

VIX Logística S.A.

**Consolidated and individual interim
accounting information at September
30, 2017**

Contents

Report on the review of the quarterly information (ITR)	3
Balance sheets	5
Statements of Income	6
Statements of comprehensive income	8
Statements of changes in shareholders' equity	10
Statements of cash flows	11
Statements of added value	12
Management's notes to the interim financial information	13



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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 September 30, 2017, which comprises the balance sheet as of September 30, 2017 and the respective statements of income and comprehensive income for the three and nine-month periods then ended and changes in stockholders' equity and cash flows for the nine-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 June 30, 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 September 30, 2016, which comprises the respectively statements of profit or loss and comprehensive income or the three and nine-month period then ended and changes in equity and cash flows for the nine-month period then ended were previously reviewed by other independent auditors, who issued an unchanged report thereon dated October 27, 2016. The individual and consolidated statements of value added for the nine-month period ended September 30, 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, November 1, 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 September 30, 2017 and December 31, 2016

(In thousands of Reais)

		Parent company		Consolidated				Parent company		Consolidated	
Assets	Notes	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016	Liabilities and shareholders' equity	Notes	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Current assets						Current liabilities					
Cash and cash equivalents	3	176,947	190,120	269,339	274,433	Loans and financing	12	121,567	122,082	148,103	147,321
Accounts receivable	4	107,579	113,266	163,255	161,467	Suppliers		14,490	10,436	17,596	13,868
Accounts receivable - related parties:	14	826	717	826	720	Accounts payable to suppliers - related parties	14	1,536	227	3,631	406
Inventories	5	11,900	10,183	14,246	12,505	Labor obligations	13	32,907	25,179	44,064	33,616
Recoverable taxes	6	13,504	16,832	15,379	18,015	Tax obligations	13	6,345	7,710	10,020	11,175
Recoverable income tax and social contribution	6	13,214	9,286	21,062	11,794	Income tax and social contribution payable		6,016	210	13,670	1,153
Other receivables and contractual withholdings	7	2,282	2,659	4,192	5,270	Accounts payable		1,690	4,511	6,191	8,561
Prepaid expenses		2,438	925	2,813	1,122	Advances from clients		1,910	398	1,911	408
Financial assets - held to maturity		577	584	577	584	Operations with derivatives	23.1	1,791	1,006	1,791	1,006
						Dividends payable		-	2,455	-	2,455
		329,267	344,572	491,689	485,910			188,252	174,214	246,977	219,969
Operating assets held for sale	8	31,742	48,439	33,727	49,644						
		361,009	393,011	525,416	535,554	Non-current liabilities					
Non-current						Loans and financing	12	195,001	268,100	244,185	330,141
Receivables from related parties	14	11,980	8,907	9,493	8,327	Operations with derivatives	23.1	3,617	4,235	3,617	4,235
Recoverable taxes	6	5,006	6,162	5,832	6,368	Amounts owed to related parties	14	140	128	-	
Other receivables and contractual withholdings	7	4,617	5,954	5,071	6,156	Deferred income tax and social contribution	17	69,790	67,807	84,664	83,622
Deposits in court and other accounts	15	14,652	15,798	19,330	19,706	Tax obligations	13	4,797	5,491	4,797	5,491
						Provision for contingencies	15	14,864	17,768	21,672	17,768
		36,255	36,821	39,726	40,557			288,209	363,529	358,935	441,257
Investments	9	185,244	172,393	179	255			476,461	537,743	605,912	661,226
Property, plant and equipment	10	443,926	463,180	588,381	611,804	Shareholders' equity					
Intangible Assets	11	34,310	36,870	36,493	37,588	Share capital	16	332,000	332,000	332,000	332,000
		663,480	672,443	625,053	649,647	Capital reserves	16	9,338	9,338	9,338	9,338
		699,735	709,264	664,779	690,204	Profit reserves	16	234,412	214,699	234,412	214,699
Total assets		1,060,744	1,102,275	1,190,195	1,225,758	Equity valuation adjustments	16	8,533	8,495	8,533	8,495
								584,283	564,532	584,283	564,532
						Total liabilities and shareholders' equity		1,060,744	1,102,275	1,190,195	1,225,758

See the accompanying notes to the interim financial information.

Vix Logística S.A.

Statements of income

Nine-month period ended September 30, 2017 and 2016

(In thousands of Reais)

		Parent company		Consolidated	
	Notes	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Net earnings from sales and services	19	483,743	540,141	732,537	763,599
Costs of Sales and Services	20	<u>(407,641)</u>	<u>(434,086)</u>	<u>(626,408)</u>	<u>(645,249)</u>
Gross profit		76,102	106,055	106,129	118,350
Operating expenses and income					
Commercial/general/administrative expenses	20	(40,176)	(41,639)	(53,078)	(48,071)
Other earnings, net		624	432	903	1,408
Equity accounting results	9	<u>12,815</u>	<u>3,028</u>	<u>-</u>	<u>-</u>
		<u>(26,737)</u>	<u>(38,179)</u>	<u>(52,175)</u>	<u>(46,663)</u>
Operating income before financial results		<u>49,365</u>	<u>67,876</u>	<u>53,954</u>	<u>71,687</u>
Financial expenses	21	(35,506)	(62,166)	(40,666)	(69,556)
Financial income	21	<u>21,162</u>	<u>38,048</u>	<u>28,446</u>	<u>46,602</u>
Income before income tax and social contribution		35,021	43,758	41,734	48,733
Current income tax and social contribution	17.1	(6,016)	(10,286)	(13,670)	(14,185)
Deferred income tax and social contribution	17.2	<u>(1,991)</u>	<u>(3,664)</u>	<u>(1,050)</u>	<u>(4,740)</u>
Net income for the period		<u>27,014</u>	<u>29,808</u>	<u>27,014</u>	<u>29,808</u>
Basic and diluted net income per share (in R\$)	23			0,31891	0,35190

See the accompanying notes to the interim financial information.

Vix Logística S.A.

Statements of income

Three-month period ended September 30, 2017 and 2016

(In thousands of Reais)

		<u>Parent company</u>		<u>Consolidated</u>	
	Notes	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Net earnings from sales and services	19	159,828	179,236	248,779	253,014
Costs of Sales and Services	20	<u>(136,933)</u>	<u>(142,022)</u>	<u>(214,221)</u>	<u>(207,443)</u>
Gross profit		22,895	37,214	34,558	45,571
Operating expenses and income					
Commercial/general/administrative expenses	20	(15,294)	(14,565)	(17,149)	(16,677)
Other earnings, net		144	118	187	525
Equity accounting results	9	<u>6,941</u>	<u>3,755</u>	<u>-</u>	<u>-</u>
		<u>(8,209)</u>	<u>(10,692)</u>	<u>(16,962)</u>	<u>(16,152)</u>
Operating income before financial results		<u>14,686</u>	<u>26,522</u>	<u>17,596</u>	<u>29,419</u>
Financial expenses	21	(10,257)	(16,351)	(11,842)	(19,176)
Financial income	21	<u>6,422</u>	<u>8,181</u>	<u>8,665</u>	<u>11,135</u>
Income before income tax and social contribution		10,851	18,352	14,419	21,378
Current income tax and social contribution	17.1	(632)	(4,078)	(4,162)	(5,311)
Deferred income tax and social contribution	17.2	<u>(61)</u>	<u>(730)</u>	<u>(99)</u>	<u>(2,523)</u>
Net income for the period		<u>10,158</u>	<u>13,544</u>	<u>10,158</u>	<u>13,544</u>
Basic and diluted net income per share (in R\$)	23			0,11992	0,15989

See the accompanying notes to the interim financial information.

Vix Logística S.A.

Statements of comprehensive income

Nine -month period ended September 30, 2017 and 2016

(In thousands of Reais)

	<u>Parent company</u>		<u>Consolidated</u>	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Net income for the period	<u>27,014</u>	<u>29,808</u>	<u>27,014</u>	<u>29,808</u>
Other comprehensive results				
Not reclassified to result - Exchange variation on investee abroad	<u>67</u>	<u>93</u>	<u>67</u>	<u>93</u>
	<u>67</u>	<u>93</u>	<u>67</u>	<u>93</u>
Comprehensive results for the period	<u><u>27,081</u></u>	<u><u>29,901</u></u>	<u><u>27,081</u></u>	<u><u>29,901</u></u>

See the accompanying notes to the interim financial information.

Vix Logística S.A.

Statements of comprehensive income

Three-month period ended September 30, 2017 and 2016

(In thousands of Reais)

	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Net income for the period	10,158	13,544	10,158	13,544
Other comprehensive results				
Not reclassified to result - Exchange variation on investee abroad	(14)	9	(14)	9
	(14)	9	(14)	9
Comprehensive results for the period	10,144	13,553	10,144	13,553

See the accompanying notes to the interim financial information.

Vix Logística S.A.

Statements of changes in shareholders' equity at September 30, 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 January 1, 2016	332,000	9,338	18,872	159,187	3,368	8,439	-	531,204
Net income for the period	-	-	-	-	-	-	29,808	29,808
Exchange variation on investee abroad	-	-	-	-	-	93	-	93
Total comprehensive results in the period	-	-	-	-	-	93	29,808	29,901
Realization of revaluation reserve	-	-	-	-	-	(24)	37	13
Dividends paid	-	-	-	-	(3,368)	-	(4,462)	(7,830)
Proposed dividends	-	-	-	-	4,480	-	(4,480)	-
Retention of profits	-	-	-	20,903	-	-	(20,903)	-
Total contributions and distributions to shareholders	-	-	-	20,903	1,112	(24)	(29,808)	(7,817)
Balances at September 30, 2016	332,000	9,338	18,872	180,090	4,480	8,508	-	553,288

	Paid in social capital	Capital reserve	Profit reserves		Proposed additional dividend	Equity valuation adjustments	Retained earnings	Total
			Legal	Investment				
Balances at January 1, 2017	332,000	9,338	21,271	191,149	2,279	8,495	-	564,532
Net income for the period	-	-	-	-	-	-	27,014	27,014
Exchange variation on investee abroad	-	-	-	-	-	67	-	67
Total comprehensive results in the period	-	-	-	-	-	67	27,014	27,081
Realization of revaluation reserve	-	-	-	-	-	(29)	36	7
Dividends paid	-	-	-	-	(2,279)	-	(5,058)	(7,337)
Proposed dividends	-	-	-	-	3,047	-	(3,047)	-
Retention of profits	-	-	-	18,945	-	-	(18,945)	-
Total contributions and distributions to shareholders	-	-	-	18,945	768	(29)	(27,014)	(7,330)
Balances at September 30, 2017	332,000	9,338	21,271	210,094	3,047	8,533	-	584,283

See the accompanying notes to the interim financial information.

Vix Logística S.A.

Statements of cash flows

Quarters ended September 30, 2017 and 2016

(In thousands of Reais)

	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Cash flows from operating activities				
Income before income tax and social contribution	35,021	43,758	41,734	48,733
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)	59,947	59,783	77,667	74,638
Residual value of fixed/intangible assets written off (note 8, 10 and 11)	36,029	44,269	36,675	48,569
Equity accounting results (Note 9)	(12,815)	(3,028)	-	-
Interest and monetary variation on loans	27,377	41,123	32,186	47,271
Monetary and exchange variation on unrealized loans	2,511	1,410	1,544	1,410
Valuation of derivatives to fair value through profit and loss	167	494	167	494
Provision for contingencies	(5,581)	1,015	1,138	898
Allowance for (reversal of) doubtful accounts	18	135	18	(701)
Interest on financial assets held to maturity	(28)	7	(28)	7
	142,646	188,966	191,101	221,319
Changes in operating assets and liabilities				
Accounts receivable	5,687	(7,624)	(1,788)	10,280
Accounts receivable - related parties:	(109)	204	(67)	215
Inventories	(1,716)	849	(1,741)	1,010
Recoverable taxes	(600)	5,333	(7,799)	3,396
Other assets	(1,159)	(6,736)	1,851	(7,905)
Suppliers	4,054	3,354	3,728	3,333
Suppliers - related parties	1,310	(1,237)	3,215	(875)
Labor obligations	7,729	3,447	10,445	5,564
Tax obligations	4,441	10,787	10,668	8,893
Other liabilities	(1,993)	218	(894)	1,007
	160,290	197,561	208,719	246,237
Cash provided by operations				
Income tax and social contribution paid	(6,016)	(10,286)	(13,670)	(14,185)
Interest paid	(27,977)	(38,312)	(32,211)	(43,727)
Acquisition and renewal of the fleet of vehicle	(43,666)	(56,113)	(51,537)	(58,465)
Net cash flows from operating activities	82,631	92,850	111,301	129,860
Cash flows from investment activities				
Acquisition of other fixed and intangible assets	(5,906)	(18,106)	(8,088)	(20,576)
Write-off of other investments	31	108	77	209
Dividends received	-	1,012	-	-
Holding until maturity	(7)	565	(7)	565
Net cash flows used in investment activities	(5,882)	(16,421)	(8,018)	(19,802)
Cash flows from financing activities				
Raising of loans	3,494	50,000	3,494	50,000
Payments of loans	(83,625)	(127,394)	(102,151)	(150,566)
Dividends paid	(9,791)	(7,830)	(9,791)	(7,830)
Net cash flows used in financing activities	(89,922)	(85,224)	(108,448)	(108,396)
Exchange variation on foreign investment			66	93
Increase in cash and cash equivalents	(13,173)	(8,795)	(5,099)	1,755
Cash and cash equivalents at January 1	190,120	222,907	274,433	300,186
Cash and cash equivalents at March 31	176,947	214,112	269,334	301,941
	(13,173)	(8,795)	(5,099)	1,755
Supplementary information to the cash flow information				
Raising of loans related to the purchase of vehicles	7,892	2,345	14,282	3,401

See the accompanying notes to the interim financial information.

Vix Logística S.A.

Statements of added value

Quarters ended September 30, 2017 and 2016

(In thousands of Reais)

	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Revenues				
Sales of goods, products and services	543,614	604,407	834,319	865,483
Other earnings	626	438	905	1,414
Allowance for doubtful accounts	(11)	(266)	(53)	(399)
	<u>544,229</u>	<u>604,579</u>	<u>835,171</u>	<u>866,498</u>
Inputs acquired from third parties				
Cost of goods and services sold	(91,761)	(97,391)	(108,320)	(120,646)
Material, power, third-party services and others	(59,753)	(55,829)	(189,072)	(163,481)
	<u>(151,514)</u>	<u>(153,220)</u>	<u>(297,392)</u>	<u>(284,127)</u>
Gross added value	<u>392,715</u>	<u>451,359</u>	<u>537,779</u>	<u>582,371</u>
Depreciation and amortization	(59,947)	(59,783)	(77,667)	(74,638)
Net added value produced by the Company	<u>332,768</u>	<u>391,576</u>	<u>460,112</u>	<u>507,733</u>
Transferred added value received				
Equity accounting results	12,815	3,028	-	-
Financial income	21,162	38,048	28,446	46,602
	<u>33,977</u>	<u>41,076</u>	<u>28,446</u>	<u>46,602</u>
Total added value to be distributed	<u>366,745</u>	<u>432,652</u>	<u>488,558</u>	<u>554,335</u>
Distribution of added value				
Personnel				
Salaries and payroll charges	186,495	205,126	246,473	268,093
Board of directors' fees	7,912	10,286	7,912	10,286
Retirement and pension plans	562	974	651	1,058
Taxes, fees and contributions				
Federal	77,172	92,717	116,271	125,392
State	12,843	12,999	24,999	26,318
Municipal	12,789	12,772	15,721	15,587
Remuneration of third-party capital				
Interest	34,732	60,085	39,500	66,245
Rents	6,614	6,024	9,012	8,458
Other	612	1,861	1,005	3,090
Remuneration of shareholders' equity				
Dividends	8,104	4,462	8,104	4,462
Retained earnings	18,910	25,346	18,910	25,346
	<u>366,745</u>	<u>432,652</u>	<u>488,558</u>	<u>554,335</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 September 30, 2017, in addition to performing its operations, the company held interests in the following fully-controlled companies:

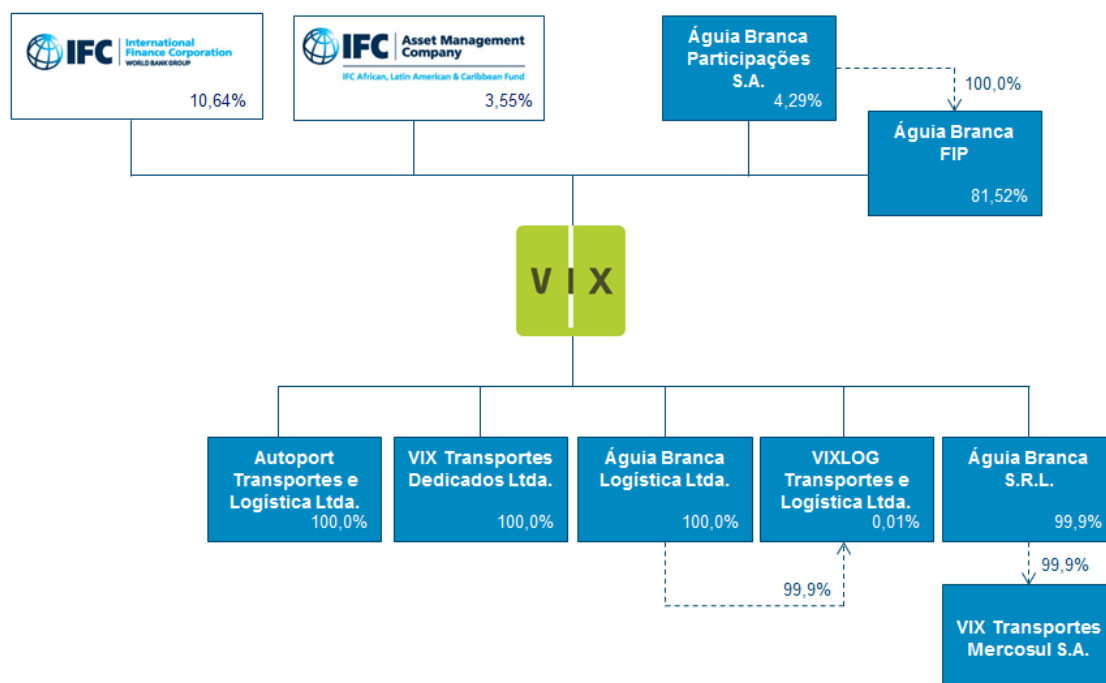
Company	Name	Activity carried out
Águia Branca Logística Ltda.	ABL	Road transport of cargo and logistics
VIX Transportes Dedicados Ltda.	VIXTD	Road transport of cargo and logistics
Águia Branca SRL (Argentina)	AB SRL	Road transport of cargo and logistics
VIX Transportes Mercosur (Argentina) ⁽¹⁾	VixMercosur	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 September 30, 2017 was authorized for issue by the Company's Board of Directors on November 10, 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 six month period ended September 30 2016, disclosed on August 03, 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	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Cash	293	272	386	392
Banks	1,932	1,092	3,387	3,172
Short-term financial investment	174,722	188,756	265,566	270,869
	<u>176,947</u>	<u>190,120</u>	<u>269,339</u>	<u>274,433</u>

At September 30, 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 100.3% (99.62% in 2016).

4 Accounts receivable

	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Trade accounts receivable	45,440	53,870	85,916	89,632
Unbilled services and other accounts receivable:	61,231	58,497	74,060	68,193
Unbilled bills of lading	1,278	1,316	3,697	4,119
(-) Allowance for doubtful accounts	<u>(370)</u>	<u>(417)</u>	<u>(418)</u>	<u>(477)</u>
	<u>107,579</u>	<u>113,266</u>	<u>163,255</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	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
To fall due	40,862	52,446	79,137	83,778
Overdue				
Overdue up to 30 days	4,018	750	5,337	4,726
Overdue from 31 to 90 days	161	525	320	786
Overdue from 91 to 180 days	18	7	293	45
Overdue for more than 180 days	<u>381</u>	<u>142</u>	<u>829</u>	<u>297</u>
	<u>45,440</u>	<u>53,870</u>	<u>85,916</u>	<u>89,632</u>

Changes in the Provision for Doubtful Accounts

	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Opening balance	(417)	(304)	(477)	(1,417)
Provisions	-	(257)	(27)	(349)
Reversals	47	144	86	1,289
Closing balance	(370)	(417)	(418)	(477)

5 Inventories

	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Parts and accessories	6,553	5,849	8,009	7,208
Tires	2,773	1,841	3,167	2,236
Body materials	933	966	1,191	1,304
Fuels and lubricants	1,306	1,313	1,491	1,478
Other items	335	214	388	279
	11,900	10,183	14,246	12,505

(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	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Current				
Value added tax on sales and services - ICMS(i)	9,058	7,901	9,447	8,074
Social integration program - PIS and Contribution for				
Contribution for the Financing of Social Security - Cofins (iii)	4,330	8,813	4,330	8,814
National Institute of Social Security - INSS	-	3	1,477	1,003
Other	116	115	125	124
	13,504	16,832	15,379	18,015
Non-current				
Value added tax on sales and services - ICMS	5,006	6,162	5,832	6,368
	5,006	6,162	5,832	6,368
	18,510	22,994	21,211	24,383

- (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	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Current				
Suppliers	436	448	534	756
Employees (13th salary, Vacations, wages, etc.)	1,185	1,367	1,563	1,939
Sundry Debtors (i)	37	261	1,317	1,483
Other	624	583	778	1,092
	<u>2,282</u>	<u>2,659</u>	<u>4,192</u>	<u>5,270</u>
Non-current				
Sundry Debtors (i)	400	399	400	399
Contract withholdings (ii)	4,031	5,476	4,396	5,678
Other	186	79	275	79
	<u>4,617</u>	<u>5,954</u>	<u>5,071</u>	<u>6,156</u>
	<u>6,899</u>	<u>8,613</u>	<u>9,263</u>	<u>11,426</u>

- (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	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Trucks / Semi-trailer	3,422	5,742	5,406	6,911
Light / Utilities / Bus	28,053	37,609	28,053	37,645
Other	267	5,088	268	5,088
Total assets available for sale	<u>31,742</u>	<u>48,439</u>	<u>33,727</u>	<u>49,644</u>
	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Opening balance	48,439	53,444	49,644	62,105
Return	148	836	191	836
Reincorporation	733	1,807	733	1,807
Changes in Operating assets held for sale	16,774	49,095	17,892	45,897
Write-offs	(34,205)	(56,740)	(34,586)	(60,977)
Other casualties	(147)	(3)	(147)	(24)
Closing balance	<u>31,742</u>	<u>48,439</u>	<u>33,727</u>	<u>49,644</u>

9 Investments - Parent Company

Parent company - September 30, 2017					
	Ownership %	Assets	Liabilities	Shareholders' equity	Net income (loss)
Direct investments					
Águia Branca Logística - ABL	99,99	38,500	20,066	18,434	(6,565)
Autoport Transportes e Logística - ATL	99,99	180,073	47,270	132,803	12,988
VIX Transportes Dedicados - VIXTD	99,99	101,469	68,021	33,448	6,398
Águia Branca S.R.L. - ABSRL	99,99	404	24	380	(6)
				185,065	12,815
Other investments (i)				179	-
				185,244	12,815
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
Other investments (i)				210	-
				172,393	7,265

Consolidated		
	September 30, 2017	December 31, 2016
Direct investments		
	179	255
Other investments (i)	179	255

- (i) These are projects encouraged under the Audiovisual Law, using part of the funds of the company's fiscal net profit, Such as Helena Movie.

At September 30, 2017, the company recorded R\$ 67 (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.

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	(6,565)	12,988	6,398	(6)	12,815
(-) Exchange variation on foreign investment	-	-	-	67	67
Balances at September 30, 2017	18,434	132,803	33,448	380	185,065

10 Property, plant and equipment

Parent company

	Vehicles	Machinery and equipment	Computer equipment	Buildings and constructions	Leasehold improvements (i)	Furniture fixtures and tools	Land	Aircraft (ii)	Other - construction in progress (iii)	Total
Balances at January 1, 2016	325,707	112,347	1,732	10,261	1,975	2,128	23,725	4,906	25,395	508,176
Acquisitions	61,705	9,620	137	-	-	118	-	-	9,624	81,204
write-offs	(225)	(107)	-	-	-	(6)	-	-	-	(338)
Other casualties	(158)	(106)	(13)	-	(223)	(47)	-	-	-	(547)
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)	(370)	-	(342)	-	(76,220)
Balances at December 31, 2016	287,511	102,000	1,225	19,711	3,202	1,823	23,725	4,564	19,419	463,180
Acquisitions	39,252	10,819	2,665	-	-	124	-	-	3,068	55,928
write-offs	(445)	-	-	-	-	-	-	-	-	(445)
Other casualties	(947)	(218)	(8)	-	-	(28)	-	-	-	(1,201)
Reclassification to Assets Intended for Sale	(20,753)	3,979	-	-	-	-	-	-	-	(16,774)
Reclassifications	14,455	169	37	2,582	2,467	134	-	(1)	(19,849)	(6)
Depreciation	(40,628)	(12,858)	(727)	(677)	(1,345)	(264)	-	(257)	-	(56,756)
Balances at September 30, 2017	278,445	103,891	3,192	21,616	4,324	1,789	23,725	4,306	2,638	443,926
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	-	5,0	-	

VIX Logística S.A.
*Consolidated and individual interim
accounting information at September 30, 2017*

Consolidated

	Vehicles	Machinery and equipment	Computer equipment	Buildings and constructions	Leasehold improvements (i)	Furniture fixtures and tools	Land	Aircraft (ii)	Other - construction in progress (iii)	Total
Balances at January 1, 2016	466,922	126,459	1,832	10,261	4,469	2,573	23,725	4,906	27,304	668,451
Acquisitions	65,848	9,713	146	-	4	132	-	-	11,982	87,825
write-offs	(878)	(107)	-	-	-	(6)	-	-	-	(991)
Other casualties	(220)	(112)	(13)	-	(223)	(49)	-	-	-	(617)
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)	(442)	-	(342)	-	(96,967)
Balances at December 31, 2016	418,093	113,962	1,311	19,711	7,272	2,208	23,725	4,564	20,958	611,804
Acquisitions	52,223	11,008	2,673	-	-	150	-	-	4,791	70,845
write-offs	(686)	-	-	-	-	-	-	-	-	(686)
Other casualties	(948)	(219)	(8)	-	-	(34)	-	-	-	(1,209)
Reclassification to Assets Intended for Sale	(21,871)	3,979	-	-	-	-	-	-	-	(17,892)
Reclassifications	16,280	199	(2)	2,581	2,466	150	-	(1)	(21,679)	(6)
Depreciation	(55,439)	(14,466)	(745)	(677)	(2,577)	(314)	-	(257)	-	(74,475)
Balances at September 30, 2017	407,652	114,463	3,229	21,615	7,161	2,160	23,725	4,306	4,070	588,381
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	-	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.

11 Intangible Assets

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

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	5,242	-	614	382
Sales and write-offs	(29)	-	-	(15)
Reclassifications	(2,395)	-	(2,801)	5
Amortization	(3,191)	-	-	(2,090)
				-
Balances at September 30, 2017	33,732	-	578	34,310
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	5,198	-	2,054	7,252
Sales and write-offs	(46)	-	-	(46)
Reclassifications	(198)	-	(4,911)	(5,109)
Amortization	(3,192)	-	-	(3,192)
				-
Balances at September 30, 2017	35,871	-	622	36,493
Average annual rates of amortization (%)				
SAP System (%)	10,0	-	-	
Other	20,0	-	-	

12 Loans and Financing

	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Current				
Acquisition of fixed assets - FINAME (note 12.1)	30,445	42,202	51,353	65,540
Bank loan for investment (note 12.2)	88,663	78,138	93,781	79,577
Leasing (note 12.3)	2,459	1,742	2,969	2,204
	<u>121,567</u>	<u>122,082</u>	<u>148,103</u>	<u>147,321</u>
Non-current				
Acquisition of fixed assets - FINAME (note 12.1)	42,765	56,031	81,834	103,857
Bank loan for investment (note 12.2)	149,931	210,974	159,932	224,724
Leasing (note 12.3)	2,305	1,095	2,419	1,560
	<u>195,001</u>	<u>268,100</u>	<u>244,185</u>	<u>330,141</u>
	<u>316,568</u>	<u>390,182</u>	<u>392,288</u>	<u>477,462</u>

12.1 Acquisition of fixed assets - FINAME

Financing obtained for investment in heavy vehicles and equipment that has annual interest rates ranging from 2.20% to 7.0% with correction by the unit of reference (UR), long-term interest rate (TJLP) or by the Special Settlement and Custody System - 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 15/10/2017 and 16/11/2022.

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\$ 228,056) and correction by the interbank deposit certificate (CDI), (ii) exchange variation of the US dollar, plus an annual interest rate of 3.74% (R\$ 25,657). 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 04/12/2017 and 03/12/2018, whose additional comments are described in Note 22.

As shown below, the financial covenants were complied with at September 30, 2017:

Index	Limits	September 30, 2017	December 31, 2016
Net debt/EBITDA ¹	Equal to or less than 3.0	0.98	1.00
EBITDA ¹ / Net financial expenses	Greater than or equal to 2.0	10.77	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\$ 5,389), and a term between 48 and 60 months, and correction by the interbank deposit certificate (CDI), as shown below:

September 30, 2017						
Year	Parent company			Consolidated		
	Fixed assets	Intangible Assets	Total	Fixed assets	Intangible Assets	Total
up to one year	1,596	863	2,459	2,106	863	2,969
more than one year and up to five years	2,305	0	2,305	2,419	0	2,419
	<u>3,901</u>	<u>863</u>	<u>4,764</u>	<u>4,525</u>	<u>863</u>	<u>5,388</u>
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	2,204
more than one year and up to five years	1,095	0	1,095	1,560	0	1,560
	<u>2,559</u>	<u>278</u>	<u>2,837</u>	<u>3,486</u>	<u>278</u>	<u>3,764</u>

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

September 30, 2017				
Parent company				
Year	FINAME	Leasing	Bank loan - investment	Total
2018	5,364	331	60,180	65,875
2019	14,690	906	51,454	67,050
After 2020	<u>22,711</u>	<u>1,068</u>	<u>38,297</u>	<u>62,076</u>
	<u>42,765</u>	<u>2,305</u>	<u>149,931</u>	<u>195,001</u>
Consolidated				
Year	FINAME	Leasing	Bank loan - investment	Total
2018	10,296	445	61,430	72,171
2019	32,612	906	56,454	89,972
After 2020	<u>38,926</u>	<u>1,068</u>	<u>42,048</u>	<u>82,042</u>
	<u>81,834</u>	<u>2,419</u>	<u>159,932</u>	<u>244,185</u>

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

	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Labor obligations				
Current				
Pension - FGTS/SOCIAL SECURITY	2,409	4,408	3,383	6,175
With Personnel - salaries/other	1,293	1,076	1,689	1,460
Accrued vacations, 13th salary and charges	29,205	19,695	38,992	25,981
	<u>32,907</u>	<u>25,179</u>	<u>44,064</u>	<u>33,616</u>
Tax obligations				
Current				
PIS/COFINS/IRPJ/CSL	1,428	2,392	3,041	3,704
ICMS (value added tax) payable	1,423	1,230	2,881	2,730
ISS (service tax) payable	1,775	1,709	2,188	2,049
Payment of taxes in installments PAEX/REFIS (i)	1,117	1,342	1,117	1,342
Withheld	544	1,020	735	1,333
Other	58	17	58	17
	<u>6,345</u>	<u>7,710</u>	<u>10,020</u>	<u>11,175</u>
Non-current				
Payment of taxes in installments PAEX/REFIS (i)	4,797	5,491	4,797	5,491
	<u>4,797</u>	<u>5,491</u>	<u>4,797</u>	<u>5,491</u>
	<u>11,142</u>	<u>13,201</u>	<u>14,817</u>	<u>16,666</u>

- (i) Regarding taxes adhered to the Tax Recovery Program - Refis, which consists of an optional tax debit scheme proposed to legal entities with debts to the Federal Revenue Service (SRF), the Attorney General of the National Treasury (PGFN) and National Institute of Social Security - INSS (Reopening of Law 12973/14) adjusted the fines and interest, deducted from the PF as allowed by law that await consolidation by the RFB / PGFN.

14 Balances and transactions with related parties

Transactions with related parties are carried out by the Company under strictly commutative conditions, observing the usual market price and conditions and, therefore, do not generate any undue benefit to its counterparties or losses to the Company. In the normal course of operations, the Company enters into agreements with related parties related to the purchase and sale of vehicles, rental of real estate and vehicles, and purchase and sale of parts and services. The balances of transactions with related parties and their effects on the interim financial statements are as follows:

	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Current assets				
Accounts receivable - freight and advances				
AB Comércio de Veículos Ltda.	2	-	2	-
Águia Branca Participações S.A.	-	8	-	8
ECO101 Concessionária de Rodovias	483	489	483	489
Kurumá Veículos Ltda.	1	1	1	1
Land Vitória Comércio de Veículos Ltda	-	-	-	3
Savana Comércio de Veículos Ltda	219	145	219	145
VD Comércio de Veículos Ltda.	121	74	121	74
	<u>826</u>	<u>717</u>	<u>826</u>	<u>720</u>
Receivables from related parties				
Águia Branca Logística Ltda	2201	405	-	-
Águia Branca Participações S.A.	2,226	2,220	2,226	2,220
Autoport Transportes e Logística Ltda	5	12	-	-
VD Comércio de Veículos Ltda.	7,267	6,107	7,267	6,107
VIX Transportes Dedicados Ltda	281	163	-	-
	<u>11,980</u>	<u>8,907</u>	<u>9,493</u>	<u>8,327</u>
Current liabilities				
Suppliers - parts, vehicles and services				
AB Comércio de Veículos Ltda.	15	15	15	14
Águia Branca Encomendas Ltda.	2	1	2	1
Águia Branca Participações S.A.	486	111	486	112
Águia Branca Logística Ltda	-	-	-	-
Autoport Transportes e Logística Ltda	20	8	-	-
Kurumá Veículos Ltda.	6	3	6	3
VD Comércio de Veículos Ltda.(i)	1,007	89	3,122	276
	<u>1,536</u>	<u>227</u>	<u>3,631</u>	<u>406</u>
Amounts owed to related parties				
Águia Branca Logística Ltda	93	25	-	-
Autoport Transportes e Logística Ltda	29	11	-	-
VIX Transportes Dedicados Ltda	18	92	-	-
	<u>140</u>	<u>128</u>	<u>-</u>	<u>-</u>

- (i) Purchase of vehicles for use in the company's operating activity.

VIX Logística S.A.
*Consolidated and individual interim
accounting information at September 30, 2017*

Results	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Income from goods and services				
AB Comércio de Veículos	478	-	478	-
Águia Branca Logística Ltda	2,430	5,213	-	-
Águia Branca Participações S.A.	97	3	97	3
Autoport Transportes e Logística Ltda	104	109	-	-
ECO101 Concessionária de Rodovias	4,222	4,167	4,222	4,167
Kurumá Veículos Ltda.	16	34	36	34
MVI Administ. e Investidora Imob. Ltda	-	26	-	26
Savana Comércio de Veículos	1,595	91	1,595	91
VD Comércio de Veículos Ltda.	830	1,546	830	1,555
Viação Águia Branca S.A.	5	19	5	19
Vitoria Motors Ltda.	4	3	4	3
VIX Transportes Dedicados	2,018	1,289	-	-
VM Comércio de Veículos Ltda.	7	7	32	52
Other	1	49	-	49
	<u>11,807</u>	<u>12,556</u>	<u>7,299</u>	<u>5,999</u>
Cost of Services				
AB Comércio de Veículos Ltda.	226	134	226	134
Águia Branca Encomendas Ltda.	28	27	28	28
Águia Branca Logística Ltda	409	429	-	-
Águia Branca Participações S.A.(i)	3,035	2,054	3,060	2,128
Autoport Transportes e Logística Ltda	588	650	-	-
AZUL Linhas Areas Brasileiras S/A	4	1	4	1
Kurumá Veículos Ltda.(ii)	154	256	154	256
Rio Novo Locações Ltda.(iii)	869	800	1,369	966
VD Comércio de Veículos Ltda.(ii)	3,525	2,353	4,487	4,016
VD Pneus Ltda	1	5	2	7
Viação Águia Branca S.A.(iv)	82	33	82	33
Viação Salutaris e Turismo S.A.	18	20	18	20
Vitória Motors Ltda	-	24	-	24
VIX Transportes Dedicados	602	1,618	-	-
	<u>9,541</u>	<u>8,404</u>	<u>9,430</u>	<u>7,613</u>
Acquisition of Fixed Assets				
Agua Branca Logistica Ltda	224	25	-	-
Autoport Transportes e Logística Ltda	16	379	-	-
Kurumá Veículos Ltda.	130	140	130	140
VD Comércio de Veículos Ltda.	10,130	711	21,773	3,261
VIX Transportes Dedicados	-	47	-	-
	<u>10,276</u>	<u>1,302</u>	<u>21,903</u>	<u>3,401</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) Payments for the lease of real estate properties and vehicles.

a. 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.

	September 30, 2017	September 30, 2016
Remuneration	7,912	10,286
Other short-term benefits	127	137
Other long-term benefits (i)	1,901	2,488
	<u>9,940</u>	<u>12,911</u>

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

b. Warranties and guarantees to third parties

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

	September 30, 2017	December 31, 2016
Autoport Transporte e Logística Ltda	2,392	3,591
Águia Branca Logística Ltda	5,435	6,861
VIX Transportes Dedicados	22,875	26,161
	<u>30,702</u>	<u>36,613</u>

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	-	1,843	248	2,091
Complement to provision	-	2,659	18	2,677
Write-off through payment	-	(1,974)	-	(1,974)
Reversal of provision	(1,515)	(4,064)	(119)	(5,698)
Balances at September 30, 2017	0	14,480	384	14,864

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	3,122	369	5,019
Complement to provision	68	3,230	26	3,324
Write-off through payment	-	(2,260)	-	(2,260)
Reversal of provision	(1,515)	(545)	(119)	(2,179)
Balances at September 30, 2017	1,596	19,563	513	21,672

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\$ 173,305 (R\$ 175,957 in December 2016) referring to processes classified as a risk of possible loss, in which the amount of R\$ 137,589 (R\$ 139,650 at December 31, 2016) refers to processes at the State level (ES, RJ and RO), R\$ 37,492 (R\$ 36,130 at December 31, 2016) at Federal level and R\$ 224 (R\$ 177 at December 31, 2016) at the Municipal level and an amount of R\$ 1,596 (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\$ 98,719, updated amount in June 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 2013, 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\$ 12,344, updated amount in June 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\$ 33,684, updated amount in June 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\$ 33,449, updated value in June 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.

Labor contingencies

At September 30, 2017, the company and its subsidiaries were parties in 1,240 (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\$ 53,328 (R\$ 53,991 at December 31, 2016) and when classified as a risk of likely loss amount to R\$ 19,563 (R\$ 16,016 at December 31, 2016) according to the lawyers who are defending the company's interests.

The Company makes a provision based on the prognosis of loss of the lawsuits, with the support of its legal advisors, to estimate the probable future disbursement. Accordingly, a provision of R\$ 20,063 (R\$ 16,016 on December 31, 2016), individual and consolidated, was recorded, which corresponds to the expected cash outflow of the cases assessed by the legal counsel, while also

maintaining judicial deposits in the amount Of R \$ 14,652 (R \$ 15,798 as of December 31, 2016) recorded in noncurrent assets of the parent company, and R \$ 19,330 (R \$ 19,706 as of December 31, 2016) recorded in noncurrent assets of the 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 September 30, 2017, the company and its subsidiaries were parties to 179 (185 at December 31, 2016) civil court suits, of which 80 (89 at December 31, 2016) are court suits in which the company is a defendant and 99 (96 in 2016) in which it is a plaintiff.

Of the court suits in which the company as a defendant, R\$ 17,418 (R\$ 16,618 at December 31, 2016) are classified as a risk of possible loss and R\$ 513 (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 September 30, 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	September 30, 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

As of September 30, 2017, the amount of R \$ 9,791 was paid to its shareholders, and in the same period of 2016, an amount of R \$ 7,830 was paid, related to the additional proposed in 2015. In the Shareholders' Agreement, the distribution of A dividend of at least 30% of net income for the year.

Dividends paid	September 30, 2017	September 30, 2016
Águia Branca Participações S.A.	8,402	6,719
IFC Alac Brasil	347	278
International Finance Corp. - IFC	1,042	833
	<u>9,791</u>	<u>7,830</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

	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Income before income tax and social contribution	35,021	43,758	41,734	48,733
Nominal combined rate - %	34	34	34	34
Income tax and social contribution at the prevailing rates	(11,907)	(14,878)	(14,190)	(16,569)
Adjustments for calculation of the actual rate				
(+) Additions - permanent items				
Fines				
Other costs and non deductible expenses	(379)	(78)	(453)	(243)
(-) Exclusions - permanent items	-	-	-	-
Equity accounting results	4,357	1,029	-	-
Tax loss for the period	-	-	-	(48)
Other	(78)	(23)	(76)	(60)
Effects of tax calculation by the presumed profit in the investees	-	-	(1)	(2,005)
(=) Costs of IR and CSLL on the result	(8,007)	(13,950)	(14,720)	(18,925)
Current	(6,016)	(10,286)	(13,670)	(14,185)
Deferred	(1,991)	(3,664)	(1,050)	(4,740)
Actual rate	23%	32%	35%	39%

17.2 Deferred balances

Assets

Deferred income tax and social contribution, in the amount of R\$ 8,090 (R\$ 9,249 at December 31, 2016) and R\$16,141 (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 Aguiá 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 September 30, 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	-	-	-	53	16	-	-	69
Use of income tax and social contribution	(988)	(240)	-	-	-	-	-	(1,228)
Balances at September 30, 2017	5,054	1,178	-	1,839	19	-	-	8,090
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	1,105	6,194
Use of income tax and social contribution		(173)	(77)		(6)	(272)		(528)
Balances at December 31, 2016	6,042	1,418	-	1,786	3	-	5,629	14,878
Formation of income tax and social contribution	1,327			53	16			1,396
Use of income tax and social contribution		(240)		-			107	(133)
Balances at September 30, 2017	7,369	1,178	-	1,839	19	-	5,736	16,141

Liabilities

Deferred income tax and social contribution liabilities in the amount of R\$ 77,880 (R\$ 77,056 at December 31, 2016) and R\$ 100,805 (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:

Parent company	Review of the useful life of fixed	ICMS credits incorporated into fixed assets	Revaluation reserve	Exchange variation	Provision for Swap	Leasing	Depreciation of intangible assets	Updating of deposits for appeals	Total
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	2,301	-	3,271	-	900	77,056
Formation of income tax and social contribution	659	-	-	-	-	304	-	-	963
Use of income tax and social contribution	-	-	(8)	(86)	-	-	-	(45)	(139)
Balances at September 30, 2017	66,720	-	4,515	2,215	-	3,575	-	855	77,880
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	2,050	-	-	-	-	358	-	-	2,408
Use of income tax and social contribution	-	-	(8)	(86)	-	-	-	(9)	(103)
Balances at September 30, 2017	89,389	-	4,515	2,215	-	3,666	-	1,020	100,805

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

Presentation at the net amount in the balance sheet

	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Asset balance (-)	8,090	9,249	16,141	14,878
Liability balance (+)	77,880	77,056	100,805	98,500
	<u>69,790</u>	<u>67,807</u>	<u>84,664</u>	<u>83,622</u>

Effect on the results for the period

	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Assets - increase (decrease) in the balance of deferred taxes	(1,159)	5,064	1,263	7,251
Liabilities - increase (decrease) in the balance of deferred taxes (*)	(832)	(8,728)	(2,313)	(11,991)
	<u>(1,991)</u>	<u>(3,664)</u>	<u>(1,050)</u>	<u>(4,740)</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.

In addition, the Company maintains specific policies for optional civil liability for vehicles and Passenger Road Transport maintains compulsory civil liability policies

At September 30, 2017, the Company holds the following main insurance policies taken out with third parties:

Assets insured	Risks covered	Amount of the coverage.
Property	Fire/lightening/explosion/electrical damage/windstorm, Hurricane, hail, theft, larceny.	3,500
Property and stock	Basic coverage, electrical damage and unsafe place	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 salary permanent per disease.	12 times functional of insured person
Insurance of Officers	Civil liability of Officers	15,000

19 Income from sales and services

	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Earnings from sales and rendering of services	543,614	604,407	834,319	865,483
Taxes and/or deductions				
ICMS (Value added tax)	(7,481)	(7,686)	(19,099)	(20,184)
ISS (Service tax)	(12,497)	(12,466)	(15,286)	(15,124)
PIS (Social integration program)	(7,015)	(7,868)	(11,663)	(11,601)
COFINS (Tax for social security financing)	(32,316)	(36,246)	(53,730)	(53,442)
INSS (Social security tax)	-	-	(1,442)	(1,438)
Canceled sales	(562)	-	(562)	(95)
	<u>(59,871)</u>	<u>(64,266)</u>	<u>(101,782)</u>	<u>(101,884)</u>
Net operating income	<u>483,743</u>	<u>540,141</u>	<u>732,537</u>	<u>763,599</u>

19.1 Income from sales and services rendered

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

	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Nature of the services				
Fleet Service	155,570	183,330	155,657	183,330
Dedicated logistics	199,979	222,232	296,002	316,981
Automotive logistics	31,134	30,585	224,878	193,541
Charters	114,616	117,464	114,616	117,464
Fleet renewal	42,315	50,796	43,166	54,167
	<u>543,614</u>	<u>604,407</u>	<u>834,319</u>	<u>865,483</u>

The company's business activity is to provide services and logistics solutions in order to meet the needs of its clients.

These needs are allocated by nature of the services, as mentioned previously. The company's assets operate in an integrated manner, where their results are interconnected and interdependent. The company's management uses as a basis for decision making the logistics solution suited to the demands of its customers, considered as a single segment.

The income arising from sales of property, plant and equipment during the renovation of the fleet, due to its permanent characteristics and as it is a part of the pricing of contracts for providing services, is classified as being part of the net operating income.

In the quarters ended September 30, 2017 and 2016, the company has a customer that individually accounts for more than 15% of its revenue.

20 Cost of services rendered and expenses by nature

Represented by:

	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Costs of the services provided				
Labor and Charges	(199,412)	(225,065)	(259,326)	(288,462)
Inputs	(56,196)	(53,270)	(72,122)	(72,251)
Depreciation	(58,482)	(58,534)	(76,158)	(73,345)
Leasing of properties and equipment	(6,153)	(5,620)	(8,088)	(7,901)
Third-party services	(14,267)	(14,604)	(20,770)	(21,753)
Freight	(10,964)	(9,092)	(120,147)	(101,254)
Fleet renewal	(34,735)	(43,885)	(35,357)	(48,153)
Other costs (i)	(27,432)	(24,016)	(34,440)	(32,130)
	(407,641)	(434,086)	(626,408)	(645,249)
	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Administrative, selling and general expenses				
Labor and Charges	(24,127)	(24,347)	(28,597)	(28,759)
Third-party services	(5,332)	(4,375)	(5,411)	(4,540)
Depreciation	(1,465)	(1,249)	(1,509)	(1,293)
Taxes, fees and other contributions	(3,315)	(3,704)	(4,210)	(4,912)
Other Expenses (ii)	(5,937)	(7,964)	(13,351)	(8,567)
	(40,176)	(41,639)	(53,078)	(48,071)

- (i) These amounts refer to the Company's other general expenses, such as: insurance, tax on ownership of motor vehicles (IPVA), licensing, telephone, water, electricity, canteen, travel costs, conservation of assets, tracking of the fleet etc.
- (ii) These amounts refer to the Company's other general expenses, such as: telephone, water, electricity, canteen, office supplies, computer costs, provisions for contingencies, etc.

21 Financial income and expenses

Represented by:

	Parent company		Consolidated	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Financial expenses				
Interest on loans and financing	(26,905)	(40,675)	(30,911)	(45,927)
Foreign exchange variation losses	(2,442)	(3,884)	(2,442)	(3,884)
Other interest calculated	(247)	(407)	(253)	(421)
Swaps	(4,832)	(15,038)	(4,832)	(15,038)
Other financial expenses	(1,080)	(2,162)	(2,228)	(4,286)
	(35,506)	(62,166)	(40,666)	(69,556)
Financial income				
Foreign Exchange gains	3,182	11,807	3,182	11,807
Earnings on financial investments	14,871	21,093	21,847	29,426
Discounts and interest received	490	1,477	504	1,548
Income on financial instrument	30	7	30	7
Swaps	1,678	3,124	1,678	3,124
Other financial income	911	540	1,205	690
	21,162	38,048	28,446	46,602
Net financial result	(14,344)	(24,118)	(12,220)	(22,954)

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	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
TJLP	12,591	10,727	19,146	13,929
SELIC rate	220,810	261,306	246,082	286,267
Dollar	25,657	32,252	25,657	32,252
	<u>259,058</u>	<u>304,285</u>	<u>290,885</u>	<u>332,448</u>

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	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Post Fixed Loans	259,058	304,285	290,885	332,448
Pre-fixed Loans	57,510	85,897	101,402	145,014
	<u>316,568</u>	<u>390,182</u>	<u>392,287</u>	<u>477,462</u>
	Parent company		Consolidated	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Loans in Selic/CDI	220,810	261,307	246,082	286,268
Foreign currency loan + SWAP	31,066	37,929	31,066	37,929
Total Debt in CDI (a)	<u>251,876</u>	<u>299,236</u>	<u>277,148</u>	<u>324,197</u>
Short-term Financial Investments (b)	<u>174,722</u>	<u>188,756</u>	<u>265,566</u>	<u>270,869</u>
Balance in CDI (a - b)	<u>77,154</u>	<u>110,480</u>	<u>11,582</u>	<u>53,328</u>

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 September 30, 2017				
Loans and financing	36,593	229,462	62,753	3,019
Suppliers	14,490			
Accounts payable to suppliers - related parties	1,536			
Accounts payable	1,690			
Dividends	-			
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 September 30, 2017				
Loans and financing	44,023	280,612	81,539	3,019
Suppliers	17,596			
Suppliers - related parties	3,631			
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	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Total loans and financing (Note 14)	316,568	390,182	392,288	477,462
Less: Cash and cash equivalents (Note 5)	176,947	190,120	269,339	274,433
Net debt	139,621	200,062	122,949	203,029
Total shareholders' equity	584,283	564,532	584,283	564,532
Total capital	723,904	764,594	707,232	767,561
Financial leverage ratio - %	19%	26%	17%	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	
		September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Banco do Brasil	AA	1,336	1,111	1,980	1,497
Bradesco	AA	166,306	180,508	257,649	264,059
Santander	AA	45	25	92	30
CEF	AA	8,816	8,130	8,857	8,152
HSBC	A1	-	-	105	175
BANESTES	A+	34	3	34	3
ALFA	AA	21	4	59	23
Safra	AA	41	3	77	15
Votorantim	AA	20	6	38	13
Itaú	AA	35	58	62	74
		176,654	189,848	268,953	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

VIX Logística S.A.
*Consolidated and individual interim
accounting information at September 30, 2017*

Parent company

	September 30, 2017			
	Assets and liabilities at fair value through profit or loss	Loans and receivables	Other liabilities	Financial Asset Held to Maturity
Assets as per balance sheet				
Cash and cash equivalents	174,722	2,225	-	-
Trade accounts receivable, net	-	107,579	-	-
Accounts Receivable from Related Parties, net	-	826	-	-
Deposits in court	-	14,652	-	-
Receivables from related parties	-	11,980	-	-
Financial assets held to maturity	-	-	-	577
Dividends receivable	-	-	-	-
Operations with derivatives	-	-	-	-
Other short and long-term receivables	-	9,337	-	-
Financial liabilities				
Loans and financing	-	-	316,568	-
Suppliers	-	-	14,490	-
Operations with derivatives	5,408	-	-	-
Other accounts payable	-	-	3,600	-
Dividends payable	-	-	-	-

Consolidated

	September 30, 2017			
	Assets and liabilities at fair value through profit or loss	Loans and receivables	Other liabilities	Financial Asset Held to Maturity
Assets as per balance sheet				
Cash and cash equivalents	265,566	-	-	-
Trade accounts receivable, net	-	163,255	-	-
Accounts Receivable from Related Parties, net	-	826	-	-
Deposits in court	-	19,330	-	-
Receivables from related parties	-	9,493	-	-
Dividends receivable	-	-	-	577
Financial assets held to maturity	-	-	-	-
Operations with derivatives	-	-	-	-
Other short and long-term receivables	-	12,076	-	-
Financial liabilities				
Loans and financing	-	-	392,288	-
Suppliers	-	-	17,596	-
Operations with derivatives	5,408	-	-	-
Other accounts payable	-	-	8,102	-
Dividends receivable	-	-	-	-

Parent company

	December 31, 2016			
	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				
Cash and cash equivalents	188,756	1,364	-	-
Trade accounts receivable, net	-	113,266	-	-
Accounts Receivable from Related Parties, net	-	717	-	-
Deposits in court	-	15,798	-	-
Receivables from related parties	-	8,907	-	-
Financial assets held to maturity	-	-	-	584
Dividends receivable	-	-	-	-
Operations with derivatives	-	-	-	-
Other short and long-term receivables	-	9,538	-	-
Financial liabilities				
Loans and financing	-	-	390,182	-
Suppliers	-	-	10,663	-
Operations with derivatives	5,241	-	-	-
Other accounts payable	-	-	4,909	-
Dividends receivable	-	-	2455	-

Consolidated

	December 31, 2016			
	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				
Cash and cash equivalents	270,869	3,564	-	-
Trade accounts receivable, net	-	161,467	-	-
Accounts Receivable from Related Parties, net	-	720	-	-
Deposits in court	-	19,706	-	-
Receivables from related parties	-	8,327	-	-
Dividends receivable	-	-	-	-
Financial assets held to maturity	-	-	-	584
Operations with derivatives	-	-	-	-
Other short and long-term receivables	-	12,548	-	-
Financial liabilities				
Loans and financing	-	-	477,462	-
Suppliers	-	-	14,274	-
Operations with derivatives	5,241	-	-	-
Other accounts payable	-	-	8,969	-
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 September 30, 2017, the gross debt of the company (parent company) in U.S. dollars was US\$ 8,022 (R\$ 25,658) and a loss arising from the operation with derivatives R\$ 5,408. There are no operations in foreign currency contracted by its subsidiaries.

Opening date	Due date	Rate (%)	Amount contracted	Balance at September 30, 2017	Balance at September 30, 2017	Result with derivatives
December 2, 2015	December 3, 2018	CDI + 3.74	45.000	25.658	31.066	5.408

Interest rate swap

The notional values of swap contracts of interest rates, outstanding at September 30, 2017, correspond to R\$ 5,408 (R\$ 5,241 at December 31, 2016).

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

The company has 69% 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 September 30, 2017, the company had a total debt, including loans for purchase of goods in the FINAME mode, in the amount of R\$ 316,568 (R\$ 392,288 in consolidated), at an average annual rate of 9,27%.

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 September 30, 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	316,568	392,288
Probable estimated rate - %	8,86%	8,84%
Probable financial expense (per year)	28,048	34,678
Estimated rate considering the deterioration of the scenarios (25%) - %	12,49%	11,94%
Recalculated financial expense	39,539	46,839
Increase in expenditure	11,491	12,161
Estimated rate considering the deterioration of the scenarios (25%) - %	16,12%	15,04%
Recalculated financial expense	51,031	59,000
Increase in expenditure	22,983	24,322

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\$ 3.19/US\$. Scenario II is the dollar at R\$ 3.51/US\$ (10% change) and Scenario III is the dollar at R\$ 3.83/US\$ (20% change). In the likely scenario the company will have a result of a negative Swap of R\$3,238. In the two other scenarios the company will have a negative swap result of R\$ 1,297 and positive result of R\$ 644, respectively.

Equity balances										
September 30, 2017		December 31, 2016		September 30, 2017	December 31, 2016			Scenarios		
Assets	Liabilities	Assets	Liabilities	Notional	Nocional	Risk	Likely	10%	20%	
Interest rate swaps - hedge of flow		5,408	5,241	12,000	12,000		(3,238)	(1,297)	644	

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 September 30, 2017*

Parent company	September 30, 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	-	174,722	-	174,722	-	188,756	-	188,756
Derivatives used for hedge	-	-	-	-	-	-	-	-
Total assets	-	174,722	-	174,722	-	188,756	-	188,756
Liabilities								
Financial liabilities at fair value through profit or loss	-	5,408	-	5,408	-	5,241	-	5,241
Derivatives used for hedge	-	-	-	-	-	-	-	-
Total liabilities	-	5,408	-	5,408	-	5,241	-	5,241
Consolidated	September 30, 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	-	265,566	-	265,566	-	270,869	-	270,869
Derivatives used for hedge	-	-	-	-	-	-	-	-
Total assets	-	265,566	-	265,566	-	270,869	-	270,869
Liabilities								
Financial liabilities at fair value through profit or loss	-	5,408	-	5,408	-	5,241	-	5,241
Derivatives used for hedge	-	-	-	-	-	-	-	-
Total liabilities	-	5,408	-	5,408	-	5,241	-	5,241

23 Basic and diluted income per share

	September 30, 2017	September 30, 2016
Net income for the year	27,014	29,808
Weighted average of common shares outstanding	84,706	84,706
Basic and diluted income per share (in Reais)	0,31891	0,35190

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>	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Sale of property, plant and equipment				
Net book value	445	605	686	1,080
Profit / Loss on disposal of fixed assets	115	(387)	116	(282)
Amounts received on the disposal of property, plant and equipment	<u>560</u>	<u>218</u>	<u>802</u>	<u>798</u>

	<u>Parent company</u>		<u>Consolidated</u>	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Sale of non-current assets held for sale				
Net book value	34,205	43,664	34,586	47,489
Profit / Loss of the sale	7,550	6,914	7,778	5,880
Amounts received on the sale	<u>41,755</u>	<u>50,578</u>	<u>42,364</u>	<u>53,369</u>

Non-monetary transactions

The principal non-monetary transaction is the acquisition of a fleet by financing. The value of these transactions in the period ended September 30, 2017, was R\$7,892 (R\$2,342 in 2016) in the parent company, and a consolidated total of R\$14,282 (R\$3,401 in 2016).

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	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Expenses recorded in the income statement with:				
Pension plan benefits	562	974	651	1,058

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