(A free translation of the original in Portuguese)

Indústrias Romi S.A.
Quarterly information (ITR) at June 30, 2016
and report on review of quarterly information

Report on Review of Quarterly Information

To the Board of Directors and Shareholders
Indústrias Romi S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Indústrias Romi S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2016, comprising the balance sheet at that date and the statements of income and comprehensive income for the quarter and six-month periods then ended, and the statements of changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

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Indústrias Romi S.A.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the six-month period ended June 30, 2016. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Campinas, July 26, 2016

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Marcos Roberto Sponchiado
Contador CRC 1SP175536/O-5

INDÚSTRIAS ROMI S.A.

BALANCE SHEET

All amounts in thousands of reais unless otherwise stated

	Parent Company		Consolidated	
ASSETS	**June 30, 2016**	**December 31, 2015**	**June 30, 2016**	**December 31, 2015**
CURRENT				
Cash and cash equivalents	107.073	102.580	143.205	144.581
Trade accounts receivable	67.408	56.010	102.122	122.126
Onlending of FINAME manufacturer financing	111.077	120.908	111.077	120.908
Inventories	200.042	192.596	266.856	267.786
Related parties	27.290	33.022	-	-
Taxes recoverable	18.782	19.196	20.856	22.923
Other receivables	17.585	21.695	20.041	23.208
	549.257	546.007	664.157	701.532
NON-CURRENT				
Trade accounts receivable	10.505	8.941	10.505	8.941
Onlending of FINAME manufacturer financing	84.759	99.541	84.759	99.541
Related parties	616	798	-	-
Taxes recoverable	1.066	1.203	1.066	1.203
Deferred income tax and social contribution	51.382	48.738	53.469	48.738
Judicial deposits	2.668	2.627	2.668	2.627
Other receivables	5.838	5.577	6.080	5.959
	156.834	167.425	158.547	167.009
Investment in subsidiary and associated companies	132.271	172.667	-	-
Property, plant and equipment	192.820	199.931	255.876	277.809
Investment properties	13.697	15.978	17.101	17.000
Intangible assets	258	473	44.626	55.368
	495.880	556.474	476.150	517.186
	1.045.137	1.102.481	1.140.307	1.218.718

TOTAL ASSETS

	Parent Company		Consolidated	
LIABILITIES AND EQUITY	**June 30, 2016**	**December 31, 2015**	**June 30, 2016**	**December 31, 2015**
CURRENT				
Borrowings	42.935	41.857	45.254	45.825
FINAME manufacturer financing	72.919	82.785	72.919	82.785
Trade accounts payable	33.765	20.330	40.552	28.400
Payroll and related taxes	23.213	17.656	27.579	20.834
Borrowings	1.591	2.144	3.379	6.354
FINAME manufacturer financing	8.618	11.614	34.796	37.851
Dividends and interes on capital	-	1.487	-	1.487
Profit sharing	157	527	157	527
Other payables	5.936	6.346	16.576	23.499
Provision for net capital deficiency - subsidiary	-	4	-	-
Related parties	497	634	-	-
	189.631	185.384	241.212	247.562
NON-CURRENT				
Borrowings	150.007	152.227	164.773	170.817
FINAME manufacturer financing	76.576	92.124	76.576	92.124
Borrowings	539	539	539	545
Provision for tax, labor and divil risks	911	1.459	911	1.459
Other payables	11	29	319	505
Deferred income tax and social contribution	-	-	26.944	32.711
	228.044	246.378	270.062	298.161
TOTAL LIABILITIES	417.675	431.762	511.274	545.723
EQUITY				
Capital	492.025	492.025	492.025	492.025
Treasury shares	(5.183)	(5.078)	(5.183)	(5.078)
Profit reserve	135.121	140.721	135.121	140.721
Accumulated deficit	(14.824)	-	(14.824)	-
Cumulative translation adjustments	20.323	43.051	20.323	43.051
-	627.462	670.719	627.462	670.719
NON CONTROLLING INTEREST	-	-	1.571	2.276
TOTAL EQUITY	627.462	670.719	629.033	672.995
TOTAL LIBILITIES AND EQUITY	1.045.137	1.102.481	1.140.307	1.218.718

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.

STATEMENT OF INCOME
QUARTERS ENDED JUNE 30
All amounts in thousands of reais unless otherwise stated

				Parent Company
	Current quarter 04/01/2016 to 06/30/2016	Accumulated for current year 01/01/2016 to 06/30/2016	Current quarter 04/01/2015 to 06/30/2015	Accumulated for current year 01/01/2015 to 06/30/2015
Net Operating revenue	112.171	207.505	100.294	205.745
Cost of sales and services	(89.788)	(166.286)	(80.990)	(163.119)
Gross profit	22.383	41.219	19.304	42.626
Operation income (expenses)				
Selling	(11.232)	(20.265)	(14.026)	(24.763)
General and administrative	(7.053)	(16.255)	(10.423)	(20.365)
Research and development	(4.514)	(8.648)	(4.985)	(9.818)
Management profit sharing and fees	(1.327)	(2.490)	(1.153)	(2.764)
Equity income	(2.465)	(9.094)	(5.223)	(9.418)
Other operating income, net	479	1.175	299	773
	(26.112)	(55.577)	(35.511)	(66.355)
Operating profit (loss)	(3.729)	(14.358)	(16.207)	(23.729)
Financial income (expenses)				
Financial income	4.876	8.791	4.447	9.559
Financial expenses	(4.157)	(7.776)	(5.452)	(11.521)
Foreign exchange gains, net	(2.710)	(4.125)	(392)	6.693
	(1.991)	(3.110)	(1.397)	4.731
Loss before taxation	(5.720)	(17.468)	(17.604)	(18.998)
Income tax and social contribution	862	2.644	3.830	3.453
Loss for the period	(4.858)	(14.824)	(13.774)	(15.545)
Basic and diluted loss per share (R$)	(0,07)	(0,23)	(0,20)	(0,23)

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.

STATEMENT OF INCOME
QUARTERS ENDED JUNE 30
All amounts in thousands of reais unless otherwise stated

	Consolidated			
	Current quarter 04/01/2016 to 06/30/2016	**Accumulated for current year 01/01/2016 to 06/30/2016**	**Current quarter 04/01/2015 to 06/30/2015**	**Accumulated for current year 01/01/2015 to 06/30/2015**
Net Operating revenue	150.063	279.873	118.972	239.941
Cost of sales and services	(114.917)	(218.499)	(92.798)	(187.149)
Gross profit	35.146	61.374	26.174	52.792
Operation income (expenses)				
Selling	(17.973)	(32.951)	(19.113)	(33.363)
General and administrative	(14.787)	(33.949)	(17.705)	(33.686)
Research and development	(4.514)	(8.648)	(4.985)	(9.818)
Management profit sharing and fees	(1.353)	(2.539)	(1.178)	(2.816)
Other operating income, net	463	1.123	(928)	(380)
	(38.164)	(76.964)	(43.909)	(80.063)
Operating profit (loss)	(3.018)	(15.590)	(17.735)	(27.271)
Financial income (expenses)				
Financial income	5.930	10.122	4.875	11.012
Financial expenses	(5.598)	(9.339)	(5.467)	(11.860)
Foreign exchange gains, net	(2.720)	(4.497)	(290)	6.576
	(2.388)	(3.714)	(882)	5.728
Loss before taxation	(5.406)	(19.304)	(18.617)	(21.543)
Income tax and social contribution	606	4.594	4.920	6.156
Loss for the period	(4.800)	(14.710)	(13.697)	(15.387)
Attributable to:				
Controlling Interests	(4.858)	(14.824)	(13.774)	(15.545)
Non-controlling interests	58	114	77	158
	(4.800)	(14.710)	(13.697)	(15.387)
Basic and diluted loss per share (R$)	(0,07)	(0,22)	(0,20)	(0,22)

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.

STATEMENTS OF COMPREHENSIVE INCOME
QUARTERS ENDED JUNE 30
All amounts in thousands of reais unless otherwise stated

	Parent Company			
	Current quarter 04/01/2016 to 06/30/2016	**Accumulated for current year 01/01/2016 to 06/30/2016**	**Current quarter 04/01/2015 to 06/30/2015**	**Accumulated for current year 01/01/2015 to 06/30/2015**
Loss for the quarter	(4.858)	(14.824)	(13.774)	(15.545)
Foreign correncу translation effects	(15.675)	(22.728)	1.192	4.852
Comprehensive loss for the period	(20.533)	(37.552)	(12.582)	(10.693)

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.

STATEMENTS OF COMPREHENSIVE INCOME
QUARTERS ENDED JUNE 30
All amounts in thousands of reais unless otherwise stated

	Consolidated			
	Current quarter 04/01/2016 to 06/30/2016	**Accumulated for current year 01/01/2016 to 06/30/2016**	**Current quarter 04/01/2015 to 06/30/2015**	**Accumulated for current year 01/01/2015 to 06/30/2015**
Loss for the quarter	(4.800)	(14.710)	(13.697)	(15.387)
Foreign corrency translation effects	(15.675)	(22.728)	1.192	4.852
Comprehensive loss for the period	(20.475)	(37.438)	(12.505)	(10.535)
Attributable to:				
Controlling Interests	(20.533)	(37.552)	(12.582)	(10.693)
Non-controlling interests	58	114	77	158
	(20.475)	(37.438)	(12.505)	(10.535)

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INDÚSTRIAS ROMI S.A.

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY
All amounts in thousands of reais unless otherwise stated

	Attributable to the controlling interests										
				Profit reserve							
	Capital	**Capital reserve**	**Theasury share**	**Reitaned earnings**	**Legal reserve**	**Total**	**Other Comprehensive Income**	**Reitaned earnings (accumulated deficit)**	**Total**	**Non-Controlling Interests**	**Total**
At January 1, 2015	**489.973**	**2.052**	**(10.349)**	**104.859**	**41.442**	**146.301**	**14.560**	**-**	**642.537**	**1.624**	**644.161**
Profit (loss) for the period	-	-	-	-	-	-	-	(15.545)	(15.545)	158	(15.387)
Foreign currency translation effects	-	-	-	-	-	-	4.852	-	4.852		4.852
Total comprehensive income for the period	-	-	-	-	-	-	4.852	(15.545)	(10.693)	158	(10.535)
Cancellation of Shares theasury	-	-	10.349	(10.349)	-	(10.349)	-	-	-	-	-
Capital increase	2.052	(2.052)	-	-	-	-	-	-	-	-	-
Proposed dividends	-	-	-	-	-	-	-	-	-	(168)	(168)
Total contribuitions by and distribuitions to controlling interests			-	-	-	-		-	-	(168)	(168)
At June 30, 2015	**492.025**	**-**	**-**	**94.510**	**41.442**	**135.952**	**19.412**	**(15.545)**	**631.844**	**1.614**	**633.458**
At January 1, 2016	**492.025**	**-**	**(5.078)**	**98.966**	**41.755**	**140.721**	**43.051**	**-**	**670.719**	**2.276**	**672.995**
Profit (loss) for the period	-	-	-	-	-	-	-	(14.824)	(14.824)	114	(14.710)
Foreign currency translation effects	-	-	-	-	-	-	(22.728)	-	(22.728)	-	(22.728)
Total comprehensive income for the period	-	-	-	-	-	-	(22.728)	(14.824)	(37.552)	114	(37.438)
Purchase of theasury shares	-	-	(5.705)	-	-	-	-	-	(5.705)	-	(5.705)
Cancellation of Shares theasury	-	-	5.600	(5.600)	-	(5.600)	-	-	-	-	-
Capital increase	-	-	-	-	-	-	-	-	-	-	-
Proposed dividends	-	-	-	-	-	-	-	-	-	(819)	(819)
Total contribuitions by and distribuitions to controlling interests	-	-	(105)	(5.600)	-	(5.600)		-	(5.705)	(819)	(6.524)
At June 30, 2016	**492.025**	**-**	**(5.183)**	**93.366**	**41.755**	**135.121**	**20.323**	**(14.824)**	**627.462**	**1.571**	**629.033**

The accompanying notes are an integral part of these Interim financial statements

INDÚSTRIAS ROMI S.A.

STATEMENT OF CASH FLOWS
QUARTERS ENDED JUNE 30
All amounts in thousands of reais unless otherwise stated

	Parent Company		Consolidated	
	2016	**2015**	**2016**	**2015**
Cash flows from operating activities				
Loss before taxation	**(17.468)**	**(18.998)**	**(19.304)**	**(21.543)**
Adjustments from:				
(Revenue), finance expenses and exchange rate	9.616	(30.398)	4.858	(8.859)
Depreciation and amortization	13.828	13.529	17.619	17.203
Allowance for doubtful accounts and for other receivables	(762)	836	801	742
Provision for inventory losses	224	3.261	(3.176)	3.298
Cost of property, plant and quipment and disposals of intangible assets	(355)	(584)	(86)	(524)
Equity in subsidiaries, net of dividends received	9.094	9.418	-	-
Provision for contingent liabilities	(653)	529	158	529
Changes in operating assets and liabilities				
Trade accounts receivables	(16.574)	32.934	13.265	44.619
Related parties (assets and liabilities)	5.944	(3.410)	-	1.149
Onlending of FINAME manufacturer financing	26.481	44.975	26.481	44.975
Inventory	(7.670)	9.808	4.107	(35.543)
Taxes recoverable	533	(3.157)	(2.527)	(7.236)
Judicial deposits	(7)	(1.479)	(7)	(1.479)
Other receivables	6.780	7.224	5.977	5.796
Suppliers	14.299	6.832	13.016	7.822
Payroll and related taxes	5.399	6.202	6.587	8.827
Taxes payble	(553)	(1.816)	(3.452)	2.236
Advances from customers	(2.996)	(3.178)	(3.055)	9.716
Other payables	(934)	(276)	(8.445)	(1.332)
Cash provided by operations	44.226	72.252	52.817	70.396
Income taxe and social contribuition paid	-	-	(702)	(482)
Net cash provided by operating activities	44.226	72.252	52.115	69.914
Cash flow from investiment activities				
Purchases of property, plant and equipment	(7.041)	(6.324)	(8.335)	(7.348)
Intangibles increase	-	-	-	-
Disposals of property, plant and equipment	793	892	794	892
Dividends received	11.002	2.260	-	-
Capital increase	(50)	(10.311)	-	-
Net cash provided (used) by investment activities	4.704	(13.483)	(7.541)	(6.456)
Cash flow from financing activities				
Interest on capital and dividends paid	(1.487)	(1.717)	(2.306)	(1.886)
Purchase of theasury shares	(5.705)	-	(5.705)	-
New borrowing	17.955	6.559	29.177	10.293
Payment of the financing	(19.433)	(85.718)	(30.354)	(89.372)
Interest paid	(6.469)	(6.993)	(7.318)	(6.984)
New FINAME - manufacturer financing	20.744	38.691	20.744	38.691
Payment of FINAME - manufacturer financing	(46.171)	(78.518)	(46.171)	(78.518)
Interest paid - FINAME manufacturer financing	(3.871)	(5.108)	(3.871)	(5.108)
Net cash used in financing activities	(44.437)	(132.804)	(45.804)	(132.884)
Increase (decrease) in cash and cash equivalents	4.493	(74.035)	(1.230)	(69.426)
Cash and cash equivalents at the beginning of the period	102.580	106.170	144.581	145.580
Foreign exchange losses of cash equivalents of foreign subsidiaries	-	-	(146)	(4.195)
Cash and cash equivalents at the end of the period	107.073	32.135	143.205	71.959

INDÚSTRIAS ROMI S.A.

STATEMENT OF VALUE ADDED
QUARTERS ENDED JUNE 30
All amounts in thousands of reais unless otherwise stated

	Parent Company		Consolidated	
	2016	**2015**	**2016**	**2015**
Revenues				
Sales of products and services	238.397	243.965	310.991	280.739
Allowance for doubtful accounts and for the other receivables	570	(2.499)	570	(2.499)
	238.967	241.466	311.561	278.240
Inputs acquired from third parties				
Materials used	(107.960)	(97.183)	(131.946)	(107.494)
Others costs of products and services	(13.089)	(9.135)	(19.923)	(15.410)
Electricity, third party services and other expenses	(14.724)	(15.050)	(18.566)	(17.801)
	(135.773)	(121.368)	(170.435)	(140.705)
Gross value added	103.194	120.098	141.126	137.535
Depreciation and amortization	(13.828)	(13.529)	(17.619)	(17.203)
Net value added generated by the Company	89.366	106.569	123.507	120.332
Value added received through transfers				
Equity in the earnings of subsidiaries	(9.093)	(9.426)	-	-
Financial income and net foreign exchange gains	(3.111)	4.730	(3.714)	5.728
Total value added to distribute	77.162	101.873	119.793	126.060
Distribuition of value added				
Employees				
Payroll and related charges	57.850	66.371	98.600	95.601
Sales commision	2.097	1.346	2.097	1.346
Management profit sharing and fees	1.327	2.764	1.350	2.814
Pensions plans	229	1.066	229	1.066
Taxes				
Federal	20.557	24.768	20.852	24.803
State	348	5.670	348	5.670
Municipal	480	993	480	993
Interests	7.776	11.521	9.339	6.393
Rentals	1.322	2.919	1.322	2.919
Non-controlling interests	-	-	(114)	(158)
Losses for the period	(14.824)	(15.545)	(14.710)	(15.387)
Value added distributed	77.162	101.873	119.793	126.060

The accompanying notes are an integral part of these Interim financial statements

1 General information

Indústrias Romi S.A. (the “Parent company” and/or "Company") and its subsidiaries (together referred to as the “Company” and/or as “Consolidated”), has been listed on the "New Market" of the São Paulo Stock Exchange ("Bovespa") since March 23, 2007, and is based in Santa Barbara D’Oeste, São Paulo. The Company is engaged in the assembly and sale of capital goods in general, including machine tools, plastic injection molding machines, industrial equipment and accessories, tools, castings and parts, as well as providing systems analysis and developing data processing software related to the production, sale, and use of machine tools and plastic injectors; the manufacture and sale of raw cast parts and machined cast parts; export and import; representation on its own account or on behalf of third parties; and the provision of related services. It also holds investments in other companies, and manages its own and/or third party assets.

The Company's industrial facilities consist of 11 plants in three units located in the city of Santa Bárbara D’Oeste, in the State of São Paulo, and one located in the city of Reutlingen, Germany. The latter is a large tooling machine manufacturer. The Company also holds investments in subsidiaries in Brazil and abroad.

This quarterly information was approved by the Company’s Board of Directors and authorized for issue on July 26, 2016.

2 Basis of preparation and accounting policies

The financial information for the quarter ended June 30, 2016 of the Company has been prepared in accordance with CVM Resolution 673, of October 20, 2011, which approves accounting standard CPC 21 (R1) and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The accounting policies adopted by the Company in the preparation of the parent company and consolidated quarterly financial information are the same as those used in the preparation of the financial statements for the year ended December 31, 2015 and, therefore, both should be read together, except for the accounting policies related to segment reporting, as described in Note 17 to this quarterly information.

The parent company and consolidated quarterly financial information has been prepared in accordance with the accounting practices adopted in Brazil, including the pronouncements issued by the Brazilian Accounting Pronouncements Committee ("CPC"), as well as according to the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and contains all material information specific to the quarterly information, which is consistent with that used by management.

As there is no difference between the consolidated equity and consolidated profit attributable to the owners of the Company, disclosed in the consolidated quarterly information prepared in accordance with IFRS and accounting practices adopted in Brazil, and the Company’s equity and profit disclosed in the parent company financial information prepared in accordance with accounting practices adopted in Brazil, the Company elected to present this parent company and consolidated quarterly information in a single set.

The purpose of the statement of value added is to disclose the wealth created by the Company and its distribution during a certain period, and is presented by the Company, as required by the Brazilian Corporate Law, as an integral part of its parent company quarterly information, and as supplementary information to the consolidated quarterly information, since this statement is not required by IFRS.

(a) Notes included in the financial statements as at December 31, 2015 not included in this quarterly information

The quarterly information is presented in accordance with accounting standard CPC 21 and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB). The preparation of this quarterly information involves judgment by the Company's management on the relevance and changes that should be disclosed in the notes. Accordingly, this quarterly information includes selected notes and does not comprise all notes presented in the year ended December 31, 2015. As permitted by Circular Letter 03/2011 of the Brazilian Securities Commission (CVM), the following notes are not presented:

- Basis of preparation and accounting policies (Note 2);
- Pension plan (Note 17);
- Insurance (Note 18);
- Financial instruments and operating risks (Note 19):
- Net operating revenue (Note 22);
- Expenses by nature (Note 23);
- Finance income (costs) (Note 24); and
- Other operating income, net (Note 25).

All amounts in thousands of reais unless otherwise stated

3 Cash and cash equivalents

	Parent company		Consolidated	
	June 30, 2016	**December 31, 2015**	**June 30, 2016**	**December 31, 2015**
Cash and banks	2,224	1,529	14,051	26,267
Bank Deposit Certificates ("CDBs") (a)	45,859	65,655	63,330	81,164
Short-term investments backed by debentures (a)	57,386	32,025	59,536	33,775
Short-term investments in foreign currency - US$ (Time deposit)	1,444	2,413	6,074	2,413
Other	160	958	214	962
Total	107,073	102,580	143,205	144,581

(a) These investments are substantially pegged to the Interbank Deposit Certificate ("CDI") interest rate.

4 Trade accounts receivable

	Parent company		Consolidated	
	June 30, 2016	**December 31, 2015**	**June 30, 2016**	**December 31, 2015**
Current				
Domestic customers	66,126	55,271	66,126	73,085
Foreign customers	3,937	3,414	42,644	57,105
Allowance for doubtful accounts	(2,655)	(2,675)	(6,648)	(8,064)
	67,408	56,010	102,122	122,126
Non-current				
Domestic customers	10,046	8,967	10,046	8,967
Foreign customers	775	353	775	353
Allowance for doubtful accounts	(316)	(379)	(316)	(379)
	10,505	8,941	10,505	8,941

All amounts in thousands of reais unless otherwise stated

The Company's maximum exposure to credit risk is the balance of trade accounts receivable.
The balance of current trade accounts receivable as at June 30, 2016 and December 31, 2015, Parent company and Consolidated, is distributed as follows:

	Parent company		**Consolidated**	
	June 30, 2016	**December 31, 2015**	**June 30, 2016**	**December 31, 2015**
Not yet due	59,226	43,486	85,074	98,007
Past due:				
1 to 30 days	4,016	5,112	7,728	7,833
31 to 60 days	265	774	1,742	3,712
61 to 90 days	394	627	1,092	1,807
91 to 180 years	909	1,435	2,133	2,934
181 to 360 days	1,847	3,325	3,427	7,352
Over 360 days	3,406	3,926	7,574	8,545
	10,837	15,199	23,696	32,183
Total	70,063	58,685	108,770	130,190
Allowance for doubtful accounts	(2,655)	(2,675)	(6,648)	(8,064)
Total - current	67,408	56,010	102,122	122,126

The balance of non-current trade accounts receivable as at June 30, 2016, Parent company and Consolidated, is distributed as follows:

	Parent company and Consolidated
Not yet due:	
2017 (6 months)	6.098
2018	4.132
2019	275
Total - non-current	10.505

The changes in the allowance for doubtful accounts, Parent company and Consolidated, are as follows:

All amounts in thousands of reais unless otherwise stated

	Parent company	Consolidated
As at December 31, 2015	3,054	8,443
Additional allowance recorded	31	195
Receivables written off	(114)	(765)
Foreign exchange rate variations	-	(909)
As at June 30, 2016	2,971	6,964

5 Receivables - onward lending of FINAME manufacturer financing

	Parent company and Consolidated	
	June 30, 2016	December 31, 2015
Current		
FINAME not yet due	82,877	95,640
FINAME awaiting release (a)	1,084	399
FINAME past due (b)	39,289	37,230
	123,250	133,269
Allowance for doubtful accounts	(12,173)	(12,361)
	111,077	120,908
Non-current		
FINAME not yet due	81,905	99,916
FINAME awaiting release (a)	4,335	1,596
	86,240	101,512
Allowance for doubtful accounts	(1,481)	(1,971)
	84,759	99,541
Total	195,836	220,449

The item "Receivables - onward lending of FINAME manufacturing financing" refers to sales to customers financed by funds from the National Bank for Economic and Social Development (“BNDES”) (Note 13).

FINAME manufacturer line PSI is a line specifically linked to sales transactions, used by Romi with terms of up to 48 months, with grace periods between three and six months and fixed costs between 2.5% and 9.5% per year, in accordance with the terms defined by the BNDES at the time of the transaction. The Line PSI (Investment Support Program) was one of the measures adopted by the federal government to foster investment and consumption, started in June 2009, finances capital goods, investments and technology and was in effect through December 2015.

The financing terms are also based on the customer's characteristics. Funds are released by the BNDES by identifying the customer and the sale, as well as checking that the customer has fulfilled the terms of Circular 195 of July 28, 2006 issued by BNDES, through a financial agent, with the formalization of a financing agreement in the name of the Company and consent of the customer to be financed. The amounts, periods and charges of the transaction are fully reflected in the amounts to be received by the Company from the bank mediating the agreement to which the Company is the debtor. The Company retains title to the financed equipment until the final settlement of the obligation by the customer.

The difference between onward lending of FINAME manufacturers' financing receivables and payables include:

(a) FINAME transactions awaiting release: refer to FINAME manufacturer financing transactions that meet the specified terms and have been approved by all parties involved. The preparation of documentation, the issue of the sales invoice, and the delivery of the equipment to the customer have all taken place. The crediting of the related funds to the Company's account by the agent bank is pending at the end of the reporting period, in view of the normal operating terms of the agent.

(b) FINAME past due: refers to amounts receivable not settled by customers by their due dates. The Company records provisions for possible losses on the realization of these balances, at the amount of the difference between the expected value of the sale of the collateral (machinery) recovered through the guarantee and the value of the receivables from the customers. In instances in which the machine guaranteed cannot be located, a full loss provision is made for balance of the receivable.

The machines seized as part of the implementation process are recorded at their carrying amount, not exceeding their fair value, under the category of "Other receivables", pending a final court decision, following which they are repossessed and transferred to inventory. As at June 30, 2016, the balance of repossessed machinery, included in the line item "Other receivables", Parent company and Consolidated, amounted to R$ 7,380 (R$ 14,572 as at December 31, 2015) in current assets and R$ 5,590 (R$ 5,260 as at December 31, 2015) in non-current assets.

All amounts in thousands of reais unless otherwise stated

As at June 30, 2016 and December 31, 2015, the balances of "Receivables - onward lending of FINAME manufacturer financing", Parent company and Consolidated, were as follows:

	Parent company and Consolidated	
	June 30, 2016	**December 31, 2015**
Not yet due	83,960	96,039
Past due:		
1 to 30 days	2,213	3,108
31 to 60 days	1,496	1,626
61 to 90 days	1,548	1,614
91 to 180 years	4,061	4,452
181 to 360 days	6,420	6,227
Over 360 days	23,552	20,203
	39,290	37,230
Total - current	123,250	133,269

The expected realization of the non-current receivables relating to the onward lending of FINAME manufacturer financing, Parent company and Consolidated, is as follows:

	Parent company and Consolidated
Not yet due:	
2017 (6 months)	31,823
2018	37,091
2019	14,837
2020 and thereafter	2,489
Total - non-current	86,240

All amounts in thousands of reais unless otherwise stated

The changes in the allowance for doubtful accounts, Parent company and Consolidated, are as follows:

	Parent company and Consolidated
	June 30, 2016
Opening balance	14,332
Allowance written off during the period	(678)
Closing balance	13,654

6 Inventory

	Parent company		Consolidated	
	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
Finished products	42,013	47,858	70,196	77,683
Used machines	29,975	31,159	29,975	31,159
Work in progress	65,895	52,988	88,504	77,681
Raw materials and components	61,326	59,461	77,348	79,566
Imports in transit	833	1,130	833	1,697
Total	200,042	192,596	266,856	267,786

The inventory balances, Parent Company and Consolidated, as at June 30, 2016 are net of the amounts of R$ 58,860 and R$ 62,065 respectively (R$ 58,636 Parent Company and R$ 65,241 Consolidated respectively as at December 31, 2015) corresponding to the provision for slow-moving inventory with a remote probability of being realized through sale or use.

The changes in the provision to bring inventories to their net realizable value, Parent Company and Consolidated, are as follows:

All amounts in thousands of reais unless otherwise stated

	Parent company	Consolidated
As at December 31, 2015	58,636	65,241
Inventory sold or written off	(17,602)	(17,677)
Provision recorded	7,356	7,847
Foreign exchange rate variations	-	(3,816)
Transfer of provisions resulting from machines repossessed during the period	10,470	10,470
As at June 30, 2016	58,860	62,065

The changes in the provision for inventory losses by class of inventory are as follows:

	Parent company		Consolidated	
	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
Finished products	3,528	3,057	6,733	9,662
Used machines	27,204	28,885	27,204	28,885
Work in progress	6,518	6,465	6,518	6,465
Raw materials and components	21,610	20,229	21,610	20,229
Total	58,860	58,636	62,065	65,241

All amounts in thousands of reais unless otherwise stated

7 Investments in subsidiaries and associates

The following list shows the investments of the Company in its subsidiaries:

	Subsidiary	Country	Main activity
1.	Romi Itália S.r.l. ("Romi Italy")	Italy	Sale of machine tools, spare parts and technical assistance.
1.1	Romi Machines UK Ltd. (indirect subsidiary – 100% interest)	United Kingdom	Sale of machinery for plastics and machine tools, spare parts and technical assistance.
1.2	Romi France SAS (indirect subsidiary – 100% interest)	France	Sale of machinery for plastics and machine tools, spare parts and technical assistance.
1.3	Romi Máquinas España S.A. (indirect subsidiary – 100% interest)	Spain	Sale of machinery for plastics and machine tools, spare parts and technical assistance.
2.	Romi Europa GmbH ("Romi Europe")	Germany	Distribution of machine tools, spare parts and technical assistance.
2.1	Burkhardt + Weber Fertigungssysteme GmbH ("B+W") (indirect subsidiary – 100% interest)	Germany	Production and sale of large tooling machines with high technology, precision and productivity, as well as machinery for specialized applications.
2.1.1	Riello Sistemi (Riello Shangai) Trade Co.,Ltd (indirect associate – 30% interest)	China	Company sold on August 26, 2015.
2.1.2	Burkhardt + Weber / Romi (Shangai) Co., Ltd (indirect subsidiary – 100% interest)	China	Sale of machine tools produced by B+W and provision of services (spare parts and technical assistance).
2.1.3	Burkhardt + Weber LLC	United States of America	Sale of machine tools produced by B+W and provision of services (spare parts and technical assistance).
3.	Rominor Comércio, Empreendimentos e Participações S.A. ("Rominor")	Brazil	Real estate activity, including purchases and sales, lease of company-owned properties, exploration of real estate rights, intermediation of real estate businesses, and provisions of sureties and guarantees.
4.	Romi Machine Tools, Ltd. ("Romi Machine Tools")	United States of America	Sales of machine tools, spare parts, technical assistance and cast and machined products in North America.
5.	Romi Empreendimentos Imobiliários S.A. (formerly named INTEROCEAN).	Brazil	Interest in real estate developments.
6.	Romi A.L. S.A. ("Romi A.L.")	Uruguay	Sales representation for operations in the foreign market.
7.	Irsa Maquinas Mexico S. de R. L. de C.V. (formerly named Sandretto México).	Mexico	Sales of machinery for plastics and machine tools, spare parts and technical assistance.

All amounts in thousands of reais unless otherwise stated

	Romi Italy and subsidiaries (1)	Romi Europe and subsidiaries (2)	Rominor (3)	Romi Machine Tools (4)	Romi Empreendimentos (5)	Romi A.L. (6)	IRSA Máq México (7)	June 30, 2016 Total
Investments:								
Number of shares held	(a)	(a)	6.191.156	3.000.000	78	13.028.000	1.188.000	
Ownership interest	100,0%	100,0%	93,1%	100,0%	100,0%	100,0%	100,0%	
Current assets	36.466	70.031	20.000	11.703	2.435	5.336	3.144	
Non-current assets	6.563	98.790	2.997	410	-	-	-	
Current liabilities	24.430	42.219	320	9.496	11	-	1.999	
Non-current liabilities	9.721	35.836	-	-	-	-	-	
Equity (net capital deficiency)	8.878	90.766	22.677	2.617	2.424	5.336	1.145	
Changes in investments:								
Investment balance as at December 31, 2015	14.458	114.883	30.567	5.277	(4)	6.252	1.230	172.663
Foreign exchange variations on foreign investments	(2.783)	(17.907)	-	(645)	-	(1.140)	(253)	(22.728)
Capital increase (b)	-	-	-	-	2.432	-	-	2.432
Dividends proposed and paid (c)	-	-	(11.002)	-	-	-	-	(11.002)
Share of profits (losses) of subsidiaries	(2.797)	(6.210)	1.540	(2.015)	(4)	224	168	(9.094)
Equivalent value - closing balance	**8.878**	**90.766**	**21.106**	**2.617**	**2.424**	**5.336**	**1.145**	**132.271**
Investments in subsidiaries	8.878	90.766	21.106	2.617	2.424	5.336	1.145	132.271

(a) At the Board of Directors meeting held on June 14, 2016, a capital increase of the subsidiary Romi Empreendimentos Imobiliários S.A. by R$ 2,432 was approved. The capital increase was made through capitalization of assets, appraised at book value at R$ 2,382, and through R$ 50 contributed in cash.

(b) Payment of dividends by the subsidiary ROMINOR, approved by the Board of Directors at the meeting held on January 19, 2016, in the amount of R$ 11,821, related to 2015. From this payment amount, the Company received R$ 11,002.

All amounts in thousands of reais unless otherwise stated

8 Related party transactions

The balances and transactions with related parties as at June 30, 2016 and December 31, 2015 are as follows:

(i) Balance sheet accounts

	Receivables (current and non-current)		Loan receivables (non-current)		Dividends receivable (current and non-current)		Total receivables		Payables (current)	
	June 30 2016	December 31 2015	June 30 2016	December 31 2015	June 30 2016	December 31 2015	June 30 2016	December 31 2015	June 30 2016	December 31 2015
Direct subsidiaries										
Romi Europe	3.535	4.567	-	-	-	-	3.535	4.567	51	-
Romi Italy	2.715	584	583	700	-	-	3.298	1.284	-	-
Romi Machine Tools	9.205	11.675	-	-	-	-	9.205	11.675	-	-
Romi Empreendimentos	-	-	11	10	-	-	11	10	-	-
Romi A.L.	-	-	-	-	-	-	-	-	422	594
Irsa Máquinas Mexico	1.282	2.458	-	-	-	-	1.282	2.458	-	-
Rominor	4	4	-	-	-	1.549	4	1.553	24	22
Indirect subsidiaries										
B+W - Burkhardt+Weber	-	-	-	-	-	-	-	-	-	18
Romi France S.A.S.	2.503	3.339	-	-	-	-	2.503	3.339	-	-
Romi Máquinas España S.A.	821	-	-		-	-	821	-	-	-
Romi Machines UK	7.247	8.934	-	-	-	-	7.247	8.934	-	-
Total	27.312	31.561	594	710	-	1.549	27.906	33.820	497	634

(ii) Transactions

The main balances and transactions with the aforementioned related parties refer to trading transactions between the Company and its subsidiaries.

In the Consolidated financial information, receivables and payables refer to trading transactions between B+W and its associate Riello Shangai (sold on August 26, 2015).

Loan agreements have predetermined maturities, are payable in the short and long terms and bear semi-annual LIBOR plus interest of 1% per annum and foreign exchange variations. The loan agreements between the Company and its subsidiaries are generally intended to increase working capital so as to provide financial support to these subsidiaries.

The subsidiary Rominor is the guarantor of some of the FINAME manufacturing financing transactions involving the Company, and the financing is collateralized by promissory notes and sureties (Note 13). The Company has property lease agreements with its subsidiary Rominor, involving four properties, which are used by the sales branch operations in Brazil. These rentals were priced according to market practices.

The Company entered into trading transactions with certain subsidiaries for the supply and purchase of equipment, parts and pieces, and does not have material transactions with related parties other than of this nature. Decisions regarding transactions between the Company and its subsidiaries are made by management. Trade notes mature in the short term.

The Company provides administrative services, mainly accounting and legal services, to the Parent company Fênix Empreendimentos S.A. The revenue accumulated until June 2016 was R$ 211 (2015 – R$ 227).

The Company makes donations to Romi Foundation at amounts set in the agreement approved by the State Prosecutor Office. Donations in 2016 totaled R$ 48 (2015 – R$ 43).

During 2014, the Company adopted the Policy for Transactions with Related Parties (available at www.romi.com) the main purpose of which is to ensure transparency and compliance with market practices in these transactions.

Management compensation for the periods ended June 30, 2016 and 2015 was as follows:

All amounts in thousands of reais unless otherwise stated

	June 30, 2016	June 30, 2015
Fees and charges	2,316	2,565
Profit sharing	-	-
Private pension plan	104	137
Healthcare plan	70	62
Parent company	2,490	2,764
Fees and charges of subsidiaries	49	52
Consolidated	2,539	2,816

The amounts shown above comply with the limits established by the Board of Directors and approved at the Annual General Meeting of Shareholders held on March 22, 2016.

9 Investment property

During the period ended December 31, 2012, Management decided, based on the completion of the property register review and regularization, as well as the perspectives of short and medium term expansion of operations, to classify certain property as "Investment Property" for future rental income and capital appreciation. The amounts classified as investment property are R$ 13,697 (R$ 15,978 – as at December 31, 2015) in the Parent company and R$ 17,101 (R$ 17,000 – as at December 31, 2015) in the Consolidated.

The investment property is stated at historical cost, and for fair value disclosure purposes the Company contracted an independent expert, who applied a methodology accepted by the Brazilian Institute of Engineering Appraisals as well as recent transactions with similar property and assessed the fair value less cost to sell of this property at R$ 121,112 in the Parent company and R$ 141,685 in the Consolidated.

All amounts in thousands of reais unless otherwise stated

10 Property, plant and equipment

Changes in property, plant and equipment in the Parent company and Consolidated quarterly information are as follows:

	Parent company	Consolidated
Net book amount as at December 31, 2015	199,931	277,809
Additions	7,041	8,335
Disposals	(539)	(544)
Depreciation	(13,613)	(16,888)
Foreign exchange rate variations	-	(12,835)
Net book amount as at June 30, 2016	192,820	255,876
Total cost	493,523	596,293
Accumulated depreciation	(300,703)	(340,417)
Net book amount	192,820	255,876

Due to the financing agreements with the BNDES for investments in property, plant and equipment, the Company pledged as collateral machinery and equipment amounting to R$158,047 as at June 30, 2016 (R$170,079 as at December 31, 2015). These items refer to land, buildings, facilities, machinery and equipment.

11 Intangible assets

Changes in intangible assets in the Parent company and Consolidated quarterly information are as follows:

	Parent company	Consolidated
Net book amount as at December 31, 2015	473	55,368
Disposals	-	(264)
Amortization	(215)	(731)
Foreign exchange rate variations	-	(9,747)
Net book amount as at June 30, 2016	258	44,626
Total cost	7,820	75,282
Accumulated amortization	(7,562)	(30,656)
Net book amount	258	44,626

All amounts in thousands of reais unless otherwise stated

12 Borrowings

Changes in borrowings in the Parent company and Consolidated quarterly information are as follows:

	Parent company			Consolidation
	Local currency	Local currency	Foreign currency	Total
Borrowing balance at December 31, 2015	194,084	194,084	22,558	216,642
New borrowing	17,955	17,955	11,222	29,177
Repayment of principal	(19,433)	(19,433)	(10,921)	(30,354)
Payment of interest	(6,469)	(6,469)	(849)	(7,318)
Exchange and monetary variations (principal and interest)	478	478	(4,925)	(4,447)
Interest at the end of the period	6,327	6,327	-	6,327
Borrowing balance at June 30, 2016	192,942	192,942	17,085	210,027
Current	42,935	42,935	2,319	45,254
Non-current	150,007	150,007	14,766	164,773
	192,942	192,942	17,085	210,027

All amounts in thousands of reais unless otherwise stated

The maturities of financing recorded in non-current liabilities as at June 30, 2016 in the Parent company and Consolidated quarterly information were as follows:

	Parent company	Consolidated
2017 (6 months)	72,820	72,821
2018	51,070	52,215
2019	10,568	11,784
2020 and thereafter	15,549	27,953
Total	150,007	164,773

13 FINAME manufacturer financing

	Parent company and Consolidated	
	June 30, 2016	December 31, 2015
Current		
FINAME manufacturer financing	72,919	82,785
Non-current		
FINAME manufacturer financing	76,576	92,124
Total	149,495	174,909

The agreements related to FINAME Manufacturer Financing are guaranteed by promissory notes and sureties, and the main guarantor is the subsidiary Rominor. The balances are directly related to the balances of "Receivables - onward lending of FINAME manufacturer financing" (Note 5), considering that the loans are directly linked to sales to specific customers. The contractual terms related to the amounts, charges and periods financed under the program are fully passed on to the financed customers, and the monthly payments by the customers are fully used for the repayment of the related financing agreements. The Company, therefore, acts as an agent for the financing, but remains as the main debtor in these transactions.

The balances of the line item “FINAME manufacturer financing” and, consequently, of the line items “Receivables - onward lending of FINAME manufacturer financing” as at June 30, 2016 and December 31, 2015, were adjusted for inflation through the end of the reporting period. The difference of

All amounts in thousands of reais unless otherwise stated

R$46,341 between these line items as at June 30, 2016 (R$45,540 as at December 31, 2015) refers to past-due trade notes, renegotiations in progress, and FINAME transactions not yet disbursed by the agent bank. Management understands that there are no risks to the realization of these receivables, in addition to the amount of the allowance for doubtful accounts already recorded, since the amounts are collateralized by the financed machinery.

The non-current maturities of the FINAME manufacturer financing as at June 30, 2016, Parent company and Consolidated, are as follows:

	Parent company and Consolidated
2017 (6 months)	27,925
2018	34,004
2019	13,018
2020 and thereafter	1,629
Total	76,576

14 Provision for tax, labor and civil risks

The management of the Company and its subsidiaries, based on the opinion of legal counsel, classified the lawsuits according to the risk of loss, as follows:

	Parent company		Consolidated	
	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
Tax	50,238	49,220	50,238	49,220
Civil	2,125	1,970	2,283	2,160
Labor	5,081	4,923	5,081	4,923
(-) Judicial deposits	(49,327)	(48,516)	(49,327)	(48,516)
Total	8,117	7,597	8,275	7,787
Current liabilities	7,206	6,138	7,364	6,328
Non-current liabilities	911	1,459	911	1,459
	8,117	7,597	8,275	7,787

All amounts in thousands of reais unless otherwise stated

The management of the Company and its subsidiaries, based on the opinion of its legal counsel, classified the tax, civil and labor lawsuits, involving risks of loss classified by management as possible, for which no provision was recognized as follow:

	June 30, 2016	December 31, 2015
Tax		
Offsetting of IRPJ - 2002 and 2003	1,267	1,267
Civil		
Losses and damages	4,299	4,192
Labor	1,674	2,444
Total	7,240	7,903

For lawsuits classified as probable losses, Management recognized a provision for losses. The changes in the provision in the period ended June 30, 2016 are as follow:

	Parent company				
	December 31, 2015	Additions	Utilizations/ reversals	Inflation adjustment	June 30, 2016
Tax	49,220	1,213	(232)	37	50,238
Civil	1,970	34	-	121	2,125
Labor	4,923	1,996	(2,068)	230	5,081
(-) Judicial deposits	(48,516)	(811)	-	-	(49,327)
	7,597	2,432	(2,300)	388	8,117

	Consolidated				
	December 31, 2015	Additions	Utilizations/ reversals	Inflation/ exchange adjustment	June 30, 2016
Tax	49,220	1,213	(232)	37	50,238
Civil	2,160	34	-	89	2,283
Labor	4,923	1,996	(2,068)	230	5,081
(-) Judicial deposits	(48,516)	(811)	-	-	(49,327)
	7,787	2,432	(2,300)	356	8,275

As at June 30, 2016, the main lawsuits, which were classified by management as representing probable losses based on the opinion of legal counsel and, therefore, included in the provision for risks, are as follow:

(a) Tax lawsuits

Refer to the provisions for:

(i) Social Integration Program ("PIS") and Social Contributions on Revenues ("COFINS") related to State Value Added Tax ("ICMS") on sales, which amounted to R$ 8,799 (R$ 8,654 as at December 31, 2015) and R$ 40,528 (R$ 39,862 as at December 31, 2015), respectively.

(ii) The other tax lawsuits total R$ 911 (R$ 704 as at December 31, 2015).

(b) Civil lawsuits

These refer to civil lawsuits in which the Company is the defendant related mainly to the following claims: (i) revision/rescission of contracts; (ii) indemnities; and (iii) annulment of protest of notes with losses and damages, among others.

(c) Labor lawsuits

The Company has recorded a provision for contingencies for labor lawsuits in which it is the defendant, the main types of claim of which are as follow: (i) additional overtime due to reduction of the lunch break; (ii) health hazard premium/hazardous duty premium; (iii) stability prior to retirement; (iv) indemnities for occupational accident/disease; and (v) jointly liability of outsourced companies, among others.

The tax, civil and labor lawsuits assessed as representing possible losses involve matters similar to those above. The Company's management believes that the outcomes of ongoing lawsuits will not result in disbursements higher than those recognized in the provision. The amounts involved do not qualify as legal obligations.

All amounts in thousands of reais unless otherwise stated

(d) Judicial deposits

The Company has judicial deposits amounting to R$ 49,141 (R$ 49,100 as at December 31, 2015), of which R$ 46,473 (R$ 46,473 as at December 31, 2015) refers to PIS and COFINS levied on ICMS on sales, as mentioned in item (a), and (i) the other deposits are of a different nature and are classified in non-current assets.

15 Income tax and social contribution

Income tax is calculated at the rate of 15% on the taxable profits plus a 10% surcharge on taxable profit exceeding R$240, and social contribution is calculated at the rate of 9% on taxable profits. The subsidiaries Rominor and Romi Empreendimentos pay income tax and social contribution on a presumed profit basis.

The table below shows a reconciliation of the tax effect on the Parent company's profit (loss) before income tax and social contribution by applying the prevailing tax rates as at June 30, 2016 and 2015:

	Parent company		Consolidated	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Loss before income tax and social contribution	(17,468)	(18,998)	(19,304)	(21,543)
Standard rates (income tax and social contribution)	34%	34%	34%	34%
Income tax and social contribution income at standard rates	5,939	6,459	6,563	7,325
Reconciliation with the effective rate:				
Share of the profits (losses) of subsidiaries	(3,092)	(3,202)	-	-
Tax losses for which no deferred income tax was recognized	-	-	(2,103)	(1,767)
Other additions (deductions), net (a)	(203)	196	134	598
Current and deferred income tax and social contribution income	2,644	3,453	4,594	6,156

(a) The amounts in the Consolidated quarterly information refer basically to the differences in the calculation of income tax and social contribution between the actual taxable profit and presumed profit basis, due to the fact that the subsidiary Rominor is a taxpayer on a presumed profit basis during the reporting periods, and due to the non-recognition of deferred taxes on the tax losses of foreign subsidiaries.

All amounts in thousands of reais unless otherwise stated

The changes in deferred tax assets and liabilities, Parent company and Consolidated, for the period ended June 30, 2016 were as follows:

	Asset		Liability	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
As at December 31, 2015	48,738	48,738	-	32,711
Changes in the period:				
Additions	2,644	5,142	-	-
Realization		-	-	(317)
Foreign exchange rate variations	-	(411)	-	(5,450)
As at June 30, 2016	51,382	53,469	-	26,944

16 Equity

Share capital

As at June 30, 2016, the Company's subscribed and paid-up capital amounting to 492,025 (R$ 492,025 as at December 31, 2015) was represented by 65,657,647 (68,757,647 as at December 31, 2015) book-entry, registered common shares, without par value, all with the same rights and benefits.

Legal reserve

As required by Article 193 of Law 6,404/76, the balance of the line item "Legal reserve" is equivalent to 5% of the profit for the year, limited to 20% of the share capital.

Share buyback

A – Program approved on April 28, 2015

At the meeting held on April 28, 2015, the Company's Board of Directors approved the Program to buy back the Company's common shares ("Program"), to be held in treasury for subsequent cancellation or sale, without capital reduction, in accordance with its bylaws, CVM Instructions 10/80 and 268/97 and other legal provisions in force.

The Company's goal with the Program was to maximize value for its shareholders through the investment of part of its available financial resources within the total amount of the earnings and capital reserves. Under the Program, which was completed on January 19, 2016, 3,100,000 Company common shares were acquired for the total price of R$ 5,599,851.41, with an average price per share of R$1.81.

At the Extraordinary General Meeting held on April 5, 2016, the Board of Directors approved the cancelation of 3,100,000 common shares, purchased and held in treasury, without capital reduction. After the cancelation, the Company's total common shares amount to 65,657,647.

A – Program approved on April 6, 2016

At the meeting held on April 6, 2016, the Company's Board of Directors approved the Program to buy back the Company's common shares ("Program"), to be held in treasury for subsequent cancellation or sale, without capital reduction, in accordance with its bylaws, CVM Instructions 10/80 and 268/97 and other legal provisions in force.

The Company's goal with the Program was to maximize value for its shareholders through the investment of part of its available financial resources within the total amount of the earnings and capital reserve., Under the Program, which was completed on April 29, 2016, 2,800,000 Company common shares were acquired for the total price of R$ 5,182,979.19, with an average price per share of R$1.85.

The shares acquired during the Program will be held in treasury for subsequent sale or cancelation.

Loss per share

Basic losses per share are calculated by dividing the loss attributable to the shareholders of the Company by the weighted average number of outstanding common shares during the year, excluding common shares purchased by the Company and held as treasury shares.

	June 30, 2016	June 30, 2015
Loss for the period attributable to the controlling shareholders	(14,825)	(15,545)
Weighted average number of shares outstanding in the period (in thousands)	67,293	70,001
Basic and diluted losses per share	(0.22)	(0.22)

Shares as at December 31, 2015	68,757,647
Shares canceled on April 5, 2016	(3,100,000)
Shares as at June 30, 2016	65,657,647

Basic and diluted losses per share are the same, since the Company does not have any instruments diluting the losses per share.

All amounts in thousands of reais unless otherwise stated

17 Segment reporting - Consolidated

To manage its business, the Company is organized into three business units, on which the Company's segmented reporting is based. In order to reflect the Company's recent organizational changes and the reports that are currently used by the Board of Directors, Company's chief operating decision-maker, the segment reporting is now prepared considering three reportable segments, namely: Romi Machinery, Burkhardt+Weber Machinery and Cast and Machined Products (previously the segments were: machine tools; plastic injection machines; and cash and machined products.) June 30, 2016, according to the Company's new segments:

	June 30, 2016				
	Romi Machinery	Burkhardt + Weber Machinery	Cast and machined products	Eliminations between segments	Consolidated
Net operating revenue	131.832	55.221	92.820		279.873
Cost of sales and services	(87.312)	(47.868)	(83.319)		(218.499)
Transfers remitted	1.676	-	5.702	(7.378)	-
Transfers received	(5.702)	-	(1.676)	7.378	-
Gross profit	40.494	7.353	13.527	-	61.374
Operating (expenses) income:					
Selling	(25.707)	(5.232)	(2.012)		(32.951)
General and administrative	(17.216)	(10.323)	(6.410)		(33.949)
Research and development	(8.648)	-	-		(8.648)
Management fees	(1.557)	-	(982)		(2.539)
Other operating income, net	1.123	-	-		1.123
Operating loss (profit) before finance income (costs)	(11.510)	(8.203)	4.123		(15.590)
Inventory	199.207	37.184	30.465		266.856
Depreciation and amortization	7.541	3.453	6.624		17.619
Property, plant and equipment, net	107.643	54.328	93.905		255.876
Intangible assets	258	44.368	-		44.626

	Europe	Latin America	North America	Africa and Asia	Total
Net operating revenue per geographical region	63.869	187.152	6.640	22.212	279.873

All amounts in thousands of reais unless otherwise stated

					June 30, 2015
	Romi Machinery	Burkhardt + Weber Machinery	Cast and machined products	Eliminations between segments	Consolidated
Net operating revenue	157.176	27.304	55.461		239.941
Cost of sales and services	(97.868)	(25.857)	(63.423)		(187.149)
Transfers remitted	4	-	8.263	(9.609)	
Transfers received	(8.263)	-	(4)	9.609	
Gross profit	51.048	1.446	297	-	52.792
Operating (expenses) income:					
Selling	(28.805)	(2.595)	(1.963)		(33.363)
General and administrative	(20.055)	(9.582)	(4.049)		(33.686)
Research and development	(9.818)	-	-		(9.818)
Management fees	(2.267)	-	(549)		(2.816)
Other operating income, net	(380)	-	-		(380)
Operating loss (profit) before finance income (costs)	(10.276)	(10.731)	(6.264)		(27.271)
Inventory	215.355	58.964	19.962		294.281
Depreciation and amortization	8.569	3.226	5.408		17.203
Property, plant and equipment, net	115.410	54.844	100.569		270.823
Intangible assets	1.827	46.049	-		47.876

	Europe	Latin America	North America	Africa and Asia	Total
Net operating revenue per geographical region	44.161	186.664	3.138	5.978	239.941

All amounts in thousands of reais unless otherwise stated

18 Future commitments

On June 15, 2014, the Company and Centrais Elétricas Cachoeira Dourada S.A. - CDSA, belonging to Endesa, decided to amend the agreement for the supply of electricity entered into on May 1, 2007, in order to contract the volume of electricity according to the current needs of the Company. As a result, the supply of electricity has been extended for another four years, up to December 31, 2018, and reflects the following commitments that will be adjusted annually by the General Market Price Index ("IGP-M").

Year of supply	**Amount**
2016 (6 months)	4,576
2017	9,698
2018	7,607
Total	21,881

The Company's management believes that this agreement is compatible with the electricity requirements for the contracted period.

* * *

WWW.ROMI.COM

July 26, 2016
2Q16 Earnings Release

June 30, 2016

Share price
ROMI3 - R$2.08 / share

Market capitalization
R$ 136.6 million
US$ 42.6 million

Number of shares
Common: 65,657,647
Total: 65,657,647

Free Float = 43.9%

Investor Relations Contact

Fábio B. Taiar
Investor Relations Officer
Phone: (19) 3455-9418
dri@romi.com

July 27, 2016

Earnings Conference Call
Time: 10:00 a.m. (São Paulo)
Dial-in numbers:
+55 (11) 3193-1001 or (11) 2820-4001
Access code: Romi

Earnings Conference Call in English
Time: 12:00 noon (São Paulo)
4:00 p.m. (London)
11:00 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

ROMI3 NOVO MERCADO BOVESPA BRASIL

Índice de Ações com Tag Along Diferenciado ITAG

Índice de Ações com Governança Corporativa Diferenciada IGC

Santa Bárbara d'Oeste, SP, July 26, 2016 – Indústrias Romi S.A. ("Romi" or "Company") (BM&FBovespa: 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 second quarter of 2016 ("2Q16"). 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

With emphasis on the B+W Machines and Raw and Machined Cast Iron Parts, Order entry in 2Q16 grew 75.1% as compared with 2Q15

- Net operating revenues increased by 26.1% in 2Q16 compared with 2Q15, due to the higher revenues of the Raw and Machined Cast Iron Parts unit and of the German subsidiary B+W.
- EBITDA in 2Q16 was positive by R$5.7 million, mainly due to the performance of B+W and Raw and Machined Cast Iron Parts.
- In 2Q16, compared with 2Q15, Romi's Raw and Machined Cast Iron Parts Unit posted improvements of 14.3 and 13.5 percentage points in terms of gross margin and EBITDA, respectively.
- The Company's net debt at the end of 2Q16 was R$66.8, a decrease of 7.3% in 2016;
- Order entry in 2Q16 was 75.1% higher than in 2Q15, due to important projects won by B+W in the Middle West and Asia and by the Raw and Machined Cast Iron Parts Unit, in the segment of large raw and machined cast iron parts;
- Order entry of the Romi Machinery Unit in 2Q16 posted stability in the domestic market when compared with 2Q15, and the growth was represented by exports;

	Quarter					Accumulated		
R$'000	2Q15	1Q16	2Q16	Chg.	Chg.	1H15	1H16	Chg.
Revenues Volume				2Q16/1Q16	2Q16/2Q15			2015/2014
Machines (units)	143	170	172	1.2%	20.3%	414	342	-17.4%
Burkhardt + Weber (units)	3	3	3	0.0%	0.0%	4	6	50.0%
Raw and Machined Cast Iron Parts (tons)	4,060	4,240	5,145	21.4%	26.7%	7,693	9,385	22.0%
Net Operating Revenue	**118,972**	**129,810**	**150,063**	15.6%	26.1%	**239,941**	**279,873**	16.6%
Gross margin (%)	*22.0%*	*20.2%*	*23.4%*			*22.0%*	*21.9%*	-
Operating Income (EBIT)	**(17,735)**	**(12,571)**	**(3,018)**	-76.0%	-83.0%	**(27,273)**	**(15,589)**	-42.8%
Operating margin (%)	*-14.9%*	*-9.7%*	*-2.0%*			*-11.4%*	*-5.6%*	-
Net Income	**(13,697)**	**(9,909)**	**(4,800)**	-51.6%	-65.0%	**(15,389)**	**(14,710)**	-4.4%
Net margin (%)	*-11.5%*	*-7.6%*	*-3.2%*			*-6.4%*	*-5.3%*	-
EBITDA	**(8,951)**	**(3,629)**	**5,659**	-255.9%	-163.2%	**(10,069)**	**2,031**	-120.2%
EBITDA margin (%)	*-7.5%*	*-2.8%*	*3.8%*			*-4.2%*	*0.7%*	-
Investments	**3,137**	**2,425**	**5,910**	143.7%	88.4%	**7,348**	**8,335**	13.4%

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

To manage its business, the Company is organized into three business units, on which the Company's segmented reporting is based. In order to reflect the Company's recent organizational changes, segment reporting now considers the following three reportable segments: Romi Machinery, Burkhardt+Weber Machinery and Raw and Machined Cast Iron Parts (formerly the segments were: machine tools; plastic injectors and cast and machined products.)

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.

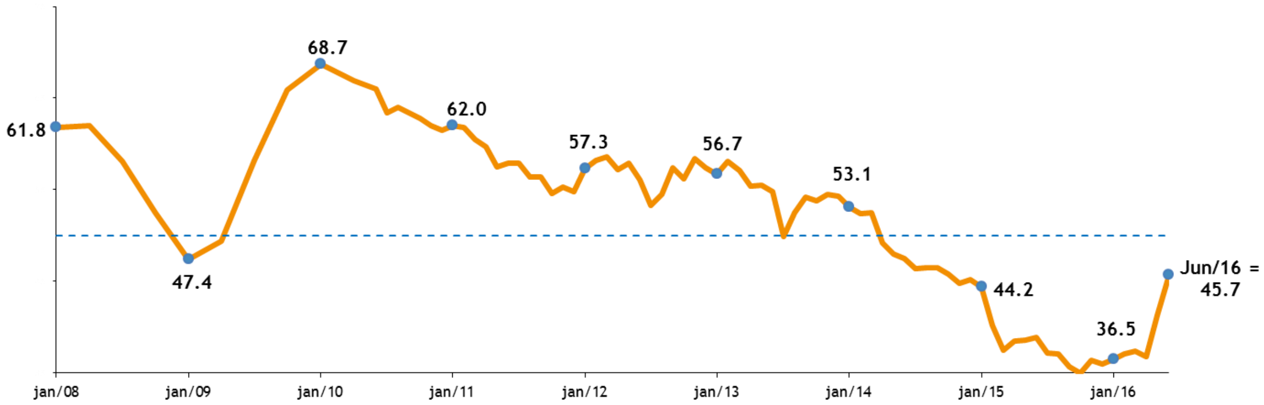
The Company is listed on BM&FBovespa's "New Market", which is reserved for companies with a higher level of corporate governance. Romi manufactures machine tools (Conventional Lathes, CNC (Computerized Numerical Control) Lathes, Lathing Centers, Machining Centers, Vertical and Horizontal Heavy and Extra-Heavy 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.

Current Economic Scenario

The first six months of 2016 continue showing poor economic activity due to the uncertainty surrounding the market since 2014. In the second quarter of 2016, the Brazilian industry began to show signs of recovery, such as, for example, the Industrial Entrepreneur Confidence Index - ICEI which, in June 2016, reached 45.7, returning to the level similar to that at the end of 2014, as shown below:

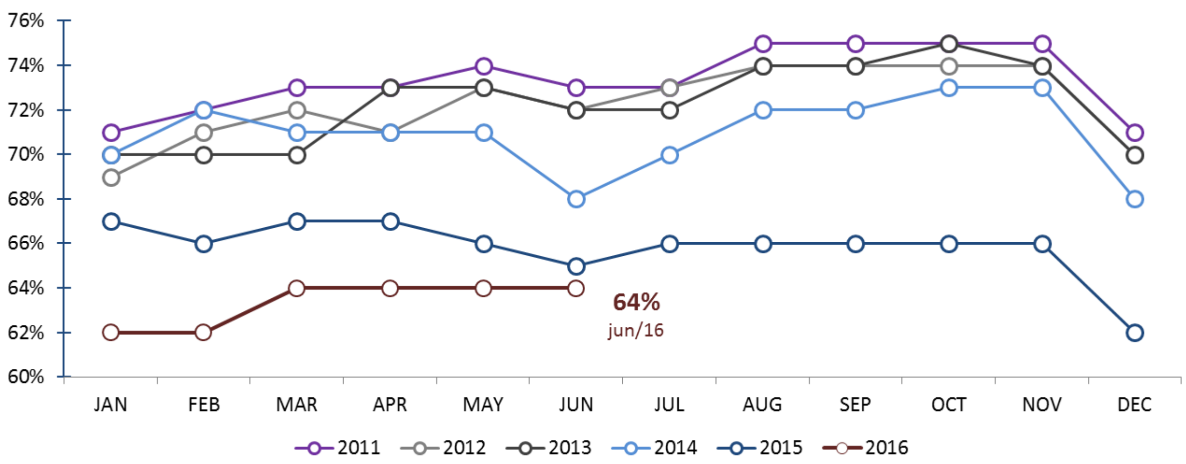
Industrial Entrepreneur Confidence Index – ICEI



Source: CNI – UCI (Installed capacity utilization), June 2016

The index of Installed Capacity Utilization – UCI for Brazilian industry in general, as released by the National Industrial Confederation – CNI, in spite of the slight improvement in the second quarter of 2016, continues at quite low levels, reaching the lowest percentage already recorded for the first six-month period of the monthly series (beginning in January 2011), demonstrating the challenging time faced by the Brazilian economy.

Average Installed Capacity Utilization (UCI)



Source: CNI – ICEI (Industrial Entrepreneur Confidence Index), June 2016

This high uncertainty scenario discourages business expansion and impacts negatively the country's investment levels.

Although there have been some improvements in the indexes shown above, in real terms little has been noted as regards investment levels in Brazil, which continue very low. This scenario impacts Romi machinery order volume, which in the domestic market remains stable, not yet showing real signs of recovery. This is the effect of an industry still with falling demand, as it can be seen in the automobile industry, and important sector of the Brazilian industry, which in 1H16 reported a drop of 25.4% as compared with 1H15, a 25.4% fall in vehicle production according to data of the Brazilian Association of Automotive Vehicle Manufacturers – ANFAVEA. The production of trucks and agricultural and highway machinery was down 31.4% and 30.9%, respectively, compared with the first half of the prior year.

Over the course of 2015, the 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. On the other hand, in 2016, especially in the second quarter, the Real posted appreciation and high volatility, which aligned with the scenario of uncertainties, may impair the decision on potential plans for domestic production of parts currently imported. Such scenario may impact export margins and the competitiveness of Romi products, which have as main competitors imported equipment, as well as in segments of the Brazilian industry that also compete with 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 the volatility of demand. Reducing production leadtimes, optimizing indirect structures, contract reduction projects, and 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 allow keeping inventories at regular normal levels default level under control, as well as generating positive operating cash flow. We are 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) Gross Values, sales taxes included	2Q15	1Q16	2Q16	Chg. 2Q16/1Q16	Chg. 2Q16/2Q15	1H15	1H16	Chg. 2016/2015
Romi Machines	55,936	58,956	65,471	11.0%	17.0%	108,183	124,427	15.0%
Burkhardt+Weber Machines	11,543	8,958	98,630	1001.0%	754.5%	21,095	107,588	410.0%
Rough and Machined Cast Iron Parts	65,797	52,435	69,251	32.1%	5.2%	98,599	121,686	23.4%
Total	**133,276**	**120,349**	**233,351**	**93.9%**	**75.1%**	**227,878**	**353,700**	**55.2%**

The volume of orders placed in 2Q16 was 75.1% higher than in 2Q15, due to important projects won by B+W in the Middle West and Asia, the delivery dates of which are mostly in 2017, and for the order entry of the Raw and Machined Cast Iron Parts, boosted by greater demand of the large raw and machined cast iron parts segment.

In the Romi Machinery segment, although Brazil has posted decrease in investment levels in 2016, the order entry remained steady, both in the current quarter and in the six-month period, showing that the actions to consolidate the brand and its products have generated positive results. The growth posted by this business unit resulted from the growth of exports where the choice for consolidating Romi brand in the foreign market, with gradual and sustainable growth, continues being an important factor of geographic diversification and increase in the global presence of Romi brand and products.

Order Book (R$ 000) **Gross Values, sales taxes included**	**2Q15**	**1Q16**	**2Q16**	**Chg. 2Q16/1Q16**	**Chg. 2Q16/2Q15**
Romi Machines	70,633	75,862	77,706	2.4%	10.0%
Burkhardt+Weber Machines	128,509	57,062	129,325	126.6%	0.6%
Rough and Machined Cast Iron Parts	90,526	103,277	110,363	6.9%	21.9%
Total *	**289,668**	**236,201**	**317,394**	**34.4%**	**9.6%**

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

As at June 30, 2016, the order backlog totaled R$317.3 million, 34.4% over the backlog at the end of 1Q16 and 9.6% over the amount in 2Q15, arising mainly from the order backlog of the German subsidiary B+W.

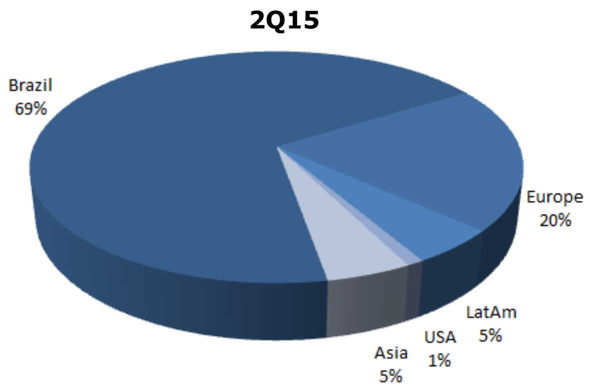
Operating Performance

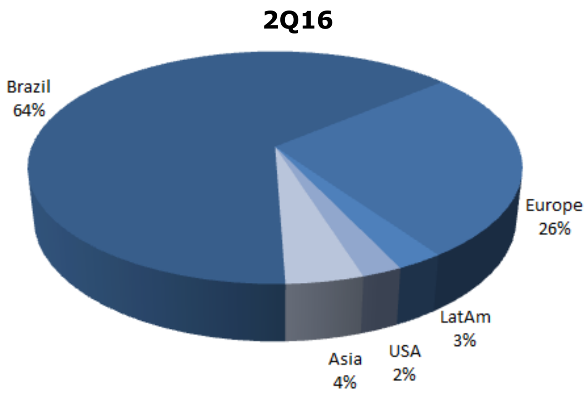
NET OPERATING REVENUES

Net operating revenues posted by the Company in 2Q16 reached R$150.1 million, up 26.1% over 2Q15, due to the higher revenues by our German subsidiary B+W in 2Q16 and the 85.6% growth in revenues posted by the Raw and Machined Cast Iron Parts Business Unit in the same period.

	Quarter					Accumulated		
Net Operating Revenue (R$ 000)	**2Q15**	**1Q16**	**2Q16**	**Chg. 2Q16/1Q16**	**Chg. 2Q16/2Q15**	**1H15**	**1H16**	**Chg 2016/2015**
Romi Machines	70,603	67,574	64,259	-4.9%	-9.0%	157,176	131,832	-16.1%
Burkhardt + Weber Machines	20,178	21,727	33,494	54.2%	66.0%	27,304	55,221	102.2%
Raw and Machined Cast Iron Parts	28,190	40,510	52,310	29.1%	85.6%	55,461	92,820	67.4%
Total	**118,972**	**129,810**	**150,063**	**15.6%**	**26.1%**	**239,941**	**279,873**	**16.6%**

The domestic market accounted for 64% of Romi’s consolidated revenue in 2T16. 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:





Below we show the revenues obtained in the foreign market, in Brazilian Reais (R$) and US Dollars (US$):

Foreign Sales	Quarter					Accumulated		
	2Q15	1Q16	2Q16	Chg. 2Q16/1Q16	Chg. 2Q16/2Q15	1H15	1H16	Chg. 2016/2015
Net Sales (R$ million)	37.2	45.5	54.9	20.7%	47.5%	63.8	100.4	57.4%
Net Sales (US$ million)	11.7	12.8	17.1	33.8%	46.1%	20.8	29.9	43.6%

Romi Machinery

This Business Unit's net operating revenues reached R$64.3 million in 2Q16, a decrease of 9.0% if compared with 2Q15 and 4.9% in relation to 1Q16, showing the scenario of uncertainties Brazil has undergone for some quarters.

Burkhardt+Weber Machinery

In 2Q16 the revenues of the German subsidiary B+W posted growth of R$13.3 million (66%) compared with 2Q15. The produced machinery have differentiated features since they are large, with high and personalized technology, and do not have a defined seasonality.

Raw and Machined Cast Iron Parts

In 2Q16, net operating revenues of this Business Unit were R$52.3 million, which represents an increase of 85.6% compared with 2Q15. 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.

OPERATING COSTS AND EXPENSES

The gross margin obtained in 2Q16, of 23.4%, was 1.4 percentage point below the number for 2Q15. This improvement can be attributed to the increased revenues of B+W and of the Raw and Machined Cast Iron Parts in 2Q16.

	Quarter					Accumulated		
Gross Margin	2Q15	1Q16	2Q16	Chg. p.p. 2Q16/1Q16	Chg. p.p. 2Q16/2Q15	1H15	1H16	Chg. pp 16/15
Romi Machines	32.1%	31.3%	30.1%	(1.2)	(2.0)	32.5%	30.7%	(1.8)
Burkhardt + Weber Machines	13.8%	1.4%	21.0%	19.6	7.2	5.3%	13.3%	8.0
Raw and Machined Cast Iron Parts	2.4%	11.8%	16.7%	4.9	14.3	0.5%	14.6%	14.0
Total	**22.0%**	**20.2%**	**23.4%**	**3.2**	**1.4**	**22.0%**	**21.9%**	**(0.1)**

	Quarter					Accumulated		
EBIT Margin	2Q15	1Q16	2Q16	Chg. p.p. 2Q16/1Q16	Chg. p.p. 2Q16/2Q15	1H15	1H16	Chg. pp 16/15
Romi Machines	-14.5%	-7.0%	-10.6%	(3.6)	3.9	-6.5%	-8.7%	(2.2)
Burkhardt + Weber Machines	-23.5%	-38.9%	0.8%	39.7	24.3	-39.3%	-14.9%	24.4
Raw and Machined Cast Iron Parts	-9.9%	1.4%	6.8%	5.3	16.6	-11.3%	4.4%	15.7
Total	**-14.9%**	**-9.7%**	**-2.0%**	**7.7**	**12.9**	**-11.4%**	**-5.6%**	**5.8**

Romi Machines

The gross margin of this Business Unit was 30.1% in 2Q16, a decrease of 2.0 percentage points, compared with 2Q15, due to the lower level of the net operating revenues and the mix of products, with a larger share of the semi-new machines in 2Q16. The continuous actions to optimize structures contribute to maintaining the gross margin in this scenario of lower net operating revenues in the domestic market. This can be seen in the evolution of the gross margin in 1H16 which, compared with 1H15, decreased of 1.8 percentage point and also 16.1% drop in net operating revenues in the period.

This Business Unit's operating margin in 2Q16 was negative (10.6%), 3.9 percentage points over 2Q15, due to the continuous actions to reduce costs and expenses taken in the last quarters.

Burkhardt+Weber Machines

This Business Unit’s gross margin in 2Q16 reached 21.0%, 7.2 percentage points over 2Q15. This evolution is thanks to the increased revenues and the larger share of services, such as renovation of machines, in 2Q16.

Raw and Machined Cast Iron Parts

This Business Unit’s gross margin in 2Q16 was 16.7%, an improvement of 14.3 percentage points compared with 2Q15, due to the significant increase in revenues, which was positively impacted by the higher demand of the large raw and machined cast iron parts segment. Such increase in revenues, allied with an improvement of the gross margin, allowed the operating margin (EBIT margin) in 2T16 to reach 6.8%, 16.6 percentage points over 2Q15.

EBITDA AND EBITDA MARGIN

In 2Q16, the operating cash generation as measured by EBITDA was positive (R$5.7 million), representing an EBITDA margin of 3.8% in the quarter, as shown in the table below:

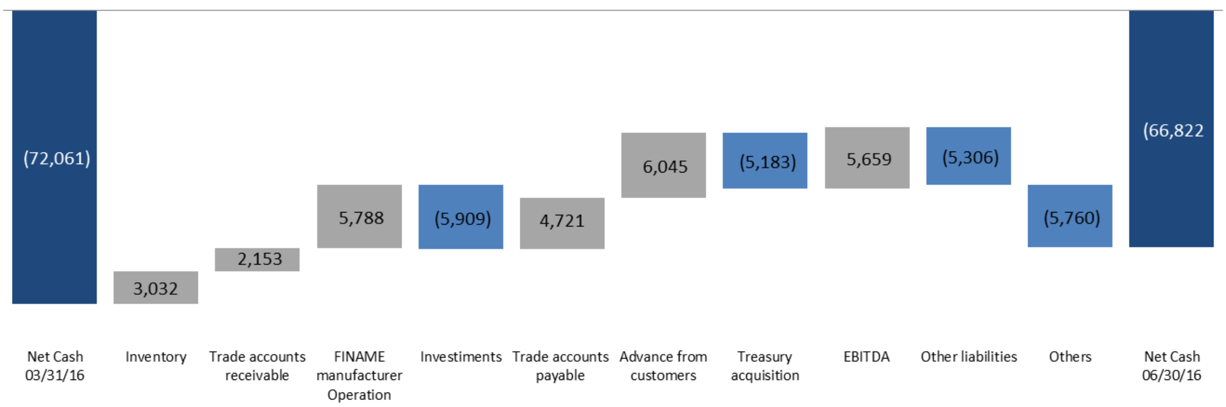
Reconciliation of Net Income to EBITDA	Quarter					Accumulated		
(R$ 000)	2Q15	1Q16	2Q16	Chg. 2Q16/1Q16	Chg. 2Q16/2Q15	1H15	1H16	Chg. 16/15
Net Income	(13,697)	(9,909)	(4,800)	-51.6%	-65.0%	(15,389)	(14,709)	-4.4%
Income tax and social contributions	(4,920)	(3,988)	(606)	-84.8%	-87.7%	(6,156)	(4,594)	-25.4%
Net Financial Income	882	1,326	2,387	80.0%	170.6%	(5,728)	3,713	-164.8%
Depreciation and amortization	8,784	8,942	8,677	-3.0%	-1.2%	17,203	17,619	2.4%
EBITDA	(8,951)	(3,629)	5,658	-255.9%	-163.2%	(10,069)	2,029	-120.2%
EBITDA Margin	-7.5%	-2.8%	3.8%	6.57	11.29	-4.2%	0.7%	4.9%
Total Net Operating Revenue	**118,972**	**129,810**	**150,063**	**15.6%**	**26.1%**	**239,941**	**279,873**	**16.6%**

NET INCOME

Loss for 2Q16 was R$4.8 million.

Changes in Cash and Cash Equivalents

The main changes in the net debt position during 2Q16 are described below in R$'000:



Advances from customers

The increase in the volume of advances from customers is mainly due to new orders of subsidiary B+W in 2Q16, as commented along this report.

Investments

Investments in 2Q16 totaled R$5.9 million, which were partly used for maintenance, productivity, flexibility and competitiveness of the industrial facilities within the investment plan for 2016.

Other Liabilities

The German subsidiary B+W, in view of the high activity level in the first half of 2016, mainly in 2Q16, of the equipment delivered at the end of 2015, incurred normal expenses of such activity, which impacted the cash for the quarter. Such impact is only on cash since expenses are accrued in each invoicing and, therefore, there is no impact on the accounting result.

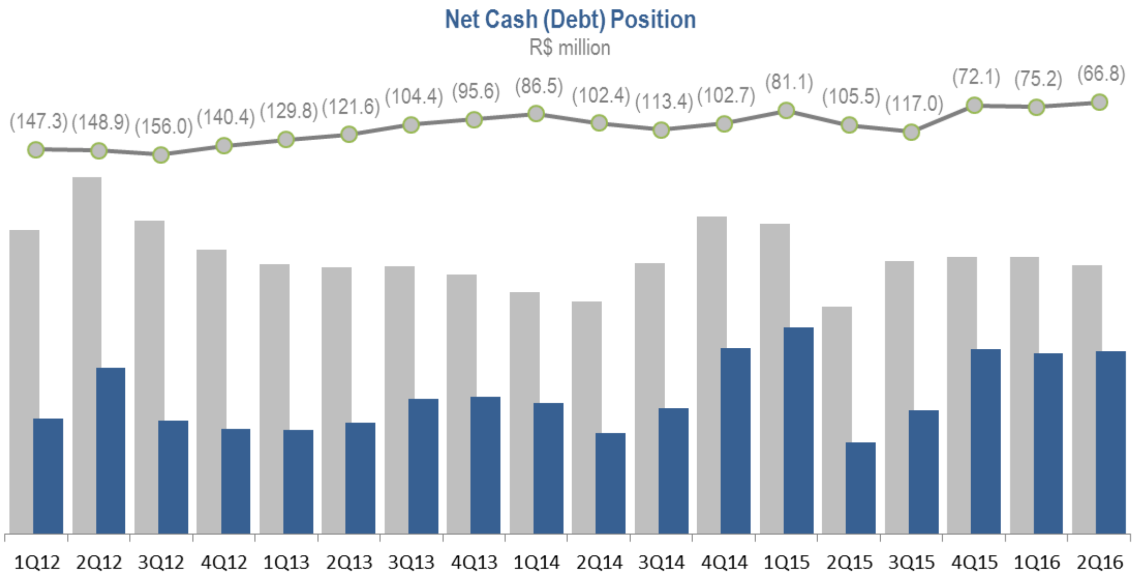
Others

These amounts refer basically to the effects of exchange rate changes on the translation of operating assets and liabilities of foreign subsidiaries. In 2Q16 this impact was significant due to the strong appreciation of the local currency (Real).

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 June 30, 2016 was R$ 143.2 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 June 30, 2016, the amount of financing in local currency was R$192.9 million and in foreign currency, R$17.1 million, totaling R$210.0 million.



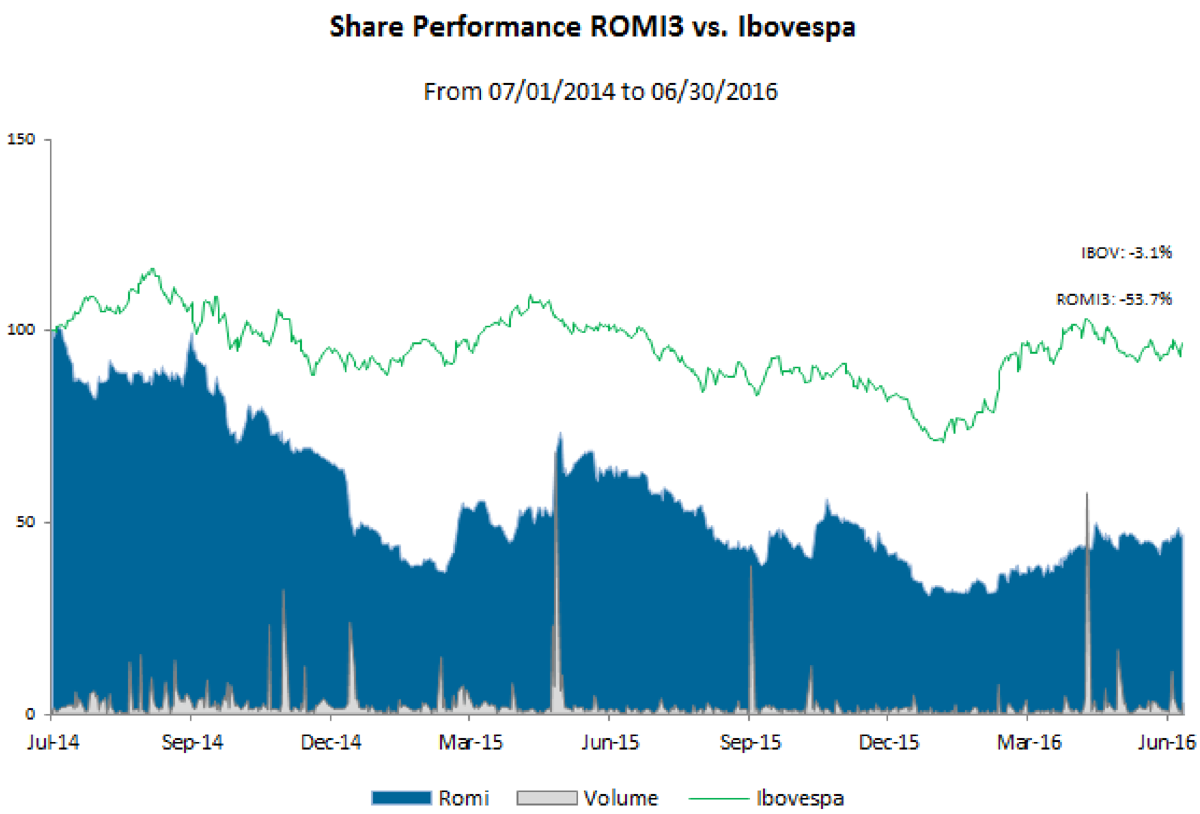
As at June 30, 2016, the Company did not have any derivative transactions.

Share Repurchase Program

On April 6, 2016, the Board of Directors approved the Common Shares Acquisition Program, with share acquisition operations to be carried out between April 7, 2016 and April 7, 2017. The number of common shares to be acquired is 2,800,000 shares, representing 9.07% of the Company's free float. With the Program, the Company intends to generate shareholder value by utilizing efficiently its capital structure.

On April 29, 2016, the Company completed the acquisition of 2,800,000 shares of its own issue, for a total amount of R$ 5.2 million and an average value per share of R$ 1.85. The shares acquired during the program will be held in treasury for subsequent sale or cancelation.

Capital Markets



Source: BM&FBovespa

At the end of 2Q16, Romi's common shares (ROMI3) were traded at R$2.08, posting appreciation of 34.2% in the quarter and depreciation of 24.4% in the twelve-month period. The BM&FBovespa Index posted appreciation of 2.9% in the quarter and depreciation of 2.9% in the last twelve months.

The Company's market capitalization as at June 30, 2016 was R$136.6 million. The average daily trading volume in 2Q16 was R$319,700.

FINANCIAL STATEMENTS

Consolidated Balance Sheet

(R$ 000)

ASSETS	06/30/15	12/31/15	03/31/16	06/30/16
CURRENT	**637,348**	**701,532**	**675,509**	**660,940**
Cash and Cash equivalents	71,959	144,581	141,698	143,205
Trade accounts receivable	88,338	122,126	106,029	102,122
Onlending of FINAME manufacturer financing	139,663	120,908	116,600	111,077
Inventories	294,281	267,786	269,888	263,639
Recoverable taxes	22,970	22,923	20,514	20,856
Related Parties	664	-	-	-
Other receivables	19,473	23,208	20,780	20,041
NONCURRENT	**550,975**	**517,186**	**501,600**	**476,150**
Long-Term Assets	**206,530**	**167,009**	**165,011**	**158,547**
Trade accounts receivable	7,770	8,941	8,751	10,505
Onlending of FINAME manufacturer financing	116,001	99,541	93,113	84,759
Recoverable taxes	1,357	1,203	982	1,066
Deferred income and social contribution taxes	54,067	48,738	52,935	53,469
Escrow Deposits	1,621	2,627	2,698	2,668
Other receivables	25,714	5,959	6,532	6,080
Investments				
Property, Plant and Equipment	270,823	277,809	267,735	255,876
Investment in Subsidiaries and Associate Companies	1,180	-	-	-
Investment Property	24,566	17,000	17,000	17,101
Intangible assets	47,876	55,368	51,854	44,626
TOTAL ASSETS	**1,188,323**	**1,218,718**	**1,177,109**	**1,137,090**

LIABILITIES AND SHAREHOLDER'S EQUITY	06/30/15	12/31/15	03/31/16	06/30/16
CURRENT	**290,638**	**247,562**	**242,746**	**237,995**
Loans and financing	48,029	45,825	51,819	45,254
FINAME manufacturer financing	103,075	82,785	76,020	72,919
Trade accounts payable	41,577	28,400	35,831	40,552
Payroll and related taxes	26,923	20,834	24,374	27,579
Taxes payable	5,089	6,354	3,515	3,379
Advances from customers	50,644	37,851	28,751	34,796
Interest on capital, dividends and participations	2	1,487	1,487	-
Other payables	14,071	24,026	20,949	13,516
Related Parties	1,228	-	-	-
NON CURRENT	**264,227**	**298,161**	**279,671**	**270,062**
Long-term liabilities				
Loans and financing	129,444	170,817	165,087	164,773
FINAME manufacturer financing	102,067	92,124	81,564	76,576
Deferred income and social contribution taxes	27,103	32,711	31,025	26,944
Taxes payable	1,133	545	539	539
Reserve for contingencies	4,110	1,459	1,006	911
Other payables	370	505	450	319
SHAREHOLDER'S EQUITY	**631,844**	**670,719**	**653,179**	**627,462**
Capital	492,025	492,025	492,025	492,025
Retained earnings	135,952	140,721	140,721	135,121
Income (loss) for the period	(15,545)	-	(9,965)	(14,824)
Income (loss) for the period for discontinued operations	-	(5,078)	(5,600)	(5,183)
Treasury shares	19,412	43,051	35,998	20,323
NON CONTROLLING INTERESTS	**1,614**	**2,276**	**1,513**	**1,571**
TOTAL SHAREHOLDER'S EQUITY	**633,458**	**672,995**	**654,692**	**629,033**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**1,188,323**	**1,218,718**	**1,177,109**	**1,137,090**

Consolidated Income Statement

(R$ 000)

	2Q15	1Q16	2Q16	Chg. 2Q16/1Q16	Chg. 2Q16/2Q15	1H15	1H16	Chg. 2016/2015
Net Operating Revenue	**118,972**	**129,810**	**150,063**	**15.6%**	**26.1%**	**239,941**	**279,873**	**16.6%**
Cost of Goods Sold	(92,798)	(103,582)	(114,917)	10.9%	23.8%	(187,149)	(218,499)	16.8%
Gross Profit	**26,174**	**26,228**	**35,146**	**34.0%**	**34.3%**	**52,792**	**61,374**	**16.3%**
Gross Margin %	*22.0%*	*20.2%*	*23.4%*			*22.0%*	*21.9%*	
Operating Expenses	**(43,909)**	**(38,799)**	**(38,165)**	**-1.6%**	**-13.1%**	**(80,065)**	**(76,964)**	**-3.9%**
Selling expenses	(19,113)	(14,978)	(17,973)	20.0%	-6.0%	(33,363)	(32,951)	-1.2%
Research and development expenses	(4,985)	(4,134)	(4,514)	9.2%	-9.4%	(9,818)	(8,648)	-11.9%
General and administrative expenses	(17,705)	(19,162)	(14,787)	-22.8%	-16.5%	(33,686)	(33,949)	0.8%
Management profit sharing and compensation	(1,178)	(1,186)	(1,353)	14.1%	14.9%	(2,816)	(2,539)	-9.8%
Other operating income, net	(928)	661	462	-30.1%	-149.8%	(382)	1,123	-394.0%
Operating Income before Financial Results	**(17,735)**	**(12,571)**	**(3,019)**	**-76.0%**	**-83.0%**	**(27,273)**	**(15,590)**	**-42.8%**
Operating Margin %	*-14.9%*	*-9.7%*	*-2.0%*			*-11.4%*	*-5.6%*	
Financial Results, Net	**(882)**	**(1,326)**	**(2,387)**	**80.0%**	**170.6%**	**5,728**	**(3,714)**	**-164.8%**
Financial income	4,875	4,192	5,930	41.5%	21.6%	11,012	10,122	-8.1%
Financial expenses	(5,467)	(3,741)	(5,598)	49.6%	2.4%	(11,860)	(9,339)	-21.3%
Exchance gain (loss), net	(290)	(1,777)	(2,719)	53.0%	837.6%	6,576	(4,497)	-168.4%
Operations Operating Income	**(18,617)**	**(13,897)**	**(5,406)**	**-61.1%**	**-71.0%**	**(21,545)**	**(19,304)**	**-10.4%**
Income tax and social contribution	4,920	3,988	606	-84.8%	-87.7%	6,156	4,594	-25.4%
Net income	**(13,697)**	**(9,909)**	**(4,800)**	**-51.6%**	**-65.0%**	**(15,389)**	**(14,710)**	**-4.4%**
Net Margin %	*-11.5%*	*-7.6%*	*-3.2%*			*-6.4%*	*-5.3%*	
Net profit concerning:								
Controlling interests	(13,774)	(9,965)	(4,858)	-51.2%	-64.7%	(15,547)	(14,824)	-4.7%
Non controlling interests	77	56	58	3.6%	-24.7%	158	114	-27.8%
EBITDA	**(8,951)**	**(3,629)**	**5,658**	**-255.9%**	**-163.2%**	**(10,069)**	**2,031**	**-120.2%**
Loss for the period	(13,697)	(9,909)	(4,800)	-51.6%	-65.0%	(15,389)	(14,709)	-4.4%
Income tax and social contribution	(4,920)	(3,988)	(606)	-84.8%	-87.7%	(6,156)	(4,594)	-25.4%
Financial income, net	882	1,326	2,387	80.0%	170.6%	(5,728)	3,713	-164.8%
Depreciation and amortization	8,784	8,942	8,677	-3.0%	-1.2%	17,203	17,619	2.4%
EBITDA Margin %	*-7.5%*	*-2.8%*	*3.8%*			*-4.2%*	*0.7%*	
Nº of shares in capital stock (th)	68,758	68,758	65,658	-4.5%	-4.5%	68,758	65,658	-4.5%
Net income per share - R$	(0.20)	(0.14)	(0.07)	-48.9%	-62.9%	(0.22)	(0.22)	-0.2%

Consolidated Cash Flow Statement

(R$ 000)

	2Q15	1Q16	2Q16	1H15	1H16
Cash from operating activities					
Net Income	**(18,615)**	**(13,897)**	**(5,407)**	**(21,543)**	**(19,304)**
Financial expenses and exchange gain	(10,378)	3,434	1,424	(8,859)	4,858
Depreciation and amortization	8,784	8,942	8,677	17,203	17,619
Allowance for doubtful accounts and other receivables	448	975	(174)	742	801
Proceeds from sale of fixed assets and intangibles	(241)	(269)	183	(524)	(86)
Provision for inventory realization	814	309	(3,485)	3,298	(3,176)
Reserve for contingencies	1,933	(16)	174	529	158
Change on operating assets and liabilities					
Trade accounts receivable	27,256	14,118	(853)	44,619	13,265
Related Parties	1,307	-	-	1,149	-
Onlending of Finame manufacturer financing	24,477	10,711	15,770	49,945	26,481
Inventories	(15,882)	(2,410)	9,734	(35,543)	7,324
Recoverable taxes, net	(1,569)	(1,567)	(960)	(7,236)	(2,527)
Escrow deposits	(1,358)	(71)	64	(1,479)	(7)
Other receivables	2,735	3,659	2,318	5,796	5,977
Trade accounts payable	(3,168)	7,626	5,390	7,822	13,016
Payroll and related taxes	3,967	3,556	3,031	8,827	6,587
Taxes payable	(661)	86	(3,538)	2,236	(3,452)
Advances from customers	(6,269)	(9,100)	6,045	9,716	(3,055)
Other payables	3,436	(3,772)	(7,890)	(1,332)	(11,662)
Cash provided by (used in) operating activities	**17,016**	**22,314**	**30,503**	**75,366**	**52,817**
Income tax and social contribution paid	(207)	(629)	(73)	(482)	(702)
Net Cash provided by (used in) operating activities	**16,809**	**21,685**	**30,430**	**74,884**	**52,115**
Purchase of fixed assets	(3,137)	(2,425)	(5,910)	(7,348)	(8,335)
Sales of fixed assets	892	664	130	892	794
Increase in intangible assets	(536)	(87)	87	-	-
Net cash Used in Investing Activities	**(2,781)**	**(1,848)**	**(5,693)**	**(6,456)**	**(7,541)**
Interest on capital paid	-	(819)	(1,487)	(1,886)	(2,306)
Share Repurchase	-	(522)	(5,183)	-	(5,705)
New loans and financing	1,957	14,992	14,185	6,603	29,177
Payments of loans and financing	(71,224)	(13,312)	(17,042)	(85,682)	(30,354)
Interests paid (including Finame manufacturer financing)	(5,948)	(5,512)	(5,677)	(12,092)	(11,189)
New loans in Finame manufacturer	10,187	7,018	13,726	33,721	20,744
Payment of Finame manufacturer financing	(37,449)	(24,275)	(21,896)	(78,518)	(46,171)
Net Cash provided by (used in) Financing Activities	**(102,477)**	**(22,430)**	**(23,374)**	**(137,854)**	**(45,804)**
Increase (decrease) in cash and cash equivalents	**(88,449)**	**(2,593)**	**1,363**	**(69,426)**	**(1,230)**
Exchange variation changes on cash and cash equivalents abroad	(1,571)	(290)	144	(4,195)	(146)
Cash and cash equivalents - beginning of period	**161,979**	**144,581**	**141,698**	**145,580**	**144,581**
Cash and cash equivalents - end of period	**71,959**	**141,698**	**143,205**	**71,959**	**143,205**

Appendix I –Income Statement by Business Unit

Income Statement by Business Units - 2Q16

R$ 000	Romi Machines	Burkhardt + Weber Machines	Raw and Machined Cast Iron	Total
Net Operating Revenue	**64,259**	**33,494**	**52,310**	**150,063**
Cost of Sales and Services	(42,750)	(26,448)	(45,719)	(114,917)
Business Units Transfers	226	-	2,378	2,604
Business Units Transfers	(2,378)	-	(226)	(2,604)
Gross Profit	**19,357**	**7,046**	**8,743**	**35,145**
Gross Margin %	*30.1%*	*21.0%*	*16.7%*	*23.4%*
Operating Expenses	**(26,167)**	**(6,793)**	**(5,204)**	**(38,164)**
Selling	(14,399)	(2,401)	(1,173)	(17,973)
General and Administrative	(6,969)	(4,391)	(3,427)	(14,787)
Research and Development	(4,514)	-	-	(4,514)
Management profit sharing	(749)	-	(604)	(1,353)
Other operating revenue	463	-	-	463
Operating Income before Financial Results	**(6,810)**	**253**	**3,539**	**(3,018)**
Operating Margin %	*-10.6%*	*0.8%*	*6.8%*	*-2.0%*
Depreciation and amortization	3,750	1,646	3,280	8,677
EBITDA	**(3,060)**	**1,900**	**6,819**	**5,659**
EBITDA Margin %	*-4.8%*	*5.7%*	*13.0%*	*3.8%*

Income Statement by Business Units - 2Q15

R$ 000	Romi Machines	Burkhardt + Weber Machines	Raw and Machined Cast Iron	Total
Net Operating Revenue	**70,603**	**20,178**	**28,190**	**118,972**
Cost of Sales and Services	(43,769)	(17,390)	(31,639)	(92,798)
Business Units Transfers	1	-	4,138	4,139
Business Units Transfers	(4,138)	-	(1)	(4,139)
Gross Profit	**22,698**	**2,788**	**689**	**26,173**
Gross Margin %	*32.1%*	*13.8%*	*2.4%*	*22.0%*
Operating Expenses	**(32,910)**	**(7,533)**	**(3,466)**	**(43,909)**
Selling	(16,259)	(1,723)	(1,131)	(19,113)
General and Administrative	(9,795)	(5,809)	(2,101)	(17,705)
Research and Development	(4,985)	-	-	(4,985)
Management profit sharing	(944)	-	(234)	(1,178)
Other operating revenue	(928)	-	-	(928)
Operating Income before Financial Results	**(10,213)**	**(4,745)**	**(2,777)**	**(17,735)**
Operating Margin %	*-14.5%*	*-23.5%*	*-9.9%*	*-14.9%*
Depreciation and amortization	4,261	1,871	2,652	8,784
EBITDA	**(5,952)**	**(2,874)**	**(125)**	**(8,951)**
EBITDA Margin %	*-8.4%*	*-14.2%*	*-0.4%*	*-7.5%*

Income Statement by Business Units - 1H16

R$ 000	Machines	Burkhardt + Weber	Raw and Machined Cast Iron	Total
Net Operating Revenue	**131,832**	**55,221**	**92,820**	**279,873**
Cost of Sales and Services	(87,312)	(47,868)	(83,319)	(218,499)
Business Units Transfers	1,676	-	5,702	7,378
Business Units Transfers	(5,702)	-	(1,676)	(7,378)
Gross Profit	**40,494**	**7,353**	**13,527**	**61,373**
Gross Margin %	*30.7%*	*13.3%*	*14.6%*	*21.9%*
Operating Expenses	**(52,004)**	**(15,556)**	**(9,404)**	**(76,964)**
Selling	(25,707)	(5,232)	(2,012)	(32,951)
General and Administrative	(17,216)	(10,323)	(6,410)	(33,949)
Research and Development	(8,648)	-	-	(8,648)
Management profit sharing	(1,557)	-	(982)	(2,539)
Other operating revenue	1,123	-	-	1,123
Operating Income before Financial Results	**(11,510)**	**(8,203)**	**4,123**	**(15,590)**
Operating Margin %	*-8.7%*	*-14.9%*	*4.4%*	*-5.6%*
Depreciation and amortization	7,541	3,453	6,624	17,619
EBITDA	**(3,969)**	**(4,749)**	**10,747**	**2,029**
EBITDA Margin %	*-3.0%*	*-8.6%*	*11.6%*	*0.7%*

Income Statement by Business Units - 1H15

R$ 000	Machines	Burkhardt + Weber	Raw and Machined Cast Iron	Total
Net Operating Revenue	**157,176**	**27,304**	**55,461**	**239,941**
Cost of Sales and Services	(97,868)	(25,857)	(63,423)	(187,149)
Business Units Transfers	4	-	8,263	8,267
Business Units Transfers	(8,263)	-	(4)	(8,267)
Gross Profit	**51,048**	**1,446**	**297**	**52,791**
Gross Margin %	*32.5%*	*5.3%*	*0.5%*	*22.0%*
Operating Expenses	**(61,325)**	**(12,177)**	**(6,561)**	**(80,063)**
Selling	(28,805)	(2,595)	(1,963)	(33,363)
General and Administrative	(20,055)	(9,582)	(4,049)	(33,686)
Research and Development	(9,818)	-	-	(9,818)
Management profit sharing	(2,267)	-	(549)	(2,816)
Other operating revenue	(380)	-	-	(380)
Operating Income before Financial Results	**(10,276)**	**(10,731)**	**(6,264)**	**(27,271)**
Operating Margin %	*-6.5%*	*-39.3%*	*-11.3%*	*-11.4%*
Depreciation and amortization	8,569	3,226	5,408	17,203
EBITDA	**(1,707)**	**(7,505)**	**(856)**	**(10,068)**
EBITDA Margin %	*-1.1%*	*-27.5%*	*-1.5%*	*-4.2%*

Appendix II – Financial Statements of B+W

Balance Sheet B+W

(€ 000)

ASSETS	06/31/15	12/31/15	03/31/16	06/30/16
CURRENT	**24,237**	**18,687**	**17,134**	**18,430**
Cash and Cash equivalents	22	2,807	91	2,049
Trade accounts receivable	4,544	7,263	6,773	5,949
Inventories	17,045	8,288	9,108	9,468
Recoverable taxes	2,009	182	966	668
Related Parties	194	4	34	95
Other receivables	422	141	162	201
NONCURRENT	**29,508**	**28,687**	**28,367**	**27,926**
Long-Term Assets	**-**	**-**	**-**	**-**
Other receivables	-	-	-	-
Investments				
Property, Plant and Equipment, net	15,855	15,742	15,639	15,347
Investment in Subsidiaries and Associate Companies	341	24	24	46
Intangible assets	13,312	12,922	12,704	12,533
TOTAL ASSETS	**53,744**	**47,374**	**45,501**	**46,356**

(€ 000)

LIABILITIES AND SHAREHOLDER'S EQUITY	06/31/15	12/31/15	03/31/16	06/30/16
CURRENT	**19,750**	**11,341**	**9,974**	**11,060**
Loans and financing	2,430	958	1,799	-
Trade accounts payable	1,913	1,205	545	1,229
Payroll and related taxes	1,334	492	800	950
Taxes payable	429	409	146	165
Advances from customers	12,071	6,048	4,817	7,132
Other payables	1,217	2,146	1,844	1,582
Related Parties	355	82	24	0
NON CURRENT	**8,765**	**8,459**	**9,313**	**9,122**
Long-term liabilities				
Loans and financing	3,590	3,418	4,317	4,171
Deferred income and social contribution taxes	5,176	5,041	4,996	4,952
SHAREHOLDER'S EQUITY	**25,229**	**27,574**	**26,213**	**26,174**
Capital	7,025	7,025	7,025	7,025
Capital reserve	505	505	505	505
Accumulated defict	17,699	20,044	18,683	18,644
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**53,744**	**47,374**	**45,501**	**46,356**

B+W Income Statement

(€ 000)

	2Q15	1Q16	2Q16	1H15	1H16
Net Operating Revenue	**5,894**	**5,052**	**8,531**	**8,061**	**13,583**
Cost of Goods Sold	(5,089)	(4,971)	(6,725)	(7,702)	(11,696)
Gross Profit	**805**	**81**	**1,806**	**359**	**1,887**
Gross Margin %	*13.7%*	*1.6%*	*21.2%*	*4.5%*	*13.9%*
Operating Expenses	**(2,209)**	**(2,034)**	**(1,712)**	**(3,662)**	**(3,746)**
Selling expenses	(503)	(665)	(604)	(771)	(1,269)
General and administrative expenses	(1,706)	(1,369)	(1,108)	(2,891)	(2,477)
Operating Income before Financial Results	**(1,404)**	**(1,953)**	**94**	**(3,303)**	**(1,859)**
Operating Margin %	*-23.8%*	*-38.7%*	*1.1%*	*-41.0%*	*-13.7%*
Financial Results, Net	**(10)**	**(30)**	**(80)**	**(176)**	**(176)**
Operations Operating Income	**(1,414)**	**(1,983)**	**14**	**(3,479)**	**(2,035)**
Income tax and social contribution	409	573	(4)	1,009	569
Net income	**(1,005)**	**(1,410)**	**10**	**(2,470)**	**(1,466)**
Net Margin %	*-17.1%*	*-27.9%*	*0.1%*	*-30.6%*	*-10.8%*
EBITDA	**(699)**	**(1,534)**	**509**	**(2,021)**	**(1,024)**
Net income / loss for the period	(1,005)	(1,410)	10	(2,480)	(1,400)
Income tax and social contribution	(409)	(573)	4	(1,009)	(569)
Financial income, net	10	30	80	186	110
Depreciation and amortization	705	419	415	1,282	835
EBITDA Margin %	*-11.9%*	*-30.4%*	*6.0%*	*-25.1%*	*-7.5%*

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.