Tegma Gestão Logística S.A.

Report on the review of quarterly information - ITR
June 30, 2019
(A free translation of the original report in Portuguese, as filed with the Brazilian Securities Commission (CVM), prepared in accordance with the Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting and the international standard IAS 34 - Interim Financial Reporting, as issued by international Accounting Standards Board – IASB)

KPDS 538356

Conteúdo

adm.docx

KPMG Auditores Independentes
Rua Arquiteto Olavo Redig de Campos, 105, 6º andar - Torre A
04711-904 - São Paulo/SP - Brasil
Caixa Postal 79518 - CEP 04707-970 - São Paulo/SP - Brasil
Telefone +55 (11) 3940-1500
kpmg.com.br

Report on the review of quarterly information - ITR

To the Shareholders, Board Members and Directors of
Tegma Gestão de Logística S.A.
São Bernardo do Campo - SP

Introduction
We have reviewed the individual and consolidated interim financial information of Tegma Gestão Logística S.A. ("the Company"), included in the Quarterly Information – ITR for the quarter ended June 30, 2019, comprising the balance sheet as at June 30, 2019 and the respective statements of income, comprehensive income for the three and six month periods then ended and changes in shareholder´s equity and cash flows for the six month period then ended, including the explanatory notes.

Management is responsible for the preparation of these interim financial information in accordance with the Technical Pronouncement CPC 21 (R1) – Interim Financial Reporting and the International Accounting Standard IAS 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board – IASB, such as for the presentation of these information in accordance with the standards issued by the Brazilian Securities Commission – CVM, applicable to the preparation of Quarterly Information – ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Review scope
We conducted our review in accordance with the Brazilian and International standards on reviews of interim financial information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the auditing standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG Auditores Independentes, uma sociedade simples brasileira e firma-membro da rede KPMG de firmas-membro independentes e afiliadas à KPMG International Cooperative ("KPMG International"), uma entidade suíça.

KPMG Auditores Independentes, a Brazilian entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Conclusion on individual and consolidated interim financial information
Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the Quarterly Information – ITR referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 issued by IASB applicable to the preparation of Quarterly Information – ITR, and presented in accordance with the standards issued by the Brazilian Securities Commission – CVM).

Other matters - Statements of value added
The individual and consolidated interim financial information related to statements of value added (DVA), related to the six month period ended June 30, 2019, prepared under the responsibility of the Company´s management, presented as supplementary information for the purposes of IAS 34, were submitted to review procedures performed in conjunction with the review of the Company's Quarterly Information – ITR. To form a conclusion, we assess whether these statements are reconciled with the interim accounting information and accounting records, as applicable, and whether their form and content comply with the criteria set forth in Technical Pronouncement CPC 09 - Statement of Added Value. Based on our review, nothing has come of any fact that would lead us to believe that they were not prepared, in all material respects, in a manner consistent with the individual and consolidated interim financial information taken as a whole.

São Paulo, August 07, 2019

KPMG Auditores Independentes
CRC 2SP014428/O-6
(Original report in Portuguese signed by)
Wagner Petelin
Accountant CRC 1SP142133/O-7

KPMG Auditores Independentes, uma sociedade simples brasileira e firma-membro da rede KPMG de firmas-membro independentes e afiliadas à KPMG International Cooperative (“KPMG International”), uma entidade suíça.

KPMG Auditores Independentes, a Brazilian entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity.

Tegma Gestão Logística S.A.

Statement of financial position

As of June 30, 2019 and December 31, 2018
In thousands of reais

Assets	Note	Parent company 06/30/2019	Parent company 12/31/2018	Consolidated 06/30/2019	Consolidated 12/31/2018
Cash and cash equivalents	5	92,534	75,713	106,775	83,542
Trade accounts receivable	6	180,982	195,543	215,878	226,227
Inventories (warehouse)		-	-	172	173
Income tax and social contribution		-	-	3,274	3,342
Recoverable taxes and contributions	8	10,905	10,477	12,634	12,007
Other accounts receivable	7	4,061	5,329	5,545	6,775
Related parties	24	4,745	4,182	3,000	4,126
Prepaid expenses		1,890	828	3,442	1,319
Total current assets		**295,117**	**292,072**	**350,720**	**337,511**
Other accounts receivable	7	501	465	7,165	6,670
Recoverable taxes and contributions	8	6,272	6,153	9,558	9,417
Related parties	24	3,371	15,626	3,371	15,626
Derivative financial instruments	12	1,942	1,614	1,942	1,614
Deferred tax assets	15	-	-	15,712	16,129
Judicial deposits	14	8,984	8,702	11,950	11,902
Total non-current assets		**21,070**	**32,560**	**49,698**	**61,358**
Investments	9	209,848	197,728	18,777	19,251
Property, plant and equipment	10	102,021	99,309	210,345	202,166
Intangible assets	11	164,798	165,022	188,727	189,147
Right to use	26	58,999	-	81,628	-
Total non-current assets		**556,736**	**494,619**	**549,175**	**471,922**
Total assets		**851,853**	**786,691**	**899,895**	**809,433**

See the accompanying notes to the interim financial information.

Tegma Gestão Logística S.A.

Statement of financial position

As of June 30, 2019 and December 31, 2018
In thousands of reais

Liabilities and shareholders' equity	Note	Parent company 06/30/2019	Parent company 12/31/2018	Consolidated 06/30/2019	Consolidated 12/31/2018
Loans and financing	12	8,511	6,703	8,511	6,703
Debentures	12	130	48,073	130	48,073
Lease	26	16,236	-	29,052	-
Suppliers		1,888	2,534	2,726	5,165
Freight payable		26,103	30,240	27,974	31,733
Taxes payable		12,232	12,945	14,780	15,095
Salaries and social charges	13	21,079	21,240	24,268	24,261
Other accounts payable	16	20,659	21,994	25,260	30,863
Related parties	24	1,428	7,869	1,025	2,311
Income tax and social contribution		8,838	6,327	9,910	6,438
Total current liabilities		**117,104**	**157,925**	**143,636**	**170,642**
Loans and financing	12	81,938	55,414	81,938	55,414
Debentures	12	50,010	50,010	50,010	50,010
Lease	26	45,961	-	57,143	-
Related parties	24	2,445	1,958	2,445	1,958
Deferred tax liabilities	15	6,133	2,593	6,133	2,593
Provisions for lawsuits	14	32,422	34,419	42,750	44,444
Total non-current liabilities		**218,909**	**144,394**	**240,419**	**154,419**
Capital		144,469	144,469	144,469	144,469
Capital reserves		174,055	174,055	174,055	174,055
Profit reserves		138,195	138,195	138,195	138,195
Treasury shares		(342)	(342)	(342)	(342)
Equity valuation adjustment		328	(311)	328	(311)
Additional dividends proposed		-	28,306	-	28,306
Retained earnings		59,135	-	59,135	-
Total shareholders' equity	17	**515,840**	**484,372**	**515,840**	**484,372**
Total liabilities and shareholders' equity		**851,853**	**786,691**	**899,895**	**809,433**

See the accompanying notes to the interim financial information.

Tegma Gestão Logística S.A.

Statements of profit or loss

June 30, 2019 and 2018
In thousands of reais

	Note				Parent company
		Apr 2019–Jun 2019	Jan 2019–Jun 2019	Apr 2018–Jun 2018	Jan2018–Jun2018
Net revenue from services rendered	19	289,878	555,861	263,946	494,966
Cost of services rendered	20	(225,643)	(433,247)	(212,787)	(398,258)
Gross income		**64,235**	**122,614**	**51,159**	**96,708**
General and administrative expenses	20	(19,778)	(38,131)	(15,508)	(35,397)
Commercial expenses	20	(121)	(246)	(128)	(255)
Other expenses, net	21	(3,957)	(7,292)	(2,744)	(8,377)
Operating income		**40,379**	**76,945**	**32,779**	**52,679**
Equity in net income of subsidiaries	**9**	**3,913**	**5,886**	**2,757**	**5,101**
Financial revenues	22	1,062	4,374	1,881	2,850
Financial expenses	22	(3,354)	(8,494)	(3,684)	(7,955)
Net financial expenses		**(2,292)**	**(4,120)**	**(1,803)**	**(5,105)**
Income before taxes		**42,000**	**78,711**	**33,733**	**52,675**
Income tax and social contribution					
Current	15	(9,468)	(16,366)	(4,491)	(10,859)
Deferred assets	15	(18)	(3,210)	(1,057)	365
Net income for the period		**32,514**	**59,135**	**28,185**	**42,181**

See the accompanying notes to the interim financial information.

Tegma Gestão Logística S.A.

Statements of profit or loss

June 30, 2019 and 2018
In thousands of reais

					Consolidated
	Note	**Apr 2019–Jun 2019**	**Jan 2019–Jun 2019**	**Apr 2018–Jun 2018**	**Jan2018–Jun2018**
Net revenue from services rendered	19	331,588	628,269	293,276	555,348
Cost of services rendered	20	(262,265)	(496,406)	(238,038)	(451,269)
Gross income		**69,323**	**131,863**	**55,238**	**104,079**
General and administrative expenses	20	(20,182)	(38,877)	(16,072)	(36,544)
Commercial expenses	20	(121)	(246)	(128)	(255)
Other expenses, net	21	(3,216)	(6,312)	(2,800)	(8,499)
Operating income		**45,804**	**86,428**	**36,238**	**58,781**
Equity in net income of subsidiaries	**9**	**322**	**(207)**	**(226)**	**(651)**
Financial revenues	22	1,361	5,157	3,003	5,678
Financial expenses	22	(4,049)	(9,743)	(3,829)	(8,393)
Net financial expenses		**(2,688)**	**(4,586)**	**(826)**	**(2,715)**
Income before taxes		**43,438**	**81,635**	**35,186**	**55,415**
Income tax and social contribution					
Current	15	(10,922)	(18,873)	(5,511)	(13,925)
Deferred assets	15	(2)	(3,627)	(1,490)	691
Net income for the period		**32,514**	**59,135**	**28,185**	**42,181**
Net earnings per share:					
Basic earnings per share (in R$)	23	0.49	0.90	0.43	0.64
Diluted earnings per share (in R$)	23	0.49	0.90	0.43	0.64

See the accompanying notes to the interim financial information.

Tegma Gestão Logística S.A.

Statements of comprehensive income

June 30, 2019 and 2018
In thousands of reais

				Parent company				Consolidated
	Apr 2019–Jun 2019	**Jan 2019–Jun 2019**	**Apr 2018–Jun 2018**	**Jan2018–Jun2018**	**Apr 2019–Jun 2019**	**Jan 2019–Jun 2019**	**Apr 2018–Jun 2018**	**Jan2018–Jun2018**
Net revenue for the period	32,514	59,135	28,185	42,181	32,514	59,135	28,185	42,181
Income (loss) from financial instruments designated as *hedge accounting*	950	969	-	-	950	969	-	-
Deferred taxes on hedge accounting	(323)	(330)	-	-	(323)	(330)	-	-
Other components of the comprehensive income for the period	627	639	-	-	627	639	-	-
Total comprehensive income	**33,141**	**59,774**	**28,185**	**42,181**	**33,141**	**59,774**	**28,185**	**42,181**

See the accompanying notes to the interim financial information.

Tegma Gestão Logística S.A.

Statements of changes in shareholders’ equity

June 30, 2019 and 2018
In thousands of reais

		Capital reserves	Profit reserves						
	Capital	Capital reserves	Legal reserve	Profit retention	Additional dividends proposed	Treasury shares	Equity valuation adjustments	Retained earnings	Total shareholders' equity
Balances at January 01, 2018	**144,469**	**174,055**	**28,894**	**66,002**	**35,728**	**(342)**	**-**	**-**	**448,806**
Net revenue for the period	-	-	-	-	-	-	-	42,181	**42,181**
									-
Dividends and interest on own capital	-	-	-	-	(35,728)	-	-	-	**(35,728)**
Balances at June 30, 2018	**144,469**	**174,055**	**28,894**	**66,002**	**-**	**(342)**	**-**	**42,181**	**455,259**
Balances at January 01, 2019	**144,469**	**174,055**	**28,894**	**109,301**	**28,306**	**(342)**	**(311)**	**-**	**484,372**
Net income (loss) from financial instruments designated as hedge accounting	-	-	-	-	-	-	639	-	**639**
Net revenue for the period	-	-	-	-	-	-	-	59,135	**59,135**
Dividends and interest on own capital	-	-	-	-	(28,306)	-	-	-	**(28,306)**
Balances at June 30, 2019	**144,469**	**174,055**	**28,894**	**109,301**	**-**	**(342)**	**328**	**59,135**	**515,840**

See the accompanying notes to the interim financial information.

Tegma Gestão Logística S.A.

Statements of cash flows – Indirect method

June 30, 2019 and 2018
In thousands of reais

		Parent company		Consolidated	
	Note	**06/30/2019**	**06/30/2018**	**06/30/2019**	**06/30/2018**
Income before taxes		78,711	52,675	81,635	55,415
Adjustments for:					
Depreciation and amortization	10 | 11	9,449	12,199	12,972	15,820
Amortization - Right to use	26	10,094	-	16,073	-
Gain (loss) in sale of assets	21	(31)	359	48	428
Provision for lawsuits	14	7,516	6,835	8,999	12,410
Loss in the write-off of goodwill	21	-	2,527	-	2,527
Fair value at transfer of investment	21	-	(1,842)	-	(1,842)
Impairment loss of accounts receivable	6	(1)	(52)	(1,416)	(938)
Equity in net income of subsidiaries	9	(5,886)	(5,101)	207	651
Income (loss) from swap operation	22	641	-	641	
Interest, inflation adjustment and exchange-rate changes on loans and debentures	12	4,597	6,573	4,597	6,744
Interest on lease	26	1,853	-	2,923	-
		106,943	**74,173**	**126,679**	**91,215**
Changes in assets and liabilities					
Accounts receivable		14,562	(6,683)	11,765	(6,995)
Recoverable taxes		(1,456)	16,334	(1,572)	18,534
Judicial deposits		(973)	(612)	(1,212)	(1,149)
Other assets		170	(2,174)	(1,387)	(7,589)
Suppliers and freight payable		(4,369)	(7,076)	(3,263)	(7,506)
Salaries and social charges		(161)	(1,136)	7	(1,074)
Related parties		5,738	(1,297)	12,582	(513)
Other liabilities and taxes payable		(2,293)	(4,186)	(6,190)	(2,827)
Net cash generated by operating activities		**118,161**	**67,343**	**137,409**	**82,096**
Interest paid on loans and financing	12	(441)	(2,098)	(441)	(2,245)
Interest paid on debentures	12	(3,758)	(7,840)	(3,758)	(7,840)
Interest paid on financial lease	26	(1,477)	-	(2,375)	-
Lawsuits paid	14	(8,577)	(7,093)	(9,257)	(7,461)
Income tax and social contribution paid		(12,946)	(4,307)	(14,529)	(5,330)
Net cash flow from operating activities		**90,962**	**46,005**	**107,049**	**59,220**

See the accompanying notes to the interim financial information.

Tegma Gestão Logística S.A.

Statements of cash flows – Indirect method

June 30, 2019 and 2018

In thousands of reais

	Note	Parent company		Consolidated	
		06/30/2019	**06/30/2018**	**06/30/2019**	**06/30/2018**
Cash flows from investment activities					
Capital decrease in subsidiaries	9	-	75,500	-	-
Acquisition/Capital increase in subsidiaries	9	(6,501)	(10,351)	-	-
Cash and cash equivalents – Tegma Logística Integrada S.A.	2	-	-	-	(655)
Dividends received	9	267	7,671	267	244
Acquisition of intangible assets		(2,219)	(1,693)	(2,520)	(1,761)
Acquisitions of fixed assets		(10,317)	(2,665)	(21,603)	(5,166)
Income from sale of assets		216	304	409	351
Net cash generated from (used in) investment activities		**(18,554)**	**68,766**	**(23,447)**	**(6,987)**
Cash flows from financing activities					
Dividends and interest on own capital paid	17.e	(28,306)	(38,856)	(28,306)	(38,856)
Funding of loans and financing	12	30,000	-	30,000	-
Payment of debentures	12	(46,676)	(66,666)	(46,676)	(66,666)
Payment of borrowings and financing	12	(3,333)	(134)	(3,333)	(4,754)
Lease payment	26	(7,272)	-	(12,054)	-
Net cash used in financing activities		**(55,587)**	**(105,656)**	**(60,369)**	**(110,276)**
Net increase (decrease) in cash and cash equivalents		**16,821**	**9,115**	**23,233**	**(58,043)**
Cash and cash equivalents at January 1		75,713	46,534	83,542	148,732
Cash and cash equivalents on June 30		92,534	55,649	106,775	90,689

See the accompanying notes to the interim financial information.

Tegma Gestão Logística S.A.

Statements of value added

June 30, 2019 and 2018
In thousands of reais

	Note	Parent company		Consolidated	
		Jan 2019–Jun 2019	**Jan2018–Jun2018**	**Jan 2019–Jun 2019**	**Jan2018–Jun2018**
Revenues					
Gross sales of services, net of discounts	19	650,572	575,955	734,723	647,142
Other revenues		1,094	2,979	2,107	8,250
Impairment loss of accounts receivable	6	1	52	1,416	938
		651,667	**578,986**	**738,246**	**656,330**
Inputs acquired from third parties					
Cost of services rendered		(370,530)	(340,126)	(397,889)	(353,729)
Material, energy, outsourced services and other operating items		(51,787)	(55,971)	(71,969)	(79,848)
		(422,317)	**(396,097)**	**(469,858)**	**(433,577)**
Gross added value		**229,350**	**182,889**	**268,388**	**222,753**
Depreciation and amortization	10 | 11	(9,449)	(12,199)	(12,972)	(15,820)
Amortization - Right to use	26	(10,094)	-	(16,073)	-
Net value added produced by the Company		**209,807**	**170,690**	**239,343**	**206,933**
Added value received as transfer					
Equity in net income of subsidiaries	9	5,886	5,101	(207)	(651)
Financial revenues	22	4,374	2,850	5,157	5,678
Total added value payable		**220,067**	**178,641**	**244,293**	**211,960**
Distribution of added value					
Personnel and charges					
Direct remuneration		48,638	43,648	56,122	52,188
Benefits		11,435	9,273	13,816	12,035
FGTS		3,223	833	3,948	1,411
Taxes, duties and contributions					
Federal		47,603	36,378	54,996	44,965
State		36,167	26,840	39,376	29,450
Municipal		1,459	955	2,651	2,756
Third-party capital remuneration / Lenders					
Interest and exchange-rate changes		8,494	7,955	9,743	8,393
Rentals		3,913	10,578	4,506	18,581
Remuneration of own capital					
Retained earnings		59,135	42,181	59,135	42,181
Distributed added value		**220,067**	**178,641**	**244,293**	**211,960**

See the accompanying notes to the interim financial information.

Notes to the interim financial information

1 Operations

Tegma Gestão Logística S.A. (the “Company") and its Subsidiaries (“Company and its Subsidiaries”) are primarily engaged in the provision of logistics, transportation and storage services in a number of industries, such as the automotive, consumer goods, chemical and appliance industries.

The Company has two divisions: automotive logistics and integrated logistics.

Services provided by the Company’s automotive logistics division include:

Road transportation – transfer and distribution of zero-kilometer and used vehicles, port transfers and management of inventories and yards for car manufacturers and services to prepare vehicles for sale;

Services provided by the Company’s integrated logistics division include:

Road transportation – milk run (system to schedule collection of materials that uses a single transportation equipment of the logistics operator to carry out collections in one or more suppliers and deliver materials to final destination, always at pre-established times), full truck load (type of homogeneous load, usually with volume sufficient to fully load a truck dumpster or trunk), transfer of solid/ liquid bulk materials and parts between clients or suppliers’ plants;

General and bonded storing – encompasses storage and management of parts and components, cross docking (distribution system in which goods received in a warehouse or Distribution Center is not stored but immediately prepared for delivery load), picking or separation and preparation of orders (collection of certain products, which may belong to different categories and at different quantities, to meet a client’s order), handling and preparation, storage of liquid and solid chemicals in bulk, in-house storage (in client’s facilities), storage of vehicles, and bonded storage inside structures that are in conformity with customs warehouse law;

Logistics management – involves control over inventories, just-in-time supply to production line, management of returnable packaging, management of parts and components, management of vehicle yards, management of national and inventories of imported goods, and reverse logistics.

The Company is a publicly-held corporation headquartered in the city of São Bernardo, State of São Paulo, and its shares are traded on the *Novo Mercado* (New Market) listing segment of B3, under the ticker symbol TGMA3. The Company is subject to arbitration by the Market Arbitration Chamber, pursuant to a commitment clause in its Bylaws.

The ownership structure of the Company is formed as follows:

Category	Number of shares	% Total
Mopia Participações e Empreendimentos Ltda.	15,396,481	24%
Cabana Empreendimentos e Participações Ltda.	4,817,704	7%
Coimex Empreendimentos e Participações Ltda.	13,207,034	20%
Other controlling shareholders (individuals)	509,473	1%
Management	201	0%
Treasury	65,143	0%
Controlling shareholders, administrators and treasury	**33,996,036**	**53%**
Shares Outstanding	**32,006,879**	**47%**
Total shares	**66,002,915**	**100%**

2 List of controlled entities

The Group is comprised as follows:

Direct and indirect subsidiaries	Interest (%) 2019	Interest (%) 2018	Relationship
Tegma Cargas Especiais Ltda. ("TCE")	100.00	100.00	Subsidiary
Tegma Logística de Armazéns Ltda. ("TLA")	100.00	100.00	Subsidiary
Tegmax Comércio e Serviços Automotivos Ltda. ("Tegmax")	100.00	100.00	Subsidiary
Tegma Logística de Veículos Ltda. ("TLV")	100.00	100.00	Subsidiary
Niyati Empreendimentos e Participações Ltda. ("Niyati")	100.00	100.00	Subsidiary
TegUp Inovação e Tecnologia Ltda. ("Tegup")	100.00	100.00	Subsidiary
Tech Cargo Plataforma de Transportes Ltda. ("Tech Cargo") (ii)	100.00	-	Subsidiary
Catlog Logística de Transportes S.A. ("Catlog")	49.00	49.00	Joint Venture
GDL Gestão de Desenvolvimento em Logística Participações S.A. ("GDL") (i)	50.00	50.00	Joint Venture

(i) Corporate restructuring

As of February 08, 2018, Tegma Logística Integrada S.A., former Company's subsidiary, was subject of the Association agreement between the Company, BCDF and JR Participações S.A. ("Holding Silotec") for the establishment of the joint venture GDL Gestão de Desenvolvimento em Logística Participações S.A. ("GDL") that united the operations of warehousing and moving of the goods developed in Cariacica-ES by Tegma Logística Integrada S.A. ("TLI"), a wholly-owned subsidiary of the Company and by Companhia de Transportes e Armazéns Gerais ("Silotec"), a wholly-owned subsidiary of Holding Silotec.

Accordingly, GDL holds 100% shareholding interest in TLI and Silotec, and its capital is equally divided between Tegma Gestão Logística S.A. and Holding Silotec, becoming a joint venture

The Company did not consider Tegma Logística Integrada S.A. in its consolidation and started to recognize income (loss) of GDL Gestão de Desenvolvimento em Logística Participações S.A. (GDL) under the equity method from February 2018.

Balances as of January 31, 2018, contributed by the Company to form the joint venture are as follows:

Assets		Liabilities and shareholders' equity	
Cash and cash equivalents	655	Suppliers	606
Trade accounts receivable	3,229	Taxes payable	790
Inventories (warehouse)	40	Salaries and social charges	1,280
Recoverable taxes and contributions	3,127	Other accounts payable	681
Other accounts receivable	96	Related parties	250
Related parties	967		
Prepaid expenses	335	**Total current liabilities**	**3,607**
Total current assets	**8,449**	Provisions for lawsuits	1,482
		Total non-current liabilities	**1,482**
Recoverable taxes and contributions	14,847		
Deferred tax assets	17,172	Capital	49,122
Judicial deposits	1,064	Profit reserves	143
		Accumulated losses	(338)
Total non-current assets	**33,083**		
		Total shareholders' equity	**48,927**
Property, plant and equipment	11,449		
Intangible assets	1,035		
Total non-current assets	**45,567**		
Total assets	**54,016**	**Total liabilities and shareholders' equity**	**54,016**

Shareholders' equity at fair value totaled R$50,770, generating gains of R$1,842 (see note 21). Exchange of 100% interest in Tegma Logística Integrada S.A. by 50% interest in GDL Gestão de Desenvolvimento em Logística Participações S.A. (GDL) gave rise to a goodwill in the amount of R$ 16,693 determined at fair value, according to Note 9.

(ii) Tech Cargo, the Company's direct subsidiary, was established to render services to the supply chain and developing and implementing facilities for auxiliary services, among other activities.

3 Basis for preparation and significant accounting policies

a. Statement of compliance and preparation basis

The individual and consolidated interim financial information is presented in conformity with Technical Pronouncement CPC 21 (R1) - Interim Statement and IAS - 34 - Interim Financial Reporting, in compliance with standards issued by the Securities Commission (CVM).

All relevant information in interim financial information, and only them, are being evidenced and correspond to that used by Management.

The accounting policies adopted in the preparation of the interim financial information, except for the adoption commented in item "b" below, as well as the measurement basis, the functional and the presentation currency, and the main judgments and uncertainties associated with the estimates used in the application of the accounting practices, are consistent with those presented in the financial statements for the year ended December 31, 2018, filed with the Securities Commission (CVM) on March 19, 2019, and disclosed on the Company's website (www.tegma.com.br). This interim financial information should be read together with financial statements for the year ended December 31, 2018.

The issuance of this individual and consolidated interim financial information was authorized by the Board of Directors on August 07, 2019.

b. New standards and interpretations adopted

The Company and its Subsidiaries adopted pronouncements and interpretations that became effective beginning as of January 1, 2019, as follows:

IFRS 16/CPC 6 (R2) – Leases

The new rule brings new treatment to lessees, replacing former IAS 17 model.

Impacts from adoption of said rule are described in note 26 – Lease.

4 Financial risk management

Risk management is carried out by the central treasury department of the Company, which evaluates and defines strategies to hedge against potential financial risks, in cooperation with the operating units of the Company and its Subsidiaries. The Management establishes principles, for global risk management and for specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and cash surplus investment.

a Market risk - foreign exchange rate

In August 2018, the Company obtained credit facility granted according to the benefits of Law 4131 indexed to US dollars, as described in Note 12. With the purpose of hedging itself against exchange rate fluctuations, the Company purchased a derivative financial instrument (swap) with the same notional amount and maturities.

This financial instrument designated as cash flow swap, consists of swapping the exchange-rate change plus a fixed rate of 4.89% per annum, for percentages related to the change in the Interbank Deposit Certificate (CDI) plus a fixed rate of 0.89% per annum.

As of June 30, 2019, the Company has the following net exposure at exchange-rate change in USD (amounts in reais - R$):

	Parent company and Consolidated
Loans and financing in foreign currency (Note 12)	53,222
Derivative financial instruments – Long position swap (i)	(53,222)
Net foreign exchange exposure	-

(i) It does not include fair value of swap.

The Company and its Subsidiaries do not operate with Derivative financial instruments for speculation purposes.

b Market risk - Basic interest rate

The interest rate risk of the Company and its subsidiaries derives from short and long-term loans. Loans issued at variable rates expose the Company and its Subsidiaries to cash flow interest rate risk. Loans issued at fixed rates expose the Company and its subsidiaries to fair value risk associated to interest rate.

The loans that were issued and indexed to US dollars, but which were the subject of the purchase of derivative instrument aiming at hedging against foreign exchange fluctuations, also became exposed to local interest rate.

The interest rate risk of the Company and its Subsidiaries arises from their exposure to the Interbank Deposit Certificate (CDI). We present below the exposure to interest rate risk of operations tied to these changes:

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Loans and financing - foreign currency (Note 12)	(53,222)	(52,102)	(53,222)	(52,102)
Loans and financing - domestic currency (Note 12)	(37,227)	(10,015)	(37,227)	(10,015)
Derivative financial instruments	1,444	2,086	1,444	2,086
Derivative financial instruments - fair value	498	(472)	498	(472)
Debentures (Note 12)	(50,140)	(98,083)	(50,140)	(98,083)
Cash equivalents (Note 5)	91,731	74,400	105,427	82,206
Net exposure	**(46,916)**	**(84,186)**	**(33,220)**	**(76,380)**

c Credit risk

The credit risk arises from cash and cash equivalents, deposits in banks and other financial institutions, and exposure to client credit, including outstanding accounts receivable. For banks and other financial institutions, the Company only accepts securities from entities that are independently classified as having a rating of at least "A" on *Standard & Poor's* scale or equivalent in other rating agencies. The Credit Analysis area evaluates the client's creditworthiness by taking into account their financial position, past experience and other factors. Clients' individual risk limits are determined with basis on internal classifications. Credit risk management practices, including methods and assumptions, are described in note 6. The use of credit limits is regularly monitored.

The Company's exposure is as follows:

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Cash and cash equivalents (Note 5)	92,534	75,713	106,775	83,542
Trade accounts receivable (Note 6)	180,982	195,543	215,878	226,227
	273,516	271,256	322,653	309,769

d Liquidity risk

The forecast of cash flow is performed in the operating entities of the Company and its subsidiaries and consolidated by the Finance department.

Through this estimate the finance department monitors the cash and cash equivalents to meet the operating and financial needs of the Company and its Subsidiaries, maintaining and engaging available credit facilities at appropriate levels.

The cash surplus is invested in conservative financial transactions and with liquidity in very short term, to meet the above-mentioned estimates.

The table below shows the financial liabilities and derivative operations of the Company and its subsidiaries per maturity intervals, corresponding to balance sheet's remaining period until contract maturity date. These amounts are undiscounted cash flows, including contractual interest payments and excluding the impact of offsetting agreements:

					Parent company
	Book value	**Financial flow**	**<1 year**	**1–2 years**	**2–6 years**
Loans and financing (Note 12)	90,449	102,887	12,448	55,937	34,502
Debentures (Note 12)	50,140	56,795	2,123	29,398	25,274
Lease (Note 26)	62,197	79,487	21,988	17,327	40,172
Suppliers and freight payable	27,991	27,991	27,991	-	-
Other accounts payable (Note 16)	20,659	20,659	20,659	-	-
Derivative financial instruments	(1,942)	(1,942)	-	(1,942)	-
Related parties (Note 24)	3,873	3,873	1,428	2,445	-
June 30, 2019	**253,367**	**289,750**	**86,637**	**103,165**	**99,948**

					Consolidated
	Book value	**Financial flow**	**<1 year**	**1–2 years**	**2–6 years**
Loans and financing (Note 12)	90,449	102,887	12,448	55,937	34,502
Debentures (Note 12)	50,140	56,795	2,123	29,398	25,274
Lease (Note 26)	86,195	98,296	33,741	26,035	38,520
Suppliers and freight payable	30,700	30,700	30,700	-	-
Other accounts payable (Note 16)	25,260	25,260	25,260	-	-
Derivative financial instruments	(1,942)	(1,942)	-	(1,942)	-
Related parties (Note 24)	3,470	3,470	1,025	2,445	-
June 30, 2019	**284,272**	**315,466**	**105,297**	**111,873**	**98,296**

e Sensitivity analysis

The table below analyzes the sensitivity of financial instruments, describing the risks that may cause significant losses to the Company and its subsidiaries. Considering that the amount invested and all debts of the Company (Loans and Financing and Debentures) are linked to the CDI (6.40% p.a. in June 2019), this index would be the only existing risk variable. According to the Management's evaluation, the most likely scenario (Scenario I) has impacts in an one-year horizon considering the maintenance of the CDI.

In addition, under the terms set forth by Securities Commission (CVM), Instruction 475/08, two other scenarios are presented, to present the impacts of an increase of 25% and 50%, in the risk variable considered. Scenarios II and III, respectively.

The table below shows possible impacts in income (loss) and shareholders' equity for each of the scenarios:

	Parent company			Consolidated		
	Probable scenario (I)	**Possible scenario (II) 25%**	**Remote scenario (III) 50%**	**Probable scenario (I)**	**Possible scenario (II) 25%**	**Remote scenario (III) 50%**
Interest earning bank deposits	5,830	7,287	8,745	6,700	8,375	10,050
Revenues	**5,830**	**7,287**	**8,745**	**6,700**	**8,375**	**10,050**
NCE Safra	(604)	(711)	(818)	(604)	(711)	(818)
NCE Bradesco	(2,303)	(2,792)	(3,281)	(2,303)	(2,792)	(3,281)
4131 Itaú	(3,775)	(4,603)	(5,431)	(3,775)	(4,603)	(5,431)
Debentures II	(4,212)	(5,014)	(5,816)	(4,212)	(5,014)	(5,816)
Expenses	**(10,894)**	**(13,120)**	**(15,347)**	**(10,894)**	**(13,120)**	**(15,347)**
Net effect on income (loss) / Shareholders' equity	**(5,064)**	**(5,833)**	**(6,602)**	**(4,194)**	**(4,745)**	**(5,297)**

f Capital management

The Company and its subsidiaries monitor the capital based on financial leveraging index which corresponds to the net debt divided by total capital. Net debt, corresponds to total loans (including short and long-term loans, as shown in balance sheet) less cash and cash equivalents and interest earning bank deposits, plus or less the balance of swap. The total capital is calculated through the sum of shareholders' equity, as shown in the balance sheet, with net debt.

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Loans and financing - Note 12	90,449	62,117	90,449	62,117
Debentures - Note 12	50,140	98,083	50,140	98,083
Derivative financial instruments	(1,942)	(1,614)	(1,942)	(1,614)
Cash and cash equivalents - Note 5	(92,534)	(75,713)	(106,775)	(83,542)
Net debt	46,113	82,873	31,872	75,044
Total shareholders' equity	515,840	484,372	515,840	484,372
Total capital	561,953	567,245	547,712	559,416
Leverage ratio	8%	15%	6%	13%

g Classification of financial instruments

CPC 40 (R1) (IFRS 7) defines fair value as the exchange price that would be received for an asset or the price paid to transfer a liability (output price) in the main market, or in the most advantageous market for the asset or liability, in a normal transaction between market players on the date of measurement, also establishing a hierarchy of three levels to be used to measure the fair value, namely:

Level 1 - Prices quoted (not adjusted) in active markets for identical assets and liabilities.

Level 2 - Other information, except that included at level 1, whereby the quoted prices (not adjusted) are for the similar assets and liabilities, (directly as prices or indirectly as by-products of the prices) in non-active markets, or other information that is available or that can be corroborated by the information observed in the market for substantially all the terms of the assets and liabilities.

Level 3 - Information unavailable due to reduced or non-existent market activity and that is significant for definition of the fair value of assets and liabilities (unobservable).

The classification of financial instruments is presented in the table below, and there are no instruments classified in other categories besides those informed.

	Parent company			Consolidated		
	Book value	**Fair value**	**Fair value hierarchy**	**Book value**	**Fair value**	**Fair value hierarchy**
June 30, 2019						
Assets						
Fair value through profit or loss						
Interest earning bank deposits - Note 5	91,731	91,731	Level 2	105,427	105,427	Level 2
Cash and cash equivalents - Note 5	803	803	Level 1	1,348	1,348	Level 1
Financial instrument designated to hedge						
Derivative financial instruments (i)	1,942	1,942	Level 2	1,942	1,942	Level 2
Assets at amortized cost						
Trade accounts receivable - note 6	180,982	180,982	Level 2	215,878	215,878	Level 2
Related parties - note 24	8,116	8,116	Level 2	6,371	6,371	Level 2
Other accounts receivable (ii) - Note 7	503	503	Level 2	7,212	7,212	Level 2
	284,077	**284,077**		**338,178**	**338,178**	
Liabilities						
Liabilities at amortized cost						
Debentures - Note 12	50,140	51,685	Level 2	50,140	51,685	Level 2
Loans and financing - Note 12	90,449	92,306	Level 2	90,449	92,306	Level 2
Lease - Note 26	62,197	62,197	Level 2	86,195	86,195	Level 2
Suppliers and freight payable	27,991	27,991	Level 2	30,700	30,700	Level 2
Other accounts payable - Note 16	20,659	20,659	Level 2	25,260	25,260	Level 2
Related parties - note 24	3,873	3,873	Level 2	3,470	3,470	Level 2
	255,309	**258,711**		**286,214**	**289,616**	

(i) The Company maintains derivative financial instruments to hedge against exposure to foreign currency, arising from the modality 4131 loan contract.

(ii) Amounts related to advances to employees and suppliers are not included.

	Parent company			Consolidated		
	Book value	Fair value	Fair value hierarchy	Book value	Fair value	Fair value hierarchy
December 31, 2018						
Assets						
Fair value through profit or loss						
Interest earning bank deposits - Note 5	74,400	74,400	Level 2	82,206	82,206	Level 2
Cash and cash equivalents - Note 5	1,313	1,313	Level 1	1,336	1,336	Level 1
Financial instrument designated to hedge						
Derivative financial instruments (i)	1,614	1,614	Level 2	1,614	1,614	Level 2
Assets at amortized cost						
Trade accounts receivable - note 6	195,543	195,543	Level 2	226,227	226,227	Level 2
Related parties - note 24	19,808	19,808	Level 2	19,752	19,752	Level 2
Other accounts receivable (ii) - Note 7	542	542	Level 2	6,747	6,747	Level 2
	293,220	**293,220**		**337,882**	**337,882**	
Liabilities						
Liabilities at amortized cost						
Debentures - Note 12	98,083	100,159	Level 2	98,083	100,159	Level 2
Loans and financing - Note 12	62,117	61,395	Level 2	62,117	61,395	Level 2
Suppliers and freight payable	32,774	32,774	Level 2	36,898	36,898	Level 2
Other accounts payable - Note 16	21,994	21,994	Level 2	30,863	30,863	Level 2
Related parties - note 24	9,827	9,827	Level 2	4,269	4,269	Level 2
	224,795	**226,149**		**232,230**	**233,584**	

(i) The Company maintains derivative financial instruments to hedge against exposure to foreign currency, arising from the modality 4131 loan contract.

(ii) Amounts related to advances to employees and suppliers are not included.

h Hedge accounting

The Company's hedge transaction is aimed at hedging the cash flows indexed to US dollars arising from loan in foreign currency (as Note 12) once practically all transactions of the Company is indexed to the domestic currency.

Accordingly, the transaction meets the cash flow hedge classification and calculation pursuant to CPC 48 – Financial instruments is adopted:

The aim of hedge accounting (understood as hedge accounting policy adopted) is to affect the Company's income (loss) only by the local interest rates to which it is exposed, only considering the net effect of the engaged hedge.

The contract effective on June 30, 2019 is as follows:

Instrument	Type of financial instrument	Operation	Notional value	Maturity	Hedge index	Contracted rate
Swap contract	*Cash flow hedge*	*Swap* USD x CDI	USD 13,441	08/2020	FX + 4.89%	CDI +0.89%

Outstanding balances are as follows:

	Principal value (national)	Curve value	Fair value	Gain (loss) from adjustment to fair value
Description				
Swap contract				
Asset				
USD Long position	50,000	53,222	54,207	985
Short position:				
Short position in CDI	(50,000)	(51,778)	(52,265)	(487)
Total net financial instrument	**-**	**1,444**	**1,942**	**498**

According to the applicable accounting practices, the adjustment to fair value determined for the financial instrument was R$ 498 (R$ 328, net of tax effect) and is recorded in other comprehensive income (shareholders' equity). It is worth emphasizing that the current hedge transaction is fully linked, including contractually, to the loan taken on according to the resolution 4131 modality, which cannot be separately terminated.

5 Cash and cash equivalents

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Funds in banks and in cash	803	1,313	1,348	1,336
Interest earnings bank deposits	91,731	74,400	105,427	82,206
	92,534	**75,713**	**106,775**	**83,542**

Interest earning bank deposits are highly liquid and short-term, promptly convertible into a known sum of cash and subject to an insignificant risk of change of value.

Financial investments are represented by operations with immediate liquidity, earning interest agreed between 96.5% and 103.5% for terms established in June 2019 (96.5% and 100.8% in December 2018) of the change in the index of Interbank Deposit Certificate (CDI).

The Company's cash management is centralized in the Parent Company, although consolidated cash is distributed among its subsidiaries.

The exposure of the Company and its subsidiaries to risk and the sensitivity analysis are disclosed in Note 4.

6 Trade accounts receivable

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Accounts receivable from sale of services:				
In Brazil	181,060	195,622	216,793	229,165
Accounts receivable - Domestic	**181,060**	**195,622**	**216,793**	**229,165**
Estimated loss	(78)	(79)	(915)	(2,938)
	180,982	**195,543**	**215,878**	**226,227**

As of June 30, 2019, the average collection term is 46 days - Parent Company and 48 days - Consolidated (44 days - Parent Company and 46 days - Consolidated - in December 2018).

The ageing analysis of these accounts receivable is as follows:

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Securities falling due	158,893	175,971	191,572	205,673
Securities overdue (days):				
Up to 30	20,855	18,512	22,994	19,440
31–90	555	419	560	452
91–180	355	293	428	838
>181	402	427	1,239	2,762
	181,060	**195,622**	**216,793**	**229,165**

In evaluations, the Company and its Subsidiaries consider the expected losses over entire life approach to trade accounts receivable in order to establish estimated losses, based on history of incurred losses and expected continuity of their clients.

The expected losses are recognized based on accounts receivable past due (aging) considering Tegma's history of losses. As a general rule, securities overdue for more than 180 days are fully provisioned. In this evaluation the clients that do not have history of losses are excluded. These clients substantially refer to the automotive sector.

Changes in the estimated loss of the Company and its subsidiaries are as follows:

	Parent company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Opening balance	**(79)**	**(111)**	**(2,938)**	**(1,968)**
Write-off	-	-	-	-
Additions	(121)	(162)	(136)	(2,238)
Reversals	122	194	1,552	1,142
Corporate restructuring – formation effect JV (i)	-	-	-	126
Other (ii)	-	-	607	-
Closing balance	**(78)**	**(79)**	**(915)**	**(2,938)**

(i) Balance at January 31, 2018, belonging to Tegma Logística Integrada S.A., which was the object of joint venture formation in February 2018, as described in note 2 item i.

(ii) Refers to reclassification of accounts receivable according to negotiation with the client.

The maximum exposure to credit risk is the book value of each of the types of accounts receivable mentioned above. The Company and its subsidiaries do not maintain any security as a guarantee.

7 Other accounts receivable

	Parent company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Indemnity assets (i)	502	465	6,465	5,970
Advances to suppliers	2,345	3,072	3,604	4,330
Advances to employees	1,714	2,180	1,894	2,368
Claims recoverable	1	77	47	77
Other receivables	-	-	700	700
	4,562	**5,794**	**12,710**	**13,445**
Current	4,061	5,329	5,545	6,775
Non-current	501	465	7,165	6,670
	4,562	**5,794**	**12,710**	**13,445**

(i) This refers to a provision for reimbursement of civil contingencies; in addition, we recorded a "provision for lawsuits" for the same amount, with no effect on net income.

8 Recoverable taxes and contributions

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
PIS and COFINS (i)	10,298	9,993	11,783	11,333
Recoverable INSS	6,526	6,413	9,899	9,826
IRRF (Withholding income tax) on interest earning bank deposits	101	51	168	91
Other	252	173	342	174
	17,177	**16,630**	**22,192**	**21,424**
Current	10,905	10,477	12,634	12,007
Non-current	6,272	6,153	9,558	9,417
	17,177	**16,630**	**22,192**	**21,424**

(i) In December 2018, the Company recognized PIS and COFINS credits related to the right to exclude the ICMS amount from the calculation bases of these two contributions. The credits recognized were based on the decision of the Federal Supreme Court ("STF") dated March 15, 2017, in view of general repercussion. Since the motions for clarification of the proceeding are still pending decision, and there is still no decision on the possibility of recognizing credits from previous periods (in the case of the Company five years before 2008), the recorded credits only cover the period of March 2017 to December 2018.

Recoverable taxes have been generated by the own operation of the Company and its subsidiaries, and will be offset against future debts of the same nature, and, therefore, are stated at realizable value.

9 Investments

Subsidiaries and jointly-controlled subsidiaries

	06/30/2019			12/31/2018		Parent company
	Investment	**Net goodwill**	**Total**	**Investment**	**Net goodwill**	**Total**
Subsidiaries						
Tegma Cargas Especiais Ltda. (TCE)	38,779	6,364	**45,143**	33,533	6,364	**39,897**
Tegma Logística se Armazéns Ltda. (TLA)	24,857	-	**24,857**	26,099	-	**26,099**
Niyati Empreendimentos e Participações Ltda. (Niyati)	84,261	-	**84,261**	76,452	-	**76,452**
Tech Cargo Plataforma de Transportes Ltda (Tech Cargo) (i)	1	-	**1**	-	-	**-**
Tegmax Comércio e Serviços Automotivos Ltda. (Tegmax)	2,686	-	**2,686**	2,640	-	**2,640**
Tegma Logística de Veículos Ltda. (TLV)	16,000	-	**16,000**	15,248	-	**15,248**
Tegup Inovação e Tecnologia Ltda. ("Tegup")	1,430	-	**1,430**	1,448	-	**1,448**
	168,014	**6,364**	**174,378**	**155,420**	**6,364**	**161,784**
Joint ventures						
Catlog Logística de Transportes S.A. (Catlog)	846	-	**846**	1,413	-	**1,413**
GDL Gestão de Desenvolvimento em Logística Participações S.A. ("GDL")	17,931	16,693	**34,624**	17,838	16,693	**34,531**
	18,777	**16,693**	**35,470**	**19,251**	**16,693**	**35,944**
Total parent company's investments	**186,791**	**23,057**	**209,848**	**174,671**	**23,057**	**197,728**

(i) Subsidiary was established to develop and deploy facilities for provision of services, among other activities, as described in note 2, item ii.

	Consolidated	
	06/30/2019	**12/31/2018**
Joint ventures		
Catlog Logística de Transportes S.A. (Catlog)	846	1,413
GDL Gestão de Desenvolvimento em Logística Participações S.A. ("GDL")	17,931	17,838
	18,777	**19,251**

Changes in investments

	TCE	TLI	Tech Cargo	TLA	Niyati	Tegmax	TLV	TegUp	Catlog (i)	GDL	Total
January 01, 2018	**115,250**	**45,993**	**-**	**22,236**	**64,203**	**8,319**	**22,864**	**-**	**1,978**	-	**280,843**
Equity in net income of subsidiaries	5,219	(338)	-	(1,388)	1,979	134	(1,616)	47	170	201	**4,408**
Capital decrease	(64,000)		-	-	-	(5,500)	(6,000)	-	(491)	-	**(75,991)**
Capital increase	-	5,800	-	5,251	11,349	-	-	1,400	-	-	**23,800**
Acquisition of subsidiary	-	-	-	-	-	-	-	1	-	-	**1**
Corporate restructuring (ii)	-	(48,927)	-	**-**	-	-	-	-	-	17,637	**(31,290)**
Dividends	(16,572)	-	-	**-**	(1,079)	(313)	-	-	(244)	-	**(18,208)**
Formation/write-off goodwill (GDL-TLI) (ii) -		(2,528)	-	-	-	-	-	-	-	16,693	**14,165**
December 31, 2018	**39,897**	**-**	**-**	**26,099**	**76,452**	**2,640**	**15,248**	**1,448**	**1,413**	**34,531**	**197,728**
Equity in net income of subsidiaries	5,246	-	-	(1,242)	1,309	46	752	(18)	(300)	93	**5,886**
Capital increase	-	-	-	-	6,500	-	-	-	-	-	**6,500**
Acquisition of subsidiary	-	-	1	-	-	-	-	-	-	-	**1**
Dividends	-	-	-	-	-	-	-	-	(267)	**-**	**(267)**
June 30, 2019	**45,143**	**-**	**1**	**24,857**	**84,261**	**2,686**	**16,000**	**1,430**	**846**	**34,624**	**209,848**

(i) The investee Catlog has not been operating since January 2015. Catlog's activities may be resumed in the event the Company finds it appropriate to do so.

(ii) Recognition of shareholding interest and goodwill of GDL Gestão de Desenvolvimento em Logística Participações S.A. (GDL) and write-off of interest and goodwill in former subsidiary Tegma Logística Integrada S.A. (TLI), as described in Note 2, item (i).

	Consolidated		
	Catlog	**GDL**	**Total**
January 01, 2018	1,978	-	1,978
Equity in net income of subsidiaries	170	201	371
Ownership interest	-	17,637	17,637
Dividends	(244)	-	(244)
Capital decrease	(491)	-	(491)
December 31, 2018	**1,413**	**17,838**	**19,251**
December 31, 2018	1,413	17,838	19,251
Equity in net income of subsidiaries	(300)	93	(207)
Dividends	(267)	-	(267)
June 30, 2019	**846**	**17,931**	**18,777**

The Company's share of the results of its direct Subsidiaries, all of which are privately-held corporations or limited partnerships, as well as of their total assets and liabilities, is as follows:

	TCE	**TLI**	**TLA**	**Niyati**	**Tegmax**	**TLV**	**TegUp**	**Tech Cargo**
Balances at June 30, 2019								
Assets	71,943	-	43,879	84,507	2,756	24,725	1,435	1
Liabilities	33,164	-	19,022	246	70	8,725	5	-
Shareholders' equity	38,779	-	24,857	84,261	2,686	16,000	1,430	1
Net revenue	40,877	-	15,105	2,375	-	16,499	17	-
Income /(loss)	5,246	-	(1,242)	1,309	46	752	(18)	-
Balances at December 31, 2018								
Assets	53,384	-	32,552	78,440	2,731	16,967	1451	-
Liabilities	19,851	-	6,453	1,988	91	1,719	3	-
Shareholders' equity	33,533	-	26,099	76,452	2,640	15,248	1448	-
Net revenue	75,975	2,333	39,318	3,606	77	-	47	-
Income /(loss)	5,219	(338)	(1,388)	1,979	134	(1,616)	47	-

Total balances of the balance sheet and income statement (100%) accounts of jointly-controlled companies:

	Catlog		GDL	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Assets				
Current assets	2,168	3,282	28,730	19,439
Non-current assets	627	615	24,555	37,156
Property, plant and equipment	-	-	13,134	14,028
Right to use	-	-	19,312	-
Intangible assets	-	-	1,484	1,939
	2,795	**3,897**	**87,215**	**72,562**
Liabilities and shareholders' equity				
Current liabilities	49	236	30,355	16,339
Non-current liabilities	1,019	777	20,998	20,546
Shareholders' equity	1,727	2,884	35,862	35,677
	2,795	**3,897**	**87,215**	**72,562**

	Catlog		GDL	
	06/30/2019	**06/30/2018**	**06/30/2019**	**06/30/2018**
Income (loss) for the period				
Net revenue	-	-	31,987	19,858
Cost of services rendered	-	-	(29,358)	(18,544)
General and administrative expenses	(205)	(165)	(990)	(3,389)
Financial revenue, net	84	182	(1,274)	390
Other (expenses) revenues, net	(487)	226	-	(187)
Income tax and social contribution	(4)	-	(179)	332
Income (loss) for the period	(612)	243	186	(1,540)

10 Property, plant and equipment

Changes in property, plant and equipment

	Land	Buildings	Computers and peripherals	Facilities	Vehicles	Machinery and equipment/ tools	Leasehold improvements	Furniture, fixtures and packaging and other (i)	Property, plant and equipment in progress (ii)	Total
										Parent company
Net balances as of January 1, 2018	16,348	41,741	1,809	2,032	28,223	2,756	5,233	11,301	164	109,607
Changes										
Acquisitions	-	234	1,087	840	1,305	624	1,394	2,631	543	8,658
Disposals	-	-	-	-	(744)	-	-	(12)	-	(756)
Depreciation	-	(3,926)	(871)	(303)	(4,745)	(662)	(2,849)	(4,844)	-	(18,200)
Net balances at December 31, 2018	16,348	38,049	2,025	2,569	24,039	2,718	3,778	9,076	707	99,309
Balances at December 31, 2018										
Cost	16,348	49,434	12,920	4,765	61,488	10,634	51,545	25,923	707	233,764
Accumulated depreciation	-	(11,385)	(10,895)	(2,196)	(37,449)	(7,916)	(47,767)	(16,847)	-	(134,455)
Net balances at December 31, 2018	16,348	38,049	2,025	2,569	24,039	2,718	3,778	9,076	707	99,309
Changes										
Acquisitions	-	36	579	584	5,827	173	532	2,212	83	10,026
Disposals	-	-	-	-	(172)	-	-	(13)	-	(185)
Transfers	-	-	12	-	-	172	422	(26)	(580)	-
Depreciation	-	(989)	(434)	(196)	(2,233)	(345)	(958)	(1,974)	-	(7,129)
Net balances as of June 30, 2019	16,348	37,096	2,182	2,957	27,461	2,718	3,774	9,275	210	102,021
Balances at June 30, 2019										
Cost	16,348	49,470	13,305	5,349	66,943	10,979	52,499	27,413	210	242,516
Accumulated depreciation	-	(12,374)	(11,123)	(2,392)	(39,482)	(8,261)	(48,725)	(18,138)	-	(140,495)
Net balances as of June 30, 2019 (iii)	16,348	37,096	2,182	2,957	27,461	2,718	3,774	9,275	210	102,021

(i) The additions to furniture, fixtures, packaging materials and others during the period are substantially represented by packaging materials (industrial logistics division).

(ii) Construction in progress refers mainly to construction works and improvements in progress.

(iii) It does not include amount of R$ 58,999 referring to right-of-use asset, as explained in note 26. In case total fixed assets were considered, it would be R$ 161,020.

										Consolidated
	Land	**Buildings**	**Computers and peripherals**	**Facilities**	**Vehicles**	**Machinery and equipment/ tools**	**Leasehold improvements**	**Furniture and fixtures and packaging and other (i)**	**Property, plant and equipment in progress (ii)**	**Total**
Net balances as of January 1, 2018	50,607	67,792	3,860	11,213	40,501	6,914	15,812	12,860	541	210,100
Changes										
Acquisitions	9,466	231	1,218	2,493	2,186	941	2,552	2,691	8,060	29,838
Disposals	-	-	-	(693)	(852)	(23)	(130)	(25)	-	(1,723)
Transfers	-	-	-	-	(2)	-	2	-	-	-
Depreciation	-	(5,026)	(1,543)	(1,403)	(5,610)	(1,211)	(4,738)	(5,069)	-	(24,600)
Other (iii)	-	-	(442)	(2,842)	(70)	(1,953)	(5,833)	(309)	-	(11,449)
Net balances at December 31, 2018	60,073	62,997	3,093	8,768	36,153	4,668	7,665	10,148	8,601	202,166
Balances at December 31, 2018										
Cost	60,073	76,937	18,952	17,715	84,294	17,290	72,455	28,271	8,601	384,588
Accumulated depreciation	-	(13,940)	(15,859)	(8,947)	(48,141)	(12,622)	(64,790)	(18,123)	-	(182,422)
Net balances at December 31, 2018	60,073	62,997	3,093	8,768	36,153	4,668	7,665	10,148	8,601	202,166
Changes										
Acquisitions	-	3,000	595	1,134	9,060	428	927	2,222	1,726	19,092
Disposals	-	-	(1)	(147)	(246)	(1)	-	(62)	-	(457)
Transfers	-	7,652	12	1,395	55	177	422	(21)	(9,692)	-
Depreciation	-	(1,675)	(699)	(752)	(2,759)	(609)	(1,880)	(2,082)	-	(10,456)
Net balances as of June 30, 2019	60,073	71,974	3,000	10,398	42,263	4,663	7,134	10,205	635	210,345
Balances at June 30, 2019										
Cost	60,073	87,588	19,338	19,830	92,848	17,885	73,802	29,697	635	401,696
Accumulated depreciation	-	(15,614)	(16,338)	(9,432)	(50,585)	(13,222)	(66,668)	(19,492)	-	(191,351)
Net balances as of June 30, 2019 (iv)	60,073	71,974	3,000	10,398	42,263	4,663	7,134	10,205	635	210,345

(i) The additions to furniture, fixtures, packaging materials and others during the period are substantially represented by packaging materials (industrial logistics division).

(ii) Construction in progress refers mainly to construction works and improvements in progress.

(iii) Balances at January 31, 2018, belonging to Tegma Logística Integrada S.A., which was the object of joint venture formation in February 2018, as described in note 2 item (i).

(iv) It does not include amount of R$ 81,628 referring to right-of-use asset, as explained in note 26. In case total fixed assets were considered, it would be R$ 291,973.

The depreciation and amortization amounts were recorded as follows:

	Parent company		Consolidated	
	Jan 2019–Jun 2019	**Jan2018–Jun2018**	**Jan 2019–Jun 2019**	**Jan2018–Jun2018**
Depreciation	(7,129)	(10,191)	(10,456)	(13,508)
Amortization	(2,320)	(2,008)	(2,516)	(2,312)
Total	(9,449)	(12,199)	(12,972)	(15,820)

The depreciation and amortization amounts segregated between costs and expenses were recorded as follows:

	Parent company		Consolidated	
	Jan 2019–Jun 2019	**Jan2018–Jun2018**	**Jan 2019–Jun 2019**	**Jan2018–Jun2018**
Cost of services rendered	(7,700)	(10,662)	(11,115)	(14,139)
General and administrative expenses	(1,749)	(1,537)	(1,857)	(1,681)
Total	(9,449)	(12,199)	(12,972)	(15,820)

11 Intangible

								Parent company
	01/01/2018	**Addition**	**Amortization**	**Other**	**12/31/2018**	**Addition**	**Amortization**	**06/30/2019**
Software	10,359	5,143	(4,148)	-	11,354	2,096	(2,320)	11,130
Goodwill paid in the acquisition of investments						-	-	
Nortev	120,877	-	-	-	120,877	-	-	120,877
Boni Amazon	32,791	-	-	-	32,791	-	-	32,791
	164,027	**5,143**	**(4,148)**	**-**	**165,022**	**2,096**	**(2,320)**	**164,798**

								Consolidated
	01/01/2018	**Addition**	**Amortization**	**Other (i)**	**12/31/2018**	**Addition**	**Amortization**	**06/30/2019**
Software	12,568	5,601	(4,690)	**(1,057)**	**12,422**	2,096	(2,516)	**12,002**
Goodwill paid in the acquisition of investments								
Nortev	120,877	-	-	-	120,877	-	-	120,877
Boni Amazon	32,791	-	-	-	32,791	-	-	32,791
Tegma Logística Integrada S.A.	2,491	-	-	(2,491)	-	-	-	-
Tegma Cargas Especiais Ltda.	6,364	-	-	-	6,364	-	-	6,364
PDI Comércio, Indústria e Serviços Ltda.	36	-	-	(36)	-	-	-	-
GDL Gestão de Desenvolvimento em Logística Participações S.A. (“GDL”) (ii)	-	16,693	-	-	16,693	-	-	16,693
	162,559	**16,693**	**-**	**(2,527)**	**176,725**	**-**	**-**	**176,725**
Net	**175,127**	**22,294**	**(4,690)**	**(3,584)**	**189,147**	**2,096**	**(2,516)**	**188,727**

(i) The balance of R$ 2,527 is included in the goodwill written-off due to the corporate restructuring of Tegma Logística Integrada S.A., and the balance of software contributed of R$ 1,036 to form the joint venture in February 2018, as described in Note 2, item (i).

(ii) Goodwill recorded when adding shareholding portion of GDL Gestão de Desenvolvimento em Logística Participações S.A. (GDL) to form the joint venture carried out in February 2018, as described in Note 2, item (i).

12 Loans and financing

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Loans and financing - domestic currency				
NCE - Export credit note (a.i)	37,227	10,015	37,227	10,015
Loans and financing - foreign currency				
Resolution 4131 (a.ii)	53,222	52,102	53,222	52,102
Total loans and financing	**90,449**	**62,117**	**90,449**	**62,117**
(-) Current	8,511	6,703	8,511	6,703
Non-current	81,938	55,414	81,938	55,414
Debentures (b)				
Total debentures	**50,140**	**98,083**	**50,140**	**98,083**
(-) Current	130	48,073	130	48,073
Non-current	50,010	50,010	50,010	50,010
Loans and financing	**140,589**	**160,200**	**140,589**	**160,200**
Derivative financial instruments – SWAP (assets)	**(1,942)**	**(1,614)**	**(1,942)**	**(1,614)**
(-) Current	-	-	-	-
Non-current (i)	(1,942)	(1,614)	(1,942)	(1,614)
Loans and financing, net of swap	**138,647**	**158,586**	**138,647**	**158,586**

(i) Includes the fair value on the swap in the amount of R$ 498, according to Note 4 item h.

a. Bank loans

(i) NCE – Export credit note

In June 2017, the Company entered into two NCE loan agreements without collateralized guarantees. The first agreement was signed with Banco do Brasil S.A. in the amount of R$ 40,000, with the principal maturing in June 2019 and amortization of monthly interest. The negotiated interest rate was the Interbank Deposit certificate (CDI) rate for the period plus 2% per annum (with a flat fee of 1.15% paid when loan was contracted). In August 2018, this contract was early settled.

The second agreement signed on this date was with Banco Safra S.A, in the amount of R$ 10,000, with principal maturing in three equal installments. The first maturity was in June 2019 and the other installments will mature in December 2019 and June 2020. Interest payments are made on a semi-annual basis as of December 2017. The negotiated interest rate was the Interbank Deposit certificate (CDI) rate for the period plus 2.65% per annum (without a flat fee). The average interest rate is 9.05% per annum for this contract in June 2019 (9.05% in December 2018).

In March 2019, the Company entered into a contract with Banco Bradesco S.A., also without real guarantee, for the amount of R$ 30,000, with principal maturing in the equal amount in three equal installments (March 2022, March 2023, April 2024) and half-annual interest payments beginning as of September 2019. The negotiated interest rate was the Interbank Deposit certificate (CDI) rate for the period plus 1.14% p.a. The average interest rate is 7.54% per annum for this contract in June 2019.

The Company does not have any covenants for the two NCEs still in force.

(ii) Resolution 4131

In August 2018, the Company signed a loan contract in US dollars in the amount of US$ 13,441, equivalent to R$ 50,000, on the transaction date, with the financing agent Itau BBA Internacional PLC, without actual pledged guarantees, with the payment of principal in the end of the contract, August 2020, and interest in December 2018, February 2020 and August 2020.

For exchange-rate hedge of loan, the Company purchased derivative financial instrument, cash flow swap, from Itaú Unibanco S.A. in the same amount and maturities, swapping the exposure of US$ currency change plus fixed rate of 4.89% per annum, for the CDI change plus 0.89 % per year, and with this, assigning the credit receivables from the swap transaction as guarantee to the creditor of the loan in US dollars.

In June 2019, the average interest rate is 7.29% per annum (7.29% in December 2018).
This operation is subject to accelerated maturity in the event the following debt and interest coverage ratios are not complied with: (i) net debt/EBITDA(1) equal to or lower than 2.50, and EBITDA/net financial expense higher or equal to 1.50. On June 30, 2019, the Company had addressed all these clauses.

(1) EBITDA - net income for the period, plus income taxes, financial expenses, net of financial revenues, and depreciation, amortization and depletion.

b. Debentures

In 2013, the Company issued simple, non-convertible, unsecured debentures. The net funds obtained are fully used to meet the Company's basic management requirements, such as the repayment of debts and the reinforcement of cash.

The debentures pay interest semi-annually. In the first issue, interest was expected to be paid on February 15 and August 15 of each year. Under the second issue, the forecast was to pay interest as of December 15 and June 15 of each year.

The nominal value of first issue debentures, issued in two series, has already been fully amortized. In 1st issuance: first series, 33.33% was paid on February 15, 2016, 33.33% on February 15, 2017, 33.34% on February 15, 2018; while in the second series, 33.33% was paid on February 15, 2017, 33.33% on February 2017, 2018, and 33.34% on February 15, 2019.

In the 2nd issuance, also issued in two series, 33.33% was paid on December 15, 2016 (first payment), while the second payment of 33.33%, previously estimated for December 15, 2017, was settled in advance on September 28, 2017. In relation to the latest installment, originally set to be paid on December 15, 2018, there was a renegotiation, and the amount corresponding to 33.34 % of the issuance was extended in the proportion of 50% to July 31, 2020, and 50% to July 31, 2021, as approved in the Annual Debentureholders’ Meeting held on September 25, 2017.

Series	Type	Issuance amount	Outstanding debentures	Date: Issuance	Date: Maturity	Annual financial charges	Unit price	Parent company and Consolidated 06/30/2019	Parent company and Consolidated 12/31/2018
1st issue - 2nd series	Simple	140,000	-	02/15/2013	02/15/2019	DI + 0.97%	10	-	47,927
2nd issue - 1st series	Simple	80,000	8,000	12/15/2013	07/31/2021	DI + 2.00%	10	26,741	26,750
2nd issue - 2nd series	Simple	70,000	7,000	12/15/2013	07/31/2021	DI + 2.00%	10	23,399	23,406
							Current	130	48,073
							Non-current	50,010	50,010

The issues of debentures are also subject to accelerated maturity in the event the following debt and interest coverage ratios are not complied with: (i) net debt/EBITDA[1] equal to or lower than 2.50, and adjusted EBITDA/net financial expense higher or equal to 1.50. On June 30, 2019, the Company had addressed all these clauses.

The installments due in the non-current are payable according to the following schedule for loans and financing:

	Parent company 06/30/2019	Parent company 12/31/2018	Consolidated 06/30/2019	Consolidated 12/31/2018
months:				
13–24	76,943	80,419	76,943	80,419
25–36	35,005	25,005	35,005	25,005
37–48	10,000	-	10,000	-
49–60	10,000	-	10,000	-
Total	**131,948**	**105,424**	**131,948**	**105,424**

Changes in 2019 is as follows:

	Parent company	Consolidated
Loans and financing		
Balance at December 31, 2018	**62,117**	**62,117**
Funding	30,000	30,000
Recognized interest	2,201	2,201
Payment of principal	(3,333)	(3,333)
Interest paid	(441)	(441)
Exchange-rate change	(95)	(95)
Balance at June 30, 2019	**90,449**	**90,449**
Debentures		
Balance at December 31, 2018	**98,083**	**98,083**
Recognized interest	2,491	2,491
Payment of principal	(46,676)	(46,676)
Interest paid	(3,758)	(3,758)
Balance at June 30, 2019	**50,140**	**50,140**
Total	**140,589**	**140,589**

13 Salaries and social security charges

	Parent company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Vacations payable	9,543	10,138	11,321	12,004
INSS	2,302	2,224	2,678	2,695
Bonuses and profit sharing payable	4,549	7,402	4,828	7,888
Provision for 13th salary	3,496	-	4,084	-
FGTS	468	645	544	765
Other	721	831	813	909
Total	**21,079**	**21,240**	**24,268**	**24,261**

14 Judicial deposits and provision for lawsuits

The Company and its subsidiaries are parties to ongoing labor, civil and tax lawsuits and other ongoing lawsuits, that totaled as of June 30, 2019, R$ 632,619 (R$ 573,739 as of December 31, 2018) Parent Company, and R$ 658,927 (R$ 598,870 as of December 31, 2018) Consolidated has been discussing these issues in both the administrative and judicial scopes and, when applicable, said lawsuits are backed by judicial deposits. These amounts contemplate all lawsuits classified as probable, possible and remote. Provisions for probable losses arising from these lawsuits are estimated and updated by Management as there is an estimate for future disbursement, backed by the opinion of the external legal advisors.

The above-mentioned amounts are broken down as indicated below:

	Parent company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Probable	32,422	34,419	42,750	44,444
Possible	91,255	92,363	100,335	99,760
Remote	508,942	446,957	515,842	454,666
Total	**632,619**	**573,739**	**658,927**	**598,870**

Provisions recognized

The provisions recorded and related judicial deposits, when applicable, are as follows:

				Parent company
	Judicial deposits		Provisions for lawsuits	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Labor and social security	7,283	7,001	10,818	11,826
Tax	1,608	1,608	-	-
Civil (i)	93	93	21,604	22,593
Total	**8,984**	**8,702**	**32,422**	**34,419**

	Consolidated			
	Judicial deposits		Provisions for lawsuits	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Labor and social security	10,144	10,104	15,154	16,335
Tax	1,608	1,608	1	-
Civil (i)	198	190	27,595	28,109
Total	**11,950**	**11,902**	**42,750**	**44,444**

(i) Contains provision arising from business combination, as detailed below:

The agreement for purchase and sale of Direct Express, entered into between the Company and 8M Participações, establishes that the Company will only be required to indemnify 8M Participações for any lawsuits referring to facts that took place before the date of the acquisition with an aggregate amount exceeding R$40,000. On the other hand, 8M Participações is required to indemnify the Company for any lawsuits referring to facts that took place after the date of the acquisition. In the year 2017, the amount of obligations paid by 8M Participações by the Company is above the aggregated amount. In June 2019, the balance of such provisions totals R$ 20,872 (R$ 22,098 in December 2018).

The changes in the provision for the period of 2019 are as follows:

	Parent company	Consolidated
Balance at December 31, 2018	**34,419**	**44,444**
Formation	7,349	8,832
Recognition INSS FAP	167	167
Other lawsuits payable	(245)	(272)
Write-off by judicial deposit	(691)	(1,164)
Payment	(8,577)	(9,257)
Balance at June 30, 2019	**32,422**	**42,750**

Possible losses, not provisioned in the balance

The Company and its subsidiaries are parties to tax, civil and labor lawsuits for which no provision has been recorded due to the fact that these lawsuits have been classified by Management and its legal advisors as possible losses, as presented below:

	Parent company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Labor and social security	39,208	45,769	40,595	48,512
Tax	28,167	25,703	32,591	30,135
Civil	23,880	20,891	27,149	21,113
Total	**91,255**	**92,363**	**100,335**	**99,760**

Labor and social security contingencies refer mainly to cases involving discontinued operations, as well as cases in which the Company is held jointly liable for lawsuits filed against outsourced service providers.

Regarding civil lawsuits classified as possible, the main indemnity lawsuits correspond to material damages, moral damages and pension due to traffic accidents involving carriers subcontracted by the Company.

The main claim was classified as possible, a tax claim deriving from a charge made by ISS inspection in the municipality of Mauá/SP through tax assessment notices issued between December 2017 and January 2018, as of June 30, 2019, the restated amount is R$ 6,827 (R$ 6,460 as of December 31, 2018), based only on revenue earned by branch in Mauá/SP.

Remote losses, not provisioned in the balance sheet

Tax, civil and labor lawsuits for which no provision has been recorded due to the fact that these lawsuits have been classified by Management and its legal advisors as remote losses as of June 30, 2019 totaled R$ 508,942 in parent company (R$ 446,957 as of December 31, 2018) and R$ 515,842 in Consolidated (R$ 454,666 as of December 31, 2018).

The main demand in tax sphere derives from collection made by ISS (tax on services) inspection authorities of the municipality of Mauá/SP, through a tax assessment notice of R$ 428,480 (R$ 402,958 in December 2018), in which the municipality erroneously considered total gross revenue earned by the Company and not only that of Mauá/SP branch, which should be the basis for said inspection. In this context, based on the opinion of the lawyers, the Company considers the amount of R$ 421,653 (R$ 396,498 in December 2018, the change in balance is related to the restatement by applying the IPCA index plus 1% p.m.). In February 2018, the defense of the Company was made in the administrative level, and all additional supporting documentation was presented to the municipality, and since then the finance department of the municipal government of Mauá has not issued any opinion.

In December 2017, the Company identified, with the support of independent specialists, tax opportunities referring to PIS and COFINS credits on expenditures incurred for sub-contracting transportation companies and fixed assets' items in the last 5 years of operation. The Company rectified its Declarations of Federal Tax Debts and Credits (DCTF's) for the purpose of assigning these PIS and COFINS credit values. In 2019, the Company and its subsidiary Tegma Cargas Especiais (TCE) received decisions from the Federal Revenue Service referring to non-homologation of tax debits offset of respective credits. Note that there was no questioning of the merit of credit origin, but a discrepancy when crossing accessory obligations. The Company filed an appeal in the administrative sphere. The Company's advisors classified likelihood of loss as "remote". Value in parent company is R$ 37,649, and R$ 40,401 in consolidated.

15 Income tax and social contribution

The reconciliation between the tax expense as calculated by the combined nominal rates and the income tax and social contribution expense charged to income (loss) is presented below:

	Parent company		Consolidated	
	06/30/2019	06/30/2018	06/30/2019	06/30/2018
Income before income tax and social contribution	**78,711**	**52,675**	**81,635**	**55,415**
Combined nominal rate of income tax and social contribution	34%	34%	34%	34%
Income tax and social contribution at nominal rate	**(26,762)**	**(17,910)**	**(27,756)**	**(18,841)**
Effect of Corporate income tax and social contribution on permanent differences				
Equity in net income of subsidiaries	2,001	1,734	(70)	(221)
Permanent differences	(462)	(520)	(876)	(720)
ICMS credit granted	2,926	2,086	3,180	2,285
Interest on own capital	2,406	3,907	2,406	3,907
Other	315	209	616	356
Income tax and social contribution on income (loss)	**(19,576)**	**(10,494)**	**(22,500)**	**(13,234)**
Current	(16,366)	(10,859)	(18,873)	(13,925)
Deferred assets	(3,210)	365	(3,627)	691
Effective rate	**24.9%**	**19.9%**	**27.6%**	**23.9%**

Breakdown of deferred income tax and social contribution as of June 30, 2019 and December 31, 2018 was as follows:

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Tax loss from recoverable income tax	-	-	10,421	10,286
Negative basis of social contribution	-	-	3,865	3,816
Temporary differences				
Provisions for profit sharing and bonuses	1,547	2,517	1,641	2,682
Estimated loss for allowance for doubtful accounts	27	27	311	999
Provisions for lawsuits	11,023	11,702	14,535	15,111
Provisions for freight payable	954	882	954	882
Provision for toll fees payable	1,066	813	1,295	919
Cut-off provision	1,507	3,518	1,507	3,518
Provision for losses with former subsidiary	-	-	4,546	4,546
Other	5,411	6,078	7,130	7,910
Subtotal	**21,535**	**25,537**	**46,205**	**50,669**
Amortization of tax goodwill (i)	(20,459)	(20,459)	(20,459)	(20,459)
Difference for depreciation rate (ii)	(7,209)	(7,671)	(14,418)	(14,925)
Other	-	-	(1,749)	(1,749)
Subtotal	**(27,668)**	**(28,130)**	**(36,626)**	**(37,133)**
Total	**(6,133)**	**(2,593)**	**9,579**	**13,536**

(i) Refers to deferred income tax and social contribution calculated on the amortization, for tax purposes, of the goodwill arising from the acquisition of Subsidiaries.

(ii) Refers to deferred income tax and social contribution on the difference between the depreciation of property, plant and equipment items calculated for tax and accounting purposes.

The breakdown of deferred income and social contribution tax between assets and liabilities by company is as follows:

				Consolidated
	06/30/2019			
	Assets	**Liabilities**	**Net assets**	**Net liabilities**
Tegma Gestão Logística S.A.	21,535	(27,668)	-	(6,133)
Tegma Logistica de Armazéns Ltda.	2,367	-	2,367	-
Tegmax Comércio e Serviços Automotivos Ltda.	22	-	22	-
Tegma Logística de Veículos Ltda	8,569	-	8,569	-
Tegma Cargas Especiais Ltda.	13,712	(8,958)	4,754	-
Total	**46,205**	**(36,626)**	**15,712**	**(6,133)**

				Consolidated
	12/31/2018			
	Assets	**Liabilities**	**Net assets**	**Net liabilities**
Tegma Gestão Logística S.A.	25,537	(28,130)	-	(2,593)
Tegma Logística de Armazéns Ltda.	1,820	-	1,820	-
Tegmax Comércio e Serviços Automotivos Ltda.	26	-	26	-
Tegma Logística de Veículos Ltda.	8,699	-	8,699	-
Tegma Cargas Especiais Ltda.	14,587	(9,003)	5,584	-
Total	**50,669**	**(37,133)**	**16,129**	**(2,593)**

Changes in deferred income tax and social contribution, net as of June 30, 2019 are as follows:

	Parent company	Consolidated
Balance at December 31, 2018	**(2,593)**	**13,536**
Formation – effect on profit or loss	(3,210)	(3,627)
Deferred taxes on hedge accounting	(330)	(330)
Balance at June 30, 2019	**(6,133)**	**9,579**

As of June 30, 2019, the assets are expected to be realized as follows:

Year	Parent company	Consolidated
2019	4,307	8,951
2020	4,307	9,710
2021	4,307	8,237
2022	4,307	8,484
>2023	4,307	10,823
	21,535	**46,205**

The Company and its Subsidiaries do not have deferred assets to be recognized.

16 Other accounts payable

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Insurance	6,298	5,391	6,373	5,700
Toll fees	3,136	2,395	3,838	2,736
Benefits (i)	3,813	3,193	4,167	3,729
Changes in vehicles and cargo	885	1,308	2,681	2,043
Rental	819	1,648	874	3,227
Consultancy services	1,116	1,393	1,313	1,470
Surveillance	1,698	2,040	2,094	2,341
Sundry maintenance	1,174	1,542	1,474	1,884
Other	1,720	3,084	2,446	7,733
Total	**20,659**	**21,994**	**25,260**	**30,863**

(i) Transportation voucher, meal ticket, basic basket, severance costs, and others.

17 Shareholders' equity

a. Capital

The Company’s capital is fully paid-in, totaling R$ 144,469, divided into 66,002,915 common nominative shares with no par value.

b. Capital reserve – goodwill upon subscription of shares

The Company’s capital reserve is derived as follows: (i) on April 27, 2007, a Shareholders' Meeting approved the formation of a capital reserve - share premium, totaling R$2,245, and (ii) on June 28, 2007, the Company's Board of Directors approved the issue of 9,706,639 registered common shares, with no par value, at an issue price of R$26.00, in the public share offering, with the allocation of R$47,757 to the Capital caption, and R$204,616 to the Capital reserve, as provided for in the sole paragraph of Article 14 of the Brazilian Corporate Law.

Due to cancellation, on December 16, 2008, of 2,547,145 common shares issued by the Company and held in treasury, in the amount of R$32,806, balance on June 30, 2019 and December 31, 2018 is R$174,055.

c. Legal and profit retention reserve

The legal reserve is formed annually by the allocation of 5% of net income for the year, and may not exceed 20% of the Company's capital. The purpose of the legal reserve is to guarantee that the capital is paid up and it is used solely to offset losses and/or increase capital. Profit retention reserve refers to retained income remaining balance intended to aid business growth project established in the Company's investment plan, according to capital budget proposed by management and to be decided in the Annual Shareholders Meeting, in compliance with Article 196 of the Brazilian Corporate Law.

d. Treasury shares

As of June 30, 2019 and December 31, 2018, the balance of treasury shares corresponds to 65,143 common shares totaling R$ 342.

e. Dividends and interest on own capital

After offsets and deductions set forth in law and bylaws, net income for each fiscal year shall be allocated as follows: (i) 5% for legal reserve, until reaches 20% of paid-up capital and (ii) 25% of balance, after allocation of legal reserve, shall be allocated to pay mandatory minimum dividend to all shareholders.

The dividends above such limit are separated in a specific account in shareholders’ equity called "Proposed additional dividend". When resolved by the Board of Directors, interest on own capital are computed to dividends for the period.

In the meeting of the Board of Directors held on February 11, 2010, the adoption of the dividend allocation policy of the Company was approved, so that future dividend distributions, including interest on own capital, are made at an amount at least equivalent to 50% (fifty percent) of net income for the year, calculated as provided in art. 193 to 203 of Law 6404/76, as amended, the Brazilian accounting practices and the rules of the Brazilian Securities Exchange Commission.

The calculation of dividends for 2018 is as follows:

	2018
Net income for the year	108,249
Legal reserve	-
Calculation basis	108,249
Minimum compulsory dividend 25 %	27,062
Interim dividends	27,483
Interest on own capital - interim	9,161
Interest on own capital - supplementary	7,077
Complementary dividends	21,229
% on calculation basis	60%

In the meeting of the Board of Directors held on August 7, 2018, the distributions of interim dividends in the amount of R$ 15,818 and interim interest on own capital in the amount of R$ 5,272 for the year 2018, both paid on August 22, 2018.

In the meeting of the Board of Directors held on November 8, 2018, the distributions of interim dividends and interest on own capital in the amount of R$ 11,665 and interim interest on own capital in the amount of R$ 3,889 were approved, both paid on November 26, 2018.

Annual Shareholders' Meeting held on April 24, 2019 approved Management proposal for destination of net income for the year ended December 31, 2018, which resulted in distribution of supplementary dividends and interest on own capital to the Company's shareholders in the amount of R$ 28,306, being R$ 21,229 dividends and R$ 7,077 interest on capital, both paid on May 7, 2019.

f. Stock option plan

The Special Shareholders' Meeting, held on December 15, 2011, approved the Company's Stock option Plan to Company's executives. Actions that are the object of the Plan must derive from: (i) issuance of new common shares, within capital limit authorized by the Company, according to decision of the Board of Directors; and/or (ii) common shares held in treasury.

Currently, there is no stock option plan in place.

18 Information per business segment

The Company classifies its business analyses into: (i) automotive logistics, division engaged in the transfer and distribution of zero-kilometer and used vehicles, port transfers and management of inventories and yards for car manufacturers and services to prepare vehicles for sale, comprised by the Parent Company and its Subsidiaries Tegmax Comércio e Serviços Automotivos Ltda., Tech Cargo Plataforma de Transportes Ltda., Tegma Logística de Veículos Ltda. and Niyati Empreendimentos e Participações Ltda., and into (ii) integrated logistics, division that is engaged in transporting, storing, managing inventory, to several market segments such as chemical, appliances and consumables comprised of its subsidiaries comprised by its Subsidiaries Tegma Cargas Especiais Ltda., Tegma Logística de Armazéns Ltda. and parent company. In 2018, the Company opened the startup accelerator called TegUP (TegUp Inovação e Tecnologia Ltda.). For disclosure purposes, we considered it in the integrated logistics division.

Starting as of February 2018, the Company no longer considers Tegma Logística Integrada S.A. as a direct investment due to creation of joint venture “GDL”, which is engaged in providing general and bonded warehouse services in Cariacica, Espírito Santo State, ES. Beginning as of that date, GDL became direct parent company of Tegma Logística Integrada S.A.; accordingly, GDL equity change started to be accounted for in the Company’s equity in investees.

						Consolidated
	Automotive logistics		**Integrated Logistics**		**Total**	
	06/30/2019	**06/30/2018**	**06/30/2019**	**06/30/2018**	**06/30/2019**	**06/30/2018**
Net revenue from services	553,012	478,451	75,257	76,897	628,269	555,348
Costs	(417,633)	(375,197)	(51,988)	(61,933)	(469,621)	(437,130)
Operating expenses	(44,225)	(42,395)	1,050	(1,222)	(43,175)	(43,617)
Expenses with depreciation and amortization (i)	(7,885)	(10,002)	(5,087)	(5,818)	(12,972)	(15,820)
Amortization - Right to use (ii)	(8,169)	-	(7,904)	-	(16,073)	-
Financial expenses	(8,352)	(7,958)	(1,391)	(435)	(9,743)	(8,393)
Financial revenues	4,436	3,134	721	2,544	5,157	5,678
Equity in net income of subsidiaries	1,517	(651)	(1,724)	-	(207)	(651)
Income tax and social contribution	(19,866)	(10,761)	(2,634)	(2,473)	(22,500)	(13,234)
Net revenue for the period	52,835	34,621	6,300	7,560	59,135	42,181

	Automotive logistics		**Integrated Logistics**		**Total**	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**	**06/30/2019**	**12/31/2018**
Current assets	310,067	295,821	40,653	41,690	350,720	337,511
Non-current assets	474,510	416,219	74,665	55,703	549,175	471,922
Total assets	784,577	712,040	115,318	97,393	899,895	809,433
Current liabilities	115,887	159,528	27,749	11,114	143,636	170,642
Non-current liabilities	216,111	144,471	24,308	9,948	240,419	154,419
Total liabilities	331,998	303,999	52,057	21,062	384,055	325,061

(i) (i) R$ 11,115 refer to the portion of depreciation attributed to the cost of services and R$ 1,857 attributed to general administrative expenses in June 2019 (R$ 14,139 and R$ 1,681, respectively, in June 2018), according to Note 10.

(ii) R$ 15,670 refer to the portion of depreciation attributed to the cost of services and R$ 403 attributed to general administrative expenses in June 2019, according to Note 26.

Revenues from the four largest clients represented approximately 68% of total revenues.

The services rendered by the automotive and integrated logistics segments are rendered to clients based in national territory.

19 Net revenue from services rendered

The reconciliation of gross revenue to net revenue from services rendered is as follows:

	Parent company		Consolidated	
	06/30/2019	**06/30/2018**	**06/30/2019**	**06/30/2018**
Gross revenue from services	687,861	611,608	773,613	683,248
Discounts, insurance and toll fees	(37,289)	(35,653)	(38,890)	(36,106)
	650,572	**575,955**	**734,723**	**647,142**
Taxes levied	(94,711)	(80,989)	(106,454)	(91,794)
Net revenue from services	**555,861**	**494,966**	**628,269**	**555,348**

20 Expenses per type

	Parent company		Consolidated	
	06/30/2019	**06/30/2018**	**06/30/2019**	**06/30/2018**
Cost of services rendered	(433,247)	(398,258)	(496,406)	(451,269)
General and administrative expenses	(31,672)	(29,804)	(32,418)	(30,951)
Management remuneration	(6,459)	(5,593)	(6,459)	(5,593)
Commercial expenses	(246)	(255)	(246)	(255)
Total	**(471,624)**	**(433,910)**	**(535,529)**	**(488,068)**

	Parent company		Consolidated	
	06/30/2019	**06/30/2018**	**06/30/2019**	**06/30/2018**
Freight services – aggregated	(370,530)	(340,126)	(397,889)	(353,729)
Salaries	(36,444)	(32,668)	(41,627)	(38,843)
Social charges	(19,911)	(18,374)	(23,352)	(22,254)
Outsourced services	(19,307)	(19,018)	(22,454)	(22,376)
Rentals and lease (i)	(3,913)	(10,578)	(4,506)	(18,582)
Depreciation and amortization	(9,449)	(12,199)	(12,972)	(15,820)
Amortization - Right to use	(10,094)	-	(16,073)	-
Employee benefits	(11,413)	(9,248)	(13,794)	(12,009)
Variable costs	(4,177)	(6,336)	(14,091)	(14,184)
Other overhead expenditures	(4,618)	(4,044)	(6,161)	(6,038)
Maintenance	(6,182)	(5,613)	(8,616)	(7,997)
Fuels and lubricants	(4,157)	(4,188)	(4,380)	(4,484)
Utilities	(1,980)	(1,586)	(2,869)	(2,575)
Communication	(1,221)	(1,145)	(1,436)	(1,399)
Other personnel expenditures	(2,969)	(523)	(3,399)	(1,001)
Termination costs	(1,330)	(1,040)	(1,844)	(1,245)
Material	(1,252)	(956)	(1,886)	(1,665)
Expenses with travel	(853)	(911)	(853)	(914)
Misplacement indemnity	(146)	(414)	(151)	(476)
Contributions and donations	(355)	(594)	(385)	(596)
Contractual fines	(2)	(473)	(2)	(473)
PIS/Cofins tax credits	38,679	36,124	43,211	38,592
Total	**(471,624)**	**(433,910)**	**(535,529)**	**(488,068)**

(i) On June 30, 2019, indicated amounts refer only to contracts exempt from IFRS 16 application. Contracts subject to the new standard, as mentioned in note 26, would total additional expenses of R$ 11,392 in the Parent Company and of R$ 17,948 in Consolidated.

21 Other net expenses

	Parent company		Consolidated	
	06/30/2019	**06/30/2018**	**06/30/2019**	**06/30/2018**
Recovery of expenses (i)	1,063	348	2,107	1,581
Inventory adjustments	-	-	(19)	(43)
Gain (loss) on sale of fixed assets, net	31	(359)	(48)	(428)
Bad debt losses	1	52	1,416	347
Formation of provisions for lawsuits and indemnities paid	(7,516)	(8,522)	(8,999)	(14,098)
Loss in the write-off of goodwill (ii)	-	(2,527)	-	(2,527)
Fair value upon investment transfer (iii)	-	1,842	-	1,842
Other	(871)	789	(769)	4,827
Other net (expenses)	**(7,292)**	**(8,377)**	**(6,312)**	**(8,499)**

(i) Refer to onlendings of fixed operating costs of areas sub-rented to clients.

(ii) Goodwill balances recognized upon acquisition of former subsidiary Tegma Logística Integrada S.A., which were written-off due to joint venture formation, as described in note 2 item (i).

(iii) Amount referring to evaluation made by independent advisors of Tegma Logística Integrada S.A. assets fair value, which was the object of joint venture formation, as described in note 2 item (i).

22 Net financial revenues (expenses)

	Parent company		Consolidated	
	06/30/2019	**06/30/2018**	**06/30/2019**	**06/30/2018**
Financial revenues				
Asset interest	1,315	1,015	1,838	1,248
Revenue from interest earning bank deposits	2,927	1,718	3,228	4,313
Exchange gains	132	117	91	117
Total	**4,374**	**2,850**	**5,157**	**5,678**
Financial expenses				
Negative income (loss) from swap operation	(641)	-	(641)	-
Interest on bank financings	(4,692)	(6,573)	(4,692)	(6,744)
Bank expenses	(820)	(795)	(838)	(811)
Exchange losses	-	(80)	-	(84)
Interest on financial lease	(1,853)	-	(2,923)	-
Liability interest	(250)	(299)	(347)	(404)
Other financial expenses	(238)	(208)	(302)	(350)
Total	**(8,494)**	**(7,955)**	**(9,743)**	**(8,393)**
Net financial revenues (expenses)	**(4,120)**	**(5,105)**	**(4,586)**	**(2,715)**

23 Earnings per share

a. Basic earnings per share

Basic earnings per share is calculated by dividing net income attributable to Company’s shareholders by the weighted average number of common shares issued during the period:

	06/30/2019	**06/30/2018**
Income attributable to Company's shareholders	59,135	42,181
Weighted average number of outstanding common shares (thousands)	65,938	65,938
Basic earnings per share - R$	**0.90**	**0.64**

b. Basic and diluted balance

Diluted profit per share is calculated by adjusting the weighted average number of common shares, presuming the conversion of all the potential diluted common shares.

As of June 30, 2019 and June 30, 2018, the Company did not have any dilution factor in relation to the basic. Accordingly, diluted earnings per share on June 30, 2019 and June 30, 2018 is equal to basic earnings per share of R$ 0.90 and R$ 0.64, respectively.

24 Related parties

During the normal course of its business, the Company carries out transportation operations, rental of properties, delivery and Pre-Delivery Inspection - PDI with related parties at prices, and with terms, financial charges and other conditions compatible with those of the market conditions. The Company also apportions costs and operating expenses.

Main related party transactions are:

(i) The Company maintains a contract for the provision of services such as storage, transportation, review and delivery of vehicles, as well as review, delivery, and Pre-Delivery Inspection (PDI) with some companies of Itavema Group that are directly and/or indirectly related to the Company, by means of Parent Company Mopia Participações e Empreendimentos Ltda ("Mopia");

(ii) The Company has with Sinimbu Participações Societárias e Empreendimentos S.A. ("Sinimbu") company related to the indirect majority shareholders of the Company, and indirectly to the companies of the Company's control group, Mopia Participações e Empreendimentos Ltda. ("Mopia") and Cabana Empreendimentos e Participações Ltda. ("Cabana"), a rental contract of the business property located in São José dos Campos/SP; thus, this contract is included in standard CPC 06 (R2) Lease

(iii) The Company maintains with Pactus Empreendimentos e Participações Ltda., company jointly-controlled by the Company, a contract for rent of commercial properties located in São Bernardo do Campo, SP and Gravataí, RS; thus, this contract is included in the new standard CPC 06 (R2) Lease;

(iv) Due to adhesion to Special Program for Tax Regularization (PERT) in October 2017, and aiming at settling its debts, in January 2018, the Company used part of credits deriving from tax losses and Social Contribution on Net Income negative basis (CSLL) of its subsidiary Tegma Logística de Veículos Ltda. (R$ 4,086), settled in 2019.

(v) Due to adhesion to Special Program for Tax Regularization (PERT) in October 2017, and aiming at settling its debts, in January 2018, the Company used part of credits deriving from tax losses and Social Contribution on Net Income negative basis (CSLL) of its subsidiary Tegma Cargas Especiais Ltda. (R$ 501) settled in 2019.

(vi) According to negotiation between the Company and Holding Silotec to form the joint venture, part of former subsidiary Tegma Logística Integrada S.A. assets should be reimbursed to Tegma Gestão Logística S.A as they are realized. Likewise, Tegma Gestão Logística S.A. should pay part of the liabilities. Moreover, part of the amounts negotiated in the formation of the joint venture was received in May 2019.

The Company provides to Renove Corretora de Seguros Ltda., company related to the Company's indirect controlling shareholders, and indirectly to entity of the Company's control group, Mopia Participações e Empreendimentos Ltda. ("Mopia"), insurance administrative services; these services are not remunerated by Tegma.

	Parent company		Consolidated	
	06/30/2019	**12/31/2018**	**06/30/2019**	**12/31/2018**
Current assets				
Itavema group (i)	179	565	179	565
Cisa Trading S.A. (iv)	-	1	-	1
Coimex Empreendimentos e Participações Ltda.	-	-	34	34
Cia de Transportes e Armazéns Gerais	-	-	-	49
Tegma Logística Integrada S.A.	2,635	2,648	2,785	3,477
Tegma Cargas Especiais Ltda.	1,182	9	-	-
Tegma Logística de Armazéns Ltda.	410	7	-	-
Tegma Logística de Veículos Ltda	339	952	-	-
Frete Rápido Desenvolvimento de Tecnologia Logística S.A.	-	-	2	-
Total current assets	**4,745**	**4,182**	**3,000**	**4,126**
Non-current assets				
Tegma Logística Integrada S.A. (vi)	3,371	15,626	3,371	15,626
Total assets	**8,116**	**19,808**	**6,371**	**19,752**
Current liabilities				
Tegma Logística de Armazéns Ltda	90	77	-	-
Tegma Logística Integrada S.A. (vi)	979	1,064	1,023	1,865
Tegma Logística de Veículos Ltda (iv)	40	5,461	-	-
Tegma Cargas Especiais Ltda (v)	319	508	-	-
Niyati Empreendimentos e Participações Ltda	-	313	-	-
Pactus Empreendimentos e Participações Ltda. (iii)	-	360	-	360
Sinimbu Participações Societarias e Empreendimentos S.A. (ii)	-	86	-	86
Frete Rápido Desenvolvimento de Tecnologia Logística S.A.	-	-	2	-
Subtotal	**1,428**	**7,869**	**1,025**	**2,311**
Lease				
Niyati Empreendimentos e Participações Ltda	3,746	-	-	-
Tegma Logística Integrada S.A.	457	-	457	-
Pactus Empreendimentos e Participações Ltda. (iii)	2,309	-	2,309	-
Sinimbu Participações Societárias e Empreendimentos S.A.)	1,099	-	1,099	-
Subtotal	**7,611**	**-**	**3,865**	**-**
Total current liabilities	**9,039**	**7,869**	**4,890**	**2,311**

	Parent company		Consolidated	
	06/30/2019	12/31/2018	06/30/2019	12/31/2018
Non-current liabilities				
Tegma Logística Integrada S.A. (vi)	2,445	1,958	2,445	1,958
Subtotal	**2,445**	**1,958**	**2,445**	**1,958**
Lease				
Niyati Empreendimentos e Participações Ltda	6,998	-	-	-
Tegma Logística Integrada S.A.	1,096	-	1,096	-
Sinimbu Participações Societárias e Empreendimentos S.A.)	5,074	-	5,074	-
Subtotal	**13,168**	**-**	**6,170**	**-**
Total liabilities	**24,652**	**9,827**	**13,505**	**4,269**

	Parent company		Consolidated	
Income (loss)	06/30/2019	06/30/2018	06/30/2019	06/30/2018
Revenue from services rendered				
Itavema group	759	883	759	883
Cisa Trading S.A.	-	973	-	1,925
Tegma Logística Integrada S/A	-	2	-	-
Frete Rápido Desenvolvimento de Tecnologia Logística S.A.	-	-	3	-
Other operating revenues				
Itavema group	61	68	61	68
Tegma Logística Integrada S/A	156	316	305	291
Tegma Cargas Especiais Ltda.	81	44	-	-
Tegma Logística de Armazéns Ltda.	121	49	-	-
Tegma Logística de Veículos Ltda.	565	-	-	-
	1,743	**2,335**	**1,128**	**3,167**
General and administrative expenses				
Niyati Empreendimentos e Participações Ltda	(2,013)	(1,861)	-	-
Tegma Logística Integrada S/A	(512)	(1)	(542)	(330)
Tegma Cargas Especiais Ltda.	(36)	(3)	-	-
Tegma Logística de Armazéns Ltda	(292)	(309)	-	-
Tegma Logística de Veículos Ltda.	(317)		-	-
Pactus Empreendimentos e Participações Ltda. (iii)	(2,234)	(2,157)	(2,234)	(2,157)
Sinimbu Participações Societárias e Empreendimentos S.A. (ii)	(759)	(1,346)	(759)	(1,346)
Coimex Empreendimentos e Participações Ltda.	(135)	-	(135)	(210)
Itavema group	(12)	-	(12)	-
Frete Rápido Desenvolvimento de Tecnologia Logística S.A.	(4)	-	(32)	-
	(6,314)	**(5,677)**	**(3,714)**	**(4,043)**

Remuneration of key management personnel

Key management personnel includes the CEO, Board members, statutory officers, and, possibly, people related to indirect controlling shareholders. Remuneration paid or payable due to employee services is as follows:

	Parent company and Consolidated	
	06/30/2019	**06/30/2018**
Salaries and charges	(3,849)	(3,104)
Directors' fees (Board members)	(1,409)	(1,411)
Profit sharing	(1,201)	(1,078)
	(6,459)	**(5,593)**

25 Insurance

The Company and its subsidiaries maintain insurance and contracted coverage, as indicated below, is considered sufficient by management to cover possible risks on its assets and/or responsibilities:

(a) Cargo transportation – variable coverage up to R$1,700, depending on transportation nature and type, for general cargo and for vehicles according to the model that is being transported.

(b) With the creation of the joint venture, mentioned in Note 2 item i, it is necessary to change the commodity warehousing policy coverage. This coverage, in a variable way, according to location and type of goods, was stipulated in the amount of US$ 50,000.

(c) Civil liabilities against third parties, material damage, personal injuries, pain and suffering, and personal accidents – coverage of up to R$1,000; and in case of third parties' fleet, coverage is the same.

(d) Supporting fleet – hull, collision, theft and fire - 100% of market value, FIPE table.

(e) Other property, plant and equipment assets, fire, lightning, explosion, aggravated theft, electric damages and other – corporate comprehensive coverage of R$ 65,120.

(f) Management civil liability - coverage of R$ 63,000.

The Company's management - considering financial costs involved in contracting insurance for its truck and semi-trailers fleet, as well as the probability of claims and their possible financial impact on operations - adopts the policy of not contracting this protection, though maintaining insurance for civil liability against third parties, as previously mentioned.

26 Leases

Beginning as of January 1, 2019, IFRS 16/ CPC 06 (R2) Lease Transactions became effective and established a new methodology for lease evaluation, replacing IAS 17. For lessors, bookkeeping remained similar to prior standard, but a new model was established for lessees.

A lease is identified if there is a transfer of the right to control the use of a particular asset for a period of time in return for a consideration.

Based on this finding, lessees shall measure and record the lease agreement on their balance sheet, while the lease liability is recognized at the present value of its payments at a discount rate and the right-of-use asset is recognized in an amount equivalent to such liability. The rate adopted by the Company is fixed and specific to each contract. The CDI (Interbank Deposit Certificate) curve is considered to form this rate, based on the term of each lease agreement (new or renewal) plus a spread based on the company's indebtedness spread on the renewal or closing date of each new agreement.

Accordingly, the right-of-use assets are now amortized on a straight-line basis following the guidelines of CPC 27 - Fixed assets, while lease liabilities bear interest expense, net of payment of the consideration.

The standard provides for exemptions in the applicability for short-term leases and low-value assets involved in the operation.

The main leases related to the new rule identified by the Management are real estate of third parties and equipment linked to the operation and the method adopted was the modified method on retrospective basis.

Changes in right-of-use asset are as follows:

				Parent company
	Real estate	**Vehicles**	**Machinery and equipment**	**Total**
Net balances at December 31, 2018	-	-	-	-
Changes				
Initial adoption	42,207	2,158	689	45,054
Addition	23,819	220	-	24,039
Amortization	(9,349)	(615)	(130)	(10,094)
Net balances as of June 30, 2019	**56,677**	**1,763**	**559**	**58,999**

				Consolidated
	Real estate	**Vehicles**	**Machinery and equipment**	**Total**
Net balances at December 31, 2018	-	-	-	-
Changes				
Initial adoption	61,358	2,275	4,454	68,087
Addition	29,660	233	-	29,893
Write-offs	(212)	-	(67)	(279)
Amortization	(13,984)	(644)	(1,445)	(16,073)
Net balances as of June 30, 2019	**76,822**	**1,864**	**2,942**	**81,628**

Changes in lease liability for 2019 are as follows:

	Parent company	Consolidated
Balance at December 31, 2018	**-**	**-**
Initial adoption	45,054	68,087
Additions	24,039	29,893
Write-offs	-	(279)
Recognized interest	1,853	2,923
Payment of principal	(7,272)	(12,054)
Interest payment	(1,477)	(2,375)
Balance at June 30, 2019	**62,197**	**86,195**
Current	16,236	29,052
Non-current	45,961	57,143
	62,197	86,195
Balance with third parties	41,418	76,160
Balance with related parties	20,779	10,035
	62,197	86,195

27 Cash flow supplementary information

The preparation and presentation of statements of cash flows, based on indirect method, is carried out in accordance with the accounting pronouncement CPC 03 (R2) – Statements of Cash Flows.

Additional information is as follows

	Parent company	Consolidated
Acquisition of PP&E 2019 - not paid	(1,024)	(1,024)
Paid prior years' acquisition of property, plant and equipment – in installments	-	140
Acquisition of property, plant and equipment in 2018 - paid	1,315	3,395
Acquisition of intangible assets 2019 - not paid	(11)	(11)
Acquisition of intangible assets in 2018 - paid	134	435
Offset of current income tax and social contribution	(909)	(872)
Deferred taxes on hedge accounting	330	330
Initial adoption of IFRS 16	45,054	68,087
Additions IFRS 16	24,039	29,893
Write-offs IFRS 16	-	279

28 Subsequent events

On July 15, 2019, the final and unappealable judgment of Tegma Gestão Logistica's lawsuit was handed down, retroactive to the year 2003, which determines the exclusion of ICMS from the PIS and COFINS calculation basis. The effects of said decision are being assessed by the Company.