Net Revenue: R$783.5mn in 2010 (+21.8% vs. 2009)

Adjusted EBITDA: R$98.1mn in 2010 (+45.1% vs. 2009), with a margin of 12.5% (10.5% in 2009)

Net profit of R$70.8mn in 2010 (+91.6% vs. 2009)

The consolidated financial statements and quarterly information now presented are prepared in accordance with International Financial Reporting Standards (IFRS). Initial adoption of the Technical Statements and International Standards has been implemented backdated to January 1, 2009. As a result, the individual and consolidated accounting statements for the prior business year and period, as originally published, were adjusted and re-presented at the end of the 3Q10 in accordance with these new standards for the purposes of comparability.

São Paulo, Brazil, February 24, 2011 - **Metalfrio Solutions S.A. (FRIO3) ("Metalfrio")**, one of the world's largest manufacturers of plug–in commercial refrigeration equipment, announces its results for the 4th quarter of 2010 ("4Q10") and the business year ended December 31, 2010. Financial and operational information given is in accord with international accounting standards (IFRS), in Reais (R$). Comparisons are with the fourth quarter of 2009 ("4Q09"), the business year ended December 31, 2009, or as indicated.

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Vila Livieiro – 04186-220
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Conference call in Portuguese

Date: February 25, 2011
Time: 10:30 a.m. São Paulo
08:30 a.m. New York
Call:
+55 11 3127-4971
For replay, dial:
+55 11 3127-4999
Password: 22180555

Conference call in English

Date: February 25, 2011
Time: 11:30 a.m. São Paulo
09:30 a.m. New York
Call:
+1 412 317-6776
Password: Metalfrio
For replay, dial:
+1 412 317 0088
Password: 448588 #1

Period Summary

- **Unit sold**: **733.0 thousand units** in 2010 (+33.0% vs. 2009). Americas: 449.4 thousand (+16.9% vs. 2009). Europe: 283.6 thousand (+70.3% vs. 2009)
- **Net revenue**: **R$783.5mn** in 2010 (+21.8% vs. 2009). **Americas**: **R$558.7mn** (+16.1% vs. 2009). **Europe**: **R$224.8mn** (+38.7% vs. 2009)
- **Gross profit of R$153.0mn** in 2010 (gross margin of 19.5%), compared to gross profit of R$129.0mn in 2009 (gross margin of 20.1%)
- **Adjusted EBITDA of R$98.1mn in** 2010 (+45.1% vs. 2009), margin of 12.5% (10.5% in 2009)
- **Net profit of R$70.8mn in** 2010 (+91.6% vs. 2009), net margin of 9.0% (5.7% in 2009)
- **Net debt of R$123.5mn in** 2010, equivalent to 1.26 times the adjusted EBITDA in 2010 (net debt of R$114.2mn in 2009, equivalent to 1.69 times the adjusted EBITDA of 2009)

Message from management

Dear stockholder,

The Management of Metalfrio has great satisfaction presenting the Company's results for 2010. During the year – for the accounts from 3Q10 onwards – we adopted International Financial Reporting Standards (IFRS), and we also restated our results in IFRS backdated to January 1, 2009, for the purposes of comparability. This enables Metalfrio's results to be compared with those of other companies worldwide. Thus, in the comments below, when we refer to past quarters, we refer to those quarters restated as if reported under IFRS.

Adjusted EBITDA for 2010 was 45.1% higher year-on-year, at R$ 98.1 million, in 2010 than in 2009 (R$ 67.6mn), with EBITDA margin of 12.5% – 2 percentage points higher than the 2009 EBITDA margin of 10.5%.

In 2010 the company returned gross profit 18.6% higher than in 2009, with gross margin of 19.5%, compared to 20.1% in 2009. Net profit in 2010 was R$ 70.8mn, with net margin of 9.0%, compared to R$ 37.0mn in 2009, when net margin was 5.7%.

The Company's net debt at the end of 2010 was R$ 123.5mn, compared to R$ 114.2mn at the end of 2009. Net debt / Adjusted EBITDA at the end of 2010 was 1.26x, improved from 1.69x at the end of 2009.

At the end of 2010 the Company adopted a strategy of bringing forward purchases of some raw materials that will be used during the first semester of 2011, taking advantage of favorable conditions negotiated with suppliers for the purchase of these materials.

During 2010 the Company concluded the transfer of production of horizontal freezers from São Paulo to Três Lagoas, in Brazil; and also began production of the new line of horizontal freezers at Celaya, in Mexico. Additionally, we began preparations for the construction of a new plant in the State of Pernambuco, in the Northeast of Brazil.

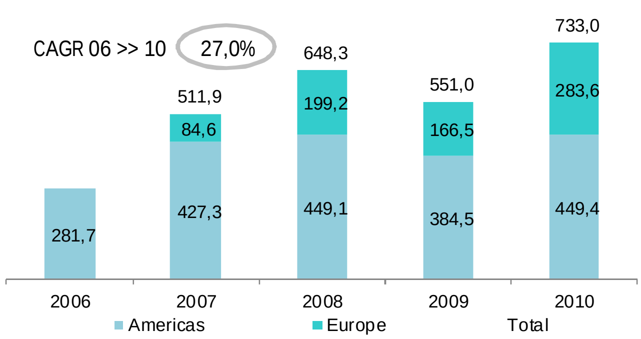
Historic performance

Our net sales revenue has grown at a compound average growth rate (CAGR) of 27.6% over the last 5 years, while the number of units sold has grown at a CAGR of 27.0%.

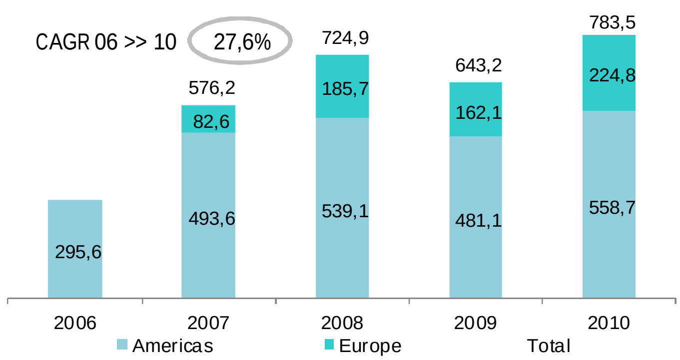
The series of data for this period shows the effects of the global financial crisis, which significantly affected all the markets we operate in, reducing our production volumes, particularly in 4Q08 and 1Q09.

In 2010 sales volumes recovered in our operations both in the Americas and in Europe, and the growth trend of the previous years resumed.

Units (thousand) 06 >> 10

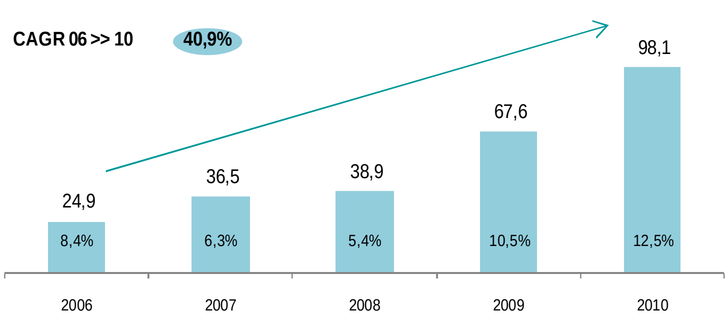


Net revenue (R$ mn) 06 >> 10



Our adjusted EBITDA[1] grew at an annual rate of 40.9% over the period from 2006 to 2010, and adjusted EBITDA margin has been over 10% in the last two years.

Adjusted EBITDA (R$ mn, and % of net revenue)



[1] Please refer to the reconciliation of EBITDA and adjusted EBITDA on page 8

Highlights of the consolidated result

Consolidated net revenue, unit sales

Net revenue in 2010, at **R$ 783.5mn**, was 21.8% higher than in 2009 (R$ 643.2mn). Net revenue in 4Q10 was R$ 194.9mn, compared to R$ 183.6mn in 4Q09.

Of the 2010 net revenue, R$ 46.3mn came from the services segment (provision of services of maintenance and repair of equipment, and sales of parts), compared to R$ 43.7mn in 2009.

We sold **733.0 thousand units** in 2010, **33.0% more** than in 2009 (when we sold 551.0 thousand). In 4Q10 we sold 172.8 thousand units, 8.7% more than in 4Q09 (159.0 thousand units).

Americas

Our **operation in the Americas** sold **449.4 thousand units in 2010**, **16.9% more** than in 2009 (384.5 thousand units). We sold 118.8 thousand units in 4Q10, 8% less than in 4Q09 (129.1 thousand units).

Net revenue, at R$ 558.7 mn in 2010, was 16.1% higher than in 2009 (when it was R$ 481.1mn). Net revenue in 4Q10, at R$ 151.6mn, was 6.3% lower than in 4Q09 (R$ 161.8mn).

Europe

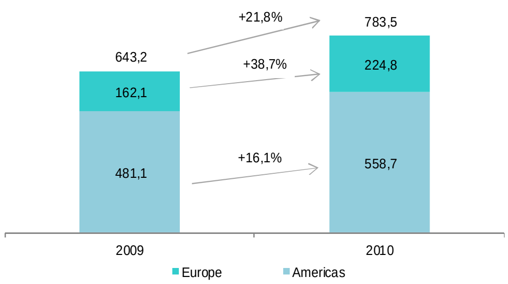
Our **operation in Europe** sold **283.6 thousand units in 2010**, **70.3% more** than in 2009 (166.5 thousand units). In 4Q10, we sold 54.0 thousand units, compared to 29.8 thousand units in 2009 – an increase of 81.1%.

Net revenue was **38.7% higher** year-on-year, at R$ 224.8mn in 2010, compared to R$ 162.1mn in 2009. Net revenue in 4Q10, at R$ 43.3mn, was 97.8% higher than in 2009 (R$ 21.9mn).

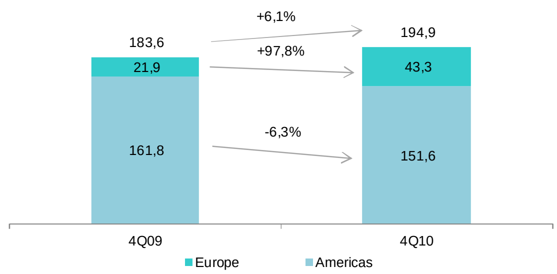
The difference between the increase in net revenue, of 38.7%, and the increase in the number of units sold, of 70.3%, reflects the fact that the average price, **in Reais**, of products sold by the European operation was 18.6% lower. This basically reflects the appreciation of the Real against the euro by 15% between the two years, and a different product mix.

Net revenue (R$ mn)

2009 >> 2010



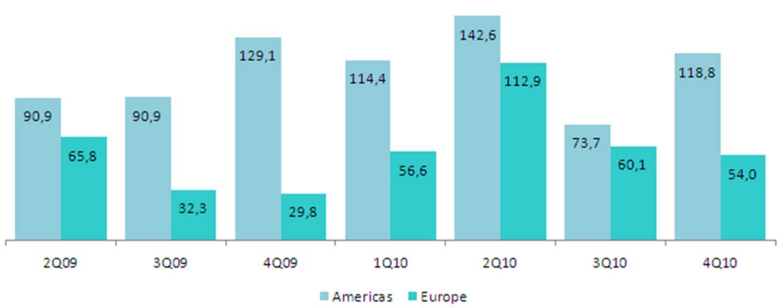
4T09 >> 4T10



This table gives quarterly net revenue and units sold:

NET REVENUES AND UNITS SOLD	4Q09	1Q10	2Q10	3Q10	4Q10	Chg. 4Q10/ 4Q09	Chg. 4Q10/ 3Q10
Total net revenues (R$ Mn)	**183.6**	**180.6**	**270.7**	**137.3**	**194.9**	**+6.1**	**+41.9**
Americas	161.8	133.2	180.0	93.9	151.6	-6.3	+61.3
Europe	21.9	47.5	90.7	43.3	43.3	+97.8	-0.1
Total units sold (thousand)	**159.0**	**171.0**	**255.5**	**133.7**	**172.8**	**+8.7**	**+29.2**
Americas	129.1	114.4	142.6	73.7	118.8	-8.0	+61.2
Europe	29.8	56.6	112.9	60.1	54.0	+81.1	-10.1

The chart below, of net revenue from the operations in the Americas and Europe, shows the effect of the seasonal patterns, especially in Europe:

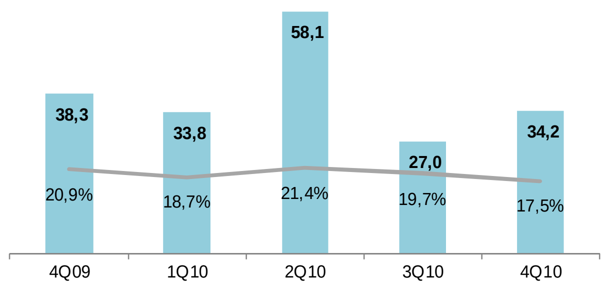


Consolidated cost of goods sold, gross profit, gross margin

Gross profit increased from R$ 129.0mn in 2009 to **R$ 153.0mn in 2010**, an **increase of 18.6%**, principally reflecting the increase in net revenue.

Gross margin was **19.5% in 2010**, compared to 20.1% in 2009. The main factor responsible for the gross margin 0.6 percentage points lower was the temporary reduction in productivity of the horizontal freezers manufacturing operation in Brazil, associated with the transfer of their manufacture from São Paulo to Três Lagoas, which affected the second half of 2010.

Consolidated gross profit and gross margin (R$ mn)



In 4Q10, gross profit was R$ 34.2mn, (gross margin 17.5%), compared to R$ 38.3mn in 4Q09 (gross margin 20.9%), i.e. 10.8% lower than a year before. The reduction reflects the temporary loss of productivity referred to above.

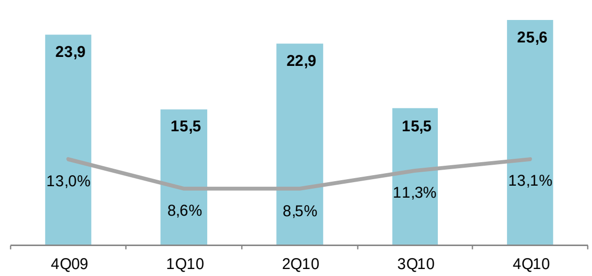
Operational expenses (SG&A)

Consolidated selling expenses

Selling expenses in 2010 were **R$ 79.6mn**, or **10.2% of net revenue**. In 2009 selling expenses were R$ 70.8mn, or 11.0% of net revenue. The reduction of approximately 1 percentage point is basically because selling expenses in 2009 were partially affected by complementary items in provisions for doubtful receivables and reflecting sales promotions, reflecting the effects of the world financial crisis.

In 4Q10, selling expenses were R$ 25.6mn, or 13.1% of net revenue, compared to R$ 23.9mn in 4Q09 – which represented 13.0%.

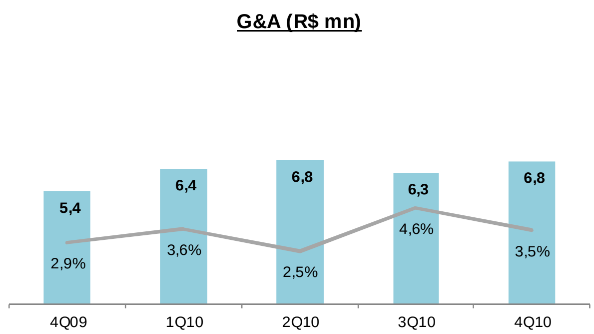
Selling expenses (R$ mn)



Consolidated general and administrative expenses

In 2010, general and administrative expenses in 2010 were **R$ 26.3mn**, or **3.4% of net revenue**. This was **3.1% less** than our general and administrative expenses of R$ 27.1mn (4.2% of revenue) in 2009.

In 4Q10, G&A expenses were R$ 6.8mn, R$ 1.4mn more than in 4Q09 (R$ 5.4mn)..



Consolidated other operational revenues (expenses)

In 2010 other operational revenues, net totaled **R$ 31.5mn**, basically comprising: R$ 29.3mn in tax incentive amounts; R$ 4.2mn of profit on the sale of the former Klimasan facilities in Izmir, which had been inactive since the startup of the new plant in Manisa in 2008 (the sale price was R$ 8.9mn); and R$ 3.1mn in expenses on restructuring of the manufacturing activities in Brazil. In 2009 the total of this line was R$ 19.5mn of revenues, in which the most important component was tax incentive amounts totaling R$ 21.0mn.

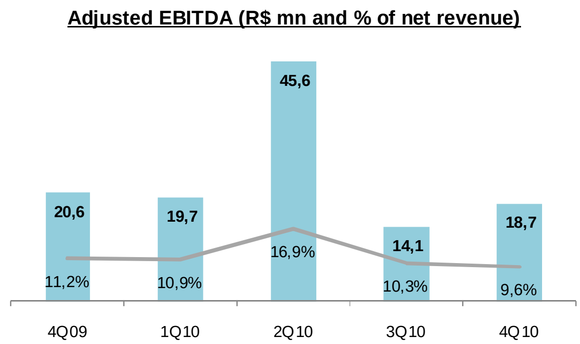
In 4Q10 the total of other operational revenues, net was R$ 11.8mn, in which the most important component was tax incentive amounts totaling R$ 10.9mn. In 4Q09 its total was R$ 7.1mn, with the most important component being tax incentive amounts of R$ 7.3mn.

Consolidated EBITDA and EBITDA margin

In 2010, our adjusted **EBITDA** was **R$ 98.1mn**, with adjusted **EBITDA margin of 12.5%**.

In 2009, adjusted EBITDA was R$ 67.6mn, with margin of 10.5%. Thus EBITDA improved by 45.1% in absolute terms, and EBITDA margin was increased by 2 percentage points.

The main factors in the stronger adjusted EBITDA margin were: (i) improvement in absorption of administrative expenses; (ii) reduction in selling expenses; and (iii) tax incentives amounts from Três Lagoas.



Adjusted EBITDA in 4Q10 was R$ 18.7mn (with EBITDA margin of 9.6%), which compares with R$ 20.6mn (with margin of 11.2%) in 4Q09. The lower EBITDA margin between quarters reflects the reduction in gross margin caused by the temporary loss in productivity of the horizontal freezers operation in Brazil, during the transfer of their manufacture from São Paulo to Três Lagoas.

Reconciliation of EBITDA and Adjusted EBITDA:

Consolidated EBITDA (in mn Reais)	4Q09	1Q10	2Q10	3Q10	4Q10	2009	2010
Operating result	14.6	13.8	40.6	6.2	12.4	46.6	73.0
Depreciation and amortization	5.2	5.0	5.0	5.1	5.6	18.7	20.7
EBITDA	**19.8**	**18.8**	**45.6**	**11.3**	**17.9**	**65.3**	**93.7**
Stock option plan expenses (i)	0.8	0.9	0.0	0.0	0.5	2.3	1.4
São Paulo line discontinuation expenses (ii)	0.0	0.0	0.0	2.9	0.2	0.0	3.1
EBITDA Ajustado	**20.6**	**19.7**	**45.6**	**14.1**	**18.7**	**67.6**	**98.1**
Margem EBITDA Ajustado (%)	**11.2%**	**10.9%**	**16.9%**	**10.3%**	**9.6%**	**10.5%**	**12.5%**

Adjustments to EBITDA:

i. Stock option plan: Expenses of R$ 2.3mn in 2009 and R$ 1.4mn in 2010, recognized in the income statement for the period in which the right is acquired, calculated in accordance with Accounting Statement CPC 10, approved by CVM Decision 562/08.

ii. Discontinuation of the São Paulo production line: This expense of R$ 3.1mn is being applied as an adjustment to EBITDA to maintain the base for comparison with the same period of 2009. It refers to discontinuation of the horizontal freezers line in São Paulo, basically consisting of employee dismissal expenses.

Financial result

Metalfrio posted 2010 financial revenues of R$ 8.3mn, comprising R$ 86.5mn in financial revenues and R$ 78.2mn in financial expenses.

In 2009 Metalfrio posted financial revenues of R$ 8.1mn, comprising R$ 58.8mn in financial revenues and R$ 50.7mn in financial expenses.

Financial Result (R$ mn)	2009	2010	Chg. 2010/ 2009
Interest on cash investments	23.8	18.2	-5.6
Other financial income	1.0	1.6	+0.5
Interest and Other Income	**24.8**	**19.7**	**-5.0**
Interest on loans and financing	-19.2	-16.7	+2.6
Other financial expenses	-4.1	-6.0	-1.9
Interest and Other Expenses	**-23.3**	**-22.7**	**+0.6**
Hedge operations gains	15.4	19.8	+4.4
Hedge operations losses	-7.5	-18.4	-11.0
Hedge Operations Result	**7.9**	**1.4**	**-6.5**
FX variation gains	18.6	46.9	+28.3
FX variation losses	-19.9	-37.1	-17.1
Net FX Variation	**-1.3**	**9.8**	**+11.1**
Net Financial Result	**8.1**	**8.3**	**+0.2**

Interest on cash investments was R$ 18.2mn in 2010, and R$ 23.8mn in 2009. The reduction reflects a higher appreciation of investments in bonds during 2009, reflecting the period of recovery in the global economic scenario after the world crisis of 2008-9.

Financial expenses from loan interests totaled R$ 16.7mn in 2010 and R$ 19.2mn in 2009 – moving in the opposite direction to the increase in our gross debt, basically due to settlement of loans with higher interest rates, and their replacement with new loans raised with lower interest rates.

Transactions in derivatives produced a net gain of R$ 1.4mn in 2010, comprising a gain of R$ 19.8mn, and a loss of R$ 18.4mn.

The balance of the effect of exchange rate variation in 2010 was R$ 9.8mn, most significantly affected by the weakening of the US dollar in relation to all our functional currencies (local).

Net profit

In 2010 we reported net profit of R$ 70.8mn (with net margin of 9.0%). In 2009, we reported net profit of R$ 37.0mn (with net margin of 5.7%).

The improvement in net profit, of R$ 33.9mn (representing an improvement of 91.6% from 2009), basically reflects the improvement, of R$ 26.4mn, in the company's operating profit.

Working capital

Our **working capital excluding financial assets and liabilities at the end of 2010 was R$ 201.0mn**, compared to R$ 133.4mn at the end of 2009. This increase is mainly due to (i) accounts receivable from clients R$ 39.7mn higher, because of a concentration of clients with longer payment periods in the last month of the fourth quarter; and (ii) an increase of R$ 31.5mn in inventories, due to a strategy of bringing forward purchases of some raw materials for the first semester of 2011. As a result of this, the **operational cash flow cycle** at the end of 2010 was **85 days**, an increase of 22 days from 4Q09 – but 32 days lower than in 3Q10.

WORKING CAPITAL (in mn Reais)	4Q09	1Q10	2Q10	3Q10	4Q10	Chg. 4Q10/ 4Q09	Chg. 4Q10/ 3Q10
Current assets:							
Cash and equivalents, bonds and securities	180.4	186.9	230.7	254.0	288.9	+108.5	+34.9
Accounts receivable	156.5	160.7	229.7	142.2	196.2	+39.7	+54.0
Inventory	84.0	118.7	105.7	104.0	115.5	+31.5	+11.5
Other	24.9	27.4	25.4	23.3	24.4	-0.4	+1.1
Receivables with derivatives	3.1	7.6	0.0	0.0	0.0	-3.1	+0.0
A) Total	**448.8**	**501.3**	**591.6**	**523.6**	**625.0**	**+176.2**	**+101.4**
B) Current assets (less fin. assets)	**265.3**	**306.8**	**360.9**	**269.5**	**336.1**	**+70.8**	**+66.6**
Current liabilities:							
Accounts payable	74.7	101.7	107.4	52.8	80.1	+5.4	+27.3
ST debt	104.3	121.2	154.1	133.8	177.0	+72.7	+43.3
Other	57.2	55.0	63.2	50.6	55.0	-2.2	+4.4
Payables with derivatives	0.0	0.2	2.6	7.7	2.1	+2.1	-5.6
C) Total	**236.2**	**278.1**	**327.3**	**244.8**	**314.2**	**+78.0**	**+69.5**
D) Current liabilities (less fin. liab.)	**131.9**	**156.7**	**170.6**	**103.3**	**135.1**	**+3.1**	**+31.8**
Working capital (B-D)	**133.4**	**150.1**	**190.3**	**166.2**	**201.0**	**+67.6**	**+34.8**
Days of receivables	57	63	62	75	66	+8	-10
Days of inventory	52	73	45	85	65	+13	-20
Days of suppliers	46	62	45	43	45	-1	+2
Cash cycle	**63**	**73**	**61**	**117**	**85**	**+22**	**-32**
Current liquidity (A/C)	1.9x	1.8x	1.8x	2.1x	2.0x	n/a	n/a

Cash and cash equivalents, bonds and securities

At the end of 2010 our balance of cash and cash equivalents (including bonds and securities) was **R$ 288.9mn**, compared with R$ 180.4mn at the end of 2009 – an increase of R$ 108.5mn.

Accounts receivable from customers

There was an increase in accounts receivable from clients, of R$ 39.7mn, in comparison to the end of 2009: the total was **R$ 196.2mn at the end of 2010**, vs. R$ 156.5mn at the end of 2009. The days of receivables increased from 57 at the end of 2009 to 66 in 2010. No change was made to the company's credit policy, but a concentration of clients with longer payment periods occurred in the last month of the fourth quarter.

Inventories

Inventories were increased by approximately R$ 31.5mn from the end of the previous quarter. – from R$ 84.0mn at the end of 2009 to **R$ 115.5mn at the end of 2010**. Days of inventory increased from 52 days at the end of 2009 to 65 days at the end of 2010. The Company adopted a strategy of bringing forward purchases of some raw materials that will be used during the first semester of 2011, taking advantage of favorable conditions negotiated with suppliers for the purchase of these materials.

Suppliers

Suppliers increased by R$ 5.4mn from the end of the previous year – from R$ 74.7mn at the end of 2009 to **R$ 80.1mn at the end of 2010**. Days of suppliers remained effectively unchanged, at 45 days, at the end of 2010.

Investments

Fixed assets

Net fixed assets at the end of 2010 totaled **R$ 141.7mn**, R$ 2.6mn more than at the end of 2009. Capital expenditure in 2010 totaled R$ 31.0mn, basically in modernization of machinery and facilities at the factories in Brazil, Turkey, Mexico and Russia, and including R$ 13.5mn invested in phase 3 of Três Lagoas. There were also write-offs of R$ 5.5mn (basically on sale of Klimasan's former facilities at Izmir), depreciation of R$ 18.8mn, and a negative effect of R$ 4.2mn from FX depreciation on assets outside Brazil.

Investments and intangibles

Our balance of intangible assets was reduced from R$ 115.1mn at the end of 2009 to R$ 100.2mn at the end of 2010, basically due to FX variation.

This table shows changes in the balance of fixed assets:

FIXED ASSETS (in mn Reais)	4Q09	1Q10	2Q10	3Q10	4Q10	Chg. 4Q10/ 4Q09	Chg. 4Q10/ 3Q10
Investments	0.0	0.0	0.0	0.0	0.0	-0.0	+0.0
Net PP&E	139.1	141.7	136.5	137.9	141.7	+2.6	+3.9
Intangibles	115.1	117.6	115.9	106.4	100.2	-14.9	-6.2
Total	**254.2**	**259.3**	**252.4**	**244.2**	**241.9**	**-12.3**	**-2.4**

Capitalization and liquidity

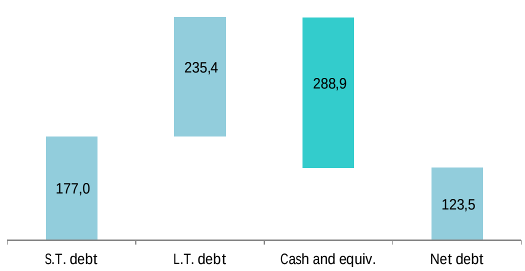
Debt

At the end of 2010 we held **R$ 288.9mn in cash (including bonds and securities)**, compared to R$ 180.4mn at the end of 2009 (an increase of 60.2%), and R$ 254.0mn at the end of 3Q10.

Our **total debt** at the end of 2010 was **R$ 412.4mn**, compared to R$ 294.6mn at the end of 2009 (an increase of 40.0%). Compared to the total debt at the end of 3Q10, of R$ 347.1mn, the increase was R$ 65.3mn, or 18.8%.

Net debt at the end of 2010 was **R$ 123.5mn**, R$ 9.3mn more than at the end of 2009, basically reflecting: (i) operational cash flow of R$ 49.7mn[2]; (ii) investments of R$ 31.0mn; and (iii) payments of dividends totaling R$ 24.3mn.

Consolidated debt breakdown (R$ mn)



Net debt at the end of 2010 was equivalent to 1.26 times 2010 adjusted EBITDA, while this ratio at the end of 2009 was 1.69. At the end of 2010, net debt was 0.4 times Stockholders' equity, the same ratio as at the end of 2009.

Short-term debt at the end of 2010 was **R$ 177.0mn**, or 42.9% of the total debt. The ratio of Cash and cash equivalents to short term debt was 1.6.

[2] Operational cash flow in accordance with the CVM criterion, which includes net revenue from cash investments. The net revenue from cash investments in 2010 was R$18.2mn

LIQUIDITY INDICATORS (in mn Reais)	4Q09	1Q10	2Q10	3Q10	4Q10	Chg. 4Q10/ 4Q09	Chg. 4Q10/ 3Q10
Cash and equivalentes, bonds and securities	**180.4**	**186.9**	**230.7**	**254.0**	**288.9**	**+108.5**	**+34.9**
Short term debt (ST)	104.3	121.2	154.1	133.8	177.0	+72.7	+43.3
Long term debt (LT)	190.3	189.5	225.6	213.3	235.4	+45.1	+22.1
USD denominated debt	195.3	206.5	271.7	240.3	312.9	+117.6	+72.6
BRL denominated debt	43.6	46.0	39.1	49.3	47.5	+3.9	-1.8
Euro denominated debt	55.7	54.9	52.4	57.0	51.7	-4.0	-5.4
Other Currencies	0.0	3.4	16.5	0.4	0.4	+0.4	-0.0
Gross debt	**294.6**	**310.7**	**379.7**	**347.1**	**412.4**	**+117.8**	**+65.3**
Net cash / (Net debt)	**-114.2**	**-123.8**	**-149.0**	**-93.0**	**-123.5**	**-9.3**	**-30.5**
Shareholders' equity (Equity)	**281.4**	**300.4**	**301.6**	**318.3**	**315.5**	**+34.1**	**-2.8**
Cash and equiv. / ST debt	1.7x	1.5x	1.5x	1.9x	1.6x	n/a	n/a
ST debt / (ST + LT)	35.4%	39.0%	40.6%	38.5%	42.9%	n/a	n/a
Net cash (Net debt) / Equity	-0.4x	-0.4x	-0.5x	-0.3x	-0.4x	n/a	n/a
Net debt / (Net debt + Equity)	28.9%	29.2%	33.1%	22.6%	28.1%	n/a	n/a

Stockholders’ equity

Stockholders’ equity at the end of 2010 was R$ 315.5mn, compared to R$ 281.4mn at the end of 2009. The increase of R$ 34.1mn was made up principally of the 2010 net profit of R$ 70.8mn, less dividends distributed of R$ 24.3mn, income tax provision on the tax incentive reserve, of R$ 10.0mn, and FX loss on investments in subsidiaries outside Brazil, of R$ 2.8mn.

Employees

At the end of 2010 we had 4,006 employees, which compares with 3,274 employees at the end of 2009.

Other Information

Management Statement

In accordance with article 25 of Instruction 480/2009 of the CVM (Brazilian Securities Commission – Comissão de Valores Mobiliários), the Company's Management states it has discussed, revised and agreed with the Independent Auditor's Opinion and with the accounting statements relative to the business year ended December 31, 2010.

Relationship with external auditors

In accordance with Instruction 381/2003 of the CVM (Brazilian Securities Commission – Comissão de Valores Mobiliários), we report that in 2010 we did not contract our Independent Auditors for services not related to external auditing, that exceed 5% of the global value of the current external auditing services.

In our relationship with external auditors, we evaluate conflicts of interests on services not related to external auditing based on the following: auditors should not (a) audit their own work; (b) carry out management functions; and (c) promote our interests.

Disclaimer

Information in this report on performance that is not directly derived from the financial statements, such as, for example, information on the market, quantities produced and sold, production capacity, and the calculation of EBITDA and adjusted EBITDA has not been the subject of special review by our external auditors.

We make forward-looking statements that are subject to risks and uncertainties. These statements are based on our Management's beliefs and assumptions and information to which the company currently has access. Forward-looking statements include information about our present intentions, beliefs or expectations, and those of the members of the company's Board of Directors, and Executive Officers. Reservations in relation to statements and information about the future also include information about possible or presumed operational results, and also statements that are preceded, followed by or include the words "believe", "may", "will", "continue", "expect", "forecast", "intend", "plan", "estimate", or similar expressions. Statements and information about the future are not guarantees of performance. They involve risks, uncertainties and suppositions because they refer to future events, and thus depend on circumstances which may or may not occur. Future results and the creation of value for stockholders may differ significantly from those expressed or suggested by forward-looking statements. Many of the factors that will determine these results and amounts are beyond Metalfrio's capacity to control or forecast.

About Metalfrio

Metalfrio Solutions S.A. (Bovespa: FRIO3) is one of the world's largest manufacturers of plug-in commercial refrigeration equipment. Our product portfolio comprises hundreds of models of vertical and horizontal plug-in refrigerators and freezers, for refrigeration of beers, soft drinks, ice creams and frozen foods, and cooled products in general. Through direct distribution or through distributors and commercial representatives, we supply our products to clients that are among the world's largest manufacturers of cooled and frozen beverages and foods. We currently operate plants in Brazil, Mexico, Turkey, and Russia, and our own distribution center in the United States.

Consolidated income statement (R$ mn)

	2009	2010
GROSS REVENUE		
Domestic markets product sales	682.3	814.8
Export sales	128.7	167.1
Service sales	18.6	20.5
TOTAL GROSS REVENUE	**829.6**	**1,002.4**
SALES DEDUCTIONS		
Sales taxes	(157.8)	(183.2)
Discounts and returns	(28.5)	(35.8)
NET REVENUE	**643.2**	**783.5**
Cost of goods sold	(514.2)	(630.4)
GROSS PROFIT	**129.0**	**153.0**
OPERATIN REVENUES (EXPENSES)		
Sales expenses	(70.8)	(79.6)
General and administrative expenses	(27.1)	(26.3)
Management and BoD fees	(4.0)	(5.8)
Equity income	0.0	0.0
Other operating revenues (expenses)	19.5	31.5
OPERATING PROFIT (LOSS) BEFORE FINANCIAL RESULTS	**46.6**	**73.0**
NET FINANCIAL RESULT	**8.1**	**8.3**
Financial expenses	(50.7)	(78.2)
Financial income	58.8	86.5
EARNINGS (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**54.7**	**81.3**
INCOME TAX AND SOCIAL CONTRIBUTION		
Current	(14.5)	(15.1)
Deferred	(3.2)	4.7
NET EARNINGS (LOSS) BEFORE MINORITY	**37.0**	**70.8**
PARTICIPAÇÃO DOS CONTROLADORES	**34.8**	**66.9**
PARTICIPAÇÃO DE ACIONISTAS NÃO CONTROLADORES	(2.1)	(4.0)

Consolidated balance sheets (R$ mn)

	4T09	4T10	Var. (%)
ASSETS			
CURRENT			
Cash and equivalents	123.7	161.7	30.7%
Bonds and securities	56.7	127.3	124.4%
Receivables from clients	156.5	196.2	25.4%
Inventory	84.0	115.5	37.5%
Recoverable taxes	15.2	14.5	-4.3%
Deferred taxes	0.0	0.0	n/a
Receivables with derivatives	3.1	0.0	-100.0%
Other receivables	9.7	9.9	2.3%
Total do ativo circulante	**448.8**	**625.0**	**39.3%**
NON-CURRENT			
Long term:			
Deferred taxes	11.4	13.8	21.5%
Recoverable taxes	9.0	8.1	-10.7%
Fixed:			
Investments	0.0	0.0	70.0%
Net PP&E	139.1	141.7	1.9%
Intangible	115.1	100.2	-13.0%
Total non-current	**274.6**	**263.8**	**-3.9%**
TOTAL ASSETS	**723.4**	**888.8**	**22.9%**

	4T09	4T10	Var. (%)
LIABILITIES			
CURRENT			
Suppliers	74.7	80.1	7.2%
Loans	104.3	177.0	69.7%
Tax obligations	17.2	16.2	-5.8%
Payroll charges	14.8	16.4	11.2%
Sundry provisions	19.1	16.4	-14.4%
Deferred taxes	0.0	0.0	n/a
Dividends payable	0.0	0.0	n/a
Payables with derivatives	0.0	2.1	n/a
Other payables	6.2	6.0	-2.2%
Total current	**236.2**	**314.2**	**33.0%**
NON-CURRENT			
Loans	190.3	235.4	23.7%
Tax obligations	0.0	0.0	n/a
Deferred taxes	13.1	20.7	57.3%
Contingency provisions	0.4	1.0	173.5%
Other payables	1.9	2.0	4.4%
Total non-current	**205.7**	**259.1**	**25.9%**
SHAREHOLDER'S EQUITY			
Registered capital	238.6	240.0	0.6%
Capital reserve	10.3	10.8	5.1%
Profit reserve	19.6	34.0	73.4%
Shareholders' evaluation adjustments	3.3	(1.7)	-153.3%
Proposed additional dividends	1.9	18.5	n/a
Retained profit	0.0	(0.0)	n/a
Minority interest	7.8	13.9	77.3%
Total shareholders' equity	**281.4**	**315.5**	**12.1%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**723.4**	**888.8**	**22.9%**

Consolidated cash flow - year accumulated (R$ mn)

	2009	2010
OPERATING CASH FLOW		
Net result	**37.0**	**70.8**
Reconciliation of net result and operating cash flow		
Depreciation and amortization	18.7	20.7
Contingency provisions	0.1	0.6
Sundry provisions	(5.5)	(2.8)
Derivatives Gain & Loss Provisions	(8.7)	5.2
Stock option plan	1.4	2.0
FX variation and interests	(12.0)	(12.6)
Juros de empréstimos	14.8	16.1
Residual value of fixed assets written off or sold	3.0	5.6
Equity income	2.7	11.9
FX variation on investments abroad	(14.4)	(0.3)
Income tax and social contribution	3.2	(4.7)
Total	**40.3**	**112.5**
(Increase) reduction of assets:		
Current:		
Receivables from clients[3]	21.5	(44.7)
Inventory	42.4	(31.5)
Recoverable taxes	10.4	0.7
Other receivables	2.0	(1.7)
Non-current:		
Recoverable taxes	(3.9)	1.0
Total	**72.4**	**(76.3)**
Increase (reduction) of liabilities:		
Current:		
Suppliers[3]	(0.2)	12.9
Taxes payable	0.5	(1.0)
Payroll charges	1.6	1.6
Other payables	2.9	(0.1)
Non-current:		
Other payables	(0.5)	0.1
Total	**4.2**	**13.5**
Net cash generated (consumed) by operating activities	**116.9**	**49.7**
INVESTMENT CASH FLOW		
Addition to fixed assets	(25.8)	(31.0)
Addition to intangible assets	(16.4)	(3.4)
Net cash generated (consumed) by investing activities	**(42.2)**	**(34.4)**
FINANCING CASH FLOW		
Draw down of loans[3]	107.8	276.3
Payment of loans[3]	(209.0)	(136.5)
Payment of interests[3]	(19.2)	(16.9)
Capital increase	0.0	1.4
Treasury held stock	0.0	(1.6)
Payment of dividends	(10.8)	(24.3)
Other	0.0	0.0
Net cash generated (consumed) by financing activities	**(131.2)**	**98.4**
FX VARIATION ON CASH AND CASH EQUIVALENTS	39.9	(5.3)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**(16.7)**	**108.5**
CASH AND EQUIVALENTS		
Final balance	180.4	288.9
Initial balance	197.1	180.4
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**(16.7)**	**108.5**

3 Group of accounts without FX effect