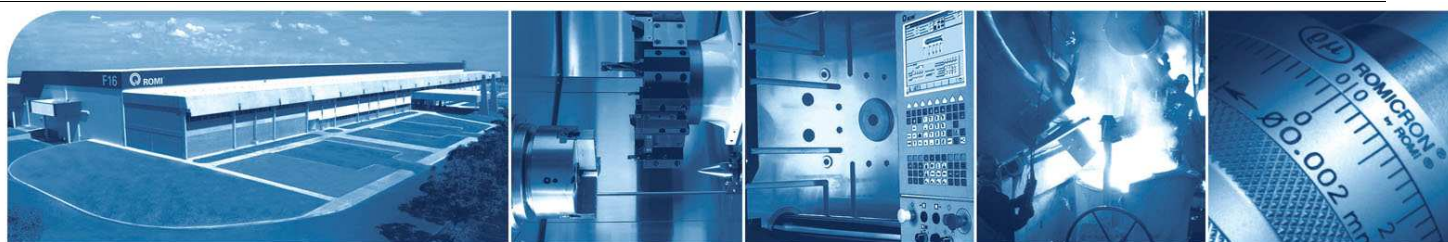


**ROMI**[®]

A TRADITION OF INNOVATION



Santa Bárbara d'Oeste, SP, February 13, 2008 – Indústrias Romi S.A. (Bovespa: ROMI3), a domestic market leader in Machine Tools and Plastic Injection Molding Machines announces its results for the fourth quarter and the fiscal year ending December 31, 2007 (4Q07 and 2007). Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis and monetary values are expressed in Reais.

4Q07

Revenue reaches R\$ 188.8 million in 4Q07, an improvement of 21.3% over 4Q06

Share Price (12/31/07)

ROMI3 - R\$ 22.19/share

Market CapitalizationR\$ 1,743 million
US\$ 984 million**Total Shares**Common: 78,557,547
Total: 78,557,547**Free Float:** 54.7%**Contact:**Sergio Roberto Novo
Investor Relations Officer
Phone: 55 (19) 3455-9913
dri@romi.com.brLuiz Cassiano R. Rosolen
Investor Relations
Manager
Phone: (19) 3455-9004
gri@romi.com.br**Website:**www.romi.com.br**Highlights**

- **A 16.9% improvement in net income in 4Q07 against 4Q06**, reflecting the solid performance of the domestic economy and customer recognition of the excellence of our products.
- **4Q07 growth of 31.0% in net operating revenue from the Plastic Injection Molding Machines unit compared with 4Q06**, mainly due to the consolidation of the Prática line in the market and stronger demand from the Brazilian market.
- **Significant increase in 4Q07 in relation to 4Q06 of sales volume in all business units**, the highlight being the growth of 38.2% in the number of Machine Tools sold.
- **Announcement of an investment plan for two new plants, being one a foundry and the other a machining plant for cast iron parts** that shall double the installed capacity of the Rough and Machined Castings unit by 2011.

ROMI - Consolidated In Thousand Reais	Quarter			Accumulated		
	4Q06	4Q07	% Chg.	2006	2007	% Chg.
Sales Volume						
Machine Tools (units)	545	753	38.2	1,941	2,422	24.8
Plastic Injection Molding Machines (units)	85	115	35.3	309	381	23.3
Rough and Machined Cast Iron Parts (tons)	4,848	5,405	11.5	16,126	20,784	28.9
Net Operating Revenue	155,688	188,830	21.3	548,948	631,988	15.1
Gross margin (%)	46.0%	41.5%		43.1%	42.7%	
Operating Income (EBIT)	34,769	36,254	4.3	99,916	123,356	23.5
Operating margin (%)	22.3%	19.2%		18.2%	19.5%	
Net Income	27,839	32,541	16.9	82,921	108,966	31.4
Net margin (%)	17.9%	17.2%		15.1%	17.2%	
EBITDA	34,358	35,581	3.6	108,192	132,994	22.9
EBITDA margin (%)	22.1%	18.8%		19.7%	21.0%	
Investments	21,933	7,929	-	51,554	27,716	-



Índice de Ações com Tag Along Diferenciado

1 - EBITDA = Earning before financial result, income taxes, depreciation and amortization adjusted for Public Offering of Shares expenses, recorded on April/2007.

2 - EBIT = Operating income, adjusted for Public Offering of Shares expenses, recorded on April 2007.

FIRB – Financial Investor
Relations Brasil
www.firb.com



CORPORATE PROFILE

Romi is a leading company among the Brazilian manufacturers of Machine Tools and Plastic Injection Molding Machines. It also has an important share of the Rough and Machined Castings Iron Parts market. The Company's principal customer segments are automotive and auto parts, capital goods and consumer goods in general.

The Company has nine industrial plants, of which two are dedicated to machining and three to the final assembly of industrial machinery. Romi also operates a foundry, an industrial plant for high-precision tooling systems, one for the manufacture of sheet metal components and also a plant for the assembly of electronic control panels. The Company has an installed production capacity of approximately 3,640 machine tools/year and about 40,000 tons/year in castings, both areas of which are in a phase of gradually taking up spare capacity following recent expansion investments in 2006 and 2007.

The Machine Tools Business Unit, which accounted for about 66% of the Company's 2007 sales revenue, comprises lines for Conventional Lathes, CNC Lathes (computerized numerical control), Machining Centers and Romicon[®] High Precision Tools. The Rough and Machined Castings and Plastic Injection Molding Machines business units represented approximately 18% and 16%, respectively of the Company's fiscal year 2007 sales revenue.

CURRENT ECONOMIC SCENARIO

Current Economic Scenario

The Brazilian economic scenario was favorable in 2007, reporting accelerated growth in the automotive industry, expansion in domestic demand, real growth in salaried employment, and higher levels of activity in the leading manufacturing and services industries. Estimated GDP growth is 5.2% according to the Brazilian Central Bank's Focus Report of January 25, 2008. Gradual cuts in the basic interest rate progressed during the course of 2007, as well as, a reduction of 0.6 percentage points in the long-term interest rate (TJLP) from 6.85% in December, 2006 to 6.25% in December, 2007. Romi's performance correlated closely with the progress reported by Brazilian industry as a whole, there being a direct linkage between the Company's products and the country's industrial output as a whole. It is worth pointing out that Romi's products are used in all segments of manufacturing industry. This leads to a diversified exposure which reduces the risks of concentration on a few sectors of the economy.

During 2007, the Company also faced a major foreign currencies exchange rate challenge. There was a downward trajectory in the US dollar quotation against the Real accumulating an appreciation of about 17% in 2007. Besides the impact on the Company's exports, the foreign exchange rate influences the competitiveness of Romi's products in the Brazilian market since its main competitors are overseas-based manufacturers. On the other hand, part of the costs of the Company's products is directly and indirectly influenced by foreign exchange variation. The foreign exchange rate challenge was overcome with a significant increase in the output in sales of manufactured products, resulting in a net operating revenue increase and in an annual margin improvement.

MARKET

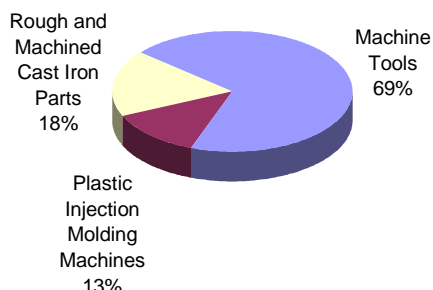
Market

The Company was able to efficiently capture the benefits of the country's acceleration in economic activity. New opportunities identified were effectively converted into new orders. Management believes that this achievement is also a result of customer recognition for the excellence of Romi products and services.

New Orders (gross values, sales taxes included)

Order Entry (R\$ thousands)	4Q06	4Q07	% Chg.
Machine Tools	111,710	124,871	11.8
Plastic Injection Molding Machines	30,911	22,756	(26.4)
Rough and Machined Cast Iron Parts	37,334	31,964	(14.4)
Total	179,955	179,591	(0.2)



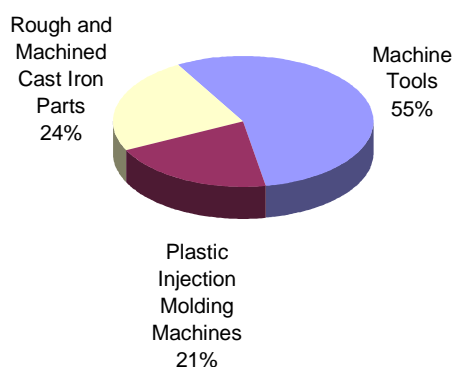
**New Order (Distribution) - 2007**

Order Entry (R\$ thousands)	2006	2007	% Chg.
Machine Tools	375,375	485,380	29.3
Plastic Injection Molding Machines	98,295	137,281	39.7
Rough and Machined Cast Iron Parts	131,408	140,398	6.8
Total	605,078	763,059	26.1

New orders in 4Q07 were similar to those recorded in 4Q06, equivalent to a reduction of 0.2%. However, for the fiscal year as a whole, the Company registered year-on-year growth of 26.1%, a reflection of the good performance of the domestic economy, particularly in the industrial and services sectors.

Order Entry (R\$ thousands)	3Q07	4Q07	% Chg.
Machine Tools	117,360	124,871	6.4
Plastic Injection Molding Machines	31,912	22,756	(28.7)
Rough and Machined Cast Iron Parts	33,994	31,964	(6.0)
Total	183,266	179,591	(2.0)

Compared with 3Q07, new orders in 4Q07 were down 2.0%. Management considers reductions in orders at the Plastic Injection Molding Machines and the Rough and Machined Castings units as normal, and in line with the seasonal oscillations of the market in which the Company operates.

Order Book (Distribution) - 4Q07**Order Book (gross values at the end of each period, sales taxes included)**

Order Book (R\$ thousands)	3Q07	4Q07	Var.%
Machine Tools	106,208	84,136	(20.8)
Plastic Injection Molding Machines	47,248	31,181	(34.0)
Rough and Machined Cast Iron Parts	38,173	36,321	(4.9)
Total	191,629	151,638	(20.9)

At the end of 4Q07, the order book reported a decline of 20.9% compared with 3Q07, again reflecting the seasonal fluctuation of the market in which Romi operates. Management's goal is to maintain its order book at approximately the equivalent of 60 days of average sales. The value recorded at the end of the fourth quarter is above this target.

Order Book (R\$ thousands)	4Q06	4Q07	% Chg.
Machine Tools	76,250	84,136	10.3
Plastic Injection Molding Machines	17,173	31,181	81.6
Rough and Machined Cast Iron Parts	30,131	36,321	20.5
Total	123,554	151,638	22.7

The order book as at the end of 4Q07 reported growth of 22.7% compared with the end of 4Q06. Once more, it is important to note the good performance when set against the same period in 2006. The excellent performance of the Plastic Injection Molding Machines and the Rough and Machined Castings units were, respectively, the result of the consolidation of the Prática line in the market and the greater use of installed capacity throughout the year.

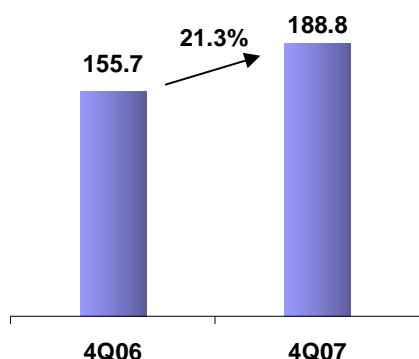
Note: The values for the order book do not include parts, services and resale business.

OPERATING PERFORMANCE**Net Operating Revenue**

The Company reported a consolidated net operating revenue in 4Q07 of R\$ 188.8 million, a growth of 21.3% compared with the same period in 2006. In 2007, net operating revenue totaled R\$ 632.0 million, an increase of 15.1% compared with R\$ 548.9 million reported in 2006. This improvement reflects the consistent growth in the Brazilian economy, combined with Romi's efforts to increase the utilization of additional installed capacity following recent investments.



Net Revenue (R\$ million)



The Company posted a good export performance in the face of the difficulties presented by the Real's appreciation against the US dollar. In 2007, Romi exported US\$ 42.8 million compared with US\$ 30.2 million in 2006, a growth of 41.7%. In local currency terms, net operating revenue from exports was up 25.4% year-on-year. Export revenue as a percentage of total net operating revenue rose from 11.9% in 2006 to 13.0% in 2007.

The United States continues to be the leading purchaser of our products, accounting for 50.9% of all overseas sales (50.5% in 2006), followed by Europe with 28.1% (24.9% in 2006) and Latin America with 15.2% (19.5% in 2006). It is worth noting that sales to Asia increased from 2.1% in 2006 to 4.9% in 2007.

Net Operating Revenue (R\$ thousand)

Romi - Consolidated Net Operating Revenue (R\$ `000)	Quarter			Accumulated		
	4Q06	4Q07	% Chg.	2006	2007	% Chg.
Machine Tools	104,342	127,394	22.1	369,466	416,790	12.8
Plastic Injection Molding Machines	24,626	32,252	31.0	88,370	104,204	17.9
Rough and Machined Cast Iron Parts	26,720	29,184	9.2	91,112	110,994	21.8
Total	155,688	188,830	21.3	548,948	631,988	15.1

Note: See income statements per business unit in Annex I

Machine Tools

Physical sales for 4Q07 by the Machine Tools Unit amounted to 753 units, an increase of 38.2% compared with the same period in 2006. Over the fiscal year, sales of Machine Tools Unit rose 24.8%.

Comparing the net operating revenue on a quarterly basis for successive years (4Q07 X 4Q06), this business unit recorded a growth of 22.1%, while for 2007 as a whole, revenue reported a year-on-year improvement of 12.8%. The unit accounted for 65.9% of total company sales revenue against 67.3% in 2006.

The Machine Tools Business Unit has continued to show solid revenue growth over the past few years. In 2007, management adopted a policy of more aggressive price discounts in order to maintain its share of the domestic market. This translated into a disproportional growth in units sold when compared with the rise in revenue.

The main domestic market customers lie in the automotive, job shops, machinery and equipment, and tooling segments.

Plastic Injection Molding Machines

In 4Q07, the physical sales of the Plastic Injection Molding Machines Unit amounted to 115 units, 35.3% more than 4Q06. For the year as a whole, units sold grew 23.3% in relation to the accumulated in 2006. Strong sales performance was largely due to the consolidation of the Prática product line in the market.

Net operating revenue from this business unit in 4Q07 was up 31.0% compared with the same period in 2006. In 2007, this item grew 17.9% in relation to the accumulated in 2006.

The automotive, job shops, packaging and home utility sectors accounted for the greatest demand for the Company's products in this business unit.

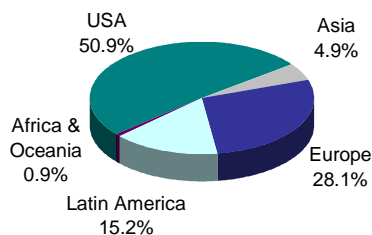
Rough and Machined Castings

Of Romi's three business units, the Rough and Machined Castings Unit recorded the best sales performance in 2007, mainly due to increasing demand from the trucks, automotive, energy generation equipment and agricultural machinery sectors. As a result there was a consistent improvement in the utilization of installed capacity during the course of the year.

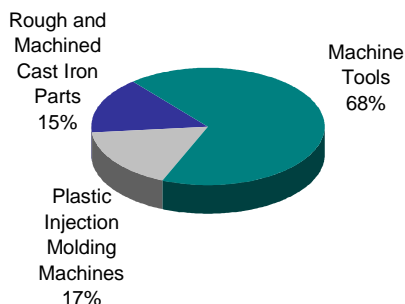
In 4Q07, sales volume at this unit amounted to 5,405 tons, a growth of 11.5% compared with the same period in 2006. For the fiscal year 2007, sales volume by tonnage was up 28.9% over 2006.

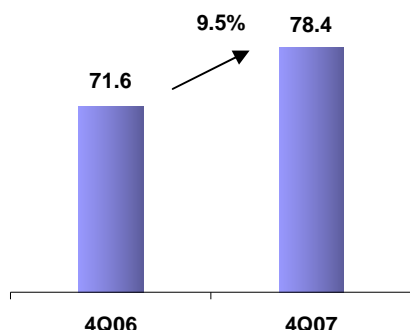
Net operating revenue from the Rough and Machined Castings unit reported a 4Q07 year-on-year growth of 9.2% and 21.8% for the accumulated year as against 2006.

Exports Destination (4Q07)



Net Operating Revenue by Business Unit (4Q07)

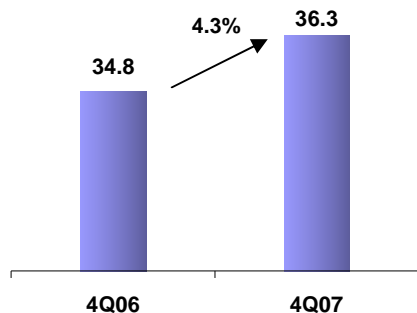


**Gross Profit (R\$ million)****Operating Costs and Expenses**

The fourth quarter 2007 gross margin reported a decline of 4.5 p.p. compared with the same quarter an year earlier. This reduction is mainly due to the following factors which management considers as non-recurring: a) a change in payment conditions for certain software components for the Machine Tools Business Unit, acquired from an overseas supplier. From being a committed obligation when Romi billed its customers these items are now classified as committed obligations when the component is purchased by Romi. This impact has already been totally recognized in 4Q07 figures and will not affect gross margins in forthcoming quarters; b) an additional provision for the payment of PLR (Profits and Results Sharing) to the Company's employees, the annual amount of PLR exceeding management's original forecasts due to better than expected results and c) above average expenditures in the foundry plant maintenance.

Accumulated gross margin for 2007 reported a reduction of 0.4 p.p. compared with the preceding year, as shown in the percentages in the following table. The slippage in the annual margin was due to a policy of more aggressive price discounting in an effort to maintain market share as well as the higher volume of export business where margins were thinner due to foreign exchange variation. It is important to point out that while on one hand foreign exchange rate fluctuations placed a downward pressure on sale prices, on the other hand, they contributed to some reduction in costs of components used in the products sold by the Company, mainly imported items but also others acquired in the domestic market.

The fourth quarter operating margin for 2007 suffered a 3.1 p.p reduction against the same quarter in 2006. The accumulated operating margin for 2007 of 19.5%, before the net financial result and POS (Public Offering of Shares) expenses, reported an increase of 1.3 percentage points over the preceding year. This allowed the Company to report an accumulated net operating profit 23.5% higher than the one recorded in the same period of 2006. In addition to the factors already mentioned above, the higher Net Operating Revenue permitted the dilution of fixed operating expenses. As already commented, the additional PLR provision also impacted the operating margin in the quarter.

Operating Profit (R\$ million)

Romi - Consolidated	Quarter		Accumulated	
	4Q06	4Q07	2006	2007
Gross Margin (%)				
Machine Tools	49.4%	45.9%	47.4%	45.8%
Plastic Injection Molding Machines	37.4%	35.4%	34.0%	39.6%
Rough and Machined Cast Iron Parts	40.5%	29.1%	34.3%	34.0%
Total	46.0%	41.5%	43.1%	42.7%

Machine Tools

The gross margin for this Business Unit in 4Q07 showed a reduction of 3.5 p.p. compared with 49.4% recorded in the same period last year as shown in the preceding table. The operating margin for this period saw a reduction of 1.9 p.p. according to the percentages in the following table.

As already noted, the decline of 1.6 p.p. in gross margin for the accumulated period of 2007 compared with 2006 reflects the adoption of a policy of more aggressive discounting as the strategy for securing the Company's market share. The additional provision for the PLR (Profits and Results Sharing) also impacted the margin. The reduced gross margin was offset by greater dilution of fixed operating expenses, translating into an increase in operating margin from 20.1% for 2006 to 20.5% in 2007.

Plastic Injection Molding Machines

The Plastic Injection Molding Machines Business Unit posted a reduction of 2.0 p.p in 4Q07 gross margin on a year-on-year comparative basis as can be seen in the foregoing table. On the other hand, the following table shows an 1.2 p.p. improvement in operating margin in the same period.

For 2007 as a whole, the gross margin reported an increase of 5.6 p.p. compared with the same item in 2006. The operating margin also registered a significantly improved result of 15.1% in 2007 against 7.3% in 2006. This recovery in margins stems mainly from the increased volume of units sold and the consolidation and recovery in margins from the Prática line of products launched in early 2006.



Rough and Machined Castings

In 4Q07, the gross margin for the Rough and Machined Castings Business Unit posted a reduction of 11.4 p.p. compared with the same quarter in the preceding year, as shown in the previous table. The accumulated gross margin for 2007 was similar to that of 34.3% in 2006.

The operating margin for the quarter recorded at this unit was also down 11.8 p.p year-on-year, while for the accumulated period in 2007, the operating margin of 20.2% was just a shade lower than the 20.9% in 2006.

Quarterly margins were largely impacted by the increase in maintenance costs, the additional PLR provision and the outcome of annual wage negotiations, which took place during the quarter.

Romi - Consolidated	Quarter		Accumulated	
Operating Margin (%)	4Q06	4Q07	2006	2007
Machine Tools	23.8%	21.9%	20.1%	20.5%
Plastic Injection Molding Machines	11.1%	12.3%	7.3%	15.1%
Rough and Machined Cast Iron Parts	27.0%	15.2%	20.9%	20.2%
Total	22.3%	19.2%	18.2%	19.5%

EBITDA and EBITDA Margin

The Company has eliminated the Public Offering of Shares (POS) expenses, incurred in 2Q07 from the accumulated EBITDA statement to allow for a more accurate comparative analysis of operating margins. The Company considers these expenses as non-recurring and therefore, should not be used to evaluate operating performance.

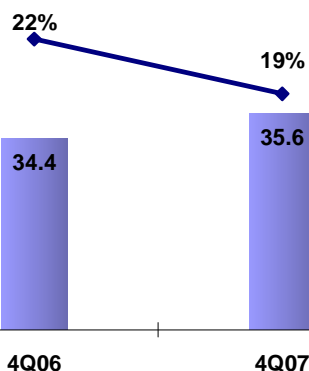
In 4Q07, operating cash generation as measured by EBITDA (Earnings before Financial Result, Taxes, Depreciation and Appreciation) reached R\$ 35.6 million, equivalent to a growth of 3.6% in relation to the final quarter of 2006. For the 2007 fiscal year, factoring out POS expenses, EBITDA amounted R\$ 133.0 million, an increase of 22.9% compared with 2006. This growth reflects the combined effect of growth in operating revenue and the improved operating margin. The EBITDA margin increased from 19.7% of Net Operating Revenue in 2006 to 21.0% in 2007.

Reconciliation of Net Income to EBITDA	Quarter			Accumulated		
R\$ thousands	4Q06	4Q07	% Chg.	2006	2007	% Chg.
Net Income	27,839	32,541	16.9	82,921	108,966	31.4
Net Financial Income	(2,938)	(8,521)	190.0	(10,141)	(27,922)	175.3
Income tax and social contributions	6,523	7,698	18.0	23,924	24,724	3.3
Depreciation and amortization	2,934	3,863	31.7	11,488	14,263	24.2
EBITDA	34,358	35,581	3.6	108,192	120,031	10.9
Public Offering Expenses	-	-	-	-	12,963	-
Adjusted EBITDA	34,358	35,581	3.6	108,192	132,994	22.9
Adjusted EBITDA Margin	22.1%	18.8%	-	19.7%	21.0%	-

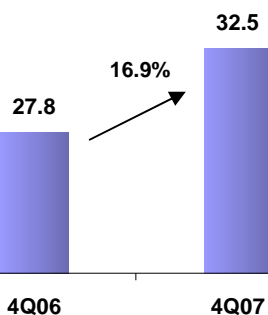
Net Income

Romi reported net income in 4Q07 of R\$ 32.5 million or a year-on-year growth of 16.9%. The financial result of R\$ 8.5 million, largely due to funds from the public offering, was one of the main factors driving this growth. In 2007, the financial result was R\$ 27.9 million. This fact, together with the successful management policy with respect to operating and financial aspects, enabled the Company to post a net income in 2007 of R\$ 109.0 million, a marked improvement on the R\$ 82.9 million in 2006 and equivalent to an increase of 31.4%. This combination of factors increased the net margin from 15.1% in 2006 to 17.2% in 2007 fiscal year.

EBITDA and EBITDA Margin (R\$ Million)



Net Income (R\$ million)





CAPITAL EXPENDITURES

Distribution and Results

Following a Board of Director's resolution taken in a meeting held on October 30, 2007, the Company made a payment of Interest on Equity amounting to R\$ 15.7 million on December 18, 2007, this pay-out representing a gross value of R\$ 0.20 per share.

The overall amount of Interest on Equity distributed during 2007, net of income tax and offset against the annual dividend payout, was R\$ 37.6 million. This corresponds to 34.5% of Net Income for the Fiscal Year.

Capital Expenditures

Capital expenditures in research and development of technology totaled R\$ 26.3 million in 2007, 24.8% more than in the preceding fiscal year – indicative of the Company's ongoing attention to innovation and development of new products.

The Company's investments in fixed assets during the year totaled R\$ 27.7 million. Funds allocated to the Machine Tools Unit were used for completing the expansion of the turning centers and machining centers manufacturing plant as well as modernizing and updating other industrial facilities. Additional investments were made in the Rough and Machined Castings Unit for expanding the capacity for machining heavy cast iron parts and in the corporate area for the acquisition of land for further future expansion in the Company's industrial operations.

The capital expenditures plan includes the transfer of operations currently performed at the head office to a site at kilometer 141.5 of the SP 304 highway and a further 30% expansion in machine tools production capacity, set for completion in 2011. In addition, at a meeting on October 30, 2007, the Company's Board of Directors also announced the approval of an investment plan for the installation of a new foundry and a new castings machining plant. The purpose of both is to provide the necessary production capacity for the Company to continue growing organically in the consumer market for rough and machined castings iron parts in Brazil as well as overseas. This growth is targeted mainly at the sectors of industrial and agricultural machinery, medium to heavy vehicles, energy generation equipment, oil, mining, and shipbuilding, among others. Romi envisages investments in fixed assets of the order of R\$ 110 million in the foundry and R\$ 120 million in the machining castings plant. These investments will be funded out of company cash flow and new lines to be raised in the market. The project is to be implemented in stages between 2008 and 2011. The nominal production capacity estimated for each castings unit is 40,000 tons annually. Since the current nominal capacity of the Company for producing castings is 40,000 tons annually, following the conclusion of the new foundry, the Company's installed capacity will double to 80,000 tons per year.

Acquisitions

Subsequent to the end of 2007 fiscal year, on January 25, 2008 the Company acquired directly and through a subsidiary all the quotas representing the capital stock of J.A.C. Indústria Metalúrgica Ltda ("JAC") at a total outlay of R\$ 5.5 million. JAC is a traditional manufacturer of plastic blow molding machines, with its registered offices in the city of Americana, state of São Paulo. Its acquisition is in line with Romi's strategy of expanding its manufacturing activities and product range as well as sale of machinery for plastic processing, until now concentrated in the injection segment.

Capital Markets

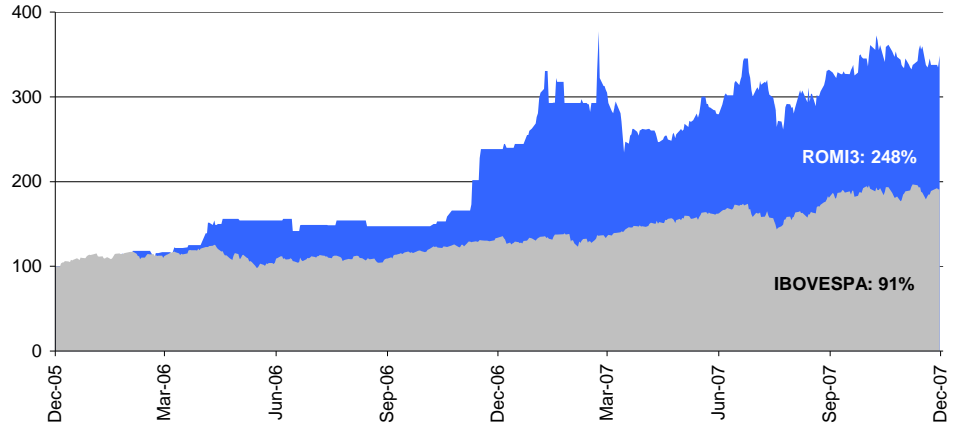
The closing price of the Romi's common shares (ROMI3) was R\$ 22.19, an appreciation of 5.0% in the fourth quarter, close to the 5.7% recorded by the Bovespa stock index (Ibovespa) in the same period. For the accumulated of 2007, ROMI3 quotation reported a growth of 46.2% also closely tracking the increase in the Ibovespa of 46.8%.

The Company has hired Banco UBS Pactual S.A. as a market maker for its common shares traded on the Bovespa and pursuant to CVM Instruction 384/2003, the objective being to enhance liquidity and improve the price formation of the shares. UBS Pactual initiated its market making services on October 25, 2007.

CAPITAL MARKETS



Share Performance (ROMI3) vs. Bovespa Index (Basis: 100) - R\$/Share
Period: December/2005 - December/2007



Source: *Econômica*

AWARDS

Awards

The Brazilian Institute for Corporate Governance (IBGC) voted the Company in first place in the "Improvement in Corporate Governance" category in 2007, Romi receiving the prestigious award on October 30, 2007 at an event held at the Hyatt Hotel in São Paulo.

For the fourth consecutive time the Company was also awarded the PPR/2007 prize, category of Top Injection plastic equipment, by the Plásticos em Revista Magazine, elected by the readers, ratifying again Romi as a state-of-art and leading manufacturer of plastic injection molding machinery.

On December 1st, Romi was presented with the "Highlight of the Industry 2007" award by the Brazilian Institute of Financial Executives (IBEF) – Campinas Region.

Forward-looking statements contained in this release with respect to the Company's business, forecasts for operating and financial results, and references to potential growth prospects, merely represent forecasts and were based on Management's estimates with respect to future performance. These estimates are highly dependent on market conditions, the economic situation of Brazil, of the industry and the international markets, and for this reason, are subject to change.



Financial Statements

Consolidated Balance Sheet

Corporate Law (R\$ thousands)

ASSETS	4Q06	4Q07
CURRENT	483,997	786,840
Cash and Cash equivalents	7,461	16,174
Marketable securities	79,461	284,348
Trade accounts receivable	46,265	62,888
Trade accounts receivable - Finame Manufacturer	170,908	223,221
Inventories	169,790	183,044
Recoverable taxes	7,032	11,537
Deferred income taxes	1,033	2,149
Other assets	2,047	3,479
NON CURRENT	430,999	591,210
Long-Term Assets	274,975	425,231
Trade accounts receivable	-	1,149
Trade accounts receivable - Finame Manufacturer	259,578	409,896
Recoverable taxes	7,105	5,391
Deferred income taxes	5,069	5,867
Other assets	3,223	2,928
Investments		
Goodwill	9	-
Other investments	-	8,389
Property, Plant and Equipment	156,015	157,590
TOTAL ASSETS	914,996	1,378,050



Consolidated Balance Sheet

Corporate Law (R\$ thousands)

LIABILITIES AND SHAREHOLDER'S EQUITY	4Q06	4Q07
CURRENT	300,237	313,442
Loans	5,788	29,498
Loans - Finame Manufacturer	149,240	192,884
Trade accounts payable	18,151	25,193
Payroll and related charges	25,880	35,934
Taxes payable	8,884	8,816
Advances from customers	4,628	9,702
Interest on capital, dividends and participations	85,329	6,775
Other liabilities	2,337	4,640
NON CURRENT	267,797	408,141
Long-term liabilities		
Loans	23,825	49,306
Loans - Finame Manufacturer	232,154	348,710
Deferred income taxes and social contribution on revaluation reserves	7,389	6,570
Taxes payable	-	1,896
Provision for contingencies	4,429	1,659
Negative goodwill on subsidiaries	4,199	4,199
MINORITY INTERESTS	1,462	1,879
SHAREHOLDER'S EQUITY	341,301	650,389
Capital	260,000	502,936
Capital reserves	2,052	2,052
Revaluation reserves	30,405	28,816
Profit reserves/retained earnings	48,844	116,585
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	914,996	1,378,050


Income Statement

Corporate Law

R\$ THOUSAND	4Q06	4Q07	% Chg.	2006	2007	% Chg.
Gross Operating Revenue	187,387	227,281	21.3	664,534	761,156	14.5
Taxes on sales	(31,699)	(38,451)	21.3	(115,586)	(129,168)	11.8
Net Operating Revenue	155,688	188,830	21.3	548,948	631,988	15.1
Cost of sales and services	(84,117)	(110,427)	31.3	(312,401)	(361,947)	15.9
Gross Profit	71,571	78,403	9.5	236,547	270,041	14.2
<i>Gross Margin %</i>	<i>46.0%</i>	<i>41.5%</i>		<i>43.1%</i>	<i>42.7%</i>	
Operating Expenses	(36,802)	(42,149)	14.5	(136,631)	(146,685)	7.4
Selling	(15,048)	(17,469)	16.1	(58,076)	(59,786)	2.9
General and administrative	(15,035)	(16,097)	7.1	(52,453)	(53,817)	2.6
Research and development	(5,354)	(7,032)	31.3	(21,105)	(26,340)	24.8
Taxation	(1,365)	(1,551)	13.6	(4,997)	(6,742)	34.9
Operating Income before Public Offering Expenses	34,769	36,254	4.3	99,916	123,356	23.5
<i>Operating Margin I %</i>	<i>22.3%</i>	<i>19.2%</i>		<i>18.2%</i>	<i>19.5%</i>	
Public Offering Expenses	-	-		-	(12,963)	
Operating Income before Financial Results	34,769	36,254	4.3	99,916	110,393	10.5
<i>Operating Margin II %</i>	<i>22.3%</i>	<i>19.2%</i>		<i>18.2%</i>	<i>17.5%</i>	
Financial Results	2,938	8,521	190.0	10,141	27,922	175.3
Financial income	3,865	9,355	142.0	13,282	30,508	129.7
Financial expenses	(670)	(1,494)	123.0	(2,572)	(5,048)	96.3
FX changes, net	(257)	660		(569)	2,462	
Operating Income	37,707	44,775	18.7	110,057	138,315	25.7
Non-operating result	(140)	39		163	330	102.5
Income before income tax and social contribution	37,567	44,814	19.3	110,220	138,645	25.8
Income tax and social contribution	(6,523)	(7,698)	18.0	(23,924)	(24,724)	3.3
Net Income before Participations	31,044	37,116	19.6	86,296	113,921	32.0
Management profit sharing	(3,100)	(4,400)	41.9	(3,100)	(4,400)	41.9
Minority interests	(105)	(175)	66.7	(275)	(555)	101.8
Net income	27,839	32,541	16.9	82,921	108,966	31.4
<i>Net Margin %</i>	<i>17.9%</i>	<i>17.2%</i>		<i>15.1%</i>	<i>17.2%</i>	
EBITDA	34,358	35,581	3.6	108,192	132,994	22.9
Net income	27,839	32,541		82,921	108,966	
Income tax and social contribution	6,523	7,698		23,924	24,724	
Financial results	(2,938)	(8,521)		(10,141)	(27,922)	
Depreciation	2,934	3,863		11,488	14,263	
Public Offering Expenses	-	-		-	12,963	
<i>EBITDA Margin %</i>	<i>22.1%</i>	<i>18.8%</i>		<i>19.7%</i>	<i>21.0%</i>	
Nº of shares in capital stock (th)	62,362 (*)	78,558		62,362 (*)	78,558	
Net income per share - R\$	0.45 (*)	0.41		1.33 (*)	1.39	
Book value per share - R\$	6.52 (*)	8.28		6.52 (*)	8.28	

(*) Merely for comparison purposes, already considering the conversion and stock split of March 23 2007.

**Cash Flow**
Corporate Law

R\$ thousands	4Q06	4Q07	2006	2007
Cash from operating activities				
Net Income	27,839	32,541	82,921	108,966
Depreciation	2,934	3,863	11,488	14,263
Provision for doubtful accounts	389	234	739	480
Loss (Gain) on sale of fixed assets	13	361	1,098	(103)
Interest and FX changes on, accounts receivable, accounts payable and loans	4,979	(1,283)	(197)	(2,780)
Deferred income tax and social contribution	762	(3)	(628)	(1,914)
Deferred Income tax and social contribution on revaluation reserve	(201)	(210)	(821)	(819)
Provision for inventory devaluation	(274)	(236)	2,263	(1,428)
Provision for contingencies	1,703	29	(65)	(2,770)
Minority Interests	31	37	174	417
Change on operating assets				
Marketable Securities Maturing in more than 90 days	-	(3,257)	-	(9,467)
Trade accounts receivable	(1,477)	(8,463)	25,422	(16,595)
Trade accounts receivable - Finame Manufacturer	(58,822)	(74,704)	(203,135)	(202,631)
Inventories	16,669	8,788	(7,394)	(11,826)
Recoverable taxes, net	(2,902)	(321)	(4,031)	(2,791)
Other current and long term assets	(158)	(135)	1,209	(1,137)
Change on operating liabilities				
Trade accounts payable	(2,125)	3,974	(2,871)	7,275
Payroll and related charges	(4,080)	3,801	4,541	10,054
Taxes payable	(1,028)	(1,737)	(1,771)	1,828
Advances from customers	(2,091)	2,578	(7,318)	5,074
Other current and long term liabilities	(248)	792	(464)	2,303
Cash provided by (used in) operating activities	(18,087)	(33,351)	(98,840)	(103,601)
Acquisitions	(21,933)	(7,929)	(51,554)	(27,716)
Sale of assets	-	2	203	3,592
Goodwill	1	-	(9)	9
Cash flow used in investment operations	(21,932)	(7,927)	(51,360)	(24,115)
Interest on capital	(8,590)	(23,600)	(24,501)	(121,368)
New loans and financing	11,794	16,928	17,496	58,984
Payments of loans	(1,186)	(3,168)	(15,482)	(8,903)
New loans - Finame Manufacturer	87,557	109,941	299,477	327,342
Payments of loans Finame Manufacturer	(36,612)	(46,792)	(118,066)	(167,142)
Cash flow from financial activities	52,963	53,309	158,924	88,913
Increase in capital through the issuance of new shares	-	-	-	242,936
Net Cash Flow	12,944	12,031	8,724	204,133
Cash and cash equivalents - beginning of period	73,978	279,024	78,198	86,922
Cash and cash equivalents - end of period	86,922	291,055	86,922	291,055



Annex I

Income Statement by Business Units - 2007

R\$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Gross Operating Revenue	496,292	125,835	139,029	761,156
(-) Taxes on Sales	(79,502)	(21,631)	(28,035)	(129,168)
Net Operating Revenue	416,790	104,204	110,994	631,988
Cost of Sales and Services	(226,301)	(43,414)	(92,232)	(361,947)
Business Units Transfers	22,793	-	30,645	53,438
Business Units Transfers	(22,284)	(19,482)	(11,672)	(53,438)
Gross Profit	190,998	41,308	37,735	270,041
<i>Gross Margin %</i>	<i>45.8%</i>	<i>39.6%</i>	<i>34.0%</i>	<i>42.7%</i>
Operating Expenses	(105,752)	(25,594)	(15,339)	(146,685)
Selling	(41,600)	(12,104)	(6,082)	(59,786)
General and Administrative	(37,590)	(7,850)	(8,377)	(53,817)
Research and Development	(21,525)	(4,815)	-	(26,340)
Taxation	(5,037)	(825)	(880)	(6,742)
Operating Income before Public Offering Expenses	85,246	15,714	22,396	123,356
<i>Operating Margin - I %</i>	<i>20.5%</i>	<i>15.1%</i>	<i>20.2%</i>	<i>19.5%</i>
Public Offering Expenses	-	-	-	(12,963)
Operating Income before Financial Results	85,246	15,714	22,396	110,393
<i>Operating Margin - II %</i>	<i>20.5%</i>	<i>15.1%</i>	<i>20.2%</i>	<i>17.5%</i>

Income Statement by Business Units - 2006

R\$ mil	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Gross Operating Revenue	442,950	108,214	113,370	664,534
(-) Taxes on Sales	(73,484)	(19,844)	(22,258)	(115,586)
Net Operating Revenue	369,466	88,370	91,112	548,948
Cost of Sales and Services	(186,670)	(46,981)	(78,750)	(312,401)
Business Units Transfers	12,684	-	27,433	40,117
Business Units Transfers	(20,213)	(11,349)	(8,555)	(40,117)
Gross Profit	175,267	30,040	31,240	236,547
<i>Gross Margin %</i>	<i>47.4%</i>	<i>34.0%</i>	<i>34.3%</i>	<i>43.1%</i>
Operating Expenses	(100,889)	(23,561)	(12,181)	(136,631)
Selling	(42,098)	(11,472)	(4,506)	(58,076)
General and Administrative	(38,716)	(6,738)	(6,999)	(52,453)
Research and Development	(16,569)	(4,536)	-	(21,105)
Taxation	(3,506)	(815)	(676)	(4,997)
Operating Income before Financial Results	74,378	6,479	19,059	99,916
<i>Operating Margin %</i>	<i>20.1%</i>	<i>7.3%</i>	<i>20.9%</i>	<i>18.2%</i>



Income Statement by Business Units - 4Q07

R\$ '000	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Gross Operating Revenue	151,747	39,107	36,427	227,281
(-) Taxes on Sales	(24,353)	(6,855)	(7,243)	(38,451)
Net Operating Revenue	127,394	32,252	29,184	188,830
Cost of Sales and Services	(69,271)	(14,889)	(26,267)	(110,427)
Business Units Transfers	6,854	-	8,596	15,450
Business Units Transfers	(6,498)	(5,932)	(3,020)	(15,450)
Gross Profit	58,479	11,431	8,493	78,403
<i>Gross Margin %</i>	<i>45.9%</i>	<i>35.4%</i>	<i>29.1%</i>	<i>41.5%</i>
Operating Expenses	(30,622)	(7,477)	(4,050)	(42,149)
Selling	(12,354)	(3,482)	(1,633)	(17,469)
General and Administrative	(11,563)	(2,353)	(2,181)	(16,097)
Research and Development	(5,643)	(1,389)	-	(7,032)
Taxation	(1,062)	(253)	(236)	(1,551)
Operating Income before Public Offering Expenses	27,857	3,954	4,443	36,254
<i>Operating Margin - I %</i>	<i>21.9%</i>	<i>12.3%</i>	<i>15.2%</i>	<i>19.2%</i>
Public Offering Expenses	-	-	-	-
Operating Income before Financial Results	27,857	3,954	4,443	36,254
<i>Operating Margin - II %</i>	<i>21.9%</i>	<i>12.3%</i>	<i>15.2%</i>	<i>19.2%</i>

Income Statement by Business Units - 4Q06

R\$ mil	Machine Tools	Plastic Injection Molding Machines	Rough and Machined Cast Iron Parts	Total
Gross Operating Revenue	123,891	30,679	32,817	187,387
(-) Taxes on Sales	(19,549)	(6,053)	(6,097)	(31,699)
Net Operating Revenue	104,342	24,626	26,720	155,688
Cost of Sales and Services	(50,316)	(12,122)	(21,679)	(84,117)
Business Units Transfers	3,345	-	6,002	9,347
Business Units Transfers	(5,829)	(3,302)	(216)	(9,347)
Gross Profit	51,542	9,202	10,827	71,571
<i>Gross Margin %</i>	<i>49.4%</i>	<i>37.4%</i>	<i>40.5%</i>	<i>46.0%</i>
Operating Expenses	(26,718)	(6,470)	(3,614)	(36,802)
Selling	(10,728)	(2,946)	(1,374)	(15,048)
General and Administrative	(10,921)	(2,066)	(2,048)	(15,035)
Research and Development	(4,142)	(1,212)	-	(5,354)
Taxation	(927)	(246)	(192)	(1,365)
Operating Income before Financial Results	24,824	2,732	7,213	34,769
<i>Operating Margin %</i>	<i>23.8%</i>	<i>11.1%</i>	<i>27.0%</i>	<i>22.3%</i>