

- ❄ **Net Revenue: R\$260.3 mn in 2Q13 (+28.9% vs. 2Q12)**
- ❄ **Adjusted EBITDA: R\$15.4 mn in 2Q13 (+20.5% vs. 2Q12)**

São Paulo, Brazil, August 12, 2013 - Metalfrio Solutions S.A. (FRIQ3) ("Metalfrio"), one of the world's largest manufacturers of plug-in commercial refrigeration equipment, announces its results for the second quarter of 2013 ("2Q13"). Financial and operational information given is in accordance with international accounting standards (IFRS), in Reais (R\$). Comparisons are with the second quarter of 2012 ("2Q12") or as indicated.

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Conference call in Portuguese

Date: **August 13, 2013**
Time: 10:00 a.m. São Paulo
09:00 a.m. New York

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Conference call in English

Date: **August 13, 2013**
Time: 11:00 a.m. São Paulo
10:00 a.m. New York

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Summary

- ❄ **Consolidated Net revenue: R\$260.3 mn** in 2Q13 (+28.9% vs. 2Q12)
 - **Europe: R\$140.8 mn** (+110.1% vs. 2Q12) **Americas: R\$119.4 mn** (-11.4% vs. 2Q12)
- ❄ **Consolidated Gross profit of R\$37.4 mn** in 2Q13 (+26.1% vs R\$29.7 mn in 2Q12)
- ❄ Adjusted **EBITDA of R\$15.4 mn** in 2Q13 (+20,5% vs. 2Q12), margin of 5.9% (6.3% in 2Q12)
- ❄ **Net debt of R\$302.7 mn** in 2Q13 (net debt of R\$215.0 mn in 2Q12)

Highlights of the consolidated result

Net revenue

Consolidated **net revenue** in 2Q13 reached **R\$260.3 mn**, ahead of R\$201.9 mn in 2Q12 (28.9% higher YoY).

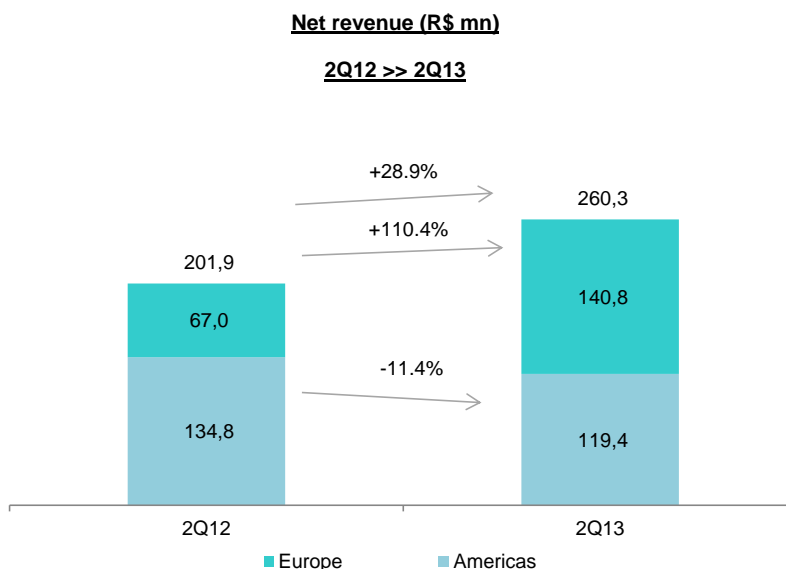
Of the 2Q13 net revenue, R\$20.1 mn came from services – maintenance and repair of equipment, and sales of parts – compared to R\$14.2 mn in 2Q12.

Americas

Net revenue of our **operations in the Americas** was **R\$119.4 mn in 2Q13**, 11.4% lower than in 2Q12 (R\$134.8 mn) partly impacted by weaker volumes in Mexico.

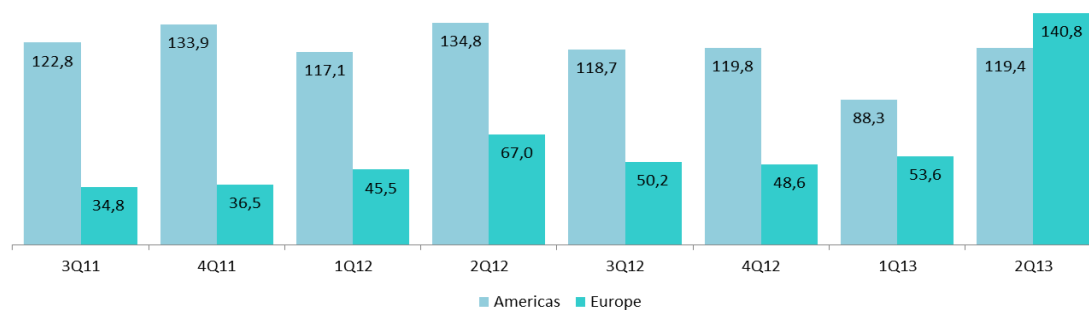
Europe

Net revenue of **in Europe** was **R\$140.8 mn in 2Q13**, up **110.1%** from R\$67.0 mn in 2Q12. This is a continuation of the positive trend since the latter part of 2012 driven by share gains in our main markets. In 2013, the Sales split between Q2 and Q1 has been affected by the late placement of some orders with 2Q13 representing 72% of 1H13 sales as compared to 60% in the previous year.



This table gives quarterly net revenues:

NET REVENUES (R\$ mn)	2Q12	3Q12	4Q12	1Q13	2Q13	Chg. 2Q13/ 2Q12	Chg. 2Q13/ 1Q13
Total	201.9	168.9	168.3	141.9	260.3	+28.9	+83.4
Americas	134.8	118.7	119.8	88.3	119.4	-11.4	+35.3
Europe	67.0	50.2	48.6	53.6	140.8	+110.1	+162.6

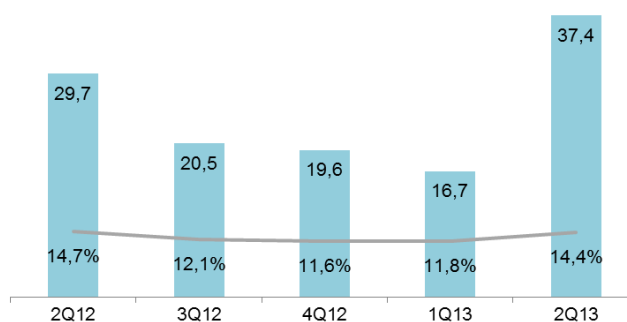


Cost of goods sold, gross profit and gross margin consolidated

Gross profit was R\$37.4 mn in 2Q13, **26.1% up** from the 2Q12 gross profit of **R\$29.7 mn**.

Gross margin was broadly flat from 14.7% in 2Q12 to **14.4% in 2Q13**.

Gross profit and gross margin (R\$ mn)

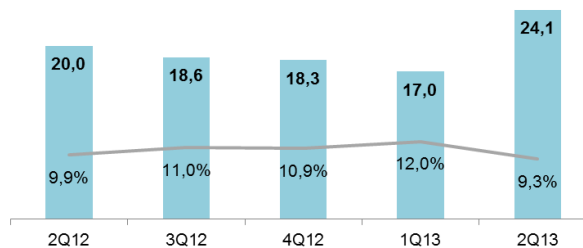


Operational expenses (SG&A)

Consolidated selling expenses

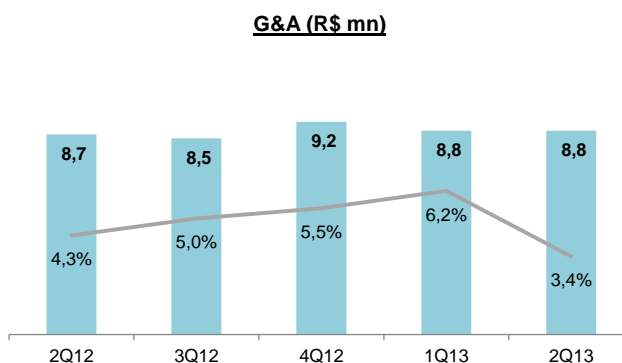
Selling expenses in 2Q13 were **R\$24.1 mn**, equal to **9.3% of net revenue**. This compares to selling expenses of R\$20.0 mn in 2Q12 (9.9% of net revenue in that quarter).

Selling expenses (R\$ mn)



Consolidated general and administrative expenses

General and administrative (G&A) expenses in 2Q13 were **R\$8.8 mn**, or **3.4% of net revenue**, compared to R\$8.7 mn (4.3% of revenue) in 2Q12.

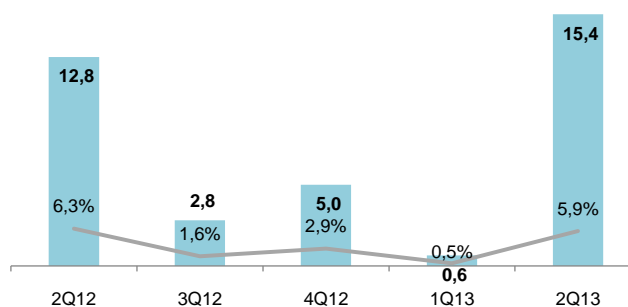


Consolidated other operational revenues (expenses)

Other operational revenues, net, in 2Q13 were **R\$6.0 mn** (R\$7.2 mn in 2Q12), the main component being R\$6.2 mn (R\$7.4 mn in 2Q12) in tax incentive gains.

Consolidated EBITDA and EBITDA margin

Adjusted Ebitda in 2Q13 was R\$15.4 mn (adjusted Ebitda margin of 5.9%) which is **20.5%** higher as compared to adjusted Ebitda in 2Q12 of R\$12.8 mn (adjusted Ebitda margin of 6.3%).

Adjusted EBITDA (R\$ mn and % of Net revenue)

Reconciliation of consolidated EBITDA and Adjusted EBITDA

Consolidated EBITDA (in mn Reais)	2Q12	3Q12	4Q12	1Q13	2Q13
Operating result	7.0	-3.0	-2.5	-5.0	9.2
Depreciation and amortization	5.6	5.6	5.3	5.4	6.0
EBITDA	12.5	2.6	2.8	0.4	15.2
Stock option plan expenses (i)	0.2	0.2	2.1	0.2	0.2
Adjusted EBITDA	12.8	2.8	5.0	0.6	15.4

Adjustments to Ebitda:

- i. Stock options plan Expenses of the stock options plan are recognized in the profit and loss account during the period in which the entitlement is acquired, calculated in accordance with Accounting Statement CPC 10, approved by CVM Decision 562/08.

Financial result

The net financial expenses were R\$17.7 mn in 2Q13, comprising of R\$25.6 mn in financial revenues and R\$43.2 mn in financial expenses.

In 2Q12 we had net financial expenses of R\$30.0 mn comprising of financial revenues of R\$17.5 mn and financial expenses of R\$47.5 mn.

Financial Result (R\$ mn)	2Q12	2Q13	Chg. 2Q13/ 2Q12
Result with cash investments	-2.6	-2.2	+0.4
Other financial income	0.1	0.2	+0.1
Interest and Other Income	-2.5	-2.0	+0.5
Interest on loans and financing	-5.1	-5.6	-0.5
Other financial expenses	-1.7	-2.3	-0.6
Interest and Other Expenses	-6.9	-7.9	-1.0
Hedge operations gains	6.0	7.1	+1.1
Hedge operations losses	-7.6	-1.5	+6.1
Hedge Operations Result	-1.7	5.5	+7.2
FX variation gains	14.1	20.5	+6.4
FX variation losses	-33.1	-33.8	-0.7
Net FX Variation	-19.0	-13.3	+5.6
Net Financial Result	-30.0	-17.7	+12.3

Interest on financial investments posted a net negative result of R\$2.2 mn in 2Q13, compared to negative R\$2.6 mn in 2Q12 – mainly due to market value adjustments on bonds.

Interest expenses on loans were R\$5.6 mn in 2Q13, compared to R\$5.1 mn in 2Q12 – the increase is in line with higher gross debt.

Hedge operations produced a net positive return of R\$5.5 mn in 2Q13 partially compensating the Fx variation losses of 13.3 mn arising from appreciation of USD against the functional currencies.

Net profit

We report a net loss of R\$5.7 mn for 2Q13 as compared to net loss of R\$14.8 mn in 2Q12.

Working capital

At the end of 2Q13 **our working capital less financial assets and liabilities was R\$233.8 mn**, which compares to R\$175.4 mn at the end of 2Q12. The difference is mainly in accounts receivable R\$53.9 mn higher, YoY, caused by the 29% increase in sales. The **operational cash cycle** at the end of 2Q13 was **80 days**, three days more than at the end of 2Q12, and forty days less than at the end of 1Q13.

Due to the sales split in favor of Qtr2 and seasonality factor, receivables and working capital figure is much higher than 1Q13 and is expected to subsequently normalize.

WORKING CAPITAL (in mn Reais)	2Q12	3Q12	4Q12	1Q13	2Q13	Chg. 2Q13/ 2Q12	Chg. 2Q13/ 1Q13
Current assets:							
Cash and equivalents, bonds and securities	328.5	326.1	377.6	320.8	387.6	+59.1	+66.8
Accounts receivable	184.7	168.4	131.7	152.7	238.6	+53.9	+85.9
Inventory	122.1	125.8	121.1	172.9	161.1	+39.0	-11.9
Other	26.7	23.8	21.5	29.9	32.2	+5.5	+2.3
Financial assets	0.0	0.7	0.3	0.0	2.4	+2.4	+2.4
A) Total	662.1	644.8	652.2	676.3	822.0	+159.8	+145.7
B) Current assets (less fin. assets)	333.6	318.0	274.3	355.5	431.9	+98.3	+76.4
Current liabilities:							
Accounts payable	103.4	79.4	97.7	115.2	130.4	+27.0	+15.2
ST debt	212.0	195.3	193.3	325.3	310.9	+98.9	-14.4
Other	54.8	53.9	54.5	57.1	67.7	+12.9	+10.6
Financial liabilities	2.9	0.0	0.0	0.3	1.6	-1.3	+1.3
C) Total	373.2	328.6	345.5	497.8	510.6	+137.4	+12.8
D) Current liabilities (less fin. liab.)	158.2	133.3	152.2	172.3	198.1	+39.9	+25.9
Working capital (B-D)	175.4	184.7	122.1	183.3	233.8	+58.4	+50.5
Days of receivables	67	73	56	78	68	+1	-10
Days of inventory	64	76	73	124	65	+1	-59
Days of suppliers	54	48	59	83	53	-1	-30
Cash cycle	77	102	70	120	80	+4	-39
Current liquidity (A/C)	1.8x	2.0x	1.9x	1.4x	1.6x	n/a	n/a

Cash and cash equivalents, bonds and Securities

Our holding in cash (including securities) at the end of 2Q13 was **R\$387.6 mn**, R\$59.1 mn higher than at the end of 2Q12 (R\$328.5 mn).

Accounts Receivable

Accounts receivable from clients, at **R\$238.6m at the end of 2Q13**, were **up R\$53.9 mn** from the figure at the end of 2Q12 (R\$184.7 mn). Receivables in terms of days remained practically stable, going from 67 at the end of 2Q12 to 68 days at the end of 2Q13.

Due to the sales split in favour of Qtr2 and seasonality factor, receivables figure is much higher than 1Q13 and is expected to subsequently normalize.

Inventories

Inventories at **R\$161.1 mn** at end of 2Q13 were **up R\$39.0 mn** from 2Q12 (R\$122.1 mn). Inventory in number of days remained practically stable at 65 at the end of 2Q13 vs 64 days at the end of 2Q12.

Accounts Payable

Suppliers were **up R\$27.0 mn year-on-year** at **R\$130.4 mn** at the end of 2Q13, vs. R\$103.4 mn at end-2Q12. Suppliers' payment time was 53 days compared to 54 days a year before.

Operating Cash Flow

The table below gives the reconciliation of operating cash flow:

Operating Cash Generation (in R\$ mn)	2Q12	2Q13
Ajusted EBITDA	12.8	15.4
Current income tax	0.2	(2.6)
Working Capital	(21.5)	(50.5)
Accounts receivable	(36.4)	(85.9)
Inventories	(0.7)	11.9
Suppliers	11.9	15.2
Others	3.7	8.3
Operating Cash Generation	(8.5)	(37.7)

Operational cash flow in **2Q13** was negative at **R\$ 37.7 mn**, mainly due to the increase of R\$ 85.9 mn in trade receivables which increased as a result of net sales increase of 83% from 1Q13 to 2Q13.

Investments

Fixed assets

Net **property, plant and equipment** at the end of 2Q13 was **R\$198.1 mn**, R\$1.6 mn higher than at the end of 1Q13. **Capital expenditure** in 2Q13 totaled R\$2.6 mn in modernization of machinery and plant facilities.

Intangible assets

The total of intangible assets at the end of 2Q13 was **R\$132.9 mn**, increased from R\$122.2 mn at the end of the first quarter of 2012 (net of amortization of R\$ 1.1 mn) basically due to impact of Fx variation.

This table shows changes in the balance of fixed assets:

FIXED ASSETS (in mn Reais)	2Q12	3Q12	4Q12	1Q13	2Q13	Chg. 2Q13/ 2Q12	Chg. 2Q13/1Q13
Net PP&E	188.2	198.0	198.0	196.6	198.1	+10.0	+1.6
Intangibles	119.3	120.6	121.6	122.2	132.9	+13.6	+10.7
Total	307.4	318.6	319.6	318.8	331.0	+23.6	+12.3

Capitalization and liquidity

Debt

Cash (including securities) at the end of 2Q13 was R\$387.6 mn, compared to R\$328.5 mn at the end of 2Q12 (increase of 18.0%), and R\$320.8 mn at the end of 1Q13.

Gross debt at the end of 2Q13 was R\$690.4 mn compared with R\$543.6 mn at the end of 2Q12 and R\$553.3 mn at end of 1Q13. The increase in gross debt is resulting from new long term loans taken during the quarter and revaluation of foreign currency loans.

Our **net debt at the end of 2Q13 was R\$302.8 mn** compared to R\$ 232.5 mn at end of 1Q13. This increase is resulting basically from increase in working capital in line with higher sales and net impact of Fx losses on foreign currency net debt.

Due to the sales split in favour of Qtr2 and seasonality factor, receivables and working capital figure is much higher than 1Q13 and is expected to subsequently normalize impacting our net debt positively.

LIQUIDITY INDICATORS (in mn Reais)	2Q12	3Q12	4Q12	1Q13	2Q13	Chg. 2Q13/ 2Q12	Chg. 2Q13/ 1Q13
Cash and equivalents, bonds and securities	328.5	326.1	377.6	320.8	387.6	+59.1	+66.8
Short term debt (ST)	212.0	195.3	193.3	325.3	310.9	+98.9	-14.4
Long term debt (LT)	331.5	359.1	350.1	228.0	379.5	+48.0	+151.5
USD denominated debt	430.4	497.6	469.5	463.6	524.4	+94.0	+60.8
BRL denominated debt	45.7	39.9	37.3	35.3	30.8	-14.9	-4.4
Euro denominated debt	22.1	17.0	36.6	54.4	135.2	+113.0	+80.8
Other Currencies	45.3	0.0	0.0	0.0	0.0	-45.3	-0.0
Gross debt	543.6	554.5	543.3	553.3	690.4	+146.9	+137.1
Net cash / (Net debt)	-215.0	-228.4	-165.7	-232.5	-302.8	-87.8	-70.3
Shareholders' equity (Equity)	270.4	282.6	279.5	276.3	273.9	+3.5	-2.3
Cash and equiv. / ST debt	1.5x	1.7x	2.0x	1.0x	1.2x	n/a	n/a
ST debt / (ST + LT)	39.0%	35.2%	35.6%	58.8%	45.0%	n/a	n/a
Net cash (Net debt) / Equity	-0.8x	-0.8x	-0.6x	-0.8x	-1.1x	n/a	n/a
Net debt / (Net debt + Equity)	44.3%	44.7%	37.2%	45.7%	52.5%	n/a	n/a

Short-term debt at the end of 2Q13 was R\$310.9 mn as compared to R\$ 325.3 mn at end of 1Q13. The debt structure improved in favor of long term loans which increased from 41.2% (1Q13) to 55.0% (2Q13) of gross debt.

Stockholders' equity

Stockholders' equity at the end of 2Q13 was R\$273.9 mn, which compares to R\$276.3 mn at the end of 1Q13. The reduction of R\$2.3 mn basically results from net loss of R\$5.7 mn in 2Q13 and positive effect of R\$3.2 mn from exchange rate variation on foreign assets included in equity.

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 quarter ended June 30, 2013.

Relationship with external auditors

In accordance with Instruction 381/2003 of the CVM (Brazilian Securities Commission – Comissão de Valores Mobiliários), we report that in 2Q13 we did not contract our Independent Auditors for services not related to external auditing.

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.

Commitment Clause

The Company, its shareholders, administrators and members of its Tax Board, if installed, are responsible for solving, through arbitration, any and every dispute or controversy that might arise among them, related or resulting, specially, of application, validity, effectiveness, interpretation, violation and its effects, of provisions set forth in the Business Corporation Act, the Company's Bylaws, in the rules edited by CMN, by the Central Bank of Brazil and by CVM, as well as in other rules applicable to operation of general capital markets, besides those included in the Regulation of *Novo Mercado*, Agreement for Participation in *Novo Mercado* and Arbitration Regulation.

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 revised 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 Metalrio's capacity to control or forecast.

About Metalrio

Metalrio Solutions S.A. (Bovespa: FRI03) 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 statements (R\$ mn)

	2Q12	2Q13
GROSS REVENUE		
Domestic markets product sales	191.7	223.3
Export sales	50.4	80.6
Service sales	5.8	11.5
TOTAL GROSS REVENUE	247.9	315.4
SALES DEDUCTIONS		
Sales taxes	(44.2)	(49.6)
Discounts and returns	(1.9)	(5.5)
NET REVENUE	201.9	260.3
Cost of goods sold	(172.2)	(222.9)
GROSS PROFIT	29.7	37.4
OPERATING REVENUES (EXPENSES)		
Sales expenses	(20.0)	(24.1)
General and administrative expenses	(8.7)	(8.8)
Management and BoD fees	(1.2)	(1.3)
Equity income	0.0	0.0
Other operating revenues (expenses)	7.2	6.0
OPERATING PROFIT (LOSS) BEFORE FINANCIAL RESULTS	7.0	9.2
NET FINANCIAL RESULT	(30.0)	(17.7)
Financial expenses	(75.1)	(39.6)
Financial income	45.0	21.9
EARNINGS (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	(23.0)	(8.4)
INCOME TAX AND SOCIAL CONTRIBUTION		
Current	0.2	(2.6)
Deferred	8.0	5.3
NET EARNINGS (LOSS)	(14.8)	(5.7)
CONTROLLING GROUP INTERESTS	(14.5)	(8.6)
NON-CONTROLLING INTERESTS	(0.3)	2.9

Consolidated balance sheets (R\$ mn)

	1Q13	2Q13	Chg. (%)		1Q13	2Q13	Chg. (%)
ASSETS				LIABILITIES			
CURRENT				CURRENT			
Cash and equivalents	84.8	165.5	95.3%	Suppliers	115.2	130.4	13.2%
Bonds and securities	236.0	222.1	-5.9%	Loans	325.3	310.9	-4.4%
Receivables from clients	152.7	238.6	56.3%	Tax obligations	9.9	15.5	55.7%
Inventory	172.9	161.1	-6.9%	Payroll charges	20.6	23.3	13.2%
Recoverable taxes	20.7	23.8	15.0%	Sundry provisions	16.5	15.9	-3.3%
Deferred taxes	0.0	0.0	n/a	Deferred taxes	0.0	0.0	n/a
Receivables with derivatives	0.0	2.4	n/a	Payables with related parties	0.0	0.0	0.2
Other receivables	9.2	8.4	-8.2%	Dividends payable	0.2	0.2	-23.8%
Total do ativo circulante	676.3	822.0	21.5%	Payables with derivatives	0.3	1.6	n/a
				Other payables	9.9	12.8	30.2%
NON-CURRENT				Total current	497.8	510.6	2.6%
Long term:				NON-CURRENT			
Deferred taxes	7.8	11.3	44.4%	Loans	228.0	379.5	66.5%
Recoverable taxes	4.3	5.0	14.6%	Tax obligations	0.0	0.0	n/a
Fixed:				Deferred taxes	0.0	0.0	n/a
Investments	(0.0)	0.0	n/a	Contingency provisions	0.8	0.6	-20.1%
Net PP&E	196.6	198.1	0.8%	Other payables	4.4	4.6	4.3%
Intangible	122.2	132.9	8.8%	Total non-current	233.2	384.7	65.0%
Total non-current	330.9	347.3	4.9%	SHAREHOLDER'S EQUITY			
TOTAL ASSETS	1,007.2	1,169.2	16.1%	Registered capital	240.0	240.0	0.0%
				Capital reserve	2.4	2.5	7.1%
				Profit reserve	48.7	48.5	-0.3%
				Treasury held stock	(3.9)	(3.9)	0.0%
				Shareholders' evaluation adjustments	18.9	21.5	13.8%
				Proposed additional dividends	0.0	0.0	n/a
				Ágio em transações de Capital	(44.5)	(44.5)	0.0%
				Retained profit	(2.1)	(10.6)	n/a
				Minority interest	16.9	20.4	20.8%
				Total shareholders' equity	276.3	273.9	-0.8%
				TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,007.2	1,169.2	16.1%

Consolidated cash flow – quarter (R\$ mn)

	2Q12	2Q13
OPERATING CASH FLOW		
Net result	(14.8)	(5.7)
Reconciliation of net result and operating cash flow		
Depreciation and amortization	5.6	6.0
Contingency provisions	0.0	(0.2)
Sundry provisions	1.3	(0.7)
Derivatives Gain & Loss Provisions	0.8	(1.1)
Stock option plan	0.2	0.2
FX variation	19.1	25.9
Interest on loans	5.0	5.6
Residual value of fixed assets written off or sold	0.3	(0.0)
Goodwill amortization	0.0	0.0
Investment write-off	(0.0)	0.0
Equity income	0.0	0.0
FX variation on Net Investment	0.7	1.9
Minority Interest	0.0	0.0
Income tax and social contribution	(8.0)	(5.3)
Total	10.1	26.5
(Increase) reduction of assets:		
Current:		
Bonds and securities	50.3	13.9
Receivables from clientes	(36.0)	(80.6)
Inventory	(0.7)	11.7
Recoverable taxes	(0.2)	(3.1)
Other receivables	0.2	0.8
Non-current:		
Recoverable taxes	(0.4)	(0.6)
Total	13.4	(58.0)
Increase (reduction) of liabilities:		
Current:		
Suppliers	9.0	12.8
Taxes payable	(0.2)	5.5
Payroll charges	2.2	2.7
Other payables	0.4	3.1
Non-current:		
Other payables	0.4	0.2
Total	11.7	24.3
Net cash generated (consumed) by operating activities	35.2	(7.2)
INVESTMENT CASH FLOW		
Addition to fixed assets	(21.2)	(2.6)
Addition to intangible assets	(1.3)	(0.9)
FX variation on Net Investment	0.0	0.0
Net cash generated (consumed) by investing activities	(22.5)	(3.6)
FINANCING CASH FLOW		
Draw down of loans	39.6	167.7
Payment of loans	(39.8)	(86.1)
Payment of interest	(5.8)	(5.1)
Capital increase	0.0	0.0
Treasury held stock	0.0	0.0
Payment of dividends	0.0	0.0
Capital restitution payment to shareholders	0.0	0.0
Capital transactions between shareholders	0.0	0.0
Other	0.0	0.0
Net cash generated (consumed) by financing activities	(6.0)	76.5
FX VARIATION ON CASH AND CASH EQUIVALENTS	21.2	15.0
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	27.9	80.7
CASH AND EQUIVALENTS		
Final balance	193.4	165.5
Initial balance	165.5	84.8
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	27.9	80.7

Consolidated cash flow – accumulated in the year (R\$ mn)

	2012	2013
OPERATING CASH FLOW		
Net result	2.7	(7.0)
Reconciliation of net result and operating cash flow		
Depreciation and amortization	10.7	11.3
Contingency provisions	(0.1)	(0.1)
Sundry provisions	(0.9)	(0.6)
Derivatives Gain & Loss Provisions	5.4	(0.5)
Stock option plan	0.5	0.4
FX variation	8.4	24.4
Interest on loans	9.9	10.5
Residual value of fixed assets written off or sold	0.7	0.7
Goodwill amortization	0.0	0.0
Investment write-off	0.0	0.0
Equity income	0.0	0.0
FX variation on Net Investment	3.1	0.2
Minority Interest	0.0	0.0
Income tax and social contribution	(8.1)	(8.7)
Total	32.1	30.5
(Increase) reduction of assets:		
Current:		
Bonds and securities	3.2	(20.7)
Receivables from clients	(35.6)	(102.0)
Inventory	(21.2)	(40.2)
Recoverable taxes	(0.1)	(11.8)
Other receivables	0.0	1.1
Non-current:		
Recoverable taxes	(0.5)	(0.9)
Total	(54.3)	(174.5)
Increase (reduction) of liabilities:		
Current:		
Suppliers	23.5	30.1
Taxes payable	(6.7)	5.8
Payroll charges	4.8	5.0
Other payables	0.3	3.1
Non-current:		
Other payables	1.4	0.3
Total	23.2	44.3
Net cash generated (consumed) by operating activities	1.1	(99.7)
INVESTMENT CASH FLOW		
Addition to fixed assets	(33.8)	(8.0)
Addition to intangible assets	(2.6)	(3.7)
FX variation on Net Investment	0.0	0.0
Net cash generated (consumed) by investing activities	(36.4)	(11.7)
FINANCING CASH FLOW		
Draw down of loans	66.8	244.2
Payment of loans	(90.5)	(144.8)
Payment of interest	(10.2)	(9.3)
Capital increase	0.0	0.0
Treasury held stock	0.0	0.0
Payment of dividends	0.0	0.0
Capital restitution payment to shareholders	0.0	0.0
Capital transactions between shareholders	0.0	0.0
Other	0.0	0.0
Net cash generated (consumed) by financing activities	(33.9)	90.1
FX VARIATION ON CASH AND CASH EQUIVALENTS	18.2	10.6
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(51.0)	(10.7)
CASH AND EQUIVALENTS		
Final balance	193.4	165.5
Initial balance	244.4	176.2
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(51.0)	(10.7)