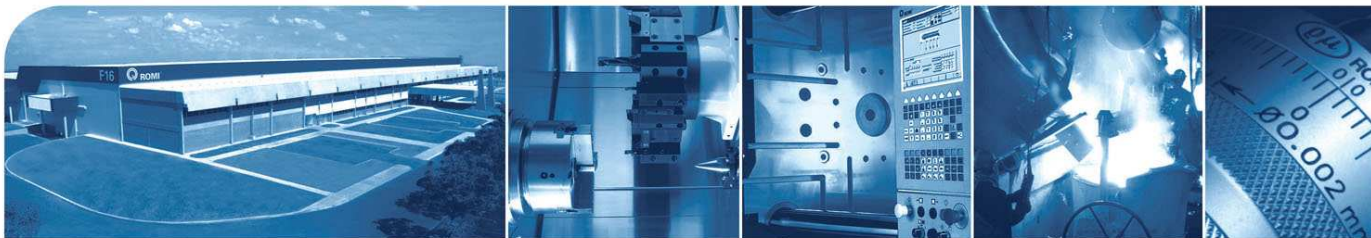




ROMI[®]

TRADIÇÃO EM INOVAR



October 28 2009

3Q09 Earnings Release

October 29 2009

Share price (09/30/09)
ROMI3 – R\$ 11.48/share

Market Capitalization (09/30/09)
R\$ 858 million
US\$ 483 million

Number of shares (09/30/09)
Common: 74,757,547
Total: 74,757,547

Free Float = 52.56%

**Meeting with Investment Analysts – Apimec SP
(Transmitted via Web)**
Time: 4:00 p.m. (Brazil)

Avenue: Blue Tree Towers Faria Lima
Av. Brigadeiro Faria Lima, 3989

Confirmation of participation:
Telephone: (11) 3107-1571
E-mail: apimecsp@apimecsp.com.br

Results conference call in English

Time: 12:30 p.m. (Brazil)
2:30 p.m. (London)
10:30 a.m. (NY)
Tel.: USA – 1 888 700 0802
Brazil – 55 11 4688 6361
Others – 1 786 924 6977
Access code: romi

Investor Relations Contact:

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Investor Relations Officer
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Website:

www.romi.com.br



Santa Bárbara d'Oeste, SP, October 28 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 third quarter 2009 (3Q09). 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 thousand Reais.

New Orders grow 55.6% in 3Q09 over 2Q09

Highlights

- **The orders backlog grows 46.4% against 2Q09 reaching R\$ 141.4 million**, indicating a recovery in the level of activity of the business units;
- **Net Operating Revenue rises 17.2% quarter on quarter** due to the improvement in sales of Machine Tools and Plastic Processing Machines;
- **New Orders for Machined Cast Iron Parts increase 85.3% in 3Q09 compared with 2Q09**, evidence of an initial recovery at this unit;
- **New Orders for Plastic Processing Machines improve 46.0% in 3Q09 in relation to 2Q09 and 44.3% against 3Q08**, signaling the strength of the consumer goods sector in the domestic economy.

ROMI - Consolidated	Quarter			Accumulated		
	3Q08	3Q09	% Chg.	9M08	9M09	% Chg.
In Thousand Reais						
Sales Volume						
Machine Tools (units)	697	365	(47.6)	1,865	930	(50.1)
Plastic Machines (units)	107	103	(3.7)	292	189	(35.3)
Rough and Machined Cast Iron Parts (tons)	5,800	2,147	(63.0)	17,043	5,924	(65.2)
Net Operating Revenue	199,836	122,005	(38.9)	529,955	301,850	(43.0)
Gross margin (%)	41.8%	30.3%		41.2%	31.0%	
Operating Income (EBIT adjusted) *	38,409	3,503	(90.9)	96,413	(8,433)	(108.7)
Operating margin (%)	19.2%	2.9%		18.2%	-2.8%	
Net Income (loss) adjusted *	37,330	3,060	(91.8)	96,009	(4,273)	(104.5)
Net margin (%)	18.7%	2.5%		18.1%	-1.4%	
EBITDA adjusted *	42,118	8,903	(78.9)	107,124	6,219	(94.2)
EBITDA margin (%)	21.1%	7.3%		20.2%	2.1%	
Investments	38,927	5,397		70,147	44,715	

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

(*) To better understand the result for 3Q08 and 9M08, EBIT, EBITDA and Net Income were adjusted in order to exclude the gain originated from the acquisition of Sandretto's Subsidiaries, impacting these items by R\$ 19,316, R\$ 19,316 and R\$ 12,773 respectively.



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 customer segments are automotive (light and heavy), agricultural machinery, capital goods and consumer goods, machine tooling, hydraulic equipment, among many others.

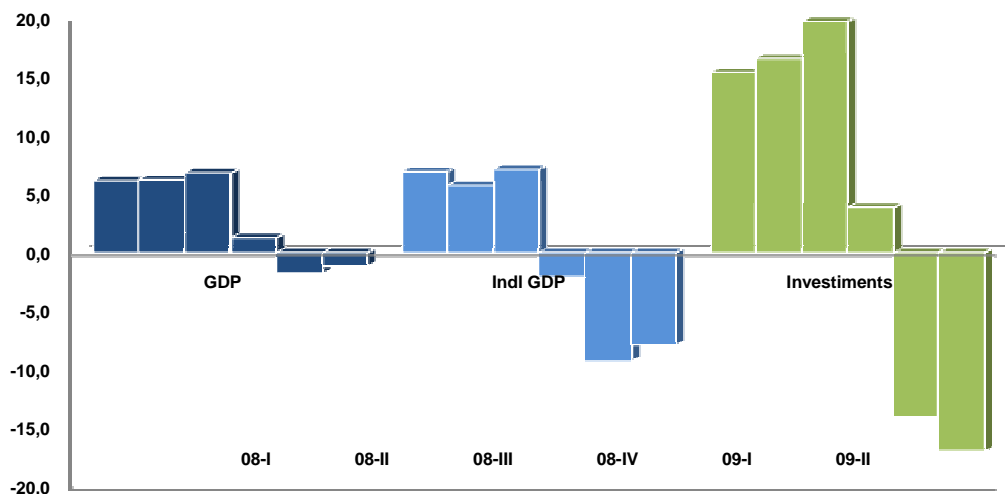
The Company has eleven industrial units of which four are dedicated to the final assembly of industrial machinery. Romi also operates two foundries, three units for the machining of components, one unit for the manufacture of sheet metal components and a plant for the assembly of electronic control panels. 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 about 63.7% of the Company's 3Q09 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 10.0% and 26.3%, respectively to sales revenue in the period.

Current Economic Scenario

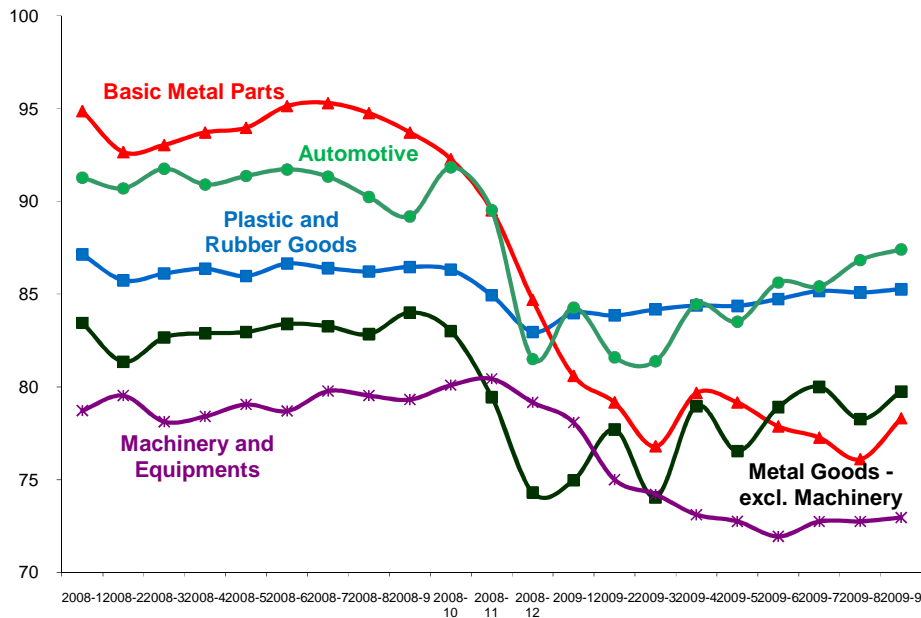
In the first half of 2009, the capital goods sector suffered from the uncertainties of the outlook for domestic business and the sharp fall in overseas demand arising from the recent international financial crisis. The Company has absorbed these impacts since the final months of 2008, demand for machines and cast iron parts being much below the same period last year. However, boosted by (i) a reduction in interest rates for investments in fixed capital on loans from the Brazilian Economic and Social Development Bank - BNDES in July 2009, (ii) an improvement in industrial confidence levels and (iii) the renewed build-up in inventory in the economy, Romi began to see some recovery in business activity for its products in the third quarter of 2009.

The crisis affected domestic industry more deeply than the services and consumer sectors. Economic data published for the second quarter 2009 by the Federal Government Statistics Office – IBGE, point to a slump in the industrial GDP of 7.9% and in Gross Fixed Capital Formation (GFCF) of 17.0% (2Q09 x 2Q08), as in the following graph. The GFCF indicator shows investment in domestic industrial capacity reaching its worst level, underscoring prospects for a gradual recovery in growth from the second half onwards.



Source: IBGE

The following graph shows the level of installed utilized capacity (NUCI) prepared by Fiesp (Federation of Industries of the State of São Paulo). The principal sectors to which we sell our products has experienced a critical reduction in utilization of installed capacity in the past few months, although we are already seeing stability in these indicators and a tendency towards recovery.



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

The Industrial GDP and Gross Fixed Capital Formation are important Company growth drivers.

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 an even more important factor in customer purchasing decisions, in a business environment of economic instability and tight credit.

New Orders (gross values including sales tax)

Order Entry (R\$ thousands)	3Q08	3Q09	% Chg.
Machine Tools	136,795	115,371	(15.7)
Plastic Machines	31,811	45,892	44.3
Rough and Machined Cast Iron Parts	41,425	17,290	(58.3)
Total	210,031	178,553	(15.0)

The comparison of new orders with the same period in 2008 shows strong demand for plastic processing machines with growth of 44.3% against 3Q08, reflecting the Company's successful strategy in diversifying its product portfolio (new blow-molding machine lines).

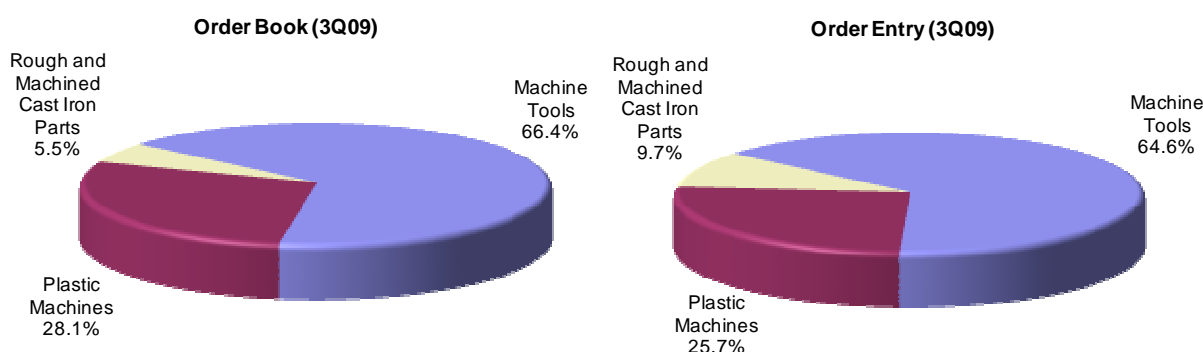


Order Entry (R\$ thousands)	9M08	9M09	Var.%
Machine Tools	438,348	223,375	(49.0)
Plastic Machines	115,907	92,492	(20.2)
Rough and Machined Cast Iron Parts	114,917	30,243	(73.7)
Total	669,172	346,110	(48.3)

The drastic reduction in customer investments, significantly affected the Company's business with a fall of 48.3% in new orders on a 9M09 x 9M08 comparative basis.

Order Entry (R\$ thousands)	1Q09	2Q09	3Q09	% Chg.
Machine Tools	34,040	73,964	115,371	56.0
Plastic Machines	15,159	31,441	45,892	46.0
Rough and Machined Cast Iron Parts	3,621	9,332	17,290	85.3
Total	52,820	114,737	178,553	55.6

Compared with the immediately preceding quarter, new orders in 3Q09 posted an increase of 55.6%, reflecting a gradual and sustained recovery in the Company's business activity.



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

Order Book (R\$ thousands)	3Q08	3Q09	% Chg.
Machine Tools	141,726	93,894	(33.7)
Plastic Machines	37,854	39,780	5.1
Rough and Machined Cast Iron Parts	42,672	7,738	(81.9)
Total	222,252	141,412	(36.4)

The Plastic Processing Machine unit also reported a strong build-up in order book for reasons already mentioned. In the context of the other business units, on a year on year comparative basis, the effects of the decline in economic activity are still apparent. In the case of the Rough and Machined Cast Iron Parts unit, the fall was particularly sharp since some customers - traditionally adopting a policy of anticipating orders - chose instead to place orders for castings for immediate use only.

Order Book (R\$ thousands)	1Q09	2Q09	3Q09	% Chg.
Machine Tools	60,154	65,358	93,894	43.7
Plastic Machines	23,098	26,711	39,780	48.9
Rough and Machined Cast Iron Parts	8,636	4,510	7,738	71.6
Total	91,888	96,579	141,412	46.4

Comparing 3Q09 with 2Q09, there was consistent rebuilding of inventory at all of the business units.

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



Operating Performance

Net Operating Revenue

In 3Q09, the Company reported Consolidated Net Operating Revenue of R\$ 122.0 million, a growth of 17.2% against 2Q09, although still down 38.9% on 3Q08 (R\$ 199.8 million).

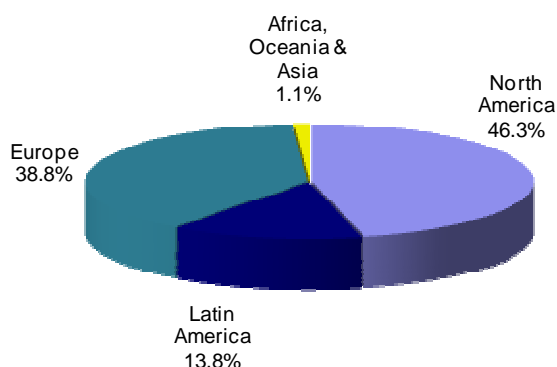
In the first nine months of 2009, Consolidated Net Operating Revenue fell 43.0% when compared with the same period in 2008, reaching R\$ 301.9 million and largely reflecting the decline in industrial activity in Brazil since the final quarter of 2008.

In the third quarter, export revenue amounted to R\$ 12.8 million, a year on year reduction of 57.6% (R\$ 30.2 million in 3Q08). In US dollar terms, 3Q09 sales were US\$ 7.1 million, representing a decline of 58.9% in relation to the US\$ 17.3 million for 2Q08, again evidence of the panorama of economic difficulties throughout the world. The Company's export revenue represented 10.5% of Net Operating Revenue compared with 15.1% for 3Q08.

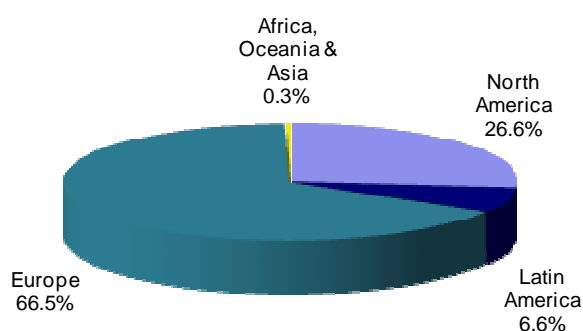
Europe has now become our principal export market, accounting for 66.5% of total overseas revenue in 3Q09 (38.8% in 3Q08), followed by the United States with 26.6% (46.3% in 3Q08), Latin America with 6.7% (13.9% in 3Q08) and other countries with 0.2% (1.0% in 3Q08).

In the first nine months of 2009, exports represented 14.6% (US\$ 21.5 million) compared with 13.3% (US\$ 41.3 million) for the same period in 2008. Accumulated exports to Europe were 58.8% (32.7% in 9M08), the USA represented 31.7% (47.2% in 9M08), Latin America reached 8.9% (18.1% in 9M08) and other countries, 0.6% (2.0% in 9M08).

Exports Destination (3Q08)



Exports Destination (3Q09)



Net Operating Revenue (R\$ thousands)

Romi - Consolidated	Quarter			Accumulated		
Net Operating Revenue (R\$ `000)	3Q08	3Q09	Var%	9M08	9M09	Var%
Machine Tools	125,656	77,698	(38.2)	337,300	192,662	(42.9)
Plastic Machines	37,588	32,057	(14.7)	94,064	76,323	(18.9)
Rough and Machined Cast Iron Parts	36,592	12,250	(66.5)	98,591	32,865	(66.7)
Total	199,836	122,005	(38.9)	529,955	301,850	(43.0)

Romi - Consolidated	Quarter			
Net Operating Revenue (R\$ `000)	1T09	2T09	3T09	Var%
Machine Tools	50,330	64,634	77,698	20.2
Plastic Machines	15,407	28,859	32,057	11.1
Rough and Machined Cast Iron Parts	10,032	10,583	12,250	15.8
Total	75,769	104,076	122,005	17.2

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

Machine Tools

The Business Unit reported significant improvements in the quarter with net operating revenue registering an increase of 20.2% when compared with 2Q09, and reaching R\$ 77.7 million. However in relation to 3Q08, there was a shortfall of 38.2%.

Physical sales from the Machine Tools Business Unit in 3Q09 totaled 365 units, also an increase of 14.4% in relation to 2Q09 (319 units), despite the reduction of 47.6% compared with the same period in 2008 (697 units).

The principal drivers behind this recovery in sales were the merger of the heavy and extra heavy machine units, better prospects for use of productive capacity in the domestic industrial sector and principally the reduction in BNDES interest rates for financing capital goods.

The Business Unit's principal domestic customers continue to be in the machining services segment, the automotive production chain, as well as tooling, machinery and equipment, oil and gas, and hydraulic equipment sectors.

Plastic Processing Machines

In 3Q09, the physical sales of the Plastic Processing Machine Unit totaled 103 units, a significant increase of 68.8% against 2Q09 (61 units). In comparison with 3Q08 there was a slight reduction of 3.7% (107 units).

Net operating revenues generated from this unit were R\$ 32.1 million in 3Q09, an 11.1% rise in relation to 2Q09. Year on year, there was a decline of 14.7%. Blow molding machines helped minimize the fall in sales at this Business Unit, again an indication of the success of the Company's strategy in investing in this line of products.

The sectors where demand was greatest for the Unit's products were packaging, automotive, services, civil construction and home appliances.

Rough and Machined Cast Iron Parts

In 3Q09, sales from this unit totaled 2,147 tons, posting an increase of 10.0% over the 1,952 tons sold in 2Q09. Compared with the same period last year, the decline was 63.0%.

The share of this Business Unit in the Company's total revenue in 3Q09 was 10.0% (18.3% in 3Q08).

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, agricultural machinery and capital goods.

Operating Costs and Expenses

The gross margin for 3Q09 already shows a small improvement of 0.3 pp in relation to 2Q09, although comparing results for 3Q08 there was still a deterioration of 11.5 pp. The principal reasons for the variation in gross margin are due to sales volumes between the comparative periods and a more aggressive pricing policy.

Operating margins in 3Q09 also posted a slight improvement of 0.2 pp in relation to 2Q09, a 16.3 pp reduction against 3Q08, and closing the quarter at 2.9%.

We should point out that in July we recorded non-recurring expenses related to severance payments equivalent to R\$ 4.1 million, this in turn impacting the operating margin (EBIT) for 3Q09 in 3.4 pp.



Romi - Consolidated	Quarter				Accumulated	
Gross Margin (%)	3Q08	1Q09	2Q09	3Q09	9M08	9M09
Machine Tools	45.1%	42.5%	33.7%	40.4%	45.6%	38.7%
Plastic Machines	40.1%	39.4%	36.2%	25.6%	37.4%	32.4%
Rough and Machined Cast Iron Parts	32.0%	(21.6%)	(9.5%)	(21.3%)	29.6%	(17.6%)
Total	41.8%	33.4%	30.0%	30.3%	41.2%	31.0%

Romi - Consolidated	Quarter				Accumulated	
Operating Margin - EBIT (%)	3Q08 *	1Q09	2Q09	3Q09	9M08 *	9M09
Machine Tools	22.8%	(10.3%)	10.3%	13.4%	21.2%	6.2%
Plastic Machines	9.2%	(36.1%)	(3.8%)	(8.6%)	10.3%	(12.3%)
Rough and Machined Cast Iron Parts	17.3%	(40.0%)	(25.8%)	(33.9%)	15.3%	(33.1%)
Total	19.2%	(19.5%)	2.7%	2.9%	18.2%	(2.8%)

(*) To better understand the result for plastic processing machines unit on 3Q08 and 9M08, EBIT was adjusted in order to exclude the gain originated from the acquisition of Sandretto's Subsidiaries, impacting by R\$ 19,316.

Machine Tools

This Business Unit reported a gross margin of 40.4% in 3Q09, showing a significant recovery of 6.7 pp in relation to 2Q09 although still down by 4.7 pp in relation to the 45.1% recorded in 3Q08. Operating margins for the quarter under review also showed an improvement of 3.1 pp in relation to 2Q09, but a reduction of 9.4 pp against 3Q08. The main reason behind better margins was improved sales volume despite a more aggressive pricing strategy.

Plastic Processing Machines

Gross margin in 3Q09 was 25.6%, a reduction of 10.6 pp and 14.5 pp in relation to 2Q09 and 3Q08 respectively. The negative operating margin in the quarter is largely due to the results of Romi Italia (acquired in July 2008 and in turnaround mode), combined with a more aggressive pricing policy.

Rough and Machine Cast Iron Parts

This unit was particularly hard hit by low production volume, posting negative margins in 2009. Certain operating adjustments introduced by the Company have resulted in improved gross and operating margins although the recent more aggressive pricing policy practiced by this unit fed through to deterioration in margins for 3Q09.

EBITDA and EBITDA Margin

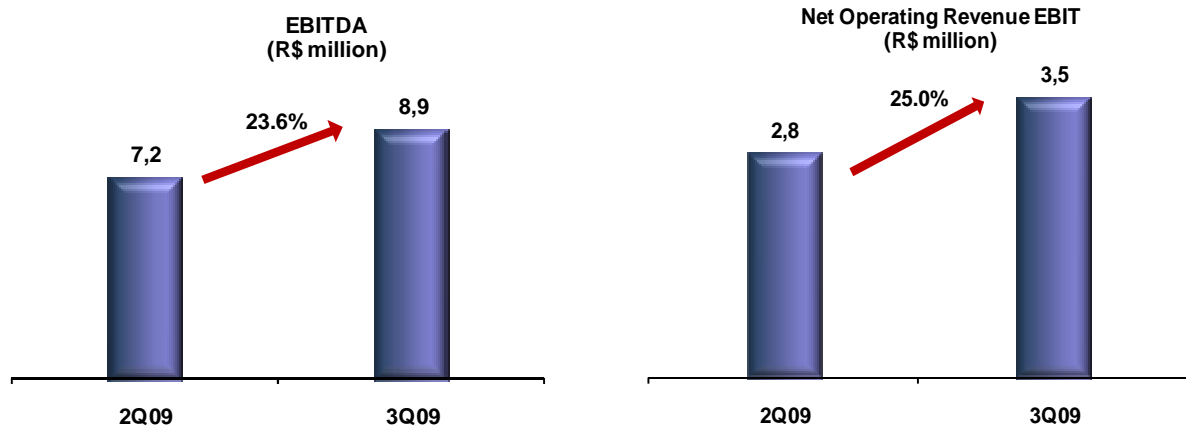
In 3Q09, operating cash generation as measured by EBITDA (Earnings before Financial Results, Taxes, Depreciation and Amortization) was R\$ 8.9 million, equivalent to an EBITDA margin of 7.3%. This reflected the combination of better sales in 3Q09 and the effects of the operating adjustments introduced by the Company in the preceding quarters. The Company is of the view that the business is now sufficiently adapted to the current scenario to ensure a positive EBITDA in the coming quarters. It is important to highlight that in July we registered non-recurring severance expenses of about R\$ 4.1 million, this effect impacting the EBITDA margin for 3Q09 by 3.4 pp.

Reconciliation of Net Income to EBITDA	Quarter			Accumulated		
R\$ thousands	3Q08	3Q09	% Chg.	9M08	9M09	% Chg.
Net Income	50,103	3,060	(93.9)	108,782	(4,273)	(103.9)
Net Financial Income	(9,939)	502	(105.1)	(25,126)	(2,417)	(90.4)
Income tax and social contributions	17,561	(59)	(100.3)	32,073	(1,743)	(105.4)
Depreciation and amortization	3,709	5,400	45.6	10,711	14,652	36.8
EBITDA	61,434	8,903	(85.5)	126,440	6,219	(95.1)
Gain from acquisition of Sandretto subsidiaries	(19,316)	-		(19,316)	-	
Adjusted EBITDA	42,118	8,903	(78.9)	107,124	6,219	(94.2)
EBITDA Margin	21.1%	7.3%		20.2%	2.1%	



Net Result

The Company posted a net income of R\$ 3.0 million in 3Q09. For the accumulated nine month period the result was a negative R\$ 4.3 million, for the reasons already cited above.



Investments

Capital expenditures in fixed assets for 3Q09 amounted to R\$ 5.4 million, 86.1% less than was invested in 3Q08 (R\$ 38.9 million). For the first nine months of 2009, the Company's investments were R\$ 44.7 million, corresponding to a reduction of 36.2% in relation to 9M08 (R\$ 70.1 million).

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

Financial Position

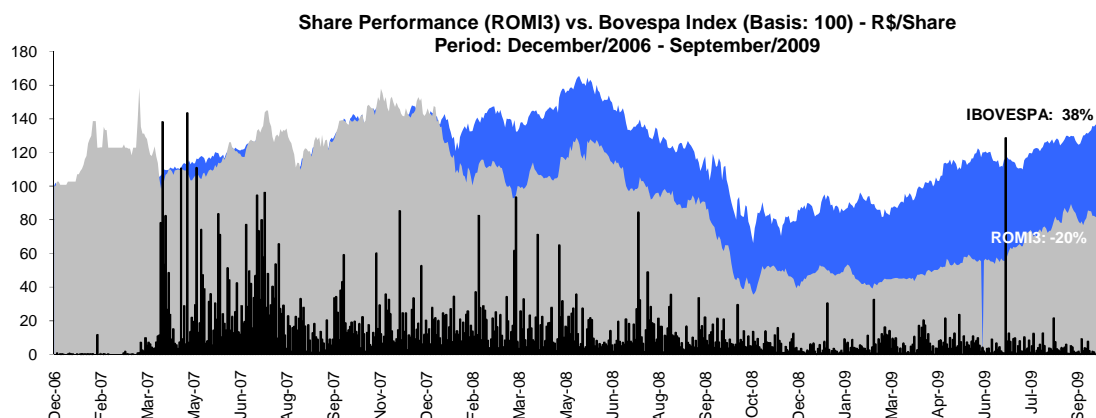
Financial investments including those where the underlying instruments are debentures contracted with first class financial institutions, returns largely being in line with the Interbank Deposit Certificate ("CDI"). The consolidated position in cash/cash equivalents as at September 30 2009 was R\$ 77.9 million.

The Company's loans are largely to fund investments for expanding the manufacturing complex, modernization, and export and import finance. On September 30 2009, the amount of local currency financing was R\$ 98.3 million, and in foreign currency, R\$ 6.8 million, a grand total of R\$ 105.1 million.

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



Capital Markets



Source: Bovespa

At the end of 3Q09, the Company's common shares (ROMI3) were trading at R\$ 11.48, an appreciation of 30.5% relative to the end of 2Q09. In the same period, the Bovespa Stock Index reported a 19.5% appreciation.

Romi's market capitalization was R\$ 858 million as at September 30 2009. Average daily trading volume during 3Q09 was R\$ 649 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 September 30 2009.

	<u>09/30/09</u>
Shareholders equity in BR GAAP	659,511
Adjustments in IFRS:	
Reversal of goodwill from the Rominor subsidiary (a)	4,199
Recognition of gain recorded in overseas controlled company as a result of acquisition of subsidiaries (b)	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 Indústria Metalúrgica Ltda. ("JAC"), net of deferred taxes	(126)
Accumulated adjustment for currency conversion on gain recorded by subsidiary (b)	899
Participation of owners of the Parent	675,852
Non controlling interests	<u>2,012</u>
Shareholders equity in IFRS	<u>677,864</u>
Loss for the period of nine months in BR GAAP	(4,857)
Adjustments in IFRS:	
Amortization of goodwill reported for IFRS purposes arising from the acquisition of JAC Indústria Metalúrgica Ltda. ("JAC"), net of deferred taxes	(126)
Participation of owners of the Parent	(4,983)
(-) Participation of non controlling interests	<u>710</u>
Loss for the period of nine months in IFRS	<u>(4,273)</u>

**Financial Statement****Consolidated Balance Sheet**

IFRS (R\$ thousands)

ASSETS	2Q09	3Q09
CURRENT	801,968	778,620
Cash and cash equivalents	94,676	77,914
Marketable securities	5,237	-
Trade accounts receivable	51,397	43,779
Trade accounts receivable - Finame Manufacturer	343,635	360,716
Inventories	286,057	273,981
Recoverable taxes	13,973	14,882
Other assets	6,993	7,348
NON CURRENT	768,794	777,492
Long-Term Assets	480,274	490,193
Trade accounts receivable	3,730	3,321
Trade accounts receivable - Finame Manufacturer	418,030	429,760
Recoverable taxes	20,031	17,071
Deferred income taxes	16,173	16,792
Escrow Deposits	15,515	16,658
Other assets	6,795	6,591
Investments		
Property, Plant and Equipment	282,012	280,934
Intangible	4,491	4,348
Goodwill	2,017	2,017
TOTAL ASSETS	1.570,762	1.556,112



Consolidated Balance Sheet
IFRS (R\$ thousands)

LIABILITIES AND SHAREHOLDER'S EQUITY	2Q09	3Q09
CURRENT	391,129	398,293
Loans	30,050	27,074
Trade accounts payable	22,076	27,670
Liabilities - Finame Manufacturer	288,827	290,197
Payroll and related charges	25,362	27,411
Taxes payable	5,440	5,104
Advances from customers	5,992	7,541
Interest on capital, dividends and participations	1,150	1,134
Other liabilities	12,232	12,162
NON CURRENT	502,340	479,955
Long-term liabilities		
Loans	81,263	78,045
Liabilities - Finame Manufacturer	384,743	367,811
Deferred income taxes on negative goodwill	8,898	8,850
Taxes payable	3,578	3,578
Other liabilities	6,092	2,909
Provision for contingencies	17,766	18,762
SHAREHOLDER'S EQUITY	675,493	675,852
Capital	505,764	505,764
Capital reserves	2,209	2,209
Cumulative translation adjustments	(1,526)	(4,015)
Profit reserves/retained earnings	169,046	171,894
NON CONTROLLING INTERESTS	1,800	2,012
TOTAL SHAREHOLDER'S EQUITY AND NON CONTROLLING INTERESTS	677,293	677,864
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1.570,762	1.556,112



Consolidated Income Statement IFRS (R\$ thousands)

R\$ Thousand	3Q08	3Q09	% Chg.	9M08	9M09	% Chg.
Net Operating Revenue	199,836	122,005	(38.9)	529,955	301,850	(43.0)
Cost of sales and services	(116,347)	(85,005)	(26.9)	(311,716)	(208,345)	(33.2)
Gross Profit	83,489	37,000	(55.7)	218,239	93,505	(57.2)
<i>Gross Margin %</i>	<i>41.8%</i>	<i>30.3%</i>		<i>41.2%</i>	<i>31.0%</i>	
Operating Expenses	(25,764)	(33,497)	(30.0)	(102,510)	(101,938)	(0.6)
Selling	(17,129)	(13,554)	(20.9)	(47,331)	(40,866)	(13.7)
General and administrative	(16,069)	(12,718)	(20.9)	(41,030)	(43,232)	5.4
Management profit sharing	(4,399)	(2,202)	(49.9)	(11,830)	(5,298)	(55.2)
Research and development	(7,450)	(4,992)	(33.0)	(21,195)	(16,738)	(21.0)
Taxation	(694)	229	(67.0)	(1,887)	(1,294)	(31.4)
Other operating revenue	19,977	198	(99.0)	20,763	5,490	(73.6)
Operating Income (loss) before Financial Results	57,725	3,503	(93.9)	115,729	(8,433)	(107.3)
<i>Operating Margin %</i>	<i>28.9%</i>	<i>2.9%</i>		<i>21.8%</i>	<i>(2.8%)</i>	
Financial Results	9,939	502	(105.1)	25,126	2,417	(90.4)
Financial income	10,767	3,009	(72.1)	28,394	11,687	(58.8)
Financial expenses	(1,311)	(1,847)	40.9	(4,161)	(4,020)	(3.4)
FX changes, net	483	(1,664)	(444.5)	893	(5,250)	(687.9)
Operating Income (loss)	67,664	3,001	(95.6)	140,855	(6,016)	(104.3)
Income tax and social contribution	(17,561)	59	(100.3)	(32,073)	1,743	(105.4)
Net income (loss)	50,103	3,060	(93.9)	108,782	(4,273)	(103.9)
<i>Net Margin %</i>	<i>25.1%</i>	<i>2.5%</i>		<i>20.5%</i>	<i>(1.4%)</i>	
Owners of the parent	49,871	2,848	(94.3)	108,151	(4,983)	(104.6)
Non controlling interests	232	212	(8.6)	631	710	12.5
EBITDA	42,118	8,903	(78.9)	107,124	6,219	(94.2)
Net income (loss)	50,103	3,060		108,782	(4,273)	
Income tax and social contribution	17,561	(59)		32,073	(1,743)	
Financial results	(9,939)	502		(25,126)	(2,417)	
Depreciation	3,709	5,400		10,711	14,652	
Gain from acquisition of Sandretto subsidiaries	(19,316)	-		(19,316)	-	
<i>EBITDA Margin %</i>	<i>21.1%</i>	<i>7.3%</i>		<i>20.2%</i>	<i>2.1%</i>	
Basic and diluted earnings per share - R\$	0.64	0.04		1.38	(0.07)	



Consolidated Cash Flow

IFRS (R\$ thousands)

R\$ thousands	3Q08	3Q09	9M08	9M09
Cash from operating activities				
Net Income (loss)	50,103	3,060	108,782	(4,273)
Income tax - current and deferred	17,561	(59)	32,073	(1,743)
Depreciation	3,709	5,400	10,711	14,652
Provision for doubtful accounts	(40)	126	1,322	2,498
Loss (Gain) on sale of fixed assets	1	216	(824)	(3,918)
Financial expenses and FX changes	1,058	2,723	4,128	(1,162)
Provision for inventory devaluation	(1,396)	3,145	(2,621)	7,798
Provision for contingencies	2,104	1,743	5,463	3,633
Gain from acquisition of Sandretto Subsidiaries	(19,316)	-	(19,316)	-
Change on operating assets				
Purchase of trading securities	(55,949)	5,239	(7,766)	53,721
Trade accounts receivable	(14,529)	5,148	(7,736)	30,625
Trade accounts receivable - Finame Manufacturer	(36,475)	(12,640)	(86,562)	49,418
Inventories	(25,322)	9,219	(51,695)	2,682
Recoverable taxes, net	(7,183)	1,448	(10,987)	144
Escrow deposits	(1,729)	(1,143)	(5,025)	(2,855)
Other current and long term assets	772	226	(650)	(932)
Change on operating liabilities				
Trade accounts payable	(1,310)	6,901	13,187	(2,508)
Payroll and related charges	8,847	1,267	4,356	(7,195)
Taxes payable	1,453	298	(5,680)	1,261
Advances from customers	3,084	1,522	8,628	(6,513)
Other current and long term liabilities	5,740	(2,943)	3,987	(11,179)
Cash provided by (used in) operating activities	(68,817)	30,300	(6,225)	124,154
Income taxes paid	(10,088)	-	(14,075)	(1,786)
Interests paid	1,167	(1,931)	(5,974)	(5,371)
Net Cash provided by (used in) operating activities	(77,738)	28,369	(26,274)	116,997
Acquisitions of fixed assets	(38,927)	(7,500)	(70,147)	(47,288)
Sale of fixed assets	30	315	1,041	3,861
Intangible	(1,653)	-	(1,653)	567
Acquisition of investments, net of the amount of cash acquired	1,641	-	(1,683)	-
Cash flow used in investment operations	(38,909)	(7,185)	(72,442)	(42,860)
Interest on capital	(15,708)	(16)	(26,308)	(12,892)
New loans and financing	16,950	1,221	31,157	27,796
Payments of loans	-	(8,537)	(27,407)	(19,816)
New loans - Finame Manufacturer	105,026	44,541	269,159	124,597
Payments of loans Finame Manufacturer	(72,852)	(76,274)	(201,114)	(243,571)
Repurchase of shares	-	-	-	(10,194)
Cash flow from financial activities	33,416	(39,065)	45,487	(134,080)
Net Cash Flow	(83,231)	(17,881)	(53,229)	(59,943)
Exchange rate of cash and cash equivalents of foreign investments	981	1,119	981	2,633
Cash and cash equivalents - beginning of period	219,012	94,676	189,010	135,224
Cash and cash equivalents - end of period	136,762	77,914	136,762	77,914



Annex I

Income Statement by Business Units - 3Q09

R\$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	77,698	32,057	12,250	122,005
Cost of Sales and Services	(46,838)	(20,508)	(17,659)	(85,005)
Business Units Transfers	3,392	-	4,611	8,003
Business Units Transfers	(2,848)	(3,344)	(1,811)	(8,003)
Gross Profit (loss)	31,404	8,205	(2,609)	37,000
<i>Gross Margin %</i>	<i>40.4%</i>	<i>25.6%</i>	<i>(21.3%)</i>	<i>30.3%</i>
Operating Expenses	(20,986)	(10,972)	(1,539)	(33,497)
Selling	(9,203)	(3,799)	(552)	(13,554)
General and Administrative	(6,833)	(5,064)	(821)	(12,718)
Management profit sharing	(1,181)	(873)	(148)	(2,202)
Research and Development	(3,622)	(1,370)	-	(4,992)
Taxation	(114)	(97)	(18)	(229)
Other operating revenue	(33)	231	-	198
Operating Income (loss) before Financial Results	10,418	(2,767)	(4,148)	3,503
<i>Operating Margin %</i>	<i>13.4%</i>	<i>(8.6%)</i>	<i>(33.9%)</i>	<i>2.9%</i>

Income Statement by Business Units - 3Q08

R\$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	125,656	37,588	36,592	199,836
Cost of Sales and Services	(66,989)	(17,545)	(31,813)	(116,347)
Business Units Transfers	5,935	-	9,874	15,809
Business Units Transfers	(7,912)	(4,963)	(2,934)	(15,809)
Gross Profit	56,690	15,080	11,719	83,489
<i>Gross Margin %</i>	<i>45.1%</i>	<i>40.1%</i>	<i>32.0%</i>	<i>41.8%</i>
Operating Expenses	(28,067)	7,684	(5,381)	(25,764)
Selling	(10,782)	(4,130)	(2,217)	(17,129)
General and Administrative	(8,053)	(5,748)	(2,268)	(16,069)
Management profit sharing	(2,926)	(698)	(775)	(4,399)
Research and Development	(6,032)	(1,418)	-	(7,450)
Taxation	(391)	(182)	(121)	(694)
Other operating revenue	117	19,860	-	19,977
Operating Income before Financial Results	28,623	22,764	6,338	57,725
<i>Operating Margin %</i>	<i>22.8%</i>	<i>60.6%</i>	<i>17.3%</i>	<i>28.9%</i>



Income Statement by Business Units - 9M09

R\$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	192,662	76,323	32,865	301,850
Cost of Sales and Services	(120,027)	(43,100)	(45,218)	(208,345)
Business Units Transfers	9,168	-	10,585	19,753
Business Units Transfers	(7,230)	(8,511)	(4,012)	(19,753)
Gross Profit (loss)	74,573	24,712	(5,780)	93,505
<i>Gross Margin %</i>	38.7%	32.4%	(17.6%)	31.0%
Operating Expenses	(62,688)	(34,137)	(5,113)	(101,938)
Selling	(26,110)	(12,384)	(2,372)	(40,866)
General and Administrative	(25,446)	(15,477)	(2,309)	(43,232)
Management profit sharing	(3,470)	(1,474)	(354)	(5,298)
Research and Development	(12,494)	(4,244)	-	(16,738)
Taxation	(828)	(388)	(78)	(1,294)
Other operating revenue	5,660	(170)	-	5,490
Operating Income (loss) before Financial Results	11,885	(9,425)	(10,893)	(8,433)
<i>Operating Margin %</i>	6.2%	(12.3%)	(33.1%)	(2.8%)

Income Statement by Business Units - 9M08

R\$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	337,300	94,064	98,591	529,955
Cost of Sales and Services	(179,620)	(43,609)	(88,487)	(311,716)
Business Units Transfers	18,257	-	27,585	45,842
Business Units Transfers	(22,053)	(15,241)	(8,548)	(45,842)
Gross Profit	153,884	35,214	29,141	218,239
<i>Gross Margin %</i>	45.6%	37.4%	29.6%	41.2%
Operating Expenses	(82,247)	(6,205)	(14,058)	(102,510)
Selling	(30,685)	(11,143)	(5,503)	(47,331)
General and Administrative	(25,602)	(9,161)	(6,267)	(41,030)
Management profit sharing	(8,242)	(1,632)	(1,956)	(11,830)
Research and Development	(17,447)	(3,748)	-	(21,195)
Taxation	(1,174)	(381)	(332)	(1,887)
Other operating revenue	903	19,860	-	20,763
Operating Income before Financial Results	71,637	29,009	15,083	115,729
<i>Operating Margin %</i>	21.2%	30.8%	15.3%	21.8%