(A free translation of the original in Portuguese)

Indústrias Romi S.A.

Quarterly information (ITR) at March 31, 2014 and report on review of quarterly information

Report on Review of Quarterly Information

To the Board of Directors and Shareholders
Indústrias Romi S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Indústrias Romi S.A., included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2014, comprising the balance sheet as at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

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Indústrias Romi S.A.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2014. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Campinas, April 29, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F"

Marcos Roberto Sponchiado
Contador CRC 1SP175536/O-5

Indústrias Romi S.A.

Balance sheet at at March 31, 2014

All amounts in thousands of reais unless otherwise stated

	Company		Consolidated	
Assets	**March 31, 2014**	**December 31, 2013**	**March 31, 2014**	**December 31, 2013**
Current				
Cash and cash equivalents	66,182	63,834	102,779	107,232
Trade accounts receivable	76,368	96,535	94,989	120,371
Onlending of FINAME manufacturer financing	225,946	243,434	225,946	243,434
Inventories	235,466	220,826	295,389	274,066
Related parties	16,133	15,307	682	643
Taxes recoverable	12,525	12,247	16,146	13,932
Other receivables	21,447	20,944	26,052	25,118
	654,067	673,127	761,983	784,796
NON-CURRENT				
Trade accounts receivable	8,553	10,814	8,553	10,814
Onlending of FINAME manufacturer financing	175,014	190,712	175,014	190,712
Related parties	44,511	45,617		
Taxes recoverable	2,104	1,267	2,104	1,267
Deferred income tax and social contribution	51,651	50,487	51,651	50,487
Judicial deposits	1,360	1,465	1,360	1,465
Other receivables	35,190	36,483	36,352	37,771
Investment in subsidiary and associated companies	102,564	108,119	2,249	2,327
Property, plant and equipment	217,580	217,387	273,642	272,559
Investment property	14,211	14,211	19,798	19,989
Intangible assets	4,063	4,365	46,724	48,943
	656,801	680,927	617,447	636,334
Total assets	1,310,868	1,354,054	1,379,430	1,421,130

	Company		Consolidated	
Liabilities and equity	**March 31, 2014**	**December 31, 2013**	**March 31, 2014**	**December 31, 2013**
Current				
Borrowings	46,358	51,262	48,797	54,169
FINAME manufacturer financing	191,332	210,429	191,332	210,429
Trade accounts payable	49,641	46,979	49,415	43,392
Payroll and related taxes	21,268	20,765	25,893	23,960
Taxes payable	3,020	10,980	6,827	16,364
Advances from customers	20,970	18,275	57,992	54,836
Dividends and interes on capital	24	359	24	396
Profit sharing	417	373	417	373
Other payables	7,515	7,350	14,805	9,269
Provision for net capital deficiency - subsidiary	20,200	19,530		
Related parties	6,919	1,065	191	198
	367,664	387,367	395,693	413,386
Non-current				
Borrowings	126,664	135,704	140,472	148,704
FINAME manufacturer financing	157,062	172,274	157,062	172,274
Taxes payable	2,305	2,214	2,305	2,214
Provision for tax, labor and divil risks	7,978	7,829	7,978	7,829
Other payables	418	431	619	823
Deferred income tax and social contribution			24,972	25,977
	294,427	318,452	333,408	357,821
Total liabilities	662,091	705,819	729,101	771,207
Equity				
Capital	489,973	489,973	489,973	489,973
Capital reserve	2,052	2,052	2,052	2,052
Profit reserve	140,784	140,784	140,784	140,784
Accumulated profit	2,951		2,951	
Carrying value adjustments	13,017	15,426	13,017	15,426
	648,777	648,235	648,777	648,235
Non Controlling Interest			1,552	1,688
Total equity	648,777	648,235	650,329	649,923
Total libilities and equity	1,310,868	1,354,054	1,379,430	1,421,130

The accompanying notes are na integral part of these Interim financial statements

Indústrias Romi S.A.

Statement of income
Quarter ended March 31
All amounts in thousands of reais unless otherwise stated

	Company		Consolidated	
	2014	**2013**	**2014**	**2013**
Operations				
Net operating revenue	126,498	116,182	150,730	140,315
Cost of sales and services	(90,767)	(87,539)	(107,054)	(104,143)
Gross profit	35,731	28,643	43,676	36,172
Operation income (expenses)				
Selling	(14,210)	(12,184)	(18,425)	(16,112)
General and administrative	(10,563)	(14,641)	(16,182)	(18,849)
Research and development	(5,164)	(4,551)	(5,164)	(4,575)
Management profit sharing and fees	(1,598)	(1,466)	(1,629)	(1,498)
Equity in the earnings of subsidiaries	(714)	(782)		
Other operating income, net	(80)	180	1,460	197
	(32,329)	(33,444)	(39,940)	(40,837)
Operating profit (loss)	3,402	(4,801)	3,736	(4,665)
Financial income (expenses)				
Financial income	3,910	2,560	5,712	3,876
Financial expenses	(3,117)	(4,864)	(4,986)	(6,143)
Foreign exchange gains, net	(1,171)	(890)	(1,175)	(894)
	(378)	(3,194)	(449)	(3,161)
Profit (loss) before taxation	3,024	(7,995)	3,287	(7,826)
Income tax and social contribution	(73)	2,328	(240)	2,280
Net income (loss) for the quarter				
Profit (loss) for continued operations	2,951	(5,667)	3,047	(5,546)
Loss for discontinued operations		(2,387)		(2,387)
	2,951	(8,054)	3,047	(7,933)
Attributable to:				
Owners of the Company			2,951	(8,054)
Non-controlling interests			96	121
			3,047	(7,933)

The accompanying notes are na integral part of these Interim financial statements

Indústrias Romi S.A.

Statement of comprehensive income
Quarter ended March 31
All amounts in thousands of reais unless otherwise stated

	Company		Consolidated	
	2014	**2013**	**2014**	**2013**
Net income (loss) for the quarter	2.951	(8.054)	3.047	(7.933)
Foreign exchange variation of investees located abroad	(2.409)	(3.392)	(2.409)	(3.392)
Net comprehensive income (loss)	542	(11.446)	638	(11.325)
Attibutable to:				
Owners of the Company			542	(11.446)
Non-controlling interests			96	121
			638	(11.325)

The accompanying notes are na integral part of these Interim financial statements

Indústrias Romi S.A.

Statement of changes in equity
Quarter ended March 31
All amounts in thousands of reais unless otherwise stated

	Attributable to the controlling interests										
				Earning reserve							
	Capital	Capital reserve	Treasury shares	Retained earnings	Legal reserve	Total	Carrying value adjustments	Retained (earnings) (accumulated deficit)	Contolling interests	Non-controlling interests	Total
As at January 1st, 2013	**489,973**	**2,052**	**(17,850)**	**116,579**	**41,012**	**157,591**	**3,761**		**635,527**	**1,743**	**637,270**
Profit (loss) for the quarter								(8,054)	(8,054)	121	(7,933)
Foreign currency translation effects							(3,392)		(3,392)		(3,392)
Total comprehensive income for the period							(3,392)	(8,054)	(11,446)		(11,325)
Purchase of treasury shares			17,850	(17,850)							
Proposed dividends (R$ 0,6678 per share)										(286)	(286)
As at March 31st, 2013	**489,973**	**2,052**		**98,729**	**41,012**	**157,591**	**369**	**(8,054)**	**624,081**	**1,578**	**625,659**
As at January 1st, 2014	**489,973**	**2,052**		**99,704**	**41,080**	**140,784**	**15,426**		**648,235**	**1,688**	**649,923**
Profit (loss) for the quarter								2,951	2,951	96	3,047
Foreign currency translation effects							(2,409)		(2,409)		(2,409)
Total comprehensive income for the period							(2,409)	2,951	542		638
Proposed dividends (R$ 0,53866 per share)										(232)	(232)
As at March 31st, 2014	**489,973**	**2,052**		**99,704**	**41,080**	**140,784**	**13,017**	**2,951**	**648,777**	**1,552**	**650,329**

The accompanying notes are na integral part of these Interim financial statements

Indústrias Romi S.A.

Statement of cash flow
Quarter ended March 31
All amounts in thousands of reais unless otherwise stated

	Company		Consolidated	
	2014	2013	2014	2013
Profit (loss) before taxation from Continued Operations	3,024	(7,995)	3,287	(7,826)
Loss before taxation from Discontinued Operations		(2,387)		(2,387)
Adjustments from:				
Financial income and expenses and foreign exchange variations	1,438	2,527	818	1,771
Depreciation and amortization	7,276	7,703	8,875	9,348
Allowence for doubtful accounts and for other receivables	1,962	5,485	1,962	6,299
Provision for inventories losses	1,651	2,511	1,551	2,511
Cost of property, plant and equipment disposals	85	208	162	213
Equity in subsidiaries and provision for net capital deficiency, net of dividends received	714	3,169		
Provision for tax, labor and civil risks	149	(482)	149	(482)
Provision for dividends				
Negative goodwill on the acquisition of foreign subsidiary				
Changes in operationg assets and liabilities				
Trade accounts receivable	24,110	13,804	29,325	23,537
Related parties	(3,044)	(463)	78	
Onlending of FINAME manufacturer financing	35,027	53,763	35,027	53,763
Inventory	(22,659)	7,310	(29,241)	5,734
Taxes recoverable	1,398	(1,211)	(2,336)	(2,296)
Judicial deposits	105	(58)	105	(58)
Other receivables	3,495	842	3,151	(301)
Suppliers	3,425	6,243	6,786	7,211
Related parties	5,889	(43)		
Payroll and related taxes	503	1,908	1,933	2,384
Taxes payable	(3,669)	(5,687)	(6,326)	(5,295)
Advances from customers	2,695	(1,881)	3,156	(4,434)
Other payables	239	452	5,733	(1,307)
Changes in operating assets and liabilities from discontinued Operations				
Cash provided by (used in) operations	63,813	85,718	64,195	88,385
Income tax and social contribution paid	(6,020)	(1,300)	(6,356)	(1,622)
Net cash provided by (used in) operating activies	57,793	84,418	57,839	86,763
Cash flows from investing activities				
Purchases of property, plant and equipment	(7,161)	(4,612)	(8,360	(11,651)
Intangible increase	(91)		(91	
Received dividends	3,104	3,848		
Capital increase in foreign sibisdiary		(41)		
Net cash provided by (used in) investing activities	(4,148)	(805)	(8,451	(11,651)
Cash flows from financing activities				
Interest on capital and dividends paid	(369)	(10)	(970	(291)
Purchase of treasury shares				
New borrowings	5,489	5,819	7,962	7,355
Payment of other financing	(20,134)	(16,670)	(22,827)	(18,731)
Interest paid	(1,974)	(3,230)	(2,028)	(3,337)
New FINAME manufacturer financing	31,203	22,417	31,203	22,417
Payment of FINAME manufacturer financing	(60,942)	(76,221)	(60,942	(76,221)
Interest paid - FINAME manufacturer financing	(4,570)	(7,716)	(4,570)	(7,716)
Net cash provided by (used in) financing activities	(51,297)	(75,611)	(52,172)	(76,524)
Increase (decrease) in cash and cash equivalents	2,348	8,002	(2,784)	(1,412)
Cash and cash equivalents for continued and discontinued operations - at the beginning of the quarter	63,834	45,110	107,232	82,320
Foreign exchanges profts (losses) of cash equivalents of foreign subsidiaries			(1,669)	104
Cash and cash equivalents for continued operations - at the end of the quarter	66,182	53,112	102,779	81,012

The accompanying notes are na integral part of these Interim financial statements

Indústrias Romi S.A.

Statemens of value added
Quarter ended March 31
All amounts in thousands of reais unless otherwise stated

	Company		Consolidated	
	2014	**2013**	**2014**	**2013**
Revenue				
Sales of products and services	153,861	141,031	178,832	167,299
Allowance for doubtful accounts and for other receivables	(442)	(5,427)	(442)	(6,299)
	153,419	135,604	178,390	161,000
Inputs acquired from third parties				
Material used	(59,406)	(51,028)	(65,539)	(58,412)
Other costs of producsts and services	(4,427)	(4,546)	(5,142)	(5,528)
Electricity, third party services and other expenses	(10,017)	(8,339)	(12,804)	(13,132)
	(73,850)	(63,913)	(83,485)	(77,072)
Gross value added	79,569	71,691	94,905	83,928
Depreciation and amortization	(7,277)	(7,703)	(8,252)	(9,348)
Net value addded generated by the Company	72,292	63,988	86,653	74,580
Value added received through transfers				
Equity in the earnings of subsidiaries	(714)	(3,169		-
Financial income and net foreign exchange gains	2,739	1,670	2,739	2,994
Total value added to distribute	74,317	62,489	89,392	77,574
Distribution of value added				
Employees				
Payroll and related charges	34,038	30,389	48,688	43,655
Sales commission	931	611	931	611
Management profit sharing and fees	1,598	1,466	1,629	1,498
Pension plans	593	403	593	403
Taxes				
Federal	24,330	24,173	24,724	24,571
State	5,062	6,991	5,062	6,991
Municipal	876	844	876	844
Interests	3,117	4,864	3,117	6,253
Rentals	821	802	821	802
Distributed dividends and interest on net equity				-
Profit (loss) for the quarter	2,951	(8,054)	2,951	(8,054)
Value added distributed	74,317	62,489	89,392	77,574

The accompanying notes are na integral part of these Interim financial statements

1 General information

Indústrias Romi S.A. (the "Parent company" and/or "Company") and its subsidiaries (together referred to as the "Company" and/or as "Consolidated"), has been listed on the "New Market" of the São Paulo Stock Exchange ("Bovespa") since March 23, 2007, and is based in Santa Barbara D'Oeste, São Paulo. The company is engaged in the assembly and sale of capital goods in general, including machine tools, plastic injection molding machines, industrial equipment and accessories, tools, castings and parts, as well as providing systems analysis and developing data processing software related to the production, sale, and use of machine tools and plastic injectors; the manufacture and sale of raw cast parts and machined cast parts; export and import, and representation on its own account or on account of third parties, and the provision of related services. It also holds investments in other companies, and manages it own and/or third party assets.

The Company's industrial facilities consist of eleven plants in three units located in the city of Santa Bárbara D'Oeste, in the State of São Paulo, and one located in the city of Reutlingen, Germany. The last one is a high-precision tooling machine manufacturer, which was acquired by the Company on January 31, 2012. The Company also holds investments in subsidiaries in Brazil and abroad.

This quarterly financial information was approved by the Company's Board of Directors and authorized for issue on April 29, 2014.

2 Basis of preparation and accounting policies

The financial information for the quarter ended March 31, 2014 of the Company and its subsidiaries has been prepared in accordance with CVM Resolution 673, of October 20, 2011, which approves accounting standard CPC 21 (R1) and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The accounting policies adopted by the Company in the preparation of the parent company and consolidated quarterly financial information are the same as those used in the preparation of the financial statements for the year ended December 31, 2013 and, therefore, both should be read together.

The parent company financial information presents the measurement of investments in subsidiaries by the equity method of accounting, pursuant to prevailing Brazilian legislation. Accordingly, this parent company financial information is not considered as being in accordance with the International Financial Reporting Standards ("IFRS"), which require the measurement of such investments in the separate financial statements of the parent at their fair value or at cost. As there is no difference between the consolidated equity and consolidated profit attributable to the owners of the Company, disclosed in the consolidated quarterly information prepared in accordance with IFRS and accounting practices adopted in Brazil, and the Company's equity and profit disclosed in the parent company financial information prepared in accordance with accounting practices adopted in Brazil, the Company elected to present this parent company and consolidated quarterly information in a single set.

All amounts in thousands of reais unless otherwise stated

The purpose of the statement of value added is to disclose the wealth created by the Company and its distribution during a certain period, and is presented by the Company, as required by the Brazilian Corporate Law, as an integral part of its parent company quarterly information, and as supplementary information to the consolidated quarterly information, since this statement is not required by IFRS.

(a) Standards, interpretations and amendments to existing standards effective as at March 31, 2014 and that did not have a material impact on the Company's financial statements

The interpretations and amendments to existing standards were issued and were effective as at March 31, 2014. However, they did not have a material impact on the Company's financial statements.

IFRS:

Standard	Subject
IFRS 9	Financial Instruments
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IAS 27	Separate Financial Statements
IAS 28	Investments in Associates and Jointly Controlled Entities

(b) Notes included in the financial statements as at December 31, 2013 not included in this quarterly information

The quarterly information is presented in accordance with accounting standard CPC 21 and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB). The preparation of this quarterly information involves judgment by the Company's management on the relevance and changes that should be disclosed in the notes. Accordingly, this quarterly information includes selected notes and does not comprise all notes presented in the year ended December 31, 2013. As permitted by Circular Letter 03/2011 of the Brazilian Securities Commission (CVM), the following notes are not presented:

- Summary of significant accounting policies (Note 2);
- Business combinations (Note 3);
- Investment property (Note 10);
- Pension plan (Note 18);
- Insurance (Note 19);
- Financial instruments and operating risks (Note 20):
- Net operating revenue (Note 23);
- Expenses by nature (Note 24);
- Finance income (costs) (Note 25); and
- Other operating income, net (Note 26).

All amounts in thousands of reais unless otherwise stated

3 Cash and cash equivalents

	Parent company		Consolidated	
	March 31, 2014	**December 31, 2013**	**March 31, 2014**	**December 31, 2013**
Cash	8,075	2,633	28,064	27,375
Bank Deposit Certificates ("CDBs") (a)	32,649	50,038	49,257	68,694
Short-term investments backed by debentures (a)	25,077	7,948	25,077	7,948
Short-term investments in foreign currency -US$ (Time deposit)		2,810		2,810
Other	381	405	381	405
Total	66,182	63,834	102,779	107,232

(a) These investments are substantially pegged to the Interbank Deposit Certificate (CDI) interest rate.

4 Trade receivables

	Parent company		Consolidated	
	March 31, 2014	**December 31, 2013**	**March 31, 2014**	**December 31, 2013**
Current				
Domestic customers	73,475	90,914	73,475	91,334
Foreign customers	4,786	7,329	29,811	37,411
Allowance for doubtful accounts	(1,893)	(1,708)	(8,297)	(8,374)
	76,368	96,535	94,989	120,371
Non-current				
Domestic customers	8,292	10,334	8,292	10,334
Foreign customers	704	967	704	967
Allowance for doubtful accounts	(443)	(487)	(443)	(487)
	8,553	10,814	8,553	10,814

The Company's maximum exposure to credit risk is the balance of trade accounts receivable.

All amounts in thousands of reais unless otherwise stated

The balance of current trade accounts receivable as at March 31, 2014 and December 31, 2013, parent company and consolidated, is distributed as follows:

	Parent company		Consolidated	
	March 31, 2014	**December 31, 2013**	**March 31, 2014**	**December 31, 2013**
Not yet due	57,444	80,460	73,314	100,134
Past due:				
1 to 30 days	15,076	13,656	17,276	15,319
31 to 60 days	318	424	604	2,525
61 to 90 days	814	133	1,264	1,045
91 to 180 days	1,138	966	1,427	1,206
181 to 360 days	1,062	494	1,065	887
Over 360 days	2,409	2,110	8,336	7,629
	20,817	17,783	29,781	28,611
Total	78,261	98,243	103,286	128,745
Allowance for doubtful accounts	(1,893)	(1,708)	(8,297)	(8,374)
Total - current	76,368	96,535	94,989	120,371

The balance of non-current trade accounts receivable as at March 31, 2014, parent company and consolidated, is distributed as follows:

	Parent company and consolidated
Not yet due:	
2015 (9 months)	6,360
2016	2,617
2017	19
Total - non-current	8,996

The changes in the allowance for doubtful accounts, parent company and consolidated, are as follows:

	Parent company	**Consolidated**
As at December 31, 2013	2,195	8,861
Additional allowance recorded	178	250
Receivables written off	(37)	(88)
Foreign exchange rate variations		(283)
As at March 31, 2014	2,336	8,740

All amounts in thousands of reais unless otherwise stated

5 Receivables - onward lending of Finame manufacturer financing

	Parent company and consolidated	
	March 31, 2014	**December 31, 2013**
Current		
FINAME not yet due	205,619	221,585
FINAME awaiting release (a)	1,415	2,285
FINAME past due (b)	32,460	32,297
	239,494	256,167
Allowance for doubtful accounts	(13,548)	(12,733)
	225,946	243,434
Non-current		
FINAME not yet due	172,336	185,188
FINAME awaiting release (a)	5,662	9,140
	177,998	194,328
Allowance for doubtful accounts	(2,984)	(3,616)
	175,014	190,712
Total	400,960	434,146

The item "Receivables - onward lending of FINAME manufacturing financing" refers to sales to customers financed by funds from the National Bank for Economic and Social Development (“BNDES”) (Note 13).

FINAME manufacturer financing refers to funds specifically linked to sales transactions, with terms of up to 48 months, with the option of a grace period of up to 6 months and interest of between 2.5% and 6.5% per year, prefixed or increased by the Long-term Interest Rate ("TJLP"), in accordance with the terms defined by the BNDES at the time of the transaction. As part of the measures adopted by the federal government to foster investment and consumption, the Investment Support Program ("PSI") line of the National Bank for Economic and Social Development (BNDES) that finances capital goods, investments and technology, was extended to December 31, 2014, with interest rate of 4.5% and 6% per year, depending on the Company's revenue volume.

The financing terms are also based on the customer's characteristics. Funds are released by the BNDES by identifying the customer and the sale, as well as checking that the customer has fulfilled the terms of Circular 195 of July 28, 2006 issued by the BNDES, through a financial agent, with the formalization of a financing agreement in the name of the Company and consent of the customer to be financed. The amounts, periods and charges of the transaction are fully reflected in the amounts to be received by the Company from the bank mediating the agreement to which the Company is the debtor. The Company retains title to the financed equipment until the final settlement of the obligation by the customer.

All amounts in thousands of reais unless otherwise stated

Receivables - onward lending of FINAME manufacturer financing include:

(a) FINAME transactions awaiting release: refers to FINAME manufacturer financing transactions which meet the specified terms and have been approved by all parties involved. The preparation of documentation, the issue of the sales invoice, and the delivery of the equipment to the customer have all taken place. The crediting of the related funds to the Company's account by the agent bank is pending at the end of the reporting period, in view of the normal operating terms of the agent.

(b) FINAME past due: refers to amounts receivable not settled by customers by their due dates. The Company records provisions for possible losses on the realization of these balances, at the amount of the difference between the expected value of the sale of the collateral (machinery) recovered through the guarantee and the value of the receivable from the customer. In instances in which the machine guaranteed cannot be located, a full loss provision is made for balance of the receivable.

The machines seized as part of the implementation process are recorded at their book value, not exceeding their market value, under the category of "Other receivables", pending a final court decision, following which they are repossessed and transferred to inventories. As at March 31, 2014, the balance of repossessed machinery, included under the caption "Other receivables", parent company and consolidated, amounted to R$ 13,739 (R$ 15,105 as at December 31, 2013) in current assets and R$ 33,678 (R$ 35,311 as at December 31, 2013) in non-current assets.

As at March 31, 2014 and December 31, 2013, the balances of "Receivables - onward lending of FINAME manufacturer financing", parent company and consolidated, were as follows:

	Parent company and consolidated	
	March 31, 2014	**December 31, 2013**
Not yet due	207,034	223,870
Past due:		
1 to 30 days	4,349	5,469
31 to 60 days	2,570	2,419
61 to 90 days	2,283	2,247
91 to 180 days	5,268	4,354
181 to 360 days	4,852	5,368
Over 360 days	13,138	12,440
	32,460	32,297
Total - current	239,494	256,167

All amounts in thousands of reais unless otherwise stated

The expected realization of the non-current receivables relating to the onward lending of FINAME manufacturer financing, parent company and consolidated, is as follows:

	Parent company and consolidated
Not yet due:	
2015 (9 months)	89,434
2016	60,240
2017	26,449
2018 and thereafter	1,875
Total - non-current	177,998

The changes in the allowance for doubtful accounts, parent company and consolidated, are as follows:

	Parent company and consolidated
	March 31, 2014
Opening balance	16,349
Additional allowance recorded	183
Closing balance	16,532

6 Inventories

	Parent company		**Consolidated**	
	March 31, 2014	**December 31, 2013**	**March 31, 2014**	**December 31, 2013**
Finished products	43,463	40,916	66,714	62,163
Used machines	27,191	24,581	27,191	24,581
Work in progress	76,489	75,755	101,916	98,183
Raw materials and components	85,446	76,346	95,805	85,282
Imports in transit	2,877	3,228	3,763	3,857
Total	235,466	220,826	295,389	274,066

The inventories balances, parent company and consolidated, as at March 31, 2014 are net of the amounts of R$ 59,085 and R$ 59,174 respectively (R$ 55,540 and R$ 55,729 respectively as at December 31, 2013) corresponding to the provision for slow-moving inventories with a remote probability of being realized through sale or use.

All amounts in thousands of reais unless otherwise stated

The changes in the provision to bring inventories to their net realizable value, parent company and consolidated, are as follow:

	Parent company	**Consolidated**
As at December 31, 2013	55,540	55,729
Inventories sold or written off	(7,004)	(7,004)
Provision recorded	6,891	6,791
Transfer of provision resulting from machines repossessed during the period	3,658	3,658
As at March 31, 2014	59,085	59,174

The changes in the provision for inventory losses by class of inventory are as follows:

	Parent company		**Consolidated:**	
	March 31, 2014	**December 31, 2013**	**March 31, 2014**	**December 31, 2013**
Finished products	3,482	3,316	3,571	3,505
Used machines	27,095	25,201	27,095	25,201
Work in progress	11,212	10,545	11,212	10,545
Raw materials and components	17,296	16,478	17,296	16,478
Total	59,085	55,540	59,174	55,729

7 Investments in subsidiaries and associates

The following list shows the investments of the Company in its subsidiaries:

Subsidiary	Country	Main activity
Rominor Comércio, Empreendimentos e Participações S.A. ("Rominor")	Brazil	Ventures and investments in general
Romi Machine Tools, Ltd. ("Romi Machine Tools")	United States of America	Sale of machine tools, spare parts, technical assistance and cast and machined products in North America
Interocean Comércio Importadora e Exportadora S.A. ("Interocean")	Brazil	Trading company, not operating during the periods presented
Romi A.L. S.A. ("Romi A.L.") - formerly Favel S.A.	Uruguay	Sales representation for operations in the foreign market
Romi Europa GmbH ("Romi Europe")	Germany	Distribution of machine tools, spare parts and technical assistance
Sandretto Mexico - S. de RL. de CV	Mexico	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Sandretto UK Ltd.	United Kingdom	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Sandretto Industries S.A.S.	France	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Metalmecanica Plast B. V.	The Netherland s	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Italprensas Sandretto S.A.	Spain	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Subsidiaries of Romi Europe:		
Burkhardt + Weber Fertigungssysteme GmbH ("B+W")	Germany	Production and sale of large scale tooling machines with high technology, precision and productivity, as well as machinery for specialized applications
Associate B+W:		
Riello Sistemi (Riello Shangai) Trade Co.,Ltd	China	Sale of machine tools produced by B+W and provision of services (spare parts and technical assistance).
Subsidiary of B+W:		
Burkhardt + Weber / Romi (Shangai) Co., Ltda.	China	Sale of machine tools produced by B+W and provision of services (spare parts and technical assistance).
Romi Itália S.r.l. ("Romi Italy") (i)	Italy	Distribution of machine tools and spare parts - in process of liquidation

(i) On April 23, 2013, the Company's management approved the beginning of the voluntary liquidation of the subsidiary Romi Itália S.r.l., in which part of the assets and liabilities were disposed of/transferred on September 18, 2013.

All amounts in thousands of reais unless otherwise stated

	Romi Italy and subsidiaries	Romi Europe and subsidiaries	Rominor	Romi Machine Tools	Interocean	Romi A.L.	Sandretto Mexico	March 31, 2014 Total Continuing Operation
Investments:								
Number of shares held	(a)	(a)	6,191,156	3,000	78	13,028	1,188,000	
Ownership interest	100.00%	100.00%	93.07%	100.00%	100.00%	100.00%	100.00%	
Current assets	35,551	72,932	17,002	7,443	14	3,197	334	
Non-current assets	10,522	92,899	5,724	289	-	-	1	
Current liabilities	6,406	54,466	318	156	10	-	13	
Non-current liabilities	52,113	33,175	3	15,329	-	-	-	
Equity (net capital deficiency) of subsidiary	(12,446)	78,188	22,405	(7,754)	4	3,197	322	
Changes in investment:								
Opening balance as at December 31, 2013	(12,083)	82,149	22,669	(7,447)	5	3,229	67	88,589
Foreign exchange variations on foreign investments	140	(2,704)	-	278	-	(113)	(10)	(2,409)
Capital increase (a)		-	-	-	-	-	-	-
Return of available amounts of foreign subsidiary		-	-	-	-	-	-	-
Dividends proposed and paid (b)		-	(3,102)	-	-	-	-	(3,102)
Share of profits (losses) of subsidiaries	(503)	(1,257)	1,288	(585)	(1)	81	263	(714)
Equivalent value - closing balance	(12,446)	78,188	20,855	(7,754)	4	3,197	320	82,364
Investments in subsidiaries		78,188	20,855		4	3,197	320	102,564
Provision for net capital deficiency of subsidiary	(12,446)			(7,754)				(20,200)
Investments in associates								
30% interest in Riello Sistemi (Shangai) Trade Co.,Ltd acquired through a business combination.								2,249
Total investments in associates – consolidated								2,249

(a) The subsidiaries' capital is not divided into quotas or shares in their articles of organization.
(b) The Annual General Meeting of shareholders of subsidiary Rominor, held on March 17, 2014, approved the distribution of dividends of R$3,335, of which R$3,104 relate to the Company's ownership.

All amounts in thousands of reais unless otherwise stated

8 Related party transactions

The balances and transactions with related parties as at March 31, 2014 and December 31, 2013 are as follows:

(i) Balances

	Receivables (current)		Loan receivable (non-current)		Total receivable		Payables (current)	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Direct subsidiaries:								
Romi Europe	2,141	1,385	1,302	1,350	3,443	2,735	60	55
Romi Italy	12	1,304	36,113	36,952	36,125	38,256	597	
Romi Machine Tools	8,281	7,431	7,086	7,305	15,367	14,736	68	71
Interocean			10	10	10	10		
Romi A.L.		108				108	234	353
Rominor	3	3			3	3	129	122
Indirect subsidiaries:								
BW - Burkhardt+Weber							5,831	
Sandretto Industries S.A.S.	920	1,065			920	1,065		464
Sandretto UK Ltd.	4,776	4,011			4,776	4,011		
Total	16,133	15,307	44,511	45,617	60,644	60,924	6,919	1,065

All amounts in thousands of reais unless otherwise stated

(ii) Transactions

	Sales revenue		Operating expenses		Finance income	
	March 31, 2014	**March 31, 2013**	**March 31, 2014**	**March 31, 2013**	**March 31, 2014**	**March 31, 2013**
Direct subsidiaries:						
Romi Europe	1,693	107	127	103	41	26
Rominor	-	-	353	333	-	-
Romi Italy	-	1,546	-	-	1,135	933
Romi Machine Tools	1,401	885	-	-	219	61
Sandretto Industries S.A.S.	500					
Romi A.L.		-	64	64		6
Sandretto UK Ltd.	1,755	-				
Total	5,349	2,539	544	500	1,395	1,021

In the consolidated quarterly information, receivables and payables refer to trading transactions between B+W and its associate Riello Shangai.

Loans receivable have predetermined maturities, are payable in the short and long terms and bear semi-annual LIBOR plus interest of 1% per annum and foreign exchange variations. The loan agreements between the Company and its subsidiaries are generally intended to increase working capital so as to provide financial support to these subsidiaries.

The subsidiary Rominor is the guarantor of some of the FINAME manufacturing financing transactions involving the Company, and the financing is collateralized by promissory notes and sureties (Note 13). The Company has seven buildings rented to its subsidiary Rominor, which are used by the sales branch operations in Brazil.

The Company entered into trading transactions with certain subsidiaries for the supply and purchase of equipment, parts and pieces, and does not have material transactions with related parties with other than of this nature. Decisions regarding transactions between the Company and its subsidiaries are made by management. Trade notes mature in the short term.

All amounts in thousands of reais unless otherwise stated

Management compensation for the periods ended March 31, 2014 and 2013 was as follows:

	March 31, 2014	**March 31, 2013**
Fees and charges	1,386	1,339
Profit sharing	109	-
Private pension plan	78	108
Healthcare plan	25	20
Parent company	1,598	1,466
Fees and charges of subsidiaries	31	31
Consolidated	1,629	1,498

The amounts shown above comply with the limits established by the Board of Directors and approved at the Annual General Meeting of Shareholders held on March 18, 2014.

9 Investment property

During the year ended December 31, 2012 Management decided, based on the completion of the property register review and regularization, as well as the perspectives of short and medium-term expansion of operations, to classify certain property as "Investment Property" for future rental income and capital appreciation. The amounts classified as investment property are R$ 14,211 (R$ 14,211 – as at December 31, 2013) in the parent company and R$ 19,798 (R$ 19,989 – as at December 31, 2013) in the consolidated.

The investment property is stated at historical cost, and for fair value disclosure purposes the Company contracted an independent expert, who applied a methodology accepted by the "Brazilian Institute of Engineering Appraisals" as well as recent transactions with similar property and assessed the fair value less cost to sell this property at R$ 117,681 in the parent company and R$ 159,140 in the consolidated.

All amounts in thousands of reais unless otherwise stated

10 Property, plant and equipment

Changes in property, plant and equipment in the parent company and consolidated quarterly information are as follows:

	Parent company	Consolidated
Net book amount as at December 31, 2013	217,387	272,559
Additions	7,165	8,360
Disposals	(85)	(162)
Depreciation	(6,883)	(8,056)
Foreign exchange rate variations	-	941
Net book amount as at March 31, 2014	217,580	273,642
As at March 31 ,2014		
Total cost	462,860	544,528
Accumulated depreciation	(245,280)	(270,886)
Net book amount	217,580	273,642

Due to the financing agreements with the BNDES for investments in property, plant and equipment, the Company pledged as collateral machinery and equipment amounting to R$55,463 as at March 31, 2014 (R$55,463 as at December 31, 2013). These items refer to land, facilities, machinery and equipment.

11 Intangible assets

Changes in intangible assets in the parent company and consolidated quarterly information are as follows:

	Parent company	Consolidated
Net book amount as at December 31, 2013	4,365	48,943
Changes in the period:		
Additions	91	91
Amortization	(393)	(819)
Foreign exchange rate variations	-	(1,491)
Net book amount as at March 31, 2014	4,063	46,724
As at March 31 ,2014		
Total cost	10,810	61,435
Accumulated amortization	(6,747)	(14,711)
Net book amount	4,063	46,724

All amounts in thousands of reais unless otherwise stated

12 Borrowings

Changes in borrowings in the parent company and consolidated quarterly information are as follows:

	Parent company			Consolidated
	Local currency	Local currency	Foreign currency	Total
Borrowing balance at December 31, 2013	186,966	186,966	15,907	202,873
New borrowing	5,489	5,489	2,473	7,962
Repayment of principal	(20,134)	(20,134)	(2,693)	(22,827)
Payment of interest	(1,974)	(1,974)	(54)	(2,028)
Exchange and monetary variations (principal and interest)	860	860	614	1,474
Interest for the period	1,815	1,815	-	1,815
Borrowing balance at March 31 ,2014	173,022	173,022	16,247	189,269
Current	46,358	46,358	2,439	48,797
Non-current	126,664	126,664	13,808	140,472
	173,022	173,022	16,247	189,269

The maturities of financing recorded in non-current liabilities as at March 31, 2014 in the parent company and consolidated quarterly financial information were as follows:

	Parent company	Consolidated
2015 (9 months)	75,713	77,919
2016	26,928	29,069
2017	14,988	22,427
2018	3,354	5,376
2019 and thereafter	5,681	5,681
Total	126,664	140,472

13 FINAME manufacturer financing

	Parent company and consolidated	
	March 31, 2014	December 31, 2013
Current:		
FINAME manufacturer financing	191,332	210,429
Non-current:		
FINAME manufacturer financing	157,062	172,274
Total	348,394	382,703

All amounts in thousands of reais unless otherwise stated

The agreements related to FINAME Manufacturer Financing are guaranteed by promissory notes and sureties, and the main guarantor is the subsidiary Rominor. The balances are directly related to the balances of "Receivables - onward lending of FINAME manufacturer financing" (see Note 5), considering that the loans are directly linked to sales to specific customers. The contractual terms related to the amounts, charges and periods financed under the program are fully passed on to the financed customers, and the monthly payments by the customers are fully used for the repayment of the related financing agreements. The Company, therefore, acts as an agent for the financing, but remains the main debtor in these transactions.

The balances of the line item “FINAME manufacturer financing” and, consequently, of the line item “Receivables - onward lending of FINAME manufacturer financingas at March 31, 2014 and December 31, 2013, were adjusted for inflation through the end of the reporting period. The difference of R$52,566 between these line items as at March 31, 2014 (R$ 51,443 as at December 31, 2013) refers to past-due trade notes, renegotiations in progress, and FINAME transactions not yet disbursed by the agent bank. Management understands that there are no risks to the realization of these receivables since the amounts are collateralized by the financed machinery.

The non-current maturities of the FINAME manufacturer financing as at March 31, 2014, parent company and consolidated, are as follows:

	March 31, 2014
2015 (9 months)	80,470
2016	52,065
2017	23,115
2018	1,412
Total	157,062

All amounts in thousands of reais unless otherwise stated

14 Provision for tax, labor and civil risks

The management of the Company and its subsidiaries, based on the opinion of legal counsel, classified the lawsuits according to the risk of loss, as follows:

	Parent company and consolidated	
	March 31, 2014	**December 31, 2013**
Tax	49,608	48,135
Civil	1,831	1,673
Labor	2,311	1,866
(-) Judicial deposits	(41,630)	(40,288)
Total	12,120	11,386
Current liabilities	4,142	3,557
Non-current liabilities	7,978	7,829
	12,120	11,386

The management of the Company and its subsidiaries, based on the opinion of its legal counsel, classified the tax, civil and labor lawsuits, involving risks of loss classified by management as possible, for which no provision was recognized as follows:

	March 31, 2014	**December 31, 2013**
Tax		
ICMS on the activation of machinery	162	158
Social security contributions - Cooperatives	2,129	2,042
Offsetting of IRPJ - 2002 and 2003	1,267	1,267
Civil		
Losses and damages	3,649	3,543
Labor	1,546	1,109
Total	8,753	8,119

All amounts in thousands of reais unless otherwise stated

For lawsuits classified as probable losses, Management recognized a provision for losses. The changes in the provision in the period ended March 31, 2014 are as follow:

	Parent company and consolidated				
	December 31, 2013	**Additions**	**Utilizations/reversals**	**Inflation adjustment**	**March 31, 2014**
Tax	48,135	1,330	-	143	49,608
Civil	1,673	105	-	53	1,831
Labor	1,866	399	(69)	115	2,311
(-) Judicial deposits	(40,288)	(1,342)	-	-	(41,630)
	11,386	492	(69)	311	12,120

Based on management's and its legal counsel's assessment, the subsidiaries are not parties to any ongoing lawsuits or exposed to material contingent risks.

As at March 31, 2014, the main lawsuits, which were classified by management as probable losses based on the opinion of legal counsel and, therefore, included in the provision for risks, are as follow:

(a) Tax lawsuits

Refer to the provisions for:

(i) Social Integration Program ("PIS") and Social Contributions on Revenues ("COFINS") related to State Value-Added Tax ("ICMS") on sales, which amounted to R$7,419 (R$ 7,190 as at December 31, 2013) and R$ 34,172 (R$ 33,116 as at December 31, 2013), respectively.

(ii) National Institute of Social Security ("INSS") contributions on services provided by cooperatives, amounting to R$ 2,634 (R$ 2,548 as at December 31, 2013).

(iii) During the year ended December 31, 2012, the Company was assessed by the tax authorities, who disallowed part of the offsetting during the period from June to September 2010, related to social security contribution unduly paid on the directors' fees and independent contractors' fees in the period from October 1989 to July 1994. The authorities alleged that the calculations for the period between the payment date judged undue to the credit offset was performed in disagreement with the requirements of the court and the law. Although the Company's management has presented a defense at the lower administrative court, grounded on the expectation of probable losses, it decided to accrue the amount of R$ 4,236 (R$ 4,153 as at December 31, 2013), based on the best estimates of the outcome of these assessments.

(iv) The other tax lawsuits total R$ 1,147 (R$ 1,128 as at December 31, 2013).

(b) Civil lawsuits

These refer mainly to civil lawsuits in which the Company is the defendant related mainly to the following claims: (i) revision/rescission of contracts; (ii) indemnities; and (iii) annulment of protest of notes with losses and damages, among others.

All amounts in thousands of reais unless otherwise stated

(c) Labor lawsuits

The Company has recorded a provision for contingencies for labor lawsuits in which it is the defendant, for which main types of claim are as follow: (i) additional overtime due to reduction of the lunch break; (ii) health hazard premium/hazardous duty premium; (iii) stability prior to retirement; (iv) indemnities for occupational accident/disease; and (v) jointly liability of outsourced companies, among others.

The tax, civil and labor lawsuits assessed as possible losses involve matters similar to those above. The Company's management believes that the outcomes of ongoing lawsuits will not result in disbursements higher than those recognized in the provision. The amounts involved do not qualify as legal obligations.

(d) Judicial deposits

The Company has judicial deposits amounting to R$ 43,080, of which R$ 41,630 (R$ 40,288 as at December 31, 2013) refers to PIS and COFINS levied on ICMS on sales, as mentioned in item (a) (i) and the other deposits are of different nature and classified in non-current assets.

15 Income tax and social contribution

Income tax is calculated at the rate of 15% on the taxable profits plus a 10% surcharge on taxable profit exceeding R$240, and social contribution is calculated at the rate of 9% on taxable profits. The subsidiary Rominor pays income tax and social contribution on a presumed profit basis.

The table below shows a reconciliation of the tax effect on the parent company's profit (loss) before income tax and social contribution by applying the prevailing tax rates as at March 31, 2014 and 2013:

	Parent company		Consolidated	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Profit (loss) before income tax and social contribution	3,024	(7,995)	3,287	(7,826)
Standard rates (income tax and social contribution)	34%	34%	34%	34%
Income tax and social contribution at standard rates	(1,028)	2,718	(1,117)	661
Reconciliation with the effective rate:				
Share of the profits (losses) of subsidiaries and provision for the net capital deficiency of subsidiary	(243)	(265)		
Research and development	1,099		1,099	
Interest on capital	110		110	
Management profit sharing	(37)		(37)	
Other additions (deductions), net (a)	26	(125)	(295)	(381)
Current and deferred income tax and social contribution benefits (expenses)	(73)	2,328	(295)	2,280

All amounts in thousands of reais unless otherwise stated

(a) The amounts in the consolidated quarterly information refer basically to the differences in the calculation of income tax and social contribution between the actual taxable profit and presumed profit basis, due to the fact that the subsidiary Rominor is a taxpayer on a presumed profit basis during the reporting periods, and due to the non-recognition of deferred taxes on the tax losses of foreign subsidiaries.

The changes in deferred tax assets and liabilities, parent company and consolidated, for the quarter ended March 31, 2014 were as follows:

	Asset		Liability
	Parent company	Consolidated	Consolidated
As at December 31, 2013	50,487	50,487	25,977
Changes in the period:			
Additions	1,749	1,749	
Realization	(585)	(585)	(715)
Foreign exchange rate variations			(290)
As at March 31, 2014	51,651	51,651	24,972

16 Equity

Share capital

As at March 31, 2014 and December 31, 2013, the Company's subscribed and paid-up capital amounting to 489,973 is represented by 71,757,647 book-entry, registered common shares, without par value, all with the same rights and benefits.

Legal reserve

As required by Article 193 of Law 6,404/76, the balance of the line item "Legal reserve" is equivalent to 5% of profit for the year, limited to 20% of the share capital.

Earnings (losses) per share

Basic earnings (losses) per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of outstanding common shares during the year, excluding common shares purchased by the Company and held as treasury shares.

	March 31, 2014	**March 31, 2013**
Profit (loss) for the period attributable to the controlling shareholders – Continuing Operations	3,047	(4,958)
Loss for the period attributable to the controlling shareholders – Discontinued Operations		(2,387)
Weighted average number of shares outstanding (in thousands)	71,758	74,091
Basic and diluted earnings (losses) per share (parent company and consolidated) from Continuing Operations	0.04	(0.07)
Basic and diluted earnings (losses) per share (parent company and consolidated) from Discontinued Operations		(0.03)

Basic and diluted earnings (losses) per share are the same, since the Company does not have any instruments diluting the earnings (losses) per share.

All amounts in thousands of reais unless otherwise stated

17 Segment reporting - consolidated

To manage its business, the Company is organized into three business units, on which the Company's segmented reporting is based. The main segments are: machine tools, plastic injectors and cast and machined products. The segment reporting for the quarters ended March 31, 2014 and 2013 is as follows:

					March 31, 2014
	Machine tools	**Plastic injection machines**	**Cast and machined products**	**Eliminations between segments**	**Consolidated**
Net operating revenue	101,298	27,829	21,603		150,730
Cost of sales and services	(64,233)	(14,734)	(28,087)		(107,054)
Transfers remitted	1,538	-	5,107	(6,645)	-
Transfers received	(3,929)	(2,712)	(4)	6,645	-
Gross profit	34,674	10,383	(1,381)	-	43,676
Operating (expenses) income:					-
Selling expenses	(12,637)	(4,847)	(941)		(18,425)
General and administrative expenses	(11,830)	(2,780)	(1,572)		(16,182)
Research and development	(3,632)	(1,532)	-		(5,164)
Management fees	(1,096)	(291)	(242)		(1,629)
Other operating income, net	1,278	182	-		1,460
Operating profit (loss) before financial income (expenses)	6,757	1,115	(4,136)	-	3,736
Inventories	222,514	51,583	21,292		295,389
Depreciation and amortization	5,083	664	3,128		8,875
Property, plant and equipment, net	156,999	14,970	101,673		273,642
Intangible assets	45,521	1,203	-		46,724

	Europe	**North America**	**Latin America**	**Africa and Asia**	**Total**
Net operating revenue per geographical region	17,155	864	121,806	10,905	150,730

All amounts in thousands of reais unless otherwise stated

					March 31, 2013
	Machine tools	**Plastic injection machines**	**Cast and machined products**	**Eliminations between segments**	**Consolidated**
Net operating revenue	98,871	17,449	23,995		140,315
Cost of sales and services	(67,704)	(9,980)	(26,459)		(104,143)
Transfers remitted	2,821	-	4,219	(7,040)	-
Transfers received	(3,307)	(1,789)	(1,944)	7,040	-
Gross profit	30,681	5,680	(189)	-	36,172
Operating (expenses) income:					-
Selling expenses	(11,877)	(3,367)	(868)		(16,112)
General and administrative expenses	(14,199)	(2,842)	(1,808)		(18,849)
Research and development	(3,159)	(1,416)	-		(4,575)
Management fees	(1,112)	(205)	(181)		(1,498)
Other operating income (expenses), net	197	-	-		197
Operating profit (loss) before financial income (expenses)	531	(2,150)	(3,046)	-	(4,665)
Inventories	208,296	47,459	16,209		271,964
Depreciation and amortization	5,372	529	3,327		9,228
Property, plant and equipment, net	12,006	158,322	97,108		267,436
Intangible assets	38,188	4,361	-		42,549

	Europe	**North America**	**Latin America**	**Africa and Asia**	**Total**
Net operating revenue per geographical region	8,808	1,500	114,201	15,806	140,315

18 Future commitments

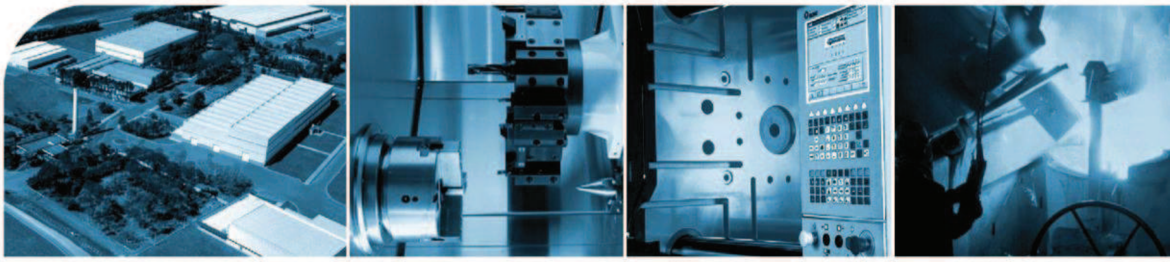
On January 26, 2012, the Company and Centrais Elétricas Cachoeira Dourada S.A. - CDSA, belonging to Endesa, decided to amend the contact for the supply of electricity entered into on May 1, 2007, in order to adjust the volume of electricity originally contracted to the current needs of the Company. As a result, the supply of electricity has been extended for another year, up to December 31, 2014, and reflects the following commitments which will be adjusted annually by the General Market Price Index ("IGP-M").

Year of supply	Amount
2014 (9 months)	7,161
Total	7,161

The Company's management believes that this agreement is compatible with the electricity requirements for the contracted period.

* * *

ROMI® | TRADIÇÃO EM INOVAR



April 29, 2014
1Q14 Earnings Release

March 31, 2014

Share Price
ROMI3 – R$ 5.10/share

Market Capitalization
R$ 366.0 million
US$ 161.8 million

Number of Shares
Common: 71,757,647
Total: 71,757,647

Free Float = 50.8%

Investor Relations Contact

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Juliana Mendes Calil
I.R. Coordinator
Phone: (55 19) 3455-9514
jcalil@romi.com

April 30, 2014

Earnings Conference Call
Time: 10:00 a.m. (Brazil)
Dial-in numbers:
+55 (11) 3193 1001 or (11) 2820 4001
Access code: Romi

Earnings Conference Call in English
Time: 12:00 noon (São Paulo)
4:00 p.m. (London)
11:00 a.m. (NY)
Dial-in numbers:
US +1 (786) 924 6977
Brazil +55 (11) 3193 1001 or (11) 2820 4001
Other + 1 (888) 700 0802
Access code: Romi

ROMI3 NOVO MERCADO BOVESPA BRASIL

Índice de Ações com Tag Along Diferenciado ITAG

Índice de Ações com Governança Corporativa Diferenciada IGC

Santa Bárbara d'Oeste, SP, April 29, 2014 – Indústrias Romi S.A. (BM&FBovespa: ROMI3), domestic market leader in the Machine Tools and Plastic Processing Machines markets, as well as an important producer of Raw and Machined Cast Iron Parts, announces its results for the first quarter of 2014 (1Q14). Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis, in accordance with International Financial Reporting Standards (IFRS), and monetary amounts are expressed in thousands of Reais.

HIGHLIGHTS

With net revenue of R$ 150.7 million, Romi reaches EBITDA of R$ 12.6 million, with a margin of 8.4%, for 1Q14

- 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.
- 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.

	Quarter				
R$'000	1Q13 [1]	4Q13 [1]	1Q14	Chg. %	Chg. %
Sales Volume				1Q/1Q	1Q/4Q
Machine Tools (units)	400	443	245	(38.8)	(44.7)
Plastic Machines (units)	44	60	53	20.5	(11.7)
Raw and Machined Cast Iron Parts (tons)	3,598	4,475	3,731	3.7	(16.6)
Net Operating Revenue	**140,315**	**193,786**	**150,730**	7.4	(22.2)
Gross margin (%)	*25.8%*	*32.6%*	*29.0%*		
Operating Income (EBIT)	**(4,665)**	**22,185**	**3,736**	(180.1)	(83.2)
Operating margin (%)	*-3.3%*	*11.4%*	*2.5%*		
Continued Operations Net Income	**(5,546)**	**17,642**	**3,047**	(154.9)	(82.7)
Discontinued Operations Net Income	(2,387)	183	-	(100.0)	(100.0)
Net Income	(7,933)	17,825	3,047	(138.4)	(82.9)
Continued Operations Net margin (%)	*-4.0%*	*9.1%*	*2.0%*		
EBITDA	**4,563**	**31,359**	**12,611**	176.4	(59.8)
EBITDA margin (%)	*3.3%*	*16.2%*	*8.4%*		
Investments	**11,651**	**8,911**	**8,451**	(27.5)	(5.2)

EBITDA = earnings before interest, taxes, depreciation and amortization.

[1] The results obtained by Romi Italy, the Company's Italian subsidiary, who is in liquidation, is being presented as "discontinued operations net income" in the periods respectively identified above.

CORPORATE PROFILE

Indústrias Romi S.A., founded in 1930, is the leader in the Brazilian industrial machinery and equipment market, and an important manufacturer of raw and machined cast iron parts. The Company is listed on BM&FBovespa's "New Market", which is reserved for companies with a higher level of corporate governance. Romi manufactures machine tools (Conventional Lathes, CNC (Computerized Numerical Control) Lathes, Lathing Centers, Machining Centers, Vertical and Horizontal Heavy and Extra-Heavy Lathes and Drilling Mills), plastic injection and blow molding machines, and nodular or vermicular gray cast iron parts, which may be supplied in raw or machined form. The Company's products and services are sold around the world and used by various industrial segments, such as the automotive (light and heavy), agricultural machinery, capital goods, consumer goods, tools, hydraulic equipment and wind energy industries, among many others.

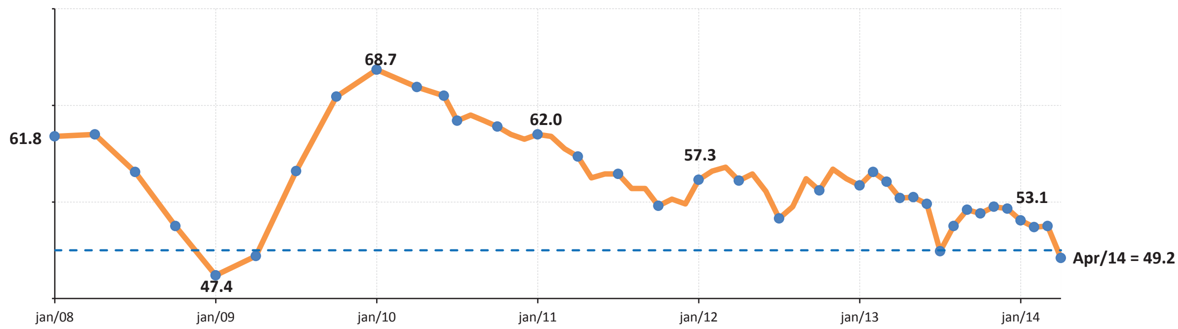
The Company has 11 manufacturing units, four of which are dedicated to the final assembly of industrial machinery. Romi also operates two foundries, three units for component machining, one unit for the manufacture of steel sheet components, and a plant for the assembly of electronic control panels. Of these, nine are located in Brazil and two in Germany. The Company has installed capacity for the production of approximately 3,450 industrial machines and 50,000 tons of castings per year.

The Machine Tools business unit accounted for 67.2% of the Company's revenue for the first three months of 2014. The Plastic Processing Machines and Raw and Machined Cast Iron Parts business units contributed 18.5% and 14.3%, respectively, of the revenue for the quarter.

CURRENT ECONOMIC SCENARIO

Brazilian industry posted expansion for the fourth straight month, showing slight acceleration in activity in March, with higher levels of production and employment. However, inventories are also rising, and unless demand surprises on the positive side in the coming months, this scenario will likely not be sustained.

Interest rates' steady rise in recent months, accompanied by events such as the World Cup and the presidential elections, among other factors, contribute to the continuation of the scenario of volatility observed thus far in 2014, with growing uncertainties and consequently lack of confidence in the business community. This is shown in the graph below, charting the Industrial Executive Confidence Index (ICEI), released by the National Confederation of Industry (CNI), which reached 49.2 points in April 2014:



Source: CNI – ICEI (Industrial Executive Confidence Index)

Numbers below 50.0 points represent lack of confidence, according to the CNI.

Data from ABIMAQ (Brazilian Machinery and Equipment Industry Association) on the domestic mechanical capital goods industry's revenue show that demand for machinery and equipment in Brazil was weak in the initial months of 2014, reflecting the situation of uncertainties experienced by the local industry.

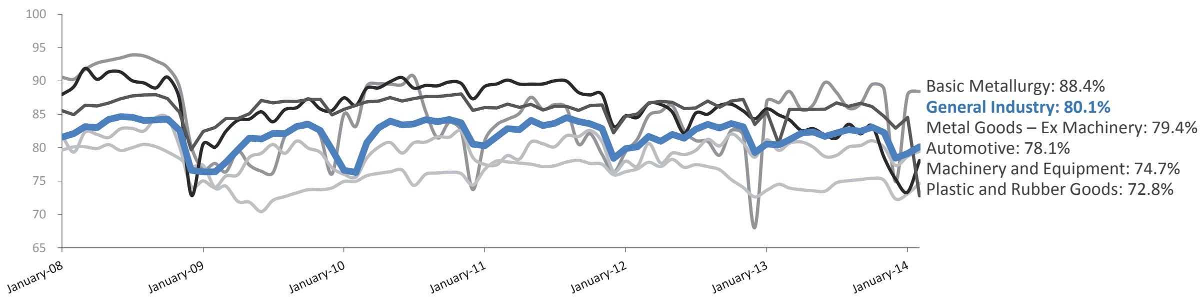
According to data from the National Association of Automotive Vehicle Manufacturers (Anfavea), production fell in the first quarter of 2014 in relation to the same period of 2013, by 8.8% in light vehicles, 1.5% in trucks, 3.2% in buses, and 13.0% in agricultural machinery.

These segments are significant for Romi's operations, especially for the Raw and Machined Cast Iron Parts Business Units.

Directly responsible for nearly 20% of Brazilian industrial GDP, and indirectly for an additional considerably portion, the automotive industry ended March with inventories of over 48 days – the largest since 2008.

According to a report by the consultancy Roland Berger in partnership with Automotive Business on the expectations of executives of the automotive sector and the vehicle market in Brazil, 2014 should be a challenging year, with prospects for stagnation or moderate growth in the sector, and a lull in investments.

The level of installed capacity utilization (NUCI) of industry in general in São Paulo state, measured by the São Paulo State Federation of Industries (FIESP), has shown stability in 2014 in comparison to 2013, demonstrating that investments in 2014 will have greater focus on increasing productivity and not on expanding installed capacity:



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

On the other hand, the Investment Sustaining Program (PSI) of the National Bank of Economic and Social Development (BNDES), in effect through the end of 2014 with very attractive rates, of 4.5% to 6.0% per year, depending on the size of the contracting company, stimulates new investments and makes Romi's products more competitive against imported products.

The Dollar, whose average rate in Reais is up 18.5% in 1Q14 in relation to 1Q13, is also an important factor for the local industry's competitiveness. In addition to stimulating exports, it makes imported products, the main competitors of Romi's products in the Brazilian market, less attractive.

Despite the challenging scenario, Romi achieved in the first quarter of 2014, a volume of order entry (excluding B+W's order entry) 2.6% higher compared to the same period in 2013. In addition, due to all operational adjustments made in recent years, which lowered operating costs and expenses, Romi managed to achieve EBITDA of R $ 12.6 million, representing an EBITDA margin of 8.4%. These amounts represent a significant improvement over those achieved in 1Q13, demonstrating that the budget planning, considering a moderate growth scenario for 2014 and targeting to increase profitability and cash generation, have been adequate.

MARKET

Romi's main competitive advantages in the domestic market – products with cutting-edge technology, the company's own nationwide distribution network, ongoing technical assistance, availability of attractive customer credit packages in local currency, and short product delivery times – are all recognized by customers, providing for the ROMI® brand name a traditional and prestigious reputation.

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%**

In 1Q14, the Company obtained an order entry volume 13.9% greater than in 1Q13. Excluding B+W's, order entry in 1Q14 were 2.6% greater than that obtained in 1Q13, showing stability in 2014 in relation to 2013.

The Machine Tools Business Unit posted, for 1Q14, performance 41.5% greater than that observed in 1Q13. The growth in B+W's order entry was quite significant, and nevertheless, there was a 21.1% increase in demand for Romi machines. Part of this increase was achieved through sales by the Company's European subsidiaries, whose sales of machine tools have been growing consistently.

The Plastic Processing Machines Business Unit, whose consumer markets are those with the greatest relation with consumption (packaging, for example), historically captures the impacts of the economy with greater speed, reflecting, at the beginning of this year, the instability and volatility of the Brazilian economic situation, which weighs down on demand for investments.

The Raw and Machined Cast Iron Parts Business Unit's demand was down 15.4% in the first quarter of 2014 in relation to the same quarter of 2013, indicating a challenging scenario for 2014. Two of the main segments served by this business unit, commercial automotive and agricultural, are experiencing diminishing production volume, as commented upon previously. Meanwhile, the wind energy segment, responsible for 33% of this unit's revenue in 2013, should not have the same share in 2014, since market conditions have been very challenging.

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%**

Note: The order backlog figures do not include parts, services and resales.

As at March 31, 2014, the order backlog totaled R$ 304.1 million, 24.3% greater than the backlog at the end of the first quarter of 2013 and 1.7% lower than the volume observed at the end of 2013, pointing towards consistency for the coming quarters.

OPERATING PERFORMANCE

NET OPERATING REVENUE

The Net Operating Revenue recorded by the Company in 1Q14 reached R$ 150.7 million, up 7.4% from 1Q13, with the highlight being the Plastic Processing Machines business unit.

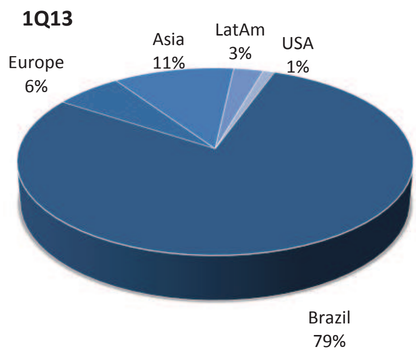
In relation to the immediately prior quarter, it is normal for there to be a decrease in volume invoiced due to the seasonal nature of this type of business. Traditionally, the volume of revenue is greater in the second half of the year, as a result of sales made in trade shows that take place in the month of May.

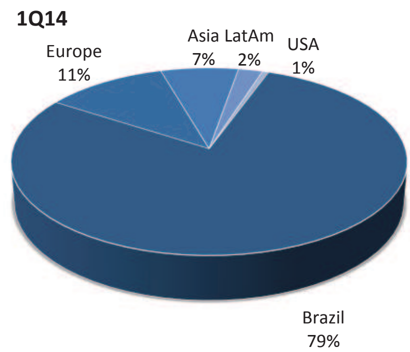
	Quarter				
Net Operating Revenue (R$ 000) (2)	1Q13	4Q13	1Q14	Chg % 1Q/1Q	Chg % 1Q/4Q
Machine Tools (3)	98,871	145,464	101,298	2.5%	-30.4%
Plastic Machines	17,449	22,697	27,829	59.5%	22.6%
Raw and Machined Cast Iron Parts	23,995	25,626	21,603	-10.0%	-15.7%
Total	**140,315**	**193,786**	**150,730**	**7.4%**	**-22.2%**

(2) The income statements by business unit and B+W's financial statements are presented in the appendices to this report.

(3) Of the amount of R$ 24.4 million attributed to B+W in 1Q14, R$ 4.1 million represents sales of equipment manufactured by B+W for Romi's plant in Brazil. Upon consolidating net operating revenue for the quarter, the result of this transaction between the companies of the group was disregarded. The same happened in 4Q13, when the amount deducted was R$ 7.8 million.

The domestic market accounted for 78.6% of Romi's revenue in 1Q14. Considering the revenue obtained in the foreign market, which takes into account sales by Romi's subsidiaries abroad (Mexico, US, UK, France, Germany, Spain and B+W), the breakdown of Romi's total revenue, by geographical region, was:





Below, we show the revenue obtained in the foreign market, in Reais and Dollars:

Foreign Sales	Quarter				
	1Q13	4Q13	1Q14	Chg % 1Q/1Q	Chg % 1Q/4Q
Net Sales (R$ 000)	30.0	49.0	32.7	9.2%	-33.2%
Net Sales (US$ 000)	15.7	21.5	13.8	-11.8%	-35.7%

Machine Tools

This unit's net operating revenue reached R$ 101.3 million for 1Q14, of which R$ 20.3 million refers to the consolidation of B+W's net operating revenue. This consolidated amount represented a 2.5% increase compared to the same quarter of 2013. Excluding the effects of B+W on this comparison, this business unit's net operating revenue was R$ 81.0 million for 1Q14, representing a 3.1% increase in relation to 1Q13.

Upon observing B+W's order backlog for 2014, it can be noted that, as in 2013, there will be a greater concentration of revenue in the second half of the year, especially in the fourth quarter.

In 2013, the most recurring segments among those served by this business unit included job shops, machinery and equipment, automotive (light and heavy), tooling, education and agricultural machinery.

In the first three months of 2014, 245 new machines were sold, down 38.8% from the same period last year (400 units). Despite this significant decline, revenue was slightly greater, with more larger machines.

Plastic Processing Machines

In 1Q14, the Plastic Processing Machines Business Unit's net operating revenue totaled R$ 27.8 million, 59.5% up from 1Q13 and 22.6% greater than that achieved in the fourth quarter of 2013, even considering the seasonal variation in this business, which points toward greater revenue at the end of the year than at the beginning, as mentioned previously.

This concentration of revenue in the first quarter is due to the business unit's solid backlog at the end of 2013, whose deliveries are scheduled for the first half of 2014.

The sectors with the greatest demand for this business unit's products in the first three months of 2014 were packaging, automotive, furniture, civil construction, and services. In this quarter, 53 new machines were sold, an amount 20.5% greater than that achieved in the same period of 2013 (44 machines).

Raw and Machined Cast Iron Parts

In 1Q14, this unit's net operating revenue was R$ 21.6 million, representing a 10.0% drop in relation to the same quarter of 2013, due to a decline in the pace of production in the commercial automotive (trucks) and wind energy sectors, commented upon in the "Current Economic Scenario" section.

In 1Q14, 3,731 tons of raw and machined cast iron parts were sold, up 3.7% from the first three months of 2013 (3,598 tons).

OPERATING COSTS AND EXPENSES

The gross margin of 29.0% obtained in 1Q14 was 320 basis points greater than that obtained in 1Q13, and down 360 bps from that obtained for 4Q13. Disregarding B+W, gross margin would have been 30.4%.

The gradual recovery of prices, associated with the appreciation of the Dollar, makes Romi's products more competitive. Operating efficiency measures, accompanied by constant initiatives to contain costs, have been the main factors responsible for the consistent results achieved by the Company.

On the other hand, this appreciation of the Dollar impacts part of the Company's costs, since 30% to 35% of Romi's cost structure is composed by product whose price is linked to the exchange rate.

In addition, the scenario of a rising Selic rate, which is currently at 11% per year, pressures inflation of products produced in Brazil, and 22% of the Company's cost structure comprises products manufactured in Brazil.

	Quarter				
Gross Margin	**1Q13**	**4Q13**	**1Q14**	**Chg bps 1Q/1Q**	**Chg bps 1Q/4Q**
Machine Tools	31.0%	37.7%	34.2%	320	(350)
Plastic Machines	32.5%	33.3%	37.3%	480	400
Raw and Machined Cast Iron Parts	-0.8%	2.9%	-6.4%	(560)	(930)
Total	**25.8%**	**32.6%**	**29.0%**	**320**	**(360)**

	Quarter				
EBIT Margin	**1Q13**	**4Q13**	**1Q14**	**Chg bps 1Q/1Q**	**Chg bps 1Q/4Q**
Machine Tools	0.5%	18.0%	6.7%	620	(1,130)
Plastic Machines	-12.3%	-7.1%	4.0%	1,630	1,110
Raw and Machined Cast Iron Parts	-12.7%	-9.2%	-19.1%	(640)	(990)
Total	**-3.3%**	**11.4%**	**2.5%**	**580**	**(890)**

Meanwhile, operating margin came in at 2.5% for 1Q14, up 580 bps from 1Q13. Disregarding B+W in this scenario, operating margin would have been 4.2%, representing improvement of 600 bps in relation to 1Q13.

A decrease in allowance for doubtful accounts expenses once again impacted comparisons, having gone from R$ 5.4 million in 1Q13 to R$ 0.4 million in 1Q14, an amount similar to that obtained in the last four quarters. The backlog's quality has been improving consistently, reducing the need for accounting for losses. This has only been possible because the Company has adjusted the financing conditions offered, migrating from Finame Manufacturer to Finame Buyer, without negative impact on sales. Through this change, the Company no longer took responsibility for the default of the loan and consequently reduced its exposure to the risk of default. Considering the Finame Manufacturer financing, both in current and non-current liabilities, compared to Shareholder's Equity, presented on the Balance Sheet as of March 31, 2014 and 2013, the reduction was from 0.85 to 0.54.

Even with the improvements presented in product price, the level of utilization of operational assets is still low, having a negative effect on faster recovery of Romi's margins, especially in the Raw and Machined Cast Iron Parts Business Unit, which, over the course of 1Q14, had even lower utilization of its installed capacity.

Machine Tools

This business unit's gross margin was 34.2% for 1Q14, improving 320 bps in relation to 1Q13. This result is mainly due to gradual price recovery observed in recent quarters due to the Dollar's appreciation.

The operating margin for this business unit, in the first quarter of 2014, was 6.7%, up 620 bps from 1Q13, due to a larger volume of revenue in the quarter.

Initiatives geared towards flexibilization made Romi's production more agile. Production batches at all units were adjusted, increasing the availability of assemblies at the right time of the production process. Thus, despite the low volume of activity in the quarter, the results were positive.

Plastic Processing Machines

In this business unit, gross margin reached 37.3% for 1Q14, representing 480 bps improvement in relation to 1Q13.

Meanwhile, the business unit achieved an operating margin of 4.0%, up 1,630 bps from 1Q13, as a result of the improvement in prices achieved in the period and the volume invoiced in the quarter.

Raw and Machined Cast Iron Parts

This business unit's gross margin was a negative 6.4% for 1Q14, falling 560 bps in relation to 1Q13.

As commented upon previously, the drop in revenue, or low utilization of installed capacity, which made it impossible for there to be greater dilution of fixed expenses and costs in the period, along with inflationary pressures on the business unit's costs, had negative impacts on the results obtained for the first quarter of 2014 in relation to recent periods.

EBITDA AND EBITDA MARGIN

In 1Q14, the Continuing Operations' operating cash generation as measured by EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) was R$ 12.6 million, representing an EBITDA margin of 8.4% for the quarter, as shown in the table below:

Reconciliation of Net Income to EBITDA	Quarter				
(R$ 000)	1Q13	4Q13	1Q14	Chg 1Q/1Q	Chg 1Q/4Q
Net Income	**(5,546)**	**17,642**	**3,047**	**-154.9%**	**-82.7%**
Income tax and social contributions	(2,280)	8,215	240	-110.5%	-97.1%
Net Financial Income	3,161	(3,673)	449	-85.8%	-112.2%
Depreciation and amortization	9,228	9,175	8,875	-3.8%	-3.3%
EBITDA	4,563	31,359	12,611	176.4%	-59.8%
EBITDA Margin	**3.3%**	**16.2%**	**8.4%**		

All the factors and effects mentioned in the "Operating Expenses and Costs" section also affected Romi's EBITDA in the period:

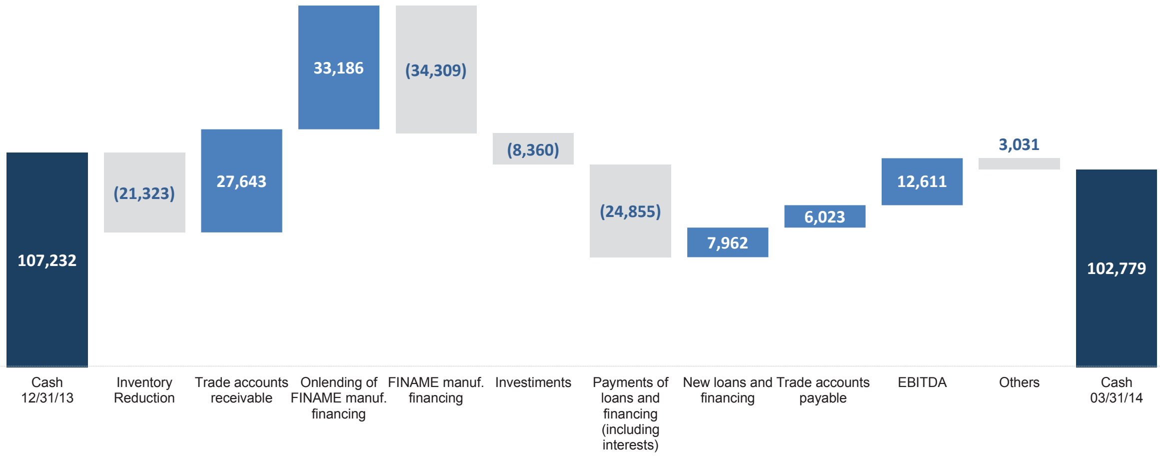
- Gradual recovery of prices and agility in customer service, which help maintain market share and increase gross margin.
- Flexibility in the offering of equipment to customers, meeting their needs, which improves the competitiveness of Romi products;
- Various continuous improvement projects with the purpose of not only reducing costs and expenses in general, but also controlling production metrics.
- Decrease in delinquency and change in the profile of financing for customers, migrating from Finame Manufacturer to Finame Buyer, reducing the need for allowance for doubtful accounts.

PROFIT

Profit was R$ 3.0 million for 1Q14, representing a significant improvement from the R$ 5.5 million loss for 1Q13.

CHANGES IN CASH AND CASH EQUIVALENTS

The main changes in cash and cash equivalents in 1Q14 are described below:



Inventories

The main change in inventories in the period is due to a one-off increase in the volume of assembly kits, which is part of the project to shorten production lead time, increase flexibilization of construction, and consequently the supply of machinery.

In the quarter, there was also greater release of machinery pending reintegration, which leaves the "Other receivables" line and goes to the "Inventories" line, within the context of used machinery.

Trade accounts receivable

In relation to the fourth quarter of 2013, in 1Q14 there was a more intense pace of release of financing by commercial banks and the BNDES. On the other hand, the volume invoiced was approximately R$ 20 million smaller. Together, these factors contributed to a decrease in trade accounts receivable.

Investments

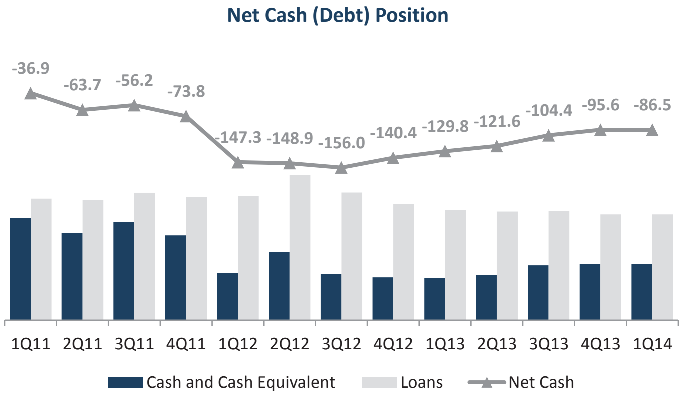
Investments totaled R$ 8.4 million in 1Q14, of which R$ 4.1 million for the purchase of equipment developed by B+W for Romi's plant in Brazil with the purpose of upgrading the machining facilities, as part of the investment plan for the year 2014.

FINANCIAL POSITION

Short-term investments, including those backed by debentures, are made with financial institutions with low credit risk and their yield is substantially pegged to the interbank deposit rate ("CDI"). The consolidated position of cash and cash equivalents as at March 31, 2013, was R$ 102.8 million.

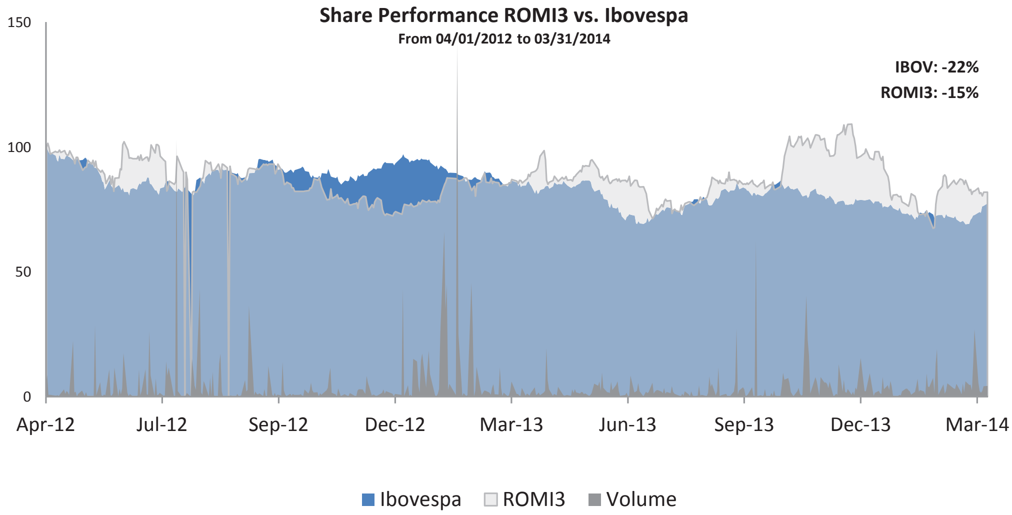
Romi's borrowings are used mainly in investments to expand plant capacity and upgrading, and financing exports and imports. As at March 31, 2014, the amount of financing in local currency was R$ 173.0 million, and in foreign currency, R$ 16.2 million, totaling the amount of R$ 189.3 million.

The Company's net debt in the first quarter of 2014 decreased by R$ 9.2 million.



As at March 31, 2014, the Company did not have any derivative transactions.

CAPITAL MARKETS



Source: BMF&Bovespa

At the end of the first quarter of 2014, Romi's common shares (ROMI3) were traded at R$ 5.10, posting depreciation of 14.3% in the quarter (1Q14 vs. 4Q13), and 5.9% in the trailing 12 months. The BM&FBovespa Index fell 2.1% in the quarter, and was down 10.5% since the end of March 2013.

The Company's market capitalization as at March 31, 2013 was R$ 366.0 million, and the average daily trading volume for 1Q14 was R$ 353 thousand, and for the 12-month period through March, R$ 301 thousand.

Consolidated Balance Sheet

(R$ 000)

ASSETS	03/31/13	12/31/13	03/31/14
CURRENT	**796,742**	**784,796**	**761,983**
Cash and Cash equivalents	82,963	107,232	102,779
Trade accounts receivable	100,724	120,371	94,989
Onlending of FINAME manufacturer financing	299,910	243,434	225,946
Inventories	271,964	274,066	295,389
Recoverable taxes	12,895	13,932	16,146
Related Parties	530	643	682
Other receivables	27,756	25,118	26,052
NONCURRENT	**732,793**	**636,334**	**617,447**
Long-Term Assets	**404,840**	**292,516**	**275,034**
Trade accounts receivable	12,778	10,814	8,553
Onlending of FINAME manufacturer financing	270,153	190,712	175,014
Recoverable taxes	688	1,267	2,104
Deferred income and social contribution taxes	54,332	50,487	51,651
Escrow Deposits	1,755	1,465	1,360
Other receivables	34,987	37,771	36,352
Assets fo Discontinued Operation	30,147	-	-
Investments			
Property, Plant and Equipment, net	267,436	272,559	273,642
Investment in Subsidiaries and Associate Companies	1,865	2,327	2,249
Investment Property	16,103	19,989	19,798
Intangible assets	42,549	48,943	46,724
TOTAL ASSETS	**1,529,535**	**1,421,130**	**1,379,430**

LIABILITIES AND SHAREHOLDER'S EQUITY	03/31/13	12/31/13	03/31/14
CURRENT	**467,505**	**413,386**	**395,693**
Loans and financing	67,567	54,169	48,797
FINAME manufacturer financing	270,630	210,429	191,332
Trade accounts payable	47,511	43,392	49,415
Payroll and related taxes	22,386	23,960	25,893
Taxes payable	6,338	16,364	6,827
Advances from customers	35,691	54,836	57,992
Interest on capital, dividends and participations	429	769	441
Other payables	13,868	9,269	14,805
Related Parties	541	198	191
Accounts Payables for Discontinued Operation	2,544	-	-
NON CURRENT	**436,371**	**357,821**	**333,408**
Long-term liabilities			
Loans and financing	143,186	148,704	140,472
FINAME manufacturer financing	262,557	172,274	157,062
Deferred income and social contribution taxes	21,115	25,977	24,972
Taxes payable	1,779	2,214	2,305
Reserve for contingencies	6,959	7,829	7,978
Other payables	775	823	619
SHAREHOLDER'S EQUITY	**624,081**	**648,235**	**648,777**
Capital	489,973	489,973	489,973
Capital reserve	2,052	2,052	2,052
Retained earnings	139,741	140,784	140,784
Income (loss) for the period for Discontinued Operation	(5,667)	-	2,951
Income (loss) for the period for Continued Operation	(2,387)	-	-
Other accumulated comprehensive income	369	15,426	13,017
NON CONTROLLING INTERESTS	**1,578**	**1,688**	**1,552**
TOTAL SHAREHOLDER'S EQUITY	**625,658**	**649,923**	**650,329**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**1,529,535**	**1,421,130**	**1,379,430**

Consolidated Income Statement

(R$ thousand)

	1Q13	4Q13	1Q14	Chg % 1Q/1Q	Chg % 1Q/4Q
Continued Operation Net Operating Revenue	**140,315**	**193,786**	**150,730**	**7.4**	**(22.2)**
Cost of Gods Sold	(104,143)	(130,547)	(107,054)	2.8	(18.0)
Continued Operation Gross Profit	**36,172**	**63,239**	**43,676**	**20.7**	**(30.9)**
Continued Operation Gross Margin %	*25.8%*	*32.6%*	*29.0%*		
Operating Expenses	**(40,837)**	**(41,054)**	**(39,940)**	**(2.2)**	**(2.7)**
Selling expenses	(16,112)	(19,514)	(18,425)	14.4	(5.6)
Research and development expenses	(4,575)	(4,810)	(5,164)	12.9	7.4
General and administrative expenses	(18,849)	(15,710)	(16,182)	(14.1)	3.0
Management profit sharing and compensation	(1,498)	(1,592)	(1,629)	8.7	2.3
Other operating income, net	197	572	1,460	641.1	155.2
Continued Operation Operating Income before Financial Results	**(4,665)**	**22,185**	**3,736**	**(180.1)**	**(83.2)**
Continued Operation Operating Margin %	*-3.3%*	*11.4%*	*2.5%*		
Continued Operations Financial Results, Net	**(3,161)**	**3,673**	**(449)**	**(85.8)**	**(112.2)**
Financial income	3,876	8,174	5,712	47.4	(30.1)
Financial expenses	(6,143)	(7,317)	(4,986)	(18.8)	(31.9)
Exchance gain (loss), net	(894)	2,816	(1,175)	31.4	(141.7)
Continued Operations Operating Income	**(7,826)**	**25,858**	**3,287**	**(142.0)**	**(87.3)**
Income tax and social contribution	2,280	(8,215)	(240)	(110.5)	(97.1)
Income (loss) for Continued Operation	**(5,546)**	**17,642**	**3,047**	**(154.9)**	**(82.7)**
Income (loss) for Discontinued Operation	(2,387)	183	-	(100.0)	(100.0)
Net income	**(7,933)**	**17,825**	**3,047**	**(138.4)**	**(82.9)**
Continued Operation Net Margin %	*-4.0%*	*9.1%*	*2.0%*		
Net profit concerning:					
Controlling interests	(8,054)	17,700	2,951	(136.6)	(83.3)
Non controlling interests	121	125	96	(20.7)	(23.2)
EBITDA for Continued Operation	**4,563**	**31,359**	**12,611**	**176.4**	**(59.8)**
Net income / loss for the period	(5,546)	17,642	3,047	(154.9)	(82.7)
Income tax and social contribution	(2,280)	8,215	240	(110.5)	(97.1)
Financial income, net	3,161	(3,673)	449	(85.8)	(112.2)
Depreciation	9,228	9,175	8,875	(3.8)	(3.3)
Continued Operation EBITDA Margin %	*3.3%*	*16.2%*	*8.4%*		
Nº of shares in capital stock (th)	71,758	71,758	71,758	-	-
Continued Operation Net income per share - R$	(0.08)	0.25	0.04	(154.9)	(82.7)

Consolidated Cash Flow Statement

(R$ thousand)

	1Q13	4Q13	1Q14
Cash from operating activities			
Net Income Continued Operations	**(7,826)**	**25,858**	**3,287**
Net Income Discontinued Operations	**(2,387)**	**183**	**-**
Financial expenses and exchange gain	1,771	(906)	818
Depreciation and amortization	9,348	9,577	8,875
Allowance for doubtful accounts and other receivables	6,299	2,726	1,962
Proceeds from sale of fixed assets	213	(1,137)	162
Provision for inventory realization	2,511	(3,453)	1,551
Reserve for contingencies	(482)	80	149
Change on operating assets			
Trade accounts receivable	23,537	(8,868)	29,325
Related Parties	-	317	78
Onlending of FINAME manufacturer financing	53,763	40,515	35,027
Inventories	5,734	26,771	(29,241)
Recoverable taxes, net	(2,296)	(1,498)	(2,336)
Escrow deposits	(58)	(1)	105
Other receivables	(301)	1,388	3,151
Change on operating liabilities			
Trade accounts payable	7,211	(12,862)	6,786
Payroll and related taxes	2,384	(7,695)	1,933
Taxes payable	(5,295)	(986)	(6,326)
Advances from customers	(4,434)	13,181	3,156
Other payables	(1,307)	(9,626)	5,733
Change on assets and liabilities of Discontinued Operation	-	(1,625)	-
Cash provided by (used in) operating activities	**88,385**	**71,939**	**64,195**
Income tax and social contribution paid	(1,622)	(279)	(6,356)
Net Cash provided by (used in) operating activities	**86,763**	**71,660**	**57,839**
Purchase of fixed assets	(11,651)	(6,140)	(8,360)
Sales of fixed assets	-	2,394	-
Increase in intangible assets	-	-	(91)
Net cash used in investing activities	**(11,651)**	**(3,746)**	**(8,451)**
Interest on capital paid	(291)	-	(970)
New loans and financing	7,355	15,027	7,962
Payments of loans and financing	(18,731)	(25,245)	(22,827)
Interests paid (including FINAME manufacturer financing)	(11,053)	(8,454)	(6,598)
New loans in FINAME manufacturer	22,417	24,082	31,203
Payment of FINAME manufacturer financing	(76,221)	(66,371)	(60,942)
Net Cash provided by (used in) financing activities	**(76,524)**	**(60,961)**	**(52,172)**
Increase (decrease) in cash and cash equivalents	**(1,412)**	**6,953**	**(2,784)**
Exchange variation changes on cash and cash equivalents abroad	104	(4,865)	(1,669)
Cash and cash equivalents - beginning of period	**82,320**	**105,144**	**107,232**
Cash and cash equivalents - end of period	**81,012**	**107,232**	**102,779**

Appendix I – Income Statements by Business Unit

Income Statement by Business Units - 1Q14

R$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Continued Operations Net Operating Revenue	**101,298**	**27,829**	**21,603**	**150,730**
Cost of Sales and Services	(64,233)	(14,734)	(28,087)	(107,054)
Business Units Transfers	1,538	-	5,107	(6,645)
Business Units Transfers	(3,929)	(2,712)	(4)	6,645
Continued Operations Gross Profit	**34,674**	**10,383**	**(1,381)**	**43,676**
Continued Operations Gross Margin %	*34.2%*	*37.3%*	*-6.4%*	*29.0%*
Operating Expenses	**(27,917)**	**(9,268)**	**(2,755)**	**(39,940)**
Selling	(12,637)	(4,847)	(941)	(18,425)
General and Administrative	(11,830)	(2,780)	(1,572)	(16,182)
Research and Development	(3,632)	(1,532)	-	(5,164)
Management profit sharing	(1,096)	(291)	(242)	(1,629)
Other operating revenue	1,278	182	-	1,460
Continued Operations Operating Income before Financial Results	**6,757**	**1,115**	**(4,136)**	**3,736**
Continued Operations Operating Margin %	*6.7%*	*4.0%*	*-19.1%*	*2.5%*
Depreciation	5,083	664	3,128	8,875
Continued Operations EBITDA	**11,840**	**1,779**	**(1,008)**	**12,611**
Continued Operations EBITDA Margin %	*11.7%*	*6.4%*	*-4.7%*	*8.4%*

Income Statement by Business Units - 1Q13

R$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Continued Operations Net Operating Revenue	**98,871**	**17,449**	**23,995**	**140,315**
Cost of Sales and Services	(67,704)	(9,980)	(26,459)	(104,143)
Business Units Transfers	2,821	-	4,219	(7,040)
Business Units Transfers	(3,307)	(1,789)	(1,944)	7,040
Continued Operations Gross Profit	**30,681**	**5,680**	**(189)**	**36,172**
Continued Operations Gross Margin %	*31.0%*	*32.5%*	*-0.8%*	*25.8%*
Operating Expenses	**(30,150)**	**(7,830)**	**(2,857)**	**(40,837)**
Selling	(11,877)	(3,367)	(868)	(16,112)
General and Administrative	(14,199)	(2,842)	(1,808)	(18,849)
Research and Development	(3,159)	(1,416)	-	(4,575)
Management profit sharing	(1,112)	(205)	(181)	(1,498)
Other operating revenue	197	-	-	197
Continued Operations Operating Income before Financial Results	**531**	**(2,150)**	**(3,046)**	**(4,666)**
Continued Operations Operating Margin %	*0.5%*	*-12.3%*	*-12.7%*	*-3.3%*
Depreciation	5,372	529	3,327	9,228
Continued Operations EBITDA	**5,903**	**(1,621)**	**281**	**4,562**
Continued Operations EBITDA Margin %	*6.0%*	*-9.3%*	*1.2%*	*3.3%*

Appendix II – Financial Statements for B+W

Balance Sheet B+W

(€ 000)

ASSETS	03/31/13	12/31/13	03/31/14
CURRENT	**21.868**	**22.882**	**22.255**
Cash and Cash equivalents	2.787	5.508	4.147
Trade accounts receivable	4.050	3.751	3.063
Inventories	13.636	11.571	11.820
Recoverable taxes	870	392	964
Related Parties	206	1.457	2.090
Other receivables	319	203	172
NONCURRENT	**29.021**	**29.286**	**29.766**
Long-Term Assets	**137**	**196**	**181**
Other receivables	137	196	181
Investments			
Property, Plant and Equipment, net	13.885	14.546	15.185
Investment in Subsidiaries and Associate Companies	723	722	722
Intangible assets	14.276	13.822	13.679
TOTAL ASSETS	**50.889**	**52.168**	**52.020**

(€ 000)

LIABILITIES AND SHAREHOLDER'S EQUITY	03/31/13	12/31/13	03/31/14
CURRENT	**17.930**	**17.313**	**16.985**
Loans and financing	147	29	4
Trade accounts payable	3.671	1.066	825
Payroll and related taxes	1.483	773	1.320
Taxes payable	336	1.418	972
Advances from customers	10.252	11.938	11.863
Other payables	1.832	1.888	1.800
Related Parties	210	201	201
NON CURRENT	**9.126**	**9.362**	**9.304**
Long-term liabilities			
Loans and financing	3.606	3.967	3.950
Deferred income and social contribution taxes	5.520	5.395	5.354
SHAREHOLDER'S EQUITY	**23.833**	**25.494**	**25.731**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**50.889**	**52.168**	**52.020**

Income Statement B+W

€ 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 Gods Sold	(6,400)	(9,170)	(6,049)	(5.5)	(34.0)
Gross Profit	**1,301**	**3,683**	**1,506**	**15.8**	**(59.1)**
Gross Margin %	*16.9%*	*28.7%*	*19.9%*		
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)**
Operating Margin %	*-9.2%*	*13.1%*	*-5.3%*		
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)**
Net Margin %	*-9.1%*	*8.4%*	*-6.2%*		
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)
EBITDA Margin %	*-1.8%*	*17.3%*	*0.6%*		

Statements contained in this release related to the Company's business outlook, projections of operating and financial results, and references to the Company's growth potential are mere forecasts and have been based on Management's expectations regarding its future performance. These expectations are highly dependent upon market behavior, economic conditions in Brazil, the industry and international markets, therefore being subject to changes.