Metalfrio | Solutions

Net revenue: R$ 189.0mn in 2Q09
EBITDA: R$ 24.5mn in 2Q09 (EBITDA margin 13.0%)
Net profit: R$ 20.0mn in 2Q09
Operating cash generation: R$ 62.1mn in 2Q09

São Paulo, Brazil, August 6, 2009 - In this release Metalfrio Solutions S.A. ("Metalfrio" – FRIO3), one of the world's largest manufacturers of plug-in commercial refrigeration equipment, reports for second quarter 2009 (2Q09). Unless otherwise stated, financial and operational information is in accordance with Brazilian corporate legislation and in Reais (R$). Comparisons are with 2Q08 or as indicated.

Comparison of consolidated figures for the first half of 2009 and 2008 should be made taking into account that in 1Q08 the results of Metalfrio Solutions S.A. did not consolidate those of the Senocak/Klimasan group, of which control was acquired in March 2008.

The effects of the adjustments in response to changes in the accounting principles adopted in Brazil were initially booked during the fourth quarter 2008. Therefore, the financial statements referring to the second quarter 2008, presented in comparison with the second quarter 2009, have not been adjusted according to the Circular Letter/ CVM/ SNC/SEP nbr 02/2009.

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Conference call in Portuguese

Date: **August 7, 2009**
Time: 11 am São Paulo
10 am New York

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Replay: +55 11 2188-0188
Password: Metalfrio

Conference call in English

Date: **August 7, 2009**
Time: 12 noon São Paulo
11 am New York

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Summary of the period

- **2Q09 net revenue R$ 189.0mn.** Americas: R$ 115.4mn. Europe: R$ 73.5mn.
- **2Q09 unit sales 156,800 units.** Americas: 90,900 units. Europe: 65,800 units.
- **2Q09 gross profit R$ 41.5mn.** Gross margin 21.9%, vs. 17.2% in 2Q08, 14.4% in 1Q09.
- **2Q09 EBITDA R$ 24.5mn (EBITDA margin 13.0%).**
  - Americas: R$ 10.0mn (EBITDA margin 8.6%).
  - Europe: R$ 14.6mn (margin 19.8%); R$ 13.5mn in Klimasan (margin 23.0%).
- **2Q09 net profit: R$ 20.0mn.**
- **2Q09 operating cash generation: R$ 62.1mn.**

NOVO MERCADO BOVESPA BRASIL

Message from management

Dear stockholder,

It is with satisfaction that we present the quarterly results of the second quarter 2009 (2Q09) of the Metalfrio group. Management's decisions in recent years, and in making adjustments in response to the global economic crisis, have been consolidated this quarter, with improvement in profitability, EBITDA, and operating cash generation, in spite of the volumes 20% lower than the same quarter of 2008 (2Q08).

This increased strength is also reflected in the company's levels of leverage: at the end of 2Q09 our net debt was lower than in late 2Q08, before the global crisis began.

Also, after commenting at the end of the difficult year of 2008 on the importance of the investments we made before the crisis, and reporting our determined effort to defend the company's financial health in times of turbulence, we are happy that we are now able – after a relatively short period – to begin to present the results of those investments and effort.

In this release we report Net profit of R$ 20.0mn for 1Q09, increasing the company's Stockholders' equity from R$ 260.7mn to R$ 278.5mn.

Adjusted EBITDA in 2Q09 is R$ 24.5mn (with EBITDA margin of 13.0%), 20% more than our 2Q08 adjusted EBITDA of R$ 20.5mn (EBITDA margin 8.8%).

Operating cash generation in 2Q09 was R$ 62.1mn – 4.6 times more than in 2Q08 (R$ 11.2mn) – in spite of net revenue in 2Q09 being 19.2% less than in 2Q08 (at R$ 189mn, vs. R$ 234mn). Operating cash generation in the first half of 2009 (1H09) is R$ 80.0mn (compared to R$ 16.2mn negative in 1H08).

Also, our total debt, at R$ 313.7mn, was R$ 92.6mn lower at the end of 1Q09 than three months before (R$ 406.2mn) – and net debt was reduced from R$ 219.7mn at the end of 1Q09 to R$ 135.6mn at the end of 2Q09, a reduction of R$ 84.1mn, returning the company to leverage levels that are more appropriate to its operation.

These results were obtained from a combination of factors, among which we highlight these:

- Gain in efficiency in our manufacturing plants, as a result of maturing of investments and projects previously implemented: (i) in Mexico, we consolidated all our operations into the Celaya plant, closing down the Queretaro operation; (ii) in Turkey, we transferred production from the plants of Lider Metalfrio at Manisa, and Izmir (the former Klimasan plant) to the up-to-date facilities of the new Klimasan plant at Manisa; (iii) in Russia, we concentrated all operations at the facilities of Nivenskoe, Kaliningrad, making it possible to deactivate 3 auxiliary buildings; and (iv) in Brazil, we transferred the entire production of vertical equipment from São Paulo to the plant in Mato Grosso do Sul. All these movements were undertaken in 2008 and, as projected, the results are now being seen in 2009, contributing to the increase of gross margin that we are now reporting in this quarter.
- Verticalization projects: Over the year of 2008, we finalized installation of all manufacturing at the plant in Mato Grosso do Sul (adding shelves and cages, adhesives, and glass doors), which contributed, as planned, to the increase in gross margin.

- Reduction of fixed costs: Due to the recession, we rapidly and successfully put in place a plan for reduction of fixed costs of the company and all its subsidiaries, which also contributed significantly to the improvement in results.
- Lower costs of commodities: Prices of the commodities used in our manufacturing (steel, copper and aluminum), which were at excessively high and indeed unreal levels, were adjusted downward by the economic crisis, adding a further improvement to our results.

Over 2009, we will continue to be focused on: (i) capturing the gains of the investments previously made by the company and the other measures put in place in 2008; (ii) taking advantage of market opportunities, with emphasis on cash management; and (iii) winning new clients.

On this final point, it has been gratifying to see that, in spite of its various negative effects, the world financial crisis is serving to consolidate our sector, and this has enabled us to win new clients and increase our market share.

MARKET OVERVIEW

The post-crisis scenario confirms something already known in the beverages and ice-cream industry (our main clients) – that consumption of these products is very resilient at times such as those we have been through since the second half of 2008. The strategic role played by coolers and freezers in commercial operation of the immediate-consumption sectors of the economy has been extremely significant – represented by their potential for generating better margins for our clients.

We have perceived that, due to the scarcity and high cost of capital in recent months, companies in the sectors in which our clients operate reduced their overall investment plans, affecting demand for products in our sector.

Another trend that is typical of the commercial refrigeration sector in recent years has been further bolstered in this post-crisis period: consolidation of the industry. We are convinced that this consolidation strengthens us, and that the fall in demand for the products of our sector is circumstantial, rather than structural. These factors encourage us to maintain our focus on development of innovative projects that are more efficient and more attractive, and able to leverage our leadership in the various markets in which we operate, when volumes begin to grow again.

Highlights of the consolidated result

Net revenue, unit sales

Our Net revenue in **2Q09** was **R$ 189.0mn**, **19.2% lower** than in 2Q08 (R$ 234.0mn) – and **45.4% higher** than in 1Q09 (R$ 129.9mn).

We sold **156,800 units of equipment in 2Q09**, compared to 203,300 units in 2Q08 – 22.9% lower year-on-year – and 39.9% higher than in the previous quarter (1Q09).

Americas

Our **operation in the Americas** sold **90,900 units in 2Q09**, **12.4% less** than in 2Q08. **Net revenue was 12.6% lower year-on-year**, at **R$ 115.4mn in 2Q09,** vs. R$ 132.1mn in 2Q08.

Compared with the prior quarter, **1Q09**, when sales in the Americas totaled 73,600 units, the increase in 2Q09 was **23.6%**. Net revenue was 23.7% higher (then R$ 93.3mn in 1Q09).

Sales in the Americas are still at lower levels than before the global financial crisis, but improvement can already be seen from the first to the second quarter of this year.

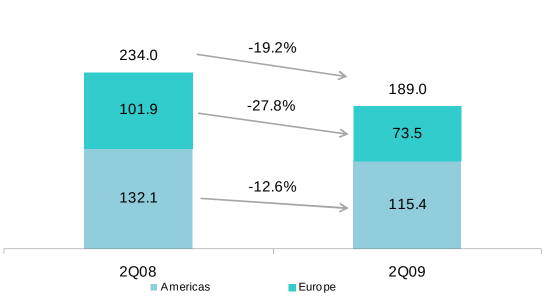
Europe

Our **operation in Europe sold 65,800 units in 2Q09**, **33.9% less** than in 2Q09 (99,600). **Net revenue,** however, was **27.8% lower,** at **R$ 73.5mn in 2Q09**, compared to R$ 101.9mn in 2Q08.

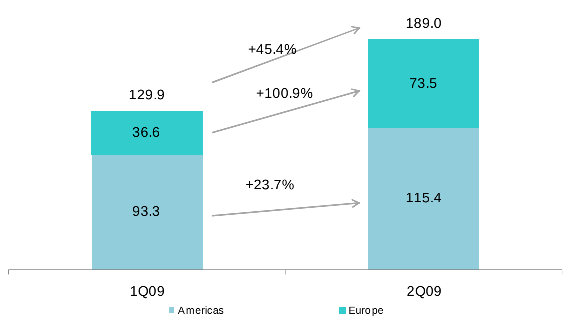
Compared with the previous quarter, 1Q09, unit sales in Europe were **71.2% higher**, at 38,500. And net revenue was **100.9% higher** than 1Q09 revenue of R$ 36.6mn. This increase is partly due to a seasonal effect, since sales in Europe are more concentrated in the months before the European summer.

Changes in Net revenue (R$ mn)

2Q08 >> 2Q09



1Q09 >> 2Q09



This table shows Net revenue and units sold for five quarters, with variations:

NET REVENUES AND UNITS SOLD	2Q08	3Q08	4Q08	1Q09	2Q09	Chg. 2Q09/ 2Q08	Chg. 2Q09/ 1Q09
Total net revenues (R$ Mn)	**234.0**	**183.6**	**150.6**	**129.9**	**189.0**	**-19.2**	**+45.4**
Americas	132.1	142.3	123.5	93.3	115.4	-12.6	+23.7
Europe	101.9	41.3	27.1	36.6	73.5	-27.8	+100.9
Total units sold (thousand)	**203.3**	**163.7**	**136.5**	**112.0**	**156.8**	**-22.9**	**+39.9**
Americas	103.8	116.0	103.1	73.6	90.9	-12.4	+23.6
Europe	99.6	47.8	33.4	38.5	65.8	-33.9	+71.2

Cost of goods sold, Gross profit, Gross margin

The efforts made to reduce fixed costs and increase productivity in our plants, to adapt operations to the lower volumes this year, continue to have a positive effect on gross margin, across all our operations.

In spite of Net revenue being 19.2% lower YoY, our **Gross profit** in 2Q09 was **R$ 41.5mn**, with **a Gross margin of 21.9%**. This is 3.2% higher than the 2Q08 Gross profit of R$ 40.2mn, and an **improvement in Gross margin** from 17.2% in 2Q08.

Our Gross profit in 1Q09 was R$ 18.8mn, with gross margin of 14.4%.

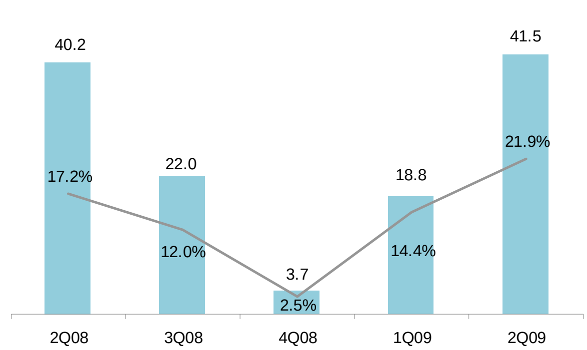
Americas

Gross profit in our operation in the Americas in 2Q09 was **R$ 19.9mn**, with **Gross margin of 17.2%** - which is higher than the pre-crisis margins.

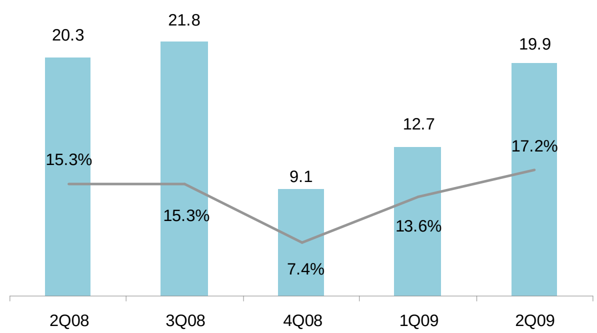
2Q09 Gross profit was 1.9% lower than in 2Q08 (R$ 20.3mn), but **gross margin was better** than the 15.3% of 2Q08.

Our Gross profit in 1Q09 was R$ 12.7mn, with gross margin of 13.6%.

Consolidated gross profit and gross margin (R$ mn)[1]



Americas - Consolidated gross profit and gross margin (R$ mn)[2]



1 4Q08 consolidated gross margin is adjusted for inventory provisions of R$ 3.6mn.
2 4Q08 gross margin in the Americas is adjusted for inventory provisions of R$ 2.1mn.

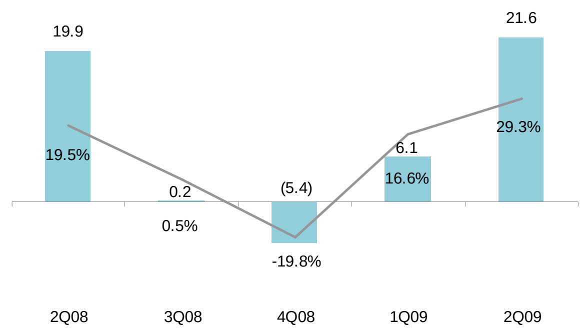
Europe

Gross profit from the operation in Europe in 2Q09 was **R$ 21.6mn**, with **gross margin of 29.3%**.

Both figures were higher than in 2Q08 – when gross profit was R$ 19.9mn and gross margin was 19.5% – in spite of Net revenue being 27.8% lower.

There was an improvement both in the operations of *Klimasan*, where gross margin in the quarter was 30.9% compared to 25.4% in 2Q08, and also in the result for *Europe excluding Klimasan*, where gross margin was 23.1% in 2Q09, compared to 1.0% in 2Q08.

Consolidated gross profit and gross margin (R$ mn) – Europe[3]



Our Gross profit in the first quarter – 1Q09 was R$ 6.1mn, with gross margin of 16.6%.

Operational expenses (SG&A)

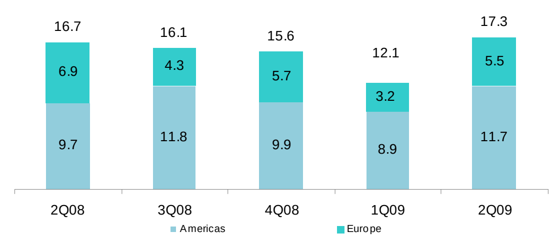
Selling expenses

In 2Q09 our total selling expenses were **R$ 17.3mn**, or **9.1% of Net revenue**. This was 3.4% higher than in 2Q08, when selling expenses totaled R$ 16.7mn (7.1% of revenue).

As a percentage of net revenue, selling expenses in 2Q09 were an improvement on 1Q09, when they were 9.3% of revenue.

The improvement in the percentage of revenue is the result of a planned additional effort to improve sales volume without loss of profit margins.

Selling expenses (R$ mn)[4]



Americas

Selling expenses in the Americas operation in 2Q09 were up **R$ 11.7mn**, representing **10.2% of Net revenue**.

The total was 20.4% more than in 2Q08 (R$ 9.7mn), and 32.1% more than in 1Q09 (R$ 8.9mn).

3 The 4Q08 gross margin in Europe is adjusted for inventory provisions of R$ 1.5 million.
4 4Q08 selling expenses are adjusted for R$ 8.7 million in additional provisions for bad debt and provisions for warranty, most of which were related to the plan for restructuring of the European operation – the additional provisions in the Americas operation were R$ 2.3 million, and in the European operation R$ 6.4mn.

Selling expenses as a percentage of Net revenue, at 10.2%, were higher than in 2Q08 (7.4%) and 1Q09 (9.5%).

On the other hand the increase in this percentage in the Americas operation, and also in the other plants, was compensated by profitability levels being maintained.

Europe

Selling expenses in the Europe operation in 2Q09 were **R$ 5.5mn**, or **7.5% of Net revenue**.

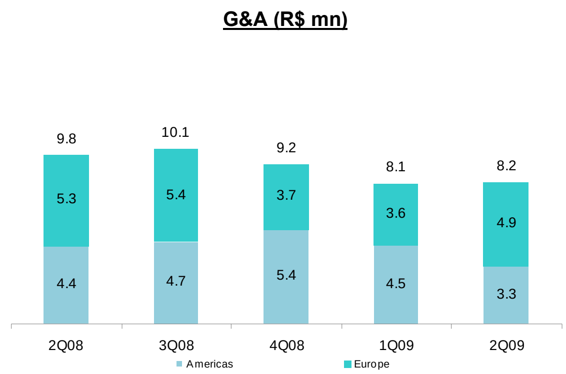
This total was 20.3% less than in 2Q08 (R$ 6.9mn), and 71.1% more than in 1Q09 (R$ 3.2mn).

The percentage of Net revenue was higher than in 2Q08 (6.8%), but lower than in 1Q09 (8.8%).

General and administrative expenses

Our G&A expenses in 2Q09 were **R$ 8.2mn**, or **4.3% of Net revenue** – this was **16.4% less** than in 2Q08 (R$ 9.8mn, 4.2% of revenue), as a result of the plans for reduction of fixed costs begun at the end of 2008.

The total was relatively unchanged from 1Q09, when SG&A expenses totaled R$ 8.1mn (6.2% of revenue).



Americas

General and administrative expenses in the Americas operation in 2Q09 were **R$ 3.3mn**, or **2.8% of Net revenue**.

This was 25.8% less than in 2Q08 (R$ 4.4mn), and 27.2% less than in 1Q09 (R$ 4.5mn), continuing our process of reduction of fixed costs.

Europe

G&A in the Europe operation in 2Q09 was **R$ 4.9mn**, **6.6% of Net revenue**.

This was 8.6% lower than in 2Q08 (R$ 5.3mn – 5.2% of Net revenue), and compares with R$ 3.6mn (9.8% of Net revenue) in 1Q09.

Other operational revenues (expenses)

Other operational revenues, net, in 2Q09 were R$ 4.6mn, compared to R$ 5.2mn in the first quarter of 2009.

In 2Q08 the net operational revenues were R$ 2.6mn, after adjustment for the effects of Law 11638 – excluding that adjustment, they totaled expenses of R$ 13.0mn.

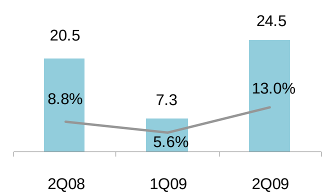
EBITDA and EBITDA margin

2Q09 **EBITDA** was **R$ 24.5mn**, with **EBITDA margin of 13.0%.**

EBITDA in 2Q08 was R$ 20.5mn, with EBITDA margin of 8.8% – so the year-on-year **improvement** in absolute value is **19.7%**, **in spite of net revenue 19.2% lower.**

2Q09 EBITDA was 2.4 times that of 1Q09 (R$ 7.3mn, with margin of 5.6%).

Adjusted EBITDA (R$ mn, % of Net revenue)



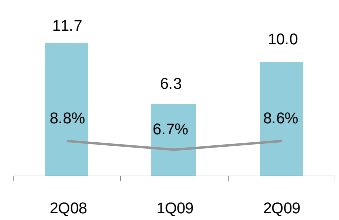
Americas

2Q09 EBITDA in the Americas operation was **R$ 10.0mn**, with **EBITDA margin of 8.6%**.

This compares with 2Q08 EBITDA of R$ 11.7mn, with EBITDA margin of 8.8%: the cost reduction efforts begun at the end of 2008 succeeded in **maintaining EBITDA margin in spite of net revenue 12.6% lower year-on-year.**

2Q09 EBITDA was **58.9% higher** than our 1Q09 EBITDA of R$ 6.3mn (EBITDA margin 6.7%).

Adjusted EBITDA (R$ mn, % of Net revenue) – Americas



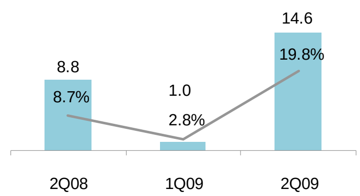
Europe

2Q09 EBITDA in our Europe operation was **R$ 14.6mn**, with **EBITDA margin of 19.8%**.

This was an improvement on 2Q08 (when Europe produced EBITDA of R$ 8.8mn, with EBITDA margin of 8.7%), and reflects the restructuring of our European plants.

It was also an improvement on 1Q09, when EBITDA in Europe was R$ 1.0mn (margin 2.8%).

Adjusted EBITDA (R$ mn, % of Net revenue) – Europe



EBITDA and Adjusted EBITDA – Reconciliation:

EBITDA (in mn Reais)	2Q08	1Q09	2Q09
Operating result	-0,1	3.2	19.3
Depreciation and amortization	5,0	4.1	4.5
Goodwill amortization	2,5	0.0	0.0
EBITDA	**7,3**	**7.3**	**23.8**
Fiscal incentive	4,5	0.0	0.0
FX rate variation on equity income	8.5	0.0	0.0
Extraordinary restructuring and accounting rules changing expenses	0.0	0.0	0.7
Adjusts to non operational result	-0.1	0.0	0.0
Adjusted EBITDA	**20.5**	**7.3**	**24.5**
Adjusted EBITDA margin (%)	**8.8%**	**5.6%**	**13.0%**

Adjustments to EBITDA in 2Q09:

i. This expense of R$ 0.7mn is included in the adjustment to maintain the comparison base with the same period of 2008. It is for expenses related to the stock option plan, recognized in the income statement during the period when the right is acquired, calculated in accordance with CPC 10 and approved by CVM Decision 562/08.

Adjustments to EBITDA in 2Q08:

i. EBITDA is adjusted by the figures for (i) tax benefits and (ii) foreign exchange variation on the value of equity in subsidiaries, in accordance with the new Brazilian accounting rules (Law 11638);

ii. Reported EBITDA in 2Q08 was R$ 20.4mn, because it did not include Non-operational profit in the calculation. Under Law 11638, revenues (expenses) of this type are now included in Operational profit (loss). To maintain comparability, we adjust 2Q08 EBITDA for the impacts of this revenue of R$ 0.1mn.

Financial revenue (expenses)

For **2Q09** we report net financial *revenues* of **R$ 9.8mn**, comprising R$ 5.6mn of financial expenses, R$ 11.4mn of financial revenues, and net positive exchange rate variation of R$ 4.0mn.

The financial revenue for 2Q09 is made up of R$ 3.0mn of net gain on transactions in NDFs, and R$ 8.4mn from cash investments.

The net foreign exchange gain basically comprises an FX gain on debt, totaling R$ 21.2mn, arising from appreciation of the currencies of Brazil, Turkey and Mexico, and an FX loss of R$ 15.7mn, predominantly on inter-company loans denominated in US dollars given by Brazil and Mexico to other companies in the Metalfrio group.

In **1Q09** we posted net financial *expenses* of **R$ 22.0mn**, made up of R$ 10.5mn in financial expenses, R$ 7.5mn in financial revenues, and net negative FX variation of R$ 18.9mn.

Net profit

Our **Net profit in 2Q09** was **R$ 20.0mn** (net margin 10.6%), mainly reflecting the significant improvement in operational performance and, secondarily, a positive contribution from Financial revenue (expenses).

In **1Q09** we reported a net *loss* of R$ 17.2mn, primarily due to a foreign exchange loss of R$ 18.9mn recognized in the period.

Working capital

Our net working capital, after exclusion of financial assets and liabilities, was R$ 163.9mn at the end of 2Q09, compared to R$ 204.5mn at the end of 1Q09 – i.e. **R$ 40.6mn of working capital was released**.

WORKING CAPITAL (in mn Reais)	2Q08	3Q08	4Q08	1Q09	2Q09	Chg. 2Q09/ 2Q08	Chg. 2Q09/ 1Q09
Current assets:							
Cash and equivalents	116.1	120.5	197.1	186.5	178.1	+62.0	-8.5
Accounts receivable	262.7	243.7	177.2	161.2	152.4	-110.4	-8.8
Inventory	144.7	152.0	126.4	118.9	98.7	-46.0	-20.2
Other	34.2	36.8	42.7	42.3	34.2	+0.0	-8.1
A) Total	**557.7**	**552.9**	**543.3**	**508.9**	**463.4**	**-94.3**	**-45.5**
B) Current assets (less cash)	**441.6**	**432.4**	**346.2**	**322.4**	**285.3**	**-156.4**	**-37.1**
Current liabilities:							
Accounts payable	79.1	70.8	71.0	64.0	70.7	-8.4	+6.7
ST debt	64.4	88.7	140.0	177.8	148.4	+84.1	-29.4
Other	56.9	49.9	60.8	53.8	50.6	-6.2	-3.2
C) Total	**200.3**	**209.4**	**271.8**	**295.7**	**269.8**	**+69.5**	**-25.9**
D) Current liabilities (less cash)	**136.0**	**120.7**	**131.8**	**117.9**	**121.3**	**-14.6**	**+3.5**
Working capital (B-D)	**305.7**	**311.7**	**214.4**	**204.5**	**163.9**	**-141.7**	**-40.6**
Days of receivables[5]	81	91	82	84	59	-23	-25
Days of inventory[6]	67	85	76	96	60	-7	-36
Days of suppliers[7]	37	39	43	52	43	+6	-9
Cash cycle	**112**	**136**	**115**	**128**	**76**	**-36**	**-52**
Current liquidity (A/C)	2.8x	2.6x	2.0x	1.7x	1.7x	n/a	n/a

Cash and cash equivalents

At the end of **2Q09** cash and equivalents totaled **R$ 178.1mn**, vs. R$ 186.5mn at the end of 1Q09, a reduction of R$ 8.5mn.

Most of our cash is held in short-term investments in Brazil and in our subsidiaries in the Bahamas and Turkey:

i. In **Brazil**, we held **cash of R$ 103.0mn** (57.8% of the total) at the end of **2Q09**, compared to cash of R$ 107.2mn (57.5% of the total) at the end of 1Q09.

ii. In our subsidiary in the **Bahamas**, we held **cash of R$ 43.6mn** (24.5% of the total) at the end of **2Q09**, compared to cash of R$ 43.7mn (23.4% of the total) at the end of 1Q09.

iii. In **Turkey**, we held **cash of R$ 15.1mn** (8.5% of the total) at the end of **2Q09**, compared to cash of R$ 26.6mn (14.3% of the total) at the end of 1Q09.

Accounts receivable from clients

Accounts receivable from clients were **reduced** by **R$ 8.8mn in 2Q09**, to R$ 152.4mn at the end of the quarter – from R$ 161.2mn at the end of 1Q09 – as a result of management's plans for improving liquidity.

5 Average period of receivables calculated as the final balance of accounts receivable from clients divided by gross revenue for the period, multiplied by the number of days in the period.
6 Average period of inventories calculated as the final balance of inventories divided by cost of goods sold for the period multiplied by number of days in the period.
7 Average period for suppliers calculated as final balance payable to suppliers divided by cost of goods sold for the period multiplied by number of days in the period.

Inventories

As a result of the plan we put in place to improve liquidity, inventories were **reduced** by approximately **R$ 20.2mn**, from R$ 118.9mn at the end of 1Q09 to R$ 98.7mn at the end of 2Q09.

Suppliers

The balance payable to suppliers **increased** by **R$ 6.7mn in the quarter**, from R$ 64.0mn at the end of 1Q09 to R$ 70.7mn, reflecting the increased volume of production.

Investments

Fixed assets

Our net fixed assets at the end of 2Q09 totaled R$ 150.0mn, R$ 2.3mn more than at the end of 1Q09. Investments in 2Q09 totaled R$ 10.7mn, while depreciation was R$ 4.5mn, and the value of assets outside Brazil was reduced by R$ 8.6mn by exchange rate depreciation.

Investments; intangible; deferred

Our balance of **intangible** assets was adjusted from R$ 138.5mn at the end of 1Q09 to R$ 115.8mn at the end of 2Q09, basically on the effect of exchange rate variation.

This chart gives balances of values of fixed assets:

FIXED ASSETS (in mn Reais)	2Q08	3Q08	4Q08	1Q09	2Q09	Chg. 2Q09/ 2Q08	Chg. 2Q09/ 1Q09
Investments	100.8	115.7	0.0	0.0	0.0	-100.8	-0.0
Net PP&E	127.2	144.5	158.8	147.6	150.0	+22.7	+2.3
Intangibles	9.0	9.7	139.9	138.5	115.8	+106.7	-22.7
Deferred	13.6	14.1	0.0	0.0	0.0	-13.6	+0.0
Total	**250.8**	**283.9**	**298.7**	**286.1**	**265.7**	**+15.0**	**-20.4**

Capitalization, liquidity

Debt

At the end of 2Q09 our **total debt** was **R$ 313.7mn**, compared with R$ 406.2mn at the end of 1Q09.

At the end of **2Q09** we held **R$ 178.1mn in cash**, compared to R$ 186.5mn at the end of 1Q09.

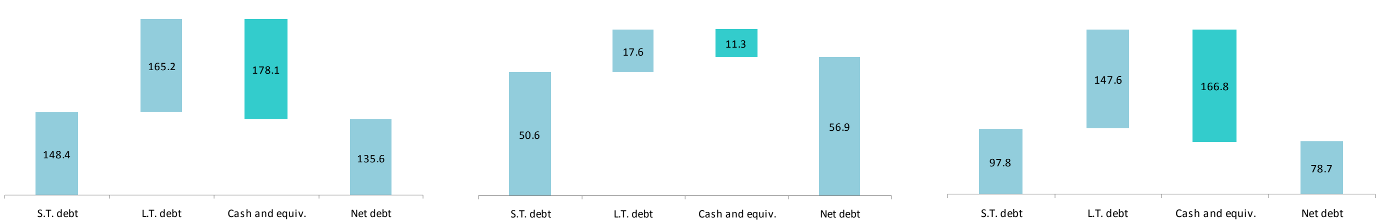
Net debt at the end of 2Q09 was thus **R$ 135.6mn**, **R$ 84.1mn less** than at the end of 1Q09, basically due to operational cash flow of R$ 62.1mn, and an effect of approximately R$ 21mn from exchange rate variation.

This table gives a breakdown of the effect of exchange rate variation on debt:

COUNTRY	Local currency	Currency of debt	Change	(R$ mn)
Brazil	BRL	USD	-15.7%	8.7
Turkey	TRY	EUR	-3.5%	1.8
Turkey	TRY	USD	-9.4%	4.0
Mexico	MXN	USD	-8.4%	6.8
Total				**21.2**

Debt: Breakdown between Metalfrio and Senocak/Klimasan (R$ mn)

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



Our **short-term debt** at the end of 2Q09 was R$ 148.4mn, comprising R$ 50.6mn debt of Klimasan and R$ 97.8mn for the rest of Metalfrio's operations. Our short-term debt at the end of 1Q09 was R$ 177.8mn, of which R$ 82.1mn was in Klimasan – thus there was a **reduction of R$ 29.4mn** in short-term debt in the quarter.

Long-term debt at the end of 2Q09 was R$ 165.2mn, made up of R$ 17.6mn in Klimasan and R$ 147.6mn in the rest of Metalfrio's operations – a **reduction of R$ 63.2mn** from the end of 1Q09 (R$ 228.4mn).

LIQUIDITY INDICATORS (in mn Reais)	2Q08	3Q08	4Q08	1Q09	2Q09	Chg. 2Q09/ 2Q08	Chg. 2Q09/ 1Q09
Cash and equivalents	**116.1**	**120.5**	**197.1**	**186.5**	**178.1**	**+62.0**	**-8.5**
Short term debt (ST)	64.4	88.7	140.0	177.8	148.4	+84.1	-29.4
Long term debt (LT)	232.0	235.9	275.3	228.4	165.2	-66.7	-63.2
USD denominated debt	212.5	239.0	301.5	295.1	225.6	+13.1	-69.5
BRL and other currencies	83.8	85.6	113.8	111.1	88.1	+4.3	-23.0
Gross debt	**296.3**	**324.6**	**415.3**	**406.2**	**313.7**	**+17.4**	**-92.6**
Net cash / (Net debt)	**-180.3**	**-204.1**	**-218.2**	**-219.7**	**-135.6**	**+44.7**	**+84.1**
Shareholders' equity (Equity)	**351.0**	**357.2**	**278.7**	**260.7**	**278.5**	**-72.5**	**+17.7**
Cash and equiv. / ST debt	1.8x	1.4x	1.4x	1.0x	1.2x	n/a	n/a
ST debt / (ST + LT)	21.7%	27.3%	33.7%	43.8%	47.3%	n/a	n/a
Net cash (Net debt) / Equity	-0.5x	-0.6x	-0.8x	-0.8x	-0.5x	n/a	n/a
Net debt / (Net debt + Equity)	33.9%	36.4%	43.9%	45.7%	32.7%	n/a	n/a

Stockholders' equity

Stockholders' equity at the end of 2Q09 was **R$ 278.5mn**, compared to R$ 260.7mn at the end of 1Q09. The increase reflects (i) the quarter's net profit of R$ 20.0mn, (ii) a loss of R$ 3.2mn in foreign exchange variation on the value of investments in subsidiaries outside Brazil, and (iii) an adjustment of R$ 1.0mn to the accumulated value of stock options.

Disclaimers

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

	2Q08	3Q08	4Q08	1Q09	2Q09
GROSS REVENUE					
Domestic market sales	234.7	211.7	169.5	150.0	199.6
Export sales	56.1	29.9	26.0	23.4	34.2
TOTAL GROSS REVENUE	**290.8**	**241.6**	**195.5**	**173.3**	**233.8**
SALES DEDUCTIONS					
Sales taxes	(53.8)	(45.6)	(39.5)	(34.2)	(38.8)
Discounts and returns	(3.1)	(12.4)	(5.4)	(9.2)	(6.0)
NET REVENUE	**234.0**	**183.6**	**150.6**	**129.9**	**189.0**
Cost of goods sold	(193.8)	(161.6)	(150.4)	(111.2)	(147.5)
GROSS PROFIT	**40.2**	**22.0**	**0.1**	**18.8**	**41.5**
OPERATIN REVENUES (EXPENSES)					
Sales expenses	(16.7)	(16.1)	(24.3)	(12.1)	(17.3)
General and administrative expenses	(9.7)	(10.1)	(9.2)	(8.1)	(8.2)
Management fees	(0.9)	(0.8)	(0.8)	(0.5)	(1.3)
Equity income	0.0	0.0	(0.0)	0.0	0.0
Other operating revenues (expenses)	(13.1)	16.1	(35.7)	5.2	4.6
OPERATING PROFIT BEFORE FINANCIAL RESULTS	**(0.1)**	**11.1**	**(69.8)**	**3.2**	**19.3**
NET FINANCIAL RESULT	**3.0**	**(4.2)**	**(35.8)**	**(22.0)**	**9.8**
Financial expenses	(5.8)	(7.0)	(6.6)	(10.5)	(5.6)
Financial income	9.5	3.9	1.6	7.5	11.4
Net foreign exchange variation	(0.7)	(1.1)	(30.7)	(18.9)	4.0
#VALOR!					
RATIONAL PROFIT (LOSS)	**2.9**	**6.9**	**(105.6)**	**(18.8)**	**29.2**
#VALOR!					
-operational Revenue (expenses)	0.1	(0.8)	1.0	0.0	0.0
EARNINGS (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**2.9**	**6.1**	**(104.7)**	**(18.8)**	**29.2**
INCOME TAX AND SOCIAL CONTRIBUTION					
Current	(5.0)	(2.2)	4.8	(1.1)	(1.4)
Deferred	1.9	0.9	3.1	0.9	(0.5)
NET EARNINGS (LOSS) BEFORE MINORITY INTERESTS	**(0.2)**	**4.8**	**(96.8)**	**(19.0)**	**27.3**
MINORITY INTERESTS	(4.4)	1.4	5.2	1.8	(7.3)
NET EARNINGS (LOSS)	**(4.6)**	**6.2**	**(91.5)**	**(17.2)**	**20.0**

Consolidated Balance Sheet

	1Q09	2Q09	Var. (%)
ASSETS			
CURRENT			
Cash and equivalents	186.5	178.1	-4.5%
Receivables from clients	161.2	152.4	-5.5%
Inventory	118.9	98.7	-17.0%
Recoverable taxes	24.3	21.3	-12.2%
Deferred income tax and SC	4.6	3.2	-30.6%
Other receivables	13.4	9.7	-27.6%
Total do ativo circulante	**508.9**	**463.4**	**-8.9%**
NON-CURRENT			
Long term:			
Deferred income tax and SC	6.9	6.6	-4.5%
Recoverable taxes	9.8	9.4	-4.1%
Fixed:			
Investments	0.0	0.0	-32.0%
Net PP&E	147.6	150.0	1.6%
Intangible	138.5	115.8	-16.4%
Deferred	(0.0)	0.0	n/a
Total non-current	**302.9**	**281.8**	**-7.0%**
TOTAL ASSETS	**811.8**	**745.1**	**-8.2%**

	1Q09	2Q09	Var. (%)
LIABILITIES			
CURRENT			
Suppliers	64.0	70.7	10.4%
Loans	177.8	148.4	-16.5%
Tax obligations	11.8	18.0	51.9%
Payroll charges	7.3	6.8	-7.7%
Sundry provisions	24.8	17.7	-28.6%
Deferred income tax and SC	3.7	2.2	-40.1%
Dividends payable	0.0	0.0	n/a
Other payables	6.1	5.9	-3.2%
Total current	**295.7**	**269.8**	**-8.8%**
NON-CURRENT			
Loans	228.4	165.2	-27.7%
Tax obligations	0.0	0.0	n/a
Deferred income tax and SC	5.1	3.5	-30.9%
Contingency provisions	8.4	8.7	3.6%
Other payables	2.8	1.9	-30.6%
Total non-current	**244.7**	**179.4**	**-26.7%**
MINORITY INTEREST	**10.7**	**17.5**	**63.1%**
SHAREHOLDER'S EQUITY			
Registered capital	340.0	238.6	-29.8%
Capital reserve	0.0	0.0	n/a
Profit reserve	0.0	0.0	n/a
Revaluation reserve	4.5	4.3	-3.6%
Shareholders' evaluation adjustments	34.7	32.4	-6.5%
Retained profits (losses)	(118.4)	3.1	-102.6%
Total shareholders' equity	**260.7**	**278.5**	**6.8%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**811.8**	**745.1**	**-8.2%**

Consolidated cash flow – 2Q09 and 2Q08 (R$ mn)

	2Q08	2Q09
OPERATING CASH FLOW		
Net result	**(4.6)**	**20.0**
Reconciliation of net result and operating cash flow		
Depreciation and amortization	4.7	4.5
Contingency provisions	0.2	0.3
Sundry provisions	4.6	(6.4)
FX variation and interests	2.1	1.5
Residual value of fixed assets written off or sold	0.3	0.8
Goodwill amortization	2.7	1.6
Subsidy for investment	4.5	0.0
Equity income	0.0	0.0
FX variation on investments abroad	10.1	0.0
Income tax and social contribution	(3.2)	0.5
Total	**21.6**	**22.8**
(Increase) reduction of assets:		
Current:		
Receivables from clients	(27.7)	4.3
Inventory	18.9	20.2
Recoverable taxes	7.7	3.0
Related parties' accounts receivable	0.0	(0.0)
Other receivables	(1.5)	(2.0)
Non-current:		
Recoverable taxes	(4.1)	0.4
Total	**(6.6)**	**25.8**
Increase (reduction) of liabilities:		
Current:		
Suppliers	(8.2)	9.6
Taxes payable	7.0	6.1
Payroll charges	(0.1)	(0.6)
Other payables	(1.9)	(0.9)
Non-current:		
Tax obligations	(0.2)	0.0
Other payables	(0.4)	(0.9)
Total	**(3.8)**	**13.4**
Net cash generated (consumed) by operating activities	**11.2**	**62.1**
INVESTMENT CASH FLOW		
Addition to fixed assets	(12.9)	(10.7)
Addition to intangible assets	0.1	(0.3)
Addition to deferred assets	(0.5)	0.0
Stock option plan	0.0	1.0
Capital contribution in invested companies	0.0	0.0
Acquisition of investments	3.9	0.0
Net cash generated (consumed) by investing activities	**(9.5)**	**(10.0)**
FINANCING CASH FLOW		
Draw down of loans - short term	(25.8)	(2.4)
Payment of loans and interests	(42.3)	(57.0)
Capital increase - short term	74.4	10.2
Capital increase	0.0	0.0
Mutuos lent by controlled companies	(4.1)	(16.8)
Payment of dividends	(2.6)	0.0
Other	(0.6)	0.0
Net cash generated (consumed) by financing activities	**(1.0)**	**(66.0)**
FX VARIATION ON CASH AND EQUIVALENTS	0.0	5.4
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**0.7**	**(8.5)**
CASH AND EQUIVALENTS		
Final balance	116.1	178.1
Initial balance	115.4	186.5
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**0.7**	**(8.5)**

Consolidated cash flow – half-year (R$ mn)

	2Q08	2Q09
OPERATING CASH FLOW		
Net result	**(2.6)**	**2.8**
Reconciliation of net result and operating cash flow		
Depreciation and amortization	7.6	8.6
Contingency provisions	(0.0)	0.8
Sundry provisions	1.8	(9.6)
FX variation and interests	7.2	29.5
Residual value of fixed assets written off or sold	0.5	0.8
Goodwill amortization	2.7	1.6
Subsidy for investment	7.3	0.0
Equity income	0.0	0.0
FX variation on investments abroad	10.1	0.0
Income tax and social contribution	(2.7)	(0.4)
Total	**32.0**	**34.1**
(Increase) reduction of assets:		
Current:		
Receivables from clients	(55.6)	25.3
Inventory	6.1	27.7
Recoverable taxes	5.5	4.3
Related parties' accounts receivable	0.0	(0.0)
Other receivables	0.6	(3.7)
Non-current:		
Recoverable taxes	(4.4)	(4.3)
Total	**(47.9)**	**49.1**
Increase (reduction) of liabilities:		
Current:		
Suppliers	(9.5)	(5.1)
Taxes payable	8.2	1.3
Payroll charges	3.0	1.2
Other payables	(0.4)	(0.2)
Non-current:		
Tax obligations	(0.5)	0.0
Other payables	(1.1)	(0.5)
Total	**(0.3)**	**(3.3)**
Net cash generated (consumed) by operating activities	**(16.2)**	**80.0**
INVESTMENT CASH FLOW		
Addition to fixed assets	(24.2)	(12.8)
Addition to intangible assets	(0.4)	(0.7)
Addition to deferred assets	(2.2)	0.0
Stock option plan	0.0	(0.4)
Capital contribution in invested companies	0.0	0.0
Acquisition of investments	(105.3)	0.0
Net cash generated (consumed) by investing activities	**(132.1)**	**(13.8)**
FINANCING CASH FLOW		
Draw down of loans - short term	41.5	19.3
Payment of loans and interests	(63.5)	(84.0)
Capital increase - short term	74.4	10.2
Capital increase	0.0	0.0
Mutuos lent by controlled companies	(1.6)	(19.7)
Payment of dividends	(2.6)	0.0
Other	2.7	0.0
Net cash generated (consumed) by financing activities	**50.9**	**(74.2)**
FX VARIATION ON CASH AND EQUIVALENTS	0.0	(10.9)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**(97.3)**	**(19.0)**
CASH AND EQUIVALENTS		
Final balance	116.1	178.1
Initial balance	213.3	197.1
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	**(97.3)**	**(19.0)**