

Tear Sheet:

# JSL S.A.

May 21, 2026

*This report does not constitute a rating action.*

**JSL S.A. has reorganized into three specialized business units to maximize its expertise and drive value.** After eight acquisitions between 2020 and 2023, this strategic shift includes the formal carve-out of Intralog as a stand-alone unit and the expansion of JSL Digital as a technology-driven platform. While 2025 revenue growth of 6.5% was lower than expected due to an exit from the grain transportation market and from unprofitable chemical contracts, the quality of earnings has improved. This is seen in an EBITDA margin expansion to 19.1% in the 12 months ended March 2026 from 17.7% in the same period of 2025, thanks to price adjustments and ongoing cost-reduction efforts. Margins might be pressured by much higher fuel prices stemming from the war in the Middle East. Although JSL's contracts have pass-through clauses for fuel prices, the lag between increasing costs and contract price adjustments might bring margin volatility. Given recent EBITDA growth, JSL has reduced leverage, with debt to EBITDA improving to 3.8x in Q1 2026 from 4.3x in Q1 2025 and funds from operations (FFO) to debt rising to 16.3% from 14.5%.

**We have trimmed our medium-term revenue growth expectations to 7%-10% from our previous forecast of 10%-12%.** This adjustment reflects a more conservative view of the ramp-up of new contracts and the ongoing integration of the expanded commercial team. Additionally, we have revised down our net capital expenditure (capex) projections to near zero for 2026, reflecting the company's accelerated shift toward an asset-light model and increased reliance on leasing for fleet renewal. Despite higher leasing adjustments, this strategy is likely to preserve liquidity and mitigate the need for new debt issuances amid currently high interest rates.

**Improved margins and optimized capex should help offset the high interest burden.** We expect debt to EBITDA to decrease to 3.5x by the end of 2026 and to 3.0x in 2027, given that EBITDA margins will likely remain in the 19%-20% range over the next few quarters. We also expect FFO to debt to trend upward because of improved cash generation from the asset-light strategy and ongoing operational efficiencies. As of March 2026, JSL had about R\$1.2 billion in short-term debt maturities and about R\$400 million in committed dividend outflows. Despite these substantial amounts, we expect the company to maintain an adequate liquidity cushion due to debt refinancing with banks and its focus on organic growth.

## Ratings Score Snapshot

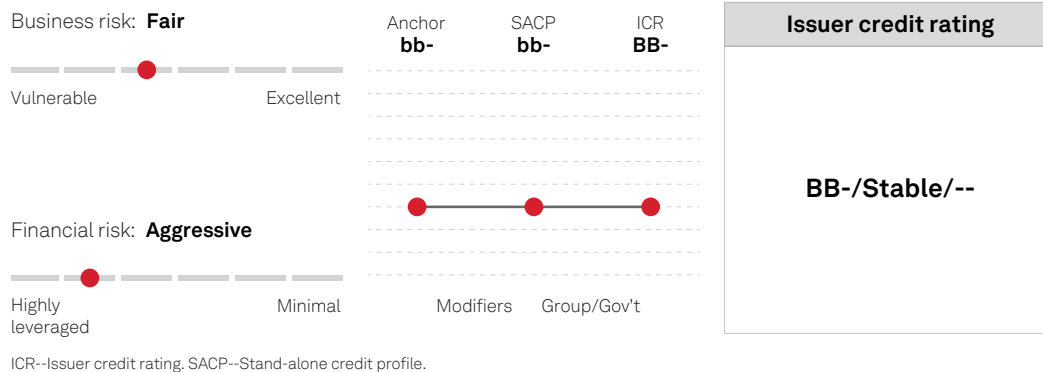
### Primary Contact

**Henrique Koch**  
Sao Paulo  
55-11-3039-9723  
h.koch  
@spglobal.com

### Additional Contact

**Luisa Vilhena**  
Sao Paulo  
55-11-3039-9727  
luisa.vilhena  
@spglobal.com

## JSL S.A.



## Recent Research

- [JSL S.A.](#), Nov. 3, 2025

## Company Description

JSL is a leading provider of logistics and freight transportation services in Brazil, operating across the entire value chain—from raw material transport to warehousing and product distribution. The company's operations are segmented into three core areas: dedicated transportation solutions (JSL Serviços Dedicados; representing 73% of net revenue in Q1 2026), warehousing and intralogistics (Intralog; 21%), and its digital logistics initiative (JSL Digital; 6%). For the 12 months ended March 2026, JSL reported net revenue of approximately R\$9.7 billion and EBITDA of R\$1.8 billion.

JSL is a subsidiary of the Brazilian transportation group **Simpar S.A.** (BB-/Stable/--), which holds a 74.9% controlling stake. In 2025, JSL accounted for approximately 20% of the group's total revenue and 15% of its EBITDA.

## Outlook

The stable outlook indicates our view that JSL will continue expanding its operations mainly organically, supporting revenue growth and cash flow generation over the next few years. We believe it will finance growth with internal cash flow due to a continued focus on leverage reduction. We expect JSL to post debt to EBITDA of 3.0x-3.5x and FFO to debt of 15%-25% in 2026 and 2027.

### Downside scenario

We could lower the ratings in the next 12-18 months if JSL fails to improve profitability and leverage, with debt to EBITDA consistently above 4x and FFO to debt below 12%, and if lower cash flows harm the company's liquidity. That could result from a higher cost of debt or a more aggressive acquisition strategy. A downgrade could also occur amid much weaker economic conditions in Brazil, eroding JSL's operating performance, with lower volume of new contracts or an inability to pass cost increases.

### Upside scenario

**JSL S.A.**

We could upgrade JSL if its scale and profitability increase and its leverage falls. In this scenario, we would expect to see debt to EBITDA below 3.5x, FFO to debt trending to above 25%, and positive free operating cash flow. Still, an upgrade would depend on the same rating action on JSL's parent company, Simpar, which we don't believe is likely in the short to medium term due to high interest rates pressuring Simpar's credit metrics.

## Key Metrics

**JSL S.A.--Forecast summary**

Period ending	Dec-31-2022	Dec-31-2023	Dec-31-2024	Dec-31-2025	Dec-31-2026	Dec-31-2027	Dec-31-2028	Dec-31-2029
(Mil. BRL)	2022a	2023a	2024a	2025a	2026e	2027f	2028f	2029f
Revenue	6,022	7,575	9,056	9,641	10,341	11,322	12,590	14,088
EBITDA (reported)	1,080	1,728	1,788	1,934	2,099	2,294	2,575	2,914
Plus/(less): Other	(56)	(305)	(190)	(119)	(80)	(80)	(80)	(80)
EBITDA	1,024	1,423	1,599	1,815	2,019	2,214	2,495	2,834
Less: Cash interest paid	(406)	(570)	(809)	(843)	(928)	(779)	(629)	(620)
Less: Cash taxes paid	(25)	(21)	(11)	(2)	--	(52)	(146)	(226)
Plus/(less): Other	56	69	226	180	152	158	183	191
Funds from operations (FFO)	650	901	1,005	1,150	1,243	1,540	1,903	2,179
EBIT	777	1,045	1,247	1,205	1,382	1,511	1,721	1,952
Interest expense	600	787	1,059	1,127	1,268	1,055	839	824
Cash flow from operations (CFO)	997	628	778	928	639	966	1,396	1,637
Capital expenditure (capex)	735	1,185	973	72	4	65	123	216
Free operating cash flow (FOCF)	262	(557)	(195)	856	636	901	1,272	1,420
Dividends	100	135	--	107	500	--	232	259
Share repurchases (reported)	2	0	0	1	--	--	--	--
Discretionary cash flow (DCF)	160	(692)	(195)	749	136	901	1,041	1,161
Debt (reported)	4,241	6,820	7,333	7,025	7,069	7,069	6,953	6,754
Plus: Lease liabilities debt	498	629	667	829	904	940	973	1,006
Less: Accessible cash and	(873)	(1,854)	(1,894)	(1,481)	(1,228)	(1,593)	(1,686)	(1,721)

**JSL S.A.****JSL S.A.--Forecast summary**

liquid investments								
Plus/(less): Other	328	655	596	540	412	275	137	--
Debt	4,194	6,250	6,702	6,913	7,158	6,691	6,378	6,039
Equity	1,413	1,663	1,770	1,325	819	1,051	1,337	1,764
Cash and short-term investments (reported)	873	1,854	1,894	1,481	1,228	1,593	1,686	1,721
<b>Adjusted ratios</b>								
Debt/EBITDA (x)	4.1	4.4	4.2	3.8	3.5	3.0	2.6	2.1
FFO/debt (%)	15.5	14.4	15.0	16.6	17.4	23.0	29.8	36.1
EBITDA interest coverage (x)	1.7	1.8	1.5	1.6	1.6	2.1	3.0	3.4
CFO/debt (%)	23.8	10.0	11.6	13.4	8.9	14.4	21.9	27.1
FOCF/debt (%)	6.2	(8.9)	(2.9)	12.4	8.9	13.5	19.9	23.5
DCF/debt (%)	3.8	(11.1)	(2.9)	10.8	1.9	13.5	16.3	19.2
Annual revenue growth (%)	40.2	25.8	19.6	6.5	7.3	9.5	11.2	11.9
EBITDA margin (%)	17.0	18.8	17.7	18.8	19.5	19.6	19.8	20.1
Return on capital (%)	15.0	15.5	15.2	14.4	17.0	19.2	22.3	25.2
Debt/debt and equity (%)	74.8	79.0	79.1	83.9	89.7	86.4	82.7	77.4

All figures are adjusted by S&P Global Ratings, unless stated as reported. a--Actual. e--Estimate. f--Forecast. R\$--Brazilian real.

**Rating Component Scores**

<b>Foreign currency issuer credit rating</b>	<b>BB-/Stable/--</b>
<b>Local currency issuer credit rating</b>	<b>BB-/Stable/--</b>
<b>Business risk</b>	<b>Fair</b>
Country risk	Moderately High
Industry risk	Intermediate
Competitive position	Fair
<b>Financial risk</b>	<b>Aggressive</b>
Cash flow/leverage	Aggressive
<b>Anchor</b>	<b>bb-</b>
<b>Modifiers</b>	
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Neutral (no impact)
<b>Stand-alone credit profile</b>	<b>bb-</b>

## Related Criteria

- [Criteria | Corporates | General: Sector-Specific Corporate Methodology](#), July 7 2025
- [Criteria | Corporates | General: Corporate Methodology](#), Jan. 7 2024
- [Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities](#), Jan. 7 2024
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10 2021
- [General Criteria: Group Rating Methodology](#), June 30 2019
- [Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments](#), April 1 2019
- [Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers](#), Dec. 16 2014
- [General Criteria: Methodology: Industry Risk](#), Nov. 19 2013
- [General Criteria: Country Risk Assessment Methodology And Assumptions](#), Nov. 19 2013
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16 2011

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