



ROMI

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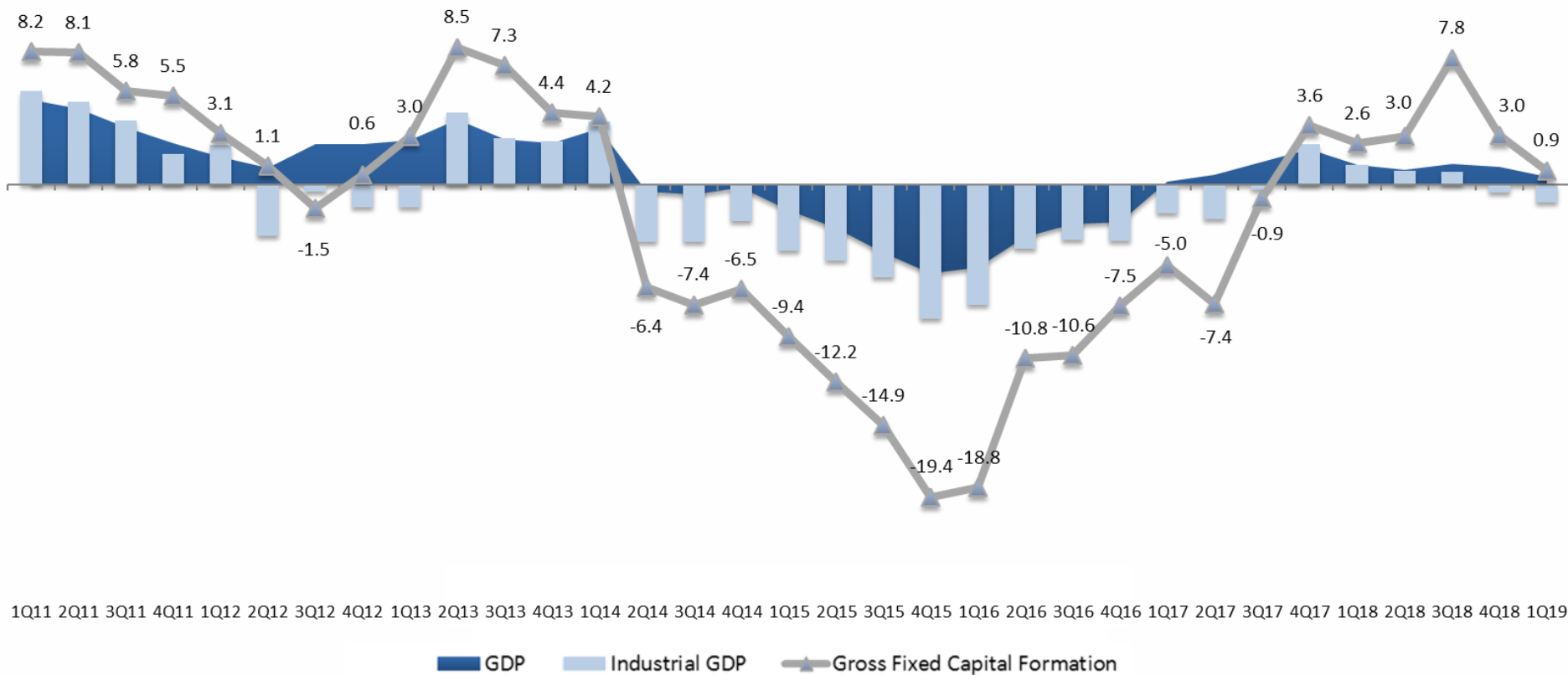


2Q19 Earnings Release

July 24, 2019

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.

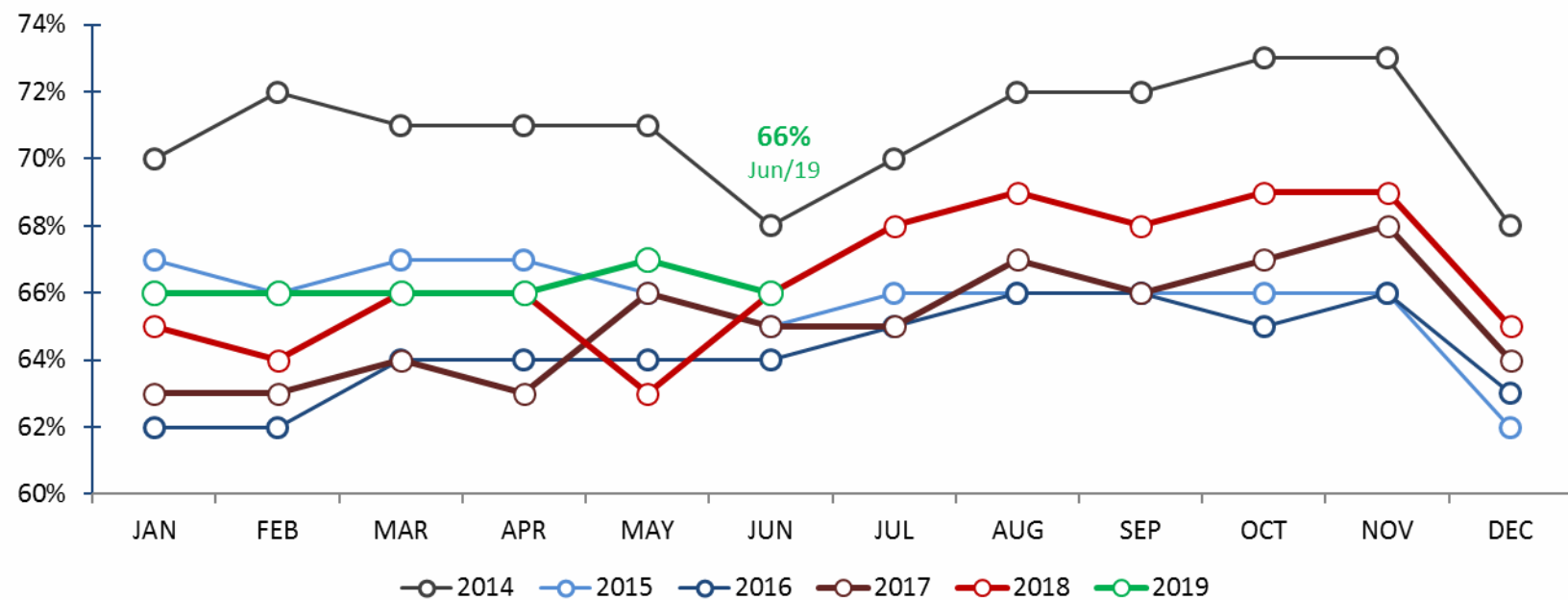
- The **order backlog** at the end of 2Q19 showed a **growth** of **21.5%** compared to the backlog at the end of 2Q18, with highlights to **Romi Machines** and **Burkhardt + Weber Machines** Units, which **grew** by **37.2%** and **18.3%**, respectively;
- In the **Romi Machines** Unit, the **order entry** in 1H19 **grew 12.0%** compared to the same period of the previous year, due to the launch of new products and the gradual recovery of the domestic economy;
- In the **B + W Machines** Unit, the **order entry** in 1H19 increased by **28.4%** in relation to the same period of the previous year, as a consequence of the launch of new products and the development of solutions to meet new segments;
- In 1H19 the **Romi Machines** Business Unit posted a **6.4% increase** in net operating revenue in relation to 1H18 and an **increase of 3.0 percentage points** in gross margin, due to the higher volume of operations and the reduction of costs and expenses incurred in recent years; and
- **Order entry** in the **Rough and Machined Cast Iron Parts**, in the 2Q19 **increased 28.8%** compared to the 2Q18, positively impacted by the recovery of the demand for heavy casting iron parts.



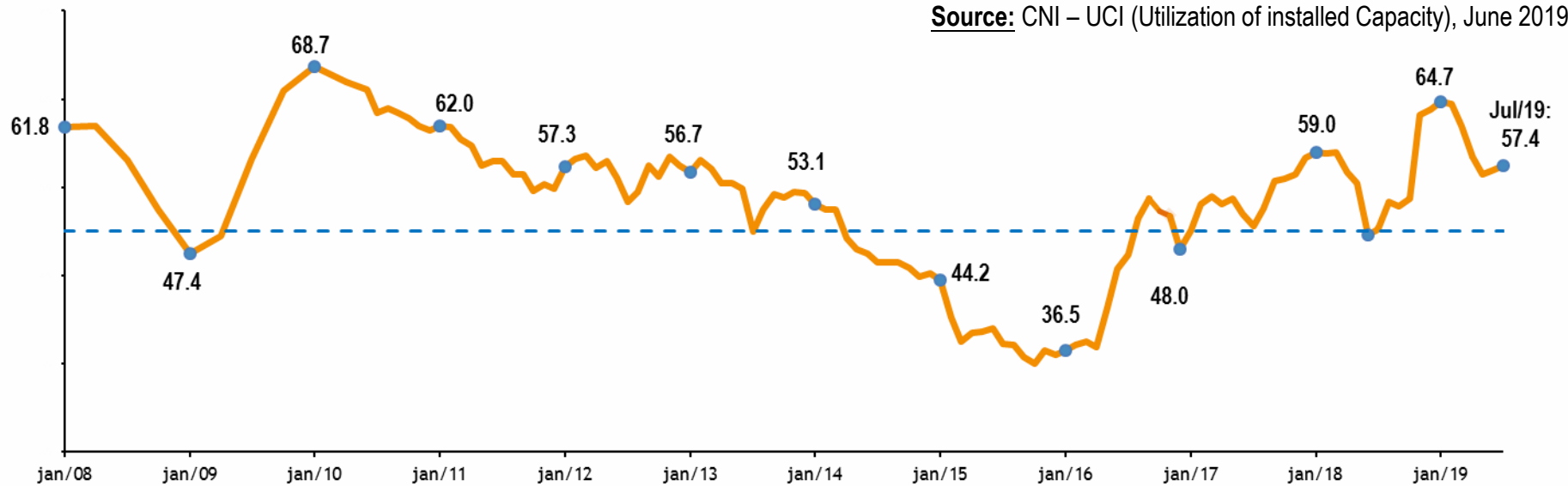
Source: IBGE (current quarter vs. the same quarter last year)



Conjunctural Indicators – GDP and FBKF



Source: CNI – UCI (Utilization of installed Capacity), June 2019



Source: CNI – ICEI (Industrial Executive Confidence Index), July 2019

Economic Indexes - Conjunctural

Romi Machines



	1H19	2018
Job shops	16%	16%
Machines and Equipments	10%	17%
Tooling	9%	6%
Automotive	9%	9%
Children Goods	4%	0%
Packing	3%	4%
Others	49%	48%

B+W Machines



	1H19	2018
Machines and Equipments	63%	64%
Motors and Systems	23%	19%
Aerospace	14%	9%
Oil and Gas	0%	5%
Others	0%	3%

Rough and Machined Cast Iron Parts



	1H19	2018
Automotive	32%	24%
Agriculture	27%	18%
Construction	23%	14%
Wind Power	16%	42%
Others	2%	2%

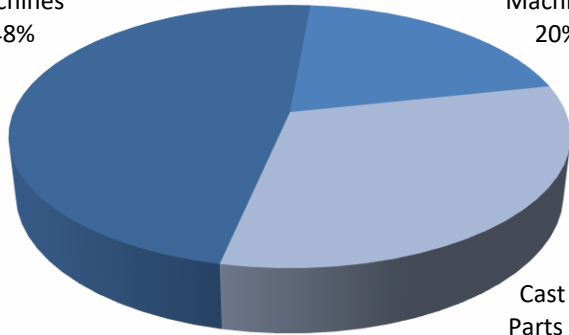
Business units

1H18

Romi
Machines
48%

B+W
Machines
20%

Cast Iron
Parts 32%

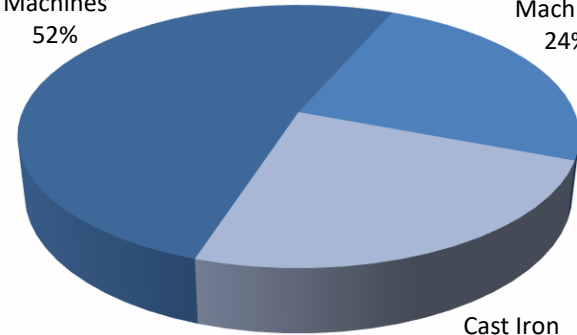


1H19

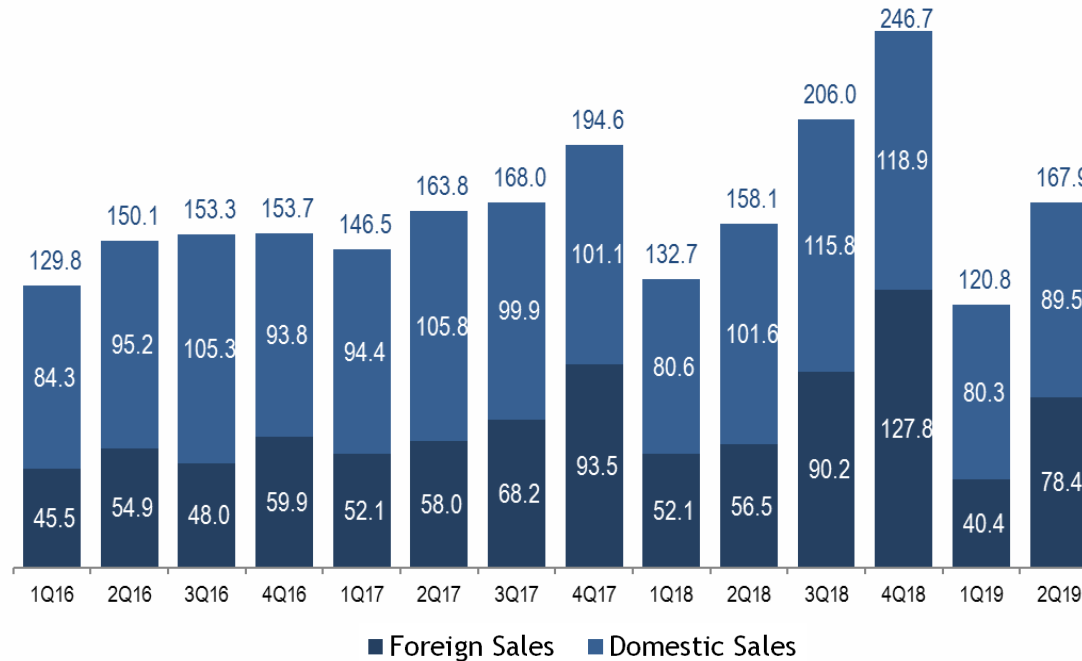
Romi
Machines
52%

B+W
Machines
24%

Cast Iron
Parts 24%

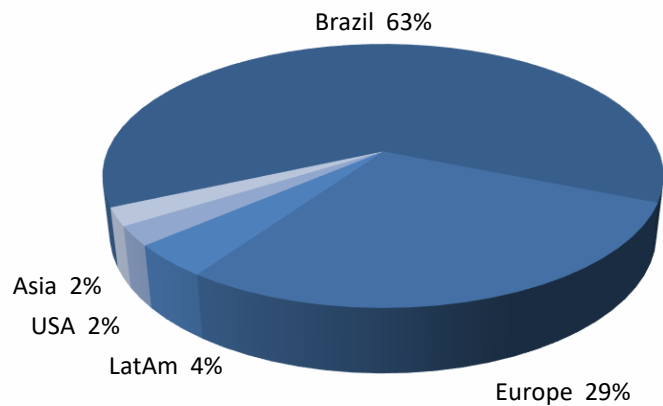


Net Operating Sales (R\$ million)

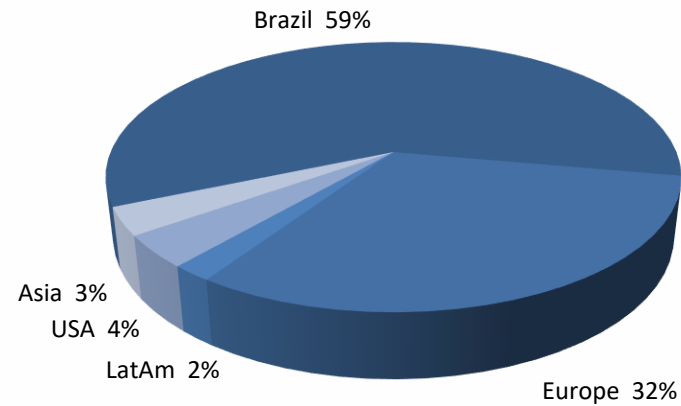


Net Sales per Business Unit

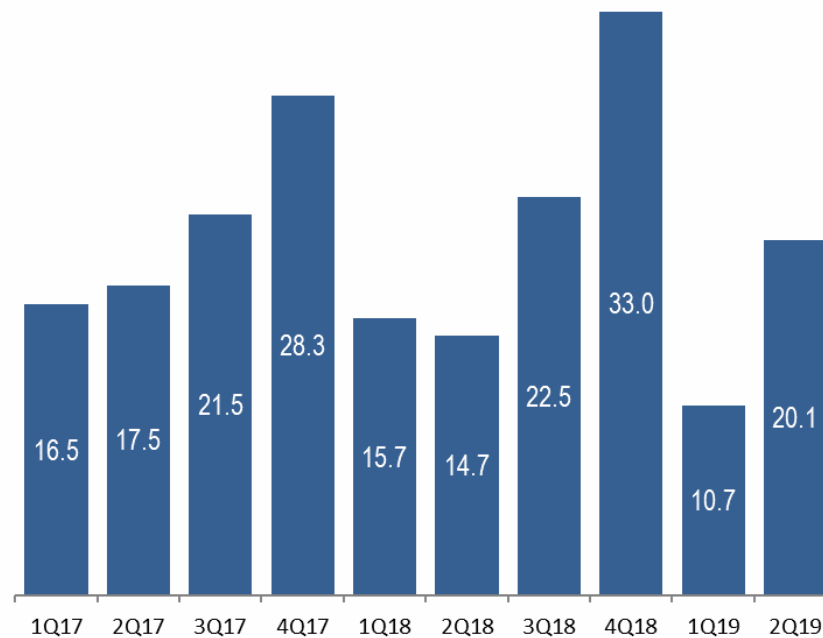
1H18



1H19



Foreign Sales (US\$ million)



Sales Distribution

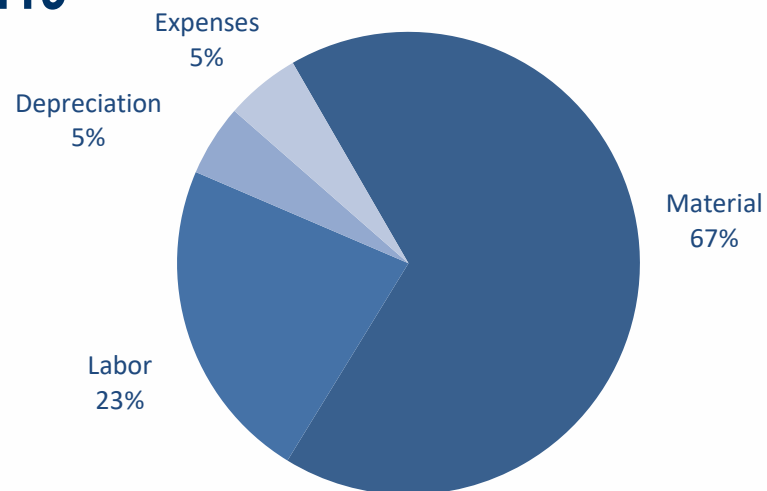
Order Entry (R\$ 000) Gross Values, sales taxes included	2Q18	1Q19	2Q19	Chg. 2Q19/1Q19	Chg. 2Q19/2Q18	1H18	1H19	Chg. 19/18
Romi Machines	119,045	71,956	116,053	61.3%	-2.5%	167,909	188,009	12.0%
Burkhardt+Weber Machines	22,270	32,199	41,396	28.6%	85.9%	57,335	73,595	28.4%
Rough and Machined Cast Iron Parts	51,668	37,078	66,560	79.5%	28.8%	115,157	103,638	-10.0%
Total *	192,983	141,233	224,008	58.6%	16.1%	340,401	365,241	7.3%

Order Backlog (R\$ 000) Gross Values, sales taxes included	2Q18	1Q19	2Q19	Chg. 2Q19/1Q19	Chg. 2Q19/2Q18
Romi Machines	97,848	96,324	134,252	39.4%	37.2%
Burkhardt+Weber Machines	154,944	187,107	183,251	-2.1%	18.3%
Rough and Machined Cast Iron Parts	60,325	50,100	62,930	25.6%	4.3%
Total *	313,118	333,531	380,433	14.1%	21.5%

(*) Order backlog and order entry values do not include spare parts and services

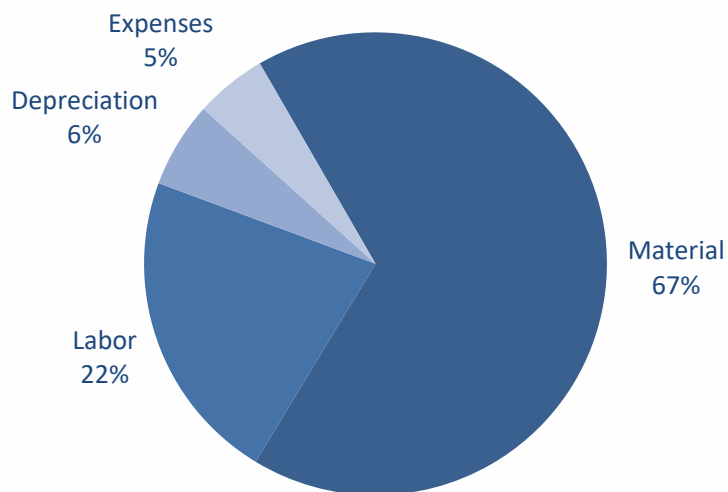
Order Entry Backlog

1H19



21%	Domestic material
16%	FX related domestic material
13%	Metals
17%	Imported material

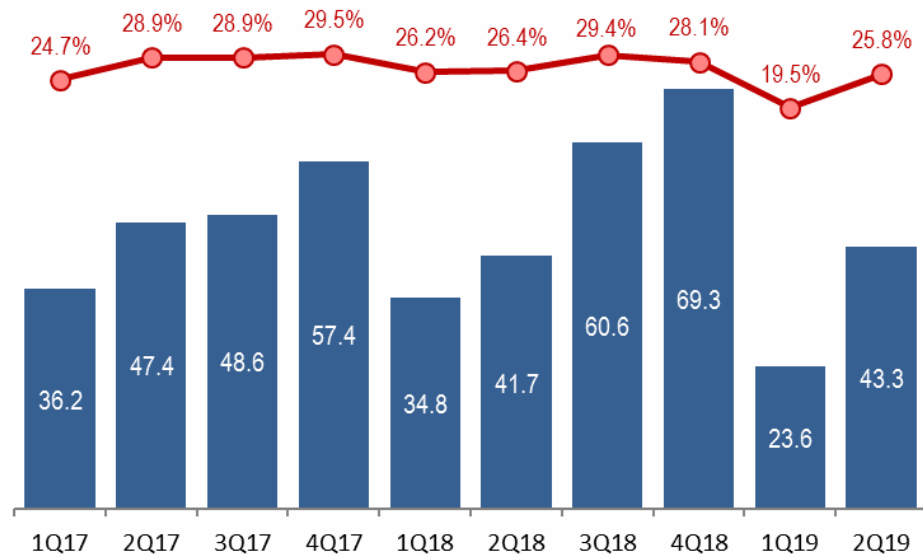
1H18



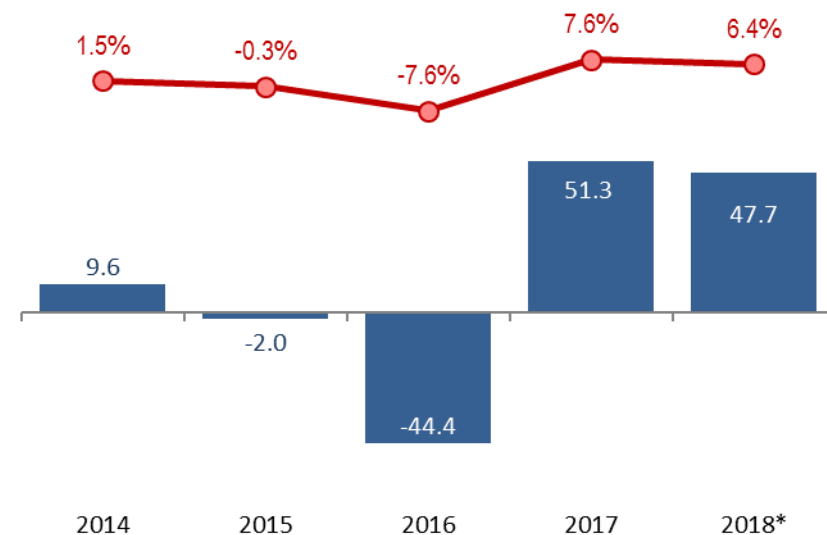
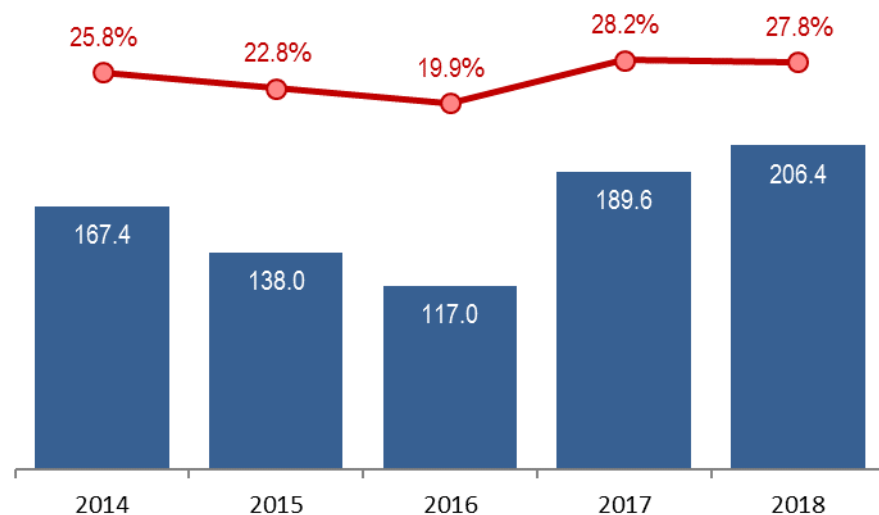
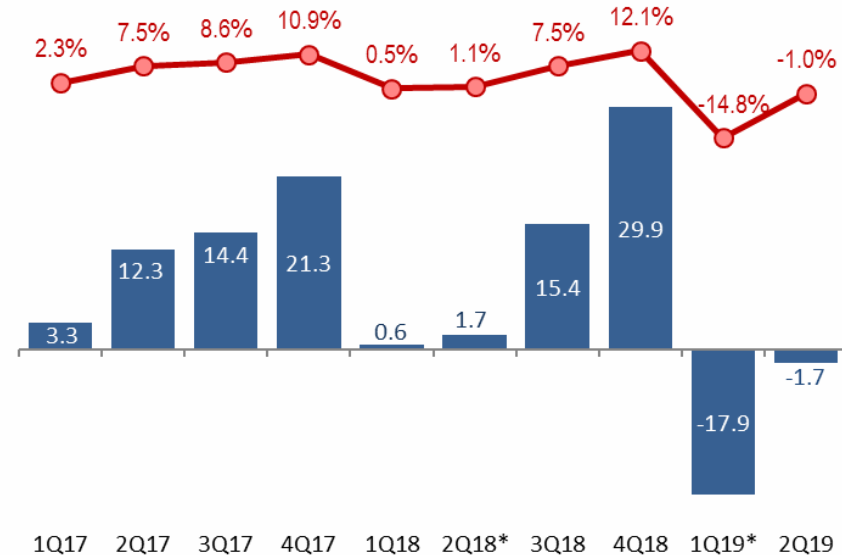
19%	Domestic material
12%	FX Related Domestic Material
16%	Metals
20%	Imported Material

Cost of Goods Sold

Gross Profit (R\$ million) and Gross Margin

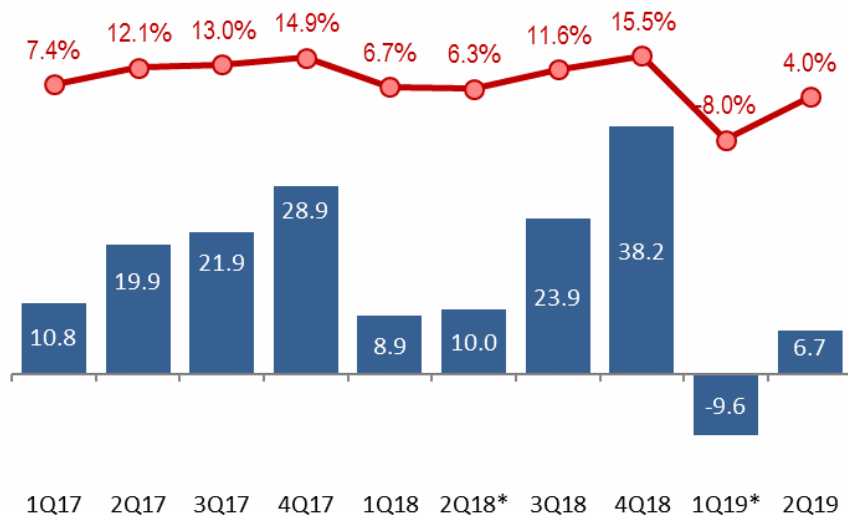


Operating Profit (loss) (R\$ million) and Operating Margin

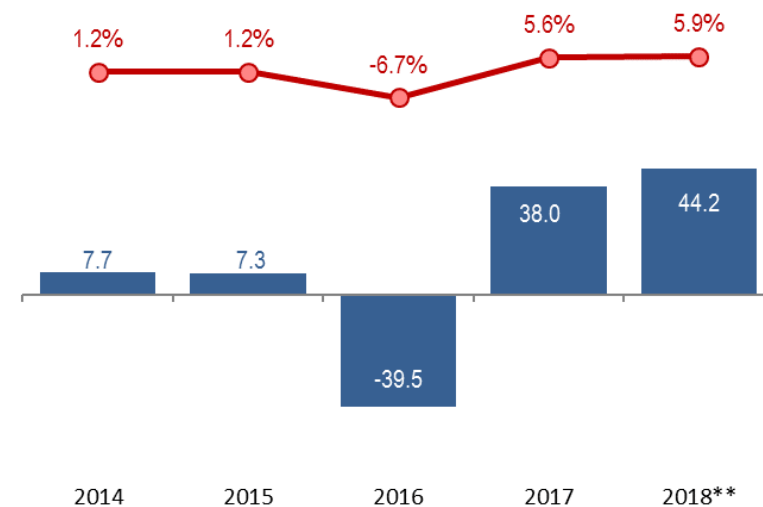
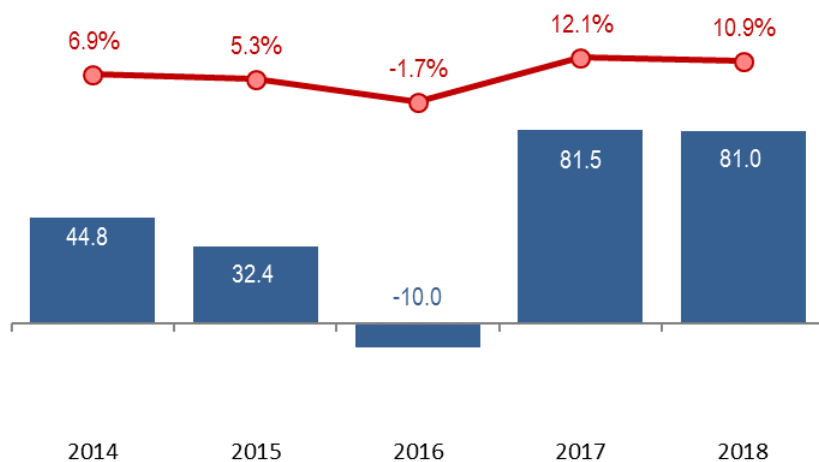
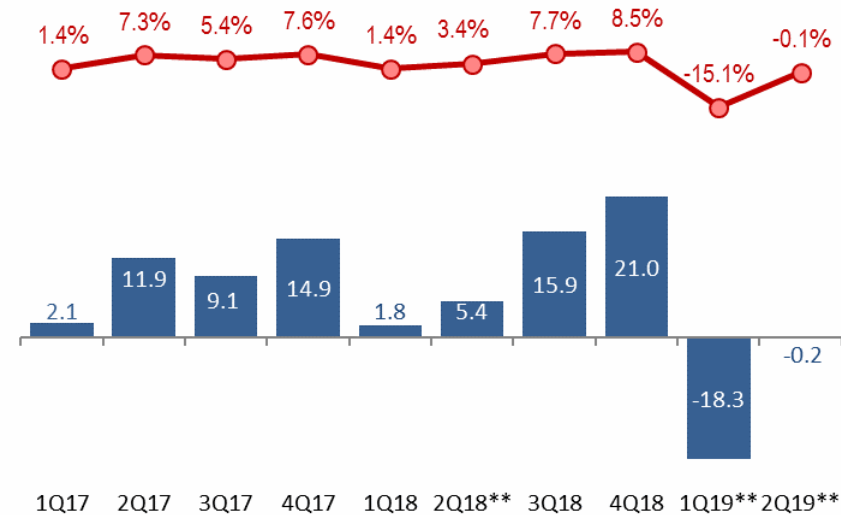


(*) According to the information in the 2Q19 Earnings Release, operating income is adjusted as follows: (i) 2Q18/2018: increased by R\$1.6 million; and (ii) 1Q19: reduced by R\$74.3 million.

EBITDA (R\$ million) and EBTIDA Margin



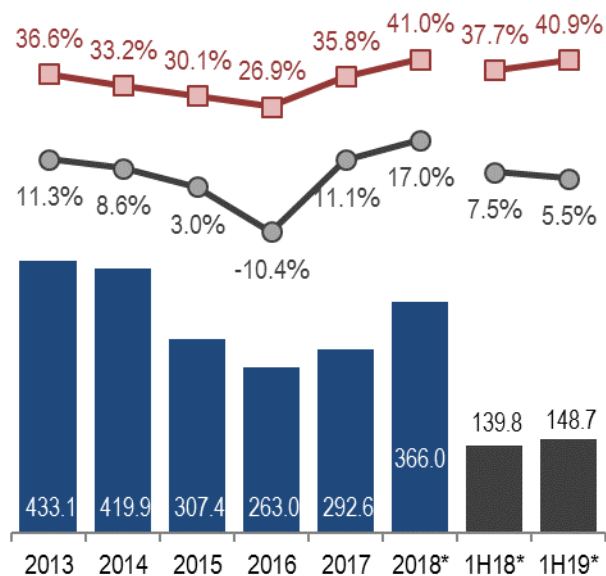
Net income (loss) (R\$ million) and Net Margin



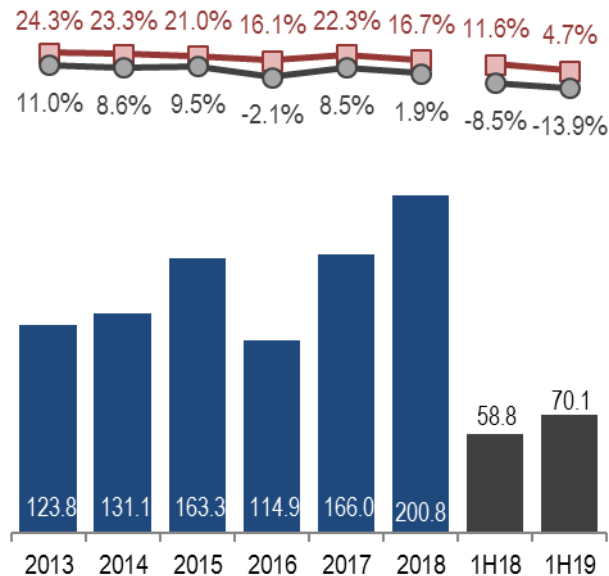
(*) According to the information in the 2Q19 Earnings Release, EBITDA is adjusted by the following aspects: (i) 2Q18/2018: increased by R\$1.6 million; and (ii) 1Q19: reduced by R\$74.3 million. (**) According to the information in the 2Q19 Earnings Release, net income is adjusted by the following aspects: (i) 2Q18/2018: reduced by R\$40.1 million; (ii) 1Q19: reduced by R\$105.6 million; and (iii) 2Q19: increased by R\$4.2 million.

Sales	Quarter						Accumulated	
	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	1H18	1H19
Machines (qty)	144	183	227	270	137	173	327	310
Burkhardt+Weber (qty)	3	4	9	13	2	8	7	10
Cast and Iron parts (ton)	4,592	5,453	5,520	3,469	3,567	3,836	10,045	7,403

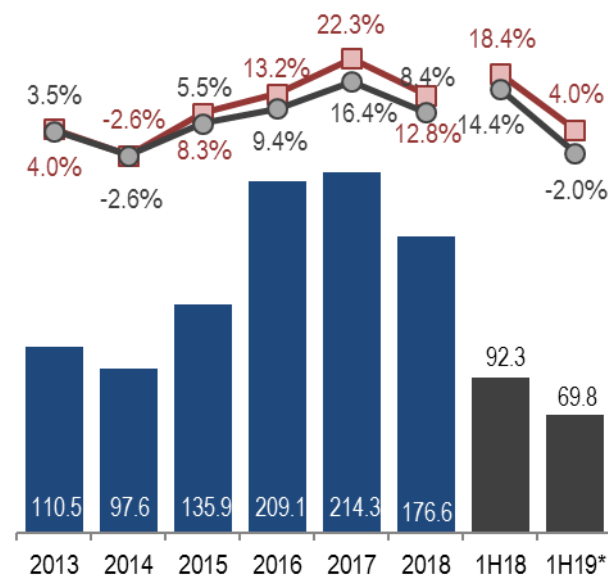
Romi Machines



B+W Machines



Rough and Machined Cast Iron Parts



■ Revenue ■ Gross Margin ● EBTIDA Adjusted

(*) EBTIDA margin is adjusted according to previous slides and 2Q19 Earnings Release.

Business Units' Results

Cash and Cash Equivalent (R\$ MM) - 06/30/2019

	Amount
Bank Deposit Certificate (CDB)	20.1
Financial Investment with Bonds	16.7
Financial Investment with Bonds	8.5
Banks	30.0
Total	75.2

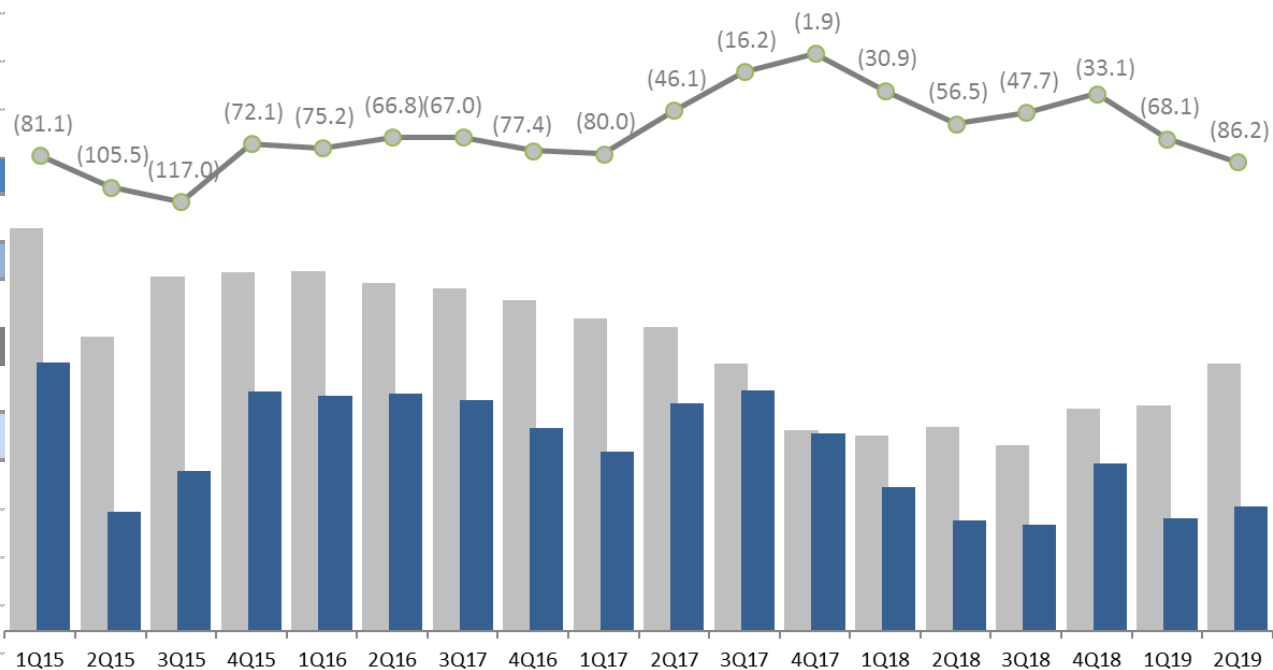
Net Debt = 86.2

Loans* (R\$ MM) - 06/30/2019

	Amount
2019	84.3
2020	53.9
2021	7.6
2022	7.3
2023	2.1
2024 e após	6.2
Total	161.4

Net Cash (Debt) Position

R\$ million

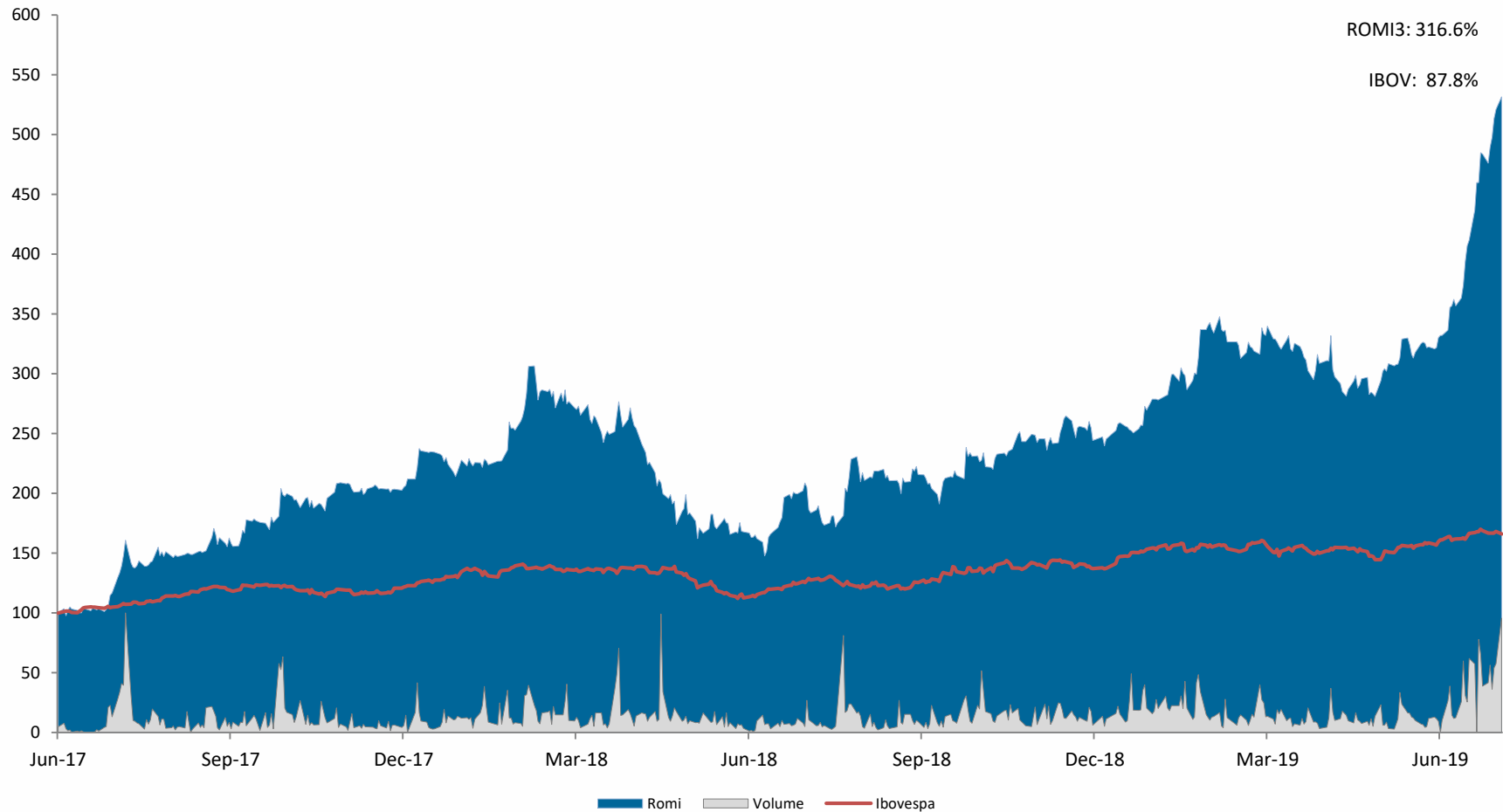


(*) Without Finame Manufacturer

Cash Position

Share Performance ROMI3 vs. Ibovespa

From 06/30/2017 to 07/22/2019



Source: B3

Share Performance



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