2008 net revenue: R$724.9mn (+25.8% YoY)

2008 adjusted pro forma EBITDA: R$42.6mn (+16.7% YoY)

São Paulo, Brazil, March 30, 2008

In this release **Metalfrio Solutions S.A.** ("Metalfrio" – **FRIO3**), **one of the world's largest manufacturers of plug-in commercial refrigeration equipment, reports for fourth quarter 2008 (4Q08) and 2008.** Unless otherwise stated, financial and operational information is in accordance with Brazilian corporate legislation and in Reais (R$). Comparisons are with 4Q07 or as indicated.

When comparing consolidated 2008 and 2007, note that: (i) in 2008 we adopted the new Brazilian accunting rules, under Law 11,638/07, which approximate to IFRS rules; and (ii) in 2007 the results of Metalfrio Solutions S.A. did not consolidate the results of the Senoçak/Klimasan group, control of which was acquired in March 2008.

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Conference call in Portuguese

Date: **March 31, 2009**
Time: 10 a.m. São Paulo
9 a.m. New York

Connect to:
+55 11 2188 0188
For replay, connect to:
+55 11 2188 0188
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Conference call in English

Date: **March 31, 2009**
Time: 12 p.m. São Paulo
11 a.m. New York

Connect to:
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Password: 91429770

Summary of the period

- Our net result was adversely affected in 2008 chiefly by:
  - **Adjustments under the new Brazilian accounting legislation,** with total negative effect of **R$ 20.8mn**.
  - **Depreciation of the Real,** mainly against the dollar and euro, generated a **net negative effect of R$ 33.5mn:** the appreciation of our foreign currency debt had negative impact of R$72.5mn, which was partially offsetted by the net gain with our assets and liabilities outside Brazil, which increased by R$ 39.0mn.
  - **Provisions for our plan to restructure our European operation totaling R$ 35.9mn**. The plan concentrates operational activities at the new plant of **Klimasan**, at Manisa, Turkey; and suspends manufacturing at our plant in Kaliningrad. The European operations excluding Klimasan, accumulated negative EBITDA of R$17.3mn in 2008.
  - Adding a further extraordinary item in the income statement, we made **other provisions of R$ 10.0mn,** for doubtful receivables, value of inventories, and guarantees, recognized at the end of the year.
- **2008 net revenue** was **R$ 724.9mn** (**25.8% more than in 2007**): in the **Americas, R$ 539.1mn** (**9.2% more than in 2007**); and in **Europe, R$ 185.7mn** (**124.8% more than in 2007**) – or R$ 229.0mn, pro forma, if Klimasan's sales in 1Q08 are consolidated.
- **2008 unit sales** were **648,300 units** (**+26.6% from 2007**): in the Americas, 449,100 units (+5.1% from 2007); and in Europe, 199,200 units (+135.5% from 2007) – or 252,700 units, pro forma, if 1Q08 sales of Klimasan are included.
- **2008 adjusted gross profit** was **R$ 88.1mn** (up 11.7% from 2007)
- **2008 adjusted EBITDA (pro forma) was R$ 42.6mn** (**+16.7% from 2007**): in the **Americas, R$ 47.2mn** (vs. R$ 41.1mn in 2007); **Klimasan**: **R$ 12.7mn positive** (including 1Q08); and in Europe, R$ 4.6mn negative – made up of R$ 12.7mn positive in **Klimasan**, and **R$ 17.3mn negative in the rest of Europe** (i.e. excluding Klimasan group operations) (vs. R$ 4.6mn negative in 2007).
- **We acquired control of the Klimasan group in March 2008** for R$ 120.0mn, by acquiring 71.0% of Senoçak Holding A.S.,for R$ 98.0mn, and R$ 22.0mn on purchase of Klimasan shares in the market.
- **We made significant capital expenditure**, including: (i) expansion of the plant at Três Lagoas, Brazil (R$ 21.0mn); (ii) finalization of the new Klimasan plant at Manisa, Turkey (R$ 19.0mn); and (iii) conclusion of the project at Kaliningrad (R$ 10.0mn).

Management message

Dear stockholder,

In 2008 we continued our establishment of a global competitive base to consolidate our outstanding position in the market for commercial plug-in refrigerators. We invested a total of R$ 198mn, comprising R$ 120mn on acquisition of control of the Senocak/**Klimasan** group (Turkey), R$ 29mn at the plants in **Manisa** (Turkey) and **Kaliningrad** (Russia), and R$ 21mn in expansion of the plant at **Três Lagoas**, Brazil.

There were two distinct periods in 2008: In the first three quarters of the year the markets were vigorous, and we achieved year-on-year revenue growth of 42% – but the last quarter of the year can be described as a major frustration. In the fourth quarter of the year, however, we suffered the effects of the global financial crisis. In the quarter that is normally one of our strongest for sales, our sales revenue was 12.4% lower year-on-year, and the result for the quarter was exacerbated by the delayed impact of widespread increases in costs of raw materials that took place up to September 2008.

For the whole year, our net revenue grew by 25.8%, to R$ 724.9mn, from R$ 576.2mn in 2007. In the Americas, revenue growth was 9.2%; and in Europe, 124.9%, due to the growth of the Klimasan operation. A total of 47.7% of our sales revenue now comes from outside Brazil, most of this in Euros and dollars.

As a result of the deterioration of the economic situation in 2008, we have taken several steps, partly strengthening action already in progress and partly bringing forward changes to optimize industrial operations in preparation for the expected future context.

Difficult decisions had to be taken. They include:

- In Brazil: For investment of R$ 21.0mn, in 2008 we finalized Phase II of the *Três Lagoas* Project, transferring the vertical products line to the plant in Mato Grosso do Sul. On the one hand, this created non-recurring inefficiencies due to temporary duplication of processes, and effects of the learning curve at the new plant, with a total cost of R$ 2.5mn, while on the other hand it has brought the vertical freezers operation to a significantly higher level of efficiency and profitability. Those benefits will be captured in full in 2009. Our total headcount in Brazil was reduced by 440 in the year. In December, we took various further steps to reduce fixed costs of the Brazil operation, which will have an impact of R$ 4.5mn in the business year of 2009.
- In North America: In 2008 we consolidated the whole of our *Mexican* operation at *Celaya*, which, as in Brazil, prepared the basis for a more efficient and profitable operation in the coming years.
- In Europe: With the acquisition of control of the *Senocak/Klimasan* group, for capital investment of R$ 120.0mn, we took the decision to consolidate the whole of the Turkish industrial operation at Klimasan's recently-opened plant at Manisa. The original plant of Metalfrio and Klimasan's old plant at Izmir were closed. These movements generated investment of R$ 19.0mn, and extra expenses of R$ 2.1mn, in 2008. The markets served by the *Kaliningrad* plant, especially including Russia and Ukraine, are among the most affected by the worldwide crisis. Volumes projected for 2009 are not enough to justify maintaining output at Kaliningrad at this moment, and we have thus decided to suspend production at this plant during 2009. Until conditions for resuming this operation are in place, clients of these markets will be served, selectively, by our plant in Turkey. We recognized provisions of

R$ 35.9mn for the restructuring of our European operation. Only R$ 11.6mn of this involves future disbursement of cash.

These measures, restructuring operations in Brazil, Turkey and Mexico, and closing operations in Europe, reduced our total headcount by 870 by the end of 2008, and have eliminated sources of operational losses (EBITDA) which totaled R$ 17.3mn in 2008 – thus preventing recurrence of this effect in 2009 and subsequent business years.

We are reporting a loss of R$ 87.9mn for 2008. This loss results from atypical events, totaling R$ 100.2mn, which include: net negative foreign exchange variation of R$ 33.5mn; R$ 20.1mn in adjustments for alignment to IFRS; and extraordinary provisions and provisions for restructuring of our operations, totaling R$ 45.9mn (being R$35.9 mn for the restructuring of the European operations and R$10.0 mn for the remaining operations).

Our capital expenditure of R$ 198mn in 2008, combined with the total impact of R$ 72mn on our debt arising from the depreciation of the Real, had a significant, but one-off, impact on our total indebtedness. Additionally, with the acquisition of Klimasan, we assumed Klimasan's debt of R$ 120mn. At the end of 2008 our net debt was R$ 221.7mn, with cash and equivalents of R$197.1 mn and total debt of R$418.8 mn. This cash balance compares with short-term debt maturities totaling R$ 143.4mn, of which R$ 73.1mn is debt of Klimasan, for which a large part of the maturities of 2009 have already been renewed in the local market. The position in cash and cash equivalents is sufficient to pay 1.4 times our short-term debt.

After three years of intense investments in expansion and structuring of our operations on a worldwide basis, we are well prepared to absorb the impact of the global economic crisis, and take advantage of the market opportunities that will certainly appear during 2009. We will be especially focused, in 2009, on capturing these efficiency gains, and generation of operational cash flow.

Reconciliation of reported results and adjustments for non-recurring expenses

Reconciliiation of net profit and EBIT in the period	EBIT	Net profit	Account of allocation
Adjustments for new accounting rules			
Result according to new accounting rules (IFRS)	**(53.1)**	**(87.9)**	
Financial expenses (derivatives'market value adjustment)	0.0	5.6	Financial expenses
Foreign Exchange variation on equity income	26.6	26.6	Shareholder's equity account
Tax incentive (investment subvention)	(16.1)	(16.1)	Other operating income/expense
Stock option plan related expenses	7.8	7.8	Other operating income/expense
Non-operational expenses	2.2	0.0	Other operating income/expense
Deferred income tax effect	0.0	(3.1)	Income tax
Effects from new accounting rules (IFRS)	**20.5**	**20.8**	
Result according to previous accounting rules	**(32.6)**	**(67.2)**	
Provisions for European operation restructuring			
Result according to previous accounting rules	**(32.6)**	**(67.2)**	
Inventory realization provisions	16.3	16.3	Other operating income/expense
Fixed assets write down	1.6	1.6	Other operating income/expense
Provisions for restructuring expenses (cash expenses with lay-offs, rents, etc.)	11.6	11.6	Other operating income/expense
Provisions for receivables and warranties	6.4	6.4	Sales expenses
Effect from provisions for European operation restructuring	**35.9**	**35.9**	
Result before European restructuring provisions	**3.3**	**(31.3)**	
Other additional provisions			
Result before European restructuring provisions	**3.3**	**(31.3)**	
Provisions for obsolete inventory	3.6	3.6	Cost of sales
Provisions for receivables and warranties	2.3	2.3	Sales expenses
Other provisions	4.2	4.2	Other operating income/expense
Effect from other additional provisions	**10.0**	**10.0**	
Result according to previous accounting rules and befores total provisions	**13.3**	**(21.3)**	
Other non-recurring expenses			
Result according to previous accounting rules and befores total provisions	**13.3**	**(21.3)**	
Other non-recurring expenses	5.8	5.8	General and administrative expenses and cost of sales
Deferred income tax effect	0.0	(2.0)	
Effect from other non-recurring expenses	**5.8**	**3.8**	
Recurring result according to previous accounting rules	**19.1**	**(17.5)**	

Reconciliation of EBIT and adjusted EBITDA in the period	
Recurring EBIT according to previous accounting rules	**19.1**
- Foreign Exchange variation on equity income	(26.6)
+ Tax incentive (investment subvention)	16.1
Recuring adjusted EBIT	**8.6**
+ Depreciation and amortization	30.4
Adjusted EBITDA	**38.9**
+ EBITDA for Klimasan's 1Q08	3.7
Adjusted pro forma EBITDA	**42.6**

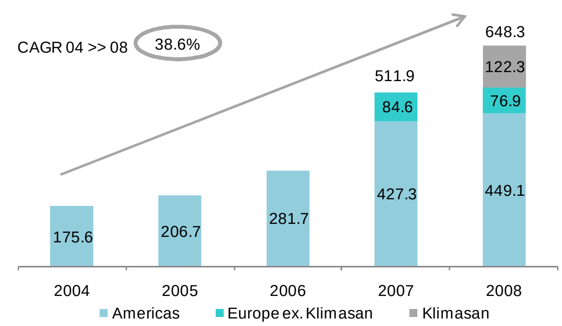
Historic performance

In 2008 we completed a period of three years of investment in expansion and structuring of our operations. In this period we consolidated our position in the Americas – further strengthening our position of leadership in Brazil, expanding our presence in North America, and consolidating our presence in the European market, with the acquisition of control of **Klimasan**.

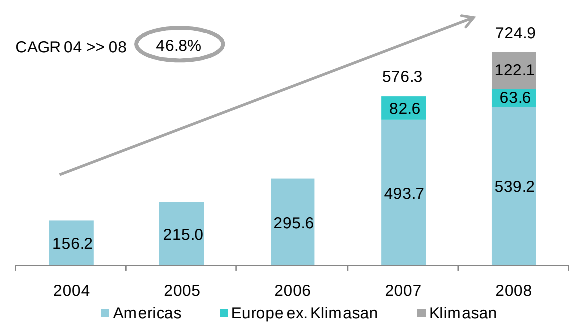
Our net revenue has posted a compound annual growth rate of 46.8% over the last five years – and during this period the CAGR of our number of units sold has been 38.6%.

Our net revenue grew by 25.8% from 2007 to 2008, with the increase in the contribution to revenues from our operations outside Brazil. While in 2007 our Brazilian operation provided 73.4% of our total revenues, in 2008 our operations in North America and Europe provided 47.7%.

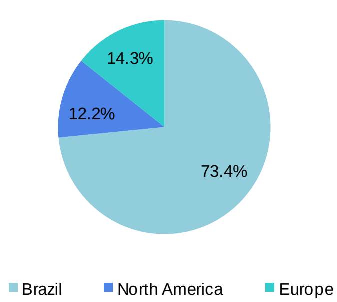
Units (thousand) 04 >> 08



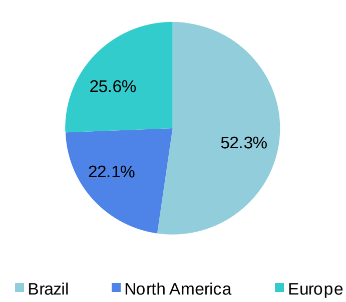
Net revenue (R$ mn) 04 >> 08



Revenue breakdown by region in 2007
Net revenue of R$576.3 mn
(% of net revenue)



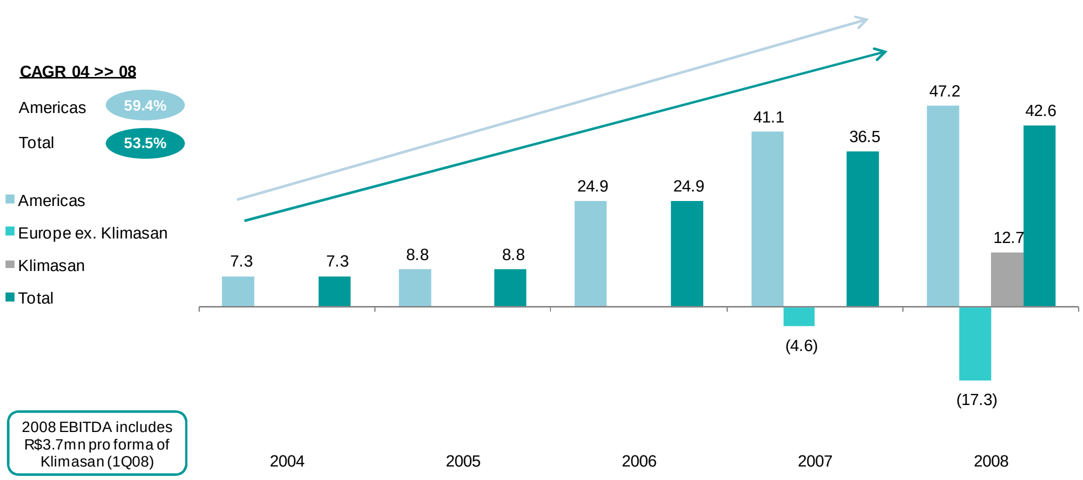
Revenue breakdown by region in 2008
Net revenue of R$724.9 mn
(% of net revenue)



Our adjusted EBITDA has grown at an annual rate of 55.4%, with EBITDA margin remaining at the level of between 5% and 8%, principally due to the weaker performance of the European operation. Our EBITDA excluding the weak performance of our European operation, other than the Klimasan group, would be R$ 41.1mn in 2007, and R$ 59.9mn in 2008.

The compound annual growth rate of our operation in the Americas has been 59.4% over the period 2004–2008, growing from R$ 7.3 million in 2004 to R$ 47.2 million in 2008. The Klimasan operation generated EBITDA of R$ 2.7 million in 2008. And our European operation excluding the Klimasan operation posted a loss of R$ 17.3 million in the year.

Adjusted EBITDA in R$ mn and margin as % of net revenue



Highlights of the consolidated result

Net revenue, unit sales

Our **net revenue in 2008** was **R$ 724.9mn**, **25.8% higher than 2007 sales** of R$ 576.2mn.

Although the result for the year's sales was positive, the last quarter (4Q08) was marked by slowdown of sales in operations in both the Americas and Europe.

Net revenue in 4Q08 was R$ 150.6mn, compared to R$ 172.0mn in 4Q07: 12.4% lower year-on-year, and 18.0% lower than in 3Q08.

Unit volume: in 2008 we sold **648,300 units of equipment, 26.6% more than our 2007 sales' volume** of 511,900 units; but our 4Q08 sales volume of 136,500 units was 12.7% lower than in 4Q07 (156,400 units), and 16.6% less than in 3Q08 (163,700 units).

Americas

Our **operation in the Americas** reported **net revenue** of **R$ 539.1mn in 2008, 9.2% more than net sales of R$ 493.7 million in 2007**.

In the quarter (4Q08) our net sales in the Americas totaled R$ 123.5mn, 20.7% less than in 4Q07 (R$ 155.8mn) – and 13.2% less than our 3Q08 net sales of R$ 142.3mn.

In volume terms, our Americas operation sold **449,100 units in 2008, 5.1% more than** our sales volume of 427,300 units **in 2007**.

Our unit sales in 4Q08 in the Americas totaled 103,100 units, 25.8% less than our 4Q07 unit sales of 139,000 – and 11.1% less than our 3Q08 volume of 116,000 units.

Europe

Our **operation in Europe** reports **net revenue of R$ 185.7mn in 2008, 124.8% more than in 2007** (R$ 82.6mn).

Net revenue in the quarter (4Q08) in Europe totaled R$ 27.1mn, 67.3% more than in 4Q07 (R$ 16.2mn) – an increase of 67.3%; compared with our net sales in the previous quarter (3Q08) of R$ 41.3mn, the figure was 34.4% lower.

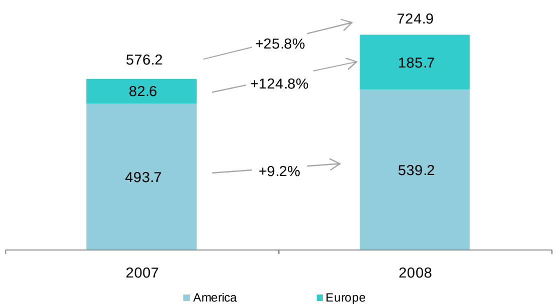
Unit volume: The European operation sold **199,200 units in 2008, 135.5% more than in the previous year** (84,600 units).

European sales volume in 4Q08 was 33,400, 91.9% more than in 4Q07 (17,400 units) – though 30.1% less than our unit volume of 47,800 units in 3Q08.

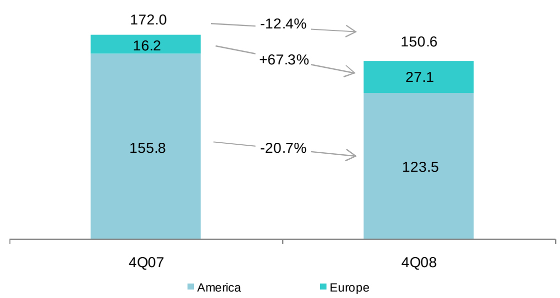
Due to the slowdown in sales in Europe and because of the idle production capacity at our new plant in Manisa, Turkey, **our operation in Europe is being restructured to concentrate all manufacturing at this new Klimasan plant at Manisa, and centralize the sales and administrative structure also from the head office of Klimasan in Turkey**. The real estate property where the former Klimasan plant operated in Izmir, Turkey, is to be offered for sale. Thus, we will be suspending production at our plant in Kaliningrad, Russia, during this year, serving customers selectively from Turkey.

Net revenue (R$ mn)

2007 >> 2008



4Q07 >> 4Q08



Net revenue and units sold:

NET REVENUE AND UNITS SOLD	4Q07	4Q08[1]	2007	2008
Total net revenue (R$ Mn)	**172.0**	**150.6**	**576.3**	**724.9**
America	155.8	123.5	493.7	539.2
Europe	16.2	27.1	82.6	185.7
Total units sold ('000)	**156.4**	**136.5**	**511.9**	**648.2**
America	139.0	103.1	427.4	449.2
Europe	17.4	33.4	84.5	199.3
Net revenue: % chg., YoY		**-12.4**		**+25.8**
America		-20.7		+9.2
Europe		+67.3		+124.8
Units sold: % chg., YoY		**-12.7**		**+26.6**
America		-25.8		+5.1
Europe		+92.0		+135.9

[1] Consolidation of the operations of Senocak/Klimasan in Metalfrio's results began only in 2Q08, so comparison of consolidated figures for 3Q08 and 3Q07 should take into consideration that in 3Q07 the results of Metalfrio Solutions S.A. did not include consolidation of the operations of the Turkish Group Senocak/Klimasan.

Cost of goods sold, gross profit, gross margin

Our **gross profit in 2008** was R$ 84.5mn, or when **adjusted for inventory provisions was R$ 88.1mn, 11.7% more than in 2007** (R$ 78.9mn). Our gross margin in 2008 was 11.7%, which compares with 13.7% in 2007.

Negative impacts on gross margin in 2008, include the following:

i. **The operation at Kaliningrad,** Russia.

ii. **Some duplicated industrial costs at Klimasan,** with the transfer of production from the Izmir plant to Manisa.

iii. **Duplicated industrial costs,** of **R$ 2.5mn**, on transfer of the vertical freezers operation from our plant in **São Paulo to Três Lagoas**.

iv. **Contraction of revenue in the last quarter of the year**.

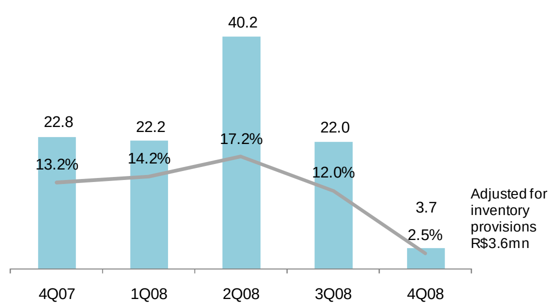
v. Increase in **prices of raw materials**, which peaked during 2008. Examples are the international price of copper, which was above US$ 8,000/ton in July 2008, and the international price of steel, which was above US$ 1,000/ton in August 2008.

vi. **Provisions,** of **R$ 3.6mn, made for the value of inventories**, in 4Q08.

4Q08: Consolidated **gross profit** in 4Q08 was R$ 0.1mn, compared to R$22.0 mn in 4Q07, and to R$ 22.0mn in 3Q08.

Adjusted for the provision for the value of inventories of R$ 3.6mn, our consolidated gross margin was 2.5%. This compares with 13.2% in 4Q07, and 12.0% in 3Q08.

Consolidated gross profit and gross margin (R$ mn)

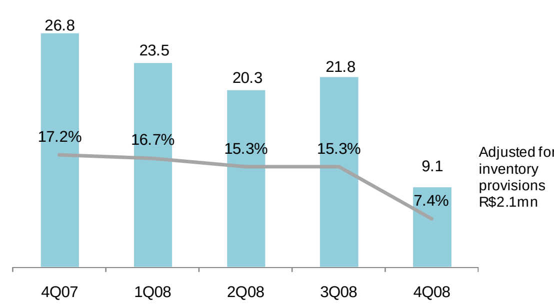


Americas

Gross profit in the Americas operation **in 2008** was **R$ 72.6mn**, 9.9% less than 2007 gross profit of R$ 80.6mn. Gross margin in 2008 was 13.5%, compared to R$ 16.3% in 2007.

4Q08 consolidated gross profit was R$ 7mn, 73.9% lower than 4Q07 gross profit of R$ 26.8mn, and 67.9% lower than in 3Q08 (R$ 21.8). The **provision for the value of inventories** in 4Q08 was **R$ 2.1mn**.

Consolidated gross profit and gross margin (R$ mn) Americas

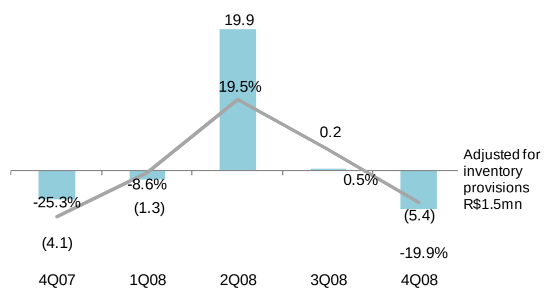


Europe

2008 gross profit in our operation in Europe was **R$ 11.9mn**. The gross margin in 2008 was 6.4%. Our European operation excluding Klimasan reported a gross loss of R$7.9mn. This compares with a gross loss of R$ 1.8mn in 2007. Klimasan made gross profit of R$ 19.8 million in 2008.

In **4Q08** the operation in Europe made a gross loss of R$ 6.9mn, which compares with a gross loss of R$ 4.1mn in 4Q07, and gross profit of R$ 0.2mn in 3Q08.

As well as the operational inefficiencies at the operation in Kaliningrad, Russia, we also had temporary duplication of some industrial costs in Turkey during the transfer of production from Klimasan to its new plant in Manisa.



The provision for valuation of inventories in 4Q08 was **R$ 1.5mn**.

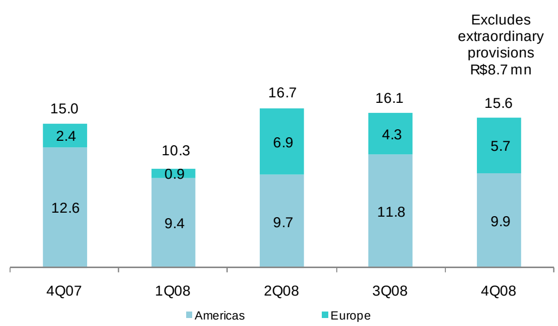
Operational expenses (SG&A)

Selling expenses

Our **selling expenses in 2008** were **R$ 67.4mn**, **37.7% higher than in 2007** (R$ 49.0mn), and were 9.3% of net sales, compared to 8.5% in 2007.

In 4Q08 selling expenses were R$ 24.3mn, but in this quarter **additional provisions of R$ 8.7mn** were made, mainly related to the project to restructure the European operation, for doubtful receivables, of R$ 5.3mn, and for guarantees, of R$ 3.4mn.

Excluding these provisions, selling expenses in 4Q08 were R$ 15.6mn (10.4% of revenue), vs. R$ 15.0mn (8.7% of net sales) in 4Q07, and R$ 16.1mn (8.8% net sales) in 3Q08.



Americas

Selling expenses in the Americas operation **in 2008** were **R$ 43.2mn**, 3.8% higher than in 2007 (R$ 41.6mn); and 8.0% of net revenue, compared to 8.4% in 2007.

Selling expenses in 4Q08 were R$ 12.2mn (9.9% of revenue), compared to R$ 12.6mn (8.1% of net revenue) in 4Q07, and R$ 11.8mn (8.3% of net revenue) in 3Q08.

Additional **provisions** of **R$2.3mn,** for doubtful debtors and for guarantees, were made in 4Q08.

Europe

Selling expenses in the European operation **in 2008** were **R$ 24.2mn**, which compares with R$ 7.3mn in 2007. **In 2008 we consolidated the selling expenses of R$ 11.4mn of the Klimasan**

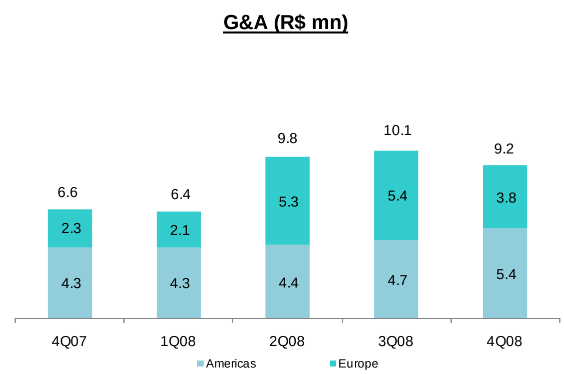
group. As a percentage of net revenue, selling expenses were 13.1% in 2008, compared to 8.9% in 2007.

Selling expenses in 4Q08 totaled R$ 12.1mn (44.7% of net revenue), compared to R$ 2.4mn (14.6% of net revenue) in 4Q07, and R$ 4.3mn (10.4% of net revenue) in 3Q08.

Additional **provisions** for doubtful receivables, and guarantees, totaling **R$ 6.4mn,** were made in 4Q08.

General and administrative expenses

Our **general and administrative expenses in 2008** were **R$ 35.3mn**, compared to R$ 21.6mn in 2007, a year-on-year increase of 63.6%, mainly reflecting the **consolidation of the operation of the Klimasan group**.



In 2008 we had extraordinary expenses of **R$ 3.3mn**, chiefly related to advice on M&A and capital market transactions, included in G&A.

2008 G&A was 4.9% of net revenue, or 4.5% excluding the extraordinary expenses referred to above, compared to 3.7% in 2007.

G&A expenses in **4Q08** were R$ 9.2mn (6.1% of net revenue), compared to R$ 6.6mn (3.8% of net revenue) in 4Q07, and R$ 10.1mn (5.5% of net revenue) in 3Q08.

Americas

G&A expenses in our operation in the Americas **in 2008** were **R$ 18.9mn**, compared to R$ 13.3mn in 2007, 42.1% higher in 2008 than 2007. In 2008 we had **extraordinary expenses of R$3.3mn**, and we consolidated administrative expenses in Mexico throughout the year, as opposed to the consolidations of such expenses in 2007 starting only in May. As a percentage of net revenue, G&A was 3.5% in 2008, compared to 2.7% in 2007.

G&A in 4Q08 was R$ 5.4mn (4.4% of net revenue), vs. R$ 4.3mn (2.8% of net revenue) in 4Q07, and R$ 4.7mn in 3Q08 (3.3% of net revenue).

Europe

G&A expenses of our Europe operation **in 2008** were **R$ 16.4mn**, compared to R$ 8.3mn in 2007. **In 2008 we consolidated G&A expenses of R$ 8.9mn of the Klimasan group**. As a percentage of net revenue, G&A expenses were 8.8% in 2008, compared to 10.1% in 2007.

In **4Q08** our G&A expenses were R$ 3.7mn (13.8% of net revenue), compared to R$ 2.3mn in 4Q07 (13.8% of net revenue), and R$ 5.4mn in 3Q08 (13.0% of net revenue).

Other operational expenses

In 2008 we recognized **other operational expenses and revenues**, totaling a net expense of **R$ 31.6mn**, as follows:

i. ***Expense* of R$ 29.6mn**, which is part of the provisions totalling R$35.9mn **for restructuring** of the European operation.

   As part of this process, and due to the new requirements of Brazilian accounting legislation, we recognized a write-off of remaining fixed assets in Denmark (R$ 1.6mn), and made provisions for inventories with potentially slow or uncertain turnover at market prices (R$ 16.3mn). Most of these effects are inherited from acquired companies. We have also provisioned expenses that we expect to incur in this process, including dismissal expenses (R$ 11.6mn).

ii. ***Gain*** of **R$ 16.1mn** in **tax incentives** for our plant at Três Lagoas, Mato Grosso do Sul, Brazil: This refers to the tax incentive realized in 4Q08, and also the accumulated tax incentive for the first nine months of 2008, which had not yet been included in the income statement. Starting in 4Q08, accounting of the tax incentive is posted directly to the income statement.

iii. ***Expense* of R$ 8.8mn** for **amortization of goodwill** on acquisitions: Starting in 2009, in accordance with the new accounting rules, goodwill realized on acquisitions will no longer be amortized.

iv. ***Expense*** of **R$7.8mn** related to compensation by means of the stock option plan.

v. ***Other net expenses* totaling R$ 1.5mn**.

In 2007 we had incurred Other operational expenses of R$ 25.6mn, of which R$ 19.8mn were for expenses on our primary public offering of shares made in that year.

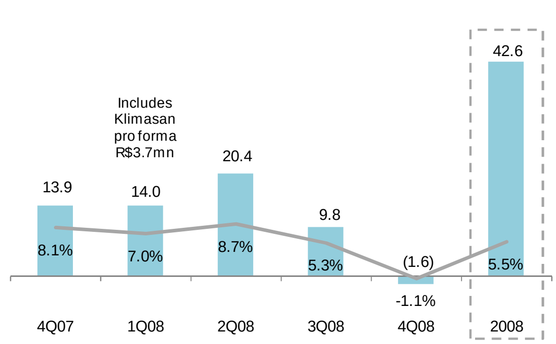
EBITDA and EBITDA margin

Our **adjusted EBITDA, pro forma, in 2008** was **R$ 42.6mn**, inspite of the significant impact of the European operation yielding a negative EBITDA of R$17.3mn excluding Klimasan in 2008.

This compares with R$ 36.5mn in 2007, **a year-on-year increase of 16.7%**. Adjusted EBITDA margin (pro forma) was 5.5% in 2008, compared to 6.3% in 2007.

Our adjusted EBITDA in 4Q08 was negative at R$ 1.6mn (–1.1% of net revenue), compared to R$ 13.9mn in 4Q07 (8.1% of net revenue), and R$ 9.8mn in 3Q08 (5.3% of net revenue).

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

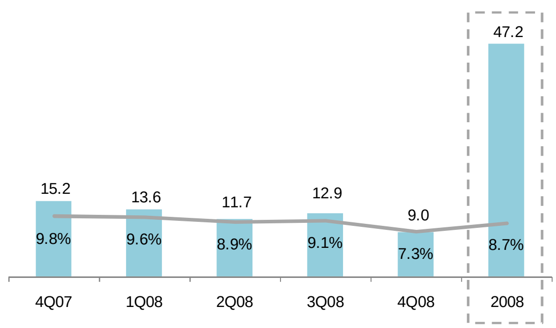


Americas

Our adjusted EBITDA in the Americas operation **in 2008** was **R$ 47.2mn** which compares with R$ 41.1mn in 2007 (14.8% higher year on year). Adjusted EBITDA margin in 2008 was 8.7%, compared to 8.3% in 2007.

4Q08 adjusted EBITDA was R$ 9.0mn (7.3% of net revenue), compared to R$ 15.2mn in 4Q07 (9.8% of net revenue), and R$ 12.9mn in 3Q08 (9.1% of net revenue).

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



Europe

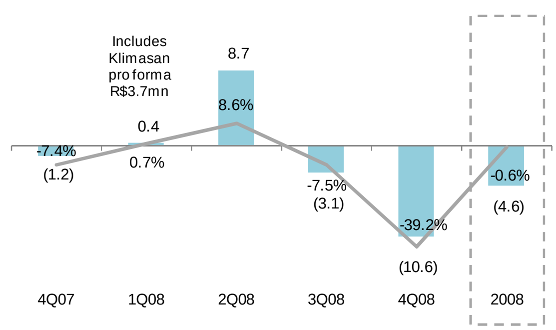
Adjusted EBITDA (pro forma) in the European operation **in 2008** was **R$ 4.6mn negative**, resulting from **R$ 12.7mn positive** from the operations of **Klimasan** (including EBITDA of R$ 3.7mn in 1Q08, when the result was not consolidated), and **R$ 17.3mn negative** from the rest of our European operations.

This compares with adjusted EBITDA in 2007 negative at R$ 4.6mn.

Adjusted EBITDA margin (pro forma) in **2008** was 4.2% negative, compared with 5.5% negative in 2007.

Our adjusted EBITDA in **4Q08** was negative at R$ 10.6mn (–39.2% of net revenue), compared to R$ 1.2mn negative in 4Q07 (–7.5% of net revenue), and R$ 3.1mn negative in 3Q08 (–7.5% of net revenue).

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



Reconciliation of EBITDA and adjusted EBITDA:

EBITDA (R$ mn)	4Q07	1Q08	2Q08	3Q08	4Q08	2007	2008
Operational profit	6.0	5.6	-0.1	11.1	-69.8	-18.5	-53.1
Depreciation and amortization	2.6	2.8	7.5	9.0	11.2	9.5	30.4
EBITDA	**8.7**	**8.4**	**7.3**	**20.1**	**-58.6**	**-9.0**	**-22.7**
i Tax benefits	2.3	2.8	4.5	4.6	-12.0	5.7	0.0
ii M&A, capital markets and other non-recurring expenses	0.4	0	0	1.6	4.2	19.8	5.8
iii FX variation on Equity income	2.2	-0.9	8.5	-16.5	8.9	4.6	0.0
iv Extraordinary IFRS expenses and restructuring provisions	0.0	0.0	0.0	0.0	55.9	15.4	55.9
Adjusted EBITDA	**13.5**	**10.3**	**20.4**	**9.8**	**-1.6**	**36.5**	**38.9**
Klimasan EBITDA prior to acquisition	0.0	3.7	0.0	0.0	0.0	0.0	3.7
Adjusted EBITDA (pro forma)	**13.5**	**14.0**	**20.4**	**9.8**	**-1.6**	**36.5**	**42.6**
Adjusted EBITDA margin (%)	7.9%	6.6%	8.7%	5.4%	-1.1%	6.3%	5.4%
Adjusted EBITDA margin – pro forma (%)	**7.9%**	**7.0%**	**8.7%**	**5.4%**	**-1.1%**	**6.3%**	**5.5%**

Adjustments to EBITDA:

In 2008

i. **Tax benefits**: Starting in 2008, the tax incentive to which we are entitled at our plant in Três Lagoas **begins to be included in the income segment**, under Operational profit. Hence, since it appears directly in the income statement, it is no longer necessary to adjust our EBITDA for this item.

ii. **M&A, capital markets and other non-recurring expenses**: We accounted **R$ 5.8mn** of non-recurring expenses related, chiefly, to financial and legal advice associated with M&A and capital market operations.

iii. **FX variation on equity income**: Starting in 2008, the effect of foreign exchange variation on the consolidation of our subsidiaries outside Brazil no longer appears in Other operational revenue (expenses), being posted directly to a special account in Stockholders' equity. Because it no longer goes through the income statement, it is no longer necessary to adjust our EBITDA for this item.

iv. **Extraordinary IFRS expenses and restructuring provisions**: We had non-recurring expenses of **R$ 55.9mn** in 2008, mainly on provisions for restructuring of our European operation, besides booking some expenses as operational due to the accounting rules' change..

In 4Q08

i. **Tax benefits**: We include the tax incentives for 2008, R$ 16.1mn (R$ 4.1mn in 4Q08, and R$ 12.0mn in 9M08), in the income statement for 4Q08. Thus, to reflect our EBITDA for 4Q08, **we reverse R$12.0mn relating to the first nine months of the year**.

ii. **M&A, capital markets and other non-recurring expenses**: We add **R$ 4.2mn** for non-recurring expenses **recognized**, for the most part, **in this quarter**, related, chiefly, to financial and legal advice related to M&A and capital market operations.

iii. **FX variation on equity income**: Since the effect of foreign exchange variation in the consolidation of our subsidiaries outside Brazil will no longer appear in the income statement, **we reverse, in our result for 4Q08,** the accumulated effect in the year, of **R$ 8.9mn**. Hence we are adjusting 4Q08 EBITDA to correct this reversal recognized in the quarter.

iv. **Extraordinary IFRS expenses and restructuring provisions**: In 4Q08 we recognized provisions of **R$ 55.9mn**, made in accounts receivable from clients, balances of inventory and for restructuring of the European operation, besides booking some expenses as operational due to the change in accounting rules:.

   a. European restructuring provisions of R$ 35.9mn.

   b. Other extraordinary provisions of R$ 10.0mn.

   c. Adjustment related to the expenses of the stock option plan (R$ 7.8mn), and due to booking Non-operational revenues/expenses under Other operational expenses.

Financial revenue (expenses)

In 2008 we incurred net financial *expenses* of R$ 36.5mn – comprising financial *revenues* of R$ 24.0mn, financial *expenses* on loans and financings totaling R$ 27.0mn, and negative net foreign exchange variation of R$ 33.5mn. The FX variation comprised a negative impact on our total foreign currency debt of R$72.5mn, partially offset by a net FX gain of R$39.0mn on our assets and liabilities not denominated in Reais, in Brazil and other countries.

In 2007 we reported net financial *revenues* of R$ 31.4mn – made up of financial revenues of R$ 44.1mn (including R$ 23.3mn in returns on cash investments, and R$ 19.8mn in gains on financial hedge transactions), financial expenses on loans and financings of R$ 19.9mn, and positive FX variation of R$ 7.2mn on debt in foreign currency.

Net loss for 2008

With the adjustments for the new accounting legislation and the extra provisions made at the end of 2008, we report a **loss of R$ 87.9mn for 2008.** However, had the previous accounting practices continued to be in effect, then including the tax incentive, and excluding the extraordinary provisions and non-recurring expenses, the result would have been a loss of R$ 1.4mn (see reconciliation table on page 4) – this principally reflects the net foreign exchange loss of R$ 33.5 million.

In 2007 we reported net profit of R$ 1.5mn. Excluding the extraordinary expenses incurred in 2007 (IPO expenses, and provision for closure of the Denmark plant), and adding the tax incentive, the adjusted net profit for 2007 was R$ 31.6mn.

Working capital

Our Working capital at the end of 2008 was R$ 217.9mn, which compares with R$ 311.7mn at the end of 3Q08. Thus, **in 4Q08, we released R$ 93.8mn of working capital**.

The **cash cycle improved** in the last quarter, to **115 days, compared to** 136 days in 3Q08.

The largest contribution to this release of working capital was the reduction of R$ 66.5mn in accounts receivable, from R$ 243.7mn at the end of 3Q08 to R$ 177.2mn at the end of 4Q08.

WORKING CAPITAL (R$ mn)	4Q07	1Q08	2Q08	3Q08	4Q08	Var. R$ 4Q08 vs. 3Q08	Var. R$ 4Q08 vs.4Q07
Current assets							
Cash and equivalents	213.3	115.4	116.1	120.5	197,1	76,6	(16,2)
Accounts receivable from clients	148.8	236.6	262.7	243.7	177,2	(66,5)	28,4
Inventory	114.7	163.6	144.7	152.0	126,4	(25,6)	11,7
Other	22.2	45.7	34.2	36.8	42,7	5,9	20,5
A) Total	**499.0**	**561.3**	**557.7**	**552.9**	**543,3**	**(9,6)**	**44,3**
B) Current assets (less cash)	**285.7**	**446.0**	**441.6**	**432.4**	**346,2**	**(86,2)**	**60,5**
Current liabilities:							
Suppliers	63.6	87.2	79.1	70.8	71,0	0,2	7,4
Financial debt, short-term	42.1	73.9	64.4	88.7	143,4	54,8	101,3
Other	39.9	50.1	56.9	49.9	57,3	7,4	17,4
C) Total	**145.6**	**211.2**	**200.3**	**209.4**	**271,8**	**62,4**	**126,2**
D) Current liabilities (less debt)	**103.5**	**137.3**	**136.0**	**120.7**	**128,3**	**7,6**	**24,8**
Working capital (B–D)	**182.2**	**308.7**	**305.7**	**311.7**	**217,9**	**(93,8)**	**35,7**
Receivables: days	59	101	81	91	82	(9)	23
Inventory, days	69	110	67	85	76	(9)	7
Suppliers, days	38	58	37	39	43	3	5
Cash cycle	**89**	**153**[2]	**112**	**136**	**115**	**(21)**	**26**
Current liquidity (A/C)	3.4x	2.7x	2.8x	2.6x	2,0x	n/a	n/a

[2] Calculation of the cash cycle was affected in 1Q08 by the consolidation of the financial statements of Senocak/Klimasan, without the corresponding consolidation of the results of that quarter. On a stand-alone basis (without the consolidation of the financial statements of Senocak/Klimasan), in 1Q08 the periods for receivables, inventory, suppliers and the cash cycle would have been, respectively, 74, 85, 42 and 118 dias.

Cash and cash equivalents

At the end of **4Q08** we had a **cash balance of R$ 197.1mn**, compared with a balance of R$ 120.5mn at the end of 3Q08, **an increase of R$ 76.6mn in the cash position**.

The greater part of our cash is held in short-term cash investments in Brazil, and in our jointly-controlled subsidiaries in the Bahamas, and in Turkey:

i. In **Brazil**, we had a **cash position of R$ 113.1mn** (57.4% of the total) at the end of 4Q08, which compares with R$ 68.8mn (57.1% of the total) at the end of 3Q08.
ii. At our subsidiary in the **Bahamas**, we held **R$ 35.1mn** in **cash** (17.8% of the total) at the end of 4Q08, compared with R$ 27.9mn (23.1% of the total) at the end of 3Q08.
iii. In **Turkey**, we held **cash of R$ 23.0mn** (11.7% of the total), compared to R$ 15.8mn (13.1% of the total) at the end of 3Q08.

Accounts receivable from customers

This line was **R$ 66.5mn** lower, at R$ 177.2mn, **at the end of 4Q08**, compared to R$ 243.7mn at the end of 3Q08.

We recognized additional provisions for the risk of not receiving of some accounts receivable from customers totaling R$ 5.3mn in 4Q08.

The foreign exchange effect in 4Q08 on the consolidation of the balance of accounts receivable by our subsidiaries outside Brazil was positive, at R$ 5.8mn. Excluding the FX effect and the additional provisions made, our balance of accounts receivable from customers would have been reduced by R$ 66.9mn.

Our average period for receivables[3] at the end of 4Q08 was 82 days, lower than at the end of 3Q08 (91 days). Without the FX effect and the extra provisions made, our average period of receivables would have changed from 91 days at the end of 3Q08 to 81 days at the end of 4Q08.

Inventories

Inventories were **lower by R$ 25.6mn at the end of 4Q08**, being R$ 126.4mn at the end of 4Q08, and R$ 152.0mn at the end of 3Q08.

We made additional provisions for inventories with slow turnover times, or for adjustment to market value, totaling R$ 19.9mn in 4Q08.

The FX effect in 4Q08 on the consolidation of the inventories of our subsidiaries outside Brazil was an increase of R$ 5.5mn. Without the FX effect and the additional provisions made, our inventory balance would have been reduced by R$ 11.2mn.

At the end of 4Q08, our average period of inventories[4] was 76 days, lower than at the end of 3Q08 (85 days). Without the FX effect and the extra provisions, our average inventory days would have been unchanged between the two dates: 85 days at the end of both 3Q08 and 4Q08.

Suppliers

Compared to the balance at the end of 3Q08, the **balance owed to suppliers was stable**, totaling **R$ 71.0mn at the end of 4Q08** and R$ 70.8mn at the end of 3Q08.

The foreign exchange effect in 4Q08 on the consolidation of balances due to suppliers in our subsidiaries outside Brazil was not significant.

Our average period for payment to suppliers[5] increased, from 39 days at the end of 3Q08 to 43 days at the end of 4Q08.

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[3] Average period for receivables is calculated as the **final balance of accounts receivable** from customers at the end of the, period divided by the **gross revenue** for the period, multiplied by the number of days in the period.
[4] Average period of inventories is calculated as the **final balance of inventories** divided by **cost of goods sold** for the period, multiplied by the number of days in the period.
[5] Average period for suppliers: calculated as **final balance of suppliers**, divided by **cost of goods sold** for the period, multiplied by number of days in the period.

Capital expenditure

Fixed assets

Net total value of our net fixed assets increased by R$ 89.1mn in 2008.

i. In the year, we acquired control of the Turkish commercial refrigeration group **Senoçak/Klimasan**, and hence began to consolidate its fixed assets, which at the acquisition, totaled R$ 33.4mn.
ii. Klimasan invested R$ 19.0mn in its new plant in the city of **Manisa, Turkey** .
iii. We invested R$ 21.0mn in conclusion of the expansion of our plant at **Três Lagoas, Brazil**.
iv. We invested R$ 10.0mn in our operation at **Kaliningrad, Russia**.
v. **Other capital expenditure,** in Mexico, Brazil, the US and Europe, totaled R$ 9.5mn.
vi. There was a positive **exchange rate effect** on the balances of fixed assets of subsidiaries outside Brazil, totaling R$ 20.0mn in 2008.
vii. Fixed assets totaling R$ 6.0mn were reclassified to assets held for sale, relating to the real estate property of Klimasan in Izmir.
viii. The depreciation of our assets totaled R$ 17.8mn in 2008.

Investments

Our balance of investments increased by R$ 107.7mn in 2008.

The balance of investments comprises the amounts of goodwill on the acquisitions made by the company. In 2008 we accumulated goodwill of R$ 89.9mn with the acquisition of the Senoçak/Klimasan group. Amortization of this amount up to the end of 2008 totaled R$ 8.8mn, and under the new accounting legislation in force in Brazil there will be no further amortization as from January 1, 2009. Instead, each asset will be periodically valued using an *impairment* test, to establish its economic realization value

The FX effect in 2008 on goodwill of acquisitions outside Brazil was positive, at R$ 26.6mn.

Deferred

Under the new Brazilian accounting legislation, which approximates to international standards (IFRS), the *Deferred assets* sub-group of accounts is to be reclassified to other groups when appropriate, or written off the balance sheet against the *Retained profits (losses)* line of Stockholders' equity.

Thus, our balance of deferred assets at the end of 2008 was adjusted to zero. We reallocated R$ 2.0mn to fixed assets, and wrote off R$ 22.5mn, made up, principally, of pre-operational expenses of structuring of our operations in Três Lagoas, Brazil; Kaliningrad, Russia; and Manisa, Turkey; and expenses on research and development of new products.

This table shows changes in fixed assets:

FIXED ASSETS (R$ mn)	4Q07	1Q08	2Q08	3Q08	4Q08	Var. R$ 4Q08/ 3Q08	Var. R$ 4Q08/ 4Q07
Investments	27.1	111.7	100.8	115.7	134.8	+19.8	+107.7
Net PP&E	69.7	111.6	127.2	144.5	158.8	+14.3	+89.1
Intangible	8.6	9.9	9.0	9.7	5.1	-4.6	-3.5
Deferred	11.4	13.5	13.6	14.1	(0.0)	-14.1	-11.4
Total	**116.9**	**246.7**	**250.8**	**283.9**	**298.7**	**+14.8**	**+181.8**

Capitalization and liquidity

Debt

Our total debt at the end of 4Q08 was R$ 418.8mn, compared to total debt of R$ 159.6mn at the end of 4Q07 and R$ 324.6mn at the end of 3Q08. The increase in our debt in 2008 mainly reflects the acquisition of the Senoçak/Klimasan group, and the adverse FX effect on our debt in foreign currency.

Our cash balance increased by R$ 76.6mn in 4Q08, and was reduced over the whole of 2008 by R$ 16.2mn.

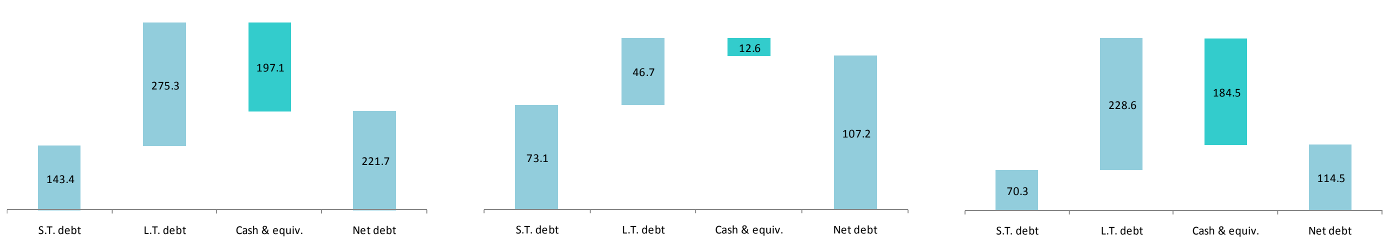
Total net debt at the end of 4Q08 was R$ 221.7mn, compared to R$ 204.1mn at the end of 3Q08.

The total debt of the Senoçak/Klimasan group at the end of 4Q08 was R$ 119.8mn. Its net debt was R$ 107.2mn.

The total FX effect on our balance of debt in 2008 was an increase of R$ 72.5mn. Of this total effect, R$ 52.6mn occurred in 4Q08.

Debt breakdown – between Metalfrio and Senoçak/Klimasan (R$ mn)

Metalfrio, consolidated | **Klimasan Group** | **Metalfrio (excluding. Klimasan)**



Our **short-term debt** at the end of 4Q08 was R$ 143.4mn, of which R$ 73.1mn was in Klimasan – which has up to this moment rolled over most part of the debt maturing in 2009.

This compares with our short-term debt of R$ 42.1mn at the end of 4Q07, and R$ 88.7mn at the end of 3Q08. The FX effect on our short-term debt in foreign currency was an increase of R$ 8.6mn.

Our **long-term debt** at the end of 4Q08 was R$ 275.3mn, which compares with R$ 117.5mn at the end of 4Q07, or R$ 235.9mn at the end of 3Q08.

The FX effect on our long-term debt in foreign currency was an increase of R$ 44.0mn.

LIQUIDITY INDICATORS (R$ mn)	4Q07	1Q08	2Q08	3Q08	4Q08	Var. R$ 4Q08/ 3Q08	Var. R$ 4Q08/ 4Q07
Cash and equivalents	**213.3**	**115.4**	**116.1**	**120.5**	**197.1**	**76.6**	**-16.2**
Short-term debt (ST)	42.1	73.9	64.4	88.7	143.4	54.7	101.3
Long-term debt (LT)	117.5	219.8	232.0	235.9	275.3	39.4	157.8
Debt in USD	122.7	278.3	212.5	239.0	301.5	62.5	178.8
Debt in BRL or other currency	36.9	15.4	83.8	85.6	117.2	31.6	80.3
Gross debt	**159.6**	**293.7**	**296.3**	**324.6**	**418.8**	**94.2**	**259.2**
Net cash / (Net debt)	**53.7**	**-178.3**	**-180.3**	**-204.1**	**-221.7**	**-17.6**	**-275.4**
Stockholders' equity (SE)	**353.6**	**355.6**	**351.0**	**357.2**	**278.7**	**-78.5**	**-75.8**
Cash plus equivalents / ST debt	5.1x	1.6x	1.8x	1.4x	1.4x	n/a	n/a
ST debt / (ST + LT)	26.4%	25.2%	21.7%	27.3%	34.3%	n/a	n/a
Net cash (net debt) / LT	0.2x	-0.5x	-0.5x	-0.6x	-0.8x	n/a	n/a
Net debt / (net debt + SE)	n/a	33.1%	33.9%	36.4%	44.3%	n/a	n/a

Stockholders' equity

Our Stockholders' equity at the end of 4Q08 was R$ 278.7mn, which compares with R$ 353.6mn at the end of 4Q07 and R$ 357.2mn at the end of 3Q08.

The reduction in Stockholders' equity in 2008 took place **primarily in the last quarter** due to (i) recognition of extra provisions for accounts receivable and inventories, and (ii) extraordinary expenses of restructuring of our European operation, (iii) write-offs of deferred assets in accordance with the new Brazilian accounting rules (11,638/07 rule), and (iv) FX variation loss related to our debt in foreign currency.

Other Information

Employees

At the end of 2008 we had 2,766 employees, compared to 2,789 at the end of 2007. In March 2008 we acquired control of the Senoçak/Klimasan group, which had 841 employees at the end of 2008. Thus, excluding the Klimasan operation, our number of employees was reduced by 31.0% to 1,925, principally as a result of processes of restructuring put in place in the year.

Relationship with independent auditors

In accordance with Instruction 381 (of January 14, 2005) of the CVM (Brazilian Securities Commission – *Comissão de Valores Mobiliários*), we report that Metalfrio Solutions S.A. and its subsidiaries contracted services not related to external auditors in 2008, for total value of R$ 0.3mn, representing 20.0% of the total fees for external auditing contracted in 2008. These services comprised: professional services in connection with due diligence services in the acquisition of Senoçak Holding; and due diligence and consultancy services in Asia and in Mexico, as well as capital market operations.

Our policy in relation to our external auditors in the provision of services not related to external audits continues to follow the principles that preserve the independence of the auditing company: (a) auditor should not audit their own work; (b) auditors should not carry out management functions; and (c) auditors should not promote the interests of their client.

Disclaimer

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

We make statements about future events (forward-looking statements) that are subject to risks and uncertainties. These statements are based on beliefs and suppositions of our Management and information to which the company currently has access. Statements about future events 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 or followed by or which 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 risk, 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) – We are one of the world's largest manufacturers of plug-in commercial refrigeration equipment. We have a product portfolio of 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 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

	2007	2008	Var. 08/07 (%)
GROSS REVENUE			
Domestic market sales	549.1	805.2	46.6%
Export sales	184.0	132.7	-27.8%
TOTAL GROSS REVENUE	**733.1**	**937.9**	**27.9%**
SALES DEDUCTIONS			
Sales taxes	(149.7)	(187.1)	25.0%
Discounts and returns	(7.2)	(25.9)	n/a
NET REVENUE	**576.2**	**724.9**	**25.8%**
Cost of goods sold	(497.3)	(640.4)	28.8%
GROSS PROFIT	**78.9**	**84.5**	**7.1%**
OPERATIN REVENUES (EXPENSES)			
Sales expenses	(49.0)	(67.4)	37.7%
General and administrative expenses	(20.9)	(35.2)	68.8%
Management fees	(2.0)	(3.4)	67.3%
Equity income	0.0	0.0	n/a
Other operating revenues (expenses)	(26.4)	(31.6)	19.7%
OPERATING PROFIT BEFORE FINANCIAL RESULTS	**(19.4)**	**(53.1)**	**174.2%**
NET FINANCIAL RESULT	31.4	(36.5)	-216.1%
Financial expenses	(19.9)	(27.0)	36.2%
Financial income	44.1	24.0	-45.5%
Net foreign exchange variation	7.2	(33.5)	n/a
EARNINGS (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	12.1	(89.6)	n/a
INCOME TAX AND SOCIAL CONTRIBUTION			
Current	(10.8)	(7.2)	-32.8%
Deferred	0.1	6.6	n/a
NET EARNINGS (LOSS) BEFORE MINORITY INTERESTS	1.4	(90.2)	n/a
MINORITY INTERESTS	0.1	2.3	n/a
NET EARNINGS (LOSS)	1.5	(87.9)	n/a

Consolidated balance sheet

	2007	2008	Var. 08/07 (%)
ASSETS			
CURRENT			
Cash and equivalents	213.3	197.1	-7.6%
Receivables from clients	148.8	177.2	19.1%
Inventory	114.7	126.4	10.2%
Recoverable taxes	16.1	25.6	59.2%
Deferred income tax and social contribution	1.4	5.4	n/a
Other receivables	4.7	11.7	148.1%
Total current	**499.0**	**543.3**	**8.9%**
NON-CURRENT			
Long term:			
Deferred income tax and social contribution	1.6	9.4	n/a
Recoverable taxes	5.8	5.1	-12.0%
Fixed:			
Investments	27.1	134.8	n/a
Net PP&E	69.7	158.8	127.7%
Intangible	8.6	5.1	-41.1%
Deferred	11.4	0.0	-100.0%
Total non-current	**124.2**	**313.2**	**152.2%**
TOTAL ASSETS	**623.3**	**856.5**	**37.4%**

	2007	2008	Var. 08/07 (%)
LIABILITIES			
CURRENT			
Suppliers	63.6	71.0	11.6%
Loans	42.1	143.4	n/a
Tax obligations	14.2	16.7	17.4%
Payroll charges	5.1	5.6	10.5%
Sundry provisions	10.2	24.6	140.1%
Deferred income tax and social contribution	2.7	5.0	86.3%
Dividends payable	2.6	0.0	-100.0%
Other payables	5.0	5.4	7.6%
Total current	**145.6**	**271.8**	**86.6%**
NON-CURRENT			
Loans	117.5	275.3	134.4%
Tax obligations	0.5	0.0	-100.0%
Deferred income tax and social contribution	3.2	6.1	90.3%
Contingency provisions	0.4	7.9	n/a
Other payables	2.4	2.4	1.9%
Total non-current	**124.0**	**291.8**	**135.3%**
MINORITY INTEREST	**0.0**	**14.3**	**n/a**
SHAREHOLDER'S EQUITY			
Registerd capital	340.0	340.0	0.0%
Capital reserve	8.1	0.0	-100.0%
Profit reserve	0.1	0.0	-100.0%
Revaluation reserve	5.5	4.6	-16.1%
Shareholders' evaluation adjustments	0.0	35.5	n/a
Retained profits (losses)	0.0	(101.4)	n/a
Total shareholders' equity	**353.6**	**278.7**	**-21.2%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**623.3**	**856.5**	**37.4%**

Consolidated cash flow

	2007	2008
OPERATING CASH FLOW		
Net result	**1.5**	**(87.9)**
Reconciliation of net result and operating cash flow		
Depreciation and amortization	9.5	21.6
Contingency provisions	0.1	5.4
Sundry provisions	5.8	14.3
FX variation and interests on long term debt	(5.8)	26.1
Residual value of fixed assets written off or sold	0.1	4.4
Goodwill amortization	0.0	8.8
Subsidy for investment	5.7	0.0
Income tax and social contribution	(0.1)	(6.6)
Total	**16.8**	**(13.9)**
(Increase) reduction of assets:		
Current:		
Receivables from clients	(58.0)	35.1
Inventory	(58.9)	24.4
Recoverable taxes	(11.0)	(1.4)
Related parties' accounts receivable	(1.5)	0.0
Other receivables	(0.3)	1.0
Non-current:		
Recoverable taxes	(5.5)	0.7
Total	**(135.2)**	**59.8**
Increase (reduction) of liabilities:		
Current:		
Suppliers	(9.3)	(17.4)
Taxes payable	2.3	(1.2)
Payroll charges	(0.2)	(1.0)
Other payables	(3.0)	(1.4)
Non-current:		
Tax obligations	(1.0)	(0.5)
Other payables	(2.4)	(1.0)
Total	**(13.6)**	**(22.6)**
Net cash generated (consumed) by operating activities	**(132.0)**	**23.3**
INVESTMENT CASH FLOW		
Addition to fixed assets	(35.6)	(59.5)
Addition to intangible assets	(2.2)	(0.9)
Addition to deferred assets	(8.8)	0.0
Stock option plan	0.0	8.9
Acquisition of companies	(9.6)	0.0
Acquisition of investments	(22.0)	(137.1)
Net cash generated (consumed) by investing activities	**(78.1)**	**(188.7)**
FINANCING CASH FLOW		
Draw down of short term loans	18.4	136.6
Payment of short term loans	(18.0)	(79.1)
Draw down of long term loans	61.4	91.7
Capital increase	315.2	0.0
Dividends payment	(25.5)	(2.6)
Other	(0.9)	2.5
Net cash generated (consumed) by financing activities	**350.6**	**149.1**
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**140.4**	**(16.2)**
CASH AND EQUIVALENTS		
Final balance	213.3	197.1
Initial balance	72.9	213.3
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**140.4**	**(16.2)**
COMPLEMENTARY INFORMATION		
Payment of interest on loans	7.2	11.2
Payment of income tax and social contribution	8.1	8.4