

TUPY - Global reference in castings

A free translation of the original in Portuguese



2Q15 Highlights

Diversification enables robust margins.

Conference Call

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English/Portuguese

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Dial in USA: +1 786 924-6977

Toll free USA: +1 888 700-0802

Dial in Brazil: +55 11 3193-1001

Dial in Brazil: +55 11 2820-4001

Code: Tupy

Site: www.tupy.com.br/ri

Investor Relations

Leonardo Gadelha
*VP Finance and Administration
Investor Relations Officer*

Jonathan Santos
Lucas Brandao
IR Team

dri@tupy.com.br
+55 (11) 2763-7844/7842

- **Sales volume:** 142 thousand tons – 4% lower than 2Q14.
- **Revenues:** R\$911 million – 20% increase compared to same quarter in 2014.
- **Gross Profit:** R\$198 million – 21.7% margin on revenues – 4.8p.p. higher than 2Q14.
- **Adjusted EBITDA:** R\$184 million – 65% increase compared to 2Q14 and equivalent to 20.2% of revenues in 2Q15, best margin since 3Q10.
- **Net income:** R\$61 million – 6.7% on revenues, for the 2Q since 2011.
- **Investments:** R\$43 million, 17% decrease compared to 2Q14.

SUMMARY OF RESULTS

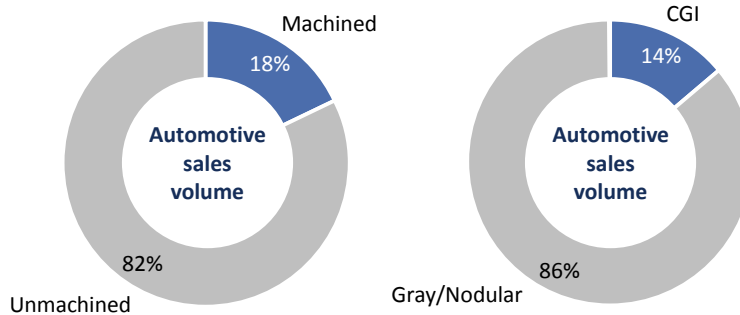
Consolidated (R\$ Thousand)						
SUMMARY	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Revenues	911,082	758,558	20.1%	1,699,159	1,563,597	8.7%
Cost of goods sold	(713,448)	(630,504)	13.2%	(1,353,271)	(1,286,592)	5.2%
Gross profit	197,634	128,054	54.3%	345,888	277,005	24.9%
<i>% on revenues</i>	21.7%	16.9%		20.4%	17.7%	
Operating expenses	(62,844)	(56,784)	10.7%	(119,524)	(111,943)	6.8%
Other net operating expenses	(16,928)	(23,458)	-27.8%	(35,241)	(49,972)	-29.5%
Income before financial result	117,862	47,812	146.5%	191,123	115,090	66.1%
<i>% on revenues</i>	12.9%	6.3%		11.2%	7.4%	
Net financial result	(6,948)	(8,231)		21,047	(24,825)	-184.8%
Net income before income taxes	110,914	39,581	180.2%	212,170	90,265	135.1%
<i>% on revenues</i>	12.2%	5.2%		12.5%	5.8%	
Income tax and social contribution	(49,502)	(16,238)	204.9%	(90,171)	(36,822)	144.9%
Net income	61,412	23,343	163.1%	121,999	53,443	128.3%
<i>% on revenues</i>	6.7%	3.1%		7.2%	3.4%	
EBITDA (according to CVM 527/12 inst.)	184,988	102,645	80.2%	320,399	224,543	42.7%
<i>% on revenues</i>	20.3%	13.5%		18.9%	14.4%	
Adjusted EBITDA	184,041	111,725	64.7%	320,866	245,148	30.9%
<i>% on revenues</i>	20.2%	14.7%		18.9%	15.7%	
Average exchange rate (R\$/US\$)	3.091	2.225	38.9%	3.003	2.283	31.6%
Average exchange rate (R\$/EUR)	3.431	3.056	12.3%	3.329	3.129	6.4%

SALES VOLUME

Consolidated (Tons)						
	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Domestic market	33,207	39,164	-15.2%	67,320	86,174	-21.9%
Automotive	27,342	32,916	-16.9%	56,576	73,184	-22.7%
Hydraulics	5,865	6,248	-6.1%	10,744	12,990	-17.3%
Foreign market	109,240	109,183	0.1%	203,337	218,244	-6.8%
Automotive	104,429	103,629	0.8%	195,198	208,295	-6.3%
Hydraulics	4,811	5,554	-13.4%	8,139	9,949	-18.2%
Total sales volume	142,447	148,347	-4.0%	270,657	304,418	-11.1%

During 2Q15, sales volume decreased 4.0% compared to 2Q14 due to the 16.9% retraction in sales to the automotive segment in the domestic market, reflecting the decline in production of vehicles in all segments in Brazil, and reduced sales volume of hydraulic products to both domestic and foreign markets. Although partly offset by the performance of the global off-road market, automotive sales volume to foreign markets grew by 0.8%, especially due to the passenger cars and light commercial vehicles applications, as result of the ramp-up of new products and inventory replenishment by specific clients, and also the positive performance of medium and heavy commercial vehicles.

The automotive product portfolio was composed by approximately 18% of machined products (vs. 15% in 2Q14). The distribution by alloy points to 14% of sales volume in CGI (Compacted Graphite Iron) (vs. 10% in 2Q14).



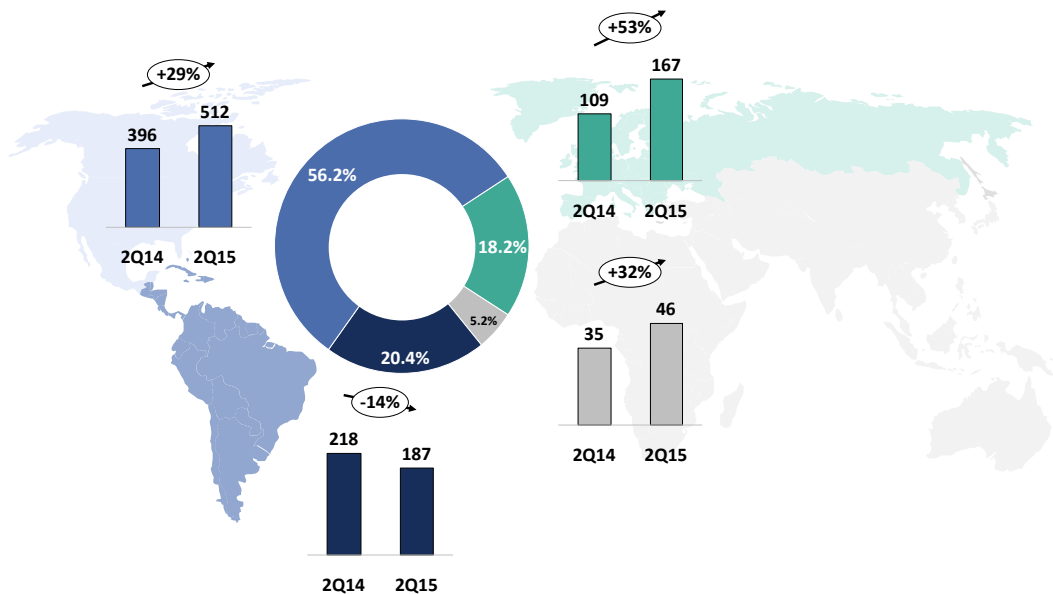
REVENUES

Revenues presented a 20.1% growth in comparison with 2Q14. As result of the sales volumes performance, revenues from the domestic market dropped 13.4%, being offset by a 32.7% growth in the foreign market revenues, which were positively affected by a 38.9% depreciation in the average foreign exchange ('FX') rate Real vs. US Dollar in 2Q15 (3.091 R\$/US\$), versus 2Q14 (2.225 R\$/US\$), and a 12.3% depreciation in the average foreign exchange ("FX") rate Real vs. Euro in 2Q15 (3.431 R\$/EUR), versus 2Q14 (3.056 R\$/EUR), as well as by the return of the Reintegra tax benefit.

Consolidated (R\$ thousand)						
	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Revenues by market	911,082	758,558	20.1%	1,699,159	1,563,597	8.7%
Domestic market	179,215	206,870	-13.4%	357,025	441,120	-19.1%
% Share	19.7%	27.3%		21.0%	28.2%	
Foreign market	731,867	551,688	32.7%	1,342,134	1,122,477	19.6%
% Share	80.3%	72.7%		79.0%	71.8%	
Revenues by segment						
Automotive	845,581	694,645	21.7%	1,585,217	1,441,458	10.0%
% Share	92.8%	91.6%		93.3%	92.2%	
Hydraulics	65,501	63,913	2.5%	113,942	122,139	-6.7%
% Share	7.2%	8.4%		6.7%	7.8%	

Revenues by market and performance in the period

During 2Q15, North America was responsible for 56.2% of Tupy's revenues. In turn, South and Central America represented 20.4%, Europe accounted for 18.2% and the remaining 5.2% came from Asia, Africa and Oceania.

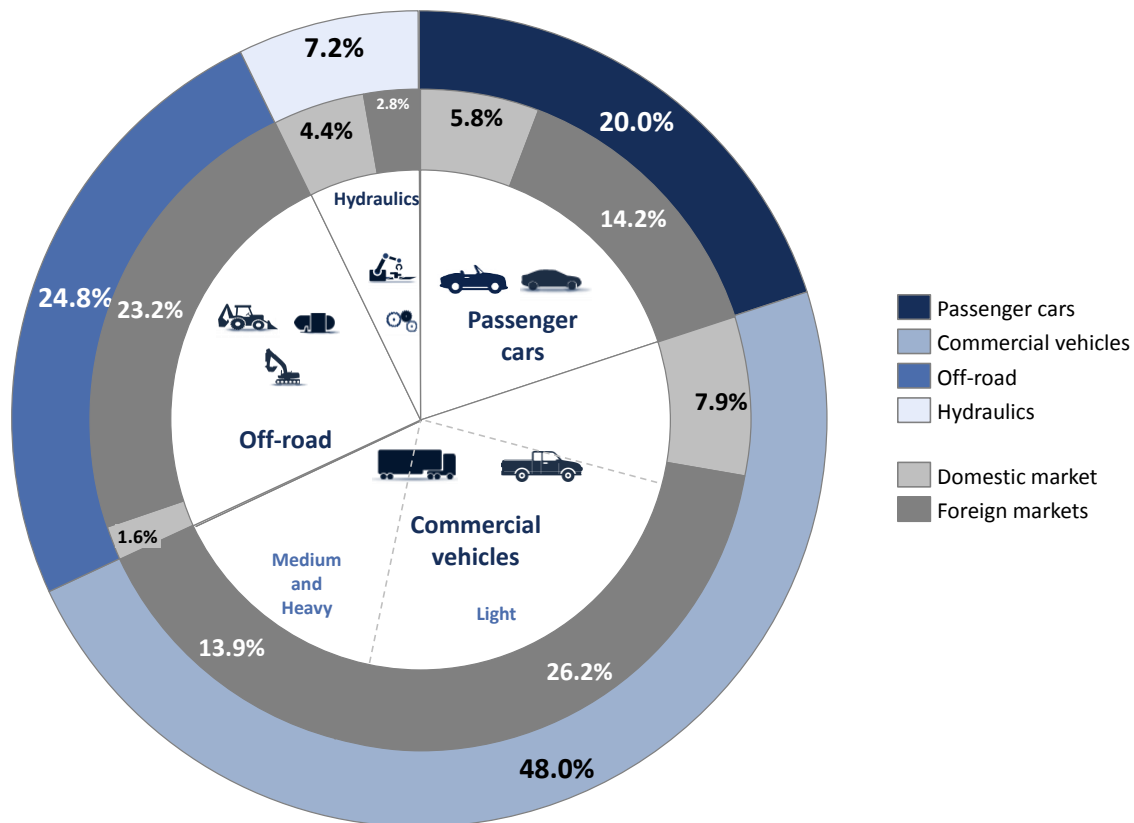


RELEASE

Consolidated (R\$ thousand)

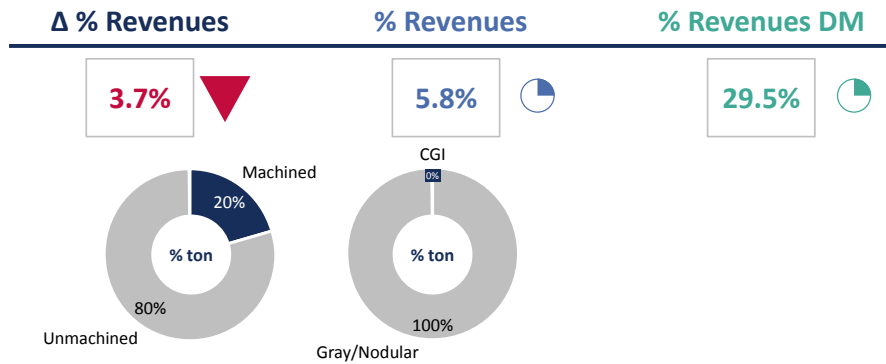
REVENUES BY MARKET AND APPLICATION	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Revenues	911,082	758,558	20.1%	1,699,159	1,563,597	8.7%
Domestic market	179,215	206,870	-13.4%	357,025	441,120	-19.1%
Automotive	139,167	166,379	-16.4%	284,951	360,736	-21.0%
Passenger cars	52,927	54,951	-3.7%	104,826	131,197	-20.1%
Commercial vehicles	71,648	93,814	-23.6%	148,438	195,052	-23.9%
Off-road	14,592	17,614	-17.2%	31,687	34,487	-8.1%
Hydraulics	40,048	40,491	-1.1%	72,074	80,384	-10.3%
Foreign market	731,867	551,688	32.7%	1,342,134	1,122,477	19.6%
Automotive	706,414	528,266	33.7%	1,300,266	1,080,722	20.3%
Passenger cars	129,636	78,999	64.1%	231,581	157,922	46.6%
Light commercial vehicles	238,720	165,457	44.3%	427,529	330,601	29.3%
Medium and heavy commercial vehicles	126,646	96,397	31.4%	238,621	199,935	19.3%
Off-road	211,412	187,413	12.8%	402,535	392,264	2.6%
Hydraulics	25,453	23,422	8.7%	41,868	41,755	0.3%

In some cases, the same product is used in passenger and commercial vehicles, or off-road; therefore, it is not possible to measure their application precisely. Thus, we adopt assumptions of division between applications, considering our best inference.



DOMESTIC MARKET (DM)

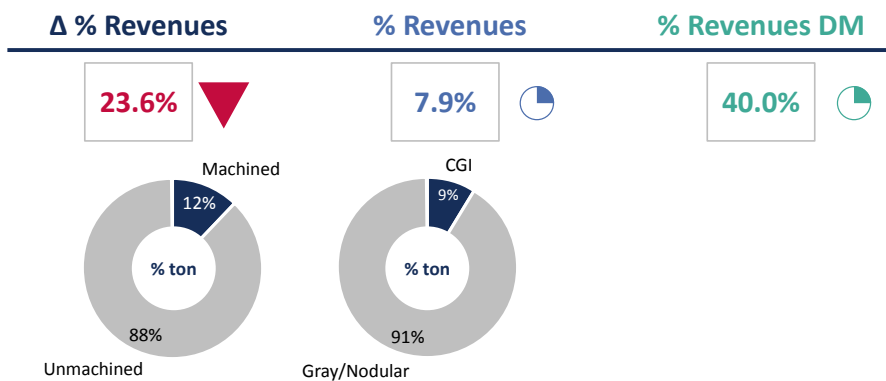
Passenger cars



The rising unemployment, and reduced credit availability and disposable household hurt demand for automobiles. As result, the OEMs kept in place the inventory adjustment initiatives, implemented since 2014, leading to a decreased production of light vehicles (attachment I).

Despite the performance of the domestic market, Tupy's sales reduction was softened by the ramp-up of new projects. In this context, revenues from sales of Tupy's automotive products for this application fell by only 3.7% in the quarter.

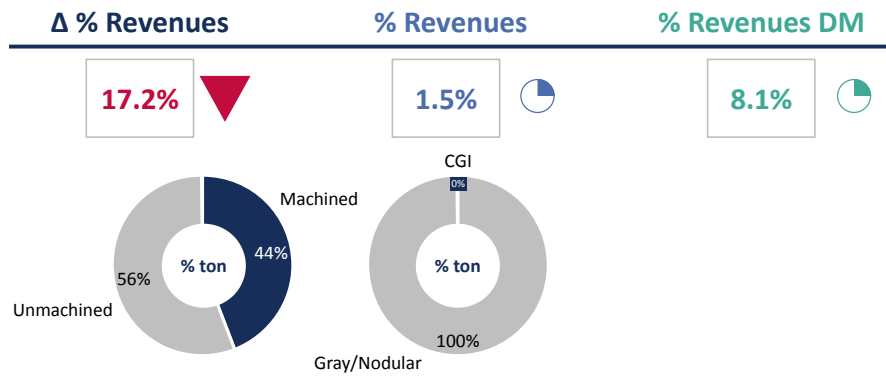
Commercial vehicles



The retraction of civil construction, the decline of commodity prices, the slowdown of the economic activity, the worsening of industry confidence indices and deteriorated credit conditions (FINAME) resulted in a reduced demand for commercial vehicles. In order to adjust to the new demand levels, the OEMs kept in place the inventory adjustment initiatives leading to a decreased production of trucks and buses (attachment II).

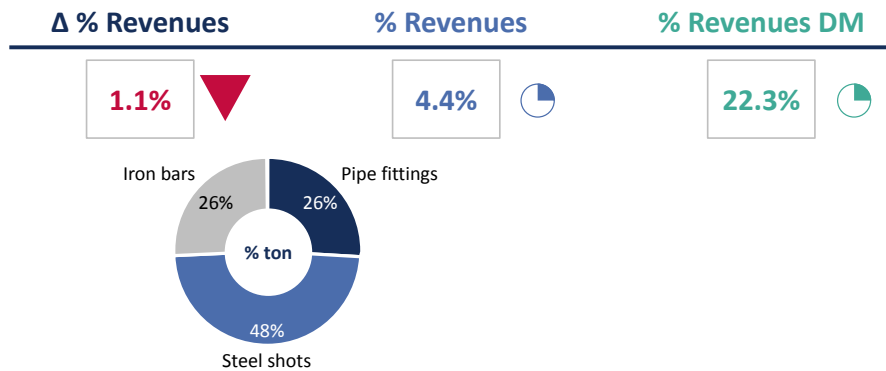
In spite of the complex scenario, a slight gain of market share in nationalized products and products that are indirectly exported by clients resulted in a less sharp drop in revenues from automotive products sales with commercial vehicle applications in the domestic market, which fell 23.6% in 2Q15

Off-road



Following the performance of national economic activity and the global reduction of commodities' prices, Brazilian agricultural machinery market has fallen in 2015. In line with the market, revenues from sales of products with off-road application decreased by 17.5% in 2Q15.

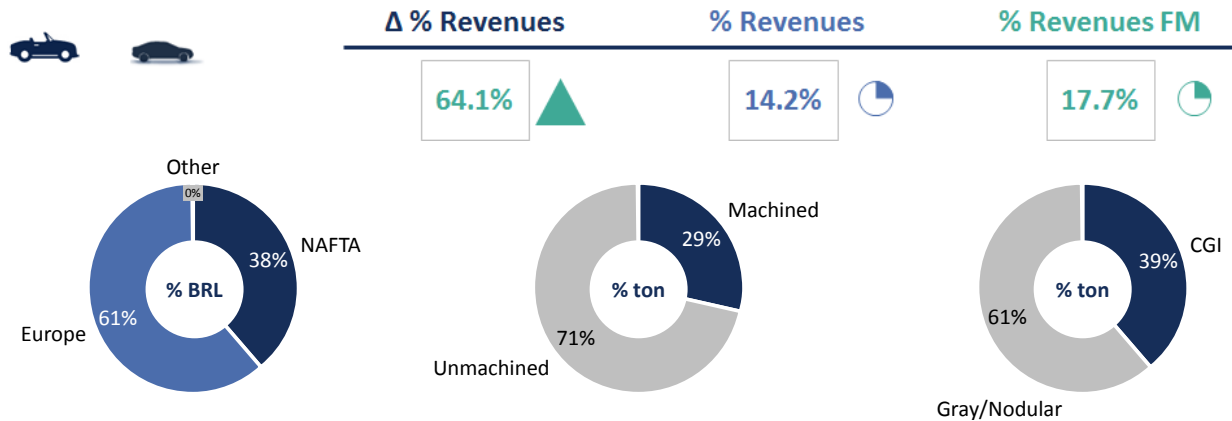
Hydraulics



The national macroeconomic situation, the reduced investments in civil construction and infrastructure resulted in a 1.1% drop in revenues from sales of pipe fittings, steel shots and iron bars in the domestic market in 2Q15.

FOREIGN MARKETS (FM)

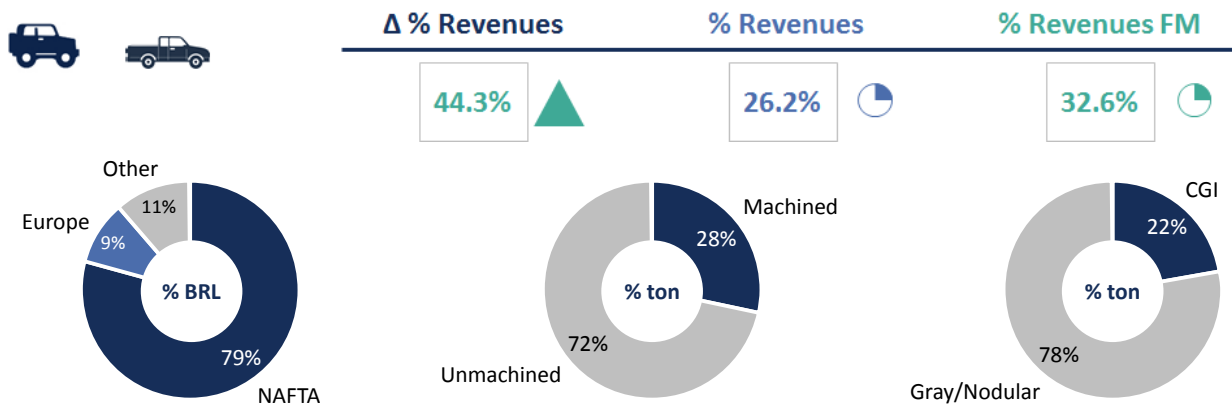
Passenger cars



The positive economic indices presented by the United States has allowed the maintenance of a favorable performance of the passenger car market. In turn, the gradual recovery of the economy and consumption in Europe is sustaining a continuous growth in the auto market in the continent (attachment III).

As result of the heated demand, altogether with the ramp up of machined and high complexity CGI products, revenues from the sales of automotive products with passenger car applications in foreign markets grew by 64.1% in 2Q15.

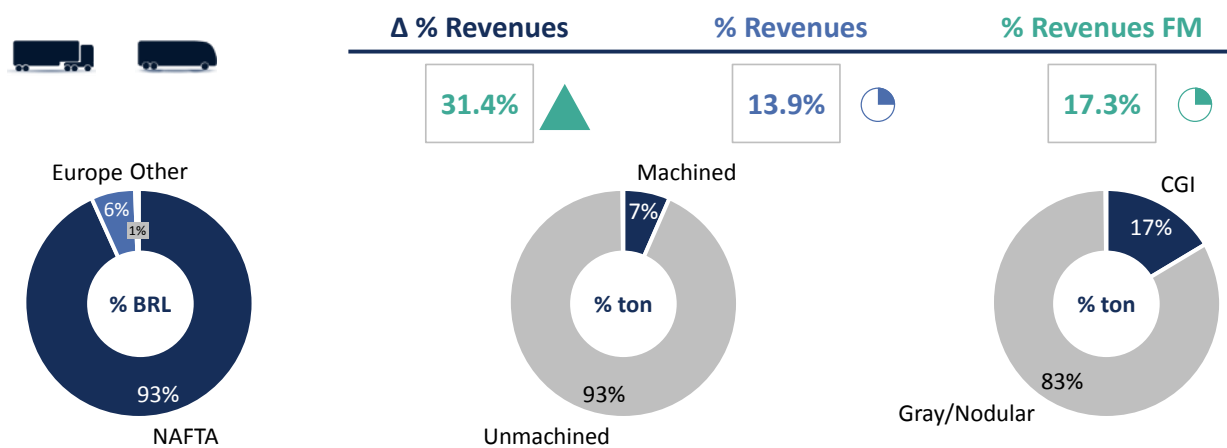
Light commercial vehicles



The advance of employment and income indices, the decline in fuel prices and the positive performance of housing starts allow growth in the demand for light commercial vehicles in North America (attachment III).

As result, Tupy's revenues from sales of automotive products for light commercial vehicles in foreign markets grew by 44.3% in 2Q15. On top of the strong market, the product portfolio for this application was benefited by the ramp-up of a new block made of CGI applied to SUVs and light pick-up trucks, as well as sedans (this last application is classified in our revenues as passenger cars), delivered to North America.

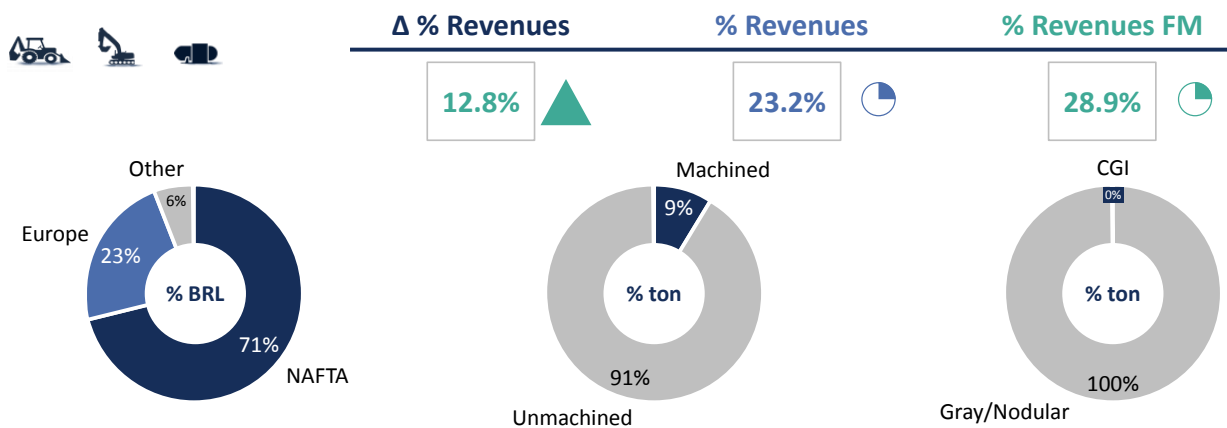
Medium and heavy commercial vehicles



The good performance of the North American economy sustains the demand for medium and heavy commercial vehicles in North America, to a greater extent for class 8 trucks (heavy duty – class with low share of Tupy’s products), and to a lesser extent for other classes (attachment III).

As result of the market behavior, Tupy’s revenues from sales of automotive products applied to medium and heavy commercial vehicles in foreign markets grew by 31.4% in 2Q15.

Off-road

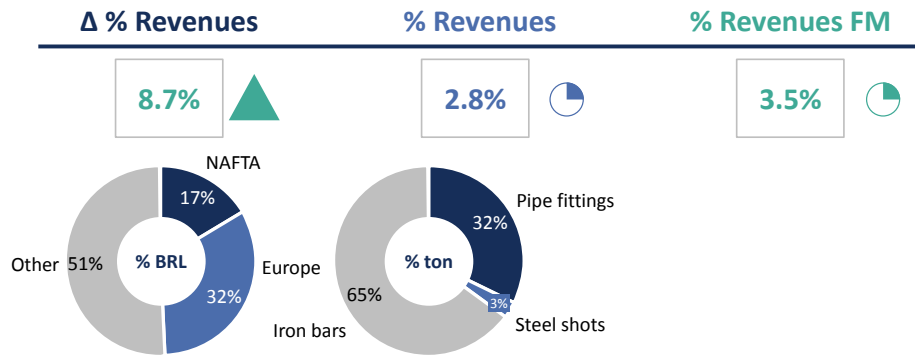


The Company’s off-road product portfolio is applied to sectors as diverse as agriculture, construction, mining, as well as power generation, maritime engines, amongst others, the drivers for demand are spread throughout the global market. The main sectors with the application of Tupy’s products behaved in 2Q15 as follows:

- As result of declining commodities prices, the global agricultural machinery market showed decline in the quarter, factor which was worsened by the recently renewed fleet (attachment IV);
- The demand for residential and non-residential construction in North America has had positive performance. Similar behavior can be found in Europe and China;
- Still pressured by the decline in global iron ore prices, mining companies have been reducing their investments in fixed assets, therefore causing a retraction in the demand for mining machinery, leading to inventory adjustments by the OEMs.

Despite of the cautious scenario for the global demand of machinery and equipment, still affected by the 2014 pre-buy due to change in emissions legislation, Tupy saw a 12.8% increase in revenues from sales of off-road products versus 2Q14, benefited by FX depreciation.

Hydraulics



Regardless of the deceleration of Gas For All program in Bolivia, the performance of spot sales to the United Arab Emirates allowed an 8.7% growth in revenues from sales of pipe fittings, steel sheets and iron bars in the international market.

▽ COST OF GOODS SOLD AND OPERATING EXPENSES

The cost of goods sold (COGS) in 2Q15 added up to R\$713.4 million, 13.2% higher than 2Q14. Consequently, the quarter registered a gross margin of 21.7%, a 4.8pp increase in comparison with 2Q14. Operating expenses reached R\$62.8 million, 10.7% higher than 2Q14.

Consolidated (R\$ thousand)						
	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Revenues	911,082	758,558	20.1%	1,699,159	1,563,597	8.7%
Cost of goods sold	(713,448)	(630,504)	13.2%	(1,353,271)	(1,286,592)	5.2%
Raw material	(366,734)	(347,188)	5.6%	(686,807)	(712,592)	-3.6%
Labor	(149,164)	(141,547)	5.4%	(288,294)	(271,527)	6.2%
Energy	(47,228)	(15,861)	197.8%	(92,385)	(54,484)	69.6%
Maintenance materials	(57,447)	(48,360)	18.8%	(111,579)	(98,348)	13.5%
Profit sharing program	(12,960)	(6,727)	92.7%	(22,166)	(16,379)	35.3%
Depreciation	(48,182)	(39,684)	21.4%	(92,537)	(78,537)	17.8%
Others	(31,733)	(31,137)	1.9%	(59,503)	(54,725)	8.7%
Gross profit	197,634	128,054	54.3%	345,888	277,005	24.9%
<i>% on revenues</i>	<i>21.7%</i>	<i>16.9%</i>		<i>20.4%</i>	<i>17.7%</i>	
Operating expenses	(62,844)	(56,784)	10.7%	(119,524)	(111,943)	6.8%

The 2Q15 COGS variation versus the same quarter of 2014 is explained below:

- Due to FX depreciation, partly offset by lower use of materials due to the reduced sales volume, raw material costs grew 5.6%;
- Labor costs increased by 5.4% due to FX depreciation and collective bargaining, partly offset by a reduced labor force;
- Energy costs grew 197.8% in 2Q15. The significant increase is related to the hike in energy generation and distribution in Brazil, as well as lower sales of excess energy capacity in the spot market (-R\$19 million vs. 2Q14);
- Maintenance costs rose 18.8% due to FX depreciation and in line with input price inflation in the period;
- Profit sharing costs (“PSP”) went up by 92.7% and reflect the collective bargaining agreement, adjustment in PSR provisions in Mexico and better operating result in 1H15;
- The increasing in non-cash costs with depreciation (+21.4%) is due to FX devaluation and increase of fixed asset base;
- Other costs grew by 1.9%, especially costs related to health insurance.

Excluding FX depreciation effects on expenses from foreign units, there is no significant change in the operating expense levels in 2Q15.

OTHER NET OPERATING EXPENSES

Net operating expenses were R\$16.9 million in 2Q15, 27.8% reduction compared to 2Q14.

Consolidated (R\$ thousand)

	2Q15	2Q14	Var. [%]	2H15	2H14	Var. [%]
Depreciation of non-operating assets	(597)	(490)	21.8%	(1,202)	(874)	37.5%
Amortization of intangible assets	(17,278)	(13,888)	24.4%	(33,572)	(28,493)	17.8%
Other	947	(9,080)		(467)	(20,605)	
Other net operating expenses	(16,928)	(23,458)	-27.8%	(35,241)	(49,972)	-29.5%

The improvement is due to the sales of third party tools, which are invoiced in US Dollars and were affected by FX depreciation.

NET FINANCIAL RESULT

Net financial expense was R\$6.9 million in 2Q15, 15.6% improvement over 2Q14.

Consolidated (R\$ thousand)

	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Financial expenses	(36,983)	(22,806)	62.2%	(72,699)	(47,923)	51.7%
Financial income	31,798	20,841	52.6%	60,953	38,091	60.0%
Net exchange variation	(1,763)	(6,266)	-71.9%	32,793	(14,993)	
Net financial result	(6,948)	(8,231)	-15.6%	21,047	(24,825)	

The improvement is result of lower net exchange variation expenses.

NET INCOME BEFORE TAXES AND NET INCOME

Due to the aforementioned factors, the net income before taxes in 2Q15 was R\$110.9 million, 180.2% increase over 2Q14.

Consolidated (R\$ thousand)

	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Net income before income taxes	110,914	39,581	180.2%	212,170	90,265	135.1%
Tax effects before foreign exchange impacts	(44,996)	(21,072)	113.5%	(79,399)	(37,444)	112.0%
<i>Tax rates before foreign exchange effects</i>	<i>-41%</i>	<i>-53%</i>		<i>-37%</i>	<i>-41%</i>	
Net income before foreign exchange effects on tax base	65,918	18,509	256.1%	132,771	52,821	151.4%
Foreign exchange effects on tax base	(4,506)	4,834		(10,772)	622	
Net income	61,412	23,343	163.1%	121,999	53,443	128.3%
<i>% on revenues</i>	<i>6.7%</i>	<i>3.1%</i>		<i>7.2%</i>	<i>3.4%</i>	

The company recorded R\$45.0 million in expenses with income tax and social contribution before foreign exchange variation on the tax base in 2Q15, a 41% effective tax rate. The deferred income tax of the Mexican plants is calculated in Mexican pesos. In the translation into the functional currency (U.S. dollar), a decrease of R\$4.5 million was recorded due to the 2.7% depreciation of the Mexican Peso against the U.S. Dollar (going from MXN 15.247/US\$ in mar/15 to MXN 15.660/US\$ in jun/15).

Due to accumulated tax loss – resulting from the effect of FX depreciation on the Company's Dollar denominated financial debt – and the use of recurring tax credits as compensation for tax expenses, no cash tax outflow was verified in the quarter.

The net income arising from the previously mentioned effects amounted to a profit of R\$61.4 million, 163.1% higher than that recorded in 2Q14, best net income recorded by the Company for the 2Q since 2011, and representing a margin of 6.7% on revenues.

ADJUSTED EBITDA

The combination of the aforementioned factors resulted in an adjusted EBITDA of R\$184,0 million in 2Q15, equivalent to a 64.7% increase when compared to 2Q14 and a 20.2% margin on revenues, 5.5 percentage point higher than 2Q14. This is the best EBITDA margin since 3Q10.

Consolidated (R\$ thousand)						
RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Net income	61,412	23,343	163.1%	121,999	53,443	128.3%
(+) Net financial result	6,948	8,231	-15.6%	(21,047)	24,825	
(+) Income tax and social contribution	49,502	16,238	204.9%	90,171	36,822	144.9%
(+) Depreciation and amortization	67,126	54,833	22.4%	129,276	109,453	18.1%
EBITDA (according to CVM 527/12)	184,988	102,645	80.2%	320,399	224,543	42.7%
% on revenues	20.3%	13.5%		18.9%	14.4%	
(+) Other net operating expenses*	(947)	9,080		467	20,605	-97.7%
Adjusted EBITDA	184,041	111,725	64.7%	320,866	245,148	30.9%
% on revenues	20.2%	14.7%		18.9%	15.7%	

(* Other net operating expenses are presented net of amortization and depreciation expenses.

INVESTMENTS IN PP&E AND INTANGIBLE ASSETS

Total investments in PP&E and intangible assets in 2Q15 reached R\$43.3 million. The main investments during the quarter were the transfer of a machining line to Mexico, workplace safety, sand regeneration in Mexico, expansion of CGI production capacity and the final stage of the ERP implementation project.

Consolidated (R\$ thousand)						
	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
PP&E						
Strategic investments	13,777	14,910	-7.6%	29,619	43,587	-32.0%
Maintenance and sustenance	19,191	26,913	-28.7%	35,637	39,137	-8.9%
Environment	5,255	4,831	8.8%	9,980	12,781	-21.9%
Interest and financial expenses	221	167	32.3%	473	655	-27.8%
Intangible assets						
Software	4,892	5,409	-9.6%	8,861	11,736	-24.5%
Total	43,336	52,230	-17.0%	84,570	107,896	-21.6%

INDEBTEDNESS

The Company ended 2Q15 with a net debt of R\$891.2 million, which results in an index of 1.53x net debt/adjusted EBITDA. Regarding the currency breakdown, 35% of the debt is BRL denominated and 65% is in foreign currencies. In terms of maturity, 33% is short-term debt and 67% long-term debt.

Consolidated (R\$ thousand)			
INDEBTEDNESS	2Q15	1Q15	4Q14
Debt – short term	754,226	545,583	428,559
Debt – long term	1,515,716	1,849,003	1,706,082
Gross debt	2,269,942	2,394,586	2,134,641
Cash and cash equivalents	1,367,837	1,426,722	1,336,916
Financial investments	10,876	10,614	10,365
Net debt	891,229	957,250	787,360
Gross debt/LTM adjusted EBITDA	3.89x	4.69x	4.21x

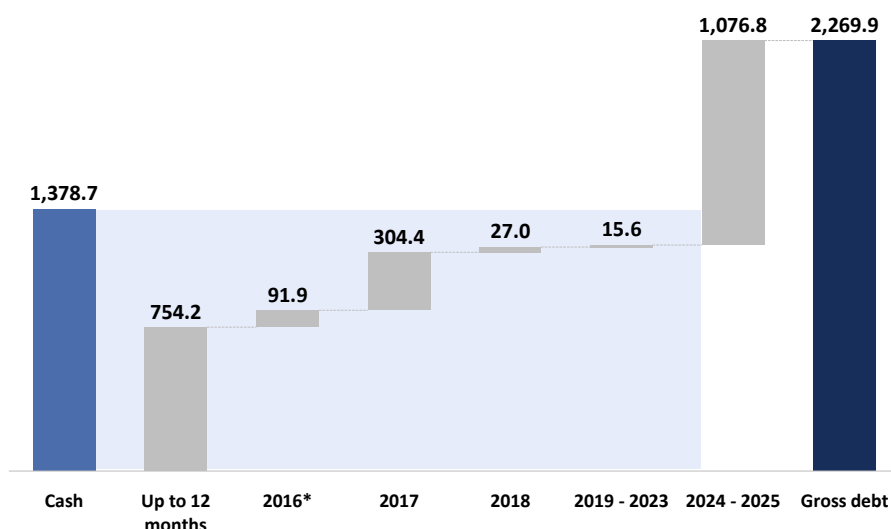
Net debt/LTM adjusted EBITDA

1.53x

1.87x

1.55x

The current indebtedness profile is as follows:



All amounts in R\$ million. (*) Does not include short term debt.

WORKING CAPITAL

Consolidated (R\$ thousand)

	2Q15	1Q15	4Q14
Accounts receivable	523,255	542,258	423,815
Inventories	474,008	472,808	379,221
Accounts payable	288,517	317,790	256,057
Days Sales Outstanding [days]	59	64	50
Days Inventories Outstanding [days]	66	68	54
Days Payable Outstanding [days]	40	44	36
Cash conversion cycle [days]	85	88	68

Compared to march/15, the reduction in accounts receivable is due mainly to the foreign exchange rate appreciation, from BRL 3.208/US\$ in March 31 to BRL 3.103/US\$ in June 30, affecting the receivables from foreign markets. The inventory buildup was part of the final stage of the implementation of the ERP system that began operating on July 7, the Company believes that inventory levels should be normalized during 2H15. Also as result of the ERP implementation, the Company anticipated payments to key suppliers due to the temporary interruption of accounts payable activities in July/2015.

▽ CASH FLOW

Consolidated (R\$ thousand)						
CASH FLOW SUMMARY	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
Cash and cash equivalents at the end of the period	1,367,837	1,075,793	27.1%	1,367,837	1,075,793	27.1%
Cash flow from operating activities	82,592	69,616	18.6%	121,800	156,065	-22.0%
Cash flow from investment activities	(39,964)	(52,440)	-23.8%	(79,357)	(109,593)	-27.6%
Cash flow from financing activities	(84,513)	(44,596)	89.5%	(85,061)	(60,349)	40.9%
Effect of exchange variation on cash	(17,000)	(16,708)	1.7%	73,539	(33,776)	
Increase (decrease) in cash	(58,885)	(44,128)	33.4%	30,921	(47,653)	

The Company generated R\$82.6 million in cash from operations in 2Q15, versus R\$69.6 million in 2Q14. The improvement is mainly due to the increase in the net income before taxes, partly offset by and increased consumption of working capital related to the ERP migration, as previously mentioned.

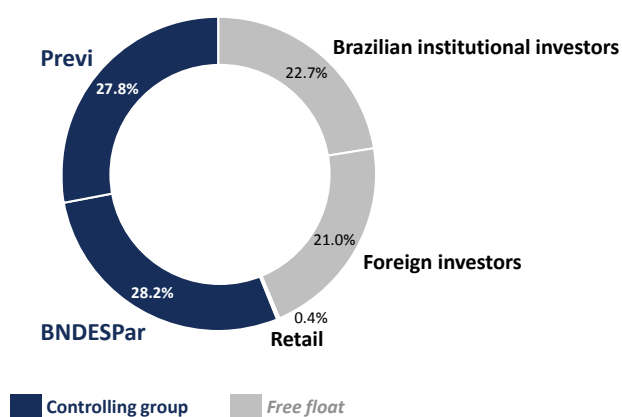
As for the investment activities, a R\$40.0 million cash outflow was related to additions to PP&E and intangible assets.

As for the financing activities, during 2Q15 the Company disbursed R\$84.5 million due to the partial amortization of Finem and Export Pre-Payment debt lines.

The combination of these factors, in addition the foreign exchange effects on the Company's cash, resulted in a R\$58.9 million increase in cash and cash equivalents in the period, reaching R\$1,367.8 million.

▽ SHAREHOLDER STRUCTURE

The shareholding structure at June 30, 2015 was distributed as follows:



Our Company is subject to the rules of the Market Arbitration Panel of the Novo Mercado, pursuant to article 60 of our Bylaws.

Attachment I – Light vehicles production and sales in Brazil

	(Units)					
Production	2Q15	2Q14	Var. (%)	1H15	1H14	Var. (%)
Production						
Passenger cars	500.183	614.597	-18.6%	1.033.838	1.248.167	-17.2%
Light commercial	87.694	117.261	-25.2%	187.305	222.685	-15.9%
Light vehicles	587.877	731.858	-19.7%	1.221.143	1.470.852	-17.0%
Sales						
Passenger cars	530.197	678.612	-21.9%	1.076.261	1.328.165	-19.0%
Light commercial	91.929	130.933	-29.8%	195.728	256.751	-23.8%
Light vehicles	622.126	809.545	-23.2%	1.271.989	1.584.916	-19.7%
Exports						
Passenger cars	88.127	73.484	19.9%	149.762	132.085	13.4%
Light commercial	22.010	14.391	52.9%	34.130	24.670	38.3%
Light vehicles	110.137	87.875	25.3%	183.892	156.755	17.3%

Source: ANFAVEA.

Attachment II – Commercial vehicles production and sales in Brazil

	(Units)					
	2Q15	2Q14	Var. (%)	1H15	1H14	Var. (%)
Production						
Trucks						
Semi-light	488	614	-20.5%	793	1.256	-36.9%
Light	5.698	5.614	1.5%	10.938	14.258	-23.3%
Medium	1.332	1.840	-27.6%	2.621	4.790	-45.3%
Semi-heavy	8.152	13.665	-40.3%	16.511	27.990	-41.0%
Heavy	4.264	11.466	-62.8%	10.767	27.699	-61.1%
Total trucks	19.934	33.199	-40.0%	41.630	75.993	-45.2%
Buses	5.728	9.323	-38.6%	13.865	19.204	-27.8%
Commercial vehicles	25.662	42.522	-39.7%	55.495	95.197	-41.7%
Sales						
Trucks						
Semi-light	912	843	8.2%	1.883	1.899	-0.8%
Light	4.840	6.274	-22.9%	10.321	12.186	-15.3%
Medium	1.690	2.839	-40.5%	3.636	5.247	-30.7%
Semi-heavy	5.795	11.511	-49.7%	12.287	21.538	-43.0%
Heavy	4.750	12.718	-62.7%	9.168	23.771	-61.4%
Total trucks	17.987	34.185	-47.4%	37.295	64.641	-42.3%
Buses	4.458	6.436	-30.7%	9.665	13.363	-27.7%
Commercial vehicles	22.445	40.621	-44.7%	68.415	123.313	-44.5%
Exports						
Trucks						
Semi-light	401	415	-3.4%	766	676	13.3%
Light	1.218	782	55.8%	2.106	1.925	9.4%
Medium	352	410	-14.1%	548	772	-29.0%
Semi-heavy	2.022	1.537	31.6%	3.322	2.794	18.9%
Heavy	2.028	1.708	18.7%	3.450	3.155	9.4%
Total trucks	6.021	4.852	24.1%	10.192	9.322	9.3%
Buses	1.812	1.921	-5.7%	3.264	3.217	1.5%
Commercial vehicles	7.833	6.773	15.7%	20.228	18.488	9.4%

Source: ANFAVEA

Attachment III – Production and sales of light and commercial vehicles in foreign markets

	(Units)					
	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
North America						
Production/factory shipments						
Passenger cars	1.928.148	1.856.577	3.9%	3.763.463	3.683.934	2.2%
Light commercial vehicles – Class 1-3	2.734.353	2.667.378	2.5%	5.292.391	5.221.718	1.4%
Light Duty - Class 4-5	14.142	12.900	9.6%	26.777	23.437	14.3%
Medium Duty - Class 6-7	33.252	33.992	-2.2%	66.417	65.771	1.0%
Heavy Duty - Class 8	86.745	74.107	17.1%	166.022	138.718	19.7%
United States						
Sales						
Passenger cars	2.111.205	2.175.211	-2.9%	3.949.112	4.015.958	-1.7%
Light commercial vehicles – Class 1-3	2.456.907	2.245.415	9.4%	4.573.946	4.148.689	10.3%
Light Duty - Class 4-5	29.205	29.361	-0.5%	52.945	51.516	2.8%
Medium Duty - Class 6-7	27.085	26.529	2.1%	53.581	51.240	4.6%
Heavy Duty - Class 8	67.395	55.279	21.9%	123.234	99.845	23.4%
Europe						
Sales						
Passenger cars	3.777.323	3.499.586	7.9%	7.414.958	6.853.139	8.2%

Sources: Automotive News; Bloomberg; ACEA.

Attachment IV – Production and sales of agricultural machinery in global markets

	2Q15	2Q14	Var. [%]	1H15	1H14	Var. [%]
(Units)						
Production						
Americas						
Brazil	15.069	20.513	-26.5%	30.544	40.386	-24.4%
Sales						
Americas						
Brazil	12.834	18.109	-29.1%	24.706	33.003	-25.1%
United States and Canada	77.222	78.890	-2.1%	120.198	124.959	-3.8%
Europe						
Germany	11.488	11.670	-1.6%	20.302	21.180	-4.1%
France	8.554	8.681	-1.5%	14.260	15.260	-6.6%
United Kingdom	3.334	3.702	-9.9%	5.964	6.942	-14.1%
Russia	9.244	17.929	-48.4%	14.675	24.902	-41.1%
Asia						
India*	25.090	20.731	21.0%	63.694	76.105	-16.3%

Sources: ANFAVEA; AEM; AEA; Bloomberg. (*) Figures up to April 2014/5.

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Attachment V – Income statement

[BRL thousand]	2Q15	2Q14	Var. %	1H15	1H14	Var. %
Sales volume [kton]	142.447	148.347	-4%	270.657	304.418	-11%
Domestic market	33.207	39.164	-15%	67.320	86.174	-22%
Foreign market	109.240	109.183	0%	203.337	218.244	-7%
Revenues	911.082	758.558	20%	1.699.159	1.563.597	9%
Domestic market	179.215	206.870	-13%	357.025	441.120	-19%
Foreign market	731.867	551.688	33%	1.342.134	1.122.477	20%
COGS	(713.448)	(630.504)	13%	(1.353.271)	(1.286.592)	5%
Gross profit	197.634	128.054	54%	345.888	277.005	25%
<i>% on revenues</i>	<i>21.7%</i>	<i>16.9%</i>	<i>4,8 p.p.</i>	<i>20.4%</i>	<i>17.7%</i>	<i>2,6 p.p.</i>
Sales expenses	(33.826)	(31.435)	8%	(63.703)	(62.435)	2%
Administrative expenses	(25.964)	(22.746)	14%	(50.450)	(44.437)	14%
Management compensation	(3.054)	(2.603)	17%	(5.371)	(5.071)	6%
Other net operating expenses	(16.928)	(23.458)	-28%	(35.241)	(49.972)	-29%
Net income before financial results and income taxes	117.862	47.812	147%	191.123	115.090	66%
<i>% on revenues</i>	<i>12.9%</i>	<i>6.3%</i>	<i>6,6 p.p.</i>	<i>11.2%</i>	<i>7.4%</i>	<i>3,9 p.p.</i>
Financial expenses	(36.983)	(22.806)	62%	(72.699)	(47.923)	52%
Financial revenues	31.798	20.841	53%	60.953	38.091	60%
Net exchange variation	(1.763)	(6.266)	-72%	32.793	(14.993)	n.a.
Net income before income taxes	110.914	39.581	180%	212.170	90.265	135%
<i>% on revenues</i>	<i>12.2%</i>	<i>5.2%</i>	<i>7,0 p.p.</i>	<i>12.5%</i>	<i>5.8%</i>	<i>6,7 p.p.</i>
Income tax and social contribution	(49.502)	(16.238)	205%	(90.171)	(36.822)	145%
Net income	61.412	23.343	163%	121.999	53.443	128%
<i>% on revenues</i>	<i>6.7%</i>	<i>3.1%</i>	<i>3,7 p.p.</i>	<i>7.2%</i>	<i>3.4%</i>	<i>3,8 p.p.</i>

Attachment VI – Balance Sheet

[BRL thousands]	jun/15	jun/14	Var. %
Assets	5.357.078	4.446.196	20%
Cash and cash equivalents	1.367.837	1.075.793	27%
Derivatives	-	-	n.a.
Accounts receivables	523.255	395.402	32%
Inventories	474.008	326.183	45%
Third-party tools	116.053	97.137	19%
Recoverable income tax and social contribution assets	13.944	36.233	-62%
Other recoverable tax assets	82.153	59.164	39%
Assets held for sale	-	-	n.a.
Notes and other receivables	39.339	38.259	3%
Current assets	2.616.589	2.028.171	29%
Financial investments	10.876	15.529	-30%
Recoverable income tax and social contribution assets	76.245	-	n.a.
Other recoverable tax assets	146.039	120.189	22%
Deferred income tax and social contribution	-	-	n.a.
Eletrobrás credits	102.170	97.940	4%
Legal deposits and other	41.836	20.410	105%
Equity investments	5.176	4.341	19%
Investment properties	6.544	6.546	0%
PP&E	1.792.314	1.639.285	9%
Intangible assets	559.289	513.785	9%
Long-term assets	2.740.489	2.418.025	13%
Liabilities	3.118.018	2.527.294	23%
Accounts payables	288.517	283.507	2%
Loans	752.781	340.931	121%
Derivatives	1.445	2.146	-33%
Debentures	-	-	n.a.
Financing of taxes and social security charges	-	675	-100%
Income tax and social contributions payable	4.787	-	n.a.
Other taxes payable	45.807	27.790	65%
Payroll, related charges and profit sharing program	121.329	127.199	-5%
Unearned revenues	104.089	84.936	23%
Related parties	-	-	n.a.
Dividends and interest on shareholders's equity	139	139	0%
Provision for tax, civil, social security and labor contingencies	11.695	9.230	27%
Notes and others payable	62.777	52.186	20%
Current liabilities	1.393.366	928.739	50%
Loans	1.515.716	1.359.745	11%
Derivatives	-	595	-100%
Debentures	-	-	n.a.
Financing of taxes and social security charges	-	9.051	-100%
Provision for tax, civil, social security and labor contingencies	82.970	102.362	-19%
Deferred income tax and social contribution	91.096	96.120	-5%
Retirement benefit obligations	25.698	17.179	50%
Other long-term liabilities	9.172	13.503	-32%
Long-term liabilities	1.724.652	1.598.555	8%
Equity	2.239.060	1.918.902	17%
Paid in capital	1.060.301	1.060.301	0%
Expenses with issue of shares	(6.541)	(6.541)	0%
Stock option plan	2.015	-	n.a.
Equity valuation adjustments	450.517	279.162	61%
Profit reserves	604.242	525.895	15%
Retained Earnings	128.526	60.085	114%

Attachment VII – Cash Flow Statement

[BRL thousands]	2Q15	2Q14	Var. %	1H15	1H14	Var. %
Cash flow from operating activities	82.592	69.616	19%	121.800	156.065	-22%
Net income before income taxes	110.914	39.581	180%	212.170	90.265	135%
Adjustments to reconcile net income to cash flow from operating activities						
D&A	67.126	54.833	22%	129.276	109.453	18%
Share of profit of equity-accounted investments	(972)	2.250	-143%	(897)	2.265	-140%
Forest depletion	37.524	25.183	49%	37.414	58.039	-36%
Loss on sale of other investments	(966)	(68)	1321%	(6)	17	-135%
Disposal of property, plant and equipment	616	(140)	-540%	(882)	(362)	144%
Interest and exchange variations	9.882	9.084	9%	18.759	15.812	19%
Provision for impairment of trade receivables	-	-	n.a.	-	-	n.a.
Provision for inventory losses	819	-	n.a.	819	-	n.a.
Provision for tax, civil, social security and labor contingencies	(4.753)	(3.670)	30%	(3.133)	(407)	670%
Adhesion to REFIS	(106)	(1.545)	-93%	(2.861)	(4.223)	-32%
Changes in operating assets and liabilities						
Trade receivables	(3.597)	36.290	-110%	(57.832)	(33.195)	74%
Inventories	(5.464)	(36.817)	-85%	(79.616)	(53.177)	50%
Third-party tools	8.485	(13.233)	-164%	18.022	(18.550)	-197%
Other taxes recoverable	(59.035)	(13.153)	349%	(76.976)	(8.616)	793%
Notes and others receivable	(16.876)	(9.650)	75%	(4.297)	(8.238)	-48%
Legal deposits and other	(964)	705	-237%	(1.922)	(82)	2244%
Trade payables	(24.639)	(600)	4007%	18.671	44.556	-58%
Other taxes payable	15.051	1.478	918%	2.912	(603)	-583%
Payroll, related charges and profit sharing program	8.146	6.471	26%	1.364	5.681	-76%
Advances from clients	(12.139)	3.244	-474%	93	10.429	-99%
Notes and other payable	(14.531)	(1.107)	1213%	3.319	(3.540)	-194%
Retirement benefit obligations	(1.585)	(1.195)	33%	8.050	(605)	-1431%
Other long term liabilities	(6.599)	(4.435)	49%	(12.365)	(6.359)	94%
Interest paid	(23.745)	(22.723)	4%	(68.825)	(41.328)	67%
Income tax and social contribution paid	-	(1.167)	-100%	(19.457)	(1.167)	1567%
Cash flow from investing activities	(39.964)	(52.440)	-24%	(79.357)	(109.593)	-28%
Investment increase	-	-	n.a.	-	-	n.a.
Acquisition of mexican subsidiaries - net of acquired cash	-	-	n.a.	-	-	n.a.
Capital increase of mexican subsidiaries	-	-	n.a.	-	-	n.a.
Purchase of property, plant and equipment, and intangible increase	(43.117)	(52.933)	-19%	(86.250)	(110.086)	-22%
Sale of other investments	-	-	n.a.	-	-	n.a.
Disposal of property, plant and equipment	3.153	493	540%	6.893	493	1298%
Investments financed by clients	-	-	n.a.	-	-	n.a.
Cash flow from financing activities	(84.513)	(44.596)	90%	(85.061)	(60.349)	41%
Loan paydown	(84.513)	(20.348)	315%	(103.567)	(40.379)	156%
Debentures paydown	-	-	n.a.	-	-	n.a.
Amortization of tax financing	-	(168)	-100%	-	(331)	-100%
New loans	-	-	n.a.	18.506	5.369	245%
Subsidiaries and affiliates	-	-	n.a.	-	-	n.a.
Collection of a portion of Eletrobrás credits	-	-	n.a.	-	-	n.a.
Increase in capital, net of share issue expenses	-	-	n.a.	-	-	n.a.
Dividends and interest on shareholder's equity paid	-	(24.080)	-100%	-	(25.008)	-100%
Long term financial investments	-	-	n.a.	-	-	n.a.
Effect of exchange rate changes on cash and cash equivalents	(17.000)	(16.708)	2%	73.539	(33.776)	-318%
Increase (decrease) of cash and cash equivalents	(58.885)	(44.128)	33%	30.921	(47.653)	-165%
Cash and cash equivalents at the beginning of the period	1.426.722	1.119.921	27%	1.336.916	1.123.446	19%
Cash and cash equivalents at the end of the period	1.367.837	1.075.793	27%	1.367.837	1.075.793	27%