



RANDON S.A. IMPLEMENTOS E PARTICIPAÇÕES
INTERIM MANAGEMENT REPORT
3rd Quarter 2007

Dear Shareholders:

Below we present information concerning the activities of the Company and its affiliates, as well as the summarized financial statements for the quarter ended September 30, 2007.

Overview

The winds of growth are blowing in the automotive chain and continue to lead Randon Companies to strong results. This is certainly one of the best quarters in Randon's history and consolidates its solid position in the automotive chain. Among the most relevant events of the sector in this period, we highlight the continuous expansion plan in businesses related to the primary sector, agribusiness, mining, bioenergy, consumer durables and non-durables. The announcements of road concession and PAC investments (government's growth program) are already showing us that we will see great opportunities on the horizon for new businesses in the area of services related to construction, energy, sanitation and housing.

The strong demand in the domestic market requires us to devote special attention to the supply chain, logistic issues, and adjustment of our production capacity. However, our investment plan in progress is based on the maintenance and strengthening of our position in the industry.

Accompanying this sense of optimism prevailing in the sector, the OEM truck companies are announcing investments in the expansion of their production capacity and confirm Brazil as the export platform in the segment, therefore reaffirming our competitiveness in the market, mainly in the Western market. Randon Companies are taking advantage of these good moments and are delivering results that are attuned to this scenario. Factors such as domestic growth, increased income, drop in the interest rates and credit supply, along with a more confident sector, show us that we will continue to see good results.

In the third quarter of 2007, Randon S.A. - Implementos e Participações reports a consolidated net profit of R\$ 42,2 million, a growth rate of 45.1% as compared to the third quarter of 2006. In the Jan-Sept accrued results, this growth rate was 39.0%, or R\$ 125.6 million, a result generated by high demand and by the good moment that the segments operated by the company are experiencing. The consolidated net revenue reached R\$ 673.0 million in the quarter and R\$ 1,86 billion in the nine-month period, respectively 34.2% and 21.5% higher than the same period in 2006. The total gross revenue, including inter-company sales, totaled R\$ 2,65 billion in the nine-month period, a growth rate of 21.8% over the comparable period in 2006. The consolidated EBITDA grew 35.1% in the quarter, reaching R\$ 107.2 million, and 28.8% in the Jan-Sept /2007 period, totaling R\$ 295.3 million. The EBITDA margin grew from 15.0% to 15.9%, and the gross margin grew from 26.29% to 26.91% in the nine-month period due to better management of costs, prices, exchange rate and economy of scale.

As a result of the growth in revenues and following the trend shown in the previous quarters, the sales in all product lines grew as well.

Sold Units (Un.)

SEGMENTS	3T07	3T06	3T05	3T04	3T03	9M07	9M06	Var. % 9M07 x 9M06
Trailers / semi-trailers	5.303	3.832	3.790	4.109	3.228	15.110	11.104	36,1
Specialty vehicles	119	76	75	61	29	310	204	52,0
Brakes (Z-Cam /S-Cam /Quadraulic)	197.666	154.141	117.181	124.364	77.814	521.030	448.086	16,3
Fras-le Friction Materials (Ton.)	16.393	12.371	12.305	12.769	10.219	44.220	38.432	15,1
Fifth-Wheels	13.129	9.646	9.074	10.415	7.242	34.347	26.605	29,1
Landing Gears	10.509	7.016	5.575	8.329	5.012	26.361	18.535	42,2
Hubs/ Drums	68.096	39.720	44.342	38.751	29.967	165.273	119.248	38,6
Suspensions	19.887	12.243	11.264	13.993	8.482	51.564	34.520	49,4
Railway cars	0	0	104	0	0	0	581	(100,0)

Exports

The volume of consolidated sales for the foreign market is consistent with the projections presented to the market and shall reach about US\$ 220,0 million by the end of the period. This quarter posted a better performance in the segment of trailers/ semi-trailers than it did in the segment of auto parts, which reported a less accelerated performance. Projects with transactions already closed but transferred to 2008, and delays caused by paperwork and inventory adjustments in the main destination facilities are among the main factors attributable to such re-scheduling.

Therefore, the consolidated exports reached US\$ 169,7 million dollars in the period Jan-Sept 2007, a growth rate of 6.6% over the same period in 2006.

Exports by Company – US\$ Million

COMPANIES	3T07	3T06	3T05	3T04	3T03	9M07	9M06	Var. % 9M07 x 9M06
Randon S.A. Impl. e Partic.	32.501	27.929	22.813	13.661	6.508	71.906	67.295	6,9
Master	7.146	10.249	5.324	2.748	1.941	16.903	26.651	(36,6)
Randon Veículos	1.364	1.438	1.308	2.373	728	2.610	2.798	(6,7)
Jost	2.078	745	440	339	108	5.159	2.210	133,4
Fras-le	19.409	15.028	16.260	14.905	9.919	57.518	51.497	11,7
Suspensys	6.100	3.277	1.831	1.511	943	15.578	8.770	77,6
TOTAL:	68.598	58.666	47.976	35.537	20.147	169.674	159.221	6,6

Financial Operating Performance in the 3rd Quarter 2007

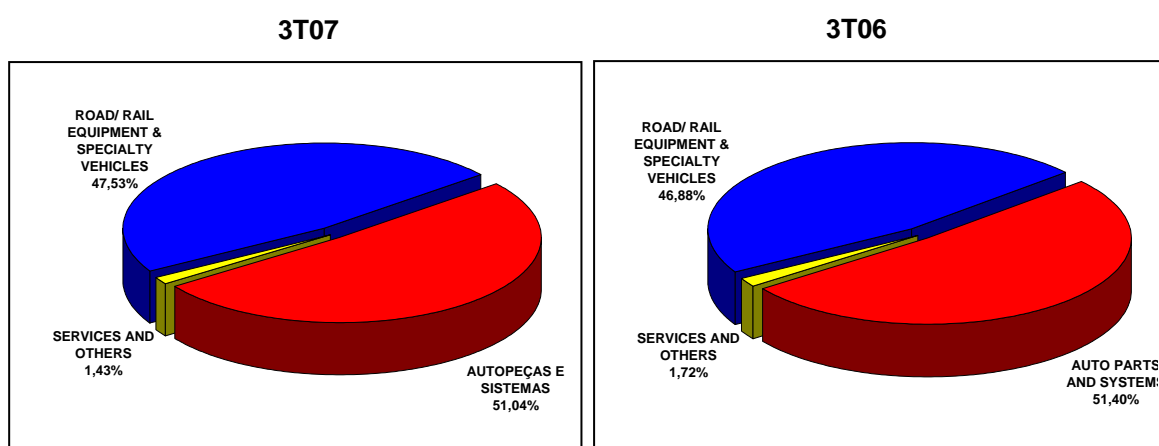
Total Gross Revenue

The total gross revenue with taxes and before consolidation reached R\$ 956.0 million in the third quarter of 2007, 31.2% up from the same period last year, totaling R\$ 2,65 billion in the Jan-Sept 2007 period.

Consolidated Net Revenue

The consolidated net revenue in the third quarter of 2007 reached R\$ 673.0 million, an increase of 34.2% over the comparable period in 2006 (R\$ 501,4 million), accruing to R\$ 1,86 billion in the period Jan-Sept 2007, a variation of 21.5% over the accrued amount reached in the same period in 2006 (R\$ 1,53 billion).

Segmented Distribution of the Consolidated Net Revenue



Participation by Company in the Consolidated Net Income

The inter-company sales accounted for 11.2% of the total sales in this third quarter of 2007 (13.6% in the comparable period in 2006), as shown in the table below (third quarter of 2007):

COMPANIES	NET INCOME	INTER-COMPANY SALES	CONSOLIDATED NET INCOME	%
Randon S.A. Impl. e Participações (Controladora)	296.348	12.261	284.087	42,2
Master Sist. Automotivos Ltda	86.938	15.855	71.083	10,6
Randon Veículos Ltda	25.639	17	25.622	3,8
Fras-Le S.A. (Consolidado)	102.394	4.036	98.358	14,6
Jost Brasil Sistemas Automotivos Ltda	44.462	11.133	33.329	5,0
Suspensys Sistemas Automotivos Ltda	181.690	40.908	140.782	20,9
Randon Administradora de Consórcios Ltda	9.606	-	9.606	1,4
Randon Argentina S.A.	10.165	-	10.165	1,5
Randon Middle East	90	90	-	-
Randon Automotive Pty Ltd.	512	512	-	-
TOTAL:	757.844	84.812	673.032	100,0

Cost of Sold Products

The cost of sold products represented 72.9% of the consolidated net revenue, or R\$ 490.9 million in the third quarter of 2007, an increase of 33.9% over the R\$ 366,6 million of the same period in 2006 (which represented 73.1% of the net revenue). Some important materials such as steel and related components had their prices adjusted during this third quarter. The impact was not significant, as they were offset by lower prices in other

important raw-material items such as aluminum and stainless steel. Another factor to be considered in the quarter was the 6.5% price adjustment in labor due to the collective labor agreement in June. An agreement was reached in August and the agreed percentage is retroactively payable.

Gross Profit

The gross profit totaled R\$ 182,1 million in the third quarter of 2007, representing 27.1% of the consolidated net revenue, 35.0% up from the third quarter of the prior year, when the profit totaled R\$ 134,9 million, or 26.9% of the consolidated net revenue. In the period Jan-Sept 2007, the gross profit reached R\$ 501.0 million, an increase of 24.4% over the comparable period in 2006.

Operating Expenses (Administrative/ Commercial/ Others)

The operating expenses of this third quarter totaled R\$ 88.1 million, an increase of 32.3% from the 2006's level, when they reached R\$ 66.5 million. These expenses represented 13.1% of the consolidated net revenue in the third quarter of 2007, against 13.3% over the comparable period in 2006. In the nine-month period of 2007, the operating expenses totaled R\$ 243.7 million, or 13.1% over the period's consolidated net revenue. As mentioned in the previous quarter, some of these expenses such as commissions, freight, and profit sharing experienced increases during the period due to the growth in revenues, even though the revenue percentage values remained steady.

Operating Profit before Financial Expenses (EBIT)

The EBIT reached R\$ 94.1 million in the third quarter of 2007, or 14.0% of the consolidated net revenue, against R\$ 68.4 million in the same period of 2006, or 13.6% of the consolidated net revenue. In the nine-month period of 2007, the EBIT amounted to R\$ 257.3 million, or 13.8% over the consolidated net revenue in the same period.

Net Financial Result

The net financial result in the third quarter of 2007 reached negative R\$ 0.5 million (negative R\$ 1.4 million in the same period in 2006). In the period Jan-Sept 2007, the net financial result totaled negative R\$ 2.6 million (negative R\$ 5.5 million in the comparable period in 2006). Lower-cost loans and the hedge policy implemented by the company, aimed at reducing the exchange rate impact, are among the factors contributing to better financial management.

Non-Operating Result

The third quarter of 2007 posted a positive non-operating result of R\$ 0.4 million against a positive result of R\$ 0.6 million in the same period of 2006. In the nine-month period, this result totaled R\$ 5.0 positive million, as a result of the sale of assets belonging to our affiliate company Fras-le in the first quarter of 2007.

Income Tax and Social Contribution

The income tax and the social contribution reached R\$ 31.0 million in the third quarter of 2007 (R\$ 22.2 million in the same period of 2006) for a profit (before income tax) of R\$ 94.0 million (R\$ 67.6 million in the same period of 2006). In the period Jan-Sept 2007, the income tax and social contribution reached R\$ 75.7 million for a profit (before income tax) of R\$ 259.7 million.

Net Result

The net profit in the third quarter of 2007 reached R\$ 42.2 million (R\$ 0.26 per share), an increase of 45.1% when compared to the profit of R\$ 29.1 million in the same period of 2006 (R\$ 0.18 per share). In the period Jan-Sept 2007, the net result reached R\$ 125.6

million (R\$ 0.78 per share) against R\$ 90.4 million in the Jan-Sept/2006 period, representing a variation of 39.0% between the two nine-month periods.

Gross Cash Flow Generation (EBITDA)

In the third quarter of 2007, the EBITDA showed an increase of 35.1% in relation to the comparable period of 2006, reaching R\$ 107.2 million (15.9% over the consolidated net revenue) against R\$ 79.4 million in the same quarter of 2006, an increase of 15.8% over the consolidated net revenue. The accrued value in the Jan-Sept 2007 period reached R\$ 295.3 million (15.9% over the consolidated net revenue) against R\$ 229.2 million in the same period of the prior year (15.0% over the consolidated net revenue).

Indebtedness

The net financial indebtedness (gross debt less cash funds) reached R\$ 140.9 million at the end of September 2007, five months in relation to the EBITDA of the last 12 months. In this same comparable period in 2006, this value was R\$ 62.6 million, two months of EBITDA. This is consistent with our expectations and is the result of investments made within the Five-Year Investment Plan already announced by the company.

Comparative Performance

Consolidated Indicators (R\$ 1.000)	3T07	3T06	3T05	3T04	3T03	9M07	9M06	Var. %
Total Gross Revenue - Without eliminations	956.036	728.520	708.798	645.562	404.653	2.650.317	2.175.424	21,8
Total Consolidated Net Revenue	673.032	501.452	484.408	439.542	294.718	1.861.476	1.532.155	21,5
Consolidated Gross Profit	182.139	134.880	121.272	138.398	79.325	500.986	402.796	24,4
Consolidated Net Profit	42.230	29.100	21.678	31.371	12.170	125.634	90.391	39,0
Own Operating Profit (EBIT) - Consolidated	94.068	68.339	48.290	72.992	38.140	257.293	196.914	30,7
Consolidated EBITDA	107.231	79.363	58.920	81.293	44.978	295.329	229.219	28,8
Consolidated Net Financial Indebtedness	-	-	-	-	-	140.884	62.555	125,2
Consolidated Net Financial Result (financial earnings - financial expenses)	(467)	(1.395)	(4.897)	(3.441)	(14.691)	(2.579)	(5.514)	53,2
Consolidated Administrative and Commercial Expenses	81.149	65.711	70.745	62.981	44.615	226.584	198.403	14,2
Consolidated Profit per Share (In reais)	0,26357	0,18014	0,14402	0,20841	0,08109	0,78412	0,55955	40,1

Investments

The company reported in the Jan-Sept 2007 period R\$ 143.8 million, distributed by company as follows:

In thousands of Real		
COMPANY	3T07	9M07
RANDON S/A IMPL. E PARTIC.	36.762	89.302
MASTER	1.456	8.062
CONSÓRCIO	422	1.109
SUSPENSYS	4.197	7.657
RANDON VEÍCULOS	105	259
JOST	351	1.155
FRAS-LE	6.183	14.369
RANDON ARGENTINA	250	458
CASTERTECH	17.700	21.369
RANDON AUTOMOTIVE	2	4
RANDON MIDDLE EAST	11	11
TOTAL:	67.439	143.755

Stock Market

Performance of Shares

The preferred shares of Randon S.A.- Implementos e Participações ended the quarter appreciated by 85.8% and quoted at R\$ 17,84 per share on September 30, 2007. 66.3 million preferred shares were traded during the period in 39,704 trades in the spot market of BOVESPA (São Paulo Stock Market). In this period, the Company recorded an average daily volume of trades of R\$ 5.0 million against R\$ 2.9 million in the same period in 2006.

Investor Relations

The Company held in August/ September meetings with analysts, shareholders and investors at the headquarters of APIMEC in São Paulo, Rio de Janeiro and Porto Alegre. A significant number of people were in attendance.

Awards

- For the sixth consecutive time, Fras-le S.A. was included in the ranking of the *Exame/ Você S.A.* Magazine. The ranking lists the 150 Best Companies to Work For in Brazil. In the 2007 issue:

- Jost was included in the group of the 100 Best Companies to Work for in Brazil, according to the survey criteria established by the Great Place to Work Institute, in partnership with *Época* Magazine;

- Randon S.A., was awarded for the 11th time the prize Transport Preference, promoted by the *Sindicato das Empresas de Transportes de Carga no Estado do RS (Setcergs)* (Association of Trucking Companies of the State of RS).

- Jost and Master received the Supply Awards 2006, a distinction from *Volkswagen Caminhões e Ônibus*". Jost received the prize in the category Product Quality, while Master received the award as the best supplier in the category Commercial Excellence.

Caxias do Sul, November 2007.

The Management

Board of Directors

Raul Anselmo Randon - Chairman
David Abramo Randon - Vice-Chairman
Ery José Bernardes – Board Member
Hugo Eurico Irigoyen Ferreira – Board Member
José Maria Rabelo – Board Member

Audit Board

Benilda Waschow
Jessé Souto Amaral
Sérgio Ricardo Miranda Nazaré
Werner Bornholdt
Zulmar Neves

Executive Board of Directors

Raul Anselmo Randon – President Director
Alexandre Randon – Vice President Director
Astor Milton Schmitt - Director
Erino Tonon – Director

Investor Relations Director

Astor Milton Schmitt

Holding Division Finance Director
Geraldo Santa Catharina

Corporate Administrative Manager
Maria Tereza Casagrande

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