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MAHLE Metal Leve S.A.

Quarterly Information (ITR) at March 31, 2014 and Report on Review of Quarterly Information

(DC2) Uso Restrito na PwC - Confidencial

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Report on Review of Quarterly Information

To the Board of Directors and Stockholders
MAHLE Metal Leve S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of MAHLE Metal Leve S.A., included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2014, comprising the balance sheet as at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers, Rua José Pires Neto 314, 10º. Campinas, SP, Brasil 13025-170, Caixa Postal 3136 T: (19) 3794-5400, F: (19) 3794-5454, www.pwc.com/br

Conclusion on the parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2014. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Campinas, May 9, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F"

Maurício Colombari
Contador CRC 1SP195838/O-3

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1. General information

Corporate name	MAHLE METAL LEVE S.A.
Date of adoption of the corporate name	9/14/1998
Type	Publicly-traded company
Previous corporate name	Metal Leve S.A. Indústria e Comércio
Date of establishment	3/3/1950
Federal Corporate Taxpayers' Registration Number (CNPJ)	60.476.884/0001-87
Brazilian Securities Commission (CVM) code	857-5
CVM registration date	7/20/1977
CVM registration status	Active
Date of effectiveness of status	7/20/1977
Home country	Brazil
Country in which the securities are held in custody	Brazil

Other countries in which the securities can be traded

Country	Date of admission

Activity sector

Machinery, Equipment, Vehicles and Parts

Description of activities	Manufacture and marketing of parts and components for combustion engines
Issuer category	Category A
Date of registration in the current category	1/1/2010
Issuer status	Operating phase
Date of effectiveness of status	3/3/1950
Type of ownership control	Private
Date of last change in ownership control	6/11/1996
Date of last change of the fiscal year	
Month/day of the end of the fiscal year	12/31
Issuer's website on the Internet	www.mahle.com.br

Newspapers in which the issuer discloses its information

Name of newspapers in which the issuer discloses its information	State
Diário Oficial do Estado (State Official Gazette)	São Paulo
Gazeta Guaçuana	São Paulo
Valor Econômico	São Paulo

2. Address

Mail address	Av. Ernst MAHLE, 2000, Mombaça, Mogi Guaçu, SP, Brasil, CEP 13846-146, Telephone (19) 38619100, Fax (19) 38619255, E-mail relacoes.investidores@br.mahle.com
Headquarters' address	Av. Ernst MAHLE, 2000, Mombaça, Mogi Guaçu, SP, Brasil, CEP 13846-146, Telephone (19) 38619100, Fax (19) 38619255, E-mail relacoes.investidores@br.mahle.com

3. Marketable securities

Shares

		Trading			Listing	
Market	**Managing entity**	**Beginning**	**End**	**Trading segment**	**Beginning**	**End**
Stock exchange	BM&FBOVESPA	7/20/1977		New Market	7/5/2011	

4. Auditor

Does the Issuer have an auditor?	YES
CVM code	287-9
Type of auditor	National
Name/Corporate name	PricewaterhouseCoopers Auditores Independentes
Individual Taxpayers' Registration Number (CPF)/ Federal Corporate Taxpayers' Registration Number (CNPJ)	61.562.112/0008-05
Period of services	1/1/2013

Partner responsible	Period of services	CPF
Mauricio Colombari	1/1/2013	151.078.228-19

5. Share registrar

Does the Company have a service provider?	YES
Corporate name	Itaú Corretora de Valores S.A.
CNPJ	61.194.353/0001-64
Period of services	8/22/2002
Service address	Rua Ururaí, 111, Prédio B - Térreo, Tatuapé, São Paulo, SP, Brasil, CEP 03084-010, Telefone (011) 27974529, Fax (011) 27973750, E-mail adriana.souza@itau-unibanco.com.br

6. Investor Relations Officer or equivalent

Name	Caio Gonçalves de Moraes
	Investor Relations Officer
CPF/CNPJ	269.126.688-52
Mail address	Av. Ernst MAHLE, 2000, Mombaça, Mogi Guaçu, SP, Brasil, CEP 13846-146, Telephone (19) 38619100, Fax (19) 38619255, E-mail caio.moraes@br.mahle.com
Date when the person assumed the position	8/8/2013
Date when the person left the position	

7. Shareholders' department

CONTACT	**Itaú Corretora de Valores S.A.**
Date when the person assumed the position	**8/22/2002**
Date when the person left the position	
Mail address	Rua Ururaí, 111, Prédio B - Térreo, Tatuapé, São Paulo, SP, Brasil, CEP 03084-010, Telefone (011) 27974529, Fax (011) 27973750, E-mail adriana.souza@itau-unibanco.com.br

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Company information / Capital composition

Number of shares (In thousands)	Current quarter 3/31/2014
Paid-up capital	
Common shares	128,308,500
Preferred shares	0
Total	128,308,500
Treasury shares	
Common shares	0
Preferred shares	0
Total	0

Parent company financial statements / balance sheet - assets

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2014	Prior year 12/31/2013
1	Total assets	2,338,932	2,272,504
1.01	Current assets	917,493	850,287
1.01.01	Cash and cash equivalents	272,801	207,522
1.01.03	Trade receivables	351,198	332,807
1.01.03.01	Accounts receivable	351,198	332,807
1.01.03.01.01	Customers	284,018	263,897
1.01.03.01.02	Related parties	67,180	68,910
1.01.04	Inventories	227,406	204,788
1.01.06	Taxes recoverable	33,517	50,108
1.01.06.01	Current taxes recoverable	33,517	50,108
1.01.08	Other current assets	32,571	55,062
1.01.08.01	Non-current assets held for sale	0	16,736
1.01.08.03	Other	32,571	38,326
1.01.08.03.01	Dividends and interest on capital receivable from subsidiary	6,196	15,010
1.01.08.03.02	Unrealized gains on derivative financial instruments	9,528	762
1.01.08.03.03	Other receivables	16,847	22,554
1.02	Non-current assets	1,421,439	1,422,217
1.02.01	Long-term receivables	101,007	78,455
1.02.01.08	Loans to related parties	73,541	51,282
1.02.01.08.02	Loans to subsidiaries	73,541	51,282
1.02.01.09	Other non-current assets	27,466	27,173
1.02.01.09.03	Current taxes recoverable	15,471	15,306
1.02.01.09.04	Other receivables	11,995	11,867
1.02.02	Investments	114,909	130,552
1.02.02.01	Ownership interest	114,909	130,552
1.02.02.01.02	Investments in subsidiaries	114,909	130,552
1.02.03	Property, plant and equipment	618,615	629,393
1.02.03.01	Property, plant and equipment in use	616,955	625,304
1.02.03.03	Property, plant and equipment in progress	1,660	4,089
1.02.04	Intangible assets	586,908	583,817
1.02.04.01	Intangible assets	586,908	583,817
1.02.04.01.01	Concession agreement	6,777	7,024
1.02.04.01.02	Intangible assets	580,131	576,793

Parent company financial statements / balance sheet - liabilities and equity

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2014	Prior year 12/31/2013
2	Total liabilities	2,338,932	2,272,504
2.01	Current liabilities	290,139	279,790
2.01.01	Social and labor obligations	82,536	69,575
2.01.01.01	Social charges	9,357	11,483
2.01.01.02	Labor obligations	73,179	58,092
2.01.02	Suppliers	88,119	69,553
2.01.02.01	Domestic suppliers	58,727	44,638
2.01.02.01.01	Third parties	54,113	41,060
2.01.02.01.02	Related parties	4,614	3,578
2.01.02.02	Foreign suppliers	29,392	24,915
2.01.02.02.01	Third parties	16,166	15,215
2.01.02.02.02	Related parties	13,226	9,700
2.01.03	Taxes payable	26,215	18,610
2.01.03.01	Federal taxes payable	13,489	9,735
2.01.03.01.01	Income tax and social contribution payable	923	0
2.01.03.01.02	Other	12,566	9,735
2.01.03.02	State taxes payable	12,726	8,875
2.01.04	Borrowings	7,636	7,648
2.01.04.01	Borrowings	7,636	7,648
2.01.04.01.01	In local currency	7,636	7,648
2.01.05	Other liabilities	51,741	77,754
2.01.05.02	Other	51,741	77,754
2.01.05.02.01	Dividends and interest on capital payable	723	836
2.01.05.02.04	Advances from customers	3,627	7,323
2.01.05.02.05	Unrealized losses on derivative financial instruments	12,646	30,990
2.01.05.02.06	Other payables	34,745	38,605
2.01.06	Provisions	33,892	36,650
2.01.06.02	Other provisions	33,892	36,650
2.01.06.02.01	Provisions for warranties	14,168	13,824
2.01.06.02.04	Sundry provisions	19,724	22,826
2.02	Non-current liabilities	629,202	617,046
2.02.01	Borrowings	385,038	386,307
2.02.01.01	Borrowings	385,038	386,307
2.02.01.01.01	In local currency	385,038	386,307
2.02.02	Other liabilities	31,528	27,833
2.02.02.02	Other	31,528	27,833
2.02.02.02.03	Provision for subsidiary's net capital deficiency	24,144	20,449
2.02.02.02.04	Social contribution payable	7,319	7,319
2.02.02.02.05	Other payables	65	65
2.02.03	Deferred taxes	61,728	56,744
2.02.03.01	Deferred income tax and social contribution	61,728	56,744
2.02.04	Provisions	150,908	146,162
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	142,344	137,293
2.02.04.01.01	Provisions for tax contingencies	31,012	30,497
2.02.04.01.02	Provisions for social security and labor contingencies	146,536	139,851
2.02.04.01.05	Judicial deposits	-35,204	-33,055
2.02.04.02	Other provisions	8,564	8,869
2.02.04.02.03	Provisions for environmental and decommissioning liabilities	8,564	8,869
2.03	Equity	1,419,591	1,375,668
2.03.01	Paid-up capital	966,255	966,255
2.03.04	Revenue reserves	365,168	362,923
2.03.04.01	Legal reserve	91,420	89,175
2.03.04.08	Proposed additional dividend	89,621	89,621
2.03.04.10	Reserve for expansion and modernization	184,127	184,127
2.03.05	Retained earnings	54,009	0
2.03.06	Carrying value adjustments	55,089	53,284
2.03.07	Cumulative translation adjustments	-20,930	-6,794

Parent company financial statements / statement of income

(R$ thousand unless otherwise stated)

1 - Code	2 - Description	Accumulated - current year 1/1/2014 to 3/31/2014	Accumulated - prior year 1/1/2013 to 3/31/2013
3.01	Sales and/or services revenue	459,882	439,405
3.02	Cost of sales and/or services	-342,688	-326,597
3.03	Gross profit	117,194	112,808
3.04	Operating expenses	-53,774	-53,834
3.04.01	Selling expenses	-31,120	-28,609
3.04.02	General and administrative expenses	-15,793	-21,662
3.04.04	Other operating income	19,534	21,825
3.04.05	Other operating expenses	-33,677	-31,117
3.04.05.01	Technology and product development costs	-15,987	-15,547
3.04.05.02	Other expenses	-17,690	-15,570
3.04.06	Equity in the results of investees	7,282	5,729
3.04.06.01	Equity in the results of subsidiaries	10,976	6,650
3.04.06.02	Provision for impairment of investment	-3,694	-921
3.05	Profit before finance result and taxation	63,420	58,974
3.06	Finance income and costs	1,139	-5,794
3.06.01	Finance income	23,490	12,451
3.06.02	Finance costs	-22,351	-18,245
3.07	Profit before taxation	64,559	53,180
3.08	Income tax and social contribution	-19,657	-16,680
3.08.01	Current	-21,490	-15,230
3.08.02	Deferred	1,833	-1,450
3.09	Profit from continuing operations	44,902	36,500
3.11	Profit for the period	44,902	36,500
3.99	Earnings per share - (reais / share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common shares	0.34995	0.28447
3.99.02	Diluted earnings per share		
3.99.02.01	Common shares	0.34995	0.28447

Parent company financial statements / statement of comprehensive income

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2014 to 3/31/2014	Accumulated - prior year 1/1/2013 to 3/31/2013
4.01	Profit for the period	44,902	36,500
4.02	Other comprehensive income	-1,088	2,532
4.02.01	Translation adjustments for the period	-14,136	-2,614
4.02.02	Adjustments of financial instruments	20,050	7,798
4.02.03	Taxes on adjustments of financial instruments	-6,817	-2,652
4.02.04	Financial instrument adjustment from subsidiary	-280	0
4.02.05	Taxes on financial instrument adjustment from subsidiary	95	0
4.03	Comprehensive income for the period	43,814	39,032

Parent company financial statements / statement of cash flows - indirect method

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2014 to 3/31/2014	Accumulated - prior year 1/1/2013 to 3/31/2013
6.01	Net cash provided by operating activities	66,869	64,151
6.01.01	Cash from operations	79,467	85,402
6.01.01.01	Profit before taxation	64,559	53,180
6.01.01.02	Depreciation and amortization	23,844	24,138
6.01.01.03	Equity in the results of investees	-10,976	-6,650
6.01.01.04	Provision for impairment of investment	3,694	921
6.01.01.05	Interest and exchange and monetary variations, net	7,528	11,522
6.01.01.06	Results on disposal of property, plant and equipment	-1,957	134
6.01.01.08	Provision for impairment of trade receivables	21	360
6.01.01.09	Provision for contingencies and legal obligations	2,084	-527
6.01.01.10	Provision for warranties	995	1,442
6.01.01.11	Sundry provisions	-3,102	-984
6.01.01.12	Realized losses on derivative financial instruments	-7,060	1,303
6.01.01.13	Provision for impairment of property, plant and equipment and intangible assets	-1,618	-189
6.01.01.14	Provision for inventory loss	1,455	752
6.01.02	Changes in assets and liabilities	-12,531	-21,196
6.01.02.01	Accounts receivable from customers and related parties	-18,412	-21,840
6.01.02.03	Inventories	-23,711	-16,135
6.01.02.04	Taxes recoverable	-4,075	2,003
6.01.02.05	Other receivables	5,579	-8,828
6.01.02.06	Accounts payable to suppliers and related parties	18,567	19,873
6.01.02.07	Social and labor obligations	12,962	12,332
6.01.02.08	Taxes and contributions payable	6,682	-7,329
6.01.02.10	Other payables	-6,427	1,205
6.01.02.13	Advances from customers	-3,696	-2,477
6.01.03	Other	-67	-55
6.01.03.01	Income tax and social contribution on net income paid	-67	-55
6.02	Net cash provided by (used in) investing activities	5,331	-18,975
6.02.02	Dividends and interest on capital received from subsidiary	21,113	884
6.02.03	Additions to property, plant and equipment	-13,738	-9,739
6.02.04	Additions to intangible assets	-3,903	-433
6.02.05	Proceeds from disposal of property, plant and equipment	21,434	121
6.02.06	Loans to subsidiaries	-21,940	-8,515
6.02.07	Repayment of subsidiary loans	2,365	707
6.02.08	Capital increase in subsidiary	0	-2,000
6.03	Net cash provided by (used in) financing activities	-6,578	120,228
6.03.01	New borrowings	1,692	378,513
6.03.02	Payments of principal on borrowings	-2,924	-253,195
6.03.03	Payment of interest on borrowings	-5,342	-5,088
6.03.05	Dividends and interest on capital paid	-4	-2
6.04	Exchange variation on cash and cash equivalents	-343	-1,545
6.05	Increase in cash and cash equivalents	65,279	163,859
6.05.01	Cash and cash equivalents at the beginning of the period	207,522	122,602
6.05.02	Cash and cash equivalents at the end of the period	272,801	286,461

Parent company financial statements / statement of changes in equity - 1/1/2014 to 3/31/2014

(R$ thousand)

1 - Code	2 - Description	Paid-up capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity
5.01	Opening balances	966,255	0	362,923	0	46,490	1,375,668
5.03	Adjusted opening balances	966,255	0	362,923	0	46,490	1,375,668
5.04	Equity transactions with partners	0	0	0	109	0	109
5.04.09	Prescribed dividends/interest on capital	0	0	0	109	0	109
5.05	Total comprehensive income	0	0	0	56,145	-12,331	43,814
5.05.01	Profit for the period	0	0	0	44,902	0	44,902
5.05.02	Other comprehensive income	0	0	0	11,243	-12,331	-1,088
5.05.02.01	Adjustments of financial instruments	0	0	0	0	20,050	20,050
5.05.02.02	Taxes on adjustments of financial instruments	0	0	0	0	-6,817	-6,817
5.05.02.04	Translation adjustments for the period	0	0	0	0	-14,136	-14,136
5.05.02.06	Realization of net deemed cost	0	0	0	11,243	-11,243	0
5.05.02.07	Financial instrument adjustment from subsidiary	0	0	0	0	-280	-280
5.05.02.08	Taxes on financial instrument adjustment from subsidiary	0	0	0	0	95	95
5.06	Internal changes in equity	0	0	2,245	-2,245	0	0
5.06.04	Legal reserve	0	0	2,245	-2,245	0	0
5.07	Closing balances	966,255	0	365,168	54,009	34,159	1,419,591

Parent company financial statements / statement of changes in equity - 1/1/2013 to 3/31/2013

(R$ thousand)

1 - Code	2 - Description	Paid-up capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity
5.01	Opening balances	966,255	0	308,219	0	74,606	1,349,080
5.03	Adjusted opening balances	966,255	0	308,219	0	74,606	1,349,080
5.04	Equity transactions with members	0	0	0	39	0	39
5.04.08	Prescribed dividends/interest on capital	0	0	0	39	0	39
5.05	Total comprehensive income	0	0	0	39,399	-367	39,032
5.05.01	Profit for the period	0	0	0	36,500	0	36,500
5.05.02	Other comprehensive income	0	0	0	2,899	-367	2,532
5.05.02.01	Adjustments of financial instruments	0	0	0	0	7,798	7,798
5.05.02.02	Taxes on adjustments of financial instruments	0	0	0	0	-2,652	-2,652
5.05.02.04	Translation adjustments for the period	0	0	0	0	-2,614	-2,614
5.05.02.06	Realization of net deemed cost	0	0	0	2,899	-2,899	0
5.06	Internal changes in equity	0	0	1,825	-1,825	0	0
5.06.04	Legal reserve	0	0	1,825	-1,825	0	0
5.07	Closing balances	966,255	0	310,044	37,613	74,239	1,388,151

Parent company financial statements / statement of value added

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2014 to 3/31/2014	Accumulated - prior year 1/1/2013 to 3/31/2013
7.01	Revenue	582,749	554,133
7.01.01	Sales of goods, products and services	580,168	554,465
7.01.02	Other revenue	2,678	59
7.01.04	Provision for/reversal of impairment of trade receivables	-97	-391
7.02	Inputs acquired from third parties	-331,093	-312,352
7.02.01	Cost of sales and services	-180,121	-169,594
7.02.02	Materials, energy, outsourced services and other	-157,627	-144,813
7.02.03	Impairment/ recovery of assets	6,655	2,055
7.03	Gross value added	251,656	241,781
7.04	Retentions	-23,844	-24,138
7.04.01	Depreciation, amortization and depletion	-23,844	-24,138
7.05	Net value added generated by the entity	227,812	217,643
7.06	Value added received through transfer	30,772	18,180
7.06.01	Equity in the results of investees	7,282	5,729
7.06.02	Finance income	23,490	12,451
7.07	Total value added to distribute	258,584	235,823
7.08	Distribution of value added	258,584	235,823
7.08.01	Personnel	87,622	89,895
7.08.01.01	Salaries and wages	65,393	68,592
7.08.01.02	Benefits	15,843	14,946
7.08.01.03	Government severance indemnity fund for employees (FGTS)	6,386	6,357
7.08.02	Taxes and contributions	103,843	91,257
7.08.02.01	Federal	83,170	73,071
7.08.02.02	State	20,539	18,051
7.08.02.03	Municipal	134	135
7.08.03	Remuneration of third-party capital	22,217	18,171
7.08.03.01	Interest	5,433	6,331
7.08.03.03	Other	16,784	11,840
7.08.03.03.01	Monetary/foreign exchange variation and other	16,784	11,840
7.08.04	Remuneration of own capital	44,902	36,500
7.08.04.03	Retained earnings	44,902	36,500

Consolidated financial statements / balance sheet - assets

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2014	Prior year 12/31/2013
1	Total assets	2,486,102	2,427,735
1.01	Current assets	1,092,161	1,030,987
1.01.01	Cash and cash equivalents	282,843	220,893
1.01.03	Trade receivables	417,871	380,233
1.01.03.01	Accounts receivable	417,871	380,233
1.01.03.01.01	Customers	365,991	340,127
1.01.03.01.02	Related parties	51,880	40,106
1.01.04	Inventories	320,670	314,800
1.01.06	Taxes recoverable	44,960	74,539
1.01.06.01	Current taxes recoverable	44,960	74,539
1.01.08	Other current assets	25,817	40,522
1.01.08.01	Non-current assets held for sale	0	16,736
1.01.08.03	Other	25,817	23,786
1.01.08.03.02	Unrealized gains on derivative financial instruments	9,579	809
1.01.08.03.03	Other receivables	16,238	22,977
1.02	Non-current assets	1,393,941	1,396,748
1.02.01	Long-term receivables	48,165	39,467
1.02.01.06	Deferred taxes	4,347	5,323
1.02.01.06.01	Deferred income tax and social contribution	4,347	5,323
1.02.01.08	Loans to related parties	0	4,515
1.02.01.08.04	Loans to other related parties	0	4,515
1.02.01.09	Other non-current assets	43,818	29,629
1.02.01.09.03	Current taxes recoverable	31,651	17,593
1.02.01.09.04	Other receivables	12,167	12,036
1.02.03	Property, plant and equipment	732,771	747,102
1.02.03.01	Property, plant and equipment in use	726,131	742,719
1.02.03.03	Property, plant and equipment in progress	6,640	4,383
1.02.04	Intangible assets	613,005	610,179
1.02.04.01	Intangible assets	18,935	15,958
1.02.04.01.01	Concession agreement	6,900	7,182
1.02.04.01.02	Intangible assets	12,035	8,776
1.02.04.02	Goodwill	594,070	594,221

Consolidated financial statements / balance sheet - liabilities and equity

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2014	Prior year 12/31/2013
2	Total liabilities	2,486,102	2,427,735
2.01	Current liabilities	414,273	402,931
2.01.01	Social and labor obligations	97,751	85,445
2.01.01.01	Social charges	12,543	16,967
2.01.01.02	Labor obligations	85,208	68,478
2.01.02	Suppliers	109,175	93,581
2.01.02.01	Domestic suppliers	68,321	55,032
2.01.02.01.01	Third parties	66,502	54,806
2.01.02.01.02	Related parties	1,819	226
2.01.02.02	Foreign suppliers	40,854	38,549
2.01.02.02.01	Third parties	23,349	22,913
2.01.02.02.02	Related parties	17,505	15,636
2.01.03	Taxes payable	33,494	25,229
2.01.03.01	Federal taxes payable	19,489	15,585
2.01.03.01.01	Income tax and social contribution payable	3,734	2,419
2.01.03.01.02	Other	15,755	13,166
2.01.03.02	State taxes payable	13,956	9,600
2.01.03.03	Municipal taxes payable	49	44
2.01.04	Borrowings	73,814	74,456
2.01.04.01	Borrowings	73,814	74,456
2.01.04.01.01	In local currency	72,651	73,271
2.01.04.01.02	In foreign currency	1,163	1,185
2.01.05	Other liabilities	57,942	83,568
2.01.05.02	Other	57,942	83,568
2.01.05.02.01	Dividends and interest on capital payable	786	899
2.01.05.02.04	Advances from customers	3,903	7,662
2.01.05.02.05	Unrealized losses on derivative financial instruments	13,071	31,004
2.01.05.02.06	Other payables	40,182	44,003
2.01.06	Provisions	42,097	40,652
2.01.06.02	Other provisions	42,097	40,652
2.01.06.02.01	Provisions for warranties	16,612	16,402
2.01.06.02.04	Sundry provisions	25,485	24,250
2.02	Non-current liabilities	660,802	650,545
2.02.01	Borrowings	402,446	413,828
2.02.01.01	Borrowings	402,446	413,828
2.02.01.01.01	In local currency	402,446	413,828
2.02.02	Other liabilities	34,011	21,986
2.02.02.01	Related-party obligations	12,361	0
2.02.02.02.04	Debits with other related parties	12,361	0
2.02.02.02	Other	21,650	21,986
2.02.02.02.04	Social contribution payable	8,104	8,104
2.02.02.02.05	Other liabilities	65	65
2.02.02.02.06	Taxes payable (Refis Forjas)	13,481	13,817
2.02.03	Deferred taxes	64,465	60,766
2.02.03.01	Deferred income tax and social contribution	64,465	60,766
2.02.04	Provisions	159,880	153,965
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	151,137	144,938
2.02.04.01.01	Provisions for tax contingencies	31,127	30,609
2.02.04.01.02	Provisions for social security and labor contingencies	157,055	149,066
2.02.04.01.05	Judicial deposits	-37,045	-34,737
2.02.04.02	Other provisions	8,743	9,027
2.02.04.02.03	Provisions for environmental and decommissioning liabilities	8,743	9,027
2.03	Consolidated equity	1,411,027	1,374,259
2.03.01	Paid-up capital	966,255	966,255
2.03.04	Revenue reserves	365,168	362,923
2.03.04.01	Legal reserve	91,420	89,175
2.03.04.08	Proposed additional dividend	89,621	89,621
2.03.04.10	Reserve for expansion and modernization	184,127	184,127
2.03.05	Retained earnings	54,009	0
2.03.06	Carrying value adjustments	55,089	53,284

Consolidated financial statements / balance sheet - liabilities and equity

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2014	Prior year 12/31/2012
2.03.07	Cumulative translation adjustments	-20,930	-6,794
2.03.09	Non-controlling interests	-8,564	-1,409

Consolidated financial statements / statement of income

(R$ thousand unless otherwise stated)

1 - Code	2 - Description	Accumulated - current year 1/1/2014 to 3/31/2014	Accumulated - prior year 1/1/2013 to 3/31/2013
3.01	Sales and/or services revenue	566,823	544,726
3.02	Cost of sales and/or services	-423,418	-405,003
3.03	Gross profit	143,405	139,723
3.04	Operating expenses	-79,345	-74,438
3.04.01	Selling expenses	-40,369	-37,734
3.04.02	General and administrative expenses	-20,302	-25,644
3.04.04	Other operating income	20,471	23,098
3.04.05	Other operating expenses	-39,145	-34,158
3.04.05.01	Technology and product development costs	-17,640	-16,749
3.04.05.02	Other expenses	-21,505	-17,409
3.05	Profit before financial result and taxation	64,060	65,285
3.06	Finance income and costs	-3,451	-12,052
3.06.01	Finance income	33,849	16,168
3.06.02	Finance costs	-37,300	-28,220
3.07	Profit before taxation	60,609	53,233
3.08	Income tax and social contribution	-20,037	-17,515
3.08.01	Current	-23,043	-16,342
3.08.02	Deferred	3,006	-1,173
3.09	Profit from continuing operations	40,572	35,718
3.11	Consolidated profit for the period	40,572	35,718
3.11.01	Attributable to owners of the Parent	44,902	36,500
3.11.02	Attributable to non-controlling interests	-4,330	-782
3.99	Earnings per share - (reais / share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common shares	0.34995	0.28447
3.99.02	Diluted earnings per share		
3.99.02.01	Common shares	0.34995	0.28447

Consolidated financial statements / statement of comprehensive income

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2014 to 3/31/2014	Accumulated - prior year 1/1/2013 to 3/31/2013
4.01	Consolidated profit for the period	40,572	35,718
4.02	Other comprehensive income	-1,211	2,532
4.02.01	Translation adjustments for the period, net of taxes	-14,136	-2,614
4.02.02	Adjustments of financial instruments	19,583	7,798
4.02.03	Taxes on adjustments of financial instruments	-6,658	-2,652
4.03	Consolidated comprehensive income for the period	39,361	38,250
4.03.01	Attributable to owners of the Parent	43,814	39,032
4.03.02	Attributable to non-controlling interests	-4,453	-782

Consolidated financial statements / statement of cash flows - indirect method

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2014 to 3/31/2014	Accumulated - prior year 1/1/2013 to 3/31/2013
6.01	Net cash provided by operating activities	78,381	64,784
6.01.01	Cash from operations	82,416	90,672
6.01.01.01	Profit for the period	60,609	53,233
6.01.01.02	Depreciation and amortization	27,843	27,924
6.01.01.03	Interest and foreign exchange and monetary variations, net	-549	5,754
6.01.01.04	Results on disposal of property, plant and equipment	-1,946	125
6.01.01.06	Provision for impairment of trade receivables	20	546
6.01.01.07	Provision for contingencies and legal obligations	3,488	-731
6.01.01.08	Provision for warranties	929	1,555
6.01.01.09	Sundry provisions	-1,467	168
6.01.01.10	Provision for losses on property, plant and equipment and intangible assets	-1,618	-189
6.01.01.11	Gains/losses on realization of derivative financial instruments	-7,120	1,282
6.01.01.12	Provision for inventory losses	2,227	1,005
6.01.02	Changes in assets and liabilities	-3,162	-25,596
6.01.02.01	Accounts receivable from customers and related parties	-33,145	-30,248
6.01.02.02	Discounted withdrawals	2	0
6.01.02.03	Inventories	-7,770	-8,778
6.01.02.04	Taxes recoverable	-5,727	3,682
6.01.02.05	Other receivables	6,608	-10,270
6.01.02.06	Accounts payable to suppliers and related parties	27,957	16,409
6.01.02.07	Social and labor obligations	12,306	13,001
6.01.02.08	Taxes and contributions payable	7,006	-7,243
6.01.02.10	Other payables	-6,640	71
6.01.02.12	Customer advances	-3,759	-2,220
6.01.03	Other	-873	-292
6.01.03.01	Income tax and social contribution on net income payable	-873	-292
6.02	Net cash used in investing activities	-3,820	-13,554
6.02.02	Purchases of property, plant and equipment	-21,439	-13,291
6.02.03	Additions to intangible assets	-3,904	-433
6.02.04	Proceeds from sale of property, plant and equipment	21,523	170
6.03	Net cash provided by (used in) financing activities	-11,456	117,979
6.03.01	New borrowings	75,482	436,797
6.03.02	Payments of principal on borrowings	-78,748	-309,747
6.03.03	Payment of interest on borrowings	-8,186	-9,071
6.03.05	Dividends and interest on capital paid	-4	0
6.04	Exchange variation on cash and cash equivalents	-1,155	-2,213
6.05	Increase in cash and cash equivalents	61,950	166,996
6.05.01	Cash and cash equivalents at the beginning of the period	220,893	137,108
6.05.02	Cash and cash equivalents at the end of the period	282,843	304,104

Consolidated financial statements / statement of changes in equity - 1/1/2014 to 3/31/2014

(R$ thousand)

1 - Code	2 - Description	Paid-up capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity	Non-controlling interests	Consolidated equity
5.01	Opening balances	966,255	0	362,923	0	46,490	1,375,668	-1,409	1,374,259
5.03	Adjusted opening balances	966,255	0	362,923	0	46,490	1,375,668	-1,409	1,374,259
5.04	Equity transactions with partners	0	0	0	109	0	109	-2,702	-2,593
5.04.08	Prescribed dividends/interest on capital	0	0	0	109	0	109	0	109
5.04.09	Obligations assumed by the parent company	0	0	0	0	0	0	-2,702	-2,702
5.05	Total comprehensive income	0	0	0	56,145	-12,331	43,814	-4,453	39,361
5.05.01	Profit for the period	0	0	0	44,902	0	44,902	-4,330	40,572
5.05.02	Other comprehensive income	0	0	0	11,243	-12,331	-1,088	-123	-1,211
5.05.02.01	Adjustments of financial instruments	0	0	0	0	19,770	19,770	-187	19,583
5.05.02.02	Taxes on adjustments of financial instruments	0	0	0	0	-6,722	-6,722	64	-6,658
5.05.02.04	Translation adjustments for the period	0	0	0	0	-13,113	-13,113	0	-13,113
5.05.02.05	Taxes on translation adjustments for the period	0	0	0	0	-1,023	-1,023	0	-1,023
5.05.02.06	Realization of net deemed cost	0	0	0	11,243	-11,243	0	0	0
5.06	Internal changes in equity	0	0	2,245	-2,245	0	0	0	0
5.06.04	Legal reserve	0	0	2,245	-2,245	0	0	0	0
5.07	Closing balances	966,255	0	365,168	54,009	34,159	1,419,591	-8,564	1,411,027

Consolidated financial statements / statement of changes in equity - 1/1/2013 to 3/31/2013

(R$ thousand)

1 - Code	2 - Description	Paid-up capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings or accumulated losses	Other comprehensive income	Equity	Non-controlling interests	Consolidated equity
5.01	Opening balances	966,255	0	308,219	0	74,606	1,349,080	3,335	1,352,415
5.03	Adjusted opening balances	966,255	0	308,219	0	74,606	1,349,080	3,335	1,352,415
5.04	Equity transactions with members	0	0	0	39	0	39	-306	-267
5.07.08	Prescribed dividends/interest on capital	0	0	0	39	0	39	0	39
5.04.09	Obligations assumed by the parent company	0	0	0	0	0	0	-306	-306
5.05	Total comprehensive income	0	0	0	39,399	-367	39,032	-782	38,250
5.05.01	Profit for the year	0	0	0	36,500	0	36,500	-782	35,718
5.05.02	Other comprehensive income	0	0	0	2,899	-367	2,532	0	2,532
5.05.02.01	Adjustments of financial instruments	0	0	0	0	7,798	7,798	0	7,798
5.05.02.02	Taxes on adjustments of financial instruments	0	0	0	0	-2,652	-2,652	0	-2,652
5.05.02.04	Translation adjustments for the period	0	0	0	0	-2,399	-2,399	0	-2,399
5.05.02.05	Taxes on translation adjustments for the period	0	0	0	0	-215	-215	0	-215
5.05.02.06	Realization of net deemed cost	0	0	0	2,899	-2,899	0	0	0
5.06	Internal changes in equity	0	0	1,825	-1,825	0	0	0	0
5.06.04	Legal reserve	0	0	1,825	-1,825	0	0	0	0
5.07	Closing balances	966,255	0	310,044	37,613	74,239	1,388,151	2,247	1,390,398

Consolidated financial statements / statement of value added

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2014 to 3/31/2014	Accumulated - prior year 1/1/2013 to 3/31/2013
7.01	Revenue	702,938	677,210
7.01.01	Sales of goods, products and services	700,317	677,734
7.01.02	Other revenue	2,749	82
7.01.04	Provision for/reversal of impairment of trade receivables	-128	-606
7.02	Inputs acquired from third parties	-406,902	-382,587
7.02.01	Cost of sales and services	-226,771	-220,861
7.02.02	Materials, energy, outsourced services and other	-184,568	-163,616
7.02.03	Impairment/recovery of assets	4,437	1,890
7.03	Gross value added	296,036	294,623
7.04	Retentions	-27,843	-27,924
7.04.01	Depreciation, amortization and depletion	-27,843	-27,924
7.05	Net value added generated by the entity	268,193	266,699
7.06	Value added received through transfer	33,849	16,168
7.06.02	Finance income	33,849	16,168
7.07	Total value added to distribute	302,042	282,867
7.08	Distribution of value added	302,042	282,867
7.08.01	Personnel	109,097	111,544
7.08.01.01	Salaries and wages	84,099	87,226
7.08.01.02	Benefits	17,801	17,070
7.08.01.03	Government severance indemnity fund for employees (FGTS)	7,197	7,248
7.08.02	Taxes and contributions	116,627	107,693
7.08.02.01	Federal	92,650	84,086
7.08.02.02	State	23,840	23,389
7.08.02.03	Municipal	137	218
7.08.03	Remuneration of third-party capital	35,746	27,912
7.08.03.01	Interest	9,959	11,560
7.08.03.02	Rentals	213	253
7.08.03.03	Other	25,574	16,099
7.08.03.03.01	Monetary/foreign exchange variation and other	25,574	16,099
7.08.04	Remuneration of own capital	40,572	35,718
7.08.04.03	Retained earnings for the period	44,902	36,500
7.08.04.04	Non-controlling interest in retained earnings	-4,330	-782

Comments on company performance

About MAHLE Metal Leve

We are a Brazilian autoparts company that manufactures and sells components for internal combustion engines and automotive filters. We manufacture products using state-of-the-art technology and the highest quality, and we continuously invest in research and development of new products and production processes.

We have been operating in Brazil since the 50's. The company offers a broad portfolio of products and integrated solutions that in most cases are customized in conjunction with our major customers. We operate in the OEM ("original equipment manufacturers") market whose major customers are large automakers, and in the aftermarket segment, whose major customers are large autoparts distributors and engine overhaul companies.

Our products are manufactured and sold in Brazil and Argentina and also exported to more than 60 countries, including the United States, Germany, Mexico, Portugal and Spain, to a diversified portfolio of customers, including General Motors/Opel, Volkswagen, Fiat, Ford, Daimler MBB, International, Cummins, Volvo, PSA Peugeot, John Deere, Renault, Scania, Caterpillar, among others.

We own seven industrial plants, six of them are located in Brazil, in the cities of Mogi Guaçu, (where we have two plants), Indaiatuba, São Bernardo do Campo (all of which are located in the State of São Paulo), Itajubá, in the State of Minas Gerais, and Queimados, in the State of Rio de Janeiro. Our seventh plant is located in the city of Rafaela, in Argentina. We have two distribution centers: one in the city of Limeira, in the State of São Paulo, and one in Buenos Aires, Argentina. We have a tech center located in the city of Jundiaí, State of São Paulo, which we believe is one of the largest and most well-equipped tech centers in Latin America for development of components and solutions packages for internal combustion engines. This center allows us to add value to and meet the requirements of our customers in a customized and efficient manner, and to develop innovative new product technologies and processes.

We are part of the German autoparts group MAHLE ("MAHLE Group"), one of the world's most traditional groups in the autoparts industry. MAHLE Group was established in 1920 in Germany. Today, MAHLE Group has more than 140 industrial plants in 28 countries on five continents, 10 research and development centers and approximately 64 thousand employees.

As part of the MAHLE Group, which has global operations, we are able to exchange knowledge, supply and constantly access the latest technology and develop new products together with our customers, which we believe are essential for the high level of market penetration and customer loyalty that we achieved.

Comments on company performance

Outlook for the Brazilian automotive industry

The Ministry of Development, Industry and Foreign Trade (MDIC) is implementing a system to collect autoparts tracking data under Inovar Auto (a program to foster the competitiveness of the domestic automotive industry): automakers and suppliers have been introduced to a system that will collect data for tracking autoparts data. This system is considered essential to monitor the actual level of national components used in the Brazilian vehicle production. Thus, it will be possible to accurately calculate the amount of national autoparts bought by the auto manufacturers, who can deduct this amount from the additional 30 percentage points on Tax on Industrialized Goods (IPI) that has been levied on the production since Inovar Auto program entered into effect.

The Federal Government is to change (from conventional to the simplified form) the Finame line set under the Investment Support Program (PSI) to extend credit to finance trucks, buses and agricultural machinery: the Credit Extension Proposal (PAC) is to be changed from the conventional to a simplified form. This change should reduce the time for credit approval, which currently varies from 45 to 50 days, to around 30 days. Sales in these segments dropped in the first quarter, and according to a market consensus, this change is important to bring sales back to the regular levels. Under the simplified form of Finame PSI program, a financing will be approved directly by the financial institution that intermediates the transaction and the truck can be then invoiced. Under the conventional form, after approval by the bank the documentation is sent for analysis by the National Development Bank (BNDES) and only then the vehicle can be effectively sold.

Total vehicle Sales (locally-manufactured and imported)

The Brazilian automotive industry sales in the 1Q14 fell 2.6% (including sales of agricultural machinery) compared to the same period of prior year.

This performance is due to a number of factors, including the following:

- less favorable macroeconomic environment over the period;
- stoppage in sales of trucks, buses and agricultural machinery from December 13, 2013 to January 26, 2014 because of delay in announcement of the new rules for 2014 PSI[1] Program, which interrupted the flow of orders.
- restriction on credit offer for purchase of light vehicles due to higher accuracy in analysis of credit;
- requirement for the product line of light vehicles being offered with dual front airbags and ABS braking system.

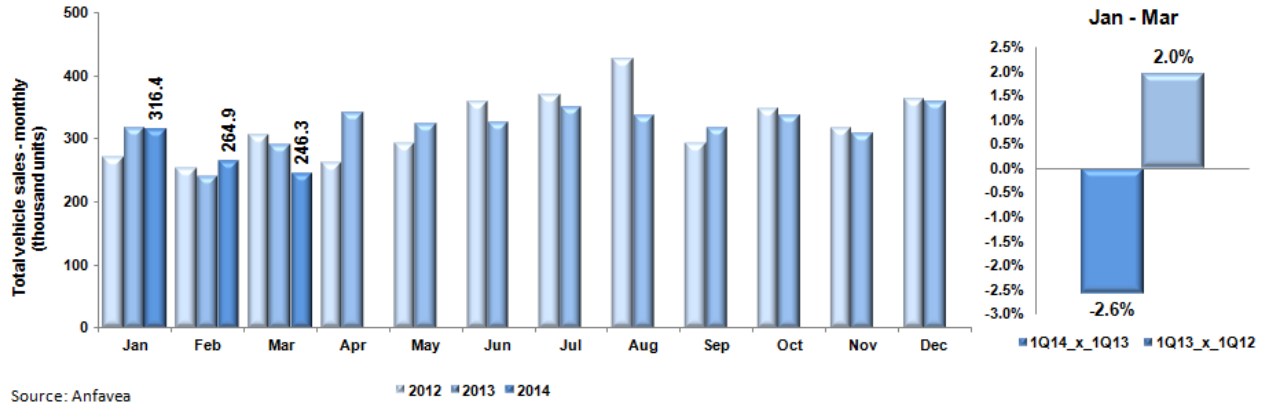
[1] – *The BNDES PSI program intends to foster production, purchase and export of capital goods and technological innovation.*

Comments on company performance

Brazilian automotive industry												
Vehicle Sales	2014, Jan-Mar					2013, Jan-Mar					Sales Variation (A/C)	Production Variation (B/D)
	Sales (Local + Imp) (A)	Export	Import	Inventory	Total Production (B)	Sales (Local + Imp) (C)	Export	Import	Inventory	Total Production (D)		
Passenger Cars	583.264	47.741	(97.625)	53.494	586.874	613.220	76.440	(110.094)	67.330	646.896	-4,9%	-9,3%
Light Commercials	192.092	21.139	(53.307)	(8.995)	150.929	175.294	28.975	(49.735)	7.595	162.129	9,6%	-6,9%
Total of Light vehicles	**775.356**	**68.880**	**(150.932)**	**44.499**	**737.803**	**788.514**	**105.415**	**(159.829)**	**74.925**	**809.025**	**-1,7%**	**-8,8%**
Trucks	30.446	4.686	(742)	8.043	42.433	34.340	4.293	(734)	5.184	43.083	-11,3%	-1,5%
Buses	6.952	1.483	(25)	1.209	9.619	7.620	1.797	(2)	518	9.933	-8,8%	-3,2%
Total Trucks and Buses	**37.398**	**6.169**	**(767)**	**9.252**	**52.052**	**41.960**	**6.090**	**(736)**	**5.702**	**53.016**	**-10,9%**	**-1,8%**
Agricultural	14.906	2.661	(50)	2.004	19.521	18.930	2.951	(429)	974	22.426	-21,3%	-13,0%
Total of medium and heavy vehicle	**52.304**	**8.830**	**(817)**	**11.256**	**71.573**	**60.890**	**9.041**	**(1.165)**	**6.676**	**75.442**	**-14,1%**	**-5,1%**
Total vehicle sales	**827.660**	**77.710**	**(151.749)**	**55.755**	**809.376**	**849.404**	**114.456**	**(160.994)**	**81.601**	**884.467**	**-2,6%**	**-8,5%**
Variation 2013 x 2012 (un)	(21.744)	(36.746)	9.245	(25.846)	(75.091)							
Variation 2013 x 2012 (%)	-2,6%	-32,1%	-5,7%	-31,7%	-8,5%							

Source: Anfavea.
(*) Vehicle inventory variation = production - (sales + exports - imports).

The table below presents the month-by-month sales performance for domestic and imported vehicles in the period from January to March 2014 and in relation to the previous two years.



Source: Anfavea

Variation in vehicle inventory

According to data released by the Brazilian Association of Motor Vehicle Manufacturers (Anfavea), vehicle inventory recorded at the beginning of the first quarter of 2014 was 353.4 thousand units, equivalent to 30 days of sales, and at the end of the first quarter of 2014 was 387.1 thousand units, equivalent to 48 days of sales. One of the reasons that explains the increased level of inventory is that, at the end of 2013 vehicle manufacturers kept a high level of vehicle production to increase the number of models subject to reduced IPI rate at dealers. However, sales in the first three months of 2014 did not follow the production increase.

Vehicle production

Brazilian vehicle production in the first quarter of 2014 fell 8.5% also due to a number of factors, including:

- restrictions on vehicle imports in Argentina due to a financial crisis in that country;
- collective vacations offered by vehicle manufacturers from December 2013 to March 2014. At the end of 2013, automakers kept a high level of vehicle production to increase the number of models subject to reduced IPI rates at dealers;
- stoppage in sales of trucks, buses and agricultural machinery because of delay in the announcement of the new rules for 2014 PSI Program and subsequent delay in the release of financing under PSI

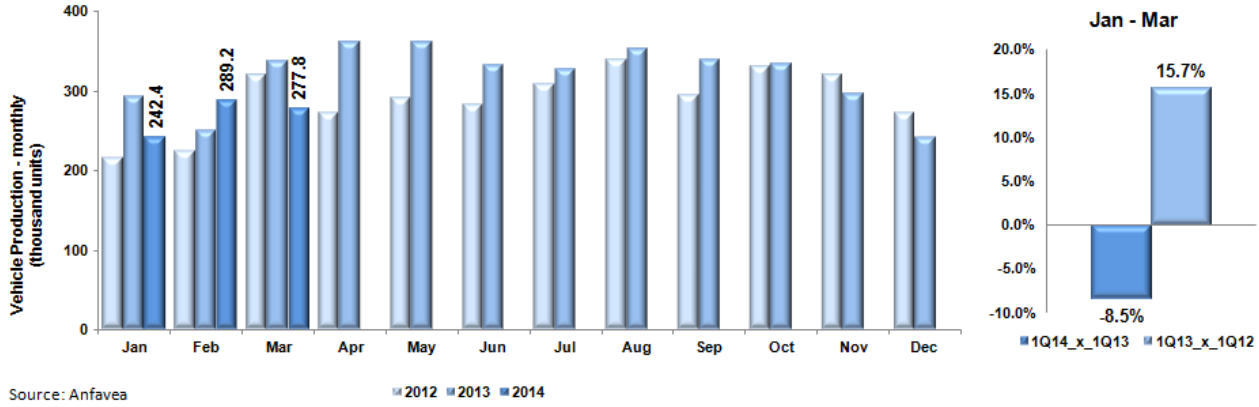
Comments on company performance

program, which, as previously mentioned, negatively affected vehicle production, forcing vehicle manufacturers of these segments to offer more collective vacations to their employees.

Brazilian automotive industry			
Vehicle Production	**Jan-Mar 2014 (A)**	**Jan-Mar 2013 (B)**	**A/B**
Production of Light vehicles	737,803	809,025	-8.8%
Production Trucks	42,433	43,083	-1.5%
Production Buses	9,619	9,933	-3.2%
Agricultural	19,521	22,426	-13.0%
Total vehicle production	**809,376**	**884,467**	**-8.5%**

It is important to mention, however, that the pace of vehicle production in March 2013 was quite accelerated because of the expected increase in IPI rate in April, which did not happen.

The table below shows the month-by-month performance of vehicle production from January to March 2014 and in relation to the previous two years.



Source: Anfavea

Performance of the Argentinean automotive industry

In 1Q14, the Argentinean automotive industry reported a drop of 25.4% for sales and 16.2% for production of vehicles in relation to the same period of prior year.

Restrictions on release of import licenses imposed in December 2013 by the Argentinean government to Brazilian vehicles led Brazilian exports to drop in the first quarter of this year. This measure limited the imports of passenger cars and light commercial vehicles (up to five tons), including models produced in Mercosur.

The table below shows the performance of the Argentinean automotive industry from January to March 2014 in relation to the same period of prior year.

Comments on company performance

Argentinian automotive industry			
Vehicle Sales (locally-manufactured and imported)	**Jan-Mar 2014 (A)**	**Jan-Mar 2013 (B)**	**A/B**
Passenger Cars	106,321	147,554	-27.9%
Light Commercials	40,276	49,183	-18.1%
Total of Light vehicles	**146,597**	**196,737**	**-25.5%**
Trucks	3,934	4,922	-20.1%
Buses	775	1,292	-40.0%
Total of medium and heavy vehicles	**4,709**	**6,214**	**-24.2%**
Total vehicle sales	**151,306**	**202,951**	**-25.4%**
Exports	74,348	90,432	-17.8%
Imports	90,484	122,097	-25.9%
Automotive trade balance	**(16,136)**	**(31,665)**	**-49.0%**
Vehicle inventory variation in the period (*)	12,246	4,717	159.6%
Total vehicle production	**147,416**	**176,003**	**-16.2%**
Production of Light vehicles	**145,574**	**171,275**	**-15.0%**
Production Trucks	1,422	4,115	-65.4%
Production Buses	420	613	-31.5%
Production of medium and heavy vehicles	**1,842**	**4,728**	**-61.0%**

(*) Vehicle inventory variation = production - (sales + exports - imports).
Source: Adefa

The table below consolidates the figures of vehicle production in the Common Southern Market (Mercosur), considering Brazil and Argentina only. This region corresponds to the domestic market in which the Company operates.

Vehicle production in MERCOSUR (*)			
Vehicle production in MERCOSUR (*)	**Jan-Mar 2014 (A)**	**Jan-Mar 2013 (B)**	**A/B**
Production of Light vehicles	**883,377**	**980,300**	**-9.9%**
Production Trucks	43,855	47,198	-7.1%
Production Buses	10,039	10,546	-4.8%
Production Agricultural	19,521	22,426	-13.0%
Production of medium and heavy vehicles	**73,415**	**80,170**	**-8.4%**
Total Vehicle Production	**956,792**	**1,060,470**	**-9.8%**

(*) Considering Brazil and Argentina.
Source: Anfavea and Adefa

The table below shows data of vehicle production in the Company's major export markets in the 1Q14 compared to the same period of the previous year.

Vehicle production in the main export markets			
Segment	**Jan-Mar 2014 (A)**	**Jan-Mar 2013 (B)**	**A/B**
Europe	5,074,976	4,820,677	5.3%
North America	4,246,448	4,014,790	5.8%
Ligh vehicle production	**9,321,424**	**8,835,467**	**5.5%**
Europe	140,216	142,092	-1.3%
North America	115,777	105,084	10.2%
Medium and heavy vehicle production	**255,993**	**247,176**	**3.6%**
Total vehicle production	**9,577,417**	**9,082,643**	**5.4%**

(*) Brazil and Argentina.
Source: IHS

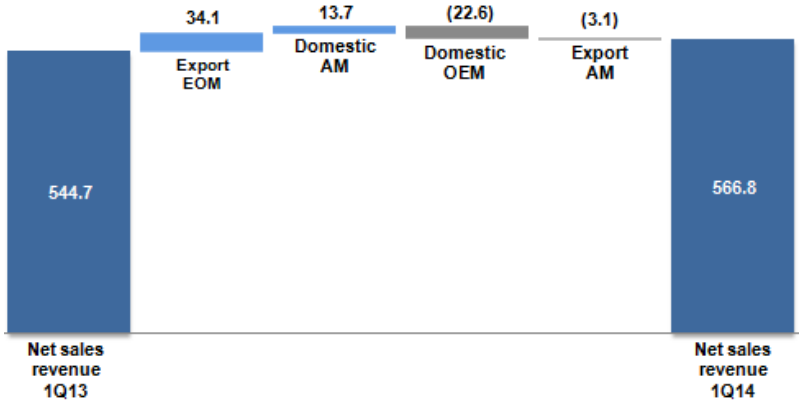
Comments on company performance

Economic and Financial Performance

Summary P&L (R$ million)	1Q14	1Q13	%
Operational Performance	(a)	(b)	(a/b)
Net sales revenue	**566.8**	**544.7**	**4.1%**
Cost of goods sold	(423.4)	(405.0)	**4.5%**
Gross income	**143.4**	**139.7**	**2.6%**
Selling expenses	(40.4)	(37.7)	**7.2%**
General and administrative expenses	(20.3)	(25.6)	**-20.7%**
Tech and product development expenses	(17.6)	(16.8)	**4.8%**
Other operating income (expenses)	(1.0)	5.7	**-117.5%**
Financial income (expenses), net	(3.5)	(12.1)	**-71.1%**
Operating income	**60.6**	**53.2**	**13.9%**
Net income	**44.9**	**36.5**	**23.0%**
EBITDA	**91.9**	**93.2**	**-1.4%**
Margins:			
Gross margin	25.3%	25.6%	-0.3 p.p.
Operating margin	10.7%	9.8%	0.9 p.p.
Net margin	7.9%	6.7%	1.2 p.p.
EBITDA margin	16.2%	17.1%	-0.9 p.p.
SG&A expenses to Net sales revenue	10.7%	11.6%	-0.9 p.p.

Net sales revenue

In the 1Q14 sales increased 4.1% compared with the same quarter of the previous year, reaching R$ 566.8 million in the period. This result is mainly due to the performance of the export original equipment manufacturer market (+21.0%) and the domestic aftermarket (+10.9%), which offset the decline in sales of domestic original equipment manufacturer market (-9.9%).



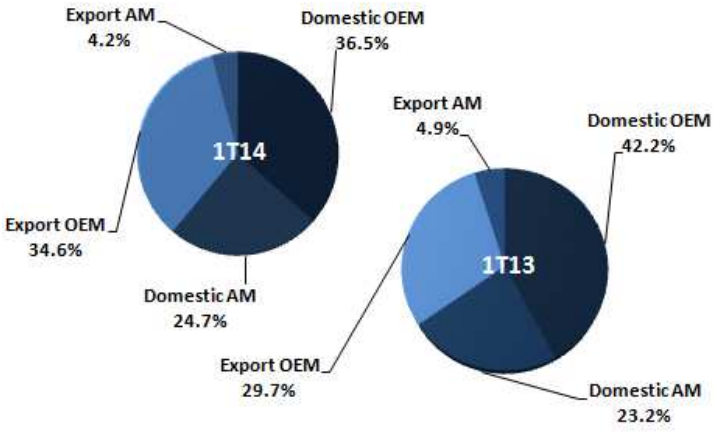
Comments on company performance

Sales to domestic market - original equipment manufacturer

Sales to domestic original equipment manufacturer market reached R$ 207.0 million in the 1Q14, a drop of 9.9% compared with the 1Q13 mainly due to a decrease in the vehicle production in Brazil and Argentina in the light and heavy-duty segments and more restrictions imposed on the granting of credit.

In this quarter, the market share in relation to the Company's total net sales revenue changed from 42.2% to 36.5% in this quarter.

Market share by segment:



Sales to domestic market – aftermarket

Domestic aftermarket closed the 1Q14 with total net sales revenue of R$ 139.9 million, an increase of 10.9% compared to the 1Q13.

This performance is a result of the product mix changes, new projects, and the performance of used vehicle sales, which, according to the National Federation of the Motor Vehicle Dealers (Fenauto), closed the quarter with a sales increase of 9.4% compared to the same period of 2013, corresponding to 3.03 million of used vehicles sold. For passanger cars category, Fenauto reported an increase of 7.5% in the first quarter compared to the same quarter of 2013, with 1.89 million of units sold, and the models of four to eight years were the most sold.

At the end of the 1Q14, market share of this segment in net sales revenue was of 24.7%.

Sales to export market – original equipment manufacturer

In the 1Q14 sales to export market increased 21.0% because of the positive foreign exchange impact and the recovery of the Company's main export markets, particularly Europe, where the production of light vehicles increased 5.3% - and USA, where the production of heavy-duty vehicles grew 10.2%.

At the end of the 1Q14, the market share in relation to the Company's total net sales revenue changed from 29.7% to 34.6%.

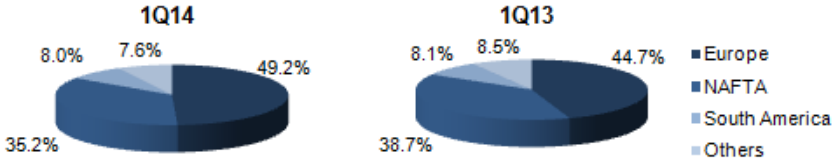
Sales to export market – aftermarket

Sales to this market amounted to R$ 23.8 million in the 1Q14, representing 11.5% below the amount reported in the first quarter of the prior year because of a less favorable macroeconomic scenario in certain countries of Latin America.

Comments on company performance

Consolidated exports by region

The graphs below show the distribution of sales by geographic region in the 1Q14 in comparison with the 1Q13:

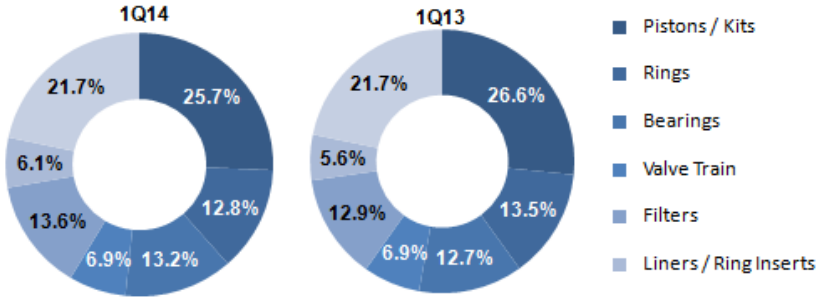


Net Sales revenue by product

The share of the filters segment in net sales revenue in the first quarter of 2014 increased by 9.4% compared to the same period of the prior year.

Performance of the net sales revenue by segment (R$ million)	1Q14 (a)	% Share by segment	1Q13 (b)	% Share by segment	% (a/b)
.Engine Components	489.8	86.4%	474.3	87.1%	3.3%
.Filters	77.0	13.6%	70.4	12.9%	9.4%
Total	**566.8**	**100.0%**	**544.7**	**100.0%**	**4.1%**

The graphs below show the share of total net sales revenue by product in the 1Q14 compared to the 1Q13:



In the segment of engine components, sales of cylinder liners and bearings increased by 10.3% and 6.0%, respectively.

Gross margin

In the 1Q14 gross margin was 25.3%, almost the same of that in the 1Q13.

Selling, general and administrative expenses

Selling expenses represented 7.1% of net sales revenue for the 1Q14, which is in line with the 1Q13, while general and administrative expenses represented 3.6% of net sales revenue, a decrease of 1.1 percentage point compared to the same period of the previous year.

Comments on company performance

Technology and product development expenses

These expenses represented 3.1% of net sales revenue for the 1Q14 (in line with the 1Q13), keeping focus on technological innovation, patent fillings and consequent launch of new products.

Other operating income (expenses), net

This accounting line recorded a net expense of R$ 1.0 million in the 1Q14, recording a negative variation of R$ 6.7 million compared to the 1Q13 due to the end of the Reintegra Program[2] in December 2013 and reversals of labor lawsuits in the 1Q13.

Operating income measured by EBITDA

In the 1Q14 EBITDA was R$ 91.9 million, representing a margin of 16.2%. Compared to the 1Q13, EBITDA margin decreased 0.9 percentage points mainly because of the end of the *Reintegra* program in December 2013 and the reversals in labor lawsuits in the 1Q13.

Net financial income (expenses)

In the 1Q14, net financial expenses amounted to R$ 3.5 million, a drop of 71.1% compared to the 1Q13. Such difference was mainly due to:

- higher financial income from interests received due to variation of the Selic rate between the periods compared;
- lower financial expenses from interests paid due to a reduction in the volume of loans and financing, and
- positive foreign exchange result (net exchange variation plus result with derivatives).

Net income

Net income for the 1Q14 was R$ 44.9 million, an increase of 23.0% compared to the same period of the previous year (net margin of 7.9% and 1.2 percentage points above the margin for the 1Q13) as a result of an improvement in net financial result for the first quarter of the year compared to the same period of the previous year.

[2] *a special tax recovery regime for export companies - This special regime was part of the Bigger Brazil Plan ("Plano Brasil Maior"), whose objective, idealized for the period 2011-2014, was to increase the competitiveness of the domestic industry from the promotion of technological innovation and the value aggregation.*

Comments on company performance

Capital expenditures

In the 1Q14, actual capital expenditures (capex) totaled R$ 25.3 million and were channeled into new products, rationalization of production, quality, equipment for research and development and information technology, among others.

Total accumulated depreciation was R$ 27.3 million and includes normal depreciation (R$ 20.9 million) and depreciation of deemed cost of property, plant and equipment (R$ 6.4 million) relating to adjustment for adoption of the International Financial Reporting Standards (IFRS).

Indebtedness

The Company's net indebtedness in the 1Q14 was R$ 205.8 million, a reduction of 21.7% compared to the end of 2013 (R$ 262.9 million), basically resulting from higher operating cash flow generation in the 1Q14.

At the end of the 1Q14, the indebtedness structure was the same as that in December 2013, *i.e.* 85% of the indebtedness was comprised in long term and 15% in short term, as shown below:

Net indebtedness				R$ million
Liabilities	**2014. Mar**	**%**	**2013. Dec**	**%**
Financings:	476.3		488.3	
.short term	73.8	15%	74.5	15%
.long term	402.5	85%	413.8	85%
Assets:				
Cash / banks / cash investments/ Loans - related parties	(270.5)		(225.4)	
Net indebtedness	**205.8**		**262.9**	

Dividends and interest on equity

The Board of Directors' Meeting held on April 23, 2014 approved distribution of interest on equity based on the earning results of the 1Q14, in the gross amount of R$ 16.1 million, to be paid on May 14, 2014.

On that same date, an Annual General Meeting was held and approved the allocation of R$ 89.6 million from net income obtained in 2013 to additional dividends, and R$ 200.4 million were paid in the fiscal year – corresponding to a payout of 97.89% of adjusted net income.

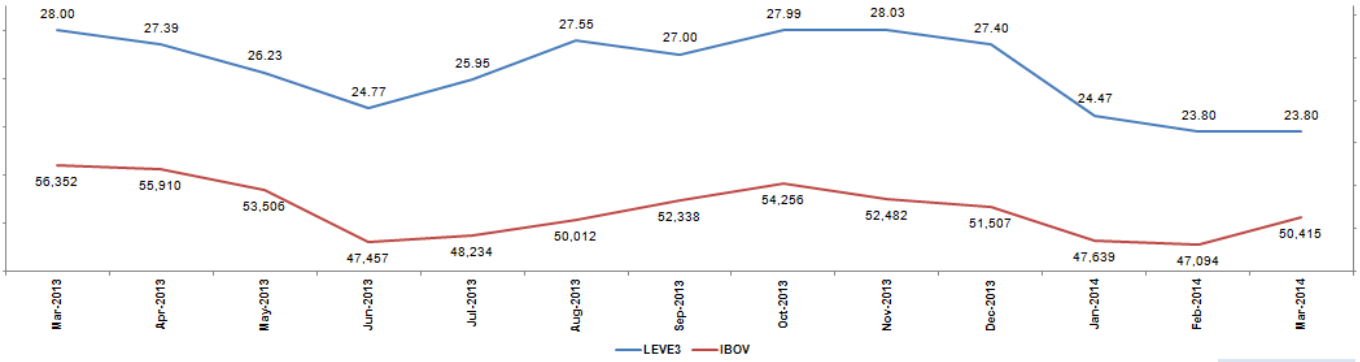
Investor Relations

In the 1Q14, the Investor Relations team implemented a series of activities to improve its internal processes and information flow and thus enhance the relationship with the market. Further, it increased its participation in several one-on-one meetings, site visits, conference calls and other events focused on strategic publics, including participation in "Credit Suisse 2014 Latin America Investment Conference", promoted by Credit Suisse, "BTG Pactual XV Brazil CEO Conference", promoted by BTG Pactual and "Bradesco BBI 1ª Conferência de Indústrias", promoted by Bradesco BBI.

Capital Markets

The graphs below show the quotes, the Average Daily Trading Volume (ADTV) and the ADTV turnover in relation to the free-float market capitalization for the last four quarters of the fiscal year ended December 31, 2013 and current fiscal year until March 31, 2014.

Comments on company performance



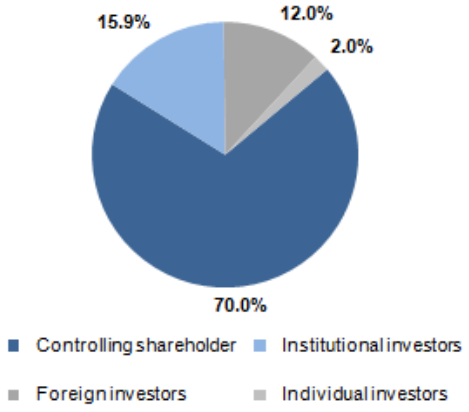
Source: Bloomberg

Variation	
LEVE3	-15.0%
Ibovespa	-10.5%

Average Daily Trading Volume (ADTV) and ADTV turnover to Free-Float Mkt Cap					
Period	1Q13	2Q13	3Q13	4Q13	1Q14
Trading Volume (R$ million)	6.4	7.0	4.8	4.8	4.7
Turnover (%)	0.63%	0.69%	0.48%	0.45%	0.51%

Shareholders' profile

On March 31, 2014, shareholders' profile in relation to the number of Company shares was represented as follows:



Outlook

Despite the expected positive performance of our export markets and replacement autoparts market ("aftermarket") and various Government's initiatives to support the automotive industry – which can favor our domestic OEM sales, the Company believes that 2014 will be a challenging year given a less favorable macroeconomic environment in Brazil, the high level of vehicle inventory at the end of the quarter (48 days) and Argentina's restrictions on imported vehicles because of the financial crisis in that country.

In medium and long term, our customers' announcements of investments to increase local capacity and production, coupled with the developments of the Inovar Auto Program, tend to provide a good business environment for the coming years to the extent the Company is prepared to follow this growth either by adjusting its production capacity or by making capital expenditures in research and technological development.

Comments on company performance

Independent Auditors

In accordance with CVM Instruction 381/03, the Company and its subsidiaries ensure that the provision of other services by auditors will not create any conflict of interest and affect the independence and objectivity necessary for independent audit services.

During the first quarter of 2014, the Company did not engage PricewaterhouseCoopers Auditores Independentes to provide other services and therefore, no situation of conflict of interest exists according to the terms of the aforementioned Instruction.

Representation by the Executive Board

In compliance with the provisions of CVM Instruction 480, the Management declares that it discussed, reviewed and agreed with the financial statements for the period ended March 31, 2014 and the opinions expressed in the independent auditor's report.

Acknowledgments

Company's Management thanks its shareholders, customers, suppliers and employees for the support and trust during the first quarter of 2014.

Company's Management

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

1 Operations

MAHLE Metal Leve S.A. ("Company") is an entity domiciled in Brazil. The registered address of the Company's head office is Avenida Ernst Mahle, 2000, 13846-146, Mogi Guaçu, São Paulo. The Company's parent company ("Parent company") and consolidated ("Consolidated") interim financial statements for the quarters ended March 31, 2014 and 2013 include the Company and its subsidiaries (jointly referred to as the "Group" or "Company" and individually as "entities of the Group").

The Company's main activities are the research, development, manufacturing and trading, in Brazil and abroad, of parts and accessories for internal combustion engines, the sale of which is made to various industries and lines of activity, such as manufacturers of automobiles, trucks and tractors, etc., the spare parts market and the industry for aviation, stationary and other engines.

The products manufactured by the Company are pistons, piston rings, gudgeon pins, camshafts, bearings, bushes, valve tappets, rockers, rods, ring carriers, valve guides and seats, cylinder liners and filters.

Other activities are carried out through subsidiaries and include the production of sintered metal parts and combustion engine valves and forged parts, as well as the marketing of products and providing of technical assistance on the international market.

The Company's shares are registered at the highest level of corporate governance of BM&FBovespa S.A. - Securities, Commodities and Futures Exchange called Novo Mercado (New Market).

2 Entities of the Group (Subsidiaries)

		Ownership interest (%)			
		3.31.2014		12.31.2013	
	Country	Direct	Indirect	Direct	Indirect
Subsidiaries					
MAHLE Metal Leve Miba Sinterizados Ltda.	Brazil	60	-	60	-
MAHLE Argentina S.A. (abroad)	Argentina	99.1	0.9	99.1	0.9
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	Brazil	60	-	60	-
MAHLE Metal Leve GmbH (abroad)	Austria	100	-	100	-
MAHLE Industry do Brasil Ltda.	Brazil	99.9	-	99.9	-
MAHLE Hirschvogel Forjas S.A.	Brazil	51	-	51	-

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

3 Basis of preparation

a. Declaration of conformity with respect to IFRS and CPC standards

The parent company and consolidated interim financial statements include: i) the consolidated interim financial statements prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB); and ii) the parent company interim financial statements prepared in accordance with accounting practices adopted in Brazil (BRGAAP) and ratified by the Brazilian Securities Commission (CVM).

In the case of the parent company, these practices differ from IFRS applicable to separate interim financial statements only with respect to the measurement of investments in subsidiaries based on the equity accounting method under BRGAAP, while IFRS requires measurement based on cost or fair value.

However, there is no difference between the consolidated equity and profit and the equity and profit of the parent company in the individual interim financial statements. Accordingly, the consolidated and parent company interim financial statements are being presented together in a single set of financial statements.

The interim financial statements of the Company and its subsidiaries for the quarter ended March 31, 2014 have been prepared in accordance with the CVM Resolution 673 of October 20, 2011, which approves technical pronouncement CPC 21 (R1) and IAS 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB).

These interim financial statements should be read together with the parent company and consolidated financial statements of MAHLE Metal Leve S.A. at December 31, 2013, which have been prepared in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS).

The issue of the parent company and consolidated interim financial statements was authorized by the Company's Board of Directors on May 9, 2014.

b. Valuation basis

The parent company and consolidated interim financial statements were prepared based on the historical cost, except for the following material items recognized in the balance sheet:

- Derivative financial instruments at fair value.

- Non-derivative financial instruments measured according to the criteria stated in Note 4.c. of the parent company and consolidated financial statements of MAHLE Metal Leve S.A. at December 31, 2013.

c. Functional and presentation currency

The Company's functional currency is the Real, and the parent company and consolidated interim financial statements are being presented in thousands of Brazilian reais.

The functional currency of its subsidiaries abroad, MAHLE Metal Leve GmbH and MAHLE Argentina S.A., is the Euro (EUR) and Argentine Peso (ARS), respectively.

For those subsidiaries whose functional currency is different from the Real, the asset and liability accounts are translated into the Company's functional currency using the exchange rates effective on the balance sheet date, and the items of income and expenses are translated using the monthly average rate. The monthly average rate does not differ materially from the rates on the dates of the transactions. The resulting translation adjustments are recognized in a specific account in the statement of comprehensive income and equity, called "Cumulative translation adjustments".

d. Use of estimates and judgments

The preparation of parent company and consolidated interim financial statements in accordance with IFRS and CPC standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions in relation to accounting estimates are recognized in the period in which the estimates are reviewed and in any future periods that are affected.
The information on critical judgments referring to the accounting policies adopted that have an effect on the amounts recognized in the parent company and consolidated interim financial statements is included in the following notes:

- Notes 15 and 16 - Useful lives of property, plant and equipment and intangible assets;

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

- Note 33 - Fair values of derivative financial instruments.

The information on uncertainties, assumptions and estimates that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

- Note16 - Provision for impairment of intangible assets;
- Note 23 - Provision for contingencies.

Other significant items subject to estimates include the provision for inventory losses, the provision for losses on contracts and the provision for warranties.

e. Reclassifications in the comparative interim financial statements

Certain comparative amounts stated in the statement of cash flows were restated in relation to 1Q13, as requested by CPC 23, "Accounting Policies, Changes in Accounting Estimates and Errors" (IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors), as follows:

Cash flow		Parent company			Consolidated		
		3.31.2013			3.31.2013		
		Previous balance	Reclassification	Restatement	Previous balance	Reclassification	Restatement
Profir before taxes	(a)	36,500	16,680	53,180	35,718	17,515	53,233
Capital increase in subsidiaries (operating activities)	(b)	(2,000)	2,000	-	-	-	-
Provision for contingencies and tax risks	(c)	(1,591)	1,064	(527)	(1,933)	1,202	(731)
Provisions for warranties	(d)	668	774	1,442	419	1,136	1,555
Prescribed dividends	(e)	39	(39)	-	39	(39)	-
Related-party receivables	(f)	(29,648)	7,808	(21,840)	(30,248)	-	(30,248)
Taxes recoverable	(a)	17,178	(15,175)	2,003	19,968	(16,286)	3,682
Deferred income tax and social contribution	(a)	1,450	(1,450)	-	1,173	(1,173)	-
Income tax and social contribution paid	(a)	-	(55)	(55)	(236)	(56)	(292)
Other liabilities	(c) (d)	3,043	(1,838)	1,205	2,409	(2,338)	71
Loans to related parties	(f)	-	(8,515)	(8,515)	-	-	-
Settlement of related-party loans	(f)	-	707	707	-	-	-
Capital increase in subsidiary (investing activities)	(b)	-	(2,000)	(2,000)	-	-	-
Dividends and interest on capital paid	(e)	(41)	39	(2)	(39)	39	-

(a) Adjustment to results from operating activities starting from "Profit before taxes" (the Company's previous practice was to start from "Profit".

(b) Reclassification of capital increase in subsidiary from operating activities to capital increase in subsidiary within investing activities for better presentation purposes.

(c) Reclassification of "(Reversal of) provisions for tax contingencies and risks", which were previously stated in "Other liabilities".

(d) Consolidation of the "Provision for warranties" and "Other liabilities" accounts.

(e) Reclassification of prescribed dividends to the dividends and interest on capital paid account (financing activities) for better presentation purposes.

(f) Reclassification of loans granted to subsidiaries and repayment of loans to subsidiaries to investing activities. These net amounts were previously recorded in "Accounts receivable from customers and related parties" within operating activities.

4 Summary of significant accounting policies

These parent company and consolidated interim financial statements were prepared based on the same accounting practices described and disclosed in Note 4 to the financial statements for the year ended December 31, 2013.

Certain amounts in the comparative statements of cash flows have been reclassified in order to be in conformity with the current period presentation (Note 3.e).

5 Determining fair value

A number of the Company's accounting policies and disclosures require determination of the fair value, not only for financial assets and liabilities but also for non-financial assets and liabilities. Fair values have been calculated for valuation and/or disclosure purposes based on the methods below.

When applicable, additional information on the assumptions used in the calculation of the fair values is disclosed in the specific notes to that asset or liability.

i. Derivatives

The fair value of forward exchange contracts is based on the listed market price, if available. If a listed market price is not available, the fair value is estimated discounting the difference between the contractual forward price and the current forward price for the residual maturity period of the contract using a risk-free interest rate (based on government bonds).

The fair value of interest rate swaps is based on brokers' quotations. These quotations are tested with respect to reasonableness through the discount of estimated future cash flows, based on the conditions and maturity of each contract and using market interest rates for a similar instrument obtained on the measurement date.

The fair values reflect the instrument's credit risk and include adjustments in order to consider the credit risk of the Group's entity and counterparty, when appropriate.

ii. Non-derivative financial liabilities

The fair value, determined for disclosure purposes, is calculated based on the present value of the principal and future cash flows, discounted at the effective market interest rate on the interim reporting date.

6 Financial risk management

The Company manages its capital for the purpose of hedging its operating capacity, maintaining a capital structure which may offer the greatest possible return to its stockholders, however, without this encumbering it.

The Company monitors its capital based on the financial leverage index, which corresponds to the net debt, including short- and long-term loans, divided by the total capital.

Information related to the risks inherent to the Company's operation and the use of financial instruments to prevent these risks, as well as the policies and the risks related to the financial instruments, are described in Note 33.

7 Segment reporting

The Company determined the operating segments based on the reports used to take strategic operating decisions. The stated figures are measured consistently with the information from the statement of income.

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Notes to the Quarterly Information
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The Group's operating segments are:

1. Engine components - rings, sensors, rockers, rods, crank arms, bearings, bushes, cylinder liners, bearing covers, rocker assemblies, crowns, injectors, synchromesh hubs, universal joints, shafts, camshafts, linkages, gears, forks, guides and valve seats, gudgeon pins, pistons, valve plates, pulleys, ring carriers, water and oil pump impellers, valve tappets and tulips, amongst others. Generally, the products are used in internal combustion engines and automotive vehicles.

2. Filters - fuel filters, air filters, oil filters, cabin air filters, activated carbon filters and oil separators. Specifically, press filters with underground and air installation, separator filters, line filters, lubricant oil suppliers, filters for cleaning vehicle tanks and reservoirs, product transfer pumps, as well as equipment for containment, absorption and collection of residues or products from leaks (magnetic steam retaining valves, vacuum oil change equipment, coolant refillers, easy checks and kits for changing brake fluid). These products are used in vehicles and have applications in industry, automobile service stations, passenger and cargo transport companies, earthworks companies, fishing terminals and farms.

	3.31.2014			3.31.2013		
Income accounts	Engine components	Filters	Consolidated	Engine components	Filters	Consolidated
Gross operating revenue	611,162	110,166	721,328	599,831	98,510	698,341
Sales deductions	(121,299)	(33,206)	(154,505)	(125,498)	(28,117)	(153,615)
Net operating revenue	489,863	76,960	566,823	474,333	70,393	544,726
Cost of sales	(362,076)	(61,342)	(423,418)	(351,488)	(53,515)	(405,003)
Gross profit	127,787	15,618	143,405	122,845	16,878	139,723
Selling expenses	(33,732)	(6,637)	(40,369)	(32,167)	(5,567)	(37,734)
Administrative expenses	(17,290)	(3,012)	(20,302)	(22,503)	(3,141)	(25,644)
Technological research expenditures	(15,166)	(2,474)	(17,640)	(14,494)	(2,255)	(16,749)
Other oper. income (expenses)	(1,335)	301	(1,034)	5,751	(62)	5,689
Finance income	31,539	2,310	33,849	15,240	928	16,168
Finance costs	(35,009)	(2,291)	(37,300)	(26,578)	(1,642)	(28,220)
Profit before income tax and social contribution	56,794	3,815	60,609	48,094	5,139	53,233

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	3.31.2014			12.31.2013		
Balance sheet accounts	Engine components	Filters	Consolidated	Engine components	Filters	Consolidated
Total assets	2,318,878	167,224	2,486,102	2,272,998	154,737	2,427,735
Inventories	279,524	41,146	320,670	278,813	35,987	314,800
Property, plant and equipment	2,244,872	110,902	2,355,774	2,264,850	105,272	2,370,122
Depreciation and amortization	(1,561,125)	(61,878)	(1,623,003)	(1,562,552)	(60,468)	(1,623,020)
Intangible assets	15,109	3,826	18,935	12,103	3,855	15,958
Goodwill	594,070	-	594,070	594,221	-	594,221
Assets held for sale	-	-	-	16,736	-	16,736
Other	746,428	73,228	819,656	668,827	70,091	738,918

The Group does not have any customer that accounts for more than 10% of the total consolidated net revenue.

The consolidated net operating revenue at March 31, 2014 amounted to R$ 566,823 (R$ 544,726 in 2013), the portion of which relating to foreign countries is R$ 219,928 (R$ 188,943 in 2013), distributed as follows:

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Gross sales per country

	1Q14	%	1Q13	%
Domestic market				
Brazil	324.221	57,2%	331.786	60,9%
Argentina	22.674	4,0%	23.997	4,4%
Other countries				
Europe				
Germany	30.887	5,4%	28.578	5,2%
Portugal	15.519	2,7%	10.920	2,0%
Spain	12.790	2,3%	10.934	2,0%
France	11.741	2,1%	10.581	1,9%
Italy	7.414	1,3%	4.167	0,8%
Sweden	7.222	1,3%	5.818	1,1%
Czech Republic	4.959	0,9%	3.469	0,6%
United Kingdom	4.480	0,8%	1.270	0,2%
Hungary	2.584	0,5%	489	0,1%
Other	10.796	1,9%	8.153	1,5%
	108.392	19,1%	84.379	15,5%
Central and North America				
USA	41.559	7,3%	37.902	7,0%
Mexico	27.130	4,8%	23.593	4,3%
Canada	7.567	1,3%	11.453	2,1%
Other	920	0,2%	291	0,1%
	77.176	13,6%	73.239	13,4%
South America				
Argentina	5.271	0,9%	3.575	0,7%
Paraguay	2.561	0,5%	1.664	0,3%
Bolivia	1.532	0,3%	1.430	0,3%
Chile	1.995	0,4%	1.995	0,4%
Uruguay	1.098	0,2%	1.324	0,2%
Other	2.450	0,4%	3.390	0,6%
	14.907	2,6%	13.378	2,5%
Africa, Asia, Oceania and M. East				
China	10.065	1,8%	9.885	1,8%
South Korea	1.581	0,3%	971	0,2%
Thailand	1.232	0,2%	1.217	0,2%
India	819	0,1%	1.134	0,2%
South Africa	683	0,1%	430	0,1%
Other	2.400	0,4%	2.407	0,4%
	16.780	3,0%	16.044	2,9%
Sales from Argentina to Brazil	2.673	0,5%	1.903	0,3%
Other countries	219.928	38,8%	188.943	34,7%
Total	566.823	100,0%	544.726	100,0%

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8 Cash and cash equivalents

	Parent company		Consolidated	
	3.31.2014	**12.31.2013**	**3.31.2014**	**12.31.2013**
Cash and demand deposits	8,300	23,090	16,790	33,737
Financial investments	260,602	184,432	262,108	186,922
Cash in transit	3,899	-	3,945	234
	272,801	**207,522**	**282,843**	**220,893**

The Company holds checking accounts at the major banks in Brazil and abroad (in New York) at Banco do Brasil and Banco Itaú BBA.

The financial investments were made as follows:

- CDBs (Bank Deposit Certificates) and Repurchase agreements (97.6%), which yield an average interest rate of 100.6% of the Interbank Deposit Certificate (CDI), held exclusively at first-tier banks in Brazil;

- Certificate Deposits and Time Deposits with Banco do Brasil from New York. These are short-term, highly liquid investments with original maturities of three months or less and subject to an insignificant risk of change in value.

- They are recorded at updated value up to the end of the period. Their values reflect the redemption amount if the investments were redeemed on that date. Yields on these transactions are recognized as finance income.

Cash in transit refers to deposits in foreign currency relating to funds received from customers abroad, available for redemption from the banks with which the Group operates.

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Notes to the Quarterly Information
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9 Trade receivables and related parties

	Parent company		Consolidated	
	3.31.2014	**12.31.2013**	**3.31.2014**	**12.31.2013**
Market				
Domestic	220,412	196,729	256,688	230,843
Foreign	66,791	70,332	113,713	113,672
	287,203	267,061	370,401	344,515
Provision for impairment of trade receivables	(3,185)	(3,164)	(4,408)	(4,388)
Discounted withdrawals	-	-	(2)	-
	284,018	263,897	365,991	340,127
Related parties (Note 12)	67,180	68,910	51,880	40,106
	351,198	**332,807**	**417,871**	**380,233**

The Group's exposures to credit and currency risks related to trade receivables are disclosed in Note 33.

At March 31, 2014, parent company and consolidated trade receivables amounting to R$ 22,438 (December 31, 2013 - R$ 26,406) and R$ 27,576 (December 31, 2013 - R$ 35,192), respectively, were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

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The amounts and the aging analysis of these trade receivables are as follows:

	Parent company		Consolidated	
	3.31.2014	12.31.2013	3.31.2014	12.31.2013
Not yet due	261.580	237.491	338.415	304.935
Overdue:				
Up to 30 days	14.132	23.515	18.308	30.520
From 31 to 60 days	4.538	1.145	5.041	2.071
From 61 to 90 days	2.321	1.333	3.172	2.176
From 91 to 120 days	1.397	696	1.529	933
From 121 to 180 days	920	668	1.247	874
From 181 to 360 days	1.395	1.247	1.574	1.523
Over 360 days	920	966	1.113	1.483
(-) Provision for impairment of trade receivables	(3.185)	(3.164)	(4.408)	(4.388)
	284.018	**263.897**	**365.991**	**340.127**

In the table above, where the provision for impairment of trade receivables (over 120 days overdue) is presented, the amounts of goods returned and advances from customers are excluded. No provision is recorded for impairment of receivables from related parties.

Changes in the provision for impairment of trade receivables are as follows:

	Parent company	Consolidated
At December 31, 2013	(3.164)	(4.388)
Receivables provided for in the period	(1.073)	(1.822)
Receivables reversed in the period	611	1.136
Receivables written off definitely	365	537
Foreign exchange variation	76	129
At March 31, 2014	(3.185)	(4.408)

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10 Inventories

	Parent company		Consolidated	
	3.31.2014	**12.31.2013**	**3.31.2014**	**12.31.2013**
Finished products	86,652	72,403	144,217	148,309
Work in process	80,888	73,448	96,430	89,763
Raw materials	45,101	40,572	56,368	49,842
Auxiliary materials	7,133	6,959	12,663	13,580
Imports in transit	7,632	11,406	10,992	13,306
	227,406	**204,788**	**320,670**	**314,800**

At March 31, 2014, inventories are stated net of provision for losses. These losses are related to products with a negative margin, tooling, quality issues, obsolescence and slow-moving items in the amount of R$ 19,186 (R$ 17,731 at December 31, 2013) in the parent company and R$ 27,467 (R$ 25,239 at December 31, 2013) in consolidated.

Changes in the provision for inventory loss are as follows:

	Parent company	Consolidated
At December 31, 2013	(17,731)	(25,239)
Reversal of provision	2,180	3,841
Provision recorded	(3,753)	(7,052)
Inventory written off definitely as loss	119	102
Foreign exchange variation	-	882
At March 31, 2014	**(19,186)**	**(27,467)**

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11 Taxes recoverable

	Parent company		Consolidated	
	3.31.2014	**12.31.2013**	**3.31.2014**	**12.31.2013**
ICMS levied on acquisition of PP&E	19,640	19,240	22,762	22,512
ICMS and IPI	18,532	15,433	25,250	17,102
Imports	3,734	5,001	4,858	5,285
Income tax and social contribution (Note 13 b.)	3,337	22,378	9,647	30,228
COFINS	3,047	2,729	3,667	3,548
PIS	656	591	791	768
Export incentive - Argentina	-	-	9,593	8,886
Other	42	42	4,997	3,803
	48,988	**65,414**	**81,565**	**92,132**
Current	33,517	50,108	44,960	74,539
Non-current	15,471	15,306	31,651	17,593
	48,988	**65,414**	**76,611**	**92,132**

ICMS - Value-added Tax on Sales and Services
IPI - Excise Tax

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12 Related parties

The aggregate amount of transactions and outstanding balances with related parties is presented below:

	Parent company								
	At March 31, 2014					2014 transactions			
	Current assets	Days for settlement	Non-current assets	Current liabilities	Days for settlement	Sales/revenue		Purchases	
	Trade receivables (Note 9)		Loan	Trade payables (Note 17)		Products	Other	Products	Other *
Companies									
Subsidiaries									
Direct									
MAHLE Metal Leve GmbH	46,025	60	-	-	-	84,507	8	-	-
MAHLE Argentina S.A.	6,482	60	-	1,311	60	10,096	-	2,112	-
MAHLE Metal Leve Miba Sinterizados Ltda.	821	60	11,496	1,532	60	-	869	1,704	-
MAHLE Hirschvogel Forjas S.A.	310	60	53,635	1,674	60	-	289	4,705	-
MAHLE Industry do Brasil Ltda.	120	60	-	28	60	3	86	26	-
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	56	60	8,410	-	-	-	34	-	-
Subtotal - Direct subsidiaries	**53,814**		**73,541**	**4,545**		**94,606**	**1,286**	**8,547**	**-**
Total subsidiaries (direct)	**53,814**		**73,541**	**4,545**		**94,606**	**1,286**	**8,547**	**-**
Related companies									
MAHLE Vöcklabruck GmbH	3,170	60	-	-	-	3,976	-	-	-
MAHLE Engine Components (Yingkou) Co., Ltd.	1,998	60	-	-	-	3,276	26	78	-
MAHLE Ventiltrieb Brandenburg GmbH	1,752	60	-	-	-	2,717	218	2	-
MAHLE Engine Componentes USA, Inc.	1,201	60	-	23	60	1,966	30	41	3
MAHLE Clevite Inc.	776	60	-	1	60	1,269	73	7	-
MAHLE Engine Components (Nanjing) Co., Ltd.	625	60	-	-	-	755	-	-	-
MAHLE Behr Gerenciamento Térmico Brasil Ltda.	592	60	-	-	-	-	389	-	-
MAHLE Motor Parcalari San. Izmir A.S	587	60	-	-	-	607	-	-	-
MAHLE Componentes de Motor Espana S.L.	566	60	-	10	60	1,045	-	11	-
MAHLE France SAS	372	60	-	-	-	485	-	-	-
MAHLE India Pistons Ltd.	302	60	-	-	-	447	-	-	-
MAHLE Ventiltrieb GmbH	291	60	-	-	-	165	110	-	-
MAHLE Aftermarket S.de R.L.de C.V.	285	60	-	-	-	613	-	-	-
MAHLE Componentes de Motores S.A.	216	60	-	-	-	202	96	-	-
MAHLE Compon. de Mot. de México, S. de R.L. de C.V.	128	60	-	712	60	248	-	1,802	28
MAHLE International GmbH	117	60	-	888	60	-	118	-	204
MAHLE Aftermarket GmbH	106	60	-	1,265	60	112	95	331	6
MAHLE Glacier Vendervell Italy s.r.l.	67	60	-	-	-	237	-	-	-
MAHLE GmbH	-	-	-	4,346	60	-	-	849	3,756
MAHLE Engine Systems UK Ltd.	-	-	-	113	60	-	-	383	-
MAHLE Indústria é Comércio Ltda	-	-	-	1,380	60	-	-	-	-
MAHLE Trading (Shangai) Co. Ltd.	-	-	-	238	60	-	-	336	1
MAHLE Filter Systems Japan Corporation	-	-	-	1,658	60	-	-	386	-
MAHLE Filtersysteme GmbH	-	-	-	608	60	-	-	2	-
MAHLE Filtersysteme Austria GmbH	-	-	-	1,161	60	-	-	431	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	-	-	85	60	-	-	157	-
MAHLE Componente de Motor SRL	-	-	-	188	60	-	-	196	-
MAHLE Aftermarket Pte. Ltd	-	-	-	-	-	-	30	-	-
MAHLE Technologies Holding (China) Co., Ltd.	-	-	-	139	60	-	-	-	-
MAHLE Shanghai Filter Systems Co. Ltd.	-	-	-	147	60	-	-	-	-
Other	215	60	-	333	60	263	60	496	1
Total related companies	**13,366**		**-**	**13,295**		**18,383**	**1,245**	**5,508**	**3,999**
Total related parties	**67,180**		**73,541**	**17,840**		**112,989**	**2,531**	**14,055**	**3,999**

*** Other purchases include: property, plant and equipment of R$ 1,261 and brand license of R$ 2,375**

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	Parent company								
	At December 31, 2013					Transactions from January 1, 2013 to March 31, 2013			
	Current assets	Days for settlement	Non-current assets	Current liabilities	Days for settlement	Sales/revenues		Purchases	
	Trade receivables (Note 9)		Loan	Trade payables (Note 17)		Products	Other	Products	Other *
Companies									
Subsidiaries									
Direct									
MAHLE Metal Leve GmbH	43,043	60	-	-	-	74,987	92	-	-
MAHLE Argentina S.A.	13,406	60	-	185	60	9,565	-	2,113	-
MAHLE Metal Leve Miba Sinterizados Ltda.	607	60	5,577	1,372	60	-	942	2,069	-
MAHLE Hirschvogel Forjas S.A.	285	60	44,057	2,104	60	-	405	5,290	-
MAHLE Industry do Brasil Ltda.	95	60	-	101	60	1	91	18	-
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	41	60	1,648	1	60	-	43	-	-
Subtotal direct subsidiaries	**57,477**		**51,282**	**3,763**		**84,553**	**1,573**	**9,490**	**-**
Total subsidiaries (direct)	**57,477**		**51,282**	**3,763**		**84,553**	**1,573**	**9,490**	**-**
Related companies									
MAHLE Vöcklabruck GmbH	2,488	60	-	-	-	1,950	-	-	-
MAHLE Engine Componentes USA, Inc.	1,634	60	-	648	60	1,618	-	80	-
MAHLE Compon. de Mot. de México, S. de R.L. de C.V.	980	60	-	-	-	252	-	876	-
MAHLE Componentes de Motor Espana S.L.	869	60	-	-	-	1,931	-	-	-
MAHLE Behr Gerenciamento Térmico Brasil Ltda.	835	60	-	-	-	-	-	-	-
MAHLE Engine Components (Yingkou) Co., Ltd.	755	60	-	4	60	3,543	-	-	-
MAHLE Motor Parcalari San. Izmir A.S	706	60	-	-	-	744	-	-	7
MAHLE Ventiltrieb Brandenburg GmbH	695	60	-	8	60	1,508	-	10	-
MAHLE Engine Components (Nanjing) Co., Ltd.	572	60	-	-	-	2,373	-	-	-
MAHLE France SAS	522	60	-	-	-	370	-	-	-
MAHLE Clevite Inc.	398	60	-	4	60	1,183	75	-	24
MAHLE Aftermarket GmbH	187	60	-	1,292	60	160	205	450	8
MAHLE Componentes de Motores S.A.	183	60	-	44	60	280	65	2	-
MAHLE Trading Japan Co. Ltd.	161	60	-	-	-	-	-	-	-
MAHLE India Pistons Ltd.	133	60	-	-	-	549	-	-	-
MAHLE Aftermarket S.de R.L.de C.V.	16	60	-	389	60	1,742	-	-	-
MAHLE GmbH	3	60	-	2,497	60	48	-	801	2,764
MAHLE Engine Systems UK Ltd.	2	60	-	84	60	17	51	405	-
MAHLE Indústria é Comércio Ltda	-	-	-	-	-	-	7	-	-
MAHLE Trading (Shangai) Co. Ltd.	-	-	-	4	60	-	-	-	-
MAHLE Filter Systems Japan Corporation	-	-	-	1,606	60	-	-	95	-
MAHLE Filtersysteme GmbH	-	-	-	1,299	60	-	-	-	-
MAHLE Filtersysteme Austria GmbH	-	-	-	-	-	-	-	391	-
MAHLE Componente de Motor SRL	-	-	-	226	60	-	-	140	-
MAHLE Ventiltrieb GmbH	-	-	-	-	-	32	-	-	-
MAHLE Aftermarket Pte. Ltd	-	-	-	-	-	-	22	-	3
MAHLE Motorkomponenten Schweiz AG	-	-	-	-	-	-	-	257	-
MAHLE Technologies Holding (China) Co., Ltd.	-	-	-	115	60	-	-	-	-
MAHLE Shanghai Filter Systems Co. Ltd.	-	-	-	161	60	-	-	-	-
MAHLE Mopisan Konya Yedek Parca San. V. Tic.A.S.	-	-	-	108	60	-	-	-	-
MAHLE Anéis Participações Ltda	3	60	-	-	-	-	-	-	-
Other	291	60	-	1,026	60	195	120	555	2
Total related companies	**11,433**		**-**	**9,515**		**18,495**	**545**	**4,062**	**2,808**
Total related parties	**68,910**		**51,282**	**13,278**		**103,048**	**2,118**	**13,552**	**2,808**

*** Other purchases include brand license of R$ 2,764**

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

	Consolidated								
	At March 31, 2014					2014 transactions			
	Current assets	Days for settlement	Current liabilities	Days for settlement	Non-current liabilities	Vendas/receitas		Compras	
	Trade receivables (Note 9)		Trade payables (Note 17)		Loan	Products	Other	Product	Other *
Related companies									
MAHLE Componentes de Motores S.A.	10,084	60	-	-	-	15,440	96	-	-
MAHLE Compon. de Mot. de México, S. de R.L. de C.V.	9,938	60	712	60	-	14,345	-	1,802	28
MAHLE France SAS	6,628	60	-	-	-	10,137	-	-	-
MAHLE Aftermarket GmbH	4,988	60	2,185	60	-	6,751	95	331	6
MAHLE Componenti Motori Italia S.p.A.	3,460	60	-	-	-	6,662	-	-	-
MAHLE Vöcklabruck GmbH	3,170	60	-	-	-	3,976	-	-	-
MAHLE Engine Components (Yingkou) Co., Ltd.	2,273	60	689	60	-	3,860	26	466	-
MAHLE Ventiltrieb Brandenburg GmbH	1,752	60	-	-	-	2,717	218	2	-
MAHLE Engine Componentes USA, Inc.	1,379	60	827	60	-	2,177	30	41	151
MAHLE S.A.	1,146	60	-	-	-	2,400	-	-	-
MAHLE Componentes de Motor Espana S.L.	1,066	60	10	60	-	1,575	-	11	-
MAHLE Kleinmotoren-Komponenten GmbH & Co. KG	800	60	16	60	-	1,706	-	-	23
MAHLE Clevite Inc.	776	60	1	60	-	1,269	73	7	-
MAHLE Engine Components (Thailand) Co., Ltd.	692	60	-	-	-	1,190	-	-	-
MAHLE Engine Components (Nanjing) Co., Ltd.	625	60	-	-		755	-	-	-
MAHLE Behr Gerenciamento Térmico Brasil Ltda.	592	60	439	60	-	-	390	-	51
MAHLE Motor Parcalari San. Izmir A.S	587	60	-	-	-	607	-	-	-
MAHLE Engine Components Slovakia s.r.o	352	60	-	-	-	429	-	-	-
MAHLE India Pistons Ltd.	302	60	-	-	-	447	-	-	-
MAHLE Aftermarket S.de R.L.de C.V.	293	60	-	-	-	613	-	-	-
MAHLE Ventiltrieb GmbH	291	60	2	60	-	165	110	-	-
MAHLE GmbH	262	60	6,150	60	-	505	-	849	4,169
MAHLE International GmbH	117	60	1,151	60	-	-	118	-	210
MAHLE Industriemotoren-Komponenten GmbH	75	60	-	-	-	98	-	-	-
MAHLE Glacier Vendervell Italy s.r.l.	67	60	-	-	-	237	-	-	-
MAHLE Industries, Inc.	20	60	688	60	-	-	31	-	689
MAHLE Engine Componets Japan Corporation	11	60	5	60	-	11	-	-	-
MAHLE Aftermarket Pte Ltd.	-	-	-	-	-	-	30	-	-
MAHLE Componente de Motor SRL	-	-	188	60	-	-	-	196	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	-	85	60	-	-	-	157	-
MAHLE Engine Systems UK Ltd.	-	-	135	60	-	-	-	383	-
MAHLE Filter Systems Japan Corporation	-	-	1,658	60	-	-	-	386	-
MAHLE Filtersysteme Austria GmbH	-	-	1,272	60	-	-	-	431	44
MAHLE Filtersysteme GmbH	-	-	608	60	-	-	-	2	-
MAHLE Holding Austria GmbH	-	-	-	-	12,361	-	-	-	-
MAHLE Indústria é Comércio Ltda	-	-	1,380	60	-	-	-	-	-
MAHLE Industriefiltration GmbH	-	-	165	60	-	-	-	929	-
MAHLE Trading (Shangai) Co.Ltd.	-	-	238	60	-	-	-	336	1
Other	134	60	720	60	-	153	28	496	1
Total related companies	**51,880**		**19,324**		**12,361**	**78,225**	**1,245**	**6,825**	**5,373**
Total related parties	**51,880**		**19,324**		**12,361**	**78,225**	**1,245**	**6,825**	**5,373**

*** Other purchases include: fixed assets of R$ 1,261 and brand license of R$ 2,677**

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

	Consolidated								
	At December 31, 2013					Transactions from January 1, 2013 to March 31, 2013			
	Current assets	Days for settlement	Non-current assets	Current liabilities	Days for settlement	Sales/revenue		Purchases	
	Trade receivables (Note 9)		Loan	Trade payables (Note 17)		Products	Other	Products	Other *
Related companies									
MAHLE Compon. de Mot. de México, S. de R.L. de C.V.	8,566	60	-	-	-	9,625	-	876	-
MAHLE Componentes de Motores S.A.	5,681	60	-	44	60	10,881	65	2	-
MAHLE France SAS	4,963	60	-	4	60	7,285	-	-	-
MAHLE Aftermarket GmbH	4,045	60	-	2,073	60	9,475	205	993	8
MAHLE Vöcklabruck GmbH	2,488	60	-	-	-	1,950	-	-	-
MAHLE Componenti Motori Italia S.p.A.	2,302	60	-	-	-	3,572	-	-	-
MAHLE Engine Componentes USA, Inc.	1,871	60	-	1,094	60	1,946	-	80	(5)
MAHLE Pistons France SARL	1,642	60	-	-	-	1,944	-	-	-
MAHLE S.A.	953	60	-	17	60	724	-	-	-
MAHLE Engine Components (Yingkou) Co., Ltd.	918	60	-	352	60	3,911	-	-	-
MAHLE Componentes de Motor Espanha S.L.	869	60	-	-	-	1,931	-	-	-
MAHLE Behr Gerenciamento Térmico Brasil Ltda.	835	60	-	226	60	-	-	-	-
MAHLE Engine Components (Thailand) Co., Ltd.	804	60	-	-	-	1,076	-	-	-
MAHLE Motor Parcalari San. Izmir A.S	706	60	-	-	-	744	-	12	7
MAHLE Ventiltrieb Brandenburg GmbH	695	60	-	8	60	1,508	-	10	-
MAHLE Kleinmotoren-Komponenten GmbH & Co. KG	572	60	-	14	60	1,481	-	-	16
MAHLE Engine Components (Nanjing) Co., Ltd.	572	60	-	-	-	2,373	-	-	-
MAHLE Clevite Inc.	398	60	-	4	60	1,183	75	-	24
MAHLE GmbH	266	60	-	5,700	60	428	-	801	3,482
MAHLE Engine Components Slovakia s.r.o	258	60	-	65	60	1,005	-	-	-
MAHLE India Pistons Ltd.	133	60	-	-	-	549	-	-	-
MAHLE Aftermarket S.de R.L.de C.V.	111	60	-	389	60	1,742	-	-	-
MAHLE Industries, Inc.	54	60	-	570	60	-	31	-	738
MAHLE Industriemotoren-Komponenten GmbH	7	60	-	-	-	-	-	-	-
MAHLE Anéis Participações Ltda	3	60	-	-	-	-	-	-	-
MAHLE Engine Systems UK Ltd.	2	60	-	84	60	16	51	405	-
MAHLE Filtersysteme GmbH	-	-	-	1,299	60	-	-	-	-
MAHLE International GmbH	-	-	-	873	60	-	82	(6)	40
MAHLE Aftermarket Pte Ltd.	-	-	-	-	-	-	22	-	3
MAHLE Industriebeteiligungen GmbH	-	-	-	287	60	-	-	-	-
MAHLE Industrial Thermal Systems GmbH & Co. KG	-	-	-	128	60	-	-	-	-
MAHLE Filtersysteme Austria GmbH	-	-	-	29	60	-	-	391	37
MAHLE Industriefiltration GmbH	-	-	-	9	60	-	-	124	-
MAHLE Holding Austria GmbH	-	-	4,515	-	-	-	-	-	-
Other	392	60	-	2,593	60	850	14	1,055	2
Total related companies	**40,106**		**4,515**	**15,862**		**66,199**	**545**	**4,743**	**4,352**
Total related parties	**40,106**		**4,515**	**15,862**		**66,199**	**545**	**4,743**	**4,352**

*** Other purchases include brand licensing of R$ 3,088**

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

The business transactions with related parties refer mainly to the purchase and sale of products and services directly related to the Company's operating activities.

At March 31, 2014, subsidiary MAHLE Hirschvogel Forjas S.A. has a loan agreement with the Company in the amount of R$ 53,635 (R$ 44,057 at December 31, 2013), subject of interest rate of 115% of the Interbank Deposit Certificate (CDI), with no set maturity date.

At March 31, 2014, subsidiary MAHLE Metal Leve Miba Sinterizados Ltda. has a loan agreement with the Company in the amount of R$ 11,496 (R$ 5,577 at December 31, 2013), subject to interest rate of 115% of the Interbank Deposit Certificate (CDI), with no set maturity date.

Since February 15, 2012, the Company has a brand licensing agreement with its parent company MAHLE GmbH that is registered with the National Institute of Industrial Property (INPI), in which the Licensor establishes the payment of royalties of up to 1% of net sales revenue and the Company is authorized to manufacture and distribute products using the brand "MAHLE". The royalty expenses were recorded within "selling expenses - brand license", in the amount of R$ 2,375 in the parent company and R$ 2,677 in consolidated at March 31, 2014 (R$ 2,764 at March 31, 2013 in the parent company and R$ 3,088 in consolidated).

Parent company and ultimate parent company

The Company's direct parent company is established as a limited liability company and its corporate name is MAHLE Indústria e Comércio Ltda.

MAHLE Industriebeteiligungen GmbH is the Group's ultimate parent company, established as a limited liability company with head office in the city of Stuttgart in the Federal Republic of Germany.

The direct and indirect subsidiaries with which the Company has commercial relationships are privately owned companies with their head offices in Brazil or abroad. These companies do not prepare interim financial statements available for public use.

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

Dividends and interest on capital receivable

The breakdown of dividends and interest on capital receivable from subsidiaries is presented below:

	Parent company	
	3.31.2014	**12.31.2013**
MAHLE Metal Leve GmbH	6,196	15,010
	6,196	**15,010**

Dividends and interest on capital payable

The breakdown of dividends and interest on capital payable is presented below:

	Parent company		Consolidated	
	3.31.2014	**12.31.2013**	**3.31.2014**	**12.31.2013**
Other	723	836	786	899
	723	**836**	**786**	**899**

Management compensation

The compensation of the key management personnel, which comprises the executive officers and the Board of Directors, includes salaries, fees and variable benefits.

	Parent company		Consolidated	
	3.31.2014	**3.31.2013**	**3.31.2014**	**3.31.2013**
Statutory officers	1,468	852	1,468	852
Non-statutorry officers	769	2,264	943	2,679
	2,237	**3,116**	**2,411**	**3,531**

The officers receive no share-based payment.

13 Income tax and social contribution

The income tax and social contribution on net income were calculated at the statutory rates.

a. Reconciliation of income tax and social contribution expense

The reconciliation of the amount that results from applying the combined statutory tax rates with the income tax and social contribution expense recorded in the statement of income is as follows:

	Parent company		Consolidated	
	3.31.2014	**3.31.2013**	**3.31.2014**	**3.31.2013**
Profit before income tax and social contribution	64,559	53,180	60,609	53,233
Income tax and social contribution at the Brazilian statutory rate (34%)	(21,950)	(18,081)	(20,607)	(18,099)
Effects of permanent differences:				
Equity in the results	2,476	1,948	-	-
Other, net	(183)	(547)	570	584
Total income tax and social contribution	**(19,657)**	**(16,680)**	**(20,037)**	**(17,515)**
Current income tax and social contribution	(21,490)	(15,230)	(23,043)	(16,342)
Deferred income tax and social contribution	1,833	(1,450)	3,006	(1,173)
	(19,657)	**(16,680)**	**(20,037)**	**(17,515)**
Statutory rate	**30.4%**	**31.4%**	**33.1%**	**32.9%**

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

b. Income tax and social contribution recoverable

	Parent company		Consolidated	
	3.31.2014	**12.31.2013**	**3.31.2014**	**12.31.2013**
Income tax levied on profit for the year	15,892	44,647	17,445	46,548
Social contribution levied on profit for the year	5,598	15,766	5,598	15,766
	21,490	60,413	23,043	62,314
Payments made	(67)	(44,120)	(873)	(45,095)
Other offsetting (*)	(20,500)	(35,334)	(27,344)	(43,897)
Taxes payable	923	-	923	-
Taxes recoverable	-	(19,041)	(6,097)	(26,678)
Request for income tax and social contribution refund (**)	(3,337)	(3,337)	(3,550)	(3,550)
Total taxes recoverable (Note 11)	**(3,337)**	**(22,378)**	**(9,647)**	**(30,228)**
Total taxes payable	**923**	**-**	**923**	**-**

(*) Negative balances from previous years, REINTEGRA credit (2013), Withholding Income Tax (IRRF) on financial investments and rendering of services.

(**) This amount refers to a request for refund filed with the Federal Revenue Department.

c. Recognized deferred tax assets and liabilities

Deferred income tax and social contribution were calculated on temporarily non-deductible provisions and tax losses.

i. Breakdown of deferred tax assets and liabilities:

	Parent company			
	Assets		Liabilities	
	At 3.31.2014	At 12.31.2013	At 3.31.2014	At 12.31.2013
Property, plant and equipment	-	-	76,198	81,434
Intangible assets	-	-	123,023	111,884
Derivatives	(5,920)	(15,138)	-	-
Inventories	(6,523)	(6,029)	-	-
Provisions	(125,050)	(115,407)	-	-
Tax liabilities (assets)	(137,493)	(136,574)	199,221	193,318
Amount subject to offset	137,493	136,574	(137,493)	(136,574)
Net tax liabilities (assets)	-	-	**61,728**	**56,744**

	Consolidated			
	Assets		Liabilities	
	At 3.31.2014	At 12.31.2013	At 3.31.2014	At 12.31.2013
Property, plant and equipment	-	-	83,909	89,214
Intangible assets	-	-	123,023	111,884
Derivatives	(6,121)	(15,205)	-	-
Inventories	(8,303)	(7,908)	-	-
Provisions	(130,755)	(120,706)	-	-
Tax loss to be offset	(1,635)	(1,836)	-	-
Tax liabilities (assets)	(146,814)	(145,655)	206,932	201,098
Amount subject to offset	142,467	140,332	(142,467)	(140,332)
Net tax liabilities (assets)	**(4,347)**	**(5,323)**	**64,465**	**60,766**

In the parent company and consolidated interim financial statements, the deferred tax asset offset against the deferred tax liability when related to the same tax authority and the same taxable entity.

ii. Changes in temporary differences and tax loss carryforwards:

	Parent company			
	At 12.31.2013	**Recorded in the statement of income**	**Recorded in other comprehensive income**	**At 3.31.2014**
Property, plant and equipment	81.434	(5.236)	-	76.198
Intangible assets	111.884	11.139	-	123.023
Derivatives	(15.138)	2.401	6.817	(5.920)
Inventories	(6.029)	(494)	-	(6.523)
Provisions	(115.407)	(9.643)	-	(125.050)
	56.744	**(1.833)**	**6.817**	**61.728**

	Consolidated			
	At 12.31.2013	**Recorded in the statement of income**	**Recorded in other comprehensive income**	**At 3.31.2014**
Property, plant and equipment	89.214	(5.305)	-	83.909
Intangible assets	111.884	11.139	-	123.023
Derivatives	(15.205)	2.426	6.658	(6.121)
Inventories	(7.908)	(395)	-	(8.303)
Provisions	(120.706)	(11.072)	1.023	(130.755)
Tax loss to be offset	(1.836)	201	-	(1.635)
	55.443	**(3.006)**	**7.681**	**60.118**

d. Transitional Tax System

Provisional Measure (MP) 627, of November 11, 2013, and Brazilian Federal Revenue Department Regulatory Instruction 1,397, of September 16, 2013, significantly altered federal tax rules, in particular concerning those adjustments required to terminate the Transitional Tax System established by Law 11,941, of May 27, 2009. The Provisional Measure provisions will become effective on a mandatory basis as from 2015, while the early adoption is allowed as from 2014.

Based on a study conducted by management on the potential tax impacts of MP 627 (which to this date has not yet been converted into Law), it is the Company's intention to adopt the early application of its provisions as from 2014 (art. 71), provided that the Provisional Measure be regulated and converted into Law in such terms that are substantially equal to the current wording in its main aspects.

14 Investments in subsidiaries

					3.31.2014
	Investments accounted for using the equity method	Goodwill based on expected future profitability	Impairment	Elimination of profit on inventories (at 3.31.2014)	Total
MAHLE Argentina S.A.	51,769	59,549	(38,408)	(3,064)	69,846
MAHLE Metal Leve Miba Sinterizados Ltda.	20,245	-	-	-	20,245
MAHLE Metal Leve GmbH	22,606	-	-	(1,157)	21,449
MAHLE Industry do Brasil Ltda.	3,369	-	-	-	3,369
Total	97,989	59,549	(38,408)	(4,221)	114,909

					12.31.2013
	Investments accounted for using the equity method	Goodwill based on expected future profitability	Impairment	Elimination of profit on inventories (at 12.31.2013)	Total
MAHLE Argentina S.A.	60,413	59,549	(38,408)	(3,362)	78,192
MAHLE Hirschvogel Forjas S.A.	-	29,037	(29,037)	-	-
MAHLE Metal Leve Miba Sinterizados Ltda.	21,665	-	-	-	21,665
MAHLE Metal Leve GmbH	27,706	-	-	(929)	26,777
MAHLE Industry do Brasil Ltda.	3,918	-	-	-	3,918
Total	113,702	88,586	(67,445)	(4,291)	130,552

MAHLE METAL LEVE S.A.

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						Equity interest				
	Interest (%)	Total assets	Total liabilities	Equity	Profit (loss) for the period	Investments	Equity in the results	Provision for loss (effect on the results)	Elimination of profit on inventories (equity)	Provision for devalued onwership interest
March 31, 2013										
Subsidiaries										
MAHLE Metal Leve Miba Sinterizados Ltda.	70.00	83,097	43,703	39,394	178	27,576	125	-	-	-
MAHLE Argentina S.A.	97.20	139,031	109,189	29,842	1,033	29,006	1,004	-	-	-
MAHLE Metal Leve GmbH	100.00	102,138	77,380	24,758	5,766	24,758	5,766	-	-	-
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	60.00	2,886	8,276	(5,390)	(287)	-	-	(172)	-	(3,234)
MAHLE Industry do Brasil Ltda.	99.99	5,370	544	4,826	(245)	4,826	(245)	-	-	-
MAHLE Hirschvogel Forjas S.A.	51.00	77,419	98,910	(21,491)	(1,469)	-	-	(749)	-	(10,960)
Total		409,941	338,002	71,939	4,976	86,166	6,650	(921)	-	(14,194)
December 31, 2013										
Subsidiaries										
MAHLE Metal Leve Miba Sinterizados Ltda.	60.00	79,767	43,661	36,106	(2,814)	21,665	(1,798)	-	-	-
MAHLE Argentina S.A.	99.10	136,369	75,407	60,962	11,037	60,413	10,766	-	(3,362)	-
MAHLE Metal Leve GmbH	100.00	108,805	81,100	27,705	21,574	27,706	21,574	-	(929)	-
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	60.00	2,763	8,977	(6,214)	(1,111)	-	-	(667)	-	(3,728)
MAHLE Industry do Brasil Ltda.	99.99	5,078	1,160	3,918	(1,153)	3,918	(1,153)	-	-	-
MAHLE Hirschvogel Forjas S.A.	51.00	64,242	97,028	(32,786)	(12,764)	-	-	(6,510)	-	(16,721)
Total		397,024	307,333	89,691	14,769	113,702	29,389	(7,177)	(4,291)	(20,449)
March 31, 2014										
Subsidiaries										
MAHLE Metal Leve Miba Sinterizados Ltda.	60.00	86,422	52,681	33,741	(2,058)	20,245	(1,235)	-	-	-
MAHLE Argentina S.A.	99.10	117,757	65,518	52,239	4,542	51,769	4,501	-	299	-
MAHLE Metal Leve GmbH	100.00	107,839	85,233	22,606	8,190	22,606	8,190	-	(229)	-
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	60.00	2,907	9,350	(6,443)	(229)	-	-	(137)	-	(3,866)
MAHLE Industry do Brasil Ltda.	99.99	4,608	1,239	3,369	(549)	3,369	(549)	-	-	-
MAHLE Hirschvogel Forjas S.A.	51.00	64,211	103,972	(39,761)	(6,975)	-	-	(3,557)	-	(20,278)
Total		383,744	317,993	65,751	2,921	97,989	10,906	(3,694)	70	(24,144)

MAHLE Argentina S.A.

In December 2013, the Company made a capital contribution to the subsidiary MAHLE Argentina S.A. amounting to R$ 25,000, thus increasing its interest in this subsidiary from 97.2% to 99.1%.

As mentioned in Note 16, the Company has a provision for impairment of the goodwill on acquisition of the subsidiary in the amount of R$ 38,408.

MAHLE Filtroil Indústria e Comércio de Filtros Ltda.

At March 31, 2014, the interest in the net capital deficiency of subsidiary MAHLE Filtroil Indústria e Comércio de Filtros Ltda. is R$ 3,866 (R$ 3,728 at December 31, 2013) and is recorded in non-current liabilities within "Provision for subsidiary's net capital deficiency".

In addition, there are various lawsuits involving the stockholders of the subsidiary with respect to the commercial, financial and administrative management, as well as a lawsuit for dissolution of the subsidiary, which was initiated because of a capital increase proposed by the Company and not accepted by the non-controlling stockholder to remedy the deficient financial situation of the subsidiary.

MAHLE Hirschvogel Forjas S.A.

At March 31, 2014, the interest in the net capital deficiency of subsidiary MAHLE Hirschvogel Forjas S.A. was R$ 20,278 (R$ 16,721 at December 31, 2013) and is recorded in non-current liabilities within "Provision for subsidiary's net capital deficiency".

As mentioned in Note 16, the Company identified and recorded impairment losses at December 31, 2013 for the total goodwill of the subsidiary MAHLE Hirschvogel Forjas S.A. amounting to R$ 29,037.

MAHLE Metal Leve Miba Sinterizados Ltda.

The Board of Directors' meeting held on December 6, 2013 approved the sale of the interest held by MAHLE Metal Leve S.A. in the subsidiary MAHLE Metal Leve Miba Sinterizados Ltda. to Miba Sinter Holding GmbH & Co. KG for a total of 10,000 quotas representing 10% of the share capital of MAHLE Metal Leve Miba Sinterizados Ltda., amounting to R$ 4.6 million.

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
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15 Property, plant and equipment

	Parent company								
	Land	Buildings and constructions	Machinery, equipment and facilities	Furniture and fittings	Vehicles	Construction in progress	Advances to suppliers	(-) Provision for losses on PP&E	Total
At December 31, 2013	52,454	122,303	428,128	5,650	5,743	4,089	19,568	(8,542)	629,393
Total cost	52,454	218,511	1,734,650	27,043	23,190	4,089	19,568	(8,542)	2,070,963
Accumulated depreciation	-	(96,208)	(1,306,522)	(21,393)	(17,447)	-	-	-	(1,441,570)
Net book value	52,454	122,303	428,128	5,650	5,743	4,089	19,568	(8,542)	629,393
Purchase	-	2,824	3,046	399	1,037	1,576	4,856	-	13,738
Disposal	-	-	(2,480)	(145)	(116)	-	-	1,618	(1,123)
Transfer	-	(1)	9,041	(15)	-	(4,005)	(5,020)	-	-
Depreciation	-	(1,217)	(15,252)	(256)	(451)	-	-	-	(17,176)
Depreciation/disposal (deemed cost)	-	(642)	(5,510)	(59)	(6)	-	-	-	(6,217)
At March 31, 2014	52,454	123,267	416,973	5,574	6,207	1,660	19,404	(6,924)	618,615
Total cost	52,454	221,331	1,723,965	27,049	23,462	1,660	19,404	(6,924)	2,062,401
Accumulated depreciation	-	(98,064)	(1,306,992)	(21,475)	(17,255)	-	-	-	(1,443,786)
Net book value	52,454	123,267	416,973	5,574	6,207	1,660	19,404	(6,924)	618,615

MAHLE METAL LEVE S.A.

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	Consolidated								
	Land	Buildings and constructions	Machinery, equipment and facilities	Furniture and fittings	Vehicles	Construction in progress	Advances to suppliers	(-) Provision for losses on PP&E	Total
At December 31, 2013	59,387	130,036	525,571	6,833	7,062	4,383	23,689	(9,859)	747,102
Total cost	59,387	238,547	1,996,730	30,159	27,086	4,383	23,689	(9,859)	2,370,122
Accumulated depreciation	-	(108,511)	(1,471,159)	(23,326)	(20,024)	-	-	-	(1,623,020)
Net book value	59,387	130,036	525,571	6,833	7,062	4,383	23,689	(9,859)	747,102
Addition	-	2,894	1,997	471	1,045	6,555	8,477	-	21,439
Disposal	-	-	(2,520)	(150)	(171)	-	-	1,618	(1,223)
Transfer	-	258	13,270	(9)	(1)	(4,298)	(9,220)	-	-
Depreciation	-	(1,282)	(18,782)	(305)	(536)	-	-	-	(20,905)
Depreciation/disposal (deemed cost)	-	(672)	(5,659)	(59)	(6)	-	-	-	(6,396)
Foreign exchange variation	(82)	(444)	(6,107)	(14)	(75)	-	(624)	100	(7,246)
At March 31, 2014	59,305	130,790	507,770	6,767	7,318	6,640	22,322	(8,141)	732,771
Total cost	59,305	241,097	1,977,209	30,250	27,092	6,640	22,322	(8,141)	2,355,774
Accumulated preciation	-	(110,307)	(1,469,439)	(23,483)	(19,774)	-	-	-	(1,623,003)
Net book value	59,305	130,790	507,770	6,767	7,318	6,640	22,322	(8,141)	732,771

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Deemed cost

Changes in deemed cost

	Parent company			
	12.31.2013	Depreciation/disposal (deemed cost)	Disposal of held-for-sale assets	3.31.2014
Land	49,082	-	(2,176)	46,906
Buildings and constructions	62,763	(642)	(9,434)	52,687
Machinery, equip. and facilities	39,012	(5,510)	-	33,502
Furniture and fittings	522	(59)	-	463
Vehicles	(91)	(6)	-	(97)
	151,288	(6,217)	(11,610)	133,461

	Consolidated			
	12.31.2013	Depreciation/disposal (deemed cost)	Disposal of held-for-sale assets	3.31.2014
Land	54,794	-	(2,176)	52,618
Buildings and constructions	64,647	(672)	(9,434)	54,541
Machinery, equip. and facilities	40,181	(5,659)	-	34,522
Furniture and fittings	673	(59)	-	614
Vehicles	(95)	(6)	-	(101)
	160,200	(6,396)	(11,610)	142,194

Guarantees

The Company offered items of its property, plant and equipment as collateral in financing and tax and labor lawsuits, in the amount of R$ 44,375 within the consolidated at March 31, 2014 and December 31, 2013. These items are represented by machinery and equipment.

Provision for impairment

The Company recorded a provision in an amount sufficient to cover any losses on unrecoverable property, plant and equipment that is recorded in the tables for the property, plant and equipment of the parent company and consolidated in accordance with the requirements set out in CPC 01 (R1) (IAS 36), "Impairment of Assets".

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Non-current assets held for sale

The assets relating to the Aftermarket division in the city of Limeira, State of São Paulo, were presented as held for sale following the approval at the Board of Directors' meeting held on October 23, 2013. The sale transaction was completed in February 2014.

16 Intangible assets

		Parent company		Consolidated	
	Annual amortization rates (%)	3.31.2014	12.31.2013	3.31.2014	12.31.2013
Goodwill on merger of the subsidiary:					
MAHLE Participações Ltda. (a)	-	568,612	568,612	568,612	568,612
Goodwill on merger of the subsidiaries:					
MAHLE Argentina S.A. (a)	-	-	-	63,866	64,017
MAHLE Hirschvogel Forjas S.A. (a)	-	-	-	35,755	35,755
Software purchase and preparation expenditures (b)	20	48,218	44,305	50,930	47,180
Trademarks and patents (a)	-	-	-	-	-
Other (b)	0-20	9,625	9,637	13,171	14,146
Provision for losses with intangible (impairment)	-	-	-	(74,163)	(74,163)
Provision for losses with intangible (other)	-	(334)	(334)	(343)	(343)
		626,121	622,220	657,828	655,204
Accumulated amortization		(39,213)	(38,403)	(44,823)	(45,025)
		586,908	583,817	613,005	610,179

(a) indefinite useful life
(b) defined useful life

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Statement of changes in intangible assets

	Parent company			
	Goodwill on acquisition of subsidiaries (merged or not)	Software purchase and preparation expenditures	Other	Total
At December 31, 2013	568,612	8,181	7,024	583,817
Addition	-	3,903	-	3,903
Amortization	-	(577)	(235)	(812)
Other	-	12	(12)	-
At March 31, 2014	568,612	11,519	6,777	586,908

	Consolidated			
	Goodwill on acquisition of subsidiaries (merged or not)	Software purchase and preparation expenditures	Other	Total
At December 31, 2013	594,221	8,776	7,182	610,179
Addition	-	3,904	-	3,904
Amortization	-	(636)	(235)	(871)
Foreign exchange variation	(151)	(21)	(35)	(207)
Other	-	12	(12)	-
At March 31, 2014	594,070	12,035	6,900	613,005

Provision for impairment of intangible assets

In December 2013, the Company identified and recognized a provision for impairment of 100% of goodwill of the subsidiary MAHLE Hirschvogel Forjas S.A. amounting to R$ 29,037, which resulted in the total write off of goodwill of R$ 35,755. This loss resulted from the decrease in future results due to market share loss.

The amounts of provision for impairment were recorded in "Other operating income (expenses)" in the statement of income.

The recoverable amount was calculated based on value in use. Management took budget projections based upon the future profitability of the subsidiaries using the discounted cash flow method.

At December 31, 2013, the Company conducted an impairment testing of subsidiary MAHLE Argentina S.A. and of the Cash-generating Unit (CGU) of MAHLE Metal Leve S.A. for the ring

segment and did not identify the need for recording a provision for impairment.

The Company's management constantly monitors the activities of its subsidiaries and, in 1Q14, found no substantial changes in their operational performance that would justify any change in the amount of impairment previously recognized.

17 Accounts payable to suppliers and related parties

	Parent company		Consolidated	
	3.31.2014	12.31.2013	3.31.2014	12.31.2013
Domestic	54,113	41,060	66,502	54,806
Foreign	16,166	15,215	23,349	22,913
	70,279	56,275	89,851	77,719
Related parties (Note 12)	17,840	13,278	19,324	15,862
	88,119	**69,553**	**109,175**	**93,581**

The Group's exposure to currency and liquidity risks, related to accounts payable to suppliers, is disclosed in Note 33.

Commitments assumed

At March 31, 2014, the Company and its subsidiaries had bank letters of guarantee with various maturities for guaranteeing the supply of electric power, judicial proceedings and the supply of imported raw materials, as shown in the table below:

	Parent company		Consolidated	
	3.31.2014	12.31.2013	3.31.2014	12.31.2013
Judicial lawsuits	6,386	6,110	6,386	6,110
Electricity	9,368	9,517	11,982	12,132
Suppliers	9,887	10,049	18,086	13,275
	25,641	**25,676**	**36,454**	**31,517**

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18 Taxes and contributions payable

	Parent company		Consolidated	
	3.31.2014	**12.31.2013**	**3.31.2014**	**12.31.2013**
State taxes	12,726	8,875	13,956	9,600
ICMS payable	12,723	8,872	13,735	9,356
Other	3	3	221	244
Federal taxes	12,566	9,735	15,755	13,166
COFINS payable	6,035	3,560	6,210	3,713
IPI payable	3,193	1,766	3,201	1,777
IRRF	1,597	3,477	1,940	4,100
PIS payable	1,293	765	1,335	799
Payment of taxes in installments (REFIS)	-	-	2,322	2,282
Other	448	167	747	495
Income tax and social contribution	923	-	3,734	2,419
Municipal taxes	-	-	49	44
Current liabilities	**26,215**	**18,610**	**33,494**	**25,229**
Federal taxes	7,319	7,319	21,585	21,921
Social contribution payable	7,319	7,319	8,104	8,104
INSS in installments (REFIS)	-	-	5,154	5,375
PIS in installments (REFIS)	-	-	3,326	3,361
COFINS in installments (REFIS)	-	-	3,289	3,347
IRPJ/CSLL in installments (REFIS)	-	-	1,339	1,351
IPI in installments (REFIS)	-	-	373	383
Non-current liabilities	**7,319**	**7,319**	**21,585**	**21,921**

19 Borrowings

		Parent company		Consolidated	
Breakdown		**3.31.2014**	**12.31.2013**	**3.31.2014**	**12.31.2013**
Local currency					
BNDES-Exim (interest of 5.50% p.a.)		194.180	194.209	201.224	201.254
Export Credit Note (NCE) (interest of 5.50% p.a.)		184.771	184.786	184.771	184.786
BNDES-Finem (Long-term interest rate (TJLP) + 1.40% p.a.)		13.146	14.421	13.146	14.421
Working capital (interest from 9.90% to 33.50% p.a.)		-	-	35.512	33.843
Bank Credit Note (interest of 109.50% of CDI p.a.)		-	-	15.625	18.750
Working capital (Euribor + interest of 3.07% p.a.)		-	-	11.705	14.536
BNDES-Exim (interest of 8.00% p.a.)		-	-	12.537	12.540
Bank overdraft (interest from 116.00% to 130.00% of the CDI p.a.)		-	-	-	6.430
Other		577	539	577	539
Foreign currency	**Currency**				
Working capital (foreign exchange variation + interest of 7.00% p.a.)	USD	-	-	1.163	1.185
		392.674	393.955	476.260	488.284
Current - local currency		7.636	7.648	72.651	73.271
Current - foreign currency		-	-	1.163	1.185
Total current		7.636	7.648	73.814	74.456
Non-current - local currency		385.038	386.307	402.446	413.828
Total non-current		385.038	386.307	402.446	413.828

The amounts referring to non-current liabilities (98% and 85% of total borrowings for the parent company and consolidated, respectively) have the following maturities per year:

	Parent company		Consolidated	
	3.31.2014	**12.31.2013**	**3.31.2014**	**12.31.2013**
2015	199,308	200,577	209,230	220,479
2016	185,730	185,730	193,216	193,349
	385,038	386,307	402,446	413,828

Commitments assumed

There are accelerated maturity clauses in the BNDES-Exim and Export to Credit Note (NCE) (97% and 84% of the borrowings of the parent company and consolidated, respectively) agreements related mainly to the use of the funds for a purpose other than that established in the

credit facility agreements with the financial institutions. No guarantees were granted for these credit lines. For this financing, product export supporting documents are required.

BNDES-Finem: This type of financing was obtained from the National Bank for Economic and Social Development (BNDES) for developing new products and processes and acquiring machinery and equipment, and is collateralized by a bank guarantee from Banco Itaú BBA S.A. maturing on April 17, 2017. This contract contains accelerated maturity clauses related mainly to the non-performance of the project and/or acquisition of the financed asset.

At December 31, 2013 and March 31, 2014, the Company was not in breach of the contractual clauses under the BNDES-Exim, BNDES-Finem, Working Capital and NCE contracts.

20 Salaries, vacation pay and social charges payable

	Parent company		Consolidated	
	3.31.2014	12.31.2013	3.31.2014	12.31.2013
Employee profit sharing	38,273	35,434	42,605	39,018
Provision for vacation pay	34,906	22,658	42,603	29,460
INSS /FGTS	8,164	10,206	9,214	11,393
Other social charges	1,193	1,277	3,329	5,574
	82,536	**69,575**	**97,751**	**85,445**

FGTS - Government Severance Indemnity Fund for Employees
INSS - National Institute of Social Security

21 Sundry provisions

	Parent company						
	Loss on contracts	Commercial bonus	Restructuring	Electricity	Employee benefits	Other	Total
At December 31, 2013	**6,764**	**4,350**	**1,296**	**2,261**	**-**	**8,155**	**22,826**
Reversal	-	-	-	(2,261)	-	(2,822)	(5,083)
Payment	-	(4,225)	(502)	-	-	-	(4,727)
Addition	-	1,934	-	4,037	618	119	6,708
At March 31, 2014	**6,764**	**2,059**	**794**	**4,037**	**618**	**5,452**	**19,724**

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	Consolidated						
	Loss on contracts	Commercial bonus	Restructuring	Electricity	Employee benefits	Other	Total
At December 31, 2013	8,671	4,642	1,694	2,411	-	6,832	**24,250**
Reversal	-	-	-	(2,411)	-	(2,822)	(5,233)
Payment	-	(4,504)	(974)	-	-	(702)	(6,180)
Addition	-	2,345	679	4,199	682	2,259	10,164
Foreign exchange variation	-	(4)	(85)	-	-	(129)	(218)
Elimination in consolidated	-	-	-	-	-	2,702	2,702
At March 31, 2014	**8,671**	**2,479**	**1,314**	**4,199**	**682**	**8,140**	**25,485**

Provision for losses on contracts

The provision for losses on contracts is recognized in an amount sufficient to cover losses on sales contracts already entered into and for estimates of losses, on which management expects to incur negative margins.

Provision for restructuring

The provision for restructuring is recorded in an amount sufficient to cover costs related to the phasing-out of the bearing production line and the automation process of the Rafaela plant of subsidiary MAHLE Argentina S.A.

22 Provisions for warranties

The Group guarantees the quality of its products, assuming responsibility for providing replacements and repairs for customers for defective products.

The Company recognizes provisions for warranty calculated on the sale of products, based on historical percentages of expenditures and for cases already identified in which the Company and its subsidiaries estimate they will incur expenditure in order to replace and repair products, including recalls:

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	Parent company	Consolidated
At December 31, 2013	13,824	16,402
Reversal	(400)	(546)
Payment	(651)	(652)
Addition	1,395	1,476
Foreign exchange variation	-	(68)
At March 31, 2014	**14,168**	**16,612**

23 Provisions for contingencies and judicial deposits linked to judicial proceedings

The Company is a party to civil, labor and tax proceedings in progress both at the administrative and judicial level, which, when applicable, are supported by judicial deposits. The respective provisions for contingencies were recorded considering the estimates made by the legal advisors for proceedings in which the likelihood of loss on the respective outcomes was assessed as probable and other unrelated legal obligations.

According to management's assessment, contingencies are as follows:

	Parent company				
	Civil and labor	Tax	Environmental liability	Judicial deposits	Total
At December 31, 2013	**139.851**	**30.497**	**8.869**	**(33.055)**	**146.162**
Additions	11.440	-	-	(2.093)	9.347
Adjustments	4.503	567	-	(492)	4.578
Write off due to use	(2.040)	-	(305)	289	(2.056)
Write off due to reversal	(7.218)	(52)	-	7	(7.263)
Transfer	-	-	-	140	140
At March 31, 2014	**146.536**	**31.012**	**8.564**	**(35.204)**	**150.908**

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	Consolidated				
	Civil and labor	Tax	Environmental liability	Judicial deposits	Total
At December 31, 2013	**149,066**	**30,609**	**9,027**	**(34,737)**	**153,965**
Additions	13,188	-	72	(2,254)	11,006
Adjustments	4,770	571	-	(521)	4,820
Write off due to use	(2,300)	-	(327)	317	(2,310)
Write off due to reversal	(7,472)	(53)	-	7	(7,518)
Transfer	-	-	-	143	143
Foreign exchange variation	(197)	-	(29)	-	(226)
At March 31, 2014	**157,055**	**31,127**	**8,743**	**(37,045)**	**159,880**

The civil provisions are related to consumer relations, compensation claims for commercial representation and distribution, service providers, work accidents and professional fees.

The labor provisions consist mainly of claims filed by former employees for sums of money resulting from employment relationships and various suits for damages.

Transfers refer to judicial deposits not related to the balance of provision for contingencies, and therefore, they are reclassified to other asset accounts.

The tax provisions with respect to PIS, COFINS, ICMS, IPI, Social Security, royalties and drawback are related mainly to state and federal procedural assessments that are already being heard in court or otherwise. They refer mainly to litigation with respect to the appropriate interpretation of the tax legislation.

The environmental provisions refer mainly to the projection for expenditures required to conserve environmental areas used by the Group.

The main indexes for monetarily restating the contingencies are the basic interest rate (Special System for Settlement and Custody (Selic)) and the monetary restatement indexes provided by the Superior Labor Court and Law Courts, when applicable.

Proceedings involving risks of possible loss

At March 31, 2014, the Group has labor, civil and tax proceedings brought before the proper authorities in the amount of R$ 4,938 (R$ 4,797 at December 31, 2013), which are assessed by the Company's management as having risk of possible loss.

24 Equity

a. Share capital

At March 31, 2014 and December 31, 2013, the Company's subscribed and paid-up capital was represented by the following number of shares with no par value:

	Number of shares			
	3.31.2014		12.31.2013	
Mahle Indústria e Comércio Ltda.	78,019,059	60.8%	78,019,059	60.8%
Mahle Industriebeteiligungen GmbH	11,796,930	9.2%	11,796,930	9.2%
Non-controlling interest	38,492,511	30.0%	38,492,511	30.0%
	128,308,500	**100%**	**128,308,500**	**100%**

b. Policies for distribution of dividends and interest on capital

The stockholders are entitled to receive annual mandatory minimum dividends of 25% of the profit, considering mainly the following adjustments:

- Addition of the sums resulting from the reversal of previously recognized provisions for contingencies.

- Subtraction of the sums earmarked for the legal reserve and provisions for contingencies.

Under the bylaws, the Company has the right to prepare half-yearly or interim balance sheets, based on which the Board of Directors will approve or not the distribution of interim dividends.

c. Revenue reserve

Legal reserve

In accordance with the Corporation Law, the Company credits 5% of the profit for the year to the legal reserve, up to the limit of 20% of the paid-up capital or of 30% of the capital considering the sum of this reserve and the amount of capital reserves. Once these limits are reached, allocations to the legal reserve are not mandatory. The legal reserve can only be used to increase capital or offset losses.

Reserve for expansion and modernization

The reserve for expansion and modernization is intended for use in investments established in the capital budget in conformity with article 196 of the Brazilian Corporation Law.

d. Other comprehensive income

Cumulative translation adjustments

The Company recognizes under this account the cumulative effect of currency translation of the interim financial statements of its subsidiaries that keep accounting records in a functional currency different from the Parent company's functional currency.

This cumulative effect will be reversed to the statement of income as a gain or loss only in the event of sale or write-off of the investment.

Carrying value adjustments

The Company recognizes in this account the effect of carrying value adjustments related to the effective portion of gains or losses on cash flow hedge instruments, which are recognized, net of taxes, at March 31, 2014 for the parent company at R$ 13,233 (R$ 5,146 at March 31, 2013) and the consolidated at R$ 13,048 (R$ 5,146 at March 31, 2013), and the adjustments for adoption of the deemed cost of property, plant and equipment of R$ 11,243 at 1Q14 and R$ 2,899 at 1Q13. The amounts recorded as carrying value adjustments are reclassified in full or in part to the statement of income at the time of disposal of the assets to which they refer. The deemed cost is accrued to property, plant and equipment recorded in carrying value adjustments, according to the depreciation, disposal or write-off of the respective item of property, plant and equipment, against retained earnings.

25 Earnings per share

In compliance with CVM Resolution 636/2010, which approved Technical Pronouncement CPC 41 (IAS 33) - Earnings per share, the Company presents the following information on earnings per share.

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	3.31.2014	3.31.2013
Profit for the period	**44,902**	**36,500**
Oustanding shares at January 1	42,769,500	42,769,500
Reverse stock split and stock split without changes in capital in May 2012	85,539,000	85,539,000
Outstanding shares	128,308,500	128,308,500
Weighted average number of shares held by stockholders	**128,308,500**	**128,308,500**
Basic earnings per share (in R$ per share)	**0.34995**	**0.28447**

26 Net operating revenue

	Parent company		Consolidated	
	3.31.2014	3.31.2013	3.31.2014	3.31.2013
Gross income	584,532	558,346	721,328	698,341
Sales deductions:				
Taxes on sales	(120,286)	(115,059)	(134,738)	(133,860)
Discounts and returns	(4,364)	(3,882)	(19,767)	(19,755)
Net operating income	**459,882**	**439,405**	**566,823**	**544,726**

As from August 2012, through Provisional Measure 582/2012, amended by Law 12,844, the government replaced the social security contribution on payroll (20% INSS) with a new social security tax on gross revenue (deduction from revenue), in line with the guidelines of the Federal Constitution.

The calculation of the payroll tax relief is 1% of the gross revenue (identified by the code of IPI List - TIPI).

27 Cost of goods sold

The costs of goods sold comprise raw materials and other materials required for the production of our products. In the engine components segment, the main raw materials are metal commodities, such as aluminum, nickel iron, cast iron, steel, copper, nickel, tin, silicon, magnesium, bronze and iron alloy, amongst others. In the filters segment, the main raw materials are resins, filter papers and activated carbon, amongst others. Other inputs for production of both engine components and filters include electric power, fuels, natural gas, liquefied petroleum gas (LPG) and plastic, wood, paper and cardboard packaging.

This account also includes direct labor (e.g. factory workers) and indirect labor (e.g. maintenance, engineering and tooling) and the depreciation of machinery and equipment used in the production process.

28 Selling expenses

Selling expenses comprise mainly sales personnel expenses as well as commissions on sales, freight, customs fees, advertising and brand license costs.

Selling expenses by nature are as follows:

	Parent company		Consolidated	
	3.31.2014	3.31.2013	3.31.2014	3.31.2013
Personnel and benefits	(9,635)	(8,696)	(12,156)	(10,777)
Freights	(8,342)	(7,727)	(10,866)	(10,272)
Variable costs of sales	(2,850)	(2,864)	(3,834)	(3,732)
General expenses	(2,772)	(1,599)	(3,071)	(2,771)
Brand license	(2,375)	(2,764)	(2,677)	(3,088)
Professional services	(1,414)	(1,055)	(2,824)	(2,493)
Travels and representations	(561)	(584)	(708)	(775)
Advertising	(544)	(1,029)	(841)	(1,271)
Provision (reversal) for impairment of trade receivables	(463)	(404)	(853)	(296)
Depreciation	(256)	(205)	(320)	(285)
Other expenditures	(1,908)	(1,682)	(2,219)	(1,974)
	(31,120)	**(28,609)**	**(40,369)**	**(37,734)**

29 General and administrative expenses

General and administrative expenses comprise mainly salaries, charges and benefits for administrative personnel and outsourced professional services.

General and administrative expenses by nature are as follows:

	Parent company		Consolidated	
	3.31.2014	3.31.2013	3.31.2014	3.31.2013
Personnel and benefits	(7,570)	(9,774)	(10,340)	(11,536)
Officers	(2,237)	(3,116)	(2,411)	(3,531)
Professional services/service orders	(1,461)	(2,206)	(2,240)	(3,206)
Materials and utilities	(905)	(1,199)	(1,046)	(1,296)
Depreciation	(839)	(1,040)	(929)	(1,100)
Maintenance	(694)	(704)	(735)	(738)
PIS/COFINS	(518)	(444)	(581)	(448)
Travels and representations	(184)	(314)	(277)	(389)
Insurance	(41)	(43)	(203)	(182)
Other expenditures	(1,344)	(2,822)	(1,540)	(3,218)
	(15,793)	**(21,662)**	**(20,302)**	**(25,644)**

30 Technology and product development costs

Costs of technology and product development include: (i) expenditures on the development of new technologies, such as flex fuel technology; (ii) expenditures on the development of new products, such as new low friction piston rings aiming at reducing carbon emissions from combustion engines; (iii) expenditures on improving existing products; and (iv) expenditures on improving production processes.

Costs of technology and product development by nature are as follows:

	Parent company		Consolidated	
	3.31.2014	3.31.2013	3.31.2014	3.31.2013
Personnel and benefits	(10,371)	(9,567)	(10,603)	(9,739)
Depreciation	(1,583)	(1,534)	(1,603)	(1,546)
Materials/utilities	(1,496)	(1,633)	(1,508)	(1,648)
Professional services	(811)	(784)	(572)	(823)
Maintenance	(542)	(756)	(545)	(756)
Other expenses	(1,184)	(1,273)	(2,809)	(2,237)
	(15,987)	**(15,547)**	**(17,640)**	**(16,749)**

The technology transfer (royalties) agreement with the parent company MAHLE GmbH has expired on February 15, 2012. In lieu of that agreement the Company has a brand licensing agreement, the expenditures on which are currently recorded in selling expenses within Brand license.

31 Finance income and costs

	Parent company		Consolidated	
	3.31.2014	3.31.2013	3.31.2014	3.31.2013
Finance income				
Derivative financial instruments (c)	10,506	6,225	10,610	6,505
Interest	7,106	3,257	7,209	3,390
Foreign exchange variations (a)	5,275	2,590	15,392	5,878
Monetary variation gains	534	308	564	319
Other	69	71	74	76
	23,490	12,451	33,849	16,168
Finance costs				
Foreign exchange variations (b)	(9,904)	(5,655)	(17,295)	(9,342)
Interest	(5,388)	(6,336)	(9,913)	(11,566)
Monetary variation losses	(5,152)	(4,498)	(5,423)	(4,693)
Derivative financial instruments (d)	(1,585)	(1,515)	(1,612)	(1,542)
Other	(322)	(241)	(3,057)	(1,077)
	(22,351)	(18,245)	(37,300)	(28,220)
Finance result, net	**1,139**	**(5,794)**	**(3,451)**	**(12,052)**
Summary of for. exchange variations (a+b)	**(4,629)**	**(3,065)**	**(1,903)**	**(3,464)**
Trade receivables	(4,957)	(1,741)	3,516	(1,194)
Cash and cash equivalents	(854)	(1,754)	(788)	(1,703)
Interest on capital receivable	(139)	(884)	(139)	(884)
Trade payables	1,395	1,329	(4,159)	336
Other	(74)	(15)	(333)	(19)
Summary of derivative instruments (c+d)	**8,921**	**4,710**	**8,998**	**4,963**
Income	10,506	6,225	10,610	6,505
Expenses	(1,585)	(1,515)	(1,612)	(1,542)
Net gains on foreign exchange variations and on derivative financial instruments	**4,292**	**1,645**	**7,095**	**1,499**

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In the first quarter of 2014 and 2013, the amounts of gain (loss) on transactions with derivatives are a result of the financial management policy adopted since 2007 for hedging against fluctuations: i) in the commodity prices in the international market; ii) in exchange rates of assets and liabilities denominated in foreign currencies; iii) in future operations of export revenue as described in Note 33.

32 Other operating income and expenses, net

	Parent company		Consolidated	
	3.31.2014	**3.31.2013**	**3.31.2014**	**3.31.2013**
Other income				
Reversal of provision for labor contingencies	7,218	12,333	7,472	12,812
Electricity	4,837	3,685	5,393	3,685
Proceeds from disposal of assets	2,503	14	2,532	24
Reversal of provision for tax contingencies	52	526	53	528
Recovered taxes (Reintegra)	-	4,333	-	4,516
Reversal of provisions for environmental liability	-	-	-	35
Reversal of provision for obsolescence	1,617	189	1,617	189
Other income	3,307	745	3,404	1,309
	19,534	21,825	20,471	23,098
Other expenses				
Provision for labor contingencies	(11,441)	(12,987)	(13,189)	(13,452)
Electricity	(2,592)	(793)	(2,592)	(793)
Loss on disposal of assets	(1,688)	(145)	(1,711)	(145)
Provision for environmental liability	-	-	(74)	-
Other expenses	(1,969)	(1,645)	(3,939)	(3,019)
	(17,690)	(15,570)	(21,505)	(17,409)
	1,844	**6,255**	**(1,034)**	**5,689**

33 Financial instruments

I. Financial instruments and risk management

The Company's financial statements include all transactions with financial instruments, as follows:

	Note	Parent company		Consolidated	
		3.31.2014	12.31.2013	3.31.2014	12.31.2013
Assets					
Cash, demand deposits and cash in transit	8	12,199	23,090	20,735	33,971
Financial investments	8	260,602	184,432	262,108	186,922
Accounts receivable from customers	9	284,018	263,897	365,991	340,127
Trade receivables and loans to related parties	12	140,721	120,192	51,880	44,621
Unrealized gains on derivatives	33	9,528	762	9,579	809
		707,068	**592,373**	**710,293**	**606,450**
Liabilities					
Borrowings	19	(392,674)	(393,955)	(476,260)	(488,284)
Trade payables	17	(70,279)	(56,275)	(89,851)	(77,719)
Payables to related parties	12	(17,840)	(13,278)	(31,685)	(15,862)
Unrealized losses on derivatives	33	(12,646)	(30,990)	(13,071)	(31,004)
		(493,439)	**(494,498)**	**(610,867)**	**(612,869)**
Net position		**213,629**	**97,875**	**99,426**	**(6,419)**

Overview

The main risk factors to which the Company is exposed involve economic and financial, and strategic and operational risks, which were presented in detail in the financial statements at December 31, 2013.

It is the Company's practice to take a conservative approach to the management of existing risks, with the primary objectives of preserving the value and liquidity of the financial assets and guaranteeing financial resources for the good conduct of its business, including expansions. The main financial risks considered by the senior management are:

- Operational risk
- Capital risk
- Liquidity risk
- Credit risk
- Market risk

- Risk of fluctuation in interest rates
- Risk of fluctuation in exchange rates
- Market risk, fluctuations in prices of inputs (commodities)

This note sets out quantitative information on the Company's exposure to the individual risks mentioned above.

Liquidity risk

The table below shows contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of currency negotiation agreements at the net position, as well as the financial assets that are used to manage this risk.

Consolidated		3.31.2014				
Assets	**Note**	**Carrying value**	**Up to 1 year**	**1 - 2 years**	**2 - 5 years**	**Over 5 years**
Cash, demand deposits and cash in transit	8	20,735	20,735	-	-	-
Financial investments	8	262,108	262,108	-	-	-
Accounts receivable from customers	9	365,991	365,991	-	-	-
Trade receivables and loans to related parties	12	51,880	51,880	-	-	-
Unrealized gains on derivatives	33	9,579	9,579	-	-	-
Liabilities						
Borrowings	19	(476,260)	(74,848)	(309,451)	(91,961)	-
Trade payables	17	(89,851)	(89,851)	-	-	-
Payables to related partines	12	(31,685)	(31,685)	-	-	-
Unrealized losses on derivatives	33	(13,071)	(13,071)	-	-	-
Net position		**99,426**	**500,838**	**(309,451)**	**(91,961)**	**-**

Consolidated		31.12.2013				
Assets	**Note**	**Carrying value**	**Up to 1 year**	**1 - 2 years**	**2 - 5 years**	**Over 5 years**
Cash, demand deposits and cash in transit	8	33,971	33,971	-	-	-
Financial investments	8	186,922	186,922	-	-	-
Accounts receivable from customers	9	340,127	340,127	-	-	-
Trade receivables and loans to related parties	12	44,621	44,621	-	-	-
Unrealized gains on derivatives	33	809	809	-	-	-
Liabilities						
Borrowings	19	(488,284)	(74,456)	(221,098)	(192,730)	-
Trade payables	17	(77,719)	(77,719)	-	-	-
Payables to related parties	12	(15,862)	(15,862)	-	-	-
Unrealized losses on derivatives	33	(31,004)	(31,004)	-	-	-
Net position		**(6,419)**	**407,409**	**(221,098)**	**(192,730)**	**-**

The flows shown above are not expected to be anticipated.

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The Company's approach when managing liquidity risk is to ensure that the Company will always have sufficient liquidity to meet its obligations as they fall due, under all market conditions, without incurring material losses or adversely affecting the Company's reputation.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises mainly from recurring trade receivables and financial investments.

The carrying value of the financial assets that represent the maximum exposure to the credit risk on the reporting date is as follows:

		Parent company		Consolidated	
Assets	**Note**	**3.31.2014**	**12.31.2013**	**3.31.2014**	**12.31.2013**
Cash, demand deposits and cash in transit	8	12,199	23,090	20,735	33,971
Financial investments	8	260,602	184,432	262,108	186,922
Accounts receivable from customers	9	284,018	263,897	365,991	340,127
Trade receivables and loans to related parties	12	140,721	120,192	51,880	44,621
Total		**697,540**	**591,611**	**700,714**	**605,641**

Risk of fluctuation in interest rates

The carrying value of the financial instruments that could possibly represent the exposure to the interest rate risk on the reporting date was:

		Parent company		Consolidated	
	Note	**3.31.2014**	**12.31.2013**	**3.31.2014**	**12.31.2013**
Cash, demand deposits and cash in transit	8	12,199	23,090	20,735	33,971
Financial investments	8	260,602	184,432	262,108	186,922
Borrowings	19	(392,674)	(393,955)	(476,260)	(488,284)
Total		**(119,873)**	**(186,433)**	**(193,417)**	**(267,391)**

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Parent company and Consolidated borrowing balances at March 31, 2014 of R$ 378,951 thousand (97%) and R$ 398,532 thousand (84%), respectively, are related to Export Credit Note (NCE) or BNDES-Exim funding transactions with the National Bank for Economic and Social Development (BNDES) at fixed rates.

This rate condition being considered, the Company understands that any fluctuations in the interest rates will not result in any material impact in the Company's result. Accordingly, the Company maintains financial assets or liabilities bearing fixed interest rates at amortized cost and does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model or carries out sensitivity analyses for the interest rate variation. In general, the Company's management is always monitoring these rates and studying possible changes in order to carry out the aforementioned analyses and use hedging instruments if necessary.

Risk of fluctuation in exchange rates

At March 31, 2014, the Company's exposure in U.S. dollars (euro and Yen equivalents in U.S. dollars) was USD 6,414 thousand in the parent company and USD 5,647 thousand in consolidated, as shown below:

Foreign exchange exposure arising from accounts receivable and payable in foreign currency at March 31, 2014

	USD thousand		EUR thousand (*)		JPY thousand (**)	
Item	Parent	Consoldiated	Parent	Consolidated	Parent	Consolidated
(+) Trade receivables	41,934	43,015	15,750	16,259	-	-
(+) Demand deposits (in foreing currency)	3,777	4,090	651	778	-	-
(-) Imports	(3,455)	(3,945)	(3,678)	(3,678)	(364,048)	(364,048)
(-) Currency forward - sale	(35,842)	(37,513)	(12,450)	(12,450)	-	-
(=) Net foreign exchange exposure	**6,414**	**5,647**	**273**	**909**	**(364,048)**	**(364,048)**

Net foreign exchange exposure in USD (EUR and JPY - equivalent in USD) - thousand

Currency	Parent	Consolidated	
USD	6,414	5,647	
EUR	376	1,252	(*) EUR / USD pair 1,3776
JPY	(3,929)	(3,929)	(**) JPY / USD pair 92,64501
Total	**2,861**	**2,970**	

In addition, the notional amount of the currency forward derivatives for the hedging of the Company's economic plan is presented as follows:

USD thousand		EUR thousand		JPY thousand	
Parent	Consolidated	Parent	Consolidated	Parent	Consolidated
(75,305)	**(71,458)**	**(37,755)**	**(37,755)**	**841,754**	**841,754**

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Sensitivity analysis

For the purposes of carrying out the sensitivity analysis of the market risks, the Company analyzes together asset and liability positions indexed to a foreign currency.

For the sensitivity analysis of the transactions indexed in foreign currency, management adopted as a probable scenario the amounts accounted for and determined at the exchange rates disclosed by the Brazilian Central Bank. For other scenarios, depreciation and appreciation of the exchange rate were considered as reference for calculating the amounts recorded in the books. The scenarios were estimated with appreciation and depreciation of the Real of 25% and 50%, respectively, in the probable scenario.

The methodology adopted for the calculation of the balances in the table below consisted of replacing the closing exchange rate used for the purposes of accounting records with the stressed rates in accordance with the scenarios below:

Sensitivity analysis table

The selling rates published on March 31, 2014 by the Brazilian Central Bank for USD, EUR and JPY were used in the sensitivity analysis shown below.

	Parent company				Consolidated			
	USD/BRL exchange rate for settlement of bills of exchange	* Net balance of foreign exchange exposure - USD	** Average rate of bills of exchange	Total BRL	USD/BRL exchange rate for settlement of bills of exchange	* Net balance of foreign exchange exposure - USD	** Average rate of bills of exchange	Total BRL
50% better	3.3900		2.2901	7,055	3.3900		2.2897	6,213
25% better	2.8300		2.2901	3,463	2.8300		2.2897	3,051
Realistic	2.2630	6,414	2.2901	(174)	2.2630	5,647	2.2897	(151)
25% worse	1.7000		2.2901	(3,785)	1.7000		2.2897	(3,330)
50% worse	1.1300		2.2901	(7,441)	1.1300		2.2897	(6,549)

	Parent company				Consolidated			
	EUR/BRL exchange rate for settlement of bills of exchange	* Net balance of foreign exchange exposure - EUR	** Average rate of bills of exchange	Total BRL	EUR/BRL exchange rate for settlement of bills of exchange	* Net balance of foreign exchange exposure - EUR	** Average rate of bills of exchange	Total BRL
50% better	4.6800		3.1546	416	4.6800		3.1537	1,387
25% better	3.9000		3.1546	204	3.9000		3.1537	678
Realistic	3.1175	273	3.1546	(10)	3.1175	909	3.1537	(33)
25% worse	2.3400		3.1546	(222)	2.3400		3.1537	(740)
50% worse	1.5600		3.1546	(435)	1.5600		3.1537	(1,449)

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	Parent company				Consolidated			
	JPY/BRL exchange rate for settlement of bills of exchange	* Net balance of foreign exchange exposure - JPY	** Average rate of bills of exchange	Total BRL	JPY/BRL exchange rate for settlement of bills of exchange	* Net balance of foreign exchange exposure - JPY	** Average rate of bills of exchange	Total BRL
50% better	0.01000		0.02197	4,358	0.01000		0.02197	4,358
25% better	0.02000		0.02197	717	0.02000		0.02197	717
Realistic	0.02197	(364,048)	0.02197	-	0.02197	(364,048)	0.02197	-
25% worse	0.03000		0.02197	(2,923)	0.03000		0.02197	(2,923)
50% worse	0.03000		0.02197	(2,923)	0.03000		0.02197	(2,923)

(*) Amounts in thousands
(**) Average rates of remittance of bills of exchange that comprise the net balance of foreign exchange exposure.

Budgeted cash flow - Exposure in foreign currency

The Company projects and conducts its transactions based on its current cash flows and, if there are future changes in the exchange rate, they may result in expenditures for the Company. To hedge its future cash flow against currency fluctuations, the Company uses forward contracts for U.S. dollars, euro and yen (NDF - Non-deliverable Forwards).

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Sensitivity analysis table

Sensitivity Table of Derivative Operations in Euro, USD and JPY in NDFs on the net balance of exports/imports to be made in 2014 and 2015 – Parent company

Scenario	USD/BRL exchange rate for settlement of operations	Notional value – USD (thousand)	Weighted average rate - Maturity (*)	Adjustments in R$ thousand	EUR/BRL exchange rate for settlement of operations (USD/EUR parity 1.27)	Notional value – EUR (thousand)	Weighted average rate - Maturity (*)	Adjustments in R$ thousand	JPY/BRL exchange rate for settlement of operations	Notional value- JPY (thousand)	Weighted average rate - Maturity (*)	Adjustments in R$ thousand	Total adjustments in R$ thousand	Total effect of adjustments on equity – R$ thousand	Net effect on profit or loss – R$ thousand
50% better	1.1315	75,305	2.4472	99,081	1.5588	37,755	3.3657	68,221	0.0330	(841,754)	0.0235	7,931	175,233	175,233	-
25% better	1.6973	75,305	2.4472	56,477	2.3381	37,755	3.3657	38,796	0.0275	(841,754)	0.0235	3,308	98,581	98,581	-
Realistic (**)	2.2630	75,305	2.4472	13,874	3.1175	37,755	3.3657	9,370	0.0220	(841,754)	0.0235	(1,316)	21,928	21,928	-
25% worse	2.8288	75,305	2.4472	(28,730)	3.8969	37,755	3.3657	(20,055)	0.0165	(841,754)	0.0235	(5,939)	(54,724)	(54,724)	-
50% worse	3.3945	75,305	2.4472	(71,333)	4.6763	37,755	3.3657	(49,480)	0.0110	(841,754)	0.0235	(10,562)	(131,376)	(131,376)	-

Sensitivity Table of Derivative Operations in Euro, USD and JPY in NDFs on the net balance of exports/imports to be made in 2014 and 2015 – Consolidated

Scenario	USD/BRL exchange rate for settlement of operations	Notional value – USD (thousand)	Weighted average rate - Maturity (*)	Adjustments in R$ thousand	EUR/BRL exchange rate for settlement of operations (USD/EUR parity 1.27)	Notional value – EUR (thousand)	Weighted average rate - Maturity (*)	Adjustments in R$ thousand	JPY/BRL exchange rate for settlement of operations	Notional value- JPY (thousand)	Weighted average rate - Maturity (*)	Adjustments in R$ thousand	Total adjustments in R$ thousand	Total effect of adjustments on equity – R$ thousand	Net effect on profit or loss – R$ thousand
50% better	1.1315	71,458	2.4472	94,020	1.5588	37,755	3.3657	68,221	0.0330	(841,754)	0.0235	7,931	170,172	170,172	-
25% better	1.6973	71,458	2.4472	53,593	2.3381	37,755	3.3657	38,796	0.0275	(841,754)	0.0235	3,308	95,696	95,696	-
Realistic (**)	2.2630	71,458	2.4472	13,165	3.1175	37,755	3.3657	9,370	0.0220	(841,754)	0.0235	(1,316)	21,220	21,220	-
25% worse	2.8288	71,458	2.4472	(27,262)	3.8969	37,755	3.3657	(20,055)	0.0165	(841,754)	0.0235	(5,939)	(53,256)	(53,256)	-
50% worse	3.3945	71,458	2.4472	(67,690)	4.6763	37,755	3.3657	(49,480)	0.0110	(841,754)	0.0235	(10,562)	(127,732)	(127,732)	-

* Weighted average rate at maturity is the average rate of the derivatives portfolio.
** The Company used the selling rates published on March 31, 2014 by the Brazilian Central Bank for USD, EUR and JPY.

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All the instruments are traded with top-tier banks on an organized over-the-counter market, duly registered with the Clearing House for the Custody and Financial Settlement of Securities (CETIP), as presented below:

		Weighted average forward rate – value for settlement	Notional amount - thousand			
			Parent company		Consolidated	
(1) Foreign currency			3.31.2014	3.31.2013	3.31.2014	3.31.2013
Short position	EUR	3,24673	50.205	55.579	50.205	58.171
Short position	USD	2,90865	111.147	136.869	108.971	138.662
Long position	JPY	0,03880	(841.754)	(1.429.584)	(841.754)	(1.429.584)

		Weighted average forward rate – value for settlement	Fair market value - R$ thousand			
			Parent company		Consolidated	
(1) Foreign currency			3.31.2014	3.31.2013	3.31.2014	3.31.2013
Short position	EUR	3,24673	(1.723)	4.056	(1.723)	4.121
Short position	USD	2,90865	161	(398)	(214)	(375)
Long position	JPY	0,03880	(1.085)	(2.751)	(1.085)	(2.751)

Counterparties: ABC Brasil, Bradesco, Brasil, Deutsche, HSBC, Itaú BBA, Mizuho, Pactual, Santander and Votorantim.

Market risk, fluctuations in prices of inputs (commodities)

The table below presents the outstanding position at March 31, 2014 and March 31, 2013:

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	Weighted average price for maturity	Notional amount - metric tons			
		Parent company		Consolidated	
Long position (2) Commodities		3.31.2014	3.31.2013	3.31.2014	3.31.2013
Nickel	15.871	78	92	78	92
Copper	6.636	271	306	271	306
Aluminum	1.799	308	372	308	372
Tin	-	-	6	-	6
TOTAL		657	776	657	776

	Weighted average price for maturity	Notional amount (fair market value)			
		Parent company		Consolidated	
Long position (2) Commodities		3.31.2014	3.31.2013	3.31.2014	3.31.2013
Nickel	15.871	(68)	(173)	(68)	(173)
Copper	6.636	(334)	(220)	(334)	(220)
Aluminum	1.799	(68)	(115)	(68)	(115)
Tin	-	-	40	-	40
TOTAL		(470)	(468)	(470)	(468)

Sensitivity analysis table

For the purposes of carrying out the sensitivity analysis of market risks, the Company analyzes together long and short positions of the prices of commodities (nickel, copper, aluminum and tin).

For the sensitivity analysis of commodity transactions, management adopted as probable scenario the amounts accounted for, as determined by projected prices disclosed by the London Metal Exchange (LME) and BM&FBovespa at March 31, 2014. As a reference, deterioration and appreciation of the prices used for accounting records were considered for the other scenarios. The scenarios were estimated with appreciation and depreciation of the Real of 25% and 50% (each) and prices in the probable scenario.

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Notes to the Quarterly Information
(In thousands of reais)

The methodology adopted for the calculation of the balances in the table below consisted of replacing the closing exchange rate and commodities prices at March 31, 2014 used for the purposes of accounting records with the stressed rates in accordance with the scenarios below.

Sensitivity analysis on results of operations of purchase of commodity swap contracts
Parent company and Consolidated

Commodity	Volume in metric tons	Settlement price (USD/metric ton.) on maturity	Weighted average price (USD/metric ton.) on maturity	Total adjustment/ BRL	Total effect on purchases of commodities - BRL
Nickel					
50% better		23,603		1,365	(1,365)
25% better		19,669		670	(670)
Realistic	78	15,735	15,871	(24)	24
25% worse		11,801		(718)	718
50% worse		7,868		(1,413)	1,413
Copper					
50% better		9,954		2,035	(2,035)
25% better		8,295		1,017	(1,017)
Realistic	271	6,636	6,636	(0)	0
25% worse		4,977		(1,018)	1,018
50% worse		3,318		(2,035)	2,035
Aluminum					
50% better		2,596		555	(555)
25% better		2,163		254	(254)
Realistic	308	1,731	1,799	(48)	48
25% worse		1,298		(350)	350
50% worse		865		(651)	651

The Company considered the selling rates of the U.S. Dollar (USD) disclosed on March 31, 2014 by the Brazilian Central Bank and the metal prices disclosed on that same date by the LME.

The results from foreign exchange and commodities derivative financial instruments affected the Company's and its subsidiaries' information as presented below:

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

		3.31.2014		3.31.2013	
		Parent company	Consolidated	Parent company	Consolidated
Results on derivatives (exports/imports)					
Provisions					
- Transactions over trade receivables and trade payables	(BP)	4,200	4,223	217	305
- Reversal of provision		2,860	2,897	(1,537)	(1,604)
Effect on cash					
- Transactions over trade receivables and trade payables		1,861	1,878	6,030	6,262
	Note 31	**8,921**	**8,998**	**4,710**	**4,963**
TOTAL OPERATIONS WITH DERIVATIVES - FINANCE RESULT, NET		**8,921**	**8,998**	**4,710**	**4,963**
Gross result					
Gross sales revenue					
- Transactions over sales to be realized	(BS)	-	-	-	-
- Reversal of provision		455	455	455	455
- Settlements with effect on cash		(5,653)	(5,653)	(3,945)	(3,945)
		(5,198)	**(5,198)**	**(3,490)**	**(3,490)**
Cost of sales					
- Reversal of provision		-	-	-	-
- Settlements with effect on cash		(1,448)	(1,448)	(33)	(33)
		(1,448)	**(1,448)**	**(33)**	**(33)**
TOTAL TRANSACTIONS WITH DERIVATIVES - GROSS RESULT		**(6,646)**	**(6,646)**	**(3,523)**	**(3,523)**

Equity		Parent company	Consolidated	Parent company	Consolidated
Provisions					
- Transactions over sales to be realized	(BS)	(6,847)	(7,273)	690	690
- Transactions over commodities	(BS)	(471)	(471)	(468)	(468)
Deferred income tax and social contribution		2,488	2,488	(75)	(75)
TOTAL OPERATIONS WITH DERIVATIVES - EQUITY		**(4,830)**	**(5,256)**	**147**	**147**
Provision for unrealized gains and losses on derivatives					
(BS) - Sum of net balance sheet					
Balance sheet assets		9,528	9,579	6,925	7,045
Balance sheet liabilities		(12,646)	(13,071)	(6,486)	(6,518)
Balance sheet equity		**(3,118)**	**(3,492)**	**439**	**527**
Foreign exchange gains and losses		(4,629)	(1,903)	(3,065)	(3,464)
Results on derivatives (exports/imports)		8,921	8,998	4,710	4,963
Gross sales revenue		(5,198)	(5,198)	(3,490)	(3,490)
Cost of sales		(1,448)	(1,448)	(33)	(33)
EFFECTS OF THE FOREIGN EXCHANGE VARIATION AND FINANCIAL INSTRUMENTS ON PROFIT (LOSS)		**(2,354)**	**449**	**(1,878)**	**(2,024)**

Guarantees

The Company had no guarantee deposits related to these derivative instruments for the periods presented above (March 31, 2014 and March 31, 2013).

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

Fair value versus book value

The table below shows the hierarchy of fair value, in accordance with the classification provided by CPC 40 (IFRS 7).

	At fair value							
3.31.2014	**Parent company**				**Consolidated**			
Assets	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**
Unrealized gains on derivatives	9,528	-	9,528	-	9,579	-	9,579	-
Total	**9,528**	**-**	**9,528**	**-**	**9,579**	**-**	**9,579**	**-**
Liabilities								
Unrealized losses on derivatives	**(12,646)**	-	(12,646)	-	**(13,071)**	-	(13,071)	-
Total	**(12,646)**	**-**	**(12,646)**	**-**	**(13,071)**	**-**	**(13,071)**	**-**

	At fair value							
12.31.2013	**Parent company**				**Consolidated**			
Assets	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**
Unrealized gains on derivatives	762	-	762	-	809	-	809	-
Total	**762**	**-**	**762**	**-**	**809**	**-**	**809**	**-**
Liabiliites								
Unrealized losses on derivatives	**(30,990)**	-	(30,990)	-	**(31,004)**	-	(31,004)	-
Total	**(30,990)**	**-**	**(30,990)**	**-**	**(31,004)**	**-**	**(31,004)**	**-**

The rating criteria of the fair value hierarchy were disclosed at December 31, 2013.

Fair value calculation

Level 2 - Derivative financial instruments were recorded in this level. The value of these instruments was determined as show below.

- The value of derivative financial instruments (**NDFs**) was calculated using the discounted cash flow method, which consists of:

a) The difference between the future exchange rate contracted for the settlement of each contract, less the future exchange rate of BM&FBovespa valid for the mark-to-market (MTM) date of the U.S. Dollar, Euro and Yen. In the absence of a future rate for the maturity date disclosed by BM&FBovespa, an interpolation is made of the rate for that date;

b) The result of the above difference is multiplied by the notional value of each operation;

c) The amounts obtained in item "b" are brought to present value at the Interbank Deposit (DI) curve of BM&FBovespa valid for the mark-to-market (MTM) date.

- The values of commodities derivative financial instruments are calculated on the "market fair value", i.e.:

a) The difference between the future price of the metal (USD/metric tons) contracted for the settlement of each contract, less the future price of the metal (USD/metric tons) disclosed by the London Metal Exchange (LME) for the maturity date of each contract, valid on the mark-to-market (MTM) date. In the absence of a future price for the maturity date of a given contract, an interpolation is made of the price of the metal for that date;

b) The result of the aforementioned difference is multiplied by the contracted volume in metric tons and the US dollar rate (Ptax sale) valid for the mark-to-market day.

Fair value versus carrying value

The fair values of the financial assets and liabilities and the carrying values presented in the balance sheet are as follows:

MAHLE METAL LEVE S.A.

Notes to the Quarterly Information
(In thousands of reais)

		Consolidated			
		3.31.2014		12.31.2013	
Assets	**Note**	**Book value**	**Fair value**	**Book value**	**Fair value**
Cash, demand deposits and cash in transit	8	20,735	20,735	33,971	33,971
Financial investments	8	262,108	262,108	186,922	186,922
Accounts receivable from customers	9	365,991	365,991	340,127	340,127
Trade receivables and loans to related parties	12	51,880	51,880	44,621	44,621
Unrealized gains on derivatives	33	9,579	9,579	809	809
Total		**710,293**	**710,293**	**606,450**	**606,450**
Liabilities					
Borrowings	19	(476,260)	(476,260)	(488,284)	(488,284)
Trade payables	17	(89,851)	(89,851)	(77,719)	(77,719)
Payables to realted parties	12	(31,685)	(31,685)	(15,862)	(15,862)
Unrealized losses on derivatives	33	(13,071)	(13,071)	(31,004)	(31,004)
Net position		**(610,867)**	**(610,867)**	**(612,869)**	**(612,869)**

Financial investments in Bank Deposit Certificates (CDBs) and similar instruments have daily liquidity with repurchase on the "paper curve" and, accordingly, the Company understands that their fair value is equivalent to their carrying value.

As to borrowings, the Company understands that their fair value corresponds to their carrying value. Borrowings were recorded at their original amounts; interest is recognized on a monthly basis; most of them (97.4% in consolidated, which is equivalent to R$ 466,779) are transactions that may be settled at any time (at the discretion of the Company) at the carrying value, with no charges.

Hedge accounting

The Company's operations with derivative instruments are in accordance with the conditions required to be considered as "Hedge accounting", as described in CPC 38 (IAS 39). The Company does not enter into transactions involving financial instruments for speculative purposes.

Policy for use of derivative financial instruments and objectives:

The Company's policy is to minimize risks, so that all exchange risks resulting from the Company's business operation should be minimized in the defined timelines. The Company has a duly formalized hedge accounting policy, as determined by the related standard, as well as the

designations (specific hedge object vs. hedge instrument) and prospective and retrospective effectiveness tests. The financial results of these operations originate from the operating hedge to which the Company is exposed, and not from financial gain without operating bases.
The criteria for contracting these financial instruments, such as notional value, future price, and maturity, should be pegged to the respective positions of the hedged item.

Hedging objective and strategy:

- **Cash flow hedge** - For the projections of the cash flow exposed to the exchange rate and to the prices of commodities (aluminum, nickel, copper and tin), the Company contracts derivatives in accordance with the strategies set out in its policy, as previously mentioned. Therefore, currency forward contracts (NDFs) and commodity swaps based on their cash flows are used, so that, if there are future changes in the exchange rates or commodity prices, such changes will not significantly impact the Company's results.

All exchange risks arising from the business operation must be minimized within the timelines set out in the global policy. The exposure to the exchange rate risk, known as FX-Exposure, is calculated based on the Company's budget.

The Company and its subsidiaries aim at guaranteeing the accomplishment of the economic plan, so that their exposures stay within the limits established in the global policy. These limits consider a safety margin so that, in situations of high operating volatility, it does not result in over-hedged positions.

The commodity strategies aim at ensuring the accomplishment of the economic plan by minimizing the risk of fluctuations in the prices of metal inputs (commodities) in different levels and time horizons.

34 Employee benefits

The employee benefits offered by the Company refer mainly to benefits granted on a monthly basis and thus recognized in the accounting records. There are no post-employment benefits, pension funds or other benefits that require specific accounting treatment.

For the period ended March 31, 2014, the Company granted profit sharing to its employees, based on a union agreement, in the amount of R$ 17,353 (R$ 17,119 in the first quarter of 2013) in the parent company and R$ 19,302 (R$ 18,730 in the first quarter of 2013) in consolidated. The criteria established for payment of profit sharing follow the rules defined in the collective bargaining agreement, which establish certain goals to be attained, such as: i) meeting production goals for a

predetermined number of employees; ii) maintaining the level of absenteeism up to a previously established annual average rate of hours/absences in relation to the standard hours worked; and iii) maintaining the annual level of waste up to the previously set average annual rate in relation to the number of parts produced.

Supplementary pension plan - Defined contribution

In September 2006, the Group joined a free benefit generating private pension plan ("PGBL"), managed by Bradesco Vida e Previdência S.A. (Manager), offering all its employees the option to participate.

The contributions are defined according to classification into certain salary brackets. Annually, the manager conducts an actuarial valuation of the plan in order to determine possible adjustments to the contribution levels.

The Group contributed to the private pension plan with the amount of R$ 1,297 at March 31, 2014 (R$ 1,152 in the first quarter of 2013).

35 Insurance coverage

The Group has a policy of taking out insurance coverage for assets subject to risks at amounts considered sufficient to cover losses, considering the nature of its activities. The risk assumptions adopted, given their nature, are not part of the scope of a review and, accordingly, were not examined by our independent auditors.

For 2014, the insurance coverage against operating risks is composed of R$ 900,000 for material damages and loss of profits.

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Opinions and representations/Report on review of quarterly information - without exceptions

Report on Review of Quarterly Information

To the Board of Directors and Stockholders
MAHLE Metal Leve S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of MAHLE Metal Leve S.A., included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2014, comprising the balance sheet as at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers, Rua José Pires Neto 314, 10º, Campinas, SP, Brasil 13025-170, Caixa Postal 3136 T: (19) 3794-5400, F: (19) 3794-5454, www.pwc.com/br

Opinions and representations/Report on review of quarterly information - without exceptions

Conclusion on the parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2014. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Campinas, May 9, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F"

Maurício Colombari
Contador CRC 1SP195838/O-3

Opinions and representations / Officers' representation on the financial statements

Officers' representation on the financial statements

MAHLE Metal Leve S.A.
Federal Corporate Taxpayers' Registration Number (CNPJ) no. 60.476.884/0001-87
Publicly-traded company

REPRESENTATION

Mr. Claus Hoppen and Mr. Caio Gonçalves de Moraes, executive officers of MAHLE Metal Leve S.A., with its head office at Avenida Ernst MAHLE, 2000, Mombaça, in the city of Mogi Guaçu, State of São Paulo, in conformity with Item VI of Article 25 of CVM Instruction 480, of December 7, 2009, do hereby declare that:

They reviewed, discussed and agree with the parent company and consolidated interim financial statements of MAHLE Metal Leve S.A. for the quarter ended March 31, 2014, and authorize its completion.

Mogi Guaçu, May 9, 2014

_____
Claus Hoppen
Chief Executive Office

_____
Caio Gonçalves de Moraes
Executive Officer

Opinions and representations / Officers' representation in the independent auditor's report

Officers' representation on the independent auditor's report

MAHLE Metal Leve S.A.
Federal Corporate Taxpayers' Registration Number (CNPJ) no. 60.476.884/0001-87
Publicly -traded company

REPRESENTATION

Mr. Claus Hoppen and Mr. Caio Gonçalves de Moraes, executive officers of MAHLE Metal Leve S.A., with its head office at Avenida Ernst MAHLE, 2000, Mombaça, in the city of Mogi Guaçu, State of São Paulo, in conformity with item V of Article 25 of CVM Instruction 480, of December 7, 2009, do hereby declare that:

They reviewed, discussed and agree with the opinion expressed by PricewaterhouseCoopers Auditores Independentes on the parent company and consolidated interim financial statements of MAHLE Metal Leve S.A. for the quarter ended March 31, 2014.

Mogi Guaçu, May 9, 2014

_____
Claus Hoppen
Chief Executive Officer

_____
Caio Gonçalves de Moraes
Executive Officer