



**ROMI**®

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**Earnings Release 1Q09**

**April 30, 2009**



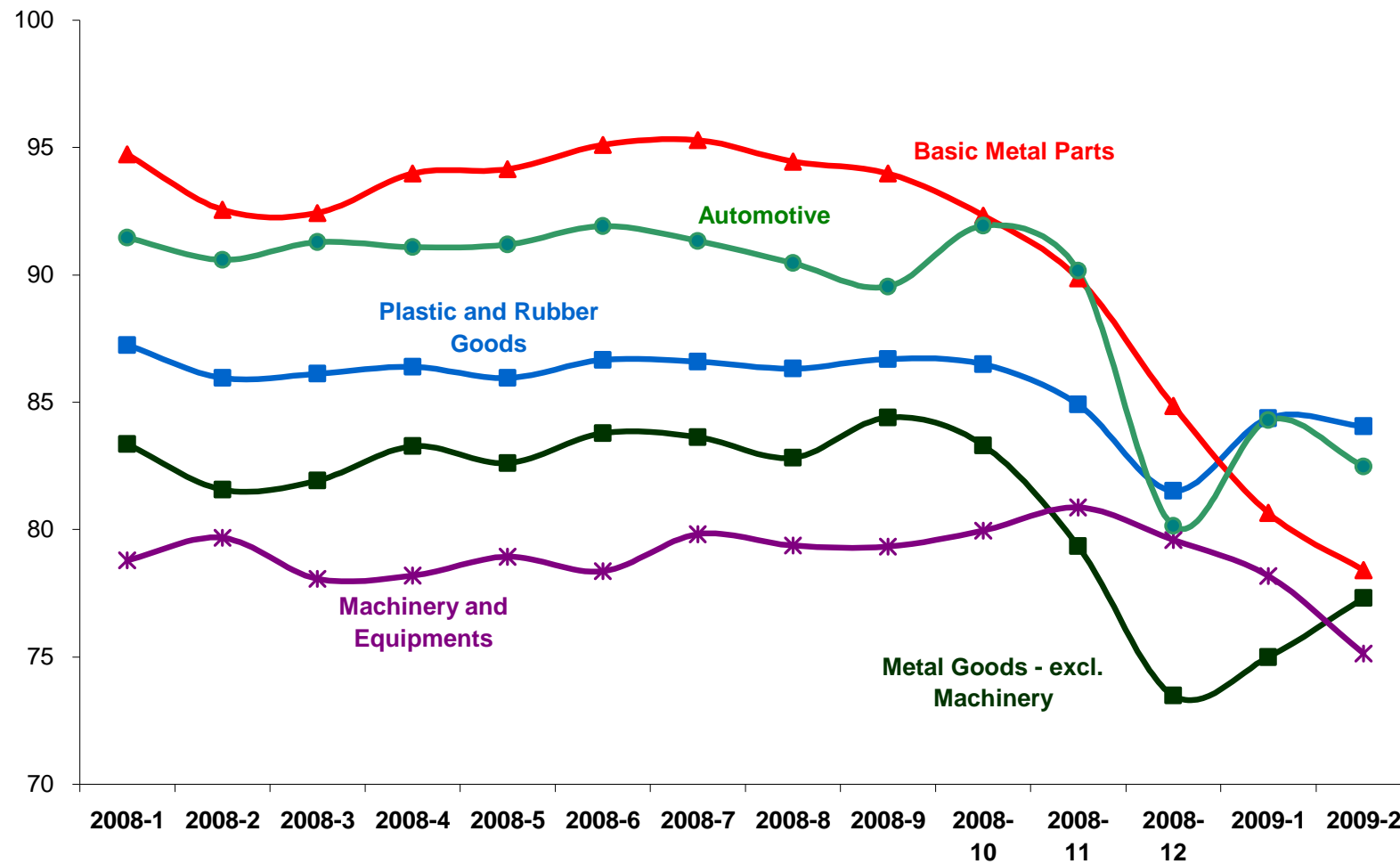
*This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company. The reservations as to forward-looking statements also apply to information on possible or presumed operating results, as well as any statements preceded, followed or including words such as "believes", "may", "will", "expects", "intends", "plans", "estimates" or similar expressions. Forward-looking statements are not performance guarantees; they involve risks, uncertainties and assumptions because they refer to future events and, therefore, depend on circumstances which may or may not occur. Future results may differ materially from those expressed or suggested by forward-looking statements. Many of the factors which will determine these results and figures are beyond Romi's control or prediction capacity.*



- **Romi begins operations at the new Santa Bárbara d'Oeste foundry ;**
- **Startup in operations of the new plant for manufacturing heavy machine tools;**
- **Acquisition of technology for the manufacture of PET blow molding machines, expanding the blow molding product range;**
- **European sales grew 20.3% in 1Q09 compared with 1Q08;**



## Capacity Utilization of some industrial sectors



Source: Fiesp – INA (Indicador de Nível de Atividade) – NUCI (Nível de Utilização da Capacidade Instalada)

# Machine Tools - Sectors



	Job Shops	Automotive	Capital Goods	Education	Tooling	Agricultural Equipment	Oil & Gas	Others
CNC Lathes – Flat Bed	●	●	●	○		○		
Heavy CNC Lathes	●		●			○		
Machining Center	●	●	●	○	●			
CNC Lathes Combination	●		●		●	○	●	
CNC Lathes Slant	●	●		○		●	○	
Conventional Lathes	○		●	●			●	
MF NOR 1Q09.	18%	5%	8%	11%	7%	8%	8%	33%



High



Moderate



Low



## Plastic Machines



Sector	%
Packaging	31%
Job Shops	23%
Automotive	15%
Real Estate	15%
Home Utilities	4%
Others	12%

## Castings



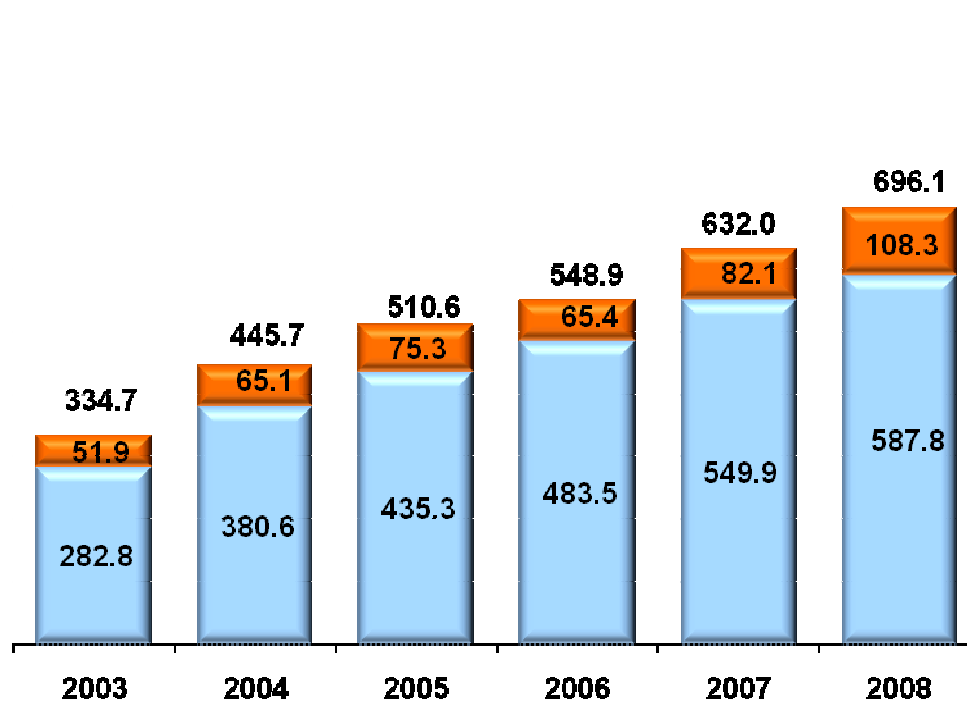
Sector	%
Automotive (Trucks)	42%
Electricity Generation	41%
Agriculture	13%
Automotive (Cars)	2%
Capital Goods	2%

# Net Operating Revenue

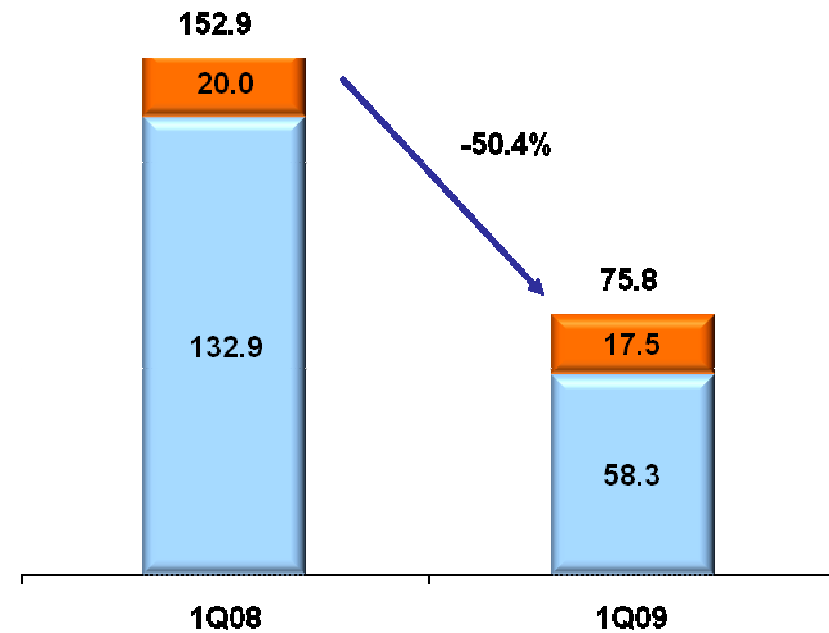


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### Net Operating Revenue – R\$ MM



### NOR – 1Q09 – R\$ MM

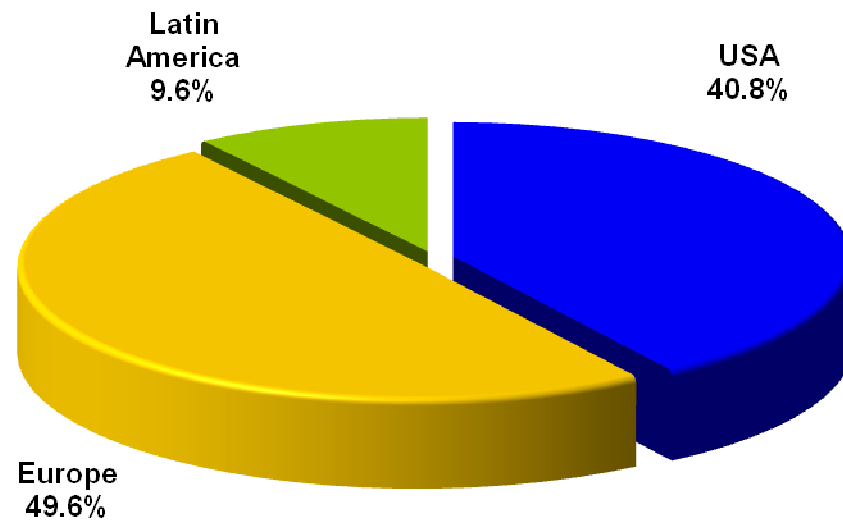


 Overseas

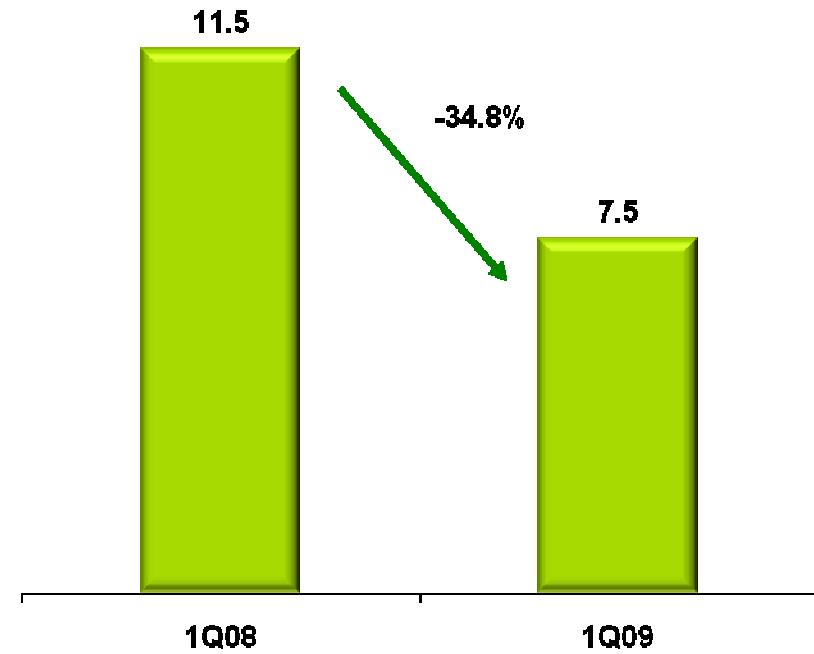
 Domestic



Foreign Markets - 1Q09



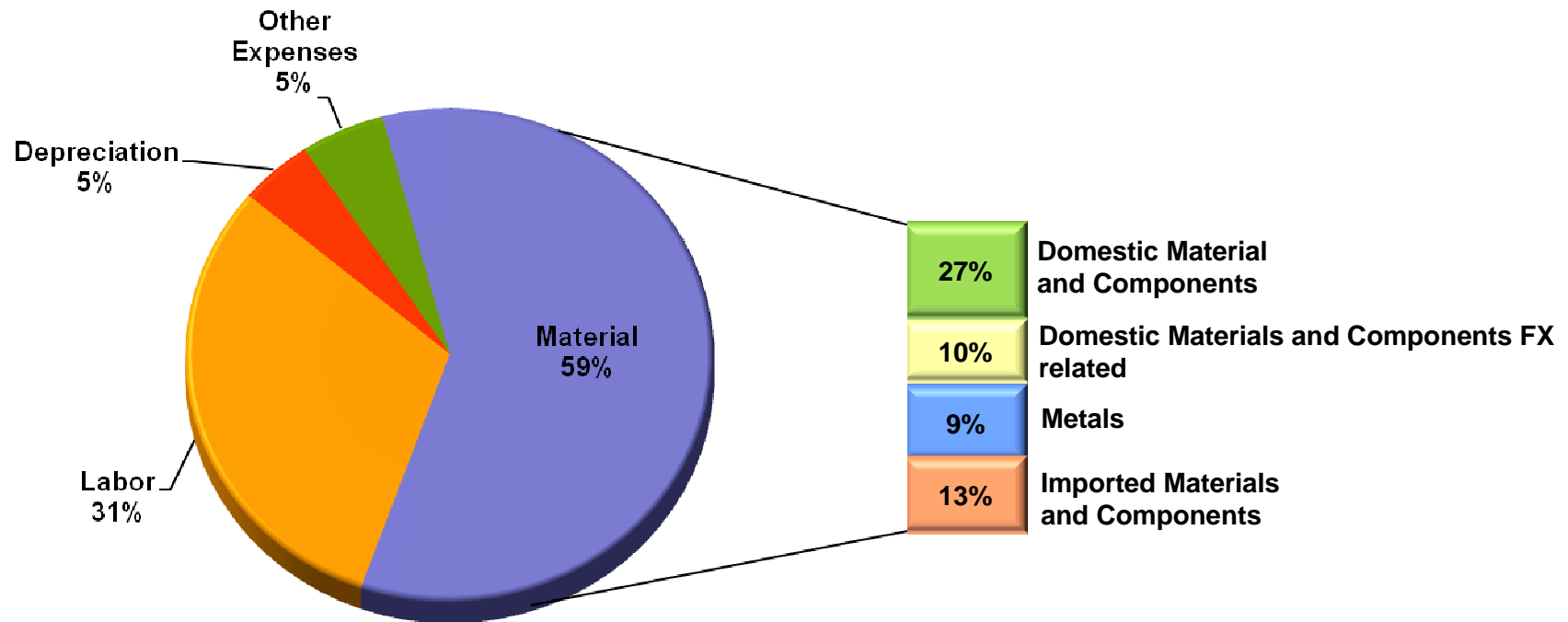
Foreign Markets – US\$MM







## Cost Structure – Consolidated – 1Q09



Overall sensibility to FX effects : 32%

# Consolidated Margins



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R\$ mm	1Q09	4Q08	1Q08	QoQ	YoY
<b>Gross Profit</b>	<b>25.3</b>	<b>61.3</b>	<b>61.1</b>	<b>-58.8%</b>	<b>-58.6%</b>
<b>Gross Margin</b>	<b>33.4%</b>	<b>36.9%</b>	<b>40.0%</b>	<b>-3.5 p.p.</b>	<b>-6.6 p.p.</b>
<b>EBITDA</b>	<b>-9.9</b>	<b>15.2</b>	<b>28.3</b>	<b>-165.3%</b>	<b>-135.0%</b>
<b>EBITDA Margin</b>	<b>-13.1%</b>	<b>9.1%</b>	<b>18.5%</b>	<b>-22.2 p.p.</b>	<b>-31.6 p.p.</b>
<b>Net Income</b>	<b>-7.8</b>	<b>17.8</b>	<b>25.9</b>	<b>-144.0%</b>	<b>-130.2%</b>
<b>Net Margin</b>	<b>-10.3%</b>	<b>10.7%</b>	<b>17.0%</b>	<b>-21.0 p.p.</b>	<b>-27.3 p.p.</b>

# Business Units

## Net Revenue and Sales Volume



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	1Q09	4Q08	1Q08	QoQ	YoY
<b>Machine Tools</b>					
R\$ mm	50.3	102.6	96.7	-51.0%	-48.0%
Units Sold	246	465	518	-47.1%	-52.5%
<b>Plastic Machines</b>					
R\$ mm	15.4	34.0	26.7	-54.7%	-42.3%
Units Sold	25	70	81	-64.3%	-69.1%
<b>Rough and Machined Cast.</b>					
R\$ mm	10.0	29.5	29.4	-66.1%	-66.0%
Tons Sold	1.826	4.393	5.575	-58.4%	-67.3%

# Business Units Margins



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	1Q09	4Q08	1Q08	QoQ	YoY
<b>Machine Tools</b>					
Gross Margin	45.2%	41.3%	46.8%	1.2 p.p.	-4.3 p.p.
EBIT Margin	-10.3%	11.1%	20.8%	-21.4 p.p.	-31.1 p.p.
<b>Plastic Machines</b>					
Gross Margin	39.4%	40.1%	35.6%	-0.7 p.p.	3.8 p.p.
EBIT Margin	-36.1%	-4.2%	10.3%	-31.9 p.p.	-46.4 p.p.
<b>Rough and Machined Cast.</b>					
Gross Margin	-21.6%	18.1%	21.7%	-39.7 p.p.	-43.3 p.p.
EBIT Margin	-40.1%	2.6%	6.6%	-42.7 p.p.	-46.7 p.p.



## Cash and Cash Equivalent – R\$ MM

	<u>Amount</u>
Bank Certificate of Deposit (CDB)	58.7
Financial Investments with debentures	42.9
LFTs - Financial Treasury Bill	0.5
Others	2.2
Banks	<u>11.1</u>
Total	<u>115.4</u>

Net Cash = 15.6

## Loan – R\$ MM

Loans as of 03/31/2009: 99.8

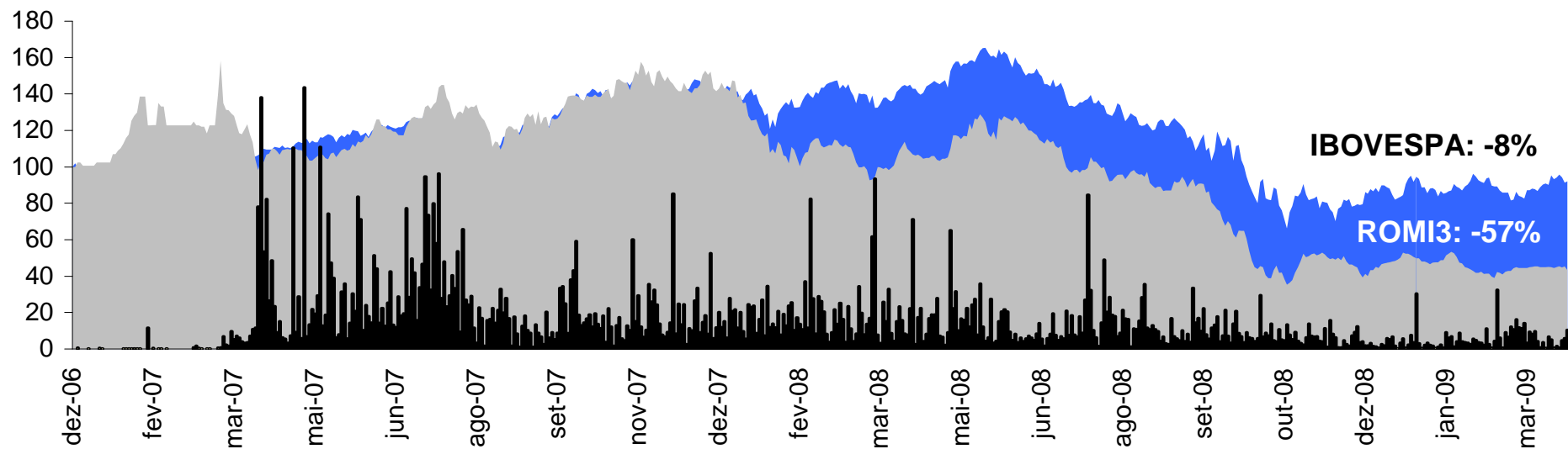
The maturities of financing recorded as follow :

<u>Year</u>	<u>Amount</u>
2009	32.5
2010	14.9
2011	16.0
2012	15.4
After 2012	<u>21.0</u>
Total	<u>99.8</u>

*Note: w/o Finame Fabricante*



**Share Performance (ROMI3) vs. Bovespa Index (Basis: 100) - R\$/Share**  
**Period: December/2006 - March/2009**





- ***Paradiso Project:***

- Status:
  - Infrastructure: Concluded
  - UF-19 Heavy Machine Tools: Concluded
  - Receiving and Selling parts Building: Concluded
  - Environment Unit: Concluded



- ***Vulcano Project:***

- Status:
  - Phase 1 – 10.000 ton/year: Pre Operating
  - Receiving and shipping building: Concluded
  - Infrastructure: Near to conclude



Key Indicators	10/23/2008	04/28/2009
Grow – Net Operating Revenue	-2% a 7%	-45% a -30%
EBITDA Margin	13% a 17%	0% a 5%
CAPEX	R\$ 75 Million	R\$ 75 Million

Assumptions	23/10/2008	28/04/2009
GDP	3,0%	0,0%
Dolar x Real (Average)	2,20	2,30
Interest Rate – SELIC (Average)	14,0%	11,0%





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