



RANDON S/A. - IMPLEMENTOS E PARTICIPAÇÕES
INTERIM MANAGEMENT REPORT
1ST QUARTER / 2005

Dear Shareholders:

Below we provide information regarding the activities of the Company and its affiliates, as well as the summarized accounting statements for the quarter ended on March 31, 2005.

Considering the Relevant Fact we published on March 7, 2005, below reproduced, and in compliance with Article 48, Item IV of CVM Instruction no. 400/ 03, that establishes a "quiet period", the Management has limited this quarterly report to the disclosure of the accounting, financial and marketing information concerning the quarter ended on March 31, 2005, without any further projections or evaluations on business prospects.

General Performance:

The consolidated net revenue reached R\$ 467,3 million in the first quarter of 2005, a 33% increase in relation to the same period of 2004. The consolidated net profit reached R\$ 33,0 million, which is 35% higher than the amount of the 1st quarter of 2004 (R\$ 24,4 million). The total gross revenue resulting from inter-company sales, with taxes and no exclusions, amounted to R\$ 707,5 million. The consolidated gross margin was 28,5%. A new increase in the prices of steel and iron, and the persistent overvaluation of the Real against the Dollar, have caused a reduction in the gross margin compared to the same period of 2004. It is worth mentioning that, as stated in our last annual report, the gross margin of 2004 rose by approximately 1,5% as a result of a change in the PIS and COFINS taxes (Employees' Profit Participation Program and Tax for Social Security Financing, respectively), which came into force as of the first quarter of 2004. The consolidated gross cash flow generation (EBITDA) ended the period in R\$ 80,6 million (17,2% on the net revenue).

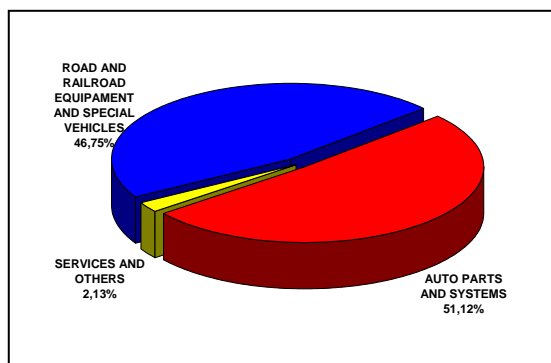
Railroad Sector – During the period, 240 complete railroad wagons (Hopper HSE type) were sold to América Latina Logística (ALL) in a partnership with MRC Equipamentos Ferroviários América Latina Ltda., a Japanese company of the Mitsui Group & Co. Ltda. The products are to be produced and delivered during the 2005 fiscal period.

Exports – The consolidated sales to the foreign market totaled US\$ 34,1 million, representing an increase of 62% in relation to the same quarter of 2004.

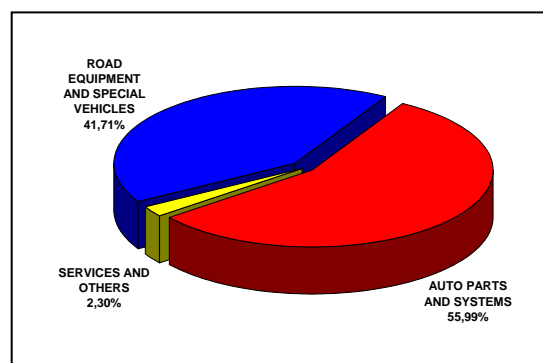
Investments – 31,1 million in investments were booked during the quarter. The investments were primarily made to increase the production capacity, as mentioned in our last Annual Report.

Revenue Breakdown per Segment

JAN-MAR/2005



JAN-MAR/2004



Participation of the company in the Consolidated Net Revenue

COMPANIES	NET REVENUE	INTER-COMPANY SALES	NET CONSOLIDATED REVENUE	%
Randon S/A Implem. e Participações (Parent Co.)	202.936	12.948	189.988	40,7
Master Sist. Autom.	67.106	12.824	54.282	11,6
Randon Veículos Ltda	20.905	(12)	20.917	4,5
Fras-Le (Consolidated)	93.641	6.253	87.388	18,7
Jost do Brasil Ltda	33.210	10.509	22.701	4,9
Suspensys Sist. Autom.	113.897	39.366	74.530	15,9
Randon Consórcios	9.958	0	9.958	2,1
Randon Argentina	8.350	770	7.580	1,6
TOTAL:	550.003	82.658	467.345	100,0

Exports per company – US\$ 1.000

COMPANIES	Jan-Mar/2005	Jan-Mar/2004	Δ %
Randon S/A Impl. e Partic.	10.697	4.451	140,3
Master	5.599	2.286	144,9
Randon Veículos	660	183	260,7
Jost	369	276	33,7
Fras-le	15.139	12.220	23,9
Suspensys	1.637	1.654	-
TOTAL:	34.101	21.070	61,8

Financial Information

The net banking debt was R\$ 180,7 million or equivalent to 7 months of EBITDA of the whole-year projections based on this quarter (5 months in the same 2004 period). The inventory level rose as a result of raw-material purchases that were made in advance and

also because of an increased participation of equipment such as tankers, dump semi-trailers, container carriers, siders, semi-trailers for coil transportation, sugar-cane semi-trailers and railroad wagons in contrast with grain semi-trailers that had a reduced participation.

Aiming at ensuring export margins, sales of dollar in the non-deliverable forward market have been performed in the following conditions:

- Fras-le: US\$ 20 million, in monthly payments with due times from April to February 2006;
- Randon S/A. - Implementos e Participações: US\$ 7,0 million, in monthly payments with due times from July 2005 to January 2006.

Comparative Performance

Consolidated Indicators	Jan-Mar/2005	Jan-Mar/2004	Var. %
Total Gross Revenue - without eliminations (R\$ 1.000)	707.476	492.624	43,6
Total Net Consolidated Revenue (R\$ 1.000)	467.345	351.996	32,8
Consolidated Net Profit (R\$ 1.000)	32.971	24.425	35,0
Ownership Operating Profit - EBIT (R\$ 1.000)	71.109	63.123	12,7
EBITDA (R\$ 1.000)	80.615	71.289	13,1
Net Financial Indebtedness (R\$ 1.000)	180.683	115.771	56,1
Net Financial Result (Financial Earnings-Financial Expenses) - R\$ 1.000	(3.213)	(4.820)	33,3
Adm / Commercial Expenses (R\$ 1.000)	(56.048)	(48.486)	15,6

Sold Units (Un.)

SEGMENTS	Jan-Mar/2005	Jan-Mar/2004	Δ %
Trailers / Semi-trailers	3.445	3.720	(7,4)
Special Vehicles	74	24	208,3
Off-road trucks	41	11	272,7
Backhoe Loaders	33	13	153,8
Brakes	126.799	105.681	20,0
Fras-le Friction materials (Ton.)	13.480	11.458	17,7
Tractor-truck equipment	4.223	5.466	(22,7)
Landing Gears	6.916	6.923	(0,1)
Hubs/ Drums	40.503	33.983	19,2
Suspensions	12.090	15.451	(21,8)
Railroad wagons	134	1	-

Stock Market

Share Performance

The preferred shares of Randon Participações S/A. ended the quarter with a 5.8% devaluation and were quoted at R\$ 7,04 per share. 9,9 million shares were traded in 4,468 trades at Bovespa (São Paulo Stock Exchange).

Relevant Fact

On March 7, 2005, the following Relevant Fact was published:

Randon S.A. Implementos e Participações (“Randon” or “Company”), in compliance with Instruction no. 358/2002 of the Securities Commission (“CVM”), informs its shareholders and the market in general that::

- 1) Dramd Participações e Administração Ltda., the controlling shareholder of the Company, together with other Randon’s shareholders, intends to perform a Secondary Public Offering for the Distribution of Preferred Shares issued by the Company (the “Offer”). Altogether, 23.405.726 (twenty-three million, four hundred and five thousand, seven hundred and twenty-six) uncertificated nominative preferred shares, without par value, issued by the Company, will be offered, representing approximately, 15,50% (fifteen and one half percent) of the shares representing the capital stock of the Company. The Offer may be added of a supplementary lot of up to 1.872.458 (one million, eight hundred and seventy-two thousand, four hundred and fifty-eight) shares of the same kind, equivalent to 8% (eight per cent) of the preferred shares referring to the public distribution, in addition to up to 4.681.145 (four million, six hundred and eighty-one thousand, one hundred and forty-five) additional preferred shares, equivalent to 20% (twenty per cent) of the preferred shares relative to the public distribution, pursuant CVM Instruction no. 400/2003.
- 2) The Offer will be carried out in Brazil in the non-organized over-the-counter market, with efforts to place them abroad, based on exemption from registration, foreseen by the U.S. Securities Act of 1933, according to its last alteration;
- 3) A notice to the market will be published later on, pursuant art. 53 of CVM Instruction no. 400/2003, with information on: (i) further characteristics of the Offer; (ii) venues where the preliminary prospectus can be obtained; (iii) the estimated dates and places where the Offer will be made public; and (iv) the conditions, procedure, period for reservations and period for collection of the investment intentions;
- 4) The registration request of the Offer was put in at the Securities Commission on February 28, 2005.

Relations with Investors

In January 2005, Randon Companies participated, as guests, in the 9th Latin American Conference promoted by Banco Santander, in Cancún, Mexico, when the economic prospects of Latin America were discussed.

Continuing the schedule of corporate events of 2005, the Company promoted, on March 23, the third meeting with the media and guests, on which occasion the Company informed the results of its 2004 performance.

Caxias do Sul, April 2005.

The Management

Board of Directors

Raul Anselmo Randon – Chairman
David Abramo Randon - Vice-Chairman
João Luiz de Moraes – Board Member
Ricardo Alves da Conceição – Board Member
Ery José Bernardes – Board Member

Audit Board

Wellington Geraldo Silva
Luiz Fernando Júlio
Benilda Waschow
Walmor José Vanazzi
Olívio Viecceli

Executive Board

Raul Anselmo Randon – President
Alexandre Randon – CEO
Astor Milton Schmitt - CFO
Erino Tonon – COO

Director of Investor Relations

Astor Milton Schmitt

Financial Corporate Manager and Investor Relations
Geraldo Santa Catharina

Controller and Audit Corporate Manager
Ademar Salvador

Ieda Maria Onzi Perosa – Accountant CRC/RS 49886/O-3