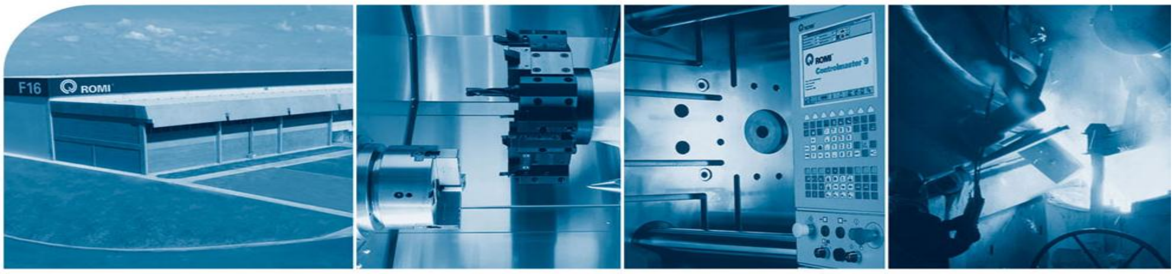
ROMI® | A TRADITION OF INNOVATION



February 5, 2013

4Q12 Earnings Release

February 6, 2013

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: 1:00 p.m. (São Paulo)
3:00 p.m. (London)
10:00 a.m. (New York)
Dial-in numbers:
US +1 (855) 281 6021
Brazil +55 (11) 4688 6341
Other + 1 (786) 924 6977
Access code: Romi

Share Price (12/31/2012)
ROMI3 – R$ 4.62/share

Market Capitalization (12/31/2012)
R$ 345.4 million
US$ 169.0 million

Number of shares (12/31/2012)
Common: 74,757,547
Total: 74,757,547

Free Float = 48.5%

Investor Relations Contact:

Fabio B. Taiar
Investor Relations Officer
Phone: +55 (19) 3455-9418
dri@romi.com

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

Website: www.romi.com

ROMI3 NOVO MERCADO BM&FBOVESPA

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Índice de Ações com Governança Corporativa Diferenciada IGC

Santa Bárbara d'Oeste, SP, February 5, 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 Rough and Machined Cast Iron Parts, announces its results for the fourth quarter of 2012 (4Q12). Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis, in accordance with International Financial Reporting Standards (IFRS), and monetary amounts are expressed in thousands of Reais.

Highlights

In 4Q12, Net Operating Revenue rose 31.7% in relation to 4Q11, and 24.7% in relation to 3Q12, while EBITDA reached R$ 9.8 million

- Romi's net operating revenue was R$ 200.2 million in 4Q12;
- The German subsidiary B+W, acquired on January 31, 2012, had R$ 120.2 million in net operating revenue for the year 2012, with EBITDA of R$ 15.2 million;
- For 4Q12, EBITDA reached R$ 9.8 million, as a result of operating adjustment measures undertaken during the year 2012, as well as growth in net operating revenue;
- Inventories decreased by R$ 52.9 million in the quarter, which helped in cash generation from operating activities;
- Order Entry grew 35.5% in 4Q12 in relation to 4Q11, and 29.8% in relation to 3Q12, reaching R$ 204.2 million for the quarter;
- Order backlog totaled R$ 267.8 million as at December 31, 2012, up 72.1% from year-end 2011.

ROMI - Consolidated	Quarter					Accumulated		
R$'000	4Q11	3Q12	4Q12	Chg. %	Chg. %	2011	2012	Chg. %
Sales Volume				4Q/4Q	4Q/3Q			12/11
Machine Tools (units)	511	443	480	(6.1)	8.4	2,024	1,489	*(26.4)*
Plastic Machines (units)	61	60	74	21.3	23.3	379	242	*(36.1)*
Rough and Machined Cast Iron Parts (tons)	4,250	3,561	3,361	(20.9)	(5.6)	16,838	13,527	*(19.7)*
Net Operating Revenue	**152,016**	**160,519**	**200,194**	31.7	24.7	**631,054**	**617,561**	(2.1)
Gross margin (%)	*19.2%*	*22.8%*	*21.9%*			*27.4%*	*21.3%*	
Operating Income (EBIT)	**(19,070)**	**(9,365)**	**(81)**	(99.6)	0.9	**(11,064)**	**(51,875)**	368.9
Operating margin (%)	*-12.5%*	*-5.8%*	*0.0%*			*-1.8%*	*-8.4%*	
Net Income	**(17,219)**	**(7,995)**	**(4,135)**	(76.0)	51.7	**4,326**	**(37,369)**	(963.8)
Net margin (%)	*-11.3%*	*-5.0%*	*-2.1%*			*0.7%*	*-6.1%*	
EBITDA	**(12,042)**	**284**	**9,825**	(181.6)	3,359.5	**17,731**	**(14,332)**	(180.8)
EBITDA margin (%)	*-7.9%*	*0.2%*	*4.9%*			*2.8%*	*-2.3%*	
Investments	**6,776**	**3,999**	**4,385**	(35.3)	9.7	**19,702**	**11,415**	(42.1)

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

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 Rough 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 13 industrial units, five of which are dedicated to the final assembly of industrial machinery. Romi also operates two foundries, four 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 75.0% of the Company's 4Q12 revenue, comprises lines for Conventional Lathes, CNC (Computerized Numerical Control) Lathes, Machining Centers, and Vertical and Horizontal Heavy and Extra-Heavy Lathes and Drilling Mills. The Rough and Machined Cast Iron Parts and Plastic Processing Machines business units (the latter comprising plastic injection and blow molding machines) contributed 11.5% and 13.5%, respectively, of the revenue for the period.

Current Economic Scenario

Globally, 2012 was a year marked by flat economic growth in relation to 2011, with the European crisis dragging on, deceleration in China, and a period of recovery in the US.

In Brazil, in an attempt to shield the country from the effects of the global economy's deceleration, the Federal Government made important changes in conducting the economy, lowering interest rates and taxes. The actions taken in the year include reducing the tax burden on payrolls, reduction in the interest rate for FINAME financing, under the PSI program, to 2.5% p.a. between September and December 2012, accelerated depreciation tax incentives, and raising import taxes for certain products that can be manufactured locally, with the aim of providing competitiveness for manufacturing and consumption, seeking to maintain a satisfactory growth trajectory.

Romi felt the positive effects of these measures, with the payroll tax relief representing savings of approximately R$ 2.5 million in salary expenses in 4Q12, which compensated partially the risings from the annual collective bargaining agreement that took place in November 2012. The interest rate reduction stimulated manufacturers to make new investments, as can be noted in the order entry for machine tools and plastic processing machines in 4Q12. The increase in the import tax rate from 14% to 25% in September 2012 affected Romi's vertical and horizontal machining center product line, which accounts for 13% of the Company's total revenue. As a majority of these products compete with imported products, with this measure they enjoy a more favorable competitive environment.

The agricultural sector, influenced by commodity prices in 2012, had positive performance and points towards good prospects for 2013. This segment had a positive influence on Romi´s business, both in the Rough and Machined Cast Iron Parts, which has approximately 20% of its revenue related to this sector, and in the machinery segment, used in various processes for manufacturing machinery and agricultural implements.

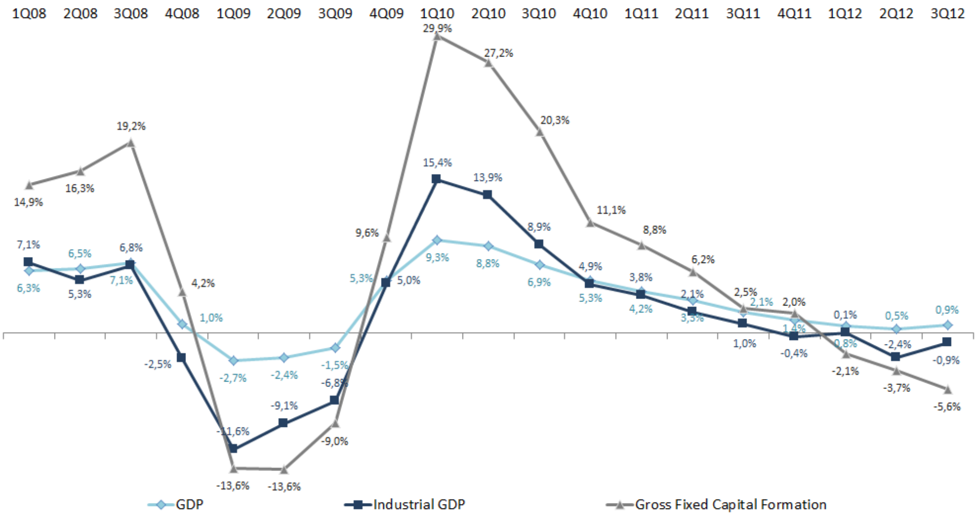
On the other hand, according to data from the Brazilian Federal Government, manufacturing of automobiles as a whole accounts for nearly 20% of the Brazilian industrial sector. Thus, despite record vehicle sales in 2012, automakers ended the year with a 1.9% decline in production, first decrease in 10 years ,according to sector association Anfavea. A total of 3.34 million vehicles were manufactured. The truck segment, affected by the introduction of the Euro 5 standard and deceleration of industrial activity, ended 2012 with a 20.2% drop in sales volume, licensing 137.7 thousand units in the period, and a 40.5% drop in volume produced, also according to Anfavea. These factors had a negative influence on Romi's business, since the drop in production diminished the need for new investments in the country's expanding capacity, and consequently consumption of machinery and equipment. In the Rough and Machined Cast Iron Parts segment, the decrease in the production of trucks had a significant impact on volumes, since approximately 45% of this unit's sales is related to this segment.

The US dollar above the R$ 2.00 since May 2012 has softened the negative impacts on domestic manufacturing, providing a more favorable environment in competing with imported products. These impacts favor a gradual recovery of prices and a potential improvement in local manufacturers' operating margins, especially for customers that compete with imported products. For Romi, the dollar at this level favors its products' competitiveness, since the main competitors for machine tools and plastic processing machines are imported equipment.

The bottom line is that, for Romi, the year 2012 was marked by a drop in sales volume, due to poor performance by local manufacturing, discouraging new investments. Regarding the aforementioned government measures, there were positive impacts in 4Q12, made evident by order entry and net operating revenue compared to previous quarters.

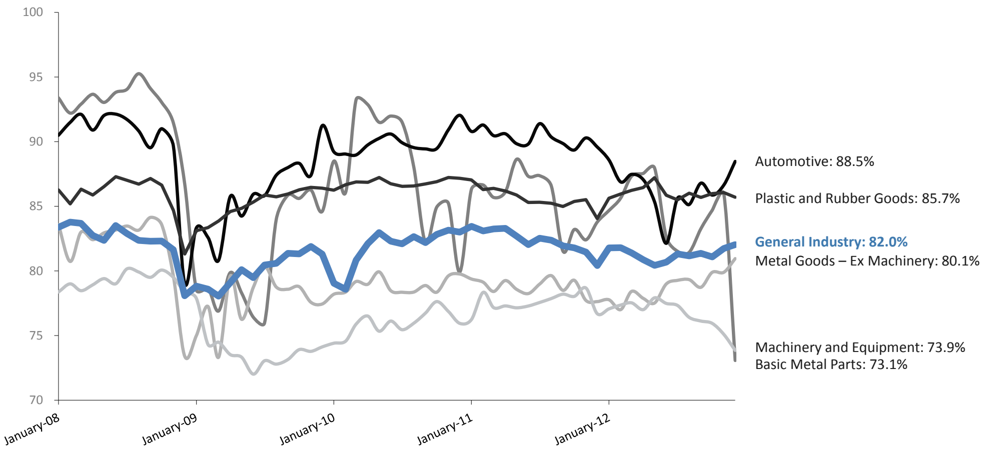
Although utilization of industrial installed capacity continues to show good levels (still above 80%), regularization of inventories and resumed production may open the way for growth to return. However, the scenario of uncertainties regarding sustainable recovery for manufacturing undermines manufacturers' confidence in deciding on making new investments.

Economic data from September 2012 (compared to the same period of 2011), released by IBGE, point to industrial GDP decelerating 0.9%. In the same comparison, Gross Fixed Capital Formation also decelerated, shrinking 5.6%, due to the situation described in the paragraphs above.



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

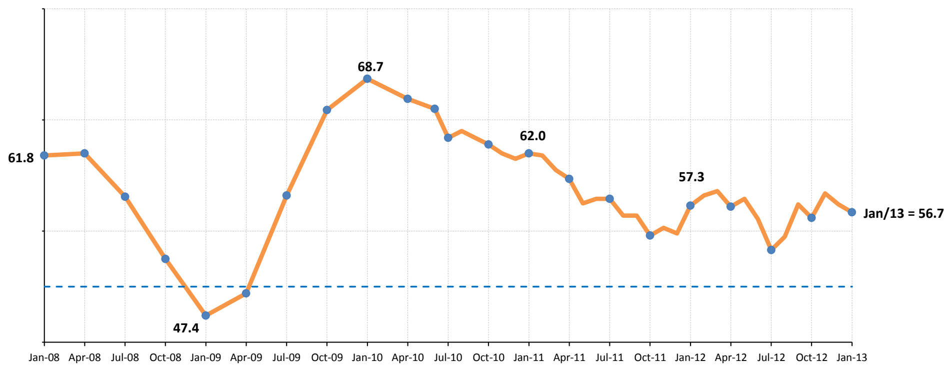
The Gross Fixed Capital Formation indicator should be observed in conjunction with FIESP's installed capacity utilization index, as shown in the following graph. We point out the main sectors with demand for the Company's products, with data from December 2012:



Source: FIESP – INA (Activity Level Indicator)/NUCI (Level of Utilization of Installed Capacity)

The Basic Metal Parts segment dropped in December because one important company in the segment gave mandatory vacation to its employees in the period.

The Industrial Executive Confidence Index, released by the National Confederation of Industry (CNI), still does not show a trend:



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

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$ thousand) Gross Values, sales taxes included	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	Chg % 4Q12/4Q11	Chg % 4Q12/3T12
Machine Tools	110,370	129,179	113,057	105,751	81,999	164,605	106,530	155,800	47.3	46.3
Plastic Machines	30,418	37,846	27,861	25,495	25,312	9,975	29,652	32,148	26.1	8.4
Rough and Machined Cast Iron Parts	38,149	21,186	33,304	19,445	28,250	40,555	21,176	16,272	-16.3	-23.2
Total	**178,937**	**188,211**	**174,222**	**150,691**	**135,561**	**215,135**	**157,358**	**204,220**	**35.5**	**29.8**

Order Entry (R$ thousand) Gross Values, sales taxes included	12M11	12M12	Chg % 12/11
Machine Tools	458,357	508,934	11.0
Plastic Machines	121,619	97,087	-20.2
Rough and Machined Cast Iron Parts	112,084	106,254	-5.2
Total	**692,060**	**712,275**	**2.9**

In 4Q12, the Company had a volume of order entry 35.5% greater than that obtained in 4Q11, taking into account B+W’s new orders in the quarter. In full-year 2012, new orders totaled R$ 712.3 million, 2.9% greater than that obtained in 2011. Excluding B+W in the period, order entry in 4Q12 were up 19.2% from 4Q11, and up 14.2% in relation to 3Q12. For full-year 2012, B+W’s order entry totaled R$ 79.0 million.

The Plastic Processing Machines business unit began to show recovery, with a 26.1% increase in the volume of order entry in 4Q12 in relation to 4Q11, and an 8.4% increase in relation to 3Q12.

Performance in terms of new orders for machinery in the quarter was positively affected by the interest rate reduction offered by the FINAME PSI program to 2.5% p.a. and the US dollar’s current exchange rate.

The Rough and Machined Cast Iron Parts segment continues to suffer the impact of the slump in demand for trucks in Brazil, as a result of the Euro 5 standard introduction, emissions legislation for diesel engine vehicles and deceleration of industrial activity. Its order entry decreased 16.3% in relation to 4Q11, and 23.2% in relation to 3Q12, due especially to the absence of orders in the energy generation segment (wind power), for which we expect a recovery starting in January 2013, since it is characteristic for this segment to have long purchase orders, reaching more than 12 months of supply.

Order Book (R$ thousand) Gross Values, sales taxes included	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	Chg % 4Q12/4Q11	Chg % 4Q12/3T12
Machine Tools	95,269	103,986	92,277	96,143	155,945	241,495	219,392	210,390	118.8	-4.1
Plastic Machines	41,876	33,139	29,789	27,609	32,371	24,819	27,540	33,249	20.4	20.7
Rough and Machined Cast Iron Parts	43,313	36,530	33,612	31,824	23,868	31,021	35,168	24,180	-24.0	-31.2
Total	**180,458**	**173,655**	**155,678**	**155,576**	**212,184**	**297,335**	**282,100**	**267,820**	**72.1**	**-5.1**

At the end of 4Q12, the order backlog remained solid, totaling R$ 267.8 million, up 72.1% from the end of 4Q11. This is attributable not only to the order backlog brought by B+W in the period, but specially to strengthening of the backlog in the domestic market, demonstrating that activity levels have begun to show positive signs, and that demand for investments has indicated growth.

The order backlog, which in 2011 posted declines over the quarters, became more solid in 2012, and with the possibility for a gradual recovery in activity, it can continue to gain strength, resulting from the customer base’s confidence in Romi’s products.

Of the Machine Tools order backlog presented, R$ 85.5 million refers to B+W’s order backlog.

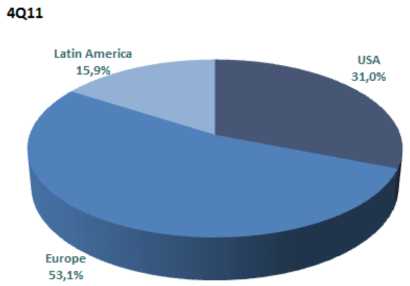
Note: The order backlog figures do not include parts, services and resales.

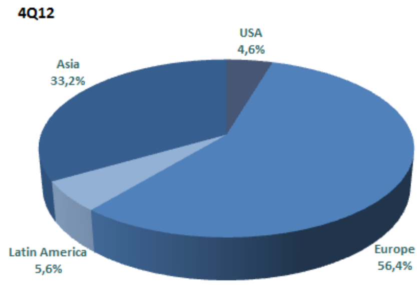
Operating Performance

Net Operating Revenue

The Company's Net Operating Revenue reached R$ 200.2 million in 4Q12, 31.7% greater than in 4Q11 and up 24.7% from 3Q12. In full-year 2012, Net Operating Revenue came in at R$ 617.6 million, down 2.1% from 2011.

Since February 1, 2012, Romi has consolidated into its results the performance of B+W, Romi's wholly-owned subsidiary acquired on January 31, 2012, in Germany. Had we excluded the figures attributed to it, the Company's Net Operating Revenue for 4Q12 would have been R$ 147.9 million, 8.1% higher than that obtained for 3Q12 applying the same criterion.





In the quarter, taking B+W's revenue into account, Europe represented 56.4% of the revenue obtained in the foreign market. The entry of the Asian market into the portfolio is the result of revenue obtained by B+W in China. The United States accounted for 4.6% of revenue for the quarter, while Latin America accounted for 5.6%.

Using the same criterion, in 2012, Europe accounted for 61.3% (56.8% in 2011), the US, 8.4% (26.9% in 2011), Latin America, 6.9% (16.3% in 2011), and Asia, 23.3%, which was not in the Company's sales portfolio in 2011, resulting from revenue obtained by B+W in China.

Foreign Sales	Quarter					Accumulated		
Net Sales (R$ million):	4Q11	3Q12	4Q12	Chg % 4Q/4Q	Chg % 4Q/3Q	2011	2012	Chg % 12/11
Romi (with B+W)	23.4	40.7	67.7	189.0	66.5	76.3	185.7	143.5
Romi (without B+W)	23.4	16.9	15.3	-34.5	-9.1	76.3	65.6	-14.0
Net Sales (US $ million):	4Q11	3Q12	4Q12	Chg % 4Q/4Q	Chg % 4Q/3Q	2011	2012	Chg % 12/11
Romi (with B+W)	13.0	20.0	32.9	152.5	64.1	45.7	95.2	108.5
Romi (without B+W)	13.0	8.3	7.5	-42.7	-10.5	45.7	33.6	-26.4

Romi - Consolidated	Quarter					Accumulated		
Net Operating Revenue (R$ thousand)	4Q11	3Q12	4Q12	Chg % 4Q/4Q	Chg % 4Q/3Q	2011	2012	Chg % 12/11
Machine Tools	103,212	111,908	150,054	45.4	34.1	407,107	440,358	8.2
Plastic Machines	22,459	25,063	27,162	20.9	8.4	126,336	90,981	-28.0
Rough and Machined Cast Iron Parts	26,345	23,548	22,978	-12.8	-2.4	97,611	86,222	-11.7
Total	**152,016**	**160,519**	**200,194**	**31.7**	**24.7**	**631,054**	**617,561**	**-2.1**

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

Machine Tools

This unit's net operating revenue reached R$ 150.1 million in 4Q12, of which R$ 52.3 million referring to the consolidation of B+W's net operating revenue. This amount represented an increase of 45.4% in comparison to the same quarter of last year, and 34.1% compared to 3Q12.

Excluding the effects of B+W on this comparison, this business unit's net operating revenue was down 12.7% from 4Q11, and up 10.9% from 3Q12. The growth in relation to 3Q12 is attributable to more solid order entry, as detailed previously.

The Machine Tools Business Unit's physical sales totaled 480 units in 4Q12. This amount is 6.1% lower than that obtained in 4Q11 (511 units), and 8.4% higher than that obtained in 3Q12 (443 units).

In the domestic market, in 2012, this business unit's main customers were from the machining services, automotive, machinery and equipment, tools, education, oil and agricultural machinery segments.

Plastic Processing Machines

In 4Q12, the Plastic Processing Machinery Business Unit's net revenue totaled R$ 27.2 million, representing a 20.9% increase in relation to 4Q11. Compared to 3Q12, Net Operating Revenue grew 8.4%, also thanks to solid inflow of order entry in the second half of 2012 in this segment, which is correlated to consumer goods, such as packaging, white-line goods and home appliance, among others.

In 4Q12, the Plastic Processing Machines Business Unit's physical sales totaled 74 units, up 21.3% from 4Q11 (61 units), and up 23.3% in comparison to 3Q12 (60 units).

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

Rough and Machined Cast Iron Parts

In 4Q12, this unit's physical sales totaled 3,361 tons, down 20.9% from the 4,250 tons sold in 4Q11, due especially to diminished demand in the commercial automotive sector (trucks), as presented in the "Current Economic Scenario" section.

The segments that demanded the most for products of this Business Unit were agricultural machinery, wind power and capital goods.

Operating Costs and Expenses

Gross margin for 4Q12 was 21.9%, 27 basis points greater than in 4Q11, and down 9 bps in relation to 3Q12. Disregarding B+W, gross margin would have been 22.4%, 4 bps lower than 3Q12.

The moderate price recovery commented on in 3Q12 earnings contributed to this result. The operating adjustment in the Company's personnel conducted over the course of 2012 also contributed to the recovery of the Company's operating margins.

The operating adjustments concluded in the first half of 2012 and the ongoing implementation of operating efficiency projects to optimize planning and production processes, inventory levels and operating expenses solidified their effects in 4Q12, resulting in improvement in operating margins.

In 4Q12 there was an annual collective bargaining agreement that represented a 6.6% increase in the payroll. Labor accounts for approximately 25% of the Company's cost structure.

Due to the fact that Romi's operating expenses are more fixed than variable in nature, the main factors that drove this improvement were dilution of fixed costs, due to a greater volume of sales, as well as strict control of operating expenses.

Romi - Consolidated	Quarter					Accumulated		
Gross Margin (%)	4Q11	3Q12	4Q12	Chg bps 4Q/4Q	Chg bps 4Q/3Q	2011	2012	Chg bps 12/11
Machine Tools	28.0	27.3	25.8	(22)	(15)	34.8	27.3	(75)
Plastic Machines	11.6	21.5	17.7	61	(38)	25.5	19.7	(58)
Rough and Machined Cast Iron Parts	(9.0)	2.8	1.4	104	(14)	(1.3)	(7.3)	(60)
Total	**19.2**	**22.8**	**21.9**	**27**	**(9)**	**27.4**	**21.4**	**(59,5)**

Romi - Consolidated	Quarter					Acumulado		
EBIT Margin (%)	4Q11	3Q12	4Q12	Chg bps 4Q/4Q	Chg bps 4Q/3Q	2011	2012	Chg bps 12/11
Machine Tools	(3.2)	(1.7)	5.2	84	69	5.8	(1.7)	(75)
Plastic Machines	(47.4)	(21.9)	(20.3)	271	16	(18.1)	(30.7)	(126)
Rough and Machined Cast Iron Parts	(19.5)	(8.3)	(10.6)	89	(23)	(12.0)	(19.0)	(70)
Total	**(12.5)**	**(5.8)**	**0.0**	**125**	**58**	**(1.8)**	**(8.4)**	**(66,5)**

Machine Tools

This business unit's gross margin was 25.8% in 4Q12, down 22bps in relation to 4Q11, due to the mix of products billed in the quarter, such as conventional lathes, which had a greater share. These products are targeted for technical schools (teaching), with the strategic objective of reinforcing the Company's name and reputation from the beginning of apprentices' contact with machine tools.

Operating margin for the fourth quarter of 2012 improved 84bps in relation to the same quarter of the previous year, and rose 69 bps in relation to 3Q12, due to the greater volume of billing in the quarter, which represented greater dilution of operating expenses that are predominantly fixed in nature.

The consolidation of B+W, which this quarter had a revenue level of R$ 52.3 million, affected the improvement in the Company's operating margin.

Plastic Processing Machines

In this business unit, gross margin reached 17.7% for 4Q12, up 61 bps from 4Q11, thanks to the strategy of gradual recovery of prices in light of a less-appreciated local currency, which contributed to domestic products' competitiveness and a focus on products with greater added value, such as larger machines.

The 338 bps decline in the quarter in relation to the third quarter of 2012 is due to the provision for inventory losses in the Italian operation, in the amount of R$ 2.9 million, which impacted the margin for 4Q12. This adjustment stems from the intention to transform the Italian operation into a sales and service unit, as announced in 2012.

Operating margin for the fourth quarter of 2012 improved 16 bps from 3Q12, and 271 bps in relation to 4Q11, resulting from the greater volume of revenue, allowing for greater dilution of operating expenses.

Rough and Machined Cast Iron Parts

This business unit's gross margin was 1.4% in 4Q12, improving 104 bps in relation to 4Q11. Low utilization of installed capacity, and an overall increase in this unit's costs, as well as a decline in demand, especially in the truck sector, were the main factors responsible for this result.

Meanwhile, the operating margin for 4Q12, which was a negative 10.6%, improved 89 bps in relation to 4Q11, thanks to gradual evolution of sale prices, and operating adjustments to reduce costs and expenses.

EBITDA and EBITDA Margin

In 4Q12, operating cash generation as measured by EBITDA (earnings before interest, taxes, depreciation and amortization) was a positive R$ 9.8 million, with an EBITDA margin of 4.9% in the period and the resumption of cash generation by the Company, as shown in the table below:

Reconciliation of Net Income to EBITDA	Quarter					Accumulated		
R$ thousand	4Q11	3Q12	4Q12	Chg % 4Q/4Q	Chg % 4Q/3Q	2011	2012	Chg % 12/11
Net Income	**(17,219)**	**(7,995)**	**(4,135)**	**-76.0**	**151.7**	**4,326**	**(37,369)**	**-963.8**
Income tax and social contributions	(1,876)	(3,883)	625	-133.3	83.9	(4,554)	(16,808)	269.1
Net Financial Income	25	2,513	3,429	13,616.0	236.5	(10,836)	2,302	-121.2
Depreciation and amortization	7,028	9,649	9,906	41.0	202.7	28,795	37,543	30.4
EBITDA	**(12,042)**	**284**	**9,825**	**-181.6**	**2,559.5**	**17,731**	**(14,332)**	**-180.8**
EBITDA Margin	**-7.9%**	**0.2%**	**4.9%**					

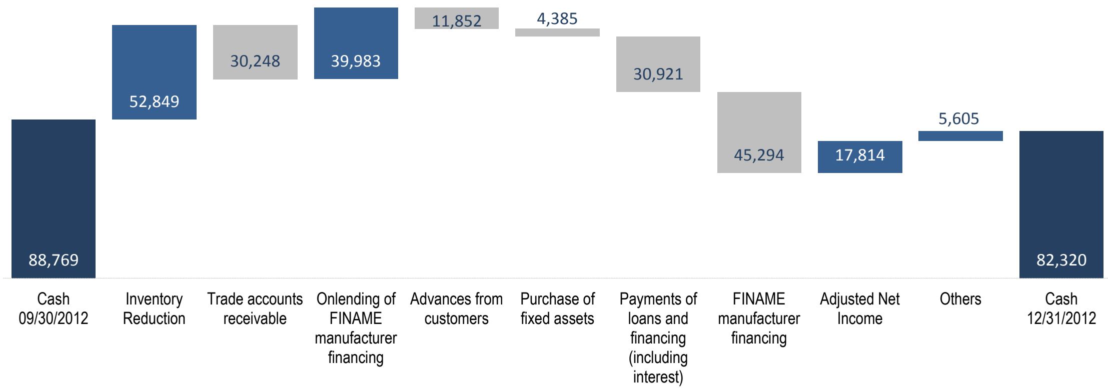
All the impacts mentioned in the "Operating Costs and Expenses" section also impacted Romi's EBITDA in the period.

Profit (Loss) for the Quarter

Profit (loss) for 4Q12 was a negative R$ 4.1 million, improving 48.3% and 76.0% in relation to 3Q12 and 4Q11, respectively.

Changes in Cash and Cash Equivalents

The main changes in cash in 4Q12 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) finance income and costs and exchange differences; (ii) depreciation and amortization; (iii) allowance for doubtful debts and other receivables; (iv) provision for inventory losses; and (v) cost of sale of fixed assets.

Inventories

In light of this scenario of declining investments in 2012, the Company, based on inventory levels at year-end 2011, adjusted its production volume. In addition, various operating efficiency measures were taken in 2012, and thus, starting in 3Q12, inventories have been declining significantly, which helped operating cash generation. In relation to 9/30/2012, the inventories account decreased by R$ 52.9 million.

In the year 2012, the total decrease was R$12.7 million, even with the acquisition of B+W at the end of January 2012, which on 12/31/2012 consolidated inventories in the amount of R$30.3 million. Disregarding B+W's inventories as at 12/31/2012, the decrease in the year would have been R$ 42.9 million.

Onlending of Finame Manufacturer Financing

The amount receivable referring to Finame Manufacturer Financing decreased R$ 51.8 million in 4Q12. In the year 2012, this decrease totaled R$ 190.2 million. These decreases result mainly from two factors: (i) decline in sales volume in 2012, which resulted in a decline in new financing; and (ii) in the second half of 2012, the Company began offering its customers, besides Finame Manufacturer Financing, Finame Buyer Financing, in which the customer obtains financing directly from the financial institution, and Romi receives the amount just after the machine is delivered to the customer, without guaranteeing the financing. The conditions for Finame Buyer Financing can be 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 reduce Romi's exposure to credit risk.

Trade Accounts Receivables

The increase in trade receivables in 4Q12, in relation to 3Q12, in the amount of R$ 33.8 million, is due to the improvement in sales volume, and especially the greater sales volume through Finame Buyer Financing, which are recorded in this account. As at 12/31/2012 and 9/30/2012, the amounts receivable referring to Finame Buyer Financing were R$ 34.3 million and R$ 7.6 million, respectively.

Repayment of Financing

The payments made in the quarter refer to the pre-export line of financing, in the amount of R$ 19.0 million, and expansion projects carried out in the years 2008 and 2009.

Advances from Customers

The decrease in advances from customers in 4Q12 is attributable to the delivery of machinery in the quarter, mainly due to the increase in B+W's sales, since this subsidiary uses a significant amount of advances from customers as part of its sales policy.

Investments

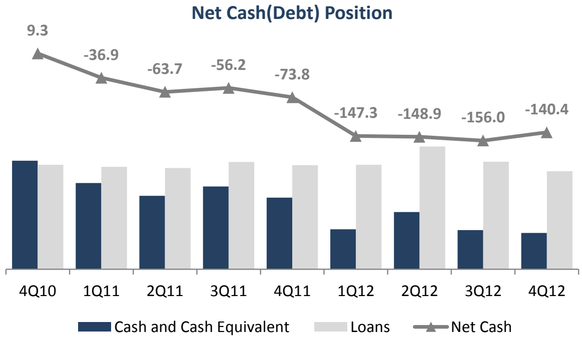
Investments in 4Q12 totaled R$ 4.4 million, and were basically allocated to maintenance, productivity and upgrading of production facilities, within the investment plan for the year 2012. R$ 11.4 million was invested in 2012.

Financial Position

Short-term investments, including those backed by debentures, are made with financial institutions with low credit risk and their yield is 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 December 31, 2012 was R$ 82.3 million.

Romi's borrowings are used mainly in investments to expand plant capacity and upgrading, and financing exports and imports. As at December 31, 2012, the amount of financing in local currency was R$ 210.4 million, and in foreign currency, R$ 12.3 million, totaling R$ 222.7 million.

The Company's net debt decreased by R$ 15.6 million in 4Q12, in which, as well as in the previous quarter, there was a decline in inventories due to adjustment of production scheduling, operating efficiency and improvement in sales, helping balance use of working capital in the period.



As at December 31, 2012, the Company did not have any derivative transactions.

Burkhardt + Weber

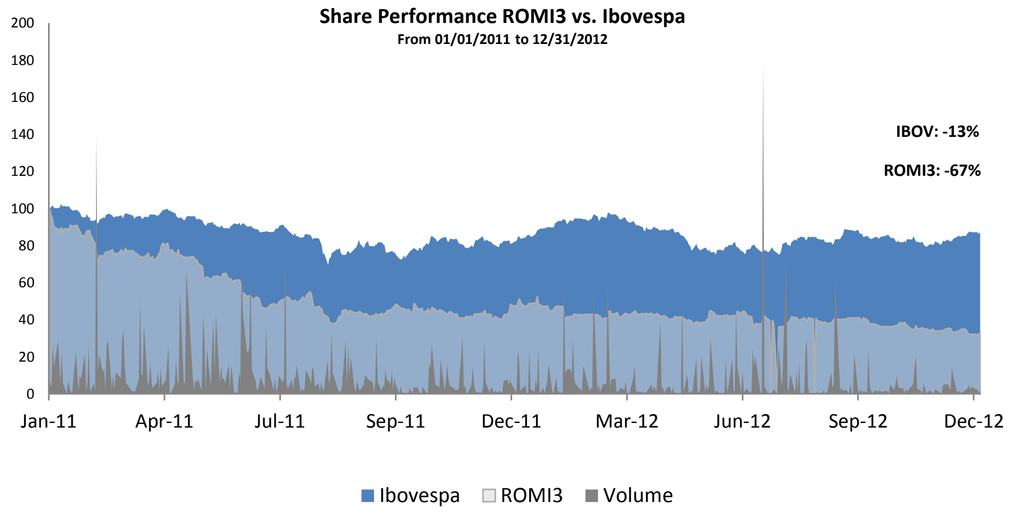
We present below an Income Statement and the main Balance Sheet accounts as at December 31, 2012 for B+W, both in condensed form:

Income Statement (R$ 000)	2012
Net Operating Revenue	120,160
Gross Profit	20,483
%	17.0%
EBIT	10,128
%	8.4%
EBITDA	15,244
%	12.7%
Net Profit	9,558

Balance Sheet (R$ 000)	12/31/2012
Cash and Cash equivalents	13,603
Trade accounts receivable	19,466
Inventories	30,276
Other receivables	2,830
Property, Plant and Equipment, net	34,758
Intangible	39,324
Total Assets	140,257
Financing	10,201
Trade accounts payable	8,860
Advances from customers	30,121
Deferred tax liability	15,118
Other payables	9,920
Shareholder's Equity	66,037
Total Liabilities and Shareholder's Equity	140,257

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.

Stock Market



Source: BMF&Bovespa

At the end of 4Q12, Romi's common shares (ROMI3) were traded at R$ 4.62, posting depreciation of 20.3% in the quarter (4Q12 vs. 3Q12), and 31.5% from the end of 4Q11. The Bovespa index gained 3.0% from the end of 3Q12, and 7.4% from the end of 4Q11.

The Company's market capitalization as at December 31, 2012 was R$ 345.4 million and the average daily trading volume for 4Q12 was R$ 176 thousand.

Financial Statements

Consolidated Balance Sheet

(R$ thousand)

ASSETS	12/31/2011	09/30/2012	12/31/2012
CURRENT	**950,348**	**911,924**	**868,278**
Cash and Cash equivalents	162,813	88,769	82,320
Trade accounts receivable	86,938	89,726	125,568
Onlending of FINAME manufacturer financing	341,688	330,969	317,633
Inventories	314,355	357,489	301,686
Recoverable taxes	11,854	10,442	10,817
Related Parties	-	348	456
Other receivables	32,700	34,181	29,798
NONCURRENT	**831,086**	**784,982**	**746,282**
Long-Term Assets	**542,158**	**445,615**	**409,885**
Trade accounts receivable	13,208	15,868	13,842
Onlending of FINAME manufacturer financing	478,991	351,282	312,805
Recoverable taxes	2,383	1,322	0,874
Deferred income and social contribution taxes	33,710	53,120	52,004
Escrow Deposits	-	1,697	1,697
Other receivables	13,866	22,326	28,663
Investments			
Property, Plant and Equipment, net	280,796	275,734	272,857
Investment in Subsidiaries and Associate Companies	-	1,521	1,944
Investment Property	-	16,103	16,103
Intangible assets	8,132	46,009	45,493
TOTAL ASSETS	**1,781,434**	**1,696,906**	**1,614,560**

Consolidated Balance Sheet

(R$ thousand)

LIABILITIES AND SHAREHOLDER'S EQUITY	12/31/2011	09/30/2012	12/31/2012
CURRENT	**512,924**	**500,587**	**489,931**
Loans and financing	113,038	64,752	70,192
FINAME manufacturer financing	307,734	295,662	285,440
Trade accounts payable	41,172	33,611	41,516
Payroll and related taxes	26,546	29,717	21,781
Taxes payable	6,505	7,187	11,263
Advances from customers	10,131	57,292	41,838
Interest on capital, dividends and participations	628	429	434
Related Parties	-	281	590
Other payables	7,170	11,656	16,877
NON CURRENT	**588,766**	**556,976**	**487,359**
Long-term liabilities			
Loans and financing	123,776	180,030	152,490
FINAME manufacturer financing	447,020	341,209	302,279
Deferred income and social contribution taxes on negative goodwill	6,470	23,471	22,284
Taxes payable	4,761	4,761	3,461
Other payables	2,392	4,648	6,520
Reserve for contingencies	4,347	2,857	325
SHAREHOLDER'S EQUITY	**677,776**	**637,418**	**635,527**
Capital	489,973	489,973	489,973
Capital reserve	2,052	2,052	2,052
Treasury Stock	(4,599)	(17,850)	(17,850)
Retained earnings	195,598	161,866	157,591
Other accumulated comprehensive income	(5,248)	1,377	3,761
NON CONTROLLING INTERESTS	**1,968**	**1,925**	**1,743**
TOTAL SHAREHOLDER'S EQUITY	**679,744**	**639,343**	**637,270**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**1,781,434**	**1,696,906**	**1,614,560**

Consolidated Income Statement

(R$ thousand)

	4Q11	3Q12	4Q12	Chg.% 4Q/4Q	Chg.% 4Q/3Q	2011	2012	Chg.% 12/11
Net Operating Revenue	**152,016**	**160,519**	**200,194**	**31.7**	**24.7**	**631,054**	**617,561**	**(2.1)**
Cost of Gods Sold	(122,884)	(123,957)	(156,366)	27.2	26.1	(458,442)	(485,712)	5.9
Gross Profit	**29,132**	**36,562**	**43,828**	**50.4**	**19.9**	**172,612**	**131,849**	**(23.6)**
Gross Margin %								
Operating Income	**(48,202)**	**(45,927)**	**(43,909)**	**(8.9)**	**(4.4)**	**(183,676)**	**(183,724)**	**0.0**
Selling expenses	(20,699)	(17,404)	(19,179)	(7.3)	10.2	(74,933)	(74,033)	(1.2)
Research and development expenses	(5,919)	(5,300)	(5,049)	(14.7)	(4.7)	(26,085)	(21,541)	(17.4)
General and administrative expenses	(20,482)	(20,994)	(16,728)	(18.3)	(20.3)	(73,416)	(85,106)	15.9
Management profit sharing and compensation	(1,374)	(1,601)	(1,492)	8.6	(6.8)	(8,276)	(6,936)	(16.2)
Tax expenses	(649)	(492)	(227)	(65.0)	(53.9)	(1,970)	(2,015)	2.3
Other operating income, net	921	(136)	(1,234)	(234.0)	807.4	1,004	5,907	488.3
Operating Income before Financial Results	**(19,070)**	**(9,365)**	**(81)**	**(99.6)**	**(99.1)**	**(11,064)**	**(51,875)**	**368.9**
Operating Margin %								
Financial Income	**(25)**	**(2,513)**	**(81)**	**13,616.0**	**36.5**	**10,836**	**(81)**	**(121.2)**
Financial income	5,745	3,013	3,926	(16.3)	30.3	25,383	21,116	(16.8)
Financial expenses	(4,094)	(5,901)	(6,185)	72.6	4.8	(16,076)	(23,877)	48.5
Exchance gain (loss), net	(1,676)	375	(1,170)	(30.2)	(412.0)	1,529	0,459	(70.0)
Operating Income	**(19,095)**	**(11,878)**	**(3,510)**	**(81.6)**	**(70.4)**	**(0,228)**	**(54,177)**	**23,661.8**
Income tax and social contribution	1,876	3,883	(625)	(133.3)	(116.1)	4,554	16,808	269.1
Net income	**(17,219)**	**(7,995)**	**(4,135)**	**(76.0)**	**(48.3)**	**4,326**	**(37,369)**	**(963.8)**
Net Margin %								
Net profit concerning:								
Controlling interests	(17,390)	(8,152)	(4,274)	(75.4)	(47.6)	3,568	(38,007)	(1,165.2)
Non controlling interests	171	157	140	(18.1)	(10.8)	758	638	(15.8)
EBITDA	**(12,042)**	**284**	**9,825**	**(181.6)**	**3,359.5**	**17,731**	**(14,332)**	**(180.8)**
Net income	(17,219)	(7,995)	(4,135)	(76.0)	(48.3)	4,326	(37,369)	(963.8)
Income tax and social contribution	(1,876)	(3,883)	(625)	(133.3)	(116.1)	(4,554)	(16,808)	269.1
Financial income	25	2,513	81	13,616.0	36.5	(10,836)	2,302	(121.2)
Depreciation	7,028	9,649	9,906	41.0	2.7	28,795	37,543	30.4
EBITDA Margin %								
Nº of shares in capital stock (th)	74,758	74,758	74,758			74,758	74,758	
Net income per share - R$	(0.23)	(0.11)	(0.06)			0.06	(0.50)	(963.8)

Consolidated Cash Flow Statement

(R$ thousand)

	4Q11	3Q12	4Q12	2011	2012
Cash from operating activities					
Net Income	**(17,219)**	**(7,995)**	**(4,135)**	**4,326**	**(37,369)**
Current and deferred income and social contribution taxes	(1,876)	(3,883)	625	(4,554)	(16,808)
Financial expenses and exchange gain	4,477	6,241	4,229	6,912	9,799
Depreciation and amortization	7,028	9,649	9,906	28,795	37,543
Allowance for doubtful accounts and other receivables	6,869	7,974	2,774	29,529	27,100
Proceeds from sale of fixed assets	(647)	70	377	(563)	685
Provision for inventory realization	1,204	2,471	4,450	4,321	7,960
Reserve for contingencies	2,157	1,311	2,068	7,361	7,649
Negative goodwill on acquisition of foreign subsidiary	-	-	-	-	(8,094)
Change on operating assets					
Trade accounts receivable	12	(12,490)	(30,248)	9,690	(22,587)
Related parts	-	304	-	-	-
Onlending of FINAME manufacturer financing	31,322	64,520	39,983	79,178	162,935
Inventories	12,761	22,521	50,749	(63,295)	74,266
Recoverable taxes, net	2,263	2,972	1,934	6,884	8,419
Escrow deposits	(1,431)	(1,070)	(1,117)	(6,203)	(1,697)
Other receivables	(8,258)	(11,796)	3,381	(27,149)	492
Change on operating liabilities					
Trade accounts payable	(1,682)	(6,286)	5,637	(9,911)	(7,989)
Payroll and related taxes	(7,346)	(5,178)	(7,098)	(10,915)	(6,532)
Taxes payable	1,008	4,494	845	(6,430)	(1,452)
Advances from customers	(703)	(2,164)	(11,852)	2,499	(10,604)
Other payables	445	(2,717)	2,023	(1,593)	(1,968)
Cash provided by (used in) operating activities	**30,384**	**68,948**	**74,531**	**48,882**	**221,748**
Income tax and social contribution paid	(1,484)	(1,124)	(389)	(5,684)	(2,109)
Net Cash provided by (used in) operating activities	**28,900**	**67,824**	**74,142**	**43,198**	**219,639**
Purchase of fixed assets	(6,776)	(3,999)	(4,385)	(18,743)	(11,415)
Proceeds from sale of fixed assets	1,756	-	239	1,996	239
Amount paid on acquisition of foreign subsidiary	-	-	-	-	(46,830)
Exchange variation changes on cash and cash equivalents abroad	-	-	-	-	5,939
Increase in intangible assets	(490)	-	-	(545)	-
Net cash used in investing activities	**(5,510)**	**(3,999)**	**(4,146)**	**(17,292)**	**(52,067)**
Interest on capital paid	(9,643)	-	(322)	(34,957)	(874)
New loans and financing	-	29,666	-	21,532	89,990
Payments of loans and financing	(7,016)	(66,150)	(26,084)	(22,017)	(109,745)
Interests paid (including FINAME manufacturer financing)	(16,839)	(15,910)	(14,073)	(66,690)	(60,100)
New loans in FINAME manufacturer	64,557	35,848	33,137	319,700	159,299
Payment of FINAME manufacturer financing	(79,201)	(86,659)	(69,195)	(323,777)	(313,733)
Share Repurchase	(228)	(3,541)	-	(4,599)	(13,251)
Net Cash provided by (used in) financing activities	**(48,370)**	**(106,746)**	**(76,537)**	**(110,808)**	**(248,414)**
Increase (decrease) in cash and cash equivalents	**(24,980)**	**(42,921)**	**(6,541)**	**(84,902)**	**(80,842)**
Exchange variation changes on cash and cash equivalents abroad	(266)	1,499	92	780	349
Cash and cash equivalents - beginning of period	**188,059**	**130,191**	**88,769**	**246,935**	**162,813**
Cash and cash equivalents - end of period	**162,813**	**88,769**	**82,320**	**162,813**	**82,320**

Appendix I

Income Statement by Business Units - 4Q12

R$ thousand	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**150,054**	**27,162**	**22,978**	**200,194**
Cost of Sales and Services	(111,791)	(21,200)	(23,375)	(156,366)
Business Units Transfers	2,430	-	2,454	(4,884)
Business Units Transfers	(2,000)	(1,146)	(1,738)	4,884
Gross Profit	**38,693**	**4,816**	**319**	**43,828**
Gross Margin %	*25.8%*	*17.7%*	*1.4%*	*21.9%*
Operating Expenses	**(30,817)**	**(10,340)**	**(2,752)**	**(43,908)**
Selling	(12,316)	(5,306)	(862)	(18,484)
General and Administrative	(13,487)	(3,240)	(1,664)	(18,390)
Management profit sharing	(2,547)	(1,534)	-	(4,081)
Research and Development	(1,080)	(224)	(188)	(1,492)
Taxation	(149)	(41)	(37)	(227)
Other operating revenue	(1,238)	4	-	(1,234)
Operating Income before Financial Results	**7,876**	**(5,524)**	**(2,433)**	**(81)**
Operating Margin %	*5.2%*	*-20.3%*	*-10.6%*	*0.0%*
	6,407	611	2,888	9,906
EBITDA	**14,283**	**(4,913)**	**455**	**9,825**
EBITDA Margin %	*9.5%*	*-18.1%*	*2.0%*	*4.9%*

Income Statement by Business Units - 4Q11

R$ thousand	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**103,212**	**22,459**	**26,346**	**152,016**
Cost of Sales and Services	(75,757)	(17,184)	(29,943)	(122,884)
Business Units Transfers	4,646	-	3,884	(8,530)
Business Units Transfers	(3,203)	(2,674)	(2,653)	8,531
Gross Profit	**28,898**	**2,600**	**(2,367)**	**29,134**
Gross Margin %	*28.0%*	*11.6%*	*-9.0%*	*19.2%*
Operating Expenses	**(32,193)**	**(13,244)**	**(2,764)**	**(48,200)**
Selling	(12,257)	(7,692)	(750)	(20,698)
General and Administrative	(15,033)	(3,610)	(1,839)	(20,481)
Management profit sharing	(4,046)	(1,873)	-	(5,919)
Research and Development	(1,189)	(71)	(114)	(1,374)
Taxation	(508)	(80)	(61)	(649)
Other operating revenue	840	81	-	921
Operating Income before Financial Results	**(3,296)**	**(10,644)**	**(5,131)**	**(19,070)**
Operating Margin %	*-3.2%*	*-47.4%*	*-19.5%*	*-12.5%*
	3,908	663	2,457	7,028
EBITDA	**612**	**(9,981)**	**(2,674)**	**(12,042)**
EBITDA Margin %	*0.6%*	*-44.4%*	*-10.1%*	*-7.9%*

Income Statement by Business Units - 2012

R$ thousand	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**440,358**	**90,981**	**86,222**	**617,561**
Cost of Sales and Services	(318,872)	(65,415)	(101,425)	(485,712)
Business Units Transfers	12,349	-	16,572	28,921
Business Units Transfers	(13,580)	(7,673)	(7,668)	(28,921)
Gross Profit	**120,255**	**17,893**	**(6,299)**	**131,849**
Gross Margin %	*27.3%*	*19.7%*	*-7.3%*	*21.3%*
Operating Expenses	**(127,804)**	**(45,847)**	**(10,073)**	**(183,724)**
Selling	(48,713)	(22,046)	(3.274)	(74,033)
General and Administrative	(63,764)	(15,347)	(5,995)	(85,106)
Management profit sharing	(14,844)	(6,697)	-	(21,541)
Research and Development	(5,322)	(991)	(623)	(6,936)
Taxation	(1,527)	(308)	(180)	(2,015)
Other operating revenue	6,366	(459)	-	5,907
Operating Income before Financial Results	**(7,549)**	**(27,954)**	**(16,372)**	**(51.875)**
Operating Margin %	*-1.7%*	*-30.7%*	*-19.0%*	*-8.4%*
	23,680	2.604	11,259	37,543
EBITDA	**16,131**	**(25,350)**	**(5.113)**	**(14,332)**
EBITDA Margin %	*3.7%*	*-27.9%*	*-5.9%*	*-2.3%*

Income Statement by Business Units - 2011

R$ thousand	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**407,107**	**126,336**	**97,611**	**631,054**
Cost of Sales and Services	(262,192)	(77,794)	(118,456)	(458,442)
Business Units Transfers	21,332	-	30,301	51,633
Business Units Transfers	(24,641)	(16,305)	(10,687)	(51,633)
Gross Profit	**141,606**	**32,237**	**(1,231)**	**172,612**
Gross Margin %	*34.8%*	*25.5%*	*-1.3%*	*27.4%*
Operating Expenses	**(118,065)**	**(55,109)**	**(10,502)**	**(183,676)**
Selling	(43,654)	(28,349)	(2,930)	(74,933)
General and Administrative	(49,495)	(17,379)	(6,542)	(73,416)
Management profit sharing	(18,247)	(7,838)	-	(26,085)
Research and Development	(6,054)	(1,389)	(833)	(8,276)
Taxation	(1,426)	(347)	(197)	(1,970)
Other operating revenue	811	193	-	1,004
Operating Income before Financial Results	**23,541**	**(22,872)**	**(11,733)**	**(11,064)**
Operating Margin %	*5.8%*	*-18.1%*	*-12.0%*	*-1.8%*
	16,151	3,110	9,534	28,795
EBITDA	**39,692**	**(19,762)**	**(2,199)**	**17,731**
EBITDA Margin %	*9.7%*	*-15.6%*	*-2.3%*	*2.8%*