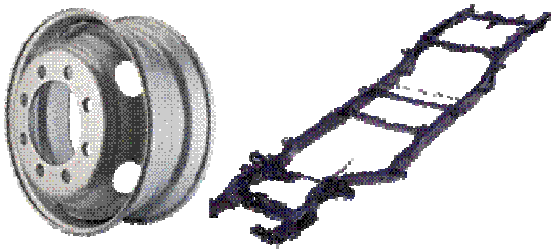
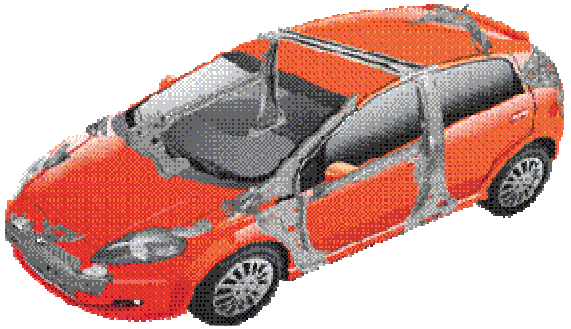
MAXION
Rodas e Chassis
uma divisão da IOCHPE-MAXION



3Q09 EARNINGS RELEASE

MAXION
COMPONENTES AUTOMOTIVOS
UMA DIVISÃO DA IOCHPE-MAXION

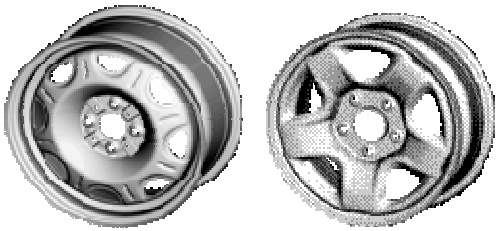


IOCHPE-MAXION



AmstedMaxion

NOVEMBER 2009



FUMAGALLI
AUTOMOTIVE WHEELS
A division of IOCHPE-MAXION

IOCHPE-MAXION

AGENDA

1. Highlights

2. Industry Performance

3. Financial and Operating Performance

4. Additional Information

IOCHPE-MAXION

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HIGHLIGHTS

- Consolidated net operating revenue of R$ 309.2 million in the 3Q09, a reduction of 40.9% over the same period of last year

- EBITDA(*) of R$ 33,3 million in the 3Q09, a reduction of 63.4% when compared to the same period of last year

- Net income of R$ 11.6 million in the 3Q09, a reduction of 91.2% when compared to the same period of last year

- Net bank debt of R$ 513.7 million (R$ 230.6 million in Sep 08), or 4.1x LTM EBITDA(*) (0.9x Sep 08)

- Fumagalli Division results considered as of September 21, 2009

(*) EBITDA, throughout this presentation means: net income plus income tax and social contribution, plus non-operating result, plus net financial expenses, plus depreciation and amortization, plus goodwill amortization.

MAIN DRIVERS

- Reduction of Brazilian production of trucks, buses and agricultural machinery
- Reduction of domestic demand for railway freight cars
- Reduction of exports

IOCHPE-MAXION

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BRAZILIAN VEHICLE PRODUCTION / EXPORT

Production

Segment	3Q09	3Q08	Var.	9M09	9M08	Var.
Passenger Cars	698,955	736,592	*-5.1%*	1,898,486	2,096,618	*-9.5%*
Light Commercials	113,230	133,004	*-14.9%*	314,765	363,621	*-13.4%*
Trucks	30,697	48,961	*-37.3%*	84,383	128,216	*-34.2%*
Buses	9,388	12,551	*-25.2%*	26,014	35,902	*-27.5%*
Total Vehicles	**852,270**	**931,108**	***-8.5%***	**2,323,648**	**2,624,357**	***-11.5%***
Agricultural Machinery	17,378	23,510	*-26.1%*	45,797	63,401	*-27.8%*

Export

Segment	3Q09	3Q08	Var.	9M09	9M08	Var.
Passenger Cars	100,751	140,959	*-28.5%*	258,962	432,780	*-40.2%*
Light Commercials	19,673	34,209	*-42.5%*	51,551	97,502	*-47.1%*
Trucks	3,509	11,402	*-69.2%*	9,656	30,053	*-67.9%*
Buses	2,209	4,042	*-45.3%*	6,689	11,499	*-41.8%*
Total Vehicles	**126,142**	**190,612**	***-33.8%***	**326,858**	**571,834**	***-42.8%***
Agricultural Machinery	3,016	8,060	*-62.6%*	10,295	22,818	*-54.9%*

- Source: Anfavea

Sales

Segment	3Q09	3Q08	Var.	9M09	9M08	Var.
Railway Freight Cars (units)	171	1,184	*-85.6%*	776	3,746	*-79.3%*
Railway Wheels (units)*	8,100	16,208	*-50.0%*	28,992	39,984	*-27.5%*
Castings (tonnes)*	500	1,006	*-50.3%*	1,234	3,400	*-63.7%*

- Source: Amsted-Maxion estimation
- * Replacement market only, excluding wheels and castings used in assembling new railway freight cars.

IOCHPE-MAXION

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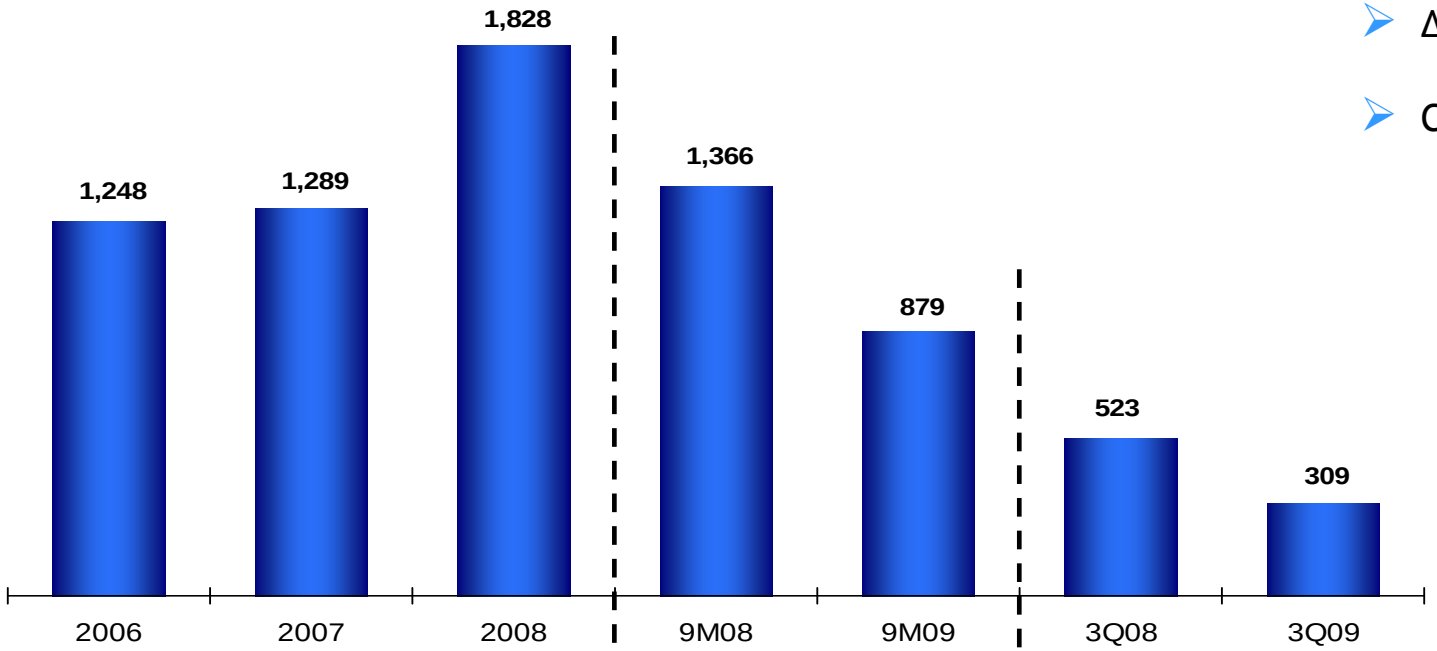
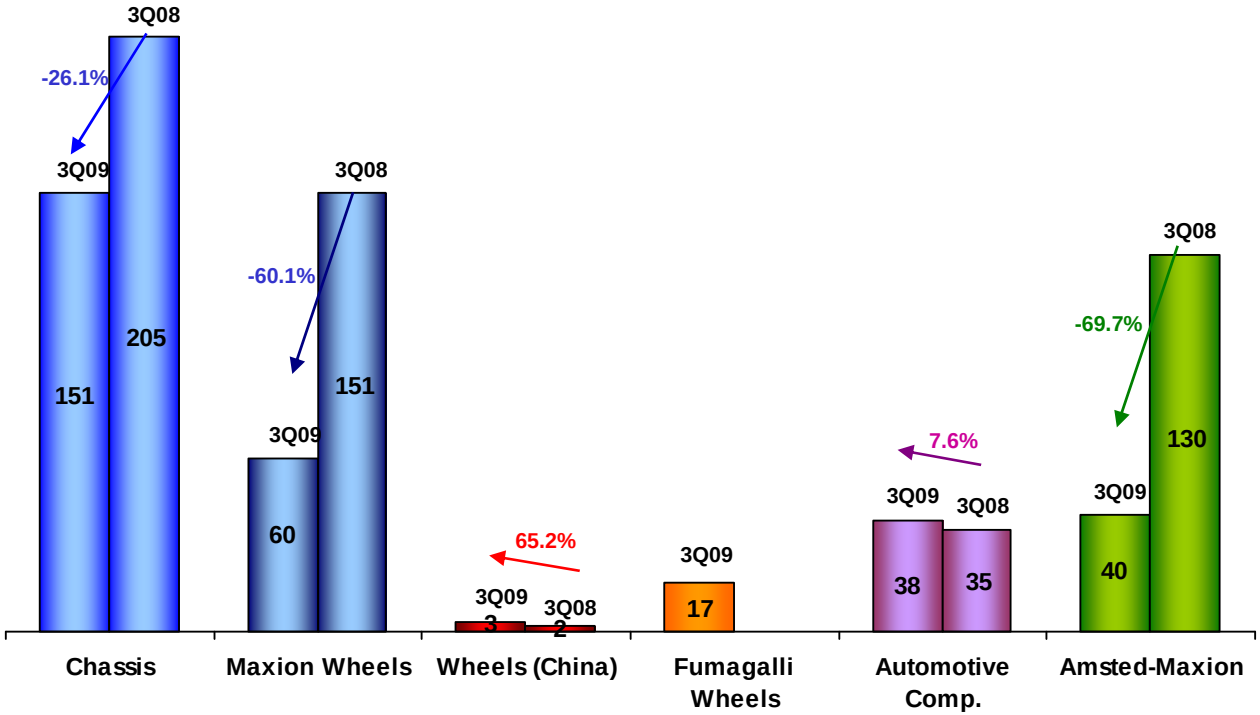
NET OPERATING REVENUE – R$ million



Net Operating Revenue

- Δ 3Q09 – 08 = -40.9%
- Δ 9M09 – 08 = -35.6%
- CAGR 2006 – 08 = 21.0%

NET OPERATING REVENUE – R$ million

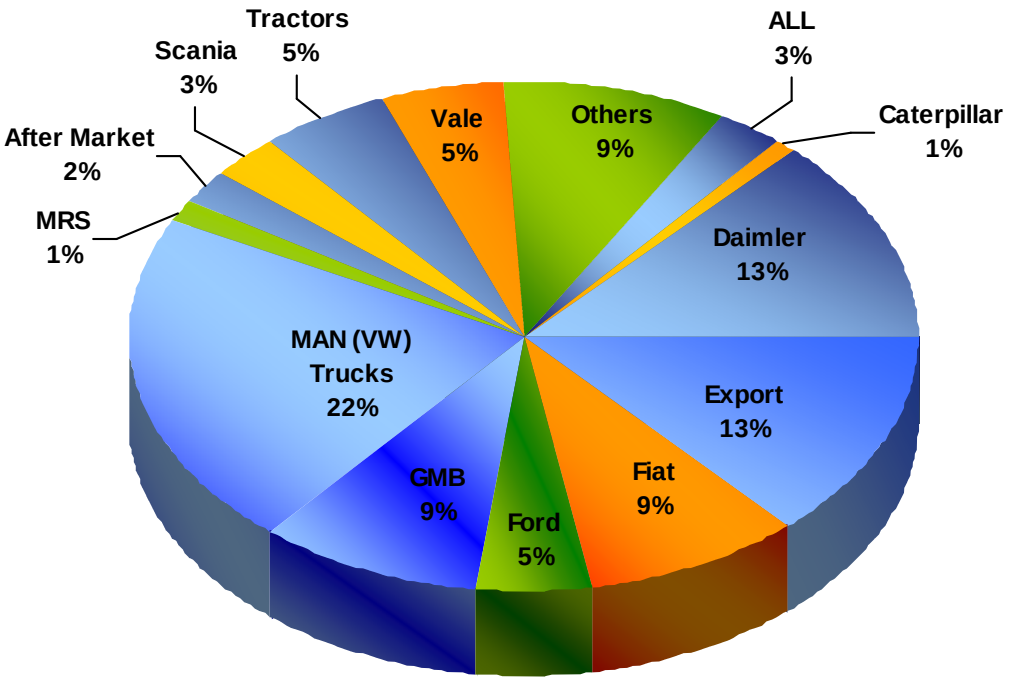


Net Operating Revenue - R$ 309.2 (3Q09) and R$ 879.2 (9M09)

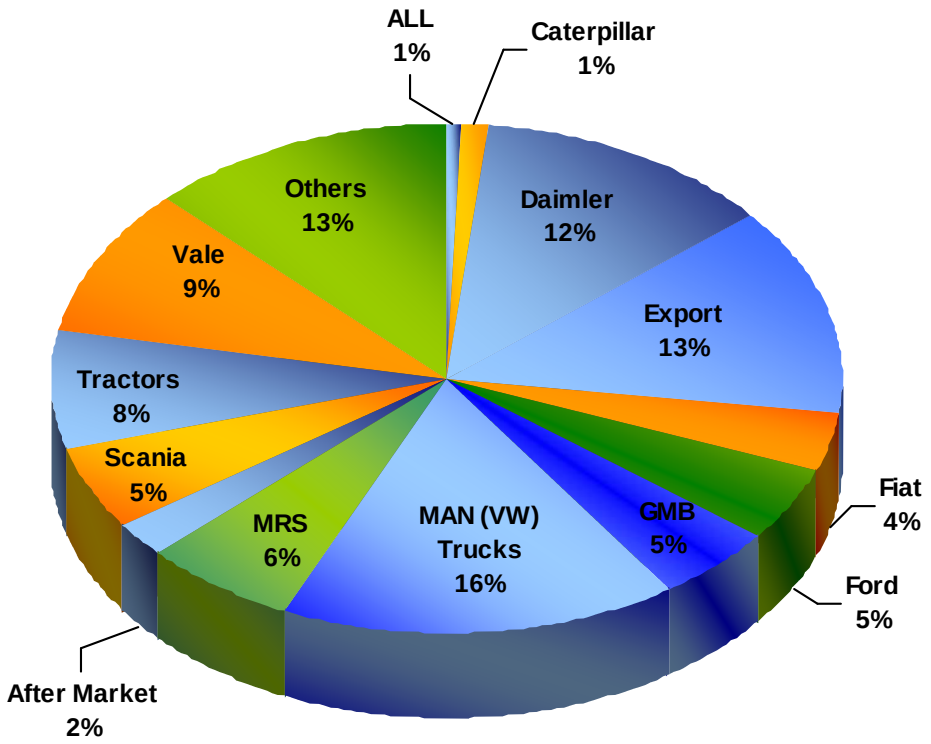
- Chassis: Δ 9M09 – 08 = -15.1%
- Maxion Wheels: Δ 9M09 – 08 = -51.7%
- Wheels (China): Δ 9M09 – 08 = 473.8%
- Automotive Comp. : Δ 9M09 – 08 = -4.0%
- Amsted-Maxion: Δ 9M09 – 08 = -63.9%

REVENUE BY CUSTOMER

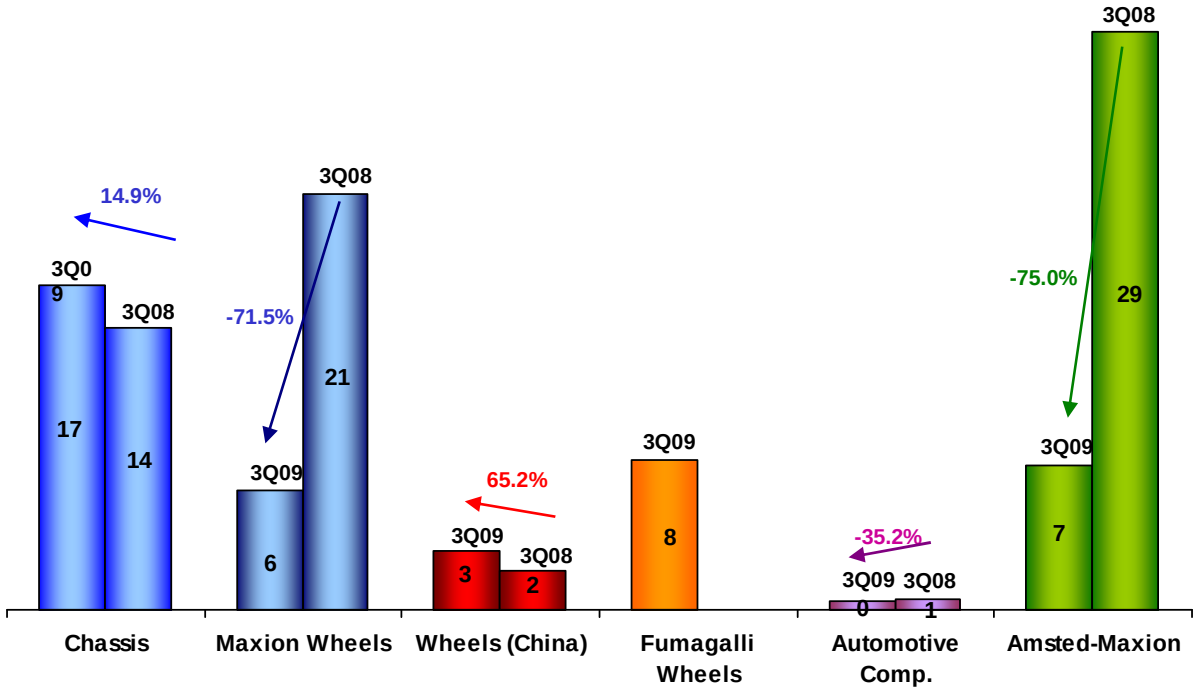
3Q09



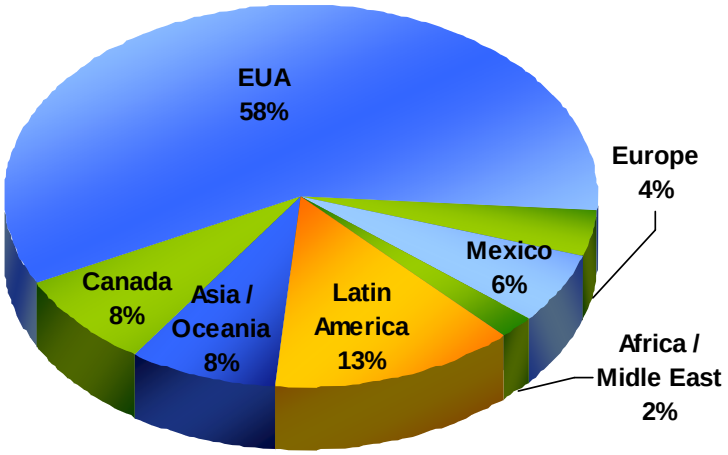
3Q08



EXPORTS / INTERNATIONAL SALES – R$ million



Export by Region - 3Q09



Exports - R$ 41.0 (3Q09) and R$ 121.6 (9M09)

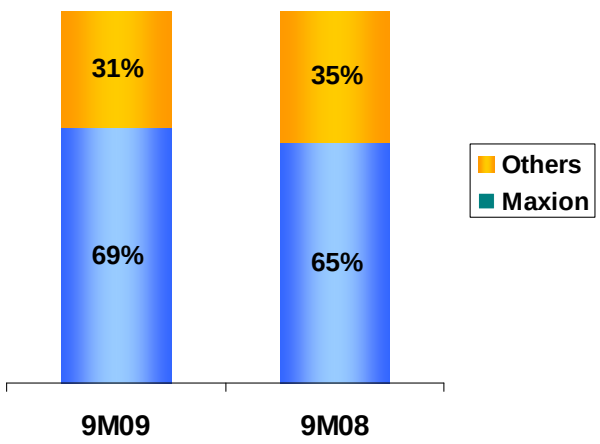
US$ 22.4 (3Q09) and US$ 59.3 (9M09)

- R$ - Δ3Q09 – 08 = -39.2%
- R$ - Δ9M09 – 08 = -29.7%

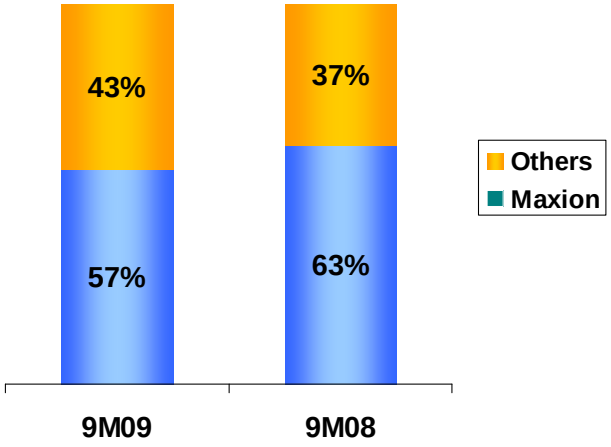
- US$ - Δ3Q09 – 08 = -42.8%
- US$ - Δ9M09 – 08 = -41.7%

MARKET SHARE - BRAZIL

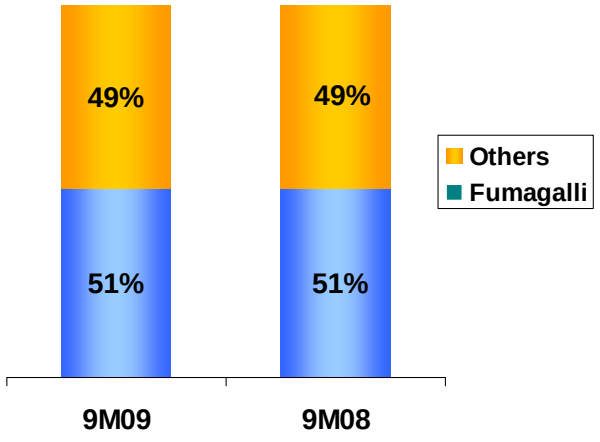
Chassis



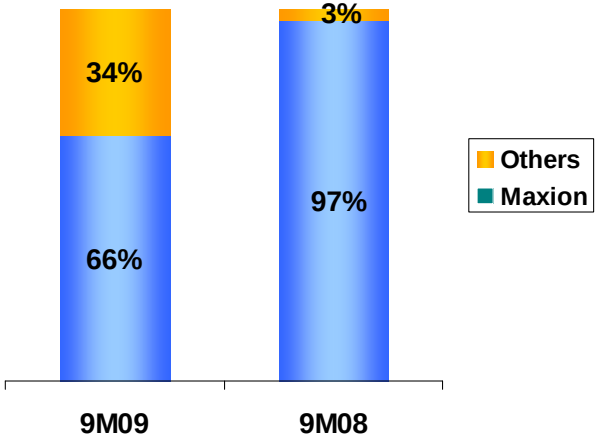
Maxion Wheels



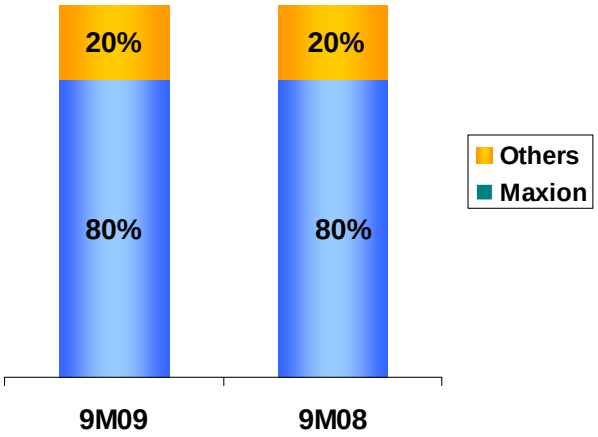
Fumagalli Wheels



Railway Freight Cars

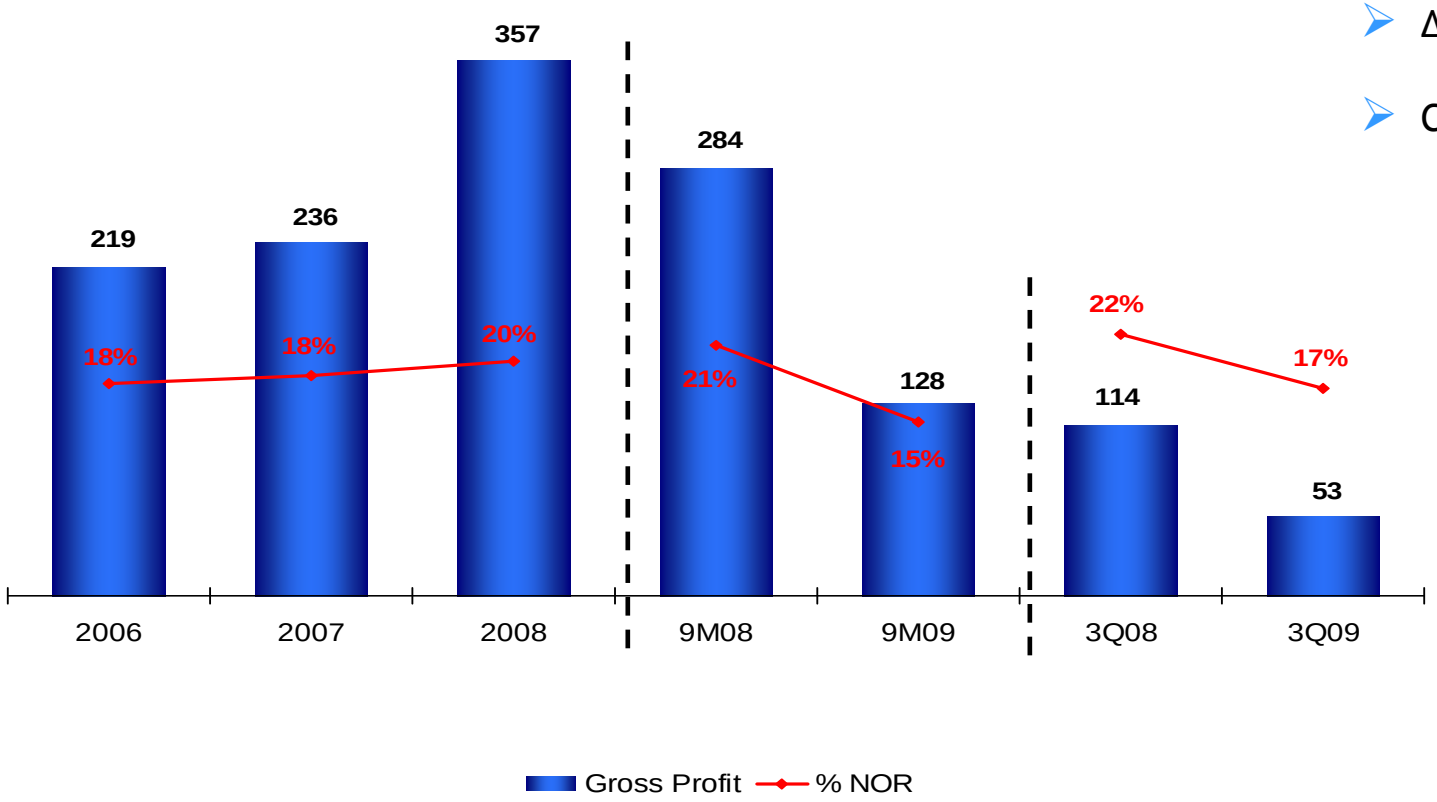


Railway Castings



Source: Iochpe-Maxion Estimate

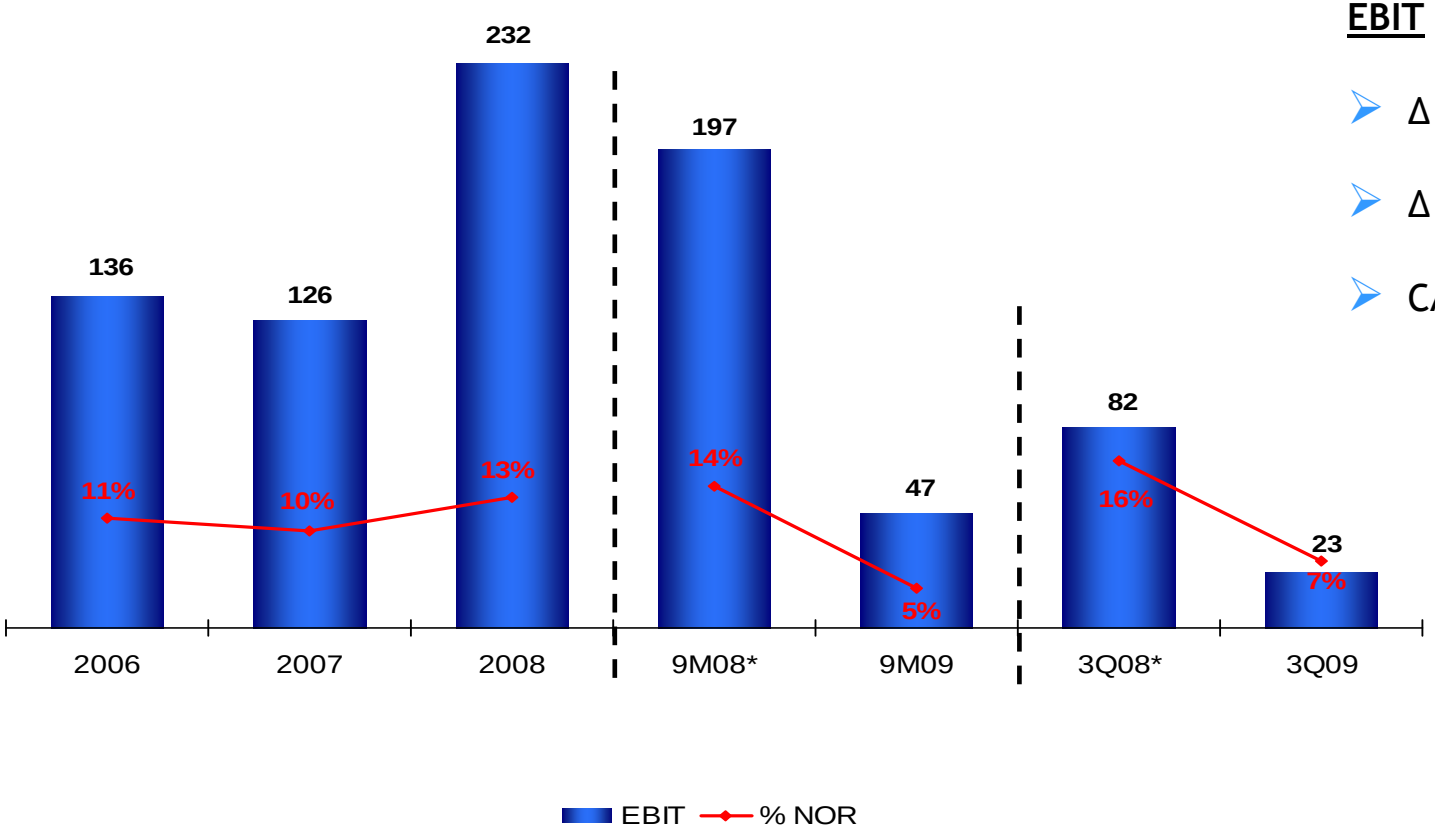
GROSS PROFIT – R$ million



Gross Profit

- Δ 3Q09 - 08 = -53.3%
- Δ 9M09 - 08 = -54.9%
- CAGR 2006 - 08 = 27.7%

EARNINGS BEFORE INCOME TAX – R$ million

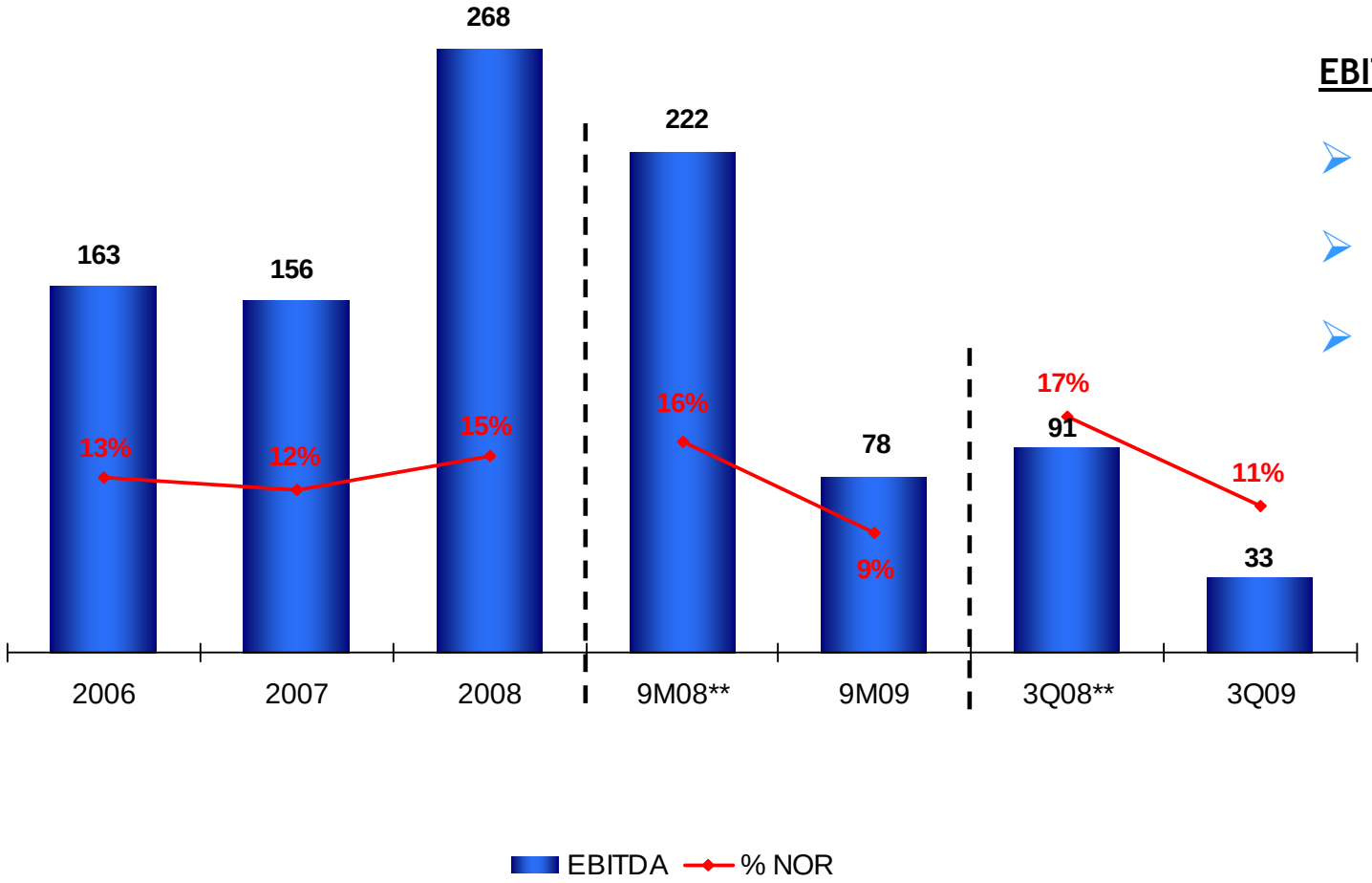


EBIT

- Δ 3Q09 - 08 = -72.4%
- Δ 9M09 - 08 = -76.2%
- CAGR 2006 - 08 = 30.6%

(*) In compliance with Instruction 539/08 of CVM (Brazil's securities commission) of March 14, 2008 and guidance of the Accounting Pronouncement Committee, Iochpe-Maxion incorporated the amounts accounted as non-operating expenses in 2008 into operating expenses, therefore reducing EBIT presented in the 3Q08 presentation

EBITDA – R$ million



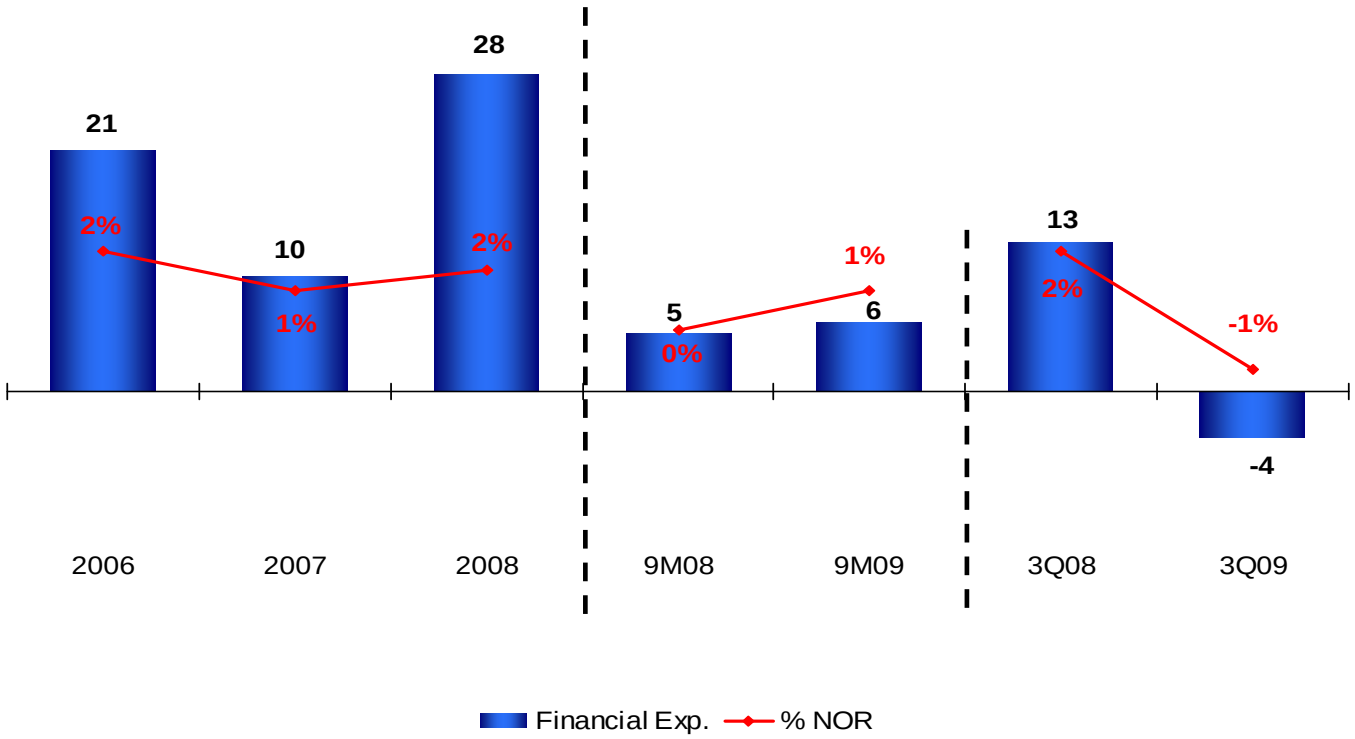
EBITDA

- Δ 3Q09 - 08 = -63.4%
- Δ 9M09 - 08 = -64.7%
- CAGR 2006 - 08 = 28.2%

(*) EBITDA, throughout this presentation means: net income plus income tax and social contribution, plus non-operating result, plus net financial expenses, plus depreciation and amortization, plus goodwill amortization

(**) In compliance with Instruction 539/08 of CVM (Brazil's securities commission) of March 14, 2008 and guidance of the Accounting Pronouncement Committee, Iochpe-Maxion incorporated the amounts accounted as non-operating expenses in 2008 into operating expenses, therefore reducing EBIT presented in the 3Q08 presentation

NET FINANCIAL EXPENSES – R$ million



Net Financial Expenses

- Δ 3Q09 – 08 = -128.7%
- Δ 9M09 – 08 = 26.9%
- CAGR 2006 – 08 = 15.5%

FX RATE VARIATION

- Impact of the FX rate variation on Financial (Expense) Revenue

	3Q09	
	Value US$ million	FX Rate Var. R$ million
NDF Expired	16.9	1.7
Financial Rev./(Exp.)		**1.7**

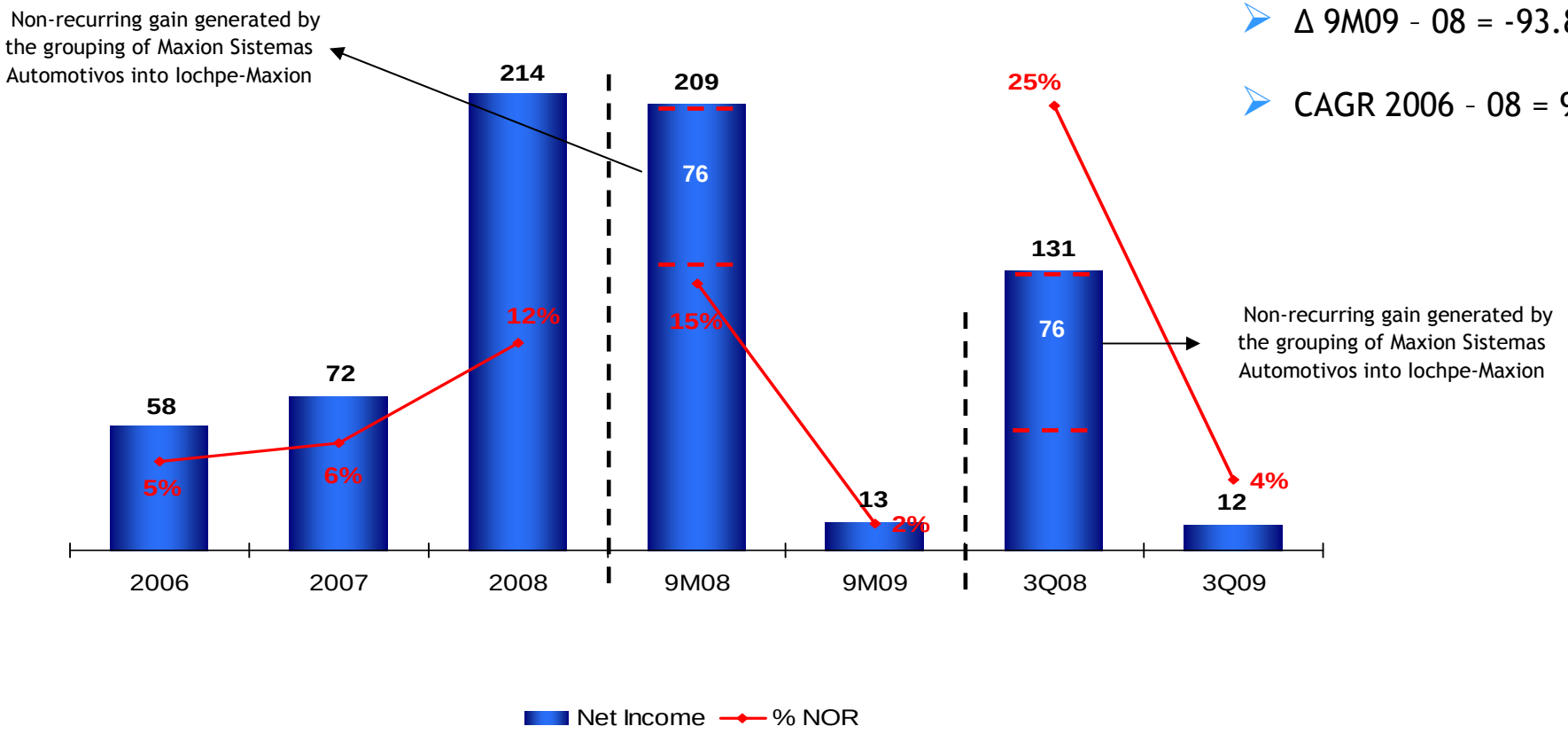
- No additional NDF operations were contracted in this period, due to the already mentioned reduction of exports

- At the end of the 3Q09, Iochpe-Maxion didn't have any NDF operations contracted

NET INCOME – R$ million

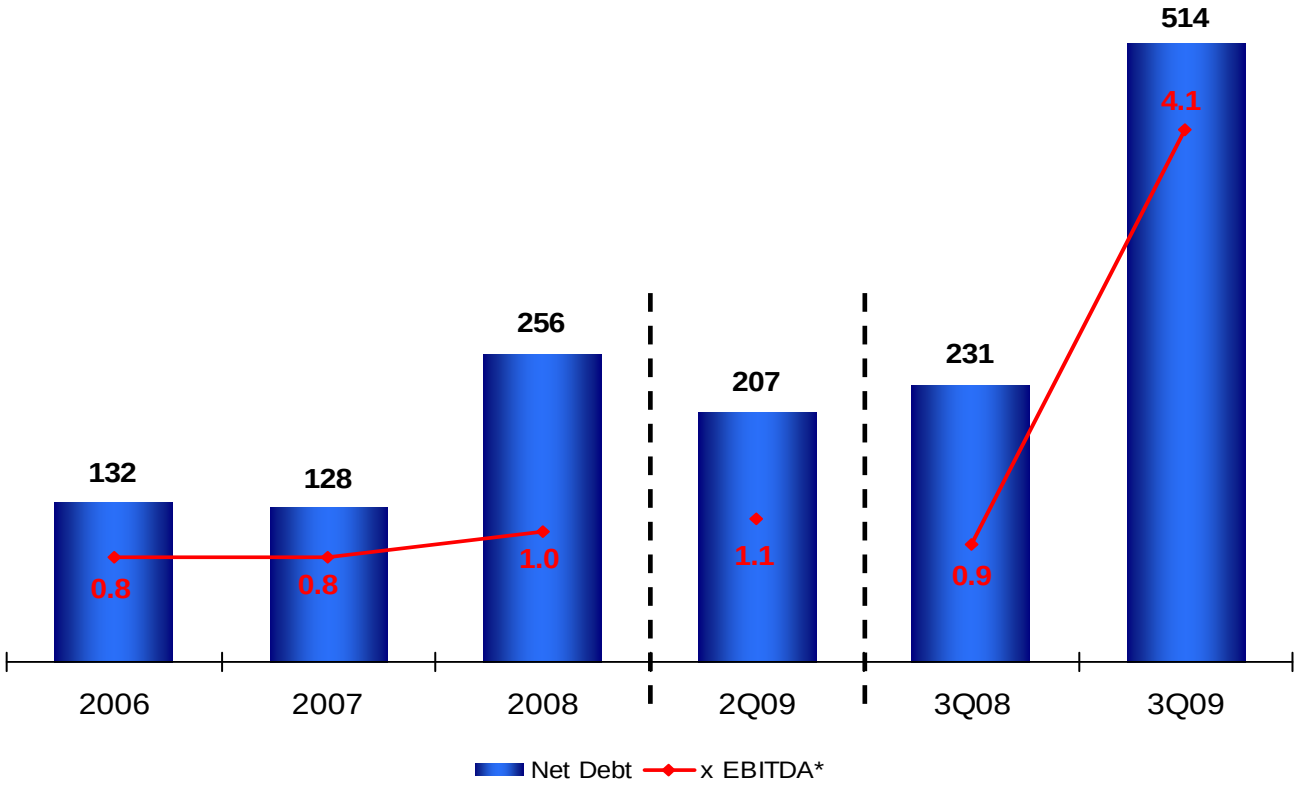
Net Income

- Δ 3Q09 – 08 = -91.2%
- Δ 9M09 – 08 = -93.8%
- CAGR 2006 – 08 = 92.1%



NET BANK DEBT – R$ million

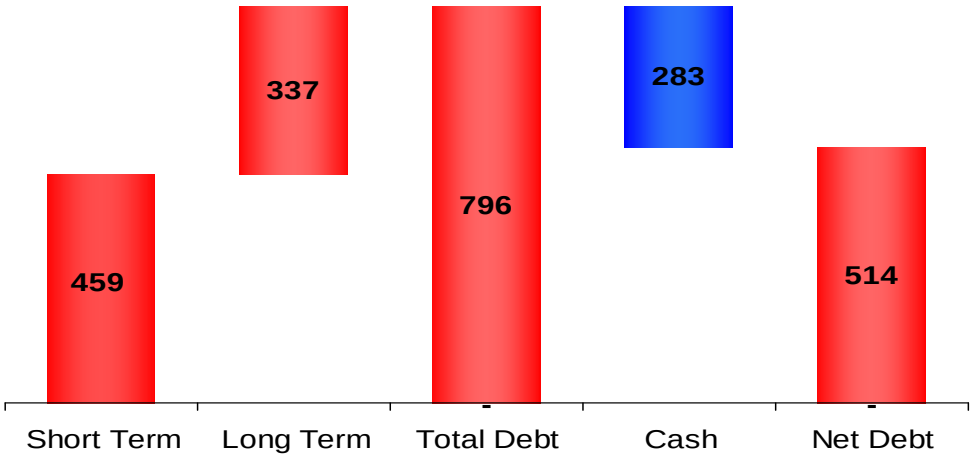
- To better understand the evolution of net bank debt, it's worth to mention :
  - R$ 79.2 million dividend payment during the 2Q09
  - R$ 331.1 million payment during the 3Q09 for the conclusion of acquisition of Fumagalli Division



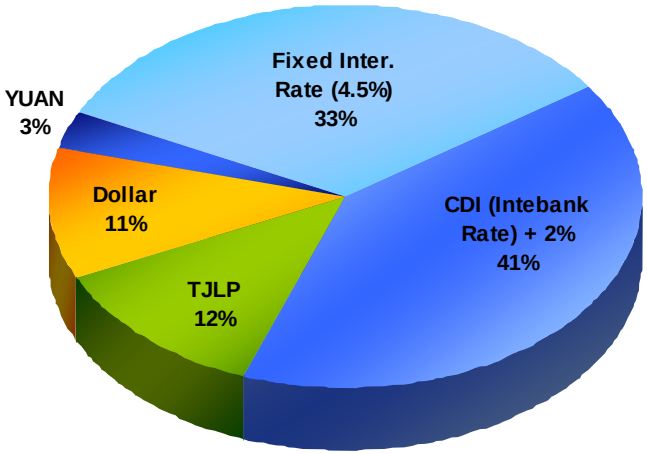
(*) EBITDA, throughout this presentation means: net income plus income tax and social contribution, plus non-operating result, plus net financial expenses, plus depreciation and amortization, plus goodwill amortization

LTM EBITDA

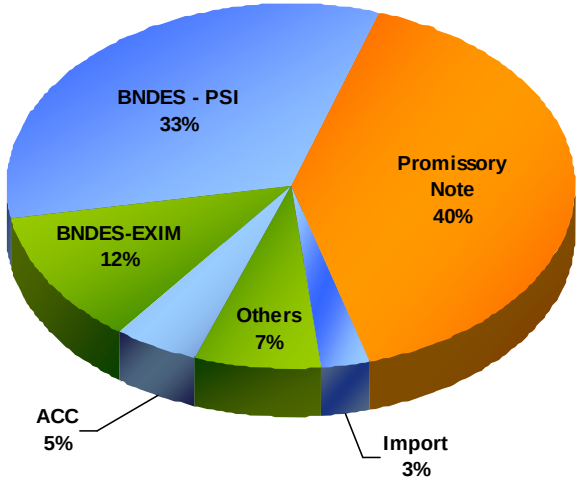
INDEBTEDNESS SEP 09 – R$ million



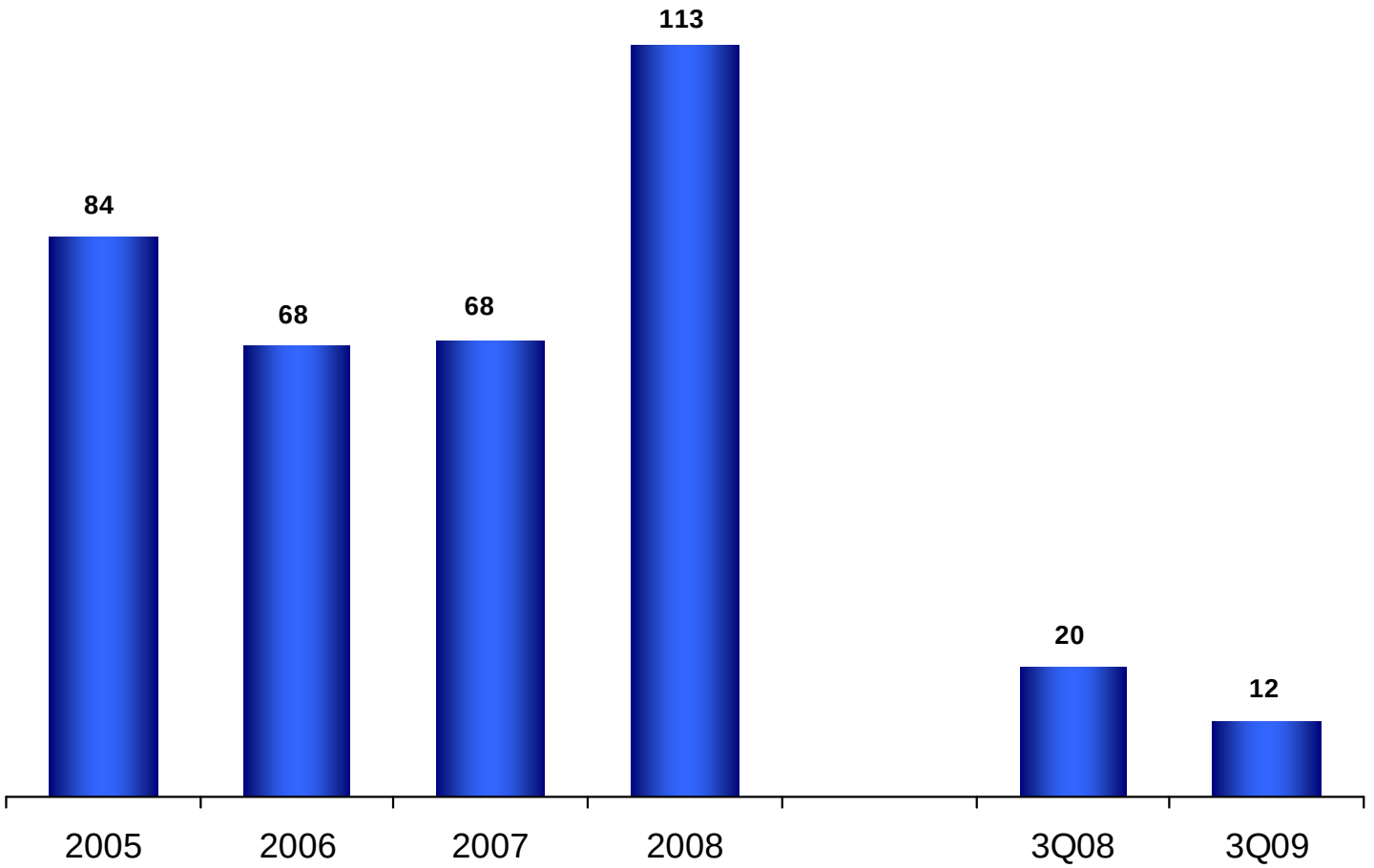
Debt Indexation



Debt by Lines



CAPEX – R$ million



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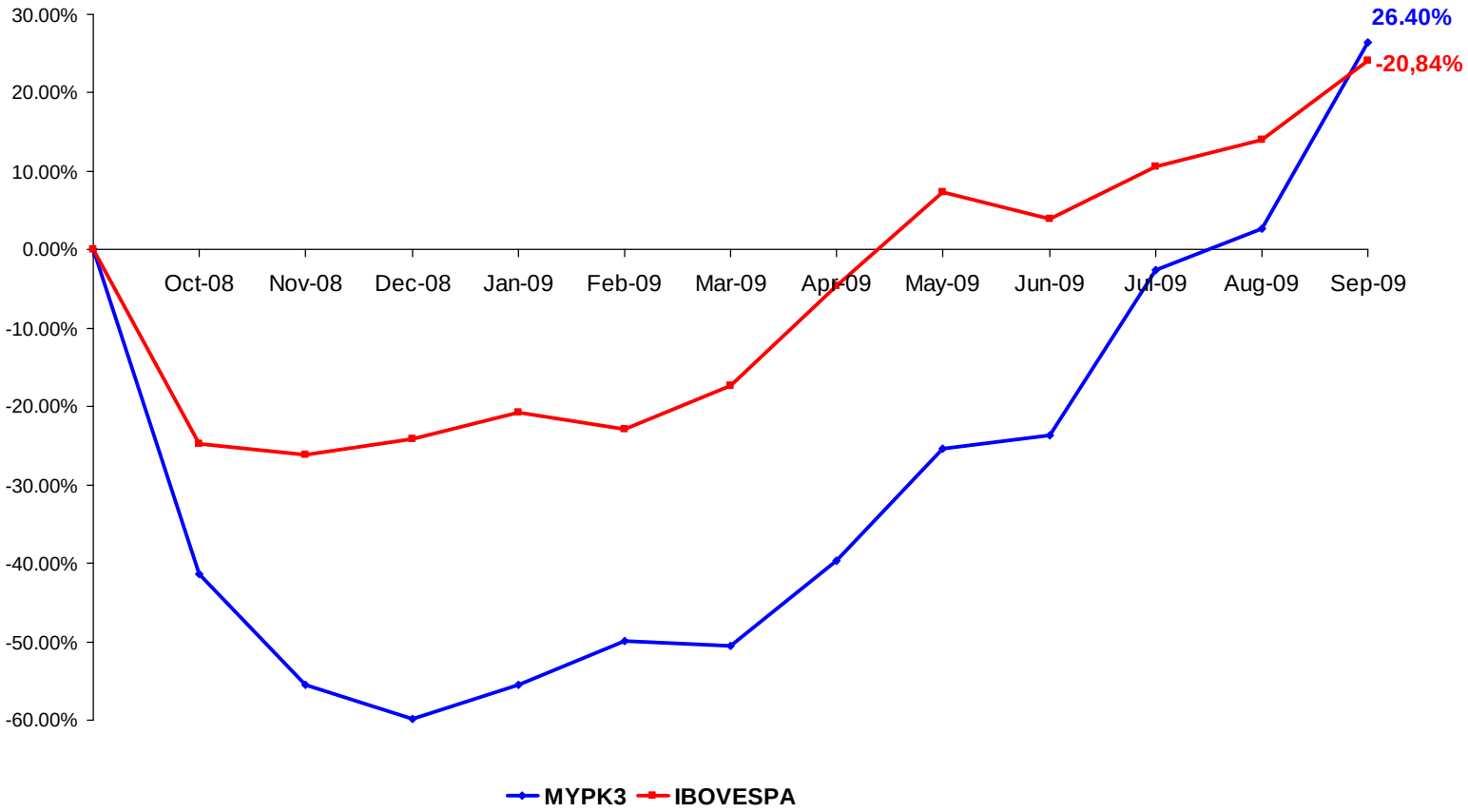
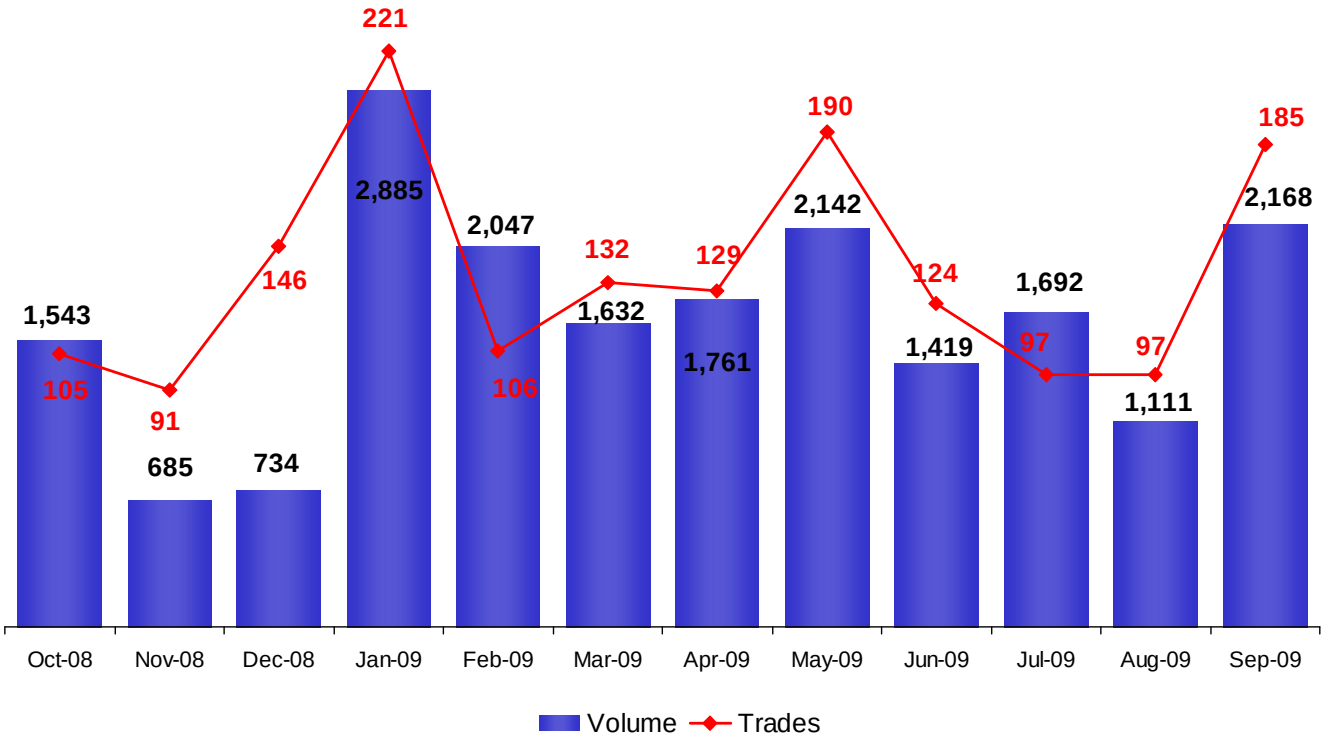
SHARES PERFORMANCE (LTM) – MYPK3



AVERAGE DAILY TRADE VOLUME – R$ million



IOCHPE-MAXION

INCOME STATEMENT – R$ million

Income Statement - R$ thousand	3Q09	3Q08**	Var.	9M09	9M08**	Var.
Net Operating Revenue	309,235	522,983	-40.9%	879,190	1,365,713	-35.6%
Cost of Goods Sold						
Raw Material	(156,917)	(282,715)	-44.5%	(444,718)	(724,853)	-38.6%
Labor	(60,459)	(83,341)	-27.5%	(188,656)	(211,538)	-10.8%
Others	(38,614)	(43,032)	-10.3%	(117,924)	(145,921)	-19.2%
	(255,990)	(409,089)	-37.4%	(751,298)	(1,082,313)	-30.6%
Gross Profit	**53,245**	**113,894**	**-53.3%**	**127,892**	**283,400**	**-54.9%**
	17.2%	***21.8%***		***14.5%***	***20.8%***	
Operating Expenses						
General and Administrative	(12,372)	(14,178)	-12.7%	(37,375)	(38,080)	-1.9%
Commercial	(10,596)	(19,666)	-46.1%	(36,434)	(50,077)	-27.2%
Others	(7,562)	2,182	-446.6%	(7,318)	1,529	-578.5%
	(30,530)	(31,662)	-3.6%	(81,127)	(86,628)	-6.4%
Operating Income (EBIT)	**22,715**	**82,231**	**-72.4%**	**46,765**	**196,772**	**-76.2%**
	7.3%	***15.7%***		***5.3%***	***14.4%***	
Financial Results						
Financial Revenue	15,220	(25)		46,560	26,487	75.8%
Financial Expenses	(11,563)	(12,724)	-9.1%	(52,883)	(31,470)	68.0%
	3,657	(12,749)	-128.7%	(6,323)	(4,983)	26.9%
Earnings After Financial Income	**26,372**	**69,482**	**-62.0%**	**40,442**	**191,790**	**-78.9%**
	8.5%	***13.3%***		***4.6%***	***14.0%***	
Income Taxes	(14,786)	61,501	-124.0%	(27,406)	17,416	-257.4%
Net Income	**11,586**	**130,983**	**-91.2%**	**13,036**	**209,206**	**-93.8%**
	3.7%	***25.0%***		***1.5%***	***15.3%***	
EBITDA*	**33,315**	**90,954**	**-63.4%**	**78,328**	**221,703**	**-64.7%**
	10.8%	***17.4%***		***8.9%***	***16.2%***	

(*) EBITDA, throughout this presentation means: net income plus income tax and social contribution, plus non-operating result, plus net financial expenses, plus depreciation and amortization, plus goodwill amortization

(**) In compliance with Instruction 539/08 of CVM (Brazil's securities commission) of March 14, 2008 and guidance of the Accounting Pronouncement Committee, Iochpe-Maxion incorporated the amounts accounted as non-operating expenses in 2008 into operating expenses, therefore reducing EBIT presented in the 3Q08 presentation

Note: Fumagalli Division results considered as of September 21, 2009

IOCHPE-MAXION

BALANCE SHEET – R$ million

ASSETS	Sep-09	Jun-09	LIABILITIES	Sep-09	Jun-09
CURRENT			CURRENT		
Cash and Cash Equivalents	282,485	38,351	Loans	458,914	161,591
Receivables	218,628	156,202	Payables	90,427	59,746
Inventory	204,626	179,620	Taxes	29,204	7,004
Recoverable Taxes	17,596	9,317	Wage & Salaries	48,731	33,591
Deferred Taxes	15,328	17,900	Customers Advance	9,754	10,852
Antecipated Expenses	7,517	1,718	Dividends	-	-
Other Receivables	13,894	8,272	Other Payables	23,209	21,417
			Payable Financial Instruments	-	599
	760,074	**411,380**		**660,239**	**294,800**
LONG TERM			LONG TERM		
Receivable	588	583	Loans	337,295	83,626
Recoverable Taxes	29,121	16,772	Provisions	59,943	60,059
Deferred Taxes	89,579	82,646	Others	13,619	9,291
Obligatory deposits and judicial	12,890	12,890		**410,857**	**152,976**
Other Receivables	3,024	1,852			
	135,202	**114,743**			
			EQUITY		
Investments	323	310	Capital	261,463	261,463
Plants, Property and Equipment	589,844	368,203	Profit Reserves	183,958	183,958
Intangible	43,386	4,826	Equity Adjustment	2,724	8,843
Deferred Items	3,448	4,028	Accumulated Profit	13,036	1,450
	637,001	**377,367**		**461,181**	**455,714**
TOTAL ASSETS	**1,532,277**	**903,490**	**TOTAL LIABILITIES**	**1,532,277**	**903,490**

Note: The Balance Sheet at the end of September 09 already consolidates the Fumagalli Division accounts