



## LLX – 4Q10 Results

### Açu Superport:

**Latin America largest port-industry Complex receives environmental licence for onshore channel**

**Largest energy-generating complex in the Southeast of Brazil with 5,400 MW**

**Rio de Janeiro, March 24, 2011** - LLX LOGÍSTICA S.A. ("the Company" or "LLX") (Bovespa: LLXL3, GDR I: LLXLY), a private Brazilian company that is building the Industrial Açu Superport Complex, the largest port-industry undertaking in Latin America, releases today its results for 2010 and updates shareholders and the market in relation to the status of its business ventures. Financial and operating information below for 2010 is presented on a consolidated basis in accordance with international financial reporting standards (IFRS) in thousands of Reais, except where indicated otherwise.

"In 2010, LLX doubled the capacity of the Açu Superport (" Superport ") to 350 million tons per year which is about 50% of the total volume of cargo handled in Brazil in the year 2009. With two terminals, one offshore, the TX1 and the other onshore, the TX2, the Superport will be one of the 3 largest port complexes in the world" according to Otavio Lazcano, CEO of LLX.

### Highlights of the 4th Quarter and Subsequent Events

#### **Partial spin-off of LLX and offering of US\$ 2.2 billion to shareholders of PortX.**

- In October LLX carried out a partial spin-off, by which LLX shareholders received PortX shares, equal to their respective shareholding in LLX Sudeste. Simultaneously MMX announced a voluntary swap offer to acquire all the shares of PortX for US\$ 2.2 billion. From December 3, the shares issued by PortX began to be traded on the Novo Mercado (New Market) segment of BM&FBovespa stock exchange under the ticker symbol PRTX3.

#### **25 year Take or Pay contract between LLX Minas-Rio and Anglo-Ferrous**

- In December, the two companies signed a take or pay contract for 25 years, with the first shipment of iron ore from the Superport scheduled for July 2013.

### **Authorization by the Navy and environmental license for the Superport onshore channel.**

- With the authorization from the Brazilian Navy granted in December to develop the onshore channel and subsequent approval of the environmental license in February 2011, the Superport with its two terminals, TX1 and TX2, should rank among the 3 largest port complexes in the world, handling around 350 million tons per year.

### **Açu Superport will have the largest power generation complex in the Southeastern region of Brazil with 5,400 MW**

- In February 2011, MPX Açu obtained the preliminary license for a 3,300 MW natural gas-fired thermal power-station in the Açu Superport Industrial Complex, which, combined with the Installation License already obtained for a 2,100 MW coal-fired plant, together create the largest licensed power generation complex in the Southeast region.

### **Updated overview of undertakings**

#### **Açu Superport : one of the 3 largest port complexes in the world**

The Açu Superport, located in the north of the State of Rio de Janeiro and made up of offshore and onshore terminals TX1 and TX2, has 40 berths and 11 km of pier.

TX1 is dedicated to the handling of iron ore and oil while TX2 meets the loading and unloading requirements of the various industries in the Açu Port Industrial Complex through take-or-pay contracts, notably for steel products, coal, pet-coke, pig iron, granite and slag.

Together, TX1 and TX2 should handle around 350 million tons per year, putting the Açu Superport among the 3 largest port complexes in the world.

Açu Superport Industrial Complex is being implemented on a 150 km<sup>2</sup> hinterland and it is already the largest port-industry undertaking in Latin America. The Complex will include steel-mills, a metal-working center, an oil storage and processing plant, a shipyard, offshore industries, pelletizing plants, cement factories and a thermoelectric plant. The industries in the Complex will also benefit from a reduced VAT rate and energy that is around 30% cheaper than in other locations.

The Açu Superport is being developed by two companies: LLX Minas-Rio and LLX Açu. LLX Minas-Rio has an onshore structure covering 500 hectares (5 million sq meters) for processing, handling, storing and pelletizing iron ore, plus part of the offshore structure, TX1, made up of an access bridge, channel access, breakwater and berths for loading iron ore.

LLX Açu incorporates the part of TX1 dedicated to oil, besides TX2 and the Complex. TX2 has 8,000 meters of quayside, is 300 meters wide and has a hinterland of approximately 8 million square meters. Because of its location near the Campos, Santos and Espírito Santo Basins, the Açu Superport is strategically positioned to consolidate and process oil, serve as a support base for offshore E&P operations and receive a metalworking center dedicated to the Oil and Gas industry.

In the 4th quarter of 2010, LLX Minas-Rio continued construction of the breakwater, which will be 1,300 metres by 925 metres ("L"-shaped) and is being built with stones from a leased quarry near to the Açú Superport. In addition to more than half a million m<sup>3</sup> of stones already produced, of which about 300,000 m<sup>3</sup> are stocked at Açú, 21,000 concrete "core-loc" structures (of which 13,000 have already been produced) comprise the last layers of the breakwater. At the end of this quarter more than 50% of the work on the iron-ore pier was completed and 16 million m<sup>3</sup> of material had already been dredged from the access channel and evolution basin, equivalent to about 90% of the total planned. Over 2,000 people, 75% of which from neighboring communities (São João da Barra and Campos) are working at the Superport site.



**General view of access bridge (TX1)**



**General view of the LLX Minas-Rio area at TX1**



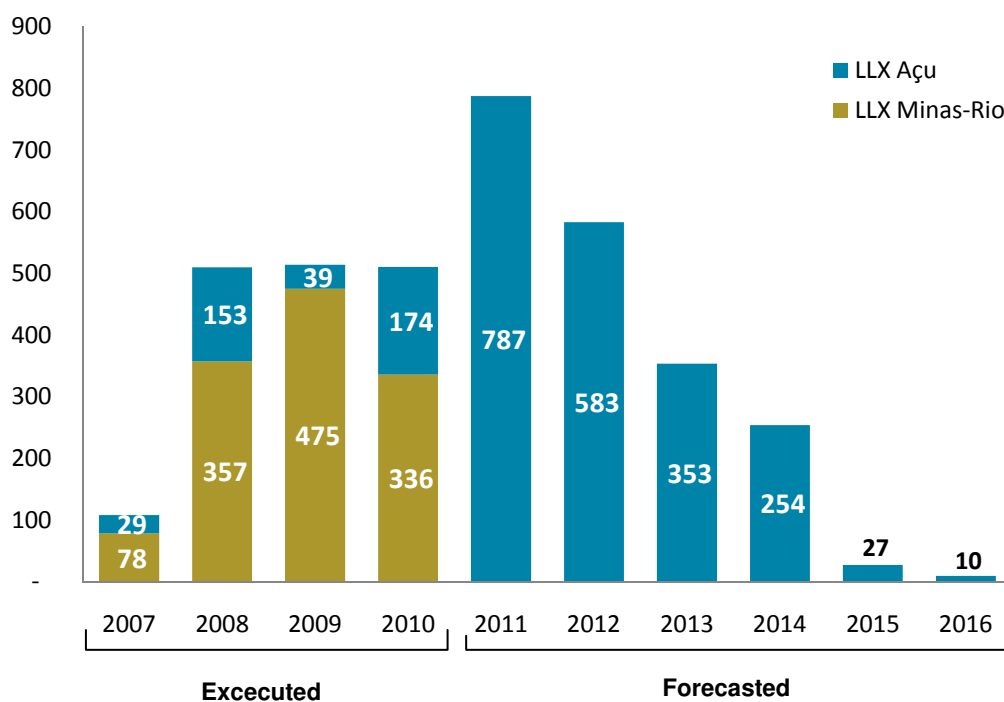
**Iron ore stockyard and filtering area**

**CAPEX**

In December, a revision of the contracts between LLX Minas-Rio and Anglo ensured that LLX Minas-Rio investments are limited to the amount already disbursed with this undertaking, amounting to about R\$ 974 million. The disbursed investment by to LLX Minas-Rio in excess to that threshold should be repaid during the first half of 2011. With this, the estimated CAPEX for the Açú Superport came to R\$ 3.4 billion, R\$ 1.0 billion for LLX Minas-Rio and R\$ 2.4 billion for LLX Açú, with an annual distribution as per the chart below.

**Development CAPEX**

(in R\$ million)

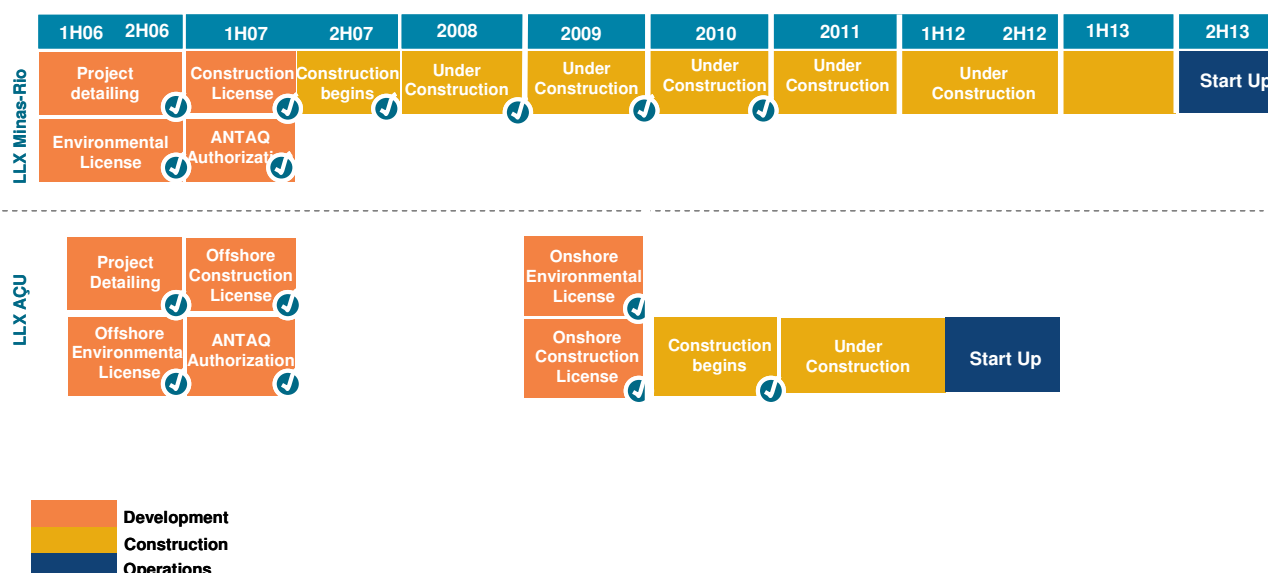


From the beginning of 2007 until December 2010, investments in LLX Minas-Rio amounted to about R\$ 1.2 billion, of which R\$ 35.7 million during 4Q10. This amount was invested mainly in the construction of the iron ore pier and breakwater. It is important to stress that LLX Minas-Rio's share in the consolidation of LLX Logística's quarterly information is proportional to the company's equity in the capital of LLX Minas-Rio (51%).

From the beginning of 2007 until December 2010, investments in LLX Açú amounted to about R\$ 374.3 million. During 4Q10 investments amounted to R\$ 39.2 million, including R\$ 29 million in fixed assets and R\$ 10.2 million in G&A expenses.

## Map of Events

The construction of the Açú Superport began in the fourth quarter of 2007 and start of operations is scheduled for the second half of 2012, as shown in the map of events below:



## Simplified Income Statement Analysis

Income Statement (thousands of R\$)	CPC		IFRS	
	Parent Company	Parent Company	Consolidated	Consolidated
	2010	2009	2010	2009
Gross income (losses)	-	-	11.109	-
General and administrative expenses	(40,273)	(35,533)	(96,452)	(63,216)
Financial Results	82,909	41,613	75,497	153,518
Equity statement	(39,039)	(61,351)	-	-
Earnings (Losses) before income tax and social contribution	3,488	(53,584)	(6,585)	89,537
Net earnings (losses) for the fiscal year	(12,701)	(54,830)	(25,381)	46,196

The Açú Superport is at the pre-operational stage. However, the rental contract between LLX Açú and MPX Açú thermal power plant already generated a gross leasing income of R\$ 12.2 million in 2010.

In 2010, the Parent Company, in BR GAAP, recorded a net loss of R\$ 12.7 million. The net loss on a IFRS consolidated basis was R\$ 25.3 million mainly related to General and Administrative expenses of R\$ 96.4 million (including R\$ 13 million of amortization expenses with the Superport access road investment) in comparison with R\$ 63,2 million in the previous year. As of 2008, after Law 11,638/07 and CVM 583/09 Instruction came into force, pre-operational expenses not directly related to the Açú Superport began to be recorded in General and Administrative expenses.

The 2010 consolidated financial results reached R\$ 75,5 million in comparison to R\$ 153,5 million in 2009. The 2010 financial results reflect a financial income of R\$ 125.3 million, arising mainly from: i) interest and income from financial investments amounting to R\$ 100.2 million and (ii) R\$ 24.0 million gain on liquidation of hedge; and financial expenses of R\$ 49.8 million, resulting from: i) loss on liquidation of hedge of R\$ 8.6 million ii) interest on bank loans of R\$ 35.5 million, expenditure with IOF tax of R\$ 5.3 million and other financial expenses of R\$ 0.4 million.

## Simplified Balance Sheet Analysis

Balance Sheet (R\$ thousand)	CPC		IFRS	
	Parent Company		Consolidated	
	Dez/10	Set/10	Dez/10	Set/10
Current Assets	276,710	57,599	446,129	392,284
Long-term assets	420,315	638,629	330,895	302,160
Fixed assets	271,205	318,096	823,184	1,062,003
<b>Total assets</b>	<b>968,230</b>	<b>1,014,324</b>	<b>1,600,208</b>	<b>1,756,447</b>
Current Liabilities	28,237	22,112	80,047	283,835
Long-term liabilities	109	-	580,277	468,959
Net equity	939,884	992,212	939,884	1,003,653
<b>Total Liability and Net Equity</b>	<b>968,230</b>	<b>1,014,324</b>	<b>1,600,208</b>	<b>1,756,447</b>

The Company ended 2010 with R\$ 118.8 million in cash and cash equivalents, compared to R\$ 277,4 million in 3Q10. In addition to this cash position, the current assets include R\$ 231 million related to inter-company loan extended by LLX to PortX to be settled at the closing of the Voluntary Exchange Offer of MMX, forecasted for the 2Q11.

The reduction in the cash position reflects investments for deployment and development of LLX's projects during 2010. Financial investments, the main component of cash and cash equivalents, represent investments in LLX's exclusive fund. Said fund is backed by Federal Government securities and private securities from financial institutions and Debentures issued by companies and financial institutions, all with average profitability slightly higher than the DI CETIP ("CDI"). The debentures represent operational commitments, are recorded with CETIP, and have guaranteed buyback from the financial institutions.

On October, after LLX partial spin-off and the consequent exclusion of LLX Sudeste from its corporate structure, LLX Fixed Assets declined by R\$ 179 million. These Fixed Assets (excluding LLX Sudeste) grew R\$ 228 million, from R\$ 545.6 million in 2009 to R\$ 773.6 million in 2010. This variation results mainly from the building work carried out in the period by LLX Minas-Rio with the access bridge, iron ore pier and breakwater (R\$ 157.0 million) and the LLX Açú construction undertakings and engineering projects and studies (R\$ 57 million).

In Non-Current Liabilities the balance of loans and financing in the amount of R\$ 359.6 million stands out; this is related to a line of credit that Banco Bradesco S.A. offered to LLX Açú in September 2008 and which was renewed and increased by R\$ 155.2 million in September 2010 for a period of 2 years.

## Capital Market

In December the company maintained its share in the Ibovespa, the most important indicator of the average share performance in the Brazilian market by portraying the behaviour of the main securities traded on BOVESPA. The weight of LLXL3 in the Ibovespa, based on the portfolio from September to December, is 0.528%.

As a result of the partial spin-off of LLX Sudeste, as from December 3, 2010, the shares issued by PortX began to be traded on the Novo Mercado segment of the BM&FBovespa stock exchange under the ticker symbol PRTX3.

In 2010, LLX shares showed outstanding liquidity, with an average daily trading turnover of R\$ 26.3 million and 3,254 trades per day. The market capitalization of LLX combined with that of PortX reached R\$ 6.7 billion as at 31/12/2010, of which R\$ 3.3 billion for LLX and R\$ 3.4 billion for PortX, remaining stable as compared with LLX's capitalization the previous year when it included LLX Sudeste as a subsidiary.

LLX has Level 1 Global Depositary Receipts (GDR's) LLXLY. At the end of February 2011, the GDRs accounted for US\$ 1,131,525 or 0.16% of LLX's share capital.

On February 28, 2011, LLX's share capital was made up of 693,417,077 shares.

Of the total outstanding shares (excluding the positions held by the controlling company and administrators) and excluding the position held by the Ontario Teachers Pension Plan, 17% are held by individuals and 83% by legal entities. Moreover, of this amount, 55% are domestic investors and 45% are foreign investors.

## Socio-environmental Responsibility

The company conducts its business in a sustainable manner with respect for people and the environment. The company operates responsibly and promotes the sustainable development of the communities that live close to its projects, mainly in regions of São João da Barra, where the Açú Superport is located.

In July, LLX was one of 27 companies selected for the Brazilian Environmental Benchmarking Prize 2010, which gives prizes to companies that have the best social and environmental management practices in Brazil. The company was selected for its project "Educational Scenario of the fishing communities of São João da Barra", which identified the main issues concerning the lives of the fishing communities that operate in the environs of the Açú Superport.

LLX has also completed the construction of the Barra do Açú Fishing Center. This project had been initiated as a collective by fishermen and counted on the help of the colony for installation of the concrete slab construction. Since it had not been finished off (Windows, doors, ceramics and painting), although it would have been able to handle some 250 fishermen, it was not yet being used by the fishing community.

Another project developed by the company is a series of partnerships with the Instituto Federal Fluminense (IFF) and the Secretariats of Education and Fisheries of São João da Barra. The goal is to develop training programs for fishermen and their families.

In August, the company launched the ABC teaching project. The program will enable fishermen to finish elementary school. The model is equivalent to a catch-up program and classes will receive a certificate of

completion at the end of the project, which will last six months. To facilitate the teaching process, classes take place at the Atafona Fishing Colony Center.

Following the policy for job and income generation for the region where its projects are installed, in partnership with SENAI and the city of São João da Barra, LLX has set up the Professional Qualification Program. More than 400 people were trained as welders, bricklayers, carpenters, mechanics, forklift operators, hydraulic technicians, warehouse assistants, metalworkers and administrative assistants. In the second phase of the programme more courses will be offered to the 400 already approved.

LLX signed a memorandum of technical cooperation aimed at the strengthening family agriculture in the areas of influence of the Açú Superport, in São João da Barra. Pilot projects will be set up using greenhouses, introducing protected cultivation technology and training to increase the productivity and profitability of these farmers.

In 2010 about R\$ 2 million was invested in socio-environmental projects around the the Açú Superport.

## Features of Disclosure

LLX adopts consolidation procedures: i) proportional to Company participation in the capital of LLX Minas-Rio, since it is a co-controlled company (as per the Shareholders Agreement), and ii) 100% for other subsidiaries.

## Glossary and premises used in the Financial Release

AGE: Assembleia Geral Extraordinária - Extraordinary General Meeting

US PPI: United States Producer Price Index

EIA/RIMA: Estudo de Impacto Ambiental / Relatório de Impacto sobre o Meio Ambiente - Environmental Impact Study/ Environmental Impact Report

Mtpa: Milhões de toneladas por ano - Millions of tons per year

CPC: Comitê de Pronunciamentos Contábeis - Committee for Accounting Statements

IFRS : International Financial Reporting Standards

ha: hectare

## Teleconference Information :

Friday, March 25<sup>th</sup> at 12:30 (Brasilia time): 11:30 (NY time)

Telephone Brazil: +55 11 4688-6341

Telephone USA: +1 888-700-0802

Telephone Other countries: +1 786-924-6977

Code for conference room : LLX

The Conference call will be conducted in English with simultaneous translation to Portuguese.

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## ABOUT LLX

LLX is implementing in the state of Rio de Janeiro the Acu Superport, the largest port infrastructure investment in Latin America. Acu Superport will have up to thirty berths for handling iron ore, crude oil, steel products, coal and other dry and liquid bulks and will be equipped with efficient infrastructure and a depth compatible with the most modern large-capacity vessels, such as capsize bulk carriers resulting in reduced operating costs. Açú Superport's 150 km<sup>2</sup> back area will house an Industrial Complex with a steel and metal mechanic cluster, oil storage and treatment facilities, shipyard, various offshore industries, pelletizing plants, cement plants and a power plant.

For more information visit: [www.llx.com.br/ir](http://www.llx.com.br/ir)

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**LLX Logística S.A.**
**Balance Sheet (R\$ thousand)**

Assets	CPC		IFRS	
	Parent Company		Consolidated	
	4Q10	3Q10	4Q10	3Q10
<b>Current</b>	<b>276,710</b>	<b>57,599</b>	<b>446,129</b>	<b>392,284</b>
Cash and Cash Equivalents	23,199	48,259	115,586	277,428
Investment Securities	441	-	3,252	-
Trade Accounts Receivable	-	-	-	497
Inventories	-	-	-	3,797
Recoverable taxes	15,028	9,088	26,133	22,022
Income taxes on intercompany loans	3,613	-	3,613	-
Escrow Account	-	-	-	62,346
Prepaid expenses	2,432	121	190	11,611
Provision for Gains from Derivatives Operations	-	-	-	13,605
Sundry Advances	111	131	-	965
Related Parties	231,640	-	231,640	-
Other credits	-	-	-	13
Other	246	-	639	-
<b>Non Current</b>	<b>420,315</b>	<b>638,629</b>	<b>330,895</b>	<b>302,160</b>
Judicial Deposits	-	-	20,570	12,316
Receivable from Related Parties	407,585	625,630	0	1,050
Recoverable Taxes	-	-	758	595
Deferred Taxes	2,420	1,741	71,046	87,604
Other Credits with Third Parties	-	-	204,544	189,337
Income Taxes on Intercompany Loans	10,310	11,258	12,830	11,258
Other Credits	-	-	21,147	-
<b>Long Term</b>	<b>271,205</b>	<b>318,096</b>	<b>823,184</b>	<b>1,062,003</b>
Investments	268,720	317,017	4	-
Property, Plant and Equipment	2,128	763	791,923	938,783
Intangible Assets	357	316	31,257	123,220
<b>Total Assets</b>	<b>968,230</b>	<b>1,014,324</b>	<b>1,600,208</b>	<b>1,756,447</b>

Liabilities and Shareholder's Equity	CPC		IFRS	
	Parent Company		Consolidated	
	4Q10	3Q10	4Q10	3Q10
<b>Current</b>	<b>28,237</b>	<b>22,112</b>	<b>80,047</b>	<b>283,835</b>
Loans and Financings	-	-	-	1,789
Suppliers	710	786	23,182	47,850
Taxes and contribution Payable	592	12,146	4,948	20,381
Taxes and social contribution	15,766	-	31,858	-
Salaries and Payroll Charges	7,593	6,807	11,333	12,434
Other provisions	1,439	932	2,090	3,311
Payable to Related Parties	2,137	1,441	2,869	2,657
Payable to Third Parties	-	-	3,767	195,413
<b>Non Current</b>	<b>109</b>	<b>-</b>	<b>580,277</b>	<b>1,472,612</b>
<b>Long term</b>	<b>109</b>	<b>-</b>	<b>-</b>	<b>468,959</b>
Other Obligations to third Parties	-	-	205,382	-
Loans and Financings	-	-	359,587	434,920
Taxes and Contributions Payable	-	-	10,939	24,048
Asset Retirement Obligation	-	-	99	97
Provision for unsecured liability	-	-	-	-
Provisions for Contingencies	109	-	1,740	1,941
Deferred Taxes	-	-	-	6,417
Installments on right of way	-	-	230	-
Other Liabilities	-	-	2,300	1,536
<b>Shareholder's Equity</b>	<b>939,884</b>	<b>992,212</b>	<b>939,884</b>	<b>1,003,653</b>
Capital	623,978	675,909	623,978	675,909
Non Controlling Shareholder's Interest	-	-	28,371	49,386
Ações em tesouraria	(182)	-	(182)	-
Capital Reserve	350,520	349,953	350,520	349,953
Accumulated Losses	(34,432)	(33,650)	(62,803)	(71,595)
<b>Total Liabilities and Shareholder's Equity</b>	<b>968,230</b>	<b>1,014,324</b>	<b>1,600,208</b>	<b>1,756,447</b>

LLX Logística S.A.

Income Statements

R\$ thousand	Parent Company - CPC	
	2010	2009
<b>Gross Operating Revenue</b>	-	-
Sales Deductions	-	-
<b>Net Operating Revenue</b>	-	-
Costs of Products and Services Rendered	-	-
<b>Gross Profit (Loss)</b>	-	-
<b>Other Operating Revenues (expenses)</b>	<b>3.488</b>	<b>(53.584)</b>
General and Administrative Expenses (G&A)	(40.273)	(35.533)
Selling Expenses	-	-
Management fees	-	-
Financial Revenues	84.547	42.838
Financial Expenses	(1.638)	(1.225)
Net Equity Income (Losses)	(39.039)	(61.351)
Other Operating Income (expenses)	(109)	1.687
<b>Profit (Loss) before Income Tax and Social Contribution</b>	<b>3.488</b>	<b>(53.584)</b>
Current Income Tax and Social Contribution	(15.766)	(4.089)
Deferred Income Tax and Social Contribution	(423)	2.843
<b>Income (Loss) before Non Controlling Shareholder's Interest</b>	<b>(12.701)</b>	<b>(54.830)</b>
Controlling Shareholder's Interest	(12.701)	(54.830)
<b>Net Income (Loss) for the Period</b>	<b>(12.701)</b>	<b>(54.830)</b>

R\$ thousand	Consolidated - IFRS	
	2010	2009
<b>Gross Operating Revenue</b>	<b>11.109</b>	-
Rents Revenues	11.109	-
<b>Net Operating Revenue</b>	<b>11.109</b>	-
Costs of Products and Services Rendered	-	-
<b>Gross Profit (Loss)</b>	<b>11.109</b>	-
<b>Other Operating Revenues (expenses)</b>	<b>(17.694)</b>	<b>89.537</b>
General and Administrative Expenses (G&A)	(96.452)	(63.216)
Selling Expenses	-	-
Management Fees	-	-
Financial Revenues	125.291	252.199
Financial Expenses	(49.794)	(98.681)
Other Operating Income (expenses)	3.261	(765)
<b>Profit (Loss) before Income Tax and Social Contribution</b>	<b>(6.585)</b>	<b>89.537</b>
Current Income Tax and Social Contribution	(20.919)	(4.089)
Deferred Income Tax and Social Contribution	21.121	(26.829)
<b>Income (Loss) before Non Controlling Shareholder's Interest</b>	<b>(6.383)</b>	<b>58.619</b>
Controlling Shareholders Interest	(12.701)	51.633
Non Controlling Shareholders Interest	(12.680)	(5.437)
<b>Net Income (Loss) for the Period</b>	<b>(25.381)</b>	<b>46.196</b>