



ROMI®

A TRADITION OF INNOVATION



1Q14 Earnings Release

April 30, 2014

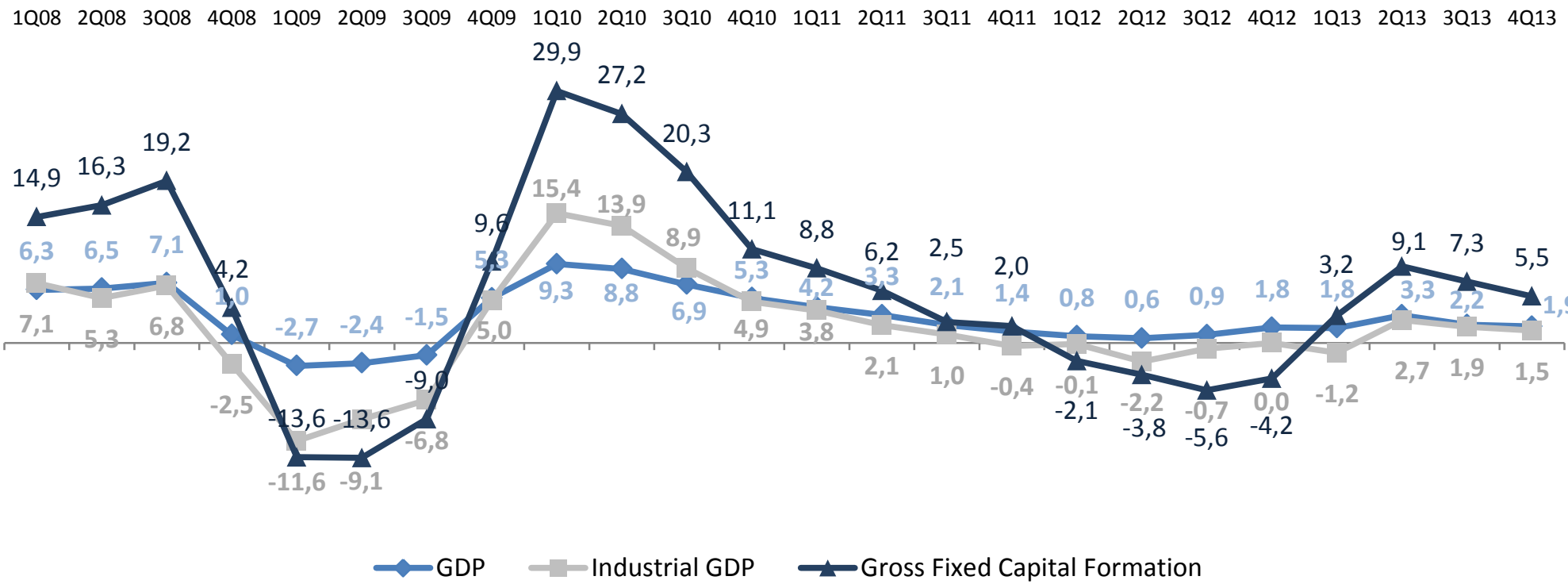


This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company. The reservations as to forward-looking statements also apply to information on 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.

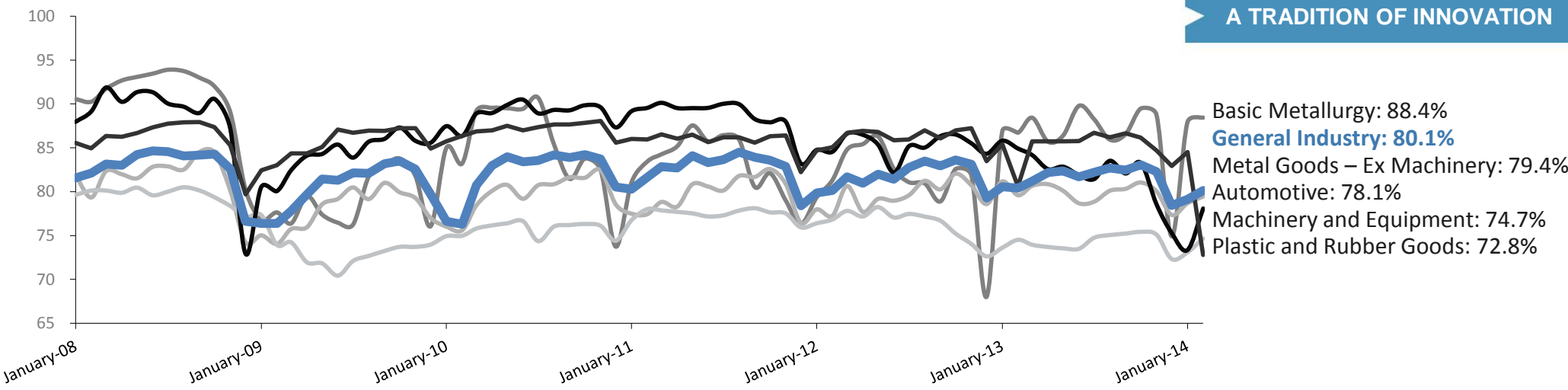


- **Net operating revenue** of R\$ 150.7 million for 1Q14, representing an increase of 7.4% in relation to 1Q13;
- **Gross margin** reached 29.0% for 1Q14, improving 320 bps in relation to 1Q13;
- With 8.4% EBITDA margin, **EBITDA** for 1Q14 was R\$ 12.6 million;
- Profit came in at R\$ 3.0 million for 1Q14, representing a **significant improvement** in relation to the R\$ 5.5 million loss posted for 1Q13;
- Another quarter with a **decrease in the Company's net debt**, which came in at R\$ 86.5 million in 1Q14;
- The volume of **order entry** was R\$ 174.3 million for the quarter, up 13.9% from 1Q13;
- The **order backlog remains solid**, totaling R\$ 304.1 million at March 31, 2014.

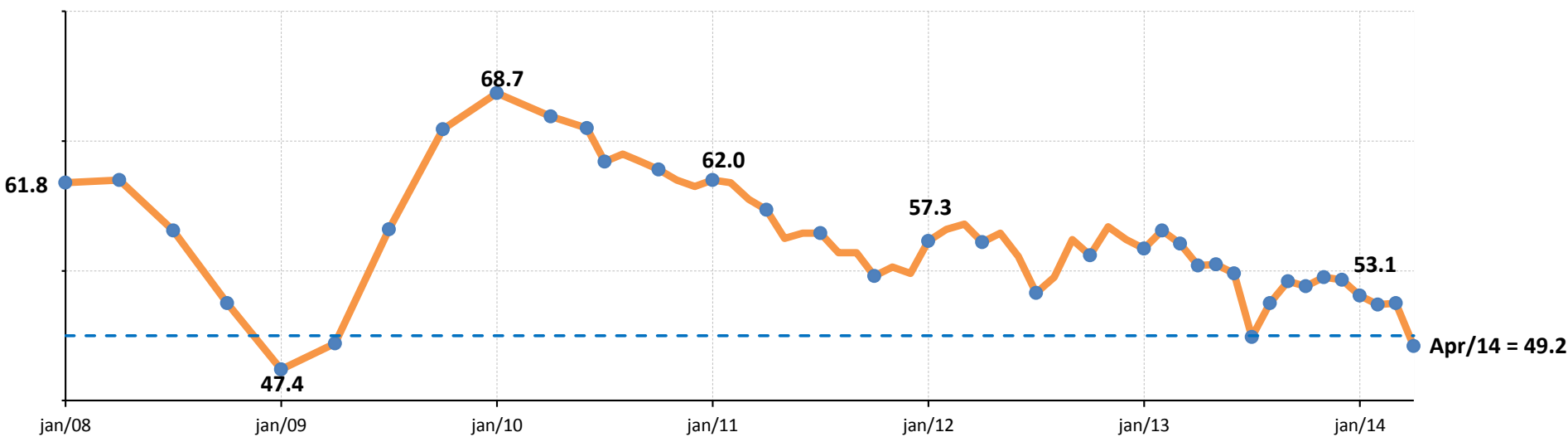
Economic Indexes – Conjunctural Indicators



Source: IBGE (quarter this year vs. quarter last year)



Source: Fiesp -INA Activity Level Indicator - NUCI (Level of Utilization of Installed Capacity)



Source: CNI – ICEI (Industrial Executive Confidence Index)



Machine Tools



Net Operating Revenues Distribution

	1Q14	2013
Job Shops	27%	19%
Machines and Equipments	19%	16%
Automotive	11%	12%
Tooling	6%	5%
Technical Schools	5%	9%
Agricultural Equipment	5%	8%
Others	27%	31%

Plastic Machines



Net Operating Revenues Distribution

	1Q14	2013
Packaging	35%	26%
Automotive	22%	15%
Furniture	21%	10%
Job Shops	8%	8%
Home Appliances	1%	8%
Others	13%	33%

Raw and Machined Cast Iron Parts



Net Operating Revenues Distribution

	1Q14	2013
Automotive - Trucks	55%	39%
Agriculture	30%	23%
Wind Power	10%	33%
Others	5%	5%

Net Sales per Business Unit

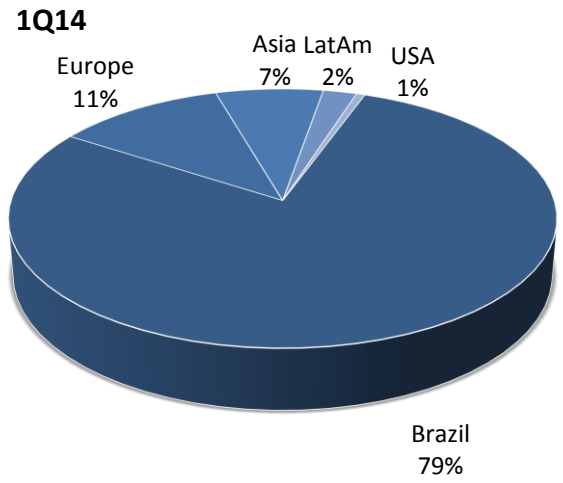
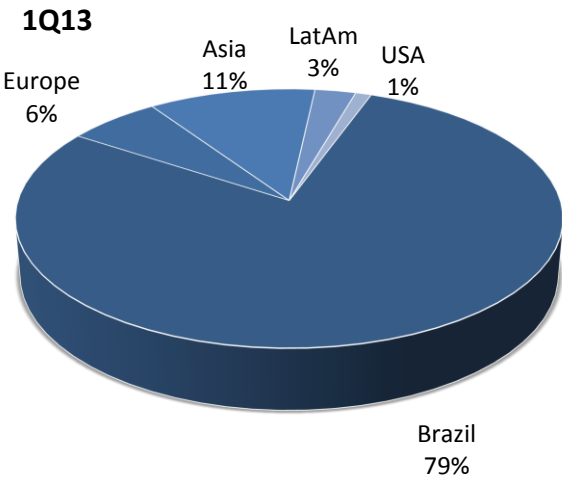


A TRADITION OF INNOVATION

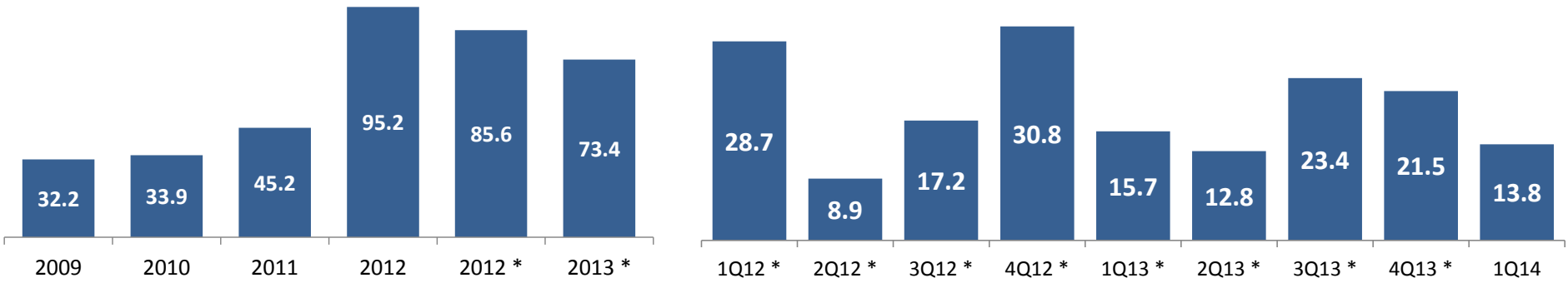
Net Operating Sales (R\$ million)

■ Foreign Sales ■ Local Sales

* Amounts relating to continued operations, excluding the revenue from the subsidiary Romi Italia, which are presented as discontinued operations.



Foreign Sales – US\$ million



* Amounts relating to continued operations, excluding the revenue from the subsidiary Romi Italia, which are presented as discontinued operations.



Order Entry (R\$ 000) Gross Values, sales taxes included	1Q13	2Q13	3Q13	4Q13	1Q14	Chg % 1Q14/1Q13	Chg % 1Q14/4Q13
Machine Tools	84,479	173,368	144,518	119,676	119,538	41.5%	-0.1%
Plastic Machines	25,462	45,484	25,686	35,170	18,337	-28.0%	-47.9%
Rough and Machined Cast Iron Parts	43,071	37,495	35,949	25,940	36,447	-15.4%	40.5%
Total	153,012	256,347	206,154	180,786	174,321	13.9%	-3.6%

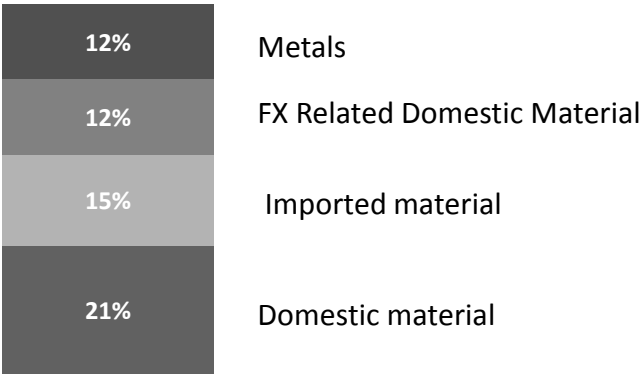
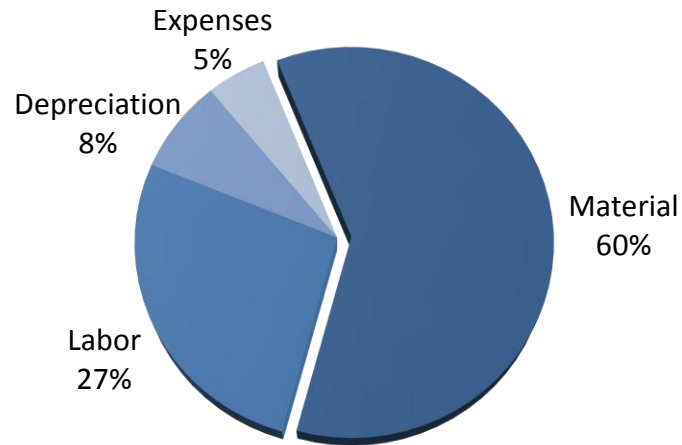
Order Book (R\$ 000) Gross Values, sales taxes included	1Q13	2Q13	3Q13	4Q13	1Q14	Chg % 1Q14/1Q13	Chg % 1Q14/4Q13
Machine Tools	176,377	246,312	254,591	238,522	227,486	29.0%	-4.6%
Plastic Machines	31,209	45,969	49,219	41,345	38,233	22.5%	-7.5%
Rough and Machined Cast Iron Parts	37,026	37,846	35,505	29,556	38,388	3.7%	29.9%
Total	244,612	330,127	339,315	309,423	304,107	24.3%	-1.7%

Cost of Goods Sold

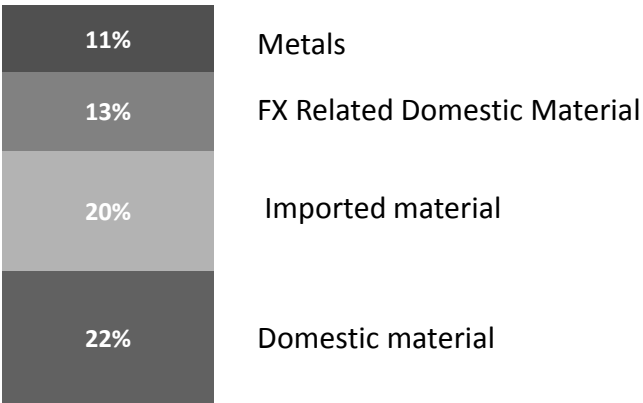
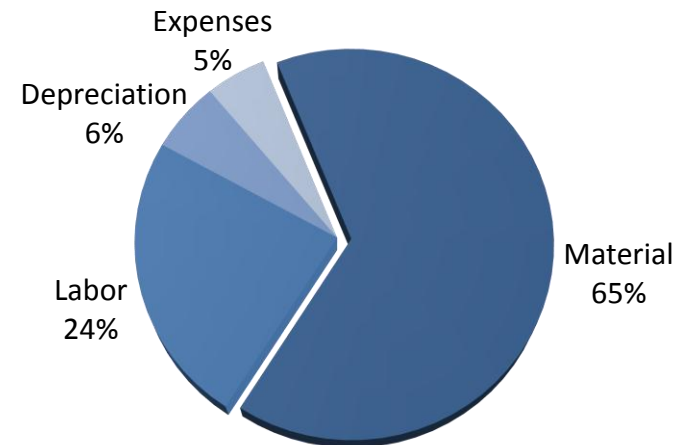


A TRADITION OF INNOVATION

1Q13

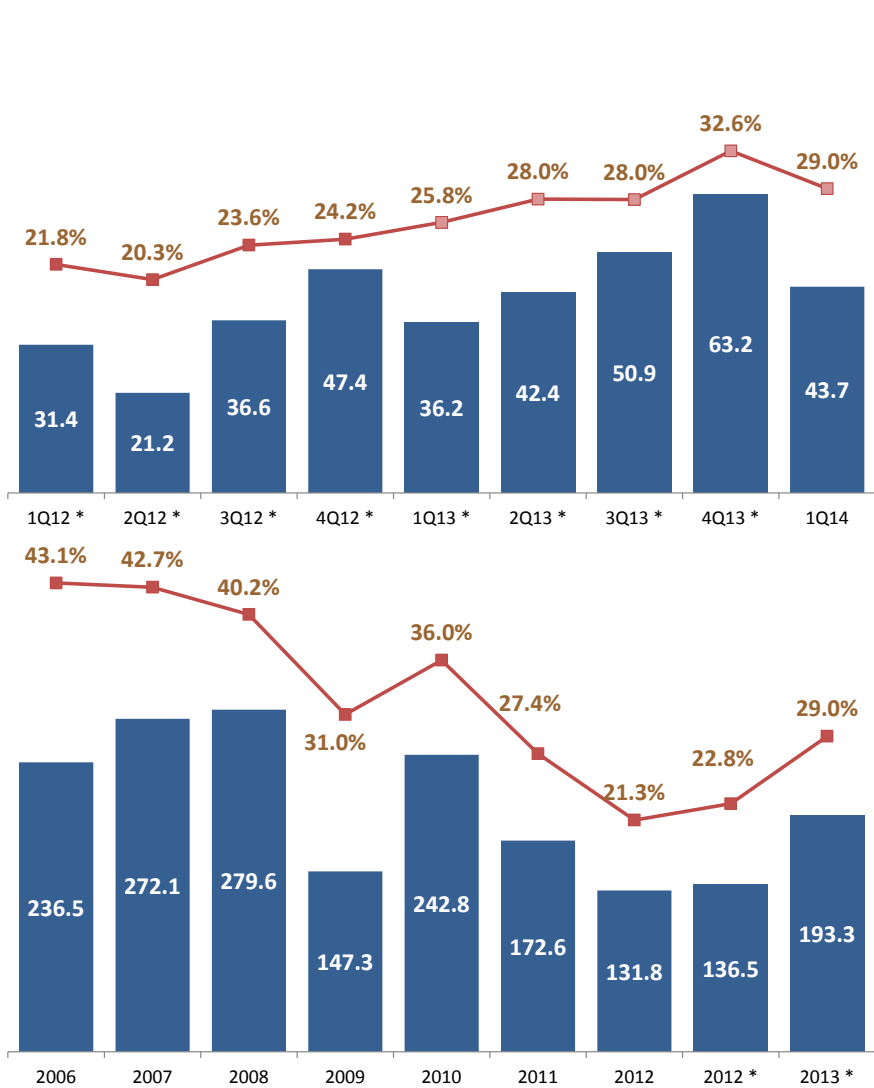


1Q14

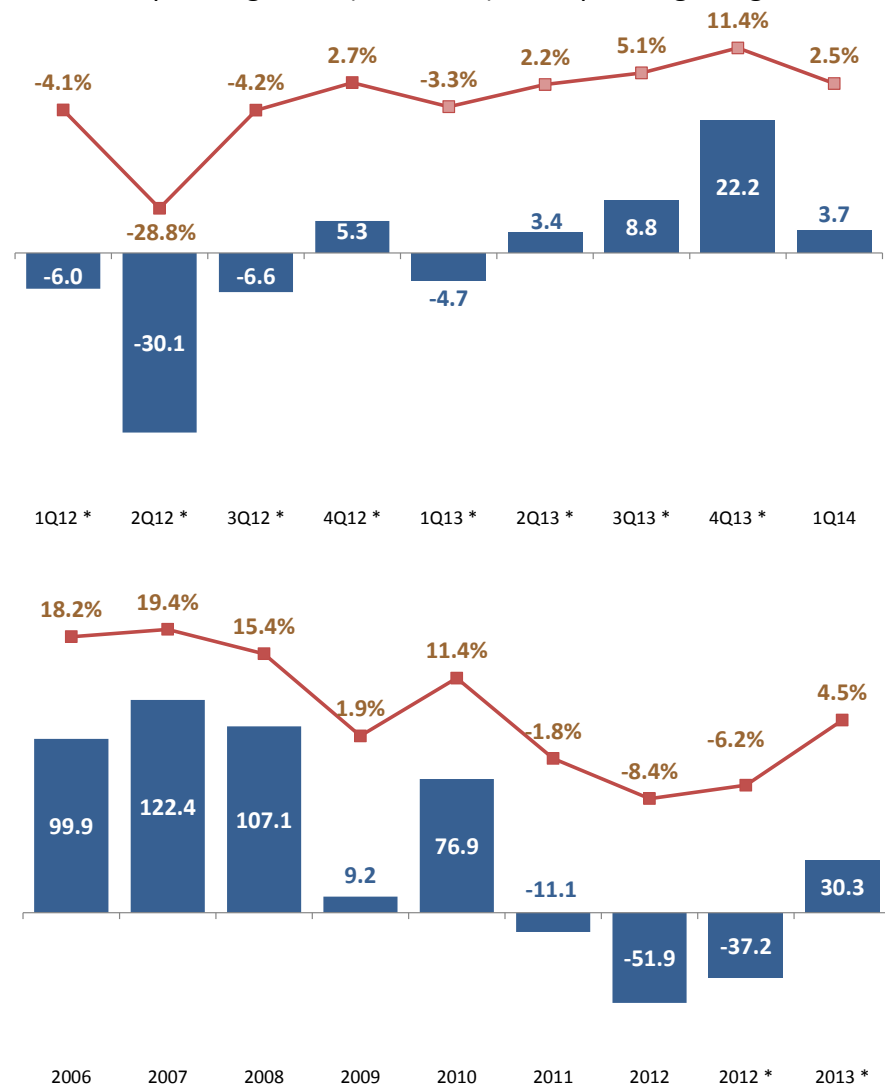




Gross Profit (R\$ million) and Gross Margin



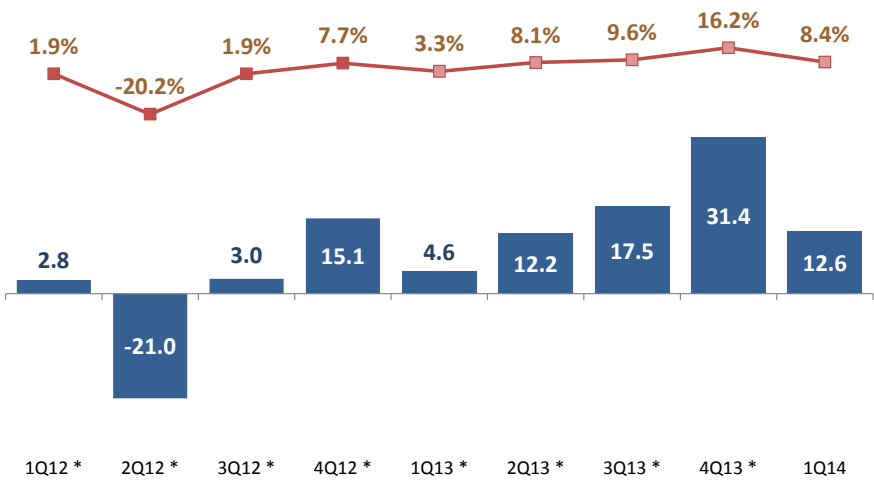
Operating Profit (R\$ million) and Operating Margin



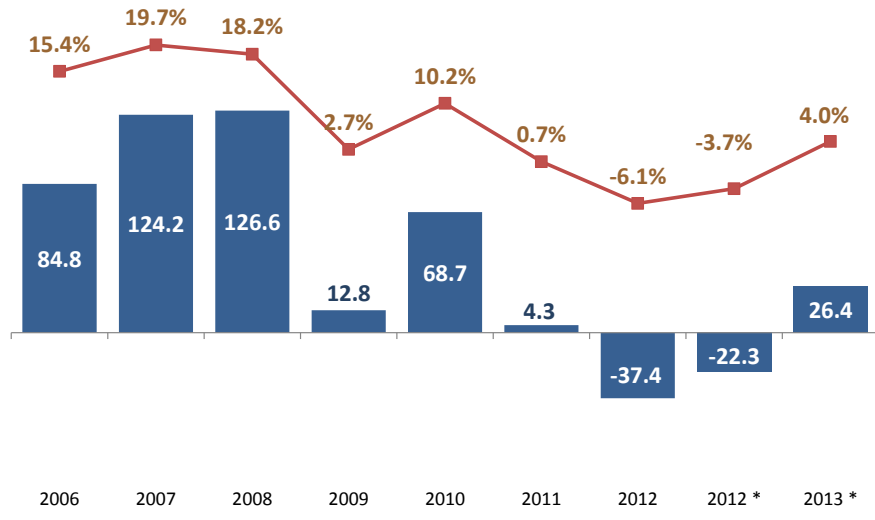
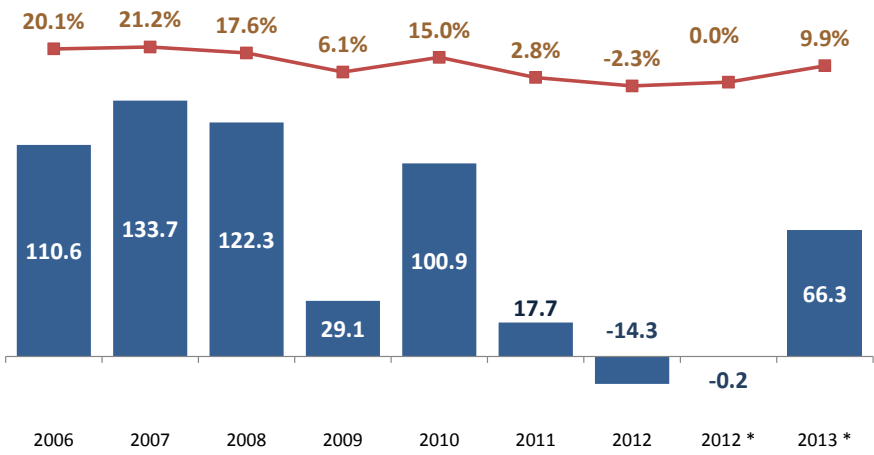
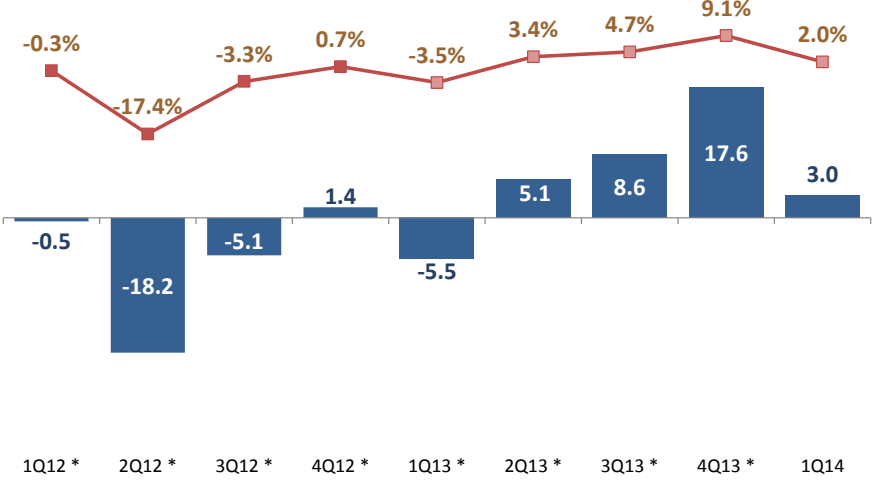
* Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia



EBITDA (R\$ million) and EBITDA Margin



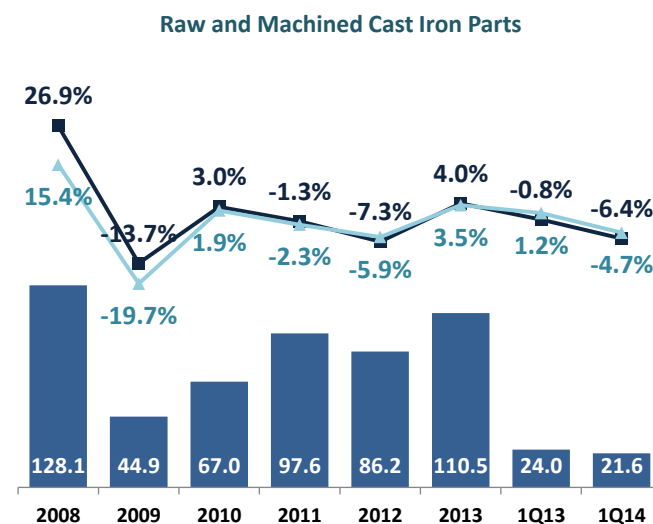
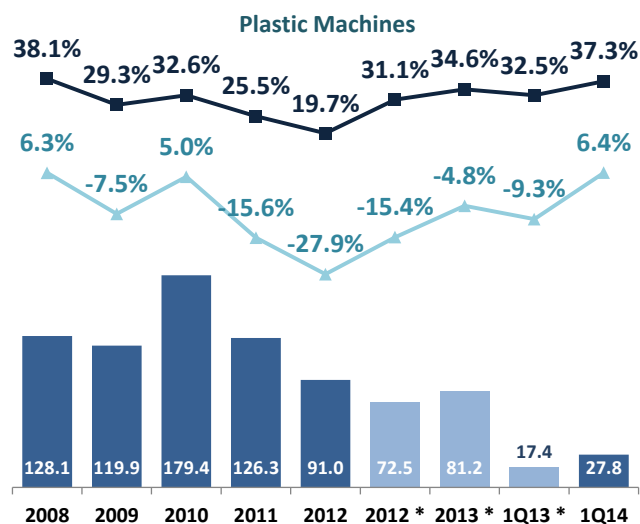
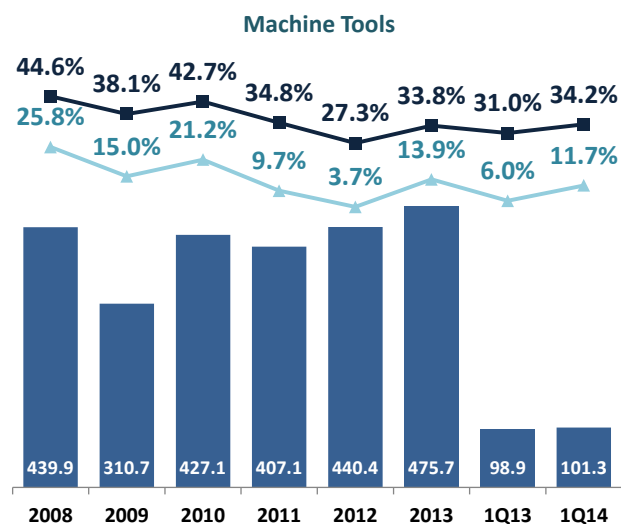
Net Income (R\$ million) and Net Margin



* Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia

Business Units' Results

Sales	Quarter					
	1Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Machine Tools (units)	257	400	304	367	443	245
Plastic Machines (units)	44	44	61	49	60	53
Rough and Machined Cast Iron Parts (ton.)	3,515	3,598	4,436	4,991	4,475	3,731



■ Net Revenues
 ■ Gross Margin
 ▲ EBITDA Margin

Cash Position



ROMI

A TRADITION OF INNOVATION

Cash and Cash Equivalent – R\$ million – 03/31/2014

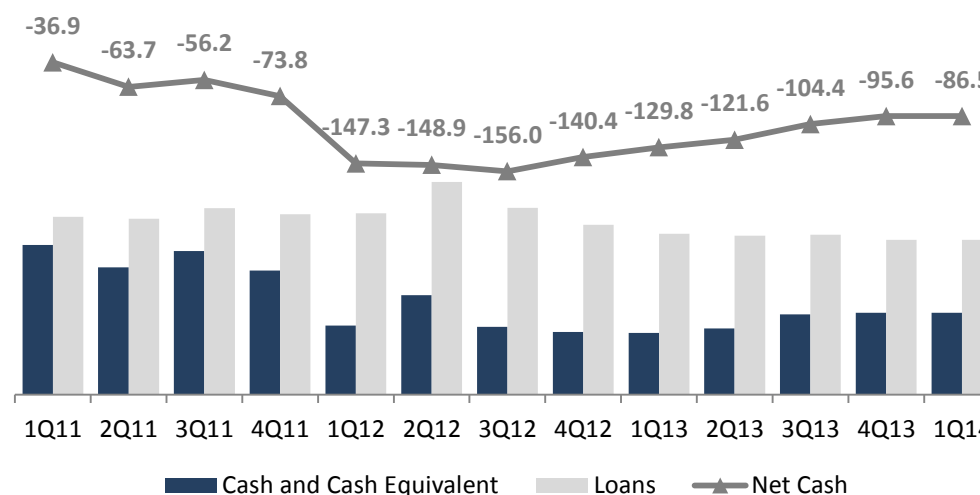
	Amount
Bank Deposit Certificate (CDB)	49.3
Financial Investment with Bonds	25.1
Banks	28.4
Total	102.8
Net Debt =	86.5

Loans* – R\$ million – 03/31/2014

	Amount
2014 (9 months)	39.5
2015	87.2
2016	29.1
2017	22.4
2018	5.4
2019 and afterwards	5.7
Total	189.3

(*) without Finame Manufacturer

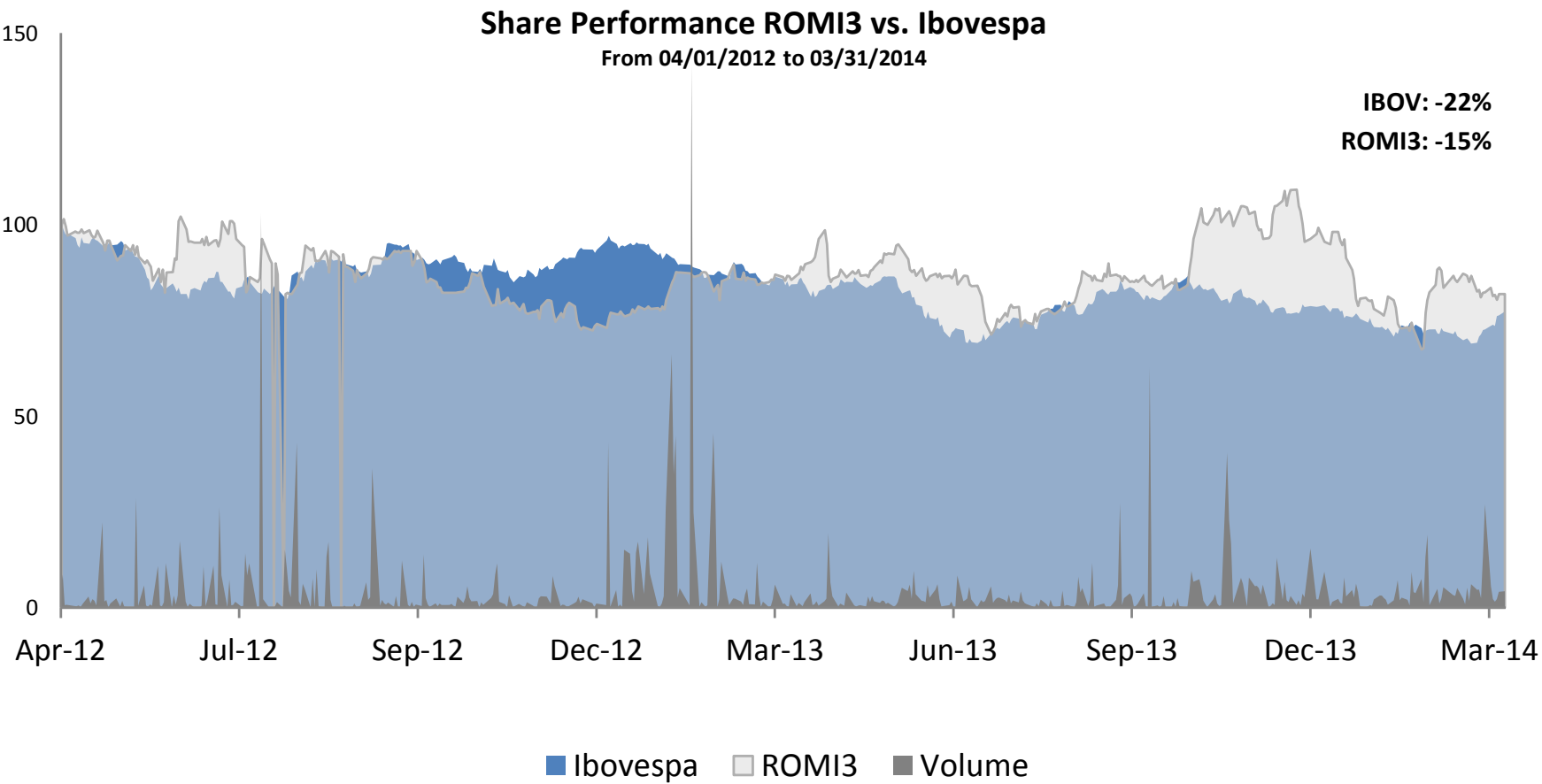
Net Cash (Debt) Position





	€ 000				
	1Q13	4Q13	1Q14	Chg % 1Q/1Q	Chg % 1Q/4Q
Net Operating Revenue	7,700	12,854	7,555	(1.9)	(41.2)
Cost of Goods Sold	(6,400)	(9,170)	(6,049)	(5.5)	(34.0)
Gross Profit	1,301	3,683	1,506	15.8	(59.1)
<i>Gross Margin %</i>	<i>16.9%</i>	<i>28.7%</i>	<i>19.9%</i>		
Operating Income (Expenses)	(2,010)	(2,003)	(1,904)	(5.2)	(4.9)
Selling expenses	(868)	(778)	(584)	(32.7)	(24.9)
General and administrative expenses	(1,141)	(1,225)	(1,320)	15.7	7.8
Operating Income before Financial Results	(709)	1,680	(398)	(43.9)	(123.7)
<i>Operating Margin %</i>	<i>-9.2%</i>	<i>13.1%</i>	<i>-5.3%</i>		
Financial Results, Net	(93)	(52)	(114)	21.9	117.8
Operating Income	(803)	1,628	(512)	(36.3)	(131.4)
Income tax and social contribution	99	(546)	41	(58.8)	-
Net income	(703)	1,082	(471)	(33.1)	(143.5)
<i>Net Margin %</i>	<i>-9.1%</i>	<i>8.4%</i>	<i>-6.2%</i>		
EBITDA	(138)	2,226	45	(132.7)	(98.0)
Net income / loss	(703)	1,082	(471)	(33.1)	(143.5)
Income tax and social contribution	(99)	546	(41)	(58.8)	-
Financial Results, Net	93	52	114	21.9	117.8
Depreciation	571	546	443	(22.5)	(18.8)
<i>EBITDA Margin %</i>	<i>-1.8%</i>	<i>17.3%</i>	<i>0.6%</i>		

Of the amount of € 12.9 million attributed to B+W for 4Q13, € 2.5 million represents sales of equipment manufactured by B+W for Romi's plant in Brazil. For 1Q14, the amount was € 1.3 million. For consolidation purpose, the results from this transaction between the group's companies was disregarded.



Source: BM&FBovespa



ROMI®

A TRADITION OF INNOVATION



Fábio B. Taiar

Investor Relations Officer

+ 55 (19) 3455-9418

ftaiar@romi.com

www.romi.com