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MAHLE METAL LEVE S.A.
CORPORATE TAXPAYER REGISTRATION NUMBER
C.N.P.J/MF 60.476.884/0001-87
PUBLICLY-HELD COMPANY

MATERIAL FACT

The management of **Mahle Metal Leve S.A.** ("Company"), in compliance with CVM Instructions 319/99 and 358/02 issued by the Brazilian Securities and Exchange Commission (CVM), and in addition to the Material Facts dated October 6 and 20, 2010, hereby informs to the Company's shareholders and the market that the Board of Directors, on a meeting held on November 9, 2010, in response to the request of certain non-controlling shareholders, approved the following adjustments to the terms and conditions of the restructuring of the Mahle Group ("Corporate Restructuring").

The Corporate Restructuring, including the changes informed in this Material Fact, shall be submitted for approval at the Extraordinary Shareholders' Meeting to be held on November 30, 2010 ("Extraordinary Shareholders' Meeting").

The terms and conditions of the Corporate Restructuring included in this Material Fact were analyzed by the Company's Fiscal Council on a meeting held on November 10, 2010.

THE COMPANY WAS INFORMED BY ITS CONTROLLING SHAREHOLDER, MAHLE INDÚSTRIA E COMÉRCIO LTDA., THAT AT THE EXTRAORDINARY SHAREHOLDERS' MEETING THE CONTROLLING SHAREHOLDER WILL VOTE ONLY THE ISSUES RELATED TO THE COMPANY'S LISTING ON THE NOVO MERCADO SEGMENT OF BM&FBOVESPA, AND IT SHALL ABSTAIN FROM VOTING ANY OTHER ISSUES RELATING TO THE CORPORATE RESTRUCTURING, WHICH SHALL BE SUBMITTED TO THE EXCLUSIVE APPROVAL OF NON-CONTROLLING COMMON AND PREFERRED SHAREHOLDERS.

1. Acquisition of Quotaholding Control of Mahle Participações Ltda.

1.1. Pursuant to the Sale and Purchase Agreement of Quotas, subject to Condition Precedent, and First Amendment thereto, entered into effect on October 5 and November 9, 2010, respectively, by and between the Company and its indirect controlling shareholder, Mahle Industriebeteiligungen GmbH, the Acquisition Price of 6,350,469,992 quotas of the quota capital of Mahle Participações Ltda. shall be paid as follows: (i) R\$ 204,500,000.00 (two hundred and four million, five hundred thousand Brazilian reais), equivalent to twenty-five percent (25%) of the Acquisition Price, in Brazilian currency, within up to fifteen days after the approval of the Merger of Mahle Participações Ltda. into

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the Company, pursuant to item 3 of this Material Fact; and (ii) R\$613,500,000.00 (six hundred and thirteen million, five hundred thousand Brazilian reais), equivalent to the remnant amount of the Acquisition Price, through 12,315,930 common shares, nominatives and without face value to be issued by the Company under the terms of item 2 below (“Company’s Capital Increase”).

2. Company’s Capital Increase

2.1. For the purposes of the item 1.1. (ii) above, the Company's stock capital shall be increased by R\$613,500,000.00 (six hundred thirteen million, five hundred thousand Brazilian reais) through the private issuance of 12,315,930 newly-issued common shares, nominatives and without face value, at the price of issuance of R\$49.81353418 per share, which shall be subscribed and paid in through the capitalization of credit of an equal amount held by Mahle Industriebeteiligungen GmbH.

2.2. The price of issuance of each common share was set according to article 170, paragraph 1, item I, of the Brazilian Corporation Law n. 6,404/76 (LSA), based on the criterion of expected future profitability of the Company.

2.3. After the approval of the Company’s capital increase at the Extraordinary Shareholders’ Meeting, the Company’s stock capital shall change from R\$352,754,684.00 (three hundred fifty-two million, seven hundred fifty-four thousand, six hundred eighty-four Brazilian reais) to R\$966,254,684.00 (nine hundred sixty-six million, two hundred fifty-four thousand, six hundred eighty-four Brazilian reais), divided into 42,769,500 shares.

2.4. The newly-issued Company’s common shares shall have the same rights and privileges granted to the Company’s existing outstanding shares of the same type and shall be entitled to all benefits, including dividends and any other cash benefits that the Company may approve relating to fiscal year 2010.

2.5. The Company’s shareholders shall have ensured their preemptive rights and, since the capital increase is made through capitalization of credit, any amount paid by the shareholders shall be delivered to the holder of the credit to be capitalized, according to paragraph 2 of article 171 of the LSA.

2.6. The Company’s shareholders shall have the period of thirty (30) days from the publication of the Announcement to Shareholders competent to exercise their preemptive rights in the proportion of the number of Company shares they hold, according to their respective shareholding as of the publication date of the such Announcement to Shareholders, observing that, as the capital increase involves only the issuance of common shares, the preemptive rights shall be exercised only in that kind of shares, pursuant to article 171, paragraph 1, item “c” of the LSA. Such Announcement to Shareholders shall be published

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only after the end of the period for exercising of the withdrawal rights set forth in item 5 of this Material Fact.

2.7. The Company's Fiscal Council, on meetings held on October 5 and November 10, 2010, issued opinions favorable to approval of the capital increase under the above terms and conditions.

3. Merger of Mahle Participações Ltda.

3.1. The terms and conditions included in the Protocol and Justification of the Merger of Mahle Participações Ltda. into the Company are maintained, except for few changes duly stressed in the corresponding amendment to the Protocol and Justification of the Merger, made available to the shareholders as of this date, according to item 9 below.

3.2. The Company's Fiscal Council at the meetings held on October 4 and November 10, 2010 also expressed favorable opinions about the Merger of Mahle Participações Ltda. into the Company.

4. Conversion of Shares

4.1. The management informs that the proposed conversion of all Company's preferred shares to common shares was maintained, observing the conversion ratio of one (1) preferred share to one (1) common share. A Special Extraordinary Meeting of holders of preferred shares is being called on the same date of the Extraordinary Shareholders' Meeting, which, pursuant to paragraph 1 of article 136 of the LSA, shall ratify such conversion.

5. Withdrawal Rights

5.1. According to the Material Fact dated October 6, 2010, the withdrawal rights apply to:

(i) holders of common shares and preferred shares of the Company, who dissent from the deliberations of the Extraordinary Shareholders' Meeting approving the merger of Mahle Participações Ltda., pursuant to paragraph 2 of article 256 of the LSA; and

(ii) holders of preferred shares of the Company, who dissent from the deliberations of the Extraordinary Shareholders' Meeting approving the conversion of preferred shares to common shares, pursuant to item I of article 136, combined with subsection I of article 137, both of the LSA.

5.2. Shares acquired in trades on or before October 7, 2010 entitle their holders to withdrawal rights.

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5.3. The amount of reimbursement for Company's common and preferred shares held by shareholders who dissent from the approval of the matters mentioned in items (i) and (ii) above, shall be made upon the Company's book value per share presented in the financial statements as of December 31, 2009, shall be R\$18.44 per share, regardless of the kind of shares.

5.4 The Company's shareholders shall have the period of thirty (30) days from the publication of the respective minutes of Shareholders' Meeting to exercise their withdrawal rights.

6. Company's Bylaws

6.1. The Company's Bylaws shall be amended in order to reflect the Company's Capital Increase and the conversion of preferred shares to common shares.

7. Secondary Public Offer and Migration to the Novo Mercado Listing Segment

7.1. The Extraordinary Shareholders' Meeting shall vote the Company's migration to the Novo Mercado listing segment of BM&FBovespa, determining that the Company's Management shall adopt all the measures for this purpose. Accordingly, the controlling shareholder announces its decision to implement a Secondary Public Offering for the Distribution of the Company's Shares, which should take place in Fiscal Year 2011.

8. Additional Information

8.1. On this date call notices are published for (i) the Extraordinary Shareholders' Meeting that will vote the Corporate Restructuring, (ii) and the Special Extraordinary Meeting of holders of preferred shares that will ratify the conversion of preferred shares to common shares, both to be held on November 30, 2010, at 12:00 a.m. and 1:00 p.m., respectively.

9. Documents made available

9.1. As of this date hereof, from 9:00 a.m. to 5:00 p.m., on business days, the shareholders shall have, at Company's head office located at Av. Ernest Mahle, 2.000, in the City of Mogi Guaçu, State of São Paulo, access to the documents used in the planning, evaluation, promotion and execution of the Corporate Restructuring of the Mahle Group mentioned in the Material Fact dated October 6, 2010, as well as the documents that had been changed, as mentioned in this Material Fact, as described herein, such as: (i) minutes of the Board of Directors' meetings held on October 5 and November 9, 2010 approving the Corporate Restructuring; (ii) Sale and Purchase Agreement of Quotas, Under Condition Precedent, of Mahle Participações Ltda. and First Amendment thereto; (iii) Valuation Reports of Banco Fator S.A. and Banco Itaú BBA S.A.; (iv) Protocol and Justification of the Merger of Mahle Participações Ltda., and

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Amendment thereto; (v) valuation report of the quotaholders' equity of Mahle Participações Ltda. prepared by BDO Auditores Independentes; (vi) Fiscal Council's opinions on the capital increase and merger of Mahle Participações Ltda., submitted to meetings held on October 5 and November 10, 2010; (vii) balance sheets of the Company and Mahle Participações Ltda. as of December 31, 2009 and September 14, 2010, respectively; and (viii) proposal for amendment to the Company's Bylaws. In addition, such documents shall be available at the Company's website (www.mahle.com.br); at the website of the Brazilian Securities and Exchange Commission (CVM) (www.cvm.gov.br) and at the website of BM&FBOVESPA (www.bovespa.com.br).

Mogi Guaçu, November 10, 2010.

Heiko Pott
Investor Relations Officer