



VEHICLES AND TRAILERS

AUTO PARTS

SERVICES



RESULTS
4Q13 / 2013



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
- ✓ Outlook
- ✓ Potential Questions

Period Highlights

- **Total Gross Revenue of R\$ 1.7 billion in 4Q13, up 9.7% over 4Q12;**
- **Consolidated Net Revenue of R\$ 1.1 billion in 4Q13, up 7,9% over 4Q12. Exports totaled US\$ 60.1 million in the quarter;**
- **Gross Margin of 22.5%, EBITDA Margin of 10.8% and EBITDA of R\$ 117.0 million in 4Q13 (63.0% higher than in 4Q12);**
- **Net income of R\$ 47.8 million in 4Q13, increasing 207.1% over 4Q12 (R\$ 15.6 million).**
- **Investments of R\$ 49.6 million in 4Q13, compared to R\$ 54.1 million invested in the same period of 2012;**
- **RAPT4 average daily trade volume of R\$ 12.6 million in 2013, against to R\$ 12.0 million in 2012.**

Market Overview

- **Warmed by new launches at FENATRAN and movements prior to pre-season crop, sales stagnated by the difficulties in the financing area;**
- **Agricultural crop reinforces importance in the growth of the economy and consequently in sales of trucks and trailer vehicles;**
- **Truck production ⁽¹⁾: 190,304 units in 2013, 43.1% more than in 2012.**
- **Production of heavy towed vehicles increased 29.6% over the same period of the previous year.**
- **Although non-recurring, some events have impacted in 4Q's revenue and result: collective holidays, difficulties in financing, various adjustments, increased in working capital, ...**

Source: (1) Anfavea Report - January 2014

Operating Results

Sales (units)

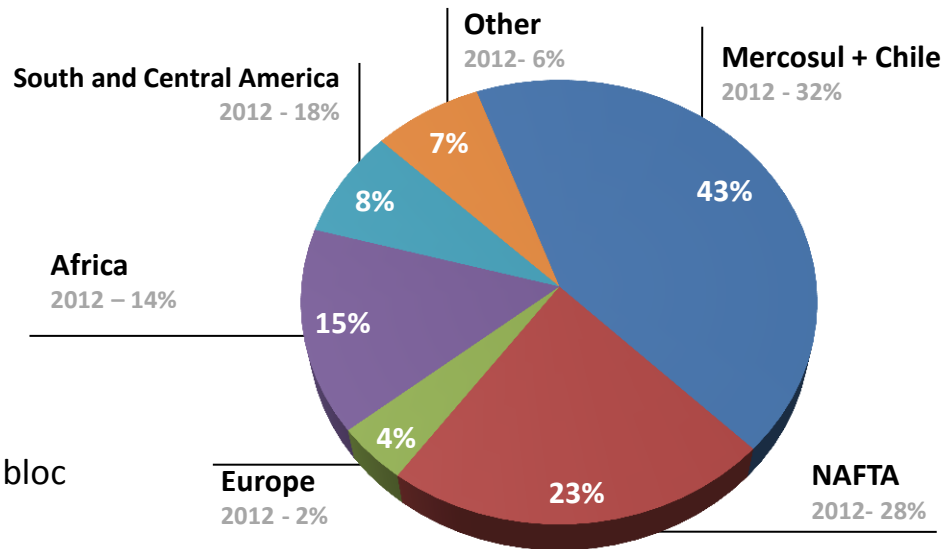
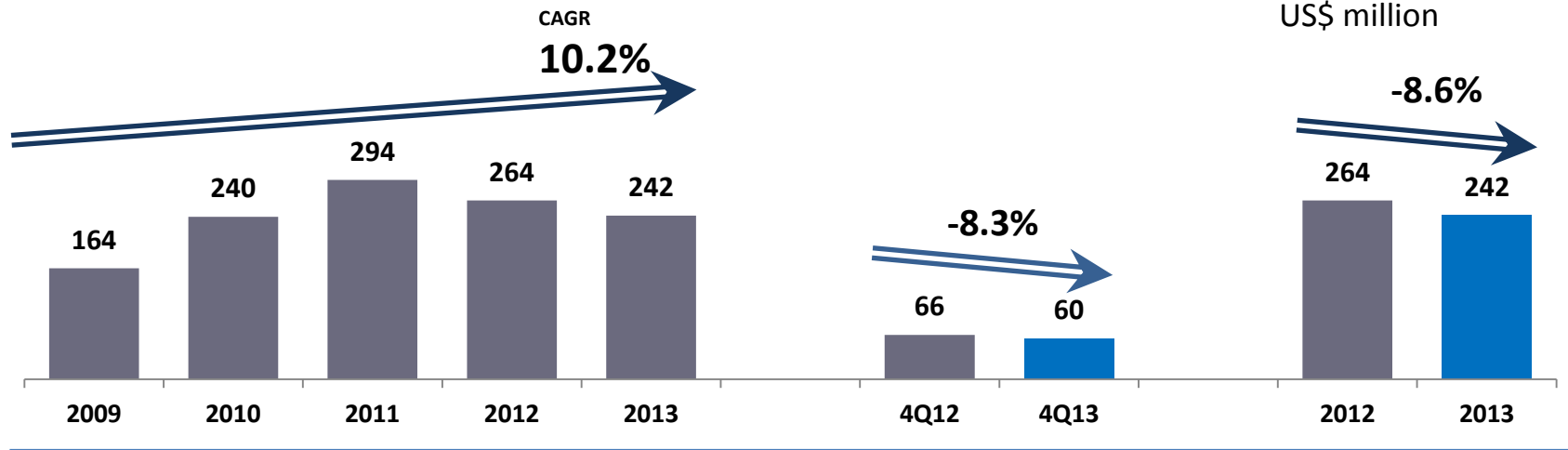
	4Q2013	4Q2012	Δ%	2013	2012	Δ%
Vehicles and trailers/semi-trailers						
<i>Towed vehicles (un.)</i>	6,638	6,100	8.8%	25,489	21,106	20.8%
<i>Specialty Vehicles (un.)</i>	284	192	47.9%	1,316	1,085	21.3%
<i>Rail wagons (un.)</i>	18	384	-95.3%	322	862	-62.6%
Auto parts						
<i>Friction materials (ton.)</i>	16,446	17,100	-3.8%	72,908	73,400	-0.7%
<i>Brakes (un.)</i>	198,048	192,233	3.0%	935,461	745,347	25.5%
<i>Coupling systems (un.)</i>	30,297	21,879	38.5%	117,524	81,816	43.6%
<i>Suspension and wheel systems (un.)</i>	65,372	83,748	-21.9%	351,395	319,973	9.8%
<i>Castings (ton.)</i>	5,745	5,044	13.9%	26,900	21,629	24.4%
Financial Services						
<i>Coop-payment plans sold</i>	4,016	3,135	28.1%	11,800	11,036	6.9%

Operating Results

Consolidated Net Revenue by Segment

	4Q2013	4Q2012	Δ%	2013	2012	Δ%
Vehicles and trailers/semi-trailers	55.77%	58.67%	-2.89 p.p.	52.80%	52.81%	-0.01 p.p.
<i>Towed vehicles (un.)</i>	91.41%	69.52%	21.90 p.p.	86.93%	76.42%	10.51 p.p.
<i>Specialty Vehicles (un.)</i>	7.55%	18.92%	-11.38 p.p.	9.70%	14.35%	-4.65 p.p.
<i>Rail wagons (un.)</i>	1.04%	11.56%	-10.52 p.p.	3.38%	9.24%	-5.86 p.p.
Auto parts	42.29%	39.18%	3.11 p.p.	45.41%	44.90%	0.51 p.p.
<i>Friction materials (ton.)</i>	37.50%	40.90%	-3.40 p.p.	35.12%	40.29%	-5.17 p.p.
<i>Brakes (un.)</i>	17.23%	20.80%	-3.56 p.p.	19.51%	19.49%	0.02 p.p.
<i>Coupling systems (un.)</i>	8.68%	7.25%	1.44 p.p.	8.62%	7.44%	1.18 p.p.
<i>Suspension and wheel systems (un.)</i>	36.44%	31.09%	5.35 p.p.	36.67%	32.77%	3.89 p.p.
<i>Castings (ton.)</i>	0.14%	-0.03%	0.18 p.p.	0.08%	0.00%	0.08 p.p.
Financial Services	1.94%	2.15%	-0.22 p.p.	1.79%	2.28%	-0.49 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



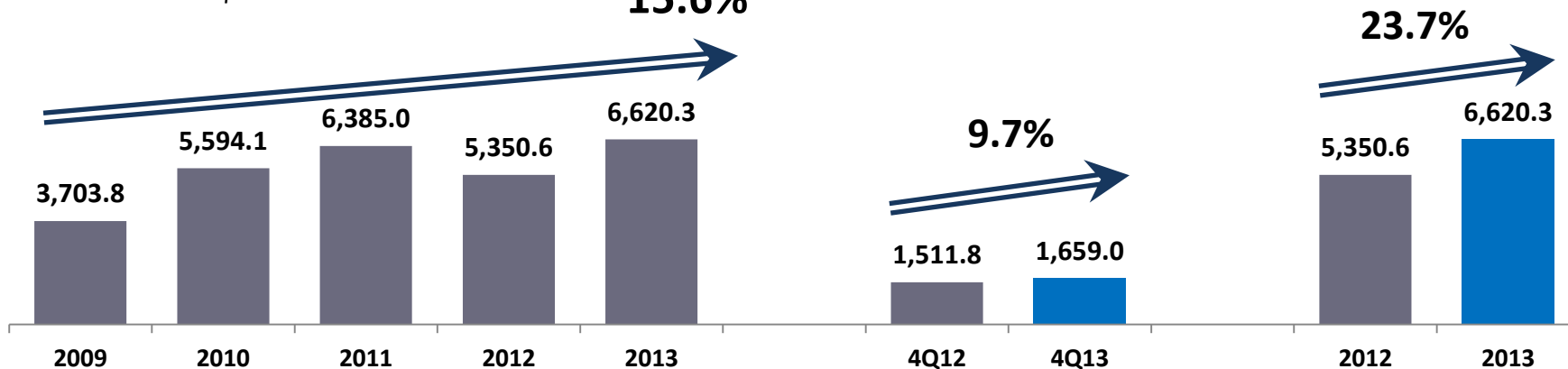
Exports
Destination by economic bloc
2013 | US\$ Million

Financial Results

Total Gross Revenue

Including intercompany sales
R\$ million

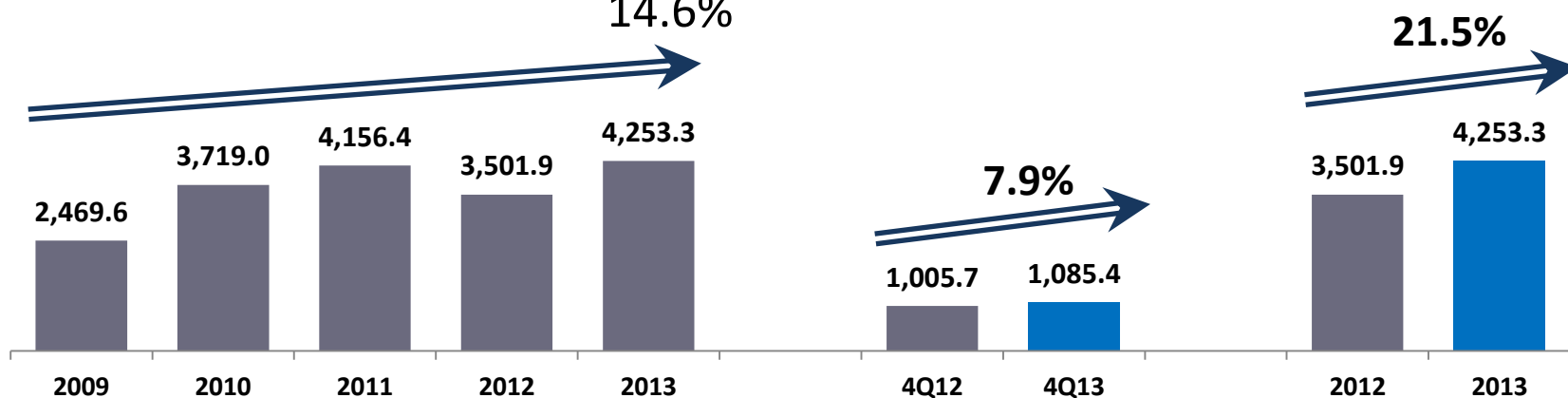
CAGR
15.6%



Consolidated Net Revenue

R\$ million

CAGR
14.6%

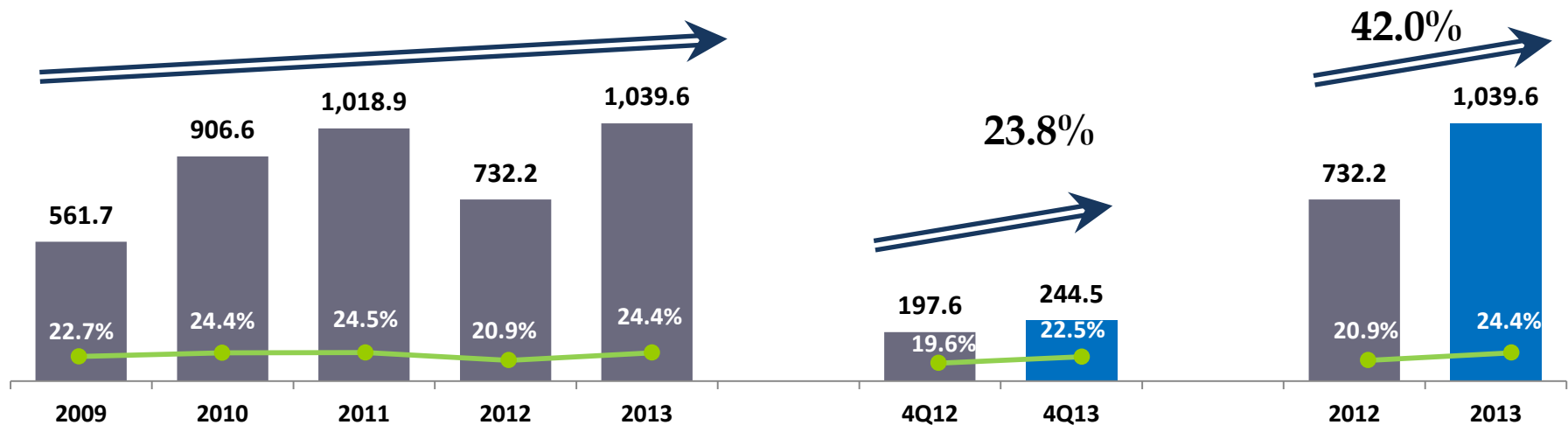


Financial Results

Gross Profit | Gross Margin

R\$ million

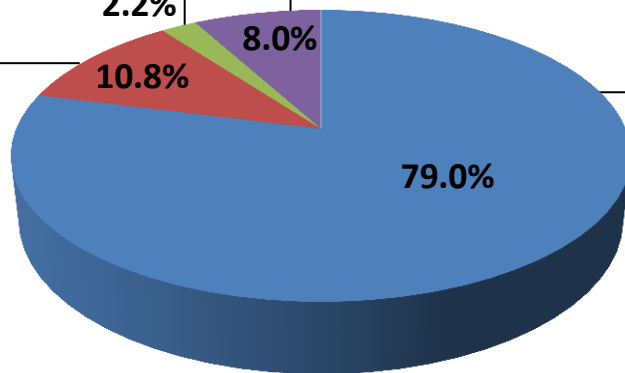
CAGR
16.6%



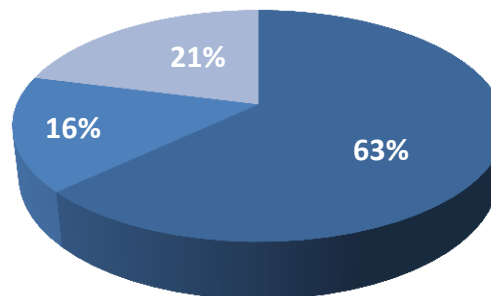
Depreciation
2.2%

Other
8.0%

Labor
10.8%



Raw Materials



Consolidated Breakdown of COGS

R\$ million

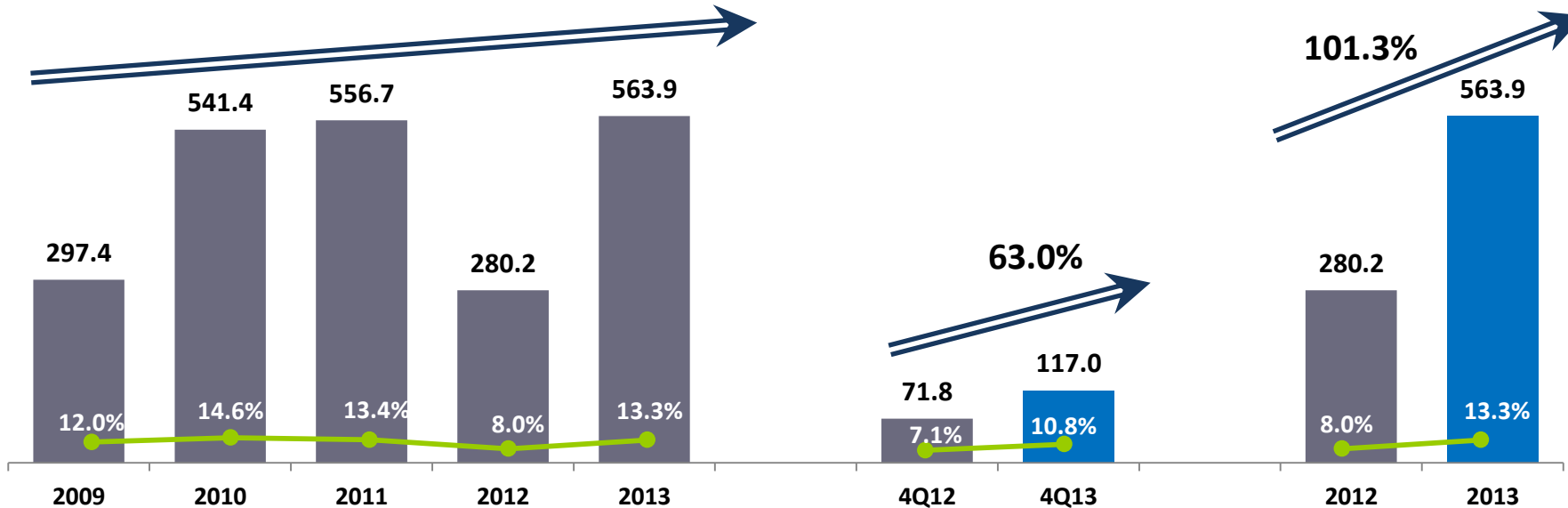
- Metallics
- Chemical
- Other

- Pneumatic
- Electrical
- Valves

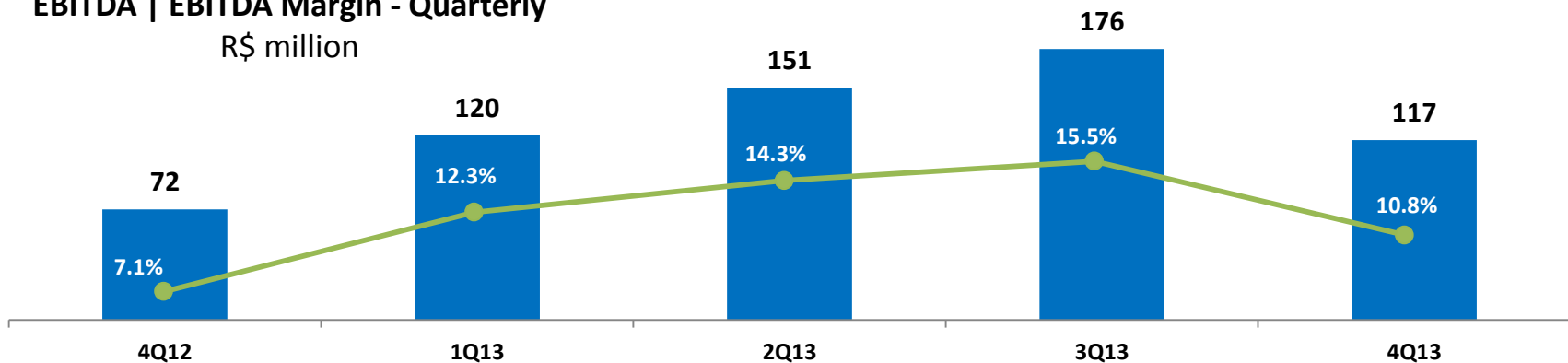
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Financial Results

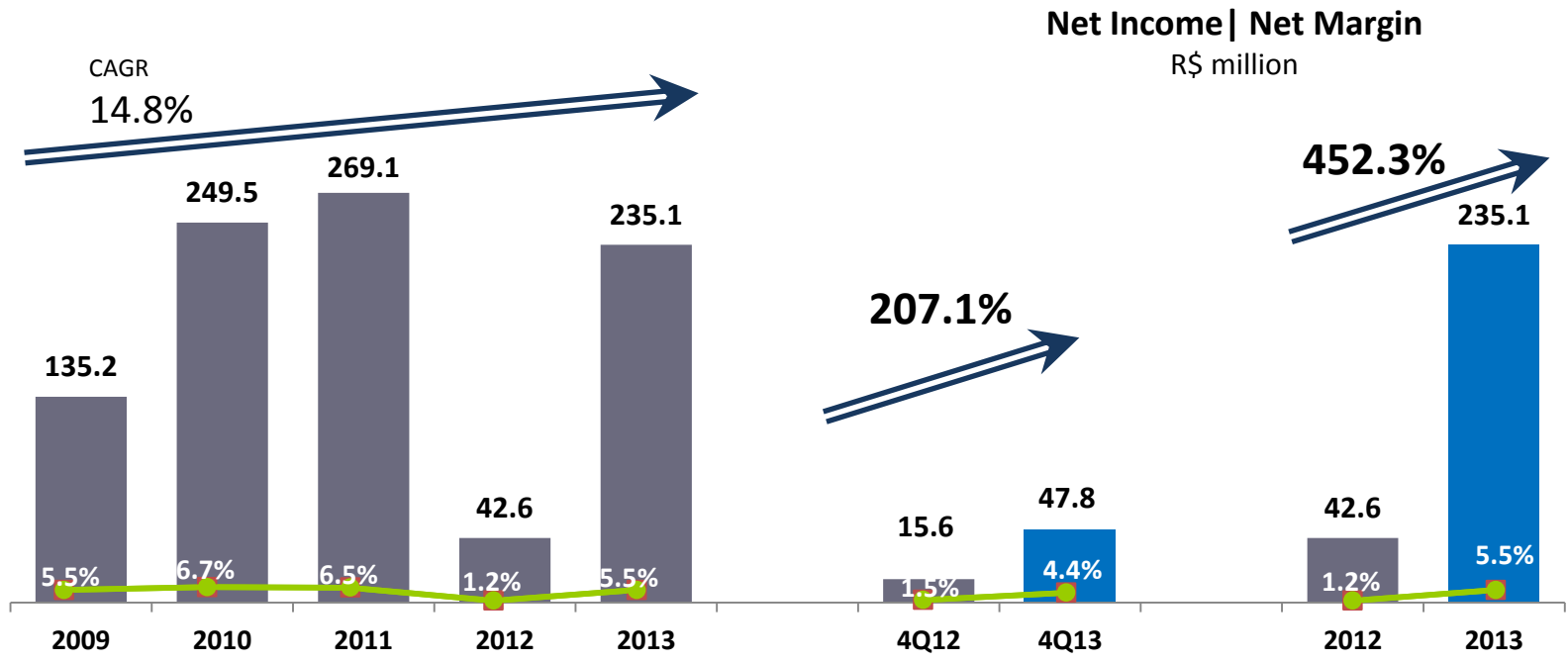
CAGR
17.7%



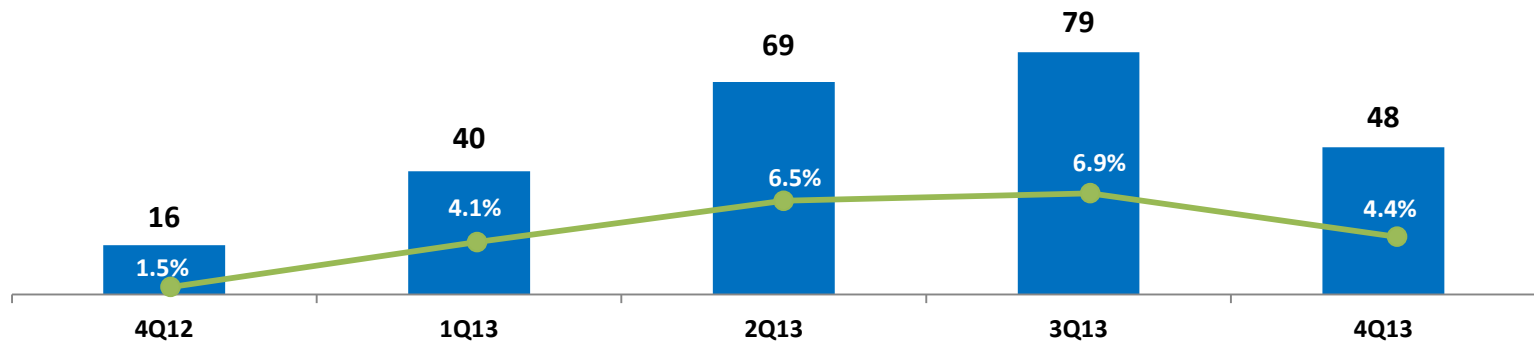
EBITDA | EBITDA Margin - Quarterly
R\$ million



Financial Results



Net Income | Net Margin - Quarterly
R\$ million



Financial Results

Consolidated Income Statement - Segment

R\$ million/%

	Vehicles and Trailers/Semi-Trailers			Autoparts			Financial Services			Consolidated		
	4Q2013	4Q2012	Δ%	4Q2013	4Q2012	Δ%	4Q2013	4Q2012	Δ%	4Q2013	4Q2012	Δ%
Gross Revenue	752,227	713,892	5.4%	589,781	475,322	24.1%	30,154	23,780	26.8%	1,372,161	1,212,994	13.1%
Deduction in Gross Revenue	-150,528	-123,877	21.5%	-133,600	-81,288	64.4%	-2,636	-2,112	24.8%	-286,763	-207,277	38.3%
Net Revenue	601,699	590,015	2.0%	456,181	394,034	15.8%	27,518	21,668	27.0%	1,085,398	1,005,717	7.9%
Cost of Sales and Services	-475,404	-503,402	-5.6%	-363,910	-298,707	21.8%	-1,570	-6,028	-74.0%	-840,883	-808,137	4.1%
Gross Profit	126,296	86,613	45.8%	92,271	95,327	-3.2%	25,948	15,640	65.9%	244,515	197,580	23.8%
Operating Expenses	-63,886	-77,340	-17.4%	-72,566	-61,089	18.8%	-21,512	-17,505	22.9%	-157,964	-155,934	1.3%
Financial Income	-15,550	-4,257	265.3%	-848	-3,643	-76.7%	1,171	5,389	-78.3%	-15,227	-2,511	506.4%
Operating Income	46,860	5,016	834.2%	18,857	30,595	-38.4%	5,607	3,524	59.1%	71,324	39,135	82.3%
Net Profit for the Period	39,014	1,485	2,527.2%	5,145	11,779	-56.3%	3,658	2,304	58.8%	47,817	15,568	207.1%
EBIT	62,410	9,273	573.0%	19,705	34,238	-42.4%	4,436	-1,865	-337.9%	86,551	41,646	107.8%
EBITDA	72,238	19,220	275.8%	40,220	54,175	-25.8%	4,570	-1,593	-386.9%	117,028	71,802	63.0%
GROSS MARGIN (%)	21.0%	14.7%	6.3 p.p.	20.2%	24.2%	-4.0 p.p.	94.3%	72.2%	22.1 p.p.	22.5%	19.6%	2.9 p.p.
EBITDA MARGIN (%)	12.0%	3.3%	8.7 p.p.	8.8%	13.7%	-4.9 p.p.	16.6%	-7.4%	24.0 p.p.	10.8%	7.1%	3.6 p.p.
NET MARGIN (%)	6.5%	0.3%	6.2 p.p.	1.1%	3.0%	-1.9 p.p.	13.3%	10.6%	2.7 p.p.	4.4%	1.5%	2.9 p.p.

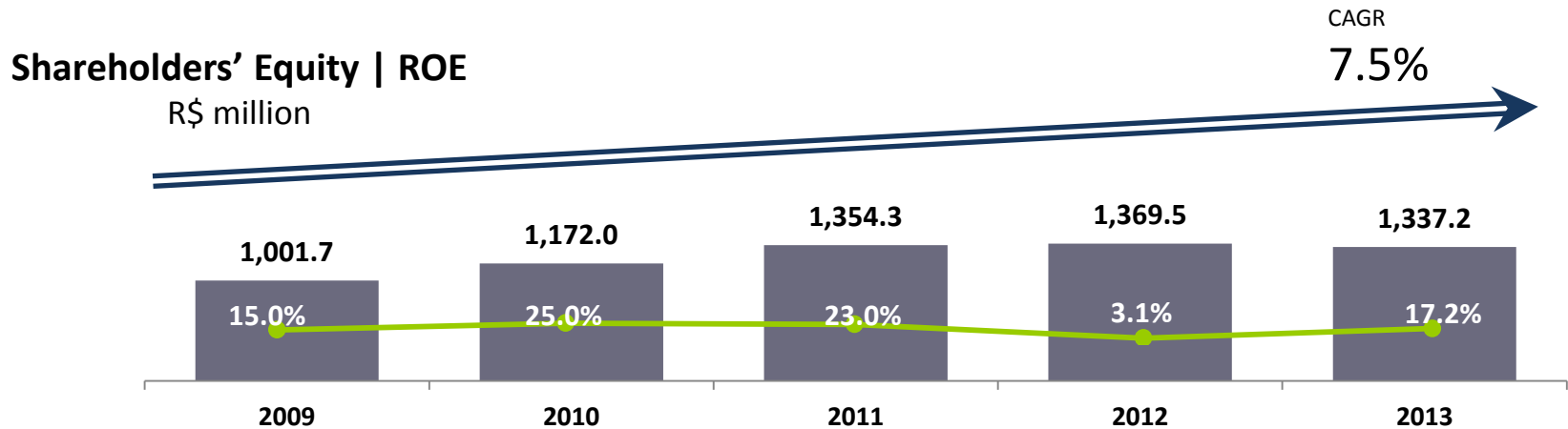
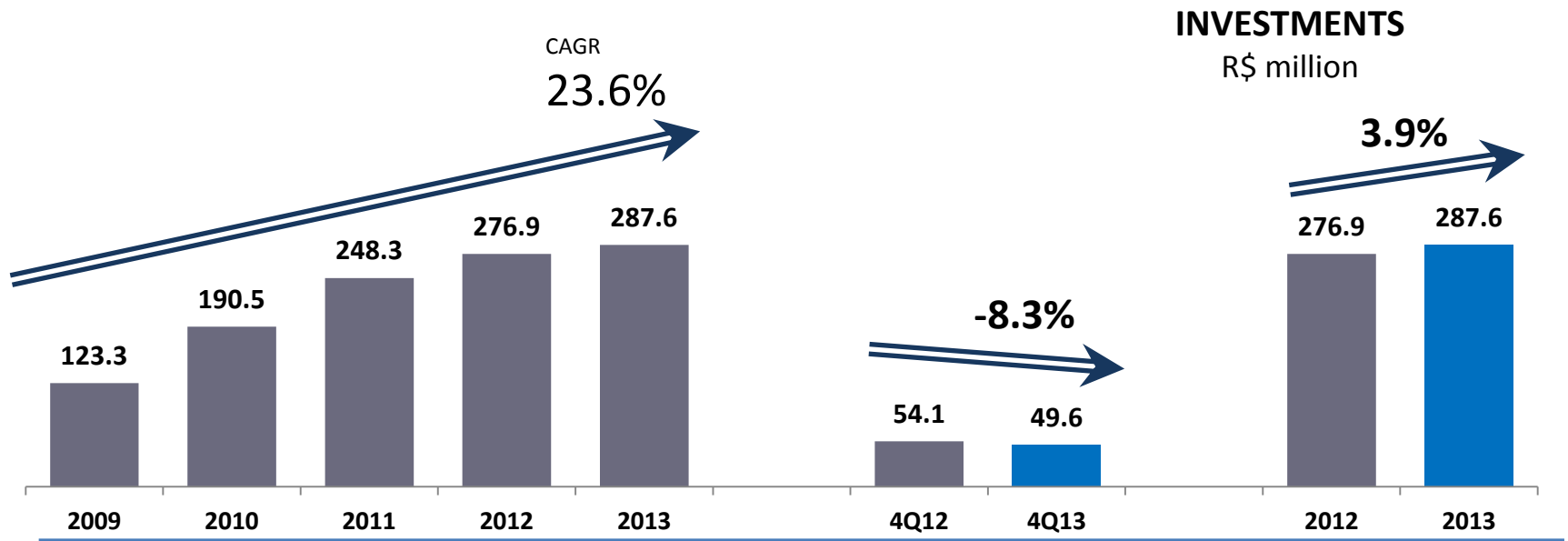
Financial Result

Consolidated Income Statement – by Segment/Quarterly

R\$ million/%

	1Q2013	2Q2013	3Q2013	4Q2013	2013
Consolidated Net Revenue	974.9	1,059.9	1,133.9	1,085.4	4,253.3
% Vehicles and trailers/semi-trailers	52.7%	49.8%	52.1%	55.8%	52.8%
% Auto parts	45.1%	48.0%	45.6%	42.3%	45.4%
% Financial Services	2.2%	2.3%	2.2%	1.9%	1.8%
Consolidated Gross Profit	224.9	265.3	304.8	244.5	1,039.6
% Gross Margin	23.1%	25.1%	26.9%	22.5%	24.4%
EBITDA	119.5	151.0	176.3	123.8	563.9
% EBITDA Margin	12.3%	14.3%	15.5%	11.4%	13.3%
Net Income	39.7	68.9	78.7	51.3	235.1
% Net Income	4.1%	6.5%	6.9%	4.7%	5.5%

Financial Results



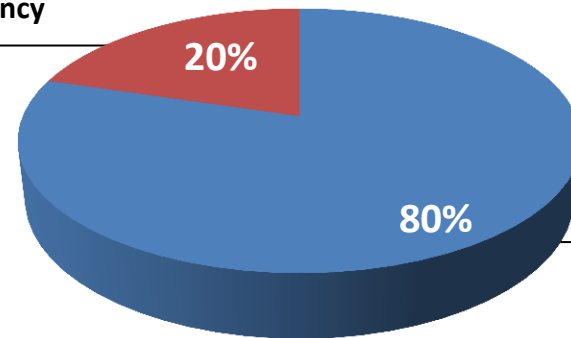
Financial Results

Gross Debt Breakdown 2013

R\$ '000 | %

Total gross debt	R\$ 2,607,048
Gross debt in BR currency	R\$ 2,077,902
Gross debt in foreign currency	R\$ 529,145
USD rate (Dec. 31, 2013)	R\$ 2.3426

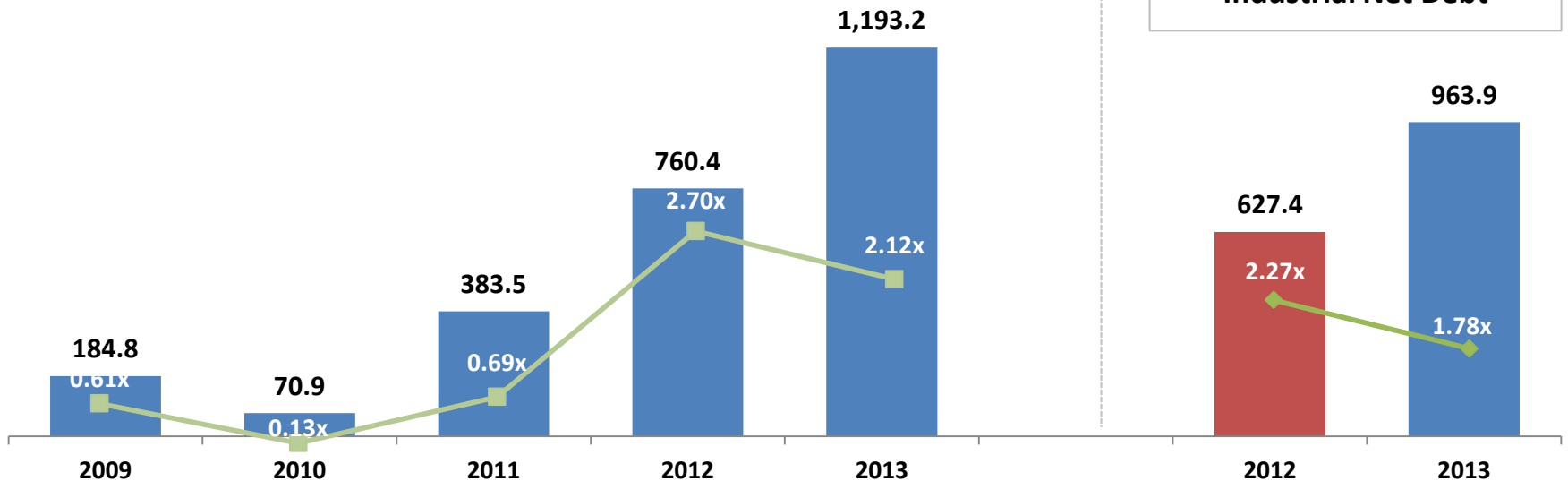
Foreign
Currency



Reais

Debt | Net Debt / EBITDA

R\$ million

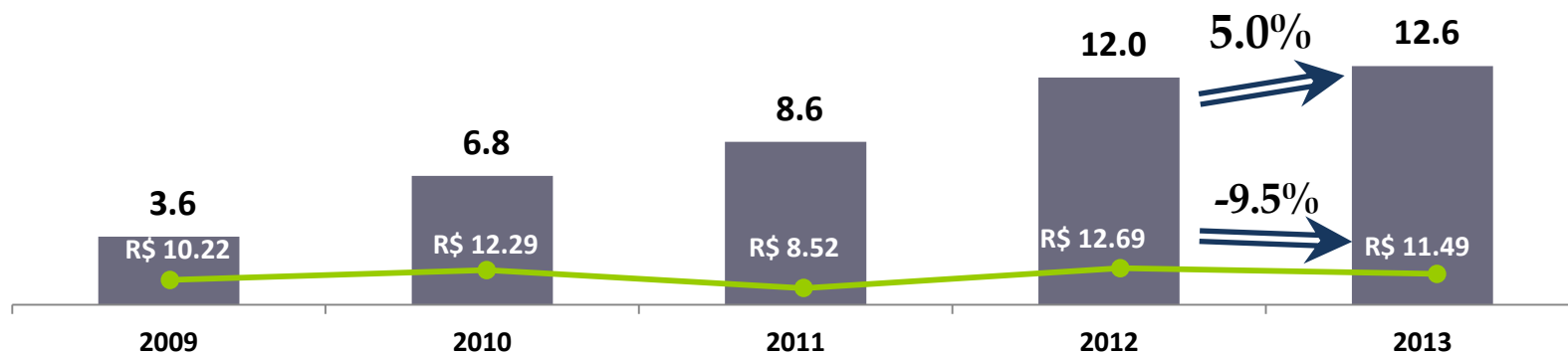


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Capital Markets

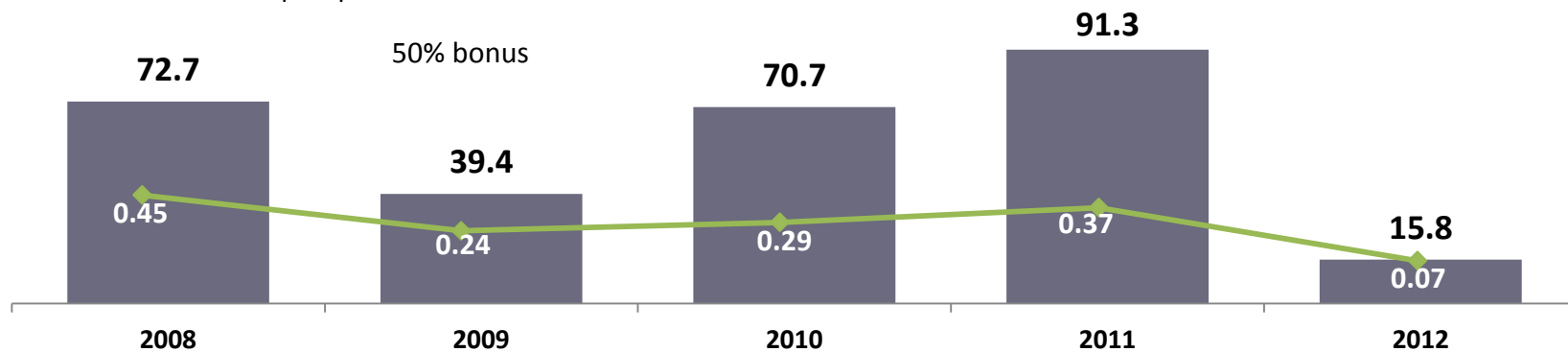
RAPT4 Price | Daily Liquidity

R\$ per share | R\$'000



Dividends and Interest on Equity

R\$ million | R\$ per share



New Report Structure

Due to the corporate restructuring involving the merger of **Suspensys Sistemas Automotivos Ltda.** by **Randon S/A Implementos e Participações**, from this quarter on, the controlling Company will publish the financial statements of the Company and the Consolidated one, and not by company subsidiary as it was before.

Randon Investimentos Ltda, which controls Bank Randon S/A, will be maintained separately from the financial statements reports, as it is considered to be at a different kind of business segment comparing to the others companies of the group .

Outlook

Guidance 2014

Total gross revenue	R\$ 6.3 bn
Consolidated net revenue	R\$ 4.4 bn
Investments	R\$ 150 mn
Exports	US\$ 260 mn
Revenue from abroad	US\$ 90 mn
Imports	US\$ 110 mn

Outlook

- **Brazilian economic growth projections: 1.91% in 2014 and 2.2% in 2015.***
- **Agricultural harvest - domestic production estimated at 196.7 million tons of grains, 5.2% higher than the previous cycle.**
*** Optimism remains in the field for next year;*
- **Funding: PSI extended until the end of 2014. Delay in disclosure rules impacting sales earlier this year.**
- **Special attention with inventories and sales movements in the next months.**
- **Customer confidence remains good: new orders of trailers vehicles support the order backlog.**

Source: * BACON / FOCUS Report (01/31/2014)
** 4th Harvest Projection 2013/2014 - Conab

Potential Questions

Impacts due to a possible electricity rationing

- Company possess energy supply contracts until 2016
- The cost of energy is not relevant in the structure cost: less than 1%;
- The biggest impact is related to the supply base, scaled to be more complex.

Investor Relations

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Small Cap **SMLL**

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