



**ROMI**®

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**Earnings Release 2Q09**

**July 30, 2009**



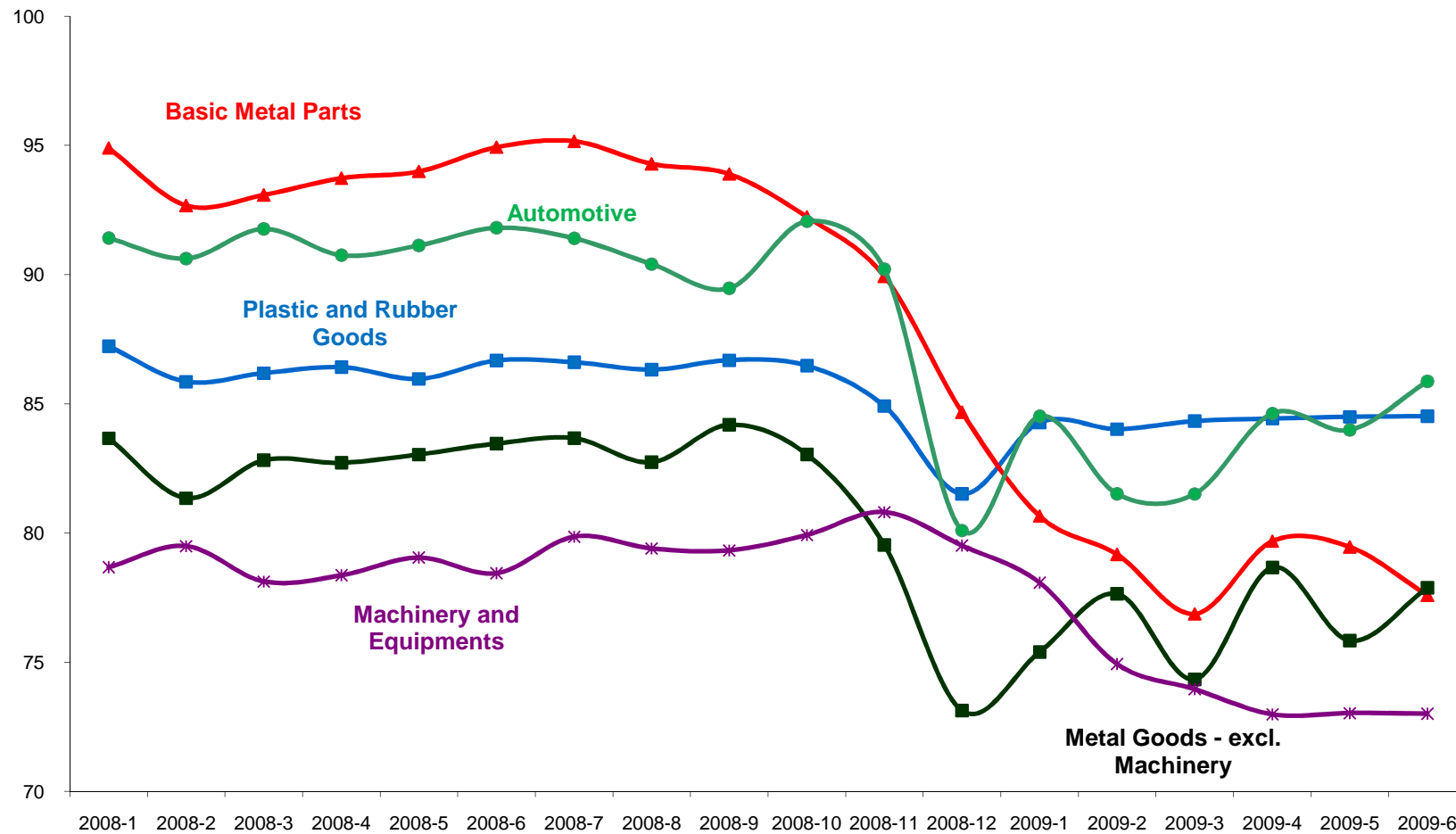
*This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company. The reservations as to forward-looking statements also apply to information on 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.*



- Reports recovery in new orders entry against the last two quarters;
- Ebitda margin improves 20 percentage points compared with 1Q09;
- Net Operating Revenue posts a quarter on quarter increase of 37.4%;
- Growth of 11.3% in order entry for Plastic Blow Molding Machines in 2Q09 compared with 2Q08;



## Capacity Utilization of some industrial sectors
































Source: Fiesp – INA (Indicador de Nível de Atividade) – NUCI (Nível de Utilização da Capacidade Instalada)

# Machine Tools - Sectors



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	Job Shops	Automotive	Capital Goods	Education	Tooling	Agricultural Equipment	Oil & Gas	Others
CNC Lathes – Flat Bed								
Heavy CNC Lathes								
Machining Center								
CNC Lathes Combination								
CNC Lathes Slant								
Conventional Lathes								
MF NOR 1H09	23%	7%	7%	7%	7%	5%	12%	32%
MF NOR 2008	21%	17%	14%	2%	7%	6%	4%	24%



High



Moderate



Low



## Plastic Machines



SECTOR	ROL %	
	1H09	2008
Packaging	30%	21%
Job Shops	19%	15%
Automotive	15%	22%
Real Estate	11%	8%
Home Utilities	5%	9%
Others	20%	25%

## Castings



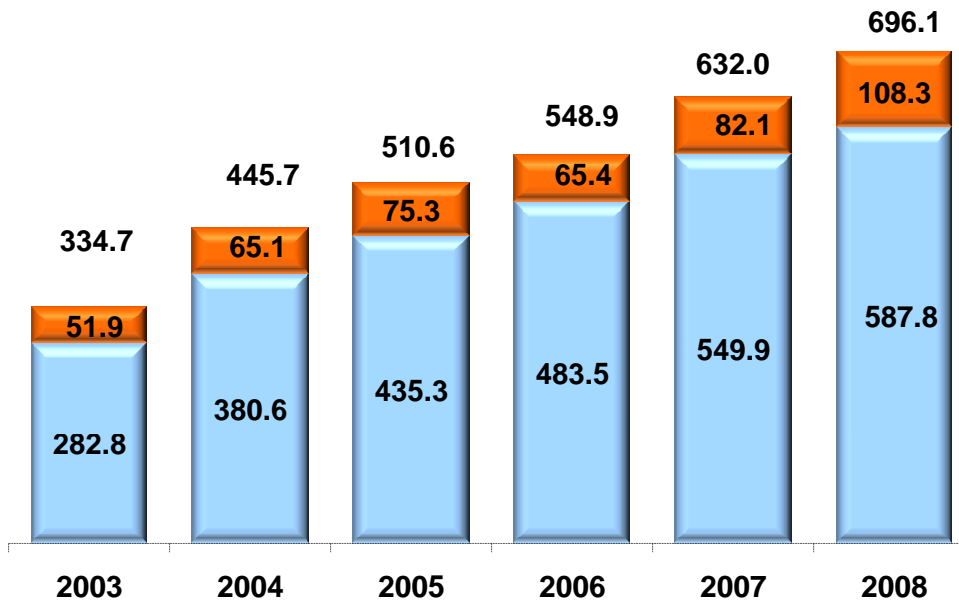
SECTOR	ROL %	
	1H09	2008
Automotive (Trucks)	54%	38%
Electricity Generation	32%	15%
Agriculture	10%	14%
Automotive (Cars)	1%	24%
Capital Goods	3%	9%

# Net Operating Revenue



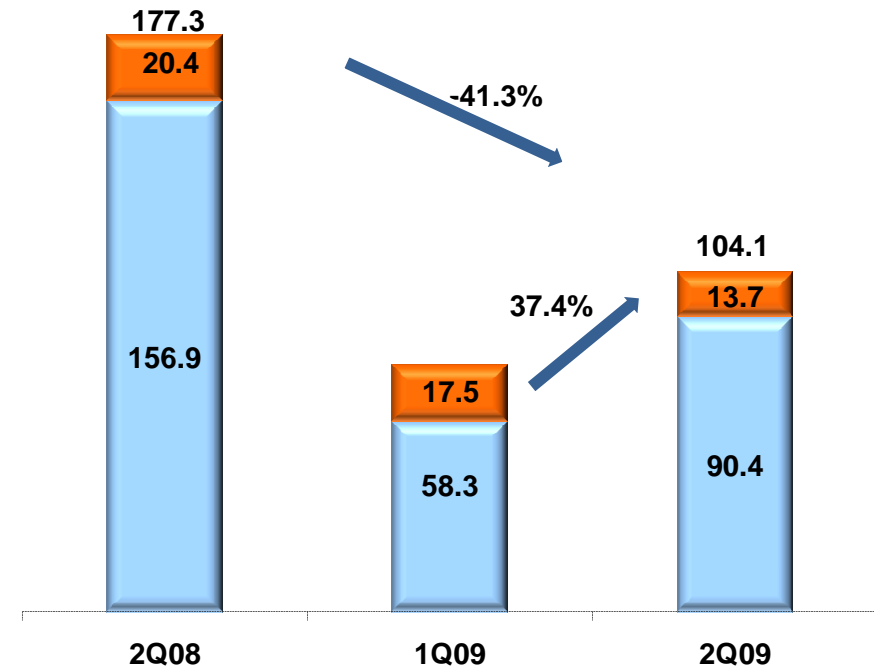
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Net Operating Revenue – R\$ MM



 Overseas

NOR – 2Q09 – R\$ MM

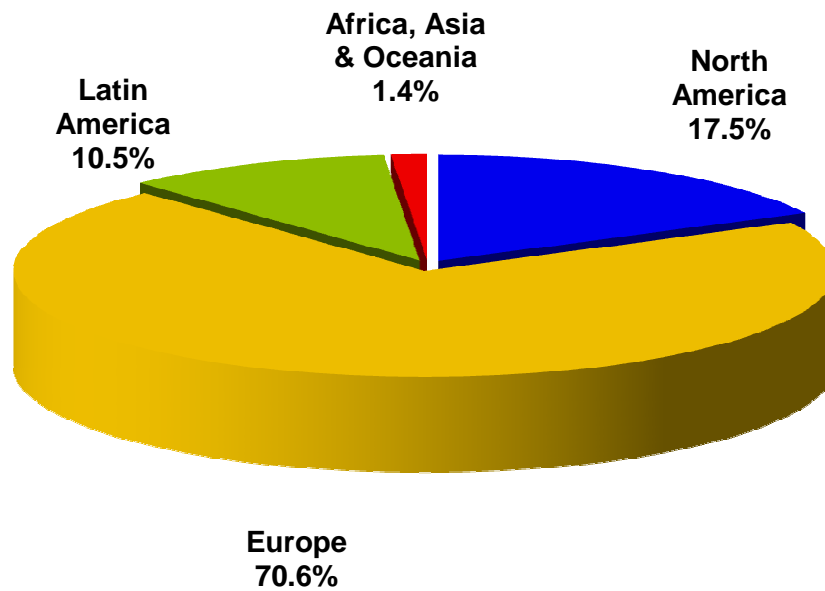


 Domestic

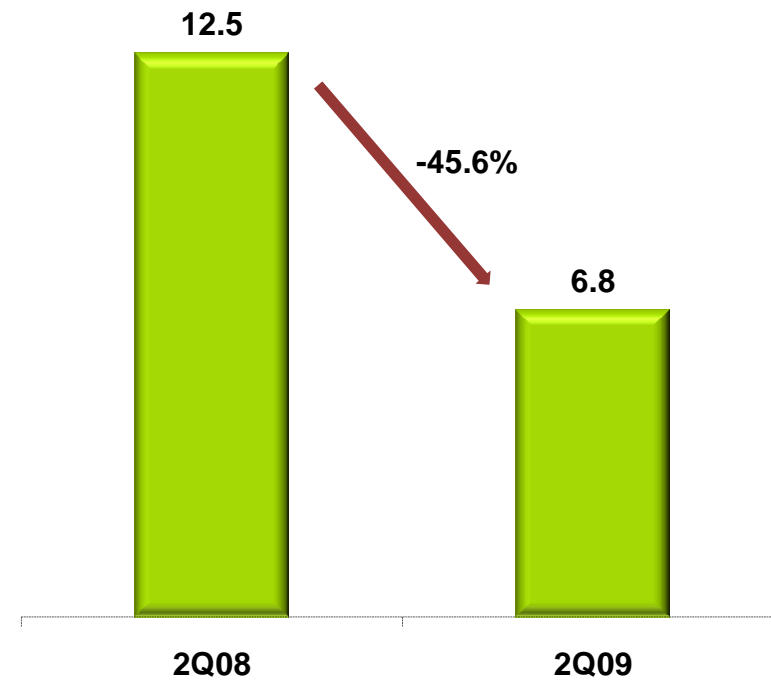




**Foreign Markets - 2Q09**



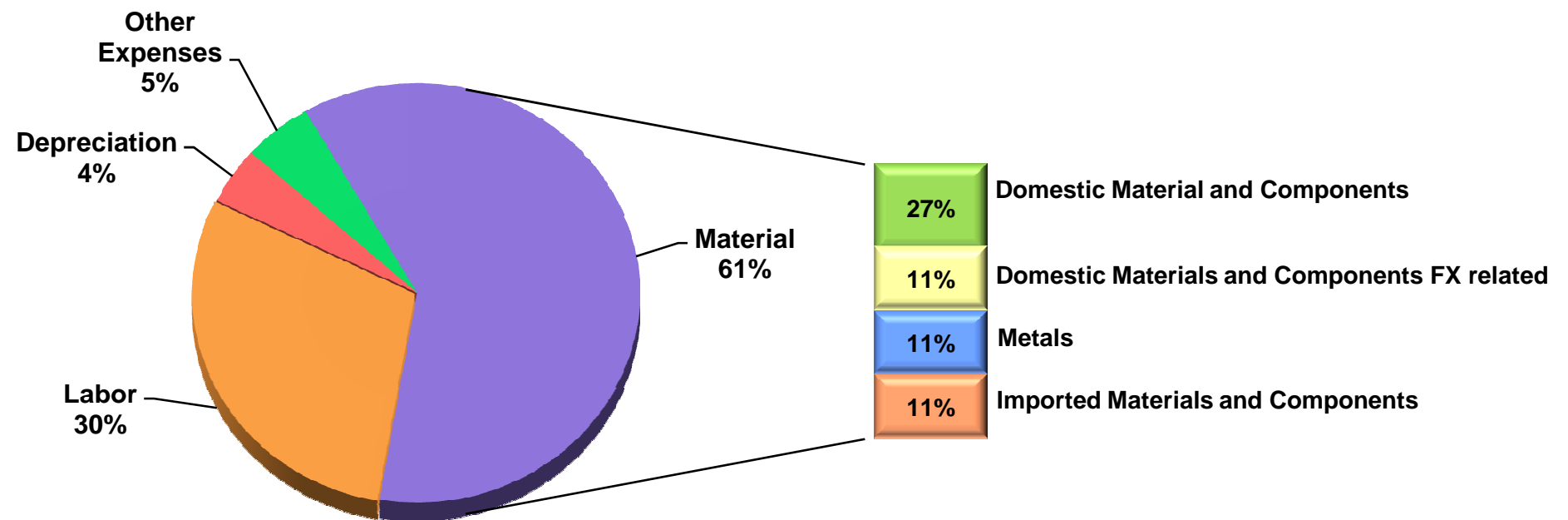
**Foreign Markets – US\$MM**







## Cost Structure – Consolidated – 1H09



Overall sensibility to FX effects : 33%

# Consolidated Margins



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R\$ mm	2Q09	1Q09	2Q08	QoQ	YoY
<b>Gross Profit</b>	<b>31.2</b>	<b>25.3</b>	<b>73.6</b>	<b>23.4%</b>	<b>-57.6%</b>
<b>Gross Margin</b>	<b>30.0%</b>	<b>33.4%</b>	<b>41.5%</b>	<b>-3.4 p.p.</b>	<b>-11.5 p.p.</b>
<b>EBITDA</b>	<b>7.2</b>	<b>-9.9</b>	<b>36.7</b>	<b>172.4%</b>	<b>-80.4%</b>
<b>EBITDA Margin</b>	<b>6.9%</b>	<b>-13.1%</b>	<b>20.7%</b>	<b>20.0 p.p.</b>	<b>-13.8 p.p.</b>
<b>Net Income</b>	<b>0.5</b>	<b>-7.8</b>	<b>32.7</b>	<b>106.4%</b>	<b>-98.5%</b>
<b>Net Margin</b>	<b>0.5%</b>	<b>-10.3%</b>	<b>18.5%</b>	<b>10.8 p.p.</b>	<b>-18.0 p.p.</b>

# Business Units

## Net Revenue and Sales Volume



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	2Q09	1Q09	2Q08	QoQ	YoY
<b>Machine Tools</b>					
R\$ mm	64.6	50.3	114.9	28.4%	-43.8%
Units Sold	319	246	650	29.7%	-50.9%
<b>Plastic Machines</b>					
R\$ mm	28.9	15.4	29.8	87.3%	-3.2%
Units Sold	61	25	104	144.0%	-41.3%
<b>Rough and Machined Cast.</b>					
R\$ mm	10.6	10.0	32.6	5.5%	-67.5%
Tons Sold	1,952	1,826	5,669	6.9%	-65.6%

# Business Units Margins



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	2Q09	1Q09	2Q08	QoQ	YoY
<b>Machine Tools</b>					
Gross Margin	33.7%	42.5%	45.2%	-8.8 p.p.	-11.5 p.p.
EBIT Margin	10.3%	-10.3%	19.7%	20.6 p.p.	-9.4 p.p.
<b>Plastic Machines</b>					
Gross Margin	36.2%	39.4%	35.7%	-3.2 p.p.	0.5 p.p.
EBIT Margin	-3.8%	-36.1%	12.0%	32.3 p.p.	-15.8 p.p.
<b>Rough and Machined Cast.</b>					
Gross Margin	-9.5%	-21.6%	33.9%	12.1 p.p.	-43.4 p.p.
EBIT Margin	-25.8%	-40.0%	21.5%	14.2 p.p.	-47.3 p.p.



Order Entry (R\$ thousands)	2Q08	2Q09	% Chg.
Machine Tools	168,928	73,964	(56.2)
Plastic Machines	49,726	31,441	(36.8)
Rough and Machined Cast Iron Parts	31,727	9,332	(70.6)
<b>Total</b>	<b>250,381</b>	<b>114,737</b>	<b>(54.2)</b>

Order Entry (R\$ thousands)	1Q09	2Q09	% Chg.
Machine Tools	34,040	73,964	117.3
Plastic Machines	15,159	31,441	107.4
Rough and Machined Cast Iron Parts	3,621	9,332	157.7
<b>Total</b>	<b>52,820</b>	<b>114,737</b>	<b>117.2</b>



## Cash and Cash Equivalent – R\$ MM

	<u>Amount</u>
Bank Certificate of Deposit (CDB)	52.4
Financial Investments with debentures	27.9
Others	1.6
Banks	<u>18.0</u>
Total	<u>99.9</u>

Net Debt = 11.4

## Loan – R\$ MM

Loans as of 06/30/2009: 111.3

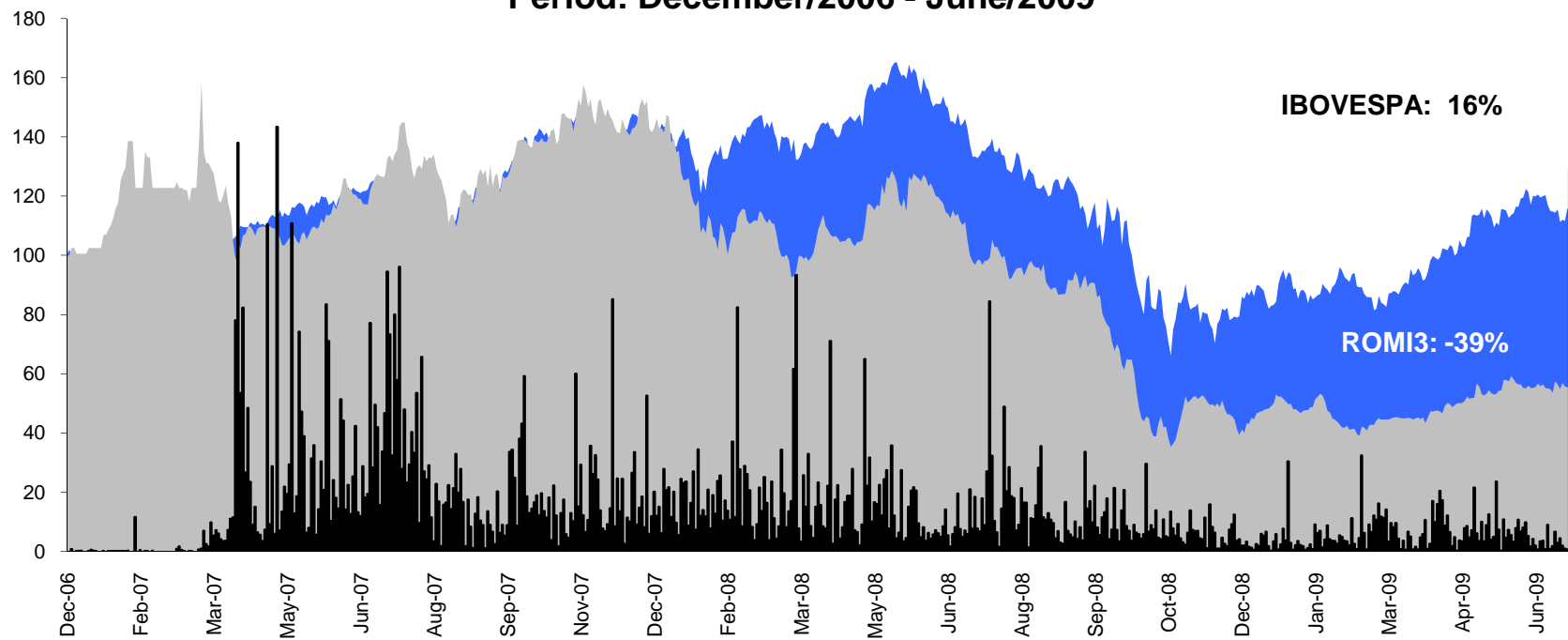
The maturities of financing recorded as follow :

<u>Year</u>	<u>Amount</u>
2009	30.1
2010	16.1
2011	21.2
2012	21.9
2013	20.6
After 2013	<u>1.4</u>
Total	<u>111.3</u>

*Note: w/o Finame Fabricante*



**Share Performance (ROMI3) vs. Bovespa Index (Basis: 100) - R\$/Share**  
**Period: December/2006 - June/2009**



Source: BM&F Bovespa





- ***Paradiso Project:***

- Status:
  - Infrastructure: Concluded
  - UF-19 Heavy Machine Tools: Concluded
  - Receiving and Selling parts Building: Concluded
  - Environment Unit: Concluded



- ***Vulcano Project:***

- Status:
  - Phase 1 – 10.000 ton/year: Concluded
  - Receiving and shipping building: Concluded
  - Infrastructure: Concluded



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