Localiza

RESULTADOS 4T17

8 de Março de 2018

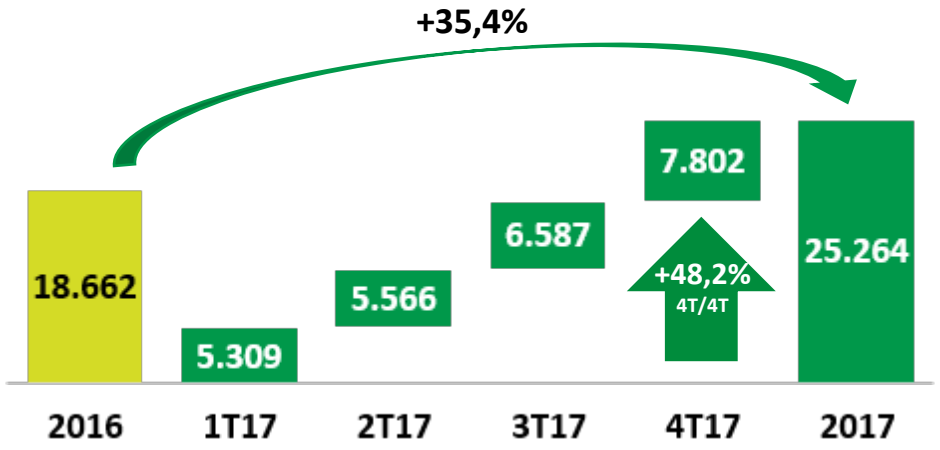


DESTAQUES

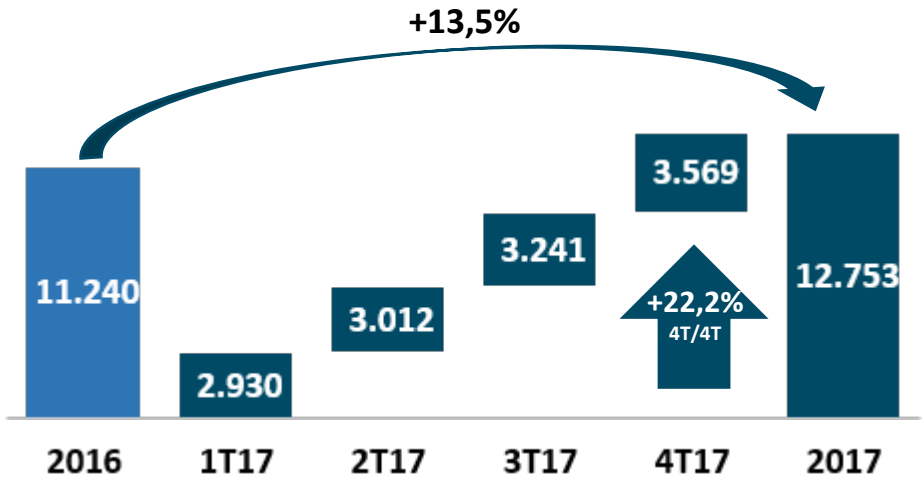
- ✓ *Crescimento de 36,5% da receita líquida, alcançando R$6,1 bilhões;*
- ✓ *Frota de final de período de 194.279 carros na rede Localiza;*
- ✓ *Lucro líquido de R$563,4 milhões, representando aumento de 37,6%;*
- ✓ *Aquisição e integração das operações da Hertz no Brasil.*

DESTAQUES OPERACIONAIS 2017

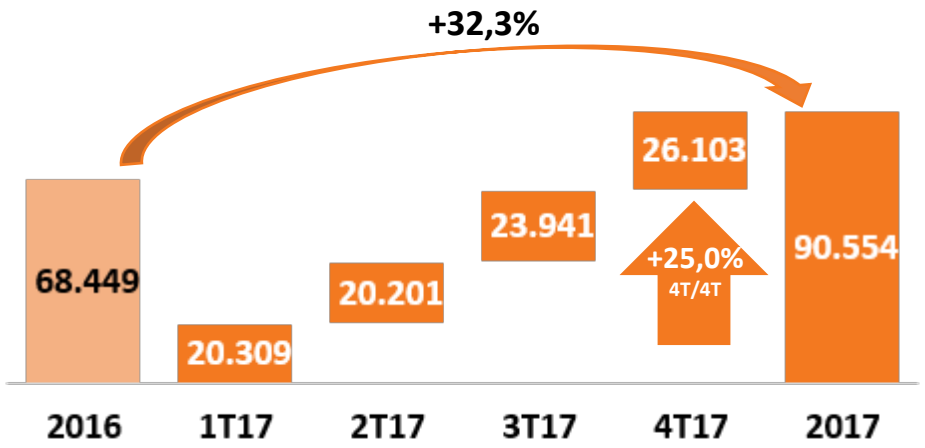
de diárias – Aluguel de Carros (mil)



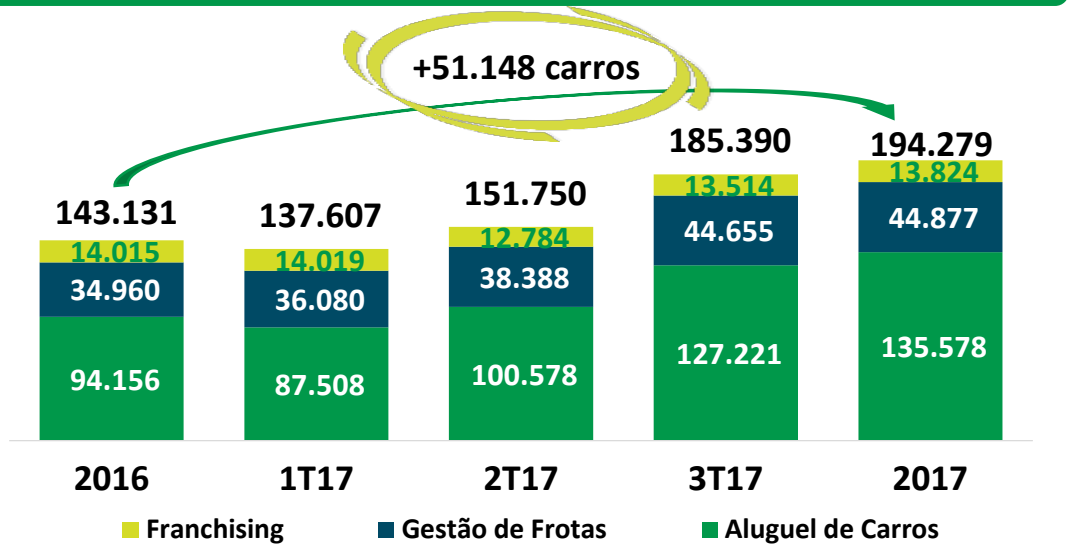
de diárias – Gestão de Frotas (mil)



de carros vendidos

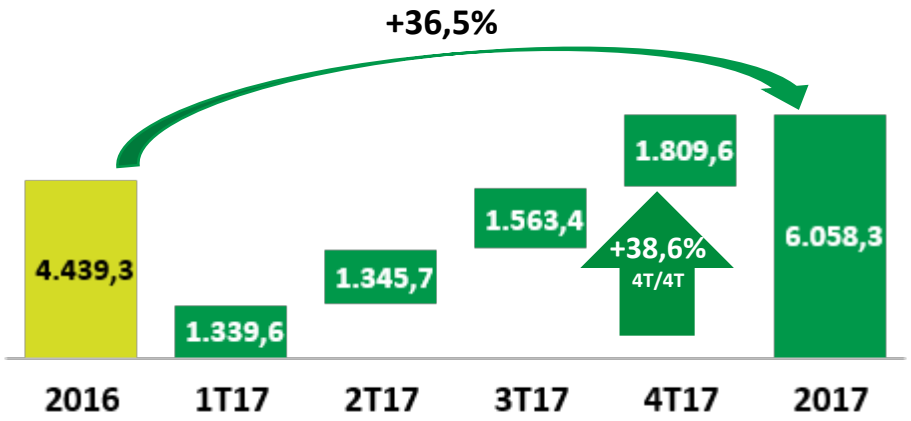


Frota de final de período

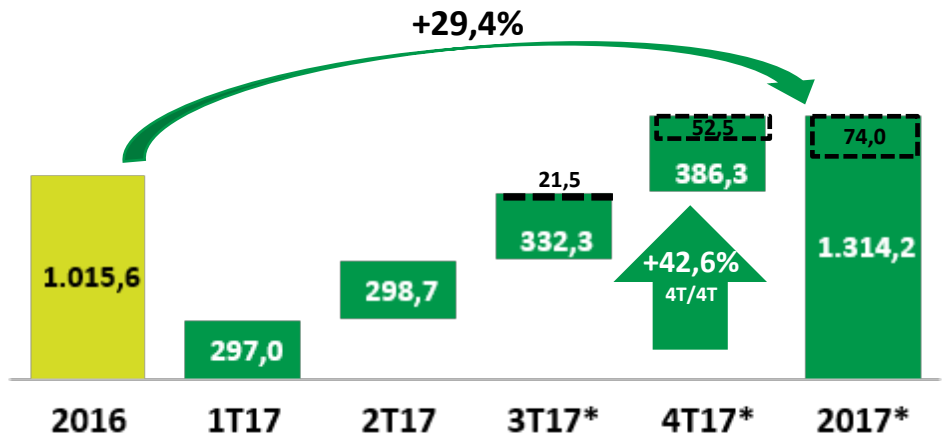


DESTAQUES FINANCEIROS 2017

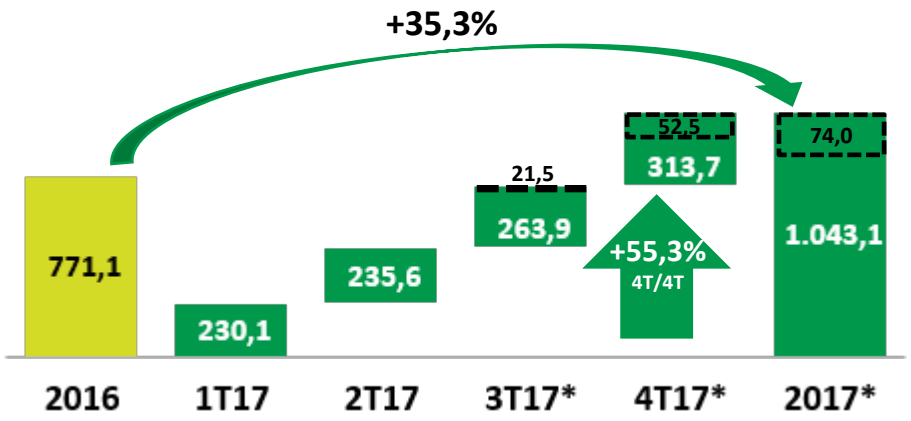
Receita líquida (R$ milhões)



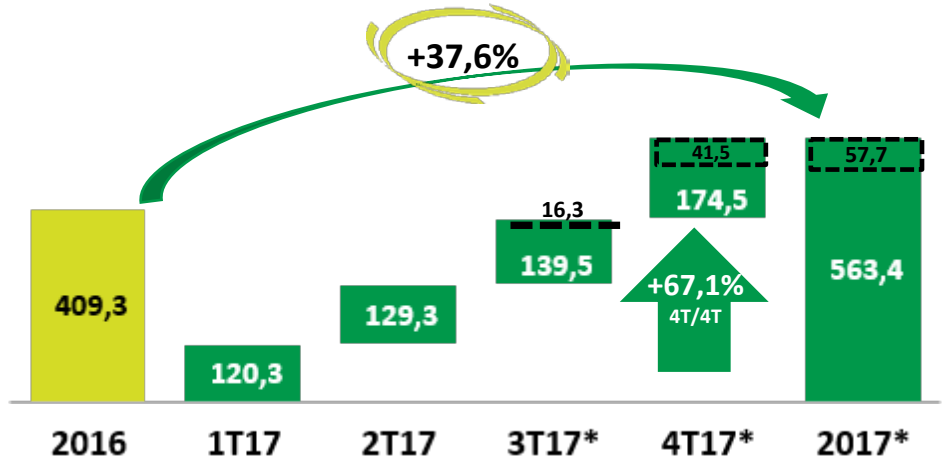
EBITDA (R$ milhões)



EBIT (R$ milhões)



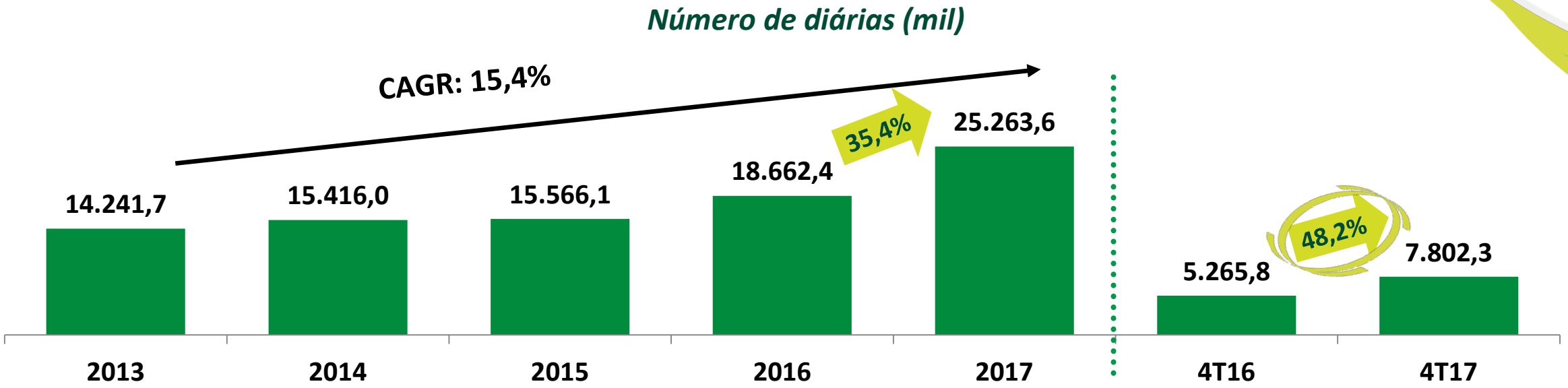
Lucro líquido (R$ milhões)

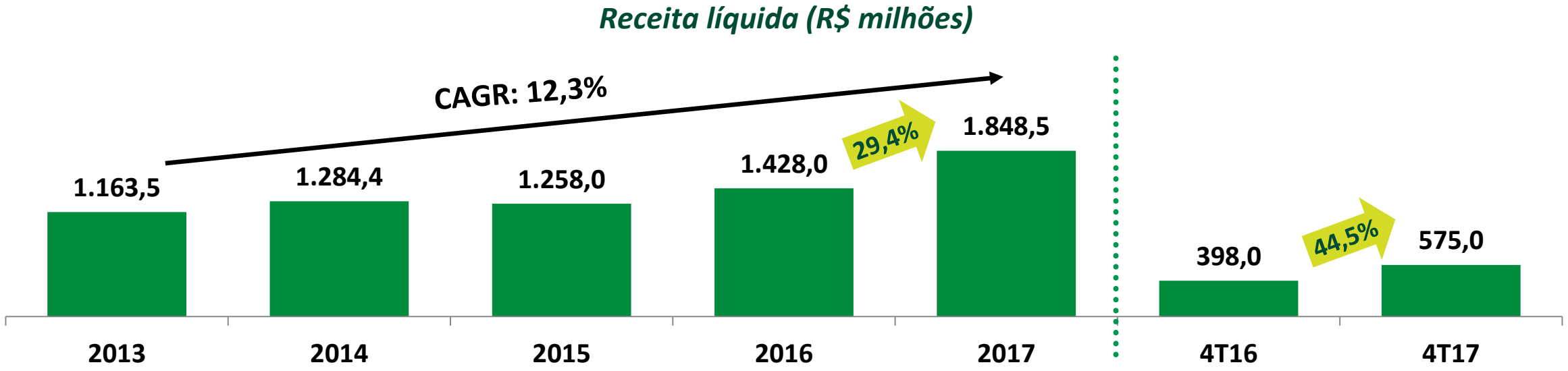


*** Ajustados pelos *one-time costs* incorridos com integração Hertz Brasil e Franqueados**

One-time costs incorridos com integração Hertz Brasil e Franqueados

ALUGUEL DE CARROS

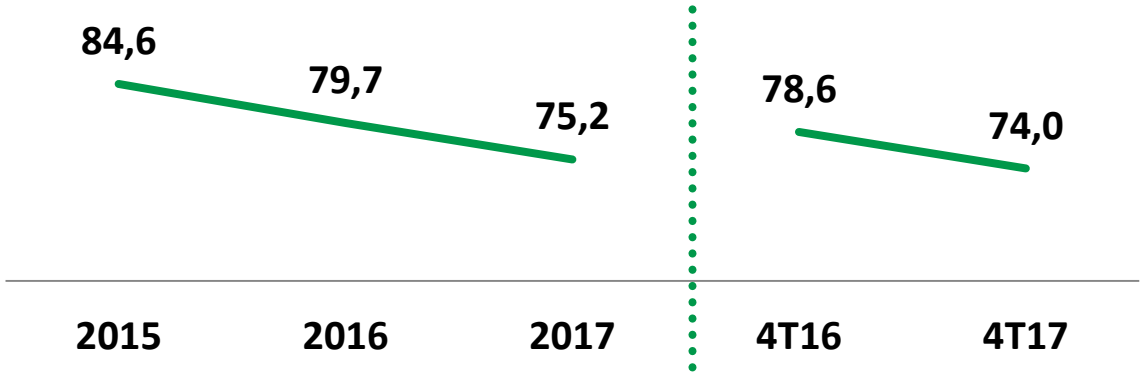




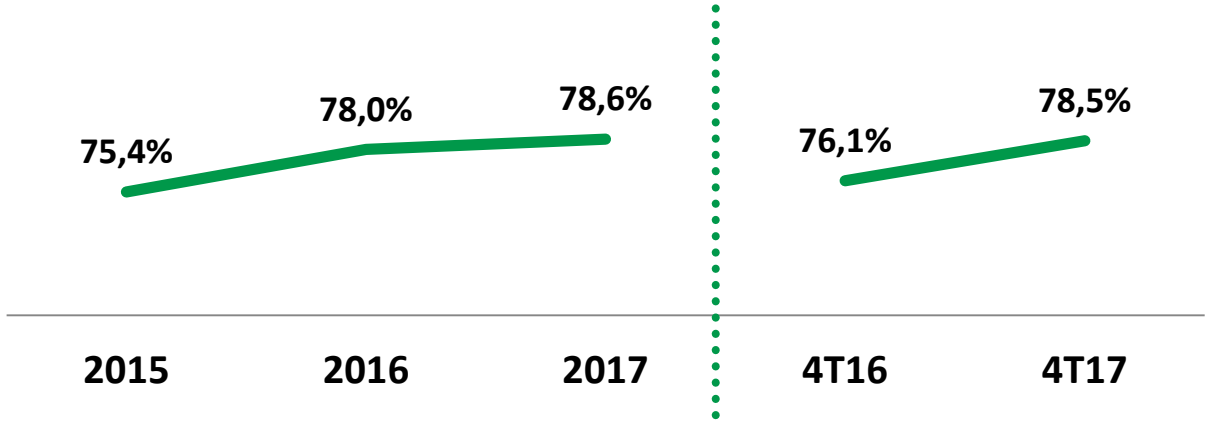
48,2% DE CRESCIMENTO DE VOLUME NO 4T17

ALUGUEL DE CARROS

Diária média (em R$)



Taxa de utilização (%)

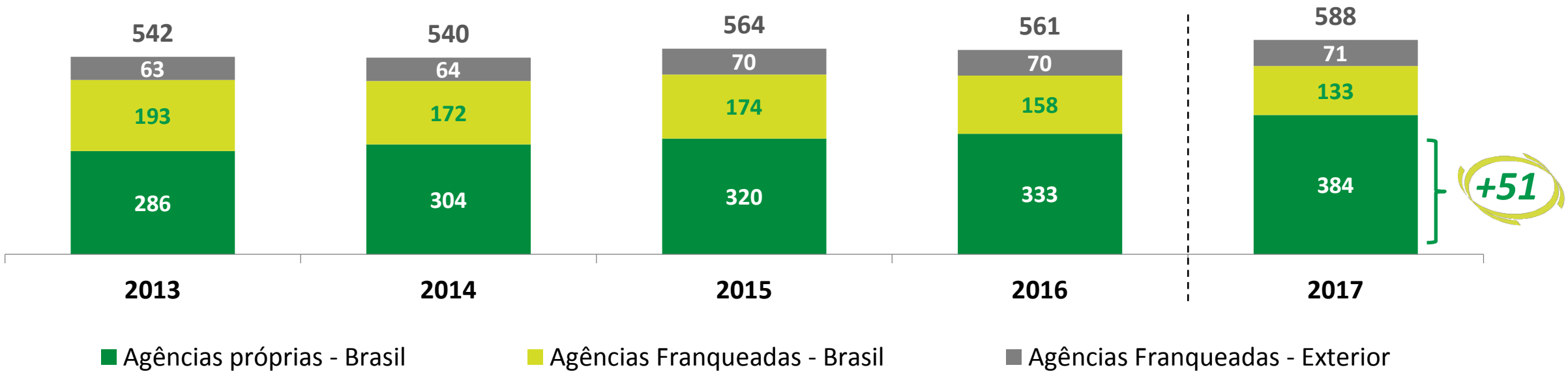


A GESTÃO DINÂMICA DE PREÇOS ESTIMULOU A DEMANDA

Nova apresentação da taxa de utilização: considera apenas o período em que os carros estão disponíveis para o aluguel nas agências

EVOLUÇÃO DO NÚMERO DE AGÊNCIAS - ALUGUEL CARROS

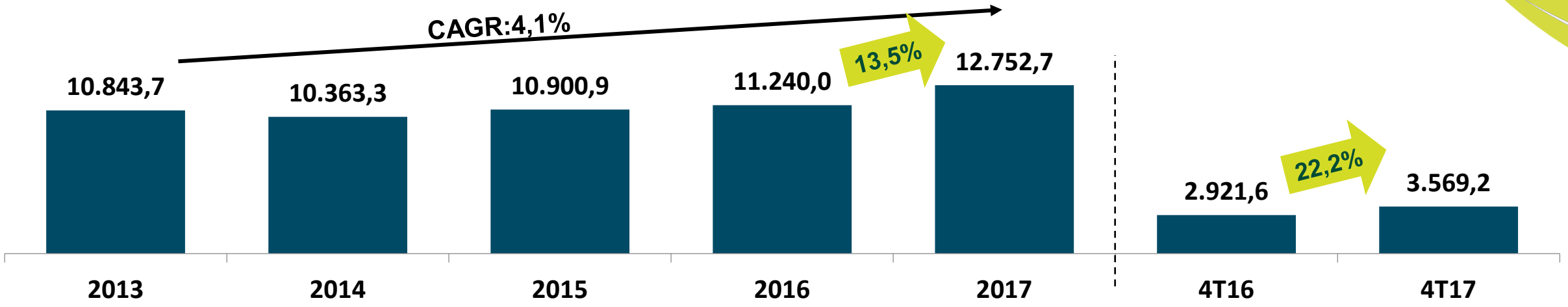
Número de agências Brasil e exterior



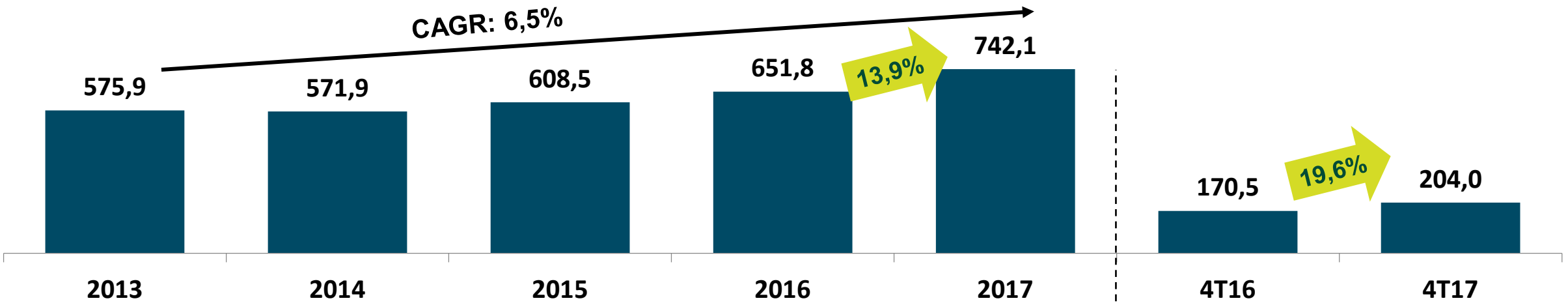
51 AGÊNCIAS ADICIONADAS À REDE PRÓPRIA EM 2017

GESTÃO DE FROTAS

Número de diárias (mil)



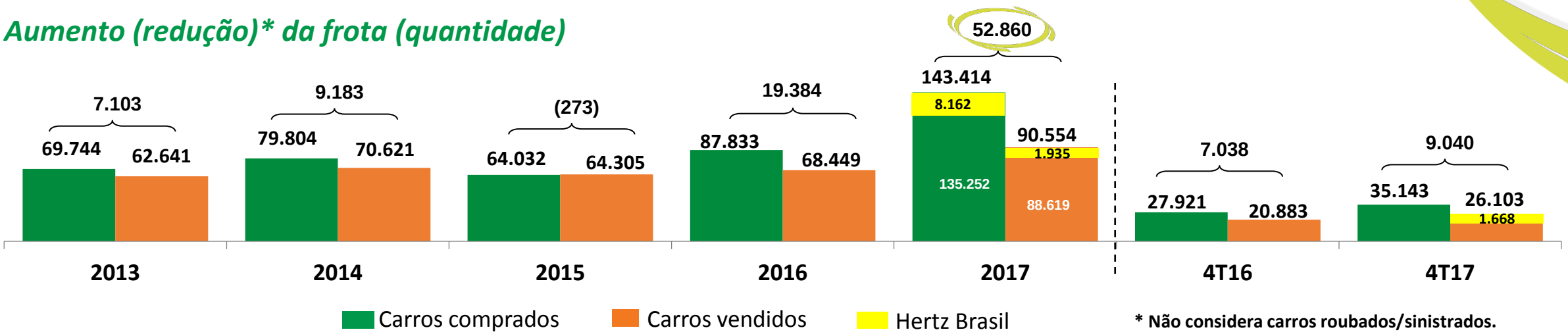
Receita líquida (R$ milhões)



22,2% DE CRESCIMENTO DE VOLUME NO 4T17

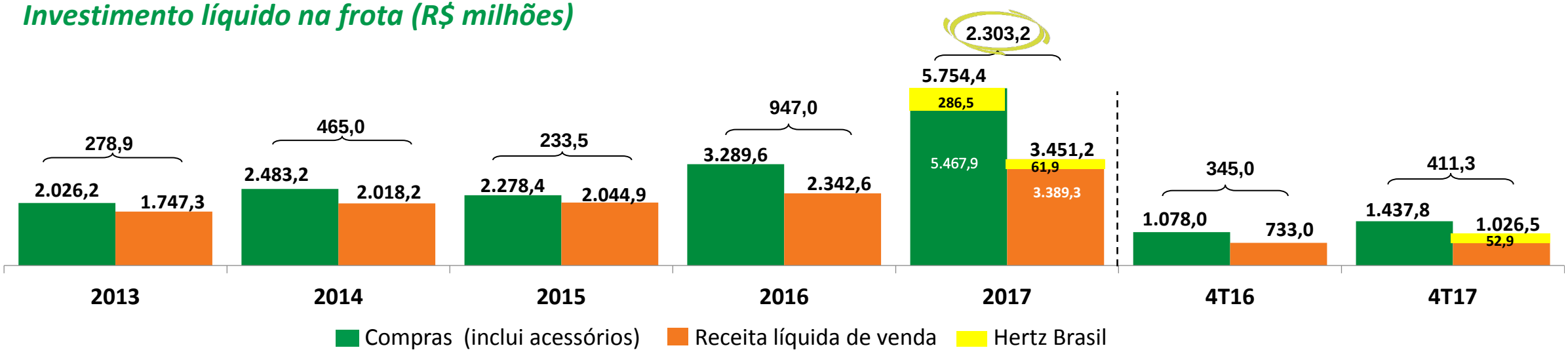
INVESTIMENTO LÍQUIDO

Aumento (redução) da frota (quantidade)*



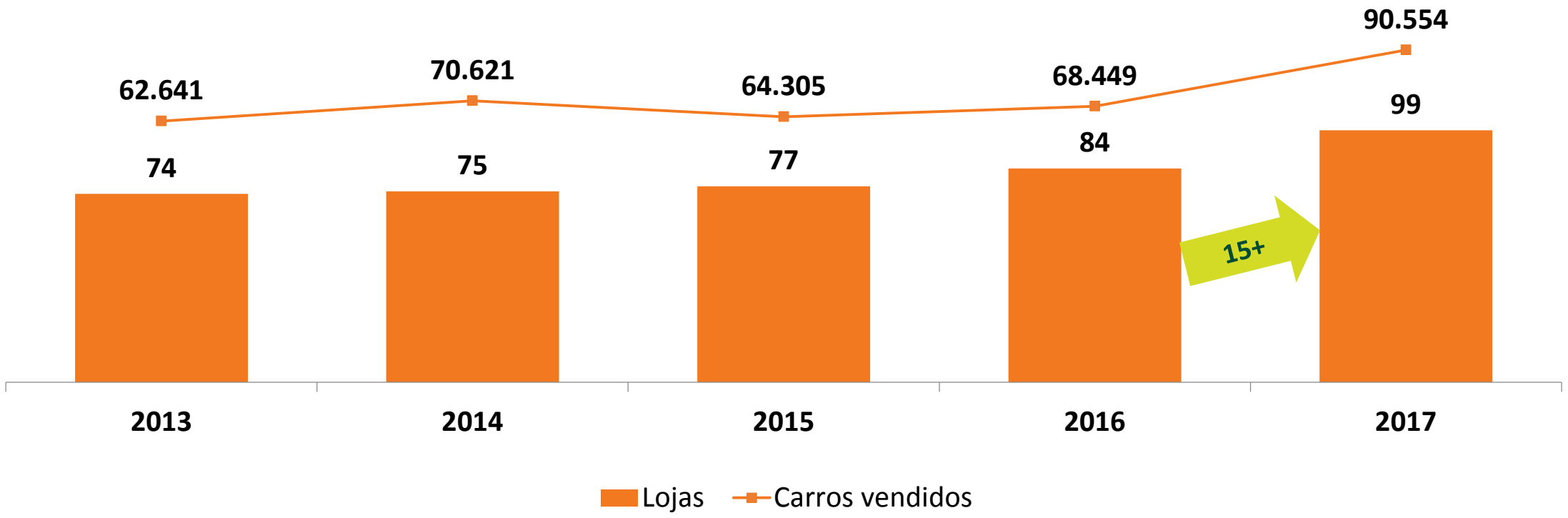
* Não considera carros roubados/sinistrados.

Investimento líquido na frota (R$ milhões)



CRESCIMENTO DE 52.860 CARROS NA FROTA EM 2017

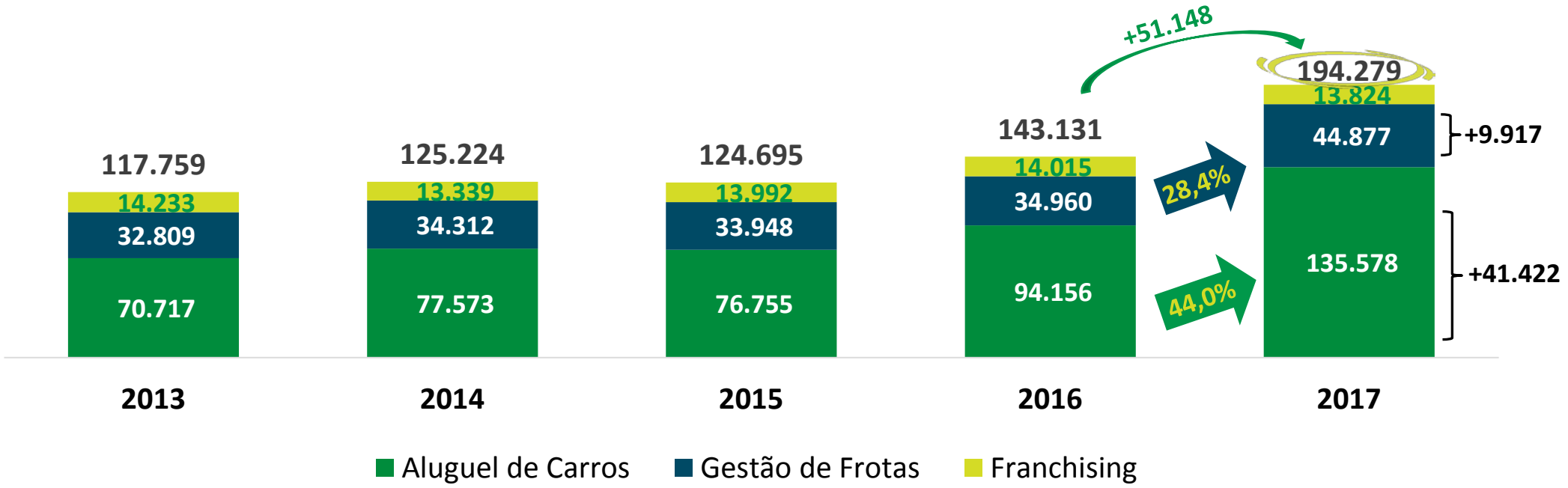
NÚMERO DE LOJAS SEMINOVOS



15 NOVAS LOJAS PARA ATENDER O AUMENTO DO VOLUME DE VENDA DE CARROS PARA RENOVAÇÃO DA FROTA

FROTA FINAL DE PERÍODO

(Quantidade)

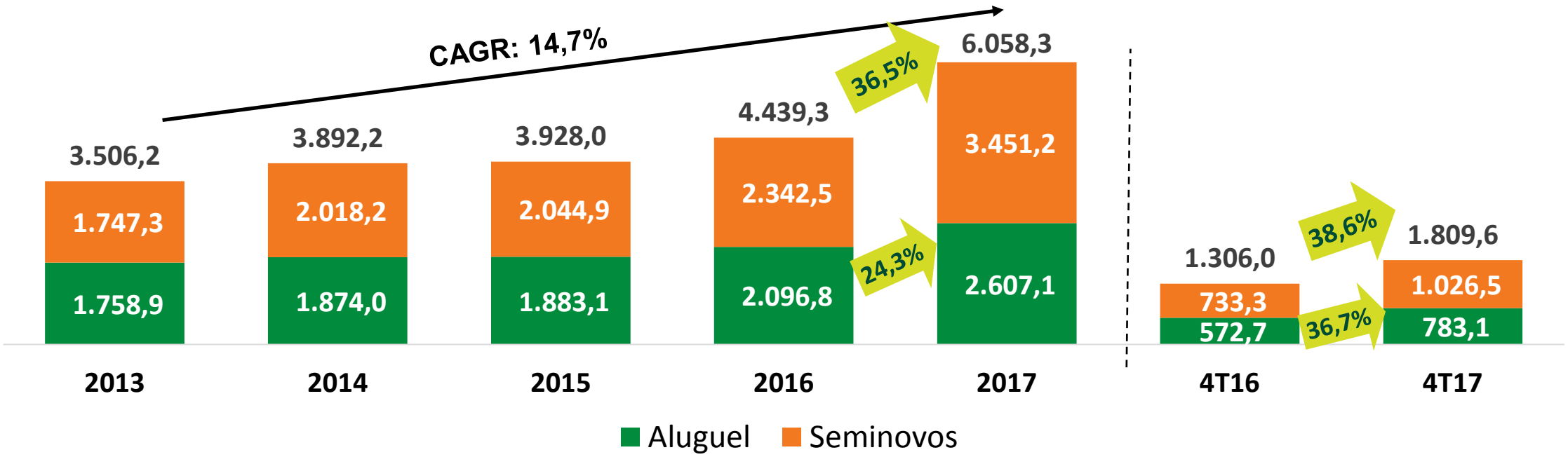


AUMENTO DE 41.422 CARROS NO RAC COM AUMENTO DA TAXA DE UTILIZAÇÃO

194.279 CARROS EM 31/12/2017

RECEITA LÍQUIDA CONSOLIDADA

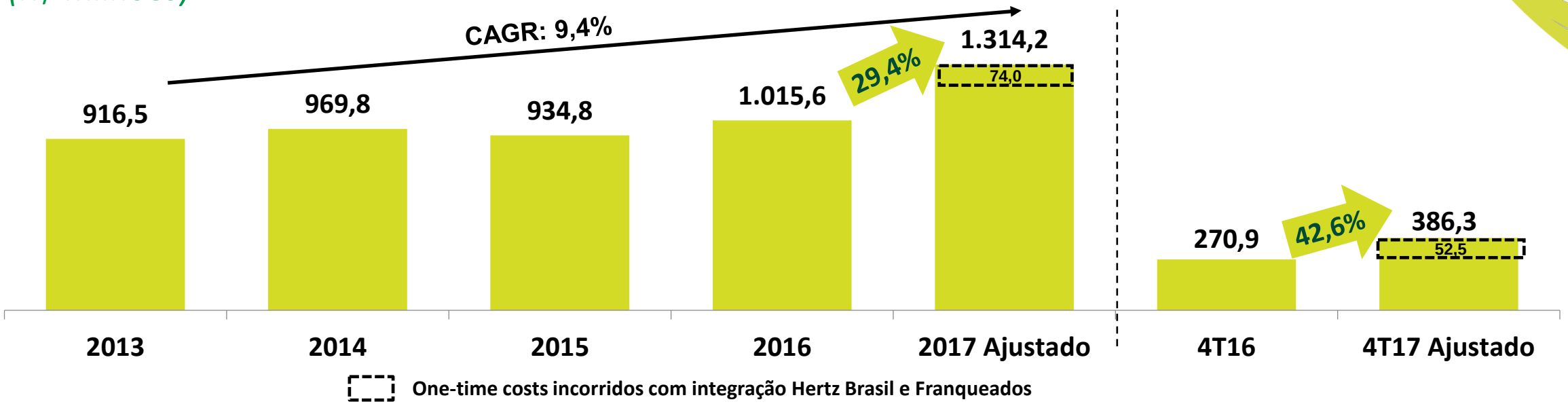
(R$ milhões)



CRESCIMENTO DE 38,6% DA RECEITA NO 4T17

EBITDA CONSOLIDADO

(R$ milhões)



Margem EBITDA:

Divisões	2013	2014*	2015	2016	2017	4T16	4T17
Aluguel de Carros	36,8%	38,7%	31,8%	32,3%	34,9%**	31,5%	36,6%**
Gestão de Frotas	65,5%	60,0%	62,2%	64,5%	61,9%**	63,8%	59,8%**
Aluguel Consolidado	46,5%	45,3%	41,7%	42,3%	42,6%**	40,8%	42,7%**
Seminovos	5,7%	6,0%	7,3%	5,5%	5,9%	5,0%	5,1%

(*) A partir de 2014 as despesas do overhead passaram a ser apropriadas também para o Seminovos.

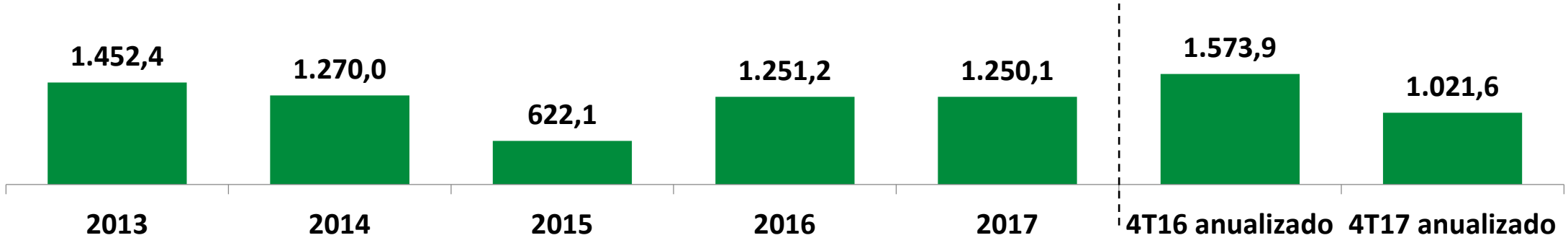
(**)Ajustados pelos *one-time costs incorridos com a integração Hertz Brasil e franquias*

GANHO DE ESCALA ALAVANCOU A MARGEM EBITDA RECORRENTE DO ALUGUEL DE CARROS

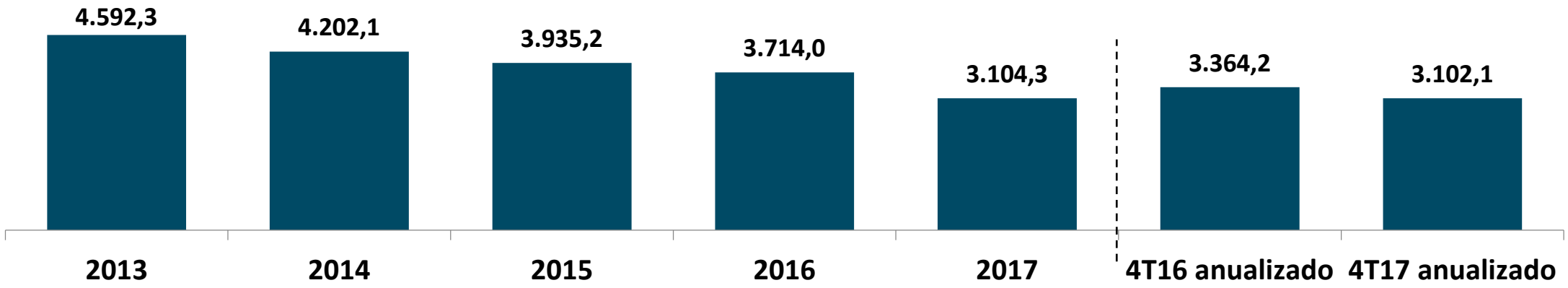
DEPRECIAÇÃO MÉDIA POR CARRO POR ANO

(R$)

Aluguel de Carros



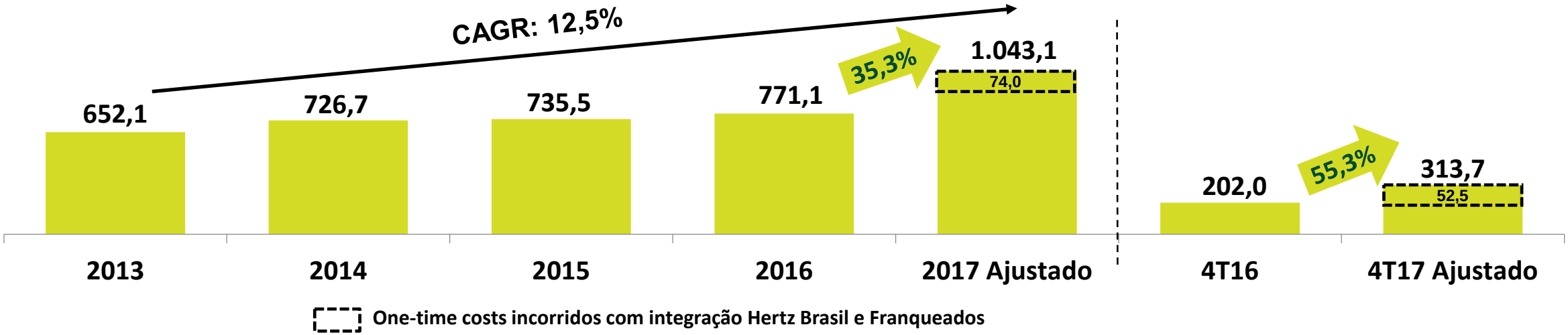
Gestão de Frotas



O AUMENTO DO PREÇO DOS CARROS E A EFICIÊNCIA NA VENDA CONTRIBUIRAM PARA A REDUÇÃO DA DEPRECIAÇÃO

EBIT CONSOLIDADO

(R$ milhões)



Margem EBIT:

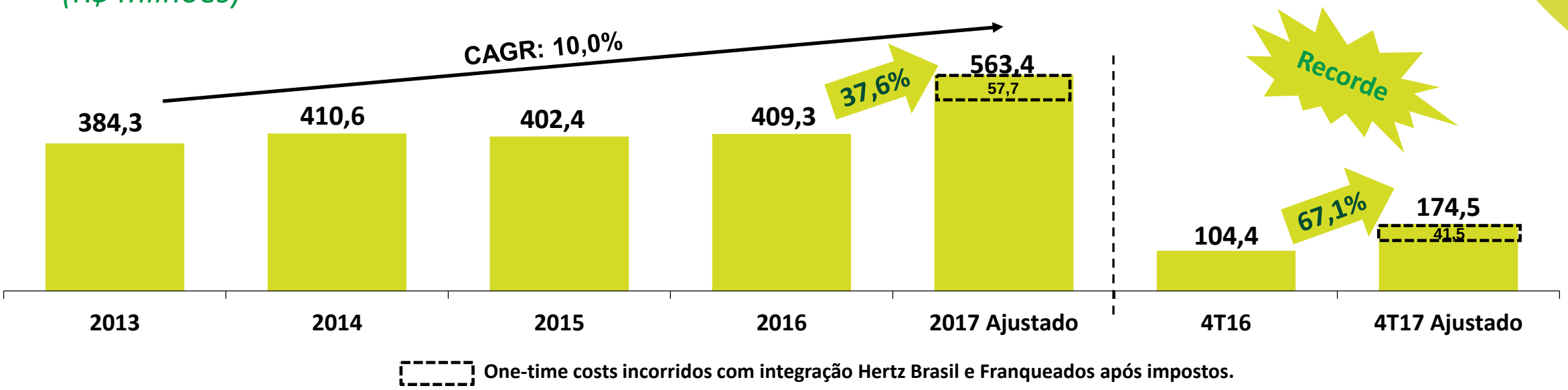
Divisões	2013	2014	2015	2016	2017	4T16	4T17
Aluguel de Carros	32,8%	36,2%	34,3%	30,2%	35,5%*	28,4%	37,2%*
Gestão de frotas	45,1%	44,3%	48,9%	51,2%	51,4%*	52,4%	48,1%*
Consolidado	37,1%	38,8%	39,1%	36,8%	40,0%*	35,3%	40,1%*

(*) Ajustados pelos *one-time costs incorridos com a integração Hertz Brasil e franquias*

R$1 BILHÃO DE EBIT RECORRENTE EM 2017

LUCRO LÍQUIDO CONSOLIDADO

(R$ milhões)



One-time costs incorridos com integração Hertz Brasil e Franqueados após impostos.

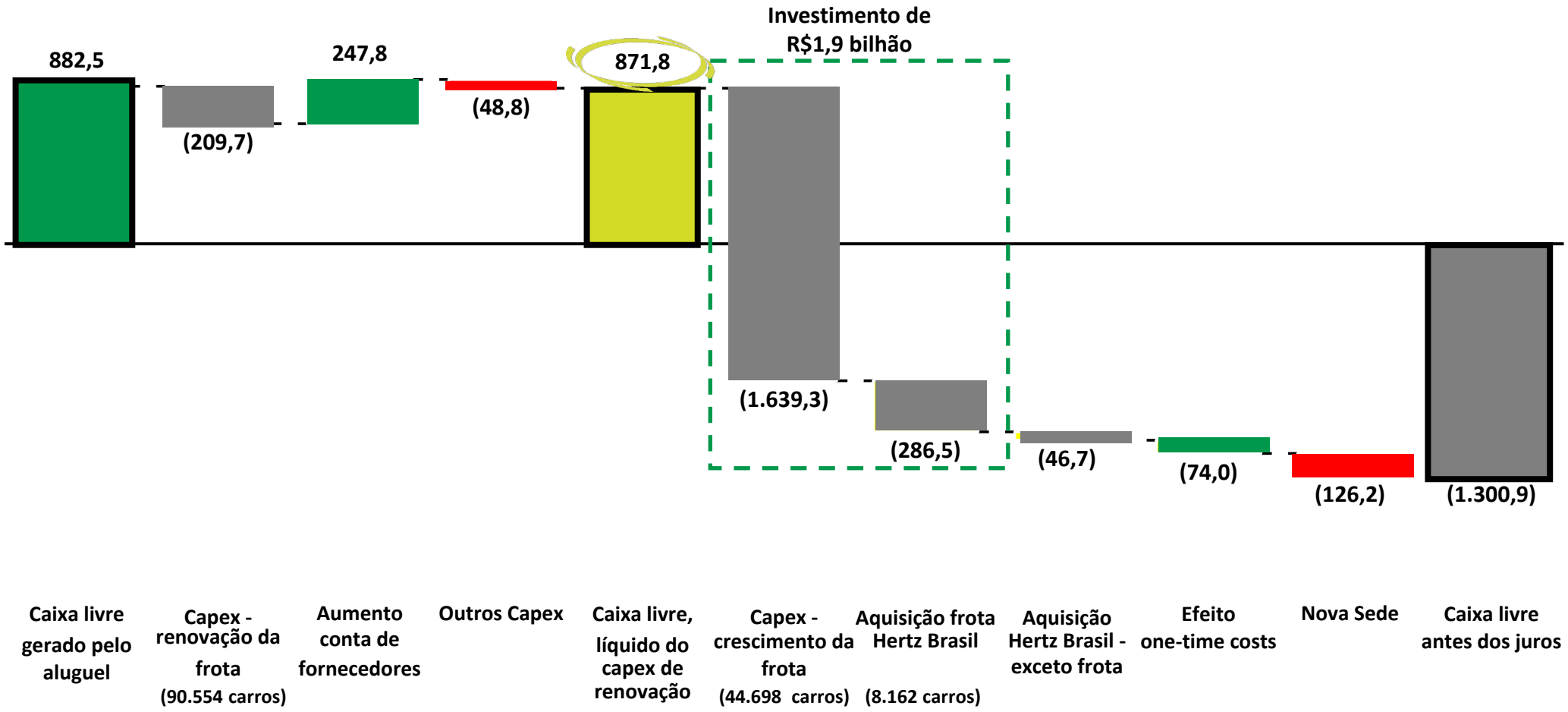
Reconciliação EBITDA x lucro líquido	2013	2014	2015	2016	2017*	Var. R$	Var. %	4T16	4T17*	Var. R$	Var. %
EBITDA Consolidado	916,5	969,8	934,8	1.015,6	1.314,2	298,6	29,4%	270,9	386,3	115,4	42,6%
Depreciação de carros	(229,0)	(207,4)	(163,6)	(206,3)	(232,0)	(25,7)	12,5%	(59,5)	(61,8)	(2,3)	3,9%
Depreciação e amortização de outros imobilizados	(35,4)	(35,7)	(35,7)	(38,2)	(39,1)	(0,9)	2,4%	(9,4)	(10,8)	(1,4)	14,9%
EBIT	652,1	726,7	735,5	771,1	1.043,1	272,0	35,3%	202,0	313,7	111,7	55,3%
Despesas financeiras, líquidas	(110,6)	(151,1)	(202,7)	(243,5)	(315,0)	(71,5)	29,4%	(72,7)	(93,6)	(20,9)	28,7%
Imposto de renda e contribuição social	(157,2)	(165,0)	(130,4)	(118,3)	(164,7)	(46,4)	39,2%	(24,9)	(45,6)	(20,7)	83,1%
Lucro líquido do período	384,3	410,6	402,4	409,3	563,4	154,1	37,6%	104,4	174,5	70,1	67,1%

(*) Ajustados pelos *one-time costs incorridos com a integração Hertz Brasil e franquias*

LUCRO RECORDE PELO 4º TRIMESTRE CONSECUTIVO

FLUXO DE CAIXA LIVRE

(R$ milhões)



R$871,8 MILHÕES DE CAIXA GERADO ANTES DO CRESCIMENTO

FLUXO DE CAIXA LIVRE

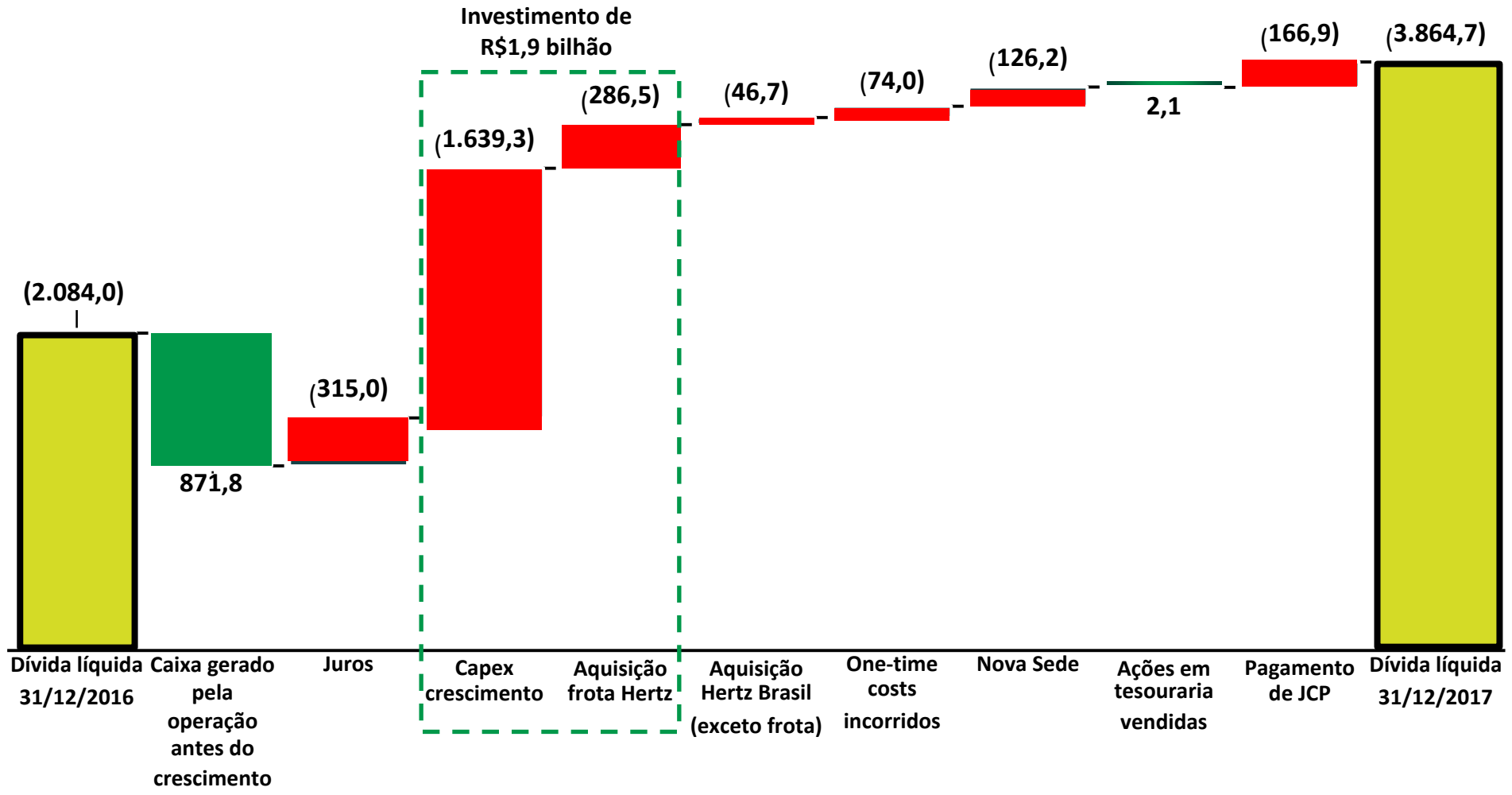
	Caixa livre gerado- R$ milhões	2013	2014	2015	2016	2017
Operações	EBITDA	916,5	969,8	934,8	1.015,6	1.314,2*
	Receita na venda dos carros líquida de impostos	(1.747,3)	(2.018,2)	(2.044,9)	(2.342,5)	(3.451,2)
	Custo depreciado dos carros baixados	1.543,8	1.777,0	1.769,1	2.102,5	3.106,6
	(-) Imposto de Renda e Contribuição Social	(108,5)	(113,1)	(110,7)	(93,3)	(108,3)
	Variação do capital de giro	2,9	(27,1)	(30,0)	113,2	21,2
	Caixa livre gerado pelas atividades de aluguel	607,4	588,4	518,3	795,5	882,5
Capex - renovação	Receita na venda dos carros líquida de impostos	1.747,3	2.018,2	2.036,3	2.342,5	3.451,2
	Investimento em carros para renovação da frota	(1.819,7)	(2.197,7)	(2.278,4)	(2.563,6)	(3.660,9)
	Aumento (redução) na conta de fornecedores de carros – renovação(**)	144,3	120,0	(75,4)	174,1	247,8
	Investimento líquido para renovação da frota	71,9	(59,5)	(317,5)	(47,0)	38,1
	Renovação da frota – quantidade	62.641	70.621	64.032	68.449	90.554
Investimentos, outros imobilizados e intangíveis		(47,5)	(46,3)	(29,7)	(42,2)	(48,8)
Caixa livre operacional antes do crescimento		631,8	482,6	171,1	706,3	871,8
Capex - Crescimento	Investimento em carros	(209,4)	(286,8)	8,6	(726,0)	(1.807,0)
	Aumento (redução) na conta de fornecedores de carros – crescimento(**)	(54,6)	214,4	(45,8)	16,6	167,7
	Aquisição frota Hertz	-	-	-	-	(286,5)
	Capex para crescimento da frota	(264,0)	(72,4)	(37,2)	(709,4)	(1.925,8)
	Aumento (redução) da frota – quantidade	7.103	9.183	(273)	19.384	52.860
Caixa livre depois crescimento, antes dos juros e da nova sede		367,8	410,2	133,9	(3,1)	(1.054,0)
Capex - não recorrente	Aquisição Hertz (exceto frota)	-	-	-	-	(46,7)
	Efeito dos one-time costs incorridos	-	-	-	-	(74,0)
	Construção da nova sede e mobiliário	(6,5)	(148,3)	(30,7)	(84,4)	(126,2)
Caixa livre gerado antes dos juros		361,3	261,9	103,2	(87,5)	(1.300,9)

(*) Ajustados pelos *one-time costs incorridos com a integração Hertz Brasil e franquias*

(**)Nesse trimestre, o fluxo de caixa foi ajustado para distribuir a variação da conta de montadoras entre capex de renovação e de crescimento da frota. Tal ajuste foi retroagido para manter a base comparativa. Na apuração do free cash flow, as aplicações financeiras de curto prazo foram consideradas como equivalentes de caixa uma vez que possuem liquidez imediata.

MOVIMENTAÇÃO DA DÍVIDA LÍQUIDA

(R$ milhões)

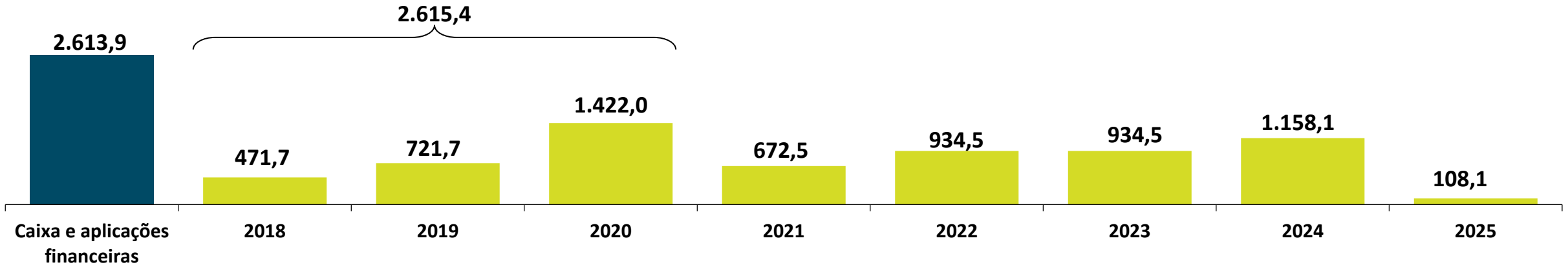


AUMENTO DA DÍVIDA EM FUNÇÃO DO INVESTIMENTO DE R$1,9 BILHÃO EM FROTA

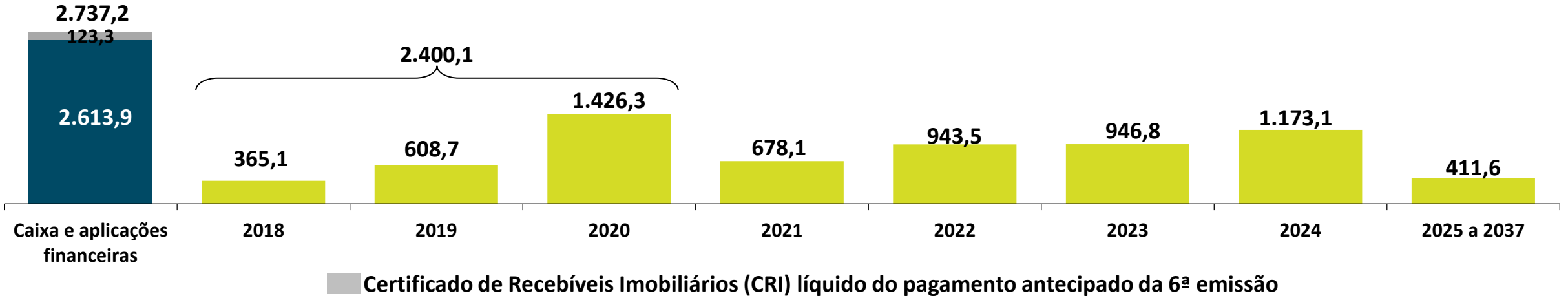
PERFIL DA DÍVIDA (PRINCIPAL)

(R$ milhões)

Em 31/12/2017



Proforma com captação do Certificado de Recebíveis Imobiliários e pagamento antecipado da 6ª emissão em fevereiro de 2018

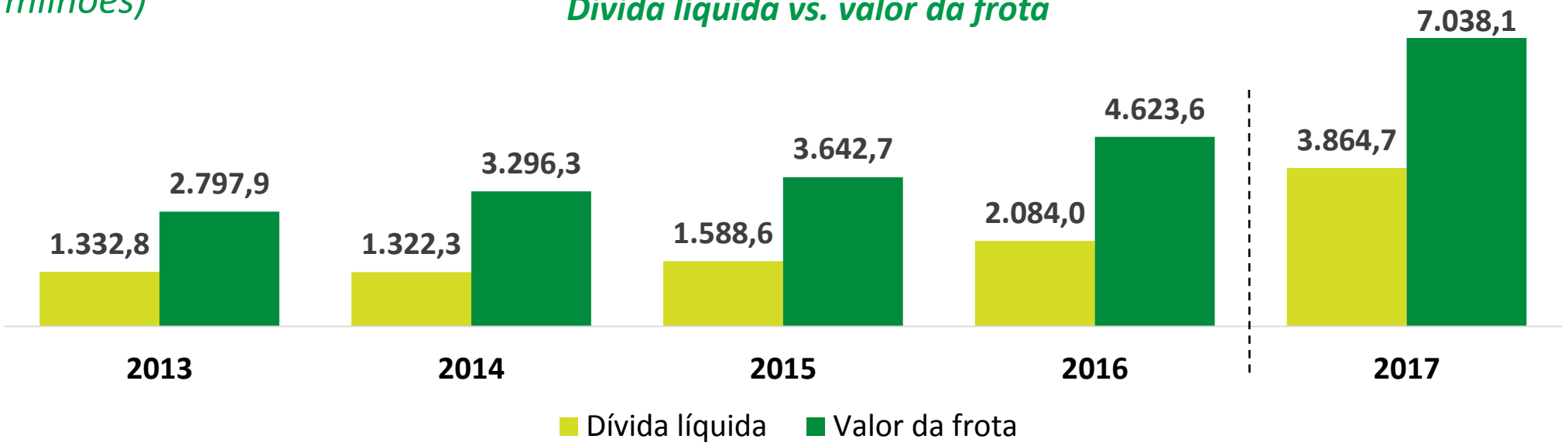


CONFORTÁVEL PERFIL DE DÍVIDA E CAIXA PARA SUPORTAR O CRESCIMENTO

RATIOS DE DÍVIDA

(R$ milhões)

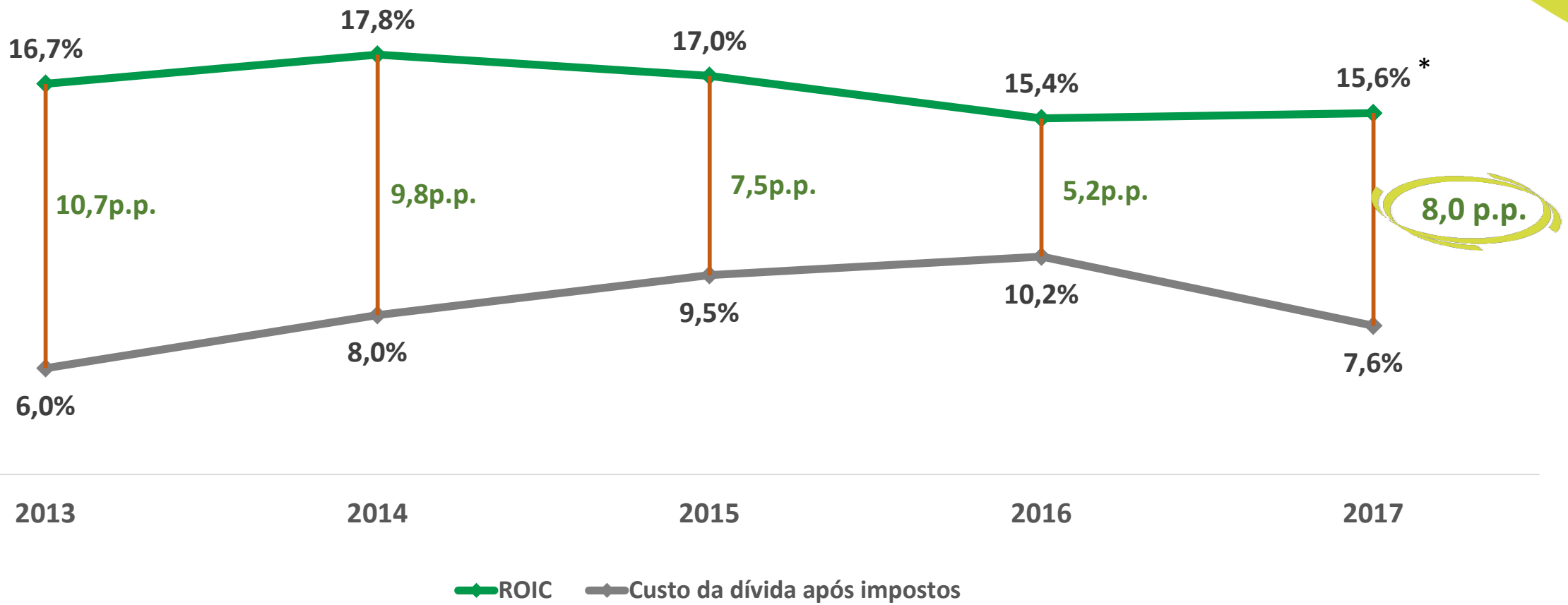
Dívida líquida vs. valor da frota



SALDOS EM FINAL DE PERÍODO	2013	2014	2015	2016	2017
Dívida líquida/ Valor da frota	48%	40%	44%	45%	55%
Dívida líquida/ EBITDA	1,5x	1,4x	1,7x	2,1x	2,9x
Dívida líquida/ Patrimônio líquido	1,0x	0,8x	0,8x	0,9x	1,5x
EBITDA / Despesas financeiras líquidas	8,3x	6,4x	4,6x	4,2x	4,2x

CONFORTÁVEL ALAVANCAGEM MESMO COM FORTE CRESCIMENTO

ROIC VERSUS CUSTO DA DÍVIDA APÓS IMPOSTOS



*** Ajustados pelos *one-time costs* incorridos com integração Hertz Brasil e Franqueados**

ROIC calculado considerando alíquota efetiva de IR/CS para cada ano

FOCO EM GERAÇÃO DE VALOR PARA OS ACIONISTAS

Obrigado!

Aviso - Informações e projeções

O material que se segue é uma apresentação de informações gerais de antecedentes da LOCALIZA na data da apresentação. Trata-se de informação resumida sem intenções de serem completas, que não devem ser consideradas por investidores potenciais como recomendação.

Esta apresentação contém declarações que não são garantias do desempenho futuro. Advertimos os investidores de que as referidas declarações e informações prospectivas estão e estarão, conforme o caso, sujeitas a muitos riscos, incertezas e fatores relativos às operações e aos ambientes de negócios da LOCALIZA e suas controladas, em virtude dos quais os resultados reais das empresas podem diferir de maneira relevante de resultados futuros expressos ou implícitos nas declarações e informações prospectivas.

Embora a LOCALIZA acredite que as expectativas e premissas contidas nas declarações e informações prospectivas sejam razoáveis e baseadas em dados atualmente disponíveis à sua administração, a LOCALIZA não pode garantir resultados ou acontecimentos futuros. A LOCALIZA isenta-se expressamente do dever de atualizar qualquer uma das declarações.

Esta apresentação não constitui oferta, convite ou solicitação de oferta de subscrição ou compra de quaisquer valores mobiliários. Nem esta apresentação nem qualquer coisa aqui contida constituem a base de um contrato ou compromisso de qualquer espécie.

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ONE TIME COSTS 4T17

O resultado do 4T17 foi ajustado para excluir o impacto de R$48,0 milhões referentes aos custos e despesas não-recorrentes incorridos relacionados à aquisição da Hertz Brasil e em R$4,5 milhões referentes à integração de 3 agências franqueadas (*one-time costs).*

Em 2017 a soma dos ajustes pelas despesas extraordinárias relacionadas à aquisição da operação Hertz Brasil foi de R$56,8 milhões (R$53,4 milhões no Aluguel de Carros e R$3,4 milhões na Gestão de Frotas) e R$17,2 milhões referentes a franqueadas da Localiza.

Valores em R$ milhões

ONE-TIME COSTS	3T17 Incorrido	4T17 Incorrido	2017 Total
Custo RAC:			
Hertz: rebrand, redução de estrutura e rede	(2,1)	(36,4)	(38,5)
Integração de franquias	(12,7)	(4,5)	(17,2)
Total Custo RAC	**(14,8)**	**(40,9)**	**(55,7)**
Custo GF:			
Hertz: redução de estrutura e rede	-	(0,3)	(0,3)
Total Custo GF	**-**	**(0,3)**	**(0,3)**
Despesas com Vendas, Gerais e Administrativas:			
Hertz: rebrand, redução de estrutura e rede RAC	(6,7)	(8,2)	(14,9)
Hertz: rebrand, redução de estrutura e rede GF	-	(3,1)	(3,1)
Total Despesas com Vendas, Gerais e Administrativas	**(6,7)**	**(11,3)**	**(18,0)**
Total One-time Costs	**(21,5)**	**(52,5)**	**(74,0)**

Valores em R$ milhões

RESULTADO CONSOLIDADO	4T17 consolidado	Ajustes	4T17 Ajustado
Receita líquida total	**1.809,6**	**-**	**1.809,6**
Total de custos e despesas	(1.475,8)	52,5	(1.423,3)
EBITDA	**333,8**	**52,5**	**386,3**
Depreciação	(72,6)	-	(72,6)
EBIT	**261,2**	**52,5**	**313,7**
Despesas financeiras, líquidas	(93,6)	-	(93,6)
IRPJ e CSSL	(34,6)	(11,0)	(45,6)
Lucro líquido	**133,0**	**41,5**	**174,5**

Localiza

2017 and 4Q17 Results

March 8, 2018

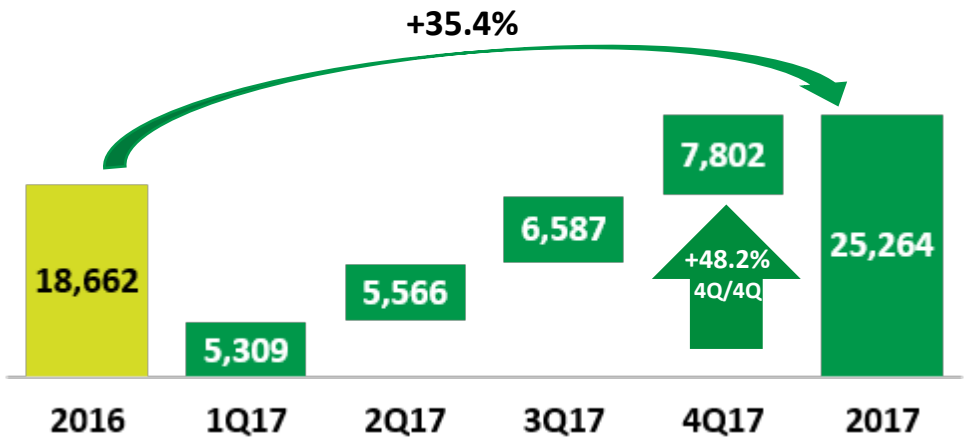


HIGHLIGHTS

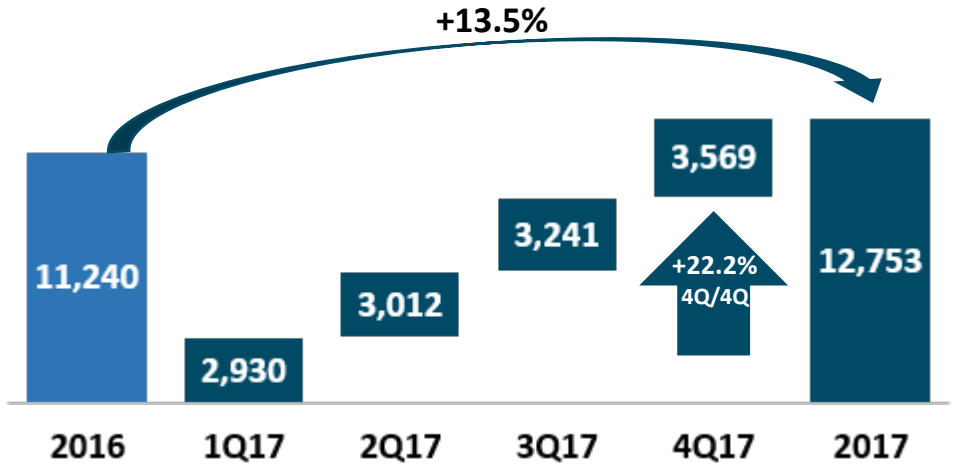
- ✓ ***36.5% growth in net revenue, reaching R$6.1 billion;***
- ✓ ***Fleet of 194,279 cars at the end of the period;***
- ✓ ***Net income of R$563.4 million, representing an increase of 37.6%;***
- ✓ ***Acquisition and integration of Hertz operations in Brazil.***

4Q17 OPERATING HIGHLIGHTS

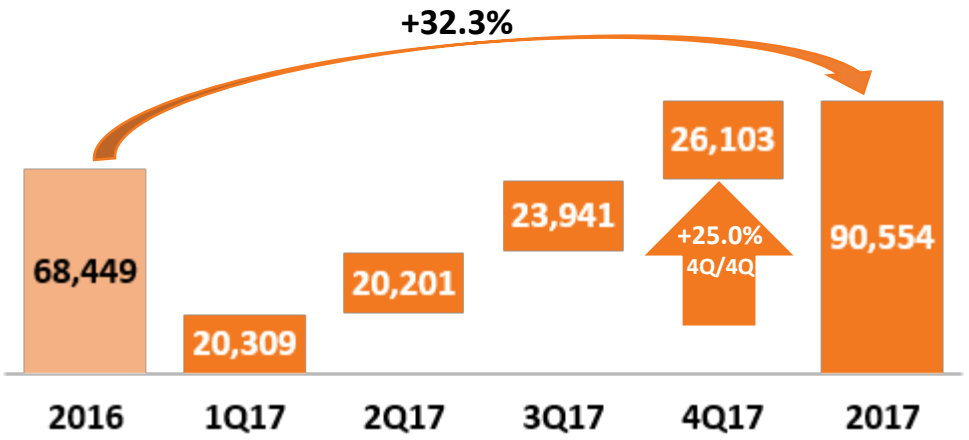
of rental days (thousand)– Car Rental



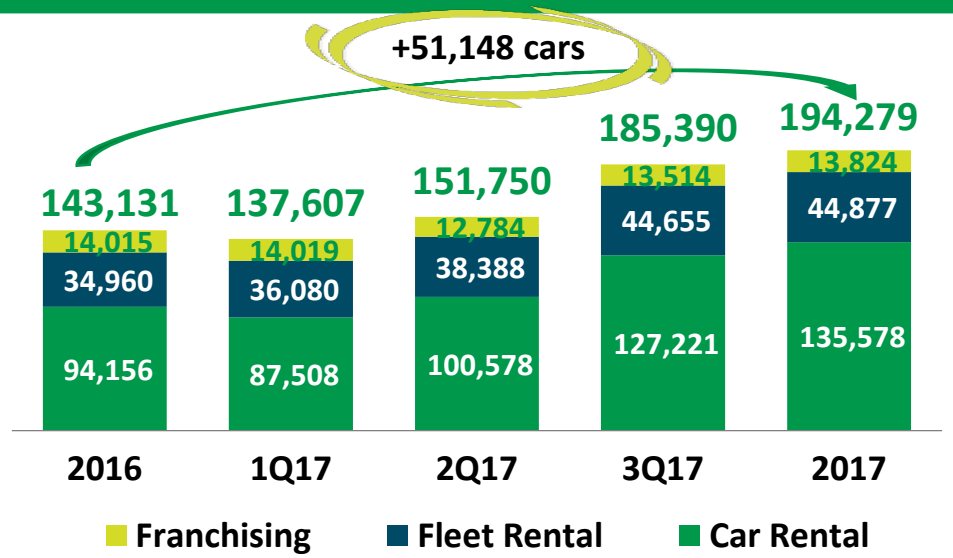
of rental days (thousand) – Fleet Rental



of cars sold

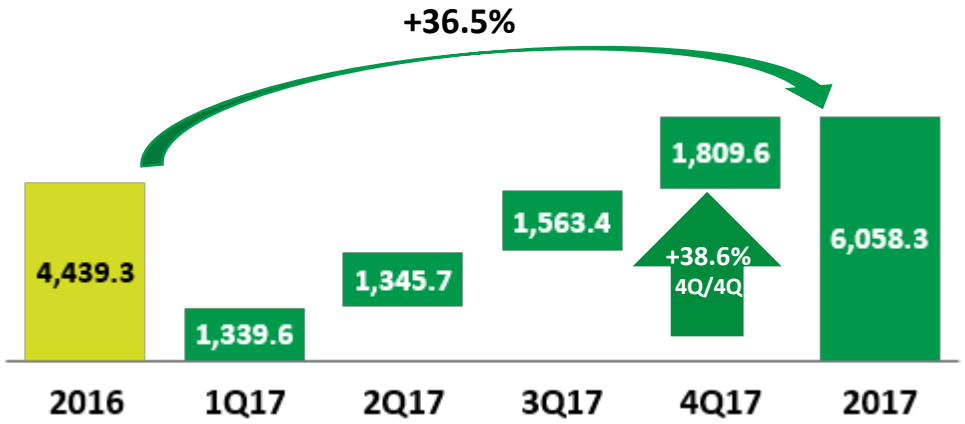


Fleet at end of the period

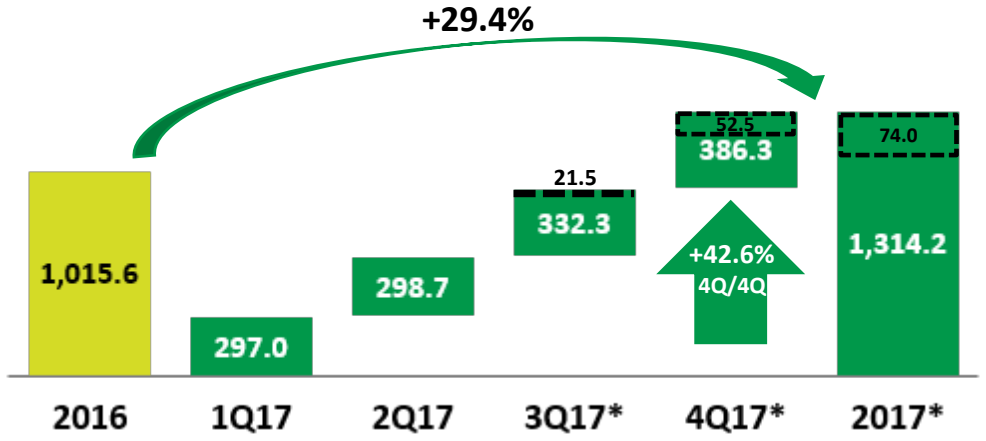


4Q17 FINANCIAL HIGHLIGHTS

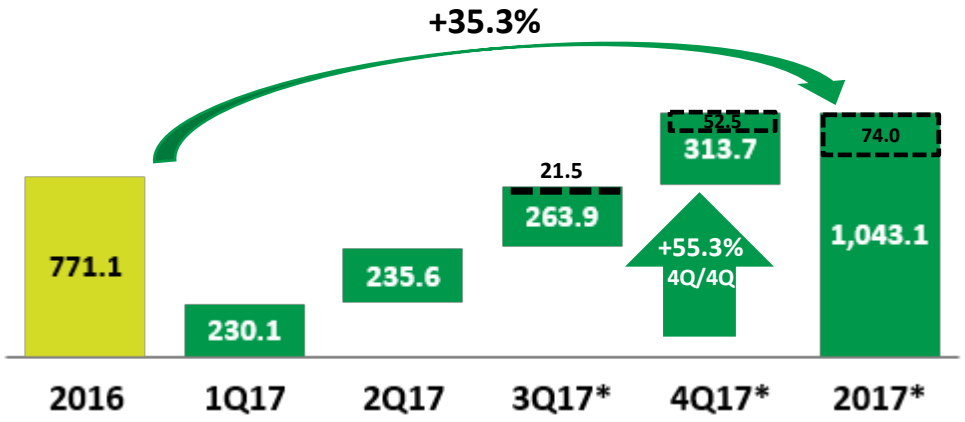
Net revenues (R$ million)



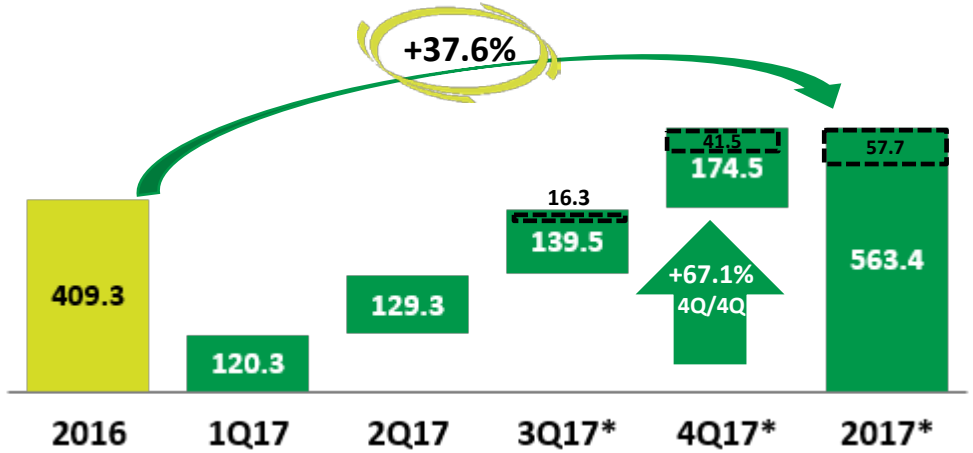
EBITDA (R$ million)



EBIT (R$ million)



Net income (R$ million)

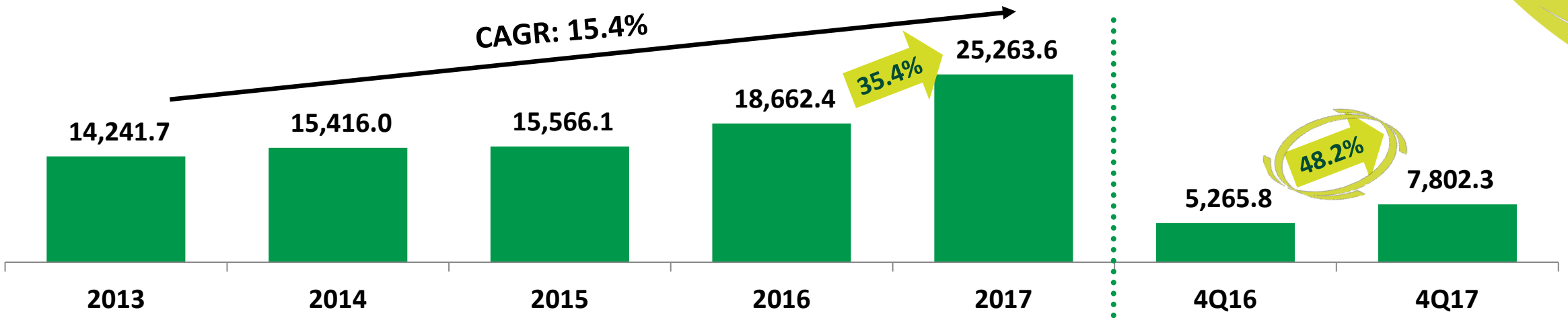


*Adjusted by the one-time cost incurred - Hertz Brasil acquisition and Franchisees incorporation

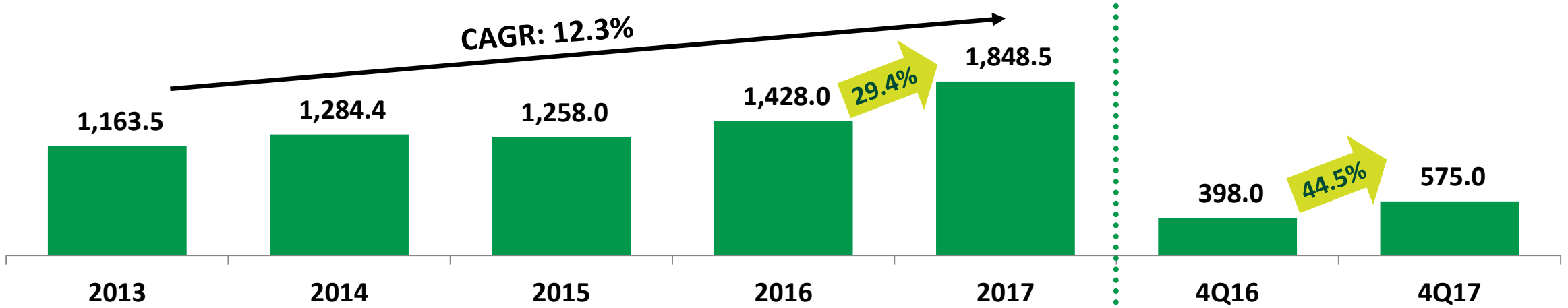
One-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation

CAR RENTAL

Number of daily rentals (thousand)



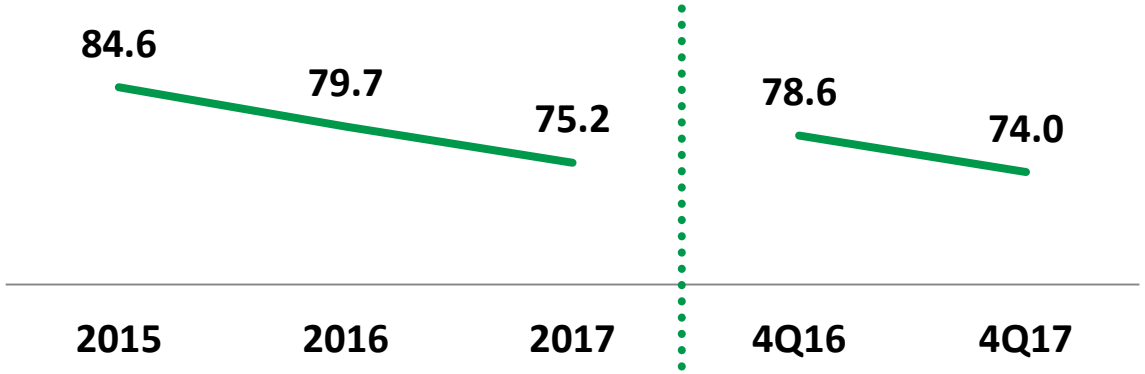
Net revenues (R$ million)



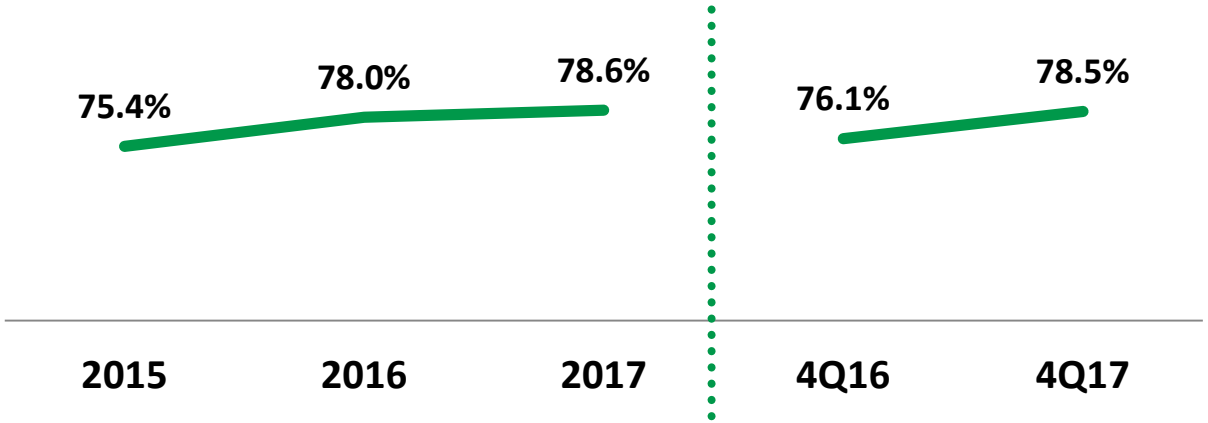
48.2% GROWTH IN 4Q17 VOLUME

CAR RENTAL

Average daily rental rate – in R$



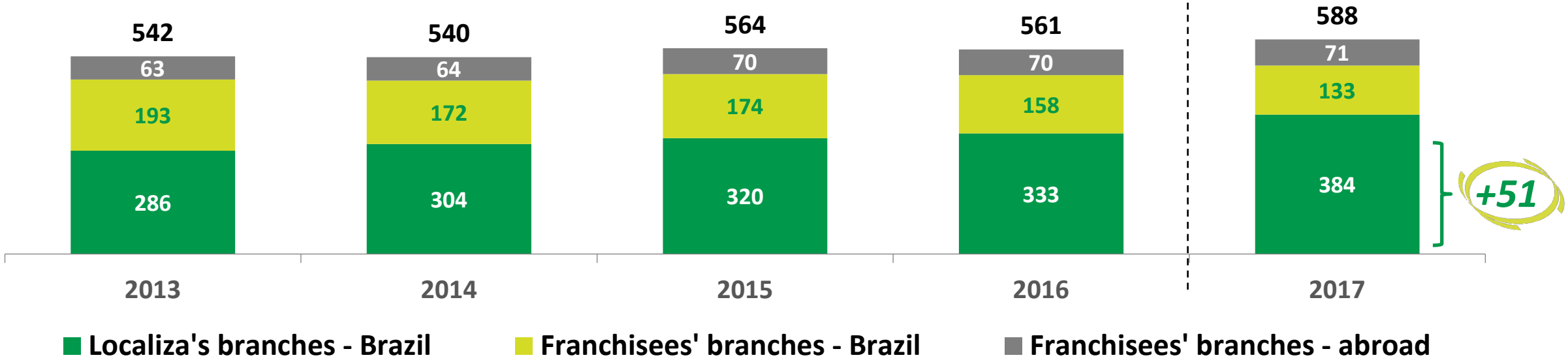
Utilization rate



DYNAMIC PRICING MANAGEMENT STIMULATED DEMAND

CAR RENTAL NETWORK EVOLUTION

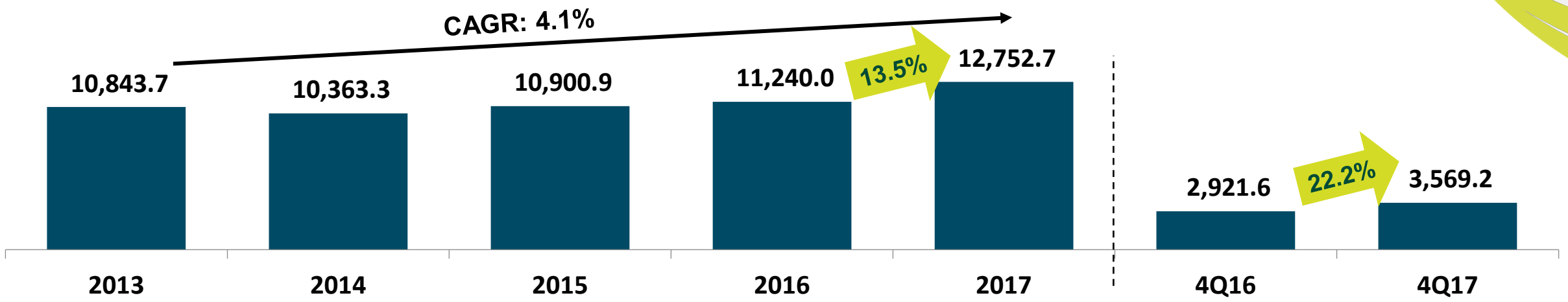
Number of car rental locations Brazil and abroad



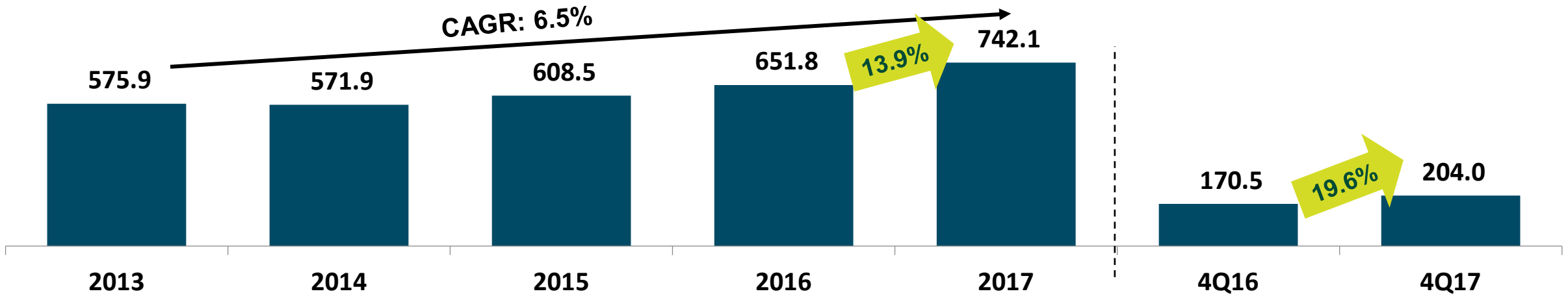
51 CORPORATE LOCATIONS WERE ADDED TO THE NETWORK IN 2017

FLEET RENTAL

Number of daily rentals (thousand)



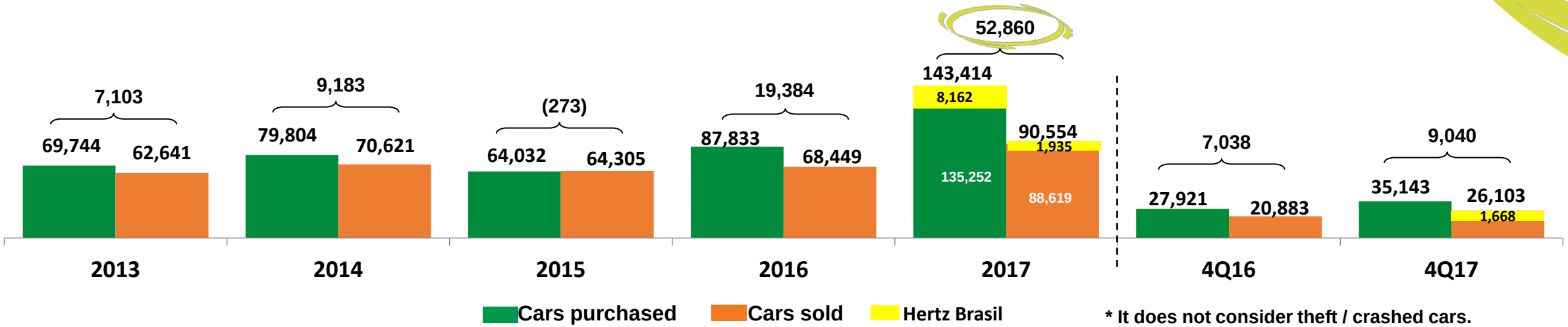
Net revenues (R$ million)



22.2% GROWTH IN 4Q17 VOLUMES

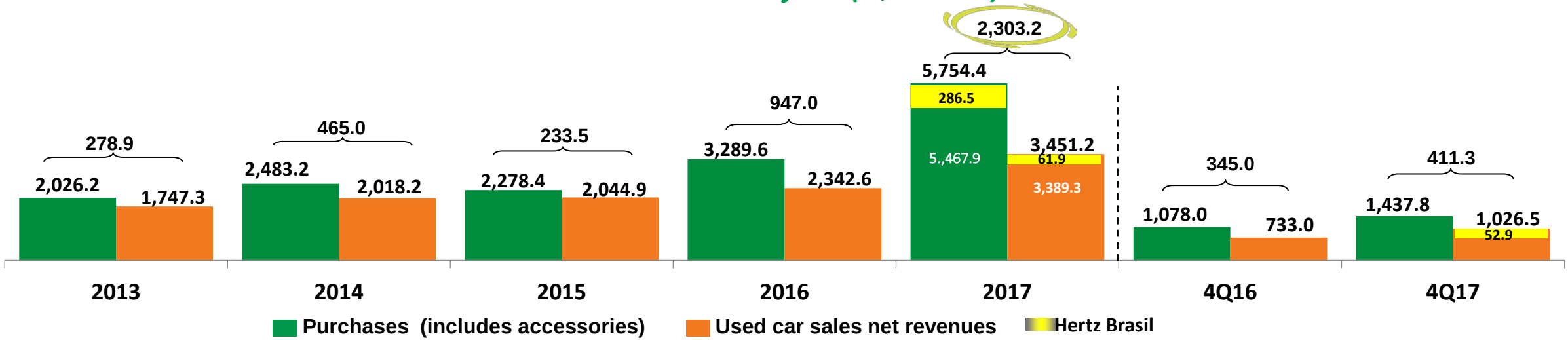
NET INVESTMENT

Fleet expansion (reduction)* (quantity)



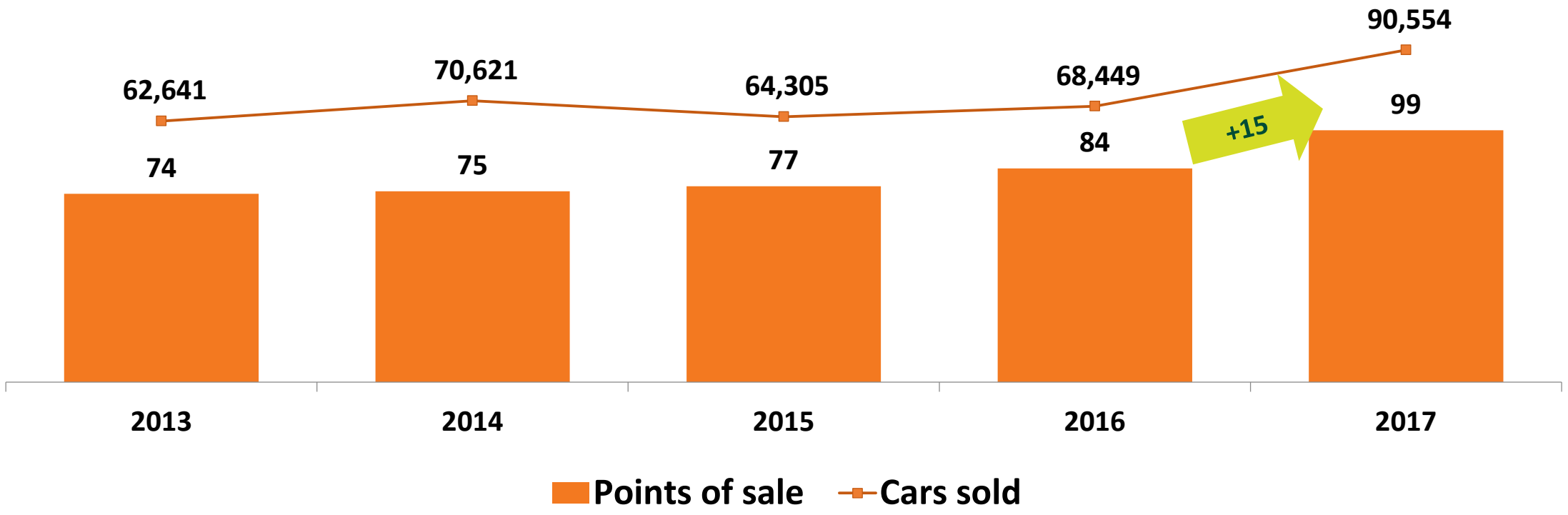
* It does not consider theft / crashed cars.

Net investment in fleet (R$ million)



GROWTH OF 52,860 CARS IN 2017'S FLEET

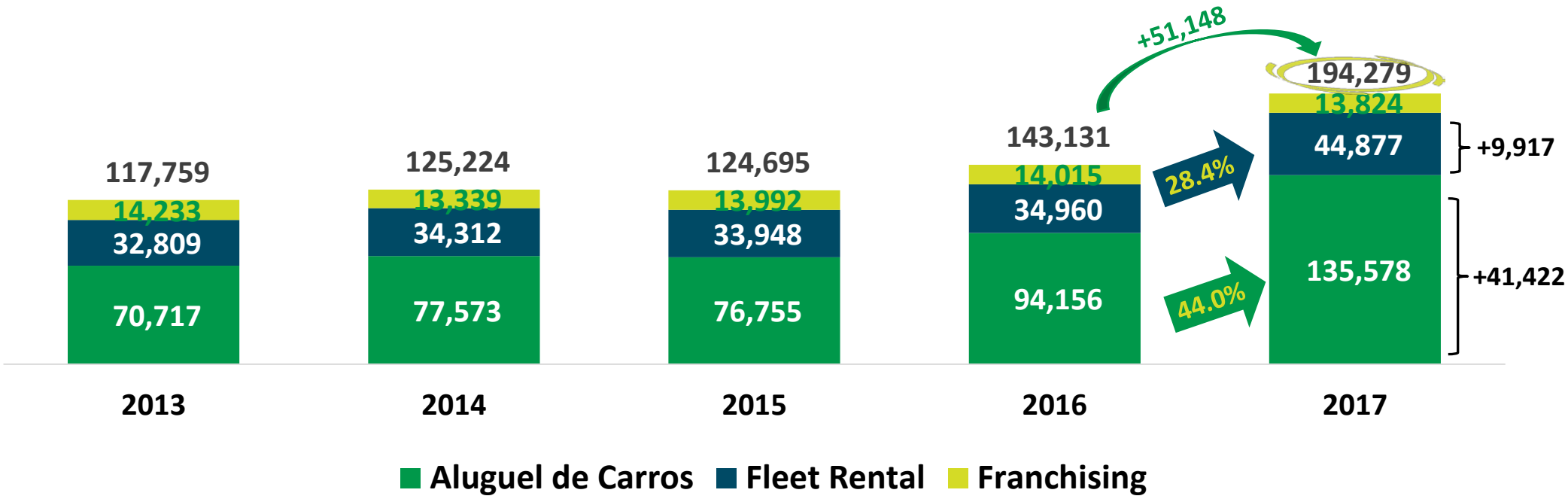
NUMBER OF POINTS OF SALE



15 NEW STORES TO MEET THE INCREASE IN CAR SALES FOR FLEET RENEWAL

END OF PERIOD FLEET

(Quantity)

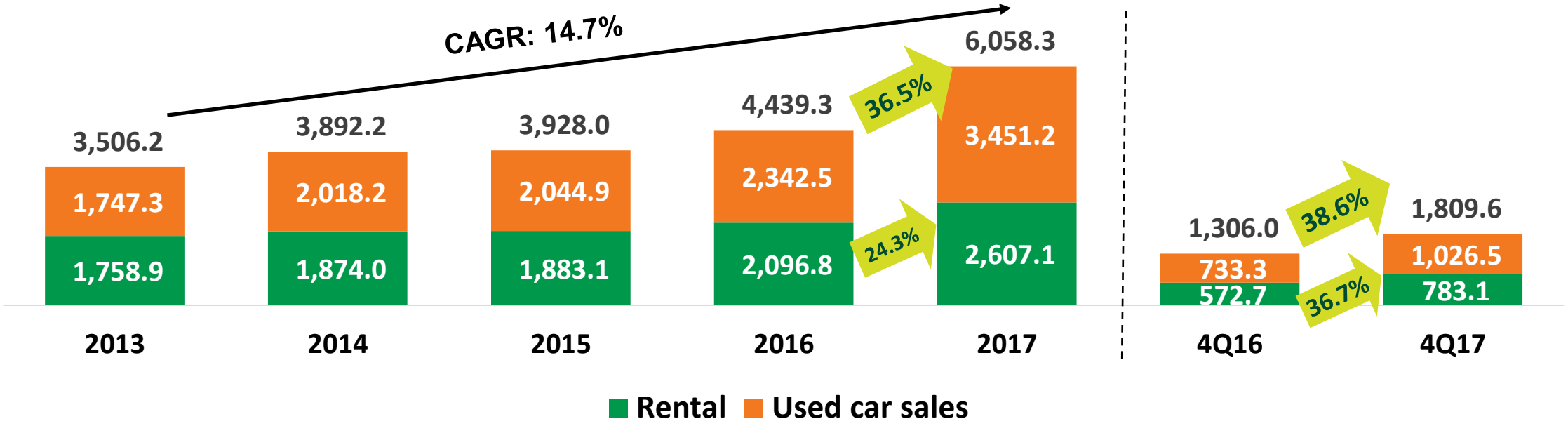


INCREASE OF 41,422 CARS IN THE RENT A CAR DIVISION WITH INCREASING UTILIZATION RATE

194,279 CARS AS OF 12/31/2017

CONSOLIDATED NET REVENUES

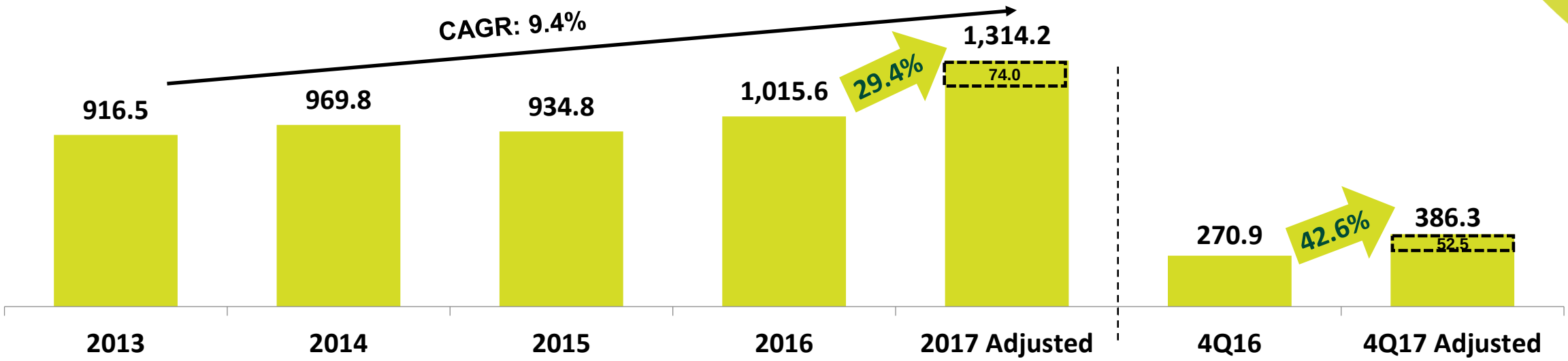
(R$ million)



38.6% INCREASE IN CONSOLIDATED REVENUES IN 4Q17

CONSOLIDATED EBITDA

(R$ million)



One-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation

EBITDA margin:

Divisions	2013	2014*	2015	2016	2017	4Q16	4Q17
Car Rental	36.8%	38.7%	31.8%	32.3%	34.9%**	31.5%	36.6%**
Fleet Rental	65.5%	60.0%	62.2%	64.5%	61.9%**	63.8%	59.8%**
Rental Consolidated	46.5%	45.3%	41.7%	42.3%	42.6%**	40.8%	42.7%**
Used Car Sales	5.7%	6.0%	7.3%	5.5%	5.9%	5.0%	5.1%

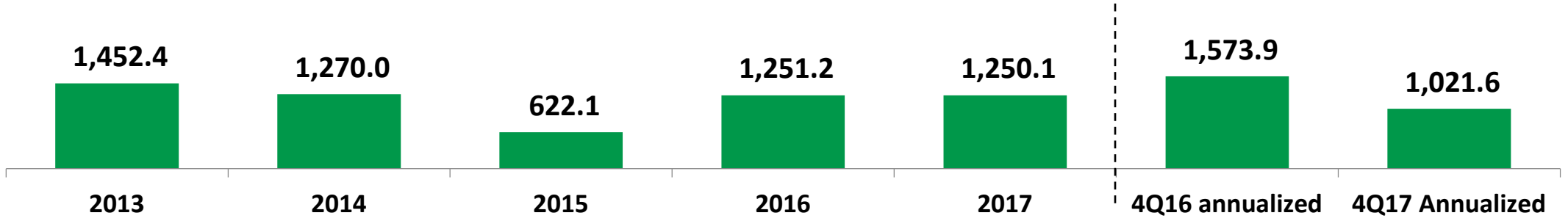
(*) It considers the new appropriation criteria of the overhead, which is also appropriated to Seminovos.
(**) Adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation

GAINS OF SCALE PUSHED THE RECURRING RAC MARGIN

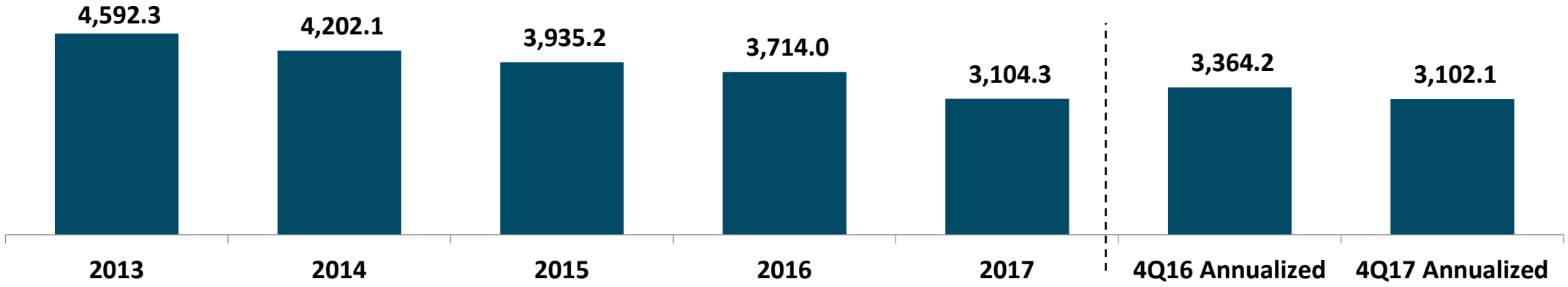
AVERAGE ANNUAL DEPRECIATION PER CAR

(In R$)

Car Rental



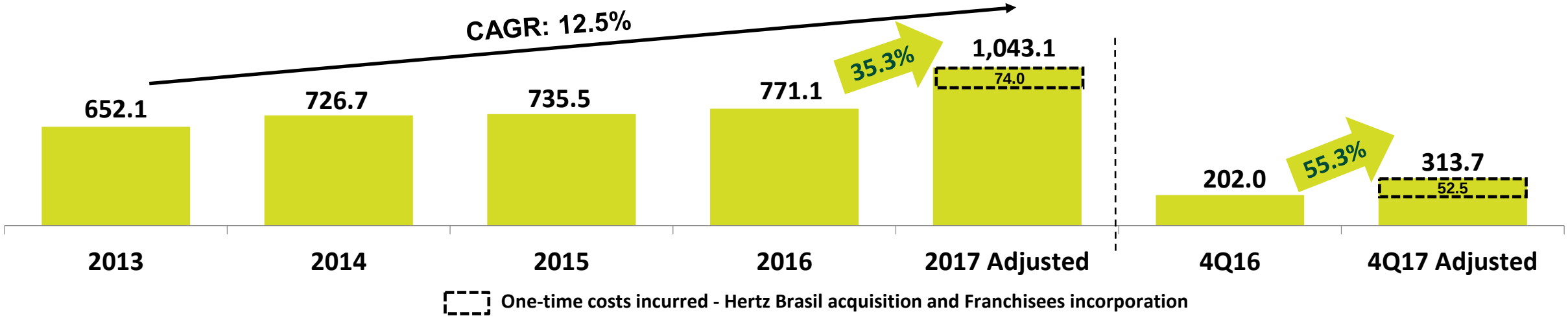
Fleet Rental



SALES EFFICIENCY AND CAR PRICE INCREASES CONTRIBUTED FOR LOWER DEPRECIATION

CONSOLIDATED EBIT

(R$ million)



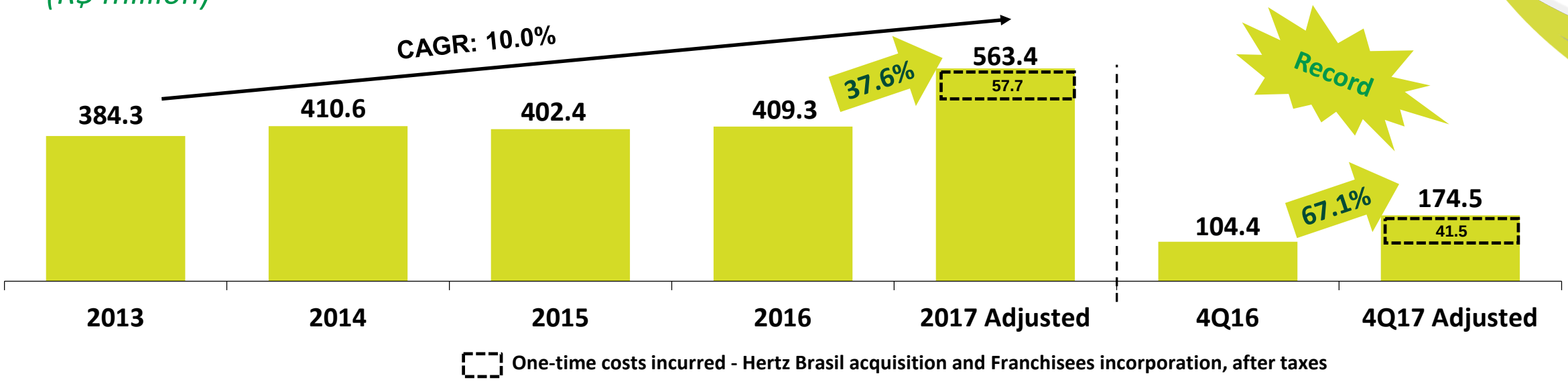
Divisions	2013	2014	2015	2016	2017	4Q16	4Q17
Car Rental	32.8%	36.2%	34.3%	30.2%	35.5%*	28.4%	37.2%*
Fleet Rental	45.1%	44.3%	48.9%	51.2%	51.4%*	52.4%	48.1%*
Consolidated	37.1%	38.8%	39.1%	36.8%	40.0%*	35.3%	40.1%*

(*) Adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation

R$1 BILLION OF RECURRING EBIT IN 2017

CONSOLIDATED NET INCOME

(R$ million)

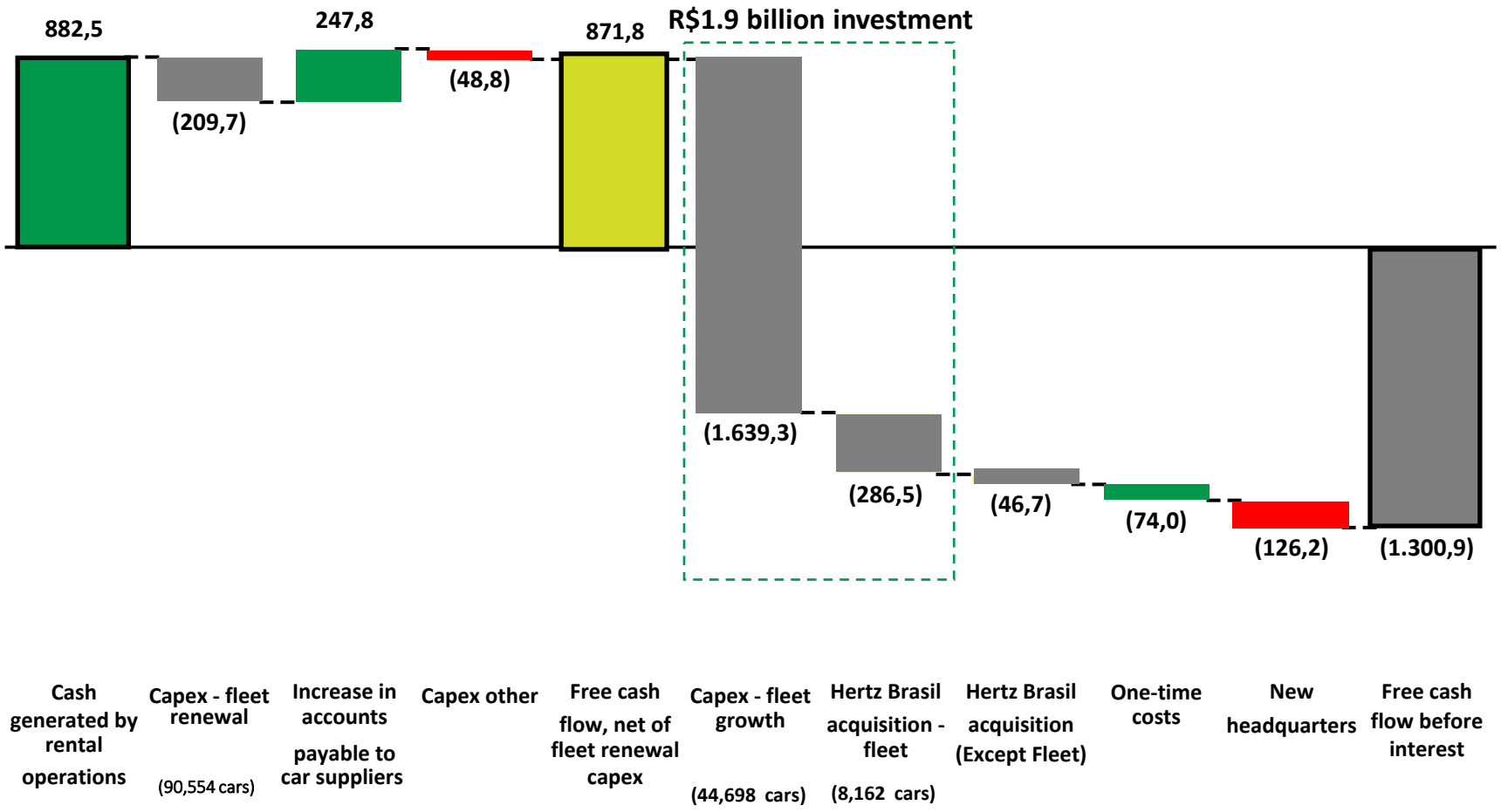


Reconciliation EBITDA x Net income	2013	2014	2015	2016	2017*	Var. R$	Var. %	4Q16	4Q17*	Var. R$	Var. %
Consolidated EBITDA	*916.5*	*969.8*	*934.8*	*1,015.6*	*1,314.2*	298.6	29.4%	270.9	386.3	115.4	42.6%
Cars depreciation	*(229.0)*	*(207.4)*	*(163.6)*	*(206.3)*	*(232.0)*	(25.7)	12.5%	(59.5)	(61.8)	(2.3)	3.9%
Other property depreciation and amortization	*(35.4)*	*(35.7)*	*(35.7)*	*(38.2)*	*(39.1)*	(0.9)	2.4%	(9.4)	(10.8)	(1.4)	14.9%
EBIT	*652.1*	*726.7*	*735.5*	*771.1*	*1,043.1*	272.0	35.3%	202.0	313.7	111.7	55.3%
Financial expenses, net	*(110.6)*	*(151.1)*	*(202.7)*	*(243.5)*	*(315.0)*	(71.5)	29.4%	(72.7)	(93.6)	(20.9)	28.7%
Income tax and social contribution	*(157.2)*	*(165.0)*	*(130.4)*	*(118.3)*	*(164.7)*	(46.4)	39.2%	(24.9)	(45.6)	(20.7)	83.1%
Net income of the period	384.3	410.6	402.4	409.3	563.4	154.1	37.6%	104.4	174.5	70.1	67.1%

(*)Adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation

RECOR NET INCOME FOR THE 4 CONSECUTIVE QUARTERS

FREE CASH FLOW



R$871.8 MILLION OF CASH GENERATION BEFORE GROWTH

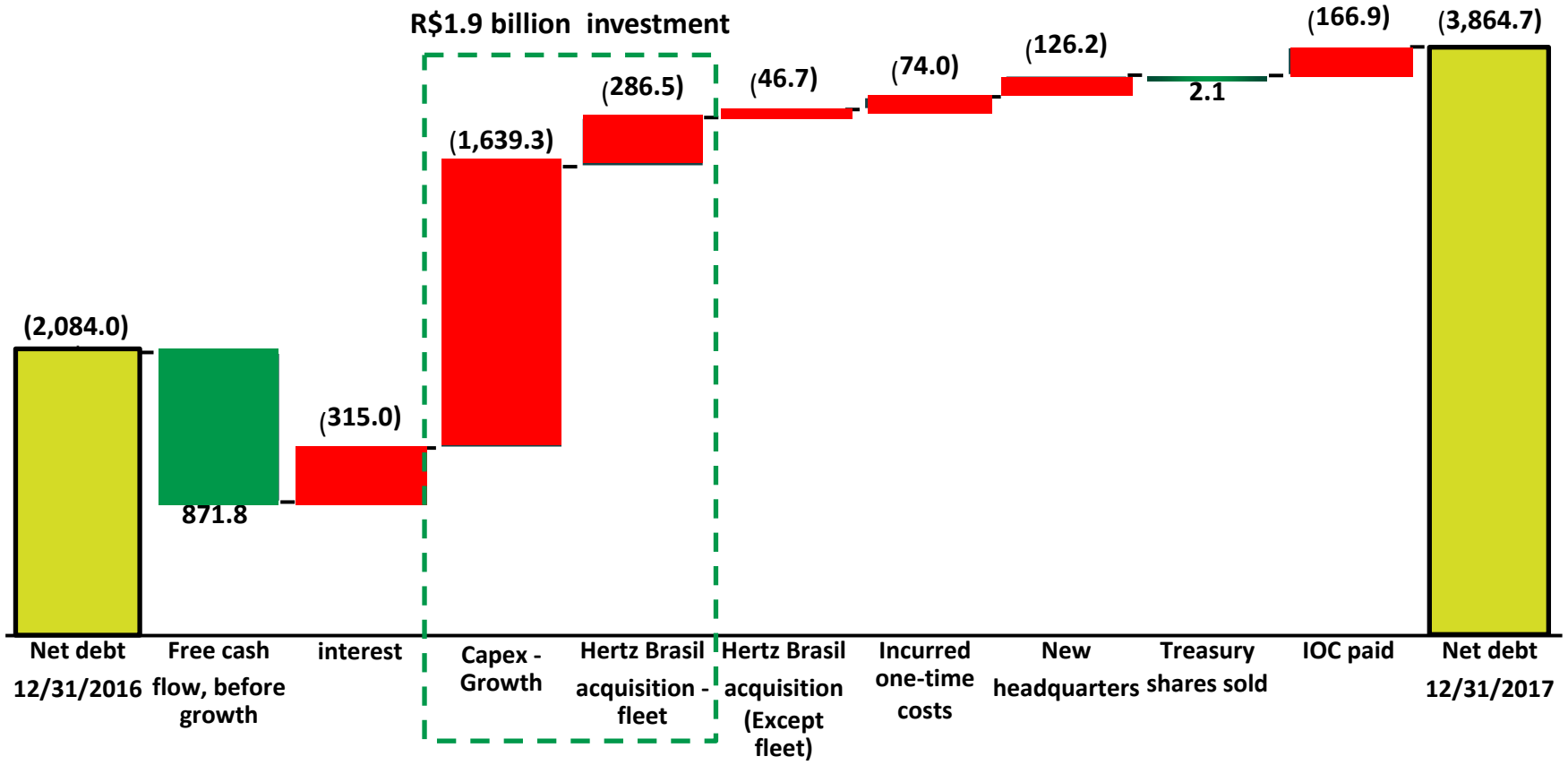
FREE CASH FLOW

	Free cash flow - R$ million	2013	2014	2015	2016	2017
Operations	EBITDA	916.5	969.8	934.8	1,015.6	1,314.2*
	Used car sale revenue, net from taxes	(1,747.3)	(2,018.2)	(2,044.9)	(2,342.5)	(3,451.2)
	Depreciated cost of cars sold	1,543.8	1,777.0	1,769.1	2,102.5	3,106.6
	(-) Income tax and social contribution	(108.5)	(113.1)	(110.7)	(93.3)	(108.3)
	Change in working capital	2.9	(27.1)	(30.0)	113.2	21.2
	Cash generated by rental operations	607.4	588.4	518.3	795.5	882.5
Capex - renewal	Used car sale revenue, net from taxes	1,747.3	2,018.2	2,036.3	2,342.5	3,451.2
	Fleet renewal investment	(1,819.7)	(2,197.7)	(2,278.4)	(2,563.6)	(3,660.9)
	Change in accounts payable to car suppliers – renewal (**)	144.3	120.0	(75.4)	174.1	247.8
	Net investment for fleet renewal	71.9	(59.5)	(317.5)	(47.0)	38.1
	Fleet renewal – quantity	62,641	70,621	64,032	68,449	90,554
Investment, property and intangible		(47.5)	(46.3)	(29.7)	(42.2)	(48.8)
Free cash flow from operations, before growth		**631.8**	**482.6**	**171.1**	**706.3**	**871.8**
Capex - Growth	Fleet growth investment	(209.4)	(286.8)	8.6	(726.0)	(1,807.0)
	Change in accounts payable to car suppliers – growth (**)	(54.6)	214.4	(45.8)	16.6	167.7
	Hertz Brazil acquisition - fleet					(286.5)
	Fleet growth capex	(264.0)	(72.4)	(37.2)	(709.4)	(1,925.8)
	Fleet increase / (reduction) – quantity	7,103	9,183	(273)	19,384	52,860
Free cash flow after growth, and before interest and new HQ		367.8	410.2	133.9	(3.1)	(1,054.0)
Capex - non-recurring	Hertz Acquisition (Except fleet)	-	-	-	-	(46.7)
	Incurred one-time costs effect	-	-	-	-	(74.0)
	New headquarters construction and furniture	(6.5)	(148.3)	(30.7)	(84.4)	(126.2)
Free cash flow before interest		361.3	261.9	103.2	(87.5)	(1,300.9)

(*) Adjusted by one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation
(**) This quarter, we adjusted the cash flow to distribute the change in accounts payable to car suppliers account between renewal capex and fleet growth.
In the free cash flow, short-term financial assets were considered as cash equivalents since they have immediately liquidity.

CHANGE IN NET DEBT

(R$ million)

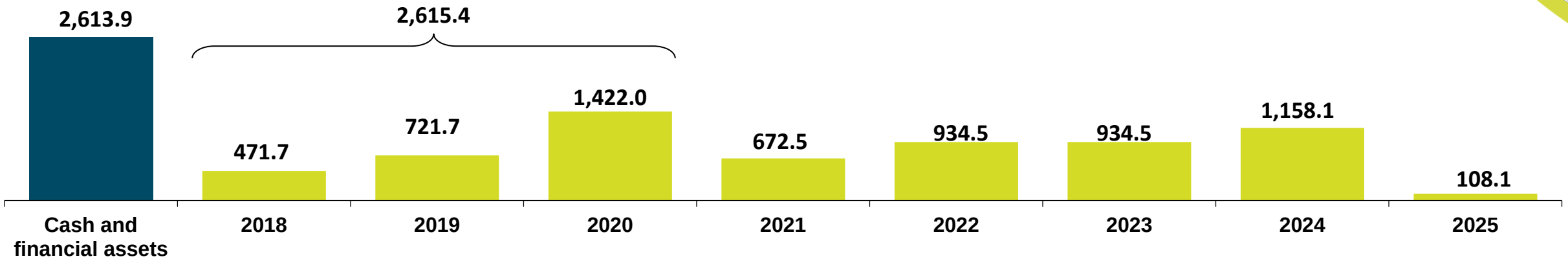


NET DEBT INCREASE DUE TO R$1.9 BILLION INVESTMENT IN FLEET

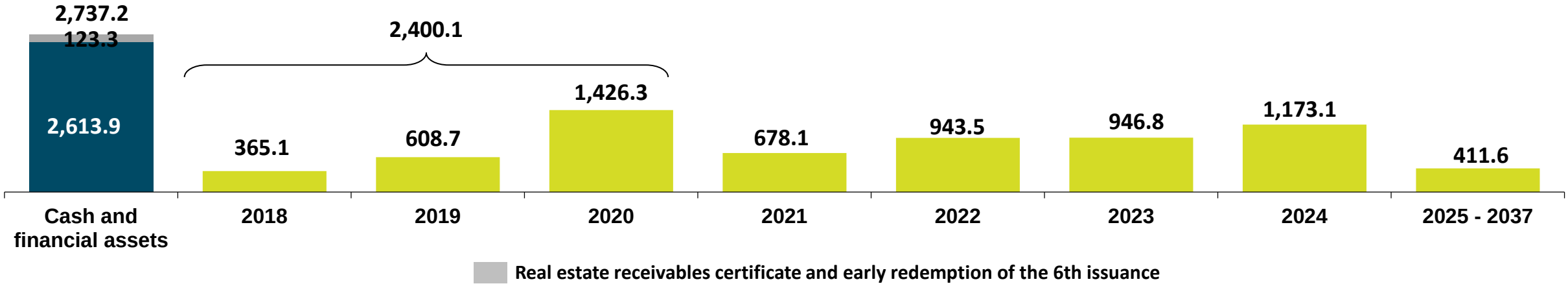
DEBT MATURITY PROFILE (PRINCIPAL)

(R$ million)

As of December 31, 2017



Proforma after Real Estate Receivables Certificate issuance and early redemption of the 6th issuance in February, 2018

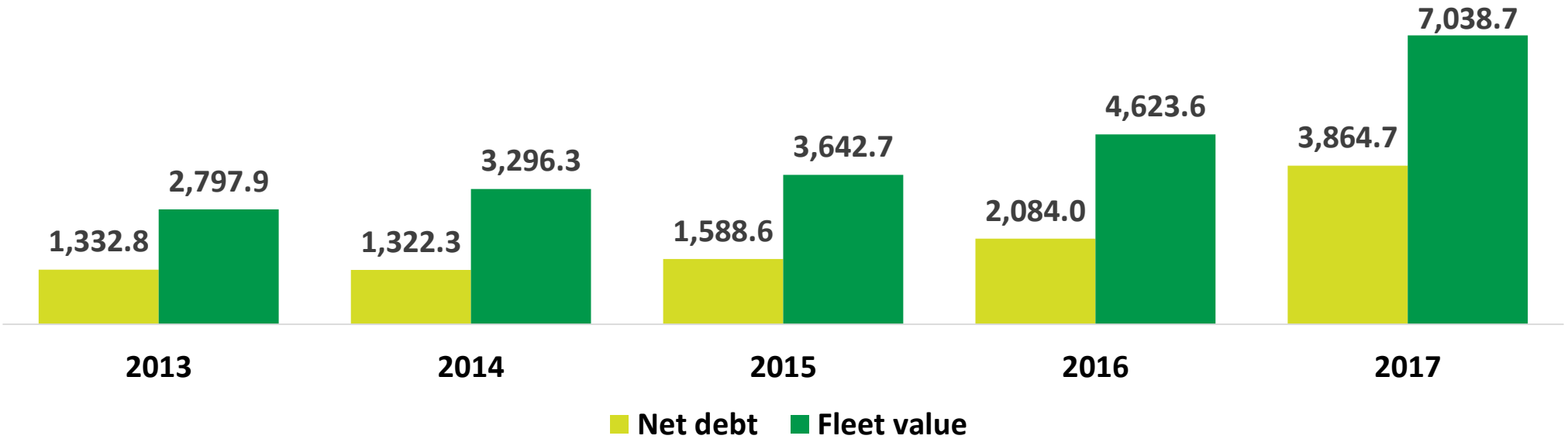


COMFORTABLE DEBT PROFILE AND CASH TO SUPPORT GROWTH

DEBT RATIOS

(R$ million)

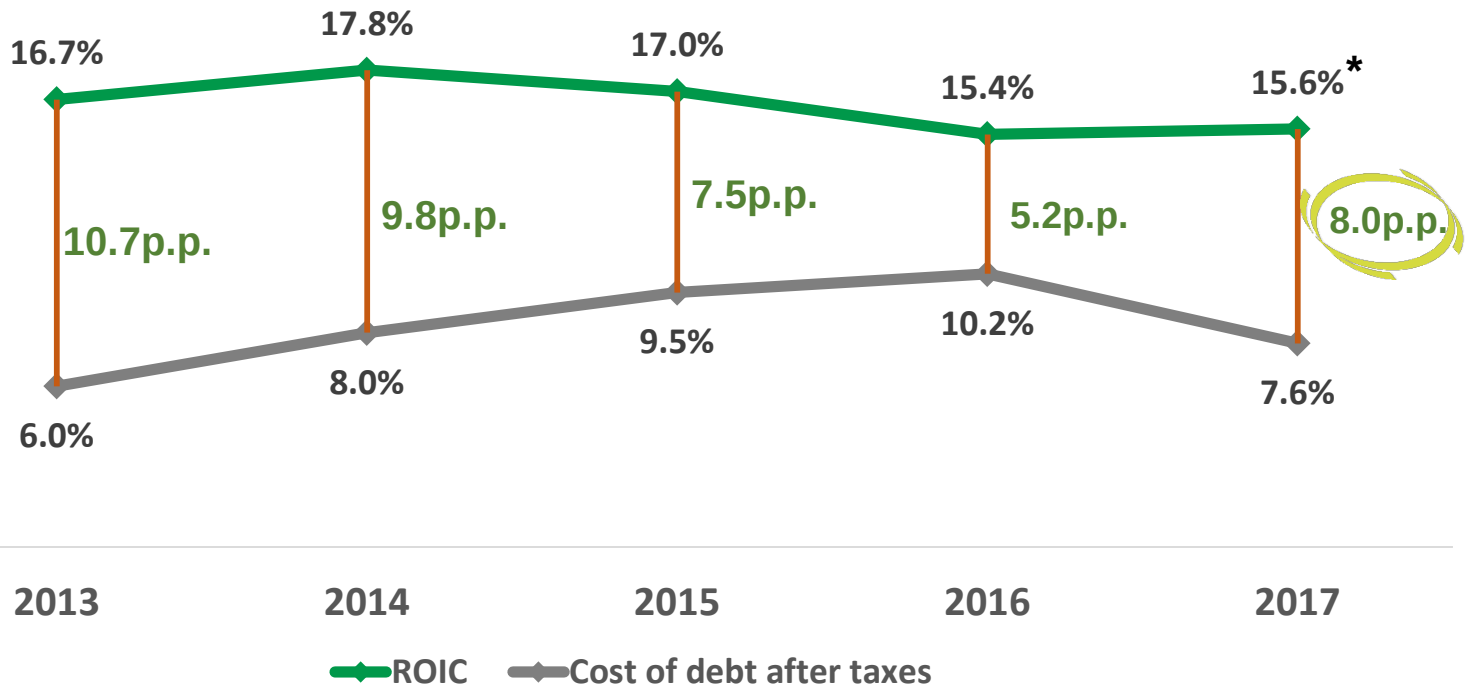
NET DEBT VERSUS FLEET VALUE



BALANCE AT THE END OF PERIOD	2013	2014	2015	2016	2017
Net debt / Fleet value	48%	40%	44%	45%	55%
Net debt / EBITDA	1.5x	1.4x	1.7x	2.1x	2.9x
Net debt / Equity	1.0x	0.8x	0.8x	0.9x	1.5x
EBITDA / Net financial expenses	8.3x	6.4x	4.6x	4.2x	4.2x

COMFORTABLE DEBT PROFILE DESPITE THE STRONG GROWTH

ROIC *VERSUS* COST OF DEBT AFTER TAXES



(*)Adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation
ROIC considered each year´s effective income tax and social contribution rate

FOCUS ON VALUE CREATION TO SHAREHOLDERS

Thank You!

Disclaimer

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www.localiza.com/ri
Email: ri@localiza.com
Tel: 55 31 3247-7024

ONE TIME COSTS 4Q17

4Q17 financial results were adjusted to exclude the impact of one-time costs resulting from the acquisition of Hertz´s operations in Brazil (R$48.0 million) and the integration of 3 franchised locations (R$4.5 million):

In 2017, the total adjustments for the extraordinary expenses related to the acquisition of the Hertz´s operations in Brazil was R$56.8 million (R$53.4 million in the Car Rental division and R$3.4 million in Fleet Rental), and R$ 17.2 million referring to Localiza franchisees.

R$ million

ONE-TIME COSTS	3Q17 Incurred	4Q17 Incurred	2017 Total
RAC costs:			
Hertz: rebrand, structure and networking reduction	(2.1)	(36.4)	(38.5)
Franchise integration	(12.7)	(4.5)	(17.2)
RAC - Total Costs	**(14.8)**	**(40.9)**	**(55.7)**
Fleet Rental costs:			
Hertz: structure and networking reduction	-	(0.3)	(0.3)
Fleet Rental total costs	**0.0**	**(0.3)**	**(0.3)**
SG&A:			
Hertz: rebrand, structure and RAC networking reduction	(6.7)	(8.2)	(14.9)
Hertz: rebrand, structure and Fleet Rental networking reduction	-	(3.1)	(3.1)
Total SG&A	**(6.7)**	**(11.3)**	**(18.0)**
Total One-time Costs	**(21.5)**	**(52.5)**	**(74.0)**

R$ million

RESULTADO CONSOLIDADO	4Q17 consolidated	One-off	4Q17 Ajusted
Total net revenues	**1,809.6**	**-**	**1,809.6**
Total costs and SG&A	(1,475.8)	52.5	(1,423.3)
EBITDA	**333.8**	**52.5**	**386.3**
Depreciation	(72.6)	-	(72.6)
EBIT	**261.2**	**52.5**	**313.7**
Financial expenses, net	(93.6)	-	(93.6)
Income tax and social contribution	(34.6)	(11.0)	(45.6)
Net income	**133.0**	**41.5**	**174.5**