



ROMI®

A TRADITION OF INNOVATION



2Q08 Earning Release

July 24, 2008



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.



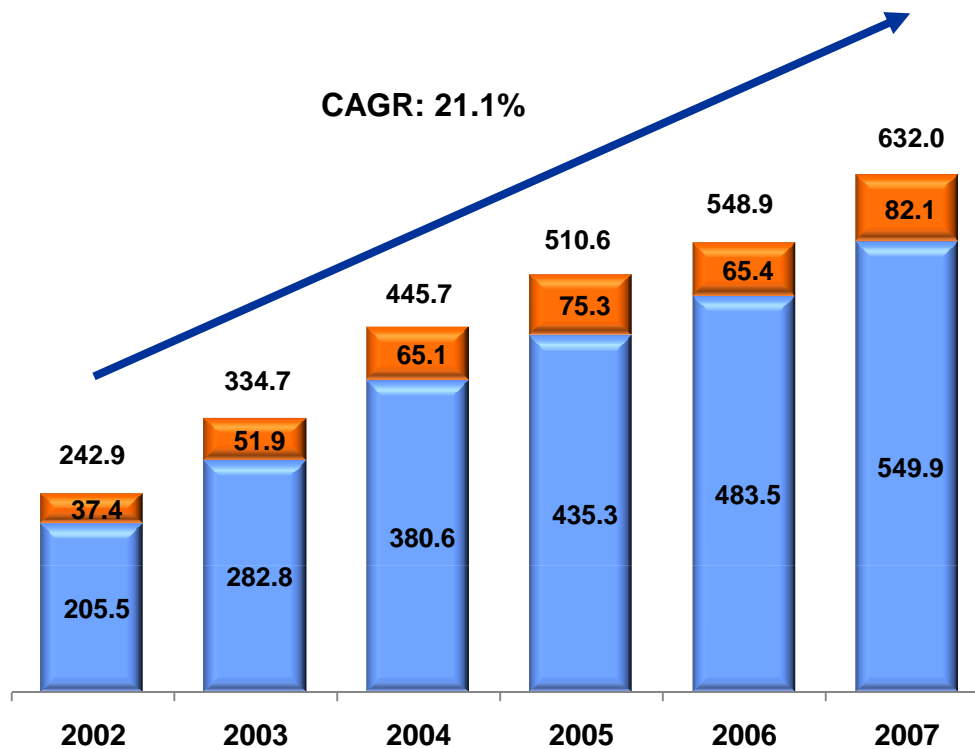
- **Net Operating Revenue reaches R\$ 177.3 million in 2Q08 and grows 15.7% compared with 2Q07**
- **Growth in sales volume at every Business Unit**
- **Exports in US dollars increase 40.4% in 2Q08 compared with 2Q07**
- **Growth of 24.5% in orders entry for Machine Tools unit in 2Q08 against 2Q07**
- **Investment in fixed assets amounted to R\$ 31.2 million in 1H08**

Net Operating Revenue

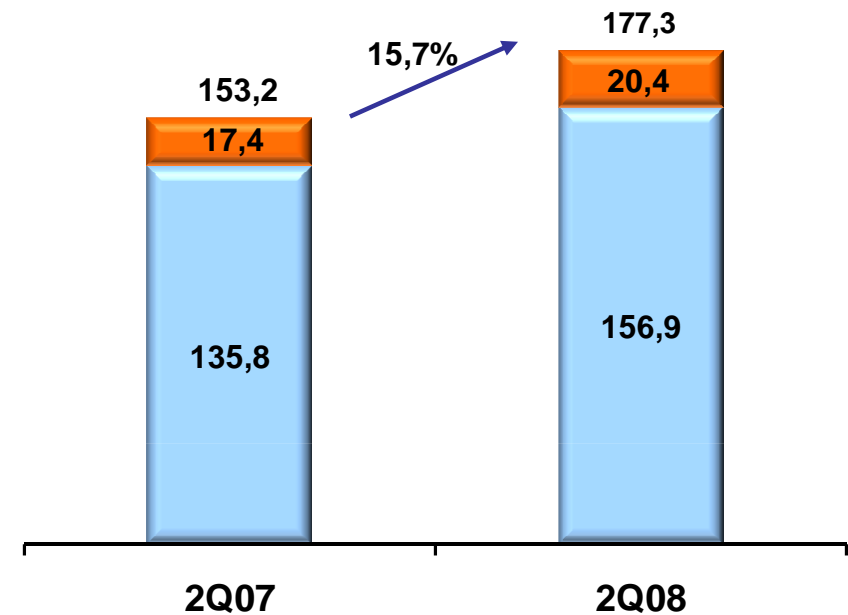


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Net Operating Revenue (Consolidated) – Year – R\$ mm



Net Operating Revenue (Consolidated) – Quarter – R\$ mm

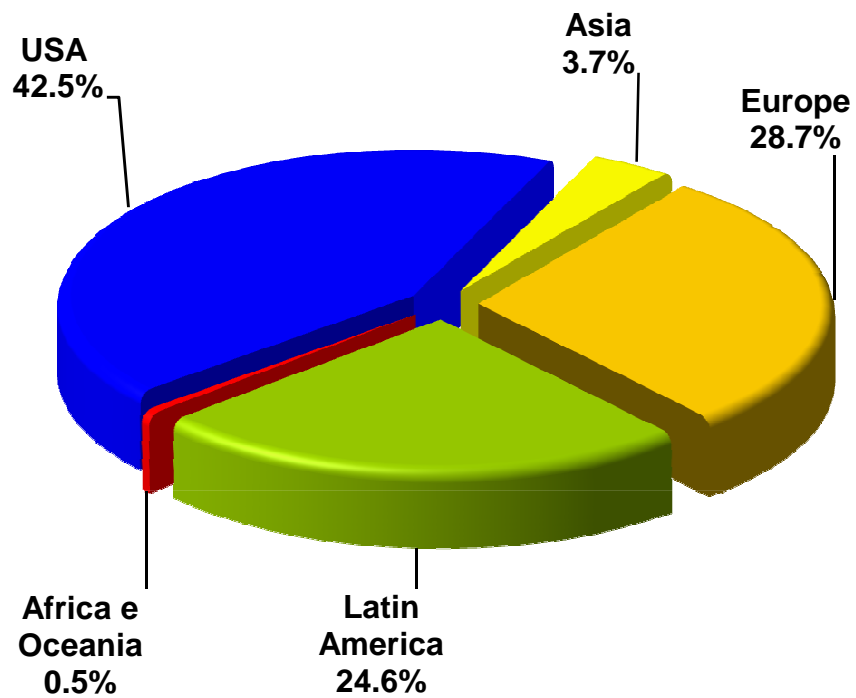


 Exports

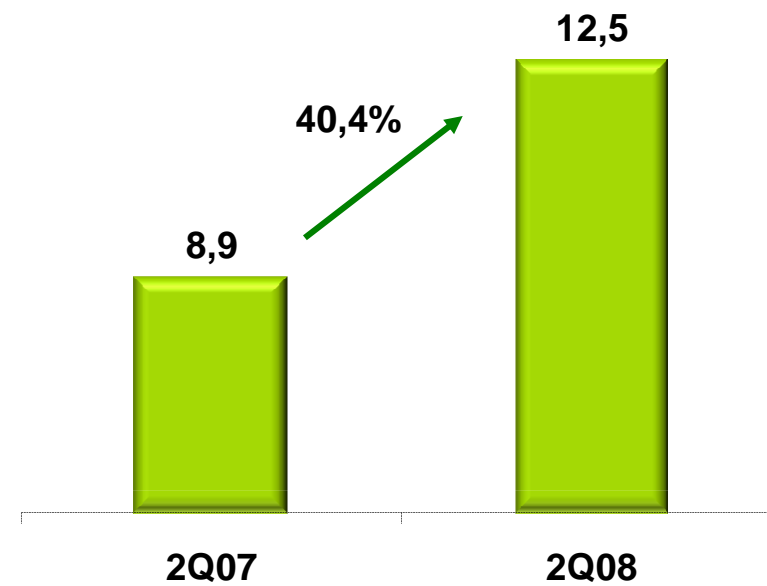
 Domestic Sales



Exports 2Q08



Exports - KUSD





Machine Tools



Plastic Machines



Castings



Sector	%
Job Shops	41%
Capital Goods	12%
Automotive	11%
Hidraulic	7%
Tooling	4%
Education	4%
Others	21%

Sector	%
Automotive	18%
Job Shops	17%
Packaging	16%
Home Utilities	13%
Real Estate	10%
Furniture	3%
Outros	23%

Sector	%
Automotive (Trucks)	42%
Automotive (Cars)	18%
Electricity Generation	17%
Agriculture	12%
Capital Goods	10%
Land Mov. Equipments	1%

Consolidated Margins



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R\$ mm	2Q08	1Q08	2Q07	QoQ	YoY	1H08	1H07	YoY
Gross Profit	73.6	61.1	68.1	20.5%	8.1%	134.8	120.6	11.8%
Gross Margin	41.5%	40.0%	44.4%	1.5 p.p.	-2.9 p.p.	40.8%	43.1%	-2.3 p.p.
EBITDA	36.7	28.3	34.2	29.7%	7.3%	65.0	58.4	11.3%
EBITDA Margin	20.7%	18.5%	22.3%	2.2 p.p.	-1.6 p.p.	19.7%	21.0%	-1.3 p.p.
Net Income	32.7	25.9	35.8	26.3%	-8.7%	58.7	54.6	7.5%
Net Margin	18.5%	17.0%	23.4%	1.5 p.p.	-4.9 p.p.	17.8%	19.6%	-1.8 p.p.

Business Units

Net Revenue and Sales Volume



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	2Q08	1Q08	2Q07	QoQ	YoY	1H08	1H07	YoY
Machine Tools								
R\$ mm	114.9	96.7	96.3	18.8%	19.3%	211.6	180.3	17.4%
Units Sold	650	518	549	25.5%	18.4%	1,168	1,070	9.2%
Plastic Machines								
R\$ mm	29.8	26.7	28.7	11.6%	3.8%	56.5	46.0	22.9%
Units Sold	104	81	97	28.4%	7.2%	185	153	20.9%
Rough and Machined Cast.								
R\$ mm	32.6	29.4	28.2	10.9%	15.6%	62.0	52.4	18.4%
Tons Sold	5,669	5,575	5,338	1.7%	6.2%	11,243	9,912	13.4%

Business Units Margins



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	2Q08	1Q08	2Q07	QoQ	YoY	1H08	1H07	YoY
Machine Tools								
Gross Margin	45.2%	46.8%	46.4%	-1.6 p.p.	-1.2 p.p.	45.9%	45.2%	0.7 p.p.
EBIT Margin	19.9%	20.8%	19.6%	-0.9 p.p.	0.3 p.p.	20.3%	18.2%	2.1 p.p.
Plastic Machines								
Gross Margin	35.7%	35.6%	44.2%	0.1 p.p.	-8.5 p.p.	35.7%	43.3%	-7.6 p.p.
EBIT Margin	11.8%	10.3%	20.0%	1.5 p.p.	-8.2 p.p.	11.1%	17.5%	-6.4 p.p.
Rough and Machined Cast.								
Gross Margin	33.9%	21.7%	37.9%	12.2 p.p.	-4.0 p.p.	28.1%	33.6%	-5.5 p.p.
EBIT Margin	20.9%	6.6%	23.7%	14.3 p.p.	-2.8 p.p.	14.1%	19.5%	-5.4 p.p.



- ***Paradiso Project:***

- Ongoing this quarter:

- UF-19 Expansion: Heavy Machines
- Conclusion of restaurant expansion
- ETE Construction: Environment unit
- Construction of building designated to receiving and selling parts
- Infrastructure



- ***Vulcano Project:***

- Ongoing this quarter:

- City of Santa Barbara d'Oeste defined as the local for the future foundry and machining plants.
- Construction of the receiving and shipping building
- Beginning of the infrastructure and earthwork
- Contracted the construction of the new foundry plant

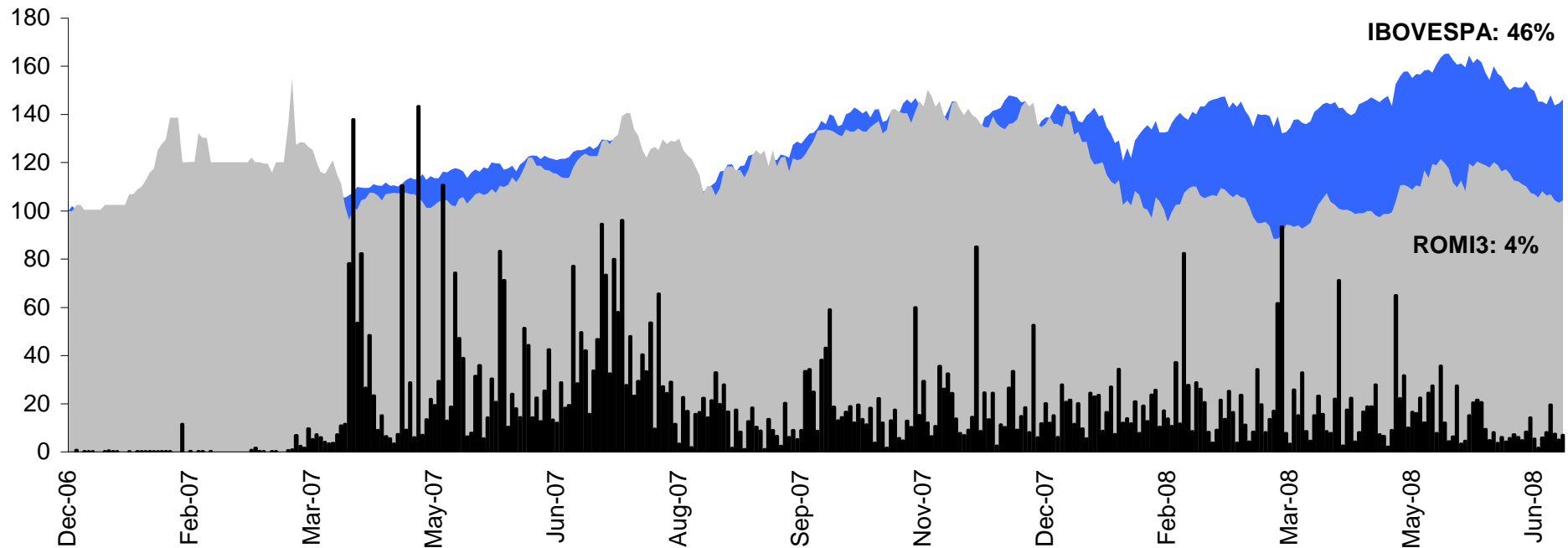


- Estimated Closing Date: July (TBD)
- Transaction Amount: € 5.5 Million
- Object of transaction:
 - 2 facilities close to Turin, Italy
 - Machines e Equipments
 - 4 subsidiaries: UK, Spain, France and The Netherlands
 - All technology, including projects, drawings, know-how of production, etc
 - Inventory negotiated separately by € 2.4 Million
- Revenue of Sandretto 2007YE: Approx. € 30 Million
- Synergies:
 - Technology
 - Sharing of industrial plants
 - Sharing of Distribution's channel
 - Sharing of Supplier's base





Share Performance (ROMI3) vs. Bovespa Index (Basis: 100) - R\$/Share
Period: December/2006 - June/2008



Source: Economática



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IR Contacts:

Sergio Roberto Novo
IR Officer
Phone: 55 (19) 3455-9913
dri@romi.com.br

Luiz Cassiano R. Rosolen
IR Manager
Phone: 55 (19) 3455-9004
gri@romi.com.br