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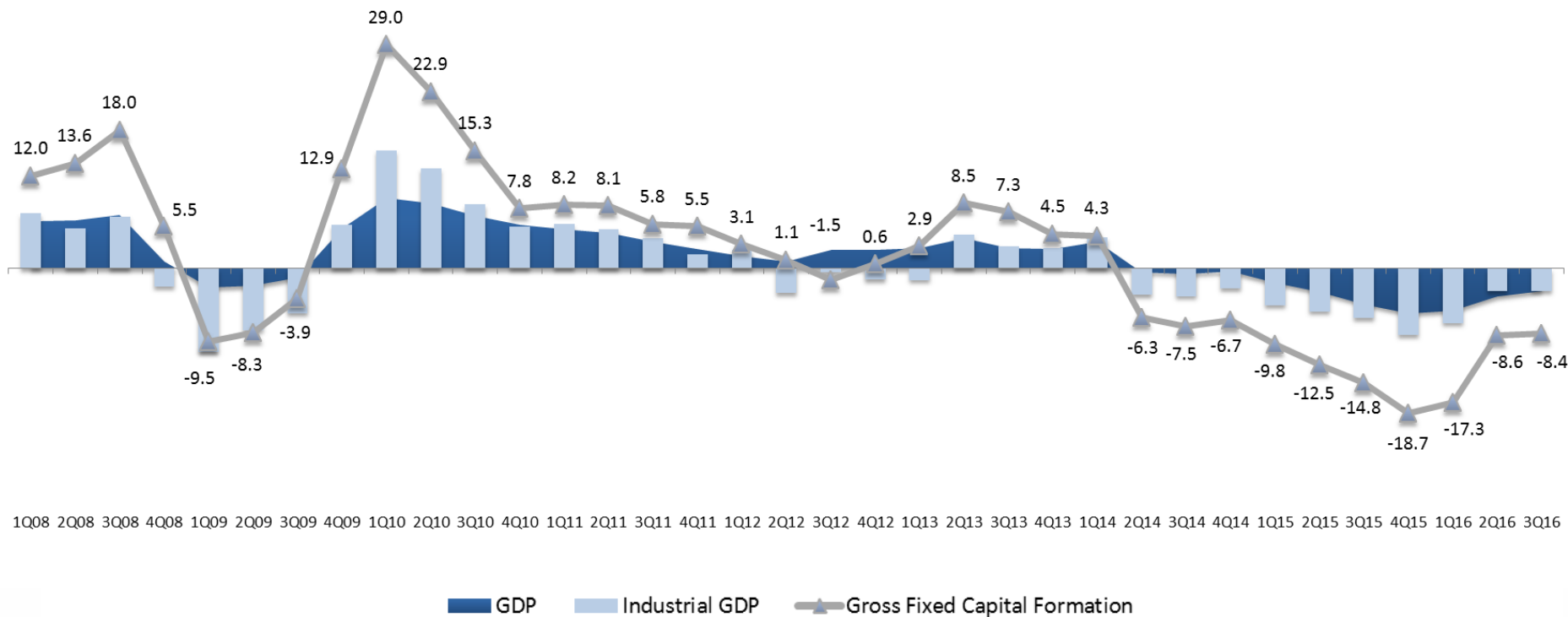


4Q16 Earnings Release

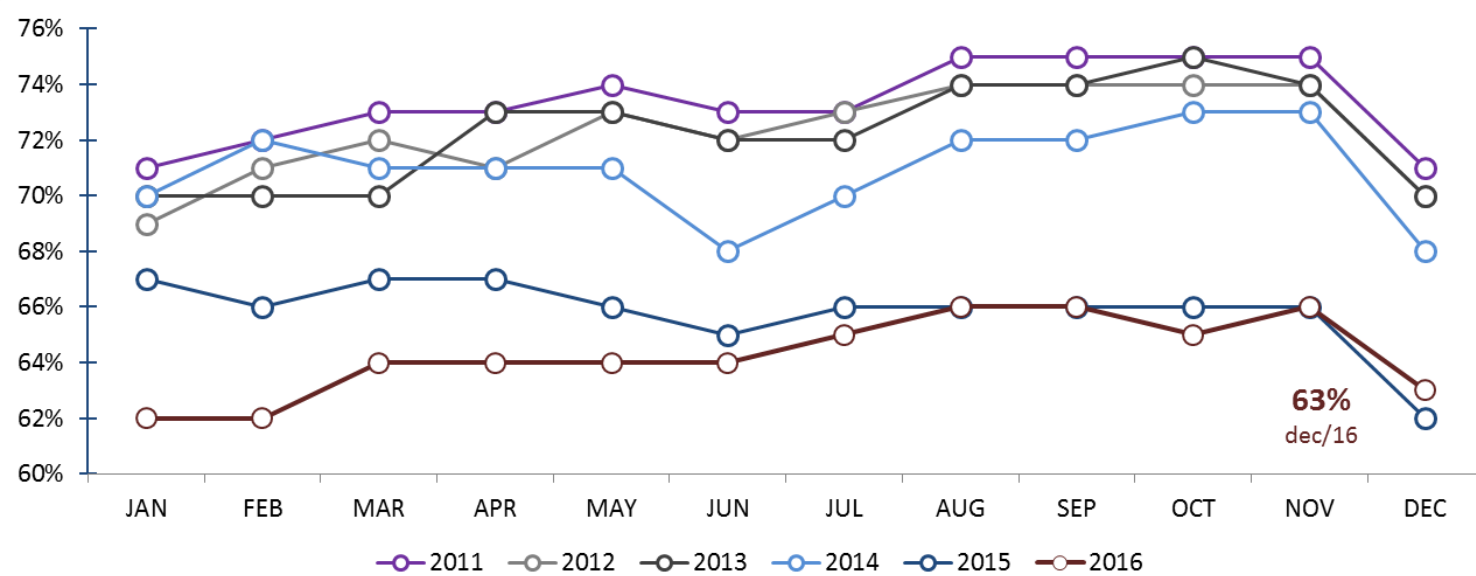
February 08, 2017

This release contains forward-looking statements subject to risks and uncertainties, Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company, The reservations as to forward-looking statements also apply to information on possible or presumed operating results, as well as any statements preceded, followed or including words such as "believes", "may", "will", "expects", "intends", "plans", "estimates" or similar expressions, Forward-looking statements are not performance guarantees; they involve risks, uncertainties and assumptions because they refer to future events and, therefore, depend on circumstances which may or may not occur, Future results may differ materially from those expressed or suggested by forward-looking statements, Many of the factors which will determine these results and figures are beyond Romi's control or prediction capacity.

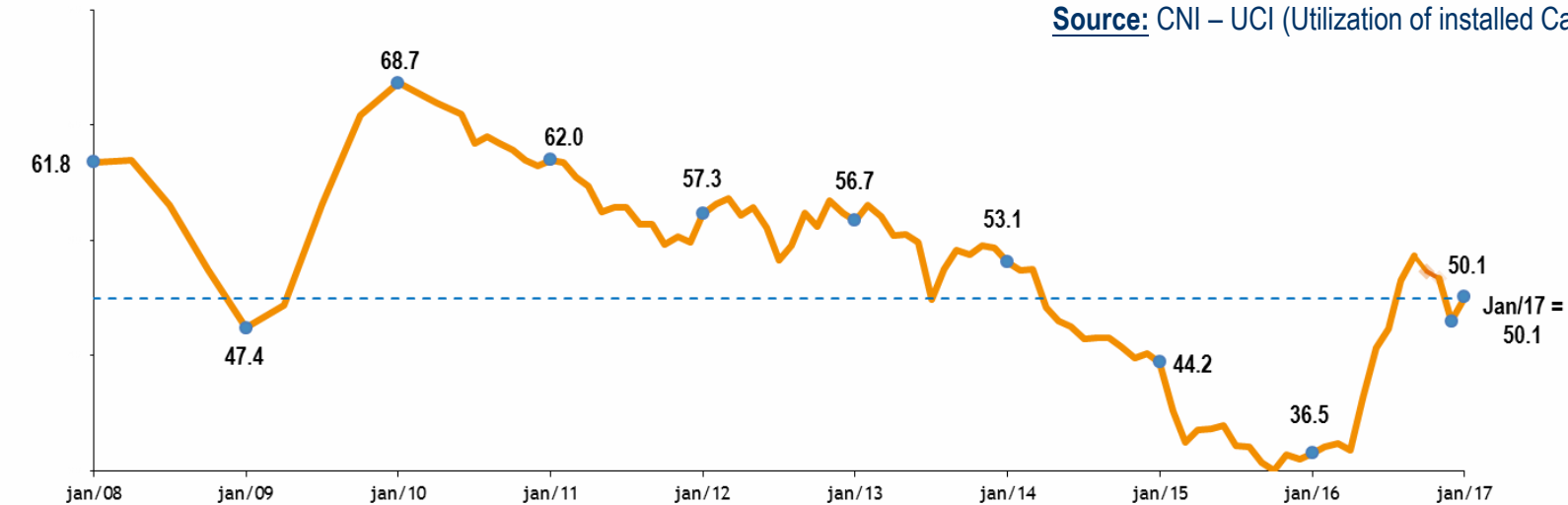
- **Revenues** of Rough and Machined Cast Iron Parts **grew 53.8%** in 2016 over 2015.
- **EBITDA** in 4Q16 was negative by **R\$12.6 million**, impacted by the effects of the structure reorganization, which amounted to R\$12.4 million.
- In 2016, compared with 2015, the Rough and Machined Cast Iron Parts Business Unit posted **improvements of 5.0 and 3.9** percentage points in terms of gross margin and **EBITDA**, respectively.
- The Company's **net debt** at the end of 4Q16 was **R\$77.4 million**, an **increase of R\$5.3** million (7.3%) in 2016, impacted mainly by the disbursements related to structure reorganization, which in the year consumed about R\$17.3 million.
- The **orders entry** in 2016 compared with 2015 posted a **growth of 27.7%**, with highlights to the German subsidiary B+W and to the Rough and Machined Cast Iron Parts Business Unit, which posted a growth of 257.7% and 6.9%, respectively.



Source: IBGE (fourth quarter this year vs, the same quarter last year)



Source: CNI – UCI (Utilization of installed Capacity), December 2016



Source: CNI – ICEI (Industrial Executive Confidence Index), January 2017

Economic Indexes - Conjunctural

Romi Machines

B+W Machines

Rough and Machined Cast Iron Parts



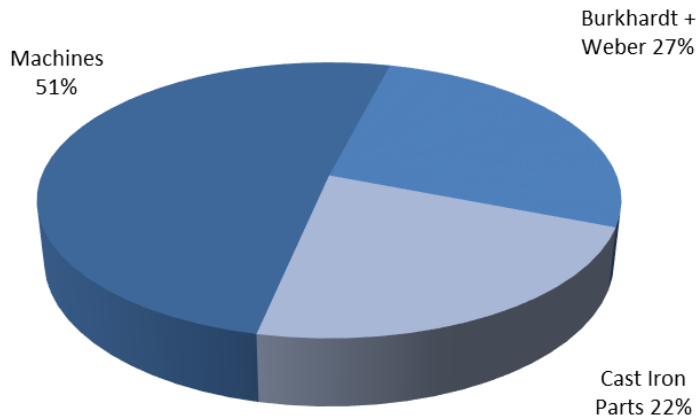
	2016	2015
Automotive	17%	16%
Machines and Equipments	10%	9%
Job Shops	12%	18%
Tolling	7%	1%
Technical Schools	3%	7%
Packing	8%	13%
Others	43%	36%

	2016	2015
Machines and Equipments	57%	56%
Motors and Systems	24%	41%
Oil and Gas	18%	0%
Others	1%	3%

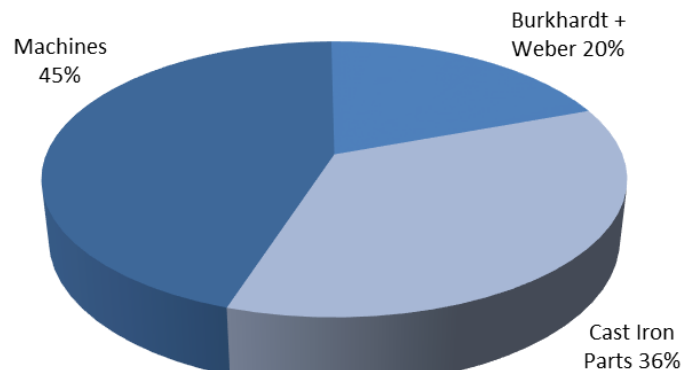
	2016	2015
Wind Power	69%	55%
Automotive	11%	20%
Agriculture	14%	19%
Construction	4%	4%
Others	2%	2%

Business units

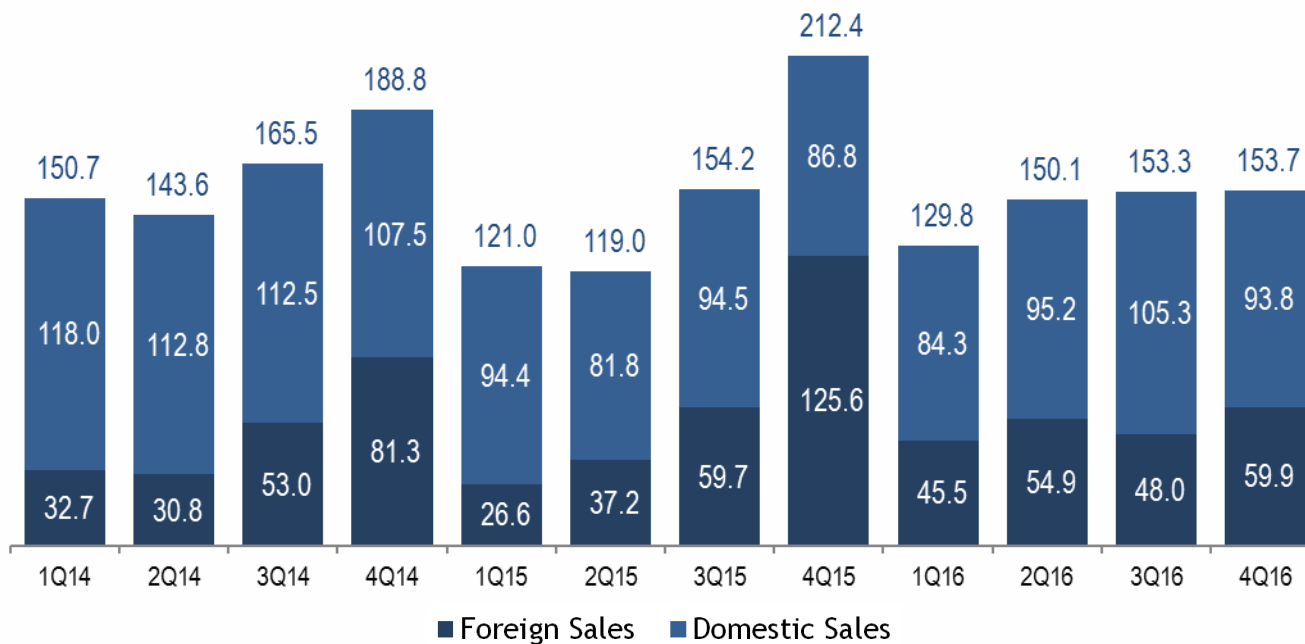
2015



2016

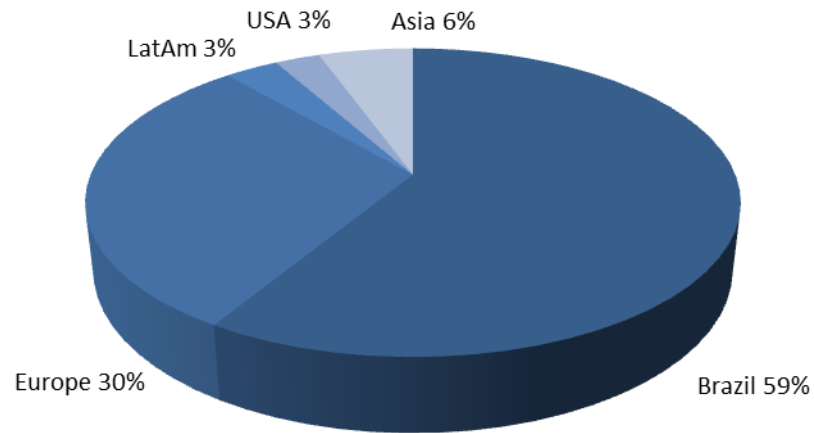


Net Operating Sales (R\$ million)

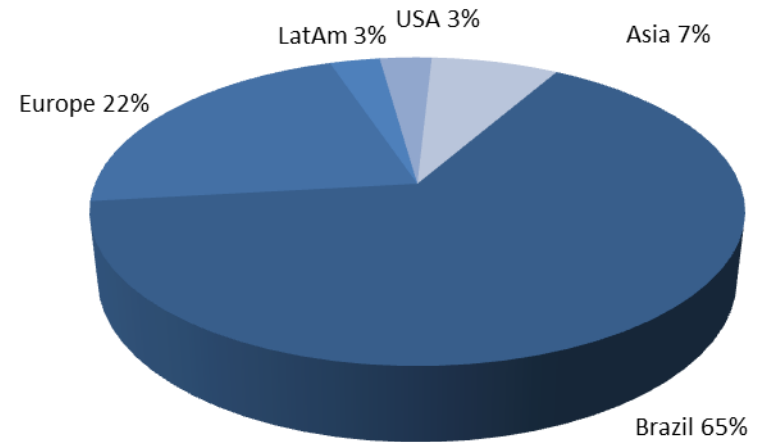


Net Sales per Business Unit

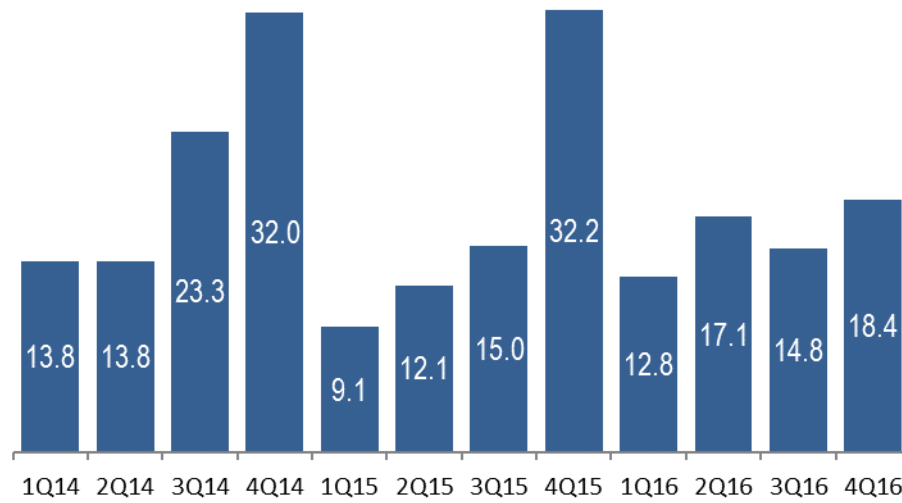
2015



2016



Foreign Sales (US\$ million)



Sales Distribution

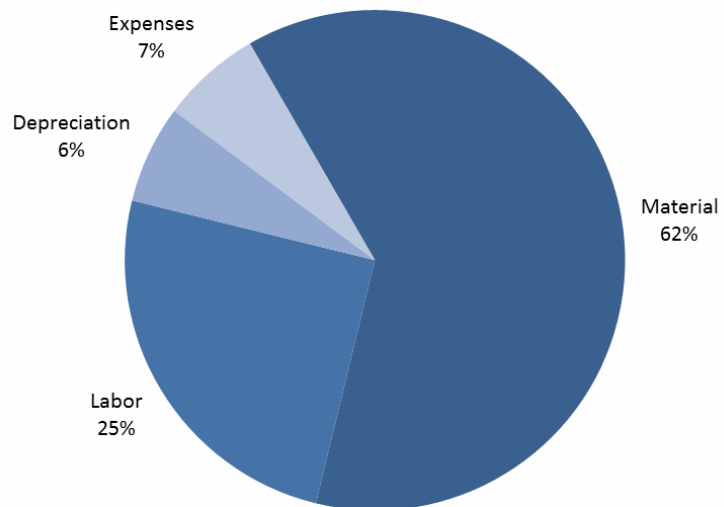
Order Entry (R\$ 000)								
Gross Values, sales taxes included	4Q15	3Q16	4Q16	Chg. 4Q16/3Q16	Chg. 4Q16/4Q15	2015	2016	Chg. 2016/2015
Romi Machines	68,467	62,516	55,612	-11.0%	-18.8%	243,134	242,556	-0.2%
Burkhardt+Weber Machines	11,061	31,333	30,679	-2.1%	177.4%	47,410	169,600	257.7%
Rough and Machined Cast Iron Parts	21,022	39,636	49,194	24.1%	134.0%	196,885	210,516	6.9%
Total	100,551	133,485	135,485	1.5%	34.7%	487,428	622,671	27.7%

Order Book (R\$ 000)					
Gross Values, sales taxes included	4Q15	3Q16	4Q16	Chg. 4Q16/3Q16	Chg. 4Q16/4Q15
Romi Machines	72,647	68,180	53,339	-21.8%	-26.6%
Burkhardt+Weber Machines	75,673	130,143	125,774	-3.4%	66.2%
Rough and Machined Cast Iron Parts	95,221	82,310	72,943	-11.4%	-23.4%
Total *	243,540	280,633	252,057	-10.2%	3.5%

(*) Order book values doesn't include spare parts and services

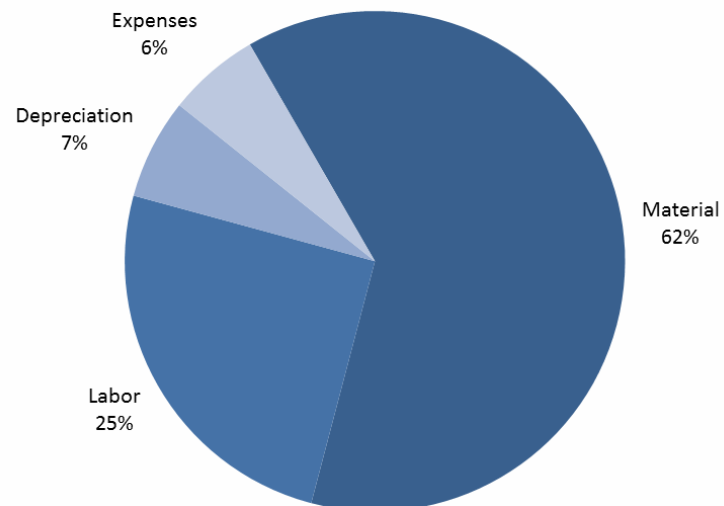
Order Entry Backlog

2016



15%	Domestic material
11%	FX Related Domestic Material
18%	Metals
18%	Imported Material

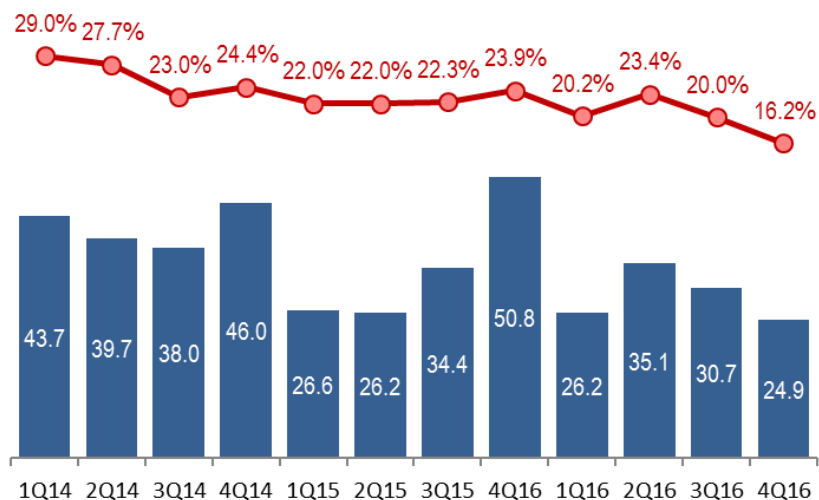
2015



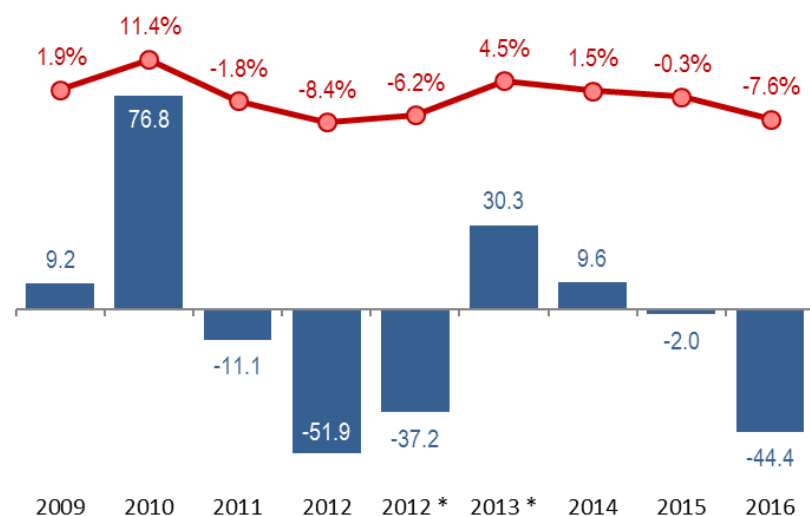
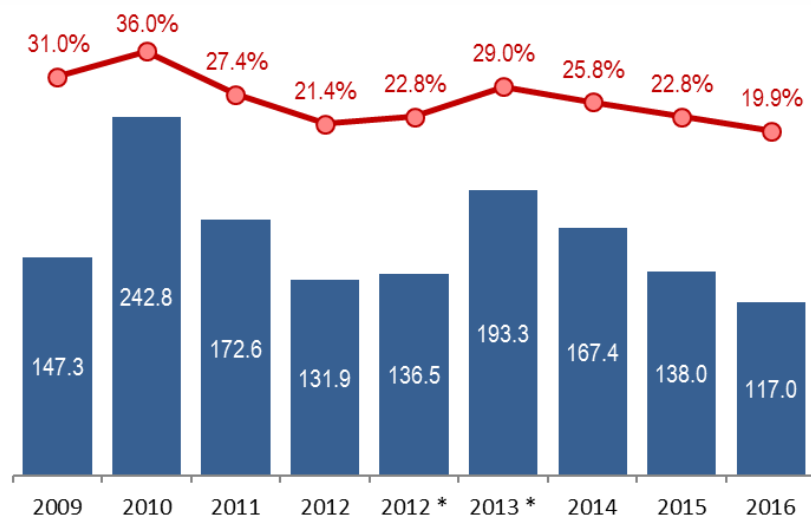
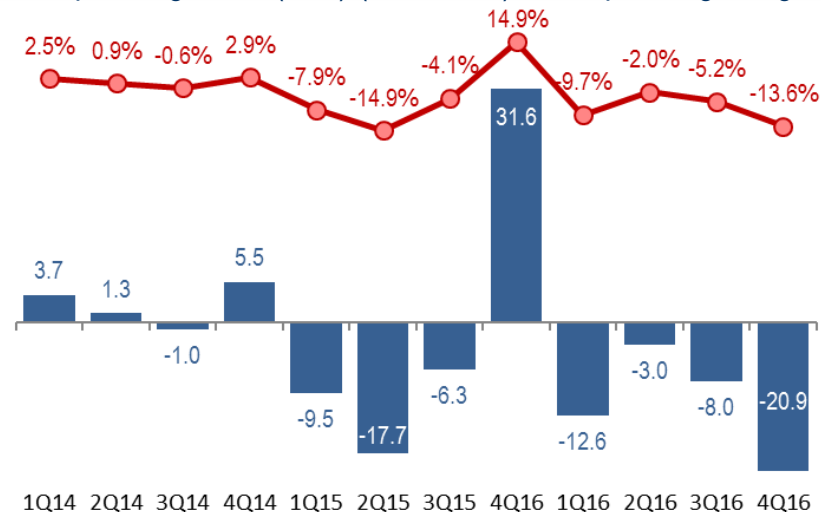
17%	Domestic material
12%	FX Related Domestic Material
15%	Metals
18%	Imported Material

Cost of Goods Sold

Gross Profit (R\$ million) and Gross Margin



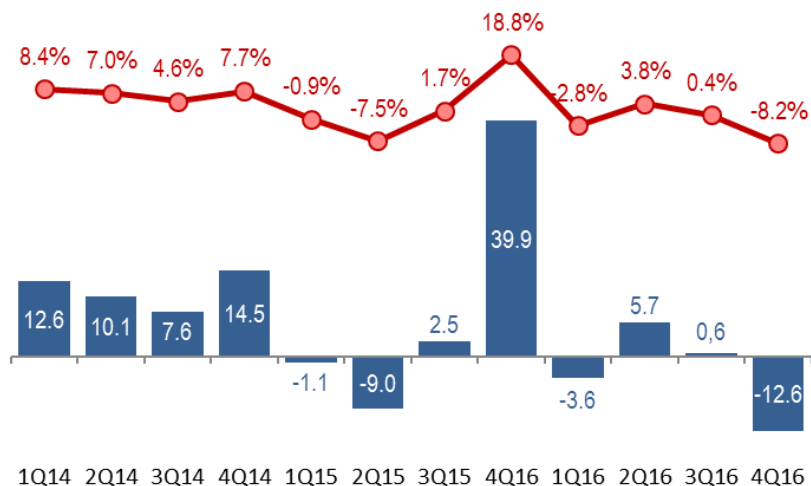
Operating Profit (loss) (R\$ million) and Operating Margin



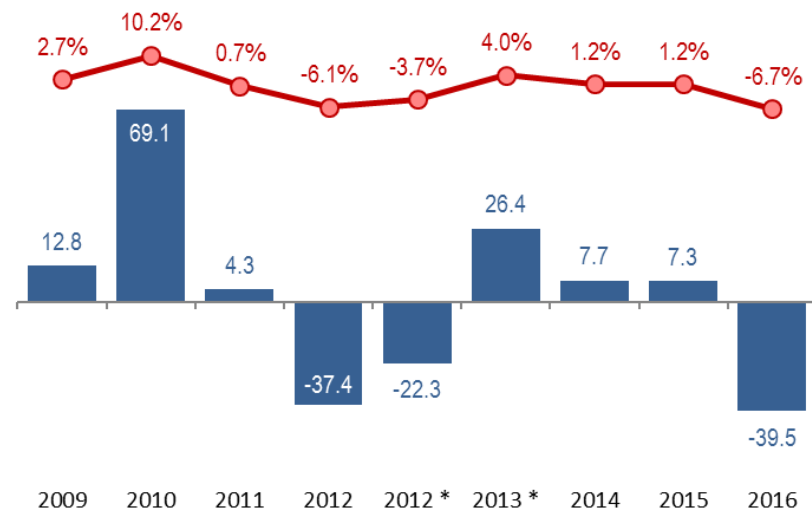
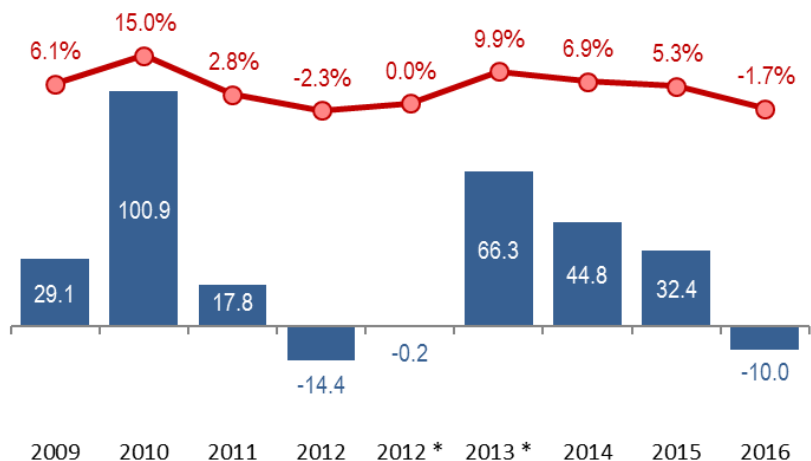
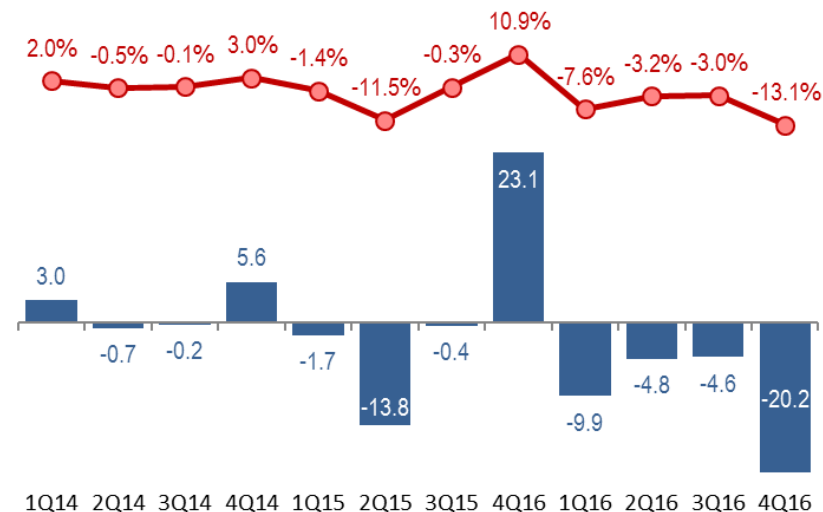
(*) Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia

Profitability

EBITDA (R\$ million) and EBTIDA Margin



Net income (loss) (R\$ million) and Net Margin



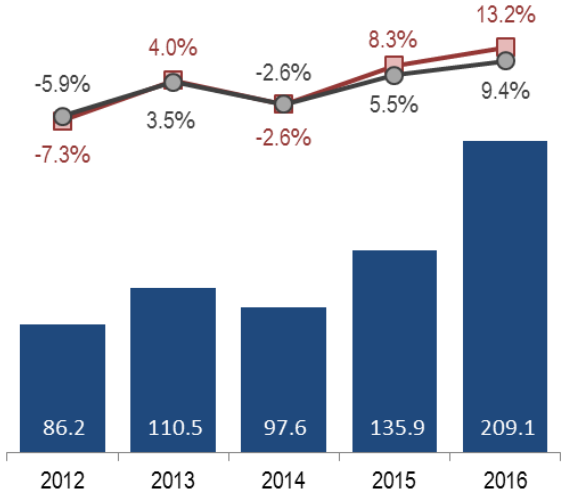
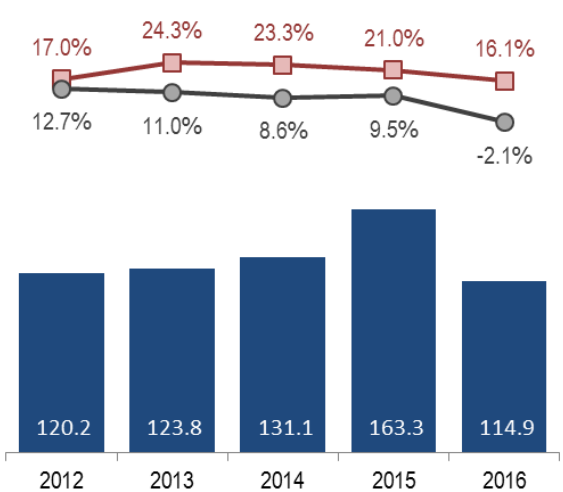
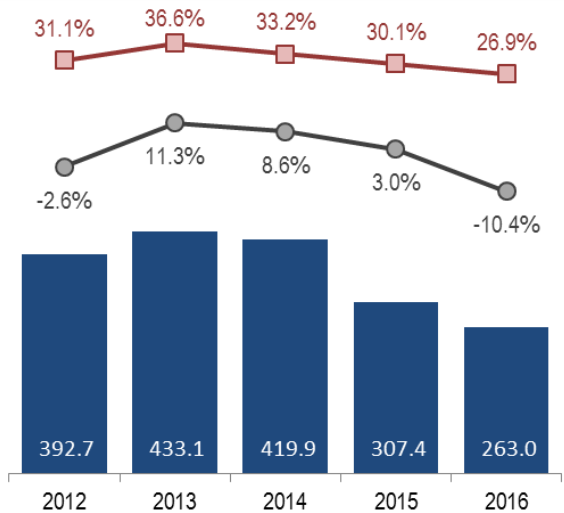
(*) Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia

	Quarterly								Accumulated	
Sales	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	2015	2016
Machines (qty)	271	143	164	199	170	172	192	214	777	748
Burkhardt+Weber (qty)	1	3	6	11	3	3	4	7	21	17
Cast and Iron parts (ton)	3,632	4,060	4,956	4,109	4,240	5,145	5,845	5,174	16,758	20,403

Romi Machines

B+W Machines

Rough and Machined Cast Iron Parts



Revenue
 Gross Margin
 EBITDA

Cash and Cash Equivalent (R\$ MM) - 12/31/2016

	Amount
Bank Deposit Certificate (CDB)	46.4
Financial Investment with Bonds	49.2
Banks	26.7
Total	122.3

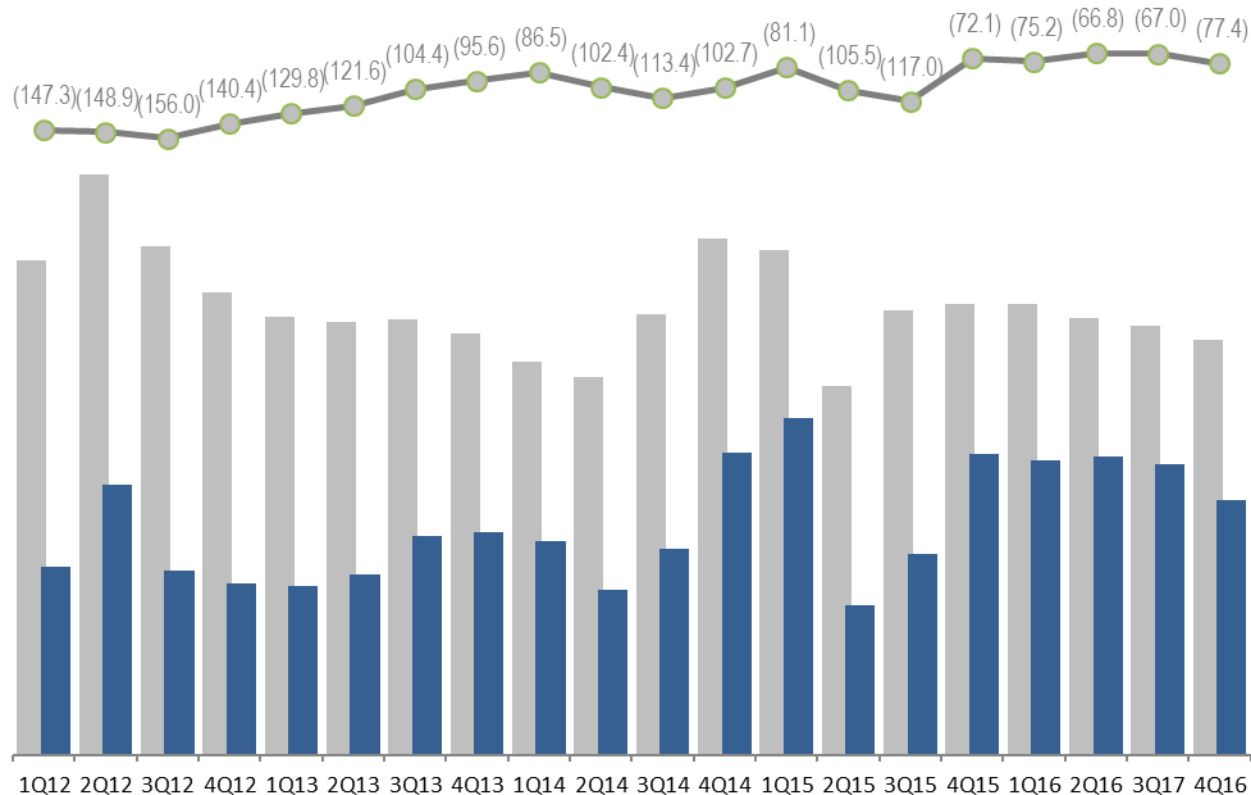
Net Debt = 77.4

Loans* (R\$ MM) - 12/31/2016

	Amount
2017	99.4
2018	55.4
2019	13.6
2020	18.4
2021 and afterwards	13.0
Total	199.8

Net Cash (Debt) Position

em R\$ million

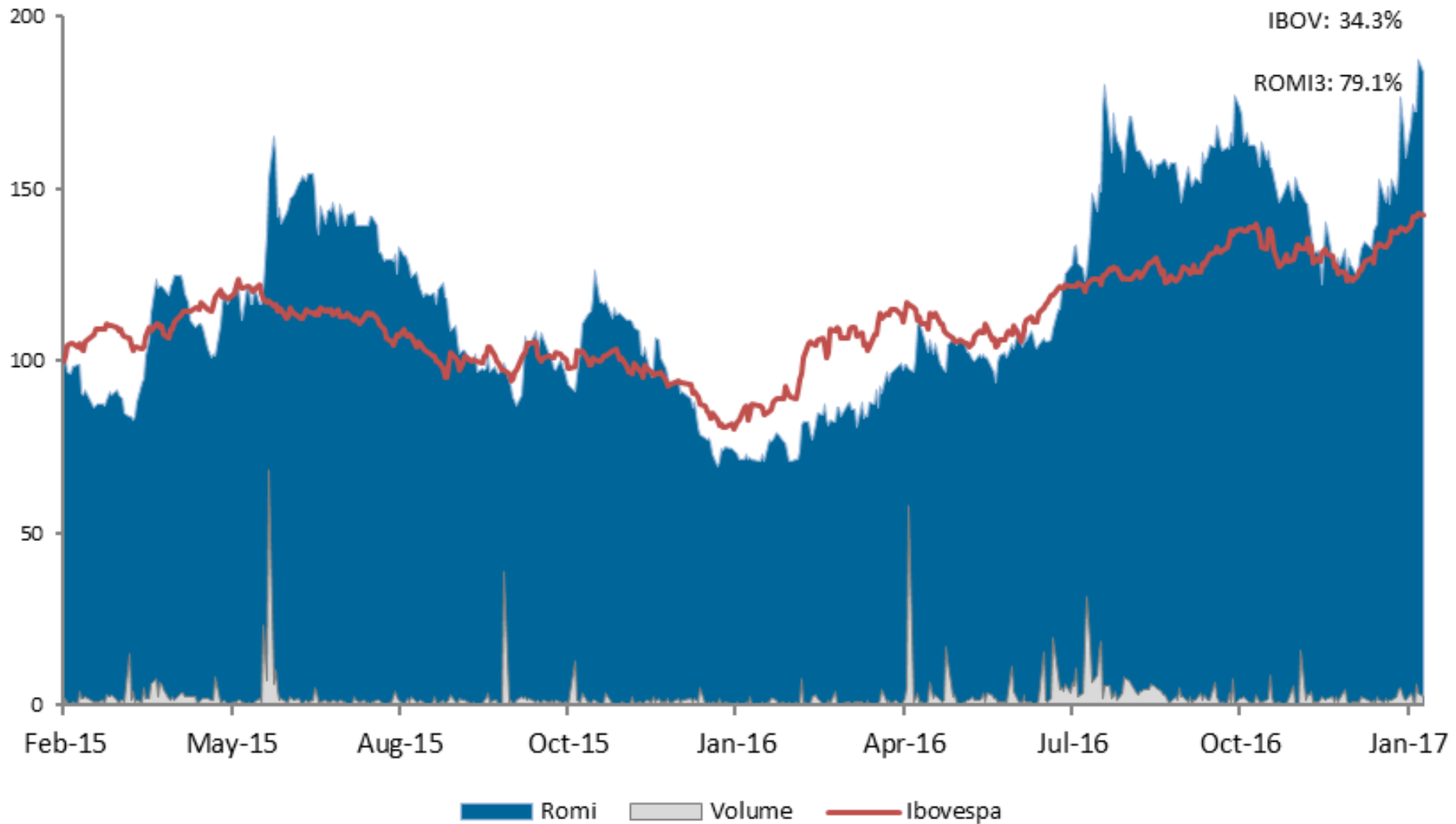


(*) Without Finame Manufacturer

Cash Position

Share Performance ROMI3 vs. Ibovespa

From 02/01/2015 to 02/06/2017



Source: BM&FBovespa

Share Performance



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