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TELECONFERENCE ON THE 3RD QUARTER 2006 RESULTS

Presentation:

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HIGHLIGHTS

Overview – Positive performance during the quarter and better prospects for the next business period.

Road Equipment – Growth in revenues, exports and recovery of the agribusiness sector.

Specialty Vehicles – Positive evolution in the scenario.

Railways Sector – Consolidation of demand and moderate growth for the next business periods.

Auto Parts – Strong growth in exports and unchanged scenario in the domestic market.

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HIGHLIGHTS

Consolidated Net Revenue – The accrued amount in nine months reached R\$ 1,53 billion, or 4.8% compared with equal period in 2005.

EBITDA Margin – 15,8% over the Net Revenue in the 3rd quarter 2006 against 12,2% in the same quarter in 2005. Gradual recovery.

Total EBITDA – The accrued amount in nine months reached R\$ 229,2 million or 13.2% compared with the same period in 2005.

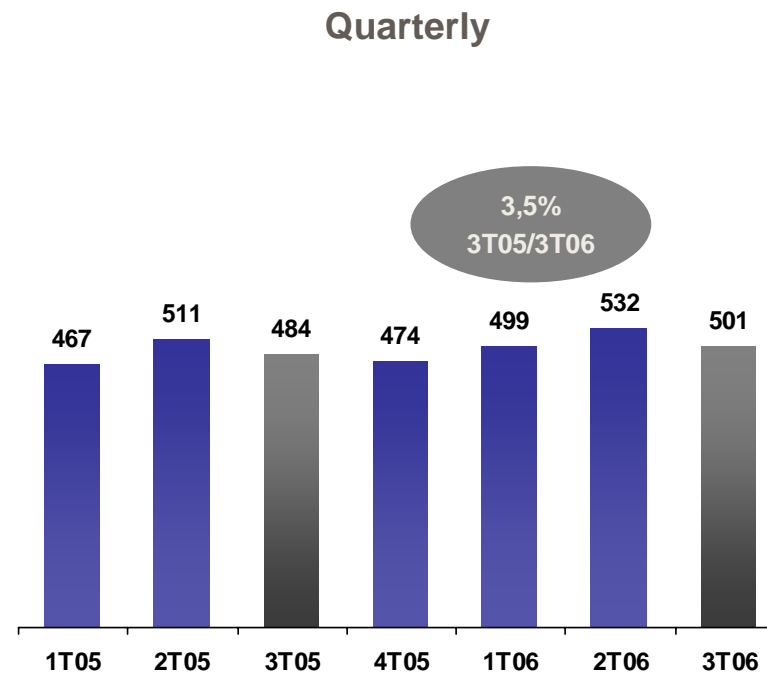
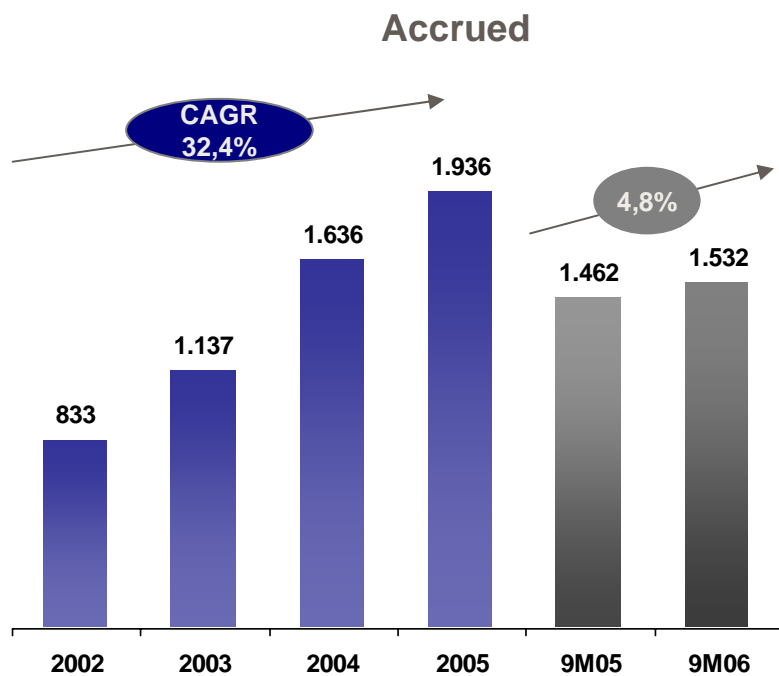
Gross Margin – 26,9% over the Net Revenue in the 3rd quarter 2006 against 25,0% in the 3rd quarter 2005. Gradual recovery.

Net Profit – 90,4 million consolidated in nine months. 0,6% higher than in the same period in 2005.

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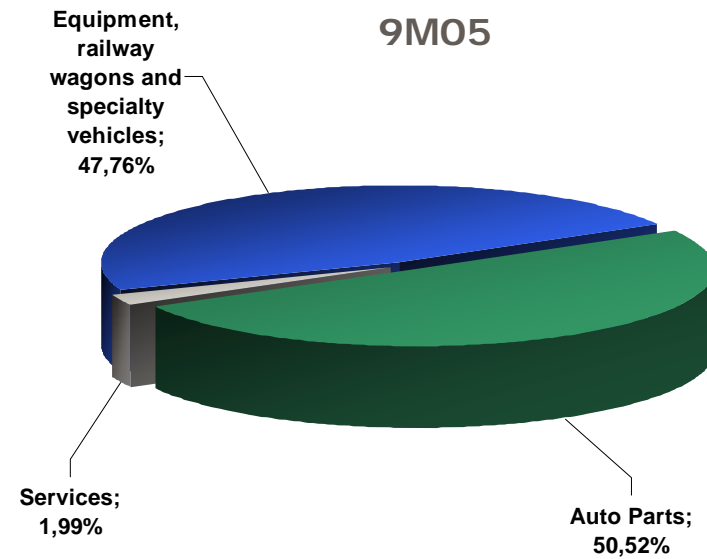
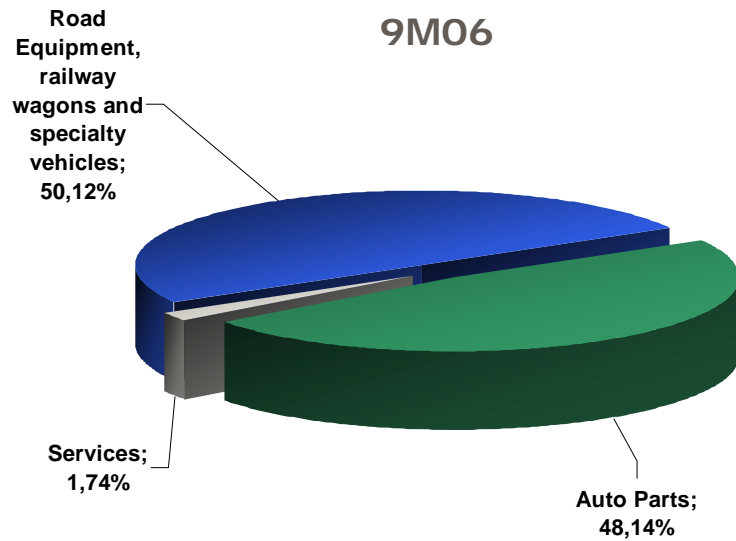
Net Sales – Consolidated (R\$ MM)



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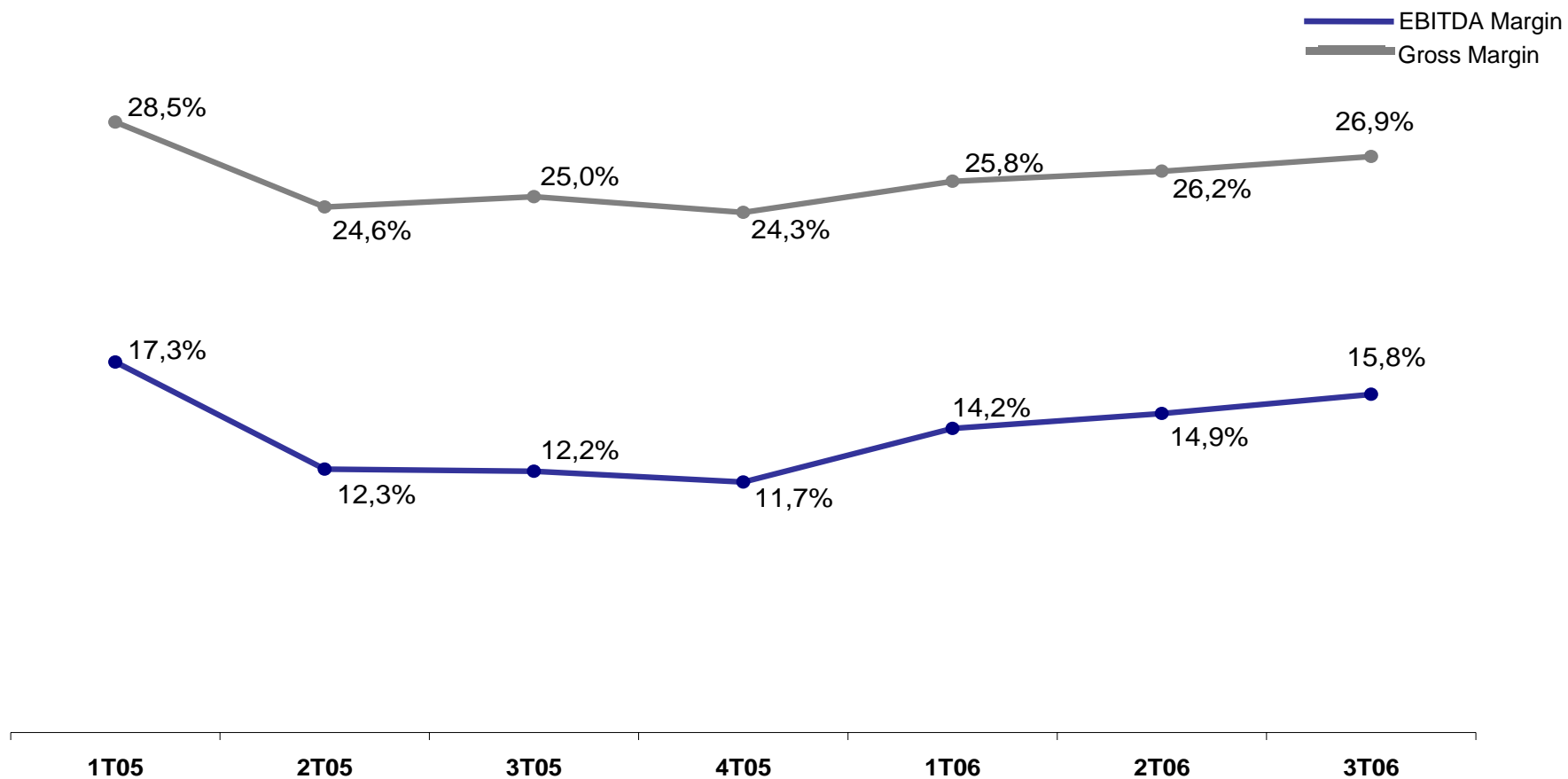
Revenue Breakdown by Segment



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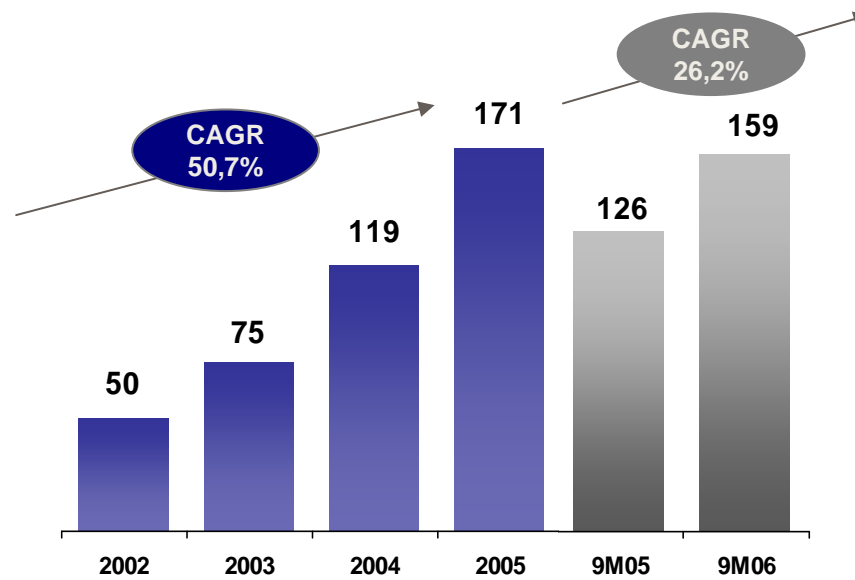
Margins



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Exports

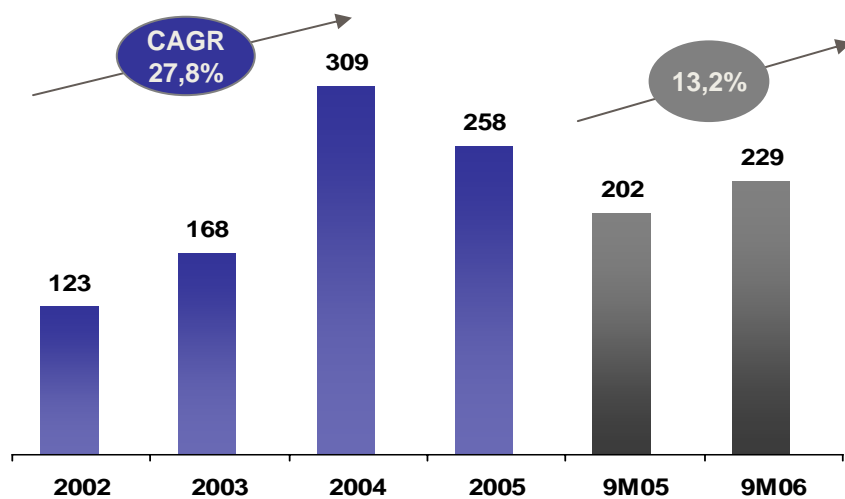


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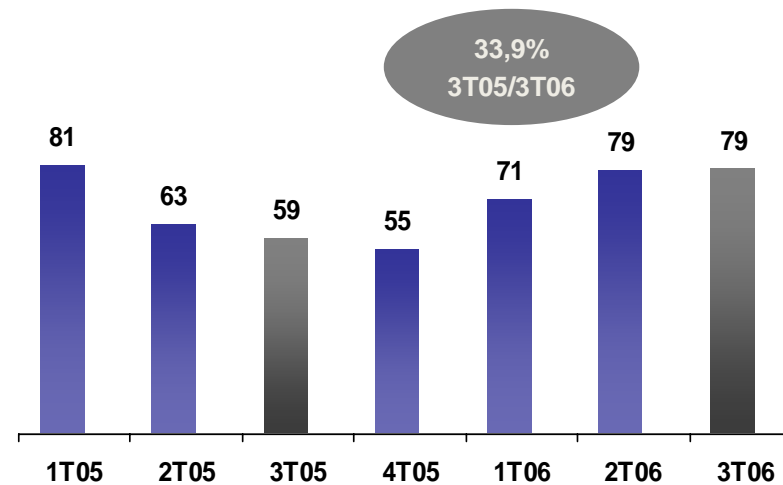


EBITDA (R\$ MM)

Accrued



Quarterly

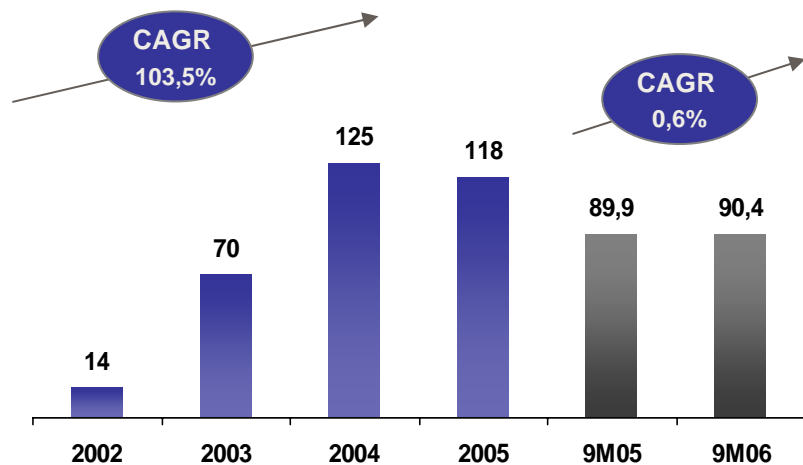


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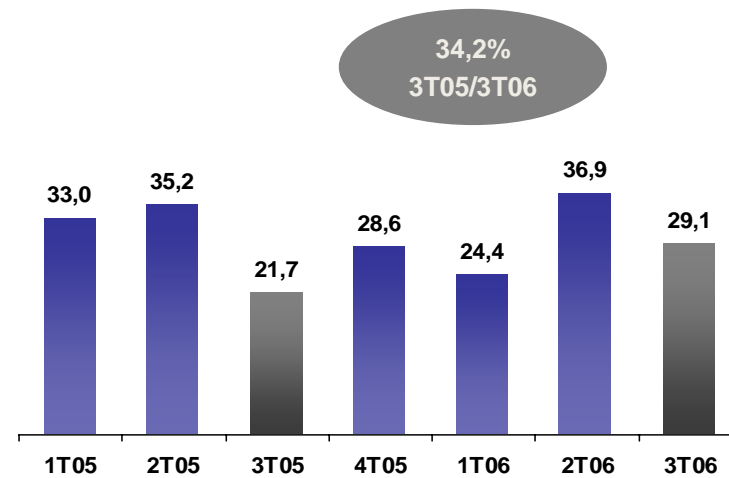


Net Profit (R\$ MM)

Accrued



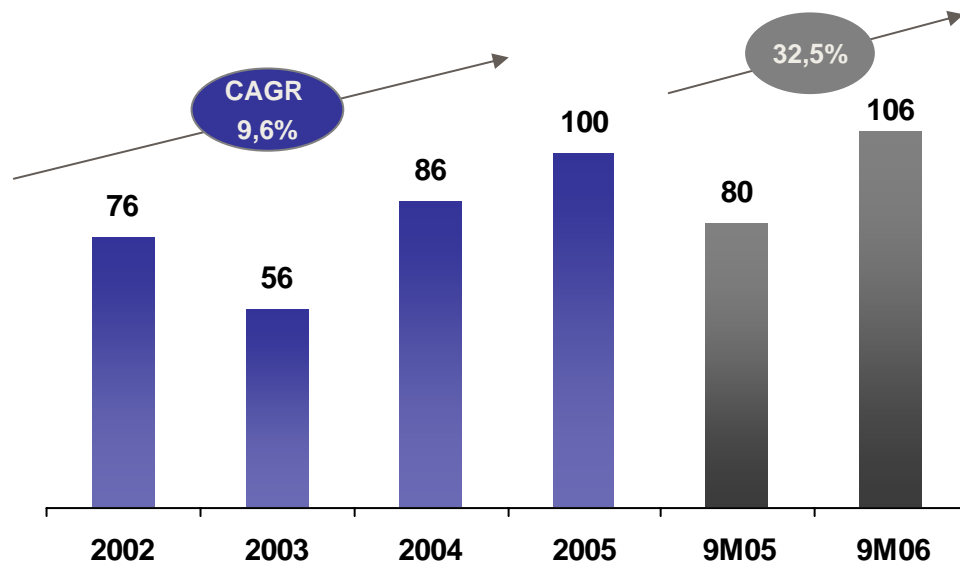
Quarterly



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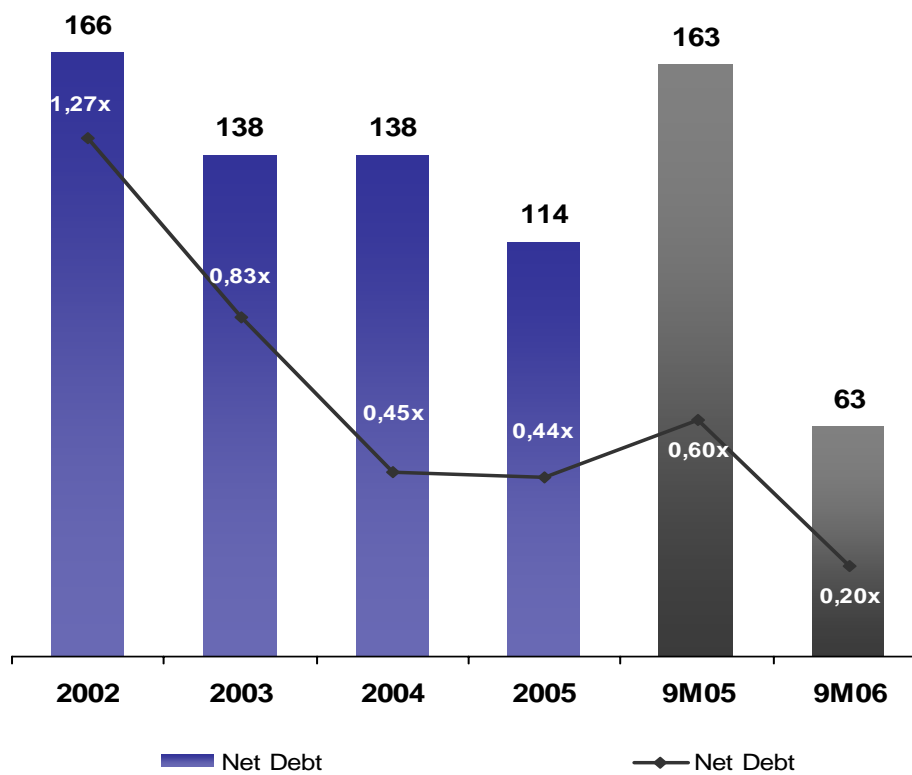
CAPEX (R\$ MM)



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Net Indebtedness (R\$ MM)



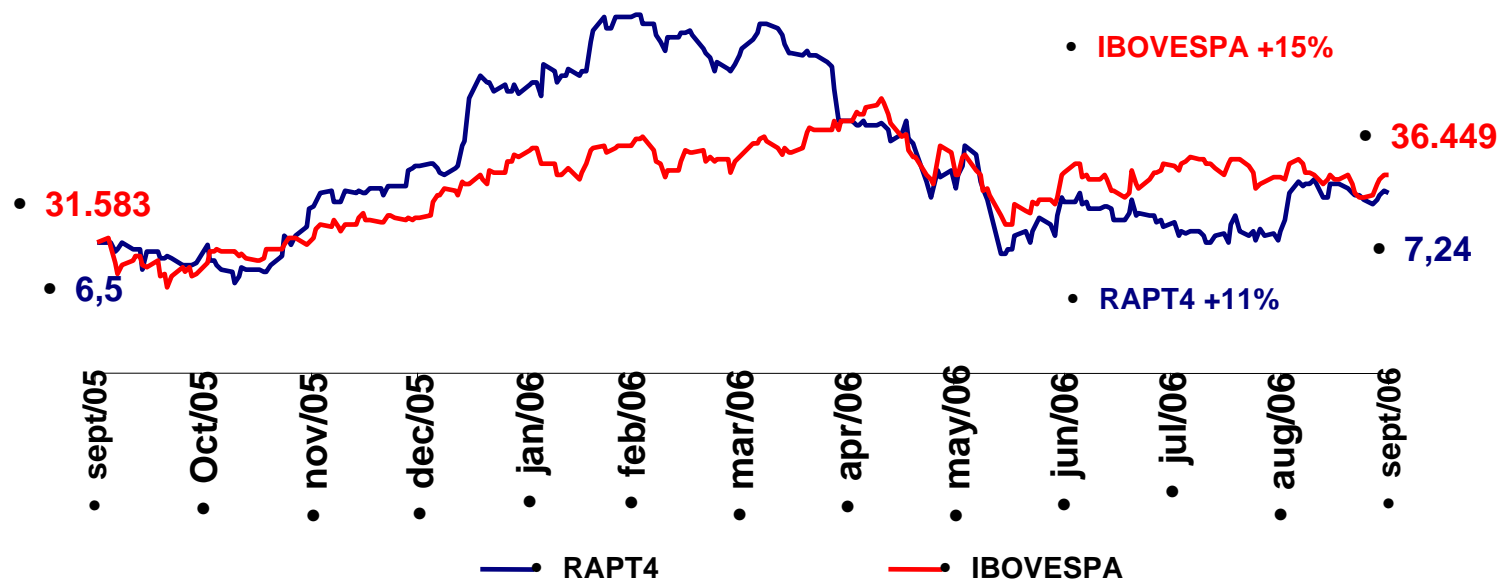
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Capital Market

• Randon vs Ibovespa

• Base 100 = 30/09/2005



Source: Economática

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Prospects

- Growth in revenues
- Margins Recovery
- Consolidation of the expansion plan and modernization
- Others