



ROMI®

A TRADITION OF INNOVATION



2Q11 Earnings Release

July 27, 2011

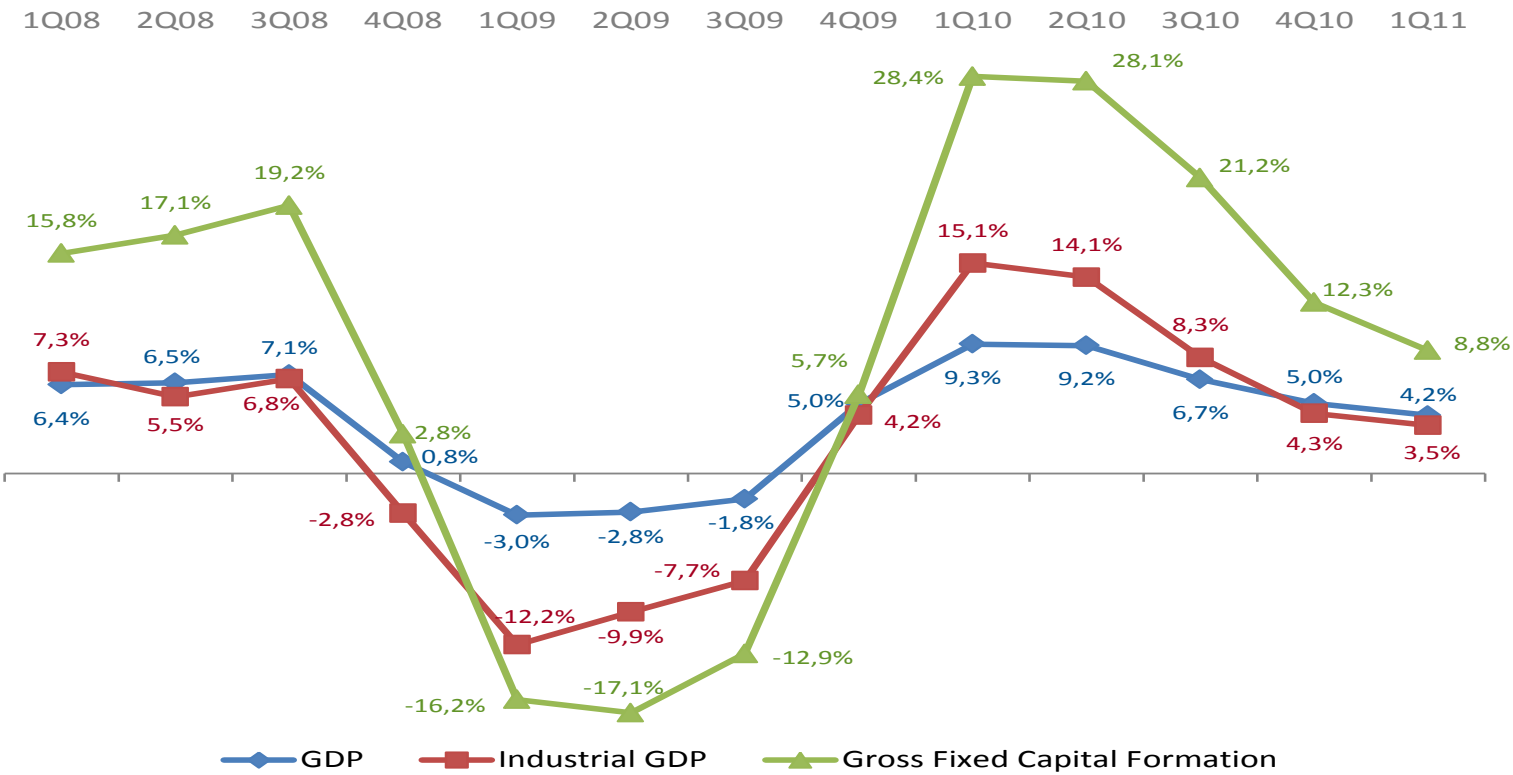


This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company. The reservations as to forward-looking statements also apply to information on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



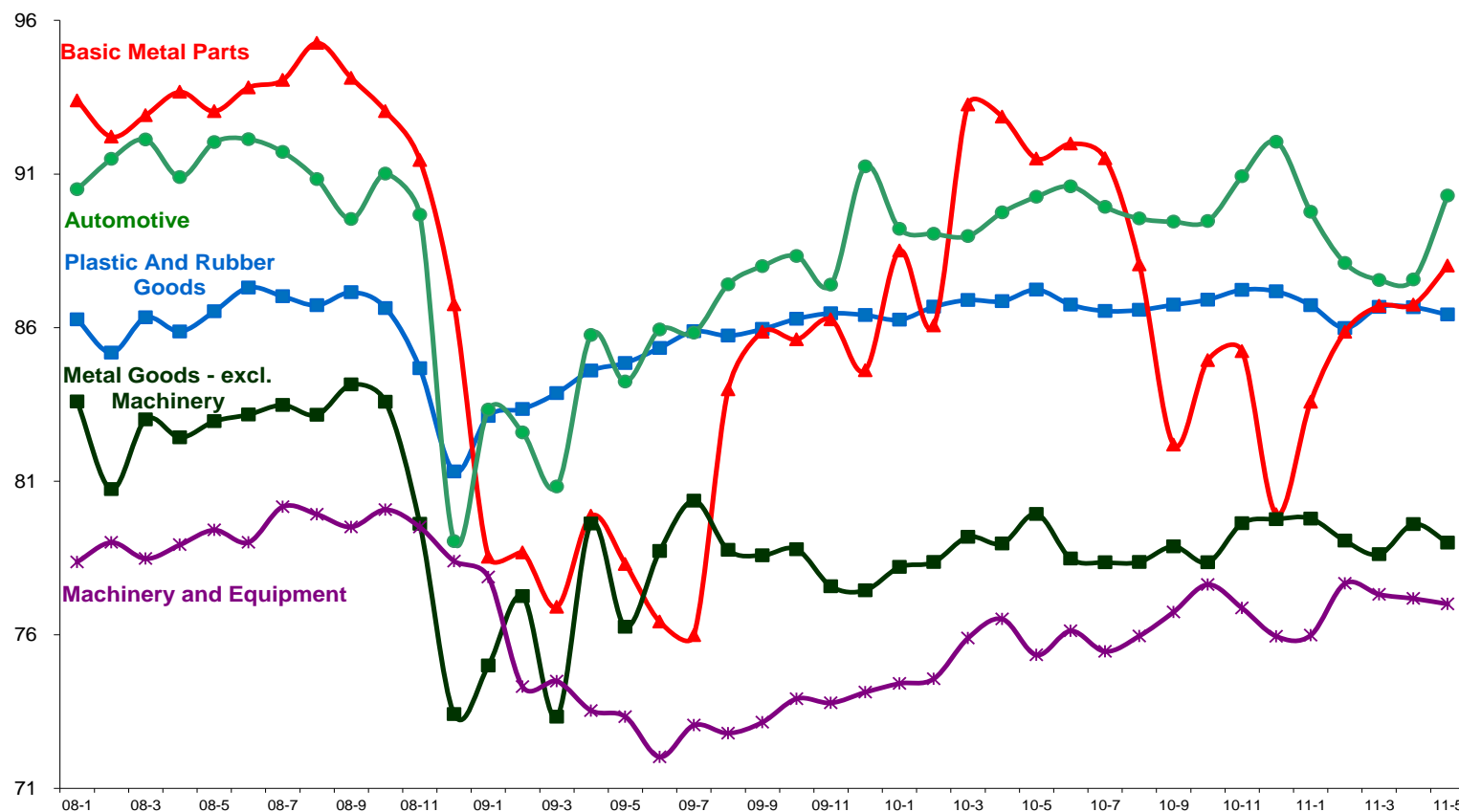
- **Net Operating Revenues** rise to R\$ 172.8 million in 2Q11, an amount that is 3.1% higher than that posted in 2Q10 and 24.5% above 1Q11;
- Net Revenues at the **Machine Tools and Rough and Machine Cast Iron Parts** business units rise 14.7% and 30.3%, respectively, in relation to 2Q10;
- In 1H11, **revenues from foreign market** sales were US\$ 20.3 million, higher than the US\$ 14.6 million accomplished in 1H10;
- **EBITDA margin**, adjusted with non-recurring items, in the quarter, was 9.0%, higher than the margin achieved in the first quarter (6.9%) specially due to the increase in the volume of machine tools sold;
- **Order backlog** remains steady, to the tune of R\$ 188.2 million in 2Q11, with growth of 5.18% over 1Q11;
- Order backlog at the **Rough and Machine Cast Iron Parts** business unit rises by 34.8% in the first half of 2011 (1H11) as compared with 1H10, primarily due to start-up of activities in the wind power segment.

Economic Indexes – Conjunctural Indicators



Source: IBGE

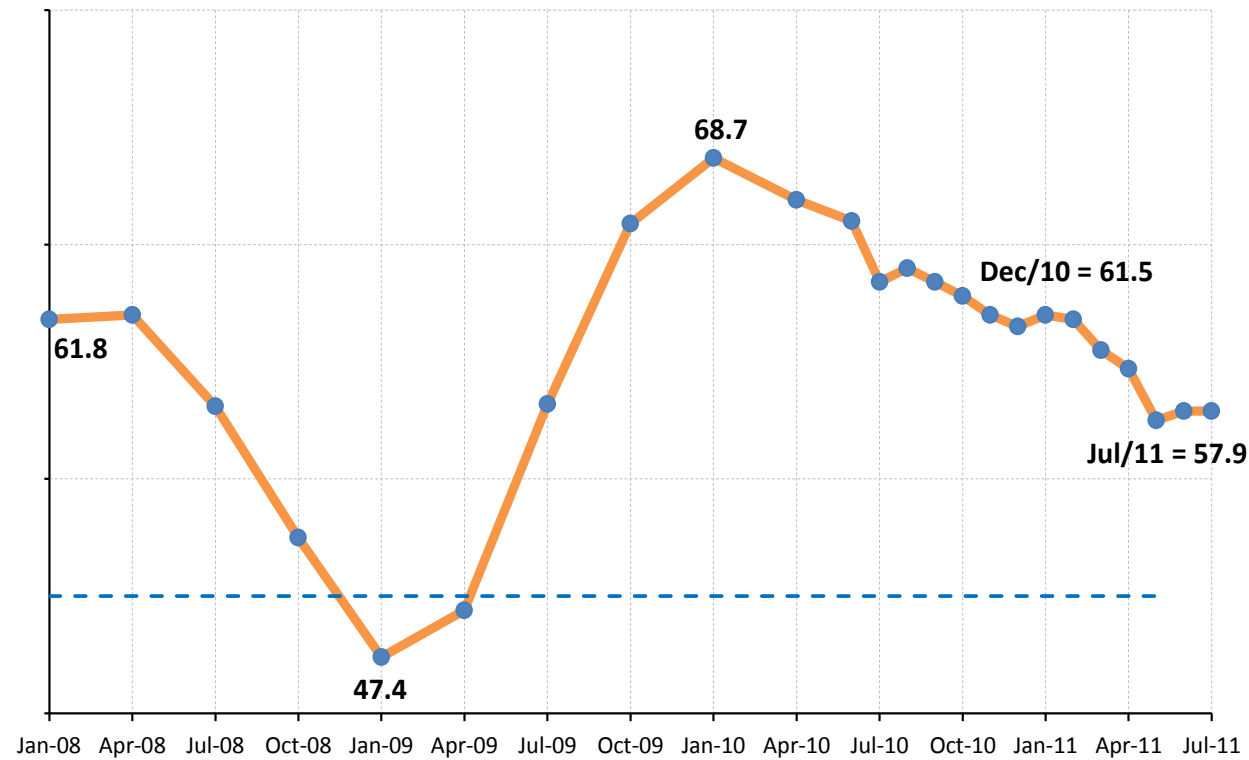
Economic Indexes – Level of Activity Index



Economic Indexes – Industrial Entrepreneurs Confidence Index











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Source: CNI - ICEI (Industrial Executives' Confidence Index)



METAL CHIPPING				
TURNING				MILLING
ENGINE LATHES	CNC LATHES		TURNING CENTERS	MACHINING CENTERS
	LIGHTWEIGHT	HEAVYWEIGHT		
				
EXAMPLES OF PARTS PRODUCED IN OUR MACHINES				

OUR CLIENTS BUSINESS SECTORS

MACHINING AND TOOLING SHOPS, PARTS MAKER FOR THE AUTOMOTIVE, AVIATION, OIL/ENERGY/SUGAR AND ALCOHOL INDUSTRIES, CAPITAL GOODS AND OTHER

Net Operating Revenues Distribution		
	1H11	2010
Job Shops	26%	22%
Capital Goods	15%	16%
Automotive	11%	11%
Tooling	7%	6%
Hydraulic	5%	5%
Others	36%	40%

Plastic Processing Machines



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PLASTIC PROCESSING MACHINES

INJECTION MOLDING

BLOW MOLDING

INJECTION MOLDING MACHINES

PLASTIC BLOW MOLDING MACHINES

PET BLOW MOLDING MACHINES



EXAMPLES OF PARTS PRODUCED IN OUR MACHINES





OUR CLIENTS BUSINESS SECTORS

SERVICE PROVIDERS, PACKAGING MANUFACTURERS FOR THE FOOD, CLEANING AND CHEMICAL SECTORS, AMONG HOUSEWARES, FURNITURE, HI-TECH PARTS FOR THE AUTOMOTIVE AND CAPITAL GOODS, CONSTRUCTION SECTORS AND OTHERS

Net Operating Revenues Distribution

	1H11	2010
Packaging	26%	39%
Job Shops	15%	11%
Automotive	8%	18%
White Line Appliances	8%	7%
Industrial	7%	3%
Others	36%	22%



FOUNDRY	
ROUGH CASTINGS	MACHINED CASTINGS
PARTS PRODUCED OF GRAY, NODULAR AND VERMICULAR IRON CAST	CNC MACHINING CASTS
	

EXAMPLES OF PARTS PRODUCED



OUR CLIENTS BUSINESS SECTORS

PARTS FOR AUTOMOTIVE INDUSTRIES (CARS AND COMMERCIAL), ENERGY, AGRICULTURE AND CAPITAL GOODS, AMONG OTHERS

Net Operating Revenues Distribution		
	1H11	2010
Automotive - Trucks	59%	70%
Agricultural Equipment	16%	17%
Electricity Generation	10%	3%
Capital Goods	8%	8%
Automotive - Cars	5%	2%
Others	2%	0%

Net Sales per Business Unit

2Q11



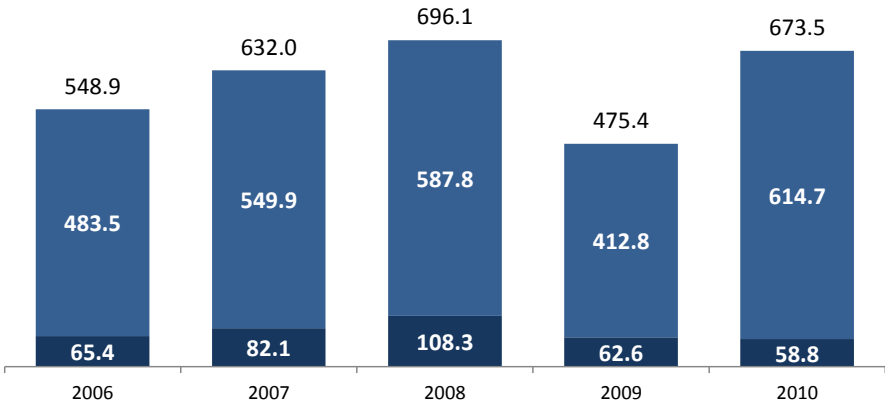
MACHINE TOOLS
R\$ 110.3 million



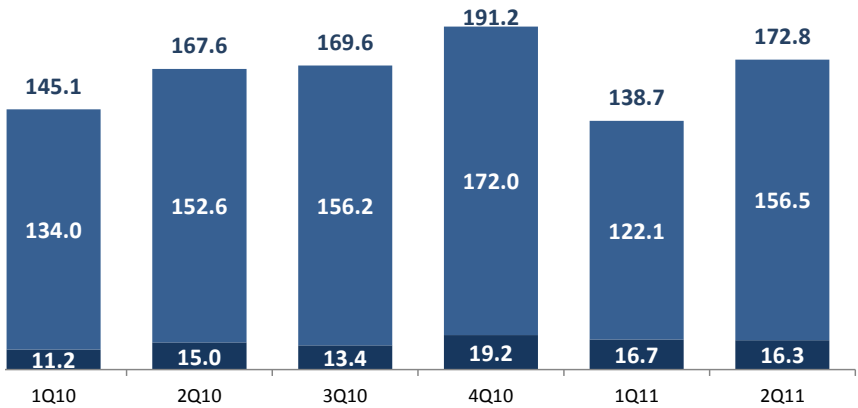
CASTING
R\$ 23.2 million

**PLASTIC PROCESSING
MACHINES**
R\$ 39.3 million

Net Operating Sales (R\$ million)



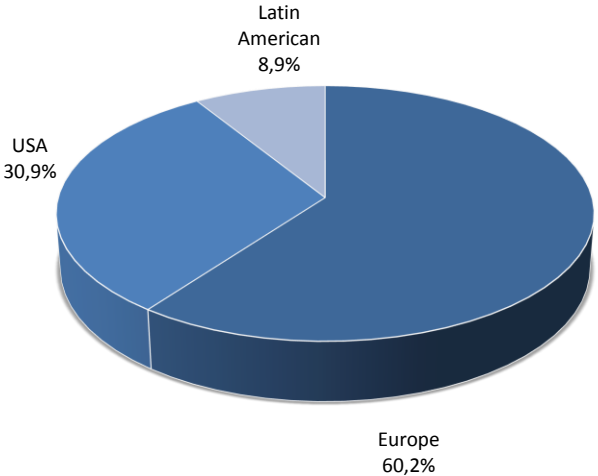
■ Foreign Sales ■ Local Sales



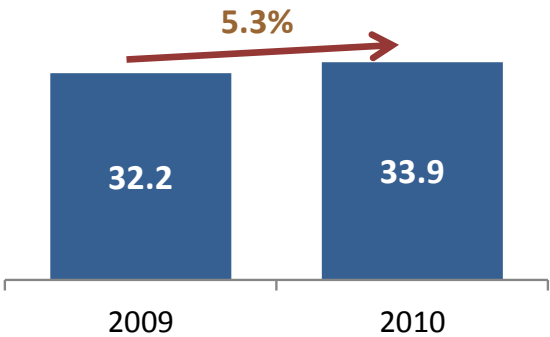
■ Foreign Sales ■ Domestic Sales



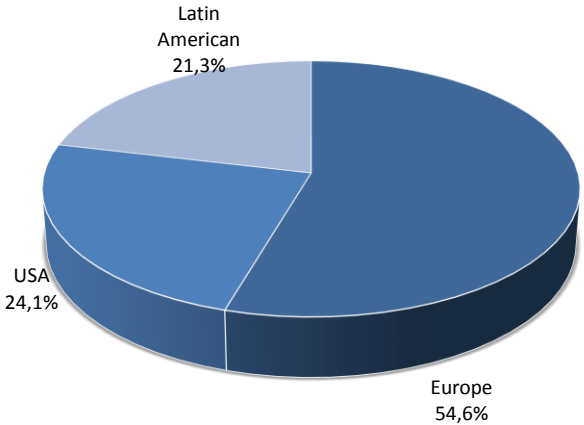
2Q10 Foreign Sales Destination



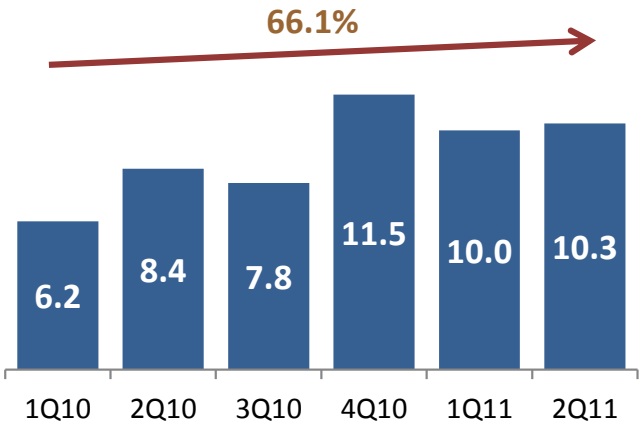
Year Foreign Sales – US\$ million



2Q11 Foreign Sales Destination



Quarter Foreign Sales – US\$ million



Order Entry

R\$ thousand



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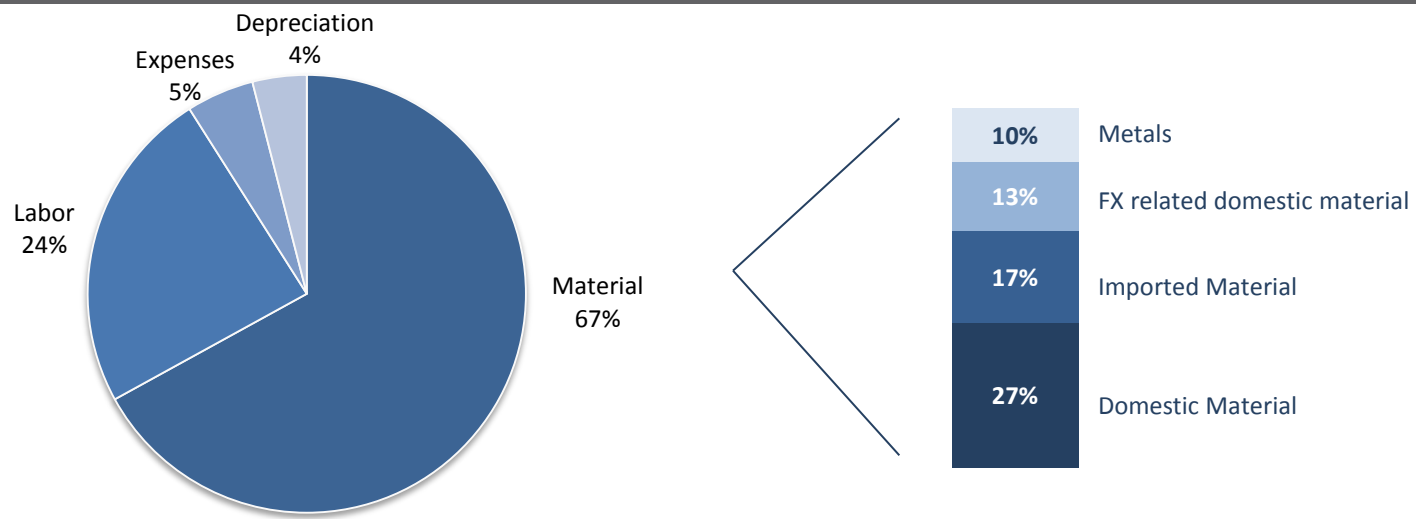
Order Entry (R\$ thousand)	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	1H10	1H11
Machine Tools	94,084	132,784	111,777	99,194	110,370	129,179	226,868	239,549
Plastic Machines	42,138	53,187	43,865	32,127	30,418	37,846	95,325	68,264
Rough and Machined Cast Iron F	21,968	22,065	24,276	13,729	38,149	21,186	44,033	59,335
Total	158,190	208,036	179,918	145,050	178,937	188,211	366,226	367,148

Order Entry (R\$ thousand)	Change 2Q11/1Q11	Change 2Q11/2Q10	Change 1H11/1H10
Machine Tools	17.0%	-2.7%	5.6%
Plastic Machines	24.4%	-28.8%	-28.4%
Rough and Machined Cast Iron F	-44.5%	-4.0%	34.8%
Total	5.2%	-9.5%	0.3%

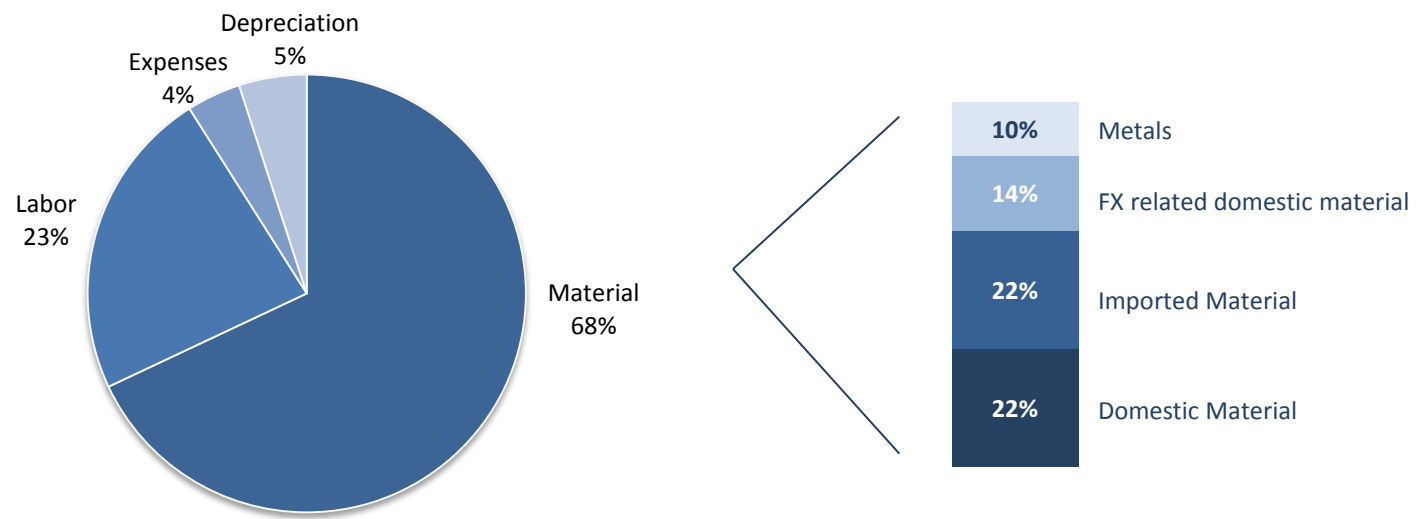
Note: Gross values, including sales taxes



1H10

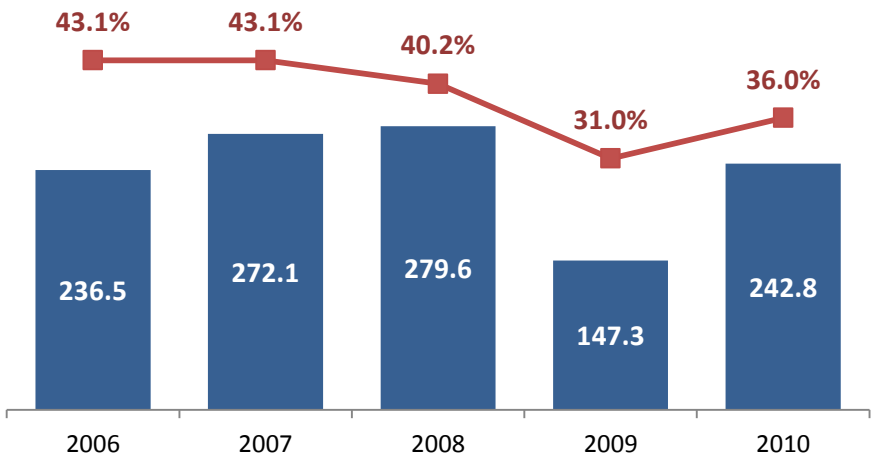


1H11

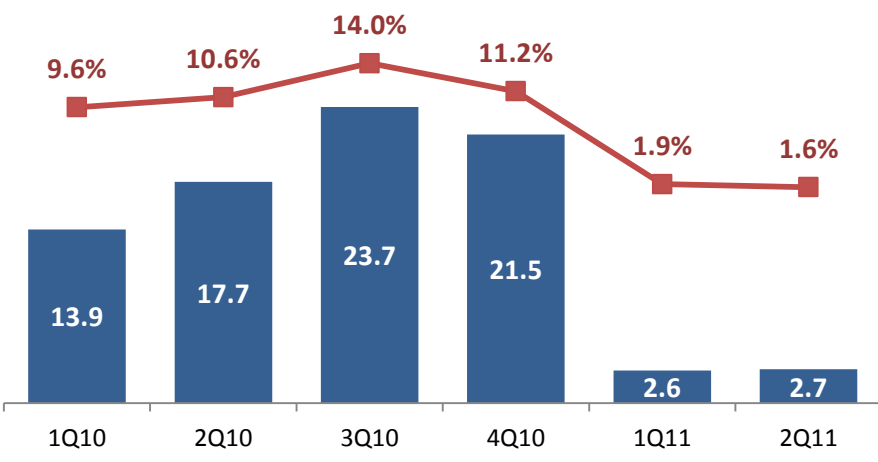
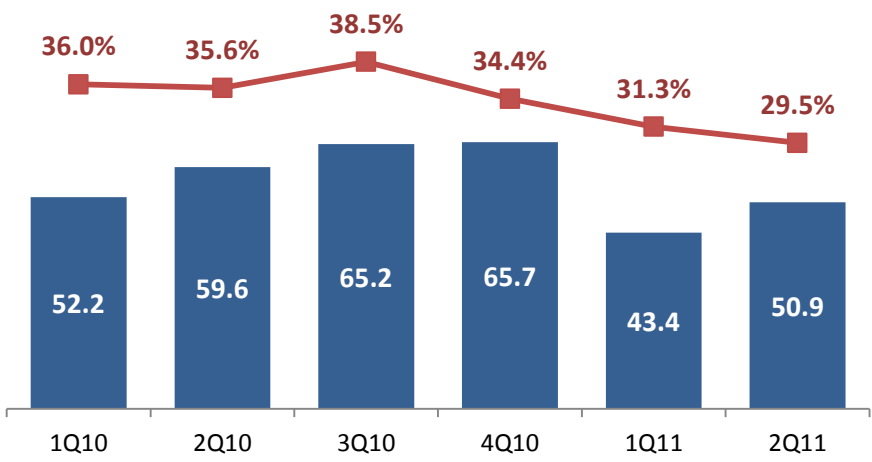
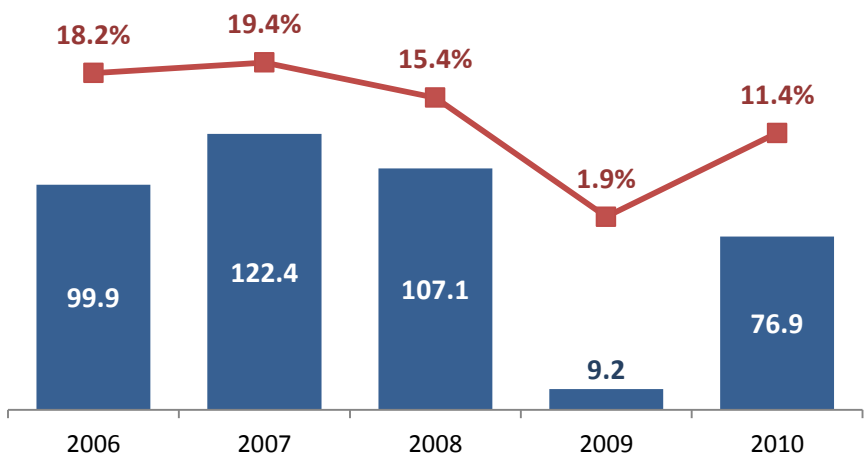




Gross Profit (R\$ million) and Gross Margin

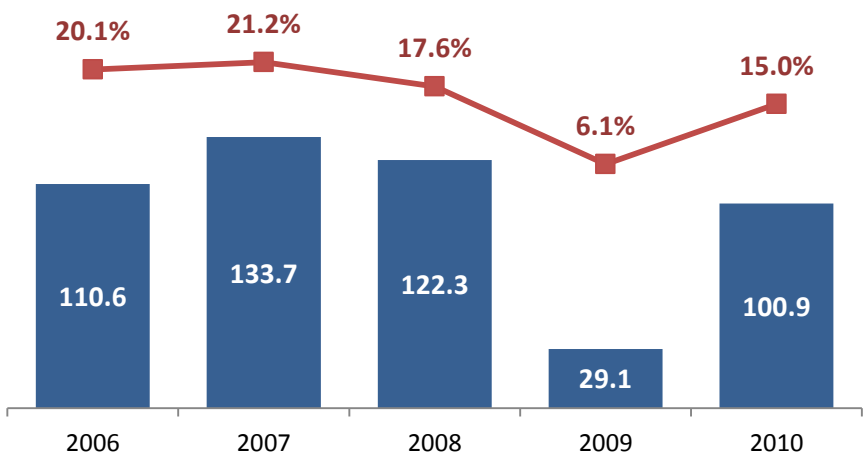


EBIT (R\$ million) e EBIT Margin

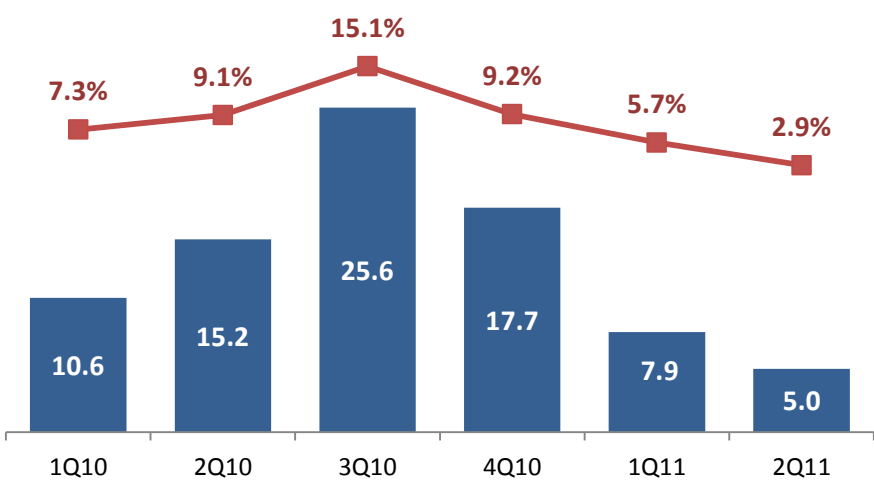
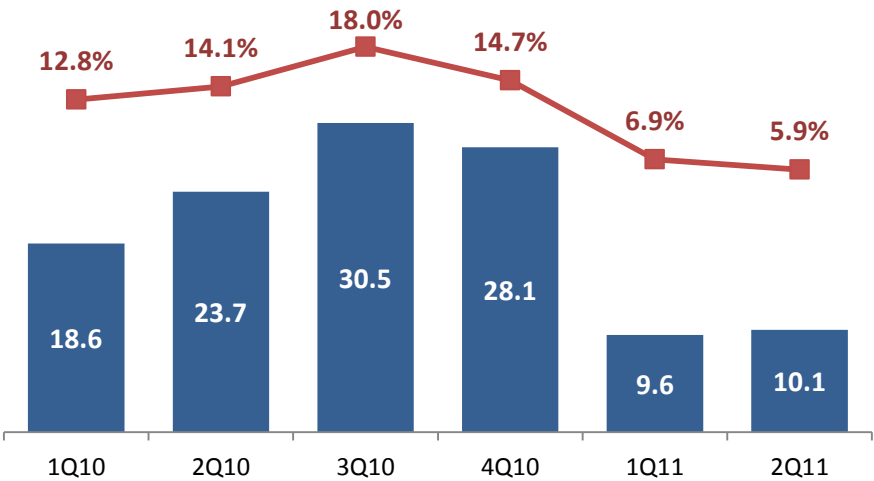
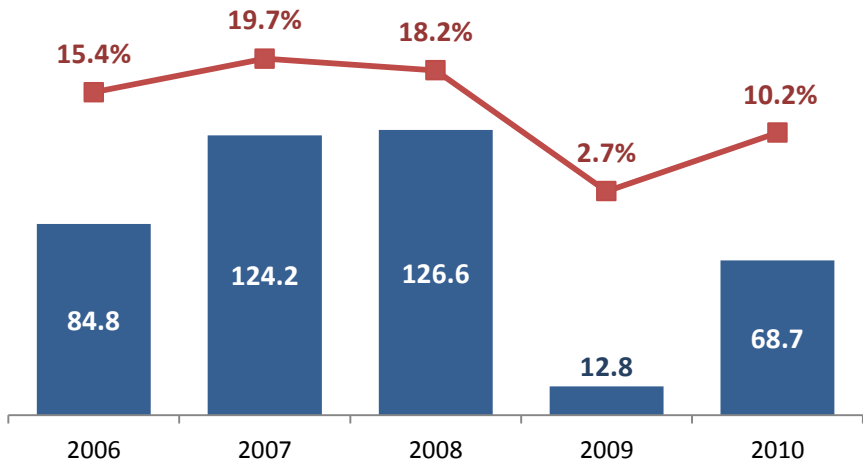




EBITDA (R\$ million) and EBITDA Margin



Net Profit (R\$ million) and Net Margin



Business Units' Results



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	Quarter						Year	
	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	1H10	1H11
Machine Tools								
Units Sold	526	538	556	706	441	572	1,064	1,013
Net Operating Revenues (R\$ thousand)	102,880	96,084	102,952	125,188	85,489	110,236	198,964	195,725
Gross Profit (%)	41.2%	42.7%	45.0%	41.9%	36.3%	38.4%	41.9%	37.5%
EBIT Margin (%)	16.1%	16.8%	19.5%	19.0%	5.7%	11.8%	16.4%	9.1%
Plastic Machines								
Units Sold	83	119	112	111	101	129	129	202
Net Operating Revenues (R\$ thousand)	28,861	53,729	46,998	49,825	35,062	39,327	82,590	74,389
Gross Profit (%)	31.6%	34.4%	36.2%	27.9%	34.9%	23.3%	33.4%	28.8%
EBIT Margin (%)	-5.6%	6.2%	8.2%	0.7%	-1.2%	-18.0%	2.4%	-10.1%
Rough and Machined Cast								
Units Sold	2,432	3,016	3,403	2,635	3,240	4,155	5,448	7,395
Net Operating Revenues (R\$ thousand)	13,391	17,819	19,602	16,200	18,191	23,216	31,210	41,407
Gross Profit (%)	5.4%	0.6%	9.5%	-4.2%	1.0%	-2.8%	2.7%	-1.1%
EBIT Margin (%)	-7.6%	-9.8%	-1.2%	-15.8%	-10.3%	-13.8%	-8.9%	-12.3%



Cash and Cash Equivalent – R\$ million – 06/30/2011

	Amount
Bank Deposit Certificate (CDB)	125.4
Financial Investment with Bonds	29.8
Time Dposit - Abroad	1.4
Banks	10.1
Total	166.8

Net Debt = 63.7

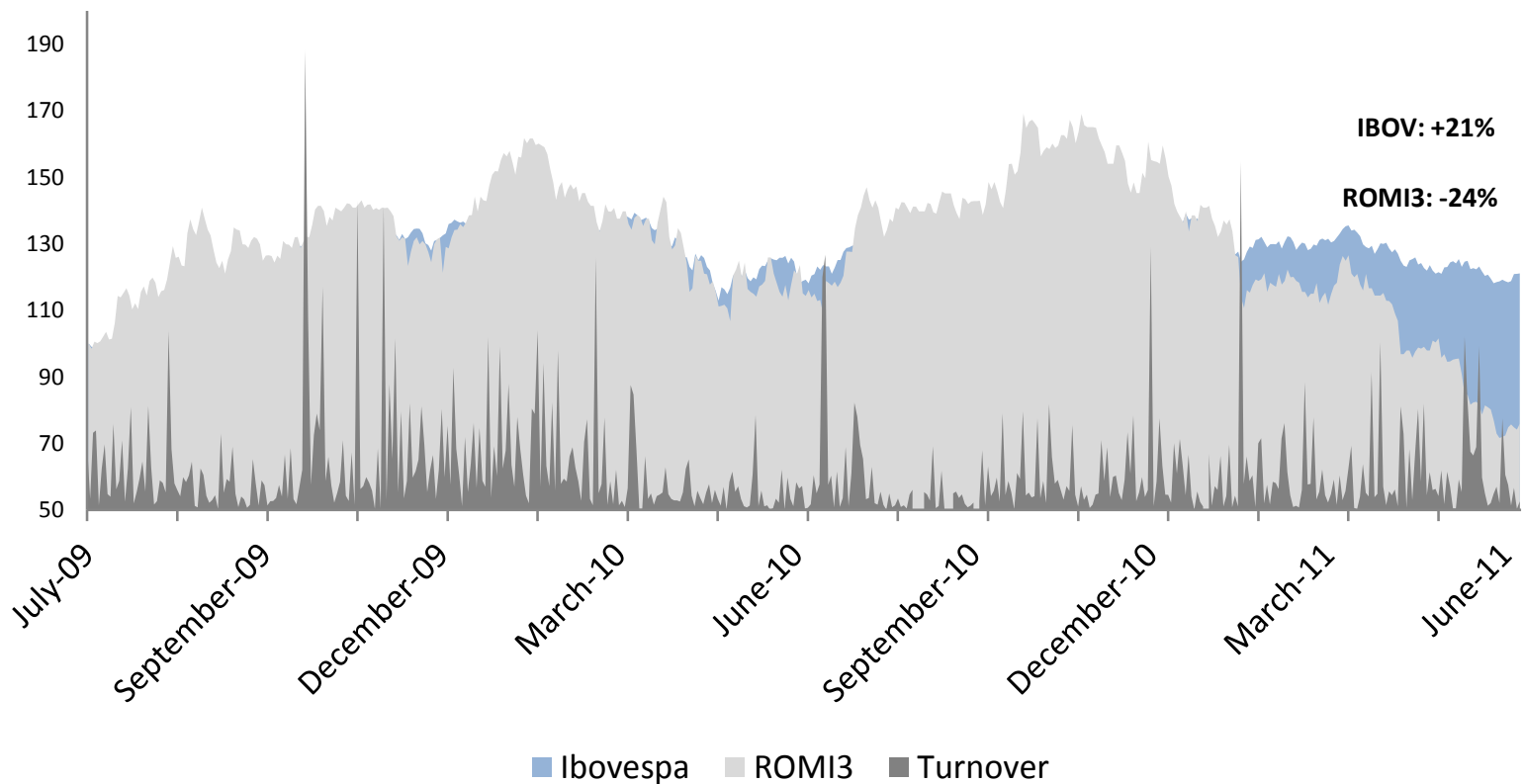
Loans* – R\$ million – 06/30/2011

	Amount
2011	13.5
2012	111.4
2013	33.5
2014	25.6
2015	18.6
2016 and afterwords	27.9
Total	230.5

(*) without Finame Manufacturer



Share Performance ROMI3 vs. Ibovespa
From 07/01/2009 to 06/30/2011



Source: BM&FBovespa



Indicators	2011	2011 Revised – July/2011
Net Operating Revenue Growth	10% to 20%	-5% to 0%
EBITDA Margin	12% to 18%	6% to 8%
CAPEX	R\$ 35 Million	R\$ 20 Million



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Luiz Cassiano R. Rosolen

Investor Relations Officer

+ 55 (19) 3455-9004

lrosolen@romi.com

www.romi.com