



ROMI®

A TRADITION OF INNOVATION



Earnings Release

February 19, 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.



- **Net Operating Revenue reaches R\$ 696.1 million, a growth of 10.1% compared with 2007;**
- **Year-on-year growth of 5.5% in Net Operating Revenue of the Plastic Processing Machines unit in 4Q08;**
- **International revenue in US dollars increased 30.0% in 4Q08 compared with 4Q07;**
- **Romi expands its range of Plastic Processing Machine products;**

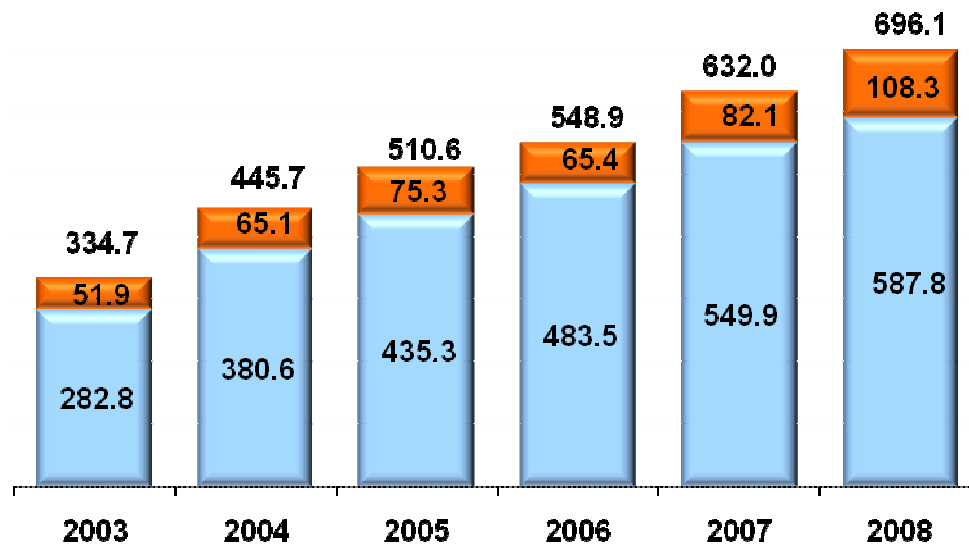
Net Operating Revenue



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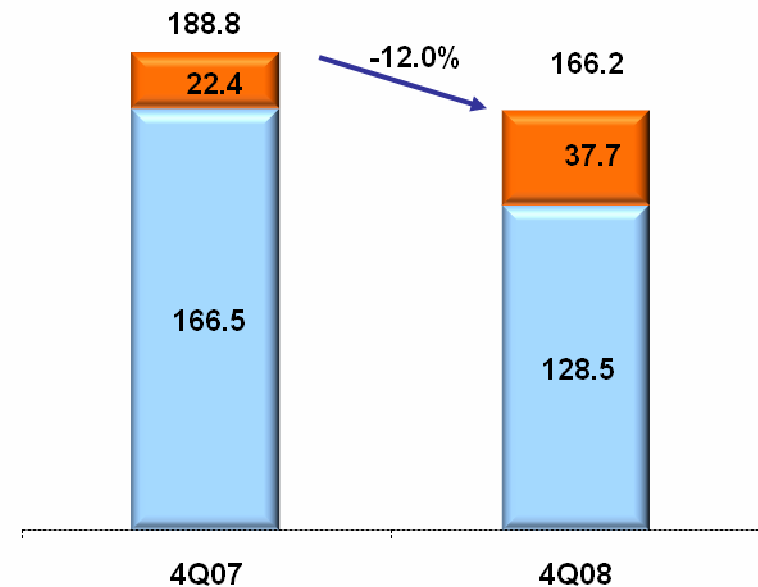
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Net Operating Revenue – R\$ MM



 Overseas

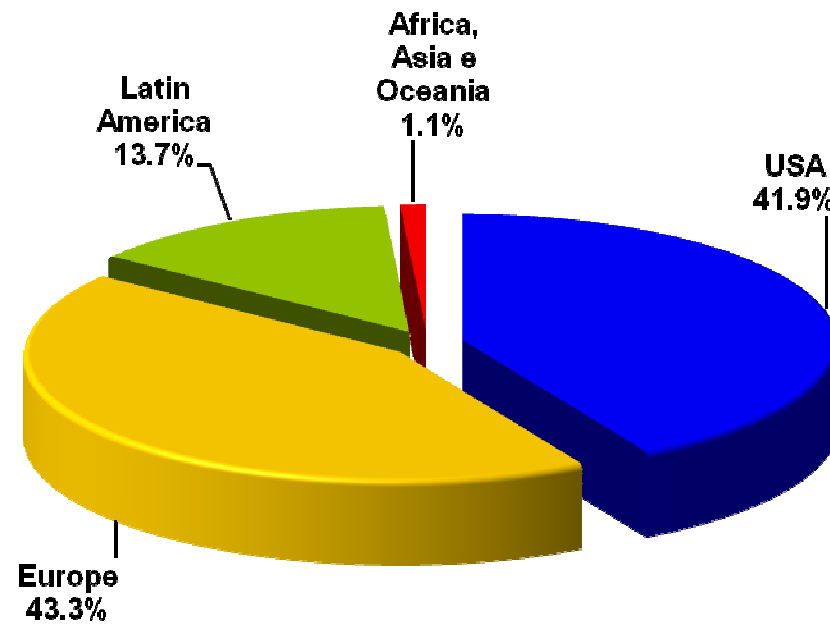
NOR – 4Q08 – R\$ MM



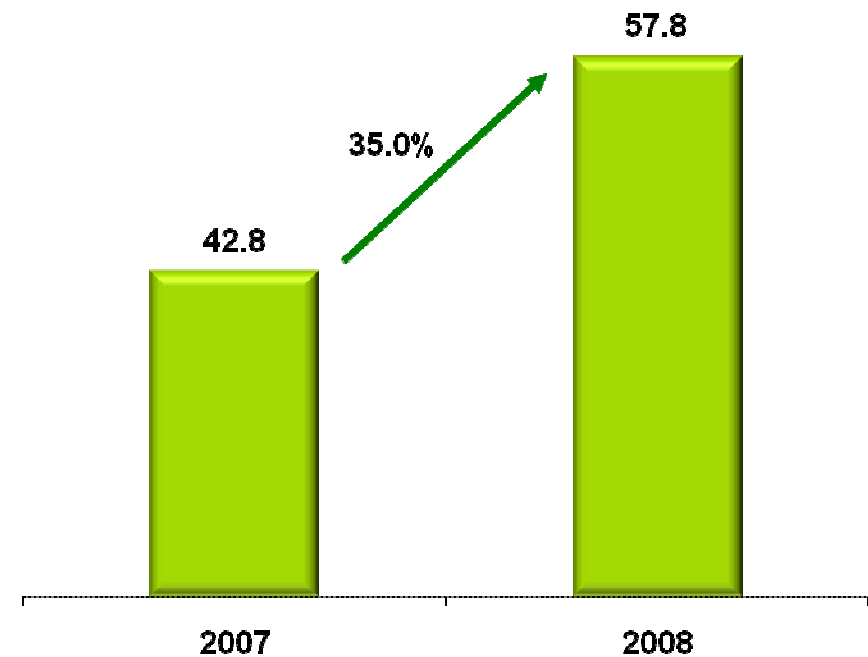
 Domestic



Foreign Markets - 2008

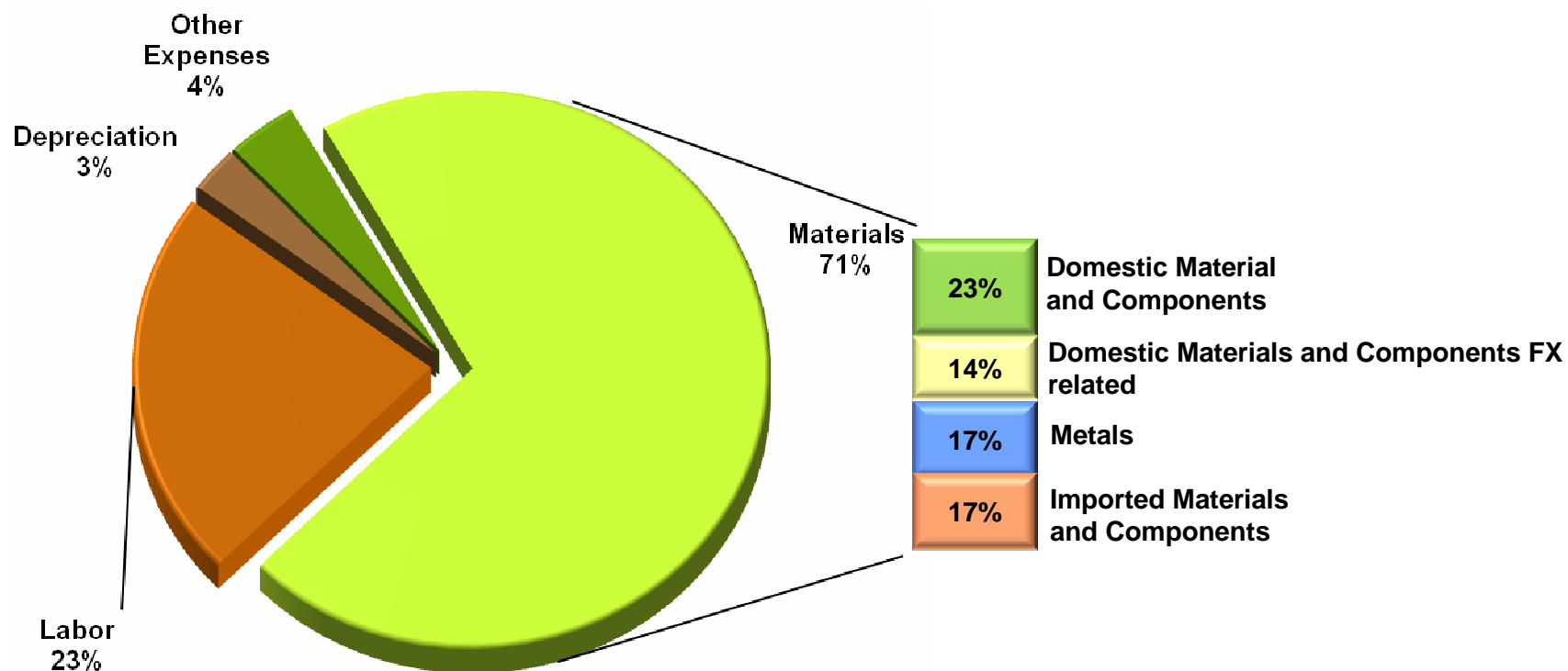


Foreign Markets – US\$MM





Cost Structure – Consolidated – 2008



Overall sensibility to FX effects : 48%

Consolidated Margins



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R\$ mm	4Q08	3Q08	4Q07	QoQ	YoY
Gross Profit	61.3	83.5	79.0	-26.5%	-22.3%
Gross Margin	36.9%	41.8%	41.8%	-4.9 p.p.	-4.9 p.p.
Adjusted EBITDA	15.2	42.1	35.9	-63.9%	-57.7%
EBITDA Margin	9.1%	21.1%	19.0%	-12.0 p.p.	-9.9 p.p.
Net Income Adjusted	17.8	37.3	33.2	-52.2%	-46.4%
Net Margin	10.7%	18.7%	17.6%	-8.0 p.p.	-6.9 p.p.

2008	2007	YoY
279.6	272.1	2.7%
40.2%	43.1%	-2.9 p.p.
122.3	134.3	-8.9%
17.6%	21.2%	-3.6 p.p.
122.3	134.3	-8.9%
17.6%	21.2%	-3.6 p.p.

Business Units

Net Revenue and Sales Volume



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R\$ mm	4Q08	3Q08	4Q07	QoQ	YoY
Machine Tools					
R\$ mm	102.6	125.7	127.4	-18.3%	-19.4%
Units Sold	465	697	753	-33.3%	-38.2%
Plastic Machines					
R\$ mm	34.0	37.6	32.3	-9.5%	5.5%
Units Sold	70	107	115	-34.6%	-39.1%
Rough and Machined Cast					
R\$ mm	29.5	36.6	29.2	-19.3%	1.2%
Tons Sold	4,393	5,800	5,405	-24.3%	-18.7%

2008	2007	YoY
439.9	416.8	5.6%
2,330	2,422	-3.8%
128.1	104.2	22.9%
362	381	-5.0%
128.1	111.0	15.4%
21,436	20,784	3.1%

Business Units Margins



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R\$ mm	4Q08	3Q08	4Q07	QoQ	YoY	2008	2007	YoY
Machine Tools								
Gross Margin	41.3%	45.1%	45.7%	-3.8 p.p.	-4.4 p.p.	44.6%	46.1%	-1.5 p.p.
EBIT Margin	11.1%	22.8%	19.3%	-11.7 p.p.	-8.2 p.p.	18.9%	20.3%	-1.4 p.p.
Plastic Machines								
Gross Margin	40.1%	40.1%	36.3%	0 p.p.	3.8 p.p.	38.1%	39.9%	-1.8 p.p.
EBIT Margin	-4.2%	9.2%	11.6%	-13.4 p.p.	-15.8 p.p.	10.5%	14.9%	-4.4 p.p.
Rough and Machined Cast								
Gross Margin	18.1%	32.0%	30.8%	-13.9 p.p.	-12.7 p.p.	29.6%	34.4%	-7.5 p.p.
EBIT Margin	2.6%	17.3%	14.7%	-14.7 p.p.	-12.1 p.p.	12.4%	20.0%	-7.6 p.p.



	2008			
	Romi Consol. w/o Itália	Romi Itália	Gain Subsidiaries (*)	Romi Consolidated
Net Operating Revenue	679,493	16,631		696,124
EBIT	112,312	(5,172)	19,316	126,456
Net Income	118,868	(5,034)	12,773	126,607

() The Operating Income and Net Income were impacted by R\$ 19,316 and R\$ 12,773 respectively, reflecting recognition of the gain resulting from the value paid being less than the preliminary estimate of fair value of the assets acquired and the liabilities assumed, a non-recurring effect, and booked solely for IFRS purposes.*

Cash Position



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Cash and Cash Equivalent – R\$ MM

	<u>Amount</u>
Bank Certificate of Deposit (CDB)	121.9
Financial Investments with debentures	46.9
LFTs - Financial Treasury Bill	2.8
Others	1.7
Banks	<u>15.6</u>
Total	<u>188.9</u>

Net Cash = 93.6

Loan – R\$ MM

Loans as of 12/31/2008: 95.3

The maturities of financing recorded as follow :

<u>Year</u>	<u>Amount</u>
2009	26.3
2010	22.5
2011	14.1
2012	13.4
After 2012	<u>19.0</u>
Total	<u>95.3</u>

Note: w/o Finame Fabricante

Repurchase Shares Program



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	Shares	Amount	Average
October	240,300	1,273,550	5.2998
November	1,215,600	8,949,614	7.3623
December	831,000	5,333,675	6.4184
January	923,800	6,608,197	7.1533
Total	3,210,700	22,165,036	6.9034

	Shares
Repurchase Program	3,800,000
Shares purchased as of 02/17/2009	3,210,700
Balance	589,300

Machine Tools - Sectors



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	Job Shops	Automotive	Capital Goods	Hydraulic Equipment	Tooling	Agricultural Equipment	Oil & Gas	Others
CNC Lathes – Flat Bed	High	Moderate	Moderate	Low		Low		
Heavy CNC Lathes	Moderate		High	Low		Low		
Machining Center	High	High	Moderate		Moderate			
CNC Lathes Combination	Moderate		High	High	Moderate	Low	High	
CNC Lathes Slant	High	High		Low		Moderate	Low	
Conventional Lathes	Low		High				High	
MF Net Rev.	21%	17%	14%	7%	7%	6%	4%	24%

High

Moderate

Low



Plastic Machines



Sector	%
Automotive	22%
Packaging	21%
Job Shops	15%
Home Utilities	9%
Real Estate	8%
Furniture	7%
Outros	18%

Castings



Sector	%
Automotive (Trucks)	38%
Electricity Generation	15%
Automotive (Cars)	24%
Agriculture	14%
Capital Goods	9%



Order Entry (R\$ thousands)	4Q07	4Q08	% Chg.
Machine Tools	124,871	40,852	(67.3)
Plastic Machines	22,756	8,589	(62.3)
Rough and Machined Cast Iron Parts	31,964	3,625	(88.7)
Total	179,591	53,066	(70.5)

Order Entry (R\$ thousands)	2007	2008	% Chg.
Machine Tools	485,380	479,200	(1.3)
Plastic Machines	137,281	124,496	(9.3)
Rough and Machined Cast Iron Parts	140,398	118,542	(15.6)
Total	763,059	722,238	(5.3)



- ***Paradiso Project:***

- Status:
 - Infrastructure: Near to conclude
 - UF-19 Heavy Machine Tools: March/2009
 - Receiving and Selling parts Building: Concluded
 - Environment Unit: Concluded

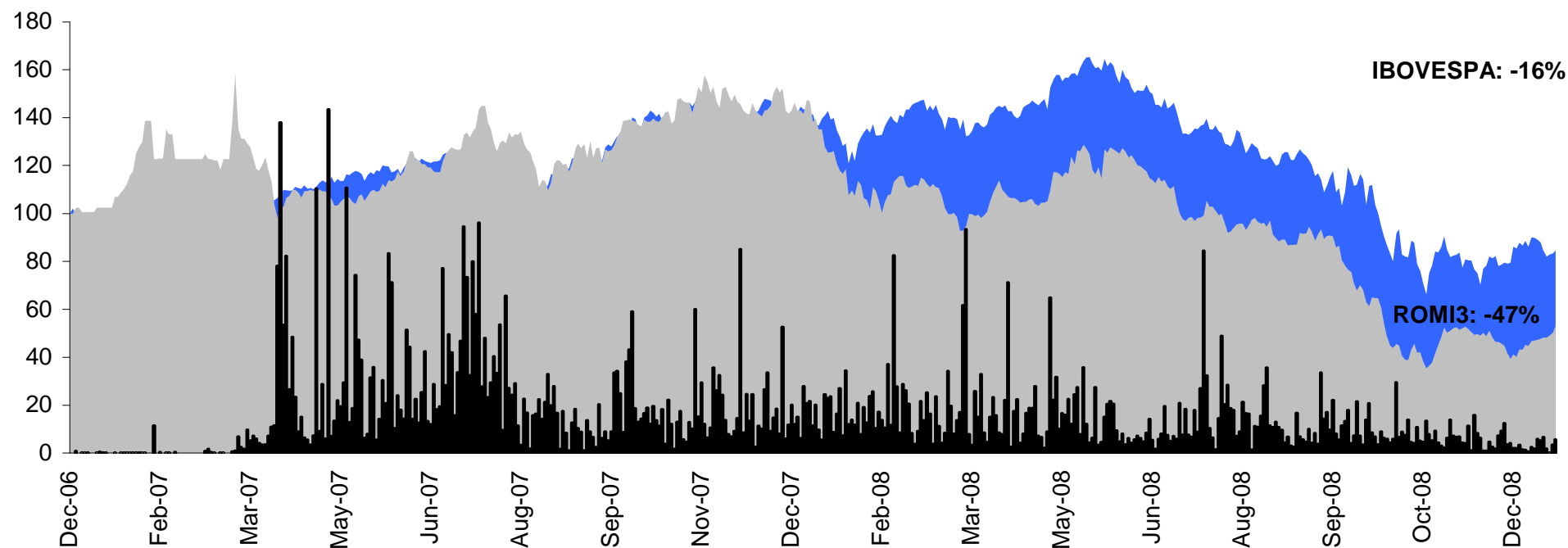


- ***Vulcano Project:***

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



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



Source: *Econômica*



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