

Performance regarding to the nine-month period ended in September and the third quarter of 2011 of MAHLE Metal Leve S.A.



Mogi Guaçu (State of SP), November 9, 2011 - MAHLE Metal Leve S.A. (BM&FBOVESPA: LEVE3), a leading manufacturer of engine components in Brazil, announces today its results for the third quarter and nine-month period ended in September of 2011. The Company's operating and financial information, except where otherwise indicated, is presented on a consolidated basis in BRL, according to Brazilian Corporation Law.

Performance

MAHLE Metal Leve S.A. reports net sales revenue of R\$1,709.7 million for the nine-month period ended in September of 2011, **and EBITDA of R\$328.5 million.**

Net Sales Revenue amounted to **R\$1,709.7 million**, up 28.9% from the nine-month period ended September 2010 (R\$1,326.8 million), which a significant impact comprises the acquisition of MAHLE Participações.

EBITDA amounted to **R\$328.5 million**, up 61.1% from the nine-month period ended in September of 2010 (R\$203.9 million), representing an **EBITDA margin of 19.2%**, up 3.8 percentage points from the nine-month period ended in September of 2010. Desconsidering the positive effect, non-recurring, EBITDA would have been R\$ 315.9 million, and EBITDA margin, 18.5%.

Net Income was **R\$171.9 million**, up 165.3% from the nine-month period ended in September of 2010. Desconsidering the positive effects, non-recurring, net income would have been R\$ 154.1 million.

3Q11	
Share Price (11/08/2011)	
LEVE3	
R\$/share	41.99
US\$/share	24.06
Shares Outstanding	
(11/08/2011)	
Total Shares	42,769,500
Free Float	27.80%
Market Capitalization (11/08/2011)	
R\$ 1,811 billion	
US\$ 1,016 billion	
Shareholder benefit	
(2011)	
R\$ 0,97 per ordinary share (gross amount)	
Indicators (Sep/11)	
Book Value	34.03
Price/Book Value	18.70
Investor Relations	
Heiko Pott	
heiko.pott@br.mahle.com	
João Antônio Passos Carvalho	
joao.carvalho@br.mahle.com	
Tel.:	(55-11) 3787-3520
Fax.:	(55-11) 3787-3524
relacoes.investidores@br.mahle.com	
http://ri.mahle.com.br	

The Conference Call for disclose the 3Q 2011 Results will occur tomorrow, November 10, 2011, at 2:30 p.m. BR time (11:30 a.m. NY) Please access IR website - <http://ir.mahle.com.br>.

Management report for the nine-month period ended in September and the third quarter of 2011

1	Macroeconomic scenario	3
1.1	Evolution of the Brazilian automotive industry	4
1.2	Evolution of the Argentinean automotive industry	7
2	Excellence and Technological Innovation	8
3	Economic and financial performance of the Company	8
3.1	Net sales revenue.....	9
3.2	Summary of statements of income (after aforementioned revision of accounting criteria)	12
3.3	Pro forma financial information.....	14
3.4	Financial management.....	15
3.5	Net income	16
3.6	Capital Expenditures	16
4	Investor Relations and Capital Market.....	16
5	Awards and Highlights	18
6	Human Resources.....	18
7	Outlook.....	19

1 Macroeconomic scenario

The third quarter of 2011 had moderate domestic demand expansion and the Brazilian economic activity maintained its pace driven by the labor market force, which had historically low unemployment rates, and income growth of population.

In the beginning of September this year, the GDP increased by 0.8% in the second quarter of 2011 compared to the first quarter, totaling R\$ 1.02 trillion, and by 3.1% compared to the same quarter of last year - according to the Brazilian Institute of Geography and Statistics - IBGE.

From January to September this year, the Brazilian trade balance reported a surplus of US\$ 23.0 billion (US\$ 12.7 billion for the same period of the prior year) - according to the Ministry of Development, Industry and Foreign Trade - MDIC. Exports totaled US\$ 190.0 billion, an increase of 30.4% compared to the same period of 2010. Imports totaled US\$ 167.0 billion, an increase of 25.6% compared to the same period of last year.

In the end of August, the Brazilian Monetary Policy Committee (COPOM) decided to reduce the basic interest rate (SELIC) to 12.00% per year without bias. The Committee evaluated that the complexity surrounding the international environment contributed to intensify and accelerate the ongoing process of moderation of domestic activity, and also that this process favored the control over inflationary pressure.

The US dollar was priced at R\$ 1.85/US\$ at the end of the third quarter of 2011 (R\$ 1.56/US\$ at the end of the second quarter, and R\$ 1.63/US\$ at the end of the first quarter) - according to the Brazilian Central Bank - BACEN. In August, the US dollar and Euro started a trend of appreciation against the Brazilian Real, which continued in September and stabilized in October, recording a period of volatility relating to the uncertainties of the global economy and monetary policy adjustments in Brazil with the decrease in interest rates. Below are the average exchange rate variations for the US dollar and Euro for the quarters of the current year.

Average exchange rate variations for the USD (US\$) and EUR (€)				
Currency		3Q	2Q	1Q
R\$/US\$	2011	1.63	1.60	1.67
	2010	1.75	1.79	1.80
R\$/€	2011	2.31	2.30	2.28
	2010	2.26	2.28	2.50

Source: BACEN.

The global economy faces a period of high uncertainty. The risks for the global financial stability increased due to, among other things, the tax issue and possible exposure of international banks to sovereign debt, mainly in the Eurozone. The uncertainties further increased due to the dilemma over raising the debt ceiling in the United States of America and the subsequent reduction of the sovereign debt risk rating, in addition to the economic activity in major developed economies showing clear signs of deceleration.

1.1 Evolution of the Brazilian automotive industry

Despite showing positive result throughout 2011, the vehicle production and sales pace is slowing down, converging to the projections of the Brazilian Association of Motor Vehicle Manufacturers (Anfavea) announced at the beginning of the year.

Aiming to protect the Brazilian industry, the federal government announced in early August a plan for the new industrial policy in Brazil – “Plano Brasil Maior” establishing the Brazilian industrial, technological service and foreign trade policy for the period between 2011 and 2014. The plan is focused on stimulating innovation and domestic production to boost the competitiveness of the Brazilian industry. The measures cover the areas of foreign trade, industry defense and internal market as well as incentives for investment and innovation. The government extended for an additional 12 months the IPI (federal VAT) tax reduction to capital goods, construction materials, trucks and light commercial vehicles, as well as the Investment Support Program (PSI), which included new sectors and programs, such as parts and components and hybrid buses, in addition to a credit line for production innovation. Incentives that would expire on December 31 of this year will apply until the end of 2012. “Plano Brasil Maior” also established companies' right to recover up to 3% of revenue from exports under Reintegra (a special tax recovery regime for exporting companies). This regime will benefit exporting companies in the next year, although the program details are still under discussion.

Additionally, in order to prevent the growth of imported vehicle sales, on September 15 of this year the federal government issued a decree increasing by 30 percentage points the IPI rate for vehicles that do not have 65% domestic content, affecting mainly vehicles imported from Asian countries, such as China and South Korea, with which Brazil does not have Automotive Trade Agreement. Previously, this measure would enter into effect on the date of its announcement; however, the Federal Supreme Court (STF) has recently decided that this increase will be valid as from December 16, 2011.

According to the Program for Control of Air Pollution by Auto Vehicles - Proconve (P), introduced by the Brazilian Environmental Protection Agency (IBAMA), motor trucks under P7 emission legislation (equivalent to Euro 5) are from 8% to 15% more expensive than P5 motor trucks (Euro 3), there will be anticipation of purchases of current models which sales in Brazil shall be prohibited as from January 1st, 2012. P5 Vehicles billed to the dealer network may have their plates licensed by the end of March of next year.

The stock of vehicles at automakers' and dealers' yards increased in recent months, reaching at the end of September a period of 36 days. This stock increase was necessary to support the expansion of the sector. Previously, this period represented a high stock level, but currently the sector has a greater number of brands and dealers, and a notably higher number of models available in the market. This situation is far from that in the beginning of 2009, during the global financial crisis, when stocks reached 60 days. Aiming to halt the expansion in the vehicle stock volume, several automakers have adopted the granting of collective vacations and suspension of overtime.

Due to BACEN requirements on long-term vehicle financing with a greater down payment amount, the participation of the C and D classes in the purchase of brand new vehicles decreased.

The table below describes the domestic and imported vehicle sales in the domestic market over the third quarter and the nine-month period ended in September of 2011.

Total vehicle sales (locally-manufactured and imported) to the domestic market						
In thousand units						
Segment	3Q11	3Q10	Var.	Accum. period until Sep 2011	Accum. period until Sep 2010	Var.
Light vehicles (automobiles and light commercials)	889.5	873.2	1.9%	2,527.6	2,368.7	6.7%
Trucks	47.0	41.2	14.1%	129.9	112.1	15.9%
Buses	9.0	7.8	15.4%	25.2	21.0	20.0%
Total automotive vehicles	945.5	922.2	2.5%	2,682.7	2,501.8	7.2%

Source: Anfavea.

Total sales for the third quarter of 2011 represented an increase of 3.7% compared to the previous quarter. After the record sales achieved in July and August, September showed a slowdown, causing a significant drop in vehicle production. This fact has caused collective vacation granted by certain automakers and suspension of overtime, both to adjust the stocks.

From January to September 2011, sales totaled 2,682.7 thousand units, an increase of 7.2% compared to the same period of the prior year. Out of this total, 2,072.6 thousand units refer to domestic vehicles, an increase of 1.1%, and 610.1 thousand units refer to imported vehicles, a growth of 35.1%.

The reduction in the expansion of light vehicles sales for the third quarter in relation to the nine-month period of this year is due to the tightening in credit approval resulting from rising default and the BACEN requirement of greater down payment amount for long-term financing, among other factors.

The sales performance for the truck segment remains high. The increase in sales performance is associated with favorable economic conditions, record harvest, the Investment Support Program (PSI), as well as conditions still favorable in relation to commercial vehicle prices, which will increase with the change in emission legislation, as previously mentioned.

The bus segment remains sales increased, with high sales pace.

Assembled vehicle exports

The assembled vehicle exports increased both in the third quarter and the nine-month period ended in September. Vehicle exports are largely concentrated in light vehicles (cars and commercial vehicles), which represent 93.2% of total exports of assembled vehicles. The truck segment, although representing 5% of sales, increased by 26.6% in the nine-month period of the current year.

Export of assembled vehicles						
In thousand units						
Segment	3Q11	3Q10	Var.	Accum. period until Sep 2011	Accum. period until Sep 2010	Var.
Light vehicles (automobiles and light commercials)	126.8	118.1	7.4%	360.5	347.7	3.7%
Trucks	6.9	6.4	7.8%	19.5	15.4	26.6%
Buses	2.3	2.5	-8.0%	6.0	6.6	-9.1%
Total automotive vehicles	136.0	127.0	7.1%	386.0	369.7	4.4%

Source: Anfavea.

The revenue from exports totaled US\$ 11.3 billion, representing an increase of 23% in the nine-month period ended in September of 2011 compared to the same period of the previous year. Despite the positive result, exports to major markets in Latin America continue with low sales volume due to the uncertainties of the international scenario.

Vehicle imports

The vehicle imports in the third quarter of 2011 totaled 220.1 thousand units, representing an increase of 5.8% compared to the immediately preceding quarter. The light vehicle segment represents 99.5% of the total imported vehicles (light vehicles, trucks and buses).

Vehicles imports						
In thousand units						
Import	3Q11	3Q10	Var.	Accum. period until Sep 2011	Accum. period until Sep 2010	Var.
Light vehicles (automobiles and light commercials)	220.1	169.1	30.2%	610.1	451.7	35.1%
% share of imports to total sales to domestic market	23.3%	18.3%		22.7%	18.1%	

Source: Anfavea.

Brazilian automotive trade balance

The automotive trade balance closed the nine-month period ended in September of 2011 with a deficit of 224.1 thousand units (82.0 thousand units in the same period of 2010).

Vehicle production

The main positive impact on vehicle production comes from the heavy-duty vehicle segment, which showed a significant growth in domestic sales.

After record productions in July and August, in September there was a significant drop (19.7% compared to the previous month, and 6.2% compared to the same month of 2010), mainly in the light vehicle segment due to adjustment of stocks at the automakers' and dealers' yards, as well as the high activity for the purchase of imported vehicles.

Production of assembled vehicles by segment						
In thousand units						
Segment	3Q11	3Q10	Var.	Accum. period until Sep 2011	Accum. period until Sep 2010	Var.
Light vehicles (automobiles and light commercials)	821.6	814.4	0.9%	2,410.5	2,348.6	2.6%
Trucks	59.6	52.3	14.0%	159.0	140.9	12.8%
Buses	12.5	10.8	15.7%	34.6	32.0	8.1%
Total automotive vehicles	893.7	877.5	1.8%	2,604.1	2,521.5	3.3%

Source: Anfavea.

Sales and production of agricultural machines

The sales and production of agricultural machinery to domestic market totaled 50.0 thousand and 62.1 thousand units, respectively, a fall of 7.4% and 10.2%, respectively, in the January-September period of 2011 compared to the same period of the previous year (54.0 thousand and 69.2 thousand units). This decrease results from the reduction of the effects of the official family farming stimulation policy, such as the “Mais Alimentos” program. In exports, the scenario improves a little, with an increase of 4% in relation to the January-September period of 2010.

1.2 Evolution of the Argentinean automotive industry

The sales and production for domestic and export markets in the Argentinean automotive industry remains in growth at a fast rate according to Adefa, Argentinean Automakers Association. As Argentina imports from Brazil much of the internal combustion engines, engine components manufacturers in Brazil also benefit from this growth.

The Minister of Environment and Sustainable Development of Argentina has postponed by one year the entering into effect of emission standards for Euro 4 and Euro 5 heavy-duty vehicles. The models sold will continue adopting the Euro 3 standard, which sales in Brazil shall be prohibited as from January 1st, 2012. For heavy-duty vehicles, the Argentinean government set 2013 as the year for the Euro 4 standards to enter into effect, and 2015 for the Euro 5 to enter into effect.

Sales and production						
In thousand units						
Segment	3Q11	3Q10	Var.	Accum. period until Sep 2011	Accum. period until Sep 2010	Var.
Sales to domestic market	236.7	179.1	32.2%	642.1	497.7	29.0%
Sales to export market	145.6	129.6	12.3%	387.8	317.1	22.3%
Vehicle production	235.3	202.7	16.1%	627.6	509.2	23.3%

Source: Adefa.

Out of the total exports from January to September of 2011, more than 80% were sold to Brazil (before the global financial crisis, exports to Brazil accounted for about 70%).

2 Excellence and Technological Innovation

The Company's tech center located in the city of Jundiaí, State of São Paulo, keeps playing its role of conquering and expanding its technological advantage against competitors. The launch of two new products in recent months for the segments of metal components and engine systems prove this condition.

The evolution of bi-fuel ("flex fuel") engines generates more power and causes high temperatures into the combustion chamber leading to over demand of piston rings, which, coupled with low lubricity of ethanol, results in premature wear of these components. To resolve this trouble, the Company developed and patented in Brazil a special nitrified cover called "GNS Flex" for flex fuel engines. The opportunities of this product will ensure the Company significant share in this segment.

Aiming to comply with the mandatory reduction of carbon dioxide ("CO₂") emission in Europe, the second launch refers to a piston ring with controlled consumption of lubricant oil called "X-Taper". With this product, the Company has obtained contracts with two major automakers, and currently performs tests for other three clients.

In the flex fuel filters segment, the Company's absolute leadership in this technology was recognized during the SAE Brazil Conference, with the award of best Brazilian working paper.

In addition to the launches of new products and the recognition of the technology, another important factor should be highlighted. Virtually almost all new automakers that are coming to Brazil have visited the facilities of the Company's tech center for the development and nationalization of their components.

3 Economic and financial performance of the Company

In the third quarter, the active domestic market reflected positively in the automotive sector and contributed to maintain the sales volume and performance of the Company. In the export market, even facing macroeconomic and foreign exchange conditions, the Company grew both in terms of sales volume and revenue in the markets where it operates.

This performance is due in part to sales of products from MAHLE Participações Ltda. (piston rings unit) acquired in November of 2010, which has reflected positively in the main financial and economic indicators of the Company.

The statements of income for the nine-month period ended in September of 2011 comprise the operating activities of the acquired company MAHLE Participações Ltda.

Revision of accounting criteria

Aiming to improve clarity and provide better information to the investors, as well as use the most appropriate accounting criteria, as from the third quarter 2011 the Company changed two accounting criteria:

- Profit Sharing (PLR) and performance-based bonus paid to all Company's employees were previously accounted for as General and Administrative Expenses, but after the accounting criteria revision they are diluted in the respective accounts of Cost of Goods Sold, Selling Expenses, General and Administrative Expenses and Technology and

Product Development Expenses. For comparison purposes, the criterion has also been changed in relation to the same period of the previous year.

- Deemed cost was previously accounted for as Other Operating Income (Expenses) and after the accounting criteria revision was accounted for a “Cost of Goods Sold”. For comparison purposes, the criterion has also been changed in relation to the same period of the previous year.

For better understanding such reclassifications, the tables below describe the comparison periods relating to the nine-month periods ended in September of 2011 and 2010.

Revision of accounting criteria - Accum. period until Sep 2011				
Account	R\$ million			
	Before accounting reclassifications	Reclassification Profit Sharing	Reclassification Demeed Cost	After accounting reclassifications
Cost of goods sold	(1,192.0)	(36.4)	(38.2)	(1,266.6)
Selling expenses	(107.6)	(2.9)	-	(110.5)
General and administrative expenses	(104.9)	41.5	-	(63.4)
Tech and product development expenses	(51.6)	(2.0)	-	(53.6)
Other operating expenses/deemed cost	(22.5)	-	38.2	15.7

Revision of accounting criteria - Accum. period until Sep 2010				
Account	R\$ million			
	Before accounting reclassifications	Reclassification Profit Sharing	Reclassification Demeed Cost	After accounting reclassifications
Cost of goods sold	(975.1)	(17.0)	(33.8)	(1,025.9)
Selling expenses	(87.9)	(1.7)	-	(89.6)
General and administrative expenses	(66.4)	19.8	-	(46.6)
Tech and product development expenses	(32.5)	(1.2)	-	(33.7)
Other operating expenses/deemed cost	(51.7)	-	33.8	(17.9)

3.1 Net Sales Revenue

The table below shows the performance and the variations in sales in the markets in which the Company operates - original equipment and aftermarket, in the domestic and export market in the third quarter as well as the nine-month period ended in September of 2011 compared to the same periods of the prior year.

Performance of the net sales revenue by segment								R\$ million
3rd quarter	3Q11	% Share by market	3Q10	% Share by market	%	MAHLE Par 3Q11	Adjusted consol. Revenue w/o MAHLE Par 3Q11	%
	(a)		(b)		(a/b)	(c)	d=(a-c)	(d/b)
Domestic market								
.Original equipment	238.6	39.4%	203.0	42.0%	17.5%	28.2	210.4	3.6%
.Aftermarket	142.1	23.4%	125.2	25.9%	13.5%	9.1	133.0	6.2%
Total	380.7	62.8%	328.2	67.9%	16.0%	37.3	343.4	4.6%
Export market								
.Original equipment	192.0	31.7%	136.2	28.2%	41.0%	35.9	156.1	14.6%
.Aftermarket	33.5	5.5%	18.7	3.9%	79.1%	12.0	21.5	15.0%
Total	225.5	37.2%	154.9	32.1%	45.6%	47.9	177.6	14.7%
TOTAL	606.2	100.0%	483.1	100.0%	25.5%	85.2	521.0	7.8%

Performance of the net sales revenue by segment								R\$ million	
Accum. period until Sep 2011	Accum. period until Sep 2011	% Share by market	Accum. period until Sep 2010	% Share by market	%	MAHLE Par Accum. period until Sep 2011	Adjusted consol. Revenue w/o MAHLE Par Accum. Period until Sep 2011	%	
	(a)		(b)		(a/b)	(c)	d=(a-c)	(d/b)	
Domestic market									
.Original equipment	680.5	39.8%	570.5	43.0%	19.3%	75.7	604.8	6.0%	
.Aftermarket	402.2	23.5%	335.4	25.3%	19.9%	44.8	357.4	6.6%	
Total	1,082.7	63.3%	905.9	68.3%	19.5%	120.5	962.2	6.2%	
Export market									
.Original equipment	544.6	31.9%	371.8	28.0%	46.5%	89.2	455.4	22.5%	
.Aftermarket	82.4	4.8%	49.1	3.7%	67.8%	31.3	51.1	4.1%	
Total	627.0	36.7%	420.9	31.7%	49.0%	120.5	506.5	20.3%	
TOTAL	1,709.7	100.0%	1,326.8	100.0%	28.9%	241.0	1,468.7	10.7%	

In the third quarter of 2011 net sales revenue was R\$ 606.2 million, representing an increase of 6.5% compared to the immediately preceding quarter.

Sales to domestic market - Original Equipment

Sales to original equipment market in the third quarter grew by 3.6% over the second quarter of this year. As shown in the table above, this increase in sales was due to the greater demand in the automotive industry, especially in July and August, and also in the heavy-duty vehicles, trucks and buses segments, despite collective vacations given by various automakers in September to adjust stocks of vehicle levels.

Sales to domestic market - Aftermarket

The increase in sales to this market was due to the strong domestic market, heavy-duty transportation-related activities, and a reduction in the availability of credit, which has led to an increasing demand for used vehicles, principally trucks, thus requiring more maintenance services. As shown in the table above, sales to the domestic aftermarket in the third quarter grew by 13.5% over the same period of the prior year and by 7.5% over the immediately preceding quarter. This smaller increase was due to a decrease in sales to the aftermarket in Argentina, as a result of the end of the automatic import licenses.

Sales to export market – Original Equipment

The original equipment sales to export market were R\$ 192.0 million in the third quarter, up 4.1% from the immediately preceding quarter, desconsidering the acquisition of MAHLE Participações. This increase was due to the gradual upturn in supply to the automotive industry in the markets in which the Company operates, especially in the United States of America, as well as price revisions in supply contracts.

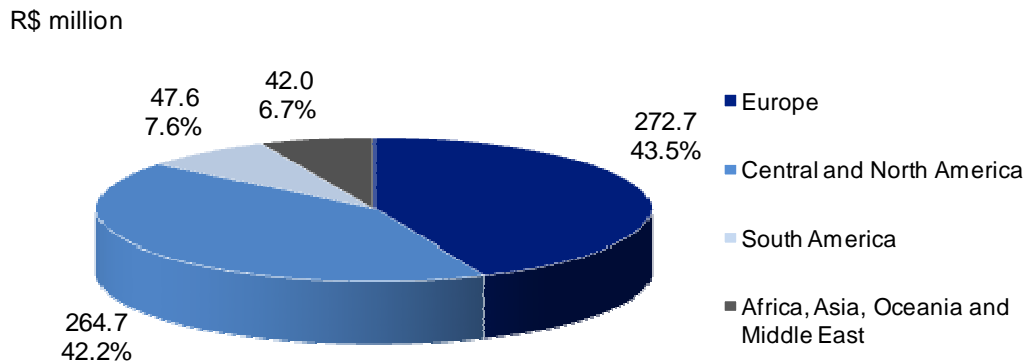
Sales to export market – Aftermarket

With the integration of the piston rings business of MAHLE Participações into the Company, the share of the sales volume in this market has increased because piston rings segment's sales to export market are significant. As shown in the table above, excluding ring segment's sales in the nine-month period ended in September of 2011, the increase in sales when compared to the

same period of the prior year would have been 4.1%. This smaller increase in sales was due to the effect of foreign exchange rates and loss of competitiveness in such market.

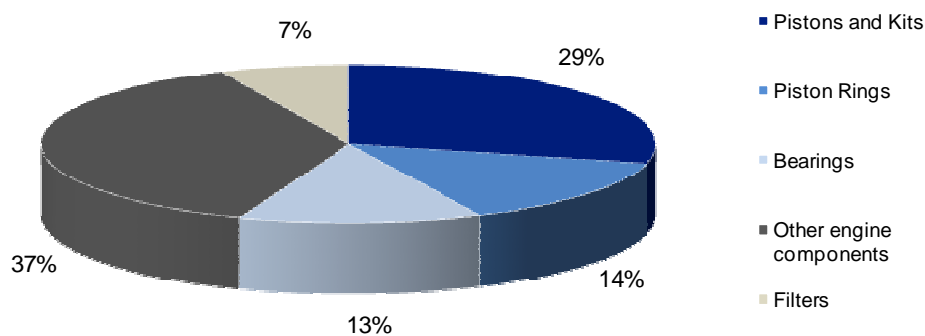
Consolidated exports by region

The consolidated exports in the period from January to September of 2011 were R\$ 627.0 million (R\$ 420.9 million in the same period of the prior year) and are distributed by region as shown in the graph below.



Net sales revenue by product

The consolidated net sales revenue in the period from January to September of 2011 was R\$ 1,709.7 million (R\$ 1,326.8 million in the same period of 2010) and is distributed by product as shown in the graph below.



3.2 Summary of statements of income (after aforementioned revision of accounting criteria):

R\$ million						
3rd Quarter	3Q11	3Q10	%	MAHLE Par 3Q11 (*)	Adjusted consol. Revenue w/o MAHLE Par 3Q11	%
Operational Performance	(a)	(b)	(a/b)	(c)	d=(a-c) (*)	d/b
Net sales revenue	606.2	483.1	25.5%	120.7	521.0	7.8%
Cost of goods sold	(436.0)	(361.2)	20.7%	(94.3)	(377.2)	4.4%
Gross profit	170.2	121.9	39.7%	26.4	143.8	18.0%
Selling expenses	(39.6)	(33.6)	17.6%			
General and administrative expenses	(20.1)	(16.0)	25.9%			
Tech and product development expenses	(19.5)	(12.1)	61.7%			
Other operating income and expenses	10.3	(10.8)	-195.0%			
Financial income (expenses), net	15.1	(0.1)	-			
Operating income	116.3	49.3	136.2%			
Net income	92.4	31.2	196.2%			
EBITDA	141.2	79.6	77.4%	21.9	119.3	49.9%
Margins:			(a-b)			(b-d)
Gross margin	28.1%	25.2%	2.9 p.p.	21.9%	27.6%	2.4 p.p.
Operating margin	19.2%	10.2%	9.0 p.p.			
Net margin	15.2%	6.5%	8.7 p.p.			
EBITDA margin	23.3%	16.5%	6.8 p.p.	18.1%	22.9%	6.4 p.p.

(*) The commercial transactions between MAHLE Participações and the Company's aftermarket unit, which until October 2010 were recognized in the income statement of MAHLE Participações as sales revenue, are, since acquisition, being recognized as transfers. Please note that this recognition in the calculation of EBITDA represents R\$ 35.7 million and has no accounting effect on the determination of the consolidated income.

R\$ million						
Accum. period until Sep 2011	Accum. period until Sep 2011	Accum. period until Sep 2010	%	MAHLE Par Accum. period until Sep 2011 (*)	Adjusted consol. Revenue w/o MAHLE Par Accum. period until Sep 2011	%
Operational Performance	(a)	(b)	(a/b)	(c)	d=(a-c) (*)	d/b
Net sales revenue	1,709.7	1,326.8	28.9%	348.0	1,468.7	10.7%
Cost of goods sold	(1,266.6)	(1,025.9)	23.5%	(247.2)	(1,126.5)	9.8%
Gross profit	443.0	300.9	47.2%	100.8	342.2	13.7%
Selling expenses	(110.5)	(89.6)	23.4%			
General and administrative expenses	(63.4)	(46.6)	36.0%			
Tech and product development expenses	(53.6)	(33.7)	59.3%			
Other operating income and expenses	15.7	(17.9)	-187.3%			
Financial income (expenses), net	7.6	(12.1)	-163.2%			
Operating income	238.8	101.0	136.4%			
Net income	171.9	64.8	165.3%			
EBITDA	328.5	203.9	61.1%	70.4	258.1	26.6%
Margins:			(a-b)			(b-d)
Gross margin	25.9%	22.7%	3.2 p.p.	29.0%	23.3%	0.6 p.p.
Operating margin	14.0%	7.6%	6.4 p.p.			
Net margin	10.1%	4.9%	5.2 p.p.			
EBITDA margin	19.2%	15.4%	3.8 p.p.	20.2%	17.6%	2.2 p.p.

(*) The commercial transactions between MAHLE Participações and the Company's aftermarket unit, which until October 2010 were recognized in the income statement of MAHLE Participações as sales revenue, are, since acquisition, being recognized as transfers. Please note that this recognition in the calculation of EBITDA represents R\$ 107.0 million and has no accounting effect on the determination of the consolidated income.

Gross profit and gross margin

The improvement of 3.2 percentage points in the gross margin in the nine-month period ended in September of 2011 was mainly due to the acquisition of MAHLE Participações (piston rings unit) that has contributed 2.6 percentage points, in addition to other factors such as: performance of the domestic and export markets, which resulted in an increase in sales; price revisions in original equipment export contracts; as well as the continuing control over costs. These factors also contributed for the good performance of this third quarter.

Selling, and general and administrative expenses

Selling expenses totaled R\$ 110.5 million in the nine-month period ended in September of 2011, representing 6.5% of the net sales revenue, and the ratio of selling expenses over net sales remained virtually steady throughout the year. This ratio when compared to the same period of the prior year fell 0.3 percentage points as a result of the increase in sales, coupled with a decrease in special freight transportation. In the third quarter the selling expenses to sales ratio was 6.5% (7.0% in the same quarter of the prior year).

The general and administrative expenses totaled R\$ 63.4 million in the nine-month period ended in September of 2011, representing 3.7% of the net sales revenue. The ratio of general and administrative expenses to net revenue has improved in the third quarter, when these expenses represented 3.3% of the net revenue. The decrease reflects a greater volume of sales and certain cost adjustments.

Technology and product development expenses

In the three quarters of 2011 these expenses remained unchanged at about 3% of the net sales revenue (2.5% in the nine-month period ended September 2010). The increase was due to more expenditure in technology research and the acquisition of MAHLE Participações (piston rings unit) with a greater amount of product development expenses.

Other operating income (expenses), net

The positive result in the third quarter of 2011 of the account “other operating income (expenses)” net, in the amount of R\$ 10.3 million, recorded non-recurring gains and reversals of labor and tax lawsuits amounting to R\$ 12.5 million.

Operating income measured by EBITDA

The improvement of 3.8 percentage points in the EBITDA margin in the nine-month period ended in September of 2011 was mainly due to the acquisition of MAHLE Participações (piston rings unit) that has contributed 1.6 percentage points, in addition to other factors such as: increase in sales; and increase in prices in original equipment export contracts.

Desconsidering the non-recurring effect, EBITDA margin in the nine-month period ended in September of 2011 would have been smaller in 0.7 p.p., resulting in an EBITDA margin of 18.5%, and in the third quarter this year EBITDA margin would have been 21.2%. Such margin in this third quarter is due to a greater sales volume.

3.3 Pro forma financial information

For a better understanding of the results, considering the acquisition of MAHLE Participações (piston rings unit) which occurred in November 2010, we present below unaudited pro forma financial information for the periods considered.

R\$ million			
3rd Quarter	3Q11	3Q10 MML + MBR Pro-forma	%
Operating Performance	(a)	(b)	(a/b)
Net sales revenue	606.2	553.2	9.6%
Cost of goods sold	(436.0)	(399.0)	9.3%
Gross profit	170.2	154.2	10.3%
Selling expenses	(39.6)	(39.8)	-0.6%
General and administrative expenses	(20.1)	(20.8)	-3.2%
Tech and product development expenses	(19.5)	(17.8)	9.6%
Other operating income (expenses)	10.3	(10.6)	-196.8%
Financial income (expenses), net	15.1	2.6	475.5%
Operating profit	116.3	67.8	71.5%
Net income	92.4	41.1	125.0%
EBITDA	141.2	102.0	38.4%
Margins			(a-b)
Gross margin	28.1%	27.9%	0.2 p.p.
Operating margin	19.2%	12.3%	
Net Martin	15.2%	7.4%	
EBITDA margin	23.3%	18.4%	4.9 p.p.

R\$ million			
Accum. period until Sep 2011	Accum. period until Sep 2011	Accum. period until Sep 2010 MML + MBR Pro-forma	%
Operating Performance	(a)	(b)	(a/b)
Net sales revenue	1,709.7	1,521.5	12.4%
Cost of goods sold	(1,266.6)	(1,126.7)	12.4%
Gross profit	443.0	394.8	12.2%
Selling expenses	(110.5)	(106.2)	4.1%
General and administrative expenses	(63.4)	(61.7)	2.7%
Tech and product development expenses	(53.6)	(51.9)	3.4%
Other operating income (expenses)	15.7	(19.6)	-179.7%
Financial income (expenses), net	7.6	(4.9)	-254.2%
Operating profit	238.8	150.4	58.8%
Net income	171.9	95.2	80.6%
EBITDA	328.5	266.7	23.2%
Margins			(a-b)
Gross margin	25.9%	25.9%	0 p.p.
Operating margin	14.0%	9.9%	
Net Martin	10.1%	6.3%	
EBITDA margin	19.2%	17.5%	1.7 p.p.

3.4 Financial management

Net financial income (expenses)

The net financial income of R\$ 7.6 million in the nine-month period ended in September of 2011 was mainly due to the net exchange variation derived from the positive exchange variation on assets at the end of September, offset in part by the negative results of the hedge financial instruments. The positive variation of R\$ 19.7 million in the nine-month period ended in September of 2011 compared to the same period of the prior year was due to the acquisition of MAHLE Participações that increased cash investments; an improvement in net interest income, observing that 96.8% of the Company's debt is in domestic currency; monetary adjustment of labor and tax lawsuits and respective escrow deposits, non-recurring, at the amount of R\$ 14.4 million; as well as the net cash generated by the Company in the period.

Net financial result			R\$ million
	Accum. period until Sep 2011	Accum. period until Sep 2010	Var.
Interests, net	(1.3)	(11.4)	10.1
Adjustment for inflation, net	(0.8)	(8.3)	7.5
Exchange rate variation, net	10.9	8.0	2.9
Result with derivatives	-	0.4	(0.4)
Other	(1.2)	(0.8)	(0.4)
Financial income (expenses), net	7.6	(12.1)	19.7

Indebtedness

The consolidated net indebtedness as of September 30, 2011 decreased by R\$ 143.4 million compared to December 31, 2010. This improvement was mainly due to the net cash generated by the Company, which afforded a substantial increase in cash investment level. The increase in short-term financing was due to the beginning of amortization in September of the BNDES-Exim (export-import financing) programs.

Net indebtedness			R\$ million
Liabilities	09.30.2011	12.31.2010	
Financings:	763.2	637.6	
.short term	457.6	168.6	
.long term	305.6	469.0	
Assets:			
Cash / banks / cash investments	(584.8)	(315.8)	
Net indebtedness	178.4	321.8	

3.5 Net income

The net income for the nine-month period ended in September of 2011 was R\$ 171.9 million (R\$ 64.8 million in the same period of the prior year) and the net margin was 10.1%, desconsidering non-recurring effects net margin would have been 9.0%.

This improvement in the net income compared to the margin recorded in the same period of 2010 can be attributed, among other factors, to the operating activities of MAHLE Participações Ltda., a better operating performance, as well as the net financial result, as discussed in the section Financial Management.

Please note that the basis of calculation for dividend or interest on equity distribution for the nine-month period ended in September of 2011, excluding depreciation of deemed cost net of deferred taxes, in the amount of R\$ 23.6 million, and statutory reserve of R\$ 8.6 million, results in the amount of approximately R\$ 186.1 million.

3.6 Capital Expenditures

The capital expenditure budget approved in fiscal 2011 for MAHLE Metal Leve S.A. (parent company) amounts to R\$ 106.1 million and will be channeled into: new products and processes; production streamlining; machinery and equipment; quality; construction and information technology; intangibles and other. Consolidated capital expenditures made in the nine-month period ended in September of 2011 totaled R\$ 62.9 million.

4 Investor Relations and Capital Market

Investor Relations

As part of the investor relations improvement program, the Company held on August 16, 2011 its first conference call to announce the Second Quarter of 2011 Results.

The Company held on August 19, 2011 its annual meeting with analysts from APIMEC-SP (Sao Paulo Association of Capital Markets Professionals) to announce the Second Quarter of 2011 Results.

From September 7 to 9, 2011, the Company participated in New York in the 10th Annual Global Emerging Markets – One-on-One Conference, Latin America edition, promoted by Deutsche Bank.

Distribution of benefits (interest on equity) to shareholders

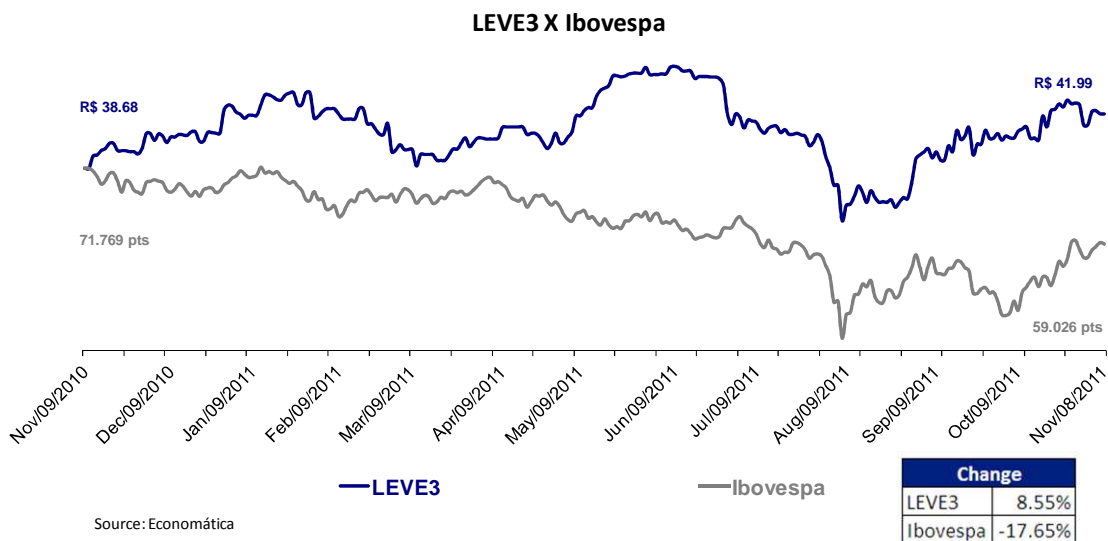
At the Board of Directors' Meeting held on August 12, 2011, the Board approved the distribution of interest on equity as mandatory minimum dividends for fiscal 2011 in the amount of R\$ 41.7 million, equivalent to R\$ 0.97474739 per common share, with 15% withholding income tax, except for shareholders who have provided proof that they are exempt or immune from taxation, resulting in net interest of R\$ 0.82853528 per common share. Interest will be paid on December 15, 2011 based on record date as of August 15, 2011 ("ex-interest on equity" on August 16, 2011), pursuant to the Announcement to Shareholders of August 12, 2011.

Stock buyback program

With the objective to insure some safety to the small investor in times of market volatility without affecting the liquidity of investments with the Company's shares, at the Board of Directors' Meeting held on October 14, 2011 the Board approved a stock buyback program of up to 1,000,000 shares, representing 8.4% of the free float. The Company may buy-back its own stock at the market price for a period of 365 days, from the date of the meeting to October 11, 2012. This program will be made through the stock brokerage houses Itaú and Fator.

Stock performance

The Company's stock (LEVE3) in the twelve-month period (until November 8, 2011) appreciated by 9.84% whereas Brazil's Bovespa index depreciated by 22.9%. In the same period 4.2 million shares were traded through 5,112 trades on the spot market of BM&F Bovespa, recording an average daily trading volume of R\$841 thousand.

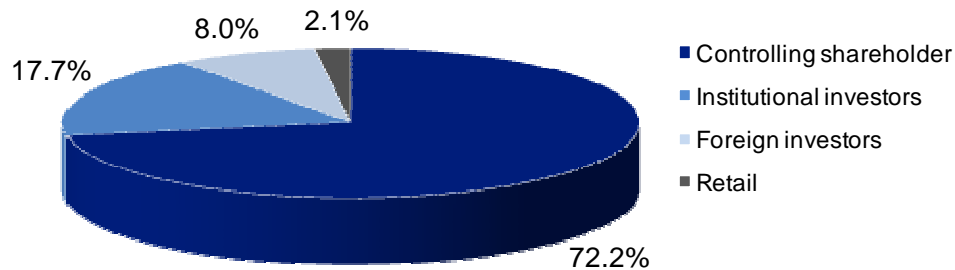


The table below shows the average daily trading volume and the ADTV turnover in relation to the free-float market capitalization for two periods: 12 months prior to listing on the *Novo Mercado* (NM) of BM&FBovespa on July 5, 2011, and period subsequent to the listing.

Average Daily Trading Volume (ADTV) and ADTV turnover to Free-Float Mkt Cap		
Period	Trading Volume (R\$ million)	Turnover (%)
Before the adhesion to NM of BM&FBovespa	375	0.19%
After the adhesion to NM of BM&FBovespa	1,517	0.32%

Shareholders' profile

As of September 30, 2011, the shareholders' profile regarding to the number of Company's shares was as follows:



5 Awards and Highlights

The Company has received the following awards in the third quarter of 2011:

In June 2011, the Company was awarded with the REI 2011 – Recognition of Excellence and Innovation, sponsored by the *Automotive Business*, in the engineering services category. This award recognizes the performance and achievements of professionals, companies and entities of the automotive industry from various business segments.

In August, Volkswagen Brazil awarded 18 best suppliers in Brazil and Argentina in 2010. In the supplier award event, the Company was awarded with the “Applied Quality Development” for all products supplied. In addition, the Company was selected as one of the final nominees in the “Engineering – Environmental Responsibility” category. This award is of the utmost importance since it demonstrates the trust Volkswagen places in MAHLE products.

In September, the Company was awarded with the Inova 2011 – Company with the Best Performance on Engine Components. This award is the second edition of a study released every two years by the publishing house Novo Meio, prepared by retail auto parts professionals that assess the performance of brands, products and services in the auto parts sector.

6 Human Resources

The Company and its controlled companies, as well as its joint-venture subsidiaries, employed 11,740 employees as of September 30, 2011, representing an increase of 3.7% compared to 11,319 employees as of December 31, 2010.

7 Outlook

Macroeconomic scenario

The Brazilian economy is in pace of moderation in growth of production activities and continues to have favorable conditions, but it is not immune to an international financial crisis in view of the increased uncertainty about the international markets. According to the Brazilian Central Bank Focus Report as of October 21, GDP growth for 2011 is estimated at 3.30%.

As part of the process of adjusting the monetary policies, the Brazilian Monetary Policy Committee (COPOM) decided on October 19 to lower the basic interest rate (SELIC) to 11.50% per year, without bias. COPOM understands that to mitigate in a timely way the effects coming from a restrictive global environment, a moderate adjustment in the level of the basic rate of interest is consistent with the maintenance of the level of the economic activity and the scenario of the convergence of inflation to the target.

The global economy faces a period of increased uncertainty with weakened short- and medium-term growth prospects for developed countries and moderation in activities in emerging markets. The risks for the global financial stability increase due to expectations of an economic slowdown in NAFTA countries and EURO zone and such effects on the global economy. At present the deterioration of the international outlook is supposed to be more persistent than in 2008/2009, although a less dramatic, without considering extreme events.

Automotive industry

Based on annualized figures, in 2011 vehicle production is expected to grow by 1.1% and sales to domestic market to grow by 5% compared to the prior year, according to the estimates made by the Brazilian Association of Motor Vehicle Manufacturers (Anfavea) at the beginning of the year.

The truck sales will remain stable this year due to the purchases of the current models in advance of the changes in automotive emission legislation, as aforementioned. A decline in truck sales is expected at the beginning of the next year.

As previously mentioned, the compensation for the companies of up to 3% of the revenue from exports will benefit exporters in the next years, even considering that the program details are still under discussion.

The rise in IPI rate for imported cars and nationalization rate, which will become effective in December 2011, resulted in announcements of investments of up to US\$ 5 billion in construction of industrial plants in Brazil. Between 2011 and 2014 the automakers associated with Anfavea will make investments in the amount of US\$ 21 billion to produce in Brazil, nearly double the US\$ 11 billion spent in the immediately preceding period, between 2007 and 2010. Additionally, such measures will hold down imports of vehicles coming from countries not belonging to the Common Southern Market - Mercosur or with which Brazil has Automotive Trade Agreements.

In view of the existing stocks of vehicle level in October, new collective vacations of about three weeks are expected to be announced for the light vehicle segment, with impacts on the Company's sales from December 2011 to January 2012.

Company

In light of the foregoing scenario, the Company's Management expects stability in sales for the fourth quarter, with sales of components and parts for light vehicles segment trending down due to the collective vacations mandated by automakers, as already mentioned. In view of the existing stocks of vehicle level in October, new collective vacations are expected to be announced. However, Brazil is believed to have favorable business conditions despite unfavorable international developments, due to the continuation of large infrastructure projects for the next years and incentive measures that have been recently created to increase the rate of nationalization of locally produced vehicles.

BALANCE SHEETS (CONSOLIDATED)

(In thousands of BRL)	09.30.2011	12.31.2010
ASSETS	2,966,518	2,578,157
Current assets	1,405,684	996,691
Cash and cash equivalents	56,290	36,389
Financial investments	528,504	279,408
Trade accounts receivable	419,094	331,917
Inventories	342,676	278,566
Recoverable taxes	34,629	49,312
Other assets	24,491	21,099
Noncurrent assets	1,560,834	1,581,466
Deferred taxes	122,732	114,738
Accounts receivable from related parties	14,896	11,637
Other asses	12,001	10,772
Invesments in subsidiaries and subs. Joined	372	371
Property, plant and equipment	710,540	742,413
Intangible assets	700,293	701,535
LIABILITIES	2,966,518	2,578,157
Current liabilities	905,282	481,549
Salaries, accrual for vacation and social charges	117,560	83,231
Trade accounts payable	90,514	77,791
Obrigações fiscais	25,935	21,085
Financings	457,554	168,621
Other liabilities	152,595	66,717
Provisions	61,124	64,104
Non current liabilities	590,580	748,772
Financings	305,634	468,944
Other liabilities	19,326	15,352
Diferred taxes	135,566	108,409
Provisions	130,054	156,067
Consolidated sharehoder's equity	1,470,656	1,347,836
Stock capital	966,255	966,255
Income reserves	251,302	244,836
Lucros/prejuízos acumulados	142,756	-
Other comprehensive income	100,114	130,246
Accumulated conversion adjustments	(4,783)	(8,469)
Minority	15,012	14,968

INCOME STATEMENT (CONSOLIDATED)

(In thousands of BRL, except EPS)	Acum. period until Sep 2011	Acum. period until Sep 2010	Var.
Net sales revenue	1,709,659	1,326,770	28.9%
Cost of goods sold and services rendered	(1,266,636)	(1,025,890)	23.5%
Gross income	443,023	300,880	47.2%
Operating income (expenses)	(211,883)	(187,796)	12.8%
Selling expenses	(110,516)	(89,574)	23.4%
General and administrative expenses	(63,387)	(46,612)	36.0%
Other operating income	20,527	6,470	217.3%
Other operating expenses	(4,873)	(24,407)	-80.0%
Expenses with technology and products development	(53,634)	(33,673)	59.3%
Income before financial result, equity pick up and taxes	231,140	113,084	104.4%
Financial result	7,628	(12,079)	-163.2%
Income before income and social contribution taxes	238,768	101,005	136.4%
Income and social contribution taxes	(66,896)	(36,215)	84.7%
Current	(42,082)	(52,720)	-20.2%
Deferred	(24,814)	16,505	-250.3%
Net income for the period	171,872	64,790	165.3%
Controlling shareholders	171,004	63,532	169.2%
Minority	868	1,258	-31.0%
Basic and diluted earnings per share issued in BRL			
Ordinary shares	3.99822	1.96858	103.1%
Preferred shares	-	2.16544	-

STATEMENT OF CASH FLOW (CONSOLIDATED)

(In thousands of BRL)	09.30.2011	09.30.2010
Net cash flow from operating activities	240,571	198,733
Cash flow from operating activities	321,727	184,805
Net income for the period	171,004	63,532
Depreciation and amortization	97,114	90,913
Interests and exchange and monetary variations	34,841	31,210
Result on property, plant and equipment sold	(1,401)	(441)
Deferred income and social contribution taxes	24,816	(16,505)
Allowance for debtful accounts	(2,604)	2,439
Provision for contingencies and legal obligations	(27,157)	6,796
Provision for warranties	(2,620)	356
Other provisions	(360)	1,747
Provision for losses with property, plant and equip.	(382)	1,976
Losses with derivative financial instruments	28,064	44
Provision for losses on inventories	(456)	1,480
Non-Controlling Shareholders Interest	868	1,258
Decrease (increase) in assets	(81,156)	13,928
Trade accounts receivable	(68,083)	(53,900)
Accounts receivable from related parties	(18,791)	3,607
Inventories	(65,347)	(19,601)
Recoverable taxes	13,455	26,352
Other accounts receivable	(14,561)	(2,825)
Trade accounts payable	12,723	13,349
Salaries, accrual for vacation and soc. charges	34,329	34,445
Taxes and contributions payable	4,869	7,602
Accounts payable to related parties	17,648	3,856
Other liabilities and judicial depositsw	2,602	505
Provision for income tax and social contribution	-	538
Net cash used in investing activities	(58,895)	(27,727)
Cash paid for the acquisition of subsidiary, net o cash	-	24
Additions to property, plant and equipment	(60,059)	(28,144)
Additions to intangible assets	(980)	(872)
Proceeds from sales of property, plant and equipment	2,144	1,265
Cash flows from financing activities	87,321	76,213
Inflow of financing	225,578	222,798
Amortization of financing-principal amounts	(104,212)	(84,480)
Amortization of financing-interest	(28,739)	(19,548)
Advances from customers	2,645	3,010
Cash dividends and interest on equity paid	(7,127)	(44,012)
Minority on cash dividends and interst on equity	(824)	(1,555)
Increase (decrease) in cash and cash equiv., net	268,997	247,219
Cash and cash equiv. at the beginning of the period	315,797	167,766
Cash and cash equiv. at the end of the period	584,794	414,985