in Brazil and the border with Paraguay, in Corrientes.

Boswells S.A. is a financial investment company based in Uruguay.

Santa Fé Vagões S.A.: On August 11, 2005, the Company and Millinium Investmentos Ltda. ("Millinium"), subsidiary of the Indian company Besco Engineering and Services Private Limited, executed some agreements to establish Santa Fé Vagões S.A. Its corporate purpose is manufacture, maintain, sell, and trade items and services related to rolling stocks, rail systems, traction equipment, trails, signaling, and mechanical equipment related to rail activities, in addition to its parts and components, as well as the import, export, purchase, sale, distribution, lease, rental and loan of railcars, machinery, equipment and inputs related to rail activities.

ALL Overseas is a wholly-owned subsidiary acquired in December 1999, and its corporate purpose is to carry out any activity that is in accordance with the legislation in force in the Bahamas.

b) Limitations and conditions to operate the concession granted to ALL Malha Sul, ALL Malha Paulista and ALL Malha Oeste

The Companies are subject to complying with specific conditions established in the privatizations offer and in the concession agreements for the operation of Rail Networks.

The concession agreements of these subsidiaries may be terminated in view of the following events: expiration of the contractual term; expropriation; forfeiture; termination; annulment and bankruptcy; or extinguishment of the concessionaire.

The main impacts of the extinguishment of any of the concessions would be as follows:

- all rights and privileges transferred to the Companies will return to the Federal Government, together with leased assets and those resulting from investments that are considered reversible by the Federal Government for being necessary to the continuous rendering of services under the concession.

- the assets considered reversible will be indemnified by the Federal Government at the residual cost value, calculated in accordance with the accounting records of the Companies, net of depreciation; this cost will be subject to technical and financial analyses by the Federal Government. Any and all improvements made to the permanent track superstructure will not be considered as investments for indemnification purposes.

c) Corporate restructuring

During 2008, several companies were merged into ALL group aiming to optimize the corporate and operating structure. All phases of the mergers, as well as the merged companies, are detailed in Note 1 to the financial statements as of December 31, 2008.

On April 30, 2009, Santa Fé Vagões S.A. transferred 50,000 common shares and 69,996 preferred shares to ALL – América Latina Logística S.A., thus increasing its interest in that Company from 39.99% to 100.00%.

2 Summary of the Main Accounting Practices

The accounting practices used by the Company in the preparation of this quarterly information are the same ones used to prepare the financial statements of the year ended December 31, 2008.

The authorization for completing the preparation of this quarterly information took place at the board of executive officers' meeting held on July 27, 2009.

3 Preparation and Presentation Basis of the Quarterly Information

The quarterly information were prepared based on the accounting practices adopted in Brazil and on the Brazilian Securities and Exchange Commission rules (CVM), complying with the accounting guidelines from the corporate law (Law 6404/76) which include the new provisions introduced, amended and revoked by Law 11.638 of December 28, 2007 and by Law 11.941 of May 27, 2009 of December 3, 2008. The quarterly information should be analyzed along with the financial statements of fiscal year ended December 31, 2008.

(In thousands of reais)

Pursuant to NPC 12 and CVM Resolution 506/06 – Accounting Practices, Changes in Accounting Estimates and Correction of Errors, the statements of income for the six-month period ended June 30, 2008, included comparatively in these quarterly information, are presented to reflect the adjustments of Law 11,638 of December 28, 2007 and the Law 11.941 of May 27, 2009. The effects are as follows.

	Parent Company	Consolidated
	06/30/08	06/30/08
Net income previously stated	**127,212**	**127,901**
Recognition of financial leasing contracts		(8,582)
Measurement at fair value of derivatives	3,732	(38,628
Measurement at fair value of share-based payments	(2,185)	(9,881)
Adjustment to present value of qualifiable monetary assets and liabilities	(267)	(1,218)
Non qualifiable intangible assests write-off		(172)
Effects from the translation of the subsdiaries' currency to the presentation functional currency	5,734	5,366
Deferred income tax and social contribution	(1,178)	16,524
Equity accounting effect	(42,428)	
Net Effects from the full application of Law 11,638/07 and Law 11,941/09 in the period	**36,591**	**(36,591)**
Net income restated	**90,621**	**91,310**

Additionally, as a result of the exclusion introduced by Law 11.941/09 from the non-operating income line, the Company reclassified under the Parent Company R$(493) and under consolidated R$1,137 under the quarterly information for the period ended on June 30, 2008 to other operating revenues (expenses) line.

(In thousands of reais)

4 Consolidated Quarterly Information

a) Ownership in subsidiaries

The consolidated quarterly information comprises the Company's operations and the following subsidiaries' operations, the percentage ownership of which on the balance sheet date is summarized as follows:

	Ownership %	
	06/30/09	**03/31/09**
Direct Subsidiaries		
ALL - América Latina Logística Intermodal S.A. (ALL Intermodal)	100.00	100.00
ALL - América Latina Logística Malha Sul S.A. (ALL Malha Sul)	100.00	100.00
ALL - América Latina Logística Overseas S.A. (ALL Overseas)	100.00	100.00
Boswells S.A.	100.00	100.00
Multimodal Participações Ltda (Multimodal)	100.00	100.00
Santa Fé Vagões S.A. (Santa Fé)	100.00	100.00
ALL - América Latina Logística Participações Ltda (ALL Participações)	99.99	99.99
BLL SPE Ltda	99.99	99.99
ALL - América Latina Logística Argentina S.A. (ALL Argentina)	90.96	90.96
ALL - América Latina Logística Rail Tec (ALL Rail Tec)	51.00	51.00
ALL - América Latina Logística Servicios Integrales S.A. (Sisa)	51.00	51.00
ALL - América Latina Logística Malha Oeste S.A. (ALL Malha Oeste)	11.74	11.74
Indirect Subsidiaries		
ALL Intermodal's Investee		
ALL - América Latina Logística Armazéns Gerais Ltda (ALL - Armazéns Gerais)	99.99	99.99
Rhall Terminais Ltda	30.00	30.00
ALL Armazéns Gerais's Investee		
PGT Grains Terminal S.A. (PGT)	99.99	99.99
Multimodal Participações Ltda's Investee		
Nova Brasil Ferrovias S.A.	100.00	100.00
Ferronorte Locadora de Vagões S.A. (Ferronorte Locadora)	100.00	100.00
ALL - América Latina Logística Malha Paulista S.A. (ALL Malha Paulista)	100.00	100.00
ALL - América Latina Logística Centro-Oeste Ltda (ALL Centro-Oeste)	99.99	99.99
ALL - América Latina Logística Equipamentos Ltda (ALL Equipamentos)	99.99	99.99
ALL - América Latina Logística Tecnologia Ltda (ALL Tecnologia)	99.90	99.90
ALL - América Latina Logística Malha Oeste S.A. (ALL Malha Oeste)	88.26	88.26
Nova Brasil Ferrovias's Investee		
ALL - América Latina Logística Malha Norte S.A. (ALL Malha Norte)	97.55	100.00
Malha Paulista's Investee		
Portofer Transporte Ferroviário Ltda (Portofer)	50.00	50.00
ALL Malha Norte's Investee		
Terminal XXXIX de Santos S.A. (Terminal XXXIX)	50.00	50.00
Portofer Transporte Ferroviário Ltda (Portofer)	50.00	50.00
ALL Argentina's Investee		
ALL - América Latina Logística Central S.A. (ALL Central)	73.55	73.55
ALL - América Latina Logística Mesopotámica S.A. (ALL Mesopotámica)	70.56	70.56
ALL Participações' Investee		
ALL - América Latina Logística Servicios Integrales S.A. (Sisa)	49.00	49.00
ALL - América Latina Logística Argentina S.A. (ALL Argentina)	9.04	9.04
BLL SPE Ltda	0.01	0.01
ALL - América Latina Logística Tecnologia Ltda (ALL Tecnologia)	1.00	1.00
ALL - América Latina Logística Centro-Oeste Ltda (ALL Centro-Oeste)	0.01	0.01
ALL - América Latina Logística Equipamentos Ltda (ALL Equipamentos)	0.01	0.01

(In thousands of reais)

ALL Central and ALL Mesopotámica have the following minority interest breakdown on June 30, 2009:

	Ownership %	
	ALL Central	**ALL Mesopotámica**
Alesia S.A.		3.64
Petersen, Tiele Y Cruz S.A.		3.06
Ministério de Economia y Obras y Servicios Públicos de la Nación	16.00	16.00
Other – Individuals	4.00	4.00

The quarterly years of the subsidiaries included in the consolidation are coincident with the parent company's and the accounting practices were evenly applied in the consolidated companies and consistent with those used in the previous year.

ALL Argentina negotiated with its minority shareholder Railroad Development Corporation the acquisition of its interest of ALL Central and of ALL Mesopotámica. The trading depends on the approval of the share transfer by the Argentine government.

For Companies ALL Argentina (direct subsidiary), ALL Central (indirect subsidiary), ALL Mesopotámica (indirect subsidiary), headquartered in Argentina, Overseas and Boswells S.A. (direct subsidiary), headquartered in Uruguay, analyses were carried out with a view to adapting the accounting principles adopted in Argentina and Uruguay to the accounting principles adopted in Brazil. Except for the indirect subsidiaries ALL Central and ALL Mesopotámica, which amortize the organization expenditures and pre-operating costs under the item deferred permanent assets for periods which differ from the criteria used in the balance sheets in compliance with Brazilian rules and which did not generate a significant effect in the Company's quarterly information (parent company and consolidated), no other differences in accounting practices were identified.

For the investment in Terminal XXXIX, whose control is shared with other shareholders, assets, liabilities and results are consolidated proportionally to the interest in the Capital Stock of that investee. For the other subsidiaries, direct and indirect ones, their total assets, liabilities and results were consolidated, highlighting, when applicable, the interest of minority shareholders in the shareholders' equity and in the result of the periods. Investments in subsidiaries, non-realized profits and the portion correspondent to its shareholders' equity were eliminated in the consolidation, as well as asset and liability balances, revenues and expenses resulting from transactions carried out among consolidated companies, as indicated in Notes 13 and 22.

b) The main consolidation procedures are:

- Exclusion of assets and liabilities accounts balances among consolidated companies;
- Exclusion of interest in the capital, reserve and accumulated profits of consolidated companies;
- Exclusion of revenues and expenses balances, as well as of unrealized profits, resulting from intercompany transactions;
- Determination of taxes over the installment of unrealized profits, presented as deferred taxes in the consolidated balance sheet.

(In thousands of reais)

	Shareholder's equity		Net profit (loss) for the period	
	06/30/09	03/31/09	06/30/09	06/30/08
Parent Company	2,564,933		36,789	90,621
Gain (Loss) on shareholding variation	(1,723)	(2,068)		
Realization in the year of gain on shareholding variation			689	
Consolidated	2,563,210	(2,068)	37,478	91,310

The gain of interest refers to the subscription and payment, on August 22, 2000, by ALL - América Latina Logística Malha Sul S.A. of 16,573,431 shares of Itacaiúnas Participações S.A., with goodwill of R$21,193. Such subscription generated variation in the parent company's interest from 100% to 63.03% of the capital with capital gain of R$13,782. The realization of this gain has been taking place as the locomotives, which originated the value of referred goodwill, have been depreciated.

For subsidiaries located abroad, their assets, liabilities and result regarding the period ended June 30, 2009 were translated into reais by the exchange rate at the closing balance sheet date, R$0.514120 into P$1.00 (Argentine Peso) (on March 31, 2009 – R$0.623959 into P$1.00) for the Companies headquartered in Argentina; and R$1.9516 for US$1.00 (North American dollar) (on March 31, 2009 – R$2.3152 into US$1.00 for the other subsidiaries located abroad. The exchange gains (losses) of the investments denominated in foreign currency are recorded in the shareholders' equity, under item of "conversion accumulated adjustment".

5 Argentinean Subsidiaries - Relationship with the Granting Authorities

a) Renegotiation of the concession agreement

From July 1997 to March 2001, through Decree 605/97, the Argentine Executive Power ordered the Transportation Secretariat to renegotiate all concession agreements for freight rail transportation services, and there were various discussions and analysis resulting in the proposal of an addendum, which was null and void.

With the enactment of Law 25,561, a new turning point for the renegotiation of concession agreements was introduced, and on April 10, 2002, a presentation was delivered to the Argentine Minister of Economy through which the process was reinitiated.

In 2003, the Executive Power issued Decree 311, creating a special committee for the renegotiation of all concession agreements. This committee reports simultaneously to the Ministry of Economy and to the Ministry of Federal Planning, Public Investments and Services. The change in the management of Argentine Government in May 2003 suspended the process for a few months and in September 2003, the concessionaires were once again required to update data and to attend various meetings with government officers and advisers of the Ministry of Federal Planning.

On July 18, 2005, Provisions 18/2005 and 19/2005 of the Unit for Renegotiation and Analysis of Public Services Agreements were published on the Official Bulletin of the Argentine Government, relative to the Letter of Understanding resulting from renegotiations for commitments to the concession agreement between ALL Central and ALL Mesopotámica with the Argentine Government. On October 20, 2006, ALL Central and ALL Mesopotámica executed new Letters of Understanding with the Unit for Renegotiation and Analysis of Public Services Agreements in order to replace the prior Letter. The effects and commitments arising from these are reflected in the Financial Statements, even considering that the referred Letters shall be approved by the President of the Republic of Argentina. The referred Letters mainly establish the following:

(i) Annual investment plan

As of January 2006, the concessionaries must carry out annual investments in an amount equivalent to 9.5% of total net revenues of ALL Central and ALL Mesopotámica related to the previous year. In the year ended on June 30, 2009, these Companies made investments at the amount of R$9,541 (R$5,255 on March 31, 2009) and R$5,142 (R$2,838 on March 31, 2009), respectively, which are higher than the minimum assumed commitments.

(ii) Concession fee ("canon")

As of January 1, 2006, the amount corresponding to 3% of total net revenues of ALL Central and ALL Mesopotámica referring to the previous year will be considered as the amount of the concession fee ("canon"). During the year ended on June 30, 2009, these Companies recorded expenses of R$1,714 (R$1,040 on March 31, 2009) and R$516 (R$313 on March 31, 2009) respectively, having as counter-entry the lease and concession payable account.

The concession fees relating to the previous three-year periods were included as an integral part of mutual claims negotiations, as described in item (iii).

(iii) Rights and obligations comprising the mutual claims

The renegotiation of concession agreements includes the discussion on amounts claimed by both Argentine Government and concessionaries, such as: investments not complied with by concessionaries, amounts related to concession fees of previous periods and losses incurred by concessionaires by unavoidable reasons (floods and other).

Based on the Letters, the extinction of liabilities of the amounts related to mutual claims balances, which totaled P$79,760 thousand and P$14,480 thousand for ALL Central and ALL Mesopotámica, respectively, in favor of the Argentine Government, was set forth, and the concessionaries started to assume investment commitments as from January 2006, which cannot be lower than 3.17% and 1.54%, respectively, on net revenues of the previous year, respecting the minimum amounts of P$4,686 thousand and P$852 thousand, respectively. The minimum investments required by the Letters commitments are being fully complied with by concessionaries, up to the moment.

b) Approval for transfer of shares

On May 26, 1999, the indirect subsidiary ALL Argentina entered into an agreement with Poconé Participações S.A., Judori Administração, Empreendimentos e Participações S.A., Interférrea S.A. -

Serviços Ferroviários e Intermodais, GP Capital Partners II L.P. and Emerging Markets Capital Investments ("the five shareholders") for the purchase and sale of 73.55% of shares of ALL Central and 70.56% of shares of ALL Mesopotámica. The amount of the transaction, equivalent to US$33,900 thousand at that time, was settled by means of offset against credits the subsidiary held with the five shareholders. Pursuant to the terms of the concession agreement, this transfer of shares is subject to the approval of the Argentine Government, and on April 26, 2004 that Government approved the share transfer, setting forth certain provisions in ALL's Articles of Association regarding the Company's purpose and the limits on share transfer on July 6, 2004. The Annual and Extraordinary General Meeting of ALL Argentina approved the amendment of the Articles of Association. On September 15, 2004, the Ministry of Federal Planning, Public Investments and Services made the authorization for share transfer official.

Also in May 1999, the Company entered into a purchase agreement with the five shareholders for the total number of shares of ALL Argentina and a usufruct agreement over the rights (both economic and political) over shares of ALL Argentina. The purchase agreement is currently pending approval by the Argentine Government, which must give its approval so that the share transfer may become official. The term of the usufruct agreement is 20 years, automatically renewable if, up to the expiration of the agreement, the Argentine Government does not express an opinion with regard to the approval for the transaction. Should authorization be denied by the Government, the five shareholders irrevocably undertake to exercise the voting right over shares of ALL Argentina, in accordance with the Company's instructions.

Subsequently, as described in note 1a), the Company sold all its partner rights in ALL Argentina to Logispar, and reacquired these rights through the purchase of Logispar's shares on December 31, 2003.

On March 29, 2006, the Company reacquired the usufruct right and obligations over ALL Argentina's shares, as well as the right over advances for future capital increase ("*aportes irrevocables*"), described in note 4a), recorded in that investee, by means of capital stock reduction in Logispar (assignor of such rights and obligations). This transaction was supported by an Appraisal Report issued by independent experts and approved at the Annual General Meeting held on the date mentioned above.

c) Advances for future capital increase ("*aportes irrevocables*")

Considering the Resolutions of *Inspección General de Justicia* ("I.G.J") 25/2004 and 1/2005, on December, 27 2007 the Company's shareholders met in a Extraordinary General Meeting and approved the capitalization of all the "*aportes irrevocables*" for P$118,683,697.00 on behalf of the Company, as the only investor with usufruct over the shares. The securities corresponding to this increase shall be effectively issued once all the Argentine Government's approvals of the purchase agreement mentioned in the item above are obtained.

As a result, the so-called "*aportes irrevocables*" were classified back to shareholders' equity in 2007.

In addition, the indirect subsidiaries ALL Central and ALL Mesopotámica recorded R$82,996 (P$161,433 thousand) and R$50,866 (P$98,938 thousand), respectively, related to advances for capital increase (AFAC) received from their subsidiary ALL Argentina. In April 2004, at Shareholders' Meetings of these companies, the Argentine Government (minority shareholder) proposed that such AFACs were capitalized without its interest being changed and it would not contribute with capital. On the occasion, this proposal was not accepted by ALL Argentina, in a way that the Government filed a lawsuit attempting to plea this decision.

In December 2007, the shareholders of ALL Central and ALL Mesopotámica approved the capitalization of advances for future capital increase ("*aportes irrevocables*") carried out by ALL Argentina in both companies, defining how these capitalizations will occur and the resignation by the Argentine Government of the judicial measure previously mentioned for the Annual General Meetings, which approved the balance sheets on December 31, 2007. As a result, the Annual and Extraordinary General Meetings of ALL Central and ALL Meso were held on July 24 and July 29, 2008, respectively, confirming the capital increase by means of capitalizing the "*aportes irrevocables*".

The capitalization of the "*aportes irrevocables*" in both companies implies, according to the concession agreement, the assignment of the 16% of the stake held by the Argentine Government in each company, due to the obligation of ALL Argentina of not diluting the share of the Argentine Government in view of possible capital increases. On the other hand, ALL Argentina, as the investor, had assigned 4% of interest in each company to employees, by means of the Participative Property Program. The minority shareholders do not exercise their preemptive right, reason why it recalculated its share in the companies.

After the decisions made, ALL Argentina started to recognize in its investments only 80% of the value of the "*aportes irrevocables*" and the percentage of its share in the capital of the companies on the other accounts of the shareholders' equity. As a consequence, it recorded during 2007 a loss in the amount of its investments in ALL Central and ALL Mesopotámica, of nearly R$17,204 - P$30,727, corresponding to the increase of the minority interest, under the item "Loss in Investments" of the statement of income

(In thousands of reais)

6 Cash and Cash Equivalents

		Parent Company		Consolidated	
		06/30/09	**03/31/09**	**06/30/09**	**03/31/09**
Cash and Banks		2,009	73	18,560	22,333
Financial Investments available for sale					
CDBs	(i)	385,296	483,426	1,607,731	1,675,510
Pre Rate	(ii)	116,301	110,311	461,780	437,240
FAQ Exclusive	(iii)	759	2,364	31,894	34,547
FI Exclusive	(iv)	13,730	13,520	87,079	83,200
		516,086	609,621	2,188,484	2,230,497
		518,095	609,694	2,207,044	2,252,830

The financial investments are represented by:

(i) investments in Bank Deposit Certificates (CDBs) with rates indexed to the variation of the Interbank Deposit Certificate – CDI (average rates of 102.00% of the CDI) and daily liquidity;

(ii) investments in CDBs with pre-fixed rate – CDI (average rates of 15.1% p.a.)

(iii) investments in Exclusive FAQ; and

(iv) investments in Exclusive FI with assets pegged to CDI and LFTs

7 Trade Accounts Receivable – Consolidated

	06/30/09	**03/31/09**
Trade accounts receivable		
In Brazil	225,007	187,024
In Argentina	26,562	30,850
	251,569	217,874
(-) Provision for doubtful accounts		
In Brazil	(8,334)	(8,377)
In Argentina	(10,935)	(13,432)
	(19,269)	(21,809)
	232,300	196,065

In the Parent Company, the trade accounts receivable balances include transactions with related parties resulting from the sale of maintenance supplies and service provision.

ALL Central and ALL Mesopotámica maintain, among others, a provision on amounts receivable referring to toll revenue in the amount of R$7,627 on June 30, 2009 (R$9,256 on March 31, 2009).

(In thousands of reais)

ALL Central has been collecting under the administrative scope, amounts derived from toll revenues receivable from "*Unidad Ejecutora del Programa Ferroviário Provincial*" ("U.E.P.F.P.") at the amount of R$2,787 (P$5,420 thousand). The probability of success in the realization of such asset was classified as probable by our legal advisors; therefore, there is no record of provision, even though the counterparty does not recognize the service provisions. As mentioned above, for those amounts resulting from toll revenue, the chances of losses of which were classified as probable, provisions for doubtful accounts were recorded.

8 Inventories - Consolidated

	06/30/09	03/31/09
Maintenance supplies	68,879	63,591
Materials in transit, advances and others	15,831	18,101
	84,710	81,692

9 Lease and Concessions - Consolidated

	06/30/09		03/31/09	
	Current Assets	Long-term Assets	Current Assets	Long-term Assets
Leasing				
ALL Malha Oeste	166	209	17	213
ALL Malha Paulista	1,848	1,797	97	1,823
ALL Malha Sul	2,734	2,506	150	2,543
Prepaid right of way				
ALL Malha Sul	1,261	21,837	1,261	22,153
Concessions				
ALL Malha Oeste	17	2,636	166	2,678
ALL Malha Paulista	97	34,136	1,848	34,642
ALL Malha Sul	150	45,573	2,734	46,257
	6,273	108,694	6,273	110,309

The lease of RFFSA's assets, for a 30-year period, was contracted by ALL Malha Sul on February 27, 1997, for R$202,112, R$82,032 of which was paid in cash. The balance of R$120,080 has been paid since January 15, 1999 in 112 quarterly installments, including restatement by the General Price Index – Internal Availability (IGP-DI). The Company records provisions for this liability as described in Note 20.

The lease of RFFSA's assets, for a 30-year period, was contracted by ALL Malha Paulista on December 30, 1998 for R$230,160, R$52,793 of which was paid in cash. The balance of R$177,367 has been paid as from December 15, 2000, in 112 quarterly installments, restated by the General Price Index – Internal Availability (IGP-DI) variation. The Company records provisions for this liability as described in Note 20.

(In thousands of reais)

The lease of RFFSA's assets, for a 30-year period, was contracted by ALL Malha Oeste. On June 26, 1996 for R$56,440, R$4,969 of which was paid in cash. The balance of R$51,471 has been paid as from January 15, 1998, in 112 quarterly installments, restated by the General Price Index – Internal Availability (IGP-DI) variation. The Company records provisions for this liability as described in Note 20.

Prepaid right of way refers to the amount paid by ALL Malha Sul to ALL Malha Paulista as a consideration for the use of the segment from Presidente Epitácio to Rubião Júnior and from Pinhalzinho/Apiaí to Iperó (SP), in accordance with the agreement to operate these segments for 30 years, which is also the accounting amortization period.

The 30-year concession for rail freight transportation services was obtained by ALL Malha Sul for R$10,830, R$4,510 of which was paid in cash. The remaining R$6,320 has been paid since January 15, 1999, in 112 quarterly, restated by the IGP-DI variation. The Company also records provisions for this liability as described in Note 20.

The 30-year concession for rail freight transportation services was obtained by ALL Malha Paulista for R$12,252, R$2,917 of which was paid in cash. The remaining R$9,335 has been paid since December 15, 2000, in 112 quarterly installments, restated by the IGP-DI. The Company also records provisions for this liability as described in Note 20.

The 30-year concession for rail freight transportation services was obtained by ALL Malha Oeste for R$3,118, R$409 of which was paid in cash. The remaining R$2,709 has been paid since January 15, 1998, in 112 quarterly restated by the IGP-DI variation. The Company records provisions for this liability as described in Note 20.

Both asset lease agreements and transportation service concession agreements are recognized in the result on a straight-line basis throughout the concession period, and do not represent financial leasing.

10 Recoverable Taxes and Contributions

	06/30/09		03/31/09	
	Current Assets	**Long-term liabilities**	**Current Assets**	**Long-term liabilities**
Parent Company				
Withholding income tax - IRRF	67,321	5,601	67,847	5,094
Recoverable IR and CS – prepayment	6,859		8,739	-
Other	729		778	-
	74,909	5,601	77,364	5,094
Subsidiaries				
Value added Tax on Sales and Services – ICMS	65,160	71,923	60,172	57,318
Value Added Tax – IVA	2,919	-	3,333	-
Withholding income tax - IRRF	77,279	5,107	103,332	5,058
Recoverable IR and CS - prepayment	26,354	11,911	33,769	9,389
COFINS – rate increase	3,421	-	3,323	-
Federal Tax Credits to offset - PIS/COFINS/IPI	28,094	126,008	19,005	160,535
Other	4,733	840	4,132	839
	207,960	215,790	227,066	233,139
Consolidated	282,869	221,391	304,430	238,233

(In thousands of reais)

Under the item "federal credits to offset," federal tax credits of IPI acquired by ALL Malha Sul and ALL Intermodal are recorded to offset with debits of other federal taxes, such as: PIS, COFINS, IRRF and CSL. Such credits derive from lawsuits filed by third parties, with *res judicata* and without the possibility of filing an action to overrule a final judgment on the part of the Federal Government. The amount offset by both Companies until June 30, 2009 totals R$52,115.

11 Deferred Income Tax and Social Contribution

The credits of the parent company's deferred income tax and social contribution are as follows:

	06/30/09		**03/31/09**	
	Current Assets	**Long-term Liabilities**	**Current Assets**	**Long-term Liabilities**
Income tax credits				
On tax losses	8,202	27,962	8,202	28,363
On temporary differences	1,995	4,414	2,171	3,483
	10,197	32,376	10,373	31,846
Social contribution credits				
On negative bases	2,953	10,068	2,953	10,213
On temporary differences	719	1,588	781	1,254
	3,672	11,656	3,734	11,467
	13,869	44,032	14,107	43,313

Due to the expectation of future tax results, as well as in compliance with the conditions set forth by the accounting practices in Brazil and rules of the Securities and Exchange Commission of Brazil (CVM), the parent company recorded deferred IR and CS credit.

The expectation of generation of future taxable income is basically grounded on the occurrence of future events, which is estimated to be obtained in a close period.

(In thousands of reais)

Deferred income tax and social contribution credits recorded in the parent company and its subsidiaries are as follows:

	06/30/09		03/31/09	
	Current Assets	**Long-term Liabilities**	**Current Assets**	**Long-term Liabilities**
Income Tax Credits				
On tax losses	36,999	65,465	38,342	61,859
On temporary differences	28,525	33,224	8,269	48,004
	65,524	98,689	46,611	109,863
Social Contribution Credits				
On negative basis	13,351	23,394	13,882	21,273
On temporary differences	10,231	10,778	2,979	14,905
	23,582	34,172	16,861	36,178
	89,106	132,861	63,472	146,041

Tax losses, negative basis and temporary differences held by consolidated companies are shown as follows:

	Parent Company			Consolidated
	06/30/09		03/31/09	
	IR	**CS**	**IR**	**CS**
Tax losses and negative bases				
ALL S.A. (parent company)	144,655	144,682	146,261	146,287
ALL Argentina - consolidated	1,714	-	3,586	-
ALL Intermodal	17,818	18,177	15,269	15,627
ALL Malha Norte	1,010,747	1,011,520	1,035,078	1,035,418
ALL Malha Oeste	382,198	380,709	371,009	369,523
ALL Malha Paulista	960,023	760,797	987,444	988,619
ALL Malha Sul	233,851	234,295	227,621	228,064
Ferronorte Locadora de Vagões	1,095	1,095	1,105	1,105
	2,752,101	2,551,275	2,787,373	2,784,643
Temporary differences				
ALL S.A. (parent company)	25,636	25,636	22,615	22,615
ALL Argentina - consolidated	20,702	-	19,211	-
ALL Intermodal	17,549	17,549	738	738
ALL Malha Norte	215,355	215,355	169,591	169,591
ALL Malha Oeste	61,203	61,203	66,461	66,461
ALL Malha Paulista	291,172	291,172	317,357	317,357
ALL Malha Sul	117,325	117,325	117,175	117,175
	748,942	728,240	713,148	693,937

(In thousands of reais)

The expectation of realization of deferred tax credits recorded is as follows:

	Parent Company	Consolidated
2009	13,869	89,106
2010	13,101	33,408
2011	13,401	42,463
2012	11,425	38,034
2013	653	3,485
2014 onwards	5,452	15,471
Total	57,901	221,967

The indirect subsidiaries ALL Central and ALL Mesopotámica, based on the generation expectation of future results and by the accounting practices adopted in Brazil, acknowledged deferred income tax credits which amount to R$3,989 on June 30, 2009 (R$7,980 on March 31, 2009). Tax losses, according to the Argentine tax legislation, prescribe in 5 years, period considered enough by the management for the full recovery of the deferred income tax.

Annually, the Management prepares a technical feasibility study and submits to the approval of the Board of Directors, which presents future taxable income, in accordance with CVM Rule 371, to serve as basis for the tax credits recorded.

Tax losses and social contribution negative basis generated in the parent company and Brazilian subsidiaries do not become time-barred and will be offset with future taxable income, according to the tax legislation criteria.

12 Long-term Investments

On October 2, 2006, the subsidiary Novoeste Brasil (incorporated by Multimodal Participações Ltda.) approved a private issue of up to 15,000 registered debentures, non-convertible into book-entry shares (1st issue), at unit par value of R$10, of subordinated type, 5,350 of which were issued.

						Long-term Assets	
Tranche	Issue Date	Amount	Final Maturity	Annual Yield	Effective Rate	06/30/09	03/31/09
1st issue	10/02/06	53,501	10/02/16	CDI+4%	18.61%	104,040	101,165
						104,040	101,165

(In thousands of reais)

13 Investments

a) Chart of interest in subsidiaries and affiliated companies

	Number of shares/ quotas held				% Interest			
	Common/quotas		Preferred		Total		Voting	
	06/30/09	03/31/09	06/30/09	03/31/09	06/30/09	03/31/09	06/30/09	03/31/09
ALL Malha Sul	12,581,336,962	12,581,336,962	19,141,176,667	19,141,176,667	100.00%	100.00%	100.00%	100.00%
Multimodal Participações	2,186,474,844	2,186,474,844			100.00%	100.00%	100.00%	100.00%
ALL Intermodal	63,844,232	63,844,232			100.00%	100.00%	100.00%	100.00%
Boswells	1,865,000	1,865,000			100.00%	100.00%	100.00%	100.00%
ALL Overseas	12,000	12,000			100.00%	100.00%	100.00%	100.00%
ALL Participações	11,878,448	11,878,448			99.99%	99.99%	99.99%	99.99%
BLL SPE	499	499			99.99%	99.99%	99.99%	99.99%
ALL Argentina	3,000,288	3,000,288	5,825,560	5,825,560	90.96%	90.96%	90.96%	90.96%
ALL Sisa	10,200	10,200			51.00%	51.00%	51.00%	51.00%
ALL Rail Tec	5,100	5,100			51.00%	51.00%	51.00%	51.00%
Santa Fé	100,000	50,000	100,000	29,996	100.00%	39.99%	100.00%	39.99%
ALL Malha Oeste	53,894,164	53,894,164	2,277,836	2,277,836	11.74%	11.74%	13.59%	13.59%

b) Chart of interest in subsidiaries and affiliated companies - continued

		Subsidiaries/Affiliated Companies			Equity Accounting		Parent Company Value of Investments		
		Shareholders' Equity	Income for the Year	Dividends Distributed	06/30/09	06/30/08	06/30/09	03/31/09	Dividends Received
Direct subsidiaries									
ALL Argentina	(i)	56,547	(15,630)		(14,217)	(13,569)	63,536	83,734	
ALL Centro-Oeste	(ii)					1,444			
ALL Equipamentos	(ii)					15,419			
ALL Intermodal		137,103	9,414		9,414	34,847	137,103	137,224	
ALL Malha Oeste		40,970	(17,146)		(2,013)		4,810	4,984	
ALL Malha Sul		106,133	(52,872)		(52,872)	(71,864)	106,133	115,457	
ALL Overseas		5,642	(6)		(6)	(585)	5,642	6,700	
ALL Participações						(7,903)			
ALL Sisa		8					4	5	
ALL Tecnologia	(ii)					958			
Boswells		16,913	(1,479)		(1,479)	(2,083)	16,913	20,471	
Multimodal Participações		2,327,225	103,969		103,969	174,057	2,327,225	2,246,648	
Rail Tec		279	269		136		142		
Santa Fé						(755)			
					42,932	129,966	2,661,508	2,615,223	

(i) ALL Argentina has an Advance for Future Capital Increase (AFAC) recorded in its Shareholders' Equity, at the amount of R$133,862 (R$162,461 on March 31, 2009) carried out by ALL Holding, which fully recognizes the AFAC in its investment until it is paid-up.

On December 1, 2008, the parent company – ALL Holding S.A. sold its interest in ALL Equipamentos Ltda., ALL Tecnologia Ltda., and ALL Centro-Oeste Ltda. to Multimodal Participações Ltda. The equity accounting of these subsidiaries was proportionally calculated up to the selling date.

(In thousands of reais)

c) Subsidiaries with Negative Shareholders' Equity

Related to those subsidiaries that present negative shareholders' equity the respective provision was recorded, which is being presented in the Long-term Liabilities group in the balance sheet and it was estimated as follows:

	Subsidiaries		**Parent Company**			
			Reversal of (provision for) unsecured liabilities		**Provision for unsecured liabilities**	
	Unsecured Liabilities	**Income for the Year**	**06/30/09**	**06/30/08**	**06/30/09**	**03/31/09**
Direct Subsidiaries						
ALL Malha Oeste				3,158		
ALL Participações	(6,972)	(1,411)	(1,411)	(6,112)	6,972	7,806
Rail Tec						28
Santa Fé	(8,264)	(6,686)	(4,093)		8,264	1,829
			(5,504)	(2,954)	15,236	9,663

d) Investment losses

Investee	**Loss/Gain**
Santa Fé	(4,108)
ALL Malha Paulista	(5)
	(4,113)

On April 30, 2009, Santa Fé Vagões S.A. transferred 50,000 common shares and 69,996 preferred shares held by Milenium Investimentos Ltda to ALL – América Latina Logística S.A. This transfer increased the interest of ALL – América Latina Logística S.A. from 39.99% to 100.00%. As a result of the investee's unsecured liabilities, the Company recognized investment losses of R$4,108.

(In thousands of reais)

In the consolidated balance sheet, investments breakdown as follows:

	Consolidated	
	Book value of investments	
	06/30/09	03/31/09
Appraised by the equity accounting method		
Rhall Terminais	1,633	1,579
TGG	4,709	5,132
	6,342	6,711

14 Intangible Assets – Consolidated

		06/30/09			03/31/09	% Annual
		Cost	Accumulated Amortization	Net	Net	average amortization
Goodwill in investment acquisition						
ALL Argentina	(i)	45,830	(25,463)	20,367	25,080	6.81%
ALL Malha Oeste	(i)	132,426	(6,524)	125,902	128,247	2.57%
ALL Malha Paulista	(i)	50,888	(1,130)	49,758	50,257	1.03%
Multimodal Participações	(i)	2,384,287	(20,539)	2,363,748	2,372,303	0.43%
Logispar	(ii)	122,283	(16,345)	102,306	105,938	5.94%
Santa Fé	(i)	462	(137)	325	350	10.00%
		2,736,176	(70,138)	2,662,406	2,682,175	
Application Systems – Software		50,643	(3,652)	46,991	42,734	20.00%
Trademarks and Patents		137	-	137	137	Undefined
		2,786,956	(73,790)	2,709,534	2,725,046	

(i) Goodwill in investment acquisition is based on the expectation of future profitability, amortized by the realization curve within concession terms.

(ii) ALL Argentina: goodwill in ALL Argentina is based on the future profitability at the time the shares of ALL Central and ALL Mesopotámica were acquired on May 26, 1999, and has been amortized on a straight-line basis over the concession period. The original amount recorded in Argentine pesos is P$67,657.

(In thousands of reais)

15 Fixed Assets – Consolidated

	06/30/09			03/31/09	Annual average depreciation rates (%)
	Cost	Accumulated Depreciation	Net	Net	
Improvements in third parties' assets					
Locomotives	778,942	(246,016)	532,926	532,297	4.49%
Railcars	411,522	(144,643)	266,879	259,544	15.00%
Track	1,212,438	(219,147)	993,291	902,945	8.50%
Other	153,887	(45,199)	108,688	113,957	10.00%
	2,556,789	(655,005)	1,901,784	1,808,743	
Own fixed assets in use					
Track	1,018,204	(120,676)	897,528	893,699	3.33%
Locomotives	680,734	(148,095)	532,639	527,586	4.49%
Railcars	328,992	(81,349)	247,643	245,905	10.00%
Assets in use supplies	77,592	-	77,592	42,400	
Land	19,921	-	19,921	19,921	
Buildings	60,000	(18,842)	41,158	41,671	3.50%
Furniture and fixtures	12,410	(9,639)	2,771	2,852	15.00%
Road vehicles	52,710	(31,656)	21,054	25,831	15.00%
Data processing equipment	50,480	(45,428)	5,052	7,379	20.00%
Telecommunications and signaling equipment	50,364	(31,130)	19,234	20,237	10.00%
Equipment for track maintenance and rail transportation	121,247	(24,333)	96,914	99,804	11.00%
Aircraft	10,965	(1,753)	9,212	11,061	10.00%
Machinery and equipment	3,804	(1,507)	2,297	1,282	10.00%
Other	96,199	(36,667)	59,532	106,515	Diversas
	2,583,622	(551,075)	2,032,547	2,046,143	
Leasing					
Locomotives	103,722	(7,247)	96,475	99,237	4.49%
Railcars	791,034	(54,350)	736,684	638,272	10.00%
Trucks	3,146	(336)	2,810	2,977	10.00%
Civil Work	17,300	(393)	16,907	-	9.09%
Equipment	16,596	(415)	16,181	-	10.00%
	931,798	(62,741)	869,057	740,486	
Fixed assets under construction					
Locomotive	64,966	-	64,966	48,243	
Railcars	32,265	-	32,265	46,810	
Tracks	79,403	-	79,403	71,698	
Road Vehicles	-	-	-	20	
Other	20,929	-	20,929	10,056	
	197,563	-	197,563	176,827	
	6,269,772	(1,268,821)	5,000,951	4,772,199	

During the year ended June 30, 2009, the amount of R$4,185 (R$12,883 on June 30, 2008) the accounts of fixed assets in course were capitalized, related to financial charges created by loans that financed such fixed assets.

As described in note 19.1, financial leasing was classified under fixed assets and has been, in a consistent manner, depreciated according to criteria applicable to other fixed assets.

(In thousands of reais)

16 Deferred charges - Consolidated

The Company and its subsidiaries opted to held pre-operating expenses under Deferred Assets until its full amortization.

		06/30/09			03/31/09
		Cost	Accumulated Amortization	Net	Net
Pre-operating expenses					
ALL Central	(i)	10,470	(3,575)	6,895	8,518
ALL Malha Norte	(ii)	645,296	(462,087)	183,209	183,845
ALL Mesopotámica	(i)	2,196	(608)	1,588	1,961
ALL Malha Sul	(iii)	24,736	(7,371)	17,365	17,611
PGT		160	(50)	110	115
Santa Fé		174	73	247	105
		683,032	(473,618)	209,414	212,155

(i) Pre-operating expenses refer to disbursements in the Argentine rail companies ALL Central and ALL Mesopotámica in connection with feasibility studies for the concession acquisition, which are amortized over the remaining concession period.

(ii) The pre-operating expenses of the indirect subsidiary ALL Malha Norte refer to the implementation expenditures incurred in its pre-operational phase since 1988, net of financial expenses and income. The expenditures come from Phase I, comprising the segment of 403 km between the road rail bridge on Paraná River and Alto Taquari (state of Mato Grosso), ended in March 2001 and expenditures coming from Phase II, which comprise the segment 1, of 96 Km between Alto Taquari (state of Mato Grosso) and Alto Araguaia (state of Mato Grosso), ended in March 2003. Such expenses have been amortized on the straight-line basis, by the remaining term of the concession.

(iii) The subsidiary ALL Malha Sul adopts as a basic criterion to amortize concession and lease expenses on the straight-line basis over the remaining term of the agreement.

(In thousands of reais)

17 Loans and Financing

	Annual charges	Effective rate	Maturity	06/30/09	03/31/09
Parent Company					
In domestic currency					
Commercial banks	107% of CDI	10.08%	July 2015	209,163	204,049
BNDES Investments	TJLP+1.8%	8.22%	Quarterly/Monthly up to June 2017	62,777	62,747
Transaction	Pre x CDI			-	(4,147)
In foreign currency (exchange variation linked to US$, with swap to CDI)					
Swap operations				(1,773)	-
Total parent company				**270,167**	**262,649**
Subsidiaries					
In domestic currency					
ALL Malha Sul				**1,290,555**	**1,277,060**
CCB	108% of CDI	14.57%	July 2010	121,993	112,221
	CDI + 1.25%	10.91%	September 2015	326,831	339,274
	CDI + 1.25%	10.85%	October 2015	91,109	88,609
Investments					
BNDES	TJLP + 5.25%	14.14%	Quarterly/Monthly until April 2010	17,444	22,663
	Umbndes + 6.63%	13.53%	Quarterly/Monthly until April 2012	48,076	61,367
	TJLP + 2.5%	8.75%	Quarterly/Monthly until June 2017	272,344	246,977
	TJLP + 1.5%	7.75%	Quarterly/Monthly until June 2022	8,049	8,044
	TJLP + 1.8%	8.05%	Quarterly/Monthly until June 2017	137,977	137,895
NCC	105.9% of CDI	10.25%	July 2015	61,659	60,096
	107.0 do CDI	10.24%	March 2013	203,561	198,353
FINAME	TJLP + 3.75%	10.00%	January 2017	1,512	1,561
ALL Intermodal				**29,122**	**31,824**
BNDES Investments FINAME	TJLP + 3.6%	9.80%	Quarterly/Monthly until December 2013	29,122	31,824
Nova Brasil Ferrovias				**132,496**	**132,418**
Commercial banks	IGP-M	3.54%	January 2023	12,423	18,964
BNDES Investments	TJLP + 2.5%	8.39%	October 2017	115,129	108,517
	TJLP + 1.5%	8.21%	October 2022	4,944	4,937
ALL Malha Paulista				**130,080**	**146,008**
BNDES Investments	TJLP + 1.5% p.a.	8.32%	Quarterly/Monthly until March 2018	124,710	139,318
	Umbndes + 6%	10.46%	Quarterly/Monthly until January 2013	1,676	6,690
	Umbndes + 5%	9.46%	Quarterly/Monthly until January 2018	3,694	-
ALL Malha Norte				**843,580**	**880,895**
BNDES Investments	TJLP + 1.5% p.a.	7.75%	Quarterly/Monthly until September 2016	623,375	650,104
	TJLP + 3%	9.25%	Quarterly/Monthly until January 2016	207,210	214,949
FINAME	TJLP + 4%	10.25%	Quarterly/Monthly until April 2009		1,201
Leasing	CDI + 1.5%	10.89%	March 2011	12,995	14,641

(In thousands of reais)

Continued

	Annual charges	Effective rate	Maturity	06/30/09	03/31/09
Terminal XXXIX				**3,202**	**4,208**
BNDES Investments	TJLP + 6%	12.25%	Quarterly/Monthly until December 2010	3,202	4,208
Santa Fé Vagões				**12,169**	**5,977**
Commercial banks				12,169	5,977
				2,441,204	**2,478,390**
In foreign currency (exchange variation linked to US$, with swap to CDI)					
ALL Malha Sul				**14,687**	**(6,524)**
Swap operations				14,687	(6,524)
ALL Malha Norte				**29,967**	**5,158**
Swap operations				29,967	5,158
ALL Intermodal				**4,498**	**1,064**
Swap operations				4,498	1,064
Boswells				**3,919**	**4,918**
BST				-	4,918
CG				3,919	-
				53,071	**4,616**
In foreign currency (exchange variation linked to Argentine Peso - P$)					
ALL Argentina				**81,706**	**86,583**
Commercial Banks	21.58%	21.58%	January 2010	12,435	16,755
Mortagage - Debt 4	13.5%+VC	13,5%+VC	August 2009	6,849	8,433
Itaú Argentina - Debt 6	29.00%	29.00%	May 2011	47,425	54,877
Working capital	21.00%	21.00%	July 2009	14,997	6,518
Total subsidiaries				**2,575,981**	**2,569,589**
Total consolidated				**2,846,148**	**2,832,238**
Portion in current liabilities				(400,150)	(358,501)
Portion in long-term liabilities				2,445,998	2,473,737

Composition by maturity year of long-term liabilities:

	06/30/09
2010	215,046
2011	291,388
2012	275,858
2013	619,441
2014	520,817
As of 2015	523,448
Total	2,445,998

Abbreviations:

BNDES	-	Brazilian Development Bank
CCB	-	Banking Credit Note
CDI	-	Interfinantial Deposit Certificate
CER	-	Reference Stabilization Coefficient
FINAME	-	Financing Fund to Acquire Machines and Industrial Equipment
LIBOR	-	London Interbank Rate
TJLP	-	Long-Term Interest Rate
IFC	-	International Finance Corporation
NCC	-	Commercial Credit Note

Loans, financing and debenture balances are stated at their net value, i.e., recognized as transactions initial expenses.

Loans and financings are guaranteed by letters of guarantee and promissory notes for the total financed amount considering the same agreed terms and conditions, except in the case of the financing of locomotives and wagons, which guarantee the financing.

The financing agreements with BNDES are guaranteed pursuant to each contract, by bank surety, with a cost between 1.0% and 2.5% p.a. or by real guarantees (assets) and an escrow account.

When the Company contracts foreign currency financing in Brazil, there are swaps protecting the Brazilian real against the US dollar, translated into a CDI percentage, according to market conditions.

The loans obtained from BNDES, as shown above, allocated to investments, are subject to the compliance with certain financial liquidity ratios related to the net debt and financial results.

For the subsidiaries of Multimodal Participações Ltda, in guarantees of loans and financings the following items were granted: (i) Pledge of the total shares issued of ALL Malha Norte held by the parent company Multimodal Participações Ltda, (ii) Pledge of revenue on the product of the fee collection for the provision of the rail transportation services resulting from the work project of ALL Malha Norte, (iii) Linkage of the revenue of service agreements, and (iv) Promissory notes.

Some agreements have restrictive covenants establishing financial limits quarterly determined in each publication of the consolidated Quarterly Information of the issuer as follows:

The index corresponds to the ratio of the Net debt by the consolidated EBITDA of the last 12 months, in the maximum limit of:

(In thousands of reais)

Year	2008	2009	2010	2011	2012
Consolidated net debt/consolidated EBITDA	3.0	2.5	2.5	2.5	2.5

Minimum limit for the index corresponding to the division of the consolidated EBITDA of the last 4 (four) quarters of the Issuer by its consolidated net financial expense. For purposes of financial income determination, in this covenant only interest on debentures, loans/financings, hedge operations and exchange rate variation of subsidiary abroad "ALL Argentina" are considered as follows:

Year	2008	2009	2010	2011	2012
Consolidated EBITDA/financial income	1.75	2.00	2.00	2.00	2.00

18 Debentures

The issuance of the debentures from the parent company and its subsidiaries present the following balances:

						06/30/09		03/31/09	
Tranche	Date	Amount	Final Maturity	Annual Yield	Effective Rate	Current Liabilities	Long-term Liabilities	Current Liabilities	Long-term Liabilities
Parent Company									
4th issue	10/01/04	135,000	10/01/09	110% of CDI	10.41%	138,475	-	144,321	
5th issue	09/01/05	200,000	09/01/12	CDI + 1.50%	11.05%	7,978	199,446	2,099	199,384
6th issue	07/01/06	700,000	07/01/11	DCI + 1.50%	11.12%	40,510	698,612	20,645	698,188
						186,963	898,058	167,065	897,572
Direct Parent Company									
ALL Malha Sul									
3rd issue	09/08/08	166,666	07/31/18	108% of CDI	10.62%	8,352	162,116	2,652	161,975
Indirect Subsidiaries									
ALL Malha Norte									
1st issue	07/01/97	100,000	06/30/16	TJLP + 1.5%	7.75%	8,948	248,885	4,052	249,723
2nd issue	04/10/00	60,000	05/01/15	TJLP + 4%	10.25%	9,291	51,101	9,059	49,827
3rd issue	01/14/02	40,000	05/04/15	TJLP + 4%	10.25%	5,956	32,759	5,808	31,943
5th issue	12/03/03	60,000	12/03/09	CDI + 1.50%	10.89%	7,803	-	8,084	
6th issue	09/08/08	166,666	07/31/18	108% of CDI	11.55%	7,023	162,116	2,652	161,975
Debenture Premiums	07/01/97	100,000	06/30/16	TJLP + 1.5% and % RL		-	83,178		75,107
						39,021	578,039	29,655	568,575
ALL Malha Paulista									
1st issue	09/10/08	166,666	07/31/18	108% of CDI	10.62%	7,023	162,116	2,652	161,975
Consolidated						241,358	1,800,328	202,024	1,790,097

(In thousands of reais)

19 Leasing - Consolidated

19.1 Financial Leasing

The Company and its subsidiaries have lease agreements, mainly railcars and locomotives that, in the Management's opinion, are considered financial leasing:

To comply with the new registry requirements of this kind of transactions, the Company and its subsidiaries merged to the fixed assets the rights that have as purpose the assets aimed at the maintenance of the entity's activities, or that are exercised with this purpose, including those deriving from transactions that transfer to the entity the benefits, risks and control of these assets, regardless their ownership.

On January 1, 2007, this change in accounting practices resulted in the recording of increases of R$590,593 in fixed assets and R$667,918 in liabilities, with an effect of R$77,325 recorded in retained earnings.

On June 30, 2009 and March 31, 2009, balance of liabilities related to financial leasing contracts is:

	06/30/09		03/31/09	
Assets	**Current Liabilities**	**Long-term Liabilities**	**Current Liabilities**	**Long-term Liabilities**
ALL Malha Sul				
Rail Cars	72,017	416,852	60,686	407,194
ALL Malha Norte				
Locomotives and rail cars	60,343	308,984	64,996	314,425
ALL Malha Paulista				
Locomotives	11,031	121,689	643	464
	143,391	847,525	126,325	722,083

The incurred financial charges in the year were accounted for as financial expense. There were no initial costs to be capitalized, as well a contingent payments and subleases.

19.2 Operating Leasing

Payment of operating leasing (rentals) installments was recognized as expenses on a straight-line basis corresponding to the period of validity of the respective contracts. These are vehicle rental contracts, application systems (software), railcars and properties. The Company and its subsidiaries do not have any contingent payment or sublease of the contracts executed.

(In thousands of reais)

20 Leasing and Concession

As mentioned in note 9, the Company and its subsidiaries record their Concession and Leasing agreements liabilities on a straight-line basis by their maturity. Such liabilities were written-off upon their payment. The long-term amounts refer to amounts not paid due to discussions regarding the contract conditions and/or installments allocated during their grace period.

	06/30/09		03/31/09	
	Current Liabilities	**Long-term Liabilities**	**Current Liabilities**	**Long-term Liabilities**
Leasing				
ALL Malha Sul	10,978	37,862	10,986	38,724
ALL Argentina	12,508		13,827	
ALL Malha Paulista		477,173	-	465,222
ALL Malha Oeste		349,477	-	336,421
Concession				
ALL Malha Sul	591	2,218	592	2,275
ALL Malha Paulista		25,114	-	24,485
ALL Malha Oeste		18,393	-	17,706
	24,077	910,237	25,405	884,833

ALL Malha Sul - Lease and concession amounts of the subsidiary ALL Malha Sul are appropriated on a straight-line basis under liabilities and results over the period of the respective agreements, accrued of IGP-DI variation and interest at agreed rates. Amounts relating to the grace period (1997 to 1999) have been restated and paid over the remaining concession period.

ALL Malha Paulista - On August 29, 2005, a partial spin-off between ALL – Malha Paulista and Ferrovia Centro Atlântica S.A. (FCA) was carried out, and FCA started being responsible for 35.6% of the total concession and lease amounts.

The indirect subsidiary ALL Malha Paulista cancelled the payment of the amounts related to the lease agreement to RFFSA - in settlement, judicially protected, by an injunction granted on April 7, 2005 and subsequently postponed on July 8, 2005. On September 28, 2005, these injunctions were cancelled by judicial decision pronounced by the Federal Regional Court (TRF) of Rio de Janeiro, becoming not extendable, thus, that ALL Malha Paulista made the judicial deposit of the outstanding lease amounts, as a way to guarantee the Court and ensure the continuity of the judicial discussion, as well as the regularity and payment of its concession before ANTT and before the National Treasury Secretariat (STN). The payments started being made by means of judicial deposits at the amount of the debt.

Considering that ALL Malha Norte depends on ALL Malha Paulista's lines, to the continuity of its transportation operations, started in the states of Mato Grosso and Mato Grosso do Sul and ended in Santos (SP), ALL Malha Norte entered with ALL Malha Paulista, on January 10, 2006, into a Private Instrument of Guarantee Agreement, by which it made the judicial deposit in favor of ALL Malha Paulista, in the amount of R$115,464 (R$115,228 on March 31, 2009).

Considering that Brasil Ferrovias held 99.71% of All Malha Paulista's capital, directly and indirectly, Brasil Ferrovias entered, on January 10, 2006, into a Private Instrument of Guarantee Agreement, by which it made the court deposit in favor of ALL Malha Paulista, in the amount of R$184,517. This amount was transferred to Multimodal Participações Ltda. with the incorporation of Brasil Ferrovias on May 31, 2008.

From then on, the payment or deposit of the quarterly installments started being made to the granting body and its representatives.

The term of the guarantee rendered both by Brasil Ferrovias and ALL Malha Norte in favor of ALL Malha Paulista started on the date on which the court deposit was made and will be ended on the date on which the Federal Court decides its destination. For the rendering of this guarantee, ALL Malha Paulista will pay Multimodal Participações Ltda. and ALL Malha Norte the equivalent to the positive difference between the 100% CDI variation and the 100% TR rate.

In case the judicial decision determines the conversion into income of the Federal Government, total or partial, of the court deposit, ALL Malha Paulista will become, as from this date, debtor of Multimodal Participações Ltda. and ALL Malha Norte, respectively, of the exact amount of the court deposit, with all the additions it receives. ALL Malha Paulista must pay its overdue debits to Multimodal Participações Ltda and ALL Malha Norte, in the maximum term of 90 days, counted from the finding of the court deposit, ALL Malha Norte may use, also, any time, and as long as resolved at the Extraordinary General Meeting of the Companies, the guarantee amount for capital payment in ALL Malha Paulista, or give it away so that its parent company, Multimodal Participações Ltda, does it. Thus, Multimodal Participações Ltda may use the amounts rather as capital payment in ALL Malha Paulista.

On November 29, 2007, upon judicial authorization, the court deposits performed by Brasil Ferrovias in favor of ALL – Malha Paulista were replaced by banking surety, at the amount of R$245,549. Thus the subsequent quarterly installments were guaranteed by means of the contracting of new banking sureties.

To comply with the Investment Agreement with shareholders, entered into on May 5, 2005, the demerger of the ALL Malha Paulista operations in the Bauru-Mairinque segment was set forth, and this operation starts being made by ALL Malha Oeste as from October 1, 2005, in view of the Memorandum of Understanding dated September 23, 2005.

ANTT approved the demerger of the operations by means of Resolution 1,010, published in the Official Gazette of the Federal Government on July 28, 2005. The final implementation of this operation will be ratified by ANTT.

ALL Malha Norte - On May 19, 1989, the indirect subsidiary ALL Malha Norte entered with the Federal Government into a Concession Agreement for the establishment of a cargo rail transportation system, comprising the construction, operation, exploration and conservation of a railroad between Cuiabá (state of Mato Grosso) and: a) Uberaba/Uberlândia (state of Minas Gerais), b) Santa Fé do Sul (State of São Paulo), c) Porto Velho (state of Rondônia) and d) Santarém (state of Pará). The term of this concession lasts 90 years, renewable for the same period and 10 years may be granted before the end of the contractual term.

The Agreement does not provide for payment obligations on the account of the Concession, however, it sets forth certain responsibilities on the account of the Company, such as: a) not to make sub-concession, b) to submit to the permanent inspection of the Federal Government, c) compliance with rules, technical specifications and national standards of the Ministry of Transportation and d) to comply with all the legal provisions applicable to the granted services, especially those related to environment protection.

The concession extinguishment and the consequent termination of the Concession Agreement may take place due to the following factors: a) amicable covenant of the parties, antedated of negotiations and financial adjustments due by one party to another; b) end of the contractual term; c) expropriation or redemption, by public interest in connection with the Concession, by means of the proper indemnification; d) annulment for illegality of the Concession or agreement; e) severe and continued infractions made by one of the parties, which cause damages to the quality and efficiency of the services; and f) by expropriation by the Federal Government of the granted services or by a Law that makes the agreement, formally or materially, impossible. In the event of expropriation the Company's shareholders will be indemnified by the fair value of the assets linked to the concession, determined at the time of the expropriation.

ALL Malha Oeste - Due to a judicial discussion, this indirect subsidiary cancelled the concession and lease payment.

The indirect subsidiary acquired Financial Treasury Bills (LFTs) as collateral for Grant and leasing values due to RFFSA (Rede Ferroviária Federal S.A.) – overdue and to the Union, resulting from the court plead related to the economic distress process of ALL Malha Oeste, which is under litigation.

In March 2008, the Company was authorized to release applications LFTs, replacing them by bank guarantees at the amount of R$264,210. LTFs redemption took place in May 2008. For future installments, the guarantee is complemented at the maturity of each installment.

The Company's Management amended the accounting estimate used to appreciate the liabilities. Represented by legal opinions from the quarter ended June 30, 2008, it restates the balance by SELIC, index which restates the guarantee letters that assure the liabilities. This amendment resulted a reversal of approximately R$54,000 in 2008.

(In thousands of reais)

21 Court Deposits and Provision for Contingencies - Consolidated

	Court Deposits		Contingencies			
			Probable		Possible and Remote	
	06/30/09	03/31/09	06/30/09	03/31/09	06/30/09	03/31/09
Labor Claims						
In Brazil	142,472	135,665	171,688	186,208	871,769	917,397
In Argentina	-	-	-	-	-	-
Civil, regulatory and environmental claims						
In Brazil	134,153	133,897	23,003	23,003	398,444	413,609
In Argentina	-	-	6,987	8,761	-	-
Tax Claims						
In Brazil	4,968	4,968	46,007	68,211	217,316	217,316
In Argentina	-	-	-	-	-	-
	281,593	274,530	247,685	286,183	1,487,529	1,548,322

The subsidiaries are involved in various proceedings incurred in the normal course of their businesses. The Company's management believes that the solution of such issues shall not produce an effect significantly different from the amount provisioned, which corresponds to the amounts of lawsuits considered "probable losses".

a) Labor contingencies

The subsidiaries discuss several labor claims, and on June 30, 2009 the Company recorded a provision of R$171,688 (186,208 on March 31, 2009), in the consolidated, to deal with those cases in which its attorneys deem as probable losses. The provisioned amount reduction, in relation to previous quarter, was basically due to Agreements executed by the Company during the period.

From the lawsuits in progress, major claims refer to overtime, recognition of nonstop work shift, standby hours, salary differences, differences in FGTS 40% fine deriving from understated inflation, risk premium, health hazard allowance, allowance for relocation, differences of variable compensation, additional payment of retirement and others, severance pay differences, differences in program of voluntary dismissals, parity of benefits granted in specific bargaining collective agreements of subsidiaries, among others.

b) <u>Civil, regulatory and environmental contingencies</u>

The subsidiaries are parties in various civil lawsuits involving petitions, action for damages in general: such as collisions in level crossings, rail running over, traffic accident, possessory actions in general, execution suit of extrajudicial bonds and others. Based on the opinion of its legal advisers and the courts standing, they keep records for the probable losses at the amount of R$29,990 (R$31,764 on March 31, 2009).

Among the relevant lawsuits, although with a remote chance of loss, on behalf of ALL Malha Sul, there is an indemnification action being handled in the State of Rio de Janeiro, under the number 2003.51.01.023238-1, in which RFFSA pleads abandonment of public property and rail segments, requiring the restoration of various stations and the maintenance of the right of way. It is worth pointing out that ALL, in strict compliance with the Concession and Lease Agreements, is performing the maintenance of many rail segments and also the restoration of stations which are being returned to RFFSA, when necessary, in perfect condition of conservation and use.

Currently, both ALL Malha Paulista and ALL Malha Oeste question in court the economic and financial unbalance of the Lease and Concession Agreements. In July 2000, ALL Malha Paulista filed a Declaratory Action in the 20th Federal District Court of Rio de Janeiro questioning the economic and financial unbalance of the Lease and Concession Agreements, due to the high disbursement incurred by the Company for the payment of labor judicial proceedings and other expenses involved.

ALL Malha Paulista required an expert inspection for determination of the new value of the lease and concession installments, as well as discontinuance of the payment of due and falling due installments until the effective expert inspection for determination of the adequate value. In July 2005, the injunction was granted, but in September 2005, it was reversed by the Regional Federal Court of Rio de Janeiro. The proceeding still has no judgment and awaits the conclusion of expert report and its presentation. The value related to the lease installments was being deposited in court until September 2007, when the Company obtained a judicial authorization to replace the judicial deposits for a banking guarantee letter. On June 30, 2009, R$115,460 (R$115,228 on March 31, 2009) remained deposited.

The aforementioned situation is also applicable to ALL Malha Oeste; however, its proceeding is in progress in the 16th Federal District Court of Rio de Janeiro. The amount related to the due installments of ALL Malha Oeste is posting bond through the issue of government bonds (Treasury Financial Bills – LFT). The referred LFT's are recorded under long-term investments. In March 2008, the Company was authorized to replace the collateral by bank guarantee and, in May 2008, the Company redeemed such investment.

The liabilities related to concession agreements are recorded in the lease and concession account, as disclosed in Note 20.

Considering the notices of infraction with imposition of fine penalty, the environmental contingencies of ALL Malha Sul totaled R$1,916; of ALL Malha Paulista, R$651; of ALL Malha Norte, of R$2,222, of ALL Malha Oeste, of R$2,202; those of Portofer R$31; of ALL Intermodal R$9, and those of ALL S.A. (parent company) R$93, totaling R$7,124.

Such values result from notices from FEPAM (RS), IAP (PR), CETESB (SP), IBAMA, and Municipal Offices for Environment in great majority due to the contamination of the soil and water due to the overflow of products and non-compliance with the conditions imposed by such operating license. In all cases, measures are being adopted to reduce the existing liabilities, as well as adopting all amend and prevention measures related to the environment. The environmental area provision is accounted for along with the civil provision of concessionaires.

c) Tax contingencies

Main tax issues under discussion are those derived from lawsuits having as plaintiff or defendant ALL Group and to which chances of losses are deemed as possible or remote. Therefore, no provision was made for such issues. For those considered as probable losses, a provision at the amount of R$46,006 (R$68,211 on March 31, 2009) was recorded.

In April 2005, ALL Malha Sul obtained a favorable decision at the Court of Justice of the State of Rio Grande do Sul in relation to the notice of infraction of Rio Grande do Sul State Department, which charged the Company as a result of use of ICMS credit over the acquisition of assets and equipment destined to the recovery and renovation of fixed assets. The assessment amount under discussion is approximately R$16,800, and ALL has already collected the amount of R$11,192 to the State of Rio Grande do Sul's public coffers, and it interrupted the payment of the remaining balance of R$5,670, due to a favorable decision of the Court of Justice of the State of Rio Grande do Sul, already confirmed by the Superior Court of Justice – In addition, the Supplementary Law 87/96 authorized the full use of right to the credit in the acquisition of assets destined to the permanent assets.

The State Treasury Department of São Paulo drawn up notices of infractions against ALL Malha Sul, current amounts of which total approximately R$37,000, due to non-payment of ICMS referring to the rendering of goods freight transportation services destined to exports and use of ICMS credits supposedly not authorized by law.

This subject was purpose of notice in ALL Malha Oeste, at the approximate amount of R$10,000. Both the notices of infractions drawn up against ALL Malha Sul (3067137-1, 3029191-4 and 3080034-1) as well against ALL Malha Oeste (3080732-3 and 3069577-6), are being under administrative discussion in the State of São Paulo, and pending a final decision, and the chance of success of the companies is probable. We stress that Notice of Infraction 3.067.137-1 was canceled, in the term of the judgment occurred in 12/05/2008, whose final court decision awaits drawing up and it is still eligible for appeal by the Tax Administration.

ALL Malha Sul has approximately R$6,500 and ALL Malha Paulista approximately R$600 in IPTU (building and territorial urban tax) debts in relation to the real properties over which rail passes through, owned by the Federal Government, which, in view of concession granted, are under the possession of the Federal Government for the execution of rail transportation public services. Nevertheless, the Brazilian Federal Constitution provides that there is no levy of taxes over assets owned by the Federal Government; reason that the possibility of loss in such proceedings is remote.

ALL Malha Paulista was sued for not paying PIS and COFINS in relation to the mutual traffic and right of way revenues, at the amount of R$59,800, in the period from 1999 to 2006 (cumulative PIS and COFINS). The company understands that the chance of loss is remote, once the amounts under discussion have already been paid, previously, by the concessionaries responsible for the transportation in the origin.

ALL Malha Norte filed an Action for Annulment of tax debit, taking into consideration that the company was sued for not paying ICSM on the transportation of goods destined abroad, considering the amount involved of R$9,800 thousand. In 2007, ALL Malha Norte obtained a judicial decision in the first court canceling the notice of infraction and declaring that ICSM is not due in the transportation of merchandise for export, upon delivery in the ports. The risk of loss is classified as remote.

(In thousands of reais)

The City Hall of Guarujá – SP drawn up notices of infraction against Portofer, at the amount of R$2,038, requiring ISS on supposed intermunicipal transportation services carried out by Portofer within Port of Santos. As Portofer is a special purpose entity where there is not provision of services, only apportionment of expenses, the Company understands that the notices of infraction are undue and filed a Writ of Mandamus aiming at its cancellation. Portofer has already obtained a favorable judgment and currently the processing awaits judgment of appeal proposed by the contrary party. The risk of loss is considered possible.

22 Related-party transactions

Companies considered related parties are disclosed in note 4.

	Parent Company							
	Long-term Assets		Long-term Liabilities		Revenue		Expenses/Costs	
	06/30/09	03/31/09	06/30/09	03/31/09	06/30/09	06/30/08	06/30/09	06/30/08
Subsidiaries								
ALL Argentina	85	896	4,979	6,023		95,900		
ALL Armazéns Gerais			50,422	41,880				
ALL Centro-Oeste			1,913	1,923				
ALL Equipamentos			835	898	17,294			
ALL Intermodal			5,842	29,930				
ALL Malha Norte	88	24,102						
ALL Malha Oeste	14,674			14,646				
ALL Malha Paulista	236,845	193,294			26,556			
ALL Malha Sul	173,526	341,838			16,830	33,260	294,767	
ALL Overseas	5,773	6,849						
ALL Participações				12,346				
ALL Rail Tec	271	141						
ALL Tecnologia			2,628				335	442
Boswells								
Multimodal Participações	45	30						
Nova Brasil Ferrovias			17,198	19,513				
Associated companies								
PGT			79	79				
Portofer	10,214	9,189						
Shared control								
Santa Fé	7,936	4,676						
	449,457	581,015	83,896	127,238	60,680	129,160	295,102	442

a) Credits and Debits with associated companies

Associated companies transactions derive from rentals of terminals, rolling stock (locomotives and rail cars), machinery and equipment, storages, freight sharing, right-of-way and also funds.

The Company held investment in debentures with the wholly-owned subsidiary ALL Malha Sul until December 2008; and holds with the wholly-owned subsidiary Multimodal Participações Ltda., as described in note 12. The financial income from these investments in the year ended June 30, 2009 was R$7,105 (R$33,260 on June 30, 2008).

(In thousands of reais)

b) Terms and conditions for related-party transactions.

Outstanding balances in the end of the period are interests free and the settlement occurs in one type or through the realization of restructuring of accounts.

There are some guarantees granted or received between related-parties, debtor or creditor, namely:

	Secured						
	ALL S.A.	ALL Malha Sul	ALL Intermodal	ALL Malha	ALL Malha	Multimodal Participações	Total
Guaranteeing							
ALL S.A. (parent company)							
Debentures		174,147		173,966	174,147		522,260
BNDES		460,150		104,905	711,549	114,241	1,390,845
CCB		806,497					806,497
Other			6,374		89,057		95,431
	-	1,440,794	6,374	278,871	974,753	114,241	2,815,033
ALL Malha Sul							
Debentures	1,101,517						1,101,517
ALL Intermodal							
Debentures	1,101,517						1,101,517
BNDES		67,381					67,381
CCB		332,380					332,380
	1,101,517	399,761	-	-	-	-	1,501,278
Total	2,203,034	1,840,555	6,374	278,871	974,753	114,241	5,417,828

In the year ended on June 30, 2009, there was no contingency with accounts receivable related to debts with related-parties. This assessment is carried out on each fiscal year, considering the financial position of the related-parties and the operation market of each of them.

23 Provision for Unrealized Profit

On December 31, 2001, the parent company sold to the subsidiary ALL Brasil the right to use the segments from Presidente Epitácio to Rubião Junior and from Pinhalzinho/Apiaí to Iperó at the market value of R$22,387, supported by an appraisal report prepared by independent experts as of that date. On December 31, 2001, the parent company established a provision of R$19,312 for unrealized profit from this operation, recorded in long-term liabilities. Up to June 30, 2009 the amount of R$5,579 (R$5,393 up to March 31, 2009) was realized.

(In thousands of reais)

24 Advances on Real Estate Credits

The Company and the subsidiary ALL Malha Norte executed agreements assigning credits from the lease of terminals, whose balances are:

	06/30/09		03/31/09	
	Curret Liabilities	**Long-term Liabilities**	**Current Liabilities**	**Long-term Liabilities**
ALL S.A. (parent company)	14,420	110,551	14,420	114,156
ALL Malha Norte	49,413	416,242	49,413	433,314
	63,833	526,793	63,833	547,470

ALL S.A.: An agreement assigning credits resulting from rental of Terminal Intermodal de Tatuí (Tatuí Intermodal Terminal). CIBRASEC, in its turn, issued Real Estate Receivables Certificates (CRIs), which bear compensatory interest of 12.38% per annum, from the issue date up to the date of maturity of each CRI. The terms and maturity dates are fixed; the first CRI matured in March 2009, and the last one matures in 2018. The operation's financial charges are being apportioned monthly to income.

ALL Malha Norte: On November 28, 2008, ALL Malha Norte executed with CIBRASEC – Securitization Brazilian Company – an agreement assigning credits deriving from the lease of Alto Araguaia Terminal– state of Mato Grosso. CISBRASEC, on its turn, issued Real Estate Receivable Certificates (CRIs) which will bear compensatory interests based on CDI+1.5% p.a., as of the issue date up to the maturity date of each CRI. The terms and maturity dates are fixed, and the first one matures in November 2009 and the last one will mature in 2018. Financial charges of the operation are monthly appropriated to income.

25 Deferred Income

	06/30/09		03/31/09	
	Current liabilities	**Non-current liabilities**	**Current liabilities**	**Non-current liabilities**
Subsidiaries				
ALL Intermodal	34	521	34	530
ALL Malha Norte	1,242	14,400	1,380	11,043
ALL Malha Paulista	789	10,560	789	14,597
	2,065	25,481	2,203	26,170

ALL Intermodal: this refers to the deferred income originated in the capital stock payment by means of land granted under loan for use by ALL Intermodal to Rhall Terminais Ltda., appropriated on a straight-line basis over the remaining concession period.

ALL Malha Norte: it comes from the earned revenue on the sale of 28 locomotives, with subsequent celebration of a *lease back* agreement with Itaú Bank, for a 10-year term.

(In thousands of reais)

ALL Malha Paulista: this results from agreements entered into with communication companies, whose purpose is the assignment of the right of way of the track for the passage of optical fiber cables for the effectiveness period of the Concession Agreement of the Public Service of Cargo Rail Transportation (until 2028), appropriated on a straight-line basis to the result for the remaining term of the assignment of right.

26 Shareholders' Equity

a) Capital stock

The Company's subscribed and paid-up capital stock is represented as follows:

	06/30/09	03/31/09
Common	988,837,255	988,837,255
Preferred	1,895,340,320	1,895,340,320
	2,884,177,575	2,884,177,575

The Company's authorized capital is R$3,000,000, and the Board of Directors is the appropriate body to resolve on the Capital increase within the referred limit, and there are not other limitations or conditions to make the capital increase within the authorized capital limit.

All the Company's shareholders have a preemptive right, in equal conditions, to the subscription of new shares issued by the Company, except for the issuance of shares in paragraph 3 of Article 171 of Law 6,404/76.

On September 5, 2006 the split of the total shares issued by the Company was approved at a General Meeting so that each share started being represented by 10 shares of the same type.

b) Treasury Shares

The Board of Directors approved on March 2, 2007 the buyback of the Company's shares, traded on the São Paulo Stock Exchange, without decreasing the Capital Stock, in order to comply with the Company's obligations resulting from the stock option plans in the maximum amount of 1,100,000 Units, ratified by the Board of Directors on August 17, 2007 to 5,000,000 Units. With the end of the share buyback program mentioned above, the Company obtained an authorization to acquire more 5,000,000 Units, pursuant to the Board of Directors meeting of March 7, 2008.

22,081 units were used to settle stock options exercised in the period. The transfer was recorded at weighted average cost of shares held in treasury (R$18.1988), generating losses of 319 to the Company, recorded at the Investment Reserve account.

On June 30, 2009 the Company had 3,747,965 Units held in Treasury, at the unit price of R$18.20.

c) Distribution of dividends and interest on own capital

Shareholders are assured a minimum mandatory dividend of 25% on the adjusted net income in accordance with Article 202 of Law 6,404/76.

As a result of commitments undertaken pursuant to financing agreements, the parent company may not distribute dividends in excess of the minimum mandatory ones up to 2011.

d) Profit reserve

Pursuant to Brazil's corporate law, the legal reserve is established at 5% of net income for the year, prior to any other appropriations, and shall not exceed 20% of capital stock.

The investment reserve is based on statutory provisions, which are supported with the Company's investment plan by means of uses and sources subject to the Board of Directors, and pursuant to Article 194 of Law 6,404/76, which determine that this reserve shall not exceed subscribed capital stock, at an amount not less than twenty-five percent (25%) and not exceeding seventy-five per cent (75%) of the net income for the year adjusted in accordance with Article 202 of Law 6,404/76, with a view to financing the expansion of the Company's and its subsidiaries' activities, also through the subscription of capital increases or the development of new ventures.

e) Advances for future capital increase

The amounts received as advances for future capital increase, resulting from contributions to the Stock Option Plan, described in Note 27, are presented in a Shareholders' Equity account.

f) Managers' compensation

In the minutes of the General Meeting held on April 28, 2009, the amount of R$432 was established as annual overall compensation for the members of the Fiscal Council, and as annual overall Managers' compensation the amount of up to R$25,000. These compensations are valid until the next Annual General Meeting.

g) Tax incentives– SUDAM

On September 26, 2007, ALL - América Latina Logística Malha Norte S/A filed with the Superintendence for the Development of the Amazon – SUDAM a lawsuit claiming the right to reduce the corporate income tax – IRPJ and non-refundable surcharges verified over the exploration income, since it is located in the area which comprises the Legal Amazon and its transportation sector considered as a priority for the regional development according to Item I, article 2 of Decree 4,212 of April 26, 2002.

The benefit was granted the Internal Revenue Service through Executive Declaratory Act 504 of November 28, 2008, after SUDAM having issued the report 135/2008, in which ALL – América Latina Logística Malha Norte S/A was granted the tax benefit of 75% reduction over IRPJ – Corporate Income Tax and non-refundable surcharges over the exploration income for a 10-year term, as of 2008 and expiring in 2017.

The legal basis for the recognition of the benefit was enacted by Provisional Measure 2,199-14 in its article 1, of August 24, 2001 and wording of Law 11,196 of November 21, 2005.
In 2008 the effect of the 75% reduction over IRPJ and non-refundable surcharges calculated over the exploration income was R$2,434, accounted as write-down to Income Tax and Social Contribution expenses according to CPC 07 of the Accounting Pronouncements Committee approved by CVM Resolution 555 of November 12, 2008.

27 Stock Option Plan

Expenses from services received from employees in the periods, arising from share-based payments to be settled upon the delivery of equity instruments were 10,146 in the half-year of 2009 and R$9,881 in the same period of 2008.

Description of the share-based payment plan:

At an Extraordinary General Meeting held on April 1, 1999, the shareholders approved the Company's Stock Option Plan ("Plan"), targeted at managers, employees and service providers of the Company ("Beneficiaries"). The Plan provides for general parameters among which we highlight:

The Plan is managed by the Board of Directors, or at its discretion, by a Committee made up for this purpose. It is incumbent upon the management body of the Plan, periodically, to create stock option programs, establishing, within the qualified individuals, those to whom options will be granted and the specific applicable rules, considering the general rules of the Plan ("Program").

The volume of stock options is limited to 8% of the shares representing the Company's capital stock existing on the date of approval of each Program.

The Programs may comprise two groups of Beneficiaries, with different types of agreement, referred herein as "Agreement A" (equal for all programs) and "Agreement B" (included as from the 2006 Program).

In "Agreement A", the Beneficiary must pay 10% of the share amount, at the moment of the execution of the agreement, as a condition to acquire, therefore, the right to make every year contributions for the acquisition of 18% of the total number of shares, so at the end of the 5th year, the Beneficiary will have incorporated to his/her assets the right to make contributions for the acquisition of 100% of shares. The contribution amount (option price) is restated by the IGP-M variation.

Agreement B is different from Agreement A mainly in the following point:

(i) acquisition of the right to make the contributions for the acquisition of shares changes from 10% on the grant date and 18% in the following years, as in the Agreement A, to 10% on the grant date, 5% in the first year, 10% in the second, 15% in the third, 25% in the fourth and 35% in the fifth and last year. In case the Beneficiary of the Agreement B withdraws from the Company without cause, the Committee may, at its discretion, change the acquisition schedule of the right to make contributions for the acquisition of shares, to 18% per year, such as the schedule of the Agreement A.

(In thousands of reais)

The call price is defined by the Committee based on the stock market price. The options granted have a limitation period of ten years as of the vesting right date.

The plan neither provides for the assumption of settlement of options in cash, nor there is history of such practice by the Company, so that the options fair value is estimated on the grant date, by means of the be Black & Scholes option pricing model, considering the relevant terms and conditions in which the options were granted.

Transactions in the period:

The chart below shows the number and weighted average of strike price (MPPE) of the stock options and respective transactions during the period:

	2Q09	
	Amount	MPPE
Initial Balance	75,028,560	2.56
Options granted during the six-month period	-	-
Options lost during the six-month-period	-	-
Options exercised during the six-month period (1	(276,905)	1.16
Final Balance	74,751,655	2.54

[1] The weighted average price of shares on the options exercise date was R$1.95 in the half-year of 2009.

The weighted average of remaining contractual term of options to be exercised at the end of the year is 8.3 years in the half-year of 2009.The call price has a maximum and a minimum amount of R$4.85 and R$0.76 on June 30, 2009.

The Company accounts for the contributions, based on the individual controls of each beneficiary, as advance for future capital increase, composing the shareholders' equity and after the deliberation at a General Meeting, the amount is recorded as capital stock. For the specific case of contributions of 30% made for the acquisitions of options, the Company accounts for the capital increase as from the second reference date, in compliance with Law 6,404/76.

The chart below shows the assumptions included in the model used to estimate the fair value of the options granted in 2008 and 2007:

	2008	**2007**
Volatility expected (%)	38%	36%
Risk-free interest rate (%)	6% + IGPM	6% + IGPM
Life term expected from the option (years)	10	10
Weighted average price of shares (R$)	20.00	21.00
Pricing model used	Black & Scholes	Black & Scholes

The expected life term of options is based on historical data and it is not necessarily an indicator of the exercise standard that must occur. The expected volatility reflects the assumption that the historic volatility of the 5 years previous to the grant date indicates a future trend, which cannot also be the actual result.

(In thousands of reais)

28 Reconciliation of the effective rate of Income Tax and Social Contribution on Profit

	Parent Company		Consolidated	
	06/30/09	06/30/08	06/30/09	06/30/08
Income (loss) before taxes	39,375	93,923	20,358	92,594
Nominal rate	34%	34%	34%	34%
Expense at the nominal rate	(13,388)	(31,934)	(6,922)	(31,482)
Tax adjustments according to:				
Rate difference on investments abroad				6,019
Equity accounting and provision for unsecured liabilities	11,328	29,774	(804)	102
Goodwill amortization			(3,876)	
Effect of rate difference in companies taxed by presumed profit			8,227	8,140
Stock Options	(862)	(743)	(3,450)	(3,360)
Effects of temporary differences compensation without deferred taxes constitution			8,437	6,449
Effects of difference of fiscal loss without deferred taxes constitution			5,302	10,203
Effect of the rate reduction due to SUDAM Tax Incentive			17,268	
Effect of Income Tax and Social Contributions in subsidiaires			(9,880)	
Other permanent differences	336	(399)	1,035	791
Effective revenue (expense)	(2,586)	(3,302)	15,337	(3,138)
Provision for current taxes	(1,262)	(1,097)	(16,996)	(40,639)
Deferred taxes	(1,324)	(2,205)	32,333	37,501

29 Net Financial Income

	Parent Company		Consolidated	
	06/30/09	06/30/08	06/30/09	06/30/08
Interest on indebtedness/debentures/sureties	(102,823)	(78,477)	(384,310)	(344,956)
Fines/tax interest/suppliers/wagons	-	-	(82,985)	(90,300)
Interest on leasing and concession	-	4,843	(90,780)	(45,403)
Costumers/AVP/ Other	(2,978)	(338)	(15,589)	(9,083)
Total financial expenses	(105,801)	(73,973)	(573,664)	(489,742)
Revenue on financial investment	39,951	23,041	133,619	106,425
Remuneration on debentures	7,105	33,260	-	-
AVP/Other	1,577	8,132	6,586	6,109
Total financial income	48,633	64,433	140,205	112,534
Net financial income	(57,168)	(9,540)	(433,459)	(377,208)

(In thousands of reais)

30 Insurance – Consolidated

On June 30, 2009, the insurance coverage established by the Company's Management to cover possible losses and civil liability, is summarized as follows:

Line of Business	Coverage by event	Sum Insured	Duration
Rail operating risks	Property – property damage and loss of profits	60,000	08/01/2008 to
Civil liability - rail operations	Operations, pollution, employer, vehicles (contingencies) and port	1,000	04/30/2009 to
Rail freight insurance	Civil liability of the rail freight carrier (RCTF-C); rail risk (RF) – per shipment	2,000	06/30/2009 to
Civil liability – trucks	Damages to third parties on domestic routes Damages to third parties on international routes	100 US$ 120	11/11/2008 to to 03/31/2010
Road freight insurance	Civil liability of the road freight carrier (RCTR-C) – accidents and (RCF-DC) theft; international road transportation	2,000	06/30/2009 to 06/30/2010

31 Financial Instruments

On June 30, 2009, the Company and its subsidiaries had the following main financial instruments:

Financial investments: classified as available-for-sale, are evaluated at fair value on the balance sheet date.

Investments: as described in Note 13, these refer to investments in closely-held subsidiaries and/or investments appraised at the equity method, representing strategic significance to the Company's operations.

Related parties: valuated at cost, as described in note 22.

Loans and financings: as described in note 17, these include effective charges and exchange swap effects, commented as follows, when applicable.

Debentures: the market value of the debentures issued by the Company and its subsidiaries approximates their face value on June 30, 2009.

The main risk factors of the Company and its subsidiaries related to financial instruments are as follows:

a) Credit risk

The Company and its subsidiaries are potentially subject to credit risks arising from their trade accounts receivable or credits held with financial institutions generated by financial investments. The procedures adopted to minimize commercial risks include the selection of customers through adequate credit analyses, the definition of sales limits and short-term maturity of trade notes. Estimated losses with these debtors are fully provisioned. Regarding financial investments, the Company and its subsidiaries have as policy only to realize investments in institutions with low risk credits. In addition, each institution has a maximum limit of investment balance, determined by the Management.

b) Foreign Currency Risk

It derives from the possibility of loss due to fluctuations in exchange rates, that increase loan, suppliers or foreign currency agreements liability balance, as well as fluctuations that reduce the investment balance or other assets.

The Company's policy guides the use of derivative instruments only to mitigate effects related to Real exchange devaluation in its foreign currency forward purchases. Thus, the Company contracts "Dollar-Real" and "Euro-Real" swap operations at the same amount and the same maturity date of the liabilities purpose of hedge. The Company follows up on a regular basis its exchange exposure in order to ensure that hedge operation result annuls the exchange effect over its cash flow.

Below is the exchange rate risk sensitivity analysis, showing the estimated effects of change in income scenarios for the next 12 months. The Management considered the exchange rate projected for 2009 a probable scenario, according to macroeconomic projections:

(In thousands of reais)

Chart 1 - Risk of foreign currency appreciation

R$ thousand

Operation	Risk	Probable Scenario	+25%	+50%
FINANCIAL ASSETS AND LIABILITIES				
Risk of foreign currency appreciation – Effect on investments:				
Investments	USD	-	2,348	4,955
Net effect on investments		**-**	**2,348**	**4,955**
Risk of foreign currency appreciation – Effect on suppliers / imports:				
Short-term suppliers	USD	(3,166)	(31,944)	(63,992)
Swaps Long Position by Counterpart:				
Counterpart Santander *	USD	1,119	11,287	22,611
Counterpart Santander	USD	888	8,965	17,959
Counterpart HSBC	USD	1,094	11,036	22,107
Counterpart Votorantim	USD	741	7,473	14,970
Counterpart Unibanco	USD	194	1,955	3,917
Counterpart Itaú BBA	USD	111	1,122	2,248
Net effect on suppliers / imports:		**980**	**9,893**	**19,820**
Risk of foreign currency appreciation – Effect on loans:				
Financing BNDES	UMBNDES	(297)	(3,016)	(5,978)
Swap Long position - Counterpart Santander	(Currency basket)	277	2,792	5,594
Net effect on loans:		**(21)**	**(223)**	**(383)**
References				
US Dollar/R$		2.00	2.44	2.93
UMBNDES		0.04	0.05	0.06

c) Financial charges deterioration risk

This risk derives from the possibility that the Company may incur in losses due to interest rates fluctuation or other indexes of its loans and financing that increase its financial expenses or decrease the financial revenues deriving from investments. In the Company, this risk impacts the net debt indexed in CDI (Total Debt indexed in CDI – Financial investments indexed in CDI). In order to partially cover this exposure, the Management chose to contract "Pré-DI" swap operations, turning the debentures of ALL Holding's Fifth Issue, issued at CDI + 1.5%, ALL Brasil's Third Issue, issued at 108% of CDI, and ALL Brasil's, issued at CDI + 1.23%, into 100% fixed-rate operations. This way the costs of these debts are known up to their maturities. The description of the purpose, designation of instruments and calculations of effectiveness were formalized in the hedge documentation, allowing it to be recorded as hedge, according to CPC 14. The company continuously monitors these indexes to evaluate the eventual need to contract derivatives to mitigate these rates variation risk.

(In thousands of reais)

Below is the financial charges deterioration sensitivity analysis, showing the estimated effects of change in income scenarios for the next 12 months, considering as probable scenario the projected rates for the year 2009. Rates increases ser simulated as alternative scenarios, considering that the Company has a net debt position:

Chart 2 – Indebtedness Charges Deterioration Risk

R$ thousand

Operation	Risk	Probable Scenario	Scenario (II)	Scenario (III)
FINANCIAL ASSETS AND LIABILITIES				
Annual Income		**208,635**	**244,346**	**280,057**
Investments linked to CDI	CDI	142,843	178,554	214,264
Prefixed investments	PRE	65,792	65,792	65,792
Annual Expense				
FINANCING linked to the long-term interest rate (TJLP)	TJLP	(156,178)	(184,580)	(213,018)
FINANCING linked to Interbank Deposit Certificate (CDI)	CDI	(86,013)	(104,844)	(123,464)
Prefixed financings	PRE	(12,528)	(12,528)	(12,528)
DEBENTURES linked to CDI	CDI	(106,170)	(128,170)	(149,942)
Prefixed debentures	PRE	(50,536)	(50,536)	(50,536)
General Market Price Index (IGPM)	IGPM	(362)	(457)	(553)
References				
CDI		8.75	10.94	13.13
TJLP		6.00	7.50	9.00
IGPM		3.01	3.78	4.55

Scenarios based on macroeconomic projections.

(In thousands of reais)

d) CVM Rule 475

The consolidated position of derivative financial instrument amounts is presented in the table below:

DESCRIPTION	REFERENCE VALUE (NOTIONAL)		FAIR VALUE		ACCUMULATED EFFECT (CURRENT PERIOD)	
	06/30/09	03/31/09	06/30/09	03/31/09	AMOUNT RECEIVABLE /(RECEIVED)	AMOUNT PAYABLE/(PAID)
SWAPS AGREEMENTS:						
NET POSITION						
FOREIGN CURRENCY						
MATURITIES USD x %CDI:						
2Q09	USD 0	USD 38,182	R$ 0	R$ 820	R$ 0	(R$ 13,897)
3Q09	USD 39,135	USD 39,135	(R$ 14,858)	R$ 784	R$ 651	(R$ 15,509)
4Q09	USD 52,334	USD 48,229	(R$ 16,696)	R$ 554	R$ 0	(R$ 16,905)
1Q10	USD 7,469	USD 7,469	(R$ 3,904)	(R$ 871)	R$ 0	(R$ 3,904)
MATURITIES EUR x %CDI:						
2Q09'	EUR 0	EUR 293	R$ 0	(R$ 16)	R$ 0	(R$ 167)
MATURITIES PRE x POST RATE:						
3Q11	R$ 0	R$ 700,000	R$ 0	R$ 921	R$ 0	(R$ 635)
3Q12	R$ 0	R$ 200,000	R$ 0	R$ 33	R$ 0	(R$ 487)
4Q12*	R$ 200,000	R$ 0	R$ 0	R$ 0	R$ 0	R$ 0
3Q14	R$ 75,000	R$ 0	R$ 0	R$ 0	R$ 0	R$ 0
1Q18*	R$ 150,000	R$ 150,000	R$ 2,627	R$ 5,026	R$ 2,627	(R$ 1)
3Q18*	R$ 166,666	R$ 0	R$ 0	R$ 0	R$ 0	R$ 0
TERM OF US CURRENCY:						
3Q09'	R$ 12,500	R$ 0	(R$ 1,783)	R$ 0	R$ 0	(R$ 1,783)
TOTAL			**(R$ 34,614)**	**R$ 7,251**	**R$ 3,279**	**(R$ 53,290)**

** Derivative operations qualified as hedge ("hedge documentation")*

All derivative operations are recorded in CETIP S.A. – Organized Over-the-Counter Market of Assets and Derivatives.

It is worth pointing out that, at maturity, the negative or positive effect arising from these operations is offset by the contrary effect in asset and liability whose risk is being mitigated.

The accounting effect and the fair value of derivatives and purpose of hedge instruments are controlled by a treasury control system deemed efficient by the Company's Management.

The fair value of the derivatives was calculated based on exchange curves and current BM&F interest on June 30, 2009 for future value projection, as well as DI future rate of BM&F to carry these flows to present value. There is no margin deposit or guarantees of any type or amount, for none of the derivatives under consideration.

(In thousands of reais)

All gains and losses incurred by the Company, calculated at fair value, are recorded on the income, and are highlighted in Note 29.

32 Private Social Security

The indirect subsidiary ALL Malha Oeste sponsors Benefits Plan, together with a multi-sponsor fund, namely HSBC Fundo de Pensão. The plan has prevailing characteristics in the defined contribution modality during the funds accumulation period. The only defined benefit, in the accumulation stage, is a benefit equivalent to, at most, six salaries, paid in the event of disability and retirement process, calculated according to formulas and conditions established in the plan's regulation.

The contributions are made on average, in the proportion of 67% by the sponsor and 33% by the active participants. The contributions related to Minimum Benefit are fully carried out by the Sponsor, as established in an actuarial technical note, and restated on a yearly basis, through actuarial evaluations.

The plan is evaluated annually, by an independent actuary, and the last actuarial evaluation of the Plan was concluded on December 31, 2008. The reference date used in the evaluation was October 2008.

	06/30/09	**06/30/08**		**06/30/09**	**06/30/08**
			Sponsor Contributions:		
Participants		274	Participation Payroll		4,577
Net Assets		8,630	Regular Contribution		1.10%

The plan also has a defined benefit portion in the concession phase, whose actuarial liability refers to monthly life annuities granted to its participants. The present value of the actuarial liability Sponsored Participants was calculated based on the mortality table AT-83 and on a financial discount rate of 6% per year; on December 31, 2008, it amounts to R$1,907 and is totally covered by the Plan's Net Assets.

In addition to the total financial coverage of actuarial liabilities, the plan has a surplus with which a pension fund that amounts in R$ 2,338 on December 31, 2008 was made. The Fund was established by remaining balances of contributions from the sponsor, coming from withdrawals of participants who made a partial redemption, not being eligible to benefits of the plan.

*   *   *

ALL REPORTS 2Q09 AND 1H09 RESULTS

Curitiba, Brazil, August 11, 2009 – América Latina Logística S.A. – ALL (Bovespa: ALLL11)[1], Latin America's largest independent logistics company, announces its results for the second quarter and first half of 2009 (2Q09 and 1H09). ALL operates 21,300 km of rail tracks, 1,095 locomotives, 31,650 rail cars, 700 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 2008. Financial and operational information, unless otherwise stated, are presented in nominal Reais pursuant to the Brazilian Corporate Law. Results for 2008 and 2009, unless otherwise stated, contemplate the changes in the Brazilian Accounting Standards occurred in 2008 (Law 11,638) and 2008 Results may differ from numbers previously released. Consolidated results, unless otherwise stated, excludes the results of Santa Fé Vagões.

Conference Calls:

English
August 12, 2009
Wednesday
10:30 a.m. US EDT

Portuguese
August 12, 2009
Wednesday
9:00 a.m. US EDT

Meeting with Analysts and Investors:

August 18, 2009
Tuesday
11:00 a.m. (Brasília)

Blue Tree Towers Faria Lima
Av. Brigadeiro Faria Lima, 3989
São Paulo – SP

OPERATING AND FINANCIAL HIGHLIGHTS

- ✓ **ALL Brazil's volume grew 9.7% in 1H09 to 17,528 million RTK,** in line with our original plan. Volumes in agricultural commodities increased 11.2%, mainly driven by a favorable grain export market and partially offset by a 48.6% reduction in fertilizers. Industrial volumes grew 6.1% with market share gains in all segments. In 2Q09, Brazil rail volumes rose 9.1%, to 9,769 million RTK, pushed by a 10.1% growth in agricultural commodities and a 6.4% increase in industrial products.

- ✓ **Gross revenues in Brazil increased 5.6% in 1H09 to R$1,398 million and average yield decreased 0.9%**. The lower yield reflects the pressured freight prices in the spot market and the pass through of the diesel price reduction in June, partially offset by a drop in return cargo volumes, which have higher margins but lower yields. In 2Q09, average yield in Brazil decreased 1.7%, and gross revenues grew 4.5%, from R$773.7 million in 2Q08 to R$808.8 million in 2Q09.

- ✓ **Consolidated EBITDA[1] increased 4.2% in 1H09 to R$638.0 million,** mainly driven by higher rail volumes and revenues in Brazil, partially offset by lower margins, due to (i) lower yields, (ii) a drop in return cargo volumes and (iii) a poor performance in Argentina. EBITDA grew 6.7% in agricultural commodities and 2.9% in industrial products. In 2Q09, Consolidated EBITDA grew 3.6%, to R$388.9 million, driven by a 4.9% increase in agricultural commodities and a 2.7% growth in industrial products.

- ✓ **We maintain our volume growth guidance between 10% and 12% in Brazil**, confident in our market share gain potential and in the productivity improvements in our rail network. Perspectives for 2H09 are positive, driven by the expected strong growth in return cargo volumes and the new projects in the industrial segment. Yields should remain weak driven by a pressured spot freight market, the full impact of diesel price reduction pass through and the increase in return cargo.

- ✓ **The expansion projects have advanced.** (i) The construction of Rondonópolis 260 km extension has started, as we closed its financial structure with 100% funding from BNDES and FI-FGTS Fund. (ii) The Rumo-Cosan project, in the sugar and alcohol segments, is under road show and due diligence process, with closing date schedule for 4Q09.

1 Preferred shares (ALLL4) and common shares (ALLL3) are also listed at BOVESPA but with no significant liquidity
2 EBITDA calculation considers the changes in Brazilian Accounting Standards (Law 11,638). Law 11,638 treats a significant portion of our railcar rental contracts as owned assets. Therefore railcar rental costs vanish, being treated as depreciation and financial expenses. Under the new Brazilian Accounting Standards, differentiation between EBITDAR (EBITDA prior to rental costs) and EBITDA no longer apply.

Table 1 - Financial Highlights (R$ million)	2Q09	2Q08	% Change*	1H09	1H08	% Change*
ALL Brazil Operations						
Gross Sales	808.8	773.7	4.5%	1,397.6	1,323.3	5.6%
Net Sales	712.7	673.5	5.8%	1,230.6	1,155.2	6.5%
EBITDA	385.9	373.0	3.5%	637.0	608.8	4.6%
*EBITDA Margin***	*54.1%*	*55.4%*	*-1.2%*	*51.8%*	*52.7%*	*-0.9%*
Net Income	68.9	96.4	-28.5%	57.2	100.7	-43.2%
ALL Consolidated* **						
Gross Sales	847.0	805.2	5.2%	1,473.3	1,385.1	6.4%
Net Sales	750.0	704.3	6.5%	1,304.4	1,215.5	7.3%
EBITDA	388.9	375.4	3.6%	638.0	612.1	4.2%
*EBITDA Margin***	*51.8%*	*53.3%*	*-1.4%*	*48.9%*	*50.4%*	*-1.5%*
Net Income****	60.1	91.6	-34.4%	37.5	91.3	-59.0%
EPS (R$/ Share)	0.10	0.16	-34.4%	0.06	0.16	-59.0%
Consolidated Balance Sheet Indicators						
Total Assets	11,658.2	10,370.8	12.4%	11,658.2	10,370.8	12.4%
Shareholders Equity	2,563.2	2,566.1	-0.1%	2,563.2	2,566.1	-0.1%
EBITDA (Trailling 12 months)	1,260.9	1,156.4	9.0%	1,260.9	1,156.4	9.0%
Net Debt	2,680.8	2,683.9	-0.1%	2,680.8	2,683.9	-0.1%
Net Debt / (Trailling 12 months EBITDA)	2.1	2.3	-8.4%	2.1	2.3	-8.4%
Net Debt/ Equity	1.0	1.0	0.0%	1.0	1.0	0.0%

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

**** Excludes results of Santa Fé Vagões*

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

Earnings per share calculation based on number of existing shares as of June 30st, 2009

Values may not add up due to rounding

Comments from Bernardo Hees – CEO

We are announcing 1H09 results showing a 7.6% consolidated volume growth, increases of 6.4% in revenues and 4.2% in EBITDA[2], and a net income of R$37.5 million**.** These results show the resilience of our business in a recession scenario despite (i) the 49% reduction in fertilizer volumes, the main return cargo in agricultural commodities; (ii) the two digit year-over-year drop in industrial production in Brazil and Argentina; (iii) the 45% crop break in Argentina; (iv) lower freight prices in spot market; and (v) the diesel price reduction in June.

In Brazil, volumes increased 9.7% in 1H09, as we gained market share in industrial products and took advantage of a favorable export market in agricultural commodities. Gross revenues increased 5.6%, from R$1,323 million in 1H08 to R$1,398 million. EBITDA grew 4.6%, reaching R$637.0 million, and EBITDA margin decreased 0.9 percentage point, to 51.8%, due to lower spot market freight prices, pass through of diesel price reduction and the drop in fertilizers volumes.

Agricultural commodities volumes increased 11.2% in 1H09 driven by a 19% increase in grain export flows, partially offset by a 49% decrease in fertilizer volumes. Agricultural Commodities' gross revenues grew 10.6%, to R$989.8 million, and gross yield decreased 0.5%. EBITDA increased 6.7%, to R$483.1 million, and EBITDA margin worsened 2.4 percentage points, to 54.8%, due to weak spot market freight prices and fertilizers volumes.

Industrial volumes increased 6.1% in 1H09, with a 9.1% growth in intermodal volumes and a 4.4% increase in pure rail segment. Despite a lower than usual growth, we gained market share in every segment, more than compensating the two digit reduction in industrial production in Brazil. Moreover, the recession scenario has changed the focus of our clients from increasing production to cost cutting, and market share gains should accelerate in the following quarters as new projects become operational. Gross revenues increased 3.9%, to R$364.9 million, EBITDA increased 2.9%, to R$150.3 million and EBITDA margin reached 48.3%.

In ALL Argentina, we continue to face in 2Q09 a tough market and political environment. Protests and blockages in our railroads in the country continue to be a problem and volumes went down 10.9% in 1H09, when compared to the same period of

[2] EBITDA calculation considers the changes in Brazilian Accounting Standards (Law 11,638). Law 11,638 treats a significant portion of our railcar rental contracts as owned assets. Therefore railcar rental costs vanish, being treated as depreciation and financial expenses. Under the new Brazilian Accounting Standards, differentiation between EBITDAR (EBITDA prior to rental costs) and EBITDA no longer apply.

last year. Last estimates indicate more than 45% agricultural crop reduction in the country and industrial production is still falling, with significant impact on raw materials transportation. The Argentina operation represents today less than 6% of our revenues and 3% of our EBITDA.

In 2Q09, ALL Brazil's volume grew 9.1%, reaching 9,769 million RTK, pushed by a 10.1% growth in agricultural commodities and 6.4% in industrial products. Gross revenues increased 4.5%, from R$773.7 million in 2Q08 to R$808.8 million in 2Q09, EBITDA grew 3.5%, to R$385.9 million, and EBITDA margin decreased from 55.4% to 54.1%. Consolidate volumes grew 6.6%, to 10,558 million RTK, gross revenues increased 5.2%, to R$847.0 million, EBITDA went up 3.6%, to R$388.9 million and EBITDA margin decreased from 53.3% to 51.8%.

The expansion projects of Rondonópolis and Rumo-Cosan are well under schedule and we are confident in the next steps. The construction of Rondonópolis 260 km extension has started as we closed its financial structure with 100% funding, from BNDES and FI-FGTS Fund. The Rumo-Cosan project, in the sugar and alcohol segments, is under road show and due diligence, being evaluated by several investors with closing date schedule for 4Q09.

Perspectives for 2H09 are positive driven by the expected strong growth in return cargo volumes and the new projects in the industrial segment. Yields should remain weak with a pressured spot freight market, the full impact of diesel price reduction pass through and the increase in return cargo. We maintain our volume growth guidance between 10% and 12% in Brazil, confident in our market share gain potential and in the productivity improvements in our rail network.

OPERATING PERFORMANCE BY BUSINESS SEGMENT

Consolidated Results[3]

Consolidated EBITDA grew 3.6% in 2Q09, from R$375.4 million in 2Q08 to R$388.9 million, mainly driven by higher rail volumes and revenues in Brazil. EBITDA margin decreased 1.4 percentage point, from 53.3% in the 2Q08 to 51.8%, reflecting (i) lower return cargo in Brazil, as fertilizer volumes went down 39% as compared to 2Q08; (ii) a pressured freight price in the spot market due to economic recession and (iii) pass through of diesel price reduction in June. In 1H09, EBITDA increased 4.2%, from R$612.1 million in 1H08 to R$638.0 million, and EBITDA margin decreased 1.5 p.p., reaching 48.9%.

Table 2 - EBITDA (R$ million)	2Q09	2Q08	Growth 2Q09	% Growth 2Q09	1H09	1H08	Growth 1H09	% Growth 1H09
ALL Consolidated	388.9	375.4	13.5	3.6%	638.0	612.1	25.9	4.2%
ALL Brazil	385.9	373.0	12.9	3.5%	637.0	608.8	28.2	4.6%
Agricultural Commodities	294.4	280.6	13.8	4.9%	483.1	452.7	30.4	6.7%
Industrial Products	89.6	87.2	2.4	2.7%	150.3	146.1	4.3	2.9%
Highway Based Services	1.9	5.2	(3.3)	-63.4%	3.6	10.0	(6.5)	-64.3%
ALL Argentina	3.0	2.4	0.6	25.6%	1.0	3.3	(2.4)	-71.1%

Gross revenues increased 5.2%, from R$805.2 million in 2Q08 to R$847.0 million in 2Q09, mainly driven by a 9.1% volume increase in Brazil and partially offset by a 42.5% volume reduction in Highway Services. Yield, measured in R$/'000 RTK, increased 1.1%, from R$77.3 to R$78.2, pushed by a 45.8% growth in Argentina yield, reflecting the pass through of inflation. In 1H09, gross Revenues grew 6.4% when compared with the same period of last year, from R$1,385 million to R$1,473.3 million.

Table 3 - EBITDA Margin (%)	Second Quarter 2Q09	2Q08	Change*	1H09	First Half 1H08	Change*
ALL Consolidated	51.8%	53.3%	-1.4%	48.9%	50.4%	-1.5%
ALL Brazil	54.1%	55.4%	-1.2%	51.8%	52.7%	-0.9%
Agricultural Commodities	55.8%	58.2%	-2.4%	54.8%	57.2%	-2.4%
Industrial Products	53.9%	55.9%	-2.0%	48.3%	49.6%	-1.4%
Highway Based Services	10.1%	14.6%	-4.5%	9.6%	14.5%	-4.9%
ALL Argentina	7.9%	7.7%	0.3%	1.3%	5.5%	-4.2%

** Indicates percentage points gain / (loss)*

[3] Excludes results of Santa Fé Vagões.

Agricultural Commodities

Agricultural commodities volumes increased 10.1% in 2Q09, from 6,506 million RTK in 2Q08 to 7,164 million RTK, mainly driven by increases in transport of soy beans (40.2%), soy meal (9.2%) and wheat (383.0%). In 1H09, volume grew 11.2%, mainly driven by increases in soy beans (29.6%), soy meal (19.5%) and wheat (23.0%).

Table 4 - Agricultural Commodities Products (million RTK)	**2Q09**	**2Q08**	**% Change**	**1H09**	**1H08**	**% Change**
Soy	4,852.4	3,460.7	40.2%	7,763.1	5,988.0	29.6%
Soy Meal	1,115.6	1,021.8	9.2%	1,813.7	1,517.3	19.5%
Fertilizers	441.7	720.8	-38.7%	675.1	1,314.0	-48.6%
Sugar	519.4	597.8	-13.1%	977.1	1,009.9	-3.2%
Corn	51.8	543.4	-90.5%	721.1	894.6	-19.4%
Wheat	71.6	14.8	383.0%	332.4	270.2	23.0%
Rice	108.6	124.6	-12.8%	243.6	225.9	7.8%
Others	2.9	22.2	-86.8%	6.8	54.6	-87.5%
Total	**7,164.1**	**6,506.1**	**10.1%**	**12,533.0**	**11,274.5**	**11.2%**

Volume growth reflects a favorable market in export flows, which grew 19.0% in 1H09, more than offsetting a 48.6% drop in fertilizers volumes - the main return cargo in agricultural commodities. In 2008, farmers concentrated fertilizers acquisitions in the 1H, creating a strong comparison base, as they built inventories to protect themselves from a boom in fertilizer's price in a scenario of rising demand. In 2009, the opposite is happening as price pressure vanished, and fertilizers acquisitions are expected to be concentrated between June and October.

Despite a 16% growth in front haul cargo in 2Q09, our market share in agriculture exports through the ports we serve remained in line in 2Q09 when compared to 2Q08, at 50%, as exports also boomed in the period.

Gross revenues increased 8.7%, from R$547.4 million in 2Q08 to R$595.0 million in 2Q09, and gross yield, measured in R$/'000 RTK, decreased 1.3%, reaching R$83.1 per '000 RTK. The marginal yield decrease reflects a pressured freight price in the spot market and the pass through of diesel prices reduction in June, partially offset by a reduction in return cargo, which have lower yields. In 1H09, gross revenues increased 10.6%, reaching R$989.8 million, and gross yield decreased 0.5%, reaching R$79.0 per '000 RTK.

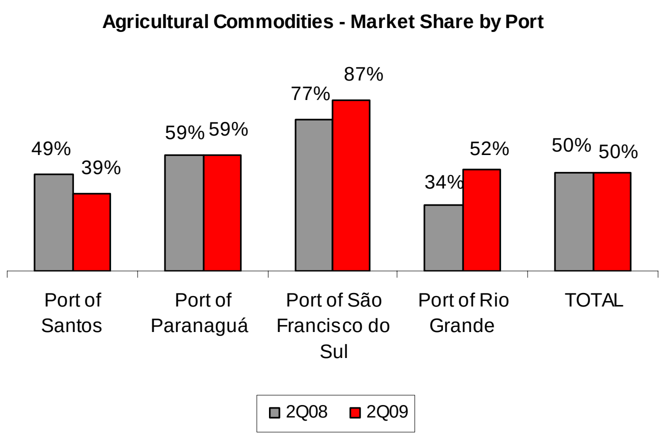

Table 5 - Agricultural Commodities (R$ million)	**2Q09**	**Second Quarter 2Q08**	**Change***	**1H09**	**First Half 1H08**	**Change***
Volume (million RTK)	7,164	6,506	10.1%	12,533	11,275	11.2%
Gross Revenues	595.0	547.4	8.7%	989.8	894.5	10.6%
Gross Yield (R$/'000 RTK)	*83.1*	*84.1*	*-1.3%*	*79.0*	*79.3*	*-0.5%*
Net Revenues	527.6	481.7	9.5%	881.9	791.5	11.4%
EBITDA	294.4	280.6	4.9%	483.1	452.7	6.7%
EBITDA Margin	*55.8%*	*58.2%*	*-2.4%*	*54.8%*	*57.2%*	*-2.4%*

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

Agricultural commodities EBITDA increased 4.9%, from R$280.6 million in 2Q08 to R$294.4 million in 2Q09, pushed by a 10.1% volume increase. EBITDA margin went down 2.4 percentage points, from 58.2% to 55.8%, reflecting a reduction in return cargo and a reduction in yields. In 1H09, agricultural commodities EBITDA grew 6.7% and EBITDA margin decreased 2.4 percentage points, from 57.2% in 1H08 to 54.8%.

Industrial Products

Industrial volumes increased 6.4% in 2Q09, from 2,447 million RTK in 2Q08 to 2,605 million RTK. Despite the lower than usual growth, we gain market share in every segment more than compensating the reduction in industrial production in Brazil, as we keep gaining market share in intermodal and pure rail segments.

Table 6 - Intermodal Industrial Products (million RTK)	2Q09	2Q08	% Change	1H09	1H08	% Change
Steel Products	199.4	205.5	-3.0%	389.3	445.9	-12.7%
Wood Products	177.0	156.5	13.1%	333.5	301.9	10.5%
Food Products	177.1	135.8	30.4%	342.6	234.9	45.8%
Containers	249.8	222.7	12.2%	488.6	426.6	14.5%
Others	182.6	178.3	2.4%	380.4	364.0	4.5%
Total	**986.0**	**898.9**	**9.7%**	**1,934.3**	**1,773.3**	**9.1%**

In intermodal flows, volume increased 9.7% in 2Q09, with growth in containerized cargo, food and wood products benefited by the start up of VCP plant in the city of Três Lagoas in May. 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. In 1H09, intermodal flows volume grew 9.1%, with market share gains in all segments.

Table 7 - Pure Rail Industrial Products (million RTK)	2Q09	2Q08	% Change	1H09	1H08	% Change
Fuel Products	1,147.8	1,077.6	6.5%	2,222.6	2,110.1	5.3%
Vegetal Oil	103.2	91.9	12.3%	156.3	142.4	9.8%
Construction	367.6	378.5	-2.9%	681.5	680.3	0.2%
Total	**1,618.7**	**1,548.0**	**4.6%**	**3,060.5**	**2,932.7**	**4.4%**

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 the 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, we have significant room to grow volumes regardless of market growth. Pure rail industrial products volumes increased 4.6% in 2Q09 and 4.4% in 1H09, when compared to the same period of last year.

Table 8 - Industrial Products	**Second Quarter**			**First Half**		
(R$ million)	**2Q09**	**2Q08**	**Change***	**1H09**	**1H08**	**Change***
Volume (million RTK)	2,605	2,447	6.4%	4,995	4,706	6.1%
Gross Revenues	192.1	186.6	2.9%	364.9	351.2	3.9%
Gross Yield (R$/'000 RTK)	*73.8*	*76.3*	*-3.3%*	*73.1*	*74.6*	*-2.1%*
Net Revenues	166.3	156.2	6.5%	311.6	294.5	5.8%
EBITDA	89.6	87.2	2.7%	150.3	146.1	2.9%
EBITDA Margin	*53.9%*	*55.9%*	*-2.0%*	*48.3%*	*49.6%*	*-1.4%*

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

Industrial products' gross revenues increased 2.9% in 2Q09, from R$186.6 million in 2Q08 to R$192.1 million, with an average yield decrease of 3.3%, impacted by lower freight prices in the spot market and pass through of diesel price reduction in June. EBITDA increased 2.7%, from R$87.2 million in 2Q08 to R$89.6 million, and EBITDA margin decreased 2.0 p.p. in the period, to 53.9%. In 1H09, gross revenues grew 3.9%, reaching R$364.9 million, and EBITDA increased 2.9%, from R$146.1 million in 1H08 to R$150.3 million.

Highway Services Business Unit

In Highway Services volumes, measured in remunerated kilometers (RK), decreased 42.5% in 2Q09, mainly driven by the discontinuation of beverage distribution service for Ambev in 3Q08 and a strong volume reduction in our automotive clients as a result of the economic recession. Gross revenues decreased 45.5% in 2Q09, to R$21.6 million, and average yield decreased 5.2% in the quarter. EBITDA decreased 63.4% in 2Q09, to R$1.9 million, and EBITDA margin decreased to 10.1%, reflecting lower yields and volumes. In 1H09, highway services volumes decreased 40.5%, gross revenues went down 44.7%, to R$42.9 million, and EBITDA worsened 64.3%, to R$3.6 million.

Argentina Operations

In Argentina, we had another difficult quarter as we are still facing a very tough market and political environment in the country. Last estimates indicate a 45% agricultural crop drop in 2009, as a result of a prolonged drought, and economic recession has been more severe in Argentina than in Brazil, with significant impact on raw materials transportation. Moreover, protests and blockages in our railroads in the country continue to be a problem. Therefore, to anticipate short run trends in Argentina seem to be a very tough mission.

ALL Argentina's gross revenues increased 9.5% in 2Q09, from P$62.6 million in 2Q08 to P$68.6 million, due to a 31.8% increase in yield. EBITDA increased 13.5% from P$4.7 million in 2Q08 to P$5.3 million in 2Q09 and EBITDA margin increased from 7.7% to 7.9%. In 1H09, EBITDA decreased from P$6.4 million in 1H08 to P$2.1 million, and EBITDA margin decreased from 5.6% to 1.7