

**FEDERAL GOVERNMENT SERVICE
BRAZILIAN SECURITIES AND EXCHANGE COMMISSION (CVM)
QUARTERLY INFORMATION (ITR)
COMMERCIAL, INDUSTRIAL AND OTHER COMPANIES**

**Corporate Legislation
September 30, 2007**

(A free translation of the original in Portuguese)

THE REGISTRATION WITH THE CVM DOES NOT IMPLY ANY ANALYSIS OF THE COMPANY. THE COMPANY'S MANAGEMENT IS RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED.

01.01 – IDENTIFICATION

1 – CVM CODE 00857-5	2 – COMPANY NAME MAHLE METAL LEVE S.A.	3 – FEDERAL CORPORATE TAXPAYER'S REGISTRATION NUMBER (CNPJ) 60.476.884/0001-87
4 – STATE REGISTRATION NUMBER (NIRE) 35.3.0001506.1		

01.02 – HEAD OFFICE

1- FULL ADDRESS Av. Ernst Mahle, 2000		2- SUBURB OR DISTRICT Mombaça		
3 - ZIP CODE 13846-146	4 - MUNICIPALITY Mogi Guaçu			5- STATE SP
6 - AREA CODE 19	7 - TELEPHONE 3861-9100	8 - TELEPHONE -	9 - TELEPHONE -	10- TELEX
11 - AREA CODE 19	12 – FAX 3861-9255	13 – FAX -	14 – FAX -	
15 - E-MAIL				

01.03 – INVESTOR RELATIONS OFFICER (Company Mail Address)

1- NAME Axel Erhard Brod				
2- FULL ADDRESS Av. Ernst Mahle, 2000			3- SUBURB OR DISTRICT Mombaça	
4 - ZIP CODE 13846-146	5 - MUNICIPALITY Mogi Guaçu			6 - STATE SP
7 - AREA CODE 19	8 - TELEPHONE 3861-9260	9 - TELEPHONE -	10 - TELEPHONE -	11- TELEX
12 - AREA CODE 19	13 – FAX 3861-4486	14 – FAX -	15 – FAX -	
16- E-MAIL axel.brod@br.mahle.com				

01.04 – REFERENCE / AUDITOR

CURRENT YEAR			CURRENT QUARTER			PRIOR QUARTER	
1 - BEGINNING	2 - ENDING	3 – NUMBER	4 - BEGINNING	5 - ENDING	6 – NUMBER	7 - BEGINNING	8 - ENDING
01/01/2007	12/31/2007	3	07/01/2007	09/30/2007	2	04/01/2007	06/30/2007

5 – AUDITOR NAME/ AUDIT FIRM NAME Ernst & Young Auditores Independentes S.S.	6 – CVM CODE 00471-5
7 – NAME OF THE TECHNICIAN IN CHARGE B. Alfredo Baddini Blanc	7 – INDIVIDUAL TAXPAYER'S REGISTRATION NUMBER OF THE TECHNICIAN IN CHARGE 964.173.908-53

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01.05 – CAPITAL COMPOSITION

Number of Shares (Thousand)	1 09/30/2007	2 06/30/2007	3 09/30/2006
Paid-up capital			
1- Ordinary	12,261	12,261	12,261
2 – Preferred	18,193	18,193	18,193
3 – Total	30,454	30,454	30,454
Treasury Stock			
4- Ordinary	0	0	0
5 – Preferred	0	0	0
6 – Total	0	0	0

01.06 – CHARACTERISTICS OF THE COMPANY

1 – TYPE OF COMPANY Commercial, Industrial Company and Others
2- SITUATION Operating
3 – NATURE OF OWNERSHIP National Holding
4 – ACTIVITY CODE 1070 – Machinery, Equipment, Vehicles and Parts
5 – MAIN ACTIVITY Industry and trade of components for internal combustion engines
6 – TYPE OF CONSOLIDATION Total
7 – TYPE OF AUDITORS' REPORT Unqualified

01.07 – CORPORATIONS NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 – ITEM	2- Federal Corporate Taxpayers' Registration Number (CNPJ)	3 – CORPORATE NAME
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01.08 – BENEFITS IN CASH DELIBERATED AND/ OR PAID DURING AND AFTER THE QUARTER

1 – ITEM	2 – ACTION	3 – APPROVAL	4 – TYPE OF BENEFITS	5 – PAYABLE ON	6 – TYPE AND CLASS OF SHARE	7 – BENEFITS PER SHARE
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01.09 – SUBSCRIBED CAPITAL AND ALTERATIONS IN THE CURRENT YEAR

1 – ITEM	2 – DATE OF ALTERATION	3 – CAPITAL (In thousands of Reais)	4 – AMOUNT OF THE ALTERATION (In thousands of Reais)	5 – NATURE OF ALTERATION	6 – NUMBER OF SHARES ISSUED (Thousand)	7 – SHARE PRICE ON ISSUANCE DATE (Reais)
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01.10 – INVESTOR RELATIONS OFFICER

1 – DATE 11/07/2007	2 – SIGNATURE
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2.01 Balance Sheet – Assets (R\$ thousand)

1 - Code	2 - Description	3 – 09/30/07	4 – 06/30/07
1	Total of Assets	1,118,039	1,142,811
1.01	Current Assets	565,814	576,869
1.01.01	Cash and Cash Equivalents	95,906	108,905
1.01.01.01	Cash and Banks (Note 4)	95,906	108,905
1.01.01.02	Financial Applications (Note 4)	0	0
1.01.02	Credits	290,609	287,519
1.01.02.01	Clients	255,649	250,341
1.01.02.01.01	Receivables - Clients (Note 5)	175,349	166,215
1.01.02.01.02	Receivables - Related Parties (Note 8)	146,274	165,361
1.01.02.01.03	Provision for doubtful accounts	(5,840)	(6,320)
1.01.02.01.04	Discounted exchange variations	(60,134)	(74,915)
1.01.02.02	Credits – Misc.	34,960	37,178
1.01.02.02.01	Recoverable Taxes (Note 7)	24,052	26,138
1.01.02.02.02	Deferred Income and Social Contribution Taxes (Note 9.c)	10,908	11,040
1.01.03	Inventories	154,187	153,752
1.01.04	Other	25,112	26,693
1.02	Non Current Assets	552,225	565,942
1.02.01	Long Term Assets	50,829	55,352
1.02.01.01	Credits - Misc.	0	0
1.02.01.02	Related Party Credits	0	0
1.02.01.02.01	With affiliated and associated companies	0	0
1.02.01.02.02	With controlled companies	0	0
1.02.01.02.03	With other related parties	0	0
1.02.01.03	Other	50,829	55,352
1.02.01.03.01	Deferred Tax Return and Social Contribution (Note 9.c)	38,013	41,016
1.02.01.03.02	Recoverable Taxes (Note 7)	11,612	13,140
1.02.01.03.03	Other Receivables	1,204	1,196
1.02.02	Fixed Assets	501,396	510,590
1.02.02.01	Investments	121,158	126,068
1.02.02.01.01	Shareholdings - Affiliates/Associated Companies	0	0
1.02.02.01.02	Shareholdings - Affiliates/Associated Companies - Goodwill	0	0
1.02.02.01.03	Shareholdings - Controlled Companies	60,326	63,892
1.02.02.01.04	Shareholdings - Controlled Companies - Goodwill	60,461	61,805
1.02.02.01.05	Other Investments	371	371
1.02.02.02	Property, Plant and Equipment	356,880	360,429
1.02.02.03	Intangible Assets	0	0
1.02.02.04	Deferred charges	23,358	24,093

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02.02 Balance Sheet – Liabilities (R\$ thousand)

1 - Code	2 - Description	3 – 09/30/07	4 – 06/30/07
2	Total of Liabilities	1,118,039	1,142,811
2.01	Current Liabilities	507,423	491,070
2.01.01	Loans and Financings	289,111	265,531
2.01.02	Debentures	0	0
2.01.03	Service Providers	58,809	64,190
2.01.04	Taxes, Fees and Contributions	7,330	8,158
2.01.05	Payable Dividends	163	163
2.01.05.01	Proposed Dividends	0	0
2.01.05.02	Interest on Shareholder's Capital	163	163
2.01.06	Provisions	68,758	57,370
2.01.06.01	Provisions for vacation and 13th salary (Note 15)	40,533	33,640
2.01.06.02	Provisions - Misc. (Note 16)	27,230	23,730
2.01.06.03	Provision for Income and Social Contribution Taxes (Note 9.b)	995	0
2.01.07	Debts with Related Parties	21,891	19,359
2.01.08	Other	61,361	76,299
2.01.08.01	Labor Liabilities (Note 15)	17,742	23,268
2.01.08.02	Advances from Clients	2,493	1,938
2.01.08.03	Other Liabilities	41,126	51,093
2.02	Non Current Liabilities	96,319	167,638
2.02.01	Long Term Liabilities	96,319	167,638
2.02.01.01	Loans and Financings	12,536	78,384
2.02.01.02	Debentures	0	0
2.02.01.03	Provisions	81,727	87,198
2.02.01.03.01	Provisions for contingencies (Note 18)	78,095	82,962
2.02.01.03.02	Provisions for guarantees (Note 17)	3,632	4,236
2.02.01.03.03	Provision for overdraft liabilities contr.	0	0
2.02.01.04	Debts with Related Parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Other	2,056	2,055
2.02.02	Income from Future Years	0	0
2.04	Shareholder's Equity	514,297	484,103
2.04.01	Paid-up Capital Stock	352,755	352,755
2.04.02	Capital Reserves	0	0
2.04.03	Reassessment Reserves	0	0
2.04.03.01	Assets in place	0	0
2.04.03.02	Controlled, Affiliates and Associated Companies	0	0
2.04.04	Profit Reserves	93,916	92,406

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2.04.04.01	Legal Reserves	49,068	47,558
2.04.04.02	Statutory Reserves	0	0
2.04.04.03	Contingency Reserves	0	0
2.04.04.04	Realizable Profit Reserves	0	0
2.04.04.05	Retention of Profits	0	0
2.04.04.06	Special Reserve for Non Distributed Dividends	0	0
2.04.04.07	Other Profit Reserves	44,848	44,848
2.04.04.07.01	Reserves for expansion and modernization	44,848	44,848
2.04.05	Accumulated Profits/Losses	67,626	38,942
2.04.06	Advance for future capital increase	0	0

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03.01 – Income Statements (R\$ thousand)

1 - Code	2 - Description	3 – 07/01/2007 to 09/30/2007	4 – 01/01/2007 to 09/30/2007	5 – 07/01/2006 to 09/30/2006	6 – 01/01/2006 to 09/30/2006
3.01	Gross income from sales and/or services	468,254	1,334,133	442,517	1,271,265
3.02	Gross income deductions	(78,945)	(222,055)	(72,035)	(206,591)
3.03	Net income from sales and/or services	389,309	1,112,078	370,482	1,064,674
3.04	Cost of products and/or services sold	(292,744)	(847,534)	(277,764)	(802,288)
3.05	Gross Profit	96,565	264,544	92,718	262,386
3.06	Operating Expenses/Income	(52,403)	(164,942)	(53,865)	(157,384)
3.06.01	Selling expenses	(21,463)	(61,102)	(22,034)	(61,649)
3.06.02	General and administrative	(23,879)	(73,790)	(22,485)	(67,711)
3.06.02.01	Management fees	(825)	(2,663)	(1,066)	(3,018)
3.06.02.02	Administrative expenses	(23,054)	(71,127)	(21,419)	(64,693)
3.06.03	Financial	(8,777)	(30,629)	(138)	(5,159)
3.06.03.01	Financial Income	42,581	109,725	12,047	46,836
3.06.03.02	Financial Expenses	(51,358)	(140,354)	(12,185)	(51,995)
3.06.04	Other Operating Income	11,109	17,327	4,597	10,609
3.06.05	Other Operating Expenses	(14,785)	(39,423)	(14,918)	(41,893)
3.06.05.01	Technology and development expenses	(8,355)	(23,821)	(8,683)	(24,963)
3.06.05.02	Other operating expenses	(6,430)	(15,602)	(6,235)	(16,930)
3.06.06	Result of the equity pick-up	5,392	22,675	1,113	8,419
3.06.06.01	Equity pick-up (Note 10)	5,392	20,536	2,763	7,268
3.06.06.02	Reversal of interest on shareholder's equity	0	2,139	(1,650)	1,151
3.07	Operating Income	44,162	99,602	38,853	105,002
3.08	Non Operating Income	(394)	100	690	1,146
3.08.01	Income	6	420	690	1,178
3.08.02	Expenses	(400)	(320)	0	(32)
3.09	Income before tax/ interest	43,768	99,702	39,543	106,148

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3.10	Provision for Income and Social Contribution Taxes	(10,437)	(26,484)	(11,318)	(32,651)
3.11	Deferred income tax	(3,136)	(1,086)	(1,628)	(549)
3.12	Statutory shareholdings/contributions	0	0	0	0
3.12.01	Shareholdings	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Interest on Shareholder's Equity	0	0	0	0
3.15	Profit/Loss for the Period	30,195	72,132	26,597	72,948
-	SHARES NUMBER, NON TREASURY (thousand)	30,454	30,454	30,454	30,454
-	PROFIT PER SHARE (Brazilian reais)	0.99150	2.36856	0.87335	2.39535
-	LOSS PER SHARE (Brazilian reais)				

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04.01 – EXPLANATORY NOTES

(In thousands of Brazilian Reais)

1. Operating Context

The Company's main activity is the research, development, manufacturing and marketing, both locally and abroad, of parts and accessories for internal combustion engines, which are sold to several industries and activities segments, such as vehicle manufacturers (automobiles, trucks, tractors, etc.), aftermarket, aviation engine industry, stationary engines, and others.

The products manufactured by the Company are: pistons, piston pins, camshafts, bearings, bushings, valve tappet, rocker arms, connecting rods, ring-inserts, valve seats and guides, cylinder liners and filters.

Other activities are developed through subsidiary companies, including the production of sintered metal components, and valves for combustion engines, as well as the sale of products and technical assistance services in the international market.

On March 9, 2007, Company acquired operating net assets with respect to the Bearing unit from the company Dana Indústria Ltda., located in the City of Gravataí, State of Rio Grande do Sul, offered in a public auction in face of the North American authority for US\$1.5 million, equivalent to R\$3,135.

On March 20, 2007, the Company and its wholly owned subsidiary MAHLE Metal Leve GmbH acquired all shares (1,400,000 common shares) that the companies Graceland Limited Holding LLC., organized pursuant to the laws of Delaware, EUA, and Dinansen Inversora S.A., organized pursuant to the laws of Argentina, held in the company Establecimientos Metalúrgicos Edival S.A., with head offices at Av. Santa Fé, 2350, City of Rafaela, Republica da Argentina, in order to introduce products developed by Edival (valves for combustion engines) to the variety of products offered by the Company, domestically and internationally, for the amount of US\$41.2 million. From such amount US\$39.1 million, equivalent to R\$81,286, refer to the Company, a goodwill of R\$64,916 was originally calculated, with the fundamentals on the future profitability of the business, which upon the recalculation performed in view of accounting adjustments of the deferred income tax not acknowledged by the Argentinean company on the acquisition base date, resulted in effective goodwill of R\$61,805, parent company (R\$65,471, consolidated), which shall be amortized on the same proportion of the profits generated by the subsidiary.

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04.01 – EXPLANATORY NOTES

2. Basis of Preparation and Presentation of Financial Statements

The quarterly information is the responsibility of the Company's management, and was prepared in compliance with the provisions of the Brazilian Corporate Legislation and the standards of the Brazilian Securities and Exchange Commission - CVM. Such practices and rules are consistent with the ones used and disclosed on financial statements as of December 31, 2006.

The financial statements preparation process involves the use of accounting estimates. These accounting estimates were based on objective and subjective factors based on the judgment of the Company's management for determining the adequate amounts to be recorded in the quarterly information. Estimates and premises are used in the selection of useful lives of property, plant and equipment, and the analysis of its recoverability in transactions and credit risk analysis in determining the allowance for doubtful accounts, as well as the analysis of other risks in determining other provisions, including provisions for contingencies and warranties, measurement of financial instruments and other assets and liabilities on balance sheet date.

The settlement of transactions involving such estimates may result in amounts significantly divergent from those recorded in the financial statements due to the inaccuracies inherent in the estimation process. The Company reviews its estimates and assumptions at least quarterly.

Assets and liabilities are classified as "current" whenever their realization or settlement is likely to occur within the following twelve months. Otherwise, they are stated as "non current". Monetary assets and liabilities denominated in foreign currency were converted into Brazilian Reais at the foreign exchange rate in force at the balance sheet closing date. Differences derived from currency translation were recognized in the statement of income.

In order to improve the information provided to the market, the Company is also presenting the statements of cash flows as additional information, prepared in accordance with the Accounting Standard and Procedure NPC-20 of IBRACON (Brazilian Institute of Independent Auditors), considering the main operations that affected the Company's and subsidiaries' cash and cash equivalents. Such statements are divided into operating, investing and financing activities.

00857-5 MAHLE METAL LEVE S.A.

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04.01 – EXPLANATORY NOTES

2. Basis of Preparation and Presentation of Financial Statements -- Continuation

Comparative quarterly information was reclassified in some items in order to be suitable with respect to the quarterly information for September 30, 2007.

3. Summary of the Main Accounting Practices

The accounting practices adopted for the preparation of the quarterly information are consistent with those disclosed in the financial statements of December 31, 2006.

Consolidation

The consolidated quarterly information has been prepared according to the basic principles of consolidation established by the Brazilian Corporate Legislation and the standards of the Securities and Exchange Commission and it contemplates the elimination of investments proportionally to the parent company's interest in shareholders' equity of subsidiaries, of the balances of the equity accounts among the consolidated companies, unrealized income on inventories and revenues and expenses among the consolidated companies. Minority shareholders' interest is disclosed in the balance sheet and in the consolidated income statement.

Consolidated companies are presented as follows:

	Interest in total capital (%)			
	3 rd Quarter 2007		3 rd Quarter 2006	
	Direct	Indirect	Direct	Indirect
MAHLE Metal Leve Miba Sinterizados Ltda.	70	-	70	-
Establecimientos Metalúrgicos Edival S.A.	95	5	-	-
MAHLE Metal Leve GmbH (exterior)	100	-	100	-
MAHLE Metal Leve International NV (exterior)	-	100	-	100

4. Cash and Cash Equivalent

	Parent Company		Consolidated	
	09/30/07	06/30/07	09/30/07	06/30/07
Cash and banks	660	7,764	27,193	10,164
Financial applications	-	-	2,748	18,604
Amounting pending currency exchange closing	95,246	101,141	96,937	101,141
	95,906	108,905	126,878	129,909

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04.01 – EXPLANATORY NOTES

The amounts pending the currency exchange closing refer to receipts of financial resources in foreign currency, from clients located abroad, whose exchange closing was not carried out on the date of the quarterly information, being bound to export financing operations (BNDES-Exim).

Financial investments significantly refer to bank deposit certificates, remunerated at rates varying from 100% to 100.6% of the Interbank Deposit Certificate – CDI.

5. Trade Accounts Receivable

	Parent Company		Consolidated	
	09/30/07	06/30/07	09/30/07	06/30/07
<u>Market</u>				
Domestic	124,012	125,863	141,371	142,224
Export	51,337	40,352	102,694	94,532
	175,349	166,215	244,065	236,756

6. Inventories

	Parent Company		Consolidated	
	09/30/07	06/30/07	09/30/07	06/30/07
Finished products	63,807	65,138	91,456	90,129
Work-in-progress products	71,015	70,008	77,160	75,482
Raw materials	18,955	18,185	27,122	25,003
Ancillary materials	7,925	8,164	9,302	10,289
Imports in transit	3,669	2,647	19,964	15,376
Provision for inventory losses	(11,184)	(10,390)	(16,375)	(16,068)
	154,187	153,752	208,629	200,211

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04.01 – EXPLANATORY NOTES

7. Recoverable Taxes

	Parent Company		Consolidated	
	09/30/07	06/30/07	09/30/07	06/30/07
Income and social contribution taxes (Note 9.b)	-	2,150	-	1,590
ICMS on acquisitions of fixed assets	14,984	15,361	16,177	16,228
ICMS and IPI tax	8,561	9,091	10,529	11,088
PIS tax	1,748	1,849	1,929	1,960
COFINS tax	8,016	8,503	8,853	9,013
Other taxes	2,355	2,324	3,323	3,187
	35,664	39,278	40,811	43,066
Current	(24,052)	(26,138)	(28,101)	(29,234)
Non Current	11,612	13,140	12,710	13,832

ICMS on acquisitions of fixed assets will be recovered at 1/48th per month.

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04.01 – EXPLANATORY NOTES

8. Related Parties

Companies	Balances on 09/30/07		Parent Company Transactions from January to September 2007								
	Current Assets	Current Liabilities	Sales/revenues			Purchases					
			Products	Services	Commissions	Products	Services	Fixed Assets	Commissions	Royalties	
MAHLE Metal Leve Miba Sinterizados Ltda.	298	449	-	2,079	-	3,196	-	-	-	-	-
MAHLE Componentes de Motores do Brasil Ltda.	2,774	13,047	194	13,764	4,131	69,307	1,125	-	-	-	-
MAHLE Indústria e Comércio Ltda.	87	34	-	-	-	-	-	-	-	-	-
MAHLE Componentes de Motores S.A.	70	-	864	-	-	-	-	-	-	-	-
MAHLE S.A. de Argentina	9,428	78	17,817	-	-	273	-	-	-	-	-
MAHLE S.A. Espanha	-	-	7	-	-	2	-	-	-	-	-
MAHLE Pistoni Itália S.p.A	12	-	-	-	-	64	-	-	-	-	-
MAHLE GmbH	418	6,114	1,881	-	-	9,623	-	2,735	9	10,881	-
MAHLE France SARL	812	-	1,083	-	-	-	-	-	-	-	-
MAHLE Filtersysteme	1,290	1,239	2,634	-	-	2,397	-	-	-	-	-
MAHLE Filter Systems North America, Inc.	16	-	17	-	-	-	-	-	-	-	-
MAHLE Filter Systems Wednesbury Ltd.	-	7	-	-	-	-	-	-	24	-	-
MAHLE Componentes de Motor de México, S. de R.L. de C.V.	80	-	79	-	-	12	-	-	-	-	-
MAHLE Engine Components (Thailand) Co., Ltd.	-	-	72	-	-	-	-	-	-	-	-
MAHLE, Inc.	4,455	42	33,732	-	-	33	-	-	588	-	-
MAHLE Polska Spolka. z o.o	39	1	128	-	-	-	-	-	-	-	-
MAHLE Motorkomponenten Schweiz AG	-	149	-	-	-	357	-	-	-	-	-
MAHLE Motorkomponenten GmbH	2,894	120	9,495	-	-	658	-	-	-	-	-
MAHLE Sistemas de Filtración S.L.	-	2	-	-	-	-	-	-	4	-	-
MAHLE Metal Leve International N.V.	120,470	-	278,082	53	-	-	-	-	-	-	-
MAHLE Engine Components Australia Pty Ltd.	2	9	245	-	-	19	-	-	7	-	-
MAHLE Engine Components USA, Inc	7	156	7	-	-	333	-	-	-	-	-
MAHLE Powertrain Ltd.	57	-	30	-	-	-	-	-	-	-	-
MAHLE Ventiltrieb GmbH	-	57	36	-	-	4,087	-	-	-	-	-
MAHLE Aftermarket GmbH	1,761	152	5,274	-	-	703	-	-	126	-	-
MAHLE Bearings (Yingkou) Co.,Ltd.	251	-	256	-	-	-	-	-	-	-	-
MAHLE Engine Components (Nanjing) Co., Ltd.	145	-	1,157	-	-	-	-	-	-	-	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	33	-	-	-	561	-	-	-	-	-
MAHLE Vöcklabruck GmbH	819	-	3,294	-	-	-	-	-	-	-	-
MAHLE Migma Private Ltd.	-	63	-	-	-	2,358	-	-	-	-	-
MAHLE Trading Shanghai Co., Ltd.	-	47	-	-	-	261	-	-	24	-	-
MAHLE Trading Japan Ltd.	-	-	5	-	-	115	-	-	-	-	-
MAHLE Technologies Holding (China) Co., Ltd.	65	-	30	-	-	-	-	-	-	-	-
MAHLE König GmbH	-	-	17	-	-	-	-	-	-	-	-
MAHLE Engine Components Japan Corporation	-	-	6	-	-	-	-	-	-	-	-
MAHLE Ventiltrieb Brandenburg GmbH	-	-	36	-	-	-	-	-	-	-	-
MAHLE Engine Systems UK Ltd.	-	92	-	-	-	204	-	-	-	-	-
Establecimientos Metalúrgicos Edival S.A	16	-	15	-	-	-	-	-	-	-	-
Glacier Vendervell Italy s.r.l.	8	-	8	-	-	-	-	-	-	-	-
Total	146,274	21,891	356,501	15,896	4,131	94,563	1,125	2,735	782	10,881	

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8. Related Parties - Continuation

Companies	Balances on 06/30/2007		Parent Company							
	Current Assets	Current Liabilities	Transactions from January to September 2006			Purchases				
			Products	Services	Products	Products	Services	Fixed Assets	Commissions	Royalties
MAHLE Metal Leve Miba Sinterizados Ltda.	245	550	-	1,833	-	1,971	-	-	-	-
MAHLE Componentes de Motores do Brasil Ltda.	2,276	10,467	342	11,539	3,471	64,950	733	-	-	-
MAHLE Indústria e Comércio Ltda.	-	22	-	-	-	-	-	-	-	-
MAHLE Componentes de Motores S.A.	386	-	585	-	-	7	-	-	-	-
MAHLE S.A. de Argentina	9,928	40	13,604	-	-	348	-	-	-	-
MAHLE S.A. Espanha	-	-	41	-	-	-	2,355	-	-	-
MAHLE Pistoni Itália S.p.A.	-	-	50	-	-	35	-	-	-	-
MAHLE GmbH	412	5,846	399	-	-	12,015	5,676	-	-	10,433
MAHLE France SARL	561	-	255	-	-	-	-	-	-	-
MAHLE Filtersysteme	1,753	1,193	950	-	-	1,871	1	-	-	-
MAHLE Filter Systems North America, Inc.	16	-	-	-	-	-	-	-	-	-
MAHLE Filter Systems Wednesbury Ltd.	-	7	-	-	-	-	-	-	-	-
MAHLE Componentes de Motor de México, S. de R.L. de C.V.	172	-	2,034	-	-	-	-	-	-	-
MAHLE Engine Components (Thailand) Co., Ltd.	-	-	15	-	-	-	-	-	-	-
MAHLE, Inc.	15,956	188	120,304	-	-	231	-	121	762	-
MAHLE Polska Spolka. z o.o	96	1	95	-	-	1	-	-	-	-
MAHLE Motorkomponenten Schweiz AG	-	74	-	-	-	1,175	-	-	-	-
MAHLE Motorkomponenten GmbH	3,530	245	962	-	-	1,110	-	-	-	-
MAHLE Sistemas de Filtración S.L.	-	1	-	-	-	-	-	-	3	-
MAHLE Technology, Inc.	1	-	1	-	-	-	-	-	-	-
MAHLE Metal Leve International N.V.	126,499	-	232,255	-	-	-	-	-	-	-
MAHLE Engine Components Australia Pty Ltd.	183	1	221	-	-	-	-	-	6	-
MAHLE Engine Components USA, Inc	21	-	-	-	-	-	-	-	-	-
MAHLE Powertrain Ltd.	60	-	-	-	-	-	-	-	-	-
MAHLE Ventiltrieb GmbH	-	169	48	-	-	3,193	-	-	-	-
MAHLE Aftermarket GmbH	1,388	186	6,736	-	-	1,266	-	-	218	-
MAHLE Bearings (Yingkou) Co.,Ltd.	442	-	11	-	-	-	-	-	-	-
MAHLE Engine Components (Nanjing) Co., Ltd.	924	-	339	-	-	69	-	-	-	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	134	-	-	-	535	-	-	-	-
MAHLE Motorteile GmbH	24	-	-	-	-	-	-	-	-	-
MAHLE Vöcklabruck GmbH	411	-	1,918	-	-	-	-	-	-	-
MAHLE Migma Private Ltd.	-	230	-	-	-	763	-	-	-	-
MAHLE Trading Shanghai Co., Ltd.	-	5	-	-	-	110	-	-	8	-
MAHLE Technologies Holding (China) Co., Ltd.	68	-	-	-	-	-	-	-	-	-
MAHLE Engine Components Japan Corporation	-	-	230	-	-	14	-	-	-	-
Glacier Vendervell Italy s.r.l.	9	-	-	-	-	-	-	-	-	-
Other	-	-	44	-	-	-	-	-	-	-
Total	165,361	19,359	381,439	13,372	3,471	89,664	733	8,153	997	10,433

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8. Related Parties - Continuation

Companies	Consolidated									
	Balances on 09/30/2007		Transactions from January to September 2007							
	Current Assets	Current Liabilities	Sales/revenues			Purchases				
		Products	Services	Commissions	Products	Services	Fixed Assets	Commissions	Royalties	
MAHLE Indústria e Comércio Ltda.	87	34	-	-	-	-	-	-	-	-
MAHLE Componentes de Motores do Brasil Ltda.	2,774	13,047	194	13,764	4,131	69,307	1,125	-	-	-
MAHLE Componentes de Motores S.A.	2,477	-	8,453	-	-	-	-	-	-	-
MAHLE S.A. de Argentina	9,428	78	17,817	-	-	273	-	-	-	-
MAHLE S.A. Espanha	29	1	86	-	-	2	-	-	-	-
MAHLE Pistoni Itália S.p.A	2,953	-	8,344	-	-	64	-	-	-	-
MAHLE GmbH	7,472	6,114	29,915	-	-	9,623	-	2,735	9	10,881
MAHLE France SARL	20,973	69	49,359	-	-	-	-	-	-	-
MAHLE Filtersysteme	1,544	1,245	2,634	-	-	2,397	-	-	-	-
MAHLE Filter Systems North America, Inc.	16	-	17	-	-	-	-	-	-	-
MAHLE Filter Systems Wednesbury Ltd.	-	7	-	-	-	-	-	24	-	-
MAHLE Componentes de Motor de México, S. de R.L. de C.V.	4,503	-	9,742	-	-	12	-	53	-	-
MAHLE de México, S. de R.L. de C.V.	-	-	1,593	-	-	23	-	-	-	-
MAHLE Engine Components (Thailand) Co. Ltd.	-	-	1,910	-	-	-	-	-	-	-
MAHLE, Inc.	12,317	7,864	56,914	-	-	7,933	-	588	-	-
MAHLE Polska Spolka. z o.o.	39	1	128	-	-	-	-	-	-	-
MAHLE Motorkomponenten Schweiz AG	-	157	-	-	-	357	-	-	-	-
MAHLE Motorkomponenten GmbH	8,515	1,940	26,959	-	-	658	-	-	-	-
MAHLE Pistons France SARL	-	-	111	-	-	-	-	-	-	-
MAHLE Technology, Inc.	8	3,932	-	-	-	-	-	-	-	-
MAHLE Sud América N.V.	13	-	-	28	-	-	-	-	-	-
MAHLE Engine Components Australia Pty Ltd.	36	9	245	-	-	19	-	-	7	-
MAHLE Engine Components USA, Inc.	7	156	7	-	-	333	-	-	-	-
MAHLE Powertrain Ltd.	3,170	-	6,164	-	-	-	-	-	-	-
MAHLE Ventiltrieb GmbH	-	57	36	-	-	4,087	-	-	-	-
MAHLE Sistemas de Filtración S.L.	-	2	-	-	-	-	-	-	4	-
MAHLE Aftermarket GmbH	10,156	730	24,510	-	52	703	-	-	-	-
MAHLE Bearings (Yingkou) Co.,Ltd.	1,070	-	256	-	-	-	-	-	-	-
MAHLE Engine Components (Nanjing) Co., Ltd.	145	-	1,157	-	-	-	-	-	-	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	33	-	-	-	561	-	-	-	-
MAHLE Vöcklabruck GmbH	819	25	3,294	-	-	-	-	-	-	-
MAHLE Migma Private Ltd.	5	63	-	-	-	2,358	-	-	-	-
MAHLE Trading Shanghai Co., Ltd.	-	47	-	-	-	261	-	-	24	-
MAHLE Trading Japan Ltd.	-	-	5	-	-	115	-	-	-	-
MAHLE International GmbH	-	40	-	-	-	-	-	-	-	-
MAHLE Technologies Holding (China) Co., Ltd.	65	-	30	-	-	-	-	-	-	-
MAHLE König GmbH	-	-	17	-	-	-	-	-	-	-
MAHLE Engine Components Japan Corporation	-	-	6	-	-	-	-	-	-	-
MAHLE Ventiltrieb Brandenburg GmbH	-	91	36	-	-	-	-	-	-	-
MAHLE Engine Systems UK Ltd.	-	92	-	-	-	204	-	-	-	-
MAHLE Clevite, Inc.	-	-	1,760	-	-	-	-	-	-	-
Glacier Vendervell Italy s.r.l.	8	-	8	-	-	-	-	-	-	-
Total	88,629	35,834	251,707	13,792	4,183	99,290	1,125	2,735	709	10,881

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04.01 – EXPLANATORY NOTES

8. Related Parties -Continuation

Companies	Consolidated									
	Balances on 06/30/2007		Transactions from January to September 2007							
	Current Assets	Current Liabilities	Sales/revenues			Purchases				
		Products	Services	Commissions	Products	Services	Fixed Assets	Commissions	Royalties	
MAHLE Indústria e Comércio Ltda.	-	22	-	-	-	-	-	-	-	-
MAHLE Componentes de Motores do Brasil Ltda.	2,276	10,467	342	11,539	3,471	64,950	733	-	-	-
MAHLE Componentes de Motores S.A.	3,927	-	7,546	-	-	7	-	-	-	-
MAHLE S.A. de Argentina	9,928	40	13,604	-	-	348	-	-	-	-
MAHLE S.A. Espanha	153	5	41	-	-	-	-	2,355	-	-
MAHLE Pistoni Itália S.p.A	3,329	-	10,473	-	-	35	-	-	-	-
MAHLE GmbH	12,240	5,846	28,593	-	-	14,385	-	5,676	-	10,433
MAHLE France SARL	26,269	106	45,445	-	-	-	-	-	-	-
MAHLE Filtersysteme	2,019	1,193	2217	-	-	1,871	-	-	-	-
MAHLE Filter Systems North America, Inc.	16	-	-	-	-	-	-	-	-	-
MAHLE Filter Systems Wednesbury Ltd.	-	7	-	-	-	-	-	-	-	-
MAHLE Componentes de Motor de México, S. de R.L. de C.V.	5,275	30	4,562	-	-	-	-	-	-	-
MAHLE de México, S. de R.L. de C.V.	-	-	10,303	-	-	-	-	-	-	-
MAHLE Engine Components (Thailand) Co. Ltd.	-	-	428	-	-	-	-	-	-	-
MAHLE, Inc.	27,853	4,736	179,242	-	-	231	-	121	861	-
MAHLE Polska Spolka. z o.o.	96	1	95	-	-	1	-	-	-	-
MAHLE Motorkomponenten Schweiz AG	-	74	-	-	-	1,175	-	-	-	-
MAHLE Motorkomponenten GmbH	12,393	1,530	19,744	-	-	1,110	-	-	-	-
MAHLE Technology, Inc.	22	2,435	1	-	-	-	-	-	-	-
MAHLE Sud América N.V.	14	-	-	8	-	-	-	-	-	-
MAHLE Engine Components Australia Pty Ltd.	221	1	1,060	-	-	-	-	-	6	-
MAHLE Engine Components USA, Inc.	21	-	-	-	-	-	-	-	-	-
MAHLE Powertrain Ltd.	2,908	-	2,483	-	-	-	-	-	-	-
MAHLE Ventiltrieb GmbH	-	169	48	-	-	3,103	-	-	-	-
MAHLE Sistemas de Filtración S.L.	-	1	-	-	-	-	-	-	3	-
MAHLE Aftermarket GmbH	11,607	642	22,953	-	-	1,266	-	-	218	-
MAHLE Bearings (Yingkou) Co.,Ltd.	999	-	11	-	-	-	-	-	-	-
MAHLE Engine Components (Nanjing) Co., Ltd.	924	-	339	-	-	69	-	-	-	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	134	-	-	-	535	-	-	-	-
MAHLE Motorteile GmbH	24	-	-	-	-	-	-	-	-	-
MAHLE Vöcklabruck GmbH	411	-	1,918	-	-	-	-	-	-	-
MAHLE Migma Private Ltd.	6	230	-	-	-	763	-	-	-	-
MAHLE Trading Shanghai Co., Ltd.	-	5	-	-	-	110	-	-	8	-
MAHLE International GmbH	83	217	-	-	-	-	-	-	-	-
MAHLE Technologies Holding (China) Co., Ltd.	68	-	-	-	-	-	-	-	-	-
MAHLE Engine Components (Chongqing) Co., Ltd.	-	-	230	-	-	14	-	-	-	-
MAHLE Ventiltrieb Brandenburg GmbH	-	4	-	-	-	-	-	-	-	-
Glacier Vendervell Italy s.r.l.	9	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	123,091	27,895	351,722	11,547	3,471	90,063	733	8,153	1,096	10,433

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8. Related Parties--Continuation

Commercial transactions among related parties refer mainly to acquisition and sale of products and services directly related to its operating activities and the conditions in which they are carried out are similar to those of the transactions practiced with third parties.

The Company is a party to an agreement for transfer of technology with its controlling shareholder in Germany, which allows Company the access to pistons technology, facilitating its penetration in the industrial market. Royalty expenses are recorded in the account Expenses with Technology and Development, in the amount of R\$11,627 in the accumulated of the nine-month period ended on September 30, 2007 (R\$11,191 in 2006).

The commissions refer to services of commercial representation provided for or by related parties. Prices are computed considering profit margins usually practiced in the market in similar transactions.

9. Income and Social Contribution Taxes

Income and social contribution taxes on profits were calculated at rates in force.

a) Reconciliation of income and social contribution tax expenses

The reconciliation of the expenses calculated at nominal compound tax rates and the income and social contribution taxes expenses recorded in the income statements is as follows:

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9. Income and Social Contribution Taxes --Continuation

a) Reconciliation of income and social contribution tax expenses --Continuation

	Parent Company		Consolidated	
	09/30/2007	09/30/2006	09/30/2007	09/30/2006
Income before income and social contribution Taxes	99,702	106,148	109,620	114,652
Exclusion of the equity method result and devaluation provision	(19,114)	(8,780)	-	-
Exclusion of results from subsidiaries abroad	-	-	(12,854)	(922)
Adjusted Profits before income and social contribution taxes	80,588	97,368	96,766	113,730
IRPJ and CSSL at nominal rate (34%)	(27,400)	(33,105)	(32,900)	(38,668)
Adjustments for effective rate calculation:				
Effects on permanent differences				
Others, net	(293)	(55)	(346)	(462)
Effects on temporary differences:				
Provisions	1,209	509	298	650
Current income and social contribution taxes	(26,484)	(32,621)	(32,948)	(38,480)
Deferred income and social contribution taxes	(1,086)	(549)	(1,210)	(109)
Total income and social contribution taxes	(27,570)	(33,200)	(34,158)	(38,589)
Effective rate	34.2%	34.1%	35.3%	33.9%

b) Recoverable income and social contribution taxes

	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
Income tax on the year profits	19,383	11,746	24,229	15,040
Social contribution tax on the year profits	7,101	4,301	8,719	5,346
	26,484	16,047	32,948	20,386
Offset against prepaid taxes and tax incentives	(25,489)	(18,197)	(30,749)	(21,548)
Others	-	-	-	(428)
Balance of recoverable taxes (Note 7)	995	(2,150)	2,199	(1,590)

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9. Income and Social Contribution Taxes --Continuation

c) Breakdown of deferred income and social contribution taxes

Deferred income and social contribution taxes have been calculated on temporarily nondeductible provisions, as follows:

	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
Temporary differences				
Provision for contingencies, warranties and others	31,918	33,864	32,282	34,779
Provision for inventory losses	7,043	6,223	9,365	8,799
Allowance for doubtful accounts	1,429	1,592	1,748	1,653
Provision for losses on the realization of other assets	3,775	3,767	3,902	3,894
Commissions on sales and other temporarily nondeductible provisions	4,756	6,610	6,140	7,989
	48,921	52,056	53,446	57,114
Current	(10,908)	(11,040)	(12,154)	(12,054)
Non Current	38,013	41,016	41,292	45,060

In accordance with Company's management projections, deferred income and social contribution taxes classified under non current assets, on September 30, 2007, will be carried out in the following terms:

Year	Parent Company	Consolidated
2008	2,338	2,567
2009	10,441	11,647
2010	3,462	4,102
2011	4,905	5,824
2012 to 2014	11,489	11,716
2015 to 2017	5,378	5,436
	38,013	41,292

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10. Investments in Subsidiaries

Investments:	09/30/2007				09/30/06			
	Information from controlled companies from January to September				Participation			
	Shareholders' Equity	January to September Results	%	In Shareholders' Equity	In January to September Results	Provision Reversal	Exchange variation on investment	In January to September Results
MAHLE Metal Leve Miba Sinterizados Ltda.	38,477	11,101	70.00	26,394	7,770	-	-	7,268
Establecimientos Metalúrgicos Edival S.A.	18,729	1,414	95.00	17,792	1,343	-	(3,032)	-
MAHLE Metal Leve GmbH	15,600	13,562	100.00	15,600	11,423	2,139	(529)	1,151
				60,326	20,536	2,139	(3,561)	8,419

Investments:	09/30/2007				09/30/2006			
	Information from controlled companies in the quarter				Participation			
	Shareholders' Equity	Result of the 3 rd Quarter 2007	%	In Shareholders' Equity	In the result of the 3 rd Quarter 2007	Provision Reversal	Exchange variation on investment 3 rd Quarter 2007	In the result of the 3 rd Quarter 2006
MAHLE Metal Leve Miba Sinterizados Ltda.	38,477	4,224	70.00	26,934	2,956	-	-	2,763
Establecimientos Metalúrgicos Edival S.A.	18,729	(179)	95.00	17,792	(170)	-	(1,194)	-
MAHLE Metal Leve GmbH	15,600	2,606	100.00	15,600	2,606	-	52	(1,650)
				60,326	5,392	-	(1,142)	1,113

11. Property, Plant and Equipment

	Annual depreciation rates (%)	Parent Company		Consolidated	
		09/30/2007	06/30/2007	09/30/2007	06/30/2007
		Lands	-	6,266	7,690
Buildings and construction	4	92,335	92,482	101,090	101,520
Machinery, equipment and facilities	10-20	850,337	827,071	948,792	926,559
Furniture and fixtures	10	17,100	16,726	19,768	19,130
Transportation assets	20-40	16,610	16,492	18,360	18,195
Construction in progress	-	37,973	43,647	49,393	52,563
Advances to suppliers	-	14,960	19,049	14,961	20,452
Others	20	1,168	1,292	1,177	1,307
		1,036,749	1,024,449	1,160,633	1,148,264
Accumulated depreciation		(679,869)	(664,020)	(760,072)	(744,435)
		356,880	360,429	400,561	403,829

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04.01 – EXPLANATORY NOTES

11. Property, Plant and Equipment --Continuation

Works in-progress and advances to suppliers on September 30, 2007 and June 30, 2007 refer to assets, which are in phase of acquisition and/or installation, and various civil construction works for expansion and modernization of Company's several industrial facilities. Projects in-progress include the construction of a new Technological Center of the Company, which is expected to be completed in the current year.

12. Deferred Charges

	Annual amortization rates (%)	Parent Company		Consolidated	
		09/30/2007	06/30/2007	09/30/2007	06/30/2007
Rates					
Goodwill on the acquisition of the subsidiary MAHLE MMG Indústria e Comércio Ltda.	20	108,382	108,382	108,382	108,382
Goodwill on the acquisition of the subsidiary P.F.S. II Ind. e Com. de Peças Automotivas Ltda.	20	2,236	2,236	2,236	2,236
Goodwill on the acquisition of the subsidiary T.C.V. Ind. e Com. de Peças Automotivas Ltda.	20	6,674	6,674	6,674	6,674
Expenditures made with the acquisition and installation of softwares	20	25,502	24,791	26,435	25,719
Other projects	20	5,514	4,922	11,816	12,022
		148,308	147,005	155,543	155,033
Accumulated amortization		(124,950)	(122,912)	(125,524)	(123,456)
		23,358	24,093	30,019	31,577

13. Suppliers

	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
Domestic	53,190	58,619	57,604	65,380
Foreign	5,619	5,571	12,843	12,649
	58,809	64,190	70,447	78,029

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04.01 – EXPLANATORY NOTES

14. Financing

Financial charges	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
<u>Domestic Currency</u>				
Machinery and Equipment Financing (Finame) – Long-term interest rate (TJLP) tax variation plus annual interest of 1.0% to 4.5%	6,770	6,474	6,770	6,474
Finame – annual interests of 10.5% to 11.5%	11,790	12,672	11,790	12,672
Working capital – TJLP tax variation plus annual interest of 2.5%	4,920	5,286	10,228	10,512
Working capital – annual interests of 100.53% of CDI	59,823	-	59,823	-
Others	32	-	80	143
<u>Foreign currency</u>				
Provision for interest on discounted withdrawals	1,272	407	1,273	407
Working capital – exchange variation plus annual interest of 4.25% to 5.9%	-	-	25,005	23,902
BNDES-Exim (US\$ 100 million):				
- 80% of the debit balance indexed to the TJLP tax variation plus annual interest of 2.75%.	57,499	144,628	57,499	144,628
- 20% of the debit balance indexed to the exchange variation plus annual interest of 10.06%.	12,350	32,544	12,350	32,544
- Swap indexed to the exchange variation plus annual interest of 4.30%.	(12,292)	(25,127)	(12,292)	(25,127)
BNDES-Exim (US\$ 30 million):				
- 80% of the debit balance indexed to the TJLP tax variation plus annual interest of 2.60%.	52,600	52,556	52,600	52,556
- 20% of the debit balance indexed to the exchange variation plus annual interest of 9.37%.	11,252	11,783	11,252	11,783
- Swap indexed to the exchange variation plus annual interest of 4.52%.	(7,740)	(5,570)	(7,740)	(5,570)
BNDES-Exim (US\$ 55 million):				
- 80% of the debit balance indexed to the TJLP tax variation plus annual interest of 2.95%.	93,675	93,596	93,675	93,596
- 20% of the debit balance indexed to the exchange variation plus annual interest of 10.14%.	20,650	21,636	20,650	21,636
- Swap indexed to the exchange variation plus annual interest of 5.50%.	(10,954)	(6,970)	(10,954)	(6,970)
Others		-	5,030	5,232
	301,647	343,915	337,039	378,418
Current	(289,111)	(265,531)	(319,055)	(294,114)
Non current	12,536	78,384	17,984	84,304

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04.01 – EXPLANATORY NOTES

14. Financing--Continuation

FINAME Financings were obtained for the acquisition of machinery and equipment and are guaranteed by the Company's management endorsements and chattel mortgage on financed assets.

On September 30, 2007, the Company had three interest rate swap contracts for BNDES-Exim operations, intended to finance its export operations, used to guarantee the operation on the following amounts and conditions:

- US\$100 million: The original operation was indexed to the TJLP tax variation plus annual interest of 2.75% for 80% of the amount, and exchange variation plus annual interest of 10.06% for the remaining 20%, with final maturity on November 15, 2007. With the swap transaction, the loan is now indexed to the exchange variation plus annual interest of 4.30%;
- US\$30 million: The original operation was indexed to the TJLP tax variation plus annual interest of 2.60% for 80% of the amount, and exchange variation plus annual interest of 9.37% for the remaining 20%, with final maturity on June 16, 2008. With the swap transaction, the loan is now indexed to the exchange variation plus annual interest of 4.52%; and
- US\$55 million: The original operation was indexed to the TJLP tax variation plus annual interest of 2.95% for 80% of the amount, and exchange variation plus annual interest of 10.14% for the remaining 20%, with final maturity on September 15, 2008. With the swap transaction, the loan is now indexed to the exchange variation plus annual interest of 5.50%.

The amounts referring to non current liabilities are broken down by year of maturity:

	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
2008	1,577	68,089	3,438	70,245
2009	6,489	6,304	10,076	10,068
2010	3,575	3,391	3,575	3,391
2011	783	600	783	600
2012	112	-	112	-
	12,536	78,384	17,984	84,304

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04.01 – EXPLANATORY NOTES

15. Salaries, Vacation and Social Charges Payable

	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
Vacation	40,953	33,964	45,039	37,418
Social Charges	8,106	7,821	10,223	10,341
Employees profits sharing	9,216	15,123	9,816	16,006
	58,275	56,908	65,078	63,765

16. Sundry Provisions

	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
Provision for restructuring	4,184	4,352	4,184	4,352
Provision for future losses	9,530	7,914	10,176	8,503
Provision for professional services	8,451	6,644	13,687	11,442
Provision for royalties and patents	-	-	776	813
Provision for losses on property, plant and equipment	3,137	3,773	3,146	3,782
Other	1,928	1,047	2,052	1,118
	27,230	23,730	34,021	30,010

Provision for restructuring

It was set up for an amount considered to be sufficient to cover expenses related to the project of relocation of the piston production line.

Provision for future losses

It was set up for an amount considered to be sufficient to cover losses on sales contracts already executed in which the Company expects to have a negative profit margin.

Provision for professional services

It was set up for an amount considered to be sufficient to cover expenses with outsourced services related to maintenance of machinery and equipment.

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04.01 – EXPLANATORY NOTES

17. Provision for Warranties

	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
Provision for warranties	2,592	3,375	2,592	3,426
Guaranteed-expenditures already identified	1,040	861	1,106	861
	<u>3,632</u>	<u>4,236</u>	<u>3,698</u>	<u>4,287</u>

The Company and its subsidiaries assure quality of its products to their clients, assuming responsibility for possible replacements and repairs resulting from defective goods. Based on the estimates that consider historical data on sales and expenses of similar nature, among other factors, the Company recognizes the provisions as follows:

a) Provision for warranties

This provision is calculated on products' sales, based on historical expenses.

b) Guaranteed-expenditures already identified

They refer to cases identified in which the Company estimates to spend funds for replacement and repair of products, including the recalls.

18. Provision for Contingencies and Legal Liabilities

The Company and its subsidiaries are parties to civil, labor and tax suits, and this issues are being discussed both at administrative and judicial levels and, when applicable, are supported by judicial deposits. The related provisions for contingencies were set up considering legal advisors' estimates for lawsuits whose chances of loss were assessed as probable. The Company's Management believes that the resolution of these issues will not have an effect significantly different from the amount accrued.

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04.01 – EXPLANATORY NOTES

18. Provision for Contingencies and Legal Obligations --Continuation

On September 30, 2007 and June 30, 2007 the contingent risks, based on the legal advisors' opinion, are as follows:

	Parent Company		Consolidated	
	09/30/2007	06/30/2007	09/30/2007	06/30/2007
Civil and labor	54,030	54,109	56,240	56,358
Tax	39,217	44,074	41,569	46,670
Less:				
Judicial Deposits	(15,152)	(15,221)	(15,228)	(15,306)
	78,095	82,962	82,581	87,722

Civil and labor contingencies refer mainly to claims from employees related to employment relationship allowances and various severance payments.

Tax contingencies are basically represented by federal and state tax notices pending judgment. Regards, mainly, on questioning the adequate interpretation of tax legislation.

In addition to the previously-mentioned amounts, the amount of R\$39,446 (R\$39,256 on 06/30/2007) was not considered, resulting from labor, civil and tax cases for which the chances of an unfavorable outcome are possible, according to the Company's legal advisors. As such, Management did not record this amount in the financial statements.

19. Shareholders' Equity

a) Capital Stock

The capital stock, subscribed and paid-up, is represented by the following amount of shares, with no par value, as of September 30, 2007 and June 30, 2007:

	Number of Shares
Common shares	12,260,373
Preferred shares	18,193,197
Total of shares issued	30,453,570

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04.01 – EXPLANATORY NOTES

19. Shareholders' Equity --Continuation

The Company's preferred shares are not entitled to the voting right, but they are assured of priority against capital redemption and the payment of non-cumulative minimum dividends. Such shares will acquire the voting right if the Company does not pay during three consecutive years the minimum dividends they are entitled to under the By-Laws. In addition, preferred shares are assured of the right of dividends 10% higher than that attributed to the common shares.

b) Legal reserve

A legal reserve was set up in accordance with the Brazilian Corporate legislation, based on 5% of the net income, up to the limit of 20% of the paid-up capital or 30% of the capital plus capital reserves. Beyond these limits, appropriations with relation to that reserve are not mandatory. The legal reserve may only be used for capital increase or for the absorption of losses.

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20. Financial Expenses, Net

	Parent Company		Consolidated	
	09/30/2007	06/30/2006	09/30/2007	06/30/2006
<u>Financial expenses</u>				
Interests	(15,795)	(9,677)	(16,874)	(9,840)
Monetary variation – losses	(6,536)	(6,551)	(6,863)	(6,677)
Exchange variation – losses	(110,019)	(28,099)	(114,406)	(30,691)
Others	(8,004)	(7,668)	(9,656)	(8,265)
<u>Financial income</u>				
Interests	3,978	9,093	5,195	10,091
Monetary variation – gains	249	138	254	141
Exchange variation – gains	105,394	37,431	109,509	40,073
Other	104	174	110	188
	(30,629)	(5,159)	(32,731)	(4,980)

21. Financial Instruments

The Company and its subsidiaries maintain operating strategies and policies, aiming at liquidity, profitability and security, as well as procedures for the monitoring of financial instrument balances, in addition, they operate with banks that meet the requirements of financial solidity and reliability, according to the Management's criteria. The control policy consists of permanent monitoring of the contracted rates, comparing them with the current market rates.

The main risk factors affecting the businesses of the Company and its subsidiaries are the following:

a) Credit risk

The Company and its subsidiaries operate in two different markets, namely, original equipments (OEM) and replacement (aftermarket). The possibility of the Company and its subsidiaries incurring losses resulting from financial issues of their OEM clients is remote, due to such clients' profile (vehicle manufacturers and other companies operating worldwide).

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04.01 – EXPLANATORY NOTES

21. Financial Instruments --Continuation

a) Credit Risk--Continuation

Regarding aftermarket sales and/or markets in which the companies' management considers that the risk of default is higher, letters of credit, payments in advance or other forms of guarantee are requested before sales are carried out. In this market, the participation of each client in sales is highly diluted, which means that no individual client represents more than five percent of the sales.

b) Exchange rate risk

On September 30, 2007, liabilities denominated in foreign currency exceeded assets, and the net exchange loss in the parent company of R\$4,625 and in the consolidated of R\$4,897 was assessed. In the same period of the previous year a net exchange gain in the parent company of R\$9,332 and in the consolidated of R\$9,382 was assessed, considering all derivatives involved, commented in item c of this explanatory note.

On September 30, 2007 and 2006, the Company and its subsidiaries presented the following net exposure to foreign currency variations, particularly the US dollar:

	Parent Company		Consolidated	
	09/30/2007	06/30/2006	09/30/2007	06/30/2006
Assets				
Trade accounts receivable	51,337	41,331	102,694	62,080
Financial investments	-	-	18	7,578
Discounted exchange bills	(60,134)	(62,879)	(60,301)	(62,879)
Accounts receivable from related parties	143,115	168,260	85,783	137,389
Allowance for doubtful accounts	(1,620)	(1,799)	(2,623)	(2,127)
	132,698	144,913	125,571	142,041
Liabilities				
Financing	(218,312)	(207,000)	(248,348)	(207,000)
Trade accounts payable	(5,619)	(5,626)	(12,859)	(7,325)
Provision for warranty	(1,040)	(628)	(1,040)	(628)
Accounts payable to related parties	(8,361)	(9,129)	(22,753)	(17,009)
Other obligations	(774)	(667)	(775)	(741)
	(234,106)	(223,050)	(285,775)	(232,703)
	(101,408)	(78,137)	(160,204)	(90,662)

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04.01 – EXPLANATORY NOTES

21. Financial Instruments --Continuation

b) Exchange rate risk --Continuation

In the accumulated period from January to September 2007, as a strategy to reduce risks regarding exchange rate fluctuations in exports, the Company contracted operations of sale of contracts of U.S. dollar and Euro in the currency forward operations.

Such operations generated a gain of R\$35,167 in the accumulated of nine-month period of 2007, R\$20,845 of which are from cash effects, accounted for under Financial Income, and R\$14,322 accounted for Other Receivables, current, compared to Financial Income.

In addition, for purposes of hedging strategy against exchange fluctuation of the swap contract referring to the debt with BNDES (commented in Note 14) the Company contracted, in the accumulated period from January to September of 2007, US dollar forward operations, on the following open amounts and maturities, on September 30, 2007:

Amount in US Thousand	Forward Maturity Date
16,700	15-Out-07
16,850	16-Nov-07
30,000	02-Jan-08
55,000	02-Jan-08

As of September 30, 2007 operations resulted in losses amounting to R\$26,563, under Other Obligations account, in current liabilities, against the Financial Expenses.

As of September 30, 2007 and June 30, 2007, the Company and its subsidiaries did not have other financial instruments in the form of derivatives other than the swap operation mentioned in Note no. 14 and those operations described above.

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04.01 – EXPLANATORY NOTES

21. Financial Instruments --Continuation

c) Commodities price risk

Since August 2007, the strategy adopted by the Company in order to decrease the risks of fluctuation of the commodities prices in nickel's imports was the hiring of exchange operations of financial income among nickel commodities price and exchange variation.

These operations generated a gain of R\$832 in the accumulated of the nine – month period of 2007, R\$26 with cash effects accounted for under Financial Expenses, and R\$858 accounted for Other Receivables, current, compared to Financial Revenue.

d) Market values

On September 30, 2007 and June 30, 2007, the market values of cash and cash equivalents and accounts receivable and payable approximate the amounts recorded in the quarterly information, in view of their short-term nature. With regard to loans and financing, the related market values substantially approximate the quarterly information amounts, as such financial instruments are subject to variable interest rates.

22. Employees Benefits

Benefits granted to employees by Company basically refer to monthly benefits and are accounted as such. There are no post-employment benefits, pension funds or other benefits requiring a specific accounting treatment.

For this quarter, the Company and its subsidiaries distributed profits sharing to their employees, based on a trade union agreement, totaling R\$7,263 (R\$2,733 in 2006), in the Parent Company, and R\$7,824 (R\$2,818 in 2006), in the Consolidated. The criteria for profits sharing payment followed the rules set forth in the collective labor agreement, which establishes certain objectives to be reached, summarized as follows: (i) meeting production goals, for a pre-defined number of employees; (ii) maintaining the absenteeism level up to the average annual rate of hours/absence previously defined against the standard worked-hours; and (iii) maintaining the scrap level up to the average annual rate previously defined in relation to the number of parts produced.

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04.01 – EXPLANATORY NOTES

23. Private Pension Plan – Defined Contribution

In September 2006, the Company joined the Bradesco income tax deductible private pension plan – PGBL, managed by *Bradesco Vida e Previdência*, offering its employees the choice of participating in such a plan.

The contributions are defined based on classification into salary ranges above R\$5, with contribution percentages varying from 2% to 4% by the employee and the Company. For employees falling into salary ranges below R\$5, the Company will contribute with a nominal salary for every 10 years-worked for the Company, on occasion of the employee's retirement, disregarding periods before September 2006. The employer and employee contributions began in October 2006, with a contribution of R\$2,016 in 2007 (R\$594 in 2006).

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04.01 – EXPLANATORY NOTES

24. Statements of Cash Flow

	Parent Company		Consolidated	
	09/30/2007	09/30/2006	09/30/2007	09/30/2006
Cash flows from operating activities				
Net income for the nine-month period	72,132	72,948	72,132	72,948
Adjustments for reconciliation of net profit and cash generated by operating activities				
Depreciation and amortization	73,575	71,363	78,623	74,088
Equity pick-up	(20,536)	(7,628)	-	-
Minority interest	-	-	3,330	3,115
Interest and foreign and monetary exchange variations, net	(20,788)	454	(23,786)	1,083
Income from disposal of permanent assets	(129)	1,587	(672)	1,735
Deferred income and social contribution taxes	1,086	549	1,210	109
Reversal of allowance for doubtful accounts	(449)	(1,220)	1	(1,052)
Allowance for income and social contribution taxes	995	4,815	2,199	7,340
Reversal of provision for contingencies and legal obligations	(8,708)	(1,394)	(8,930)	(1,017)
Reversal of provision for warranties	(520)	1,691	(554)	1,412
Reversal of sundry provisions	6,236	5,688	6,869	12,607
Set up (reversal) of provision for loss of capital in investments	(2,139)	(1,151)	-	-
Decrease (increase) in assets				
Trade accounts receivable	(29,857)	(27,507)	(35,827)	(39,383)
Accounts receivable from related parties	11,702	(23,488)	18,212	(3,734)
Inventories	(25,671)	(23,819)	(38,105)	(43,000)
Recoverable taxes	13,630	13,493	13,761	11,448
Dividends and interest on shareholders' equity received from subsidiaries	7,816	7,202	1	-
Other accounts receivable	(18,698)	(10,749)	(19,627)	(11,046)
Increase (decrease) in liabilities				
Trade accounts payable	6,606	(2,912)	8,234	(1,479)
Salaries, vacation pay and payroll charges payable	15,372	16,322	17,100	17,447
Taxes and contributions payable	2,915	1,592	682	1,840
Accounts payable to related parties	602	4,064	4,686	6,842
Other accounts payable	20,993	1,519	25,254	2,229
Net cash provided by operating activities	106,165	103,779	124,793	113,532
Cash flows from investment activities				
Additions to investments	(4,706)	-	-	-
Additions to cash in the acquisition of subsidiary, net cash received	(81,286)	-	(82,444)	-
Additions to fixed assets	(72,570)	(58,673)	(85,146)	(62,031)
Sale of permanent assets	3,812	(1,082)	5,707	(1,173)
Net cash used in investment activities	(154,750)	(59,755)	(161,883)	(63,204)

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04.01 – EXPLANATORY NOTES

24. Statements of Cash Flow --Continuation

	Parent Company		Consolidated	
	09/30/2007	09/30/2006	09/30/2007	09/30/2006
Cash flows from financing activities				
Financing	102,678	217,875	109,770	217,553
Amortization of financing principal amounts	-	-	-	-
Amortization of financing interest	-	-	-	-
Discounted exchange bills	(10,819)	(18,329)	(10,652)	(18,329)
Advances from customers	238	(1,151)	712	(1,241)
Minority interest on dividends and interests on shareholder's equity	-	-	(3,350)	(3,087)
Dividends and interest on shareholder's equity paid	(41,641)	(262,327)	(45,643)	(263,032)
Expired dividends	73	-	73	-
Net cash used in financing activities	50,529	(63,932)	50,910	(68,136)
Net additions (decreases) to cash and cash equivalents	1,944	(19,908)	13,820	(17,808)
Cash and cash equivalents at beginning of the nine-month period	93,962	86,840	113,058	100,761
Cash and cash equivalents at end of the nine-month period	95,906	66,932	126,878	82,953
Additional information:				
Payment of income and social contribution taxes	18,629	24,825	21,952	27,842

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04.01 – COMMENT ON THE PARENT COMPANY PERFORMANCE IN THE QUARTER

The Comment regarding the Parent Company Performance is along with the Comment of the Consolidated Performance.

01.01- IDENTIFICATION

1 - CVM CODE 00857-5	2 - CORPORATE NAME MAHLE METAL LEVE S. ^a	3 - FEDERAL CORPORATE TAXPAYER'S REGISTRATION NUMBER (CNPJ) 60.476.884/0001-87
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06.01 Consolidated Balance Sheet - Assets (R\$ thousand)

1 - Code	2 - Description	3 - 09/30/07	4 - 06/30/07
1	Total of Assets	1,218,704	1,238,198
1.01	Current Assets	668,230	676,760
1.01.01	Cash and Cash Equivalents	126,878	129,909
1.01.01.01	Cash and Banks (Note 4)	124,130	111,305
1.01.01.02	Financial Applications (Note 4)	2,748	18,604
1.01.02	Credits	305,785	318,749
1.01.02.01	Clients	265,530	277,461
1.01.02.01.01	Trade accounts receivable (Note 5)	244,065	236,756
1.01.02.01.02	Accounts receivable from related parties (Note 8)	88,629	123,091
1.01.02.01.03	Allowance for doubtful accounts	(6,863)	(7,471)
1.01.02.01.04	Discounted exchange variations	(60,301)	(74,915)
1.01.02.02	Credits - Misc.	40,255	41,288
1.01.02.02.01	Recoverable Taxes (Note 7)	28,101	29,234
1.01.02.02.02	Deferred Income and Social Contribution Taxes (Note 9.c)	12,154	12,054
1.01.03	Inventories	208,629	200,211
1.01.04	Other	26,938	27,891
1.02	Non Current Assets	550,474	561,438
1.02.01	Long Term Assets	55,397	60,214
1.02.01.01	Credits - Misc.	0	0
1.02.01.02	Related Party Credits	0	0
1.02.01.02.01	With affiliated and associated companies	0	0
1.02.01.02.02	With subsidiaries	0	0
1.02.01.02.03	With other related parties	0	0
1.02.01.03	Other	55,397	60,214
1.02.01.03.01	Deferred Income and Social Contribution Taxes (Note 9.c)	41,292	45,060
1.02.01.03.02	Recoverable Taxes (Note 7)	12,710	13,832
1.02.01.03.03	Other accounts receivables	1,395	1,322
1.02.02	Fixed Assets	495,077	501,224
1.02.02.01	Investments	64,497	65,818
1.02.02.01.01	Shareholdings - Affiliates/Associated Companies	0	0
1.02.02.01.02	Shareholdings - Affiliates/Associated Companies - Goodwill	0	0
1.02.02.01.03	Shareholdings - Subsidiaries	0	0
1.02.02.01.04	Shareholdings - Controlled Companies - Goodwill	64,126	65,447
1.02.02.01.05	Other Investments	371	371
1.02.02.02	Property, Plant and Equipment	400,561	403,829
1.02.02.03	Intangible Assets	0	0
1.02.02.04	Deferred charges	30,019	31,577

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06.02 Consolidated Balance Sheet – Liabilities (R\$ thousand)

1 - Code	2 - Description	3 - 09/30/07	4 - 06/30/07
2	Total of Liabilities	1,218,704	1,238,198
2.01	Current Liabilities	583,842	562,029
2.01.01	Loans and Financings	319,055	294,114
2.01.02	Debentures	0	0
2.01.03	Service Providers	70,447	78,029
2.01.04	Taxes and contributions payable	9,372	12,546
2.01.05	Dividends payable	163	163
2.01.05.01	Proposed Dividends	0	0
2.01.05.02	Interest on Shareholder's Equity	163	163
2.01.06	Provisions	80,826	68,264
2.01.06.01	Provisions for vacation and 13th salary (Note 15)	44,606	38,254
2.01.06.02	Provisions - Misc. (Note 16)	34,021	30,010
2.01.06.03	Provision for Income and Social Contribution Taxes (Note 9.b)	2,199	0
2.01.07	Debts with Related Parties	35,834	27,895
2.01.08	Other	68,145	81,018
2.01.08.01	Labor Liabilities (Note 15)	20,472	25,511
2.01.08.02	Advances from Clients	3,016	2,134
2.01.08.03	Other Liabilities	44,657	53,373
2.02	Non Current Liabilities	109,022	178,441
2.02.01	Long Term Liabilities	109,022	178,441
2.02.01.01	Loans and Financings	17,984	84,304
2.02.01.02	Debentures	0	0
2.02.01.03	Provisions	86,279	92,009
2.02.01.03.01	Provisions for contingencies (Note 18)	82,581	87,722
2.02.01.03.02	Provisions for warranties (Note 17)	3,698	4,287
2.02.01.04	Debts with Related Parties	0	0
2.02.01.05	Advance for future capital increase	0	0
2.02.01.06	Other	4,759	2,128
2.02.02	Income from Future Years	0	0
2.03	Minority interests	11,543	13,625
2.04	Shareholder's Equity	514,297	484,103
2.04.01	Paid-up Capital Stock	352,755	352,755
2.04.02	Capital Reserves	0	0
2.04.03	Reassessment Reserves	0	0
2.04.03.01	Assets in place	0	0
2.04.03.02	Controlled, Affiliated and Associated Companies	0	0
2.04.04	Profits Reserves	93,916	92,406
2.04.04.01	Legal Reserves	49,068	47,558
2.04.04.02	Statutory Reserves	0	0

01.01- IDENTIFICATION

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2.04.04.03	Contingency Reserves	0	0
2.04.04.04	Realizable Profits Reserves	0	0
2.04.04.05	Retention of Profits	0	0
2.04.04.06	Special Reserve for Non Distributed Dividends	0	0
2.04.04.07	Other Profits Reserves	44,848	44,848
2.04.04.07.01	Reserves for expansion and modernization	44,848	44,848
2.04.05	Accumulated Profits/Losses	67,626	38,942
2.04.06	Advance for future capital increase	0	0

01.02- IDENTIFICATION

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07.01 – Consolidated Income Statement (R\$ thousand)

1 - Code	2 - Description	3 – 07/01/2007 to 09/30/2007	4 – 01/01/2007 to 09/30/2007	5 – 07/01/2006 to 09/30/2006	6 – 01/01/2006 to 09/30/2006
3.01	Gross sales of goods and services	512,071	1,494,301	460,465	1,361,379
3.02	Gross income deductions	(90,030)	(255,460)	(80,519)	(230,107)
3.03	Net sales and services	422,041	1,238,871	379,946	1,131,272
3.04	Cost of products sold goods and services rendered	(304,068)	(911,405)	(276,305)	(833,176)
3.05	Gross profit	117,973	327,466	103,641	298,096
3.06	Operating Expenses (expenses)	(69,799)	(217,069)	(61,593)	(184,694)
3.06.01	Selling expenses	(28,505)	(79,299)	(25,021)	(73,654)
3.06.02	General and administrative expenses	(26,639)	(79,966)	(23,389)	(70,654)
3.06.02.01	Management fees	(825)	(2,663)	(1,066)	(3,018)
3.06.02.02	Administrative expenses	(25,814)	(77,303)	(22,323)	(67,636)
3.06.03	Financial	(10,302)	(32,731)	(278)	(4,980)
3.06.03.01	Financial Income	45,275	115,068	12,237	50,493
3.06.03.02	Financial expenses, net	(55,577)	(147,799)	(12,515)	(55,473)
3.06.04	Other Operating Income	11,109	17,327	4,597	10,609
3.06.05	Other Operating Expenses	(15,462)	(42,400)	(17,502)	(46,015)
3.06.05.01	Technology and development expenses	(9,607)	(28,800)	(10,285)	(28,712)
3.06.05.02	Other operating expenses	(5,855)	(13,600)	(7,217)	(17,303)
3.06.06	Equity pick-up	0	0	0	0
3.07	Operating Income	48,174	110,397	42,048	113,402
3.08	Non Operating Income	(711)	(777)	749	1,250
3.08.01	Income	0	469	749	1,259
3.08.02	Expenses	(711)	(1,246)	0	(9)
3.09	Income before tax/ interest	47,463	109,620	42,797	114,652
3.10	Provision for Income and Social Contribution Taxes	(12,562)	(32,948)	(13,587)	(38,480)

01.02- IDENTIFICATION

1 - CVM CODE 00857-5	2 - CORPORATE NAME MAHLE METAL LEVE S.ª	3 - FEDERAL CORPORATE TAXPAYER'S REGISTRATION NUMBER (CNPJ) 60.476.884/0001-87
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3.11	Deferred income tax	(3,439)	(1,210)	(1,429)	(109)
3.12	Statutory shareholdings/contributions	0	0	0	0
3.12.01	Shareholdings	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Interest on Shareholder's Equity	0	0	0	0
3.14	Minority Interest	(1,267)	(3,330)	(1,184)	(3,115)
3.15	Profit/Loss for the Period	30,195	72,132	26,597	72,948
-	NUMBER OF SHARES, NON TREASURY (thousand)	30,454	30,454	30,454	30,454
-	PROFITS PER SHARE (Brazilian reais)	0.99150	2.36856	0.87335	2.39535
-	LOSS PER SHARE (Brazilian reais)				

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

BRAZILIAN MACROECONOMIC OVERVIEW

Third quarter was marked by a financial turbulence caused by the American real estate credit risk, causing a drop in the main stock exchanges, increase in the dollar and in the sovereign risk. Despite of that turbulence and the foreign exchange unfavorable to exports, the economic activity level was maintained warm along the current fiscal year, supported by a dynamic domestic market benefited by a favorable economic stability environment.

GDP has confirmed this performance, driven by the industry, agriculture, investments in the productive sector and domestic consumption, presenting a positive variation of 4.4% and 5.4% in the 1st and 2nd quarters of 2007, respectively, in comparison to the previous year, accumulating a variation of 4.9% in the first semester. The GDP for the third quarter, according to the Applied Economic Research Institute – IPEA projections, shall have a positive variation, and reach approximately 4.0%.

Currency Exchange – The Brazilian real behavior was strongly influenced by the North American financial market crisis, being close to the barrier of R\$ 2.10 in August, closing the third quarter quoted at R\$1.84, which represents a 14% appreciation of the Brazilian real against the rate of R\$ 2.138 occurred in the end of 2006.

The ongoing real appreciation compared to the North-American currency, substantially committed the profitability of exports and reduced competitiveness of the Brazilian products. The effect caused by the dollar depreciation, which resulted in a loss of exports margin in the period between 2003 and 2007 is presented in the table below:

January to September	Average dollar rate	Variation (%)
2003	3.137	100
2004	2.973	95
2005	2.497	80
2006	2.183	70
2007	2.003	64

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Inflation - The Extensive Consumer Price Index – IPCA closed the nine-month period ended in September of 2007 with an accumulated rate of 2.99%. In the twelve-month period accumulated, the rate was 4.15% (3.14% in the year of 2006). This IPCA rise, compared to the previous year is mainly due to the increase on agricultural prices and to the warmed domestic demand.

Domestic Interest rate – Following two consecutive 0.50 p.p. cuts in domestic basic interest rate, in the period April – July, the Central Bank decided to reduce the monetary loosening pace, mainly on account of the financial turmoil in the third quarter, caused by the real estate credit risk in USA and the more accelerated pace of the economic activity in the Country. In September, the basic interest rate (Selic – Special System for Settlement and Custody) had a 0.25 p.p. cut at the closing, going to 11.25% at the end of October 2007 (13.25% in December 2006).

Trade Balance – Due to a foreign exchange favorable to imports and a warm domestic demand, the trade balance positive position has been presenting a drop in relation to previous year. In the accumulated from January to September 2007, the trade surplus was US\$ 30.9 billion, 9.6% below 2006. Exports grew 15% and imports 28%.

Trade balance composition

	US\$ billion		
	Jan. to Sep. 2007	Jan. to Sep. 2006	Var. %
Exports	116.6	101.0	15.4
Imports	85.7	66.8	28.3
Balance	30.9	34.2	(9.6)

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

PERFORMANCE OF THE BRAZILIAN AUTOMOTIVE SECTOR

Composition of sales and production of assembled and disassembled vehicles (CKD - Completely Knocked Down)

Motor vehicles	thousand units			
	3 rd Q07	3 rd Q06	Jan. to Sep 07	Jan. to Sep 06
	A	B	C	D
Domestic Sales	588.2	464.6	1,564.0	1,275.5
Export	217.1	223.2	594.0	644.7
Total of Sales	805.3	687.8	2,158.0	1,920.2
Production	797.9	671.1	2,181.5	1,972.1

	Variation %	
	3 rd quarter A/B	Accum. until Sep. C/D
Domestic Sales	26.6	22.6
Export	-2.7	-7.9
Total of Sales	17.1	12.4
Production	18.9	10.6

Domestic Market

In face of a scenario of macroeconomic stability, the Brazilian automotive market presented a growth in sales of vehicles of 26.6% in the quarter and 22.6% in the accumulated for the nine months ended in September 2007, resulting in 588.2 thousand and 1,564.0 thousand units, respectively.

That expansion occurred in all vehicle segments (light vehicles, trucks and buses), including agricultural machinery, and it is mainly due to the best conditions to consumer credit, the expansion in financing terms and the higher level of activity verified in the agricultural sector segments and in civil construction and mining industries.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

Percentage variation of sales to the domestic market by segments:

	Variation %
	Jan. to Sep. 07 x 06
Light vehicles (automobile and light commercial)	22.4%
Trucks	28.9%
Buses	15.3%
Total vehicles	22.6%
Automotive agricultural machines	43.0%

Export Market

In the export market, sales of vehicles in units (including assembled and disassembled vehicles) dropped by 2.7% in the third quarter, and by 7.9% in the period accumulated of January to September of 2007, against the same period of 2006.

The automotive sector has been adopting a strategy to decrease exports volume in smaller levels in order to ease losses derived from the ongoing real appreciation, transferring part of this production to the domestic market which has the demand warmed.

Vehicles Production

In the third quarter of 2007, the total vehicles production (including assembled and disassembled vehicles) was of 797.9 thousand units, which represents growth of 18.9% against the same quarter of the previous year. In the period accumulated of January to September, the production totalizes 2,181.5 thousand units, with growth of 10.6%, presenting an increase in all vehicles segments (light vehicles, trucks and buses), including the agricultural machinery segment, as demonstrated below.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

The production addition was generated by the strong demand on vehicles sales to the domestic market in all segments, this behavior was above the sector's expectations, also compensating part of the fall in the sales volume presented in the export market.

Percentage variation of the production by segments:

	Variation %
	Jan. to Sep. 07 x 06
Light vehicles (automobiles and light commercial)	10.0%
Trucks	26.2%
Buses	6.5%
Total vehicles	10.6%
Automotive agricultural machines	34.9%

Import of vehicles

The imports of vehicle units increased by 75.4% in the third quarter, and 95.8% in the accumulated of the nine-month period ended on September, when compared to the same period of the previous year. Against the total of light vehicles sold in the domestic market, the imports increased their participation from 7% to 12% in the nine-month period ended in 2007 in relation to 2006.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

COMPANY'S ECONOMIC AND FINANCIAL PERFORMANCE

Net Sales Revenue

In the third quarter, the parent company presented a net sales revenue of R\$ 389.3 million, representing an increase of 5.1% in comparison with the same quarter of the previous year, and in the accumulated period from January and September 2007 presented R\$ 1,112.1 million, thus, an increase of 4.5% when compared to the same period of the previous year. In the consolidated, the net revenue of R\$ 422.0 million, represented an increase of 11.1% in the third quarter, and R\$ 1,238.9 million, an increase of 9.5% in the accumulated period of the current year, as demonstrated below in the sales by market. The increase in the revenue is due to the higher physical volume traded and to the addition in the company's portfolio of the new plant in Argentina, Establecimientos Metalurgicos Edival, manufacturer of valves, valve guides and valve seats, acquired in March 2007, which generated a net revenue of approximately R\$ 41 million in the period accumulated until September 2007.

Composition of Parent company and Consolidated's sales

R\$ million

	3 rd Q 07	3 rd Q 06	Jan. to Sep 07	Jan. to Sep 06
PARENT COMPANY	A	B	C	D
Domestic Market	222.2	198.7	613.5	569.2
Foreign Market	167.1	171.8	498.6	495.5
Total	389.3	370.5	1,112.1	1,064.7
CONSOLIDATED				
Domestic Market	249.6	216.6	685.6	627.1
Foreign Market	172.4	163.3	553.3	504.2
Total	422.0	379.9	1,238.9	1,131.3

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

	Parent company		Consolidated	
	3 rd Q	Jan. to Sep 06	3 rd Q	Jan. to Sep 06
Market	A/B	C/D	A/B	C/D
Domestic Market	11.8	7.8	15.2	9.3
Export Market	-2.7	0.6	5.6	9.7
Total	5.1	4.5	11.1	9.5

Domestic Market

The sales of the parent company to the domestic market totaled R\$ 222.2 million in the third quarter, presenting a growth of 11.8% against the same quarter of the previous year. In the accumulated of the nine-month period ended in September, totaled R\$ 613.5 million, consequently with an increase of 7.8%. This growth is partly justified by the activities closing of the engines manufacturer Tritec, which exported large part of its production volume to England. In the consolidated, the sales increased 15.2% in the quarter, and 9.3% in the accumulated.

This positive result is mainly due to the warming in the market of original equipments, a result of the favorable economical conditions of the country, which positively reflected in the performance of the automotive sector. In the aftermarket segment, the market is warmth, recurring from the best conjuncture in the services of transportation and agriculture, resulting the warmth of engine sales and its parts and components, due to the tendency of higher wearing of automotive vehicles and agricultural machinery, predominantly trucks and tractors.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

Export Market

The ongoing appreciation of the national currency against the North American currency impacted in a fall on sales to the export market in the parent company, in the quarter, in 2.7%, although, a positive balance of 0.6% was still presented in the accumulated period. Nevertheless, when they are analyzed in hard currency, presented a 10.0% growth in the quarter, and 9.7% in the accumulated of the nine-month period ended in September 2007 against the same period of 2006. In the consolidated, the net revenue presented an increase of 5.6% in the quarter and 9.7% in the accumulated period of the current year (in hard currency, with growth of 19.4% in the quarter and 19.6% in accumulated period of the current year)

Cost of Products Sold

The Brazilian real appreciation and the increase of some raw materials effects have been committing the gross margin of the Company when compared to previous years. Comparing to the immediately previous quarters, the margin had an improvement both in the parent company and in the consolidated, as demonstrated below.

Evolution of the gross margin by quarter in 2007

	1 st quarter	2 nd quarter	3 rd quarter
Parent Company	22.6%	23.8%	24.8%
Consolidated	25.1%	26.1%	28.0%

Among the factors that contributed to the gradual improvement of the gross margins along the current year, the following are pointed out: the good domestic market performances, both in original equipment and in the aftermarket; the addition in the market mix; and, mainly, the continuous efforts in the costs control and in the constant search for operating productivity profit.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

Besides that, after the domestic market warmth, there was compensation in part of the margin decrease in exports, caused by the continuous appreciation of Brazilian real against the North American currency.

Financial Management

The net financial income in the accumulated period from January to September 2007, presented an expense of R\$ 30.6 million in the parent company, and R\$ 32.7 million in the consolidated, presenting an increase in the financial expenses of R\$ 25.5 million and R\$ 27.7 million, respectively, comparing to the same period of the previous year.

This income is originated from the currency exchange variations on investments, the currency exchange exposition and loans and financings performed in 2006 and in the first quarter of 2007, as demonstrated in the explanatory notes No. 14 and 20.

Indebtedness

On September 30, 2007, the company presented a net indebtedness of R\$ 265.8 million, as a result of financings made by the parent company with BNDES – in the Exim modality, destined to the exports financing, which are bounded in warranties. The financings accounted in the quarter totaled R\$ 301.6 million, being composed by 95% of short-term and 5% of long-term. In the consolidated, the net indebtedness totaled R\$ 260.4 million.

	R\$ million			
	Parent company		Consolidated	
Liabilities	09/30/2007	09/30/2006	09/30/2007	09/30/2006
Financings	301.6	235.1	337.0	237.9
Discounted exchange bills	60.1	62.9	60.3	62.9
Assets				
Cash/Banks/Financial Applications	(95.9)	(66.9)	(126.9)	(82.9)
Net Indebtedness	265.8	231.1	260.4	217.9

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

Comparing to the previous quarter, the net indebtedness presented an increase of 14.2% in the parent company and 19.5% in the consolidated.

A Statements of Income Summary

R\$ million

	Parent Company			Consolidated		
	Jan. to Sep.07	Jan. to Sep 06	Var. %	Jan. to Sep.07	Jan. to Sep 06	Var. %
Sales Net Revenue						
-Domestic Market	613.5	569.2	7.8%	685.6	627.1	9.3%
-Export Market	498.6	495.5	0.6%	553.3	504.2	9.7%
Total	1,112.1	1,064.7	4.5%	1,238.9	1,131.3	9.5%
- Export Market in US\$ million	249.5	227.5	9.7%	276,7	231.3	19.6%
Gross Income	264.5	262.3	0.8%	327.5	298.1	9.9%
-gross margin	23.8%	24.6%	-0.8 p.p.	26.4%	26.4%	-
Operating Income	99.6	105.0	-5.1%	110.4	113.4	-2.6%
-operating margin	9.0%	9.9%	-0.9 p.p.	8.9%	10.0%	-1.1p.p.
Net profit	72.1	72.9	-1.1%	72.1	72.9	-1.1%
-net margin	6.5%	6.8%	-0.3 p.p.	5.8%	6.4%	-0.6p.p.
EBITDA (*)	202.5	181.5	11.6%	220.4	192.5	14.5%
-EBITDA margin	18.2%	17.0%	1.2 p.p.	17.8%	17.0%	0.8p.p

(*) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization).

Operating Performance

In the accumulated nine-month period ended in September 2007, the operating performance provided by Ebitda (earnings before interests, taxes, depreciation and amortization) presented growth of 11.6% in the parent company and 14.5% in the Consolidated, generating a margin of 18.2% and 17.8%, with gain in the margins of 1.2 p.p. and 0.8 p.p. respectively, regarding the same period of 2006.

Evolution of the EBITDA margin by quarter in 2007

R\$ million

	1 st Q 07	2 nd Q 07	3 rd Q 07	Jan. to Sep. 07
Parent Company				
- EBITDA	58.0	67.1	77.3	202.5
- Ebitda Margin	16.8%	17.8%	19.9%	18.2%
Consolidated				
- EBITDA	62.1	73.5	84.8	220.4
- Ebitda Margin	16.2%	17.0%	20.1%	17.8%

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

In the third quarter of 2007, EBITDA totaled R\$ 77.3 million in the parent company and R\$ 84.8 million in the consolidated, with increase of 23.1% and 26.5%, respectively, in relation to the same quarter of 2006. The EBITDA margin on net revenue was 19.9% in the parent company and 20.1% in the consolidated, with gain in the margins of 2.9 p.p. and 2.4 p.p. respectively.

Net Income

In the quarter - The Company registered a net income of R\$ 30.2 million in the third quarter of 2007, a 13.5% result higher to the one presented in the same period of the previous year (R\$ 26.6 million) and 41.6 % against the immediate previous quarter.

In the parent company, the net margin of the quarter was 7.8%, gain of 0.6 p.p. against the same quarter of the previous year and 2.2 p.p. in comparison with the 5.6% presented in the previous quarter. The margin in the consolidated was 7.2% in the quarter, with gain of 0.2 p.p. against the 3rd quarter of 2006, and 2.1. p.p. compared to the previous quarter.

In the accumulated period until September – In the accumulated period from January to September of 2007, the net profit was R\$ 72.1 million, with decrease of 1.1% against the income of the same period in 2006. The net margin on net revenue of consolidated sales was 5.8% with loss of 0.6 p.p. against the same period of the previous year.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

A contribution for the formation of this result was the increase in cost of raw materials, the consequent financial expenses, mainly from interests on financing and the continuous appreciation of the real currency in relation to the US dollar, even if discounted by the effect of the increase in sales to the domestic market and the result of the equity pick-up on investments in companies controlled in Brazil and abroad.

Shares	Parent company			Consolidated		
	Jan. to Sep 07	Jan. to Sep 06	Var.%	Jan. to Sep 07	Jan. to Sep 06	Var.%
Number of issued Shares / thousand	30,453	30,453	-	-	-	-
Shareholders' equity per share (R\$)	16.89	15.31	10.3%	16.89	15.31	10.3%
Earnings per share – R\$	2.369	2.395	-1.1%	2.369	2.395	-1.1%

INVESTMENTS

Investment Budget for 2007

The Company's shareholders approved the investment budget for 2007, in the amount of R\$ 230.7 million, from this amount, R\$ 168.6 million were already performed and committed, intended to the following projects: quality; increase of capacity; operations; research and development; new Technological Center; acquisitions of Dana Gravataí – bearings plant– and Edival Argentina – valve plant; and industrial filter project.

HUMAN RESOURCES

At the end of the third quarter of 2007, the Company's manpower had 7,273 collaborators in the parent company and 8,609 in the consolidated. On December 31, 2006 had 7,107 and 7,588 collaborators, respectively. The increase of personnel was due to the increase of businesses, with the acquisition of companies in the first quarter of the current year, and the adjusting of the current production levels with the purpose of supporting the demand warmed in the domestic market.

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08.01 – COMMENT ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

BENEFITS AND RESULTS SHARING

Destined to collaborators, the benefits and results sharing totaled in the period between January and September 2007 R\$ 53.5 millions in the parent company and R\$ 58.1 million in the consolidated. In the consolidated, these interests are distributed in 26.0% in medical and social assistance, 21.2% in food, 9.6% in transportation, 6.5% in training, 31.6% in profits sharing and 5.1% in other.

SOCIAL RESPONSIBILITY

In this quarter the company set, in the aftermarket unit in Limeira, the 6th School MAHLE Formare, aiming the education of young people in the community of low revenue of the municipality; its purpose are programs of professional and social learning within the company. The students of School MAHLE Formare join differentiated subjects, such as English, Spanish, music, drama, news, strategic games, physical education and arts. The classes are taught by volunteer educator-collaborators, and the project already benefited hundreds of young people, reaching an expressive employment of the graduated students.

SUSTAINABILITY

The Company, manufacturer of components for automotive vehicles, counts on the following certifications ISO /TS 16949 (quality in the automotive sector), ISO 14001 (environment) and in the third semester of 2007 obtained the certification OHSAS 18001 (occupational safety and health), aiming the promotion of small international standards constituting the better way of preventing labor accidents, occupational diseases and other health problems in the professional environment.

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ENVIRONMENT

During the third quarter of 2007, the environmental management system of the Company's units implemented several improvements, continuously to the environmental, social and economical efforts aligned to our environment Policy, among them: environmental social responsibility – educative action of environment of Mogi Guaçu unit, before CEGEP (Guaçuano Center of Professional Education Mario Covas) which promoted a visit of students to ETE – Station of Sewerage Treatment; rationalization and responsible use of energy – contest for children of employees approaching the energy and environment topic; improvement at ETE – Industrial Effluents – investment in improvements and installation of new press-filters at industrial ETE; usage of ecologic solvent – substitution of the thinner used in the serigraphy processes and maintenance by similar biodegradable solvent; recycled raw material – development of raw material with resistant synthetic fiber obtained through PET pad for application in air filters; plan of monitoring atmosphere emissions – sampling of equipments that control the atmospheric emissions based in the guidelines defined by the environmental body.

RELATIONSHIP WITH INDEPENDENT AUDITORS

In compliance with CVM Instruction no. 381/03 the information concerning the rendering of other services are listed below, other than external audit, provided by the company Ernst & Young Auditores Independentes S/S and its related parties, during the first half of 2007, to MAHLE Metal Leve S.A., controlled companies and companies belonging to the same group to which the Company belongs:

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Nature	Contracting date	Duration
Quarterly revisions of tax burden of 2007, as well as of DIPJ (concerning the year of 2006).	April 12, 2007	January to December 2007
External audit service for companies belonging to the same group to which the Company belongs.	April 12, 2007	January to December 2007
Revision of the procedures and criteria adopted in determining PIS (Employees' Profit Participation Program)/Cofins (Tax for Social Security Financing)	August 31, 2005	January to March 2007

The contracted fees totaled R\$300 thousand and represented 65% of the fees corresponding to the external audit services rendered and to be rendered to MAHLE Metal Leve S.A. and its controlled companies in 2007.

The company and controlled companies' policies prohibited the hiring of its independent auditors for the rendering of services that may cause conflict of interests, loss of objectivity of the same or of independence.

The Management of MAHLE Metal Leve S.A. and its controlled companies, in discussion with its independent auditors, concluded that the works listed above are not considered as threats to the independence of audit entity, since they do not characterize an actual or supposed loss of its objectivity and integrity.

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PERSPECTIVES

Macroeconomic scenery

Based in the good performance of the Gross Domestic Product (GDP) in the first semester of 2007, added to the warming of the main industrial activities observed in this third semester, the market projects a growth rate of the country's economy, in 2007 of about 4.7% (3.7% in 2006).

For the fourth quarter the market projects continuity of the country's economy expansion, supported in a warm domestic market, motivated by the combination of the lower rates, increasing income and employment, credit in expansion, increase of the financing terms and consumer trust.

The estimates for the IPCA points out to an indicator close to 4% for 2007, being one more time below the central of 4.5% goal. With respect to Selic interest rate, the estimate is another cut this year, probably closing the year in 11%.

In the export market, the export of manufactured products has been affected by the continuous appreciation of real before dollar, committing the competitiveness and profitability of the sector. Dollar, in the last biennium, came from R\$ 2.34 in the end of 2005 to R\$ 2.14 in 2006, achieving in September 2007 R\$ 1.84, probably closing the year at R\$ 1.80.

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Automotive Industry

The automotive sector projects a growth, in 2007, with the production of 2.960 million units, a volume 13% higher than the one manufactured in 2006, and in the sales of the domestic market, a growth of 20%. In the export market, the forecast is a fall in units in approximately 11% due to the continuous appreciation of Real before the North American currency.

For the fourth quarter, according to data of the National Association of Manufacturers of Automotive Vehicles - Anfavea, the forecast is the increase in the vehicles manufacturing in approximately 22%, and in the sales to the domestic market of 15%, in comparison with the same quarter of the previous year. In the export market, the vehicles sales forecast in units is a fall, estimated in 17%.

The Company

Considering the result foreseen by the Brazilian automotive sector and by the dynamic development of the current conjuncture, that leveraged the transportation services in the agricultural sector and in building construction and mining industries, the company works with the expectation of maintaining the same growth rhythm in production volume in the domestic market, of original equipment and aftermarket, presented in the previous quarter. Although in the fourth quarter there is a natural cooldown in the market, more specifically in the last month of the year.

In the international market, the perspective for the next quarter in sales volume is keeping the same sales levels achieved in the previous quarter, and higher than the ones presented in the fourth quarter of the previous year, resulting from the strategic change of sales operations, and increment in the portfolio arising from Edival's acquisition.

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Although the profitability once again may be affected in consequence of the fluctuations in the currency exchange rate, the company has been obtaining operational performance at growing rates, as shown by the last changes in EBITDA in previous quarters, which is appropriate with Management efforts in the continuous control of costs, in the increase of productivity, as well as by the development in the product portfolio, through the acquisitions of companies, taking an important step to balance its international presence, and to maintaining its good performance in the domestic market.

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17.01 - REPORT OF SPECIAL REVIEW – WITHOUT RESERVES

Dear Officers and Shareholders of

MAHLE Metal Leve S.A.

1. We have conducted a special review of the Quarterly Information (ITR) of MAHLE Metal Leve S.A. and MAHLE Metal Leve S.A. and its controlled companies, regarding the quarter and the nine-month periods ended on September 30, 2007, including balance sheets, income statements, the performance report and material information, prepared in accordance with the accounting practices adopted in Brazil.
2. Our review was prepared in accordance with the specific rules established by IBRACON (Brazilian Institute of Independent Auditors), jointly with CFC (Brazilian Accounting Board), and such review included mainly the following: (a) inquiry and discussion with the managers in charge of the Company's accounting, financial and operating areas, concerning the main criteria adopted in the preparation of the Quarterly Information; and (b) review of information and events embracing relevant effects now or thereafter on the financial status and operations of Company.
3. Based on our special review, we are not aware of any relevant change to be made on such a Quarterly Information mentioned above, so that they are in accordance with the practices adopted in Brazil, consistently applied to the rules issued by CVM (Brazilian Securities and Exchange Commission), specifically to the preparation of such Quarterly Information.
4. Our special review was carried out so that we could issue a report on the special review on the Quarterly Information referred to in the first paragraph. The statement of cash flows of MAHLE Metal Leve S.A. and MAHLE Metal Leve S.A. and its controlled companies regarding the nine-month period ended on September 30, 2007, presented in the Quarterly Information in order to provide supplementary information on the Company and its controlled companies, are not required as an integral part of the basic Quarterly Information, according to the accounting practices adopted in Brazil. Such statements were submitted to the review procedures described in the second paragraph and, based on our review, we are not aware of any relevant change that should be made to these supplementary statements, so that they are properly presented, in all relevant aspects, against the Quarterly Information regarding the nine-month periods ended on September 30, 2007, taken together.

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Campinas, November 7, 2007

ERNST & YOUNG
Auditores Independentes S.S.
CRC2SP015199/O-6

B. Alfredo Baddini Blanc
Accountant CRC1SP126402/O-8

01.01- IDENTIFICATION

1 – CVM CODE 00857-5	2 – CORPORATE NAME MAHLE METAL LEVE S.A	3 – FEDERAL CORPORATE TAXPAYERS' REGISTRATION NUMBER (CNPJ) 60.476.884/0001-87
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