

ULTRAPAR HOLDINGS INC  
Form 6-K  
August 12, 2010

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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 August, 2010

Commission File Number: 001-14950

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

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

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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

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

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

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

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1. Earnings release 2Q10
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Item 1

São Paulo, August 11th, 2010 – Ultrapar Participações S.A. (BMF&BOVESPA: UGPA4 / NYSE: UGP), a company engaged in fuel distribution (Ultragas/Ipiranga), chemicals (Oxiten) and storage for liquid bulk (Ultracargo), hereby reports its results for the second quarter of 2010.

Results conference call

We completed in this 2Q10 our sixteenth consecutive quarter of growth in Ultrapar's EBITDA, which reached R\$ 433 million, up 35% over 2Q09, with growth in all of our businesses. We also reported in this quarter record net earnings of R\$ 196 million, up 110% over 2Q09.

Brazilian conference call

August 13th, 2010

10 a.m. (US EST)

São Paulo - SP

Telephone for connection: +55 11

2188 0155

Code: Ultrapar

Ø VOLUME GROWTH IN ALL BUSINESSES COMPARED WITH 2Q09 AND 1Q10, AS A RESULT OF THE BRAZILIAN ECONOMIC GROWTH, ACQUISITIONS AND EXPANSION PROJECTS

International conference call

August 13th, 2010

11:30 a.m. (US EST)

Participants in the USA: +1 800 418

6854

Participants in Brazil: 0800 891 9722

Participants International: +1 973 200

3114

Code: Ultrapar or 87948042

Ø ULTRAPAR'S EBITDA REACHES R\$ 433 MILLION, UP 35% ON 2Q09, WITH GROWTH IN ALL BUSINESSES

Ø ULTRAPAR REPORTS RECORD NET EARNINGS OF R\$ 196 MILLION, 110% GROWTH OVER 2Q09

Ø DIVIDEND DISTRIBUTION OF R\$ 177 MILLION APPROVED FOR 1H10, CORRESPONDING TO A 53% PAYOUT OF THE CONSOLIDATED NET EARNINGS

IR contact

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Ø CONCLUDED THE SALE OF ULTRACARGO'S IN-HOUSE LOGISTICS, SOLID BULK STORAGE AND ROAD TRANSPORTATION BUSINESSES

Ultrapar Participações S.A.

UGPA4 = R\$ 86.39/share (06/30/10)

UGP = US\$ 47.29/ADR (06/30/10)

“We are pleased to report the sixteenth consecutive quarter of growth in Ultrapar's EBITDA. This growth was presented through different economic cycles, backed by the consistent planning and execution of strategy and by our focus on value creation, which drives all the company's decisions. Our businesses continue to reap the benefits from a more favorable economic environment, highlighting the improvements in Oxiten's earnings this quarter. Concurrently, we concluded the sale of Ultracargo's road transportation, in-house logistics and solid bulk storage businesses, reinforcing its focus on liquid bulk storage”

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, an option that allows companies to report their quarterly information for the periods ended June 30th and March 31st, 2010 in accordance with the accounting standards valid on December 31st, 2009.

The financial information of Ultragas, Ipiranga, Oxiteno and Ultracargo is presented without elimination of transactions carried out between the companies. Therefore, the sum of such information may not correspond to Ultrapar's consolidated financial information. In addition, 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. The results of Texaco were consolidated in Ultrapar's financial statements from April 1st, 2009, after the closing of the acquisition on March 31st, 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, 1Q10 and 2Q10 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				
	JUNE 2010	MARCH 2010 <sup>1</sup>	DECEMBER 2009	SEPTEMBER 2009	JUNE 2009
Net sales	8,837.6	8,591.5	8,988.7	8,183.6	8,212.9
Cost of sales and services	(8,361.9 )	(8,120.2 )	(8,483.1 )	(7,742.2 )	(7,780.5 )
Gross profit	475.7	471.2	505.6	441.4	432.4
Operating expenses	(274.6 )	(267.5 )	(285.4 )	(266.4 )	(269.2 )

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Selling	(150.9 )	(147.8 )	(136.0 )	(136.1 )	(140.5 )
General and administrative	(92.4 )	(87.7 )	(104.0 )	(86.2 )	(96.0 )
Depreciation and amortization	(31.3 )	(32.0 )	(45.4 )	(44.1 )	(32.6 )
Other operating results	5.5	6.4	10.1	3.4	2.2
EBIT	206.6	210.1	230.3	178.4	165.4
EBITDA	238.2	242.7	277.9	224.7	200.1
Depreciation and amortization	31.6	32.6	47.6	46.3	34.7
EBITDA margin (R\$/m3)	48	53	55	47	43

1 The information for 1Q10 also exclude the effects of adhering the Federal and Mato Grosso State's 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 on Ultrapar's website ([www.ultra.com.br](http://www.ultra.com.br)).

Effect of the divestment – Ultracargo's road transportation, in-house logistics and solid bulk storage

On July 1 st, 2010, Ultrapar concluded the sale of Ultracargo's in-house logistics, solid bulk storage and road transportation businesses, with the transfer of the shares of AGT – Armazéns Gerais e Transporte Ltda. and Petrolog Serviços e Armazéns Gerais Ltda. to Aqces Logística Internacional Ltda. and the receipt of R\$ 74 million, in addition to the R\$ 8 million deposit received upon the announcement of the transaction on March 31 st, 2010. Ultrapar and Ultracargo's financial statements from the 3Q10 onwards will no longer consolidate the results of the businesses sold.

## Summary of the 2nd quarter 2010

Ultrapar – Consolidated data	2Q10	2Q09	1Q10	D (%) 2Q10v2Q09	D (%) 2Q10v1Q10	1H10	1H09	D (%) 1H10v1H09
Net sales and services	10,377	9,622	9,941	8%	4%	20,318	16,033	27%
Gross profit	823	694	724	19%	14%	1,547	1,221	27%
Operating profit	337	215	261	57%	29%	598	393	52%
EBITDA	433	321	362	35%	20%	796	595	34%
Net earnings	196	93	141	110%	39%	337	184	82%
Earnings per share <sup>1</sup>	1.46	0.70	1.05	110%	39%	2.51	1.38	82%

Amounts in R\$ million  
(except for EPS)

<sup>1</sup>Calculated based on the number of shares over the period, excluding shares held in treasury.

Ultragaz – Operational data	2Q10	2Q09	1Q10	D (%) 2Q10v2Q09	D (%) 2Q10v1Q10	1H10	1H09	D (%) 1H10v1H09
Total volume (000 tons)	407	401	371	2%	10%	778	765	2%
Bottled	282	281	257	0%	10%	539	538	0%
Bulk	125	119	114	4%	10%	238	227	5%

Ipiranga – Operational data	2Q10	2Q09	1Q10	D (%) 2Q10v2Q09	D (%) 2Q10v1Q10	1H10	1H09	D (%) 1H10v1H09
Total volume (000 m <sup>3</sup> )	4,985	4,635	4,600	8%	8%	9,585	7,405	29%
Diesel	2,773	2,504	2,488	11%	11%	5,262	4,011	31%
Gasoline, ethanol and NGV	2,092	2,012	2,003	4%	4%	4,095	3,197	28%
Other <sup>2</sup>	119	120	109	0%	9%	228	198	15%

<sup>2</sup>Fuel oils, kerosene, lubricants and greases.

Oxiteno – Operational data	2Q10	2Q09	1Q10	D (%) 2Q10v2Q09	D (%) 2Q10v1Q10	1H10	1H09	D (%) 1H10v1H09
Total volume (000 tons)	176	160	164	10%	7%	339	284	20%
Product mix								
Specialty chemicals	160	139	152	15%	6%	312	254	23%
Glycols	15	21	12	(26%)	28%	28	29	(6%)
Geographical mix								
Sales in Brazil	126	107	117	18%	8%	243	193	26%
Sales outside Brazil	49	53	47	(7%)	5%	96	90	6%



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Ultracargo – Operational data	2Q10	2Q09	1Q10	D (%) 2Q10v2Q09	D (%) 2Q10v1Q10	1H10	1H09	D (%) 1H10v1H09
Effective storage <sup>3</sup> (000 m3)	558	491	535	14%	4%	546	464	18%
Total kilometrage (million)	5.1	5.8	5.0	(13%)	2%	10.1	12.0	(16%)

<sup>3</sup>Monthly average

Macroeconomic indicators	2Q10	2Q09	1Q10	D (%) 2Q10v2Q09	D (%) 2Q10v1Q10	1H10	1H09	D (%) 1H10v1H09
Average exchange rate (R\$/US\$)	1.79	2.07	1.80	(14%)	(1%)	1.80	2.19	(18%)
Brazilian interbank interest rate (CDI)	2.2%	2.4%	2.0%			4.3%	5.3%	
Inflation in the period (IPCA)	1.0%	1.3%	2.0%			3.1%	2.6%	

### Highlights

- Ø Dividend distribution of R\$ 177 million approved – On this date, the Board of Directors of Ultrapar approved the dividend payment of R\$ 177 million, equivalent to R\$ 1.32 per share, as an advance of the dividends for the fiscal year 2010, to be paid from August 27, 2010. This amount corresponds to a 53% payout of the net earnings of the first half of 2010, representing an annualized dividend yield of 3% over Ultrapar's average share price in the same period.
- Ø Ultracargo concludes the sale of its in-house logistics, solid bulk storage and road transportation businesses and focus its activities on the storage for liquid bulk – On July 1st, 2010, Ultrapar concluded the sale of Ultracargo's in-house logistics, solid bulk storage and road transportation businesses with the transfer of the shares of AGT – Armazéns Gerais e Transporte Ltda. and Petrolog Serviços e Armazéns Gerais Ltda. to Aqces Logística Internacional Ltda. and the receipt of R\$ 74 million by Ultracargo, in addition to the R\$ 8 million deposit received upon the announcement of the transaction on March 31st, 2010. This transaction allows Ultracargo to focus exclusively on its liquid bulk storage business, a segment in which it has a leadership position and will pursue opportunities to maximize the benefits from the increasing demand for logistics infrastructure in Brazil.
- Ø Reduction in the cost of debt and extension in the debt maturity profile – In June 2010, Ultrapar's Board of Directors approved the hiring of a loan in the total amount of R\$ 900 million, with a four-year term and interest rate equivalent to 99% of CDI (interbank deposit rate). This loan reduces the average cost of debt of the company and provides higher financial flexibility.

### Executive summary of the results

The economic indicators related to the second quarter of 2010 point to the continued expansion of the Brazilian economy, evidenced by the 9% growth of the Brazilian GDP in 1Q10 over the same period of 2009, notably the industrial segment that grew 15%. Such growth, boosted by the strong domestic market and credit expansion, has positively reflected in a robust labor market and real income increase. The number of light vehicles licensed in 1H10 accumulates a 7% increase compared with the same period of 2009. However, the effects of the greater dynamism of the economy in inflation led the Central Bank to raise the basic interest rate (SELIC) to 10.75%, the third increase in 2010. In the international environment, after the strong increase in 2009, commodities prices have been relatively stable, especially oil, which, in 2010, has been traded at around US\$ 75 to US\$ 85/barrel.

In 2Q10, Ultragaz's sales volume grew by 2% compared with 2Q09, boosted by the 4% growth in the bulk segment, as a result of the higher level of economic activity. Ultragaz's EBITDA reached R\$ 83 million in the quarter, up 13% from 2Q09, mainly as a result of a recovery in margins, to which the operational efficiency programs implemented

and the performance in the bulk segment contributed.

At Ipiranga, fuel sales volume grew by 8% in 2Q10 over 2Q09, as a consequence of greater economic dynamism and the continued growth of the Brazilian light vehicle fleet. Ipiranga's EBITDA in 2Q10 amounted to R\$ 238 million, up 19% over 2Q09, resulting in an EBITDA of R\$ 48/m3, higher than the R\$ 43/m3 margin for 2Q09.

In 2Q10, Oxiteno reported a 10% sales volume growth compared with 2Q09, on the back of the higher level of economic activity in the domestic market and expansions in production capacity. EBITDA amounted to R\$ 71 million in 2Q10, comparing with R\$ 29 million in 2Q09, despite the 14% stronger Real, due to (i) the increase in sales volume, (ii) the recovery in margins, to which the recent stability in raw materials prices and a enhanced product mix contributed, and (iii) the effect of historical costs higher than replacement costs in 2Q09.

Ultracargo reported average effective storage 14% higher than in 2Q09, mainly due to the consolidation of the acquired terminal in Suape in December 2009 and the higher volume of operations in Aratu terminal, as a result of the expansion completed in 2009. On the other hand, total kilometrage travelled in 2Q10 declined by 13% from 2Q09, especially due to Ultracargo's decision to reduce its presence in some segments during 2009. As a result, Ultracargo's EBITDA totaled R\$ 28 million in 2Q10, up 1% over 2Q09.

Ultrapar's consolidated EBITDA totaled R\$ 433 million in 2Q10, up 35% over 2Q09, due to the EBITDA growth in all businesses. Net earnings for 2Q10 reached R\$ 196 million, up 110% over 2Q09, mainly as a result of the growth in EBITDA.

#### Operational performance

Ultragaz – In 2Q10, Ultragaz's sales volume amounted to 407 thousand tons, up 2% over 2Q09. In the bottled segment, Ultragaz sales volume remained stable compared with 2Q09. In the bulk segment, sales volume grew 4% due to the higher level of economic activity and a recovery in the industrial activity. Compared with 1Q10, Ultragaz's sales volume increased by 10%, as a result of seasonality between periods. For the first half of 2010, Ultragaz's sales volume totals 778 thousand tons, 2% growth compared with 1H09.

Ultragaz – Sales volume (000 tons)

Ipiranga – Ipiranga's sales volume totaled 4,985 thousand cubic meters in 2Q10, 8% higher than that in 2Q09. Sales volume of fuels for light vehicles grew by 4%, mainly as a consequence of the increase in the light vehicle fleet during the last 12 months. Diesel volume grew by 11% due to the higher level of economic activity in 2Q10. Compared with 1Q10, sales volume increased by 8% as a result of seasonality between quarters. In 1H10, Ipiranga's sales volume totals 9,585 thousand cubic meters, up 29% over 1H09, mainly due to the consolidation of Texaco's volume from 2Q09 onwards.

Ipiranga – Sales volume (000 m3)

Oxiteno – Oxiteno’s sales volume totaled 176 thousand tons, up 10% (16 thousand tons) over 2Q09, highlighting the 15% increase in sales volume of specialty chemicals, on the back of higher level of economic activity compared with 2Q09 and enabled by the expansions in the production capacity. In the Brazilian market, sales volume increased by 18% (19 thousand tons), with positive progression in all markets, notably in specialty chemicals sold to the cosmetics, agrochemicals and coatings industries. Sales volume outside Brazil decreased by 7% (4 thousand tons) due to higher spot sales of glycols in 2Q09. Compared with 1Q10, sales volume increased by 7% (12 thousand tons) as a result of seasonality between quarters. Oxiteno’s sales volume for 1H10 totals 339 thousand tons, up 20% over 1H09.

Oxiteno – Sales volume (000 tons)

Ultracargo – In 2Q10, Ultracargo reported a 14% increase in average effective storage compared with 2Q09, due to the consolidation of the terminal acquired in Suape in December 2009 and higher volume of operations in Aratu terminal, on the back of the capacity expansion completed, partially offset by a reduction in the handling of ethanol. In the transportation segment, total kilometrage travelled in 2Q10 declined by 13% compared with 2Q09, especially due to Ultracargo’s decision to reduce its presence in certain segments during 2009. Compared with 1Q10, Ultracargo’s average effective storage was 4% higher and the total kilometrage travelled increased by 2%. In 1H10, Ultracargo accumulates an 18% increase in the average effective storage of its terminals and a 16% decrease in the total kilometrage travelled.

Ultracargo - Average storage  
(000 m3)

Ultracargo - Kilometrage travelled  
(million)

## Economic-financial performance

Net sales and services – Ultrapar’s consolidated net sales and services amounted to R\$ 10,377 million in 2Q10, up 8% over 2Q09, as a consequence of the growth in sales in Ipiranga, Ultragaz and Oxiteno. Compared with 1Q10, Ultrapar’s net sales and services increased by 4% due to seasonality between the periods. In the first half of 2010, Ultrapar's net sales and services amounted to R\$ 20,318 million, up 27% compared with the first half of 2009, mainly as a consequence of the consolidation of Texaco's net sales and services from 2Q09 onwards.

### Net sales and services (R\$ million)

1 Reported values, including non-recurring items

Ultragaz – Ultragaz’s net sales and services amounted to R\$ 922 million in 2Q10, up 7% over 2Q09, as a result of higher sales volume, an increase in the cost of LPG used in the bulk segment from January 2010 onwards and commercial initiatives and operational efficiency programs implemented. Compared with 1Q10, net sales and services increased by 10%, in line with the sales volume progression. For 1H10, Ultragaz’s net sales and services totaled R\$ 1,764 million, up 8% from 1H09.

Ipiranga – Ipiranga’s net sales and services amounted to R\$ 8,838 million in 2Q10, up 8% over 2Q09, in line with sales volume variation. Compared with 1Q10, Ipiranga’s net sales and services revenues grew by 3% as a consequence of the increase in sales volume, partially offset by the lower average price derived from (i) a decrease in the share of gasoline in the product mix in 2Q10 and (ii) the reduction in ethanol cost in 2Q10, due to the increased availability of the product compared with 1Q10. In 1H10, Ipiranga's net sales and services amounted to R\$ 17,429 million, a 31% increase compared with 1H09, mainly as a consequence of the consolidation of Texaco's net sales and services from 2Q09 onwards.

### Ipiranga – Net sales breakdown by product

Oxiteno – Oxiteno’s net sales and services totaled R\$ 549 million in 2Q10, up 16% over 2Q09, despite the 14% stronger Real, as a consequence of the recovery in average dollar prices and a 10% growth in sales volume. Compared with 1Q10, Oxiteno’s net sales and services increased by 16%, as a consequence of the recovery in average dollar prices and the seasonally higher volume. Net sales and services in 1H10 totaled R\$ 1,021 million, up 9% from 1H09.

Ultracargo – Ultracargo’s net sales and services amounted to R\$ 86 million in 2Q10, down 2% from 2Q09, despite the 14% increase in average storage, due to a reduction in kilometrage travelled. Compared with 1Q10, Ultracargo’s net sales and services grew by 5%, mainly due to the progression in average storage. For 1H10, Ultracargo’s net sales and services totaled R\$ 169 million, down 1% from 1H09.

Cost of goods sold – Ultrapar’s cost of goods sold amounted to R\$ 9,554 million in 2Q10, up 7% from 2Q09, as a result of the higher volume of operations in all the businesses. Compared with 1Q10, Ultrapar’s cost of goods sold increased by 4%, especially due to seasonality between quarters. In the first half of 2010, Ultrapar’s cost of goods sold amounted to R\$ 18,771 million, a 27% increase compared with the first half of 2009, mainly as a consequence of the consolidation of Texaco’s cost of goods sold from 2Q09 onwards.

Ultragaz – Ultragaz’s cost of goods sold amounted to R\$ 760 million in 2Q10, up 5% over 2Q09, as a consequence of a 6% increase in ex-refinery cost of LPG used in the bulk segment from January 2010 onwards and higher sales volume. Compared with 1Q10, the cost of products sold increased by 9%, mostly in line with the sales volume variation. For 1H10, Ultragaz’s cost of goods sold totaled R\$ 1,456 million, 6% higher than that in 1H09.

Ipiranga – Ipiranga’s cost of goods sold amounted to R\$ 8,362 million in 2Q10, up 7% over 2Q09, mainly as a result of the 8% growth in sales volume. Compared with 1Q10, the cost of goods sold grew by 3%, lower than the growth of 8% in the volume, as a consequence of (i) a decrease in the share of gasoline in the product mix in 2Q10 and (ii) the decrease in ethanol cost in 2Q10, due to the increased availability of the product compared with 1Q10. In 1H10, Ipiranga’s cost of goods sold totaled R\$ 16,482 million, 31% higher than that reported in 1H09, mainly as a consequence of the consolidation of Texaco’s cost of goods sold from 2Q09 onwards.

Oxiteno – Oxiteno’s cost of goods sold in 2Q10 amounted to R\$ 422 million, up 5% over 2Q09, as a result of the 10% increase in sales volume and higher costs of raw material in dollars, partially offset by the 14% stronger Real. Compared with 1Q10, Oxiteno’s cost of goods sold increased by 8%, in line with sales volume variation, while raw material prices in dollars and the exchange rate remained stable in the period. For 1H10, Oxiteno’s cost of goods sold totaled R\$ 814 million, up 5% from 1H09.

Ultracargo – Ultracargo’s cost of services provided amounted to R\$ 43 million in 2Q10, down 16% over 2Q09, mainly due to its reduced presence in the transportation segment and a R\$ 6 million reduction in depreciation resulting from the revision in the useful life of assets. Compared with 1Q10, Ultracargo’s cost of services provided grew by 5%, due to the progression in the volume of operations. For 1H10, Ultracargo’s cost of services provided totaled R\$ 83 million, down 16% from 1H09.

Sales, general and administrative expenses – Sales, general and administrative expenses at Ultrapar reached R\$ 487 million in 2Q10, up 2% and 4% on 2Q09 and 1Q10, respectively. In the first half of 2010, Ultrapar’s sales, general and administrative expenses totaled R\$ 957 million, up 15% compared with the first half of 2009, basically as a consequence of the consolidation of Texaco’s sales, general and administrative expenses from 2Q09 onwards.

Ultragaz – Ultragaz’s sales, general and administrative expenses amounted to R\$ 106 million in 2Q10, up 13% over 2Q09 as a consequence of (i) an increase in personnel expenses, due to the effects of inflation and higher variable

compensation, in line with the earnings progression, and (ii) an increase in expenses related to promotional and sales campaigns. Compared with 1Q10, sales, general and administrative expenses decreased by 1%, with the increase in sales volume offset by higher expenses related to promotional and sales campaigns in 1Q10. For 1H10, Ultragas's sales, general and administrative expenses totaled R\$ 212 million, up 17% compared with 1H09.

Ipiranga – Ipiranga's sales, general and administrative expenses totaled R\$ 275 million in 2Q10, up 2% compared with 2Q09, despite the 8% increase in sales volume, due to the implementation of the operational and administrative synergy plan. Compared with 1Q10, sales, general and administrative expenses increased by 3%, despite the 8% increase in sales volume, due to higher expenses related to advertising and marketing in 1Q10. Excluding depreciation, Ipiranga's



sales, general and administrative expenses represented R\$ 49/m<sup>3</sup> of product sold, lower than the R\$ 51/m<sup>3</sup> in 2Q09 and in 1Q10. For 1H10, Ipiranga's sales, general and administrative expenses totaled R\$ 542 million, up 21% from 1H09, mainly due to the consolidation of Texaco's sales, general and administrative expenses from 2Q09 onwards.

Oxitenó – Oxitenó's sales, general and administrative expenses totaled R\$ 81 million in 2Q10, up 19% and 22% compared with 2Q09 and 1Q10 respectively, as a consequence of (i) higher freight expenses resulting from increased sales volume and (ii) higher variable compensation, in line with the strong earnings progression. For 1H10, sales, general and administrative expenses totaled R\$ 147 million, up 12% compared with 1H09.

Ultracargo – Ultracargo's sales, general and administrative expenses totaled R\$ 23 million in 2Q10, up 3% from 2Q09, despite the 14% growth in stored volume and the effects of inflation in the period, mainly as a result of the reduced presence in the transportation segment and operational synergies resulting from União Terminais' integration during 2009. Compared with 1Q10, Ultracargo's sales, general and administrative expenses increased by 16%, especially due to higher indemnification expenses related to the transportation segment in 2Q10. For 1H10, sales, general and administrative expenses totaled R\$ 43 million, down 5% compared with 1H09.

EBITDA – Ultrapar's EBITDA amounted to R\$ 433 million in 2Q10, 35% and 20% growth over 2Q09 and 1Q10, respectively. In the first half of 2010, Ultrapar's EBITDA amounted to R\$ 796 million, up 34% compared with the first half of 2009 as a result of the EBITDA growth in all businesses and the consolidation of Texaco's EBITDA from 2Q09 onwards.

#### EBITDA (R\$ million)

1 Reported values, including non-recurring items

Ultragaz – Ultragaz's EBITDA amounted to R\$ 83 million in 2Q10, up 13% over 2Q09, 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 1Q10, Ultragaz's EBITDA increased by 18%, mainly as a consequence of a seasonally higher volume. For 1H10, Ultragaz's EBITDA reached R\$ 154 million, up 22% from 1H09.

Ipiranga – Ipiranga's EBITDA amounted to R\$ 238 million in 2Q10, up 19% over 2Q09, mainly on the back of higher sales volume and the implementation of the operational and administrative synergy plan. Compared with 1Q10, Ipiranga's EBITDA declined by 2% due to a better product mix in 1Q10. For 1H10, Ipiranga's EBITDA reached R\$ 481 million, up 40% from 1H09.

In 2Q10, Ipiranga's unit EBITDA margin amounted to R\$ 48/m<sup>3</sup>, a R\$ 5/m<sup>3</sup> or 11% growth compared to the EBITDA margin of R\$ 43/m<sup>3</sup> in 2Q09. Compared with 1Q10, Ipiranga's EBITDA declined by R\$ 5/m<sup>3</sup> or 9%, mainly due to the variation in the product mix between quarters, derived from the strong fluctuation in the ethanol availability in the market during 1H10.

In 2Q10, Ipiranga's reported EBITDA, which considers non-recurring items, amounted to R\$ 236 million, up 37% over 2Q09 and up 12% over 1Q10. For 1H10, Ipiranga's EBITDA reached R\$ 446 million, up 41% from 1H09.

Oxiteno – Oxiteno's EBITDA totaled R\$ 71 million in 2Q10, up 142% over 2Q09, despite the 14% stronger Real, as a consequence of the 10% increase in sales volume and the recovery in margins. Compared with 1Q10, Oxiteno's EBITDA increased by 79%, as a consequence of seasonally higher volume and the recovery in margins. Oxiteno's unit EBITDA reached US\$ 224/ton in 2Q10, up 155% and 68% over 2Q09 and 1Q10, respectively. For 1H10, Oxiteno's EBITDA reached R\$ 110 million, up 46% from 1H09.

Excluding the effect derived from the process of realization of inventories with historical costs higher than replacement costs of R\$ 35 million in 2Q09, Oxiteno's EBITDA would have increased by 10% compared with 2Q09, despite the 14% stronger Real in this 2Q10.

Ultracargo – Ultracargo's EBITDA amounted to R\$ 28 million in 2Q10, a 1% increase over 2Q09, having the higher volume of operations in its terminals been partially offset by the lower kilometrage travelled in the transportation segment. In relation to 1Q10, the company's EBITDA decreased by 7%, mainly as a result of higher administrative expenses in 2Q10. For 1H10, Ultracargo's EBITDA reached R\$ 59 million, up 13% from 1H09.

Depreciation and amortization – Total depreciation and amortization costs and expenses in 2Q10 amounted to R\$ 96 million, down R\$ 9 million and R\$ 5 million from 2Q09 and 1Q10, respectively, mainly as a result of the revision in the economic useful life of assets in accordance with Technical Standard ICPC (Brazilian Accounting Pronouncements Committee) 10, in effect from January 1st, 2010 onwards. In 1H10, Ultrapar's total depreciation costs and expenses amounted to R\$ 197 million, down R\$ 4 million from 1H09.

Financial result – Ultrapar reported net financial expense of R\$ 68 million in 2Q10, R\$ 19 million lower than that in 2Q09, mainly as a result of the reduction in the cost of debt and the lower average net debt. The net debt to last 12 months EBITDA ratio decreased from 2.0 times at the end of 2Q09, right after the disbursement for the acquisition of Texaco, to 1.5 time at the end of 2Q10. Compared with 1Q10, net financial expense was R\$ 7 million lower. In 1H10, Ultrapar reported net financial expense of R\$ 143 million, R\$ 3 million lower than that in 1H09.

Net earnings – Ultrapar's consolidated net earnings in 2Q10 amounted to R\$ 196 million, a growth of 110% and 39% over 2Q09 and 1Q10, respectively, mainly due to the EBITDA growth and lower financial expenses in 2Q10. In 1H10, Ultrapar reported net earnings of R\$ 337 million, a growth of 82% over 1H09.

Investments – Total investments, net of disposals and repayments, amounted to R\$ 211 million in 2Q10, allocated as follows:

- At Ultragas, R\$ 41 million were invested mainly in new clients in the bulk segment and renewal of LPG bottles.
- At Ipiranga, R\$ 104 million were invested in the conversion of unbranded service stations, new service stations, renewal and improvements of the distribution network. Of the total amount invested, R\$ 51 million were related to additions to fixed assets, and R\$ 53 million were related to financing and bonuses to clients, net of repayments.
- At Oxiteno, R\$ 49 million were invested, concentrated on projects to expand ethylene oxide and ethoxylates production capacity in Camaçari.
- Ultracargo invested R\$ 14 million, mainly in the expansion of the Suape terminal (30 thousand m3).



R\$ million	2Q10	1H10	Total investments, net of disposals and repayments (R\$ million)
Additions to fixed assets <sup>1</sup>			
Ultragaz	41	79	
Ipiranga	51	79	
Oxiteno	49	147	
Ultracargo	14	20	
Total – additions to fixed assets	158	331	
Financing and bonuses to clients <sup>2</sup> - Ipiranga	53	84	
Total investments, net of disposals and repayments	211	415	

<sup>1</sup> Includes the consolidation of Serma

<sup>2</sup> 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 2Q10 was R\$ 38 million/day, 47% higher than the average of R\$ 26 million/day in 2Q09, considering the combined trading on the BMF&Bovespa and the NYSE. Ultrapar's shares closed 2Q10 quoted at R\$ 86.39/share at the BM&FBovespa, with an accumulated appreciation of 1% in the quarter and 39% over the last 12 months. In the same periods, the Ibovespa index depreciated by 13% and appreciated by 18%, respectively. At the NYSE, Ultrapar's shares depreciated by 2% in 2Q10 and appreciated by 50% over the last 12 months, while the Dow Jones index depreciated by 10% in 2Q10 and appreciated by 16% over the last 12 months. Ultrapar closed 2Q10 with a market value of R\$ 12 billion, up 39% from 2Q09.

Performance of UGPA4 vs. Ibovespa – 2Q10  
(Base 100)

Average daily trading volume  
(R\$ million)

## Outlook

The dynamism of the Brazilian economy is expected to continue to drive the results of our businesses in the next quarters. At Ipiranga, in addition to the positive impacts of the stronger economic activity in diesel sales, we also have visibility for the continued growth in the vehicle fleet, as evidenced by the announcements of expansion projects by car manufacturers, higher credit availability for car purchasing and low car penetration rates in Brazil. Furthermore, we will continue to implement our network expansion plan, mainly in the North, Northeast and Mid-West regions of Brazil, through the conversion of unbranded stations and acquisitions. Ultragas, which over the last quarters reported substantial growth in its earnings with the realization of gains of the operational efficiency programs, is expected to benefit from the economic growth effects in the bulk segment volumes. At Oxiteno, the recent stability in raw materials prices combined with the benefits from the increased scale and operational leverage pave the way for the company to realize its earnings potential. Ultracargo, now exclusively focused on liquid bulk storage, will continue to benefit from the maturing process of its recent investments and to work on the expansions underway in its terminals. Finally, we will seek new investment opportunities in all our businesses, that reinforce our strategy of sustained growth and value creation.

## Forthcoming events

Conference call / Webcast: August 13th, 2010

Ultrapar will be holding a conference call for analysts on August 13th, 2010 to comment on the company's performance in the second 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 in the USA: +1 800 418 6854

Participants in Brazil: 0800 891 9722

Participants International: +1 973 200 3114

Code: Ultrapar or 87948042

WEBCAST live via Internet at [www.ultra.com.br](http://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	2Q10	2Q09	1Q10	1H10	1H09
EBITDA margin Ultrapar	4.2%	3.3%	3.6%	3.9%	3.7%
Net margin Ultrapar	1.9%	1.0%	1.4%	1.7%	1.2%
Focus on human resources	2Q10	2Q09	1Q10	1H10	1H09
Number of employees – Ultrapar	9,331	9,622	9,397	9,331	9,622
Number of employees – Ultragas	4,021	4,024	4,010	4,021	4,024
Number of employees – Ipiranga	2,289	2,416	2,293	2,289	2,416
Number of employees – Oxiteno	1,529	1,581	1,524	1,529	1,581
Number of employees – Ultracargo	1,168	1,271	1,245	1,168	1,271
Focus on capital markets	2Q10	2Q09	1Q10	1H10	1H09
Number of shares (000)	136,096	136,096	136,096	136,096	136,096
Market capitalization1 – R\$ million	11,292	8,330	11,303	11,297	7,902
BM&FBovespa	2Q10	2Q09	1Q10	1H10	1H09
Average daily volume (shares)	371,356	343,928	301,060	336,784	326,954
Average daily volume (R\$ 000)	30,776	21,050	24,975	27,923	19,065
Average share price (R\$/share)	82.9	61.2	83.0	82.9	58.3
NYSE	2Q10	2Q09	1Q10	1H10	1H09
Quantity of ADRs2 (000 ADRs)	13,029	12,642	13,027	13,029	12,642
Average daily volume (ADRs)	82,315	75,148	86,500	84,357	99,640
Average daily volume (US\$ 000)	3,918	2,222	3,992	3,954	2,586
Average share price (US\$/ADR)	47.6	29.6	46.2	46.9	26.0
Total	2Q10	2Q09	1Q10	1H10	1H09
Average daily volume (shares)	453,672	419,076	387,560	421,141	426,594
Average daily volume (R\$ 000)	37,640	25,651	32,188	34,958	24,769

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.

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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		
	JUN 2010	JUN 2009	MAR 2010
<b>ASSETS</b>			
Cash and financial investments	2,978.1	1,556.8	1,865.9
Trade accounts receivable	1,643.0	1,707.9	1,597.1
Inventories	1,024.7	979.6	1,012.0
Deferred income tax and social contribution	204.8	157.6	203.8
Other	366.8	422.7	388.9
Total Current Assets	6,217.3	4,824.6	5,067.7
Investments	23.2	39.1	23.4
Property, plant and equipment and intangibles	4,745.3	4,570.7	4,727.7
Deferred charges	7.3	12.7	8.6
Financial investments	5.8	7.2	3.0
Deferred income tax and social contribution LT	395.5	378.1	417.3
Trade accounts receivable LT	353.4	209.6	329.3
Other long term assets	232.2	158.5	222.0
Total Long Term Assets	5,762.6	5,375.8	5,731.4
<b>TOTAL ASSETS</b>	<b>11,980.0</b>	<b>10,200.4</b>	<b>10,799.0</b>
<b>LIABILITIES</b>			
Loans and financing	737.2	880.2	616.0
Debentures	56.7	5.4	27.0
Suppliers	687.4	646.9	667.6
Payroll and related charges	167.2	141.6	133.1
Taxes	194.5	148.6	201.8
Other accounts payable	69.4	62.4	65.6
Total Current Liabilities	1,912.3	1,885.1	1,711.0
Loans and financing	3,315.2	1,839.1	2,512.9
Debentures	1,190.3	1,191.7	1,188.8
Deferred income tax and social contribution	26.4	15.8	17.5
Other long term liabilities	361.0	400.8	389.4
Total Long Term Liabilities	4,892.9	3,447.4	4,108.6
<b>TOTAL LIABILITIES</b>	<b>6,805.1</b>	<b>5,332.5</b>	<b>5,819.7</b>
<b>STOCKHOLDERS' EQUITY</b>			
Capital	3,696.8	3,696.8	3,696.8
Capital reserve	1.6	1.1	1.4
Revaluation reserves	7.9	9.2	7.8

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Profit reserves	1,133.7	941.3	1,133.1
Mark to market adjustments	(3.8 )	(4.5 )	(2.0 )
Cumulative translation adjustment	(19.7 )	0.6	(19.0 )
Retained earnings	336.7	185.4	140.8
Total Stockholders' Equity	5,153.1	4,829.8	4,958.8
Minority Interests	21.7	38.1	20.5
TOTAL STOCKHOLDERS' EQUITY & M.I.	5,174.9	4,867.9	4,979.4
TOTAL LIAB. AND STOCKHOLDERS' EQUITY	11,980.0	10,200.4	10,799.0
Cash and financial investments	2,983.8	1,564.0	1,868.9
Debt	5,299.3	3,916.4	4,344.7
Net cash (debt)	(2,315.5 )	(2,352.3 )	(2,475.7 )

ULTRAPAR  
CONSOLIDATED INCOME STATEMENT

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

	QUARTERS ENDED IN			ACCUMULATED	
	JUN 2010	JUN 2009	MAR 2010	JUN 2010	JUN 2009
Net sales and services	10,377.4	9,621.8	9,940.8	20,318.2	16,033.2
Cost of sales and services	(9,554.5 )	(8,927.5 )	(9,216.4 )	(18,770.9 )	(14,812.7 )
Gross profit	822.9	694.3	724.4	1,547.3	1,220.5
Operating expenses					
Selling	(232.4 )	(230.9 )	(224.9 )	(457.3 )	(382.1 )
General and administrative	(189.1 )	(182.6 )	(176.3 )	(365.3 )	(327.2 )
Depreciation and amortization	(65.9 )	(66.4 )	(68.8 )	(134.7 )	(123.7 )
Other operating income (expenses)	1.8	0.7	6.6	8.4	5.5
EBIT	337.3	215.1	261.1	598.4	393.0
Financial results	(67.8 )	(86.9 )	(75.3 )	(143.1 )	(145.9 )
Financial income	50.6	31.4	46.2	96.9	89.8
Financial expenses	(118.5 )	(118.2 )	(121.5 )	(240.0 )	(235.7 )
Equity in earnings (losses) of affiliates	(0.2 )	0.1	0.0	(0.1 )	0.0
Other income (expense)	(2.2 )	6.9	0.9	(1.4 )	9.9
Income before taxes	267.1	135.2	186.7	453.8	257.1
Provision for income and social contribution tax	(78.3 )	(43.4 )	(56.5 )	(134.8 )	(79.6 )
Benefit of tax holidays	8.5	2.8	7.1	15.6	9.8
Income before minority interest	197.3	94.7	137.3	334.6	187.2
Minority interest	(1.3 )	(1.4 )	3.2	1.9	(2.7 )
Net Income	196.0	93.3	140.5	336.5	184.5
EBITDA	433.4	320.6	362.4	795.8	594.7
Depreciation and amortization	96.1	105.5	101.3	197.4	201.7
	210.9	138.9	204.6	415.5	1,430.2

Total investments, net of disposals and repayments

RATIOS

Earnings / share - R\$	1.46	0.70	1.05	2.51	1.38
Net debt / Stockholders' equity	0.45	0.48	0.50	0.45	0.48
Net debt / LTM EBITDA	1.49	1.96	1.72	1.49	1.96
Net interest expense / EBITDA	0.16	0.27	0.21	0.18	0.25
Gross margin	7.9	% 7.2	% 7.3	% 7.6	% 7.6
Operating margin	3.3	% 2.2	% 2.6	% 2.9	% 2.5
EBITDA margin	4.2	% 3.3	% 3.6	% 3.9	% 3.7

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

	JAN - JUN	
	2010	2009
Cash Flows from operating activities	458.4	702.6
Net income	336.5	184.5
Minority interest	(1.9 )	2.7
Depreciation and amortization	197.4	201.7
Working capital	(247.6 )	256.9
Financial expenses (A)	193.1	17.9
Deferred income and social contribution taxes	55.1	1.4
Other (B)	(74.3 )	37.5
Cash Flows from investing activities	(331.3 )	(1,404.7 )
Additions to fixed assets, net of disposals	(331.3 )	(212.9 )
Acquisition and sale of equity investments	-	(1,191.8 )
Cash Flows from (used in) financing activities	573.5	103.1
Issuances of short term debt	167.8	109.4
Amortization of short term debt	(1,386.3 )	(1,637.0 )
Issuances of long term debt	1,969.2	1,753.4
Related companies	(2.6 )	(0.2 )
Dividends paid (C)	(163.3 )	(122.5 )
Other (D)	(11.4 )	-
Net increase (decrease) in cash and cash equivalents	700.6	(599.0 )
Cash from subsidiaries acquired	-	29.4
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)	2,983.8	1,564.0
Supplemental disclosure of cash flow information		
Cash paid for interest (F)	144.4	125.7
Cash paid for income and social contribution taxes (G)	19.9	15.9

(A) Comprised of interest and exchange rate and inflationary variation expenses on loans and financing. Does not include revenues from interest and 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 Utingás, in wich Ultragas 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.

ULTRAGAZ  
CONSOLIDATED BALANCE SHEET

In millions of Reais - Accounting practices adopted in Brazil

	QUARTERS ENDED IN		
	JUN 2010	JUN 2010	MAR 2009
<b>OPERATING ASSETS</b>			
Trade accounts receivable	173.8	188.1	169.2
Trade accounts receivable - noncurrent portion	27.9	23.3	29.7
Inventories	38.7	28.8	38.7
Other	26.3	27.3	25.8
Property, plant and equipment and intangibles	536.5	544.0	525.4
Deferred charges	7.3	12.7	8.6
<b>TOTAL OPERATING ASSETS</b>	<b>810.4</b>	<b>824.2</b>	<b>797.3</b>
<b>OPERATING LIABILITIES</b>			
Suppliers	38.5	46.2	26.1
Payroll and related charges	60.3	47.7	49.9
Taxes	8.1	5.0	7.1
Other accounts payable	5.1	3.6	4.9
<b>TOTAL OPERATING LIABILITIES</b>	<b>112.0</b>	<b>102.5</b>	<b>87.9</b>

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

	QUARTERS ENDED IN			ACCUMULATED	
	JUN 2010	JUN 2009	MAR 2010	JUN 2010	JUN 2009
Net sales	922.4	862.8	841.7	1,764.1	1,627.9
Cost of sales and services	(759.5 )	(724.1 )	(696.5 )	(1,456.0 )	(1,378.3 )
Gross profit	162.9	138.7	145.2	308.1	249.6
<b>Operating expenses</b>					
Selling	(44.8 )	(38.6 )	(43.4 )	(88.1 )	(75.1 )
General and administrative	(30.6 )	(25.6 )	(30.5 )	(61.1 )	(47.2 )
Depreciation and amortization	(30.4 )	(29.7 )	(32.7 )	(63.1 )	(59.1 )

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Other operating results	(4.2 )	(0.9 )	(0.5 )	(4.6 )	(1.3 )
EBIT	53.0	43.9	38.3	91.2	66.9
EBITDA	83.4	73.6	70.9	154.3	126.0
Depreciation and amortization	30.4	29.7	32.7	63.1	59.1

RATIOS

Gross margin (R\$/ton)	400	346	392	396	326
Operating margin (R\$/ton)	130	110	103	117	88
EBITDA margin (R\$/ton)	205	184	191	198	165



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

	QUARTERS ENDED IN		
	JUN 2010	JUN 2009	MAR 2010
<b>OPERATING ASSETS</b>			
Trade accounts receivable	1,150.7	1,238.4	1,158.4
Trade accounts receivable - noncurrent portion	325.1	185.9	299.3
Inventories	646.8	590.0	667.0
Other	183.1	188.9	199.2
Property, plant and equipment and intangibles	1,366.4	1,407.9	1,385.9
<b>TOTAL OPERATING ASSETS</b>	<b>3,672.1</b>	<b>3,611.2</b>	<b>3,709.8</b>
<b>OPERATING LIABILITIES</b>			
Suppliers	524.7	499.4	539.9
Payroll and related charges	49.3	48.6	37.8
Post-retirement benefits	86.6	85.9	86.6
Taxes	112.0	98.0	121.7
Other accounts payable	11.3	12.1	7.7
<b>TOTAL OPERATING LIABILITIES</b>	<b>783.9</b>	<b>744.0</b>	<b>793.7</b>

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

	QUARTERS ENDED IN			ACCUMULATED	
	JUN 2010	JUN 2009	MAR 2010	JUN 2010	JUN 2009
Net sales	8,837.6	8,212.9	8,572.5	17,410.1	13,326.4
Cost of sales and services	(8,361.9 )	(7,780.5 )	(8,123.7 )	(16,485.6 )	(12,602.8 )
Gross profit	475.7	432.4	448.8	924.5	723.7
<b>Operating expenses</b>					
Selling	(152.1 )	(161.2 )	(149.1 )	(301.2 )	(248.9 )
General and administrative	(93.7 )	(103.1 )	(96.7 )	(190.4 )	(169.5 )
Depreciation and amortization	(31.3 )	(32.6 )	(32.0 )	(63.4 )	(57.0 )

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Other operating results	5.5	2.2	6.4	11.9	6.6
EBIT	204.1	137.7	177.4	381.5	254.9
EBITDA	235.6	172.4	210.0	445.6	315.9
Depreciation and amortization	31.6	34.7	32.6	64.2	61.0

RATIOS

Gross margin (R\$/m3)	95	93	98	96	98
Operating margin (R\$/m3)	41	30	39	40	34
EBITDA margin (R\$/m3)	47	37	46	46	43

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

	QUARTERS ENDED IN		
	JUN	JUN	MAR
	2010	2009	2010
<b>OPERATING ASSETS</b>			
Trade accounts receivable	281.9	243.8	238.5
Inventories	312.5	335.5	280.4
Other	123.6	134.8	130.3
Property, plant and equipment and intangibles	1,555.8	1,436.4	1,536.7
<b>TOTAL OPERATING ASSETS</b>	<b>2,273.8</b>	<b>2,150.5</b>	<b>2,185.9</b>
<b>OPERATING LIABILITIES</b>			
Suppliers	105.2	87.9	91.0
Payroll and related charges	42.1	30.8	27.1
Taxes	22.3	20.2	21.1
Other accounts payable	3.5	5.5	4.0
<b>TOTAL OPERATING LIABILITIES</b>	<b>173.1</b>	<b>144.4</b>	<b>143.1</b>

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

	QUARTERS ENDED IN			ACCUMULATED	
	JUN	JUN	MAR	JUN	JUN
	2010	2009	2010	2010	2009
Net sales	549.2	472.7	472.1	1,021.2	932.8
<b>Cost of goods sold</b>					
Variable	(355.3 )	(337.0 )	(327.5 )	(682.7 )	(634.2 )
Fixed	(44.1 )	(39.6 )	(40.6 )	(84.7 )	(94.6 )
Depreciation and amortization	(22.4 )	(23.8 )	(24.0 )	(46.4 )	(47.7 )
<b>Gross profit</b>	<b>127.4</b>	<b>72.3</b>	<b>80.0</b>	<b>207.4</b>	<b>156.3</b>
<b>Operating expenses</b>					
Selling	(34.7 )	(30.5 )	(32.3 )	(67.1 )	(57.3 )
General and administrative	(44.2 )	(35.8 )	(31.9 )	(76.1 )	(70.6 )
Depreciation and amortization	(1.9 )	(1.9 )	(2.0 )	(3.9 )	(3.3 )

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Other operating results	(0.3 )	(0.5 )	(0.2 )	(0.5 )	(0.8 )
EBIT	46.3	3.5	13.5	59.8	24.4
EBITDA	70.6	29.2	39.5	110.1	75.4
Depreciation and amortization	24.3	25.7	26.0	50.3	51.0
<b>RATIOS</b>					
Gross margin (R\$/ton)	726	452	488	611	551
Operating margin (R\$/ton)	264	22	82	176	86
EBITDA margin (R\$/ton)	402	183	241	325	266

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

	QUARTERS ENDED IN		
	JUN 2010	JUN 2009	MAR 2010
<b>OPERATING ASSETS</b>			
Trade accounts receivable	28.7	32.5	26.9
Inventories	2.4	2.7	2.4
Other	13.7	11.9	12.5
Property, plant and equipment and intangibles	473.0	425.7	467.4
<b>TOTAL OPERATING ASSETS</b>	<b>517.7</b>	<b>472.7</b>	<b>509.3</b>
<b>OPERATING LIABILITIES</b>			
Suppliers	13.8	14.3	14.8
Payroll and related charges	12.4	12.3	15.9
Taxes	4.6	3.3	3.3
Other accounts payable <sup>1</sup>	30.4	12.5	25.9
<b>TOTAL OPERATING LIABILITIES</b>	<b>61.2</b>	<b>42.4</b>	<b>59.9</b>

<sup>1</sup> Includes the long term obligations with clients account

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

	QUARTERS ENDED IN			ACCUMULATED	
	JUN 2010	JUN 2009	MAR 2010	JUN 2010	JUN 2009
Net sales	86.4	88.2	82.5	168.9	169.9
Cost of sales and services	(42.7 )	(50.8 )	(40.6 )	(83.3 )	(98.9 )
Gross profit	43.7	37.4	41.9	85.6	70.9
<b>Operating expenses</b>					
Selling	(0.3 )	(0.2 )	0.5	0.2	(0.3 )
General and administrative	(23.0 )	(22.3 )	(20.6 )	(43.5 )	(45.3 )

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Depreciation and amortization	(0.1 )	(0.2 )	(0.1 )	(0.1 )	(0.4 )
Other operating results	0.6	0.3	0.9	1.6	0.9
EBIT	21.0	15.0	22.7	43.7	25.9
EBITDA	28.4	28.2	30.4	58.8	52.2
Depreciation and amortization	7.4	13.2	7.7	15.1	26.4

RATIOS

Gross margin	51	%	42	%	51	%	51	%	42	%
Operating margin	24	%	17	%	28	%	26	%	15	%
EBITDA margin	33	%	32	%	37	%	35	%	31	%

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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						
	JUN 2010	JUN 2009	MAR 2010	JUN 2010	JUN 2009					
<b>Net sales</b>										
Ultrapar	5,790.6	4,637.5	5,515.2	11,305.0	7,310.9					
Ultragaz	514.7	415.8	467.0	981.5	742.3					
Ipiranga	4,931.4	3,958.5	4,756.1	9,687.0	6,076.7					
Oxitenó	306.4	227.8	261.9	568.2	425.3					
Ultracargo	48.2	42.5	45.8	94.0	77.5					
<b>EBITDA</b>										
Ultrapar	241.8	154.5	201.1	442.8	271.2					
Ultragaz	46.5	35.5	39.3	85.9	57.5					
Ipiranga	131.5	83.1	116.5	248.0	144.1					
Oxitenó	39.4	14.1	21.9	61.3	34.4					
Ultracargo	15.8	13.6	16.9	32.7	23.8					
<b>EBIT</b>										
Ultrapar	188.2	103.7	144.8	333.0	179.2					
Ultragaz	29.6	21.2	21.2	50.8	30.5					
Ipiranga	113.9	66.3	98.4	212.2	116.2					
Oxitenó	25.8	1.7	7.5	33.3	11.1					
Ultracargo	11.7	7.2	12.6	24.3	11.8					
<b>EBITDA margin</b>										
Ultrapar	4	%	3	%	4	%	4	%	4	%
Ultragaz	9	%	9	%	8	%	9	%	8	%
Ipiranga	3	%	2	%	2	%	3	%	2	%
Oxitenó	13	%	6	%	8	%	11	%	8	%
Ultracargo	33	%	32	%	37	%	35	%	31	%
<b>EBITDA margin / volume</b>										
Ultragaz (US\$/ton)	114	89	106	110	75					
Ipiranga (US\$/m3)	26	18	25	26	19					
Oxitenó (US\$/ton)	224	88	134	181	121					
<b>Net income</b>										
Ultrapar	109.4	45.0	78.0	187.2	84.1					
Net income / share (US\$)	0.82	0.34	0.58	1.40	0.63					





ULTRAPAR PARTICIPAÇÕES S/A  
LOANS

In millions of Reais - Accounting practices adopted in Brazil

LOANS	Balance in June/2010					Index/ Currency	Weighted average interest rate (% p.y.)	Maturity	
	Ultragaz	Oxiteno	Ultracargo	Ipiranga	Ultrapar Parent Company / Other				
<b>Foreign Currency</b>									
Notes	446.4	-	-	-	-	446.4	US\$	7.2	2015
Syndicated loan	-	107.8	-	-	-	107.8	US\$ + LIBOR	1.2	2011
Advances on Foreign Exchange Contracts	-	103.4	-	-	-	103.4	US\$	1.9	< 229 days
BNDES	16.3	39.9	0.5	1.5	-	58.2	US\$	6.2	2010 to 2016
Import Financing (FINIMP) - RPR	-	-	-	-	17.4	17.4	US\$	3.5	2010
Financial institutions	-	17.1	-	-	-	17.1	MX\$ + TIIE	2.4	2010 to 2014
Financial institutions	-	8.6	-	-	-	8.6	US\$ + LIBOR	1.9	2010 to 2011
Import Financing (FINIMP) - Tequimar	-	-	0.9	-	-	0.9	US\$	7.0	2012
Financial institutions	-	0.1	-	-	-	0.1	BS	28.0	2013
BNDES	0.0	-	0.1	-	-	0.1	UMBNDDES	8.1	2010 to 2011
<b>Subtotal</b>	<b>462.7</b>	<b>276.9</b>	<b>1.4</b>	<b>1.5</b>	<b>17.4</b>	<b>760.0</b>			
<b>Local Currency</b>									
Banco do Brasil fixed rate1	-	-	-	1,801.3	-	1,801.3	R\$	11.8	2012 to 2015
Debentures	-	-	-	-	1,246.9	1,246.9	CDI	108.5	2012
BNDES	320.4	478.0	96.0	230.6	-	1,125.0	TJLP	3.8	2010 to 2019
Loan - MaxFácil	-	-	-	115.6	-	115.6	CDI	100.0	2010

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Banco do Nordeste do Brasil	-	106.0	-	-	-	106.0	R\$	8.5	2018
Research and projects financing (FINEP)	-	65.6	-	-	-	65.6	TJLP	0.8	2010 to 2014
Working capital loan - União Vopak/RPR	-	-	0.2	-	30.2	30.4	CDI	117.8	2010 to 2014
BNDES	3.9	18.3	0.0	5.4	0.2	27.8	R\$	5.0	2015 to 2019
Agency for Financing Machinery and Equipment (FINAME)	-	0.5	-	9.3	-	9.8	TJLP	3.1	2010 to 2013
Financial leasing floating rate	-	-	-	7.8	-	7.8	CDI	1.7	2010 to 2011
Financial leasing fixed rate	-	-	-	0.1	1.8	1.8	R\$	13.6	2011 to 2014
Others	-	-	-	1.4	-	1.4	CDI	1.7	2010 to 2011
Subtotal	324.3	668.3	96.2	2,171.5	1,279.0	4,539.3			
Total	787.0	945.2	97.6	2,173.0	1,296.4	5,299.3			

## Composition per annum

Up to 1 year	97.6	371.6	26.2	211.2	87.2	793.8			
From 1 to 2 years	140.5	213.7	32.7	528.0	4.8	919.7			
From 2 to 3 years	72.8	141.3	22.2	826.9	1,202.2	2,265.4			
From 3 to 4 years	15.8	84.0	9.4	301.8	2.2	413.2			
From 4 to 5 years	8.8	50.7	6.4	304.0	0.0	370.0			
Thereafter	451.6	83.9	0.7	1.1	0.1	537.3			
Total	787.0	945.2	97.6	2,173.0	1,296.4	5,299.3			

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

## Balance in June/2010

				Ultrapar Parent Company	Ultrapar / Other	Ultrapar Consolidated
	Ultragaz	Oxiteno	Ultracargo	Ipiranga		
	297.5	504.3	78.2	1,596.4	507.3	2,983.8

CASH AND  
LONG TERM  
INVESTMENTS

1 For this loan, a hedging instrument was hired with the objective of swapping the fixed to floating rate, equivalent to 99% of CDI

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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 (09/2010)

Date, Time and Location:

August 11th, 2010, at 2:30 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.

Attendance:

(i) Members of the Board of Directors, duly signed; and (ii) members of the Fiscal Council, duly signed, pursuant to the terms of paragraph 3 of article 163 of the Brazilian Corporate Law.

Discussed and approved matters:

1. Having analyzed and discussed the performance of the Company in the second quarter of the current year, the respective financial statements were approved.
  2. “Ad referendum” of the General Shareholders’ Meeting that will analyze the balance sheet and financial statements of the current fiscal year, to approve the dividends distribution, to be deducted from the net income account for the current year, in the total amount of R\$ 176,814,805.20 (one hundred seventy-six million, eight hundred fourteen thousand, eight hundred five reais and
-

(Minutes of the meeting of the Board of Directors of Ultrapar Participações S.A., held on August 11th, 2010)

twenty cents). Holders of common and preferred shares are entitled to receive R\$ 1.32 (one real and thirty two cents) per share, excluding the shares held in treasury at this date.

3. Dividends declared herein will be paid from August 27th, 2010 onwards, without remuneration or monetary adjustment. The record date for receiving the hereby approved dividends will be August 18th, 2010 in Brazil and August 23rd, 2010 in the United States of America.
4. The members of the Board of Directors were updated about strategic and expansion projects of the Company's subsidiaries.

Observation: The deliberations were approved by all members of the Board of Directors present, except for Board Member Renato Ochman, who abstained from voting.

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(Minutes of the meeting of the Board of Directors of Ultrapar Participações S.A., held on August 11th, 2010)

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, including the member of the Fiscal Council.

Paulo Guilherme Aguiar Cunha – Chairman

Lucio de Castro Andrade Filho – Vice Chairman

Ana Maria Levy Villela Igel

Paulo Vieira Belotti

Nildemar Secches

Olavo Egydio Monteiro de Carvalho

Renato Ochman

Luiz Carlos Teixeira

Flavio César Maia Luz - Member of the Fiscal Council

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Item 3

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

Ultrapar Participações S.A. and Subsidiaries

Interim financial information  
June 30, 2010

Ultrapar Participações S.A. and Subsidiaries

Interim financial statements

as of June 30, 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 accounting information included in the Quarterly Financial Information of Ultrapar Participações S.A. (the Company) and in the consolidated Quarterly Financial Information of the Company and its subsidiaries for the quarter ended June 30, 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, August 10, 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)

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IDENTIFICATION

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01.01 - CAPITAL COMPOSITION

Number of shares (Thousands)	Current quarter 06/30/2010	Prior quarter 03/31/2010	Same quarter in prior year 06/30/2009
<b>Paid-up Capital</b>			
1 - Common	49,430	49,430	49,430
2 - Preferred	86,666	86,666	86,666
3 - Total	136,096	136,096	136,096
<b>Treasury Share</b>			
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
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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 June 30, 2010 and March 31, 2010

(In thousands of Reais)

Assets	Note	Parent		Consolidated	
		06/30/2010	03/31/2010	06/30/2010	03/31/2010
<b>Current assets</b>					
Cash and cash equivalents	5	421,683	32,307	2,446,702	1,500,396
Financial investments	5	56,761	20,000	531,351	365,511
Trade accounts receivable	6	-	-	1,643,016	1,597,101
Inventories	7	-	-	1,024,700	1,011,973
Recoverable taxes	8	31,690	37,344	310,558	310,542
Deferred income and social contribution taxes	10.a)	4	589	204,799	203,785
Dividends receivable		-	30	-	-
Other receivables		824	2,384	18,218	30,799
Prepaid expenses	11	-	-	37,996	47,548
<b>Total current assets</b>		<b>510,962</b>	<b>92,654</b>	<b>6,217,340</b>	<b>5,067,655</b>
<b>Non-current assets</b>					
<b>Long-term assets</b>					
Financial investments	5	-	-	5,788	3,042
Trade accounts receivable	6	-	-	353,352	329,320
Related companies	9.a)	770,674	750,000	10,174	9,376
Deferred income and social contribution taxes	10.a)	176	161	395,477	417,344
Recoverable taxes	8	34,001	21,586	78,341	65,136
Escrow deposits		232	232	108,094	106,890
Other receivables		-	-	969	1,195
Prepaid expenses	11	-	-	34,576	39,353
		805,083	771,979	986,771	971,656
<b>Investments</b>					
Subsidiaries	12.a)	4,858,395	5,085,532	-	-
Affiliates	12.b)	-	-	12,321	12,486
Others		-	-	10,918	10,954
Property, plant and equipment	13 and 16.g)	-	-	3,885,743	3,866,947
Intangible assets	14	246,163	246,163	859,603	860,742
Deferred charges	15	-	-	7,283	8,591
		5,104,558	5,331,695	4,775,868	4,759,720
<b>Total non-current assets</b>		<b>5,909,641</b>	<b>6,103,674</b>	<b>5,762,639</b>	<b>5,731,376</b>

Total assets	6,420,603	6,196,328	11,979,979	10,799,031
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The accompanying notes are an integral part of these financial statements.

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## Ultrapar Participações S.A. and Subsidiaries

## Balance sheets

as of June 30, 2010 and March 31, 2010

(In thousands of Reais)

Liabilities	Note	Parent		Consolidated	
		06/30/2010	03/31/2010	06/30/2010	03/31/2010
<b>Current liabilities</b>					
Loans and financing	16	-	-	729,062	606,613
Debentures	16.f)	56,651	26,956	56,651	26,955
Finance leases	16.g)	-	-	8,090	9,391
Trade payables		216	148	687,396	667,585
Salaries and related charges		110	100	167,191	133,079
Taxes payable		30	53	152,689	161,912
Dividends payable		2,093	2,139	7,471	7,645
Income tax and social contribution payable		5	5	40,242	38,225
Deferred income and social contribution taxes	10.a)	-	-	1,565	1,698
Post-employment benefits	23.b)	-	-	11,955	11,955
Provision for contingencies	22.a)	-	-	23,087	21,660
Other payables		214	649	26,860	24,318
<b>Total current liabilities</b>		<b>59,319</b>	<b>30,050</b>	<b>1,912,259</b>	<b>1,711,036</b>
<b>Non-current liabilities</b>					
<b>Long-term liabilities</b>					
Financing	16	-	-	3,313,680	2,509,876
Debentures	16.f)	1,190,252	1,188,795	1,190,252	1,188,795
Finance leases	16.g)	-	-	1,569	3,045
Related companies	9.a)	-	-	4,021	4,071
Deferred income and social contribution taxes	10.a)	-	-	26,354	17,500
Provision for contingencies	22.a)	3,592	3,548	218,627	245,888
Post-employment benefits	23.b)	-	-	90,085	90,085
Other payables		-	-	48,271	49,361
<b>Total non-current liabilities</b>		<b>1,193,844</b>	<b>1,192,343</b>	<b>4,892,859</b>	<b>4,108,621</b>
Non-controlling interest		-	-	21,723	20,535
<b>Shareholders' equity</b>					
Share capital	17.a)	3,696,773	3,696,773	3,696,773	3,696,773
Capital reserve	17.c)	4,482	4,482	1,576	1,426

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Revaluation reserve	17.d)	7,873	7,825	7,873	7,825
Profit reserves	17.e)	1,268,850	1,268,850	1,268,850	1,268,850
Treasury shares	17.b)	(123,720 )	(123,720 )	(135,116 )	(135,760 )
	3.c) and				
Valuation adjustment	17.g)	(3,850 )	(2,044 )	(3,850 )	(2,044 )
Cumulative translation adjustments	3.n) and 17.h)	(19,708 )	(19,047 )	(19,708 )	(19,047 )
Retained earnings		336,740	140,816	336,740	140,816
	17.f	5,167,440	4,973,935	5,153,138	4,958,839
Total liabilities and shareholders' equity		6,420,603	6,196,328	11,979,979	10,799,031

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



## Ultrapar Participações S.A. and Subsidiaries

## Income statements

For the quarters ended June 30, 2010 and 2009

(In thousands of Reais)

	Note	Parent		Consolidated	
		06/30/2010	06/30/2009	06/30/2010	06/30/2009
Gross revenue from sales and services	3.a)	-	-	10,796,449	10,108,414
Deduction on sales and services		-	-	(419,090 )	(486,596 )
Net revenue from sales and services		-	-	10,377,359	9,621,818
Cost of products and services sold	3.a)	-	-	(9,554,481 )	(8,927,485 )
Gross income		-	-	822,878	694,333
Income from investments in subsidiaries and affiliates					
Equity in income of subsidiaries and affiliates	12.a) and 12.b)	194,327	112,696	(163 )	139
Operating revenues (expenses)					
Selling and marketing		-	-	(232,383 )	(230,911 )
General and administrative		(1,762 )	(499 )	(189,054 )	(182,620 )
Depreciation and amortization		-	-	(65,861 )	(66,446 )
Other net operating income		1,783	1,598	1,765	748
Operating income before financial income and other income		194,348	113,795	337,182	215,243
Net financial income	20	2,495	(20,150 )	(67,811 )	(86,875 )
Other income	18	-	-	(2,234 )	6,873
Operating income before social contribution and income taxes		196,843	93,645	267,137	135,241
Social contribution and income taxes					
Current	10.b)	(272 )	-	(48,741 )	(49,435 )
Deferred charges	10.b)	(571 )	(323 )	(29,601 )	6,026
Tax incentives	10.b) and 10.c)	-	-	8,488	2,843
		(843 )	(323 )	(69,854 )	(40,566 )
Income before non-controlling interests		196,000	93,322	197,283	94,675
Non-controlling interests		-	-	(1,283 )	(1,353 )

Net income for the period	196,000	93,322	196,000	93,322
Net income per share (annual weighted average) - R\$	1.46322	0.69702		

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

## Ultrapar Participações S.A. and Subsidiaries

## Income statements

For the six-month periods ended June 30, 2010 and 2009

(In thousands of Reais)

	Note	Parent		Consolidated	
		06/30/2010	06/30/2009	06/30/2010	06/30/2009
Gross revenue from sales and services	3.a)	-	-	21,128,774	16,833,572
Deduction on sales and services		-	-	(810,617 )	(800,368 )
Net revenue from sales and services		-	-	20,318,157	16,033,204
Cost of products and services sold	3.a)	-	-	(18,770,868)	(14,812,688)
Gross income		-	-	1,547,289	1,220,516
Income from investments in subsidiaries and affiliates					
Equity in income of subsidiaries and affiliates	12.a) and 12.b)	335,866	229,140	(138 )	39
Operating revenues (expenses)					
Selling and marketing		-	-	(457,264 )	(382,106 )
General and administrative		(3,441 )	(1,700 )	(365,325 )	(327,186 )
Depreciation and amortization		-	-	(134,669 )	(123,703 )
Other net operating income		4,248	1,597	8,391	5,452
Operating income before financial income and other income		336,673	229,037	598,284	393,012
Net financial income	20	186	(44,895 )	(143,103 )	(145,866 )
Other income	18	-	-	(1,373 )	9,911
Operating income before social contribution and income taxes		336,859	184,142	453,808	257,057
Social contribution and income taxes					
Current	10.b)	(276 )	-	(79,656 )	(78,215 )
Deferred charges	10.b)	(52 )	339	(55,138 )	(1,430 )
Tax incentives	10.b) and 10.c)	-	-	15,607	9,777
		(328 )	339	(119,187 )	(69,868 )
Income before Non-controlling interests		336,531	184,481	334,621	187,189
Non-controlling interests		-	-	1,910	(2,708 )
Net income for the period		336,531	184,481	336,531	184,481

Net income per share (annual weighted average) - R\$	2.51234	1.37788
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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

For the six-month periods ended June 30, 2010 and 2009

(In thousands of Reais)

	Note	Revaluation reserve			Profit reserves			Cumulative translation adjustments	Retained earnings	Treasury shares	Total
		Share capital	Capital 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)	4,845,164
Realization of revaluation reserve	17.d)	-	-	(283)	-	-	-	-	283	-	-
Income and social contribution taxes on realization of revaluation reserve of subsidiaries	17.d)	-	-	-	-	-	-	-	(74)	-	(74)
Valuation adjustments for financial instruments	3.c)	-	-	-	-	-	225	-	-	-	225
Currency translation of foreign subsidiaries	3.n)	-	-	-	-	-	-	(14,406)	-	-	(14,406)
Net income for the period		-	-	-	-	-	-	-	336,531	-	336,531
Balance at June 30, 2010		3,696,773	4,482	7,873	142,912	1,125,938	(3,850)	(19,708)	336,740	(123,720)	5,167,440

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

For the six-month periods ended June 30, 2010 and 2009

(In thousands of Reais)

	Note	Revaluation reserve		Profit reserves			Cumulative translation adjustments		Retained earnings	Treasury shares	Total
		Share capital	Capital reserves subsidiaries	Legal reserve	Retention of profits	Valuation adjustments	translation adjustments				
Balance at December 31, 2009		3,696,773	1,275	8,156	142,912	1,125,938	(4,075)	(5,302)	-	(136,403)	4,829,274
Realization of revaluation reserve	17.d)	-	-	(283)	-	-	-	-	283	-	-
Income and social contribution taxes on realization of revaluation reserve of subsidiaries	17.d)	-	-	-	-	-	-	-	(74)	-	(74)
Valuation adjustments for financial instruments	3.c)	-	-	-	-	-	225	-	-	-	225
Currency translation of foreign subsidiaries	3.n)	-	-	-	-	-	-	(14,406)	-	-	(14,406)
Treasury shares		-	301	-	-	-	-	-	-	1,287	1,588
Net income for the period		-	-	-	-	-	-	-	336,531	-	336,531
Balance at June 30, 2010		3,696,773	1,576	7,873	142,912	1,125,938	(3,850)	(19,708)	336,740	(135,116)	5,153,138

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

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## Ultrapar Participações S.A. and Subsidiaries

## Statements of changes in shareholders' equity in the parent company

For the quarters ended June 30, 2010

(In thousands of Reais)

	Note	Revaluation reserve			Profit reserves			Cumulative translation adjustments	Retained earnings	Treasury shares	Total
		Share capital	Capital reserves	in subsidiaries	Legal reserve	Retention of profits	Valuation adjustments				
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)	4,973,935
Realization of revaluation reserve	17.d)	-	-	48	-	-	-	-	(48)	-	-
Income and social contribution taxes on realization of revaluation reserve of subsidiaries	17.c)	-	-	-	-	-	-	-	(28)	-	(28)
Valuation adjustments for financial instruments	18.c)	-	-	-	-	-	(1,806)	-	-	-	(1,806)
Currency translation of foreign subsidiaries	18.n)	-	-	-	-	-	-	(661)	-	-	(661)
Net income for the period		-	-	-	-	-	-	-	196,000	-	196,000

Balance at June 30, 2010	3,696,773	4,482	7,873	142,912	1,125,938	(3,850)	(19,708)	336,740	(123,720)	5,167,440
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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

For the quarters ended June 30, 2010

(In thousands of Reais)

Note	Share capital	Revaluation reserve in subsidiaries	Profit reserves		Valuation adjustments	Cumulative translation adjustments	Retained earnings	Treasury shares	Total	
			Legal reserve	Retention of profits						
Balance at March 31, 2010	3,696,773	1,426	7,825	142,912	1,125,938	(2,044)	(19,047)	140,816	(135,760)	4,958,839
Realization of revaluation reserve 17.d)	-	-	48	-	-	-	(48)	-	-	-
Income and social contribution taxes on realization of revaluation reserve of subsidiaries 17.e)	-	-	-	-	-	-	(28)	-	-	(28)
Valuation adjustments for financial instruments 3.c)	-	-	-	-	-	(1,806)	-	-	-	(1,806)
Currency translation of foreign subsidiaries 3.n)	-	-	-	-	-	(661)	-	-	-	(661)
Treasury shares	-	150	-	-	-	-	-	644	-	794
Net income	-	-	-	-	-	-	-	196,000	-	196,000

for the  
period

Balance  
at June

30, 2010	3,696,773	1,576	7,873	142,912	1,125,938	(3,850)	(19,708)	336,740	(135,116)	5,153,138
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The accompanying notes are an integral part of these financial statements.

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## Ultrapar Participações S.A. and Subsidiaries

## Statements of cash flows - Indirect method

For the six-month periods ended June 30, 2010 and 2009

(In thousands of Reais)

	Note	Parent		Consolidated	
		06/30/2010	06/30/2009	06/30/2010	06/30/2009
Cash flows from operating activities					
Net income for the period		196,000	93,322	196,000	93,322
Adjustments to reconcile net income to cash provided by					
operating activities					
Equity in income of subsidiaries and affiliates	12	(194,327 )	(112,696 )	163	(139 )
Depreciation and amortization		-	-	96,058	105,483
PIS and COFINS credits on depreciation		-	-	2,555	2,544
Interest, monetary and exchange rate changes		10,478	18,719	103,546	(65,239 )
Deferred income and social contribution taxes	10.b)	571	323	29,601	(6,026 )
Non-controlling interest in income		-	-	1,283	1,353
Income on sale of property, plant and equipment		-	-	2,234	(6,055 )
Others		-	-	(1,449 )	1,031
Dividends received from subsidiaries		168,998	218,681	-	-
(Increase) decrease in current assets					
Trade accounts receivable	6	-	-	(45,915 )	103,992
Inventories	7	-	-	28,128	180,214
Recoverable taxes	8	5,654	(5,328 )	(16 )	18,099
Other receivables		1,560	(632 )	12,581	(10,224 )
Prepaid expenses	11	-	-	9,552	5,790
Increase (decrease) in current liabilities					
Trade payables		68	83	19,811	(94,293 )
Wages and employee benefits		10	43	34,112	(221 )
Taxes payable		(23 )	19	(9,223 )	21,609
Income and social contribution taxes		-	-	2,017	6,088
Other payables		(435 )	(1 )	3,974	(40,782 )
(Increase) decrease in long-term assets					
Trade accounts receivable	6	-	-	(24,032 )	(19,528 )
Recoverable taxes	8	(12,415 )	(4,515 )	(12,824 )	15,237
Amounts in escrow		-	(33 )	(1,204 )	20,322
Other receivables		-	-	226	481
Prepaid expenses	11	-	-	5,502	1,941
Increase (decrease) in long-term liabilities					

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Provision for contingencies	44	165	(27,261 )	14,401
Other payables	-	(92 )	(1,095 )	(809 )
Net cash provided by operating activities	176,183	208,058	424,324	348,591

## Ultrapar Participações S.A. and Subsidiaries

## Statements of cash flows - Indirect method

For the six-month periods ended June 30, 2010 and 2009

(In thousands of Reais)

	Note	Parent		Consolidated	
		06/30/2010	06/30/2009	06/30/2010	06/30/2009
Cash flows from investing activities					
Financial investments, net of redemptions		(36,761 )	-	(168,586 )	364,028
Disposal (acquisition) of investments, net	12	-	62,861	-	(1,553 )
Cash of acquired subsidiaries		-	-	-	29,442
Capital contributions to subsidiaries	12	(200,000 )	-	-	-
Capital reduction of subsidiaries		450,000	-	-	-
Acquisition of property, plan and equipment	13	-	-	(154,712 )	(108,791 )
Acquisition of intangible assets	14	-	-	(6,385 )	(11,768 )
Proceed on sale of property, plan and equipment		-	-	3,214	12,430
Net cash provided by (used in) investing activities		213,239	62,861	(326,469 )	283,788
Cash flows from financing activities					
Financing and debentures					
Fund raising	16	-	1,174,524	1,088,970	1,315,629
Amortization	16	-	(1,256,974)	(236,076 )	(1,463,077)
Payment of financial lease	16	-	-	(3,104 )	(3,582 )
Dividends paid		(46 )	(118,462 )	(175 )	(122,339 )
Acquisition of non-controlling interests		-	-	(28 )	-
Related entities	9.a)	-	51,220	(847 )	450
Net cash provided by (used in) financing activities		(46 )	(149,692 )	848,740	(272,919 )
Effect of changes in exchange rates on cash and cash equivalents in foreign currency		-	-	(289 )	(8,364 )
Increase (decrease) in cash and cash equivalents		389,376	121,227	946,306	351,096
Cash and cash equivalents at the beginning of period	5	32,307	41,967	1,500,396	838,682
Cash and cash equivalents at the end of period	5	421,683	163,194	2,446,702	1,189,778

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





## Ultrapar Participações S.A. and Subsidiaries

## Statements of cash flows - Indirect method

For the six-month periods ended June 30, 2010 and 2009

(In thousands of Reais)

	Note	Parent		Consolidated	
		06/30/2010	06/30/2009	06/30/2010	06/30/2009
<b>Cash flows from operating activities</b>					
Net income for the period		336,531	184,481	336,531	184,481
Adjustments to reconcile net income to cash provided by					
operating activities					
Equity in income of subsidiaries and affiliates	12	(335,866 )	(229,140 )	138	(39 )
Depreciation and amortization		-	-	197,383	201,706
PIS and COFINS credits on depreciation		-	-	4,669	5,138
Interest, monetary and exchange rate changes		18,329	64,265	195,983	21,244
Deferred income and social contribution taxes	10.b)	52	(339 )	55,138	1,430
Non-controlling interest in income		-	-	(1,910 )	2,708
Income on sale of property, plant and equipment		-	-	1,373	(9,093 )
Others		-	-	(771 )	395
Dividends received from subsidiaries		287,988	222,281	-	-
(Increase) decrease in current assets					
Trade accounts receivable	6	-	-	(30,515 )	81,669
Inventories	7	-	-	(41,996 )	342,973
Recoverable taxes	8	6,555	(15,289 )	9,603	34,915
Other receivables		(815 )	200	17,118	70,820
Prepaid expenses	11	-	-	(15,164 )	(19,925 )
Increase (decrease) in current liabilities					
Trade payables		(9,810 )	(144 )	(204,473 )	(197,604 )
Wages and employee benefits		10	47	(9,299 )	(37,578 )
Taxes payable		(1,392 )	(84 )	27,215	27,255
Income and social contribution taxes		5	-	21,267	(4,044 )
Other payables		(633 )	(38 )	(21,313 )	(41,538 )
(Increase) decrease in long-term assets					
Trade accounts receivable	6	-	-	(15,510 )	(8,442 )
Recoverable taxes	8	(16,840 )	(4,515 )	(24,950 )	11,132
Amounts in escrow		(15 )	(57 )	(3,839 )	21,902
Other receivables		-	-	534	519
Prepaid expenses	11	-	-	5,933	2,775
Increase (decrease) in long-term liabilities					
Provision for contingencies		85	165	(53,084 )	13,376
Other payables		-	-	11,219	(166 )

Net cash provided by operating activities	284,184	221,833	461,280	706,009
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## Ultrapar Participações S.A. and Subsidiaries

## Statements of cash flows - Indirect method

For the six-month periods ended June 30, 2010 and 2009

(In thousands of Reais)

	Note	Parent		Consolidated	
		06/30/2010	06/30/2009	06/30/2010	06/30/2009
Cash flows from investing activities					
Financial investments, net of redemptions		(56,761 )	(750,000 )	(141,440 )	484,316
Disposal (acquisition) of investments, net	12	-	62,861	-	(1,191,790)
Cash of acquired subsidiaries		-	-	-	29,442
Capital contributions to subsidiaries	12	(200,000 )	(4,980 )	-	-
Capital reduction of subsidiaries		450,000	-	-	-
Acquisition of property, plant and equipment	13	-	-	(328,729 )	(213,346 )
Acquisition of intangible assets	14	-	-	(10,234 )	(20,757 )
Proceed on sale of property, plant and equipment		-	-	7,673	21,179
Net cash provided by (used in) investing activities		193,239	(692,119 )	(472,730 )	(890,956 )
Cash flows from financing activities					
Financing and debentures					
Fund raising	16	-	1,174,524	2,137,077	1,862,762
Amortization	16	-	(1,266,376)	(1,379,866)	(1,630,199)
Payment of financial lease	16	-	-	(6,401 )	(6,822 )
Dividends paid		(158,782 )	(118,494 )	(163,254 )	(122,475 )
Acquisition of non-controlling interest		-	-	(28 )	-
Reduction of non-controlling interest		-	-	(11,369 )	-
Related entities	9.a)	44,116	64,835	(2,617 )	(248 )
Net cash provided by (used in) financing activities		(114,666 )	(145,511 )	573,542	103,018
Effect of changes in exchange rates on cash and cash equivalents in foreign currency		-	-	(2,889 )	(3,346 )
Increase (decrease) in cash and cash equivalents		362,757	(615,797 )	559,203	(85,275 )
Cash and cash equivalents at the beginning of period	5	58,926	778,991	1,887,499	1,275,053
Cash and cash equivalents at the end of period	5	421,683	163,194	2,446,702	1,189,778

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 segments of liquefied petroleum gas - LPG distribution (“Ultragaz”), light fuel & lubricant distribution, and related business (“Ipiranga”), production and marketing of chemicals (“Oxiteno”), and provision of logistics services for liquid bulk cargo (“Ultracargo”). The Company also operates a 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 practices adopted in Brazil, which include the Brazilian Corporate Law, the standards, guidelines and interpretations issued by the Brazilian 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 June 30, 2010 comparative to the periods ended in March 31, 2010 and June 30, 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 certain derivative financial instruments used to hedge against changes in interest rates and variations in the exchange rate as cash flow hedge. In the case of derivatives designed to hedge cash flows against changes caused by 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 hedge 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 the derivative and updated cost is recognized directly in 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 receivable 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 in 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 accounted for 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 advances to acquisition of investments.





Ultrapar Participações S.A. and Subsidiaries

Notes to the interim financial statements

(In thousands of Reais, unless otherwise stated)

f. Property, plant and equipment

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.g).

• 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 and social contribution taxes less accumulated amortization as of December 31, 2008, when it ceased to be amortized.

• 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 incurred up to December 31, 2008, 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 or equity instruments, are appropriated to their instrument and amortized to income over their term.

k. Income and social contribution taxes 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 June 30, 2010 was R\$ 19,708 of exchange rate loss (R\$ 19,047 loss as of March 31, 2010).

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 June 30, 2010 amounted to R\$ 860 (R\$ 6,993 loss as of June 30, 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 property, plan and equipment (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 Jun. 30, 2010		% interest in the share capital Mar. 31, 2010	
		Direct control	Indirect control	Direct control	Indirect control
Ultracargo - Operações Logísticas e Participações Ltda.	Brazil	100	-	100	-
Terminal Químico de Aratu S.A. – Tequimar	Brazil	-	99	-	99
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
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