Tegma Gestão Logística SA

Earnings release

2017 fourth quarter and full year

São Bernardo do Campo, March 20th, 2018

Highlights

Page

- The **number of vehicles transported** in 2017 has improved 11% [7% in 4Q17] compared to the previous year due to an improvement of domestic and export sales. 3
- 2017 and 4Q17 **gross revenue** growth reflected mainly the improvement in the number of vehicles transported in the period. 4
- **2017 adjusted EBITDA** was R$ 134.8 million [R$ 44.7 million in 4Q17], higher than previous year, driven by better operating results of both divisions. 6
- **Net income** in 2017 was R$ 103.8 million [R$ 59.0 million in 4Q17], higher than 2016, positively driven by revenue growth, cost and expense control, and positive non-recurring events that totaled R$ 40.8 million in the year and R$ 31.0 million in the quarter. 7
- **Free cash flow** in 2017 was R$ 61.6 million [R$ 11.9 million in 4Q17] higher than 2016 FCF due to better operating results. 10
- Tegma's **return on invested capital (ROIC)** in 2017 was 23.0%, vs an after-tax cost of debt of 6%. 12
- The management has proposed the payment of **additional dividends** related to the 2017 financial year in the amount of R$ 38.9 million [R$ 0.59 per share] 14

			Chg % vs		
Operational and financial highlights	**4Q17**	**2017**	**4Q16**	**3Q17**	**2016**
Net revenue (R$ million)	319.5	1,084.0	25.5%	11.8%	17.3%
Operating income (R$ million)	54.1	109.5	111.1%	93.6%	86.0%
EBITDA (R$ million)	61.5	137.6	89.4%	74.5%	54.7%
Adjusted EBITDA	44.7	134.8	37.5%	9.0%	51.5%
Adjusted EBITDA Margin %	*14.0%*	*12.4%*	*1.2 p.p.*	*-0.4 p.p.*	*2.8 p.p.*
Net income (R$ million)	59.0	103.8	3.7 p.p.	285.7%	6.5 p.p.
Net margin %	*18.5%*	*9.6%*	*13.5 p.p.*	*13.1 p.p.*	*8.1 p.p.*
Earnings per share (R$)	0.89	1.57	368.9%	285.7%	650.4%
Free cash flow (R$ million)	11.2	60.8	1,265.7%	-2.3%	18%
CAPEX (R$ million)	(4.1)	(25.2)	-34.7%	-29.8%	-19.0%
Vehicles transported (in thousand)	211.4	754.3	7.1%	8.2%	10.8%
Market Share %	*27.4%*	*26.7%*	*-3.1 p.p.*	*1.5 p.p.*	*-2.4 p.p.*
Average Km per vehicle transported	966.1	946.4	9.0%	-1.2%	-0.2%

Result presentation *Presentation audio*

Click here for our Financial historical and explanatory notes in EXCEL.
Click here for this report's spreadsheets in EXCEL.

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Board comments

The economic crisis in Brazil was profound and markedly affected our main market, the automotive segment, which shrank 45%. During this period the company has rethought its processes and its costs, becoming leaner and more competitive. The year 2017, was, finally, the first one that allowed us to reap some fruits of all efforts undertaken in that period. We went through the crisis with our business divisions well positioned in their niche markets and with increasing levels of profitability. From the standpoint of capital structure, we have a comfortable level of leverage and the remaining gross debt is adequately stretched. Finally, we have implemented in 2017 an unprecedented initiative in the logistics of Brazil through a start-up accelerator, TegUp.

The production of brand new vehicles in 2017 has showed its **first growth after three years of decline** driven by better entrepreneur and consumer confidence and better credit conditions, as well as more conditions that are favorable for exports. At Tegma, we believe that in 2017 we have **achieved an important goal of controlling costs and expenses**. However, we still have continuous challenges given the forecast of continued growth in vehicle production in 2018 and beyond. The increased productivity of the vehicle logistics division, through new budgetary controls that is going to be implemented throughout 2018, will continue to be a priority so that the company can continue to capture the recovery of the economy with high quality services and profitability.

In integrated logistics we also have reasons to celebrate. The year of 2017 was the fourth consecutive year we have reported positive adjusted EBITDA and the **first one to report a positive operating profit in five years**! These results are a consequence of the selection of contracts that have occurred in the last three years, the restructuring of warehouses and the costs control. We announced the **creation of a JV for our Cariacica bonded warehouse operation**, which will reap synergies to positively contribute to the results and return of the division.

In 2017, we also had the initiative of **lengthening our debts** so we would not need cash in an election year, despite the confidence that our cash flow will remain consistent with all cost cutting work done.

We believe in the solidity of the Brazilian economy and that the necessary adjustments are being implemented within the possible pace, which will give confidence to Brazilians, allowing us to finally have sustainable growth in the future.

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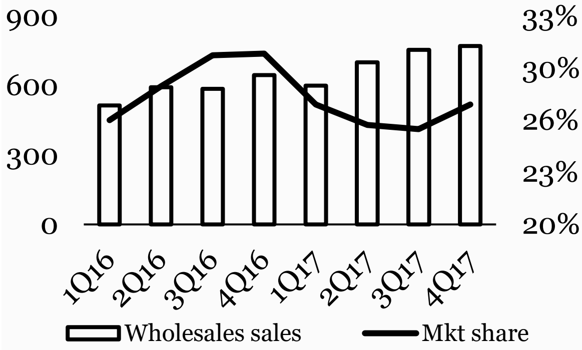
Operational highlights– Automotive division (DLV)

Chart 1 - Wholesale sales and Tegma market share

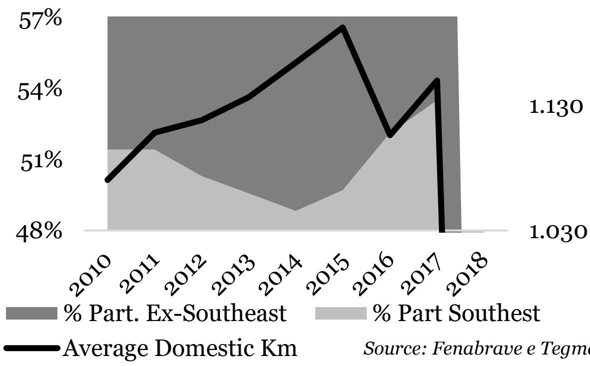


Source: ANFAVEA, Bacen e Tegma

2017 was a year marked by the consistent recovery of sales and production of vehicles in Brazil. After three years of downturn as a result of the severe economic crisis, the recovery of consumer confidence, improvement of financing for the auto sector and **corporate sales** boost contributed to a 9.4% increase in **domestic sales** in 2017 vs. 2016 [13.6 % in 4Q17 YoY]. In addition to the domestic sales recovery, the 50% **export** growth [26% in 4Q17 YoY] in 2017 compared to 2016 due to Brazil's multilateral agreements with Latin American neighbors and the exchange rate, explain the 25% growth of **production** in 2017 [19.3% in 4Q17] in the annual comparison.

The number of **vehicles transported** by Tegma increased by 10.8% in 2017 [7.1% in 4Q17] in the year-over-year comparison, a growth 2.4 p.p. lower than wholesale sales, therefore, resulting in a loss of market share vs. the same period of previous year [-3.1 p.p. in 4Q17]. The main reasons for this market share reduction in the quarter continue to be the mix of costumers and the lower sales performance of the southern region, in which we have a relevant volume share.

Chart 2 – National regional share vehicle sales and Tegma domestic average distance (in km)



Source: Fenabrave e Tegma

After two years of decrease in **the average domestic distance**, in 2017 there was an increase, despite the continuous concentration of vehicle sales in the country's southeast region (chart 2). The growth in the average distance from exports is due to the fact that there have been more direct deliveries to Mercosur countries than compared to ports.

			Chg % vs		
	4Q17	**2017**	**4Q16**	**3Q17**	**2016**
Vehicles and light commercial sales	**786.5**	**2,900.6**	**16.4%**	**2.8%**	**17.1%**
Domestic	599.9	2,176.0	13.6%	2.9%	9.4%
Exportations	186.6	724.6	26.4%	2.6%	48.2%
A - Estimated wholesale sales	**772.2**	**2,828.8**	**19.4%**	**2.2%**	**20.8%**
(+) Production of vehicles and light commercial	684.4	2,596.1	19.3%	-1.5%	25.0%
(+) Importation of vehicles	77.9	253.1	23.5%	30.5%	6.7%
(-) OEM's inventories change	(9.9)	20.4	-	-	-
B - Vehicles transported	**211.4**	**754.3**	**7.1%**	**8.2%**	**10.8%**
Domestic	168.9	593.7	5.4%	5.4%	4.0%
Exportations	42.5	160.6	14.7%	21.2%	45.8%
Market share (B / A) %	*27.4%*	*26.7%*	-3.1 p.p.	1.5 p.p.	-2.4 p.p.
Average km per vehicle transported	**966.1**	**946.4**	**9.0%**	**-1.2%**	**-0.2%**
Domestic	1,159.4	1,149.5	9.3%	1.4%	3.9%
Exportations	198.7	195.8	47.5%	-10.5%	47.9%

Source: ANFAVEA e BACEN *(in thousands, except average Km)*

4Q17 Non-recurring events

Troughout 2017, we have made several balance sheet adjustments that have impacted our income statement in a comprehensive manner, resulting in a **net positive impact on EBITDA** of R$ 2.8 million in 2017 [positive R$ 16.9 million in 4Q17] and a **positive effect on net income** of R$ 40.8 million in the year [R$ 31.0 million in 4Q17]. Below are described the events that have impacted the 4Q17 results, wich, to compose those of 2017, are added to the 9M17 non recurring events in Annex I (following on from the numbering of previous adjustments).

6. In 4Q17 we recorded another provision for loss on receivables in the same amount as that recorded in 3Q17, of R$ 5.7 million, arising from the spin-off of the former subsidiary Direct Express, wich was sold in 2014, affecting the **general and administrative expenses.** With this entry, there is no remaining balance for this subject.

7. In December 2017, we reviewed the legislation governing the **non-cumulative basis of PIS and COFINS tax**. In addition, we also reviewed the credits on taxes on investments made.

These initiatives have resulted in the recognition of **tax credits in the costs of service provided in 4Q17 in the amount of R$ 29.2 million** and the respective monetary update of R$ 8.2 million, positive in the financial results.

Both tax credits will be used to compensate federal taxes payments.

8. In December 2017, we concluded the revaluation work over the methodology used to calculate provisions for labor claims, resulting in an increase of R$ 6.6 million in provisions.

Non-recurring events	4Q17		
	Auto Log.	Int. Log	Consol.
Gross Revenue	-	-	-
Deductions from Gross Revenue	-	-	-
Net Revenue	-	-	-
(-) Cost of services provided	24.1	5.1	29.2
(7) PIS/COFINS tax credit adjustments	24.1	5.1	29.2
Gross profit	**24.1**	**5.1**	**29.2**
General and Administrative Expenses	-	(5.7)	(5.7)
(6) Direct account receivable provision	-	(5.7)	(5.7)
Other net income (expenses)	(5.0)	(1.7)	(6.6)
(8) Change in contingencies criteria	(5.0)	(1.7)	(6.6)
Operating profit / EBITDA	**19.1**	**(2.3)**	**16.9**
Financial result	11.6	1.4	13.0
(7) Monetary update PIS/COFINS tax credit adjustments	7.2	1.1	8.2
(9) PERT	4.4	0.4	4.8
Profit before IR and CS	**30.7**	**(0.8)**	**29.9**
Income tax and social contribution	(5.4)	6.5	1.1
(6) Income tax under Direct's account receivables provision	-	1.9	1.9
(7) Income tax under PIS/COFINS tax credit adjustments	(10.8)	(2.1)	(12.9)
(8) Income tax under change in contingencies criteria	1.4	0.3	1.8
(9) Income tax under PERT	(0.4)	(0.4)	(0.8)
(10) Recognition of deferred tax losses - TCE	-	6.4	6.4
(11) Deferred amortization of goodwill	2.6	-	2.6
(12) Presumed ICMS tax credit - investments	4.1	0.4	4.5
(13) Income tax under discontinued operations account receivables write-off	(2.3)	-	(2.3)
Net profit/loss	**25.3**	**5.7**	**31.0**

9. In 2015 and 2016, we recognized a provision for tax installment that would be paid through the PRORELIT program (Program for the reduction of tax litigations). In October 2017, the PRORELIT rejected it, because of variances in calculating the debit value. In the same period, the government provided the Special Tax Regularization Program (PERT) to settle debts recognized, referring to the processes under administrative discussion, which provided a 90% reduction in interest and 70% reduction in fines. Since PRORELIT did not **reduce interest and fines**, the adhesion to PERT has **reduced the 2014 and 2015 liabilities** in the amount of R$ 4.8 million.

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10. After reviewing the company's deferred income tax, an unrecorded balance was indentified for the amount of R$ 6.4 million in the subsidiary Tegma Cargas Especiais (chemical operations). As a result, a deferred tax asset was recognized, which positively impacted the **income tax** for the same amount.

11. After a review work, it was found that there **was impairment without the due recognition of the deferred tax asse**t for the amount of R$ 2.6 million on the income tax line.

12. The presumed credit or ICMS tax credit is a tax benefit granted by the states that positively impacts net income, increasing taxable income. Corporate income tax legislation already provided for the non-taxation of income related to investment subsidies. With the publication of supplementary law 160/17, there was a change in the understanding, in which ICMS tax benefits granted by the states would now be considered investment subsidies. With support in the legal provision, in Dec/17 we excluded the total credit amount of ICMS granted from the income tax calculation base, generating a positive impact in the **income tax** of R$ 4.5 million.

13. In 4Q17 we made an account receivables write-off (already provisioned) arising from the disposal of the former subsidiary Direct Express in the amount of R$ 16.2 million, of which the non-deductible amount of income tax based on legislation is only R$ 6.6 million. With this, the income tax position recorded in our Income Statement is down R$ 2.3 million. On the other hand, this decrease has meant a reduction in the current income tax (cash) of R$ 3.2 million.

** At the end of the earnings release we show an income statement disregarding the non-recurring events of 4Q17 and 9M17*

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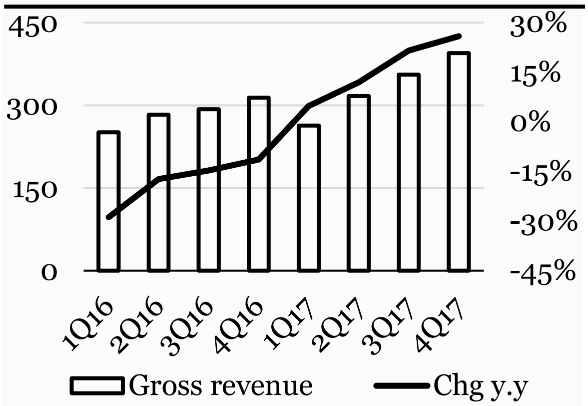
Revenue

After three successive years of revenue decline, 2017 was the first to show growth in the annual comparison mainly due to the recovery of the Brazilian automotive market.

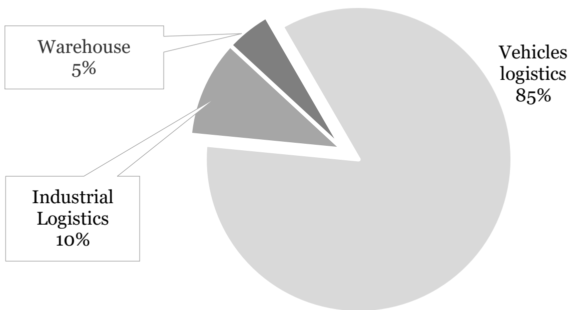
Chart 3 – Gross revenue consolidated (in R$ mi)



Automotive logistics' gross revenue grew by 20.5% in 2017 [28.6% in 4Q17] in the annual comparison, a variation that is explained by: i) 10.8% growth in 2017 [7.1% in 4Q17] of the number of vehicles transported, ii) positively by the 9.0% increase in the average km per vehicle in 4Q17 vs. the previous year, and iii) by the 2017 price adjustment. In addition, there was a growth on other revenues not tied to final deliveries, such as transfers to yards, inventory managment and PDI (pre-delivery inspection).

In the Integrated logistics division, revenue from **warehousing** operation in 4Q17 grew by 16.4%, in year-over-year comparison, due to volume increases at Cariacica and Rio de Janeiro warehouses. However, due to a very week first semester, the full year of 2017 revenue grew only 1.1% vs. 2016.

Chart 4 - Revenue share in the year 2017



Industrial logistics' revenue showed stability in 2017 compared to 2016. The 4Q17 growth in the y0y comparison is mainly due to the recovery of operations for customers in the home appliance sector, who is already showing signs of growth.

The gross revenue and its deductions evolution was mismatched in 2017, in the annual comparison, due to the mix of clients and different comercial practices, besides the lawsuit success described in item 1 of the 9M17 non-recuring events in Annex I.

			Chg % vs		
	4Q17	**2017**	**4Q16**	**3Q17**	**2016**
Automotive division	**340.6**	**1,128.9**	**28.6%**	**11.6%**	**20.1%**
Vehicle logistics	340.6	1,128.9	28.6%	11.6%	20.5%
Autoparts logistics	-	-	-	-	-100.0%
Integrated logistics	**54.1**	**201.3**	**10.9%**	**7.2%**	**0.6%**
Warehouse	18.3	63.5	16.4%	20.3%	1.1%
Industrial logistics	35.7	137.8	8.2%	1.5%	0.4%
Gross revenue	**394.7**	**1,330.2**	**25.9%**	**11.0%**	**16.7%**
Taxes and deductions	(75.2)	(246.2)	27.3%	7.8%	13.8%
Net revenue	**319.5**	**1,084.0**	**25.5%**	**11.8%**	**17.3%**

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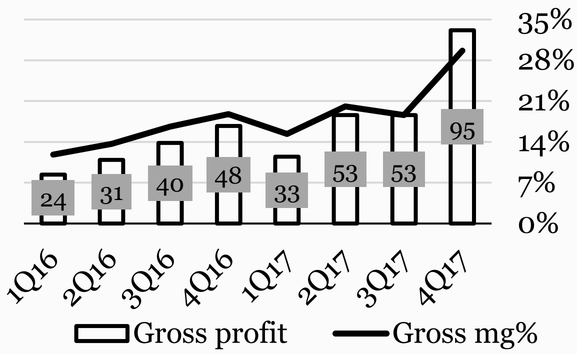
Gross Profit

The company's **gross profit** in 2017 has showed a margin expansion vs. 2016 arising from revenue recovery in both divisions and fixed cost control. In addition, it was positively impacted by item 1 and 7 of non-recuring events in Annex I and in the 4Q17 non-recuring events.

Chart 5 – Gross profit consolidated (in R$ mi)



Personnel costs has increased by 20.9% in 4Q17 in the year-on-year comparison, mainly due to the increase of headcount in the vehicle operation, stemming from the increase in the number of vehicles handled and the deployment of new customers in the integrated logistics-warehousing. The 5.2% personnel cost growth in 2017 vs 2016, which was lower than the revenue growth, still reflects the productivity gains of vehicles handled by headcount captured throughout the year. The increase of 11.3% in **other costs** in 4Q17 in the year-on-year comparison is due to: i) the cost increase of own fleet, which are responsible for export deliveries; and ii) the increase in depreciation of the vehicle division due to the revision of estimates of the useful life of some equipment. The **PIS and COFINS tax credit** was affected in 4Q17 by item 7 of 4Q17 non-recurring events.

Automotive logistics division's gross margin improvment in 2017 and in 4Q17 in the annual comparison is driven by the revenue increase in the period, together with the fixed costs control, as explained above, and from the positive effect of item 7 of the 4Q17 non-recurring events [without this event, the increase would be +1.8 p.p. in 4Q17 and 2017].

Integrated logistics division's gross margin improvement in 2017 and in 4Q17, in the annual comparison, partly stems from the same non-recuring event mentioned above in the automotive logistics. Without considering this effect, the margin would have fallen by 0.5 p.p. In 2017, disregarding all non-recurring items, the gross margin of the division would have grown by 4.7 p.p. due to the reduction of rent and personnel costs.

				Chg % vs 4Q16		
4Q17	**Automotive logistics**	**Integrated logistics**	**Consolidated**	**Automotive logistics**	**Integrated logistics**	**Consolidated**
Net revenue	**274.8**	**44.6**	**319.5**	**28.3%**	**10.6%**	**25.5%**
Cost of services	(187.3)	(37.4)	(224.7)	11.2%	-2.2%	8.7%
Personnel	-	-	(29.3)	-	-	20.9%
Freight	-	-	(200.7)	-	-	27.0%
Others	-	-	(44.4)	-	-	11.3%
Tax credit (PIS and COFINS)	-	-	49.7	-	-	222.1%
Gross profit	**87.5**	**7.2**	**94.8**	**91.3%**	**246%**	**98.1%**
Gross margin%	*31.8%*	*16.2%*	*29.7%*	**10.5 p.p.**	**11.0 p.p.**	**10.9 p.p.**

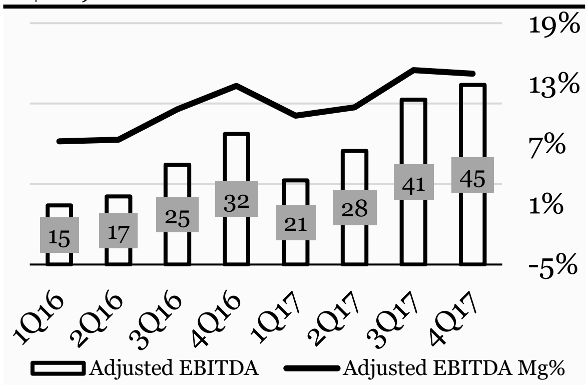
				Chg % vs 2016		
2017	**Automotive logistics**	**Integrated logistics**	**Consolidated**	**Automotive logistics**	**Integrated logistics**	**Consolidated**
Net revenue	**908.1**	**175.9**	**1,084.0**	**19.7%**	**6.6%**	**17.3%**
Cost of services	(698.8)	(151.2)	(850.0)	13.2%	-7.6%	8.8%
Personnel	-	-	(110.8)	-	-	5.2%
Freight	-	-	(674.0)	-	-	17.5%
Others	-	-	(163.7)	-	-	1.0%
Tax credit (PIS and COFINS)	-	-	98.5	-	-	64.1%
Gross profit	**209.3**	**24.7**	**233.9**	**48.1%**	**1.753%**	**64.0%**
Gross margin%	*23.0%*	*14.0%*	*21.6%*	**4.4 p.p.**	**13.2 p.p.**	**6.1 p.p.**

Tegma Gestão Logística S.A | Earnings Release | 4Q17 | in R$ million

Operational income and EBITDA

The recovery trend in the **Company's adjusted EBITDA margin**, as shown in chart 6, reflects the growth in revenues since 1Q16 and the costs and expenses control / reduction in the period.

Chart 6 - Consolidated adjusted EBITDA (in R$ mi)



General and administrative expenses in 2017 were influenced by item 6 of 4Q17 non-recurring events. Disconsidering it, there was a 1.2% reduction in the annual comparison mainly due to the decrease in general expenses and depreciation. In 4Q17, disconsidering the same item 6, the 42.7% increase vs 4Q16 was due to higher legal fee expenses related to the joint venture process of the Cariacica operation, increases in severances costs and other consultancies.

The increase in **other expenses and revenue** in 4Q17 was mainly due to item 8 of 4Q17 non-recurring events. In 2017, this line was also impacted by items 2, 3 and 4 of the 9M17 non-recurring events in Annex I. Notwithstanding all these items, the 67.2% or R$ 5.4 million increase in 2017 vs. 2016 is mainly due to the increase in the constitution of provisions for Tegma's legal claims. The increase in the **depreciation** of the automotive division is due to the revision of estimates of useful life of some equipment.

The automotive logistics' adjusted EBITDA margin improvement in 2017 and 4Q17 in the annual comparison is explained by the revenue increase steaming from the recovery of the number of vehicles transported and the fixed costs and expenses control.

The **integrated logistics' adjusted EBITDA** margin stability in the 4Q17 vs. the previous year was due to the aforementioned extraordinary general and administrative expenses.

				Chg % vs 4Q16		
4Q17	**Automotive logistics**	**Integrated logistics**	**Consolidated**	**Automotive logistics**	**Integrated logistics**	**Consolidated**
Gross profit	**87.5**	**7.2**	**94.8**	**91.3%**	**246.2%**	**98.1%**
Expenses	(31.4)	(9.3)	(40.7)	60.7%	245.9%	83.1%
General and administrative expenses	-	-	(25.7)	-	-	42.7%
Other expenses and revenues	-	-	(15.0)	-	-	256.3%
Operating income	**56.1**	**(2.1)**	**54.1**	**114.1%**	**244.8%**	**111.1%**
(+) Depreciation	3.8	3.6	7.4	20.4%	-1.8%	8.4%
EBITDA	**59.9**	**1.6**	**61.5**	**104.0%**	**-49.1%**	**89.4%**
(+) Non recurring events*	(19.1)	2,3	(16,9)	-	-100%	-100%
Adjusted EBITDA	**40.8**	**3.8**	**44.7**	**77.1%**	**-**	**37.5%**
EBITDA margin	*14.9%*	*8.6%*	*14.0%*	**1.1 p.p.**	**0.9 p.p.**	**1.2 p.p.**

				Chg % vs 2016		
2017	**Automotive logistics**	**Integrated logistics**	**Consolidated**	**Automotive logistics**	**Integrated logistics**	**Consolidated**
Gross profit	**209.3**	**24.7**	**233.9**	**48.1%**	**1,753.0%**	**64.0%**
Expenses	(102.8)	(21.7)	(124.5)	32.1%	261.0%	48.5%
General and administrative expenses	-	-	(74.8)	-	-	-1.2%
Other expenses and revenues	-	-	(49.7)	-	-	519.0%
Operating income	**106.5**	**3.0**	**109.5**	**67.6%**	**-**	**86.0%**
(+) Depreciation	(14.4)	(13.7)	(28.1)	2.3%	-14.3%	-6.5%
EBITDA	**120.9**	**16.7**	**137.6**	**55.8%**	**47.2%**	**54.7%**
(+) Non recurring events*	(2.8)	(0.1)	(2.8)	-	-100%	-100%
Adjusted EBITDA	**118.2**	**16.6**	**134.8**	**52.2%**	**46.5%**	**51.5%**
EBITDA margin	*13.0%*	*9.4%*	*12.4%*	**2.8 p.p.**	**2.6 p.p.**	**2.8 p.p.**

* Futher details on the Income statement attached at the end of the document.

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Income before tax and net income

4Q17 **financial result** was positive R$ 12.6 million and in 2017 full year was positive R$ 8.8 million, as shown in the chart below:

			Chg % vs		
	4Q17	**2017**	**4Q16**	**3Q17**	**2016**
Financial revenue	2.8	15.7	-64.6%	-35.8%	-47.9%
Interest expenses	(4.7)	(26.7)	-60.2%	-34.4%	-45.9%
Interest expenses, net of revenue from financial investments	**(1.9)**	**(11.0)**	**-51.0%**	**-32.1%**	**-42.7%**
Complemetary expenses (tax refinancing programs)	-	-	-	-	-100.0%
Items 1, 5, 7 e 9 non recurring	13.0	20.7	-	-	-
Other financial revenues (expenses)	1.5	(0.9)	12,316.4%	-	-75.0%
Financial result	**12.6**	**8.8**	**-**	**-**	**-**

(Consolidated)

Interest expenses, net of financial investments in 2017, were R$ 11.0 million [R$ 1.9 million in 4Q17]. The decrease compared to 2016 as shown in the table above is explained by the reduction in the average balance of net debt in 2017 [which contributed to half of the 42.7% decrease in the comparison vs 2016] and the remainder is explained by the reduction in the interest rate, net of the spread increase of our debt. The financial result was additionally influenced by items 1, 5, 7 and 9 of Annex I and non-recurring events of 4Q17.

Income and social contribution taxes for 2017 presented a real tax rate of 12% [12% in 4Q17] due to the items 5, 10, 11 and 12 explained in Annex I and in non-recurring events in 4Q17. Interest on own capital distribution, as seen on the table below, also influenced the income tax.

			Chg % vs		
	4Q17	**2017**	**4Q16**	**3Q17**	**2016**
Income before tax	**67.3**	**117.5**	**215.2%**	**178.4%**	**338.4%**
Real tax rate	34%	34%	-	-	-
income tax and social contribution at the nominal rates	**(22.9)**	**(39.9)**	**-**	**-**	**-**
Non-recurring item 5	-	12.2	-	-	-
Non-recurring items 10 and 11	9.7	9.7	-	-	-
Non-recurring item 12	4.5	4.5	-	-	-
Interest on own capital	1.3	1.3	-	-	-
Permanent differences, equity equivalence and others	(0.9)	(1.5)	-38.4%	40.6%	-61.7%
Income tax	**(8.3)**	**(13.7)**	**-5.1%**	**-6.3%**	**5.8%**
Effective tax Rate	*-12%*	*-12%*	-	-	-

(Consolidated)

2017 net income was R$ 103.8 million (R$ 59.0 million in 4Q17) due to the effects mentioned in previous sections. Disregarding all non-recuring events, net income for 2017 would be R$ 63.0 million [+4.4 p.p.] and R$ 28.1 million [+3.8 p.p.], as shown in the attached income statement.

			Chg % vs		
	4Q17	**2017**	**4Q16**	**3Q17**	**2016**
Operating income	**54.1**	**109.5**	**111.1%**	**93.6%**	**86.0%**
Financial result	12.6	8.8	-	-	-
Equity	0.6	(0.8)	-	-	-65.2%
Income before tax	**67.3**	**117.5**	**215.2%**	**178.4%**	**338.4%**
Income tax	(8.3)	(13.7)	-5.1%	-6.3%	5.8%
Net income	**59.0**	**103.8**	**368.9%**	**285.7%**	**650.5%**
Net margin %	*18.5%*	*9.6%*	*13.5 p.p.*	*13.1 p.p.*	*8.1 p.p.*

(Consolidated)

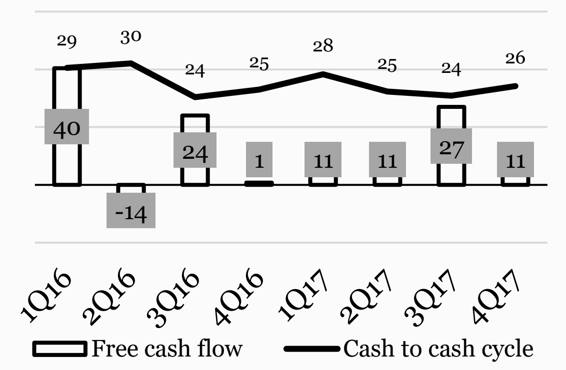
Tegma Gestão Logística S.A | Earnings Release | 4Q17 | in R$ million

Cash flow

2017 cash flow was benefited by the efforts in cost and expenses control and the cash cycle, but also by the recovery of revenues.

The 2017 **CAPEX** was R$ 25.2 million [R$ 4.1 million in 4Q17], as demonstrated below. In 2017, the most significant investment was R$ 7.8 million in the industrial logistics operation for the acquisition and revitalization of semi-trailers, due to the contract renewal of the largest customer of the operation. In addition, operational maintenance played a significant role in CAPEX.

Chart 7 – Free cash flow (in R$ mi) and cash to cash cycle (in days) consolidated



Cash to cash cycle: days to receive - days to pay (Suppliers and freight / daily COGS)

Net cash generated by investing activities (excluded CAPEX "cash") was negative R$ 11.3 million in 2017 mainly due to the payment of the last installment of the acquisition of the business operated by LTD Transportes Ltda in 2012, in the amount of R$ 12.7 million.

Net cash from financing activities was negative by R$ 8.7 million in 4Q17, mainly due to the anticipation of R$ 7.7 million in dividends and interest on own capital in November 2017. In full year 2017, the line was negative in R$ 94.4 million because of: i) amortization of debt, net of funding, of R$ 63.1 million and ii) payment of dividends and interest on capital amounting R$ 30.4 million.

CAPEX	2016	2017	4Q16	4Q17
Land improvements	18.2	-	3.4	-
New operations	5.3	-	1.2	-
Maintenance	5.9	9.5	1.7	2.8
General improvements	-	2.9	-	-
IT	-	5.0	-	1.3
Contract renewal	-	7.8	-	-
Total	**29.4**	**25.2**	**6.3**	**4.1**

	2016	2017	4Q16	4Q17
A - Cash at beginning of period	**214.3**	**192.9**	**241.9**	**145.3**
Operating cash flow (1)	84.4	85.0	7.4	16.5
(-) Capital expenditures "cash" (2)	(31.1)	(24.2)	(6.3)	(5.4)
B - Free cash flow (1 + 2)	53.3	60.8	1.1	11.2
C - Net cash generated by investing activities (ex CAPEX)	0.5	(11.3)	0.1	0.2
D - Net cash from financing activities	(75.1)	(93.6)	(50.3)	(7.9)
(=) Cash at end of period (A + B + C + D)	**192.9**	**148.7**	**192.9**	**148.7**

(consolidated)

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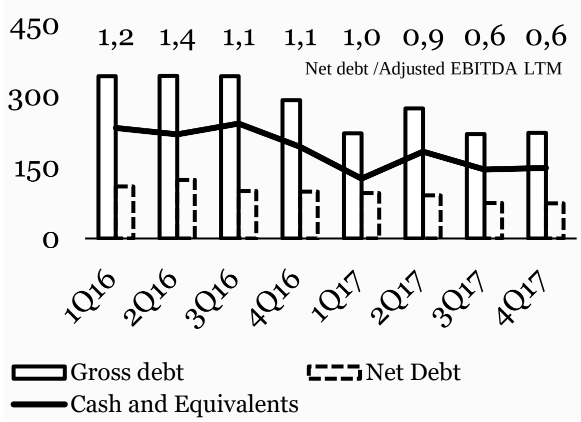
Tegma Gestão Logística S.A | Earnings Release | 4Q17 | in R$ million

Debt and cash

The downward trend in the company's leverage, both nominal and relative in the last two years, according to Chart 8, reflects the cash generation for the period and the increase in EBITDA in recent quarters.

Chart 8 – Debt and cash consolidated (in R$ mi)

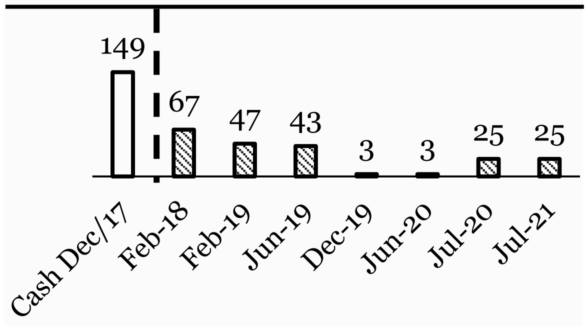


The **net debt / adjusted EBITDA TTM ratio** of 4Q17 was 0.6x vs. 0.6x in 3Q17. The calculation of the coverage ratio (which is equivalent to adjusted EBITDA / financial result) is not applicable given that the recognition of financial income from several extemporaneous tax credits made the financial result of the company become positive. The company's covenants are <2,5x e >1,5x, respectively.

The company's **total average cost of gross debt** at December 31, 2017 was CDI + 1.56% p.a.

Net debt on December 31, 2017 was R$ 74.1 million, versus R$ 74.7 million on September 30, 2017. This reduction is mainly due to the positive cash flow of R$ 11.9 million in 4Q17 and payment of 2017 interim dividends in the amount of R$ 7.7 million in November. The variation vs. net debt of December 2016 (which was R$ 98.7 million) is mainly explained by the payment of R$ 30.5 million in dividends and by the free cash flow of R$ 61.6 million in the year.

Chart 9 – Principal debt schedule amortization (R$ mi)



	1Q17	**2Q17**	**3Q17**	**4Q17**
Current debt	123.4	123.0	69.4	72.6
Non-current debt	98.0	150.9	150.6	150.3
Gross debt	**221.5**	**273.9**	**220.0**	**222.9**
(-) Cash	0.3	0.4	0.3	0.4
(-) Banking investments	125.8	182.7	145.0	148.3
Net debt	**95.4**	**90.8**	**74.7**	**74.1**
Adjusted EBITDA TTM	**95.2**	**106.5**	**122.6**	**134.8**
Net debt / Adjusted EBITDA TTM	*1.0 X*	*0.9 X*	*0.6 X*	*0.6X*
Financial result TTM	**(25.4)**	**(15.6)**	**(7.6)**	**8.8**
Adjusted EBITDA TTM / Financial result TTM	*3.8 X*	*6.8 X*	*16.1 X*	*15.3X*

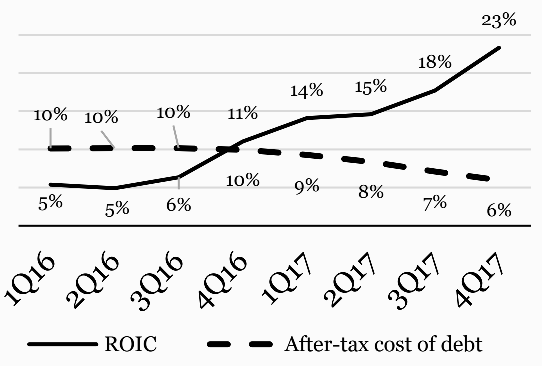
(consolidated)

Tegma Gestão Logística S.A | Earnings Release | 4Q17 | in R$ million

Return on invested capital

Given that the company believes that **return on investment** (ROIC) is significant for investors, since it reflects the company's value creation, we begin to disclose the criteria that we consider the most appropriate for the company. ROIC should not be considered as a substitute for other accounting measures in accordance with IFRS and may not be comparable to similar measures used by other companies. The Company defines ROIC as operating profit (after-tax of 34%), divided by the capital invested (shareholders' equity plus net debt minus merger and acquisition goodwill) of the previous 12 months.

Chart 10 – Return over investments (ROIC) and after-tax cost of debt



ROIC: NOPAT / (Net debt + Equity – goodwill)
Reconciling the indicator in the file Historical Financials.xlm (figures)

The company's **ROIC**, as shown in Chart 10 and at the table below, had a significant recovery in the last two years, resulting in a 170 bps spread over the company's after-tax cost of debt.

The recovery since the middle of 2016 has been driven by the improved revenue from the automotive logistics division, by the improvement of integrated logistics division and by the cost control that we have undertaken throughout the company since 2015. In addition, positive free cash flow in recent years has resulted in a reduction in the net debt of the company and consequently the reduction of the capital employed.

	1Q16	2Q16	3Q16	2016	1Q17	2Q17	3Q17	2017
ROIC (A / B)	**5%**	**5%**	**6%**	**11%**	**14%**	**15%**	**18%**	**23%**
NOPAT (Oper inc *(1-34%) (A)	**20.9**	**21.6**	**23.1**	**38.9**	**43.4**	**47.0**	**53.5**	**72.3**
Operating income (TTM)	31.7	32.7	35.0	58.9	65.7	71.2	81.0	109.5
Capital employed (B) (previous 12 months)	**389.6**	**440.1**	**363.9**	**351.5**	**308.0**	**321.5**	**301.8**	**309.9**
(+) Net debt	183.7	233.0	156.8	150.0	109.2	123.4	99.8	98.7
(+) Equity	369.8	371.1	371.0	365.4	362.8	362.1	365.9	375.1
(-) Aquisitions goodwill	163.9	163.9	163.9	163.9	163.9	163.9	163.9	163.9

(consolidated)

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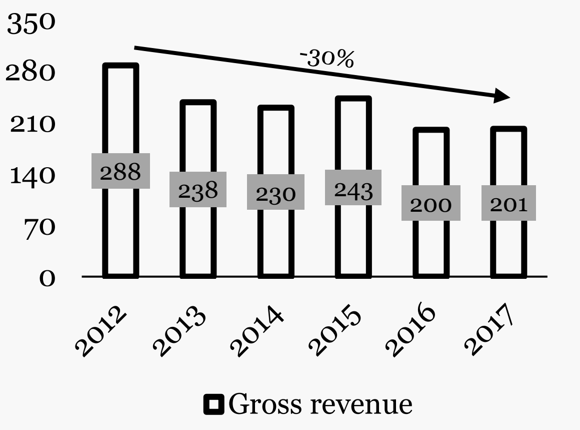
Tegma Gestão Logística S.A | Earnings Release | 4Q17 | in R$ million

Integrated Logistics – Summary of the last six years

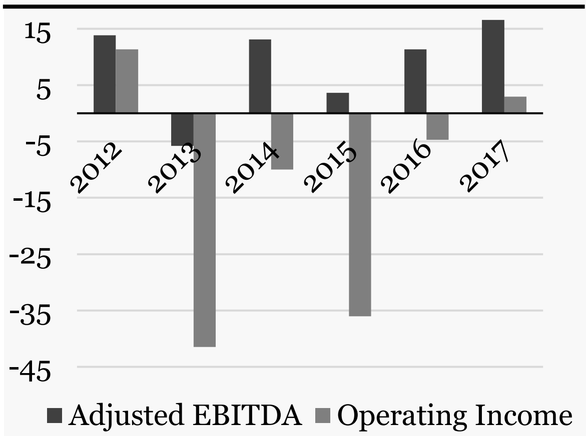
Chart 12 – Integrated Logistics Gross revenue (R$ mi)



Since Tegma's IPO in 2007, the company's integrated logistics division has been part of our effort to become a more **diversified logistics operator**. In this period we had many achievements as well as learnings. The achievements were the mature, profitable contracts that added expertise to the company that remain with us to this day. We became suppliers of companies with high quality standards, without losing our minimum profitability criteria on the investments necessary for these operations. On the other hand, we reassessed, discontinued or sold other operations that, in our opinion, did not fit our profitability criteria and our strategic positioning.

Over the course of five years, we have improved our **customer selection criteria**, choosing long-term contract profile, with a logistical complexity that does not reduce our competitiveness or profitability. As a result, revenue from the division fell 30% in this period, as shown in **Chart 12**.

Chart 13 – Integraded Logistics adjusted EBITDA and operational income (R$ mi)



However, as can be seen in **Chart 13**, the recovery of the division's profitability reflected the cost control and selectiveness of investments undertaken during this period, which more than compensated for the revenue decrease, allowing the division to positively contribute, in 2017, to our consolidated **return on invested capital** with a positive operating income in 2017 and also enabled the fourth consecutive years of positive adjusted EBITDA. Between 2013 and 2015 we had, in addition, many non-recurring events related to discontinued operations that markedly affected our operating income.

Currently, we have the priority to replicate successful business in the company to other customers. Longer-term contracts and operations that can be perceived by our clients as differentiated and that contribute to value creation for both parties are our strategic focus.

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Dividend and interest on own capital

In a management proposal of March 20th, 2018, the management proposed for approval at the Shareholders' Meeting to be held on April 20, 2018, the distribution of **complementary dividends and interest on own capital** of R$ 38.9 million (R$ 0.4150153971 p/s in dividends and R$ 0.1742641627 p/s in interest on capital / R$ 0.1481245383 p/s net of tax). Combined with the two anticipations made in August and November, 2017 distributions totaled R$ 61.2 million (R$ 0.9288939881 per share, 60% payout on 2017 earnings and 4.9% of dividend yield) vs R$ 8.0 million distributed in 2016 (R$ 0.12 per share, 61% payout on 2016 earnings and 0.9% of dividend yield).

Services provided by the external Company Accounts Auditor

The financial statements of the company and its subsidiary for the fiscal year ended December 31, 2016 were audited by KPMG Auditores Independentes S.S. Pursuant to article 2 of CVM Instruction 381/03 and Circular OFÍCIO-CIRCULAR/CVM/SEP/Nº 02/2018, Tegma hereby declares that it did not hire the independent auditors or any related parties thereof to perform any services beyond those related to the external audit.

The Company´s hiring procedures of services from its independent auditors not relating to an external audit is based on principles that preserve the independence of these professionals. These principles, which follow internationally accepted guidelines, consist of the following: (a) the auditor must not audit his/her own work; (b) the auditor must not perform managerial functions for his/her client; and (c) the auditor must not promote the interests of his/her clients.

ANNEX I - 9M17 and 4Q17 non-recurring events

Non-recurring events	**9M17**			**4Q17**			**2017**		
	Auto Log.	**Int. Log**	**Consol.**	**Auto Log.**	**Int. Log**	**Consol.**	**Log. Auto**	**Log Int.**	**Consol.**
Gross revenue	-	-	-	-	-	-	-	-	-
Deductions from gross revenue	-	9.8	9.8	-	-	-	-	9.8	9.8
(1) Fundaf lawsuit success	-	9.8	9.8	-	-	-	-	9.8	9.8
Net Revenue	-	9.8	9.8	-	-	-	-	9.8	9.8
(-) Cost of services provided	-	-	-	24.1	5.1	29.2	24.1	5.1	29.2
(7) PIS/COFINS tax credit adjustments				24.1	5.1	29.2	24.1	5.1	29.2
Gross profit	**-**	**9.8**	**9.8**	**24.1**	**5.1**	**29.2**	**24.1**	**15.0**	**39.1**
General and administrative expenses	-	(5.7)	(5.7)	-	(5.7)	(5.7)	-	(11.5)	(11.5)
(6) Direct account receivable provision	-	(5.7)	(5.7)	-	(5.7)	(5.7)	-	(11.5)	(11.5)
Other net income (expenses)	(16.4)	(1.8)	(18.1)	(5.0)	(1.7)	(6.6)	(21.3)	(3.4)	(24.8)
(2) Escrow account withdraw	-	(1.8)	(1.8)	-	-	-	-	(1.8)	(1.8)
(3) Catlog goodwill withdraw	(1.4)	-	(1.4)	-	-	-	(1.4)	-	(1.4)
(4) Direct civil contingency	(15.0)	-	(15.0)	-	-	-	(15.0)	-	(15.0)
(8) Change in contingencies criteria				(5.0)	(1.7)	(6.6)	(5.0)	(1.7)	(6.6)
Operating profit / EBITDA	**(16.4)**	**2.3**	**(14.0)**	**19.1**	**(2.3)**	**16.9**	**2.8**	**0.1**	**2.8**
Financial result	3.8	3.9	7.7	11.6	1.4	13.0	15.4	5.3	20.7
(1) Mon. Update Fundaf lawsuit success (under collected values)	-	3.9	3.9	-	-	-	-	3.9	3.9

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(5) Mon. update 2014 yr LALUR correction	3.8	-	3.8	-	-	-	3.8	-	3.8
(7) Monetary update PIS/COFINS tax credit adjustments				7.2	1.1	8.2	7.2	1.1	8.2
(9) PERT				4.4	0.4	4.8	4.4	0.4	4.8
Profit before IR and CS	**(12.5)**	**6.2**	**(6.3)**	**30.7**	**(0.8)**	**29.9**	**18.1**	**5.4**	**23.6**
Income tax and social contribution	16.0	0.1	16.1	(5.4)	6.5	1.1	10.6	6.6	17.2
(1) Income tax under Fundaf lawsuit success	-	(1.9)	(1.9)	-	-	-	-	(1.9)	(1.9)
(4) Deferred tax under Direct civil contingency	5.1	-	5.1	-	-	-	5.1	-	5.1
(5) 2014 yr LALUR correction	10.9	-	10.9	-	-	-	10.9	-	10.9
(6) Income tax under Direct's account receivables provision	-			-	1.9	1.9	-	3.9	3.9
(7) Income tax under PIS/COFINS tax credit adjustments				(10.8)	(2.1)	(12.9)	(10.8)	(2.1)	(12.9)
(8) Income tax under change in contingencies criteria				1.4	0.3	1.8	1.4	0.3	1.8
(9) Income tax under PERT				(0.4)	(0.4)	(0.8)	(0.4)	(0.4)	(0.8)
(10) Recognition of deferred tax losses - TCE				-	6.4	6.4	-	6.4	6.4
(11) Deferred amortization of goodwill				2.6	-	2.6	2.6	-	2.6
(12) Presumed ICMS tax credit - investments				4.1	0.4	4.5	4.1	0.4	4.5
(13) Income tax under discontinued operations account receivables write-off				(2.3)	-	(2.3)	(2.3)	-	(2.3)
Net profit/loss	**3.5**	**6.3**	**9.8**	**25.3**	**5.7**	**31.0**	**28.8**	**12.0**	**40.8**

1. In 2014, Tegma filed a lawsuit against the Federal Government through its subsidiary Tegma Logística Integrada S.A. (TLI) seeking to show they are eligible to be exempt from contributing to FUNDAF[1] regarding a tax on revenue from customs bonded services at its operation in Cariacica-ES. From that moment on, TLI chose to deposit monthly amounts for the contribution in a judicial deposit. In 2015, a favorable ruling was given to TLI, granting the claim, and in June 2017, the appellate court returned a favorable decision. The eligibility to be exempt from contributing to FUNDAF gave us the right of a tax refund for amounts unduly levied over the five years prior to filing the lawsuit. The amounts collected before the action totaled R$ 7.7 million and the amounts deposited in court totaled R$ 2.1 million, both of which are subject to correction by the SELIC. The recovery of the judicial deposit has already been filed in the Federal Court of the ES and we have a deadline of up to 60 days for receipt. The recovery of the amounts collected may be made through (i) request for restitution or (ii) authorization of credits for future compensation. The company has not yet decided how to recover the amounts collected, but we have already recorded in our results the total net gain of R$ 11.9 million, as detailed in the table above. ** Dec / 17 update: The amounts related to the judicial deposit were already received by Tegma in October 2017. The recovery of the amounts collected was made through a request for restitution, the*

[1] The Special Fund for Development and Improvement of Inspection Activities (FUNDAF), created by Decree-Law 1,737 / 1975, has the purpose of reimbursing administrative expenses related to customs inspection services arising from authorizations and permissions granted by the Federal Revenue Service of Brazil. The calculation of the FUNDAF is based on the application of a rate, which varies according to the customs activity developed, on the value of the revenues earned by the companies. The judiciary considered the collection unlawful and unconstitutional to the understanding that the FUNDAF has tax legal nature and, therefore, could only have been instituted in tax matters, as determined by the Federal Constitution

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release of which will depend on the inclusion of the amount in the budget of the Union, for payment in the following year.

2. As shown in our March 2017 balance sheet, we had recognized an amount of R$ 5.4 million in the other accounts receivable / **business combination indemnity account**, which related to amounts receivable from the former shareholders of the subsidiary Tegma Cargas Especiais Ltda (TCE). This asset was guaranteed by a escrow account in the amount of R$ 3.7 million. An agreement was signed between Tegma and the former shareholders of the subsidiary. The difference of R $ 1.8 million was recorded in the line of **other net revenues (expenses)** of the integrated logistics division. ** December / 17 update: the amount of R$ 3.7 million was received in September 2017.*

3. In 2015, Catlog, a logistics company that was jointly controlled by Tegma for the automaker Renault-Nissan, discontinued its operations. We had in our balance sheet a **goodwill related to Catlog** in the amount of R$ 1.4 million. Since there is no prospect of resuming operations or recovering this goodwill, we opted for a write-off, which negatively impacted the **other expenses and revenues** of the automotive division.

4. The sale agreement of the former subsidiary Direct Express, signed between Tegma and 8M Participações, provided that Tegma would be liable to indemnify 8M Participações for any lawsuits corresponding to events prior to the date of purchase that exceeded R$ 40 million. Considering that the analysis of potential future demands, based on the best estimates, shows that the amount has exceeded it, Tegma decided to make an extraordinary provision for possible future liabilities relating to Direct in the amount of R$ 15 million, which impacted **other expenses and revenues** of the automotive division, as well as the corresponding impact on **deferred income tax**.

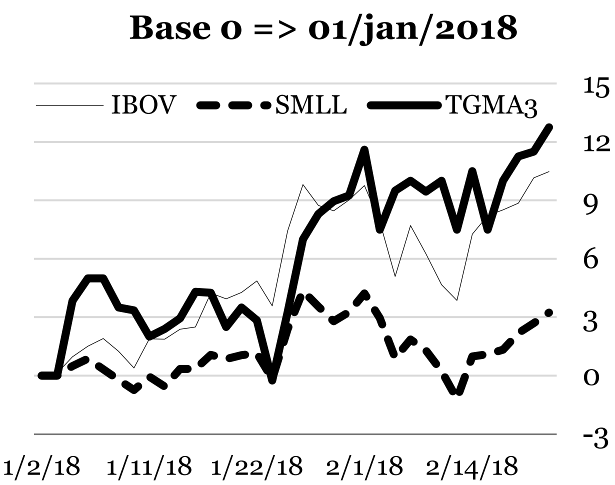
5. In August 2014, the former subsidiary Direct Express was sold, when an important loss was recognized. Bu this reason, the company reviewed the taxes levied in 2014 and identified errors, which the main of them is explained below. Since June of that year, the company has recognized an estimated amount for the loss on the Direct sale in its income statement, with no tax impact. When Direct was definitely sold, the loss was greater than estimated, and on that date, it became a tax deductible. At that time, by mistake, the company only used the difference between the actual amount of the loss and the estimated amount as a deductible loss. When this situation was corrected, it resulted in a credit in the **income tax** in the amount of R$ 10.9 million (net of the income tax of the monetary correction, following) and a monetary correction on this amount, resulting in a credit in the **financial result** of R$ 3.8 million. ** December / 17 update: the credit recognized has already been used to offset federal taxes.*

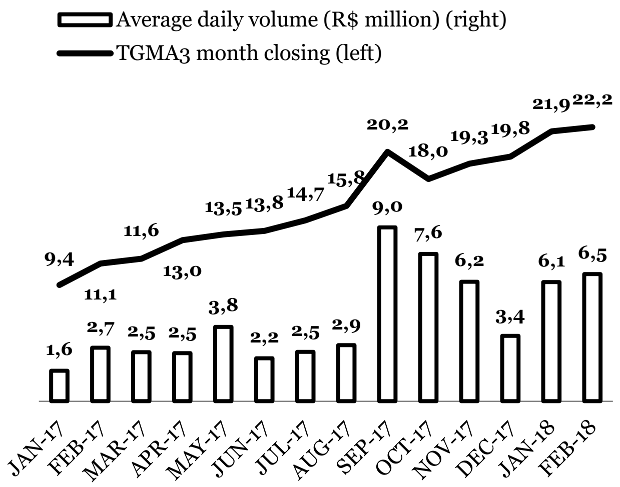
6. In 3Q17, we recorded a provision for loss of receivables in the amount of R$ 5.7 million, arising from the spin-off of the former subsidiary Direct Express, which was sold in 2014, which negatively impacted **general and administrative expenses** *(until 9M17 it was classified in t other expenses and revenues).*

It continues in the 4Q17 non recurring events section.

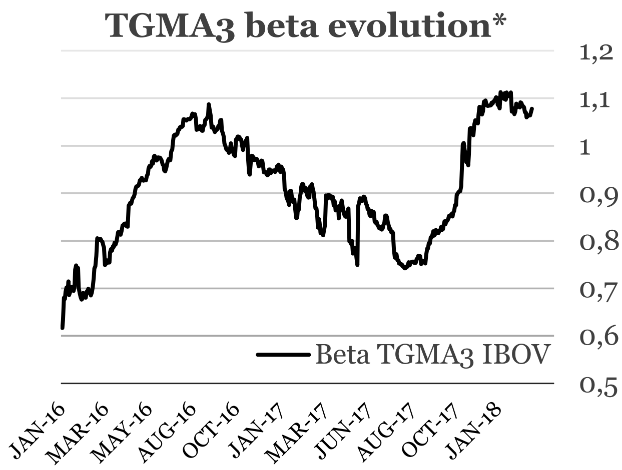
At the end of the document it can be found an income statement disregarding those events.

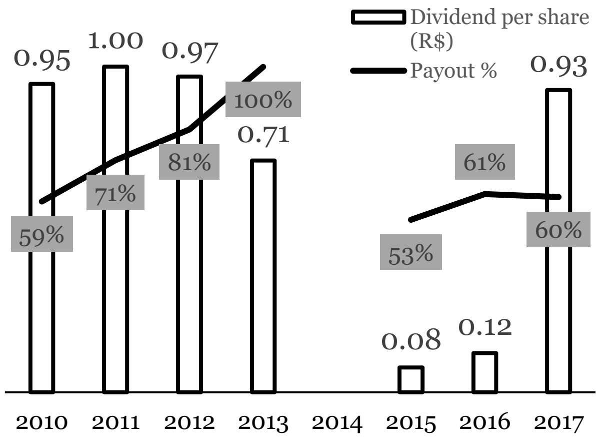
Performance TGMA3





September 2017: without the auction realized on day 5





* Tegma and Ibovespa Covariance / Ibovespa variance (252 trading sections)

Results conference call

|PORTUGUESE with simultaneous translation to ENGLISH|

Wednesday, March 21st, 2018

15:00 (Brasília)

2 pm (US-ET)

Tel.: +55 11 3193-1001 or +55 11 2820-4001

Phone: +1 646 828-8246

Port Webcast: click here English Webcast click here

Shareholder strucutre

Shareholder	# stocks TGMA3 ON	% Total
Mopia Participações e Empreendimentos Ltda.	15,904,828	24%
Cabana Empreendimentos e Participações Ltda.	4,817,704	7%
Coimex Empreendimentos e Participações Ltda.	16,778,667	25%
Other controlling shareholders (physical person)	670,726	1%
Directors and administration board	92,301	0%
Treasury	65,200	0%
Controllers, administrators e treasury	**38,329,426**	**58%**
Free float	**27,673,489**	**42%**
Total stocks	**66,002,915**	**100%**

Tegma Gestão Logística S.A | Earnings Release | 4Q17 | in R$ million

Tegma Gestão Logística SA and subsidiaries
Income statement
(in R$ million, except percentages)

Income statement	2016	2017	Chg % vs 2016	4Q16	4Q17	Chg % vs 4Q16
Gross revenue	**1,140.2**	**1,330.2**	**16.7%**	**313.6**	**394.7**	**25.9%**
Taxes and deductions	(216.3)	(246.2)	13.8%	(59.0)	(75.2)	27.3%
Net revenue	**923.9**	**1,084.0**	**17.3%**	**254.5**	**319.5**	**25.5%**
Cost of services	(781.3)	(850.0)	8.8%	(206.7)	(224.7)	8.7%
Personnel	(105.4)	(110.8)	5.2%	(24.2)	(29.3)	20.9%
Freight	(573.9)	(674.0)	17.5%	(158.0)	(200.7)	27.0%
Others	(162.1)	(163.7)	1.0%	(39.9)	(44.4)	11.3%
Taxes credit (PIS and COFINS)	60.0	98.5	64.1%	15.4	49.7	222.1%
Gross profit	**142.6**	**233.9**	**64.1%**	**47.8**	**94.8**	**98.1%**
General and administrative expenses	(75.7)	(86.3)	14.0%	(18.0)	(31.4)	74.5%
Other expenses and revenues	(8.0)	(38.2)	376.0%	(4.2)	(9.2)	119.9%
Operating income	**58.9**	**109.5**	**86.0%**	**25.6**	**54.1**	**111.1%**
(+) Depreciation	30.1	28.1	-6.5%	6.9	7.4	8.4%
(+) Non-recurring events	-	(2.8)	-	-	(16.9)	-
= Adjusted EBITDA	**89.0**	**134.8**	**51.5%**	**32.5**	**44.7**	**37.5%**
Financial result	(29.9)	8.8	-	(3.8)	12.6	-
Equity	(2.2)	(0.8)	-65.2%	(0.5)	0.6	-
Income before tax	**26.8**	**117.5**	**338.4%**	**21.3**	**67.3**	**215%**
Income tax	(13.0)	(13.7)	5.8%	(8.8)	(8.3)	-5.1%
Net income	**13.8**	**103.8**	**650.5%**	**12.6**	**59.0**	**368.9%**
Net margin %	*1.5%*	*9.6%*	*8.1 p.p.*	*4.9%*	*18.5%*	*13.5 p.p.*

Income statement ex non recurring events ('*' altered numbers)	2016	2017	Chg % vs 2016	4Q16	4Q17	Chg % vs 4Q16
Gross revenue	**1,140.2**	**1,330.2**	**16.7%**	**313.6**	**394.7**	**25.9%**
Taxes and deductions	(216.3)	(256.1)	18.4%	(59.0)	(75.2)	27.3%
Net revenue	**923.9**	**1,074.1**	**16.3%**	**254.5**	**319.5**	**25.5%**
Cost of services	(781.3)	(879.3)	12.5%	(206.7)	(254.0)	22.9%
Personnel	(105.4)	(110.8)	5.2%	(24.2)	(29.3)	20.9%
Freight	(573.9)	(674.0)	17.5%	(158.0)	(200.7)	27.0%
Others	(162.1)	(163.7)	1.0%	(39.9)	(44.4)	11.3%
Taxes credit (PIS and COFINS)	60.0	69.3	15.4%	15.4	20.5	32.7%
Gross profit	**142.6**	**194.9**	**36.6%**	**47.8**	**65.5**	**37.0%**
General and administrative expenses	(75.7)	(74.8)*	-1.2%	(18.0)	(25.7)*	42.7%
Other expenses and revenues	(8.0)	(13.4)*	67.2%	(4.2)	(2.6)*	-38.1%
Operating income	**58.9**	**106.6**	**81.1%**	**25.6**	**37.2**	**45.3%**
(+) Depreciation	30.1	28.1	-6.5%	6.9	7.4	8.4%
=Adjusted EBITDA	**89.0**	**134.8**	**51.5%**	**32.5**	**44.7**	**37.6%**
Financial result	(29.9)	(12.0)	-60.0%	(3.8)	(0.4)	-90.0%
Equity	(2.2)	(0.8)	-65.2%	(0.5)	0.6	-
Income before tax	**26.8**	**93.9**	**250.5%**	**21.3**	**37.4**	**75%**
Income tax	(13.0)	(31.0)*	138.7%	(8.8)	(9.5)	7.9%
Net income	**13.8**	**63.0**	**355.3%**	**12.6**	**28.0**	**122.4%**
Net margin %	*1.5%*	*5.9%*	*4.4 p.p.*	*4.9%*	*8.8%*	*3.8 p.p.*

Explanatory notes:
(1) Mention of credit in note 20 – Net revenue from services rendered (2Q17)
(2) Note 14 - Judicial deposits and provision for lawsuits / Contingent liabilities arising from business combination (2Q17)
(3) Difference between the net goodwill balance of Catlog Logística de Transportes S.A. (Catlog) between June 17 and Dec. 16 of Note 9 - investments (2Q17)
(4) Difference between the balances of business combination indemnities between June 17 and March 17 of Note 7 - Other accounts receivable
(5) Amount in the note IR / CSLL expense
(6) Difference between the balance of the line Amounts receivable in the note other accounts receivable for September and June 2017 and December and September 2017
(7) Mention in the note 8 of Taxes to recover
(8) Mention in the note 14 of Judicial deposits and provisions for lawsuits

Tegma Gestão Logística SA and subsidiaries
Balance sheet
(in R$ million)

	Dec-16	Sep-17	Dec-17
Current assets	**376.0**	**301.6**	**374.7**
Cash	1.0	0.3	0.4
Banking investments	191.9	145.0	148.3
Accounts receivable, net	154.3	137.4	171.2
Related parties	0.8	0.6	0.8
Inventories	0.2	0.2	0.2
Income tax and social contribution	2.8	2.8	5.2
Taxes to recover	13.0	6.6	42.8
Other receivables	11.0	5.1	4.5
Prepaid expenses	1.0	3.4	1.3
Non-current assets	**452.1**	**462.6**	**463.2**
Taxes to recover	-	18.9	23.9
Other receivables	13.4	9.3	1.9
Deferred taxes	23.3	26.1	36.6
Judicial deposits	21.5	17.6	13.6
Investments	3.0	1.4	2.0
Property, plant and equipment, net	214.1	214.3	210.1
Intangible assets	176.8	175.0	175.1
Total assets	**828.1**	**764.2**	**837.9**

	Dec-16	Sep-17	Dec-17
Current liabilities	**250.8**	**161.8**	**193.1**
Loans and financing	1.0	1.3	1.1
Bonds	127.0	68.0	71.4
Suppliers and freights payable	43.2	26.7	32.2
Taxes payable	13.1	12.1	15.5
Refinanced taxes	0.0	0.4	6.0
Salaries and social charges	27.5	26.6	24.6
Other accounts payable	18.0	20.8	26.1
Related parties	1.1	0.8	0.8
Acquisition of subsidiary	12.5	-	-
Income tax and social contribution	4.0	5.1	12.2
Dividends payable	3.3	-	3.1
Non-current liabilities	**202.2**	**201.8**	**195.9**
Provision for capital deficiency	0.2	-	-
Loans and financing	0.1	53.9	53.6
Bonds	163.4	96.7	96.7
Deferred taxes	23.6	16.2	6.6
Provision for contingencies and other liabilities	14.9	35.0	39.0
Shareholders equity	**375.1**	**400.6**	**448.8**
Capital stock	144.5	144.5	144.5
Capital reserve	174.1	174.1	174.1
Profit reserve	52.4	52.4	94.9
Retained earnings	-	30.0	-
Treasury shares	(0.3)	(0.3)	(0.3)
Assets valuation adjustment	(0.2)	-	-
Additional proposed dividend	4.7	-	35.7
Total liabilities and shareholders' equity	**828.1**	**764.2**	**837.9**

Tegma Gestão Logística SA and subsidiaries
Cash flow statement
(in R$ million)

	2016	2017	4Q16	4Q17
Income before income and social contribution taxes	**26.8**	**117.5**	**21.3**	**67.3**
Depreciation and amortization	30.1	28.1	6.9	7.4
Loss (gains) on disposal of assets	2.9	0.8	1.9	0.5
(Reversal of) provision for contingencies	1.7	38.4	0.4	11.0
Provision for loss in investments	-	1.4	-	-
Loss in investment sale	-	(0.5)	-	-
Allowance for doubtful accounts	0.9	0.1	0.8	0.0
Provision for monetary loss in sale of Controlled Co	-	11.5	-	5.7
Equity pickup	2.2	0.8	0.5	(0.6)
Interest on installment of taxes and payable notes	6.9	(3.7)	-	(3.7)
Interest and exchange variation on unpaid loans, debentures	49.4	26.7	11.8	4.4
Extemporaneous tax credits	-	(50.5)	-	(50.5)
Interest on acquisition/stock option	1.5	0.1	0.4	0.1
Expenses (revenues) not affecting cash flows	**95.6**	**53.2**	**22.6**	**(25.5)**
Accounts receivable	32.5	(17.0)	(28.6)	(33.8)
Taxes recoverable	2.8	(8.8)	(4.0)	4.1
Judicial deposits	0.3	(0.7)	0.1	2.1
Other assets	11.0	6.2	3.9	4.3
Trade accounts and freight payable	(2.2)	(12.3)	10.8	6.5
Salaries and related charges	(2.4)	2.6	(4.3)	(2.0)
Increase (decrease) in related parties	(3.8)	(0.3)	0.3	(0.2)
Other liabilities	(6.5)	10.2	3.4	8.1
Changes in assets and liabilities	**31.6**	**(20.1)**	**(18.4)**	**(10.8)**
Interest paid on loans, financing and swap	(0.1)	(2.8)	(0.0)	(1.5)
Interest paid on debentures	(50.7)	(29.4)	(11.7)	0.3
Interest paid on notes payable and tax installments	-	(0.0)	-	(0.0)
Indemnities payed	(9.5)	(10.1)	(1.1)	(3.8)
Income and social contribution taxes paid	(9.3)	(22.5)	(5.3)	(8.5)
(A) Net cash generated by (used in) operating activities	**84.4**	**85.8**	**7.4**	**17.3**
Acquisition of intangible assets	-	0.7	-	0.0
Acquisition of property and equipment and intangible assets	(1.9)	(4.2)	(0.3)	(1.3)
Sale value of investment	(31.1)	(20.0)	(6.3)	(4.1)
Proceeds from sale of assets	2.3	0.6	0.4	0.3
Payment of acquisition of investments	-	(12.7)	-	(0.1)
(B) Net cash generated by (used in) investing activities	**(30.7)**	**(35.5)**	**(6.2)**	**(5.2)**
Dividend paid	-	(30.4)	-	(7.6)
New loans	-	54.5	-	-
Payment of debentures	(71.3)	(117.7)	(50.3)	(0.3)
Payment of notes payable and tax installments	(3.8)	(0.8)	(0.0)	(0.8)
(C) Net cash generated by (used in) financial activities	**(75.1)**	**(94.4)**	**(50.3)**	**(8.7)**
Changes in cash (A + B + C)	**(21.4)**	**(44.1)**	**(49.1)**	**3.4**
Cash at beginning of period	214.3	192.9	241.9	145.3
Cash at end of year	192.9	148.7	192.9	148.7

Tegma Gestão Logística SA and subsidiaries
Statements of change in equity
(in R$ million)

		Capital reserve		Income reserve								
	Capital	Capital reserve	Stock option granted	Legal reserve	Retained profit	Addicional dividend proposed	Treasury stock	Equity adjustment	Retained earnings (accumulated losses)	Total	Non-controlling interest	Total equity
Balance at January 1, 2016	**144.5**	**174.1**	**0.0**	**26.5**	**20.0**	**-**	**(0.3)**	**0.6**	**-**	**365.4**	**-**	**365.4**
Net income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Exchange variation of investee located abroad	-	-	-	-	-	-	-	(0.8)	-	(0.8)	-	(0.8)
Stock option plan	-	-	(0.0)	-	-	-	-	-	-	(0.0)	-	(0.0)
Allocation	-	-	-	-	-	-	-	-	-	-	-	-
Set up of reserves	-	-	-	-	13.1	-	-	-	(13.1)	-	-	-
Set up of legal reserves	-	-	-	0.7	-	-	-	-	(0.7)	-	-	-
Dividends	-	-	-	-	(8.0)	4.7	-	-	-	(3.3)	-	(3.3)
	-	-	-	-	-	-	-	-	-	-	-	-
Balance at December 30, 2016	**144.5**	**174.1**	**-**	**27.2**	**25.2**	**4.7**	**(0.3)**	**(0.2)**	**-**	**375.1**	**-**	**375.1**
Balance at January 1, 2017	**144.5**	**174.1**	**-**	**27.2**	**25.2**	**4.7**	**(0.3)**	**(0.2)**	**-**	**375.1**	**-**	**375.1**
	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	103.8	103.8	-	103.8
Exchange variation of investee located abroad	-	-	-	-	-	-	-	0.2	-	0.2	-	0.2
Stock option plan												
Allocation:	-	-	-	-	-	-	-	-	-	-	-	-
Set up of reserves	-	-	-	-	102.1	-	-	-	(102.1)	-	-	-
Set up of legal reserves	-	-	-	1.7	-	-	-	-	(1.7)	-	-	-
Dividends	-	-	-	-	(61.2)	31.0	-	-	-	(30.2)	-	(30.2)
Balance at December 30, 2017	**144.5**	**174.1**	**-**	**28.9**	**66.0**	**35.7**	**(0.3)**	**-**	**-**	**448.8**	**-**	**448.8**

Tegma Gestão Logística SA and subsidiaries
Statements of value added
(in R$ million, except percentages)

	2016	2017	Chg % vs 2016	4Q16	4Q17	Chg % vs 4Q16
Gross sale of services, net	1,079.2	1,254.3	16.2%	297.1	373.1	25.6%
Other income	5.8	5.0	-13.7%	0.7	1.7	136.3%
(Reversal of) allowance for doubtful accounts	(0.9)	(0.1)	-89.3%	(0.8)	(0.0)	-96.7%
Income	**1,084.1**	**1,259.2**	**16.2%**	**297.0**	**374.8**	**26.2%**
Cost of services provided	(573.8)	(674.0)	17.5%	(158.0)	(200.7)	27.0%
Materials, energy, third-party services and other operating expenses	(129.0)	(175.9)	36.4%	(34.9)	(54.4)	56.0%
Asset loss and recovery	-	(1.4)	-	-	(0.0)	-
Input products acquired from third parties	**(702.8)**	**(851.3)**	**21.1%**	**(192.9)**	**(255.1)**	**32.3%**
Net value added produced by the Company	381.3	407.9	7.0%	104.1	119.7	14.9%
Depreciation and amortization	(30.1)	(28.1)	-6.5%	(6.9)	(7.4)	8.4%
Gross value added	**351.2**	**379.7**	**8.1%**	**97.3**	**112.2**	**15.4%**
Equity pickup	(2.2)	(0.8)	-65.2%	(0.5)	0.6	-
Financial income	32.5	40.6	25.0%	9.4	18.1	93.0%
Total value added to be distributed	**381.5**	**419.6**	**10.0%**	**106.2**	**130.9**	**23.3%**
Personnel and related charges	**134.0**	**138.7**	**3.5%**	**32.2**	**39.2**	**21.6%**
Direct compensation	110.1	114.3	3.8%	26.3	31.0	18.0%
Benefits and allowances	14.9	16.0	7.2%	3.7	4.4	19.2%
FGTS	9.0	8.4	-6.8%	2.3	3.8	65.2%
Taxes, charges and contributions	**126.5**	**104.2**	**-17.6%**	**38.0**	**16.5**	**-56.7%**
Federal	72.0	49.5	-31.2%	24.7	(2.6)	-
State	48.5	48.4	-0.2%	11.7	17.3	47.5%
Local	6.0	6.3	5.4%	1.5	1.7	11.1%
Financing agents	**121.0**	**176.7**	**46.0%**	**35.9**	**75.3**	**109.3%**
Interest and exchange variations	62.4	31.8	-49.0%	13.2	5.4	-58.7%
Rent	44.8	41.1	-8.3%	10.2	10.9	6.2%
Dividends	8.0	61.2	665.6%	8.0	46.5	481.2%
Retained profits (losses)	5.8	42.5	629.7%	4.6	12.5	172.5%
Value added distributed	**381.5**	**419.6**	**10.0%**	**106.2**	**130.9**	**23.3%**