



ROMI®

A TRADITION OF INNOVATION



3Q11 Earnings Release

October 26, 2011

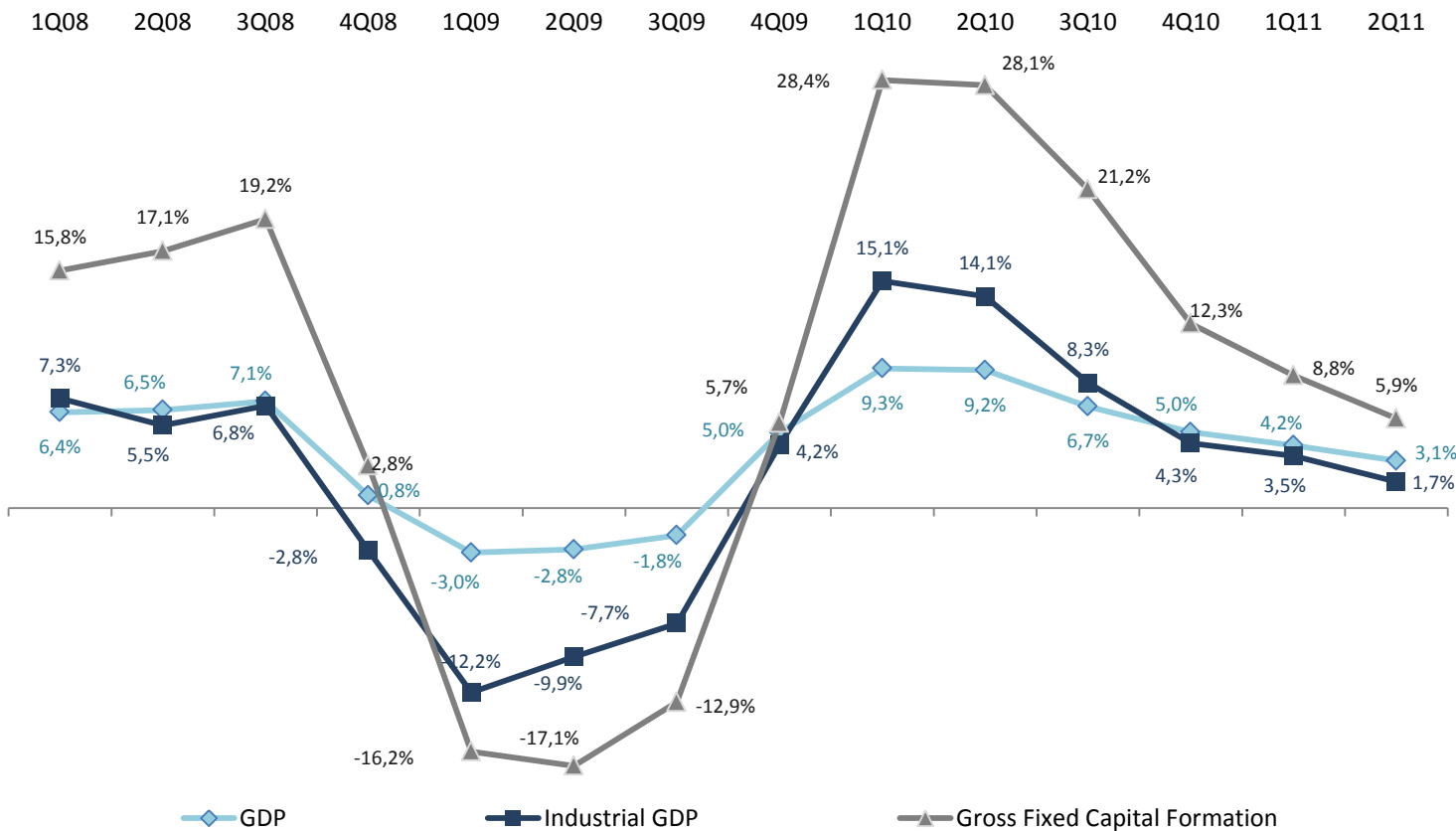


This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company. The reservations as to forward-looking statements also apply to information on 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 Revenue** reaches R\$167.5, consistent with the 2Q11 and 3Q10 figures;
- The net operating revenue of the **Rough and Machined Cast Iron Parts** business unit increased to 28.6% and 52.3% as compared to 2Q11 and 3Q10, respectively;
- The **New Orders of the Machine Tools** business unit increased 4.1% in 9M11 as compared to 9M10;
- The **net operating revenue of the Machine Tools** business unit increased 5.1% in 3Q11 as compared to 3Q10 and was similar to 2Q11;
- In 3Q11, **revenue from foreign market** sales grew 22.0% as compared to 2Q11;
- The **New Orders** for 3Q11 totaled R\$174.2 million, aligned with the new orders for the same period in prior year. The 9M11 also posted a sound and consistent new orders as compared to 9M10;

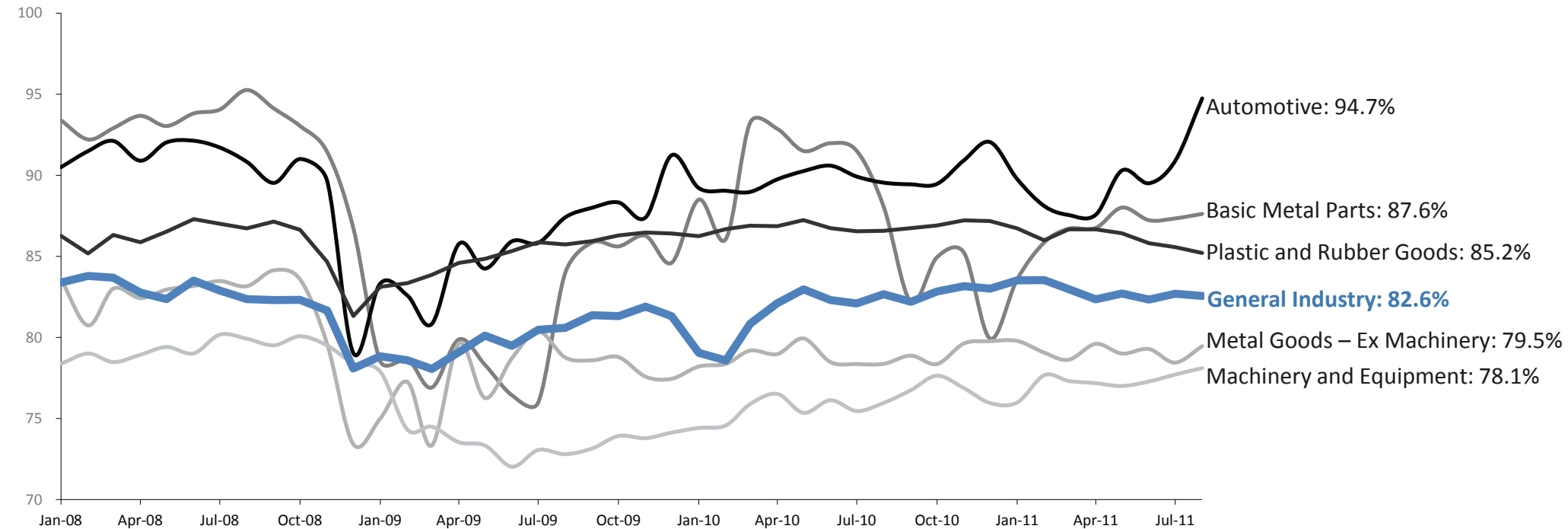
Economic Indexes – Conjunctural Indicators



Economic Indexes – Level of Activity Index



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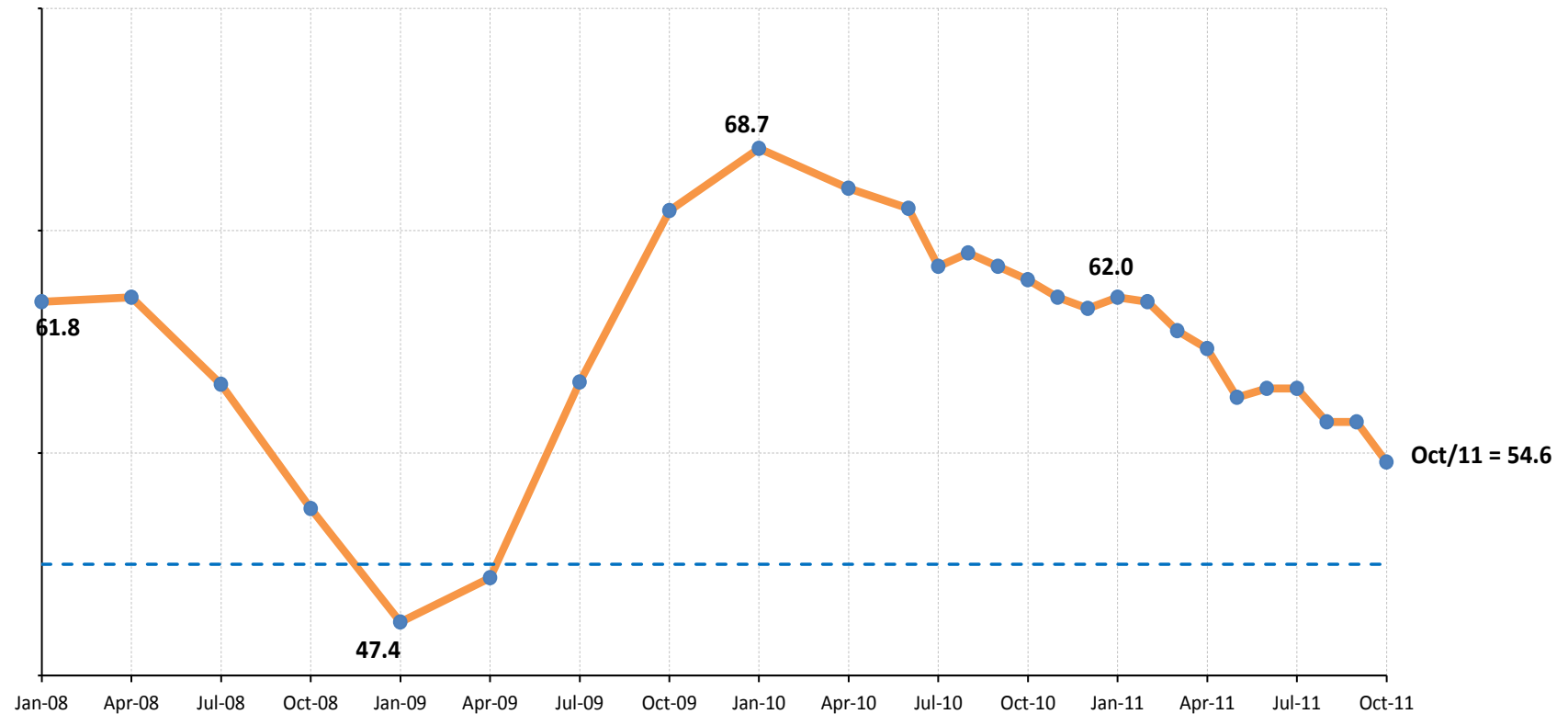


Source: Fiesp -INA Activity Level Indicator - NUCI (Level of Utilization of Installed Capacity)

Economic Indexes – Industrial Entrepreneur Confidence Index








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





METAL CHIPING					
TURNING			MILLING		
ENGINE LATHES	CNC LATHES		TURNING CENTERS	MACHINING CENTERS	BORING MACHINES
	LIGHTWEIGHT	HEAVYWEIGHT			
					
EXAMPLES OF PARTS PRODUCED IN OUR MACHINES					
Machine-tool spindle	Pulley	spindle and mill cylinder set	Automotive transmission gear	Automotive transmission housing	Large size valve

Net Operating Revenues Distribution		
	9M11	2010
Job Shops	30%	22%
Capital Goods	17%	16%
Automotive	11%	11%
Tooling	6%	6%
Hydraulic	4%	5%
Others	32%	40%



PLASTIC PROCESSING MACHINES

INJECTION MOLDING

INJECTION MOLDING MACHINES



BLOW MOLDING

PLASTIC BLOW MOLDING MACHINES



PET BLOW MOLDING MACHINES



EXAMPLES OF PARTS PRODUCED IN OUR MACHINES



18 liter Industrial Bucket

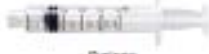


Beach chair



Motorcycle fender

Automotive taillight



Syringe



Plastic blown bottles for the Hygiene, Cleaning, Food, Pharmaceutical and Chemical industries, among others



PET bottles up to 6 liters

Net Operating Revenues Distribution

	9M11	2010
Packaging	21%	39%
Job Shops	16%	11%
Automotive	10%	18%
Home Appliances	9%	7%
Industrial	7%	3%
Others	37%	22%



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

EXAMPLES OF PARTS PRODUCED



Reducer Housing



Pump Housing



Differential Cage



Fifth Wheel Coupling



Pinion Cage



Wind Generator Hub

Net Operating Revenues Distribution		
	9M11	2010
Automotive - Trucks	56%	70%
Agricultural Equipment	15%	17%
Electricity Generation	13%	3%
Automotive - Cars		2%
Capital Goods	2%	8%
Others	10%	0%

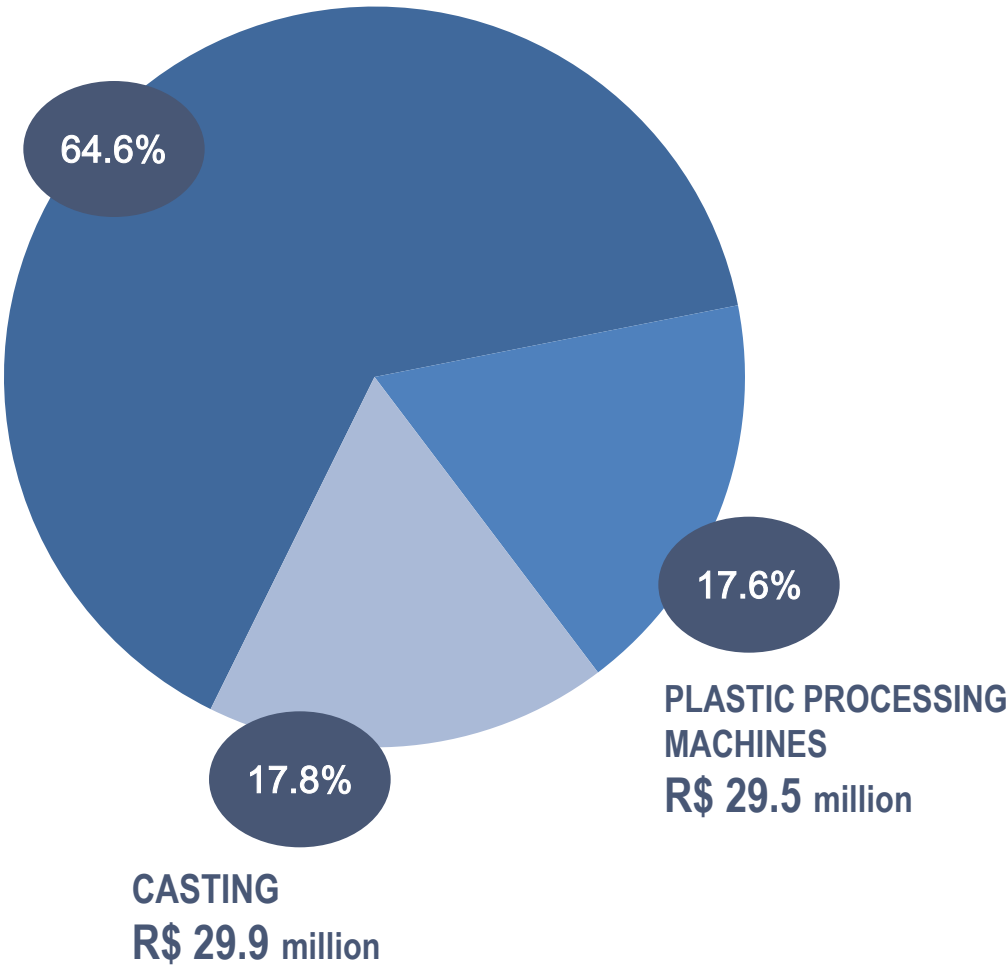
Net Sales per Business Unit

3Q11

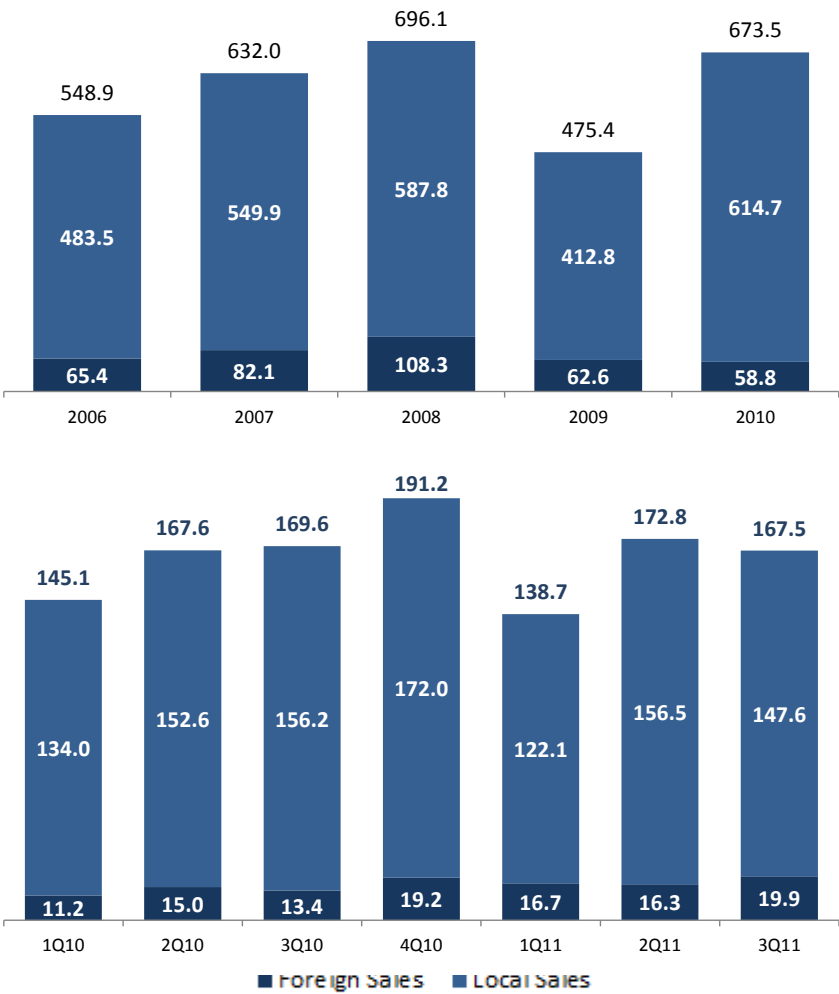


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MACHINE TOOLS
R\$ 108.2 million

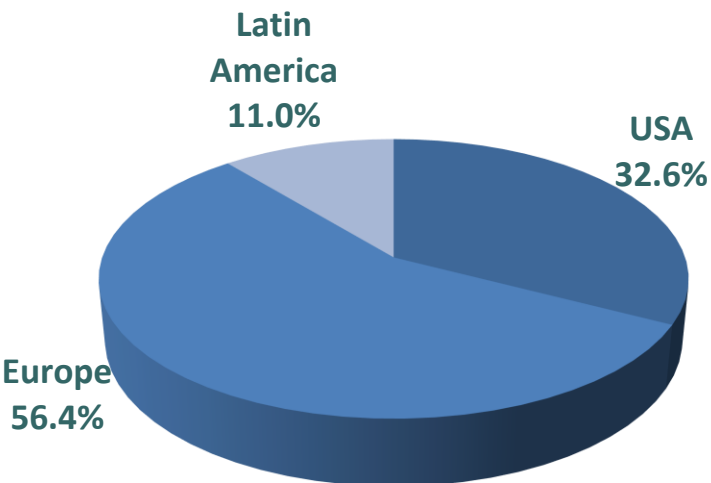


Net Operating Sales (R\$ million)

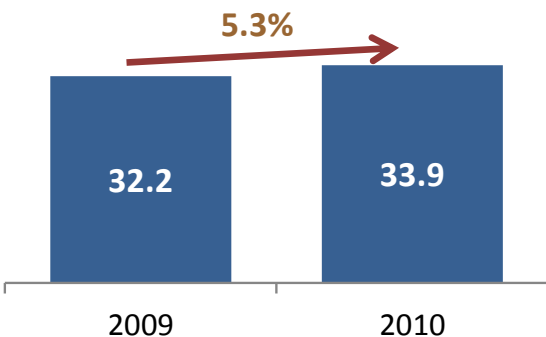




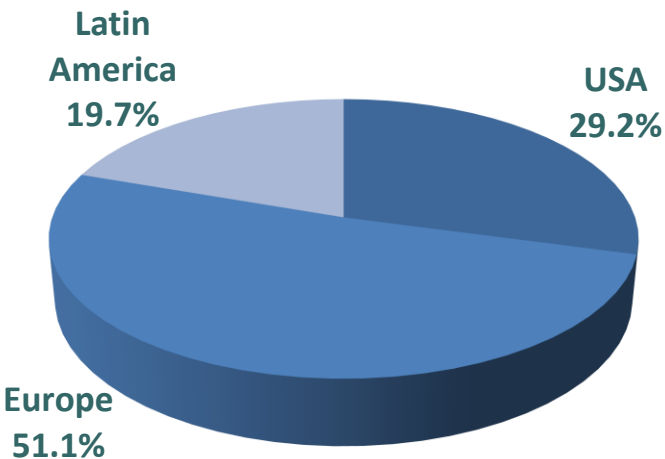
3Q10 Foreign Sales Destination



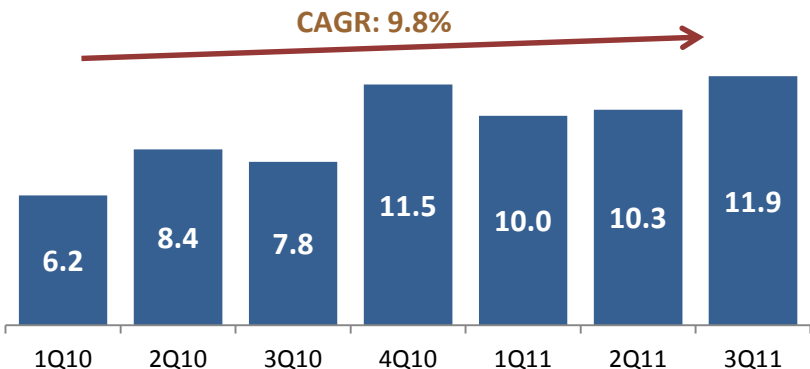
Year Foreign Sales – US\$ million



3Q11 Foreign Sales Destination



Quarter Foreign Sales – US\$ million



Order Entry

R\$ thousand



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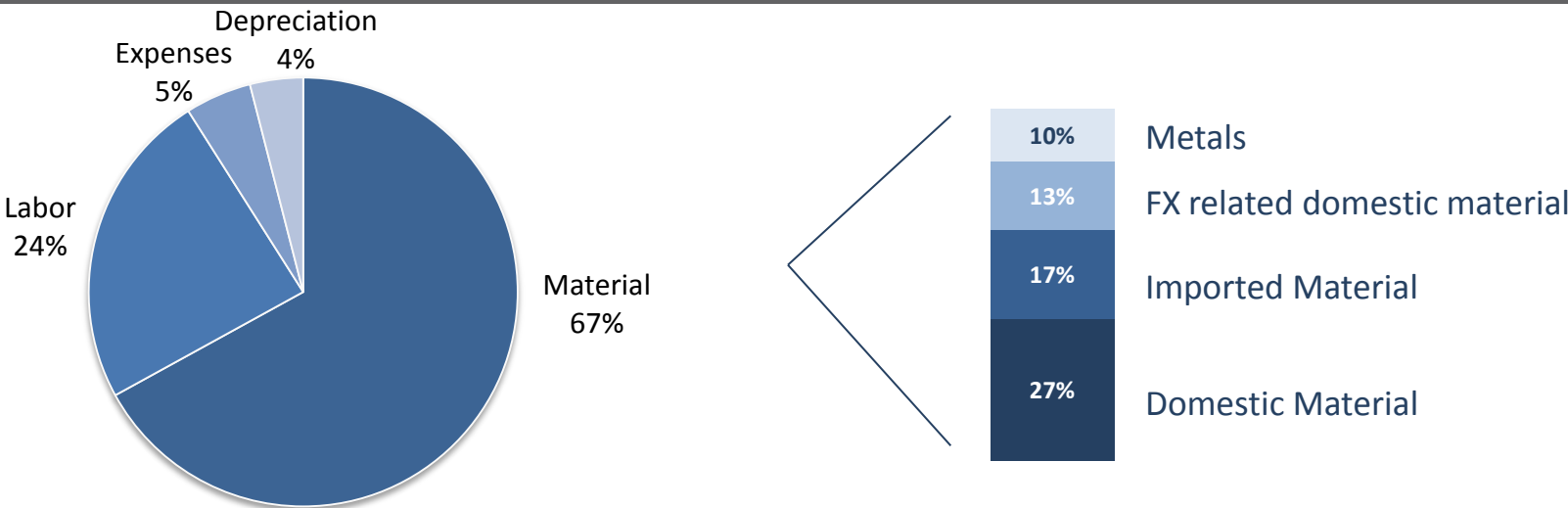
Order Entry (R\$ thousand)	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	Chg 3Q/2Q	Chg 3Q/3Q
Machine Tools	94,084	132,784	111,777	99,194	110,370	129,179	113,057	-12.5%	1.1%
Plastic Machines	42,138	53,187	43,865	32,127	30,418	37,846	27,861	-26.4%	-36.5%
Rough and Machined Cast Iron Parts	21,968	22,065	24,276	13,729	38,149	21,186	33,304	57.2%	37.2%
Total	158,190	208,036	179,918	145,050	178,937	188,211	174,222	-7.4%	-3.2%

Order Entry (R\$ thousand)	9M10	9M11	Chg 9M/9M
Machine Tools	338,645	352,606	4.1%
Plastic Machines	139,190	96,125	-30.9%
Rough and Machined Cast Iron Parts	68,309	92,639	35.6%
Total	546,144	541,370	-0.9%

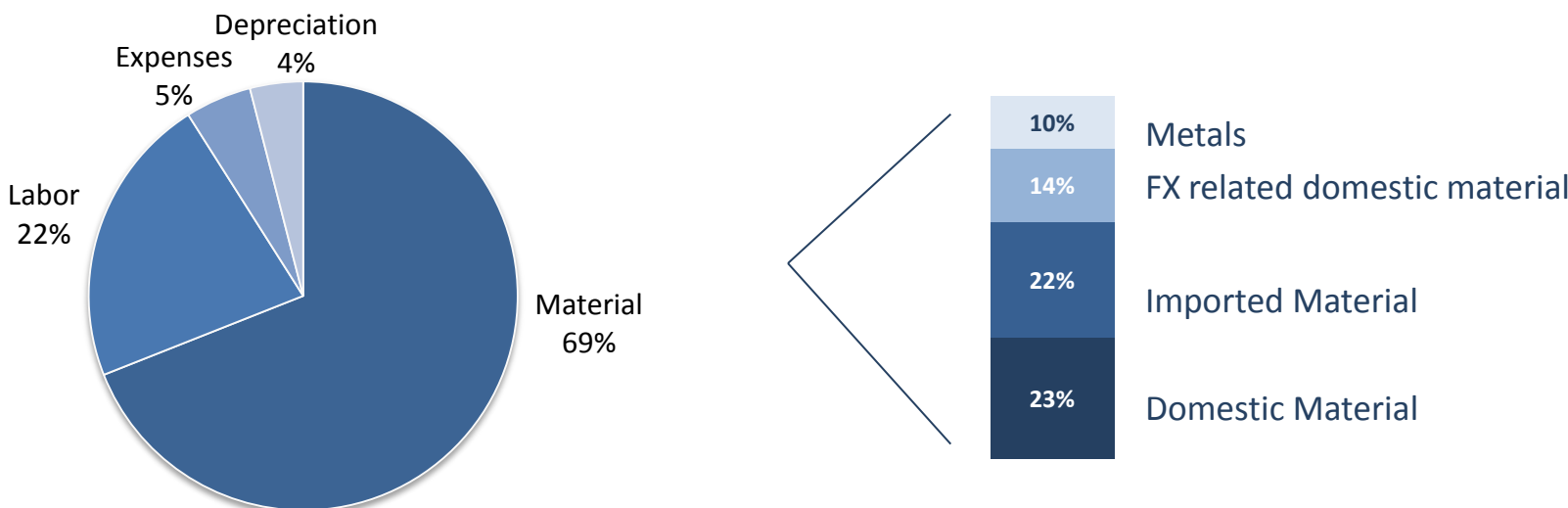
Note: Gross values, including sales taxes



9M10

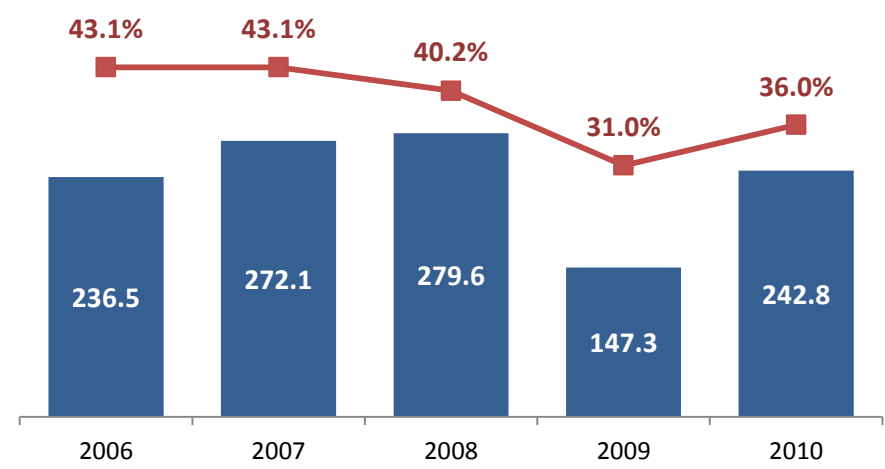


9M11

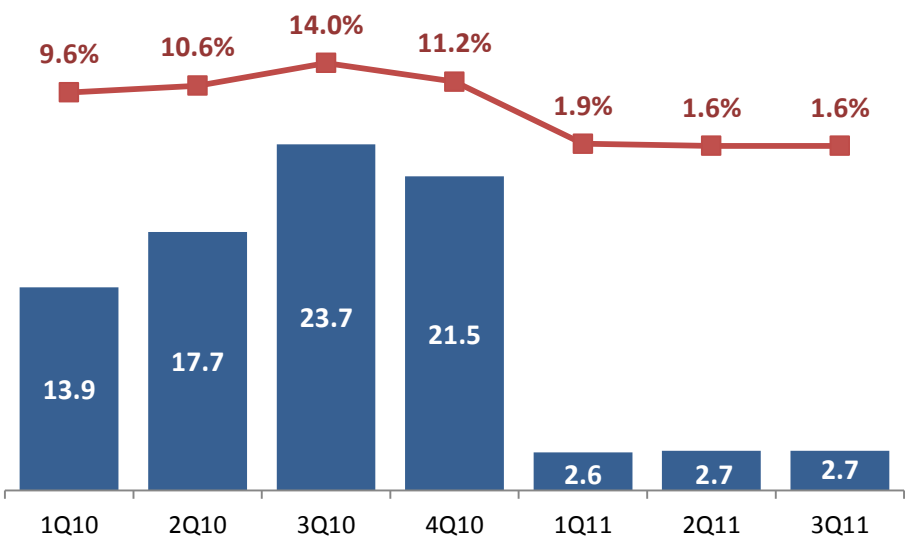
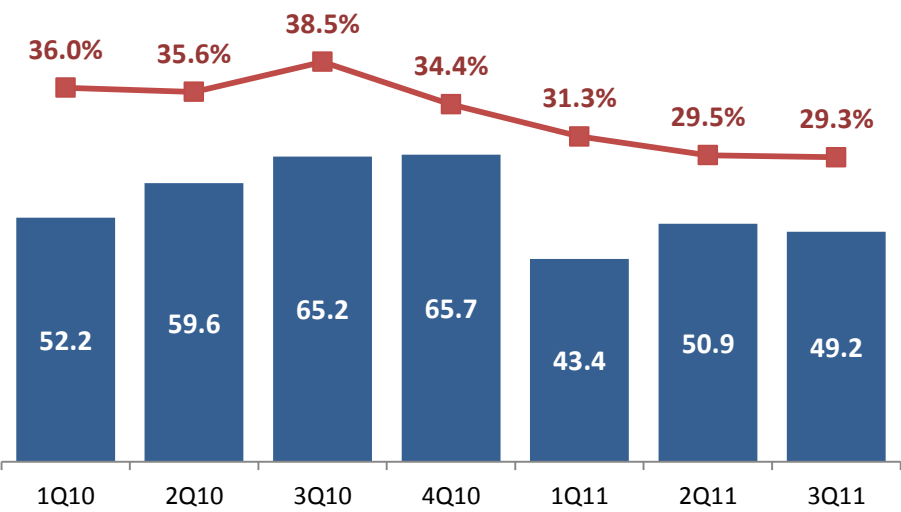
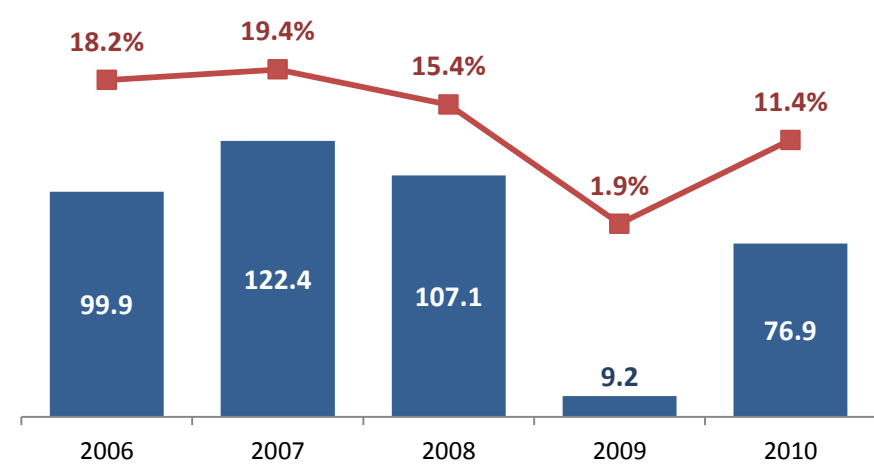




Gross Profit (R\$ million) and Gross Margin

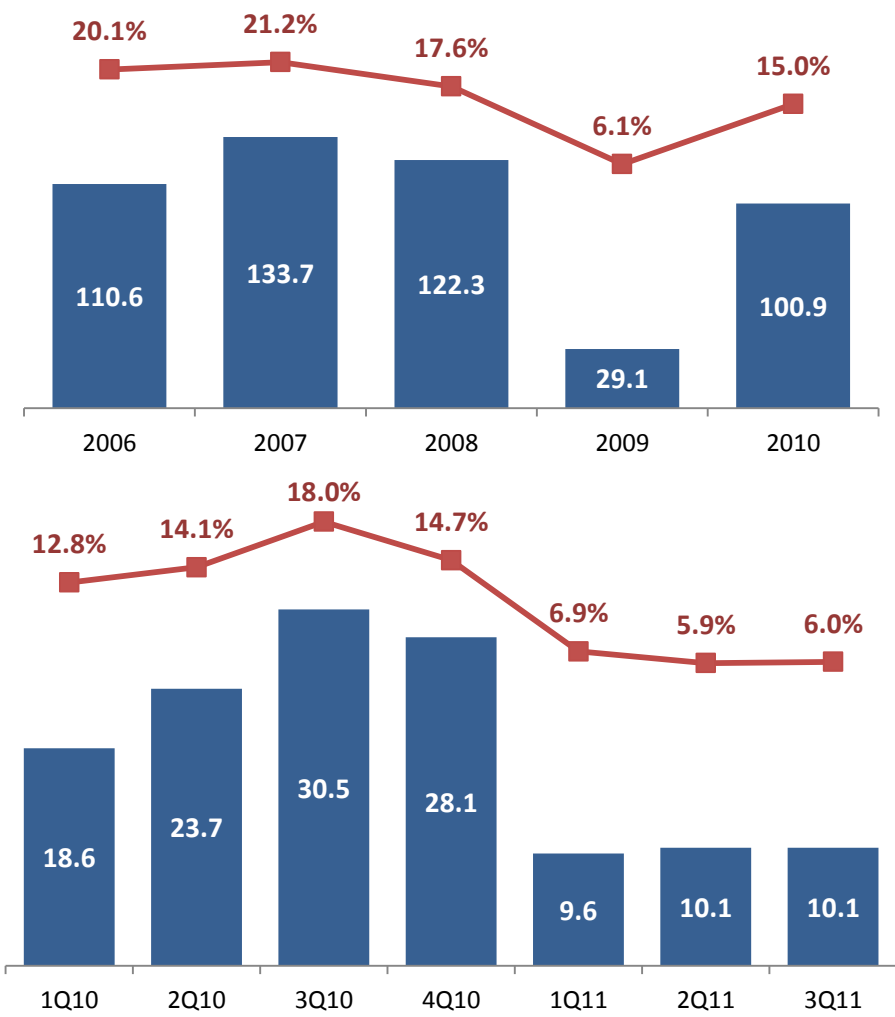


EBIT (R\$ million) e EBIT Margin

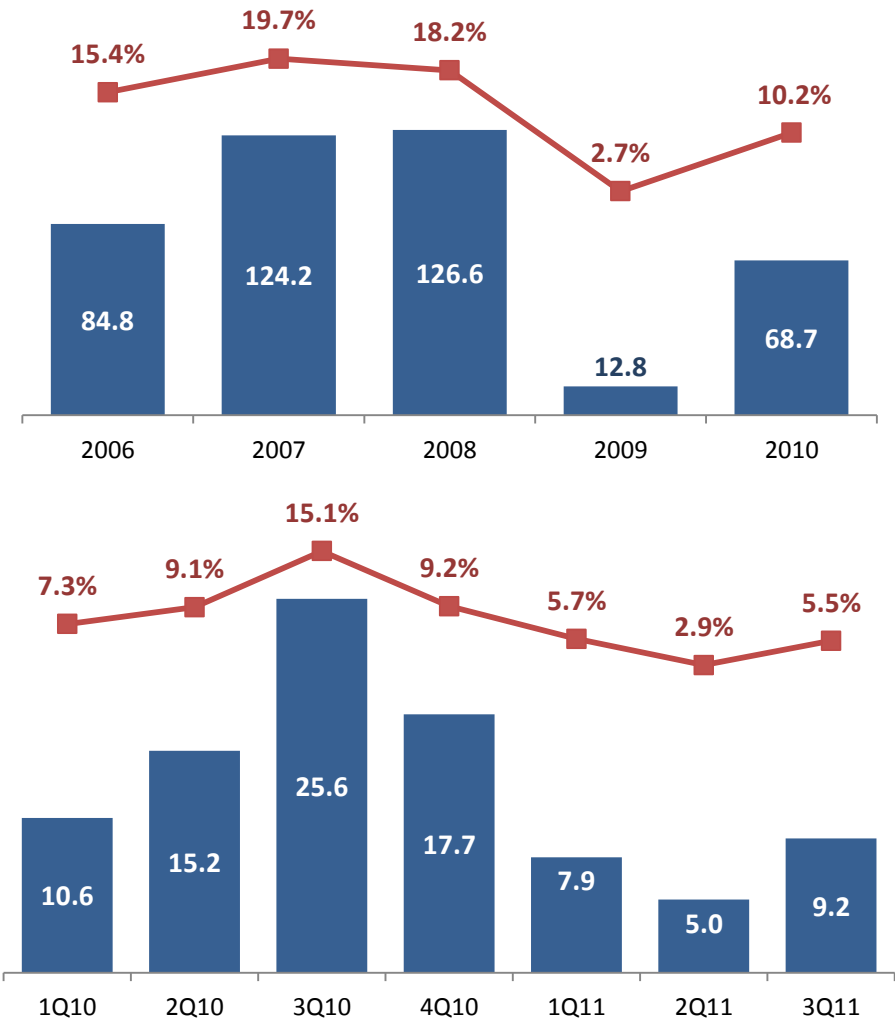




EBITDA (R\$ million) and EBITDA Margin

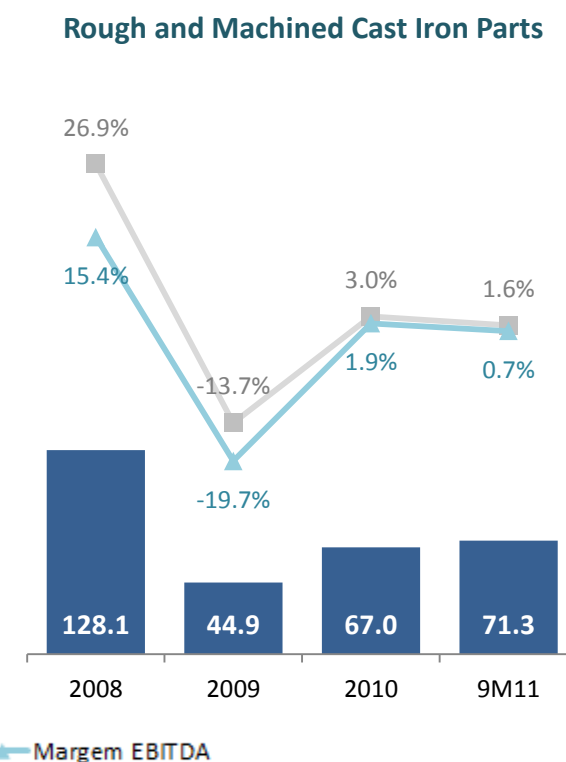
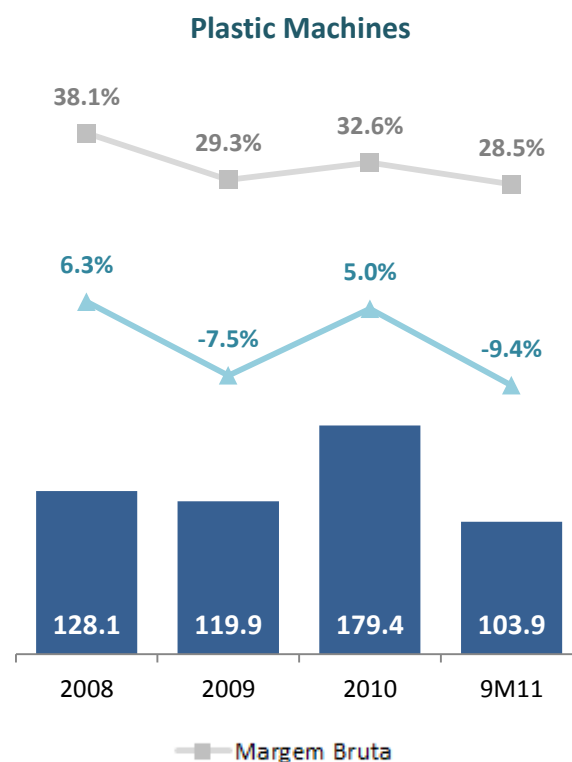
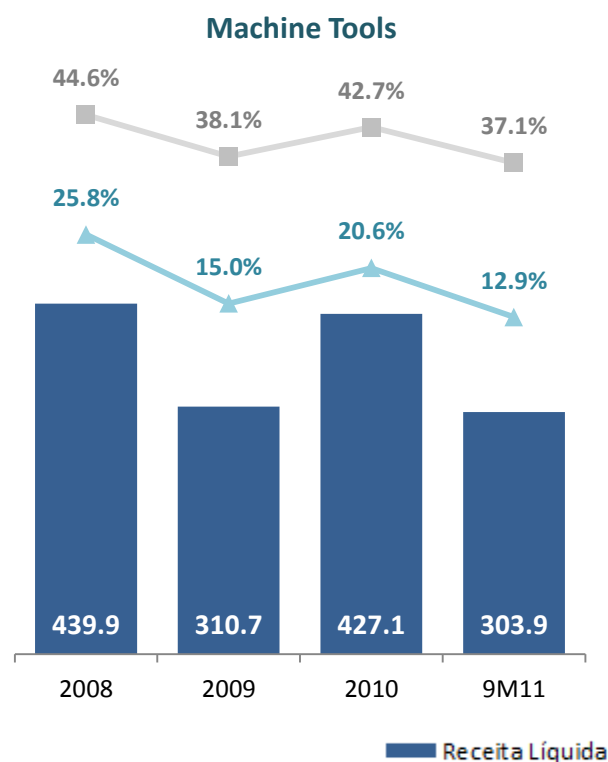


Net Profit (R\$ million) and Net Margin



Business Units' Results

	Quarter							Accumulated	
Sales	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	9M10	9M11
Machine Tools (units)	526	538	556	706	441	572	519	1,620	1,532
Plastic Machines (units)	83	119	112	111	101	129	96	314	326
Rough and Machined Cast Iron Parts (tons)	2,432	3,016	3,403	2,635	3,240	3,850	5,299	5,448	12,389





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

	Amount
2011	7.6
2012	113.7
2013	50.9
2014	25.6
2015	18.6
2016 and afterwords	27.9
Total	244.3

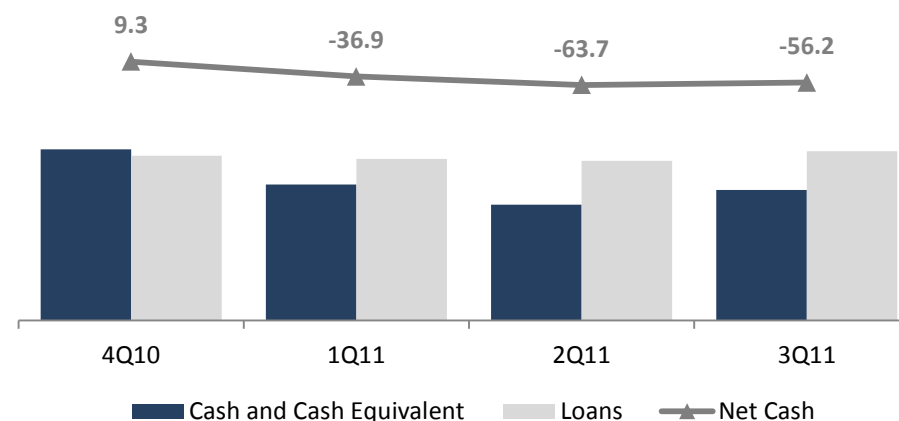
Loans* – R\$ million – 06/30/2011

	Amount
Bank Deposit Certificate (CDB)	150.6
Financial Investment with Bonds	27.2
Time Dposit - Abroad	1.8
Banks	8.5
Total	188.1

Net Debt =	56.2
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(*) without Finame Manufacturer

Net Cash / (Debt) Position





Oil & Gas (Pre-salt):

- Investments of US\$ 202.2 billion from 2009 to 2013

Sports Events Investments:

- 2014 World Cup: US\$6.4 billion
- 2016 Olympic Games: US\$ 16 billion
- Total investment - including those presented above - of US\$ 56.7 billion until 2027 in infrastructure

Automotive Industry

- Investments of R\$ 24.2 billion from 2010 to 2013 in installed capacity

Metal cutting machinery consumption in Brazil:

- CAGR 2010-2015: 7.8%

Injection and Blow Moulding machinery consumption in Brazil:

- CAGR 2010-2015: 4.8%

Castings production in Brazil:

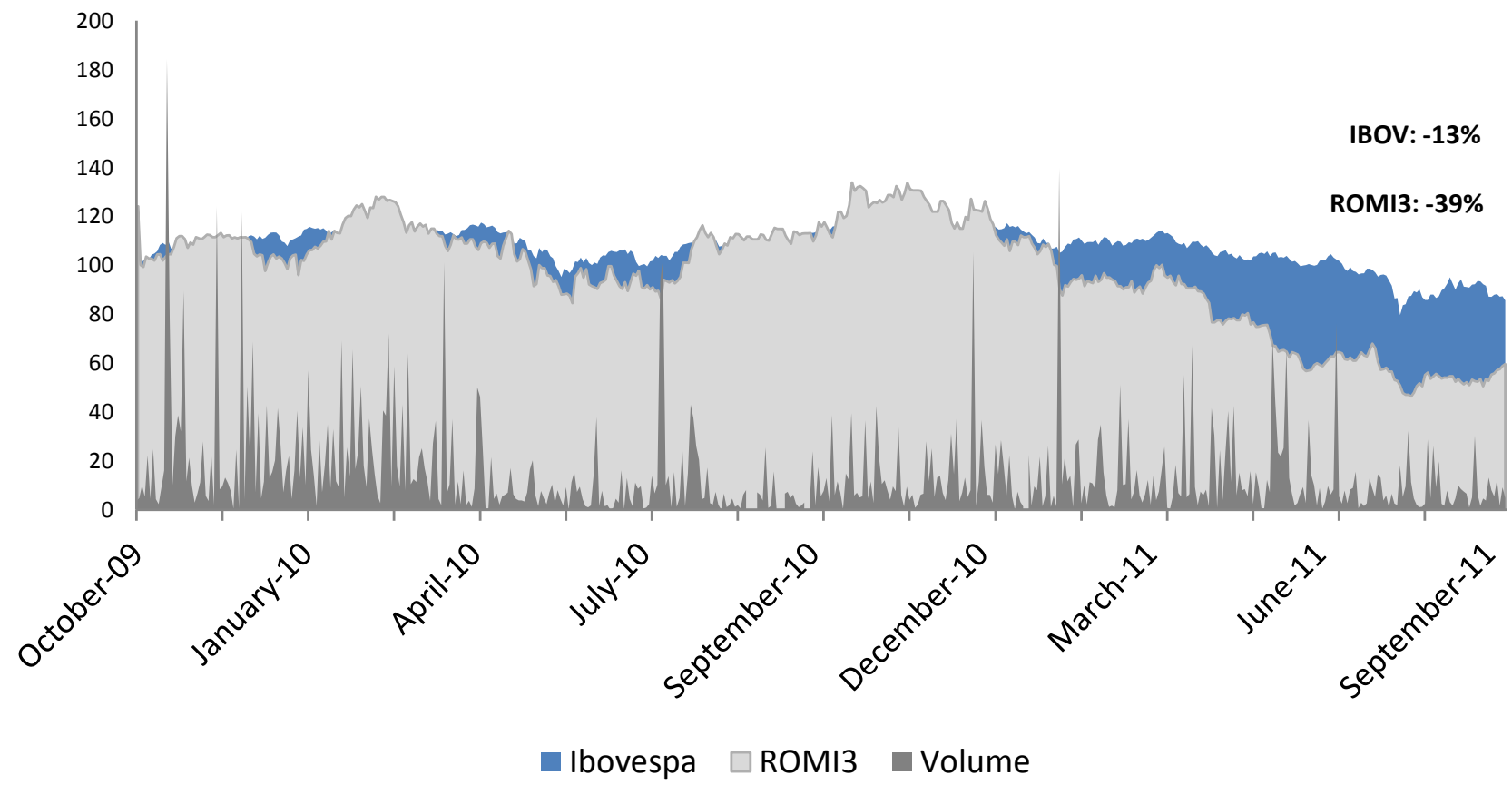
- CAGR 2010-2015: 9.8%

Wind Power

- 2011 to 2014 capacity will increase from 1 to 7 GW, and to 20 in 2021
- 4 new companies will start producing in Brazil from 2011 on
- 57 wind farms reinstalled and 30 are under construction
- Investments around R\$ 30 billion



Share Performance ROMI3 x Ibovespa
From 10/01/2009 to 09/30/2011

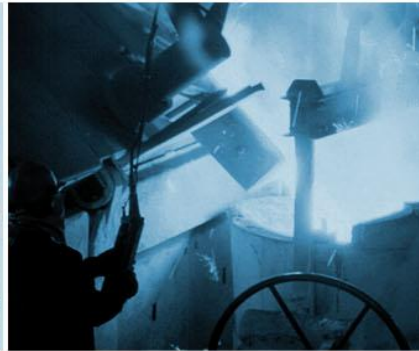


Source: BM&FBovespa



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