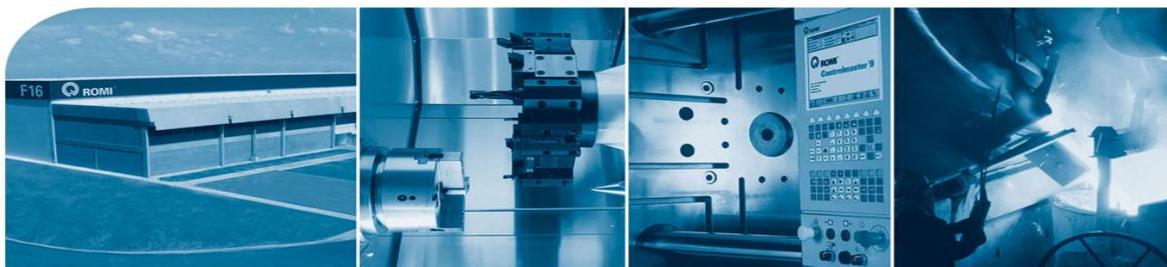




ROMI[®]

A TRADITION OF INNOVATION



April 23, 2013

1Q13 Earnings Release

April 24, 2013

Share Price (03/31/2013)

ROMI3 – R\$ 5.42/share

Market Capitalization (03/31/2013)

R\$ 388.9 million

US\$ 193.5 million

Number of shares (03/31/2013)

Common: 71,757,647

Total: 71,757,647

Free Float = 50.5%

Earnings Conference Call

Time: 10:30 a.m. (Brazil)

Dial-in number:

+55 (11) 4688-6341

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 (855) 281 6021

Brazil +55 (11) 4688 6341

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Access code: Romi

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Santa Bárbara d'Oeste, SP, April 23, 2013 – Indústrias Romi S.A. (BM&FBovespa: ROMI3), domestic market leader in Machine Tools and Plastic Processing Machines, as well as an important producer of Raw and Machined Cast Iron Parts, announces its results for the first quarter of 2013 (1Q13). 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 Reals.

Highlights

**Gross margin of 24.6% and
reduction of operating expenses
demonstrate gradual recovery of operations**

- For the third consecutive quarter, the Company had positive EBITDA, reaching R\$ 2.4 million, as a result of operating adjustment measures taken over the course of 2012;
- A R\$ 9.9 million reduction in inventory in the quarter helped cash generation from operating activities;
- In 1Q13, order entry was up 12.9% from 1Q12, reaching R\$ 153.0 million in the quarter, notably in the raw and machined cast iron parts segment;
- Order backlog totaled R\$ 244.6 million as at March 31, 2013, growing 15.3% from a year earlier.

ROMI - Consolidated	Quarter				
	1Q12	4Q12	1Q13	Chg. %	Chg. %
R\$'000				1Q/1Q	1Q/4Q
Sales Volume					
Machine Tools (units)	257	480	399	55.3	(16.9)
Plastic Machines (units)	44	74	50	13.6	(32.4)
Raw and Machined Cast Iron Parts (tons)	3,515	3,361	3,598	2.4	7.1
Net Operating Revenue	149,721	200,194	141,747	(5.3)	(29.2)
Gross margin (%)	20.6%	21.9%	24.6%		
Operating Income (EBIT)	(8,825)	(81)	(6,954)	(21.2)	8,585.2
Operating margin (%)	-5.9%	0.0%	-4.9%		
Net Income	(3,429)	(4,135)	(7,933)	131.4	191.9
Net margin (%)	-2.3%	-2.1%	-5.6%		
EBITDA	17	9,825	2,394	13,982.4	(75.6)
EBITDA margin (%)	0.0%	4.9%	1.7%		
Investments	1,465	4,385	11,651	695.4	165.7

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



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Corporate Profile

Indústrias Romi S.A. (“Romi” or “Company”) is the leading Brazilian manufacturer of Machine Tools and Plastic Processing Machines, as well as an important producer in the Raw and Machined Cast Iron Parts market. The Company’s main customer segments are the automotive (light and heavy), agricultural machinery, capital goods, consumer goods, tools, hydraulic equipment and wind energy industries, among many others.

The Company has eleven 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. 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, which accounted for 69.8% of the Company’s 1Q13 revenue, comprises lines for Conventional Lathes, CNC (Computer Numerical Control) Lathes, Machining Centers, and Vertical and Horizontal Heavy and Extra-Heavy Lathes and Drilling Mills. The Raw and Machined Cast Iron Parts and Plastic Processing Machines business units (the latter comprising plastic injection and blow molding machines) contributed 16.9% and 13.3%, respectively, of the revenue for the quarter.

Current Economic Scenario

Industrial indicators for the first quarter of 2013 show a still-cautious scenario regarding the pace of growth around the world for the remainder of the year. In Europe, indices still point to contraction of activity. In the United States, meanwhile, although results are their best in the last two years, the outlook is still not encouraging enough for greater investment.

In Brazil, industrial performance indicators from the Brazilian Institute of Geography and Statistics (IBGE) point to persistent instability in the scenario. Capital goods production was up 13.3% in 2013’s first two months in relation to the same period of 2012, although capital goods production for industry was just 0.39% greater, corroborating slow resumption of investments in Brazilian industry.

Romi’s machine tools and plastic processing machine segments directly suffer the impact of this scenario, in which there is little visibility and a great deal of economic volatility, since, for the Company’s customers, machines are purchased mainly to increase installed capacity. This unstable scenario also impacts the raw and machined cast iron parts business, since, although the products supplied by this unit represent, for the most part, inventories for customers, the main customers are in the segments of trucks and agricultural machinery, that is, capital goods.

According to the National Association of Automotive Vehicle Manufacturers (Anfavea), in the first quarter of 2013, in relation to the first quarter of 2012, total production of automotive vehicles grew 12.1%, with light vehicles contributing with a 10.5% increase, while trucks grew 39.1%, and buses, 56.8%. Meanwhile agricultural machinery production grew 3.8% over the same period.

Domestic sales of agricultural machinery is being driven by favorable conditions in agriculture and attractive interest rates of 3% per year in the first half of this year, offered under the BNDES’ Investment Sustaining Program (PSI). On the other hand, in the first quarter of this year there was a 36.7% decline in exports of these products in relation to the same quarter last year.

In the case of trucks, sales were down 8.7% in the first quarter 2013 in comparison with the same period of last year, since a change in legislation allowed the sale of inventories of the previous generation of vehicles, the Euro 3, in the first quarter of 2012.

As in the case of agricultural machinery, trucks’ sales benefitted from interest rates offered by the BNDES’ PSI.

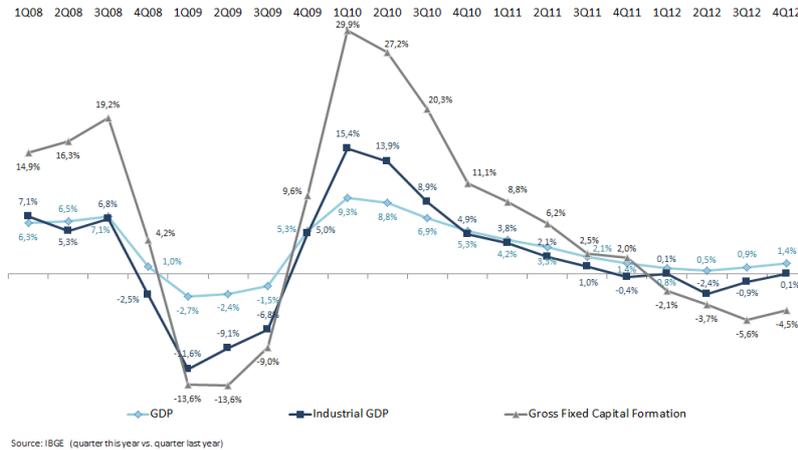
As for automobiles, whose IPI (industrialized products tax) reduction was maintained through the end of 2013, sales grew just 1.75% in the quarter in relation to the same period of 2012. This mismatching of production and sales was partly due to the sector having begun 2013 with low inventories.

Unlike 2012, when the outlook was for industry to grow in the second half, 2013 is pointing towards a pace of production that should remain moderate and unstable throughout the year, with mere replacement of inventories. This lack of solid

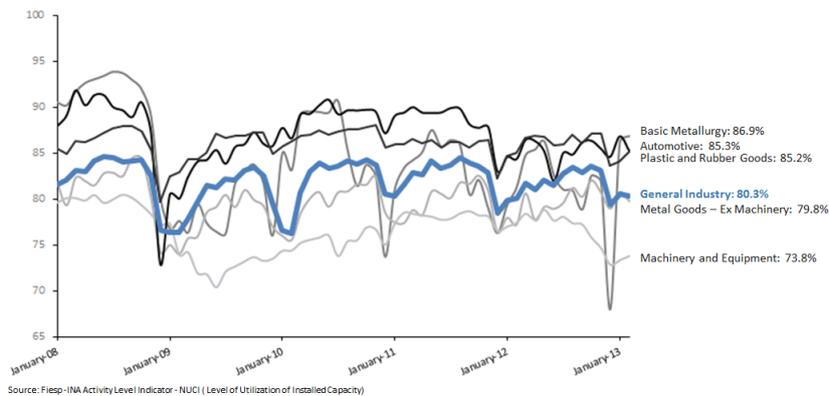


prospects has a negative impact on the volume of investment in the country, resulting in a less favorable scenario for Romi's business, especially in the machinery segment.

Economic data from December 2012 (compared to the same period of 2011), released by the IBGE on March 1st 2013, point to stability in industrial GDP, growing 0.1%. In the same comparison, Gross Fixed Capital Formation decelerated, shrinking 4.5%, due to the situation described in the paragraphs above.



The Gross Fixed Capital Formation indicator should be observed in conjunction with FIESP's installed capacity utilization index, as shown in the following graph. We point out the main sectors with demand for the Company's products, with data from February 2013:



The Business Confidence Index, released by the National Confederation of Industry (CNI), still points towards confidence (remaining above 50 points) with a slight drop in the beginning of 2013:





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, giving the ROMI® brand name a traditional and prestigious reputation.

Order Entry (R\$ 000) Gross Values, sales taxes included	1Q11	1Q12	2Q12	3Q12	4Q12	1Q13	Chg % 1Q13/1Q12	Chg % 1Q13/4Q12
Machine Tools	110,370	81,999	164,605	106,530	155,800	84,479	3.0%	-45.8%
Plastic Machines	30,418	25,312	9,975	29,652	32,148	25,462	0.6%	-20.8%
Raw and Machined Cast Iron Parts	38,149	28,250	40,555	21,176	16,272	43,071	52.5%	164.7%
Total	178,937	135,561	215,135	157,358	204,220	153,012	12.9%	-25.1%

In 1Q13 the Company had a volume of order entry 45.8% lower than that obtained in 4Q12, taking into account B+W's order entry in the quarter. Excluding B+W, order entry in 1Q13 were up 20.8% from 1Q12, and down 20.1% from 4Q12.

The performance of order entry of machinery in the fourth quarter of 2012 was positively affected by the interest rate reduction offered by the FINAME PSI program to 2.5% p.a., which was supposed to end on December 31, 2012 with prospects for returning to 5.5% p.a., and the US dollar's exchange rate, at around R\$ 2.05. It is important to highlight that the FINAME PSI program's interest rate has been 3.0% p.a. since January 1, 2013.

The Plastic Processing Machines business unit had a 0.6% increase in the volume of order entry in 1Q13 in relation to 1Q12, and a 20.8% decrease in relation to 4Q12.

The Raw and Machined Cast Iron Parts segment directly benefited from resumed demand for trucks in Brazil, as commented in the "Current Economic Scenario" section. It is also important to take into account the seasonal variation of this business unit's order entry, since the energy generation (wind) sector has the characteristic of making purchase orders at the beginning of the year, reaching more than 12 months of supply. Thus, this unit's order entry grew 52.5% in relation to 1Q12, and 164.7% in relation to 4Q12.

Order Book (R\$ 000) Gross Values, sales taxes included	1Q11	1Q12	2Q12	3Q12	4Q12	1Q13	Chg % 1Q13/1Q12	Chg % 1Q13/4Q12
Machine Tools	95,269	155,945	241,495	219,392	210,390	176,377	13.1%	-16.2%
Plastic Machines	41,876	32,371	24,819	27,540	33,249	31,209	-3.6%	-6.1%
Rough and Machined Cast Iron Parts	43,313	23,868	31,021	35,168	24,180	37,026	55.1%	53.1%
Total	180,458	212,184	297,335	282,100	267,820	244,612	15.3%	-8.7%

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

As at March 31, 2013, the order backlog totaled R\$ 244.6 million, up 15.3% from the end of 1Q12. Of the Machine Tools order backlog presented, R\$ 67.3 million refers to B+W's order backlog.

Operating Performance

Net Operating Revenue

The Company's Net Operating Revenue reached R\$ 141.7 million in 1Q13, 5.3% lower than in 1Q12 and down 29.2% from 4Q12.

Romi - Consolidated	Quarter				
	1Q12	4Q12	1Q13	Chg % 1Q13/1Q12	Chg % 1Q13/4Q12
Net Operating Revenue (R\$ 000)					
Machine Tools	105,151	150,054	98,871	-6.0%	-34.1%
Plastic Machines	23,261	27,162	18,881	-18.8%	-30.5%
Raw and Machined Cast Iron Parts	21,310	22,978	23,995	12.6%	4.4%
Total	149,722	200,194	141,747	-5.3%	-29.2%

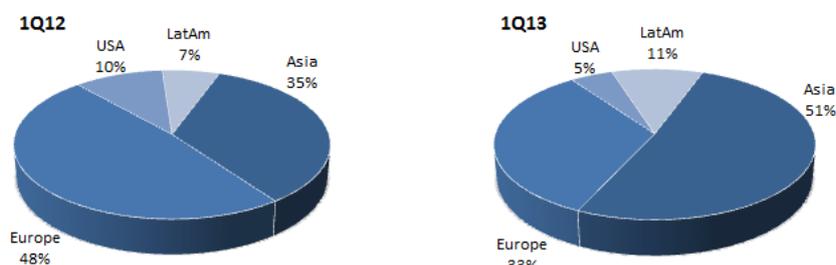
Note: See income statement by business unit in Appendix I.

Excluding the figures attributed to B+W, the Company's Net Operating Revenue for 1Q13 would have been R\$ 121.5 million, 8.4% higher than the R\$ 112.1 million obtained for 1Q12 and 17.8% lower than the R\$ 147.9 million obtained for 4Q12, applying the same criterion.

Revenue in the foreign market, including B+W's revenue, in Reais and US dollars, is described in the table below:

Foreign Sales with B+W	Trimestral				
	1Q12	4Q12	1Q13	Chg % 1Q1/Q	Chg % 1Q1/4Q
Net Sales (R\$ 000)	57.1	67.7	31.4	-45.0%	-53.6%
Net Sales (US\$ 000)	32.3	32.9	15.7	-51.3%	-52.2%

The breakdown of this revenue, in the first quarter of 2012 and 2013, is shown in the chart below:



It is worth pointing out the lack of seasonal pattern of B+W's revenue, which totaled R\$ 37.6 million in 1Q12 and R\$ 20.3 million in 1Q13, which does not imply difficulties in the business, since the company continues to use its total capacity, with an order backlog guaranteed for at least another year.

In the domestic market, net revenue was up 18.9% from the first quarter of 2012, thanks especially to the performance of the services and raw and machined cast iron parts units.

Machine Tools

This unit's net operating revenue reached R\$ 98.9 million in 1Q13, of which R\$ 20.3 million referring to the consolidation of B+W's net operating revenue. This amount represented a decrease of 6.0% in comparison to the same quarter of last year, and 34.1% compared to 4Q12.

Excluding B+W on this comparison, this business unit's net operating revenue was up 16.4% from 1Q12, and down 19.6% from 4Q12.

The Machine Tools Business Unit's physical sales totaled 399 new units in 1Q13. This amount is 55.3% greater than that obtained in 1Q12 (257 units), and 16.9% lower than that obtained in 4Q12 (480 units). In the last two quarters, volume has been considerably greater than in 1Q12, although 88 of the 399 units sold in 1Q13 and 132 of the 480 sold in 4Q12 were to SENAI (National Service for Industrial Training).

In the domestic market, in 1Q13, this business unit's main customers were in the machinery and equipment industry, in the machining services, education, automotive, foundry and agricultural machinery segments.

Plastic Processing Machines

In 1Q13, the Plastic Processing Machines business unit's net revenue totaled R\$ 18.9 million, representing a decrease of 18.8% in relation to 1Q12, and 30.5% compared to 4Q12. This performance is directly linked to the performance of Romi Italy, which, given its liquidation process, detailed in the "Romi Italy" section, has been unable to achieve the same levels of sales as in the past.

The Plastic Processing Machines business unit's physical sales totaled 50 units in 1Q13, up 13.6% in relation to 1Q12 (44 units), and down 32.4% in relation to 4Q12 (74 units).

The sectors with the greatest demand for this business unit's products in the domestic market were automotive, packaging, furniture, services and home appliances.

Raw and Machined Cast Iron Parts

In 1Q13, this unit's physical sales totaled 3,598 tons, up 2.4% from the 3,515 tons sold in 1Q12, due especially to increased demand in the commercial automotive sector (trucks), as well as the wind energy sector, which is thriving more than in the first quarter of 2012.

The segments with the greatest demand for this unit's products were: commercial automotive (trucks), wind energy and agricultural machinery.

Operating Costs and Expenses

Gross margin was 24.6% in 1Q13, 400 bps greater than in 1Q12, and up 270 bps from 4Q12. Disregarding B+W, gross margin would have been 25.9%, 340 bps greater than in 1Q12 and 350 bps greater than in 4Q12, using the same criterion.

The moderate price recovery commented in past earnings results and operating adjustments in the Company's personnel over the course of 2012 have contributed to this scenario, as have ongoing control of efficiency and operating expenses as well as optimization of planning and production processes.

On the other hand, 1Q13 results suffered the full impact of the annual collective bargaining agreement, signed in November 2012, which represented a 6.6% increase in the Company's payroll, considering that labor accounts for approximately 25% of the Company's cost structure.

In addition, low utilization of installed capacity had a negative impact on the recovery of Romi's margins.

Romi - Consolidated	Quarter				
Gross Margin (%)	1Q12	4Q12	1Q13	Chg bps 1Q/1Q	Chg bps 1Q/4Q
Machine Tools	28.1	25.8	31.0	290	523
Plastic Machines	20.7	17.7	23.2	252	552
Raw and Machined Cast Iron Parts	-16.4	1.4	(0.8)	1,564	(219)
Total	20.6	21.9	24.6	397	271

Romi - Consolidated	Quarter				
EBIT Margin (%)	1Q12	4Q12	1Q13	Chg bps 1Q/1Q	Chg bps 1Q/4Q
Machine Tools	4.5	5.2	0.5	(400)	(466)
Plastic Machines	(32.3)	(20.3)	(23.5)	877	(322)
Raw and Machined Cast Iron Parts	(28.5)	(10.6)	(12.7)	1,585	(209)
Total	(5.9)	-	(4.9)	99	(491)

Machine Tools

This business unit's gross margin was 31.0% in 1Q13, improving 290 bps in relation to 1Q12, and 520 bps in relation to 4Q12.

The operating margin, for its part, was 0.5% in the first quarter of 2013, down 400 bps from 1Q12 and 470 bps from 4Q12, due especially to lower revenue, since expenses are predominantly fixed in nature.

Plastic Processing Machines

This business unit's gross margin was 23.2% in 1Q13, up 250 bps in relation to 1Q12, and 550 bps in relation to 4Q12, thanks to a strategy of gradual price recovery in light of a less-appreciated local currency, which contributed to domestic products' competitiveness, as well as a focus on products with greater value added, such as larger machines.

Operating margin for the first quarter of 2013, which was a negative 23.5%, improved 880 bps in relation to 1Q12, and deteriorated 320 bps in relation to 4Q12. This scenario is directly related to the business unit's low level of activity, impairing dilution of operating expenses.

Raw and Machined Cast Iron Parts

This business unit's gross margin was a negative 0.8% in 1Q13, improving 1,560 bps in relation to 1Q12, and falling 220 bps in relation to 4Q12. Low utilization of installed capacity remains the leading factor responsible for this result.

The improvement in relation to 1Q12 is especially attributable to improvement in the price per kilo of items sold, as well as the measures to improve operating efficiency commented above.

Thus, operating margin was a negative 12.7% for 1Q13, improving 1,590 bps in relation to 1Q12.

EBITDA and EBITDA Margin

In 1Q13, operating cash generation as measured by EBITDA (earnings before interest, taxes, depreciation and amortization) was a positive R\$ 2.4 million, with an EBITDA margin of 1.7% in the quarter, as shown in the table below:

Reconciliation of Net Income to EBITDA R\$ thousand	Quarter				
	1Q12	4Q12	1Q13	Chg % 1Q/1Q	Chg % 1Q/4Q
Net Income	(3,429)	(4,135)	(7,933)	131.4%	91.9%
Net Financial Income	85	3,429	3,259	3734.1%	-5.0%
Income tax and social contributions	(5,481)	625	(2,280)	-58.4%	-464.8%
Depreciation and amortization	8,842	9,906	9,348	5.7%	-5.6%
EBITDA	17	9,825	2,394	13982.4%	-75.6%
EBITDA Margin	0.0%	4.9%	1.7%		

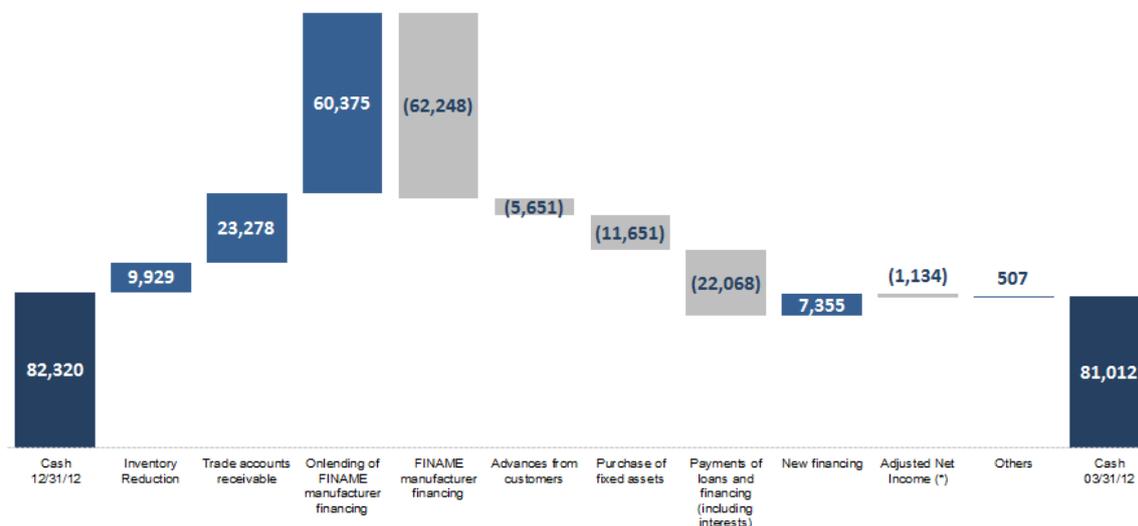
All the impacts mentioned in the "Operating Costs and Expenses" section also impacted Romi's EBITDA in the period.

Profit (Loss) for the Quarter

Profit (loss) for 1Q13 was a negative R\$ 7.9 million, decreasing 131.3% and 91.9% in relation to 1Q12 and 4Q12, respectively.

Changes in Cash and Cash Equivalents

The main changes in cash in 1Q13 are described below:



(*) refers to profit (loss) for the year, adjusted for income statement items that did not impact cash in the period. These items are: (i) provision for income tax and social contribution; (ii) depreciation and amortization; (iii) PP&E disposal costs; and (iv) provision for contingent liabilities.

Inventories

Due to adjustment of production volume and improvement in production leadtime, since 3Q12, the Company's inventories have been decreasing, helping operating cash generation. In relation to 12/31/2012, the inventories account decreased by R\$ 9.9 million.

Trade Receivables

In relation to 4Q12, the amount of trade receivables decreased by R\$ 23.3 million, stemming from a decrease in the volume of sales in the period. In addition, due to the Finame Buyer Financing amounts outstanding, from 12/31/2012 to 03/31/2013 there was a R\$10.3 million decrease, helping cash generation in 1Q13.

Onlending of Finame Manufacturer Financing

The amount receivable referring to Finame Manufacturer Financing decreased R\$ 60.4 million in 1Q13. This decrease results from a decline in sales volume and, mainly, greater use of Finame Buyer Financing, in which the customer obtains financing directly from the financial institution, and Romi receives the amount after the machine is delivered to the customer, without guaranteeing the financing. The conditions for Finame Buyer Financing are the same as those for Finame Manufacturer Financing, and both are regulated by the National Bank for Economic and Social Development (BNDES). This strategy's purpose is to offer customers the best existing financing conditions and gradually reduce Romi's exposure to credit risk.

Advances from Customers

The decrease in advances from customers in 1Q13 is attributable to the delivery of machinery in the quarter, and the resulting decrease in the machinery order backlog at the end of 1Q13.

Financing

The main payments in the quarter refer to import financing (Finimp), in the amount of R\$ 7.8 million, and expansion projects carried out in 2008 and 2009, in the amount of R\$ 8.0 million.

New Financing

New financing obtained in the first quarter of 2013 is related to import financing (Finimp), in the amount of R\$ 3.9 million, and financing related to the purchase of components and for working capital, the latter of which in foreign subsidiaries.

Investments

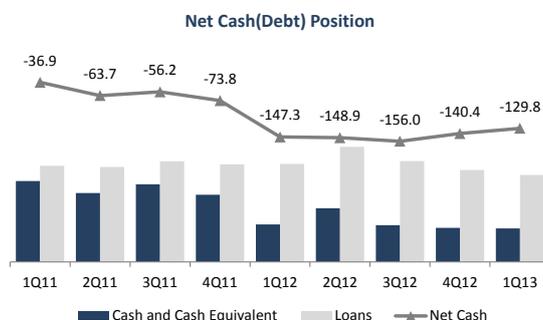
Investments in 1Q13 totaled R\$ 11.7 million, and were partially allocated to maintenance, productivity and upgrading of production facilities, within the investment plan for the year 2013. In addition, investments were made in machining equipment, including part of the Flexible Manufacturing System that is being developed by the German subsidiary B+W to be delivered to Romi in early 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"), or time deposit rates (TD), when made abroad. The consolidated position of cash and cash equivalents as at March 31, 2013 was R\$ 81.0 million.

Romi's borrowings are used mainly in investments to expand plant capacity and upgrading, and financing exports and imports. As at March 31, 2013, the amount of financing in local currency was R\$ 199.5 million, and in foreign currency, R\$ 11.3 million, totaling R\$ 210.8 million.

The Company's net debt decreased by R\$ 10.6 million in the first quarter of 2013.



As at March 31, 2013, the Company did not have any derivative transactions.



Burkhardt + Weber

We present below an Income Statement and the main Balance Sheet accounts as at March 31, 2013 for B+W, both in condensed form:

Income Statement (R\$ 000)	Feb+Mar / 2012	1Q13
Net Operating Revenue	37,644	20,279
Gross Profit	5,704	3,425
%	15.2%	16.9%
EBIT	10,200	-1,868
%	27.1%	-9.2%
EBITDA	10,521	-363
%	27.9%	-1.8%
Net Profit	9,625	-1,852

Balance Sheet (R\$ 000)	03/31/2012	03/31/2013
Cash and Cash equivalents	7,905	7,190
Trade accounts receivable	19,125	10,450
Inventories	27,966	35,181
Other receivables	4,464	3,952
Property, Plant and Equipment, net	25,455	37,690
Intangible	38,229	36,831
Total Assets	123,144	131,294
Financing	725	9,683
Trade accounts payable	5,728	9,470
Advances from customers	32,878	26,451
Deferred tax liability	14,880	14,242
Other payables	8,977	9,959
Shareholder's Equity	59,956	61,488
Total Liabilities and Shareholder's Equity	123,144	131,294

As pointed out previously, as it manufactures large machines with a high degree of customization, there is no specific seasonal variation that determines the distribution of B+W's revenue over the four quarters of the year.

Romi Italy

As disclosed in previous quarters, in 2012 a project was started to restructure the Company's Italian operation, with the purpose of adjusting the structure of Romi Italy to the market reality and recover operating margins. This project's goal was shutting down manufacturing activities in that unit, which would begin selling machinery and services. The Company's Management exhausted all attempts to carry out the restructuring plan, and in light of Romi Italy's economic-financial situation, it decided to discontinue local operations as the best and most feasible solution.

Condensed Financial Information of Romi Italy (BR GAAP):

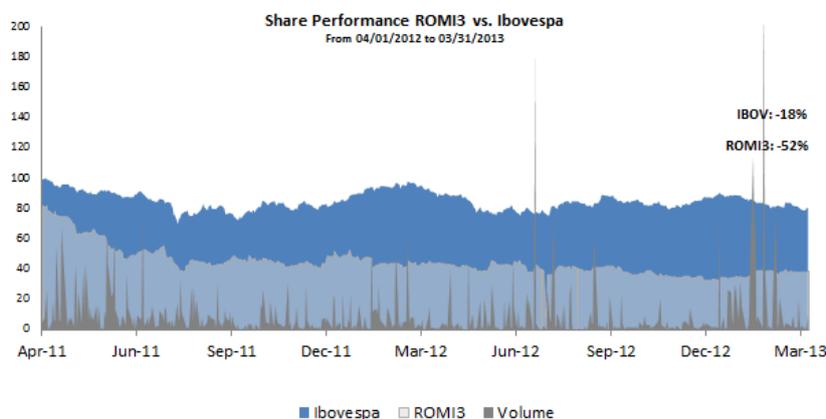
Balance Sheets (in BRL thousands)			
Assets	03/31/2013	Liabilities and Equity	03/31/2013
Current Asset	29,874	Current Liabilities	9,853
Other Assets	62	Non-Current Liabilities	30,694
Investments	13,473		
Fixed Assets	6,932	Equity	9,794
Total assets	50,341	Total liabilities and equity	50,341

Income Statement (in BRL thousand)				
	2010	2011	2012	1T13
Net Operating Revenue	35,743	32,863	18,456	1,432
Cost of Goods sold	-36,305	-37,483	-23,912	-2,727
Gross Margin	-562	-4,620	-5,456	-1,295
Sales, General and Administrative Expenses	-11,440	-14,519	-9,908	-993
Operating profit (loss)	-12,002	-19,301	-15,813	-2,288
EBITDA	-11,396	-18,873	-14,866	-2,278

Local consultants have been hired to advise on the liquidation process, and a group of liquidators has been appointed to manage Romi Italy's assets, under the supervision of Romi in Brazil, to be responsible for the sale of assets and settlement of liabilities, including the indemnity for the 143 employees who will be terminated. It is estimated that the liquidation process will take approximately a year, and that Romi Italy's assets will be sufficient to cover the liquidation costs, including payments, indemnities and professional fees.

Romi Italy's customers will continue to be served through its subsidiaries located in Europe, which will be transferred from Romi Italy to Romi Brazil, and will not be part of the assets to be liquidated.

Stock Market



Source: BMF&Bovespa

At the end of 1Q13, Romi's common shares (ROMI3) were traded at R\$ 5.42, posting appreciation of 17.3% in the quarter (1Q13 vs. 4Q12), and depreciation of 9.8% from the end of 1Q12. The Bovespa index fell 7.5% in relation to the end of 4Q12, and 12.6% in relation to the end of 1Q12.

The Company's market capitalization as at March 31, 2013 was R\$ 388.9 million and the average daily trading volume for 1Q13 was R\$ 955 thousand.

Statements contained in this release related to the Company's business prospects, 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.



Financial Statements

Consolidated Balance Sheet

(R\$ thousand)

ASSETS	12/31/2011	09/30/2012	12/31/2012
CURRENT	921,359	868,278	819,894
Cash and Cash equivalents	90,602	82,320	81,012
Trade accounts receivable	87,035	125,568	103,354
Onlending of FINAME manufacturer financing	341,609	317,633	299,910
Inventories	353,046	301,686	291,757
Recoverable taxes	13,290	10,817	13,368
Related Parties	224	456	530
Other receivables	35,553	29,798	29,963
NONCURRENT	894,250	746,282	709,641
Long-Term Assets	546,608	409,885	374,756
Trade accounts receivable	16,329	13,842	12,778
Onlending of FINAME manufacturer financing	439,523	312,805	270,153
Recoverable taxes	2,429	874	688
Deferred income and social contribution taxes	41,497	52,004	54,332
Escrow Deposits	31,869	1,697	1,755
Other receivables	14,961	28,663	35,050
Investments			
Property, Plant and Equipment, net	284,060	272,857	274,368
Investment in Subsidiaries and Associate Companies	1,218	1,944	1,865
Investment Property	16,103	16,103	16,103
Intangible assets	46,261	45,493	42,549
TOTAL ASSETS	1,815,609	1,614,560	1,529,535

**ROMI**[®]

A TRADITION OF INNOVATION

Consolidated Balance Sheet

(R\$ thousand)

LIABILITIES AND SHAREHOLDER'S EQUITY	12/31/2011	09/30/2012	12/31/2012
CURRENT	545,354	489,931	467,500
Loans and financing	122,236	70,192	67,567
FINAME manufacturer financing	307,001	285,440	270,630
Trade accounts payable	27,264	41,516	48,014
Payroll and related taxes	28,503	21,781	23,044
Taxes payable	5,370	11,263	6,427
Advances from customers	41,744	41,838	36,187
Interest on capital, dividends and participations	392	434	429
Related Parties	763	590	541
Other payables	12,081	16,877	14,661
NON CURRENT	600,687	487,359	436,376
Long-term liabilities			
Loans and financing	115,622	152,490	143,186
FINAME manufacturer financing	419,988	302,279	262,557
Deferred income and social contribution taxes on negative goodwill	22,631	22,284	21,115
Taxes payable	4,874	3,461	1,779
Other payables	33,656	6,520	6,959
Reserve for contingencies	3,916	325	780
SHAREHOLDER'S EQUITY	667,959	635,527	624,081
Capital	489,973	489,973	489,973
Capital reserve	2,052	2,052	2,052
Treasury Stock	(11,297)	(17,850)	-
Retained earnings	195,598	157,591	139,741
	(3,611)	-	
Other accumulated comprehensive income	(4,756)	3,761	369
NON CONTROLLING INTERESTS	1,609	1,743	1,578
TOTAL SHAREHOLDER'S EQUITY	669,568	637,270	625,659
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1,815,609	1,614,560	1,529,535



Consolidated Income Statement

(R\$ thousand)

	1Q12	4Q12	1Q13	Chg.% 1Q/1Q	Chg.% 1Q/4Q
Net Operating Revenue	149,721	200,194	141,747	(5.3)	(29.2)
Cost of Goods Sold	(118,827)	(156,366)	(106,870)	(10.1)	(31.7)
Gross Profit	30,894	43,828	34,877	12.9	(20.4)
<i>Gross Margin %</i>	<i>20.6%</i>	<i>21.9%</i>	<i>24.6%</i>		
Operating Income	(39,719)	(43,909)	(41,831)	5.3	(4.7)
Selling expenses	(18,717)	(19,179)	(16,635)	(11.1)	(13.3)
Research and development expenses	(5,904)	(5,049)	(4,633)	(21.5)	(8.2)
General and administrative expenses	(20,417)	(16,728)	(18,979)	(7.0)	13.5
Management profit sharing and compensation	(2,121)	(1,492)	(1,498)	(29.4)	0.4
Tax expenses	(649)	(492)	(227)	(62.9)	13.2
Other operating income, net	921	(136)	0,171	(97.9)	(113.9)
Operating Income before Financial Results	(8,825)	(81)	(6,954)	(21.2)	8,485.5
<i>Operating Margin %</i>	<i>-5.9%</i>	<i>0.0%</i>	<i>-4.9%</i>		
Financial Income	(25)	(3,429)	(81)	3,734.1	(5.0)
Financial income	4,708	4,808	3,888	(17.4)	(19.1)
Financial expenses	(4,930)	(7,067)	(6,253)	26.8	(11.5)
Exchange gain (loss), net	0,137	375	(0,894)	(752.6)	(23.6)
Operating Income	(8,910)	(3,510)	(10,213)	14.6	191.0
Income tax and social contribution	5,481	(0,625)	(625)	(58.4)	(464.8)
Net income	(3,429)	(4,135)	(7,933)	131.4	91.9
<i>Net Margin %</i>	<i>-2.3%</i>	<i>-2.1%</i>	<i>-5.6%</i>		
Net profit concerning:					
Controlling interests	(3,611)	(4,274)	(8,054)	123.0	88.4
Non controlling interests	171	157	140	(33.5)	(13.6)
EBITDA	17	9,825	2,394	13,981.0	(75.6)
Net income	(3,429)	(4,135)	(7,933)	131.4	91.9
Income tax and social contribution	(5,481)	0,625	2,280	(58.4)	(464.8)
Financial income	25	3,429	81	3,734.1	(5.0)
Depreciation	8,842	9,906	9,348	5.7	(5.6)
<i>EBITDA Margin %</i>	<i>0.0%</i>	<i>4.9%</i>	<i>1.7%</i>		
Nº of shares in capital stock (th)	74,758	74,758	71,758	(4.0)	(4.0)
Net income per share - R\$	(0.05)	(0.06)	(0.11)	141.0	99.9



Consolidated Cash Flow Statement

(R\$ thousand)

	1Q12	4Q12	1Q13
Cash from operating activities			
Net Income	(3,429)	(4,135)	(7,933)
Current and deferred income and social contribution taxes	(5,481)	625	(2,280)
Financial expenses and exchange gain	1,821	4,229	1,771
Depreciation and amortization	8,842	9,906	9,348
Allowance for doubtful accounts and other receivables	4,463	2,774	6,299
Proceeds from sale of fixed assets	142	377	213
Provision for inventory realization	1,861	4,450	2,511
Reserve for contingencies	595	2,068	(482)
Negative goodwill on acquisition of foreign subsidiary	(8,094)	-	-
Change on operating assets			
Trade accounts receivable	5,944	(30,248)	23,537
Onlending of FINAME manufacturer financing	48,896	39,983	53,763
Inventories	6,096	50,749	5,734
Recoverable taxes, net	(621)	1,934	(2,296)
Escrow deposits	(1,200)	(1,117)	(58)
Other receivables	(5,559)	3,381	(301)
Change on operating liabilities			
Trade accounts payable	(19,107)	5,637	7,211
Payroll and related taxes	(463)	(7,098)	2,384
Taxes payable	(1,669)	845	(5,295)
Advances from customers	(11,215)	(11,852)	(4,434)
Other payables	2,787	2,023	(1,307)
Cash provided by (used in) operating activities	24,609	74,531	88,385
Income tax and social contribution paid	(519)	(389)	(1,622)
Net Cash provided by (used in) operating activities	24,090	74,142	86,763
Purchase of fixed assets	(1,465)	(4,385)	(11,651)
Proceeds from sale of fixed assets	-	239	-
Amount paid on acquisition of foreign subsidiary	(46,830)	-	-
Exchange variation changes on cash and cash equivalents abroad	5,939	-	-
Net cash used in investing activities	(42,356)	(4,146)	(11,651)
Interest on capital paid	(777)	(322)	(291)
Share Repurchase	(6,698)	-	-
New loans and financing	9,651	-	7,355
Payments of loans and financing	(9,358)	(26,084)	(18,731)
Interests paid (including FINAME manufacturer financing)	(15,798)	(14,073)	(11,053)
New loans in FINAME manufacturer	53,440	33,137	22,417
Payment of FINAME manufacturer financing	(81,033)	(69,195)	(76,221)
Net Cash provided by (used in) financing activities	(50,573)	(76,537)	(76,524)
Increase (decrease) in cash and cash equivalents	(68,839)	(6,541)	(1,412)
Exchange variation changes on cash and cash equivalents abroad	(3,372)	92	104
Cash and cash equivalents - beginning of period	162,813	88,769	82,320
Cash and cash equivalents - end of period	90,602	82,320	81,012



Appendix I

Income Statement by Business Units - 1Q13

R\$ thousand	Machine Tools	Plastic Machines	Raw and Machined Cast Iron Parts	Total
Net Operating Revenue	98,871	18,881	23,995	141,747
Cost of Sales and Services	(67,704)	(12,707)	(26,459)	(106,870)
Business Units Transfers	2,821	-	4,219	(7,040)
Business Units Transfers	(3,307)	(1,789)	(1,944)	7,040
Gross Profit	30,681	4,384	(188)	34,877
Gross Margin %	31.0%	23.2%	-0.8%	24.6%
Operating Expenses	(30,150)	(8,824)	(2,857)	(41,830)
Selling	(11,877)	(3,890)	(868)	(16,635)
General and Administrative	(14,009)	(3,193)	(1,777)	(18,979)
Management profit sharing	(3,159)	(1,474)	-	(4,633)
Research and Development	(1,112)	(205)	(181)	(1,498)
Taxation	(190)	(37)	(31)	(257)
Other operating revenue	197	(26)	-	171
Operating Income before Financial Results	531	(4,440)	(3,045)	(6,954)
Operating Margin %	0.5%	-23.5%	-12.7%	-4.9%
Depreciation	5,372	649	3,327	9,348
EBITDA	5,903	(3,791)	282	2,394
EBITDA Margin %	6.0%	-20.1%	1.2%	1.7%

Income Statement by Business Units - 1Q12

R\$ thousand	Machine Tools	Plastic Machines	Raw and Machined Cast Iron Parts	Total
Net Operating Revenue	105,151	23,260	21,310	149,721
Cost of Sales and Services	(74,417)	(15,362)	(29,049)	(118,827)
Business Units Transfers	4,138	-	6,428	10,566
Business Units Transfers	(5,294)	(3,082)	(2,190)	(10,566)
Gross Profit	29,578	4,816	(3,501)	30,894
Gross Margin %	28.1%	20.7%	-16.4%	20.6%
Operating Expenses	(24,810)	(12,327)	(2,582)	(39,719)
Selling	(11,719)	(6,069)	(929)	(18,717)
General and Administrative	(15,033)	(3,974)	(1,410)	(20,417)
Management profit sharing	(4,066)	(1,838)	-	(5,904)
Research and Development	(1,610)	(328)	(183)	(2,121)
Taxation	(520)	(113)	(60)	(649)
Other operating revenue	840	81	-	921
Operating Income before Financial Results	4,768	(7,511)	(6,083)	(8,826)
Operating Margin %	4.5%	-32.3%	-28.5%	-5.9%
Depreciation	5,486	676	2,680	8,842
EBITDA	10,254	(6,835)	(3,403)	17
EBITDA Margin %	9.8%	-29.4%	-16.0%	0.0%