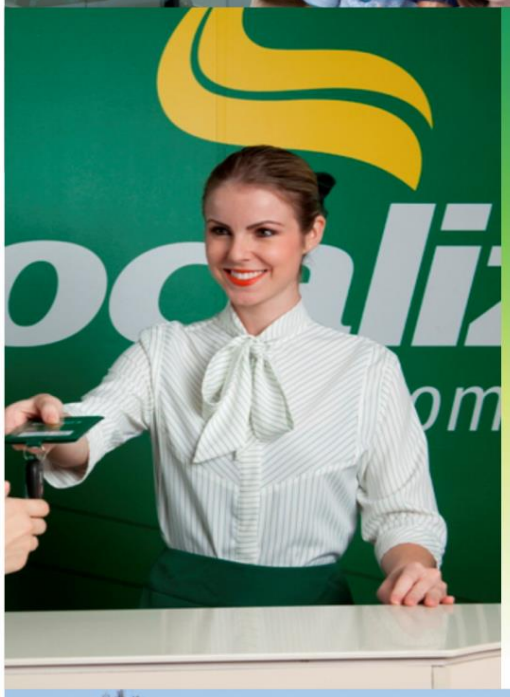






Localiza Rent a Car S.A.

4Q13 and 2013 Earnings

R$ million

February 03, 2014

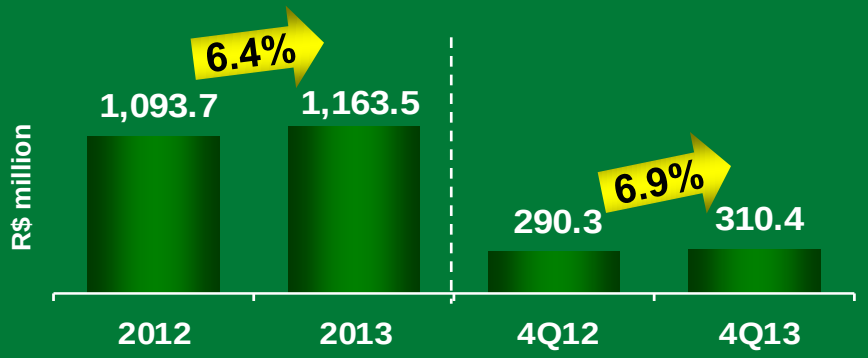




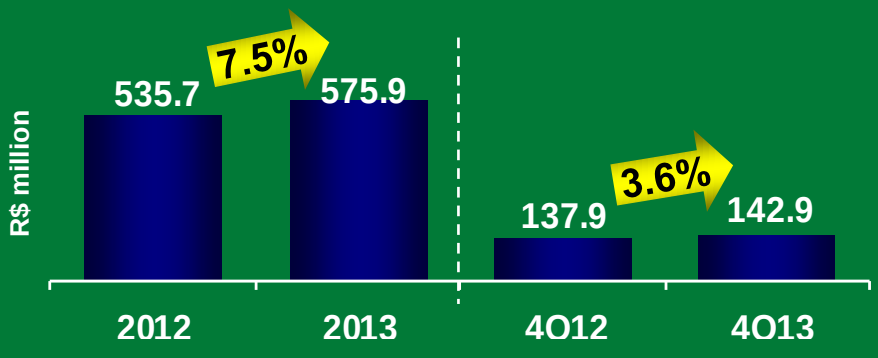


Highlights

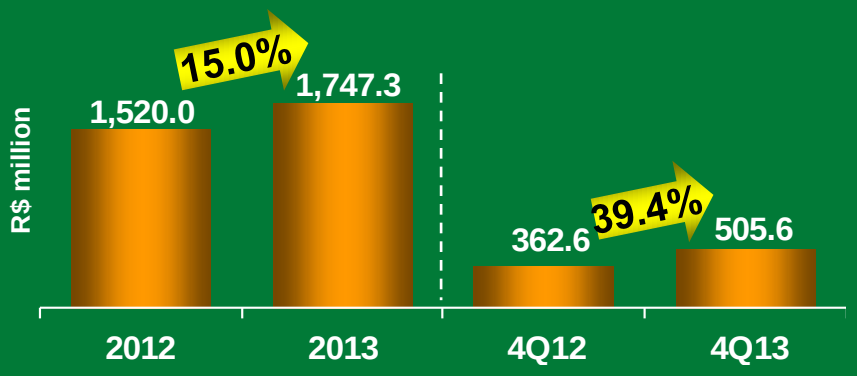
Net Revenues – Car Rental Division



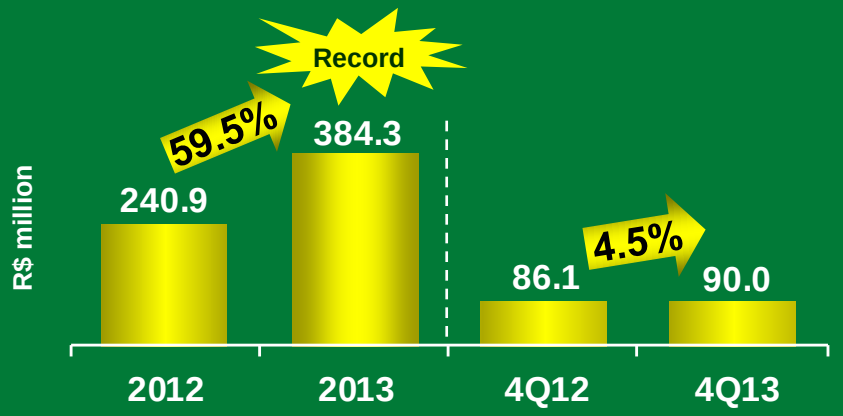
Net Revenues – Fleet Outsourcing Division



Net Revenues - Seminovos



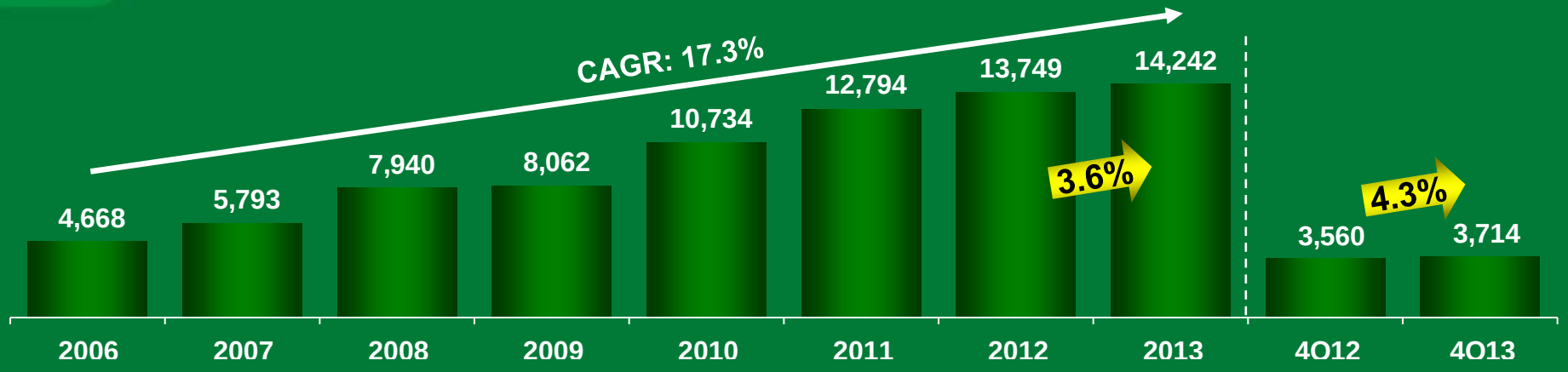
Consolidated Net Income



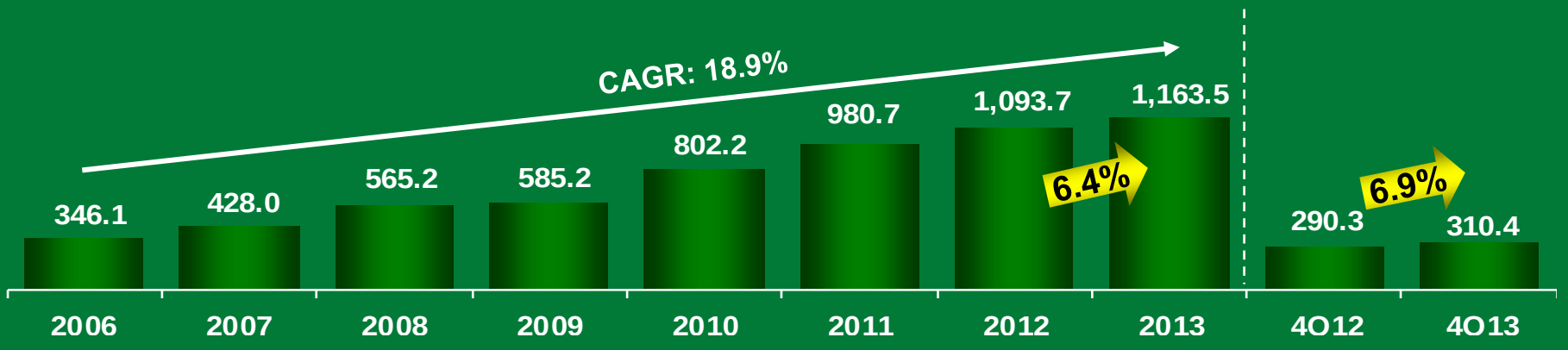
Record cash flow generation.

Car Rental division

Daily Rentals (thousands)



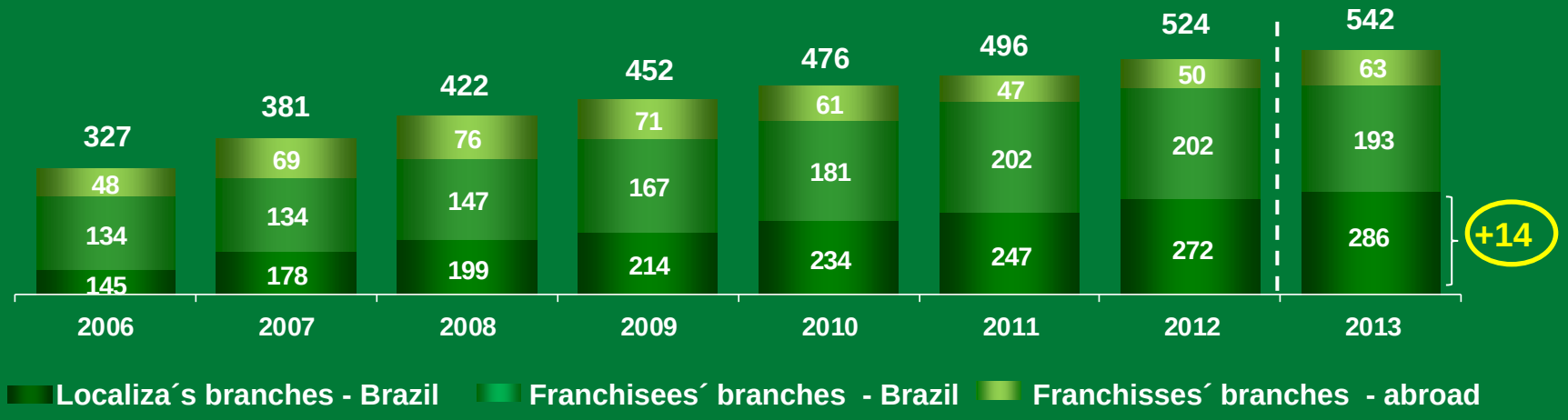
Net Revenues (R$ million)



Car rental revenues grew 6.4% in 2013
despite the scenario of lower economic activity growth.

Car Rental network evolution

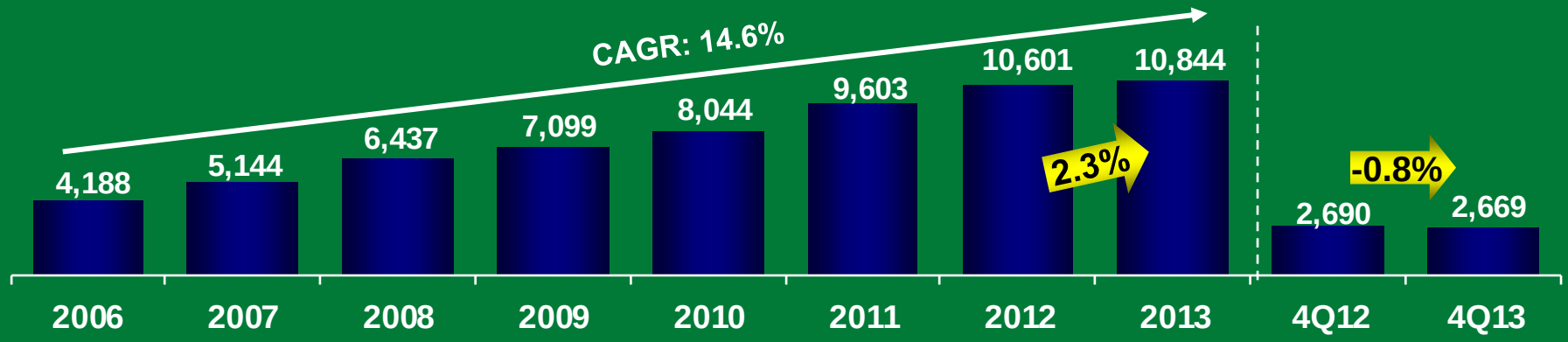
of car rental locations (Brazil and abroad)



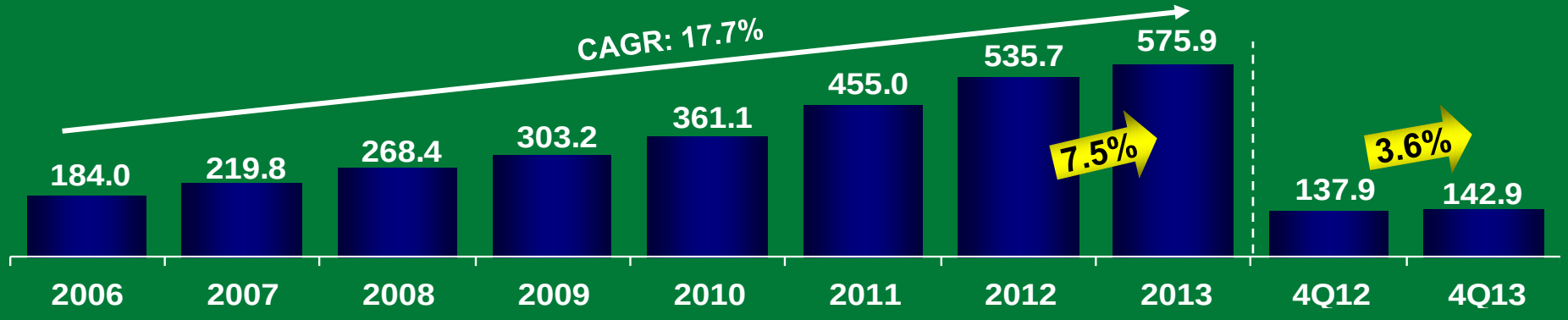
14 new owned rental locations were added in 2013.

Fleet Outsourcing division

Daily Rentals (thousands)



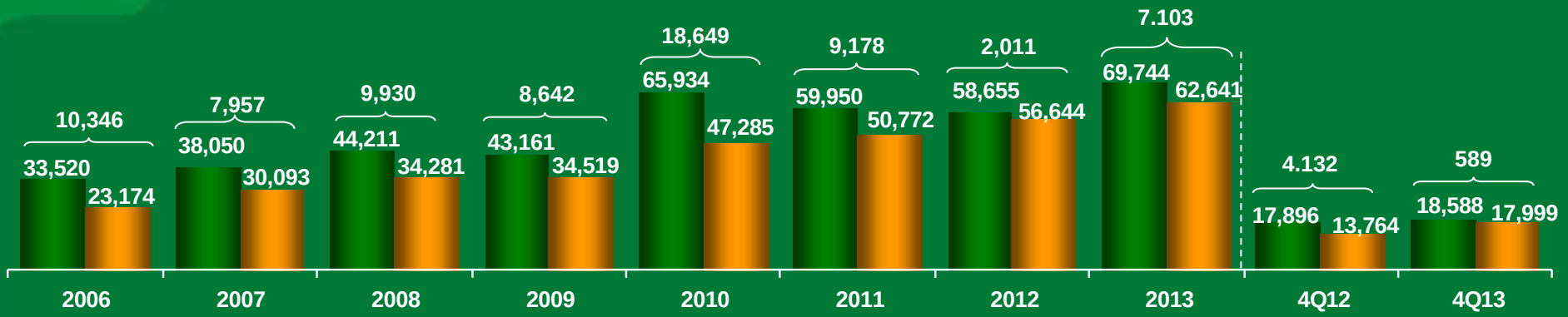
Net Revenues (R$ million)



In 2013 net revenues grew 7.5%, presenting a growth of 2.3% in daily rental volume and 4.3% in the average rental rate.

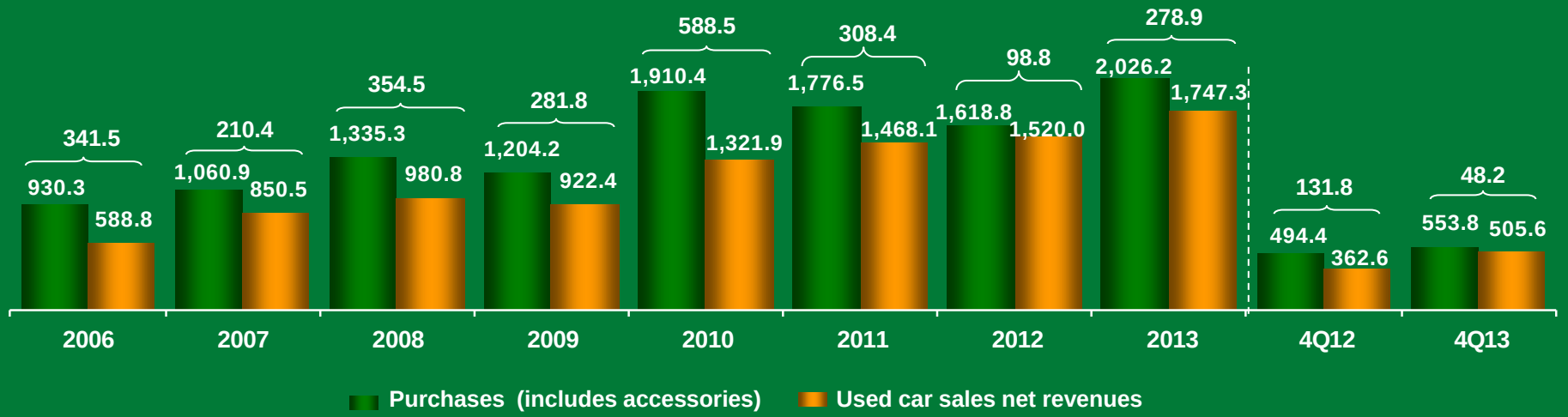
Net investment

Fleet Expansion* (quantity)



* It does not include theft / crashed cars.

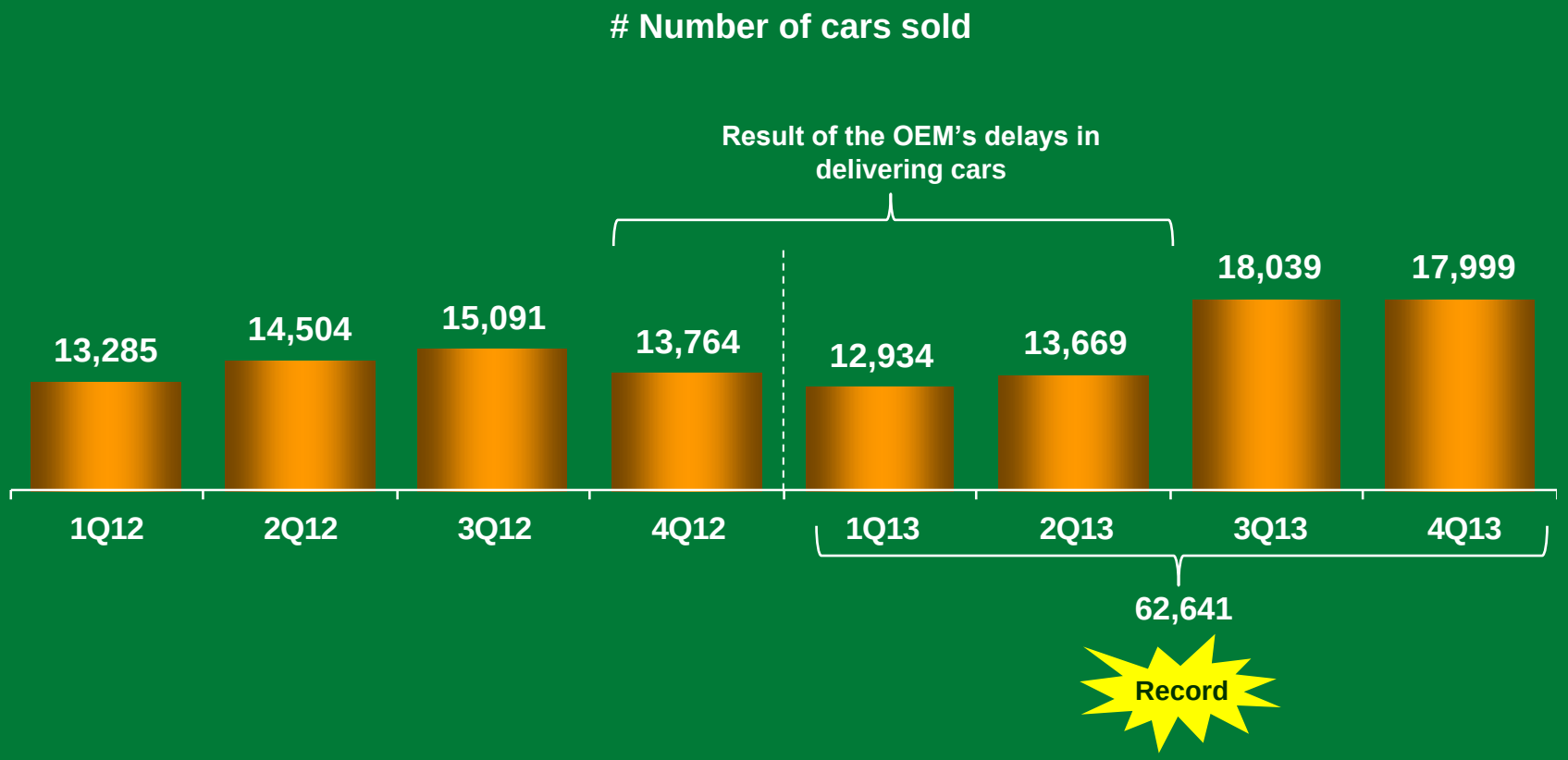
Net Investment (R$ million)



Optimization of car purchases this quarter allowed an increase in the utilization rate from 65.2% in 3Q13 to 68.1% in 4Q13.

Sales by quarter

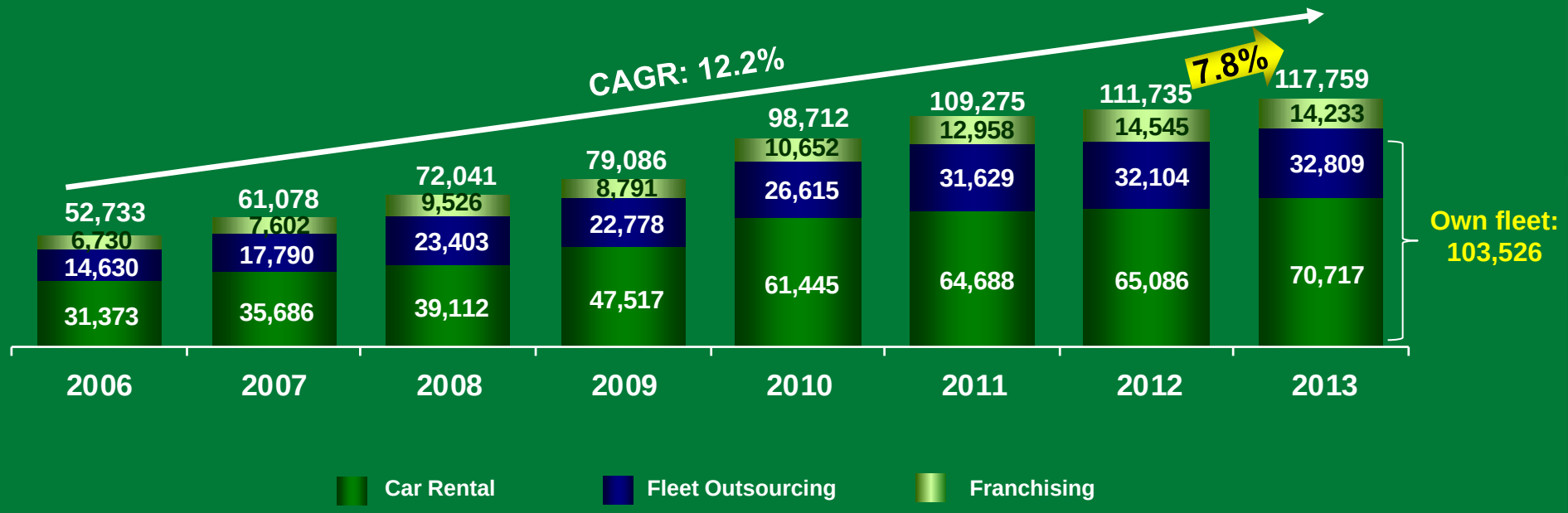
Quantity



Strong car sales volumes in 4Q13 with no negative impact on the average car sales price.

End of period fleet

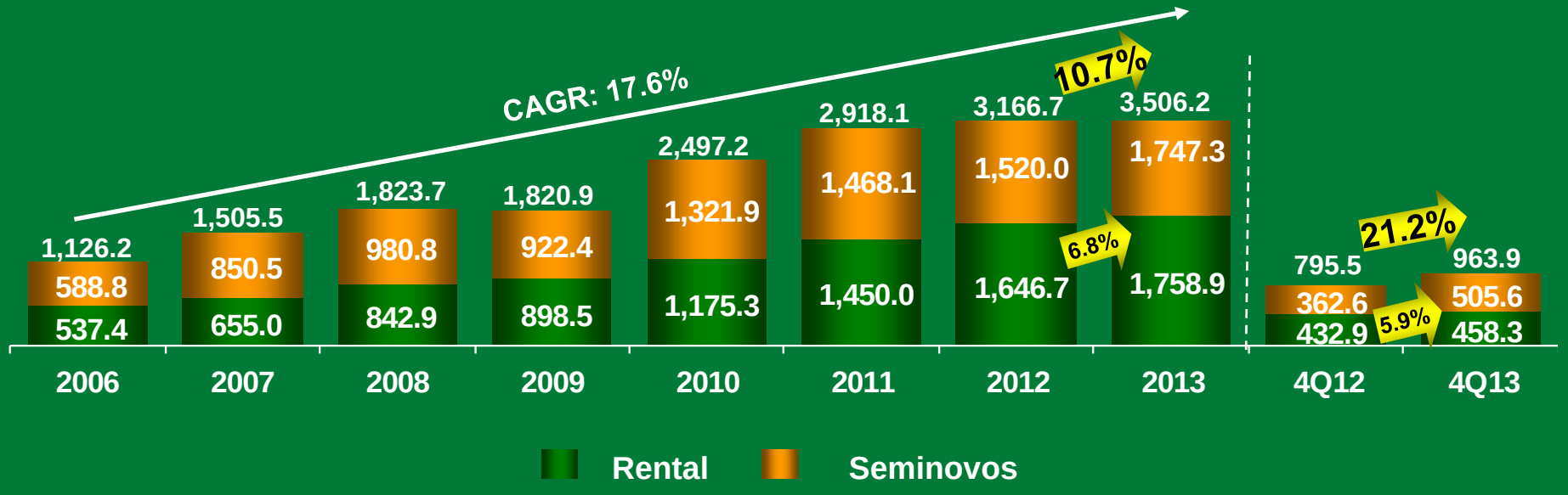
Quantity



The Company's owned fleet increased 6.5% to 103,526 cars in 12/31/2013.

Consolidated net revenues

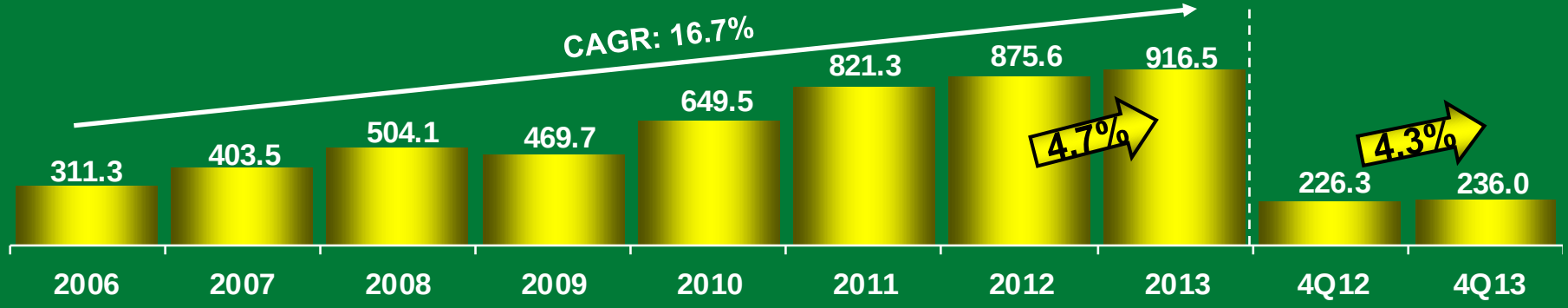
R$ million



Consolidated net revenues increased 10.7% in 2013.

Consolidated EBITDA

R$ million



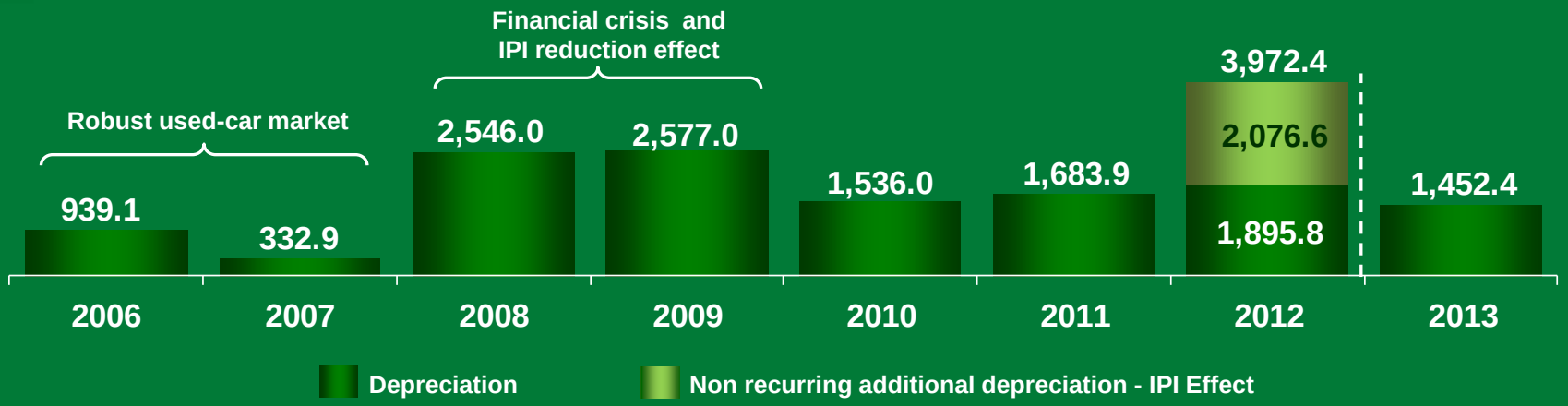
EBITDA margin excluding accessories and freight for new cars in 2012 and 2013:

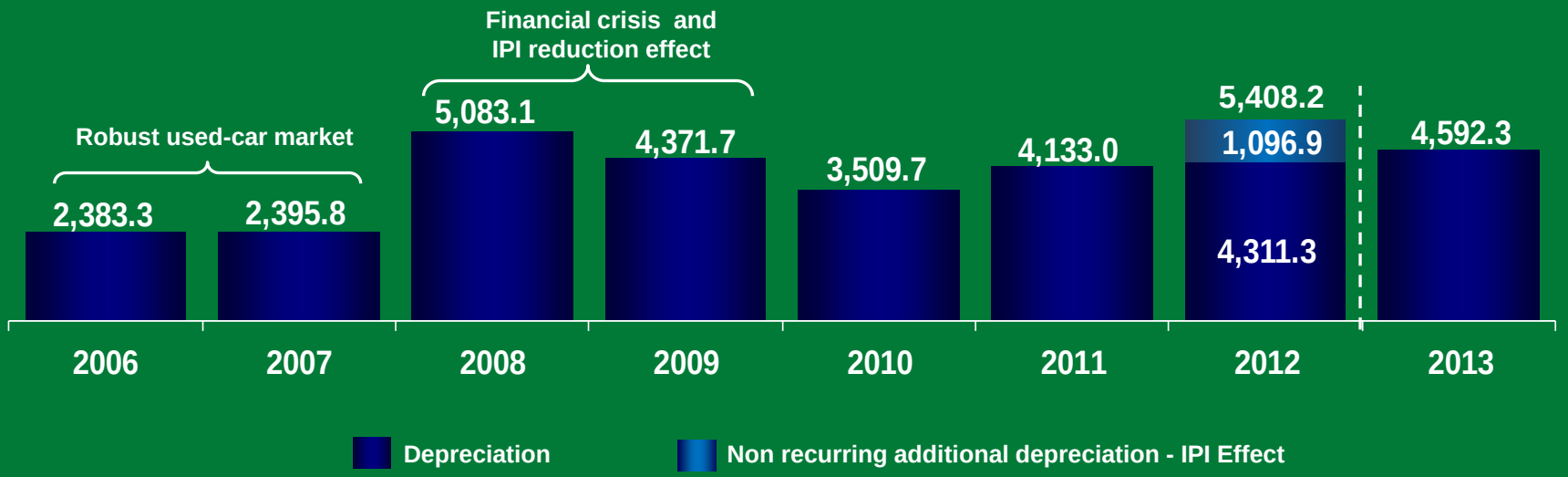
Divisions	2006	2007	2008	2009	2010	2011	2012	2013	4Q12	4Q13
Car Rental	43.4%	46.0%	45.9%	41.9%	45.3%	46.9%	42.7%	39.3%	43.1%	39,9%
Fleet Outsourcing	71.4%	71.3%	69.1%	68.7%	68.0%	68.6%	67.2%	65.9%	67.8%	65,2%
Rental Consolidated	52.9%	54.5%	53.3%	51.1%	52.3%	53.8%	50.8%	48.2%	51.2%	48,0%
Used Car Sales	4.6%	5.5%	5.6%	1.1%	2.6%	2.8%	4.2%	5.7%	3.9%	4.9%

Excluding accessories and freight for new cars recorded in the cost line, Car Rental EBITDA margin would be 39.9% in 4Q13 and 39.3% in 2013.

Average depreciation per car

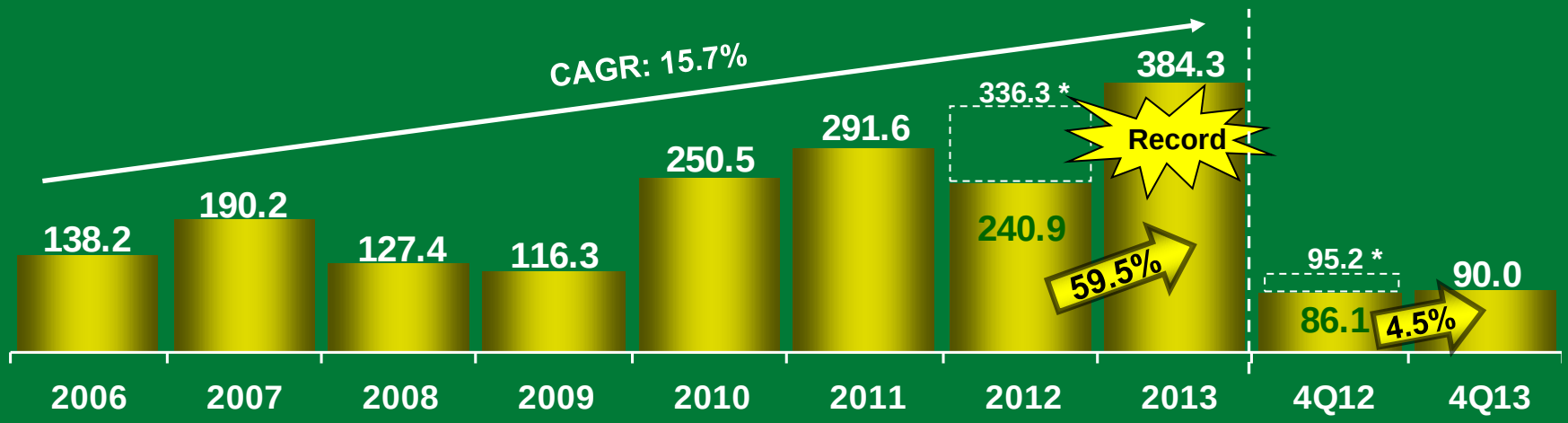
in R$





Consolidated net income

R$ million



* Pro forma 2012 net income excluding additional depreciation, net of income tax.

Strong net income growth even in a lower-growth scenario.

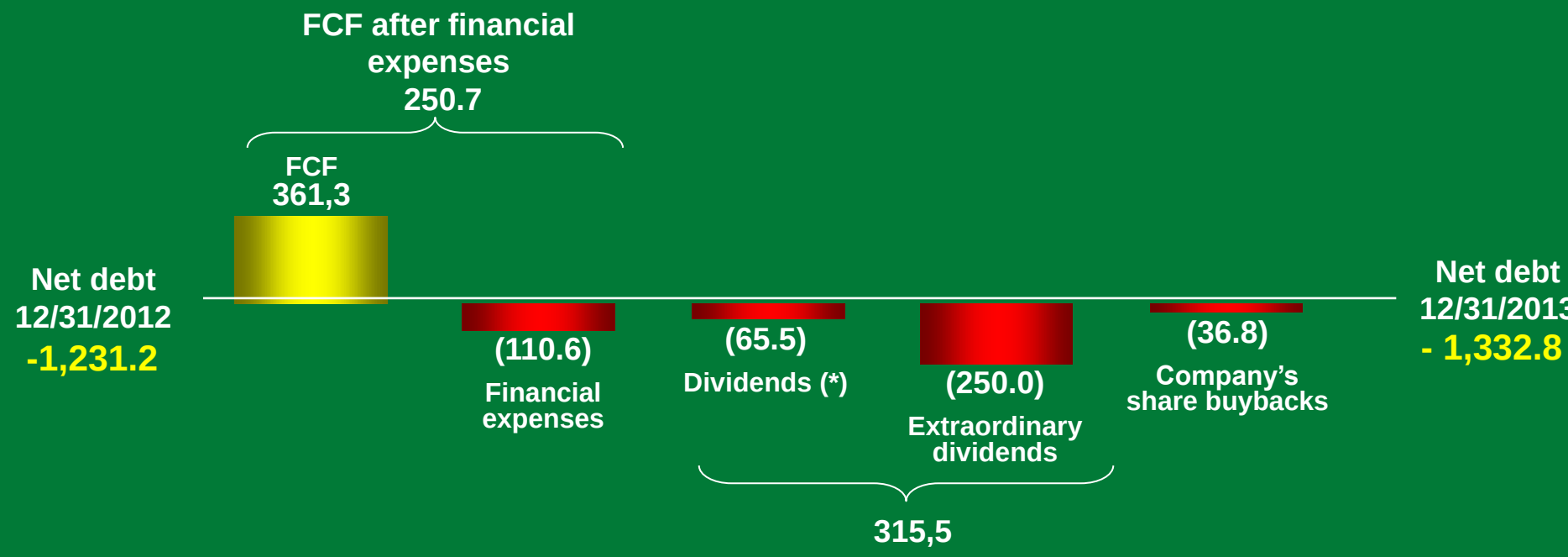
Free cash flow

Free cash flow - R$ million	2006	2007	2008	2009	2010	2011	2012	2013
EBITDA	311.3	403.5	504.1	469.7	649.5	821.3	875.6	916.5
Used car sale revenue, net from taxes	(588.8)	(850.5)	(980.8)	(922.4)	(1,321.9)	(1,468.1)	(1,520.0)	(1,747.3)
Depreciated cost of cars sold (*)	530.4	760.0	874.5	855.1	1,203.2	1,328.6	1,360.2	1,543.8
(-) Income tax and social contribution	(42.7)	(63.4)	(52.8)	(49.0)	(57.8)	(83.0)	(100.9)	(108.5)
Change in working capital	(4.8)	13.3	(44.8)	(11.5)	54.5	(83.9)	37.1	2.9
Cash provided before investment	205.4	262.9	300.2	341.9	527.5	514.9	652.0	607.4
Used car sale revenue, net from taxes	588.8	850.5	980.8	922.4	1,321.9	1,468.1	1,520.0	1,747.3
Car investment for renewal	(643.3)	(839.0)	(1,035.4)	(947.9)	(1,370.1)	(1,504.5)	(1,563.3)	(1,818.7)
Net investment for fleet renewal	(54.5)	11.5	(54.6)	(25.5)	(48.2)	(36.4)	(43.3)	(72.4)
Fleet renewal – quantity	23,174	30,093	34,281	34,519	47,285	50,772	56,644	62,641
Investment, other property and intangibles investments	(32.7)	(23.7)	(39.9)	(21.0)	(51.1)	(63.0)	(80.2)	(54.0)
Free cash flow before growth and before interest	118.2	250.7	205.7	295.4	428.2	415.5	528.5	481.0
Investment on cars for fleet (growth) /reduction	(287.0)	(221.9)	(299.9)	(241.1)	(540.3)	(272.0)	(55.5)	(209.4)
Change in accounts payable to car suppliers	222.0	(51.0)	(188.9)	241.1	111.3	32.7	(116.9)	89.7
Fleet growth	(65.0)	(272.9)	(488.8)	0.0	(429.0)	(239.3)	(172.4)	(119.7)
Fleet increase / (reduction) – quantity	10,346	7,957	9,930	8,642	18,649	9,178	2,011	7,103
Free cash flow after growth and before interest	53.2	(22.2)	(283.1)	295.4	(0.8)	176.2	356.1	361.3

(*) Without the technical discount up to 2010

Changes in net debt

R$ million

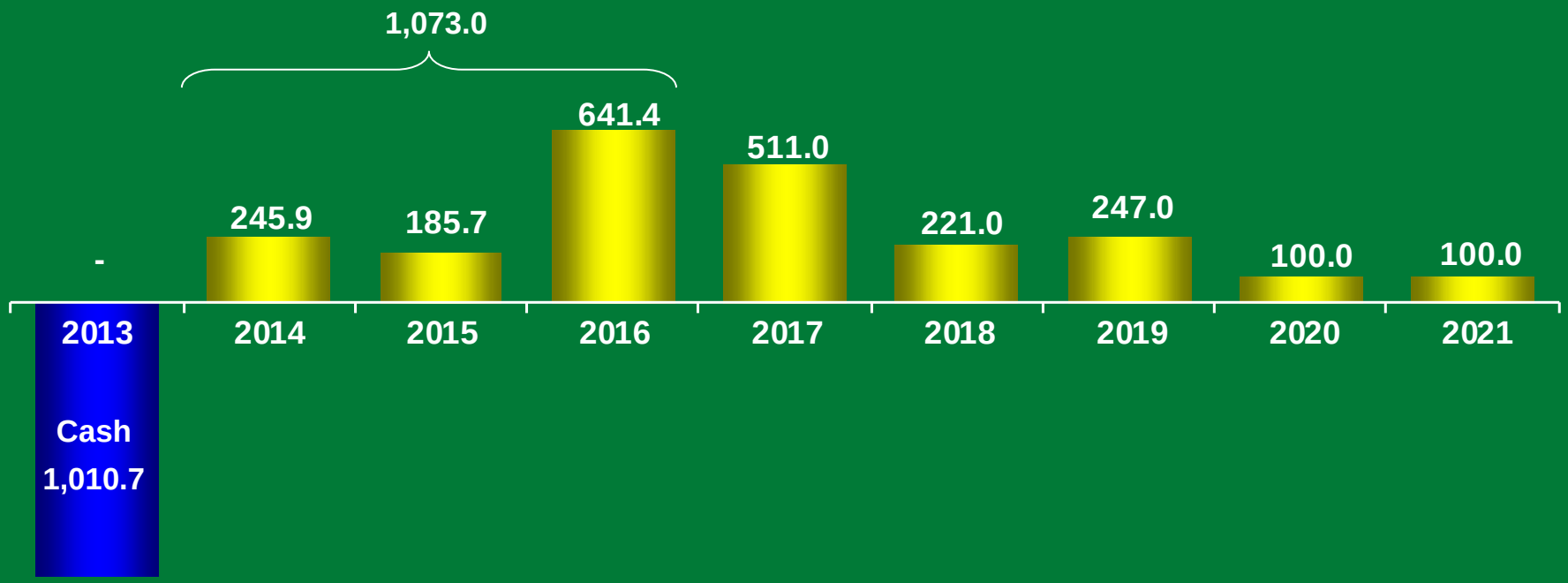


(*) Includes interest own capital paid in the period

R$250 million extraordinary dividend paid in 2013.

Debt maturity profile (principal)

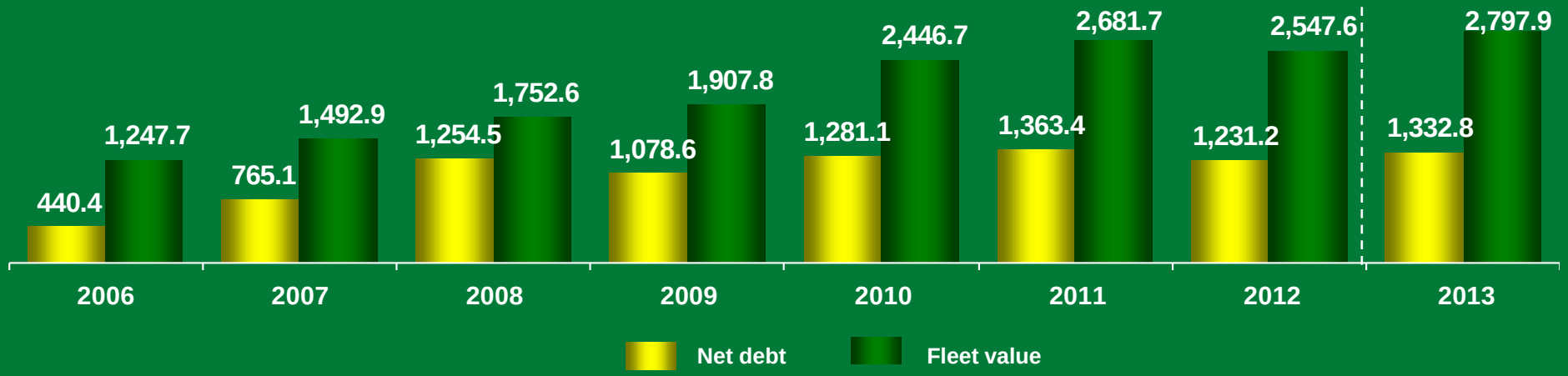
R$ million



The Company maintains a strong cash position and comfortable debt maturity profile.

Debt - ratios

Net debt vs. Fleet value

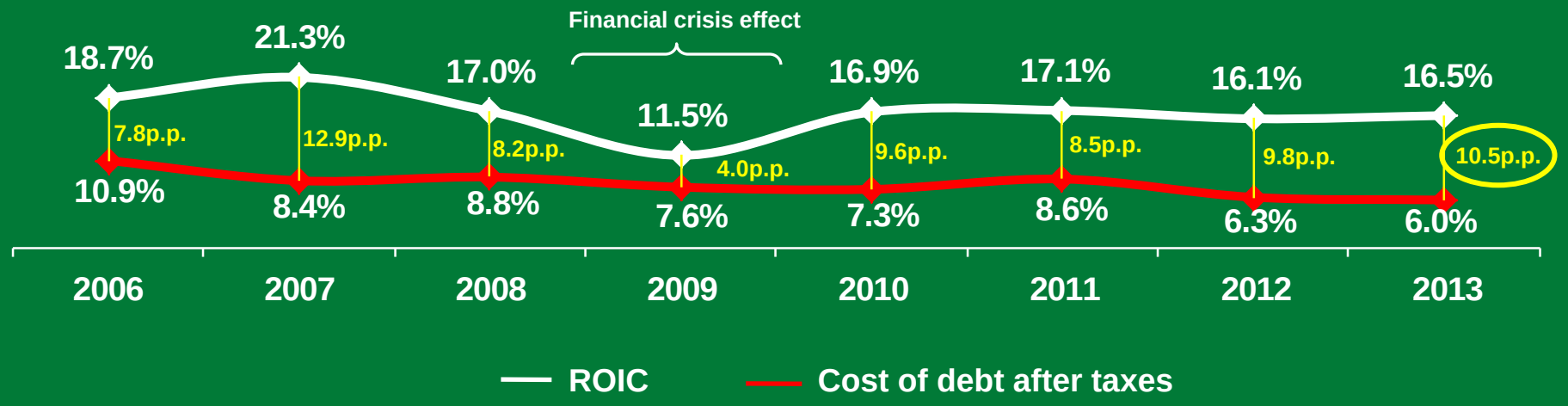


BALANCE AT THE END OF PERIOD	2006(*)	2007(*)	2008(*)	2009(*)	2010(*)	2011	2012	2013
Net debt / Fleet value	36%	51%	72%	57%	52%	51%	48%	48%
Net debt / EBITDA	1.4x	1.9x	2.5x	2.3x	2.0x	1.7x	1.4x	1.5x
Net debt / Equity	0.7x	1.3x	2.0x	1.5x	1.4x	1.2x	0.9x	1.0x
EBITDA / Net financial expenses	4.8x	5.4x	3.8x	4.2x	5.0x	4.6x	6.3x	8.3x

(*) From 2006 to 2010, ratios based on USGAAP financial statements.

Comfortable debt ratios.

ROIC *versus* cost of debt after taxes



Adding value to shareholders is the Company's main goal.

Thank you!

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