Localiza Rent a Car S.A.

3Q12 and 9M12 results

R$ million, IFRS

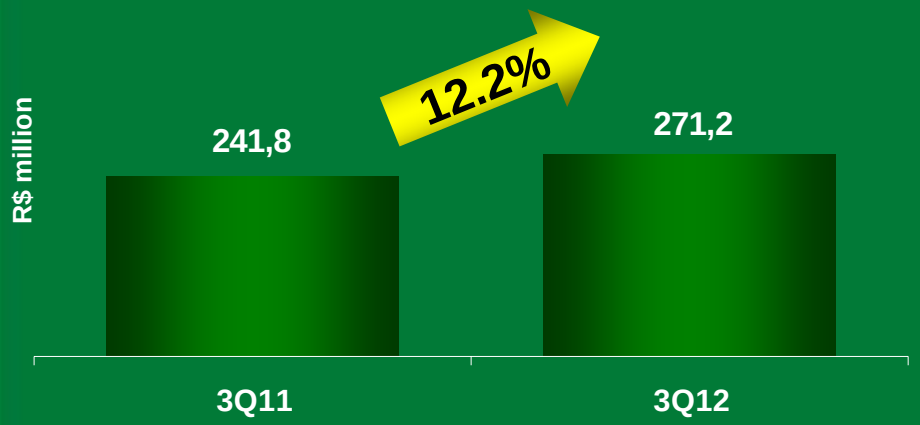




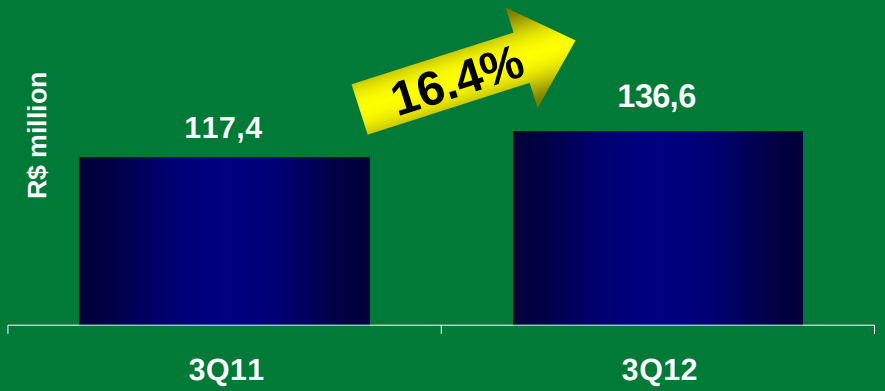
October 17, 2012

Highlights

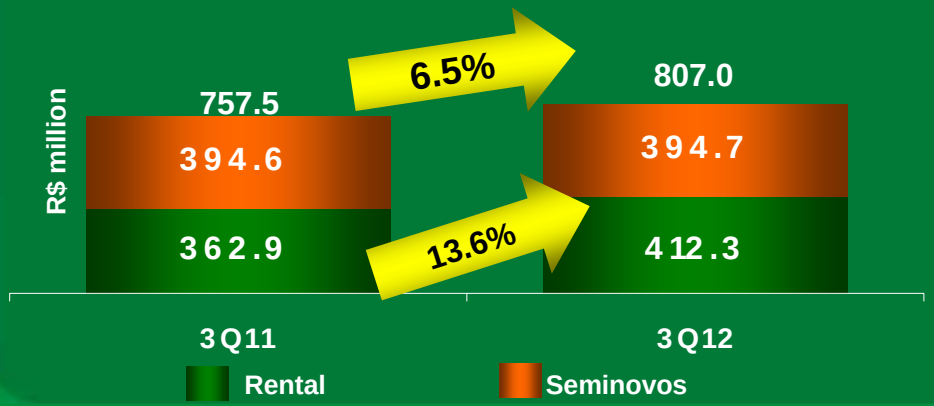
Net Revenues – Car Rental Division



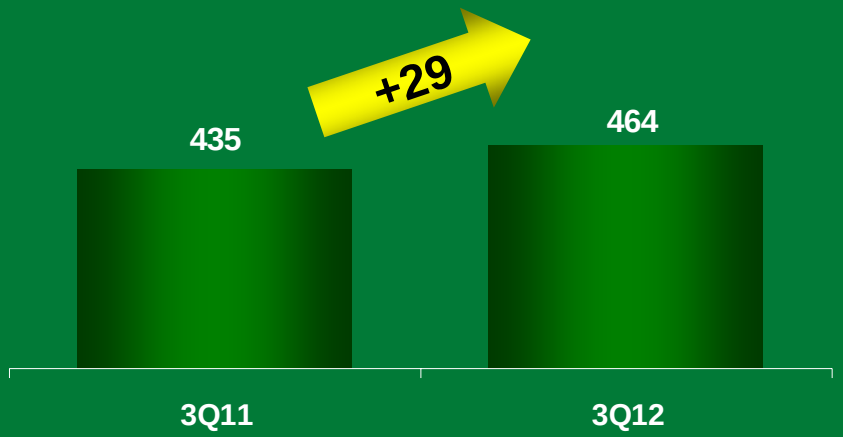
Net revenues- Fleet Rental Division



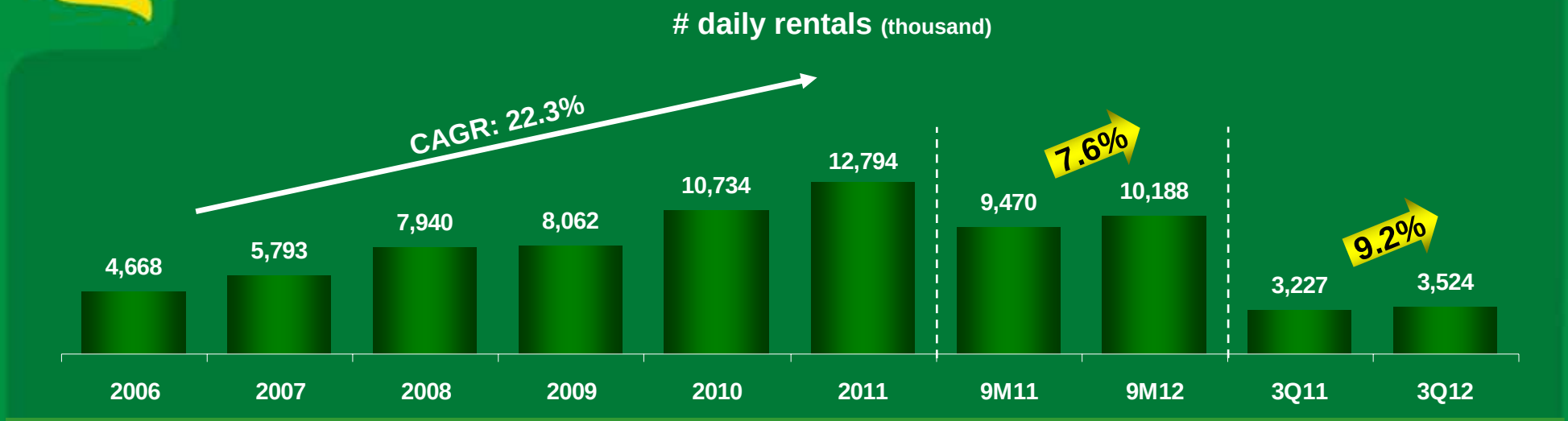
Net Revenues - Consolidated

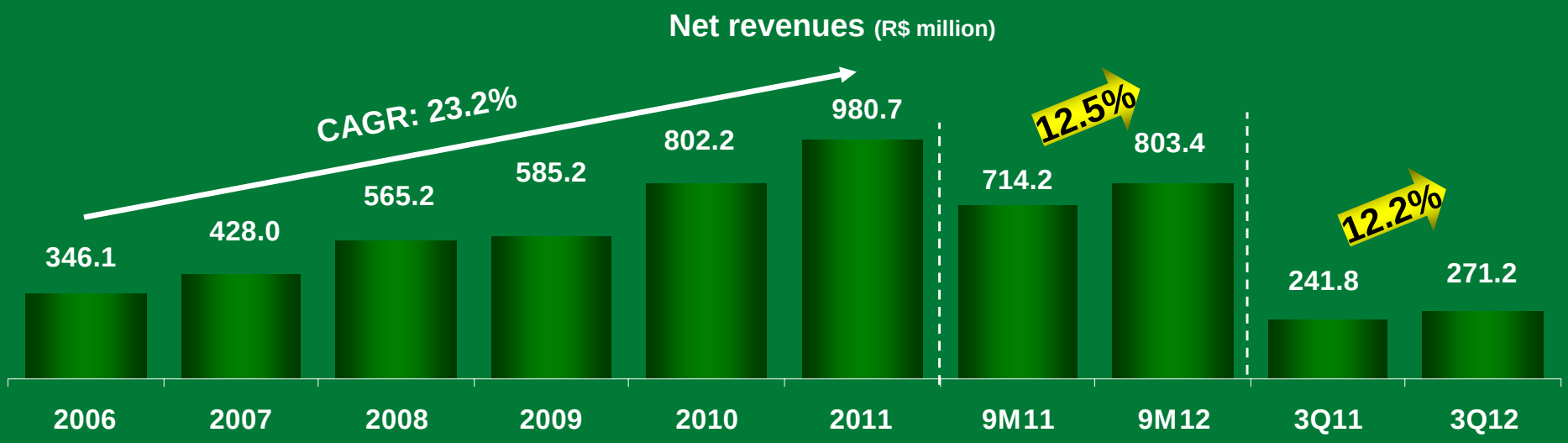


of car rental locations (Brazil)



Car Rental Division

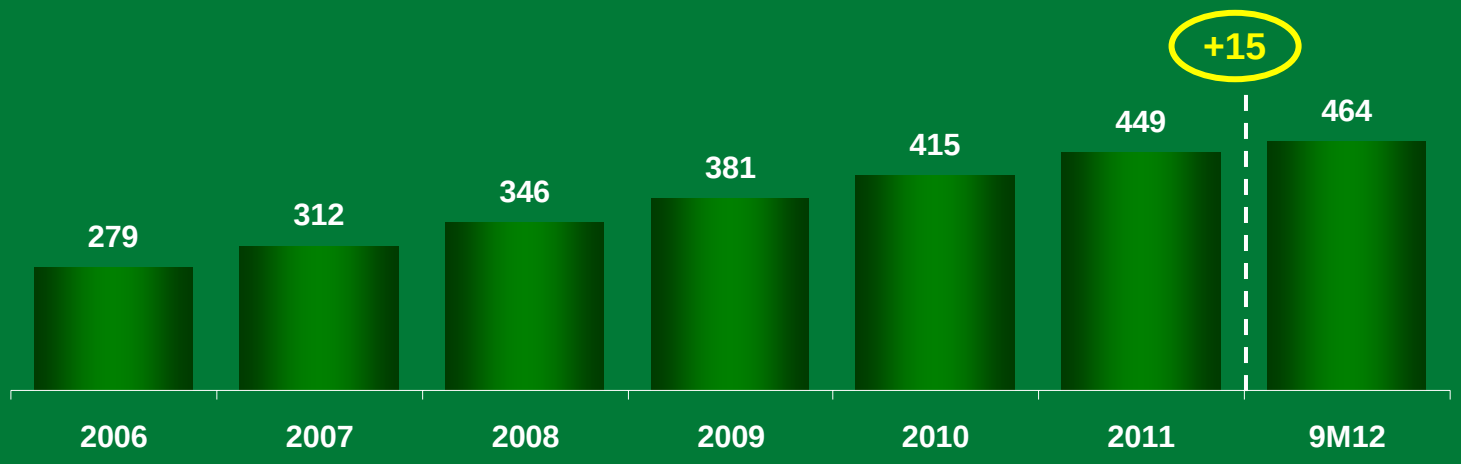




The improvement of the economic activity positively impacted the rental volumes.

Evolution in the number of car rental locations

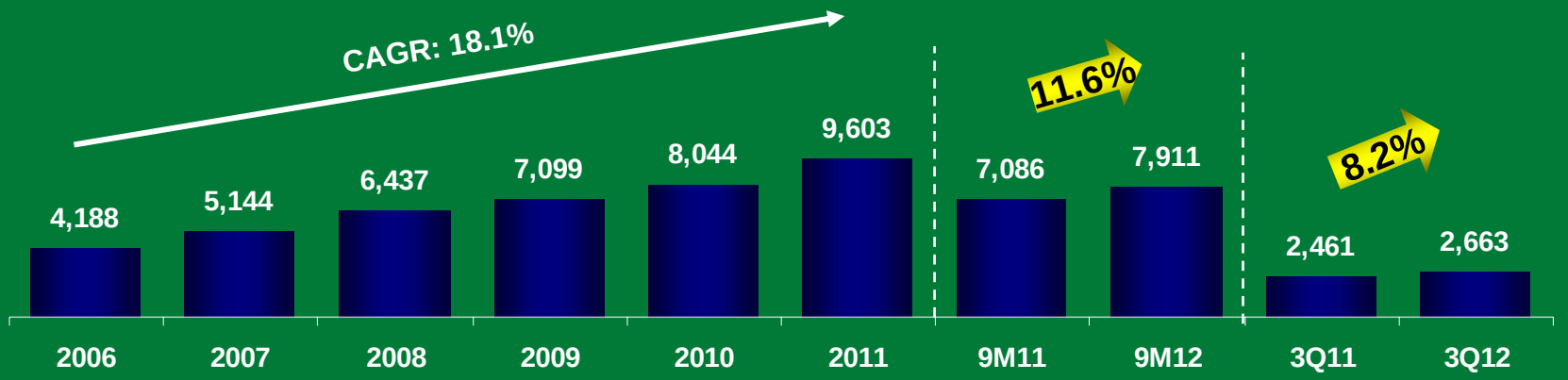
# of car rental locations (Brazil)



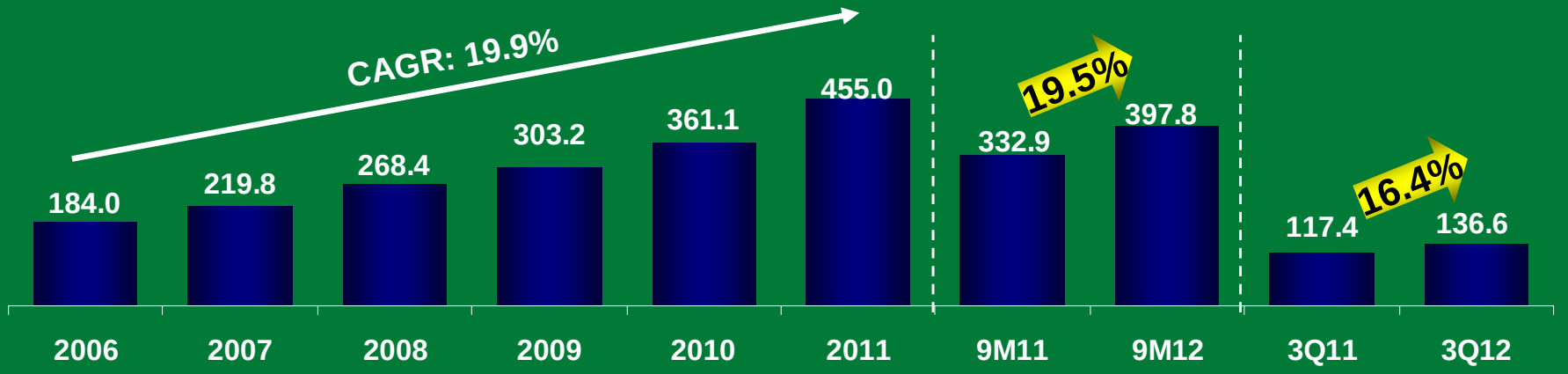
15 rental locations were added to the Brazilian network.

Fleet Rental Division

daily rentals (thousand)



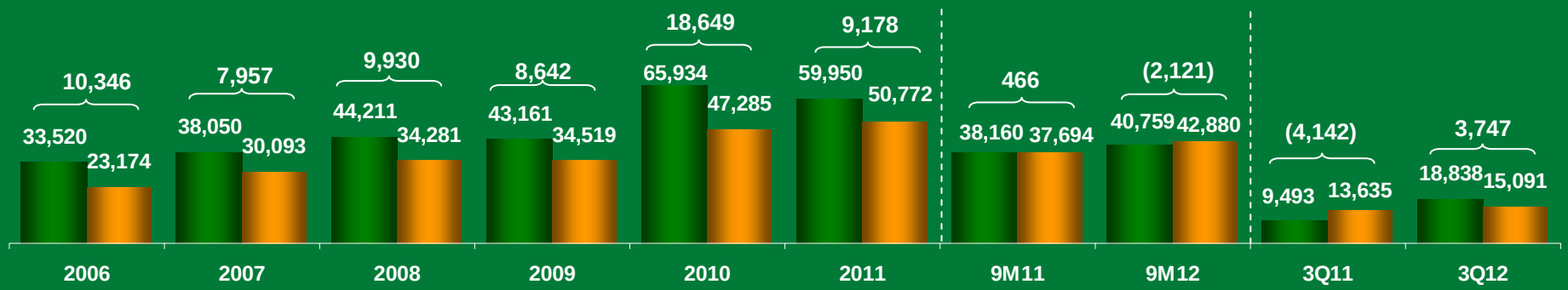
Net revenues (R$ million)



Revenues grew above volumes due to the increase in the average rental rate.

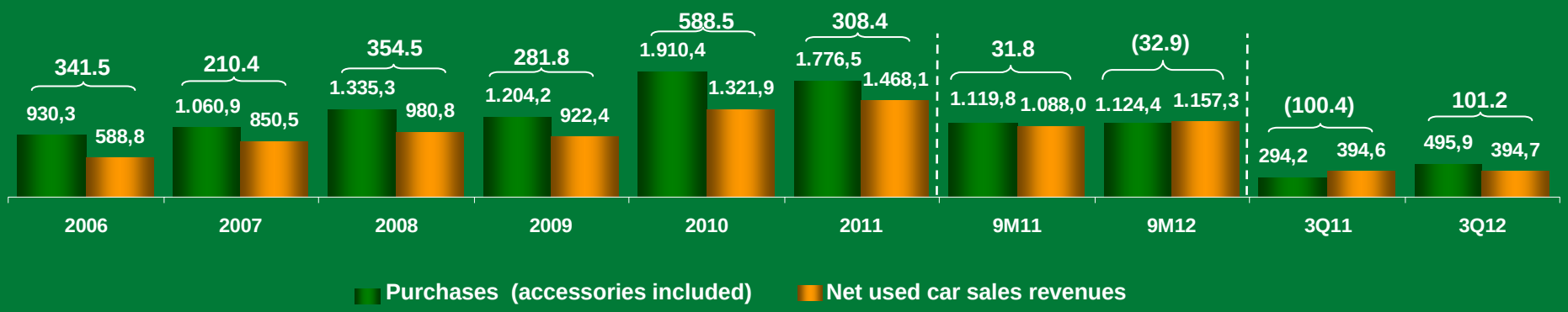
Net Investment

Fleet increase * (quantity)



* It does not include theft / crashed cars.

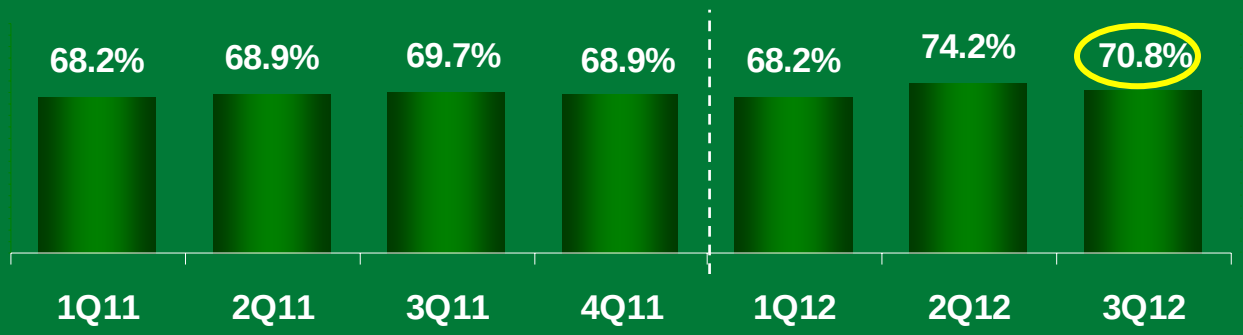
Net investment (R$ million)



In 3Q12, the Company resumed its fleet expansion by adding 3,747 cars to service the demand...

Utilization rate

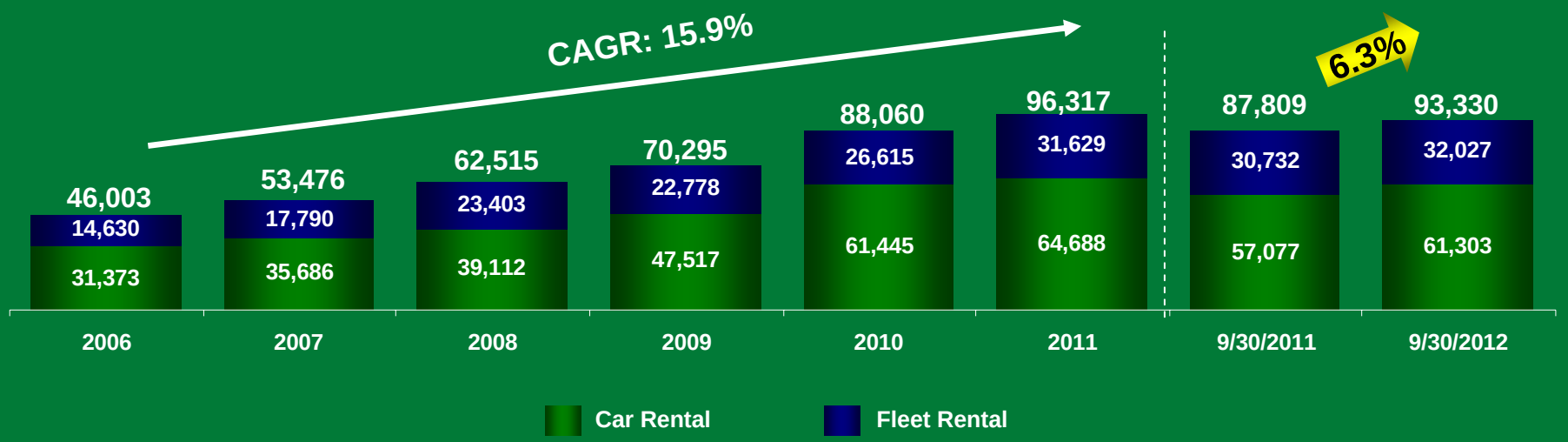
Car rental



...maintaining the utilization rate above 70%.

End of period fleet

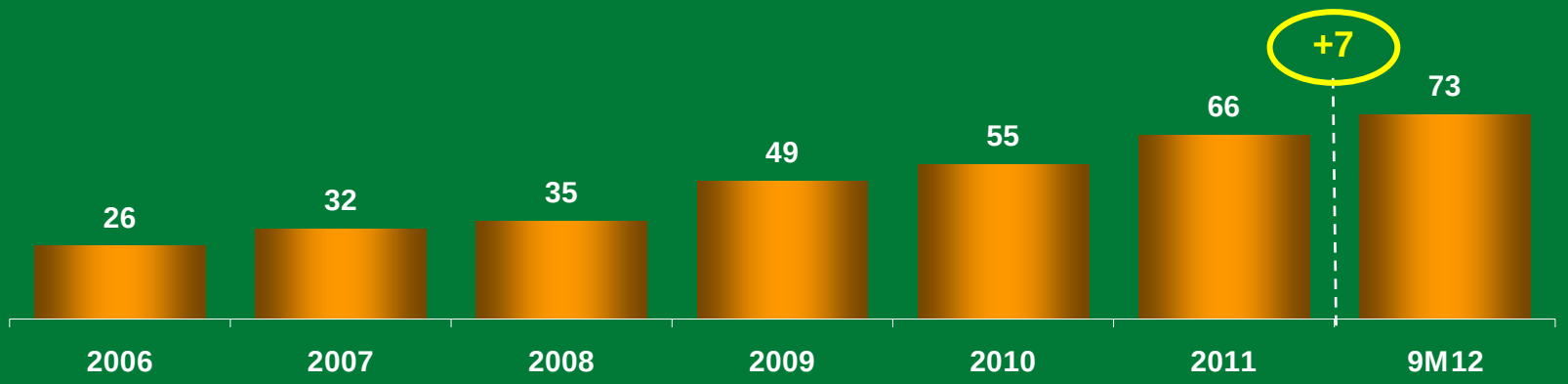
Quantity



Fleet is adjusted to demand.

Evolution of the number of Seminovos' points of sale

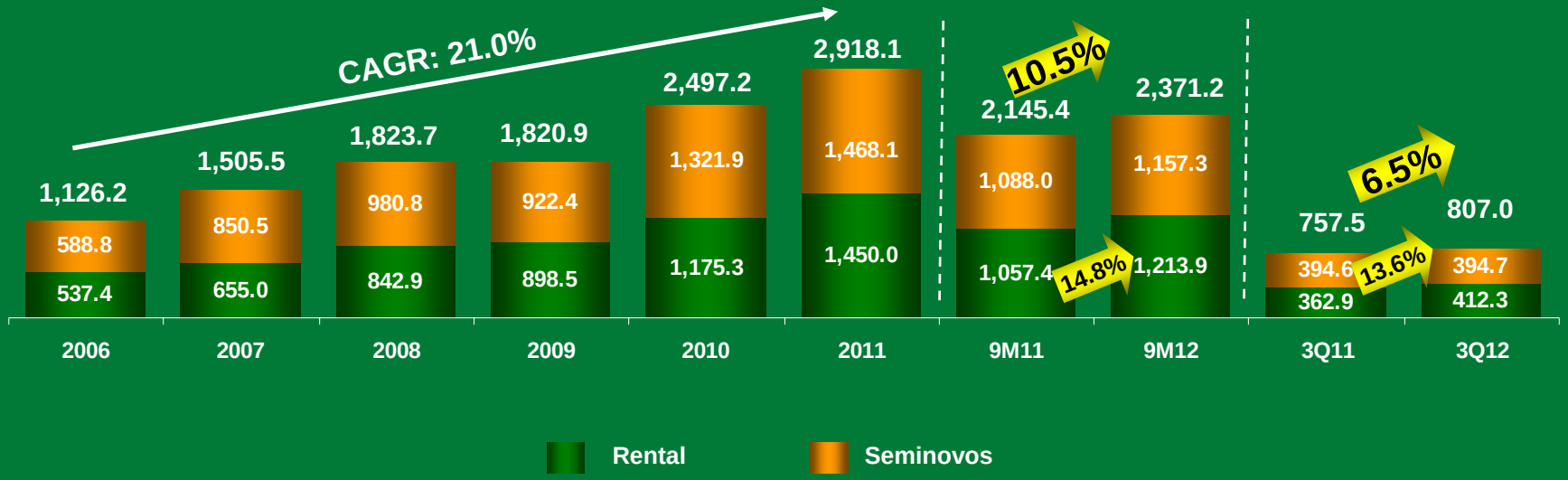
of points of sale (Brazil)



7 points of sale were opened to sustain fleet renewal.

Consolidated net revenues

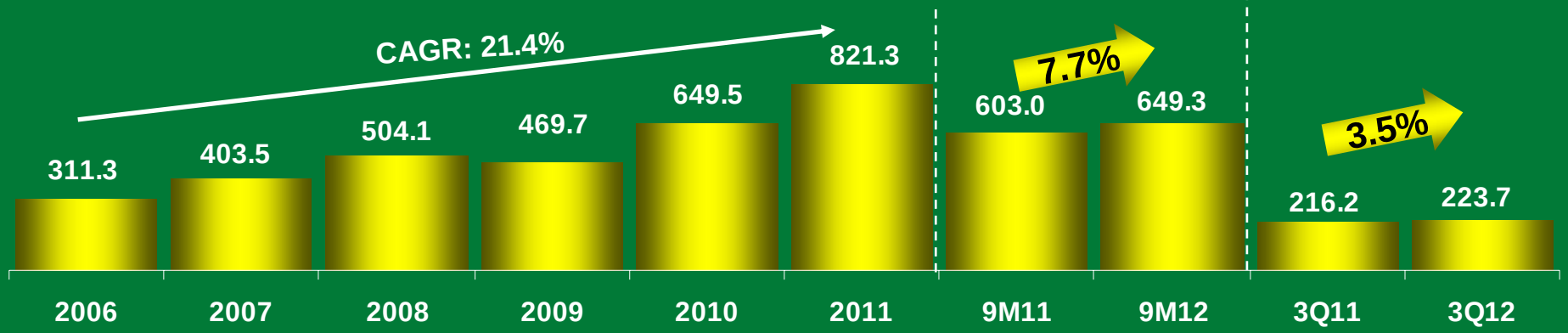
R$ million



Rental revenues grew 13.6% in the quarter. Seminovos revenues were impacted by the IPI reduction.

Consolidated EBITDA

R$ million



Proforma EBITDA margin for rental divisions:

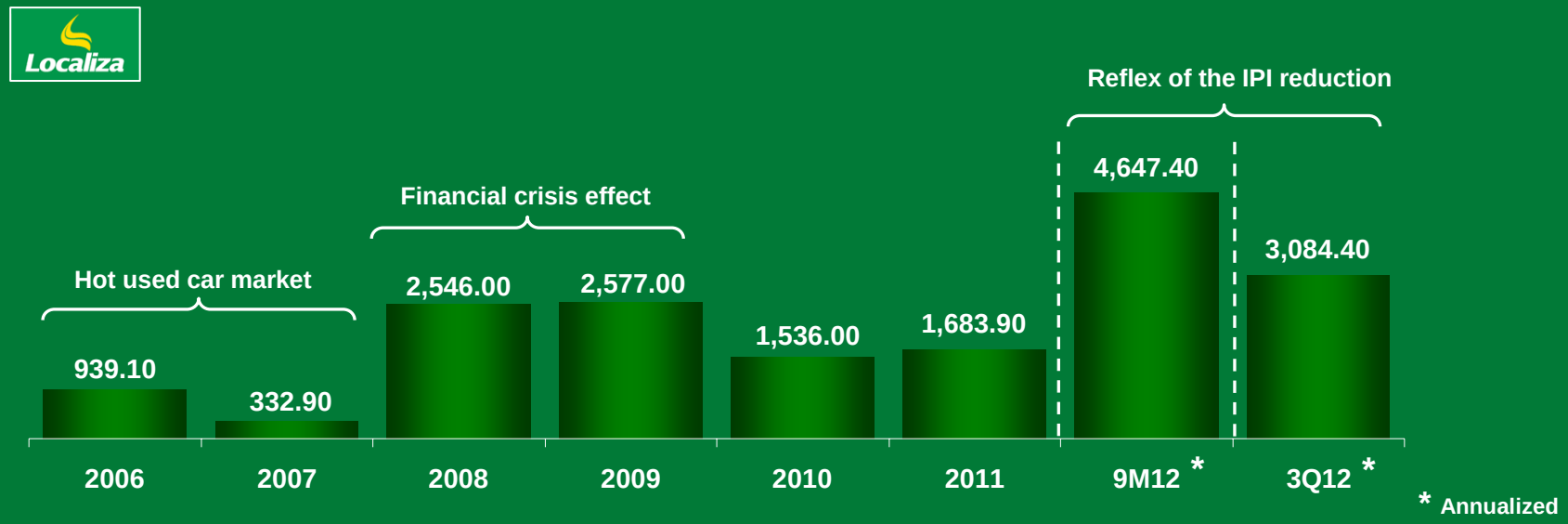
Divisions	2006	2007	2008	2009	2010	2011	9M11	9M12	3Q11	3Q12
Car Rental	42.7%	45.0%	43.5%	39.8%	43.5%	43.9%*	43.8%*	41.1%	45.7%*	40.7%
Fleet Rental	70.7%	70.3%	67.5%	67.5%	66.7%	66.8%*	67.0%*	66.3%	68.3%*	66.7%
Rental Consolidated	52.4%	53.6%	51.2%	49.3%	50.7%	51.2%*	51.1%*	49.4%	53.1%*	49.5%
Used Car Sales	4.6%	5.5%	5.6%	1.1%	2.6%	2.8%	3.1%	4.2%	1.9%	4.9%

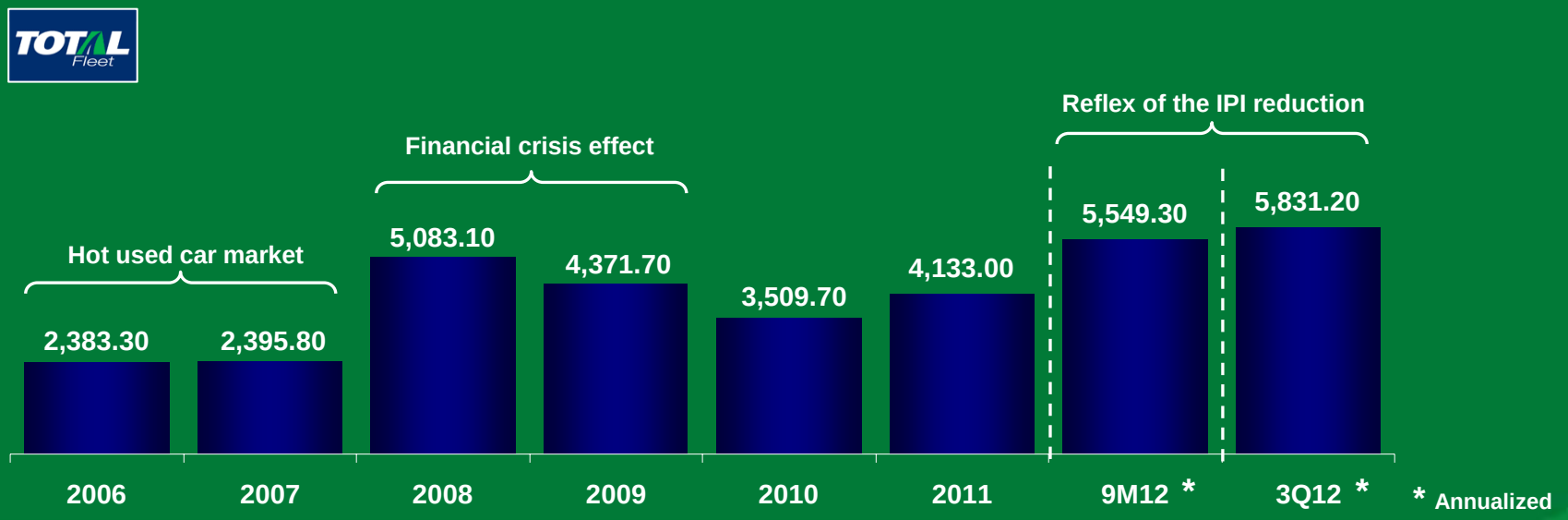
*It considers not only the adjustment of the accessories but also the reversal of the non-recurring provisions of R$10.6 million in 3Q11.

EBITDA margin was impacted by the increase in properties rentals and personnel expenses.

Average depreciation per car

in R$





Breakdown of the car depreciation

in R$

Car rental



* Annualized depreciation of the cars purchased after the IPI reduction.

Average depreciation per car of the cars purchased after the IPI reduction is in line with previous years' depreciation.

Additional depreciation as a result of the IPI reduction

R$ million

Fleet as of Sep/12

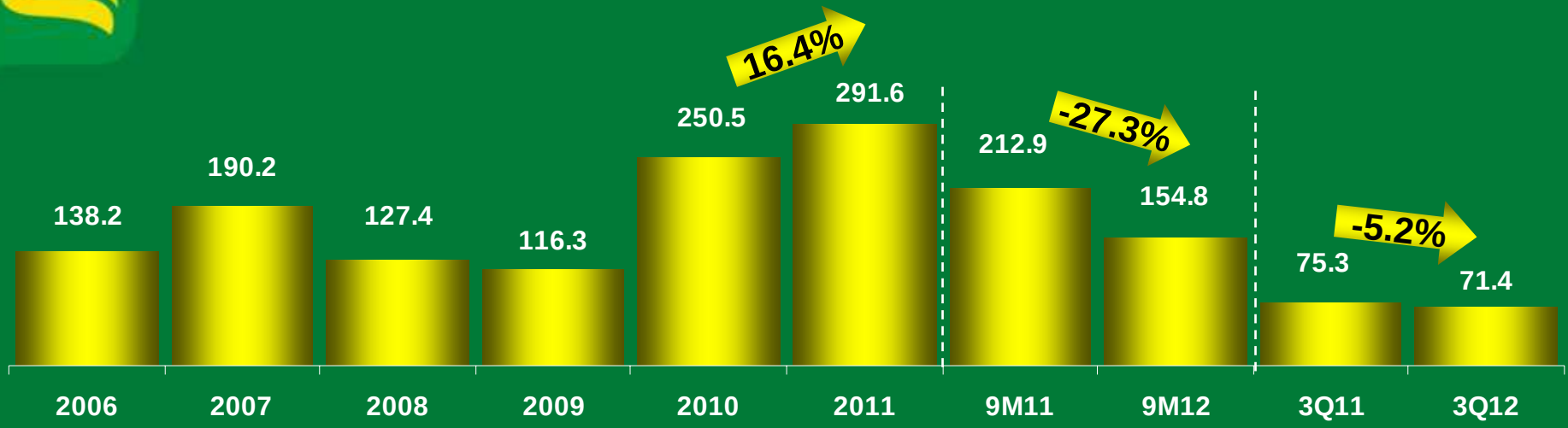
Division	Additional depreciation				
	Accounted			Estimated	Total
	2Q12	3Q12	Subtotal	After 3Q12	
Car rental	85.0	20.0	105.0	(*) 11.0	116.0
	73.3%	17.2%	90.5%	9.5%	100.0%
Fleet rental	15.0	4.5	19.5	(*) 45.0	64.5
	23.3%	6.9%	30.2%	69.8%	100.0%
Consolidated	100.0	24.5	124.5	(*) 56.0	180.5

Cars by year of maturity of estimated useful life (quantity)				
2012	2013	2014	2015	Total
28,433	8,059	133	4	36,629
77.6%	22.0%	0.4%	0.0%	100.0%
2,703	9,772	10,954	3,381	26,810
10.1%	36.4%	40.9%	12.6%	100.0%
31,136	17,831	11,087	3,385	63,439

90.5% of the additional depreciation in car rental division was already accounted.

Consolidated net income

R$ million



Reconciliation EBITDA x net income	2009	2010	2011	Var. R$	Var. %	9M11	9M12	Var. R$	Var. %	3Q11	3Q12	Var. R$	Var. %
Consolidated EBITDA	469.7	649.5	821.3	171.8	26.5%	603.0	649.3	46.3	7.7%	216.2	223.7	7.5	3.5%
Cars depreciation	(172.3)	(146.3)	(201.5)	(55.2)	37.7%	(143.5)	(309.8)	(166.3)	115.9%	(53.9)	(86.5)	(32.6)	60.5%
Other property and equipament depreciation	(21.0)	(21.1)	(24.1)	(3.0)	14.2%	(17.4)	(23.9)	(6.5)	37.4%	(5.0)	(8.4)	(3.4)	68.0%
Financial expenses, net	(112.9)	(130.1)	(179.0)	(48.9)	37.6%	(137.8)	(108.2)	29.6	-21.5%	(49.8)	(30.4)	19.4	-39.0%
Income tax and social contribution	(47.2)	(101.5)	(125.1)	(23.6)	23.3%	(91.4)	(52.6)	38.8	-42.5%	(32.2)	(27.0)	5.2	-16.1%
Net income	116.3	250.5	291.6	41.1	16.4%	212.9	154.8	(58.1)	-27.3%	75.3	71.4	(3.9)	-5.2%

Excluding the additional depreciation of R$24.5 million, deduced of the income tax, 3Q12 net income would have reached R$87.6 million.

Free cash flow - FCF

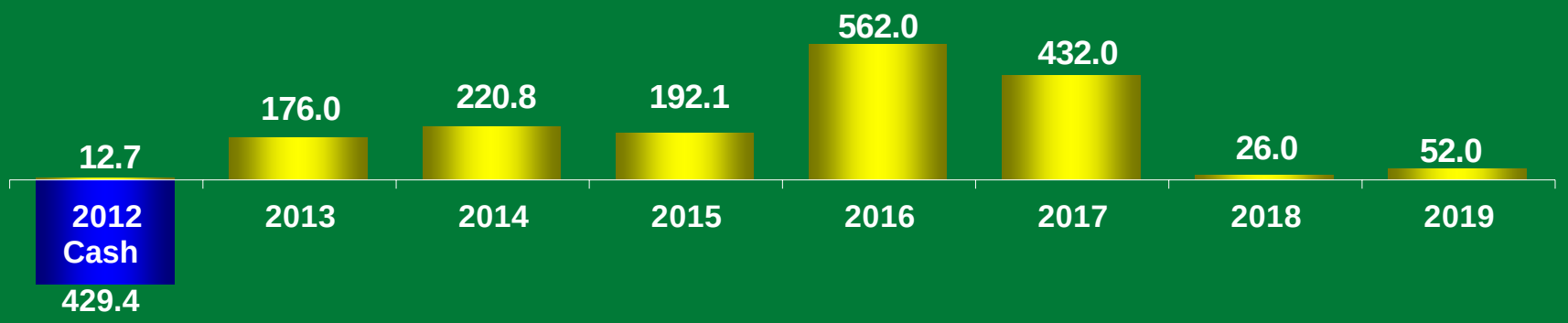
Free cash flow - R$ million	2006	2007	2008	2009	2010	2011	9M12
EBITDA	311.3	403.5	504.1	469.7	649.5	821.3	649.3
Used car sales net revenues	(588.8)	(850.5)	(980.8)	(922.4)	(1,321.9)	(1,468.1)	(1,157.3)
Depreciated cost of used car sales (*)	530.4	760.0	874.5	855.1	1,203.2	1,328.6	1,038.3
(-) Income tax and social contribution	(42.7)	(63.4)	(52.8)	(49.0)	(57.8)	(83.0)	(77.7)
Working capital variation	(4.8)	13.3	(44.8)	(11.5)	54.5	(83.9)	0.4
Cash provided before *capex*	205.4	262.9	300.2	341.9	527.5	514.9	453.0
Used car sales net revenues	588.8	850.5	980.8	922.4	1,321.9	1,468.1	1,100.1
Capex of car - renewal	(643.3)	(839.0)	(1,035.4)	(947.9)	(1,370.1)	(1,504.5)	(1,124.4)
Net capex for renewal	(54.5)	11.5	(54.6)	(25.5)	(48.2)	(36.4)	(24.3)
Fleet renewal - quantity	23,174	30,093	34,281	34,519	47,285	50,772	40,759
Capex – other property and equipment	(32.7)	(23.7)	(39.9)	(21.0)	(51.1)	(63.0)	(64.2)
Free cash flow before growth	118.2	250.7	205.7	295.4	428.2	415.5	364.5
Capex of car for fleet (growth) reduction	(287.0)	(221.9)	(299.9)	(241.1)	(540.3)	(272.0)	57.2
Change in accounts payable to car suppliers (*capex*)	222.0	(51.0)	(188.9)	241.1	111.3	32.7	(206.0)
Net capex for fleet growth	(65.0)	(272.9)	(488.8)	0.0	(429.0)	(239.3)	(148.8)
Fleet increase – quantity	10,346	7,957	9,930	8,642	18,649	9,178	(2,121)
Free cash flow after growth	53.2	(22.2)	(283.1)	295.4	(0.8)	176.2	215.7

(*) Without technical discount deduction up to 2010 (see item 17 – Glossary, page 23)

Debt profile

R$ million

Debt profile as of 09/30/2012- principal

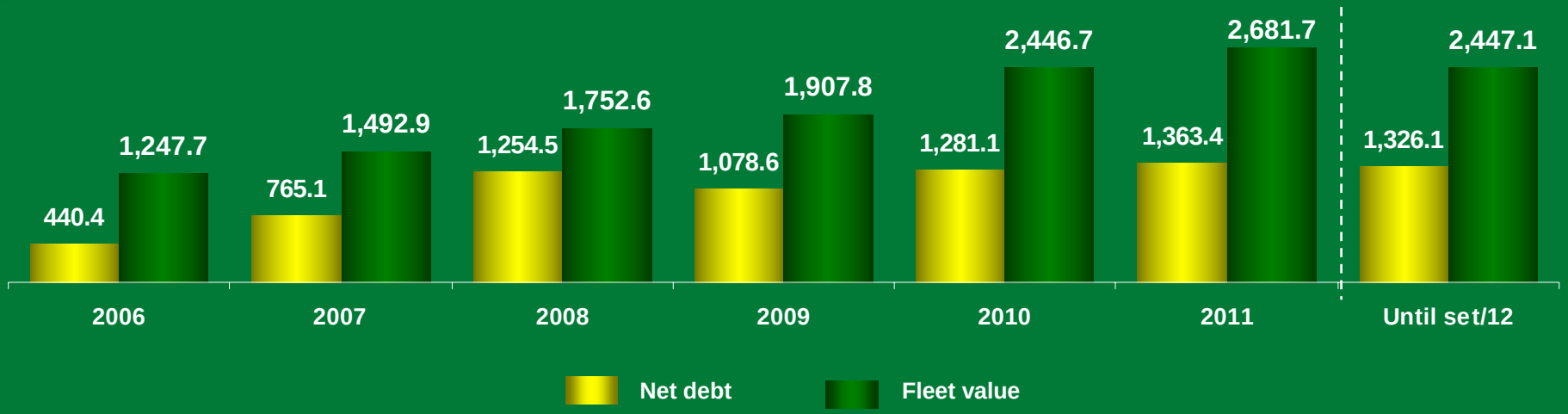


The Company is still presenting strong cash position and comfortable debt profile.

The "all in" debt cost was CDI + 107 bps.

Debt - *ratios*

Net debt x Fleet value

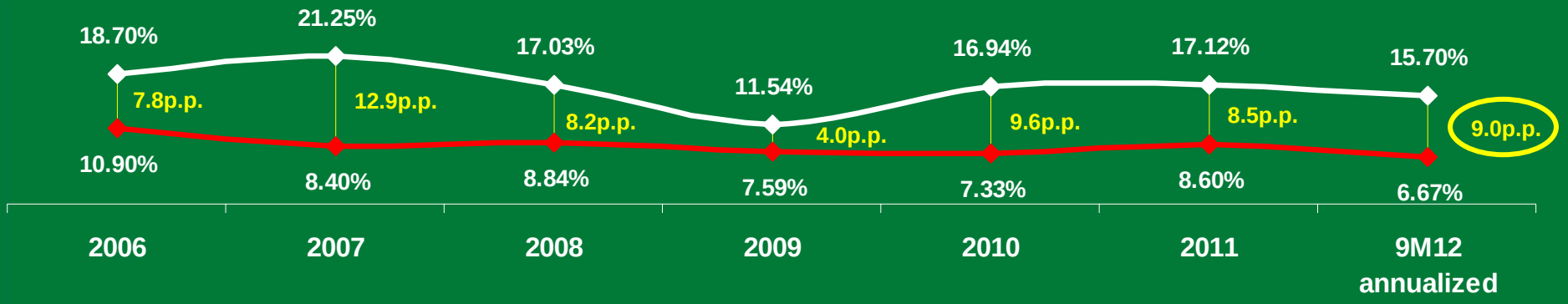


END OF PERIOD BALANCE	2006	2007	2008	2009	2010	2011 (**)	Until Sep/12(**)
Net debt / Fleet value	36%	51%	72%	57%	52%	51%	54%
Net debt / EBITDA (*)	1.4x	1.9x	2.5x	2.3x	2.0x	1.7x	1.5x
Net debt / Equity	0.7x	1.3x	2.0x	1.5x	1.4x	1.2x	1.1x
EBITDA / Net financial expenses	4.8x	5.4x	3.8x	4.2x	5.0x	4.6x	6.0x

(*) annualized
(**) From January 1st 2011, consider financial statements in IFRS

Comfortable debt ratios.

Spread



	2006	2007	2008	2009	2010	2011	9M12 a
Average capital investment - R$ million	986.2	1,137.5	1,642.3	1,702.3	1,984.6	2,445.3	2,613.2
NOPAT Margin (over rental net revenues)	34.5%	36.9%	32.1%*	21.9%	28.6%	28.9%	25.3%*
Turnover of average capital investment (over rental net revenues)	0.55x	0.58x	0.53x	0.53x	0.59x	0.59x	0.62x
ROIC	18.7%	21.3%	17.0%	11.5%	16.9%	17.1%	15.7%
Interest on debt after tax	10.90%	8.40%	8.84%	7.59%	7.33%	8.60%	6.67%
Spread (ROIC – Interest after tax) - p.p.	7.8	12.9	8.2	4.0	9.6	8.5	9.0

(*) 2008 and 2012 NOPAT were calculated excluding additional fleet depreciation that was treated as equity loss since they were extraordinary non-recurring events caused by external factors (IPI reduction for new cars), following the concepts recommended by Stern Stewart.

Thank you!

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Localiza ADR level I

- Ticker Symbol: LZRFY
- CUSIP: 53956W300
- ISIN: US53956W3007
- Ratio: 1 Ordinary Share : 1 ADR
- Exchange: OTC
- Depositary bank: Deutsche Bank Trust Company Americas
- ADR broker helpline: +1 212 250 9100 (New York)
  +44 207 547 6500 (London)
- E-mail: adr@db.com
- ADR website: www.adr.db.com
- Depositary bank's local custodian: Banco Bradesco S/A, Brazil