

Share Price (03/30/07)

ROMI3 - R\$ 19,00/share

Market Capitalization

R\$ 1,185 million
US\$: 578 million

Total Shares*

Common: 62,361,828
Total: 62,361,828

*excluding the Public Offering of Shares concluded in April 2007.

Free Float

32,8%*

*The free float increased to 52.4% following the Public Offering of Shares or 54.7% should the supplementary 15% green shoe feature be exercised.

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Santa Bárbara d'Oeste, SP, April 19 2007 – Indústrias Romi S.A. (Bovespa: ROMI3), a domestic market leader in Machine Tools and Plastic Injection Molding Machines announces its results for the first quarter 2007 (1Q07) ending March 31 2007. Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis and monetary values are expressed in Reais.

Romi's 1st quarter 2007 net income grows 75%, reaching R\$ 18.2 million

Highlights

- **Net operating revenue grows 21.6% compared with the first quarter 2006, to reach R\$ 125.4 million.**
- **Machine Tools net revenue grows 23.5% compared with the first quarter 2006, as a result of a stronger domestic demand and increased exports.**
- **Operating margins on Plastic Injection Molding Machines increase to 13.4%, thanks to a strategy of restoring margins, subsequent to the launching of new products in the market in 2006 and better mix of products sold.**
- **Net revenue at the Rough and Machined Cast Iron Parts business unit grows 47.9% compared to the first quarter 2006 as a result of an enhanced client base, principally following the increase in installed production capacity, concluded in 2006.**
- **EBITDA grows 61.8% year on year in the quarter, reaching R\$ 23.9 million, a reflection of improved sales volume, better gross margins and stable operating expenses.**

ROMI - Consolidated	Quarter		
In Thousand Reais	1Q06	1Q07	% Chg.
Sales Volume			
Machine Tools (units)	359	521	45.1
Plastic Injection Molding Machines (units)	65	56	(13.8)
Rough and Machined Cast Iron Parts (tons)	2,875	4,540	57.9
Net Operating Revenue	103,176	125,411	21.6
Gross Profit	40,362	51,496	27.6
Gross margin (%)	39%	41%	-
Operating Income (EBIT)	11,761	20,596	75.1
Operating margin (%)	11%	16%	
Net Income	10,367	18,155	75.1
Net margin (%)	10%	14%	-
EBITDA	14,798	23,940	61.8
EBITDA margin (%)	14%	19%	-
Total Assets	914,996	937,200	2.4
Shareholder's Equity	341,301	359,456	5.3
Investments	6,220	5,974	(4.0)

1 – EBITDA = operating income before interest, taxes, depreciation and amortization



Machine Tools



Plastic Injection Molding Machines



Rough and Machined Cast Iron Parts

Corporate Profile

Romi is a leading company among the Brazilian manufacturers of Machine Tools and Plastic Injection Molding Machines. It also commands an important share in the market for Rough and Machined Cast Iron Parts. The Company's principal customer segments are automotive and auto parts, capital goods and consumer goods in general.

The Company has nine industrial units, of which two are dedicated to the machining of components and three for the final assembly of industrial Machines. Romi also operates a foundry, an industrial unit for high-precision tooling systems, one for the manufacture of sheet metal and, finally a division for the assembly of electronic control panels. Romi has an installed production capacity of approximately 21,000 tons/year in machines and about 40,000 tons in castings, both areas of which are in a phase of gradually taking up spare capacity following recent investments in expansion.

The Machine Tools Business Unit, which accounted for about 67% of the Company's first quarter revenue, comprises lines for Conventional Lathes, CNC Lathes (computerized numerical control), Machining Centers and Romicon[®] High Precision Machine Tools. The Rough and Machined Cast Iron Parts and Plastic Injection Molding Machines units represented approximately 19% and 14%, respectively of the Company's first quarter revenue

Operating Performance

Current Economic Scenario

Brazilian economic activity in the first quarter remained stable compared with the final quarter of 2006. Projections in the FOCUS survey of financial institutions prepared by the Central Bank points to a GDP growth of 4.0% in 2007 against 3.7% in 2006, already taking into account the IBGE's (government statistics office) new GDP calculation methodology.

At the beginning of the year, the Central Bank reduced its SELIC basic interest rate to 12.75%, a cut of 0.5%. While still high for the investment needs of the country, the downward trend in interest rates is positive for maintaining a good performance in the productive sector of the economy, having an equally beneficial impact on the capital goods industry. The Real continues to appreciate against the US dollar and there are no signs that this tendency will change in the short term. Again, doubts surrounding foreign exchange rates are connected to the performance of industries that compete directly with imports and the effects an appreciated domestic currency have on the weaker activity levels of these sectors. However, it is apparent that industries in various segments have adjusted, or are in the process of adjusting, to the realities of the foreign exchange rate, an example being the automotive sector and auto parts, where figures reveal a strong recovery. In the specific case of the Company, the necessary adjustments for operating within the new foreign exchange reality have been made. Costs of products destined for the export market have been reduced, the operations of commercialization channels with the overseas market reviewed, in addition to a revision of product lines offered to overseas buyers.

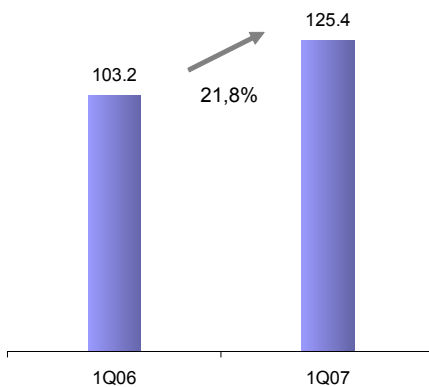
Net Operating Revenue

In 1Q07, net consolidated operating revenue reached R\$ 125.4 million, a growth of 22% in relation to the same period in 2006 (R\$ 103.2 million). This good performance principally reflects the favorable results of company operations set against a background of continued positive macroeconomic indicators and the satisfactory outlook for the capital goods sector. Business was also boosted with the gradual absorption of increased capacity at the Machine Tools and Rough and Machined Cast Iron Parts business units.

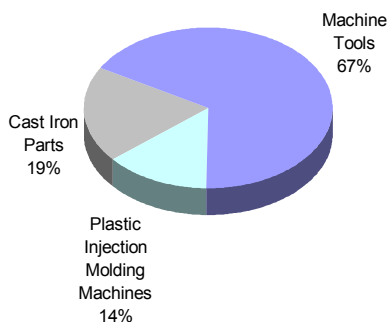


Businesses Units Performance

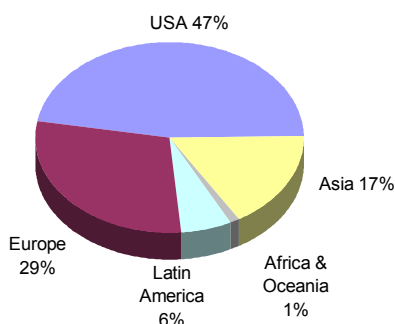
Net Revenue (R\$ million)



Net Operating Revenue by Business Unit



Exports Destination (%)



Net operating revenue in the domestic market amounted to R\$ 102.9 million, an increase of 13% over 1Q06. Domestic demand for Machine Tools came largely from the services, automotive industry, machine and equipment, in that order. In the case of plastic molding machines, sales were concentrated in the automotive industry, packaging, services and electronics. The principal customers for rough and machined castings were concentrated on heavy automotive (trucks and tractors), light automotive (autoparts) and capital goods.

In addition to meeting domestic demand, an important feature of Romi's strategy is to boost export business, not only to retain a foot in alternative markets for the future, but also to foster the Company's technological competitiveness internationally.

In 1Q07, exports amounted to US\$ 11.3 million, an increase of 130% over the value recorded for 1Q06, and accounting for a 17.9% share of total net operating revenue compared with 11.9% in 1Q06.

The Machine Tools Business Unit was the main source of exports, 73.1% of total overseas sales, followed by Rough and Machined Castings with 26.6%. The leading export market for the Company continues to be the United States, taking 47% of the total export value for 1Q07, followed by Europe with 29.3%. The low share of sales to South America was offset by a significant increase in exports to Asia, notably Japan.

Romi - Parent Company	Quarter		
	1Q06	1Q07	% Chg.
Net Operating Revenue (R\$ '000)			
Machine Tools	67,792	83,733	23.5
Plastic Injection Molding Machines	16,935	17,227	1.7
Rough and Machined Cast Iron Parts	16,364	24,208	47.9
Total	101,091	125,168	23.8

Machine Tools

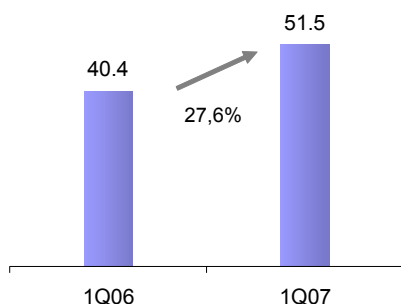
In 1Q07, the Machine Tools Business Unit sold 521 items of equipment against 359 in the same period 2006, this corresponding to an increase of 45.1%.

Net operating revenue for the Business Unit in 1Q07 was R\$ 83.7 million, a year on year increase of 23.5% compared with 1Q06 and a reflection of the higher sales volume and alterations made to the mix of products sold.

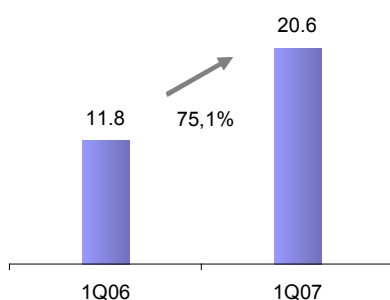
Plastic Injection Molding Machines

The Plastic Injection Molding Machines Business Unit reported a 13.8% fall in sales volume from 65 machines in 1Q06 to 56 in 1Q07. Despite poorer sales volume, revenue improved 1.7% over the comparative period. This performance reflects a policy of price increases during the first quarter of 2007, together with a better product mix. The unit ended 1Q07 with net revenue of R\$ 17.2 million.

Gross Profit (R\$ Million)



Operating Profit (R\$ Million)



Rough and Machined Cast Iron Parts

Of the three business units, the Rough and Machined Castings Business Unit turned in the best operating performance for 1Q07 in relation to the same period in 2006 with an increase of 47.9% in net operating revenue. This was the result of improved commercial volumes. These results were also driven by investments in increased installed capacity, concluded at the beginning of 2006. In 1Q07, sales volume increased 57.9% over 1Q06 from 2,875 to 4,540 tons.

Operating Costs and Expenses

All the indicators of margins on Net Operating Revenue for 1Q07 were higher than those of 1Q06, largely due to significant increases in sales. Improved sales value was largely a reflection of increased volume that fed through to relatively lower overall fixed operating costs and expenses.

Romi - Parent Company	Quarter	
	1Q06	1Q07
Gross Margin (%)		
Machine Tools	44.5	42.6
Plastic Injection Molding Machines	28.1	41.8
Rough and Machined Cast Iron Parts	26.6	28.7
Total	38.9	39.8

Machine Tools

Lower gross margins were principally the result of alterations in the product mix and the increase in exports – which enjoy satisfactory margins, albeit finer than those obtained in the domestic market.

Plastic Injection Molding Machines

The notable increase in gross margins is largely the reflection of a strategy for restoring margins following the launch of a new line of products in early 2006. The change in the mix of products sold in the quarter compared with the first quarter 2006 also helped enhance margins.

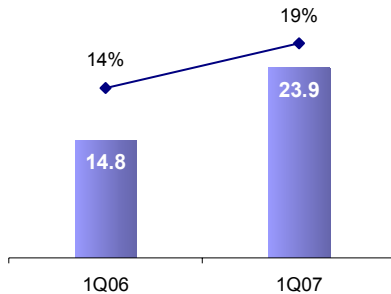
Rough and Machined Cast Iron Parts

Gross margins increased from 26.6% to 28.7%, largely a direct result of increased sales volume with an increase in the customer base and destined to absorb additional installed capacity at this Business Unit during 2006.

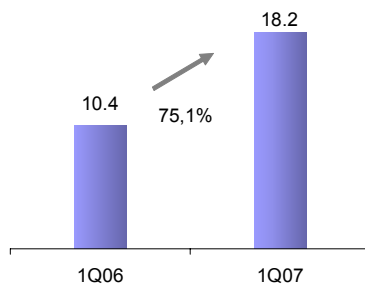


Romi - Parent Company - Excluding Equity Income	Quarter	
	1Q06	1Q07
Operating Margin (%)		
Machine Tools	15.3	15.5
Plastic Injection Molding Machines	-0.8	13.4
Rough and Machined Cast Iron Parts	13.8	14.6
Total	12.3	15.1

EBITDA and EBITDA Margin (R\$ Million)



Net Income (R\$ Million)



EBITDA and Ebitda Margin

EBITDA for 1Q07 was R\$ 23.9 million, a margin of 19.1% in relation to consolidated Net Operating Revenue and in line with the results recorded for the last few quarters and significantly up on the 14% for the same period in 2006.

Financial Result

A further positive highlight was the net financial result of R\$ 5.2 million in 1Q07, double the result for this item in the same period for 2006. However, the financial result was favorably impacted by a non-recurring item of R\$ 2.0 million, as described below.

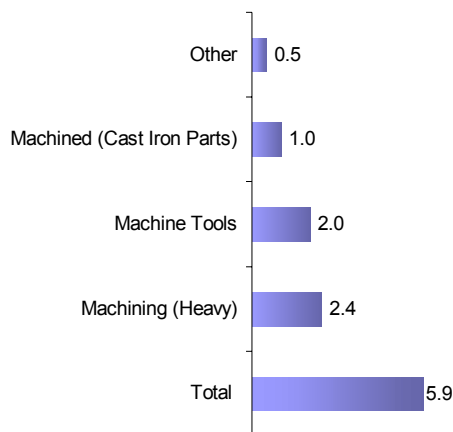
Net Income

Net income for 1Q07 reached R\$ 18.1 million, a growth of 75% compared with the same period in 2006. This result also included a non-recurring gain due to the reversal of a provision for eventual liabilities. This related to the COFINS (social contribution on turnover) charge on the broader base for calculating financial and other revenue amounting to R\$ 3.1 million and booked as financial revenue. This reversal represents a net result of tax on profits of R\$ 2.0 million during the quarter. Ignoring this additional revenue, the Company's Net Income for 1Q07 would still have recorded an increase of 55% in relation to the same item for 1Q06.

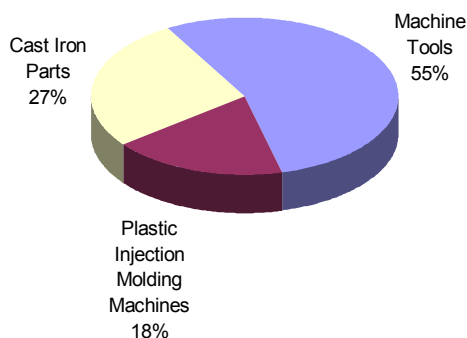
The quarter's results represent an annualized return on final Shareholders' Equity of 20.2%, a solid indicator for the first quarter operations and significantly higher than the percentage posted in 1Q06 of 12.1%.



Investments in 1Q07 R\$ million



Order Book - (%)



Capital Expenditures

Work on expanded capacity for the assembly of Machine Tools was concluded in January of this year. The Industrial Unit 16 area for the assembling of Machine Tools was increased by more than 15,000 m² to a total of 24,484 m². This additional capacity ramped up Machine Tools assembly capacity by 30%.

The Company's investment programs continue to progress according to plan. In 1Q07, Romi disbursed R\$ 5.9 million of which R\$ 2.0 million was allocated to the conclusion of work at the Machine Tools Business Unit, R\$ 2.4 million on equipment for modernizing and expanding the sector for machining heavy parts and a further R\$ 1.0 million in equipment for expanding rough and machined castings capacity.

Order Book (gross values with taxes)

Romi - Parent Company Order Book (R\$ `000)	Quarter		
	4Q06	1Q07	% Chg.
Machine Tools	76,250	82,943	8.8
Plastic Injection Molding Machines	17,173	28,099	63.6
Rough and Machined Cast Iron Parts	30,131	41,496	37.7
Total	123,554	152,538	23.5

The order book for 1Q07 recorded an increase of 23.5% in comparison with 4Q06 due to the increase in demand for machines and the capture of new customers for the Rough and Machined Cast Iron Parts business unit.

Romi - Parent Company Order Book (R\$ `000)	Quarter		
	1Q06	1Q07	% Chg.
Machine Tools	127,433	82,943	(34.9)
Plastic Injection Molding Machines	34,911	28,099	(19.5)
Rough and Machined Cast Iron Parts	19,000	41,496	118.4
Total	181,344	152,538	(15.9)

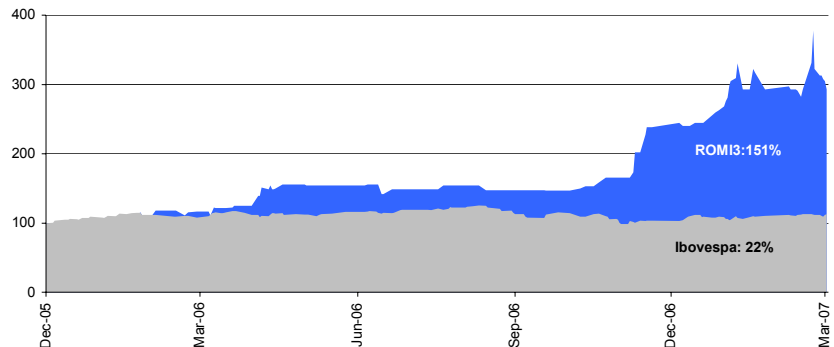
The 1Q07 order book was down by 15.9% in relation to the same period last year reflecting an accommodation in demand to the normal pace of business. The level of orders is still above what would be considered as normal for Romi - an order book of about 60 days. Exceptionally, in the first quarter of 2006, the order book was above normal due to policy changes in Machines sales to the domestic market. This involved a drive to stimulate sales using Finame Manufacturer funding from the Brazilian Economic and Social Development Bank (BNDES), resulting in a significant spike in orders for that period.

Capital Markets

Capital Markets

At the end of 1Q07, the unit price of ROMI3 common shares was R\$ 19.00. In the period from December 2005 to March 2007, the Company's shares appreciated 151% against 22% for the Bovespa Stock Index. The Company's market capitalization reached R\$ 1,185 million.

Share Performance (ROMI3) vs. Bovespa Index (Basis: 100) - R\$/Share
Period: December/2005 - March/2007



Source: Economática

March 23 2007 represented a landmark date for Romi - the Company's listing on the São Paulo Stock Exchange's (Bovespa) *Novo Mercado*, where the common shares are traded under the ROMI3 symbol.

The official listing ceremony was held in Bovespa's auditorium for events in the presence of senior Stock Exchange and Company executives as well as businesses partners and other guests. Romi is the 52nd company to list on the *Novo Mercado*.

On April 11 2007, the Company concluded a Primary and Secondary Public Offering of its Common Shares. The total issue amounted to 27,971,459 shares, of which 12,000,000 were newly issued shares and further 15,971,459 shares making up the secondary offering, a global amount of R\$ 419.8 million. The issue of the new shares generated gross funding for the Company of R\$ 180 million, this amount being paid in to the capital stock and represented by 74,361,828 common shares. The value of the capital stock now stands at R\$ 440 million, an increase from R\$ 260 million. The resources raised will be used for investments in upgrading productivity and in accelerating the Company's growth, in turn generating more employment and benefiting shareholders, partners, employees and the community at large.

The success of the Public Offering is testimony to the capital markets' recognition and confidence in Romi. The Company wishes to place on record its thanks and congratulations to all its shareholders, partners and employees instrumental in reaching this important moment in its corporate history.

In the light of the Public Offering, Fênix Empreendimentos S.A., the largest shareholder, will have a 36.5% stake in the Company's shares, changing its position from controlling to majority shareholder. This new corporate structure will improve the liquidity of Romi's shares, creating benefits for all its investors as well as placing the Company in a more favorable position for obtaining future capital markets funding for supporting the strategy of continuous growth in operations and profitability.

Forward-looking statements contained in this release with respect to the Company's business, forecasts for operating and financial results, and references to potential growth prospects, merely represent forecasts and were based on Management's estimates with respect to future performance. These estimates are highly dependent on market conditions, the economic situation of Brazil, of the industry and the international markets, and for this reason, are subject to change

Investor Relations



Financial Statements

Consolidated Balance Sheet

Corporate Law (R\$ thousands)

ASSETS	12/31/06	03/31/07
CURRENT	483,997	484,850
Cash and Cash equivalents	7,461	13,999
Marketable securities	79,461	59,984
Trade accounts receivable	46,265	45,289
Trade accounts receivable - Finame Manufacturer	170,908	178,334
Inventories	169,790	174,289
Recoverable taxes	8,065	8,445
Other assets	2,047	4,510
NON CURRENT	430,999	452,350
Long-Term Assets	274,975	293,825
Trade accounts receivable	-	834
Trade accounts receivable - Finame Manufacturer	259,578	277,635
Recoverable taxes	12,174	12,912
Other assets	3,223	2,444
Investments		
Goodwill	9	9
Property, Plant and Equipment	156,015	158,516
TOTAL ASSETS	914,996	937,200

Consolidated Balance Sheet

Corporate Law (R\$ thousands)

LIABILITIES AND SHAREHOLDER'S EQUITY	12/31/06	03/31/07
CURRENT	300,237	268,100
Loans	5,788	15,813
Loans - Finame Manufacturer	149,240	158,569
Trade accounts payable	18,151	22,181
Payroll and related charges	25,880	18,956
Taxes payable	8,884	8,832
Advances from customers	4,628	7,396
Interest on capital, dividends and participations	85,329	32,857
Other liabilities	2,337	3,496
NON CURRENT	267,797	303,904
Long-term liabilities		
Loans	23,825	42,605
Loans - Finame Manufacturer	232,154	251,800
Deferred income taxes and social contribution on revaluation reserves	7,389	7,188
Taxes payable	-	596
Provision for contingencies	4,429	1,715
Negative goodwill on subsidiaries	4,199	4,199
MINORITY INTERESTS	1,462	1,541
SHAREHOLDER'S EQUITY	341,301	359,456
Capital	260,000	260,000
Capital reserves	2,052	2,052
Revaluation reserves	30,405	30,015
Profit reserves/retained earnings	48,844	67,389
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	914,996	937,200

Income Statements

Corporate Law

R\$ THOUSANDS	1Q06	1Q07	% Chg.
Gross Operating Revenue	125,574	150,791	20.1
Taxes on sales	(22,398)	(25,380)	13.3
Net Operating Revenue	103,176	125,411	21.6
Cost of sales and services	(62,814)	(73,915)	17.7
Gross Profit	40,362	51,496	27.6
<i>Gross Margin %</i>	39.1%	41.1%	
Operating Expenses	(28,601)	(30,900)	8.0
Selling	(11,401)	(11,775)	3.3
General and administrative	(11,715)	(12,744)	8.8
Research and development	(4,433)	(4,788)	8.0
Taxation	(1,052)	(1,593)	51.4
Operating Income before Financial Result	11,761	20,596	75.1
<i>Operating Margin %</i>	11.4%	16.4%	
Financial results	2,588	5,208	101.2
Financial expenses	(648)	(1,080)	-
Financial income	3,770	6,155	63.3
FX changes, net	(534)	133	-
Operating Income	14,349	25,804	79.8
Non-operating result	301	215	-
Income before income tax and social contribution	14,650	26,019	77.6
Income tax and social contribution	(4,255)	(7,785)	83.0
	10,395	18,234	75.4
Management profit sharing	-	-	
Minority interests	(28)	(79)	182.1
Net income	10,367	18,155	75.1
<i>Net Margin %</i>	10.0%	14.5%	
EBITDA	14,798	23,940	61.8
Net income	10,367	18,155	
Income tax and social contribution	4,255	7,785	
Financial results	(2,588)	(5,208)	
Depreciation	2,764	3,208	
<i>EBITDA Margin %</i>	14.3%	19.1%	
Nº of shares in capital stock (th)	62,362 (*)	62,362	
Net income per share - R\$	0.17 (*)	0.29	
Book value per share - R\$	5.47 (*)	5.76	

(*) Merely for comparison purposes, already considering the conversion and stock split of March 23 2007

Cash Flow

Corporate Law

R\$ thousands	1Q06	1Q07
Cash from operating activities		
Net Income	10,367	18,155
Depreciation	2,764	3,208
Provision for doubtful accounts	17	26
Loss (Gain) on sale of fixed assets	330	(377)
Interest and FX changes on, accounts receivable, accounts payable and loans	(875)	(10,010)
Deferred income tax and social contribution	(539)	(722)
Provision for contingencies	153	(2,714)
Minority Interests	15	79
Change on operating assets		
Trade accounts receivable	16,534	450
Trade accounts receivable - Finame Manufacturer	(24,605)	(25,483)
Inventories	(11,412)	(4,499)
Recoverable taxes, net	(848)	(396)
Other current and long term assets	(419)	(1,684)
Change on operating liabilities		
Trade accounts payable	2,461	3,889
Payroll and related charges	(7,348)	(6,924)
Taxes payable	(1,390)	544
Advances from customers	(1,614)	2,768
Other current and long term liabilities	(500)	1,159
Deferred Income tax and social contribution on revaluation reserve	(200)	(201)
Cash provided by (used in) operating activities	(17,109)	(22,732)
Cash flow used in investment operations	(6,063)	(5,332)
Acquisitions	(6,220)	(5,974)
Sale of assets	157	642
Cash flow from financial activities	2,390	15,125
Interest on capital	11	(52,472)
New loans and financing	-	30,006
Payments of loans	(12,648)	(1,428)
New loans - Finame Manufacturer	15,027	74,902
Payments of loans Finame Manufacturer	-	(35,883)
Net Cash Flow	(20,782)	(12,939)
Cash and cash equivalents - beginning of period	78,198	86,922
Cash and cash equivalents - end of period	57,416	73,983