



Ultrapar Participações S.A.

Earnings conference call – 3Q19

11.07.2019



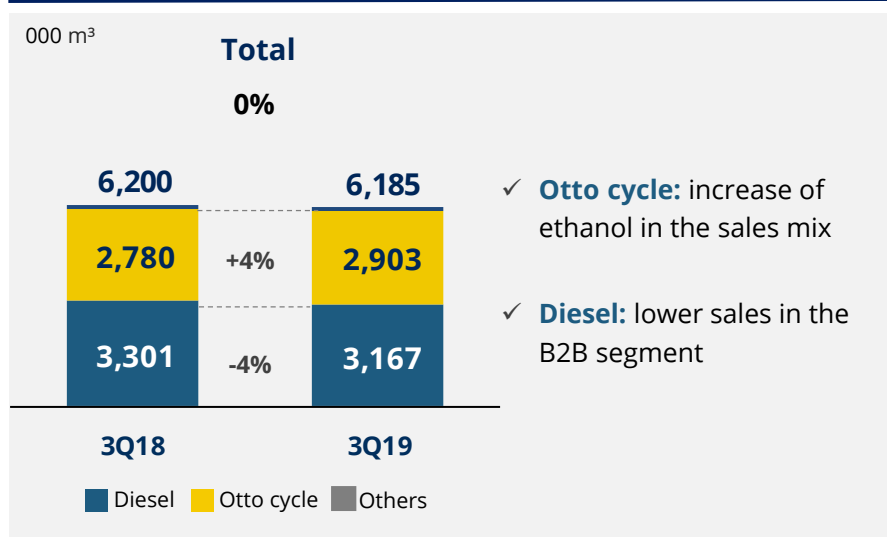
▶ Forward-looking statements

- ✓ This document may include “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “anticipate,” “believe,” “expect,” “estimate,” “plan,” “outlook,” “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Investors are cautioned that such forward-looking statements with respect to revenues, earnings, performance, strategies, prospects and other aspects of the business of Ultrapar Participações S.A. (“Ultrapar”) are based on current expectations that are subject to risks and uncertainties that could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements. Ultrapar is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise. For this reason, readers should not place undue emphasis on these forward-looking statements.

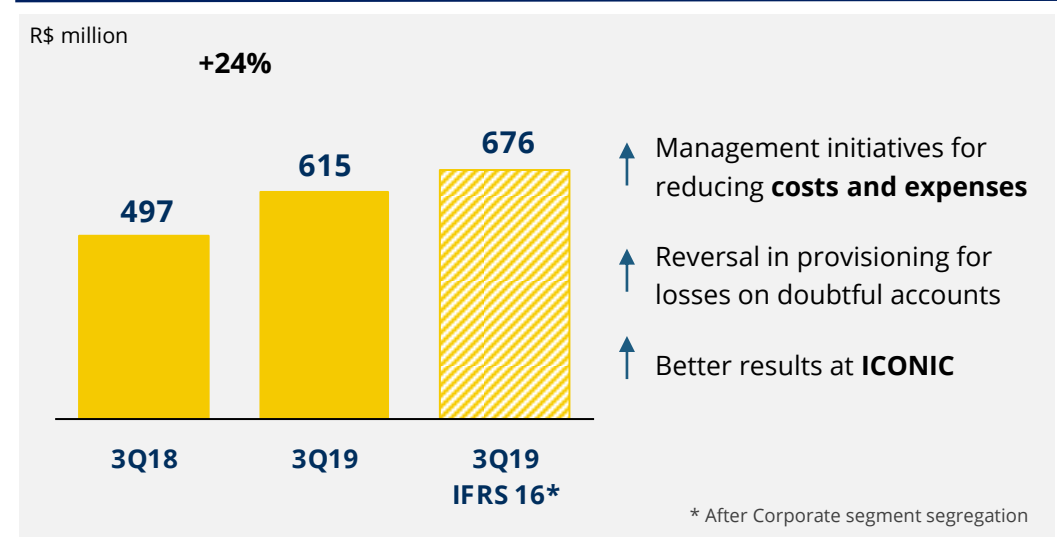
▶ Standards and criteria adopted in preparing the information

- ✓ The financial information presented in this document has been prepared according to International Financial Reporting Standards (IFRS). The financial information of Ultrapar corresponds to the company's consolidated information. The financial information of Ipiranga, Oxiteno, Ultragaz, Ultracargo and Extrafarma is reported without elimination of intercompany transactions. Therefore, the sum of such information may not correspond to the consolidated financial information of Ultrapar. In addition, the financial and operational information presented in this document is subject to rounding off and, consequently, the total amounts presented in the tables and charts may differ from the direct sum of the amounts that precede them.
- ✓ Information denominated EBITDA and Adjusted EBITDA is presented in accordance with Instruction 527, issued by the Brazilian Securities and Exchange Commission – CVM on October 4, 2012.
- ✓ As from 2019, two changes have been introduced in the presentation of Ultrapar's financial information: (i) we have adopted the IFRS 16 published by IASB – International Accounting Standards Board prospectively; and (ii) we have separated out certain corporate expenses, previously distributed among Ultrapar's business units, to a new segment named “Corporate”. **In order to retain comparability between 3Q19 and 9M19 with the information of 3Q18 and 9M18, discussion of results is shown without adjustments related to IFRS 16 and to the new Corporate segment while references to “3Q19” adopt the same criterion.** Any mention of information incorporating these changes will be identified as “3Q19 Post-adjustments”. Additional information can be found in note 2.y of the quarterly financial statements of September 30, 2019 and in the financial spreadsheets, available from the Ultrapar website (ri.ultra.com.br).

Volume



Adjusted EBITDA



Complete service station



- ✓ 2,386 stores
 - Penetration of 33%
 - 4 DCs in operation
 - 930 bakeries
 - 557 Beer Caves



- ✓ 1,498 Jet Oil franchises



- ✓ 34% of transactions with KMV
- ✓ 32 million participants

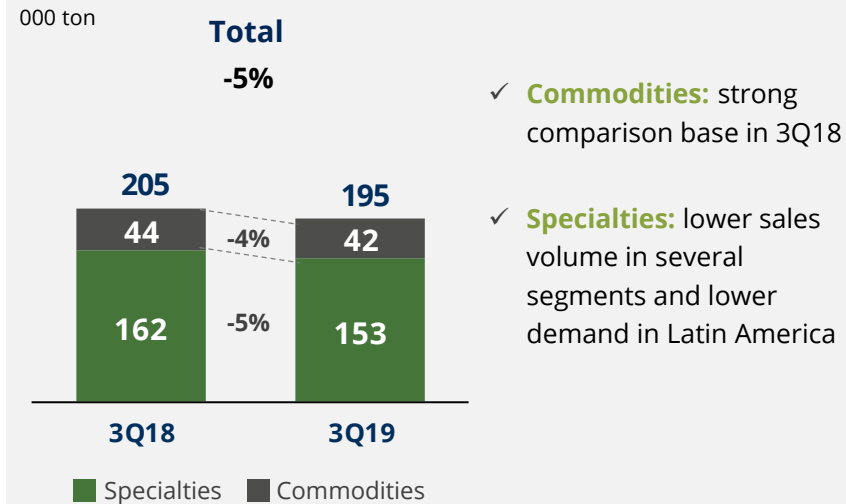


- ✓ Penetration of 10% in Otto cycle payments (vs. 3% in 3Q18)

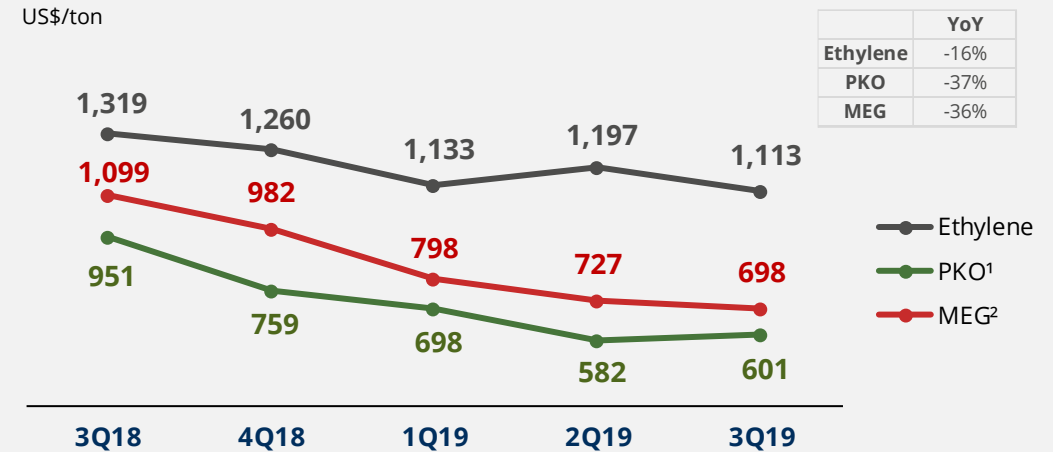
Network: 7,151 service stations

Oxiteno - 3Q19 performance

Volume



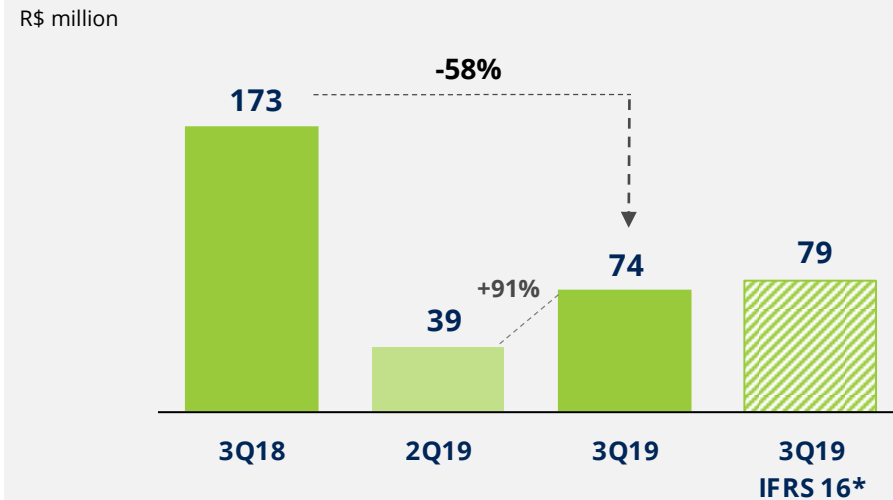
Falling reference prices



Source: PCI and ICIS LOR

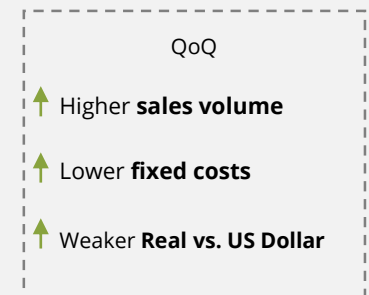
¹ Palm Kernel Oil
² Mono-Ethylene Glycol

EBITDA



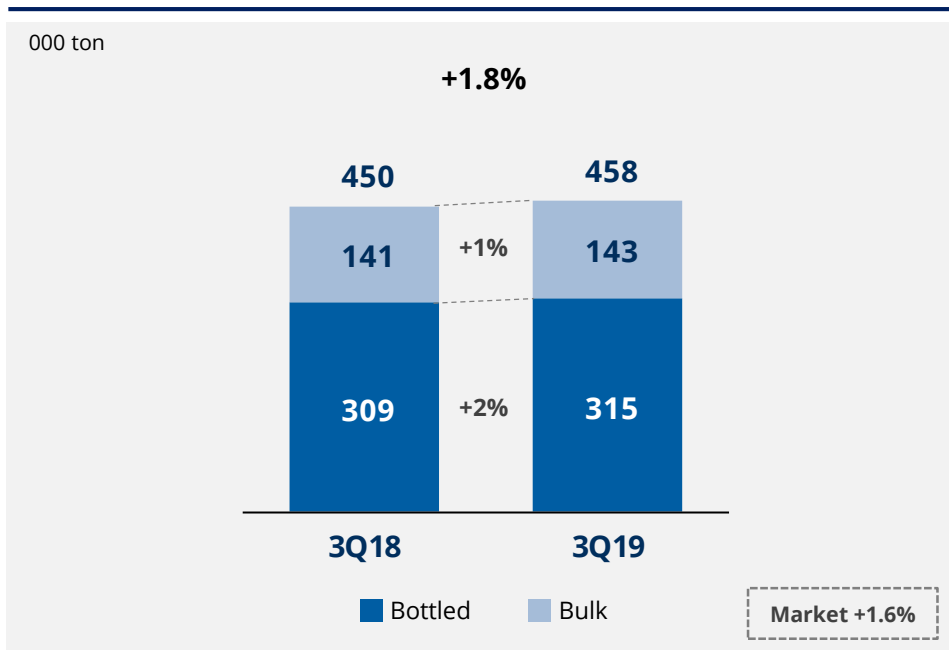
↓ Lower commodities **unit margins** in US Dollar

↓ Lower **sales volume**

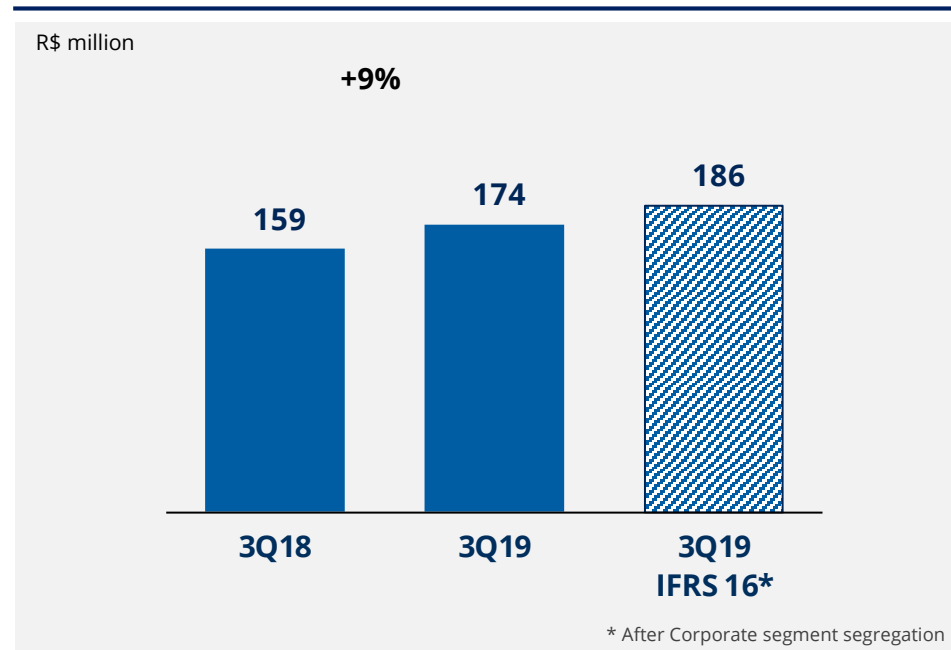


* After Corporate segment segregation

Volume



EBITDA



Volume

↑ **Bottled:** new resellers added

↑ **Bulk:** higher sales to the commercial and services segments and special gases

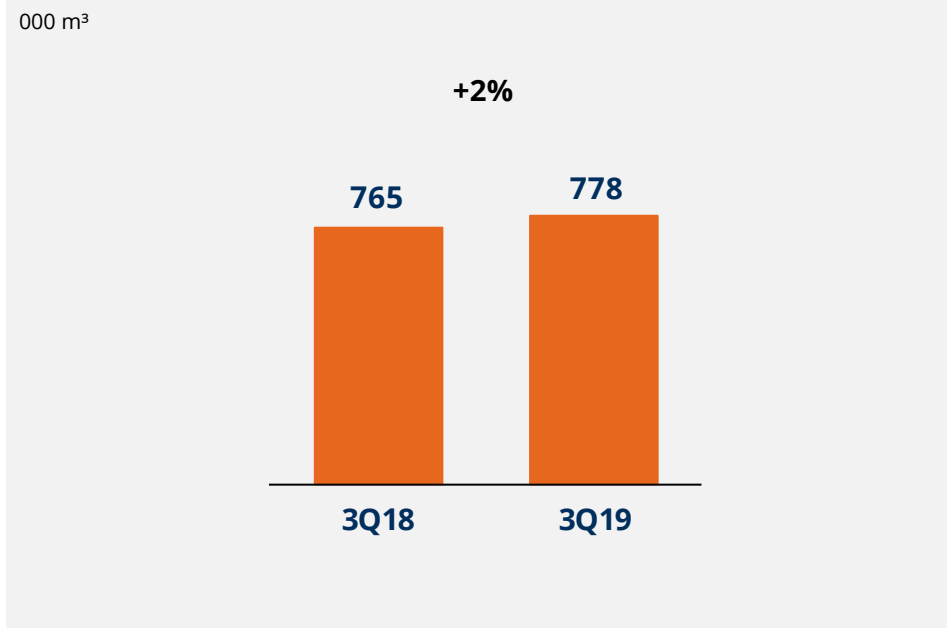
EBITDA

↑ Higher sales volume

↑ Improvement in gross margin

↓ Reversal of losses on doubtful accounts in 3Q18

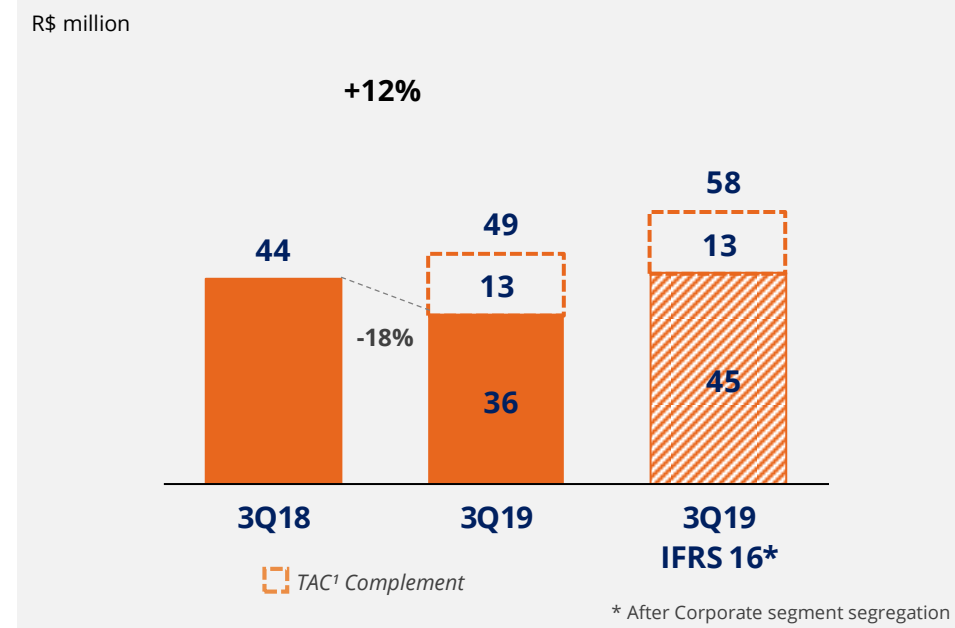
Effective storage – monthly average



Volume

- ↑ Higher handling of **fuels and corrosives**
- ↓ Reduction in **ethanol handling**

EBITDA

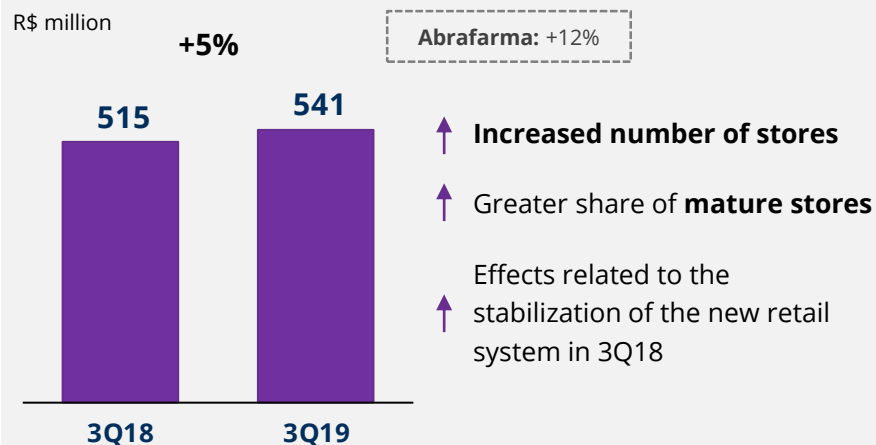


EBITDA

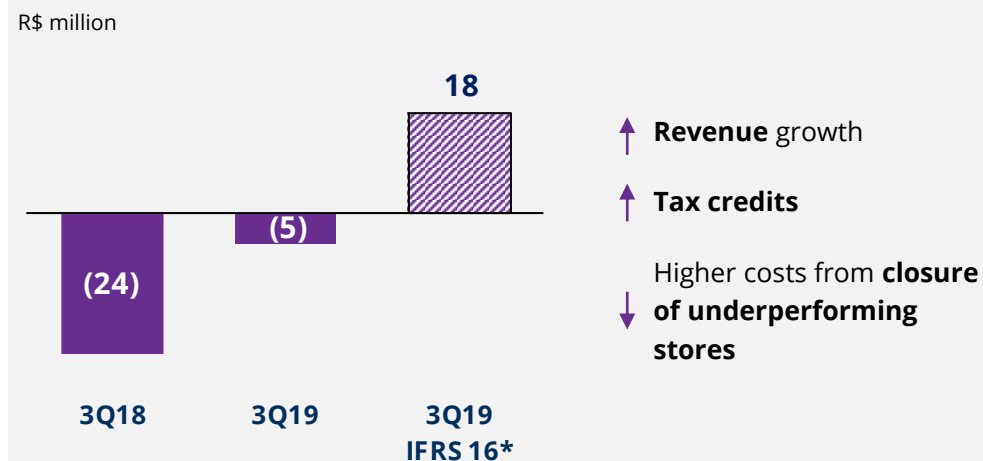
- ↑ **Higher handling** of products
- ↑ Increase in **average prices**
- ↓ Higher costs and expenses associated with the **expansion of capacity at the Santos terminal**
- ↓ Agreement to suspend proceedings in addition to the TAC¹ on 2Q19

Extrafarma – 3Q19 performance

Gross revenues

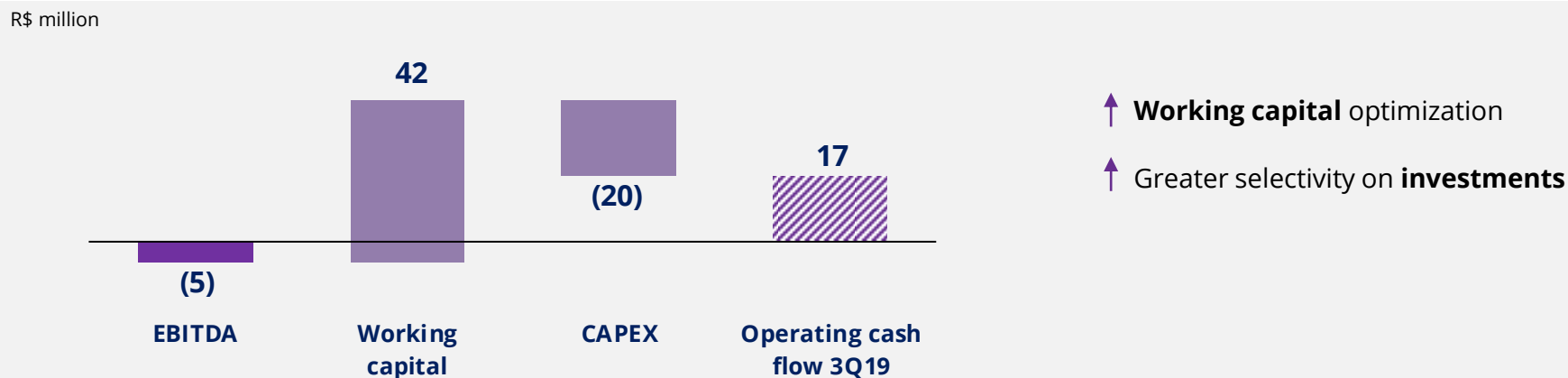


EBITDA

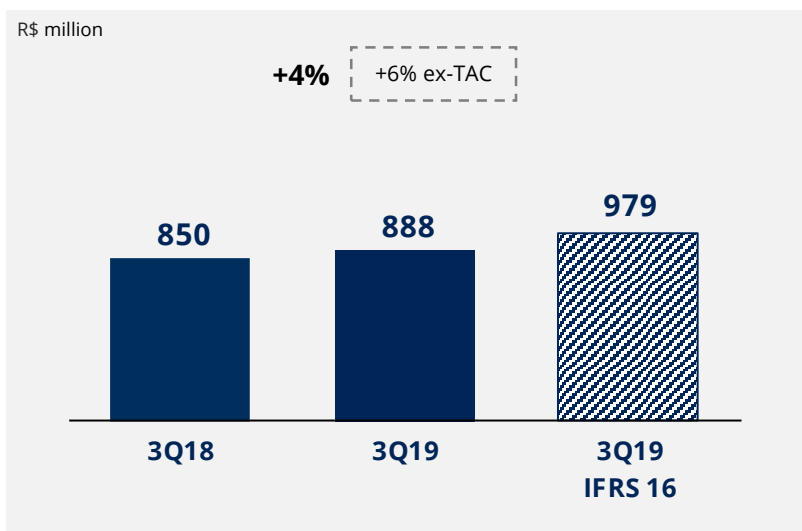


* After Corporate segment segregation

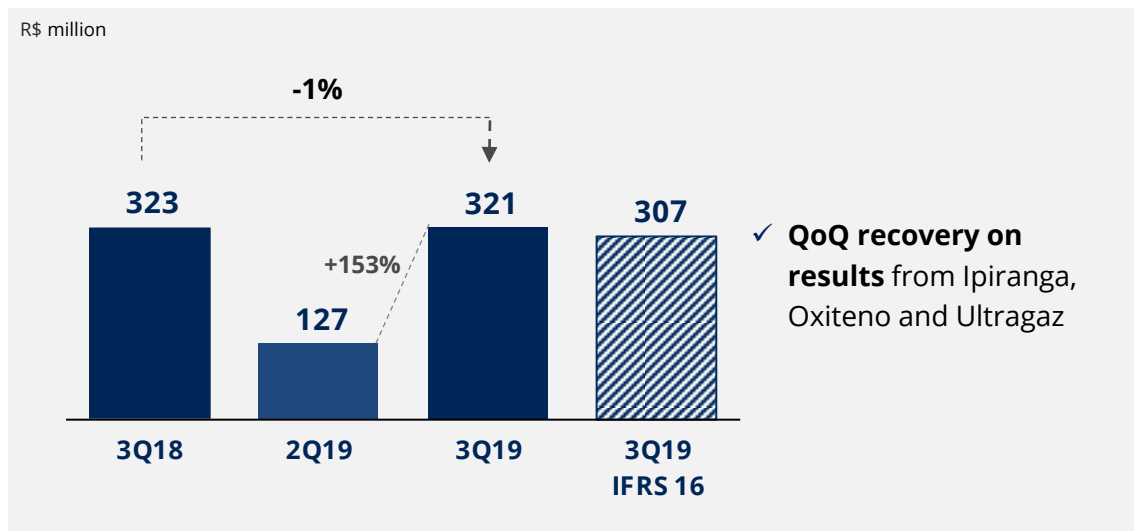
Operating cash flow after investments



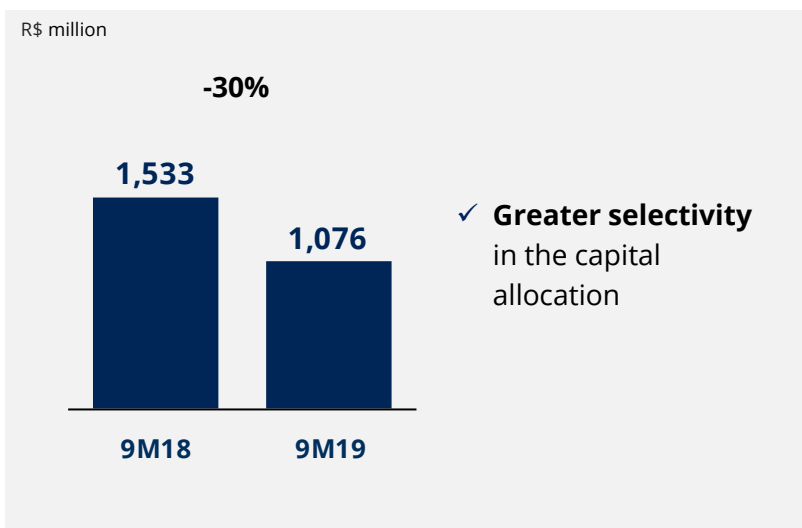
Adjusted EBITDA



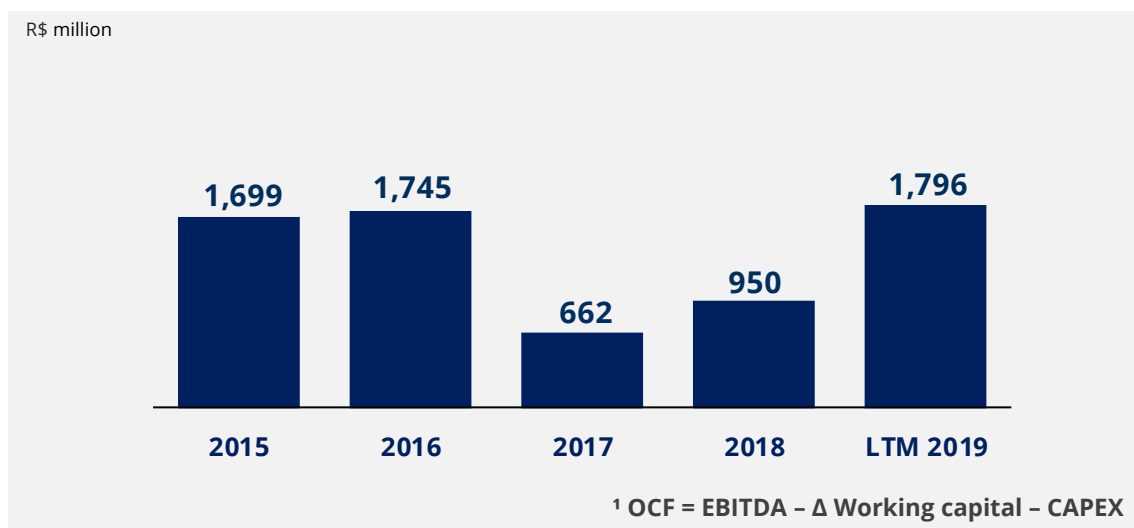
Net income



Investments



Operating cash flow after investments¹



Financial leverage

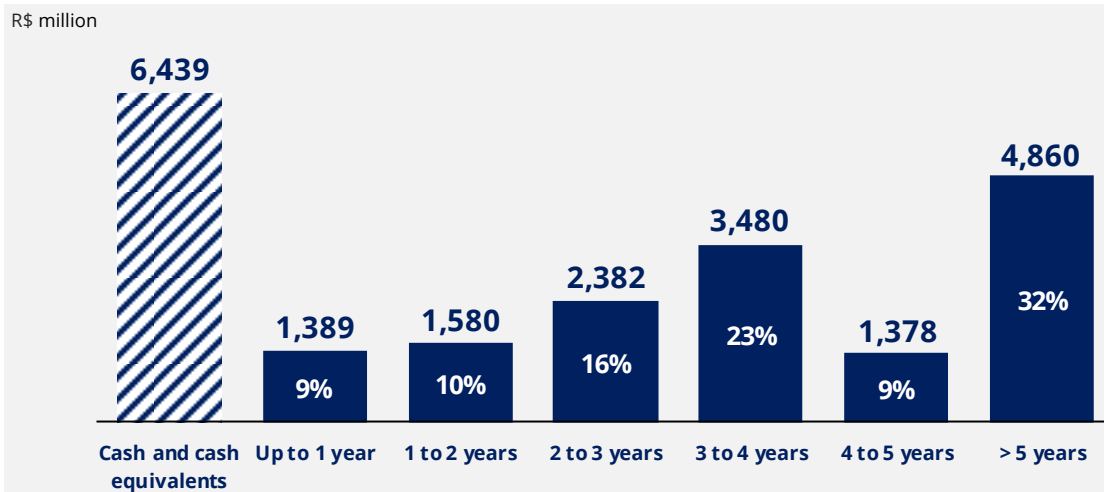


Net debt increase:

- ✓ Payment of dividends in the quarter
- ✓ Non-cash FX variation on US\$ debt

¹ Adjusted EBITDA LTM – not considering IFRS 16

Amortization profile



- ✓ Duration (years): 5.0
- ✓ Average cost (% CDI): 99%

Ultrapar Participações S.A.

Investor Relations

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