Localiza Rent a Car S.A.

3Q11 Results

R$ million, IFRS

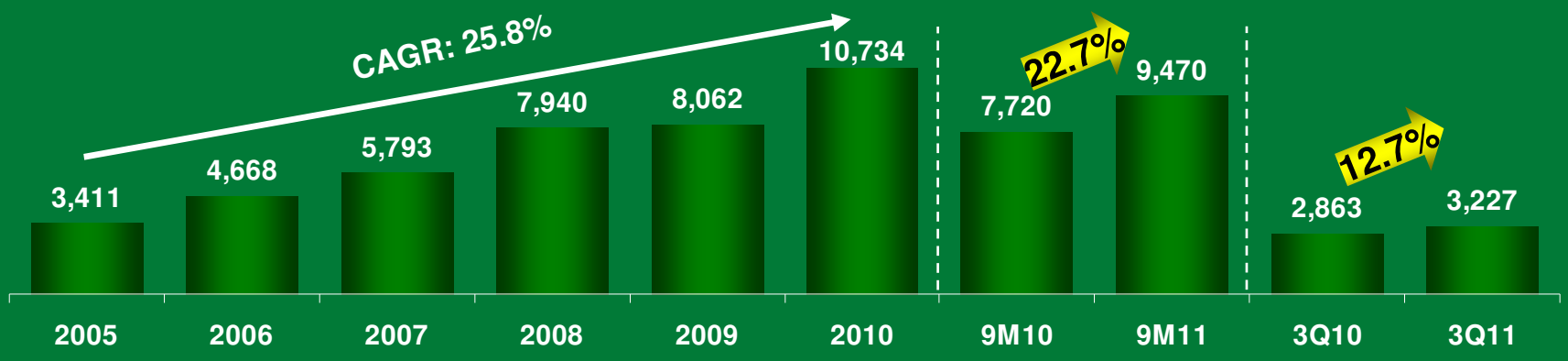




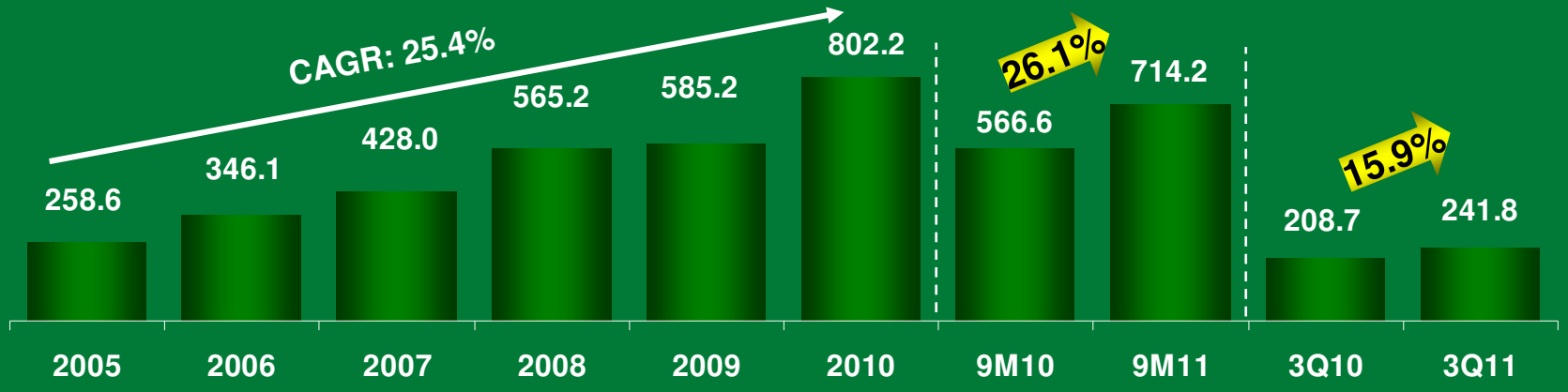
October 13, 2011

Car Rental Division

daily rentals (thousand)

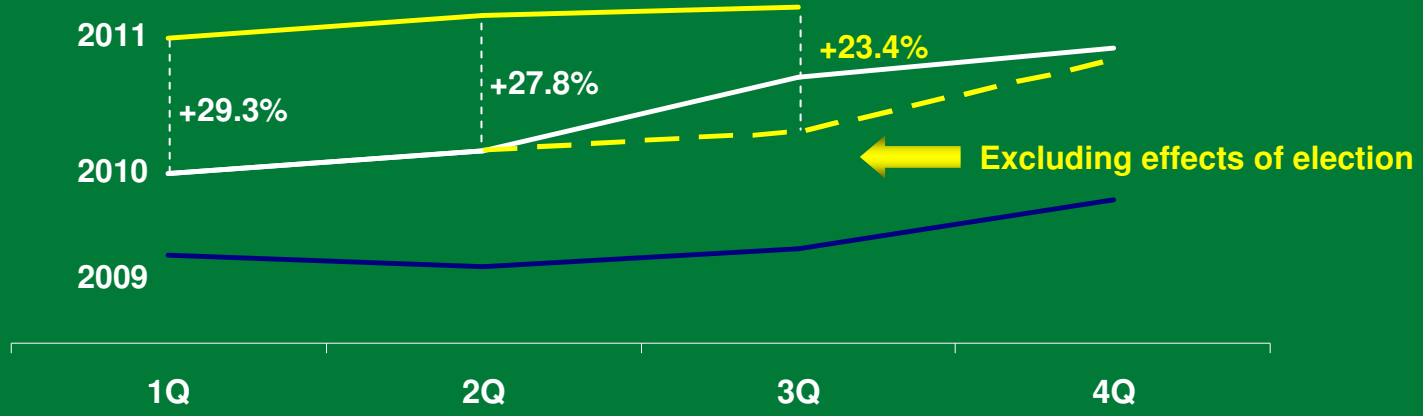


Net revenues (R$ million)



Average rental rate increased due to a change in the business mix and better negociations.

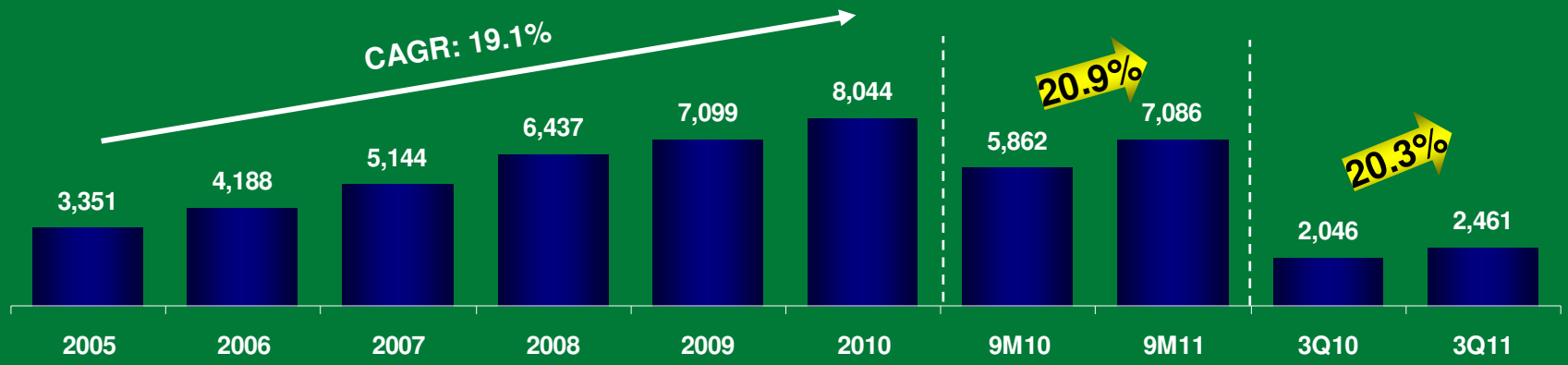
Quarterly evolution of the number of rental days



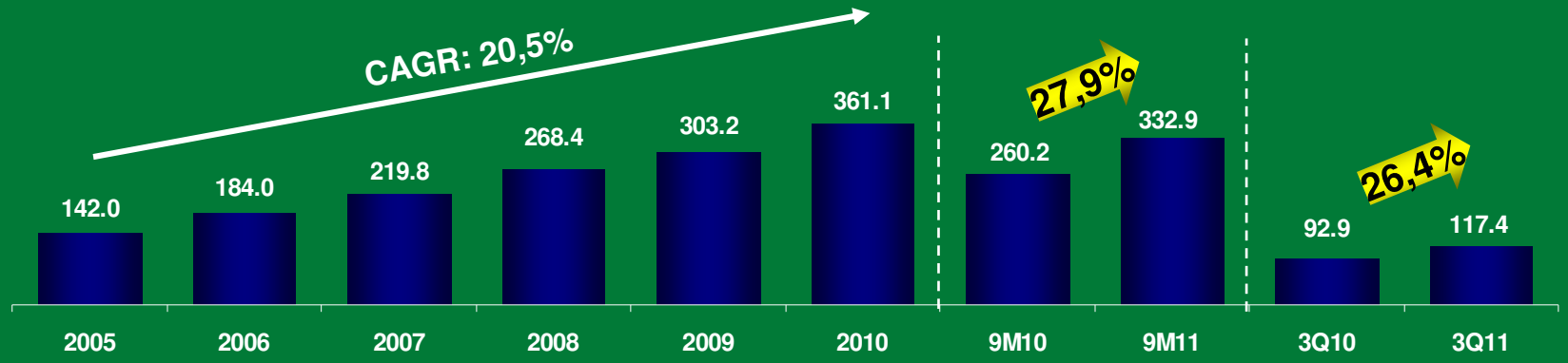
3Q comps are higher in the car rental due to the effects of 2010 elections.

Fleet Rental Division

daily rentals (thousand)



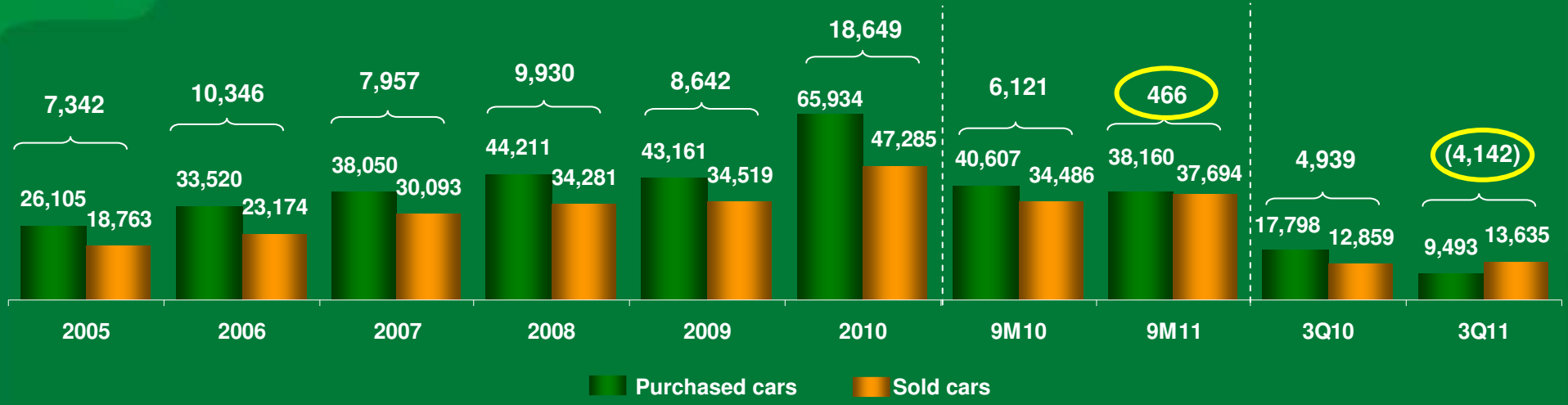
Net revenues (R$ million)



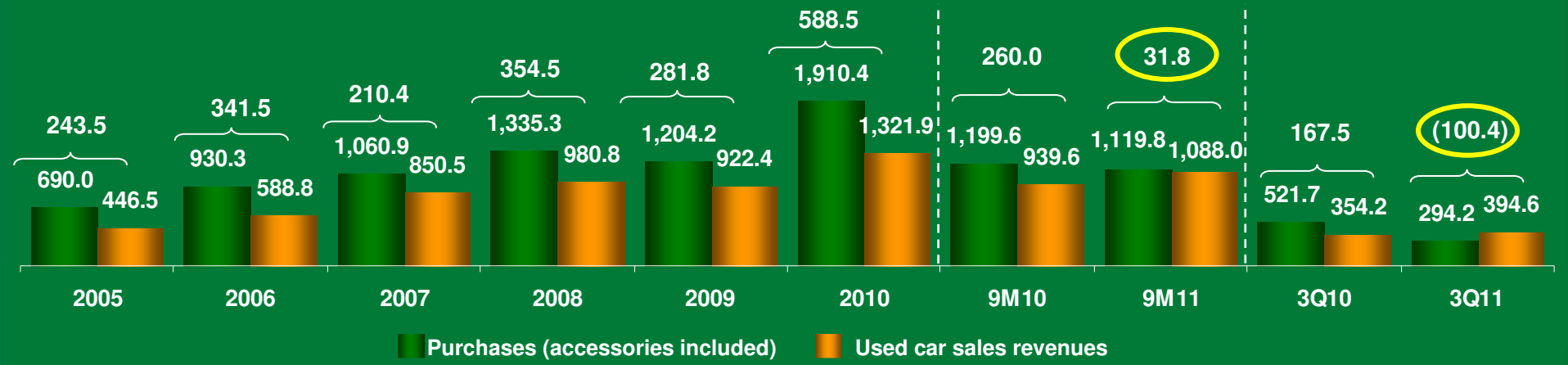
Growth in rental rate derived from the increase in basic interest rate.

Net Investment

Fleet increase * (quantity)

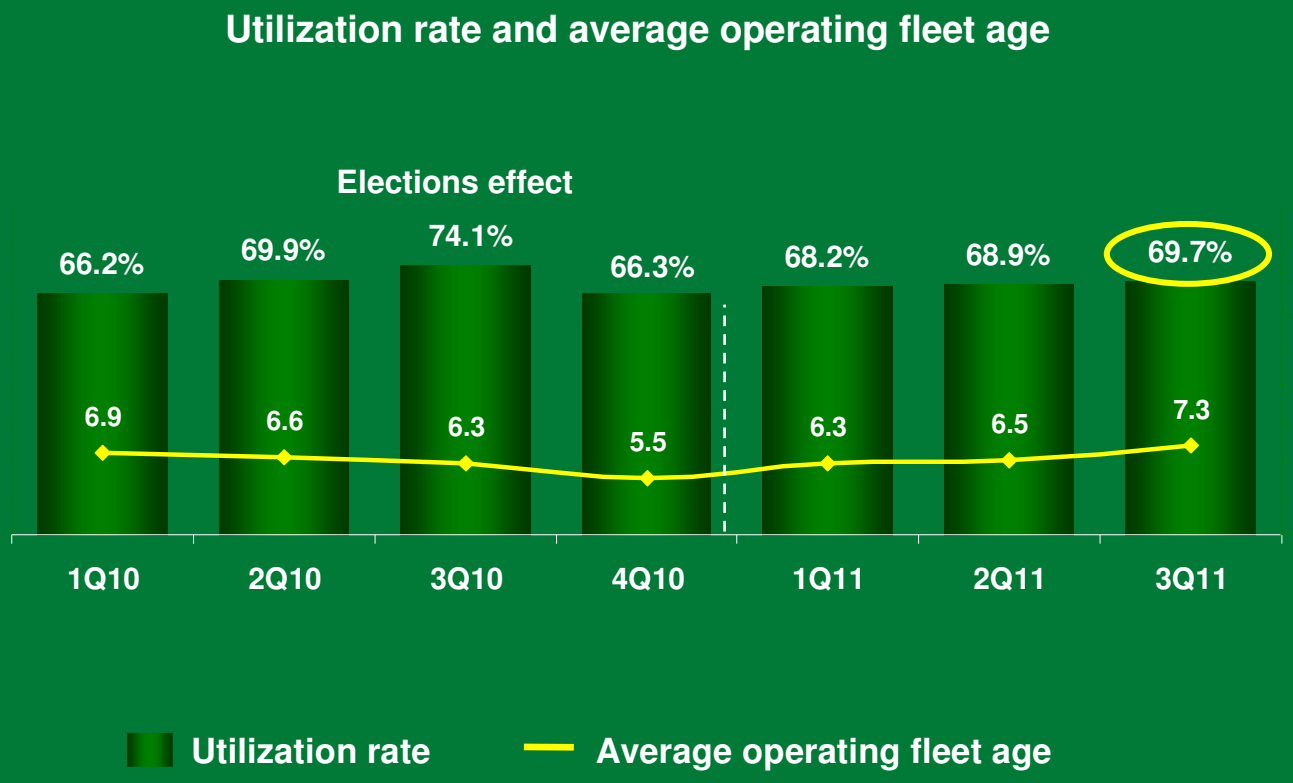


Net investment (R$ million)



Flexibility in the car purchase to adjust fleet to demand.

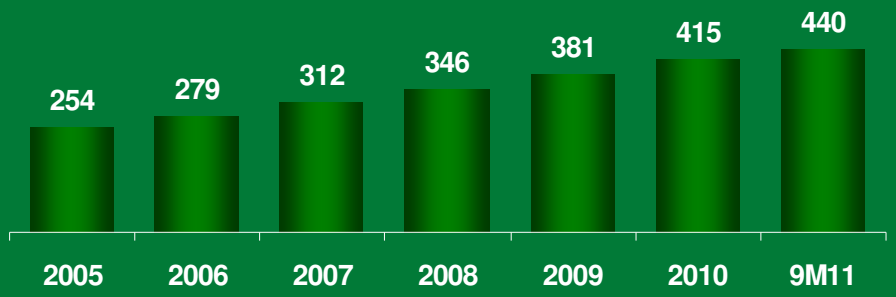
Utilization rate and average operating fleet age



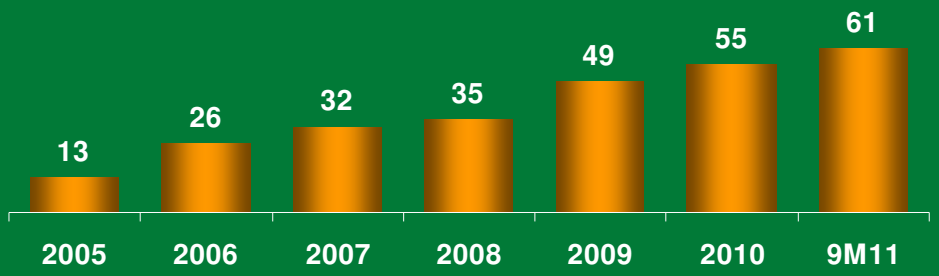
Fleet is adjusted according to demand.

Distribution

of rental locations in Brazil



of used car sales stores

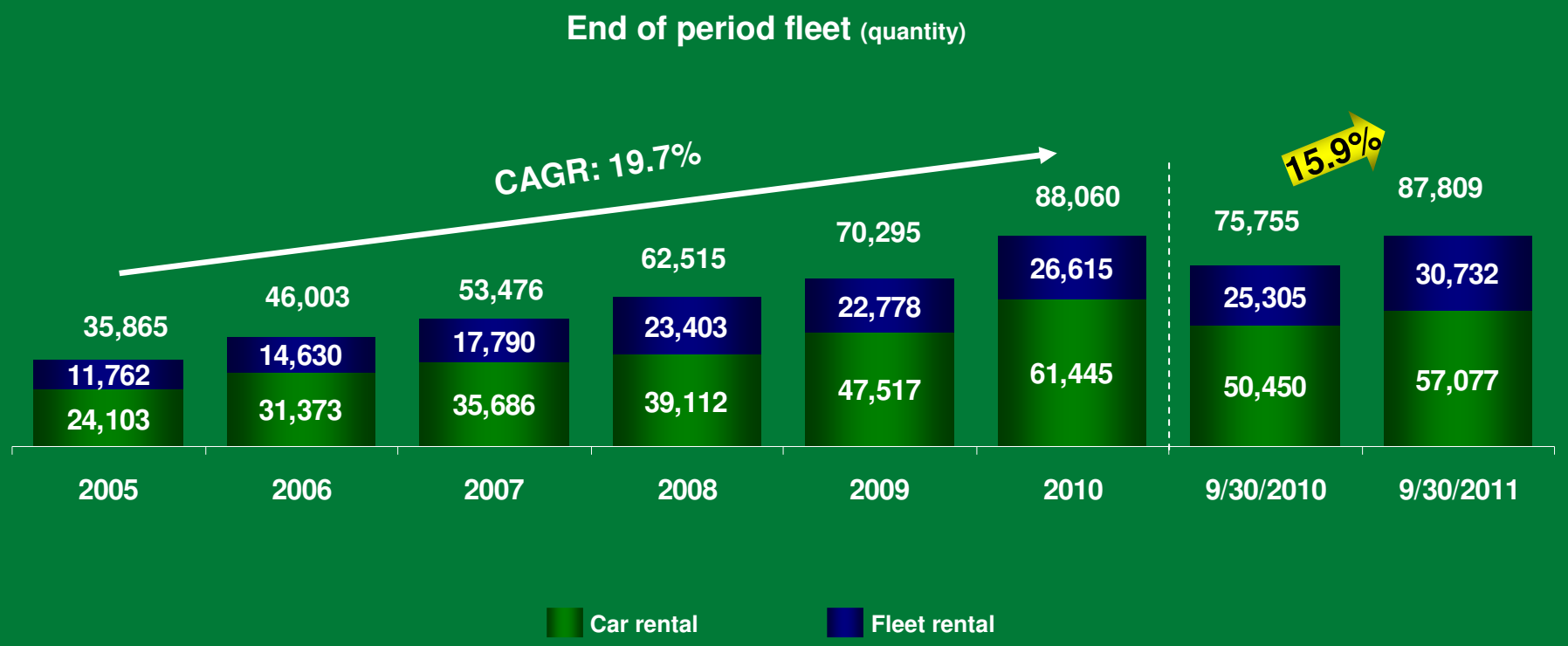






Localiza and Seminovos networks are being expanded to increase sales volumes.

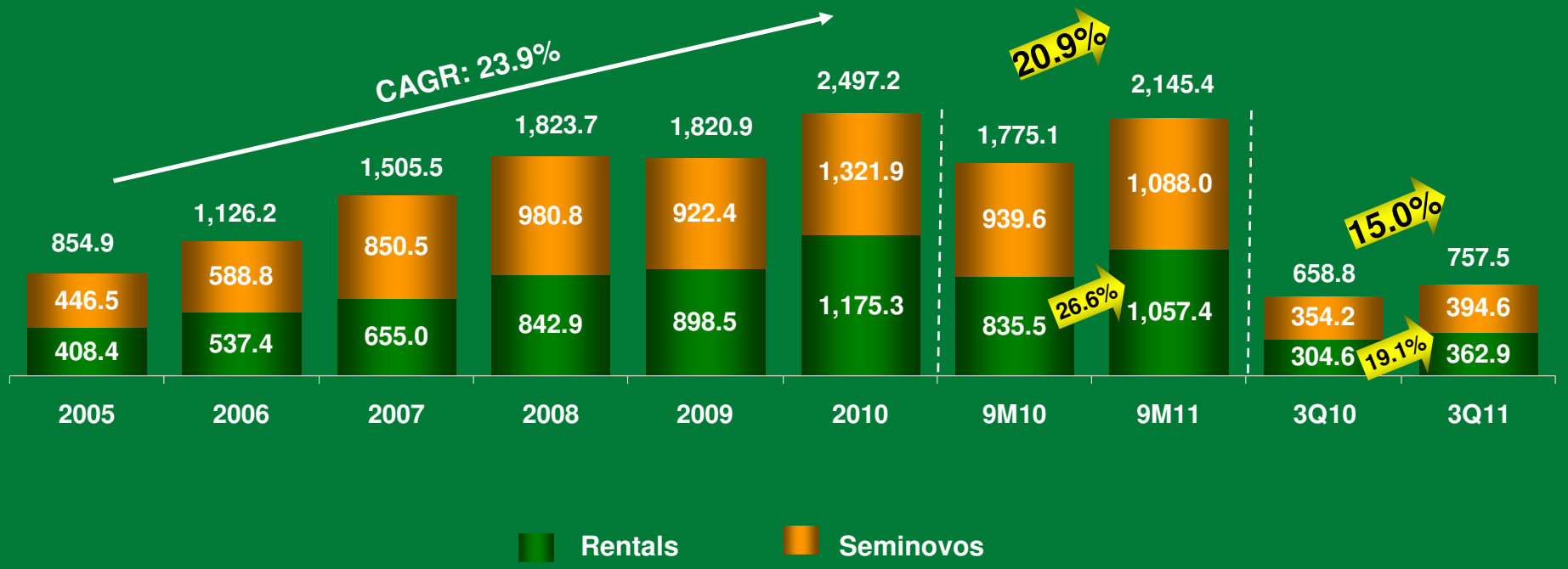
End of period fleet



The 15.9% growth in the fleet is in line with the rental volume increase.

Consolidated net revenues

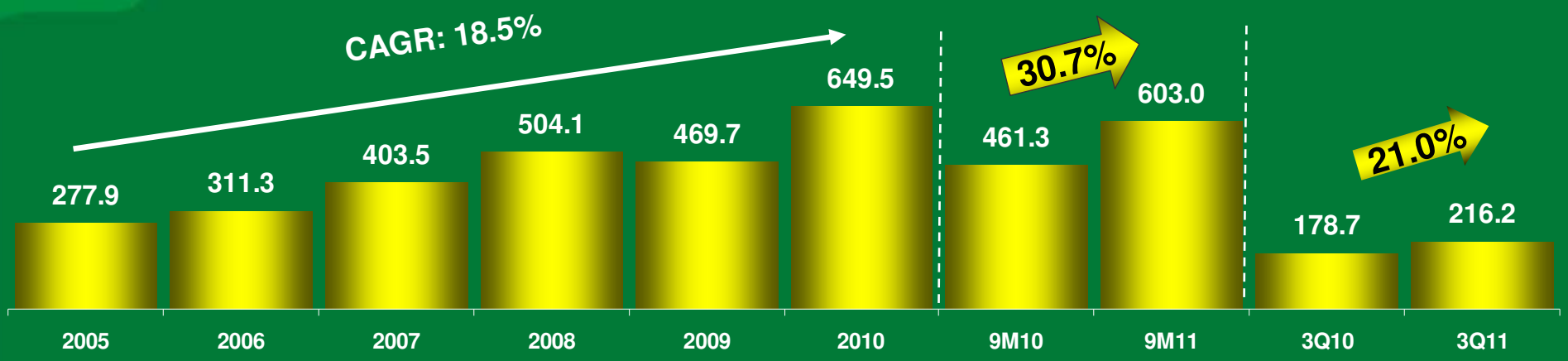
R$ million



Rental and Seminovos' increase in volumes and prices resulted in higher revenues.

EBITDA

R$ million



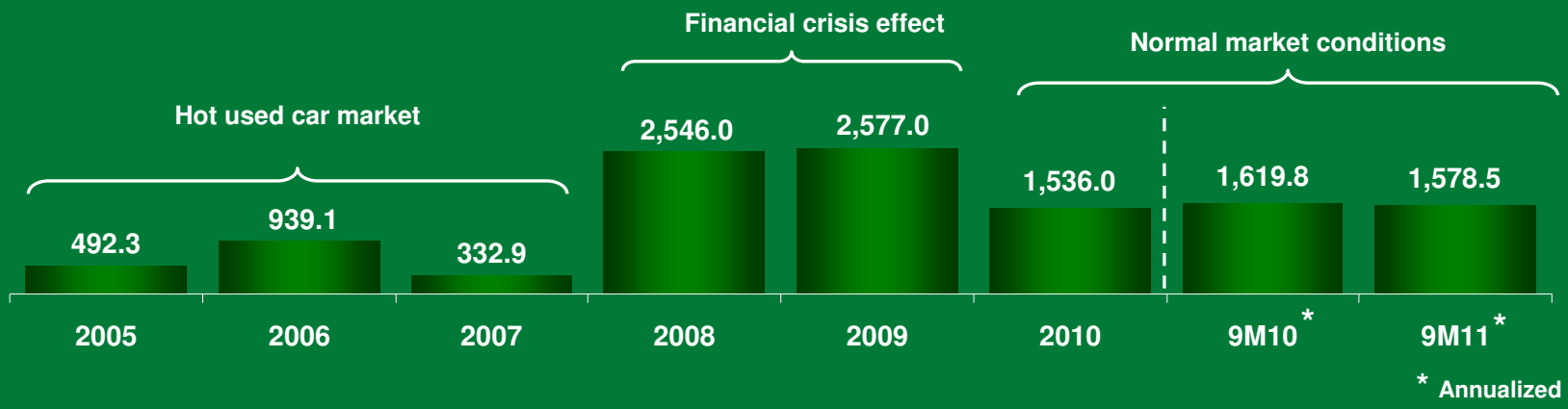
Divisions	2005	2006	2007	2008	2009	2010	9M10	9M11	3Q10	3Q11
Car rental	47.5%	43.4%	46.0%	45.9%	41.9%	45.3%	45.9%	46.9%	48.7%	50.4%
Fleet Rental	65.5%	71.4%	71.3%	69.1%	68.7%	68.0%	67.4%	68.9%	68.9%	72.1%
Rentals consolidated	53.6%	52.9%	54.5%	53.3%	51.1%	52.3%	52.7%	53.8%	54.8%	57.5%
Used car sales	13.2%	4.6%	5.5%	5.6%	1.1%	2.6%	2.3%	3.1%	3.4%	1.9%

The 30.7% growth in the EBITDA in the 9M11 was above the rental revenues increase.

Average depreciation per car

R$

Depreciation evolution - per year



Average depreciation per car remained stable in the year.

Depreciation evolution - per quarter

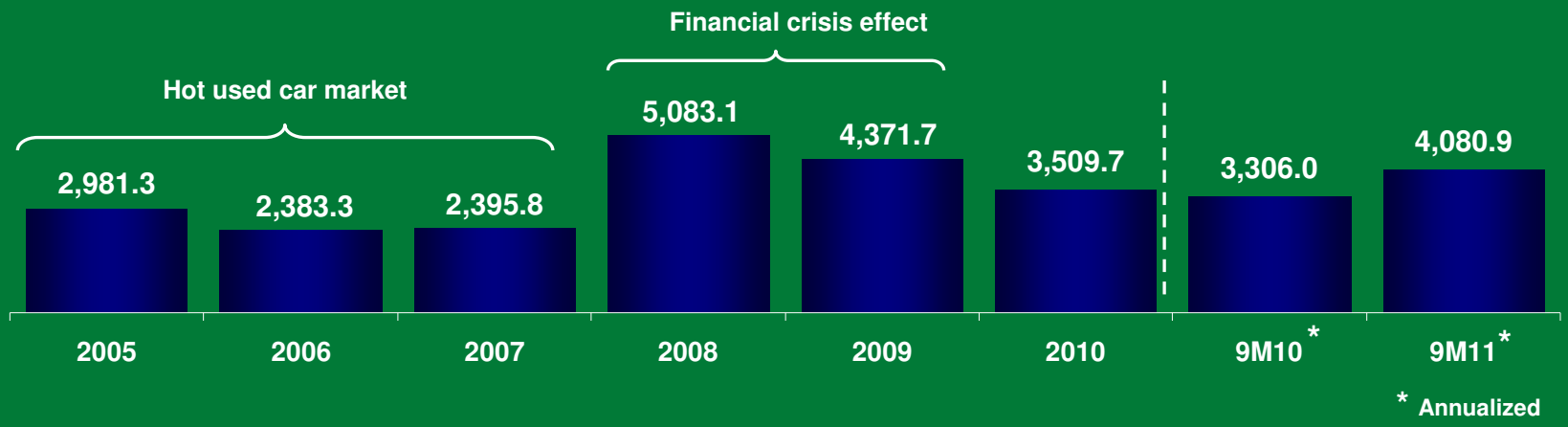


The launching of new models increases 3Qs depreciation.

Average depreciation per car

R$

Depreciation evolution - per year



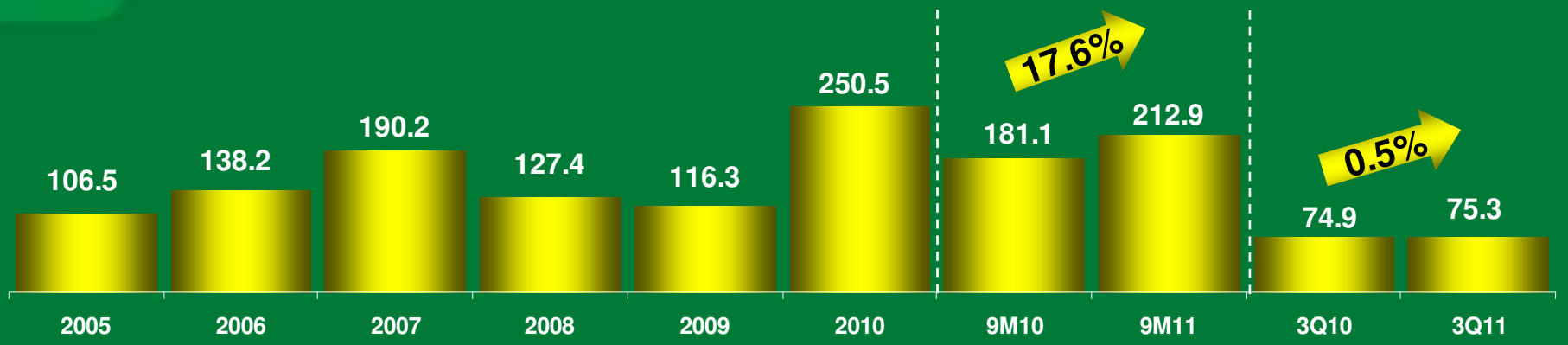
Depreciation evolution - per quarter



The fleet renewal after the end of the tax exemption resulted in higher depreciation.

Consolidated net income

R$ million



Reconciliation EBITDA x net income	2009	2010	Var. R$	9M10	9M11	Var. R$	3T10	3T11	Var. R$
EBITDA – Rentals and franchising	459.1	615.1	156.0	440.0	569.3	129.3	166.8	208.6	41.8
EBITDA – Used car sales	10.6	34.4	23.8	21.3	33.7	12.4	11.9	7.6	(4.3)
EBITDA Consolidated	469.7	649.5	179.8	461.3	603.0	141.7	178.7	216.2	37.5
Cars depreciation	(172.3)	(146.3)	26.0	(104.3)	(143.5)	(39.2)	(37.9)	(53.9)	(16.0)
Other property and equipment depreciation	(21.0)	(21.1)	(0.1)	(15.4)	(17.4)	(2.0)	(5.1)	(5.0)	0.1
Financial expenses, net	(112.9)	(130.1)	(17.2)	(88.8)	(137.8)	(49.0)	(31.4)	(49.8)	(18.4)
Income tax and social contribution	(47.2)	(101.5)	(54.3)	(71.7)	(91.4)	(19.7)	(29.4)	(32.2)	(2.8)
Net income	116.3	250.5	134.2	181.1	212.9	31.8	74.9	75.3	0.4

2011 results were impacted mainly due to interest rate increase.

Free cash flow - FCF

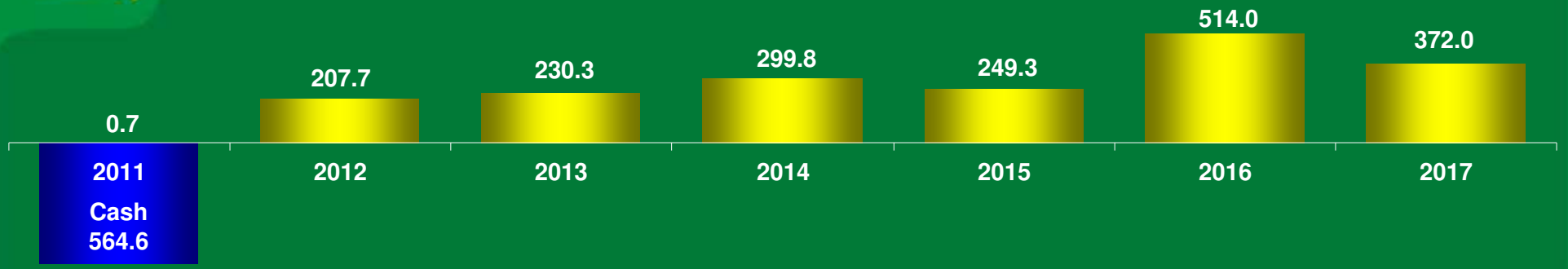
Free cash flow - R$ million	2005	2006	2007	2008	2009	2010	9M11
EBITDA	277.9	311.3	403.5	504.1	469.7	649.5	603.0
Used car sales net revenues	(446.5)	(588.8)	(850.5)	(980.8)	(922.4)	(1,321.9)	(1,088.0)
Depreciated cost of used car sales (*)	361.2	530.4	760.0	874.5	855.1	1,203.2	974.5
(-) Income tax and social contribution	(32.7)	(42.7)	(63.4)	(52.8)	(49.0)	(57.8)	(57.3)
working capital variation	(24.2)	(4.8)	13.3	(44.8)	(11.5)	54.5	(59.4)
Cash provided before *capex*	135.7	205.4	262.9	300.2	341.9	527.5	372.8
Used car sales net revenues	446.5	588.8	850.5	980.8	922.4	1,321.9	1,088.0
Capex of car - renewal	(496.0)	(643.3)	(839.0)	(1,035.4)	(947.9)	(1,370.1)	(1,106.1)
Net capex for renewal	(49.5)	(54.5)	11.5	(54.6)	(25.5)	(48.2)	(18.1)
Capex – other property and equipment, net	(28.0)	(32.7)	(23.7)	(39.9)	(21.0)	(51.1)	(37.4)
Free cash flow before growth and interest	58.2	118.2	250.7	205.7	295.4	428.2	317.3
Capex of car - growth	(194.0)	(287.0)	(221.9)	(299.9)	(241.1)	(540.3)	(13.7)
Change in accounts payable to car suppliers (*capex*)	(25.5)	222.0	(51.0)	(188.9)	241.1	111.3	(195.8)
Free cash flow after growth and before interest	(161.3)	53.2	(22.2)	(283.1)	295.4	(0.8)	107.8
Fleet increase - quantity	7,342	10,346	7,957	9,930	8,642	18,649	466

Strong cash flow generation before growth and interest expenses.

(*) without technical discount deduction

Debt profile and costs

R$ million

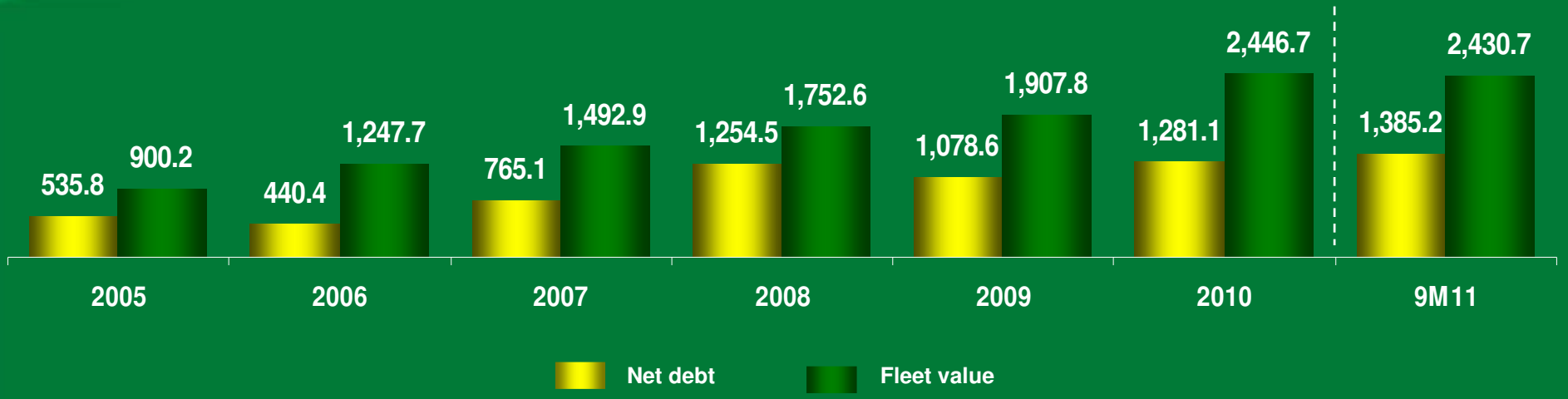


	Contract rate	Effective cost	2011	2012	2013	2014	2015	2016	2017	Total
Working capital	108.7% to 114.7% of CDI and CDI+1.44%a.a.	111.1% - 114.7% of CDI and CDI+1.79%a.a.	-	15.0	38.7	70.0	86.3	190.0	-	400.0
Debenture 2nd Issuance	CDI + 0.44%pa	CDI + 0.6%pa	-	66.6	66.6	66.8	-	-	-	200.0
Debenture 4th Issuance	112.0% to 114.0% of CDI	114.2% of CDI	-	24.0	24.0	63.0	63.0	74.0	122.0	370.0
Debenture 5th Issuance	112.8% of CDI	114.5% of CDI	-	-	-	-	-	250.0	250.0	500.0
Debenture 1st Issuance: Total Fleet	CDI +1.95%pa	CDI + 2.0%pa	-	100.0	100.0	100.0	100.0	-	-	400.0
Other	TJLP + 3.8%pa / CDI + 2.3%pa	TJLP + 3.8%pa / CDI + 2.3%pa	0.7	2.1	1.0	-	-	-	-	3.8
Interests accrued until 09/30/11, net of interest paid	-	-	76.0	-	-	-	-	-	-	76.0
Cash and cash equivalents on 09/30/11	-	-	(564.6)	-	-	-	-	-	-	(564.6)
Net debt	-	-	(487.9)	207.7	230.3	299.8	249.3	514.0	372.0	1,385.2

6 years term for debt payment.

Debt – *ratios*

R$ million

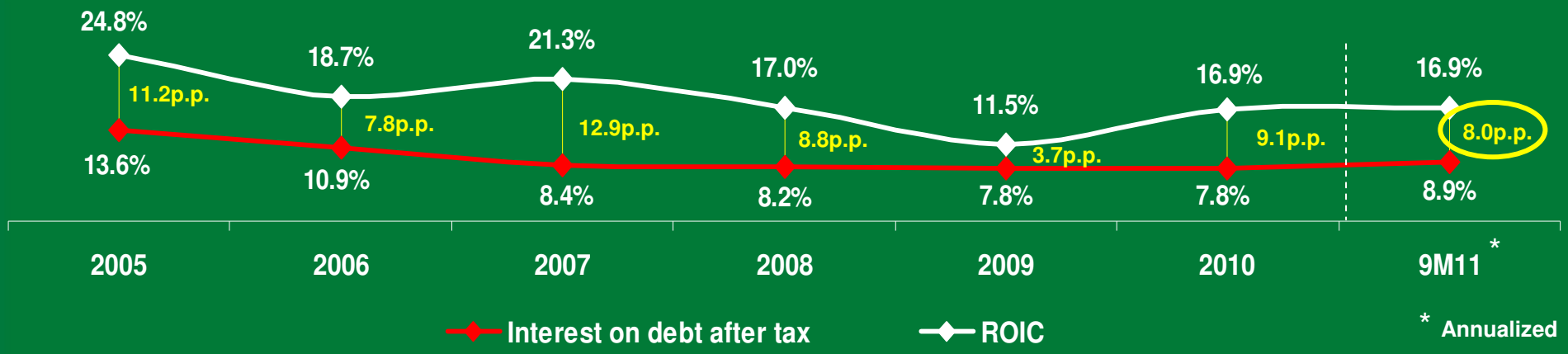


SALDOS EM FINAL DE PERÍODO	2005	2006	2007	2008	2009	2010	9M11
Net debt / Fleet value	60%	36%	51%	72%	57%	52%	57%
Net debt / EBITDA (*)	1.9x	1.4x	1.9x	2.5x	2.3x	2.0x	1.7x
Net debt / Equity	1.4x	0.7x	1.3x	2.0x	1.5x	1.4x	1.3x
EBITDA / Net financial expenses	3.3x	4.8x	5.4x	3.8x	4.2x	5.0x	4.4x

(*) annualized

Comfortable debt ratios.

Spread



	2005	2006	2007	2008	2009	2010	9M11
Average capital investment - R$ million	606.3	986.2	1,137.5	1,642.3	1,702.3	1,984.6	2,428.8
NOPAT margin (over rental net revenues)	37.0%	34.5%	36.9%	32.1%	21.9%	28.6%	29.2%
Turnover of average capital investment (over rental net revenues)	0.67x	0.55x	0.58x	0.53x	0.53x	0.59x	0.58x
ROIC	24.8%	18.7%	21.3%	17.0%	11.5%	16.9%	16.9%
Interest on debt after tax	13.6%	10.9%	8.4%	8.2%	7.8%	7.8%	8.9%
Spread (ROIC – Interest after tax) - p.p.	11.2	7.8	12.9	8.8	3.7	9.1	8.0

Spread of 8.0p.p. despite the growth on basic interest rate.



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Thank you!

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