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A TRADITION OF INNOVATION



4Q15 Earnings Release

February 17, 2016



This release contains forward-looking statements subject to risks and uncertainties, Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company, The reservations as to forward-looking statements also apply to information on possible or presumed operating results, as well as any statements preceded, followed or including words such as "believes", "may", "will", "expects", "intends", "plans", "estimates" or similar expressions, Forward-looking statements are not performance guarantees; they involve risks, uncertainties and assumptions because they refer to future events and, therefore, depend on circumstances which may or may not occur, Future results may differ materially from those expressed or suggested by forward-looking statements, Many of the factors which will determine these results and figures are beyond Romi's control or prediction capacity.



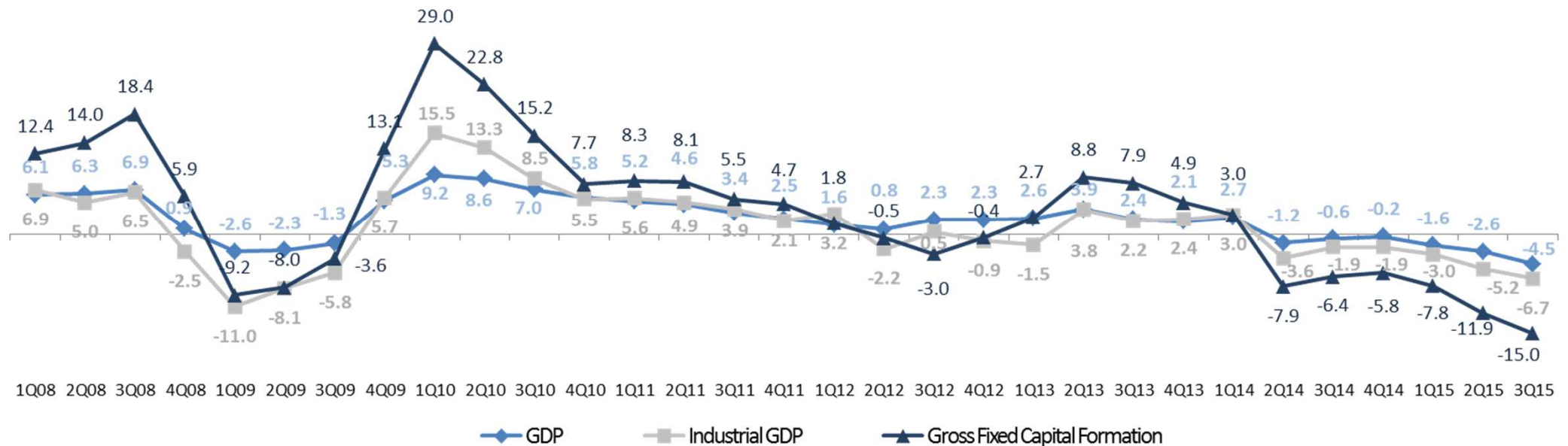
- **Cash generation** in 4Q15 and for the year 2015 reached **R\$44.8** and R\$30.5 million, respectively, **reducing net debt to R\$72.1 million** as at December 31, 2015.
- **Net operating revenues increased by 12.5%** in 4Q15 compared with 4Q14, due to the concentration of revenues of the German subsidiary B+W.
- Our **EBITDA** in 4Q15 was positive, to the tune of **R\$39.9 million**, representing EBITDA margin of 18.8%, boosted by the results of B+W, which in 4Q15 posted EBITDA of R\$24.3 million.
- **Sale of non-strategic assets** impacted EBITDA and net income for 4Q15 in the amounts of **R\$21.9** and R\$21.0 million, respectively.
- In 4Q15, compared with 4Q14, Romi's **Raw and Machined Cast Iron Parts** posted **improvements of 20.8 and 18.7** percentage points in terms of gross margin and EBITDA, respectively.
- Compared with 4Q14, **orders placed** in 4Q15 were **down 49.5%**, owing to the drop in demand for machines in the domestic market and B+W.
- In relation to September 30, 2015, the **order backlog** as at December 31, 2015 was **down 26.3%**.

Economic Indexes

Conjunctural Indicators



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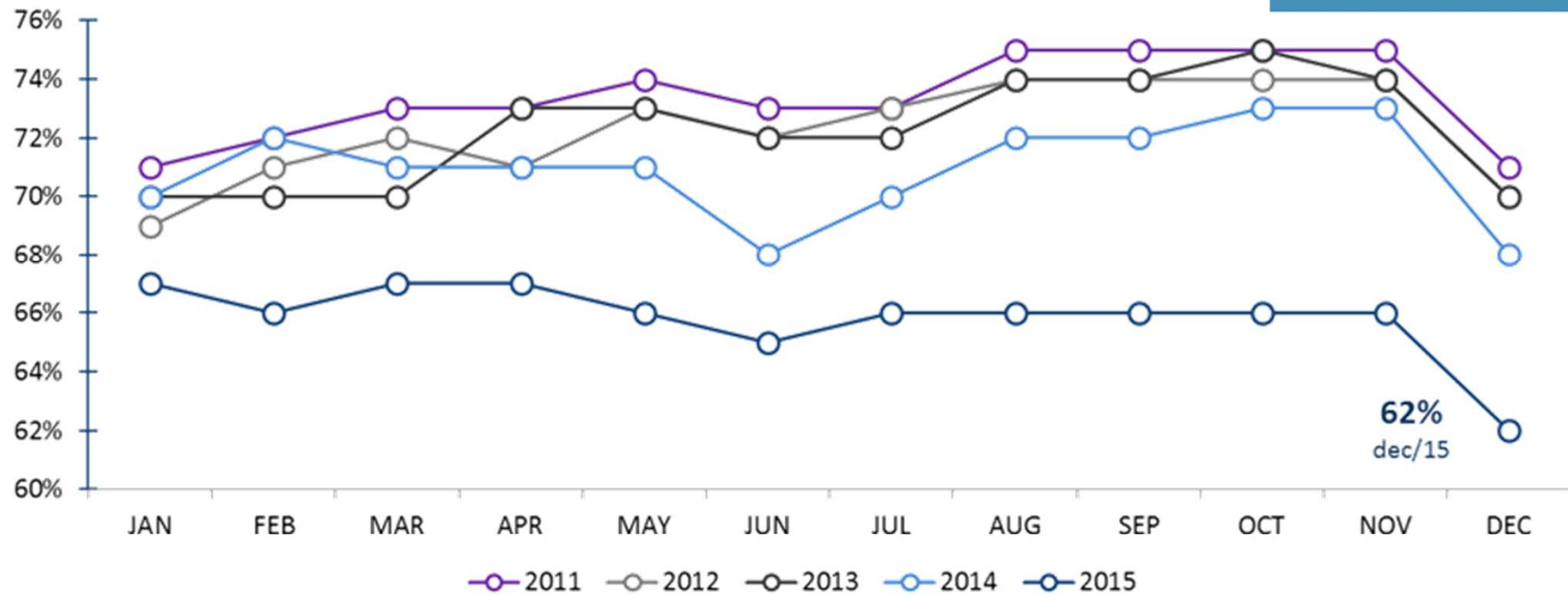
Source: IBGE (quarter this year vs, quarter last year)

Economic Indexes – Conjunctural Indicators

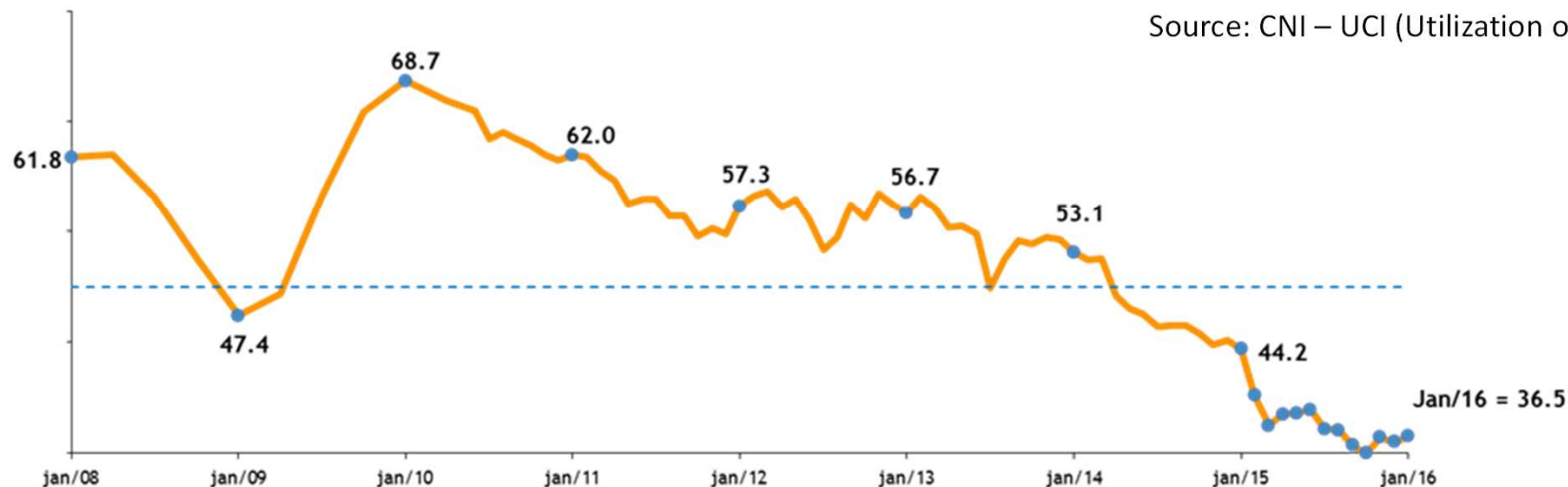


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Source: CNI – UCI (Utilization of Installed Capacity), Dec 2015



Source: CNI – ICEI (Industrial Executive Confidence Index), Jan, 2016



Machine Tools



	2015	2014
Job Shops	16%	22%
Machines and Equipments	14%	15%
Technical Schools	13%	16%
Automotive	9%	7%
Tooling	4%	6%
Agricultural Equipment	4%	5%
Others	40%	29%

Plastic Machines



	2015	2014
Packaging	25%	41%
Job Shops	17%	10%
Automotive	18%	14%
Real Estate	6%	3%
Furniture	4%	11%
Others	30%	21%

Raw and Machined Cast Iron Parts



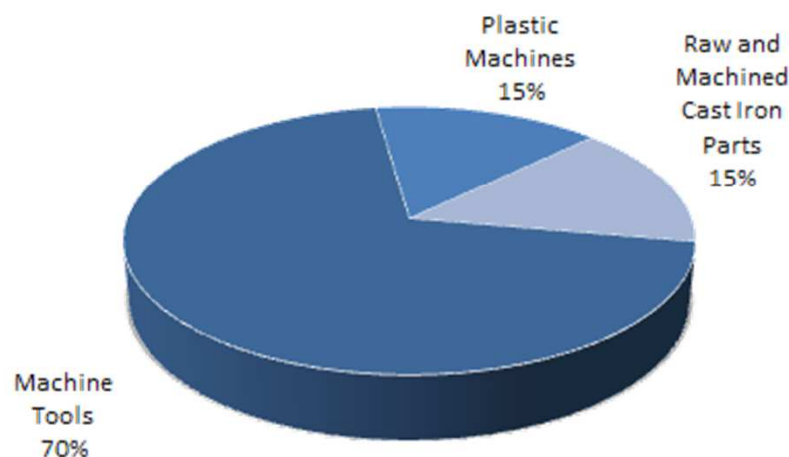
	2015	2014
Wind Power	57%	24%
Automotive - Trucks	27%	45%
Agriculture	12%	25%
Others	4%	6%

Net Sales per Business Unit

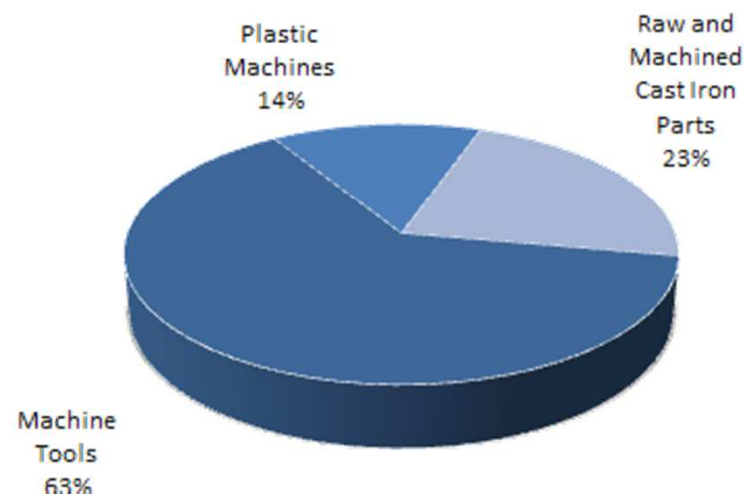


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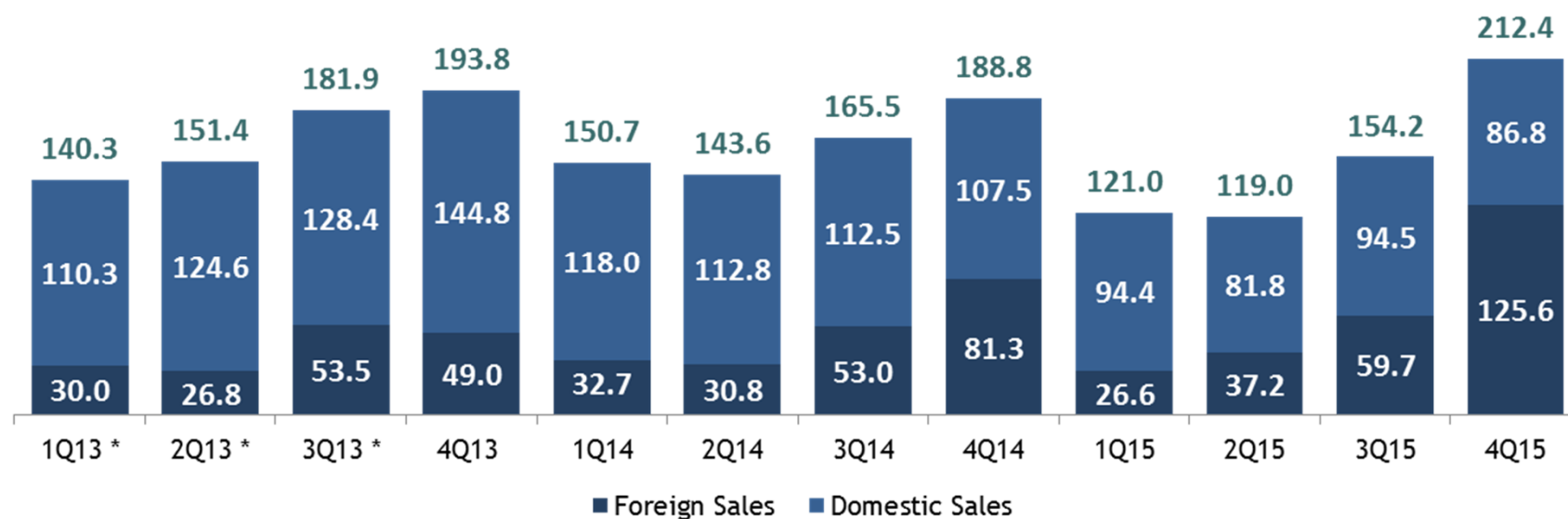
2014



2015



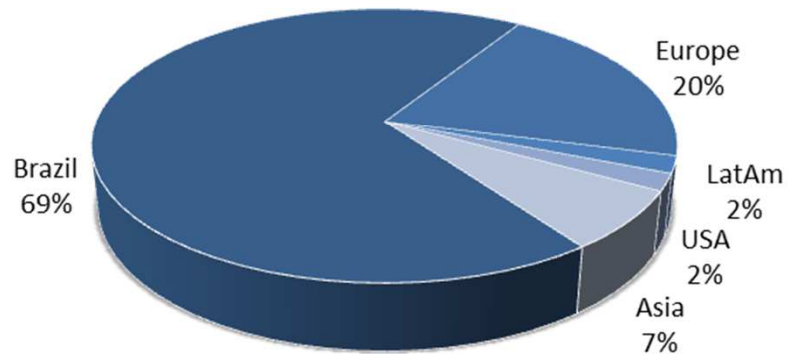
Net Operating Sales (R\$ million)



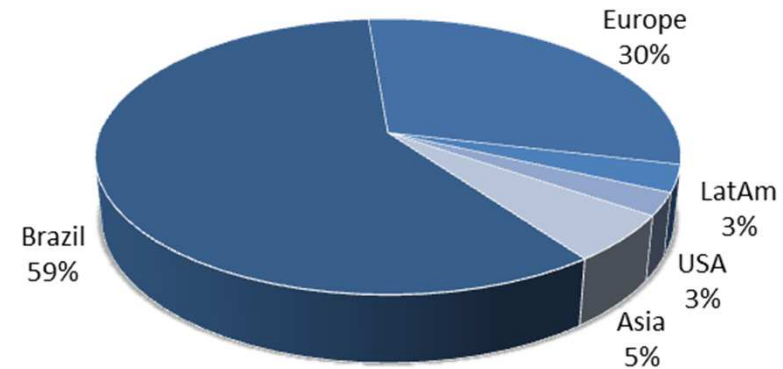
* Amounts relating to continued operations, excluding revenues from the subsidiary Romi Italia, which are presented as discontinued operations,



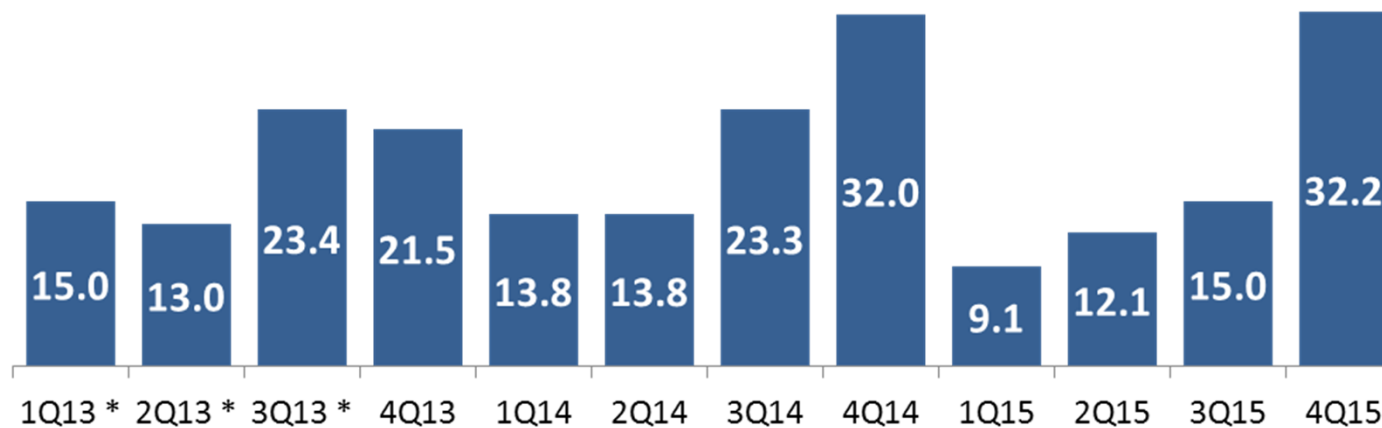
2014



2015



Foreign Sales (US\$ million)





Order Entry (R\$ 000) Gross Values, sales taxes included	4Q14	3Q15	4Q15	Chg 4Q15/3Q15	Chg 4Q15/4Q14
Machine Tools	114,601	61,430	66,688	8.6%	-41.8%
Plastic Machines	27,974	20,307	12,840	-36.8%	-54.1%
Rough and Machined Cast Iron Parts	56,664	77,263	21,022	-72.8%	-62.9%
Total	199,239	159,000	100,551	-36.8%	-49.5%

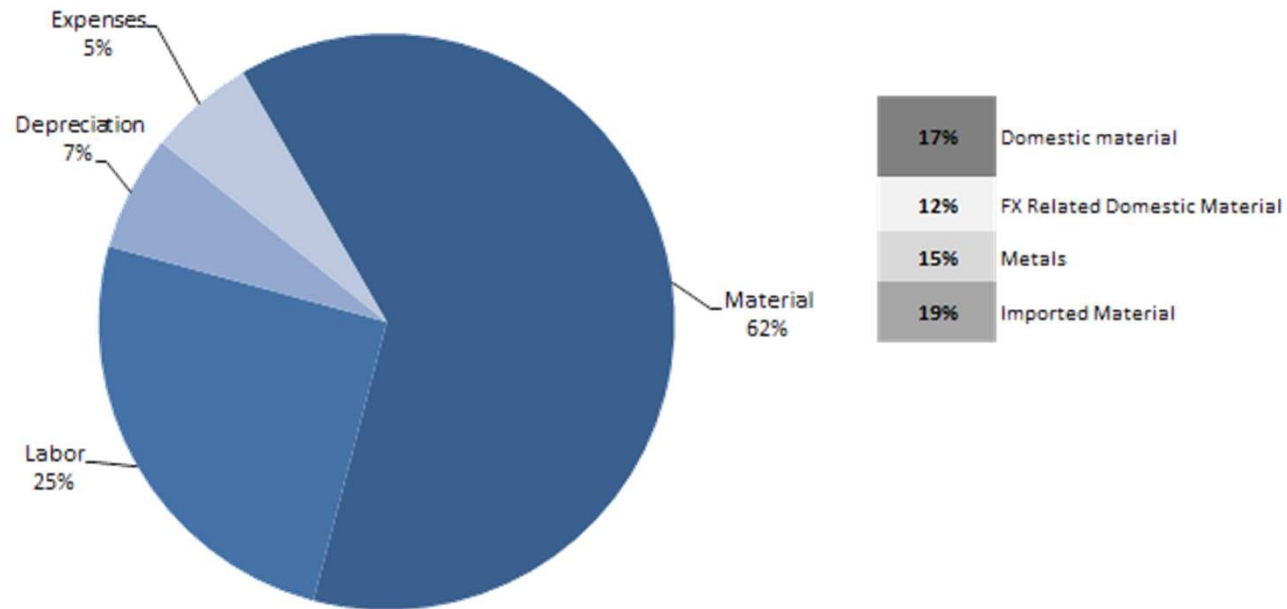
Order Entry (R\$ 000) Gross Values, sales taxes included	2014	2015	Chg. 2015/2014
Machine Tools	447,246	235,974	-47.2%
Plastic Machines	90,588	54,570	-39.8%
Rough and Machined Cast Iron Parts	154,381	196,885	27.5%
Total	692,216	487,428	-29.6%

Order Book (R\$ 000) Gross Values, sales taxes included	4Q14	3Q15	3Q15	Chg 3Q15/2Q15	Chg 3Q15/3Q14
Machine Tools	189,247	186,644	124,883	-33.1%	-34.0%
Plastic Machines	35,351	25,586	23,437	-8.4%	-33.7%
Rough and Machined Cast Iron Parts	55,959	118,133	95,221	-19.4%	70.2%
Total *	280,557	330,362	243,540	-26.3%	-13.2%

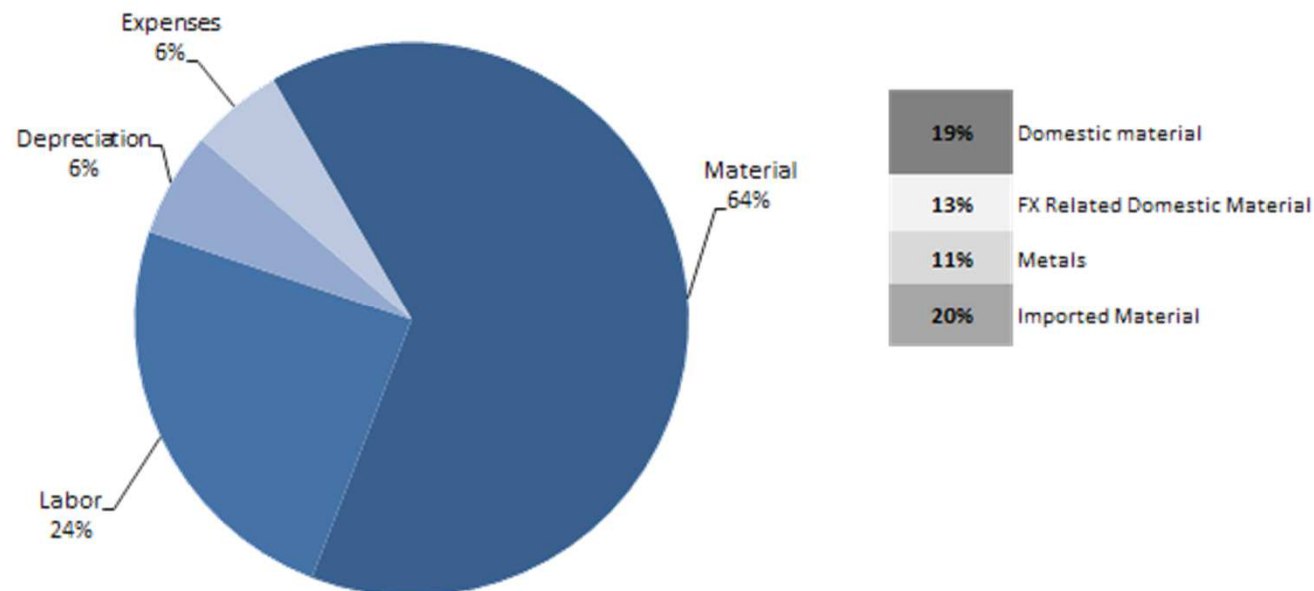
Cost of Goods Sold



2015

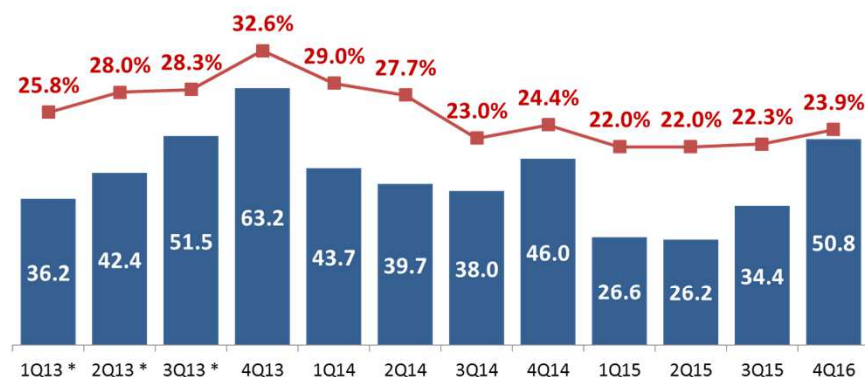


2014

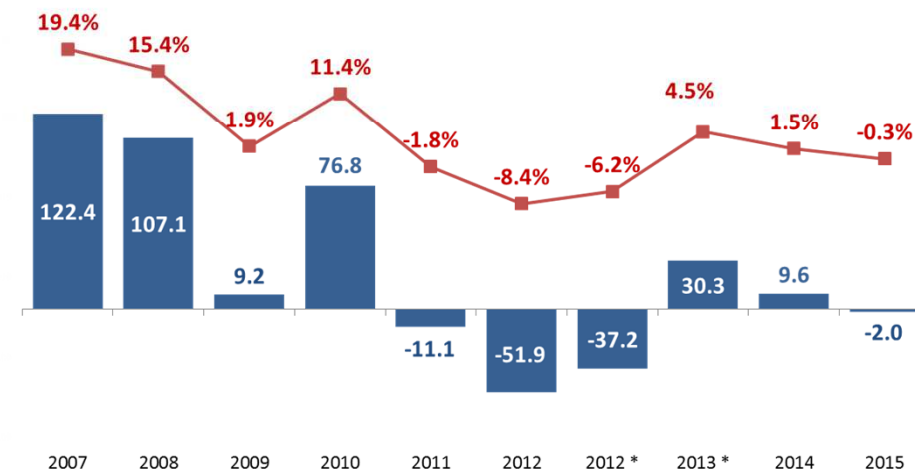
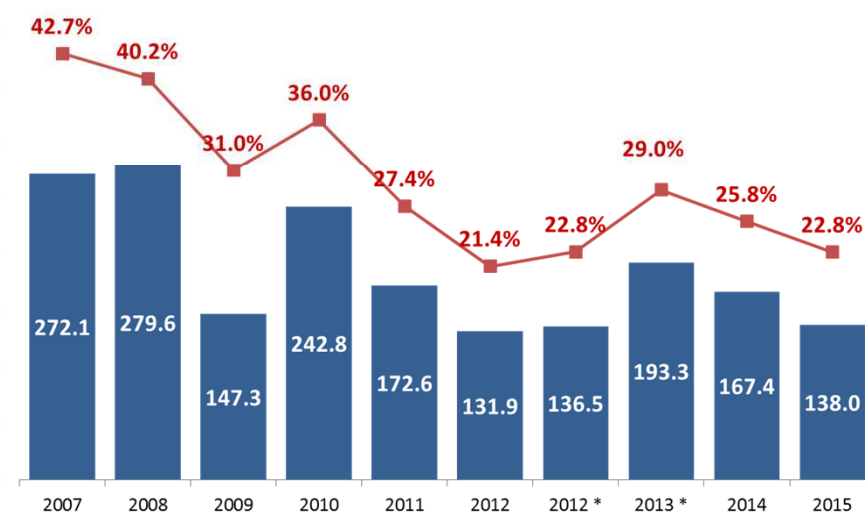
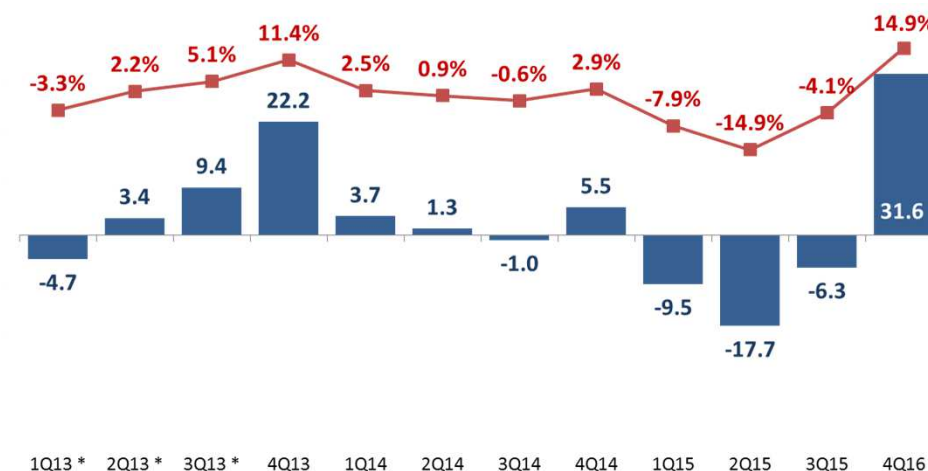




Gross Profit (R\$ million) and Gross Margin

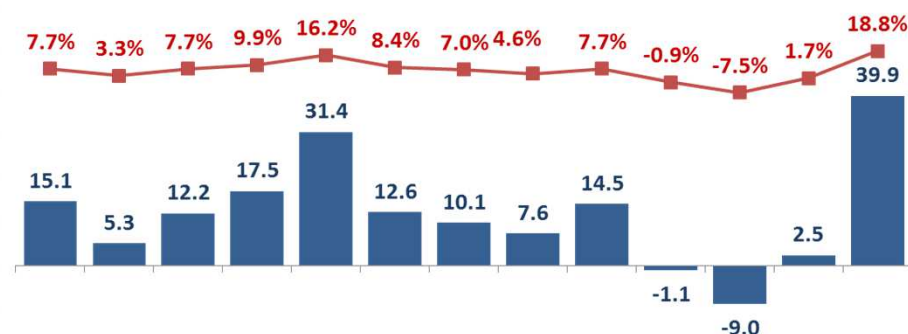


Operating Profit (R\$ million) and Operating Margin

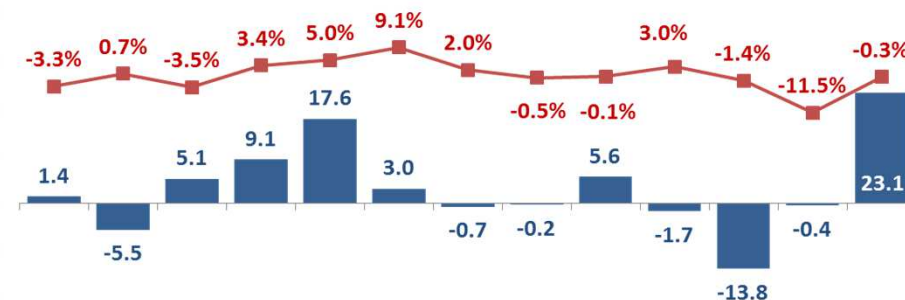




EBITDA (R\$ million) and EBITDA Margin

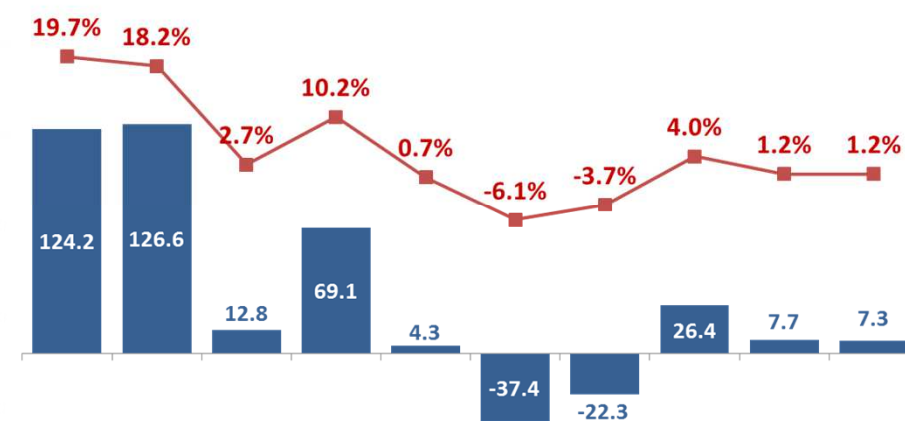
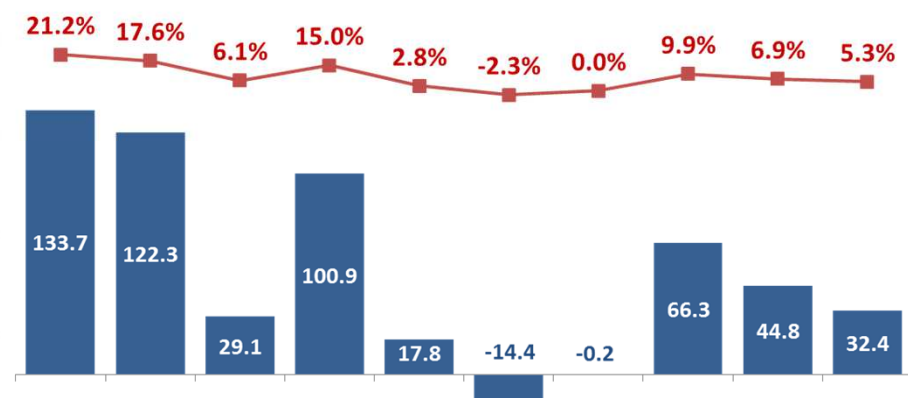


Net Income (R\$ million) and Net Margin



4Q12 * 1Q13 * 2Q13 * 3Q13 * 4Q13 1Q14 2Q14 3Q14 4Q14 1Q15 2Q15 3Q15 4Q15

4Q12 * 1Q13 * 2Q13 * 3Q13 * 4Q13 1Q14 2Q14 3Q14 4Q14 1Q15 2Q15 3Q15 4Q15



2007 2008 2009 2010 2011 2012 2012 * 2013 * 2014 2015

2007 2008 2009 2010 2011 2012 2012 * 2013 * 2014 2015

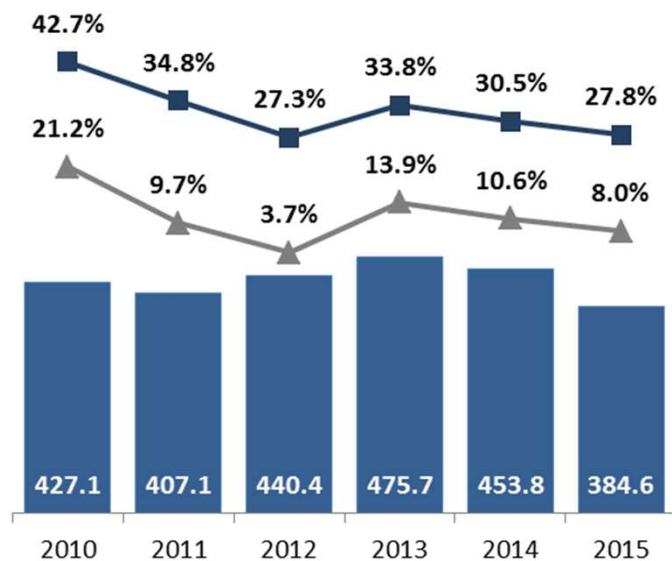
Business Units' Results



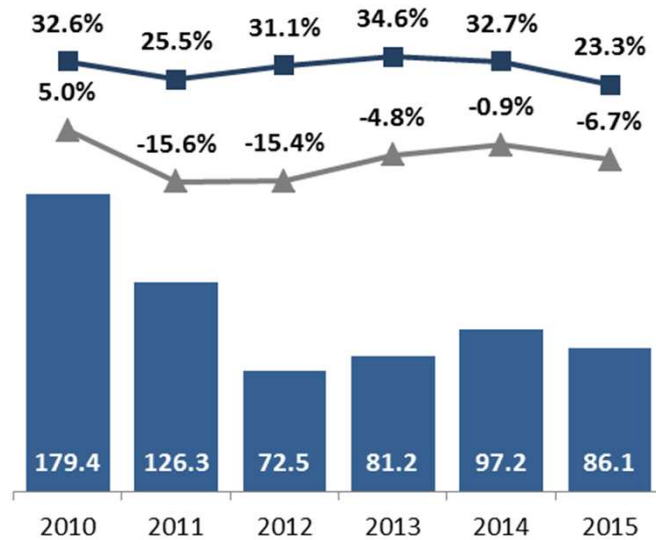
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Sales	Quarter								Accumulated	
	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	2014	2015
Machine Tools (units)	276	307	361	428	221	146	163	165	1,372	695
Plastic Machines (units)	54	42	43	45	44	28	15	40	184	127
Rough and Machined Cast Iron Parts (ton.)	3,731	3,571	4,167	3,378	3,807	4,060	4,956	4,109	14,847	16,933

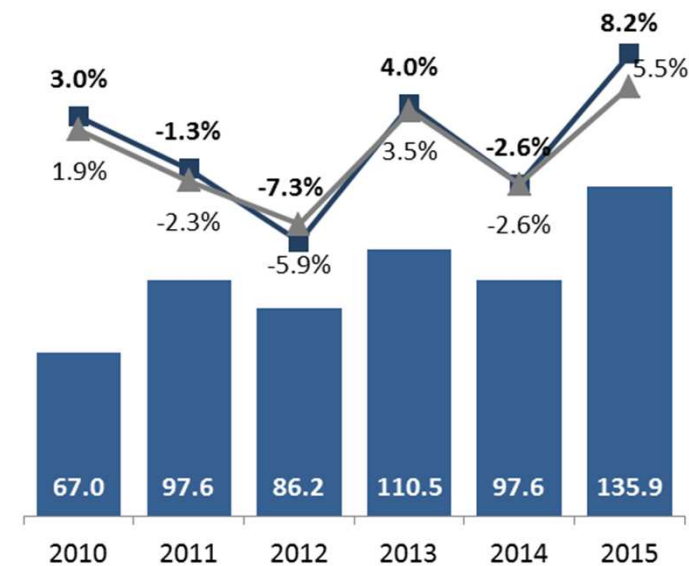
Machine Tools



Plastic Machine



Rough and Machined Cast Iron Parts



Receita — Margem Bruta — Margem EBTIDA



Cash and Cash Equivalent – R\$ million – 12/31/2015

	Amount
Bank Deposit Certificate (CDB)	81.2
Financial Investment with Bonds	33.8
Financial Investment in foreign currency	2.4
Banks	27.2
Total	144.6

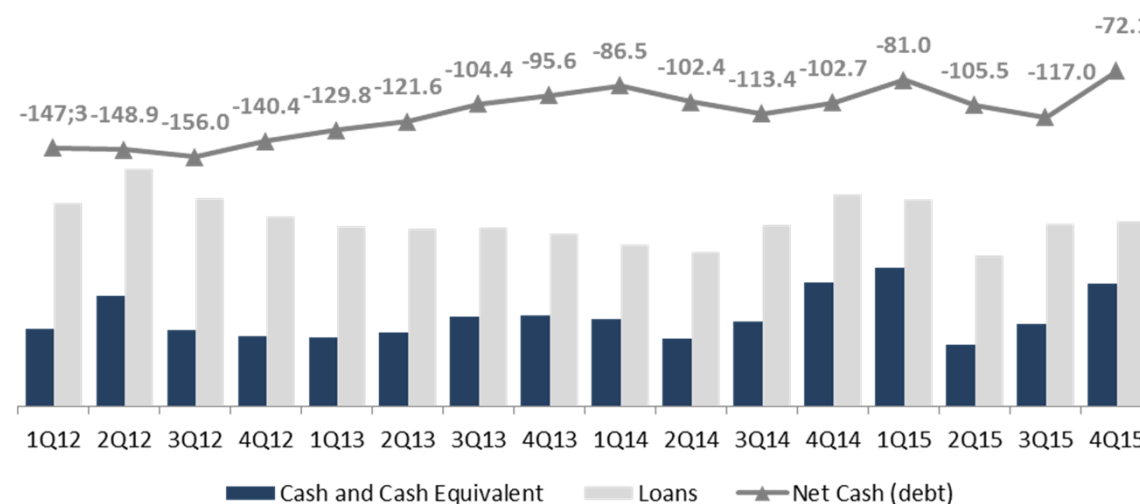
Net Debt = 72.1

Loans* – R\$ million – 12/31/2015

	Amount
2016	45.8
2017	94.1
2018	48.8
2019	9.6
2020 and afterwards	18.5
Total	216.6

(*) without Finape Manufacturer

Net Cash (Debt) Position
R\$ million





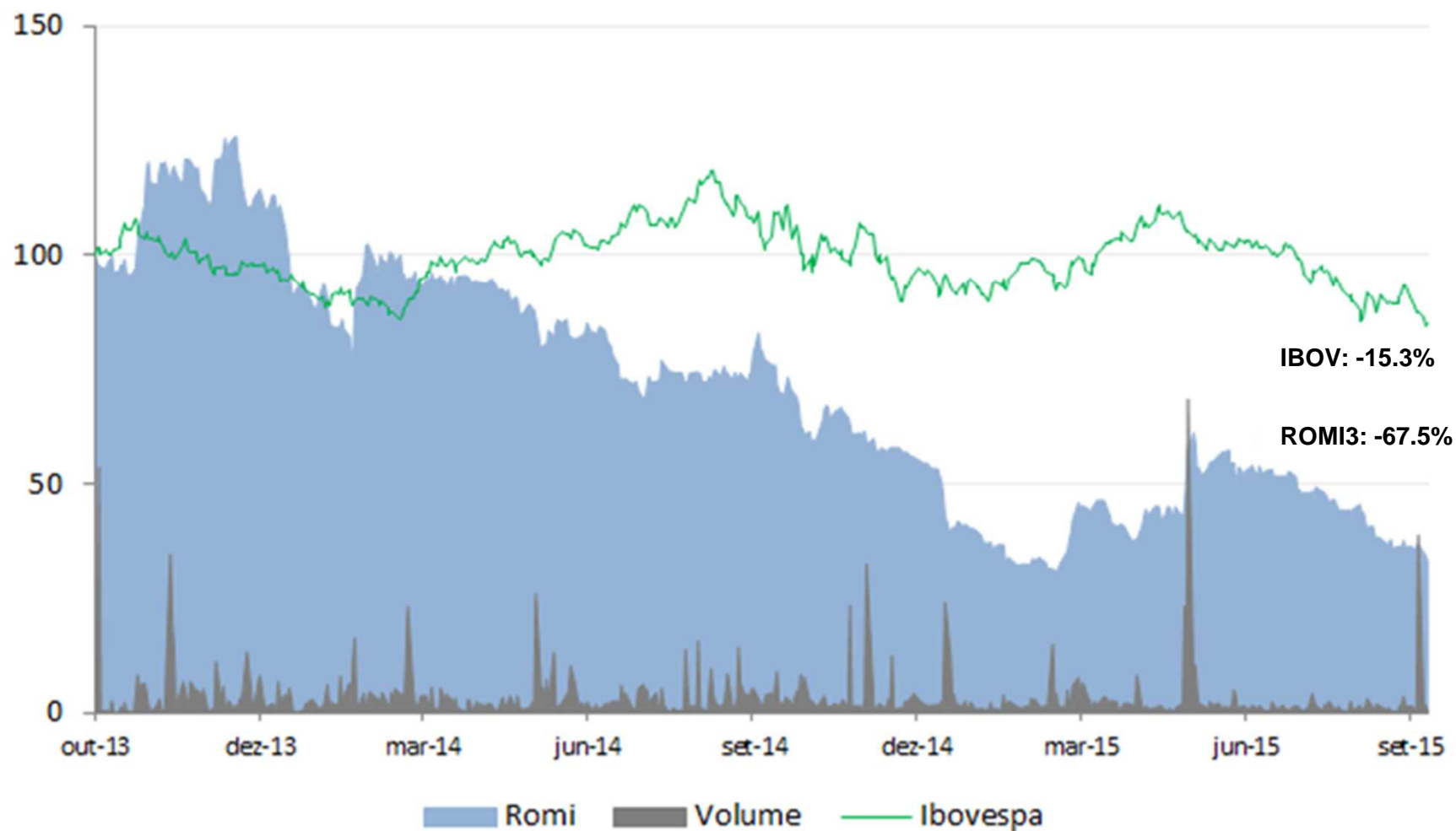
Income Statement B+W

(€ 000)

	4Q14	3Q15	4Q15	Chg 4Q15/3Q15	Chg 4Q15/4Q14	YTD 2014	YTD 2015	Chg 2015/2014
Net Operating Revenue	17,207	9,176	22,743	147.8%	32.2%	41,750	39,980	-4.2%
Cost of Goods Sold	(12,377)	(8,097)	(16,122)	99.1%	30.3%	(31,829)	(31,921)	0.3%
Gross Profit	4,830	1,079	6,621	513.6%	37.1%	9,921	8,059	-18.8%
<i>Gross Margin %</i>	<i>28.1%</i>	<i>11.8%</i>	<i>29.1%</i>			<i>23.8%</i>	<i>20.2%</i>	
Operating Income (Expenses)	(2,190)	(1,933)	(1,436)	-25.7%	-34.4%	(7,953)	(7,032)	-11.6%
Selling expenses	(1,093)	(776)	(528)	-32.0%	-51.7%	(2,925)	(2,075)	-29.0%
General and administrative expenses	(1,097)	(1,157)	(908)	-21.5%	-17.2%	(5,028)	(4,957)	-1.4%
Operating Income before Financial Results	2,640	(854)	5,185	-707.5%	96.4%	1,968	1,028	-47.8%
<i>Operating Margin %</i>	<i>15.3%</i>	<i>-9.3%</i>	<i>22.8%</i>			<i>4.7%</i>	<i>2.6%</i>	
Financial Results, Net	(18)	(72)	(83)	15.9%	370.7%	(298)	(341)	14.5%
Operating Income	2,623	(925)	5,102	-651.4%	94.5%	1,670	687	-58.9%
Income tax and social contribution	(723)	267	(1,745)	-752.5%	141.4%	(483)	(469)	-2.9%
Net income	1,900	(658)	3,357	-610.3%	76.7%	1,188	218	-81.7%
<i>Net Margin %</i>	<i>11.0%</i>	<i>-7.2%</i>	<i>14.8%</i>			<i>2.8%</i>	<i>0.5%</i>	
EBITDA	3,076	(377)	5,697	-1612.4%	85.2%	3,437	2,991	-13.0%
Net income / loss	1,900	(658)	3,357	-610.3%	76.7%	1,188	218	-81.7%
Income tax and social contribution	723	(267)	1,745	-752.5%	141.4%	483	469	-2.9%
Financial Results, Net	18	72	83	15.9%	370.7%	298	341	14.5%
Depreciation	436	477	512	7.3%	17.4%	1,469	1,963	33.7%
<i>EBITDA Margin %</i>	<i>17.9%</i>	<i>-4.1%</i>	<i>25.0%</i>			<i>8.2%</i>	<i>7.5%</i>	



Share Performance ROMI3 vs, Ibovespa
From 07/01/2013 to 09/30/2015

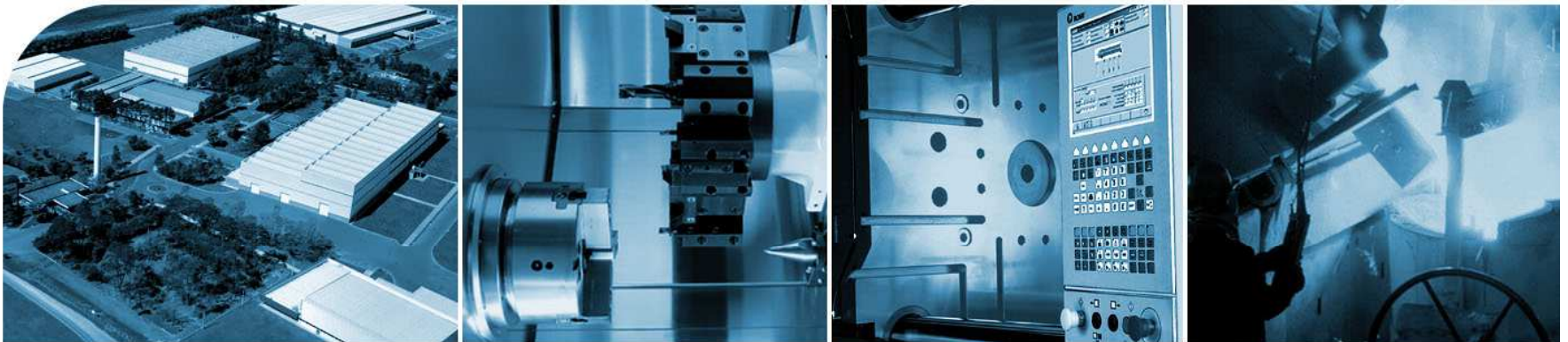


Source: BM&FBovespa



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