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## **LLX approved BRR 600 million capital increase with BNDESPAR**

*Tuesday, 24 Mar, 2009*

LLX Logística SA has announced that BNDES PARTICIPAÇÕES SA, a wholly owned subsidiary of the Brazilian Development Bank, approved in a board of executive officers meeting the subscription of shares in the LLX's capital increase.

This capital increase will be effective upon the execution of an agreement among the company's controlling shareholder, Mr Eike Batista, his subsidiary Centennial Asset Mining Fund LLC, Ontario Teachers' Pension Plan Board and BNDESPAR.

The capital increase of BRR 600 million results from the issuance of 333,333,335 new common shares and will be priced at BRR 1.80 per share which represents a premium of 27% over the volume weighted average price of the last 60 trading days. Under this agreement, BNDESPAR shall subscribe the equivalent of 25% of the total newly issued shares, representing BRR 150 million, and resulting in an equity stake in LLX of 12.05%.

BNDESPAR will become LLX's shareholder through the assignment of a portion of the preemptive rights of the controlling shareholder, Centennial and OTPP in favor of BNDESPAR. In consideration for the assignment of these preemptive rights, BNDESPAR has granted to the Controlling Shareholder and to OTPP a call option for the purchase of 50% of the shares issued by the Company paid-in by BNDESPAR under this transaction. This call option will be exercisable after a 36 month period from the date on which the capital increase is confirmed, at an exercise price of BRR 1.80 per share, adjusted in accordance with the Brazilian Extended Consumer Price Index, published by the Brazilian Institute of National Statistics and Geography, plus a rate of 15% per year.

In January 2009, LLX Minas Rio, an LLX subsidiary responsible for the implementation of the iron ore port terminal at Super Port Açú, executed the definitive financing agreements with the BNDES and other financial institutions for an amount of BRR 1.321 billion. The transaction was structured as project finance with a debt equity ratio of 73:27 and shall be sufficient for the execution of its overall investment.

In November 2008, LLX Açú, an LLX subsidiary in charge of the implementation of the terminals which will handle products such as steel, coal, liquid bulk and general cargo at Super Port Açú, was declared eligible for the long term structured financing by BNDES. Recently LLX Sudeste, responsible for the implementation of the iron ore port terminal at Port Sudeste, also submitted its project to BNDES for long term financing.

Mr Ricardo Antunes CEO of LLX said that "The commitment of the controlling shareholder, Centennial and OTPP to invest in LLX, as well as the BNDESPAR participation as a significant shareholder, highlights the feasibility and the importance of LLX's projects for the development of our logistics infrastructure, fundamental to leverage the country's growth."

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