

Press Kit

 **Metalfrio** | **Solutions**

Confiança no mundo inteiro



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The Company

Founded in 1960, the Brazilian-based multinational Metalfrio Solutions is a leading manufacturer of commercial refrigeration equipment of the plug-in type, a leader in Brazil and Latin America, and a world leader in the segment.

The company supplies refrigerators and freezers to large global players in food and drink through a network of distributors in 80 countries on the five continents. In Brazil, Metalfrio coolers are in about 90% of shops that use plug-in refrigeration.

With factories in São Paulo, Três Lagoas (MS), Turkey, Russia and Mexico, the goal of Metalfrio is to expand sales to global customers in regions of strategic interest, similar to what occurs in the domestic market, and increasingly consolidates its position among the largest global companies in the industry.

Global Presence

The strategy of Metalfrio Solutions to gain positions in the international market is based on organic growth and acquisitions, i.e., maintain industrial units in countries with high growth and export potential, and efficient logistical positioning.

With this, the company has achieved growth markets in Eastern Europe and the Middle East, consolidating a position in Mexico and the United States and strengthening its presence in mature markets such as Western Europe. Meeting the demands of multinational customers, locally in different countries, is what has driven the expansion of the Metalfrio business.

One example was the purchase of the Caravell/Derby group - brand recognized and respected by the world's largest manufacturers of beverages and ice cream - which brought unique advantages for Metalfrio regarding the performance area, thanks to the geographical position of the distribution network of the Danish group, which includes a distribution center in the United States, the most important market for commercial refrigerators and freezers on the planet.

With the entry of companies Enerfreezer and Refrigeración Nieto (Mexico) to the group, Metalfrio Solutions consolidated its presence in the Latin American market, in addition to acting in the United States and Canada.

Finally, with the start of plant operations in Turkey as a basis for business expansion in the European market and countries of the Middle East, and the acquisition of the Senocak holding shares, in 2008, the controller of Klimasan, one of the most important companies in the Turkish commercial refrigeration, the company took another important step towards global consolidation.

In Brazil, the modern plant in Três Lagoas (MS), with production capacity to meet the growing demand from domestic and foreign markets, is today a strategic platform for the company's businesses in South America.

History

Created in Rio de Janeiro, in 1960, as a cottage industry of products for commercial refrigeration, Metalfrio arrived in São Paulo in 1963. At the time, its founders identified an opportunity to supply the ice cream industry, which produced its own cooling machines. Over time, the company found other niche markets and expanded its line of products and services. Numerous innovations have marked the history of Metalfrio Solutions over the past 50 years:

1970 - first industry in the sector to replace glass wool by polyurethane foam as thermal insulation. This allowed a reduction of about 50% in energy consumption;

1975 - launch of the first vertical exhibitors with frost-free system that, among other things, spares thawing for cleaning;

1989 - home appliance maker Continental 2001 acquired 60% of the Metalfrio capital, which had Springer and Panasonic as business partners. The traditional manufacturer of stoves in Metalfrio saw the opportunity to enter the refrigeration market;

1992 - Metalfrio entered the vending machines market and pioneered the manufacture of the product in Brazil;

1996 - under the command of German group BSH, which took stake control over Continental and maintained Metalfrio as a business unit focused on commercial refrigeration, the brand revolutionized the design of the horizontal displays with the soft-line rounded line. In the vending market, the news was the launch of the first machine with banknote acceptors;

1998 - 100% ecological products. Metalfrio replaced the CFC (chlorofluorocarbon) gases for cleaner ones, approved by the Montreal Protocol;

2001 - during full energy crisis, with energy rationing, Metalfrio developed the Chest Freezers Economizer line in record time, up to 50% cheaper than the available model. The company revamped its name and its branding and renamed itself Metalfrio Solutions, more focused on the service sector, with focus on exports. The company gained autonomy within the BSH group, to further strengthen service delivery, and expanded marketing and engineering staff to develop new products and solutions;

2004 - Metalfrio Solution was again 100% Brazilian, after being acquired by an investment fund led by Resources Management Artesia;

2006 - opening of the plant in Três Lagoas (MS), Danish group Caravell/Derby, one of the leaders in the sale of commercial freezers and refrigerators for the European market, was purchased, the construction unit in Turkey and purchase of RPS/Coldmotion assets in the U.S., Caravell Distribution Centre and a leading distributor of brand marketing in North America. Metalfrio Solutions searches, since then, to establish itself as one of the largest global players in the commercial refrigeration market;

2007 - start of plant operations in Turkey, a source of vertical products for the entire European and Asian markets, acquisition of Refrigeración Nieto, traditional Mexican commercial refrigeration company, founded in 1948; and start of negotiations of trading of shares in the Metalfrio Solutions S.A. at the São Paulo Stock Exchange (Bovespa).

2008 - Purchase of 71% of the Senocak holding shares, controller of Klimasan, one of the largest commercial refrigeration companies in Turkey, with two units. Expansion of the Três Lagoas (MS) plant to an area of 21,500 square meters and vertical processes, aimed at increasing competitiveness and achieving greater control of its production.

Factories

With the acquisitions, Metalfrio Solutions shall have five manufacturing plants: two in Brazil, one in Russia, one in Turkey and one in Mexico, with production capacity that exceeds one million units of commercial refrigerators per year.

In Brazil, the plants are located in São Paulo city, with an area of 28,000 m², and in Três Lagoas (MS), where it takes over 21,500 m². Both factories are 100% ecological.

Currently, about 10% of Brazilian production is exported to Latin American countries and the U.S. - markets also fueled by the Mexican plant - and also to the nations of Africa, Europe and the Middle East. Of the internal market for commercial refrigeration, Metalfrio owns about 70%.

To optimize the performance of the company in Europe, Metalfrio transferred the horizontal production equipment from Denmark to Kaliningrad, Russia, plant that also produces chassis for vertical beverage and food cooling for the Russian market.

In 2008, Metalfrio bought 71% of Turkish Holding Senocak SA., owner of brand Klimasan, a leader in commercial refrigeration in the Turkish market, with two facilities: the main near the port of Izmir, with capacity to produce about 300,000 units/years, and another in Manisa, which has been prepared to raise the total production capacity to 400,000 units per year.

With this acquisition, the company restructured its operations in Turkey, centralizing production at the factory in Manisa, in order to improve the production process, reduce costs and increase competitiveness.

In Mexico, a Nieto factory, in the industrial city of Celaya, with an area of 22,000 m² and has capacity to produce over 200,000 units per year between vertical and horizontal products, cold rooms and walk-in coolers to convenience stores.

All Metalfrio factories have multiple production lines and complementary products, which streamline the delivery of equipment in various countries, with high quality standards in products and services.

Along with distribution centers in the United States and Denmark, industrial plants ensure Metalfrio Solutions with greater flexibility in fulfilling and delivering services to customers.

Social and Political Responsibility of Human Resources

Metalfrío Solutions is committed to quality of life for employees and their families, and prioritizes ethics in its relations with the community and society as a whole. In Brazil, the company develops projects and programs in order to promote personal development, caring for our environment and respecting the social, human and consumers' rights.

One of the initiatives of the company is Projeto Educar. Aimed at developers, the project began in 2002 with classes from literacy to high school. For four years, until 2005, Educar served about 120 people.

With the expansion project, the developers have been given the opportunity to also serve higher education, with expenditure side of the Manufacturing and Industrial Operations Management course funded by Metalfrío. Taught by specialist teachers at the Anhembi-Morumbi University, the course lasts two years, with classes in the company.

In 2007, in partnership with Fundação Getulio Vargas (FGV) and the Business School of São Paulo (BSP), the company started to subsidize the MBA in Business Management, also in company.

Aside from the convenience of studying at work on compatible schedules, there are other advantages such as affordable tuition, food and courseware offered by the company, receiving about 60 employees in graduation and 20 in MBA.

Through material and/or financial support, Metafrío Solutions maintains partnerships with organizations that develop social projects structured and consistent with the communities surrounding its plants. Like its operations in Brazil, the company also seeks to establish a liability policy media in other countries where it operates.

Environmental Responsibility

One of the priorities of Metalfrio Solutions is caring for the environment. The company pays special attention to this issue, with a vision of sustainable development activities, products and services.

The conduct of the company involves the application of all measures necessary to prevent damage to the environment, including prior assessment of potential effects, even at the early stage of product and processes planning. The cultivation and promotion of a sense of responsibility for environmental preservation is an ongoing task management, both among employees and among partners.

In 1998, Metalfrio made large investment to fully eliminate CFCs (gases that deplete the ozone layer) from its products and facilities, making its plant in São Paulo the first totally ecological one in Latin America.

In 2000, it removed the paint industry with the use of pre-painted plates, a change that took away all the cleaning of the plates made with acids and toxic components, reducing the emission of pollutants and water and electricity consumption. In 2001, Metalfrio was first to market the refrigerators "Economizer", which consumes less electricity.

All trash generated at plants in São Paulo and Três Lagoas is properly separated and sorted through a process certified by Cadre, issued by the Environmental Sanitation Technology Company (Cetesb), linked to the Department of Environment of São Paulo. The same procedures are adopted in factories abroad.

The selective collection, which focus much of the industrial waste on recycling, is also practical in the company. In 2006, for example, over 250 tons of recyclable materials were collected. In addition, Metalfrio uses expander agent gas (“*cicloisopentano*”) and HFC 134A refrigerant gas, which does not harm the ozone layer. Thanks to the thermal insulation with polyurethane foam, expanded with “*cicloisopentano*” gas, the company can guarantee preservation of the environment.

Financial Data

Metalfrío closed 2009 with net revenue of R\$ 643.2 million, with an 11.3% reduction compared with the R\$ 724.9 million in 2008;

Sales totaled 551,000 units, 15% reduction compared to 2008.

The adjusted EBITDA totaled R\$ 67.6 million in 2009, with an increase of 73.6% compared to 2008. Net income reached R\$ 34.8 million.

Quality Policy

In 2003, Metafrio Solutions was certified by ISO 9001, 2000, by ABS Quality Evaluations Inc.

Products

The Metalfrio Solutions product line, the most complete of the market, consists of refrigerators and vertical and horizontal conservators for various applications: beverages, ice cream and frozen food, as well as islands for supermarkets.

With advanced technology and design, the products are Metalfrio merchandising tools and guarantee much more than the preservation of foods and beverages, facilitating consumer access to goods and promoting brands and products of their customers at the point of sale.

Metalfrio Solutions also offers a wide range of services, such as managing the equipment placed at points of sale, which helps maintain, reposition and extend the shelf life of the machines.

Among the major institutional clients of the company, there are AmBev, Coca-Cola, Kaiser, Unilever (Kibon), Nestlé and Cervejaria Petrópolis.

Life Cycle Solutions

Metalfrío Solutions has developed a comprehensive portfolio of services for refrigeration equipment in order to reduce costs for its customers and always maintain the installed base of refrigerators in perfect condition.

These services include:

- Equipment installation
- Equipment movement
- Preventive maintenance of equipment
- Corrective maintenance of equipment
- Aesthetic and functional reform of equipment
- Census

Metalfrío customers still have available a network of over 350 authorized positions in Brazil, totaling more than 1,500 skilled and trained technicians to personalized service, and ensuring the operation of refrigeration equipment at points of sale.

In 100% of services, Metalfrío uses original parts that are delivered throughout Brazil and Latin America, with guaranteed and predetermined deadlines.

Metalfrio Solutions:

www.metalfrio.com.br

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Press Information:

Lide Soluções Integradas em Comunicação

Natasha Lima

Phone (55-11) 2711-1624

natasha03@lide.com.br

Zeca Bringel

Phone (55-11) 2711-1616

jbringel03@lide.com.br