

(A free translation of the original in Portuguese)

Indústrias Romi S.A.
Quarterly information (ITR) at
September 30, 2014
and report on review of
quarterly information



(A free translation of the original in Portuguese)

Report on Review of Quarterly Information

To the Board of Directors and Shareholders
Indústrias Romi S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Indústrias Romi S.A., included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2014, comprising the balance sheet as at that date and the statements of income and comprehensive income for the quarter and nine-month periods then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21 (R1), Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 (R1) and International Accounting Standard (IAS) 34 (R1) - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the



Indústrias Romi S.A.

Conclusion on the consolidated interim information

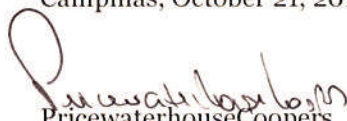
Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 (R1) applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

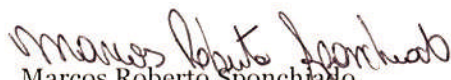
Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the nine-month period ended September 30, 2014. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under International Financial Reporting Standards (IFRS), which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Campinas, October 21, 2014


PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5


Marcos Roberto Sponchiado
Contador CRC 1SP175536/O-5

INDÚSTRIAS ROMI S.A.
Balance sheet

In thousands of reais unless otherwise stated

	Company		Consolidated			Company		Consolidated	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013		September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
ASSETS					LIABILITIES AND EQUITY				
CURRENT					CURRENT				
Cash and cash equivalents	65,218	63,834	98,819	107,232	Borrowings	98,424	51,262	99,547	54,169
Trade accounts receivable	72,340	96,535	101,685	120,371	FINAME manufacturer financing	150,085	210,429	150,085	210,429
Onlending of FINAME manufacturer financing	188,722	243,434	188,722	243,434	Trade accounts payable	34,267	46,979	41,460	43,392
Inventories	232,329	220,826	298,983	274,066	Payroll and related taxes	26,761	20,765	31,434	23,960
Related parties	22,969	15,307	549	643	Borrowings	3,537	10,980	5,596	16,364
Taxes recoverable	14,447	12,247	15,946	13,932	FINAME manufacturer financing	13,036	18,275	55,051	54,836
Other receivables	22,164	20,944	24,940	25,118	Dividends and interes on capital	8	359	8	396
	618,189	673,127	729,644	784,796	Profit sharing	372	373	372	373
					Other payables	7,625	7,350	14,386	9,269
NON-CURRENT					Provision for net capital deficiency - subsidiary	23,962	19,530	-	-
Trade accounts receivable	8,847	10,814	8,847	10,814	Related parties	695	1,065	442	198
Onlending of FINAME manufacturer financing	141,433	190,712	141,433	190,712		358,772	387,367	398,381	413,386
Related parties	42,185	45,617	-	-					
Taxes recoverable	2,609	1,267	2,609	1,267	NON-CURRENT				
Deferred income tax and social contribution	48,432	50,487	49,175	50,487	Borrowings	99,263	135,704	112,654	148,704
Judicial deposits	1,383	1,465	1,383	1,465	FINAME manufacturer financing	122,066	172,274	122,066	172,274
Other receivables	32,226	36,268	33,091	37,771	Borrowings	2,364	2,214	2,364	2,214
					Provision for tax, labor and divil risks	3,851	7,829	3,927	7,829
Investment in subsidiary and associated companies	100,825	108,334	2,234	2,327	Other payables	461	431	811	823
Property, plant and equipment	217,005	217,387	276,344	272,559	Deferred income tax and social contribution	-	-	24,515	25,977
Investment properties	14,211	14,211	19,737	19,989		228,005	318,452	266,337	357,821
Intangible assets	3,134	4,365	45,464	48,943					
	612,290	680,927	580,317	636,334	TOTAL LIABILITIES	586,777	705,819	664,718	771,207
					EQUITY				
					Capital	489,973	489,973	489,973	489,973
					Capital reserve	2,052	2,052	2,052	2,052
					Profit reserve	140,784	140,784	140,784	140,784
					Accumulated deficit	1,744	-	1,744	-
					Other comprehensive income	12,426	15,426	12,426	15,426
						643,702	648,235	643,702	648,235
					NON CONTROLLING INTEREST	-	-	1,541	1,688
					TOTAL EQUITY	643,702	648,235	645,243	649,923
TOTAL ASSETS	1,230,479	1,354,054	1,309,961	1,421,130	TOTAL LIABILITIES AND EQUITY	1,230,479	1,354,054	1,309,961	1,421,130

The accompanying notes are na integral part of these Interim financial statements

Indústrias Romi S.A.

STATEMENT OF INCOME

Quarters ended September 30

In thousands of reais unless otherwise stated

	Company			
	Current quarter 01/07/2014 to 30/09/2014	Accumulated for current year ending 01/01/2014 to 30/09/2014	Same quarter for prior year ended 01/07/2013 to 30/09/2013	Accumulated for prior year ended 01/01/2013 to 30/09/2013
Operations				
Net Operating revenue	124,351	371,676	135,076	382,223
Cost of sales and services	(97,968)	(276,840)	(100,589)	(284,873)
Gross profit	26,383	94,836	34,487	97,350
Operation income (expenses)				
Selling	(14,011)	(41,518)	(13,939)	(41,065)
General and administrative	(8,691)	(29,177)	(12,004)	(37,244)
Research and development	(4,837)	(14,999)	(4,843)	(14,214)
Management profit sharing and fees	(1,476)	(4,511)	(1,503)	(4,484)
Equity in the earnings of subsidiaries	1,010	(2,253)	6,007	6,021
Other operating income, net	1,338	1,251	105	164
	(26,667)	(91,207)	(26,177)	(90,822)
Operating profit (loss)	(284)	3,629	8,310	6,528
Financial income (expenses)				
Financial income	4,058	10,801	3,336	9,372
Financial expenses	(4,361)	(10,735)	(3,834)	(13,168)
Foreign exchange gains, net	2,289	(413)	1,712	4,001
	1,986	(347)	1,214	205
Profit (loss) before taxation	1,702	3,282	9,524	6,733
Income tax and social contribution	(2,017)	(1,538)	(484)	1,650
Current	1,946	(83)	(2,378)	(2,590)
Deferred	(3,963)	(1,455)	1,894	4,240
Profit (loss) for the quarter				
Profit (loss) for continued operations	(315)	1,744	9,040	8,383
Profit (loss) for discontinued operations	-	-	(13,416)	(24,720)
Profit (loss) for the quarter	(315)	1,744	(4,376)	(16,337)
Basic and diluted earnings (loss) per share - R\$	(0.00)	0.02	(0.06)	(0.22)

The accompanying notes are an integral part of these Interim financial statements

Indústrias Romi S.A.

STATEMENT OF INCOME

Quarters ended September 30

In thousands of reais unless otherwise stated

	Consolidated			
	Current quarter 01/07/2014 to 30/09/2014	Accumulated for current year ending 01/01/2014 to 30/09/2014	Same quarter for prior year ended 01/07/2013 to 30/09/2013	Accumulated for prior year ended 01/01/2013 to 30/09/2013
Operations				
Net Operating revenue	165,516	459,822	181,916	473,637
Cost of sales and services	(127,517)	(338,407)	(130,448)	(343,604)
Gross profit	37,999	121,415	51,468	130,033
Operation income (expenses)				
Selling	(18,506)	(54,190)	(18,391)	(52,489)
General and administrative	(15,248)	(48,015)	(17,451)	(50,796)
Research and development	(4,837)	(14,999)	(4,828)	(14,256)
Management profit sharing and fees	(1,507)	(4,608)	(1,536)	(4,582)
Equity in the earnings of subsidiaries	-	-	-	-
Other operating income, net	1,141	4,486	105	182
	(38,957)	(117,326)	(42,101)	(121,941)
Operating profit (loss)	(958)	4,089	9,367	8,092
Financial income (expenses)				
Financial income	2,677	12,849	3,198	10,867
Financial expenses	(2,641)	(12,221)	(3,443)	(14,308)
Foreign exchange gains, net	2,295	(412)	1,715	4,001
	2,331	216	1,470	560
Profit (loss) before taxation	1,373	4,305	10,837	8,652
Income tax and social contribution	(1,603)	(2,209)	(1,691)	84
Current	2,360	(886)	(3,585)	(4,420)
Deferred	(3,963)	(1,323)	1,894	4,504
Profit (loss) for the quarter				
Profit (loss) for continued operations	(230)	2,096	9,146	8,736
Profit (loss) for discontinued operations	-	-	(13,415)	(24,720)
Profit (loss) for the quarter	(230)	2,096	(4,269)	(15,984)
Attributable to:				
Controlling interests	(315)	1,744	(4,376)	(16,337)
Non-controlling interests	85	352	106	352
	(230)	2,096	(4,270)	(15,985)

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.**STATEMENTS OF COMPREHENSIVE INCOME
QUARTERS AND NINE MONTHS ENDED SEPTEMBER 30**

(In thousand of reais unless otherwise stated)

	Company			
	Current quarter 01/07/2014 to 30/09/2014	Accumulated for current year ending 01/01/2014 to 30/09/2014	Same quarter for prior year ended 01/07/2013 to 30/09/2013	Accumulated for prior year ended 01/01/2013 to 30/09/2013
Profit (loss) for the quarter	(315)	1,744	(4,376)	(16,337)
Foreign currency translation effects	1,112	(3,000)	2,867	7,136
Comprehensive income (loss) for the quarter	<u>797</u>	<u>(1,256)</u>	<u>(1,509)</u>	<u>(9,201)</u>

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.

STATEMENTS OF COMPREHENSIVE INCOME
QUARTERS AND NINE MONTHS ENDED SEPTEMBER 30
(In thousand of reais unless otherwise stated)

	Consolidated			
	Current quarter 01/07/2014 to 30/09/2014	Accumulated for current year ending 01/01/2014 to 30/09/2014	Same quarter for prior year ended 01/07/2013 to 30/09/2013	Accumulated for prior year ended 01/01/2013 to 30/09/2013
Profit (loss) for the quarter	(230)	2,096	(4,269)	(15,984)
Foreign currency translation effects	1,112	(3,000)	2,867	7,136
Comprehensive income (loss) for the quarter	882	(904)	(1,402)	(8,848)
Attributable to:				
Controlling interests	797	(1,256)	(1,508)	(9,200)
Non-controlling interests	85	352	106	352
	882	(904)	(1,402)	(8,848)

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In thousand of reais

	Attributable to owners of the parent										
				Earnings reserve		Other comprehensive income	Retained earnings	Controlling interests	Non-controlling interests	Total	
	Capital	Capital Reserve	Treasury share	Retained earnings	Legal reserve						Total
At January 1st, 2013	489,973	2,052	(17,850)	116,579	41,012	157,591	3,761	-	635,527	1,743	637,270
Profit (loss) for the period	-	-	-	-	-	-	-	(16,336)	(16,336)	352	(15,984)
Foreign currency translation effects	-	-	-	-	-	-	7,136	7,136	7,136		7,136
Total comprehensive income for the quarter	-	-	-	-	-	-	7,136	(16,336)	(9,200)	352	(8,848)
Purchase of treasury shares	-	-	17,850	(17,850)	-	(17,850)	-	-	-	-	-
Proposed dividends (R\$ 0.6677 per share)	-	-	-	(16,336)	-	(16,336)	-	16,336	-	(532)	(532)
At September 30th, 2013	489,973	2,052	-	82,393	41,012	123,405	10,897	-	626,327	1,563	627,890
At January 1st, 2014	489,973	2,052	-	99,704	41,080	140,784	15,426	-	648,235	1,688	649,923
Profit for the period	-	-	-	-	-	-	-	1,744	1,744	352	2,096
Foreign currency translation effects	-	-	-	-	-	-	(3,000)	(3,000)	(3,000)		(3,000)
Total comprehensive income for the quarter	-	-	-	-	-	-	(3,000)	1,744	(1,256)	352	(904)
Purchase of treasury shares	-	-	(3,277)	-	-	-	-	-	(3,277)	-	(3,277)
Proposed dividends (R\$ 0.53866 per share)	-	-	-	-	-	-	-	-	-	(499)	(499)
At September 30th, 2014	489,973	2,052	(3,277)	99,704	41,080	140,784	12,426	1,744	643,702	1,541	645,243

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.
STATEMENT OF CASH FLOW
NINE MONTHS ENDED SEPTEMBER 30
 In thousand of reais

	Company		Consolidated	
	2014	2013	2014	2013
Cash flows from operationg activities				
Profit (loss) before taxation from Continued Operations	3,281	6,734	4,305	8,652
Profit (loss) before taxation from Discontinued Operations	-	(24,720)	-	(24,720)
Adjustments from:				
Financial income and expenses and foreign exchange variations	2,853	149	854	4,172
Depreciation and amortization	21,502	22,869	26,192	26,876
Allowence for doubtful accounts and for other receivables	(1,165)	9,580	(1,165)	9,580
Provision for inventories losses	1,690	5,672	1,586	5,672
Cost of property, plant and equipment disposals	857	666	1,327	930
Equity in subsidiaries and provision for net capital deficiency, net of dividends received	3,262	18,705	-	-
Provision for tax, labor and civil risks	2,602	5,564	(5,167)	5,564
Changes in operationg assets and liabilities				
Trade accounts receivable	31,479	31,635	25,970	35,131
Related parties	(4,974)	(10,390)	93	(700)
Onlending of FINAME manufacturer financing	112,161	140,402	112,161	140,402
Inventory	(13,193)	7,714	(26,502)	2,543
Taxes recoverable	(2,911)	2,229	(3,367)	3,401
Judicial deposits	(3,697)	233	82	233
Other receivables	(5,084)	(3,252)	(3,945)	3,739
Suppliers	(11,974)	15,376	(4,162)	12,713
Related parties	(405)	(36)	-	-
Payroll and related taxes	7,261	3,851	8,739	4,663
Taxes payable	(3,864)	(6,452)	(4,007)	(6,116)
Advances from customers	(5,239)	4,587	215	(183)
Other payables	287	1,117	5,324	1,351
Changes in operating assets and liabilities from discontinued Operations	-	-	-	19,575
Cash provided by operations	134,729	232,233	138,533	253,478
Income tax and social contribution paid	(7,578)	(1,300)	(9,071)	(2,027)
Net cash provided by operating activies	127,151	230,933	129,462	251,451
Cash flows from investing activities				
Purchases of property, plant and equipment	(20,655)	(11,495)	(25,949)	(21,917)
Intangible increase	(91)	-	(91)	-
Sale of property, plant and equipment	232	-	2,232	-
Received dividends	6,688	7,146	-	-
Capital increase in foreign sibisdiary	-	(55)	-	-
Net cash used in investing activities	(13,826)	(4,404)	(23,808)	(21,917)
Cash flows from financing activities				
Interest on capital and dividends paid	(369)	-	(1,237)	(532)
Purchase of treasury shares	(3,277)	-	(3,277)	-
New borrowings	56,104	20,339	59,050	22,376
Payment of other financing	(45,380)	(35,203)	(48,280)	(38,265)
Interest paid	(8,467)	(10,596)	(8,574)	(10,935)
New FINAME manufacturer financing	74,202	69,159	74,202	69,159
Payment of FINAME manufacturer financing	(172,616)	(221,261)	(172,616)	(221,261)
Interest paid - FINAME manufacturer financing	(12,138)	(20,875)	(12,138)	(20,875)
Net cash used in financing activities	(111,941)	(198,437)	(112,870)	(200,333)
Increase (decrease) in cash and cash equivalents	1,384	28,092	(7,216)	29,201
Cash and cash equivalents for continued and discontinued operations - at the beginning of the quarter	63,834	45,110	107,232	82,320
Foreign exchanges profits (losses) of cash equivalents of foreign subsidiaries	-	226	(1,197)	(6,127)
Cash and cash equivalents for continued operations - at the end of the quarter	65,218	73,428	98,819	105,394

The accompanying notes are na integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.
**STATEMENT OF VALUE ADDED
NINE MONTHS ENDED SEPTEMBER 30**

In thousand of reais

	Company		Consolidated	
	2014	2013	2014	2013
Revenue				
Sales of products and services	449,968	463,663	541,154	561,931
Allowance for doubtful accounts and for other receivables	(1,007)	(7,974)	(1,006)	(8,554)
	<u>448,961</u>	<u>455,689</u>	<u>540,148</u>	<u>553,729</u>
Inputs acquired from third parties				
Material used	(204,130)	(208,219)	(245,180)	(242,079)
Other costs of products and services	(14,106)	(15,427)	(23,330)	(17,641)
Electricity, third party services and other expenses	(28,249)	(29,373)	(34,306)	(45,517)
	<u>(246,485)</u>	<u>(253,019)</u>	<u>(302,816)</u>	<u>(305,237)</u>
Gross value added	202,476	202,670	237,332	248,492
Depreciation and amortization	(21,504)	(22,813)	(26,192)	(27,246)
Net value added generated by the Company	<u>180,972</u>	<u>179,857</u>	<u>211,140</u>	<u>221,246</u>
Value added received through transfers				
Equity in the earnings of subsidiaries	(2,253)	(18,699)	-	(18,699)
Financial income and net foreign exchange gains	10,388	13,373	10,388	14,905
Total value added to distribute	<u>189,107</u>	<u>174,531</u>	<u>221,528</u>	<u>217,452</u>
Distribution of value added				
Employees				
Payroll and related charges	98,946	95,946	130,649	135,446
Sales commission	2,344	1,872	2,344	1,872
Management profit sharing and fees	4,512	4,484	4,546	4,582
Pension plans	1,759	1,391	1,759	1,391
Taxes				
Federal	53,434	53,520	54,118	54,450
State	11,171	15,425	11,171	15,425
Municipal	998	959	998	959
Interests	10,734	13,168	10,734	14,677
Rentals	3,465	4,102	3,465	4,102
Distributed dividends and interest on net equity	-	-	-	532
Profit (loss) for the quarter	<u>1,744</u>	<u>(16,336)</u>	<u>1,744</u>	<u>(15,984)</u>
Value added distributed	<u>189,107</u>	<u>174,531</u>	<u>221,528</u>	<u>217,452</u>

The accompanying notes are an integral part of these Interim financial statements

Indústrias Romi S.A.

Notes to the quarterly information (ITR)

at September 30, 2014

All amounts in thousands of reais unless otherwise stated

1 General information

Indústrias Romi S.A. (the "Parent company" and/or "Company") and its subsidiaries (together referred to as the "Company" and/or as "Consolidated"), has been listed on the "New Market" of the São Paulo Stock Exchange ("Bovespa") since March 23, 2007, and is based in Santa Barbara D'Oeste, São Paulo. The company is engaged in the assembly and sale of capital goods in general, including machine tools, plastic injection molding machines, industrial equipment and accessories, tools, castings and parts, as well as providing systems analysis and developing data processing software related to the production, sale, and use of machine tools and plastic injectors; the manufacture and sale of raw cast parts and machined cast parts; export and import, and representation on its own account or on account of third parties, and the provision of related services. It also holds investments in other companies, and manages its own and/or third party assets.

The Company's industrial facilities consist of eleven plants in three units located in the city of Santa Bárbara D'Oeste, in the State of São Paulo, and one located in the city of Reutlingen, Germany. The last one is a high-precision tooling machine manufacturer. The Company also holds investments in subsidiaries in Brazil and abroad.

This quarterly information was approved by the Company's Board of Directors and authorized for issue on October 21, 2014.

2 Basis of preparation and accounting policies

The financial information for the quarter ended September 30, 2014 of the Company has been prepared in accordance with CVM Resolution 673, of October 20, 2011, which approves accounting standard CPC 21 (R1) and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The accounting policies adopted by the Company in the preparation of the parent company and consolidated quarterly financial information are the same as those used in the preparation of the financial statements for the year ended December 31, 2013 and, therefore, both should be read together.

The parent company financial information presents the measurement of investments in subsidiaries by the equity method of accounting, pursuant to prevailing Brazilian legislation. Accordingly, this parent company financial information is not considered as being in accordance with the International Financial Reporting Standards ("IFRS"), which require the measurement of such investments in the separate financial statements of the parent at their fair value or at cost.

As there is no difference between the consolidated equity and consolidated profit attributable to the owners of the Company, disclosed in the consolidated quarterly information prepared in accordance with IFRS and accounting practices adopted in Brazil, and the Company's equity and profit disclosed in the parent company financial information prepared in accordance with accounting practices adopted in Brazil, the Company elected to present this parent company and consolidated quarterly information in a single set.

Indústrias Romi S.A.

Notes to the quarterly information (ITR)

at September 30, 2014

All amounts in thousands of reais unless otherwise stated

The purpose of the statement of value added is to disclose the wealth created by the Company and its distribution during a certain period, and is presented by the Company, as required by the Brazilian Corporate Law, as an integral part of its parent company quarterly information, and as supplementary information to the consolidated quarterly information, since this statement is not required by IFRS.

(a) Standards, interpretations and amendments to existing standards effective as at September 30, 2014 and that did not have a material impact on the Company's quarterly information

The interpretations and amendments to existing standards were issued and were effective as at September 30, 2014. However, they did not have a material impact on the Company's financial statements.

IFRS:

Standard	Subject
IFRS 9	Financial Instruments
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IAS 27	Separate Financial Statements
IAS 28	Investments in Associates and Jointly Controlled Entities

(b) Notes included in the financial statements as at December 31, 2013 not included in this quarterly information

The quarterly information is presented in accordance with accounting standard CPC 21 and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB). The preparation of this quarterly information involves judgment by the Company's management on the relevance and changes that should be disclosed in the notes. Accordingly, this quarterly information includes selected notes and does not comprise all notes presented in the year ended December 31, 2013. As permitted by Circular Letter 03/2011 of the Brazilian Securities Commission (CVM), the following notes are not presented:

- Summary of significant accounting policies (Note 2);
- Business combinations (Note 3);
- Investment property (Note 10);
- Pension plan (Note 18);
- Insurance (Note 19);
- Financial instruments and operating risks (Note 20);
- Net operating revenue (Note 23);
- Expenses by nature (Note 24);
- Finance income (costs) (Note 25); and
- Other operating income, net (Note 26).

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at September 30, 2014

All amounts in thousands of reais unless otherwise stated

3 Cash and cash equivalents

	Parent company		Consolidated	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Cash and banks	2,460	2,633	19,397	27,375
Bank Deposit Certificates ("CDBs") (a)	56,705	50,038	73,260	68,694
Short-term investments backed by debentures (a)	5,170	7,948	5,170	7,948
Short-term investments in foreign currency -US\$ (Time deposit)	-	2,810	-	2,810
Other	883	405	992	405
Total	65,218	63,834	98,819	107,232

- (a) These investments are substantially pegged to the Interbank Deposit Certificate (CDI) interest rate.

4 Trade receivables

	Parent company		Consolidated	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Current				
Domestic customers	70,081	90,914	70,081	91,334
Foreign customers	4,581	7,329	40,515	37,411
Allowance for doubtful accounts	(2,322)	(1,708)	(8,911)	(8,374)
	72,340	96,535	101,685	120,371
Non-current				
Domestic customers	8,500	10,334	8,500	10,334
Foreign customers	727	967	727	967
Allowance for doubtful accounts	(380)	(487)	(380)	(487)
	8,847	10,814	8,847	10,814

The Company's maximum exposure to credit risk is the balance of trade accounts receivable.

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Notes to the quarterly information (ITR)

at September 30, 2014

All amounts in thousands of reais unless otherwise stated

The balance of current trade accounts receivable as at September 30, 2014 and December 31, 2013, parent company and consolidated, is distributed as follows:

	Parent company		Consolidated	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Not yet due	57,109	80,460	82,416	100,134
Past due:				
1 to 30 days	10,772	13,656	12,636	15,319
31 to 60 days	875	424	2,491	2,525
61 to 90 days	533	133	871	1,045
91 to 180 days	1,358	966	2,335	1,206
181 to 360 days	1,289	494	1,455	887
Over 360 days	2,726	2,110	8,392	7,629
	17,553	17,783	28,180	28,611
Total	75,349	98,243	110,596	128,745
Allowance for doubtful accounts	(2,322)	(1,708)	(8,911)	(8,374)
Total - current	73,027	96,535	101,685	120,371

The balance of non-current trade accounts receivable as at September 30, 2014, parent company and consolidated, is distributed as follows:

	Parent company and consolidated
Not yet due:	
2015 (3 months)	2,622
2016	5,415
2017	806
2018	4
Total - non-current	8,847

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Notes to the quarterly information (ITR) at September 30, 2014 All amounts in thousands of reais unless otherwise stated

The changes in the allowance for doubtful accounts, parent company and consolidated, are as follows:

	<u>Parent company</u>	<u>Consolidated</u>
As at December 31, 2013	<u>2,195</u>	<u>8,861</u>
Additional allowance recorded	945	969
Receivables written off	(438)	(271)
Foreign exchange rate variations	<u>-</u>	<u>(268)</u>
As at September 30, 2014	<u><u>2,702</u></u>	<u><u>9,291</u></u>

5 Receivables - onward lending of Finame manufacturer financing

	<u>Parent company and consolidated</u>	
	<u>September 30, 2014</u>	<u>December 31, 2013</u>
Current		
FINAME not yet due	165,198	221,585
FINAME awaiting release (a)	1,770	2,285
FINAME past due (b)	<u>35,436</u>	<u>32,297</u>
	202,404	256,167
Allowance for doubtful accounts	<u>(13,682)</u>	<u>(12,733)</u>
	<u><u>188,722</u></u>	<u><u>243,434</u></u>
Non-current		
FINAME not yet due	136,339	185,188
FINAME awaiting release (a)	<u>7,078</u>	<u>9,140</u>
	143,417	194,328
Allowance for doubtful accounts	<u>(1,984)</u>	<u>(3,616)</u>
	<u><u>141,433</u></u>	<u><u>190,712</u></u>
Total	<u><u>330,155</u></u>	<u><u>434,146</u></u>

The item "Receivables - onward lending of FINAME manufacturing financing" refers to sales to customers financed by funds from the National Bank for Economic and Social Development ("BNDES") (Note 13).

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at September 30, 2014

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FINAME manufacturer financing refers to funds specifically linked to sales transactions, with terms of up to 48 months, with the option of a grace period of up to 6 months and interest of between 2.5% and 6.5% per year, prefixed or increased by the Long-term Interest Rate ("TJLP"), in accordance with the terms defined by the BNDES at the time of the transaction. As part of the measures adopted by the federal government to foster investment and consumption, the Investment Support Program ("PSI") line of the National Bank for Economic and Social Development (BNDES) that finances capital goods, investments and technology, was extended to December 31, 2014, with interest rate of 4.5% and 6% per year, depending on the Company's revenue volume.

The financing terms are also based on the customer's characteristics. Funds are released by the BNDES by identifying the customer and the sale, as well as checking that the customer has fulfilled the terms of Circular 195 of July 28, 2006 issued by the BNDES, through a financial agent, with the formalization of a financing agreement in the name of the Company and consent of the customer to be financed. The amounts, periods and charges of the transaction are fully reflected in the amounts to be received by the Company from the bank mediating the agreement to which the Company is the debtor. The Company retains title to the financed equipment until the final settlement of the obligation by the customer.

Receivables - onward lending of FINAME manufacturer financing include:

- (a) FINAME transactions awaiting release: refers to FINAME manufacturer financing transactions which meet the specified terms and have been approved by all parties involved. The preparation of documentation, the issue of the sales invoice, and the delivery of the equipment to the customer have all taken place. The crediting of the related funds to the Company's account by the agent bank is pending at the end of the reporting period, in view of the normal operating terms of the agent.
- (b) FINAME past due: refers to amounts receivable not settled by customers by their due dates. The Company records provisions for possible losses on the realization of these balances, at the amount of the difference between the expected value of the sale of the collateral (machinery) recovered through the guarantee and the value of the receivable from the customer. In instances in which the machine guaranteed cannot be located, a full loss provision is made for balance of the receivable.

The machines seized as part of the implementation process are recorded at their book value, not exceeding their market value, under the category of "Other receivables", pending a final court decision, following which they are repossessed and transferred to inventories. As at September 30, 2014, the balance of repossessed machinery, included under the caption "Other receivables", parent company and consolidated, amounted to R\$ 12,650 (R\$ 15,105 as at December 31, 2013) in current assets and R\$ 30,246 (R\$ 35,311 as at December 31, 2013) in non-current assets.

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Notes to the quarterly information (ITR)

at September 30, 2014

All amounts in thousands of reais unless otherwise stated

As at September 30, 2014 and December 31, 2013, the balances of "Receivables - onward lending of FINAME manufacturer financing", parent company and consolidated, were as follows:

	Parent company and consolidated	
	September 30, 2014	December 31, 2013
Not yet due	166,968	223,870
Past due:		
1 to 30 days	3,595	5,469
31 to 60 days	2,305	2,419
61 to 90 days	2,085	2,247
91 to 180 days	5,675	4,354
181 to 360 days	7,285	5,368
Over 360 days	14,491	12,440
	<u>35,436</u>	<u>32,297</u>
Total - current	<u>202,404</u>	<u>256,167</u>

The expected realization of the non-current receivables relating to the onward lending of FINAME manufacturer financing, parent company and consolidated, is as follows:

	Parent company and consolidated
Not yet due:	
2015 (3 months)	27,303
2016	71,399
2017	37,169
2018 and thereafter	<u>7,546</u>
Total - non-current	<u>143,417</u>

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Notes to the quarterly information (ITR) at September 30, 2014 All amounts in thousands of reais unless otherwise stated

The changes in the allowance for doubtful accounts, parent company and consolidated, are as follows:

	Parent company and consolidated
	September 30, 2014
Opening balance	16,349
Allowance recorded (or written off) during the period	(683)
Closing balance	15,666

6 Inventories

	Parent company		Consolidated	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Finished products	50,912	40,916	76,732	62,163
Used machines	27,916	24,581	27,916	24,581
Work in progress	67,588	75,755	98,542	98,183
Raw materials and components	85,400	76,346	95,280	85,282
Imports in transit	513	3,228	513	3,857
Total	232,329	220,826	298,983	274,066

The inventories balances, parent company and consolidated, as at September 30, 2014 are net of the amounts of R\$ 53,381 and R\$53,506, respectively (R\$ 55,540 and R\$ 55,729 respectively as at December 31, 2013) corresponding to the provision for slow-moving inventories with a remote probability of being realized through sale or use.

The changes in the provision to bring inventories to their net realizable value, parent company and consolidated, are as follow:

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Notes to the quarterly information (ITR)

at September 30, 2014

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	<u>Parent company</u>	<u>Consolidated</u>
As at December 31, 2013	55,540	55,729
Inventories sold or written off	(31,289)	(31,771)
Provision recorded	20,041	20,459
Transfer of provision resulting from machines repossessed during the period	<u>9,089</u>	<u>9,089</u>
As at September 30, 2014	<u><u>53,381</u></u>	<u><u>53,506</u></u>

The changes in the provision for inventory losses by class of inventory are as follows:

	<u>Parent company</u>		<u>Consolidated</u>	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Finished products	3,626	3,316	3,751	3,505
Used machines	21,392	25,201	21,392	25,201
Work in progress	9,850	10,545	9,850	10,545
Raw materials and components	<u>18,513</u>	<u>16,478</u>	<u>18,513</u>	<u>16,478</u>
Total	<u><u>53,381</u></u>	<u><u>55,540</u></u>	<u><u>53,506</u></u>	<u><u>55,729</u></u>

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Notes to the quarterly information (ITR) at September 30, 2014 All amounts in thousands of reais unless otherwise stated

7 Investments in subsidiaries and associates

The following list shows the investments of the Company in its subsidiaries:

Subsidiary	Country	Main activity
Rominor Comércio, Empreendimentos e Participações S.A. ("Rominor")	Brazil	Ventures and investments in general
Romi Machine Tools, Ltd. ("Romi Machine Tools")	United States of America	Sale of machine tools, spare parts, technical assistance and cast and machined products in North America
Interocean Comércio Importadora e Exportadora S.A. ("Interocean")	Brazil	Trading company, not operating during the periods presented
Romi A.L. S.A. ("Romi A.L.") -	Uruguay	Sales representation for operations in the foreign market
Romi Europa GmbH ("Romi Europe")	Germany	Distribution of machine tools, spare parts and technical assistance
IRSA MÁQUINAS MÉXICO S. de R. L. de C.V.	Mexico	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Romi Machines UK Ltd.	United Kingdom	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Romi France SAS	France	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Metalmecanica Plast B. V.	The Netherlands	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Romi Máquinas España S.A.	Spain	Sale of machinery for plastics and machine tools, spare parts and technical assistance
Subsidiaries of Romi Europe: Burkhardt + Weber Fertigungssysteme GmbH ("B+W")	Germany	Production and sale of large scale tooling machines with high technology, precision and productivity, as well as machinery for specialized applications
Associate B+W: Riello Sistemi (Riello Shangai) Trade Co.,Ltd	China	Sale of machine tools produced by B+W and provision of services (spare parts and technical assistance).
Subsidiary of B+W: Burkhardt + Weber / Romi (Shangai) Co., Ltda.	China	Sale of machine tools produced by B+W and provision of services (spare parts and technical assistance).
Romi Itália S.r.l. ("Romi Italy") (i)	Italy	In process of liquidation.

- (i) On April 23, 2013, the Company's management approved the beginning of the voluntary liquidation of the subsidiary Romi Itália S.r.l., in which part of the assets and liabilities were disposed of/transferred on September 18, 2013.

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Notes to the quarterly information (ITR)

at September 30, 2014

All amounts in thousands of reais unless otherwise stated

	September 30, 2014							
	Romi Italy and subsidiaries	Romi Europe and subsidiaries	Rominor	Romi Machine Tools	Interocean	Romi A.L.	Sandretto Mexico	Total
Investments:								
Number of shares held	(a)	(a)	6,191,156	3,000,000	78,000	13,028,000	1,188,000	
Ownership interest	100.0%	100.0%	93.1%	100.0%	100.0%	100.0%	100.0%	
Current assets	32,969	75,421	16,976	8,481	12	3,582	606	
Non-current assets	10,618	93,552	5,541	367	-	-	1	
Current liabilities	5,721	60,587	271	444	12	-	135	
Non-current liabilities	51,394	32,530	3	18,840	-	-	-	
Equity (net capital deficiency) of subsidiary	(13,528)	76,068	22,243	(10,434)	1	3,582	472	
Changes in investment:								
Opening balance as at December 31, 2013	(12,083)	82,363	22,669	(7,447)	5	3,229	68	88,804
Foreign exchange variations on foreign investments	587	(3,254)	-	(508)	-	162	13	(3,000)
Return of available funds of foreign subsidiary	-	-	-	-	-	-	-	-
Dividends proposed and paid (b)	-	-	(6,688)	-	-	-	-	(6,688)
Share of profits (losses) of subsidiaries	(2,032)	(3,041)	4,721	(2,479)	(4)	191	391	(2,253)
Equivalent value – closing balance	(13,528)	76,068	20,702	(10,434)	1	3,582	472	76,863
Investments in subsidiaries		76,068	20,702		1	3,582	472	100,825
Provision for net capital deficiency of - subsidiary	(13,528)			(10,434)				(23,962)
Investments in associates								
30% interest in Riello Sistemi (Shangai) Trade Co.,Ltd acquired through a business combination.								2,234
Total investments in associates - consolidated								2,234

(a) The subsidiaries' capital is not divided into quotas or shares in their articles of organization.

(b) The Annual General Meeting of shareholders of subsidiary Rominor, held on March 17, 2014, approved the distribution of dividends of R\$3,335, of which R\$3,104 relate to the Company's ownership. On September 2, 2014, the General Meeting approved the distribution of dividends for 2014 of R\$3,852, of which R\$ 3,585 relate to the Company's ownership.

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at September 30, 2014

All amounts in thousands of reais unless otherwise stated

8 Related party transactions

The balances and transactions with related parties as at September 30, 2014 and December 31, 2013 are as follows:

(i) Balances

	Receivables (current)		Loan receivable (non-current)		Total receivable		Payables (current)	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Direct subsidiaries								
Romi Europe	2,431	1,385	1,293	1,350	3,724	2,735	91	55
Romi Italy	-	1,304	33,248	36,952	33,248	38,256	-	-
Romi Machine Tools	10,133	7,431	7,633	7,305	17,766	14,736	74	71
Interocean	-	-	11	10	11	10	-	-
Romi A.L.	-	108	-	-	-	108	408	353
Irsa Máquinas Mexico	686	-	-	-	686	-	-	-
Rominor	3	3	-	-	3	3	122	122
Indirect subsidiaries								
B+W - Burkhardt+Weber	-	-	-	-	-	-	-	-
Sandretto Industries S.A.S.	263	1,065	-	-	263	1,065	-	464
Sandretto UK Ltd.	9,453	4,011	-	-	9,453	4,011	-	-
Total	22,969	15,307	42,185	45,617	65,154	60,924	695	1,065

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(ii) Transactions

	Sales revenue		Operating expenses		Finance income	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Direct subsidiaries						
Romi Europe	1,108	976	274	373	38	11
Rominor	3	3	333	1,000	-	-
Romi Italy	-	4,538	-	-	1,029	215
Romi Machine	-	-	-	-	-	-
Tools	373	4,781	-	-	805	85
Sandretto	-	-	-	-	-	-
Industries S.A.S	250	-	-	-	-	-
Romi A.L.	-	-	106	172	-	-
Sandretto UK Ltd.	4,801	-	-	-	-	-
Romi Máqs Espâna	-	-	-	-	-	-
Total	6,535	10,298	713	1,545	1,872	311

In the consolidated quarterly information, receivables and payables refer to trading transactions between B+W and its associate Riello Shangai.

Loans receivable have predetermined maturities, are payable in the short and long terms and bear semi-annual LIBOR plus interest of 1% per annum and foreign exchange variations. The loan agreements between the Company and its subsidiaries are generally intended to increase working capital so as to provide financial support to these subsidiaries.

The subsidiary Rominor is the guarantor of some of the FINAME manufacturing financing transactions involving the Company, and the financing is collateralized by promissory notes and sureties (Note 13). The Company has seven buildings rented to its subsidiary Rominor, which are used by the sales branch operations in Brazil.

The Company entered into trading transactions with certain subsidiaries for the supply and purchase of equipment, parts and pieces, and does not have material transactions with related parties with other than of this nature. Decisions regarding transactions between the Company and its subsidiaries are made by management. Trade notes mature in the short term.

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at September 30, 2014

All amounts in thousands of reais unless otherwise stated

Management compensation for the periods ended September 30, 2014 and 2013 was as follows:

	September 30, 2014	September 30, 2013
Fees and charges	4,150	4,112
Profit sharing	65	-
Private pension plan	218	310
Healthcare plan	78	62
Parent company	<u>4,511</u>	<u>4,484</u>
Fees and charges of subsidiaries	<u>97</u>	<u>98</u>
Consolidated	<u>4,608</u>	<u>4,582</u>

The amounts shown above comply with the limits established by the Board of Directors and approved at the Annual General Meeting of Shareholders held on March 18, 2014.

9 Investment property

During the year ended December 31, 2012 Management decided, based on the completion of the property register review and regularization, as well as the perspectives of short and medium-term expansion of operations, to classify certain property as "Investment Property" for future rental income and capital appreciation. The amounts classified as investment property are R\$ 14,211 (R\$ 14,211 – as at December 31, 2013) in the parent company and R\$ 19,737 (R\$ 19,989 – as at December 31, 2013) in the consolidated.

The investment property is stated at historical cost, and for fair value disclosure purposes the Company contracted an independent expert, who applied a methodology accepted by the "Brazilian Institute of Engineering Appraisals" as well as recent transactions with similar property and assessed the fair value less cost to sell this property at R\$ 117,681 in the parent company and R\$ 159,140 in the consolidated.

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Notes to the quarterly information (ITR) at September 30, 2014

All amounts in thousands of reais unless otherwise stated

10 Property, plant and equipment

Changes in property, plant and equipment in the parent company and consolidated quarterly information are as follows:

	<u>Parent company</u>	<u>Consolidated</u>
Net book amount as at December 31, 2013	217,387	272,559
Additions	20,655	28,917
Disposals	(857)	(1,327)
Depreciation	(20,180)	(24,421)
Foreign exchange rate variations	-	616
Net book amount as at September 30, 2014, net	<u>217,005</u>	<u>276,344</u>
As at September 30, 2014		
Total cost	475,582	563,595
Accumulated depreciation	<u>(258,577)</u>	<u>(287,251)</u>
Net book amount	<u>217,005</u>	<u>276,344</u>

Due to the financing agreements with the BNDES for investments in property, plant and equipment, the Company pledged as collateral machinery and equipment amounting to R\$55,463 as at September 30, 2014 (R\$55,463 as at December 31, 2013). These items refer to land, facilities, machinery and equipment.

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Notes to the quarterly information (ITR) at September 30, 2014 All amounts in thousands of reais unless otherwise stated

11 Intangible assets

Changes in intangible assets in the parent company and consolidated quarterly information are as follows:

	<u>Parent company</u>	<u>Consolidated</u>
Net book amount as at December 31, 2013	4,365	48,943
Additions	91	91
Disposals	-	-
Amortization	(1,322)	(1,771)
Foreign exchange rate variations	-	(1,799)
Net book amount as at September 30, 2014, net	<u>3,134</u>	<u>45,464</u>
As at September 30, 2014		
Total cost	10,810	61,435
Accumulated amortization	<u>(7,676)</u>	<u>(15,971)</u>
Net book amount	<u>3,134</u>	<u>45,464</u>

12 Borrowings

Changes in borrowings in the parent company and consolidated information are as follows:

	<u>Parent company</u>	<u>Consolidated</u>		
	<u>Local currency</u>	<u>Local currency</u>	<u>Foreign currency</u>	<u>Total</u>
Borrowing balance at				
December 31, 2013	186,966	186,966	15,907	202,873
New borrowing	56,102	56,102	2,948	59,050
Repayment of principal	(45,253)	(45,253)	(3,027)	(48,280)
Payment of interest	(8,467)	(8,467)	(107)	(8,574)
Exchange and monetary variations (principal and interest)	(29)	(29)	(1,207)	(1,236)
Interest at the end of the period	<u>8,368</u>	<u>8,368</u>	<u>-</u>	<u>8,368</u>
Borrowing balance at				
September 30, 2014	<u>197,687</u>	<u>197,687</u>	<u>14,514</u>	<u>212,201</u>

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Notes to the quarterly information (ITR)

at September 30, 2014

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Current	98,424	98,424	1,123	99,547
Non-current	<u>99,263</u>	<u>99,263</u>	<u>13,391</u>	<u>112,654</u>
	<u>197,687</u>	<u>197,687</u>	<u>14,514</u>	<u>212,201</u>

The maturities of financing recorded in non-current liabilities as at September 30, 2014 in the parent company and consolidated information were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
2015 (3 months)	13,496	14,623
2016	30,906	31,885
2017	39,806	40,869
2018	9,079	17,527
2019 and thereafter	<u>5,976</u>	<u>7,750</u>
Total	<u>99,263</u>	<u>112,654</u>

13 FINAME manufacturer financing

	<u>Parent company and consolidated</u>	
	<u>September</u>	<u>December</u>
	<u>30,</u>	<u>31,</u>
	<u>2014</u>	<u>2013</u>
Current		
FINAME manufacturer financing	150,085	210,429
Non-current		
FINAME manufacturer financing	<u>122,066</u>	<u>172,274</u>
Total	<u>272,151</u>	<u>382,703</u>

The agreements related to FINAME Manufacturer Financing are guaranteed by promissory notes and sureties, and the main guarantor is the subsidiary Rominor. The balances are directly related to the balances of "Receivables - onward lending of FINAME manufacturer financing" (Note 5), considering that the loans are directly linked to sales to specific customers. The contractual terms related to the amounts, charges and periods financed under the program are fully passed on to the financed

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customers, and the monthly payments by the customers are fully used for the repayment of the related financing agreements. The Company, therefore, acts as an agent for the financing, but remains the main debtor in these transactions.

The balances of the line item 'FINAME manufacturer financing' and, consequently, of the line items "Receivables - onward lending of FINAME manufacturer financing" as at September 30, 2014 and December 31, 2013, were adjusted for inflation through the end of the reporting period. The difference of R\$58,004 between these line items as at September 30, 2014 (R\$51,443 as at December 31, 2013) refers to past-due trade notes, renegotiations in progress, and FINAME transactions not yet disbursed by the agent bank. Management understands that there are no risks to the realization of these receivables since the amounts are collateralized by the financed machinery.

The non-current maturities of the FINAME manufacturer financing as at September 30, 2014, parent company and consolidated, are as follows:

	Parent company and consolidated
2015 (3 months)	23,512
2016	60,908
2017	31,904
2018	5,742
2019 and thereafter	-
Total	122,066

14 Provision for tax, labor and civil risks

The management of the Company and its subsidiaries, based on the opinion of legal counsel, classified the lawsuits according to the risk of loss, as follows:

	Parent company		Consolidated	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Tax	47,918	48,135	47,918	48,135
Civil	1,966	1,673	1,966	1,673
Labor	2,856	1,866	3,731	1,866
(-) Judicial deposits	(44,067)	(40,288)	(44,067)	(40,288)
Total	8,673	11,386	9,548	11,386
Current liabilities	4,822	3,557	5,621	3,557
Non-current liabilities	3,851	7,829	3,927	7,829
	8,673	11,386	9,548	11,386

Indústrias Romi S.A.

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All amounts in thousands of reais unless otherwise stated

The management of the Company and its subsidiaries, based on the opinion of its legal counsel, classified the tax, civil and labor lawsuits, involving risks of loss classified by management as possible, for which no provision was recognized as follows:

	September 30, 2014	December 31, 2013
Tax		
ICMS on the activation of machinery	166	158
Social security contributions - Cooperatives	2,281	2,042
Offsetting of IRPJ - 2002 and 2003	1,267	1,267
Civil		
Losses and damages	3,557	3,543
Labor	1,232	1,109
Total	8,503	8,119

For lawsuits classified as probable losses, Management recognized a provision for losses. The changes in the provision in the period ended September 30, 2014 are as follow:

	Parent company				
	December 31, 2013	Additions	Utilizations/ reversals	Inflation adjustment	September 30, 2014
Tax	48,135	3,779	(4,153)	157	47,918
Civil	1,673	376	(240)	157	1,966
Labor	1,866	1,851	(1,172)	311	2,856
(-) Judicial deposits	(40,288)	(3,779)	-	-	(44,067)
	11,386	2,227	(5,565)	625	8,673

	Consolidated				
	December 31, 2013	Additions	Utilizations/ reversals	Inflation adjustment	September 30, 2014
Tax	48,135	3,779	(4,153)	157	47,918
Civil	1,673	514	(240)	157	2,104
Labor	1,866	2,579	(1,172)	320	3,593
(-) Judicial deposits	(40,288)	(3,779)	-	-	(44,067)
	11,386	3,093	(5,565)	634	9,548

Indústrias Romi S.A.

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As at September 30, 2014, the main lawsuits, which were classified by management as probable losses based on the opinion of legal counsel and, therefore, included in the provision for risks, are as follow:

(a) Tax lawsuits

Refer to the provisions for:

- (i) Social Integration Program ("PIS") and Social Contributions on Revenues ("COFINS") related to State Value-Added Tax ("ICMS") on sales, which amounted to R\$7,839 (R\$ 7,190 as at December 31, 2013) and R\$ 36,109 (R\$ 33,116 as at December 31, 2013), respectively.
- (ii) National Institute of Social Security ("INSS") contributions on services provided by cooperatives, amounting to R\$ 2,786 (R\$ 2,548 as at December 31, 2013).
- (iii) The other tax lawsuits total R\$ 1,184 (R\$ 1,128 as at December 31, 2013).

(b) Civil lawsuits

These refer mainly to civil lawsuits in which the Company is the defendant related mainly to the following claims: (i) revision/rescission of contracts; (ii) indemnities; and (iii) annulment of protest of notes with losses and damages, among others.

(c) Labor lawsuits

The Company has recorded a provision for contingencies for labor lawsuits in which it is the defendant, for which main types of claim are as follow: (i) additional overtime due to reduction of the lunch break; (ii) health hazard premium/hazardous duty premium; (iii) stability prior to retirement; (iv) indemnities for occupational accident/disease; and (v) jointly liability of outsourced companies, among others.

The tax, civil and labor lawsuits assessed as possible losses involve matters similar to those above. The Company's management believes that the outcomes of ongoing lawsuits will not result in disbursements higher than those recognized in the provision. The amounts involved do not qualify as legal obligations.

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(d) Judicial deposits

The Company has judicial deposits amounting to R\$ 45,450, of which R\$ 44,067 (R\$ 40,288 as at December 31, 2013) refers to PIS and COFINS levied on ICMS on sales, as mentioned in item (a) (i) and the other deposits are of different nature and classified in non-current assets.

15 Income tax and social contribution

Income tax is calculated at the rate of 15% on the taxable profits plus a 10% surcharge on taxable profit exceeding R\$240, and social contribution is calculated at the rate of 9% on taxable profits. The subsidiary Rominor pays income tax and social contribution on a presumed profit basis.

The table below shows a reconciliation of the tax effect on the parent company's profit (loss) before income tax and social contribution by applying the prevailing tax rates as at September 30, 2014 and 2013:

	Parent company		Consolidated	
	September	September	September	September
	30,	30,	30,	30,
	2014	2013	2014	2013
Profit before income tax and social contribution	3,282	6,733	4,305	8,652
Standard rates (income tax and social contribution)	34%	34%	34%	34%
Income tax and social contribution income (expense) at standard rates	(1,116)	(2,289)	(1,464)	(2,942)
Reconciliation with the effective rate:				
Share of the profits (losses) of subsidiaries and provision for the net capital deficiency of subsidiary	(766)	2,047	-	-
Deferred income tax and social contribution of subsidiaries	-	-	(1,236)	(66)
Research and development	-	1,873	-	1,873
Interest on capital	110	-	110	-
Management profit sharing	(21)	-	(21)	-
Other additions (deductions), net (a)	255	19	402	1,219
Current and deferred income tax and social contribution income (expense)	(1,538)	1,650	(2,209)	84

- (a) The amounts in the consolidated information refer basically to the differences in the calculation of income tax and social contribution between the actual taxable profit and presumed profit basis, due to the fact that the subsidiary Rominor is a taxpayer on a presumed profit basis during the reporting periods, and due to the non-recognition of deferred taxes on the tax losses of foreign subsidiaries.

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at September 30, 2014

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The changes in deferred tax assets and liabilities, parent company and consolidated, for the quarter ended September 30, 2014 were as follows:

	Asset		Liability
	Parent company	Consolidated	Consolidated
As at December 31, 2013	50,487	50,487	25,977
Changes in the period:			
Additions	-	2,492	-
Realization	(2,055)	(3,804)	(715)
Foreign exchange rate variations	-	-	(747)
As at September 30, 2014	48,432	49,175	24,515

16 Equity

Share capital

As at September 30, 2014 and December 31, 2013, the Company's subscribed and paid-up capital amounting to 489,973 is represented by 71,757,647 book-entry, registered common shares, without par value, all with the same rights and benefits.

Legal reserve

As required by Article 193 of Law 6,404/76, the balance of the line item "Legal reserve" is equivalent to 5% of profit for the year, limited to 20% of the share capital.

Share buyback

At the meeting held on July 29, 2014, the Company's Board of Directors approved the program to buy back the Company's common shares ("Program"), to be held in treasury for subsequent cancelation or sale, without capital reduction, in accordance with its bylaws, CVM Instructions 10/80 and 268/97 and other legal provisions in force.

The Company's goal with the program is to maximize value for its shareholders through the investment of part of its financial resources available within the total amount of the earnings and capital reserves. Under the Program, the share buybacks will be held between July 29, 2014 and July 29, 2015 (one year). The number of shares to be bought back will be of up to 3,000,000, representing 7.95% of the shares outstanding in the market.

Indústrias Romi S.A.

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at September 30, 2014

All amounts in thousands of reais unless otherwise stated

	September 30, 2014
Common shares issued	
Shares as at December 31, 2013	71,757,647
Treasury shares purchased through September 30, 2014 (a)	840,300
Outstanding shares	70,917,347

(a) In the quarter ended September 30, 2014, the Company bought back 840,300 shares for R\$ 3,277.

Earnings (losses) per share

Basic earnings (losses) per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of outstanding common shares during the year, excluding common shares purchased by the Company and held as treasury shares.

	September 30, 2014	September 30, 2013
Profit (loss) for the period attributable to the controlling shareholders	1,744	(16,336)
Weighted average number of shares outstanding (in thousands)	71,758	72,527
Basic and diluted earnings (losses) per share	0.02	(0.23)

Basic and diluted earnings (losses) per share are the same, since the Company does not have any instruments diluting the earnings (losses) per share.

Indústrias Romi S.A.

Notes to the quarterly information (ITR)

at September 30, 2014

All amounts in thousands of reais unless otherwise stated

17 Segment reporting - consolidated

To manage its business, the Company is organized into three business units, on which the Company's segmented reporting is based. The main segments are: machine tools, plastic injectors and cast and machined products. The segment reporting for the nine-month periods ended September 30, 2014 and 2013 is as follows:

	September 30, 2014				
	Machine tools	Plastic injection machines	Cast and machine d	Eliminations between segments	Consolidated
Net operating revenue	313,167	74,607	72,048		459,822
Cost of sales and services	(206,074)	(42,015)	(90,318)		(338,407)
Transfers remitted	4,519	-	17,190	(21,709)	-
Transfers received	(14,291)	(7,397)	(21)	21,709	-
Gross profit (loss)	97,321	25,195	(1,101)	-	121,415
Operating (expenses) income:					
Selling	(38,193)	(13,053)	(2,944)		(54,190)
General and administrative	(34,264)	(8,544)	(5,207)		(48,015)
Research and development	(10,604)	(4,395)	-		(14,999)
Management fees	(3,019)	(780)	(809)		(4,608)
Other operating income, net	4,304	182	-		4,486
Operating profit (loss) before financial income (expenses)	15,545	(1,395)	(10,061)	-	4,089
Inventories	230,163	46,225	22,595		298,983
Depreciation and amortization	15,272	1,828	9,092		26,192
Property, plant and equipment , net	159,639	15,157	101,548		276,344
Intangible assets	44,692	772	-		45,464
	Europe	North America	Latin America	Africa and Ásia	Total
Net operating revenue per geographical region	82,701	3,931	355,433	17,757	459,822

Indústrias Romi S.A.

Notes to the quarterly information (ITR)

at September 30, 2014

All amounts in thousands of reais unless otherwise stated

	September 30, 2013				
	Machine tools	Plastic injection machines	Cast and machined	Eliminations between segments	Consolidated
Net operating revenue	330,261	58,462	84,914		473,637
Cost of sales and services	(219,921)	(32,088)	(91,595)		(343,604)
Transfers remitted	6,876	-	13,942	(20.818)	-
Transfers received	(11,393)	(5,875)	(3,550)	20.818	-
Gross profit	105,823	20,499	3,711	-	130,033
Operating expenses (income):					-
Selling	(36,955)	(12,739)	(2,795)		(52,489)
General and administrative	(37,165)	(7,395)	(6,236)		(50,796)
Research and development	(9,857)	(4,399)	-		(14,256)
Management fees	(3,234)	(597)	(751)		(4,582)
Other operating income (expenses), net	182	-	-		182
Operating profit (loss) before financial income (expenses)	18,794	(4,631)	(6,071)	-	8,092
Inventories	209,977	52,539	17,704		280,220
Depreciation and amortization	15,946	1,810	9,120		26,876
Property, plant and equipment, net	171,300	5,723	90,623		267,646
Intangible assets, net	42,588	4,361	-		46,949
	<u>Europe</u>	<u>North America</u>	<u>Latin America</u>	<u>Africa and Asia</u>	<u>Total</u>
Net operating revenue per geographical region	43,790	4,688	421,113	4,046	473,637

Indústrias Romi S.A.

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18 Future commitments

On June 15, 2014, the Company and Centrais Elétricas Cachoeira Dourada S.A. - CDSA, belonging to Endesa, decided to amend the contract for the supply of electricity entered into on May 1, 2007, in order to contract the volume of electricity according to the current needs of the Company. As a result, the supply of electricity has been extended for another four years, up to December 31, 2018, and reflects the following commitments which will be adjusted annually by the General Market Price Index ("IGP-M").

<u>Year of supply</u>	<u>Amount</u>
2014 (3 months)	2,047
2015	8,592
2016	8,856
2017	9,385
2018	<u>7,361</u>
Total	<u><u>36,241</u></u>

The Company's management believes that this agreement is compatible with the electricity requirements for the contracted period.

* * *

(A free translation of the original in Portuguese)

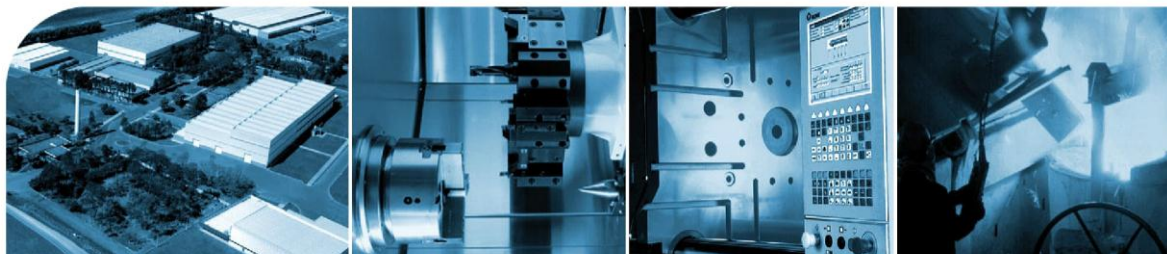
Indústrias Romi S.A.

Management comments



ROMI®

TRADIÇÃO EM INOVAR



October 21, 2014 3Q14 Earnings Release

September 30, 2014

Share Price

ROMI3 – R\$4.26/share

Market Capitalization

R\$305.7 million

US\$124.8 million

Number of Shares

Common: 71,757,647

Total: 71,757,647

Free Float = 51.4%

Investor Relations Contact

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Investor Relations Officer

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Juliana Mendes Calil

Investor Relations Coordinator

Phone: (19) 3455-9514

jcalil@romi.com

October 22, 2014

Meeting with APIMEC-SP Analysts

Time: 5:00 p.m. (Brazil)

Place: Blue Tree Faria Lima

Av. Brig. Faria Lima, 3989

Transmitted through the website,
with access link on www.romi.com

Earnings Conference Call in English

Time: 11:00 a.m. (São Paulo)

2:00 p.m. (London)

9:00 a.m. (NY)

Dial-in numbers:

US +1 (786) 924 6977

Brazil +55 (11) 3193 1001

Other + 1 (888) 700 0802

Access code: Romi



Santa Bárbara d'Oeste, SP, October 31, 2014 – Indústrias Romi S.A. (BM&FBovespa: ROMI3), domestic market leader in the Machine Tools and Plastic Processing Machines markets, as well as an important producer of Raw and Machined Cast Iron Parts, announces its results for the third quarter of 2014 (3Q14). 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

With net revenue of R\$165.5 million, Romi reaches EBITDA margin of 4.6% in 3Q14

- Continuous investments in equipment have been made in order to optimize the operational structure, increasing the competitiveness of Romi which, even facing an adverse macroeconomic scenario, reports a profit of R\$ 2.1 million in 9M14.
- Net operating revenue reached R\$165.5 million in 3Q14 and R\$459.8 million in the first nine months of the year, 9% and 2.9% lower than the equivalent periods in 2013.
- In 3Q14 gross margin was 23% due to the mix of products, with greater share of smaller machines and expenses related to optimization of the operational structure.
- For the same reasons above, EBITDA margin was 4.6% in 3Q14, 530 basis points down from 3Q13, and 6.6% in 9M14, 80 bps down from 9M13.
- The volume of order entry was R\$150.2 million in the quarter, 27.1% down from 3Q13. In 9M14, the amount was 19.9% down from 9M13, reaching R\$ 493 million.
- The order backlog totaled R\$274.3 million as at September 30, 2014.
- A Program for Repurchase of the Company's Shares was started on July 29, 2014, with the possibility of purchasing up to three million shares.

R\$'000	Quarter					Accumulated		
	3Q13 ⁽¹⁾	2Q14	3Q14	Chg. % 3Q/3Q	Chg. % 3Q/2Q	9M13 ⁽¹⁾	9M14	Chg. % 14/13
Sales Volume								
Machine Tools (units)	367	281	325	(11.4)	15.7	1,091	851	(22.0)
Plastic Machines (units)	49	38	37	(24.5)	(2.6)	154	128	(16.9)
Raw and Machined Cast Iron Parts (tons)	4,991	3,571	4,167	(16.5)	16.7	13,025	11,302	(13.2)
Net Operating Revenue	181,916	143,576	165,516	(9.0)	15.3	473,637	459,822	(2.9)
Gross margin (%)	28.3%	27.7%	23.0%			27.5%	26.4%	-
Operating Income (EBIT)	9,368	1,311	(957)	(110.2)	(173.0)	8,092	4,090	(49.5)
Operating margin (%)	5.1%	0.9%	-0.6%			1.7%	0.9%	-
Continued Operations Net Income	9,147	(723)	(229)	(102.5)	(68.3)	8,736	2,096	(76.0)
Discontinued Operations Net Income	(13,415)	-	-	-	-	(24,720)	-	(100.0)
Net Income	(4,268)	(723)	(229)	(94.6)	(68.3)	(15,984)	2,096	(113.1)
Continued Operations Net margin (%)	5.0%	-0.5%	-0.1%			1.8%	0.5%	-
EBITDA	18,056	10,103	7,567	(58.1)	(25.1)	34,968	30,282	(13.4)
EBITDA margin (%)	9.9%	7.0%	4.6%			7.4%	6.6%	-
Investments	1,260	7,493	10,096	701.3	34.7	20,664	26,040	26.0

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

⁽¹⁾ The results obtained by Romi Italy, the Company's Italian subsidiary, which is in liquidation, is being presented as "discontinued operations net income" in the periods respectively identified above.

CORPORATE PROFILE

Indústrias Romi S.A. ("Romi" or "Company"), founded in 1930, is the leader in the Brazilian industrial machinery and equipment market, and an important manufacturer of raw and machined cast iron parts. The Company is listed on BM&FBovespa's "New Market", which is reserved for companies with a higher level of corporate governance. Romi manufactures machine tools (Conventional Lathes, CNC (Computerized Numerical Control) Lathes, Lathing Centers, Machining Centers, Vertical and Horizontal Heavy and Extra-Heavy Lathes and Drilling Mills), plastic injection and blow molding machines, and ductile or CDI gray cast iron parts, which may be supplied in raw or machined form. The Company's products and services are sold around the world and used by various industrial segments, such as the automotive (light and heavy), agricultural machinery, capital goods, consumer goods, tools, hydraulic equipment and wind energy industries, among many others.

The Company has 11 manufacturing units, four of which are dedicated to the final assembly of industrial machinery. Romi also operates two foundries, three units for component machining, one unit for the manufacture of steel sheet components, and a plant for the assembly of electronic control panels. Of these, nine are located in Brazil and two in Germany. 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 accounted for 68.1% of the Company's revenue for the first nine months of 2014. The Plastic Processing Machines and Raw and Machined Cast Iron Parts business units contributed 16.2% and 15.7%, respectively, of the revenue for the period.

CURRENT ECONOMIC SCENARIO

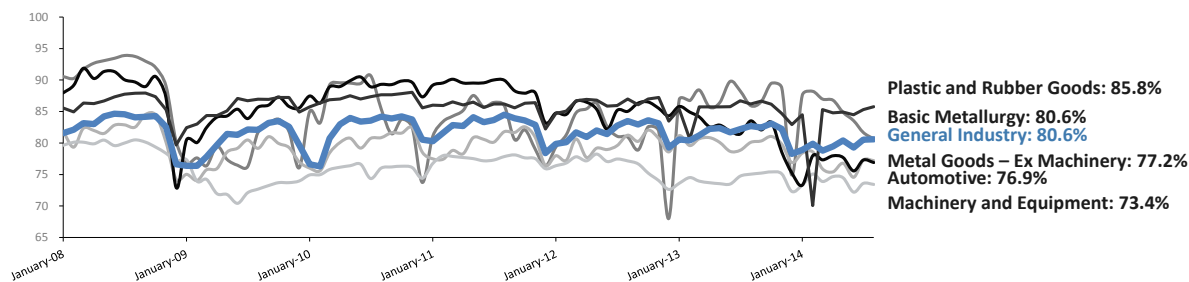
The environment of political and economic volatility observed since 2012 has not changed in the third quarter of 2014, it has even intensified on the eve of the presidential election. This scenario has impacted the Brazilian macroeconomy and, mainly, the performance of the domestic industry.

In view of this scenario of uncertainties, industrial entrepreneurs are holding back their investment plans, which adversely impacts Romi's businesses.

From January to September 2014, industrial production accumulates a fall of 3.1% in relation to the same period of 2013 according to data from IBGE (Brazilian Institute of Geography and Statistics), which also state that the production of the capital goods sector accumulates, in the same comparison, a fall of 8.8%. The apparent consumption (sum of sales of domestic and imported machinery and equipment) of machinery and equipment in Brazil fell 16.6% in the first eight months of 2014 in comparison with the same period of the prior year, according to data from the ABIMAQ (Brazilian Association of the Machinery and Equipment Industry). Excluding the foreign exchange effect, the fall is of 21.1%.

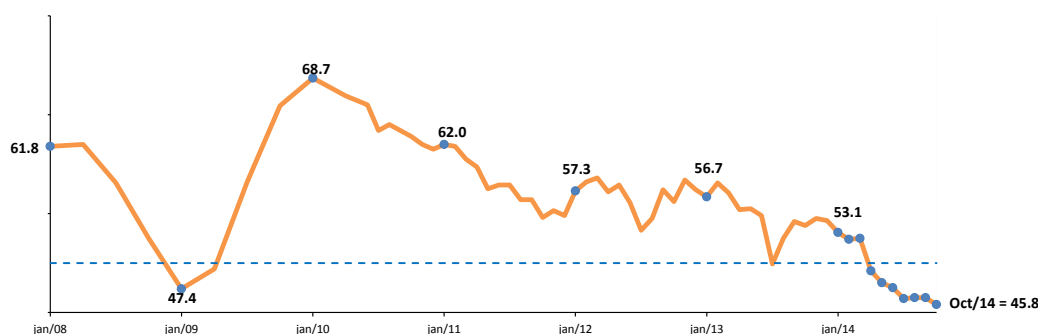
During the first nine months of 2014, the automotive industry produced 16.8% less than in the same period of 2013, based on data from the Brazilian Association of Automotive Vehicle Manufacturers (Anfavea). The production of trucks and agricultural machinery, which directly impact the level of orders to Romi's business units, decreased 23.6% and 15.8%, respectively, in the period.

The level of installed capacity utilization (NUCI) of the São Paulo state industry in general, prepared by the São Paulo State Federation of Industries (FIESP), shows how 2014 should be a lost year for the Brazilian industrial sector. During the year, further to the decrease of the NUCI level, there were also falls in the employment level, in the number of hours worked, in the amount of invoicing and in the number of new orders, while the prices of inputs continued increasing:



Source: Fiesp-INA Activity Level Indicator - NUCI (Level of Utilization of Installed Capacity), August, 2014

In this scenario, the Industrial Entrepreneur Confidence Index (ICEI), released by the National Confederation of Industry (CNI), as shown in the table below, remained below 50 points, showing the entrepreneurs' lack of confidence since April 2014, remaining at levels lower than those reached in the peak of the financial crisis in 2008:



Source: CNI – ICEI (Industrial Executive Confidence Index), July 2014

This scenario shows that, for the short term, there should not be significant changes that impact Romi's businesses.

In spite of the challenging scenario, the Company's management has taken measures to optimize the operations, mainly through investments in equipment that increase the productivity of operations and allow flexibility for them, in order to respond quickly to changes in market conditions. This management includes a continuous planning of the operational structure, which seeks to make the Company even leaner and more agile, effective and flexible both to better meet the customers' needs and to reduce as much as possible the fixed costs and expenses.

Among the measures recently taken we can point out the purchase of a flexible manufacturing system (FMS), a set of machines manufactured by B+W, which offers conditions to increase the production flexibility of machined cast iron parts, and of an automatic inventory management system (Mini-Load), in which the access to materials is made automatically by robots.

In the case of the FMS, it is possible to produce in an independent, precise and continuous manner, reducing not only the production lead time but mainly the set-up, resulting in a more flexible production, something as important for a highly cyclical segment as the capital goods where the demand is generally difficult to be forecast.

As for the Min-Load, which promotes an efficient inventory management, it not only optimizes the movement of parts at the plant, but it also permits to centralize the items that today are stored in various places, resulting in a reduction of the current logistics process time, reducing activities that do not add value to the production process and, consequently, the required labor.

As a result of these measures, Romi managed to achieve EBITDA of R\$7.6 million in 3T14, which represents a margin of 4.6%. These amounts represent a consistent performance of the Company, demonstrating that the budget planning, considering a very challenging scenario for 2014 and targeting to increase profitability and cash generation, have been adequate.

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\$ 000) Gross Values, sales taxes included	1Q13	2Q13	3Q13	1Q14	2Q14	3Q14	Chg 3Q14/3Q13	Chg 3Q14/2Q14
Machine Tools	84,479	173,368	144,518	119,538	117,411	95,697	-33.8%	-18.5%
Plastic Machines	25,462	45,484	25,686	18,337	24,100	20,178	-21.4%	-16.3%
Rough and Machined Cast Iron Parts	43,071	37,495	35,949	36,447	26,899	34,371	-4.4%	27.8%
Total	153,012	256,347	206,154	174,321	168,410	150,245	-27.1%	-10.8%

Order Entry (R\$ 000) Gross Values, sales taxes included	9M13	9M14	Chg 2014/2013
Machine Tools	402,365	332,645	-17.3%
Plastic Machines	96,632	62,614	-35.2%
Rough and Machined Cast Iron Parts	116,515	97,717	-16.1%
Total	615,512	492,977	-19.9%

Romi has worked on more assertively on meeting the demand of its customer, focusing its efforts on the development of products that meet the needs of its customers on a global basis, fostering the competitiveness of the domestic industry.

However, in view of the market situation, commented on in the previous section "Current Economic Scenario", the Company obtained an order entry volume 27.1% lower than in 3Q13. As for the 10.8% fall in relation to 2Q14, this can be partly explained by the increase in orders in the second quarters, period when the main trade fairs of the Brazilian machinery sector are held.

In the first nine months of 2014, the order entry reached R\$493 million, 19.9% less than the amount obtained in the same period of 2013.

B+W's order entry in 3Q14 reached R\$22.8 million (R\$42.9 million in 3Q13). In the first nine months of 2014, B+W's order entry reached R\$58.5 million, 24.2% lower than in the equivalent period in 2013. In Euros, the order entry was 27.5% lower in 2014 in relation to 2013.

Excluding B+W's order entry, order entry in 3Q14 was 22% lower than in 3Q13 and 19.3% lower when we compare 9M14 with 9M13.

The Machine Tools business unit posted, in 3Q14, a performance 33.8% lower than in 3Q13, reflecting the instability and volatility of the Brazilian economic situation, which weighs down on demand for investments. Comparing the first nine months of 2014 with the same period of 2013, the fall was 17.3%.

The Plastic Processing Machines business unit, whose consumer markets are those with the greatest relation with consumption, had a fall of 21.4% in its orders entry in 3Q14 in comparison with the same period of 2013. In the comparison of 9M14 with 9M13, the fall was 35.2%.

The Raw and Machined Cast Iron Parts business unit's demand was 4.4% down in 3Q14 in relation to the same period of 2013, impacted by the diminishing production volume of the commercial automotive and agricultural sectors, the two main segments served by this business. Given the challenging conditions of the market, the wind energy segment should not have in 2014 the same share it had in 2013. Its share in the unit's revenue decreased from 33% in 2013 to 19% in 9M14.

Order Book (R\$ 000) Gross Values, sales taxes included	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	Chg 3Q14/3Q13	Chg 3Q14/2Q14
Machine Tools	176,377	246,312	254,591	238,522	227,486	248,174	215,695	-15.3%	-13.1%
Plastic Machines	31,209	45,969	49,219	41,345	38,233	35,819	24,254	-50.7%	-32.3%
Rough and Machined Cast Iron Parts	37,026	37,846	35,505	29,556	38,388	35,979	34,403	-3.1%	-4.4%
Total	244,612	330,127	339,315	309,423	304,107	319,971	274,351	-19.1%	-14.3%

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

As at September 30, 2014, the order backlog totaled R\$274.3 million, 14.3% lower than at the end of 2Q14 and 19.1% lower than at the end of 3Q13, showing the challenges to be faced in the next quarters, either to adjust the operation to such production level or to look for new markets that demand Romi products.

OPERATING PERFORMANCE

NET OPERATING REVENUE

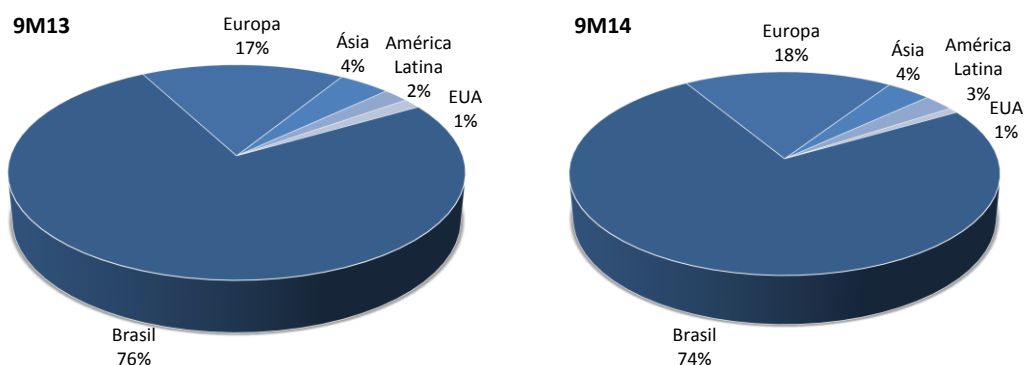
The Company's net operating revenue in 3Q14 reached R\$165.5 million, 9% down from 3Q13, especially due to the decreased revenue of the Raw and Machined Cast Iron Parts business unit. The Plastic Processing Machines business unit, on the other hand, obtained a revenue growth of 26.1% in the period.

In 9M14, net operating revenue was R\$459.8 million, 2.9% down from the same period of 2013.

Net Operating Revenue (R\$ 000) ⁽²⁾	Quarter					Accumulated		
	3Q13	2Q14	3Q14	Chg 3Q/3Q	Chg 3Q/2Q	9M13	9M14	Chg 14/13
Machine Tools	131,965	96,569	115,300	-12.6%	19.4%	330,261	313,167	-5.2%
Plastic Machines	17,702	24,464	22,314	26.1%	-8.8%	58,462	74,607	27.6%
Raw and Machined Cast Iron Parts	32,249	22,543	27,902	-13.5%	23.8%	84,914	72,048	-15.2%
Total	181,916	143,576	165,516	-9.0%	15.3%	473,637	459,822	-2.9%

⁽²⁾ The income statements by business unit and B+W's financial statements are presented in the appendices to this release.

The domestic market accounted for 74.6% of Romi's revenue in 9M14. Considering the revenue obtained in the foreign market, which takes into account sales by Romi's subsidiaries abroad (Mexico, US, UK, France, Germany, Spain and B+W), the breakdown of Romi's total revenue, by geographical region, was:



Below we show the revenue obtained in the foreign market, in Reais and Dollars:

Foreign Sales	Quarter					Accumulated		
	3Q13	2Q14	3Q14	Chg 3Q/3Q	Chg 3Q/2Q	9M13	9M14	Chg 14/13
Net Sales (R\$ million)	53,5	30,8	53,0	-0,8%	71,9%	110,3	116,6	5,7%
Net Sales (US\$ million)	23,4	13,8	23,3	-0,3%	68,5%	52,1	50,9	-2,2%

The Company has increasingly invested in its operations outside Brazil since it believes in the consuming potential of its machinery, which offer quality, performance and competitive prices. During this quarter, Romi participated in several trade fairs in South America, Europe and USA.

Machine Tools

This business unit's net operating revenue reached R\$115.3 million in 3Q14, of which R\$ 35 million refers to the consolidation of B+W's net operating revenue. This consolidated amount represented a 12.6% decrease compared with the same period of 2013.

In 9M14, this unit's revenue was R\$313.2 million, 5.2% down from 9M13. B+W's revenue in the period was R\$75.9 million, 9.3% down from 9M13. It is important to highlight that, for consolidation purposes, we did not consider R\$4.1 million of the amount related to 2014, which represent sales of equipment manufactured by B+W for Romi's plant in Brazil.

As we stated in prior releases, B+W's order backlog for 2014 indicates a greater concentration of revenue in the fourth quarter.

In the third quarter of 2014, 325 new machines were sold, 11.4% down from the same period of the prior year (367 units). In the first nine months of 2014, 851 new machines were sold, 22% down from the same period of the prior year (1,091 units). This scenario is a consequence of the industrial situation in Brazil, showing that large infrastructure projects, which demand larger machinery, present a better performance than the small and medium-sized industries, whose production has remained stable or diminished in relation to 2013.

In the first nine months of 2014, the segments with the greatest demand for this unit's products were: services, machinery and equipment, education, automotive (light and heavy), tooling and agricultural machinery.

Plastic Processing Machines

In 3Q14, the Plastic Processing Machines business unit's net revenue totaled R\$22.3 million, 26.1% up from 3Q13. In 9M14, the unit's revenue reached R\$74.6 million, 27.6% up from 9M13.

In the third quarter of 2014, 37 new machines were sold, 24.5% down from the same period of 2013 (49 machines). In the first nine months of 2014, 128 new machines were sold, 20% down from the same period of 2013 (154 machines). In spite of these reductions, revenue was 26.1% greater in the quarter and 27.6% in the nine-month period, due to the mix of products invoiced, with larger machines.

The segments with the greatest demand for this unit's products in the first nine months of 2014 were: packaging, automotive, service and furniture.

Raw and Machined Cast Iron Parts

In 3Q14, this business unit's net operating revenue was R\$27.9 million, representing a 13.5% drop in relation to the same period of 2013, due to a decline in the pace of production in the commercial automotive (trucks) and wind energy sectors, commented on in the section "Current Economic Scenario" of this release. On the other hand, in relation to 2Q14, the unit's revenue, whose distribution is linear in the four quarters of the year, was 23.8% greater, indicating that the wind energy segment begins to resume its orders.

In 3Q14, 4,167 tons of raw and machined cast iron parts were sold, 16.5% down from 3Q13 (4,991 tons). In 9M14, 11,302 tons were sold, 13.2% down from 9M13 (13,025 tons).

OPERATING COSTS AND EXPENSES

The gross margin obtained in 3Q14, of 23.0%, was 533 basis points lower than in 3Q13, and 472 bps down from that obtained in the immediately preceding quarter. In 9M14, the gross margin was 26.4%, 105 bps down from 9M13.

The operating margin in 3Q14, negative by 0.6%, was 573 and 149 bps lower than in 3Q13 and 2Q14, respectively. In 9M14, the operating margin was 0.9%, 82 bps down from 9M13.



	Quarter					Accumulated		
Gross Margin	3Q13	2Q14	3Q14	Chg bps 3Q/3Q	Chg bps 3Q/2Q	9M13	9M14	Chg bps 14/13
Machine Tools	31,5%	33,3%	26,5%	(503)	(684)	32,0%	31,1%	(97)
Plastic Machines	41,4%	37,0%	25,8%	(1.558)	(1.127)	35,1%	33,8%	(129)
Raw and Machined Cast Iron Parts	8,1%	-6,5%	6,3%	(181)	1.278	4,4%	-1,5%	(590)
Total	28,3%	27,7%	23,0%	(533)	(472)	27,5%	26,4%	(105)

	Quarter					Acumulado		
EBIT Margin	3Q13	2Q14	3Q14	Chg bps 3Q/3Q	Chg bps 3Q/2Q	9M13	9M14	Chg bps 14/13
Machine Tools	8,2%	5,7%	2,9%	(534)	(280)	5,7%	5,0%	(73)
Plastic Machines	-2,9%	0,3%	-11,5%	(867)	(1.179)	-7,9%	-1,9%	605
Raw and Machined Cast Iron Parts	-3,0%	-18,8%	-6,1%	(309)	1.270	-7,1%	-14,0%	(682)
Total	5,1%	0,9%	-0,6%	(573)	(149)	1,7%	0,9%	(82)

The mix of products invoiced in the third quarter of 2014, both of machine tools and of plastic processing machines, had a greater share of smaller machines, whose margins are generally lower due to the characteristics of such equipment.

The constant measures for operational efficiency and cost reductions aim at optimizing the Company's structure, making it more flexible and, consequently, more competitive.

This process of review of indirect structures, which consider mainly initiatives geared towards automation of processes and unification of functions, has been continuously conducted. The purpose of these initiatives is to allow that situations of volatility of revenue, as the ones that have occurred in the last quarters, cause an increasingly reduced impact on the Company's results.

Among the most recent initiatives are a stage of the unification process of the production support areas and an adjustment of the administrative areas to Romi's current size. In 3Q14, costs and expenses related to termination of employees' labor agreements impacted the net result by approximately R\$ 4.5 million (R\$ 1.2 million in 3Q13). In the first nine months of 2014, this amount reached R\$ 7.4 million (R\$ 3.1 million in 9M13).

Furthermore, the level of utilization of operational assets, still low, has a negative effect on a faster recovery of Romi's margins. Furthermore, as Romi's operating expenses have more fixed than variable characteristics, in spite of the strict control of costs and expenses established at the Company, the decrease in the volume invoiced has negative impact on margins.

Machine Tools

This business unit's gross margin was 26.5% in 3Q14, 503 bps down from 3Q13 and 684 bps down from 2T14. In the first nine months of 2014, the unit's gross margin was 31.1%, 97 bps down from the same period of 2013.

This business unit's operating margin in 3Q14 was 2.9%, 534 bps down from 3Q13 and 280 bps down from 2Q14, due to lower revenue reported by the unit in the quarter, which impairs the dilution of costs and expenses. In 9M14, this unit's operating margin was 5.0%, 73 bps down from 9M13.

This result is mainly due to the larger share of the net revenue from conventional lathes for technical schools (education) in the unit's revenue, in order to consolidate the Company's name and reputation since the beginning of the contact between the apprentices and the machine tools, whose margins are lower than of other machines of the Company's portfolio.

Further to this factor, the terminations mentioned above also contributed adversely to this business unit's margins.

Plastic Processing Machines

In this business unit, the gross margin in 3Q14 reached 25.8%, 1,558 bps lower than in 3Q13 and 1,127 bps lower than in the immediately preceding quarter. In the first nine months of the year, this business unit's gross margin was 33.8%, 129 bps down from the same period of the prior year.

Meanwhile, this business unit's operating margin in the quarter was negative by 11.5%, 867 bps down from 3Q13 and 1,179 bps down from 2Q14. In 9M14, this unit's operating margin was negative by 1.9%, 605 bps up from 9M13.

The mix of products and markets in the period, as well as the terminations made due to the optimization of the business operational structure are the main causes for the negative impact on margins, especially when compared with the corresponding periods in 2013.

Raw and Machined Cast Iron Parts

This business unit's gross margin was 6.3% in 3Q14, 181 bps down from 3Q13 and 1,278 bps up from 2Q14. In the first nine months of 2014, the unit's gross margin was negative by 1.5%.

Meanwhile, this business unit's operating margin in the quarter was negative by 6.1%, 309 bps down from 3Q13 and 1,270 bps up from 2Q14. In 9M14, the unit's operating margin was negative by 14%, 682 bps down from 9M13.

The improvement in relation to 2Q14 is due to the increase of 23.8% in the unit's invoicing and also to the improvement of the operational efficiency. However, the utilization of installed capacity remains low, preventing a dilution of fixed costs and expenses of the period, resulting in a moderate recovery of margins.

EBITDA AND EBITDA MARGIN

In 3Q14, the operating cash generation as measured by EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) was R\$7.6 million, representing an EBITDA margin of 4.6% in the period, as shown in the table below:

Reconciliation of Net Income to EBITDA (R\$ 000)	Quarter					Accumulated		
	3Q13	2Q14	3Q14	Chg 3Q/3Q	Chg 3Q/2Q	9M13	9M14	Chg 14/13
Net Income	9.147	(723)	(229)	-102,5%	-68,3%	8.736	2.096	-76,0%
Income tax and social contributions	1.691	366	1.603	-5,2%	338,0%	(84)	2.209	-2729,8%
Net Financial Income	(1.470)	1.667	(2.331)	58,6%	-239,8%	(560)	(215)	-61,6%
Depreciation and amortization	8.688	8.793	8.524	-1,9%	-3,1%	26.876	26.192	-2,5%
EBITDA	18.056	10.103	7.567	-58,1%	-25,1%	34.968	30.282	-13,4%
EBITDA Margin	9,9%	7,0%	4,6%			7,4%	6,6%	

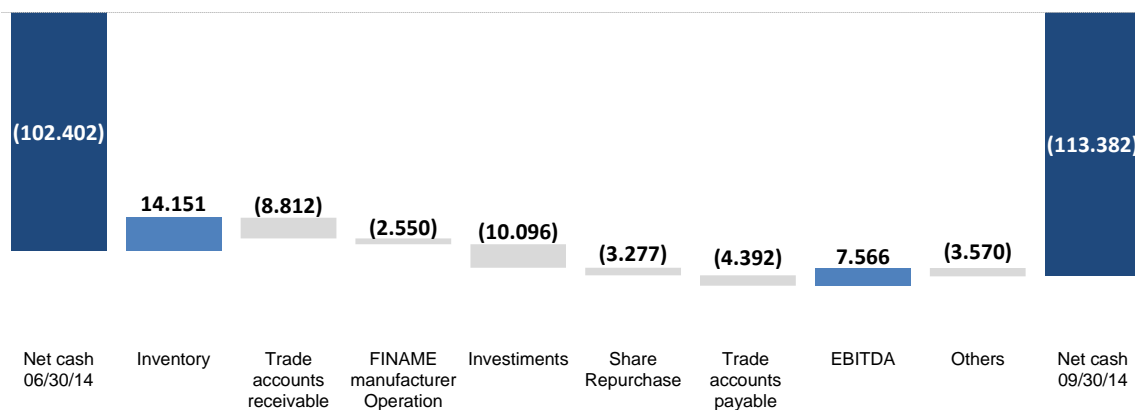
All the factors and effects mentioned in the "Operating Expenses and Costs" section also affected Romi's EBITDA in the period.

RESULT

The result was negative by R\$0.2 million in 3Q14 and positive by R\$2.0 million in 9M14.

CHANGES IN CASH AND CASH EQUIVALENTS

The main changes occurred in the net debt position during 3Q14 are described below in R\$ 000:



Inventories

As commented on in the 2Q14 release, in 3Q14 the inventories level decreased because part of the machines produced based on the expectations for the trade fairs of the second quarter that did not materialize were sold during the period, consuming the inventory generated in 2Q14.

Moreover, management measures to reduce the production lead time, which make the Company more flexible and agile, also contributed to this improvement in the inventories account. With a shorter production lead time we managed to adjust the level of orders to suppliers, resulting mainly in the decrease in the total volume of work in progress inventory.

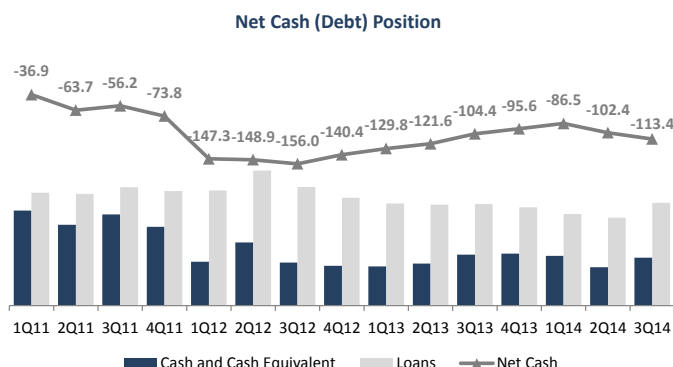
Investments

Investments in 3Q14 totaled R\$10.1 million, which were partly used for maintenance, productivity, flexibility and competitiveness of the industrial facilities within the investment plan for 2014.

FINANCIAL POSITION

Short-term investments, including those backed by debentures, are made with financial institutions with low credit risk and their yield is substantially pegged to the interbank deposit rate ("CDI"). The consolidated position of cash and cash equivalents as at September 30, 2014 was R\$ 98.8 million.

The Company's borrowings are used mainly in investments in expansion of the industrial facilities, modernization and financing of exports and imports. As at September 30, 2014, the amount of financing in local currency was R\$197.7 million, and in foreign currency, R\$14.5 million, totaling R\$212.2 million.



As at September 30, 2014, the Company did not have any derivative transactions.

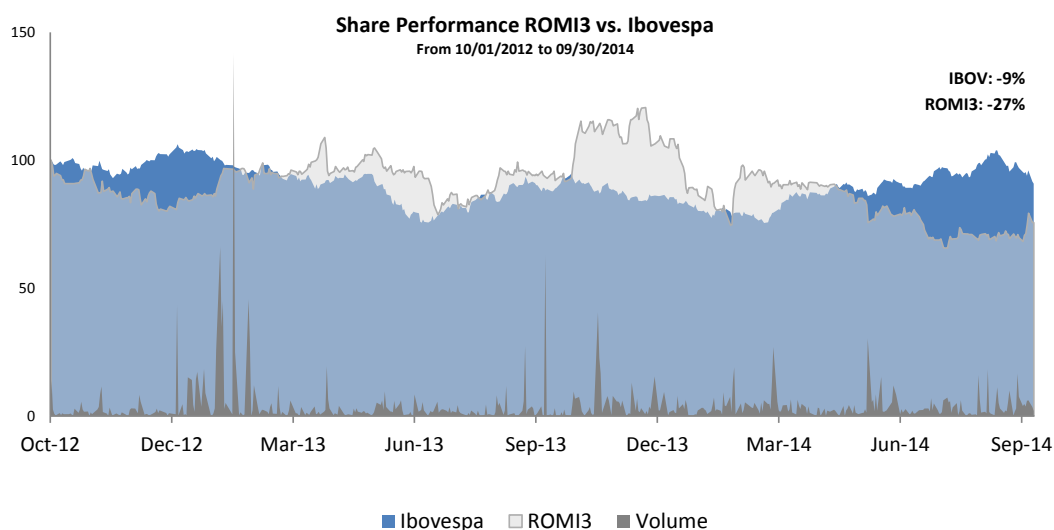
SHARE REPURCHASE PROGRAM

On July 29, 2014, the Board of Directors approved the program for purchase of the Company's common shares through transactions to be carried out between 7/29/2014 and 7/29/2015 (365 days), and the number of common shares to be purchased will be of up to 3,000,000 (three million), representing 7.95% of the common shares outstanding in the market.

The Company's objective with the Program is to maximize the generation of value to shareholders through a more efficient management of the capital structure.

Up to September 30, 2014, 840,300 shares had been purchased for R\$3,277, representing an average purchase price of R\$3.90 per share. These shares purchased impacted the calculation of earnings per share for the period.

CAPITAL MARKETS



Source: BMF&Bovespa

At the end of 3Q14, Romi's common shares (ROMI3) were traded at R\$4.26, posting depreciation of 5.10% in the quarter as compared with 2Q14 and of 21.1% in the twelve-month period. The BM&FBovespa Index posted an appreciation of 1.8% in the quarter and of 3.4% since October 1, 2013.

The Company's market capitalization as at September 30, 2014 was R\$305.7 million. The average daily trading volume in 3Q14 was R\$319 thousand.

(R\$ 000)

ASSETS					LIABILITIES AND SHAREHOLDER'S EQUITY			
	09/30/13	06/30/14	09/30/14		CURRENT	09/30/13	06/30/14	09/30/14
CURRENT	795,940	732,427	729,644	CURRENT	460,092	427,544	398,381	
Cash and Cash equivalents	105,144	79,115	98,819	Loans and financing	73,203	100,776	99,547	
Trade accounts receivable	103,441	94,351	101,685	FINAME manufacturer financing	230,666	169,869	150,085	
Onlending of FINAME manufacturer financing	268,546	206,551	188,722	Trade accounts payable	54,202	45,852	41,460	
Inventories	280,221	313,134	298,983	Payroll and related taxes	29,910	30,863	31,434	
Recoverable taxes	8,628	15,651	15,946	Taxes payable	10,024	3,153	5,596	
Related Parties	735	535	549	Advances from customers	41,170	61,412	55,051	
Other receivables	29,226	23,090	24,940	Interest on capital, dividends and participations	402	400	380	
				Other payables	16,806	14,777	14,386	
NONCURRENT	660,128	597,749	580,317	Related Parties	643	442	442	
				Accounts Payables for Discontinued Operation	3,066	-	-	
Long-Term Assets	326,786	257,051	236,538					
Trade accounts receivable	8,955	8,056	8,847	NON CURRENT	367,827	254,728	266,337	
Onlending of FINAME manufacturer financing	208,633	156,774	141,433	Long-term liabilities				
Recoverable taxes	430	2,185	2,609	Loans and financing	136,549	80,741	112,654	
Deferred income and social contribution taxes	55,227	52,368	49,175	FINAME manufacturer financing	195,765	138,002	122,066	
Escrow Deposits	1,464	1,394	1,383	Deferred income and social contribution taxes	24,416	24,017	24,515	
Other receivables	37,515	36,274	33,091	Taxes payable	2,067	2,364	2,364	
Assets to Discontinued Operation	14,562	-	-	Reserve for contingencies	7,749	8,920	3,927	
				Other payables	1,281	684	811	
Investments								
Property, Plant and Equipment, net	267,646	274,043	276,344	SHAREHOLDER'S EQUITY	626,586	646,182	643,702	
Investment in Subsidiaries and Associate Companies	2,644	2,176	2,234	Capital	489,973	489,973	489,973	
Investment Property	16,103	19,619	19,737	Capital reserve	2,052	2,052	2,052	
Intangible assets	46,949	44,861	45,464	Retained earnings	139,741	140,784	140,784	
				Income (loss) for the period	8,384	2,059	1,744	
TOTAL ASSETS	1,456,069	1,330,177	1,309,961	Income (loss) for the period for discontinued operations	(24,720)	-	-	
				Treasury shares	-	-	(3,277)	
				Other comprehensive income	11,156	11,314	12,426	
				NON CONTROLLING INTERESTS	1,563	1,723	1,541	
				TOTAL SHAREHOLDER'S EQUITY	628,149	647,905	645,243	
				TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1,456,068	1,330,177	1,309,961	

Consolidated Income Statement

(R\$ thousand)

	3Q13	2Q14	3Q14	Chg % 3Q/3Q	Chg % 3Q/2Q	9M13 ⁽¹⁾	9M14	Chg % 14/13
Continued Operation Net Operating Revenue	181.916	143.576	165.516	(9,0)	15,3	473.637	459.822	(2,9)
Cost of Goods Sold	(130.448)	(103.836)	(127.517)	(2,2)	22,8	(343.604)	(338.407)	(1,5)
Continued Operation Gross Profit	51.468	39.740	37.999	(26,2)	(4,4)	130.033	121.415	(6,6)
<i>Continued Operation Gross Margin %</i>	<i>28,3%</i>	<i>27,7%</i>	<i>23,0%</i>			<i>27,5%</i>	<i>26,4%</i>	
Operating Expenses	(42.100)	(38.429)	(38.956)	(7,5)	1,4	(121.941)	(117.325)	(3,8)
Selling expenses	(18.390)	(17.259)	(18.506)	0,6	7,2	(52.489)	(54.190)	3,2
Research and development expenses	(4.828)	(4.998)	(4.837)	0,2	(3,2)	(14.256)	(14.999)	5,2
General and administrative expenses	(17.451)	(16.585)	(15.248)	(12,6)	(8,1)	(50.796)	(48.015)	(5,5)
Management profit sharing and compensation	(1.536)	(1.472)	(1.507)	(1,9)	2,4	(4.582)	(4.608)	0,6
Other operating income, net	105	1.885	1.142	987,6	(39,4)	182	4.487	2.365,4
Continued Operation Operating Income before Financial Results	9.368	1.311	(957)	(110,2)	(173,0)	8.092	4.090	(49,5)
<i>Continued Operation Operating Margin %</i>	<i>5,1%</i>	<i>0,9%</i>	<i>-0,6%</i>			<i>1,7%</i>	<i>0,9%</i>	
Continued Operations Financial Results, Net	1.470	(1.667)	2.331	58,6	(239,8)	560	215	(61,6)
Financial income	3.198	4.459	2.677	(16,3)	(40,0)	10.867	12.848	18,2
Financial expenses	(3.443)	(4.594)	(2.641)	(23,3)	(42,5)	(14.308)	(12.221)	(14,6)
Exchange gain (loss), net	1.715	(1.532)	2.295	33,8	(249,8)	4.001	(412)	(110,3)
Continued Operations Operating Income	10.838	(356)	1.374	(87,3)	(486,0)	8.652	4.305	(50,2)
Income tax and social contribution	(1.691)	(366)	(1.603)	(5,2)	338,0	84	(2.209)	(2.729,8)
Income (loss) for Continued Operation	9.147	(723)	(229)	(102,5)	(68,3)	8.736	2.096	(76,0)
Income (loss) for Discontinued Operation	(13.415)	-	-	-	-	(24.720)	-	(100,0)
Net income	(4.268)	(723)	(229)	(94,6)	(68,3)	(15.984)	2.096	(113,1)
<i>Continued Operation Net Margin %</i>	<i>5,0%</i>	<i>-0,5%</i>	<i>-0,1%</i>			<i>1,8%</i>	<i>0,5%</i>	
Net profit concerning:								
Controlling interests	(4.374)	(893)	(315)	(92,8)	(64,7)	(16.336)	1.743	(110,7)
Non controlling interests	106	171	85	(19,8)	(50,3)	352	352	-
EBITDA for Continued Operation	18.056	10.103	7.567	(58,1)	(25,1)	34.968	30.282	(13,4)
Net income / loss for the period	9.147	(723)	(229)	(102,5)	(68,3)	8.736	2.096	(76,0)
Income tax and social contribution	1.691	366	1.603	(5,2)	338,0	(84)	2.209	(2.729,8)
Financial income, net	(1.470)	1.667	(2.331)	58,6	(239,8)	(560)	(215)	(61,6)
Depreciation	8.688	8.793	8.524	(1,9)	(3,1)	26.876	26.192	(2,5)
<i>Continued Operation EBITDA Margin %</i>	<i>9,9%</i>	<i>7,0%</i>	<i>4,6%</i>			<i>7,4%</i>	<i>6,6%</i>	
Nº of shares in capital stock (th)	71.758	71.758	71.758	-	-	71.758	71.758	-
Continued Operation Net income per share - R\$	0,13	(0,01)	(0,00)	-	-	0,12	0,03	(76,00)

Consolidated Cash Flow Statement

(R\$ thousand)

	3Q13	2Q14	3Q14	9M13	9M14
Cash from operating activities					
Net Income Continued Operations	10.838	(355)	1.373	8.652	4.305
Net Income Discontinued Operations	(13.416)	-	-	(24.720)	-
Financial expenses and exchange gain	1.764	(455)	491	4.172	854
Depreciation and amortization	9.312	8.793	8.524	26.876	26.192
Allowance for doubtful accounts and other receivables	1.887	(646)	(2.481)	9.580	(1.165)
Proceeds from sale of fixed assets	(4.228)	163	(387)	930	1.327
Provision for inventory realization	5.131	1.675	(251)	5.672	1.586
Reserve for contingencies	5.564	(149)	(5.167)	5.564	(5.167)
Proceeds from Discontinued Operation Disposal of Assets	(1.824)	2.959	(2.959)	-	-
Change on operating assets					
Trade accounts receivable	1.136	1.907	(5.262)	35.131	25.970
Related Parties	(700)	73	(58)	(700)	93
Onlending of FINAME manufacturer financing	40.794	42.680	34.454	140.402	112.161
Inventories	2.933	(22.795)	25.534	2.543	(26.502)
Recoverable taxes, net	3.822	458	(1.489)	3.401	(3.367)
Escrow deposits	290	(34)	11	233	82
Other receivables	(20)	1.643	(8.739)	3.739	(3.945)
Change on operating liabilities					
Trade accounts payable	6.274	(3.013)	(7.935)	12.713	(4.162)
Payroll and related taxes	(1.880)	3.102	3.704	4.663	8.739
Taxes payable	1.492	(3.898)	6.217	(6.116)	(4.007)
Advances from customers	(5.471)	3.420	(6.361)	(183)	215
Other payables	6.739	248	(657)	1.351	5.324
Change on assets and liabilities of Discontinued Operation	10.832	-	-	19.575	-
Cash provided by (used in) operating activities	81.269	35.776	38.562	253.478	138.533
Income tax and social contribution paid	(141)	(1.799)	(916)	(2.027)	(9.071)
Net Cash provided by (used in) operating activities	81.128	33.977	37.646	251.451	129.462
Purchase of fixed assets	(1.254)	(7.492)	(10.097)	(21.917)	(25.949)
Sales of fixed assets	-	261	1.971	-	2.232
Increase in intangible assets	-	-	-	-	(91)
Net cash used in investing activities	(1.254)	(7.231)	(8.126)	(21.917)	(23.808)
Interest on capital paid	(241)	-	(267)	(532)	(1.237)
Share Repurchase	-	-	(3.277)	-	(3.277)
New loans and financing	10.787	9.841	41.247	22.376	59.050
Payments of loans and financing	(11.287)	(15.398)	(10.055)	(38.265)	(48.280)
Interests paid (including FINAME manufacturer financing)	(9.418)	(6.917)	(7.197)	(31.810)	(20.712)
New loans in FINAME manufacturer	23.802	22.767	20.232	69.159	74.202
Payment of FINAME manufacturer financing	(70.609)	(59.241)	(52.433)	(221.261)	(172.616)
Net Cash provided by (used in) financing activities	(56.966)	(48.948)	(11.750)	(200.333)	(112.870)
Increase (decrease) in cash and cash equivalents	22.908	(22.202)	17.770	29.201	(7.216)
Exchange variation changes on cash and cash equivalents abroad	(4.202)	(1.462)	1.934	(6.127)	(1.197)
Cash and cash equivalents - beginning of period	86.688	102.779	79.115	82.320	107.232
Cash and cash equivalents - end of period	105.394	79.115	98.819	105.394	98.819

Appendix I – Income Statement by Business Unit

Income Statement by Business Units - 3Q14

R\$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Continued Operations Net Operating Revenue	115,300	22,314	27,902	165,516
Cost of Sales and Services	(82,400)	(14,175)	(30,942)	(127,517)
Business Units Transfers	1,680	-	4,800	6,480
Business Units Transfers	(4,081)	(2,388)	(11)	(6,480)
Continued Operations Gross Profit	30,499	5,751	1,749	37,999
<i>Continued Operations Gross Margin %</i>	<i>26.5%</i>	<i>25.8%</i>	<i>6.3%</i>	<i>23.0%</i>
Operating Expenses	(27,190)	(8,324)	(3,443)	(38,957)
Selling	(13,287)	(4,088)	(1,131)	(18,506)
General and Administrative	(10,696)	(2,568)	(1,984)	(15,248)
Research and Development	(3,400)	(1,437)	-	(4,837)
Management profit sharing	(948)	(231)	(328)	(1,507)
Other operating revenue	1,141	-	-	1,141
Continued Operations Operating Income before Financial Results	3,309	(2,573)	(1,694)	(958)
<i>Continued Operations Operating Margin %</i>	<i>2.9%</i>	<i>-11.5%</i>	<i>-6.1%</i>	<i>-0.6%</i>
Depreciation	4,956	600	2,968	8,524
Continued Operations EBITDA	8,265	(1,973)	1,274	7,566
<i>Continued Operations EBITDA Margin %</i>	<i>7.2%</i>	<i>-8.8%</i>	<i>4.6%</i>	<i>4.6%</i>

Income Statement by Business Units - 3Q13

R\$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Continued Operations Net Operating Revenue	131,965	17,702	32,249	181,916
Cost of Sales and Services	(87,052)	(8,376)	(35,020)	(130,448)
Business Units Transfers	1,173	-	5,402	(6,575)
Business Units Transfers	(4,544)	(2,006)	(26)	6,575
Continued Operations Gross Profit	41,543	7,320	2,605	51,468
<i>Continued Operations Gross Margin %</i>	<i>31.5%</i>	<i>41.4%</i>	<i>8.1%</i>	<i>28.3%</i>
Operating Expenses	(30,708)	(7,827)	(3,564)	(42,100)
Selling	(13,234)	(4,215)	(941)	(18,390)
General and Administrative	(13,107)	(2,010)	(2,334)	(17,451)
Research and Development	(3,371)	(1,457)	-	(4,828)
Management profit sharing	(1,102)	(144)	(290)	(1,536)
Other operating revenue	106	(1)	-	105
Continued Operations Operating Income before Financial Results	10,834	(507)	(959)	9,368
<i>Continued Operations Operating Margin %</i>	<i>8.2%</i>	<i>-2.9%</i>	<i>-3.0%</i>	<i>5.1%</i>
Depreciation	4,936	527	3,226	8,688
Continued Operations EBITDA	15,770	20	2,266	18,056
<i>Continued Operations EBITDA Margin %</i>	<i>12.0%</i>	<i>0.1%</i>	<i>7.0%</i>	<i>9.9%</i>

Income Statement by Business Units - 9M14

R\$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Continued Operations Net Operating Revenue	313.167	74.607	72.048	459.822
Cost of Sales and Services	(206.074)	(42.015)	(90.318)	(338.407)
Business Units Transfers	4.519	-	17.190	21.709
Business Units Transfers	(14.291)	(7.397)	(21)	(21.709)
Continued Operations Gross Profit	97.321	25.195	(1.101)	121.415
<i>Continued Operations Gross Margin %</i>	<i>31,1%</i>	<i>33,8%</i>	<i>-1,5%</i>	<i>26,4%</i>
Operating Expenses	(81.776)	(26.590)	(8.960)	(117.326)
Selling	(38.193)	(13.053)	(2.944)	(54.190)
General and Administrative	(34.264)	(8.544)	(5.207)	(48.015)
Research and Development	(10.604)	(4.395)	-	(14.999)
Management profit sharing	(3.019)	(780)	(809)	(4.608)
Other operating revenue	4.304	182	-	4.486
Continued Operations Operating Income before Financial Results	15.545	(1.395)	(10.061)	4.089
<i>Continued Operations Operating Margin %</i>	<i>5,0%</i>	<i>-1,9%</i>	<i>-14,0%</i>	<i>0,9%</i>
Depreciation	15.272	1.828	9.092	26.192
Continued Operations EBITDA	30.817	433	(969)	30.281
<i>Continued Operations EBITDA Margin %</i>	<i>9,8%</i>	<i>0,6%</i>	<i>-1,3%</i>	<i>6,6%</i>

Income Statement by Business Units - 9M13

R\$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Continued Operations Net Operating Revenue	330.261	58.462	84.914	473.637
Cost of Sales and Services	(219.921)	(32.088)	(91.595)	(343.604)
Business Units Transfers	6.876	-	13.942	20.818
Business Units Transfers	(11.393)	(5.875)	(3.550)	(20.818)
Continued Operations Gross Profit	105.823	20.499	3.711	130.033
<i>Continued Operations Gross Margin %</i>	<i>32,0%</i>	<i>35,1%</i>	<i>4,4%</i>	<i>27,5%</i>
Operating Expenses	(87.029)	(25.130)	(9.782)	(121.941)
Selling	(36.955)	(12.739)	(2.795)	(52.489)
General and Administrative	(37.165)	(7.395)	(6.236)	(50.796)
Research and Development	(9.857)	(4.399)	-	(14.256)
Management profit sharing	(3.234)	(597)	(751)	(4.582)
Other operating revenue	182	-	-	182
Continued Operations Operating Income before Financial Results	18.794	(4.631)	(6.071)	8.092
<i>Continued Operations Operating Margin %</i>	<i>5,7%</i>	<i>-7,9%</i>	<i>-7,1%</i>	<i>1,7%</i>
Depreciation	15.946	1.810	9.120	26.876
Continued Operations EBITDA	34.740	(2.821)	3.049	34.968
<i>Continued Operations EBITDA Margin %</i>	<i>10,5%</i>	<i>-4,8%</i>	<i>3,6%</i>	<i>7,4%</i>

Anexo II – Demonstrações Financeiras da B+W

Balance Sheet B+W

(€ 000)			
ASSETS	09/30/13	06/30/14	09/30/14
CURRENT	22,029	24,043	23,061
Cash and Cash equivalents	2,853	3,698	3,345
Trade accounts receivable	5,953	4,270	6,071
Inventories	12,120	14,668	12,790
Recoverable taxes	97	-	286
Related Parties	244	175	186
Other receivables	762	1,233	384
Investments			
Property, Plant and Equipment, net	14,242	15,468	15,802
Investment in Subsidiaries and Associate Companies	876	722	722
Investment property	13,965	-	-
Intangible assets	-	13,699	13,656
TOTAL ASSETS	51,112	53,932	53,241
(€ 000)			
LIABILITIES AND SHAREHOLDER'S EQUITY	09/30/13	06/30/14	09/30/14
CURRENT	16,769	19,495	18,667
Loans and financing	69	-	-
Trade accounts payable	1,495	948	1,330
Payroll and related taxes	1,343	1,416	1,339
Taxes payable	1,225	82	363
Advances from customers	10,376	15,188	13,511
Other payables	2,048	1,388	1,683
Related Parties	213	474	442
NON CURRENT	9,417	9,243	9,113
Long-term liabilities			
Loans and financing	3,983	3,933	3,847
Deferred income and social contribution taxes	5,434	5,310	5,265
SHAREHOLDER'S EQUITY	24,926	25,194	25,462
Capital	7,025	7,025	7,025
Capital reserve	1,570	505	505
Accumulated deficit	16,331	17,664	17,932
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	51,112	53,932	53,241

Income Statement B+W

€ 000								
	3Q13	2Q14	3Q14	Chg % 3Q/3Q	Chg % 3Q/2Q	9M13	9M14	Chg % 14/13
Net Operating Revenue	14.964	5.373	11.629	(22,3)	116,4	29.338	24.543	(16,3)
Cost of Goods Sold	(11.193)	(4.237)	(9.313)	(16,8)	119,8	(22.882)	(19.452)	(15,0)
Gross Profit	3.771	1.136	2.316	(38,6)	103,9	6.455	5.091	(21,1)
<i>Gross Margin %</i>	<i>25,2%</i>	<i>21,1%</i>	<i>19,9%</i>			<i>22,0%</i>	<i>20,7%</i>	
Operating Income (Expenses)	(2.077)	(1.905)	(1.954)	(5,9)	2,6	(5.569)	(5.763)	3,5
Selling expenses	(834)	(572)	(677)	(18,9)	18,3	(2.148)	(1.832)	(14,7)
General and administrative expenses	(1.243)	(1.333)	(1.277)	2,8	(4,1)	(3.421)	(3.931)	14,9
Operating Income before Financial Results	1.694	(769)	362	(78,6)	(147,1)	887	(672)	(175,8)
<i>Operating Margin %</i>	<i>11,3%</i>	<i>-14,3%</i>	<i>3,1%</i>			<i>3,0%</i>	<i>-2,7%</i>	
Financial Results, Net	(78)	(73)	(94)	20,5	28,7	(249)	(280)	12,7
Operating Income	1.616	(841)	268	(83,4)	(131,9)	638	(952)	(249,3)
Income tax and social contribution	(230)	-	240	(204,6)	-	(212)	240	(213,3)
Net income	1.387	(841)	508	(63,4)	(160,4)	426	(712)	(267,2)
<i>Net Margin %</i>	<i>9,3%</i>	<i>-15,7%</i>	<i>4,4%</i>			<i>1,5%</i>	<i>-2,9%</i>	
EBITDA	2.086	(465)	814	(61,0)	(274,9)	2.221	360	(83,8)
Net income / loss	1.387	(841)	508	(63,4)	(160,4)	426	(712)	(267,2)
Income tax and social contribution	230	-	(240)	(204,6)	-	212	(240)	(213,3)
Financial Results, Net	78	73	94	20,5	28,7	249	280	12,7
Depreciation	392	303	452	15,5	49,2	1.334	1.032	(22,6)
<i>EBITDA Margin %</i>	<i>13,9%</i>	<i>-8,7%</i>	<i>7,0%</i>			<i>7,6%</i>	<i>1,5%</i>	

Statements contained in this release related to the Company's business outlook, projections of operating and financial results, and references to the Company's growth potential are mere forecasts and have been based on Management's expectations regarding its future performance. These expectations are highly dependent upon market behavior, economic conditions in Brazil, the industry and international markets, therefore being subject to changes.