



Entender para Atender



JSL S.A
And its subsidiaries
Quarterly information – ITR related
to the quarter ended March 31,
2020 and independent auditor's
report on review of quarterly
information







Contents

Performance comments	2
Statements of financial position – Assets	27
Statements of financial position -Liabilities	28
Statements of profit or loss	29
Statements of comprehensive income (loss)	30
Statements of changes in equity	31
Statements of cash flows - indirect method	32
Statements of value added	33
Notes to the interim financial information	34
Statement of Supervisory Board	98
Statement of the Executive Board on the quarterly information	99
Statement of the Executive Board on the Independent auditor's report	100

1Q20 PERFORMANCE COMMENTS

Adjusted Net Income of R\$83.2 million in 1Q20 up by 37% YoY

- CONSOLIDADO** Adjusted Net Income of **R\$83.2 million in 1Q20, up by 37%**, reflecting all the bases that were built;
- CONSOLIDADO** Consolidated Net Revenue from Services reached **R\$1.7 billion in 1Q20** and a 3% growth, while **Adjusted EBITDA grew 18%**, totaling **R\$562 million**, with an EBITDA Margin of 32.8%, 4.2 p.p. higher than 1Q19, in line with the Group's strategic plan;
- CONSOLIDADO** Cash reinforcement at the end of 1Q20, sufficient to cover **2.5x of the short-term debt amortization** (up by 25% over 4Q19), and **3.6x leverage** (down by 12%);
- CONSOLIDADO** Approval by the Board of Directors of the **reorganization** of operations in independent companies which, at the end of two stages, will result in a holding company and the largest road logistics company in Brazil with the largest portfolio of services;
-  **JSL Logística** recorded a **Net Income of R\$19.7 million**, stable year-on-year if we disregard extraordinary revenues in 1Q19 and the costs to implement new operations in 1Q20, posting an EBITDA of R\$110.0 million in 1T20;
-  **Vamos** reaches **Net Income of R\$36.6 million** (+16.2% YoY), **EBITDA of R\$138.8 million** (+15.3%) and Operating Income grew 30.7%. Vamos continues to combine growth and profitability on a unique platform;
-  **CS Brasil** reaches **Net Income of R\$16.2 million** (+44.6% YoY), **EBITDA of R\$82.6 million** (+48.0%) and Operating Income grew 86.1%, focused on GTF and reducing other lines of business according to our plan;
-  **Movida** reaches **Adjusted Net Income of R\$55.1 million** (+31.2% YoY) and **Adjusted EBITDA of R\$225.1 million** (+55.2%), confirming the continuous operational evolution in all business lines.

Financial Highlights (R\$ million)	JSL - Consolidated					
	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	LTM
Gross Revenue	2,520.6	2,869.9	2,655.3	5.3%	-7.5%	10,869.0
Net Revenue	2,211.8	2,631.9	2,356.9	6.6%	-10.4%	9,831.3
JSL Logística	793.0	788.8	693.8	-12.5%	-12.0%	3,050.9
Vamos	273.8	322.6	295.5	7.9%	-8.4%	1,233.2
CS Brasil	201.1	211.3	211.8	5.3%	0.2%	861.6
Original	186.1	214.3	180.7	-2.9%	-15.7%	816.1
BBC Leasing	9.0	10.9	11.5	27.8%	5.5%	42.6
Movida	812.5	1,106.5	1,011.2	24.5%	-8.6%	4,034.7
Intercompany Elimination	(63.8)	(22.7)	(47.6)	-	-	(207.8)
Net Revenue from Services	1,659.9	1,938.7	1,710.3	3.0%	-11.8%	7,133.2
Net Revenue of Asset Sales	551.9	693.2	646.6	17.2%	-6.7%	2,698.1
Adjusted EBITDA	474.6	611.2	561.7	18.4%	-8.1%	2,202.9
Margin (% NR from Services)	28.6%	31.5%	32.8%	+4.2 p.p.	+1.3 p.p.	30.9%
Adjusted EBITDA-A	1,023.1	1,265.6	1,168.6	14.2%	-7.7%	4,785.5
Margin	46.3%	48.1%	49.6%	+3.3 p.p.	+1.5 p.p.	48.7%
Adjusted Net Income	60.8	120.6	83.2	36.8%	-31.0%	341.0
Margin (% NR)	2.7%	4.6%	3.5%	+0.8 p.p.	-1.1 p.p.	3.5%
Adjusted Net Income (controllers)*	47.9	80.2	54.4	13.6%	-32.2%	232.4
Margin (% NR)	2.2%	3.0%	2.3%	+0.1 p.p.	-0.7 p.p.	2.4%

NOTE: "Adjusted" does not consider the impairment in 1Q20 by Movida and does not eliminate the effects of the COVID-19 pandemic on Group companies. The reconciliation of Adjusted EBITDA and Net Income is described in the Exhibits.

Message from Management

In this first quarter, we established a **crisis management committee** to address the Covid-19 issue and, through it, established procedures to monitor events and assess the situation on a daily basis, **in line with WHO's guidelines**. We reinforced our **social engagement in different regions of Brazil**, especially through the initiatives implemented by Julio Simões Institute, which has impacted thousands of people since its foundation in 2006, implementing and keeping social projects and supporting many institutions linked to our values. Through our logistical operations, we have contributed to **the transportation of donations collected across the country**, especially non-perishable food and hygiene items that have been **targeted at the most vulnerable communities**.

We are grateful for the work done by our people and for the trust of our suppliers, financial institutions, investors and, especially, for the alliance with our customers. **In particular, we are immensely proud of all those who continued to work so that the group's services continue to be provided with excellence, aiming to deliver essential items to society.**

We started the year focused on a **new development cycle** and on delivering solid results from JSL S.A. and all the group's subsidiaries, which have already started to reap the rewards of the business transformation carried out in all our businesses over the past few years. We are certain that this strong business platform and with an efficient management team will be crucial to face the more adverse economic scenario that started in the first half of March, given the **worsening of the Covid-19 pandemic** in Brazil. We are acting with a total **sense of urgency** to go through this phase with more security, preserving the health of our people, the quality of services to our customers and the Company's financial strength. Over our 63 years of history, we have gone through various cycles and adversities in the economic environment, but we have always been able to adjust to the new conditions to continue developing the Company with sustainability, even during crises.

We remain steadfast, working with a lot of energy and serenity to carry out operations that are key to our customers and the society, thus helping **supply essential segments** such as health, food, equipment, commodities such as pulp, which contributes to paper, packaging for drugs and food, **so that basic items can reach the homes of families**, who need to go through this restrictive period.

Thinking of the group's financial strength to face the crisis, **we further strengthened the cash at the end of 1Q20**, which became **sufficient to cover 2.5x short-term debt amortization** (vs. 2.0x in December 2019). The **net debt/EBITDA leverage ratio remained stable compared to the last quarter, at 3.6x** in 1Q20, a decrease compared to 1Q19, when it reached 4.1x. The net debt profile remained stable QoQ and was extended YoY, going from 3.5 years to 4.0 years, with a decrease in the average cost from 10.2% p.a. to 6.8% p.a. (with the average cost after taxes equal to 6.7% and 4.5%, respectively), reaching 5.8% p.a. in the last quarter (-490 bps YoY)

Our Consolidated Net Revenue totaled R\$2.4 billion in 1Q20, which corresponds to a growth of 6.6% YoY. **EBITDA¹ was R\$561.7 million or 18.4% higher and our Net Income¹ grew 36.8%, reaching R\$83.2 million in the quarter.**

We are confident of the value that we can continue to create for all stakeholders in our relationships through relevant businesses, always seeking to improve everything we do. We wish everyone goes through this phase as soon as possible, with everyone in good health and peace.

¹ Adjusted results considering Movida's impairment.

Sustainability



Within ESG's Social pillar, we have **people's safety**, local development and prioritizing the professional and personal development of professional drivers. Considering these guidelines as a reference in our management, **we support several clients, civil society organization and public sector**, through our logistical operations, which have contributed to **the transportation of donations collected across the country**, especially non-perishable food and hygiene items that have been targeted at the most vulnerable communities.

We are very proud of our reinforced our social engagement in different regions of Brazil, especially through the initiatives implemented by Julio Simões Institute, which impacts thousands of people every year. Thinking about the importance of helping develop the communities in which we operate, we work to build a more just, integrated and aligned society with sustainability. We **donated R\$1MM in hospital PPE** (Personal Protective Equipment) to the main municipalities mapped as priority and that urgently needed the supply of resources to face the pandemic. In this context, **we actively contributed with our own truck drivers, independent contractors and third parties**. Among the main actions for this audience we can highlight:

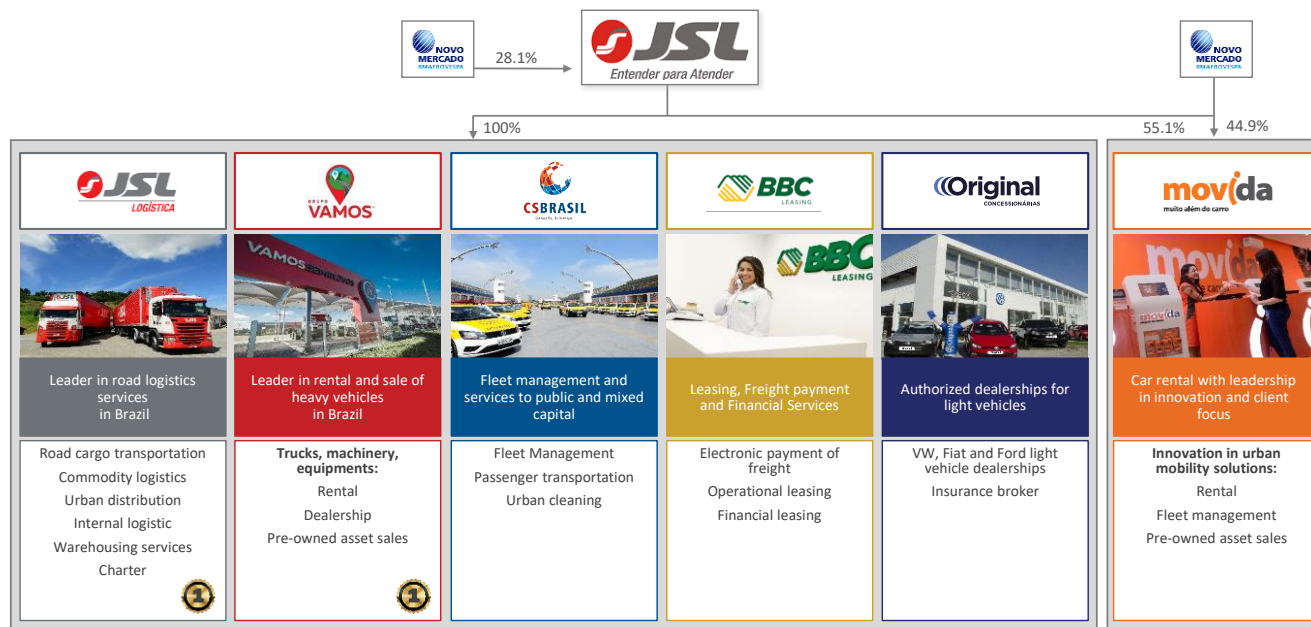
- Distributing hand sanitizers in all our branches;
- Disclosing hygiene and prevention tips from COVID-19 through leaflets and notices via WhatsApp;
- Distributing kitchen kits (baskets) to third-party drivers and independent contractors in all branches;
- Relocating drivers, whose clients stopped their operation, to other locations;
- Providing basic food baskets for independent contractors who operate for JSL and eventually had their operations interrupted, have not been relocated and may have been left without income;
- Creating the "Ligado em Você" Program for independent contractors, a support and direct communication channel with aggregates to monitor cases and provide prevention guidelines, health tips, and information in general.

Despite the intensity of all the emergency actions, **our journey regarding ESG aspects continues to evolve** with the virtual monthly meetings planned by the Working Groups and Sustainability Committees linked to the Board of Directors and the commitment of all employees involved with the Sustainability projects in progress. During the period, it should be noted the launch of the **Respect for Diversity Program for all employees**, which has the goal of raising awareness and supporting managers on the subject, seeking solutions and tools to balance the Company's diversity indicators and promote an increasingly inclusive and healthy environment. One of the initiatives announced was the launch of the **first Affinity Group focused on the discussion on Women**, which promises to promote a space to discuss, listen and learn about the cause, involving employees so that they can build together with the management the possible ways to reach the goals defined by the Group's companies.

We also had the approval of the **Waste Management Program** and the **multi-stakeholder event** which, in addition to presenting **Movida's long-term commitments** regarding its sustainability challenges, also celebrated its **achievement as B company**.



JSL Group



JSL Logística – Consolidates logistics operations for the private sector carried out under the corporate entity (CNPJ) of the parent company JSL S.A. or one of the following companies: Quick Logística Ltda., Quick Armazéns Ltda., Medlogística Prestação de Serviços de Logística S.A., and Yolanda Logística Armazém, Transportes e Serviços Gerais Ltda. (see section I)

Vamos - Comprises the rental and sale of trucks, machinery and equipment, in addition to MAN trucks and Valtra tractor authorized dealerships. It consolidates Vamos Locação de Caminhões, Máquinas e Equipamentos S.A., which in turn holds a 100% interest in Transrio Caminhões, Ônibus, Máquinas e Motores Ltda., Vamos Máquinas e Equipamentos S.A., Borgato Serviços Agrícolas S.A., Vamos Seminovos S.A. and Vamos Comércio de Máquinas Linha Amarela Ltda. (see section II).

CS Brasil - Includes service provision activities for the public sector. The consolidated statements of CS Brasil comprise the following companies: Mogi Passes Comércio de Bilhetes Eletrônicos Ltda. and CS Brasil Participações e Locações Ltda., which in turn consolidate CS Brasil Frotas Ltda. and CS Brasil Transportes de Passageiros e Serviços Ambientais Ltda. (see section III).

Original Concessionárias – Comprises a network of 15 Volkswagen, Fiat and Ford dealerships. It consolidates Original Veículos Ltda., Avante Veículos Ltda., Ponto Veículos Ltda., Madre Corretora e Administradora de Seguros Ltda. and Original Distribuidora de Peças e Acessórios Ltda. (see section IV).

BBC Leasing – Offers financial alternatives, facilitating access to used trucks, buses, automobiles, machinery and equipment. Includes the results of BBC Holding Financeira Ltda., BBC S.A. and BBC Pagamentos Ltda. (see section V).

Movida – Rent-a-car (RAC) and light vehicle fleet management and outsourcing (GTF) services, in addition to selling used vehicles in stores. Comprises Movida Participações S.A., which consolidates Movida Premium Ltda. and Movida Locação de Veículos S.A (see section VI).

I. JSL Logística



JSL Logística has the **largest and most integrated portfolio of logistics services** in Brazil and a diversified customer portfolio in **16 different sectors of the economy**. The company has a solid and scalable platform and currently, 65% of its revenue comes from operations based on the asset-light model.

Largest portfolio of logistics services in Brazil

1 Road Cargo Transportation and Dedicated Road Cargo Logistics	2 Urban Distribution	3 Internal Logistics	4 Warehousing Services	5 Commodity Logistics	6 Charter: Employee Transportation for Companies
					
<ul style="list-style-type: none"> Transportation point to point 95% subcontracted with third parties Integrated and flexible solutions 	<ul style="list-style-type: none"> Daily supply to POS Packaging management and return 	<ul style="list-style-type: none"> Internal logistics service of raw material, finished products, inventories and support to assembly line Integrated to client's production process 	<ul style="list-style-type: none"> Inventory management Receipt, storage, sorting, and dispatch of goods 	<ul style="list-style-type: none"> Customized solutions for pulp and paper, mining and agribusiness sectors Link with exports 	<ul style="list-style-type: none"> Charter transportation of employees to industries Car rental with driver Service directed to companies and industries
46% of revenues	4% of revenues	11% of revenues	4% of revenues	24% of revenues	11% of revenues
Asset-Light: 65% of revenues ¹					

¹ Based on the net revenue for the last 12 months

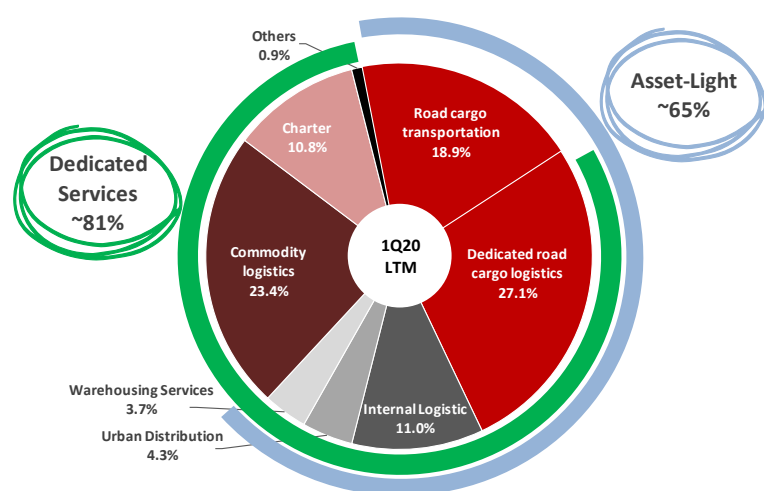
Financial Highlights (R\$ million)	JSL Logística - Atividade Operacional					
	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	LTM
Gross Revenue	956.4	937.9	832.3	-13.0%	-11.3%	3,623.6
Deductions	(163.4)	(149.1)	(138.5)	-15.2%	-7.1%	(572.7)
Net Revenue	793.0	788.8	693.8	-12.5%	-12.0%	3,050.9
Net Revenue from Services	725.7	726.1	656.3	-9.6%	-9.6%	2,866.9
Net Revenue from Asset Sales	67.3	62.7	37.5	-44.3%	-40.2%	184.0
Total Costs	(688.9)	(692.9)	(626.0)	-9.1%	-9.7%	(2,685.0)
Cost of Services	(620.8)	(633.8)	(588.0)	-5.3%	-7.2%	(2,505.7)
Cost of Asset Sales	(68.1)	(59.1)	(38.0)	-44.2%	-35.7%	(179.3)
Gross Profit	104.2	95.9	67.8	-34.9%	-29.3%	365.9
Operational Expenses	(23.3)	(34.0)	(18.4)	-21.0%	-45.9%	(123.9)
EBIT	80.8	61.9	49.4	-38.9%	-20.2%	242.1
Margin (% NR from Services)	11.1%	8.5%	7.5%	-3.6 p.p.	-1.0 p.p.	8.4%
Financial Result	(26.6)	(36.5)	(25.6)	-3.8%	-29.9%	(141.0)
Taxes	(16.0)	(1.1)	(4.1)	-74.4%	-	(17.2)
Net Income	38.3	24.3	19.7	-48.6%	-18.9%	83.8
Margin (% Total NR)	4.8%	3.1%	2.8%	-2.0 p.p.	-0.3 p.p.	2.7%
EBITDA	139.0	125.2	110.4	-20.6%	-11.8%	486.2
Margin (% NR from Services)	19.2%	17.2%	16.8%	-2.4 p.p.	-0.4 p.p.	17.0%

Gross Revenue from Services Breakdown by Business Line and RSC (Revenue from Same Contracts)

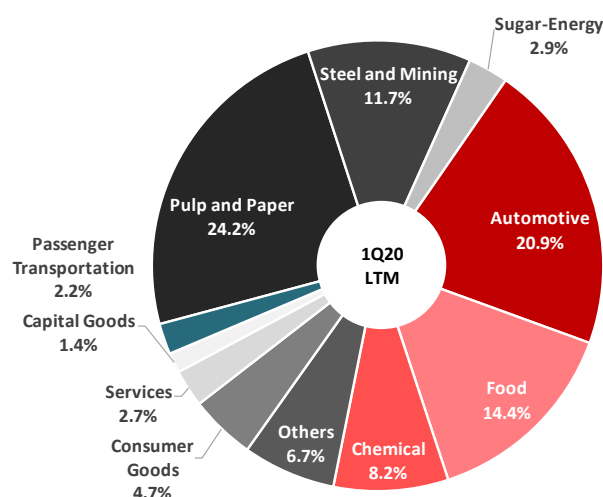
Receita Líquida de Serviços (R\$ milhões)	Total Revenue					RSC
	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	Δ Y o Y
Total	725.7	726.1	656.3	-9.6%	-9.6%	-6.3%
Road cargo transp. and Dedicated road cargo logistics	329.7	326.8	314.0	-3.9%	-4.8%	-12.7%
Commodity logistics ¹	168.1	173.9	127.5	-26.7%	-24.2%	-6.8%
Internal Logistic	81.0	76.3	81.0	6.2%	0.0%	15.1%
Charter: Employee transportation for companies	82.4	76.8	68.7	-10.5%	-16.6%	-4.7%
Urban Distribution	32.1	32.7	31.1	-4.9%	-3.1%	7.2%
Warehousing Services	29.8	27.6	29.3	6.2%	-1.7%	-6.4%
Others	2.7	11.9	4.7	-60.5%	74.1%	91.6%

¹ Includes the pulp and paper, sugar-energy, steel and mining sectors.

Net Revenue from Services by Business Line



Net Revenue from Services by Economic Sector



Net Revenue from Services

Net Revenue from Services decreased by 9.6% YoY, totaling R\$656.3 million in 1Q20. This variation is mainly due to volume reduction in the automotive sector as a result of the closure of plants in São Bernardo do Campo and the first impacts of the new Coronavirus pandemic, as well as **one-off** effect on Commodity Logistics.

Net Revenue from Assets Sold

Net Revenue from Assets Sold totaled R\$37.5 million in 1Q20 (-44.3% YoY), due to one-off higher sales YoY. In comparison with the previous quarter, there was a 40.2% decrease QoQ.

Costs

Costs (R\$ million)	JSL Logística - Atividade Operacional					
	1Q19	4Q19	1Q20	▲ Y o Y	▲ Q o Q	LTM
Cost of Services	(620.8)	(633.8)	(588.0)	-5.3%	-7.2%	(2,505.7)
Personnel	(198.8)	(206.5)	(185.0)	-6.9%	-10.4%	(813.1)
Independent contractors / third parties	(229.6)	(239.1)	(227.8)	-0.8%	-4.7%	(948.7)
Fuel and lubricants	(35.0)	(40.4)	(36.3)	3.7%	-10.1%	(148.0)
Parts / tires / maintenance	(72.0)	(64.0)	(58.7)	-18.5%	-8.3%	(263.1)
Depreciation / amortization	(50.7)	(60.1)	(55.5)	9.5%	-7.7%	(221.6)
Others	(34.6)	(23.7)	(24.7)	-28.6%	4.2%	(111.3)
Costs of Sales of Assets	(68.1)	(59.1)	(38.0)	-44.2%	-35.7%	(179.3)
Sale of Assets	(68.1)	(59.1)	(38.0)	-44.2%	-35.7%	(179.3)
Total	(688.9)	(692.9)	(626.0)	-9.1%	-9.7%	(2,685.0)

Operating Expenses

In 1Q20, Operating Expenses changed by -21.0% YoY and -45.9% QoQ, mainly due to the compensation received for costs of operational demobilization by customers.

EBITDA and Net Income

In 1Q20, EBITDA totaled R\$110.4 million (-20.6% YoY) while EBITDA Margin reached 16.8%, down by -2.4 p.p. YoY, mainly due to one-off effects of the reversal of provisions amounting to R\$6.5 million in 1Q19 and the lower volume transported in 1Q20. Compared to 4Q19, EBITDA decreased by 11.8%, while the EBITDA margin remained stable (-0.4 p.p. QoQ).

Net Income totaled R\$19.7 million in 1Q20, in line with the same quarter of the previous year if we disregard one-off effects such as: (i) reversal of R\$6.5 million in provisions occurred in 1Q19, versus R\$3,7 million addition in 2Q19; (ii) extraordinary financial income of R\$18.5 million in 1Q19; and (iii) implementation costs from new operations in 1Q20.

Investments

JSL Logística - Atividade Operacional						
Capex (R\$ million)	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	LTM
Gross capex by nature	101.1	108.3	160.7	59.0%	48.4%	427.2
Expansion	60.6	97.4	152.2	151.2%	56.3%	386.8
Maintenance	40.5	10.9	8.5	-79.0%	-22.0%	40.4
Gross capex by type	101.1	108.3	160.7	59.0%	48.4%	427.2
Trucks	37.3	61.3	108.3	190.3%	76.7%	259.8
Machinery and Equipment	10.2	16.2	17.9	75.5%	10.5%	45.9
Light Vehicles	21.4	18.2	16.4	-23.4%	-9.9%	57.2
Bus	26.9	-	6.3	-76.6%	-	21.1
Others	5.3	12.4	11.8	122.6%	-4.8%	43.3
Usual sale of assets	(68.0)	(64.0)	(38.5)	-43.4%	-39.8%	(188.0)
Total net capex	33.2	44.3	122.1	-	175.6%	239.1

Net Capex totaled R\$122.1 million in 1Q20. The funds were mainly allocated to expansion investments, mostly directed to trucks. In the last twelve months, Net Capex totaled R\$239.1 million.

We emphasize that 65% of current revenue comes from operations based on the asset-light model, which means that the growth in volume and revenue for the Logistics activity does not imply proportional growth in net investment.

II. Vamos



In 1Q20, Vamos continued to show profitable growth, even in the midst of a challenging scenario due to the impacts of Covid-19 (new Coronavirus) in Brazil. Throughout 2019, Vamos got ready for a growth cycle in 2020, investing in technology, prospecting new clients in new regions and segments of the economy, strengthening the capital structure, reducing the cost of debt and increasing its average term. These efforts have further strengthened the Company to go through this moment of crisis in the country.

Vamos continued to focus on profitable growth, reaching 449 agreements and 13,529 assets in March 2020, with 11,209 trucks and 2,320 machines. Contracted Revenue Backlog totaled R\$2.6 billion in the same period, up by 21% over December 2019.

Financial Highlights (R\$ million)	Vamos					
	1Q19	4Q19	1Q20	▲ Y o Y	▲ Q o Q	LTM
Gross Revenue	301.8	350.5	326.7	8.3%	-6.8%	1,346.7
Deductions	(27.9)	(27.9)	(31.2)	11.8%	11.8%	(113.5)
Net Revenue	273.8	322.6	295.5	7.9%	-8.4%	1,233.2
Net Revenue from Services	239.5	258.2	249.7	4.3%	-3.3%	1,009.6
Rental	129.0	151.5	145.7	12.9%	-3.8%	582.1
Dealerships	110.5	106.6	104.0	-5.9%	-2.4%	427.5
Net Rev. from Sale of Assets	34.3	64.5	45.8	33.5%	-29.0%	223.6
Costs	(182.9)	(208.2)	(186.1)	1.7%	-10.6%	(801.6)
Cost of Services	(149.1)	(146.9)	(141.7)	-5.0%	-3.5%	(586.3)
Cost of Asset Sales	(33.8)	(61.2)	(44.4)	31.4%	-27.5%	(215.3)
Gross Profit	90.9	114.5	109.4	20.4%	-4.5%	431.6
Operational Expenses	(29.9)	(37.2)	(29.8)	-0.3%	-19.9%	(120.3)
EBIT	61.0	77.3	79.7	30.7%	3.1%	311.3
Margin (% NR from Services)	25.5%	29.9%	31.9%	+6.4 p.p.	+2.0 p.p.	30.8%
Financial Result	(18.7)	(25.1)	(27.4)	46.5%	9.2%	(102.1)
Taxes	(10.8)	(17.6)	(15.7)	45.4%	-10.8%	(62.3)
Net Income	31.5	34.6	36.6	16.2%	5.8%	146.9
Margin (% NR from Services)	13.1%	13.4%	14.6%	+1.5 p.p.	+1.2 p.p.	14.5%
EBITDA	120.4	138.2	138.8	15.3%	0.4%	546.0
Margin (% NR from Services)	50.3%	53.5%	55.6%	+5.3 p.p.	+2.1 p.p.	54.1%

Vamos had a Total Net Revenue of R\$295.5 million (+7.9% YoY) due to the increased Net Revenue from Rental Services and Assets Sold, reaching R\$145.7 million (+12.9% YoY) and R\$45.8 million (+33.5% YoY) in 1Q20, respectively, offsetting the slight decrease of 5.9% YoY in Net Revenue from Services in Dealerships, which totaled R\$104.0 million in 1Q20.

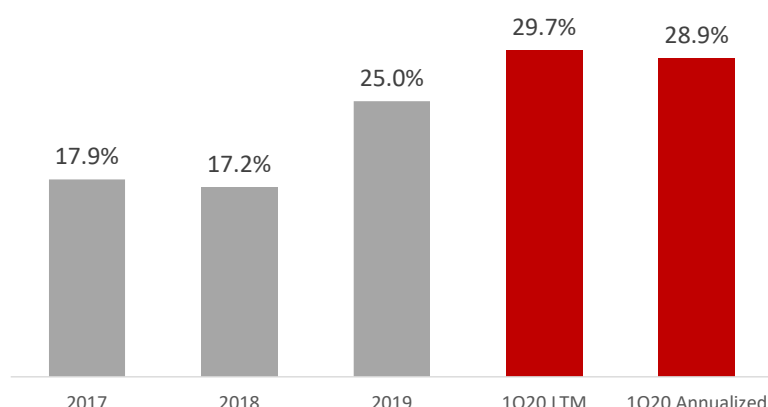
EBIT totaled R\$79.7 million in 1Q20, with a 31.9% margin on Net Revenue from Services, an improvement of 6.4 p.p. YoY. Vamos had major developments, mainly in the rental business, with gains in scale, dilution of expenses and operational efficiency, which led to improved margins in the period.

Vamos' EBITDA totaled R\$138.8 million in 1Q20, up by 15.3% YoY, while the EBITDA Margin on Revenue from Services reached 55.6% (+5.3 p.p. YoY), which proves the Company's high capacity for cash generation and the healthy level of profitability.

Net Income in 1Q20 totaled R\$36.6 million, up by 16.2% YoY, due to the higher Net Revenue, given the increase in the number of agreements in the rental business, and 5.8% QoQ, due to the dilution of expenses, reaching a net service margin of 14.6% in 1Q20, up by 1.5 p.p. YoY and 1.2 p.p. QoQ.

As of March 31, 2020, Vamos' Capital Structure remained at healthy levels, with amortization of short-term debt and postponement of long-term debt. Net debt totaled R\$1.7 billion, representing a net leverage of 3.2x, average cost of debt of 5.6% and average term of 3.8 years. On March 31, 2020, it should be noted that the cash position was already sufficient to cover the amortization of short-term debt (12 months) in more than 2x. We also note that the expansion of the return, reaching an ROE of 29.7% in the last 12 months (+4.7 p.p. 1Q20 LTM versus 2019).

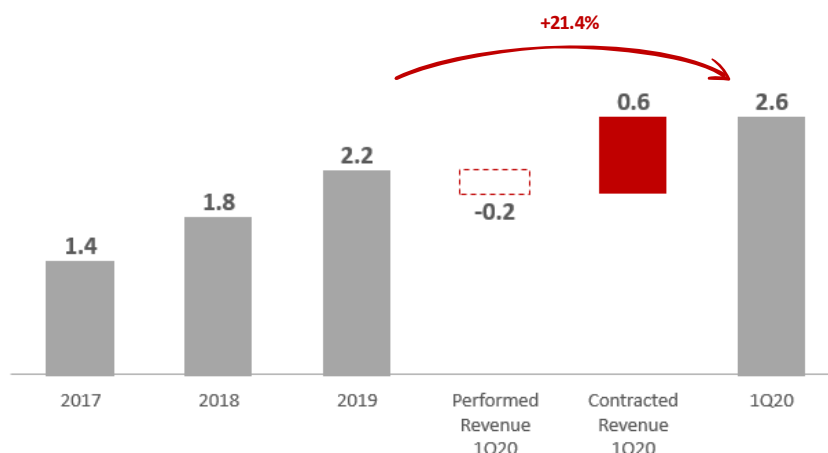
ROE



Capex (R\$ million)	1Q19	4Q19	1Q20	▲Y o Y	▲Q o Q	LTM
Gross capex by type	187.4	112.2	266.1	42.0%	137.2%	892.3
Trucks	145.3	101.4	193.7	33.3%	91.0%	705.1
Machinery and Equipment	42.1	10.7	72.3	71.7%	-	187.2
Usual sale of assets	(34.4)	(65.0)	(46.5)	35.2%	-28.5%	(225.4)
Total net capex	152.9	47.1	219.6	43.6%	-	666.9

In 1Q20, Vamos' gross investment totaled R\$266.1 million, showing a significant increase (+42.0%) compared to 1Q19). The investments are intended for new agreements in the rent segment, in line with the Company's growth strategy in this segment, with the goal to generate revenue and cash in a sustainable manner for the next periods.

Contracted Revenue Backlog - R\$ billion



The future contracted revenue in 1Q20 was R\$0.6 billion, considering contracts signed in the quarter that total a Capex of R\$505 million. Considering the performance revenue from rental services of R\$0.2 billion in the period, the future contracted revenue (backlog) increased from R\$2.2 billion on December 31, 2019 to R\$2.6 billion on March 31, 2020 (+21.4%). The existing backlog represents approximately 4.0 years of contracted revenue from rental services when compared to the gross revenue from rental services in the last twelve months (R\$652 million in LTM 1Q20).

Regarding the Covid-19 (new Coronavirus), Vamos has a solid financial position, sufficient to overcome the installed crisis, with positive current liquidity and sufficient cash position to cover the amortization of the short-term debt, in addition to having a substantial part of revenues based on long-term asset lease agreements. Vamos is working to adjust the cost structure according to the changes in its cash generation, monitoring it on a daily basis.

Vamos remains with its profitable growth strategy, focusing on employee safety, excellence in customer service and keeping the Company's liquidity, seeking to maintain its leadership position, exploring new potential markets to lease trucks, machines and equipment, monitoring and seeking to mitigate the impacts of Covid-19 (new Coronavirus).

III. CS Brasil



CS Brasil provides various services focused on the public sector and public and mixed capital companies, with Fleet Management and Outsourcing (GTF) as its main activity. The company presents **increasing results** (+48.0% EBITDA in 1Q20 YoY) and adopts excellent **governance, transparency and compliance** practices in the provision of services.

CS Brasil: Business Lines

75% of revenue
R\$ 129 million

1 Fleet Management and Outsourcing (GTF)



% of Net Revenue from Services 1Q20

17% of revenue
R\$ 29 million

2 Municipal Passenger Transportation



8% of revenue
R\$ 13 million

3 Urban Cleaning



CS Brasil: Main Indicators

Financial Highlights (R\$ million)	CS Brasil					
	1Q19	4Q19	1Q20	▲ Y o Y	▲ Q o Q	LTM
Gross Revenue	225.9	234.3	233.2	3.2%	-0.5%	951.5
Deductions	(24.8)	(23.0)	(21.4)	-13.7%	-7.0%	(89.8)
Net Revenue	201.1	211.3	211.8	5.3%	0.2%	861.6
Net Revenue from Services	176.4	175.3	171.1	-3.0%	-2.4%	713.6
GTF - Light Vehicles	77.8	83.5	87.7	12.7%	5.0%	330.9
GTF - Heavy Vehicles	3.0	3.7	3.9	30.0%	5.4%	15.3
GTF with driver	39.2	36.3	37.0	-5.6%	1.9%	147.9
Municipal Passenger Transportation and Others	56.4	51.8	42.5	-24.6%	-18.0%	219.5
Net Rev. from Sale of Assets	24.8	36.0	40.8	64.5%	13.3%	148.0
Costs	(165.8)	(176.3)	(159.5)	-3.8%	-9.5%	(691.7)
Cost of Services	(138.4)	(139.8)	(119.4)	-13.7%	-14.6%	(539.8)
Cost of Asset Sales	(27.4)	(36.5)	(40.1)	46.4%	9.9%	(151.9)
Gross Profit	35.3	35.0	52.3	48.2%	49.4%	169.9
Operational Expenses	(12.9)	6.5	(10.8)	-16.3%	-	(13.1)
EBIT	22.3	41.4	41.5	86.1%	0.2%	156.9
Margin (% NR from Services)	12.7%	23.6%	24.3%	+11.6 p.p.	+0.7 p.p.	22.0%
Financial Result	(5.1)	(8.9)	(17.0)	-	91.0%	(35.1)
Taxes	(6.0)	(10.3)	(8.3)	38.3%	-19.4%	(40.7)
Net Income	11.2	22.2	16.2	44.6%	-27.0%	81.0
Margin (% Total NR)	5.6%	10.5%	7.6%	+2.0 p.p.	-2.9 p.p.	9.4%
EBITDA	55.8	80.6	82.6	48.0%	2.5%	306.6
Margin (% NR from Services)	31.6%	46.0%	48.3%	+16.7 p.p.	+2.3 p.p.	43.0%

In 1Q20, CS Brasil's Net Revenue totaled R\$211.8 million, up by 5.3% YoY. Net Revenue from Services decreased by 3.0% YoY, mainly due to the divestment of the concession of one of the municipal transportation lines concluded

in November 2019, which caused an impact of R\$14.9 million compared to 1Q19; excluding this effect, **we had a 5.9% growth** in Net Revenue from Services in continued activities. Net Revenue from Services fell 2.4% QoQ but grew 0.9% QoQ excluding the revenue from the discontinued concession in 4Q19.

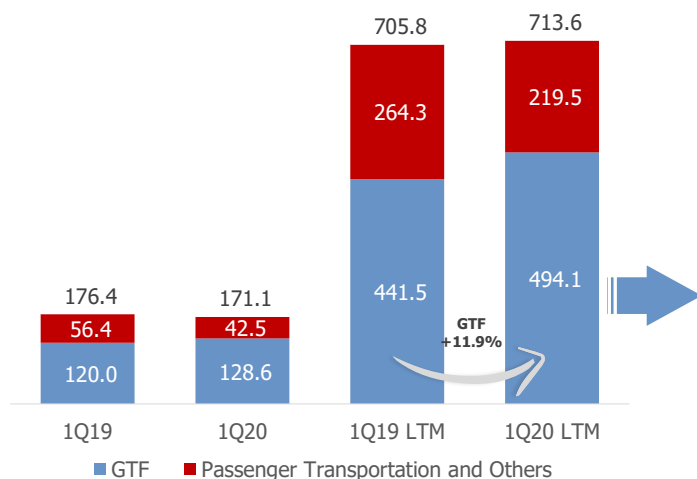
EBIT totaled R\$41.5 million in 1Q20, an increase of 86.1% YoY, and the EBIT margin reached 24.3% (+11.6 p.p. YoY). EBITDA totaled R\$82.6 million in 1Q20 (+48.0% YoY and 2.5% QoQ), while the EBITDA margin totaled 48.3% in 1Q20 (+16.7 p.p. YoY and +2.3 p.p. QoQ). The improvement in the indicators is **due to the asset light fleet rental business, improvement of contract margins, reduction of administrative costs**.

Net Income totaled R\$16.2 million in 1Q20 (+44.6% YoY and -27.0% QoQ). We emphasize that there was an increase in financial expenses in the annual and quarterly comparisons, given the new capital structure of the Company, which ended 1Q20 with net debt of R\$853 million, compared to R\$122 million in 1Q19. In comparison with the previous quarter, we highlight that 4Q19 was positively impacted by the sale of a company that has concessions for municipal passenger transportation of around R\$16 million in EBITDA.

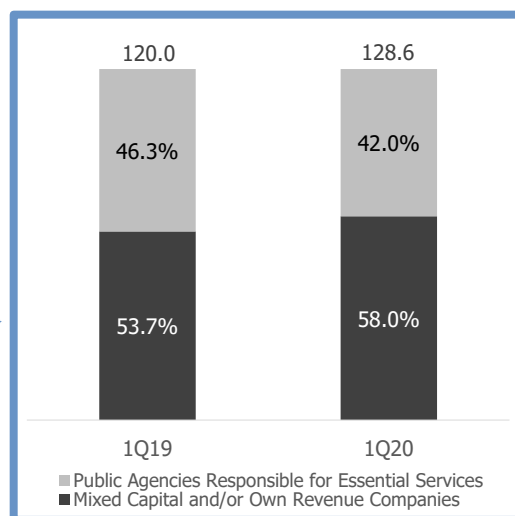
Fleet Management and Outsourcing (GTF)

Over the past few years, CS Brasil has been increasing its return through the management of its contract portfolio and greater focus on GTF activity whose net revenue **grew 11.9%** in LTM 1Q20 when compared to LTM 1Q19 and went from 68% to 75% of Net Revenue from Services between 1Q19 and 1Q20. In the same period, the share of the "Mixed Capital and/or Own Revenue Companies" niche increased from 53.7% to 58.0%.

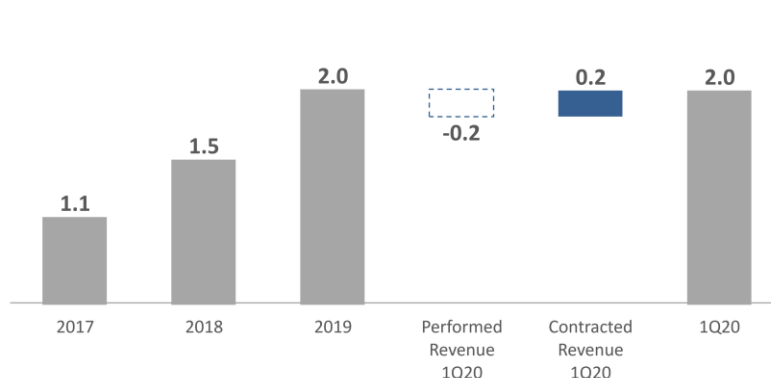
CS Brasil: Net Revenue by Business Line



GTF: Net Revenue by Customer Niche



Rental Contracted Revenue Backlog (GTF) ¹ - R\$ billion



(1) It considers the additional revenue due to the extension of the agreements in operation up to the renewal limit of 60 months (without new bids).

Considering the amounts and terms from all GTF contracts in force in March 2020, the Contracted Revenue (Backlog) remained stable at R\$2.0 billion. 3.6 years of contracted revenue when compared to Gross Revenue from GTF in the last 12 months of R\$562 million.

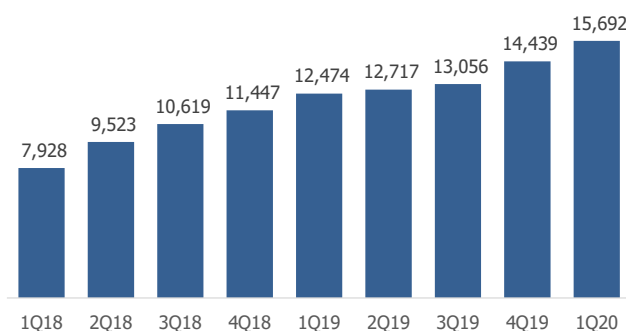
GTF – Light Vehicles

Net Revenue from **GTF – Light Vehicles** grew 12.7% in 1Q20 YoY and 5.0% over 4Q19, reaching R\$87.7 million. This growth is the result of a 25.8% expansion in the average operating fleet, partially offset by a 15.0% reduction in average net revenue. This reduction in average revenue per vehicle reflects a change in mix with less participation of assets with more severe use, such as public safety, and growth in the sanitation and energy segments. Despite impacting average revenue, this change in mix contributed favorably to the reduction of costs in the period.

CS Brasil: GTF - Light Vehicles						
Operating Highlights	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	LTM
Total fleet at the end of the period	13,268	15,194	16,390	23.5%	7.9%	16,390
Average operating fleet	12,474	14,439	15,692	25.8%	8.7%	13,976
Average monthly net revenue per average operating fleet (R\$)	6,885	8,400	7,416	7.7%	-11.7%	7,643
Number of cars sold	770	765	1,087	41.2%	42.1%	3,960
Average price per car sold (R\$)	37,633	30,805	31,430	-16.5%	2.0%	31,375
Number of cars purchased	1,312	2,680	1,101	-16.1%	-58.9%	7,076
Average price per car purchased (R\$)	58,308	59,138	55,051	-5.6%	-6.9%	53,425
Average monthly net revenue per average operating fleet (R\$)	2,190	2,052	1,863	-15.0%	-9.2%	2,073

Most of the GTF – Light Vehicles service is performed by the subsidiary **CS Frotas**, which presents distinct returns (annualized ROIC of 13.4% in 1Q20).

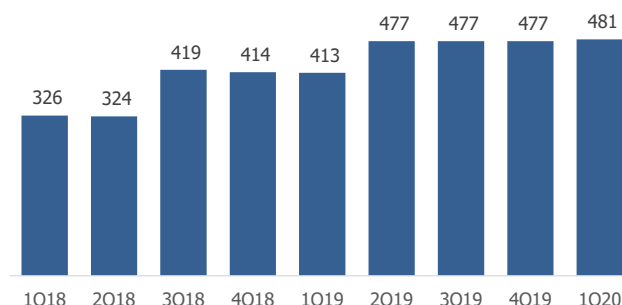
GTF – Light Vehicles Average Operating Fleet (Vehicles)



GTF – Heavy Vehicles

Net Revenue from **GTF – Heavy Vehicles** grew by 30.0% YoY in 1Q20 and 5.4% QoQ, reaching R\$3.9 million. The average operating fleet grew 16.5% between March 2019 and March 2020, reaching 481 vehicles.

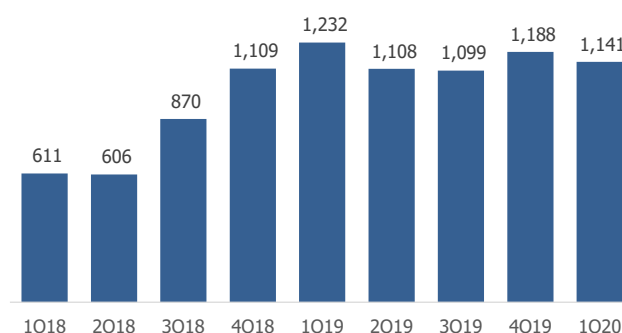
GTF – Heavy Vehicles: Average Operating Fleet (Vehicles)



GTF with driver

Net Revenue from **GTF with driver** decreased by 5.6% YoY in 1Q20 and grew 1.9% QoQ, reaching R\$37.0 million. The average operating fleet decreased -7.4% between March 2019 and March 2020, reaching 1,141 vehicles.

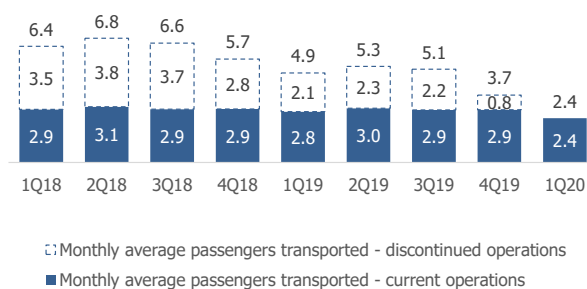
GTF with driver: Average Operating Fleet (Vehicles)



Municipal Passenger Transportation

Net Revenue from **Municipal Passenger Transportation** varied by -36.0% YoY in 1Q20 and -29.2% over 4Q19. The number of passengers transported decreased by 50.6% between 1Q19 and 1Q20, mainly due to the divestment of a concession and the negative impact of the Covid-19 pandemic in the second half of March 2020. Considering only current operations, we observed a reduction of just 12.9% in the number of passengers transported in the annual comparison.

Municipal Passenger Transportation (Million Passengers)



Investments

Capex (R\$ million)	CS Brasil					
	1Q19	4Q19	1Q20	▲Y o Y	▲Q o Q	LTM
Gross capex by nature	120.5	217.0	74.2	-38.4%	-65.8%	493.2
Expansion	100.0	187.3	61.8	-38.2%	-67.0%	407.2
Maintenance	20.5	29.6	12.3	-40.0%	-58.4%	86.0
Gross capex by type	120.5	217.0	74.2	-38.4%	-65.8%	493.2
Trucks	12.7	26.6	3.4	-73.2%	-87.2%	43.9
Machinery and Equipment	4.9	2.1	0.1	-98.0%	-95.2%	4.7
Light Vehicles	90.8	184.3	62.7	-30.9%	-66.0%	426.7
Bus	11.7	-	6.1	-47.9%	-	11.1
Others	0.3	4.0	1.9	-	-52.5%	6.8
Usual sale of assets	(25.8)	(36.5)	(41.5)	60.9%	13.7%	(152.9)
Total net capex	94.7	180.5	32.7	-65.5%	-81.9%	340.3

Net Capex totaled R\$32.7 million in 1Q20 and R\$340.3 in the last twelve months. Funds were directed mainly to expansion investments in new contracts at CS Brasil, to light assets related to fleet management and outsourcing contracts, which should strengthen future cash generation.

Compliance, Transparency and Conformity

CS Brasil: proven track record with high standards of COMPLIANCE and GOVERNANCE

- ✓ 86% of the bids made through electronic auctions
- ✓ 100% electronically monitored room



In the last twelve months, CS Brasil participated in 159 bidding processes, with 86% through **electronic auctions** with high standards of compliance and governance in a 100% electronically monitored room, having won 40% of the bids it participated in the period.

Following the JSL Group's Sustainability Policy and the principles of the UN Global Compact to which it has been a signatory since 2014, CS Brasil seeks tools and initiatives that consolidate its reputation as an ethical and transparent company. In line with these efforts, the **Transparency Portal** was developed by the company in order to reinforce the criteria of excellence in management, compliance, governance, traceability, and transparency in business with regularly updated information (available at <https://transparencia.csbrasilservicos.com.br>).

When accessing the web portal, **users have access to detailed information about the service provided to public agencies**, from the bidding process to the actual provision of the service. Additionally, they can learn about the structure of the Bidding Room, an environment with secure and controlled access, used exclusively to house the competitive phases of the public bidding processes, with trained people and dedicated equipment and infrastructure. Through the Transparency Portal, it is possible to have access to the main information of the Company, such as corporate structure, code of conduct, articles of incorporation, quarterly results, in addition to information on the Compliance Program, the Reporting Channel, the Transparent Line, Anti-Corruption Policies and the Business Pact for Integrity and Anti-Corruption.

IV. Original Concessionárias



Financial Highlights (R\$ million)	Original Concessionárias					
	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	LTM
Total Gross Revenue	195.5	224.9	191.5	-2.0%	-14.9%	847.3
Deductions	(9.5)	(10.6)	(10.8)	13.7%	1.9%	(31.3)
Total Net Revenue	186.1	214.3	180.7	-2.9%	-15.7%	816.1
Light Vehicles	155.4	181.1	149.6	-3.7%	-17.4%	687.2
Direct Sales	4.5	5.5	5.1	13.3%	-7.3%	20.3
F&I	4.7	5.2	3.3	-29.8%	-36.5%	18.9
Post Sales	21.4	22.5	22.6	5.6%	0.4%	89.7
Total Volume (units)	9,238	11,768	12,188	31.9%	3.6%	48,721
Light Vehicles	3,441	3,211	2,685	-22.0%	-16.4%	13,469
Direct Sales Light Vehicles	5,797	8,557	9,503	63.9%	11.1%	35,252
Costs	(156.2)	(182.1)	(151.9)	-2.8%	-16.6%	(690.5)
Gross Profit	29.9	32.2	28.8	-3.7%	-10.6%	125.6
Operational Expenses	(26.9)	(25.0)	(26.5)	-1.5%	6.0%	(103.6)
EBIT	3.0	7.3	2.3	-23.3%	-68.5%	22.0
Margin	1.6%	3.4%	1.3%	-0.3 p.p.	-2.1 p.p.	2.7%
Financial Result	(1.1)	(1.9)	(2.0)	81.8%	5.3%	(6.4)
Taxes	(0.7)	(1.9)	(0.1)	-85.7%	-94.7%	(5.3)
Net Income	1.2	3.4	0.2	-83.3%	-94.1%	10.2
Margin	0.7%	1.6%	0.1%	-0.6 p.p.	-1.5 p.p.	1.3%
EBITDA	7.2	10.7	6.5	-9.7%	-39.3%	36.9
Margin	3.9%	5.0%	3.6%	-0.3 p.p.	-1.4 p.p.	4.5%

Original Concessionárias posted a Total Net Revenue of R\$180.7 million in 1Q20 (-2.9% YoY and -15.7% QoQ), mainly due to the impacts of temporary store closures due to the Covid-19 pandemic as of the second half of March.

EBITDA totaled R\$6.5 million in 1Q20, mainly due to the lower number of cars sold and the due decrease in the dilution of expenses.

Net Income totaled R\$0.2 million in 1Q20, compared to R\$1.2 million in 1Q19 and R\$3.4 million in 4Q19.

V. BBC



Financial Highlights (R\$ million)	BBC					
	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	LTM
Total Gross Revenue	9.4	11.9	12.5	33.0%	5.0%	45.9
Deductions	(0.5)	(1.0)	(0.9)	80.0%	-10.0%	(3.3)
Net Revenue	9.0	10.9	11.5	27.8%	5.5%	42.6
Total of Costs	(2.8)	(2.9)	(3.3)	17.9%	13.8%	(11.9)
Gross Profit	6.2	8.0	8.3	33.9%	3.8%	30.7
Operational Expenses	(3.9)	(4.4)	(4.2)	7.7%	-4.5%	(16.0)
EBIT	2.3	3.7	4.1	78.3%	10.8%	14.7
Margin	26.1%	33.6%	35.3%	+9.2 p.p.	+1.7 p.p.	34.6%
Financial Result	(0.1)	(1.2)	(1.0)	-	-16.7%	(3.1)
Taxes	(0.7)	(1.1)	(1.1)	57.1%	0.0%	(4.2)
Net Income	1.5	1.4	2.0	33.3%	42.9%	7.4
Margin	17.0%	12.9%	17.2%	+0.2 p.p.	+4.3 p.p.	17.5%
EBITDA	2.5	3.4	4.3	72.0%	26.5%	15.5
Margin	28.1%	31.4%	36.8%	+8.7 p.p.	+5.4 p.p.	36.3%
Operations (Qt.)	743	506	687	-7.5%	35.8%	2,451
Present Value of Operations	118.1	152.8	166.9	41.3%	9.2%	166.9

In 1Q20, BBC recorded a Net Revenue of R\$11.5 million, up by 27.8% YoY. Throughout the quarter, the institution carried out 687 loan transactions, while the balance of the loan portfolio at the end of the period totaled R\$166.9 million (+41.3% YoY).

EBITDA went from R\$2.5 million in 1Q19 to R\$4.3 million in 1Q20 while Net Income reached R\$2.0 million, +33.3% YoY and 42.9% QoQ.

BBC continues to offer financial alternatives to facilitate access to used trucks, buses, automobiles, machinery and equipment, as well as electronic freight payment means.

VI. Movida



Financial Highlights (R\$ million)	Movida					
	1Q19	4Q19	1Q20	▲Y o Y	▲Q o Q	LTM
Gross Revenue	898.1	1,064.5	1,106.8	23.2%	4.0%	4,234.8
Deductions	(52.7)	(64.0)	(95.6)	81.4%	49.4%	(233.0)
Net Revenue	845.4	1,000.5	1,011.2	19.6%	1.1%	4,001.8
Net Revenue from Services	377.0	456.9	452.0	19.9%	-1.1%	1,696.5
Net Revenue from Sale of Assets	468.4	543.5	559.2	19.4%	2.9%	2,305.3
Costs	(633.1)	(717.7)	(758.9)	19.9%	5.7%	(3,022.3)
Cost of Services	(169.7)	(205.8)	(234.0)	37.9%	13.7%	(823.6)
Cost of Asset Sales	(463.4)	(511.9)	(525.0)	13.3%	2.6%	(2,198.7)
Gross Profit	212.3	282.8	252.2	18.8%	-10.8%	979.5
Operational Expenses	(117.7)	(124.3)	(380.0)	-	-	(733.8)
MEBIT	94.6	158.5	(127.8)	-	-180.6%	245.8
Margin (% NR from Services)	25.1%	34.7%	-28.3%	-53.4 p.p.	-63.0 p.p.	14.5%
Financial Result	(41.1)	(52.7)	(45.2)	10.0%	-14.2%	(191.3)
Taxes	(11.5)	(21.7)	(24.9)	116.5%	14.7%	(66.5)
Adjusted Net Income	42.0	84.1	55.1	31.2%	-34.5%	240.9
Margin (% NR from Services)	11.1%	18.4%	12.2%	+1.1 p.p.	-6.2 p.p.	14.2%
Adjusted EBITDA	145.0	259.2	225.1	55.2%	-13.2%	823.3
Margin (% NR from Services)	38.5%	56.7%	49.8%	+11.3 p.p.	-6.9 p.p.	48.5%

Movida once again set several records in 1Q20. Adding over 9,000 cars to the total fleet, closing the quarter with 119,000 cars. Movida posted 4.4 million of daily rents in rent-a-car (+18.5%), with an average ticket growth of 2%. In GTF, the volume grew 29.6%. The performance of Used Cars continued to improve, reaching over 14,000 cars sold and EBITDA margin of 1.2%. EBITDA¹ totaled R\$225.1 million and Net Income¹ was R\$55.1 million. ROE¹ reached 12.0% and ROIC¹ reached 10.3%, with a record spread of 5.6 p.p., vs the cost of debt after taxes.

Movida's grounds remain solid and we believe that discipline and focus on execution will keep the long-term goals unchanged. The cultural change in the segment can even be leveraged in this new reality. We see that people have been driven to get used to online services quickly and to further value liquidity in finances, both personal and corporate.

The scenario of instability in demand due to the Covid-19 pandemic led Movida to get ready for a new market reality. With this in mind, Movida has conservatively decided to recognize an impairment of R\$193 in the fleet - recognizing the impairment of vehicles in decommissioning to renew the fleet. Movida also adjusted the Accounts Receivable with an impairment of R\$50 million, which will absorb possible default impacts. Considering deferred tax, the final effect of impairments reached R\$160 million. Added to R\$2 million of store closed and R\$7 million of tax impact for not having the usual declaration of interest on shareholders' equity, the total impact of the COVID-19's effects totaled R\$170 million in 1Q20. We emphasize that **these amounts have no cash effect** and can be revisited depending on the pandemic's consequences.

¹ Considering results adjusted for Movida's impairment.

Reconciliation between Net Income and Adjusted Net Income

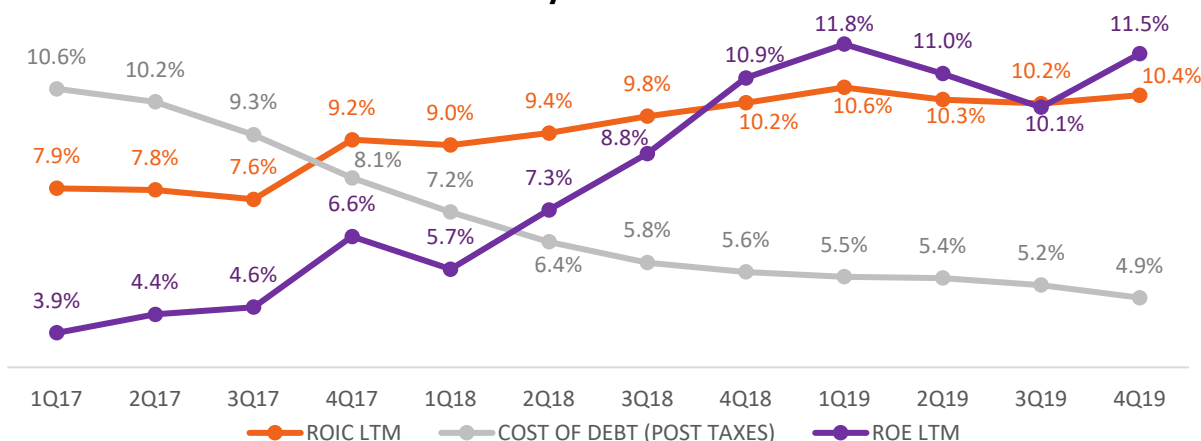
Adjusted Results (R\$ milhões)	Movida
	1Q20
Adjusted Net Income	55.1
Impairment of Assets	(193.3)
Impairment of Receivables	(50.3)
Tax Impact - Interest on Equity	(7.3)
Provision for Closing Stores	(2.1)
Deferred income tax on said adjustments	83.5
Net Income	(114.4)

In the **RAC** business, car rental was considered an essential service and most RAC stores remain open, with improved hygiene and different service hours. There was 19.5% growth YoY of Net Revenue in 1Q20, due to the addition of 10,000 operating cars. The occupancy rate set a record of 75.2% in the quarter and the average daily rent totaled R\$83.4, despite the impact of the last two weeks of March, with the start of the restriction measures due to the COVID-19 pandemic. The gross margin decreased by 7.1 p.p. compared to 1Q19 due to the increase in depreciation. Excluding this effect, the EBITDA margin increased by 5.2 p.p. reflecting the gain in scale. The EBIT margin of 21.8% was affected by non-recurring expenses linked to the impacts of the Coronavirus, such as the stores closed, and people laid off at the end of March.

In **GTF**, Net Revenue grew 21.0% YoY, driven by the addition of over 7,000 cars to the operating fleet. Costs grew by 37% in 1Q20 vs. 1Q19, mainly due to the greater depreciation of cars in the period, which increased by 73%. The depreciation per car of R\$3,907 in the last twelve months reflects the stable levels as of the end of 2019. Ex-depreciation costs per car were in line with the growth of the operating fleet. The gross margin of 48.7% in 1Q20 is mainly due to the higher depreciation levels, which led to a decrease of 6.1 p.p. compared to 1Q19. The depreciation impact is also reflected in the decreased EBIT per car. Administrative expenses increased by 11.7%, less than the increase in revenue, generating gains of scale and increasing the adjusted EBITDA margin by 3.8 p.p. to 66.3% in 1Q20.

In **Used Cars**, Net Revenue increased 19.4% in 1Q20 vs. 1Q19, reaching R\$559 million due to the volume of 14,000 cars sold and the 13% growth in the average ticket. Sales in the last two weeks of March were affected by the COVID-19 pandemic, showing that the weekly average, excluding this effect, had an increase over 4Q19. There was an increase in the gross margin both in the annual and quarterly comparison, reaching 6.1% in 1Q20. EBIT was positive by R\$0.7 million, reflecting the maturation of the installed structure. Administrative expenses were optimized, reaching 6%.

Profitability and Cost of Debt



NOTE: ROIC was calculated by using EBIT and the effective income tax rate as "Return", and net debt added to shareholders' equity as "Invested Capital" of the last twelve months of the periods analyzed.

The spread between the ROIC LTM and the Company's debt cost reached a record of 5.6 p.p. in 1Q20, up by 0.5 p.p. over 1Q19. The Company's profitability is mainly measured by this metric, in addition to ROE, return on net income, which also had its highest level ever reported this quarter. Both evolutions were due to optimizations in the operation over the last year, proving the Company's delivery capacity and focus on execution.

Capex (R\$ million)	Movida					
	1Q19	4Q19	1Q20	▲Y o Y	▲Q o Q	LTM
Fleet	704.5	660.0	1,139.1	61.7%	72.6%	3,950.7
RAC	583.1	507.9	936.1	60.5%	84.3%	3,033.2
Expansion	50.3	2.8	335.4	-	-	674.9
Maintenance	532.8	505.0	600.7	12.7%	19.0%	2,358.2
GTF	121.4	152.2	203.1	67.3%	33.4%	917.5
Expansion	108.7	130.0	171.7	58.0%	32.1%	808.3
Maintenance	12.7	22.2	31.4	147.2%	41.4%	109.2
Stores	3.0	9.2	8.4	180.0%	-8.7%	22.0
New	0.6	1.0	0.2	-66.7%	-80.0%	1.8
Former	2.4	8.2	8.2	-	0.0%	20.2
Others	22.2	19.4	19.2	-13.5%	-1.0%	93.7
Others RAC	22.0	19.4	19.2	-12.7%	-1.0%	93.7
Others GTF	0.2	0.0	-	-100.0%	-	0.0
Total Gross Capex	729.7	688.6	1,166.8	59.9%	69.4%	4,066.4
Sale of Assets	(468.7)	(547.9)	(567.4)	21.1%	3.6%	(2,318.0)
Total Net Capex	261.0	140.7	599.4	129.7%	-	1,748.4

Net Capex in 1Q20 reached R\$599 million, with the addition of 9,500 cars to the total fleet since 4Q19. The growth was mainly in Rent-a-Car due to the high demand and the holiday season - part of the cars purchased, including, already appeared as vehicles under implementation at the end of 2019. The Company continued to invest in other projects, such as technology, and in the redesign of its stores, totaling R\$19 million and R\$8 million in 1Q20, respectively.

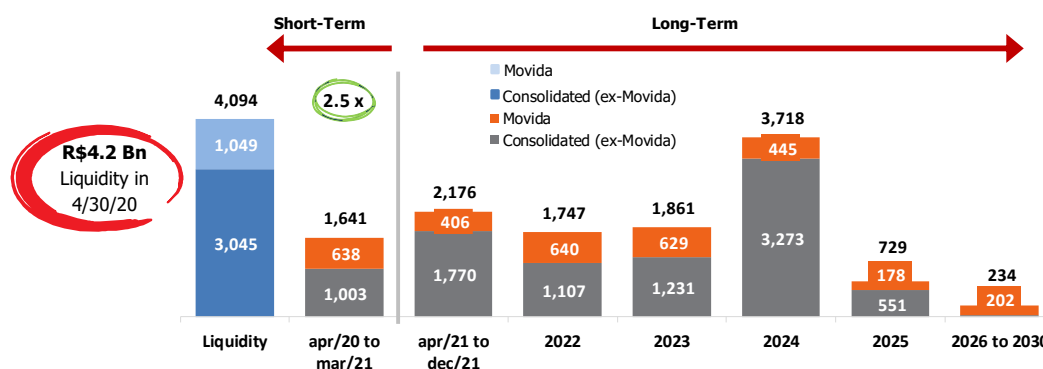
Also in March 2020, with the worsening of the pandemic of the new Coronavirus, the Company decided to reduce new car purchases and negotiations, as well as all other secondary investments, as a way to preserve its cash.

VII. Capital Structure - JSL Consolidated

Liability management in 1Q20 was paramount to get ready for the challenging scenario imposed by the Covid-19 pandemic. In March 2020, the group carried out operations that further strengthened the cash, which **became sufficient to cover 2.5x short-term debt amortization** (vs. 2.0x in December 2019). Among the main operations, we highlight: (i) fundraising of 4131 in Movida totaling R\$220 million with final maturity in 2025 at the cost of CDI+2.07% p.a.; (ii) bilateral fundraising from Vamos of R\$200 million, maturing in 2022 at the cost of CDI+1.40% p.a.; (iii) in March we had the renegotiation of debentures totaling R\$570 million, extending the maturities to 2023, 2024 and 2025, at the cost of CDI+1.95% p.a, which was confirmed by the Shareholders' Meeting in April 2020. Throughout 2Q19, we continue with the same focus on keeping a robust liquidity for the group and subsidiaries in the coming months.

We also highlight the **extension of the net debt**, which went from 3.5 years in March 2019 to **4.0.X years in March 2020**, in addition to the **decrease in the average cost of debt by 340 bps**, which totaled 6.8% in 1Q20 compared to 1Q20 over 10.2% in 1Q19 (with the cost after taxes equal to 4.5% and 6.7%, respectively). At the end of March 2020, net debt totaled R\$8.0 billion, up by R\$450.4 million, +6.0% compared to 4Q19. There was an increase of R\$931.2 million, or +13.1% YoY, mainly due to the strengthened liquidity necessary to go through the period of restrictions imposed by the Covid-19 pandemic.

Gross Debt Amortization Schedule ¹ (R\$ million)



¹ Excluding R\$2,442.9 billion from the Bond proceeds structure, which impacts cash and gross debt equally and including the maturity extension of the 12th issue of debentures, totaling R\$570 mm, which was approved in the meeting held April 2020

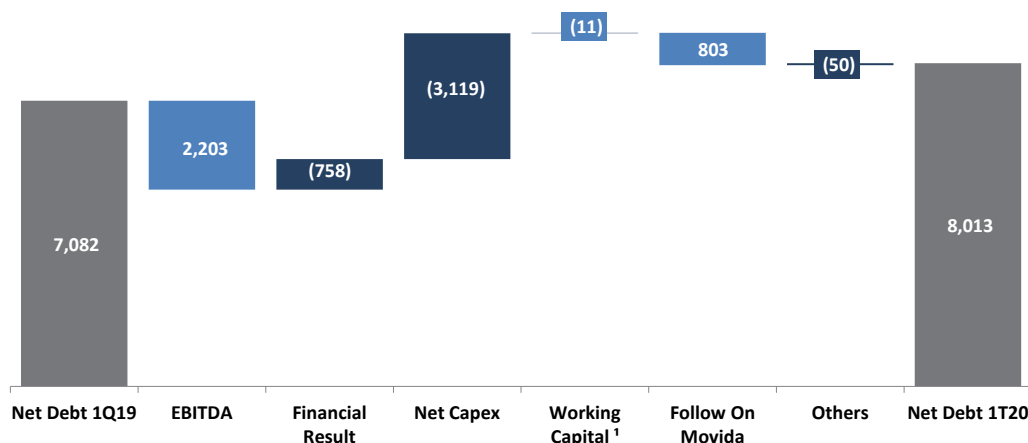
Cash and Debt Evolution (R\$ million)

Indebtedness - JSL Consolidated (R\$ million)	1Q19	2Q19	3Q19	4Q19	1Q20	march/20
Cash and Investments ¹	2,515.1	3,101.5	4,360.1	3,849.0	4,093.8	-
Cash and Investments - Book value	4,378.5	4,946.8	6,312.4	5,774.5	6,516.6	-
Credit note - CLN ²	(1,863.4)	(1,845.4)	(1,952.3)	(1,925.5)	(2,422.9)	-
Gross debt ¹	9,596.6	10,505.0	11,413.0	11,411.4	12,106.5	-
Gross debt - Book value	11,460.0	12,350.3	13,365.3	13,336.8	14,529.4	-
Credit note - CLN ²	(1,863.4)	(1,845.4)	(1,952.3)	(1,925.5)	(2,422.9)	-
Borrowings ¹	6,457.0	6,257.7	6,666.1	6,296.6	7,123.6	-
Local Bonds	3,400.1	4,579.6	5,192.0	5,371.8	5,333.9	-
Finance lease payable	233.9	230.5	289.2	401.6	436.0	-
Confirming payable	-	-	11.2	12.1	106.8	-
Debt Swap MTM	(494.4)	(562.8)	(745.5)	(670.6)	(893.8)	-
Net Debt	7,081.6	7,403.5	7,052.9	7,562.3	8,012.7	-
Short-term gross debt	1,902.7	2,046.3	2,298.4	1,927.9	1,782.1	-
Long-term gross debt ¹	7,693.9	8,458.6	9,114.6	9,483.4	10,324.4	-
Average Cost of Net Debt (p.a.)	10.2%	10.1%	9.0%	8.6%	6.8%	5.8%
Average Cost of Net Debt (Post Taxes) (p.a.)	6.7%	6.6%	6.0%	5.7%	4.5%	3.8%
Average Cost of Gross Debt (p.a.)	8.9%	8.8%	8.2%	7.9%	5.9%	5.1%
Average Cost of Gross Debt (Post Taxes) (p.a.)	5.9%	5.8%	5.4%	5.2%	3.9%	3.4%
Average term of gross debt (years)	2.9	3.0	3.1	3.1	3.1	-
Average term of net debt (years)	3.5	3.7	4.2	4.1	4.0	-

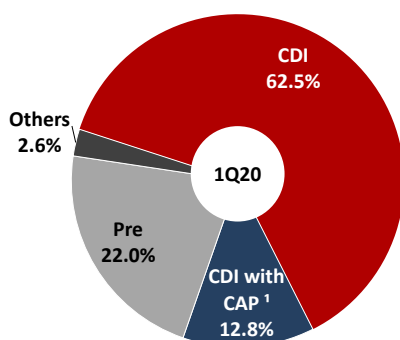
¹ Excluding R\$2,442.9 billion from the Bond proceeds structure, which impacts cash and gross debt equally;

² The amount related to CLN refers to the investment with the financial institution hired to bring onshore the funds raised from the Senior Notes (Bonds) by issuing a debt mirror-image instrument of the bond in Brazil. For this reason, the CLN balance is fully deducted from gross debt in order to eliminate the effect of duplication caused by the debt mirror-image instrument.

Evolution of the Net Debt (R\$ million)



¹ Considers Vehicles in progress and Changes in the balance of trade payables for property and equipment and automakers



¹ Includes debts protected by derivative financial instruments that ensure a maximum loss limit and that benefit with the CDI drop in a scenario where the Company contracts loans at a floating rate.

Financial Result

Financial Result (R\$ million)	JSL - Consolidated					
	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	LTM
Net financial interest	(174.4)	(151.7)	(85.3)	-51.1%	-43.8%	(626.8)
Financial Revenues	111.3	94.6	202.5	81.9%	114.1%	456.6
Financial Expenses	(285.7)	(246.3)	(287.8)	0.7%	16.8%	(1,083.4)
Derivatives Result	48.9	(152.9)	1,220.9	-	-	1,344.6
Net Exchange Variation	(47.7)	146.8	(1,293.4)	-	-	(1,420.9)
Interest on right of use (IFRS 16)	(6.9)	(26.7)	(12.4)	79.7%	-53.6%	(55.1)
Total	(180.1)	(184.5)	(170.2)	-5.5%	-7.8%	(758.1)

Net Financial Interest amounted to R\$85.3 million in 1Q20 against R\$174.4 million in 1Q19 (-51.1% YoY), as a result of the drop in interest rates (average CDI rate) and the management of liabilities carried out by Company. **Net Financial Result** totaled R\$170.2 million in 1Q20, down by 5.5% over 1Q19, showing a 7.8% decrease over 4Q19. We highlight that in 1Q20 the exchange rate was offset by the result of derivatives (swaps/hedges), both significantly more representative than usual due to the fluctuation in currencies and interest, due to the more volatile macroeconomic scenario, but with no relevant impact on the net financial result.

Leverage Indicators

Leverage Indicators ¹	1Q19	2Q19	3Q19	4Q19	1Q20	Covenants	Event
Net Debt / EBITDA-A	2.0x	1.9x	1.7x	1.6x	1.7x	Max 3.5x	Maintenance
Net Debt / EBITDA	4.1x	4.0x	3.6x	3.6x	3.6x	Max 4.40x	Incurrence
EBITDA-A / Net interest expenses	5.6x	5.3x	5.6x	6.0x	6.4x	Min 2,0x	Maintenance

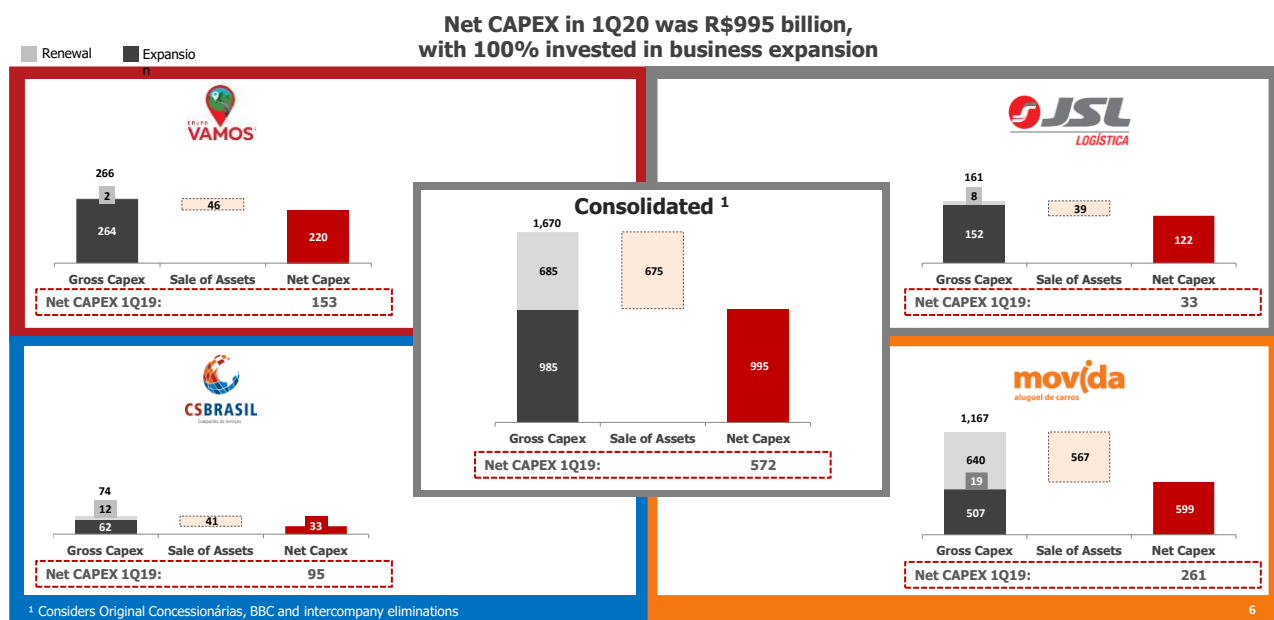
¹ For the purpose of calculating covenants, EBITDA does not consider impairment

Leverage, as measured by the net debt/EBITDA¹ ratio, decreased to 3.6x in 1Q20, compared to 4.1x in 1Q19 explained by the increase in EBITDA¹ in the annual comparison, remaining stable in comparison with 4Q19.

In turn, the net debt/EBITDA-A¹ ratio stood at 1.7x in 1Q20, compared to 2.0x in 1Q19.

The indicators above reflect the net debt calculation methodology in the bond issuance covenants (R\$8,012.7 million). In turn, EBITDA¹ and EBITDA-A¹ for the last 12 months were calculated according to CPC 06 (R2)/IFRS16, totaling R\$2,202.9 million and R\$4,785.5 million, respectively.

VIII. Investments - JSL Consolidated



Net Capex in 1Q20 totaled R\$995 million, focused on expansion and was divided mainly between: Movida (R\$599 million), Vamos (R\$220 million), CS Brasil (R\$33 million) and JSL Logística (R\$122 million). We emphasize that most of these contracts were focused on fleet management and outsourcing for heavy assets at Vamos and light vehicles at Movida and CS Brasil. The investments carried out are part of JSL's strategic plan to focus on contracts that generate solid and consistent returns to remunerate the invested capital.

Capex (R\$ million)	JSL - Consolidated					
	1Q19	4Q19	1Q20	▲ Y o Y	▲ Q o Q	LTM
Gross Capex by nature	1,140.8	1,126.6	1,669.9	46.4%	48.2%	5,890.9
Expansion	483.1	529.4	985.3	104.0%	86.1%	3,160.0
Maintenance	635.5	577.8	665.4	4.7%	15.2%	2,637.2
Others	22.2	19.4	19.2	-13.5%	-1.0%	93.7
Usual Sale of Assets	(569.1)	(713.3)	(674.6)	18.5%	-5.4%	(2,772.2)
Total Net Capex	571.7	413.2	995.3	74.1%	140.9%	3,118.6

IX. Free Cash Flow and EBITDA - JSL Consolidated

Free Cashflow Generation - R\$ million		1T19 LTM	1T20 LTM
Operation	EBITDA ¹	1,718.2	2,202.9
	Net Revenue from Sale of Light/Heavy Vehicles, Machinery and Equipment	(1,785.7)	(2,698.0)
	Depreciated Cost of Light/Heavy Vehicles, Machinery and Equipment Sold	1,756.8	2,582.5
	Income Tax and Social Contribution	61.6	(104.1)
	Changes in Working Capital	165.3	(10.7)
	Free Cashflow Generated by Rental Activities and Services Rendered	1,916.2	1,972.6
Maintenance Capex	Net Revenue Sale of Light/Heavy Vehicles, Machinery and Equipment - Fleet Maintenance	1,785.7	2,698.0
	Capex for Light/Heavy Vehicles, Machinery and Equipment - Fleet Maintenance	(2,087.6)	(2,637.2)
	Net Capex for Fleet Maintenance	(301.9)	60.9
Capex, other PP&E and Intangible Assets		(57.2)	(93.7)
Operational Free Cashflow before Growth		1,557.1	1,939.8
Growth Capex	Capex for Light/Heavy Vehicles, Machinery and Equipment	(1,930.8)	(3,160.0)
	Net Capex for Fleet Growth	(1,930.8)	(3,160.0)
Free Cashflow Generated (Consumed) after Growth and before Interest		(373.7)	(1,220.2)

Free cashflow before JSL Consolidated's expansion was nearly R\$1.9 billion in the last 12 months up to March 2020, up by 24.6% over LTM 1Q19. Capex for fleet growth amounted to R\$3.2 billion, mainly focused on Movida, Vamos and CS Brasil. Free cash flow after expansion and before interests totaled a negative R\$1.2 billion, given the acceleration of investments made in recent quarters, which did not reach their full revenue and cash generation potential for the same period.

Reconciliation of Investment to Cash Flow of Financial Statements

Reconciliation to Cash Flow of FS		1T19 LTM	1T20 LTM
Capex Maintenance + Growth + Others	Capex for Light/Heavy Vehicles, Machinery and Equipment - Maintenance	(2,087.6)	(2,637.2)
	Capex for Light/Heavy Vehicles, Machinery and Equipment - Growth	(1,930.8)	(3,160.0)
	Capex for other PP&E and Intangible Assets	(57.2)	(93.7)
Total Capex - Accrual Method		(4,075.6)	(5,890.9)
Cashflow FS	Leasing and Finance Raised for Acquisition of Fixed Assets	539.3	452.9
	Changes in Balance of Suppliers Financing	(147.3)	95.2
	Changes in Balance of Automakers	594.2	191.3
Note 11 FS	Vehicles in Progress	(114.6)	(213.3)
	Other Additions (Non-Capex)	(129.6)	107.2
Supplemental Information to the Statement of Cashflow and Fixed Assets Note		742.0	633.3
Total Investment - FS Cash flow		(3,333.7)	(5,257.6)
Cash flow	Purchase of Fixed Assets for Rental	3,166.0	5,035.0
	Additions to PP&E for Capex and Intangible Assets	167.7	222.6

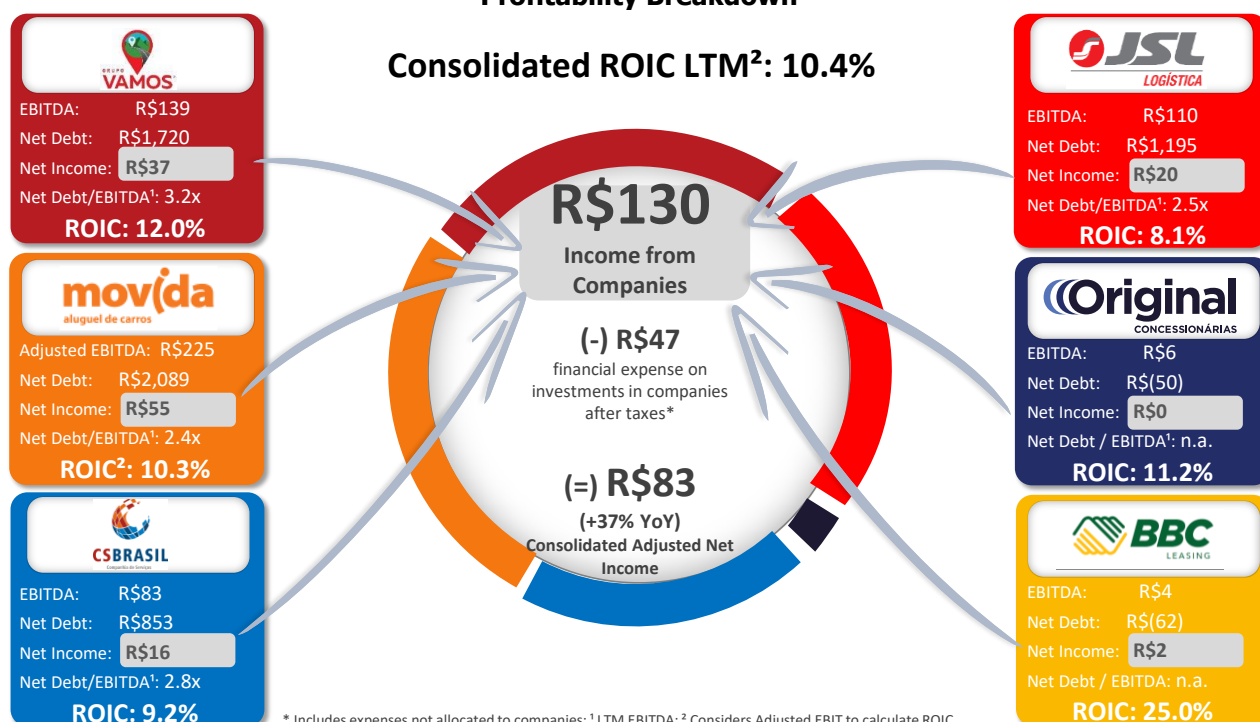
JSL - Consolidated						
Adjusted EBITDA Reconciliation (R\$ million)	1Q19	4Q19	1Q20	Δ Y o Y	Δ Q o Q	LTM
Net Result	60.8	120.6	(86.3)	-	-171.6%	171.6
Financial Result	180.1	184.5	170.2	-5.5%	-7.8%	758.1
Income tax and Social contribution	26.9	32.3	(43.6)	-	-	42.0
Depreciation / Amortization	179.8	261.4	239.7	33.3%	-8.3%	873.7
Amortization (IFRS 16)	27.0	12.4	36.0	33.3%	190.3%	111.8
Impairment Effect ¹	-	-	245.7	-	-	245.7
Adjusted EBITDA	474.6	611.2	561.7	18.4%	-8.1%	2,202.9
Costs of Sales of Assets	548.6	654.5	606.9	10.6%	-7.3%	2,582.5
Adjusted EBITDA-A	1,023.1	1,265.6	1,168.6	14.2%	-7.7%	4,785.5

¹ Considering results adjusted for Movida's impairment.

X. Profitability - JSL Consolidated

Profitability Breakdown

Consolidated ROIC LTM²: 10.4%



ROE 1Q20 LTM (R\$ million)	JSL Consolidated	JSL Consolidated (controlling shareholder participation in companies)
Net Income 1Q20 LTM	341.0	232.4
Equity mar/2019	1,326.5	824.3
Equity mar/2020	2,472.1	1,421.7
Average Equity ¹	1,899.3	1,123.0
ROE 1Q20 LTM	18.0%	20.7%

ROIC 1Q20 LTM (R\$ million)	JSL Consolidado ^{1, 3}	JSL Logística	Vamos	CS Brasil	Original Concessionárias	BBC	Movida ³
EBIT 1Q20 LTM	1,217.4	242.1	311.3	156.9	22.0	14.7	491.5
Taxes	(239.4)	(41.3)	(92.7)	(52.5)	(7.5)	(5.3)	(96.9)
NOPLAT	978.0	200.8	218.6	104.4	14.4	9.4	394.5
Average Net Debt ²	7,547.1	1,260.5	1,329.0	487.9	(43.2)	(53.6)	1,806.2
Average Dividends ²	-	-	-	-	-	-	-
Average Equity ²	1,899.3	1,213.0	495.2	649.3	171.9	91.3	2,014.9
Average Invested Capital ²	9,446.5	2,473.5	1,824.2	1,137.2	128.7	37.7	3,821.1
ROIC 1Q20	10.4%	8.1%	12.0%	9.2%	11.2%	25.0%	10.3%

¹ Considers elimination between companies and Holding debt

² Considers the average between the current period and december 2019

³ Considers adjusted EBIT to calculate ROIC

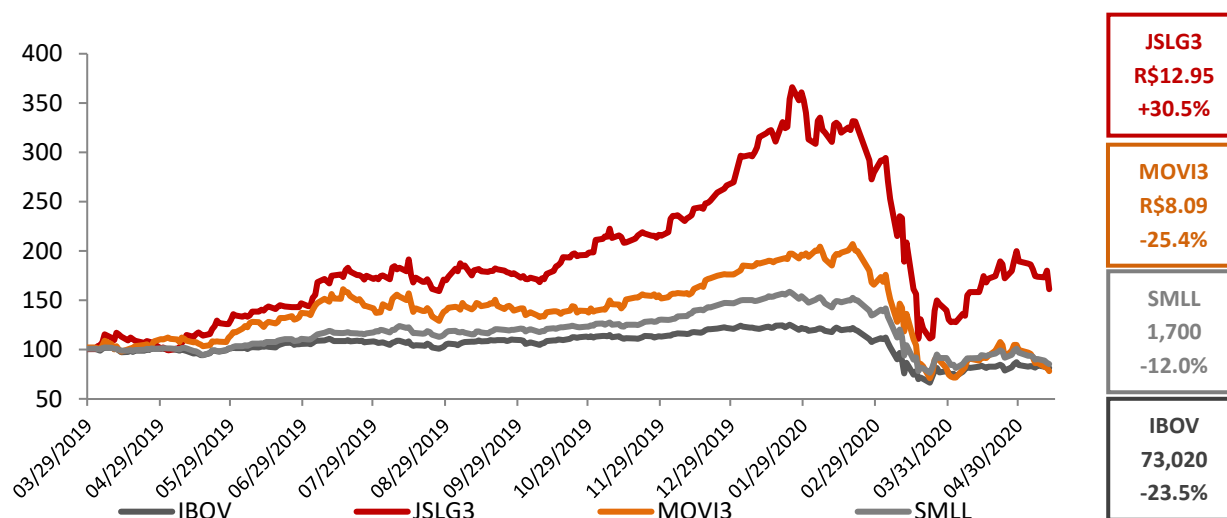
XI. Capital Market

Stock Performance

JSL is listed on B3's Novo Mercado segment and its shares are part of the IGCX (Special Corporate Governance Stock Index), IGC-NM (Novo Mercado Corporate Governance Equity Index), ITAG (Special Tag-Along Stock Index), and SMLL (Small Caps Index) indices, prepared and published by B3 SA - Brasil, Bolsa, Balcão ("B3"), as well as the MSCI Global Small Cap Index.

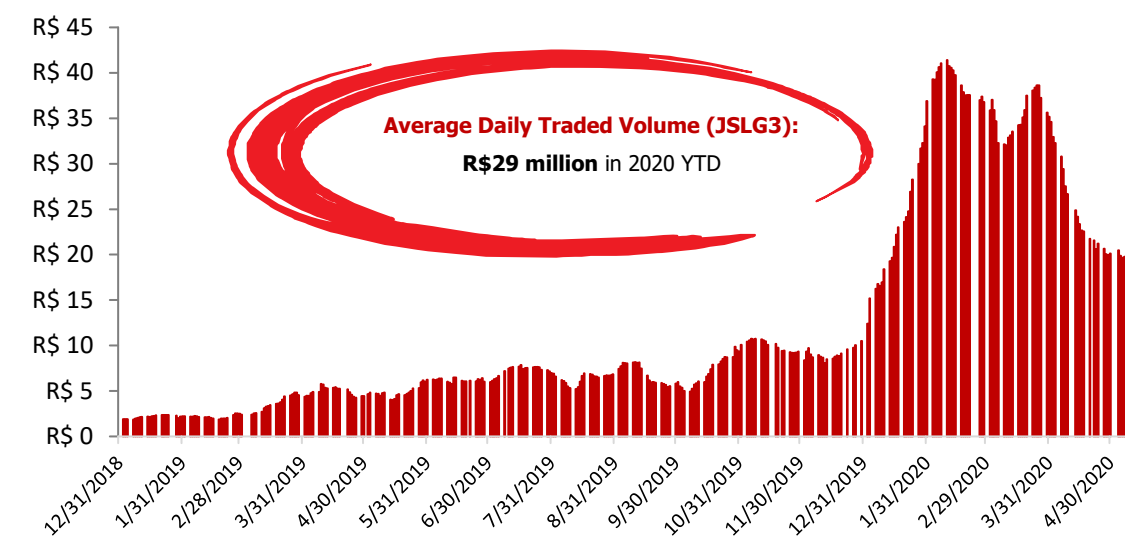
On March 31, 2019, JSLG3 shares were priced at R\$12.95, an increase of 30.5% when compared to March 31, 2019. On this date, the Company had a total of 206,840,509 shares, including a balance of 41,794 treasury shares.

Performance Comparison JSLG3 and MOVI3 x IBOV and SMLL11 (from March 31, 2019 to March 31, 2020 - Base 100)



Stock Liquidity

(moving average of the financial volume traded in the last 22 trading sessions - data-base May 13, 2020 - R\$ million)



Assets	Note	Parent company		Consolidated	
		03/31/2020	12/31/2019	03/31/2020	12/31/2019
Current assets					
Cash and cash equivalents	6	327,542	125,353	580,587	591,815
Marketable securities and financial investments	7	1,105,669	996,067	5,935,255	5,182,010
Derivative financial instruments	5.5	30,059	32,233	30,059	32,233
Trade receivables	8	624,566	643,042	1,591,864	1,775,137
Inventories	9	27,579	28,120	308,243	306,037
Fixed assets available for sale	10	67,386	107,018	633,575	541,188
Taxes recoverable	11	61,483	50,689	122,991	155,284
Income tax and social contribution recoverable		89,218	75,858	217,937	147,266
Prepaid expenses		21,466	13,323	140,324	42,874
Dividends receivable	26.5	21,297	33,939	-	-
Advances to third parties		38,949	37,396	70,840	82,420
Other credits		56,781	51,068	49,156	54,568
		2,471,995	2,194,106	9,680,831	8,910,832
Noncurrent assets					
Long-term assets					
Marketable securities and financial investments	7	-	-	799	655
Derivative financial instruments	5.5	838,470	622,352	863,703	638,400
Trade receivables	8	16,899	16,787	88,113	88,321
Taxes recoverable	11	44,779	63,803	127,981	138,466
Income tax and social contribution recoverable		20,494	20,494	34,929	34,929
Judicial deposits	24	45,548	46,360	80,034	76,353
Deferred income tax and social contribution	25.1	-	-	153,507	138,431
Related parties	26	630,426	713,635	11	-
Other credits		21,549	11,212	95,873	82,391
		1,618,165	1,494,643	1,444,950	1,197,946
Investments	12	2,528,667	2,542,201	6,518	6,716
Property and equipment	13	1,603,279	1,466,272	9,877,706	9,615,005
Intangible assets	14	256,507	255,519	546,880	537,735
		6,006,618	5,758,635	11,876,054	11,357,402
Total assets		8,478,613	7,952,741	21,556,885	20,268,234

JSL S.A.
Statements of financial position
As at March 31, 2020 and December 31, 2019
In thousands of Brazilian Reais

Liabilities	Note	Parent company		Consolidated	
		03/31/2020	12/31/2019	03/31/2020	12/31/2019
Current liabilities					
Trade payables	15	111,683	71,765	1,758,676	1,691,713
Floor plan	16	-	-	101,998	106,735
Suppliers financing - car makers	17	930	-	106,832	12,051
Loans and borrowings	18	237,528	247,139	814,763	1,171,988
Debentures	19	518,227	505,025	750,882	694,901
Leases payable	20	51,163	54,547	170,562	140,850
Right-of-use lease	21	22,862	25,041	107,024	113,869
Assignment of receivables	22	-	-	6,043	6,043
Social and labor liabilities	23	126,361	124,853	238,413	231,374
Income tax and social contribution payable		23,860	-	62,759	3,094
Tax liabilities		32,822	39,107	63,886	83,162
Dividends and interest on capital payable		11,490	45,118	29,002	70,587
Advances from customers		12,422	6,923	151,485	175,700
Related parties	26.1	-	-	1,086	3,056
Other payables		53,023	34,245	191,914	173,845
		1,202,371	1,153,763	4,555,325	4,678,968
Noncurrent liabilities					
Loans and borrowings	18	3,739,950	3,206,945	8,731,670	7,050,051
Debentures	19	1,707,473	1,740,531	4,583,035	4,676,855
Leases payable	20	56,680	61,851	265,391	260,762
Right-of-use lease	21	148,234	130,636	415,856	403,831
Assignment of receivables	22	-	-	10,575	12,085
Tax liabilities		841	841	1,072	1,095
Provision for judicial and administrative litigation	24	46,065	47,859	66,702	67,829
Deferred income tax and social contribution	25.1	96,346	151,401	453,876	574,120
Other payables		156,413	111,869	170,702	162,675
		5,952,002	5,451,933	14,698,879	13,209,303
Total liabilities		7,154,373	6,605,696	19,254,204	17,888,271
Equity					
Share capital	27.1	696,499	695,069	696,499	695,069
Capital reserves	27.2	58,914	50,951	58,914	50,951
Treasury shares	27.3	(460)	(460)	(460)	(460)
Earnings reserves		159,121	159,121	159,121	159,121
Accumulated losses in the period		(42,896)	-	(42,896)	-
Other comprehensive income		170,104	158,635	170,104	158,635
Other equity adjustments related to subsidiaries		(3,802)	(3,031)	(3,802)	(3,031)
Equity valuation adjustments		286,760	286,760	286,760	286,760
Equity attributable to the owners of the Company		1,324,240	1,347,045	1,324,240	1,347,045
Non-controlling interests		-	-	978,441	1,032,918
Total equity		1,324,240	1,347,045	2,302,681	2,379,963
Total liabilities and equity		8,478,613	7,952,741	21,556,885	20,268,234

JSL S.A.**Statements of profit or loss****For the periods ended March 31, 2020 and 2019**

In thousands of Brazilian Reais, except for (loss) earnings per share

	Note	Parent company		Consolidated	
		03/31/2020	03/31/2019	03/31/2020	03/31/2019
Net revenue from sale, lease, services rendered and sale of decommissioned assets	29	672,231	770,110	2,356,893	2,211,784
Cost of sales, leases and services rendered	30	(570,350)	(597,456)	(1,234,077)	(1,184,368)
Cost of sales of decommissioned assets	30	(38,036)	(67,889)	(606,925)	(548,559)
Total cost of sales, leases, services rendered and sale of decommissioned assets		(608,386)	(665,345)	(1,841,002)	(1,732,927)
Gross profit		63,845	104,765	515,891	478,857
Selling expenses	30	(3,989)	(5,057)	(85,461)	(55,806)
Administrative expenses	30	(32,310)	(24,414)	(138,729)	(148,145)
(Provision) reversal of expected credit losses ("impairment") of trade receivables	1.2.c (ii)	(1,401)	5,735	(62,917)	(5,753)
Provision for impairment of non-financial assets	1.2.c (iii)	-	-	(195,394)	-
Other operating income (expenses), net	30	20,212	(73)	6,988	(1,053)
Equity results from subsidiaries	12	(24,324)	68,789	(71)	(362)
Profit before finance income, costs and taxes		22,033	149,745	40,307	267,738
Finance income	31	28,582	36,576	202,508	111,263
Finance costs	31	(93,800)	(141,191)	(372,691)	(291,341)
(Loss) profit before income tax and social contribution		(43,185)	45,130	(129,876)	87,660
Income tax and social contribution - current	25.3	(84,113)	(1,764)	(125,772)	(21,334)
Income tax and social contribution - deferred	25.3	92,363	4,562	169,371	(5,566)
Total income tax and social contribution		8,250	2,798	43,599	(26,900)
(Loss) profit for the period		(34,935)	47,928	(86,277)	60,760
Attributable to:					
Owners of the Company		(34,935)	47,928	(34,935)	47,928
Non-controlling interests		-	-	(51,342)	12,832
(=) Basic (loss) earnings per share (in Reais)	32.1	-	-	(0.1689)	0.2371
(=) Diluted (loss) earnings per share (in Reais)	32.2	-	-	(0.1689)	0.2280

JSL S.A.
Statements of comprehensive income
For the periods ended March 31, 2020 and 2019
In thousands of Brazilian Reais

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
(Loss) profit for the period	(34,935)	47,928	(86,277)	60,760
Items that are or may be subsequently reclassified to profit or loss:				
Gains (losses) on cash flow hedge	109,730	(1,307)	104,329	(1,307)
(Losses) gains on cash flow hedge in subsidiaries	(3,297)	939	(3,297)	939
Income tax and social contribution on cash flow hedge	(37,308)	125	(37,308)	125
Unrealized (losses) gains on financial investment instruments measured at FVOCI	(57,656)	23,866	(57,656)	23,866
Total other comprehensive income (loss)	11,469	23,623	9,365	23,623
Total comprehensive income for the period	(23,466)	71,551	(76,912)	84,383
Attributable to:				
Owners of the Company	(23,466)	71,551	(23,466)	71,551
Non-controlling interests	-	-	(53,446)	12,832

JSL S.A.
Statements of changes in equity
For the periods ended March 31, 2020 and 2019
In thousands of Brazilian Reais

Note	Capital reserves				Earnings reserves			Other comprehensive income					Other equity adjustments related to subsidiaries	Equity valuation adjustments	Total equity of owners of the Company	Non-controlling interests	Total equity
	Share capital	Share-based payment transactions	Government grant reserve	Treasury shares	Retention of earnings	Investment reserve	Legal reserve	Retained earnings (accumulated losses)	Hedge reserve	Unrealized losses on available-for-sale investments	Total other comprehensive income (loss)						
Balances at December 31, 2018	681,202	22,858	10,873	(103,925)	15,192	-	2,649	-	27,418	(35,691)	(8,273)	-	132,569	753,145	495,354	1,248,499	
Profit for the period	-	-	-	-	-	-	-	47,928	-	-	-	-	-	47,928	12,832	60,760	
Other comprehensive income (loss) for the period, net of taxes	-	-	-	-	-	-	-	-	(243)	23,866	23,623	-	-	23,623	-	23,623	
Total comprehensive income (loss) for the period, net of taxes	-	-	-	-	-	-	-	47,928	(243)	23,866	23,623	-	-	71,551	12,832	84,383	
Share-based payment	27.2	-	222	-	-	-	-	-	-	-	-	-	-	222	-	222	
Gain on equity interests in subsidiaries	(a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Government grants		-	-	9,006	-	-	-	(9,006)	-	-	-	-	(647)	(647)	-	(647)	
Dividends and interest on capital for distribution		-	-	-	-	-	-	-	-	-	-	-	-	-	(5,982)	(5,982)	
Balances at March 31, 2019		681,202	23,080	19,879	(103,925)	15,192	-	2,649	38,922	27,175	(11,825)	15,350	-	131,922	824,271	502,204	
Balances at December 31, 2019		695,069	19,387	31,564	(460)	15,192	129,985	13,944	-	135,527	23,108	158,635	(3,031)	286,760	1,347,045	1,032,918	
Loss for the period		-	-	-	-	-	-	-	(34,935)	-	-	-	-	-	(34,935)	(51,342)	
Other comprehensive income (loss) for the period, net of taxes		-	-	-	-	-	-	-	69,125	(57,656)	11,469	-	-	11,469	(2,104)	9,365	
Total comprehensive income (loss) for the period, net of taxes		-	-	-	-	-	-	-	(34,935)	69,125	(57,656)	11,469	-	(23,466)	(53,446)	(76,912)	
Share-based payment	27.2	-	392	-	-	-	-	-	-	-	-	-	-	392	194	586	
Repurchase of shares	(a)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,225)	(1,225)	
Loss on equity interests in subsidiaries, net of taxes	27.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Government grants		-	-	7,571	-	-	-	(7,571)	-	-	-	-	-	-	-	-	
Capital contribution	(b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balances at March 31, 2020	27.1	1,430	19,779	39,135	(460)	15,192	129,985	13,944	(42,896)	204,652	(34,548)	170,104	(3,802)	286,760	1,324,240	978,441	

The accompanying notes are an integral part of this interim financial information.

JSL S.A.
Statements of cash flows - indirect method
For the periods ended March 31, 2020 and 2019
In thousands of Brazilian Reais

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Cash flows from operating activities				
(Loss) profit before income tax and social contribution	(43,185)	45,130	(129,876)	87,660
Adjustments to:				
Equity results from subsidiaries (note 12)	24,324	(68,789)	71	362
Depreciation and amortization (notes 12.1, 13 and 14)	59,400	54,686	275,681	206,836
Provision for impairment of non-financial assets (note 30)	-	-	195,394	-
Cost of sales of decommissioned assets (note 10)	38,036	67,889	606,925	548,559
(Reversal of) provision for losses, write-off of other assets, extemporaneous tax credits and others	(40,527)	(9,403)	(3,125)	17,973
Share-based payment (note 27.2)	392	85	586	222
Gain on fair value of derivative financial instruments (note 31)	(541,861)	(43,796)	(1,220,940)	(48,928)
Interest and monetary variations on loans and borrowings, leases payable, right-of-use lease, debentures and suppliers financing - car makers (note 31)	632,742	164,079	1,553,884	289,113
	129,321	209,881	1,278,600	1,101,797
Changes in operating net working capital				
Trade receivables	16,963	(85,167)	120,564	(228,364)
Inventories	(64)	1,156	20,686	10,739
Trade payables and Floor plan	18,198	8,732	52,703	30,292
Labor and tax liabilities, and taxes recoverable	31,331	(6,709)	95,287	(175)
Other current and noncurrent assets and liabilities	71,108	(76,815)	(105,586)	(70,279)
Changes in operating net working capital	137,536	(158,803)	183,654	(257,787)
Income tax and social contribution paid	(68,576)	-	(102,614)	(18,712)
Interest paid on loans and borrowings, leases payable, right-of-use lease, debentures and suppliers financing - car makers	(96,507)	(127,790)	(303,663)	(285,131)
Acquisition of operational property and equipment for leasing (note 33)	(129,631)	(82,270)	(1,245,249)	(794,121)
Cash used in operating activities before investments in marketable securities	(27,857)	(158,982)	(189,272)	(253,954)
Investments in marketable securities and financial investments	(109,602)	353,380	(813,149)	211,861
Cash (used in) generated by operating activities	(137,459)	194,398	(1,002,421)	(42,093)
Cash flows from investing activities				
Capital contribution in subsidiaries	(16,823)	(31,430)	-	-
Acquisition of property and equipment for investment and intangible assets	(10,277)	(4,339)	(49,960)	(29,118)
Dividends and interest on capital received	12,642	1,934	-	-
Cash used in investing activities	(14,458)	(33,835)	(49,960)	(29,118)
Cash flows from financing activities				
Treasury shares acquired	-	-	(1,225)	-
Payment for the acquisition of companies	-	(193)	-	(21,710)
Payment for assignment of receivables	-	-	(1,510)	-
New loans, borrowings and debentures	22,282	2,997	534,065	720,682
Payment of loans and borrowings, leases payable, right-of-use lease, debentures and suppliers financing - car makers	(70,328)	(380,489)	(554,267)	(964,603)
Derivative financial instruments received	434,350	15,013	1,104,245	14,332
Dividends and interest on capital paid	(33,628)	-	(41,585)	-
Capital increase	1,430	-	1,430	-
Net cash generated by (used in) financing activities	354,106	(362,672)	1,041,153	(251,299)
Net increase (decrease) in cash and cash equivalents	202,189	(202,109)	(11,228)	(322,510)
Cash and cash equivalents				
At the beginning of the period	125,353	277,290	591,815	690,324
At the end of the period	327,542	75,181	580,587	367,814
Net increase (decrease) in cash and cash equivalents	202,189	(202,109)	(11,228)	(322,510)
Main non-cash transactions				
Raising of leases payable and Finame for the acquisition of property and equipment and suppliers financing - car makers	(1,095)	(34,758)	(156,543)	(109,341)
Initial adoption CPC 06 (R2)/IFRS 16 - Leases	-	(179,387)	-	(516,668)

JSL S.A.
Statements of value added
For the periods ended March 31, 2020 and 2019
In thousands of Brazilian Reais

	Note	Parent company		Consolidated	
		03/31/2020	03/31/2019	03/31/2020	03/31/2019
Sales, lease, services rendered and sale of decommissioned assets	29	806,126	927,691	2,625,024	2,520,643
(Provision) reversal of expected credit losses ("impairment") of trade receivables	8.1	(1,401)	5,735	(62,917)	(5,753)
Other operating income	30	31,603	9,432	27,254	32,945
		836,328	942,858	2,589,361	2,547,835
Inputs acquired from third parties					
Cost of sales and services rendered		(485,434)	(455,619)	(1,546,246)	(1,340,428)
Materials, electric power, services provided by third parties and others		(6,734)	(26,202)	(36,301)	(149,263)
		(492,168)	(481,821)	(1,582,547)	(1,489,691)
		344,160	461,037	1,006,814	1,058,144
Gross value added					
Retentions					
Depreciation and amortization	30	(59,400)	(54,686)	(275,681)	(206,836)
Provision for impairment of non-financial assets		-	-	(195,394)	
Net value added produced		284,760	406,351	535,739	851,308
Value added received through transfer					
Equity results from subsidiaries	12.1	(24,324)	68,789	(71)	(362)
Finance income	31	28,582	36,576	202,508	111,263
		4,258	105,365	202,437	110,901
		289,018	511,716	738,176	962,209
Total value added to distribute					
Distribution of value added					
Personnel and payroll taxes	30	199,382	211,287	367,227	387,029
Federal taxes		6,202	45,614	33,747	107,769
State taxes		13,963	43,299	34,948	81,164
Municipal taxes		4,322	15,985	6,861	22,946
Interest and bank fees	31	93,800	141,191	372,691	291,341
Leases	30	6,284	6,412	8,979	11,200
Retained earnings (accumulated losses) for the period		(34,935)	47,928	(86,277)	60,760
		289,018	511,716	738,176	962,209

1. Reporting entity

JSL S.A. ("Company") is a publicly-traded corporation with its headquarters at Renato Paes de Barros Street 1.017 - 9º floor - Itaim Bibi - São Paulo, and has its shares traded on B3 S.A. - Brasil, Bolsa, Balcão ("B3") under the ticker JSLG3, and controlled by Simpar S.A.. The Company also trades share deposit certificates on the over-the-counter market of the United States of America (USA) in order to facilitate the purchase, maintenance and sale of shares by North American investors.

The Company and its subsidiaries (collectively referred to as "Group" or "JSL Group") operate in six main segments:

- (i) JSL Logística: road transportation of cargo, dedicated road freight logistics, commodities logistics, internal logistics, urban distribution, storage and charter;
- (ii) Movida: light vehicles rental in the retail through the 'Movida' brand stores, light vehicles fleet management to the private sector and resale of vehicles replaced for renewal of the respective fleets through the 'Movida Seminovos' brand stores;
- (iii) Vamos: rental and fleet management of trucks, machinery and equipment, sale of new and used trucks, machinery and equipment, parts, accessories and providing mechanical services, bodywork and painting services;
- (iv) CS Brasil: management and outsourcing of light and heavy vehicle fleets to the public sector and urban cleaning;
- (v) Original Concessionárias: sale of new and used light vehicles, parts, machinery and accessories, providing mechanical services, bodywork and painting services, and brokerage services for automotive insurance sales;
- (vi) BBC: lease transactions for the purchase of vehicles and equipment defined by Law 6,099/74, and card issuance and management.

The Group also has entities located abroad used as a vehicle for raising funds for the issuance of Senior Notes (Bonds), other legal entities with non-relevant operations not allocated in any of the segments, holding of investments and equity interests and management of the JSL Group. These activities are allocated in note 4. Segment information, as Holding and other activities.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

1.1 List of interests in subsidiaries and associates

The Company's equity interests in its subsidiaries and associates at the end of the reporting period are as follows:

Corporate name	Headquarter country	Segment	03/31/2020		12/31/2019	
			direct %	indirect %	direct %	indirect %
Agrolog Transportadora de Cargas em Geral Ltda. ("Agrolog Transportadoras") (i)	Brazil	JSL Logística	99.80	0.20	99.80	0.20
Medlogística Prestação de Serviços de Logística S.A. ("Medlogística")	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Quick Armazéns Gerais - Eireli - ME ("Quick Armazéns")	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Quick Logística Ltda. ("Quick Logística")	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Riograndense Navegação Ltda. ("Riograndense") (i)	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Sinal Serviços de Integração Industrial Ltda. ("Sinal Serviços") (i)	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Yolanda Logística Armazém Transportes e Serviços Gerais Ltda. ("Yolanda")	Brazil	JSL Logística	99.99	0.01	99.99	0.01
Movida Participações S.A. ("Movida Participações")	Brazil	Movida	55.11	-	55.11	-
Movida Locação de Veículos Premium Ltda. ("Movida Premium")	Brazil	Movida	-	55.11	-	55.11
Movida Locação de Veículos S.A. ("Movida Locação")	Brazil	Movida	-	55.11	-	55.11
Vamos Locação de Caminhões, Máquinas e Equipamentos S.A. ("Vamos")	Brazil	Vamos	99.99	0.01	99.99	0.01
Vamos Máquinas S.A. ("Vamos Máquinas")	Brazil	Vamos	-	100.00	-	100.00
Vamos Seminovos S.A. ("Vamos Seminovos")	Brazil	Vamos	-	100.00	-	100.00
Vamos Comércio de Máquinas Linha Amarela Ltda. ("Vamos Linha Amarela")	Brazil	Vamos	-	100.00	-	100.00
Borgato Serviços Agrícolas S.A. ("Borgato Serviços")	Brazil	Vamos	-	100.00	-	100.00
Transrio Caminhões, Ônibus, Máquinas e Motores Ltda. ("Transrio")	Brazil	Vamos	-	100.00	-	100.00
CS Brasil Participações e Locações Ltda. ("CS Brasil Participações")	Brazil	CS Brasil	99.99	0.01	99.99	0.01
CS Brasil Transportes de Passageiros e Serviços Ambientais Ltda. ("CS Brasil Transportes")	Brazil	CS Brasil	-	99.99	-	99.99
CS Brasil Frotas Ltda. ("CS Brasil Frotas")	Brazil	CS Brasil	-	99.99	-	99.99
BRT Sorocaba Concessionárias	Brazil	CS Brasil	-	49.25	-	49.25
Consórcio Sorocaba (ii)	Brazil	CS Brasil	-	50.00	-	50.00
Mogipasses Comércio de Bilhetes Eletrônicos Ltda. ("Mogipasses")	Brazil	CS Brasil	99.99	0.01	99.99	0.01
Mogi Mob Transporte de Passageiros Ltda. ("Mogi Mob")	Brazil	CS Brasil	99.99	0.01	99.99	0.01
TPG Transporte de Passageiros Ltda. ("TPG Transporte")	Brazil	CS Brasil	99.99	0.01	99.99	0.01
Avante Veículos Ltda. ("Avante Veículos")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
JSL Corretora e Administradora de Seguros Ltda. ("JSL Corretora")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
Original Distribuidora de Peças e Acessórios Ltda. ("Original Distribuidora")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
Original Veículos Ltda. ("Original Veículos")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
Ponto Veículos Ltda. ("Ponto Veículos")	Brazil	Original Concessionárias	99.99	0.01	99.99	0.01
JSL Arrendamento Mercantil S.A. ("JSL Arrendamento")	Brazil	BBC	-	100.00	-	100.00
JSL Holding Financeira Ltda. ("JSL Holding")	Brazil	BBC	100.00	-	100.00	-
BBC Pagamentos Ltda. ("BBC Pagamentos")	Brazil	Holding and other	99.99	0.01	99.99	0.01
JSL Empreendimentos Imobiliários Ltda. ("JSL Empreendimentos")	Brazil	Holding and other	99.99	0.01	99.99	0.01
JSL Europe	Luxembourg	Holding and other	100.00	-	100.00	-
JSL Finance S.a.r. ("JSL Finance")	Luxembourg	Holding and other	100.00	-	100.00	-

(i) Company in pre-operational phase or dormant.

(ii) The subsidiary CS Brasil Transportes proportionally consolidates in its statement of financial position the percentage of its 50% interest in Consórcio Sorocaba.

1.2 Situation due to COVID-19

On January 30, 2020, the World Health Organization (WHO) declared a global state of emergency due to the spread of COVID-19. On March 11, 2020, it declared COVID-19 as a pandemic outbreak. During March 2020, government authorities in various jurisdictions imposed confinement or other restrictions to contain the virus, and several companies suspended or reduced their operations. The final impact on the global economy and financial markets is still uncertain, but it is expected to be significant.

In Brazil, the main market in which the JSL Group operates, the restriction measures included the closing of part of the trade and services considered as non-essential. The full extent of the impact cannot yet be accurately measured, given the uncertainties caused by the current spread of the virus, which is on the rise, and due to indefinite actions that the municipal, state, and federal governments may take.

The JSL Group's Management created a multidisciplinary crisis management committee specific to deal with the COVID-19 issue, and through this committee the evolution of the crisis is monitored on a daily basis, applying actions in line with WHO guidelines highlighting the following aspects:

a. Care for employees

Adoption of work on a home office basis for part of employees, including people over 60 years old and others that are considered as a risk group, flexible entry and exit times to avoid agglomeration of employees during their circulation in the offices of the companies of JSL Group; adaptation of physical facilities to ensure bigger spacing between people and facilitate their circulation; availability of vehicles for employees who use public transport; collective vacations and use of the hour bank; and the introduction of cleaning, sterilization and physical sanitation routines for furniture and building premises.

b. Support to society

Provision of its structure and operations in support of the communities where the Company is present, mainly by donating essential and basic products to families, logistics services for circulation and delivery of donations received from government institutions.

c. Economic and financial impacts

Most of the JSL Group's activities are considered essential, which, therefore, are kept operating, such as road freight transport, urban distribution, vehicle rental, outsourcing of fleets of light and heavy goods vehicles used in the provision of essential services, such as agribusiness, basic services, and government institutions.

The JSL Group has a solid financial condition sufficient to overcome the crisis, mainly citing the following circumstances:

(i) The economic and financial situation

- Positive current liquidity, that is, current assets greater than current liabilities of 2.0 times in the Parent company and 2.1 times in the Consolidated, and a positive quick liquidity ratio that is, cash balance, cash equivalents, marketable securities, financial investments, and short-term derivative instruments greater than current liabilities by 1.2 times in the Parent company and 1.4 times in the Consolidated.
- Most of the services provided by the JSL Group, mainly in the logistics and fleet outsourcing segments, are supported by long-term agreements, ensuring more than 60% of the JSL Group's revenue.

- Implementation of cost reduction programs to adapt the cost structure according to changes in revenue and its cash generation, monitored on a daily basis.

(ii) Impairment testing of financial assets

The Company and its subsidiaries carried out a review of its financial assets, including trade receivables, to assess the need to set up additional impairment provisions. This testing was conducted considering the credit risk and current default situation known to date. For financial assets held with financial institutions, mark-to-market was made and the impact were recognized in the individual and consolidated financial statements.

For trade receivables, as a result of the analysis, there was no need to set up additional provisions in the JSL Logística, CS Brasil, Vamos, Original, or BBC Leasing operations included in the segments. For Movida, an additional impairment provision of R\$ 50,304 was set up, totaling an expense for the three-month period ended March 31, 2020 of R\$ 62,917 in the Consolidated (R\$ 5,753 at March 31, 2019), as mentioned in note 8.1.

(iii) Impairment testing of non-financial assets

The Company and its subsidiaries analyzed their non-financial assets, which are concentrated in inventories, fixed assets available for sale, property and equipment and intangible assets.

As a result, no provision for any of the related assets was identified, except for Movida's segment, which recorded an allowance for the impairment of assets as follows:

	Amount
Fixed assets available for sale	97,854
Property and equipment	97,540
Total provision recognized	(195,394)
Deferred income tax and social contribution	66,434
Net impact on profit or loss for the period	<u>128,960</u>

The assumptions used in the respective analyses are described in notes 10 - Fixed assets available for sale, 13.2 - Property and equipment, and 14.1 Intangible assets.

(iv) Analysis of recovery of deferred income tax and social contribution

The Company and its subsidiaries have updated their deferred income tax and social contribution recovery studies, considering the possible impacts to be measured and future forecasts with the ratios known to date. Based on these analyses, it was not necessary to derecognize or record provisions on the balances recorded at March 31, 2020.

(v) Concessions announced by municipal, state and federal governments

Municipal, state, and federal governments have announced several measures to combat the negative impacts of COVID-19. Principally, the Federal Government issued provisional measures, decrees, and laws granting discounts and extensions of payments for taxes and social contributions. The Company and its subsidiaries partially adhered to these programs, so it is paying part of these taxes as usual and part of some contributions will be paid according to the special schedule established by the Government. All related accounting effects are properly reflected in the interim financial information as taxes payable and respective expenses in the results for the three-month period ended March 31, 2020.

The JSL Group's management continues to assess the evolution of the crisis, and also considers: (i) the stage of spread of the virus in Brazil; (ii) it is a new and unprecedented event, never seen in contemporary

world history; (iii) state, municipal and federal governments are still analyzing it, making adjustments and adopting measures, therefore, it is not possible to know at this point how many measures will be adopted and their extent; (iv) the instability caused in the securities markets cannot be reliably measured, given the degree of volatility caused by the stress scenario.

Therefore, it assesses adjustments may be necessary in the future in order to address the impacts that may occur. See note 34.1 referring to the subsequent events of COVID-19 until the issuance of this interim financial information.

The JSL Group's Management is working with a focus on overcoming all temporary difficulties with the safety of its employees as a priority, the care of its customers, and the maintenance of its financial health and results.

2. Basis of preparation and presentation of the individual and consolidated interim financial information

2.1 Statement of compliance (with regard to International Financial Reporting Standards - IFRS and standards from the Accounting Pronouncements Committee - CPC)

The interim financial information has been prepared in accordance with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and CPC 21 (R1) - Interim Financial Reporting and presented according to the standards issued and approved by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Information - ITR.

The interim financial information contains selected explanatory notes that explain significant events and transactions, which allow the understanding of the changes occurred in the JSL Group's financial position and performance since its last individual and consolidated annual financial statements. Therefore, this interim financial information should be read in conjunction with the Company's financial statements for the year ended December 31, 2019.

All significant information in the interim financial information, and only this information, is being disclosed and corresponds to that used by Management in its activities.

The issuance of this interim financial information was approved and authorized by the Board of Directors on May 14, 2020.

2.2 Statement of value added ("DVA")

The preparation of the individual and consolidated statements of value added (DVA) is required by the Brazilian corporate legislation and the accounting practices adopted in Brazil applicable to listed companies.

The international financial reporting standards ("IFRS") do not require the presentation of such statement. Accordingly, under the IFRS this statement is presented as supplementary information, and not as part of the set of interim financial information.

2.3 Use of estimates and judgments

In preparing this interim financial information, Management has made judgments and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The significant judgments made by Management during the application of the Group's accounting policies and the information about uncertainties related to assumptions and estimates that have a significant risk of resulting in a material adjustment are the same as those disclosed in the latest individual and consolidated annual financial statements, published on March 30, 2020.

3. Changes in significant accounting policies

In preparing this individual and consolidated interim financial information, the Group's Management considered, where applicable, new revisions of and interpretations to the IFRS and the technical pronouncements issued by IASB and CPC, respectively, which became effective on January 1, 2020. These new revisions and interpretations did not materially affect the Group's interim financial information.

The Company's equity and financial position as of December 31, 2019, as well as the results for the three-month period ended March 31, 2019, presented in a comparative manner, include the effects of the initial adoption of CPC 06 (R2) / IFRS 16 using the modified retrospective approach, in which the cumulative effect of the initial investment was recognized in the opening balance of retained earnings on January 1, 2019.

Details about changes in accounting policies and the effects of the adoption of CPC 06 (R2) / IFRS 16 - Leases on the opening balance sheet on January 1, 2019 are disclosed in the Company's last annual financial statement.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

4. Segment information

The segment information is presented in relation to the Group business, which were identified based on the management structure and internal managerial information utilized by the Group chief decision-makers, see note 1.

The results per segment, as well as the assets and liabilities, consider the items directly attributable to the segment, as well as those that may be allocated on reasonable bases.

No customer accounted for more than 10% of the net operating revenue for the periods ended March 31, 2020 and 2019.

The segment information for the periods ended March 31, 2020 and 2019, is presented below:

	03/31/2020								
	JSL Logística	Movida	Vamos	CS Brasil	Original Concessi onárias	BBC	Holding and other	Eliminations ⁽ⁱ⁾	Consolidated
Net revenue from services rendered and sale of decommissioned assets	693,778	1,011,166	295,512	211,810	180,671	11,549	-	(47,594)	2,356,893
(-) Cost of sales, leases and services rendered	(587,979)	(233,877)	(141,667)	(119,413)	(150,430)	(3,295)	-	2,584	(1,234,077)
Cost of sales of decommissioned assets	(37,986)	(525,065)	(44,408)	(40,070)	(1,469)	-	-	42,073	(606,925)
(=) Gross profit	67,813	252,224	109,437	52,327	28,772	8,254	-	(2,936)	515,891
Selling expenses	(3,994)	(58,200)	(13,782)	(879)	(9,385)	(182)	(13)	974	(85,461)
Administrative expenses	(31,874)	(53,293)	(20,860)	(8,694)	(17,357)	(2,634)	(4,017)	-	(138,729)
(Provision) reversal of expected credit losses ("impairment") of trade receivables	(3,670)	(57,368)	(88)	(1,014)	727	(1,504)	-	-	(62,917)
Provision for impairment of non-financial assets	-	(195,394)	-	-	-	-	-	-	(195,394)
Other operating income (expenses), net	20,995	(15,783)	4,965	(3)	(441)	138	(4,845)	1,962	6,988
Equity results from investees	139	-	-	(210)	-	-	-	-	(71)
Operating profit (loss) before finance income (costs) and taxes	49,409	(127,814)	79,672	41,527	2,316	4,072	(8,875)	-	40,307
Finance income									202,508
Finance costs									(372,691)
Loss before income tax and social contribution									(129,876)
Income tax and social contribution									43,599
Loss for the period									(86,277)
Attributable to:									
Owners of the Company									(34,935)
Non-controlling interests									(51,342)
Total assets per segment at 03/31/2020	3,661,867	7,290,565	3,165,360	1,979,151	347,129	251,703	8,366,123	(3,505,013)	21,556,885
Total liabilities per segment at 03/31/2020	2,436,349	5,110,922	2,638,650	1,550,116	170,205	159,434	8,303,913	(1,115,385)	19,254,204
Depreciation and amortization at 03/31/2020	(61,004)	(107,222)	(59,088)	(41,101)	(4,166)	(181)	(2,919)	-	(275,681)

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

	3/31/2019							
	JSL Logística	Movida	Vamos	CS Brasil	Original Concessi onárias	BBC	Holding and other	Consolidated
Net revenue from services rendered and sale of decommissioned assets	754,646	812,529	273,821	201,114	186,087	8,974	-	2,211,784
(-) Cost of sales, leases and services rendered	(616,566)	(136,801)	(149,144)	(138,434)	(154,466)	(2,845)	-	(1,184,368)
Cost of sales of decommissioned assets	(31,674)	(463,421)	(33,780)	(27,406)	(1,744)	-	-	(548,559)
(=) Gross profit	106,406	212,307	90,897	35,274	29,877	6,129	-	478,857
Selling expenses	(5,055)	(41,542)	(7,195)	(790)	(2,040)	(160)	-	(55,806)
Administrative expenses	(24,518)	(64,815)	(23,002)	(7,961)	(24,576)	(2,610)	(1,015)	(148,145)
Reversal (provision) of expected credit losses ("impairment") of trade receivables	6,078	(7,048)	(3,477)	(46)	(132)	(1,128)	-	(5,753)
Other operating (expenses) income, net	(1,373)	272	3,778	(3,741)	(154)	19	57	(1,053)
Equity results from investees	-	-	-	(362)	-	-	-	(362)
Operating profit (loss) before finance income and costs and taxes	81,538	99,174	61,001	22,374	2,975	2,250	(958)	267,738
Finance income								111,263
Finance costs								(291,341)
(=) Profit before income tax and social contribution								87,660
Income tax and social contribution								(26,900)
Profit for the period								60,760
Attributable to:								
Owners of the Company								47,928
Non-controlling interests								12,832
Total assets per segment at 12/31/2019	3,532,526	7,242,817	3,053,849	2,181,157	345,944	219,324	7,240,654	20,268,234
Total liabilities per segment at 12/31/2019	2,349,209	4,941,818	2,563,095	1,768,619	169,263	129,042	7,059,728	17,888,271
Depreciation and amortization at 03/31/2019	(55,356)	(50,377)	(56,811)	(39,506)	(4,253)	(180)	(353)	(206,836)

(i) Elimination of transactions between the segments

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

5. Financial instruments and risk management

The financial instruments used by the Company and its subsidiaries are restricted to cash and cash equivalents, marketable securities and financial investments, derivative financial instruments, trade receivables, related parties, other credits, trade payables, floor plan, suppliers financing - car makers, loans and borrowings, debentures, leases payable, right-of-use lease, assignment of receivables, other payables, and credits from and debts to related parties recognized in the interim financial information. These instruments are managed pursuant to operating strategies aiming at liquidity, profitability and risk minimization.

5.1 Financial instruments by category

The financial instruments are presented in the following accounting classifications:

	3/31/2020					Parent company 12/31/2019				
	Assets at fair value through profit or loss	Fair value of hedge instruments	Assets at fair value through other comprehensive income - FVOCI	Amortized cost	Total	Assets at fair value through profit or loss	Fair value of hedge instruments	Assets at fair value through other comprehensive income - FVOCI	Amortized cost	Total
Assets, as per the statement of financial position										
Cash and cash equivalents	325,659	-	-	1,883	327,542	123,290	-	-	2,063	125,353
Marketable securities and financial investments	1,105,669	-	-	-	1,105,669	996,067	-	-	-	996,067
Derivative financial instruments	50,573	817,956	-	-	868,529	63,986	590,599	-	-	654,585
Trade receivables	-	-	-	641,465	641,465	-	-	-	659,829	659,829
Related parties	-	-	-	630,426	630,426	-	-	-	713,635	713,635
Other credits	-	-	-	67,749	67,749	-	-	-	45,373	45,373
	1,481,901	817,956	-	1,341,523	3,641,380	1,183,343	590,599	-	1,420,900	3,194,842
Liabilities, as per the statement of financial position										
			Liabilities at fair value through profit or loss	Amortized cost	Total			Liabilities at fair value through profit or loss	Amortized cost	Total
Trade payables			-	111,683	111,683			-	71,765	71,765
Suppliers financing - car makers			-	930	930			-	-	-
Loans and borrowings			-	3,977,478	3,977,478			-	3,454,084	3,454,084
Debentures			285,562	1,940,138	2,225,700			213,811	2,031,745	2,245,556
Leases payable			-	107,843	107,843			-	116,398	116,398
Right-of-use lease			-	171,096	171,096			-	155,677	155,677
Other payables			-	201,962	201,962			-	111,752	111,752
			285,562	6,511,130	6,796,692			213,811	5,941,421	6,155,232

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020
In thousands of Brazilian Reais, unless otherwise stated

	3/31/2020					Consolidated 12/31/2019				
	Assets at fair value through profit or loss	Fair value of hedge instruments	Assets at fair value through other comprehensive income - FVOCI	Amortized cost	Total	Assets at fair value through profit or loss	Fair value of hedge instruments	Assets at fair value through other comprehensive income - FVOCI	Amortized cost	Total
Assets, as per the statement of financial position										
Cash and cash equivalents	570,212	-	-	10,375	580,587	579,063	-	-	12,752	591,815
Marketable securities and financial investments	5,092,067	-	843,987	-	5,936,054	4,464,771	-	717,894	-	5,182,665
Derivative financial instruments	50,573	843,189	-	-	893,762	63,986	606,647	-	-	670,633
Trade receivables	-	-	-	1,679,977	1,679,977	-	-	-	1,863,458	1,863,458
Related parties	11	-	-	-	11	-	-	-	-	-
Other credits	-	-	-	92,754	92,754	-	-	-	53,431	53,431
	5,712,863	843,189	843,987	1,783,106	9,183,145	5,107,820	606,647	717,894	1,929,641	8,362,002
Liabilities, as per the statement of financial position			Liabilities at fair value through profit or loss	Amortized cost	Total			Liabilities at fair value through profit or loss	Amortized cost	Total
Trade payables			-	1,758,676	1,758,676			-	1,691,713	1,691,713
Floor plan			-	101,998	101,998			-	106,735	106,735
Suppliers financing - car makers			-	106,832	106,832			-	12,051	12,051
Loans and borrowings			-	9,546,433	9,546,433			-	8,222,039	8,222,039
Debentures			285,562	5,048,355	5,333,917			213,811	5,157,945	5,371,756
Leases payable			-	435,953	435,953			-	401,612	401,612
Right-of-use lease			-	522,880	522,880			-	517,700	517,700
Assignment of receivables			-	16,618	16,618			-	18,128	18,128
Related parties			-	1,086	1,086			-	3,056	3,056
Other payables			-	253,735	253,735			-	162,290	162,290
			285,562	17,792,566	18,078,128			213,811	16,293,269	16,507,080

5.2 Fair value of financial assets and liabilities

A comparison by accounting category of the carrying amount and fair value of the JSL Group's financial instruments, is shown below:

	Carrying amount		Parent company	
			Fair value	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Financial assets				
Cash and cash equivalents	327,542	125,353	327,542	125,353
Marketable securities and financial investments	1,105,669	996,067	1,105,669	996,067
Derivative financial instruments	868,529	654,585	868,529	654,585
Trade receivables	641,465	659,829	641,465	659,829
Related parties	630,426	713,635	630,426	713,635
Other credits	67,749	45,373	67,749	45,373
Total	3,641,380	3,194,842	3,641,380	3,194,842
Financial liabilities				
Trade payables	111,683	71,765	111,683	71,765
Suppliers financing - car makers	930	-	930	-
Loans and borrowings	3,977,478	3,454,084	3,994,927	3,485,671
Debentures	2,225,700	2,245,556	2,257,105	2,255,099
Leases payable	107,843	116,398	107,936	116,670
Right-of-use lease	171,096	155,677	171,096	155,677
Other payables	201,962	111,752	201,962	111,752
Total	6,796,692	6,155,232	6,845,639	6,196,634
	Carrying amount		Consolidated	
			Fair value	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Financial assets				
Cash and cash equivalents	580,587	591,815	580,587	591,815
Marketable securities and financial investments	5,936,054	5,182,665	5,936,054	5,182,665
Derivative financial instruments	893,762	670,633	893,762	670,633
Trade receivables	1,679,977	1,863,458	1,679,977	1,863,458
Related parties	11	-	11	-
Other credits	92,754	53,431	92,754	53,431
Total	9,183,145	8,362,002	9,183,145	8,362,002
Financial liabilities				
Trade payables	1,758,676	1,691,713	1,758,676	1,691,713
Floor plan	101,998	106,735	101,998	106,735
Suppliers financing - car makers	106,832	12,051	106,832	12,051
Loans and borrowings	9,546,433	8,222,039	9,567,265	8,229,773
Debentures	5,333,917	5,371,756	5,367,664	5,401,654
Leases payable	435,953	401,612	436,267	402,082
Right-of-use lease	522,880	517,700	522,880	517,700
Assignment of receivables	16,618	18,128	16,618	18,128
Related parties	1,086	3,056	1,086	3,056
Other payables	253,735	162,290	253,735	162,290
Total	18,078,128	16,507,080	18,133,021	16,545,182

The fair values of financial assets and liabilities are measured in accordance with the following categories:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - Quoted prices in active markets for similar instruments, observable prices for identical or similar instruments in non-active markets and valuation models for unobservable inputs; and

Level 3 - Instruments with unobservable significant inputs. The Group does not have financial instruments classified in this category.

The table below presents the general classification of financial instruments assets and liabilities measured at fair value, according to the fair value hierarchy:

Parent company

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020
In thousands of Brazilian Reals, unless otherwise stated

	03/31/2020			12/31/2019		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets at fair value through profit or loss						
Cash and cash equivalents						
Bank deposit certificates ("CDB")	-	216,455	216,455	-	23,926	23,926
Financial bills	-	23,492	23,492	-	30,167	30,167
Lease bills	-	85,178	85,178	-	57,657	57,657
Units of other funds	534	-	534	11,540	-	11,540
Marketable securities and financial investments						
Financial Treasury Bills ("LFT")	664,338	-	664,338	593,705	-	593,705
National Treasury Bills ("LTN")	441,331	-	441,331	402,362	-	402,362
Derivative financial instruments						
Swap agreement	-	868,529	868,529	-	654,585	654,585
	1,106,203	1,193,654	2,299,857	1,007,607	766,335	1,773,942
Liabilities at fair value through profit or loss						
Debentures	-	213,811	213,811	-	213,811	213,811
	-	213,811	213,811	-	213,811	213,811
Financial liabilities not measured at fair value - with difference between carrying amount and fair value						
Loans and borrowings	-	3,977,478	3,977,478	-	3,454,084	3,454,084
Debentures	-	2,011,889	2,011,889	-	2,031,745	2,031,745
Leases payable	-	107,843	107,843	-	116,398	116,398
	-	6,097,210	6,097,210	-	5,602,227	5,602,227
	-	6,311,021	6,311,021	-	5,816,038	5,816,038
	03/31/2020			12/31/2019		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets at fair value through profit or loss						
Cash and cash equivalents						
Bank deposit certificates ("CDB")	-	513,877	513,877	-	374,011	374,011
Repurchase agreements	-	8,943	8,943	-	121,092	121,092
Financial bills	-	40,138	40,138	-	63,904	63,904
Units of other funds	5,731	-	5,731	17,455	-	17,455
Other ⁽¹⁾	-	1,523	1,523	-	2,601	2,601
Marketable securities and financial investments						
CLN - Credit linked notes	-	2,422,875	2,422,875	-	1,925,460	1,925,460
Financial Treasury Bills ("LFT")	1,736,246	-	1,736,246	1,736,780	-	1,736,780
National Treasury Bills ("LTN")	923,633	-	923,633	792,795	-	792,795
Units of other funds	8,514	-	8,514	9,080	-	9,080
Other	-	799	799	-	656	656
Derivative financial instruments						
Swap agreement	-	892,278	892,278	-	669,535	669,535
IDI call option	-	1,484	1,484	-	1,098	1,098
	2,674,124	3,881,917	6,556,041	2,556,110	3,158,357	5,714,467
Assets at fair value through other comprehensive income - FVOCI						
Marketable securities and financial investments						
Sovereign securities (in USD)	462,054	-	462,054	366,709	-	366,709
Corporate securities (in USD)	381,933	-	381,933	351,185	-	351,185
	843,987	-	843,987	717,894	-	717,894
	3,518,111	3,881,917	7,400,028	3,274,004	3,158,357	6,432,361
Liabilities at fair value through profit or loss						
Loans and borrowings	-	-	-	-	-	-
Debentures	-	213,811	213,811	-	213,811	213,811
	-	213,811	213,811	-	213,811	213,811
Financial liabilities not measured at fair value - with difference between carrying amount and fair value						
Loans and borrowings	-	9,546,433	9,546,433	-	8,222,039	8,222,039
Debentures	-	5,120,106	5,120,106	-	5,157,945	5,157,945
Leases payable	-	435,953	435,953	-	401,612	401,612
	-	15,102,492	15,102,492	-	13,781,596	13,781,596
	-	15,316,303	15,316,303	-	13,995,407	13,995,407

The valuation techniques used to measure all financial instruments assets and liabilities at fair value include:

- (i) Quoted market prices or quotations from financial institutions or brokers for similar instruments; and
- (ii) Analysis of discounted cash flows.

The curve used in the fair value measurement of agreements indexed to the CDI at March 31, 2020 is as follows:

Interest curve - Brazil

	1M	6M	1Y	2Y	3Y	5Y	10Y
Vertex							
Rate (p.a.) - %	3.64	3.24	3.33	4.32	5.52	6.82	8.06
Source: B3 - 03/31/2020							

5.3 Financial risk management

The JSL Group is exposed to market risk, credit risk and liquidity risk on its main non-derivative financial assets and liabilities, which are described in note 5. Management manages these risks with the support of a Financial Committee and with the approval and assessment of the Board of Directors, which is responsible for authorizing transactions involving any type of derivative financial instrument and any contracts that generate financial assets and liabilities, regardless of the market in which they are traded or registered, whose amounts are subject to fluctuations.

The JSL Group has a policy of not entering into derivative transactions for speculative purposes. These transactions are used only for protection against fluctuations related to market risks.

a) Credit risk

The credit risk involves the potential default of a counterparty to an agreement or financial instrument, resulting in financial loss. The JSL Group is exposed to credit risk in its operating (especially with regard to its receivables) and investing activities, including investments at banks and financial institutions and other financial instruments.

The ratings arising from the local ("Br") and global ("G") rating scale were taken from the rating agencies, and for presentation the nomenclature standard was considered as follows:

Rating in Local Scale "Br"		Rating in Global Scale "G"	
Nomenclature	Quality	Nomenclature	Quality
Br AAA	Prime	G AAA	Prime
Br AA+, AA, AA-	High Investment Grade	G AA+, AA, AA-	High Investment Grade
Br A+, A, A-	High Average Investment Grade	G A+, A, A-	High Average Investment Grade
Br BBB+, BBB, BBB-	Low Average Investment Grade	G BBB+, BBB, BBB-	Low Average Investment Grade
Br BB+, BB, BB-	Non-Speculative Investment Grade	G BB+, BB, BB-	Non-Speculative Investment Grade
Br B+, B, B-	Non-highly Speculative Investment Grade	G B+, B, B-	Non-highly Speculative Investment Grade
Br CCC	Extremely Speculative Non-Investment Grade	G CCC	Extremely Speculative Non-Investment Grade
Br DDD, DD, D	Non-Speculative Moratorium Investment Grade	G DDD, DD, D	Non-Speculative Moratorium Investment Grade

i. Trade receivables

The Group uses a simplified "provision matrix" to calculate the expected credit losses on its trade receivables, based on its experience of historical credit losses. The provision matrix specifies fixed rates for the provision depending on the number of days in which the receivables are overdue and is adjusted for specific customers according to future estimates and qualitative factors observed by Management.

The JSL Group writes off its financial assets when there is no reasonable expectation of recovery, according to the recoverability study of each Group company. The receivables written off by the Group continue in the collection process to recover the receivable amount. When there are recoveries, these are recognized as credit recovery proceeds in the income for the period.

The JSL Group recognized an impairment allowance that represents its estimate of expected credit losses on trade receivables, see note 8.

ii. Cash, cash equivalents, marketable securities and financial investments

The credit risk associated with balances at banks and financial institutions is managed by the JSL Group treasury area in accordance with the guidelines approved by the Financial Committee and the Board of Directors. The surplus funds are invested only in approved counterparties and within the limit established to each one, in order to minimize the risk concentration, and thus mitigate the financial loss in the event of a potential bankruptcy of a counterparty.

The maximum period considered in the estimate of expected credit loss is the maximum contractual period during which the Group is exposed to credit risk.

Expected credit losses are estimated weighted by the probability of credit losses, measured at present value based on all cash insufficiencies (i.e. the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive).

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020****In thousands of Brazilian Reais, unless otherwise stated**

The Group's cash quality and maximum credit risk exposure to cash, cash equivalents, financial investments and marketable securities are as follows:

	Parent company	Consolidated
	03/31/2020	03/31/2020
Demand and short-term deposits	1,883	10,375
Br AAA	228,398	546,347
Br AA+	-	1,377
Br AA	12,083	22,481
Br AA-	85,178	7
Total financial investments	325,659	570,212
Total cash and cash equivalents	327,542	580,587

	Parent company	Consolidated
	03/31/2020	03/31/2020
Marketable securities and financial investments		
Br AAA	1,105,669	4,870,283
Br AA	-	222,069
G BB+	-	60,743
G BB-	-	316,055
G BB	-	466,904
Total marketable securities and financial investments	1,105,669	5,936,054

b) Market risk

The market risk involves potential fluctuations in the fair value of future cash flows derived from a given financial instrument in response to changes in its market prices. Market prices typically involve three types of risks: interest rate risk, exchange rate risk and price risk that may be of commodities, stocks, among others.

The Group uses derivatives to mitigate these market risks. All these transactions are conducted under the guidelines set forth by the Board of Directors. Generally, the Group seeks to apply the hedge accounting to manage the volatility of profit or loss.

The JSL Group's financial instruments affected by market risk include cash and cash equivalents, marketable securities, loans and borrowings, leases payable, right-of-use leases, assignment of receivables and debentures, and are basically subject to interest and foreign exchange rate risks.

i. Interest rate risk

Interest rate risk involves potential fluctuation in the fair value of the future cash flows derived from a given financial instrument in response to variations in market interest rates. The Group exposure to risk associated with market interest rate fluctuations relates primarily to cash and cash equivalents, marketable securities and financial investments, loans, borrowings, debentures, leases payable and right-of-use lease, subject to interest rates.

To mitigate part of this exposure, through its subsidiary Vamos, the Group has contracted options on the "Average One-Day Interbank Deposit Rate (IDI) Index" listed on B3. These options act as limiters, ensuring an upper limit of interest rate variation. IDI options are used as a kind of insurance, where the option premium resembles an insurance premium where the Vamos buys rights only. Limiters are contracted for the sole and exclusive purpose of cash flow protection. The sensitivity analysis is presented in note 5.4.

ii. Foreign exchange currency risk

The Group is exposed to foreign currency risk. To mitigate these exposures, it contracted options on the "Average One-Day Interbank Deposit Rate (IDI) Index" listed on B3. These options act as limiters, ensuring an upper limit of interest rate variation. To protect exposures against the rise in interest rates, the Company acquired call options on the IDI (Caps), and to protect exposures against the fall in the interest rate, it can buy put options on the IDI (Floor). IDI options work as a kind of insurance, in which the option premium is similar to the insurance premium

where the Company buys rights only. Limiters are contracted for the sole and exclusive purpose of cash flow protection. The sensitivity analysis is presented in note 5.4

c) Liquidity risk

The JSL Group monitors risks associated with funding shortages on an ongoing basis through a current liquidity planning. The Group's purpose is to maintain in its assets balance of cash and high-liquid investments and maintain flexibility through the use of bank loans and the ability to raise funds through capital markets, in order to ensure its operational continuity. The average indebtedness term is monitored in order to provide short-term liquidity, analyzing installments, charges and cash flows.

Presented below are the contractual maturities of financial assets and liabilities, including estimated interest payment:

Parent company 03/31/2020				
Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	3 to 8 years
Financial assets				
Cash and cash equivalents	327,542	327,542	-	-
Marketable securities and financial investments	1,105,669	1,105,669	-	-
Derivative financial instruments	868,529	30,059	20,514	817,956
Trade receivables	641,465	624,566	16,899	-
Related parties	630,426	-	256,032	543,322
Other credits	67,749	56,791	10,958	-
Total	3,641,380	2,144,627	304,403	1,361,278

Parent company 03/31/2020				
Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	3 to 8 years
Financial liabilities				
Trade payables	111,683	111,683	-	-
Suppliers financing - car makers	930	930	-	-
Loans and borrowings	3,977,478	442,660	678,735	3,846,754
Debentures	2,225,700	601,066	373,087	1,550,383
Leases payable	107,843	55,918	20,910	40,918
Right-of-use lease	171,096	37,395	31,221	213,448
Other payables	190,472	43,014	127,035	26,439
Total	6,785,202	1,292,666	1,230,988	5,677,942

Consolidated 03/31/2020				
Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	3 to 8 years
Financial assets				
Cash and cash equivalents	580,587	580,587	-	-
Marketable securities and financial investments	5,936,054	5,935,255	799	-
Derivative financial instruments	893,762	30,059	20,514	843,189
Trade receivables	1,679,977	1,591,864	88,113	-
Related parties	11	-	11	-
Other credits	88,930	47,908	25,237	17,101
Total	9,179,321	8,185,673	134,674	860,290

Consolidated 03/31/2020				
Carrying amount	Contractual flow	Up to 1 year	Up to 2 years	3 to 8 years
Financial liabilities				
Trade payables	1,758,676	1,758,676	-	-
Floor plan	101,998	101,998	-	-
Suppliers financing - car makers	106,832	106,832	-	-
Loans and borrowings	9,546,433	1,291,821	1,438,691	9,228,340
Debentures	5,333,917	975,426	763,556	4,503,135
Leases payable	435,953	191,054	128,115	157,151
Right-of-use lease	522,880	260,417	182,891	443,366
Assignment of receivables	16,618	6,043	10,575	-
Related parties	1,086	1,086	-	-
Other payables	212,274	134,137	55,698	29,029
Total	18,036,667	4,827,490	2,579,526	14,361,021

5.4 Sensitivity analysis

The JSL Group's Management performed a sensitivity analysis in accordance with CVM Instruction No. 475/2008, in order to show the impacts of interest and exchange rate changes on its financial assets and liabilities, considering for the next 12 months the following probable interest and exchange rates:

- CDI at 3.33 % p.a., based on the future yield curve (source: B3);
- TLP of 4.74 % p.a. (source: BNDES);
- IPCA 2.91 % p.a. (source: Bacen);
- IGP-M of 4.18% p.a. (source: Bacen);
- SELIC of 3.50% p.a. (source: Bacen);
- Euro ("Euro" or "EUR") rate of R\$ 5.89 (source: B3); and
- US dollar ("dollar" or "USD") rate of R\$ 5.29 (source: B3).

The table below is presented with the respective impacts on the financial result, considering the probable scenario (Scenario I), with increases of 25% (Scenario II) and 50% (Scenario III):

Operation	Exposure	Risk	Probable rate	Scenario I probable	Scenario II + depreciation of 25%	Parent company Scenario III + depreciation of 50% -
Derivatives designated as hedging accounting						
Swap	USD (463,500)	USD increase	5.29	2,451,915	3,064,894	3,677,873
NCE (hedged item)	USD (463,500)	USD increase	5.29	(2,451,915)	(3,064,894)	(3,677,873)
Net effect of exposure	-			-	-	-
Debentures (hedged item)	(746,664)	IPCA increase	10.94%	(81,685)	(102,106)	(122,528)
Swap long position	746,664	IPCA increase	10.94%	81,685	102,106	122,528
Swap short position	(696,091)	CDI increase	3.64%	(25,338)	(31,672)	(38,007)
Net effect of exposure	(696,091)			(25,338)	(31,672)	(38,007)
Loans and borrowings - NCE	(2,423,674)	FIXED RATE	14.92%	(361,612)	(361,612)	(361,612)
Swap long position - NCE	2,423,674	FIXED RATE	14.92%	361,612	361,612	361,612
Swap short position	(2,045,993)	CDI increase	4.31%	(88,182)	(110,228)	(132,273)
Net effect of exposure	(2,045,993)			(88,182)	(110,228)	(132,273)
Net effect of hedge accounting operations	(2,742,084)			(113,520)	(141,900)	(170,280)
Other operations - Floating rate						
Financial investments	325,659	CDI increase	3.30%	10,753	13,442	16,130
Marketable securities and financial investments	664,338	SELIC increase	3.50%	23,252	29,065	34,878
Related parties	588,726	CDI increase	5.53%	32,557	40,696	48,835
Related parties	41,700	CDI increase	5.83%	2,431	3,039	3,647
Loans and borrowings	(1,408,776)	CDI increase	5.27%	(74,242)	(92,803)	(111,364)
Debentures	(1,479,036)	CDI increase	4.72%	(69,810)	(87,263)	(104,716)
Leases payable	(107,843)	CDI increase	6.01%	(6,481)	(8,102)	(9,722)
Payables for the acquisition of companies (i)	(73,302)	IGPM increase	5.18%	(3,797)	(4,746)	(5,696)
Loans and borrowings	(35,865)	IPCA increase	6.20%	(2,224)	(2,780)	(3,335)
Loans and borrowings	(3,931)	TLP/TJPL increase	6.87%	(270)	(338)	(405)
Net effect of exposure	(1,488,330)			(87,831)	(109,790)	(131,748)
Net exposure and impact on finance costs - floating rate	(4,230,414)			(201,351)	(251,690)	(302,028)
Other operations - Fixed rate						
Marketable securities and financial investments	441,331	FIXED RATE	5.91%	26,083	26,083	26,083
Lease by right of use	(171,096)	FIXED RATE	6.28%	(10,745)	(10,745)	(10,745)
Loans and borrowings	(105,232)	FIXED RATE	4.94%	(5,198)	(5,198)	(5,198)
Net exposure and impact on finance costs - fixed rate	165,003			10,140	10,140	10,140
Net exposure and total impact of finance costs in profit or loss	(4,065,411)			(191,211)	(241,550)	(291,888)

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020****In thousands of Brazilian Reais, unless otherwise stated**

Operation	Exposure	Risk	Probable rate	Scenario I probable	Scenario II + depreciation of 25%	Consolidated Scenario III + depreciation of 50%
Derivatives designated as hedging accounting						
Swap agreement	USD 503,500	USD increase	5.29	2,663,515	3,329,394	3,995,273
Swap agreement	EUR 42,000	EUR increase	5.72	240,240	300,300	360,360
NCE (hedged item)	USD 463,500	USD increase	5.29	(2,451,915)	(3,064,894)	(3,677,873)
International credit (hedged item)	USD (40,000)	USD increase	5.29	(211,600)	(264,500)	(317,400)
International credit (hedged item)	EUR (42,000)	Euro increase	5.72	(240,240)	(300,300)	(360,360)
Net effect of exposure	-			-	-	-
Debentures (hedged item)	(746,664)	IPCA increase	10.94%	(81,685)	(102,106)	(122,528)
Swap long position	746,664	IPCA increase	10.94%	81,685	102,106	122,528
Swap short position	(696,091)	CDI increase	3.64%	(25,338)	(31,672)	(38,007)
Net effect of exposure	(696,091)			(25,338)	(31,672)	(38,007)
Loans and borrowings – international credit	(200,454)	FIXED RATE	10.90%	(21,849)	(21,849)	(21,849)
Loans and borrowings – international credit	(240,657)	FIXED RATE	1.70%	(4,091)	(4,091)	(4,091)
Loans and borrowings – NCE	(2,423,674)	FIXED RATE	14.92%	(361,612)	(361,612)	(361,612)
Swap long position - international credit	240,657	FIXED RATE	1.70%	4,091	4,091	4,091
Swap long position - international credit	200,454	FIXED RATE	10.90%	21,849	21,849	21,849
Swap long position - NCE	2,423,674	FIXED RATE	14.92%	361,612	361,612	361,612
Swap short position	(2,491,115)	CDI increase	4.64%	(115,588)	(144,485)	(173,382)
Net effect of exposure	(2,491,115)			(115,588)	(144,485)	(173,382)
Other derivative financial instruments						
Call option IDI (Long position in Call option short curve)	(139,799)	FIXED RATE	7.70%	(10,765)	(13,456)	(16,147)
Call option IDI (Long position in Call option long curve)	139,399	CDI increase	7.70%	10,765	13,456	16,147
Call option IDI (Long position in Call option short curve)	(184,011)	FIXED RATE	7.10%	(13,065)	(16,331)	(19,597)
Call option IDI (Long position in Call option long curve)	184,011	CDI increase	7.10%	13,065	16,331	19,597
Call option IDI (Long position in Call option short curve)	(513,628)	FIXED RATE	6.50%	(33,386)	(41,732)	(50,079)
Call option IDI (Long position in Call option long curve)	513,628	CDI increase	6.50%	33,386	41,732	50,079
Net effect of exposure	-			-	-	-
Net effect of hedge accounting operations	(3,187,206)			(140,926)	(176,157)	(211,389)
Other operations - Floating rate						
Financial investments	570,212	CDI increase	3.30%	18,829	23,536	28,243
Marketable securities and financial investments	8,514	CDI increase	3.32%	283	353	424
Marketable securities and financial investments	1,737,045	SELIC increase	3.50%	60,797	75,996	91,195
Receivables from sale of companies - Joseense (ii)	19,611	IPCA increase	2.91%	571	713	856
Receivables from sale of companies - Quatai (ii)	19,934	CDI increase	3.33%	664	830	996
Loans and borrowings	(2,947,320)	CDI increase	5.37%	(158,271)	(197,839)	(237,407)
Debentures	(4,587,253)	CDI increase	4.96%	(227,528)	(284,410)	(341,292)
Leases payable	(435,953)	CDI increase	5.89%	(25,678)	(32,097)	(38,516)
Payables for the acquisition of companies (i)	(82,220)	IGPM increase	5.18%	(4,259)	(5,324)	(6,388)
Loans and borrowings	(173,954)	IPCA increase	6.74%	(11,724)	(14,656)	(17,587)
Loans and borrowings	(33,964)	TLP/TLP increase	8.05%	(2,734)	(3,418)	(4,101)
Net effect of exposure	(5,905,348)			(349,050)	(436,316)	(523,577)
Net exposure and impact on finance costs - floating rate	(9,092,554)			(489,976)	(612,473)	(734,966)
Other operations - Fixed rate						
Marketable securities and financial investments	3,346,508	FIXED RATE	6.69%	223,881	223,881	223,881
Marketable securities and financial investments - Corporate and sovereign bonds	843,987	FIXED RATE	6.43%	37,389	37,389	37,389
Right-of-use lease	(522,890)	FIXED RATE	6.28%	(32,837)	(32,837)	(32,837)
Suppliers financing - car makers	(106,832)	FIXED RATE	6.44%	(6,880)	(6,880)	(6,880)
Loans and borrowings - Senior Notes "Bond"	(3,241,386)	FIXED RATE	7.75%	(251,207)	(251,207)	(251,207)
Loans, borrowings and debentures	(285,024)	FIXED RATE	5.98%	(17,044)	(17,044)	(17,044)
Net exposure and impact on finance costs - fixed rate	34,373			(46,698)	(46,698)	(46,698)
Net exposure and total impact of finance costs in profit or loss	(9,058,181)			(536,674)	(659,171)	(781,664)

(i) Payables for the acquisition of companies are recorded in the line item of other payables.

(ii) The rights receivable for sale of companies are recorded in the other credits line item.

The objective of this sensitivity analysis is to measure the impact of changes in market variables on the JSL Group's financial instruments, assuming that all other market factors remain constant. Such amounts may differ from those stated upon their settlement due to the estimates used in their preparation.

5.5 Derivative financial instruments

The Group uses derivative financial instruments solely for the purpose of protecting from market risks. In accordance with the defined policy, operations that may adversely affect the Group's results or cash flow due to the risks involved will be hedged. When the Group conducts transactions that contain unwanted exposures, the management will assess the need to contract financial instruments for the purpose of protection and to mitigate the risks to which it is exposed.

At March 31, 2020 and 2019, the Group had derivative financial instruments (Swap agreements and the IDI call option on the average rate index of interbank deposits - "IDI call option"). The IDI call option agreement ensures a maximum interest rate threshold for interest-bearing debts based on the Interbank Deposit Certificate - CDI. The index is corrected daily by the average rate of one-day interbank deposits (DI).

Both the Swap agreements and the IDI call options were classified as cash flow hedge by applying the hedge accounting.

The effectiveness tests are also properly documented, confirming that the designated derivatives are effective in offsetting the changes in the fair value of the hedged items.

At March 31, 2020, a positive variation in the amount of R\$ 69,125 was determined in the Consolidated (a negative variation in the amount of R\$ 243 at March 31, 2019). During the three-month periods ended March 31, 2020 and 2019, no gain or loss on the ineffective portion was recognized.

The amounts accumulated in OCI, net of taxes, are reclassified to the statement of profit or loss for the periods when the hedged item affects profit or loss (e.g., when the settlement of the hedged item occurs).

On March 18, 2020, the Company made an early settlement of 3 foreign exchange hedge swap instruments from part of the NCEs presented to pay, with a notional value of USD 185 million, receiving the gross cash value in the transaction of R\$ 427,500. At the same time, new swap instruments were contracted to maintain the protection of the same currency exposure and maturities and with a rate of 155% of the CDI, in the notional amount of USD 185 million.

On March 13, 2020, the subsidiary Vamos due to the renegotiation of the International Credit debt (4131), replaced the swap in order to have the same conditions as the renegotiated debt. In the settlement of the previous swap, a mark-to-market gain was realized in which the Company received a credit in the amount of R\$ 40,833, net of taxes.

The JSL Group has other derivative financial instruments (Swap agreements) that were classified as fair value hedge and were not elected for the application of the hedge accounting pursuant to CPC 48/IFRS 9 – Financial Instruments, the resulting gains and losses of which arising from changes in the fair value of these transactions are recognized in the statement of profit or loss, and has also financial instrument liabilities, part of the debentures, which were designated as liabilities at fair value through profit or loss (fair value option). During the three-month period ended December 31, 2019, the gains on Swap transactions were R\$ 541,861 (gains of R\$ 43,796 at March 31, 2019) and gains of R\$ 1,220,940 (gains of R\$ 48,928 at March 31, 2019), in the parent company and consolidated, respectively. These gains set off the losses on the underlying hedged instruments.

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020
In thousands of Brazilian Reais, unless otherwise stated

The outstanding contracts at March 31, 2020 are the following:

Company	Instrument	Type of derivative financial instrument	Operation	Notional amount	Maturity	Hedge index	Average contracted rate	Parent company and Consolidated Balance of the hedged debt at 03/31/2020	
								At amortized cost	At fair value
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 40,000	Jul/24	Fixed rate	156.50% CDI	209,460	209,460
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 60,000	Jul/24	Fixed rate	149.59% CDI	313,733	313,733
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 60,000	Jul/24	Fixed rate	152.26% CDI	313,733	313,733
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 60,000	Jul/24	Fixed rate	153.90% CDI	313,690	313,690
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 75,000	Jul/24	Fixed rate	152.50% CDI	392,113	392,112
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 50,000	Jul/24	Fixed rate	151.65% CDI	261,408	261,408
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 50,000	Jul/24	Fixed rate	150.65% CDI	261,408	261,408
JSL	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 68,500	Jul/24	Fixed rate	149.45% CDI	358,129	358,129
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 115,089	Jul/20	IPCA + Fixed rate	108.85% CDI	75,840	75,720
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 98,723	Jul/20	IPCA + Fixed rate	108.85% CDI	64,558	64,461
JSL	Swap agreement	Fair value hedge	SWAP IPCA X CDI	R\$ 71,751	Jun/21	IPCA + Fixed rate	CDI + 2.53%	69,037	70,230
JSL	Swap agreement	Cash flow hedge	SWAP IPCA X CDI	R\$ 362,685	Nov/25	IPCA + Fixed rate	CDI + 0.65%	537,230	537,229
Total Parent Company								3,170,339	3,171,313
Vamos	Swap agreement	Cash flow hedge	SWAP USD X CDI	USD 40,000	Sep/23	Fixed rate + Exchange rate	134.99% CDI	200,454	219,090
Movida	Swap agreement	Cash flow hedge	SWAP EUR X CDI	EUR 42,000	Mar/25	Fixed rate + Exchange rate	CDI + 2.07%	240,656	249,782
Total Consolidated								3,611,449	3,640,185

										Consolidated
Company	Description	Counterparty	Beginning date	Maturity	Quantity	Notional amount	Indexer	Contracted rate p.a.	Exercise price	Market value
Vamos	Purchase of IDI call option	B3	2/25/2019	1/3/2022	525	139,799	Fixed rate	7.7%	329	155
Vamos	Purchase of IDI call option	B3	8/28/2019	1/2/2023	870	184,011	Fixed rate	7.1%	358	635
Vamos	Purchase of IDI call option	B3	12/19/2019	1/3/2022	1840	513,628	Fixed rate	6.5%	970	694
						R\$ 837,438			1,657	R\$ 1,484

The outstanding balances are as follows:

Operation	03/31/2020			Parent company 12/31/2019		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Swap - USD x DI	USD 463,500	817,956	-	USD 463,500	590,599	-
Swap - EUR x DI	R\$ 648,247	50,573	-	648,247	63,986	-
Total		868,529	-		654,585	-
Current assets		30,059	-		32,233	-
Noncurrent assets		838,470	-		622,352	-
Total		868,529	-		654,585	-

Operation	03/31/2020			12/31/2019		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Swap - USD x DI	USD 503,500	830,546	-	USD 503,500	605,549	-
Swap - USD x DI	EUR 42,000	11,159	-	EUR 42,000	-	-
Swap - IPCA x DI	R\$ 648,247	50,573	-	648,247	63,986	-
Call option IDI	837,438	1,484	-	892,367	1,098	-
Total		893,762	-		670,633	-
Current assets		30,059	-		32,233	-
Noncurrent assets		863,703	-		638,400	-
Total		893,762	-		670,633	-

The table below indicates the expected periods that the cash flows associated with the swap agreement will impact the profit or loss and the respective carrying amount of these instruments.

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reals, unless otherwise stated

	At March 310, 2020				Parent company
	Expected cash flow				
	Carrying amount	Total	1-6 months	7-12 months	Over 1 year
Swap agreement					
Asset	3,610,613	3,896,030	267,382	94,184	3,534,464
Liability	(2,742,084)	(3,414,754)	(208,498)	(71,612)	(3,134,644)
	868,529	481,276	58,884	22,572	399,820

	At March 31, 2020				Consolidated
	Expected cash flow				
	Carrying amount	Total	1-6 months	7-12 months	Over 1 year
Swap agreement					
Asset	4,079,484	4,380,900	272,543	99,306	4,009,051
Liability	(3,187,206)	(3,957,023)	(218,588)	(81,896)	(3,656,539)
	892,278	423,877	53,955	17,410	352,512

6. Cash and cash equivalents

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Cash	457	366	5,977	1,832
Banks	1,426	1,697	4,398	10,920
Total cash and banks	1,883	2,063	10,375	12,752
Bank deposit certificates ("CDB")	216,455	23,926	513,877	374,011
Repurchase agreements - debenture-backed	-	-	8,943	121,092
Financial bills	23,492	30,167	40,138	63,904
Units of other funds	534	11,540	5,731	17,455
Finance Leases Bill - related parties (note 26.1)	85,178	57,657	-	-
Others	-	-	1,523	2,601
Total financial investments	325,659	123,290	570,212	579,063
Total	327,542	125,353	580,587	591,815

During the three-month period ended March 31, 2020 the average income from these investments was 4.068% p.a. equivalent to 97.13% of CDI (at December 31, 2019 the average income was 5.91% p.a. equivalent to 99.60% of CDI).

7. Marketable securities and financial investments

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Operations				
Government securities - exclusive funds (i)				
Financial Treasury Bills ("LFT")	664,338	593,705	1,736,246	1,736,780
National Treasury Bills ("LTN")	441,331	402,362	923,633	792,795
Units of other funds	-	-	8,514	9,080
Other securities				
Sovereign securities (in USD) (ii)	-	-	462,054	366,709
Corporate securities (in USD) (ii)	-	-	381,933	351,185
Credit linked notes ("CLN") (iii)	-	-	2,422,875	1,925,460
Sundry	-	-	799	656
Total	1,105,669	996,067	5,936,054	5,182,665
Current assets	1,105,669	996,067	5,935,255	5,182,010
Noncurrent assets	-	-	799	655
Total	1,105,669	996,067	5,936,054	5,182,665

- (i) The average income from government securities allocated to exclusive funds is defined at fixed and floating rates (fixed rate LTN and LFT SELIC). The average income for the three-month period ended March 31, 2020 was 4, 06 % p.a. (5.94% p.a. in the year ended December 31, 2019).

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020****In thousands of Brazilian Reals, unless otherwise stated**

- (ii) Corporate securities are debt securities issued by Brazilian companies such as bonds, notes and others that have weighted risk rating “BB” in global scale. Sovereign bonds are debt securities issued by the Brazilian and American governments or by entities controlled by the Brazilian government. These securities in foreign currency (USD) are available to be sold according to Management’s need for the utilization of these resources. In addition, they are naturally hedged by the respective USD debt amount, as disclosed in note 18. The remuneration from these securities is defined based on the coupon of each issuance and on the yield rate at the acquisition date. During the three-month period ended March 31, 2020, the average income from these investments was 4.43% p.a. (4.54% p.a. in the year ended December 31, 2019).
- (iii) CLN refers to the Credit Linked Note applied by the subsidiary JSL Europe at Santander Bank in dollar currency and was remunerated in the three-month period ended March 31, 2020 at 6.99% p.a. (6.99% p.a. at December 31, 2019).

8. Trade receivables

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Customers and credit card companies	445,002	432,034	1,290,075	1,425,871
Unbilled revenue from services rendered and leases	215,685	204,228	368,084	338,315
Leases receivable	-	-	176,802	167,651
Customers of used vehicles	-	25,585	11,567	38,109
Related parties (note 26.1)	39,372	45,322	29,746	26,978
Other receivables	25,817	35,670	115,349	116,415
(-) Expected credit losses ("impairment") of trade receivables	(84,411)	(83,010)	(311,646)	(249,881)
Total	641,465	659,829	1,679,977	1,863,458
Current assets	624,566	643,042	1,591,864	1,775,137
Noncurrent assets	16,899	16,787	88,113	88,321
Total	641,465	659,829	1,679,977	1,863,458

8.1 Aging list and expected credit losses ("impairment") of trade receivables

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Current (not past due)	504,494	567,662	1,322,981	1,541,349
1 - 30 days past due	83,973	52,006	149,332	120,181
31 - 90 days past due	44,534	42,392	109,606	85,233
91 - 180 days past due	12,597	14,189	45,849	39,234
181 - 365 days past due	12,593	4,920	50,285	39,972
More than 365 days past due	67,685	61,670	313,570	287,370
Total past due	221,382	175,177	668,642	571,990
(-) Expected credit losses ("impairment") of trade receivables	(84,411)	(83,010)	(311,646)	(249,881)
Total	641,465	659,829	1,679,977	1,863,458

The movement in the expected credit losses ("impairment") of trade receivables is shown below, and the installment of R\$ 50,304 in the three-month period ended March 31, 2020 refers to the additional provision recognized by the subsidiary Movida, as mentioned in note 1.2.c.(ii):

	Parent company	Consolidated
At December 31, 2018	(65,871)	(251,924)
(-) additions	(2,346)	(25,672)
(+) reversals	8,081	19,919
At March 31, 2019	(60,136)	(257,677)
At December 31, 2019	(83,010)	(249,881)
(-) additions	(2,695)	(72,484)
(+) reversals	1,294	9,567
(-) write-off to losses	-	1,151
At March 31, 2020	(84,411)	(311,646)

9. Inventories

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
New vehicles	-	-	148,927	159,650
Used vehicles	-	-	61,529	62,507
Parts for resale	-	-	48,914	47,056
Consumables	32,855	32,791	49,680	43,613
Others	-	-	11,356	4,021
(-) Estimated losses on impairment of inventories (i)	(5,276)	(4,671)	(12,163)	(10,810)
Total	27,579	28,120	308,243	306,037

(i) The Estimated losses on impairment of inventories refers to the lines of use and consumption of parts for resale.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

Movement in estimated losses on impairment of inventories:

	Parent company	Consolidated
At December 31, 2018	(5,331)	(9,639)
(-) Additions	(1,472)	(5,069)
(+) Reversals	1,397	2,588
At March 31, 2019	(5,406)	(12,120)
	Parent company	Consolidated
At December 31, 2019	(4,671)	(10,810)
(-) Additions	(952)	(1,870)
(+) Reversals	347	517
At March 31, 2020	(5,276)	(12,163)

From the addition of R\$ 72,484, a portion of R\$ 50,304 in the interim financial ended March 31, 2020 refers to the additional provision recorded by subsidiary Movida as mentioned in note 1.2.c (ii), based on the expectation, considered by the most recent data assessed, of possible losses due to the deterioration of defaults and individual customer credit risk.

10. Fixed assets available for sale

The movements in the three-month periods ended March 31, 2020 and 2019 are as follows:

	Parent company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
Cost:						
At December 31, 2019	134,236	26,150	160,386	600,775	134,280	735,055
Assets transferred from property and equipment	49,123	4,368	53,491	1,015,670	30,002	1,045,672
Assets written off due to sale	(86,970)	(10,629)	(97,599)	(789,536)	(18,632)	(808,168)
Transfer to the Original segment's inventories	-	-	-	(24,245)	-	(24,245)
Provision for impairment	-	-	-	(97,854)	-	(97,854)
At March 31, 2020	96,389	19,889	116,278	704,810	145,650	850,460
Accumulated depreciation:						
At December 31, 2019	(40,885)	(12,483)	(53,368)	(103,131)	(90,736)	(193,867)
Assets transferred from property and equipment	(48,776)	(6,311)	(55,087)	(201,600)	(22,661)	(224,261)
Assets written off due to sale	51,297	8,266	59,563	192,649	8,594	201,243
At March 31, 2020	(38,364)	(10,528)	(48,892)	(112,082)	(104,803)	(216,885)
Net value:						
At December 31, 2019	93,351	13,667	107,018	497,644	43,544	541,188
At March 31, 2020	58,025	9,361	67,386	592,728	40,847	633,575

	Parent company			Consolidated		
	Vehicles	Machinery and equipment	Total	Vehicles	Machinery and equipment	Total
Cost:						
At December 31, 2018	61,901	6,108	68,009	436,749	147,862	584,611
Assets transferred from property and equipment	105,102	8,025	113,127	779,130	65,536	844,666
Assets written off due to sale	(106,625)	(9,455)	(116,080)	(596,746)	(59,693)	(656,439)
Transfer to the Original segment's inventories	-	-	-	-	(6,900)	(6,900)
At March 31, 2019	60,378	4,678	65,056	619,133	146,805	765,938
Accumulated depreciation:						
At December 31, 2018	(20,783)	(5,357)	(26,140)	(82,413)	(104,414)	(186,827)
Assets transferred from property and equipment	(40,430)	(5,214)	(45,644)	(88,628)	(51,615)	(140,243)
Assets written off due to sale	40,811	7,380	48,191	57,099	50,781	107,880
Assets transferred to authorized vehicle dealerships segment	-	-	-	-	2,196	2,196
At March 31, 2019	(20,402)	(3,191)	(23,593)	(113,942)	(103,052)	(216,994)
Net value:						
At December 31, 2018	41,118	751	41,869	354,336	43,448	397,784
At March 31, 2019	39,976	1,487	41,463	505,191	43,753	548,944

As mentioned in note 1.2.c. (iii), based on the estimated sales value conditions of part of the vehicles available for sale in the current market, given the impact of COVID-19 on the used vehicle sale sector, subsidiary Movida recorded a provision for impairment of part of its vehicles available for sale in the amount of R\$ 97,854.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reals, unless otherwise stated

11. Taxes recoverable

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
PIS and COFINS	31,267	31,986	123,660	126,566
INSS	57,909	61,329	81,897	84,465
ICMS	14,802	13,859	40,517	42,928
Withholding Income Tax - IRRF	-	5,037	-	34,164
Others	2,284	2,281	4,898	5,627
Total	106,262	114,492	250,972	293,750
Current assets	61,483	50,689	122,991	155,284
Noncurrent assets	44,779	63,803	127,981	138,466
Total	106,262	114,492	250,972	293,750

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

12. Investments

These investments are accounted for under the equity method of accounting based on the financial information of the investees, as follows:

Investments	Equity at 03/31/2020	Interest %	Equity results from subsidiaries	Asset balance 03/31/2020	Negative equity 03/31/2020 (iii)	Parent company	Consolidated		
						Asset balance 12/31/2019	Equity results from subsidiaries	Asset balance 3/31/2020	Asset balance 12/31/2019
Avante Veículos	20,712	99.99	490	20,712	-	20,222	-	-	-
BBC Pagamentos	(1,123)	99.99	(1,150)	-	(1,123)	27	-	-	-
BRT Sorocaba Concessionárias	-	49.25	-	-	-	-	(71)	5,399	5,609
CS Brasil Participações	389,698	99.99	15,880	389,698	-	373,776	-	-	-
JSL Corretora	8,886	99.99	22	8,886	-	8,864	-	-	-
JSL Empreendimentos	2,878	99.99	(370)	2,878	-	3,248	-	-	-
JSL Europe	35,806	100.00	4,233	35,806	-	31,573	-	-	-
JSL Finance	(74,085)	100.00	(15,332)	-	(74,085)	-	-	-	-
JSL Holding	92,269	99.99	1,987	92,269	-	90,282	-	-	-
Medlogística	1,427	99.99	145	1,427	-	1,282	-	-	-
Mogi Mob	19,797	99.99	(217)	19,797	-	20,014	-	-	-
Mogipasses	8,956	99.99	347	8,956	-	8,609	-	-	-
Movida Participações	2,179,643	55.11	(63,030)	1,201,204	-	1,268,013	-	-	-
Original Distribuidora	(201)	99.99	38	-	(201)	-	-	-	-
Original Veículos	108,318	99.99	(1,145)	108,318	-	109,345	-	-	-
Ponto Veículos	39,328	99.99	840	39,328	-	38,488	-	-	-
Quick Armazéns	5,467	99.99	40	5,467	-	5,427	-	-	-
Quick Logística	16,239	99.99	(2,203)	16,239	-	18,442	-	-	-
Sinal Serviços	2	99.99	(1)	2	-	3	-	-	-
Vamos	526,710	99.99	36,573	526,710	-	490,754	-	-	-
TPG Transportes	10,584	99.99	184	10,584	-	10,400	-	-	-
Yolanda	22,342	99.99	(1,655)	22,342	-	24,137	-	-	-
Surplus value of property and equipment	-	-	-	11,563	-	12,814	-	-	-
Goodwill on business acquisition (i)	-	-	-	6,481	-	6,481	-	-	-
Others (ii)	-	-	-	-	-	-	-	1,119	1,107
Total investments	3,413,653		(24,324)	2,528,667	(75,409)	2,542,201	(71)	6,518	6,716

- (i) Goodwill arising on the acquisition of companies and businesses, classified as investment in the parent company, in accordance with CPC 18 (R2)/IAS 28 - Investments in Associates and Joint Ventures.
- (ii) Refers to investment of subsidiary Movida in the company E-moving.
- (iii) Refers to the provision for losses on subsidiaries with negative equity that were classified in the group of "Other payables". As part of the bonds raising process, the subsidiary JSL Finance is one of the vehicle entities used for managing the fundraising. The calculated results are mainly related to interest on debt, net of the yield of the funds used by this entity. This negative balance is covered by the Company through capital contributions in the months of interest payment;

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

12.1 Changes in investments

The movements in the three-month periods ended March 31, 2020 and 2019 are as follows:

Investments	12/31/2019	Capital contribution	Gain on equity interests in subsidiaries	Impairment of investments	Equity results from subsidiaries	Amortization of surplus value, goodwill	Dividends and interest on capital	Other movements (iii)	Parent company
									03/31/2020
Avante Veículos	20,222	-	-	-	490	-	-	-	20,712
CS Brasil Participações	373,776	-	-	-	15,880	-	-	42	389,698
JSL Corretora	8,864	-	-	-	22	-	-	-	8,886
JSL Empreendimentos	3,248	-	-	-	(370)	-	-	-	2,878
JSL Europe	31,573	-	-	-	4,233	-	-	-	35,806
JSL Holding	90,282	-	-	-	1,987	-	-	-	92,269
Medlogística	1,282	-	-	-	145	-	-	-	1,427
Mogi Mob	20,014	-	-	-	(217)	-	-	-	19,797
Mogipasses	8,609	-	-	-	347	-	-	-	8,956
Movida Participações (iv)	1,268,013	-	-	-	(63,030)	-	-	(3,779)	1,201,204
Original Veículos	109,345	-	-	-	(1,145)	-	-	118	108,318
Ponto Veículos	38,488	-	-	-	840	-	-	-	39,328
Quick Armazéns	5,427	-	-	-	40	-	-	-	5,467
Quick Logística	18,442	-	-	-	(2,203)	-	-	-	16,239
Sinal Serviços	3	-	-	-	(1)	-	-	-	2
TPG Transportes	10,400	-	-	-	184	-	-	-	10,584
Vamos	490,754	-	-	-	36,573	-	-	(617)	526,710
Yolanda	24,137	-	-	-	(1,655)	-	-	(140)	22,342
Surplus value of property and equipment	12,814	-	-	-	-	(1,251)	-	-	11,563
Goodwill on business acquisition	6,481	-	-	-	-	-	-	-	6,481
Total investments	2,542,174	-	-	-	(7,880)	(1,251)	-	(4,376)	2,528,667
Provisions for investment losses									
JSL Finance	(17,920)	16,823	-	-	(15,332)	-	-	(57,656)	(74,085)
Original Distribuidora	(239)	-	-	-	38	-	-	-	(201)
BBC	27	-	-	-	(1,150)	-	-	-	(1,123)
Total investments, net of provision for losses	2,524,042	16,823	-	-	(24,324)	(1,251)	-	(62,032)	2,453,258

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

Investments	12/31/2018	Capital contribution	Equity results from subsidiaries	Realization of surplus value of assets, goodwill (i)	Amortization of surplus value (ii)	Dividends and interest on capital	Parent company	
							Other movements (iii)	03/31/2019
Avante Veículos	20,043	-	260	-	-	-	-	20,303
CS Brasil	563,691	-	356	-	-	-	1,039	565,086
CS Brasil Frotas	287,750	-	10,486	-	-	-	(938)	297,298
JSL Corretora	8,314	-	200	-	-	-	-	8,514
JSL Empreendimentos	4,717	-	(364)	-	-	-	-	4,353
JSL Europe	5,480	31,430	257	-	-	-	3	37,170
JSL Holding	82,946	-	1,498	-	-	-	(105)	84,339
Medlogística	944	-	43	-	-	-	-	987
Mogipasses	6,803	-	400	-	-	-	-	7,203
Movida Participações	1,163,402	-	29,442	-	-	(14,026)	(72)	1,178,746
Original Veículos	105,558	-	(386)	-	-	-	-	105,172
Ponto Veículos	31,734	-	1,196	-	-	-	-	32,930
Quick Armazéns	5,215	-	72	-	-	-	-	5,287
Quick Logística	21,733	-	(1,269)	-	-	-	-	20,464
Sinal Serviços	4	-	-	-	-	-	-	4
Vamos	581,483	-	31,466	-	-	(150,000)	759	463,708
Yolanda	23,742	-	1,138	-	-	-	-	24,880
Surplus value of property and equipment	18,379	-	-	(404)	(1,095)	-	(374)	16,506
Goodwill on business acquisition	6,481	-	-	-	-	-	-	6,481
Total investments	2,938,419	31,430	74,795	(404)	(1,095)	(164,026)	312	2,879,431
Provisions for investment losses								
JSL Finance	(53,102)	-	(5,978)	-	-	-	23,866	(35,214)
Original Distribuidora	(21)	-	(28)	-	-	-	-	(49)
Total investments, net of provision for losses	2,885,296	31,430	68,789	(404)	(1,095)	(164,026)	24,178	2,844,168

(i) Refers to write-off of surplus value of property and equipment arising from the business combination due to sale of the related assets.

(ii) Refers to amortization of surplus value arising from the business combination.

(iii) Refers to the effect of equity in the capital reserve balances in subsidiaries, deriving from the share-based payment plans and the mark-to-market of investments classified as at fair value through other comprehensive income, which were recognized in the equity of subsidiaries.

(iv) Refers to the provision for losses on subsidiaries with negative equity that were classified in the group of "Other payables". As part of the bonds raising process, the subsidiary JSL Finance is one of the vehicle entities used for managing the fundraising. The calculated results are mainly related to interest on debt, net of the yield of the funds used by this entity. This negative balance is covered by the Company through capital contributions in the months of interest payment;

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reals, unless otherwise stated

12.2 Balances of assets and liabilities and results of investees and subsidiaries

The balances of assets, liabilities, revenues and expenses in subsidiaries for the periods ended March 31, 2020 are presented below:

								Parent company
Investments	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity	Net revenues	Costs and expenses	Profit/(loss) for the period
Avante Veículos	24,914	7,232	9,424	2,010	20,712	12,880	(12,390)	490
BBC Pagamentos	6,021	-	1,954	5,190	(1,123)	2	(1,152)	(1,150)
CS Brasil Participações	6,976	1,140,113	95,446	661,945	389,698	4,711	11,169	15,880
JSL Corretora	9,238	118	470	-	8,886	921	(899)	22
JSL Empreendimentos Imobiliários	465	7,672	5,027	232	2,878	(5)	(365)	(370)
JSL Europe	2,425,128	917,549	59,415	3,247,456	35,806	-	4,233	4,233
JSL Finance	844,182	-	717	917,550	(74,085)	-	(15,332)	(15,332)
JSL Holding	61,243	31,285	259	-	92,269	-	1,987	1,987
Medlogística	3,925	38,646	7,863	33,281	1,427	4,731	(4,586)	145
Mogi Mob	26,347	35,682	33,989	8,243	19,797	14,619	(14,836)	(217)
Mogipasses	44,347	213	3,600	32,004	8,956	613	(266)	347
Movida Participações	2,021,662	5,268,903	2,327,232	2,783,690	2,179,643	1,011,166	(1,125,540)	(114,374)
Original Distribuidora	1,968	841	2,410	600	(201)	1,299	(1,261)	38
Original Veículos	138,271	95,244	99,269	25,928	108,318	134,802	(135,947)	(1,145)
Ponto Veículos	42,920	29,032	25,461	7,163	39,328	34,349	(33,509)	840
Quick Armazéns	1,741	3,735	9	-	5,467	(2)	42	40
Quick Logística	30,436	30,454	30,290	14,361	16,239	15,768	(17,971)	(2,203)
Sinal Serviços	6	7	-	11	2	-	(1)	(1)
TPG Transportes	14,211	6,666	8,437	1,856	10,584	1,997	(1,813)	184
Vamos	952,061	2,213,299	505,480	2,133,170	526,710	295,512	(259,939)	36,573
Yolanda	2,237	43,319	6,834	16,380	22,342	2,367	(4,022)	(1,655)

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

13. Property and equipment

The movements in the three-month periods ended March 31, 2020 and 2019 are as follows:

	Parent company								
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Constructions in progress	Right-of-use (ii)	Others	Total
Cost:									
At December 31, 2019	1,288,408	351,075	179,294	28,827	33,086	34,179	176,326	187,584	2,278,779
Additions	134,895	17,551	-	920	1,470	5,527	94,336	11	254,710
Transfers	42	(42)	5,923	-	-	-	-	(5,923)	-
Transfers to fixed assets available for sale	(49,123)	(4,368)	-	-	-	-	-	-	(53,491)
Assets written off and others (i)	-	-	-	-	-	-	(72,288)	(148)	(72,436)
At March 31, 2020	1,374,222	364,216	185,217	29,747	34,556	39,706	198,374	181,524	2,407,562
Accumulated depreciation:									
At December 31, 2019	(407,642)	(202,425)	(60,372)	(17,650)	(17,044)	-	(33,666)	(73,708)	(812,507)
Depreciation expense for the period	(30,378)	(9,495)	(2,199)	(906)	(744)	-	(9,036)	(4,030)	(56,788)
Transfers	9	(9)	-	(5,127)	-	-	-	5,127	-
Transfers to fixed assets available for sale	48,776	6,311	-	-	-	-	-	-	55,087
Assets written off and others (i)	-	-	-	-	-	-	9,775	150	9,925
At March 31, 2020	(389,235)	(205,618)	(62,571)	(23,683)	(17,788)	-	(32,927)	(72,461)	(804,283)
Net value:									
At December 31, 2019	880,766	148,650	118,922	11,177	16,042	34,179	142,660	113,876	1,466,272
Balance at March 31, 2020	984,987	158,598	122,646	6,064	16,768	39,706	165,447	109,063	1,603,279
Average depreciation rate for the period:									
Light vehicles	8,9%	9,9%	-	-	-	-	-	-	-
Heavy vehicles	6,9%	-	6,5%	-	-	-	-	-	-
Others	-	-	-	20,0%	10,0%	-	4,8%	10,0%	-

(i) Refers to derecognition of property lease agreements, terminated before maturity.

(ii) Refers entirely to property lease agreements.

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

	Parent company							
	Vehicles	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Constructions in progress	Right-of-use	Others
Cost:								
At December 31, 2018	1,342,046	412,382	178,104	24,291	28,988	-	188,987	20,521
Initial adoption right-of-use CPC 06 (R2)/ IFRS 16	-	-	-	-	-	179,387	-	-
Additions	94,951	11,384	-	940	881	-	1	2,349
Transfers	(15)	32	-	(38)	(17)	-	-	-
Transfers to fixed assets available for sale	(105,102)	(8,025)	-	-	-	-	-	-
Assets written off and others (i)	(2,806)	(530)	-	-	-	-	(6)	-
At March 31, 2019	1,329,074	415,243	178,104	25,193	29,852	179,387	188,982	22,870
Accumulated depreciation:								
At December 31, 2018	(412,987)	(236,060)	(51,369)	(14,535)	(14,467)	-	(59,060)	-
Depreciation expense for the period	(25,989)	(9,996)	(2,164)	(809)	(695)	(8,297)	(3,994)	-
Transfers	1	(1)	-	-	-	-	-	-
Transfers to fixed assets available for sale	40,430	5,214	-	-	-	-	-	-
Assets written off and others (i)	183	242	-	-	-	-	4	-
At March 31, 2019	(398,362)	(240,601)	(53,533)	(15,344)	(15,162)	(8,297)	(63,050)	-
Net value:								
At December 31, 2018	929,059	176,322	126,735	9,756	14,521	-	129,927	20,521
At March 31, 2019	930,712	174,642	124,571	9,849	14,690	171,090	125,932	22,870
Average depreciation rate for the period:								
Light vehicles	10.7%	-	-	-	-	-	-	-
Heavy vehicles	10.7%	9.5%	-	-	-	-	-	-
Others	-	-	8.2%	18.3%	9.9%	4.6%	8.9%	-

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

	Consolidated											
	Vehicles	Vehicles in progress	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Buildings	Land	Constructions in progress	Right-of-use (ii)	Others	Total
Cost:												
At December 31, 2019	8,813,715	265,346	1,142,217	371,060	58,502	71,349	20,756	15,917	64,920	614,801	207,456	11,646,039
Additions	1,540,345	(213,280)	90,664	4,761	2,980	4,576	136	-	15,389	145,220	1,642	1,592,433
Transfers	13,573	-	(12,836)	5,919	(73)	(533)	-	-	(1)	(126)	(5,923)	-
Transfers to fixed assets available for sale	(1,015,670)	-	(30,002)	-	-	-	-	-	-	-	-	(1,045,672)
Assets written off and others (i)	(33,945)	-	(118)	(8,922)	(619)	(13)	-	-	-	(117,876)	(138)	(161,631)
Provision for impairment (note 13.2)	(95,485)	-	-	(2,055)	-	-	-	-	-	-	-	(97,540)
At March 31, 2020	9,222,533	52,066	1,189,925	370,763	60,790	75,379	20,892	15,917	80,308	642,019	203,037	11,933,629
Accumulated depreciation:												
At December 31, 2019	(1,161,898)	-	(414,776)	(168,429)	(37,705)	(33,359)	(9,552)	-	-	(127,209)	(78,106)	(2,031,034)
Depreciation expense for the period	(191,554)	-	(27,970)	(7,395)	(1,649)	(1,702)	(536)	-	-	(35,989)	(3,969)	(270,764)
Transfers	(7,590)	-	7,467	-	(5,127)	-	-	-	-	129	5,121	-
Transfers to fixed assets available for sale	201,600	-	22,661	-	-	-	-	-	-	-	-	224,261
Assets written off and others (i)	1,641	-	118	8,303	531	-	-	-	-	11,015	6	21,614
At March 31, 2020	(1,157,801)	-	(412,500)	(167,521)	(43,950)	(35,061)	(10,088)	-	-	(152,054)	(76,948)	(2,055,923)
Net value:												
At December 31, 2019	7,651,817	265,346	727,441	202,631	20,797	37,990	11,204	15,917	64,920	487,592	129,350	9,615,005
Balance at March 31, 2020	8,064,732	52,066	777,425	203,242	16,840	40,318	10,804	15,917	80,308	489,965	126,089	9,877,706
Average depreciation rate (%) - for the period:												
Light vehicles	5.5%	-	-	-	-	-	-	-	-	-	-	-
Heavy vehicles	9.1%	-	11.4%	-	-	-	-	-	-	-	-	-
Others	-	-	-	9.7%	20.0%	10.0%	9.2%	-	-	5.7%	8.4%	-

- (i) Includes write-offs of cost and depreciation due to damages and damaged assets in the residual amount of R\$ 31,531 and derecognition of property lease agreements, terminated before maturity in the amount of R\$ 106,861.
- (ii) Refers entirely to property lease agreements.

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

	Consolidated										
	Vehicles	Vehicles in progress	Machinery and equipment	Leasehold improvements	Computers and peripherals	Furniture and fixtures	Buildings	Land	Constructions in progress	Right-of-use (ii)	Others
Cost:											
At December 31, 2018	6,904,064	124,263	1,144,867	352,917	48,488	56,671	20,771	43,183	-	208,981	15,917
Initial adoption right-of-use CPC 06 (R2)/ IFRS 16									516,668		
Additions	1,076,578	114,615	57,988	56	3,390	3,146	-	6,775	-	599	-
Transfers	120,524	(124,388)	3,799	738	(12)	76	-	(737)	-	-	-
Transfers to fixed assets available for sale	(779,130)	-	(65,536)	-	-	-	-	-	-	-	-
Assets written off and others (i)	(20,578)	-	(4,897)	-	(102)	(86)	-	-	-	(604)	-
At March 31, 2019	7,301,458	114,490	1,136,221	353,711	51,764	59,807	20,771	49,221	516,668	208,976	15,917
Accumulated depreciation:											
At December 31, 2018	(925,390)	-	(447,490)	(136,615)	(33,218)	(27,286)	(7,443)	-	-	(63,273)	-
Depreciation expense for the period	(124,453)	-	(33,139)	(7,402)	(1,391)	(1,393)	(550)	-	(29,712)	(4,080)	-
Transfers to fixed assets available for sale	88,628	-	51,615	-	-	-	-	-	-	-	-
Assets written off and others (i)	1,191	-	243	-	68	49	79	-	-	5	-
At March 31, 2019	(960,024)	-	(428,771)	(144,017)	(34,541)	(28,630)	(7,914)	-	(29,712)	(67,348)	-
Net value:											
At December 31, 2018	5,978,674	124,263	697,377	216,302	15,270	29,385	13,328	43,183	-	145,708	15,917
At March 31, 2019	6,341,434	114,490	707,450	209,694	17,223	31,177	12,857	49,221	486,956	141,628	15,917
Average depreciation rate (%) - for the period:											
Light vehicles	4.6%	-	-	-	-	-	-	-	-	-	-
Heavy vehicles	8.6%	-	9.5%	-	-	-	-	-	-	-	-
Others	-	-	-	8.2%	18.3%	9.9%	9.0%	-	5.8%	8.9%	-

(i) Refers mainly to write-offs due to damages and damaged assets in the amount of R\$ 15,678.

(ii) Refers to the adoption of CPC 06 (R2)/IFRS 16 - Leases.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**In thousands of Brazilian Reais, unless otherwise stated

13.1 Leases of property and equipment items

A portion of the assets were acquired by the JSL Group by means of a lease, and substantially include vehicles, machinery and equipment. These balances are part of property and equipment, as shown as follow:

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Cost - capitalized lease	167,230	158,651	557,172	500,983
Accumulated depreciation	(35,352)	(31,390)	(77,927)	(60,338)
Net balance	131,878	127,261	479,245	440,645

13.2 Impairment testing

As mentioned in note 1.2.c. (iii), given the impacts brought by, and known to date, by the crisis caused by the COVID-19 pandemic, the Company and its subsidiaries made an assessment of the evidence of impairment of property and equipment, mainly regarding the fleets of vehicles, machinery and equipment.

The analysis of indications considered the following premises:

- Comparison between observed not only the residual balances of the assets, individual economic and financial impacts caused or together by model, and expected by the crisis, but also their values, estimated of sale, based on the current and expected market prices of these assets and expectations the JSL Group's Management and experts in future pricing; and
- For items whose market values were lower than the respective residual balances, the estimated cash generation for these assets was added, during the term of the contracts that these assets provide, by operating them up to the limit of the expectation of their demobilizations your demobilization.

Based on this analysis, evidence of impairment was observed, and for this reason detailed tests were applied with calculations for Movida's vehicle fleet, which recorded a respective provision of R\$ 95,485.

For the other segments and subsidiaries, Management concluded that there are no evidences and amounts of impairment to be recorded.

14. Intangible assets

The movements in the three-month periods ended March 31, 2020 and 2019 are as follows:

	Parent company			
	Goodwill	Software	Others	Total
Cost:				
At December 31, 2019	232,609	62,546	1,157	296,312
Additions	-	2,349	-	2,349
Write-offs	-	-	-	-
At March 31, 2020	232,609	64,895	1,157	298,661
Accumulated amortization:				
At December 31, 2019	-	(40,440)	(353)	(40,793)
Amortization expenses in the period	-	(1,355)	(6)	(1,361)
Write-offs	-	-	-	-
At March 31, 2020	-	(41,795)	(359)	(42,154)
Net value:				
At December 31, 2019	232,609	22,106	804	255,519
At March 31, 2020	232,609	23,100	798	256,507
Average amortization rate (%) - in the period:		19.8%	10.0%	

	Parent company			
	Goodwill	Software	Others	Total
Cost:				
At December 31, 2018	232,609	51,092	1,157	284,858
Additions	-	168	-	168
Transfers	-	38	-	38
Write-offs	-	(29)	-	(29)
At March 31, 2019	232,609	51,269	1,157	285,035
Accumulated amortization:				
At December 31, 2018	-	(33,971)	(330)	(34,301)
Amortization expenses for the period	-	(1,641)	(6)	(1,647)
Write-offs	-	9	-	9
At March 31, 2019	-	(35,603)	(336)	(35,939)
Net value:				
At December 31, 2018	232,609	17,121	827	250,557
At March 31, 2019	232,609	15,666	821	249,096
Average amortization rate for the period:	-	11.4%	10%	

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

	Consolidated					
	Goodwill	Non-competes agreement and customer list	Software	Commercial fund (i)	Others (ii)	Total
Cost:						
At December 31, 2019	336,377	54,904	164,430	54,306	10,742	620,759
Additions	-	-	13,765	-	297	14,062
Write-offs	-	-	-	-	-	-
At March 31, 2020	336,377	54,904	178,195	54,306	11,039	634,821
Accumulated amortization:						
At December 31, 2019	-	(22,325)	(49,966)	(3,720)	(7,013)	(83,024)
Amortization expenses for the period	-	(2,386)	(1,096)	-	(1,435)	(4,917)
Write-offs	-	-	-	-	-	-
At March 31, 2020	-	(24,711)	(51,062)	(3,720)	(8,448)	(87,941)
Net value:						
At December 31, 2018	336,377	32,579	114,464	50,586	3,729	537,735
At December 31, 2019	336,377	30,193	127,133	50,586	2,591	546,880
Average amortization rate		4.3%	19.8%	-	11.7%	

	Consolidated					
	Goodwill	Non-competitive agreement and customer list	Software	Commercial fund (i)	Others (ii)	Total
Cost:						
At December 31, 2018	336,377	54,904	91,608	54,306	14,704	551,899
Additions	-	-	15,148	-	4	15,152
Write-offs	-	-	(29)	-	-	(29)
At March 31, 2019	336,377	54,904	106,727	54,306	14,708	567,022
Accumulated amortization:						
At December 31, 2018	-	(17,945)	(40,844)	(3,720)	(4,814)	(67,323)
Amortization expenses for the period	-	(2,505)	(2,060)	-	(151)	(4,716)
Write-offs	-	-	9	-	-	9
At March 31, 2019	-	(20,450)	(42,895)	(3,720)	(4,965)	(72,030)
Net value:						
At December 31, 2018	336,377	36,959	50,764	50,586	9,890	484,576
At March 31, 2019	336,377	34,454	63,832	50,586	9,743	494,992
Average depreciation rate for the period:		13.0%	11.4%	0.0%	10.0%	

- (i) Refers mainly to: R\$ 8,972 paid on the acquisition of points of sales used for Movida stores, allocated to CGU Movida; R\$ 30,814 related to rights to use the MAN brand, allocated to CGU Transrio; and the acquisition of rights to use the Valtra brand in the amount of R\$ 10,800, allocated to CGU Valtra;
- (ii) Mainly refer to the concession rights acquired for the provision of urban transportation services in the municipality of São José dos Campos - SP, acquired in 2008 with a 12-year term, whose unit was sold and the intangible assets were written off in November 2019; and provision of urban transportation services in the municipality of Sorocaba - SP, acquired in 2011 with a 8-year term, renewed on November 1, 2019 for an additional 8-year term.

14.1 Impairment testing

As mentioned in note 1.2.C. (iii), due to the economic and financial impacts caused to date by the COVID-19 pandemic crisis, the Company and its subsidiaries have reassessed the impairment testing of their CGUs, updating them with the current measurable assumptions, indicators and expectations after the crisis began, and did not determine any impairment on the recorded amount of their intangible assets with indefinite useful life, goodwill and commercial fund.

The Company has goodwill related to the BBC business segment of R\$ 6,361, which Management concluded that there are no indicators of impairment of the respective cash-generating unit and, therefore, maintained the last impairment test of intangible assets made for the year ended December 31, 2019.

The main assumptions used to calculate the value in use at March 31, 2020 are presented below:

Cash generating units	JSL Logística	Movida	Original Concessionárias	Vamos	Valtra	Transrio
Discount rates (WACC)	11.60%	10.50%	11.7%	10.22%	11%	10.22%
Growth rate in perpetuity	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Estimated growth rate for EBITDA (i) - average for the following five years	9.09%	5.3%	26.50%	7.94%	27.59%	17.33%

For comparative purposes, the key assumptions used in the value in use calculations as of December 31, 2019 are as follows:

Cash generating units	JSL Logística	Movida	Original Concessionárias	Vamos	Valtra	Transrio
Discount rates (WACC)	11.20%	10.20%	10.90%	9.17%	10.13%	9.17%
Growth rate in perpetuity	3.50%	3.50%	3.50%	3.55%	3.55%	3.55%
Estimated growth rate for EBITDA (i) - average for the following five years	8.35%	13.01%	6.12%	6.00%	13.70%	8.60%

Being:

- Utilization of the Weighted Average Cost of Capital (WACC) as appropriate parameter to determine the discount rate to be applied to the free cash flows;
- Cash flows projections prepared by Management, which comprise from January 2020 to December 2024;
- All projections were made on a nominal basis, that is, considering the effect of inflation;
- The cash flows were discounted considering the mid period convention, assuming that the cash flows are generated throughout the year.

The estimated recoverable amounts for the CGUs exceeded their carrying amounts. Management identified the key assumption for which reasonable possible changes may cause impairment. The table below presents the amount by which individual changes in this basic assumption could result in the recoverable amount of the CGU to be equal to the carrying amount:

Change required for the recoverable amount to equal the carrying amount

In percentage points (%)	JSL Logística	Movida	Original Concessionárias	Vamos	Valtra	Transrio
Discount rates (WACC) – 03/31/2020	1,10	0,50	0,70	0,78	0,10	3,00
Discount rates (WACC) – 03/31/2020	0,80	0,60	4,60	4,19	0,28	3,93

15. Trade payables

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Vehicles, machinery and equipment	26,228	4,508	1,509,615	1,500,092
Parts and maintenance	22,018	16,522	68,704	50,299
Related parties (note 26.1)	17,524	12,792	-	222
Inventory	12,526	13,476	46,089	16,512
Contracted services	16,175	15,732	74,719	54,284
Property leasing	4,306	3,455	6,209	5,139
Others	12,906	5,280	53,340	65,165
Total	111,683	71,765	1,758,676	1,691,713

16. Floor plan

Part of the purchases of new vehicles for the segment of authorized vehicle dealerships is paid with extended term under the program to finance the inventory of new and used vehicles and automobile parts floor plan, with revolving credit facilities made available by financial institutions, and with the agreement of car makers. These programs generally have an initial period during which they are interest-free until the invoice issuance and with maturities of up to 180 days after the invoice issuance. After this period, these purchases are subject to interest of up to 100% of the CDI plus interest of up to 0.5% p.m.. During the three-month period ended March 31, 2020, the Group used only the interest-free period of its revolving credit facilities. The balance payable at March 31, 2020 is R\$ 101,998 (R\$ 106,735 at December 31, 2019).

17. Suppliers financing - car makers

The movements in the three-month periods ended March 31, 2020 and 2019 are as follows:

Type	Annual average rate	Maturity	Parent company				
			03/31/2020	Movement			
			Total	New contracts	Amortization	Interest paid	Interest
In local currency							
Suppliers financing	10.73%	feb/21	930	1,095		(180)	15
							-

Type	Annual average rate	Maturity	Consolidated				
			03/31/2020	Movement			
			Total	New contracts	Amortization	Interest paid	Interest
In local currency							
Suppliers financing	6.4%	feb/21	106,832	95,166		(1,043)	658
							12,051

The Group entered into "suppliers financing" agreements with financial institutions to manage its payables to car makers related to purchase of vehicles. Through this operation, suppliers transfer the right to receive payment of bills for vehicles sales to financial institutions. The agreements entered into with the financial institutions are not guaranteed by the assets (vehicles) linked to the securitized operations.

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

18. Loans and borrowings

The movements in the three-month periods ended March 31, 2020 and 2019 are as follows:

													Parent company		
Type	Annual average rate	Average rate structure	Maturity	03/31/2020			Movement					12/31/2019			
				Current assets	Noncurrent assets	Total	New contracts	Amortization	Interest paid	Interest	Exchange rate changes	Current assets	Noncurrent assets	Total	
In local currency															
CCBs (i)	6.29%	CDI + 2.64%	Mar/23	9,556	769,146	778,702	-	-	(7,835)	14,874	-	3,561	768,102	771,663	
CRAs (ii)	4.35%	CDI + 0.67%	Nov/25	145,466	470,161	615,627	8,668	-	-	12,606	-	138,591	455,762	594,353	
Finame (iii)	4.38%	Fixed rate	Jan/25	22,581	56,173	78,754	-	(13,045)	(945)	922	-	24,589	67,233	91,822	
FINEM (v)	7.06%	TLP / IPCA	Jun/21	7,090	2,827	9,917	-	(1,040)	(128)	282	-	7,456	3,347	10,803	
FNO (vii)	5.83%	Fixed rate / IPCA	Jan/24	11,092	25,961	37,053	-	(1,840)	(871)	829	-	9,908	29,027	38,935	
NCEs (iv)	5.15%	CDI + 1.50%	Apr/21	756	13,691	14,447	-	-	-	226	-	555	13,666	14,221	
Working capital (CDC) (viii)	7.83%	Fixed rate	Mar/22	5,120	8,900	14,020	13,614	-	(14)	43	-	134	243	377	
				201,661	1,346,859	1,548,520	22,282	(15,925)	(9,793)	29,782	-	184,794	1,337,380	1,522,174	
In foreign currency															
NCEs (iv)	7.75%	USD + 7.75%	Jul/24	32,292	2,391,382	2,423,674	-	-	(71,503)	44,166	523,152	59,629	1,868,230	1,927,859	
International credit (4131) - USD (x)	7.60%	USD + 7.60%	Apr/21	3,575	1,709	5,284	-	-	-	111	1,122	2,716	1,335	4,051	
				35,867	2,393,091	2,428,958	-	-	(71,503)	44,277	524,274	62,345	1,869,565	1,931,910	
				237,528	3,739,950	3,977,478	22,282	(15,925)	(81,296)	74,059	524,274	247,139	3,206,945	3,454,084	

													Parent company		
Type	Annual average rate	Average rate structure	Maturity	3/31/2019			Movement					12/31/2019			
				Current assets	Noncurrent assets	Total	New contracts	Amortization	Interest paid	Interest	Exchange rate changes	Current assets	Noncurrent assets	Total	
In local currency															
CCBs (i)	8.97%	CDI + 2.57%	Mar/23	8,727	986,124	994,851	-	(243,579)	(22,188)	25,426	-	170,397	1,064,795	1,235,192	
CRA (ii)	7.18%	CDI + 0.8%	Jun/20	238,830	134,557	373,387	-	-	-	7,544	-	231,949	133,894	365,843	
Finame (iii)	6.36%	Fixed rate	Dec/28	46,180	198,598	244,778	25,485	(3,596)	(2,990)	3,588	-	43,697	178,594	222,291	
Finame (iii)	10.17%	SELIC / TLP	Dec/23	15,965	54,472	70,437	7,144	(4,004)	(1,499)	1,777	-	16,241	50,778	67,019	
FINEM (v)	7.74%	TLP / IPCA	Jun/21	9,137	9,382	18,519	-	(2,505)	(282)	494	-	10,434	10,378	20,812	
FNO	4.94%	Fixed rate/IPCA	Jan/24	2,461	16,611	19,072	2,997	(466)	(145)	182	-	1,868	14,636	16,504	
NPs	7.87%	123% of CDI	Jun/19	204,780	-	204,780	-	-	-	3,748	-	201,032	-	201,032	
Working capital (CDC) (viii)	12.55%	Fixed rate	Sep/23	83	720	803	-	-	(25)	24	-	43	761	804	
				526,163	1,400,464	1,926,627	35,626	(254,150)	(27,129)	42,783	-	675,661	1,453,836	2,129,497	
In foreign currency															
NCE (iv)	7.75%	USD + 7.75%	Jul/24	24,837	1,839,261	1,864,098	-	-	(64,206)	31,721	43,291	57,323	1,795,969	1,853,292	
International credit (4131) - USD (x)	3.73%	USD + 3.73%	Mar/19	-	-	-	-	(111,390)	(182)	150	(699)	112,121	-	112,121	
International credit (4131) - USD (x)	7.60%	Fixed rate	Apr/21	2,820	3,943	6,763	-	-	-	126	154	2,632	3,851	6,483	
				27,657	1,843,204	1,870,861	-	(111,390)	(64,388)	31,997	42,746	172,076	1,799,820	1,971,896	
				553,820	3,243,668	3,797,488	35,626	(365,540)	(91,517)	74,780	42,746	847,737	3,253,656	4,101,393	

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020
In thousands of Brazilian Reais, unless otherwise stated

													Consolidated		
Type	Annual average rate	Average rate structure	Maturity	03/31/2020			Movement					12/31/2019			
				Current assets	Noncurrent assets	Total	New contracts	Amortization	Interest paid	Interest	Exchange rate changes	Current assets	Noncurrent assets	Total	
In local currency															
CCBs (i)	5.85%	Fixed rate / CDI	Aug/25	163,835	1,164,507	1,328,342	200,000	(254,157)	(16,293)	22,786	-	408,460	967,546	1,376,006	
CRAs (ii)	5.22%	Fixed rate / CDI	Nov/26	212,195	879,061	1,091,256	8,668	(16,668)	(6,176)	20,578	-	204,102	880,752	1,084,854	
Finame (iii)	4.58%	Fixed rate	Jan/25	43,692	110,428	154,120	-	(33,249)	(1,993)	1,898	-	51,256	136,208	187,464	
Finame (iii)		TLP/SELIC / TLP	Apr/24	-	-	-	-	(15,586)	(418)	300	-	3,373	12,331	15,704	
FINEM (v)	7.06%	TLP / IPCA	Jun/21	7,090	2,827	9,917	-	(1,040)	(128)	282	-	7,456	3,347	10,803	
FNO (vii)	5.83%	Fixed rate/ IPCA	Jan/24	11,092	25,961	37,053	-	(1,840)	(871)	829	-	9,908	29,027	38,935	
NCEs (iv)	5.15%	CDI + 1.50%	Apr/21	756	13,691	14,447	-	-	-	226	-	555	13,666	14,221	
NPs (vi)	5.17%	CDI + 1.52%	Sep/22	200,142	313,134	513,276	-	(84,000)	(9,502)	8,727	-	285,176	312,875	598,051	
FNE (viii)	5.46%	Fixed rate / IPCA	Jul/22	63,679	80,515	144,194	-	(15,783)	(3,178)	3,117	-	46,421	113,617	160,038	
FINEP	5.09%	TLP	Jul/30	37	29,997	30,034	-	-	(388)	397	-	37	29,988	30,025	
Working capital (CDC) (viii)	7.96%	Fixed rate	Mar/23	33,232	70,343	103,575	103,450	(24,776)	(125)	389	-	9,166	15,471	24,637	
Others	6.10%	Fixed rate	Dec/24	4,138	4,626	8,764	-	(1,838)	-	-	-	4,638	5,964	10,602	
				739,888	2,695,090	3,434,978	312,118	(448,937)	(39,072)	59,529	-	1,030,548	2,520,792	3,551,340	
In foreign currency															
Senior Notes "Bond" (ix)		USD+7.75%	Jul/24	38,704	3,202,682	3,241,386	-	-	(101,450)	60,651	705,438	78,281	2,498,466	2,576,747	
NCEs (iv)	5.66%	155% of CDI	Jul/24	32,292	2,391,382	2,423,674	-	-	(71,503)	44,166	523,152	59,629	1,868,230	1,927,859	
International credit (4131) - USD (x)	USD + 2.48%	USD + 2.48%	Sep/23	156	200,298	200,454	-	-	(3,152)	(3,584)	45,148	814	161,228	162,042	
International credit (4131) - USD (x)	7.60%	Fixed rate	Apr/21	3,575	1,709	5,284	-	-	-	112	1,122	2,716	1,335	4,051	
International credit (4131) - EUR (x)	5.42%	CDI + +1.70%	Mar/25	148	240,509	240,657	221,947	-	-	149	18,560	-	-	-	
				74,875	6,036,580	6,111,455	221,947	-	(176,105)	101,494	1,293,420	141,440	4,529,259	4,670,699	
				814,763	8,731,670	9,546,433	534,065	(448,937)	(215,177)	161,023	1,293,420	1,171,988	7,050,051	8,222,039	

													Consolidated		
Type	Annual average rate	Average rate structure	Maturity	03/31/2019			Movement					12/31/2018			
				Current assets	Noncurrent assets	Total	New contracts	Amortization	Interest paid	Interest	Exchange rate changes	Current assets	Noncurrent assets	Total	
In local currency															
CCB (i)	8.81%	CDI + 2.41%	Aug/25	135,065	1,156,426	1,291,491	-	(292,247)	(26,697)	31,965	-	241,940	1,336,530	1,578,470	
CRAs (ii)	7.21%	CDI + 0.81%	Feb/24	251,587	226,444	478,031	104,394	-	-	7,794	-	231,949	133,894	365,843	
Finame (iii)	7.45%	Fixed rate / TLP	Jan/29	130,078	543,361	673,439	74,200	(47,017)	(9,302)	10,739	-	125,844	518,975	644,819	
Finame (iii)	10.68%	TLP / SELIC	Jan/29	97,305	200,202	297,507	22,108	(22,975)	(6,811)	7,614	-	97,169	200,402	297,571	
FINEM (v)	7.74%	TLP / IPCA	Jun/21	9,138	9,382	18,520	-	(2,506)	(280)	494	-	10,435	10,377	20,812	
FNO	5.37%	Fixed rate / IPCA	Jan/24	2,461	16,611	19,072	2,997	(466)	(145)	182	-	1,868	14,636	16,504	
NPs (vi)	7.75%	CDI + 1.35%	Aug/21	532,225	230,355	762,580	-	(2,812)	(110)	13,843	-	438,419	313,240	751,659	
FNE (viii)	8.73%	Fixed rate /IPCA	Jul/22	67,142	128,052	195,194	-	(54,353)	(5,625)	4,081	-	82,877	168,214	251,091	
FINEP	6.76%	TLP + 0.5%	Jul/30	14	9,621	9,635	-	-	(141)	166	-	26	9,584	9,610	
Working capital (CDC) (viii)	11.33%	Fixed rate	Mar/24	6,026	30,147	36,173	13,291	(7,619)	(743)	1,866	-	4,997	24,381	29,378	
Others	10.40%	Fixed rate	Jul/25	8,240	13,600	21,840	-	(370)	(494)	-	-	11,473	11,231	22,704	
				1,239,281	2,564,201	3,803,482	216,990	(430,365)	(50,348)	78,744	-	1,246,997	2,741,464	3,988,461	
In foreign currency															
Senior Notes "Bond" (ix)	7.75%	USD + 7.75%	Jul/24	29,014	2,455,457	2,484,471	-	-	(90,452)	45,021	58,375	75,253	2,396,274	2,471,527	
NCE (iv)	7.75%	USD + 7.75%	Jul/24	24,837	1,839,261	1,864,098	-	-	(64,207)	31,721	43,291	57,323	1,795,970	1,853,293	
International credit (4131) - USD (x)	3.73%	USD + 3.73%	May/21	2,848	158,728	161,576	-	(111,390)	(183)	2,173	3,038	112,946	154,992	267,938	
International credit (4131) - USD (x)	7.60%	Fixed rate	Apr/21	2,820	3,943	6,763	-	-	-	125	155	2,632	3,851	6,483	
				59,519	4,457,389	4,516,908	-	(111,390)	(154,842)	79,040	104,859	248,154	4,351,087	4,599,241	
				1,298,800	7,021,590	8,320,390	216,990	(541,755)	(205,190)	157,784	104,859	1,495,151	7,092,551	8,587,702	

- (i) **CCBs** are Bank Credit Bills raised with financial institutions for financing working capital and the purchase of vehicles, machinery and equipment used in operations. These agreements have several maturities, either monthly, quarterly or semi-annually, and have covenants, including the maintenance of certain financial ratios linked to the percentage of debt and finance costs in relation to earnings before interest, taxes, depreciation and amortization and cost of sales of decommissioned assets (EBITDA-A).
- (ii) **CRAs** are Agribusiness Receivables Certificates issued for raising funds to finance the agribusiness sector chain. These agreements have several maturities, either quarterly or semi-annually, and have covenants, including the maintenance of certain financial ratios linked to the percentage of debt and finance costs in relation to earnings before interest, taxes, depreciation and amortization and cost of sales of decommissioned assets (EBITDA-A).
- (iii) **FINAME** are financing for investments in vehicles, machinery and equipment used in operations. New contracts are signed monthly, related to the purchase of new assets under the normal fleet expansion and renewal process. Finame agreements have a grace period ranging from six months to two years according to the financed product, payments of interest and principal are monthly after the grace period. These financing agreements have no covenants, but only pledge of assets with financial agents.
- (iv) **NCEs** transactions in dollar have covenants, including the maintenance of a financial ratio linked to the percentage of debt in relation to earnings before interest, taxes, depreciation and amortization (EBITDA). These notes have a bullet maturity at the end of the contractual term and semiannual payment of interest, and are 100% hedged through swap agreements, as mentioned in note 5.5.
- (v) **FINEM** are financing for investments in infrastructure raised for the construction, renovation and installation of operating sites. These agreements have monthly payments of interest and principal repayment and do not have covenants.
- (vi) **Promissory notes ('NPs')** refer to commercial notes of promise to pay, issued to reinforce working capital, within the ordinary management of its business. These agreements have several maturities, with payment of interest and principal at the end of the agreement. These transactions have covenants, including the maintenance of a financial ratio linked to the percentage of debt in relation to earnings before interest, taxes, depreciation and amortization (EBITDA).
- (vii) **FNEs and FNOs** refer to the operations of the Constitutional Fund for Financing of the Northeast and Amazon Banks, to finance and invest in heavy vehicles, light vehicles, machinery and equipment used in the Group's cash management operations. These agreements have varying maturities, grace periods vary from six months to one year, and some assets may be collateralized in accordance with the financed product. Payments of interest and principal are monthly after the grace period and have no covenants.
- (viii) **Working capital (CDC)** refer to short-term transactions used to manage the Group's cash. These transactions have covenants for the maintenance of certain financial ratios linked to the percentage of debt in relation to earnings before interest, taxes, depreciation and amortization (EBITDA).
- (ix) **Senior Notes "Bond"** refer to debt bonds issued by the subsidiary JSL Europe in the international market, in the amount of US\$ 325,000 thousand, with maturity on July 26, 2024 and semi-annual payment of interest of 7.75% p.a., beginning on January 26, 2018. On January 8, 2018, JSL Europe made a "Retap" offering in the amount of US\$ 300,000 thousand keeping the same characteristics from the original issuance. These bonds were issued with a rate of 6.75% p.a., where JSL Europe recognized a gain in the amount of R\$ 49,400, related to the balancing in the original rate of 7.75% p.a., this gain will be recognized in the statement of profit or loss over the maturity of the transaction. These transactions have covenants, including the maintenance of a financial ratio linked to the percentage of debt in relation to earnings before interest, taxes, depreciation and amortization (EBITDA). The balance payable is indexed to the US dollar and is naturally hedged by financial investments in the same amount also indexed to the dollar.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reals, unless otherwise stated

- (x) **International credit (4131)** refer to borrowing transactions with foreign institutions. These transactions have covenants, including the maintenance of certain financial ratios linked to the percentage of debt in relation to earnings before interest, taxes, depreciation and amortization (EBITDA-A). On March 20, 2020, the subsidiary Vamos renegotiated this debt, changing the maturity from May 2021 to September 2023 and the contracted rate from 5.05% to 2.48%. With this renegotiation, the previously contracted exchange rate of R\$ 3.77 was R \$ 4.85. This transaction is 100% protected, through swap contracting, as mentioned in note 5.5.

18.1 Amortization schedule

Amortization schedule for the Parent company and Consolidated is presented below, by year of maturity:

		03/31/2020			
		Parent company		Consolidated	
	Maturity of installments	Total	%	Total	%
Total current liabilities	Up to Mar/2021	237,528	6	814,763	9
	Apr/21 to Dec/21	524,288	13	1,116,493	12
	2022	268,792	7	749,492	8
	2023	234,219	6	654,033	7
	2024	2,554,494	64	5,978,994	62
	2025	158,157	4	196,196	2
	After 2026	-	-	36,462	0
Total noncurrent liabilities		3,739,950	94	8,731,670	91
Total		3,977,478	100	9,546,433	100

18.2 Guarantees and bank guarantees

At March 31, 2020, the Company and its subsidiaries have certain guarantees for loans and borrowings transactions as follows:

- ✓ **FINAME and leases payable** - guaranteed by the respective financed vehicles, machinery and equipment;
- ✓ **FINEM, FNE, FNO** - bank guarantees;
- ✓ **CCBs** - assignment of trade notes of R\$ 31,000; pledge of 10% of the shares of CS Brasil Transportes; Vamos has CCB transactions and consortia collateralized by the respective financed vehicles, machinery and equipment.

The other transactions do not have any guarantees.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

19. Debentures

The movements in the three-month periods ended March 31, 2020 and 2019 are as follows:

Parent company												
											12/31/2019	
Type	Annual average rate	Maturity	03/31/2020			Movement				Current assets	Noncurrent assets	Total
			Current assets	Noncurrent assets	Total	New contracts	Amortization	Interest paid	Interest			
In local currency												
6 th issuance	4.22%	Jul/20	160,833	-	160,833	-	-	(819)	143	161,509	-	161,509
8 th issuance	5.17%	Jun/21	76,125	76,462	152,587	-	-	-	1,039	75,633	75,915	151,548
10 th issuance	4.65%	Dec/23	73,777	224,170	297,947	-	-	(3,848)	4,436	73,765	223,594	297,359
11 th issuance	4.65%	Nov/25	559	392,960	393,519	-	-	(5,724)	5,557	1,117	392,569	393,686
12 th issuance	4.53%	Dec/23	144,662	417,869	562,531		(35,294)	(2,420)	7,709	139,883	452,653	592,536
13 th issuance	5.62%	May/26	9,579	447,295	456,874	-	-	-	6,935	2,775	447,164	449,939
14 th issuance	4.20%	Nov/23	52,692	148,717	201,409	-	-	-	2,430	50,343	148,636	198,979
			518,227	1,707,473	2,225,700	-	(35,294)	(12,811)	28,249	505,025	1,740,531	2,245,556

Parent company												
											12/31/2018	
Type	Annual average rate	Maturity	03/31/2019			Movement				Current assets	Noncurrent assets	Total
			Current assets	Noncurrent assets	Total	New contracts	Amortization	Interest paid	Interest			
In local currency												
6 th issuance	8.9%	Jul/20	161,043	155,551	316,594	-	-	-	8,936	153,151	154,507	307,658
8 th issuance	8.0%	Jun/21	164,125	146,945	311,070	-	-	-	6,956	157,941	146,173	304,114
10 th issuance	8.0%	Dec/23	48,660	297,497	346,157	-	-	(14,018)	6,784	55,498	297,893	353,391
11 th issuance	8.0%	Jun/21	-	398,125	398,125	-	-	(6,341)	7,607	-	396,859	396,859
12 th issuance	7.9%	Dec/23	33,780	556,993	590,773	-	-	(11,486)	11,274	-	590,985	590,985
			407,608	1,555,111	1,962,719	-	-	(31,845)	41,557	366,590	1,586,417	1,953,007

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

												Consolidated
												12/31/2019
Type	Annual average rate	Maturity	03/31/2020			Movement				Current assets	Noncurrent assets	Total
			Current assets	Noncurrent assets	Total	New contracts	Amortization	Interest paid	Interest			
In local currency												
6 th issuance - JSL S.A.	4.22%	Jul/20	160,833	-	160,833	-	-	(819)	143	161,509	-	161,509
8 th issuance - JSL S.A.	5.17%	Jun/21	76,125	76,462	152,587	-	-	-	1,039	75,633	75,915	151,548
10 th issuance - JSL S.A.	4.65%	Dec/23	73,777	224,170	297,947	-	-	(3,848)	4,436	73,765	223,594	297,359
11 th issuance - JSL S.A.	4.65%	Nov/25	559	392,960	393,519	-	-	(5,724)	5,557	1,117	392,569	393,686
12 th issuance - JSL S.A.	4.53%	Dec/23	144,662	417,869	562,531	-	(35,294)	(2,420)	7,709	139,883	452,653	592,536
13 th issuance - JSL S.A.	5.62%	May/26	9,579	447,295	456,874	-	-	-	6,935	2,775	447,164	449,939
14 th issuance - JSL S.A.	4.20%	Nov/23	52,692	148,717	201,409	-	-	-	2,430	50,343	148,636	198,979
1 st issuance - Movida Locação	5.72%	Mar/23	121,735	124,320	246,055	-	-	(11,037)	3,812	66,544	186,736	253,280
2 nd issuance - Movida Locação	5.52%	Oct/21	42,219	39,915	82,134	-	-	-	1,222	41,034	39,878	80,912
3 rd issuance - Movida Locação	5.31%	Jan/24	4,746	199,290	204,036	-	-	(5,259)	3,012	7,055	199,228	206,283
1 st issuance - Movida Participações	5.85%	Jul/22	8,080	12,067	20,147	-	-	(817)	560	8,447	11,957	20,404
2 nd issuance - Movida Participações	5.70%	Jun/23	40,366	416,684	457,050	-	-	-	6,906	33,608	416,536	450,144
3 rd issuance - Movida Participações	5.71%	Jun/24	8,600	593,008	601,608	-	-	-	9,734	-	591,874	591,874
4 th issuance - Movida Participações	5.48%	Jul/27	4,011	698,053	702,064	-	-	(26,574)	10,285	20,008	698,345	718,353
2 nd issuance - Vamos	5.46%	Aug/26	2,898	792,225	795,123	-	-	(22,062)	12,235	13,180	791,770	804,950
			750,882	4,583,035	5,333,917	-	(35,294)	(78,560)	76,015	694,901	4,676,855	5,371,756

Type	Annual average rate	Maturity	03/31/2019			Movement				Consolidated 12/31/2018		
			Current assets	Noncurrent assets	Total	New contracts	Amortization	Interest paid	Interest	Current assets	Noncurrent assets	Total
In local currency												
6 th issuance - JSL S.A.	8.9%	Jul/20	161,043	155,550	316,593	-	-	-	8,935	153,151	154,507	307,658
8 th issuance - JSL S.A.	8.0%	Jun/21	164,125	146,945	311,070	-	-	-	6,956	157,941	146,173	304,114
10 th issuance - JSL S.A.	8.0%	Dec/23	48,660	297,497	346,157	-	-	(14,018)	6,784	55,498	297,893	353,391
11 th issuance - JSL S.A.	8.0%	Jun/21	-	398,125	398,125	-	-	(6,341)	7,607	-	396,859	396,859
12 th issuance - JSL S.A.	7.9%	Dec/23	33,780	556,993	590,773	-	-	(11,486)	11,275	-	590,984	590,984
1 st issuance - Movida Locação	8.4%	Mar/23	62,160	186,481	248,641	-	-	(10,019)	5,102	4,662	248,896	253,558
2 nd issuance - Movida Locação	8.2%	Oct/21	23,107	79,768	102,875	-	-	-	2,015	21,129	79,731	100,860
1 st issuance - Movida Participações	7.6%	Jul/22	7,985	19,873	27,858	-	(370,532)	(15,970)	983	89,796	323,581	413,377
2 nd issuance - Movida Participações	8.3%	Jun/23	10,459	448,622	459,081	-	-	-	9,140	1,490	448,451	449,941
2 nd issuance - Movida Participações	8.4%	Jun/23	8,658	590,309	598,967	600,000	-	(12,412)	11,379	-	-	-
			519,977	2,880,163	3,400,140	600,000	(370,532)	(70,246)	70,176	483,667	2,687,075	3,170,742

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020
In thousands of Brazilian Reais, unless otherwise stated

The characteristics of the debentures are presented in the table below:

Issuer	JSL S.A.							Movida Locação			Movida Participações				Vamos
Description	6 th issuance	8 th issuance	10 th issuance	11 th issuance	12 th issuance	13 th issuance	14 th issuance	1 st issuance	2 nd issuance	3 rd issuance	1 st issuance	2 nd issuance	3 rd issuance	4 th issuance	2 nd issuance
a. Identification of the process by nature															
1 st series amount	152,429	165,175	352,000	400,000	600,000	344,940	200,000	250,000	100,000	200,000	150,000	138,250	214,478	250,000	382,500
2 nd series amount	62,472	71,751	-	-	-	105,060	-	-	-	-	250,000	181,500	138,112	166,000	417,500
3 rd series amount	185,099	163,074	-	-	-	-	-	-	-	-	-	130,250	247,410	284,000	-
Issuance amount	400,000	400,000	352,000	400,000	600,000	450,000	200,000	250,000	100,000	200,000	400,000	450,000	600,000	700,000	800,000
Total amount received in checking account	401,910	400,390	352,000	400,000	600,000	450,000	200,000	250,000	100,000	200,000	400,000	450,000	600,000	700,000	800,000
Issuance	7/15/2013	6/15/2014	3/20/2017	6/20/2017	12/20/2018	5/20/2019	11/19/2019	4/13/2018	10/31/2018	6/27/2019	7/4/2017	6/7/2018	1/4/2019	6/27/2019	8/16/2019
Funding	7/30 and 7/31/2013 and 8/1/2013	6/18/2014	3/29/2017	6/30/2017	12/6/2018	5/30/2019	12/2/2019	4/13/2018	10/31/2018	6/27/2019	7/27/2017	6/7/2018	1/4/2019	6/27/2019	9/20/2019
Maturity	7/15/2020	6/15/2021	12/20/2023	6/20/2021	12/20/2023	5/20/2026	11/20/2023	3/29/2023	10/10/2021	1/24/2024	07/15/2020 and 07/15/2022	6/7/2023	6/7/2024	7/27/2027	08/20/2024 and 08/20/2026
Type	Unsecured	Unsecured	Unsecured	Floating	Floating	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured	Unsecured
Identification with B3	JSML16/26/36	JSML 18/28/38	JSML 10	JSML A1	JSML A2	CRC A3/B3	JSML A4	MVLV11	MVLV12	MVLV13	MOVI 11/21	MOVI 12/22/32	MOVI 13/23/33	MOVI 14/24/34	VAMO12, VAMO22
b. Transaction costs incurred	5,191	2,635	9,827	15,929	10,798	3,840	2,047	1,698	452	1,123	3,248	2,638	13,092	3,120	10,518
c. Premiums															
Additional due to settlement	7/30 and 7/31/2013 and 8/01/2013	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Amount of settlement	1,910	390	-	-	-	-	-	-	-	-	-	-	-	-	-
d. Effective interest rate (IRR) p.a. %															
1 st series	CDI + 1.80%	116% of CDI	125.0% of CDI	125.50% of CDI	124.0% of CDI	CDI + +1.90%	115.20% of CDI	CDI + +2.00%	CDI + 1.80%	CDI + +1.60%	CDI + +1.55%	CDI + +1.60%	CDI + +1.85%	CDI + +1.25%	CDI + +1.60%
2 nd series	CDI + 2.20%	IPCA + 8.0%	-	-	-	CDI + 2.20%	-	-	-	-	CDI + +2.70%	CDI + 2.20%	CDI + +2.05%	CDI + +1.60%	CDI + +2.00%
3 rd series	IPCA + 7.5%	118.5% of CDI	-	-	-	-	-	-	-	-	-	CDI + +1.90%	CDI + +2.05%	CDI + +2.05%	-
e. Amount of costs and premiums to be apportioned until maturity	239	328	4,503	8,548	7,713	3,229	1,765	1,019	232	922	1,191	1,378	9,691	2,587	10,518

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

The Debentures issued by the JSL Group are all simple debentures, non-secured, except for the 11th and 12th issuances that were issued as debentures of the floating guarantee type. All debentures have clauses of maintenance of financial ratios linked to the percentage of debt and finance costs in relation to earnings before interest, taxes, depreciation and amortization, plus cost of sale of assets in rendering services, calculated over the last 12 (twelve) months (EBITDA-A).

For the 11th and 12th issuance of debentures, the Company is required to maintain at least 130% of the debt balance, amount equivalent to assets free of burden and debt.

The repayment schedule of debentures is as follows:

	Maturity of installments	Parent company		03/31/2020 Consolidated	
		Total	%	Total	%
Total current liabilities	Up to Mar/2021	518,227	23	750,882	14
	Apr to Dec/2021	303,760	14	1,075,390	20
	2022	476,211	21	1,022,256	19
	2023	511,618	23	1,184,722	22
	After 2024	415,884	19	1,300,667	25
Total noncurrent liabilities		1,707,473	77	4,583,035	86
Total		2,225,700	100	5,333,917	100

20. Leases payable

Finance lease agreements including Finame leases and lease liability for the acquisition of vehicles and assets of the Group operating activity which have annual fixed charges, and are distributed as follows:

	Parent company	Consolidated
Lease liability at 12/31/2019	116,398	401,612
New contracts	-	61,377
Amortization	(8,215)	(32,740)
Interest paid	(2,220)	(4,649)
Interest	1,880	10,353
Lease liability at 3/31/2020	107,843	435,953
Current assets	51,163	170,562
Noncurrent assets	56,680	265,391
Total	107,843	435,953
Annual average rate	6.36%	6.05%
Average rate structure	CDI +2.71%	CDI +2.71%
Maturity	Dec/24	Feb/25
	Parent company	Consolidated
Lease liability at 12/31/2018	83,288	242,914
New contracts	2,129	13,033
Amortization	(6,963)	(23,755)
Interest paid	(2,770)	(4,888)
Interest	2,024	6,596
Lease liability at 3/31/2019	77,708	233,900
Current assets	35,852	83,963
Noncurrent assets	41,856	149,937
Total	77,708	233,900
Annual average rate	9.04%	9.28%
Average rate structure	CDI + 2.64%	CDI + 2.88%
Maturity	Mar/23	Mar/23

20.1 Amortization schedule:

Amortization schedules for the Parent Company and Consolidated are presented below, by year of maturity:

	Maturity of installments	Parent company		03/31/2020 Consolidated	
		Total	%	Total	%
Total current liabilities	Up to Mar/2021	51,163	47	170,562	39
	Apr to Dec/2021	13,679	13	91,782	21
	2022	27,139	25	117,506	27
	2023	6,052	6	27,175	6
	After 2024	9,810	9	28,928	7
Total noncurrent liabilities		56,680	53	265,391	61
Total		107,843	100	435,953	100

21. Right-of-use lease

Information on lease liabilities for which the Group is the lessee is presented below. Information regarding right-of-use assets is included in note 13.

	Parent company	Consolidated
Lease liability at 12/31/2019	155,677	517,700
New contracts (note 13)	94,336	145,220
Write-offs	(72,288)	(110,926)
Payments	(10,894)	(37,296)
Interest paid	-	(4,234)
Interest	4,265	12,416
Lease liability at 3/31/2020	171,096	522,880
Current	22,862	107,024
Noncurrent	148,234	415,856
Total	171,096	522,880

	Parent company	Consolidated
Lease liability at 12/31/2018	-	-
Addition due to adoption of CPC 06 (R2)/IFRS 16	179,387	470,785
New contracts	-	45,883
Payments	(7,986)	(28,561)
Interest paid	(1,658)	(4,807)
Interest	2,972	6,902
Lease liability at 3/31/2019	172,715	490,202
Current	16,570	79,388
Noncurrent	156,145	410,814
Total	172,715	490,202

21.1 Amortization schedule:

Amortization schedules for the Parent Company and Consolidated are presented below, by year of maturity:

	Maturity of installments	Parent company		03/31/2020 Consolidated	
		Total	%	Total	%
Total current liabilities	Up to Mar/2021	22,862	13	107,024	20
	Apr to Dec/2021	13,685	8	60,791	12
	2022	13,012	8	64,552	12
	2023	10,023	6	53,125	10
	2024	8,712	5	38,410	8
	2025	8,757	5	67,572	13
	After 2026	94,045	55	131,406	25
Total noncurrent liabilities		148,234	87	415,856	80
Total		171,096	100	522,880	100

22. Assignment of receivables

	Consolidated	
	03/31/2020	12/31/2019
Sale of receivables	22,042	25,412
Interest to be accrued	(5,424)	(7,284)
Total	16,618	18,128
Current	6,043	6,043
Noncurrent	10,575	12,085
Total	16,618	18,128

In December 2017, the subsidiary Vamos assigned part of its future receivables arising from lease agreements and related services. The assignment included agreements whose assets for lease were delivered, with proper acknowledgment of the lease and service rendered by the customer. Vamos is responsible for operating the collection of these receivables, however, there is no regressive claim or co-obligation for the receivables, and it will not be responsible for the solvency of the contracting customer. The future value of the portfolio assigned was R\$ 40,077, the amount received by Vamos was R\$ 30,214, and the interest paid will be recognized as finance costs in the statement of profit or loss over the agreement period. This transaction has a period of 60 months, with maturity in December 2022.

23. Social and labor liabilities

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Provision for vacation and 13 th salary	47,939	39,992	88,868	78,716
Salaries	32,962	40,267	63,076	68,801
Bonus and profit sharing	16,116	13,301	32,716	28,676
INSS	25,730	26,163	45,124	45,362
Severance pay fund (FGTS)	2,959	4,897	4,870	7,512
Others	655	233	3,759	2,307
	126,361	124,853	238,413	231,374

24. Judicial deposits and provision for judicial and administrative litigation

In the normal course of their business, the Company and its subsidiaries are subject to civil, tax and labor litigation at the administrative and judicial levels, as well as judicial deposits and assets freezing as collateral in connection with such litigation. Based on the opinion of its legal counsel, provisions were recorded to cover probable losses related to these litigations, and, as applicable, they are presented net of respective judicial deposits as shown below:

	Parent company				Consolidated			
	Judicial deposits		Provisions		Judicial deposits		Provisions	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Labor	25,872	26,690	(31,137)	(31,991)	49,486	50,689	(44,586)	(45,827)
Civil	10,028	10,022	(14,928)	(15,868)	17,620	12,805	(21,536)	(21,923)
Tax	9,648	9,648	-	-	12,928	12,859	(580)	(79)
	45,548	46,360	(46,065)	(47,859)	80,034	76,353	(66,702)	(67,829)

24.1 Judicial deposits

Judicial deposits and assets freezing refer to amounts deposited in an account or legal freezes on checking accounts, ruled by the court, as guarantee for any payment required by the court, or amounts duly deposited under judicial agreements to replace tax payments or payables that are being challenged in the court.

24.2 Provision for judicial and administrative litigation

The Group classifies the risks of loss on lawsuits as “probable”, “possible” or “remote”. The provision recognized in respect of these lawsuits is determined by Management, based on the analysis of its legal counsel, and reasonably reflects the estimated probable losses.

The Group’s Management believes that the provision for tax, civil and labor risks is sufficient to cover any losses on administrative and judicial litigation.

The movements in the three-month periods ended March 31, 2020 and 2019 are as follows:

	Parent company			
	Labor	Civil	Tax	Total
At December 31, 2019	(31,991)	(15,868)	-	(47,859)
Additions	(1,521)	(1,268)	-	(2,789)
Reversals	2,375	2,208	-	4,583
At March 31, 2020	(31,137)	(14,928)	-	(46,065)

	Consolidated			
	Labor	Civil	Tax	Total
At December 31, 2019	(45,827)	(21,923)	(79)	(67,829)
Additions	(2,240)	(2,490)	-	(4,730)
Reversals	3,123	2,734	-	5,857
Reclassification	358	143	(501)	-
At March 31, 2020	(44,586)	(21,536)	(580)	(66,702)

	Parent company			
	Labor	Civil	Tax	Total
At December 31, 2018	(35,964)	(17,089)	(298)	(53,351)
Additions	(16,487)	(14,601)	-	(31,088)
Reversals	20,460	15,822	298	36,580
At March 31, 2019	(31,991)	(15,868)	-	(47,859)

	Consolidated			
	Labor	Civil	Tax	Total
At December 31, 2018	(51,201)	(24,024)	(338)	(75,563)
Additions	(5,920)	(5,187)	(502)	(11,609)
Reversals	6,352	4,976	-	11,328
At March 31, 2019	(50,769)	(24,235)	(840)	(75,844)

Labor

The provision for labor claims was recognized to cover the risks of loss arising from lawsuits claiming compensation for overtime, commute hours, hazardous duty premium, health hazard premium, work accidents and lawsuits filed by employees of third parties due to subsidiary liability.

Civil

Civil lawsuits do not involve, individually, material amounts and are mainly related to claims for compensation of traffic accidents and pain and suffering, aesthetic and property damages.

Tax

The provision for tax lawsuits refers to administrative lawsuits filed against the Group challenging certain tax assessment notices issued in the inspection process, and other lawsuits filed challenging the lawfulness of the collection of certain taxes.

24.3 Possible losses not provided for in the statement of financial position

At March 31, 2020, the Company and its subsidiaries are parties to tax, civil and labor lawsuits in progress (judicial and administrative) with losses considered possible by Management and its legal counsel, as shown in the table below:

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Labor	130,233	125,423	145,038	137,010
Civil	137,057	139,854	186,234	190,750
Tax	256,191	259,552	293,226	292,499
Total	523,481	524,829	624,498	620,259

Labor

The labor lawsuits are related to claims for labor-related indemnities filed by former employees of the JSL Group, as mentioned in note 24.2.

Civil

The civil lawsuits are related to claims for indemnity related to damages for several reasons against the companies of the JSL Group, of the same nature as those mentioned in note 24.2, and also annulment actions and claims for breach of contract.

Tax

The main natures of lawsuits are the following: (i) challenges related to alleged non-payment of ICMS; (ii) challenges of part of PIS and COFINS credits that comprise the negative balance presented in PER/DCOMP; (iii) challenges related to tax credits of IRPJ, CSLL, PIS and COFINS; (iv) challenges related to the offset of IRPJ and CSLL credits and (v) challenge related to the recognition of ICMS credits. The amounts involved are as follows:

	Parent company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
IRPJ and CSLL	109,209	108,053	110,920	109,764
ICMS	75,059	75,120	93,686	89,636
INSS	7,858	7,858	7,858	7,858
PER/DCOMP	16,998	21,862	22,598	22,805
PIS/COFINS	32,423	33,372	32,798	33,747
Others	14,644	13,287	25,366	28,689
Total	256,191	259,552	293,226	292,499

24.4 Contingent asset

The Company and its subsidiaries filed lawsuits requesting the exclusion of ICMS from the PIS and COFINS calculation bases, as well as the recognition of the right to offset credits raised in the 5 years prior to the filing, comprising the period from 2002 to 2017. These lawsuits are pending a final decision in favor of the Group, and for certain subsidiaries and companies acquired already merged into the Company, the lawsuits had final and unappealable decisions during 2018 and 2019, recognizing the right postulated.

However, considering the embargoes filed by the Federal Government before the Federal Supreme Court (STF), claiming the modulation of the effects of the decision issued by the same court, which determined the exclusion of ICMS from the PIS and COFINS calculation bases, Management has been assessing the respective effects

that the judgment of these embargoes may have on the actions, whether carried forward or those that have not been res judicata.

Management considers that for the lawsuits for which final and unappealable decisions have been handed down, depending on any interpretation resulting from the STF decision, termination actions may be filed by the counterparty within two years from the final decision. Therefore, considering the uncertainty regarding the probable realizable value of these tax credits, estimated at R\$ 18,308, based on final and unappealable decisions, and also, considering their materiality, Management decided not to record the respective asset.

With regard to lawsuits for which no final and unappealable decisions have been handed down yet, the Company estimates tax credits in the amount of up to\$ 130,000, depending on the rights recognized by the final and unappealable decisions and any interpretation resulting from the STF decision.

The Company and its subsidiaries are collecting all supporting documents to ratifying the benefit amounts for the eventual registration, pursuant to final decisions.

25. Income tax and social contribution

25.1 Deferred income tax and social contribution

Deferred income tax (IRPJ) and social contribution on net income (CSLL) assets and liabilities were calculated based on the balances of tax losses and temporary differences for income tax and social contribution that are deductible or taxable in the future. Their origins are comprised as follows:

	Parent company		Consolidated	
	03/31/2020	12/31/2019	12/31/2019	12/31/2019
Tax credits				
Tax loss and social contribution tax loss	24,704	61,452	201,632	243,151
Provision for judicial and administrative litigation	23,367	23,977	53,927	49,822
(-) Expected credit losses ("impairment") of trade receivables	(1,072)	14,537	53,600	45,919
Other provisions	39,487	32,770	50,074	42,346
Provision for impairment of assets			66,434	
Share-based payment plan	6,540	6,406	6,857	6,711
Amortization and write-off of intangible assets from business combinations	17,442	17,062	17,442	17,062
Depreciation of right-of-use lease	1,919	4,426	17,314	10,696
Provision for adjustment to market value and obsolescence	1,794	1,588	3,900	3,115
Total tax credits - gross	114,181	162,218	471,180	418,822
Tax debits				
Present value adjustment	(2,385)	(1,937)	(2,478)	(2,085)
Deferred net income from sales to public authorities	(1,281)	(1,281)	(34,532)	(32,855)
Hedge derivatives (swap) and exchange rate changes under cash basis	21,952	(81,121)	33,054	(79,078)
Accounting vs. tax depreciation	(53,483)	(52,267)	(490,786)	(501,973)
Property and equipment - finance leases	(14,436)	(17,831)	(116,211)	(79,658)
Gains on equity interests in subsidiaries	(89,843)	(89,852)	(89,843)	(89,852)
Revaluation of assets	(3,596)	(3,596)	(2,710)	(2,686)
Realization of goodwill	(67,455)	(65,734)	(68,043)	(66,324)
Total tax debts - gross	(210,527)	(313,619)	(771,549)	(854,511)
Total tax debts - net	(96,346)	(151,401)	(300,369)	(435,689)
Deferred tax assets	-	-	153,507	138,431
Deferred tax liabilities	(96,346)	(151,401)	(453,876)	(574,120)
Total tax debts - net	(96,346)	(151,401)	(300,369)	(435,689)

Deferred income tax and social contribution on provision for impairment of property and equipment and fixed assets available for sale, as mentioned in note 1.2. (c).

The movements in deferred income tax and social contribution for the three-month periods ended March 31, 2020 and 2019 are as follows:

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reals, unless otherwise stated

At December 31, 2019

Deferred income tax and social contribution recognized in the statement of profit or loss
 Deferred income tax and social contribution on cash flow hedge, in OCI
 Deferred income tax and social contribution on other equity valuation adjustments

At March 31, 2020

Parent company	Consolidated
(151,401)	(435,689)
92,363	169,371
(37,308)	(37,308)
-	3,257
(96,346)	(300,369)

At December 31, 2018

Deferred income tax and social contribution recognized in the statement of profit or loss
 Income tax and social contribution on cash flow hedge
 Deferred income tax and social contribution recognized arising from other movements

Net balance of deferred income tax at March 31, 2019

Parent company	Consolidated
(68,895)	(277,614)
4,562	(5,566)
125	125
6,968	6,814
(57,240)	(276,241)

25.2 Estimated realization schedule

Deferred tax assets arising from temporary differences will be used as the respective differences are settled or realized.

Tax losses can be carried forward indefinitely and, at March 31, 2020 and December 31, 2019, deferred income tax and social contribution were recognized for all tax loss carryforwards, except for the tax loss carryforwards of JSL Holding and Vamos Seminovos in the amounts of R\$ 1,150 and R\$ 19,999, respectively, due to the lack of appropriate evidence and support of their expectation of future taxable income.

In estimating the realization of deferred tax assets, Management considers its budget and strategic plan based on the estimated realization schedule of assets and liabilities that gave rise to them, and in earnings projections for the subsequent years.

The realization of these credits related to the balance for the year ended December 31, 2019 is shown in the individual and consolidated annual financial statements, issued on March 30, 2020.

25.3 Reconciliation of income tax and social contribution (expense) income

Current amounts are calculated based on the current rates levied on taxable profit before income tax and social contribution, as adjusted by respective additions, deductions and offsets allowed by the prevailing legislation:

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
(Loss) Profit before income tax and social contribution	(43,185)	45,130	(129,876)	87,660
Statutory rates	34%	34%	34%	34%
Income tax and social contribution calculated at the standard rates	14,683	(15,344)	44,158	(29,804)
Permanent (additions) exclusions				
Equity results from subsidiaries	(8,270)	23,388	(24)	(123)
Tax incentives - Workers Meal Program ("PAT")	1,625	(419)	1,895	(621)
Effects of interest on capital - received and paid	-	(4,769)	-	2,032
Deferred credits not set up on tax losses	-	-	(4,407)	(1,593)
Nontaxable tax benefits (presumed ICMS)	2,574	-	2,574	-
Non-deductible expenses and other permanent (additions) deductions	(2,362)	(58)	(597)	3,209
Income tax and social contribution calculated	8,250	2,798	43,599	(26,900)
Current	(84,113)	(1,764)	(125,772)	(21,334)
Deferred	92,363	4,562	169,371	(5,566)
Income tax and social contribution on results	8,250	2,798	43,599	(26,900)
Effective rate	-19.10%	6.20%	-33.54%	-30.69%

The Company's and its subsidiaries' income tax returns are open to review by tax authorities for five years from the filing of the return. As a result of these reviews, additional taxes and penalties may arise, which would be subject to interest. However, Management believes that all taxes have either been properly paid or provided for.

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

26. Related parties
26.1 Related-party balances (assets and liabilities)

In the table below, the line items cash and cash equivalents, advances to third parties, other credits, trade receivables, other credits, trade receivables, other payables, trade payables and related parties include the balances receivable and payable of intercompany transactions of the JSL Group that are eliminated in consolidation:

Assets	Cash and cash equivalents (note 6)		Advances to third parties and other credits		Trade receivables (note 8)		Related parties		Relationship	Specification
	03/31/2020	12/31/2019	03/31/2020	12/31/2019	03/31/2020	12/31/2019	03/31/2020	12/31/2019		
Related parties										
Avante Veículos	-	-	88	24	-	-	-	-	Subsidiary	Reimbursement of expenses/CSA
BBC Pagamentos	-	-	8	9	-	-	-	-	Subsidiary	Reimbursement of expenses
Borgato Serviços	-	-	-	4	-	-	-	-	Subsidiary	Reimbursement of expenses/CSA
Ciclus Ambiental	-	-	-	-	29,746	26,978	-	-	Related parties	Operating lease
CS Brasil Frotas	-	-	627	-	-	-	-	-	Subsidiary	Reimbursement of expenses/CSA
CS Brasil	-	-	10	-	-	-	588,726	674,857	Subsidiary	Reimbursement of expenses/Disposal of investment/Loan
Participações (i)	-	-	-	-	-	-	-	-	-	-
CS Brasil Transportes	-	-	241	8,425	1,391	-	-	-	Subsidiary	Sale of assets/Operating lease/Reimbursement of expenses/CSA/Loan
Instituto Júlio Simões	-	-	7	2	-	-	-	-	Subsidiary	Reimbursement of expenses
JSL Arrendamento	85,178	57,657	1,812	1,547	-	1,259	-	-	Subsidiary	Reimbursement of expenses/CSA/JSL Card/Finance leases bill
JSL Corretora	-	-	14	23	-	-	-	-	Subsidiary	Reimbursement of expenses
JSL Empreendimentos Imobiliários	-	-	-	-	5,001	5,001	232	188	Subsidiary	Sale of assets/Loan
JSL Europe	-	-	8,771	8,771	-	-	-	-	Subsidiary	Reimbursement of expenses
Medlogística	-	-	136	47	39	34	-	-	Subsidiary	Operating lease / CSA
Mogi Mob	-	-	244	318	-	-	-	-	Subsidiary	Reimbursement of expenses
Movida Locação	-	-	2,498	1,507	47	57	-	-	Subsidiary	Sale of assets/Operating lease/Reimbursement of expenses/CSA
Movida Participações	-	-	784	539	-	-	-	-	Subsidiary	Reimbursement of expenses/CSA
Movida Premium	-	-	44	41	-	-	-	-	Subsidiary	Reimbursement of expenses/CSA
Original Distribuidora	-	-	1	4	-	-	-	-	Subsidiary	Reimbursement of expenses/CSA
Original Veículos	-	-	679	496	-	-	27,485	27,135	Subsidiary	Sale of assets/CSA/Loan
Ponto Veículos	-	-	-	53	-	-	-	-	Subsidiary	CSA
Quick Armazéns	-	-	-	3	-	-	-	8,274	Subsidiary	Reimbursement of expenses/CSA/Loan
Quick Logística	-	-	17,776	17,526	1,182	635	9,940	-	Subsidiary	Operating lease/Reimbursement of expenses/CSA/Loan
Ribeira Imóveis	-	-	57	-	-	-	-	-	Related parties	Reimbursement of expenses
Simpar	-	-	109	39	-	-	-	-	Parent company	Reimbursement of expenses
TPG Transportes	-	-	17	8	-	-	-	-	Subsidiary	Reimbursement of expenses
Transrio	-	-	325	3,123	-	66	-	-	Subsidiary	Operating lease / CSA
Vamos	-	-	14,100	-	1,840	11,292	17	17	Subsidiary	Sale of assets/Operating lease/Reimbursement of expenses/CSA/Loan
Vamos Máquinas	-	-	20	114	-	-	-	-	Subsidiary	Reimbursement of expenses/CSA
Vamos Seminovos	-	-	-	11	-	-	-	-	Subsidiary	Reimbursement of expenses
Yolanda	-	-	4,472	4,260	126	-	4,015	3,103	Subsidiary	Operating lease/CSA/Loan
Others	-	-	13	17	-	-	11	61	-	-
Total	85,178	57,657	52,853	46,911	39,372	45,322	630,426	713,635		
Current	85,178	57,657	44,082	38,140	34,371	40,321	-	-		
Noncurrent	-	-	8,771	8,771	5,001	5,001	630,426	713,635		
Total	85,178	57,657	52,853	46,911	39,372	45,322	630,426	713,635		

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020
In thousands of Brazilian Reais, unless otherwise stated

- (i) The amount of R\$ 588,726 considers R\$ 579,400 related to the direct interest held by the Company in CS Brasil and which was sold to its direct subsidiary CS Brasil Participações, this amount will be received in up to 7 years with a 3-year grace period for payment of installments and will be restated by CDI plus a spread of 2.2% p.a.. The residual balance of R\$ 9,326 refers to a loan that the Company had with CS Participações, subject to contractual charges of 100% of CDI + 2.5% p.a..

Liabilities	Other payables		Trade payables (note 15)		Relationship	Specification
	03/31/2020	12/31/2019	03/31/2020	12/31/2019		
Related parties						
Avante Veículos	1	-	-	1	Subsidiary	Services rendering/Reimbursement of expenses
CS Brasil Frotas	-	-	911	-	Subsidiary	Operating lease/Reimbursement of expenses
CS Brasil Transportes	1,614	-	8,188	1,171	Subsidiary	Operating lease/Reimbursement of expenses
JSL Arrendamento	2,743	-	-	4,831	Subsidiary	JSL Card/Reimbursement of expenses
JSL Corretora	5	-	-	5	Subsidiary	Services rendering/Reimbursement of expenses
Mogi Mob	1,042	-	-	27	Subsidiary	Services rendering/Reimbursement of expenses
Mogipasses	8	-	-	6	Subsidiary	Services rendering/Reimbursement of expenses
Movida Locação	362	-	-	226	Subsidiary	Operating lease/Reimbursement of expenses
Movida Participações	693	-	482	1,194	Subsidiary	Operating lease/Reimbursement of expenses
Movida Premium	-	-	-	-	Subsidiary	Operating lease/Reimbursement of expenses
Original Veículos	630	-	-	370	Subsidiary	Purchase of assets/ Reimbursement of expenses
Ponto Veículos	6	-	-	6	Subsidiary	Operating lease/Reimbursement of expenses
Quick Logística	677	-	712	1,345	Subsidiary	Operating lease/Reimbursement of expenses
Ribeira Imóveis	225	-	-	222	Related parties	Operating lease/Reimbursement of expenses
Transrio	15	-	230	1,347	Subsidiary	Services rendering/Reimbursement of expenses
Vamos	1,951	-	1,938	2,041	Subsidiary	Purchase of assets/Operating lease/Reimbursement of expenses
Yolanda	-	-	20	-	Subsidiary	Services rendering
Total	9,972	-	12,481	12,792		

Amounts corresponding to loan agreements with related parties are subject to contractual charges of 100% of the CDI plus 2.5% p.a., which are recognized in the finance income (costs) of the respective entities. Related-party transactions were contracted at rates compatible with those used with third parties, prevailing at the transaction dates, taking into consideration the reduction of risk, except for reimbursement of expenses that are transferred at cost.

The table below presents the balances of intercompany transactions that are not eliminated in consolidation:

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

						Consolidated
Assets	Trade receivables (note 8)		Related parties		Relationship	Specification
	03/31/2020	12/31/2019	03/31/2020	12/31/2019		
Related parties						
Ciclus Ambiental	29,746	26,978	-	-	Related parties	Operating lease
Others	-	-	11	-	Related parties	Reimbursement of expenses
Total	29,746	26,978	11	-		

						Consolidated
Liabilities	Trade payables (note 15)		Related parties		Relationship	Specification
	03/31/2020	12/31/2019	03/31/2020	12/31/2019		
Related parties						
Consórcio Sorocaba	-	-	1,086	3,056	Related parties	Loan
Ribeira Imóveis	-	222	-	-	Related parties	Operating lease
Total	-	222	1,086	3,056		

(i) Refers to tax consulting services rendered by a tax law firm where members of the Board of Directors and the Fiscal Council are partners.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

26.2 Related-party transactions with effects in profit or loss for the period

The table below presents the results from transactions between the JSL Group companies in the line items of revenues, costs, deductions and other operating income and expenses:

Results	Lease and services rendered		Lease and contracted services		Sale of assets		Purchase of assets		Administrative and selling expenses, and recovery of expenses		Other income (expense)		Finance income		Finance expense	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Transactions eliminated in profit or loss																
JSL S.A.	62	1,086	(1,107)	(2,412)	9,875	32,325	(9,875)	(32,325)	9,043	(22)	835	425	-	960	(9,510)	(1)
Avante Veículos	789	246	(475)	(277)	1,373	-	(1,373)	-	(46)	-	-	-	-	-	-	-
Borgato Serviços	66	33	(33)	(99)	-	-	-	-	(11)	-	-	-	-	-	-	-
CS Brasil Frotas	5,192	2,351	(98)	(4,294)	645	8,025	(645)	(8,025)	(2,404)	-	-	-	-	-	-	(190)
CS Brasil Participações	-	-	(5,050)	-	-	-	-	-	(20)	-	-	-	9,974	-	(289)	-
CS Brasil Transportes	2,837	4,424	(2,177)	(9,648)	180	1,896	(180)	(1,896)	(1,115)	-	144	-	-	14	(1,102)	(455)
JSL Arrendamento	608	-	(117)	(4)	2,223	-	(2,223)	-	(161)	-	-	-	1,684	1,398	5	-
JSL Corretora	58	-	-	(78)	-	-	-	-	(33)	-	-	-	-	-	-	-
JSL Empreendimentos	4	-	-	-	-	-	-	-	(1)	-	-	-	3	-	-	(2)
JSL Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	12,316	(15,145)	-
JSL Finance	-	-	-	-	-	-	-	-	-	-	-	-	15,145	-	-	(12,316)
JSL Holding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,684)	(1,398)
Medlogística	51	-	-	-	-	-	-	-	(207)	-	-	-	-	-	-	-
Mogi Mob	516	-	(1)	-	-	-	-	-	(584)	-	11	-	-	-	-	-
Mogipasses	1	403	(383)	-	-	-	-	-	(52)	-	-	-	-	-	-	-
Movida Locação	3,523	47,999	(63,650)	(2,667)	961	1,641	(958)	(1,641)	(3,998)	-	-	-	-	-	(7,511)	-
Movida Participações	65,178	707	(1,158)	(49,633)	1,091	493	(1,091)	(493)	117	-	116	-	-	-	-	-
Movida Premium	6,824	-	(41)	(4,011)	-	-	-	-	(35)	-	4	-	-	-	-	-
Original Distribuidora	2	794	(941)	46	-	-	-	-	(7)	-	-	-	-	-	-	-
Original Veículos	1,932	563	(2,343)	(500)	18,509	-	(18,509)	-	(308)	-	-	-	439	-	-	-
Ponto Veículos	819	2,639	(3,519)	(679)	2,938	-	(2,938)	-	(132)	-	-	-	-	-	-	(253)
Quick Armazéns	-	-	-	-	-	-	-	-	(7)	-	-	-	-	72	(59)	-
Quick Logística	382	-	(8)	(367)	-	-	-	-	(157)	-	-	-	197	-	-	(145)
TPG	-	-	-	-	-	-	-	-	(85)	-	16	-	-	-	-	-
Transrio	5	380	(919)	(10)	1,942	-	(1,942)	-	(245)	-	-	-	-	-	-	-
Vamos	1,044	13,336	(1,006)	(1,623)	2,258	8,419	(2,258)	(8,419)	(157)	-	-	1,427	-	-	77	-
Vamos Máquinas	379	597	(567)	-	-	-	-	-	(199)	-	-	-	-	-	3	-
Vamos Seminovos	76	163	-	(870)	-	-	-	-	(21)	-	-	-	-	-	-	-
Vamos Linha Amarela	-	-	-	-	30	-	(30)	-	-	-	-	-	-	-	-	-
Yolanda	-	-	-	-	-	-	-	-	(24)	(425)	680	-	58	-	-	-
	90,348	75,721	(83,593)	(77,126)	42,025	52,799	(42,022)	(52,799)	(849)	(447)	1,806	1,852	27,500	14,760	(35,215)	(14,760)
Related-party transactions																
Almeida Prado	-	-	-	(35)	-	-	-	-	-	-	-	-	-	-	-	-
Red Calli	-	-	-	(528)	-	-	-	-	-	-	-	-	-	-	-	-
Ciclus Ambiental	19,859	21,648	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ribeira Imóveis	-	2	(4,683)	(1,677)	-	-	-	-	-	-	-	-	-	-	-	-
Outros (i)	-	-	(1,647)	-	-	-	-	-	-	-	-	-	-	-	-	-
	19,859	21,650	(6,330)	(2,240)	-	-	-	-	-	-	-	-	-	-	-	-
Total	110,207	97,371	(89,923)	(79,366)	42,025	52,799	(42,022)	(52,799)	(849)	(447)	1,806	1,852	27,500	14,760	(35,215)	(14,760)

(i) Refers to tax consulting services rendered by a tax law firm where members of the Board of Directors and the Fiscal Council are partners.

26.3 Transactions or relationships with shareholders related to property leasing

The JSL Group has operating and administrative lease contracts for properties with the associate Ribeira Imóveis Ltda., company under common control. The lease amount recognized in the profit or loss for the three-month period ended March 31, 2020 was R\$ 4,684 (R\$ 1,677 at March 31, 2019). The agreements have conditions in line with market values and have maturities until 2027.

26.4 Administrative services center

In order to better apportion common expenses between the companies that use corporate services, the JSL Group makes apportionments based on criteria defined in appropriate technical studies. For the three-month period ended March 31, 2020, the amount related to recovery of expenses in the Company was R\$ 8,487 (R\$ 11,093 at March 31, 2019). The administrative services center does not charge management fees nor applies profitability margin on services rendered, passing on only the costs.

26.5 Dividends

The Company has a receivable of R\$ 18,629 (R\$ 31,267 at December 31, 2019) from subsidiary Movida and of R\$ 2,668 (R\$ 2,672 at December 31, 2019) from CS Brasil referring to dividends and interest on capital declared and approved.

26.6 Management compensation

The Company's management includes the Board of Directors and the Board of Executive Officers. Expenses on compensation of the Company's directors and officers, including all benefits, were recognized in line item "Administrative expenses", and are summarized below:

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Fixed compensation	(3,581)	(3,852)	(8,382)	(6,399)
Variable compensation	-	-	(534)	(90)
Payroll charges and benefits	(60)	(81)	(135)	(161)
Shared-based payments	(392)	(85)	(586)	(222)
Total	(4,033)	(4,018)	(9,637)	(6,872)

The managers are included in the Company's share-based payment plan. For the three-month period ended March 31, 2020 stock options were exercised by managers, as described in note 29.2.

Management does not have post-retirement benefits or any other significant long-term benefits.

The compensation paid to key management personnel is within the limit approved by the Shareholders' Meeting held in 2020.

27. Equity**27.1 Share capital**

The Company's fully subscribed and paid-in capital at March 31, 2020 is R\$ 696,499 (R\$ 695,069 at December 31, 2019), less the transaction costs incurred in the process of IPO in the amount of R\$ 16,219. The shares are registered common shares without par value.

The Company increased its capital in February 2020 through the issue and subscription of 9,849 common shares, fully paid-in in cash in the amount of R\$ 140 thousand, and payment of shares issued in 2019 in the amount of R\$ 1,290, both related to the share-based payment plan disclosed in the explanatory note. After this capital increase, the Company's fully paid-in capital is divided into 206,840,509 registered shares (206,830,660 at December 31, 2019) with no par value, and 41,794 are non-voting treasury shares. At March 31, 2020, share capital is held as follows:

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

<i>Number of shares</i>	03/31/2020		12/31/2019	
	Common shares	(%)	Common shares	(%)
Shareholders				
Owners of the Company	132,459,521	64,0	132,459,519	64,0
Simpar S.A.	114,451,301	55,3	114,451,301	55,3
Fernando Antonio Simões	18,008,220	8,7	18,008,218	8,7
Other members of the Simões family	15,499,667	7,5	13,328,663	6,5
Management	771,370	0,4	771,370	0,4
Treasury shares	41,794	0	41,794	0
Outstanding shares traded on the stock exchange	58,068,157	28,1	60,229,314	29,1
Total	206,840,509	100,0	206,830,660	100,0

The Company is authorized to increase its capital up to R\$ 2,000,000, excluding the shares already issued, without any amendment to its bylaws and according to the decision of the Board of Directors, which is responsible for the establishment of issuance conditions, including price, term and payment conditions, and after the approval by the Fiscal Council.

27.2 Capital reserves**a) Share-based payment transactions**

For the three-month period ended March 31, 2020, no new stock options were granted, and R\$ 392 was recognized in the statement of profit or loss (R\$ 222 at March 31, 2019) in line item "Administrative expenses", and the accumulated balance in the capital reserve line item related to "share-based payment transactions" in equity is R\$ 19,779 at March 31, 2020 (R\$ 23,080 at March 31, 2019).

The following table presents the number and weighted average exercise price and the movement of stock options during the period:

	Number of stock options				Average exercise price (R\$)
	Granted	Canceled	Transferred	Stock options outstanding	
Position as at December 31, 2018	4,943,806	(3,513)	-	4,940,293	7.55
Transfer to beneficiaries	-	-	(1,212,294)	(1,212,294)	7.19
Options canceled 2019	-	(11,470)	-	(11,470)	7.19
Position as at December 31, 2019	4,943,806	(14,983)	(1,212,294)	3,716,529	7.19
Transfer to beneficiaries	-	-	(9,849)	(9,849)	14.28
Position as at March 31, 2020	4,943,806	(14,983)	(1,222,143)	3,706,680	7.30

The following table presents the number and the movement of restricted shares during the period.

	Number of shares				
	Granted	Canceled	Transferred	Stock options outstanding	Average exercise price (R\$)
Position as at December 31, 2018	334,476	-	-	334,476	8.12
Granted in 2019	758,136	-	-	758,136	6.52
Position as at December 31, 2019	1,092,612	-	-	1,092,612	7.32
Cancellations in the 1 st quarter of 2020	-	(4,843)	-	(4,843)	-
Position as at March 31, 2020	1,092,612	(4,843)	-	1,087,769	-

Complete information on the share-based payment plan is presented in Note 29.2 to the individual and consolidated annual financial statements for the year ended December 31, 2019.

b) Government grants

At the Parent company, due to the calculation of the ICMS through the presumed credit method, there was use in the amount of R\$ 7,571, for the three-month period ended March 31, 2020, registered as a reserve of government grants, according to Law 12.973/14 Art. 30, paragraph 4. Additionally, through its subsidiary Quick Logística it is entitled to a tax benefit grant related to the value added tax on sales and services (ICMS) in the

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reals, unless otherwise stated

state of Goiás, and during the quarter ended March 31, 2020 the amount utilized was R\$ 390 recorded in other equity adjustments from subsidiaries.

27.3 Treasury shares

At March 31, 2020, the Company has a balance of R\$ 460, representing 41,794 common shares held in treasury (R\$ 460 at December 31, 2019, representing 41,794 common shares held in treasury).

In 2020, the subsidiary Movida repurchased 185,100 shares at a weighted average price of R\$ 14.74, in the amount of R\$ 2,728, with the Company holding a 55.11% interest recorded in other equity adjustments from subsidiaries. The shares were acquired to be held in treasury, to cover any exercise of stock options under the share-based payment plan.

27.4 Earnings reserves**Distribution of dividends**

The dividend distribution policy is disclosed in note 29.4 to the Company's individual and consolidated financial statements for the year ended December 31, 2019.

28. Insurance coverage

The JSL Group has insurance coverage in amounts deemed sufficient by Management to cover potential risks on its assets and/or liabilities related to transport of third-party cargo or assets. As to the vehicle fleet, most part is self-insured in view of the cost-benefit ratio of the premium.

Complete information on the insurance coverage is presented in Note 30 to the individual and consolidated annual financial statements for the year ended December 31, 2019.

29. Net revenue from sale, lease, rendering of services and sale of assets used in services rendered**a) Revenue flows**

The JSL Group generates revenue mainly from the rendering of services, sale of new and used vehicles, parts, rental and sale of decommissioned assets.

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Revenue from services rendered	597,036	600,440	645,561	738,687
Revenue from lease of vehicles, machinery and equipment	37,649	102,644	790,395	622,428
Revenue from sale of new vehicles	-	-	142,793	143,374
Revenue from sale of used vehicles	-	-	69,080	72,624
Revenue from sale of parts and accessories	-	-	34,898	40,658
Other revenues	-	-	30,500	42,166
Net revenue from sale, lease and services rendered	634,685	703,084	1,713,227	1,659,937
Revenue from sale of decommissioned assets	37,546	67,026	643,666	551,847
Total net revenue	672,231	770,110	2,356,893	2,211,784

The reconciliation between gross revenue for tax purposes and the revenue presented in the statement of profit or loss is shown below:

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Gross revenue	806,126	927,691	2,625,024	2,520,643
Less:				
Taxes on sales	(120,360)	(132,228)	(228,776)	(243,277)
Returns and cancellations	(2,129)	(14,115)	(20,060)	(29,846)
Toll rates	(11,380)	(11,212)	(11,861)	(11,921)
Discounts granted	(26)	(26)	(7,433)	(23,815)
Total net revenue	672,231	770,110	2,356,893	2,211,784

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reals, unless otherwise stated

b) Breakdown of revenue from contracts with customers by segment

The following table presents the analytical composition of the revenue from contracts with customers of the main business lines and the timing of revenue recognition. It also includes reconciliation of the analytical composition of revenue with the Group's reportable segments:

	Parent company	
	03/31/2020	03/31/2019
Main products and services		
Revenue from dedicated services	252,890	292,035
Revenue from passengers transportation	42,494	46,938
Revenue from general cargo	301,652	261,467
Revenue from lease of vehicles, machinery and equipment	37,649	102,644
Net revenue from sale, lease and services rendered	634,685	703,084
Revenue from sale of decommissioned assets	37,546	67,026
Total net revenue	672,231	770,110
Timing of revenue recognition		
Products and services transferred over time	634,685	703,084
Products transferred at a specific point in time	37,546	67,026
Total net revenue	672,231	770,110

JSL S.A.
Notes to the interim financial information for the period ended March 31, 2020

In thousands of Brazilian Reais, unless otherwise stated

	JSL Logística		Movida		Vamos		Consolidated CS Brasil	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Revenue from dedicated services	261,232	272,575	-	-	-	-	-	-
Revenue from transport of passengers	42,494	58,360	-	-	-	-	26,555	64,383
Revenue from general cargo	315,352	343,369	-	-	-	-	-	-
Revenue from lease of vehicles, machinery and equipment	37,217	50,872	451,967	344,113	144,645	129,363	144,505	112,524
Revenue from sale of new vehicles	-	-	-	-	56,261	64,649	-	-
Revenue from sale of used vehicles	-	-	-	-	8,602	4,981	-	-
Revenue from sale of parts and accessories	-	-	-	-	27,206	28,183	-	-
Other revenues	-	-	-	-	12,979	12,319	-	-
Net revenue from sale, lease and services rendered	656,295	725,176	451,967	344,113	249,693	239,495	171,060	176,907
Revenue from sale of decommissioned assets	37,584	29,470	559,199	468,416	45,819	34,326	40,750	62,590
Total net revenue	693,879	754,646	1,011,166	812,529	295,512	273,821	211,810	239,497
Timing of revenue recognition								
Products transferred at a specific point in time	37,584	29,470	559,199	468,416	137,888	132,139	67,305	126,973
Products and services transferred over time	656,295	725,176	451,967	344,113	157,624	141,682	144,505	112,524
Total net revenue	693,879	754,646	1,011,166	812,529	295,511	273,821	211,810	239,497

	Original Concessionárias		BBC		Eliminations		Total	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Revenue from dedicated services	-	-	-	-	(72)	-	261,160	272,575
Revenue from transport of passengers	-	-	-	-	-	-	69,049	122,743
Revenue from general cargo	-	-	-	-	-	-	315,352	343,369
Revenue from lease of vehicles, machinery and equipment	-	-	-	-	(918)	(14,444)	773,462	622,428
Revenue from sale of new vehicles	86,832	78,725	-	-	(299)	-	142,793	143,374
Revenue from sale of used vehicles	60,920	67,643	-	-	(442)	-	69,080	72,624
Revenue from sale of parts and accessories	11,631	15,915	-	-	(3,939)	(3,440)	34,898	40,658
Other revenues	18,951	20,873	11,549	8,974	-	-	44,484	42,166
Net revenue from sale, lease and services rendered	178,334	183,156	11,549	8,974	(5,670)	(17,884)	1,710,278	1,659,937
Revenue from sale of decommissioned assets	2,337	2,931	-	-	(42,025)	(45,886)	646,615	551,847
Total net revenue	180,671	186,087	11,549	8,974	(47,695)	(63,770)	2,356,893	2,211,784
Timing of revenue recognition								
Products transferred at a specific point in time	161,720	165,214	-	-	(46,705)	(49,326)	916,991	1,176,241
Products and services transferred over time	18,951	20,873	11,549	8,974	(989)	(14,444)	1,439,902	1,035,543
Total net revenue	180,671	186,087	11,549	8,974	(47,694)	(63,770)	2,356,893	2,211,784

30. Expenses by nature

The JSL Group's statements of profit or loss are presented by function. Expenses by nature are as follows:

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/30/2019
Cost of sales of new vehicles	-	-	(130,162)	(134,225)
Cost of sales of used vehicles	-	-	(62,140)	(71,741)
Fleet costs / expenses	(7,848)	(10,756)	(68,511)	(52,288)
Cost of sales of decommissioned assets	(38,036)	(67,889)	(606,925)	(548,559)
Cost of sales of parts	-	-	(30,318)	(25,457)
Personnel	(199,382)	(211,287)	(367,227)	(387,029)
Related and third parties	(218,681)	(217,979)	(229,647)	(230,196)
Depreciation and amortization	(59,400)	(54,686)	(275,681)	(206,836)
Parts, tires and maintenance	(57,784)	(70,989)	(116,820)	(108,805)
Fuels and lubricants	(35,751)	(34,566)	(56,543)	(56,301)
Advertising and publicity	(266)	(480)	(3,564)	(2,926)
Services rendered	(20,793)	(21,437)	(65,803)	(68,059)
(Provision) reversal of expected credit losses ("impairment") of trade receivables (note 8.1)	(1,401)	5,735	(62,917)	(5,753)
Court-ordered indemnities	(10,162)	(5,128)	(15,506)	(9,928)
Electric power	(1,727)	(5,261)	(2,571)	(8,200)
Packaging material	(324)	(1,249)	(378)	(1,259)
Communication	(159)	(292)	(9,402)	(2,004)
Travel, meals and accommodation	(1,531)	(1,134)	(4,592)	(8,932)
Property leasing	(1,505)	(177)	(3,338)	(8,425)
Lease of vehicles, machinery and equipment	(4,779)	(6,235)	(5,641)	(2,775)
Revenue from sale of damaged vehicles (i)	222	243	(13,922)	(1,530)
Provision for impairment of non-financial assets (note 1.2.c) (iii)	-	-	(195,394)	-
PIS and COFINS credits on inputs	32,915	32,016	98,933	76,303
Extemporaneous tax credits	2,429	3,846	3,220	8,529
Tax expenses	(729)	(701)	(3,713)	(802)
Other costs	(1,182)	(20,748)	(87,953)	(86,486)
	(625,874)	(689,154)	(2,316,515)	(1,943,684)
Cost of sale, leases and services rendered	(570,350)	(597,456)	(1,234,077)	(1,184,368)
Cost of sales of decommissioned assets	(38,036)	(67,889)	(606,925)	(548,559)
Selling expenses	(3,989)	(5,057)	(85,461)	(55,806)
Administrative expenses	(32,310)	(24,414)	(138,729)	(148,145)
Provision (reversal) of expected credit losses ("impairment") of trade receivables	(1,401)	5,735	(62,917)	(5,753)
Provision for impairment of non-financial assets	-	-	(195,394)	-
Other operating expenses	(11,391)	(9,505)	(20,266)	(33,998)
Other operating income	31,603	9,432	27,254	32,945
	(625,874)	(689,154)	(2,316,515)	(1,943,684)

Refers to the cost of damaged and casualty vehicles written off, net of the respective amount recovered through sale, in the amounts of R\$ 222 and R\$ 18,382 in Parent company and Consolidated, respectively (R\$ 878 and R\$ 89,078 at March 31, 2019, Parent company and Consolidated, respectively)

31. Finance income (costs)

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Finance income				
Financial investments	12,105	15,279	159,444	70,310
Monetary variation income	15,391	19,662	16,702	20,247
Other finance income	383	1,003	22,683	16,965
Interest received	703	632	3,679	3,741
Total finance income	28,582	36,576	202,508	111,263
Finance costs				
Interest on loans, borrowings and debentures	(102,308)	(116,337)	(237,037)	(227,960)
Interest and bank fees on leases payable	(1,880)	(2,024)	(10,353)	(6,596)
Interest on suppliers financing – car makers	(15)	-	(658)	-
Exchange rate changes	(524,274)	(42,746)	(1,293,420)	(47,655)
Net gains (losses) on swap agreements	541,861	43,796	1,220,940	48,928
Total debt service costs	(86,616)	(117,311)	(320,528)	(233,283)
Interest on right-of-use lease	(4,265)	(2,972)	(12,416)	(6,902)
Interest payable	(4,790)	(3,380)	(7,733)	(4,310)
Other finance costs	1,871	(17,528)	(32,014)	(46,846)
Total finance costs	(93,800)	(141,191)	(372,691)	(291,341)
Net finance result	(65,218)	(104,615)	(170,183)	(180,078)

32. (Loss) earnings per share**32.1 Basic**

The calculation of basic and diluted (loss) earnings per share was based on the (loss) profit attributable to the holders of common shares and on the weighted average number of common shares outstanding.

The calculation of basic (loss) earnings per share is presented below:

	Consolidated	
	03/31/2020	03/31/2019
Numerator:		
(Loss) profit for the period attributable to owners of the Company	(34,935)	47,928
Denominator:		
Weighted average number of outstanding shares	206,793,520	202,151,929
Basic (loss) earnings per share - R\$	(0.1689)	0.2371
(i) Weighted average number of outstanding shares		
	03/31/2020	3/31/2019
Common shares - January 1	206,788,866	202,151,929
Effect of shares issued during period	4,654	-
Weighted average number of outstanding common shares	206,793,520	202,151,929

32.2 Diluted

Diluted (loss) earnings per share are calculated by adjusting the weighted average number of outstanding common shares to presume the conversion of all potential common shares for potential dilution.

The JSL Group has a category of common shares which could potentially cause dilution: stock options. In the case of stock options, the number of shares that could be purchased at fair value is determined (fair value being the annual average market price for the JSL Group shares), based on the monetary value of the subscription rights for outstanding options. The number of shares calculated as mentioned before is compared with the number of shares outstanding, assuming that all the options are exercised.

JSL S.A.**Notes to the interim financial information for the period ended March 31, 2020**

In thousands of Brazilian Reais, unless otherwise stated

	Consolidated	
	03/31/2020	03/31/2019
(Loss) profit for the period attributable to owners of the Company	(34,935)	47,928
Weighted average number of outstanding shares	206,793,520	205,114,532
Adjustments for:		
Stock options (weighted)	-	5,057,980
Weighted average of number of shares for diluted earnings per share	206,793,520	210,172,512
Diluted (loss) earnings per share - Reais	(0.1689)	0.2280

The diluted result is calculated considering the number of potential shares (stock options). However, due to the loss reported in the period ended March 31, 2020, the number of potential shares (stock options) has a non-diluting effect and, therefore, are not considered in the calculation of diluted loss per share.

33. Supplemental information to the statement of cash flows

The statements of cash flows under the indirect method are prepared and presented in accordance with the accounting pronouncement CPC 03 (R2) / IAS 7 - Statement of Cash Flows.

The JSL Group made acquisitions of vehicles for renewal and expansion of its fleet, and part of these vehicles do not affect cash because they are financed. These acquisitions without cash outflow effect are as follows:

	Parent company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Total additions to property and equipment in the period	254,710	289,893	1,592,433	1,779,815
Raising of leases payable, FINAME and suppliers financing - car makers	(1,095)	(34,758)	(156,543)	(109,341)
Additions settled with cash flows				
Addition of right-of-use lease (note 13)	(94,336)	(179,387)	(145,220)	(516,668)
Change in the balance of trade payables and suppliers financing - car makers	(21,720)	10,693	(9,523)	(345,719)
Total cash flows for purchase of property and equipment	137,559	86,441	1,281,147	808,087
Statements of cash flows:				
Operating property and equipment for lease	129,631	82,270	1,245,249	794,121
Property and equipment	7,928	4,171	35,898	13,966
Total	137,559	86,441	1,281,147	808,087

34. Subsequent events**34.1 Effects of the COVID-19 pandemic**

As disclosed in note 1.2, the JSL Group has adopted a series of measures to mitigate the impacts caused by the crisis caused by the COVID - 19 pandemic.

During April, JSL Group's actions were mainly focused on reducing fixed and variable costs, preserving cash and maintaining its liquidity position.

Until the approval of this interim financial information, the JSL Group's financial ratios indicate the maintenance of a substantial part of its revenues, cash generation, and its liquidity position.

34.2 Other events**a. Debt renegotiation - JSL Parent company**

On April 15, 2020, the Company signed a renegotiation of its 12th issue of debentures in the amount of R\$ 565,600 (R\$ 562,531 on March 31, 2020), with the maturity from December 2023 to April 2025, and interest changed to 100% of the CDI reference rate plus 1.95% p.a spread.

b. Amendment to the bylaws - JSL Parent company

At the Annual and Extraordinary Shareholders' Meeting held on April 30, 2020, the amendment to the Company's Bylaws was approved, unanimously voting, amending paragraph (f), paragraph 2, of article

31, to clarify that the Company may maintain a statutory profit reserve called "Investment Reserve", with the allocation of part of the net income for the year to such reserve optional, as proposed to be formulated by the Company's Management.

c. Change in financing maturity date - subsidiary Movida**· Banco do Nordeste (FNE)**

On April 8, 2020, the National Monetary Council issued resolution CMN 4,798 / 2020, contemplating the negotiating conditions for the automatic suspension of overdue and maturing installments until December 31, 2020.

According to the suspension rule, the sum of the following balances will be distributed among the principal installments due from January 2021, in proportion to each installment:

- (i) Normal interest balance accumulated up to the date of recognition of the act of public calamity;
- (ii) Amount of installments of principal due from the day following the date of recognition of the act of public calamity until December 31, 2020.

Interest will be capitalizable from the date of recognition of the act of public calamity until December 31, 2020, required in proportion to the installments of principal as of January 2021, with the periodicity and enforceability of charges being maintained as of January 1, 2021.

· 1st Debentures. Issued Movida Locação and 2nd. Issuance Movida Participações

Change in payment for:

- (i) R\$ 62,000 principal maturing on March 29, 2020 to September 29, 2020;
- (ii) R\$ 32,000 principal maturing on June 7, 2020 to January 7, 2021.

d. Borrowing - subsidiary Movida

- (i) On April 30, 2020, Movida raised R\$ 200,000 from Banco do Brasil, with an interest rate of CDI + 4.2% a.a. and semiannual amortization. The payment of the principal will be made on April 20, 2022.
- (ii) On April 29, 2020, Movida raised R\$ 40,000 from Banco da Amazônia, with an interest rate of 118% of CDI a.a. and semiannual amortization. The principal payment will be made on November 10, 2021 and May 10, 2023.

JSL S.A.

PUBLICLY-HELD COMPANY

CNPJ/MF nº 52.548.435/0001-79
NIRE 35.300.362.683

Statement of Fiscal Council

The Fiscal Council of JSL S.A ("Company"), in the exercise of the competence provided for in article 163 of Law 6.404/76, at a meeting held on this date, after examining the Performance Comments and Interim Financial Information Parent Company and Consolidated for the three-month period ended March 31, 2020, concludes, based on the examinations made and considering also the Independent Auditors' Report on Review, unanimously, that these documents adequately reflect the Company's financial condition.

São Paulo, May 14, 2020.

Luiz Augusto Marques Paes

Luciano Douglas Colauro

Rafael Ferraz Dias de Moraes

Statement of Executive Board on Interim Financial Information Parent Company and Consolidated of JSL S.A.

In accordance with item VI of article 25 of CVM Instruction 480 of December 7, 2009, the Executive Board declares that it reviewed, discussed and agreed to the Interim Financial Information Parent Company and Consolidated of JSL S.A. for three-month period ended March 31, 2020, authorizing the conclusion on this date.

São Paulo, May 14, 2020.

Fernando Antonio Simões
Chief Executive Officer

Denys Marc Ferrez
Chief Administrative, Financial and Investors' Relations Officer

Samir Moises Gilio Ferreira
Controller Director

Statement of the Executive Board on the Independent Auditors' Report on Review

In accordance with item V of article 25 of CVM Instruction 480 of December 7, 2009, the Executive Board declares that reviewed, discussed and agreed with the conclusions expressed on the Independent Auditors' Report on Review of the interim financial information Parent Company and Consolidated of JSL S.A., for the three-month period ended March 31, 2020 issued on this date.

São Paulo, May 14, 2020.

Fernando Antonio Simões
Chief Executive Officer

Denys Marc Ferrez
Chief Administrative, Financial and Investors' Relations Officer

Samir Moises Gilio Ferreira
Controller Director