RANDON




Veículos e Implementos | Autopeças | Serviços Financeiros

RANDON IMPLEMENTOS | RANDON VEÍCULOS | Suspensys | FRAS-LE | MASTER | JOST | CASTERTECH | RANDON CONSÓRCIOS | BANCO RANDON

# 2Q10 | 1H10

## CONFERENCE CALL PRESENTATION

**August 10, 2010**

*We make forward-looking statements that are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of our management. and on information currently available to us. Forward-looking statements include statements regarding our intent. belief or current expectations or that of our directors or executive officer.*

*Forward-looking statements also include information concerning our possible or assumed future results of operations. as well as statements preceded by. followed by. or that include the words ''believes.'' ''may.'' ''will.'' ''continues.'' ''expects.'' ''anticipates.'' ''intends.'' ''plans.'' ''estimates'' or similar expressions.*

*Forward-looking statements are not guarantees of performance. They involve risks. uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur. Our future results and shareholder values may differ materially from those expressed in or suggested by these forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.*

# Content


- Highlights of the Period
- Market Overview
- Operating Results
- Financial Results
- Stock Market
- Outlook

# Highlights of the Period

- R$ 1.41 billion Gross Revenue in 2Q10 and R$ 2.58 billion in 1H10. Respective growth of 52.5% and 48.7% over the same period in 2009;
- R$ 918.56 million Net Revenue in 2Q10, +48.0% over 2Q09;
- US$ 112.55 million Exports (1S10), +54.5 % over 1H09;
- Increase in Gross Margin from 23.2% (2Q09) to 24.9% (2Q10), EBITDA Margin from 12.7% (2Q09) to 15.2% (2Q10) and R$139.56 million EBITDA, +76.7% over 2Q09 (R$78.99 million);
- R$ 63.76 million Net Income (+43.4%, R$ 44.47 million in 2Q09);
- Investments of R$ 60 million in 1H10;
- The preferred shares appreciated by 1% in 1H10. Average daily trading volume of RAPT4 of R$ 5.0 million in 1H10 .

# Market Overview

- Randon's businesses continue to experience rapid growth, and our efforts are focused on meeting this demand;
- Trucks manufactured totaled 89,548 units in 1H10, up 66.8% on 1H09;
- Sales incentives: tax incentives and special financing conditions – extended and valid until December 31, 2010;
- Supply chain: service problems due to the sudden upswing in sales.

Source: (1) Letter from Anfavea – July 2010

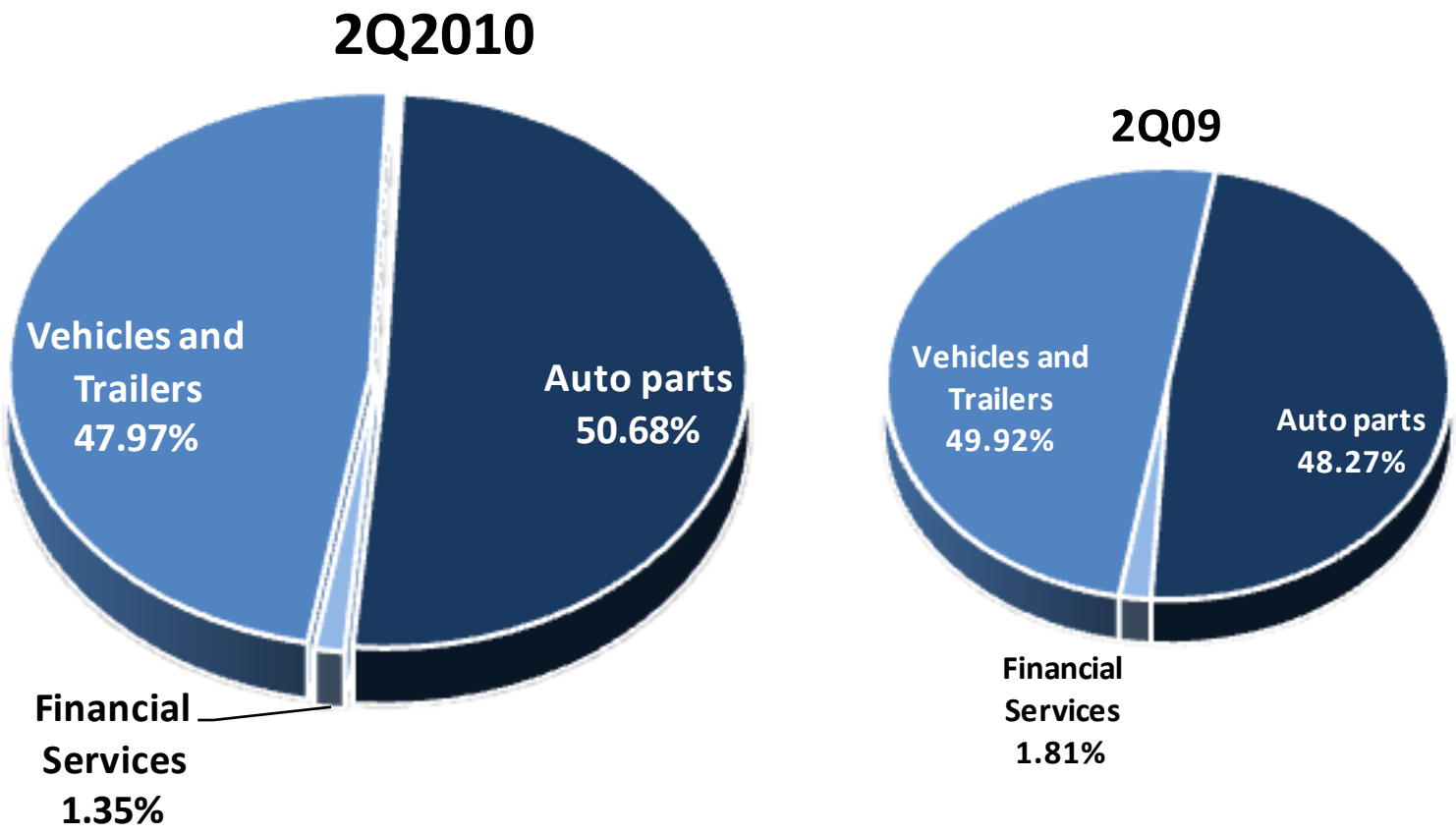
# Operating Performance

## Units Sold (Un)

| | 2Q10 | 2Q09 | Δ% | 1H10 | 1H09 | Δ% |
|---|---|---|---|---|---|---|
| **Vehicles and Trailers** | | | | | | |
| *Trailers (un.)* | 5,738 | 4,712 | 21.8% | 10,450 | 8,103 | 29.0% |
| *Specialty Vehicles (un.)* | 270 | 114 | 136.8% | 554 | 199 | 178.4% |
| *Rail cars (un.)* | 182 | 56 | 225.0% | 390 | 230 | 69.6% |
| **Auto Parts** | | | | | | |
| *Friction Materials (ton.)* | 19,444 | 15,055 | 29.2% | 35,419 | 27,147 | 30.5% |
| *Brakes (un.)* | 243,026 | 139,064 | 74.8% | 457,865 | 253,859 | 80.4% |
| *Coupling Systems (un.)* | 26,091 | 14,481 | 80.2% | 48,207 | 27,785 | 73.5% |
| *Suspension and Wheel Systems (un.)* | 111,995 | 71,189 | 57,3% | 207,155 | 128,917 | 60.7% |
| *Cast Parts (ton.)* | 491 | - | - | 918 | - | - |
| **Financial Services** | | | | | | |
| *Quotas of Consortia Sold* | 1,814 | 1,621 | 11.9% | 3,048 | 2,890 | 5.5% |

# Operating Performance

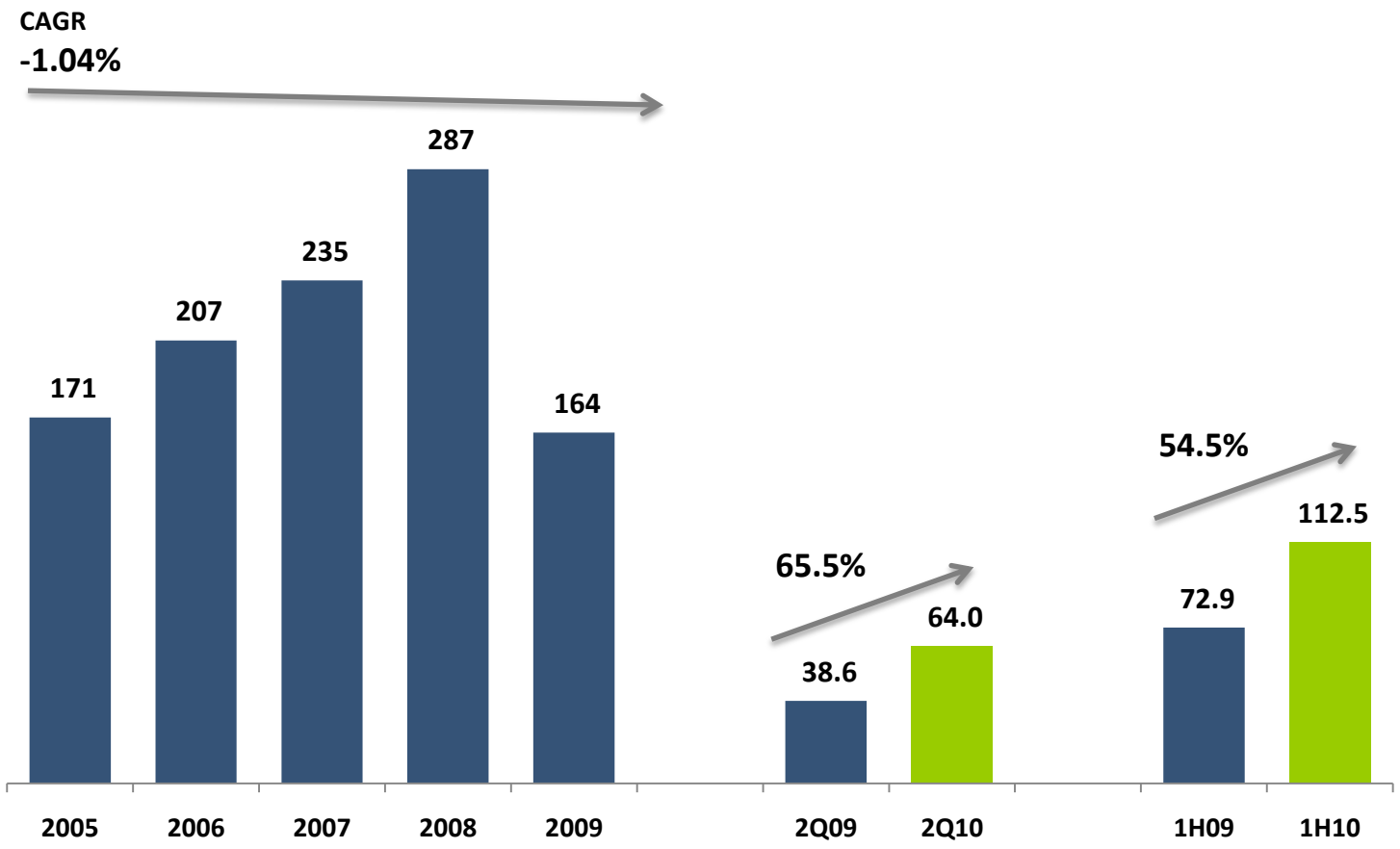
## Revenue Breakdown by Segment



# Operating Performance

## Exports

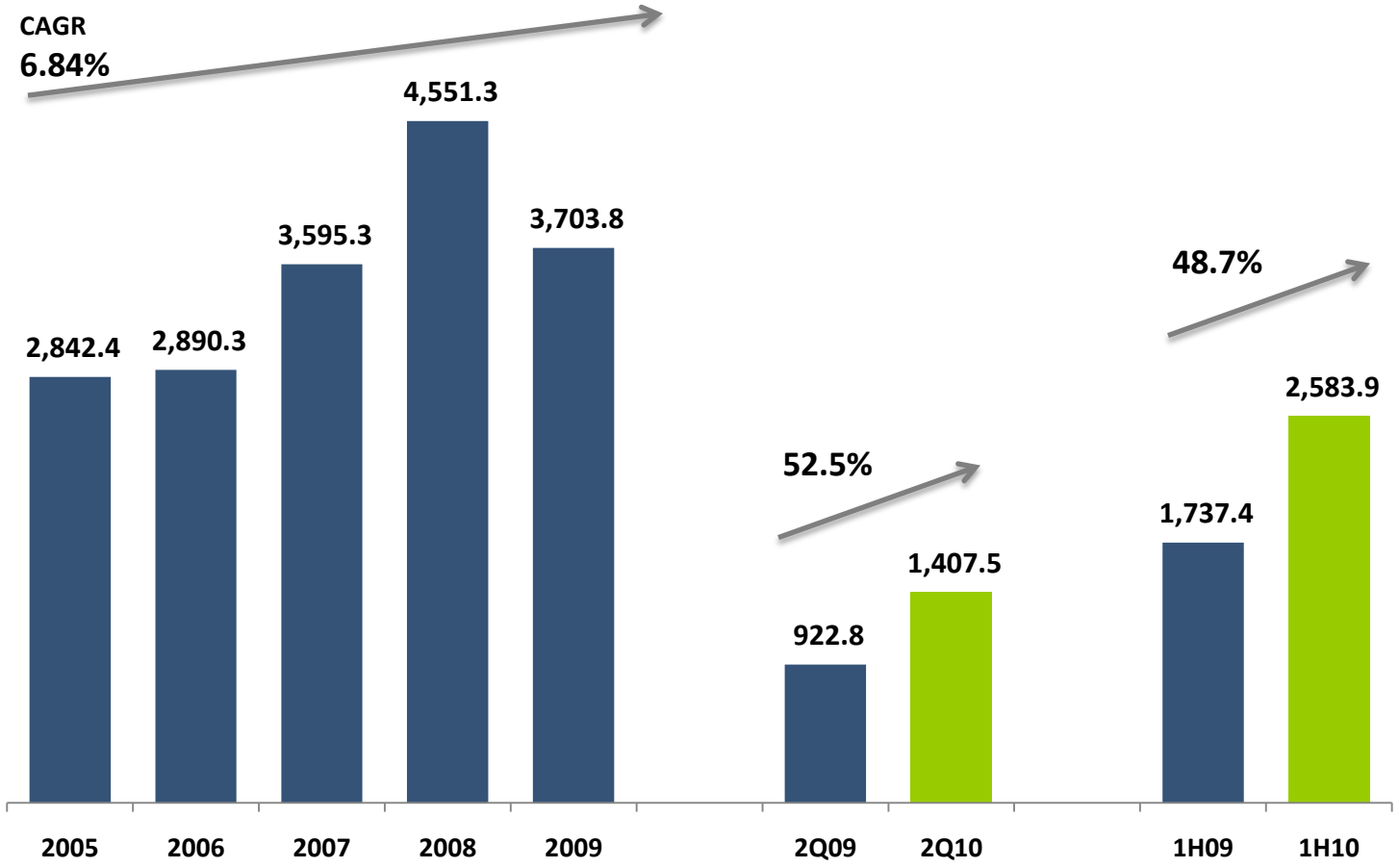
US$ million



# Financial Performance

## Total Gross Revenue

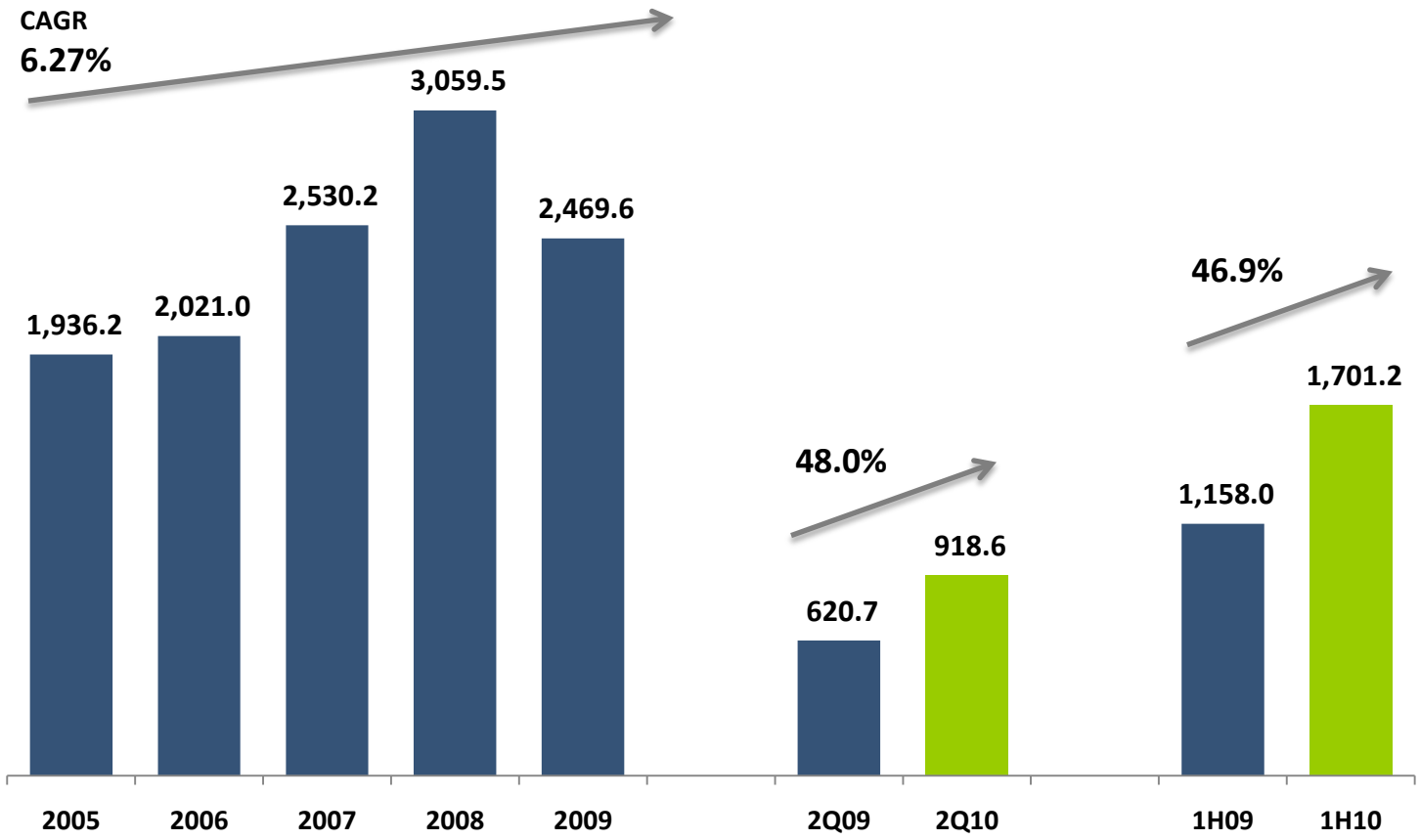
Including sales between companies
R$ million



# Financial Performance

## Consolidated Net Revenue

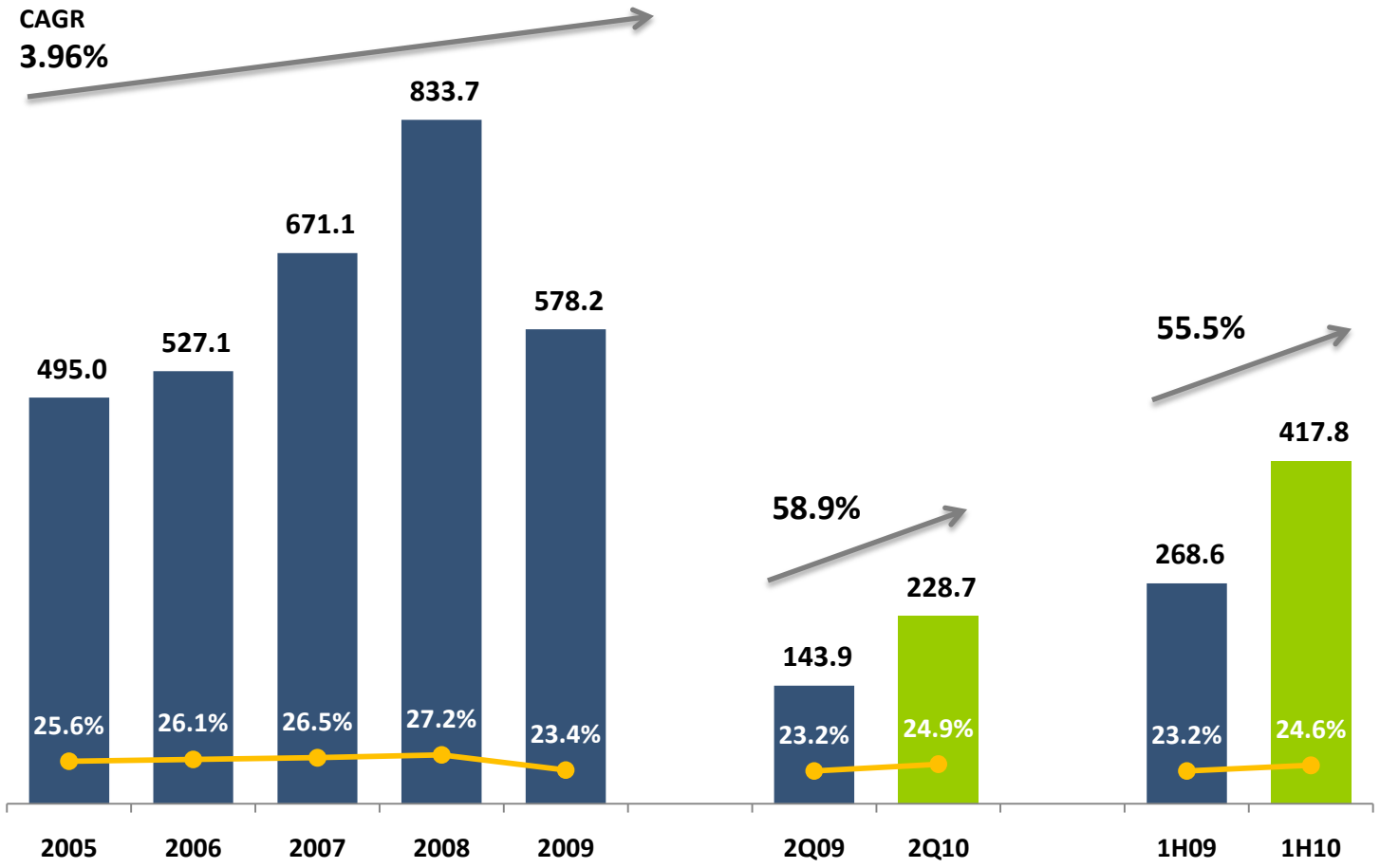
R$ million



# Financial Performance

## Gross Profit / Gross Margin

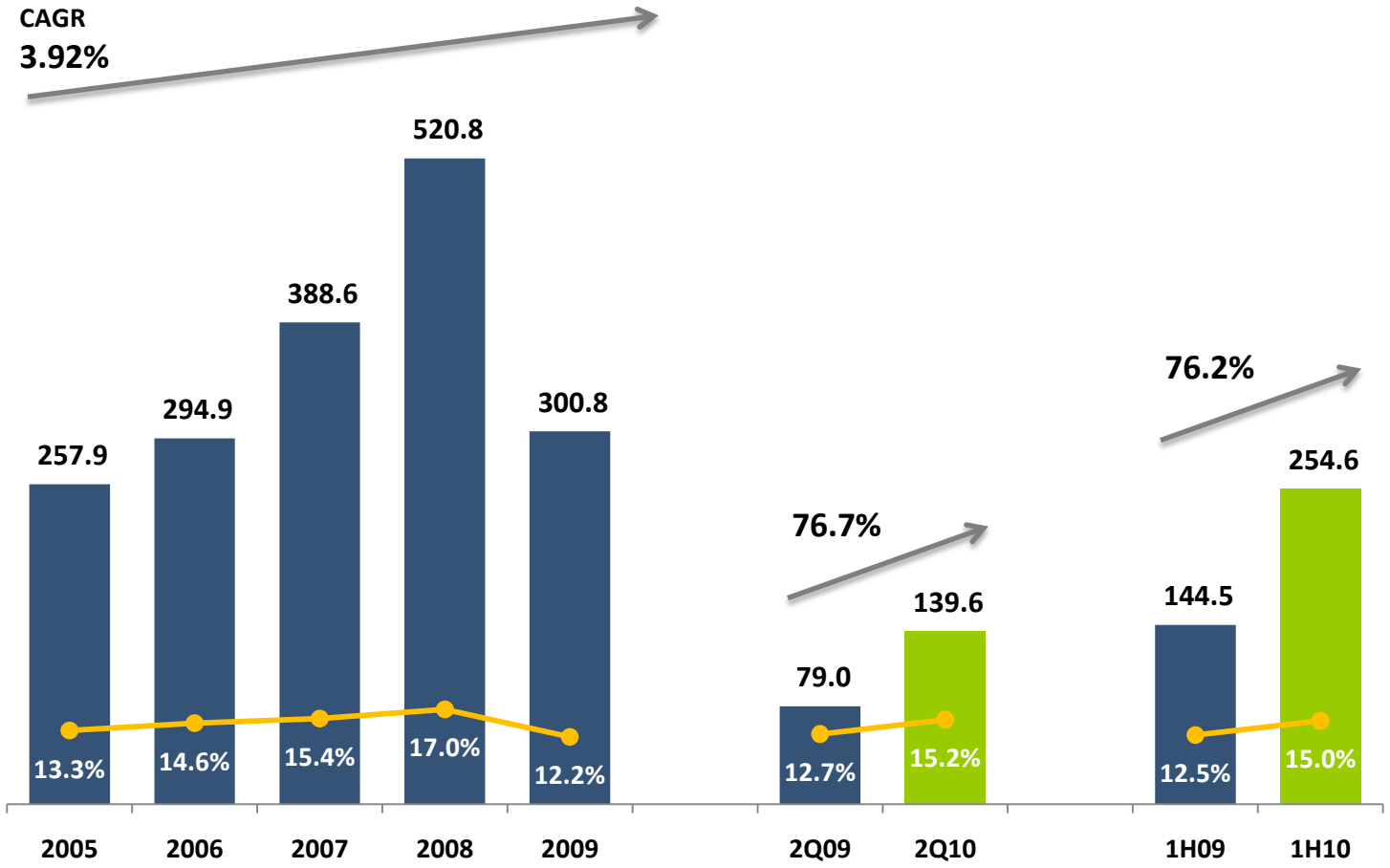
R$ million / %



# Financial Performance

## EBITDA / EBITDA Margin

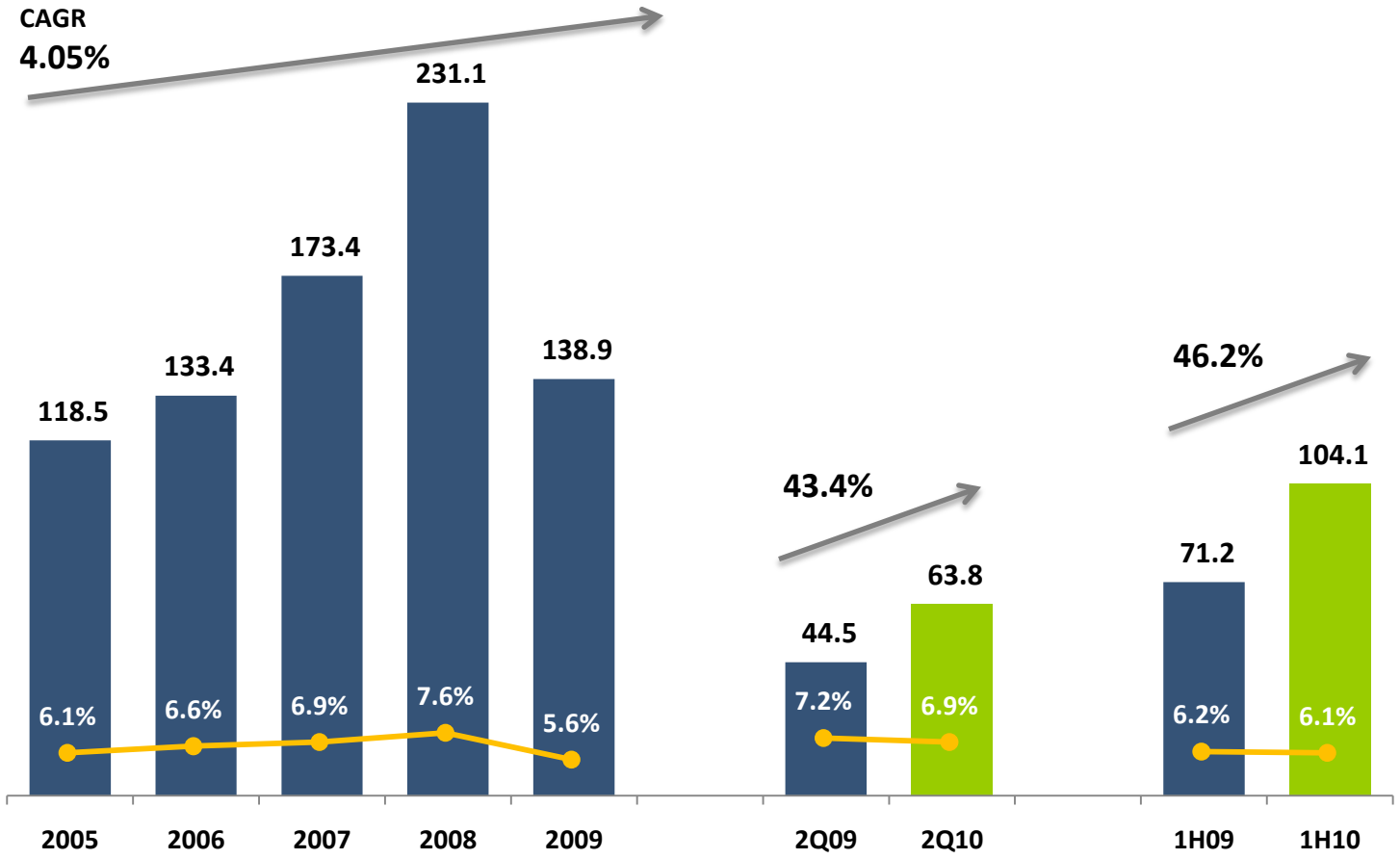
R$ million / %



# Financial Performance

## Net Profit / Net Margin

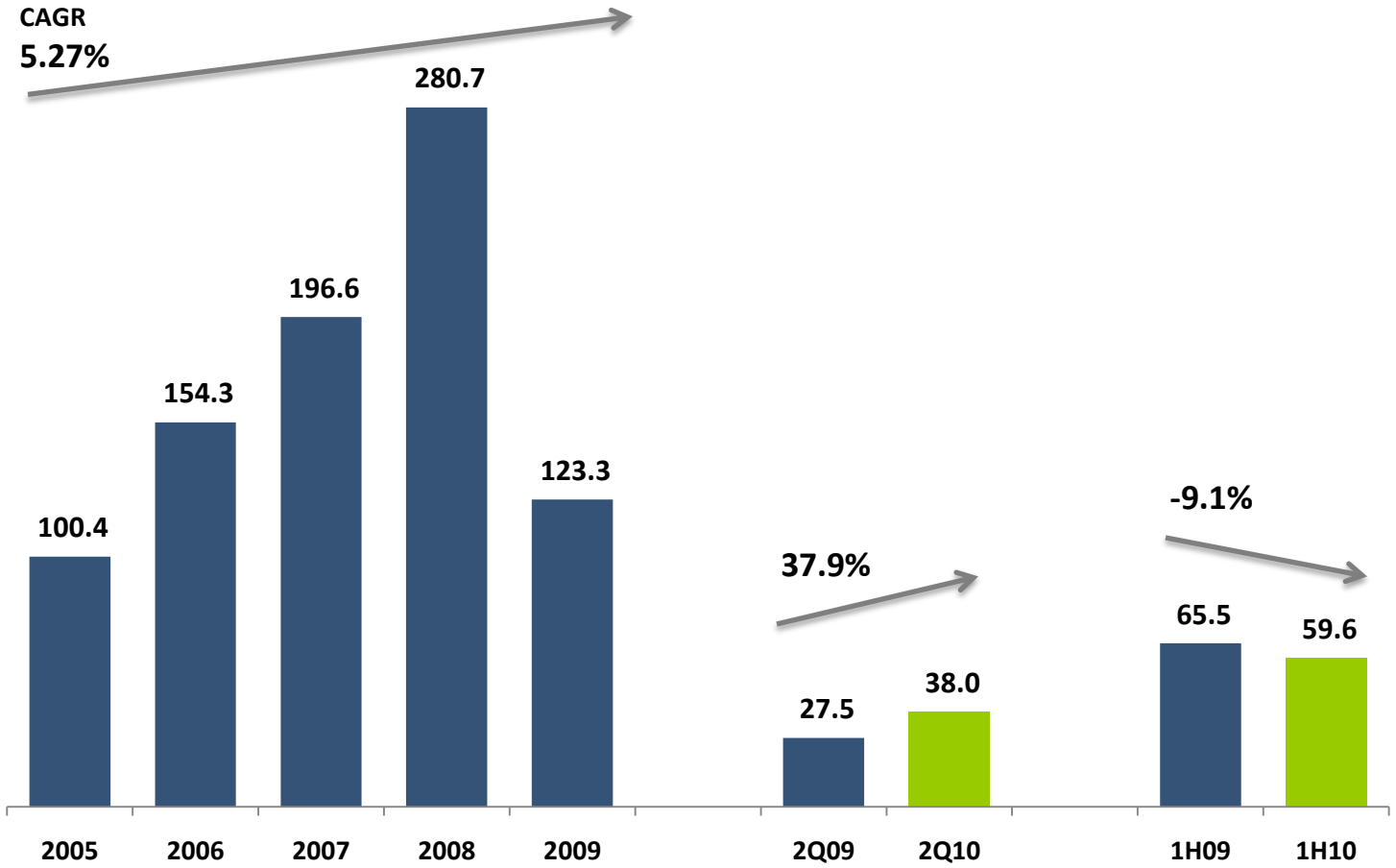
R$ million / %



# Financial Performance

## Investments

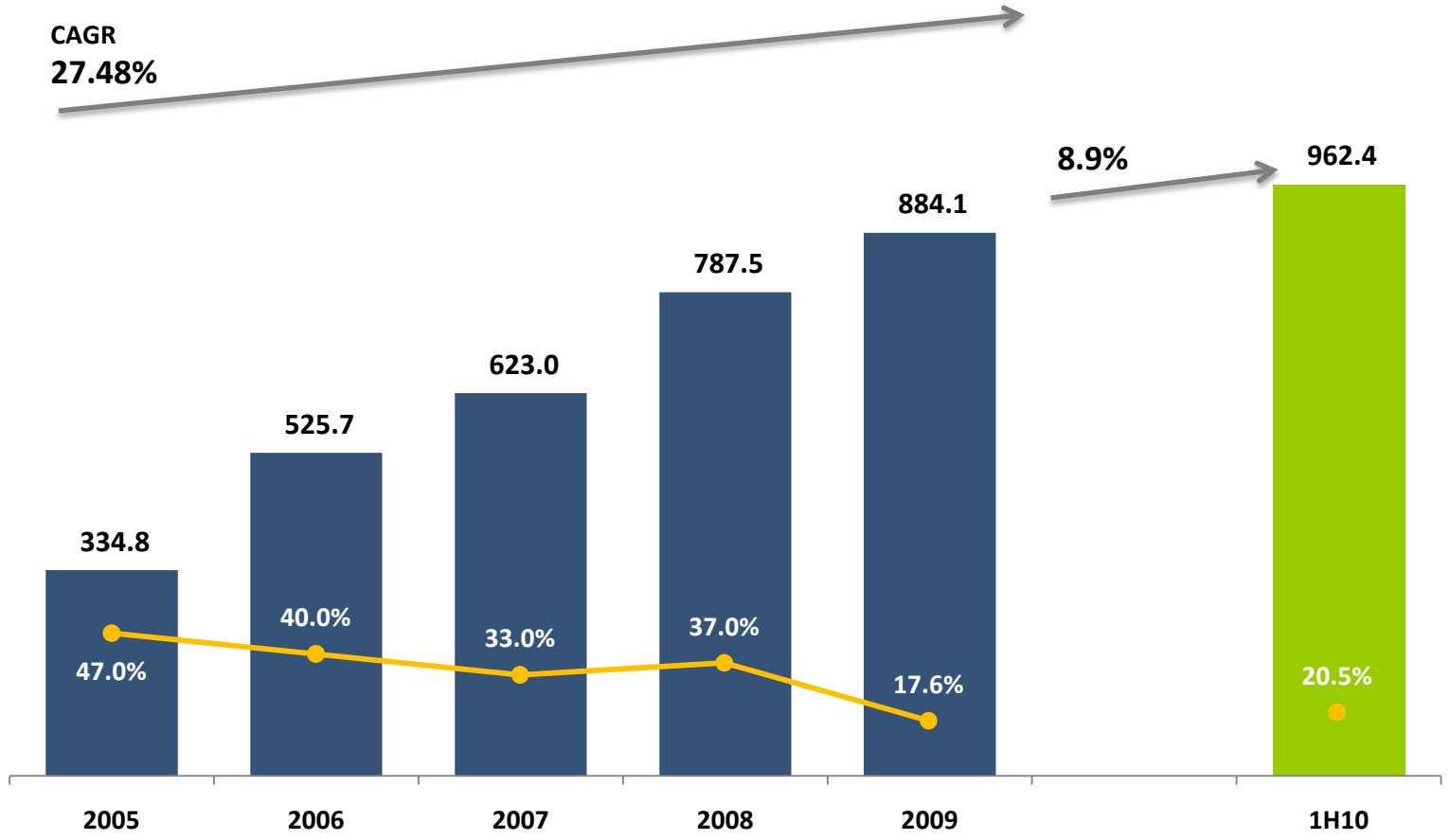
R$ million



# Financial Performance

## Shareholders' Equity / ROE

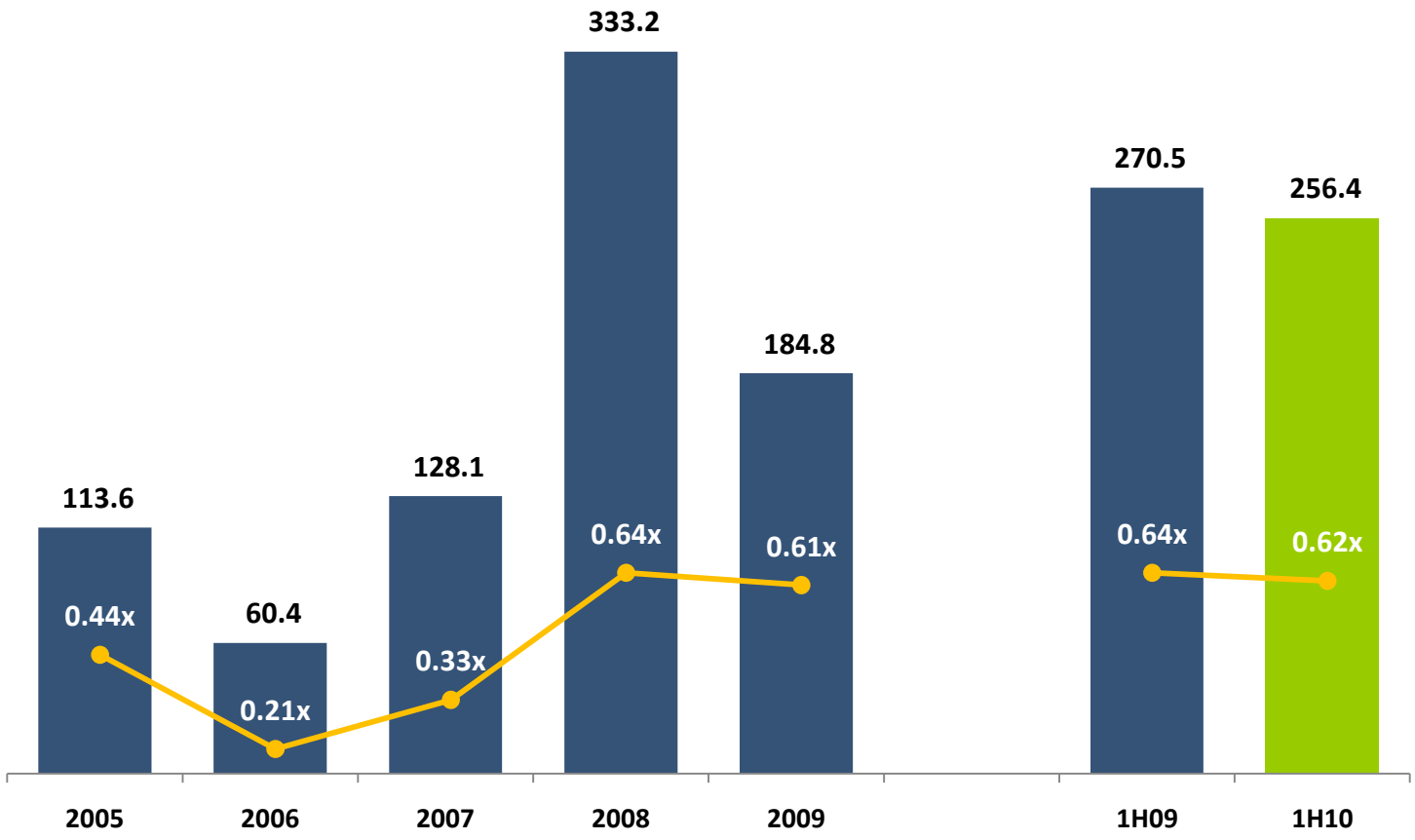
R$ million / %



# Financial Performance

## Net indebtedness and Net Debt / EBITDA

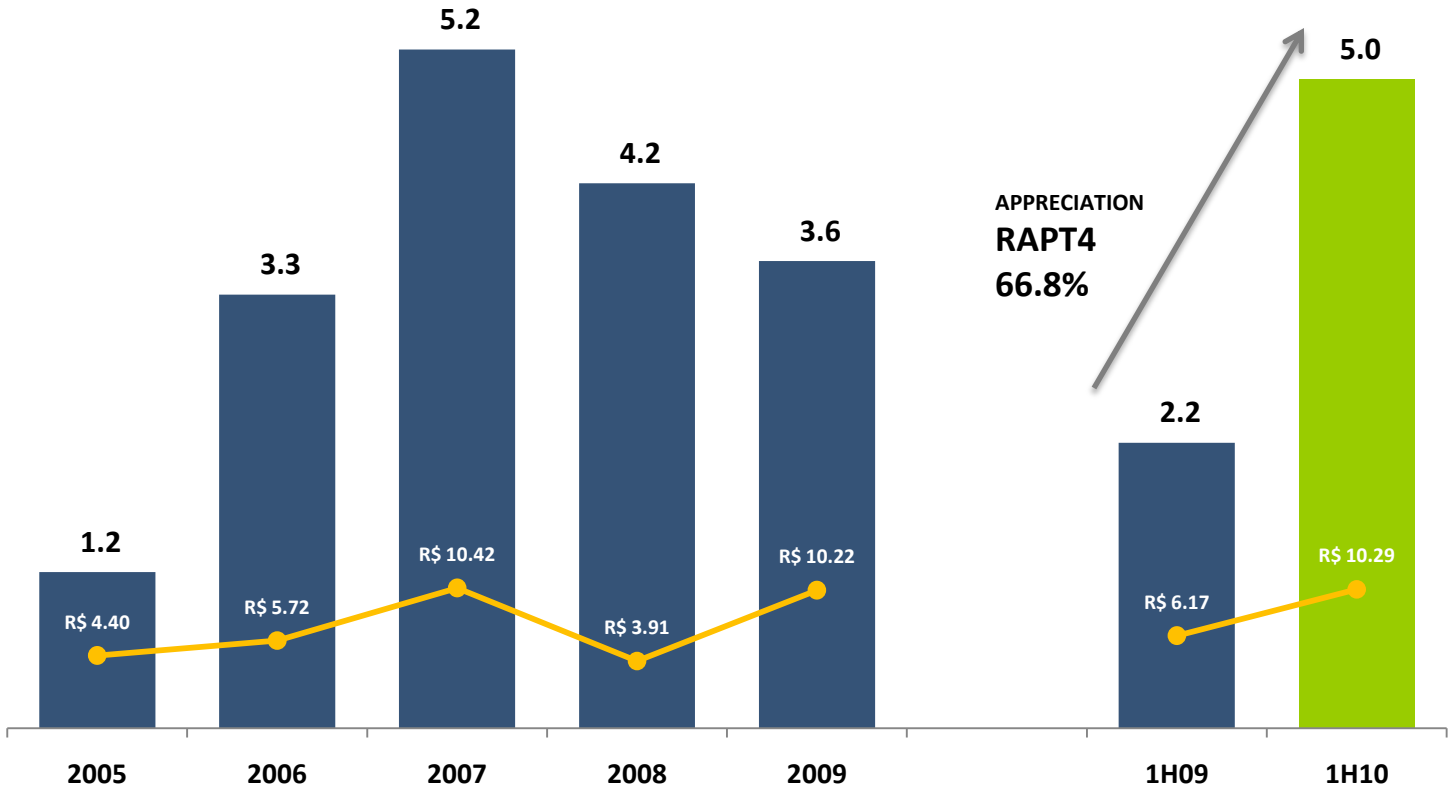
R$ million



# Stock Market

## RAPT4 X Daily Liquidity

R$ per share / R$ Thousand
Including bonus shares issued on April 8, 2010



# Outlook

## Revision - Guidance 2010

| | Oficial Guidance | Revision |
|---|---|---|
| Gross Revenue | R$ 4.0 billion | R$ 5.0 billion |
| Net Revenue | R$ 2.8 billion | R$ 3.4 billion |
| Investments | R$ 200 million | R$ 200 million |
| Exports | US$ 190 million | US$ 220 million |
| Imports | US$ 70 million | US$ 80 million |

# Outlook

-Growth outlook for the Brazilian economy (2010)

GDP: +7.20% [(1);]

-Record agricultural harvest in 2010: 146.75 million tons[(2)];

Construction, infrastructure and service sectors stand out in sales for the quarter;

Continued economic conditions means demand will be high in 2H10;

Company resumed its historic indicators in its results;

Commencement of Banco Randon activities.

Source: (1) BACEN / FOCUS Report (June 16, 2010)
(2) 10th Harvest Survey (2009/2010 – Conab)

## IR Contact

ri@randon.com.br
+55 54 3209.2505

NÍVEL 1
BM&FBOVESPA

Índice Small Cap SMLL
Índice do Setor Industrial INDX
Índice Brasil IBRX

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Índice de Ações com Governança Corporativa Diferenciada IGC