

VIX Logística S.A.

Consolidated and individual interim accounting information at March 31, 2017

(A free translation of the original report in Portuguese, as filed with the Brazilian Securities and Exchange Commission (CVM), prepared in accordance with the accounting practices adopted in Brazil, rules of the CVM and of the International Financial Reporting Standards - IFRS)

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Report on the review of quarterly information - ITR

To
The Board of Directors and Stockholders of
Vix Logística S.A.
Rio de Janeiro - RJ

Introduction

We have reviewed the individual and consolidated interim accounting information of Vix Logística S.A. ("the Company"), included in the quarterly information form - ITR for the quarter ended March 31, 2017, which comprises the balance sheet as of March 31, 2017 and the respective statements of income, comprehensive income, changes in stockholders' equity and cash flows for the three-month period then ended, including the explanatory notes.

The Company's Management is responsible for the preparation of the interim accounting information in accordance with the CPC 21(R1) and the IAS 34 - Interim Financial Reporting, issued by the IASB, as well as the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of quarterly information - ITR. Our responsibility is to express our conclusion on this interim accounting information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and International Interim Information Review Standards (*NBC TR 2410 - Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and *ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity*), respectively. A review of interim information consists of making inquiries primarily of the management responsible for financial and accounting matters and applying analytical procedures and other review procedures. The scope of a review is significantly less than an audit conducted in accordance with auditing standards and, accordingly, it did not enable us to obtain assurance that we were aware of all the material matters that would have been identified in an audit. Therefore, we do not express an audit opinion.



Conclusion on the interim accounting information

Based on our review, we are not aware of any fact that might lead us to believe that the individual and consolidated interim accounting information included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, applicable to the preparation of the quarterly review - ITR, and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters

Statements of added value

The individual company and consolidated statements of value added for the quarter ended March 31, 2017, prepared under the responsibility of the Company's management, and presented as supplementary information for the purposes of IAS 34, were submitted to the same review procedures followed together with the review of the Company's interim financial information. In order to form our opinion, we evaluated whether these statements are reconciled to the interim financial information and to the accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the accompanying statements of value added are not prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

Previous year and quarter accounting information

The individual and consolidated balance sheets corresponding to December 31, 2016 were previously audited by other independent auditors, who issued report dated February 24, 2017, without any change.

The individual and consolidated interim accounting information for to the quarter ended March 31, 2016, which comprises the respectively statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended were previously reviewed by other independent auditors, who issued an unchanged report thereon dated May 10, 2016. The individual and consolidated statements of value added for the three-month period ended March 31, 2016 were submitted to the same review procedures by those independent auditors and based on their review, those auditors issued an opinion reporting that nothing had come to their attention that caused them to believe that the accompanying statements of value added had not been prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

Rio de Janeiro, April 28, 2017

KPMG Auditores Independentes
CRC SP-014428/O-6 F-RJ
(Original report in Portuguese signed by)
Marcelo Luiz Ferreira
Accountant CRC RJ-087095/O-7

VIX Logística S.A.

Balance sheets at March 31, 2017 and December 31, 2016

(In thousands of Reais)

	Notes	Parent company		Consolidated			Notes	Parent company		Consolidated	
		March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016			March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Assets						Liabilities and shareholders' equity					
Current assets						Current liabilities					
Cash and cash equivalents	3	200,933	190,120	280,659	274,433	Loans and financing	12	122,446	122,082	147,419	147,321
Accounts receivable	4	106,959	113,266	158,559	161,467	Suppliers		7,563	10,436	11,069	13,868
Accounts receivable - related parties:	14	892	717	891	720	Accounts payable to suppliers - related parties	14	185	227	223	406
Inventories	5	10,354	10,183	12,807	12,505	Labor obligations	13	26,490	25,179	35,360	33,616
Recoverable taxes	6	16,146	16,832	17,646	18,015	Tax obligations	13	7,135	7,710	10,512	11,175
Recoverable income tax and social contribution	6	9,653	9,286	12,670	11,794	Income tax and social contribution payable	13	3,778	210	5,519	1,153
Other receivables and contractual withholdings	7	2,853	2,659	4,864	5,270	Accounts payable		4,647	4,511	9,011	8,561
Prepaid expenses		4,899	925	5,731	1,122	Advances from clients		1,273	398	1,274	408
Financial assets - held to maturity		594	584	594	584	Operations with derivatives	22.4	2,389	1,006	2,389	1,006
						Dividends payable		2,455	2,455	2,455	2,455
		<u>353,283</u>	<u>344,572</u>	<u>494,421</u>	<u>485,910</u>			<u>178,361</u>	<u>174,214</u>	<u>225,231</u>	<u>219,969</u>
Non-current assets held for sale	8	36,867	48,439	39,146	49,644						
		<u>390,150</u>	<u>393,011</u>	<u>533,567</u>	<u>535,554</u>	Non-current liabilities					
Non-current						Loans and financing	12	244,233	268,100	300,912	330,141
Receivables from related parties	14	9,276	8,907	8,717	8,327	Operations with derivatives	22.4	4,779	4,235	4,779	4,235
Recoverable taxes	6	4,731	6,162	5,280	6,368	Amounts owed to related parties	14	92	128	-	-
Other receivables and contractual withholdings	7	6,848	5,954	7,108	6,156	Deferred income tax and social contribution	17	69,366	67,807	83,834	83,622
Deposits in court and other accounts	15	15,179	15,798	19,291	19,706	Tax obligations	13	5,222	5,491	5,222	5,491
						Provision for contingencies	15	13,925	17,768	20,318	17,768
		<u>36,034</u>	<u>36,821</u>	<u>40,396</u>	<u>40,557</u>			<u>337,617</u>	<u>363,529</u>	<u>415,065</u>	<u>441,257</u>
Investments	9	173,082	172,393	255	255			<u>515,978</u>	<u>537,743</u>	<u>640,296</u>	<u>661,226</u>
Property, plant and equipment	10	456,369	463,180	604,403	611,804	Shareholders' equity					
Intangible Assets	11	35,948	36,870	37,280	37,588	Share capital	16	332,000	332,000	332,000	332,000
						Capital reserves	16	9,338	9,338	9,338	9,338
		<u>665,399</u>	<u>672,443</u>	<u>641,938</u>	<u>649,647</u>	Profit reserves	16	225,696	214,699	225,696	214,699
		<u>701,433</u>	<u>709,264</u>	<u>682,334</u>	<u>690,204</u>	Equity valuation adjustments	16	8,571	8,495	8,571	8,495
Total assets		<u>1,091,583</u>	<u>1,102,275</u>	<u>1,215,901</u>	<u>1,225,758</u>			<u>575,605</u>	<u>564,532</u>	<u>575,605</u>	<u>564,532</u>
						Total liabilities and shareholders' equity		<u>1,091,583</u>	<u>1,102,275</u>	<u>1,215,901</u>	<u>1,225,758</u>

See the accompanying notes to the interim financial information.

VIX Logística S.A.

Statements of income

Quarters ended March 31, 2017 and 2016

(In thousands of Reais)

		<u>Parent company</u>		<u>Consolidated</u>	
	Notes	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Net earnings from sales and services	19	165,593	182,911	241,298	259,894
Costs of Sales and Services	20	<u>(135,869)</u>	<u>(139,137)</u>	<u>(203,061)</u>	<u>(213,947)</u>
Gross profit		29,724	43,774	38,237	45,947
Operating expenses and income					
Commercial/general/administrative expenses	20	(8,524)	(13,868)	(16,986)	(15,741)
Other earnings, net		315	73	367	263
Equity accounting results	9	<u>604</u>	<u>(24)</u>		-
		<u>(7,605)</u>	<u>(13,819)</u>	<u>(16,619)</u>	<u>(15,478)</u>
Operating income before financial results		<u>22,119</u>	<u>29,955</u>	<u>21,618</u>	<u>30,469</u>
Financial expenses	21	(14,026)	(22,883)	(15,862)	(25,219)
Financial income	21	<u>8,233</u>	<u>15,409</u>	<u>10,963</u>	<u>18,067</u>
Income before income tax and social contribution		16,326	22,481	16,719	23,317
Current income tax and social contribution	17.1	(3,778)	(5,443)	(5,519)	(6,880)
Deferred income tax and social contribution	17.2	<u>(1,563)</u>	<u>(2,165)</u>	<u>(215)</u>	<u>(1,564)</u>
Net income for the period		<u>10,985</u>	<u>14,873</u>	<u>10,985</u>	<u>14,873</u>
Basic and diluted net income per share (in R\$)	23			0.12968	0.17558

See the accompanying notes to the interim financial information.

VIX Logística S.A.

Statements of comprehensive income

Quarters ended March 31, 2017 and 2016

(In thousands of Reais)

	<u>Parent company and Consolidated</u>	
	March 31, 2017	March 31, 2016
Net income for the period	<u>10,985</u>	<u>14,873</u>
Other comprehensive results		
Exchange variation on investee abroad	<u>84</u>	<u>225</u>
	<u>84</u>	<u>225</u>
Comprehensive results for the period	<u><u>11,069</u></u>	<u><u>15,098</u></u>

See the accompanying notes to the interim financial information.

VIX Logística S.A.

Statements of changes in shareholders' equity at March 31, 2017 and 2016 (parent company and consolidated)

(In thousands of Reais)

	Paid in social capital	Capital reserve	Profit reserves			Proposed additional dividend	Equity valuation adjustments	Retained earnings	Total
			Legal	Investment					
Balances at December 31, 2016	332,000	9,338	21,271	186,687		2,279	8,495		564,532
Net income for the period	-	-	-	-	-	-	-	10,985	10,985
Exchange variation on investee abroad	-	-	-	-	-	-	84	-	84
Total comprehensive results in the period	-	-	-	-	-	-	84	10,985	11,069
Realization of revaluation reserve	-	-	-	-	-	-	(8)	12	4
Dividends paid	-	-	-	-	-	-	-	-	-
Profit retention	-	-	-	7,701	3,296	-	-	(10,997)	-
Total contributions and distributions to shareholders	-	-	-	7,701	3,296	-	(8)	(10,985)	4
Balances at March 31, 2017	332,000	9,338	21,271	194,389	5,575	8,571	-		575,605

	Paid in social capital	Capital reserve	Profit reserves			Proposed additional dividend	Equity valuation adjustments	Retained earnings	Total
			Legal	Investment					
Balances at December 31, 2015	332,000	9,338	18,872	159,187	3,368	8,439	-		531,204
Net income for the period	-	-	-	-	-	-	-	14,873	14,873
Exchange variation on investee abroad	-	-	-	-	-	-	225	-	225
Total comprehensive results in the period	-	-	-	-	-	-	225	14,873	15,098
Realization of revaluation reserve	-	-	-	-	-	-	(8)	12	4
Dividends paid	-	-	-	-	(3,368)	-	-	-	(3,368)
Profit retention	-	-	-	10,423	4,462	-	-	(14,885)	-
Total contributions and distributions to shareholders	-	-	-	10,423	1,094	-	(8)	(14,873)	(3,364)
Balances at March 31, 2016	332,000	9,338	18,872	169,610	4,462	8,656	-		542,938

See the accompanying notes to the interim financial information.

VIX Logística S.A.

Statements of cash flows

Quarters ended March 31, 2017 and 2016

(In thousands of Reais)

	Parent company		Consolidated	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Cash flows from operating activities				
Income before income tax and social contribution	16,326	22,481	16,719	23,317
Adjustment of items with no cash outlay for conciliation of the profit with the generation of cash by operating activities				
Depreciation and amortization (notes 10 and 11)	19,981	20,816	25,926	25,865
Residual value of fixed/intangible assets written off (note 8, 10 and 11)	12,915	10,819	13,062	11,293
Equity accounting results (Note 9)	(604)	24		
Interest and monetary variation on loans	10,728	13,866	12,445	15,994
Monetary and exchange variation on loans	(903)	(4,197)	(903)	(4,197)
Valuation of derivatives to fair value through profit and loss	1,926	5,420	1,926	5,420
Provision for contingencies	(5,070)	(29)	1,127	(29)
Monetary restatement of deposits in court	1,578	(798)	1,566	(833)
Revaluation reserve				
Allowance for (reversal of) doubtful accounts	(18)	141	(39)	(38)
Interest on financial assets held to maturity	(11)		(11)	
	56,848	68,543	71,818	76,792
Changes in operating assets and liabilities				
Accounts receivable	6,308	(14,077)	2,908	1,735
Accounts receivable - related parties:	(174)	64	(131)	71
Inventories	(171)	86	(302)	260
Recoverable taxes	320	1,844	(896)	2,199
Other assets	(3,711)	(2,749)	(3,752)	(3,397)
Suppliers	(2,872)	13,332	(2,798)	13,388
Suppliers - related parties	(42)	393	(193)	298
Labor obligations	1,311	2,280	1,744	1,944
Tax obligations	2,993	6,245	3,434	5,211
Other liabilities	705	2,902	1,287	3,162
	61,511	78,859	73,115	101,659
Cash provided by operations				
Income tax and social contribution paid	(3,778)	(5,443)	(5,519)	(6,880)
Interest paid	(9,856)	(11,981)	(11,355)	(13,959)
Acquisition and renewal of the fleet of vehicle	(9,063)	(47,610)	(14,865)	(47,761)
Net cash flows from operating activities	<u>38,814</u>	<u>13,825</u>	<u>41,376</u>	<u>33,059</u>
Cash flows from investment activities				
Acquisition of other fixed and intangible assets	(3,391)	(4,968)	(4,012)	(4,972)
Dividends received	-	1,012	-	-
Net cash flows used in investment activities	<u>(3,391)</u>	<u>(3,956)</u>	<u>(4,012)</u>	<u>(4,972)</u>
Cash flows from financing activities				
Raising of loans	2,481		2,481	
Payments of loans	(27,091)	(27,629)	(33,703)	(35,359)
Dividends paid	-	(3,368)	-	(3,368)
Net cash flows used in financing activities	<u>(24,610)</u>	<u>(30,997)</u>	<u>(31,222)</u>	<u>(38,727)</u>
Exchange variation on foreign investment			84	225
Increase in cash and cash equivalents	<u>10,813</u>	<u>(21,128)</u>	<u>6,226</u>	<u>(10,415)</u>
Cash and cash equivalents at January 1	190,120	222,907	274,433	300,186
Cash and cash equivalents at March 31	<u>200,933</u>	<u>201,779</u>	<u>280,659</u>	<u>289,771</u>
	<u>10,813</u>	<u>(21,128)</u>	<u>6,226</u>	<u>(10,415)</u>
Supplementary information to the cash flow information				
Raising of loans related to the purchase of vehicles	1,137	-	1,904	-

See the accompanying notes to the interim financial information.

VIX Logística S.A.

Statements of added value

Quarters ended March 31, 2017 and 2016

(In thousands of Reais)

	Parent company		Consolidated	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Revenues				
Sales of goods, products and services	185,972	204,499	274,601	294,255
Other earnings	315	73	367	263
Allowance for doubtful accounts	(7)	(257)	(7)	(257)
	<u>186,280</u>	<u>204,315</u>	<u>274,960</u>	<u>294,261</u>
Inputs acquired from third parties				
Cost of goods and services sold	(29,919)	(28,755)	(34,921)	(36,429)
Material, power, third-party services and others	(14,495)	(18,271)	(57,833)	(56,888)
Adjustments to Fair Value		-	-	-
	<u>(44,413)</u>	<u>(47,026)</u>	<u>(92,754)</u>	<u>(93,317)</u>
Gross added value	141,867	157,289	182,207	200,944
Depreciation and amortization	(19,981)	(20,816)	(25,926)	(25,865)
Net added value produced by the Company	<u>121,886</u>	<u>136,473</u>	<u>156,281</u>	<u>175,079</u>
Transferred added value received				
Equity accounting results	604	(24)	-	-
Financial income	8,233	15,409	10,963	18,067
	<u>8,837</u>	<u>15,385</u>	<u>10,963</u>	<u>18,067</u>
Total added value to be distributed	<u>130,723</u>	<u>151,858</u>	<u>167,244</u>	<u>193,146</u>
Distribution of added value				
Personnel				
Salaries and payroll charges	62,335	64,997	81,028	87,537
Board of directors' fees	2,980	4,853	2,980	4,853
Retirement and pension plans	184	269	213	296
Taxes, fees and contributions				
Federal	29,430	34,715	39,870	45,110
State	3,946	3,677	7,668	7,859
Municipal	4,504	3,858	5,488	4,932
Remuneration of third-party capital				
Interest	13,850	22,247	15,527	24,383
Rents	2,390	1,808	3,207	2,542
Other	119	561	278	761
Remuneration of shareholders' equity				
Dividends	3,296	4,462	3,296	4,462
Retained earnings	7,690	10,411	7,690	10,411
	<u>130,723</u>	<u>151,858</u>	<u>167,244</u>	<u>193,146</u>

See the accompanying notes to the interim financial information.

Management's notes to the interim financial information

(In thousands of Reais, except when indicated otherwise)

1 Information about the company

VIX Logística S.A. ("Company" or "VIX"), founded in 1971, located at Avenida Jerome Vervloet, 345 - 1st floor - Goiabeiras - Vitória/ES is engaged mainly in providing logistics services, including road transport of intercity, interstate and international cargoes, collective passenger road transport in chartered buses, leasing of vehicles and labor, and logistics operations, among others, and may also hold interests in other companies as a partner or shareholder.

At March 31, 2017, in addition to performing its operations, the company held interests in the following fully-controlled companies:

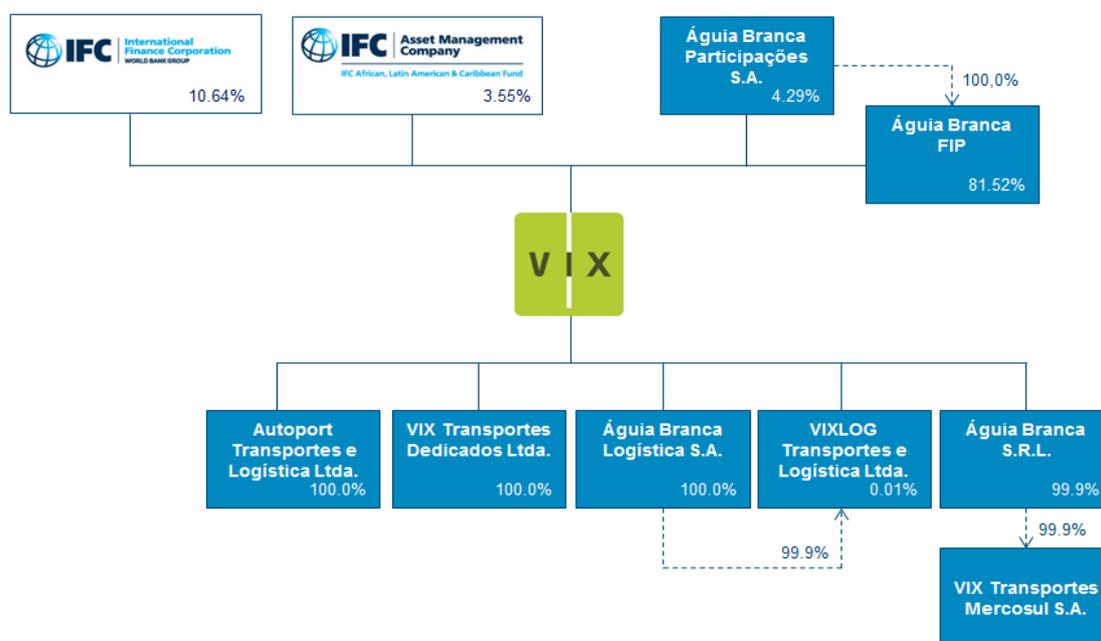
Company	Name	Activity carried out
Águia Branca Logística Ltda.	ABL	Road transport of cargo and logistics
VIX Transportes Dedicados Ltda.	VIXTD	Road transport of cargo and logistics
Águia Branca SRL (Argentina)	AB SRL	Road transport of cargo and logistics
VIX Transportes Mercosur (Argentina) (1)	VixMercosur	Road transport of cargo and logistics
Autoport Transportes e Logística Ltda.	ATL	Road transport of vehicles
Vixlog Transporte e Logística Ltda. (1)	VIXLOG	Road transport of cargo

(1) An indirectly controlled company with almost insignificant commercial operations.

The company and its subsidiaries are part of the Águia Branca Group ("Group"), which has business operations in the areas of logistics, road transport, air transport and trading of vehicles and parts. The activity related to the logistics area is carried out by the company and its subsidiaries.

The company and its subsidiaries carry out Logistics activities such as transporting vehicles, transporting passengers on a charter basis, leasing vehicles in addition to various other activities developed specifically for each type of contract. Their business is conducted within the context of a corporate group, using, where appropriate, the structure of related companies, sharing administrative costs and management efforts.

Corporate and operational structure of Vix



2 Basis of preparation and summary of significant accounting policies

2.1 Declaration of conformity

The quarterly information has been prepared and is being presented in accordance with Accounting Pronouncements Committee ("CPC") 21 (R1) - Interim Statement issued by the CPC and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB") and applicable standards for quarterly information of the Brazilian Securities Commission ("CVM").

The quarterly financial information should be read in conjunction with the financial statements of December 31, 2016, which were prepared in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the IASB.

2.2 Preparation basis

The individual and consolidated financial statements were prepared based on historical cost as a value basis, which, in the case of financial assets available for sale and other assets and liabilities (including derivative instruments) is adjusted to reflect the fair value measurement.

The individual and consolidated interim accounting information of VIX Logística S.A. for the quarter ended March 31, 2017 was authorized for issue by the Company's Board of Directors on April 28, 2017, considering subsequent events that occurred up to this date.

2.3 Functional currency and presentation currency

The functional currency of the parent company VIX Logística and the subsidiaries ABL, VIXTD, ATL and VIXLOG is the Brazilian Real (R\$) and for the subsidiaries ABSRL and VIX Mercosur it is the Argentine peso. Each subsidiary of the company determines its own functional currency and for those whose functional currencies are different from the Real, the interim accounting information is translated into Reais on the closing date.

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing on the transaction or evaluation dates, when the items are remeasured.

2.4 Critical estimates and judgments

Judgments, estimates and assumptions are used for the measurement and recognition of certain assets and liabilities of the Company's quarterly information. The determination of these estimates takes into consideration experience of past and current events, presuppositions related to future events and other objective and subjective factors. Significant items subject to estimates include taxes, provisions for civil, tax and labor risks, income from the provision for unbilled services and useful life of non-current assets. The future settlement of transactions involving these estimates may result in significantly different amounts from those recorded in the quarterly information due to the lack of precision inherent to the process of their determination. The Company reviews the estimates and the assumptions at least once a year.

2.5 Accounting policies

In the preparation of this quarterly information, the accounting policies adopted are the same as those used when preparing the financial statements as of December 31, 2016, published in the official press on March 10, 2017, and the quarterly financial information for the three month period ended March 31 2016, published in the official press on May 13, 2016.

New pronouncements that have come into effect from January 1, 2016, as disclosed in the financial statements of December 31, 2015, have not had material impacts on the Company's individual and consolidated quarterly financial information.

2.6 Business segment reporting

The core activity of the group consists of providing dedicated logistics solutions, therefore the information and results are analyzed by the main decision maker in a consolidated manner, despite being organized via four types of services: (i) Dedicated Logistics; (ii) Automotive Logistics, (iii) Fleet Service and (iv) Charter. All these services consist of dedicated logistics solutions and reflect the current portfolio of services offered by the Group. Although there are various types of service, the decision makers understand that the group represents only one business segment and it does not comprise specific strategies focused on just one line of service.

3 Cash and cash equivalents

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Cash	278	272	397	392
Banks	1,363	1,092	3,319	3,172
Short-term financial investments	199,292	188,756	276,943	270,869
	<u>200,933</u>	<u>190,120</u>	<u>280,659</u>	<u>274,433</u>

At March 31, 2017, the Águia Branca Group, and the Company and its subsidiaries maintained the centralization of its investments in Bradesco Fundo de Investimento Multimercado Crédito Privado GAB CORP, which has daily liquidity and no restrictions on redemption. The daily residual amounts are invested automatically and are available for redemption, and no restrictions are imposed on this balance (daily liquidity), with yields equivalent to the rates of the interbank deposit certificate (CDI), with an average yield of 100.05% (99.62% in 2016).

4 Accounts receivable

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Trade accounts receivable	50,511	53,870	89,236	89,632
Unbilled services and other accounts receivable:	55,679	58,497	65,299	68,193
Unbilled bills of lading	1,168	1,316	4,462	4,119
(-) Allowance for doubtful accounts	(399)	(417)	(438)	(477)
	<u>106,959</u>	<u>113,266</u>	<u>158,559</u>	<u>161,467</u>

The company and its subsidiaries provide services to large companies operating in different sectors that do not present any difficulty in the realization of their accounts receivable, and do not have a history of significant losses.

The breakdown of the balance of trade accounts receivable by age of maturity is as follows:

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
To fall due	45,920	52,446	80,489	83,778
Overdue				
Overdue up to 30 days	4,516	750	7,869	4,726
Overdue from 31 to 90 days	40	525	302	786
Overdue from 91 to 180 days	10	7	368	45
Overdue for more than 180 days	25	142	208	297
	50,511	53,870	89,236	89,632

In the parent company's accounts receivable there is the amount of R\$ 418 (R\$ 349 at December 31, 2016) and R\$ 598 in consolidated (R\$ 456 at December 31, 2016), which have already been received as account deposits and whose invoices have not yet been written off in the system due to difficulty in identifying the receipts, however the amounts disclosed herein are already net of this effect.

Changes in the Provision for Doubtful Accounts

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Opening balance	(417)	(304)	(477)	(1,417)
Provisions		(257)		(349)
Reversals	18	144	39	1,289
Closing balance	(399)	(417)	(438)	(477)

5 Inventories

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Parts and accessories	5,765	5,849	7,195	7,208
Tires	2,302	1,841	2,824	2,236
Body materials	934	966	1,223	1,304
Fuels and lubricants	1,100	1,313	1,253	1,478
Other items	253	214	312	279
	<u>10,354</u>	<u>10,183</u>	<u>12,807</u>	<u>12,505</u>

- (i) They are batteries, screws, washers, bearings, filters, belts etc. used for maintenance of the vehicles.
- (ii) They are used for the maintenance and recuperation of the bodies of vehicles: bumpers, windcreens, lights etc, which are consumed in the period of one year.

6 Recoverable taxes

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Current				
Value added tax on sales and services - ICMS(i)	8,136	7,901	8,423	8,074
Social integration program - PIS and Contribution for Contribution for the Financing of Social Security - Cofins (iii)	7,893	8,813	7,893	8,814
National Institute of Social Security - INSS	-	3	1,205	1,003
Other	117	115	125	124
	<u>16,146</u>	<u>16,832</u>	<u>17,646</u>	<u>18,015</u>
Income tax - IRPJ (ii)	8,645	9,286	11,051	11,461
Social Contribution on Net Income - CSLL (ii)	1,008		1,619	333
	<u>9,653</u>	<u>9,286</u>	<u>12,670</u>	<u>11,794</u>
	<u>25,799</u>	<u>26,118</u>	<u>30,316</u>	<u>29,809</u>
Non-current				
Value added tax on sales and services - ICMS	4,731	6,162	5,280	6,368
	<u>4,731</u>	<u>6,162</u>	<u>5,280</u>	<u>6,368</u>
	<u>30,530</u>	<u>32,280</u>	<u>35,596</u>	<u>36,177</u>

- (i) ICMS (value-added tax on sales and services) is represented mainly by credit concerning acquisition of fixed assets, using the monthly rate of 1:48, in conformity with the prevailing tax rules and regulations in force. The company and its subsidiaries assess for each purchase the recoverable portion of taxes and adds the non-recoverable portion to the cost of the item of origin in fixed assets, since it can only be used in proportion to the taxed inflows.
- (ii) IRPJ and CSLL credits refer to the prepayments of the companies that opted for the "annual taxable income" taxation regime (VIX, VIXTD, ATL and ABL) and withheld at source.
- (iii) PIS and COFINS credits are extemporaneous credits referring mainly to the recalculation of the proportionality of the cumulative and non-cumulative regimes. The company recognizes the legitimacy of this credit in view of the existing legal grounds on the methodology of calculations made for raising the credits.

7 Other receivables and contractual withholdings

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Current				
Suppliers	322	448	416	756
Employees (13th salary, Vacations, wages, etc.)	1,120	1,367	1,514	1,939
Sundry Debtors	262	261	1,584	1,483
Carriers	99	199	165	541
Other	1,050	384	1,184	551
	2,853	2,659	4,863	5,270
Non-current				
Sundry Debtors (i)	400	399	400	399
Contract withholdings	6,196	5,476	6,457	5,678
Other	252	79	252	79
	6,848	5,954	7,109	6,156
	9,701	8,613	11,972	11,426

- (i) The amounts of trade accounts receivable referring to contractual refunds are classified under sundry debtors.
- (ii) The amounts withheld by some customers and tenants of real estate properties are classified, under contractual withholdings, in conformity with the contractual clause. These amounts will be reimbursed at the end of the contract.

8 Operating assets held for sale

Represented mainly by vehicles, machinery and equipment no longer allocated to the operations of the company and its subsidiaries, available for sale, valued at cost of acquisition, less depreciation accumulated up to the date of availability for sale, are stated at the lower amount between their book value and their fair value less selling expenses. The values are maintained in accordance with the expectation of sales by the company's management.

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Trucks / Semi-trailer	5,931	5,742	8,200	6,911
Light / Utilities / Bus	30,668	37,609	30,678	37,645
Other	268	5,088	268	5,088
Total assets available for sale	36,867	48,439	39,146	49,644

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Opening balance	48,439	53,444	49,644	62,105
Return	69	836	69	836
Reincorporation	343	1,807	343	1,807
Changes in non-current assets held for sale	50	49,095	1,270	45,897
Items sold during the period	(12,034)	(56,743)	(12,180)	(61,001)
Closing balance	36,867	48,439	39,146	49,644

9 Investments - Parent Company

	Parent company - March 31, 2017				
	Ownership %	Assets	Liabilities	Shareholders' equity	Net income (loss)
Direct investments					
Águia Branca Logística - ABL	99.99	42,084	20,544	21,541	(3,458)
Autoport Transportes e Logística - ATL	99.99	168,866	46,803	122,063	2,248
VIX Transportes Dedicados - VIXTD	99.99	94,236	65,363	28,872	1,822
Águia Branca S.R.L. - ABSRL	99.99	532	136	396	(7)
				172,872	604
Tax Incentive				210	-
				173,082	604

Parent company - December 31, 2016					
	Ownership %	Assets	Liabilities	Shareholders' equity	Net income (loss)
Direct investments					
Águia Branca Logística - ABL	99.99	43,847	18,848	24,999	(4,513)
Autoport Transportes e Logística - ATL	99.99	163,548	43,733	119,815	11,659
VIX Transportes Dedicados - VIXTD	99.99	88,579	61,529	27,050	384
Águia Branca S.R.L. - ABSRL	99.99	441	122	319	(265)
				172,183	7,265
Tax Incentive				210	-
				172,393	7,265
Consolidated					
		March 31, 2017		December 31, 2016	
Direct investments		255		255	
Tax Incentive (ii)		255		255	
		255		255	

- (i) At March 31, 2017, the company recorded R\$ 82 (loss of R\$ 88 at December 31, 2016) with respect to the loss with foreign exchange variation on overseas investments. This variation is due to the investment in the company Águia Branca S.R.L. and its subsidiaries, located in Argentina.
- (ii) These are projects encouraged under the Audiovisual Law, using part of the funds of the company's fiscal net profit.

Breakdown of investments

	ABL	ATL	VIXTD	ABSRL	Total
Balances at January 1, 2016	29,512	108,156	26,666	496	164,830
(+) Equity accounting	(4,513)	11,659	384	(265)	7,265
(-) Exchange variation on foreign investment	-	-	-	88	88
Balances at December 31, 2016	24,999	119,815	27,050	319	172,183
(+) Equity accounting	(3,458)	2,248	1,822	(7)	604
(-) Exchange variation on foreign investment	-	-	-	84	84
Balances at March 31, 2017	21,541	122,063	28,872	396	172,872

10 Property, plant and equipment

Parent company

	Vehicles	Machinery and equipment	Computer equipment	Buildings and constructions	Leasehold improvements (i)	Furniture and fixtures	Land	Tools	Aircraft (ii)	Other - construction in progress (iii)	Total
Balances at January 1, 2016	338,045	112,025	1,785	10,263	1,975	2,052	23,725	207	4,905	13,194	508,176
Acquisitions	61,705	9,620	137			116		2		9,624	81,204
Sales and write-offs	(383)	(213)	(13)		(223)	(45)		(8)			(885)
Reclassification to Assets Intended for Sale	(46,058)	(3,037)									(49,095)
Reclassifications	3,089	(156)	11	9,911	2,745					(15,600)	-
Depreciation	(56,549)	(16,561)	(642)	(461)	(1,295)	(335)		(35)	(342)		(76,220)
Balances at December 31, 2016	299,849	101,678	1,278	19,713	3,202	1,788	23,725	166	4,563	7,218	463,180
Acquisitions	7,785	1,865	2,496	-	-	77	-	-	-	844	13,067
Sales and write-offs	(662)	(203)	(1)	-	-	(14)	-	(1)	-	-	(881)
Reclassification to Assets Intended for Sale	(4,135)	4,085	-	-	-	-	-	-	-	-	(50)
Reclassifications	(268)	382	(16)	499	2,072	3	-	-	-	(2,677)	(5)
Depreciation	(13,705)	(4,217)	(193)	(217)	(435)	(81)	-	(8)	(86)	-	(18,942)
Balances at March 31, 2017	288,864	103,590	3,564	19,995	4,839	1,773	23,725	157	4,477	5,385	456,369
Average annual rates of depreciation (%)											
Light / Utilities / Buses	19.8	-	-	-	-	-	-	-	-	-	-
Trucks / Semi-trailer	17.0	-	-	-	-	-	-	-	-	-	-
Other	-	14.6	20.0	3.7	55.4	10.0	-	20.0	5.0	-	-

VIX Logística S.A.
*Consolidated and individual interim
accounting information at March 31, 2017*

Consolidated

	Vehicles	Machinery and equipment	Computer equipment	Buildings and constructions	Leasehold improvements (i)	Furniture and fixtures	Land	Tools	Aircraft (ii)	Other - construction in progress (iii)	Total
Balances at January 1, 2015	480,697	126,163	1,848	10,261	4,469	2,499	23,725	224	4,905	13,660	668,451
Acquisitions	65,848	9,713	146	-	4	128	-	4	-	11,982	87,825
Sales and write-offs	(1,098)	(219)	(13)	-	(223)	(47)	-	(8)	-	-	(1,608)
Reclassification to Assets Intended for Sale	(42,860)	(3,037)	-	-	-	-	-	-	-	-	(45,897)
Reclassifications	3,126	(156)	11	9,911	5,436	-	-	-	-	(18,328)	-
Depreciation	(73,845)	(18,798)	(665)	(461)	(2,414)	(403)	-	(39)	(342)	-	(96,967)
Balances at December 31, 2016	431,868	113,666	1,327	19,711	7,272	2,177	23,725	181	4,563	7,314	611,804
Acquisitions	14,246	1,913	2,503	-	-	77	-	-	-	905	19,644
Sales and write-offs	(662)	(203)	(1)	-	-	(15)	-	(1)	-	-	(882)
Reclassification to Assets Intended for Sale	(5,355)	4,085	-	-	-	-	-	-	-	-	(1,270)
Reclassifications	(268)	387	(18)	499	2,072	-	-	-	-	(2,678)	(6)
Depreciation	(18,547)	(4,785)	(199)	(217)	(947)	(97)	-	(9)	(86)	-	(24,887)
Balances at March 31, 2017	421,282	115,063	3,612	19,993	8,397	2,142	23,725	171	4,477	5,541	604,403
Average annual rates of depreciation (%)											
Light / Utilities / Buses	19.8	-	-	-	-	-	-	-	-	-	-
Trucks / Semi-trailer	17.0	-	-	-	-	-	-	-	-	-	-
Other	-	14.6	20.0	3.7	55.4	10.0	-	20.0	5.0	-	-

- (i) Leasehold improvements are amortized in accordance with the term of the lease contracts or the useful life, whichever is less
- (ii) The aircraft is used by the company's executives to speed up travel to serve clients and, therefore, is used strictly for business.
- (iii) Constructions in progress are basically unfinished works and/or equipment requiring implements in order to start the operation.

The company also has the amount of R\$ 9,014 (R\$ 12,286 in consolidated) fully depreciated and which is still in operation.

The company assessed the existence of indicators of impairment of fixed assets and considered that it was not necessary to conduct impairment testing for these assets.

11 Intangible Assets

The company possesses items of intangible assets in the financial leasing mode, as shown below:

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Vehicles	290,220	472,266	426,053	669,884
Machinery and equipment	108,129	152,604	120,143	169,016
Computer equipment	3,704	4,575	3,795	4,709
Buildings and constructions	20,210	21,687	20,210	21,687
Leasehold improvements	5,274	6,001	9,344	11,955
Furniture and fixtures	1,854	3,745	2,237	4,405
Land	23,725	23,725	23,725	23,725
Tools	34	334	32	359
Aircraft	4,564	6,847	4,564	6,847
Other - construction in progress	17,597	7,999	19,187	8,521
	475,311	699,783	629,290	921,108
Accumulated depreciation	-18,942	-236,603	-24,887	-309,304
Net fixed assets	456,369	463,180	604,403	611,804
	456,369	463,180	604,403	611,804
	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Informatics System	34,496	39,747	34,501	39,755
Intangible assets in progress	2,491	2,766	3,818	3,479
	36,987	42,513	38,319	43,234
Accumulated amortization	(1,039)	(5,643)	(1,039)	(5,646)
Net intangible assets	35,948	36,870	37,280	37,588
	35,948	36,870	37,280	37,588

- (i) Information system under development

Parent company

	Informatics System	Contractual rights	Intangible assets in progress	Total
Balances at January 1, 2016	21,531	4,200	3,603	29,334
Acquisitions	7,309		7,688	14,997
Sales and write-offs		(4,200)		(4,200)
Reclassifications	8,526		(8,526)	-
Amortization	(3,261)			(3,261)
	-			-
Balances at December 31, 2016	34,105	-	2,765	36,870
Acquisitions	79	-	32	111
Sales and write-offs	-	-	-	-
Reclassifications	313	-	(307)	6
Amortization	(1,039)	-	-	(1,039)
	-			-
Balances at March 31, 2017	33,458	-	2,490	35,948
Average annual rates of amortization (%)				
SAP System (%)	10.0	-	-	
Other	20.0	-	-	

Consolidated

	Informatics System	Contractual rights	Intangible assets in progress	Total
Balances at January 1, 2016	21,537	4,200	3,603	29,340
Acquisitions	7,309		8,402	15,711
Sales and write-offs		(4,200)		(4,200)
Reclassifications	8,526		(8,526)	-
Amortization	(3,263)			(3,263)
	-			-
Balances at December 31, 2016	34,109	-	3,479	37,588
Acquisitions	79	-	646	725
Sales and write-offs	-	-	-	-
Reclassifications	313	-	(307)	6
Amortization	(1,039)	-	-	(1,039)
	-			-
Balances at March 31, 2017	33,462	-	3,818	37,280
Average annual rates of amortization (%)				
SAP System (%)	10.0	-	-	
Other	20.0	-	-	

The company also has the amount of R\$ 9,014 (R\$ 1,116 in consolidated) fully amortized and which is still in operation.

The company assessed the existence of indicators of impairment of intangible assets and considered that it was not necessary to conduct impairment testing for these assets.

12 Loans and Financing

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Current				
Acquisition of fixed assets - FINAME (note 12.1)	37,834	42,202	59,647	65,540
Bank loan for investment (note 12.2)	82,415	78,138	85,096	79,577
Debentures (note 12.4)	-	-	-	-
Leasing (note 12.3)	2,197	1,742	2,676	2,204
	122,446	122,082	147,419	147,321
Non-current				
Acquisition of fixed assets - FINAME (note 12.1)	48,973	56,031	92,800	103,857
Bank loan for investment (note 12.2)	192,771	210,974	205,270	224,724
Leasing (note 12.3)	2,489	1,095	2,842	1,560
	244,233	268,100	300,912	330,141
	366,679	390,182	448,331	477,462

12.1 Acquisition of fixed assets - FINAME

Financing obtained for investment in heavy vehicles and equipment that has annual interest rates ranging from 2.08% to 7.0% with correction by the unit of reference (UR), long-term interest rate (TJLP) or by the Selic rate ranging from 2.20% to 3.90%, besides some contracts entered into based on the Program for Support of the Investment with an annual interest rate of 2.5% to 10% without inflationary restatement, with due dates between 04/15/2017 and 06/25/2022.

12.2 Bank loan for investment

Loans obtained for investment in operating vehicles and equipment that have: (i) annual interest rates of approximately 1.45% to 2.74% (R\$ 258,371) and correction by the interbank deposit certificate (CDI), and a contract with interest above 8.99% (R\$ 318) without correction; and (ii) exchange variation of the US dollar, plus an annual interest rate of 3.74% (R\$ 32,074). Those contracts subject to exchange rate variation of the US dollar are bound to operations of exchange of position of the portions subject to exchange variation for fixed rates and correction by the CDI (swap), with due dates between 06/8/2017 and 2/22/2022, whose additional comments are described in Note 22.

As shown below, the financial covenants were complied with at March 31, 2017:

Index	Limits	March 31, 2017	December 31, 2016
Net debt/EBITDA ¹	Equal to or less than 3.0	0.89	1.00
EBITDA ¹ / Net financial expenses	Greater than or equal to 2.0	7.71	7.40

¹ EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)

12.3 Leasing

Financial leasing contracts for the purchase of machinery, equipment and other assets, with annual interest rates from approximately 0.60% to 2.42% (R\$ 5,518), and a term between 48 and 60 months, and correction by the interbank deposit certificate (CDI), as shown below:

March 31, 2017						
Year	Parent company			Consolidated		
	Fixed assets	Intangible Assets	Total	Fixed assets	Intangible Assets	Total
	up to one year	1,082	1,115	2,197	1,561	1,115
more than one year and up to five years	591	1,898	2,489	944	1,898	2,842
	1,673	3,013	4,686	2,505	3,013	5,518

December 31, 2016						
Year	Parent company			Consolidated		
	Fixed assets	Intangible Assets	Total	Fixed assets	Intangible Assets	Total
	up to one year	1,464	278	1,742	1,926	278
more than one year and up to five years	1,095		1,095	1,560		1,560
	2,559	278	2,837	3,486	278	3,764

12.4 Guarantees

The lines of financing have their own assets as collateral, promissory notes and an endorsement of the controlling shareholders.

12.5 Breakdown of the long-term payments

March 31, 2017				
Parent company		Leasing	Bank loan - investment	Total
Year	FINAME			
2018	17,158	1,277	103,020	121,455
2019	13,107	709	51,454	65,270
After 2020	18,708	503	38,297	57,508
	48,973	2,489	192,771	244,233

Consolidated		Leasing	Bank loan - investment	Total
Year	FINAME			
2018	31,297	1,630	106,769	139,696
2019	29,655	709	56,454	86,818
After 2020	31,848	503	42,047	74,398
	92,800	2,842	205,270	300,912

December 31, 2016

Parent company				
Year	FINAME	Leasing	Bank loan - investment	Total
2018	25,049	1,095	120,759	146,903
2019	12,836	-	51,918	64,754
After 2020	18,146	-	38,297	56,443
	<u>56,031</u>	<u>1,095</u>	<u>210,974</u>	<u>268,100</u>
Consolidated				
Year	FINAME	Leasing	Bank loan - investment	Total
2018	43,845	1,560	125,759	171,164
2019	29,158	-	56,918	86,076
After 2020	30,854	-	42,047	72,901
	<u>103,857</u>	<u>1,560</u>	<u>224,724</u>	<u>330,141</u>

13 Labor and tax obligations

	<u>Parent company</u>		<u>Consolidated</u>	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Labor obligations				
Current				
Pension - FGTS/SOCIAL SECURITY	2,877	4,408	4,128	6,175
With Personnel - salaries/other	1,389	1,076	1,844	1,460
Accrued vacations, 13th salary and charges	22,224	19,695	29,388	25,981
	<u>26,490</u>	<u>25,179</u>	<u>35,360</u>	<u>33,616</u>
Tax obligations				
Current				
PIS/COFINS/IRPJ/CSL	1,871	2,392	3,160	3,704
ICMS (value added tax) payable	1,265	1,230	2,714	2,730
ISS (service tax) payable	1,560	1,709	1,891	2,049
Payment of taxes in installments PAEX/REFIS (i)	1,274	1,342	1,274	1,342
Withheld	768	1,020	958	1,333
Other (ii)	397	17	515	17
	<u>7,135</u>	<u>7,710</u>	<u>10,512</u>	<u>11,175</u>
Income tax and social contribution payable				
Current				
IRPJ (Corporate income tax) payable	2,756	-	4,024	578
CSLL (Social contribution on net income) payable	1,022	210	1,495	575
	<u>3,778</u>	<u>210</u>	<u>5,519</u>	<u>1,153</u>
	<u>10,913</u>	<u>7,920</u>	<u>16,031</u>	<u>12,328</u>
Non-current				
Payment of taxes in installments PAEX/REFIS (i)	5,222	5,491	5,222	5,491
	<u>5,222</u>	<u>5,491</u>	<u>5,222</u>	<u>5,491</u>
	<u>12,357</u>	<u>13,201</u>	<u>15,734</u>	<u>16,666</u>
Short term portion	33,625	32,889	45,872	44,791
Long-term portion	5,222	5,491	5,222	5,491

- (i) On June 16, 2014, the Federal Revenue Department of Brazil (RFB) executed Term of Summons 31/2014, in which it reported that it was not possible to operationalize in the PAEX the inclusion of various debts, and with this it granted two alternatives for the company: to remain with those debts in the PAEX, settling them in 36 months (remaining term) or to include them in REFIS (System for Financing Tax Debts), which permits payment in installments over 180 months. Given this new fact, considering that until then there was no information of pending items in the Federal Revenue Department (RFB), as it always issued positive certificates with negative effects due to the outstanding payments in installments. On July 23, 2014, the company filed the request for inclusion of the remaining balance of the charges reopened by Law 12,973/2014 in REFIS, making the adjustments referring to the fine and interest (R\$ 9,513) in the results for the period, which are deducted from the tax losses, as permitted by law.
- (ii) Amounts related to IPVA (vehicle tax), licensing and DPVAT (Insurance for personal injuries caused by motor vehicles).

14 Balances and transactions with related parties

The company carries out transactions with companies of the Águia Branca Group, of which it is part, as follows:

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Current assets				
Accounts receivable - freight and advances				
AB Comércio de Veículos Ltda.	87		87	
Águia Branca Participações S.A.		8		8
ECO101 Highway Concessionaire	492	489	492	489
Kurumá Veículos Ltda.	10	1	10	1
Land Vitória Comércio de Veículos Ltda				3
Savana Comércio de Veículos Ltda	240	145	240	145
VD Comércio de Veículos Ltda.	60	74	60	74
VIX Transportes Dedicados Ltda	2			
VM Comércio de Veículos Ltda.	1		2	
	892	717	891	720
Receivables from related parties				
Águia Branca Logística Ltda	349	405		-
Águia Branca Participações S.A.	2,227	2,220	2,227	2,220
Autoport Transportes e Logística Ltda	13	12		-
VD Comércio de Veículos Ltda.	6,490	6,107	6,490	6,107
VIX Transportes Dedicados Ltda	197	163		-
	9,276	8,907	8,717	8,327
Current liabilities				
Suppliers - parts, vehicles and services				
AB Comércio de Veículos Ltda.	13	15	13	14
Águia Branca Encomendas Ltda.	3	1	3	1
Águia Branca Participações S.A.		111		112
Autoport Transportes e Logística Ltda	13	8		
AZUL Linhas Areas Brasileiras S/A	2		2	
Kurumá Veículos Ltda.	16	3	16	3
VD Comércio de Veículos Ltda.(iv)	138	89	189	276
	185	227	223	406
Amounts owed to related parties				
Águia Branca Logística Ltda	31	25		
Autoport Transportes e Logística Ltda	21	11		
VIX Transportes Dedicados Ltda	40	92		
	92	128	-	-

Results	Parent company		Consolidated	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Income from goods and services				
AB Comércio de Veículos	433		433	
Águia Branca Logística Ltda	1,014	1,777		
Águia Branca Participações S.A.		1		1
Autoport Transportes e Logística Ltda	41	21		
ECO101 Highway Concessionaire	1,517	1,462	1,517	1,462
Kurumá Veículos Ltda.	15	15	34	15
MVI Administ. and Investor Imob. Ltda		26		26
Savana Comércio de Veículos	444		444	
VD Comércio de Veículos Ltda.	235	538	235	538
Viação Águia Branca S.A.	2	24	2	24
VIX Transportes Dedicados	485	571		
VM Comércio de Veículos Ltda.		2	8	28
Other	1		1	
	<u>4,187</u>	<u>4,437</u>	<u>2,674</u>	<u>2,094</u>
Cost of Services				
AB Comércio de Veículos Ltda.	71	57	71	57
Águia Branca Encomendas Ltda.	11	3	11	3
Águia Branca Logística Ltda	74	142		
Águia Branca Participações S.A.(iii)	711	657	732	673
Autoport Transportes e Logística Ltda	247	213		
AZUL Linhas Areas Brasileiras S/A	3		3	
Kurumá Veículos Ltda.(i)	96	57	96	57
Rio Novo Locações Ltda.(ii)	290	221	456	221
VD Comércio de Veículos Ltda.(i)	845	734	1,198	1,336
VD Pneus Ltda		3	1	3
Viação Águia Branca S.A.(v)	16		16	
Viação Salutaris e Turismo S.A.	6	8	6	8
Vitória Motors Ltda		24		24
VIX Transportes Dedicados	248	813		
	<u>2,618</u>	<u>2,932</u>	<u>2,590</u>	<u>2,382</u>
Acquisition of Fixed Assets (iv)				
Autoport Transportes e Logística Ltda		364		
Kurumá Veículos Ltda.	130		130	
VD Comércio de Veículos Ltda.	1,320	27	6,792	27
VIX Transportes Dedicados		10		
	<u>1,450</u>	<u>401</u>	<u>6,922</u>	<u>27</u>

- (i) Acquisition of parts and services for maintenance of the Company's fleet.
- (ii) Payments for the lease of real estate.
- (iii) Payments for sharing services of Informatics resources - information technology and business consulting, where the costs are calculated according to the use of the services.
- (iv) Purchase of vehicles for use in the company's operating activity.
- (v) Payments for the lease of real estate properties and vehicles for tourism.

The transactions for purchase of vehicles, parts and services between companies are made in accordance with normal market conditions and values.

Remuneration of the key management personnel

The key management personnel includes the board members, directors and officers. The annual remuneration for 2017 was set at R\$ 14,485, in conformity with the deliberation approved through the minutes of the Board of Directors meeting held on March 6, 2017.

	March 31, 2017	March 31, 2016
Remuneration	2,980	4,853
Other short-term benefits	51	58
Other long-term benefits (i)	699	1,153
	3,730	6,064

- (i) These amounts refer to INSS (social security), a private pension fund and life insurance.

a. Warranties and guarantees to third parties

The company is a guarantor of loans taken out by the financial institutions for its subsidiaries namely:

	March 31, 2017	December 31, 2016
Autoport Transporte e Logística Ltda	3,176	3,591
Águia Branca Logística Ltda	6,350	6,861
VIX Transportes Dedicados	24,145	26,161
	33,671	36,613

15 Provision for contingencies

During the normal course of its business, the Parent Company and its subsidiaries may be exposed to certain contingencies and risks which include tax, labor and civil proceedings, under discussion.

The changes in the provision for contingencies to cover likely risks are, as follows:

Parent company

Provisions	Tax	Labor	Civil	Total
Balances at January 1, 2016	1,590	11,717	227	13,534
Provision		3,384	44	3,428
Complement to provision	(75)	5,759	24	5,708
Write-off through payment		(2,790)	(58)	(2,848)
Reversal of provision		(2,054)		(2,054)
Balances at December 31, 2016	1,515	16,016	237	17,768
Provision		1,024		1,024
Complement to provision		1,223	3	1,226
Write-off through payment	(1,515)	(537)		(2,052)
Reversal of provision		(3,921)	(120)	(4,041)
Balances at March 31, 2017	0	13,805	120	13,925

Consolidated

Provisions	Tax	Labor	Civil	Total
Balances at January 1, 2015	1,590	11,717	227	13,534
Provision		3,384	44	3,428
Complement to provision	(75)	5,759	24	5,708
Write-off through payment		(2,790)	(58)	(2,848)
Reversal of provision		(2,054)		(2,054)
Balances at December 31, 2016	1,515	16,016	237	17,768
Provision	1,528	5,583	120	7,231
Complement to provision	20	1,433	5	1,458
Write-off through payment		-584	(119)	(703)
Reversal of provision	(1,515)	(3,921)		(5,436)
Balances at March 31, 2017	1,548	18,527	243	20,318

Tax contingencies

The company and its subsidiaries are parties to various administrative and judicial processes of a tax nature represented by notices of infraction related to questioning of certain procedures adopted by the management. Of the amount of the processes, there is an amount of R\$ 181,234 (R\$ 175,957 in December 2016) referring to processes classified as a risk of possible loss, in which the amount of R\$ 144,454 (R\$ 139,650 at December 31, 2016) refers to processes at the State level (ES, RJ and RO), R\$ 36,601 (R\$ 36,130 at December 31, 2016) at Federal level and R\$ 179 (R\$ 177 at December 31, 2016) at the Municipal level and an amount of R\$ 1,548 (R\$ 1,515 at December 31, 2016) referring to processes classified as a risk of likely loss (individual and consolidated), where the total amount is recorded as a provision.

The main tax lawsuits, classified as a risk of possible loss, according to the opinion of our legal counsel, are presented below:

- (1) In December 2011, the Rio de Janeiro State Treasury Office (SEFAZ-RJ) filed a tax deficiency notice against Vix Logística S.A. in the amount of R\$ 56,723 (R\$ 94,754, updated amount in March 2017) on the emission of a CT-e (electronic transport document) on vehicle rental operations. The company has presented its defense and currently the process is at the first administrative instance.
- (2) In November 2011, the Espírito Santo State Treasury Office (SEFAZ-ES) filed a tax deficiency notice against Vix Logística S.A. in the amount of R\$ 7,580 (R\$ 11.496, updated amount in March 2017) on the non-payment of ICMS (VAT) on the transfers (outflows) of fixed assets. The company has presented its defense and currently the process is at the second administrative instance.
- (3) In November 2014, the parent company Vix Logística S.A. was fined by the Federal Revenue Department of Brazil (RFB) in the amount of R\$ 28,838 (R\$ 33,047, updated amount in March 2017) where the RFB is questioning the matters: taking of PIS and COFINS credits on import operations and suspension of PIS and COFINS for freight to a commercial exporting company, in addition to mischaracterizing items that the company classified as inputs for taking PIS and COFINS credits. The company has presented its defense and currently the process is at the second administrative counsel of tax appeals.
- (4) In June 2016, SEFAZ-ES fined the parent company Vix Logística S.A. in the amount of R\$ 31,008 (R\$ 33,450, updated value in March 2017) on the non-payment of ICMS on transfers (outflows) of fixed assets. The company has presented its defense and currently the process is at the first administrative instance.
- (5) In June 2016, SEFAZ-ES fined the parent company Vix Logística S.A. in the amount of R\$ 10,609 (R\$ 11,445, updated amount in March 2017) on the late registration of tax documents. The company has filed its administrative defense and currently the process is at the first administrative instance.

Labor contingencies

At March 31, 2017, the company and its subsidiaries were parties in 1,159 (1,199 at December 31, 2016) labor court suits, where the total amount claimed in these processes, when classified as a risk of possible loss amount to R\$ 50,660 (R\$ 53,991 at December 31, 2016) and when classified as a risk of likely loss amount to R\$ 18,527 (R\$ 16,016 at December 31, 2016) according to the lawyers who are defending the company's interests.

The company recorded the provision using an average of materialization of these processes, calculated on the comparison of the amounts claimed by the petitioners with the amounts actually paid by the Company in order to estimate the likely future disbursement. Accordingly, a provision was recorded of R\$ 8,527 (R\$ 16,016 at December 31, 2016), individual and consolidated, which corresponds to the expected cash outlay for the court suits assessed by the legal advisors, maintaining also, deposits in court in the amount of R\$ 15,179 (R\$ 15,798 at December 31, 2016) recorded in non-current assets of the parent company, and R\$ 19,291 (R\$ 19,706 at December 31, 2016) recorded in non-current assets of consolidated.

The labor contingencies in which the company is a party were typically filed by former employees after their dismissal, usually claiming payment of overtime. Additionally, the company is a party to certain collective actions questioning the workday and the outsourcing of activities by its clients.

Civil contingencies

At March 31, 2017, the company and its subsidiaries were parties to 185 (185 at December 31, 2016) civil court suits, of which 93 (89 at December 31, 2016) are court suits in which the company is a defendant and 92 (96 in 2016) in which it is a plaintiff.

Of the court suits in which the company as a defendant, R\$ 17,249 (R\$ 16,618 at December 31, 2016) are classified as a risk of possible loss and R\$ 244 (R\$ 237 at December 31, 2016) are classified as a risk of likely loss (individual and consolidated), according to the lawyers who are defending the processes, and provisions are being recorded in this amount.

The civil contingencies do not involve material amounts and are mainly indemnification suits concerning traffic accidents.

16 Equity

16.1 Share capital

At March 31, 2017, the fully subscribed and paid-in share capital was R\$ 332,000, represented by 84,705,666 registered common shares with no par value. The authorized capital is represented by 750,000,000 common shares with no par value.

Shareholders	March 31, 2017		December 31, 2016	
	Qty. Common shares	Ownership (%)	Qty. Common shares	Ownership (%)
Águia Branca FIP	69,056,132	81.52	69,056,132	81.52
International Finance Corporation (IFC)	9,011,241	10.64	9,011,241	10.64
Águia Branca Participações S.A.	3,634,540	4.29	3,634,540	4.29
IFC ALAC Brasil FIP	3,003,747	3.55	3,003,747	3.55
Kaumer Chieppe	6	<0.01	6	<0.01
Total	84,705,666	100	84,705,666	100

16.2 Capital reserves

They refer to the goodwill reserve on the subscription of share capital in 2009.

16.3 Profit reserve

The company, in accordance with its by-laws, maintains a profit reserve whose purpose is to ensure funds for financing additional investments of fixed and working capital and are formed with the remaining balance of the net income for the period that remains after the legal and statutory deductions, where these reserves may not exceed the share capital.

16.4 Legal reserve

Recorded at the rate of 5% of the net income for the year until it reaches the amount of 20% of the social capital, in accordance with the Brazilian corporation law.

16.5 Equity valuation adjustment

It refers mainly to the revaluation of the company's fixed assets. In compliance with the legal provisions, a provision was recorded for deferred income tax and social contribution on the total balance of the revaluation reserve, which is classified in non-current liabilities.

16.6 Distribution of dividends

At March 31, 2017 the company did not distribute dividends to its shareholders, and in the same period in 2016, the amount of R\$ 3,368 was paid, referring to the additional dividend proposed in 2015. The shareholders' agreement establishes the distribution of a dividend of at least 30% of the net income for the year.

Dividends paid	March 31, 2017	March 31, 2016
Águia Branca Participações S.A.		2,890
IFC Alac Brasil		120
International Finance Corp. - IFC		358
	<u>-</u>	<u>3,368</u>

17 Income tax and social contribution

17.1 Current balances

Recorded pursuant to the current rates, based on the adjusted profit (taxable income) or income from rendering of services (presumed profit) for tax purposes:

Reconciliation of the provisions for income tax and social contribution

	<u>Parent company</u>		<u>Consolidated</u>	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Income before income tax and social contribution	16,326	22,481	16,719	23,317
Nominal combined rate - %	<u>34</u>	<u>34</u>	<u>34</u>	<u>34</u>
Income tax and social contribution at the prevailing rates	(5,551)	(7,644)	(5,684)	(7,928)
Adjustments for calculation of the actual rate				
(+) Additions - permanent items				
Fines				
Other costs and non deductible expenses	(54)	44	(129)	(15)
(-) Exclusions - permanent items				
Equity accounting results	205	(8)		-
Tax loss for the period				
Other	58	-	81	(23)
Effects of tax calculation by the presumed profit in the investees		<u>-</u>	<u>(1)</u>	<u>(478)</u>
(=) Costs of IR and CSLL on the result	<u>(5,341)</u>	<u>(7,608)</u>	<u>(5,734)</u>	<u>(8,444)</u>
Current	(3,778)	(5,443)	(5,519)	(6,880)
Deferred	(1,563)	(2,165)	(215)	(1,564)
Actual rate	33%	34%	34%	36%

17.2 Deferred balances

Assets

Deferred income tax and social contribution, in the amount of R\$ 8,576 (R\$ 9,249 at December 31, 2016) and R\$16,437 (R\$ 14,878 at December 31, 2016), in the parent company and consolidated, respectively, refer primarily to the provision made on temporary differences (Provision for Contingencies, Swap). In consolidated, there is the provision on tax losses in the subsidiaries Vix Transportes Dedicados, Autoport Transportes e Logística and Aguia Branca Logística Ltda, whose amounts are reviewed at each balance sheet date and, when applicable, in the measure that it ceases to be likely that there will be sufficient taxable future profits for their payment.

VIX Logística S.A.
*Consolidated and individual interim
accounting information at March 31, 2017*

	Provision for contingencies	ICMS credits incorporated in fixed assets	Taxes with suspended demandability	Provision Swap	Provision for income tax on remittance abroad	Depreciation of intangible assets	Tax loss	Total
Parent company								
Balances at January 1, 2016	4,602		77	-	9	-	-	4,688
Formation of income tax and social contribution	1,440	1,591		1,786		272		5,089
Use of income tax and social contribution		(173)	(77)		(6)	(272)		(528)
Balances at December 31, 2016	6,042	1,418	-	1,786	3	-	-	9,249
Formation of income tax and social contribution	-	-		651	21			672
Use of income tax and social contribution	(1,307)	(38)						(1,345)
Balances at March 31, 2017	4,735	1,380	-	2,437	24	-	-	8,576
Consolidated								
Balances at January 1, 2016	4,602		77	-	9	-	4,524	9,212
Formation of income tax and social contribution	1,440	1,591		1,786		272	1,107	6,196
Use of income tax and social contribution		(173)	(77)		(6)	(272)		(528)
Balances at December 31, 2016	6,042	-	-	1,786	3	-	5,631	14,880
Formation of income tax and social contribution	866			651	21		57	1,595
Use of income tax and social contribution		(38)						(38)
Balances at March 31, 2017	6,908	(38)	-	2,437	24	-	5,688	16,437

Liabilities

Deferred income tax and social contribution liabilities in the amount of R\$ 77,942 (R\$ 77,056 at December 31, 2016) and R\$ 100,271 (R\$ 98,500 at December 31, 2016), in the parent company and consolidated, respectively, refer to the revaluation reserve and the differences arising from the adjustments of Law 11,638, related mainly to the review of the economic useful lives of fixed assets - vehicles and equipment (the cumulative effect at December 31, 2007 was considered as an adjustment in shareholders' equity), as shown below:

	Review of the useful life of fixed assets	ICMS credits incorporated into fixed assets	Revaluation reserve	Exchange variation	Provision for Swap	Leasing	Depreciation of intangible assets	Updating of deposits for appeals	Total
Parent company									
Balances at January 1, 2016	60,554	(1,591)	4,540		496	2,614	(272)	727	67,068
Formation of income tax and social contribution	5,507	1,591		2,301		657	272	173	10,501
Use of income tax and social contribution			(17) *		(496)				(513)
Balances at December 31, 2016	66,061	-	4,523		-	3,271	-	900	77,056
Formation of income tax and social contribution	434			308		158			900
Use of income tax and social contribution			(4)					(10)	(14)
Balances at March 31, 2017	66,495	-	4,519	308	-	3,429	-	890	77,942
Consolidated									
Balances at January 1, 2016	77,792	(1,591)	4,540		496	2,623	(272)	794	84,382
Formation of income tax and social contribution	9,547	1,591		2,301		685	272	235	14,631
Use of income tax and social contribution			(17) *		(496)				(513)
Balances at December 31, 2016	87,339	-	4,523	2,301	-	3,308	-	1,029	98,500
Formation of income tax and social contribution	1,292			308		174		1	1,775
Use of income tax and social contribution			(4)						(4)
Balances at March 31, 2017	88,631	-	4,519	2,609	-	3,482	-	1,030	100,271

(*) Amounts that did not impact the results for the period.

Presentation at the net amount in the balance sheet

Parent company		Consolidated	
March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
8,576	8,576	16,437	14,880
<u>77,942</u>	<u>77,056</u>	<u>100,271</u>	<u>98,500</u>
<u>69,366</u>	<u>68,480</u>	<u>83,834</u>	<u>83,620</u>

Effect on the results for the period

March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
(673)	3,015	1,557	4,848
<u>(890)</u>	<u>(5,180)</u>	<u>(1,771)</u>	<u>(6,412)</u>
<u>(1,563)</u>	<u>(2,165)</u>	<u>(215)</u>	<u>(1,564)</u>

(*) Without considering taxes on the revaluation reserve, recorded directly in shareholders' equity.

18 Insurance coverage

The Company and its subsidiaries maintain insurance with coverage and compensation limits considered sufficient by management to cover the main risks to its assets.

The main responsibilities for the operations performed by the parent company and its subsidiaries for any damages caused to third parties arising from their activities and also the main risks of damages to physical assets, protecting their assets from large and/or unexpected disbursements are transferred to the insurance market.

Considering the financial costs of taking out insurance for the entire fleet of vehicles, the company adopts risk management practices to minimize the frequency and severity of losses.

Additionally, the company has specific policies for voluntary civil liability for vehicles (RCF) and for road passenger transport (RCO).

At December 31, 2017, the Company holds the following main insurance policies taken out with third parties:

Assets insured	Risks covered	Amount For the coverage of
Property	Fire/lightning/explosion/electrical damage/windstorm/ hurricane/ hail/ theft, larceny.	3,500
Property and inventory	Basic coverage, electrical damages and unsafe places	60,000
Finished products	Road transport of cargo (RCTR-C and RCF-DC)	3,500
Assets and goods	Road transport of cargo (RCTR-C and RCF-DC)	3,500
Finished products	Road transport on international travel (RCTR-C, RCTR-VI and RCF-DC)	US\$ 1,050
Assets and goods	Road transport on international travel (RCTR-C, RCTR-VI and RCF-DC)	US\$ 1,050
Life insurance	Death. Accidental death, accidental disability, disability permanent functional per illness.	12 times salary of the insured person
Insurance of Officers	Civil liability of Officers	15,000

19 Income from sales and services

	<u>Parent company</u>		<u>Consolidated</u>	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Earnings from sales and rendering of services	185,972	204,498	274,601	294,285
Taxes and/or deductions				
ICMS (Value added tax)	(2,493)	(2,515)	(6,085)	(6,568)
ISS (Service tax)	(4,350)	(3,742)	(5,236)	(4,761)
PIS (Social integration program)	(2,414)	(2,734)	(3,837)	(4,021)
COFINS (Tax for social security financing)	(11,122)	(12,596)	(17,675)	(18,522)
INSS (Social security tax)	-	-	(470)	(488)
Canceled sales	-	-		(31)
	<u>(20,379)</u>	<u>(21,587)</u>	<u>(33,303)</u>	<u>(34,391)</u>
Net operating income	<u>165,593</u>	<u>182,911</u>	<u>241,298</u>	<u>259,894</u>

19.1 Income from sales and services rendered

Income from sales and services are separated thus by nature of services:

	<u>Parent company</u>		<u>Consolidated</u>	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Nature of the services				
Fleet Service	53,794	69,122	53,817	69,122
Dedicated logistics	70,399	72,793	101,668	104,208
Automotive logistics	9,236	9,494	66,310	67,323
Charters	37,766	39,135	37,766	39,135
Fleet renewal	14,777	13,954	15,040	14,497
	<u>185,972</u>	<u>204,498</u>	<u>274,601</u>	<u>294,285</u>

21 Financial income and expenses

Represented by:

	Parent company		Consolidated	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Financial expenses				
Interest on loans and financing	(10,571)	(13,610)	(11,970)	(15,443)
Foreign exchange variation losses	(739)	(1,661)	(739)	(1,661)
Other interest calculated	(99)	(153)	(101)	(161)
Swaps	(2,341)	(6,800)	(2,341)	(6,800)
Other financial expenses	(276)	(659)	(711)	(1,154)
	(14,026)	(22,883)	(15,862)	(25,219)
Financial income				
Foreign Exchange gains	1,604	5,858	1,604	5,858
Earnings on financial investments	5,785	7,316	8,356	9,898
Discounts and interest received	301	699	307	720
Swaps	415	1,380	415	1,380
Other financial income	128	156	281	211
	8,233	15,409	10,963	18,067
Net financial result	(5,793)	(7,474)	(4,899)	(7,152)

22 Risk management and appreciation of financial instruments

22.1 Comments on risks

22.1.1 Credit risks

The company's operations consist of providing logistics services, represented mainly by the transport of cargoes and passengers, the latter as chartered services, governed by specific contracts, which have certain conditions and terms, which are substantially indexed rates of inflationary correction for a period of more than a year. The company adopts specific procedures for selection and analysis of clients to prevent losses due to default.

Credit risk arising from current accounts, short-term financial investments, operations with derivatives and deposits in court are reduced through the contracting of operations with first tier financial institutions.

22.1.2 Interest rate and exchange rate risk

FINAME loans have post-fixed rates updated by the long-term interest rate (TJLP) and the Selic rate. In both cases prefixed rates (*spread*) are added to these indexers.

Financing in the form of working capital and "investment loans" are contracted with interest rates post-fixed by the variation of the CDI. In the 4,131 mode, in foreign currency and, thus, subject to exchange variation, the risk of variation in the exchange rate of these loans is mitigated by contracting swap operations carried out with the financial institutions that granted the loans, defined as a definitive correction index to the variation of the CDI rate plus prefixed interest, as mentioned in note 14. Gains and losses calculated in this operation are recorded under the heading of "Financial expenses".

Balances with related parties are not subject to financial charges.

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
TJLP	8,601	10,727	11,646	13,929
SELIC rate	250,482	261,306	275,312	286,267
Dollar	32,074	32,252	32,074	32,252
	291,157	304,285	319,032	332,448

The financing obtained with FINAME in PSI are indexed to the long-term interest rate (TJLP) and in some cases to the Selic rate. In both cases prefixed rates (*spread*) are added to these indexers.

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Post Fixed Loans	291,157	304,285	319,032	332,448
Pre-fixed Loans	75,919	85,897	129,697	145,014
	367,076	390,182	448,729	477,462

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Loans in Selic/CDI	250,481	261,307	275,311	286,268
Foreign currency loan + SWAP	39,242	37,929	39,242	37,929
Total Debt in CDI (a)	289,723	299,236	314,553	324,197
Short-term Financial Investments (b)	199,292	188,756	276,943	270,869
Balance in CDI (a - b)	90,431	110,480	37,610	53,328

The risk of the variation of the Selic rate and CDI is partially mitigated by the investments made.

22.1.3 Liquidity risk

The policy for liquidity risk management implies maintaining a secure level of cash availability or access to immediate funds. Accordingly, the company and its subsidiaries have funds in current accounts available for immediate use.

The table below shows the maturity of financial liabilities and obligations with suppliers contracted by the company and its subsidiaries in the interim accounting information (contracted cash flows not discounted):

Parent company	Less than 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
At March 31, 2011				
Loans and financing	108,015	229,939	58,156	3,009
Suppliers	7,563			
Accounts payable to suppliers - related parties	185			
Accounts payable	4,647			
Dividends	2,455			
At December 31, 2016				
Loans and financing	273,621	243,404	58,495	3,000
Suppliers	10,436			
Suppliers - related parties	227			
Accounts payable	4,511			
Dividends	2,455			
Consolidated				
	Less 1 year	From 1 to 3 years	From 3 to 5 years	More than 5 years
At March 31, 2017				
Loans and financing	128,912	278,722	74,180	3,009
Suppliers	83,834			
Suppliers - related parties	5,222			
Accounts payable	-			
Dividends	-			
At December 31, 2016				
Loans and financing	328,986	294,403	75,607	3,000
Suppliers	13,868			
Suppliers - related parties	406			
Accounts payable	8,561			

22.1.4 Capital management

The Company's objectives when managing its capital are to safeguard the Company's ability to continue to offer a return for its shareholders and benefits for the other interested parties and to maintain an optimal capital structure for reducing this cost.

To maintain or adjust the Company's capital structure, Management can review, or propose to review, in the cases where the shareholders have to approve it, the dividend payment policy, return capital to shareholders, or even issue new shares or sell assets to reduce, for example, the level of indebtedness.

Consistent with other companies of the sector, the Company monitors its capital based on the financial leverage ratio. This ratio corresponds to the net debt expressed as a percentage of the total capital. The net debt, in turn, corresponds to total borrowings (including short and long term borrowings, as presented in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated through the sum of shareholders' equity, as presented in the consolidated balance sheet, with the net debt.

	Parent company		Consolidated	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Total loans and financing (Note 14)	366,679	390,182	448,331	477,462
Less: Cash and cash equivalents (Note 5)	200,933	190,120	280,659	274,433
Net debt	165,746	200,062	167,672	203,029
Total shareholders' equity	575,605	564,532	575,605	564,532
Total capital	741,351	764,594	743,277	767,561
Financial leverage ratio - %	22%	26%	23%	26%

22.1.5 Credit quality of the financial assets

The credit quality of the financial assets that are not overdue or impaired can be assessed through reference to the external credit ratings (if any) or past information on the default rates of the counterparties. For the credit quality of counterparties that are financial institutions, such as cash and short-term financial investments, the company considers the lowest rating of the counterparty disclosed by the three main international rating agencies (S&P, Fitch, Moody's).

We present below a table showing the rating evaluation of the financial institutions' custodians of current account assets, short-term financial investments and accounts receivable.

Banks	Rating (*)	Parent company		Consolidated	
		March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Banco do Brasil	BB	1,162	1,111	1,967	1,497
Bradesco	brAA-	190,939	180,508	269,462	264,059
Santander	brAA-	77	25	100	30
CEF	brAA-	8,396	8,130	8,430	8,152
HSBC	BB	-	-	168	175
BANESTES	A +	15	3	15	3
ALFA	ba2	2	4	19	23
Safra	brAA-	8	3	18	15
Votorantim	A+	7	6	15	13
Itaú	brAA-	49	58	68	74
		200,655	189,848	280,262	274,041

(*) According to the rating agencies: Standard & Poors, Fitch Ratings, Moody's, LFR Rating (Banco do Estado).

22.2 Appreciation of financial instruments

The estimated realization amounts of the Company's financial assets and liabilities were calculated through information available on the market and appropriate valuation methodologies. However, considerable judgment was required to interpret the market data in order to produce the most appropriate estimated realization amount. Accordingly, the estimates presented below do not necessarily represent the amounts that may be realized on the current exchange market. The use of different market methodologies may have a material effect on the estimated realization values.

The financial instruments are described below, as well as the criteria for their valuation:

Cash and cash equivalents

The balances in current accounts held in top tier banks have market values similar to the book values. For short-term financial investments, the market value was calculated based on the market prices of these securities on the base date of the balance sheet. The agreed rates reflect usual market conditions.

Related party receivable/payable

Presented at book value, since there are no similar instruments on the market.

Loans and financing

The market values for loans and financing closely approximate the accounting balances, and are updated in conformity with clauses established in the contracts.

22.3 Classification of financial instruments

Parent company	March 31, 2017				Parent company	December 31, 2016			
	Assets and liabilities at fair value through profit or loss	Loans and receivables	Other liabilities	Financial Asset Held to Maturity		Assets and liabilities at fair value through profit or loss	Loans and receivables	Other liabilities financial	Financial Asset Held to Maturity
Assets as per balance sheet					Assets as per balance sheet				
Cash and cash equivalents	199,292	1,641			Cash and cash equivalents	188,756	1,364		
Trade accounts receivable, net		106,959			Trade accounts receivable, net		113,266		
Accounts Receivable from Related Parties, net		892			Accounts Receivable from Related Parties, net		717		
Deposits in court		15,179			Deposits in court		15,798		
Receivables from related parties		9,276			Receivables from related parties		8,907		
Financial assets held to maturity				594	Financial assets held to maturity				584
Dividends receivable					Dividends receivable				
Operations with derivatives					Operations with derivatives				
Other short and long-term receivables		14,600			Other short and long-term receivables		9,538		
Financial liabilities					Financial liabilities				
Loans and financing			366,679		Loans and financing			390,182	
Suppliers			7,563		Suppliers			10,663	
Operations with derivatives	7,168				Operations with derivatives	5,241			
Other accounts payable			5,920		Other accounts payable			4,909	
Dividends payable			2455		Dividends receivable			2455	
Consolidated	March 31, 2017				Consolidated	December 31, 2016			
Assets as per balance sheet					Assets as per balance sheet				
Cash and cash equivalents	276,943	-			Cash and cash equivalents	270,869	3,564		
Trade accounts receivable, net		158,559			Trade accounts receivable, net		161,467		
Accounts Receivable from Related Parties, net		891			Accounts Receivable from Related Parties, net		720		
Deposits in court		19,291			Deposits in court		19,706		
Receivables from related parties		8,717			Receivables from related parties		8,327		
Dividends receivable				594	Dividends receivable				
Financial assets held to maturity					Financial assets held to maturity				584
Operations with derivatives					Operations with derivatives				
Other short and long-term receivables		17,703			Other short and long-term receivables		12,548		
Financial liabilities					Financial liabilities				
Loans and financing			448,331		Loans and financing			477,462	
Suppliers			11,069		Suppliers			14,274	
Operations with derivatives	7,168				Operations with derivatives	5241			
Other accounts payable			10,285		Other accounts payable			8,969	
Dividends receivable			2455		Dividends receivable			2455	

22.4 Derivative financial instruments

Swap transactions recorded by the company and its subsidiaries were contracted at the same time as the operations of foreign currency loans, including deadlines, rates and equivalent amounts in order to eliminate exposure to exchange rate variations and to secure their updating by the indices of the interbank deposit certificate (CDI), plus a determined percentage of spread.

At March 31, 2017, the gross debt of the company (parent company) in U.S. dollars was US\$ 10,123 (R\$ 32,074) and a loss arising from the operation with derivatives R\$ 7,168. There are no operations in foreign currency contracted by its subsidiaries.

<u>Opening date</u>	<u>Due date</u>	<u>Rate (%)</u>	<u>Amount contracted</u>	<u>Balance at March 31, 2017</u>	<u>Balance at March 31, 2017</u>	<u>Result with derivatives</u>
December 2, 2015	December 3, 2018	CDI + 3.74	45,000	32,074	39,242	7,168

Interest rate swap

The notional values of swap contracts of interest rates, outstanding at March 31, 2017, correspond to R\$ 7,168 (R\$ 5,241 at December 31, 2016).

22.5 Sensitivity analysis of fluctuations in the interest rate of the CDI

The company has 66% in CDI of the loans and financing exposed to variation of the CDI (considering the exchange of the debts in foreign currency by variation of the CDI with traditional swaps), 3% in long-term interest rate (TJLP) and 28% in a rate fixed in advance. At March 31, 2017, the company had a total debt, including loans for purchase of goods in the FINAME mode, in the amount of R\$ 366,679 (R\$ 448,331 in consolidated), at an average annual rate of 12%.

The Company's management estimates the following effects when applying the sensitivity tests to scenarios that vary from a 25% to 50% increase in the level of the Selic and Dollar, taking as a reference in the likely scenario the average for the period reported in the Focus Bulletin, of March 31, 2017. The CDI was projected accompanying the Selic curve and the maintaining the TJLP with a variation of 25% and 50%.

	Parent company	Consolidated
Total amount of the debt	366,679	448,331
Probable estimated rate - %	11.97%	11.56%
Probable financial expense (per year)	43,891	51,827
Estimated rate considering the deterioration of the scenarios (25%) - %	16.52%	15.47%
Recalculated financial expense	60,575	69,357
Increase in expenditure	16,684	17,530
Estimated rate considering the deterioration of the scenarios (25%) - %	21.07%	19.39%
Recalculated financial expense	77,259	86,931
Increase in expenditure	33,368	35,104

The company has a debt in dollars (Res. 4,131 mode of the central bank), entered into with Banco Itaú S/A due on December 3, 2018, contracted on December 2, 2015 at a price of R\$ 3.75/US\$ with a national value of US\$ 12,000. On the same date it contracted a liability position Swap in CDI + a rate of 2.20% p.a.

Management estimates (based on quotations of BM&FBOVESPA) that the dollar likely for next year is R\$ 3.24/US\$. Scenario II is the dollar at R\$ 3.56/US\$ (10% change) and Scenario III is the dollar at R\$ 3.89/US\$ (20% change). In the likely scenario the company will have a result of a negative Swap of R\$ 2,027. In the two other scenarios the company will have a negative swap result of R\$ 444 and positive result of R\$ 2,269, respectively.

	March 31, 2017		December 31, 2016		Equity balances		Risk	Scenarios		
	Assets	Liabilities	Assets	Liabilities	March 31, 2017	December 31, 2016		Likely	10%	20%
Interest rate swaps - hedge of flow		7,168		5,241	12,000	12,000	(2,027)	(444)	2,269	

22.6 Estimate of the fair value

It is assumed that the balances of trade accounts receivable and accounts payable to suppliers at book value, less the loss (impairment), if in the case of accounts receivable, closely approximate their fair values. The fair value of financial assets and liabilities, for disclosure purposes, is estimated by discounting the future contractual cash flows by the prevailing interest rate on the market, which is available to the Company for similar financial instruments.

The company applies CPC 40/IFRS 7 to financial instruments stated in the balance sheet at fair value, which requires disclosure of the fair value measurements per level of the following hierarchy:

- Prices quoted (unadjusted) on active markets for similar assets and liabilities (level 1).
- Information, besides quoted prices, included in level 1 that is adopted by the market for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2).
- Inputs for the assets or liabilities that are not based on data adopted by the market (i.e. unobservable inputs) (level 3).

The following table presents the company's assets and liabilities measured at fair value in:

VIX Logística S.A.
*Consolidated and individual interim
accounting information at March 31, 2017*

Parent company	March 31, 2017				December 31, 2016			
	Level 1	Level 2	Level 3	Total balance	Level 1	Level 2	Level 3	Total balance
Assets								
Financial assets stated at fair value through profit or loss		199,292		199,292		188,756		188,756
Derivatives used for hedge				-				-
Total assets	-	199,292	-	199,292	-	188,756	-	188,756
Liabilities								
Financial liabilities at fair value through profit or loss		7,168		7,168		5,241		5,241
Derivatives used for hedge				-				-
Total liabilities	-	7,168	-	7,168	-	5,241	-	5,241
Consolidated	March 31, 2017				December 31, 2016			
	Level 1	Level 2	Level 3	Total balance	Level 1	Level 2	Level 3	Total balance
Assets								
Financial assets stated at fair value through profit or loss		276,943		276,943		270,869		270,869
Derivatives used for hedge				-				-
Total assets	-	276,943	-	276,943	-	270,869	-	270,869
Liabilities								
Financial liabilities at fair value through profit or loss		7,168		7,168		5,241		5,241
Derivatives used for hedge				-				-
Total liabilities	-	7,168	-	7,168	-	5,241	-	5,241

23 Basic and diluted income per share

	March 31, 2017	March 31, 2016
Net income for the year	10,985	14,873
Weighted average of common shares outstanding	84,706	84,706
Basic and diluted income per share (in Reais)	0.12968	0.17558

The company does not have potential shares, i.e. no instruments or contracts that may result in the issuance of shares; therefore, the diluted result per share has not been presented.

24 Other disclosures on the cash flows

In the statements of cash flows, the results from the sale of fixed assets and non-current assets held for sale comprise:

	<u>Parent company</u>		<u>Consolidated</u>	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Sale of property, plant and equipment				
Net book value	881	118	882	548
Loss from sale of property, plant and equipment	<u>(674)</u>	<u>(37)</u>	<u>(676)</u>	<u>(25)</u>
Amounts received on the disposal of property, plant and equipment	<u>207</u>	<u>81</u>	<u>206</u>	<u>523</u>

	<u>Parent company</u>		<u>Consolidated</u>	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Sale of non-current assets held for sale				
Net book value	12,034	10,701	12,180	10,745
Net income from the sale	<u>2,536</u>	<u>3,172</u>	<u>2,654</u>	<u>3,229</u>
Amounts received on the sale	<u>14,570</u>	<u>13,873</u>	<u>14,834</u>	<u>13,974</u>

Non-monetary transactions

The main non-monetary transaction is the acquisition of a fleet through financing. In the period ended March 31, 2017, the amount of these transactions was R\$ 1,137, in the parent company, and R\$ 1,904 in consolidated. In the same period of 2016 the company did not have any non-monetary transactions.

25 Employee benefits

The Group provides a supplementary pension plan through an Open Private Supplementary Pension Entity in the pure defined contribution model. The contributions are fixed based on a percentage of the employee's salary. The administration of the funds is conducted by an Open Supplementary Pension Entity, and the assets are invested in investment funds.

The contributions are recognized as employee benefit expense.

The amounts recognized in the balance sheet were determined as follows:

	Parent company		Consolidated	
Expenses recorded in the income statement with:	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Pension plan benefits	184	269	213	296

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