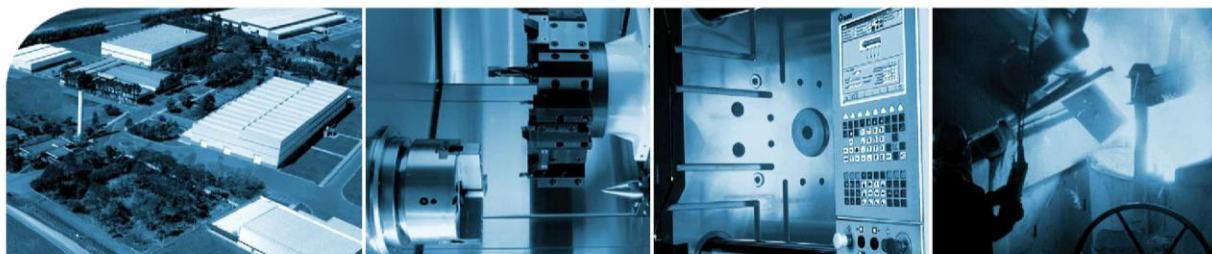




**ROMI**®

TRADIÇÃO EM INOVAR



## October 27, 2015 3Q15 Earnings Release

### September 30, 2015

#### Share price

ROMI3 - R\$1.72/share

#### Market capitalization

R\$118.2 million

US\$29.8 million

#### Number of shares

Common: 68,757,647

Total: 68,757,647

**Free Float = 47.6%**

### Investor Relations Contact

#### Fabio B. Taiar

Investor Relations Officer

Phone: (19) 3455-9418

dri@romi.com

### October 28, 2015

#### Meeting with APIMEC Analysts-SP

Time: 5:00 p.m. (Brazil)

Place: Blue Tree Faria Lima

Av. Brig. Faria Lima, 3.989

Transmitted by webcast,  
access link at [www.romi.com](http://www.romi.com)

#### Earnings Conference Call in English

Time: 11:00 a.m. (São Paulo)

13:00 p.m. (London)

9:00 a.m. (New York)

Dial-in numbers:

USA +1 (786) 924-6977

Brazil +55 (11) 3193-1001

Other + 1 (888) 700-0802

Access code: Romi



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Diferenciado **ITAG**

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Ações com Governança  
Corporativa Diferenciada **IGC**

Santa Bárbara d'Oeste, SP, October 27, 2015 – Indústrias Romi S.A. ("Romi" or "Company") (BM&FBovespa: ROMI3), domestic market leader in the Machine Tools and Plastic Processing Machines markets, as well as an important producer of Raw and Machined Cast Iron Parts, announces its results for the third quarter of 2015 ("3 Q15"). Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis, in accordance with International Financial Reporting Standards (IFRS).

## HIGHLIGHTS

The Net Operating Revenue of the Raw and Machined Cast Iron Parts Business Unit rose 46.6% in 3Q15 compared with 3Q14 and the EBITDA margin reached 8.4%

- Net operating revenue fell by 6.8% in 3Q15 compared to 3Q14, due to a decrease in industry demand in the Brazilian market.
- The EBITDA in 3Q15 was positive by R\$2.5 million, despite of the impact of R\$5.0 million of expenses incurred on the optimization of the organizational structure in 3Q15.
- In 3Q15, compared to 3Q14, the Raw and Machined Cast Iron Parts Business Unit improved by 5.8% and 3.8% in gross margins and EBITDA, respectively.
- The order entry in 3Q15 compared to 3Q14 grew 5.8%, mainly for the Raw and Machined Cast Iron Parts Business Unit.
- The order backlog as at September 30, 2015, compared to June 30, 2015, posted growth of 14.0% due to the increase in the order entry of the Raw and Machined Cast Iron Parts Business Unit.

R\$'000	Quarter					Accumulated		
	3Q14	2Q15	3Q15	Chg. %	Chg. %	YTD 2014	YTD 2015	Chg. %
Sales Volume				3Q15/2Q15	3Q15/3Q14			15/14
Machine Tools (units)	325	146	133	-8.9%	-59.1%	877	500	-43.0%
Plastic Machines (units)	37	28	14	-50.0%	-62.2%	132	86	-34.8%
Raw and Machined Cast Iron Parts (tons)	4,167	4,060	4,956	22.1%	18.9%	11,469	12,823	11.8%
<b>Net Operating Revenue</b>	<b>165,516</b>	<b>118,972</b>	<b>154,248</b>	<b>29.7%</b>	<b>-6.8%</b>	<b>459,822</b>	<b>394,189</b>	<b>-14.3%</b>
Gross margin (%)	23.0%	22.0%	22.3%			26.4%	22.1%	
<b>Operating Income (EBIT)</b>	<b>(957)</b>	<b>(17,735)</b>	<b>(6,336)</b>	<b>-64.3%</b>	<b>562.1%</b>	<b>4,090</b>	<b>(33,608)</b>	<b>-921.7%</b>
Operating margin (%)	-0.6%	-14.9%	-4.1%			0.9%	-8.5%	
<b>Net Income</b>	<b>(229)</b>	<b>(13,697)</b>	<b>(413)</b>	<b>-97.0%</b>	<b>80.3%</b>	<b>2,096</b>	<b>(15,801)</b>	<b>-853.8%</b>
Net Income	(229)	(13,697)	(413)	-97.0%	80.3%	2,096	(15,802)	-853.9%
Net margin (%)	-0.1%	-11.5%	-0.3%			0.5%	-4.0%	
<b>EBITDA</b>	<b>7,567</b>	<b>(8,951)</b>	<b>2,546</b>	<b>-128.4%</b>	<b>-66.4%</b>	<b>30,282</b>	<b>(7,523)</b>	<b>-124.8%</b>
EBITDA margin (%)	4.6%	-7.5%	1.7%			6.6%	-1.9%	
<b>Investments</b>	<b>10,096</b>	<b>3,137</b>	<b>4,135</b>	<b>31.8%</b>	<b>-59.0%</b>	<b>26,040</b>	<b>11,483</b>	<b>-55.9%</b>

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



## CORPORATE PROFILE

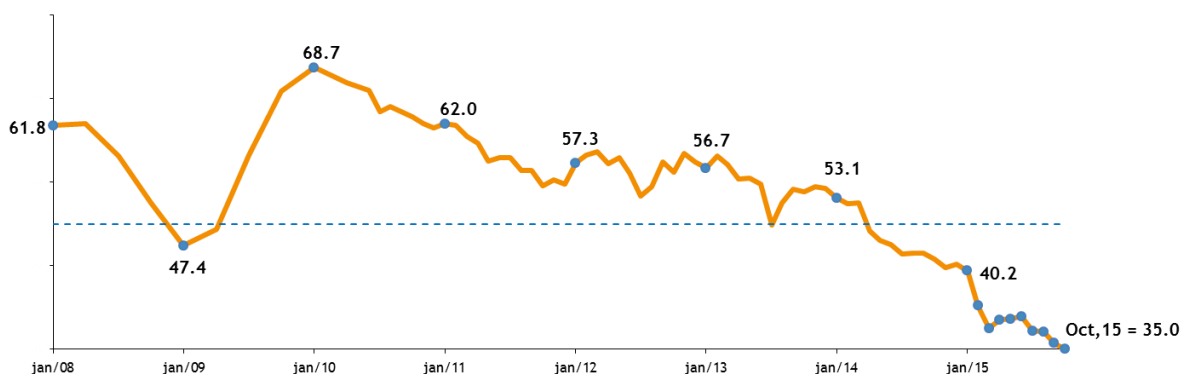
Romi, founded in 1930, is the leader in the Brazilian industrial machinery and equipment market, and an important manufacturer of raw and machined cast iron parts. The Company is listed on BM&FBovespa's "New Market", which is reserved for companies with a higher level of corporate governance. Romi manufactures machine tools (Conventional Lathes, CNC (Computerized Numerical Control) Lathes, Lathing Centers, Machining Centers, Vertical and Horizontal Heavy and Extra-Heavy Lathes and Drilling Mills), plastic injection or blow molding machines, and ductile or CDI gray cast iron parts, which may be supplied in raw or machined form. The Company's products and services are sold around the world and used by various industrial segments, such as the automotive (light and heavy), agricultural machinery, capital goods, consumer goods, tools, hydraulic equipment and wind power industries, among many others.

The Company has eleven manufacturing units, four of which are dedicated to the final assembly of industrial machinery, two foundries, three units for component machining, one unit for the manufacture of steel sheet components, and one plant for the assembly of electronic control panels. Of these, nine are located in Brazil and two in Germany. The Company has installed capacity for the production of approximately 3,500 industrial machines and 50,000 tons of castings per year.

The Machine Tools Business Unit accounted for 61.2% of the Company's revenue for the first nine months of 2015. The Plastic Processing Machines and Raw and Machined Cast Iron Parts Business Units contributed 14.3% and 24.5%, respectively.

## CURRENT ECONOMIC SCENARIO

With the poor economic activity due to the uncertainties surrounding the market since 2014, the first nine months of 2015 continue to show a strong slowdown of the economic activity and, mainly, of the Brazilian industry. In October 2015, the ICEI (Industrial Entrepreneur Confidence Index) reached its lowest level since the 2008 crisis, as shown below:

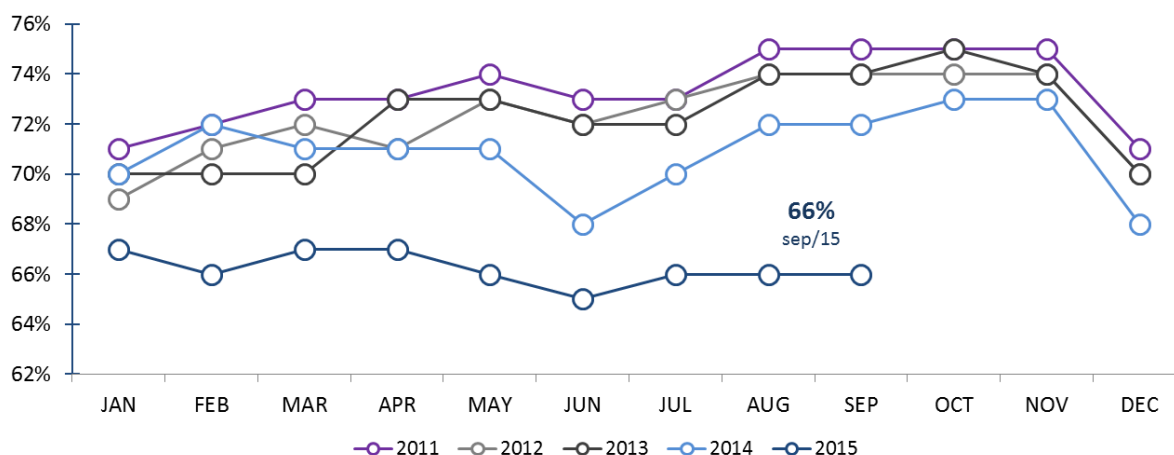


During the first nine months of 2015, the automotive industry produced 20.1% less than in the same period of 2014, based on data from the Brazilian Association of Automotive Vehicle Manufacturers (Anfavea). The production of trucks and agricultural machinery decreased 47.2% and 29.1%, respectively, in the same comparison period.

The installed capacity utilization (UCI) of the national industry in general, prepared by the National Federation of Industries (CNI), reached its lowest point for monthly series (starting January 2011), showing the challenging moment undergone by the Brazilian economy.

### Average utilization of the installed capacity

Percentage (%)



This high uncertainty scenario discourages business expansion and impacts negatively the country's investment levels. This fact reflected on the Machine Tools and Plastic Processing Machines order entry, which fell by 49.1% and 33.4%, respectively, in the first nine months of 2015 compared with the same period of the previous year.

On the other hand, the recent depreciation of the Brazilian real (R\$) against the US dollar (US\$) increased the competitiveness of local manufacturers of machinery and equipment compared with imported equipment. The domestic industry as a whole, in light of the Brazilian real depreciation, has the chance to become more competitive in Brazil and abroad. However, the uncertainty scenario impairs and delays any potential plans for the currently imported parts.

With this scenario of uncertainties and high volatility, Romi continues to take actions to streamline its structure and the planning and manufacturing process, and respond quickly to demand's volatility. Reducing production leadtime, optimizing indirect structures, the contract reduction projects, and the investments in automation are a few examples of these actions.

The Company is aware of the enormous short-term challenges and opportunities, but confident that the actions mentioned above have allowed reducing inventories to regular normal levels and control default and also with an positive operational cashflow. Romi is committed to maintaining appropriate debt and cash levels, allowing that in a year of recession, efforts can be focused on capturing opportunities, aimed at sustainability and the recovery of medium- and long-term profitability.

## MARKET

Romi's main competitive advantages in the domestic market – products with cutting-edge technology, the company's own nationwide distribution network, 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.

Order Entry (R\$ 000)	3Q14	4Q14	1Q15	2Q15	3Q15	Chg 3Q15/2Q15	Chg 3Q15/3Q14
Gross Values, sales taxes included							
Machine Tools	95,697	114,601	47,636	60,219	61,430	2.0%	-35.8%
Plastic Machines	20,178	27,974	14,163	7,260	20,307	179.7%	0.6%
Rough and Machined Cast Iron Parts	34,371	56,664	32,802	65,797	77,263	17.4%	124.8%
<b>Total</b>	<b>150,245</b>	<b>199,239</b>	<b>94,602</b>	<b>133,276</b>	<b>159,000</b>	<b>19.3%</b>	<b>5.8%</b>

<b>Order Entry (R\$ 000)</b> Gross Values, sales taxes included	<b>2014 YTD</b>	<b>2015 YTD</b>	<b>Chg. 2015/2014</b>
Machine Tools	332,645	169,285	-49.1%
Plastic Machines	62,614	41,730	-33.4%
Rough and Machined Cast Iron Parts	97,717	175,862	80.0%
<b>Total</b>	<b>492,977</b>	<b>386,878</b>	<b>-21.5%</b>

The order entry volume in 3Q15 was 5.8% higher than in 3Q14, impacted by the increase in the Raw and Machined Cast Iron Parts order entry. A significant part of such unit's order entry was derived from the wind power segment.

Against this backdrop, in 3Q15 the Machine Tools Business Unit posted a 35.8% performance drop compared to 3Q14, reflecting the instability and volatility of the Brazilian economic situation, which weighs down on demand for investments.

The Raw and Machined Cast Iron Parts Business Unit's demand was 124.8% up in 3Q15 compared to 3Q14, and 17.4% up compared to 2Q15, driven by the demand in the wind power segment, one of the main segments supplied by this Business Unit.

<b>Order Book (R\$ 000)</b> Gross Values, sales taxes included	<b>2Q14</b>	<b>3Q14</b>	<b>4Q14</b>	<b>1Q15</b>	<b>2Q15</b>	<b>3Q15</b>	<b>Chg 3Q15/2Q15</b>	<b>Chg 3Q15/3Q14</b>
Machine Tools	248,174	215,695	189,247	173,580	185,745	186,644	0.5%	-13.5%
Plastic Machines	35,819	24,254	35,351	30,009	13,397	25,586	91.0%	5.5%
Rough and Machined Cast Iron Parts	35,979	34,403	55,959	56,953	90,526	118,133	30.5%	243.4%
<b>Total *</b>	<b>319,971</b>	<b>274,351</b>	<b>280,557</b>	<b>260,541</b>	<b>289,668</b>	<b>330,362</b>	<b>14.0%</b>	<b>20.4%</b>

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

As at September 30, 2015, the order backlog totaled R\$330.4 million, 20.4% up from 3Q14 and 14.0% up from 2Q15, due to the increase of orders in the demand for raw and machined cast iron parts for the wind power segment.

## OPERATING PERFORMANCE

### NET OPERATING REVENUE

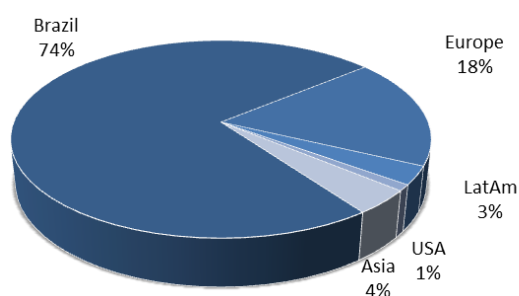
The Company's net operating revenue in 3Q15 reached R\$154.2 million, 6.8% down from 3Q14, especially due to the decreased revenue of the Raw and Machined Cast Iron Parts Business Unit. The Raw and Machined Cast Iron Parts Business Unit, on the other hand, obtained a revenue growth of 46.7% in the period, partially offsetting the reduction in the machinery segment.

	<b>Quarter</b>					<b>Accumulated</b>		
<b>Net Operating Revenue (R\$ 000) <sup>(1)</sup></b>	<b>3Q14</b>	<b>2Q15</b>	<b>3Q15</b>	<b>Chg 3Q15/2Q15</b>	<b>Chg 3Q15/3Q14</b>	<b>YTD 2014</b>	<b>YTD 2015</b>	<b>Chg 15/14</b>
Machine Tools	115,300	70,431	101,285	43.8%	-12.2%	313,167	241,267	-23.0%
Plastic Machines	22,314	20,351	12,029	-40.9%	-46.1%	74,607	56,526	-24.2%
Raw and Machined Cast Iron Parts	27,902	28,190	40,934	45.2%	46.7%	72,048	96,395	33.8%
<b>Total</b>	<b>165,516</b>	<b>118,972</b>	<b>154,248</b>	<b>29.7%</b>	<b>-6.8%</b>	<b>459,822</b>	<b>394,189</b>	<b>-14.3%</b>

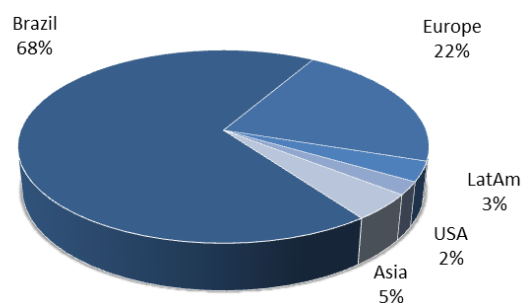
<sup>(1)</sup> The income statements by Business Unit and B+W's financial statements are presented in the appendices to this release.

The domestic market accounted for 68% of Romi's revenue in 9M15. Considering the revenue obtained in the foreign market, which takes into account sales by Romi's subsidiaries abroad (Germany, United States, Italy, United Kingdom, France, Mexico and Spain), the breakdown of Romi's total revenue, by geographical region, was:

9M14



9M15



Below we show the revenue obtained in the foreign market, in reais (R\$) and US dollars (US\$):

Foreign Sales						Accumulated		
	3Q14	2Q15	3Q15	Chg 3Q15/2Q15	Chg 3Q15/3Q14	YTD 2014	YTD 2015	2015/2014
Net Sales (R\$ million)	53.0	37.2	59.7	60.3%	12.5%	116.6	123.4	5.9%
Net Sales (US\$ million)	23.3	11.7	15.0	28.3%	-35.6%	51.0	35.8	-29.8%

## Machine Tools

This Business Unit's net operating revenue reached R\$101.3 million in 3Q15, of which R\$39.2 million refers to the consolidation of the net operating revenue of the German subsidiary B+W. This consolidated amount represented a 12.2% decrease when compared to the same period of 2014. When we exclude the impacts of the German subsidiary B+W from this comparison, this Business Unit's net operating revenue was R\$62.1 in 3Q15, a 22.7% decrease compared to 3Q14, as a result of the scenario of uncertainties that the country has been facing for some quarters.

In 3Q15 the revenue of the German subsidiary B+W posted a decrease of 11.8% compared to 3Q14.

## Plastic Processing Machines

In 3Q15, this Business Unit's net revenue totaled R\$12.0 million, a decline of 46.1% compared to 3Q14 and of 40.9% compared to 2Q15.

The segments with a higher demand for this Business Unit's products in 3Q15 were: packaging, services and automotive.

## Raw and Machined Cast Iron Parts

In 3Q15, this Business Unit's net operating revenue was R\$40.9 million, a 46.7% increase compared to 3Q14. This increase was due to the recovery of the wind power segment, even though the commercial vehicles (trucks) and agricultural segments have posted a decline in the demand for raw and machined cast iron parts.

## OPERATING COSTS AND EXPENSES

The gross margin in 3Q15, of 22.3%, was 0.7 percentage points lower than in 3Q14, impacted by the significant decline in revenue of machine tools and plastic processing machines and the expenses related to structure optimization, which impacted by R\$3.0 million (R\$ 2.7 million in 3Q14) and R\$5.0 million (R\$ 4.5 million in 3Q14) the gross profit and EBITDA.

The Raw and Machined Cast Iron Parts Business Unit posted in 3Q15, when compared to 3Q14, a 5.8 percentage point improvement of the gross margin mainly driven by the higher volume of revenue for the current quarter.

Furthermore, the level of utilization of operational assets, still low, contributes negatively to a faster recovery of operating margins, since the operating expenses have more fixed than variable characteristics, in spite of the Company's strict control over costs and expenses.

Quarter					
Gross Margin	3Q14	2Q15	3Q15	Chg bps 3Q15/2Q15	Chg bps 3Q15/3Q14
Machine Tools	26.5%	28.3%	26.5%	(1.8)	0.0
Plastic Machines	25.8%	27.4%	21.7%	(5.7)	(4.1)
Raw and Machined Cast Iron Parts	6.3%	2.4%	12.1%	9.7	5.8
<b>Total</b>	<b>23.0%</b>	<b>22.0%</b>	<b>22.3%</b>	<b>0.3</b>	<b>(0.7)</b>

Quarter					
EBIT Margin	3Q14	2Q15	3Q15	Chg bps 3Q15/2Q15	Chg bps 3Q15/3Q14
Machine Tools	2.9%	-16.4%	-2.1%	14.3	(5.0)
Plastic Machines	-11.5%	-16.8%	-41.5%	(24.7)	(30.0)
Raw and Machined Cast Iron Parts	-6.1%	-9.9%	1.9%	11.8	8.0
<b>Total</b>	<b>-0.6%</b>	<b>-14.9%</b>	<b>-4.1%</b>	<b>10.8</b>	<b>(3.5)</b>

### Machine Tools

This Business Unit's gross margin was 26.5% in 3Q15, same margin posted in 3Q14, even with a revenue 12.2% lower. The ongoing actions to streamlines structures and the recent depreciation of the Brazilian currency, which made Romi equipment to be more competitive, contributed to maintaining the gross margin in this scenario of lower volume of net operating revenue.

This Business Unit's operating margin in 3Q15 was negative by 2.1%, 5.0 percentage points below 3Q14, due to a decline in the sales revenue by 12.2%, since the operating expenses have more fixed than variable characteristics, in spite of the Company's strict control over costs and expenses, with adverse impacts on margins.

### Plastic Processing Machines

This Business Unit's gross margin in 3Q15 reached 21.7%, a 4.1 percentage point decline compared to 3Q14, due to the decrease in revenues.

The Business Unit's operating margin in 3Q15 was negative by 41.5%, 30.0 percentage points below 3Q14, directly impacted by the decrease in net operating revenue.

### Raw and Machined Cast Iron Parts

This Business Unit's gross margin for 3Q15 improved by 5.8 percentage points compared to 3Q14 and 9.7 percentage points compared to 2Q15, due to the increase in the revenue volume, which was positively impacted by the higher demand of the wind power segment.



As commented above, the recovery of the wind power segment contributed to the increase in the volume manufactured and consequently a higher dilution of fixed costs and expenses.

## EBITDA AND EBITDA MARGIN

In 3Q15, the operating cash generation as measured by EBITDA was R\$2.5 million, representing a negative EBITDA margin of 1.7% for the quarter, as shown in the table below:

Reconciliation of Net Income to EBITDA (R\$ '000)	Quarter					Accumulated		
	3Q14	2Q15	3Q15	Chg 3Q15/2Q15	Chg 3Q15/3Q14	YTD 2014	YTD 2015	Chg 2015/2014
<b>Net Income</b>	(229)	(13,697)	(413)	-97.0%	80.3%	2,096	(15,802)	-853.9%
Income tax and social contributions	1,603	(4,920)	696	-114.1%	-56.6%	2,209	(5,460)	-347.2%
Net Financial Income	(2,331)	882	(6,619)	-850.5%	184.0%	(215)	(12,347)	5642.8%
Depreciation and amortization	8,524	8,784	8,882	1.1%	4.2%	26,192	26,085	-0.4%
<b>EBITDA</b>	7,567	(8,951)	2,546	-128.4%	-66.4%	30,282	(7,523)	-124.8%
<b>EBITDA Margin</b>	4.6%	-7.5%	1.7%			6.6%	-1.9%	
<b>Total Net Operating Revenue</b>	<b>165,516</b>	<b>118,972</b>	<b>154,248</b>			<b>459,822</b>	<b>394,189</b>	

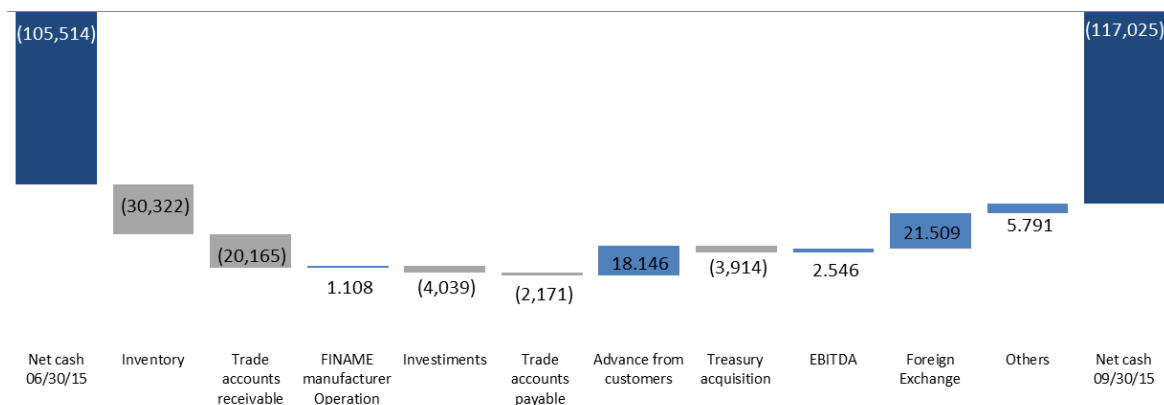
All factors and effects mentioned in the "Operating Expenses and Costs" section affected the EBITDA for 3Q15.

## LOSS FOR THE QUARTER

Loss for 3Q15 was R\$0.4 million.

## CHANGES IN CASH AND CASH EQUIVALENTS

The main changes in the net debt position during 3Q15 are described below in R\$'000:



## Inventories

The increase in inventories at the end of 3Q15 was mainly due to the currency depreciation occurred mainly in the third quarter of the year.

## Investments

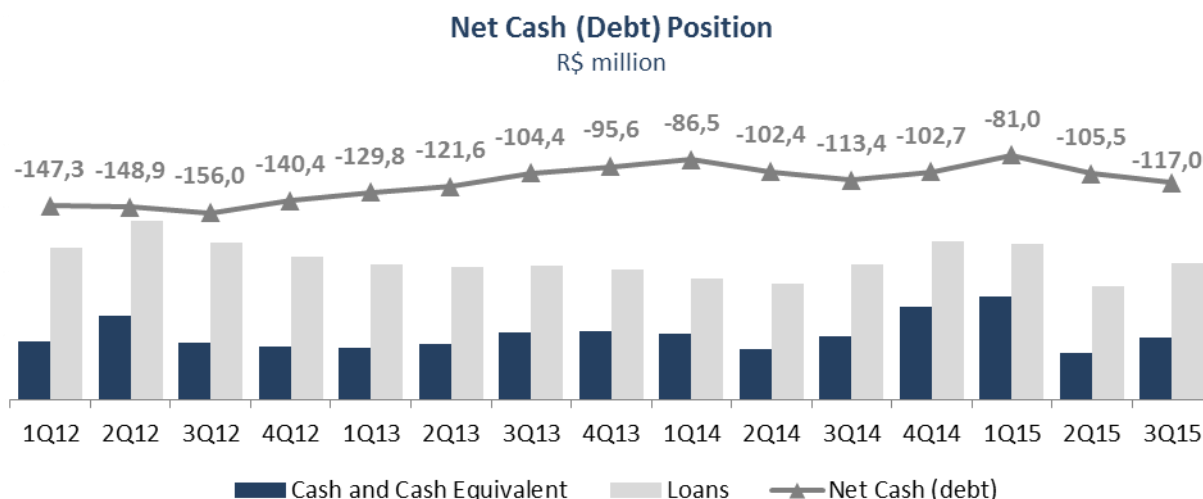
Investments in 3Q15 totaled R\$4.1 million, which were partly used for maintenance, productivity, flexibility and competitiveness of the industrial facilities within the investment plan for 2015.



## FINANCIAL POSITION

Short-term investments, including those backed by debentures, are made with financial institutions with low credit risk and their yield is substantially indexed to the interbank deposit rate ("CDI"). The consolidated position of cash and cash equivalents as at September 30, 2015 was R\$96.6 million.

The Company's borrowings are used mainly in investments in the modernization of the industrial facilities, research and development of new products and financing of exports and imports. As at September 30, 2015, the amount of financing in local currency was R\$178.5 million, and in foreign currency, R\$35.0 million, totaling R\$213.6 million.



As at September 30, 2015, the Company did not have any derivative transactions.

## SHARE REPURCHASE PROGRAM

The Board of Directors approved on the meeting held on April 28, 2015, a repurchase program of its shares. According to the program, the share repurchase will begin on April 28, 2015 ending on April 27, 2016. Up to 3,100,000 shares can be repurchased under the Program, representing 8.92% of the Company's free float.

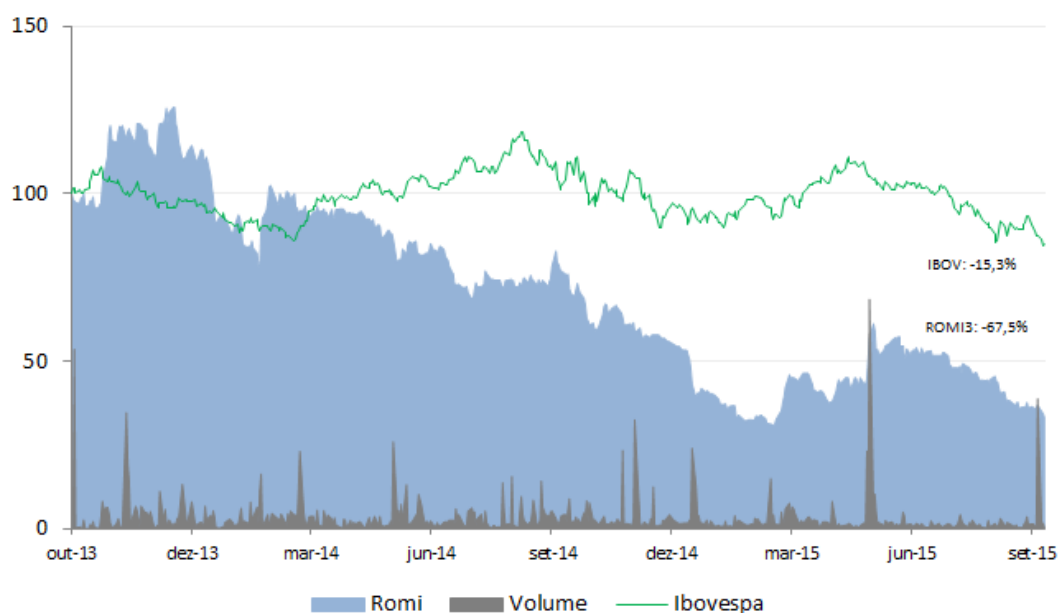
With the Program, the Company intends to generate shareholder value by utilizing efficiently its capital structure.

Until September 30, 2015, 2,103,400 shares had been purchased for R\$3,914, representing an average purchase price of R\$1.86 per share. These shares purchased impacted the calculation of earnings per share for the period.

## CAPITAL MARKETS

### Share Performance ROMI3 vs. Ibovespa

From 10/01/2013 to 09/30/2015



Source: BM&FBovespa

At the end of 3Q15, Romi's common shares (ROMI3) were traded at R\$1.72, posting depreciation of 37.4% in the quarter and of 59.6% in the twelve-month period. The BM&FBovespa Index posted depreciation of 15.1% in the quarter and of 16.7% in the last twelve months.

The Company's market capitalization as at September 30, 2015 was R\$118 million. The average daily trading volume in 3Q15 was R\$180,000.

# FINANCIAL STATEMENTS

## Consolidated Balance Sheet

(R\$ 000)

ASSETS		12/31/14	06/30/15	09/30/15	LIABILITIES AND SHAREHOLDER'S EQUITY		12/31/14	06/30/15	09/30/15
<b>CURRENT</b>		<b>726,525</b>	<b>637,348</b>	<b>698,668</b>	<b>CURRENT</b>		<b>353,379</b>	<b>290,638</b>	<b>310,654</b>
Cash and Cash equivalents		145,580	71,959	96,569	Loans and financing		104,916	48,029	54,270
Trade accounts receivable		105,923	88,338	108,709	FINAME manufacturer financing		133,024	103,075	91,013
Onlending of FINAME manufacturer financing		173,575	139,663	129,109	Trade accounts payable		30,992	41,577	39,406
Inventories		262,035	294,281	324,603	Payroll and related taxes		19,291	26,923	30,921
Recoverable taxes		17,892	22,970	23,179	Taxes payable		6,610	5,089	6,607
Related Parties		492	664	-	Advances from customers		40,928	50,644	68,790
Other receivables		21,028	19,473	16,499	Interest on capital, dividends and participations		2,294	2	2
					Other payables		14,243	14,071	19,645
<b>NONCURRENT</b>		<b>562,471</b>	<b>550,975</b>	<b>565,207</b>	Related Parties		1,081	1,228	-
<b>Long-Term Assets</b>		<b>215,701</b>	<b>206,530</b>	<b>196,689</b>					
Trade accounts receivable		8,700	7,770	7,564	<b>NON CURRENT</b>		<b>291,456</b>	<b>264,227</b>	<b>295,515</b>
Onlending of FINAME manufacturer financing		132,239	116,001	109,948	<b>Long-term liabilities</b>				
Recoverable taxes		1,682	1,357	1,356	Loans and financing		143,405	129,444	159,324
Deferred income and social contribution taxes		47,128	54,067	54,905	FINAME manufacturer financing		117,053	102,067	98,630
Escrow Deposits		1,471	1,621	1,814	Deferred income and social contribution taxes		25,416	27,103	34,533
Other receivables		24,481	25,714	21,102	Taxes payable		1,133	1,133	1,133
					Reserve for contingencies		4,099	4,110	1,416
<b>Investments</b>					Other payables		350	370	479
Property, Plant and Equipment, net		278,400	270,823	283,615					
Investment in Subsidiaries and Associate Companies		2,329	1,180	-	<b>SHAREHOLDER'S EQUITY</b>		<b>642,537</b>	<b>631,844</b>	<b>656,184</b>
Investment Property		19,875	24,566	26,025	Capital		489,973	492,025	492,025
Intangible assets		46,166	47,876	58,878	Capital reserve		2,052	-	-
					Retained earnings		146,301	135,952	135,952
<b>TOTAL ASSETS</b>		<b>1,288,996</b>	<b>1,188,323</b>	<b>1,263,875</b>	Income (loss) for the period		-	(15,545)	(16,024)
					Income (loss) for the period for discontinued operations		(10,349)	-	(3,914)
					Treasury shares		14,560	19,412	48,145
					<b>NON CONTROLLING INTERESTS</b>		<b>1,624</b>	<b>1,614</b>	<b>1,522</b>
					<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>644,161</b>	<b>633,458</b>	<b>657,706</b>
					<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		<b>1,288,996</b>	<b>1,188,323</b>	<b>1,263,875</b>

## Consolidated Income Statement

(R\$ thousand)

	3Q14	2Q15	3Q15	Var. 3Q15/2Q15	Var. 3Q15/3Q14	YTD 2014	YTD 2015	Chg 15/14
<b>Net Operating Revenue</b>	<b>165,516</b>	<b>118,972</b>	<b>154,248</b>	<b>29.7%</b>	<b>-6.8%</b>	<b>459,822</b>	<b>394,189</b>	<b>-14.3%</b>
Cost of Goods Sold	(127,517)	(92,798)	(119,839)	29.1%	-6.0%	(338,407)	(306,988)	-9.3%
<b>Gross Profit</b>	<b>37,999</b>	<b>26,174</b>	<b>34,409</b>	<b>31.5%</b>	<b>-9.4%</b>	<b>121,415</b>	<b>87,201</b>	<b>-28.2%</b>
<i>Gross Margin %</i>	<i>23.0%</i>	<i>22.0%</i>	<i>22.3%</i>	<i>106.1%</i>	<i>138.8%</i>	<i>26.4%</i>	<i>22.1%</i>	
<b>Operating Expenses</b>	<b>(38,956)</b>	<b>(43,909)</b>	<b>(40,745)</b>	<b>-7.2%</b>	<b>4.6%</b>	<b>(117,325)</b>	<b>(120,809)</b>	<b>3.0%</b>
Selling expenses	(18,506)	(19,113)	(18,279)	-4.4%	-1.2%	(54,190)	(51,642)	-4.7%
Research and development expenses	(4,837)	(4,985)	(4,444)	-10.9%	-8.1%	(14,999)	(14,262)	-4.9%
General and administrative expenses	(15,248)	(17,705)	(15,829)	-10.6%	3.8%	(48,015)	(49,515)	3.1%
Management profit sharing and compensation	(1,507)	(1,178)	(1,157)	-1.8%	-23.2%	(4,608)	(3,973)	-13.8%
Other operating income, net	1,142	(928)	(1,036)	11.6%	-190.7%	4,487	(1,417)	-131.6%
<b>Operating Income before Financial Results</b>	<b>(957)</b>	<b>(17,735)</b>	<b>(6,336)</b>	<b>-64.3%</b>	<b>562.1%</b>	<b>4,090</b>	<b>(33,608)</b>	<b>-921.6%</b>
<i>Operating Margin %</i>	<i>-0.6%</i>	<i>-14.9%</i>	<i>-4.1%</i>	<i>-216.8%</i>	<i>-8256.2%</i>	<i>0.9%</i>	<i>-8.5%</i>	
<b>Financial Results, Net</b>	<b>2,331</b>	<b>(882)</b>	<b>6,619</b>	<b>-850.5%</b>	<b>184.0%</b>	<b>215</b>	<b>12,347</b>	<b>5642.8%</b>
Financial income	2,677	4,875	3,722	-23.7%	39.0%	11,261	14,734	30.8%
Financial expenses	(2,641)	(5,467)	(4,376)	-20.0%	65.7%	(10,634)	(16,236)	52.7%
Exchange gain (loss), net	2,295	(290)	7,273	-2607.9%	216.9%	(412)	13,849	-3461.4%
<b>Operations Operating Income</b>	<b>1,374</b>	<b>(18,617)</b>	<b>283</b>	<b>-101.5%</b>	<b>-79.4%</b>	<b>4,305</b>	<b>(21,261)</b>	<b>-593.8%</b>
Income tax and social contribution	(1,603)	4,920	(696)	-114.1%	-56.6%	(2,209)	5,460	-347.2%
<b>Net income</b>	<b>(229)</b>	<b>(13,697)</b>	<b>(413)</b>	<b>-97.0%</b>	<b>80.3%</b>	<b>2,096</b>	<b>(15,801)</b>	<b>-853.7%</b>
<i>Net Margin %</i>	<i>-0.1%</i>	<i>-11.5%</i>	<i>-0.3%</i>	<i>-327.1%</i>	<i>-1180.3%</i>	<i>0.5%</i>	<i>-4.0%</i>	
<b>Net profit concerning:</b>								
Controlling interests	(315)	(13,774)	(478)	-96.5%	51.7%	1,743	(16,024)	-1019.2%
Non controlling interests	85	77	65	-15.6%	-23.5%	352	223	-36.6%
<b>EBITDA</b>	<b>7,567</b>	<b>(8,951)</b>	<b>2,546</b>	<b>-128.4%</b>	<b>-66.4%</b>	<b>30,281</b>	<b>(7,522)</b>	<b>-124.8%</b>
Net income / loss for the period	(229)	(13,697)	(413)	-97.0%	80.3%	2,096	(15,801)	-854.0%
Income tax and social contribution	1,603	(4,920)	696	-114.1%	-56.6%	2,209	(5,460)	-347.2%
Financial income, net	(2,331)	882	(6,619)	-850.5%	184.0%	(215)	(12,347)	5642.8%
Depreciation	8,524	8,784	8,882	1.1%	4.2%	26,192	26,085	-0.4%
<i>EBITDA Margin %</i>	<i>4.6%</i>	<i>-7.5%</i>	<i>1.7%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>6.6%</i>	<i>-1.9%</i>	
Nº of shares in capital stock (th)	71,758	68,758	68,758	0.0%	-4.2%	71,758	68,758	-4.2%
Net income per share - R\$	(0.00)	(0.20)	(0.01)	-97.0%	88.2%	0.03	(0.23)	-886.6%

## Consolidated Cash Flow Statement

(R\$ thousand)

	3Q14	2Q15	3Q15	YTD 2014	YTD 2015
<b>Cash from operating activities</b>					
<b>Net Income</b>	<b>1,373</b>	<b>(18,615)</b>	<b>282</b>	<b>4,305</b>	<b>(21,261)</b>
Financial expenses and exchange gain	491	(10,378)	21,193	854	12,334
Depreciation and amortization	8,524	8,784	8,882	26,192	26,085
Allowance for doubtful accounts and other receivables	(2,481)	448	(966)	(1,165)	(224)
Proceeds from sale of fixed assets and intangibles	(387)	(241)	3,459	1,327	2,935
Provision for inventory realization	(251)	814	4,382	1,586	7,680
Reserve for contingencies	(5,167)	1,933	407	(5,167)	936
Disposal of Assets	(2,959)	-	-	-	-
<b>Change on operating assets and liabilities</b>					
Trade accounts receivable	(5,262)	27,256	(30,117)	25,970	14,502
Related Parties	(58)	1,307	1,180	93	2,329
Onlending of FINAME manufacturer financing	34,454	24,477	17,050	112,161	62,025
Inventories	25,534	(15,882)	(34,704)	(26,502)	(70,247)
Recoverable taxes, net	(1,489)	(1,569)	1,977	(3,367)	(5,259)
Escrow deposits	11	(1,358)	(3,303)	82	(4,782)
Other receivables	(8,739)	2,735	8,110	(3,945)	13,906
Trade accounts payable	(7,935)	(3,168)	(2,276)	(4,162)	5,546
Payroll and related taxes	3,704	3,967	4,773	8,739	13,600
Taxes payable	6,217	(661)	5,397	(4,007)	7,633
Advances from customers	(6,361)	(6,269)	18,146	215	27,862
Other payables	(657)	3,436	3,589	5,324	2,257
<b>Cash provided by (used in) operating activities</b>	<b>38,562</b>	<b>17,016</b>	<b>27,461</b>	<b>138,533</b>	<b>97,857</b>
Income tax and social contribution paid	(916)	(207)	(168)	(9,071)	(650)
<b>Net Cash provided by (used in) operating activities</b>	<b>37,646</b>	<b>16,809</b>	<b>27,293</b>	<b>129,462</b>	<b>97,207</b>
Purchase of fixed assets	(10,097)	(3,137)	(4,039)	(25,949)	(11,387)
Sales of fixed assets	1,971	892	297	2,232	1,189
Increase in intangible assets	-	(536)	-	(91)	-
<b>Net cash Used in Investing Activities</b>	<b>(8,126)</b>	<b>(2,781)</b>	<b>(3,742)</b>	<b>(23,808)</b>	<b>(10,198)</b>
Interest on capital paid	(267)	-	(157)	(1,237)	(2,043)
Share Repurchase	(3,277)	-	(3,914)	(3,277)	(3,914)
New loans and financing	41,247	1,957	62,578	59,050	72,871
Payments of loans and financing	(10,055)	(71,224)	(33,442)	(48,280)	(122,814)
Interests paid (including Finame manufacturer financing)	(7,197)	(5,948)	(5,528)	(20,712)	(17,620)
New loans in Finame manufacturer	20,232	10,187	20,399	74,202	59,090
Payment of Finame manufacturer financing	(52,433)	(37,449)	(33,758)	(172,616)	(112,276)
<b>Net Cash provided by (used in) Financing Activities</b>	<b>(11,750)</b>	<b>(102,477)</b>	<b>6,178</b>	<b>(112,870)</b>	<b>(126,706)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>17,770</b>	<b>(88,449)</b>	<b>29,729</b>	<b>(7,216)</b>	<b>(39,697)</b>
Exchange variation changes on cash and cash equivalents abroad	1,934	(1,571)	(5,119)	(1,197)	(9,314)
<b>Cash and cash equivalents - beginning of period</b>	<b>79,115</b>	<b>161,979</b>	<b>71,959</b>	<b>107,232</b>	<b>145,580</b>
<b>Cash and cash equivalents - end of period</b>	<b>98,819</b>	<b>71,959</b>	<b>96,569</b>	<b>98,819</b>	<b>96,569</b>

## Appendix I – Income Statement by Business Unit

### Income Statement by Business Units - 3Q15

R\$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
<b>Net Operating Revenue</b>	<b>101,285</b>	<b>12,029</b>	<b>40,934</b>	<b>154,248</b>
<b>Cost of Sales and Services</b>	<b>(74,799)</b>	<b>(7,373)</b>	<b>(37,667)</b>	<b>(119,839)</b>
Business Units Transfers	1,461	-	1,685	3,145
Business Units Transfers	(1,094)	(2,051)	-	(3,145)
<b>Gross Profit</b>	<b>26,853</b>	<b>2,605</b>	<b>4,952</b>	<b>34,410</b>
<i>Gross Margin %</i>	<i>26.5%</i>	<i>21.7%</i>	<i>12.1%</i>	<i>22.3%</i>
<b>Operating Expenses</b>	<b>(28,974)</b>	<b>(7,602)</b>	<b>(4,168)</b>	<b>(40,744)</b>
Selling	(13,214)	(4,458)	(607)	(18,279)
General and Administrative	(10,784)	(1,900)	(3,145)	(15,829)
Research and Development	(3,341)	(1,103)	-	(4,444)
Management profit sharing	(600)	(141)	(416)	(1,157)
Other operating revenue	(1,035)	-	-	(1,035)
<b>Operating Income before Financial Results</b>	<b>(2,121)</b>	<b>(4,997)</b>	<b>784</b>	<b>(6,335)</b>
<i>Operating Margin %</i>	<i>-2.1%</i>	<i>-41.5%</i>	<i>1.9%</i>	<i>-4.1%</i>
Depreciation and amortization	5,562	661	2,659	8,882
<b>EBITDA</b>	<b>3,441</b>	<b>(4,336)</b>	<b>3,443</b>	<b>2,547</b>
<i>EBITDA Margin %</i>	<i>3.4%</i>	<i>-36.0%</i>	<i>8.4%</i>	<i>1.7%</i>

### Income Statement by Business Units - 3Q14

R\$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
<b>Net Operating Revenue</b>	<b>115,300</b>	<b>22,314</b>	<b>27,902</b>	<b>165,516</b>
<b>Cost of Sales and Services</b>	<b>(82,400)</b>	<b>(14,175)</b>	<b>(30,942)</b>	<b>(127,517)</b>
Business Units Transfers	1,680	-	4,800	6,480
Business Units Transfers	(4,081)	(2,388)	(11)	(6,480)
<b>Gross Profit</b>	<b>30,499</b>	<b>5,751</b>	<b>1,749</b>	<b>37,999</b>
<i>Gross Margin %</i>	<i>26.5%</i>	<i>25.8%</i>	<i>6.3%</i>	<i>23.0%</i>
<b>Operating Expenses</b>	<b>(27,190)</b>	<b>(8,324)</b>	<b>(3,443)</b>	<b>(38,957)</b>
Selling	(13,287)	(4,088)	(1,131)	(18,506)
General and Administrative	(10,696)	(2,568)	(1,984)	(15,248)
Research and Development	(3,400)	(1,437)	-	(4,837)
Management profit sharing	(948)	(231)	(328)	(1,507)
Other operating revenue	1,141	-	-	1,141
<b>Operating Income before Financial Results</b>	<b>3,309</b>	<b>(2,573)</b>	<b>(1,694)</b>	<b>(958)</b>
<i>Operating Margin %</i>	<i>2.9%</i>	<i>-11.5%</i>	<i>-6.1%</i>	<i>-0.6%</i>
Depreciation and amortization	4,956	600	2,968	8,524
<b>EBITDA</b>	<b>8,265</b>	<b>(1,973)</b>	<b>1,274</b>	<b>7,566</b>
<i>EBITDA Margin %</i>	<i>7.2%</i>	<i>-8.8%</i>	<i>4.6%</i>	<i>4.6%</i>

## Income Statement by Business Units - 9M15

R\$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
<b>Net Operating Revenue</b>	<b>239,326</b>	<b>56,526</b>	<b>96,287</b>	<b>392,140</b>
<b>Cost of Sales and Services</b>	<b>(169,802)</b>	<b>(34,733)</b>	<b>(101,120)</b>	<b>(305,655)</b>
Business Units Transfers	4,122	-	9,948	14,069
Business Units Transfers	(6,914)	(7,151)	(4)	(14,069)
<b>Gross Profit</b>	<b>66,732</b>	<b>14,642</b>	<b>5,111</b>	<b>86,485</b>
<i>Gross Margin %</i>	<i>27.9%</i>	<i>25.9%</i>	<i>5.3%</i>	<i>22.1%</i>
<b>Operating Expenses</b>	<b>(83,439)</b>	<b>(24,751)</b>	<b>(10,729)</b>	<b>(118,919)</b>
Selling	(35,647)	(13,099)	(2,570)	(51,316)
General and Administrative	(34,963)	(7,211)	(7,194)	(49,368)
Research and Development	(10,407)	(3,855)	-	(14,262)
Management profit sharing	(2,422)	(586)	(965)	(3,973)
Other operating revenue	-	-	-	-
<b>Operating Income before Financial Results</b>	<b>(16,707)</b>	<b>(10,109)</b>	<b>(5,618)</b>	<b>(32,434)</b>
<i>Operating Margin %</i>	<i>-7.0%</i>	<i>-17.9%</i>	<i>-5.8%</i>	<i>-8.3%</i>
Depreciation and amortization	16,102	1,900	8,067	26,070
<b>EBITDA</b>	<b>(604)</b>	<b>(8,209)</b>	<b>2,449</b>	<b>(6,364)</b>
<i>EBITDA Margin %</i>	<i>-0.3%</i>	<i>-14.5%</i>	<i>2.5%</i>	<i>-1.6%</i>

## Income Statement by Business Units - 9M14

R\$ 000	Machine Tools	Plastic Machines	Rough and Machined Cast Iron Parts	Total
<b>Net Operating Revenue</b>	<b>313,167</b>	<b>74,607</b>	<b>72,048</b>	<b>459,822</b>
<b>Cost of Sales and Services</b>	<b>(206,074)</b>	<b>(42,015)</b>	<b>(90,318)</b>	<b>(338,407)</b>
Business Units Transfers	4,519	-	17,190	21,709
Business Units Transfers	(14,291)	(7,397)	(21)	(21,709)
<b>Gross Profit</b>	<b>97,321</b>	<b>25,195</b>	<b>(1,101)</b>	<b>121,415</b>
<i>Gross Margin %</i>	<i>31.1%</i>	<i>33.8%</i>	<i>-1.5%</i>	<i>26.4%</i>
<b>Operating Expenses</b>	<b>(81,776)</b>	<b>(26,590)</b>	<b>(8,960)</b>	<b>(117,326)</b>
Selling	(38,193)	(13,053)	(2,944)	(54,190)
General and Administrative	(34,264)	(8,544)	(5,207)	(48,015)
Research and Development	(10,604)	(4,395)	-	(14,999)
Management profit sharing	(3,019)	(780)	(809)	(4,608)
Other operating revenue	4,304	182	-	4,486
<b>Income before Financial Results</b>	<b>15,545</b>	<b>(1,395)</b>	<b>(10,061)</b>	<b>4,089</b>
<i>Operating Margin %</i>	<i>5.0%</i>	<i>-1.9%</i>	<i>-14.0%</i>	<i>0.9%</i>
Depreciation	15,272	1,828	9,092	26,192
<b>EBITDA</b>	<b>30,817</b>	<b>433</b>	<b>(969)</b>	<b>30,281</b>
<i>EBITDA Margin %</i>	<i>9.8%</i>	<i>0.6%</i>	<i>-1.3%</i>	<i>6.6%</i>



## Appendix II – Financial Statements of B+W

### Balance Sheet B+W

ASSETS	(€ 000)		
	12/31/14	06/30/15	09/30/15
<b>CURRENT</b>	<b>20,901</b>	<b>24,237</b>	<b>25,439</b>
Cash and Cash equivalents	4,218	22	-
Trade accounts receivable	8,506	4,544	6,060
Inventories	7,397	17,045	16,885
Recoverable taxes	400	2,009	2,120
Related Parties	170	194	3
Other receivables	211	422	370
<b>NONCURRENT</b>	<b>30,521</b>	<b>29,508</b>	<b>28,852</b>
<b>Investments</b>			
Property, Plant and Equipment, net	16,296	15,855	15,701
Investment in Subsidiaries and Associate Companies	722	341	-
Intangible assets	13,503	13,312	13,151
<b>TOTAL ASSETS</b>	<b>51,422</b>	<b>53,744</b>	<b>54,290</b>

LIABILITIES AND SHAREHOLDER'S EQUITY	(€ 000)		
	12/31/14	06/30/15	09/30/15
<b>CURRENT</b>	<b>14,839</b>	<b>19,750</b>	<b>21,085</b>
Loans and financing	-	2,430	3,085
Trade accounts payable	2,257	1,913	1,964
Payroll and related taxes	610	1,334	1,197
Taxes payable	611	429	817
Advances from customers	9,098	12,071	12,435
Other payables	1,928	1,217	1,586
Related Parties	335	355	-
<b>NON CURRENT</b>	<b>8,982</b>	<b>8,765</b>	<b>8,635</b>
<b>Long-term liabilities</b>			
Loans and financing	3,762	3,590	3,504
Deferred income and social contribution taxes	5,220	5,176	5,131
<b>SHAREHOLDER'S EQUITY</b>	<b>27,602</b>	<b>25,229</b>	<b>24,571</b>
Capital	7,025	7,025	7,025
Capital reserve	505	505	505
Accumulated deficit	20,072	17,699	17,041
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>51,422</b>	<b>53,744</b>	<b>54,290</b>

## Income Statement B+W

(€ 000)

	3Q14	2Q15	3Q15	Chg 3Q15/2Q15	Chg 3Q15/3Q14	YTD 2014	YTD 2015	Chg 2015/2014
<b>Net Operating Revenue</b>	<b>11,629</b>	<b>5,894</b>	<b>9,176</b>	<b>55.7%</b>	<b>-21.1%</b>	<b>24,543</b>	<b>17,237</b>	<b>-29.8%</b>
Cost of Goods Sold	(9,313)	(5,089)	(8,097)	59.1%	-13.1%	(19,452)	(15,799)	-18.8%
<b>Gross Profit</b>	<b>2,316</b>	<b>805</b>	<b>1,079</b>	<b>34.1%</b>	<b>-53.4%</b>	<b>5,091</b>	<b>1,438</b>	<b>-71.8%</b>
<i>Gross Margin %</i>	<i>19.9%</i>	<i>13.7%</i>	<i>11.8%</i>			<i>20.7%</i>	<i>8.3%</i>	
<b>Operating Income (Expenses)</b>	<b>(1,954)</b>	<b>(2,210)</b>	<b>(1,933)</b>	<b>-12.5%</b>	<b>-1.1%</b>	<b>(5,763)</b>	<b>(5,596)</b>	<b>-2.9%</b>
Selling expenses	(677)	(503)	(776)	54.2%	14.7%	(1,832)	(1,547)	-15.5%
General and administrative expenses	(1,277)	(1,706)	(1,157)	-32.2%	-9.4%	(3,931)	(4,048)	3.0%
<b>Operating Income before Financial Results</b>	<b>362</b>	<b>(1,405)</b>	<b>(854)</b>	<b>-39.2%</b>	<b>-335.9%</b>	<b>(672)</b>	<b>(4,157)</b>	<b>518.5%</b>
<i>Operating Margin %</i>	<i>3.1%</i>	<i>-23.8%</i>	<i>-9.3%</i>			<i>-2.7%</i>	<i>-24.1%</i>	
<b>Financial Results, Net</b>	<b>(94)</b>	<b>(10)</b>	<b>(72)</b>	<b>603.0%</b>	<b>-23.5%</b>	<b>(280)</b>	<b>(258)</b>	<b>-7.9%</b>
<b>Operating Income</b>	<b>268</b>	<b>(1,415)</b>	<b>(925)</b>	<b>-34.6%</b>	<b>-445.2%</b>	<b>(952)</b>	<b>(4,415)</b>	<b>363.6%</b>
Income tax and social contribution	240	409	267	-34.6%	11.4%	240	1,276	431.5%
<b>Net income</b>	<b>508</b>	<b>(1,006)</b>	<b>(658)</b>	<b>-34.6%</b>	<b>-229.5%</b>	<b>(712)</b>	<b>(3,139)</b>	<b>340.7%</b>
<i>Net Margin %</i>	<i>4.4%</i>	<i>-17.1%</i>	<i>-7.2%</i>			<i>-2.9%</i>	<i>-18.2%</i>	
<b>EBITDA</b>	<b>814</b>	<b>(853)</b>	<b>(377)</b>	<b>-55.8%</b>	<b>-146.3%</b>	<b>360</b>	<b>(2,706)</b>	<b>-851.1%</b>
Net income / loss	508	(1,006)	(658)	-34.6%	-229.5%	(712)	(3,139)	340.7%
Income tax and social contribution	(240)	(409)	(267)	-34.6%	11.4%	(240)	(1,276)	431.5%
Financial Results, Net	94	10	72	603.0%	-23.5%	280	258	-7.9%
Depreciation	452	552	477	-13.6%	5.4%	1,032	1,451	40.5%
<i>EBITDA Margin %</i>	<i>7.0%</i>	<i>-14.5%</i>	<i>-4.1%</i>			<i>1.5%</i>	<i>-15.7%</i>	

Statements contained in this release related to the Company's business outlook, projections of operating and financial results, and references to the Company's growth potential are mere forecasts and have been based on Management's expectations regarding its future performance. These expectations are highly dependent upon market behavior, economic conditions in Brazil, the industry and international markets, therefore being subject to changes.