

# 2Q10 Results

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CEO

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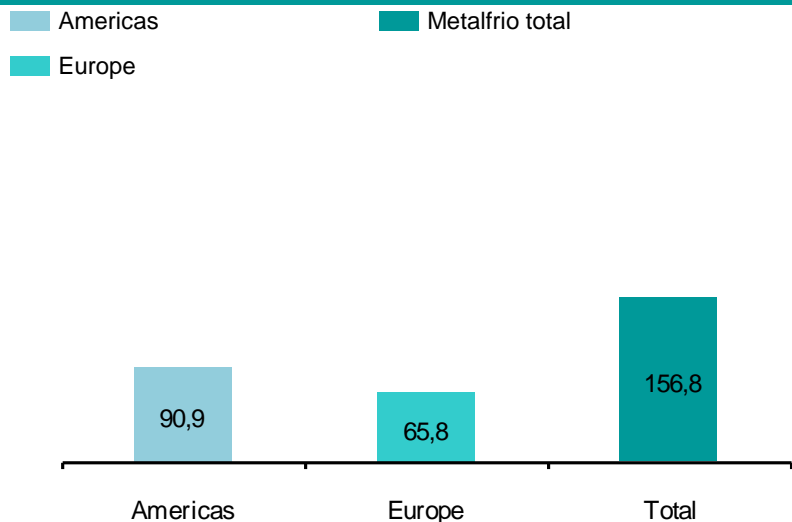


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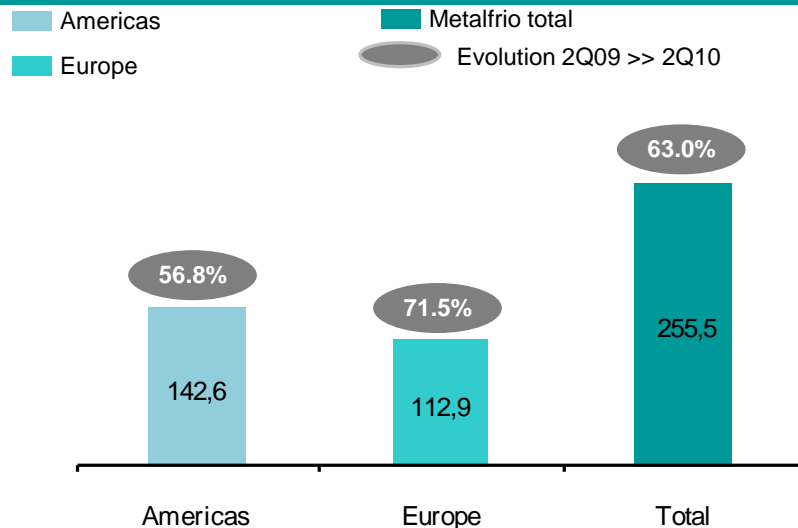
Information on performance that is not directly derived from financial statements, such as, for example, information about the market, quantities produced and sold, production capacity, or calculation of adjustments on our results were not subject of audit by our external auditors.

- ❖ **Unit sales volumes** were up **63.0%** when compared to 2Q09
- ❖ **Net revenues of R\$270.7 mn** in 2Q10, **43.3%** above 2Q09
  - ❖ **R\$180.0 mn** in **Americas**, and
  - ❖ **R\$90.7 mn** in **Europe**
- ❖ **Accumulated** adjusted **EBITDA** in last 12 months: **R\$101.2mn** (+153% vs. 12 months ended in 2Q09)
- ❖ **Adjusted EBITDA of R\$45.6 mn** (margin **16.9%**) in 2Q10
- ❖ **Gross profit of R\$58.1 mn** (**21.4%** margin) in 2Q10
- ❖ **Net profit** of 2Q10 was **R\$28.9 mn** (**10.7%** net profit margin)
- ❖ **Net Debt** of **R\$146.3 mn**, or **1.45 times** the accumulated adjusted EBITDA of the last 12 months
- ❖ **Dividends** of **R\$24.3 mn** distributed in the quarter, or **R\$0.594 per common share** (dividend yield 9% in the last 12 months)

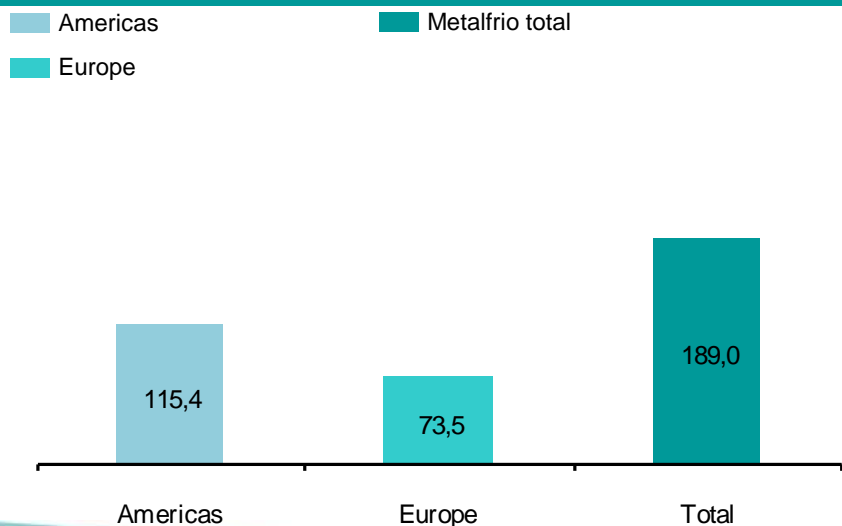
## Products sold 2Q09 (in thousand units)



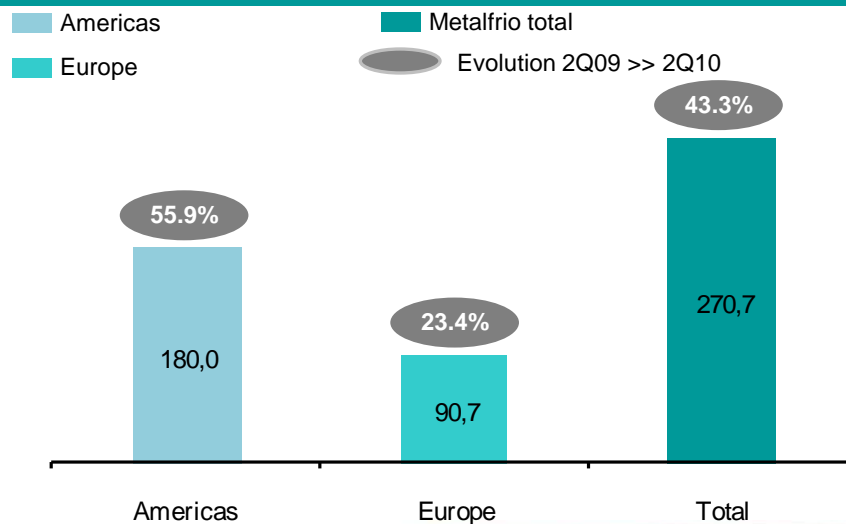
## Products sold 2Q10 (in thousand units)



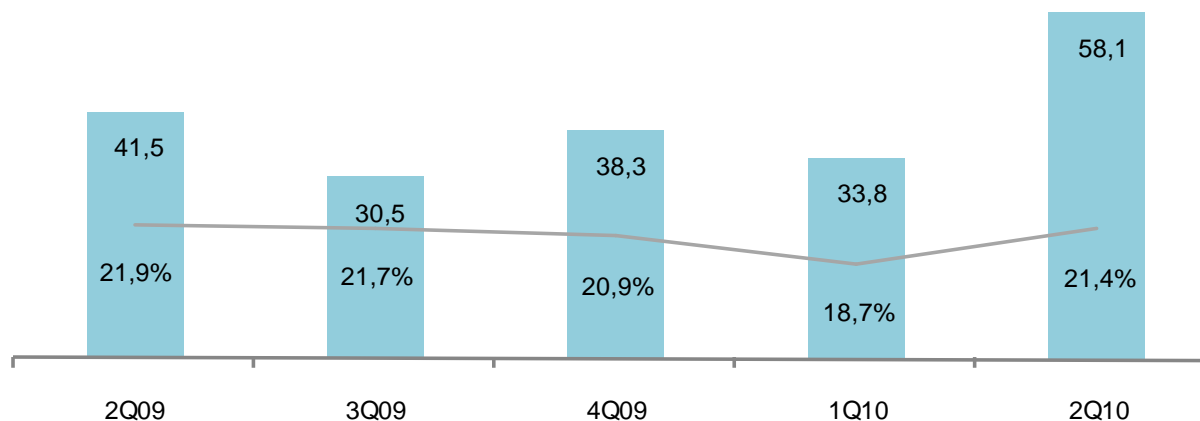
## Net revenues 2Q09 (in R\$ mn)



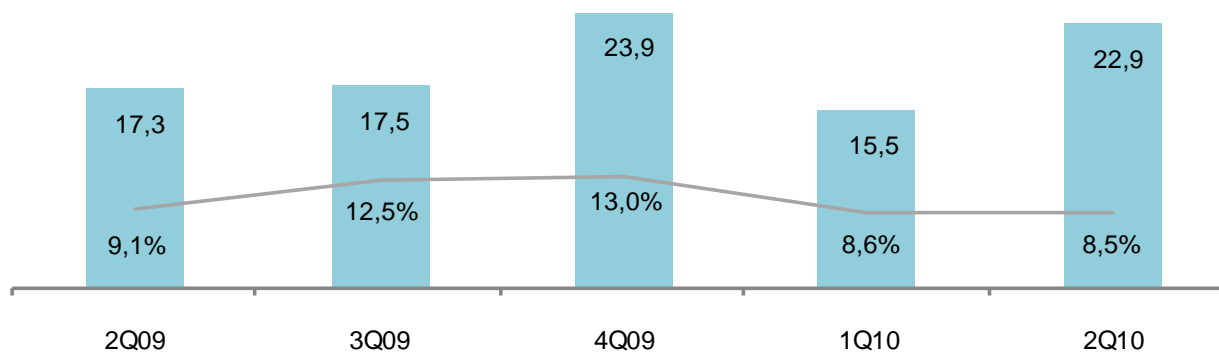
## Net revenues 2Q10 (in R\$ mn)



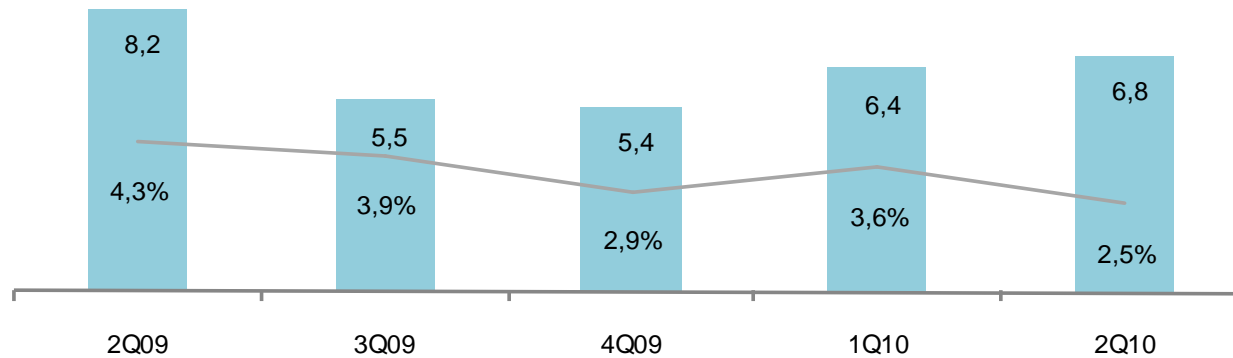
## Consolidated gross profit evolution, 2Q09 >> 2Q10 (in R\$ mn)



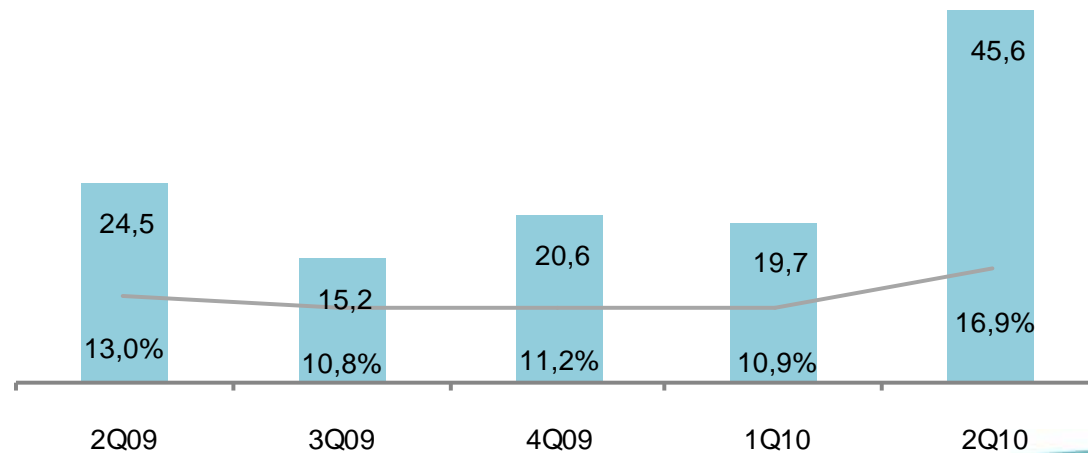
## Consolidated sales expenses evolution, 2Q09 >> 2Q10 (in R\$ mn)



## Consolidated G&A expenses evolution, 2Q09 >> 2Q10 (in R\$ mn)



## Consolidated adjusted EBITDA evolution, 2Q09 >> 2Q10 (in R\$ mn)



- ❄ **Operating cash generation (CVM) of R\$9.3 mn** in 2Q10, which compares to cash flow of **R\$46.3 mn** in 2Q09.

	2Q10
<b>Ajusted EBITDA</b>	<b>45.6</b>
<b>Current income tax</b>	<b>(10.8)</b>
<b>Working Capital</b>	<b>(50.5)</b>
Accounts receivable	(76.0)
Inventories	13.0
Suppliers	8.4
Others and FX variation	4.1
<b>Revenue from cash investments</b>	<b>1.1</b>
<b>Facilities sold in Turkey</b>	<b>8.9</b>
<b>Gain realized with derivatives</b>	<b>9.3</b>
<b>Others</b>	<b>5.7</b>
<b>Operating Cash Generation</b>	<b>9.3</b>

## 2Q10 results' analysis: working capital

- ❄ Our **cash and equivalents** balance at the end of 2Q10 was **R\$230.7 mn.**
- ❄ In the quarter, **working capital** increased **R\$50.5 mn**, due to the high sales volumes of the period.

WORKING CAPITAL (in mn Reais)	2T09	3T09	4T09	1T10	2T10	Chg. 2T10/ 2T09	Chg. 2T10/ 1T10
<b><u>Current assets:</u></b>							
Cash and equivalents	178.1	191.3	180.4	186.9	230.7	+52.6	+43.8
Accounts receivable	152.4	112.7	152.8	153.3	227.0	+74.6	+73.7
Inventory	98.7	86.2	84.0	118.7	105.7	+7.1	-13.0
Other	34.2	32.7	31.0	34.1	31.5	-2.7	-2.5
Receivables with derivatives	0.0	0.0	3.1	7.6	0.0	+0.0	-7.6
<b>A) Total</b>	<b>463.4</b>	<b>422.9</b>	<b>451.3</b>	<b>500.6</b>	<b>595.0</b>	<b>+131.7</b>	<b>+94.4</b>
<b>B) Current assets (less fin. assets)</b>	<b>285.3</b>	<b>231.6</b>	<b>267.8</b>	<b>306.1</b>	<b>364.3</b>	<b>+79.0</b>	<b>+58.2</b>
<b><u>Current liabilities:</u></b>							
Accounts payable	70.7	55.3	74.7	101.7	107.4	+36.8	+5.7
ST debt	148.4	115.6	100.6	113.9	151.4	+3.0	+37.6
Other	50.6	42.3	69.3	66.8	68.8	+18.1	+2.0
Payables with derivatives	0.0	0.0	0.0	0.2	2.6	+2.6	+2.4
<b>C) Total</b>	<b>269.8</b>	<b>213.2</b>	<b>244.7</b>	<b>282.5</b>	<b>330.2</b>	<b>+60.5</b>	<b>+47.7</b>
<b>D) Current liabilities (less fin. liab.)</b>	<b>121.3</b>	<b>97.6</b>	<b>144.0</b>	<b>168.5</b>	<b>176.2</b>	<b>+54.9</b>	<b>+7.7</b>
<b>Working capital (B-D)</b>	<b>163.9</b>	<b>134.0</b>	<b>123.7</b>	<b>137.6</b>	<b>188.1</b>	<b>+24.2</b>	<b>+50.5</b>
Days of receivables	59	57	56	60	61	+3	+2
Days of inventory	60	70	52	73	45	-15	-28
Days of suppliers	43	45	46	62	45	+2	-17
<b>Cash cycle</b>	<b>76</b>	<b>83</b>	<b>62</b>	<b>70</b>	<b>61</b>	<b>-15</b>	<b>-10</b>
Current liquidity (A/C)	1.7x	2.0x	1.8x	1.8x	1.8x	n/a	n/a

❄ **Net debt** at the end of 2Q10 was **R\$146.3 mn**, an increase of R\$10.7 mn from 2Q09 and an increase of R\$29.9 mn from 1Q10.

LIQUIDITY INDICATORS (in mn Reais)	2Q09	3Q09	4Q09	1Q10	2Q10	Chg. 2Q10/ 2Q09	Chg. 2Q10/ 1Q10
<b>Cash and equivalents</b>	<b>178.1</b>	<b>191.3</b>	<b>180.4</b>	<b>186.9</b>	<b>230.7</b>	<b>+52.6</b>	<b>+43.8</b>
Short term debt (ST)	148.4	115.6	100.6	113.9	151.4	+3.0	+37.6
Long term debt (LT)	165.2	161.3	190.3	189.5	225.6	+60.4	+36.1
USD denominated debt	225.6	177.3	195.3	206.5	271.7	+46.1	+65.2
BRL denominated debt	28.0	40.5	39.9	38.6	36.5	+8.5	-2.1
Euro denominated debt	57.8	59.1	55.7	54.9	52.4	-5.4	-2.5
Other Currencies	2.3	0.0	0.0	3.4	16.5	+14.2	+13.2
<b>Gross debt</b>	<b>313.7</b>	<b>276.9</b>	<b>290.9</b>	<b>303.3</b>	<b>377.0</b>	<b>+63.4</b>	<b>+73.7</b>
<b>Net cash / (Net debt)</b>	<b>-135.6</b>	<b>-85.6</b>	<b>-110.5</b>	<b>-116.4</b>	<b>-146.3</b>	<b>-10.7</b>	<b>-29.9</b>
<b>Shareholders' equity (Equity)</b>	<b>278.5</b>	<b>283.4</b>	<b>271.7</b>	<b>289.5</b>	<b>293.9</b>	<b>+15.4</b>	<b>+4.3</b>
Cash and equiv. / ST debt	1.2x	1.7x	1.8x	1.6x	1.5x	n/a	n/a
ST debt / (ST + LT)	47.3%	41.8%	34.6%	37.5%	40.2%	n/a	n/a
Net cash (Net debt) / Equity	-0.5x	-0.3x	-0.4x	-0.4x	-0.5x	n/a	n/a
Net debt / (Net debt + Equity)	32.7%	23.2%	28.9%	28.7%	33.2%	n/a	n/a

# Thank you!

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