



VEHICLES AND TRAILERS

AUTO PARTS

SERVICES



RESULTS
3Q13 / 9M13



Disclaimer

This presentation contains forward-looking statements that are subject to risks and uncertainties. These statements are based on Management's beliefs and assumptions, as well as on currently available information. Forward-looking statements include information on our current intentions, beliefs or expectations, as well as those of the Company's Board of Directors and Board of Executive Officers.

The reservations as to forward-looking statements and information also include information on possible or presumed operating results, as well as any statements preceded, followed or including words such as "believes", "may", "will", "continues", "expects", "intends", "plans", "estimates" or similar expressions.

Forward-looking statements are not performance guarantees; they involve risks, uncertainties and assumptions because they refer to future events and, therefore, depend on circumstances which may or may not occur. Future results may differ materially from those expressed or suggested by forward-looking statements. Many of the factors which determine these results and figures are beyond our ability to control or predict.

Agenda

- ✓ Period Highlights
- ✓ Market Overview
- ✓ Operating Results
- ✓ Financial Results
- ✓ Capital Markets
- ✓ News
- ✓ Outlook
- ✓ Potential Questions

Period Highlights

- **Total Gross Revenue of R\$1.8 billion in 3Q13, up 32.5% over 3Q12;**
- **Consolidated Net Revenue of R\$1.1 billion in 3Q13, up 29.2% over 3Q12. Exports totaled US\$64.0 million in the quarter;**
- **Gross Margin of 26.9%, EBITDA Margin of 15.5% and EBITDA of R\$176.3 million in 3Q13 (127.4% higher than in 3Q12);**
- **Net Income of R\$78.7 million in 3Q13, increasing 508.5% over 3Q12 (R\$12.9 million).**
- **Investments of R\$167.9 million in 3Q13, compared to R\$67.7 million invested in the same period of 2012;**
- **RAPT4 average daily trade volume of R\$13.0 million in 9M13, compared to R\$10.9 million in 9M12.**

Market Overview

- **Continuous business growth in the quarter. Increased production occupied a significant portion of installed capacity;**
- **Agricultural harvest became important in economic growth, resulting in truck and towed vehicle sales;**
- **Truck production⁽¹⁾: 149,142 units in 9M13, 50.9% more than in 9M12.**
- **Production of heavy towed vehicles increased 31.4% over the same period of the previous year.**
- **In focus: reduced need for working capital, productivity, production efficiency and strict cost control, driving performance in the quarter.**

Source: (1) Anfavea Report - October 2013

Operating Results

Sales (units)

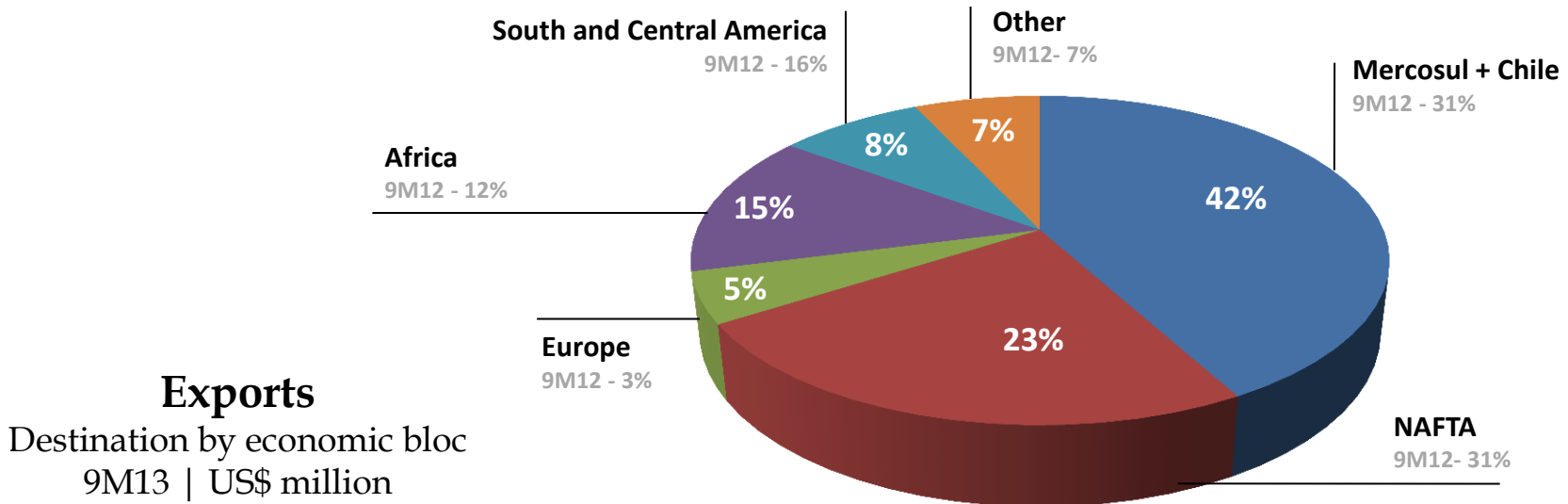
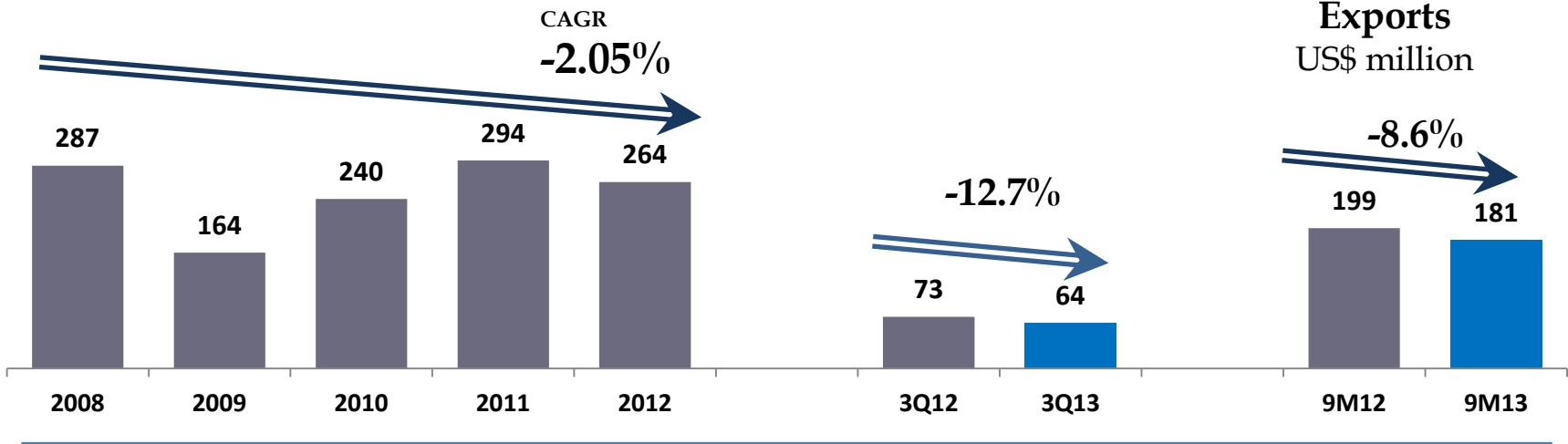
	3Q13	3Q12	Δ%	9M13	9M12	Δ%
Vehicles and trailers/semi-trailers						
<i>Towed vehicles (un.)</i>	7,047	5,480	28.6%	18,851	15,006	25.6%
<i>Specialty Vehicles (un.)</i>	451	214	110.7%	1,032	893	15.6%
<i>Rail wagons (un.)</i>	1	120	-99.2%	305	478	-36.2%
Auto parts						
<i>Friction materials (ton.)</i>	19,665	18,200	8.0%	56,465	55,800	1.2%
<i>Brakes (un.)</i>	264,376	203,687	29.8%	737,413	553,114	33.3%
<i>Coupling systems (un.)</i>	30,755	20,611	49.2%	87,227	59,937	45.5%
<i>Suspension and wheel systems (un.)</i>	76,498	84,793	-9.8%	286,023	236,225	21.1%
<i>Castings (ton.)</i>	6,603	5,931	11.3%	21,155	16,585	27.6%
Financial Services						
<i>Coop-payment plans sold</i>	3,080	3,003	2.6%	7,784	7,901	-1.5%

Operating Results

Consolidated Net Revenue by Segment

	3Q13	3Q12	Δ%	9M13	9M12	Δ%
Vehicles and trailers/semi-trailers	52.15%	50.87%	1.27 p.p.	51.52%	50.46%	1.06 p.p.
<i>Towed vehicles (un.)</i>	89.10%	84.05%	5.05 p.p.	85.27%	79.65%	5.62 p.p.
<i>Specialty Vehicles (un.)</i>	10.85%	9.56%	1.29 p.p.	10.49%	12.20%	-1.71 p.p.
<i>Rail wagons (un.)</i>	0.05%	6.39%	-6.34 p.p.	4.24%	8.15%	-3.91 p.p.
Auto parts	45.61%	46.77%	-1.16 p.p.	46.24%	47.21%	-0.97 p.p.
<i>Friction materials (ton.)</i>	34.69%	39.38%	-4.69 p.p.	34.38%	40.09%	-5.71 p.p.
<i>Brakes (un.)</i>	18.28%	19.37%	-1.09 p.p.	20.22%	19.06%	1.16 p.p.
<i>Coupling systems (un.)</i>	8.53%	7.29%	1.24 p.p.	8.61%	7.51%	1.09 p.p.
<i>Suspension and wheel systems (un.)</i>	38.20%	33.96%	4.24 p.p.	36.74%	33.33%	3.40 p.p.
<i>Castings (ton.)</i>	0.29%	-0.01%	0.30 p.p.	0.06%	0.01%	0.05 p.p.
Financial Services	2.24%	2.35%	-0.12 p.p.	2.25%	2.34%	-0.09 p.p.
<i>Coop-payment plans sold</i>	100.00%	100.00%	0.00 p.p.	100.00%	100.00%	0.00 p.p.

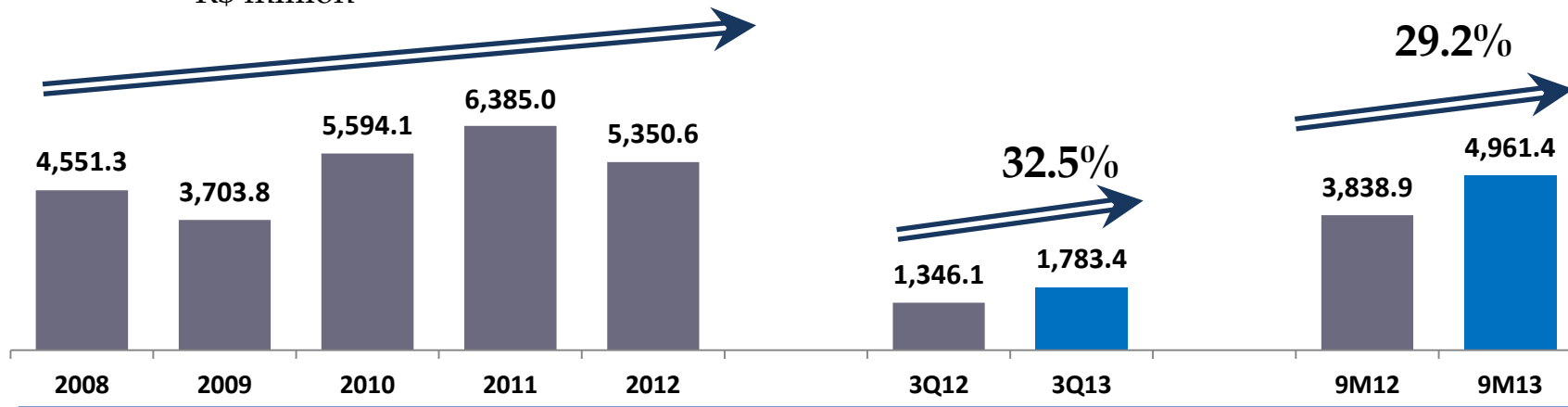
Operating Results



Financial Results

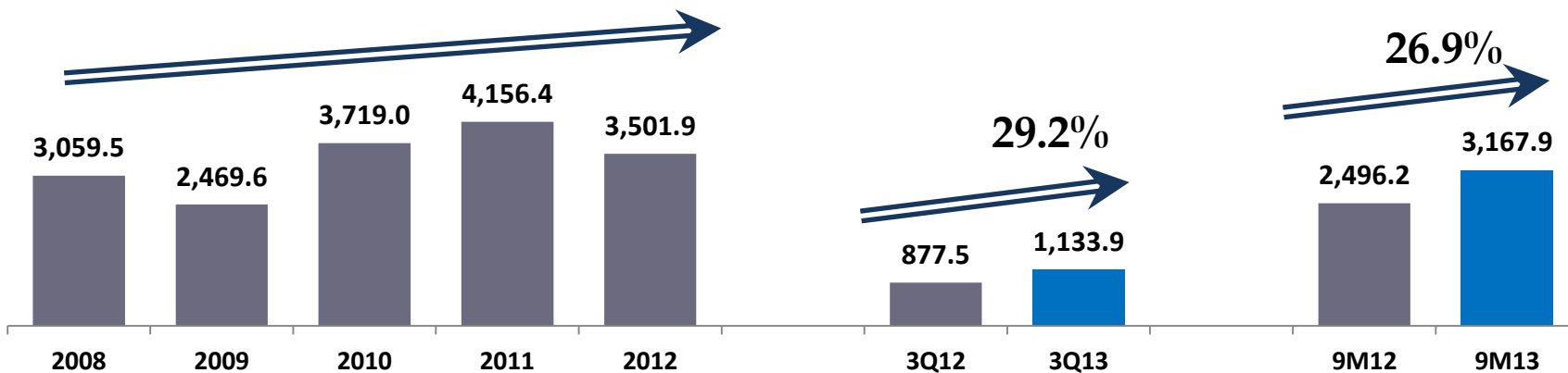
Total Gross Revenue
Including intercompany sales
R\$ million

CAGR
4.1%



Consolidated Net Revenue
R\$ million

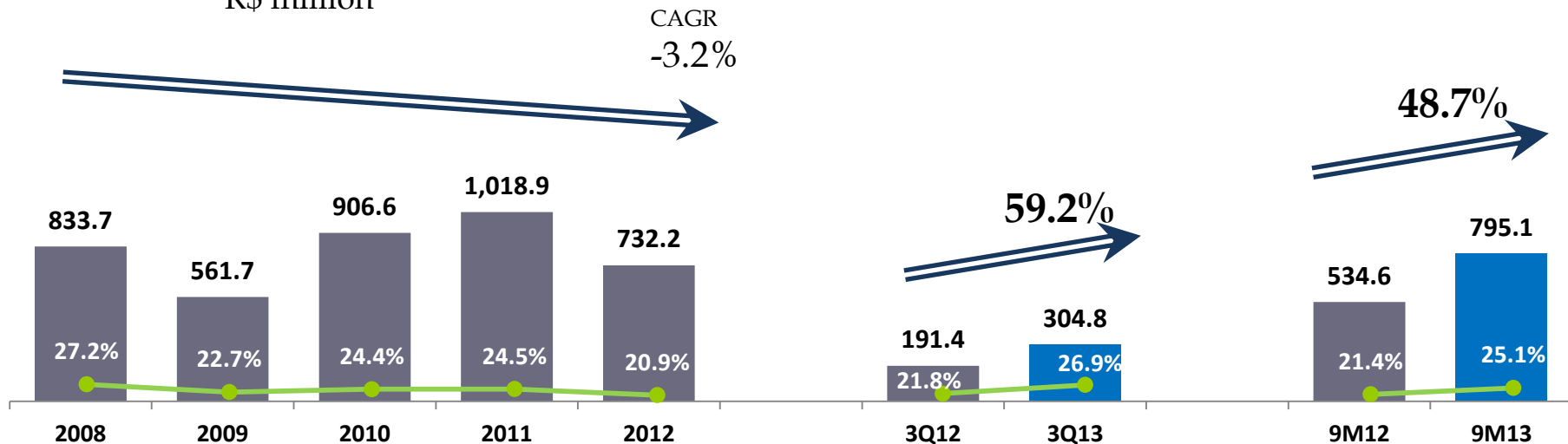
CAGR
3.4%



Financial Results

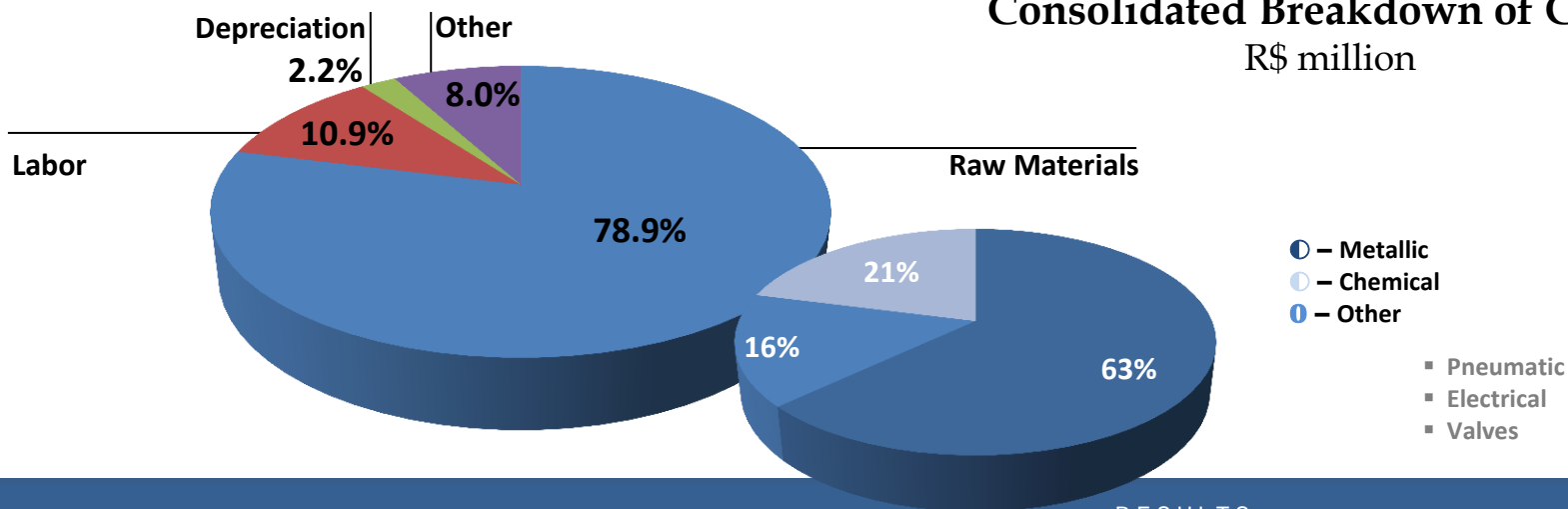
Gross Profit | Gross Margin

R\$ million



Consolidated Breakdown of COGS

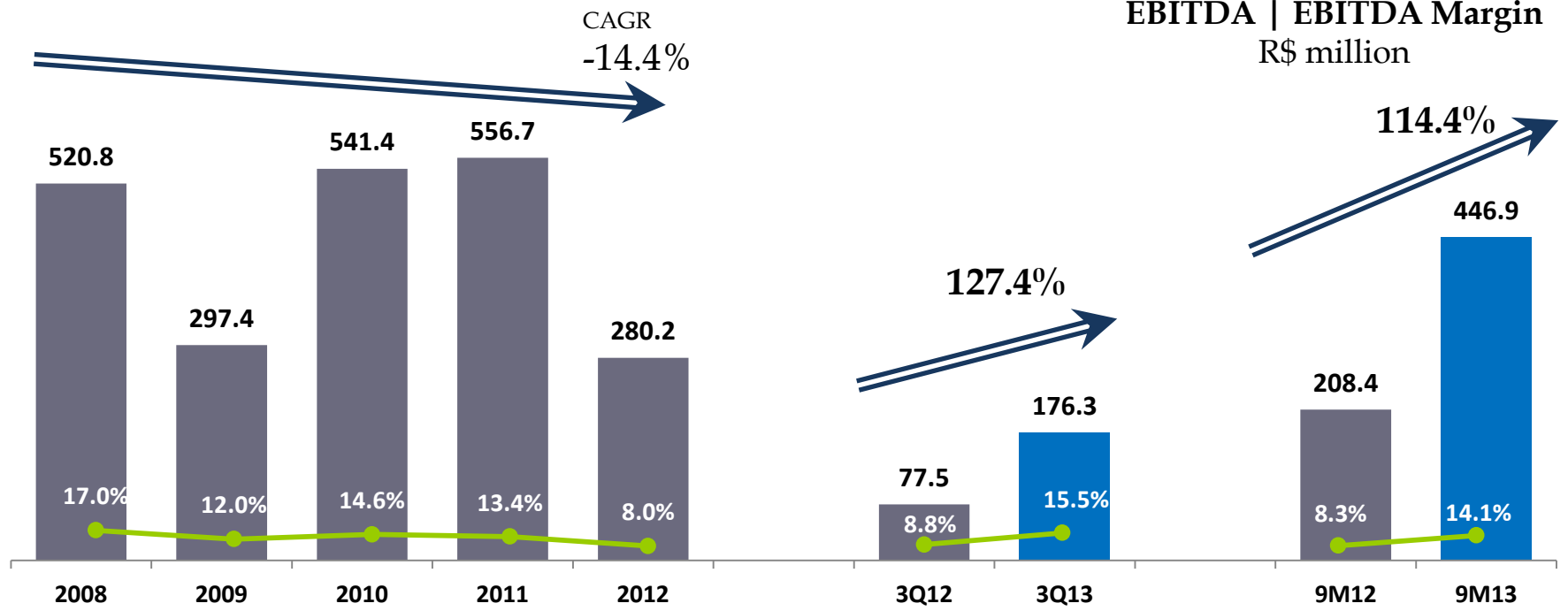
R\$ million



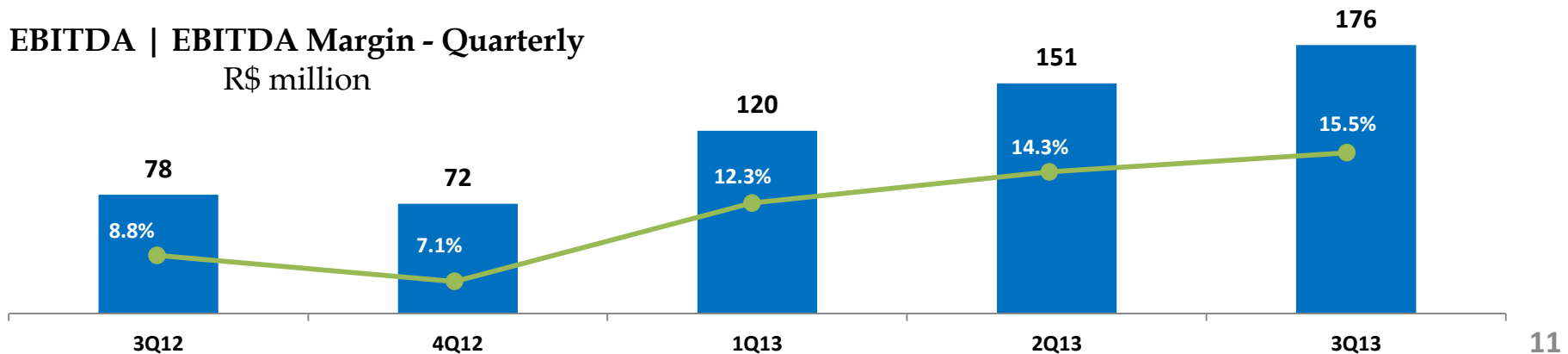
RESULTS
3Q13 / 9M13

RANDON[®]

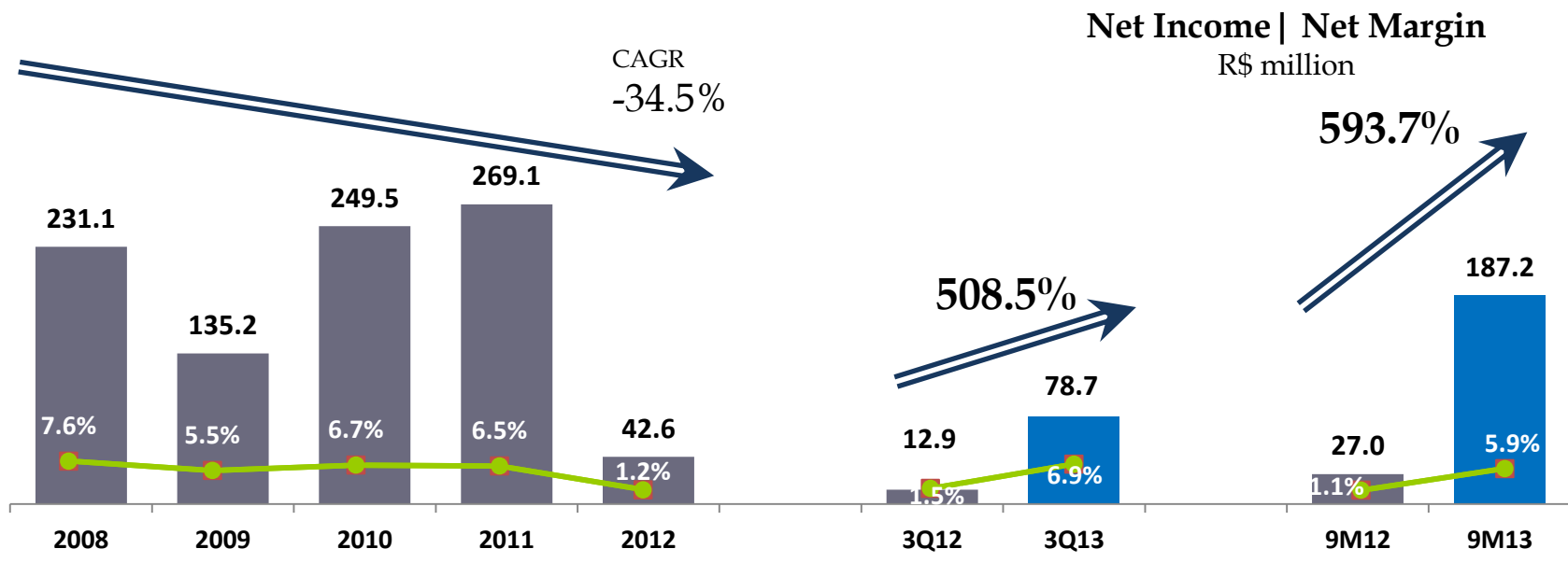
Financial Results



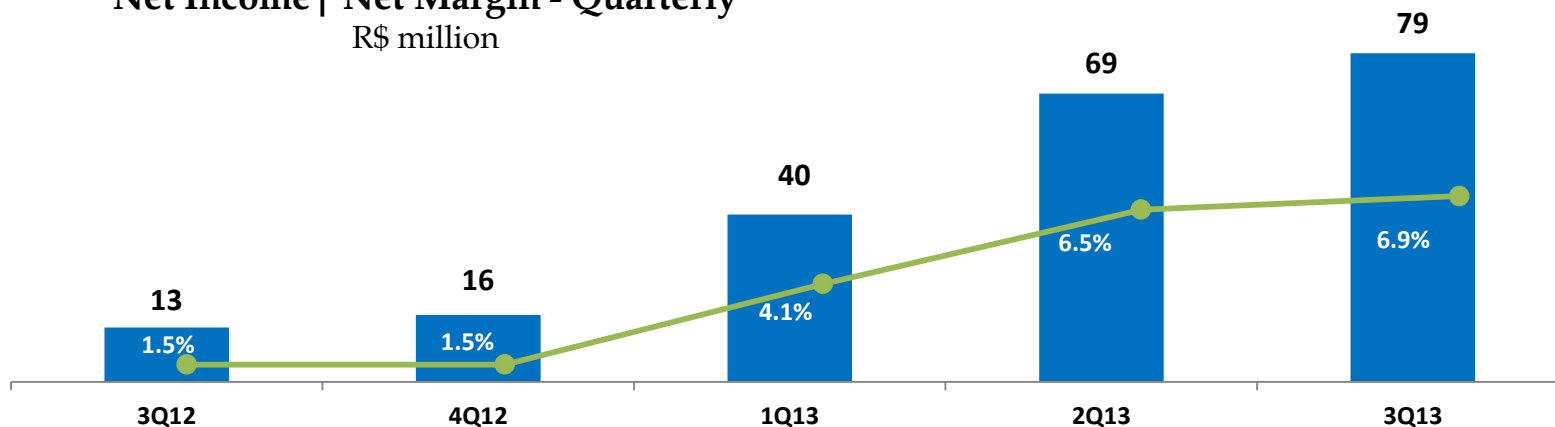
EBITDA | EBITDA Margin - Quarterly
R\$ million



Financial Results



Net Income | Net Margin - Quarterly
R\$ million



Financial Results

Consolidated Income Statement - Segment

R\$ million/%

	Vehicles and trailers/semi-trailers			Auto parts			Financial Services			Consolidated		
	3Q13	3Q12	Δ%	3Q13	3Q12	Δ%	3Q13	3T12	Δ%	3Q13	3Q12	Δ%
Gross revenue	734,536	550,527	33%	672,453	527,760	27%	27,796	22,670	23%	1,434,785	1,100,957	30%
Deductions from gross revenue	-143,202	-104,103	38%	-155,209	-117,333	32%	-2,444	-2,023	21%	-300,854	-223,459	35%
Net Revenue	591,334	446,424	32%	517,244	410,427	26%	25,352	20,647	23%	1,133,931	877,498	29%
Costs of goods sold and services rendered	-457,823	-375,566	22%	-369,898	-310,492	19%	-1,365	-	-	-829,087	-686,058	21%
Gross profit	133,511	70,858	88%	147,346	99,935	47%	23,987	20,647	16%	304,844	191,440	59%
Operating expenses	-69,090	-73,567	-6%	-70,653	-50,749	39%	-17,004	-15,999	6%	-156,747	-140,315	12%
Financial result	-10,551	-3,993	164%	-1,060	-4,186	-75%	876	-1,085	-181%	-10,735	-9,264	16%
Operating income	53,870	-6,702	-	75,633	45,000	68%	7,859	3,563	121%	137,362	41,861	228%
Net income for the year	37,074	-6,125	-	36,518	16,454	122%	5,061	2,596	95%	78,653	12,925	509%
EBIT	64,421	-2,709	-	76,693	49,186	56%	6,983	4,648	50%	148,097	51,125	190%
EBITDA	74,106	7,350	908%	95,038	65,273	46%	7,165	4,922	46%	176,309	77,545	127%
GROSS MARGIN (%)	22.6%	15.9%	6.7 p.p.	28.5%	24.3%	4.1 p.p.	94.6%	100.0%	-5.4 p.p.	26.9%	21.8%	5.1 p.p.
EBITDA MARGIN (%)	12.5%	1.6%	10.9 p.p.	18.4%	15.9%	2.5 p.p.	28.3%	23.8%	4.4 p.p.	15.5%	8.8%	6.7 p.p.
NET MARGIN (%)	6.3%	-1.4%	11.9 p.p.	7.1%	4.0%	3.1 p.p.	20.0%	12.6%	7.4 p.p.	6.9%	1.5%	5.5 p.p.

Financial Result

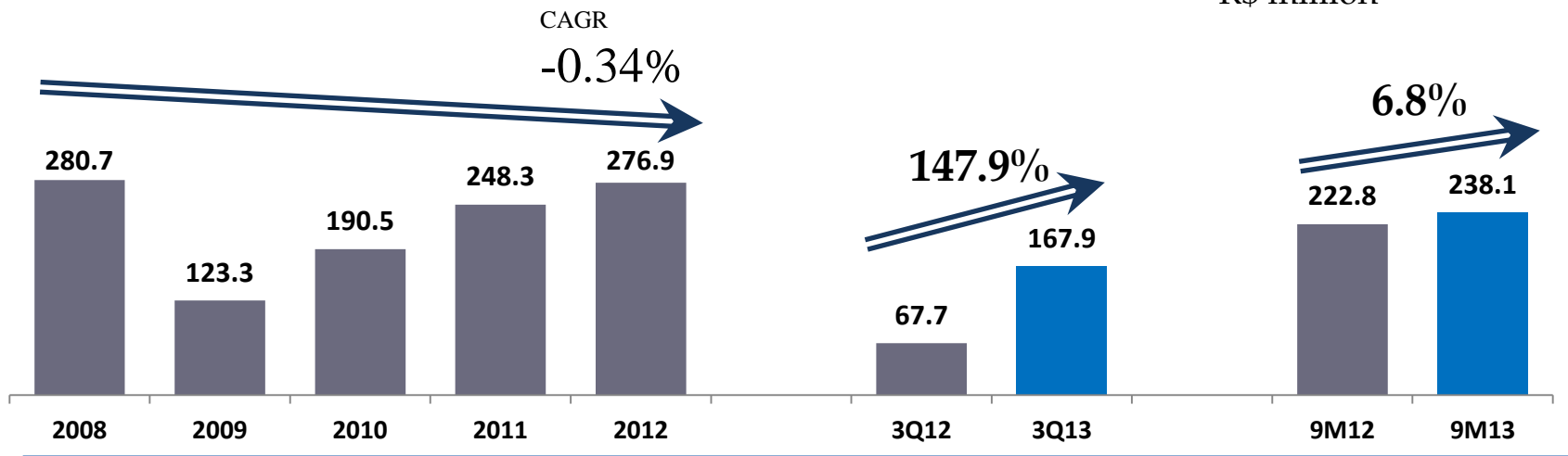
Consolidated Income Statement – by Segment/Quarterly

R\$ million/%

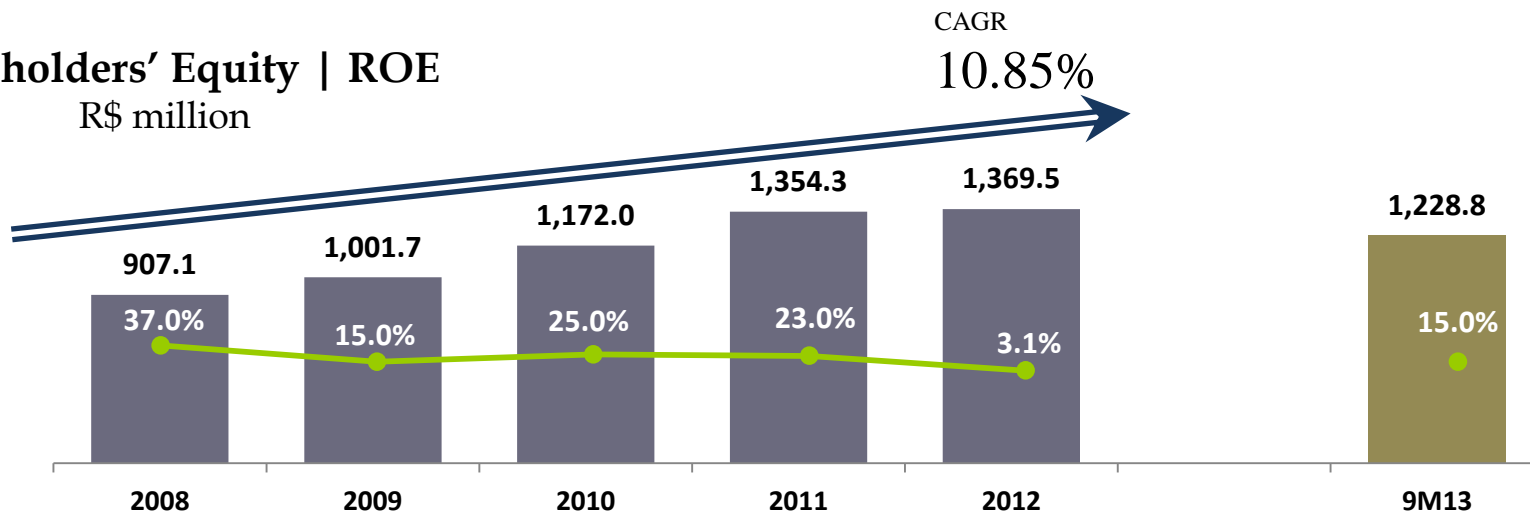
	3Q12	4Q12	2012	1Q13	2Q13	3Q13
Consolidated Net Revenue	877.5	1,005.7	3,501.9	974.9	1,059.9	1,133.9
% Vehicles and trailers/semi-trailers	50.9%	58.7%	52.8%	52.7%	49.8%	52.1%
% Auto parts	46.8%	39.2%	44.9%	45.1%	48.0%	45.6%
% Financial Services	2.3%	2.1%	2.3%	2.2%	2.3%	2.2%
Consolidated Gross Profit	191.4	197.6	732.2	224.9	265.3	304.8
% Gross Margin	21.8%	19.6%	20.9%	23.1%	25.1%	26.9%
EBITDA	77.5	71.8	280.2	119.5	151.0	176.3
% EBITDA Margin	8.8%	7.1%	8.0%	12.3%	14.3%	15.5%
Net Income	12.9	15.6	42.6	39.7	68.9	78.7
% Net Income	1.5%	1.5%	1.2%	4.1%	6.5%	6.9%

Financial Results

INVESTMENTS R\$ million



Shareholders' Equity | ROE R\$ million

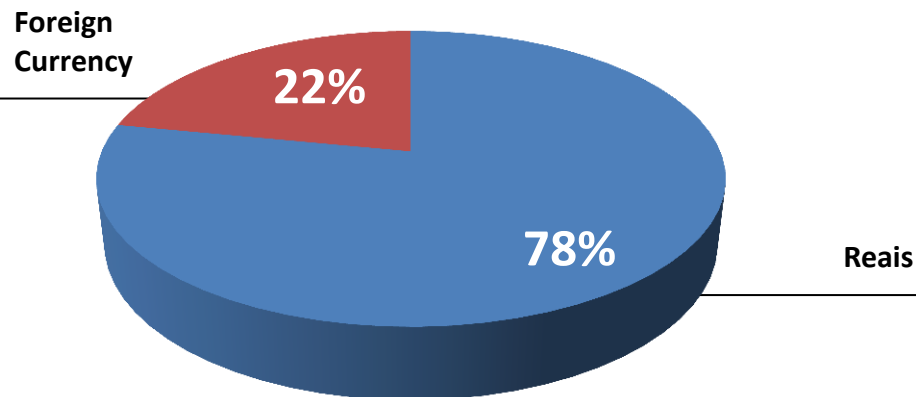


Financial Results

Gross Debt Breakdown 9M13

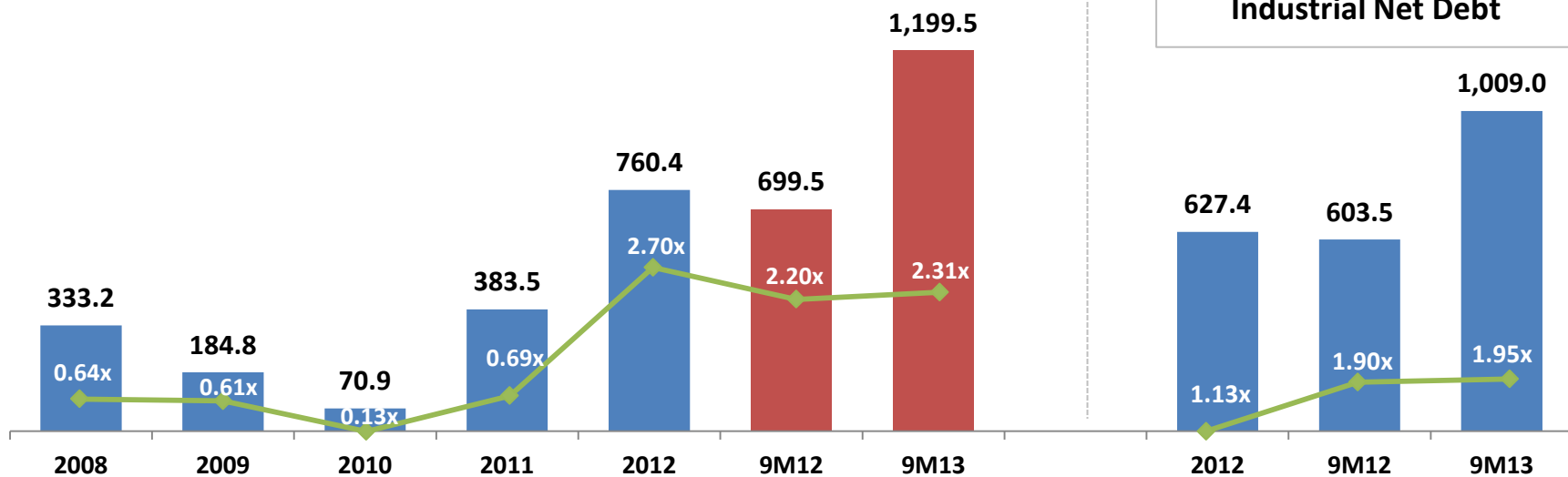
R\$ '000 | %

Total gross debt	R\$ 2,409,360
Gross debt in reais	R\$ 1,880,871
Gross debt in foreign currency	R\$ 528,489
USD rate (Sept. 30, 2013)	R\$ 2.2300

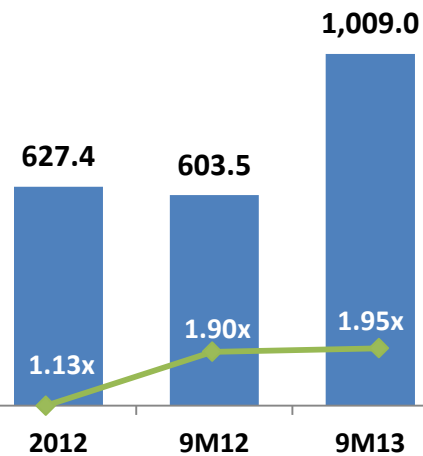


Debt | Net Debt/EBITDA

R\$ million



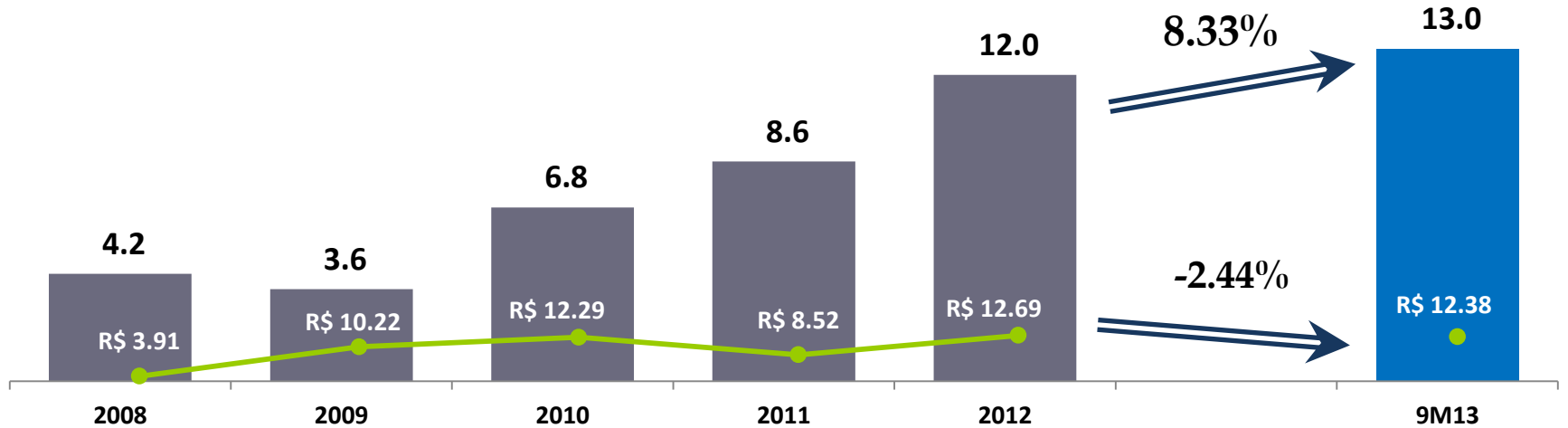
Industrial Net Debt



Capital Markets

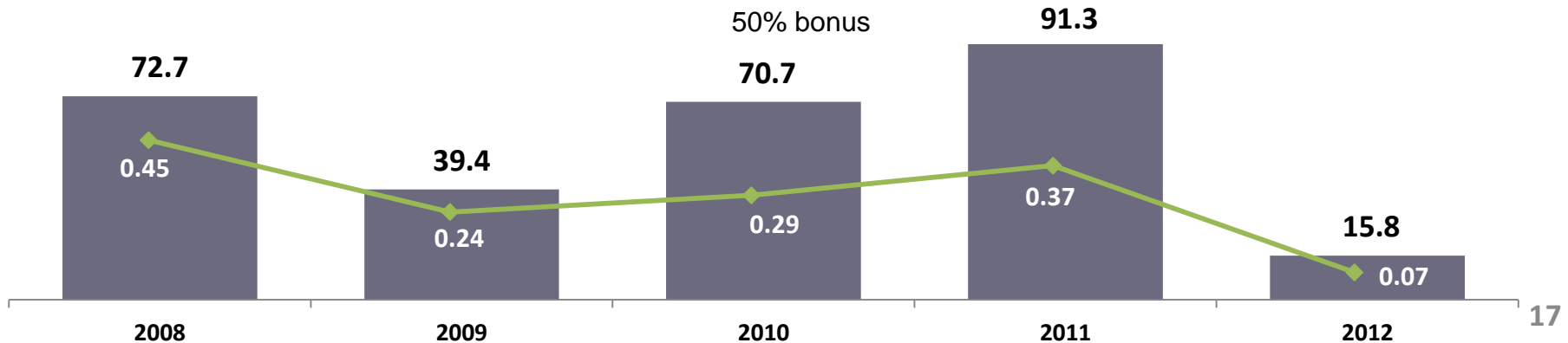
RAPT4 Price | Daily Liquidity

R\$ per share | R\$'000



Dividends and Interest on Equity

R\$ million | R\$ per share



Outlook

Guidance 2013

Total gross revenue

R\$6.0 bn

Consolidated net revenue

R\$4.1 bn

Investments

R\$130 mn

Exports

US\$300 mn

Revenue from abroad

US\$92 mn

Imports

US\$120 mn

Outlook

- **Brazilian economic growth projections: 2.5% in 2013; 2.2% in 2014.***
- **Harvest – grain production estimated at 195.5 million tonnes, up 4.6% over the previous harvest. ** Positive agricultural forecasts continue into the coming year;**
- **Financing: PSI extended through the end of 2014. Terms and costs to be announced by the BNDES;**
- **The current order book is at a positive level for towed vehicles and rail wagons;**
- **Truck production should slow at the close of 2013.**

Source:

* BACON / FOCUS Report (10/18/2013)

** 1st Harvest Projection 2013/2014 - Conab

Potential Questions

Understand the accounting for the Suspensys acquisition

- The acquisition of Suspensys quotas totaled R\$440.8 million, R\$11.3 million of which will be paid out over the next 5 years.
- ***Acquisition accounting:***
 - Cash outlay: **R\$440.8 million**
 - Investment: **R\$136.3 million**
 - Loss for Acquisition of Subsidiaries (Shareholders' Equity): **R\$296.0 million**
 - Other (IRRF, IOF, Foreign Exchange Variation ...): **R\$8.5 million**

Investor Relations

IR Contact

ri@randon.com.br

+55 54 3239.2505



Índice
Small Cap **SMLL**

Índice do
Setor
Industrial **INDX**

Índice
Brasil **IBRX**

Índice de
Ações com Tag Along
Diferenciado **ITAG**

Índice de
Ações com Governança
Corporativa Diferenciada **IGC**