



ROMI®

A TRADITION OF INNOVATION



2Q13 Earnings Release

July 24, 2013

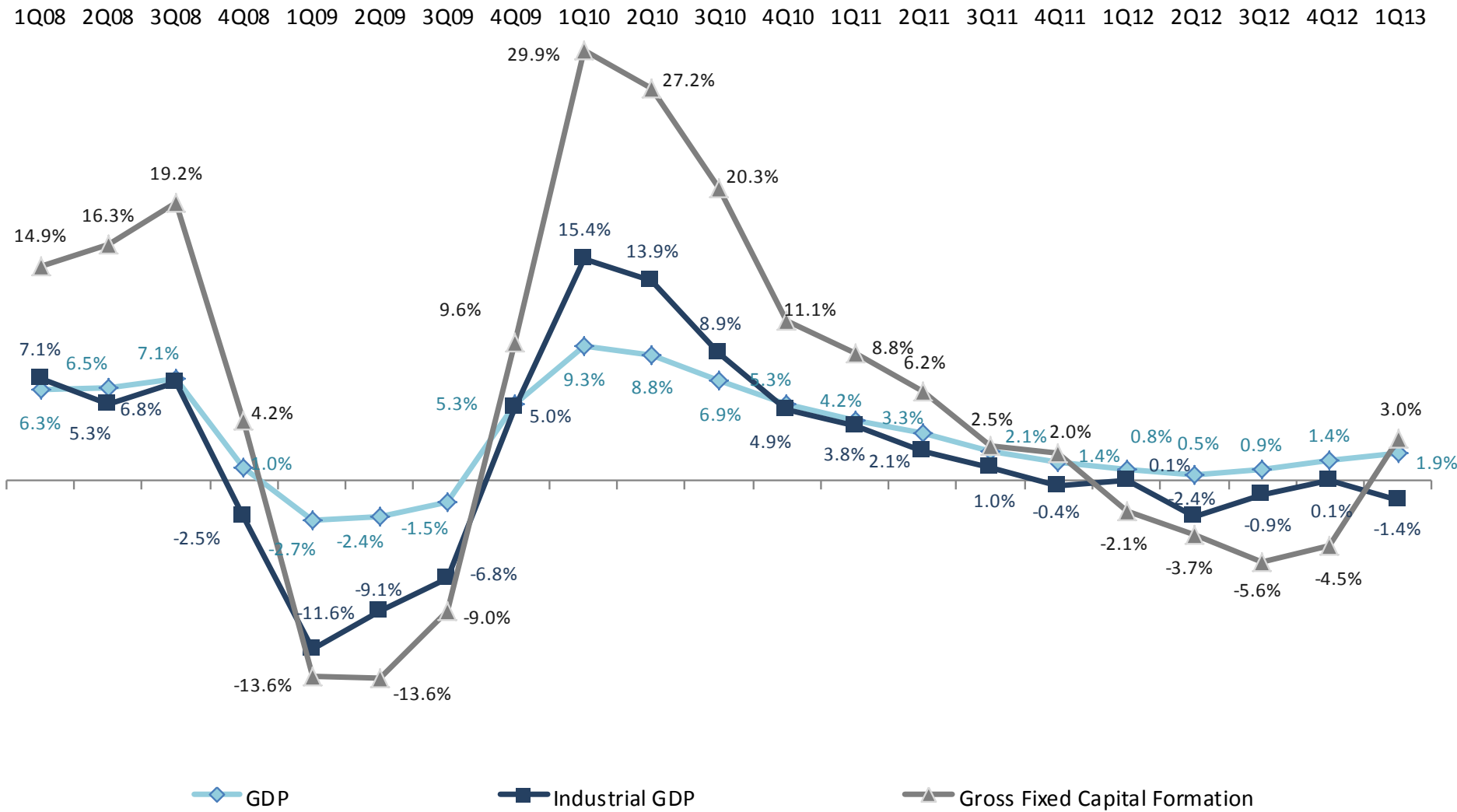


This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company. The reservations as to forward-looking statements also apply to information on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



- **R\$ 151.4 million of net operating revenue in the quarter** and R\$ 291.7 million in the six-month period, 45.2% and 17.4% higher than the equivalent periods in 2012;
- Gross margin of **28.0% in the quarter** maintains the recovery observed over the past quarters;
- For the fourth consecutive quarter continued operations **EBITDA was positive**;
- **Net profit of R\$ 5.1 million** in the quarter, turning the negative results obtained in the last periods;
- Through the six-month period, **Company's net debt decreased** R\$ 16.3 million;
- In 2Q13, **order entry was up 19.2%** from 2Q12 and up 67.5% from 1Q13;
- **Order backlog totaled R\$ 330.1 million** as at June 30, 2013.

Economic Indexes – Conjunctural Indicators



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

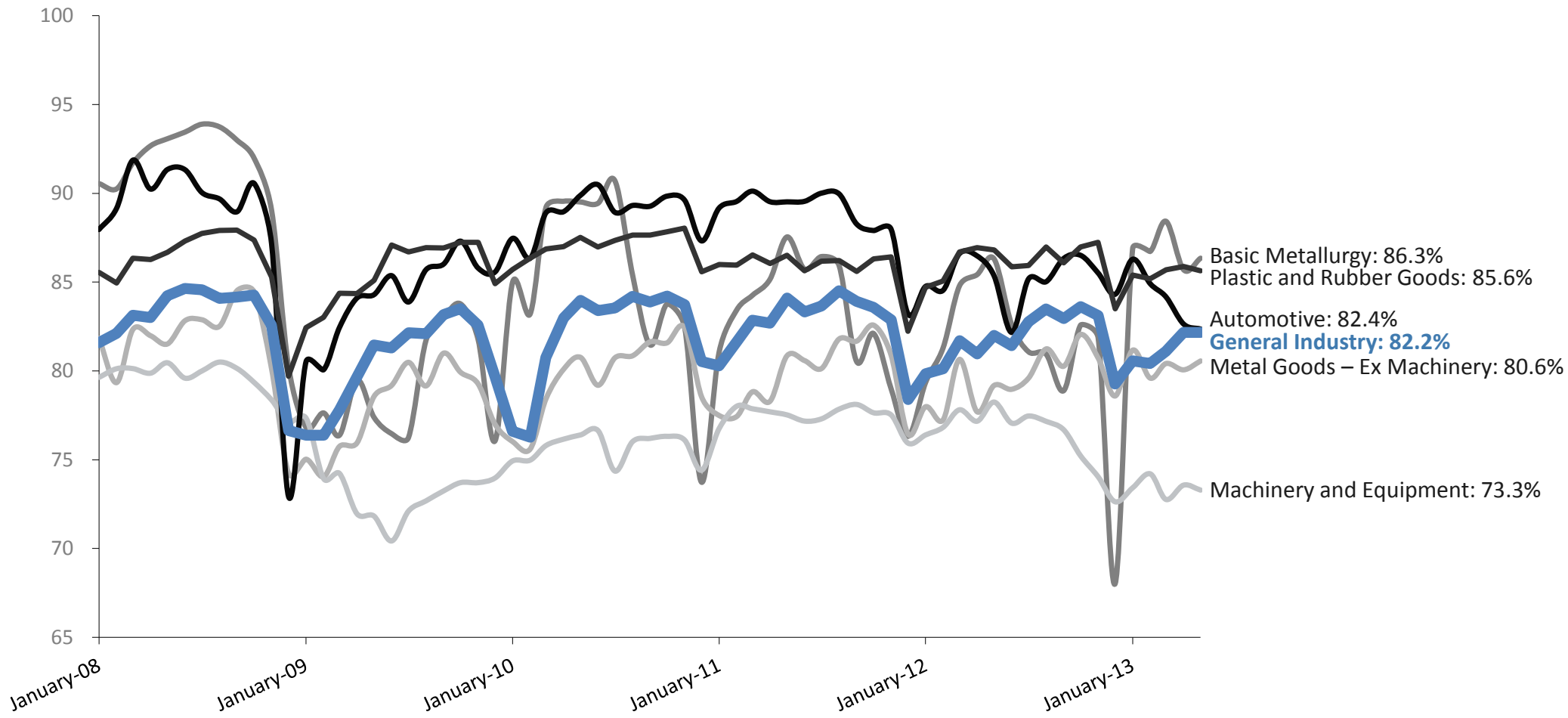
Economic Indexes

Level of Activity Index (May, 2013)



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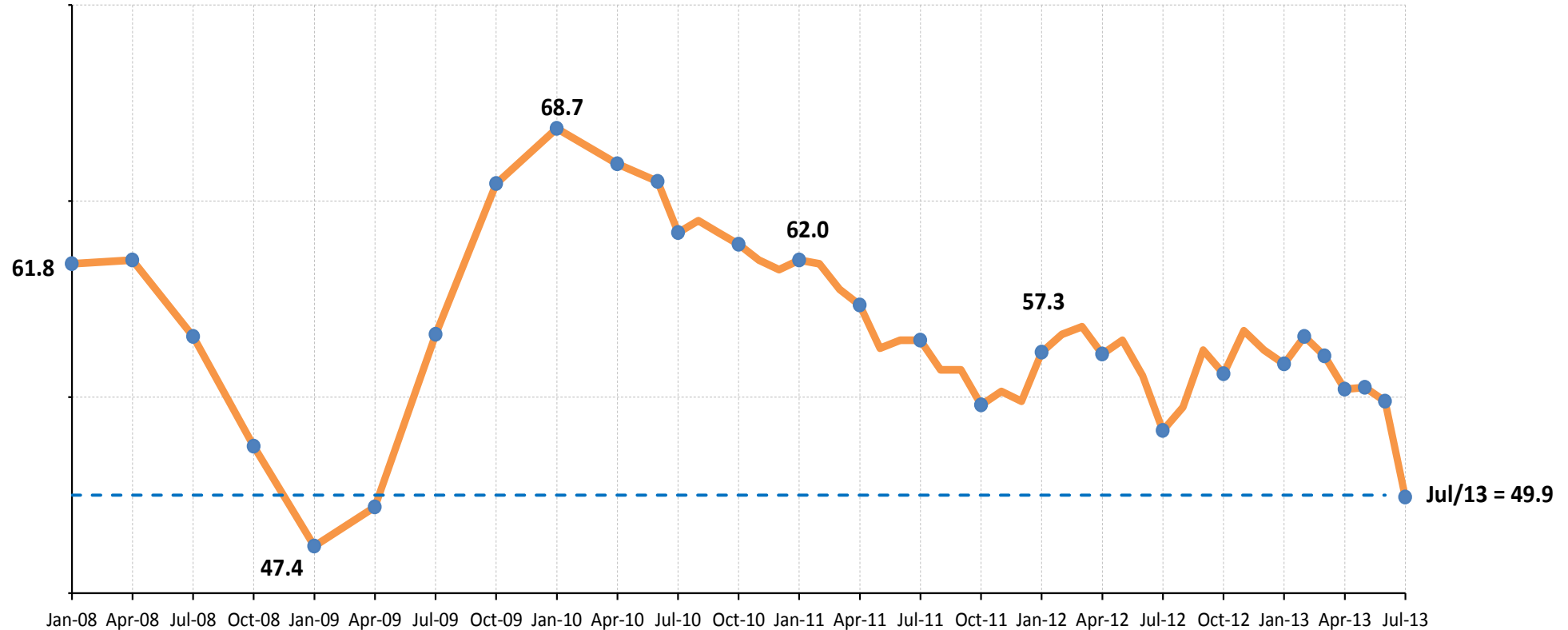


Source: Fiesp -INA Activity Level Indicator - NUCI (Level of Utilization of Installed Capacity)

Economic Indexes – Industrial Entrepreneur Confidence Index



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Source: CNI - ICEI (Business Confidence Index)



Machine Tools



Net Operating Revenues Distribution

| | 1H13 | 2012 |
|-------------------------|------|------|
| Job Shops | 20% | 25% |
| Machines and Equipments | 19% | 11% |
| Technical Schools | 10% | 11% |
| Automotive | 10% | 13% |
| Agricultural Equipment | 6% | 5% |
| Others | 35% | 35% |

Plastic Machines



Net Operating Revenues Distribution

| | 1H13 | 2012 |
|-----------------|------|------|
| Packaging | 26% | 24% |
| Automotive | 19% | 8% |
| Job Shops | 9% | 13% |
| Home Appliances | 9% | 9% |
| Others | 37% | 46% |

Raw and Machined Cast Iron Parts

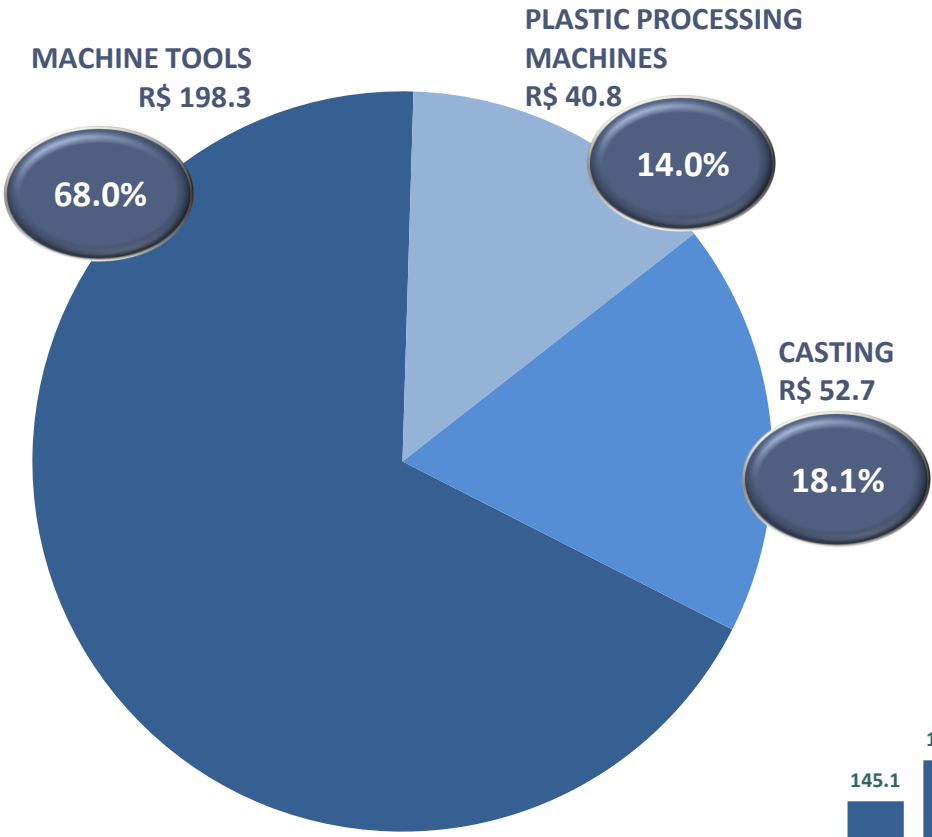


Net Operating Revenues Distribution

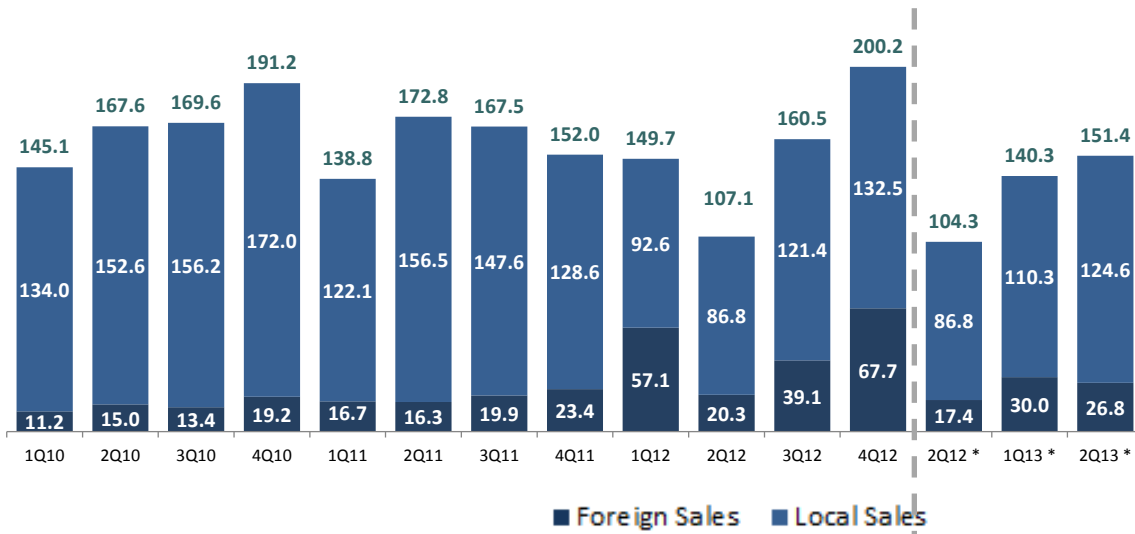
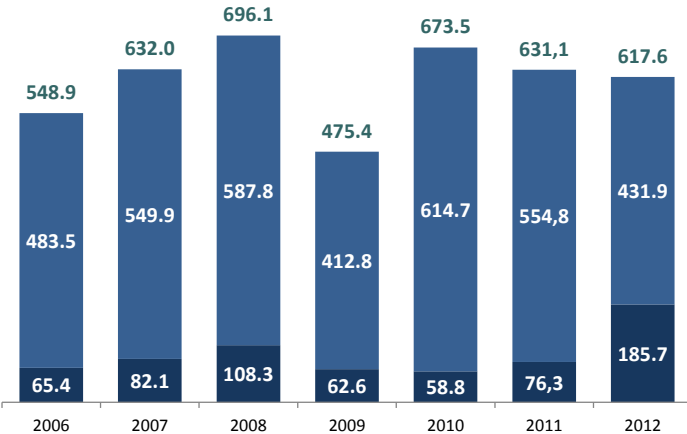
| | 1H13 | 2012 |
|------------------------|------|------|
| Automotive - Trucks | 39% | 41% |
| Wind Power | 37% | 26% |
| Agriculture | 18% | 20% |
| Construction Equipment | 1% | 4% |
| Capital Goods | 1% | 1% |
| Others | 4% | 8% |

Net Sales per Business Unit

1H13 – Continued Operations



Net Operating Sales (R\$ million)

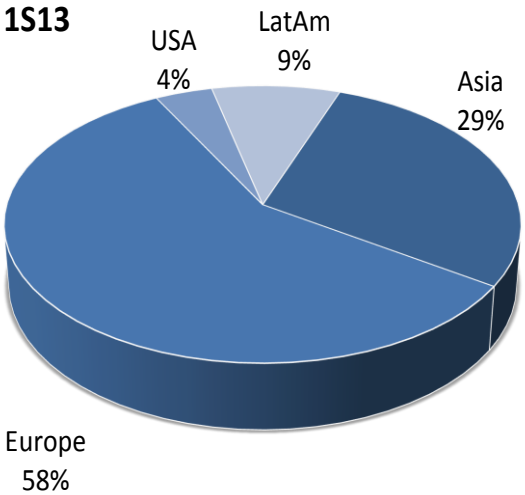
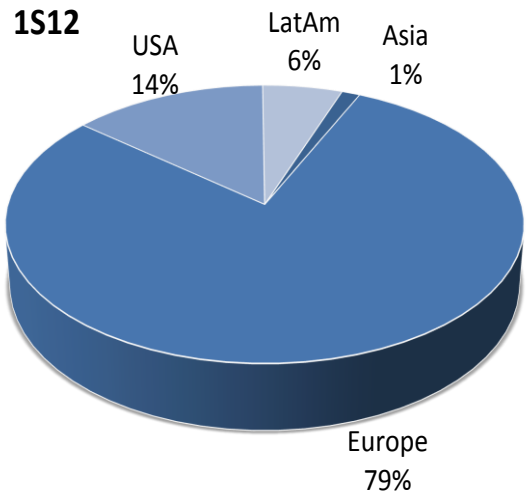


Since 1Q12 B+W's revenues became part of the revenues of the foreign market

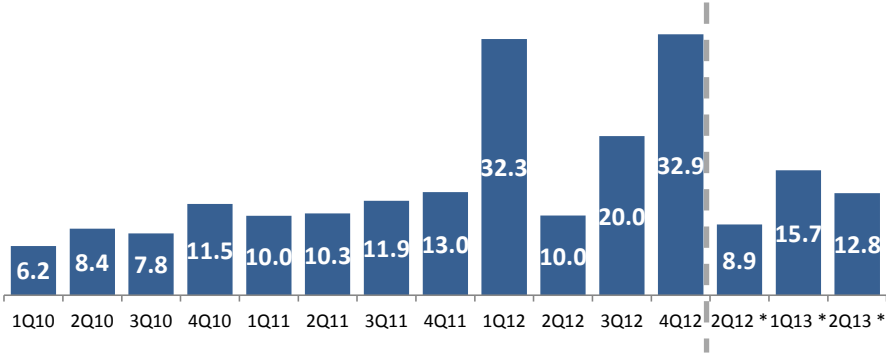
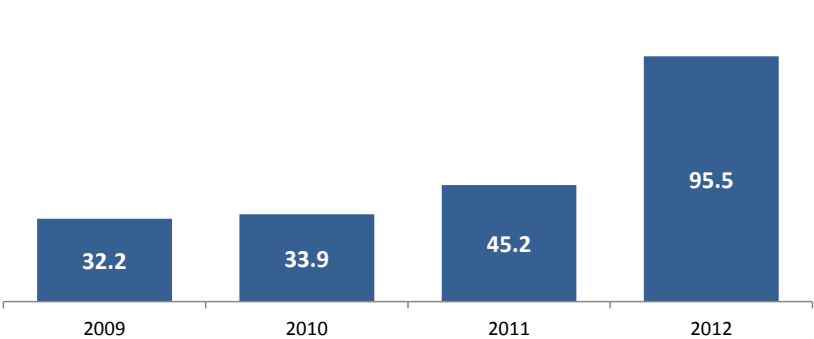
* Amounts relating to continued operations, excluding the revenue from the subsidiary Romi Italia, which are presented as discontinued operations.



Sales Destination



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 | 1Q12 | 2Q12 | 1Q13 | 2Q13 | Chg % 2T13/2T12 | Chg % 2T13/1T13 |
|--|----------------|----------------|----------------|----------------|--------------------|--------------------|
| Machine Tools | 81,999 | 164,605 | 84,479 | 173,368 | 5.3% | 105.2% |
| Plastic Machines | 25,312 | 9,975 | 25,462 | 45,484 | 356.0% | 78.6% |
| Rough and Machined Cast Iron Parts | 28,250 | 40,555 | 43,071 | 37,495 | -7.5% | -12.9% |
| Total | 135,561 | 215,135 | 153,012 | 256,347 | 19.2% | 67.5% |

| Order Entry (R\$ 000) Gross Values, sales taxes included | 1S12 | 1S13 | Chg % 2013/2012 |
|--|----------------|----------------|--------------------|
| Machine Tools | 246,604 | 257,847 | 4.6% |
| Plastic Machines | 35,287 | 70,946 | 101.1% |
| Rough and Machined Cast Iron Parts | 68,805 | 80,565 | 17.1% |
| Total | 350,696 | 409,358 | 16.7% |

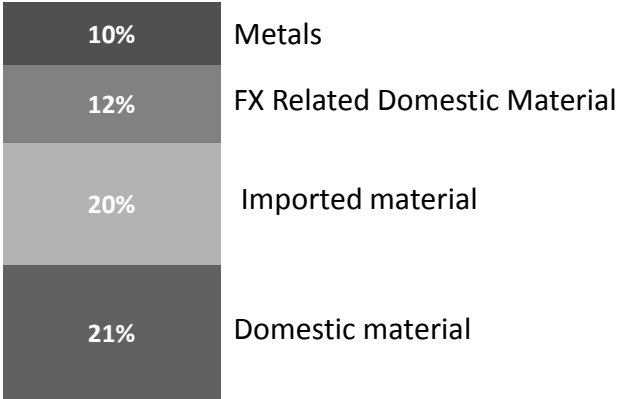
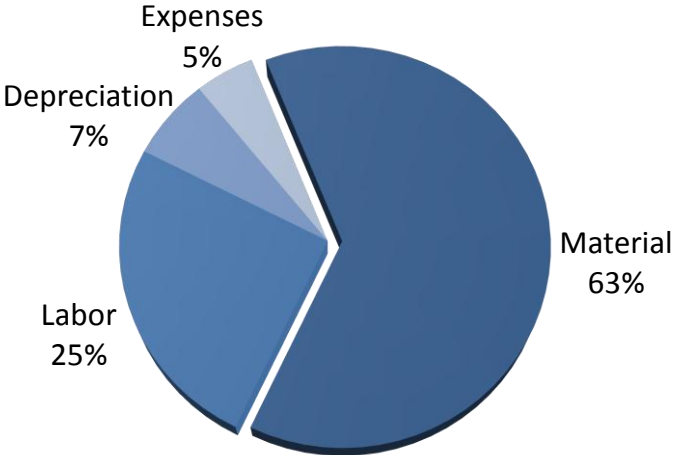
| Order Book (R\$ 000) Gross Values, sales taxes included | 2Q12 | 3Q12 | 4Q12 | 1Q13 | 2Q13 | Chg % 2Q13/2Q12 | Chg % 2Q13/1Q13 |
|---|----------------|----------------|----------------|----------------|----------------|--------------------|--------------------|
| Machine Tools | 241,495 | 219,392 | 210,390 | 176,377 | 246,312 | 2.0% | 39.7% |
| Plastic Machines | 24,819 | 27,540 | 33,249 | 31,209 | 45,969 | 85.2% | 47.3% |
| Rough and Machined Cast Iron Parts | 31,021 | 35,168 | 24,180 | 37,026 | 37,846 | 22.0% | 2.2% |
| Total | 297,335 | 282,100 | 267,820 | 244,612 | 330,127 | 11.0% | 35.0% |

Cost of Goods Sold

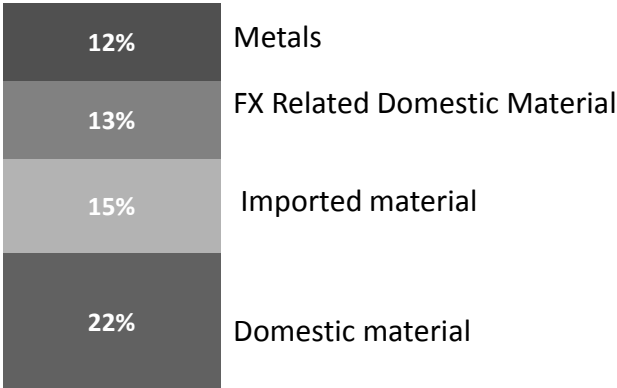
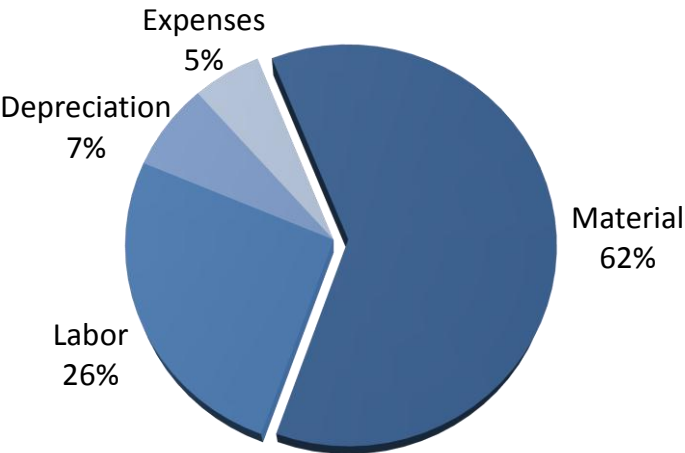


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1H12



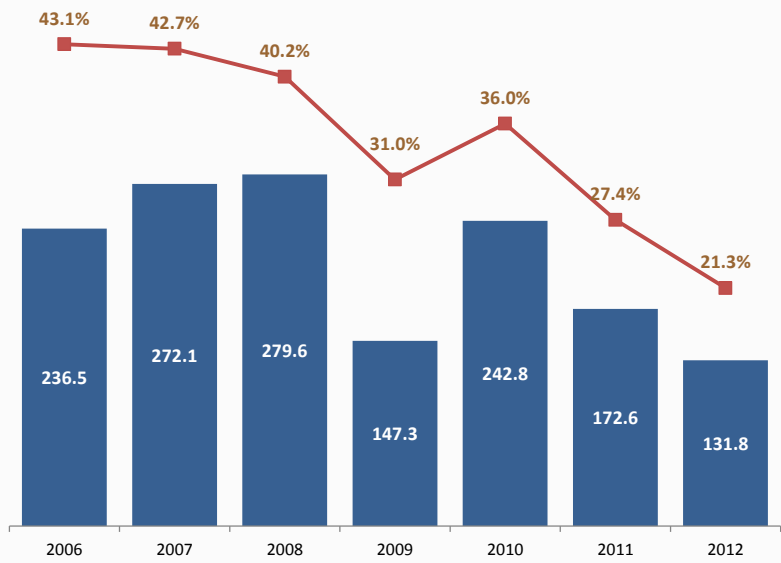
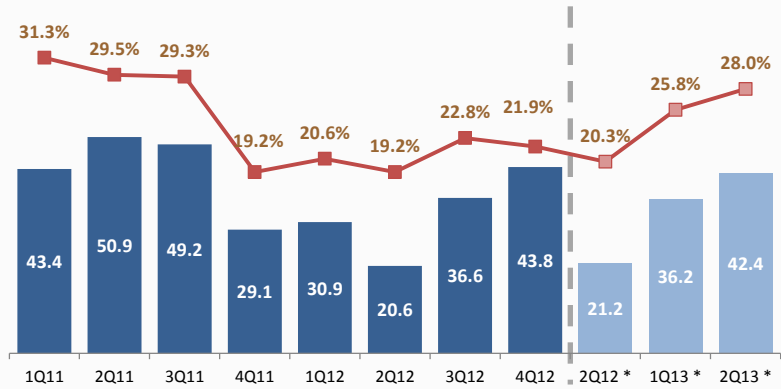
1H13



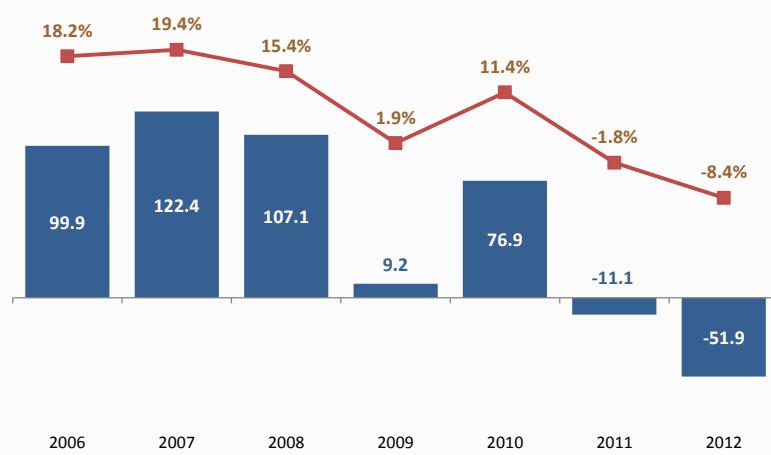
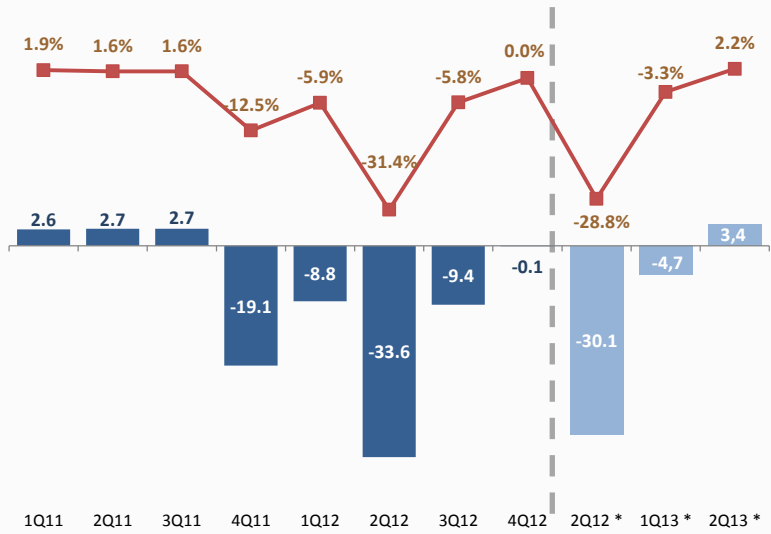


* Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia, which are presented as discontinued operations

Gross Profit (R\$ million) and Gross Margin



Operating Profit (R\$ million) and Operating Margin



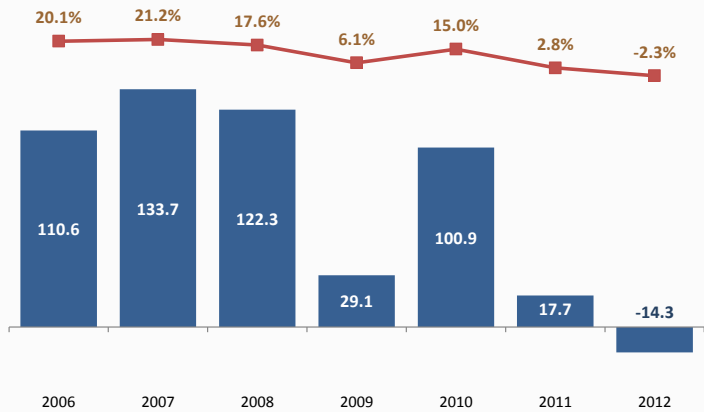
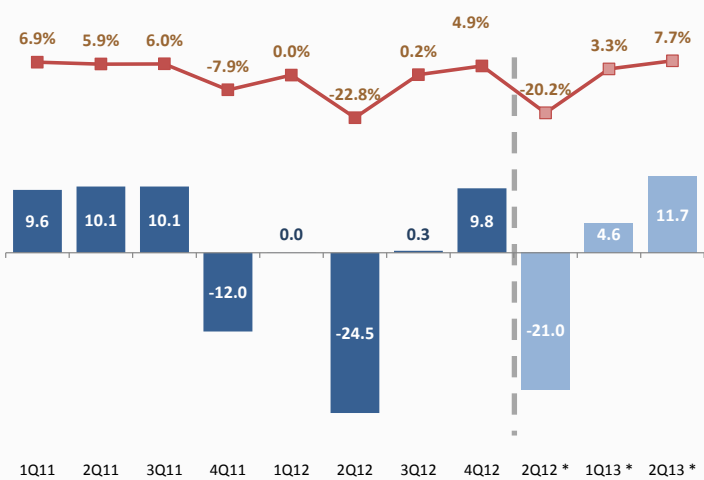
Profitability



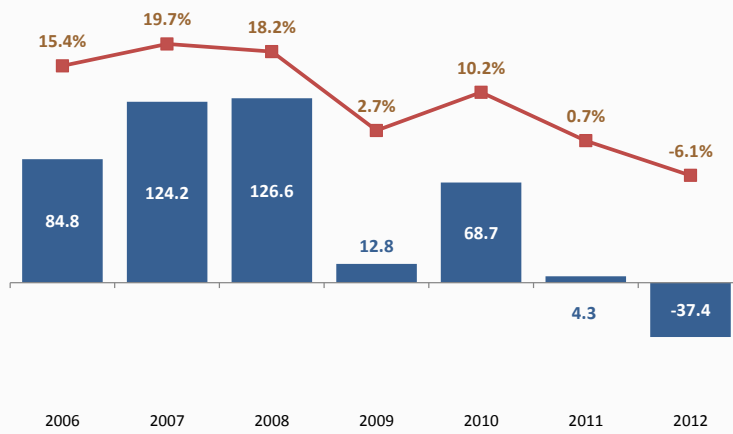
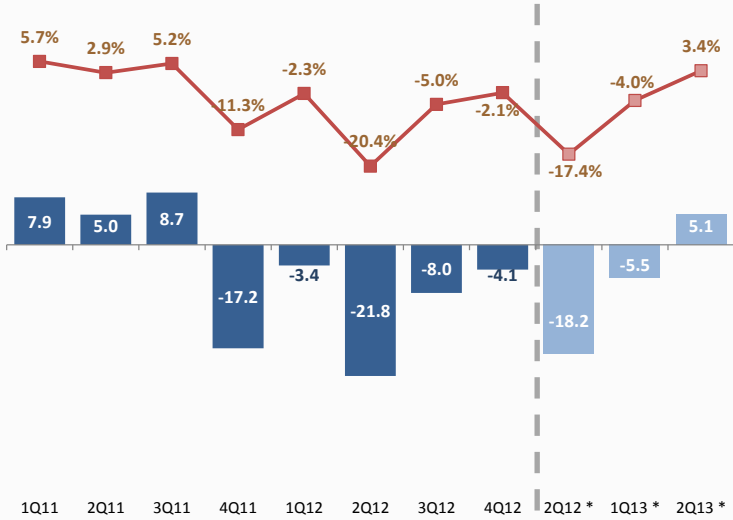
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* Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia, which are presented as discontinued operations

EBITDA (R\$ million) and EBITDA Margin



Net Profit (R\$ million) and Net Margin



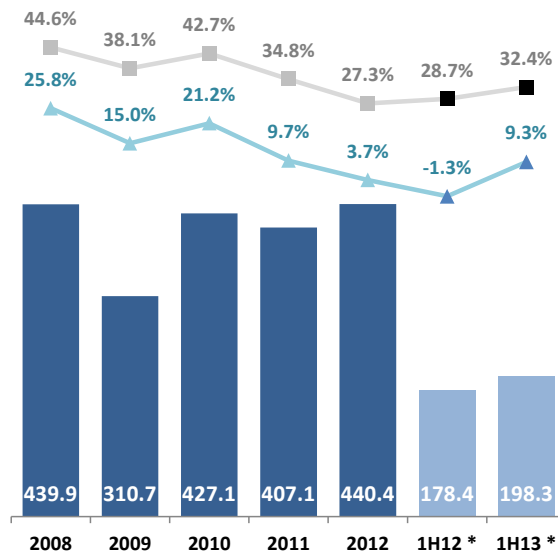
Business Units' Results



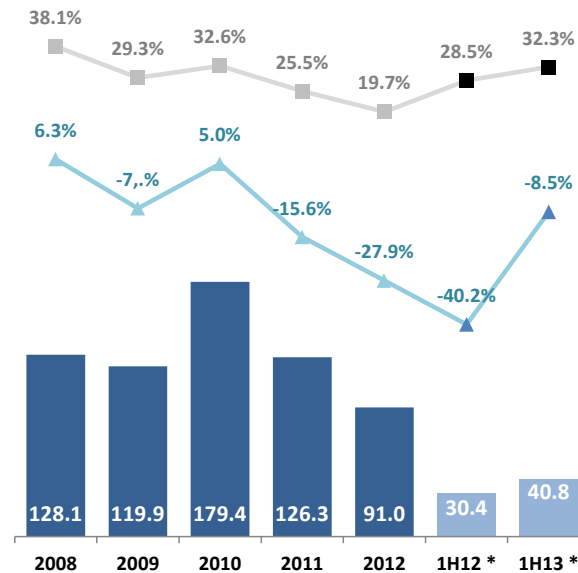
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| Sales | Quarter | | | | | Accumulated | |
|---|---------|-------|-------|-------|-------|-------------|-------|
| | 2Q12 | 3Q12 | 4Q12 | 1Q13 | 2Q13 | 1H12 | 1H13 |
| Machine Tools (units) | 311 | 443 | 480 | 399 | 399 | 568 | 703 |
| Plastic Machines (units) | 43 | 60 | 74 | 50 | 50 | 87 | 111 |
| Raw and Machined Cast Iron Parts (ton.) | 3,092 | 3,561 | 3,361 | 3,598 | 4,436 | 6,607 | 8,034 |

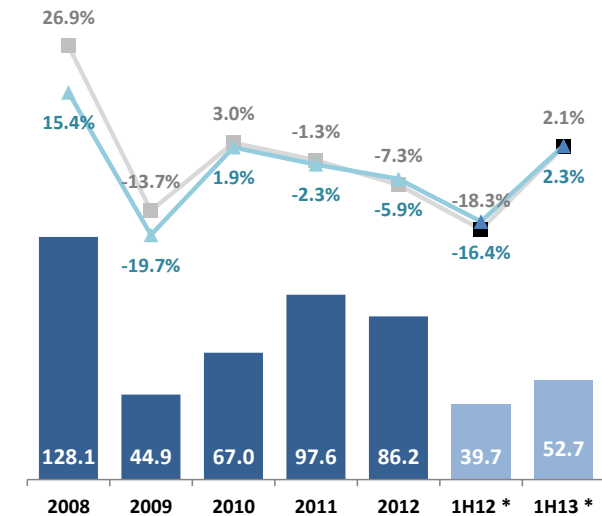
Machine Tools



Plastic Machines



Raw and Machined Cast Iron Parts



■ Net Revenues ■ Gross Margin ▲ EBITDA Margin



Cash and Cash Equivalent – R\$ million – 06/30/2013

| | Amount |
|---------------------------------|-------------|
| Bank Deposit Certificate (CDB) | 45.8 |
| Financial Investment with Bonds | 14.3 |
| Banks | 26.6 |
| Total | 86.7 |

Net Debt = 121.6

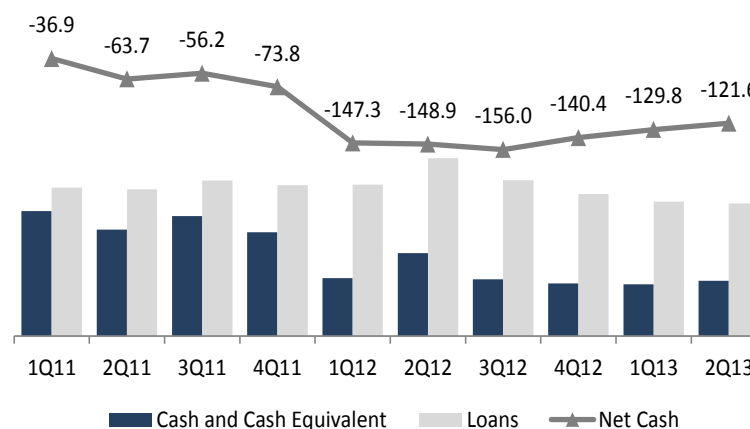
Loans* – R\$ million – 06/30/2013

| | Amount |
|---------------------|--------------|
| 2013 ** | 40.6 |
| 2014 | 50.4 |
| 2015 | 78.6 |
| 2016 | 15.8 |
| 2017 | 13.0 |
| 2018 and afterwards | 9.9 |
| Total | 208.3 |

(*) without Finame Manufacturer

(**) Loans from 07/01/2013 to 12/31/2013

Net Cash(Debt) Position





| Income Statement IFRS (€ 000) | Quarter | | | | | Accumulated | | |
|----------------------------------|---------|-------|-------|----------------|----------------|-------------|--------|----------------|
| | 2Q12 | 1Q13 | 2Q13 | Chg % 2T/2T | Chg % 2T/1T | 1S12 | 1S13 | Chg % 2T/2T |
| Net Operation Revenue | 2,548 | 7,700 | 6,673 | 161.9% | -13.3% | 18,235 | 14,373 | -21.2% |
| Gross profit | (208) | 1,301 | 1,384 | -765.5% | 6.4% | 2,145 | 2,685 | 25.2% |
| % | -8.2% | 16.9% | 20.7% | | | 11.8% | 18.7% | |
| EBIT | (1,897) | (709) | (98) | -94.8% | -86.1% | 2,247 | (808) | -135.9% |
| % | -74.5% | -9.2% | -1.5% | | | 12.3% | -5.6% | |
| EBITDA | (1,703) | (138) | 273 | -116.0% | -297.8% | 2,583 | 135 | -94.8% |
| % | -66.8% | -1.8% | 4.1% | | | 14.2% | 0.9% | |
| Net Profit | (1,771) | (703) | (176) | -90.1% | -75.0% | 2,141 | (879) | -141.1% |

| Balance Sheet IFRS (€ 000) | 03/31/2013 | 06/30/2013 |
|---|---------------|---------------|
| Cash and Cash equivalents | 2,782 | 65 |
| Trade accounts receivable | 4,044 | 4,808 |
| Inventories | 13,613 | 15,458 |
| Other receivables | 1,529 | 1,294 |
| Property, Plant and Equipment, net | 14,584 | 14,529 |
| Intangible | 14,252 | 14,109 |
| Total Assets | 50,804 | 50,261 |
| Financing | 3,747 | 4,358 |
| Trade accounts payable | 3,664 | 1,803 |
| Advances from customers | 10,235 | 11,610 |
| Deferred tax liability | 5,511 | 5,472 |
| Other payables | 3,854 | 3,438 |
| Shareholder's Equity | 23,793 | 23,580 |
| Total Liabilities and Shareholder's Equity | 50,804 | 50,261 |

- Acquisition: concluded on January 31, 2012
- Consolidation from February 1, 2012:

Discontinued Operations

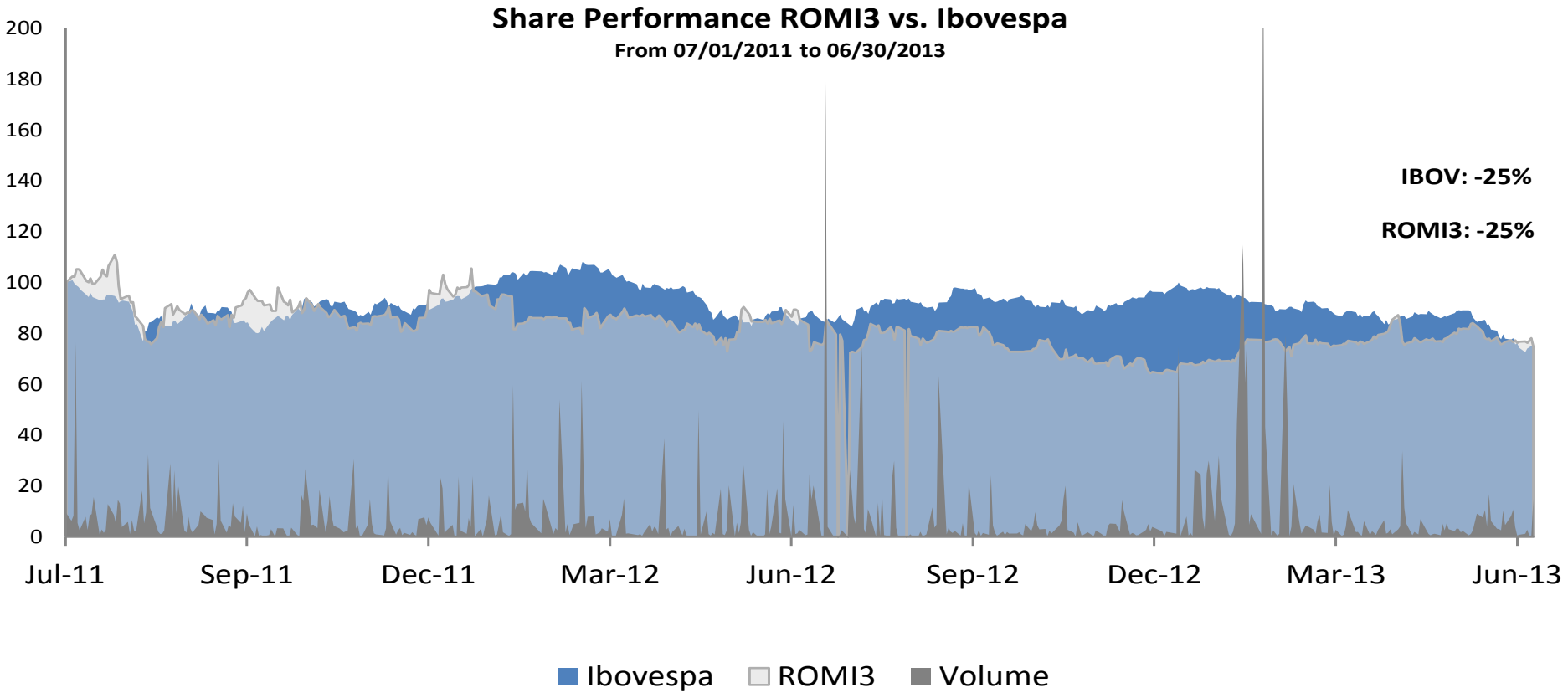


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| Income Statement IFRS (€ 000) | Quarter | | | | | Accumulated | | |
|----------------------------------|---------|---------|---------|----------------|----------------|-------------|----------|----------------|
| | 2Q12 | 1Q13 | 2Q13 | Chg % 2T/2T | Chg % 2T/1T | 1S12 | 1S13 | Chg % 2T/2T |
| Net Operating Revenue | 2,877 | 1,432 | 507 | -82.4% | -64.6% | 13,926 | 1,939 | -86.1% |
| Gross Profit | (629) | (1,295) | (943) | 49.8% | -27.2% | (1,636) | (2,238) | 36.8% |
| | % | -21.9% | -90.4% | -186.2% | | -11.7% | -115.4% | |
| EBIT | (3,550) | (2,288) | (8,803) | 147.9% | 284.8% | (9,245) | (11,091) | 20.0% |
| | % | -123.4% | -159.7% | -1737.8% | | -66.4% | -572.0% | |
| EBITDA | (3,433) | (2,168) | (8,680) | 152.9% | 300.4% | (8,910) | (10,848) | 21.8% |
| | % | -119.3% | -151.4% | -1713.5% | | -64.0% | -559.5% | |
| Net Profit | (3,651) | (2,387) | (8,917) | 144.2% | 273.6% | (9,527) | (11,304) | 18.7% |

| Balance Sheet IFRS (€ 000) | 03/31/2013 | 06/30/2013 |
|---|---------------|---------------|
| Trade accounts receivable | 2,632 | 2,285 |
| Inventories | 19,793 | 21,288 |
| Related Parties | 4,769 | 5,399 |
| Other receivables | 2,742 | 1,420 |
| Investment in Associated Companies | 13,473 | 7,338 |
| Property, Plant and Equipment | 6,932 | 7,597 |
| Total Assets | 50,341 | 45,327 |
| Trade accounts payable | 503 | 427 |
| Payroll and related taxes | 658 | 695 |
| Current Other payables | 3,328 | 8,338 |
| Related Parties | 5,364 | 5,991 |
| Non Current Other payables | 23,821 | 28,029 |
| Deferred income and social contribution taxes | 6,873 | 6 |
| Shareholder's Equity | 9,794 | 1,841 |
| Total Liabilities and Shareholder's Equity | 50,341 | 45,327 |

- Voluntary liquidation announced on April 2013.



Source: BM&FBovespa



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