IOCHPE-MAXION

3Q11 EARNINGS RELEASE

MAXION
Rodas e Chassis
uma divisão da IOCHPE-MAXION

MAXION
COMPONENTES AUTOMOTIVOS
UMA DIVISÃO DA IOCHPE-MAXION



AmstedMaxion

FUMAGALLI
AUTOMOTIVE WHEELS
A division of IOCHPE-MAXION

November, 2011

- Consolidated net operating revenue of R$ 827.0 million, an increase of 35.3% over the third quarter 2010

- EBITDA(*) of R$ 121.7 million, an increase of 24.7% over the third quarter 2010

- Net income of R$ 65.8 million, an increase of 12.3% over the third quarter 2010

- Net bank debt of R$ 529.7 million (R$ 454.1 million at the end of 3Q10) or 1.4x LTM EBITDA(*) (1,4x at the end of 3Q10)

(*) 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.

3Q11 – Main Drivers

- Relevant sales of tooling to customers of the Automotive Segment

- Effect of the FX Rate variation on exports and international sales relating to the 3Q11 and accumulated of 9 months

- Strong demand on the Brazilian railway freight cars market

- Growth in the Brazilian truck, bus and light commercials production

Subsequent Event– Acquisition of New Business

Hayes Lemmerz

- Acquisition of 100% of Hayes Lemmerz International, Inc. for total consideration in the amount of approximately US$ 725 million (including the assumption of US$23 million of net indebtedness)
- Traditional international producer of automotive wheels, aluminum and steel for light vehicles and steel for commercial vehicles
- With 17 industrials units located in several continents has an annual production capacity of approximately 63.4 million wheels
- Reported net sales of US$890.5 million, net income of US$39.3 million and Ebitda of US$112.3 million in the first six months of its 2011 fiscal year ending on July 31, 2011

Grupo Galaz

- Acquisition of 100% of Grupo Galaz S.A. de C.V. ("Grupo Galaz") for total consideration in the amount of approximately US$ 195 million
- Traditional Mexican producer of steel based side rails for commercial vehicles
- With an industrial operations in Monclova, in Northern México, from where it supplies some of the leading commercial vehicle producers (OEMs) based in North America
- Reported from January to August 2011, net sales of US$133.7 million, net income of US$14.5 million and Ebitda of US$24.9 million

IOCHPE-MAXION

Brazilian Vehicle Production / Export

- ✓ **Units**
- ✓ **Source: ANFAVEA**

Production

Segment	3Q10	3Q11	Var.	9M10	9M11	Var.
Passenger Cars	670,359	660,876	*-1.4%*	1,934,983	1,946,764	*0.6%*
Light Commercials	144,087	160,750	*11.6%*	413,659	463,729	*12.1%*
Trucks	52,264	59,561	*14.0%*	140,924	159,028	*12.8%*
Buses	10,773	12,521	*16.2%*	31,992	34,587	*8.1%*
Total Vehicles	**877,483**	**893,708**	***1.8%***	**2,521,558**	**2,604,108**	***3.3%***
Agricultural Machinery	25,354	21,497	*-15.2%*	69,166	62,145	*-10.2%*

Export

Segment	3Q10	3Q11	Var.	9M10	9M11	Var.
Passenger Cars	95,899	98,164	*2.4%*	278,704	279,507	*0.3%*
Light Commercials	22,164	28,614	*29.1%*	68,966	80,970	*17.4%*
Trucks	6,354	6,933	*9.1%*	15,440	19,489	*26.2%*
Buses	2,470	2,315	*-6.3%*	6,557	6,000	*-8.5%*
Total Vehicles	**126,887**	**136,026**	***7.2%***	**369,667**	**385,966**	***4.4%***
Agricultural Machinery	4,832	4,921	*1.8%*	13,080	13,598	*4.0%*

Light Vehicle Production in the NAFTA Region

- ✓ **Units**
- ✓ **Source: CSM Auto**

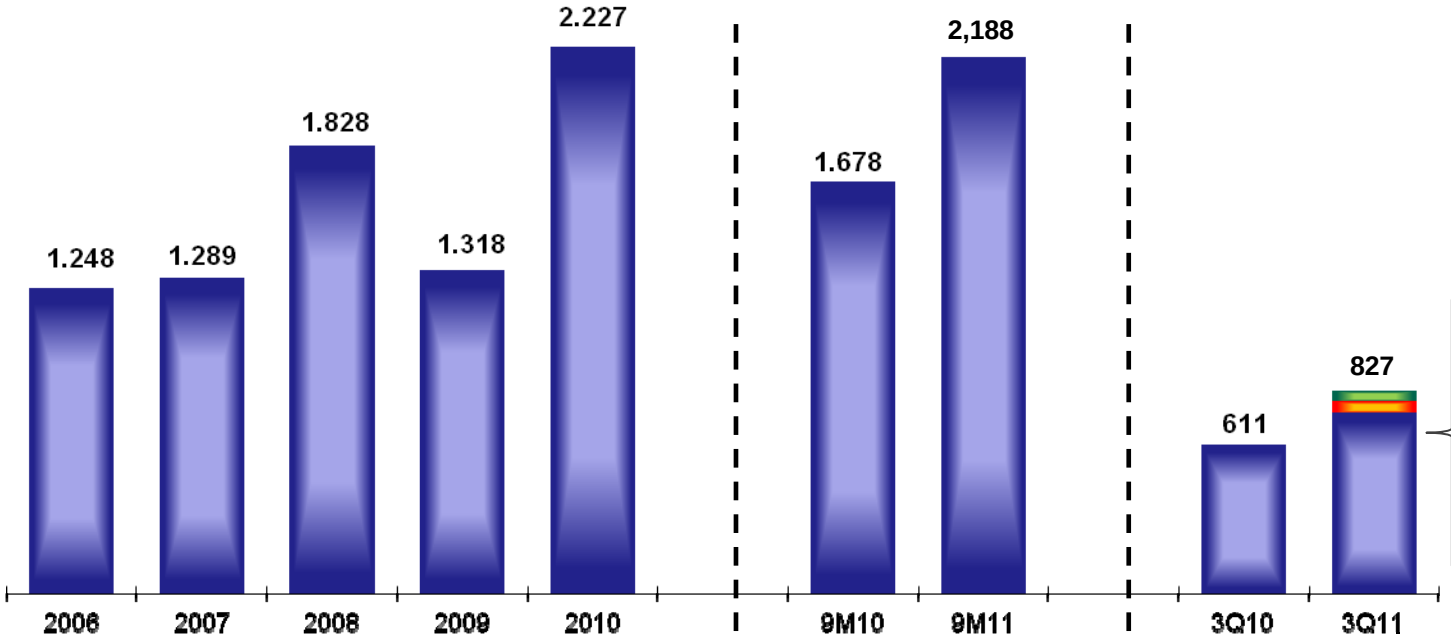
Segment	3Q10	3Q11	Var.	9M10	9M11	Var.
Passenger Cars	1,269,998	1,407,777	*10.8%*	3,933,377	4,162,164	*5.8%*
Light Commercials	1,712,179	1,717,986	*0.3%*	5,033,410	5,454,974	*8.4%*
Total Light Vehicles	**2,982,177**	**3,125,763**	***4.8%***	**8,966,787**	**9,617,138**	***7.3%***

✓ **Source: Estimativa AmstedMaxion**

Segment	3Q10	3Q11	Var.	9M10	9M11	Var.
Railway Freight Cars (units)	891	1,359	*52.5%*	2,063	4,148	*101.1%*
Railway Wheels (units)*	15,400	18,666	*21.2%*	42,128	56,129	*33.2%*
Castings (tonnes)*	889	1,576	*77.3%*	2,003	6,205	*209.8%*

*** Replacement market only, excluding wheels and castings used in assembling new railway freight cars**

Consolidated Net Operating Revenue– R$ million



- ✓ Sales of tooling to customers of the Automotive Segment– R$ 48 million (R$ 1 million in the 3Q10)
- ✓ Impact of FX Rate variation on exports and international sales – R$ 40 million (R$ -4 million in the 3Q10)

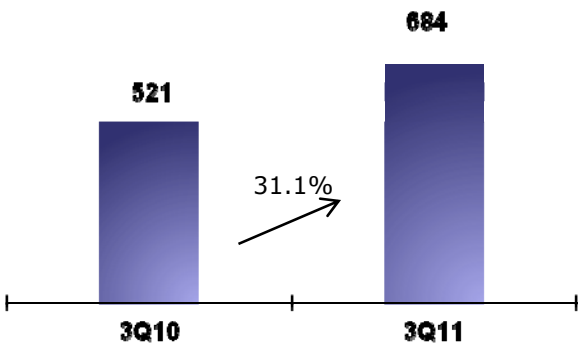
- ✓ Δ 9M11 – 10 = 30.4%
- ✓ Δ 3Q11 – 10 = 35.3%
- ✓ CAGR 2006 – 10 = 15.6%

Net Operating Revenue in the 3Q11 w/o the effect of the sales of tooling and FX Rate variation – R$ 739 million (R$ 615 million in the 3Q10)

- ✓ Δ 3Q11 – 10 = 20.1%

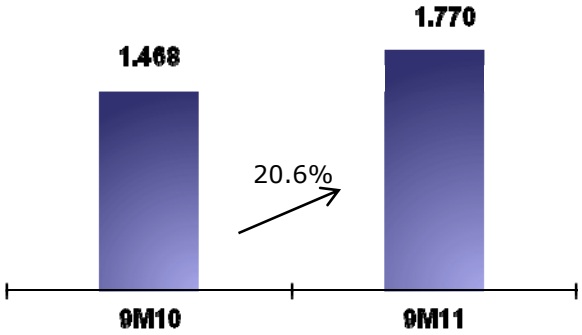
Net Operating Revenue by Segment– R$ million

Automotive Segment



✓ 82.7% of consolidated net revenue in the 3Q11

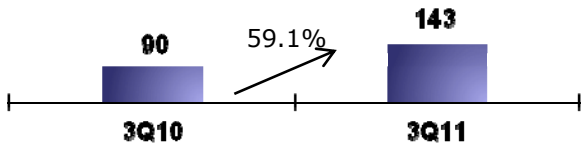
✓ 85.3% of consolidated net revenue in the 3Q10



✓ 80.9% of consolidated net revenue in the 9M11

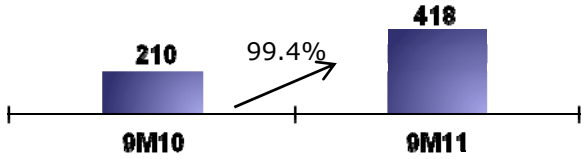
✓ 87.5% of consolidated net revenue in the 9M10

Railway Segment



✓ 17.3% of consolidated net revenue in the 3Q11

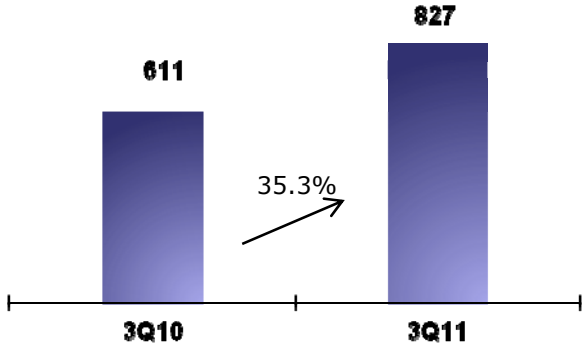
✓ 14.7% of consolidated net revenue in the 3Q10

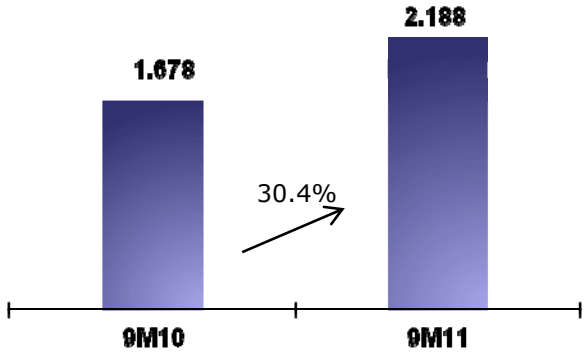


✓ 19.1% of consolidated net revenue in the 9M11

✓ 12.5% of consolidated net revenue in the 9M10

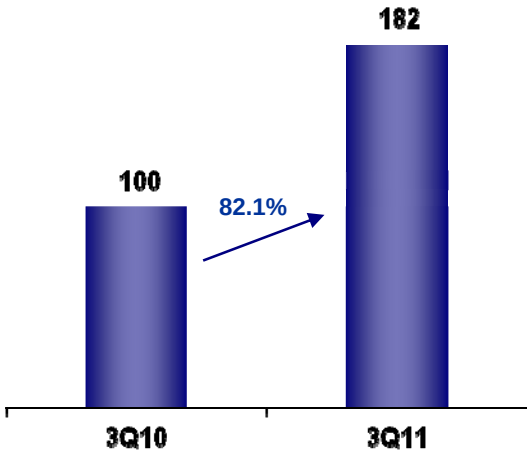
Consolidated





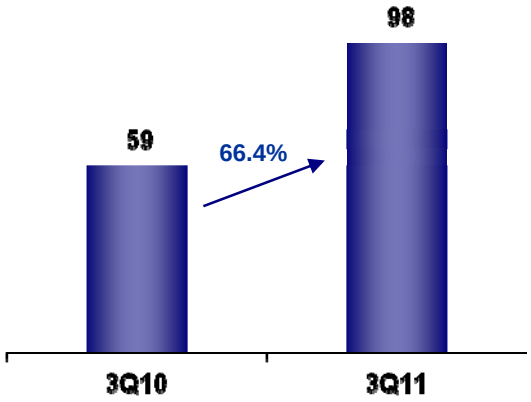
Export / International Sales

Consolidated – R$ million



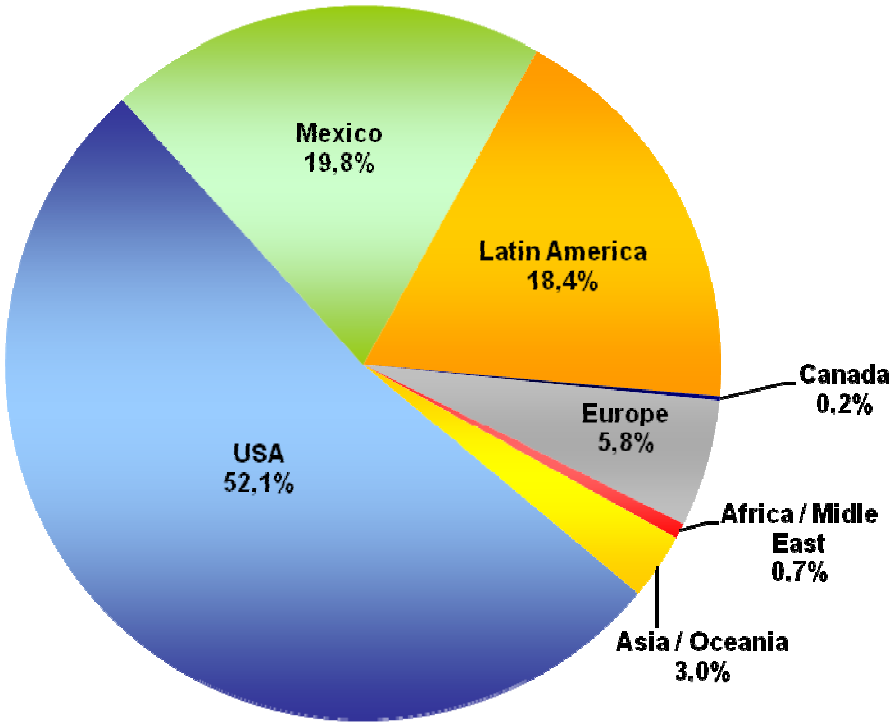
- ✓ R$ 419 million in the 9M11
- ✓ Δ 9M11 – 10 = 34.1%
- ✓ 22.1% of consolidated net revenue in the 3Q11 (16.4% in the 3Q10)
- ✓ 19.1% of consolidated net revenue in the 9M11 (18.6% in the 9M10)

Consolidated – US$ million



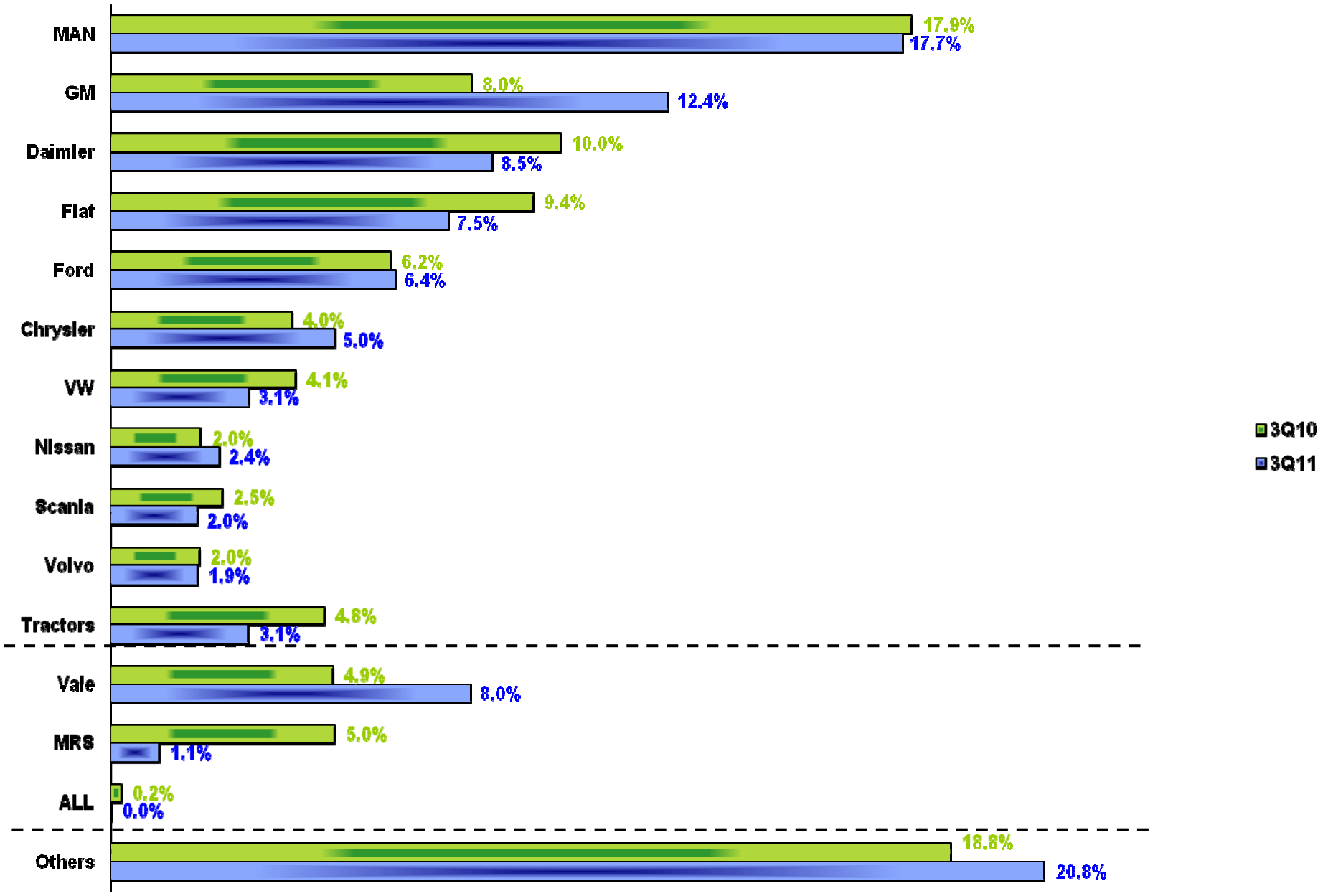
- ✓ US$ 226 million in the 9M11
- ✓ Δ 9M11 – 10 = 22.5%

Region in Value – 3Q11

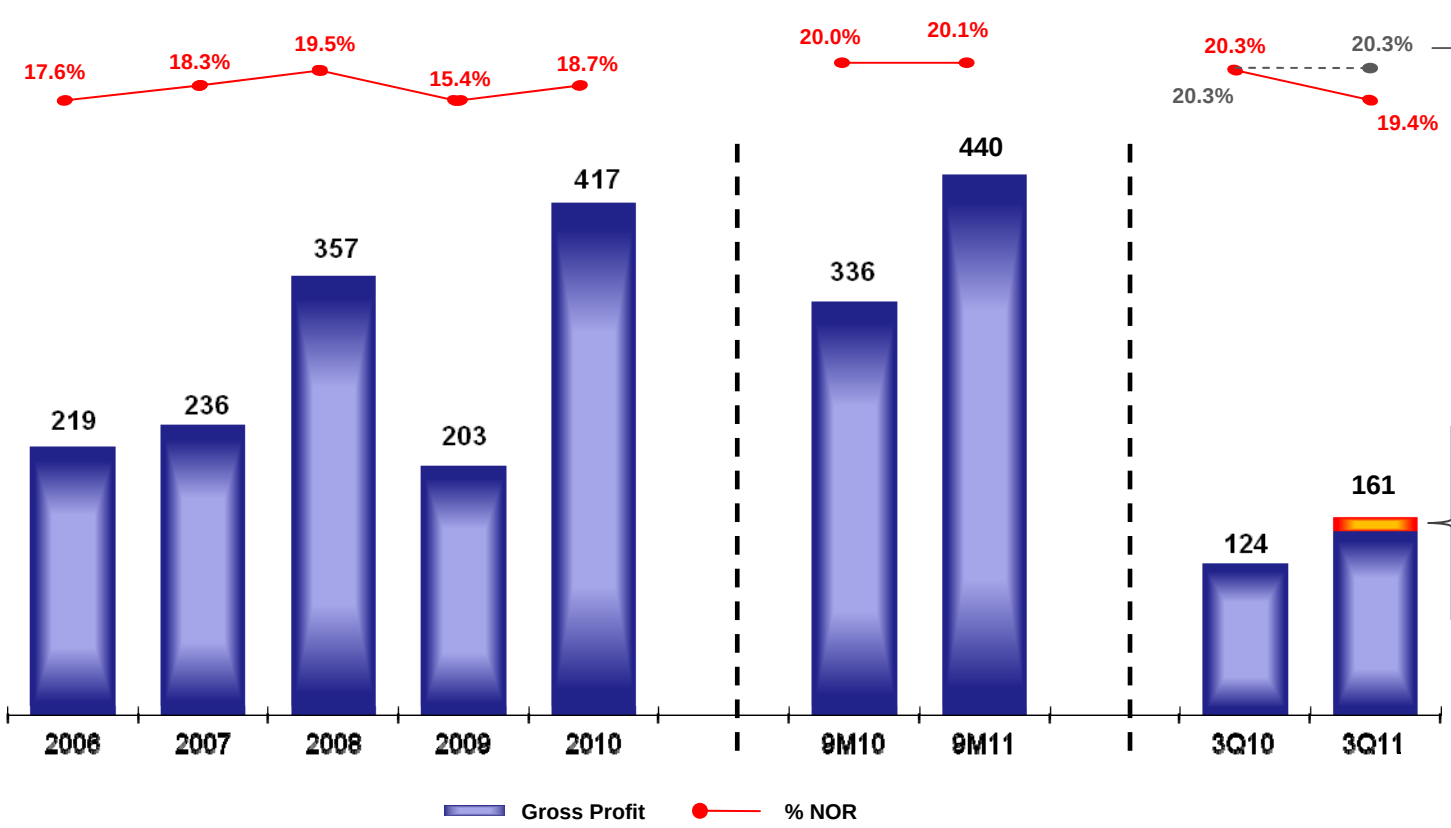


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Revenue by Customer



Consolidated Gross Profit – R$ million



Gross Margin w/o the effect of the sales of tooling to customers of the Automotive Segment and the FX Rate variation on export and international sales

✓ effect of the sales of tooling to customers of Automotive Segment and the FX Rate variation on export and international sales – R$ 11 million (R$ -1 million in the 3Q10)

✓ Δ 9M11 – 10 = 30.9%

✓ Δ 3Q11 – 10 = 29.2%

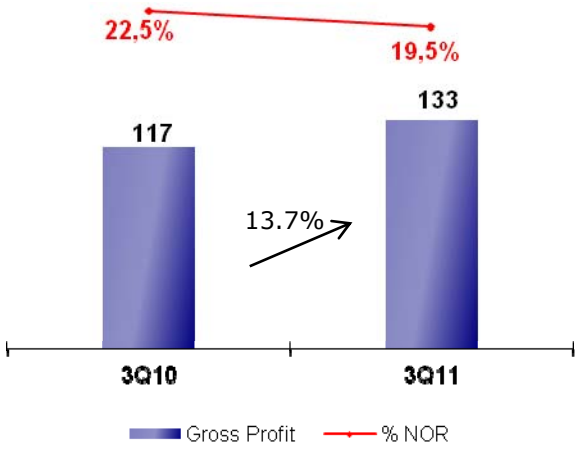
✓ CAGR 2006 – 10 = 17.5%

Gross Profit in the 3Q11 w/o the effect of the sales of tooling and FX Rate variation– R$ 150 million (R$ 125 million in the 3Q10)

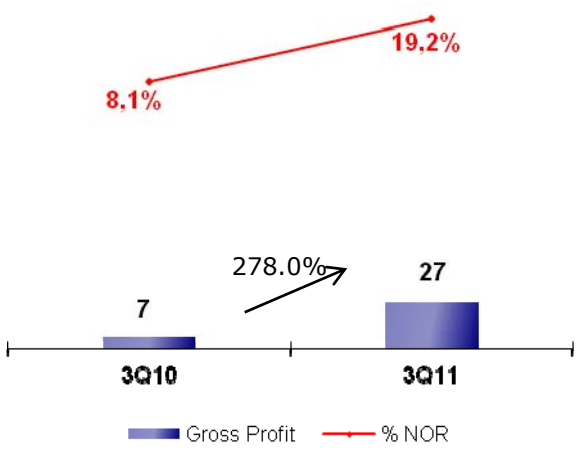
✓ Δ 3Q11 – 10 = 19.6%

Gross Profit by Segment – R$ million

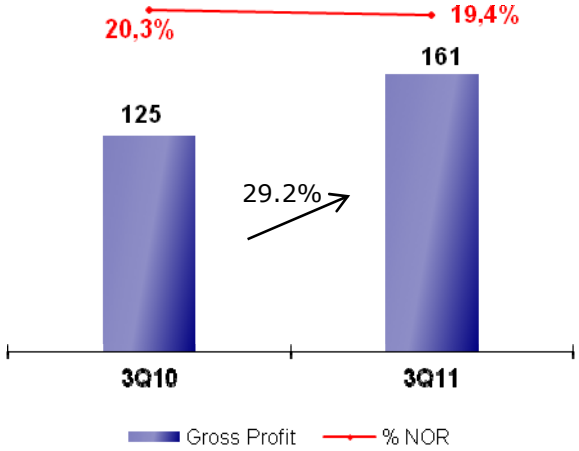
Automotive Segment

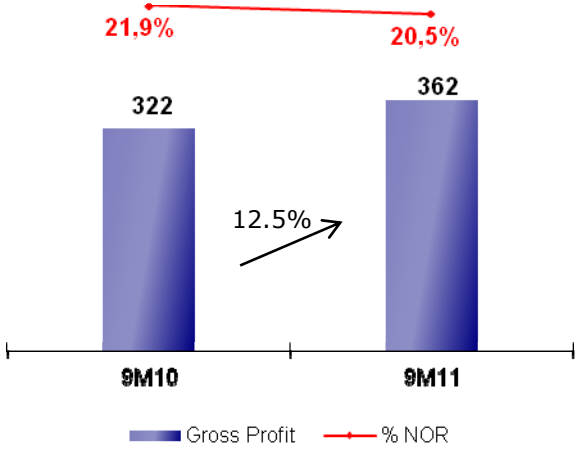


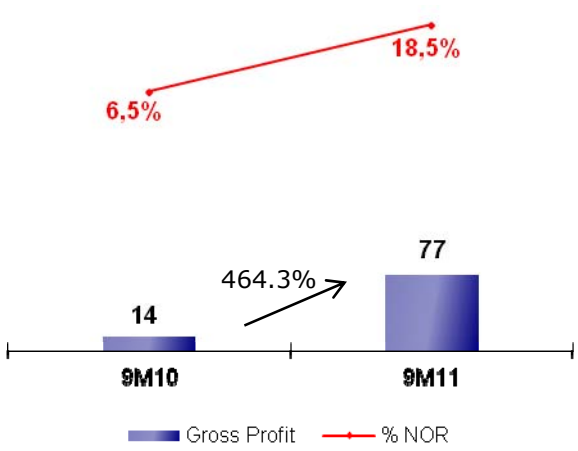
Railway Segment

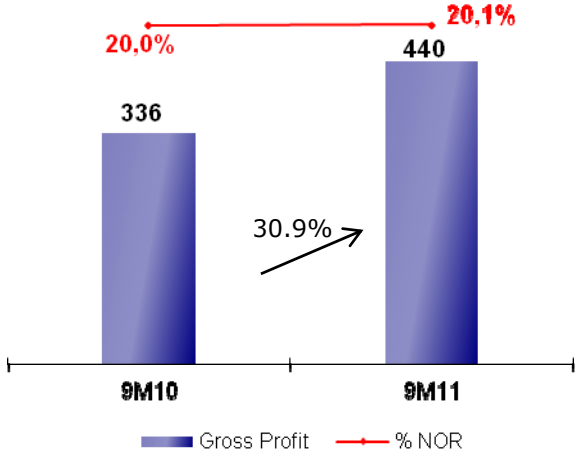


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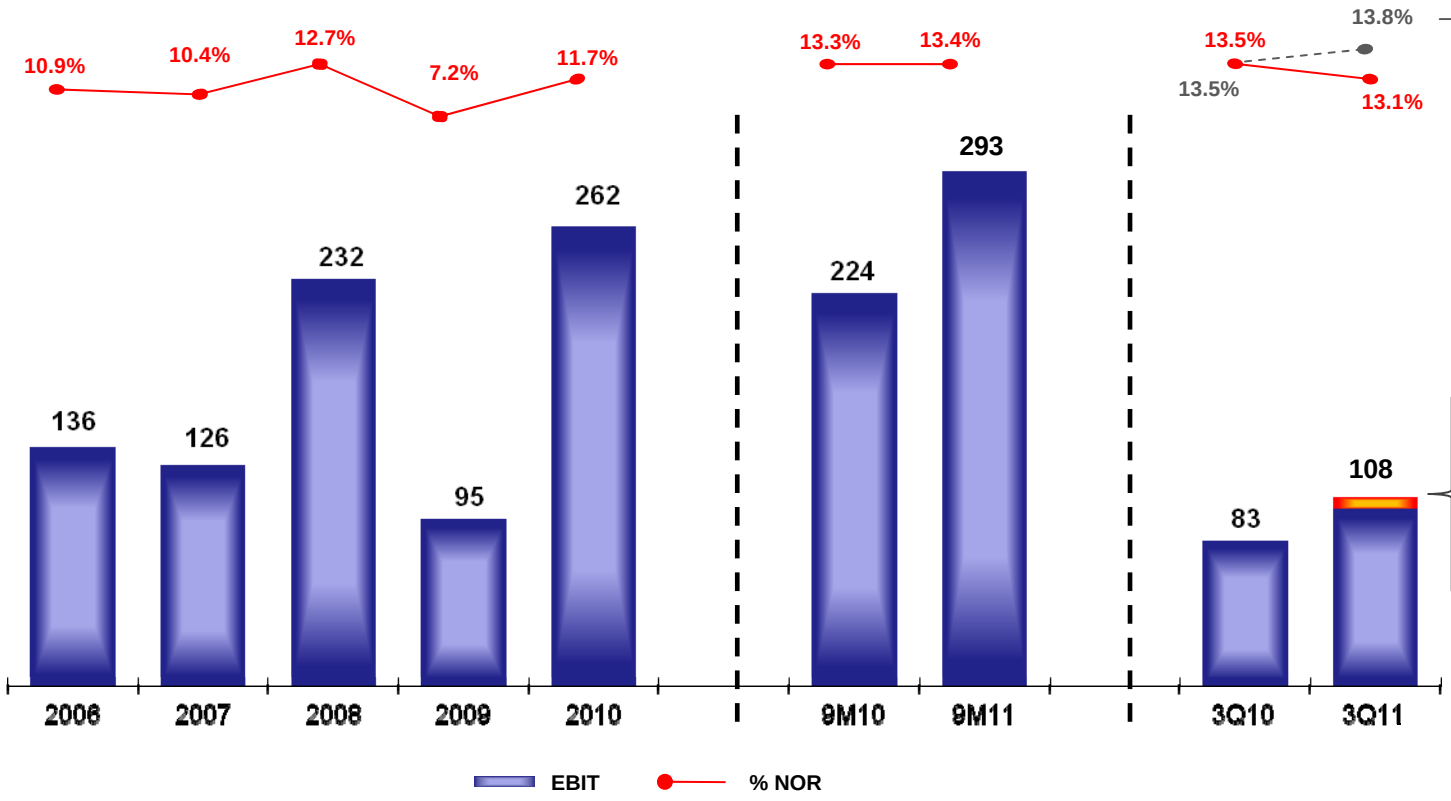








Earnings Before Income and Tax (EBIT) – R$ million



EBIT Margin w/o the effect of the sales of tooling to customers of the Automotive Segment and the FX Rate variation on export and international sales

✓ effect of the sales of tooling to customers of Automotive Segment and the FX Rate variation on export and international sales – R$ 7 million (R$ -0,1 million in the 3Q10)

✓ Δ 9M11 – 10 = 31.1%

✓ Δ 3Q11 – 10 = 30.9%

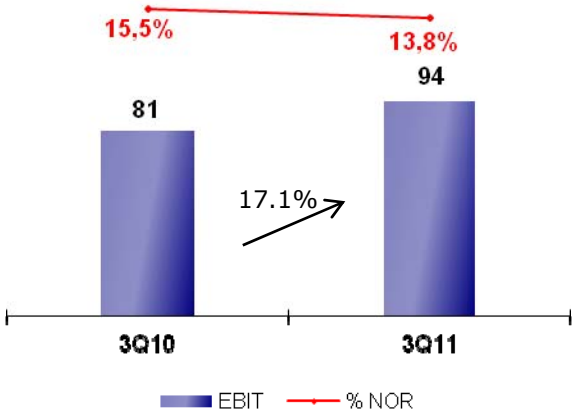
✓ CAGR 2006 – 10 = 17.8%

EBIT in the 3Q11 w/o the effect of the sales of tooling and FX Rate variation – R$ 101 million (R$ 83 million in the 3Q10)

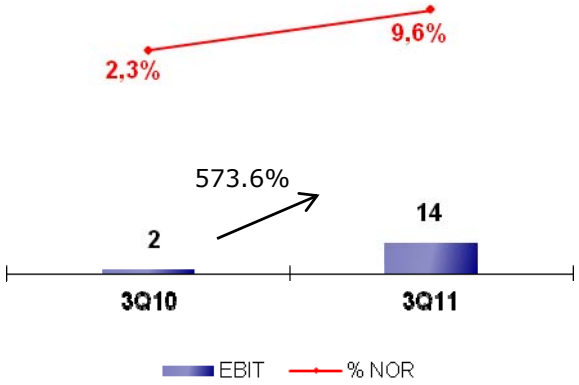
✓ Δ 3Q11 – 10 = 22.7%

Earnings Before Income and Tax (EBIT) by Segment – R$ million

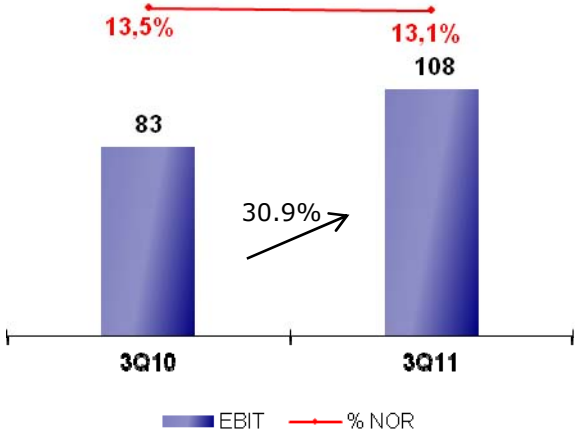
Automotive Segment

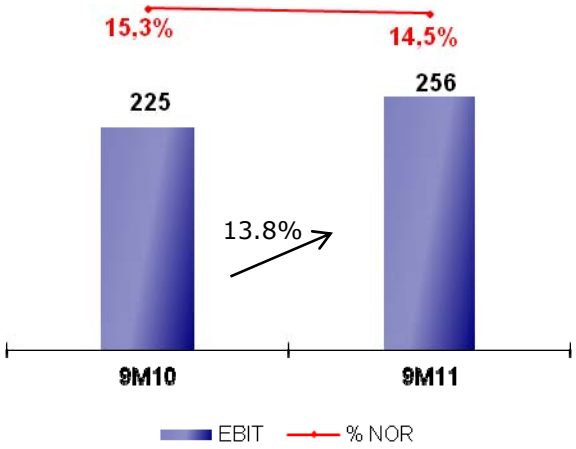


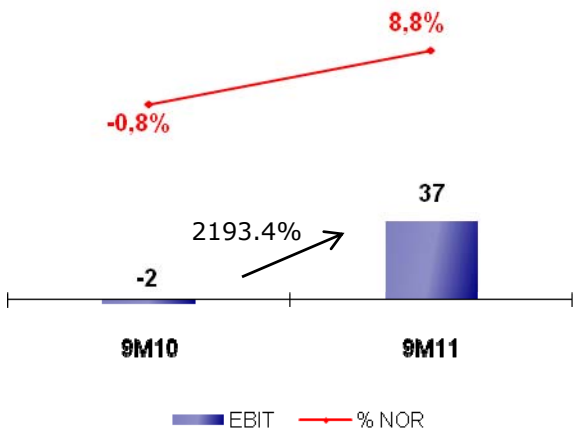
Railway Segment

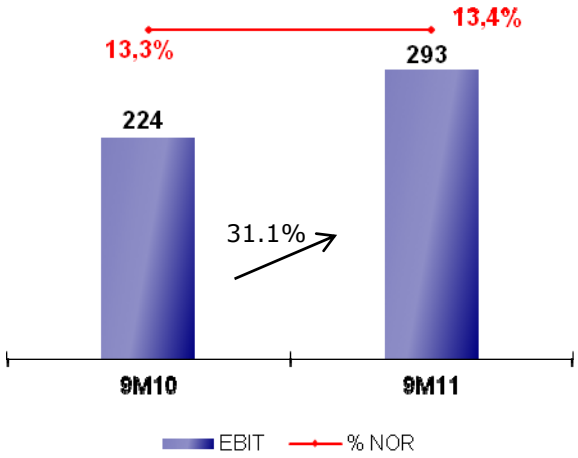


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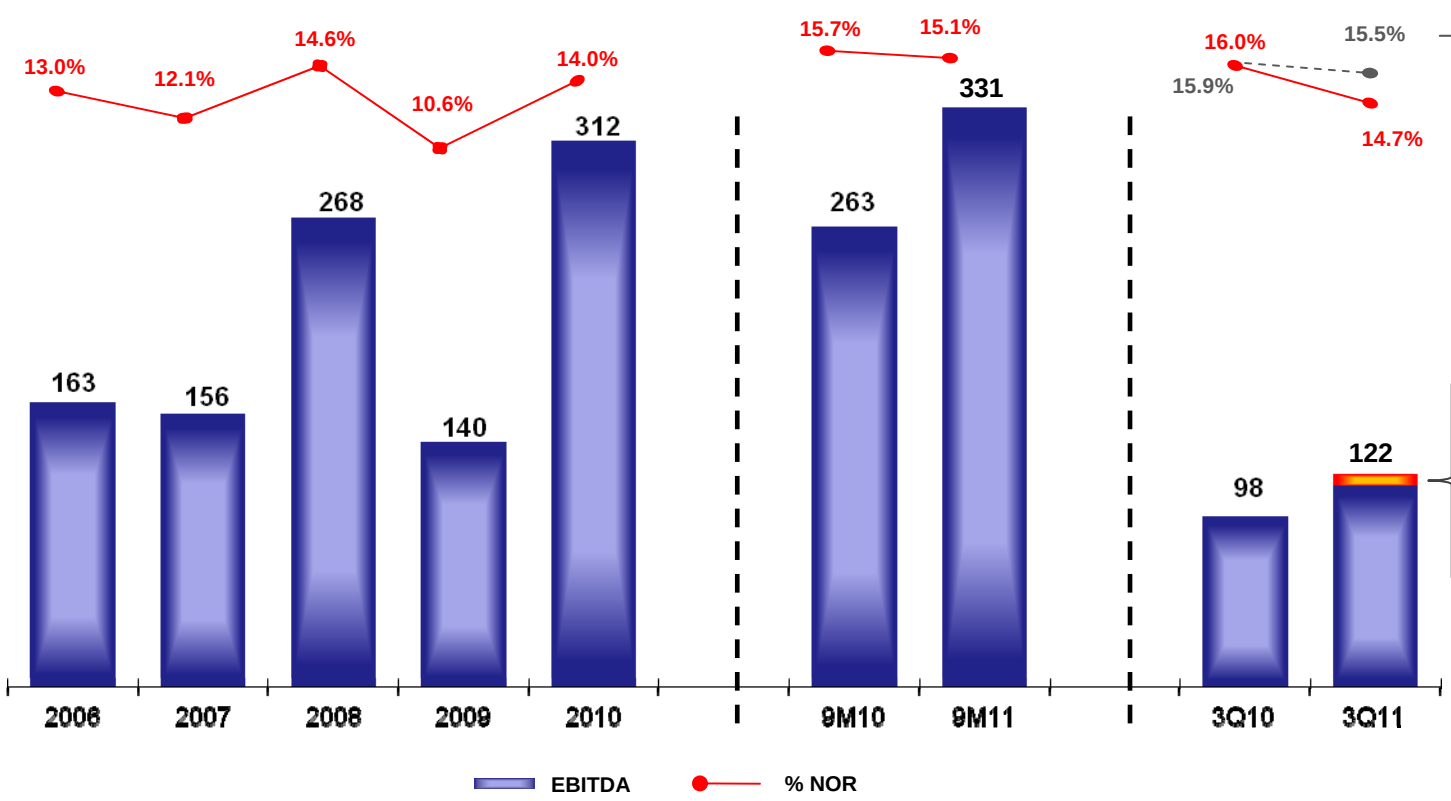








Consolidated EBITDA – R$ million



EBITDA Margin w/o the effect of the sales of tooling to customers of the Automotive Segment and the FX Rate variation on export and international sales

✓ effect of the sales of tooling to customers of Automotive Segment and the FX Rate variation on export and international sales – R$ 7 million (R$ -0,2 million in the 3Q10)

✓ Δ 9M11 – 10 = 26.1%

✓ Δ 3Q11 – 10 = 24.7%

✓ CAGR 2006 – 10 = 17.6%

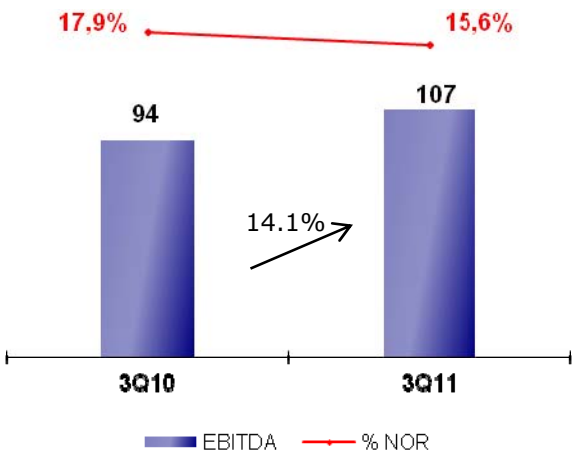
EBITDA in the 3Q11 w/o the effect of the sales of tooling and FX Rate variation – R$ 115 million (R$ 98 million in the 3Q10)

✓ Δ 3Q11 – 10 = 17.1%

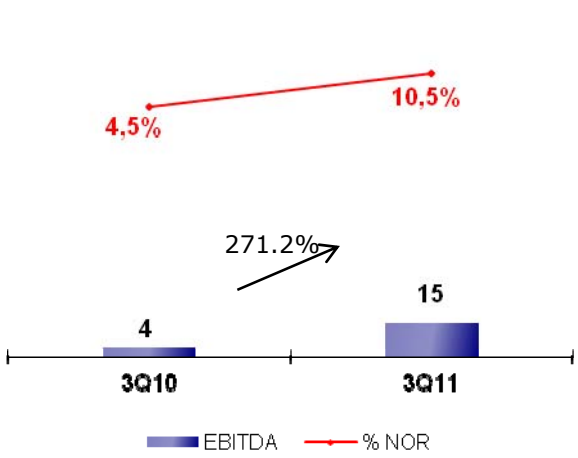
(*) EBITDA, throughout this presentation means: net income plus income tax and social contribution, plus non-operating result, plus net financial expenses, plus depreciation and amortization, plus goodwill amortization.

EBITDA by Segment– R$ million

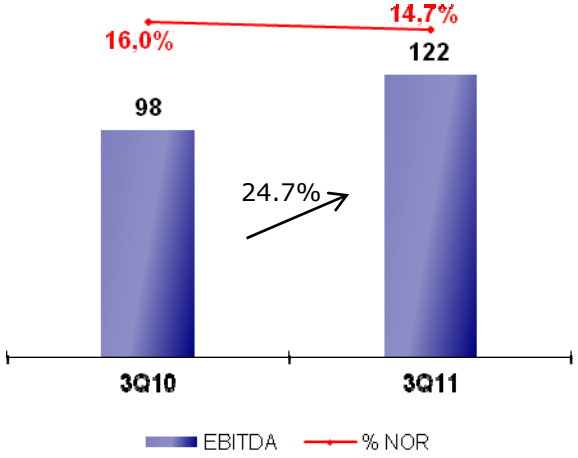
Automotive Segment

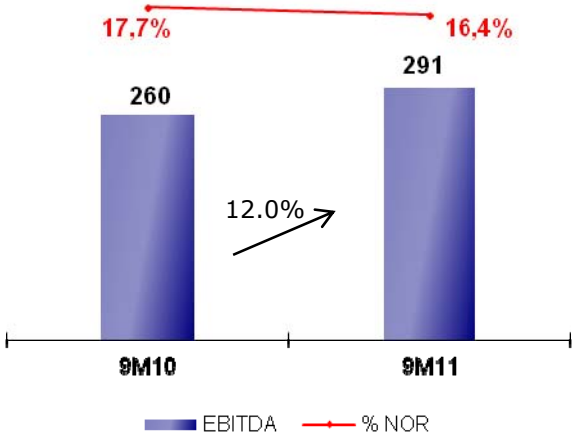


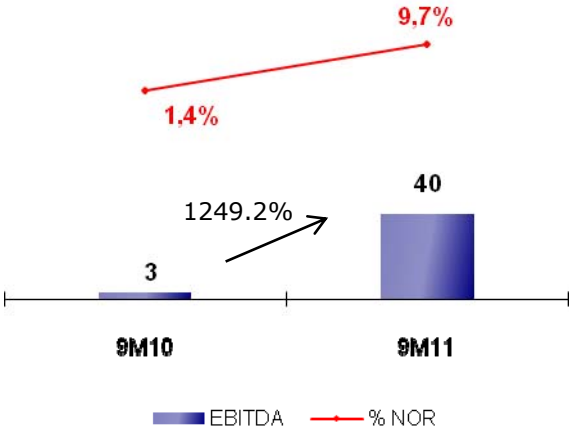
Railway Segment

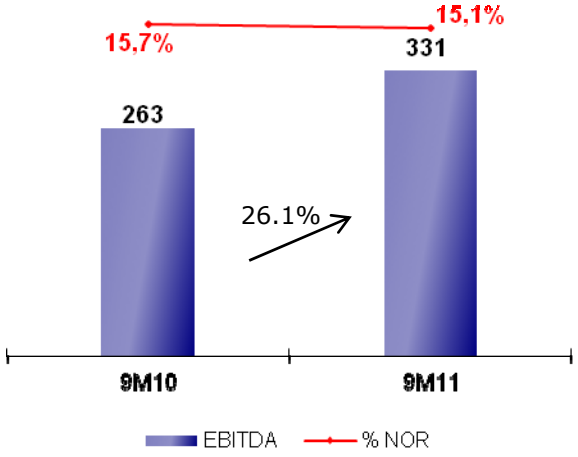


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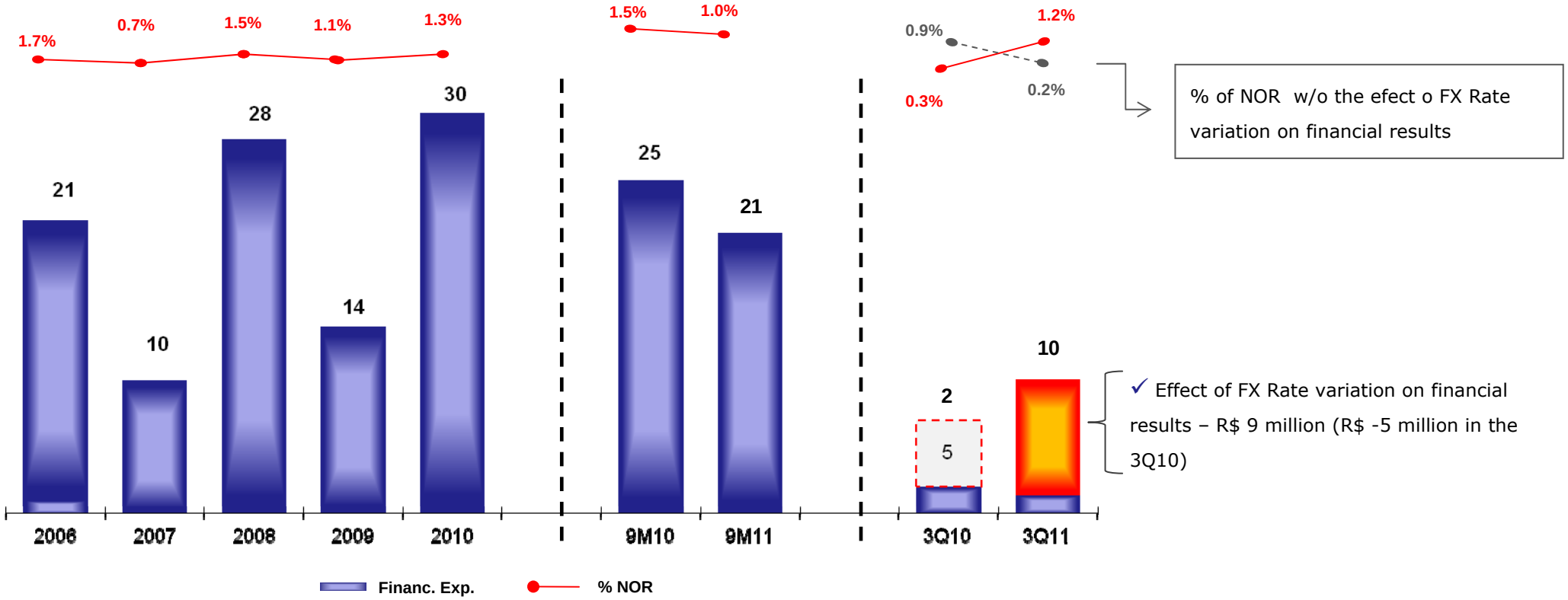








Net Financial Expenses – R$ million



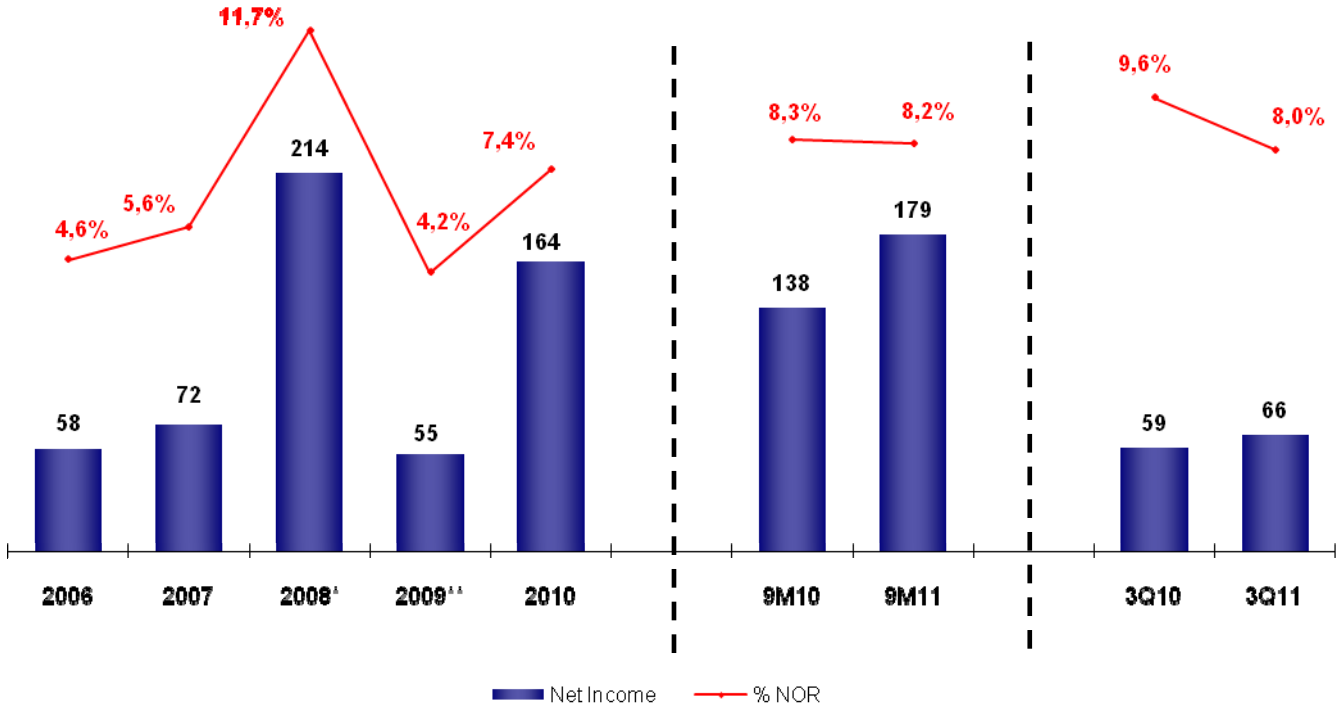
✓ Δ 9M11 – 10 = -15.8%

✓ Δ 3Q11 – 10 = 453.0%

Financial results in the 3Q11 w/o the efect of FX Rate variation – R$ 1 million (R$ 7 million in the 3Q10)

✓ Δ 3Q11 – 10 = -80.8%

Net Income – R$ million

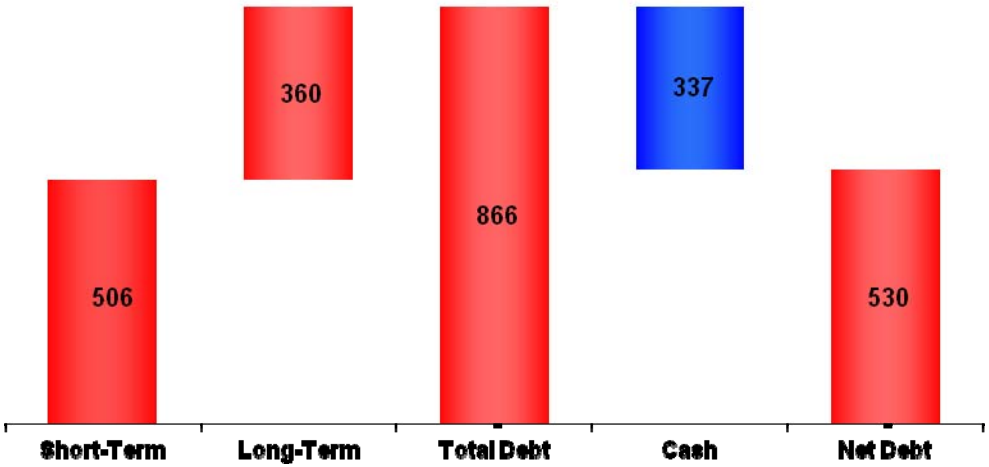


- ✓ Δ 9M11 – 10 = 29.4%
- ✓ Δ 3Q11 – 10 = 12.3%
- ✓ CAGR 2006 – 10 = 29.7%

* Non recurring gain of R$ 76 million, generated by the grouping of Maxion Sistemas Automotivos into Iochpe-Maxion

** Non recurring gain of R$ 24 million: R$ 6.6 million net of deferred income tax, due to the company's filling in the debt installments program of the Public Attorney of the Brazilian Treasury Department and Federal tax Authority ("IPI Tax Credit") and R$ 17.6 million related to deferred tax credit recognition in the controlled subsidiary Amsted-Maxion due its tax loss incurred in 2009

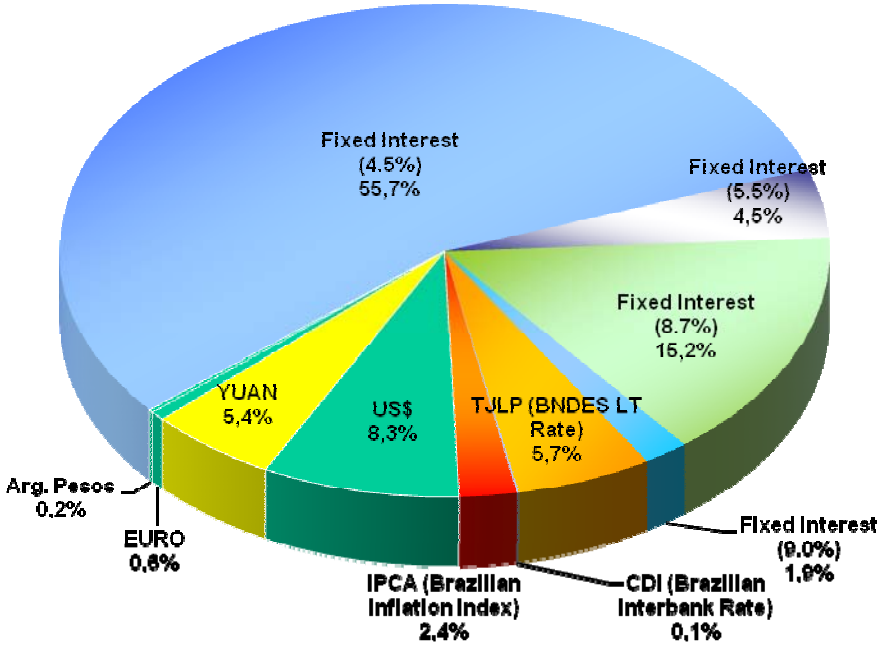
Indebtedness (Sep/11)– R$ million



Average Cost

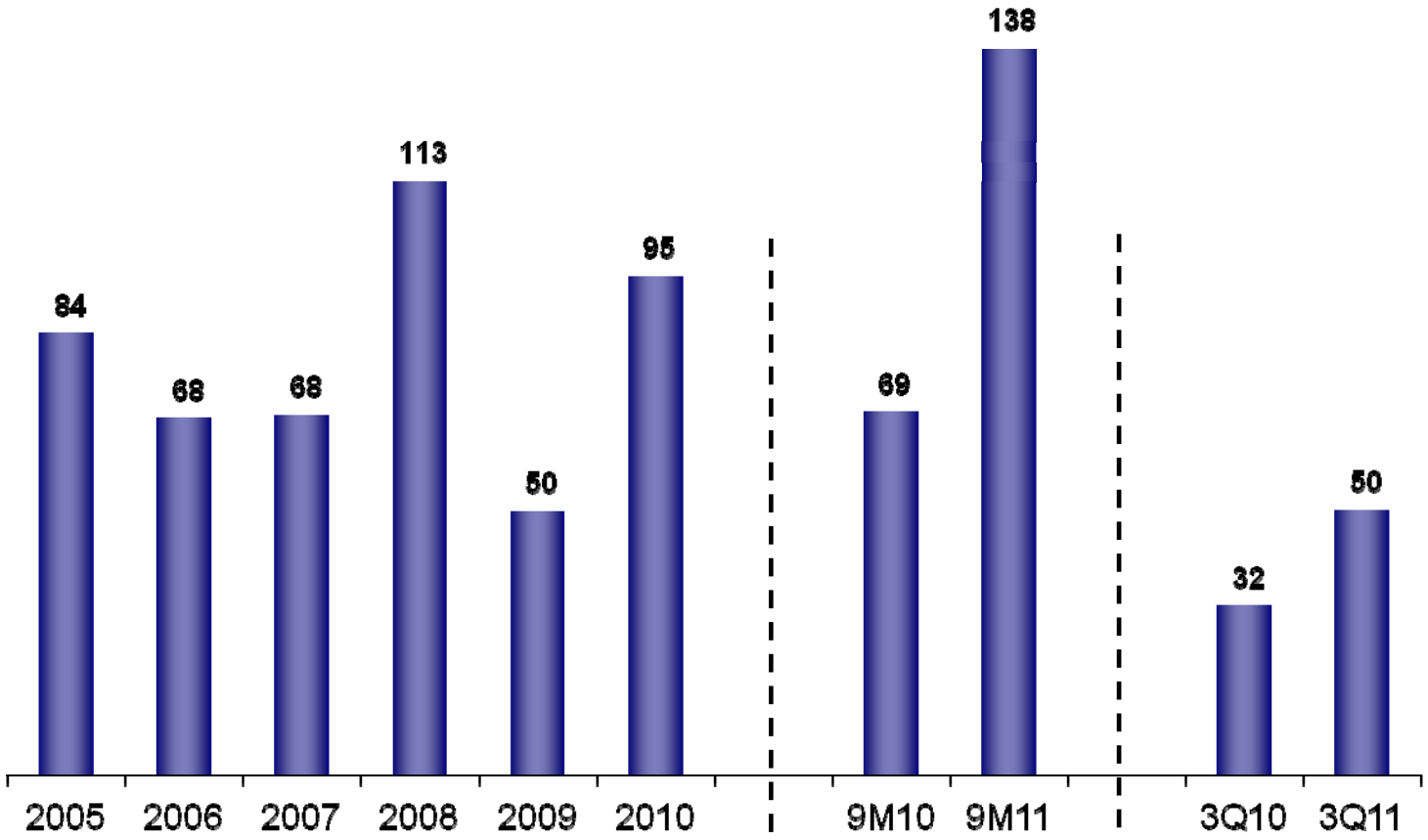
- ✓ Index in R$ - 50.3% of CDI (Brazilian Interbank Rate)
- ✓ Index in US$ - US$ + 5.1% per year

Debt Indexation



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CAPEX – R$ million



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ADDITIONAL INFORMATION



IOCHPE-MAXION

Income Statement- R$ thousand

I.S - R$ thousand	3Q10	3Q11	Var.	9M10	9M11	Var.
Net Operating Revenue	611,380	827,008	35.3%	1,677,533	2,187,930	30.4%
Cost of Goods Sold						
Raw Material	(315,557)	(445,063)	41.0%	(849,399)	(1,129,638)	33.0%
Labor	(112,366)	(143,454)	27.7%	(317,936)	(403,899)	27.0%
Others	(59,079)	(77,828)	31.7%	(174,346)	(214,671)	23.1%
	(487,002)	(666,345)	36.8%	(1,341,681)	(1,748,208)	30.3%
Gross Profit	**124,378**	**160,663**	29.2%	**335,852**	**439,722**	30.9%
	20.3%	19.4%		20.0%	20.1%	
Operating Expenses						
General and Administrative	(24,719)	(26,829)	8.5%	(63,622)	(74,998)	17.9%
Commercial	(16,912)	(24,393)	44.2%	(49,754)	(69,703)	40.1%
Others	(70)	(1,253)	1687.8%	1,028	(2,081)	-302.4%
	(41,701)	(52,475)	25.8%	(112,348)	(146,782)	30.6%
Operating Income (EBIT)	**82,677**	**108,188**	30.9%	**223,504**	**292,940**	31.1%
	13.5%	13.1%		13.3%	13.4%	
Financial Results						
Financial Revenue	9,361	13,747	46.9%	16,636	35,692	114.5%
Financial Expenses	(11,181)	(23,808)	112.9%	(41,620)	(56,723)	36.3%
	(1,820)	(10,061)	453.0%	(24,984)	(21,031)	-15.8%
Earnings After Financial Results	**80,857**	**98,127**	21.4%	**198,520**	**271,909**	37.0%
	13.2%	11.9%		11.8%	12.4%	
Income Taxes	(22,260)	(32,296)	45.1%	(60,038)	(92,711)	54.4%
Net Income	**58,597**	**65,831**	12.3%	**138,482**	**179,198**	29.4%
	9.6%	8.0%		8.3%	8.2%	
EBITDA	**97,570**	**121,696**	24.7%	**262,567**	**331,221**	26.1%
	16.0%	14.7%		15.7%	15.1%	

(*) 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.

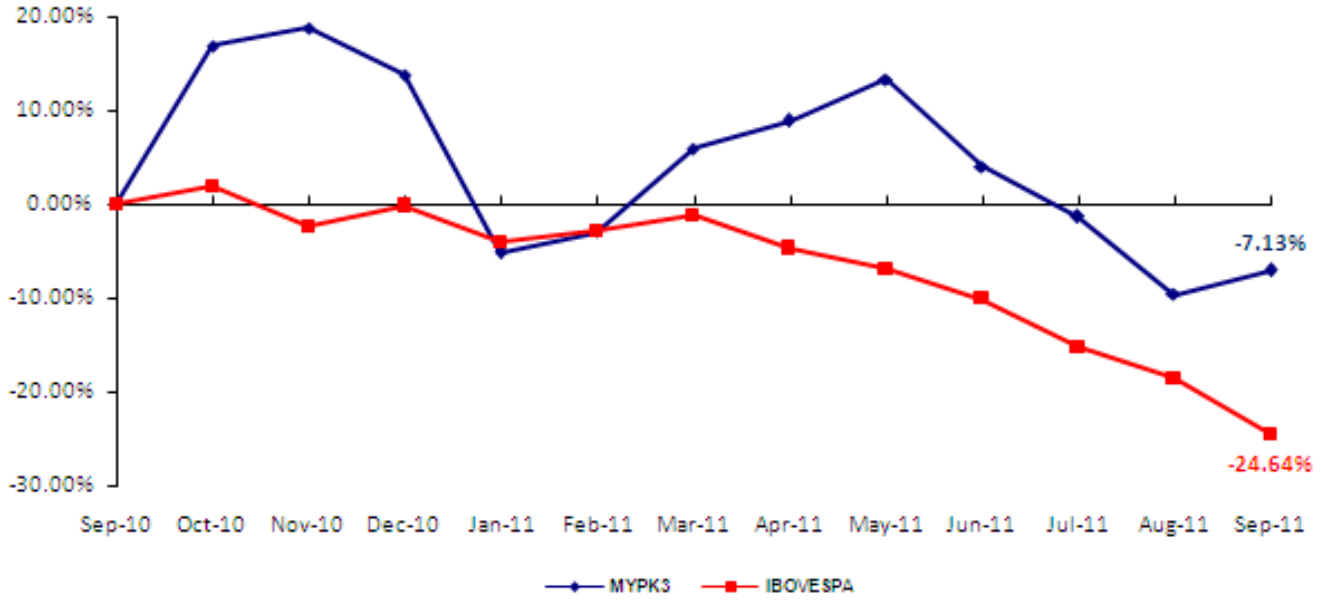
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Balance Sheet - R$ thousand

ASSETS			LIABILITIES		
	Sep-10	Sep-11		Sep-10	Sep-11
CURRENT			CURRENT		
Cash and Cash Equivalents	254,134	242,092	Loans	98,866	506,264
Marketable Securities	-	94,461	Payables	155,861	197,533
Receivables	315,501	429,753	Taxes	17,657	32,578
Inventory	278,149	375,365	Installment Taxes	350	41
Recoverable Taxes	16,103	35,597	Wage & Salaries	82,120	107,253
Antecipated Expenses	1,594	5,302	Customers Advance	39,463	52,233
Other Receivables	17,509	24,591	Dividends	-	-
	882,990	**1,207,161**	Other Payables	27,259	54,794
			Payable Financial Instruments	1,124	947
				422,700	**951,643**
LONG TERM			LONG TERM		
Receivable	331	-	Loans	609,298	360,018
Recoverable Taxes	45,678	47,462	Provisions	28,110	30,364
Deferred Taxes	92,038	74,767	Deferred Taxes	120,560	143,003
Obligatory deposits and judicial	22,366	29,787	Others	9,517	18,780
Other Receivables	5,865	5,789		**767,485**	**552,165**
	166,278	**157,805**			
			EQUITY		
Investments	233	104	Capital	360,000	500,000
Plants, Property and Equipment	928,038	1,072,447	Profit Reserves	120,155	88,631
Intangible	26,356	26,911	Equity Adjustment	186,353	183,930
Deferred Items	-	-	Retained Earnings	147,202	188,059
	954,627	**1,099,462**		**813,710**	**960,620**
TOTAL ASSETS	**2,003,895**	**2,464,428**	**TOTAL LIABILITIES**	**2,003,895**	**2,464,428**

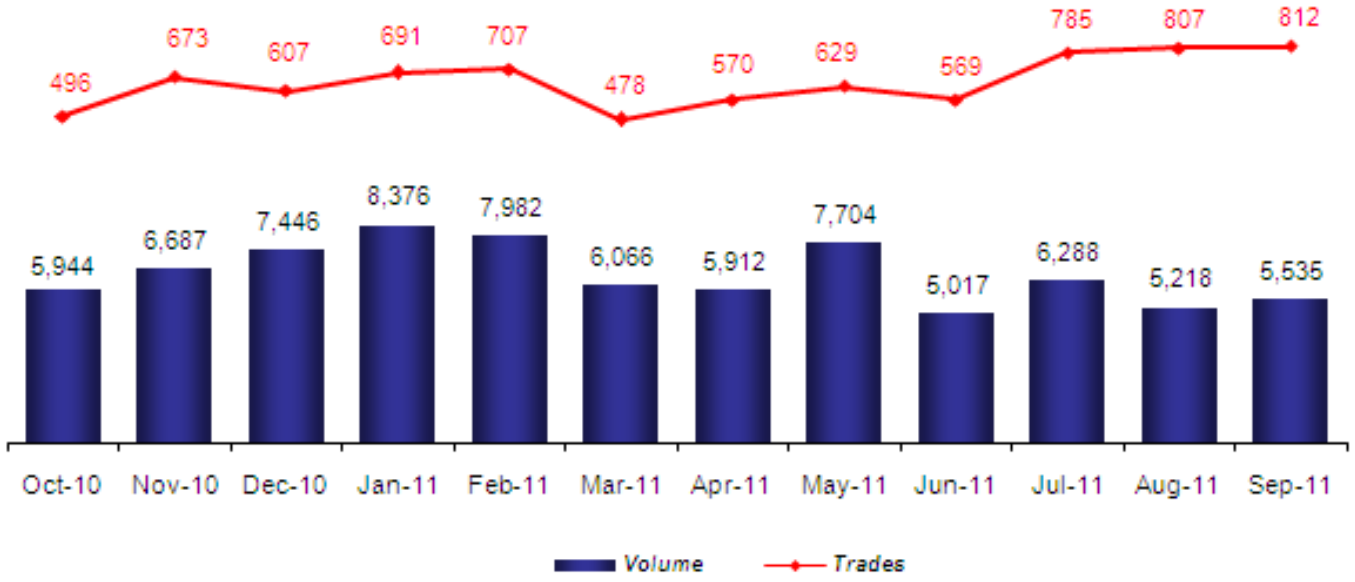
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Shares Performance– MYPK3



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Average Daily Trade– R$ thousand



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3Q11 EARNINGS RELEASE

MAXION
Rodas e Chassis
uma divisão da IOCHPE-MAXION

MAXION
COMPONENTES AUTOMOTIVOS
UMA DIVISÃO DA IOCHPE-MAXION



AmstedMaxion

FUMAGALLI
AUTOMOTIVE WHEELS
A division of IOCHPE-MAXION

November, 2011