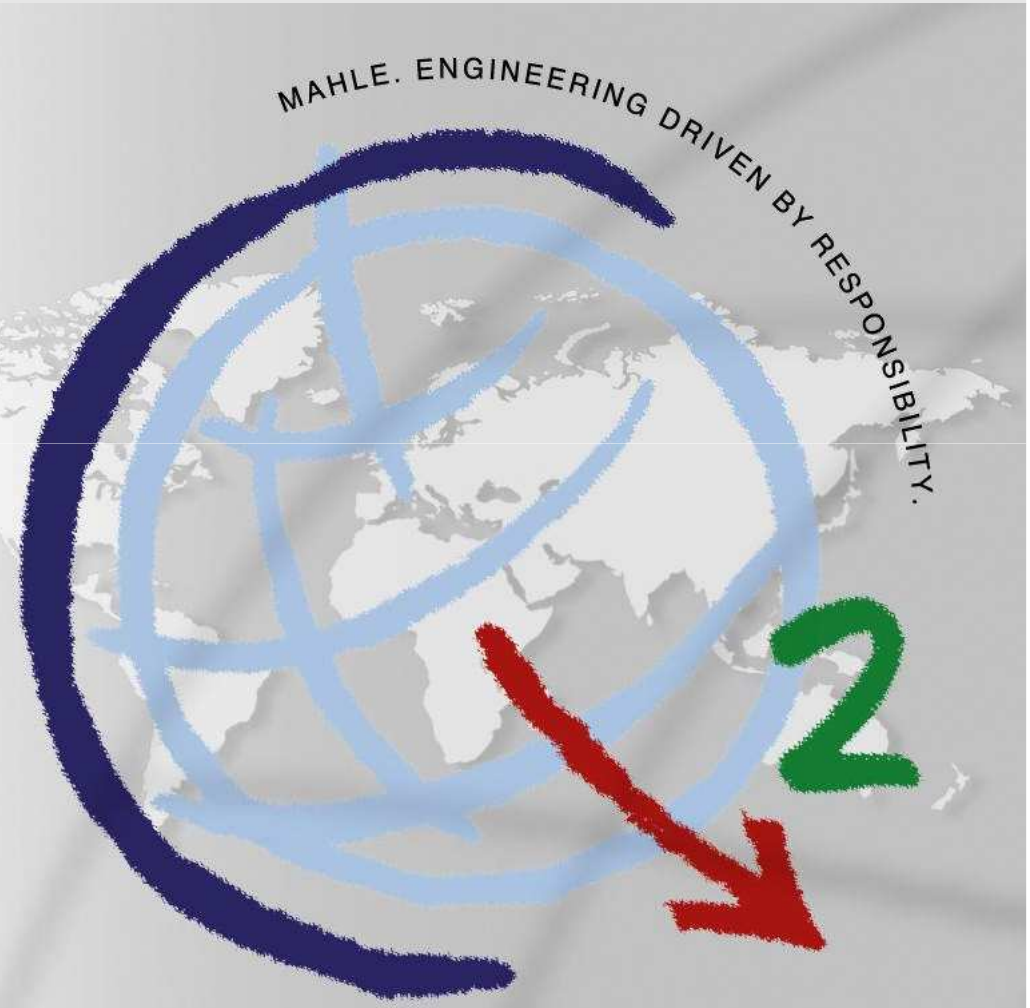
Driven by performance



Conference Call

Performance for the first quarter of 2012

MAHLE Metal Leve S.A.

5/10/ 2012 – 12h00 (in English)

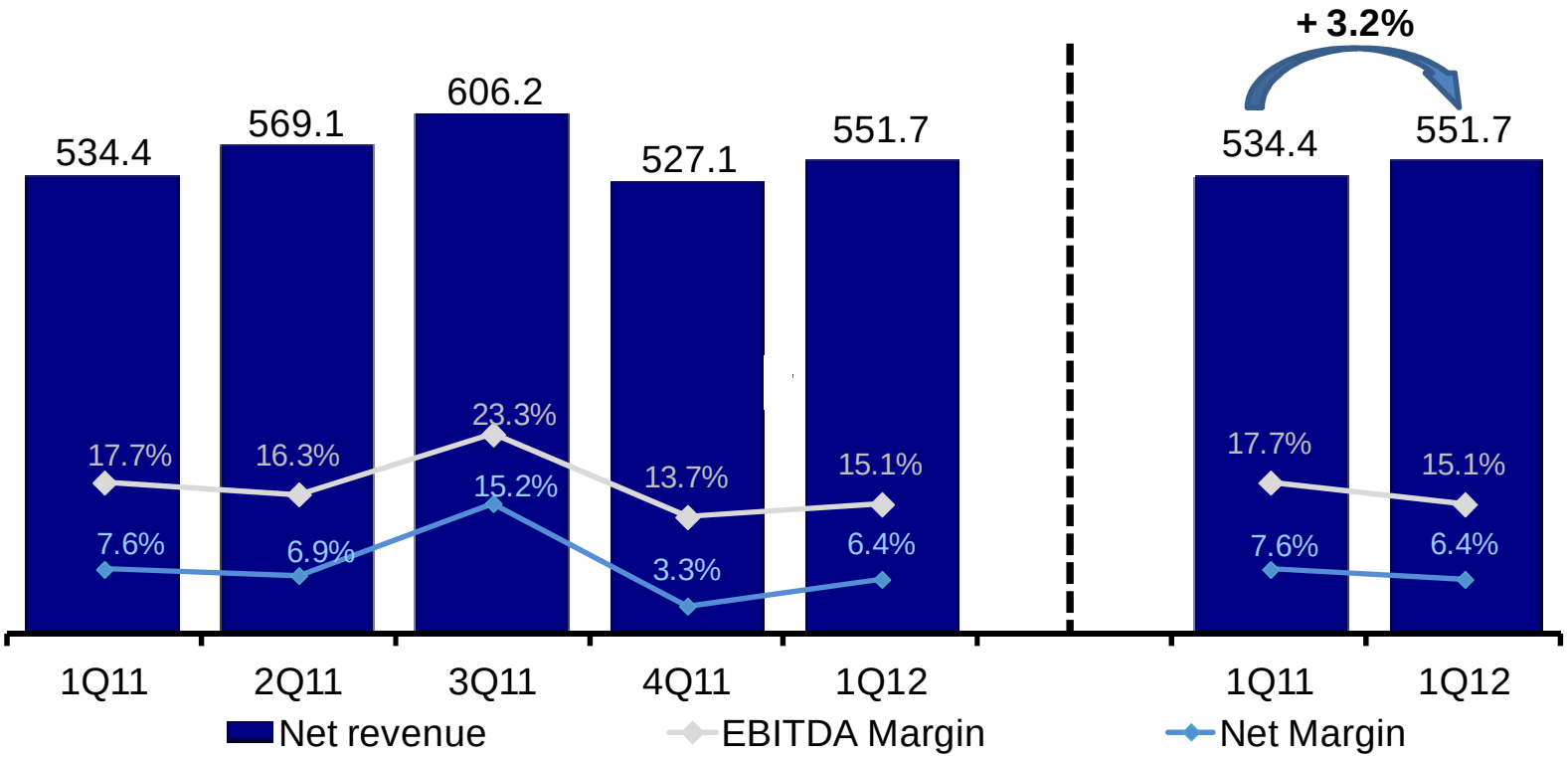
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MAHLE Metal Leve S.A. - Consolidated

Highlights (Performance for the 1Q12)

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- **Net Sales Revenue: R$ 551.7 million** (up 3.2% compared to 1Q11)
- **EBITDA**: **83.5 million**, representing an **EBITDA margin** of **15.1**%
  - Reduction in the EBITDA margin mainly due to operating income and expenses
- **Net Income: 35.4 million**, representing a **net margin** of **6.4%**



At present macroeconomic scenario

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- **GDP** (Brazil)
  - In 2011: growth of 2.7% compared to FY 2010 (R$ 4.143 trillion)
  - In 2012: expected growth of 3.22% (Focus report of the Brazilian Central Bank)
- **Basic interest rate** (SELIC / Brazil)**:** Down at 9.00% per year, w/o bias (in April)
- **Inflation** (12 months / IPCA / Brazil)**:** 5.24%; and Target for 2012: 4.50% ± 2 p.p.
- **Exchange rate** (regarding the Brazilian currency)**:** period of volatility with a trend of devaluation of Brazilian currency, in favor of exports

Exchange rate variations for the USD (US$) and EUR (€)							
Currency	Year	Average exchange rate in the quarter				Exchange rate on	
		4Q	3Q	2Q	1Q	March 30th, 2012	May 8th, 2012
R$/US$	2012				**1.77**	**1.82**	**1.94**
	2011	1.88	1.63	1.60	1.67		
R$/€	2012				**2.32**	**2.43**	**2.52**
	2011	2.42	2.31	2.30	2.28		

Source: Bacen.

- **Global economy:** Eurozone presents risks, which are offset by a positive outlook in the NAFTA region

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Evolution of the Brazilian automotive industry

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Brazilian automotive industry			In units
Total vehicle sales (locally-manufactured and imported)	**1Q12**	**1Q11**	**Var.**
Automobiles (1)	602,293	607,155	-0.8%
Light commercials (2)	169,990	170,516	-0.3%
Light vehicles (1+2)	772,283	777,671	-0.7%
Trucks (3)	37,632	39,501	-4.7%
Buses (4)	8,449	7,989	5.8%
Medium and heavy-duty vehicles (3+4)	46,081	47,490	-3.0%
Total vehicle sales (1+2+3+4)	**818,364**	**825,161**	**-0.8%**
Exports	111,761	119,799	-6.7%
Imports	200,002	181,887	10.0%
Automotive trade balance	**(88,241)**	**(62,088)**	**42.1%**
Vehicle stock variation in the quarter **(*)**	(7,983)	(65,548)	-87.8%
Total vehicle production (5+6)	**738,106**	**828,621**	**-10.9%**
Light vehicle production (5)	700,457	771,975	-9.3%
Trucks and buses production (6)	37,649	56,646	-33.5%
Agricultural machinery production	21,580	19,704	9.5%

(*) Vehicle stock $_{\text{beginning}}$ **(-) vehicle stock** $_{\text{end}}$ = sales (-) production (+) exports (-) imports.

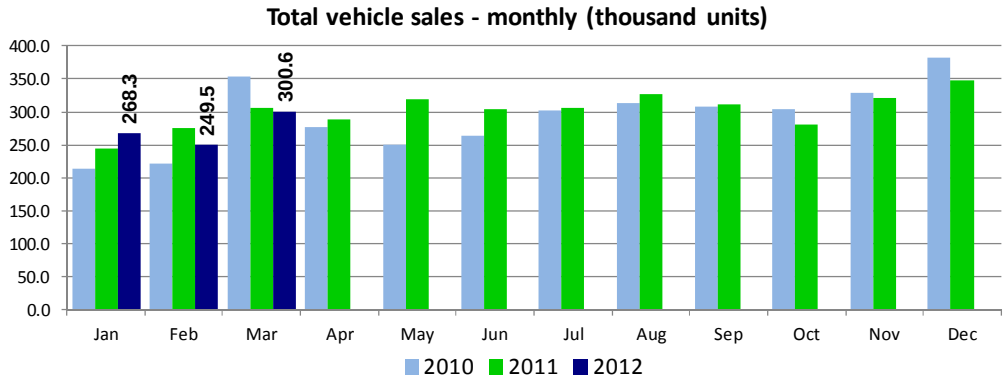
Source: Anfavea.

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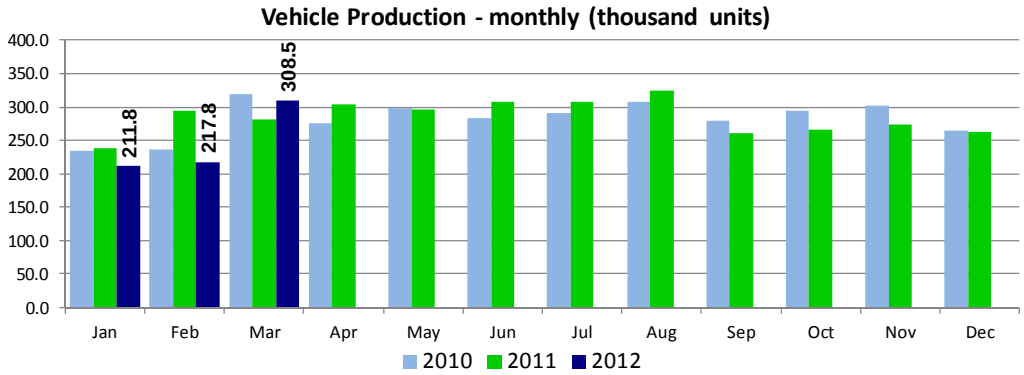
Evolution of the Brazilian automotive industry

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Driven by performance



Source: Anfavea



Source: Anfavea

- **Vehicles sales** (locally-manufactured and imported)**:**

  Light sales reduction

  - **January:** record sales
  - **February:** underperformed (carnival)
  - **March:** sales recovery, with the same level of performance compared to prior year

- **Brazilian automotive trade balance:**

  - Still in unfavorable situation. It tends to improve with the governmental measures.

- **Vehicle production:**

  A decline in vehicle production

  - **January:** lower pace (stocks, lower production, lower exports, collective vacations, Euro 5 with impacts in heavy-duty vehicles segment)
  - **February:** lower pace (carnival)
  - **March:** growth, compared to the same month of the prior year

- **Vehicle stock:** 30 days (Dec) → 35 days (Mar)

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Evolution of the Argentinean automotive industry

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Argentinean automotive industry			In units
Total vehicle sales (locally-manufactured and imported)	**1Q12**	**1Q11**	**Var.**
Automobiles (1)	137,363	140,997	-2.6%
Light commercials (2)	50,437	36,066	39.8%
Light vehicles (1+2)	187,800	177,063	6.1%
Trucks and buses (3)	7,055	7,908	-10.8%
Total vehicle sales (1+2+3)	**194,855**	**184,971**	**5.3%**
Exports	84,495	100,529	-15.9%
Imports	122,168	124,952	-2.2%
Automotive trade balance	**(37,673)**	**(24,423)**	**54.3%**
Vehicle stock variation in the quarter **(*)**	(6,655)	1,062	-726.6%
Total vehicle production (5+6)	**163,837**	**159,486**	**2.7%**
Light vehicles production (5)	162,778	158,523	2.7%
Trucks and buses production (6)	1,059	963	10.0%

(*) Vehicle stock $_{\text{beginning}}$ **(-) vehicle stock** $_{\text{end}}$ = sales (-) production (+) exports (-) imports.

Source: Adefa.

- A good sales and production performance
- As Argentina imports from Brazil most of the internal combustion engines
  - the Company as an engine components manufacturer also benefits from this growth

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Vehicle production in the MERCOSUL

Driven by performance

- **Production:** a reduction of 8.4%

Vehicle production in MERCOSUR (*)			In units
Vehicle production	**1Q12**	**1Q11**	**Var.**
Light vehicles production	863,235	930,498	-7.2%
Trucks, buses and agricultural machinery production	60,288	77,313	-22.0%
Total vehicle production	**923,523**	**1,007,811**	**-8.4%**

(*) Considering Brazil and Argentina.

Sources: Anfavea and Adefa.

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Excellence and Technological Innovation

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- **New automotive regime** (Plano Brasil Maior)**:**
  - Emphasis to the search of innovation
  - Encourages the research and development
  - Vehicle manufacturers announces investments

- **The demands of local content and investments in R&D:**
  - They will generate opportunities to increase still more the activities of partnership with clients
  - Tech Center is already prepared to work in basic and applied research

- **Generation of new businesses and services:**
  - Special bearings for vehicles that use the strategy of CO_2 reduction, called "stop-start"

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Performance of the Net Sales Revenue

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Driven by performance

Performance of the net sales revenue by segment (R$ million)	1Q12 (a)	% Share by market	1Q11 (b)	% Share by market	% (a/b)
Domestic market					
.Original equipment	199.4	36.1%	214.5	40.1%	-7.0%
.Aftermarket	136.3	24.7%	125.3	23.4%	8.8%
Total	**335.7**	**60.8%**	**339.8**	**63.6%**	**-1.2%**
Export market					
.Original equipment	192.6	34.9%	167.7	31.4%	14.9%
.Aftermarket	23.4	4.2%	27.0	5.0%	-13.3%
Total	**216.0**	**39.2%**	**194.7**	**36.4%**	**11.0%**
Total geral	**551.7**	**100.0%**	**534.4**	**100.0%**	**3.2%**

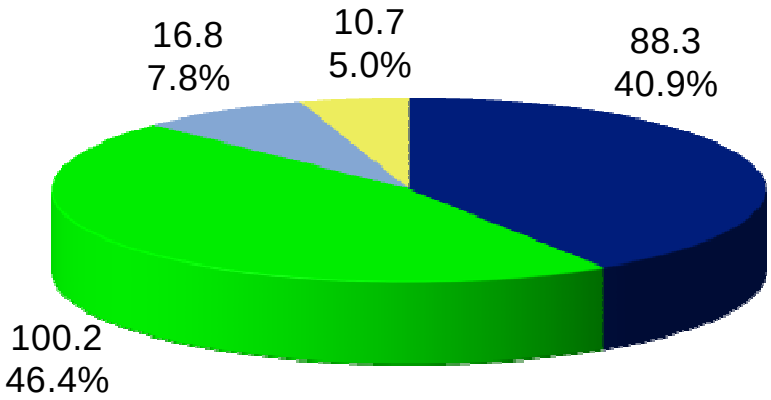
- The lower performance in the domestic market was offset by a better export performance
  - **Domestic market:** *OEM:* level of vehicle stock and lower production of heavy-duty vehicles, although the sales performance was better than the market; *AM:* price increases, changes in the mix of products, growth in volumes sold , rise in existing fleet vehicles, large capital expenditures in infrastructure and construction
  - **Export market:** *OEM:* recovery of the international markets, specially in the USA, and also by the positive foreign exchange effect compared with the same quarter of prior year; *AM:* price increases intended to recover the profitability margin, due to the appreciation of the Brazilian currency in the previous year

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Exports by region and net sales revenue by product

Driven by performance

- **Consolidated exports by region in the 1Q12:**

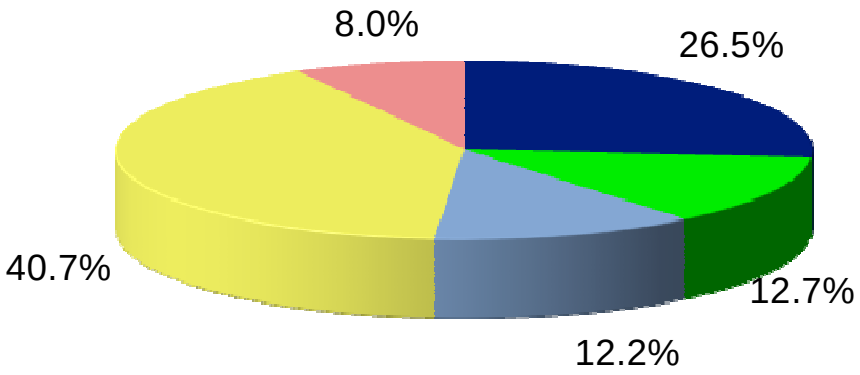


- Europe
- North and Central America
- South America
- Africa, Asia, Oceania and Middle East

1Q12: R$ 216.0 million

2011: R$ 825.7 million

- **Net sales revenue by product in the 1Q12:**



- Pistons and Kits
- Piston Rings
- Bearings
- Other engine components
- Filters

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Summary of Statements of Income

Driven by performance

Summary of Statements of Income (R$ million)	1Q12	1Q11	%
Operational Performance	(a)	(b)	(a/b)
Net sales revenue	**551.7**	**534.4**	**3.2%**
Cost of goods sold	(417.6)	(401.1)	4.1%
Gross income	**134.0**	**133.3**	**0.6%**
Gross margin	24.3%	24.9%	-0.6 p.p.

- **Gross income and gross margin:**
  - In the 1Q12: Relatively steady, with a reduction of 0.6 p.p. in margin
    - Negative impact: low level of production in the heavy-duty vehicle segment in the domestic OEM
    - Positive impact: higher volume of exports with price revisions in certain supply contracts and with more favorable foreign exchange rates

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Summary of Statements of Income

Driven by performance

Summary of Statements of Income (R$ million)	1Q12	1Q11	%
Operational Performance	(a)	(b)	(a/b)
Selling expenses	(35.0)	(33.3)	5.1%
General and administrative expenses	(21.9)	(21.1)	3.8%
Tech and product development expenses	(15.3)	(16.3)	-5.6%
Other operating income (expenses)	(6.8)	0.6	-1168.7%
SG&A expenses to Net sales revenue	10.3%	10.2%	0.1 p.p.

- **SG&A expenses to Net sales revenue:**
  - Higher export volume
  - Increase in transportation freight expenses, offset by reductions in costs of special transportation freight and other improvements
  - Light rise in personnel and benefits expenses
- **Tech and Product Development Expenses:**
  - Expiration of the piston production technology agreement in February
  - However, the Company intends to keep employing 3% of its net sales revenue
- **Other operating income (expenses), net:**

  (impact regarding 1Q12 vs. 1Q11)
  - Labor contingencies: (R$ 5.8 million)
  - Prov. For warranty of products: (R$ 3.9 million)
  - Reintegra Program: R$ 4.8 million

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Summary of Statements of Income

Driven by performance

Summary of Statements of Income (R$ million)	1Q12	1Q11	%
Operational Performance	(a)	(b)	(a/b)
EBITDA	**83.5**	**94.5**	**-11.6%**
EBITDA margin	15.1%	17.7%	-2.6 p.p.

- **Operating income measured by EBITDA**
  - The EBITDA margin was impaired due to:
    - Lower operating income, in consequence of
      - the same level of Technology and product development expenses and selling expenses, and mainly
      - increase in other operating income and expenses, net (labor contingencies and provisions for warranty of products) which had an impact of 2.1% in the margin. Excluding this impact, the EBITDA margin would have decreased only 0.6%

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Financial Management

Driven by performance

Net financial result (R$ million)	1Q12	1Q11	Var.
Interests, net	(2.2)	(1.3)	(0.9)
Adjustment for inflation, net	(3.9)	(4.2)	0.3
Exchange rate variation, net	4.9	3.7	1.2
Other	(0.4)	(0.5)	0.1
Financial income (expenses), net	**(1.5)**	**(2.3)**	**0.8**

- **Net Financial Result:** R$ 1.5 milion (negative)
  - It remained basically at the same level in this quarter compared with the same quarter of 2011
  - In this quarter there was a greater positive impact due to the effects of the exchange rate variation on assets because of the depreciation of the Brazilian real against foreign currencies

- **The variation of the Net Financial Result:** R$ 0.8 million more favorable

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Financial Management

Driven by performance

Net indebtedness		R$ million
Liabilities	**1Q12**	**2011**
Financings:	622.5	692.5
.short term	521.9	488.8
.long term	100.6	203.6
Assets:		
Cash / banks / cash investments	(278.1)	(342.2)
Net indebtedness	**344.4**	**350.3**

- **Indebtedness:**
  - Decrease of R$ 5.9 million compared to December 31, 2011
  - Reduction in cash and cash equivalents: R$ 64.1 million, is basically due to the repayment of financing contracts, which decreased R$ 70.0 million in the quarter

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Net Income

Driven by performance

- **Net income** in the 1Q12**: R$ 35.5 million**
  - It represents a **net margin** of **6.4%** (7.6% in the 1Q11)
  - R$ 5.2 million lower than that obtained in the first quarter of 2011
  - The increase in operating revenues and expenses, net, impacted the result in the 1Q12

- **The basis for calculating distribution of dividends or interest on equity accumulated in the 1Q12:**
  - Approximately R$ 38 million
    - (=) Net income (R$ 35.5 million)
    - (+) Deemed cost depreciation (R$ 4.4 million)
    - (-) Statutory Reserve – 5% (R$ 1.8 million)

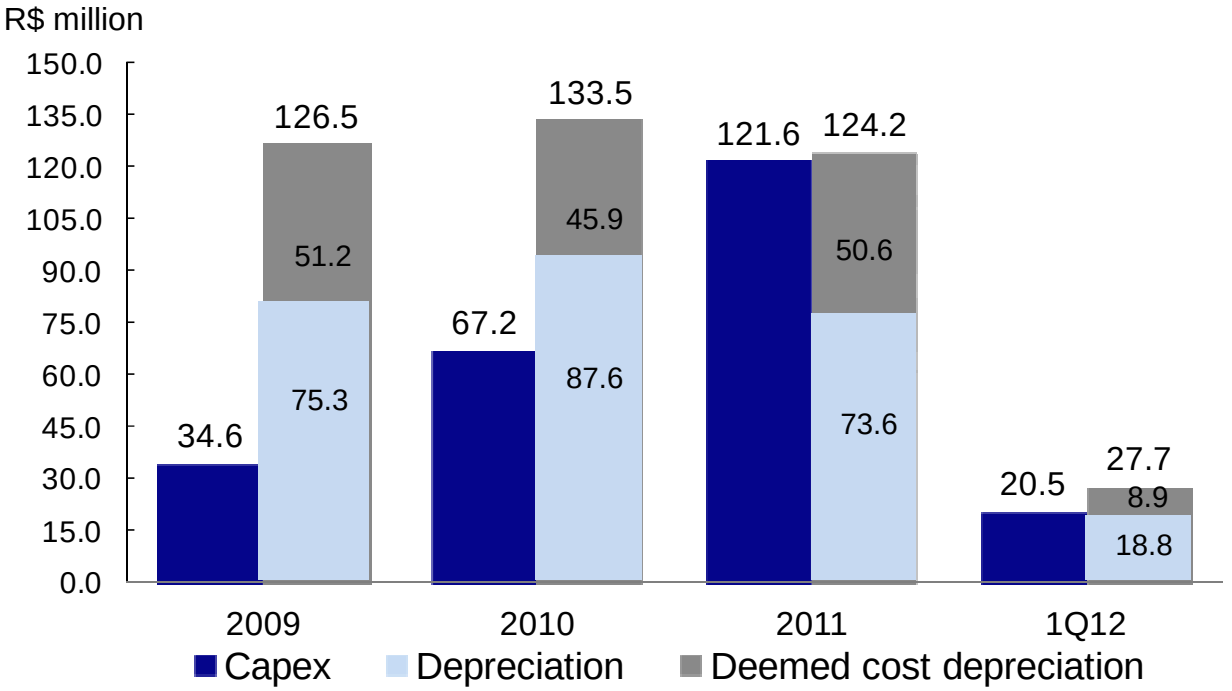
  - Out of the basis for calculating above, R$ 16.7 million was already paid on April 20th, 2012, under the form of interest on equity

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Capex e Depreciation

Driven by performance

- **Expected in 2012:** R$ 123.5 million for the Company
- **Consolidated realized Capex in the 1Q12:** R$ 20.5 million (R$ 13,2 million in the 1Q11)
- **Total Depreciation in the 1Q12:** normal depreciation and deemed cost depreciation of property, plant and equipment, that is, fixed assets (IFRS-related accounting adjustment)**:** R$ 27.7 million

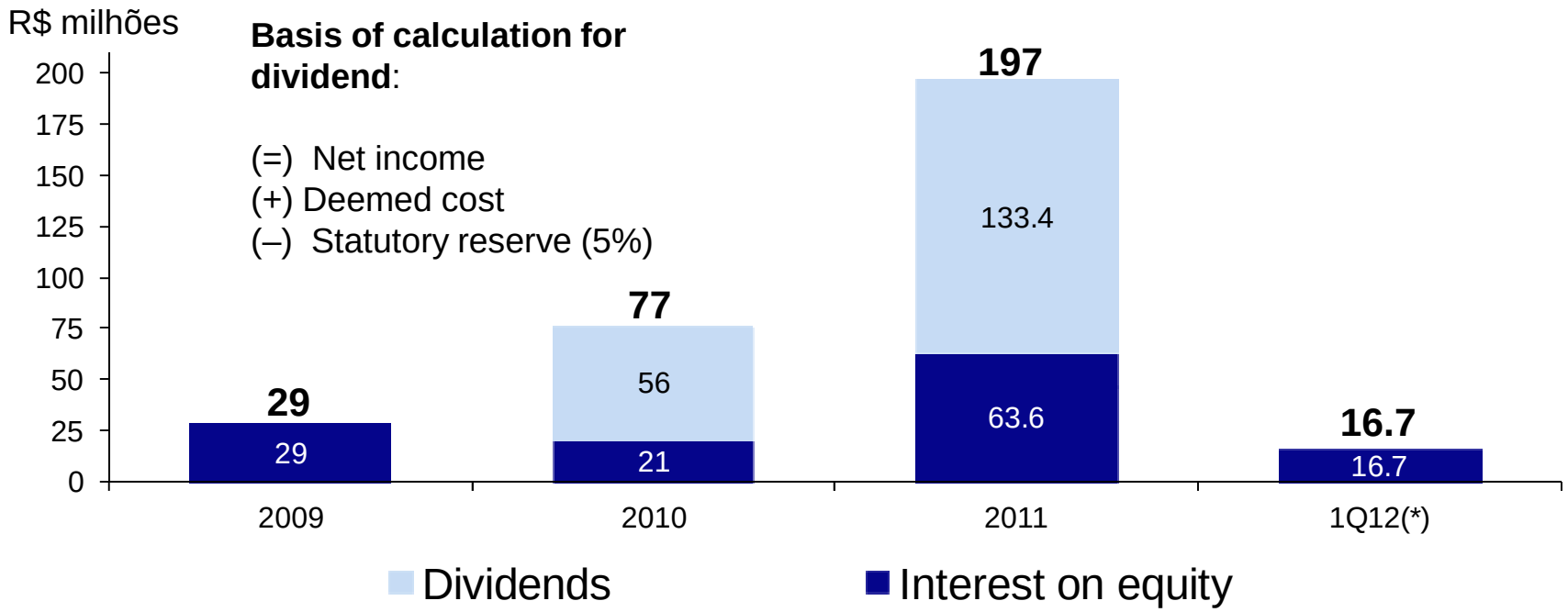


Capex	2009	2010	2011	1Q12
% Net sales	2.3%	3.7%	5.4%	3.7%
% Depreciation	27.4%	50.3%	97.9%	74.0%

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Dividends and Interest on Equity (net of income tax)

Driven by performance



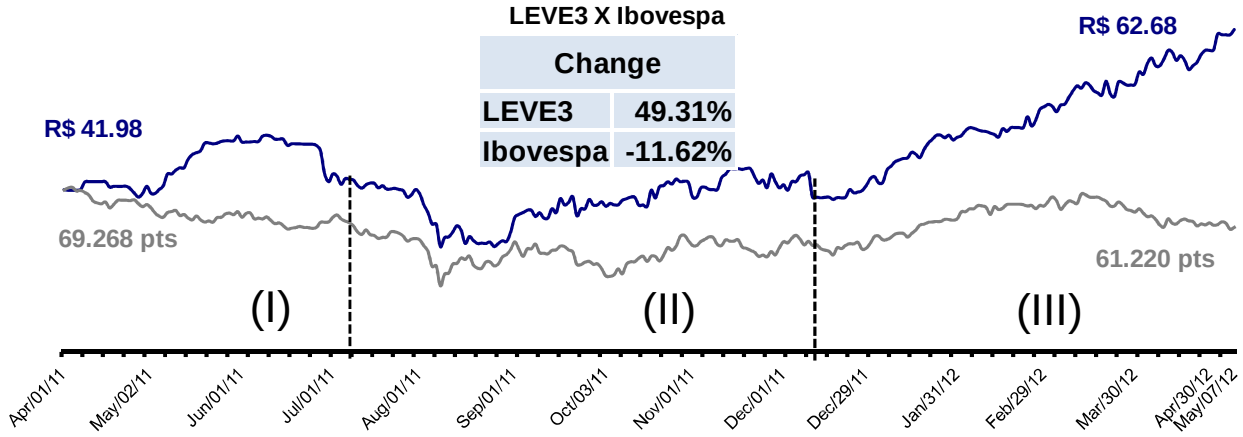
	2008	2009	2010	2011	1Q12
Payout	46.8%	56.0%	72.6%	95.7%	37.2%
Dividend yield	3.6%	6.0%	9.0%	10.2%	0.7%

* Interest on equity regarding to the period of January to March of FY 2012

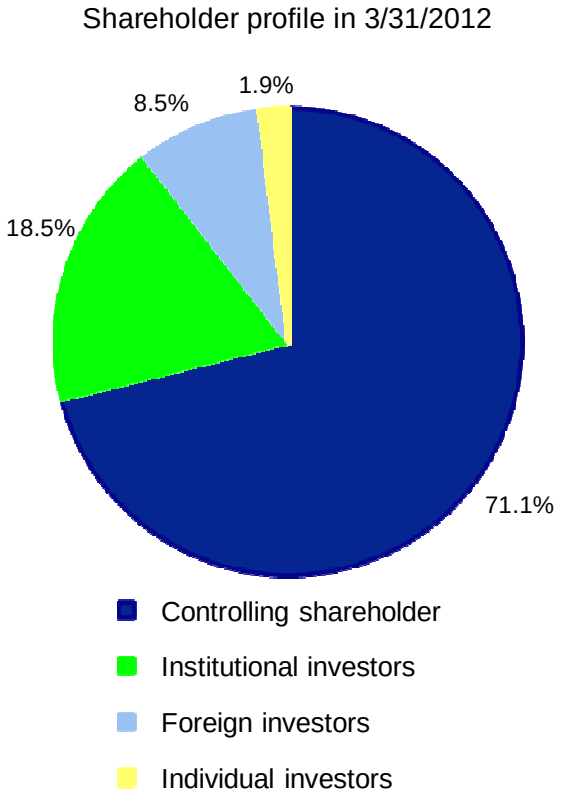
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Stock performance / Shareholder's profile / Reverse Stock Split simultaneously a Stock Split

Driven by performance



Average Daily Trading Volume (ADTV) and ADTV turnover to Free-Float Mkt Cap		
Period	Trading Volume (R$ million)	Turnover (%)
(I)	0.5	0.22%
(II)	1.4	0.30%
(III)	4.6	0.75%



Notes:

a) (I) Before NM (II) After NM up to hiring Market Maker (12/08/2011) (III) After Market Maker

b) On May 15, 2012 the corporate actions regarding Reverse Stock Split (100 to 1), simultaneously to the Stock Split (1 for 300) will be put into effect. From this date, investors will have their quantity of shares multiplied by 3 and, consequently, the market price per share will be divided by 3.

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Outlook

Driven by performance

- **MACROECONOMIC SCENARIO**
  - Brazilian econony: moderation in growth, with estimated GDP growth for 2012: 3.22% (Focus report)
  - Target for the Basic Interest rate (SELIC / Brazil / 2012): 8.50% a.a (Focus report)
  - Exchange rate for the U.S. dollar (2012) R$/US$ 1.81 (Focus report) , with a trend of devaluation of Brazilian currency, in favor of exports
  - Large ongoing infrastructure and construction projects, PAC, among others: positive prospects
  - Global economy: positive perspectives (USA) and period of great uncertainty (risks for the Eurozone)
- **AUTOMOTIVE INDUSTRY**
  - Anfavea estimates (2012):
    - **Sales to the domestic market:** up 4 to 5% compared to previous year (although, the market expects a reduction in the heavy-duty vehicle segment) and **vehicle production:** up 2% compared to previous year
  - New automotive regime (Plano Brasil Maior – second release): positive prospects
- **COMPANY**
  - The industry will recover over the year and the Brazilian automotive market should reach Anfavea's estimates, specially with the recovery expected in the heavy-duty and medium vehicle segments
  - In export markets, the Eurozone presents risks, which are offset by a positive outlook in the USA
  - Stable operational performance and margins, in line with the previous year

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Questions & Answers

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