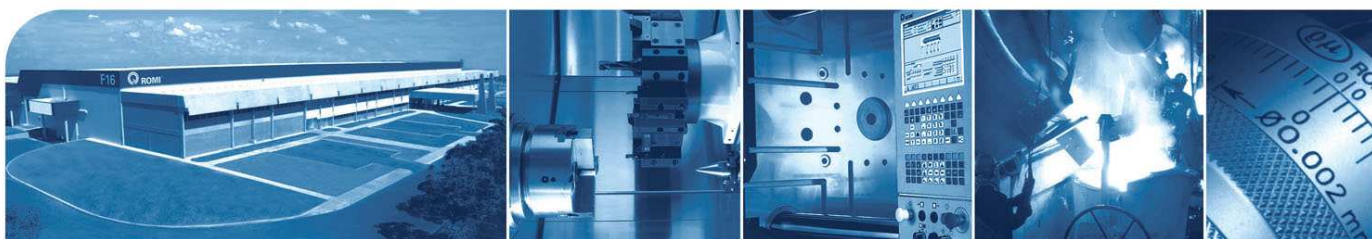




A TRADITION OF INNOVATION



July 29 2009

2Q09 Earnings Release

July 30 2009

2Q09 Conference Call in Portuguese

Time: 10:30 a.m. (Brazil)

Call for connection:

(55 11) 4688-6361

Access code: romi

2Q09 Conference Call in English

Time: 12:30 p.m. (Brazil)

4:30 p.m. (London)

11:30 a.m. (NY)

Tel.: USA – 1 888 700 0802

Brazil – 55 11 4688 6361

Others – 1 786 924 6977

Access Code: romi

Share Price (06/30/09)

ROMI3 – R\$ 8.80/share

Market Cap. (06/30/09)

R\$ 658 million

US\$ 337 million

Total shares (06/30/09)

Common: 74,757,547

Total: 74,757,547

Free Float = 52.41%

Investor Relations Contact:

Luiz Cassiano R. Rosolen

Investor Relations Officer

Tel: (19) 3455-9004

dri@romi.com.br

Website:

www.romi.com.br

Santa Bárbara d'Oeste, SP, July 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 second quarter 2009 (2Q09). 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

Romi reports recovery in new orders entry against the last two quarters

Highlights

- **Ebitda margin improves 20 percentage points compared with 1Q09**, due to the operating adjustments and the impact of the sales of Romicron's assets.
- **Net Operating Revenue posts a quarter on quarter increase of 37.4%**, on the back of improved sales of Machine Tools and Plastic Processing Machines.
- **Growth of 11.3% in order entry for Plastic Blow Molding Machines in 2Q09 compared with 2Q08**, evidence of the successful strategy in aggregating these products to Romi's portfolio;

ROMI - Consolidated	Quarter			Accumulated		
In Thousand Reais	2Q08	2Q09	% Chg.	1H08	1H09	% Chg.
Sales Volume						
Machine Tools (units)	650	319	(50.9)	1,168	565	(51.6)
Plastic Machines (units)	104	61	(41.3)	185	86	(53.5)
Rough and Machined Cast Iron Parts (tons)	5,669	1,952	(65.6)	11,243	3,778	(66.4)
Net Operating Revenue	177,263	104,076	(41.3)	330,119	179,845	(45.5)
Gross Profit	73,618	31,212	(57.6)	134,750	56,505	(58.1)
Gross margin (%)	41.5%	30.0%		40.8%	31.4%	
Operating Income (EBIT)	33,164	2,821	(91.5)	58,004	(11,936)	(120.6)
Operating margin (%)	18.7%	2.7%		17.6%	(6.6%)	
Net Income	32,743	505	(98.5)	58,679	(7,333)	(112.5)
Net margin (%)	18.5%	0.5%		17.8%	(4.1%)	
EBITDA	36,680	7,244	(80.4)	65,006	(2,684)	(104.1)
EBITDA margin (%)	20.7%	6.9%		19.7%	(1.5%)	
Investments	22,921	7,869		31,220	39,318	

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

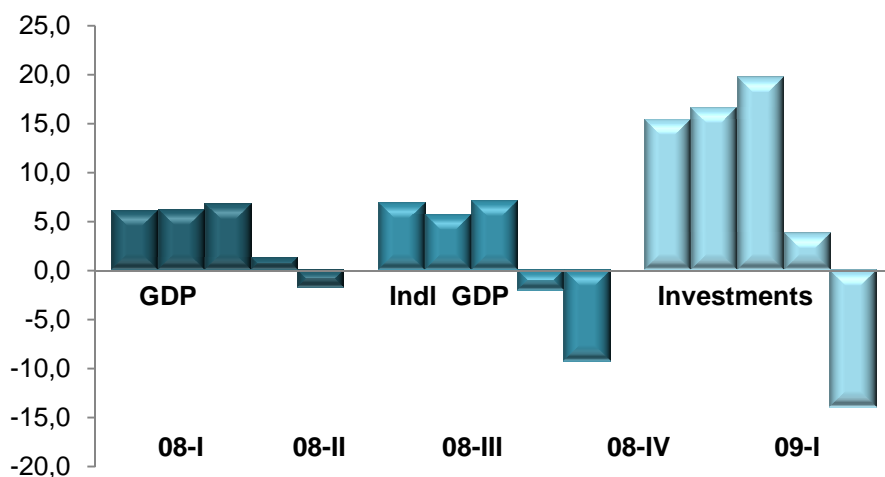
Romi is a leading company among the Brazilian manufacturers of Machine Tools and Plastic Processing Machines. It also has an important share of the Rough and Machined Cast Iron Parts market. The Company's main customer segments are automotive (light and heavy), agricultural machinery, capital goods and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

The Company has eleven industrial units of which four are dedicated to the final assembly of industrial machinery. Romi also operates two foundries, three units for the machining of mechanical 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 industrial machines and about 50,000 tons in castings.

The Machine Tools Business Unit, which accounted for about 62.1% of the Company's 2Q09 sales 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 10.2% and 27.7%, respectively to sales revenue in the period.

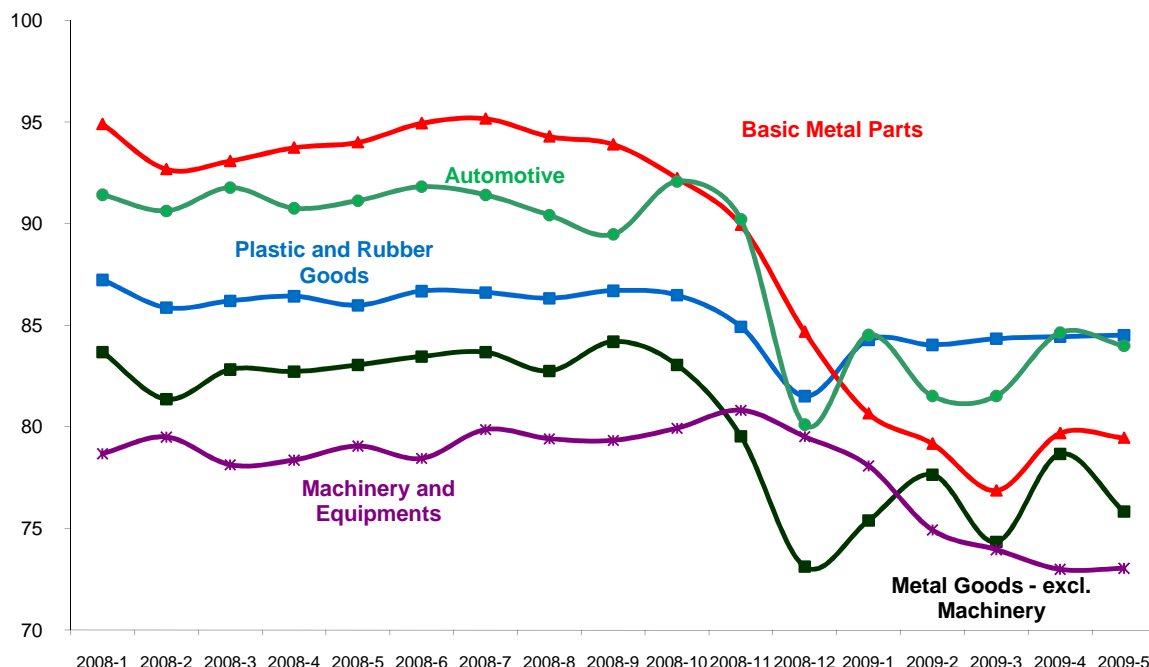
The capital goods sector continues to suffer from the uncertainties in the domestic market and the sharp decline in exports, due to the downturn in the economic scenario. While the final months of 2008 and the first months of 2009 recorded a fall in demand for Romi's machine tools and castings well below that for the same period a year earlier, in the second quarter 2009 the Company noted a slight increase in order book as well as an improvement in confidence levels of the Brazilian industrial sector.

The crisis affected domestic industry more profoundly than the services, agricultural and commercial sectors. IBGE (the government statistics office) economic data for the first quarter 2009 registered a 9.3% slump in Industrial GDP and 14% in Gross Capital Formation as shown below. Both are key growth drivers for Romi.



Source: IBGE

As a result of the impact of the crisis on the industrial sector, the principal customer segments suffered a relevant reduction in their levels of installed capacity utilization in the past few months, as we can observe below. However, it is worth noting that indicators have reported stability since April together with a recovering tendency.



Source: Fiesp – INA (Activity Level Indicator) – NUCI (Level of Installed Capacity Utilization)

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 customer credit packages in local currency, and short delivery times – are all recognized by the customer base, giving the ROMI® brand name a traditional and prestigious reputation. In addition, the Company's financial soundness has also become even more important factor in purchasing decisions in a business environment by economic instability and lack of credit.

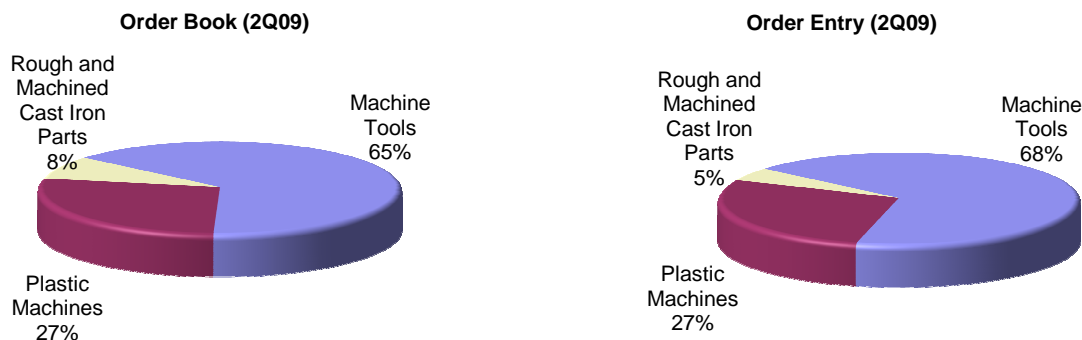
New Orders (gross values including sales tax)

Order Entry (R\$ thousands)	2Q08	2Q09	% Chg.
Machine Tools	168,928	73,964	(56.2)
Plastic Machines	49,726	31,441	(36.8)
Rough and Machined Cast Iron Parts	31,727	9,332	(70.6)
Total	250,381	114,737	(54.2)

The effects of the domestic and world economic downturn are apparent from the figures for new orders when compared with the same period in 2008. Another important fact that can be noted in our customers segments is the consumption of inventory.

Order Entry (R\$ thousands)	1H08	1H09	Var.%
Machine Tools	301,553	108,004	(64.2)
Plastic Machines	84,096	46,600	(44.6)
Rough and Machined Cast Iron Parts	73,492	12,953	(82.4)
Total	459,141	167,557	(63.5)

The reduction of capital expenditure programs on the part of our customers strongly impacted the Company's business with a 63.5% decline in new orders on a 1H09 versus 1H08 comparative basis.



Order Entry (R\$ thousands)	1Q09	2Q09	% Chg.
Machine Tools	34,040	73,964	117.3
Plastic Machines	15,159	31,441	107.4
Rough and Machined Cast Iron Parts	3,621	9,332	157.7
Total	52,820	114,737	117.2

On a quarter on quarter basis, new orders in 2Q09 posted an increase of 117.2%, reflecting the commercial success of the International Machinery (Feimafe) and the International Plastics Industry (Brasilplast) trade fairs held in May and resumption in customer interest, although moderated, in acquiring machines for plant modernization.

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

Order Book (R\$ thousands)	2Q08	2Q09	% Chg.
Machine Tools	145,757	65,358	(55.2)
Plastic Machines	48,770	26,711	(45.2)
Rough and Machined Cast Iron Parts	26,558	4,510	(83.0)
Total	221,085	96,579	(56.3)

Compared with the order book for the same period in 2008, the effects of weaker economic activity are still apparent with a significant decline at all business units. In the case of the Rough and Machined Cast Iron Parts unit, the fall was particularly acute since some customers - which had traditionally adopted a policy of anticipating requirements - chose instead to place orders for castings for immediate use only.

Order Book (R\$ thousands)	1Q09	2Q09	% Chg.
Machine Tools	60,154	65,358	8.7
Plastic Machines	23,098	26,711	15.6
Rough and Machined Cast Iron Parts	8,636	4,510	(47.8)
Total	91,888	96,579	5.1

On the other hand, it is worth noting that despite current conditions, the order book reported of a 5.1 percentage point growth in 2Q09 compared with 1Q09, a period in which sales rose 37.4%.

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

Net Operating Revenue

In 2Q09, the Company reported Consolidated Net Operating Revenue of R\$104.1 million, 41.3% lower than in 2Q08 (R\$177.3 million). However, when set against 1Q09, the Company posted growth of 37.4%.

In the first six months of 2009, Consolidated Net Operating Revenue fell 45.5% when compared with the same period in 2008, reaching R\$ 179.8 million. The reduction was mainly due to the decline in industrial activity in Brazil since the final quarter of 2008.

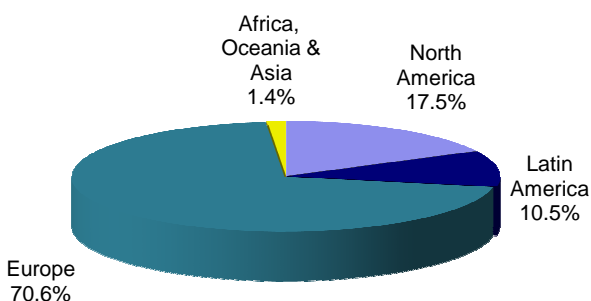
Second quarter export revenue amounted to R\$ 13.7 million, a year on year reduction of 32.8% (R\$ 20.4 million in 2Q08). In US dollar terms, 2Q09 sales were US\$ 6.8 million, representing a decline of 45.6% relative to the US\$ 12.5 million reported in 2Q08, again evidence of the worldwide panorama of economic difficulties. However, in 2Q09, export revenue amounted to 13.2% of Net Operating Revenue compared with 11.5% for 2Q08, principally reflecting the acquisition of the Sandretto assets in Italy in July 2008.

Europe was the leading market for the Company's overseas business, accounting for 70.6% of the revenue generated from exports in the quarter (28.7% in 2Q08), followed by the United States with 17.5% (42.5% in 2Q08), Latin America with 10.5% (24.6% in 2Q08) and other countries, a further 1.4% (4.2% in 2Q08).

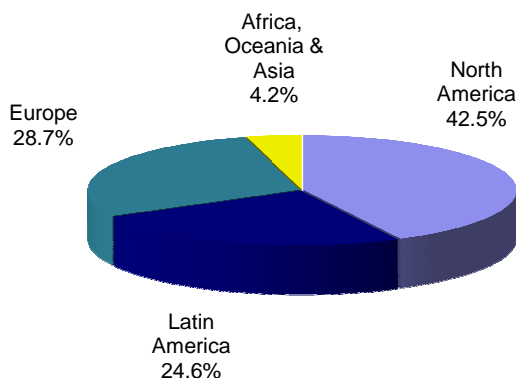
In 1H09, exports accounted for 17.3% (US\$ 14.4 million) of total revenue when compared to 12.2% (US\$ 24.0 million) for 1H08. In 1H09, Europe represented 55.9% (29.0% in 1H08), USA, an additional 34.4% (47.8% in 1H08), Latin America, 8.9% (20.7% in 1H08) and other countries, 0.8% (2.5% in 1H08).

Net Operating Revenue (R\$ thousand)

Exports Destination (2Q09)



Exports Destination (2Q08)



Romi - Consolidated	Quarter			Accumulated		
Net Operating Revenue (R\$ `000)	2Q08	2Q09	Var%	1H08	1H09	Var%
Machine Tools	114,911	64,634	(43.8)	211,644	114,964	(45.7)
Plastic Machines	29,802	28,859	(3.2)	56,476	44,266	(21.6)
Rough and Machined Cast Iron Parts	32,550	10,583	(67.5)	61,999	20,615	(66.7)
Total	177,263	104,076	(41.3)	330,119	179,845	(45.5)

Romi - Consolidated	Quarter		
Net Operating Revenue (R\$ `000)	1Q09	2T09	Var%
Machine Tools	50,330	64,634	28.4
Plastic Machines	15,407	28,859	87.3
Rough and Machined Cast Iron Parts	10,032	10,583	5.5
Total	75,769	104,076	37.4

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

Machine Tools

The physical sales of the Machine Tools Business Unit in 2Q09 totaled 319 units, a reduction of 50.9% compared with the same period in 2008 (650 units).

Net operating revenue from the unit posted an increase of 28,4% (R\$ 64.6 million) in the 2Q09 compared with 1Q09. However there was a decrease of 43,8% if compared with 2Q08.

The unit's share of total Company revenue in 2Q09 was 62.1% (64.8% in 2Q08).

The principal reason for the reduction in machine tool sales volume was due to the overall deceleration in business activity of the industrial sector already commented above.

The Business Unit's principal domestic customers continue to be in the machining services segment as well as the machine tools, the machinery and equipment industry and oil areas. Demand also came from technical schools.

Plastic Processing Machines

In 2Q09, the Plastic Processing Machines Business Unit's sales amounted to 61 units, a 41.3% reduction in relation to the same period in 2008 (104 units).

This Business Unit's share in the Company's total 2Q09 revenue was 27.7% (16.8% in 2Q08).

Net revenue reached R\$ 28.9 million in 2Q09, representing an increase of 87,3% if compared with 1Q09. However, comparing with 2Q08, a decline of 3.2% can be noted. Sales of blow molding machines made an important contribution to minimizing erosion of the unit's sales, an indication of the Company's success in investing in this product line.

The strongest demand for the Business Unit's products came from the packaging industry, services, civil construction and the automotive segment.

Rough and Machined Cast Iron Parts

During the period under review, sales from this unit amounted to 1,952 tons, a little higher than the 1,826 tons sales in the 1Q09. When compared with the same period in 2008, a decline of 65.6% can be noted.

The share of this unit in the Company's total revenue in 2Q09 amounted to 10.2% (18.4% in 2Q08).

Low output from this unit is reflected in its share of total company sales – in turn, again the result of the economic downturn.

Demand during the period was principally from the commercial automotive business (trucks), energy generation equipment and agricultural machinery.

Operating Costs and Expenses

Romi posted a 2Q09 gross margin of 11.5 percentage points compared with 2Q08 and a 3.4 pp drop on a quarter on quarter comparative basis. The main factors related to the squeeze on gross margin were the reduced production volume, in turn reflecting weak demand during the period and also the aggressive pricing policy adopted.

Operating margins in 2Q09 were similarly narrowed by 16 pp compared with 2Q08 and closed the quarter at 2.7%. However, compared with 1Q09 (-19.5%), the Company registered a 22.2 pp recovery.

Some factors impacted positively on operating margins, among them:

- The closing of the agreement to transfer technology and the Romicon® production line to Kennametal, resulting in additional net revenue of R\$ 5.6 million.
- The Company also introduced some operating adjustments, among them a reduction in working hours and wages between April and June and contractual renegotiations with suppliers and service providers.

Romi - Consolidated	Quarter			Accumulated	
Gross Margin (%)	2Q08	1Q09	2Q09	1H08	1H09
Machine Tools	45.2%	42.5%	33.7%	45.9%	37.6%
Plastic Machines	35.7%	39.4%	36.2%	35.7%	37.3%
Rough and Machined Cast Iron Parts	33.9%	(21.6%)	(9.5%)	28.1%	(15.4%)
Total	41.5%	33.4%	30.0%	40.8%	31.4%

Romi - Consolidated	Quarter			Accumulated	
Operating Margin (%)	2Q08	1Q09	2Q09	1H08	1H09
Machine Tools	19.7%	(10.3%)	10.3%	20.3%	1.3%
Plastic Machines	12.0%	(36.1%)	(3.8%)	11.1%	(15.0%)
Rough and Machined Cast Iron Parts	21.5%	(40.0%)	(25.8%)	14.1%	(32.7%)
Total	18.7%	(19.5%)	2.7%	17.6%	(6.6%)

Machine Tools

The Business Unit recorded a gross margin of 33.7% in 2Q09, an 11.5 pp fall relative to 45.2% reported in 2Q08. The operating margin for the quarter was down 9.4 pp. If the effects of the sale of the Romicon®'s assets are not taken into account, the margin would have closed the quarter at 1.5%. Again weaker market demand largely, associated with a more aggressive pricing policy adopted, accounted for the negative impact on margins.

Plastic Processing Machines

Gross margin in 2Q09 reached 36.2%, 0.5 pp higher than 2Q08. The negative operating margin in the quarter is mainly due to lower sales volume.

Rough and Machined Cast Iron Parts

This unit was particularly hard hit by the impact of low production volume - resulting in negative margins. Certain operating adjustments introduced by the Company have produced an improvement in gross and operating margins, relative to 1Q09, of 12.1 pp and 14.2 pp, respectively.

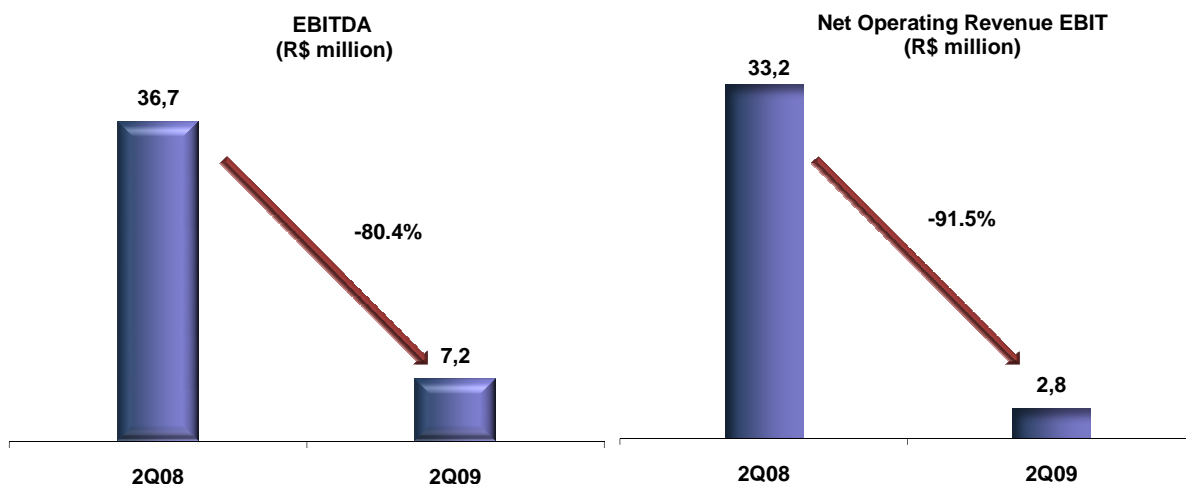
EBITDA and EBITDA Margin

In 2Q09, operating cash generation as measured by EBITDA (Earnings before Financial Results, Taxes, Depreciation and Amortization) was R\$ 7.1 million, equivalent to an EBITDA margin of 6.9%. The principal factors behind this result were the operating adjustments undertaken by the Company as well as revenue accruing from the conclusion of the agreement for transferring technology and the Romicon® production line to Kennametal. The Company believes that business is now sufficiently adapted to the current scenario to ensure a positive EBITDA over the forthcoming quarters if the recovery in the business units' sales continue.

Reconciliation of Net Income to EBITDA	Quarter			Accumulated		
R\$ thousands	2Q08	2Q09	% Chg.	1H08	1H09	% Chg.
Net Income	32,743	505	(98.5)	58,679	(7,333)	(112.5)
Net Financial Income	(8,217)	1,058	(112.9)	(15,187)	(2,919)	(80.8)
Income tax and social contributions	8,638	1,258	(85.4)	14,512	(1,684)	(111.6)
Depreciation and amortization	3,516	4,423	24.3	7,002	9,252	31.4
EBITDA	36,680	7,244	(80.4)	65,006	(2,684)	(104.2)
EBITDA Margin	20.7%	6.9%		19.7%	(1.5%)	

Net Result

The Company posted a net income of R\$ 0.5 million in 2Q09 against a first half loss of R\$ 7.3 million for reasons cited above.



Capital expenditures in fixed assets for 2Q09 amounted to R\$ 7.9 million, 65.7% less than was invested in 2Q08 (R\$ 22.9 million). For the full first half period, the Company made investments worth R\$ 39.3 million, corresponding to growth of 25.9% in relation to 1H08 (R\$ 31.2 million).

Resources were allocated to concluding work on the Company's current investment projects, namely Paradiso (specifically in the completion of the heavy machine tool unit expansion) and Vulcano (implementation and start up of the new foundry).

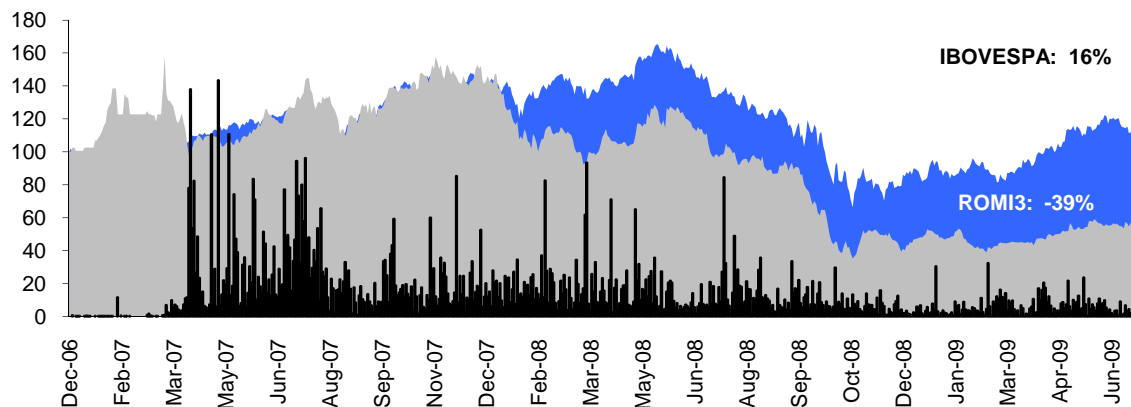
The financial investments including those where the underlying instruments are debentures, are contracted with first class financial institutions, the relative income largely indexed to the Interbank Deposit Certificate ("CDI"). The consolidated position in cash/cash equivalents as at June 30 2009 was R\$ 99.9 million.

The Company's loans are largely to fund investments for expanding the manufacturing complex, modernization, and export and import finance. On June 30 2009, the amount of local currency financing was R\$ 101.4 million, and in foreign currency, R\$ 13,3 million, a grand total of R\$ 111.3 million.

As of June 30 2009, the Company had no outstanding positions in derivatives.

Capital Markets

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



Source: BM&F Bovespa

At the end of 2Q09, the Company's common shares (ROMI3) were trading at R\$ 8.80, an appreciation of 41.5% relative to the end of 1Q09. In the same period, the Bovespa Stock Index reported a 25.8% appreciation.

Romi's market capitalization was R\$ 658 million as at June 30 2009. Average daily trading volume during 2Q09 was R\$ 1,447.7 thousand.

International Financial Reporting Standards (IFRS)

As from December 31 2007, the Company began 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 June 30 2009.

	06/30/2009
Shareholders' Equity in BR GAAP	657,854
Adjustments in IFRS:	
Reversal of goodwill from the Rominor subsidiary	4,199
Recognition of gain recorded in overseas controlled company as a result of acquisition of subsidiaries	19,316
Deferred income tax and social contribution on the above adjustments	(7,947)
Amortization of goodwill, recorded for the purposes of IFRS, arising from the acquisition of JAC, net of deferred taxes	(31)
Accumulated adjustment for currency conversion on gain recorded by subsidiary	<u>2,102</u>
Participation of controlling shareholders	675,493
Minority interests	<u>1,800</u>
Shareholders equity in IFRS	<u>677,293</u>
	06/30/2009
Net Loss according to BR GAAP	(7,800)
Adjustments in IFRS:	
Amortization of goodwill, reported for IFRS purposes arising from the acquisition of JAC, net of deferred taxes	(31)
Net Loss according to IFRS	<u>(7.831)</u>

Financial Statements

Consolidated Balance Sheet IFRS (R\$ thousands)

ASSETS	1Q09	1Q09
CURRENT	819,613	801,968
Cash and Cash equivalents	73,257	94,676
Marketable securities	42,141	5,237
Trade accounts receivable	44,459	51,397
Trade accounts receivable - Finame Manufacturer	328,550	343,635
Inventories	303,867	286,057
Recoverable taxes	19,563	13,973
Other assets	7,776	6,993
NON CURRENT	778,488	768,794
Long-Term Assets	492,616	480,274
Trade accounts receivable	2,884	3,730
Trade accounts receivable - Finame Manufacturer	432,960	418,030
Recoverable taxes	19,154	20,031
Deferred income taxes	16,434	16,173
Escrow Deposits	14,739	15,515
Other assets	6,445	6,795
Investments		
Property, Plant and Equipment	279,838	282,012
Other investments	4,538	4,491
Goodwill	1,496	2,017
TOTAL ASSETS	1.598,101	1.570,762

Consolidated Balance Sheet

IFRS (R\$ thousands)

LIABILITIES AND SHAREHOLDER'S EQUITY	1Q09	2Q09
CURRENT	393,380	391,129
Loans	32,489	30,050
Liabilities - Finame Manufacturer	281,374	288,827
Trade accounts payable	25,995	22,076
Payroll and related charges	23,406	25,362
Taxes payable	1,762	5,440
Advances from customers	9,281	5,992
Interest on capital, dividends and participations	4,680	1,150
Other liabilities	14,393	12,232
NON CURRENT	522,113	502,340
Long-term liabilities		
Loans	67,292	81,263
Liabilities - Finame Manufacturer	419,678	384,743
Deferred income taxes on negative goodwill	7,947	8,898
Taxes payable	3,578	3,578
Other liabilities	6,687	6,092
Provision for contingencies	16,931	17,766
SHAREHOLDER'S EQUITY	681,044	675,493
Capital	505,764	505,764
Capital reserves	2,209	2,209
Cumulative Translation Adjustments	3,767	(1,526)
Profit reserves/retained earnings	169,304	169,046
MINORITY INTERESTS	1,564	1,800
TOTAL SHAREHOLDER'S EQUITY AND MINORITY INTERESTS	682,608	677,293
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1.598,101	1.570,762

Consolidated Income Statement IFRS (R\$ thousands)

R\$ Thousand	2Q08	2Q09	% Chg.	1H08	1H09	% Chg.
Gross Operating Revenue	215,317	125,693	(41.6)	399,867	216,017	(46.0)
Taxes on sales	(38,054)	(21,617)	(43.2)	(69,748)	(36,172)	(48.1)
Net Operating Revenue	177,263	104,076	(41.3)	330,119	179,845	(45.5)
Cost of sales and services	(103,645)	(72,864)	(29.7)	(195,369)	(123,340)	(39.6)
Gross Profit	73,618	31,212	(57.6)	134,750	56,505	(58.1)
Gross Margin %	41.5%	30.0%		40.8%	31.4%	
Operating Expenses	40,454	28,391	(29.8)	76,746	68,441	(10.8)
Selling	(16,022)	(13,594)	(15.2)	(30,202)	(27,312)	(9.6)
General and administrative	(12,797)	(13,263)	3.6	(24,961)	(30,514)	22.2
Management profit sharing	(4,021)	(1,239)	(69.2)	(7,431)	(3,096)	(58.3)
Research and development	(7,121)	(5,010)	(29.6)	(13,745)	(11,746)	(14.5)
Taxation	(420)	(562)	33.8	(1,193)	(1,065)	(10.7)
Other operating revenue	(73)	5,277	(7,328.8)	786	5,292	573.3
Operating Income before Financial Results	33,164	2,821	(91.5)	58,004	(11,936)	(120.6)
Operating Margin %	18.7%	2.7%		17.6%	(6.6%)	
Financial Results	8,217	(1,058)	(112.9)	15,187	2,919	(80.8)
Financial income	9,579	2,983	(68.9)	17,627	8,678	(50.8)
Financial expenses	(1,396)	(1,514)	8.5	(2,850)	(2,173)	(23.8)
FX changes, net	34	(2,527)	(7,532.4)	410	(3,586)	974.6
Operating Income	41,381	1,763	(95.7)	73,191	(9,017)	(112.3)
Income tax and social contribution	(8,638)	(1,258)	(85.4)	(14,512)	1,684	(111.6)
Net income	32,743	505	(98.5)	58,679	(7,333)	(112.5)
Net Margin %	18.5%	0.5%		17.8%	(4.1%)	
Management profit sharing	-	-		-	-	
Minority interests	32,544	269	(99.2)	58,280	(7,831)	(113.4)
	199	236	18.6	399	498	24.8
EBITDA	36,680	7,191	(80.4)	65,006	(2,737)	(104.2)
Net income	32,743	505		58,679	(7,333)	
Income tax and social contribution	8,638	1,258		14,512	(1,684)	
Financial results	(8,217)	1,058		(15,187)	(2,919)	
Depreciation	3,516	4,370		7,002	9,920	
EBITDA Margin %	20.7%	6.9%		19.7%	(1.5%)	
Nº of shares in capital stock (th)	78,558	74,758		78,558	74,758	
Net income per share - R\$	0,42	0,01		0,75	0,10	
Book value per share - R\$	8,44	9,11		8,44	9,11	

Consolidated Cash Flow IFRS (R\$ thousands)

R\$ thousands	2Q08	2Q09	1H08	1H09
Cash from operating activities				
Net Income	32,743	505	58,679	(7,333)
Income tax - current and deferred	(8,638)	1,258	(14,512)	(1,684)
Depreciation	3,516	4,423	7,002	9,252
Provision for doubtful accounts	1,223	1,613	1,362	2,372
Loss (Gain) on sale of fixed assets	62	(4,258)	(825)	(4,134)
Financial expenses and FX changes	1,835	(3,259)	3,070	(3,885)
Provision for inventory devaluation	(1,911)	3,438	(1,225)	4,653
Provision for contingencies	265	56	63	175
Change on operating assets	-	-	-	-
Purchase of trading securities	64,435	36,903	48,183	48,482
Trade accounts receivable	2,010	(9,562)	6,793	25,477
Trade accounts receivable - Finame Manufacturer	(35,428)	17,639	(50,087)	62,058
Inventories	(11,414)	14,692	(26,373)	(6,537)
Recoverable taxes, net	(3,187)	5,403	(3,804)	(1,304)
Other current and long term assets	1,398	(520)	(1,422)	(1,158)
Change on operating liabilities	-	-	-	-
Trade accounts payable	14,999	(4,436)	14,497	(9,409)
Payroll and related charges	7,522	1,906	(4,491)	(8,459)
Taxes payable	11,964	3,232	21,891	1,559
Advances from customers	4,836	(3,280)	5,544	(8,035)
Other current and long term liabilities	(1)	(4,577)	(1,753)	(8,236)
Cash provided by (used in) operating activities	86,229	60,796	62,592	93,854
Income taxes paid	(2,782)	(849)	(3,987)	(1,786)
Interests paid	(5,205)	(1,580)	(7,141)	(3,440)
Net Cash provided by (used in) operating activities	78,242	58,367	51,464	88,628
Acquisitions of fixed assets	(22,921)	(10,583)	(31,220)	(39,788)
Sale of assets	1	3,546	1,011	3,546
Intangible	-	1,262	-	567
Acquisition of investments, net of the amount of cash acquired	(1,413)	-	(3,324)	-
Cash flow used in investment operations	(24,333)	(5,775)	(33,533)	(35,675)
Interest on capital	(8,302)	(569)	(10,600)	(12,876)
New loans and financing	(136)	19,663	14,207	26,575
Payments of loans	(14,543)	(5,477)	(27,407)	(11,279)
New loans - Finame Manufacturer	67,439	39,134	164,133	80,056
Payments of loans Finame Manufacturer	(66,790)	(84,410)	(128,262)	(167,297)
Repurchase of shares	-	-	-	(10,194)
Cash flow from financial activities	(22,332)	(31,659)	12,071	(95,015)
Net Cash Flow	31,577	20,933	30,002	(42,062)
Exchange rate of cash and cash equivalents of foreign investments	-	483	-	1,514
Cash and cash equivalents - beginning of period	187,435	73,260	189,010	135,224
Cash and cash equivalents - end of period	219,012	94,676	219,012	94,676

Annex I

Income Statement by Business Units - 2Q09

R\$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Gross Operating Revenue	78,297	33,917	13,479	125,693
(-) Taxes on Sales	(13,663)	(5,058)	(2,896)	(21,617)
Net Operating Revenue	64,634	28,859	10,583	104,076
Cost of Sales and Services	(44,219)	(16,134)	(12,511)	(72,864)
Business Units Transfers	2,928	-	2,411	5,339
Business Units Transfers	(1,573)	(2,282)	(1,484)	(5,339)
Gross Profit	21,770	10,443	(1,001)	31,212
Gross Margin %	33.7%	36.2%	(9.5%)	30.0%
Operating Expenses	(15,118)	(11,545)	(1,728)	(28,391)
Selling	(8,677)	(4,090)	(827)	(13,594)
General and Administrative	(7,347)	(5,148)	(768)	(13,263)
Management profit sharing	(799)	(341)	(99)	(1,239)
Research and Development	(3,645)	(1,365)	-	(5,010)
Taxation	(345)	(183)	(34)	(562)
Other operating revenue	5,695	(418)	-	5,277
Operating Income before Financial Results	6,652	(1,102)	(2,729)	2,821
Operating Margin - II %	10.3%	(3.8%)	(25.8%)	2.7%

Income Statement by Business Units - 2Q08

R\$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Gross Operating Revenue	137,996	36,246	41,075	215,317
(-) Taxes on Sales	(23,085)	(6,444)	(8,525)	(38,054)
Net Operating Revenue	114,911	29,802	32,550	177,263
Cost of Sales and Services	(62,240)	(13,845)	(27,560)	(103,645)
Business Units Transfers	6,419	-	8,841	15,260
Business Units Transfers	(7,154)	(5,311)	(2,795)	(15,260)
Gross Profit	51,936	10,646	11,036	73,618
Gross Margin %	45.2%	35.7%	33.9%	41.5%
Operating Expenses	(29,343)	(7,079)	(4,032)	(40,454)
Selling	(10,796)	(3,862)	(1,364)	(16,022)
General and Administrative	(9,199)	(1,512)	(2,086)	(12,797)
Management profit sharing	(3,095)	(419)	(507)	(4,021)
Research and Development	(5,906)	(1,215)	-	(7,121)
Taxation	(274)	(71)	(75)	(420)
Other operating revenue	(73)	-	-	(73)
Operating Income before Financial Results	22,593	3,567	7,004	33,164
Operating Margin - II %	19.7%	12.0%	21.5%	18.7%

Income Statement by Business Units - 1H09

R\$ '000	Machine Tools	Plastic Injection Molding	Rough and Machined Cast Iron Parts	Total
Gross Operating Revenue	138,499	51,748	25,770	216,017
(-) Taxes on Sales	(23,535)	(7,482)	(5,155)	(36,172)
Net Operating Revenue	114,964	44,266	20,615	179,845
Cost of Sales and Services	(73,189)	(22,592)	(27,559)	(123,340)
Business Units Transfers	5,776	-	5,974	11,750
Business Units Transfers	(4,382)	(5,167)	(2,201)	(11,750)
Gross Profit	43,169	16,507	(3,171)	56,505
Gross Margin %	37.6%	37.3%	(15.4%)	31.4%
Operating Expenses	(41,702)	(23,165)	(3,574)	(68,441)
Selling	(16,907)	(8,585)	(1,820)	(27,312)
General and Administrative	(18,613)	(10,413)	(1,488)	(30,514)
Management profit sharing	(2,289)	(601)	(206)	(3,096)
Research and Development	(8,872)	(2,874)	-	(11,746)
Taxation	(714)	(291)	(60)	(1,065)
Other operating revenue	5,693	(401)	-	5,292
Operating Income before Financial Results	1,467	(6,658)	(6,745)	(11,936)
Operating Margin - II %	1.3%	(15.0%)	(32.7%)	(6.6%)

Income Statement by Business Units - 1H08

R\$ '000	Machine Tools	Plastic Injection Molding	Rough and Machined Cast Iron Parts	Total
Gross Operating Revenue	253,444	68,659	77,764	399,867
(-) Taxes on Sales	(41,800)	(12,183)	(15,765)	(69,748)
Net Operating Revenue	211,644	56,476	61,999	330,119
Cost of Sales and Services	(112,631)	(26,064)	(56,674)	(195,369)
Business Units Transfers	12,322	-	17,711	30,033
Business Units Transfers	(14,141)	(10,278)	(5,614)	(30,033)
Gross Profit	97,194	20,134	17,422	134,750
Gross Margin %	45.9%	35.7%	28.1%	40.8%
Operating Expenses	(54,180)	(13,889)	(8,677)	(76,746)
Selling	(19,903)	(7,013)	(3,286)	(30,202)
General and Administrative	(17,549)	(3,413)	(3,999)	(24,961)
Management profit sharing	(5,316)	(934)	(1,181)	(7,431)
Research and Development	(11,415)	(2,330)	-	(13,745)
Taxation	(783)	(199)	(211)	(1,193)
Other operating revenue	786	-	-	786
Operating Income before Financial Results	43,014	6,245	8,745	58,004
Operating Margin - II %	20.3%	11.1%	14.1%	17.6%