



ROMI

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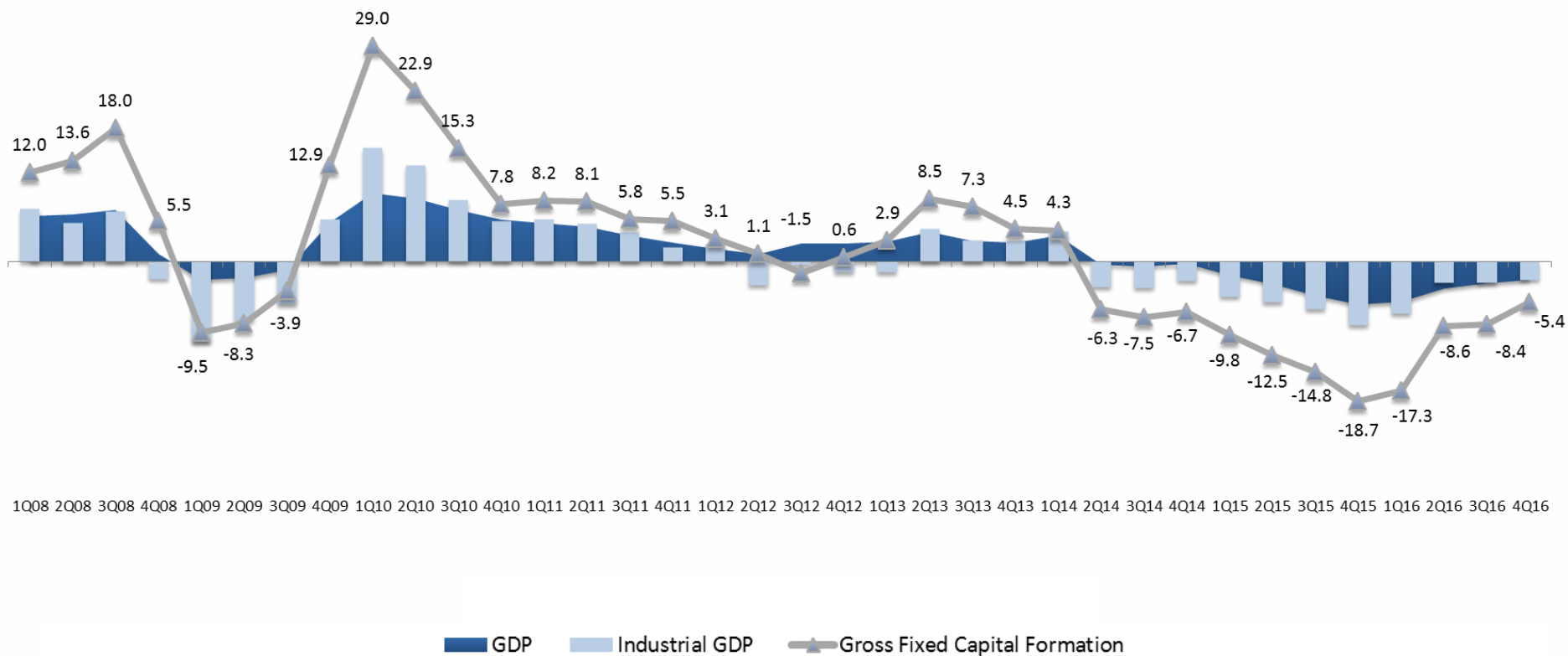


1Q17 Earnings Release

April 26, 2017

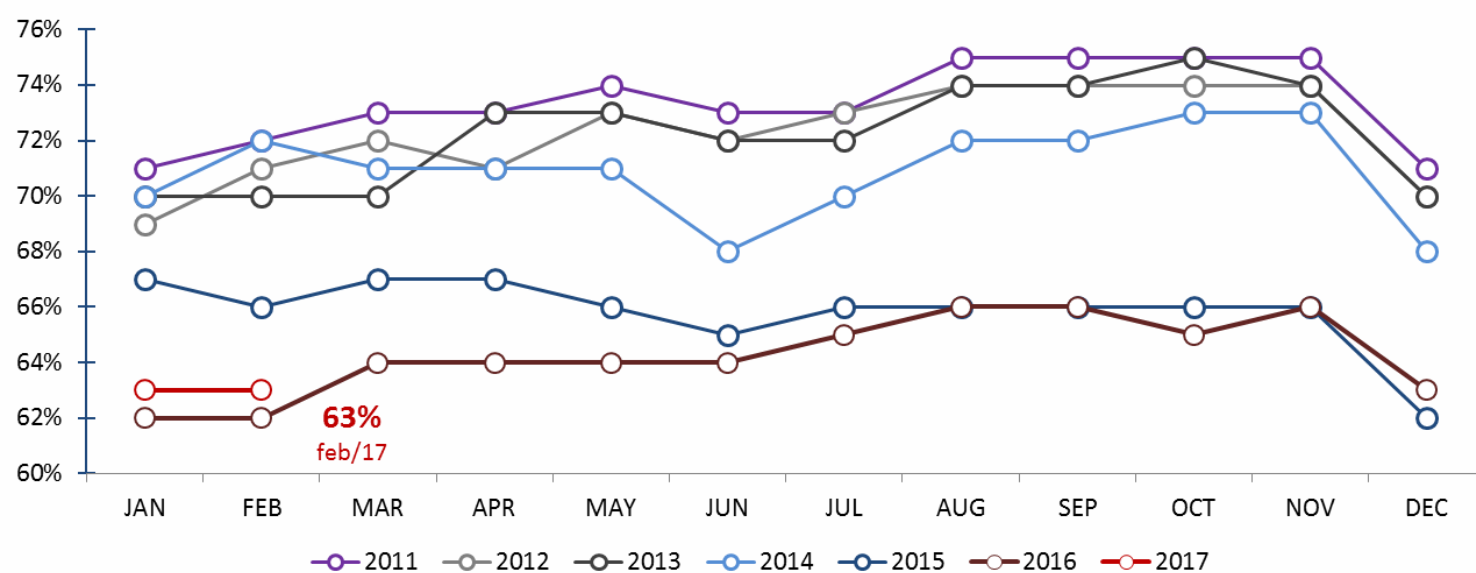
This release contains forward-looking statements subject to risks and uncertainties, Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company, The reservations as to forward-looking statements also apply to information on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

- EBIT grows and **EBITDA** Margin reaches **R\$10.8 million** in 1Q17
- The **Romi Machines** unit, in 1Q17, reached a positive **EBITDA** margin of **7.5%**, an improvement of **8.8%** compared to 1Q16, as result of the operating adjustments and cost and expense reduction carried out in 2016;
- The German subsidiary **B+W**, in 1Q17, reported a **growth** in **gross and operating margins** of **20.0** and **38.7** percentage points, respectively, when compared to 1Q16, due to a better volume of production and revenues;
- In 1Q17, compared to the same period of 2016, the **Raw and Machined Cast Iron Parts** Business Unit presented a **growth** of **41.6%** in operating revenues, and **improvement** of **2.4** percentage points in gross margin.
- The **orders entry** in 1Q17 compared to 1Q16 posted a **growth** of **17.3%**, especially the Romi Machines Business Unit and the Raw and Machined Cast Iron Parts Business Unit, which posted a **growth** of **15.0%** and **21.4%**, respectively.

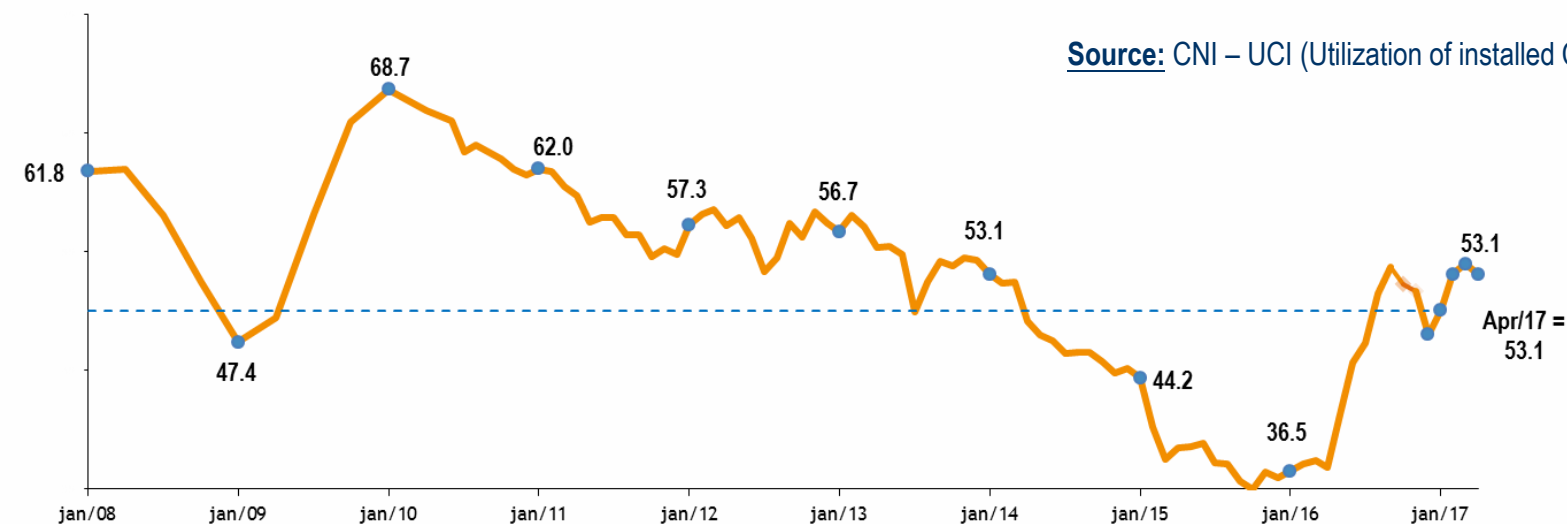


Source: IBGE (current quarter vs. the same quarter last year)

Conjunctural Indicators – GDP and FBKF



Source: CNI – UCI (Utilization of installed Capacity), February 2017



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

Economic Indexes - Conjunctural

Romi Machines

B+W Machines

Rough and Machined Cast Iron Parts



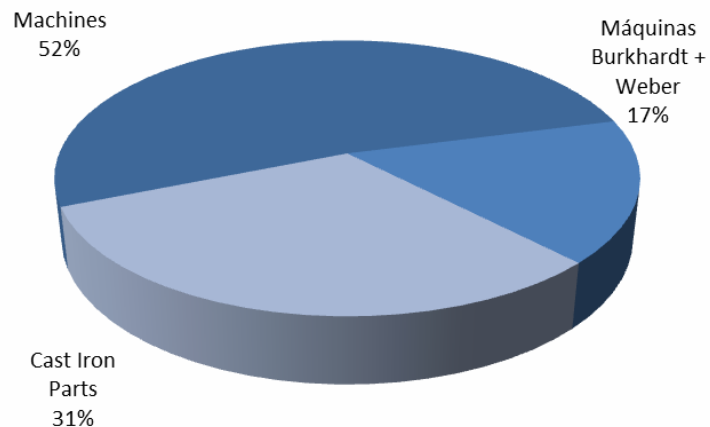
	1Q17	2016
Automotive	30%	17%
Machines and Equipments	8%	10%
Job Shops	7%	12%
Tolling	1%	7%
Technical Schools	13%	3%
Packing	3%	8%
Others	38%	43%

	1Q17	2016
Machines and Equipments	0%	57%
Motors and Systems	100%	24%
Oil and Gas	0%	18%
Others	0%	1%

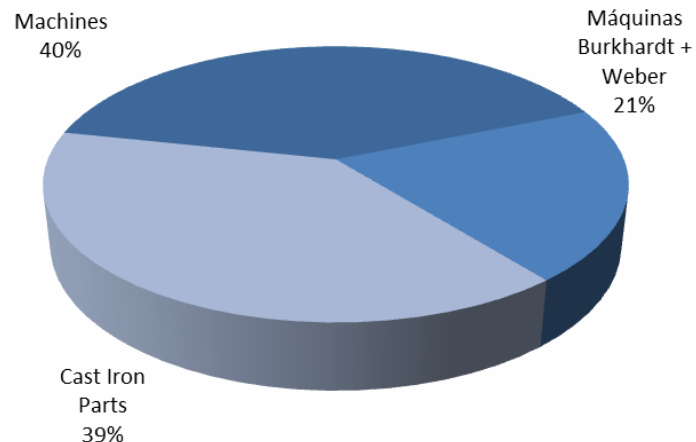
	1Q17	2016
Wind Power	69%	69%
Automotive	12%	11%
Agriculture	13%	14%
Construction	5%	4%
Others	1%	2%

Business units

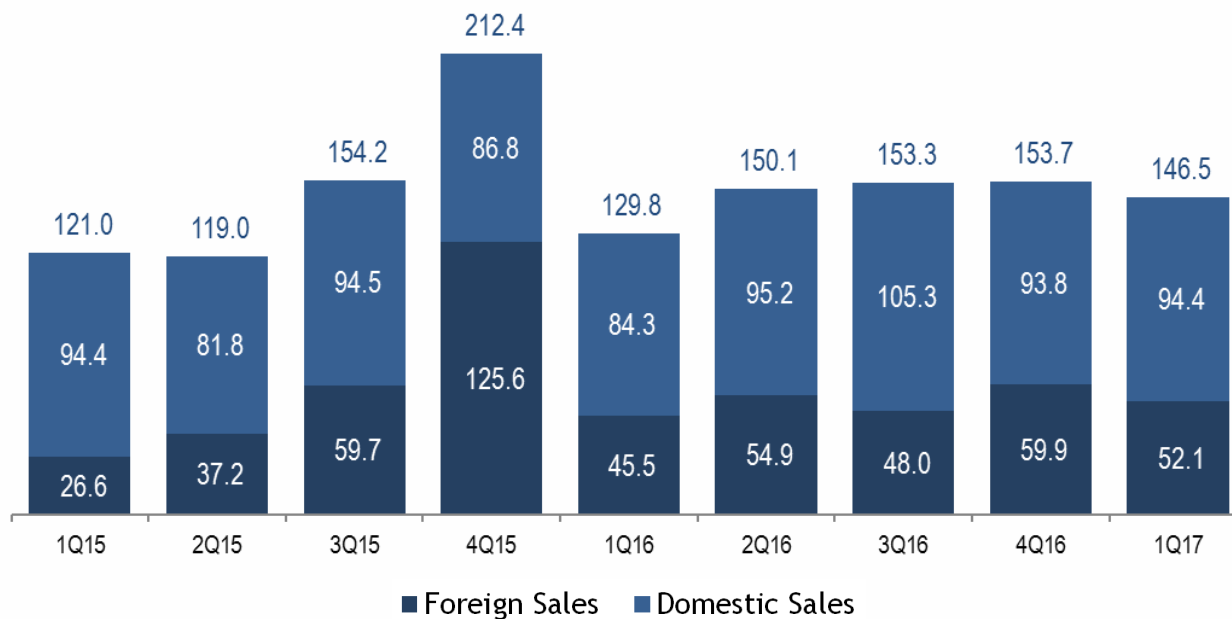
1Q16



1Q17

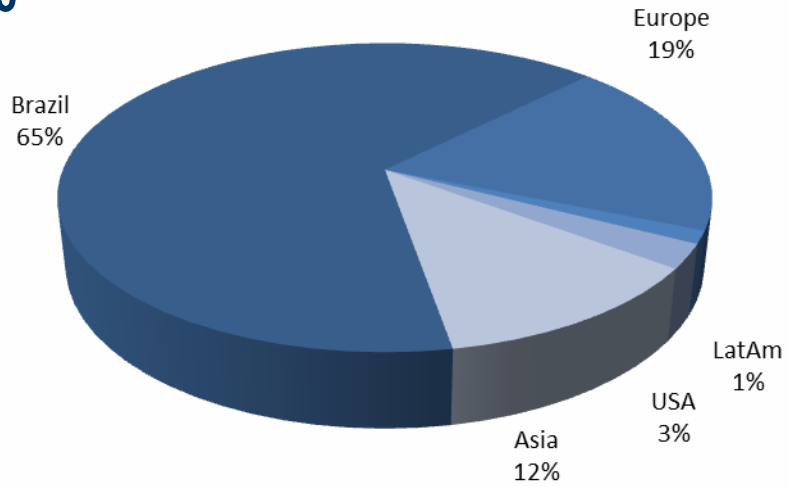


Net Operating Sales (R\$ million)

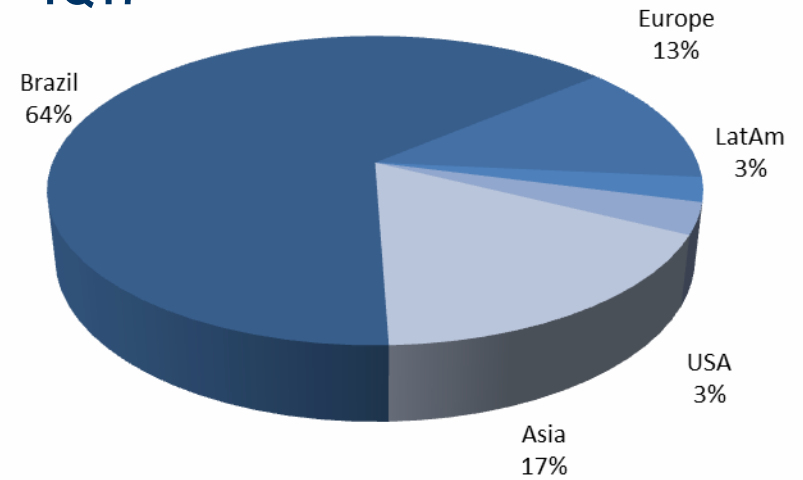


Net Sales per Business Unit

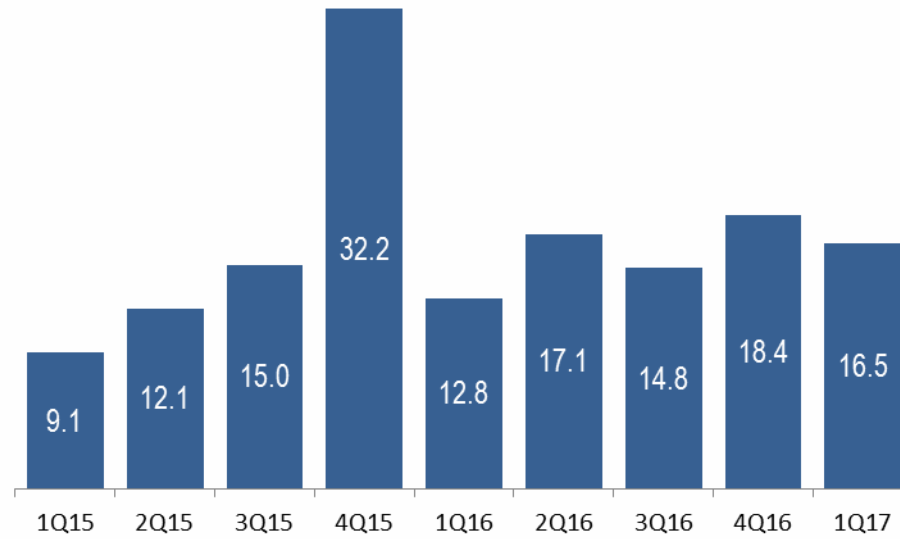
1Q16



1Q17



Foreign Sales (US\$ million)



Sales Distribution

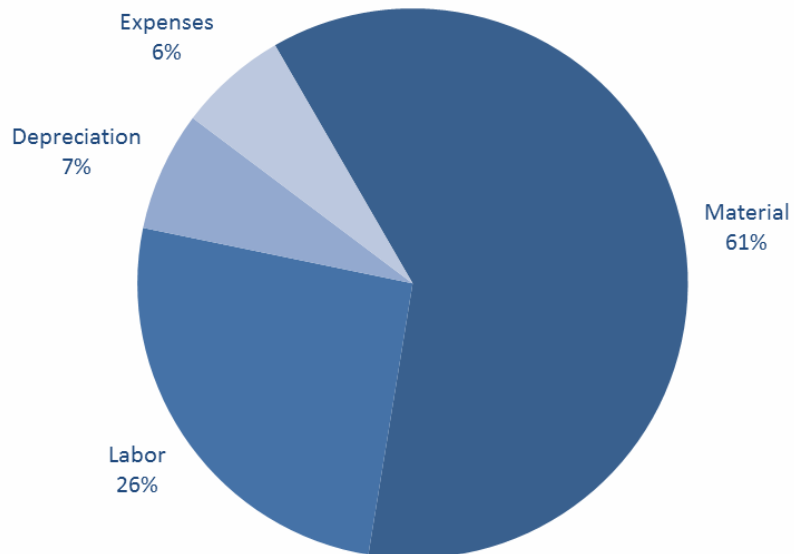
Order Entry (R\$ 000)					
Gross Values, sales taxes included	1Q16	4Q16	1Q17	Chg. 1Q17/4Q16	Chg. 1Q17/1Q16
Romi Machines	58,956	55,612	67,773	21.9%	15.0%
Burkhardt+Weber Machines	8,958	30,679	9,711	-68.3%	8.4%
Rough and Machined Cast Iron Parts	52,435	49,194	63,647	29.4%	21.4%
Total	120,349	135,485	141,131	4.2%	17.3%

Order Book (R\$ 000)					
Gross Values, sales taxes included	1Q16	4Q16	1Q17	Chg. 1Q17/4Q16	Chg. 1Q17/1Q16
Romi Machines	75,862	53,339	64,304	20.6%	-15.2%
Burkhardt+Weber Machines	57,062	125,774	109,251	-13.1%	91.5%
Rough and Machined Cast Iron Parts	103,277	72,943	74,808	2.6%	-27.6%
Total *	236,201	252,057	248,363	-1.5%	5.1%

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

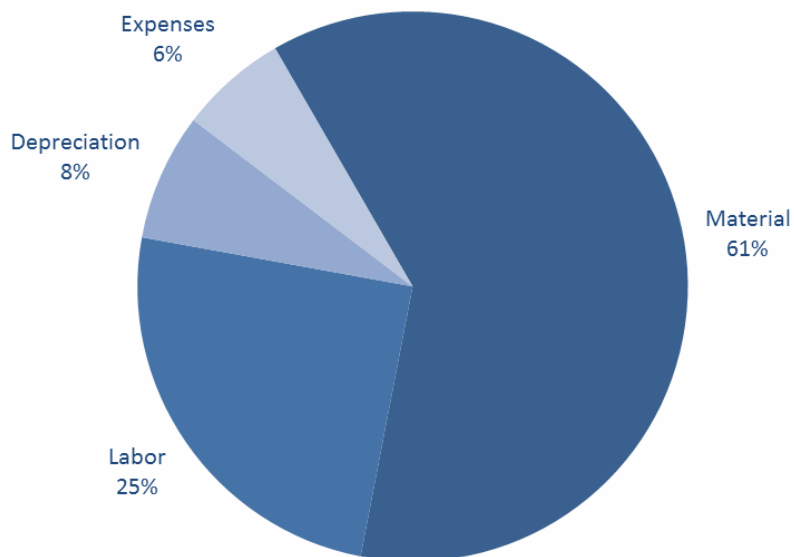
Order Entry Backlog

1Q17



27%	Domestic material
12%	FX Related Domestic Material
14%	Metals
8%	Imported Material

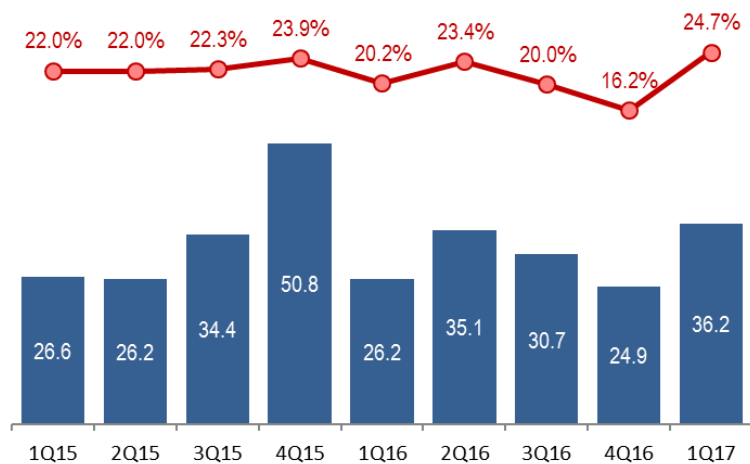
1Q16



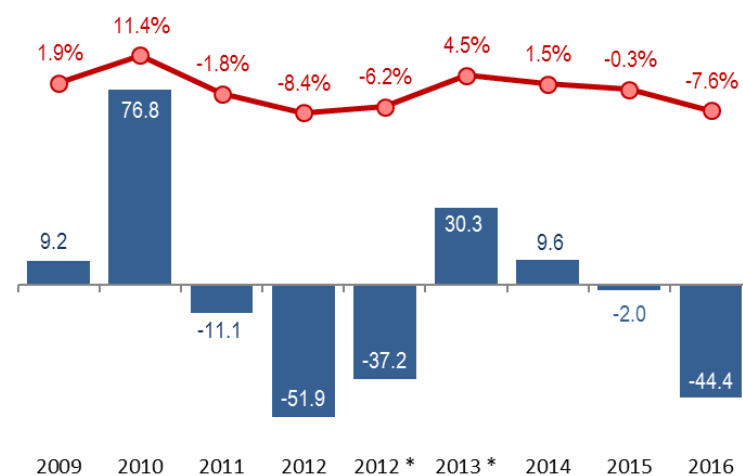
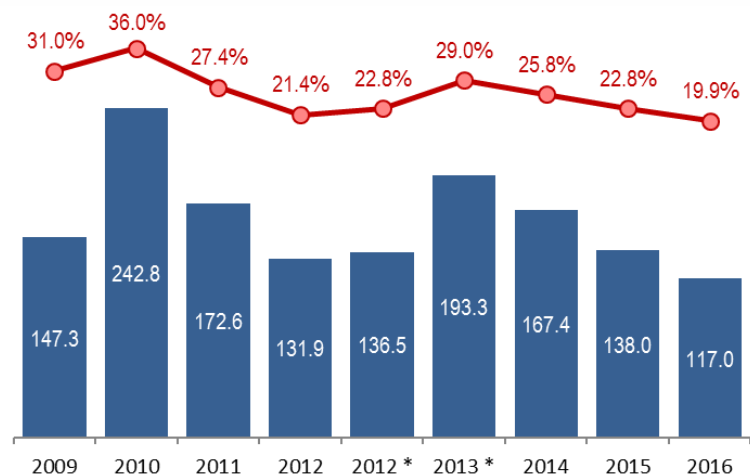
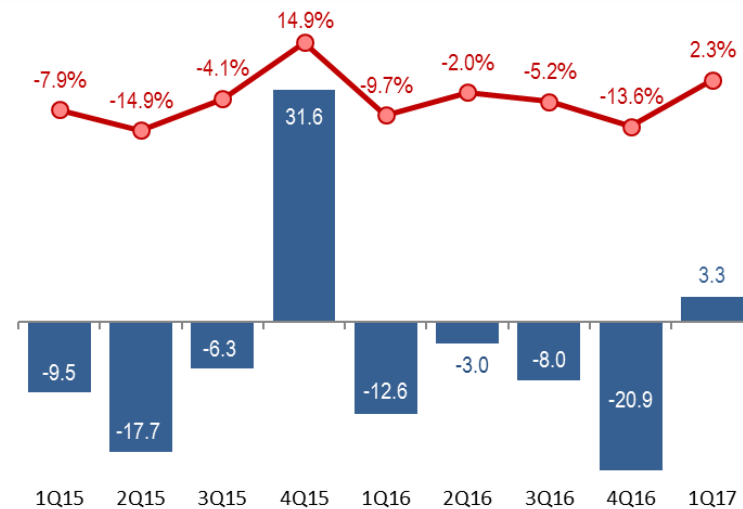
17%	Domestic material
11%	FX Related Domestic Material
15%	Metals
18%	Imported Material

Cost of Goods Sold

Gross Profit (R\$ million) and Gross Margin



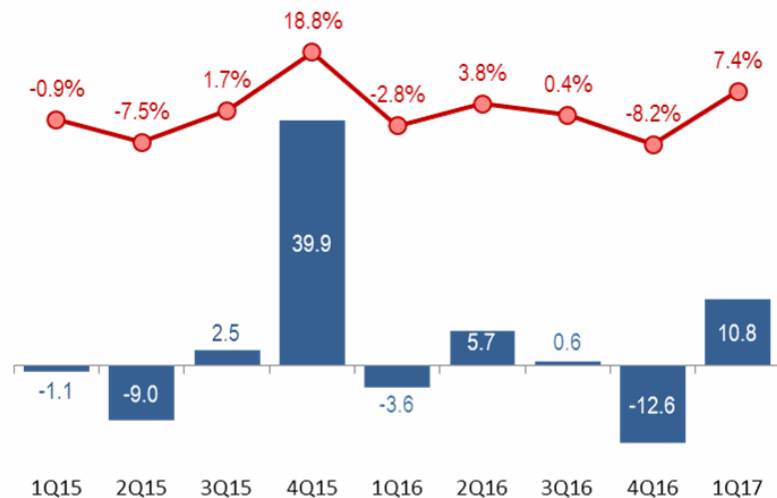
Operating Profit (loss) (R\$ million) and Operating Margin



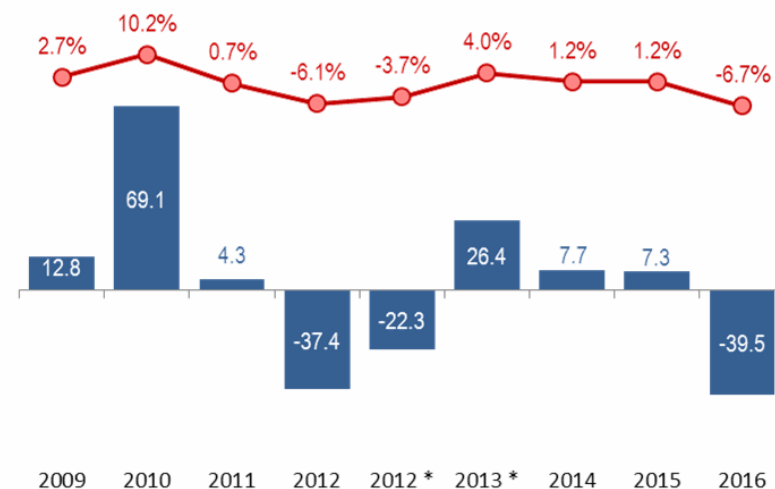
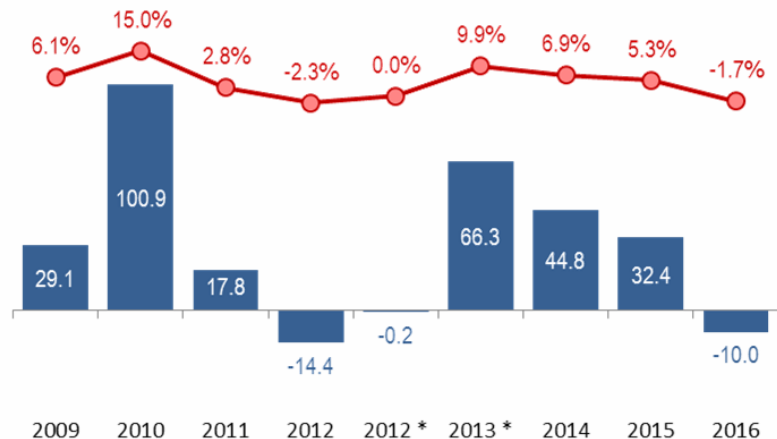
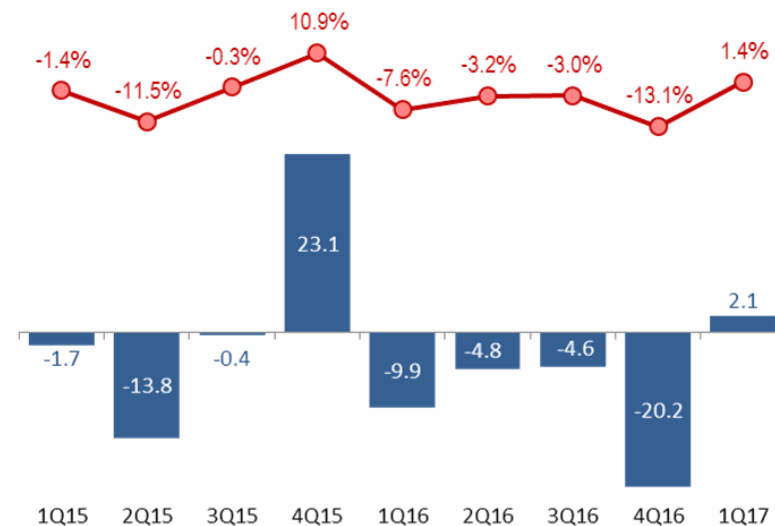
(*) Amounts relating to continued operations, excluding the results from the subsidiary Romi Italia

Profitability

EBITDA (R\$ million) and EBTIDA Margin



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

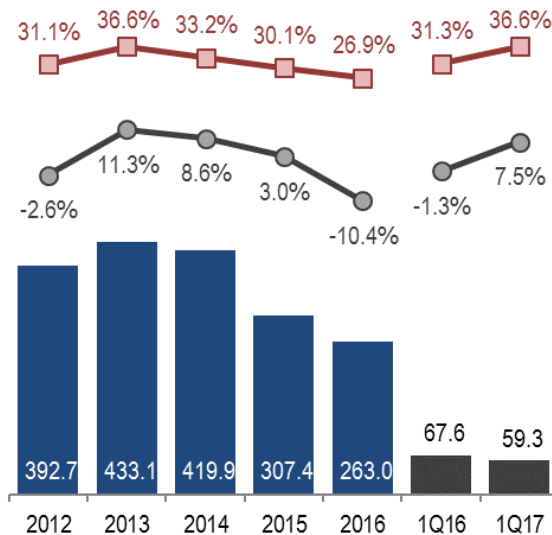


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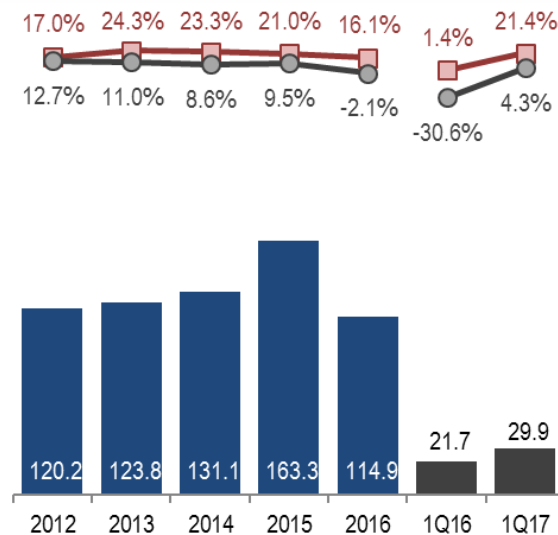
Profitability

	Quarterly				
Sales	1Q16	2Q16	3Q16	4Q16	1Q17
Machines (qty)	170	172	192	214	162
Burkhardt+Weber (qty)	3	3	4	7	6
Cast and Iron parts (ton)	4,240	5,145	5,845	5,174	5,784

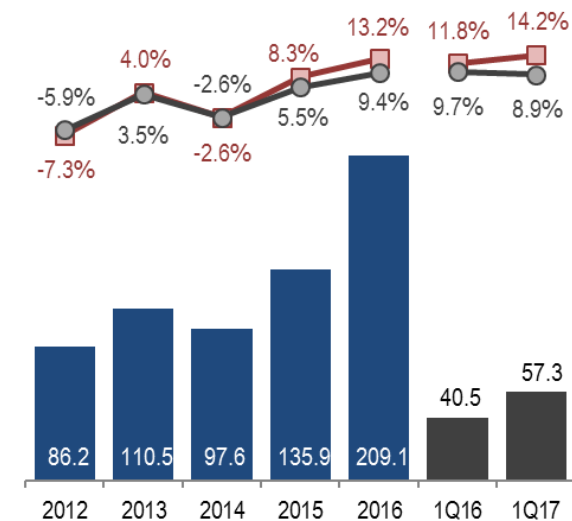
Romi Machines



B+W Machines



Rough and Machined Cast Iron Parts



■ Revenue ■ Gross Margin ● EBITDA

Business Units' Results

Cash and Cash Equivalent (R\$ MM) - 03/31/2017

	Amount
Bank Deposit Certificate (CDB)	37.9
Financial Investment with Bonds	43.0
Banks	27.8
Total	108.6

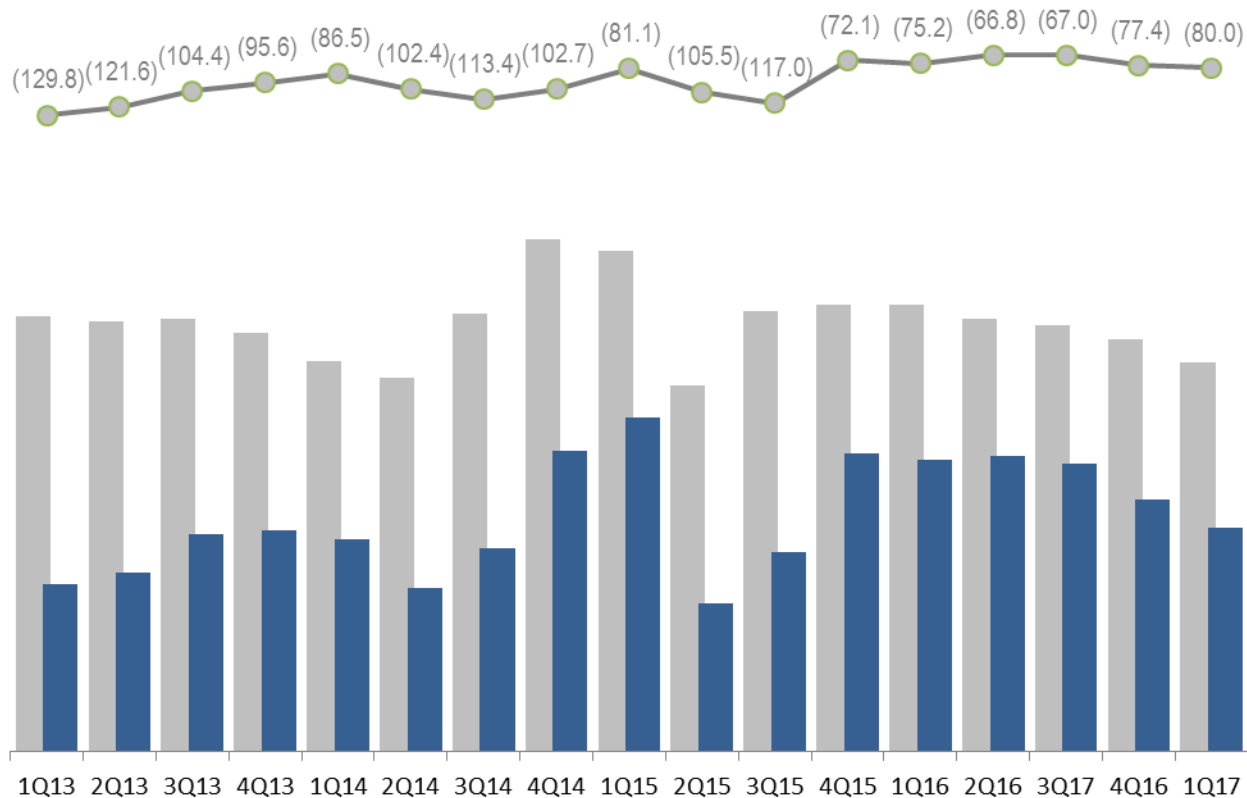
Net Debt = 80.0

Loans* (R\$ MM) - 03/31/2017

	Amount
2017 (9 months)	87.7
2018	56.1
2019	13.6
2020	18.2
2021 and afterwards	13.0
Total	188.6

Net Cash (Debt) Position

R\$ million

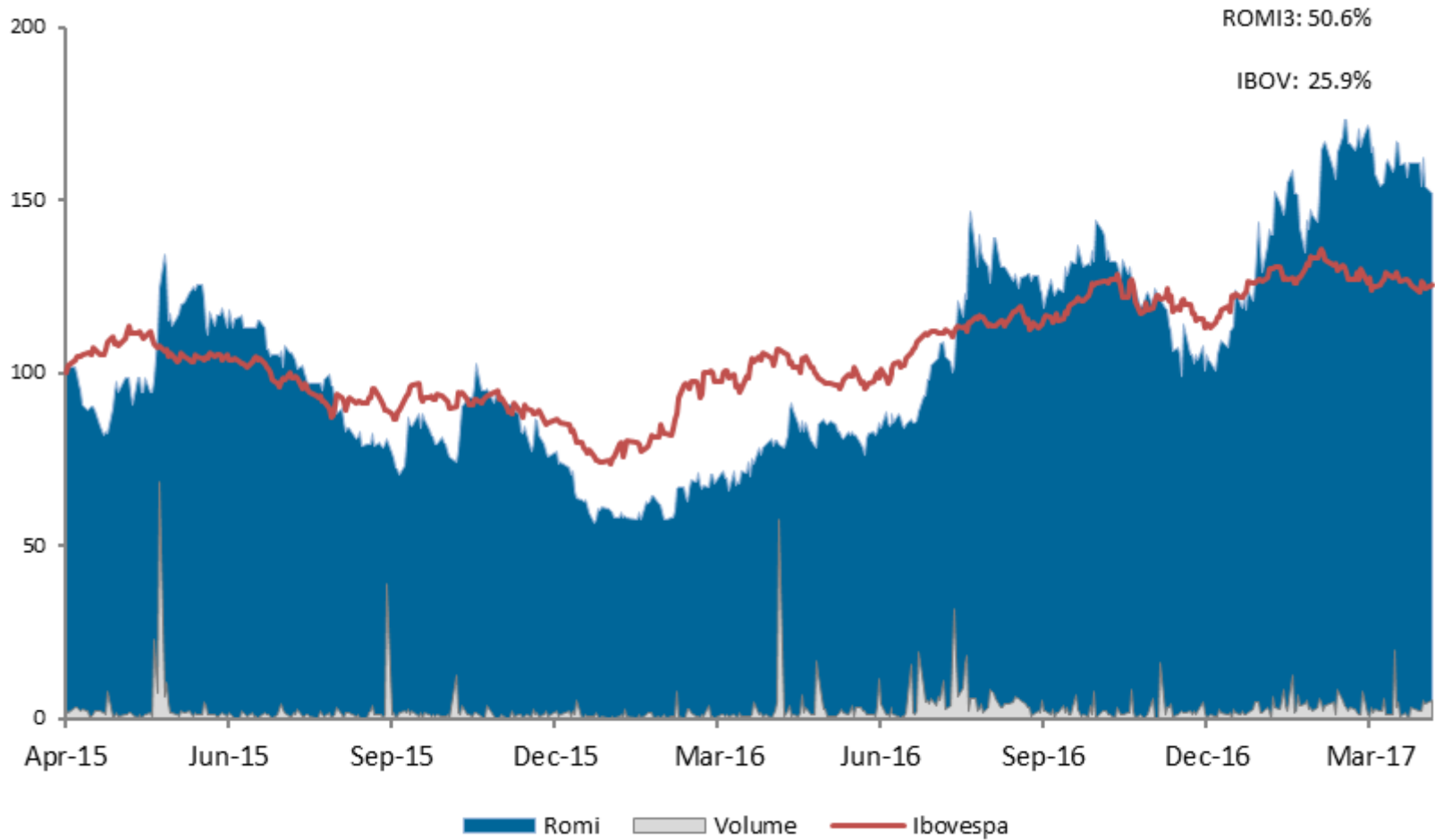


(*) Without Finame Manufacturer

Cash Position

Share Performance ROMI3 vs. Ibovespa

From 04/01/2015 to 04/24/2017



Source: BM&FBovespa

Share Performance



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