(Convenience Translation into English from the Original Previously Issued in Portuguese)

Iochpe-Maxion S.A. and Subsidiaries

Individual and Consolidated Financial Statements for the Year Ended December 31, 2015 and Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

To the Shareholders, Directors and Management of
Iochpe-Maxion S.A.
Cruzeiro - SP

Introduction

We have audited the accompanying individual and consolidated financial statements of Iochpe--Maxion S.A. ("Company"), identified as Parent and Consolidated, respectively, which comprise the balance sheet as of December 31, 2015, and the related statements of profit and loss, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting practices and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards - IFRSs, issued by the International Accounting Standards Board - IASB, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Brazilian and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting practices used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Opinion

In our opinion, the individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of Iochpe-Maxion S.A. as of December 31, 2015, and its individual and consolidated financial performance and its cash flows for the year then ended in accordance with accounting practices adopted in Brazil and the IFRSs issued by the IASB.

Other matters

Statements of value added

We have also audited the individual and consolidated statements of value added ("DVA") for the year ended December 31, 2015, prepared under the responsibility of the Company's Management, the presentation of which is required by the Brazilian Corporate Law for publicly-traded companies and considered supplemental information by IFRSs, which do not require the presentation of a DVA. These statements were subjected to the same auditing procedures described above and, in our opinion, are fairly presented, in all material respects, in relation to the financial statements taken as a whole.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, February 25, 2016

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

André Rafael de Oliveira
Engagement Partner

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1) COMPANY OVERVIEW

Iochpe-Maxion is a global company, the world leader in the production of automotive wheels, a leading producer of automotive structural components in the Americas, and also the leader in the production of railway equipment in Brazil.

We have 32 manufacturing plants located in 14 countries and approximately 14,000 employees, which enables us to serve our customers around the world according to their delivery terms, quality standards and competitiveness requirements.

Our Company holds a high level of technical knowledge, and permanently seeks to provide innovative solutions in the areas in which it operates, using global macro-trends that guide the development of new products and technologies, whether independently or in cooperation with strategic partners.

Our organization is structured through three divisions: Maxion Wheels, Maxion Structural Components and AmstedMaxion.

At Maxion Wheels, we produce and sell a wide range of steel wheels for light and commercial vehicles and agricultural machinery and aluminum wheels for light vehicles.

At Maxion Structural Components, we produce side rails, cross members and full frames for commercial vehicles and structural components for light vehicles.

At AmstedMaxion (*a joint-venture)*, we produce freight cars, railway wheels and castings as well as industrial castings.

2) HIGHLIGHTS

- Consolidated net operating revenue of R$ 1,835.7 million in 4Q15 and R$ 6,846.5 million in 2015, an increase of 24.8% and 15.8% when compared to 4Q14 and 2014, respectively;
- EBITDA of R$ 164.1 million in 4Q15 and R$ 751.1 million in 2015, down by 9.6% when compared to 4Q14 and up by 14.1% when compared to 2014;
- Loss of R$ 16.6 million (loss per share of R$ 0.1758) in 4Q15 and net income of R$ 49.4 million (earnings per share of R$ 0.5219) in 2015, a reduction of 141.4% compared to net income of R$ 40.2 million (earnings per share of R$ 0.4245) in 4Q14 and a decrease of 27.2% when compared to net income of R$ 67.8 million (earnings per share of R$ 0.7164) in 2014;
- Net bank indebtedness of R$ 2,675.6 million at the end of 2015 (R$ 2,175.3 million at the end of 2014). This indebtedness represents 3.6x the EBITDA of the last 12 months (3.3x at the end of 2014);
- Shareholders' equity of R$ 2,456.5 million (equity book value of R$ 25.90 per share) in the end of 2015, 53.1% higher than the shareholders' equity in the end of 2014 (R$ 1,604.5 million and an equity book value of R$ 16.91 per share).

3) MARKET

Production of vehicles and agricultural machinery in regions where the Company's highest percentage of consolidated revenues are concentrated, presented the following behavior in the periods indicated (in units):

PRODUCTION	BRAZIL[1]			NAFTA[2]			EUROPE[2]		
Segment	**4Q14**	**4Q15**	**Var.**	**4Q14**	**4Q15**	**Var.**	**4Q14**	**4Q15**	**Var.**
Light Vehicles	729,168	505,481	*-30.7%*	4,236,766	4,330,283	*2.2%*	4,495,522	4,580,284	*1.9%*
Commercial Vehicles	33,019	17,549	*-46.9%*	134,626	138,674	*3.0%*	110,428	125,813	*13.9%*
Total Vehicles	**762,187**	**523,030**	***-31.4%***	**4,371,392**	**4,468,957**	***2.2%***	**4,605,950**	**4,706,097**	***2.2%***
Agricultural Machinery	17,958	9,604	*-46.5%*	N/A	N/A		N/A	N/A	
Segment	**2014**	**2015**	**Var.**	**2014**	**2015**	**Var.**	**2014**	**2015**	**Var.**
Light Vehicles	2,973,484	2,333,861	*-21.5%*	17,029,567	17,496,602	*2.7%*	17,265,289	18,356,320	*6.3%*
Commercial Vehicles	172,902	95,560	*-44.7%*	524,647	568,172	*8.3%*	407,389	465,937	*14.4%*
Total Vehicles	**3,146,386**	**2,429,421**	***-22.8%***	**17,554,214**	**18,064,774**	***2.9%***	**17,672,678**	**18,822,257**	***6.5%***
Agricultural Machinery	82,414	55,262	*-32.9%*	N/A	N/A		N/A	N/A	

(1) Source: ANFAVEA
(2) Source: IHS Automotive (Light Vehicle) and LMC Automotive (Commercial Vehicles)
Europe: considers EU27 + Turkey

According to AmstedMaxion's estimates, the Brazilian railway equipment market presented the following behavior in the periods indicated:

Segment	4Q14	4Q15	Var.	2014	2015	Var.
Railway Freight Cars (unit)	1,021	1,130	*10.7%*	4,693	4,608	*-1.8%*
Railway Wheels (unit)*	18,545	18,694	*0.8%*	68,859	72,625	*5.5%*
Castings (tonnes)*	814	756	*-7.1%*	3,057	3,145	*2.9%*

*** Does not include wheels and castings used in assembling new railroad freight cars.**

4) OPERATING AND FINANCIAL PERFORMANCE

Consolidated I.S - R$ thousand	4Q14	4Q15	*Var.*	2014	2015	*Var.*
Net Operating Revenue	1,470,385	1,835,653	*24.8%*	5,911,677	6,846,456	*15.8%*
Cost of Goods Sold	(1,261,533)	(1,603,846)	*27.1%*	(5,094,348)	(5,954,428)	*16.9%*
Gross Profit	**208,852**	**231,806**	***11.0%***	**817,329**	**892,028**	***9.1%***
	14.2%	***12.6%***		***13.8%***	***13.0%***	
Operating Expenses	(91,114)	(146,738)	*61.0%*	(385,644)	(513,074)	*33.0%*
Equity Income	(1,266)	(4,808)	*279.9%*	(13,982)	70,648	*-605.3%*
Operating Income (EBIT)	**116,473**	**80,260**	***-31.1%***	**417,703**	**449,602**	***7.6%***
	7.9%	***4.4%***		***7.1%***	***6.6%***	
Financial Results	(79,210)	(78,616)	*-0.7%*	(256,460)	(316,760)	*23.5%*
Income Taxes	14,969	12,292	*-17.9%*	(43,211)	(12,993)	*-69.9%*
Minority Shareholders	(12,068)	(30,567)	*153.3%*	(50,255)	(70,483)	*40.3%*
Net Income (Loss)	**40,164**	**(16,631)**	***-141.4%***	**67,777**	**49,366**	***-27.2%***
	2.7%	***-0.9%***		***1.1%***	***0.7%***	
EBITDA	**181,405**	**164,062**	***-9.6%***	**658,053**	**751,067**	***14.1%***
	12.3%	***8.9%***		***11.1%***	***11.0%***	
Equity Income	1,266	4,808	*279.9%*	13,982	(70,648)	*-605.3%*
Adjusted EBITDA w/o Equity Income	**182,671**	**168,870**	***-7.6%***	**672,035**	**680,419**	***1.2%***
	12.4%	***9.2%***		***11.4%***	***9.9%***	

4.1) Net operating revenue

Consolidated net operating revenue reached R$ 1,835.7 million in 4Q15 and R$ 6,846.5 million in 2015, an increase of 24.8% and 15.8% compared to 4Q14 and 2014, respectively.

In 4Q15 this result was positively affected by the (i) growth of vehicle production abroad and the (ii) exchange rate variation in the Company´s international net revenues. And adversely affected by the sharp fall in the production of vehicles and agricultural machinery in Brazil.

Domestic sales reached R$ 267.5 million in 4Q15 and R$ 1,350.6 million in 2015 and accounted for 14.6% and 19.7%, respectively, of consolidated net operating revenue, a decrease of 36.9% compared to 4Q14 and 29.3% compared to 2014.

International sales reached R$ 1,568.2 million (US$ 408.2 million) in 4Q15 and R$ 5,495.8 million (US$ 1,644.3 million) in 2015, accounting for 85.4% and 80.3%, respectively, of consolidated net operating revenue, an increase of 49.9% and 37.4% in *Reais* and a decrease of 1.1% and 3.4% in US$, when compared to 4Q14 and 2014, respectively.

The decrease of revenues in US$ is due to the depreciation of the Euro in relation to the US$ throughout 4Q15 and 2015, causing a negative impact on international sales of US$ 24.6 million in the 4Q15 and U$ 135.6 million in 2015. Not considering this effect, international sales would have presented an increase of 4.9% in US$ compared to 4Q14 and 4.5% compared to 2014.

The following table shows the performance of consolidated net operating revenue by origin and by product type in the periods indicated.

Net Operating Revenue		North America		South America		Europe		Asia + Others		Total	
		R$ Thous.	*Part.*	R$ Thous.	*Part.*	R$ Thous.	*Part.*	R$ Thous.	*Part.*	R$ Thous.	*Part.*
Light Vehicles (steel)	4Q14	222,571	*15.1%*	91,602	*6.2%*	165,319	*11.2%*	14,491	*1.0%*	493,984	*33.6%*
	4Q15	299,216	*16.3%*	65,775	*3.6%*	266,500	*14.5%*	17,097	*0.9%*	648,587	*35.3%*
	Var.	34.4%		-28.2%		61.2%		18.0%		31.3%	
Light Vehicles (aluminum)	4Q14	56,488	*3.8%*	42,180	*2.9%*	209,029	*14.2%*	49,189	*3.3%*	356,886	*24.3%*
	4Q15	83,012	*4.5%*	45,858	*2.5%*	351,251	*19.1%*	93,638	*5.1%*	573,759	*31.3%*
	Var.	47.0%		8.7%		68.0%		90.4%		60.8%	
Commercial Vehicles (steel)	4Q14	43,837	*3.0%*	101,454	*6.9%*	128,873	*8.8%*	31,090	*2.1%*	305,253	*20.8%*
	4Q15	63,410	*3.5%*	46,507	*2.5%*	152,734	*8.3%*	48,452	*2.6%*	311,103	*16.9%*
	Var.	44.6%		-54.2%		18.5%		55.8%		1.9%	
Maxion Wheels	**4Q14**	**322,895**	***22.0%***	**235,236**	***16.0%***	**503,222**	***34.2%***	**94,770**	***6.4%***	**1,156,123**	***78.6%***
	4Q15	**445,638**	***24.3%***	**158,140**	***8.6%***	**770,485**	***42.0%***	**159,186**	***8.7%***	**1,533,450**	***83.5%***
	Var.	**38.0%**		**-32.8%**		**53.1%**		**68.0%**		**32.6%**	
Light Vehicles	4Q14	-	*0.0%*	47,154	*3.2%*	-	*0.0%*	-	*0.0%*	47,154	*3.2%*
	4Q15	-	*0.0%*	39,296	*2.1%*	-	*0.0%*	-	*0.0%*	39,296	*2.1%*
	Var.			-16.7%						-16.7%	
Commercial Vehicles	4Q14	125,335	*8.5%*	141,773	*9.6%*	-	*0.0%*	-	*0.0%*	267,108	*18.2%*
	4Q15	192,858	*10.5%*	70,049	*3.8%*	-	*0.0%*	-	*0.0%*	262,907	*14.3%*
	Var.	53.9%		-50.6%						-1.6%	
Maxion Structural Components	**4Q14**	**125,335**	***8.5%***	**188,927**	***12.8%***	**-**	***0.0%***	**-**	***0.0%***	**314,262**	***21.4%***
	4Q15	**192,858**	***10.5%***	**109,345**	***6.0%***	**-**	***0.0%***	**-**	***0.0%***	**302,203**	***16.5%***
	Var.	**53.9%**		**-42.1%**						**-3.8%**	
Iochpe-Maxion (Consolidated)	**4Q14**	**448,230**	***30.5%***	**424,162**	***28.8%***	**503,222**	***34.2%***	**94,770**	***6.4%***	**1,470,385**	***100.0%***
	4Q15	**638,496**	***34.8%***	**267,484**	***14.6%***	**770,485**	***42.0%***	**159,186**	***8.7%***	**1,835,653**	***100.0%***
	Var.	**42.4%**		**-36.9%**		**53.1%**		**68.0%**		**24.8%**	

Net Operating Revenue		North America		South America		Europe		Asia + Others		Total	
		R$ Thous.	*Part.*	R$ Thous.	*Part.*	R$ Thous.	*Part.*	R$ Thous.	*Part.*	R$ Thous.	*Part.*
Light Vehicles (steel)	2014	845,883	*14.3%*	381,532	*6.5%*	627,644	*10.6%*	49,696	*0.8%*	1,904,756	*32.2%*
	2015	1,098,581	*16.0%*	304,439	*4.4%*	809,035	*11.8%*	67,650	*1.0%*	2,279,705	*33.3%*
	Var.	29.9%		-20.2%		28.9%		36.1%		19.7%	
Light Vehicles (aluminum)	2014	186,560	*3.2%*	160,407	*2.7%*	806,077	*13.6%*	189,318	*3.2%*	1,342,362	*22.7%*
	2015	282,250	*4.1%*	199,016	*2.9%*	1,216,426	*17.8%*	324,017	*4.7%*	2,021,709	*29.5%*
	Var.	51.3%		24.1%		50.9%		71.1%		50.6%	
Commercial Vehicles (steel)	2014	195,565	*3.3%*	515,100	*8.7%*	510,414	*8.6%*	121,948	*2.1%*	1,343,027	*22.7%*
	2015	266,686	*3.9%*	299,630	*4.4%*	562,318	*8.2%*	170,134	*2.5%*	1,298,767	*19.0%*
	Var.	36.4%		-41.8%		10.2%		39.5%		-3.3%	
Maxion Wheels	**2014**	**1,228,008**	***20.8%***	**1,057,039**	***17.9%***	**1,944,135**	***32.9%***	**360,962**	***6.1%***	**4,590,145**	***77.6%***
	2015	**1,647,516**	***24.1%***	**803,085**	***11.7%***	**2,587,779**	***37.8%***	**561,800**	***8.2%***	**5,600,180**	***81.8%***
	Var.	**34.2%**		**-24.0%**		**33.1%**		**55.6%**		**22.0%**	
Light Vehicles	2014	-	*0.0%*	206,094	*3.5%*	-	*0.0%*	-	*0.0%*	206,094	*3.5%*
	2015	-	*0.0%*	152,231	*2.2%*	-	*0.0%*	-	*0.0%*	152,231	*2.2%*
	Var.			-26.1%						-26.1%	
Commercial Vehicles	2014	467,055	*7.9%*	648,384	*11.0%*	-	*0.0%*	-	*0.0%*	1,115,438	*18.9%*
	2015	698,744	*10.2%*	395,301	*5.8%*	-	*0.0%*	-	*0.0%*	1,094,045	*16.0%*
	Var.	49.6%		-39.0%						-1.9%	
Maxion Structural Components	**2014**	**467,055**	***7.9%***	**854,478**	***14.5%***	**-**	***0.0%***	**-**	***0.0%***	**1,321,533**	***22.4%***
	2015	**698,744**	***10.2%***	**547,532**	***8.0%***	**-**	***0.0%***	**-**	***0.0%***	**1,246,275**	***18.2%***
	Var.	**49.6%**		**-35.9%**						**-5.7%**	
Iochpe-Maxion (Consolidated)	**2014**	**1,695,063**	***28.7%***	**1,911,517**	***32.3%***	**1,944,135**	***32.9%***	**360,962**	***6.1%***	**5,911,677**	***100.0%***
	2015	**2,346,260**	***34.3%***	**1,350,617**	***19.7%***	**2,587,779**	***37.8%***	**561,800**	***8.2%***	**6,846,456**	***100.0%***
	Var.	**38.4%**		**-29.3%**		**33.1%**		**55.6%**		**15.8%**	

4.2) Cost of Goods Sold (COGS)

COGS reached R$ 1,603.8 million in 4Q15 and R$ 5,954.4 million in 2015, an increase of 27.1% and 16.9% compared to 4Q14 and 2014, respectively. Its share of consolidated net operating revenue increased from 85.8% in 4Q14 to 87.4% in 4Q15, and from 86.2% in 2014 to 87.0% in 2015.

The deterioration of this relation is mainly due to the lower usage of the installed capacity in Brazil.

4.3) Gross Profit

Gross profit stood at R$ 231.8 million in 4Q15, representing a gross margin of 12.6% and R$ 892.0 million in 2015, with a gross margin of 13.0%, an increase of 11.0% compared to 4Q14, and 9.1% compared to 2014, when the amounts were R$ 208.8 million, with a gross margin of 14.2% and R$ 817.3 million, with a gross margin of 13.8%, respectively.

4.4) Net Operating Expenses

Net operating expenses totaled R$ 146.7 million in 4Q15 and R$ 513.1 million in 2015, an increase of 61.1% compared to 4Q14 and 33.0% compared to 2014. Its share of consolidated net operating revenue increased from 6.2% in 4Q14 to 8.0% in 4Q15 and from 6.5% in 2014 to 7.5% in 2015.

This variation in 4Q15 is mostly related to the increase in salary, freight and transport expenses (R$ 41.4 million) in international operations due to the exchange rate variation and to salary increases related to collective bargaining in Brazil.

In 2015, the variation is mostly related to (i) non-recurring expense of R$ 23.0 million to adjust the cost structure to current demand level of the Brazilian market, (ii) increase in *Reais* of administrative and selling expenses of international operations due to the exchange rate variation (R$ 116.6 million), (iii) non-recurring gain of R$ 8.1 million from advanced liquidation of the benefit plan to retired employees in the Unites States, and (iv) salary increases related to collective bargaining in Brazil.

Not considering this effect of the exchange rate variation net operating expenses would have increased 15.6% in 4Q15 and 2.9% in 2015.

4.5) Equity Income

Equity income totaled a negative result of R$ 4.8 million in 4Q15 and a positive result of R$ 70.6 million in 2015, a reduction of 279.4% compared to the negative result of R$ 1.3 million in 4Q14 and an improvement of 605.3% over the negative amount of R$ 14.0 million in 2014.

Equity income in 2015 was positively impacted by the non-recurring gain of R$ 80.3 million related to the sale of a stake in "AmstedMaxion Equipamentos e Serviços Ferroviários S.A." and its resulting adjustment of the remaining investment at fair value.

Without considering this non-recurring gain, equity income in 2015 would have improved by 31.0% when compared to 2014.

The following table shows the values corresponding to the Iochpe-Maxion equity interest in the main lines of the income statements of these jointly-controlled subsidiaries recorded by the equity income method.

	4Q14			4Q15			
I.S - R$ thousand	Amsted Maxion	Maxion Montich	Total	Amsted Maxion	Maxion Montich	Total	Var.
Net Operating Revenue	106,130	12,280	118,410	39,689	19,521	59,210	*-50.0%*
Cost of Goods Sold	(90,987)	(11,314)	(102,302)	(33,885)	(17,453)	(51,338)	*-49.8%*
Gross Profit	**15,143**	**965**	**16,108**	**5,804**	**2,069**	**7,873**	***-51.1%***
Operating Revenues (Expenses)	(9,994)	(1,309)	(11,302)	(5,289)	(2,033)	(7,322)	*-35.2%*
Equity Income	-	-	-	(1,313)	-	(1,313)	-
Financial Results	(5,663)	(320)	(5,983)	(5,077)	(440)	(5,517)	*-7.8%*
Income Taxes	(403)	312	(90)	1,428	42	1,470	*-1728.6%*
Net Income (Loss)	**(916)**	**(351)**	**(1,267)**	**(4,446)**	**(362)**	**(4,808)**	*279.4%*
EBITDA	**6,816**	**253**	**7,069**	**292**	**(201)**	**91**	***-98.7%***

	2014			2015			
I.S - R$ thousand	Amsted Maxion	Maxion Montich	Total	Amsted Maxion	Maxion Montich	Total	Var.
Net Operating Revenue	473,144	53,747	526,891	281,744	77,796	359,540	*-31.8%*
Cost of Goods Sold	(420,745)	(48,677)	(469,421)	(238,701)	(70,925)	(309,626)	*-34.0%*
Gross Profit	**52,399**	**5,070**	**57,469**	**43,043**	**6,871**	**49,914**	***-13.1%***
Operating Revenues (Expenses)	(39,147)	(6,032)	(45,178)	92,354	(6,793)	85,561	*-289.4%*
Equity Income	-	-	-	(550)	-	(550)	-
Financial Results	(21,354)	(2,927)	(24,281)	(24,733)	(2,008)	(26,741)	*10.1%*
Income Taxes	(2,119)	822	(1,296)	(38,216)	679	(37,537)	*2795.7%*
Net Income (Loss)	**(10,221)**	**(3,066)**	**(13,287)**	**71,899**	**(1,251)**	**70,647**	*-631.7%*
EBITDA	**19,904**	**1,346**	**21,249**	**140,483**	**4,166**	**144,649**	***580.7%***

4.6) Earnings before Interest and Tax (EBIT)

EBIT totaled R$ 80.3 million in 4Q15 and R$ 449.6 million in 2015, down by 31.1% over 4Q14 and up by 7.6% over 2014. Its share in consolidated net operating revenue decreased from 7.9% in 4Q14 to 4.4% in 4Q15 and from 7.1% in 2014 to 6.6% in 2015.

4.7) EBITDA

EBITDA was R$ 164.1 million in 4Q15 and R$ 751.1 million in 2015, a decrease of 9.6% compared to 4Q14 and an increase of 14.1% compared to 2014. Its share in consolidated net operating revenue decreased from 12.3% in 4Q14 to 8.9% in 4Q15, and from 11.1% in 2014 to 11.0% in 2015.

The following table shows EBITDA evolution in the indicated periods.

EBITDA Reconciliation - R$ Thousand	4Q14	4Q15	Var.	2014	2015	Var.
Net Income	40,164	(16,631)	*-141.4%*	67,777	49,366	*-27.2%*
Minority Shareholders	12,068	30,567	*153.3%*	50,255	70,483	*40.3%*
Income Taxes	(14,969)	(12,292)	*-17.9%*	43,211	12,993	*-69.9%*
Financial Results	79,210	78,616	*-0.7%*	256,460	316,760	*23.5%*
Depreciation / Amortization	64,933	83,801	*29.1%*	240,349	301,465	*25.4%*
EBITDA	**181,405**	**164,062**	***-9.6%***	**658,053**	**751,067**	***14.1%***
Equity Income	1,266	4,807		13,982	(70,648)	
Adjusted EBITDA w/o Equity Income	**182,671**	**168,869**	***-7.6%***	**672,035**	**680,419**	***1.2%***

4.8) Financial Result

The financial result was negative by R$ 78.6 million in 4Q15 and R$ 316.8 million in 2015, a decrease of 0.7% compared to 4Q14 and an increase of 23.5% compared to 2014.

This variation in 4Q15 is mainly due to: (i) an increase of R$ 20.8 million in interest expense on financing due to the increase of the Brazilian Interbank Rate (CDI), (ii) a gain of R$ 14.2 million regarding exchange rate variation, and (iv) a gain of R$ 2.4 million regarding favorable decisions in judicial processes.

In 2015 this variation is mainly due to: (i) an increase of R$ 64.2 million in interest expense on financing due to the increase of the Brazilian Interbank Rate (CDI), (ii) increase of R$ 4.4 million in monetary update of provisions for risks, (iii) increase of R$ 3.1 million in Tax on Financial Operations (IOF), and (iv) a gain of R$ 9.2 million related to the exchange rate variation.

4.9) Net Income

Net result presented a loss of R$ 16.6 million (loss per share of R$ 0.1758) in 4Q15 and a net income of R$ 49.4 million (earnings per share of R$ 0.5216) in 2015, a decrease of 141.4% compared to net income of R$ 40.2 million (earnings per share of R$ 0.4245) in 4Q14 and a reduction of 27.2% compared to net income of R$ 67.8 million (earnings per share of R$ 0.7164) in 2014.

5) CAPITAL EXPENDITURES

Capital expenditures on new product development, on expanding manufacturing capacity and in plant maintenance and upgrades totaled R$ 140.4 million in 4Q15 and R$ 330.6 million in 2015 (R$ 72.8 million in 4Q14 and R$ 260.8 million in 2014). In comparison to the same period of last year, it is important to note the impact of the exchange rate variation on capital expenditures abroad, which accounted for an increase of R$ 40.3 million in 4Q15 and R$ 76.7 million in 2015.

6) LIQUIDITY AND INDEBTEDNESS

Consolidated cash and cash equivalents at the end of 4Q15 was R$ 739.3 million, of which 25.4% in Brazilian *Reais* and 74.6% in other currencies.

Financial investments accounted for 34.9% of that amount, being entirely recorded under current assets.

Consolidated gross bank debt reached R$ 3,414.9 million at the end of 4Q15, of which R$ 1,684.7 million (49.3%) was recorded under current liabilities and R$ 1,730.2 million (50.7%) in long term liabilities.

The main indicators of the consolidated gross bank indebtedness at the end of 4Q15 were: (i) instruments in *Reais* indexed to the CDI (Brazilian interbank rate), which accounted for 42.0% of the consolidated gross debt, followed by (ii) instruments in U.S. Dollars (US$ + average of 5.4% per year) with 29.0% (iii) fixed interest in *Reais* of 6.0% per year (BNDES – PSI Program) with 5.9% and (iv) Euros (Euro + average of 3.6% per year) with 15.3%.

Consolidated net bank indebtedness totaled R$ 2,675.6 million at the end of 2015, an increase of 23.0% compared to R$ 2,175.3 million at the end of 2014.

The increase of net bank indebtedness is mainly due to the depreciation of the Brazilian Real compared to other currencies, mainly the U.S. Dollar and Euro, throughout 2015, which caused an impact of R$ 479.4 million. Not considering this effect, net bank indebtedness would have presented an increase of 1.0% compared to the end of 2014.

Net bank indebtedness at the end of 2015 represented 3.6x the EBITDA for the last 12 months (3.3x at the end of 2014).

7) SHAREHOLDERS' EQUITY

Shareholders' equity totaled R$ 2,456.5 million (equity book value of R$ 25.90 per share) in the end of 2015, 53.1% higher than the shareholders' equity in the end of 2014 (R$ 1,604.5 million and an equity book value of R$ 16.91 per share).

The equity valuation adjustment at the end of 2015 showed an increase of R$ 734.4 million, when compared to 2014, mainly due to: (i) the exchange rate variation on foreign investments (net positive adjustment of R$ 776.3 million), (ii) the depreciation of the cost attributed to fixed assets (negative adjustment of R$ 7.6 million) and (iii)

the actuarial calculation of pension plan abroad (negative adjustment of R$ 34.3 million).

Shareholders' equity attributed to controlling shareholders was R$ 2,153.4 million (equity value of R$ 22.70 per share) in the end of 2015, 55.7% above the shareholders' equity attributed to controlling shareholders in the end of 2014 (R$ 1,383.4 million and equity value of R$ 14.58 per share).

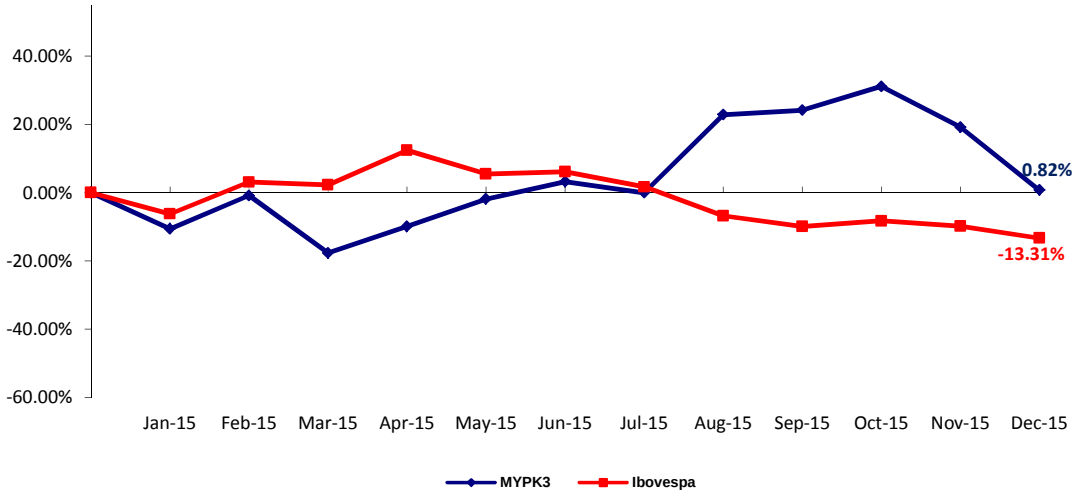
8) DIVIDENDS

Iochpe-Maxion by-laws provides for distribution of 37% of net income (after any accumulated losses from previous periods) as the mandatory dividend. Considering (i) the net income of R$ 49.4 million, (ii) the adoption of deemed cost to property, plant and equipment and its depreciation, which increased net income by R$ 7.1 million; the amount to be distributed to shareholders regarding 2015 should total R$ 20.9 million (R$ 28.6 million in the previous year) or R$ 0.22077531 per share (R$ 0.30255896 in the previous year).

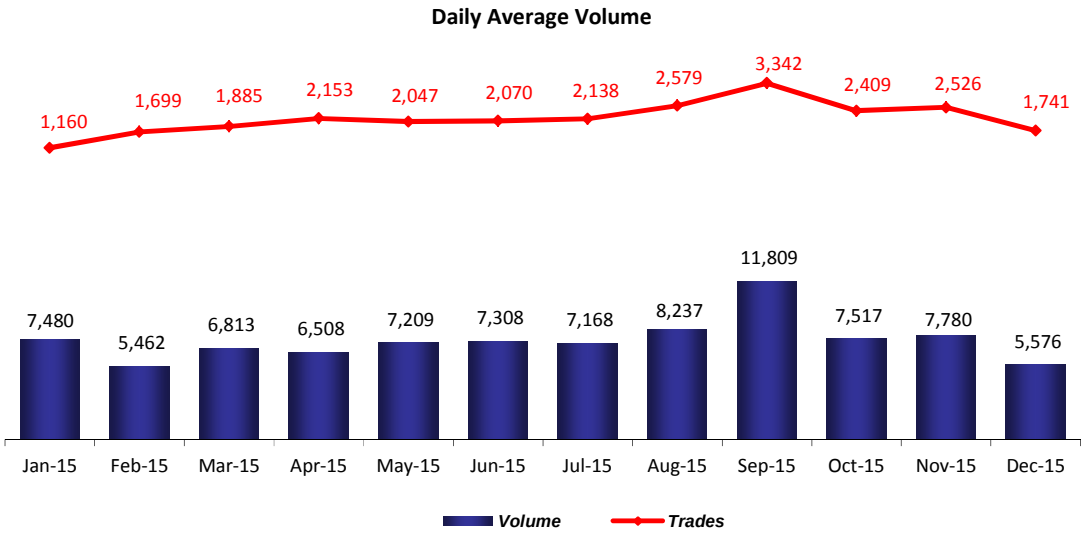
9) CAPITAL MARKETS

Iochpe-Maxion's common shares (BM&FBovespa:MYPK3) closed 2015 at R$ 12.30, down by 18.8% in 4Q15 and up by 0.8% over the last 12 months. At the end of the 2015 Iochpe-Maxion's market capitalization was R$ 1,166.8 million (R$ 1,157.3 million at the end of 2014).

Share Performance – Last 12 months



Iochpe-Maxion's shares recorded a daily average trading volume on the São Paulo Stock Exchange of R$ 7.0 million in 4Q15 (R$ 5.8 million in 4Q14) and an average daily quantity of transactions of 2,224 (1,348 transactions in 4Q14).



10) SUBSEQUENT EVENT

In addition to the Material Fact released in July 1, 2015, regarding the celebration of the Private Instrument of Promise of Sale and Assignment of Rights and Obligations, we inform that, in the terms of the Promise, the referred transaction was concluded in February 22, 2016.

11) ARBITRATION CLAUSE

The Company is bound to arbitration at the Arbitration Chamber of Novo Mercado, as provided for in the Arbitration Clause included in its By-laws.

12) CVM INSTRUCTION No. 381

In accordance with CVM Instruction No. 381, we inform that during 2015, Iochpe-Maxion, its subsidiaries and its jointly-controlled business incurred the following services provided by the independent auditor:

Audit fees – R$ 6.0 million: audit fees include the audit of annual individual financial statements (Accounting practices adopted in Brazil) and consolidated (IFRS), the review of Company´s quarterly information (ITR) and the audit of financial statements of subsidiaries and jointly-controlled business in Brazil and abroad.

Non-Audit related fees – R$ 1.1 million: the non-audit related fees include: (i) tributary diagnosis on the controlled subsidiary in Czech Republic (R$ 0.3 million), (ii) financial diagnosis for bond emission abroad (R$ 0.7 million) and (iii) other services (R$ 0,1 million).

Iochpe-Maxion, its controlled subsidiaries and its joint-controlled businesses, in discussion with its independent auditors concluded that those services did not affect the independence and the objective of those, due to the definition of scope and the procedures performed. Iochpe-Maxion adopts as policy to attend the regulations that define restriction of services by the independent auditors.

In our relationship with the Independent Auditor, we evaluate conflicts of interest with non-audit work based on the following: the auditor should not (a) audit its own work, (b) carry out management functions and (c) promote our interests.

13) MANAGEMENT'S STATEMENT

Pursuant to article 25 of CVM Instruction No 480/09, of December 7, 2009, Management declares that they have discussed, reviewed and agreed with the independent auditors' report and the individual and consolidated financial statements as of December 31, 2015.

The Company's financial statements presented herein are in accordance with the criteria of the Brazilian corporate law, based on the revised quarterly accounting statements in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards - IFRS.

EBITDA should not be considered as an alternative to net income, as an indicator of the Company's operating performance or as an alternative to cash flow as an indicator of liquidity.

The Company's management believes that EBITDA is a useful measure to assess operating performance and enables comparison with other companies.

The Company calculates EBITDA according to CVM Instruction 527 of October 04, 2012. Consequently, EBITDA represents net income (loss) before interest, income and social contribution taxes and depreciation and amortization.

Cruzeiro, February 25, 2016.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IOCHPE-MAXION S.A. AND SUBSIDIARIES

BALANCE SHEETS AS OF DECEMBER 31, 2015 AND 2014
(In thousands of Brazilian reais - R$)

		Parent		Consolidated	
ASSETS	Note	12/31/2015	12/31/2014	12/31/2015	12/31/2014
CURRENT ASSETS					
Cash and cash equivalents	5	69,484	201,167	739,255	717,079
Trade receivables	6	121,546	173,687	865,496	682,679
Inventories	7	129,880	151,841	854,665	678,188
Recoverable taxes	8	21,328	24,512	135,447	111,705
Prepaid expenses		2,573	1,130	30,592	13,877
Other receivables		4,344	6,146	86,796	54,401
Assets held for sale	36	-	-	15,604	-
Total current assets		349,155	558,483	2,727,855	2,257,929
NONCURRENT ASSETS					
Recoverable taxes	8	19,421	22,693	22,273	26,734
Deferred income tax and social contribution	9	12,524	-	88,129	74,258
Judicial deposits		9,569	9,160	24,324	20,764
Other receivables		6,761	3,546	9,484	4,234
Investments	11	2,788,557	1,994,493	73,020	12,354
Property, plant and equipment	12	911,470	872,184	3,358,914	2,741,962
Intangible assets	13	2,561	1,491	1,686,380	1,150,789
Total noncurrent assets		3,750,863	2,903,567	5,262,524	4,031,095
TOTAL ASSETS		4,100,018	3,462,050	7,990,379	6,289,024

		Parent		Consolidated	
LIABILITIES AND EQUITY	Note	12/31/2015	12/31/2014	12/31/2015	12/31/2014
CURRENT LIABILITIES					
Borrowings, financing and debentures	14	546,266	290,741	1,684,702	1,071,044
Trade payables	15	52,194	151,615	936,491	818,663
Taxes payable	16	4,865	8,430	55,897	55,792
Payroll and related taxes	17	34,720	49,812	161,260	161,912
Advances from customers		20,172	14,489	89,559	16,269
Dividends and interest on capital		21,166	29,346	21,166	31,306
Other payables		14,461	11,975	139,675	82,816
Total current liabilities		693,844	556,408	3,088,750	2,237,802
NONCURRENT LIABILITIES					
Borrowings, financing and debentures	14	1,233,318	1,419,117	1,730,153	1,821,362
Provision for tax, civil and labor risks	18	16,568	15,335	48,679	26,225
Deferred income tax and social contribution	9	-	76,260	164,662	176,374
Subsidiaries' equity deficiency	11	-	9,250	-	9,250
Pension plans	19	-	-	462,299	373,148
Other payables		2,841	2,286	39,346	40,360
Total noncurrent liabilities		1,252,727	1,522,248	2,445,139	2,446,719
EQUITY					
Share capital	20.a	700,000	700,000	700,000	700,000
Stock options		2,783	2,783	2,783	2,783
Capital reserves		300	300	300	300
Earnings reserves		292,107	256,546	292,107	256,546
Treasury shares		(6,042)	(6,105)	(6,042)	(6,105)
Other compreensive income		1,164,299	429,870	1,164,299	429,870
Equity attributable to Company owners		2,153,447	1,383,394	2,153,447	1,383,394
Noncontrolling interests in subsidiaries' equity		-	-	303,043	221,109
Total equity		2,153,447	1,383,394	2,456,490	1,604,503
TOTAL LIABILITIES AND EQUITY		4,100,018	3,462,050	7,990,379	6,289,024

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IOCHPE-MAXION S.A. AND SUBSIDIARIES

STATEMENTS OF PROFIT AND LOSS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In thousands of Brazilian reais - R$, except earnings per share)

	Note	Parent		Consolidated	
		2015	2014	2015	2014
NET SALES REVENUE	24	1,076,832	1,604,072	6,846,456	5,911,677
COST OF SALES AND SERVICES	25	(987,793)	(1,357,178)	(5,954,428)	(5,094,348)
GROSS PROFIT		89,039	246,894	892,028	817,329
OPERATING INCOME (EXPENSES)					
Selling expenses	25	(25,657)	(33,348)	(155,560)	(117,190)
General and administrative expenses	25	(55,288)	(70,000)	(317,558)	(265,875)
Management fees	10	(11,624)	(8,990)	(11,624)	(8,990)
Share of profit (loss) of subsidiaries	11	222,329	111,184	70,648	(13,982)
Other operating income (expenses), net	26	(30,863)	(10,282)	(28,332)	6,411
OPERATING INCOME BEFORE FINANCIAL INCOME (EXPENSE)		187,936	235,458	449,602	417,703
Financial income	22	23,205	24,577	37,250	35,030
Financial expense	22	(252,938)	(203,672)	(354,354)	(282,627)
Foreign exchange gains (losses), net	23	2,454	(11,041)	344	(8,863)
INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		(39,343)	45,322	132,842	161,243
INCOME TAX AND SOCIAL CONTRIBUTION					
Current	9.b	(75)	-	(68,873)	(80,014)
Deferred	9.b	88,784	22,455	55,880	36,803
NET INCOME FOR THE YEAR		49,366	67,777	119,849	118,032
ATTRIBUTABLE TO					
Company owners		49,366	67,777	49,366	67,777
Noncontrolling interests		-	-	70,483	50,255
EARNINGS PER SHARE					
Basic - R$	30	0.52185	0.71648	0.52185	0.71648
Diluted - R$	30	0.84370	0.84446	0.84370	0.84446

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IOCHPE-MAXION S.A. AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In thousands of Brazilian reais - R$)

	Parent		Consolidated	
	2015	2014	2015	2014
NET INCOME FOR THE YEAR	49,366	67,777	119,849	118,032
OTHER COMPREHENSIVE INCOME				
Item that will be subsequently reclassified to profit or loss-				
Exchange gains on translating financial statements of foreign subsidiaries	724,903	145,888	793,382	150,537
Cash flow hedge:				
Fair value of cash flow hedge, net of taxes	-	(1,789)	-	(1,789)
Transfers of realized gains to net income for the year, net of taxes	-	2,764	-	2,764
Item that will not be subsequently reclassified to profit or loss-				
Effect of the changes of actuarial assumptions, net of taxes	17,090	(22,887)	17,090	(22,887)
Total other comprehensive income	741,993	123,976	810,472	128,625
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	791,359	191,753	930,321	246,657
ATTRIBUTABLE TO				
Company owners	791,359	191,753	791,359	191,753
Noncontrolling interests	-	-	138,962	54,904
	791,359	191,753	930,321	246,657

The accompanying notes are an integral part of these financial statements.

IOCHPE-MAXION

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IOCHPE-MAXION S.A. AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In thousands of Brazilian reais - R$)

				Capital reserves	Earnings reserves			Other compreensive income (expense)					
	Note	Share capital	Stock options granted	Premium on sale of treasury shares	Legal reserve	Reserve for investment and working capital	Treasury shares	Deemed cost of property, plant and equipment	Other comprehensive income	Retained earnings	Equity attributed to Company owners	Noncontrolling interests in subsidiaries equity	Total equity
BALANCE AS OF DECEMBER 31, 2013		700,000	2,814	269	60,012	147,800	(5,941)	121,807	194,320	-	1,221,081	224,079	1,445,160
Net income for the year		-	-	-	-	-	-	-	-	67,777	67,777	50,255	118,032
Other comprehensive income		-	-	-	-	-	-	-	123,976	-	123,976	4,649	128,625
Total comprehensive income		-	-	-	-	-	-	-	123,976	67,777	191,753	54,904	246,657
Treasury shares sold		-	(31)	31	-	-	384	-	-	-	384	-	384
Treasury shares acquired		-	-	-	-	-	(548)	-	-	-	(548)	-	(548)
Realization of deemed cost, net of taxes		-	-	-	-	-	-	(9,578)	-	9,578	-	-	-
Derecognition of deemed cost, net of taxes		-	-	-	-	-	-	(655)	-	-	(655)	-	(655)
Dividends paid to noncontrolling shareholders		-	-	-	-	-	-	-	-	-	-	(57,874)	(57,874)
Allocation of profit for the year:													
Legal reserve	20.c	-	-	-	3,868	-	-	-	-	(3,868)	-	-	-
Bylaws reserve for investments and working capital	20.c	-	-	-	-	44,866	-	-	-	(44,866)	-	-	-
Interest on capital	20.c	-	-	-	-	-	-	-	-	(28,621)	(28,621)	-	(28,621)
BALANCE AS OF DECEMBER 31, 2014		700,000	2,783	300	63,880	192,666	(6,105)	111,574	318,296	-	1,383,394	221,109	1,604,503
Net income for the year		-	-	-	-	-	-	-	-	49,366	49,366	70,483	119,849
Other comprehensive income		-	-	-	-	-	-	-	741,993	-	741,993	68,479	810,472
Total comprehensive income		-	-	-	-	-	-	-	741,993	49,366	791,359	138,962	930,321
Treasury shares sold		-	-	-	-	-	63	-	-	-	63	-	63
Realization of deemed cost, net of taxes		-	-	-	-	-	-	(7,080)	-	7,080	-	-	-
Derecognition of deemed cost, net of taxes		-	-	-	-	-	-	(484)	-	-	(484)	-	(484)
Dividends paid to noncontrolling shareholders	11.d	-	-	-	-	-	-	-	-	-	-	(57,028)	(57,028)
Allocation of net income for the year:													
Legal reserve	20.c	-	-	-	2,822	-	-	-	-	(2,822)	-	-	-
Reserve for investments and working capital	20.c	-	-	-	-	32,739	-	-	-	(32,739)	-	-	-
Minimum mandatory dividends	20.c	-	-	-	-	-	-	-	-	(20,885)	(20,885)	-	(20,885)
BALANCE AS OF DECEMBER 31, 2015		700,000	2,783	300	66,702	225,405	(6,042)	104,010	1,060,289	-	2,153,447	303,043	2,456,490

The accompanying notes are an integral part of these financial statements

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IOCHPE-MAXION S.A. AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In thousands of Brazilian reais - R$)

	Note	Parent		Consolidated	
		2015	2014	2015	2014
CASH FLOW FROM OPERATING ACTIVITIES					
Net income for the year		49,366	67,777	119,849	118,032
Adjustments to reconcile net income for the year to net cash generated by (used in) operating activities:					
Depreciation and amortization	12 and 13	38,892	40,400	301,464	229,180
Income tax and social contribution	9	(88,709)	(22,455)	12,993	43,211
Residual value of property, plant and equipment items written off	12	11,192	27,448	45,945	30,881
Share of profit (loss) of subsidiaries	11	(222,329)	(111,184)	(70,648)	13,982
Provision for tax, civil and labor risks, net of reversals and adjustments	18	1,750	5,987	24,829	(13,942)
Interest, inflation adjustments and exchange differences		234,119	191,975	297,939	226,961
Allowance for doubtful debts		27	(400)	3,138	415
Allowance for inventory losses		(866)	7,224	2,795	26,778
Financial costs on pension plans and post-employment benefits		-	-	11,535	11,409
Gain on sale of property, plant and equipment		-	-	-	(14,991)
Decrease (increase) in assets:					
Trade receivables		52,114	53,839	(186,199)	28,995
Inventories		22,827	21,668	(192,052)	(66,940)
Other receivables and other assets		3,191	11,863	(77,201)	44,828
Increase (decrease) in liabilities:					
Trade payables		(99,421)	54,460	117,828	188,193
Payment of pension plan and post-employment benefits		-	-	(32,487)	(23,089)
Payment of interest on borrowings and financing		(43,938)	(25,170)	(102,587)	(68,968)
Payment of interest on debentures		(166,240)	(151,159)	(166,240)	(151,159)
Other payables		(65,441)	(35,618)	133,937	(52,764)
Provision for tax, civil and labor risks		(882)	(1,413)	(4,197)	(4,932)
Payment of income tax and social contribution		-	-	(90,687)	(103,256)
Net cash generated by (used in) operating activities		(274,348)	135,242	149,954	462,824
CASH FLOW FROM INVESTING ACTIVITIES					
Capital reduction in subsidiaries	11	161,169	113,777	-	-
Purchase of property, plant and equipment	12	(89,177)	(111,271)	(317,838)	(300,715)
Purchase of intangible assets	13	(3,682)	(1,698)	(3,682)	(1,698)
Proceeds from the sale of property, plant and equipment		-	-	-	15,450
Net cash generated by (used in) investing activities		68,310	808	(321,520)	(286,963)
CASH FLOW FROM FINANCING ACTIVITIES					
Issue of debentures		-	250,000	-	250,000
Borrowings	14	523,221	129,608	1,401,548	331,566
Repayment of borrowings and financing - principal		(384,026)	(114,192)	(1,283,017)	(290,885)
Repurchase of debentures - principal		(36,219)	(300,001)	(36,219)	(300,001)
Payment of dividends	20	(28,621)	(79,099)	(28,621)	(79,099)
Dividends paid to noncontrolling interests	11	-	-	(57,028)	(57,874)
Net cash generated by (used in) financing activities		74,355	(113,684)	(3,337)	(146,293)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(131,683)	22,366	(174,903)	29,568
Exchange differences on translating cash and cash equivalents of foreign subsidiaries		-	-	197,079	25,281
Cash and cash equivalents at the beginning of the year		201,167	178,801	717,079	662,230
Cash and cash equivalents at the end of the year		69,484	201,167	739,255	717,079
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(131,683)	22,366	22,176	54,849

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

IOCHPE-MAXION S.A. AND SUBSIDIARIES

STATEMENTS OF VALUE ADDED
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In thousands of Brazilian reais - R$)

	Note	Parent		Consolidated	
		2015	2014	2015	2014
REVENUES					
Sale of goods and products	24	1,329,776	2,016,187	7,210,434	6,437,349
Allowance for doubtful debts		(27)	400	(3,138)	(415)
Other revenue		5,623	5,977	30,095	36,631
		1,335,372	2,022,564	7,237,391	6,473,565
INPUTS ACQUIRED FROM THIRD PARTIES (INCLUDING ICMS AND IPI)					
Raw materials		(561,169)	(964,067)	(3,926,281)	(3,645,348)
Materials, electric power, outside services and other items	25	(149,256)	(180,348)	(1,031,029)	(868,069)
		(710,425)	(1,144,415)	(4,957,310)	(4,513,417)
GROSS VALUE ADDED		624,947	878,149	2,280,081	1,960,148
RETENTIONS					
Depreciation and amortization	25	(38,892)	(40,400)	(301,464)	(229,180)
VALUE ADDED CREATED BY THE COMPANY AND ITS SUBSIDIARIES		586,055	837,749	1,978,617	1,730,968
VALUE ADDED RECEIVED IN TRANSFER					
Share of profit (loss) of subsidiaries	11	222,329	111,184	70,648	(13,982)
Financial income	22	23,205	24,577	37,250	35,030
Changes in foreign exchange rates	23	2,454	(11,041)	344	(8,863)
		247,988	124,720	108,242	12,185
TOTAL VALUE ADDED FOR DISTRIBUTION		834,043	962,469	2,086,859	1,743,153
VALUE ADDED DISTRIBUTED					
Personnel:					
Salaries and wages		349,388	270,926	1,263,809	659,326
Employees' profit sharing		8,011	17,849	11,613	33,854
Taxes:					
Federal		29,235	165,308	111,634	285,849
State		134,898	224,250	193,750	282,932
Municipal		103	103	103	103
Lenders and lessors:					
Interest/fees	22	252,938	203,672	354,354	282,627
Rentals		3,024	3,006	24,667	20,597
Shareholders-					
Proposed and additional dividends	20.c	20,885	28,621	20,885	28,621
Retained earnings		35,561	48,734	35,561	98,989
Noncontrolling interests in retained earnings		-	-	70,483	50,255
		834,043	962,469	2,086,859	1,743,153

The accompanying notes are an integral part of these financial statements.

1. GENERAL INFORMATION

a) Iochpe-Maxion S.A. ("Company") is a publicly-held company, with registered head office at Rua Dr. Othon Barcellos, 83, Cruzeiro, State of São Paulo, registered with Bolsa de Valores, Mercadorias e Futuros de São Paulo - BM&FBOVESPA S.A. (São Paulo stock exchange) under ticker symbol MYPK3.

The Company's and its subsidiaries' operations are carried out in 32 units located in Brazil and abroad, focused on the automotive segment, and divided into the wheels and structural component segments, as follows:

(a) Manufacture and sale of heavy steel wheels.

(b) Manufacture and sale of light steel wheels for automobiles, pick-up trucks, SUVs, and light and medium-sized commercial vehicles.

(c) Manufacture and sale of light aluminum wheels for vehicles.

(d) Manufacture and sale of heavy structural components (complete frames, sidebars and crossbars) and metal stampings for commercial vehicles.

(e) Manufacture and sale of light structural and automotive components (metal stampings for passenger vehicles, brake levers, pedal sets, welded assemblies, structural parts and other automotive components).

Country	Location	Wheels	Structural components
South Africa	Johannesburg	(c)	
Germany	Konigswinter	(a) (b)	
Argentina	Córdoba		(d) (e)
Brazil	Cruzeiro	(a)	(d) (e)
Brazil	Contagem		(e)
Brazil	Guarulhos	(a) (b)	
Brazil	Juiz de Fora		(d)
Brazil	Limeira	(b)	
Brazil	Resende		(d)
Brazil	Santo André	(c)	
Brazil	Sete Lagoas		(d)
China	Nantong	(a)	
Spain	Manresa	(b)	

Country	Location	Wheels	Structural components
USA	Akron	(a)	
USA	Sedalia	(b)	
India	Pune	(a) (b)	
Italy	Dello	(c)	
Mexico	Castaños		(d) (e)
Mexico	Chihuahua	(c)	
Mexico	San Luis Potosi	(a) (b)	
Czech Republic	Ostrava	(b) (c)	
Thailand	Saraburi	(c)	
Turkey	Manisa	(a) (b) (c)	
Uruguay	Canelones		(d)

The Company, through its subsidiary Remon Resende Montadora Ltda. ("Remon"), provides tire and wheel fitting and balancing services in the Resende unit, State of Rio de Janeiro.

The Company, through its joint venture Amsted-Maxion Fundição e Equipamentos Ferroviários S.A. ("AmstedMaxionFundição"), located in Cruzeiro, produces industrial castings and railroad wheels. AmstedMaxionFundição, through its joint venture Amsted Maxion Serviços e Equipamentos Ferroviários S.A. ("AmstedMaxionFerroviário"), located in Hortolândia, sells and produces freight cars.

Light and heavy wheels are also sold in the unit located in Novi, United States of America.

b) Corporate restructurings

i. On April 2, 2015, indirect US subsidiary Hayes Lemmerz International - Georgia LLC was merged with and into the also indirect US subsidiary HLI Delaware Holdings LLC.

ii. On September 18, 2015, indirect South African indirect subsidiary Automotive Overseas Investments (Proprietary) Limited was wound up and liquidated.

2. GROUP COMPANIES

The consolidation comprises the financial statements of the Company and the following direct and indirect subsidiaries:

	Country	Direct equity interest - %		Indirect equity interest - %	
		12/31/2015	12/31/2014	12/31/2015	12/31/2014
Maxion Componentes Estruturais Ltda. (2)	Brazil	100.00	100.00	-	-
Remon-Resende Montadora Ltda.	Brazil	33.33	33.33	-	-
Maxion (Nantong) Wheels Co., Ltd.	China	100.00	100.00	-	-
Newbridge Strategic Partners (2)	Cayman	100.00	100.00	-	-
Iochpe-Maxion Austria GmbH	Austria	100.00	100.00	-	-
Maxion Wheels Immobilien GmbH & Co. KG (1)	Germany	-	-	5.10	5.10
Iochpe Sistemas Automotivos de México, S.A. de C.V.	Mexico	-	-	100.00	100.00
Ingenieria y Maquinaria de Guadalupe, S.A. de C.V. (3)	Mexico	-	-	100.00	100.00
Servicios Corporativos Inmagusa, S.A. de C.V. (3)	Mexico	-	-	100.00	100.00
Representaciones Inmagusa, S.A. de C.V. (3)	Mexico	-	-	100.00	100.00
Maxion Wheels de Mexico, S. de R.L. de C.V. (3)	Mexico	-	-	100.00	100.00
Servicios Maxion Wheels San Luis Potosí, S.A. de C.V. (3)	Mexico	-	-	100.00	100.00
Servicios Maxion Wheels Chihuahua, S. de R.L. de C.V. (3)	Mexico	-	-	100.00	100.00
Iochpe Holdings Austria GmbH	Austria	-	-	100.00	100,00
Iochpe Holdings, LLC	USA	-	-	100.00	100.00
Maxion Wheels (1)	USA	-	-	100.00	100.00
Maxion Wheels U.S.A. LLC (1)	USA	-	-	100.00	100.00
HLI Delaware Holdings, LLC (1)	USA	-	-	100.00	100.00
Maxion Wheels Akron LLC (1)	USA	-	-	100.00	100.00
Maxion Wheels Sedalia LLC (1)	USA	-	-	100.00	100.00
Maxion Import LLC (1)	USA	-	-	100.00	100.00
Maxion Luxembourg Holdings S.à.r.l. (1)	Luxembourg	-	-	100.00	100.00
Maxion Wheels Europe S.à.r.l (1)	Luxembourg	-	-	100.00	100.00
Maxion Wheels South Africa (Pty) Ltd. (1)	South Africa	-	-	100.00	100.00
Maxion Wheels Japan K.K. (1)	Japan	-	-	100.00	100.00
Maxion Wheels Czech s.r.o. (1)	Czech Republic	-	-	100.00	100.00
Maxion Wheels EAAP Holding GmbH (1)	Germany	-	-	100.00	100.00
Maxion Wheels España S.L. (1)	Spain	-	-	100.00	100.00
Hayes Lemmerz Barcelona, S.L. (1)	Spain	-	-	100.00	100.00
Maxion Wheels Italy Holding, S.r.l. (1)	Italy	-	-	100.00	100.00
Maxion Wheels Italia S.r.l. (1)	Italy	-	-	100.00	100.00
Maxion Wheels (Thailand) Co. Ltd. (1)	Thailand	-	-	70.00	70.00
Maxion Wheels Germany Holding GmbH (1)	Germany	-	-	100.00	100.00
Maxion Wheels Konigswinter GmbH (1)	Germany	-	-	100.00	100.00
Maxion Wheels Immobilien GmbH & Co. KG (1)	Germany	-	-	94.90	94.90
Kalyani Maxion Wheels Limited (1)	India	-	-	85.00	85.00
Maxion Wheels Werke GmbH (1)	Germany	-	-	100.00	100.00
Maxion Wheels do Brasil Ltda. (1)	Brazil	-	-	100.00	100.00
Remon-Resende Montadora Ltda.	Brazil	-	-	33.33	33.33
Maxion Inci Jant Sanayi, A.S. (1)	Turkey	-	-	60.00	60.00
Maxion Jantas Jant Sanayi ve Ticaret A.S (1)	Turkey	-	-	60.00	60.00

(1) Refer to the financial statements consolidated by subsidiary Iochpe Holdings, LLC.

(2) Refer to dormant subsidiaries.

(3) Refer to the financial statements consolidated by subsidiary Iochpe Sistemas Automotivos de México, S.A. de C.V.

Joint ventures

The investments in joint ventures AmstedMaxionFundição and Maxion Montich S.A. (“Maxion Montich”), both holding 50% stake, are accounted for under the equity method of accounting.

The nature of the joint ventures’ operations is as follows:

- AmstedMaxionFundição and AmstedMaxionFerroviário
  - Engaged in the production and sale of industrial castings, equipment, railroad wheels, and rail freight cars in Cruzeiro and Hortolândia, Brazil, respectively.

- Maxion Montich

  – Engaged in the manufacturing and sale of heavy structural components (complete frames, sidebars and crossbars), metal stampings and welded assemblies for commercial and light vehicles in Córdoba, Argentina, Sete Lagoas, Brazil, and Canelones, Uruguay.

The main asset, liability and profit or loss groups of these unconsolidated joint ventures are as follows:

	AmstedMaxionFundição		Maxion Montich	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Balance sheets				
Current assets	98,888	217,291	35,472	35,915
Noncurrent assets	474,654	323,957	39,113	43,911
Total assets	573,542	541,248	74,585	79,826
Current liabilities	278,671	452,095	42,217	39,791
Noncurrent liabilities	169,251	107,653	12,270	15,689
Equity (equity deficit)	125,620	(18,500)	20,098	24,346
Total liabilities and equity (equity deficit)	573,542	541,248	74,585	79,826

	AmstedMaxionFundição		Maxion Montich	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Statements of profit or loss				
Net sales revenue	563,488	946,288	155,592	107,494
Cost of sales	(477,402)	(841,490)	(141,850)	(97,353)
Gross profit	86,086	104,798	13,742	10,141
Operating income (expenses), net	135,243	(121,002)	(17,593)	(17,949)
Share of profit (loss) of subsidiaries	(1,100)	-	-	-
Income tax and social contribution	(76,432)	(4,237)	1,349	1,676
Net income (loss) for the year	143,797	(20,441)	(2,502)	(6,132)

The sale by AmstedMaxionFundição and purchase by Greenbrier do Brasil Participações Ltda. of 19.5% of the shares issued by subsidiary AmstedMaxionFerroviário was completed on May 6, 2015, at the adjusted price of R$41,900. Consequently, AmstedMaxionFundição started to hold the joint control of AmstedMaxionFerroviário.

Under ICPC 09 (R2)-70A - Individual Financial Statements, Separate Financial Statements, Consolidated Financial Statements, and Application of the Equity Method of Accounting, if a parent loses control of a subsidiary, the amount of the investment in the former subsidiary must be recognized in the individual and consolidated balance sheets, and the remaining investment in the former subsidiary must be recognized at fair value on the date control was lost. Based on this fact, AmstedMaxionFundição engaged a specialized company to calculate the fair value of AmstedMaxionFerroviário, under the income approach, using projected discounted cash flows. The fair value as of April 30, 2015 was R$296,062, allocated among customer portfolio, trademarks, inventories, and property, plant and equipment, and the remaining balance was accounted for as gain on equity interest.

As a result of such transaction, the Company recognized in its individual and consolidated interim financial information a gain of R$80,295, relating to its 50% stake in AmstedMaxionFundição, together with the share of profit (loss) of subsidiaries for the period.

Commitments assumed

The joint venture AmstedMaxion, through its joint venture AmstedMaxionFerroviário, has a five-year lease agreement, dated June 14, 2013, of the property where the plant of its Hortolândia unit is located.

As of December 31, 2015, the estimated future lease obligation is limited to the aggregate amounts described in the table below, which do not include possible amounts incurred in renovations:

	R$
2016	15,384
2017	15,384
2018	7,692
Total	38,460

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

a) Basis of preparation

The Company's individual and consolidated financial statements have been prepared and are being presented in accordance with the accounting practices adopted in Brazil, which include the standards issued by the Brazilian Securities Commission (CVM) and the pronouncements issued by the Accounting Pronouncements Committee (CPC), and the International Financial Reporting Standards - IFRSs.

b) Measurement basis

The financial statements have been prepared using the historical cost as value basis and available-for-sale financial assets, and financial assets and financial liabilities measured at fair value.

c) Functional and reporting currency

Items in the financial statements of the Company and each of the subsidiaries included in the consolidated financial statements are measured based on the functional currency of each of these companies, which corresponds to the currency of the main economic environment where they operate.

In the consolidated financial statements, income and expenses, and balance sheet balances of each Group company are translated into Brazilian reais, which is the Company's functional and reporting currency.

d) Exchange rates

The exchange rates in Brazilian reais in effect at the end of the reporting period are as follows:

Closing rate	12/31/2015	12/31/2014
U.S. dollar (US$)	3.9048	2.6562
Euro (€)	4.2504	3.2270

Average rate	12/31/2015	12/31/2014
U.S. dollar (US$)	3.3315	2.3536
Euro (€)	3.6929	3.1221

e) Use of estimates and judgments

In applying the accounting practices described in note 4, Management makes judgments and estimates regarding the reported assets and liabilities' carrying amounts, which are not easily obtained from other sources. The estimates and associated assumptions are based on past experience and other factors that are considered to be relevant. Actual results may differ from those estimates.

Estimates and assumptions are reviewed on an ongoing basis. The effects from the revisions to accounting estimates are recognized in profit or loss for the current year.

Below are the main areas of judgments and accounting estimates:

e.1) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units (CGUs) to which goodwill has been allocated. The calculation of the value in use requires Management to estimate expected future cash flows generated by the CGU and an adequate discount rate to calculate the present value.

e.2) Useful lives of property, plant and equipment

As described in note 4.i.3, the Company reviews the remaining useful lives of property, plant and equipment items at the end of each fiscal year. For further details on the useful lives of assets, see note 12.

e.3) Other areas that involved estimates and judgments are as follows:

- Notes 4.f) and 6: Allowance for doubtful debts.
- Notes 4.g) and 7: Allowance for inventory losses.
- Note 9: Income tax and social contribution.
- Note 18: Provision for tax, civil and labor risks.
- Note 19: Employee pension plan and post-employment benefits
- Note 21: Stock option plan.
- Note 27: Risk management and financial instruments.

4. SIGNIFICANT ACCOUNTING PRACTICES

a) Consolidation of financial statements

a.1) Definition of subsidiaries

Subsidiaries are all entities whose financial and operating activities can be conducted by the Company and in which the latter holds a majority stake. The Company has the control over an entity when it is exposed or has rights to variable returns from its involvement with the entity and has ability to affect those returns through power over an entity. In the applicable cases, the existence and the effect of potential voting rights, currently exercisable or convertible, are taken into consideration to determine whether the Company controls or not another entity. Subsidiaries are fully consolidated from the date on which control is transferred until the date control ceases.

a.2) Consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, for the same reporting period and consistent with the Company's accounting practices.

The main consolidation criteria include:

- Elimination of intergroup asset and liability balances between the consolidated companies.
- Elimination of the parent's interests in the equity of its direct and indirect subsidiaries.
- Elimination of transaction, balances and gains or losses not realized in transactions between the Group companies. Unrealized losses are also eliminated unless the transaction has evidences of impairment loss on the transferred asset.

a.3) Translation of the financial statements of foreign subsidiaries

The Company reviews the accounting practices of the foreign subsidiaries and should there be any differences with accounting practices adopted in Brazil, adjustments are made to equity and profit or loss for the period before calculating the share of profits (losses) of subsidiaries.

In preparing the consolidated financial statements, the statement of net income and the statements of comprehensive income, cash flows and value added and all other movements in assets and liabilities are translated into Brazilian reais (R$) at the average exchange rate, which is considered a rate close to the exchange rate prevailing on the date of the underlying transactions. The balance sheet is translated into Brazilian reais (R$) at the exchange rates prevailing at the end of the reporting period.

Gains or losses resulting from the translation of the financial statements of foreign subsidiaries into the Company's reporting currency are recognized as "Other comprehensive income".

a.4) Joint ventures

These joint arrangements are entities where the Company holds joint control, contractually provided for, on such entities' business and which exist only when strategic, financial, and operating decisions related to their operations require the unanimous consent of the parties that share control. Joint ventures are accounted for under the equity method in the Company's individual and consolidated financial statements.

b) General revenue recognition principles and criteria

Assets, liabilities, income and expenses are recognized on the accrual basis.

Revenue is measured at fair value of consideration received or receivable, less any estimated returns, trade discounts and/or bonus granted to the buyer and other similar deductions. It is recognized in the statement of profit or loss for the year, less deductions, including taxes on sales.

Revenue from product sales

It is recognized when: (i) the risks and rewards inherent to the products and goods sold are transferred to the buyers; (ii) the payment of amounts owed to the Company is probable; and (iii) there is no longer any involvement of the Management with the products. More specifically, revenue from product sales is recognized when the products are delivered and legal ownership is transferred.

c) Foreign currency-denominated transactions

These are translated into the functional currencies of the Company and its subsidiaries at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting periods are retranslated into the functional currency at the rates prevailing at that date. Foreign exchange gains or losses on monetary items correspond to the difference between the amortized cost of the functional currency at the beginning of the year, adjusted by interest and actual payments during the year, and the amortized cost in foreign currency at the exchange rate prevailing at the end of each year. Foreign currency-denominated nonmonetary assets and liabilities that are measured at fair value are retranslated into the functional currency at the exchange rate prevailing at the date their fair values were determined.

d) Financial instruments

Classification

The Company and its subsidiaries classify their financial assets into the following categories: (i) financial assets measured at fair value through profit or loss; (ii) held-to--maturity financial assets; (iii) loans and receivables; and (iv) available-for-sale financial assets. Classification depends on the purpose for which the financial assets were acquired.

Financial assets

(i) Measured at fair value through profit or loss

As of December 31, 2015, the Company and its subsidiaries did not have financial instruments classified in this category.

(ii) Held-to-maturity financial assets

As of December 31, 2015 and 2014, the Company and its subsidiaries did not have financial instruments classified in this category.

(iii) Loans and receivables

Include nonderivative financial assets with fixed or determinable payments that are not quoted in an active market.

They are stated in current assets, except for maturities greater than 12 months after the end of each year, which are classified as noncurrent assets. The Company's loans and receivables comprise cash and cash equivalents (note 6), trade receivables (note 10), and cash and cash equivalents (note 5).

(iv) Financial assets available for sale

As of December 31, 2015 and 2014, the Company and its subsidiaries did not have financial assets classified in this category.

Financial liabilities

(i) Measured at fair value through profit or loss

Financial liabilities are classified at fair value through profit or loss when they are either held for trading or designated at fair value through profit or loss.

As of December 31, 2015 and 2014, they refer to the derivative embedded in the convertible debentures, as shown in note 14.

(ii) Stated at amortized cost

Measured at amortized cost using the effective interest method. As of December 31, 2015 and 2014, they comprise bank borrowings and financing, including debentures (note 14), trade payables (note 15), and due to related parties (note 10), which are presented at their original amounts plus interest, inflation and exchange adjustments incurred up to the end of each year.

Effective interest method

It is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Measurement

Regular-way purchases or sales of financial assets are recognized on a trade date basis, i.e., the date on which the Company and its subsidiaries agree to buy or sell the asset. Financial assets at fair value through profit or loss are initially recognized at fair value, and transaction costs are recorded in the statement of net income. Loans and receivables are carried at amortized cost.

Gains or losses arising on changes in the fair value of financial assets at fair value through profit or loss are recognized in profit or loss, in line items “Finance income” or “Finance costs”, respectively, in the year in which they are earned or incurred.

Offset of financial instruments

Financial assets and financial liabilities are offset and the net amount is recorded in the balance sheet when there is a legally enforceable right to set off recognized amounts and intention to either settle them on a net basis, or to recognize the asset and settle the liability simultaneously.

Cash flow hedges (hedge accounting)

When a derivative or a nonderivative financial instrument is designated as a hedging instrument intended to hedge against fluctuations in cash flows attributable to specific risk associated with an asset or a liability recognized or a transaction forecasted as highly probable, and which may affect profit or loss, the effective portion of changes in the fair value of derivatives is recognized in “Other comprehensive income” in equity. The amount recognized in “Other comprehensive income” is reclassified to profit or loss in the same period the hedged cash flows impact profit or loss, in the same line item in the statement of net income as a hedged item. Any ineffective portion of the derivative change in fair value is immediately recognized in profit or loss.

e) Cash and cash equivalents

Comprise cash, banks and highly liquid short-term investments maturing within up to 90 days from investment date, immediately convertible into a known amount of cash and subject to an insignificant risk of change in value, which are carried at cost plus income earned through the end of each reporting period, which does not exceed their fair or realizable values.

f) Trade receivables and allowance for doubtful debts

Recognized and held in the balance sheet at the original amount of the receivables, less the allowance for doubtful debts, which is recognized taking into account the breakdown of the past-due receivables, and an allowance is recognized for all receivables past due for more than 90 days for which there is no evidence of negotiation, and refer to insolvent or bankrupt customers.

g) Inventories

Stated at average acquisition or production cost, adjusted to their realizable fair value and probable losses, when applicable. The average cost includes all costs incurred on purchase, production and processing costs, and costs incurred in bringing the inventories to their present location and condition. In the case of finished product and work in process inventories, cost includes a proportional share of manufacturing overheads based on normal production capacity.

The net realizable fair value is the estimated sales price in the normal course of business less estimated completion costs and selling expenses. The amounts are disclosed in note 7.

The Company and its subsidiaries make estimates to determine the allowance for losses on inventories, which they consider to be in an amount considered sufficient to cover probable losses on inventories, according to the criteria below.

The allowance for losses on slow-moving inventories is recognized based on a Management policy that takes into consideration the history of consumption on an item-by-item basis for the past 12 months compared to the existing balance of inventories at the end of the reporting period.

The allowance for losses on inventories that exceed historic consumption for the past 12 months and of which no future sales are expected is recognized as the difference between their carrying amount and their recoverable amount.

h) Investments

h.1) Investments in subsidiaries: accounted for under the equity method.

h.2) Interests in joint ventures

The Company discloses its interests in joint ventures in its individual and consolidated financial statements by the equity method of accounting.

i) Property, plant and equipment

i.1) Recognition and measurement

Stated at purchase or construction cost, plus the deemed cost recognized at the time of the adoption of the IFRSs in 2010 and interest capitalized during the construction period, in the case of qualifying assets, less accumulated depreciation and allowance for impairment losses on discontinued assets without expectation of reuse or realization.

When applicable, property, plant and equipment include all expenses allocable to the assets during their construction and/or preoperating testing phase.

Any gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Machinery spare parts necessary to the regular operation of the items of property, plant and equipment and that result in an increase of an asset's useful life by more than 12 months are classified as property, plant and equipment.

i.2) Subsequent costs

The cost of replacement of an item of property, plant and equipment is recognized at the carrying amount of the item when it is probable that the economic benefits arising from the item will flow to the Company and its subsidiaries and its cost can be reliably measured. Maintenance costs are recognized in profit or loss as incurred.

i.3) Depreciation

Calculated on the depreciable amount, which is the purchase cost of an asset or another cost value after deducting its residual value.

Depreciation is recognized in profit or loss on a straight-line basis, based on the estimated useful lives of each part of an item of property, plant and equipment, as this method is more representative of the time pattern in which economic benefits from the asset are consumed. Land is not depreciated.

The useful lives are disclosed in note 12.

The depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, and possible adjustments are subsequently recognized as changes in accounting estimates.

j) Intangible assets

j.1) Separately acquired intangible assets, including those acquired through business combinations

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses, when applicable. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less impairment losses, when applicable.

They comprise: (i) trademarks; (ii) property use rights; (iii) software licenses, including implementation costs; (iv) portfolio of customers purchased from third parties; and (v) goodwill on acquisition of subsidiaries. Assets with finite useful lives are based on the estimated useful lives of the assets. Assets with indefinite useful lives, consisting mainly of goodwill paid on the acquisition of subsidiaries, are annually tested for impairment and/or when there are any indications that they might be impaired.

Purchased software licenses, including the related implementation costs, and ERP systems licenses are capitalized and amortized according to the useful lives of the assets, and software maintenance-related costs are recognized as expenses when incurred.

j.2) Product research and development expenses

These costs are expensed when incurred.

k) Impairment test

k.1) Assets (other than goodwill)

The Company and its subsidiaries analyze on an annual basis whether there is evidence that the carrying amount of an asset might be impaired. If there is any evidence of impairment, the recoverable value of the asset is estimated. The recoverable value of an asset is the higher of: (a) its fair value less costs to sell, and (b) its value in use. The value in use is equivalent to pretax discounted cash flows arising from the continuing use of the asset. When the residual value of the asset exceeds its recoverable amount, an impairment loss is recognized.

For impairment purposes, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units, or CGUs).

k.2) Goodwill on subsidiaries

For impairment testing purposes, Management defined that CGUs correspond to each business segment to which goodwill was allocated and are annually tested for impairment or more frequently when there are indications that the CGU may be impaired. If the recoverable amount of a CGU is less than its carrying amount, impairment losses are firstly allocated to write down the carrying amount of any goodwill allocated to CGU and subsequently to the other assets of the CGU, prorated to the carrying amount of each of its assets. An impairment loss on goodwill is not reversed in a subsequent period.

k.3) Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at the end of each fiscal year to determine whether there is any objective evidence that it is impaired.

l) Post-employment benefits

l.1) Defined contribution plan

Payments to defined contribution plans are recognized as expenses when the services they entitle to are provided. In the case of the Company, the defined contribution plan consists of an open plan with fixed contributions and no actuarial risk or a legal or constructive obligation to pay additional amounts. For further details see note 19.

l.2) Defined benefit plans

For these plans, the cost of the benefits is determined under the projected unit credit method, based on the actuarial valuation undertaken at the end of each fiscal year. Past service cost is recognized immediately to the extent that the benefits are already vested or are otherwise amortized on a straight-line basis over the average period until the benefits become vested.

Pension benefit obligations recognized in the balance sheet represent the present value of the liability from defined benefits, less the fair value of plan assets. The assets arising from this calculation are limited to the amount of unrecognized actuarial losses and past service costs, plus the present value of refunds available and deductions from future plan contributions. In the case of the Company, the consolidated financial statements disclose defined-benefit plans sponsored by the indirect subsidiary Maxion Wheels, as shown in note 19.

m) Employee benefits

m.1) Profit sharing

The Company and its subsidiaries recognize a profit sharing liability and expense, which is contingent on the attainment of operating goals and specific objectives set and approved at the beginning of each year. The Company and its subsidiaries recognize an accrual for profit sharing when it is contractually obliged or when there is a past practice that created a constructive obligation.

The provisions are measured on an undiscounted basis and incurred as expenses as the related service is provided.

The liability is recognized at the expected value to be paid in the cash bonus plan or short-term profit sharing, if the Company and its subsidiaries have a legal or constructive obligation to pay this amount due to a past service provided by the employee and the obligation may be reliably estimated, as disclosed in note 17.

m.2) Share-based compensation

For plan participants in the Brazilian companies, the fair value of stock options granted set on the grant date is recognized on a straight-line basis as expenses in profit or loss for the year over the vesting period, based on the Company's estimates on which options granted will become eventually vested, with a corresponding increase in equity.

At the end of each year, the Company reviews its estimates of the number of equity instruments to be vested, and the impact of the review with respect to original estimates, if any, is recognized in profit or loss for the year, so that accumulated expenses reflect the reviewed estimates, including the corresponding adjustment to equity in line item "Recognized options granted" that recorded the benefit to employees.

n) Provisions

Provisions are recognized when the Company and its subsidiaries have a legal or constructive obligation as a result of past events and it is probable that an outflow of funds will be required to settle the obligation and its present value can be reliably estimated. Provisions are quantified at present value of the expected disbursement to settle the obligation using the appropriate discount rate, according to related risks.

It is adjusted up to the end of each fiscal year for the probable loss amount, according to the nature of each contingency and based on the opinion of the Company and its subsidiaries' legal counsel. The bases for and nature of the provisions for tax, civil and labor contingencies are described in note 18.

o) Taxation

o.1) Current taxes

The provision for income tax and social contribution is based on the taxable profit. Taxable income differs from the income in the statement of profit or loss as it excludes income or expenses taxable or deductible in other years, and also nontaxable or nondeductible items on a permanent basis. The provision for income tax and social contribution is calculated individually by the Company and its subsidiaries based on the tax rates in effect at the end of each reporting period, except for foreign subsidiaries, which must comply with the tax rates prevailing in each country where they are located; the income tax and social contribution of the Company and its subsidiaries located in Brazil are calculated at a 15% tax rate, plus a 10% surtax on taxable profit exceeding R$240 (annual basis) for income tax, and social contribution is calculated at 9% on taxable profit, taking into account the offset of tax loss carryforwards, limited to 30% of the annual taxable profit.

Current income tax and social contribution expenses are calculated using the tax laws enacted or substantially enacted by the end of each reporting period, pursuant to Brazilian tax regulations. Management periodically measures the positions assumed in the income tax returns regarding situations in which applicable tax regulations are subject to possibly different interpretations and, when appropriate, recognizes provisions based on the amounts it expects to pay to tax authorities.

o.2) Deferred taxes

Deferred income tax and social contribution ("deferred taxes") are recognized on temporary differences between the balances of assets and liabilities recognized in the financial statements and the related tax bases adopted to calculate taxable profit, including tax loss carryforwards, when applicable. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, only when it is probable that the Company and its subsidiaries will generate future taxable profit in a sufficient amount so that these deductible temporary differences can be utilized.

The recovery of deferred tax assets is reviewed at the end of each reporting period and, when it is no longer probable that future taxable profit will be available to allow the recovery of all or part of the asset, these are adjusted for the expected recoverable amount.

Deferred tax assets and liabilities are measured using the tax rates applicable for the year in which the liability is expected to be settled or the asset is expected to be realized, based on the tax rates set forth in the tax law prevailing at the end of each reporting period, or when new legislation has been substantially enacted. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company and its subsidiaries expect, at the end of each year, to recover or settle the carrying amount of these assets and liabilities.

Deferred tax assets and liabilities are offset only when the current tax asset can be offset against the current tax liability and when they are related to taxes managed by the same tax authority and the Company and its subsidiaries intend to settle the net amount of its current tax assets and liabilities.

o.3) Current and deferred taxes

Current and deferred income taxes are recognized as expenses or income in profit or loss for the period, except when related to items recognized directly in "Other comprehensive income" or in equity, when taxes are also recognized directly in other comprehensive income or in equity, or when arising on the initial recognition of a business combination. In the case of a business combination, the tax effect is considered in accounting for the business combination, when applicable.

o.4) Income tax rates of foreign subsidiaries

Country	Tax rate - %
Mexico	30.00
United States of America	35.00
China	25.00
Luxembourg	29.22
Germany	31.60
Spain	28.00
Italy	31.40
Czech Republic	19.00
Thailand	20.00
Turkey	20.00
India	33.99
South Africa	28.00
Japan	33.06
Austria	25.00

p) Earnings per share

Basic earnings per share are calculated by means of the profit for the year attributable to Company owners and noncontrolling interests and the weighted average number of common shares outstanding in the related year. Diluted earnings per share are calculated by means of the average number of shares outstanding, adjusted by instruments potentially convertible into shares, with diluting effect, in the reported years.

q) New and revised standards and interpretations issued by the IASB

The new IFRSs issued by the IASB not yet effective are as follows:

- IFRS 9 - Financial Instruments: introduces new requirements for the classification, measurement and derecognition of financial assets. (Effective for annual periods beginning on or after January 1, 2018.)

- IFRS 15 - Revenue from Contracts with Customers: introduces new requirements for the recognition of revenue from the sale of goods and services. (Effective for annual periods beginning on or after January 1, 2018.)

- IFRS 16 - Leases: lessees are required to recognize assets as a lease liability for the obligation to make future lease payments and a right-of-use asset for practically all the lease agreements, except for certain short-term leases and leases of low-value assets (effective for annual periods beginning on or after January 1, 2019).

The Company's Management assessed these new IFRSs and does not anticipate any significant effects on the reported amounts.

5. CASH AND CASH EQUIVALENTS

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Cash and banks:				
In Brazil	13,840	41,930	32,176	57,679
Abroad	-	-	449,422	376,458
	13,840	41,930	481,598	434,137
Highly liquid short-term investments:				
In Brazil	55,644	159,237	155,822	235,969
Abroad	-	-	101,835	46,973
	55,644	159,237	257,657	282,942
	69,484	201,167	739,255	717,079

Transactions	Average yield	Liquidity	Country	Parent		Consolidated	
				12/31/2015	12/31/2014	12/31/2015	12/31/2014
Bank certificates of deposit (CDBs)	100.8% of CDI	Immediate	Brazil	20,024	117,216	49,042	143,566
Debentures under repurchase agreements	100.7% of CDI	Immediate	Brazil	35,620	42,021	106,780	92,403
Investment in Mexican pesos	4.6% p.y.	Immediate	Mexico	-	-	21,656	17,245
Investment in U.S. dollars	0.1% p.y.	Immediate	Mexico	-	-	80,179	29,728
				55,644	159,237	257,657	282,942

6. TRADE RECEIVABLES

a) Breakdown

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
In Brazil	89,544	144,252	124,991	225,217
Abroad	6,312	3,215	730,453	449,992
Related parties (note 10)	26,038	26,541	17,146	11,182
Allowance for doubtful debts	(348)	(321)	(7,094)	(3,712)
	121,546	173,687	865,496	682,679

Changes in the allowance for doubtful debts

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Balances at the beginning of the year	(321)	(721)	(3,712)	(5,557)
Recovered amounts	-	-	771	2,260
Amounts written off as uncollectible	658	813	3,319	3,437
Allowance increases	(685)	(413)	(6,457)	(3,315)
Exchange rate changes	-	-	(1,015)	(537)
Balances at the end of the year	(348)	(321)	(7,094)	(3,712)

b) Aging list

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Current	100,631	149,454	778,635	614,045
Past-due:				
1 to 30 days	15,265	19,301	63,620	45,354
31 to 60 days	3,756	2,474	10,093	8,892
61 to 90 days	1,068	2,198	3,847	4,477
91 to 180 days	947	414	5,830	4,589
Over 181 days	227	167	10,565	9,034
	121,894	174,008	872,590	686,391

7. INVENTORIES

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Finished goods	26,762	35,934	297,857	223,842
Work in process and semi-finished goods	24,830	38,152	152,653	128,924
Tools for resale in process	36,379	27,202	71,726	52,085
Raw materials	31,036	41,913	210,188	182,094
Auxiliary and packaging materials	12,854	10,468	170,479	120,124
Advances to suppliers	9,146	7,430	11,855	12,899
Imports in transit	1,343	4,078	1,343	4,081
Allowance for losses	(12,470)	(13,336)	(61,436)	(45,861)
	129,880	151,841	854,665	678,188

Changes in the allowance for losses

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Balances at the beginning of the year	(13,336)	(6,112)	(45,861)	(18,049)
Reversals	10,946	598	15,936	16,251
Increases	(10,080)	(7,822)	(18,731)	(43,029)
Changes in foreign exchange rates	-	-	(12,780)	(1,034)
Balances at the end of the year	(12,470)	(13,336)	(61,436)	(45,861)

8. RECOVERABLE TAXES

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
State VAT (ICMS)	14,169	8,722	18,119	14,303
Federal VAT (IPI)	8,224	9,132	9,300	9,482
Social Security Funding Tax on Revenue (COFINS)	747	1,644	4,440	8,273
Tax on revenue (PIS)	170	459	2,152	4,212
Income tax and social contribution	13,988	10,000	43,947	28,805
Federal tax credits (CACEX)	-	9,789	-	9,789
Export tax credits (REINTEGRA)	3,330	3,492	3,665	3,492
Other	121	3,967	2,135	5,053
Valued Added Tax - VAT - foreign subsidiaries:				
Mexico	-	-	39,372	36,363
Turkey	-	-	19,309	10,002
Italy	-	-	2,110	6,541
Other countries	-	-	13,171	2,124
Total	40,749	47,205	157,720	138,439
Current assets	21,328	24,512	135,447	111,705
Noncurrent assets	19,421	22,693	22,273	26,734

9. INCOME TAX AND SOCIAL CONTRIBUTION

a) Deferred

The origin of deferred income tax and social contribution recognized in noncurrent assets and noncurrent liabilities is as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Temporary differences:				
Provision for tax, civil and labor risks	14,032	13,737	24,950	17,440
Allowance for doubtful debts	118	109	2,412	1,262
Accrued profit sharing	2,726	3,665	14,591	17,708
Allowance for inventory losses	4,240	4,534	20,888	15,593
Research and development and other expenses	-	-	26,498	25,020
Accrued actuarial liability	-	-	62,036	44,462
Other	11,222	8,200	34,291	16,713
Subtotal	32,338	30,245	185,666	138,198
Income tax loss carryforwards	101,989	30,160	140,034	81,732
Social contribution loss carryforwards	36,378	10,519	45,938	20,790
Subtotal	138,367	40,679	185,972	102,522
Total assets	170,705	70,924	371,638	240,720
Noncurrent liabilities:				
Depreciation and amortization difference	60,357	49,858	106,481	139,447
Differences between the tax and accounting bases of nonmonetary assets (functional currency difference)	-	-	215,391	100,353
Deemed cost - property, plant and equipment – CPC 27	52,266	55,615	52,266	55,615
Capitalized finance costs - CPC 08	5,061	7,397	5,061	7,397
Amortization of goodwill on investments (*)	40,465	34,314	40,465	34,314
Other	32	-	28,507	5,710
Total liabilities and equity	158,181	147,184	448,171	342,836
Offsets against assets	(158,181)	(70,924)	(283,509)	(166,462)
Net deferred tax assets	12,524	-	88,129	74,258
Net deferred tax liabilities	-	76,260	164,662	176,374

(*) Goodwill tax benefit arising on the acquisition of former subsidiary Meritor Comércio e Indústria de Sistemas Automotivos Ltda., amounting to R$119,015.

Offset of tax loss carryforwards - consolidated

	12/31/2015	12/31/2014
Iochpe-Maxion S.A.	138,367	40,679
Maxion Wheels - Brazil	35,365	37,952
Maxion Wheels de Mexico S. de R.L. de CV.	12,240	23,891
Subtotal	185,972	102,522

The Company also has unrecognized tax credits on tax loss carryforwards in the consolidated financial statements, claimed by some of its foreign subsidiaries, as follows:

	12/31/2015			12/31/2014
Country	Amount (iv)	Statute of limitations	Limit per year	Amount (iv)
Germany (i)	-	None	(ii)	18,668
Spain (i)	161,805	None	25% to 50%	116,203
Italy (i)	121,130	None	80%	94,646
South Africa (i)	65,429	None	None	58,107
Thailand (i)	38,233	2018 to 2020	None	25,207
United States of America (i)	1,280,813	2021 to 2036	(iii)	785,914
Total	1,667,410			1,098,745

(i) As there are no adequate taxable income projections, the Company did not recognize the deferred income tax and social contribution asset on these amounts.

(ii) The available limit is €1,000 thousand per year and 60% of profit exceeding this amount.

(iii) Depends on the State where the deferred tax credit was determined.

(iv) Tax credits on unrecognized tax loss carryforwards translated at the final exchange rate at that date.

Based on taxable profit projections approved by Management, the Company expects to recover the tax credit arising on tax loss carryforwards recognized in consolidated as of December 31, 2015 in the following years:

2016	35,519
2017	6,533
2018	11,714
2019	20,197
2020 and thereafter	112,009
Total	185,972

The Company's and its subsidiaries' Management considers that the deferred assets arising on temporary differences, amounting to R$32,338 (R$30,245 at December 31, 2014) in the parent and R$185,666 (R$132,488 at December 31, 2014) on a consolidated basis, will be realized as final decisions on the lawsuits and other events are reached.

The estimated recoverability of tax credits was based on the projected taxable income, considering several financial and business assumptions at yearend and analyzed at the end of this period with respect to applicability, such as also actions implemented by the Company, notably the restructurings aimed at adapting operations to the current demand of the Brazilian market.

b) Reconciliation of income tax and social contribution credits (expenses)

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Income (loss) before income tax and social contribution	(39,343)	45,322	132,842	161,243
Combined rate - %	34	34	34	34
Income tax and social contribution credit (expense) at combined rate	13,377	(15,409)	(45,166)	(54,823)
Share of profit (loss) of subsidiaries	75,592	37,803	24,020	(4,754)
Nondeductible expenses	-	(1,104)	(14,892)	(11,605)
Unrecognized tax credit on temporary differences and tax loss carryforwards	-	-	(9,328)	19,300
Taxes on dividends distributed abroad	-	-	(4,997)	(14,654)
Differential of foreign subsidiaries' tax rates	-	-	33,652	16,943
Other	(260)	1,165	3,718	6,382
Income tax and social contribution credit (expense) in profit or loss	88,709	22,455	(12,993)	(43,211)
Current	(75)	-	(68,873)	(80,014)
Deferred	88,784	22,455	55,880	36,803

10. RELATED PARTIES

a) Management compensation

	12/31/2015	12/31/2014
Directors and statutory officers	11,624	8,990
Key Management personnel (salaries and benefits)	126,818	94,733
Agreed profit sharing (bonuses)	1,462	24,014

The Company made contributions to the private pension plan totaling R$1,719 (R$1,810 at December 31, 2014) on behalf of the statutory officers and key Management personnel.

The balances of stock options and the related strike prices of the plans granted to the statutory officers and the key Management personnel are described in detail in note 21.

b) In the normal course of business, the Company, its subsidiaries and its joint ventures conducted intragroup transactions under prices, terms, finance charges and other conditions agreed upon among the parties. These transactions include, but are not limited to, shared service agreements, consulting agreement, loan agreements and provision of guarantees under the terms detailed below:

	12/31/2015			
	Assets	Liabilities	Profit or loss	
	Trade receivables	Trade payables	Sales	Purchases
Amsted-Maxion Fundição	15,285	-	14,104	-
Maxion Wheels and its subsidiaries	8,825	4,110	114,389	2,404
Maxion (Nantong) Wheels, Co., Ltd.	17	-	-	2,093
Maxion Wheels de Mexico S. de R.L. de CV.	50	-	5,581	-
Maxion Montich S.A.	1,861	-	8,480	-
	26,038	4,110	142,554	4,497

	12/31/2014			
	Assets	Liabilities	Profit or loss	
	Trade receivables	Trade payables	Sales	Purchases
Amsted-Maxion Fundição	8,116	-	31,383	1,464
Maxion Wheels and its subsidiaries	15,131	3,993	102,085	168
Maxion (Nantong) Wheels, Co., Ltd.	149	1,914	-	-
Maxion Wheels de Mexico S. de R.L. de CV.	79	-	19,616	-
Maxion Montich S.A.	3,066	-	-	-
	26,541	5,907	153,084	1,632

c) Sureties and guarantees granted

The Company recorded the following amounts as sureties on transactions conducted by its subsidiaries and joint ventures basically related to the borrowings and financing disclosed in note 14:

Subsidiaries

	12/31/2015	12/31/2014
Ingenieria y Maquinaria de Guadalupe S.A. de C.V.	615,168	484,163
Maxion Wheels and its subsidiaries	698,931	473,557
Maxion (Nantong) Wheels, Co., Ltd.	83,413	62,404

Joint ventures

	12/31/2015	12/31/2014
Amsted-Maxion Fundição e Equipamentos Ferroviários S.A.	198,153	28,705
Maxion Montich S.A.	5,425	2,100

11. INVESTMENTS

a) Breakdown

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Equity interests in subsidiaries	2,695,248	1,961,870	-	-
Equity interests in joint ventures	72,859	12,173	72,859	12,173
Subtotal - investments	2,768,107	1,974,043	72,859	12,173
Goodwill on acquisition of equity interests (*)	20,292	20,292	-	-
Other investments	158	158	161	181
Total investments	2,788,557	1,994,493	73,020	12,354
(-) Equity deficiency- Joint ventures	-	(9,250)	-	(9,250)

(*) Refers to goodwill arising on the acquisition of Meritor Comércio e Indústria de Sistemas Automotivos Ltda. merged into the Company on November 2, 2009.

b) Changes

	Balance as of 12/31/2014	Capital increase (decrease)	Exchange rate changes on investments abroad	Effects of changes in actuarial assumptions	Share of profit (loss) of subsidiaries	Other	Balance as of 12/31/2015
Iochpe Maxion Austria GmbH (ii)	1,950,322	(175,193)	717,766	17,090	172,282	-	2,682,267
Maxion (Nantong) Wheels, Co., Ltd. (iii)	11,368	13,032	8,010	-	(20,368)	-	12,042
Maxion Montich S.A.	12,173	-	(873)	-	(1,251)	-	10,049
Remon Resende Montadora Ltda.	180	-	-	-	(233)	-	(53)
Maxion Componentes Estruturais Ltda. (iv)	-	992	-	-	-	-	992
Amsted-Maxion Fundição e Equipamentos Ferroviários S.A. (i)	(9,250)	-	-	-	71,899	161	62,810
Total	1,964,793	(161,169)	724,903	17,090	222,329	161	2,768,107

	Balance as of 12/31/2014	Capital increase (decrease)	Exchange rate changes on investments abroad	Effects of changes in actuarial assumptions	Share of profit (loss) of subsidiaries	Balance as of 12/31/2015
Iochpe Maxion Austria GmbH	1,814,955	(131,460)	145,713	(22,887)	144,001	1,950,322
Maxion (Nantong) Wheels, Co., Ltd.	9,738	18,158	2,133	-	(18,661)	11,368
Cooperatie Maxion Europe U.A.	491	(475)	-		(16)	-
Maxion Montich S.A.	17,197	-	(1,958)	-	(3,066)	12,173
Remon Resende Montadora Ltda.	207	-	-	-	(27)	180
Maxion Componentes Estruturais Ltda.	130	-	-	-	(130)	-
Subtotal	1,842,718	(113,777)	145,888	(22,887)	122,101	1,974,043
(-) Equity deficit- Amsted-Maxion Fundição e Equipamentos Ferroviários S.A. (i)	1,667	-	-	-	(10,917)	(9,250)
Total	1,844,385	(113,777)	145,888	(22,887)	111,184	1,964,793

(i) As of December 31, 2015, the equity of the joint venture is adjusted by the unrealized profit amounting to R$1,823 arising on the sale of part of the land owned by the Cruzeiro unit, State of São Paulo, to the Company, corresponding to a 50% stake therein.

(ii) On February 26, 2015, capital was increased by R$1,292 (€400 thousand). On June 17, July 27 and 28, August 31, November 16, and December 14, 2015, capital was reduced by R$16,567 (€4,768 thousand), R$8,221 (US$2,500 thousand), R$5,001 (US$1,500 thousand), R$54,701 (US$15,000 thousand), R$34,655 (US$9,000 thousand), and R$57,340 (US$14,600 thousand), respectively.

(iii) In July 27 and November 24, 2015, capital was increased by R$8,407 (US$2,500 thousand) and R$4,625 (US$1,250 thousand).

(iv) On October 9, 2015, capital was increased by R$992.

c) Information on subsidiaries and joint ventures

	12/31/2015								
	Number of shares (in thousands)	Equity interests (%)	Assets	Liabilities	Capital	Equity	Noncontrolling interests	Net revenue	Net income (loss) for the year
Amsted-Maxion Fundição e Equipamentos Ferroviários S.A.	6,020,031	50	573,542	447,922	43,702	125,620	-	563,488	143,797
Iochpe Maxion Austria GmbH (i)	-	100	6,467,912	3,482,576	2,239,088	2,682,267	303,069	5,869,047	172,282
Maxion (Nantong) Wheels, Co., Ltd. (i)	-	100	110,561	98,519	237,009	12,042	-	32,910	(20,368)
Maxion Montich S.A.	2,813	50	74,585	54,487	1,697	20,098	-	155,592	(2,502)
Remon Resende Montadora Ltda. (ii)	30	67	428	534	90	(80)	(26)	1,298	(619)
Maxion Componentes Estruturais Ltda.	130	-	992	-	4,864	992	-	-	-

	12/31/2014								
	Number of shares (in thousands)	Equity interests (%)	Assets	Liabilities	Capital	Equity	Noncontrolling interests	Net revenue	Net income (loss) for the year
Amsted-Maxion Fundição e Equipamentos Ferroviários S.A.	6,020,031	50	541,248	559,748	43,702	(18,500)	-	946,288	(20,441)
Iochpe Maxion Austria GmbH (i)	-	100	4,751,350	2,580,098	1,790,838	1,950,323	220,929	4,411,417	144,001
Maxion (Nantong) Wheels, Co., Ltd. (i)	-	100	93,180	81,812	155,321	11,368	-	33,140	(18,661)
Cooperatie Maxion Europe U.A.	-	-	-	-	-	-	-	-	(16)
Maxion Montich S.A.	2,813	50	79,826	55,480	1,784	24,346	-	107,494	(6,132)
Remon Resende Montadora Ltda. (ii)	30	67	927	208	90	539	180	2,319	(82)
Maxion Componentes Estruturais Ltda.	130	-	-	-	-	-	-	-	(130)

(i) Local legislation does not provide for the concept of number of shares or private equity units.

(ii) Based on the financial information for the 11-month period ended November 30, 2015 and 2014.

d) Detailed information on material subsidiaries with noncontrolling interests

			Equity interest and voting capital held	
Subsidiary	Core business	Country	12/31/2015	12/31/2014
Maxion Inci Jant Sanayi, A.S.	Manufacture and sale of wheels	Turkey	60%	60%
Maxion Jantas Jant Sanayi ve Ticaret A.S.	Manufacture and sale of wheels	Turkey	60%	60%
Maxion Wheels (Thailand) Co., Ltd.	Manufacture and sale of wheels	Thailand	70%	70%
Kalyani Maxion Wheels Limited	Manufacture and sale of wheels	India	85%	85%

The table below shows the summarized financial information on each of the Company's subsidiaries before the eliminations of transactions with other Company's subsidiaries:

	Maxion Inci Jant Sanayi, A.S.		Maxion Jantas Jant Sanayi ve Ticaret A.S.		Maxion Wheels (Thailand) Co., Ltd		Kalyani Maxion Wheels Limited	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Balance sheets								
Current assets	329,481	209,319	180,249	147,149	89,954	37,047	98,047	68,090
Noncurrent assets	382,300	293,357	114,333	88,154	100,403	80,577	170,479	147,744
Total assets	711,781	502,676	294,582	235,303	190,357	117,624	268,526	215,834
Current liabilities	163,524	94,724	76,877	61,301	120,254	73,936	80,107	60,313
Noncurrent liabilities	45,225	50,986	32,732	18,708	43,363	14,127	56,291	69,081
Equity	503,032	356,966	184,973	155,294	26,740	29,561	132,128	86,440
Total liabilities and equity	711,781	502,676	294,582	235,303	190,357	117,624	268,526	215,834

	Maxion Inci Jant Sanayi, A.S.		Maxion Jantas Jant Sanayi ve Ticaret A.S.		Maxion Wheels (Thailand) Co., Ltd		Kalyani Maxion Wheels Limited	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Statements of profit or loss								
Net sales revenue	840,344	554,293	298,006	279,370	201,642	108,184	246,377	174,936
Cost of sales	(619,662)	(426,616)	(221,037)	(205,735)	(194,455)	(120,338)	(204,026)	(151,913)
Gross profit (loss)	220,682	127,677	76,969	73,635	7,187	(12,154)	42,351	23,023
Operating expenses, net	(54,587)	(24,863)	(20,457)	(11,420)	(17,623)	(9,157)	(27,882)	(10,790)
Income tax	(28,465)	(16,350)	(13,181)	(11,456)	(53)	3,526	(4,852)	(3,848)
Net income (loss) for the year	137,630	86,464	43,331	50,759	(10,489)	(17,785)	9,617	8,385

In 2015, R$36,648 and R$20,380 were allocated as dividends to noncontrolling interests in indirect subsidiaries Maxion Inci Jant Sanayi, A.S. and Maxion Jantas Jant Sanayi ve Ticaret A.S., respectively.

12. PROPERTY, PLANT AND EQUIPMENT

a) Parent

	Parent							
	Buildings and improvements	Machinery and equipment	Land	Construction in progress (i)	Spare parts	Tools	Other	Total
Balance as of December 31, 2013	137,569	449,028	24,251	47,570	68,679	50,219	48,389	825,705
Additions	1	6,817	-	80,296	20,003	-	7,596	114,713
Disposals, net	(17)	(9,599)	-	(84)	(12,744)	-	(3,100)	(25,544)
Depreciation	(5,899)	(27,044)	-	-	(314)	(4,048)	(5,385)	(42,690)
Transfers	2,576	38,798	-	(37,389)	(450)	751	(4,286)	-
Balance as of December 31, 2014	134,230	458,000	24,251	90,393	75,174	46,922	43,214	872,184
Additions	258	3,141	-	76,629	3,506	1	6,822	90,357
Disposals, net	(485)	(842)	-	(886)	(8,980)	418	(417)	(11,192)
Depreciation	(6,389)	(24,747)	-	-	(1,256)	(2,438)	(5,049)	(39,879)
Transfers	14,436	42,014	-	(34,226)	(111)	(13,949)	(8,164)	-
Balance as of December 31, 2015	142,050	477,566	24,251	131,910	68,333	30,954	36,406	911,470
Balance as of December 31, 2014:								
Cost	209,604	869,404	24,251	90,393	76,429	101,635	105,689	1,477,405
Accumulated depreciation	(75,374)	(411,404)	-	-	(1,255)	(54,713)	(62,475)	(605,221)
Carrying amount, net	134,230	458,000	24,251	90,393	75,174	46,922	43,214	872,184
Balance as of December 31, 2015:							-	
Cost	224,462	919,554	24,251	131,910	70,325	77,964	102,706	1,551,172
Accumulated depreciation	(82,412)	(441,988)	-	-	(1,992)	(47,010)	(66,300)	(639,702)
Carrying amount, net	142,050	477,566	24,251	131,910	68,333	30,954	36,406	911,470

b) Consolidated

	Consolidated							
	Buildings and improvements	Machinery and equipment	Land	Construction in progress (ii)	Spare parts	Tools	Other	Total
Balance as of December 31, 2013	500,692	1,623,451	174,593	92,423	70,810	86,120	68,808	2,616,897
Additions	3,902	140,650	-	96,028	35,599	10,803	17,175	304,157
Disposals, net	(1,444)	(9,765)	(2,873)	(84)	(14,785)	2,857	(4,787)	(30,881)
Depreciation	(21,153)	(170,017)	-		(3,578)	(25,350)	(11,158)	(231,256)
Transfers	9,871	76,886	-	(85,655)	1,057	2,545	(4,704)	-
Changes in foreign exchange rates	15,164	55,009	3,939	2,993	278	2,745	2,917	83,045
Balance as of December 31, 2014	507,032	1,716,214	175,659	105,705	89,381	79,720	68,251	2,741,962
Additions (iii)	18,298	46,450	-	240,637	13,289	9,035	15,893	343,602
Disposals, net	(3,969)	(24,623)	(5,994)	-	(8,542)	(1,003)	(1,814)	(45,945)
Depreciation	(21,670)	(222,905)	-	-	(8,116)	(22,198)	(11,177)	(286,066)
Transfers (iv)	(67,770)	73,112	9,784	(39,879)	8,174	(11,039)	10,816	(16,802)
Transfer of asset held for sale (v)	(6,649)	-	(8,955)	-	-	-	-	(15,604)
Exchange rate changes	127,049	437,550	47,559	(842)	4,489	10,334	11,628	637,767
Balance as of December 31, 2015	552,321	2,025,798	218,053	305,621	98,675	64,849	93,597	3,358,914

	Consolidated							
	Buildings and improvements	Machinery and equipment	Land	Construction in progress (ii)	Spare parts	Tools	Other	Total
Balance as of December 31, 2014:								
Cost	686,665	2,715,576	175,659	105,705	94,142	169,472	147,253	4,094,472
Accumulated depreciation	(179,633)	(999,362)	-	-	(4,761)	(89,752)	(79,002)	(1,352,510)
Carrying amount, net	507,032	1,716,214	175,659	105,705	89,381	79,720	68,251	2,741,962
Balance as of December 31, 2015:								
Cost	879,542	3,368,630	218,053	305,621	111,893	178,180	218,193	5,280,112
Accumulated depreciation	(327,221)	(1,342,832)	-	-	(13,218)	(113,331)	(124,596)	(1,921,198)
Carrying amount, net	552,321	2,025,798	218,053	305,621	98,675	64,849	93,597	3,358,914

(i) As of December 31, 2015, consists of projects related to: (1) buildings, amounting to R$38,114 (R$28,948 as of December 31, 2014); (2) machinery and equipment, amounting to R$90,819 (R$36,267 at December 31, 2014); and (3) other assets, amounting to R$2,977 (R$25,178 at December 31, 2014), basically related to the expansions of the Cruzeiro and Limeira units.

(ii) As of December 31, 2015, consists of projects related to: (1) buildings, amounting to R$38,889 (R$29,329 as of December 31, 2014); (2) machinery and equipment, amounting to R$261,772 (R$48,851 at December 31, 2014); and (3) other assets, amounting to R$4,960 (R$27,525 at December 31, 2014), related to the expansions of the Mexico, Cruzeiro, Limeira, and Santo André, Czech Republic, and Turkey units.

(iii) Of total consolidated additions in the year, R$18,298 was invested in buildings and improvements, R$46,450 in machinery and equipment, R$240,637 in construction in progress, and R$38,217 in other assets. The majority of the investments was made by the Maxion Inmagusa, Limeira and Maxion Wheels units, in the amounts of R$61,790, R$72,536 and R$169,201, respectively.

(iv) Include the transfer made between line items property, plant and equipment and intangible assets.

(v) Transfer made according to IFRS 5/CPC 31 - Noncurrent Assets Held for Sale and Discontinued Operations (for further details see note 36).

The amounts of property, plant and equipment items pledged as collateral in borrowings and financing are shown in note 14.

The table below shows the annual average depreciation rates of the property, plant and equipment items as of December 31, 2015 and 2014, based on the estimated useful lives of the assets:

	Parent	Consolidated
Buildings and improvements	6%	6%
Machinery and equipment	8%	8%
Spare parts	8%	8%
Tools	8%	8%
Other	7.5% to 35%	7.5% to 35%

As referred to in note 4.i.3), annually the Company reviews the usage conditions of each asset and assesses whether it is necessary to revise the assets' useful lives. In 2015, the parent company revised the remaining useful life of machinery and equipment, which resulted in a 1.8% decrease in line item depreciation costs.

13. INTANGIBLE ASSETS - CONSOLIDATED

	Average annual amortization rate	Amortization method	Costs - Amortization: Balance at 12/31/2014	Additions	Exchange rate changes	Amortization	(ix) Transfers	Balance at 12/31/2015
Assets with finite useful lives:								
Cost								
Software	20%	Straight line	7.568	3.118	5.507	-	36.913	53.106
Land use rights (i)	2%	Straight line	5.748	-	2.328	-	-	8.076
Versastyle Technology (ii)	20%	Straight line	7.361	-	3.501	-	271	11.133
Relationship with customers (iv)	5%	Straight line	105.186	-	49.444	-	-	154.630
Tools	8%	Straight line	-	534	480	-	5.073	6.087
Other	Sundry	Straight line	10.005	30	7.187	-	17.819	35.041
			135.868	3.682	68.447	-	60.076	268.073
Accumulated amortization								
Software	20%	Straight line	(5.557)	-	(3.587)	(7.802)	(18.672)	(35.618)
Land use rights (i)	2%	Straight line	(814)	-	(349)	(142)	-	(1.305)
Versastyle Technology (ii)	20%	Straight line	(7.361)	-	(3.501)	-	(271)	(11.133)
Relationship with customers (iv)	5%	Straight line	(15.340)	-	(8.235)	(6.707)	-	(30.282)
Tools	8%	Straight line		-	(443)	(594)	(4.536)	(5.573)
Other	Sundry	Straight line	(6.478)	-	(6.035)	(153)	(19.795)	(32.461)
Accumulated amortization			(35.550)	-	(22.150)	(15.398)	(43.274)	(116.372)
Assets with indefinite useful lives								
Trademarks (iii)			65.077	-	30.591	-	-	95.668
Goodwill on acquisition of subsidiaries:								
Méritor Comércio e Indústria de Sistemas Automotivos Ltda (v)			20.292	-	-	-	-	20.292
Iochpe Sistemas Automotivos de México S.A de C.V (vi)			1.686	-	792	-	-	2.478
Hayes Lemmerz International, Inc (vii)			688.428	-	323.575	-	-	1.012.003
Grupo Galaz and subsidiaries (viii)			274.988	-	129.250	-	-	404.238
Total			1.050.471	-	484.208	-	-	1.534.679
Grand total			1.150.789	3.682	530.505	(15.398)	16.802	1.686.380

	Average annual amortization rate	Amortization method	Costs - Amortization: Balance at 12/31/2013	Additions	Exchange rate changes	Amortization	Balance at 12/31/2014
Assets with finite useful lives:							
Cost							
Software	20%	Straight line	7.307	70	191	-	7.568
Land use rights (i)	2%	Straight line	5.196	-	552	-	5.748
Versastyle Technology (ii)	20%	Straight line	7.359	-	2	-	7.361
Relationship with customers (iv)	5%	Straight line	92.767	-	12.419	-	105.186
Other	Sundry	Straight line	8.411	1.626	(32)	-	10.005
			121.040	1.696	13.132	-	135.868
Accumulated amortization							
Software	20%	Straight line	(4.478)	-	(296)	(783)	(5.557)
Land use rights (i)	2%	Straight line	(632)	2	(69)	(115)	(814)
Versastyle Technology (ii)	20%	Straight line	(4.934)	-	(78)	(2.349)	(7.361)
Relationship with customers (iv)	5%	Straight line	(8.890)	-	(1.790)	(4.660)	(15.340)
Other	Sundry	Straight line	(5.152)	-	(137)	(1.189)	(6.478)
Accumulated amortization			(24.086)	2	(2.370)	(9.096)	(35.550)
Assets with indefinite useful lives							
Trademarks (iii)			57.394	-	7.683	-	65.077
Goodwill on acquisition of subsidiaries:					-		
Méritor Comércio e Indústria de Sistemas Automotivos Ltda (v)			20.292	-	-	-	20.292
Iochpe Sistemas Automotivos de México S.A de C.V (vi)			1.388	-	298	-	1.686
Hayes Lemmers International, Inc (vii)			607.455	-	80.973	-	688.428
Grupo Galaz and subsidiaries (viii)			242.522	-	32.466	-	274.988
Total			929.051	-	121.420	-	1.050.471
Grand total			1.026.005	1.698	132.182	(9.096)	1.150.789

(i) Refers to rights to use the land in which the subsidiary Maxion (Nantong) Wheels Co., Ltd. is located. Amortization is calculated on a straight-line basis over a 50-year period, as provided for in the concession agreement entered into with the municipality.

(ii) "Versastyle technology" trademark was an asset identified in the acquisition process of subsidiary Maxion Wheels.

(iii) "Hayes Lemmerz" trademark was an asset identified in the acquisition process of subsidiary Maxion Wheels, which has an indefinite useful life. As of December 31, 2015, due to the absence of indicators that the subsidiary will not generate future benefits, no allowance for impairment was recognized.

(iv) The relationship with customers was identified in the acquisition process of subsidiary Maxion Wheels, and its remaining useful life is 17.1 years, to be fully amortized through January 31, 2033. As of December 31, 2014, due to the absence of indicators that the subsidiary will not generate future benefits, no allowance for impairment was recognized.

(v) Refers to goodwill arising on the acquisition of Meritor Comércio e Indústria de Sistemas Automotivos Ltda., merged into the Company on November 2, 2009.

(vi) Refers to goodwill arising on the acquisition of Iochpe Sistemas Automotivos de México S.A. de C.V. (formerly Delancre S.A. de C.V.).

(vii) Refers to goodwill arising on the acquisition of Hayes Lemmerz International, Inc. and its subsidiaries (currently Maxion Wheels).

(viii) Refer to goodwill arising on the acquisition of Grupo Galaz (currently Inmagusa).

(ix) Transfer made between line items property, plant and equipment and intangible assets (see note 12).

Goodwill on acquisition of subsidiaries	12/31/2015
Meritor Comércio e Indústria de Sistemas Automotivos Ltda.	20,292
Iochpe Sistemas Automotivos de México S.A. de C.V.	2,478
Hayes Lemmerz International, Inc.	1,012,003
Grupo Galaz and subsidiaries	404,238

As of December 31, 2015, the Company tested for impairment the balances of goodwill shown in the table above. Determining the value in use requires the use of assumptions, judgments and estimates on the cash flows, such as revenue growth rates, costs and expenses, future investment and working capital estimates and discount rates. The assumptions on the future cash flow growth projections are based on the Company's business plan, as well as comparable market inputs, and represent Management's best estimate about the economic conditions that will exist over the useful lives of the different CGUs to which goodwill is related.

The value-in-use calculation is made for a five-year period and, from then on, considering the perpetuity of the assumptions taking into consideration the ability to continue as a going concern for an indefinite term. The period used was ten years and the discount and growth rates used to extrapolate the December 31, 2015 projections vary from 10.7% to 14% and 0% to 3% per year, respectively, depending on the tested CGU.

The impairment test of the Company's and its subsidiaries' goodwill balances and net assets did not result in the need to recognize losses for the year ended December 31, 2015. The Company conducted a sensitivity analysis of the perpetuity discount and growth rate variables, in light of their key impacts on cash flows and the value-in-use. A 0.5 percentage point increase or decrease in each CGU's cash flow perpetuity discount rate or growth rate would not result in the need to recognize an impairment loss.

14. BORROWINGS, FINANCING AND DEBENTURES

a) Parent

	Index	Annual interest rate - %	Final maturity date	Amortized transaction cost	Balance of unamortized transaction cost	12/31/2015	12/31/2014
Local currency:							
BNDES EXIM	-	5.89	August 2017	-	-	190,562	362,291
BNDES - Finame (ii)	TJLP	5.82	November 2019	-	-	208	435
BNDES - Finame and Automatic (iii) (iv)	TJLP	3.66	July 2022	-	-	14,066	10,095
BNDES - Automatic (iv)	Currency basket	4.40	December 2019	-	-	1,534	1,081
FINAME - PSI (ii) (iii)	-	5.06	November 2023	-	-	18,749	24,977
Export Financing - compulsory (viii)	-	11.00	September 2018	-	-	20,561	-
FINDES PRO-INVEST (v)	IPCA	3.92	December 2019	-	-	23,976	29,437
FINEP	-	3.38	June 2022	-	-	8,911	2,420
FINEM	-	5.56	December 2018	-	-	6,127	7,433
Notes payable (xiv)	-	15.48	February 2016	-	-	54,092	62,371
Leases	-	13.89	March 2017	-	-	677	-
Export Credit Note (ix) (xii) (xiii)	CDI	2.20	September 2018	-	-	102,714	-
Subtotal in local currency						442,177	500,540
Foreign currency:							
Export Credit Bill in US$ (vi) (vii))		6.07	September 2017	-	-	141,052	-
BNDES loan - U.S. dollar (iii)	-	6.96	July 2022	-	-	6,949	-
Subtotal in foreign currency						148,001	-
Total borrowings and financing						590,178	500,540
5th issue simple debentures	CDI	3.00	March 2022	13,376	8,032	642,133	634,882
6th issue convertible debentures	CDI	2.00	April 2018	6,204	2,654	176,180	172,815
7th issue simple debentures with subscription warrants	CDI	2.00	April 2019	3,639	4,199	371,093	401,621
Total debentures				23,219	14,885	1,189,406	1,209,318
Total borrowings, financing and debentures						1,779,584	1,709,858
Current liabilities						550,357	295,374
Unamortized costs						(4,091)	(4,633)
Total						546,266	290,741
Noncurrent liabilities						1,244,112	1,436,239
Unamortized costs						(10,794)	(17,122)
Total						1,233,318	1,419,117

b) Consolidated

	Index	Annual interest rate - %	Final maturity date	Amortized transaction cost	Balance of unamortized transaction cost	12/31/2015	12/31/2014
Local currency:							
BNDES EXIM	-	6.01	October 2017	-	-	202,247	395,058
BNDES - Finame (ii)	TJLP	5.82	November 2019	-	-	208	435
BNDES - Finame and Automatic (iii) (iv)	TJLP	3.35	July 2022	-	-	19,075	10,095
BNDES - Automatic (iv)	Currency basket	4.40	December 2019	-	-	1,534	1,081
FINAME - PSI (ii) (iii)	-	5.04	November 2023	-	-	19,624	24,977
Export Financing - compulsory (viii)	-	11.00	September 2018	-	-	20,561	-
FINDES PRO-INVEST (v)	IPCA	3.92	December 2019	-	-	23,976	29,437
FINEP	-	3.38	June 2022	-	-	8,911	2,420
FINEM	-	5.56	December 2018	-	-	6,127	7,433
Notes payable (xiv)	-	15.48	February 2016	-	-	87,446	75,309
Leases	-	13.89	March 2017	-	-	677	-
Export Credit Note (ix) (xii) (xiii)	CDI	2.20	September 2018	-	-	102,714	-
Subtotal in local currency						493,100	546,245
Foreign currency:							
Export Credit Bill in US$ (vi) (vii))		6.07	September 2017	-	-	141,052	-
BNDES loan - U.S. dollar (iii)	-	6.96	July 2022	-	-	13,133	-
Long-term loan - U.S. dollar (i) (xi)	-	5.65	October 2020	-	-	615,168	484,163
Export credit - euro	-	4.78	August 2019	-	-	7,227	-
Working capital - U.S. dollar	-	4.79	May 2016	-	-	361,489	240,729
Working capital - renmimbi yuan	-	4.51	March 2016	-	-	83,413	62,404
Working capital - euro	-	3.58	July 2026	-	-	438,716	283,942
Working capital - rupee (x)	-	12.00	June 2016	-	-	21,280	17,952
Working capital - bath	-	3.88	April 2016	-	-	50,871	47,653
Subtotal in foreign currency						1,732,349	1,136,843
Total borrowings and financing						2,225,449	1,683,088
5th issue simple debentures	CDI	3.00	March 2022	12,040	8,032	642,133	634,882
6th issue convertible debentures	CDI	2.00	April 2018	5,650	2,654	176,180	172,815
7th issue simple debentures with subscription warrants	CDI	2.00	April 2019	2,519	4,199	371,093	401,621
Total debentures				20,209	14,885	1,189,406	1,209,318
Total borrowings, financing and debentures						3,414,855	2,892,406
Current liabilities						1,688,793	1,075,677
Unamortized costs						(4,091)	(4,633)
Total						1,684,702	1,071,044
Noncurrent liabilities						1,740,947	1,838,484
Unamortized costs						(10,794)	(17,122)
Total						1,730,153	1,821,362

(i) The nominal amount of US$200,000,000 refers to the take-out of the bridge loan raised through indirect subsidiary Ingenieria Y Maquinaria de Guadalupe S.A. de C.V. (“Inmagusa”) with Banco Itaú BBA in the United States of America for the acquisition of Grupo Galaz, the final maturity of which is December 16, 2019. As of December 31, 2015, represents the R$569,418 balance in consolidated (R$484,163 as of December 31, 2014).

(ii) This loan is subject to the financial ratios, as described in section “Debentures Terms and Conditions”, item b). FINAME and FINAME - PSI (Federal equipment financing authority) financing is collateralized by the financed assets, in the net amount of R$18,957 in parent and R$19,832 on a consolidated basis (R$25,412 in parent and consolidated at December 31, 2014).

(iii) Direct Banco Nacional de Desenvolvimento Econômico e Social - BNDES facility granted to the Company and subsidiary Iochpe-Maxion and Maxion Wheels do Brasil Ltda., under FINEM, FINAME PSI, and U.S. dollar-denominated loan terms, totaling R$55.5 million. The disbursed amount as of December 31, 2015 is R$25,432. Intended to finance the investments in the new aluminum wheel plant, currently being built in Limeira, and the expansion of the Santo André aluminum wheel unit. Subject to the financial ratios described in section “Debentures Terms and Conditions”, item b), and collateralized by a mortgage of part of the Limeira plant.

(iv) BNDES Automatic are agreements entered into through Banco de Desenvolvimento de Minas Gerais - BDMG, a State development bank, as agent of the BNDES Automatic financing program intended for the expansion or upgrading of the unit’s research and development assets and projects. As of December 31, 2015, the disbursed amount under these agreements is R$5,124, and the agreements are guaranteed by the mortgage of the Contagem plant, Minas Gerais.

(v) Minas Gerais State Government credit facility granted through BNDES that supports the development and the upgrading of the Contagem plant. As of December 31, 2015, the disbursed amount under these agreements is R$23,976, and the agreements are guaranteed by the mortgage of the Contagem plant, Minas Gerais.

(vi) U.S. dollar-denominated Export Credit Bill bearing interest of 4.60% per year to finance export working capital, and the Company contracted a swap transaction in Brazilian reais with Banco ABC Brasil. The swap consists of swapping US$ + 4.60% per year for R$ + 112.50% of the CDI. As of December 31, 2015, the balance of these agreements is R$40,142, including the R$2,426 swap.

(vii) U.S. dollar-denominated Export Credit Bill bearing interest of 6.66% per year to finance export working capital, and the Company contracted a swap transaction in Brazilian reais with Banco Santander. The swap consists of swapping US$ + 6.66% per year for R$ + 119.5% of the CDI. As of December 31, 2015, the balance of these agreements is R$100,910, including the R$3,215 swap.

(viii) Export Financing: mandatory loan raised with Caixa Econômica Federal. This agreement is subject to financial ratios, as described in the section “Debentures Terms and Conditions”, item b). As of December 31, 2015, the balance is R$20,561.

(ix) Export Credit note contracted by the Company with Caixa Econômica Federal, which is subject to financial ratios, as described in the section “Debentures Terms and Conditions”, item b). As of December 31, 2015, the balance is R$41,684.

(x) Rupee-denominated working capital loan raised by Kalyani Maxion Wheels Limited - India with the State Bank of India. As of December 31, 2015, the disbursed amount under this agreement is R$21,280, and the agreement is guaranteed by the mortgage of the India plant.

(xi) On October 16, 2015, subsidiary Inmagusa raised a long-term loan with Banco Bladex to invest in capital assets and working capital, amounting to US$11,600 thousand, equivalent to R$45,750.

(xii) Export Credit note contracted by the Company with Banco do Brasil, which is subject to financial ratios, as described in the section "Debentures Terms and Conditions", item b). As of December 31, 2015, the balance is R$10,024.

(xiii) Export Credit note contracted by the Company with Banco Santander, which is subject to financial ratios, as described in the section "Debentures Terms and Conditions", item b). As of December 31, 2015, the balance is R$51,006.

(xiv) Throughout 2015 and 2014, the Company purchased raw materials from domestic steel suppliers, which in turn factored their receivables with financial institutions, through a receivables assignment transaction (forfaiting), which basically consists of selling these receivables, without recourse, with interest rates ranging from 1.15% to 1.29% per month. As of December 31, 2015, the liabilities related to these purchases are equivalent to R$54,092 in parent and R$87,446 in consolidated (R$62,371 in parent and R$75,309 in consolidated at December 31, 2014). The average payment term of these notes is 60 days.

Changes in borrowings, financing and debentures are as follows:

	Parent	Consolidated
Balance as of December 31, 2013	1,728,797	2,773,484
Funding	379,608	581,566
Accrued interest	191,975	226,961
Principal repayment	(414,193)	(590,886)
Payment of interest	(176,329)	(220,127)
Exchange rate changes	-	121,408
Balance as of December 31, 2014	1,709,858	2,892,406
Funding	523,221	1,401,548
Accrued interest	234,119	297,939
Principal repayment	(420,245)	(1,319,236)
Repayment of import and input financing	(57,191)	(70,128)
Payment of interest	(210,178)	(268,827)
Exchange rate changes	-	481,153
Balance as of December 31, 2015	1,779,584	3,414,855

As of December 31, 2015, the installments recorded in noncurrent liabilities mature as follows:

	Parent	Consolidated
2017	187,938	353,246
2018	314,664	470,102
2019	455,977	611,457
2020	93,582	105,227
2021 and thereafter	181,157	190,121
Total	1,233,318	1,730,153

The foreign currency-denominated working capital loans raised by foreign subsidiaries are guaranteed by the Company's sureties, in the total net amount of R$758,964 (R$503,194 as of December 31, 2014).

Debentures

Debentures issued by the Company are: (i) 5th issue simple debentures (CVM Instruction 476); (ii) 6th issue simple, convertible debentures (CVM Instruction 400); and (iii) 7th issue simple, registered, book-entry, unsecured debentures with subscription warrants, in a single series, the issue of which was approved at Board of Directors meetings. Debentures were subscribed at the unit par value, paid in local currency, in cash, upon subscription, with interest repaid on a semiannual basis. Details are as follows:

Debentures	Category	Principal on issue date	Issue date	Final maturity	Finance charges	Principal as of 12/31/2015
5th issue	Simple	1,240,000	03/28/2013	03/15/2022	100% CDI + surcharge	620,000
6th issue	Convertible	320,000	05/02/2013	04/01/2018	100% CDI + 2% p.y.	172,268
7th issue	Simple with subscription warrant	397,732	04/30/2014	04/01/2019	100% CDI + 2% p.y.	361,513

5th issue - Simple Debentures (CVM Instruction 476)

Repayable on a semiannual basis, on the 15th day of March and September. The surcharge is calculated based on the ratio as of June 30 and December 31 of each year, as follows:

- 3.25% per year, based on a 252-business-day year, if the Net Debt-to-EBITDA ratio is 3.50 times or higher. (Surcharge determined on December 31, 2015.)

- 3.00% per year, based on a 252-business-day year, if the Net Debt-to-EBITDA ratio is 3.00 times or higher and lower than 3.50 times.

- 2.75% per year, based on a 252-business-day year, if the Net Debt-to-EBITDA ratio is 2.50 times or higher and lower than 3.00 times.

- 2.50% per year, based on a 252-business-day year, if the Net Debt-to-EBITDA ratio is 2.00 times or higher and lower than 2.50 times.

- 2.25% per year, based on a 252-business-day year, if the Net Debt-to-EBITDA ratio is lower than 2.00 times.

These debentures are subject to the clause of Surcharge and Premium Maintenance or Change and Mandatory Advanced Redemption Offer to be performed on February 10, 2017 under the terms of clause 6.22 of the issue indenture.

Notwithstanding the payments arising from: (i) early redemption; (ii) accelerated amortization; and/or (iii) early maturity of obligations pursuant to the issue indenture, the par value of each debenture will be repaid in seven installments, in the following order:

I. Six installments, each corresponding to 14.29% of the par value of each debenture, due on March 15, 2016, 2017, 2018, 2019, 2020, and 2021.

II. One installment, in the amount corresponding to the outstanding balance of the par value of each debenture, due on the final maturity date, scheduled for March 15, 2022.

On May 3, 2013, April 24, and May 8, 2014, the Company redeemed part of these debentures, amounting to R$323,081, R$50,001, and R$250,000, respectively, using the proceeds of the 6th and 7th debenture issues (CVM Instruction 400) and also own funds.

6th issue - convertible debentures (CVM Instruction 400)

If not converted into shares, the debentures will be repaid on maturity and interest will be paid semiannually, on the first of April and October of each year. They can be converted into common shares issued by the Company, on any time at the sole discretion of debentureholders, at the fixed par value of R$30.303030.

The changes in fair value through profit or loss will have an inversely proportional impact on liabilities and their impact on the effective interest rate, in the Company's finance costs, will be the same.

The fair value of the debentures conversion options was determined at December 31, 2015 using the "Black & Scholes" option pricing model, as follows:

Company's share price on December 31, 2015	R$12.30
Conversion option price	R$30.303030
Remaining vesting period (business days)	567
Interest rate	16.35%
Volatility (per year)	34.87%

The bifurcating calculation of the debenture conversion options' and debt's fair value as of December 31, 2015 is detailed as follows:

Debt instrument - debentures	168,836
Embedded derivative	3,432
Subtotal	172,268
Unamortized transaction cost	(2,654)
Interest incurred	62,992
Interest paid	(56,426)
Total	176,180

7th issue - simple debentures with subscription warrants (CVM Instruction 400)

Interest on debentures will be paid semiannually on the first of April and October of each year, and principal will be repaid on maturity.

Each debenture entitles its holder to 32 subscription warrants, which are separate securities, not bound to debentures, which will float freely and remain valid from their issue date to the first of the strike date or April 1, 2019. Each subscription warrant entitles its holder to one Company common share, which can be subscribed at any time, at the sole discretion of the debentureholder, at the fixed par value of R$31.25.

The fair value of the subscription warrants was determined as of December 31, 2015 using the "Black & Scholes" option pricing model, as follows:

Company's share price on December 31, 2015	R$12.30
Conversion option price	R$31.25
Remaining vesting period (business days)	819
Interest rate	16.63%
Volatility (per year)	34.87%

The bifurcating calculation of the debenture conversion options' and debt's fair value as of December 31, 2015 is detailed as follows:

Debt instrument - debentures	344,185
Embedded derivative	17,328
Subtotal	361,513
Unamortized transaction cost	(4,199)
Interest incurred	84,638
Interest paid	(70,859)
Total	371,093

On August 27, 2015, the Company acquired 36,219 7th issue debentures, for R$37,727 in aggregate. At this date, the principal of this number of debentures plus interest calculated on a "pro rata" basis since the date of the last interest payment through the acquisition date was equivalent to R$38,238. The Company recognized a financial gain amounting to R$961.

Debenture terms and conditions

(a) The accelerated maturity of debentures will be declared under the terms and conditions set forth in the indenture. Compensatory interest corresponding to 100% of the accumulated CDI fluctuation, plus surcharge, will levy on the outstanding balance of the par value of the 5th issue of debentures, as described in section "5th issue - simple debentures", and compensatory interest corresponding to 100% of the accumulated CDI fluctuation, plus 2% per year, based on 252 business days, exponentially and cumulatively calculated on a "pro rata" basis, based on the business days elapsed, will levy on the outstanding balance of the par value of the 6th and 7th issue of debentures, from the immediately prior payment date of the compensation up to the effective payment date.

(b) The trustee will declare the accelerated maturity of the obligations arising from the debentures, without prejudice to the provisions in the indenture in connection with the failure to meet the financial ratio, subject to the terms and procedures set out in the issue indenture, resulting from the division of net debt and EBITDA, calculated semiannually, on the defined dates, which will be equal to or below:

(i) 4.25 times on December 31, 2015.

(ii) 4.00 times on June 30, 2016.

(iii) 4.00 times on December 31, 2016.

(iv) 3.75 times on June 30, 2017.

(v) 3.50 times on December 31, 2017.

(vi) 3.25 times on June 30, 2018.

(vii) 3.00 times on December 31, 2018 and June 30 and December 31 thereafter.

The agreements are subject to restrictive covenants ("Debenture Conditions"), according to usual market practices, which require maintaining financial ratios based on the Company's consolidated financial statements prepared as of June 30 and December 31 of each year. As of December 31, 2015, the Company was compliant with all the "Debenture Conditions" covenants.

15. TRADE PAYABLES

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Domestic	46,669	137,696	56,712	212,254
Abroad	1,415	8,012	879,779	606,409
Foreign related parties (note 10)	4,110	5,907	-	-
Total	52,194	151,615	936,491	818,663

16. TAXES PAYABLE

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
State VAT (ICMS)	701	2,597	2,966	4,274
Federal VAT (IPI)	59	41	138	172
Tax on revenue (COFINS)	-	20	3	712
Tax on revenue (PIS)	10	11	11	164
Social contribution (CSLL)	460	2,566	460	2,570
Withholding income tax (IRRF)	1,797	2,320	2,111	2,427
Social security tax (INSS) on gross revenue	1,296	833	1,296	835
Income tax - foreign subsidiaries	-	-	35,252	18,752
Other	542	42	1,551	4,657
Valued Added Tax - VAT - foreign subsidiaries:				
Mexico	-	-	10,297	20,063
Italy	-	-	1,191	584
Other countries	-	-	621	582
	4,865	8,430	55,897	55,792

17. PAYROLL AND RELATED TAXES

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Payroll	863	14,304	45,729	44,746
Related taxes	7,203	3,806	26,918	29,131
Vacation pay	18,636	20,922	45,699	35,954
Profit sharing	8,018	10,780	42,914	52,081
	34,720	49,812	161,260	161,912

18. PROVISIONS FOR TAX, CIVIL AND LABOR RISKS

The Company and its subsidiaries are parties to lawsuits and administrative proceedings before various courts and governmental bodies, arising in the normal course of business and involving tax, labor, civil and other matters. Management, based on information from its legal counsel, analyzed ongoing proceedings and recognized a provision in an amount considered sufficient to cover probable losses on ongoing proceedings, as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Labor	3,202	2,569	18,311	9,235
Tax	28,458	28,343	43,706	30,517
Civil	9,611	9,491	11,365	11,541
Total	41,271	40,403	73,382	51,293
Judicial deposits	(24,703)	(25,068)	(24,703)	(25,068)
Total	16,568	15,335	48,679	26,225

Changes occurred during the year are as follows:

	Parent					
	Balance as of 12/31/2014	Additions	Payments	Reversals	Adjustments	Balance as of 12/31/2015
Labor	2,569	5,328	(882)	(4,950)	1,137	3,202
Tax	28,343	2,535	-	(5,246)	2,826	28,458
Civil	9,491	42	-	-	78	9,611
Total	40,403	7,905	(882)	(10,196)	4,041	41,271
Judicial deposits	(25,068)	(3,039)	444	5,646	(2,686)	(24,703)
Total, net	15,335	4,866	(438)	(4,550)	1,355	16,568

	Consolidated						
	Balance as of 12/31/2014	Additions	Payments	Reversals	Adjustments	Exchange rate changes	Balance as of 12/31/2015
Labor	9,235	10,529	(2,124)	(5,813)	4,652	1,832	18,311
Tax	30,517	15,882	-	(5,506)	2,859	(46)	43,706
Civil	11,541	1,901	(2,073)	-	325	(329)	11,365
Total	51,293	28,312	(4,197)	(11,319)	7,836	1,457	73,382
Judicial deposits	(25,068)	(3,039)	444	5,646	(2,686)	-	(24,703)
Total, net	26,225	25,273	(3,753)	(5,673)	5,150	1,457	48,679

The following is a summary of the main lawsuits to which the Company and its subsidiaries are parties, broken down by type:

Labor lawsuits

As of December 31, 2015 and 2014, the Company and its subsidiaries were parties to labor lawsuits. The main ones regard the payment of overtime, hazardous duty and health-hazard premiums, salary equalization, severance pay and FGTS (severance pay) penalties, claiming inflation adjustment under “Verão”, “Collor” and other economic plans. None of these labor claims is individually material.

In the parent company, the total amount under litigation with a probable or possible likelihood of unfavorable outcomes is R$10,066 (R$7,703 at December 31, 2014), of which R$3,202 (R$2,569 at December 31, 2014) is provided for based on historical information, representing the best estimate of probable losses.

In the consolidated, the total amount under litigation with a probable or possible likelihood of unfavorable outcomes is R$51,398 (R$30,047 as of December 31, 2014), of which R$18,311 (R$9,235 as of December 31, 2014) is provided for, representing the best estimate of probable losses.

Tax lawsuits

	12/31/2015					
	Parent			Consolidated		
	Provision	Related judicial deposits	Liabilities, net	Provision	Related judicial deposits	Liabilities, net
PIS/COFINS (a)	6,883	(6,883)	-	6,883	(6,883)	-
INSS (b)	16,703	(16,493)	210	16,703	(16,493)	210
IPI (c)	3,941	-	3,941	3,941	-	3,941
IR CIT (d)	-	-	-	10,201	-	10,201
Other	931	(931)	-	5,978	(931)	5,047
Total	28,458	(24,307)	4,151	43,706	(24,307)	19,399

In parent and on a consolidated basis, the amounts provided for refer mainly to:

(a) Legal disputes challenging the payment of contributions on: (i) agents' commissions paid abroad, beginning May 2005; and (ii) freight on transfers between branches, beginning May 2008.

(b) Legal disputes challenging the collection of social security contribution (INSS) on payment of an indemnity nature (1/3 vacation premium, sick leaves and accident allowance paid during the employee's first 15 days of leave), and the suspension of the Accident Prevention Factor (FAP) in the Occupational Accident Insurance (SAT) calculation.

(c) Lawsuit claiming the annulment of the IPI debt related to an administrative proceeding under the Company's responsibility.

(d) Audit of income tax and other taxes conducted by German tax authorities involving the Company's indirect subsidiaries operating in Germany, covering the period 2009-2011, which challenges: (i) the amount of interest deducted from taxation related to an intragroup promissory note, and (ii) the valuation of certain rights capitalized by a subsidiary in 2011.

Civil lawsuits

As of December 31, 2015 and 2014, the Company was a party to civil action involving contingent liabilities, of which a total of R$9,611 (R$9,491 as of December 31, 2014) under litigation was assessed by the legal counsel as probable losses.

In consolidated, the total contingent liabilities assessed as probable losses total R$11,365 (R$11,541 as of December 31, 2014).

Risks assessed as possible losses

The Company and its subsidiaries are parties to tax and civil lawsuits involving contingent liabilities that are not provided for because they involve a likelihood of loss classified by Management and its legal counsel either as possible or remote. As of December 31, 2015, in consolidated, these lawsuits, classified as possible losses, totaled R$278,360 (R$187,764 as of December 31, 2014). These amounts are mainly related to:

a) Administrative proceeding No. 3.127.787-1 filed against the Company, which addresses: (i) the alleged failure to send invoices on shipment of goods arising on alleged inventory differences, determined based on a tax inventory-taking, in return from manufacturing shipments; (ii) the alleged receipt of goods without tax documentation (invoices) arising on alleged inventory differences, determined based on a tax inventory-taking, in return from manufacturing shipments; (iii) the utilization of ICMS credits claimed on acquisitions from entities subject to Simples (simplified taxation regime); and (iv) the alleged delivery of a digital file (SINTEGRA file) noncompliant with the required statutory template or format. Item (i) of the tax assessment notice above was definitively cancelled at the administrative level, and a request was filed for the amendment of the decision in light of the remaining items, totaling R$152,150, classified as a possible loss.

b) Tax assessment notices issued by Spanish tax authorities for the periods between 2004 and 2009, under proceedings No. 08/8972/2012 and No. 08/01138/2013, deriving from tax audits, involving the subsidiaries Maxion Wheels Europe S.à.r.l, former HLI European Holdings ETVE, S.L., Maxion Wheels España S.L., former Hayes Lemmerz Manresa, S.L., and Hayes Lemmerz Barcelona, S.L., where the tax deductibility of interest on intragroup loans made as part of the corporate and financial restructuring process is challenged. The total amount under litigation is R$34,359.

c) Audit of income tax and other taxes conducted by German tax authorities involving the Company's indirect subsidiaries operating in Germany, covering the period 2009-2011, which challenges: (i) the amount of interest deducted from taxation related to an intragroup promissory note; and (ii) the valuation of certain rights capitalized by a subsidiary in 2011. The total amount under litigation classified as a possible loss is estimated at R$13,601.

d) Administrative tax proceeding No. 16045.720014/2015-51 filed against the Company, which addresses the collection of corporate income tax, plus interest and assessment fine of 75%, by alleging that the Company has not settled the monthly estimates of calendar year 2011 ("Unapproved Offsets"). The total amount under litigation classified as a possible loss is R$17,288.

e) Administrative proceedings No. 16045.720012/2015-62 and No. 16045.720013/2015-15, which address: (i) the collection of corporate income tax for the alleged undue deduction of income tax paid abroad for calendar year 2011; and (ii) the collection of social contribution as a result of the corporate income tax due as alleged in item (i) above, both plus interest and assessment fine of 75%, respectively. The total amount under litigation classified as a possible loss is R$7,146.

Judicial deposits

Represent restricted assets of the Company and its subsidiaries and are related to amounts deposited for filing with courts lawsuits that usually have a probable or possible likelihood of unfavorable outcomes, which will be held by courts until a final decision of the related litigation is reached. Judicial deposits as of December 31, 2015 total R$24,324 (R$20,764 as of December 31, 2014).

19. EMPLOYEE PENSION PLAN AND POST-EMPLOYMENT BENEFITS

a) Supplementary pension plan - defined contribution

Parent

Since August 1, 2004, the Company sponsors an open pension plan, managed by Brasilprev Seguros e Previdência S.A., which provides supplementary pensions, lump-sum payment and health benefits. The pension plan is a defined contribution plan, using the funded pension scheme for the actuarial calculation of reserves. As of December 31, 2015, 3,820 Company employees participated in this plan (4,439 as of December 31, 2014). The Company's contributions totaled R$1,290 in 2015 (R$1,810 as of December 31, 2014).

Maxion Wheels

Indirect subsidiary Maxion Wheels has contribution plans with the employees' retirement savings that cover substantially all employees of the units located in the United States of America. The subsidiary's contribution totaled R$4,049 as of December 31, 2015 (R$2,922 as of December 31, 2014).

b) Supplementary pension plan (defined benefit) and post-employment health care plan - consolidated

	12/31/2015					12/31/2014				
	Defined benefit obligation					Defined benefit obligation				
	Germany	Spain	Mexico	Other	Total	Germany	Spain	Mexico	Other	Total
Fair value of plan assets	1,551	22,383	1,026	3,587	28,547	1,645	18,230	811	2,053	22,739
Present value of obligations	(406,552)	(30,383)	(4,515)	(49,396)	(490,846)	(329,414)	(25,377)	(3,095)	(38,001)	(395,887)
Plan deficit	(405,001)	(8,000)	(3,489)	(45,809)	(462,299)	(327,769)	(7,147)	(2,284)	(35,948)	(373,148)
Total noncurrent liabilities	(405,001)	(8,000)	(3,489)	(45,809)	(462,299)	(327,769)	(7,147)	(2,284)	(35,948)	(373,148)

	12/31/2015					12/31/2014				
	Defined benefit obligation					Defined benefit obligation				
	Germany	Spain	Mexico	Other	Total	Germany	Spain	Mexico	Other	Total
Active employees	319	211	121	3,389	4,040	363	216	122	3,377	4,078
Retired employee	1,647	224	-	-	1,871	1,661	229	-	-	1,890

b.1) Supplementary pension plan - defined benefit

The Company sponsors, through its indirect subsidiary Maxion Wheels, several defined benefit pension plans, post-employment health care plans and life insurance. The subsidiary sponsors pension benefits based on the funding requirements provided for in relevant international laws and regulations, and prior to the payment of benefits. It also sponsors other benefits, as these benefits are granted to the employees.

Changes in the present value of defined benefit obligations

Defined benefit obligations	12/31/2015					12/31/2014				
	Defined benefit plan					Defined benefit plan				
	Germany	Spain	Mexico	Other	Total	Germany	Spain	Mexico	Other	Total
Obligations assumed at the beginning of year	(329,414)	(25,377)	(3,095)	(38,001)	(395,887)	(296,084)	(24,989)	(2,349)	(28,911)	(352,333)
Benefits paid by the plan	25,884	2,729	-	3,493	32,106	19,359	2,136	-	2,379	23,874
Cost of current services and interest	(8,772)	(660)	(590)	(7,889)	(17,911)	(9,847)	(831)	(357)	749	(10,286)
Effect of changes in geographic assumptions	-	-	-	-	-	-	-	-	(1,637)	(1,637)
Effect of changes in financial assumptions	11,570	813	310	3,866	16,559	(43,097)	(1,826)	(597)	(5,527)	(51,047)
Effect of experience adjustment	693	333	(340)	(1,667)	(981)	1,088	237	263	(4,539)	(2,951)
Exchange rate changes arising on the translation of the financial statements	(106,513)	(8,221)	(800)	(9,198)	(124,732)	(833)	(104)	(55)	(515)	(1,507)
Defined benefit obligations	(406,552)	(30,383)	(4,515)	(49,396)	(490,846)	(329,414)	(25,377)	(3,095)	(38,001)	(395,887)

Fair value of plan assets	12/31/2015					12/31/2014				
	Defined benefit plan					Defined benefit plan				
	Germany	Spain	Mexico	Other	Total	Germany	Spain	Mexico	Other	Total
Plan assets at the beginning of the year	1,645	18,230	811	2,053	22,739	1,628	16,408	782	1,403	20,221
Finance income	37	381	62	213	693	52	491	55	148	746
Contributions made to plans	27,521	988	-	3,978	32,487	19,359	1,028	-	2,702	23,089
Benefits paid by the plans	(25,884)	(2,729)	-	(3,493)	(32,106)	(19,359)	(2,136)	-	(2,379)	(23,874)
Expected return on plan assets	(2,307)	(337)	(56)	(1)	(2,701)	(42)	2,429	(39)	3	2,351
Exchange differences arising on translating financial statements	539	5,850	209	837	7,435	7	10	13	176	206
Fair value of assets at yearend	1,551	22,383	1,026	3,587	28,547	1,645	18,230	811	2,053	22,739

Net cost of benefit	12/31/2015					12/31/2014				
	Defined benefit obligation					Defined benefit obligation				
	Germany	Spain	Mexico	Other	Total	Germany	Spain	Mexico	Other	Total
Service cost	(1,446)	(157)	(348)	(4,425)	(6,376)	(840)	(117)	(192)	3,453	2,304
Finance cost	(7,326)	(503)	(242)	(3,464)	(11,535)	(8,955)	(247)	(110)	(2,097)	(11,409)
Net cost of benefit	(8,772)	(660)	(590)	(7,889)	(17,911)	(9,795)	(364)	(302)	1,356	(9,105)

The net cost of the benefit was recognized in profit or loss for the year, in the following line items of the statement of net income:

	12/31/2015					12/31/2014				
	Defined benefit obligation					Defined benefit obligation				
	Germany	Spain	Mexico	Other	Total	Germany	Spain	Mexico	Other	Total
Cost of sales	-	-	-	-	-	(162)	(56)	(192)	(2,130)	(2,540)
General and administrative expenses	(1,446)	(157)	(348)	(4,425)	(6,376)	(678)	(61)	-	5,583	4,844
Finance cost	(7,326)	(503)	(242)	(3,464)	(11,535)	(8,955)	(247)	(110)	(2,097)	(11,409)
Total	(8,772)	(660)	(590)	(7,889)	(17,911)	(9,795)	(364)	(302)	1,356	(9,105)

The actuarial assumptions used to determine the calculation of cost were as follows:

Weighted average of the assumptions used in cost calculation	12/31/2015		12/31/2014	
	Pension	Other benefits	Pension	Other benefits
Discount rate - international	2.44%	9.53%	3.74%	10.54%
Wage increase rate - international	2.47%	5.00%	2.61%	5.00%
Inflation growth rate - international	1.97%	4.35%	2.07%	4.43%
Pension plan growth rate - international	1.75%	-	2.04%	-

The actuarial assumptions used to determine the calculation of obligations were as follows:

Weighted average of the assumptions used in obligation calculation	12/31/2015		12/31/2014	
	Pension	Other benefits	Pension	Other benefits
Discount rate - international	2.75%	10.67%	2.44%	9.53%
Wage increase rate - international	2.47%	5.00%	2.44%	5.00%
Inflation growth rate - international	1.98%	4.68%	1.81%	4.35%
Pension plan growth rate - international	1.75%	-	1.75%	-

The discount rate was calculated using specific interest rates with 0.5% increments for each of the next 30 years, based on the price and yield data for top-tier companies, with maturity ranging between 12 months and 30 years.

Sensitivity analysis of post-employment benefit obligations

As of December 31, 2015, changes in the discount rates used to value the pension benefit obligations produce the following impacts on the defined benefit plan obligations and on the weighted average duration of the defined benefit obligation (in years), as follows:

	Pension plan
Scenario using a 50-basis-point decrease of the rate at 2.28%:	
Impact on the defined benefit obligation	(25,147)
Weighted average term of the defined benefit obligation (in years)	11
Scenario using a 50-basis point increase in the rate at 3.28%:	
Impact on the defined benefit obligation	22,724
Weighted average term of the defined benefit obligation (in years)	11

	Other plans
Scenario using a 50-basis point decrease in the rate at 9.03%:	
Impact on the defined benefit obligation	5,645
Weighted average term of the defined benefit obligation (in years)	10
Scenario using a 50-basis point increase in the rate at 10.03%:	
Impact on the defined benefit obligation	10,512
Weighted average term of the defined benefit obligation (in years)	10

Expected return on pension plan assets

As of December 31, 2015, plan assets include:

	R$
Insurance	27,854
Fixed income	693
Total	28,547

In order to develop the expected long-term return rate assumption of the assets, the historical return and expected future return for each type of asset were taken into consideration, as well as the pension plan portfolio asset allocation purpose.

Contributions made to plans

The indirect subsidiary Maxion Wheels contributed to defined benefit plans with R$28,509 in the year ended December 31, 2015 (R$20,387 in the year ended December 31, 2014).

20. EQUITY

a) Share capital

As of December 31, 2015 and 2014, paid-in capital is R$700,000, represented by 94,863,372 registered common shares without par value.

In addition to the 94,863,372 common shares, the Company is authorized to increase its capital, without any amendment to its bylaws, up to a ceiling of 18,600,000 registered common shares without par value, by issuing new common shares, under a Board of Directors' decision, which will set the number of shares issued, the issue date and the payment terms.

The Company may, within the authorized capital ceiling and in accordance with the plan approved by the Shareholders' Meeting, grant stock options to its officers, employees or individuals who provide services to the Company, pursuant to article 168, paragraph 3, of Law 6404/76.

b) Reserve for investment and working capital

Aimed at ensuring investment in production assets and increase in working capital, even through the Company's debt repayment, as well as capitalization and financing of subsidiaries and joint ventures. This reserve will be recognized with a minimum annual portion of 10% and maximum of 58% of profit for the year, and its amount cannot exceed, together with the legal reserve, the amount of capital.

c) Allocation of net income

Net income for the year, determined in accordance with article 191 of Law 6404/76, is allocated as follows: (i) 5% to the legal reserve, which cannot exceed 20% of capital; (ii) 37% for distribution as mandatory dividends; and (iii) the remaining, which is not allocated to the bylaws investment and working capital reserve or retained as provided for in the capital budget approved by the Shareholders' Meeting, is distributed as additional dividend to the shareholders.

On March 13, 2015, the Company paid dividends related to 2014 totaling R$28,621.

	12/31/2015	12/31/2014
Net income for the year	49,366	67,777
Realization of the depreciation of the deemed cost, net of taxes	7,080	9,578
Undistributed total	56,446	77,355
(-) Legal reserve (5%)	(2,822)	(3,868)
Allocation of net income:		
Minimum mandatory dividends - 37%	(20,885)	(28,621)
(-) Reserve for investment and working capital	(32,739)	(44,866)

d) Stock options granted and treasury shares

- Share-based payments: refer to the results obtained with 2015, 2014, 2012, 2011, and 2010 stock option plans, less the vested and exercised stock options. No share was exercised and 136,826 shares were cancelled in the period and, as of December 31, 2014, 8,705 shares were exercised, at the net amount of R$31.

- Treasury shares: as of December 31, 2015, the Company held 266,043 common shares under the stock plans in the amount of R$6,042 (R$6,105 as of December 31, 2014), as commitment to the stock option plan.

- As of December 31, 2015, the market value of common shares held in treasury totaled R$3,272, corresponding to the quotation at December 31, 2015, at the price of R$12.30 per share.

21. STOCK OPTION PLAN

The Extraordinary Shareholders' Meeting held on December 1, 2009 approved the stock option plan for the Company's officers. This plan sets the individual conditions for each beneficiary.

A beneficiary should assign part of the annual bonus paid by the Company, as profit sharing, net of income tax and other applicable charges ("profit sharing") so as to purchase on the stock market the Company's shares ("own shares"). For this purpose, the beneficiary must elect to allocate its profit-sharing bonus in the defined percentages of 75%, 50% or 25%. The percentage elected by the beneficiary to purchase own shares will determine the number of stock options he/she will be able to exercise. If the beneficiary fails to allocate any percentage of his/her profit-sharing bonus to the purchase of own shares, he/she is not to be granted any stock options.

The profit-sharing bonus percentage committed to the purchase of own shares must be elected and, consequently, supported by the beneficiary to the Company by filing a brokerage invoice within up to five days after the deadline for purchasing own shares. The deadline for purchasing own shares starts on the day following the day on which the Company informs the strike price to beneficiaries and lasts 15 consecutive days. After the deadline, the Board sets the number of stock options granted to each beneficiary, by applying the following formula:

O = (B*M)/P

Where:

O = number of stock options granted to the beneficiary.

B = amount, in Brazilian reais, of the profit-sharing bonus allocated by the beneficiary to the purchase of own shares.

M = multiple on the profit-sharing bonus allocated to the purchase of own shares, set according to specifications below.

P = average price per Company share in the 20 São Paulo Stock Exchange trading sessions immediately following the deadline.

Said “M” multiple must have a fixed numerical value for each beneficiary, as follows:

a) If the beneficiary allocates 75% of his/her profit-sharing bonus to the purchase of own shares, “M” is equal to 2.0.

b) If the beneficiary allocates 50% of his/her profit-sharing bonus to the purchase of own shares, “M” is equal to 1.5.

c) If the beneficiary allocates 25% of his/her profit-sharing bonus to the purchase of own shares, “M” is equal to 1.0.

On the stock option grant date, the Company enters into the related Stock Option Agreement with the beneficiary, governing the grant terms and conditions.

The stock options’ strike price shall be equivalent to the average price of each Company share on the 20 BM&FBOVESPA trading sessions immediately before the start of the own shares’ vesting period.

The stock options’ strike price shall be adjusted using the Broad Consumer Price Index released by the Brazilian Statistics Bureau (IPCA/IBGE) to be applied to the option strike price from the plan’s date to the option exercise date.

Vesting period: the options are divided into three equal annual allotments, in terms of number of options, vesting within two, three and four years from each plan’s date, respectively. After the corresponding vesting period, each annual allotment can be exercised, fully or in part, in one or several occasions, and at any time, before the final, forfeiting deadline of three years, by notifying the Company of each exercise with a ten-day prior notice. After this period, the beneficiary forfeits the right to exercise the stock options of the corresponding annual allotment, without compensation.

The Company granted 109,639, 206,446, 62,285 and 27,581 stock options under the 2010, 2011, 2012 and 2014 Stock Option Programs, with a strike price of R$14.88, R$20.95, R$32.13 and R$23.34, respectively.

As prescribed by Plan rules, no Stock Option Program was created in 2013.

In such fifth program, created in 2015, the Board of Directors decided to grant to Management, under Clause 3.2.1 of the Stock Option Plan, as amended by Extraordinary Shareholders’ Meeting held on May 9, 2014, a number of options corresponding to 25% of its share in 2014 profits, without the acquisition of own shares on stock exchange. Executive officers who decide to invest their share in 2014 profits, as set forth in prior plans, in addition to the abovementioned 25%, will receive additional options, according to Plan rules.

The Company granted 50,393 stock options under the fifth stock options program, with a strike price of R$10.38.

The changes in the number of outstanding share purchase options and their corresponding weighted average prices for the year are as follows:

	12/31/2015		12/31/2014	
	Average strike price per option - R$	Outstanding options	Average strike price per option - R$	Outstanding options
Balance at the beginning of the year	20.87	329,396	20.71	310,520
Granted	10.38	50,393	23.34	27,581
Forfeited	29.96	(136,826)	-	-
Exercised	-	-	18.92	(8,705)
Balance at the end of year	22.26	242,963	20.87	329,396

Of the 242,963 stock options outstanding as of December 31, 2015 (329,396 stock options outstanding at December 31, 2014), 157,555 stock options (191,504 stock options at December 31, 2014) were vested.

The maturities and strike prices of the stock options outstanding at yearend are as follows:

As of December 31, 2015

Grant date	Option fair value at grant date - R$	Option fair value	Strike price - R$	Outstanding options	Remaining contractual life (years)	Vested options
March 2010	9.87	0.00	14.88	9,102	0.2	9,102
March 2010	10.67	0.42	14.88	27,589	1.2	27,589
March 2011	6.05	0.00	20.95	32,532	0.2	32,532
March 2011	7.12	0.10	20.95	36,722	1.2	36,722
March 2011	8.14	0.59	20.95	36,722	2.2	36,722
March 2012	7.45	0.01	32.13	7,454	1.2	7,454
March 2012	9.09	0.14	32.13	7,434	2.2	7,434
March 2012	10.59	0.50	32.13	7,434	3.2	-
April 2014	7.13	1.33	23.34	9,195	3.2	-
April 2014	9.43	2.12	23.34	9,193	4.3	-
April 2014	10.37	3.16	23.34	9,193	5.3	-
April 2015	4.81	6.21	10.38	16,821	4.3	-
April 2015	5.35	6.88	10.38	16,786	5.3	-
April 2015	6.29	7.58	10.38	16,786	6.3	-
Total				242,963		157,555

As of December 31, 2014

Grant date	Option fair value at grant date - R$	Option fair value	Strike price - R$	Outstanding options	Remaining contractual life (years)	Vested options
March 2010	9.01	0.00	19.74	624	0.3	624
March 2010	9.87	0.72	19.74	9,102	1.3	9,102
March 2010	10.67	1.65	19.74	27,589	2.3	27,589
March 2011	6.05	0.24	26.21	64,613	1.3	64,613
March 2011	7.12	0.87	26.21	68,801	2.3	68,801
March 2011	8.14	1.62	26.21	68,801	3.3	-
March 2012	7.45	0.29	37.91	20,775	2.3	20,775
March 2012	9.09	0.76	37.91	20,755	3.3	-
March 2012	10.59	1.33	37.91	20,755	4.3	-
April 2014	7.13	1.65	24.46	9,195	4.3	-
April 2014	9.43	2.74	24.46	9,193	5.3	-
April 2014	10.37	3.97	24.46	9,193	6.3	-
Total				329,396		191,504

As of December 31, 2015, the market price of Company shares was R$12.30 (R$12.20 at December 31, 2014).

The stock options were measured at fair value on the grant date, as prescribed by CPC 10 (R1) - Share-based Payment. The weighted average fair value of the stock options as of December 31, 2015 is R$1.85 (R$1.11 as of December 31, 2014).

The stock options were priced using the Black-Scholes model and the significant data included in the fair value pricing model of the stock options granted was:

- Volatility of 36.89% estimated based on the standard deviation of the daily share-closing price over the past seven years.
- Expected stock option life from one to seven years.

Annual risk-free interest rate of 14.27%, 15.63%, 16.22%, 16.49%, 16.56%, 16.53%, and 16.44% for one, two, three, four, five, six, and seven years, respectively.

22. FINANCIAL INCOME (COST)

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Financial income:				
Income from short-term investments	8,817	8,826	20,810	17,499
Pension plan interest income	-	-	693	746
Discounts obtained and interest receivable	177	177	392	177
Financial gain on reversal of court decisions	4,482	6,037	4,482	6,037
CACEX rate inflation adjustment (*)	5,168	-	5,168	-
Inflation adjustment judicial deposits	2,686	1,957	2,686	1,957
Other	1,875	7,580	3,019	8,614
Total	23,205	24,577	37,250	35,030

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Financial cost:				
Interest expense and financial charges	(228,242)	(182,081)	(301,160)	(236,933)
Pension plan interest	-	-	(11,535)	(11,409)
Inflation adjustment of provisions for risks	(4,041)	(2,187)	(7,836)	(3,390)
Tax on financial transactions (IOF)	(3,930)	(815)	(3,930)	(815)
Amortized cost of debenture issues	(8,383)	(10,780)	(8,383)	(10,780)
Bank fees	(7,906)	(7,376)	(11,361)	(9,200)
Other	(436)	(433)	(10,149)	(10,100)
Total	(252,938)	(203,672)	(354,354)	(282,627)

(*) Based on the credit application filed with Federal Revenue Service of Brazil, the Company recognized an inflation adjustment increase to federal tax credits.

23. EXCHANGE RATE CHANGES, NET

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Exchange gains (losses) on trade receivables	74	(3,915)	2,531	(3,936)
Exchange gains (losses) on borrowings and financing	6,500	(5,748)	5,945	(3,009)
Exchange losses on trade payables	(1,299)	(786)	(12,693)	(676)
Exchange gains on short-term investments	-	-	11,587	-
Exchange losses on derivatives, net	(6,549)	-	(6,796)	-
Other	3,728	(592)	(230)	(1,242)
Total	2,454	(11,041)	344	(8,863)

24. NET SALES REVENUE

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Gross sales revenue	1,344,590	2,049,288	7,235,258	6,476,358
Revenue deductions:				
Taxes on sales	(252,944)	(412,115)	(363,978)	(525,672)
Discounts, returns and cancellations	(14,814)	(33,101)	(24,824)	(39,009)
Net sales revenue	1,076,832	1,604,072	6,846,456	5,911,677

25. EXPENSES BY NATURE

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Raw materials	(490,733)	(757,674)	(3,586,003)	(3,036,704)
Salaries and benefits	(351,687)	(454,482)	(1,269,738)	(1,150,644)
Supplies/maintenance	(68,193)	(92,602)	(493,782)	(415,999)
Electric power	(25,547)	(21,255)	(246,328)	(205,915)
Depreciation and amortization	(38,892)	(40,400)	(301,465)	(229,180)
Outside services	(34,116)	(36,708)	(154,398)	(131,812)
Freight	(21,400)	(29,783)	(136,521)	(114,343)
Management fees	(11,624)	(8,990)	(11,624)	(8,990)
Transportation/communication	(11,402)	(13,254)	(47,246)	(42,268)
Other costs and expenses	(26,768)	(14,368)	(192,065)	(150,548)
Total	(1,080,362)	(1,469,516)	(6,439,170)	(5,486,403)

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Classified as:				
Cost of sales and services	(987,793)	(1,357,178)	(5,954,428)	(5,094,348)
Selling expenses	(25,657)	(33,348)	(155,560)	(117,190)
General and administrative expenses	(55,288)	(70,000)	(317,558)	(265,875)
Management fees (note 10)	(11,624)	(8,990)	(11,624)	(8,990)
Total	(1,080,362)	(1,469,516)	(6,439,170)	(5,486,403)

26. OTHER OPERATING INCOME (EXPENSES)

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Restructuring expenses (a)	(23,629)	(14,305)	(29,899)	(17,985)
Gain (loss) on the sale of property, plant and equipment items (b)	(978)	-	(605)	14,991
Gain on liquidation of health care plan - VEBA	-	-	-	18,834
Start-up costs - Limeira aluminum plant	(5,783)	-	(5,783)	-
CACEX credits	-	4,400	-	4,400
Other operating income (expenses)	(473)	(377)	7,955	(13,829)
Total	(30,863)	(10,282)	(28,332)	6,411

(a) Nonrecurring expense incurred to adjust the cost structure to the current demand in the Brazilian automotive market.

(b) On March 28, 2014, the Company sold the property owned by its indirect subsidiary Maxion Wheels do Brasil Ltda., located in the city of Guarulhos, which was not being used in the Company's operations. The sale amounted to R$20,600 and generated a gain of R$14,991.

27. RISK AND FINANCIAL INSTRUMENT MANAGEMENT

a) General considerations and policies

The Company and its subsidiaries conduct transactions involving financial instruments, including derivatives, when applicable, all of which recorded in balance sheet accounts, which are intended to meet their operating and financial needs. These instruments are represented by short-term investments, borrowings and financing, and intragroup loans, as well as derivatives.

These financial instruments are managed based on policies, strategies, and control systems, and are monitored by the Company's Board of Directors, through its Financial Committee.

The policy related to entering into financial instrument contracts for hedging purposes is also approved by the Board of Directors, which is then regularly reviewed as to the risk exposure that the Management intends to hedge. Gains or losses on these transactions are consistent with the policies and strategies designed by the Company's Management. The Company and its subsidiaries do not make speculative investments in derivatives or any other risk assets.

The Company's Board of Directors, through its Financial Committee and Audit Committee, oversees how Management monitors the compliance with the risk management policies and procedures and reviews the appropriateness of the risk management model for risks accepted by the Company and its subsidiaries.

Classification of financial instruments - by category

		Parent					
		12/31/2015			12/31/2014		
	Note	Loans and receivables	Other financial liabilities	Fair value	Loans and receivables	Other financial liabilities	Fair value
Assets:							
Cash and cash equivalents	5	69,484	-	-	201,167	-	-
Trade receivables	6	121,546	-	-	173,687	-	-
Total		191,030	-	-	374,854	-	-
Liabilities:							
Borrowings and financing	14	-	590,178	-	-	500,540	-
Debentures	14	-	1,168,646	-	-	1,182,750	-
Embedded derivatives	14	-	-	20,760	-	-	26,568
Trade payables	15	-	52,194	-	-	151,615	-
Total		-	1,811,018	20,760	-	1,834,905	26,568

		Consolidated					
		12/31/2015			12/31/2014		
	Note	Loans and receivables	Other financial liabilities	Fair value	Loans and receivables	Other financial liabilities	Fair value
Assets:							
Cash and cash equivalents	5	739,255	-	-	717,079	-	-
Trade receivables	6	865,496	-	-	682,679	-	-
Total		1,604,751	-	-	1,399,758	-	-
Liabilities:							
Borrowings and financing	14	-	2,225,449	-	-	1,683,088	-
Debentures	14	-	1,168,646	-	-	1,182,750	-
Embedded derivatives	14	-	-	20,760	-	-	26,568
Trade payables	15	-	936,491	-	-	818,663	-
Total		-	4,330,586	20,760	-	3,684,501	26,568

b) Fair values

The Company and its subsidiaries adopt hierarchy rules to measure the fair value of its financial instruments, as set out in CPC 40/IFRS 7 - Financial Instruments: Disclosure, and are used for financial instruments measured in the balance sheet, which requires the disclosure of fair value measurements at the fair value levels 1, 2 and 3.

In the case of the Company and its subsidiaries, the financial instruments disclosed in balance sheets, such as bank accounts, short-term investments, trade receivables and trade payables, approximate their market values.

The fair value of convertible debentures was determined as of December 31, 2015 using the Black & Scholes pricing model and was recorded as disclosed in note 14.

The fair value of the debt arising from the 6th issue of the Company's debentures is calculated based on the secondary market quotations (level 1) published by ANBIMA at the end of the reporting periods.

The comparison between the fair value and the carrying amount of debentures is as follows:

Carrying amount	Fair value
178,834	174,992

The fair value of the 7th issue convertible debentures was determined as of December 31, 2015 using the "Black & Scholes" pricing model and was recorded as disclosed in note 14.

The fair value of the debt arising from the 7th issue of Company debentures is calculated based on the secondary market quotations (Level 1) published by ANBIMA at the end of the reporting period.

The comparison between the fair value and the carrying amount of debentures is as follows:

Carrying amount	Fair value
375,292	345,765

The Company discloses the fair value of financial instruments measured at amortized cost, the fair values of which differ from their carrying amounts, as prescribed by CPC 46 (IFRS 13) - Fair Value Measurement, which refer to assessment and disclosure requirement concepts.

The fair values of cash and cash equivalents, trade receivables, short-term debt and trade payables correspond to their carrying amounts.

Additionally, the fair value of other financial liabilities measured at amortized cost is as follows:

Consolidated	
Carrying amount	Fair value
2,225,449	2,188,846

c) Financial risk management

The Company's and its subsidiaries' operations are subject to the following risk factors:

Credit risk

Arises from the possibility that the Company and its subsidiaries incur losses as a result of default by its counterparties or financial institutions that are depositaries of funds or financial investments. To mitigate this risk, the Company and its subsidiaries adopt the procedure of analyzing the financial position of their counterparties, as well as establishing credit limits, and constantly monitoring their balances. Concerning the financial institutions, the Company and its subsidiaries only conduct transactions with financial institutions highly rated by credit rating agencies.

In relation to customers' credit lines, the Company understands that, due to the: (i) strict credit analysis; (ii) permanent monitoring of the outstanding balances; and (iii) the fact that the customers are represented by large assemblers highly rated by credit rating agencies, the credit risk is controlled.

The Company's Management believes that the existing allowance is sufficient to cover any default, as referred to in note 6.

Liquidity risk

Effectively managing liquidity risk implies maintaining sufficient cash and securities, funds available through committed credit facilities and the ability to settle market positions. Due to the active nature of the Company's and its subsidiaries' businesses, the Treasury Department is flexible in raising funds through the maintenance of committed credit lines.

Management monitors the Company's consolidated liquidity level considering the expected cash flow against unused credit lines and cash and cash equivalents. This forecast takes into consideration the Company's debt financing plans, fulfillment with internal balance sheet ratio goals and, when applicable, external regulatory or legal requirements (e.g., currency restrictions). Through its risk management policy, the Company establishes a minimum consolidated cash limit and debt management financial indicators.

Surplus cash held by the operating entities above the balance required for working capital management is maintained in the entities themselves but managed by the Corporate Finance Department. The Company invests its liquidity according to its financial risk management policy, approved by the Board of Directors, in short-term investments with maturities of less than 90 days, through deposits in financial institutions.

The table below illustrates the Company's and its subsidiaries' nonderivative financial liabilities, by maturity ranges, corresponding to the remaining year in the balance sheet through the contractual maturity date.

	12/31/2015					
	Parent			Consolidated		
	Less than 1 year	1 to 2 years	Over 2 years	Less than 1 year	1 to 2 years	Over 2 years
Trade payables	52,194	-	-	936,491	-	-
Borrowings, financing and debentures	546,266	187,938	1,045,380	1,684,702	353,246	1,376,907
	598,460	187,938	1,045,380	2,621,193	353,246	1,376,907

	12/31/2014					
	Parent			Consolidated		
	Less than 1 year	1 to 2 years	Over 2 years	Less than 1 year	1 to 2 years	Over 2 years
Trade payables	151,615	-	-	818,663	-	-
Borrowings, financing and debentures	290,741	265,527	1,153,590	1,071,044	362,114	1,459,248
	442,356	265,527	1,153,590	1,889,707	362,114	1,459,248

Interest rate risk

Arises from the possibility of the Company and its subsidiaries incurring gains or losses due to fluctuations in the interest rates applied to their financial assets and financial liabilities. To mitigate this risk, the Company and its subsidiaries try to diversify their borrowings into fixed and floating rates.

Foreign exchange risk

Arises from possible fluctuations in the exchange rates of the foreign currencies used by the Company and its subsidiaries to purchase inputs, sell products, and contract financial instruments. Besides payables and receivables in foreign currencies, the Company and its subsidiaries invest in foreign direct and indirect subsidiaries and have operating purchase and sale flows denominated in other currencies. The Company and its subsidiaries have a specific policy for entering into hedge agreements so as to reduce these risks.

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Assets:				
Trade receivables (i)	6,312	3,215	730,453	487,976
Foreign related parties	10,753	18,425	1,861	3,066
Total assets	17,065	21,640	732,314	491,042
Liabilities:				
Borrowings, financing and debentures (ii)	148,789	-	1,733,137	1,136,843
Trade payables (iii)	1,415	8,012	879,779	605,207
Foreign related parties	4,110	5,907	-	-
Total liabilities	154,314	13,919	2,612,916	1,742,050
Net exposure	(137,249)	7,721	(1,880,602)	(1,251,008)
(-) Foreign subsidiaries with local functional currency	-	-	1,732,388	1,250,758
(+) Swap position (iv)	141,840	-	141,840	-
Total exposure for sensitivity analysis purposes	4,591	7,721	(6,374)	(250)

(i) In consolidated, as of December 31, 2015, 84.4% (67.7% as of December 31, 2014) refer to trade receivables of foreign subsidiaries, which are denominated in U.S. dollar, euro and yuan.

(ii) In consolidated, as of December 31, 2015, 50.8% (39.3% as of December 31, 2014) refer to borrowings obtained in local currency by foreign subsidiaries, as shown in note 14.

(iii) In consolidated, as of December 31, 2015, 93.9% (73.9% as of December 31, 2014) refer to trade payables of foreign subsidiaries, which are denominated in U.S. dollar, euro and yuan.

(iv) As of December 31, 2015, refers to the notional amount of the derivative that swaps US$ for R$, and has a long position of R$141,840.

Foreign exchange risk arises from fluctuations in foreign exchange rates on foreign currency-denominated borrowings and financing, trade receivables and trade payables.

Concentration risk

The Company's and its subsidiaries' products are usually sold under purchase orders in material amounts, periodically issued by a restricted number of customers, which account for a significant volume of their sales. Currently, approximately 65% of their operating revenue is concentrated on ten customers. The loss of a major customer or the decrease of the volume such customer purchases could have an adverse impact on the Company and its subsidiaries.

Steel and aluminum price fluctuation risk

A significant portion of the Company's and its subsidiaries' operations depends on its ability to purchase steel and aluminum at competitive prices. If the price of steel and aluminum increases significantly and the Company and its subsidiaries are unable to pass on the price increase to products or reduce operating costs to offset such increase, the operating margin will be lower.

Sensitivity analysis - consolidated

Financial instruments, including, when applicable, derivatives, are exposed to changes due to fluctuations in exchange rates, interest rates (Long-term Interest Rate, or TJLP) and the CDI. The sensitivity analyses of the financial instruments to these variables were taken into consideration by the Company's Management and are shown below:

i) Selection of risks

The Company and its subsidiaries selected four market risks that could have a higher impact on the value of financial instruments held by them, as follows: (1) U.S. dollar--Brazilian real exchange rate; (2) interest rates on borrowings and financing (CDI); (3) interest rates on borrowings and financing (TJLP); and (4) yield rate of short-term investments (CDI).

ii) Selection of scenarios

The tables below take into consideration three risk sensitivity-analysis scenarios for the indices on these financial assets and financial liabilities, adopted by the Company as the probable scenario. CVM Instruction 475/08 established two additional scenarios with stresses of 25% and 50% in the risk variables considered as of December 31, 2015.

The probable scenario used by the Company is the actual real versus U.S. dollar exchange rate, and TJLP, CDI and IPCA indices as of December 31, 2015. Accordingly, the Company consulted the Central Bank of Brazil's website to obtain the U.S. dollar/real quotation, the BNDES's website for TJLP, the CETIP's website for CDI and the IBGE's website for IPCA.

Sensitivity analysis of exchange rate changes

In the consolidated foreign exchange exposure sensitivity analysis as of June 30, 2015, as shown in the foreign exchange exposure table of paragraph "Foreign exchange risk", the balances of trade receivables, trade payables and borrowings and financing of foreign subsidiaries were disregarded because they are denominated in the local functional currencies of each foreign subsidiary, and, therefore, the Company's Management believes that they are not exposed to foreign exchange risks.

Considering the foreign exchange exposures as of December 31, 2015, the sensitivity analysis of outstanding positions is as follows:

	Loss	
Company risk	Possible scenario	Remote scenario
U.S. dollar rate drop	2,059	4,118

The possible scenario considers a 25% depreciation of the Brazilian real against the U.S. dollar over the exchange rate as of December 31, 2015 of R$3.9048/US$1.00 (R$4.8810/US$1.00), and the remote scenario considers a 50% depreciation (R$5.8572/US$1.00).

In light of the parities considered, results would correspond to a loss of R$2,059 in the possible scenario and a loss of R$4,118 in the remote scenario.

Management did not consider the sensitivity analysis for the probable scenario because it understands that this scenario reflects the exchange rate changes already recorded in the financial statements for the year ended December 31, 2015.

Sensitivity analysis of interest rate changes - Company's exposure to interest rate increase

Borrowings and financing - TJLP and currency baskets	Scenarios		
	Probable	Possible + 25%	Remote + 50%
TJLP as of December 31, 2015	7.50%	9.38%	11.25%
Indexed financing - TJLP - R$20,817:			
Estimated finance costs	1,561	1,953	2,342
Effect - loss	-	(391)	(781)

Borrowings and financing - IPCA	Scenarios		
	Probable	Possible + 25%	Remote + 50%
IPCA as of December 31, 2015	10.67%	13.34%	16.01%
Indexed financing - IPCA - R$23,976:			
Estimated finance costs	2,558	3,198	3,839
Effect - loss	-	(640)	(1,280)

Borrowings and financing - CDI	Scenarios		
	Probable	Possible + 25%	Remote + 50%
CDI as of December 31, 2015	16.74%	20.93%	25.11%
Indexed borrowing - 117.1% CDI - R$243,766:			
Estimated finance costs	40,806	51,020	61,210
Effect - loss	-	(10,214)	(20,403)

Debentures - CDI	Scenarios		
	Probable	Possible + 25%	Remote + 50%
CDI as of December 31, 2015	14.14%	17.68%	21.21%
Indexed debentures - 100% CDI - R$1,204,291:			
Estimated finance costs	170,287	212,919	255,430
Effect - loss	-	(42,632)	(85,143)

Sensitivity analysis of changes in short-term investments - Company's exposure to interest rate decrease

Short-term investments - CDI	Scenarios		
	Probable	Possible (-) 25%	Remote (-) 50%
CDI - R$ as of December 31, 2015	14.25%	10.69%	7.13%
Short-term investments - 100.7% of CDI - R$155,822:			
Estimated finance income	22,205	16,657	11,110
Effect - loss	-	(5,547)	(11,095)

Derivative financial instruments

During the year ended December 31, 2015, the subsidiaries in Turkey Maxion Jantas Jant Sanayi ve Ticaret A.S. and Maxion Inci Jant Sanayi A.S., as a result of their projected future purchase volumes of steel and aluminum and in order to hedge against the risk of price fluctuation, executed forward contracts to set the price of such commodity.

These transactions totaled 73 agreements in the notional amount of €37,242,000 and take into account the purchase forecasts, within three to seven months from the contract date, and were all settled by December 31, 2015, generating a total net gain of R$2,533, recognized in line item "Cost of sales", in profit or loss for the period.

As of December 31, 2015, the Company and its subsidiaries did not have any derivatives.

Swaps

This line item includes unrealized losses on the outstanding swap transaction amounting to R$5,641 as shown below (see details in note 14):

							12/31/2015
Hedged item	Counterparty	Notional amount (US$)	Start date	Maturity date	Long position	Short position	Fair value (loss)
Export Credit Bill	Banco ABC Brasil	9,650	09/25/2015	09/14/2017	US$ + 4.60% p.y.	R$ + (112.5% CDI)	(2,426)
Export Credit Bill	Banco Santander	26,412	11/09/2015	11/07/2016	US$ + 6.66% p.y.	R$ + (119.5% CDI)	(3,215)

There is no margin call for this contract, which will be settled in Brazilian reais based on the difference between the long position and the short position in the contract, therefore, without receipt of the notional amount in cash, on maturity.

28. CAPITAL MANAGEMENT

It is the Management's policy to sustain a solid capital basis to ensure the confidence of investors, creditors and the market and to maintain the business' future development. The Executive Board monitors the returns on capital, defined by the Company as the operating activities' results, divided by total equity.

The Company's Management seeks to strike a balance between the possible highest returns with more appropriate financing levels and the benefits and security provided by a healthy capital position. The goal is to reach a return compatible with its cost of capital reviewed annually based on the Weighted Average Cost of Capital - WACC concept.

The debt-to-capital ratio is as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Total borrowings, financing and debentures	1,779,584	1,709,858	3,414,855	2,892,406
Cash and cash equivalents and short-term investments	(69,484)	(201,167)	(739,255)	(717,079)
Net debt	1,710,100	1,508,691	2,675,600	2,175,327
Total equity	2,153,447	1,383,394	2,456,490	1,604,503
Net debt-to-equity ratio	79%	109%	109%	136%

29. COMMITMENTS ASSUMED - OPERATING LEASES

The Company and its subsidiaries have property leases, in the amount of R$107,853, effective for varying periods of time between 2016 and 2020, with automatic renewal clauses. These agreements are expected to be renewed.

In the year ended December 31, 2015, the costs on these lease agreements in consolidated were R$24,667 (R$20,598 at December 31, 2014).

These transactions include the usual restrictive covenants, such as, but not limited to, guarantees against early termination, which were all complied with by the Company and its subsidiaries as of December 31, 2015, and thus none of the lease agreements effective on this date was qualified by the Company's Management as an onerous agreement. In addition, no contingent payment was made by the Company in the period ended December 31, 2015 and 2014, respectively.

Additionally, the Company and its subsidiaries do not have other long-term commitments with third parties.

30. EARNINGS PER SHARE (Amounts expressed in Brazilian reais - R$)

	12/31/2015	12/31/2014
Denominator:		
Weighted average of the total number of shares	94,863,372	94,863,372
Weighted number of treasury shares	(266,043)	(266,043)
Weighted average number of outstanding shares	94,597,329	94,597,329
Numerator - basic:		
Net income for the year - R$	49,365,712	67,777,267
Basic earnings per share - R$	0.52185	0.71648
Numerator - diluted:		
Weighted average number of outstanding shares	94,597,329	94,597,329
Number of shares - if 6th issue debentures under CVM Instruction 400 are converted	5,684,844	5,684,844
Number of shares - if 7th issue debenture warrants under CVM Instruction 400 are subscribed	12,727,424	12,727,424
Weighted number of treasury shares	266,043	266,043
Weighted average number of outstanding shares	113,275,640	113,275,640
Profit for the year	49,365,712	67,777,267
Interest on 6th issue debentures under CVM Instruction 400	15,715,920	14,231,580
Interest on 7th issue debentures under CVM Instruction 400	35,012,340	20,848,080
Unamortized costs of 6th issue debentures under CVM Instruction 400	(1,751,640)	(2,702,700)
Unamortized costs of 7th issue debentures under CVM Instruction 400	(2,771,340)	(4,497,900)
Adjusted net income for the year	95,570,992	95,656,327
Diluted earnings per share - R$	0.84370	0.84446

31. SEGMENT INFORMATION

CPC 22/IFRS 08 - Segment Reporting requires segment reporting consistently with managerial reports provided and revised by the chief operating decision-maker to assess the performance of each segment and the allocation of funds. The Company's chief operating decision-maker is the Chief Executive Officer - CEO.

The Company and its subsidiaries operate in a single sector (automotive), whose management structure determines that solely the sales revenues must be analyzed by the decision-maker in detail, as the products produced and sold by the Company and its subsidiaries are divided between the Maxion Wheels and Maxion Structural Components divisions.

Net revenue is represented as follows for the years ended December 31, 2015 and 2014:

Equity interest	12/31/2015	12/31/2014
Operations in South America - Brazil	19.7%	32.3%
International operations:		
North America	34.3%	28.7%
Europe	37.8%	32.9%
Other	8.2%	6.1%

Net revenue	12/31/2015	12/31/2014
Operations in South America - Brazil	1,350,617	1,911,380
International operations:		
North America	2,346,260	1,695,132
Europe	2,587,779	1,944,203
Asia	561,800	360,962
	6,846,456	5,911,677

32. INSURANCE

The Company and its subsidiaries contracted insurance for certain inventory items, property, plant and equipment, civil liability and other. As of December 31, 2015, the insurance policies and coverage are as follows:

Insured assets	Coverage	Insured amount
Inventory and property, plant and equipment	Fire, lightning, explosion, windstorm, machinery breakdown and other perils	2,337,640
Freight	Highway risk and cargo carrier civil liability and transportation risk during imports and exports	242,255
Civil liability	Third-party claims	398,290
General management liability	Third-party claims	117,144

33. ADDITIONAL DISCLOSURES TO THE STATEMENTS OF CASH FLOWS

Transactions without cash disbursements

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Property, plant and equipment purchases paid with bank financing, recognized in line item “Trade payables”	1,180	3,442	25,764	3,442

34. RECLASSIFICATIONS OF CORRESPONDING AMOUNTS

For better comparison with the classification adopted for the year ended December 31, 2015, the Company reclassified the balances for the corresponding year ended 2014 relating to other receivables, reclassified from line item “Trade receivables” to line item “Other receivables”, in the amount of R$37,984 in consolidated.

35. OFFICERS’ STATEMENT OF COMPLIANCE

In compliance with the provisions of CVM Instruction 480/09, the Executive Committee hereby declares that it has reviewed, discusses, and agrees with the financial statements for the year ended December 31, 2015, and also agreed with the independent auditors’ report, and states that all the relevant information, disclosed in the financial statements, and only this information, is being disclosed and corresponds to the information used by the Executive Committee to manage the Company.

36. EVENT AFTER THE REPORTING DATE

On February 22, 2016, indirect subsidiary Maxion Wheels do Brasil completed the sale of the properties it owned in the city of Guarulhos, State of São Paulo, for a total of R$84,058, received in full by said date. On the same date, a five-year operating lease agreement was entered into with the buyer that will guarantee that the indirect subsidiary will be able to maintain its operations. As a result of this transaction, the company recognized a net gain of R$67,614, net of the residual cost of the assets and the related brokerage expenses.

Additionally, in compliance with IFRS 5/CPC 31, the cost of the properties was reclassified into current assets as held-for-sale assets.

37. AUTHORIZATION FOR ISSUANCE AND DISCLOSURE OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Company’s Executive Committee and authorized for disclosure and issue at the meeting held on February 25, 2016.

Marcos S. de Oliveira
Chief Executive Officer

Oscar A.F. Becker
Chief Financial and Investor Relations Officer

Adriano R. Santos
Chief Controller

Renato J. Salum Junior
Accountant
CRC No. 1 SP 237586/O-4