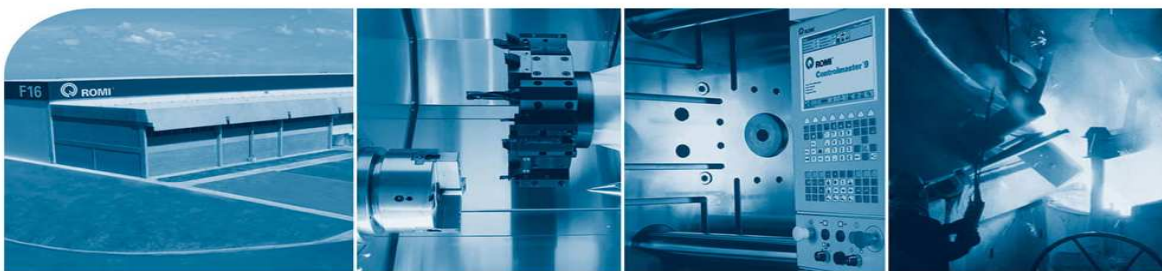




ROMI®

A TRADITION OF INNOVATION



April 27, 2010

1Q10 Earnings Release

April 28, 2010

Share price (03/31/10)
ROMI3 – R\$ 12.50/share

Market Capitalization (03/31/10)
R\$ 934 million
US\$ 525 million

Number of shares (03/31/10)
Common: 74,757,547
Total: 74,757,547

Free Float = 52.56%

Earnings Conference Call

Time: 10:30 a.m. (Brazil)
Telephone:
(55 11) 4688-6361
Access code: romi

Earnings Conference Call in English

Time: 12:30 p.m. (Brazil)
4:30 p.m. (London)
11:30 a.m. (New York)
Tel.: USA – 1 888 700 0802
Brazil – 55 11 4688 6361
Others – 1 786 924 6977
Access code: romi

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Santa Bárbara d'Oeste, SP, April 27, 2010 – 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 of 2010 (1Q10). Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis, in accordance with IFRS standards, and monetary values are expressed in thousands of Reals.

Net Operating Revenue reaches R\$ 145.1 million in 1Q10, an increase of 91.5% over 1Q09.

Highlights

- **Growth in new orders for Rough and Machine Cast Iron Parts was 24.9% in 1Q10 compared with 4Q09 and 507% in relation to 1Q09**, the result of the gradual recovery of capital goods industries;
- **Order backlog remains steady, to the tune of R\$ 209.4 million in 1Q10, with growth of 5.3% over 4Q09 and 127.8% in relation to 1Q09**, evidencing the recovery of the economic activity level in the country's industrial sectors;
- **Higher production volume, allied with the ongoing search for enhanced productivity, reflects positively on gross margin of all Business Units - margin for 1Q10 is 36%**;
- **EBITDA stands at R\$ 18.5 million in 1Q10, growth of 287% over 1Q09**, evidencing the Company's capacity for maintenance and generation of cash.

ROMI - Consolidated	Quarter					
	1Q09	1Q10	% Chg.	4Q09	1T10	% Chg.
In Thousand Reais						
Sales Volume						
Machine Tools (units)	246	526	113.8	524	526	0.4
Plastic Machines (units)	25	83	232.0	120	83	(30.8)
Rough and Machined Cast Iron Parts (tons)	1,826	2,423	32.7	2,352	2,423	3.0
Net Operating Revenue	75,769	145,132	91.5	173,584	145,132	(16.4)
Gross margin (%)	33.4%	36.0%		31.0%	36.0%	
Operating Income (EBIT)	(14,757)	13,931	194.4	17,614	13,931	(20.9)
Operating margin (%)	19.5%	9.6%		10.1%	9.6%	
Net Income	(7,838)	10,563	234.8	17,081	10,563	(38.2)
Net margin (%)	-10.3%	7.3%		9.8%	7.3%	
EBITDA	(9,928)	18,567	287.0	22,912	18,567	(19.0)
EBITDA margin (%)	-13.1%	12.8%		13.2%	12.8%	
Investments	31,359	4,775		7,081	4,775	

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

Corporate Profile

Romi is the leading Brazilian manufacturer 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 customer segments are automotive (light and heavy), agricultural machinery, capital goods, consumer goods, tooling, hydraulic equipment, among many others.

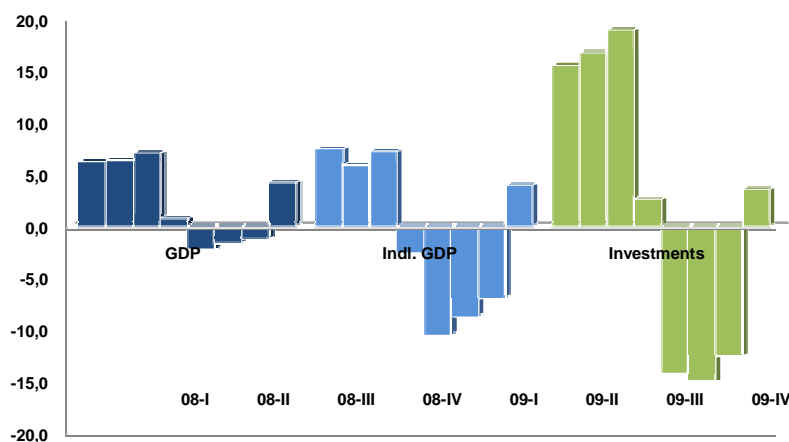
The Company has eleven industrial units, four of which are dedicated to the final assembly of industrial machinery. Romi also operates two foundries, three units for the machining of components, one unit for the manufacture of sheet metal components and a plant for the assembly of electronic control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

The Machine Tools Business Unit, which accounted for 70.9% of the Company's 1Q10 revenue, comprises lines for Conventional Lathes, CNC Lathes (computerized numerical control), Machining Centers and Vertical and Horizontal Heavy and Extra-Heavy Lathes. The Rough and Machined Castings and Plastic Processing Machines business units, the latter comprising plastic injection and blow molding machines, contributed 9.2% and 19.9%, respectively, to the revenue in the quarter.

Current Economic Scenario

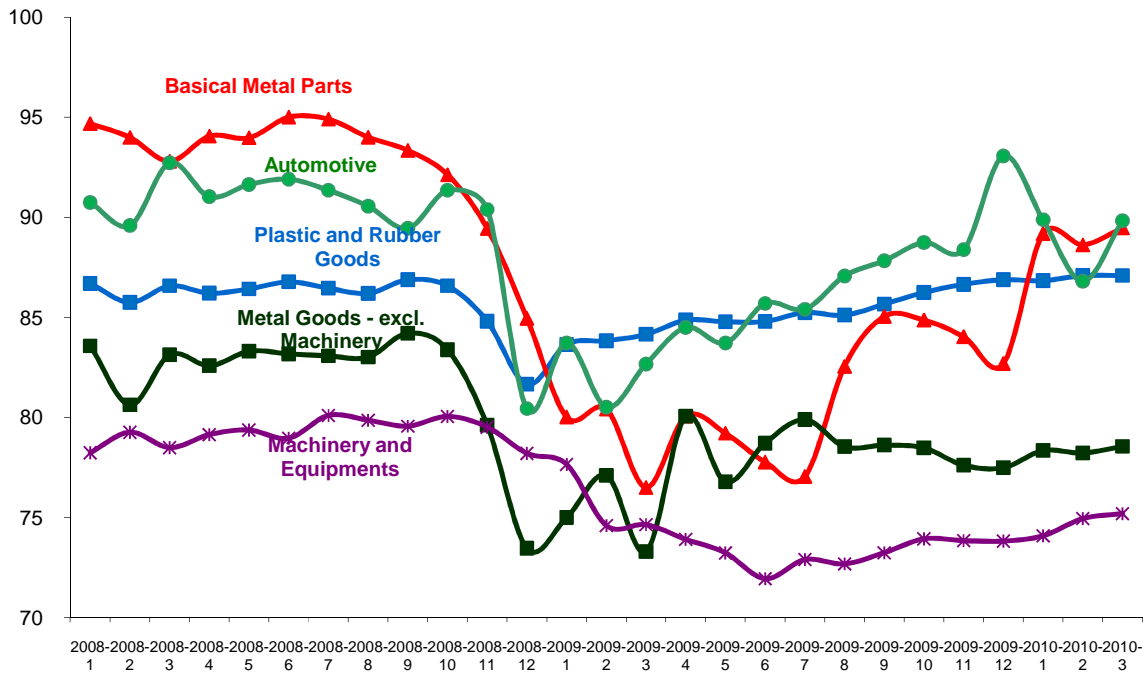
The capital goods industry, given its cyclical characteristics and the fact that it is correlated with the level of investments of other industries, is normally the first to suffer the effects of drops in demand and the slowest to return to normal levels. Even so, as we have already described in previous reports, the Company has been experiencing a gradual recovery in its business since the second half of 2009, mainly due to the following aspects: (i) reduction in the interest rate for fixed capital investments, as carried out by the Brazilian Economic and Social Development Bank (BNDES) in July 2009 and extended through December 2010, (ii) improvement in the industry confidence level, and (iii) replenishing of inventories in the economy.

The recent financial crisis affected industry more severely than services and trade. Economic data for the four quarter of 2009, as disclosed by the Brazilian Statistics Bureau (IBGE) in March 2010, indicates 4.09% positive growth of Industrial GDP and 3.6% positive growth of Gross Fixed Capital Formation (FBKF), after four consecutive quarters of strong negative fluctuations, corroborating the outlook for a return to growth.



Source: IBGE (Quarters)

The following graph prepared by the São Paulo State Federation of Industries (Fiesp) shows the FBKF in juxtaposition with the level of installed capacity utilization (NUCI). The principal sectors to which we sell our products underwent a critical reduction in installed capacity utilization in 4Q08 and 2Q09, although as from the second half of 2009 we can already see an improvement in these indicators and in some cases already a return to historical levels of utilization.



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

Industrial GDP and Gross Fixed Capital Formation are important drivers of our Company's growth.

Market

The Company's principal competitive advantages in the domestic market – cutting-edge technology products, an own distribution network in the country, 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. In addition, the Company's financial soundness has also become an even more important factor in customer purchasing decisions, in a business environment of worldwide economic instability and, principally, tight credit.

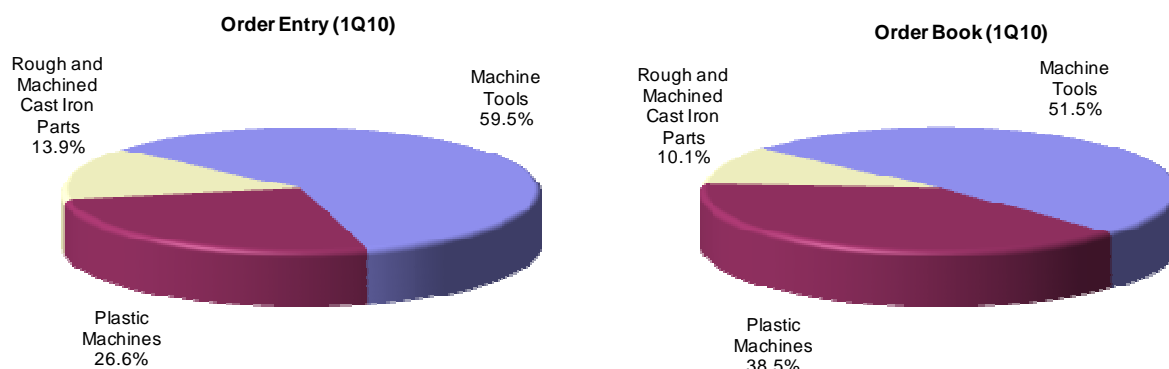
New Orders (gross values including sales tax)

Order Entry (R\$ thousands)	1Q09	1Q10	% Chg.
Machine Tools	34,040	94,084	176.4
Plastic Machines	15,159	42,138	178.0
Rough and Machined Cast Iron Parts	3,621	21,968	506.7
Total	52,820	158,190	199.5

Order Entry (R\$ thousands)	4Q09	1Q10	Var. %
Machine Tools	158,061	94,084	-40.5
Plastic Machines	71,065	42,138	-40.7
Rough and Machined Cast Iron Parts	17,585	21,968	24.9
Total	246,711	158,190	-35.9

In 1Q10, we posted a rise of 199.5% over the same period last year, basically due to the effects of the economic crisis at that time. In relation to 4Q09, there was a drop in new orders of machines resulting from the natural seasonality of these business units and the effect of earlier orders being placed by our customers in 4Q09, caused by expectations regarding termination of the BNDES financing program, which did not actually occur; indeed, it wound up being extended through December 2010.

We highlight the recovery of the Rough and Machine Cast Iron Parts unit, mainly the sectors related to agricultural machinery and trucks, reflecting growth of 24.9% in relation to the immediately preceding quarter and of 506.7% over 1Q09.



Order Backlog (gross values including sales tax at the end of each period)

Order Book (R\$ thousands)	1Q09	1Q10	% Chg.
Machine Tools	60,154	107,763	79.1
Plastic Machines	23,098	80,528	248.6
Rough and Machined Cast Iron Parts	8,636	21,066	143.9
Total	91,888	209,357	127.8

The recovery of the domestic economy, allied with the improvement in the industry confidence level and the replenishing of inventories, reflected positively on the order backlog for our products, generating a rise of 127.8% in the comparison with the same period of 2009. In the Plastics Machines unit, the results are even more evident, given this unit's exposure as well to domestic consumption.

Order Book (R\$ thousands)	4Q09	1Q10	% Chg.
Machine Tools	121,817	107,763	-11.5
Plastic Machines	67,103	80,528	20.0
Rough and Machined Cast Iron Parts	9,952	21,066	111.7
Total	198,872	209,357	5.3

In the comparison with the immediately preceding period, the order backlog rose by 5.3% and we begin to see signs of recovery in our Rough and Machine Cast Iron Parts order backlog.

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

Operating Performance

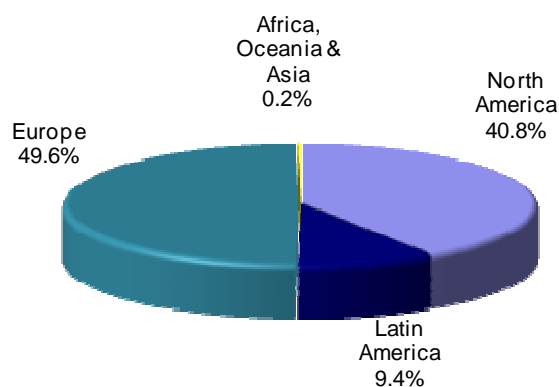
Net Operating Revenue

The Company's Consolidated Net Operating Revenue in 1Q10 reached R\$ 145.1 million, representing growth of 91.5% in relation to 1Q09 (R\$ 75.8 million).

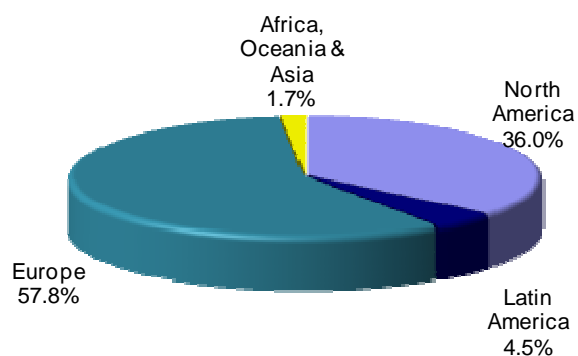
In comparison with the immediately preceding period, Consolidated Net Operating Revenue was down 16.4%, a fluctuation that is mainly the result of the natural seasonality of the Company's business.

In 1Q10 foreign market revenue amounted to R\$ 11.2 million, a reduction of 36% in relation to 1Q09 (R\$ 17.5 million). In Dollar terms, 1Q10 sales totaled US\$ 6.2 million, representing a decrease of 17.3% against the US\$ 7.5 million posted in 1Q09, evidencing the economic difficulties still being faced by the world economy. Domestic market revenue accounted for 7.7% of the Net Operating Revenue, considerably down from the 23% achieved in 1Q09.

Exports Destination (1Q09)



Exports Destination (1Q10)



Europe is our main buying market, representing 57.8% of the foreign market revenue in 1Q10 (49.6% in 1Q09), followed by the United States with 36.0% (40.8% in 1Q09), Latin America with 4.5% (9.4% in 1Q09), and other continents with 1.7% (0.2% in 1Q09).

Net Operating Revenue (R\$ thousand)

Romi - Consolidated	Quarter		
Net Operating Revenue (R\$ `000)	1Q09	1Q10	% Chg.
Machine Tools	50,330	102,880	104.4
Plastic Machines	15,407	28,861	87.3
Rough and Machined Cast Iron Parts	10,032	13,391	33.5
Total	75,769	145,132	91.5



Romi - Consolidated	Quarter					
	1Q09	2Q09	3Q09	4Q09	1Q10	% Chg.
Net Operating Revenue (R\$ `000)						
Machine Tools	50,330	64,634	77,698	118,010	102,880	(12.8)
Plastic Machines	15,407	28,859	32,057	43,536	28,861	(33.7)
Rough and Machined Cast Iron Parts	10,032	10,583	12,250	12,038	13,391	11.2
Total	75,769	104,076	122,005	173,584	145,132	(16.4)

Note: See income statements by Business Unit in Appendix I.

Machine Tools

The net operating revenue of this unit reached R\$ 102.9 million in 1Q10, posting a significant increase of 104.4% in relation to 1Q09. Compared with the immediately preceding period, we note a decrease of 12.8% due to the business seasonality.

Volume sales at the Machine Tools Business Unit in 1Q10 totaled 526 units, a growth of 113.8% in relation to 1Q09 (246 units), while in comparison with the immediately preceding period (524 units) there was stability. The differences between the variation in revenue and volume in relation to the previous quarter is the result of the product mix, since in this quarter we began delivery of many conventional lathes to technical schools, a product that has a low unit value.

The Business Unit's major domestic customers were from the machining services, automotive, technical school, tooling, machinery and equipment, oil, hydraulic and casting industries.

Plastic Processing Machines

In 1Q10, volume sales at the Plastic Processing Machines Business Unit totaled 83 units, up 232% over 1Q09 (25 units) and, in comparison with the immediately preceding period (120 units), there was a drop of 30.8%, basically due to the business seasonality.

The net revenue of this unit reached R\$ 28.9 million in 1Q10, representing growth of 87.3% in relation to 1Q09. Compared with 4Q09, there was a drop of 33.7%.

The industries that presented the highest demand for products of this Business Unit were packaging, automotive, service, real estate and home appliances.

Rough and Machine Cast Iron Parts

Volume sales of this Business Unit in 1Q10 amounted to 2,423 tons, a rise of 32.7% over the 1,826 tons sold in 1Q09. In comparison with the immediately preceding period, there was an increase of 3.0%, which evidences the recovery of some of the segments that buy our products.

The low volume of sales is the result of the economic slump over the course of 2009, reflecting a share of 9.2% of this business unit in the Company's total revenue in 1Q10 (13.2% in 1Q09).

Demand during the period came principally from the following segments: commercial automotive (trucks), agricultural machinery, equipment for energy generation and capital goods.

Operating Costs and Expenses

The gross margin achieved in 1Q10 shows an improvement of 5.0 p.p. in relation to 4Q09 and a gradual recovery over the course of last year, with an improvement of 2.6 p.p. against the same period last year. This is due to the increased productivity of the manufacturing units with a significant rise in production volume.

The operating margin for 1Q10 recovered by 29.1 p.p. in relation to 1Q09, even though there was a slight decline 0.5 p.p. compared with 4Q09, resulting from lower net operating revenue.



Romi - Consolidated	Quarter				
	1Q09	2Q09	3Q09	4Q09	1Q10
Gross Margin (%)					
Machine Tools	42.5%	33.7%	40.4%	37.1%	41.2%
Plastic Machines	39.4%	36.2%	25.6%	23.8%	31.6%
Rough and Machined Cast Iron Parts	-21.6%	-9.5%	-21.3%	-3.2%	5.4%
Total	33.4%	30.0%	30.3%	31.0%	36.0%

Romi - Consolidated	Quarter				
	1Q09	2Q09	3Q09	4Q09	1Q10
Operating Margin (%)					
Machine Tools	-10.3%	10.3%	13.4%	17.6%	16.1%
Plastic Machines	-36.1%	-3.8%	-8.6%	-2.9%	-5.6%
Rough and Machined Cast Iron Parts	-40.0%	-25.8%	-33.9%	-16.0%	-7.6%
Total	-19.5%	2.7%	2.9%	10.1%	9.6%

Machine Tools

The gross margin of this Business Unit reached 41.2% in 1Q10, a rise of 4.1 p.p. in relation to 4Q09, due to the increase in production volume, generating greater efficiency. Compared with 1Q09 there was a drop of 1.3 p.p.

The operating margin for the first quarter of 2010 recovered strongly – 26.4 p.p. – in relation to 1Q09, but was down 1.5 p.p. when compared with 4Q09. Since Romi's operating expenses are more fixed than variable, the volume of revenue explains the fluctuations in the operating margin.

Plastics Processing Machines

The gross margin in 1Q10 reached 31.6%, recovering 7.8 p.p. in relation to 4Q09, although in comparison with 1Q09 we note a decrease of 7.8 p.p. The greater production volume contributed to this gross margin gain. The effect on the operating margin is basically due to the fluctuation in revenue between the quarters analyzed.

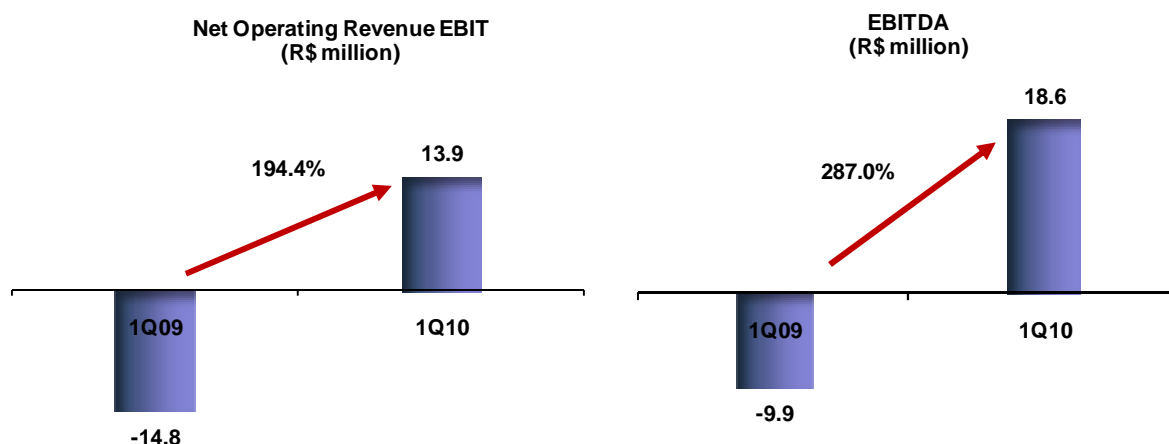
Rough and Machine Cast Iron Parts

This unit has been more intensively impacted by low production volume, posting negative margins in 2009. Certain operating adjustments implemented by the Company have resulted in a gradual improvement in gross and operating margins, with a positive growth margin of 5.4% in 1Q10, a recovery of 8.6 p.p.

EBITDA and EBITDA Margin

In 1Q10, our operating cash flow as measured by EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) was R\$ 18.6 million, representing an EBITDA margin of 12.8%.

Reconciliation of Net Income to EBITDA	Quarter					
	1Q09	1Q10	% Chg.	1Q09	1Q10	% Chg.
R\$ thousands						
Net Income	(7,838)	10,563	234.8	17,081	10,563	(38.2)
Net Financial Income	(3,977)	3,076	(177.3)	(2,938)	3,076	(204.7)
Income tax and social contributions	(2,942)	292	(109.9)	3,471	292	(91.6)
Depreciation and amortization	4,829	4,636	(4.0)	5,298	4,636	(12.5)
EBITDA	(9,928)	18,567	287.0	22,912	18,567	(19.0)
EBITDA Margin	-13.1%	12.8%		13.2%	12.8%	



Net Result

Net income is R\$ 10.6 million in 1Q10, a result that represents a significant improvement over the loss of R\$ 7.8 million posted in 1Q09, although lower than the result in 4Q09 of R\$ 17.1 million, due to seasonality at that time of year and the effects of financial expenses related to exchange variation.

The financial result was impacted by the exchange variation on cash overseas. In 1Q10 the Company remitted to its New York bank account the amount of US\$ 74 million and, at the beginning of April, remitted an additional US\$ 18 million, totaling US\$ 92 million. The strategy for remitting such amounts overseas was the high cost of hedging and the availability of Company cash. The amount is for supporting the acquisition of companies abroad as opportunities arise.

Distribution of Result

As decided by the Board of Directors at the meeting held on March 16, 2010, payment was made of interest on capital attributable to the mandatory minimum dividend for 2010, in the gross amount of approximately R\$ 9.0 million, representing R\$ 0.12 per share, on April 20, 2010.

Investments

In 1Q10 investments totaled R\$ 4.8 million, which represents a reduction of 84.7% in relation to the amount invested in 1Q09 (R\$ 31.4 million). In 2010, funds have basically been earmarked for the maintenance of the plants.

Financial Position

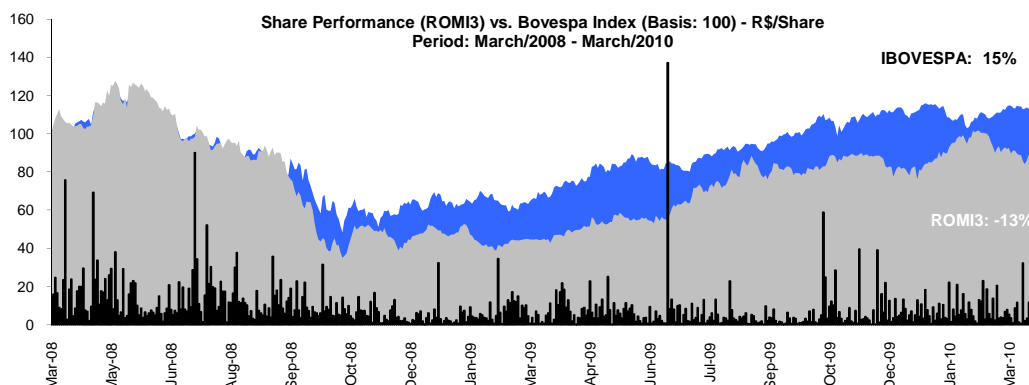
Investments, including those backed up by debentures, are made with prime financial institutions and their yield is substantially linked to the Interbank Certificate of Deposit ("CDI") or time deposit (TD), when abroad. The consolidated position of the Company's cash and cash equivalents at March 31, 2010 was R\$ 237 million.

Loans taken out by the Company are basically intended for investments in expansion and modernization of plants, and financing of exports and imports. At March 31, 2010, local currency financing was R\$ 241 million and foreign currency financing amounted to R\$ 3 million, totaling R\$ 244 million.

At March 31, 2010, the Company has not entered into any derivative transactions.



Capital Markets



Source: Bovespa (São Paulo Stock Exchange)

At the end of 1Q10, the Company's common shares (ROMI3) were quoted at R\$ 12.50 and were up by 6.6% and 101%, in relation to the end of 4Q09 and 1Q09, respectively. The Bovespa index in the same period posted gains of 2.6% and 71.9%, respectively.

The Company's market capitalization at March 31, 2010 was R\$ 934 million and the average daily trading volume during 1Q10 was R\$ 1,170 thousand.

IFRS

As already disclosed, as from December 31, 2007 the Company has reported its financial statements in accordance with International Financial Reporting Standards (IFRS). Below we show the impacts of the differences between IFRS and Generally Accepted Accounting Principles in Brazil (BRGAAP) at March 31, 2010.

Amounts in R\$ thousand	<u>3/31/10</u>
Shareholders' equity under BRGAAP	682,567
Adjustments under IFRS:	
Amortization of intangible asset arising on acquisition of JAC Indústria Metalúrgica Ltda. ("JAC") recorded for IFRS purposes	(474)
Deferred taxes relating to amortization of the intangible asset above	161
Other differences	(116)
Controlling interests	<u>682,138</u>
Non-controlling interests	<u>1,559</u>
Shareholders' equity under IFRS	<u>683,697</u>
Net income for period under BRGAAP	10,657
Adjustments under IFRS:	
Amortization of intangible asset arising on acquisition of JAC Indústria Metalúrgica Ltda. ("JAC") recorded for IFRS purposes	(142)
Deferred taxes relating to amortization of the intangible asset above	48
Net income under IFRS	<u>10,563</u>

Statements contained in this release related to the Company's business prospects, projections for operating and financial results, and references to the Company's growth potential are mere forecasts and were based on Management's expectations regarding its future performance. These expectations are highly dependent upon market behavior and the economic situation of Brazil, the industry and the international markets. Therefore, they are subject to changes.

Financial Statements

Consolidated Balance Sheets IFRS (R\$ thousand)

ASSETS	4Q09	1Q09	1Q10
CURRENT	914,546	819,612	951,245
Cash and Cash equivalents	225,913	73,257	237,192
Marketable securities	-	42,141	-
Trade accounts receivable	75,935	44,459	69,734
Trade accounts receivable - Finame Manufacturer	342,155	328,550	350,825
Inventories	243,651	303,867	263,973
Recoverable taxes	15,937	19,562	16,199
Other assets	10,955	7,776	13,322
NON CURRENT	825,036	778,489	826,337
Long-Term Assets	537,452	492,617	536,126
Trade accounts receivable	4,468	2,884	4,775
Trade accounts receivable - Finame Manufacturer	477,737	432,960	475,825
Recoverable taxes	14,126	19,154	11,924
Deferred income taxes	16,166	160,435	17,730
Escrow Deposits	17,999	14,739	19,542
Other assets	6,956	6,445	6,330
Investments			
Property, Plant and Equipment	281,361	279,838	281,141
Other investments	4,206	4,538	7,053
Goodwill	2,017	1,496	2,017
TOTAL ASSETS	1,739,582	1,598,101	1,777,582

Consolidated Balance Sheets

IFRS (R\$ thousand)

LIABILITIES AND SHAREHOLDER'S EQUITY	4Q09	1Q09	1Q10
CURRENT	406,125	393,380	415,909
Loans	25,538	32,489	23,171
Trade accounts payable	32,926	25,995	41,715
Liabilities - Finame Manufacturer	284,390	281,374	292,497
Payroll and related charges	22,402	23,406	25,211
Taxes payable	10,259	1,762	6,676
Advances from customers	7,584	9,281	7,245
Interest on capital, dividends and participations	10,406	4,680	9,385
Other liabilities	12,620	14,393	10,009
NON CURRENT	648,920	522,113	677,976
Loans	207,123	67,292	220,172
Liabilities - Finame Manufacturer	405,967	419,678	417,913
Deferred income taxes on negative goodwill	8,930	7,947	8,753
Taxes payable	3,642	3,578	3,806
Other liabilities	2,935	6,687	5,333
Provision for contingencies	20,323	16,931	21,999
SHAREHOLDER'S EQUITY	682,540	681,044	682,138
Capital	505,764	505,764	505,764
Capital reserves	2,209	2,209	2,209
Cumulative Translation Adjustments	179,041	169,304	180,424
Profit reserves/retained earnings	(4,474)	3,767	(6,259)
NON CONTROLLING INTERESTS	1,997	1,564	1,559
TOTAL SHAREHOLDER'S EQUITY	684,537	682,608	683,697
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1,739,582	1,598,101	1,777,582



Consolidated Statements of Income

IFRS (R\$ thousand)

R\$ Thousand	1Q09	1Q10	% Chg.	4Q09	1Q10	% Chg.
Net Operating Revenue	75,769	145,132	91.5	173,584	145,132	(16.4)
Cost of sales and services	(50,476)	(92,936)	84.1	(119,793)	(92,936)	(22.4)
Gross Profit	25,293	52,196	106.4	53,791	52,196	(3.0)
<i>Gross Margin %</i>	<i>33.4%</i>	<i>36.0%</i>		<i>31.0%</i>	<i>36.0%</i>	
Operating Expenses	(40,050)	(38,265)	94.5	(36,177)	(38,265)	5.8
Selling	(13,718)	(13,242)	(3.5)	(14,358)	(13,242)	(7.8)
General and administrative	(17,251)	(16,549)	(18.4)	(14,986)	(16,549)	(1.4)
Management profit sharing	(1,857)	(1,988)	7.1	(1,841)	(1,988)	(22.1)
Research and development	(6,736)	(5,779)	22.6	(5,984)	(5,779)	38.0
Taxation	(503)	(768)	52.7	(469)	(768)	63.8
Other operating revenue	15	61	306.7	1,461	61	(95.8)
Operating Income (Loss) before Financial Results	(14,757)	13,931	194.4	17,614	13,931	(20.9)
<i>Operating Margin %</i>	<i>-19.5%</i>	<i>9.6%</i>		<i>10.1%</i>	<i>9.6%</i>	
Financial Results	3,977	(3,076)	(177.3)	2,938	(3,076)	(204.7)
Financial income	7,023	6,423	(8.5)	6,519	6,423	(1.5)
Financial expenses	(1,987)	(3,793)	90.9	(2,719)	(3,793)	39.5
FX changes, net	(1,059)	(5,706)	438.8	(862)	(5,706)	561.9
Operating Income(Loss)	(10,780)	10,855	200.7	20,552	10,855	(47.2)
Income tax and social contribution	2,942	(292)	(109.9)	(3,471)	(292)	(91.6)
Net income (Loss)	(7,838)	10,563	234.8	17,081	10,563	(38.2)
<i>Net Margin %</i>	<i>-10.3%</i>	<i>7.3%</i>		<i>9.8%</i>	<i>7.3%</i>	
Management profit sharing	-	-		-	-	
Owners of the parent	(7,576)	10,353	236.7	16,865	10,353	(38.6)
Non controlling interests	(262)	210	180.2	216	210	(2.8)
EBITDA	(9,928)	18,567	287.0	22,912	18,567	(19.0)
Net income (Loss)	(7,838)	10,563		17,081	10,563	
Income tax and social contribution	(2,942)	292		3,471	292	
Financial results	(3,977)	3,076		(2,938)	3,076	
Depreciation and amortization	4,829	4,636		5,298	4,636	
<i>EBITDA Margin %</i>	<i>-13.1%</i>	<i>12.8%</i>		<i>13.2%</i>	<i>12.8%</i>	
Nº of shares in capital stock (th)	74,758	74,758		74,758	74,758	
Net income (loss) per share - R\$	-0.10	0.14		0.23	0.14	
Book value per share - R\$	9.11	9.12		9.13	9.12	



Consolidated Statements of Cash Flows IFRS (R\$ thousand)

R\$ thousands	4Q09	1Q09	1Q10
Cash from operating activities			
Net (Loss) Income	17,081	(7,838)	10,563
Income tax - current and deferred	3,471	(2,942)	292
Depreciation e amortization	5,298	4,829	4,636
Provision for doubtful accounts	1,938	759,000	1,832
Loss (Gain) on sale of fixed assets	(88)	124	55
Financial expenses and FX changes	2,618	(0,626)	5,386
Provision for inventory devaluation	(2,841)	1,215	691
Provision for contingencies	814	1,055	1,676
Change on operating assets	-	-	-
Purchase of trading securities	-	11,579	-
Trade accounts receivable	(32,053)	35,419	8,411
Trade accounts receivable - Finame Manufacturer	(15,516)	42,968	6,837
Inventories	26,083	(21,229)	(22,301)
Recoverable taxes	1,416	(6,707)	161
Escrow deposits	(1,341)	(936)	(1,543)
Other current and long term assets	(6,230)	(638)	(2,168)
Change on operating liabilities	-	-	-
Trade accounts payable	6,047	(4,973)	7,489
Payroll and related charges	(3,759)	(10,365)	2,916
Taxes payable	297	(1,673)	(3,976)
Advances from customers	163	(4,755)	(328)
Other current and long term liabilities	4,746	(3,662)	(3,610)
Cash provided by (used in) operating activities	8,144	31,604	17,019
Income taxes paid	1,657	(937)	(904)
Net Cash provided by (used in) operating activities	9,801	30,667	16,115
Acquisitions of fixed assets	(5,941)	(29,205)	(4,229)
Sale of assets	2,306	-	-
Intangible	-	(695)	(129)
Cash flow used in investment operations	(3,635)	(29,900)	(4,358)
Interest on capital and dividends paid	(1,009)	(12,307)	(8,667)
New loans and financing	129,471	6,912	17,443
Payments of loans	(1,401)	(5,802)	(7,210)
Interests paid	(2,728)	(20,075)	(17,919)
New loans - Finame Manufacturer	92,635	40,922	89,496
Payments of loans Finame Manufacturer	(58,430)	(63,224)	(68,573)
Repurchase of shares	(16,356)	(10,191)	-
Cash flow from financial activities	142,182	(63,765)	4,570
Net Cash Flow	148,348	(62,998)	16,327
Exchange rate of cash and cash equivalents of foreign investments	(949)	1,031	(5,048)
Cash and cash equivalents - beginning of period	78,514	135,224	225,913
Cash and cash equivalents - end of period	225,913	73,257	237,192

Appendix I

Income Statement by Business Units - 1Q10

R\$ '000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	102,880	28,861	13,391	145,132
Cost of Sales and Services	(58,288)	(14,393)	(20,255)	(92,936)
Business Units Transfers	3,999	-	9,423	13,422
Business Units Transfers	(6,238)	(5,354)	(1,830)	(13,422)
Gross Profit	42,353	9,114	729	52,196
<i>Gross Margin %</i>	41.2%	31.6%	5.4%	36.0%
Operating Expenses	(25,802)	(10,722)	(1,741)	(38,265)
Selling	(9,070)	(3,532)	(640)	(13,242)
General and Administrative	(10,577)	(5,067)	(905)	(16,549)
Management profit sharing	(1,517)	(327)	(144)	(1,988)
Research and Development	(4,151)	(1,628)	-	(5,779)
Taxation	(550)	(166)	(52)	(768)
Other operating revenue	63	(2)	-	61
Operating Income (loss) before Financial Results	16,551	(1,608)	(1,012)	13,931
<i>Operating Margin %</i>	16.1%	(5.6%)	(7.6%)	9.6%

Income Statement by Business Units - 1Q09

R\$ '000	Machine Tools	Plastic 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 (Loss)	21,399	6,064	(2,170)	25,293
<i>Gross Margin %</i>	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 (loss) before Financial Results	(5,185)	(5,556)	(4,016)	(14,757)
<i>Operating Margin %</i>	-10.3%	-36.1%	-40.0%	-19.5%