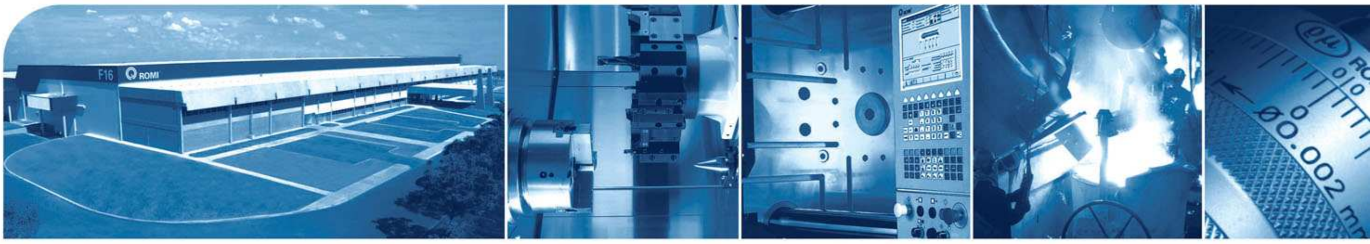
ROMI® | A TRADITION OF INNOVATION



April 29, 2009

1Q09 Earnings Release

April 30, 2009

1Q09 Conference Call in Portuguese
Time: 10:30 a.m. (Brazil)
Phone: 55 11 4688-6301
Access code: romi

1Q09 Conference Call in English
Time: 12:30 (Brazil)
16:30 (London)
11:30 (NY)
Phone: US – 1 888 700 0802
Brazil – 55 11 4688 6301
Others – 1 786 924 6977
Access code: romi

Share Price (03/31/2009)
ROMI3 – R$ 6.22/share

Market Cap (03/31/09)
R$ 489 million
US$ 211 million

Total shares (04/07/09)
Common: 74,757,547
Total: 74,757,547

***Free Float* (04/07/09) = 52.39%**

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ROMI3 NOVO MERCADO BOVESPA BRASIL · itag Índice de Ações com Tag Along Diferenciado · BM&FBOVESPA Small Cap Index SMLL · INDX Índice do Setor Industrial BOVESPA-BRASIL · igc

ROMI® | A TRADITION OF INNOVATION

Santa Bárbara d'Oeste, SP, April 29, 2009 – Indústrias Romi S.A. (Bovespa: ROMI3), a domestic market leader in Machine Tools and Plastic Processing Machines and an important producer of Rough and Machined Cast Iron parts announces its results for the first quarter 2009 (1Q09). Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis according to IFRS standards and monetary values are expressed in Reais

The Company performed important operating adjustments since 4Q08 due to sharp downturn in economic activity and its impacts in margins.

Highlights

- **Romi begins operations at the new Santa Bárbara d'Oeste foundry** expanding total annual installed capacity by 10 thousand tons to 50 thousand tons and concluding the first expansion phase;
- **Startup in operations of the new plant for manufacturing heavy machine tools,** currently a key item in the Company's order book and evidence of Romi's successful strategy in developing these products;
- **Acquisition of technology for the manufacture of PET blow molding machines, expanding the blow molding product range,** an important product in the plastic processing machine Business Unit;
- **European sales grew 20.3% in 1Q09 compared with 1Q08**, due to the new Italian-based operations.

ROMI - Consolidated	Quarter		
In Thousand Reais	1Q08	1Q09	% Chg.
Sales Volume			
Machine Tools (units)	518	246	(52.5)
Plastic Machines (units)	81	25	(69.1)
Rough and Machined Cast Iron Parts (tons)	5,575	1,826	(67.3)
Net Operating Revenue	**152,856**	**75,769**	**(50.4)**
Gross margin (%)	*40.0%*	*33.4%*	
Operating Income (EBIT)	**24,840**	**(14,757)**	**(159.4)**
Operating margin (%)	*16.3%*	*-19.5%*	
Net Income	**25,936**	**(7,838)**	**(130.2)**
Net margin (%)	*17.0%*	*-10.3%*	
EBITDA	**28,326**	**(9,928)**	**(135.0)**
EBITDA margin (%)	*18.5%*	*-13.1*	
Investments	8,299	31,359	

EBITDA = net earnings less financial result, taxes, depreciation and amortization.

As from December 31, 2007, the Company has been reporting its Financial Statements in accordance with the IFRS standards

Corporate Profile

Romi is a leading company among the Brazilian manufacturers of Machine Tools and Plastic Processing Machines. It also has an important share of the Rough and Machined Cast Iron Parts market. The Company's main customers segments are automotive (light and heavy), capital goods and consumer goods, machine tooling, hydraulic equipment, among many others.

The Company has twelve industrial units of which four are dedicated to the final assembly of industrial machinery. Romi also operates two foundries, an industrial unit for high-precision tooling systems, three units for the machining of components, one unit for the manufacture of sheet metal components and a division for the assembly of electronic control panels. The Company has an annual installed capacity for the production of approximately 3,900 machines and about 50,000 tons in castings.

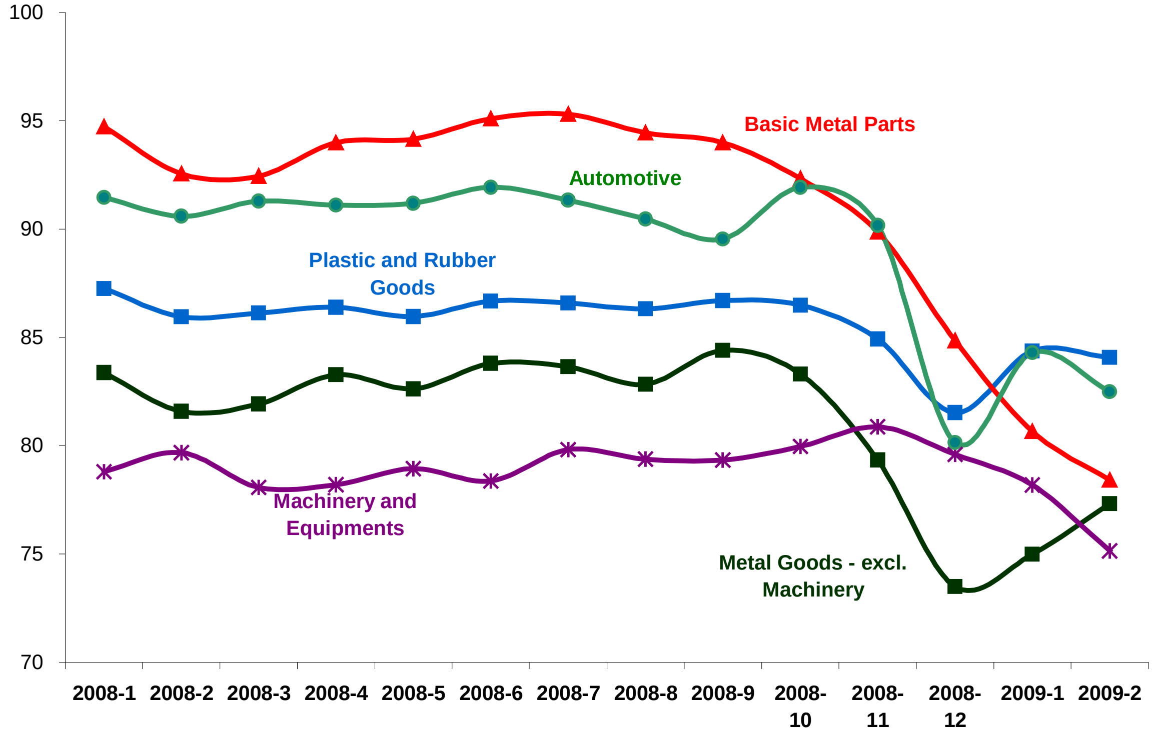
The Machine Tools Business Unit, which accounted for about 66.5% of the Company's 1Q09 sales revenue, comprises Conventional Lathes, CNC Lathes (computerized numerical control), Machining Centers and Romicron® High Precision Machine Tools. The Rough and Machined Castings and Plastic Processing Machines business units, the latter comprising plastic injection and blow molding machines, contributed approximately 13.2% and 20.3%, respectively to sales revenue in the period.

Current Economic Scenario

The first signs of a serious deterioration in the world economy became apparent in the third quarter of 2008 with the worsening of the credit crunch in the United States and the systemic knock-on effect to other countries. The crisis had an adverse impact on both domestic and world GDP growth, industrial output being particularly badly hit in subsequent months. As had already been expected, the impact on Romi business was exacerbated by the typically cyclical nature of the Company's products (capital goods).

The Company's growth drivers are industrial GDP and Investment Spending performance. Consequently, since the final quarter of 2008, there has been a notably adverse impact on the inflow of new orders. As Romi's business is at the beginning of the industrial production chain and set against a background of weakening GDP and gross fixed capital formation as well as the uncertainties surrounding the industrial sector, the Company is customarily one of the first to suffer the fall-out from any turbulence in the economy.

The effects commented above can be further gauged against declining utilization of productive capacity of some industrial sectors in Brazil as shown in the following graph.



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

Market

The Company's principal competitive advantages in the domestic market - advanced technology products, a nationwide proprietary distribution network, permanent technical assistance, availability of attractive credit packages and in local currency to its customers, and short delivery times – are all recognized by Romi's customers, conferring on the brand name a traditional and prestigious reputation. In addition, the Company's financial soundness has also become an important factor in customer purchasing decisions in a business climate marked by economic instability and particularly scarce credit.

New Orders (gross values including sales tax)

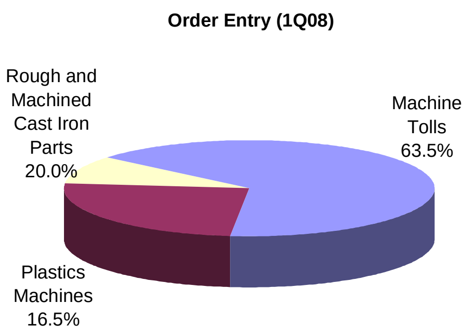
Order Entry (R$ thousands)	1Q08	1Q09	% Chg.
Machine Tools	132,625	34,040	(74.3)
Plastic Machines	34,370	15,159	(55.9)
Rough and Machined Cast Iron Parts	41,765	3,621	(91.3)
Total	**208,760**	**52,820**	**(74.7)**

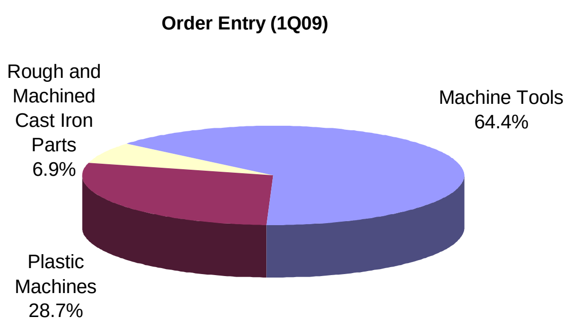
The effects of the economic downturn are readily apparent from the figures for orders compared with the same period in 2008. The interruption in orders/investments on the part of our customers had a major impact on business, the Company recording a year-on-year decline of 74.7% in new order flows in 1Q09.

Order Entry (R$ thousands)	4Q08	1Q09	% Chg.
Machine Tools	40,852	34,040	(16.7)
Plastic Machines	8,589	15,159	76.5
Rough and Machined Cast Iron Parts	3,625	3,621	(0.1)
Total	**53,066**	**52,820**	**(0.5)**

Historically there has always been a seasonal trough in the Company's market characterized by weaker inflows of new orders in the fourth and first quarters. Under current crisis conditions, this traditional downturn was drastically amplified in the form of a severe decline in new business.

Nevertheless, there was significant increase in business at the plastic processing machine unit compared with the preceding quarter. Despite a reduction in orders from the automotive and domestic appliance sectors, there was greater activity from certain sectors as services, civil construction and packaging, principally due to the new blow molding machine line and from sales generated through Romi Itália and its subsidiaries.





Order Book (gross values including sales taxes at the end of each period)

Order Book (R$ thousands)	1Q08	1Q09	% Chg.
Machine Tools	108,954	60,154	(44.8)
Plastic Machines	37,460	23,098	(38.3)
Rough and Machined Cast Iron Parts	44,664	8,636	(80.7)
Total	**191,078**	**91,888**	**(51.9)**

Compared with the order book for the same period in 2008, the effects of the reduction in economic activity are clear with a sharp decline at all business units.

Order Book (R$ thousands)	4Q08	1Q09	Var.%
Machine Tools	100,108	60,154	(39.9)
Plastic Machines	23,695	23,098	(2.5)
Rough and Machined Cast Iron Parts	17,402	8,636	(50.4)
Total	**141,205**	**91,888**	**(34.9)**

Note: Order book values do not include parts, services and resale business.

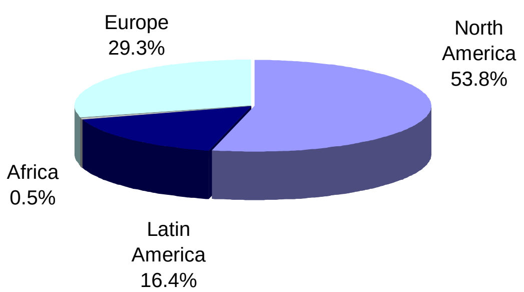
Operating Performance

Net Operating Revenue

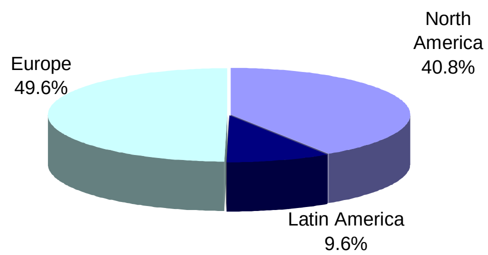
In 1Q09, the Company reported Consolidated Net Operating Revenue of R$ 75.8 million, 50.4% down on 1Q08 (R$ 152.9 million), a reflection of the retraction in Brazilian industrial activity.

First quarter export revenue was R$ 17.5 million, a reduction of 12.5% compared with 1Q08 (R$ 20.0 million). In US dollar terms, 1Q09 sales reached US$ 7.5 million, a decline of 34.8% compared with US$ 11.5 million in 1Q08, further underscoring the economic difficulties in countries importing our products. Nevertheless in 1Q09, Company exports amounted to 23% of Net Operating Revenue against 13% in 1Q08, a reflection of Romi's ongoing focus on overseas markets.

Exports Destination (1Q08)



Exports Destination (1Q09)



During 1Q09, Europe spearheaded the ranking as the main market for the Company's products, representing 49.6% of export sales (29% in 1Q08) and pushing the United States into second place in the ranking of overseas markets with 40.8% (54% in 1Q08), followed by Latin America with 9.6% (16% in 1Q08). The increasing share of Europe in the Company's business is due to the consolidation of Romi Italia which began operations in July 2008.

Net Operating Revenue (R$ mil)

Romi - Consolidated	Quarter		
Net Operating Revenue (R$ `000)	**1Q08**	**1Q09**	**% Chg.**
Machine Tools	96,733	50,330	(48.0)
Plastic Machines	26,674	15,407	(42.2)
Rough and Machined Cast Iron Parts	29,449	10,032	(65.9)
Total	**152,856**	**75,769**	**(50.4)**

Note: See income statements per Business Unit in Annex I.

Machine Tools

The physical sales of the Machine Tools Unit in 1Q09 totaled 246 units, a reduction of 52.5% in relation to 1Q08 (518 units).

Net operating revenue from this unit declined 48.0% year-on-year (1Q09 X 1Q08), reaching R$ 50.3 million.

The unit's share in total 1Q09 revenue was 66.5% (63.3% in 1Q08).

The principal reason for the reduction in business unit's machine sales volume was the overall deceleration in business activity already commented above.

The Business Unit's domestic market customers continue to be in the machining services segment, the machine tool, and the machines and equipment sectors. On the other hand, we have noticed an improved participation from the weapons, foundry and technical school sectors in detriment to automotive.

Plastic Processing Machines

In 1Q09, physical sales from the Plastic Processing Machine Business Unit totaled 25 units, a reduction of 69.1%, in relation to 1Q08 (81 units).

This Business Unit accounted for 20.3% of total Company revenue in 1Q09 (17.4% in 1Q08).

The Business Unit posted a net income of R$ 15.4 million in 1Q09 against R$ 26.7 million in 1Q08, representing a decline of 42.2%.

Once again, we noted a shift in emphasis of demand for products from this Business Unit with greater participation from the packaging, services and civil construction sectors at the expense of the automotive, electrical-electronic and home appliance areas.

Rough and Machined Cast Iron Parts

In 1Q09, this Business Unit recorded sales of 1,826 tons, a decline of 67.2% over 1Q08.

The unit took a 13.2% share of the Company's total revenue (19.3% in 1Q08).

As in the case of the other business units, the principal reason for the quarter's result was the deceleration in economic activity.

Following the unveiling of the new foundry unit in March of this year, the Company is planning to enhance its penetration in the market for heavy-duty cast iron parts, used mainly in the infrastructure sectors.

As with the Company's other business units, we have detected a shift in demand with a greater participation of equipment for energy generation and conversely, a reduction in sales to the capital goods and automotive sectors.

Operating Costs and Expenses

In 1Q09, the Company registered a decline of 6.6 pp in gross margin compared with 1Q08 due to the weaker sales performance.

Since 4Q08, the Company has been trimming its payroll to minimize operating costs for the fiscal year as a whole. However, in view of heavier charges and severance payments over the past two quarters, operating margins for 1Q09 were negatively impacted by approximately R$ 3.3 million.

Again, operating margins were also squeezed due to the higher volumes of exports where margins are traditionally thinner.

Romi - Consolidated	Quarter	
Gross Margin (%)	**1Q08**	**1Q09**
Machine Tools	46.8%	42.5%
Plastic Machines	35.6%	39.4%
Rough and Machined Cast Iron Parts	21.7%	(21.6)
Total	**40.0%**	**33.4%**

Romi - Consolidated	Quarter	
Operating Margin (%)	**1Q08**	**1Q09**
Machine Tools	20.8%	(10.3%)
Plastic Machines	10.3%	(36.1%)
Rough and Machined Cast Iron Parts	6.6%	(40.0%)
Total	**16.3%**	**(19.5%)**

Machine Tools

The Business Unit posted a gross margin of 42.5% in 1Q09, a reduction of 4.3 pp compared with the 46.8% registered in 1Q08. Operating margins during the quarter were down 31.1 pp – reflecting reduced sales volume and additional overhead in 1Q09 arising from the shedding of manpower.

Plastic Processing Machines

The increase in margins in this segment was principally due to the Company's higher average sales price in 1Q09 compared with the same period in 2008, in turn reflecting the emphasis on the sales of heavier machines in the overall sales mix.

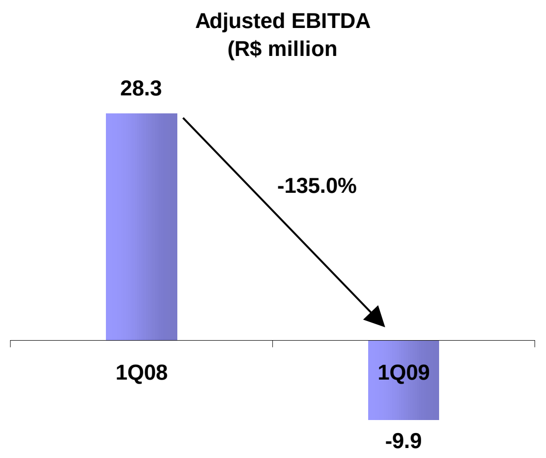
Rough and Machined Cast Iron Parts

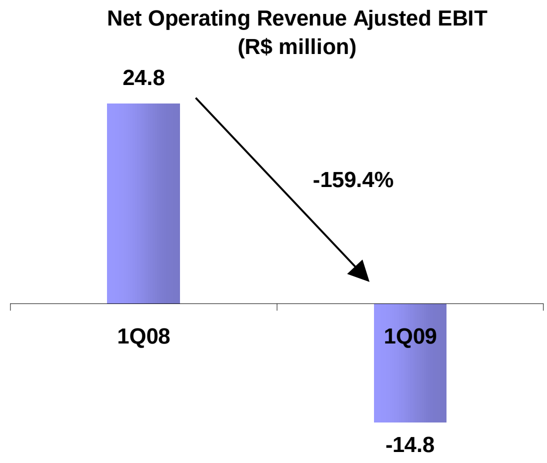
The year-on-year deterioration in margins in this segment was basically due to increased average industrial costs, in line with a 70% drop in output, and to higher than normal severance payments, a consequence of payroll cuts (about R$ 1 million in 1Q09).

EBITDA and EBITDA Margin

In 1Q09, operating cash generation as measured by EBITDA (Earnings before Financial Results, Taxes, Depreciation and Amortization) was a negative R$ 9.9 million equivalent to a negative EBITDA margin of –13.1%. These results largely reflect weak sales volume in the quarter and nonrecurring expenses in the form of severance payouts. In the light of adjustments made in line with changing circumstances, the Company believes a return to a positive EBITDA already in the second quarter is possible should there be some modest recovery in sales at the business units.

Reconciliation of Net Income to EBITDA	Quarter		
R$ thousands	**1Q08**	**1Q09**	**% Chg.**
Net Income	**25,936**	**(7,838)**	**(130.2)**
Net Financial Income	(6,970)	(3,977)	(42.9)
Income tax and social contributions	5,874	(2,942)	(150.1)
Depreciation and amortization	3,486	4,829	38.5
EBITDA	**28,326**	**(9,928)**	**(135.0)**
EBITDA Margin	***18.5%***	***-13.1%***	-





Net Result

The Company reported a net loss of R$ 7.8 million in 1Q09, largely due to weaker sales and severance payouts relative to payroll downsizing.

Capital Expenditures

Capital expenditures on fixed assets in 1Q09 were R$ 31.4 million, a 278% increase over 1Q08 (R$ 8.3 million).

Resources were allocated to concluding work on the Company's projects, namely Paradiso (completion of the heavy machine tool unit expansion) and Vulcano (a new foundry).

In early March 2009, the Company began production at its new foundry in Santa Bárbara d'Oeste. This represents the conclusion of the first production phase and ramps up annual installed foundry capacity by more 10 thousand tons per year. The new installations are to focus on the supply of finished heavy-duty machined parts of up to 35 tons, so enhancing market share in the infrastructure sectors such energy generation, oil and gas, shipbuilding, heavy automotive and capital goods. The new plant has a constructed area of 13.700 m² out of an eventual 27,000 m², once the project is finished. With the unveiling of the first stage, the Company now has an annual cast iron parts capacity of 50 thousand tons per year.

Also in early March, the new heavy machine assembly plant came on stream, expanding the production capacity in large machine tools and plastic injection equipment.

Effect of the acquisition – Romi Italia

On July 24 2008, through a Corporate Stakes and a Business Complex Acquisition Agreement, the Company acquired for €7,900,000.00 (equivalent to R$ 19,529 thousand on the date of the agreement), goods and rights denominated "Business Complex" from "Sandretto Industrie S.l.r" ("Sandretto Italy"), currently in special administration (Italian bankruptcy proceedings), with registered offices in Grugliasco, city of Turin, Italy. The principal corporate purpose of the new subsidiary is engineering, manufacture and sale of plastic injection machines.

Considering the acquisition was concluded during the 3Q08, the Company has still not finalized the fair valuation of all assets and liabilities. Under IFRS 3 rulings, the Company has up to one year from the date of acquisition to register the final adjustments for establishing fair value. Values shown above may therefore differ from the eventual fair value figure.

Following the acquisition, Romi Italy's financial data for March 31, 2009 is shown in the table below:

	2009 (1Q09)		
	Romi Consol. w/o Itália	Romi Itália	Romi Consol.
Net Operating Revenue	68,854	6,915	75,769
Operating Loss	(7,518)	(3,262)	(10,780)
Loss	(4,571)	(3,267)	(7,838)

The effect of Romi Itália Srl on the Plastic Processing Unit's new orders and outstanding order book as at March 31, 2009 is R$ 1,441 thousand and R$ 2,966 thousand, respectively.

Financial Position

The financial investments including those where the underlying instrument are debentures, are contracted with first class financial institutions, the relative income largely indexed to the Interbank Deposit Certificate ("CDI"). The consolidated position in cash/cash equivalents as at March 31, 2009 was R$ 115.4 million.

The Company's loans are largely to fund investments for expanding the manufacturing complex, modernization and exports and imports finance. On March 31 2009, the amount of local currency financing was R$ 86.8 million, and in foreign currency, R$ 13.0 million, a grand total of R$ 99.8 million.

On April 13 2009, the Company signed a financing agreement with the BNDES (National Economic and Social Development Bank) for the second phase of the Paradiso project, worth R$25.5 million.

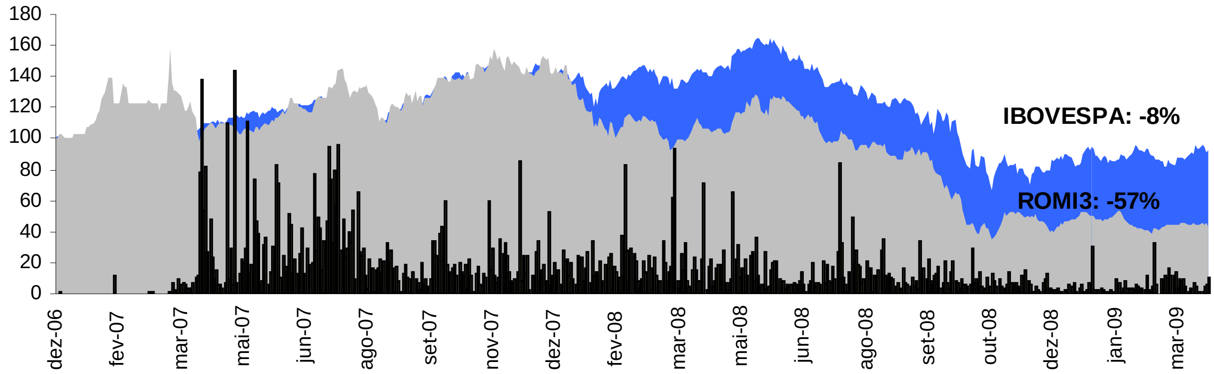
As at March 31 2009, the Company had no outstanding positions in derivatives.

Capital Markets

At the end of 1Q09, the Company's common shares (ROMI3) were trading at R$ 6.22, a depreciation of 18.2% relative to the end of 4Q08. In the same period, the Bovespa Stock Index reported a 9.0% appreciation.

Romi's market capitalization was R$ 489 million as at March 31, 2009. Average daily trading volume during 1Q09 was R$ 965.5 thousand.

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



Source: Bovespa

IFRS

As from December 31, 2007, the Company is publishing its Financial Statements in accordance with IFRS principles. We show below the impacts of the differences in accounting principles between IFRS and BRGAAP standards for March 31, 2009.

	03/31/2009
Shareholders' Equity in BRGAAP	660,728
Adjustments in IFRS	
Reversal of goodwill from the Rominor subsidiary	4,199
Recognition in results of gain recorded in acquisition of subsidiaries	19,316
Deferred income tax and social contribution on the above adjustments	(7,947)
Adjustments for currency conversion	4,748
Owners of the Parent	681,044
Non-controlling interests	1,564
Shareholders equity in IFRS	682,608

In 1Q09 there were no differences in the net result when comparing the financial statements according to IFRS standards and those of BRGAAP.

Cancelation of shares

On April 7 2009, an Extraordinary Shareholder's Meeting approved the cancellation of 3,800,000 common shares issued by the Company, held as treasury stock with no reduction in capital, acquired during the course of the share buyback program concluded on March 4, 2009.

Consequently, the total number of the Company's common shares amount to 74,757,547, the Free Float now representing 52.39% of this total.

Guidance Review for 2009

Due to the significant changes on domestic and international economic activity, the management revised the 2009 guidance for net revenue growth and Ebitda Margin, previusly released in October 23, 2008, as followed:

	10/23/2008	04/28/2009
Net revenue growth	-2% to 7%	-45% to -30%
EBITDA Margin	13% to 17%	0% to 5%
Capex	R$75 Million	R$75 Million

Assumptions	2009	2009 - revised
GDP	3.0%	0.0%
Average BRL x USDr	2.20	2.30
Interest Rate – Selic Average	14.00%	10.00%

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, represent mere 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.

Financial Statements

Consolidated Balance Sheet
IFRS (R$ thousands)

ASSETS	4Q08	1Q09
CURRENT	**885,761**	**819,613**
Cash and Cash equivalents	135,224	73,257
Marketable securities	53,721	42,141
Trade accounts receivable	79,591	44,459
Trade accounts receivable - Finame Manufacturer	306,892	328,550
Inventories	285,344	303,867
Recoverable taxes	17,742	19,563
Other assets	7,247	7,776
NON CURRENT	**795,163**	**778,488**
Long-Term Assets	**534,484**	**492,617**
Trade accounts receivable	3,700	2,884
Trade accounts receivable - Finame Manufacturer	479,371	432,960
Recoverable taxes	18,245	19,154
Deferred income taxes	12,731	16,434
Escrow Deposits	13,803	14,739
Other assets	6,634	6,445
Investments		
Property, Plant and Equipment	256,340	279,838
Other investments	2,843	4,538
Goodwill	1,496	1,496
Deferred	-	-
TOTAL ASSETS	**1.680,924**	**1.598,101**

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Consolidated Balance Sheet
IFRS (R$ thousands)

LIABILITIES AND SHAREHOLDER'S EQUITY	4Q08	1Q09
CURRENT	**416,388**	**393,380**
Loans	28,503	32,489
Trade accounts payable	31,136	25,995
Liabilities - Finame Manufacturer	270,028	281,374
Payroll and related charges	33,845	23,406
Taxes payable	7,357	1,762
Advances from customers	14,082	9,281
Interest on capital, dividends and participations	16,277	4,680
Other liabilities	15,160	14,393
NON CURRENT	**561,307**	**522,113**
Long-term liabilities		
Loans	70,957	67,292
Liabilities - Finame Manufacturer	453,323	419,678
Deferred income taxes on negative goodwill	7,947	7,947
Taxes payable	3,578	3,578
Other liabilities	9,626	6,687
Provision for contingencies	15,876	16,931
SHAREHOLDER'S EQUITY	**700,693**	**681,044**
Capital	505,764	505,764
Capital reserves	2,209	2,209
Cumulative Translation Adjustments	5,649	3,767
Profit reserves/retained earnings	187,071	169,304
MINORITY INTERESTS	**2,536**	**1,564**
TOTAL SHAREHOLDER'S EQUITY AND MINORITY INTERESTS	**703,229**	**682,608**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**1.680,924**	**1.598,101**

Income Statement
IFRS (R$ thousands)

R$ Thousand	1Q08	1Q09	% Chg.
Net Operating Revenue	**152,856**	**75,769**	**(50.4)**
Cost of sales and services	(91,724)	(50,476)	(45.0)
Gross Profit	**61,132**	**25,293**	**(58.6)**
Gross Margin %	*40.0%*	*33.4%*	
Operating Expenses	**(36,292)**	**(40,050)**	**10.4**
Selling	(14,180)	(13,718)	(3.3)
General and administrative	(12,164)	(17,251)	41.8
Management profit sharing	(3,410)	(1,857)	(45.5)
Research and development	(6,624)	(6,736)	1.7
Taxation	(773)	(503)	(34.9)
Other operating revenue	859	15	(98.3)
Operating Income before Financial Results	**24,840**	**(14,757)**	**(159.4)**
Operating Margin %	*16.3%*	*(19.5%)*	
Financial Results	**6,970**	**3,977**	**(42.9)**
Financial income	8,048	7,023	(12.7)
Financial expenses	(1,454)	(1,987)	36.7
FX changes, net	376	(1,059)	(381.6)
Operating Income	**31,810**	**(10,780)**	**(133.9)**
Non-operating result	-	-	-
Income before income tax and social contribution	**31,810**	**(10,780)**	**(133.9)**
Income tax and social contribution	(5,874)	2,942	(150.1)
Net income	**25,936**	**(7,838)**	**(130.2)**
Net Margin %	*17.0%*	*(10.3%)*	
Owners of the parent	25,736	(7,576)	(129.4)
Non controlling interests	200	(262)	(231.0)
EBITDA	**28,326**	**(9,928)**	**(135.0)**
Net income	25,936	(7,838)	
Income tax and social contribution	5,874	(2,942)	
Financial results	(6,970)	(3,977)	
Depreciation	3,486	4,829	
EBITDA Margin %	*18.5%*	*(13.1%)*	
Nº of shares in capital stock (th)	78,558	78,558	
Net income per share - R$	0,33	(0,10)	
Book value per share - R$	8.16	8.67	

Cash Flow
IFRS (R$ thousands)

R$ thousands	1Q08	1Q09
Cash from operating activities		
Net Income	**25,936**	**(7,838)**
Income tax - current and deferred	(1,554)	(2,942)
Financial expenses	1,235	(626)
Depreciation	3,486	4,829
Provision for doubtful accounts	139	759
Loss (Gain) on sale of fixed assets	(887)	124
Provision for inventory devaluation	686	1,215
Provision for contingencies	(202)	119
Change on operating assets		
Purchase of trading securities	(16,252)	11,579
Trade accounts receivable	4,783	35,419
Trade accounts receivable - Finame Manufacturer	(29,324)	24,753
Inventories	(14,959)	(21,229)
Recoverable taxes, net	(617)	(6,707)
Other current and long term assets	(2,820)	(638)
Change on operating liabilities		
Trade accounts payable	(502)	(4,973)
Payroll and related charges	(12,013)	(10,365)
Income taxes paid	(1,936)	(937)
Interests paid	(1,205)	(1,860)
Taxes payable	5,607	(1,673)
Advances from customers	708	(4,755)
Other current and long term liabilities	151	(3,662)
Net Cash provided by (used in) operating activities	**(39,540)**	**10,592**
Acquisitions of fixed assets	(8,299)	(29,205)
Sale of assets	1,010	-
Acquisition of investments, net of the amount of cash acquired	(1,911)	-
Intangible	-	(695)
Cash flow used in investment operations	**(9,200)**	**(29,900)**
Interest on capital	(4,201)	(12,307)
New loans and financing	14,343	6,912
Payments of loans	(12,864)	(5,802)
New loans - Finame Manufacturer	96,694	40,922
Payments of loans Finame Manufacturer	(46,807)	(63,221)
Repurchase of shares	-	(10,194)
Cash flow from financial activities	**47,165**	**(43,690)**
Net Cash Flow	**(1,575)**	**(62,998)**
Exchange rate of cash and cash equivalents of foreign investments	-	1,031
Cash and cash equivalents - beginning of period	**189,010**	**135,224**
Cash and cash equivalents - end of period	**187,435**	**73,257**

Annex I

Income Statement by Business Units - 1Q09

R$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**50,330**	**15,407**	**10,032**	**75,769**
Cost of Sales and Services	(28,970)	(6,458)	(15,048)	(50,476)
Business Units Transfers	2,848	-	3,563	6,411
Business Units Transfers	(2,809)	(2,885)	(717)	(6,411)
Gross Profit	**21,399**	**6,064**	**(2,170)**	**25,293**
Gross Margin %	*42.5%*	*39.4%*	*(21.6%)*	*33.4%*
Operating Expenses	**(26,584)**	**(11,620)**	**(1,846)**	**(40,050)**
Selling	(8,230)	(4,495)	(993)	(13,718)
General and Administrative	(11,266)	(5,265)	(720)	(17,251)
Management profit sharing	(1,490)	(260)	(107)	(1,857)
Research and Development	(5,227)	(1,509)	-	(6,736)
Taxation	(369)	(108)	(26)	(503)
Other operating revenue	(2)	17	-	15
Operating Income before Financial Results	**(5,185)**	**(5,556)**	**(4,016)**	**(14,757)**
Operating Margin - II %	*(10.3%)*	*(36.1%)*	*(40.0%)*	*(19.5%)*

Income Statement by Business Units - 1Q08

R$ mil	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	**96,733**	**26,674**	**29,449**	**152,856**
Cost of Sales and Services	(50,391)	(12,219)	(29,114)	(91,724)
Business Units Transfers	5,903	-	8,870	14,773
Business Units Transfers	(6,987)	(4,967)	(2,819)	(14,773)
Gross Profit	**45,258**	**9,488**	**6,386**	**61,132**
Gross Margin %	*46.8%*	*35.6%*	*21.7%*	*40.0%*
Operating Expenses	**(25,119)**	**(6,745)**	**(4,428)**	**(36,292)**
Selling	(9,107)	(3,151)	(1,922)	(14,180)
General and Administrative	(8,350)	(1,901)	(1,913)	(12,164)
Management profit sharing	(2,503)	(450)	(457)	(3,410)
Research and Development	(5,509)	(1,115)	-	(6,624)
Taxation	(509)	(128)	(136)	(773)
Other operating revenue	859	-	-	859
Operating Income before Financial Results	**20,139**	**2,743**	**1,958**	**24,840**
Operating Margin %	*20,8%*	*10.3%*	*6.6%*	*16.3%*