

ULTRAPAR HOLDINGS INC
Form 6-K
May 06, 2010

Form 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report Of Foreign Private Issuer
Pursuant To Rule 13a-16 Or 15d-16 Of
The Securities Exchange Act Of 1934

For the month of May, 2010

Commission File Number: 001-14950

ULTRAPAR HOLDINGS INC.
(Translation of Registrant's Name into English)

Avenida Brigadeiro Luis Antonio, 1343, 9º Andar
São Paulo, SP, Brazil 01317-910
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form X	Form
20-F	40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes	No	X
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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes	No	X
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Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes	No	X
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If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

ULTRAPAR HOLDINGS INC.

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Item 1

São Paulo, May 5th, 2010 – Ultrapar Participações S.A. (BMF&BOVESPA: UGPA4 / NYSE: UGP), a company engaged in fuel distribution (Ultragaz/Ipiranga), chemicals (Oxiten), and storage for liquid bulk (Ultracargo), hereby reports its results for the first quarter of 2010.

Results conference call

Brazilian conference call

May 7th, 2010

10 a.m. (US EST)

São Paulo - SP

Telephone for connection: +55 11

2188 0155

Code: Ultrapar

International conference call

May 7th, 2010

11:30 p.m. (US EST)

Participants Brazil: 0800 891 9722

Participants US: +1 800 418 6854

Participants International: +1 973 200

3114

Code: Ultrapar or 68481410

IR contact

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Website: www.ultra.com.br

Ultrapar Participações S.A.

UGPA4 = R\$ 85.50/share (03/31/10)

UGP = US\$ 48.43/ADR (03/31/10)

With businesses that are concurrently resilient and leveraged on the Brazilian economy growth, acquisitions with strong returns and operational excellence programs, we report in this 1Q10 our fifteenth consecutive quarter of growth in EBITDA, which reached R\$ 362 million, up 32% over 1Q09

Ø GROWTH IN THE BRAZILIAN ECONOMY, ACQUISITIONS AND EXPANSION PROJECTS ALLOW HIGHER VOLUMES IN ALL BUSINESS UNITS IN 1Q10

Ø ULTRAPAR'S SALES REACH R\$ 10 BILLION IN 1Q10, WITH GROWTH IN ALL BUSINESS UNITS

Ø ULTRAPAR'S EBITDA REACHES R\$ 362 MILLION IN 1Q10, 32% GROWTH ON 1Q09

Ø ULTRAPAR'S NET EARNINGS REACH R\$ 141 MILLION IN 1Q10, 54%GROWTH ON 1Q09

“In this first quarter we captured the benefits from the investments made and the greater dynamism of the Brazilian economy, evidenced mainly by the growth in diesel sales, LPG for the bulk segment, specialty chemicals in the domestic market and liquid bulk storage. At the same time, we advanced in capturing the gains from recent acquisitions, reduced our cost of debt and announced the sale of Ultracargo's in-house logistics, solid bulk storage and road transportation businesses, reinforcing its focus on liquid bulk storage, segment in which it has a leadership position”

Pedro Wongtschowski – CEO

Considerations on the financial and operational information

Standards and criteria adopted in preparing the information

Ultrapar's financial statements for the year ended December 31st, 2009 were prepared in accordance with the accounting directives set out in the Brazilian Corporate Law, being adopted the alterations introduced by Laws 11,638/07 and 11,941/09 (former Provisional Measure 449/08), as well as the CVM standards, instructions and guidelines, which regulate them. In connection with the process of converging the accounting practices adopted in Brazil to the international financial reporting standards (IFRS), several guidelines, interpretations and orientations were issued during 2009 with mandatory application for the year ending December 31st, 2010. Ultrapar decided to rely on the option foreseen in Article 1 of CVM Resolution 603/2009, as amended by CVM Resolution 626/2010, in preparing the quarterly information for the period ended March 31st, 2010, an option that allows companies to report their quarterly information for the period ended March 31st, 2010 in accordance with the accounting standards valid on December 31st, 2009.

Except when otherwise indicated, the amounts presented in this document are expressed in millions of R\$ and are subject to rounding off. Consequently, the total amounts presented in the tables may differ from the direct sum of the amounts that precede them.

Effect of the acquisition - Texaco

In August 2008, Ultrapar announced the signing of the sale and purchase agreement for the acquisition of Texaco's fuel distribution business in Brazil. On March 31st, 2009, Ultrapar closed the acquisition of Texaco through the disbursement of R\$ 1,106 million, in addition to the US\$ 38 million deposit made to Chevron in August 2008. In August 2009, Ultrapar paid R\$ 162 million related to the expected working capital adjustment, reflecting the increased working capital effectively received by Ultrapar on the closing date of the acquisition. The results of Texaco were consolidated in Ultrapar's financial statements from April 1st, 2009. Ultrapar's financial statements in periods prior to 2Q09 do not include Texaco's results.

In order to provide a better understanding of the progression of Ipiranga's recurring results, the table below summarizes Ipiranga's results for 2Q09, 3Q09, 4Q09 and 1Q10 ex-non-recurring expenses related to the conversion of Texaco service stations into the Ipiranga brand and to the integration of the acquired operations. The analysis and discussion of the progression in Ipiranga's results presented in this document exclude non-recurring items, in order to provide comparability of the information and a better understanding of the company's performance.

	IPIRANGA EX-NON-RECURRING EXPENSES			
	QUARTER ENDED IN			
	MARCH 2010 ¹	DECEMBER 2009	SEPTEMBER 2009	JUNE 2009
Net sales	8,591.5	8,988.7	8,183.6	8,212.9
Cost of sales and services	(8,120.2)	(8,483.1)	(7,742.2)	(7,780.5)
Gross profit	471.2	505.6	441.4	432.4
Operating expenses	(267.5)	(285.4)	(266.4)	(269.2)
Selling	(147.8)	(136.0)	(136.1)	(140.5)
General and administrative	(87.7)	(104.0)	(86.2)	(96.0)

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Depreciation and amortization	(32.0)	(45.4)	(44.1)	(32.6)
Other operating results	6.4	10.1	3.4	2.2
EBIT	210.1	230.3	178.4	165.4
EBITDA	242.7	277.9	224.7	200.1
Depreciation and amortization	32.6	47.6	46.3	34.7
EBITDA margin (R\$/m ³)	53	55	47	43

1 The information for 1Q10 also exclude the effects of adhering the Federal and Mato Grosso State tax financing program, with an impact of R\$ 22 million on Ipiranga's EBITDA. Additional information is available in note 22.a. to the financial statements for the quarter ended March 31st, 2010, available at Ultrapar's website (www.ultra.com.br).

Summary of the first quarter of 2010

Ultrapar – Consolidated data	1Q10	1Q09	4Q09	D (%) 1Q10v1Q09	D (%) 1Q10v4Q09
Net sales and services	9,941	6,411	10,422	55%	(5%)
Gross profit	724	526	756	38%	(4%)
Operating profit	261	178	269	47%	(3%)
EBITDA	362	274	389	32%	(7%)
Net earnings	141	91	149	54%	(6%)
Earnings per share ¹	1.05	0.68	1.11	54%	(6%)

Amounts in R\$ million (except for EPS)

¹Calculated based on the number of shares in the end of the period, excluding shares held in treasury.

Ultragaz – Operational data	1Q10	1Q09	4Q09	D (%) 1Q10v1Q09	D (%) 1Q10v4Q09
Total volume (000 tons)	371	364	400	2%	(7%)
Bottled	257	257	278	0%	(8%)
Bulk	114	107	121	6%	(6%)

Ipiranga – Operational data	1Q10	1Q09	4Q09	D (%) 1Q10v1Q09	D (%) 1Q10v4Q09
Total volume (000 m ³)	4,595	2,770	5,022	66%	(9%)
Diesel	2,483	1,507	2,691	65%	(8%)
Gasoline, ethanol and NGV	2,003	1,185	2,209	69%	(9%)
Other ²	109	78	122	40%	(11%)

² Fuel oils, kerosene, lubricants and greases

Oxiteno – Operational data	1Q10	1Q09	4Q09	D (%) 1Q10v1Q09	D (%) 1Q10v4Q09
Total volume (000 tons)	164	124	182	32%	(10%)
Product mix					
Specialty chemicals	152	115	172	31%	(12%)
Glycols	12	8	9	46%	31%
Geographical mix					
Sales in Brazil	117	86	123	35%	(5%)
Sales outside Brazil	47	37	59	26%	(20%)

Ultracargo – Operational data	1Q10	1Q09	4Q09	D (%)	D (%)
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				1Q10v1Q09	1Q10v4Q09
Effective storage ³ (000 m3)	535	437	427	23%	25%
Total kilometrage (million)	5.0	6.2	4.9	(19%)	3%
3Monthly average					

-3-

Macroeconomic indicators	1Q10	1Q09	4Q09	D (%) 1Q10v1Q09	D (%) 1Q10v4Q09
Average exchange rate (R\$/US\$)	1.80	2.31	1.74	(22%)	4%
Brazilian interbank interest rate (CDI)	2.0%	2.9%	2.1%		
Inflation in the period (IPCA)	2.0%	1.2%	1.1%		

Highlights

Ø Ultracargo sells its in-house logistics, solid bulk storage and road transportation businesses and focus its activities on liquid bulk storage – On March 31st, 2010, Ultrapar signed a sale and purchase agreement to sell the in-house logistics, solid bulk storage and road transportation businesses to Aqces Logística Internacional Ltda. The transaction value is R\$ 82 million, subject to adjustments on the closing date and to certain conditions precedent, notably the segregation of the in-house logistics, solid bulk storage and road transportation operations, with the transfer of the respective assets, contracts, licenses and employees from Ultracargo to its subsidiaries AGT – Armazéns Gerais e Transporte Ltda. and Petrolog Serviços e Armazéns Gerais Ltda. The closing date is expected to occur in mid-2010, when the shares of AGT and Petrolog will be transferred to the acquirer.

Ø Acquisition of Texaco - progress of the integration – In this quarter, we further advanced in the Texaco integration process started in April 2009. We advanced in the fast-paced process of converting the acquired network into the Ipiranga brand, a process that consists of altering the visual identity of Texaco's service stations to Ipiranga's standards by painting and replacing banners and logos, among others. In the first quarter of 2010, 67 service stations and 7 convenience stores and franchises were converted. From April 1st to March 31st, 2010, 1,087 service stations were converted, representing 80% of the acquired service stations in the South and Southeast regions, with average expenses of approximately R\$ 30 thousand per service station, totaling R\$ 33 million in the period. The conversion to the Ipiranga brand is one of the elements of the implementation of Ipiranga's business model in the acquired network. In this 1Q10, expenses related to brand-switching amounted to R\$ 1 million and expenses related to the integration of the acquired operations amounted to R\$ 9 million.

Ø Reduction in the cost of debt – On March 26th, 2010, Ultrapar's Board of Directors approved the hiring of a loan with Banco do Brasil by the subsidiary Ipiranga Produtos de Petróleo S.A. in the amount of R\$ 500 million, with a three-year term, interest rate equivalent to 98.5% of CDI (interbank deposit rate) and a single payment at maturity. This loan replaces the financing in the same principal amount at a cost of 120% of the CDI, thus reducing the cost of debt and providing higher financial flexibility.

Executive summary of the results

The first quarter of 2010 was marked by the intensification in the economic growth recovery, especially in relation with 1Q09, when the Brazilian gross domestic product decreased by 2.1% over the same period of 2008. The Brazilian economic recovery over the past twelve months has driven the inflow of foreign investments in the country, thus leading the average rate of U.S. dollars to move from R\$ 2.31 in the first quarter of 2009 to R\$ 1.80 in the first quarter of 2010. With the consolidation of the growth trend, measures to stimulate the economy have been gradually withdrawn, such as the end of the federal Excise Tax on Manufactured Products (IPI) tax break on durable goods. Still under the effects of the IPI tax break and boosted by the return of credit availability, car sales in Brazil reported another record with 750 thousand vehicles licensed in the first quarter, a 17% growth compared with the

same period of 2009. In the international environment, the economic recovery in some countries continued to reflect in increased demand for commodities and consequently the rise in their prices, especially oil, which ended the quarter at US\$ 79/barrel, 69% above the closing price for the first quarter of 2009.

In 1Q10, Ultragas sales volume grew by 2% compared with 1Q09, boosted by the 6% growth in the bulk segment, as a result of the higher level of economic activity. Ultragas's EBITDA reached R\$ 71 million in the quarter, up 35% from 1Q09, mainly as a result of a recovery in margins, to which the implemented operational efficiency programs contributed, and of the performance in the bulk segment.

At Ipiranga, fuel sales volume grew by 66% in 1Q10 compared with 1Q09, as a consequence of Texaco's acquisition, the recovery in the economic dynamism and the continued growth of the Brazilian light vehicle fleet. Ipiranga's EBITDA in

1Q10 amounted to R\$ 243 million, up 69% over 1Q09, resulting in an EBITDA margin of R\$ 53/m3, higher than the R\$ 52/m3 EBITDA margin for 1Q09 (pre-acquisition of Texaco).

In 1Q10, Oxiteno reported a 32% sales volume growth compared with 1Q09, as a result of the higher level of economic activity and commercial initiatives for imports replacement. EBITDA amounted to R\$ 40 million in 1Q10, down 14% from 1Q09, due to the 22% stronger Real and higher raw material costs, but up 22% from 4Q09, especially due to the gradual recovery in margins and expense reduction initiatives.

Ultracargo reported a 23% increase in average effective storage compared with 1Q09, especially due to the consolidation of the acquired terminal in Suape in December 2009 and the higher volume of operations in Santos and Aratu terminals, as a result of the expansions completed and the economic growth. As a result, Ultracargo's EBITDA totaled R\$ 30 million in 1Q10, up 27% over 1Q09.

Ultrapar's consolidated EBITDA totaled R\$ 362 million in 1Q10, up 32% over 1Q09, due to the EBITDA growth in Ipiranga, Ultragaz and Ultracargo. Net earnings for 1Q10 reached R\$ 141 million, up 54% over 1Q09, mainly as a result of the growth in EBITDA.

Operational performance

Ultragaz – In 1Q10, Ultragaz's sales volume amounted to 371 thousand tons, up 2% over 1Q09. In the bottled segment, Ultragaz sales volume remained stable compared with 1Q09. In the bulk segment, sales volume grew by 6% due to the higher level of economic activity and recovery of manufacturing activity. Compared with 4Q09, Ultragaz's sales volume decreased by 7%, as a result of seasonality between periods.

Ipiranga – Ipiranga's sales volume totaled 4,595 thousand cubic meters in 1Q10, 66% higher than that in 1Q09. Sales volume of fuels for light vehicles grew by 69%, mainly as a consequence of the consolidation of Texaco's volume from April 1st, 2009 onwards and the increase in the light vehicle fleet during the last 12 months, especially the increase in sales volume of gasoline due to the lower availability of ethanol. Diesel volume grew by 65% due to the consolidation of Texaco's volume from April 1st, 2009 onwards and the higher level of economic activity in 1Q10. Compared with 4Q09, sales volume decreased by 9%, especially as a result of seasonality between quarters.

Oxiteno – Oxiteno’s sales volume totaled 164 thousand tons, up 32% (40 thousand tons) over 1Q09, with a 31% increase in sales volume of specialty chemicals, as a result of the higher level of economic activity compared with 1Q09, initiatives to replace imports and expansions in the production capacity. In the Brazilian market, sales volume rose by 35% (31 thousand tons), with a positive progression in all markets, especially in specialty chemicals sold to the cosmetics, agrochemicals and paints and varnishes industries. Sales volume outside Brazil grew by 26% (10 thousand tons) due to an increase in sales of specialty chemicals as a result of the capacity expansions. Compared with 4Q09, sales volume decreased by 10% (18 thousand tons), as a result of seasonality between quarters.

Ultracargo – In 1Q10, Ultracargo reported a 23% and 25% increase in average effective storage measured in cubic meters compared with 1Q09 and 4Q09, respectively, due to the consolidation of the acquired terminal in Suape in December 2009 and higher volume of operations in Santos and Aratu terminals, as a result of capacity expansions and the economic growth. In the transportation segment, total kilometrage travelled declined by 19% compared with 1Q09, especially due to Ultracargo’s decision to reduce its presence in some segments during 2009. Compared with 4Q09, total kilometrage travelled declined by 3%.

Economic-financial performance

Net sales and services – Ultrapar’s consolidated net sales and services amounted to R\$ 9,941 million in 1Q10, up 55% over 1Q09, mainly as a consequence of the consolidation of Texaco from 2Q09 onwards and the growth in sales in all businesses. Compared with 4Q09, Ultrapar’s net sales and services declined by 5% due to seasonality between periods.

1 Reported figures, include non-recurring items

Ultragaz – Ultragaz’s net sales and services amounted to R\$ 842 million in 1Q10, up 10% over 1Q09, due to an increase in sales volume, a rise in the cost of LPG used in the bulk segment and commercial initiatives and operational efficiency programs implemented. Compared with 4Q09, net sales and services declined by 5% as a consequence of seasonally lower sales volume, partially offset by the effect of an increase in the cost of LPG used in the bulk segment.

Ipiranga – Ipiranga’s net sales and services amounted to R\$ 8,591 million in 1Q10, up 68% over 1Q09, especially as a result of a 66% increase in sales volume, an increased share of gasoline in the product mix and an increase in ethanol costs due to the reduced availability of the product in 1Q10, partially offset by a reduction in the diesel ex-refinery cost in June 2009. Compared with 4Q09, net sales and services declined by 4%, mainly due to a 9% decrease in sales volume.

Oxitenó – Oxitenó's net sales and services totaled R\$ 472 million in 1Q10, up 3% over 1Q09, despite the 22% stronger Real, as a consequence of the 32% growth in sales volume. Compared with 4Q09, net sales and services declined by 7%, mainly due to the 10% reduction in sales volume.

Ultracargo – Ultracargo's net sales and services amounted to R\$ 82 million in 1Q10, up 1% from 1Q09, despite the 23% increase in average storage, due to a reduction in kilometrage travelled. Compared with 4Q09, Ultracargo's net sales and services grew by 4%, mainly due to the progression in average storage.

Cost of goods sold – Ultrapar's cost of goods sold amounted to R\$ 9,216 million in 1Q10, up 57% from 1Q09, especially as a result of the consolidation of Texaco from 2Q09 onwards and higher volume of operations in all business. Compared with 4Q09, Ultrapar's cost of goods sold declined by 5%, especially due to seasonality between quarters.

Ultragaz – Ultragaz's cost of goods sold amounted to R\$ 696 million in 1Q10, up 6% over 1Q09, as a consequence of a 6% increase in ex-refinery cost of LPG used in the bulk segment from January 2010 and higher sales volume. Compared with 4Q09, the cost of goods sold declined by 7%, in line with the sales volume variation – higher ex-refinery cost of LPG used in the bulk segment was offset in the quarter by lower distribution costs, especially lower costs with bottles re-qualification.

Ipiranga – Ipiranga's cost of goods sold amounted to R\$ 8,120 million in 1Q10, up 68% over 1Q09, especially due to a 66% increase in sales volume, an increased share of gasoline in the product mix and an increase in ethanol costs in 1Q10, partially offset by a reduction in the diesel ex-refinery cost in June 2009. In relation to 4Q09, cost of goods sold declined by 4%, due to the 9% reduction in sales volume.

Oxitenó – Oxitenó's cost of goods sold in 1Q10 amounted to R\$ 392 million, up 4% over 1Q09, as a result of the 32% increase in sales volume and higher costs of raw material in dollars, partially offset by the 22% stronger Real. Compared with 4Q09, Oxitenó's cost of goods sold declined by 9%, almost in line with sales volume variation, with variations in raw material prices in dollars offset by those in the exchange rate.

Ultracargo – Ultracargo's cost of services provided amounted to R\$ 41 million in 1Q10, down 16% over 1Q09, mainly due to its reduced presence in the transportation segment and a R\$ 5 million reduction in depreciation resulting from the revision in the useful life of assets. Compared with 4Q09, Ultracargo's cost of services provided declined by 17%, especially due to increased expenses for scheduled maintenance of terminals in 4Q09 and the R\$ 5 million reduction in depreciation.

Sales, general and administrative expenses – Ultrapar's sales, general and administrative expenses amounted to R\$ 470 million in 1Q10, up 33% from 1Q09, basically as a result of Texaco's consolidation from 2Q09 onwards and non-recurring expenses related to the integration of its operations into Ultrapar. Compared with 4Q09, Ultrapar's sales, general and administrative expenses declined by 6%.

Ultragaz – Ultragaz's sales, general and administrative expenses amounted to R\$ 107 million in 1Q10, up 22% over 1Q09 as a consequence of (i) increased expenses related to promotional and sales campaigns, (ii) the effects of inflation on personnel expenses, (iii) higher variable compensation, in line with the earnings progression, and (iv) an increase in

depreciation. Compared with 4Q09, sales, general and administrative expenses grew by 1%, with a reduction in sales expenses offset mainly by the increase in depreciation.

Ipiranga – Ipiranga’s sales, general and administrative expenses amounted to R\$ 267 million in 1Q10, up 50% from 1Q09, mainly due to the consolidation of Texaco from 2Q09 onwards. Excluding depreciation, Ipiranga’s sales, general and administrative expenses represented R\$ 51/m³ of product sold, lower than the R\$ 56/m³ in 1Q09 (pre-acquisition of Texaco), reflecting the implementation of the operational and administrative synergy plan. In relation to 4Q09, sales, general and administrative expenses declined by 6% due to lower sales volume, partially offset by a concentration of advertising and marketing expenses in the first quarter.

Oxiteno – Oxiteno’s sales, general and administrative expenses totaled R\$ 66 million in 1Q10, up 5% from 1Q09 mainly due to higher freight expenses resulting from the 32% increase in sales volume, partially offset by expense reduction initiatives implemented, lower variable compensation and the effect of a stronger Real over international freight expenses. Compared with 4Q09, Oxiteno’s sales, general and administrative expenses declined by 4% especially due to the seasonally lower volume.

Ultracargo – Ultracargo’s sales, general and administrative expenses totaled R\$ 20 million in 1Q10, down 14% from 1Q09, despite the 23% growth in stored volume, especially as a result of its reduced presence in the transportation segment and operational synergies resulting from União Terminais’ integration during 2009. Compared with 4Q09, Ultracargo’s sales, general and administrative expenses decreased by 10%, especially due to the higher variable compensation in 4Q09, in line with the strong earnings progression reported in 2009.

EBITDA – Ultrapar’s EBITDA amounted to R\$ 362 million in 1Q10, 32% growth over 1Q09, mainly as a consequence of the consolidation of Texaco from 2Q09 onwards and EBITDA growth in Ipiranga, Ultragaz and Ultracargo. Compared with 4Q09, Ultrapar’s EBITDA declined by 7%, especially due to the seasonal volume reduction between periods.

1 Reported figures, include non-recurring items

Ultragaz – Ultragaz’s EBITDA amounted to R\$ 71 million in 1Q10, up 35% over 1Q09, especially due to a recovery in margins, to which the operational efficiency programs implemented contributed, and an improvement in the bulk segment performance, partially offset by an increase in expenses related to promotional and sales campaigns and higher variable compensation. Compared with 4Q09, Ultragaz’s EBITDA grew by 16%, despite the seasonally lower volume, especially due to a R\$ 7 million extraordinary item related to tax contingencies in 4Q09.

Ipiranga – Ipiranga’s EBITDA amounted to R\$ 243 million in 1Q10, up 69% over 1Q09, mainly as a consequence of the consolidation of Texaco from 2Q09 onwards, the implementation of the operational and administrative synergy plan and the improved product mix. Compared with 4Q09, Ipiranga’s EBITDA decreased by 13%, especially due to the seasonally lower volume. In 1Q10, Ipiranga’s unit EBITDA margin was R\$ 53/m³, above the unit EBITDA margin of R\$ 52/m³ (pre-acquisition of Texaco) reported in 1Q09, but lower than the margin of R\$ 55/m³ in 4Q09, due to the seasonality between quarters and consequently lower operational leverage.

In 1Q10, Ipiranga's reported EBITDA, considering non-recurring items, amounted to R\$ 210 million, up 46% over 1Q09 and 20% lower than that of 4Q09.

Oxiteno – Oxiteno's EBITDA amounted to R\$ 40 million in 1Q10, down 14% over 1Q09, especially due to the 22% stronger Real. Compared with 4Q09, Oxiteno's EBITDA grew by 29%, despite the seasonally lower volume, especially as a result of the gradual recovery in margins, the expense reduction initiatives and the 4% weaker Real. Oxiteno's unit EBITDA reached US\$ 134/ton in 1Q10, up 38% over 4Q09.

Ultracargo – Ultracargo's EBITDA amounted to R\$ 30 million, up 27% and 38% over 1Q09 and 4Q09, especially due to the higher volume of operations in its terminals and operational synergies resulting from União Terminais' integration during 2009.

Depreciation and amortization – Total depreciation and amortization costs and expenses in 1Q10 amounted to R\$ 101 million, up R\$ 5 million from 1Q09 and down R\$ 18 million from 4Q09. The reduction compared with 4Q09 is a result of the revision in the economic useful life of assets in accordance with Technical Standard ICPC (Brazilian Accounting Pronouncements Committee) 10 and in effect from January 1st, 2010 onwards.

Financial result – Ultrapar reported net financial expense of R\$ 75 million in 1Q10, R\$ 16 million higher than that of 1Q09, mainly as a result of the higher average net debt resulting from the disbursement related to the acquisition of Texaco on March 31st, 2009. Compared with 4Q09, net financial expense increased by R\$ 3 million.

Net earnings – Ultrapar's consolidated net earnings in 1Q10 amounted to R\$ 141 million, a growth of 54% over 1Q09 and 6% lower than that of 4Q09, especially due to variations in EBITDA in relation to the compared periods.

Investments – Total investment, net of disposals and repayments, amounted to R\$ 205 million in 1Q10, allocated as follows:

- At Ultramaz, R\$ 37 million were invested mainly in new clients in the bulk segment and renewal of assets.
- At Ipiranga, R\$ 60 million were invested in the conversion of unbranded service stations, new service stations, renewal and improvement of the distribution network. From the total amount invested, R\$ 28 million were related to additions to property, plant and equipment, and R\$ 31 million were related to financing and bonuses to clients, net of repayments. In addition, Ipiranga's estimated investments for 2010 were updated from R\$ 314 million to R\$ 414 million, with additional investments in the distribution network.
- At Oxiteno, R\$ 98 million were invested, concentrated on projects to expand ethylene oxide and ethoxylates production capacity in Camaçari and to increase productivity.
- Ultracargo invested R\$ 6 million in expansions of the Suape (30 thousand m3) and Santos terminals (21 thousand m3). Santos expanded operations started up during 1Q10.

R\$ million

Additions to fixed assets¹

Ultramaz

1Q10

37

Ipiranga	28
Oxiteno	98
Ultracargo	6
Total – additions to fixed assets	173
Financing and bonuses to clients ² - Ipiranga	31
Total Investments, net of disposals and repayments	205

1 Includes the consolidation of Serma

2 Financing and bonuses to clients are included as working capital in the Cash Flow Statement

Ultrapar in the capital markets

Ultrapar's average daily trading volume in 1Q10 was R\$ 32 million/day, 34% higher than the average of R\$ 24 million/day in 1Q09, considering the combined trading on the BMF&Bovespa and the NYSE. Ultrapar's shares closed 1Q10 quoted at R\$ 85.50/share on the BMF&Bovespa, with an accumulated appreciation of 7% from the end of 4Q09, compared with the 3% appreciation of the Ibovespa index over the same period. At the NYSE, Ultrapar's shares appreciated by 3% in 1Q10, while the Dow Jones index was up 4% over the same period. Ultrapar closed 1Q10 with a market value of R\$ 12 billion, up 54% from 1Q09.

Outlook

With leading position in each of its business units, Ultrapar is placed in a privileged position to capture the benefits from the significant growth potential of the Brazilian economy. At Ipiranga, such benefits reflect in the growth of diesel sales and in the effect of the expansion of the Brazilian fleet on gasoline, ethanol and NGV sales volume, given the low car penetration in Brazil, mainly in the North, Northeast and Mid-West regions, where it focuses its network expansion through the conversion of unbranded service stations and acquisitions of local companies. Ultragas, that have been reporting significant growth in results, will continue to benefit from the positive outlook for volumes in the bulk segment, keeping its strategy of expanding in niche markets and programs to strengthen its operational excellence. At Oxiteno, expansions of production capacity focused on specialty chemicals, the good performance of the Brazilian economy and the recent stability in raw material prices allow the company to realize its earnings potential. Finally, Ultracargo, which will focus exclusively on its liquid bulk storage business, segment in which it has a leadership position, will continue to seek opportunities to boost the benefits from the growing demand for logistics infrastructure in Brazil.

Forthcoming events

Conference call / Webcast: May 7th, 2010

Ultrapar will be holding a conference call for analysts on May 7th, 2010 to comment on the company's performance in the first quarter of 2010 and outlook. The presentation will be available for download on the company's website 30 minutes prior to the conference call.

Brazilian: 10:00 a.m. (US EST)

Phone: +55 11 2188 0155

Code: Ultrapar

International: 11:30 a.m. (US EST)

Participants Brazil: 0800 891 9722

Participants US: +1 800 418 6854

Participants International: +1 973 200 3114

Code: Ultrapar or 68481410

WEBCAST live via Internet at www.ultra.com.br. Please connect 15 minutes in advance.

This document may contain forecasts of future events. Such predictions merely reflect the expectations of the Company's management. Words such as: "believe", "expect", "plan", "strategy", "prospects", "envisage", "estimate", "forecast", "anticipate", "may" and other words with similar meaning are intended as preliminary declarations regarding expectations and future forecasts. Such declarations are subject to risks and uncertainties, anticipated by the Company or otherwise, which could mean that the reported results turn out to be significantly different from those forecasts. Therefore, the reader should not base investment decisions solely on these estimates.

Operational and market Information

Financial focus	1Q10	1Q09	4Q09
EBITDA margin Ultrapar	3.6%	4.3%	3.7%
Net margin Ultrapar	1.4%	1.4%	1.4%
Focus on human resources	1Q10	1Q09	4Q09
Number of employees – Ultrapar	9,397	9,366	9,429
Number of employees – Ultragaz	4,010	4,075	4,075
Number of employees – Ipiranga	2,293	2,096	2,326
Number of employees – Oxiteno	1,524	1,567	1,481
Number of employees – Ultracargo	1,245	1,328	1,232
Focus on capital markets	1Q10	1Q09	4Q09
Number of shares (000)	136,096	136,096	136,096
Market capitalization 1 – R\$ million	11,303	7,484	10,898
BM&FBovespa	1Q10	1Q09	4Q09
Average daily volume (shares)	301,060	309,980	294,400
Average daily volume (R\$ 000)	24,975	17,081	23,414
Average share price (R\$/share)	83.0	55.1	79.5
NYSE	1Q10	1Q09	4Q09
Quantity of ADRs ² (000 ADRs)	13,027	12,487	13,024
Average daily volume (ADRs)	86,500	125,791	99,553
Average daily volume (US\$ 000)	3,992	2,974	4,688
Average share price (US\$/ADR)	46.2	23.6	47.1
Total	1Q10	1Q09	4Q09
Average daily volume (shares)	387,560	435,771	393,953
Average daily volume (R\$ 000)	32,188	23,963	31,545

All financial information is presented according to the accounting principles laid down in the Brazilian Corporate Law. All figures are expressed in Brazilian Reais, except for the amounts on page 21, which are expressed in US dollars and were obtained using the average exchange rate (commercial dollar rate) for the corresponding periods.

For additional information, please contact:
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1 Calculated based on the weighted average price in the period.

2 1 ADR = 1 preferred share.

ULTRAPAR
CONSOLIDATED BALANCE SHEET
 In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN		
	MAR 2010	MAR 2009	DEC 2009
ASSETS			
Cash and financial investments	1,865.9	1,569.8	2,276.0
Trade accounts receivable	1,597.1	1,451.6	1,612.5
Inventories	1,012.0	871.1	942.2
Deferred income tax and social contribution	203.8	112.6	168.8
Other	388.9	362.4	378.3
Total Current Assets	5,067.7	4,367.5	5,377.8
Investments	23.4	1,223.9	23.3
Property, plant and equipment and intangibles	4,727.7	3,735.6	4,655.8
Deferred charges	8.6	14.1	9.8
Financial investments	3.0	7.2	7.2
Deferred income tax and social contribution LT	417.3	402.2	472.7
Trade accounts receivable LT	329.3	199.0	338.2
Other long term assets	222.0	131.0	205.5
Total Long Term Assets	5,731.4	5,713.0	5,712.5
TOTAL ASSETS	10,799.0	10,080.5	11,090.3
LIABILITIES			
Loans and financing	616.0	2,083.5	1,018.9
Debtentures	27.0	-	1.4
Suppliers	667.6	510.9	891.9
Payroll and related charges	133.1	127.3	176.5
Taxes	201.8	113.7	145.4
Other accounts payable	65.6	188.8	253.9
Total Current Liabilities	1,711.0	3,024.2	2,488.0
Loans and financing	2,512.9	2,054.9	2,136.0
Debtentures	1,188.8	-	1,186.5
Deferred income tax and social contribution	17.5	22.8	12.6
Other long term liabilities	389.4	197.8	402.9
Total Long Term Liabilities	4,108.6	2,275.5	3,738.0
TOTAL LIABILITIES	5,819.7	5,299.7	6,226.0
STOCKHOLDERS' EQUITY			
Capital	3,696.8	3,696.8	3,696.8
Capital reserve	1.4	1.0	1.3
Revaluation reserves	7.8	9.8	8.2
Profit reserves	1,133.1	940.8	1,132.4

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Mark to market adjustments	(2.0)	(5.6)	(4.1)
Cumulative translation adjustment	(19.0)	7.2	(5.3)
Retained earnings	140.8	91.5	-
Total Stockholders' Equity	4,958.8	4,741.5	4,829.3
Minority Interests	20.5	39.3	35.0
TOTAL STOCKHOLDERS' EQUITY & M.I.	4,979.4	4,780.8	4,864.3
TOTAL LIAB. AND STOCKHOLDERS' EQUITY	10,799.0	10,080.5	11,090.3
Cash and financial investments	1,868.9	1,577.0	2,283.2
Debt	4,344.7	4,138.5	4,342.8
Net cash (debt)	(2,475.7)	(2,561.5)	(2,059.6)

ULTRAPAR
CONSOLIDATED INCOME STATEMENT

In millions of Reais (except per share data) - Accounting practices adopted in Brazil

	QUARTERS ENDED IN			ACCUMULATED	
	MAR 2010	MAR 2009	DEC 2009	MAR 2010	MAR 2009
Net sales and services	9,940.8	6,411.4	10,422.4	9,940.8	6,411.4
Cost of sales and services	(9,216.4)	(5,885.2)	(9,666.4)	(9,216.4)	(5,885.2)
Gross profit	724.4	526.2	756.0	724.4	526.2
Operating expenses					
Selling	(224.9)	(151.2)	(219.0)	(224.9)	(151.2)
General and administrative	(176.3)	(144.6)	(199.4)	(176.3)	(144.6)
Depreciation and amortization	(68.8)	(57.3)	(79.5)	(68.8)	(57.3)
Other operating income (expenses)	6.6	4.7	11.2	6.6	4.7
EBIT	261.1	177.8	269.2	261.1	177.8
Financial results	(75.3)	(58.9)	(72.6)	(75.3)	(58.9)
Financial income	46.2	58.6	43.3	46.2	58.6
Financial expenses	(121.5)	(117.5)	(115.9)	(121.5)	(117.5)
Equity in earnings (losses) of affiliates	0.0	(0.1)	0.1	0.0	(0.1)
Other income (expense)	0.9	3.0	4.1	0.9	3.0
Income before taxes	186.7	121.8	200.9	186.7	121.8
Provision for income and social contribution tax	(56.5)	(36.2)	(57.6)	(56.5)	(36.2)
Benefit of tax holidays	7.1	6.9	5.4	7.1	6.9
Income before minority interest	137.3	92.5	148.7	137.3	92.5
Minority interest	3.2	(1.3)	0.1	3.2	(1.3)
Net Income	140.5	91.2	148.8	140.5	91.2
EBITDA	362.4	274.1	388.6	362.4	274.1
Depreciation and amortization	101.3	96.3	119.4	101.3	96.3

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Total investments, net of disposals and repayments	204.6	1,291.3	220.1	204.6	1,291.3
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RATIOS

Earnings / share - R\$	1.05	0.68	1.11	1.05	0.68
Net debt / Stockholders' equity	0.50	0.54	0.43	0.50	0.54
Net debt / LTM EBITDA	1.72	2.27	1.52	1.72	2.27
Net interest expense / EBITDA	0.21	0.21	0.19	0.21	0.21
Gross margin	7.3%	8.2%	7.3%	7.3%	8.2%
Operating margin	2.6%	2.8%	2.6%	2.6%	2.8%
EBITDA margin	3.6%	4.3%	3.7%	3.6%	4.3%

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ULTRAPAR
CONSOLIDATED CASH FLOW STATEMENT
In millions of Reais - Accounting practices adopted in Brazil

	JAN - MAR	
	2010	2009
Cash Flows from operating activities	34.4	362.4
Net income	140.5	91.2
Minority interest	(3.2)	1.3
Depreciation and amortization	101.3	96.3
Working capital	(302.6)	66.7
Financial expenses (A)	89.8	91.5
Deferred income and social contribution taxes	25.5	7.4
Other (B)	(17.1)	8.0
Cash Flows from investing activities	(173.4)	(1,295.0)
Additions to fixed assets, net of disposals	(173.4)	(105.4)
Acquisition and sale of equity investments	-	(1,189.6)
Cash Flows from (used in) financing activities	(275.2)	376.0
Issuances of short term debt	82.6	21.2
Amortization of short term debt	(1,147.1)	(170.4)
Issuances of long term debt	965.5	526.0
Related companies	(1.8)	(0.7)
Dividends paid (C)	(163.1)	(0.1)
Other (D)	(11.4)	-
Net increase (decrease) in cash and cash equivalents	(414.2)	(556.6)
Cash and cash equivalents at the beginning of the period (E)	2,283.2	2,133.6
Cash and cash equivalents at the end of the period (E)	1,868.9	1,577.0
Supplemental disclosure of cash flow information		
Cash paid for interest (F)	2.1	13.2
Cash paid for income and social contribution taxes (G)	15.2	11.0

(A) Comprised of interest, exchange rate and inflationary variation expenses on loans and financing. Does not include revenues from interest, exchange rate and inflationary variation on cash equivalents.

(B) Comprised mainly of cost of permanent asset sold and noncurrent assets and liabilities variations net.

(C) Includes dividends paid by Ultrapar and its subsidiaries to third parties.

(D) Minority interest portion in the capital reduction of Ultingás, in which Ultragaz holds a 56% stake.

(E) Includes long term investments.

(F) Included in cash flow used in financing activities.

(G) Included in cash flow from operating activities.

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ULTRAGAZ
CONSOLIDATED BALANCE SHEET
 In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN		
	MAR 2010	MAR 2010	DEC 2009
OPERATING ASSETS			
Trade accounts receivable	169.2	184.1	160.3
Trade accounts receivable - noncurrent portion	29.7	13.7	31.0
Inventories	38.7	36.5	39.9
Other	25.8	44.9	20.3
Property, plant and equipment and intangibles	525.4	521.9	519.1
Deferred charges	8.6	14.1	9.8
TOTAL OPERATING ASSETS	797.3	815.2	780.4
OPERATING LIABILITIES			
Suppliers	26.1	40.4	29.9
Payroll and related charges	49.9	46.2	58.5
Taxes	7.1	4.1	5.6
Other accounts payable	4.9	2.6	18.5
TOTAL OPERATING LIABILITIES	87.9	93.3	112.5

ULTRAGAZ
CONSOLIDATED INCOME STATEMENT
 In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN			ACCUMULATED	
	MAR 2010	MAR 2009	DEC 2009	MAR 2010	MAR 2009
Net sales	841.7	765.1	884.0	841.7	765.1
Cost of sales and services	(696.5)	(654.2)	(746.9)	(696.5)	(654.2)
Gross profit	145.2	110.9	137.1	145.2	110.9
Operating expenses					
Selling	(43.4)	(36.5)	(47.3)	(43.4)	(36.5)
General and administrative	(30.5)	(21.6)	(28.8)	(30.5)	(21.6)
Depreciation and amortization	(32.7)	(29.4)	(29.7)	(32.7)	(29.4)

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Other operating results	(0.5)	(0.4)	0.3	(0.5)	(0.4)
EBIT	38.3	23.0	31.6	38.3	23.0
EBITDA	70.9	52.4	61.3	70.9	52.4
Depreciation and amortization	32.7	29.4	29.7	32.7	29.4
RATIOS					
Gross margin (R\$/ton)	392	305	343	392	305
Operating margin (R\$/ton)	103	63	79	103	63
EBITDA margin (R\$/ton)	191	144	153	191	144

IPIRANGA
CONSOLIDATED BALANCE SHEET
 In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN		
	MAR 2010	MAR 2009	DEC 2009
OPERATING ASSETS			
Trade accounts receivable	1,158.4	1,000.0	1,201.5
Trade accounts receivable - noncurrent portion	299.3	184.9	306.9
Inventories	667.0	390.2	584.5
Other	199.2	107.4	188.1
Property, plant and equipment and intangibles	1,385.9	791.2	1,389.3
TOTAL OPERATING ASSETS	3,709.8	2,473.7	3,670.4
OPERATING LIABILITIES			
Suppliers	539.9	343.7	712.2
Payroll and related charges	37.8	31.9	66.1
Post-retirement benefits	86.6	69.4	86.6
Taxes	121.7	55.6	93.4
Other accounts payable	7.7	4.8	25.4
TOTAL OPERATING LIABILITIES	793.7	505.4	983.7

IPIRANGA
CONSOLIDATED INCOME STATEMENT
 In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN			ACCUMULATED	
	MAR 2010	MAR 2009	DEC 2009	MAR 2010	MAR 2009
Net sales	8,572.5	5,113.5	8,988.7	8,572.5	5,113.5
Cost of sales and services	(8,123.7)	(4,822.3)	(8,483.1)	(8,123.7)	(4,822.3)
Gross profit	448.8	291.2	505.6	448.8	291.2
Operating expenses					
Selling	(149.1)	(87.6)	(138.0)	(149.1)	(87.6)
General and administrative	(96.7)	(66.4)	(117.1)	(96.7)	(66.4)
Depreciation and amortization	(32.0)	(24.4)	(45.4)	(32.0)	(24.4)

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Other operating results	6.4	4.4	10.1	6.4	4.4
EBIT	177.4	117.2	215.3	177.4	117.2
EBITDA	210.0	143.5	262.9	210.0	143.5
Depreciation and amortization	32.6	26.3	47.6	32.6	26.3
RATIOS					
Gross margin (R\$/m3)	98	105	101	98	105
Operating margin (R\$/m3)	39	42	43	39	42
EBITDA margin (R\$/m3)	46	52	52	46	52

OXITENO
CONSOLIDATED BALANCE SHEET
In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN		
	MAR 2010	MAR 2009	DEC 2009
OPERATING ASSETS			
Trade accounts receivable	238.5	231.6	217.5
Inventories	280.4	420.6	287.0
Other	130.3	154.7	130.2
Property, plant and equipment and intangibles	1,536.7	1,439.5	1,467.3
TOTAL OPERATING ASSETS	2,185.9	2,246.5	2,102.0
OPERATING LIABILITIES			
Suppliers	91.0	97.3	97.5
Payroll and related charges	27.1	34.3	33.1
Taxes	21.1	23.1	15.5
Other accounts payable	4.0	8.4	3.6
TOTAL OPERATING LIABILITIES	143.1	163.1	149.7

OXITENO
CONSOLIDATED INCOME STATEMENT
In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN			ACCUMULATED	
	MAR 2010	MAR 2009	DEC 2009	MAR 2010	MAR 2009
Net sales	472.1	460.1	505.5	472.1	460.1
Cost of goods sold					
Variable	(327.5)	(297.1)	(363.7)	(327.5)	(297.1)
Fixed	(40.6)	(55.0)	(44.1)	(40.6)	(55.0)
Depreciation and amortization	(24.0)	(23.9)	(24.7)	(24.0)	(23.9)
Gross profit	80.0	84.1	73.0	80.0	84.1
Operating expenses					
Selling	(32.3)	(26.8)	(33.6)	(32.3)	(26.8)
General and administrative	(31.9)	(34.8)	(33.2)	(31.9)	(34.8)
Depreciation and amortization	(2.0)	(1.4)	(2.0)	(2.0)	(1.4)

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Other operating results	(0.2)	(0.2)	(0.4)	(0.2)	(0.2)
EBIT	13.5	20.9	3.9	13.5	20.9
EBITDA	39.5	46.2	30.5	39.5	46.2
Depreciation and amortization	26.0	25.3	26.6	26.0	25.3
RATIOS					
Gross margin (R\$/ton)	488	680	402	488	680
Operating margin (R\$/ton)	82	168	22	82	168
EBITDA margin (R\$/ton)	241	373	168	241	373

ULTRACARGO
CONSOLIDATED BALANCE SHEET
 In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN		
	MAR 2010	MAR 2009	DEC 2009
OPERATING ASSETS			
Trade accounts receivable	26.9	32.6	24.4
Inventories	2.4	2.8	2.5
Other	12.5	11.6	12.2
Property, plant and equipment and intangibles	467.4	433.1	468.8
TOTAL OPERATING ASSETS	509.3	480.1	507.9
OPERATING LIABILITIES			
Suppliers	14.8	17.0	19.0
Payroll and related charges	15.9	14.2	16.0
Taxes	3.3	3.5	3.1
Other accounts payable ¹	25.9	12.0	11.0
TOTAL OPERATING LIABILITIES	59.9	46.7	49.1

¹Includes the long term obligations with clients account.

ULTRACARGO
CONSOLIDATED INCOME STATEMENT
 In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN			ACCUMULATED	
	MAR 2010	MAR 2009	DEC 2009	MAR 2010	MAR 2009
Net sales	82.5	81.7	79.6	82.5	81.7
Cost of sales and services	(40.6)	(48.2)	(49.1)	(40.6)	(48.2)
Gross profit	41.9	33.5	30.4	41.9	33.5
Operating expenses					
Selling	0.5	(0.1)	0.1	0.5	(0.1)
General and administrative	(20.6)	(23.0)	(22.3)	(20.6)	(23.0)
Depreciation and amortization	(0.1)	(0.2)	(0.2)	(0.1)	(0.2)
Other operating results	0.9	0.7	1.1	0.9	0.7
EBIT	22.7	10.9	9.1	22.7	10.9

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EBITDA	30.4	24.0	22.1	30.4	24.0
Depreciation and amortization	7.7	13.1	13.0	7.7	13.1

RATIOS

Gross margin	51%	41%	38%	51%	41%
Operating margin	28%	13%	11%	28%	13%
EBITDA margin	37%	29%	28%	37%	29%

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ULTRAPAR
CONSOLIDATED INCOME STATEMENT

In millions of US dollars except where otherwise mentioned - Accounting practices adopted in Brazil

	QUARTERS ENDED IN			ACCUMULATED	
	MAR 2010	MAR 2009	DEC 2009	MAR 2010	MAR 2009
Net sales					
Ultrapar	5,515.2	2,773.9	5,995.8	5,515.2	2,773.9
Ultragaz	467.0	331.0	508.5	467.0	331.0
Ipiranga	4,756.1	2,212.4	5,171.0	4,756.1	2,212.4
Oxitenó	261.9	199.1	290.8	261.9	199.1
Ultracargo	45.8	35.3	45.8	45.8	35.3
EBITDA					
Ultrapar	201.1	118.6	223.6	201.1	118.6
Ultragaz	39.3	22.7	35.3	39.3	22.7
Ipiranga	116.5	62.1	151.2	116.5	62.1
Oxitenó	21.9	20.0	17.6	21.9	20.0
Ultracargo	16.9	10.4	12.7	16.9	10.4
EBIT					
Ultrapar	144.8	76.9	154.9	144.8	76.9
Ultragaz	21.2	10.0	18.2	21.2	10.0
Ipiranga	98.4	50.7	123.8	98.4	50.7
Oxitenó	7.5	9.0	2.2	7.5	9.0
Ultracargo	12.6	4.7	5.2	12.6	4.7
EBITDA margin					
Ultrapar	4%	4%	4%	4%	4%
Ultragaz	8%	7%	7%	8%	7%
Ipiranga	2%	3%	3%	2%	3%
Oxitenó	8%	10%	6%	8%	10%
Ultracargo	37%	29%	28%	37%	29%
EBITDA margin / volume					
Ultragaz (US\$/ton)	106	62	88	106	62
Ipiranga (US\$/m3)	25	22	30	25	22
Oxitenó (US\$/ton)	134	161	97	134	161
Net income					
Ultrapar	78.0	39.5	85.6	78.0	39.5
Net income / share (US\$)					
	0.58	0.29	0.64	0.58	0.29

ULTRAPAR PARTICIPAÇÕES S/A
LOANS

In millions of Reais - Accounting practices adopted in Brazil

LOANS	Balance in March/2010							Average Weighted Interest rate (% p.y.)	Maturity
	Ultragaz	Oxiteno	Ultracargo	Ipiranga	Ultrapar Parent Company / Other	Ultrapar Consolidated	Index/ Currency		
Foreign Currency									
Notes	449.2	-	-	-	-	449.2	US\$	7.2	2015
Syndicated loan	-	107.0	-	-	-	107.0	US\$ + LIBOR	1.2	2011
Advances on Foreign Exchange Contracts	-	106.9	-	-	-	106.9	US\$	2.1	< 271 days 2010 to 2016
BNDES Import Financing (FINIMP) - RPR	16.9	36.8	0.6	0.8	-	55.1	US\$	5.9	2010 to 2016
Financial institutions	-	15.7	-	-	17.1	17.1	US\$	3.5	2010 to 2014
Financial institutions	-	8.5	-	-	-	8.5	US\$ + LIBOR	1.9	2010 to 2011
Import Financing (FINIMP) - Tequimar	-	-	0.8	-	-	0.8	US\$	7.0	2012 to 2013
Financial institutions	-	0.5	-	-	-	0.5	BS	20.4	2010 to 2011
BNDES	0.0	-	0.2	-	-	0.3	UMB BNDES	8.0	2011
Subtotal	466.1	275.3	1.7	0.8	17.1	761.0			
Local Currency									
Debentures	-	-	-	-	1,215.8	1,215.8	CDI	108.5	2012 to 2019
BNDES Banco do Brasil fixed rate1	319.9	466.9	98.3	221.2	-	1,106.3	TJLP	3.7	2012 to 2013
	-	-	-	840.8	-	840.8	R\$	11.5	

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Loan - MaxFácil	-	-	-	113.1	-	113.1	CDI	100.0	2010
Banco do Nordeste do Brasil	-	109.3	-	-	-	109.3	R\$	8.5	2018
Research and projects financing (FINEP)	-	63.7	-	-	-	63.7	TJLP	0.9	2010 to 2014
Banco do Brasil floating rate	-	-	-	57.1	-	57.1	CDI	95.0	2010
Working capital loan - União Vopak/RPR	-	-	0.3	-	30.0	30.2	CDI	121.3	2010 to 2013
BNDES	3.6	14.8	-	2.8	0.1	21.2	R\$	4.8	2015 to 2019
Agency for Financing Machinery and Equipment (FINAME)	-	0.8	0.0	11.3	-	12.1	TJLP	3.2	2010 to 2013
Financial leasing floating rate	-	-	-	10.4	-	10.4	CDI	1.7	2010 to 2011
Financial leasing fixed rate	-	-	0.0	0.1	1.9	2.0	R\$	13.6	2010 to 2014
Others	-	-	-	1.8	-	1.8	CDI	1.7	2010 to 2011
Subtotal	323.5	655.4	98.6	1,258.5	1,247.7	3,583.7			
Total	789.6	930.7	100.3	1,259.4	1,264.8	4,344.7			
Composition per annum									
Up to 1 year	76.3	240.8	24.2	240.3	61.4	643.0			
From 1 to 2 years	137.4	304.8	32.5	470.2	3.1	947.9			
From 2 to 3 years	99.7	158.7	26.5	543.2	1,199.9	2,027.9			
From 3 to 4 years	18.4	87.1	9.6	2.6	0.3	118.0			
From 4 to 5 years	9.7	50.0	6.3	2.4	0.0	68.4			
Thereafter	448.2	89.4	1.1	0.7	0.1	539.5			
Total	789.6	930.7	100.3	1,259.4	1,264.8	4,344.7			

TIIE = Interbank Interest Rate Even / UMBNDES = BNDES Basket of Currencies / CDI = interbank deposit rate /
BS = Bolivar Forte from Venezuela

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	Balance in March/2010					Ultrapar Parent	Ultrapar
	Ultragaz	Oxiten	Ultragaz	Ipiranga	Company / Other	Consolidated	
CASH AND LONG TERM INVESTMENTS	263.8	320.8	66.8	1,136.7	80.8	1,868.9	

1 For this loan, a hedging instrument was hired with the objective of swapping the fixed to floating tax rate, equivalent to 98.5% of CDI.

Item 2

ULTRAPAR PARTICIPAÇÕES S.A.
Publicly Traded Company

CNPJ nº 33.256.439/0001- 39

NIRE 35.300.109.724

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS (05/2010)

Date, Time and Location:

May 5th, 2010, at 2:00 p.m., at the Company's headquarters, located at Av. Brigadeiro Luiz Antônio, nr 1343 – 9th floor, in the City and State of São Paulo (the "Company").

Attendance:

Members of the Board of Directors and member of the Fiscal Council, duly signed.

Discussed and approved matters:

1. To elect, pursuant to the first paragraph of Article 17 of the Company's bylaws, as Chairman of the Board of Directors, the Board Member PAULO GUILHERME AGUIAR CUNHA, Brazilian, married, engineer, holder of identity card RG nr 4.554.607/SSP-SP and registered under CPF/MF nr 008.255.498-68, and as Vice-Chairman, the Board Member LUCIO DE CASTRO ANDRADE FILHO, Brazilian, married, engineer, holder of identity card RG nr 3.045.977/SSP-SP and registered under CPF/MF nr 061.094.708-72, both with business address at Av. Brigadeiro Luiz Antonio, nr 1343, 9th floor, in the City and State of São Paulo (ZIP 01317-910);
2. To elect the persons qualified below as Officers of the Company, with a mandate term until the General Shareholders' Meeting to be held in 2011 in order to examine the documents referred to in Article 133 of the Brazilian Corporate Law, related to the current fiscal year:

As Chief Executive Officer:

PEDRO WONGTSCHOWSKI, Brazilian, divorced, chemical engineer, holder of identity card RG nr 3.091.522/SSP-SP and registered under CPF/MF nr 385.585.058-53;

As Investor Relations Officer:

ANDRÉ COVRE, Brazilian, married, administrator, holder of identity card RG nr 17.841.059/SSP-SP and registered under CPF/MF nr 130.335.108-09;

As Officers:

PEDRO JORGE FILHO, Brazilian, married, engineer, holder of identity card RG nr 6.031.456/SSP-SP and registered under CPF/MF

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nr 822.913.308-53;

JOÃO BENJAMIN PAROLIN, Brazilian, married, chemical engineer, holder of identity card RG nr 8.658.508-3/SSP-SP, and registered under CPF/MF nr 029.320.368-74;

LEOCADIO DE ALMEIDA ANTUNES FILHO, Brazilian, married, economist, holder of identity card RG nr 2.003.414.808/SSP-RS, and registered under CPF/MF nr 206.129.230-53; and

RICARDO ISAAC CATRAN, Brazilian, married, engineer, holder of identity card RG nr 3.453.064/IFP-RJ, and registered under CPF/MF nr 597.657.207-34.

3. To approve, after analyzing and discussing the performance of the Company in the first quarter of the current fiscal year, the respective financial statements.
4. To approve the revision of the investment program for Ipiranga, raising its investment budget for 2010 from R\$ 314 million to R\$ 414 million.
5. To update the Members of the Board of Directors about expansion projects and the strategy of the Company and its subsidiaries.

Observation: (i) The deliberations were approved by all the Board Members present, except for Board Member Renato Ochman, who abstained from voting; (ii) the business address for all the Officers elected is at Av. Brigadeiro Luiz Antonio, nr 1343, 9th floor, in the City and State of São Paulo (ZIP 01317-910), except for Mr. Leocadio de Almeida Antunes Filho, whose business address is at Av. Francisco Eugênio, nr 329, 10th floor in the City and State of Rio de Janeiro (ZIP 20948-900); (iii) the elected Officers are hereby invested in their functions, and, previously consulted, declare that, (a) there is no penalty or ongoing impediment which could prevent any of them from exercising the activities they have been designated to; (b) they do not occupy any position in companies that can be considered market competitors of the Company and (c) they do not have conflicting interest with the Company, in accordance with Article 147 of the Brazilian Corporate Law.

As there were no further matters to be discussed, the meeting was closed and the minutes of this meeting were written, read and approved by all the undersigned members present.

Paulo Guilherme Aguiar Cunha
Chairman

Lucio de Castro Andrade Filho
Vice Chairman

Ana Maria Levy Villela Igel
Member of the Board of Directors

Paulo Vieira Belotti
Member of the Board of Directors

Olavo Egydio Monteiro de Carvalho
Member of the Board of Directors

Nildemar Secches
Member of the Board of Directors

Renato Ochman
Member of the Board of Directors

Luiz Carlos Teixeira
Member of the Board of Directors

Flavio César Maia Luz
Member of the Fiscal Council

Item 3

(Convenience Translation into English from the Original
Previously Issued in Portuguese)

Ultrapar Participações S.A. and Subsidiaries

Interim financial information
March 31, 2010

Ultrapar Participações S.A. and Subsidiaries

Interim financial statements

as of March 31, 2010 and 2009

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Independent accountant's review report

To the Board of Directors and Shareholders
Ultrapar Participações S.A.
São Paulo - SP

1. We have reviewed the Quarterly Financial Information of Ultrapar Participações S.A. (the Company) and the consolidated Quarterly Financial Information of the Company and its subsidiaries for the quarter ended March 31, 2010, comprising the balance sheet, the statements of income, cash flows, changes in shareholders' equity, management report and explanatory notes, which are the responsibility of its management.
2. Our review was conducted in accordance with the specific rules set forth by the IBRACON - The Brazilian Institute of Independent Auditors, in conjunction with the Federal Accounting Council - CFC and consisted mainly of the following: (a) inquiry and discussion with management responsible for the accounting, financial and operational areas of the Company and its subsidiaries, regarding the main criteria adopted in the preparation of the Quarterly Financial Information; and (b) reviewing information and subsequent events that have or may have relevant effects on the financial position and operations of the Company and its subsidiaries.
3. Based on our review, we are not aware of any material modifications that should be made to the Quarterly Financial Information described above, for these to be in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM), which are applicable to the preparation of the Quarterly Financial Information.
4. As described in Explanatory Note 2, during 2009, the Brazilian Securities and Exchange Commission (CVM) approved several pronouncements, interpretations and guidance issued by the Accounting Pronouncements Committee (CPC), which are effective as from January 1, 2010 and changed the accounting practices adopted in Brazil. As permitted by CVM Resolution 603/09, Management of the Company and its subsidiaries opted to present its Quarterly Financial Information in accordance with accounting practices adopted in Brazil until December 31, 2009, not applying these new accounting pronouncements, which have mandatory application for the fiscal year 2010. As required by the above mentioned CVM Resolution 603/09, the Company disclosed this fact in Explanatory Note 2 to the Quarterly Financial Information, and described the main changes that could impact its year-ending financial statements, as well as it clarified the reasons for not disclosing the estimate of the possible effects in Company's shareholder's equity and statements of income, as required by this Resolution.

São Paulo, May 4, 2010

KPMG Auditores Independentes
CRC 2SP014428/O-6

Anselmo Neves Macedo
Accountant CRC 1SP160482/O-6

Ultrapar Participações S.A. and Subsidiaries

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IDENTIFICATION

01.01 - CAPITAL COMPOSITION

Number of shares (Thousands)	Current quarter 03/31/2010	Prior quarter 12/31/2009	Same quarter in prior year 03/31/2009
Paid-up Capital			
1 - Common	49,430	49,430	49,430
2 - Preferred	86,666	86,666	86,666
3 - Total	136,096	136,096	136,096
Treasury Share			
4 - Common	7	7	7
5 - Preferred	2,138	2,138	2,201
6 - Total	2,145	2,145	2,208

01.02 - DIVIDENDS APPROVED AND/OR PAID DURING AND AFTER THE QUARTER

1 - ITEM	2 - EVENT	3 - APPROVAL	4 - REVENUE	5 - BEGINNING OF PAYMENT	7 - TYPE OF SHARE	8 - AMOUNT PER SHARE
01	Board of Director's Meeting	02/24/2010	Dividends	03/12/2010	Common	1.190000000
02	Board of Director's Meeting	02/24/2010	Dividends	03/12/2010	Preferred	1.190000000

01.03 - SUBSCRIBED CAPITAL AND ALTERATIONS IN THE CURRENT YEAR

1 - ITEM	2 - DATE OF ALTERATION	3 - AMOUNT OF THE CAPITAL (IN THOUSANDS OF REAIS)	4 - AMOUNT OF THE ALTERATION (IN THOUSANDS OF REAIS)	5 - NATURE OF ALTERATION	7 - NUMBER OF SHARES ISSUED (THOUSAND)	8 - SHARE PRICE ON ISSUE DATE (IN REAIS)
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Ultrapar Participações S.A. and Subsidiaries

Balance sheets

as of March 31, 2010 and December 31, 2009

(In thousands of Reais)

Assets	Note	Parent		Consolidated	
		03/31/2010	12/31/2009	03/31/2010	12/31/2009
Current assets					
Cash and cash equivalents	5	32,307	58,926	1,500,396	1,887,499
Financial investments	5	20,000	-	365,511	388,505
Trade account receivables	6	-	-	1,597,101	1,612,501
Inventories	7	-	-	1,011,973	942,181
Recoverable taxes	8	37,344	38,245	310,542	320,161
Deferred income tax and social Contribution	10.a)	589	84	203,785	168,774
Dividends receivable		30	119,020	-	-
Other receivables		2,384	9	30,799	35,336
Prepaid expenses	11	-	-	47,548	22,832
Total current assets		92,654	216,284	5,067,655	5,377,789
Non-current assets					
Long-term assets					
Financial investments	5	-	-	3,042	7,193
Trade account receivables	6	-	-	329,320	338,200
Related companies	9.a)	750,000	774,082	9,376	7,606
Deferred income tax and social contribution	10.a)	161	147	417,344	472,741
Recoverable taxes	8	21,586	17,161	65,136	53,176
Escrow deposits		232	217	106,890	104,255
Other receivables		-	-	1,195	1,503
Prepaid expenses	11	-	-	39,353	38,922
		771,979	791,607	971,656	1,023,596
Investments					
Subsidiaries	12.a)	5,085,532	4,955,753	-	-
Affiliates	12.b)	-	-	12,486	12,461
Others		-	-	10,954	10,794
Fixed assets	13 and 16.h)	-	-	3,866,947	3,791,274
Intangible assets	14	246,163	246,163	860,742	864,548
Deferred charges	15	-	-	8,591	9,819
		5,331,695	5,201,916	4,759,720	4,688,896
Total non-current assets		6,103,674	5,993,523	5,731,376	5,712,492
Total assets		6,196,328	6,209,807	10,799,031	11,090,281

The accompanying notes are an integral part of these financial statements.

Ultrapar Participações S.A. and Subsidiaries

Balance sheets

as of March 31, 2010 and December 31, 2009

(In thousands of Reais)

Liabilities	Note	Parent		Consolidated	
		03/31/2010	12/31/2009	03/31/2010	12/31/2009
Current liabilities					
Loans and financing	16	-	-	606,613	1,008,209
Debentures	16	26,956	1,381	26,955	1,381
Finance lease	16.h)	-	-	9,391	10,728
Suppliers		148	10,026	667,585	891,869
Salaries and related charges		100	100	133,079	176,490
Taxes payable		53	1,422	161,912	125,474
Dividends payable		2,139	160,875	7,645	170,724
Income tax and social contribution payable		5	-	38,225	18,975
Deferred income tax and social					
Contribution	10.a)	-	-	1,698	916
Post-employment benefits	23.b)	-	-	11,955	11,960
Provision for contingencies	22.a)	-	-	21,660	23,024
Other payables		649	847	24,318	48,236
Total current liabilities		30,050	174,651	1,711,036	2,487,986
Non-current liabilities					
Long-term liabilities					
Financing	16	-	-	2,509,876	2,131,388
Debentures	16	1,188,795	1,186,485	1,188,795	1,186,485
Finance lease	16.h)	-	-	3,045	4,637
Related companies	9.a)	-	-	4,071	4,071
Deferred income tax and social					
Contribution	10.a)	-	-	17,500	12,580
Provision for contingencies	22.a)	3,548	3,507	245,888	271,711
Post-employment benefits	23.b)	-	-	90,085	90,080
Other payables		-	-	49,361	37,052
Total non-current liabilities		1,192,343	1,189,992	4,108,621	3,738,004
Minority interest		-	-	20,535	35,017
Shareholders' equity					
Share capital	17.a)	3,696,773	3,696,773	3,696,773	3,696,773
Capital reserve	17.c)	4,482	4,482	1,426	1,275
Revaluation reserve	17.d)	7,825	8,156	7,825	8,156

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Profit reserves	17.e)	1,268,850	1,268,850	1,268,850	1,268,850
Treasury shares	17.b)	(123,720)	(123,720)	(135,760)	(136,403)
	3.c) and				
Valuation adjustment	17.g)	(2,044)	(4,075)	(2,044)	(4,075)
Cumulative translation	3.n) and				
adjustments	17.h)	(19,047)	(5,302)	(19,047)	(5,302)
Retained earnings		140,816	-	140,816	-
	17.g)	4,973,935	4,845,164	4,958,839	4,829,274
Total liabilities and shareholders' equity		6,196,328	6,209,807	10,799,031	11,090,281

The accompanying notes are an integral part of these financial statements.

Ultrapar Participações S.A. and Subsidiaries

Income statements

Fiscal period ended March 31, 2010 and 2009

(In thousands of Reais)

		Parent		Consolidated	
	Note	03/31/2010	03/31/2009	03/31/2010	03/31/2009
Gross revenue from sales and services	3.a)	-	-	10,332,325	6,725,158
Taxes on sales and services		-	-	(350,503)	(279,032)
Rebates, discounts and returns		-	-	(41,024)	(34,740)
					-
Net revenue from sales and services		-	-	9,940,798	6,411,386
Cost of products and services sold	3.a)	-	-	(9,216,387)	(5,885,203)
Gross income		-	-	724,411	526,183
Income from investments in subsidiaries and affiliates					
Equity in income of subsidiaries and affiliates	12.a) and 12.b)	141,539	116,444	25	(100)
Operating revenues (expenses)					
Selling and marketing		-	-	(224,881)	(151,195)
General and administrative		(1,679)	(1,201)	(176,271)	(144,566)
Depreciation and amortization		-	-	(68,808)	(57,257)
Other net operating income		2,465	(1)	6,626	4,704
Operating income before financial income and other revenues		142,325	115,242	261,102	177,769
Net financial income	20	(2,309)	(24,745)	(75,292)	(58,991)
Other income	18	-	-	861	3,038
Operating income before social contribution and income tax		140,016	90,497	186,671	121,816
Social contribution and income tax					
Current	10.b)	(4)	-	(30,915)	(28,780)
Deferred charges	10.b)	519	662	(25,537)	(7,456)
Tax incentives		-	-	7,119	6,934

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	10.b) and 10.c)			
	515	662	(49,333)	(29,302)
Income before minority interest	140,531	91,159	137,338	92,514
Minority interest	-	-	3,193	(1,355)
Net income for the period	140,531	91,159	140,531	91,159
Net income per equity share (annual weighted average) - R\$	1.04912	0.68086		

The accompanying notes are an integral part of these financial statements.

Ultrapar Participações S.A. and Subsidiaries

Statements of changes in shareholders' equity in the parent company

Fiscal period ended March 31, 2010

(In thousands of Reais)

	Note	Share capital	Revaluation reserve		Profit reserves			Cumulative translation adjustments	Retained earnings	Treasury shares	Total
			reserves	in subsidiaries	Legal reserve	Retention of profits	Valuation adjustments				
Balance at December 31, 2009		3,696,773	4,482	8,156	142,912	1,125,938	(4,075)	(5,302)	-	(123,720)	4,845,162
Realization of revaluation reserve	17.d)	-	-	(331)	-	-	-	-	331	-	-
Income tax and social contribution on realization of revaluation reserve of subsidiaries	17.d)	-	-	-	-	-	-	-	(46)	-	-
Valuation adjustments for financial Instruments	3.c)	-	-	-	-	-	2,301	-	-	-	2,301
Currency translation of foreign Subsidiaries	3.n)	-	-	-	-	-	-	(13,745)	-	-	(13,745)
Net income for the period		-	-	-	-	-	-	-	140,531	-	140,531
Balance at March 31, 2010		3,696,773	4,482	7,825	142,912	1,125,938	(2,044)	(19,047)	140,816	(123,720)	4,973,135

The accompanying notes are an integral part of these financial statements.

Ultrapar Participações S.A. and Subsidiaries

Statements of changes in shareholders' equity in the consolidated

Fiscal period ended March 31, 2010

(In thousands of Reais)

	Note	Share capital	Revaluation reserve in subsidiaries	Profit reserves			Cumulative translation adjustments	Retained earnings	Treasury shares	Total	
				Legal reserve	Retention of profits	Valuation adjustments					
Balance at December 31, 2009		3,696,773	1,275	8,156	142,912	1,125,938	(4,075)	(5,302)	-	(136,403)	4,829,904
Realization of revaluation reserve	17.d)	-	-	(331)	-	-	-	-	331	-	-
Income tax and social contribution on realization of revaluation reserve of subsidiaries	17.d)	-	-	-	-	-	-	-	(46)	-	-
Valuation adjustments for financial Instruments	3.c)	-	-	-	-	-	2,301	-	-	-	2,301
Currency translation of foreign Subsidiaries	3.n)	-	-	-	-	-	-	(13,745)	-	-	(13,745)
Treasury shares		-	151	-	-	-	-	-	-	643	794
Net income for the period		-	-	-	-	-	-	-	140,531	-	140,531
Balance at March 31, 2010		3,696,773	1,246	7,825	142,912	1,125,938	(4,075)	(5,302)	140,816	(135,760)	4,958,904

The accompanying notes are an integral part of these financial statements.

Ultrapar Participações S.A. and Subsidiaries

Statements of cash flows - Indirect method

Fiscal period ended March 31, 2010 and 2009

(In thousands of Reais)

	Note	Parent		Consolidated	
		03/31/2010	03/31/2009	03/31/2010	03/31/2009
Cash flows from operating activities					
Net income for the year		140,531	91,159	140,531	91,159
Adjustments to reconcile net income to cash provided by					
operating activities					
Equity in income of subsidiaries and affiliates	12	(141,539)	(116,444)	(25)	100
Depreciation and amortization		-	-	101,325	96,223
PIS and COFINS credits on depreciation		-	-	2,114	2,594
Interest, monetary and exchange rate changes		7,851	45,546	92,437	86,483
Deferred income tax and social contribution	10.b)	(519)	(662)	25,537	7,456
Minority interest in income		-	-	(3,193)	1,355
Proceeds from sale of fixed assets		-	-	(861)	(3,038)
Others		-	-	678	(636)
Dividends received from subsidiaries		118,990	3,600	-	-
(Increase) decrease in current assets					
Trade receivables	6	-	-	15,400	(22,323)
Inventories	7	-	-	(70,124)	162,759
Recoverable taxes	8	901	(9,961)	9,619	16,816
Other receivables		(2,375)	832	4,537	81,044
Prepaid expenses	11	-	-	(24,716)	(25,715)
Increase (decrease) in current liabilities					
Trade payables		(9,878)	(227)	(224,284)	(103,311)
Wages and employee benefits		-	4	(43,411)	(37,357)
Taxes payable		(1,369)	(103)	36,438	5,646
Income tax and social contribution		5	-	19,250	(10,132)
Other payables		(198)	(37)	(25,287)	(756)
(Increase) decrease in long-term assets					
Accounts receivable	6	-	-	8,522	11,086
Tax credits	8	(4,425)	-	(12,126)	(4,105)
Amounts in escrow		(15)	(24)	(2,635)	1,580
Other receivables		-	-	308	38
Prepaid expenses	11	-	-	431	834
Increase (decrease) in long-term liabilities					

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Provision for contingencies	41	-	(25,823)	(1,025)
Other payables	-	92	12,314	643
Net cash provided by operating activities	108,001	13,775	36,956	357,418

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Ultrapar Participações S.A. and Subsidiaries

Statements of cash flows - Indirect method

Fiscal period ended March 31, 2010 and 2009

(In thousands of Reais)

	Note	Parent		Consolidated	
		03/31/2010	03/31/2009	03/31/2010	03/31/2009
Cash flows from investment activities					
Financial investments, net of redemptions		(20,000)	(750,000)	27,146	120,288
Disposal (acquisition) of investments, net	12	-	-	-	(1,189,646)
Capital contributions to subsidiaries	12	-	(4,980)	-	-
Acquisition of fixed assets	13	-	-	(174,017)	(104,109)
Increase in intangible assets	14	-	-	(3,849)	(10,026)
Gain on sale of fixed assets		-	-	4,459	8,749
Net cash provided by (used in) investment activities		(20,000)	(754,980)	(146,261)	(1,174,744)
Cash flows from financing activities					
Financing and debentures					
Fund raising	16	-	-	1,048,107	547,133
Amortization	16	-	(9,402)	(1,147,087)	(167,122)
Payment of financial lease	16	-	-	-	(3,240)
Dividends paid		(158,736)	(32)	(163,079)	(136)
Reduction of minority interest		-	-	(11,369)	-
Related entities	9.a)	44,116	13,615	(1,770)	(698)
Net cash provided by (used in) financing activities		(114,620)	4,181	(275,198)	375,937
Effect of changes in exchange rates on cash and cash equivalents in foreign currency					
		-	-	(2,600)	5,018
Increase (decrease) in cash, banks and short-term investments		(26,619)	(737,024)	(387,103)	(436,371)
Cash and cash equivalents at beginning of period	5	58,926	778,991	1,887,499	1,275,053
Cash and cash equivalents at end of period	5	32,307	41,967	1,500,396	838,682

The accompanying notes are an integral part of these financial statements.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

1 Operations

Ultrapar Participações S.A. (“Company”), with headquarters in the City of São Paulo, engages in the investment of its own capital in commercial and industrial activities and related businesses, including the subscription or acquisition of shares of other companies.

Through its subsidiaries, it operates in the segment of liquefied petroleum gas - LPG distribution (“Ultragaz”), light fuel & lubricant distribution, and related business (“Ipiranga”), production and marketing of chemicals (“Oxitenó”), and provision of logistics services for liquid bulk cargo (“Ultracargo”). The Company also operates in the petroleum refining business through its investment in Refinaria de Petróleo Riograndense S.A. (“RPR”).

2 Presentation of interim financial statements

The individual and consolidated interim financial statements were prepared according to the accounting policies adopted in Brazil, which include the Brazilian Corporate Law, the standards, guidelines and interpretations issued by the Accounting Standards Committee and the rules issued by the Brazilian Securities Commission (CVM), applicable to the end of the quarter.

Within the process of convergence of accounting practices adopted in Brazil to international standards of financial reporting (IFRS) several pronouncements, interpretations and guidelines were issued during the year 2009 with mandatory application for the fiscal years ended December 2010 and the financial statements for 2009 to be released in conjunction with the financial statements of 2010 for comparison purposes.

The Company’s management is evaluating the potential effects associated with these pronouncements, interpretations and guidelines that will have impacts on the Company’s financial statements. This process involves the review of internal controls and electronic systems as well as the measurement of the initial adoption of the new accounting standards.

The Company's management opted to use the provision of Article 1 of Resolution CVM 603 of November 10, 2009, amended by Resolution CVM 626 of March 31, 2010, by which it is permitted to public companies to present their individual and consolidated interim financial statement forms for the period ended in March 31, 2010 comparative to the periods ended in December 31, 2009 and March 31, 2009, according to the accounting rules in effect on December 31, 2009.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

3 Summary of main accounting practices

a. Recognition of income

Income is recognized on the accrual basis. Revenues from sales and costs are recognized as income when all risks and benefits associated with the products are transferred to the purchaser. Revenues from services provided and their costs are recognized as income when the services are performed.

b. Cash equivalents

Include short-term highly-liquid investments that are readily convertible into a known amount of cash and are subject to an insignificant risk of change in value. See Note 5 for further detail on cash equivalents of the Company and its subsidiaries.

c. Financial instruments

In accordance with Resolution CVM 566/08, the financial instruments of the Company and its subsidiaries were classified into the following categories:

▲Measured at fair value through income: financial assets held for trading, that is, purchased or created primarily for the purpose of sale or repurchase in the short term, and derivatives. Changes in fair value are recorded as income, and the balances are stated at fair value.

■Held to maturity: non-derivative financial assets with fixed payments or determinable payments, with fixed maturities for which the entity has the positive intent and ability to hold to maturity. The interest earned is recorded as income, and balances are stated at acquisition cost plus the interest earned.

▲Available for sale: non-derivative financial assets that are designated as available for sale or that were not classified into other categories. The interest earned is recorded as income, and the balances are stated at fair value. Differences between fair value and acquisition cost plus the interest earned are recorded in a specific account of the shareholders' equity. Gains and losses recorded in the shareholders' equity are included in income, in case of prepayment.

■Loans and receivables: non-derivative financial instruments with fixed or determinable payments or receipts, not quoted in active markets, except: (i) those which the entity intends to sell immediately or in the short term and which the entity classified as measured at fair value through income; (ii) those classified as available for sale; or (iii) those the holder of which cannot substantially recover its initial investment for reasons other than credit deterioration. The interest earned is recorded as income, and balances are stated at acquisition cost plus the interest earned.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

The Company and its subsidiaries designate as cash flow hedge certain derivative financial instruments used to hedge against changes in interest rates and variations in the exchange rate. In the case of derivatives designed to cash flow hedge of the variation in interest rates, the difference between the fair value of the financial instrument and its updated cost is recognized as a valuation adjustment in the shareholders' equity, not affecting the income statement of the Company and its subsidiaries. In the case of foreign exchange derivatives designated by subsidiary RPR for protection of future cash flows, the effect of variation in the derivative is posted to the valuation adjustment in shareholders' equity until the time when the hedged item affects the income statement. The difference between the fair value of derivative and updated cost is recognized directly in the income of the subsidiary. Gains and losses recorded in the shareholders' equity are included in income, in case of financial instruments prepayment.

The Company and its subsidiaries designate derivative financial instruments used to compensate variations due to changes in interest rates in the market value of contracted debt in Reais as fair value hedge. Such variations, as well as the difference between the derivative financial instrument fair value and its updated cost, are recognized in the income.

For further detail on financial instruments of the Company and its subsidiaries, see Notes 5, 16, and 21.

d. Current and non-current assets

The trade accounts receivables are recorded at the amount billed, adjusted to the present value if applicable, including all direct taxes of the Company and its subsidiaries.

Allowance for doubtful accounts is calculated based on estimated losses and is set at an amount deemed by management to be sufficient to cover any loss on realization of accounts receivable.

Inventories are stated at the lower of average acquisition or production cost, and replacement cost or market value.

The other assets are stated at the lower of cost and realizable value, including, if applicable, the interest earned, monetary changes and changes in exchange rates incurred or less a provision for loss and, if applicable, adjustment to present value (see Note 3.q).

e. Investments

Investments in subsidiaries are valued by the equity method of accounting.

Investments in companies on which management has a significant influence or in which it holds 20% or more of the voting stock, or that are part of a group under common control are also valued by the equity method of accounting (see Note 12).

The other investments are stated at acquisition cost less provision for loss, unless the loss is considered temporary, and also include investments in progress.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

f. Fixed assets

Recorded at acquisition or construction cost, including financial charges incurred on fixed assets under construction, as well as significant maintenance costs resulting from scheduled plant outages.

Depreciation is calculated by the straight-line method, at the annual rates stated in Note 13, over the useful/economic life of the property, revised according to ICPC 10 and applied from January 1, 2010.

Leasehold improvements are depreciated over the shorter of the contract term and useful/economic life of the property.

g. Financial leases

• Finance leases

Certain financial lease contracts transfer substantially all the risks and benefits associated with the ownership of an asset to the Company and its subsidiaries. These contracts are characterized as finance leases, and assets thereunder are stated at fair value or, if lower, present value of the minimum payments under the relevant contracts. The items recognized as assets are depreciated at the depreciation rates applicable to each group of assets in accordance with Note 13. Financial charges under the finance lease contracts are allocated to income over the contract term, based on the amortized cost and actual interest rate method (see Note 16.h).

• Operating leases

Are lease transactions where the risks and benefits associated with the ownership of the asset are not transferred and where the purchase option at the end of the contract is equivalent to the market value of the leased asset. Payments made under an operating lease contract are recognized as expenses in the income statement on a straight-line basis over the term of the lease contract, in accordance with Note 22.d).

h. Intangible assets

Intangible assets include assets acquired by the Company and its subsidiaries from third parties, according to the following criteria (see Note 14):

• Goodwill is carried at the original value net of income taxes and social contribution less accumulated amortization as of December 31, 2008, when its amortization ends.

• Other intangible assets acquired from third parties, such as software and commercial property rights, are measured at the total acquisition cost less accumulated amortization expenses.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

The Company and its subsidiaries do not have intangible assets that were created internally or that have an indefinite useful life.

i. Deferred charges

Deferred charges include restructuring costs that will produce benefits in future years (see Note 15). The Company and its subsidiaries decided to maintain the balances existing as of December 31, 2008 until they are fully amortized.

j. Current and non-current liabilities

Current and noncurrent liabilities are stated at known or calculable amounts plus, if applicable, related charges, monetary changes and changes in exchange rates incurred until the date of the interim financial statements. When applicable the current and noncurrent liabilities are recorded in present value based on interest rates that reflect the term, currency and risk of each transaction. Transaction costs incurred and directly attributable to the activities necessary only to accomplish the transactions in order to raise funds through contracting debt or loans or by issuing debt bonds, as well as premiums in the issuance of debentures and other debt instruments or shareholders' equity, are appropriated to their instrument and amortized over the income as its terms pass.

k. Income tax and social contribution on profit

Current and deferred income tax (IRPJ) and social contribution (CSLL) are calculated based on the current rates of income tax and social contribution on profit, including the value of tax incentives, as stated in Note 10.b).

l. Provision for contingencies

The provision for contingencies is created for contingent risks with a probable chance of loss in the opinion of managers and internal and external legal counsel, and the values are recorded based on evaluation of the outcomes of the legal proceedings (see Note 22.a).

m. Actuarial obligation for post-employment benefits

Reserves for actuarial liabilities for post-employment benefits granted and to be granted to employees, retirees, and pensioners are based on an actuarial calculation prepared by an independent actuary, using the projected unit credit method, as described in Note 23.b).

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

n. Basis for translating interim financial statements of foreign-based subsidiaries

Assets and liabilities of the subsidiaries Oxiteno México S.A. de C.V. and its subsidiaries, located in Mexico (functional currency: Mexican Peso), and Oxiteno Andina, C.A., located in Venezuela (functional currency: Bolivares Fortes), denominated in currencies other than that of the Company (functional currency: Real), are translated at the exchange rate in effect on the date of the interim financial statements. Gains and losses resulting from changes in these foreign investments are directly recognized in the shareholders' equity as cumulative translation adjustments and will be recognized as income if these investments are disposed of. The recorded balance in the shareholders' equity as cumulative translation adjustments as of March 31, 2010 was R\$ 19,047 of exchange rate loss (R\$ 5,302 loss as of December 31, 2009).

Assets and liabilities of the other foreign subsidiaries, which do not have autonomy, are considered activities of their investor and are translated at the exchange rate in effect by the end of the respective period. Gains and losses resulting from changes in these foreign investments are directly recognized as financial income. The gain recognized as income as of March 31, 2010 amounted to R\$ 609 (R\$ 428 loss as of March 31, 2009).

o. Use of estimates

The preparation of interim financial statements requires the Company's management to make estimates and assumptions that affect the values of assets and liabilities presented as of the date of the interim financial statements, as well as the values of revenues, costs and expenses for the periods presented. Although these estimates are based on the best information available to management about present and future events, the actual results may differ from these estimates.

p. Impairment of assets

The Company reviews, at least annually, the carrying value of assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use or disposal. In cases where future expected cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of these assets. The factors considered by the Company in performing this assessment include current operating results, trends, and prospects, as well as the effects of obsolescence, demand, competition, and other economic factors. No impairment was recorded in the abovementioned periods.

q. Adjustment to present value

The subsidiaries booked the adjustment to present value of ICMS credit balances on fixed assets (CIAP – see Note 8). The Company and its subsidiaries reviewed all items classified as long-term and, where relevant, short-term assets and liabilities and did not identify the need to adjust other balances to present value.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

4 Principles of consolidation and investments in affiliates

The consolidated interim financial statements were prepared following the basic principles of consolidation established by the Brazilian Corporate Law and CVM rules, including the following direct and indirect subsidiaries:

	Location	% interest in the share capital Mar. 31, 2010		% interest in the share capital Dec. 31, 2009	
		Direct control	Indirect control	Direct control	Indirect control
Ultracargo - Operações Logísticas e Participações Ltda.	Brazil	100	-	100	-
Transultra - Armazenamento e Transporte Especializado Ltda.	Brazil	-	100	-	100
Petrolog Serviços e Armazéns Gerais Ltda.	Brazil	-	100	-	100
AGT – Armazéns Gerais e Transportes Ltda.	Brazil	-	100	-	100
Terminal Químico de Aratu S.A. – Tequimar	Brazil	-	99	-	99
União Vopak Armazéns Gerais Ltda. (*)	Brazil	-	50	-	50
Ultracargo Argentina S.A.	Argentina	-	100	-	100
Melamina Ultra S.A. Indústria Química	Brazil	-	99	-	99
Oxiten S.A. Indústria e Comércio	Brazil	100	-	100	-
Oxiten Nordeste S.A. Indústria e Comércio	Brazil	-	99	-	99
Oxiten Argentina Sociedad de Responsabilidad Ltda.	Argentina	-	100	-	100
Oleoquímica Indústria e Comércio de Produtos Químicos Ltda.	Brazil	-	100	-	100
Barrington S.L.	Spain	-	100	-	100
Oxiten México S.A. de C.V.	Mexico	-	100	-	100
Oxiten Servicios Corporativos S.A. de C.V.	Mexico	-	100	-	100
Oxiten Servicios Industriales S.A. de C.V.	Mexico	-	100	-	100
Oxiten USA LLC	United States	-	100	-	100
Global Petroleum Products Trading Corp. (**)	Virgin Islands	-	100	-	100
Oxiten Overseas Corp.	Virgin Islands	-	100	-	100
Oxiten Andina, C.A.	Venezuela	-	100	-	100

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Oxiteno Europe SPRL	Belgium	-	100	-	100
U.A.T.S.P.E. Empreendimentos e Participações Ltda.	Brazil	-	100	-	100
Empresa Carioca de Produtos Químicos S.A.	Brazil	-	100	-	100
Ipiranga Produtos de Petróleo S.A.	Brazil	100	-	100	-
am/pm Comestíveis Ltda.	Brazil	-	100	-	100
Centro de Conveniências Millennium Ltda.	Brazil	-	100	-	100
Conveniência Ipiranga Norte Ltda.	Brazil	-	100	-	100
Ipiranga Trading Limited	Virgin Islands	-	100	-	100
Tropical Transportes Ipiranga Ltda.	Brazil	-	100	-	100
Ipiranga Imobiliária Ltda.	Brazil	-	100	-	100
Ipiranga Logística Ltda.	Brazil	-	100	-	100
Maxfácil Participações S.A. (*)	Brazil	-	50	-	50
Isa-Sul Administração e Participações Ltda.	Brazil	-	100	-	100
Comercial Farroupilha Ltda.	Brazil	-	-	-	100
Companhia Ultragaz S.A.	Brazil	-	99	-	99
Bahiana Distribuidora de Gás Ltda.	Brazil	-	100	-	100
Utingás Armazenadora S.A.	Brazil	-	56	-	56
LPG International Inc.	Cayman Islands	-	100	-	100
Imaven Imóveis Ltda.	Brazil	-	100	-	100
Sociedade Anônima de Óleo Galena-Signal	Brazil	-	100	-	100
Oil Trading Importadora e Exportadora Ltda.	Brazil	-	100	-	100
SERMA - Ass. dos usuários equip. proc. de dados	Brazil	-	100	-	100
Refinaria de Petróleo Riograndense S.A. (*)	Brazil	33	-	33	-

(*) Proportionate consolidation, as specified in Article 32 of Instruction CVM 247/96.

(**) New corporate name of Oxiteno International Corp., according to changes in December 2009.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

In March 2010, in order to simplify the corporate structure and reduce costs, the subsidiary Comercial Farroupilha Ltda. was merged into the subsidiary Ipiranga Produtos de Petróleo S.A. (“IPP”).

Investments of one company in the other, balances of asset and liability accounts and revenues and expenses were eliminated, as well as the effects of significant transactions conducted between the companies. The interest of minority shareholders in the subsidiaries is indicated in the interim financial statements.

5 Financial assets

Financial assets, excluding cash and banks, are substantially represented by money invested: (i) in Brazil, in debentures, certificates of deposit of first-rate financial institutions linked to the Interbank Certificate of Deposit (CDI) and in Federal government bonds; (ii) abroad, in certificates of deposits of first-rate financial institutions and in short-term investment funds with a portfolio composed of bonds issued by the U.S. Government; and (iii) currency and interest rate hedging instruments.

- Cash and cash equivalents

Cash and cash equivalents are considered: (i) the balances of cash and banks, and (ii) short-term investments, highly liquid, readily convertibles to a known amount of cash and which are subject to an insignificant risk of value change.

	Parent		Consolidated	
	03/31/2010	12/31/2009	03/31/2010	12/31/2009
Cash and banks				
In local currency	-	23	65,783	102,888
In foreign currency	-	-	15,086	25,452
Financial investments				
In local currency				
Fixed-income securities and funds	32,307	58,903	1,419,527	1,759,159
Total cash and cash equivalents	32,307	58,926	1,500,396	1,887,499

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

• Financial Investments

Financial assets that are not considered cash and cash equivalents are considered as financial investments.

	Parent		Consolidated	
	03/31/2010	12/31/2009	03/31/2010	12/31/2009
Financial investments				
In local currency				
Fixed-income securities and funds	20,000	-	189,649	228,556
In foreign currency				
Fixed-income securities and funds	-	-	215,042	206,171
Income from currency and interest rate hedging instruments				
(a)	-	-	(36,138)	(39,029)
Total of financial investments	20,000	-	368,553	395,698
Current	20,000	-	365,511	388,505
Non-current	-	-	3,042	7,193

(a) Accumulated losses, net of income tax (see Note 21).

The financial assets of the Company and its subsidiaries, except cash and banks, were classified, according to their characteristics and the Company's intention, into: (i) measured at fair value through income; (ii) held to maturity; and (iii) available for sale, as shown on the table below.

	Consolidated	
	03/31/2010	12/31/2009
Measured at fair value through income	1,383,389	1,720,130
Held to maturity	7,193	7,193
Available for sale	397,498	427,534
Financial assets, except cash and banks	1,788,080	2,154,857

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

6	Trade account receivables (Consolidated)		
		03/31/2010	12/31/2009
	Domestic customers	1,481,623	1,511,872
	Customer financing - Ipiranga	519,279	512,614
	Foreign customers	107,507	112,819
	(-) Advances on negotiable instruments issued	(65,387)	(72,144)
	(-) Allowance for doubtful accounts	(116,601)	(114,460)
		1,926,421	1,950,701
	Current	1,597,101	1,612,501
	Non-current	329,320	338,200

Customer financing is provided for renovation and upgrading of service stations, purchase of products, and development of the fuel and lubricant distribution market.

Movements in the allowance for doubtful accounts are as follows:

Balance as of December 31, 2009	114,460
Additions	4,811
Write-offs	(2,670)
Balance as of March 31, 2010	116,601

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

7 Inventories (Consolidated)

	03/31/2010			12/31/2009		
	Cost	Provision for loss	Net balance	Cost	Provision for loss	Net balance
Finished goods	181,406	(13,252)	168,154	205,265	(19,649)	185,616
Work in process	3,322	-	3,322	1,925	-	1,925
Raw materials	127,478	(74)	127,404	124,141	(52)	124,089
Liquefied petroleum gas (LPG)	22,055	-	22,055	24,769	-	24,769
Fuels, lubricants and greases	557,590	(837)	556,753	477,017	(1,310)	475,707
Consumable materials and bottles for resale	36,797	(970)	35,827	39,167	(1,039)	38,128
Advances to suppliers	86,677	-	86,677	77,865	-	77,865
Properties for resale	11,781	-	11,781	14,082	-	14,082
	1,027,106	(15,133)	1,011,973	964,231	(22,050)	942,181

Movements in the provision for loss are as follows:

Balance as of December 31, 2009	22,050
Write-offs	(6,917)
Balance as of March 31, 2010	15,133

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

8 Recoverable taxes

Are substantially represented by credit balances of Tax on Goods and Services (ICMS), Contribution to Social Security Funding (COFINS), Social Integration Plan (PIS), and Income Tax and Social Contribution.

	Parent		Consolidated	
	03/31/2010	12/31/2009	03/31/2010	12/31/2009
IRPJ and CSLL	58,889	55,365	122,955	108,776
ICMS	-	-	232,686	241,389
Provision for ICMS losses (*)	-	-	(70,024)	(70,986)
Adjustment to present value of ICMS on fixed assets - CIAP (see Notes 3.q)	-	-	(3,996)	(3,830)
PIS and COFINS	21	21	78,156	78,684
Value-Added Tax (IVA) on the subsidiaries Oxiteno Mexico S.A. de C.V. and Oxiteno Andina, C.A.	-	-	7,484	9,762
IPI	-	-	2,741	3,721
Others	20	20	5,676	5,821
Total	58,930	55,406	375,678	373,337
Current	37,344	38,245	310,542	320,161
Non-current	21,586	17,161	65,136	53,176

(*) The provision for ICMS losses relates to credit balances that the subsidiaries estimate to be unable to offset in the future.

Movements in the provision for ICMS losses are as follows:

Balance as of December 31, 2009	70,986
Reversals	(653)
Write-offs	(309)
Balance as of March 31, 2010	70,024

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

9 Related parties

a. Related companies

	Loans / Account receivables Assets	Parent Debentures Assets	Financial income
Ipiranga Produtos de Petróleo S.A.	-	750,000	23,566
Total as of March 31, 2010	-	750,000	23,566
Total as of December 31, 2009	5,188	768,894	

	Consolidated			
	Loans		Commercial transactions	
	Assets	Liabilities	Receivable	Payable
Braskem S.A.	-	-	-	3,497
Copagaz Distribuidora de Gas Ltda.	-	-	374	-
Oxicap Indústria de Gases Ltda.	8,856	-	-	796
Petróleo Brasileiro S.A. – Petrobras	-	-	-	241,344
Quattor Química S.A.	-	-	-	1,363
Refinaria de Petróleo Riograndense S.A.(*)	-	-	-	4,058
SHV Gás Brasil Ltda.	-	-	112	-
Liquigás Distribuidora S.A.	-	-	276	-
Química da Bahia Indústria e Comércio S.A.	-	3,245	-	-
Other	520	826	67	-
Total as of March 31, 2010	9,376	4,071	829	251,058
Total as of December 31, 2009	7,606	4,071	504	284,843

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

	Consolidated Transactions	
	Sales	Purchases
Copagaz Distribuidora de Gas Ltda.	1,013	-
Petróleo Brasileiro S.A. - Petrobras	27,999	5,858,988
Braskem S.A.	3,528	150,577
Oxicap Indústria de Gases Ltda.	2	2,756
Servgás Distribuidora de Gas S.A.	248	-
Liquigás Distribuidora S.A.	1,217	-
SHV Gás Brasil Ltda.	431	-
Refinaria de Petróleo Riograndense S.A. (*)	-	222,051
Quattor Química S.A.	4,412	31,560
Total as of March 31, 2010	38,850	6,265,932
Total as of March 31, 2009	20,776	4,128,623

(*)Relates to the non-eliminated portion of the transactions between RPR and IPP, since RPR is proportionally consolidated and IPP is fully consolidated.

Purchase and sale transactions relate substantially to the purchase of raw materials, inputs, transportation and storage services based on arm's length market prices and terms with customers and suppliers with comparable operational performance. Borrowing agreements are for an indeterminate period and do not contain interest clauses. In the opinion of the Company's management, transactions with related parties are not subject to settlement risk, which is why no allowance for doubtful accounts or collaterals are provided. Collaterals provided by the Company in borrowings and financing of subsidiaries and affiliates are mentioned in Note 16.j.) The transactions of the Company and its subsidiaries related to post-employment benefits are described in Note 23.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

b. Key management personnel - Compensation (Consolidated)

As of March 31, 2010, the Company and its subsidiaries recorded expenses for compensation of its key personnel (Company's directors and designated officers) in the amount of R\$ 5,938 (R\$ 5,081 as of March 31, 2009). Out of this total, R\$ 5,189 relates to short-term compensation (R\$ 4,522 as of March 31, 2009), R\$ 588 to compensation in stock (R\$ 415 as of March 31, 2009) and R\$ 161 (R\$ 144 as of March 31, 2009) to post-employment benefits.

c. Stock compensation plan

At a Special General Meeting held on November 26, 2003, a benefit plan was approved for managers of the Company and its subsidiaries, which provides: (i) initial award of beneficial ownership of shares issued by the Company held in treasury by the subsidiaries at which the beneficiary managers are employed; and (ii) transfer of title to the shares within five to ten years after the initial award, subject to continuation of employment of the beneficiary manager with the Company and its subsidiaries. The total amount awarded to executives as of March 31, 2010, including tax charges, was R\$ 29,562 (R\$ 29,562 as of December 31, 2009). Such amount is being amortized over a period of five to ten years after the award, and amortization for the period ended in March 31, 2010 in the amount of R\$ 1,095 (R\$ 618 as of March 31, 2009) was recorded as operating expense for the year. The values of the awards were determined on the date of award based on the market value of these shares on the BM&FBovespa.

The chart below summarizes the information on the shares awarded to executives of the Company:

Date of award	Restricted shares awarded	Market value of shares (in R\$)	Total compensation costs, including taxes	Accumulated compensation costs recorded	Accumulated compensation costs not recorded
December 15, 2009	62,500	83.00	7,155	(405)	6,750
October 7, 2008	174,000	39.97	9,593	(2,444)	7,149
December 12, 2007	40,000	64.70	3,570	(1,415)	2,155
November 9, 2006	51,800	46.50	3,322	(1,135)	2,187
December 14, 2005	23,400	32.83	1,060	(459)	601
October 4, 2004	41,975	40.78	2,361	(1,299)	1,062
December 17, 2003	59,800	30.32	2,501	(1,584)	917
	453,475		29,562	(8,741)	20,821

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

10 Income tax and social contribution

a. Deferred income tax and social contribution

The Company and its subsidiaries recognize tax credits and debits, which are not subject to limitation periods, resulting from tax losses, temporary additions, negative tax bases and revaluation of fixed assets, among others. Credits are sustained by the continued profitability of their operations. Deferred income tax and social contribution are recorded under the following categories:

	Parent		Consolidated	
	03/31/2010	12/31/2009	03/31/2010	12/31/2009
Assets - Deferred income tax and social contribution on:				
Provision for loss of assets	-	-	23,972	26,383
Provisions for contingencies	161	147	57,380	68,695
Provision for post-employment benefit (see Note 23.b)	-	-	29,165	23,563
Provision for differences between cash and accrual basis	-	-	15,374	15,015
Provision for goodwill paid on investments (see Note 14)	-	-	369,221	390,267
Other provisions	-	84	22,785	35,389
Tax losses and negative tax base for the social contribution to offset	589	-	103,232	82,203
Total	750	231	621,129	641,515
Current	589	84	203,785	168,774
Non-current	161	147	417,344	472,741
Liabilities - Deferred income tax and social contribution on:				
Revaluation of fixed assets	-	-	400	421
Accelerated depreciation	-	-	120	125
Provision for adjustments between cash and accrual basis	-	-	5,811	4,753
Temporary differences of foreign subsidiaries	-	-	2,680	1,645
Transition Tax Regime (RTT) effect	-	-	10,187	6,552
Total	-	-	19,198	13,496
Current	-	-	1,698	916
Non-current	-	-	17,500	12,580

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

The estimated recovery of deferred tax assets relating to income tax and social contribution is stated as follows:

	Parent	Consolidated
Up to 1 year	589	203,785
From 1 to 2 years	-	108,750
From 2 to 3 years	161	96,921
From 3 to 5 years	-	144,375
From 5 to 7 years	-	45,793
From 7 to 10 years	-	21,505
	750	621,129

b. Reconciliation of income tax and social contribution on income

Income tax and social contribution taxes are reconciled to the official tax rates as follows:

	Parent		Consolidated	
	03/31/2010	03/31/2009	03/31/2010	03/31/2009
Earnings (loss) before taxation and equity in income of affiliates, after employee profit sharing	(1,523)	(25,947)	186,646	121,916
Official tax rates - %	34	34	34	34
Income tax and social contribution at the official tax rates	518	8,822	(63,460)	(41,451)
Adjustments to the actual rate:				
Operating provisions and nondeductible expenses/nontaxable revenues	(4)	-	980	315
Adjustment to estimated income	-	-	6,151	2,773
Interest on equity	-	(8,160)	-	-
Workers Meal Program (PAT)	-	-	41	120
Other adjustments	1	-	(164)	2,007
Income tax and social contribution before tax incentives	515	662	(56,452)	(36,236)
Tax incentives - ADENE	-	-	7,119	6,934
Income tax and social contribution in the income statement	515	662	(49,333)	(29,302)
Current	(4)	-	(30,915)	(28,780)
Deferred	519	662	(25,537)	(7,456)
Tax incentives - ADENE	-	-	7,119	6,934

c. Tax exemption

The following subsidiaries are entitled to partial or total exemption from IRPJ under the government's program for development of Northeastern Brazil:

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Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

Subsidiary	Units	Incentive - %	Expiration
Oxiteno Nordeste S.A. Indústria e Comércio	Camaçari plant	75	2016
Bahiana Distribuidora de Gás Ltda.	Mataripe base	75	2013
	Suape base	75	2018
	Aracaju base	75	2017
	Caucaia base	75	2012
Terminal Químico de Aratu S.A. – Tequimar	Aratu terminal	75	2012
	Suape terminal	75	2015

11 Prepaid expenses (Consolidated)

	03/31/2010	12/31/2009
Rents	35,707	34,336
Advertising and publicity	17,712	2,614
Insurance premiums	10,455	3,213
Purchases of meal and transportation tickets	3,305	3,443
Taxes and other prepaid expenses	19,722	18,148
	86,901	61,754
Current	47,548	22,832
Non-current	39,353	38,922

12 Investments

a. Subsidiaries (Parent company)

	Investments		Equity	
	03/31/2010	12/31/2009	03/31/2010	03/31/2009
Ipiranga Produtos de Petróleo	2,850,117	2,730,652	119,511	-
Oxiteno S.A. Indústria e Comércio	1,559,238	1,572,801	65	8,899
Ultracargo – Operações Logísticas e Participações Ltda.	673,655	654,923	18,732	6,979
Sociedade Brasileira de Participações Ltda.	-	-	-	(17,076)
Refinaria de Petróleo Riograndense S.A. (joint control)	2,522	(2,623)	3,231	3,417
Companhia Brasileira de Petróleo Ipiranga	-	-	-	114,225
	5,085,532	4,955,753	141,539	116,444

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

b. Affiliated companies (Consolidated)

	Investments		Equity	
	03/31/2010	12/31/2009	03/31/2010	03/31/2009
Transportadora Sulbrasileira de Gás S.A. (i)	6,638	6,623	15	(98)
Química da Bahia Indústria e Comércio S.A. (i)	3,746	3,748	(2)	(22)
Oxicap Indústria de Gases Ltda. (i)	2,102	2,090	12	20
	12,486	12,461	25	(100)

(i) Interim financial statements reviewed by other independent auditors.

In the consolidated interim financial statements, the investment of the subsidiary Oxiteno S.A. Indústria e Comércio (“Oxiteno S.A.”) in the affiliate Oxicap Indústria de Gases Ltda. is valued by the equity method of accounting based on its interim financial statements as of February 28, 2010, while the other affiliates are valued based on the interim financial statements as of March 31, 2010.

13 Fixed assets (Consolidated)

	Weighted average term of depreciation (years)	Cost	03/31/2010		12/31/2009	
			Accumulated depreciation	Provision for loss	Net	Net
Lands	-	391,108	-	(197)	390,911	390,215
Buildings	20	1,062,504	(432,787)	-	629,717	632,992
Leasehold improvements(*)	10	365,077	(176,426)	-	188,651	193,952
Machinery and equipment(*)	11	2,505,137	(1,029,216)	(1,697)	1,474,224	1,462,125
Light fuel/lubricant distribution equipment and facilities	14	1,349,108	(787,596)	-	561,512	557,359
LPG tanks and bottles	13	345,381	(191,680)	-	153,701	135,709
Vehicles	11	237,228	(180,139)	-	57,089	55,813
Furniture and utensils	7	96,379	(55,976)	-	40,403	40,742
Construction in progress	-	239,148	-	-	239,148	201,378
Advances to suppliers	-	25,991	-	-	25,991	79,569
Imports in progress	-	71,835	-	-	71,835	4,738
Computer equipment	5	175,738	(141,973)	-	33,765	36,682

6,864,634 (2,995,793) (1,894) 3,866,947 3,791,274

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

Movements in fixed assets as of March 31, 2010 are as follows:

	Balance as of Dec. 31, 2009	Additions	Deprecia-tion	Transfer	Write-offs	Exchange rate	Balance as of Mar. 31, 2010
Cost:							
Lands	390,412	391	-	147	-	158	391,108
Buildings	1,054,545	1,834	-	6,595	(107)	(363)	1,062,504
Leasehold improvements	362,812	1,742	-	735	(208)	(4)	365,077
Machinery and equipment	2,447,581	35,884	-	23,771	(1,811)	(288)	2,505,137
Light fuel/lubricant distribution equipment and facilities	1,330,229	20,460	-	711	(2,292)	-	1,349,108
LPG tanks and bottles	326,671	24,084	-	-	(5,374)	-	345,381
Vehicles	238,006	1,950	-	1,175	(3,400)	(503)	237,228
Furniture and utensils	93,994	2,358	-	50	(65)	42	96,379
Construction in progress	201,378	69,943	-	(31,623)	(8)	(542)	239,148
Advances to suppliers	79,569	10,270	-	(63,848)	-	-	25,991
Imports in progress	4,738	4,810	-	62,287	-	-	71,835
Computer equipment	175,720	672	-	-	(265)	(389)	175,738
	6,705,655	174,398	-	-	(13,530)	(1,889)	6,864,634
Accumulated depreciation:							
Buildings	(421,553)	-	(11,334)	-	100	-	(432,787)
Leasehold improvements	(168,860)	-	(7,628)	-	62	-	(176,426)
Machinery and equipment	(983,759)	-	(47,211)	-	976	778	(1,029,216)
Light fuel/lubricant distribution equipment and facilities	(772,870)	-	(16,687)	-	1,961	-	(787,596)
LPG tanks and bottles	(190,962)	-	(4,148)	-	3,430	-	(191,680)
Vehicles	(182,193)	-	(947)	-	2,821	180	(180,139)
Furniture and utensils	(53,252)	-	(2,770)	-	52	(6)	(55,976)
Computer equipment	(139,038)	-	(3,352)	-	253	164	(141,973)
	(2,912,487)	-	(94,077)	-	9,655	1,116	(2,995,793)
Provision for loss:							
Lands	(197)	-	-	-	-	-	(197)

Machinery and equipment	(1,697)	-	-	-	-	(1,697)
	(1,894)	-	-	-	-	(1,894)
Net	3,791,274	174,398	(94,077)	-	(3,875)	(773) 3,866,947

There were no changes in the provision for losses during the first quarter of 2010.

(*). According to a market announcement of December 22, 2009, subsidiary Terminal Químico de Aratu S.A. - Tequimar (“Tequimar”) acquired from Puma Storage do Brasil Ltda. (“Puma”) a terminal for liquid bulk storage with capacity of 83 thousand cubic meters located in the port of Suape, Pernambuco. That was the date of effective transfer of assets ownership and purchase price payment of R\$ 44 million, of which R\$ 31 million was recorded as machinery and equipment and \$ 13 million as improvements in leasehold properties.

Construction in progress relates substantially to: (i) expansions and renovations in industrial facilities and (ii) construction and upgrade of service stations and fuel distribution bases.

Advances to suppliers of fixed assets relate basically to toll manufacturing of equipment for expansion of plants.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

As permitted by Law 11638/07 and Resolution CVM 565/08, the Company decided to maintain the revaluation balances until their realization, through depreciation or write-off, and they became part of the cost value of the goods. As of March 31, 2010, the revaluation balance of fixed assets was R\$ 20,311 (R\$ 20,503 as of December 31, 2009).

14 Intangible assets (Consolidated)

	Weighted average term of amortization (years)	03/31/2010			12/31/2009	
		Cost	Accumulated amortization	Provision for losses	Net	Net
Goodwill, net of tax effects	-	864,114	(103,046)	-	761,068	761,068
Software	5	232,319	(164,902)	-	67,417	69,712
Technology	5	23,659	(8,379)	-	15,280	16,378
Commercial property rights	33	16,334	(3,456)	-	12,878	13,015
Market rights	5	17,681	(15,254)	-	2,427	2,679
Others	10	3,981	(791)	(1,518)	1,672	1,696
		1,158,088	(295,828)	(1,518)	860,742	864,548

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

Movements in intangible assets as of March 31, 2010 are as follows:

	Goodwill, net of tax effects	Software	Technology	Commercial property rights	Market rights	Others	Total
Balance as of December 31, 2009	761,068	69,712	16,378	13,015	2,679	1,696	864,548
Additions	-	3,738	-	-	120	7	3,865
Amortization	-	(6,033)	(1,098)	(137)	(372)	(31)	(7,671)
Balance as of March 31, 2010	761,068	67,417	15,280	12,878	2,427	1,672	860,742
Weighted average term of amortization (years)	-	5	5	33	5	10	

In the accumulated income until March 31, 2010, the amount of R\$ 7,671 was recorded as amortization of intangible assets, of which R\$ 5,366 was classified as expenses, and the rest was allocated to production and service cost.

Goodwill from acquisition of companies was amortized as of December 31, 2008, when its amortization ends, and the net remaining balance is tested for impairment annually.

The Company has the following balances of goodwill as of March 31, 2010 and December 31, 2009, net of tax effects (see Note 10.a):

Goodwill on the acquisition of:

Ipiranga	276,724
União Terminais	211,089
Texaco	264,327
Others	8,928
	761,068

Software includes user licenses and costs for the implementation of the various systems used by the Company and its subsidiaries, such as: integrated management and control, financial management, foreign trade, industrial automation, operational transportation and storage management, accounting information and other systems.

The Company records as technology certain rights held by the subsidiaries Oxiteno S.A., Oxiteno Nordeste S.A. Indústria e Comércio (“Oxiteno Nordeste”), and Oleoquímica Indústria e Comércio de Produtos Químicos Ltda. (“Oleoquímica”). Such licenses cover the production of ethylene oxide, ethylene glycols, ethanolamines, glycol ethers, ethoxylates, solvents, fatty acids from vegetable oils, fatty alcohols, and specialty chemicals, which products are supplied to various industries.

Commercial property rights include those described below:

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Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

On July 11, 2002, the subsidiary Tequimar executed an agreement with CODEBA – Companhia das Docas do Estado da Bahia, which allows exporting from the area in which the Aratu Terminal is located for 20 years, renewable for a like period. The price paid by Tequimar was R\$ 12,000, which is being amortized over the period from August 2002 to July 2042.

In addition, the subsidiary Tequimar has a lease contract for an area adjacent to the Port of Santos for 20 years from December 2002, renewable for a like period, which allows the construction, operation, and use of a terminal for liquid bulk unloading, tank storage, handling, and distribution. The price paid by Tequimar was R\$ 4,334, which is being amortized over the period from August 2005 to December 2022.

Research & development expenses amounted to R\$ 4,442 in the income for the period ended March 31, 2010 (R\$ 5,477 in the income as of March 31, 2009).

15 Deferred charges (Consolidated)

			03/31/2010	12/31/2009	
	Weighted average term of amortization (years)	Cost	Accumulated amortization	Net	Net
Restructuring costs	4	25,911	(17,320)	8,591	9,819

Restructuring costs relate to the LPG distribution business, namely: (i) costs for expansion projects involving new regions of activity and (ii) costs for restructuring the home distribution network to increase the contribution margin and expand the bottled gas business through new dealers. Costs will be maintained in this group until they are fully amortized, which will occur in December 2013.

Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

16 Financing, debentures and finance lease (Consolidated)

a. Composition

Description	03/31/2010	12/31/2009	Index/Currency	Weighted average financial charges Dec. 31, 2009 - % p.a.	Maturity
Foreign currency:					
Notes in the foreign market (b)	449,170	431,029	US\$	+7.2	2015
Syndicated loan (c)	106,960	104,076	US\$ + LIBOR (i)	+1.2	2011
ACC	106,881	118,640	US\$	+2.1	<271 days 2010 to
BNDES	55,086	46,936	US\$	+5.9	2016
FINIMP – RPR	17,094	16,588	US\$	+3.5	2010 2010 to
Financial institutions	15,659	12,166	MX\$ + TIIE (ii)	+2.2	2014 2010 to
Financial institutions	8,511	9,639	US\$ + LIBOR (i)	+1.9	2011
FINIMP – Tequimar	847	814	US\$	+7.0	2012 2010 to
Financial institutions	509	1,011	Bs (iii)	+20.4	2013 2010 to
BNDES (d)	274	448	UMBNDES (iv)	+8.0	2011
Subtotal	760,991	741,347			
Local currency:					
Debentures (e)	1,215,750	1,187,866	CDI	108.5	2012 2010 to
BNDES (d)	1,106,263	1,027,418	TJLP (v)	+3.7	2019 2012 to
Banco do Brasil – prefixed (f)	840,816	-	R\$	+11.5	2013
Loan - MaxFácil	113,055	110,816	CDI	100.0	2010
Banco do Nordeste do Brasil	109,290	112,602	R\$	+8.5(vi)	2018 2010 to
FINEP	63,661	68,104	TJLP (v)	+0.9	2014
Banco do Brasil – postfixed (f)	57,113	532,185	CDI	95.0	2010
Working capital loan – União Vopak/RPR	30,217	18,497	CDI	121.3	2010 to 2013

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BNDES (d)	21,222	12,323	R\$	+4.8	2015 to 2019
FINAME	12,104	16,680	TJLP (v)	+3.2	2010 to 2013
Postfixed finance lease (h)	10,447	13,240	CDI	+1.7	2010 to 2011
Prefixed finance lease (h)	1,989	2,125	R\$	+13.6	2010 to 2014
Others	1,757	2,159	CDI	+1.7	2011
Financial institutions	-	2,180	R\$	+10.1	2010
Caixa Econômica Federal (g)	-	495,286	CDI	120.0	2012
Subtotal	3,583,684	3,601,481			
Total of financing, debentures and finance lease	4,344,675	4,342,828			
Current	642,959	1,020,318			