



RESULTS
3Q15 / 9M15

RANDON[®]

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", "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 will determine these results and figures are beyond our ability to control or predict.

Agenda

- Period Highlights
- Market Overview
- Capital Markets
- Financial Results
- Outlook
- Possible Questions

Highlights – 3Q15

	3Q2015	3Q2014	Δ%	9M2015	9M2014	Δ%
PRODUCTION	31,004	58,965	-47.4%	102,617	184,610	-44.4%
Trucks (*)	17,498	36,071	-51.5%	59,128	112,064	-47.2%
Buses (*)	4,742	8,589	-44.8%	18,607	27,793	-33.1%
Trailers/ Semi-Trailers (***)	8,764	14,305	-38.7%	24,882	44,753	-44.4%
SALES (DOMESTIC MARKET)	29,764	54,396	-45.3%	90,726	160,994	-43.6%
Trucks (*)	17,846	34,405	-48.1%	54,476	99,047	-45.0%
Buses (*)	4,056	6,588	-38.4%	13,714	19,985	-31.4%
Trailers/ Semi-Trailers (**)	7,862	13,403	-41.3%	22,536	41,962	-46.3%

* Dada from Anfavea Newsletter.

** Dada from ANFIR Statistics.

*** Dada from ANFIR+Aliceweb

Highlights – 3Q15

	3Q2015	3Q2014	Δ%	9M2015	9M2014	Δ%
Total Gross Revenue (*)	1,134,790	1,256,629	-9.7%	3,145,326	4,149,243	-24.2%
Domestic market	985,221	1,142,325	-13.8%	2,762,415	3,799,511	-27.3%
Foreign market	149,569	114,304	30.9%	382,911	349,732	9.5%
Foreign market in US\$	43,740	49,966	-12.5%	121,396	151,573	-19.9%
Consolidated Net Revenue	852,980	886,977	-3.8%	2,284,529	2,867,285	-20.3%
Consolidated Gross Profit	173,563	204,600	-15.2%	481,840	727,448	-33.8%
Gross Margin (%)	20.3%	23.1%	-2.7 p.p.	21.1%	25.4%	-4.3 p.p.
Consolidated Net Income	-4,461	32,747	-113.6%	-3,629	162,398	-102.2%
Net Margin (%)	-0.5%	3.7%	-4.2 p.p.	-0.2%	5.7%	-5.8 p.p.
Consolidated EBITDA	42,455	95,954	-55.8%	140,449	387,053	-63.7%
EBITDA Margin (%)	5.0%	10.8%	-5.8 p.p.	6.1%	13.5%	-7.4 p.p.
Adjusted EBITDA	79,622	95,954	-17.0%	214,005	387,053	-44.7%
Adjusted EBITDA Margin (%)	9.1%	10.8%	-1.7 p.p.	9.3%	13.5%	-4.2 p.p.

(*) Without elimination of inter-company sales.

Values in thousands of Reais

Highlights – 3Q15 / 9M15

NON-RECURRING EFFECTS

3Q15

Restructuring and structure adjustments-related Expenses and Hedge Accounting

R\$ 37.2 million

Adjustment of Non-Recurring Impacts to 3Q15 EBITDA

R\$ 79.6 million (9.1% of Net Revenue)

9M15

Restructuring, structure adjustments-related Expenses and hedge accounting

R\$ 73.6 million

Adjustment of Non-Recurring Impacts to 9M15 EBITDA.

R\$ 214.0 million (9.3% of Net Revenue)

Adjusted Statements of Income

	3Q2015	AV%	3Q2015 AJ	AV%	9M2015	AV%	9M2015 AJ	AV%
(+) Hedge Accounting	-	0.0%	17,810	2.0%	-	0.0%	28,641	1.2%
Consolidated Net Revenue	852,980	100.0%	870,789	100.0%	2,284,529	100.0%	2,313,170	100.0%
(+) COGS Restructuring	-	0.0%	17,482	2.0%	-	0.0%	32,351	1.4%
Cost of Sales and Services	-679,417	-79.7%	-661,935	-76.0%	-1,802,689	-78.9%	-1,770,338	-76.5%
Gross Profit	173,563	20.3%	208,854	24.0%	481,840	21.1%	542,832	23.5%
(+) SG&A Restructuring	-	0.0%	3,404	0.4%	-	0.0%	6,818	0.3%
(+) Provision	-	0.0%	-1,528	-0.2%	-	0.0%	5,746	0.2%
Operating Expenses	-162,764	-19.1%	-160,888	-18.5%	-434,947	-19.0%	-422,382	-18.3%
EBIT	10,799	1.3%	47,966	5.5%	46,893	2.1%	120,450	5.2%
EBITDA	42,455	5.0%	79,622	9.1%	140,449	6.1%	214,005	9.3%

Overview– 3Q15

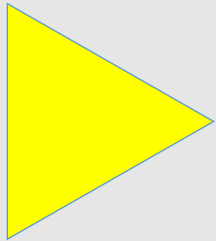
BUSINESS ENVIRONMENT

- Focus on priorities related to value creation, reduction of the need for working capital, optimization of results and search for new revenue fronts such as export and the Aftermarket;
- Market share gains and reduction of towed vehicle stocks;
- Need for Working Capital (NWC) – Production mix and financing add need for resources. Stocks of finished products have reduced;
- Large volume of non-recurring expenses.

Overview– 3Q15

BUSINESS SEGMENTS – TRAILERS/SEMI-TRAILERS

TRAILERS/SEMI-TRAILERS



- **MARKETSHARE = 25.5% DURING 9M15 – 27% IN 3Q15;**
- **PRICES CONTINUE TO BE AFFECTED BY LOW DEMAND;**
- **VOLUMES HAVE BEEN STEADY SINCE THE END OF 2Q15;**
- **PROSPECTS OF MARKET RESUMPTION IN THE SHORT/MEDIUM TERM.**

Overview – 3Q15

BUSINESS SEGMENTS – VEHICLES AND ROAD EQUIPMENT

RAILWAY WAGONS



- **IMPORTANT SHARE IN THE COMPANY'S RESULT DURING THE PERIOD;**
- **CONSIDERABLE INCREASE IN PRODUCTION VOLUME FOR 2H15;**
- **PURCHASE ORDERS UNTIL 2Q16;**

SPECIALTY VEHICLES



- **LOW SALES VOLUME;**
- **PROBLEMS RELATED TO THE OPERATION "CAR WASH" ARE IMPACTING SALES IN THIS SEGMENT, WHICH ARE ALREADY SUFFERING FROM ECONOMIC PERFORMANCE.**

Overview – 3Q15

BUSINESS SEGMENTS – AUTOPARTS

AUTOPARTS

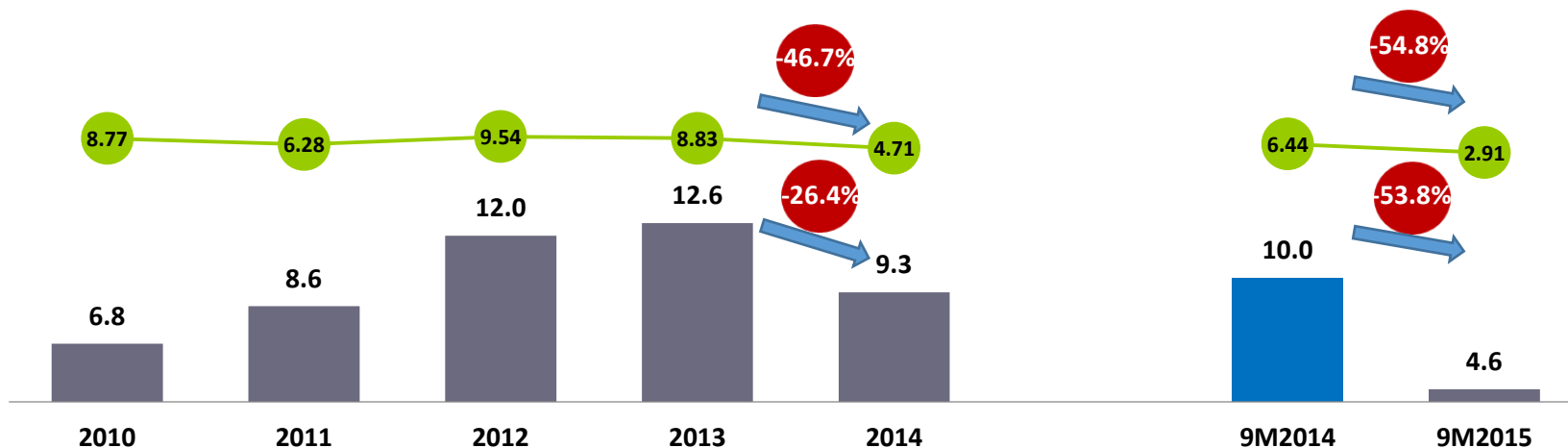


- **PLANNED SHUTDOWN OF PRODUCTION FOR 3Q15, BY OEM COMPANIES, ARE AFFECTING PRODUCTION OF AUTO PARTS; RESULTS**
- **EXPORTS AND THE AFTERMARKET IMPROVE RESULTS OF THE CONTROLLED COMPANY FRAS-LE;**
- **OEMs FOCUSED ON REDUCING STOCKS - LOW PRODUCTION;**
- **FOCUS ON EXPORTS AND ON INCREASED ACTIONS IN THE AFTERMARKET.**

Capital Markets

RAPT4 Price/Daily Liquidity

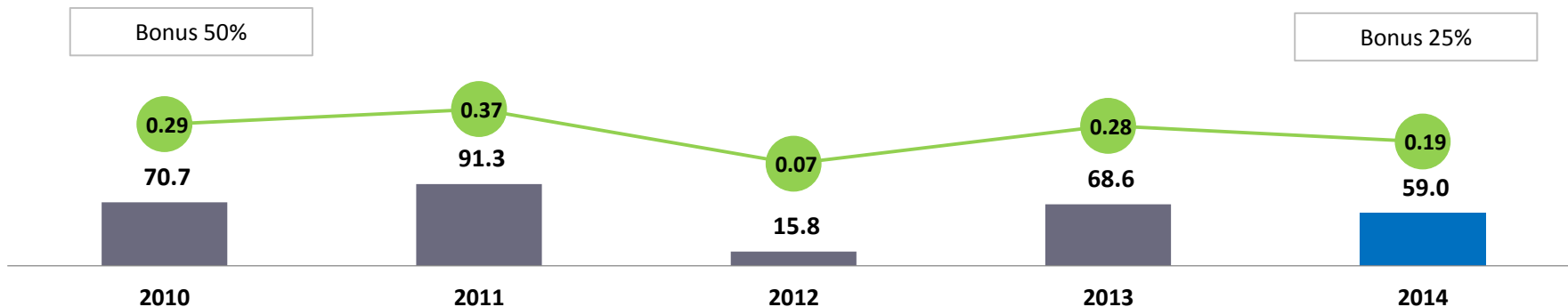
R\$ per share | R\$'000



Note: When comparing results with prior years, we have already taken into account the updated quotation with regard to the effect of bonus and payment of dividends.

Dividends and Interest on Equity

R\$ million | R\$ per share

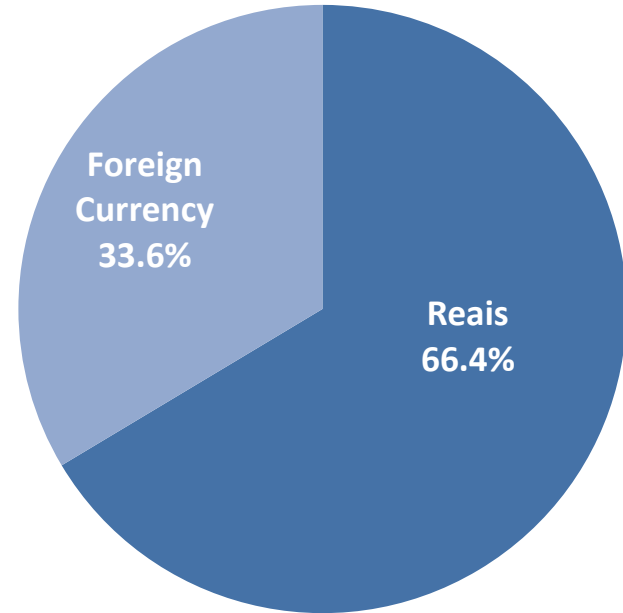


Financial Results

Gross Debt Breakdown 9M15

R\$ '000 | %

Total gross debt	R\$ 3,437,698,980
Gross debt in BR currency	R\$ 2,282,800,290
Gross debt in foreign currency	R\$ 1,154,898,690
USD rate (Sept. 30,2015)	R\$ 3.9729



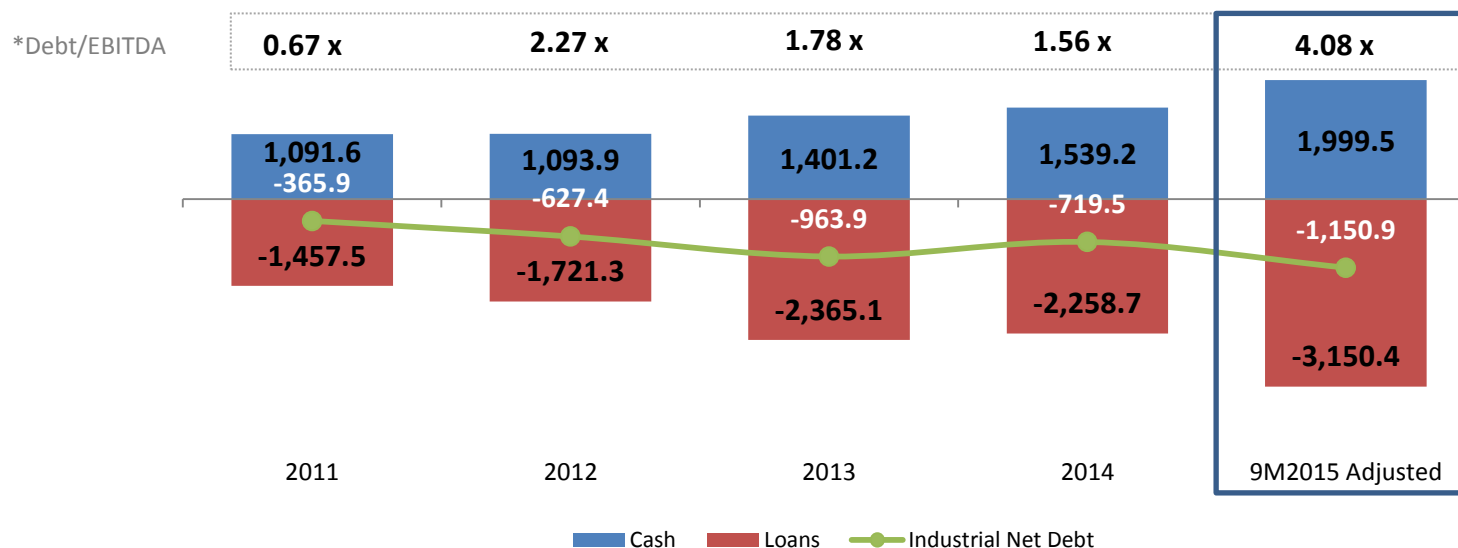
Financial Results

Industrial Consolidated Net Debt

R\$ Million - 9M2015

Industrial Consolidated Net Debt

(R\$ Million)



The graph above shows the debt of the industrial units of the Company. Cash and debt indicators relating to service provision (Randon Consórcios and Randon Bank) are not included. The comparative EBITDA used to calculate indebtedness debt has been adjusted to the non-recurring effects of the period. Consolidated net debt in 9M2015 amounts to R\$ 1.4 billion, a multiple of 5.93 times the EBITDA of the last 12 months (4.56 times if considering the adjusted EBITDA to the non-recurring effects of the period). Industrial net debt in 9M2015 amounts to R\$ 1.2 billion, a multiple of 5.52 times the EBITDA of the last 12 months (4.08 times if considering the EBITDA adjusted to the non-recurring effects of the period).

Guidance

	Guidance 2015 (released on 03/30)	Guidance Review 2015 (released on 08/12)
Total Gross Revenue	R\$ 4.4 bn	R\$ 4.2 bn
Consolidated Net Revenue	R\$ 3.2 bn	R\$ 3.0 bn
Investments	R\$ 120 mn	R\$ 120 mn
Foreign Revenues	US\$ 300 mn	US\$ 265 mn
Imports	US\$ 80 mn	US\$ 60 mn

Outlook

- **Brazilian economic growth forecast:**
-3.10% in 2015 and -1.90% in 2016.*
- **Crops**– National production of grains is estimated in 213.5 million tons, 1.7% higher than that in prior cycle. **
- **Economy:**
 - Increase on SELIC;
 - National currency depreciation;
 - Change in Brazil's Rating.
- **4Q15 Results:**
 - Non-recurring expenses must continue affecting results;
 - Weak demand for December: OEMs with shutdowns of production, general vacations and focus on reducing inventories.

Source: * BACEN / FOCUS Report (11/06/2015)

** 1º Safra 2015/2016 - Conab

Possible Questions

- *Covenants*
- *Market share – Towed vehicles*
- *Prospects for 2016*
- *Changes in FINAME PSI Program.*

Possible Questions

- *Market share in Towed Vehicles*

9M15 – 25.5%

3Q15 – 27.0%

Possible Questions

VOLUMES EXPECTED FOR 2016

TRAILERS/ SEMI-TRAILERS – PRODUCTION

Stable production in 2015

30/35 thousand units

TRUCKS – PRODUCTION

Small increase in production

75/80 thousand units

Possible Questions

CHANGES IN PSI PROGRAM

- ***Operations Protocol ended on Oct 30, 2015;***
- ***BNDES's resources in 2016 limited to R\$ 19.5 billion (R\$ 50 billion in 2015);***
- ***Considering lack of FINAME PSI, BNDES continues operating FINAME TJLP (long term in).***

Investors Relation

IR Contact

ri@randon.com.br

+55 54 3239.2505



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Small Cap **SMLL**

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Setor
Industrial **INDX**

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Brasil **IBRX**

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Ações com Tag Along
Diferenciado **ITAG**

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



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GRAPHICS SUPPORT



RESULTS
3Q15 / 9M15



Operating Results

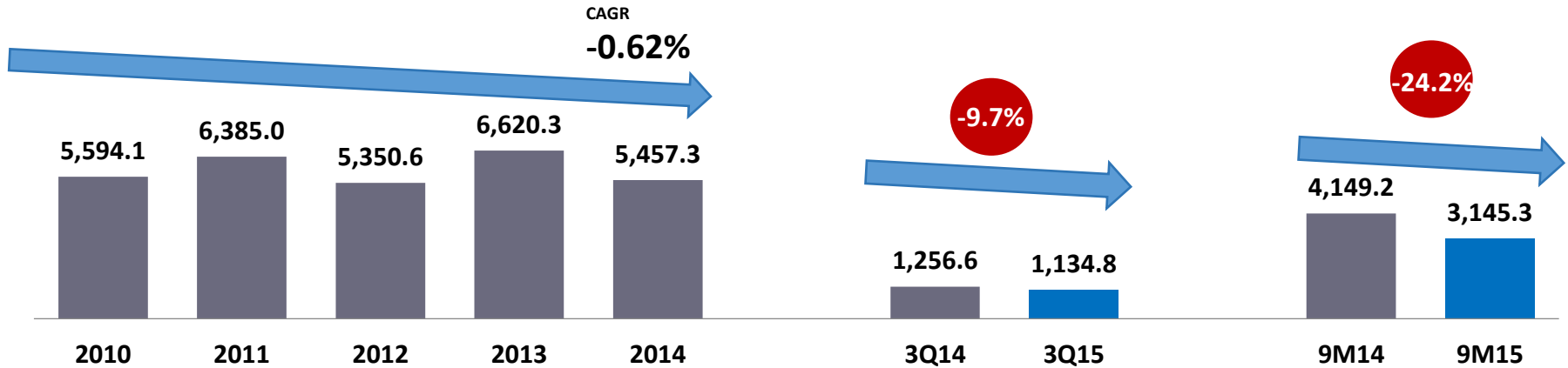
Physical Volume Sales | Breakdown of Revenues by Segment

	3Q2015		3Q2014		Δ% Un.	9M2015		9M2014		Δ% Un.
	Un.	% CNR	Un.	% CNR		Un.	% CNR	Un.	% CNR	
Vehicles and Road Equipment		53.7%		46.7%			48.2%		50.0%	
<i>Trailers/ Semi-Trailers (un.)</i>	2,989	54.7%	4,000	80.0%	-25.3%	7,686	58.6%	12,649	76.2%	-39.2%
<i>Specialty Vehicles (un.)</i>	101	4.6%	153	6.7%	-34.0%	307	5.3%	436	6.0%	-29.6%
<i>Rail freight cars (un.)</i>	611	40.8%	160	13.3%	281.9%	1,397	36.1%	994	17.8%	40.5%
Auto parts		41.9%		49.4%			47.1%		46.8%	
<i>Friction Material (ton.)</i>	17,704	64.0%	19,061	43.6%	-7.1%	53,233	57.7%	59,365	41.1%	-10.3%
<i>Brakes (un.)</i>	113,297	13.6%	173,865	16.7%	-34.8%	377,577	14.4%	568,141	17.0%	-33.5%
<i>Coupling Systems (un.)</i>	13,023	5.2%	21,466	7.1%	-39.3%	39,487	5.4%	68,170	7.7%	-42.1%
<i>Suspension and Undercarriage Systems (un.)</i>	32,988	17.0%	51,445	32.5%	-35.9%	134,765	22.3%	167,758	34.1%	-19.7%
<i>Castings (ton.)</i>	3,113	0.1%	5,372	0.1%	-42.1%	12,327	0.2%	18,082	0.2%	-31.8%
Financial Services		4.4%		3.9%			4.6%		3.2%	
<i>Coop-payment plan quotas sold</i>	3,302	66.7%	2,475	69.1%	33.4%	9,301	67.0%	7,807	72.9%	19.1%
<i>Randon Investimentos (Randon Bank)</i>	-	33.3%	-	30.9%	-	-	33.0%	-	27.1%	-

Financial Results

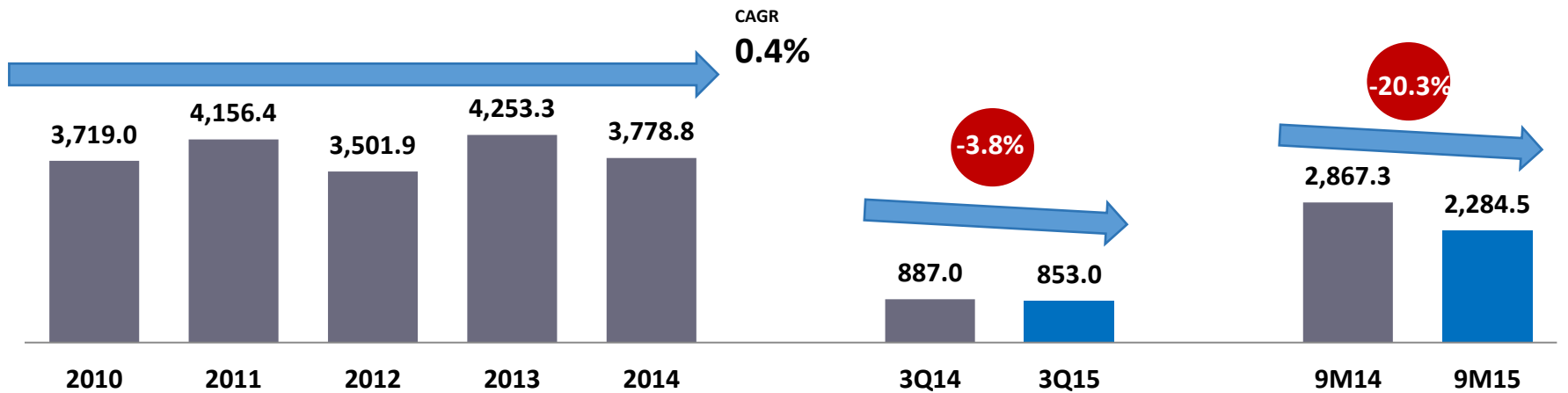
Total Gross Revenue

Including intercompany sales
R\$ million



Consolidated Net Revenue

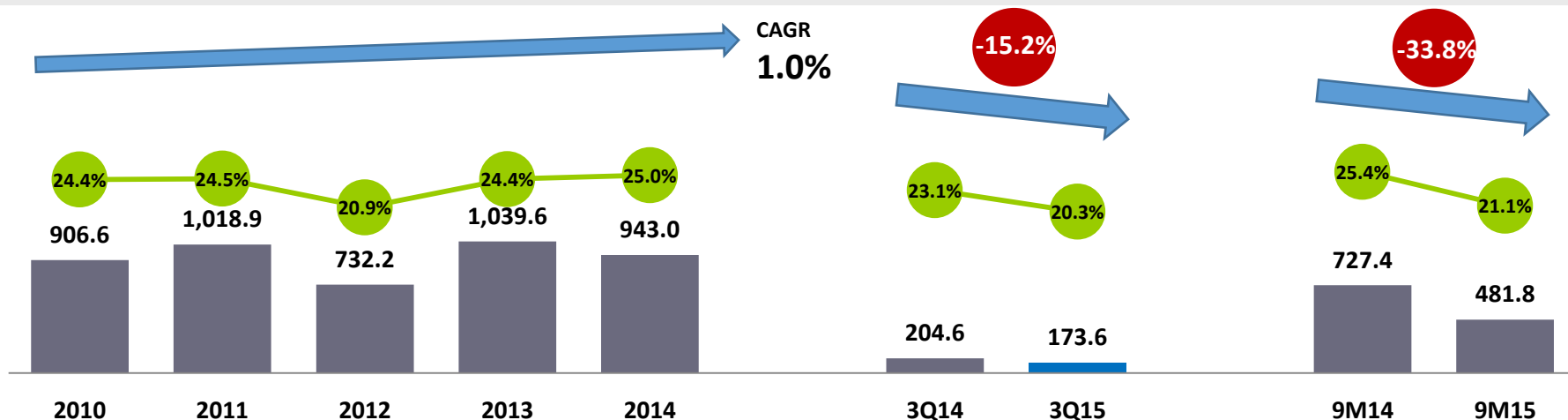
R\$ million



Financial Results

Gross Profit | Gross Margin

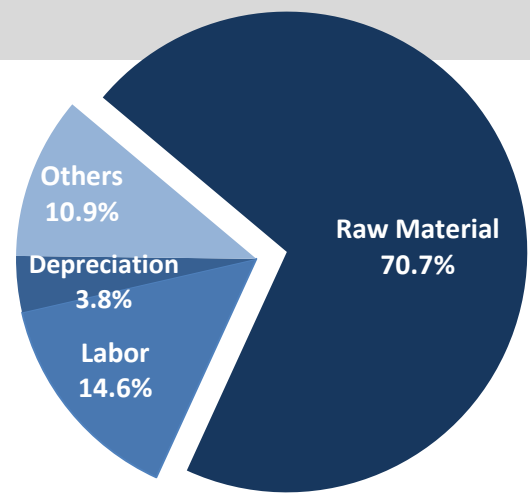
R\$ million



Consolidated Breakdown of COGS

9M15 | R\$ million

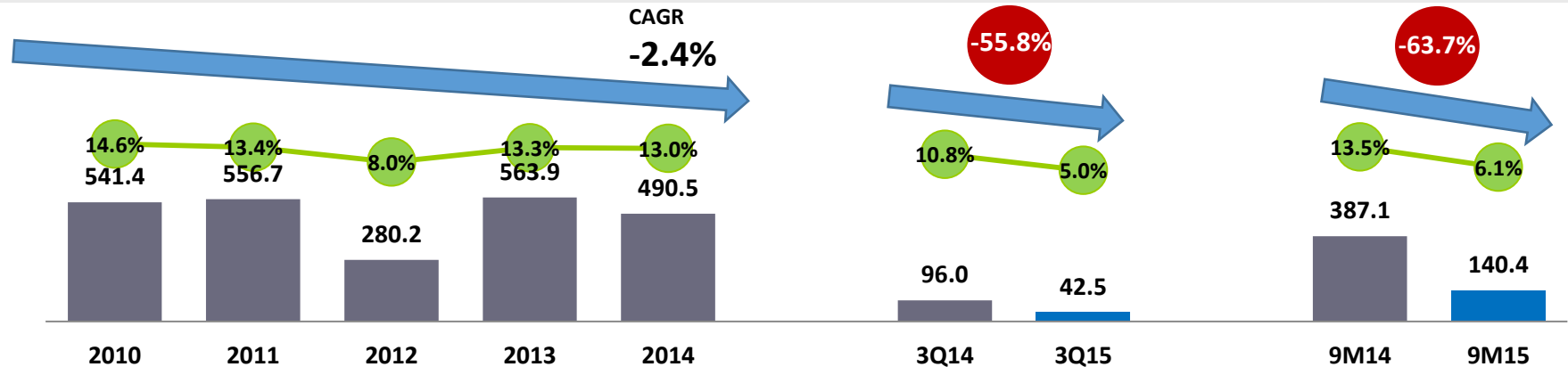
COGS 9M2015
R\$ 1.8 billion (78.9% s/ CNR)



Financial Results

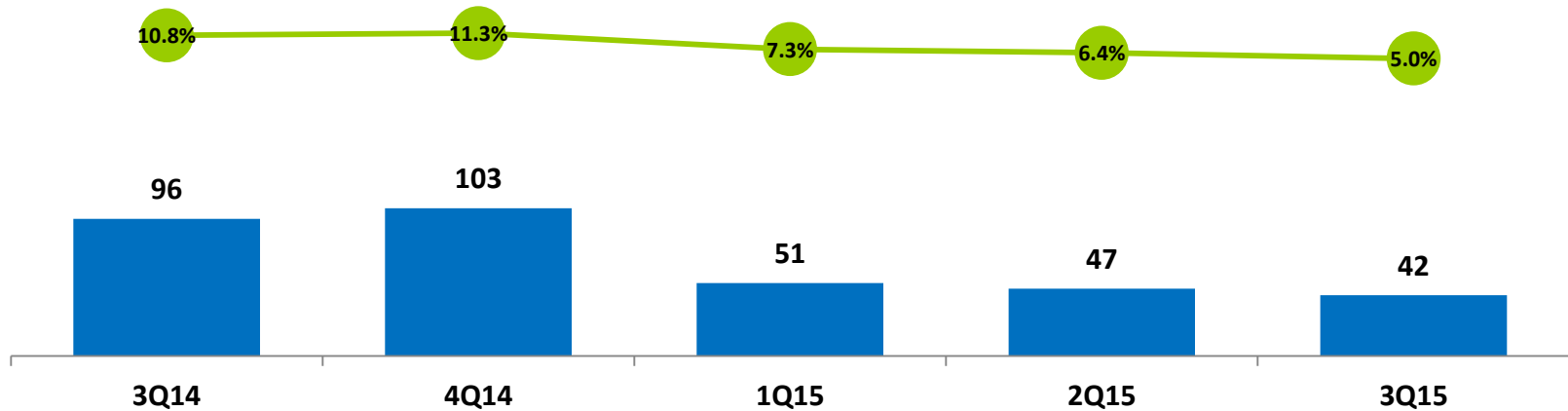
EBITDA | EBITDA Margin

R\$ million



EBITDA | EBITDA Margins – Quarterly

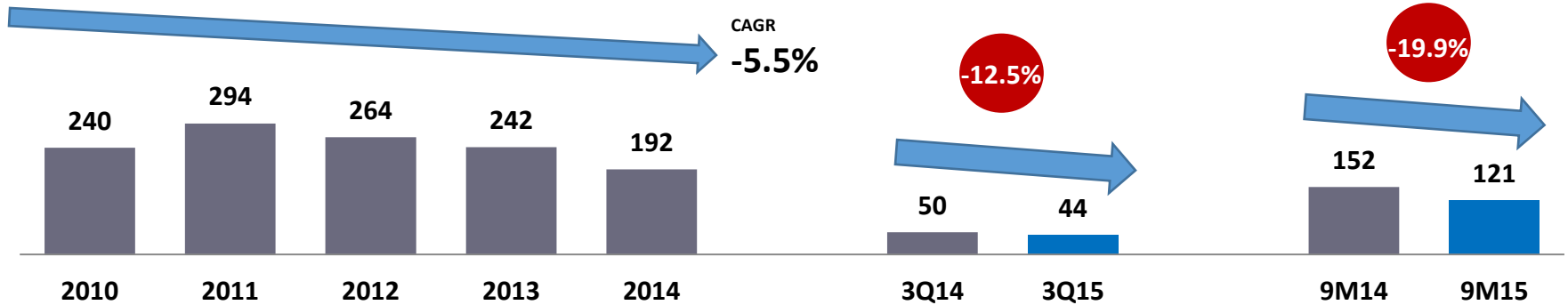
R\$ million



Operating Results

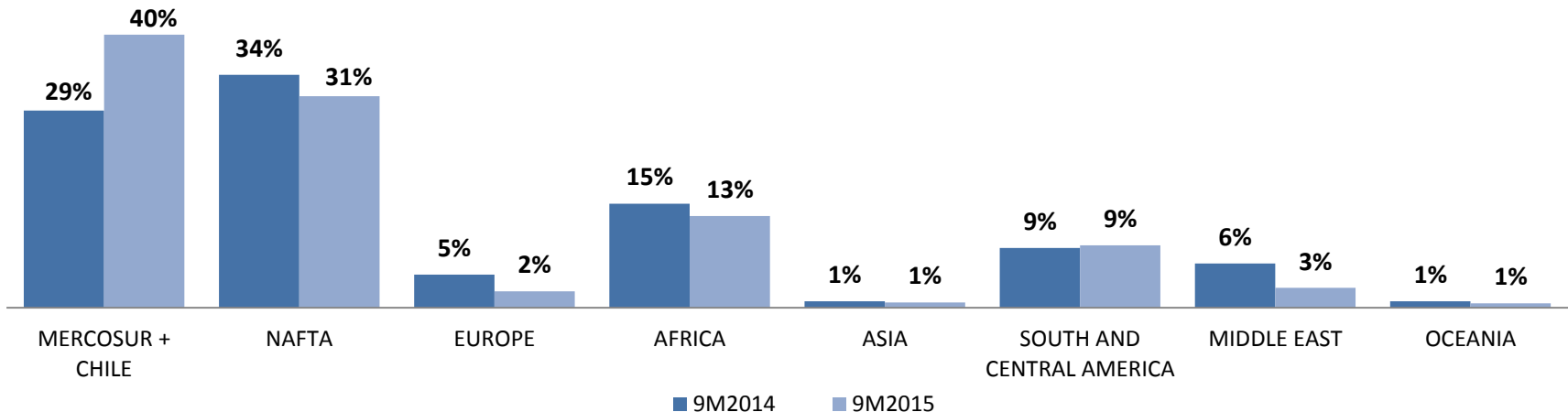
Exports

US\$ Million



Exports - Destination by economic bloc

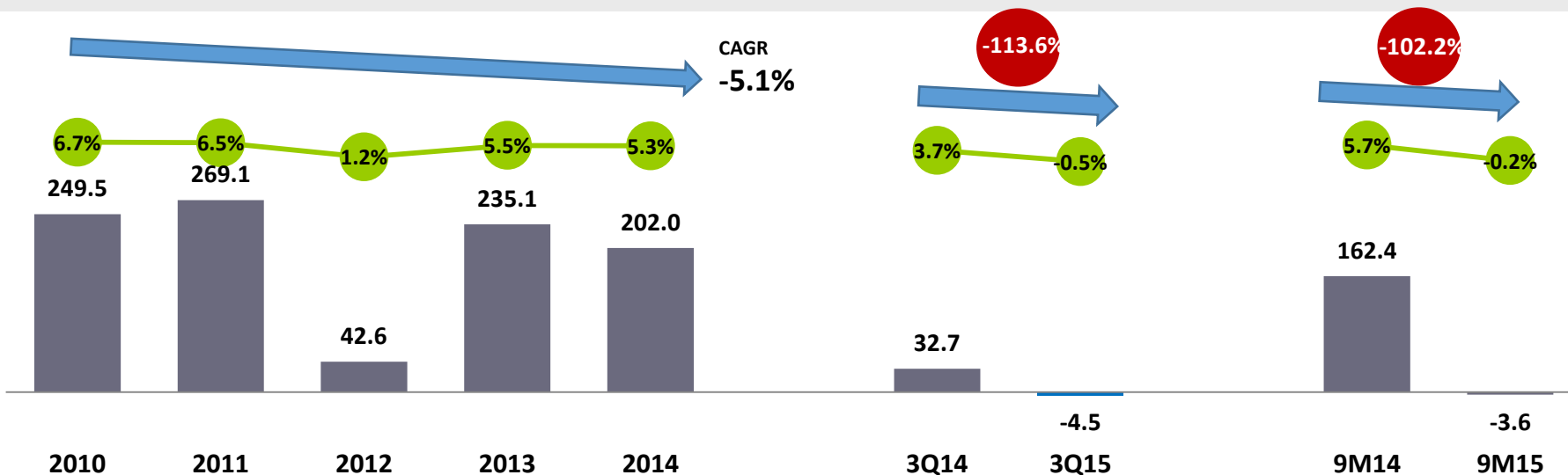
9M15 | US\$ Million



Financial Results

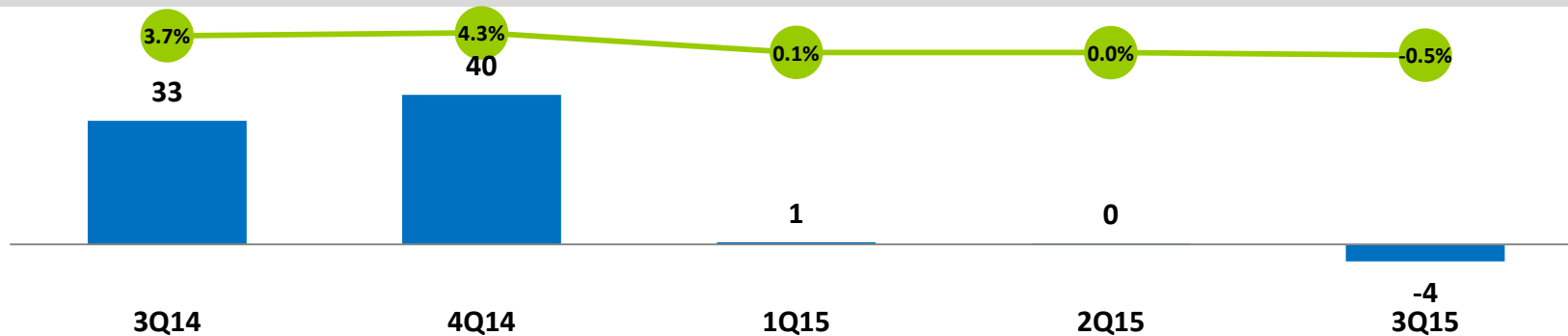
Net Income | Net Margin

R\$ million



Net Income | Net Margin – Quarterly

R\$ million

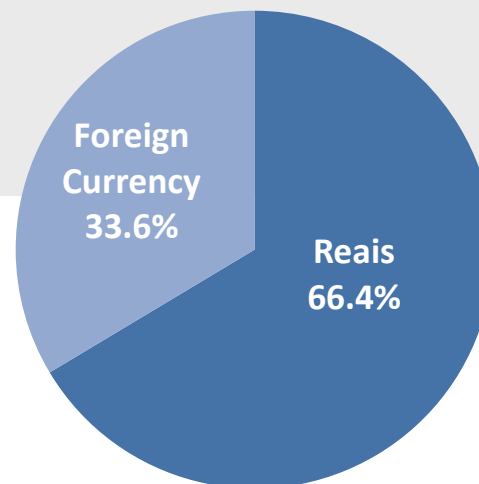


Financial Results

Gross Debt Breakdown 9M15

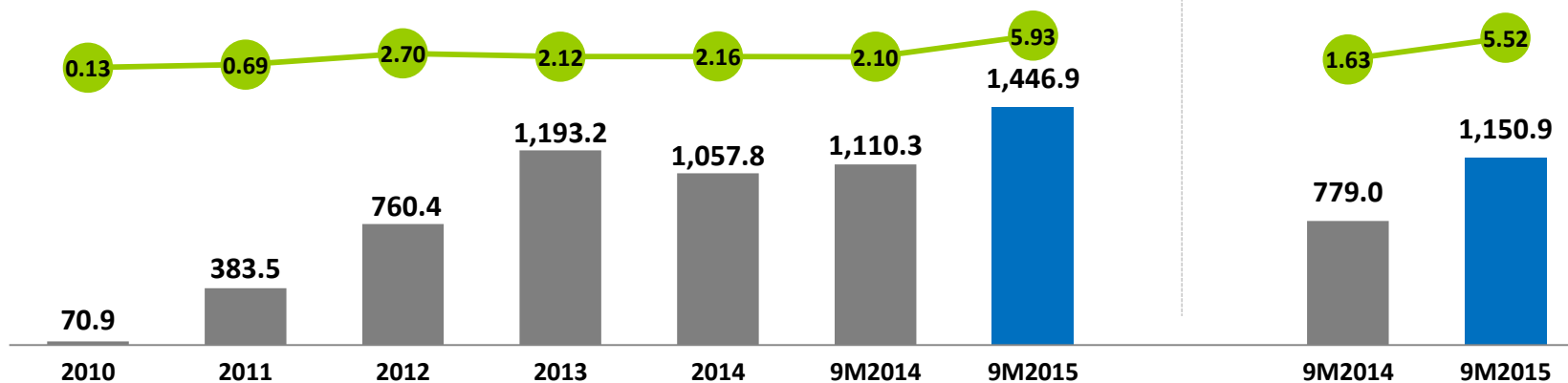
R\$ '000 | %

Total gross debt	R\$ 3,437,698,980
Gross debt in BR currency	R\$ 2,282,800,290
Gross debt in foreign currency	R\$ 1,154,898,690
USD rate (Sept. 30, 2015)	R\$ 3.9729



Debt | Net Debt / EBITDA

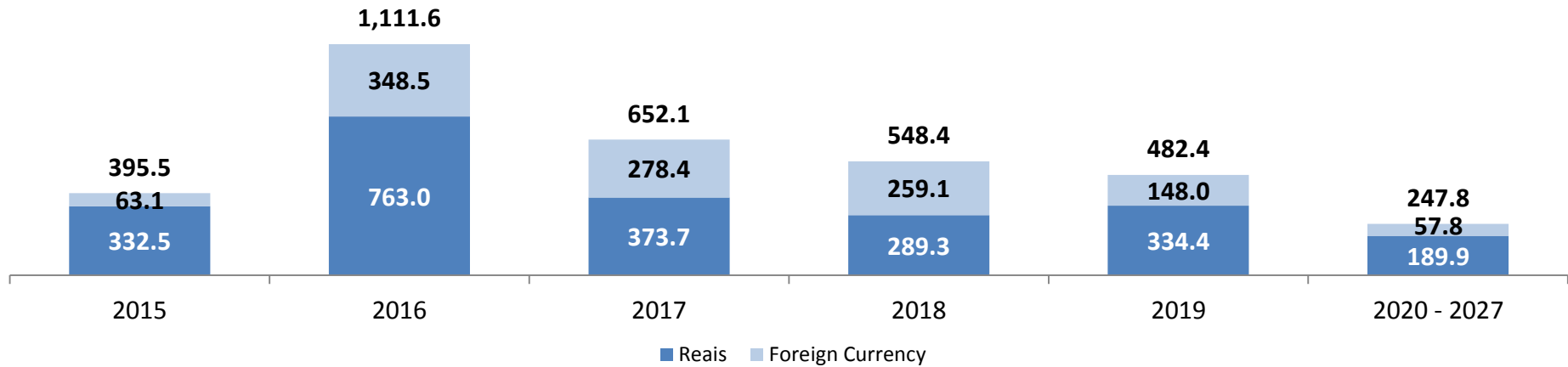
R\$ million



Financial Results

Schedule of Debt Payment (R\$ Million)

R\$ Million - 9M2015



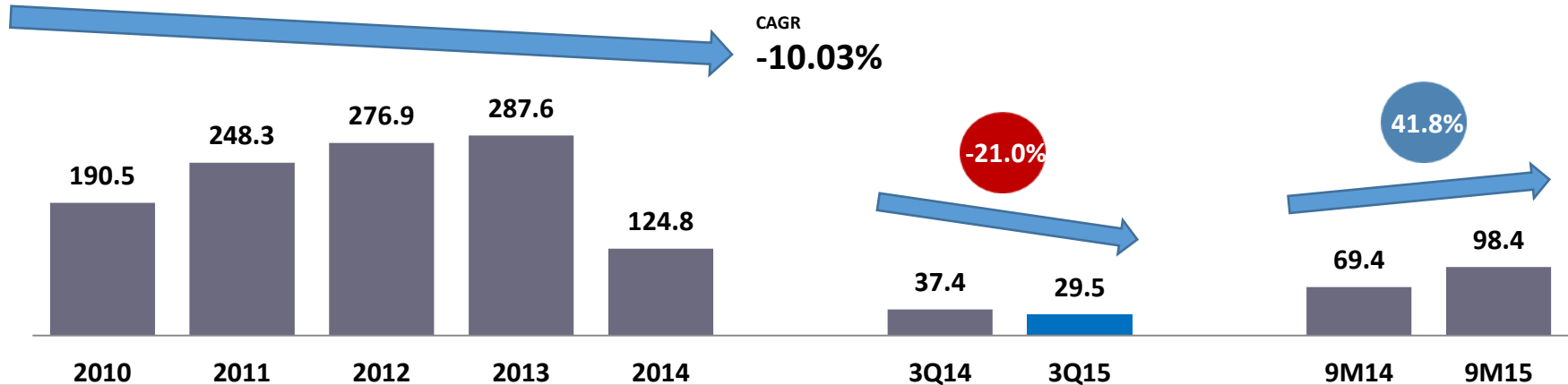
Covenants

COVENANTS	INDICATOR	BALANCE ON SEPT30, 2015
Net Indebtdeness /EBITDA (Consolidated without banks)	$\geq 1.5x$	R\$ 41.9 Million
Net indebtdeness /EBITDA (Consolidated)	$\geq 2.5x$	R\$ 325.7 Million
Net indebtdeness /EBITDA (Consolidated without Banks)	$\geq 3.0x$	R\$ 189.4 Million
TOTAL		R\$ 557 Million

Financial Results

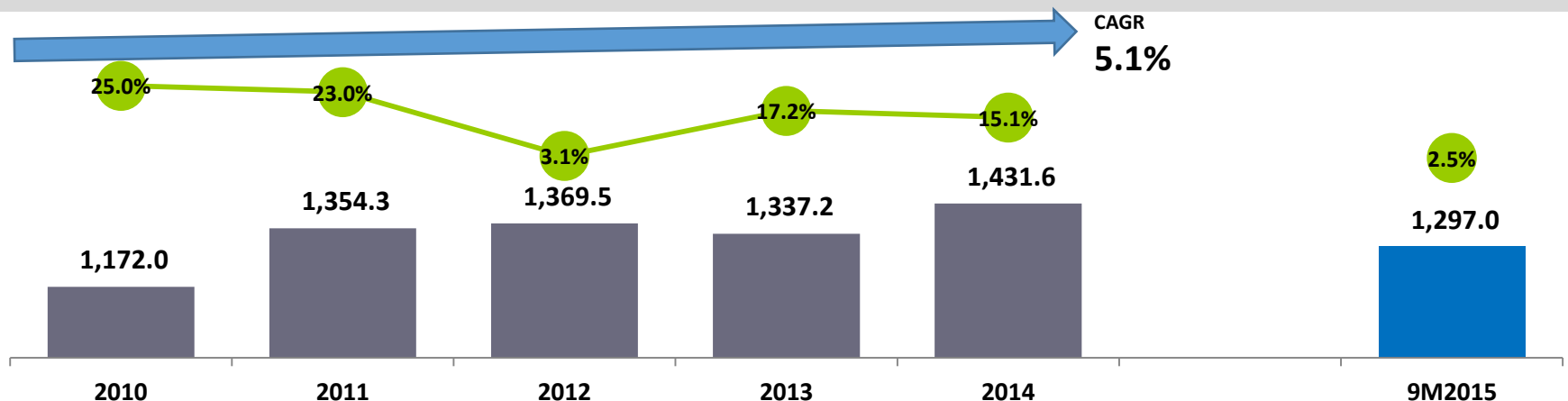
INVESTMENTS

R\$ million



Shareholders' Equity | ROE

R\$ million



Financial Results

Consolidated Income Statement – Segment

R\$ Million/%

	Vehicles and Trailers/Semi-Trailers			Autoparts			Financial Services			Consolidated		
	3Q2015	3Q2014	Δ%	3Q2015	3Q2014	Δ%	3Q2015	3Q2014	Δ%	3Q2015	3Q2014	Δ%
Gross Revenue	558,707	503,912	10.9%	449,969	564,673	-20.3%	40,298	37,277	8.1%	1,048,974	1,105,862	-5.1%
Deduction in Gross Revenue	-100,484	-89,388	12.4%	-92,371	-126,502	-27.0%	-3,139	-2,996	4.8%	-195,994	-218,886	-10.5%
Net Revenue	458,224	414,524	10.5%	357,598	438,172	-18.4%	37,158	34,281	8.4%	852,980	886,977	-3.8%
Cost of Sales and Services	-397,532	-341,070	16.6%	-276,581	-337,327	-18.0%	-5,304	-3,980	33.3%	-679,417	-682,377	-0.4%
Gross Profit	60,692	73,455	-17.4%	81,017	100,845	-19.7%	31,854	30,301	5.1%	173,563	204,600	-15.2%
GROSS MARGIN (%)	13.2%	17.7%	-4.5 p.p.	22.7%	23.0%	-0.4 p.p.	85.7%	88.4%	-2.7 p.p.	20.3%	23.1%	-2.7 p.p.
Operating Expenses	-72,481	-56,220	28.9%	-68,138	-58,885	15.7%	-22,145	-23,188	-4.5%	-162,764	-138,293	17.7%
EBIT	-11,789	17,235	-168.4%	12,879	41,960	-69.3%	9,709	7,113	36.5%	10,799	66,307	-83.7%
EBITDA	-1,681	27,252	-106.2%	34,294	61,441	-44.2%	9,843	7,260	35.6%	42,455	95,954	-55.8%
EBITDA MARGIN (%)	-0.4%	6.6%	-6.9 p.p.	9.6%	14.0%	-4.4 p.p.	26.5%	21.2%	5.3 p.p.	5.0%	10.8%	-5.8 p.p.
Adjusted EBITDA	15,620	27,252	-42.7%	54,036	61,441	-12.1%	9,967	7,260	37.3%	79,622	95,954	-17.0%
Adjusted EBITDA Margin (R\$)	3.3%	6.6%	-3.3 p.p.	14.9%	14.0%	0.9 p.p.	26.8%	21.2%	5.6 p.p.	9.1%	10.8%	-1.7 p.p.

Financial Results

Consolidated Income Statement – by Segment/Quarterly

R\$ Million/%

	3Q2014	4Q2014	2014	1Q2015	2Q2015	3Q2015
Consolidated Net Revenue	887.0	911.5	3,778.8	696.8	734.7	853.0
% Vehicles and trailers/semi-trailers	46.7%	52.5%	50.6%	41.9%	46.8%	53.7%
% Autoparts	49.4%	43.6%	46.0%	53.4%	47.1%	41.9%
% Financial Services	3.9%	3.9%	3.4%	4.7%	6.1%	4.4%
Consolidated Gross Profit	204.6	215.6	943.0	152.0	156.3	173.6
% Gross Margin	23.1%	23.6%	25.0%	21.8%	21.3%	20.3%
EBITDA	96.0	103.4	490.5	51.0	47.0	42.5
% EBITDA Margin	10.8%	11.3%	13.0%	7.3%	6.4%	5.0%
Net Income	32.7	39.6	202.0	0.6	0.3	-4.5
% Net Income	3.7%	4.3%	5.3%	0.1%	0.0%	-0.5%