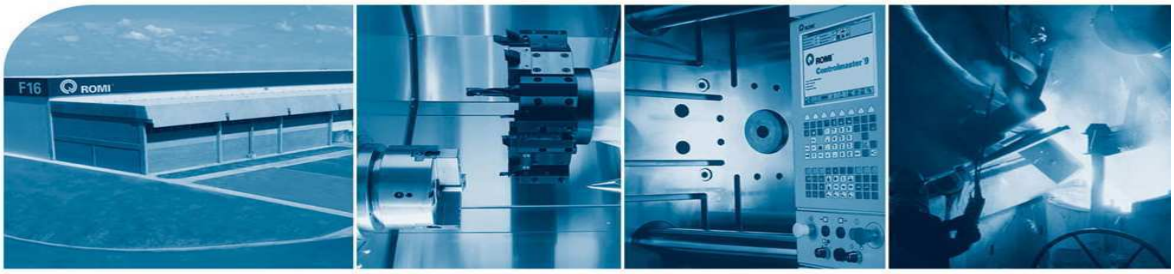
ROMI® | A TRADITION OF INNOVATION



July 27, 2010

2Q10 Earnings Release

July 28, 2010

Earnings Conference Call
Time: 10:30 a.m. (Brazil)
Telephone:
(55 11) 4688-6361
Access code: romi

Earnings Conference Call in English
Time: 12:00 p.m. (Brazil)
4:00 p.m. (London)
11:00 a.m. (New York)
Tel.: USA – 1 888 700 0802
Brazil – 55 11 4688 6361
Others – 1 786 924 6977
Access code: romi

Share price (06/30/2010)
ROMI3 – R$ 11.23/share

Market Capitalization (06/30/2010)
R$ 840 million
US$ 466 million

Number of shares (06/30/2010)
Common: 74,757,547
Total: 74,757,547

Free Float = 52.56%

Investor Relations Contact:
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Investor Relations Officer
Telephone: (55 19) 3455-9004
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Website:
www.romi.com

ROMI
1930 · 2010

ROMI® | A TRADITION OF INNOVATION

Santa Bárbara d'Oeste, SP, July 27, 2010 – Indústrias Romi S.A. (Bovespa: ROMI3), a domestic market leader in Machine Tools and Plastic Processing Machines and an important producer of Rough and Machined Cast Iron Parts, announces its results for the second quarter of 2010 (2Q10). Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis, in accordance with IFRS standards, and monetary values are expressed in thousands of Reais.

In 2Q10 new orders grow 81.3% as compared to 2Q09 and reach R$ 208 million. In relation to 1Q10 growth was 31.5%

Highlights

- **Net operating revenue reaches R$ 167.6 million in 2Q10, an increase of 61.1% over 2Q09 and of 15.5% over 1Q10,** the result of the solid resumption of the industrial activity;
- **Orders backlog remains steady, to the tune of R$ 225.4 million in 2Q10, with growth of 7.7% over 1Q10 and 133.4% in relation to 2Q09,** evidencing the recovery of the economic activity level in the domestic's industrial sectors;
- **EBITDA stands at R$ 23.7 million in 2Q10, with margin of 14.1% and growth of 27.7% over 1Q10,** evidencing the Company's capacity for maintenance and cash generation;
- **Strong growth in revenue from Plastic Processing Machines,** with an increase of 86.2% as compared to the previous quarter, due to the growth in demand for consumer goods;
- **Romi reaches the mark of 150,000 machines produced in its manufacturing units,** reflecting the Company's production capacity and solidity in its 80 years of operation.

ROMI - Consolidated	Quarter			Accumulated		
In Thousand Reais	2Q09	2Q10	% Chg.	1H09	1H10	% Chg.
Sales Volume						
Machine Tools (units)	319	538	68.7	565	1.064	88.3
Plastic Machines (units)	61	119	95.1	86	201	133.7
Rough and Machined Cast Iron Parts (tons)	1,952	3,016	54.5	3,778	5,449	44.2
Net Operating Revenue	**104,076**	**167,632**	**61.1**	**179,845**	**312,764**	**73.9**
Gross margin (%)	*30.0%*	*35.6%*		*31.4%*	*35.7%*	
Operating Income (EBIT)	**2,821**	**17,740**	**528.9**	**(11,936)**	**31,671**	**365.3**
Operating margin (%)	*2.7%*	*10.6%*		*-6.6%*	*10.1%*	
Net Income	**505**	**15,223**	**2,914.5**	**(7,333)**	**25,786**	**451.6**
Net margin (%)	*0.5%*	*9.1%*		*-4.1%*	*8.2%*	
EBITDA	**7,244**	**23,711**	**227.3**	**(2,684)**	**42,278**	**1,675.2**
EBITDA margin (%)	*7.0%*	*14.1%*		*-1.5%*	*13.5%*	
Investments	7,869	8,106		39,318	12,908	

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

Corporate Profile

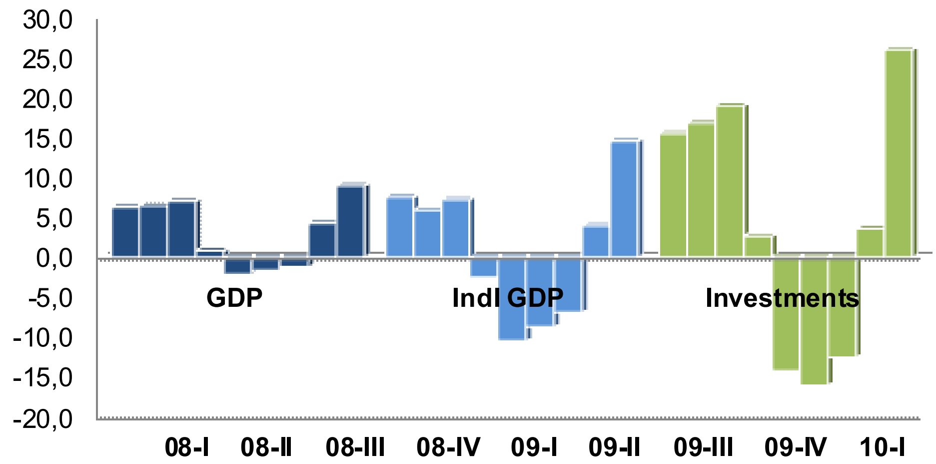
Romi is the leading Brazilian manufacturer of Machine Tools and Plastic Processing Machines. It also has an important share of the Rough and Machined Cast Iron Parts market. The Company's main customer segments are automotive (light and heavy), agricultural machinery, capital goods, consumer goods, tooling, hydraulic equipment, among many others.

The Company has eleven industrial units, four of which are dedicated to the final assembly of industrial machinery. Romi also operates two foundries, three units for the machining of components, one unit for the manufacture of sheet metal components and a plant for the assembly of electronic control panels. The Company has an annual installed capacity of approximately 3,900 industrial machines and about 50,000 tons in castings.

The Machine Tools Business Unit, which accounted for 57.3% of the Company's 2Q10 revenue, comprises lines for Conventional Lathes, CNC Lathes, Machining Centers and Vertical and Horizontal Heavy and Extra-Heavy Lathes. The Rough and Machined Cast Iron Parts and Plastic Processing Machines business units, the latter comprising plastic injection and blow molding machines, contributed 10.6% and 32.1%, respectively, to the revenue in the quarter.

Currrent Economic Scenario

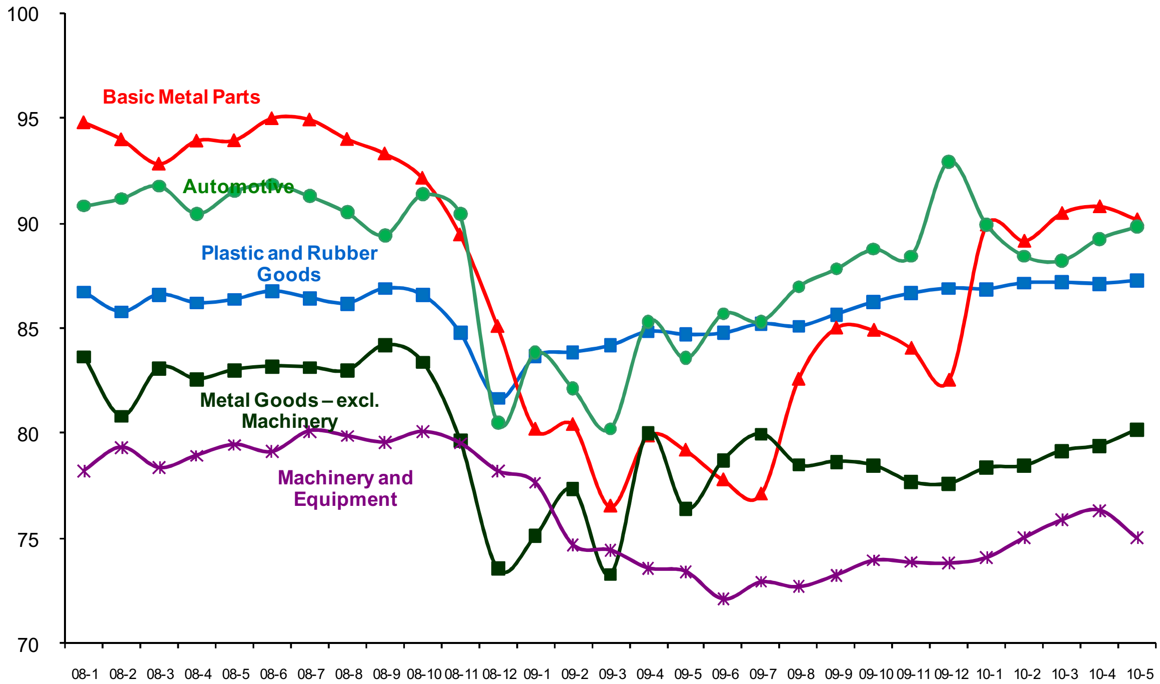
The capital goods industry, given its cyclical characteristics and the fact that it is correlated with the level of investments of other industries, is normally the first to suffer the effects of drops in demand and the slowest to return to normal levels. Even so, as we have already described in previous reports, the Company has been experiencing a gradual and consistent recovery in its business since the second half of 2009, mainly due to the following aspects: (*i*) reduction in the interest rate for fixed capital investments, as carried out by the Brazilian Economic and Social Development Bank (BNDES) in July 2009 and extended through December 2010, (ii) improvement in the industry confidence level; and (*iii*) replenishing of inventories in the economy.



Source: IBGE (quarter x previous year quarter)

Economic data for the first quarter of 2010 (as compared to the first quarter of 2009), disclosed by the Brazilian Statistics Bureau (IBGE) in June 2010, indicates a 14.6% growth of Industrial GDP, with a highlight on the 17.2% increase in value added of the Transformation Industry. Gross Fixed Capital Formation (FBKF) posted a strong growth of 26.0%, resulting from the growth of internal production of machinery and equipment.

The following graph prepared by the São Paulo State Federal of Industries (Fiesp) shows the FBKF in juxtaposition with the level of installed capacity utilization (NUCI). The principal sectors to which we sell our products underwent an important increase in installed capacity utilization, as from the second half of 2009 we can see an improvement in these indicators and in some cases already a return to historical levels of utilization.



Industrial GDP and Gross Fixed Capital Formation are important drivers of our Company's growth.

Market

The Company's principal competitive advantages in the domestic market – cutting-edge technology products, an own distribution network in the country, ongoing technical assistance, availability of attractive customer credit packages in local currency, and short product delivery times – are all recognized by customers, giving the ROMI® brand name a traditional and prestigious reputation.

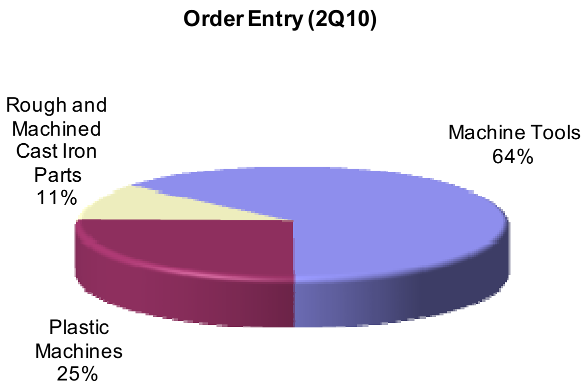
New Orders (gross values, including sales taxes)

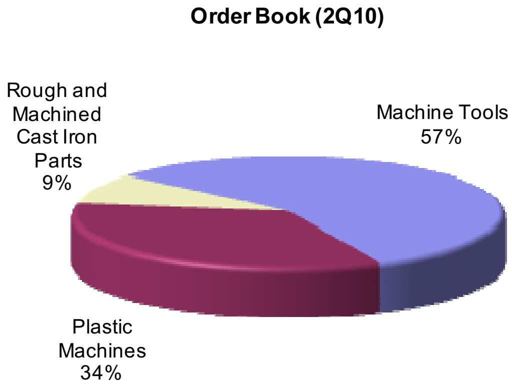
Order Entry (R$ thousands)	1Q10	2Q10	% Chg.	2Q09	2Q10	% Chg.
Machine Tools	94,084	132,784	41.1	73,964	132,784	79.5
Plastic Machines	42,138	53,187	26.2	31,441	53,187	69.2
Rough and Machined Cast Iron Parts	21,968	22,065	0.4	9,332	22,065	136.4
Total	**158,190**	**208,036**	**31.5**	**114,737**	**208,036**	**81.3**

Order Entry (R$ thousands)	1H09	1H10	% Chg.
Machine Tools	108,004	226,868	110.1
Plastic Machines	46,600	95,325	104.6
Rough and Machined Cast Iron Parts	12,953	44,033	239.9
Total	**167,557**	**366,226**	**118.6**

In 2Q10, we posted a rise of 81.3% over the same period of 2009, due to the effects of the economic crisis at that time. In relation to 1Q10, growth was 31.5% we highlight that the greater sales volume of machines is due to the good performance of our products at the International Mechanics Fair in May 2010.

In the Rough and Machined Cast Iron Parts unit, the recovery of the sectors related to agricultural machinery and trucks resulted in stability of new orders in relation to the immediately preceding quarter and an increase of 136.4% over 2Q09.





Order Backlog (gross values, including sales taxes at the end of each period)

Order Book (R$ thousands)	2Q09	2Q10	% Chg.
Machine Tools	65,358	128,434	96.5
Plastic Machines	26,711	77,228	189.1
Rough and Machined Cast Iron Parts	4,510	19,779	338.6
Total	**96,579**	**225,441**	**133.4**

The recovery of the domestic economy, with the acceleration of the industrial activity, allied with the improvement in the industry confidence level and the replenishing of inventories, reflected positively on the order backlog for our products, generating a rise of 133.4% in the comparison with the same period of 2009.

Order Book (R$ thousands)	1Q10	2Q10	% Chg.
Machine Tools	107,763	128,434	19.2
Plastic Machines	80,528	77,228	(4.1)
Rough and Machined Cast Iron Parts	21,066	19,779	(6.1)
Total	**209,357**	**225,441**	**7.7**

In the comparison with the immediately preceding period, the order backlog rose by 7.7%. The growth posted in the Machine Tools unit evidences that the opportunities that arose were efficiently captured by the Company; in the other business units the order backlog had a slight drop.

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

Operating Performance

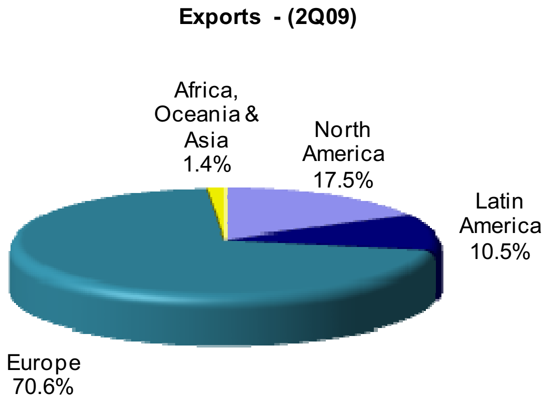
Net Operating Revenue

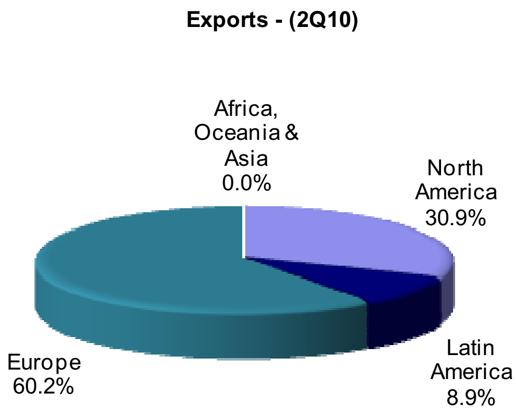
The Company's Net Operating Revenue in 2Q10 reached R$ 167.6 million, representing growth of 61.1% in relation to 2Q09 (R$ 104.1 million).

In comparison with the previous quarter, Net Operating Revenue was up 15.5%. This growth is basically due to the good general performance of its operations and the positive performance of the industrial activity in Brazil in the last quarters.

In YTD terms, Net Operating Revenue for the 1H10, of R$ 312.8 million, exceeded by 73.9% Net Operating Revenue for the first half of 2009, an increase within the Company's expectations.

In 2Q10 foreign market revenue amounted to R$ 15.0 million, an increase of 9.7% in relation to 2Q09 (R$ 13.7 million). In Dollar terms, 2Q10 sales totaled US$ 8.4 million, representing an increase of 22.2% against the US$ 6.8 posted in 2Q09, the relatively low amounts still evidence the economic difficulties faced by the world economy. The Company's foreign market revenue accounted for 9.0% of Net Operating Revenue, as compared with the 13.2% achieved in 2Q09.





Exports in 2Q10 accounted for 9.0% of revenue (13.2% in 2Q09). Europe is our main buying market, representing 60.2% of revenue (70.6% in 2Q09), followed by the United States with 30.9% (17.5% in 2Q09), Latin America with 8.9% (10.5% in 2Q09), other continents did not have any share this quarter (0.8% in 2Q09).

In 1H10, exports accounted for 8.4% (US$ 14.6 million) of Net Operating Revenue, as compared to 17.3% (US$ 14.4 million) in 1H09. In the half, Europe accounted for 59.2% (55.9% in 1H09), the United States accounted for 33.1% (34.4% in 1H09), Latin America 7.0% (8.9% in 1H09), and other countries 0.7% (0.8% in 1H09).

Net Operating Revenue (R$ thousand)

Romi - Consolidated	Quarter			Accumulated		
Net Operating Revenue (R$ `000)	**2Q09**	**2Q10**	**% Chg.**	**1H09**	**1H10**	**% Chg.**
Machine Tools	64,634	96,084	48.7	114,964	198,964	73.1
Plastic Machines	28,859	53,729	86.2	44,266	82,590	86.6
Rough and Machined Cast Iron Parts	10,583	17,819	68.4	20,615	31,210	51.4
Total	**104,076**	**167,632**	**61.1**	**179,845**	**312,764**	**73.9**

Romi - Consolidated	Quarter						
Net Operating Revenue (R$ `000)	**1Q09**	**2Q09**	**3Q09**	**4Q09**	**1Q10**	**2Q10**	**% Chg.**
Machine Tools	50,330	64,634	77,698	118,010	102,880	96,084	(6.6)
Plastic Machines	15,407	28,859	32,057	43,536	28,861	53,729	86.2
Rough and Machined Cast Iron Parts	10,032	10,583	12,250	12,038	13,391	17,819	33.1
Total	**75,769**	**104,076**	**122,005**	**173,584**	**145,132**	**167,632**	**15.5**

Note: See income statement by Business Unit in Appendix I.

Machine Tools

The net operating revenue of this unit reached R$ 96.1 million in 2Q10, posting an increase of 48.7% in relation to 2Q09. Compared with the immediately preceding period, we noted a slight decrease of 6.6%, variation within the Company's expectations.

Volume sales at the Machine Tools Business Unit in 2Q10 totaled 538 units, a growth of 68.7% in relation to 2Q09 (319 units), while in comparison with the immediately preceding period (526 units) there was an increase of 2.3%. The differences between the variation in revenue and volume is the result of the product mix, since in 1H10 we began delivery of many conventional lathes and CNC light lathes, products that have a lower value.

The Business Unit's major domestic customers were from the machining services, automotive, machinery and equipment, oil, technical school, tooling, hydraulic and casting industries.

Plastic Processing Machines

In 2Q10, volume sales at the Plastic Processing Machines Unit totaled 119 units, up 95.1% over 2Q09 (61 units) and, in the comparison with the immediately preceding period (83 units), there was an increase of 43.4%.

The net revenue of this unit reached R$ 53.7 million in 2Q10, representing growth of 86.2% in relation to 2Q09 and also in relation to 1Q10. This growth is due to the resumption of the economic activity, reflected in the consumer goods and packaging segments.

The industries that presented the highest demand for products of this Business Unit were packaging, automotive, service, real estate, and home appliances.

Rough and Machined Cast Iron Parts

Volume sales of this Business Unit in 2Q10 amounted to 3,016 tons, a rise of 54.5% over the 1,952 tons sold in 2Q09. In comparison with the immediately preceding period, there was an increase of 24.5%, which evidences the recovery of some of the segments that buy our products.

The sales volume still below historical levels is the result of the economic slump over the course of 2009, mainly in heavy and extra-heavy parts, many of them for export to developed markets. This unit had a 10.6% share in the Company's total revenue in 2Q10 (10.2% in 2Q09).

Demand during the period came principally from the commercial veichules (trucks) and agricultural machinery segments.

Operating Costs and Expenses

The gross margin achieved in 2Q10 shows an improvement of 5.6 p.p. in relation to 2Q09 and a gradual recovery over the course of last year, due to the increased productivity of the manufacturing units, with a significant rise in production volume.

The operating margin for 2Q10 recovered by 7.9 p.p. in relation to 2Q09 and 1 p.p. in relation to 1Q10.

The main drivers for the improvement of margins were the dilution of fixed costs in view of a greater volume of production and sales, as well as a strict control over operating expenses, which were within the Company's budget planning.

Romi - Consolidated	Quarter			Accumulated	
Gross Margin (%)	**2Q09**	**1Q10**	**2Q10**	**1H09**	**1H10**
Machine Tools	33.7%	41.2%	42.7%	37.6%	41.9%
Plastic Machines	36.2%	31.6%	34.4%	37.3%	33.4%
Rough and Machined Cast Iron Parts	-9.5%	5.4%	0.6%	-15.4%	2.7%
Total	**30.0%**	**36.0%**	**35.6%**	**31.4%**	**35.7%**

Romi - Consolidated	Quarter			Accumulated	
Operating Margin (%)	**2Q09**	**1Q10**	**2Q10**	**1H09**	**1H10**
Machine Tools	10.3%	16.1%	16.8%	1.3%	16.4%
Plastic Machines	-3.8%	-5.6%	6.2%	-15.0%	2.1%
Rough and Machined Cast Iron Parts	-25.8%	-7.6%	-9.8%	-32.7%	-8.9%
Total	**2.7%**	**9.6%**	**10.6%**	**-6.6%**	**10.1%**

Machine Tools

The gross margin of this Business Unit reached 42.7% in 2Q10, a rise of 1.5 p.p. in relation to 1Q10, due to the increase in production volume, generating greater efficiency. Compared with 2Q09 there was a growth of 9.0 p.p.

The operating margin for the second quarter of 2010 recovered 6.5 p.p. in relation to 2Q09 and 0.7 p.p. in relation to 1Q10. Since Romi's operating expenses are more fixed than variable, the volume of revenue explains the fluctuations in the operating margin.

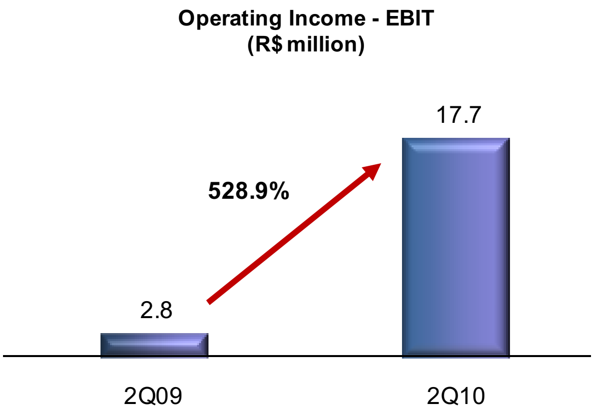
Plastic Processing Machines

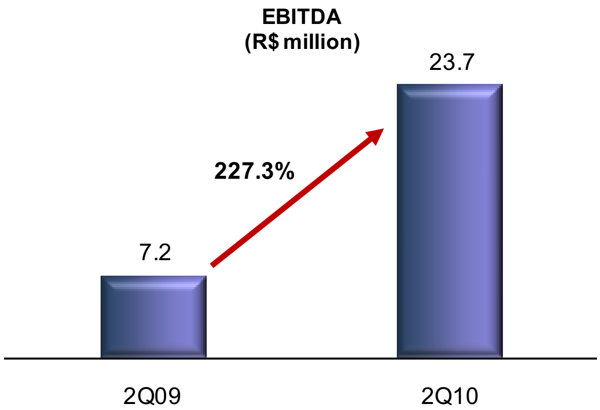
The gross margin in 2Q10 reached 34.4%, recovering 2.8 p.p. in relation to 1Q10, although in comparison with 2Q09 there was a decrease of 1.8 p.p. The greater production volume contributed to this gross margin gain.

The same positive performance was noted in the recovery of operating margin of this unit.

Rough and Machined Cast Iron Parts

This unit has been more intensively impacted by low production volume, posting negative margins in 2009. Certain operating adjustments implemented by the Company have resulted in a gradual improvement in gross and operating margins in the first two quarters of 2010.





EBITDA and EBITDA Margin

In 2Q10, our operating cash flow as measured by EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) was R$ 23.7 million, representing an EBITDA margin of 14.1%.

Reconciliation of Net Income to EBITDA	Quarter					
R$ thousands	2Q09	2Q10	% Chg.	1H09	1H10	% Chg.
Net Income	**505**	**15,223**	**2,914.5**	**(7,333)**	**25,786**	**451.6**
Net Financial Income	1,058	(11)	(101.0)	(2,919)	3,065	205.0
Income tax and social contributions	1,258	2,528	101.0	(1,684)	2,820	267.5
Depreciation and amortization	4,423	5,971	35.0	9,252	10,607	14.6
EBITDA	**7,244**	**23,711**	**227.3**	**(2,684)**	**42,278**	***1,675.2***
EBITDA Margin	***7.0%***	***14.1%***		***-1.5%***	***13.5%***	

Net Income

Net income was R$ 15.2 million in 2Q10, a result that represents an improvement over that posted in 2Q09 (0.5 million) and 44.1% over the R$ 10.6 million posted in 1Q10.

The financial result in 1H10 was impacted by the exchange variation on cash overseas. In 1Q10 the Company remitted to its New York bank account the amount of US$ 74 million and, in 2Q10 (beginning of April), remitted an additional US$ 18 million, totaling US$ 92 million. The strategy for remitting such amounts overseas was the high cost of hedging and the availability of Company cash. The amount is for supporting the acquisition of companies abroad as opportunities arise.

Earnings Distribution

As decided by the Board of Directors at the meeting held on June 8, 2010, payment was made of interest on capital attributable to the mandatory minimum dividend for 2010, in the gross amount of approximately R$ 9.0 million, representing R$ 0.12 per share.

Investments

In 2Q10 investments totaled R$ 8.1 million, which represents an increase of 3.0% in relation to the amounts invested in 2Q09 (R$ 7.9 million). In 2010, funds have basically been earmarked for the maintenance of the plants.

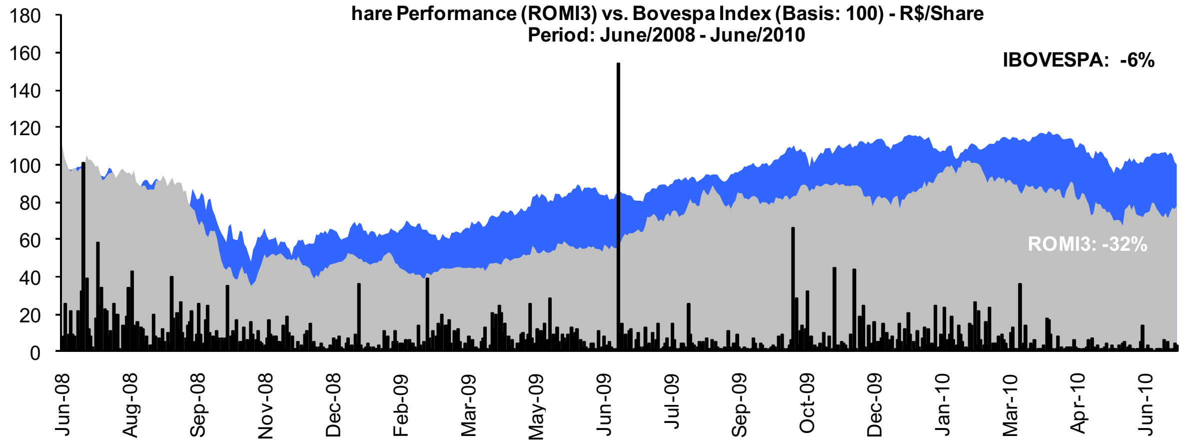
Financial Position

Investments, including those backed up by debentures, are made with prime financial institutions and their yield is substantially linked to the Interbank Certificate of Deposit ("CDI") or time deposit (TD), when abroad. The consolidated position of the Company's cash and cash equivalents at June 30, 2010 was R$ 235 million.

Loans taken out by the Company are basically intended for investments in expansion and modernization of plants, and financing of exports and imports. At June 30, 2010, local currency financing was R$ 238 million and foreign currency financing amounted to R$ 3 million, totaling R$ 241 million.

At June 30, 2010, the Company has not entered into any derivative transactions.

Capital Markets



Source: Bovespa (São Paulo Stock Exchange)

At the end of 2Q10, the Company's common shares (ROMI3) were quoted at R$ 11.23 and were down by 10.2% in the quarter (2Q10 x 1Q10) and up by 27.6% in relation to the end of 2Q09, respectively. The Bovespa index in the same period posted loss of 13.4% and gain of 18.4%, respectively.

The Company's market capitalization at June 30, 2010 was R$ 840 million and the average daily trading volume in 2Q10 was R$ 416 thousand.

IFRS

As already disclosed, as from December 31, 2007 the Company has reported its financial statements in accordance with International Financial Reporting Standards (IFRS). Below we show the impacts of the differences between IFRS and Generally Accepted Accounting Principles in Brazil (BRGAAP) at June 30, 2010.

Amounts in R$ thousand	06/30/10
Shareholders' equity under BRGAAP	688,841
Adjustments under IFRS:	
Amortization of intangible asset arising on acquisition of JAC Indústria Metalúrgica Ltda recorded for IFRS purposes ("JAC")	(616)
Deferred taxes relating to amortization of the intangible asset above	210
Other differences	(116)
Controlling interests	688,319
Non-controlling interests	1,758
Shareholders' equity under IFRS	690,077
Net income for the period under BRGAAP	25,973
Adjustments under IFRS:	
Amortization of intangible asset arising on acquisition of JAC Indústria Metalúrgica Ltda recorded for IFRS purposes ("JAC")	(284)
Deferred taxes relating to amortization of the intangible asset above	97
Net income under IFRS	25,786

NEWS

We regret to inform the death, on May 20, 2010, of Mr. Carlos Chiti, co-founder and chairman of the Company's Advisory Board. Mr. Chiti, 96 years old, held several positions in the Company and definitely contributed to the prominent position achieved by Indústrias Romi.

In June, Romi reached the mark of 150 thousand machines produced in its plants. To celebrate the fact, Romi, which in 2010 completes 80 years of operation, held an event at Manufacturing Unit 16, in Santa Bárbara d'Oeste, for equipment delivery.

Statements contained in this release related to the Company's business prospects, projections for operating and financial results, and references to the Company's growth potential are mere forecasts and were based on Management's expectations regarding its future performance. These expectations are highly dependent upon market behavior and the economic situation of Brazil, the industry and the international markets. Therefore, they are subject to changes.

Financial Statements

Consolidated Balance Sheet
IFRS (R$ thousand)

ASSETS	06/30/09	12/31/09	06/30/10
CURRENT	**801,968**	**914,546**	**948,212**
Cash and Cash equivalents	94,676	225,913	234,892
Marketable securities	5,237	-	-
Trade accounts receivable	51,397	75,935	68,564
Trade accounts receivable - Finame Manufacturer	343,635	342,155	353,514
Inventories	286,057	243,651	263,542
Recoverable taxes	13,973	15,937	11,544
Other assets	6,993	10,955	16,156
NON CURRENT	**768,794**	**825,036**	**840,569**
Long-Term Assets	**480,274**	**537,452**	**550,190**
Trade accounts receivable	3,730	4,468	5,442
Trade accounts receivable - Finame Manufacturer	418,030	477,737	483,322
Recoverable taxes	20,031	14,126	14,604
Deferred income taxes	16,173	16,166	18,304
Escrow Deposits	15,515	17,999	21,365
Other assets	6,795	6,956	7,153
Investments			
Property, Plant and Equipment	282,012	281,361	281,490
Intangible	4,491	4,206	6,872
Goodwill	2,017	2,017	2,017
TOTAL ASSETS	**1.570,762**	**1.739,582**	**1.788,781**

Consolidated Balance Sheet

IFRS (R$ thousand)

LIABILITIES AND SHAREHOLDER'S EQUITY	06/30/09	12/31/09	06/30/10
CURRENT	**391,129**	**406,125**	**423,098**
Loans	30,050	25,538	23,153
Liabilities - Finame Manufacturer	288,827	284,390	289,935
Trade accounts payable	22,076	32,926	40,205
Payroll and related charges	25,362	22,402	32,148
Taxes payable	5,440	10,259	9,294
Advances from customers	5,992	7,584	9,643
Interest on capital, dividends and participations	1,150	10,406	9,118
Other liabilities	12,232	12,620	9,602
NON CURRENT	**502,340**	**648,920**	**675,606**
Long-term liabilities			
Loans	81,263	207,123	217,638
Liabilities - Finame Manufacturer	384,743	405,967	416,900
Deferred income taxes	8,898	8,930	8,704
Taxes payable	3,578	3,642	4,082
Other liabilities	6,092	2,935	4,506
Provision for contingencies	17,766	20,323	23,776
SHAREHOLDER'S EQUITY	**675,493**	**682,540**	**688,319**
Capital	505,764	505,764	505,764
Capital reserves	2,209	2,209	2,209
Profit reserves	169,046	179,041	161,101
Income for the period	-	-	25,377
Other accumulated comprehensive income	(1,526)	(4,474)	(6,132)
NON CONTROLLING INTERESTS	**1,800**	**1,997**	**1,758**
TOTAL SHAREHOLDER'S EQUITY	**677,293**	**684,537**	**690,077**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**1.570,762**	**1.739,582**	**1.788,781**

Consolidated Statement of Income

IFRS (R$ thousand)

R$ Thousand	2Q09	2Q10	% Chg.	1H09	1H10	% Chg.
Net Operating Revenue	**104,076**	**167,632**	**61.1**	**179,845**	**312,764**	**73.9**
Cost of sales and services	(72,864)	(108,035)	48.3	(123,340)	(200,971)	62.9
Gross Profit	**31,212**	**59,597**	**90.9**	**56,505**	**111,793**	**97.8**
Gross Margin %	*30.0%*	*35.6%*		*31.4%*	*35.7%*	
Operating Expenses	**(28,391)**	**(41,857)**	**47.4**	**(68,441)**	**(80,122)**	**17.1**
Selling	(13,594)	(16,651)	22.5	(27,312)	(29,893)	9.5
General and administrative	(13,263)	(18,210)	37.3	(29,902)	(34,759)	16.2
Management profit sharing	(1,239)	(2,648)	113.7	(3,708)	(4,636)	25.0
Research and development	(5,010)	(5,641)	12.6	(11,746)	(11,420)	(2.8)
Taxation	(562)	(215)	(61.7)	(1,065)	(983)	(7.7)
Other operating revenue, net	5,277	1,508	(71.4)	5,292	1,569	(70.4)
Operating Income before Financial Results	**2,821**	**17,740**	**(528.9)**	**(11,936)**	**31,671**	**365.3**
Operating Margin %	*2.7%*	*10.6%*		*(6.6%)*	*10.1%*	
Financial Results	**(1,058)**	**11**	**(101.0)**	**2,919**	**(3,065)**	**(205.0)**
Financial income	2,983	3,674	23.2	8,678	10,097	16.4
Financial expenses	(1,514)	(3,908)	158.1	(2,173)	(7,701)	254.4
FX changes, net	(2,527)	245	(109.7)	(3,586)	(5,461)	52.3
Operating Income	**1,763**	**17,751**	**(906.9)**	**(9,017)**	**28,606**	**417.2**
Income tax and social contribution	(1,258)	(2,528)	101.1	1,684	(2,820)	(267.5)
Net income	**505**	**15,223**	**(2.914.5)**	**(7,333)**	**25,786**	**451.6**
Net Margin %	*0.5%*	*9.1%*		*(4.1%)*	*8.2%*	
Owners of the parent	269	15,024	(5,485.1)	(7,831)	25,377	424.1
Non controlling interest	236	199	15.7	498	409	(17.9)
EBITDA	**7,244**	**23,711**	**(227.3)**	**(2,684)**	**42,278**	**1,675.2**
Net income	505	15,223		(7,333)	25,786	
Income tax and social contribution	1,258	2,528		(1,684)	2,820	
Financial results	1,058	(11)		(2,919)	3,065	
Depreciation	4,423	5,971		9,252	10,607	
EBITDA Margin %	*7.0%*	*14.1%*		*(1.5%)*	*13.5%*	
Nº of shares in capital stock (th)	74,758	74,758		74,758	74,758	
Net income per share - R$	0.01	0.20		(0.10)	0.34	
Book value per share - R$	9.04	9.21		9.04	9.21	

Consolidated Statement of Cash Flows

IFRS (R$ thousand)

R$ thousands	2Q09	2Q10	1H09	1H10
Cash from operating activities				
Net (Loss) Income	**505**	**15,223**	**(7,333)**	**25,786**
Income tax - current and deferred	1,258	2,528	(1,684)	2,820
Depreciation and amortization	4,423	5,971	9,252	10,607
Provision for doubtful accounts and others receivables	1,613	1,651	2,372	3,483
Gain on sale of fixed assets	(4,258)	(1,576)	(4,134)	(1.521)
Financial expenses and FX changes	(3,259)	(1,600)	(3,885)	3,786
Provision for inventory devaluation	3,438	(564)	4,653	(127)
Provision for contingencies	832	1,777	1,887	3.453
Change on operating assets				
Purchase of trading securities	36,903	-	48,482	-
Trade accounts receivable	(9,942)	2,342	25,477	10,753
Trade accounts receivable - Finame Manufacturer	19,090	3,909	62,058	10,746
Inventories	14,692	1,092	(6,537)	(21,209)
Recoverable taxes, net	5,403	1,411	(1,304)	1,572
Escrow deposits	(776)	(1,823)	(1,712)	(3,366)
Other current and long term assets	(520)	(3,715)	(1,158)	(5,883)
Change on operating liabilities	-	-	-	-
Trade accounts payable	(4,436)	(1,814)	(9,409)	5,675
Payroll and related charges	1,906	6,907	(8,459)	9,823
Taxes payable	3,232	1,324	1,559	(2.652)
Advances from customers	(3,280)	2,406	(8,035)	2.078
Other current and long term liabilities	(4,574)	236	(8,236)	(3,374)
Cash provided by (used in) operating activities	**62,250**	**35,685**	**93,854**	**52,704**
Income taxes paid	(849)	-	(1,786)	(904)
Net Cash provided by (used in) operating activities	**61,401**	**35,685**	**92,068**	**51,800**
Acquisitions of fixed assets	(10,583)	(6,821)	(39,788)	(11,050)
Receivables related to sale of assets	3,546	1,492	3,546	1,492
Intangible	1,262	(729)	(567)	(858)
Cash flow used in investment operations	**(5,775)**	**(6,058)**	**(35,675)**	**(10,416)**
Interest on capital paid	(569)	(10,889)	(12,876)	(19,556)
New loans and financing	19,663	2,569	26,575	20,012
Payments of loans	(5,477)	(5,347)	(11,279)	(12,557)
Interests paid (included Finame Manufacturer)	(19,576)	(17,682)	(39,651)	(35,601)
New loans - Finame Manufacturer	39,134	67,382	80,056	156,878
Payments of loans Finame Manufacturer	(67,862)	(70,759)	(131,086)	(139,332)
Repurchase of shares	(3)	-	(10,194)	-
Cash flow from financial activities	**(34,690)**	**(34,726)**	**(98,455)**	**(30,156)**
Net Cash Flow	**20,936**	**(5,099)**	**(42,062)**	**11,228**
Exchange rate of cash and cash equivalents of foreign investments	483	2,799	1,514	(2,249)
Cash and cash equivalents - beginning of period	**73,257**	**237,192**	**135,224**	**225,913**
Cash and cash equivalents - end of period	**94,676**	**234,892**	**94,676**	**234,892**

Appendix I

Income Statement by Business Units - 2Q10

R$ '000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**96,084**	**53,729**	**17,819**	**167,632**
Cost of Sales and Services	(52,752)	(29,659)	(25,624)	(108,035)
Business Units Transfers	5,089	-	10,225	15,314
Business Units Transfers	(7,396)	(5,602)	(2,316)	(15,314)
Gross Profit	**41,025**	**18,468**	**104**	**59,597**
Gross Margin %	*42.7%*	*34.4%*	*0.6%*	*35.6%*
Operating Expenses	**(24,860)**	**(15,139)**	**(1,858)**	**(41,857)**
Selling	(10,318)	(5,887)	(446)	(16,651)
General and Administrative	(10,183)	(6,851)	(1.176)	(18,210)
Management profit sharing	(1,716)	714	(218)	(2,648)
Research and Development	(4,071)	(1,570)	-	(5,641)
Taxation	(76)	(121)	(18)	(215)
Other operating revenue	**1,504**	4	-	1,508
Operating Income before Financial Results	**16,165**	**3,329**	**(1,754)**	**17,740**
Operating Margin %	*16.8%*	*6.2%*	*(9.8%)*	*10.6%*

Income Statement by Business Units - 2Q09

R$ '000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**64,634**	**28,859**	**10,583**	**104,076**
Cost of Sales and Services	(44,219)	(16,134)	(12,511)	(72,864)
Business Units Transfers	2,928	-	2,411	5,339
Business Units Transfers	(1,573)	(2,282)	(1.484)	(5,339)
Gross Profit	**21,770**	**10,443**	**(1,001)**	**31,212**
Gross Margin %	*33.7%*	*36.2%*	*(9.5%)*	*30.0%*
Operating Expenses	**(15,118)**	**(11,545)**	**(1,728)**	**(28,391)**
Selling	(8,677)	(4,090)	(827)	(13,594)
General and Administrative	(7,347)	(5,148)	(768)	(13,263)
Management profit sharing	(799)	(341)	(99)	(1,239)
Research and Development	(3,645)	(1,365)	-	(5,010)
Taxation	(345)	(183)	(34)	(562)
Other operating revenue	5,695	(418)	-	5,277
Operating Income before Financial Results	**6,652**	**(1,102)**	**(2,729)**	**2,821**
Operating Margin %	*10.3%*	*(3.8%)*	*(25.8%)*	*2.7%*

Income Statement by Business Units - 1H10

R$ '000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**198,964**	**82,590**	**31,210**	**312,764**
Cost of Sales and Services	(111,040)	(44,052)	(45,879)	(200,971)
Business Units Transfers	9,088	-	19,648	28,736
Business Units Transfers	(13,634)	(10,956)	(4,146)	(28,736)
Gross Profit	**83,378**	**27,582**	**833**	**111.793**
Gross Margin %	*41.9%*	*33.4%*	*2.7%*	*35.7%*
Operating Expenses	**(50,662)**	**(25,861)**	**(3,599)**	**(80,122)**
Selling	(19,388)	(9,419)	(1,086)	(29,893)
General and Administrative	(20,760)	(11,918)	(2,081)	(34,759)
Management profit sharing	(3,233)	(1,041)	(362)	(4,636)
Research and Development	(8,222)	(3,198)	-	(11,420)
Taxation	(626)	(287)	(70)	(983)
Other operating revenue	1,567	2	-	1,569
Operating Income before Financial Results	**32,716**	**1,721**	**(2,766)**	**31,671**
Operating Margin %	*16.4%*	*2.1%*	*(8.9%)*	*10.1%*

Income Statement by Business Units - 1H09

R$ '000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**114,964**	**44,266**	**20,615**	**179,845**
Cost of Sales and Services	(73,189)	(22,592)	(27,559)	(123,340)
Business Units Transfers	5,776	-	5,974	11,750
Business Units Transfers	(4,382)	(5,167)	(2,201)	(11,750)
Gross Profit	**43,169**	**16,507**	**(3,171)**	**56,505**
Gross Margin %	*37.6%*	*37.3%*	*(15.4%)*	*31.4%*
Operating Expenses	**(41,702)**	**(23,165)**	**(3,574)**	**(68,441)**
Selling	(16,907)	(8,585)	(1,820)	(27,312)
General and Administrative	(18,001)	(10,413)	(1,488)	(29,902)
Management profit sharing	(2,901)	(601)	(206)	(3.708)
Research and Development	(8,872)	(2,874)	-	(11,746)
Taxation	(714)	(291)	(60)	(1,065)
Other operating revenue	5,693	(401)	-	5,292
Operating Income before Financial Results	**1,467**	**(6,658)**	**(6,745)**	**(11,936)**
Operating Margin %	*1.3%*	*(15.0%)*	*(32.7%)*	*(6.6%)*

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Indústrias Romi S.A

Condensed Consolidated Financial Statements for the Period Ended June 30, 2010 and Independent Accountants' Review Report

Deloitte Touche Tohmatsu Auditores Independentes

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT ACCOUNTANTS' SPECIAL REVIEW REPORTTo the Shareholders, Board of Directors and Management of
Indústrias Romi S.A.
Santa Bárbara d'Oeste - SP

1. We have reviewed the interim condensed consolidated financial statements of Indústrias Romi S.A. (the "Company") and subsidiaries for the quarter and six-month period ended June 30, 2010, all expressed in Brazilian reais and prepared under the responsibility of the Company's management, comprising the condensed consolidated balance sheet as of June 30, 2010, condensed consolidated statements of comprehensive income for the quarters and six-month periods ended June 30, 2010 and 2009, condensed statements of changes in shareholders' equity and cash flows for six-month periods ended June 30, 2010 and 2009, and the related notes and Management report

2. Our review was conducted in accordance with specific standards established by the Brazilian Institute of Independent Auditors (IBRACON), together with the Brazilian Federal Accounting Council (CFC), and consisted, principally, of: (a) inquiries of and discussions with certain officials of the Company and its subsidiaries who have responsibility for accounting, financial and operating matters about the main criteria adopted in the preparation of the condensed consolidated financial statements; and (b) review of the information and subsequent events that had or might have had material effects on the financial position and results of operations of the Company and its subsidiaries.

3. Based on our review, we are not aware of any material modifications that should be made to the accounting information included in the condensed consolidated financial statements referred to in paragraph 1 for them to be in conformity with International Accounting Standard (IAS) 34, Interim Financial Statements, issued by the International Accounting Standards Board (IASB).

4. The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

Campinas, July 27, 2010

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Walbert Antonio dos Santos
Engagement Partner

INDÚSTRIAS ROMI S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS AS OF JUNE 30, 2010 AND DECEMBER 31, 2009
(In thousands of Brazilian reais - R$)

ASSETS	Note	2010	2009
CURRENT ASSETS			
Cash and cash equivalents	5	234,892	225,913
Trade accounts receivable	6	68,564	75,935
Onlending of FINAME manufacturer financing	7	353,514	342,155
Inventories	8	263,542	243,651
Recoverable taxes		11,544	15,937
Other receivables		16,156	10,955
Total current assets		948,212	914,546
NONCURRENT ASSETS			
Long-term assets:			
Trade accounts receivable	6	5,442	4,468
Onlending of FINAME manufacturer financing	7	483,322	477,737
Recoverable taxes		14,604	14,126
Deferred income and social contribution taxes		18,304	16,166
Escrow deposits	12	21,365	17,999
Other receivables		7,153	6,956
Property, plant and equipment, net	9	281,490	281,361
Intangible assets		6,872	4,206
Goodwill		2,017	2,017
Total noncurrent assets		840,569	825,036
TOTAL ASSETS		1,788,781	1,739,582

LIABILITIES AND SHAREHOLDERS’ EQUITY	Note	2010	2009
CURRENT LIABILITIES			
Loans and financing	10	23,153	25,538
FINAME manufacturer financing	11	289,935	284,390
Trade accounts payable		40,205	32,926
Payroll and related taxes		32,148	22,402
Taxes payable		9,294	10,259
Advances from customers		9,643	7,584
Dividends and interest on capital		8,090	9,059
Profit sharing		1,028	1,347
Other payables		9,602	12,620
Total current liabilities		423,098	406,125
NONCURRENT LIABILITIES			
Loans and financing	10	217,638	207,123
FINAME manufacturer financing	11	416,900	405,967
Deferred income and social contribution taxes on negative goodwill		8,704	8,930
Taxes payable		4,082	3,642
Reserve for contingencies	12	23,776	20,323
Other payables		4,506	2,935
Total noncurrent liabilities		675,606	648,920
SHAREHOLDERS’ EQUITY			
Capital		505,764	505,764
Capital reserve		2,209	2,209
Retained earnings		161,101	179,041
Profit for the period		25,377	-
Cumulative foreign currency translation adjustments		(6,132)	(4,474)
Controlling interests		688,319	682,540
NON-CONTROLLING INTERESTS		1,758	1,997
TOTAL SHAREHOLDERS’ EQUITY AND NON-CONTROLLING INTERESTS		690,077	684,537
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,788,781	1,739,582

The accompanying notes are an integral part of these condensed consolidated financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDÚSTRIAS ROMI S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2010 AND 2009
(In thousands of Brazilian reais - R$ - except earnings per share)

		Six months ended		Quarters ended	
	Note	06/30/10	06/30/09	06/30/10	06/30/09
NET OPERATING REVENUE		312,764	179,845	167,632	104,076
COST OF SALES		(200,971)	(123,340)	(108,035)	(72,864)
GROSS PROFIT		111,793	56,505	59,597	31,212
OPERATING INCOME (EXPENSES)					
Selling expenses		(29,893)	(27,312)	(16,651)	(13,594)
General and administrative expenses		(34,759)	(29,902)	(18,210)	(13,263)
Research and development expenses		(11,420)	(11,746)	(5,641)	(5,010)
Management profit sharing and compensation	14	(4,636)	(3,708)	(2,648)	(1,239)
Tax expenses		(983)	(1,065)	(215)	(562)
Other operating income, net		1,569	5,292	1,508	5,277
Total		(80,122)	(68,441)	(41,857)	(28,391)
INCOME (LOSS) FROM OPERATIONS BEFORE FINANCIAL INCOME		31,671	(11,936)	17,740	2,821
FINANCIAL INCOME (EXPENSES), NET					
Financial income		10,097	8,678	3,674	2,983
Financial expenses		(7,701)	(2,173)	(3,908)	(1,514)
Exchange gain (loss), net		(5,461)	(3,586)	245	(2,527)
		(3,065)	2,919	11	(1,058)
INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		28,606	(9,017)	17,751	1,763
INCOME TAX AND SOCIAL CONTRIBUTION	15				
Current		(5,119)	(1,339)	(3,270)	(575)
Deferred		2,299	3,023	742	(683)
		(2,820)	1,684	(2,528)	(1,258)
NET INCOME (LOSS)		25,786	(7,333)	15,223	505
Attributable to:					
Controlling interests		25,377	(7,831)	15,024	269
Non-controlling interests		409	498	199	236
		25,786	(7,333)	15,223	505
BASIC EARNINGS (LOSS) PER SHARE - R$	13	0.34	(0.10)	0.20	0.01

The accompanying notes are an integral part of these condensed consolidated financial statements.

INDÚSTRIAS ROMI S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2010 AND 2009
(In thousands of Brazilian reais - R$)

	Six months ended		Quarters ended	
	06/30/10	06/30/09	06/30/10	06/30/09
NET INCOME (LOSS)	25,786	(7,333)	15,223	505
COMPREHENSIVE (LOSS) INCOME				
Currency translation on foreign investments	(1,658)	(7,175)	127	(6,290)
NET COMPREHENSIVE INCOME (LOSS)	24,128	(14,508)	15,350	(5,785)
NET COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO				
Controlling interests	23,719	(15,006)	15,151	(6,021)
Non-controlling interests	409	498	199	236
	24,128	(14,508)	15,350	(5,785)

The accompanying notes are an integral part of these condensed consolidated financial statements.

INDÚSTRIAS ROMI S.A. AND SUBSIDIARIES

STATEMENTS OF CHANGES IN CONDENSED SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED JUNE 30, 2010 AND 2009
(In thousands of Brazilian reais - R$)

		Attributable to controlling interests									
				Earnings reserve			Cumulative foreign	Profit			
	Note	Capital	Capital reserve	Retained earnings	Legal reserve	Total	currency translation adjustments	(loss) for the period	Controlling interests	Non-controlling interests	Total
BALANCE AS OF DECEMBER 31, 2008		505,764	2,209	150,238	36,833	187,071	5,649	-	700,693	2,536	703,229
Net loss		-	-	-	-	-	-	(7,831)	(7,831)	498	(7,333)
Foreign currency translation adjustments		-	-	-	-	-	(7,175)	-	(7,175)	-	(7,175)
Comprehensive loss		-	-	-	-	-	(7,175)	(7,831)	(15,006)	498	(14,508)
Share buyback		-	-	(10,194)	-	(10,194)	-	-	(10,194)	-	(10,194)
Proposed dividends (equivalent to R$2.87 per share)		-	-	-	-	-	-	-	-	(1,234)	(1,234)
BALANCE AS OF JUNE 30, 2009		505,764	2,209	140,044	36,833	176,877	(1,526)	(7,831)	675,493	1,800	677,293
BALANCE AS OF DECEMBER 31, 2009		505,764	2,209	141,603	37,438	179,041	(4,474)	-	682,540	1,997	684,537
Net income		-	-	-	-	-	-	25,377	25,377	409	25,786
Foreign currency translation adjustments		-	-	-	-	-	(1,658)	-	(1,658)	-	(1,658)
Comprehensive income		-	-	-	-	-	(1,658)	25,377	23,719	409	24,128
Interest on capital - Law 9249/95	13c	-	-	(17,940)	-	(17,940)	-	-	(17,940)	-	(17,940)
Proposed dividends (equivalent to R$1.54 per share)		-	-	-	-	-	-	-	-	(648)	(648)
BALANCE AS OF JUNE 30, 2010		505,764	2,209	123,663	37,438	161,101	(6,132)	25,377	688,319	1,758	690,077

The accompanying notes are an integral part of these condensed consolidated financial statements.

INDÚSTRIAS ROMI S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED JUNE 30, 2010 AND 2009
(In thousands of Brazilian reais - R$)

	Note	06/30/10	06/30/09
Cash flows from operating activities:			
Net income (loss)		25,786	(7,333)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Current and deferred income and social contribution taxes	15	2,820	(1,684)
Depreciation and amortization		10,607	9,252
Allowance for doubtful accounts and other receivables		3,483	2,372
Proceeds from sale of fixed assets	9	(1,521)	(4,134)
Financial expenses and exchange gain (loss)		3,786	(3,885)
Provision for inventory losses		127	4,653
Reserve for contingencies		3,453	1,887
Increase (decrease) in assets:			
Short-term investments in trading securities		-	48,482
Trade accounts receivable		10,753	25,477
Onlending of FINAME manufacturer financing		10,746	62,058
Inventories		(21,209)	(6,537)
Recoverable taxes, net		1,572	(1,304)
Escrow deposits		(3,366)	(1,712)
Other receivables		(5,883)	(1,158)
Increase (decrease) in liabilities:			
Trade accounts payable		5,675	(9,409)
Payroll and related taxes		9,823	(8,459)
Taxes payable		(2,652)	1,559
Advances from customers		2,078	(8,035)
Other payables		(3,374)	(8,236)
Cash provided by operating activities		52,704	93,854
Income tax and social contribution paid		(904)	(1,786)
Net cash provided by operating activities		51,800	92,068
Cash flows from investing activities:			
Purchase of fixed assets		(11,050)	(39,788)
Proceeds from sale of fixed assets		1,492	3,546
Increase in intangible assets		(858)	567
Net cash used in investing activities		(10,416)	(35,675)
Cash flows from financing activities:			
Interest on capital and dividends paid		(19,556)	(12,876)
New loans and financing		20,012	26,575
Payments of loans and financing		(12,557)	(11,279)
Interests paid (included Finame manufacturer financing)		(35,601)	(39,651)
New loans in FINAME manufacturer		156,878	80,056
Payment of FINAME manufacturer financing		(139,332)	(131,086)
Share buyback	17	-	(10,194)
Net cash provided (used in) by financing activities		(30,156)	(98,455)
Increase (decrease) in cash and cash equivalents		11,228	(42,062)
Cash and cash equivalents at beginning of period		225,913	135,224
Exchange variation changes on cash and cash equivalents abroad		(2,249)	1,514
Cash and cash equivalents at end of period	5	234,892	94,676

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. OPERATIONS

Indústrias Romi S.A. (the "Company") is engaged in the manufacture and sale of machine tools, metal cutting machines, plastic injection molding machines, industrial equipment and accessories, tools, castings and parts in general, IT equipment and peripherals, systems analysis and development of data processing software related to the production, sale, and use of machine tools and plastic injectors, manufacturing and sale of rough cast parts and machined cast parts, export and import, representation on own account or for the account of third parties, and provision of related services, as well as holding interests in other commercial or civil companies, as partner or shareholder, and the management of own and/or third-party assets. The Company's industrial facilities consist of eleven plants divided into three units located in the city of Santa Bárbara d'Oeste, in the State of São Paulo and two in Turin, Italy. The Company also holds equity interests in subsidiaries in Brazil and abroad, as described in Note 3.

2. BASIS OF PRESENTATION

The condensed consolidated interim financial statements for the quarter ended June 30, 2010 have been prepared according to IAS 34, Interim Financial Statements. The condensed consolidated interim financial statements should be read together with the consolidated financial statements for the year ended December 31, 2009, which have been prepared according to the international financial reporting standards issued by the International Accounting Standards Board (IASB).

The accounting policies adopted for the condensed consolidated interim financial statements are consistent with the accounting policies adopted and disclosed in the consolidated financial statements for the year ended December 31, 2009, except for the adoption or issuance of new or amended IFRSs and/or IFRIC interpretations, as explained below:

(a) Adoption of new and amended IFRSs and IFRIC interpretations

The following new standards, amendments or interpretations, although, with no material impacts on the Financial Statements of the Company, are mandatory for the first time for annual reporting periods starting on or after January 1, 2010:

- IAS 32 (amendment), "Classification of Rights Issues", effective for annual periods beginning on February 1, 2010. This standard is currently not applicable to the Company;

- IFRS 2 (amendment), "Share-Based Payment: Group and treasury share transactions". Effective for annual periods beginning on or after July 1, 2009. This standard is currently not applicable to the Company;

- IFRS 3 (as revised), "Business Combinations" and IAS 27 (amendment), "Consolidated and Separate Financial Statements" and consequential amendments to IFRS 7, "Financial Instruments: Disclosures", IAS 21, "The Effects of Changes in Foreign Exchange Rates", IAS 28, "Investments in Associates", and IAS 31, "Interests in Joint Ventures", IAS 34, "Interim Financial Reporting" and IAS 39, "Financial Instruments: Recognition and Measurement", effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after July 1, 2009. The Company will apply the IFRS 3 (as revised) prospectively for business combinations for which the acquisition date is on or after January 1, 2010;

- IFRIC 17, "Distributions of Non-Cash Assets to Owners". Effective for annual periods beginning on or after July 1, 2009. This interpretation is currently not applicable to the Company;

- IFRIC 18, "Transfers of Assets from Customers". Effective for annual periods beginning on or after July 1, 2009. This interpretation is currently not applicable to the Company.

(b) New and amended IFRS and IFRIC interpretations effective for annual periods beginning on or after January 1, 2010:

- IAS 24, "Related Party Disclosures", effective for annual periods beginning on January 1, 2011;

- IFRS 1 (amendment). 'First-time Adoption', effective for annual periods beginning on January 1, 2011. This standard is currently not applicable to the Company;

- IFRS 9, "Financial Liabilities", effective for annual periods beginning on January 1, 2013;

- IFRIC 14 (amendment) "Prepayment of a Minimum Funding Requirement" effective for annual periods beginning on January 1, 2011;

- IFRIC 19, "Extinguishing Financial Liabilities", effective for annual periods beginning on July 1, 2010.

3. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The Company fully consolidated the financial statements of all its subsidiaries. There is control when the Company holds, directly or indirectly, most of the voting rights at the Shareholders' Meeting or has the power to determine the financial and operational policies, to obtain benefits from its activities. The condensed consolidated financial statements include the accounts of the Company and the following subsidiaries:

Subsidiary	Country	Main activity
Rominor Comércio, Empreendimentos e Participações S.A. ("Rominor")	Brazil	Ventures and equity interests in general
Romi Machine Tools, Ltd. ("Romi Machine Tools")	United States of America	Distribution of machine tools and cast and machined products in North America
Interocean Comércio Importadora e Exportadora S.A. ("Interocean")	Brazil	Trading company, not operating in the periods presented

Subsidiary	Country	Main activity
Romi A.L. S.A. ("Romi A.L.") (anteriormente denominada Favel S.A.)	Uruguay	Sales representation for Latin America
Romi Europa GmbH ("Romi Europa")	Germany	Technical assistance and support to dealers in Europe, Asia, Africa and Oceania
Helen Acquisition Corp. (a)	United States of America	Nonoperational holding engaged in holding equity interests in other entities.
Romi Itália S.r.l. ("Romi Itália")	Italy	Development of projects, production and sales, technical assistance, distribution, import and export of machinery and equipment for the processing of plastic raw materials
Subsidiaries of Romi Italia:		
Sandretto UK Ltd.	United Kingdom	Distribution of machinery for plastics, spare parts services and technical assistance.
Sandretto Industries S.A.S.	France	
Metalmecanica Plast B.V.	The Netherlands	
Italprensas Sandretto S.A.	Spain	

(a) On March 23, 2010, the Company organized the wholly-owned subsidiary Helen Acquisition Corp. to make it feasible the acquisition of ownership interests outside Brazil. The Company considers this investment an independent entity and, therefore, as required by IAS 21, the related exchange gains (losses) were recorded directly in shareholders' equity under "Other comprehensive income".

The balances of the balance sheets as of June 30, 2010 and December 31, 2009 and the income statements for the period ended June 30, 2010 and 2009 are summarized below. The financial information of the subsidiaries Interocean, Romi Europa, Romi Machine Tools and Romi A.L. are not presented, because of the immateriality of the balances:

	Helen Acquisiton Corp.	Romi Itália e controladas		Rominor	
	06/30/10	06/30/10	12/31/09	06/30/10	12/31/09
Assets:					
Current	165,828	45,902	50,587	19,538	26,475
Noncurrent	-	14,192	15,885	6,280	6,300
Total assets	165,828	60,094	66,472	25,818	32,775
Liabilities:					
Current	-	23,817	24,764	440	3,944
Noncurrent	-	6,928	7,139	-	-
Shareholders' equity	165,828	29,349	34,569	25,378	28,831
Total liabilities and shareholders' equity	165,828	60,094	66,472	25,818	32,775

	Helen Acquisition Corpo	Romi Itália e controladas		Rominor	
	06/30/10	06/30/10	30/06/09	06/30/10	30/06/09
Net operating revenue	-	17,122	13,825	6,153	7,322
Gross (loss) profit	-	4,419	5,027	6,118	7,286
Income (loss) from operations	113	(5,205)	(6,368)	6,927	8,503
Income (loss) before taxes	113	(5,205)	(6,368)	6,927	8,503
Net income (loss)	113	(5,248)	(6,370)	5,909	7,169
Comprehensive income					
Currency translations on foreign investments	-	793	283	-	-
Net comprehensive income (loss)	113	(4,455)	(6,087)	5,909	7,169

The condensed consolidated interim consolidated for the six month ended June 31, 2010 and 2009 and the financial statements for the year ended December 31, 2009 of foreign subsidiaries, prepared for the same reporting period of the Company's financial statements, have been prepared in accordance with the international financial reporting standards.

Intercompany balances and transactions have been eliminated in consolidations using the following main procedures:

a) Elimination of intercompany balances.

b) Elimination of intercompany inventory profits, when material.

c) Elimination of the Company's investments with the subsidiaries' capital, reserves and retained earnings balances, and reclassification of negative goodwill of the subsidiary Rominor to liabilities.

d) Elimination of intercompany transactions.

e) Recording of minority interest in a separate caption in the consolidated financial statements.

4. RECONCILIATIO BETWEEN IFRS AND BRGAAP

A The Company filed the individual and consolidated financial statements, prepared in conformity with Brazilian accounting practices (BRGAAP).

Below is the reconciliation between the main differences between IFRS and BRGAAP which affected shareholders' equity as of June 30, 2010 and December 31, 2009 and net income for the period ended June 30, 2010 and 2009:

Reconciliation of shareholders´equity - BR GAAP "versus" IFRS

	06/30/10	12/31/09
Shareholders' equity under BR GAAP	688,841	682,875
Adjustments under IFRS:		
Amortization of intangible asset, recorded for IFRS purposes, arising from the acquisition of JAC Indústria Metalúrgica Ltda. ("JAC")	(616)	(332)
Deferred taxes related to the amortization of intangible assets above	210	113
Other differences	(116)	(116)
Controlling interests	688,319	682,540
Non controlling interests	1,758	1,997
Shareholders' equity under IFRS	690,077	684,537

Reconciliation of net income - BR GAAP "versus" IFRS

	06/30/10	30/06/09
Net income under BR GAAP	25,973	(7,302)
Adjustments under IFRS:		
Amortization of intangible asset, recorded for IFRS purposes, arising from the acquisition of JAC Indústria Metalúrgica Ltda. ("JAC")	(284)	(47)
Deferred taxes related to the amortization of intangible assets above	97	16
Net income under IFRS	25,786	(7,333)

5. CASH AND CASH EQUIVALENTS

	06/30/10	12/31/09
Cash	10,636	9,219
Bank certificates of deposits (CDB) (a)	37,790	161,644
Short-term investments backed by debentures (a)	19,000	53,594
Short-term investments in foreign currency - US$ (time deposit) (b)	167,220	1,456
Other	246	-
Cash and cash equivalents	234,892	225,913

(a) Short-term investments are conducted with prime financial institutions to minimize credit risk; this policy was adopted by the Company for the management of these financial assets. The income from these assets is substantially linked to the CDI (interbank deposit rate) variation. They comprise cash, demand deposits and short-term investments that can be redeemed within 90 days from the investment date.

(b) The short-term investments made with foreign prime financial institutions, in US dollars, yield fixed interest ranging from 0.29% to 0.50% per year. These short-term investments are used to hedge capital against foreign currency fluctuations, in case of an acquisition transaction is performed abroad.

In the first half of 2010, the Company migrated its short-term investments from CDBs and debentures to time deposits with a view to increase the capital of the wholly-owned subsidiary Helen Acquisition Corp. The transfer of ownership of these short-term investments was then effected in April 2010.

6. TRADE ACCOUNTS RECEIVABLE

	06/30/10	12/31/09
Current:		
Domestic customers	60,840	57,722
*Foreign cus*tomers	14,976	22,869
Allowance for doubtful accounts	(7,252)	(4,656)
Total	68,564	75,935
Noncurrent:		
Domestic customers	4,612	3,448
Foreign customers	830	1,020
Total	5,442	4,468

The Company’s maximum exposure to credit risk is the balance of trade notes receivable previously mentioned.

The Company has R$ 7,594 as of June 30, 2010 (R$ 9,751 as December 31, 2009) in sale financing transactions with its customers. In these transactions the Company is jointly liable for the financing repayment. In the event of the customer’s default, the Company is liable for the payment and the equipment pledged to the financial institution is transferred to the Company. The balance of trade accounts receivable is presented net of sale financing transactions.

The balance of trade accounts receivables from domestic customers as of June 30, 2010 and December 31, 2009, is as follows:

	06/30/10	12/31/09
Current	53,756	48,330
Past due:		
1 to 30 days	3,470	5,415
31 to 60 days	1,115	732
61 to 90 days	365	220
91 to 180 days	482	1,002
181 to 360 days	543	1,137
Over 360 days	1,109	886
Total past-due	7,084	9,392
Total trade accounts receivables	60,840	57,722

The balance of trade accounts receivable from foreign customers as of June 30, 2010 and December 31, 2009 is as follows:

	06/30/10	12/31/09
Current	12,729	17,887
Past-due:		
1 to 30 days	1,021	2,217
31 to 60 days	295	1,187
61 to 90 days	275	95
91 to 180 days	196	421
181 to 360 days	265	256
Over 360 days	195	806
Total past-due	2,247	4,982
Total trade accounts receivables	14,976	22,869

The changes in the allowance for doubtful accounts are as follows:

Balance as of December 31, 2009	4,656
Receivables accrued in the year	2,616
Receivables definitively written off	(20)
Balance as of June 30, 2010	7,252

7. ONLENDING OF FINAME MANUFACTURER FINANCING

	06/30/10	12/31/09
Current assets:		
FINAME falling due	306,606	291,063
FINAME awaiting release (a)	9,215	10,835
FINAME past due (b)	37,693	40,257
	353,514	342,155
Noncurrent assets:		
FINAME falling due	428,034	412,728
FINAME awaiting release (a)	55,288	65,009
	483,322	477,737
Total	836,836	819,892

Onlending of Finame Manufacturer financing refers to sales to customers financed by funds from the National Bank for Economic and Social Development (BNDES) through a credit line named Finame Manufacturer financing (see Note 11).

FINAME Manufacturer financing refers to funds specifically linked to sales transactions, with terms of up to 60 months, option of up to 12 months grace period and the following interest: (a) between 4% and 5.8% per annum, plus long-term interest rate (TJLP); (b) 4.5% per annum, prefixed according to Circular 79, of July 10, 2009, for transactions carried out between July 27, 2009 and June 30, 2010; and (c) 5.5% per annum, prefixed, according to Circular 27, of May 27, 2010, for transactions contracted between July 1, 2010 and December 31, 2010. The financing terms established by the BNDES are based on the customer's characteristics. Funds are released by the BNDES by identifying the customer and the sale, and the fulfillment, by the customer, of 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 terms related to 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 has title to the financed equipment until the final settlement of the obligation by the customer.

Amounts receivable - onlending of FINAME Manufacturer financing are represented by:

(a) FINAME awaiting release: refers to FINAME Manufacturer financing transactions already fulfilling the specified terms and approved by the involved parties, including the preparation of documentation, issuance of sales invoice, and delivery of equipment to customer. The credit of the related funds to the Company's account by the agent bank was pending on the date of the financial statements, in view of the normal operating terms of the agent bank.

(b) FINAME past-due: refers to amounts receivable not settled by the customer on the due date, considering the dates of the financial statements. The Company did not record a provision for possible loss on this balance, because it has title to the machines sold (guarantee) and, therefore, believes that in the event of an execution of this guarantee, the amount would be sufficient to cover the total amount due by the customer.

As of June 30, 2010 and December 31, 2009, the balances as of “Onlending of Finame Manufacturer financing” are as follows:

	06/30/10	12/31/09
Current	315,821	301,898
Past-due:		
1 to 30 days	6,176	5,122
31 to 60 days	4,144	3,335
61 to 90 days	3,746	2,772
91 to 180 days	6,954	7,634
181 to 360 days	7,287	14,452
Over 360 days	9,386	6,942
	37,693	40,257
Total current	353,514	342,155
2011	-	-
2012	244,010	240,889
2013	159,999	150,529
2014 and thereafter	74,297	77,327
Total noncurrent	5,016	8,992
Total current	483,322	477,737
Total	836,836	819,892

8. INVENTORIES

	06/30/10	12/31/09
Finished products	92,970	93,114
Work in process	85,743	79,444
Raw materials and components	80,288	69,542
Import in transit	4,541	1,551
Total	263,542	243,651

Inventory balance is net of the amount of R$ 20,933 (R$ 20,441 as of December 31, 2009), of the provision for the realization of inventories of slow-moving materials and components with remote probability of being realized through sale or use.

9. PROPERTY, PLANT AND EQUIPAMENT, NET

Changes in property, plant and equipment as are follows:

Balance as of December 31, 2009	281,361
Changes in the period:	
Additions	12,908
Disposals	(1,371)
Depreciation	(10,273)
Exchange rate changes	(1,135)
Balance as of June 30, 2010	281,490
Gross Property, plant and equipment as of June 30, 2010	436,980
Accumulated depreciation as of June 30, 2010	(155,490)

In view of the financing agreements with the BNDES for investment in property, plant and equipment, R$ 51,215 (R$ 51,226 as of December 31, 2009) of property, plant and equipment items is pledged as collateral. These items are fully represented by machinery and equipment.

In the period ended June 30, 2010, the Company capitalized financial charges in the amount of R$ 40 (R$ 672 as of June 30, 2009), appropriated to "Construction in progress".

10. FINANCING

Changes in financing are as follow:

	Local currency	Foreign currency	Total
Balance as of December 31, 2009 (current and noncurrent)	228,644	4,017	232,661
New loans and financing (a)	20,012	-	20,012
Payments of loans and financing	(11,459)	(1,098)	(12,557)
Interests paid	(6,509)	(460)	(6,969)
Exchange rate (principal and interest)	(270)	336	66
Financial charges	7,571	7	7,578
Balance as of June 30, 2010 (current and noncurrent)	237,989	2,802	240,791

The maturities of the financing recorded in noncurrent liabilities as of June 30, 2010 are as follows:

2011 (six months)	11,768
2012	108,041
2013	31,368
2014	23,474
2015 and thereafter	42,987
Total	217,638

(a) Refer to a new financing occurred on March, 2010, the Company entered into a financing agreement with the BNDES, under the BNDES Investment Support Program (BNDES PSI), related to an export contract. The financing will be paid in a single installment on December 15, 2012. The Company commits itself to exporting until the agreement settlement date, the equivalent to US$ 10,000,000, Interest on such financing is prefixed at 4.5% per annum. The financing is collateralized by a promissory note signed by the Company. If the amount exported does not reach the amount committed, the Company will be liable for a contractual fine of 10 percent of the difference between the amount exported versus the amount committed. The Company expects to fulfill the export terms and conditions set forth in the financing agreement.

The Company has certain financing agreements that set out financial ratios to be met by the financial statements annually, which, therefore, have no impact on the condensed consolidated interim financial statements.

11. FINANCING - FINAME MANUFACTURER

	06/30/10	12/31/09
Current:		
FINAME Manufacturer	289,935	284,390
Noncurrent:		
FINAME Manufacturer	416,900	405,967

The agreements related to FINAME Manufacturer financing are guaranteed by promissory notes and surety, and the main guarantor is the subsidiary Rominor. The balances are directly related to the balances of the line item “Amounts receivable - onlending of FINAME Manufacturer financing” (see note 7), considering that the financing are directly linked to sales to specific customers. Contractual terms related to amounts, charges and periods financed under the program are fully passed on to the financed customers, and monthly receipts from the line item “Amounts receivable - onlending of FINAME Manufacturer financing” are fully used for amortization of the related financing agreements. The Company, therefore, acts an agent bank for the financing, but remains as the main debtor of this transaction.

The maturities of FINAME Manufacturer financing recorded in noncurrent liabilities as of June 30, 2010 are as follows:

2011 (six months)	153,586
2012	188,128
2013	66,704
2014	8,453
2015	29
Total	416,900

12. RESERVE FOR CONTINGENCIES

The Company’s and subsidiaries’ management, along with the legal counsel, classified lawsuits according to the risk of an unfavorable outcome, as specified below:

	Classification of lawsuits amounts as of June 30, 2010			Recognized reserve	
	Remote	Possible	Probable	06/30/10	12/31/09
Tax	392	4,010	21,707	21,707	18,573
Civil	1,502	1,715	318	318	312
Labor	8,426	210	2,397	2,397	2,284
Total	10,320	5,935	24,422	24,422	21,169
Current balance				646	846
Noncurrent balance				23,776	20,323

As of June 30, 2010, the main lawsuits, which were classified by Management as probable loss based on the opinion of legal counsel and, therefore, were included in the reserve for contingencies, are as follows:

	12/31/09	Additions	Use/reversals	Inflation adjustment	06/30/10
Tax	18,573	3,134	-	-	21,707
Civil	312	-	(13)	19	318
Labor	2,284	486	(481)	108	2,397
	21,169	3,620	(494)	127	24,422

In subsidiaries there are no ongoing litigations or contingency risks to be considered, according to assessment made by Management and its legal counsel.

As of June 30, 2010, the main lawsuits, which were classified by Management as probable loss based on the opinion of legal counsel and, therefore, were included in the reserve for contingencies, are as follows:

a) Tax lawsuits

Refer to reserve for PIS and COFINS (taxes on revenue) on ICMS (state VAT) on sales in the amounts of R$ 3,781 (R$ 3,223 as of December 31, 2009) and R$ 17,420 (R$ 14.844 as of December 31, 2009), respectively, and INSS (social security contribution) on services provided by cooperatives in the amount of R$ 506 (R$ 506 as of December 31, 2009). The Company is depositing in escrow PIS and COFINS on ICMS on sales, the amount recorded is R$ 21,365 (R$ 17,999 as of December 31, 2009).

b) Civil lawsuits

Refer to contractual review claims filed in courts by customers.

c) Labor lawsuits

The Company recognized a reserve for contingencies for labor lawsuits in which it is the defendant, whose main causes of action are as follows: a) overtime due to reduction in lunch break; b) 40% fine on FGTS (severance pay fund) prior to retirement; c) 40% fine on FGTS on the elimination of inflation effects of the Verão and Collor economic plans; and d) indemnities for occupational accidents and joint liability of outsourced companies.

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

13. EARNINGS PER SHARE AND INTEREST ON CAPITAL

a) Changes in the number of shares

Shares issued	Common	Total
Shares as of December 31, 2009	74,757,547	74,757,547
Shares as of June 30, 2010	74,757,547	74,757,547

b) Earnings per share

In compliance with IAS 33, *Earnings per Share,* the following tables reconcile the net income with the amounts used to calculate the basic and diluted earnings per share:

	06/30/10	30/06/09
Net (loss) income attributable to controlling interest	25,786	(7,831)
Weighted average of shares issued (in thousands)	74,758	74,999
Basic and diluted earnings (loss) per share	0.34	(0.10)

c) Interest on capital

In March 16, 2010, according the Shareholders' Meeting, the Company approved the payment of interest on capital, in the amount of R$ 8,970, with withholding of income tax in the amount of R$ 1,015. This amount represented R$ 0.12 per share and the payment was made on April 20, 2010.

In June 8, 2010, according the Shareholders' Meeting, the Company approved the payment of interest on capital, in the amount of R$ 8,970, with withholding of income tax in the amount of R$ 1,015. This amount represented R$ 0.12 per share and the payment was made on July 20, 2010

The Company approved the payment of interest on capital in the six months ended June 30, 2010:

Proceeds	Event - Date	Gross	Net of withholding income tax	Gross amount per share (R$)	Payment date
Interest on capital	BDM - 16/03/10	8,970	7,955	0.12	04/20/2010
Interest on capital	BDM - 08/06/10	8,970	7,955	0.12	07/20/2010
Soma		17,940	15,910		

14. MANAGEMENT COMPENSATION

Management compensation for the period ended June 30, 2010 and 2009 are as follows:

	06/30/10	30/06/09
Fees and charges	3,423	3,278
Profit sharing	947	-
Private pension plan	226	399
Healthcare plan	40	31
Total	4,636	3,708

15. INCOME AND SOCIAL CONTRIBUTION TAXES

Income tax is calculated at the rate of 15%, plus a 10% surtax on annual taxable income exceeding R$ 240. Social contribution is calculated at the rate of 9% on taxable income.

The table below shows a reconciliation of taxes on income before income tax and social contribution by applying the prevailing tax rates as of June 30, 2010 and 2009:

	06/30/10	30/06/09
Income (loss) before income and social contribution taxes	28,606	(9,017)
Statutory rate (income and social contribution taxes)	34%	34%
Expected income and social contribution tax charges at statutory rate	(9,726)	3,066
Reconciliation to the effective rate:		
Interest on capital	-	-
Management profit sharing	6,100	-
Other (additions) deductions, net (*)	(322)	-
Income and social contribution tax charges - current and deferred	1,128	(1,382)
Income (loss) before income and social contribution taxes	(2,820)	1,684

(*) This amount refers basically to the difference in the calculation of income and social contribution taxes between the actual taxable income and presumed income methods, due to the fact that the subsidiary Rominor is a taxpayer under the presumed income regime during the reported periods and due to the non-recognition of deferred income tax on the tax losses of foreign subsidiaries.

Income tax and social contribution income (expenses) was recognized using the tax rate levied on total annual profit determined based on management's best estimate for 2010.

16. SEGMENT REPORTING

To manage its business, the Company is organized into three business units, on which the company's segment reporting is based. The main segments are machine tools, plastic injectors and cast and machined products. Segment reporting for the period ended June 30, 2010 and 2009 are as follows:

	06/30/10				
	Machine tools	Plastic Injection machines	Cast and machined products	Eliminations between segments and other	Consolidated
Operating revenue, net	198,964	82,590	31,210	-	312,764
Cost of sales	(111,040)	(44,052)	(45,879)	-	(200,971)
Transfer remitted	9,088	-	19,648	(28,736)	-
Transfer received	(13,634)	(10,956)	(4,146)	28,736	-
Gross profit (loss)	83,378	27,582	833	-	111,793
Operating income (expenses):					
Selling expenses	(19,388)	(9,419)	(1,086)	-	(29,983)
General and administrative expenses	(20,760)	(11,918)	(2,081)	-	(34,759)
Research and development expenses	(8,222)	(3,198)	-	-	(11,420)
Management profit sharing and compensation	(3,233)	(1,041)	(362)	-	(4,636)
Tax expenses	(626)	(287)	(70)	-	(983)
Others income (expenses)	1,567	2	-	-	1,569
(Loss) income from operations before financial results	32,716	1,721	(2,766)	-	31,671
Inventories	163,190	86,905	13,447	-	263,542
Depreciation	6,792	1,233	2,582	-	10,607
Property, plant and equipment, net	99,393	28,028	154,069	-	281,490
Goodwill	-	3,696	-	-	3,696

	Europe	North America	Latin America	Africa and Asia	Total
Net operating revenue per geographical region	15,502	8,662	288,405	195	312,764

	Six months period ended June 30, 2010				
	Machine tools	Plastic Injection machines	Cast and machined products	Eliminations between segments and other	Consolidated
Operating revenue, net	96,084	53,729	17,819	-	167,632
Cost of sales	(52,752)	(29,659)	(25,624)	-	(108,035)
Transfer remitted	5,089	-	10,225	(15,314)	-
Transfer received	(7,396)	(5,602)	(2,316)	15,314	-
Gross profit (loss)	41,025	18,468	104	-	59,597
Operating income (expenses):					
Selling expenses	(10,318)	(5,887)	(446)	-	(16,651)
General and administrative expenses	(10,183)	(6,851)	(1,176)	-	(18,210)
Research and development expenses	(4,071)	(1,570)	-	-	(5,641)
Management profit sharing and compensation	(1,716)	(714)	(218)	-	(2,648)
Tax expenses	(76)	(121)	(18)	-	(215)
Others income (expenses)	1,504	4		-	1,508
(Loss) income from operations before financial results	16,165	3,329	(1,754)	-	17,740
Depreciation and amortization	3,399	707	1,865	-	5,971

	Europe	North America	Latin America	Africa and Asia	Total
Net operating revenue per geographical region	9.046	4.648	152.324	1.614	167.632

	06/30/09				
	Machine tools	Plastic Injection machines	Cast and machined products	Eliminations between segments and other	Consolidated
Operating revenue, net	114,964	44,266	20,615	-	179,845
Cost of sales	(73,189)	(22,592)	(27,559)	-	(123,340)
Transfer remitted	5,776	-	5,974	(11,750)	-
Transfer received	(4,382)	(5,167)	(2,201)	11,750	-
Gross profit (loss)	43,169	16,507	(3,171)	-	56,505
Operating income (expenses):					
Selling expenses	(16,907)	(8,585)	(1,820)	-	(27,312)
General and administrative expenses	(18,001)	(10,413)	(1,488)	-	(29,902)
Research and development expenses	(8,872)	(2,874)	-	-	(11,746)
Management profit sharing and compensation	(2,901)	(601)	(206)	-	(3,708)
Tax expenses	(714)	(291)	(60)	-	(1,065)
Others income (expenses)	5,693	(401)	-	-	5,292
(Loss) income from operations before financial results	1,467	(6,658)	(6,745)	-	(11,936)
Inventories	193,552	75,865	16,640	-	286,057
Depreciation	6,494	915	1,843	-	9,252
Property, plant and equipment, net	163,789	14,263	103,960	-	282,012
Goodwill	-	2,017	-	-	2,017
Intangible	-	4,491	-	-	4,491

	Europa	América do Norte	América Latina	África e Ásia	Total
Net operating revenue per geographical region	17,416	10,717	151,463	249	179,845

	Six months period ended June 30, 2009				
	Machine tools	Plastic Injection machines	Cast and machined products	Eliminations between segments and other	Consolidated
Operating revenue, net	64,634	28,859	10,583	-	104,076
Cost of sales	(44,219)	(16,134)	(12,511)	-	(72,864)
Transfer remitted	2,928	-	2,411	(5,339)	-
Transfer received	(1,573)	(2,282)	(1,484)	5,339	-
Gross profit (loss)	21,770	10,443	(1,001)	-	31,212
Operating income (expenses):					
Selling expenses	(8,677)	(4,090)	(827)	-	(13,594)
General and administrative expenses	(7,347)	(5,148)	(768)	-	(13,263)
Research and development expenses	(3,645)	(1,365)	-	-	(5,010)
Management profit sharing and compensation	(799)	(341)	(99)	-	(1,239)
Tax expenses	(345)	(183)	(34)	-	(562)
Others income (expenses)	5,695	(418)	-	-	5,277
(Loss) income from operations before financial results	6,652	(1,102)	(2,729)	-	2,821
Depreciation and amortization	3,085	462	876		4,423

	Europa	América do Norte	América Latina	África e Ásia	Total
Net operating revenue per geographical region	9,665	2,396	91,823	192	104,076

17. FUTURE COMMITMENTS

(a) On May 1, 2007, the Company entered into an electricity supply agreement with the electric power utility Centrais Elétricas Cachoeira Dourada S.A. - CDSA, which belongs to the Endesa Group, for the period from January 1, 2008 to December 31, 2013, under the free consumer regime. The agreement is adjusted annually based on the general market price index (IGP-M) and the amounts are distributed into the following years:

Year of supply	Amount
2010 (six months)	3,880
2011	11,375
2012	11,897
2013	11,897
Total	39,049

The opinion of the Company's management is that this agreement is compatible with the electric power consumption requirements for the contracted period.

(b) Under the agreement for acquisition of Sandretto Industrie S.l.r., the Company commits itself to maintaining, for at least two years from the agreement date, business activities in the production sites, at the Grugliasco and Pont Canavese units, both in Turin, in Italy, as well as the occupational levels for the same period, in a quantity not less than 250 employees (“guarantees”). In the event of non-fulfillment of these guarantees, the Company is required to pay a fine equivalent to € 1,375,000 (equivalent to R$ 3,446 as of March 31, 2010). This two-year obligation ends in July 2010.

18. EVENTS AFTER THE REPORTING PERIOD

The Company filed both with the Brazilian Securities and Exchange Commission (CVM) and the US stock market regulator, the Securities Exchange Commission (SEC), additional documentation related to its intention to acquire 100% of the outstanding shares in Hardinge Inc. (NASDAQ: HDNG) (“Hardinge”). This intention was publicly disclosed on February 4, 2010, and after some extensions, the term expired on July 14, 2010.

As certain conditions for the offer were not met, the Company decided to not extend the offering term.

Please refer to related documentation disclosed on our website, www.romi.com, for additional information.

19. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements were approved by the Company’s Board of Directors on July 27, 2010.