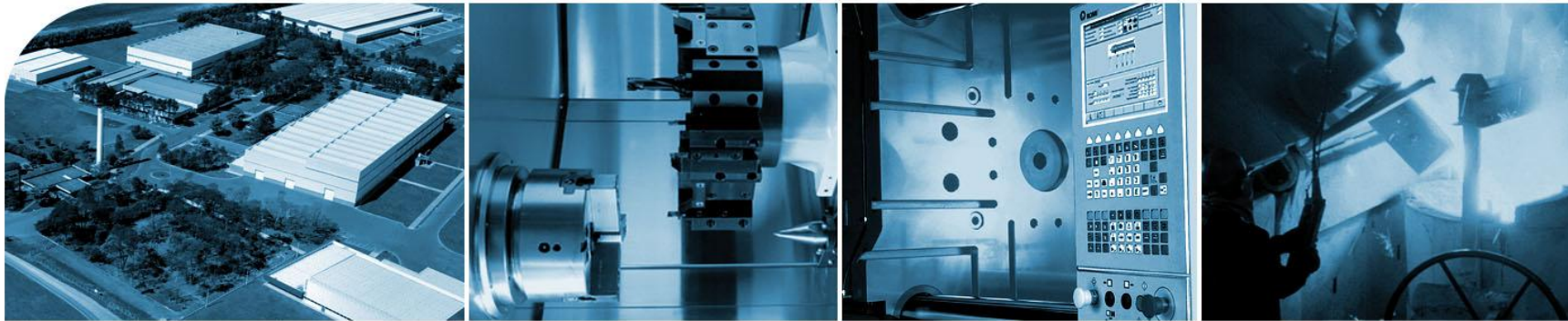




ROMI®

A TRADITION OF INNOVATION



3Q13 Earnings Release

October 23, 2013



Índice de
Ações com Tag Along
Diferenciado **ITAG**

Índice de
Ações com Governança
Corporativa Diferenciada **IGC**



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.

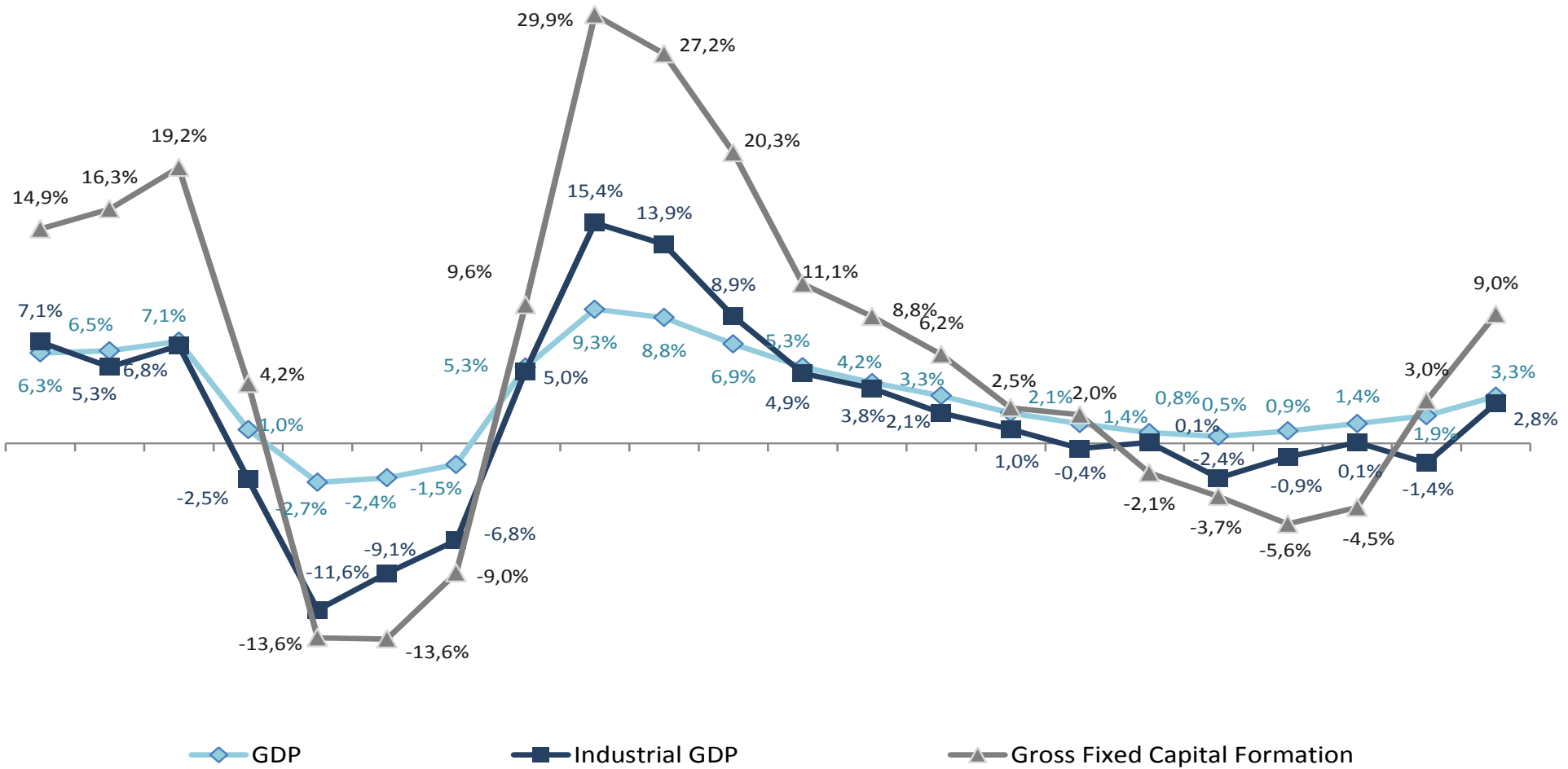


- **Continuing Operation Net operating revenue:** R\$ 181.9 million in the quarter and R\$ 473.6 million in the first nine months of the year, up 17.5% and 17.4%, respectively, from the equivalent periods in 2012.
- **Gross margin** from Continuing Operations came in at 28.3% for the quarter.
- **EBITDA** from the Company's Continuing Operations was R\$ 18.1 million for 3Q13
- **Profit** from Continuing Operations was R\$ 9,1 million for the quarter.
- Along the year 2013, the Company's **net debt** has been decreasing consistently, with reduction of R\$ 17.2 in the third quarter and of R\$ 36.0 million in the year.
- In 3Q13, **order entry** was up 31.0% from 3Q12, reaching R\$ 206.2 million in the quarter.
- The **order backlog** totaled R\$ 339.3 million as at September 30, 2013
- A portion of the assets of the subsidiary Romi Italy (discontinued operations) was sold in September 18, 2013.

Economic Indexes – Conjunctural Indicators



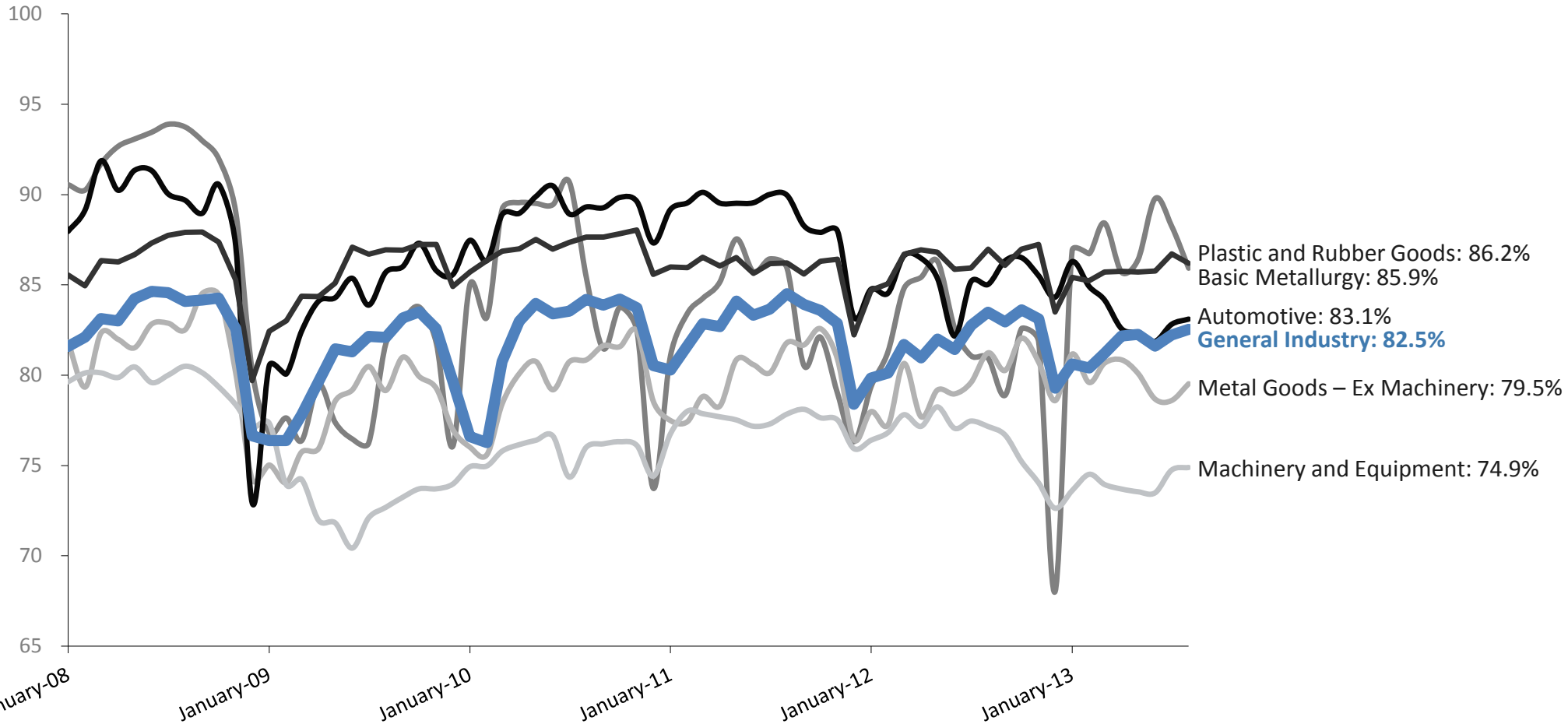
1Q08 2Q08 3Q08 4Q08 1Q09 2Q09 3Q09 4Q09 1Q10 2Q10 3Q10 4Q10 1Q11 2Q11 3Q11 4Q11 1Q12 2Q12 3Q12 4Q12 1Q13 2Q13



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

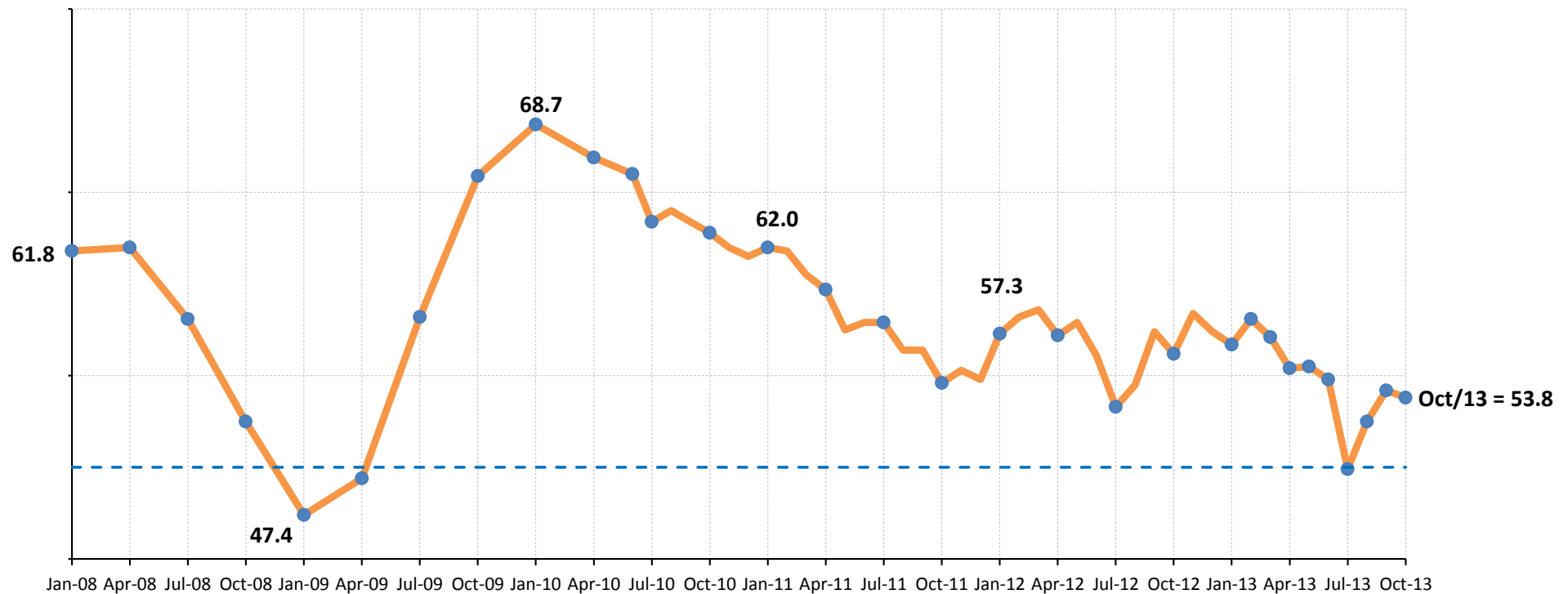
Economic Indexes

Level of Activity Index (August, 2013)



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

Economic Indexes – Industrial Entrepreneurs Confidence Index



Source: CNI - ICEI (Business Confidence Index)



Machine Tools



Net Operating Revenues Distribution		
	9M13	2012
Job Shops	18%	25%
Machines and Equipments	18%	11%
Automotive	12%	13%
Technical Schools	10%	11%
Agricultural Equipment	8%	5%
Others	34%	35%

Plastic Machines



Net Operating Revenues Distribution		
	9M13	2012
Packaging	25%	24%
Automotive	15%	8%
Home Appliances	11%	9%
Job Shops	9%	13%
Others	40%	46%

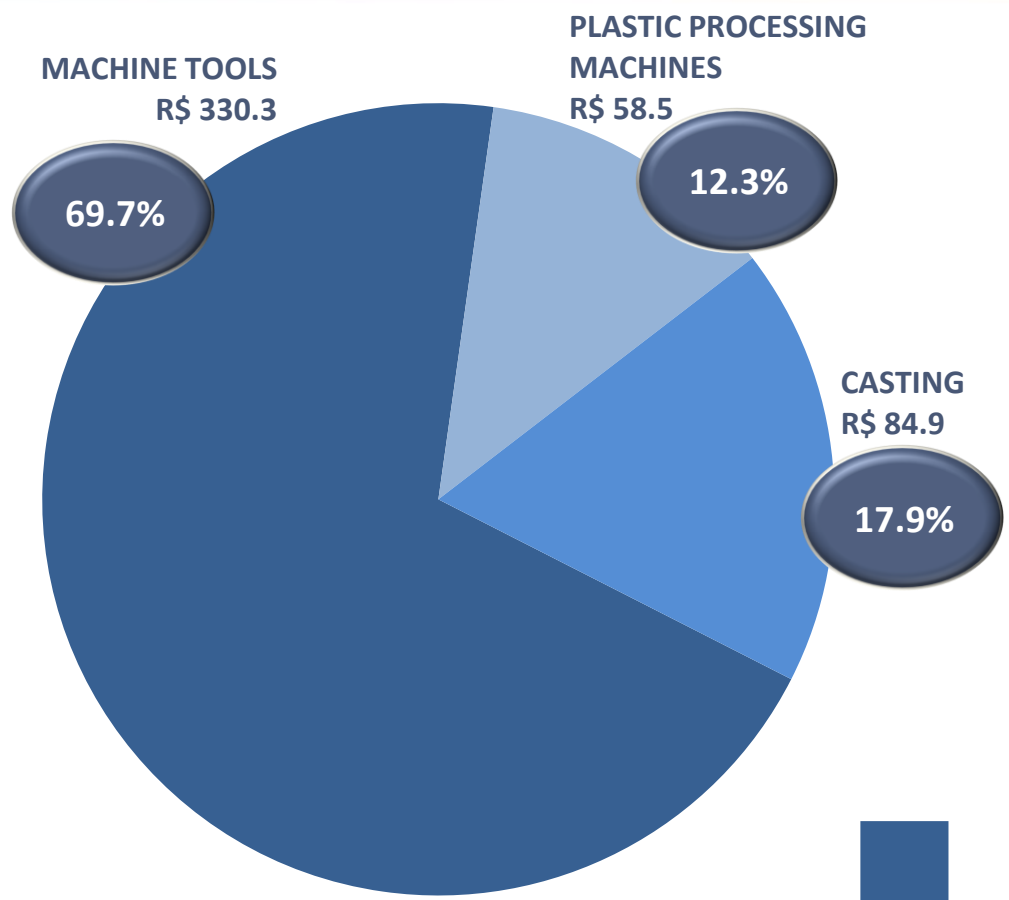
Raw and Machined Cast Iron Parts



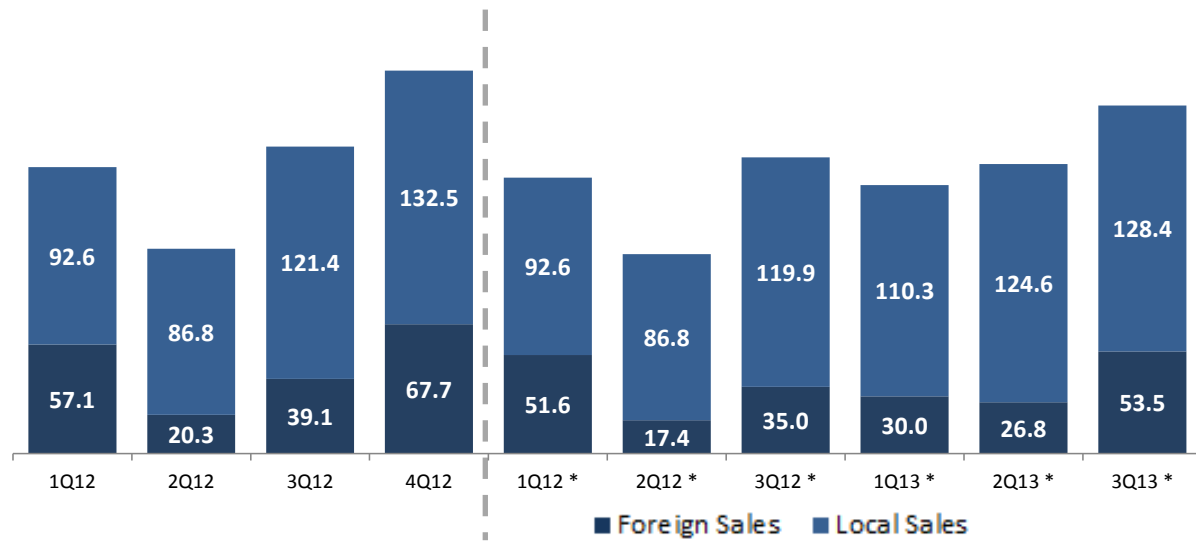
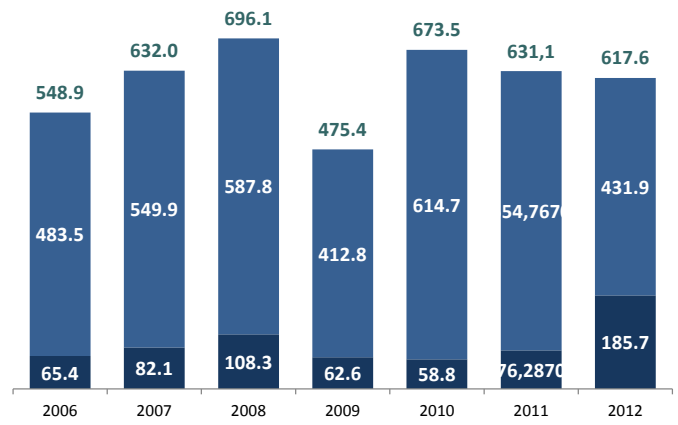
Net Operating Revenues Distribution		
	9M13	2012
Automotive - Trucks	40%	41%
Wind Power	34%	26%
Agriculture	21%	20%
Capital Goods	1%	1%
Others	4%	8%

Net Sales per Business Unit

9M13 – Continued Operations



Net Operating Sales (R\$ million)

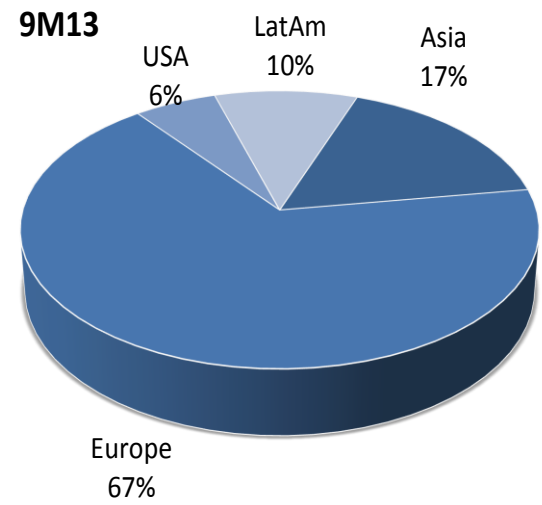
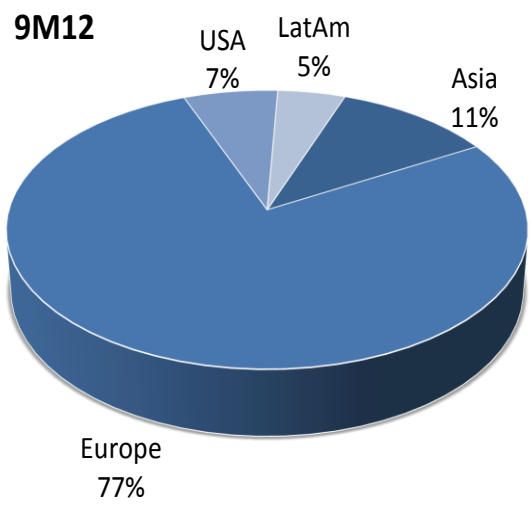


Since 1Q12 B+W's revenues became part of the revenues of the foreign market

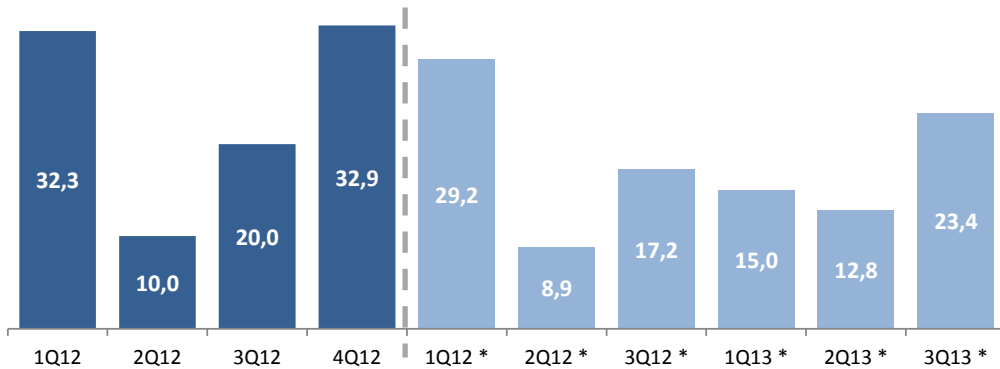
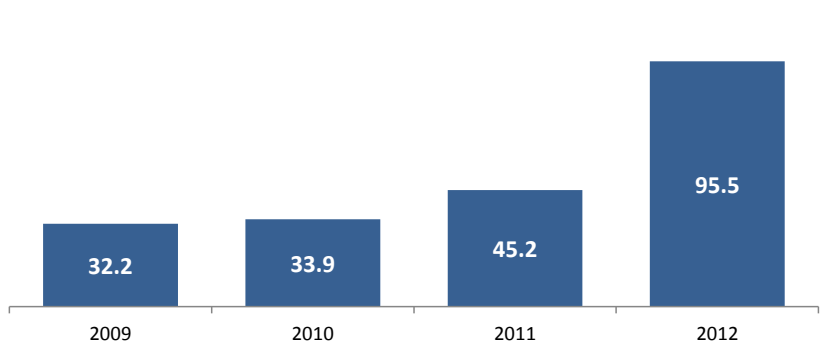
* Amounts relating to continued operations, excluding the revenue from the subsidiary Romi Italia, which are presented as discontinued operations.



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	3Q12	2Q13	3Q13	Chg % 3Q13/3Q12	Chg % 3Q13/2Q13
Machine Tools	106,530	173,368	144,518	35.7%	-16.6%
Plastic Machines	29,652	45,484	25,686	-13.4%	-43.5%
Rough and Machined Cast Iron Parts	21,176	37,495	35,949	69.8%	-4.1%
Total	157,358	256,347	206,154	31.0%	-19.6%

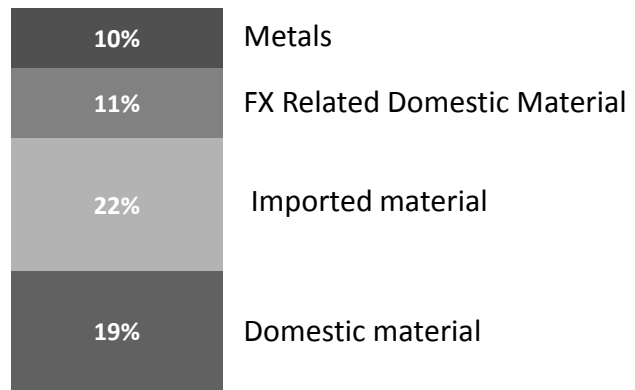
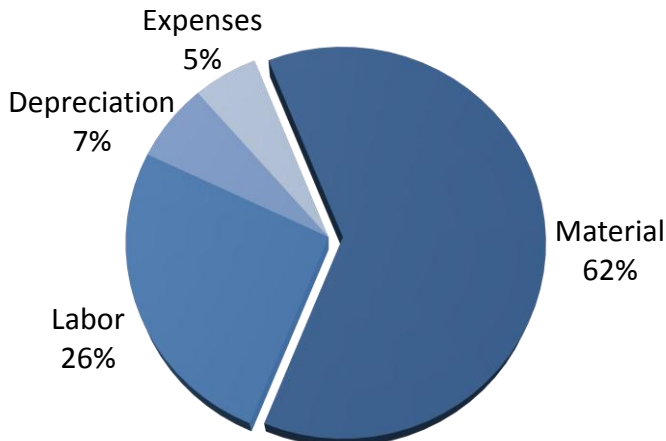
Order Entry (R\$ 000) Gross Values, sales taxes included	9M12	9M13	Chg % 13/12
Machine Tools	353,134	402,365	13.9%
Plastic Machines	64,939	96,632	48.8%
Rough and Machined Cast Iron Parts	89,982	116,515	29.5%
Total	508,055	615,512	21.2%

Order Book (R\$ 000) Gross Values, sales taxes included	3Q12	2Q13	3Q13	Chg % 3Q13/3Q12	Chg % 3Q13/2Q13
Machine Tools	219,392	246,312	254,591	16.0%	3.4%
Plastic Machines	27,540	45,969	49,219	78.7%	7.1%
Rough and Machined Cast Iron Parts	35,168	37,846	35,505	1.0%	-6.2%
Total	282,100	330,127	339,315	20.3%	2.8%

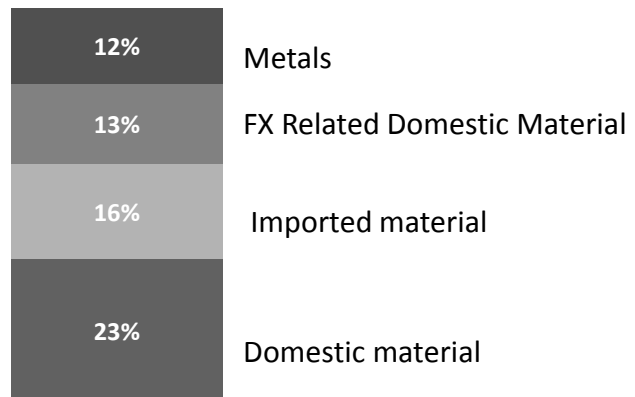
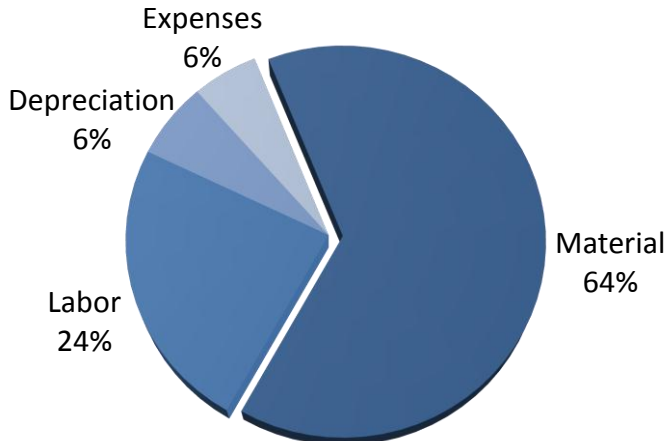
Cost of Goods Sold



9M12



9M13

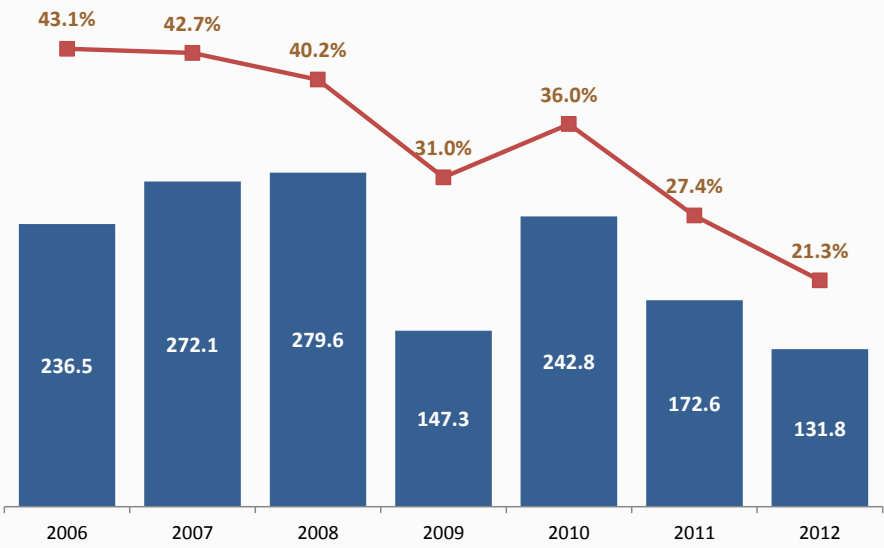
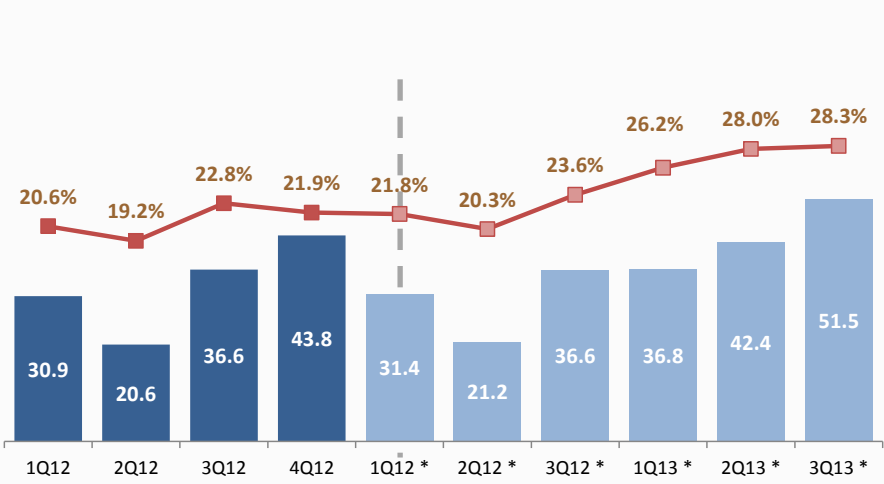


Profitability

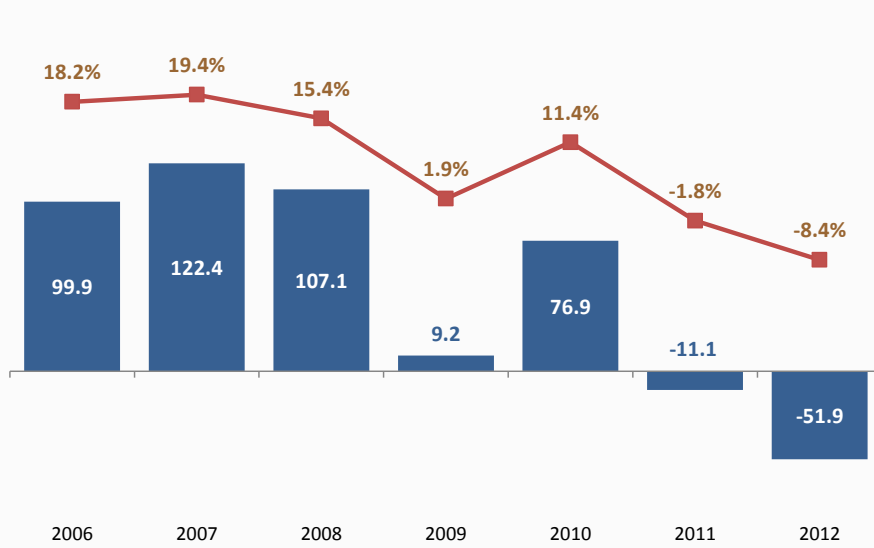
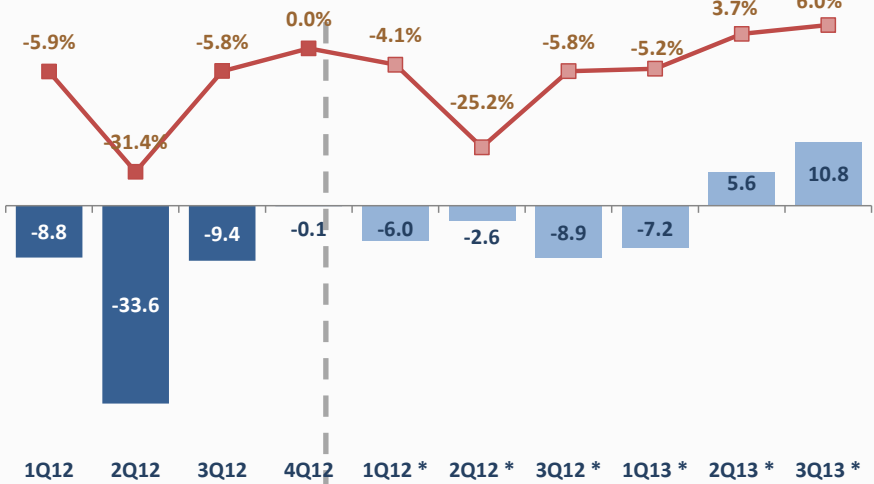


* Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia, which are presented as discontinued operations

Gross Profit (R\$ million) and Gross Margin



Operating Profit (R\$ million) and Operating Margin

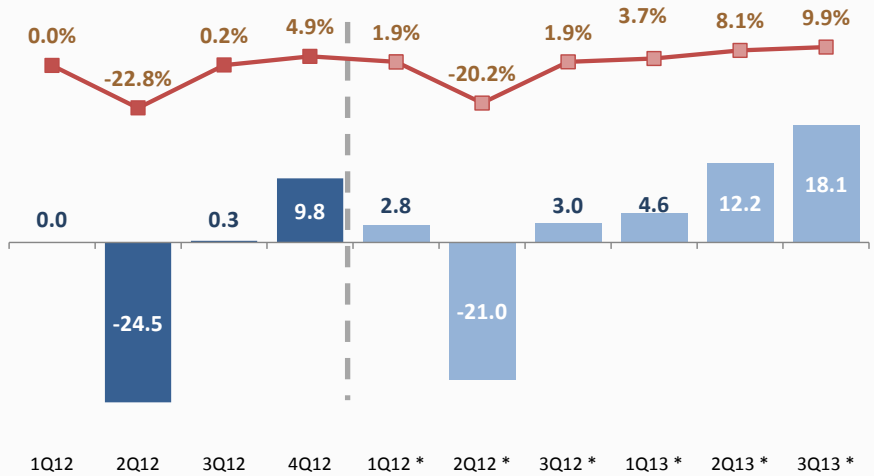


Profitability

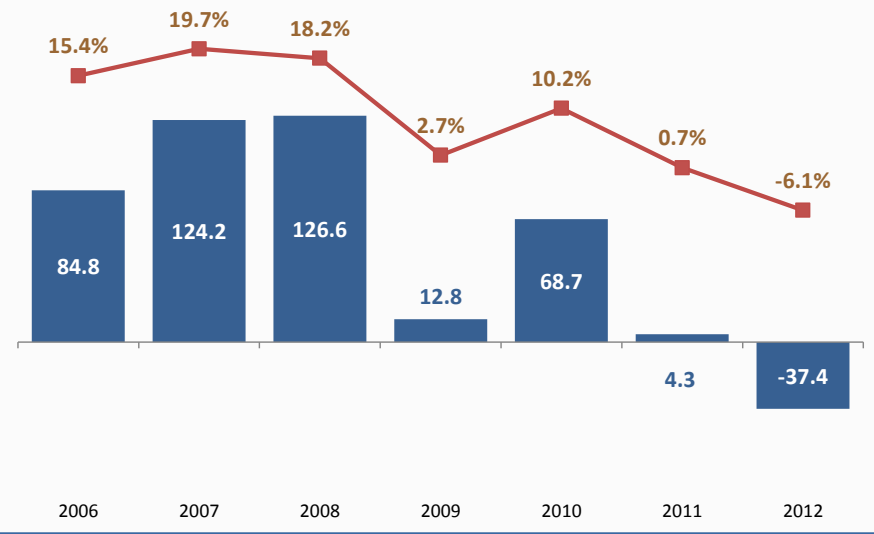
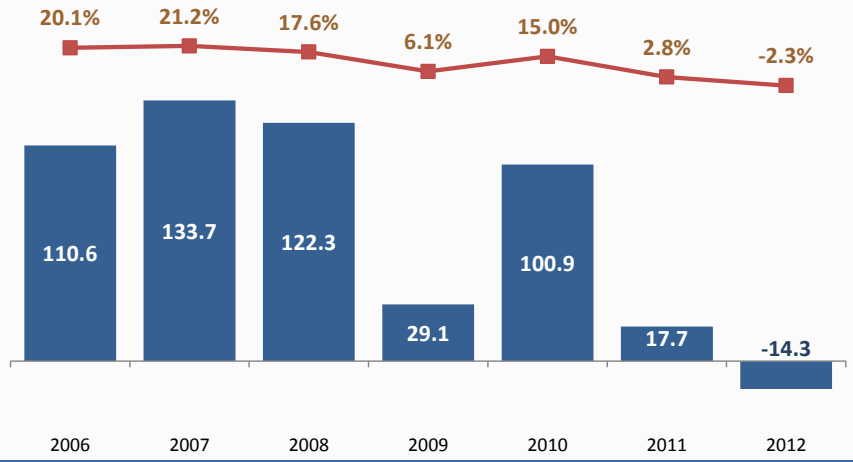
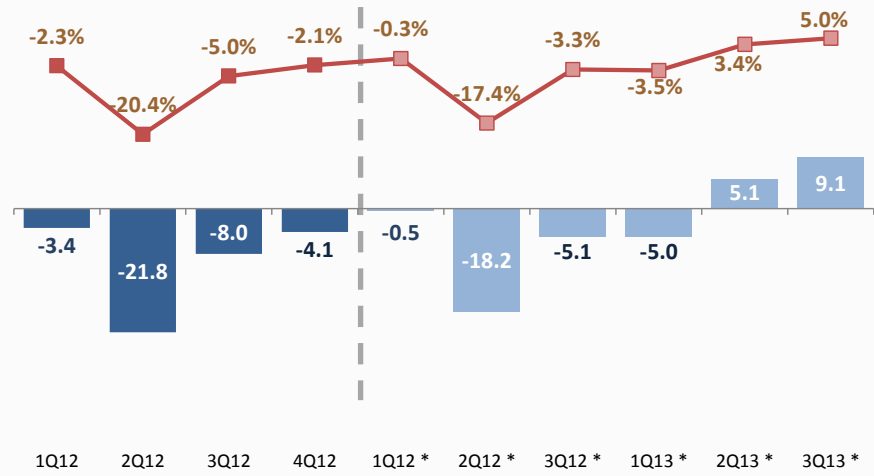


* Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia, which are presented as discontinued operations

EBITDA (R\$ million) and EBITDA Margin



Net Profit (R\$ million) and Net Margin

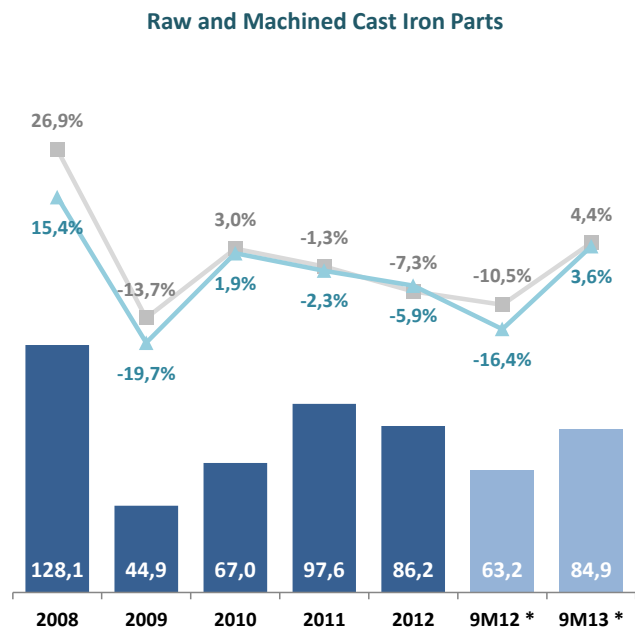
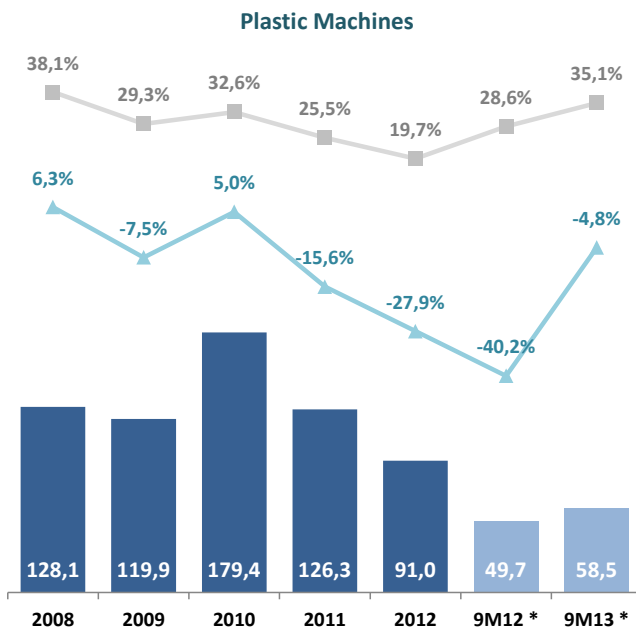
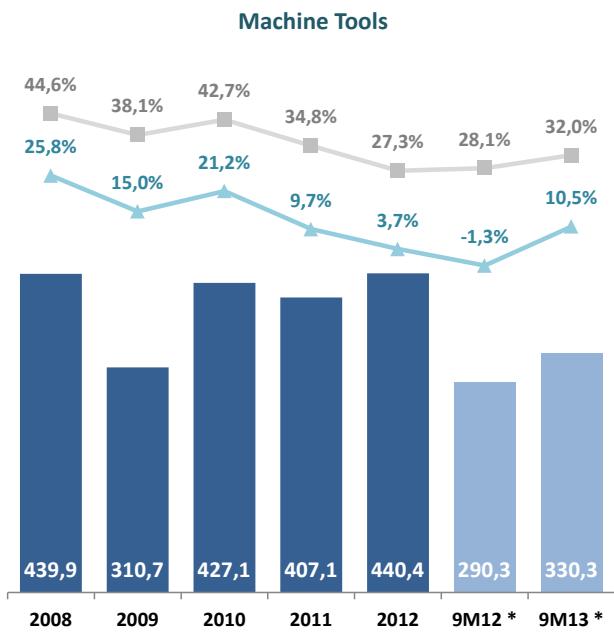


Business Units' Results



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

Sales	Quarter			Accumulated	
	3Q12	2Q13	3Q13	9M12	9M13
Machine Tools (units)	443	304	367	1,011	1,070
Plastic Machines (units)	60	61	49	147	160
Raw and Machined Cast Iron Parts (ton.)	3,561	4,436	4,991	10,168	13,025



■ Net Revenues ■ Gross Margin ▲ EBITDA Margin

Cash Position



Cash and Cash Equivalent – R\$ million – 09/30/2013

	Amount
Bank Deposit Certificate (CDB)	81,6
Financial Investment with Bonds	5,5
Banks	18,3
Total	105,4

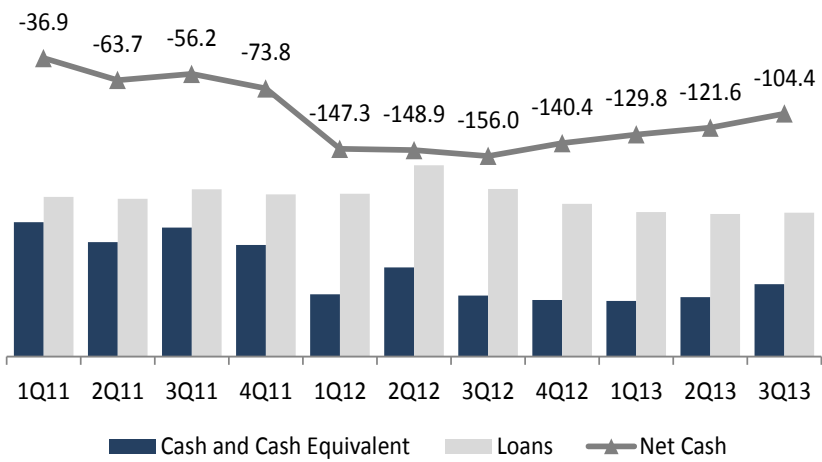
Net Debt = 104,4

Loans* – R\$ million – 09/30/2013

	Amount
2013 **	29.9
2014	52.1
2015	80.9
2016	17.8
2017	14.7
2018 and afterwards	14.3
Total	209.8

(*) without Finame Manufacturer
 (**) Loans from 10/01/2013 to 12/31/2013

Net Cash(Debt) Position





The amount showed on 9M12 takes into account only 8 months since B+W's acquisition was concluded on 01/31/2012, thus it started to be consolidated from 1/2/2012 on.

€ 000

	3Q12	2Q13	3Q13	Chg % 3Q/3Q	Chg % 3Q/2Q	9M12	9M13	Chg % 13/12
Net Operating Revenue	2,524	6,673	14,964	493.0	124.2	26,703	30,949	15.9
Cost of Gods Sold	(2,729)	(5,289)	(11,193)	310.1	111.6	(22,841)	(24,071)	5.4
Gross Profit	(206)	1,384	3,771	(1,931.1)	172.5	3,862	6,878	78.1
<i>Gross Margin %</i>	<i>-8.2%</i>	<i>20.7%</i>	<i>25.2%</i>			<i>14.5%</i>	<i>22.2%</i>	
Operating Income (Expenses)	(1,673)	(1,482)	(2,077)	24.1	40.1	(1,688)	(5,768)	241.7
Selling expenses	(374)	(446)	(834)	122.7	87.1	(1,529)	(2,226)	45.6
General and administrative expenses	(1,299)	(1,037)	(1,243)	(4.3)	19.9	(3,357)	(3,542)	5.5
Other operating income, net	-	-	-	-	-	3,198	-	(100.0)
Operating Income before Financial Results	(1,879)	(98)	1,694	(190.2)	(1,822.2)	2,174	1,110	(48.9)
<i>Operating Margin %</i>	<i>-74.5%</i>	<i>-1.5%</i>	<i>11.3%</i>			<i>8.1%</i>	<i>3.6%</i>	
Financial Income	(48)	(77)	(78)	63.5	0.8	(143)	(256)	79.3
Operating Income	(1,927)	(176)	1,616	(183.9)	(1,020.1)	2,032	854	(57.9)
Income tax and social contribution	173	-	(230)	(232.8)	-	232	(161)	(169.1)
Net income	(1,754)	(176)	1,387	(179.1)	(889.4)	2,264	694	(69.3)
<i>Net Margin %</i>	<i>-69.5%</i>	<i>-2.6%</i>	<i>9.3%</i>			<i>8.5%</i>	<i>2.2%</i>	
EBITDA	(1,689)	274	2,552	(251.1)	831.5	3,412	2,482	(27.3)
Loss for the period	(1,754)	(176)	1,387	(179.1)	(889.4)	2,264	694	(69.3)
Income tax and social contribution	(173)	-	230	(232.8)	-	(232)	161	(169.1)
Financial income, net	48	77	78	63.5	-	143	256	79.3
Depreciation	190	372	857	350.8	-	1,238	1,372	10.8
<i>EBITDA Margin %</i>	<i>-66.9%</i>	<i>4.1%</i>	<i>17.1%</i>			<i>12.8%</i>	<i>8.0%</i>	



Balance Sheet B+W

ASSETS	(€ 000)	
	06/30/2013	09/30/2013
CURRENT	21,487	22,047
Cash and Cash equivalents	65	2,853
Trade accounts receivable	4,808	5,953
Inventories	15,458	12,120
Recoverable taxes	274	97
Related Parties	212	244
Other receivables	670	781
NONCURRENT	28,774	29,065
Long-Term Assets	137	136
Other receivables	137	136
Investments		
Property, Plant and Equipment, net	13,807	14,242
Investment in Subsidiaries and Associate Companies	722	722
Intangible assets	14,109	13,965
TOTAL ASSETS	50,261	51,112

LIABILITIES AND SHAREHOLDER'S EQUITY	(€ 000)	
	06/30/2013	09/30/2013
CURRENT	16,959	16,769
Loans and financing	108	69
Trade accounts payable	1,803	1,495
Payroll and related taxes	1,470	1,343
Taxes payable	9	1,225
Advances from customers	11,610	10,376
Other payables	1,758	2,048
Related Parties	201	213
NON CURRENT	9,722	9,417
Long-term liabilities		
Loans and financing	4,250	3,983
Deferred income and social contribution taxes	5,472	5,434
SHAREHOLDER'S EQUITY	23,580	24,925
Capital	7,025	7,025
Capital reserve	1,006	1,570
Accumulated deficit	15,549	16,330
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	50,261	51,112



Operation acquired on July 24, 2008 , comprising two manufacturing plants in Italy , a set of intangibles and four subsidiaries located in the UK , Holland , Spain and France .

Voluntary liquidation announced on April 23, 2013 .

On September 18 published a material fact disclosing the one Euro sale of:

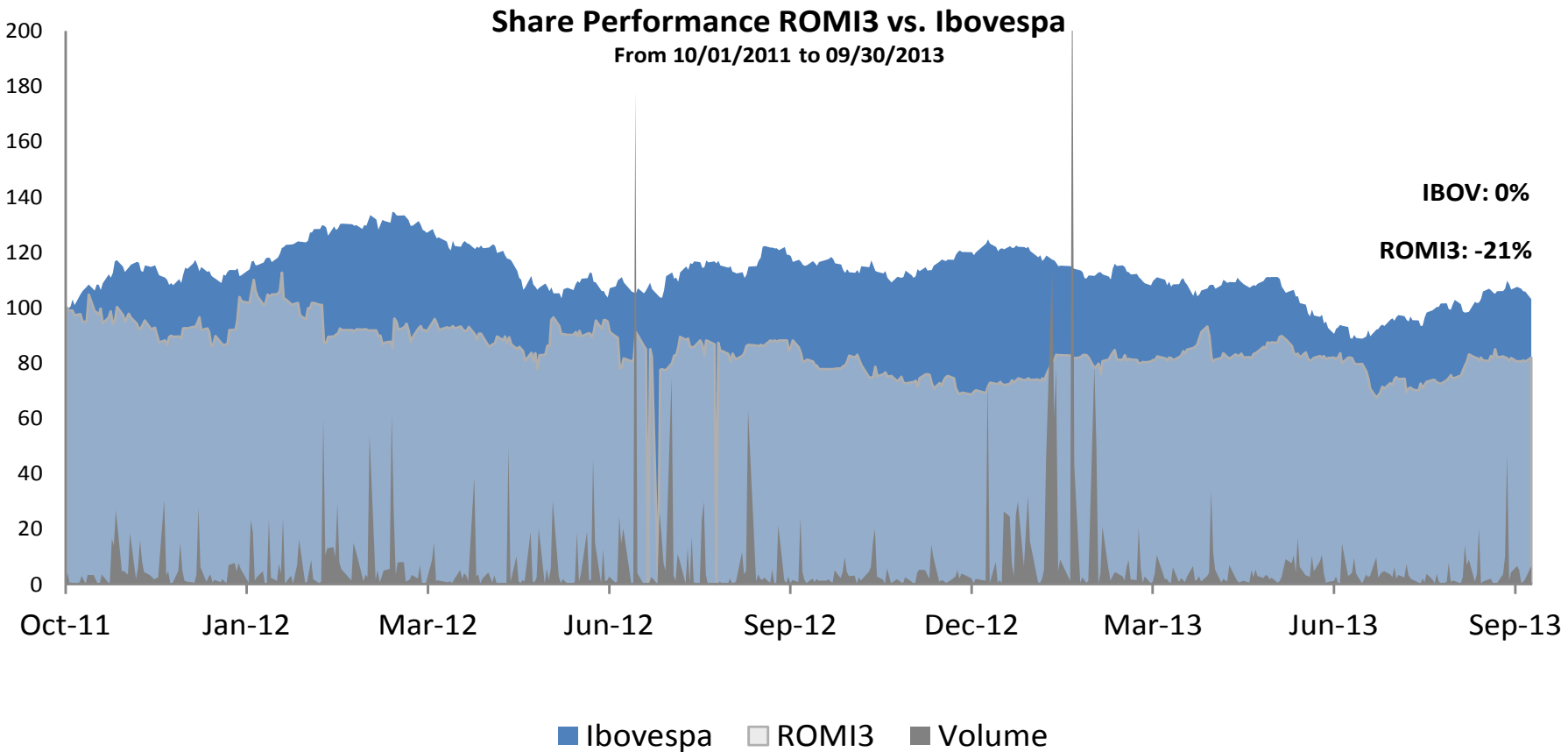
- (i) Net Assets: Property in Pont Canavese , inventories of finished goods and materials related exclusively to Sandretto products and
- (ii) Sandretto brand and intellectual property relating to engineering projects to a company controlled by Regione Piemonte (government agency).

An essential part of this process was the transfer of a substantial portion of Romi Italy's employees to the buyer, as well as labor risks related to them.

The table below shows the impact of the disposal on the financial statements of Romi Italy:

€ 000	Net book value	Sales price	Difference
Sandretto products inventory	4.393	-	(4.393)
Machinery and equipment	404	-	(404)
Pont Canavese property	705	-	(705)
Subtotal (assets)	5.502	-	(5.502)
Total losses recorded through June 2013			2.300
Amount of provision to be recorded in 3Q13			(3.202)

Among the assets that were not sold are the property in Grugliasco and the subsidiaries that will continue to assist Romi's operations strategy of expansion and internationalization.



Source: BM&FBovespa



ROMI®

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