



ROMI

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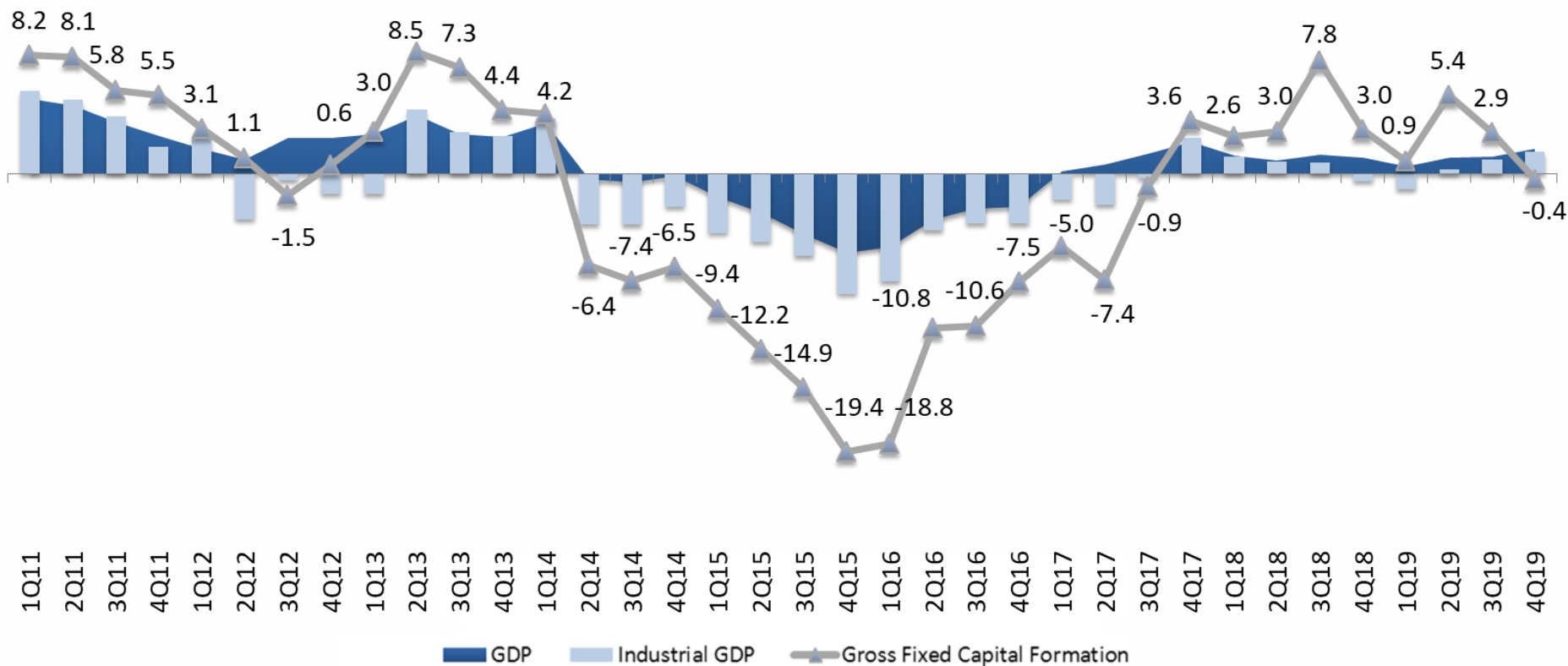


1T20 Earnings Release

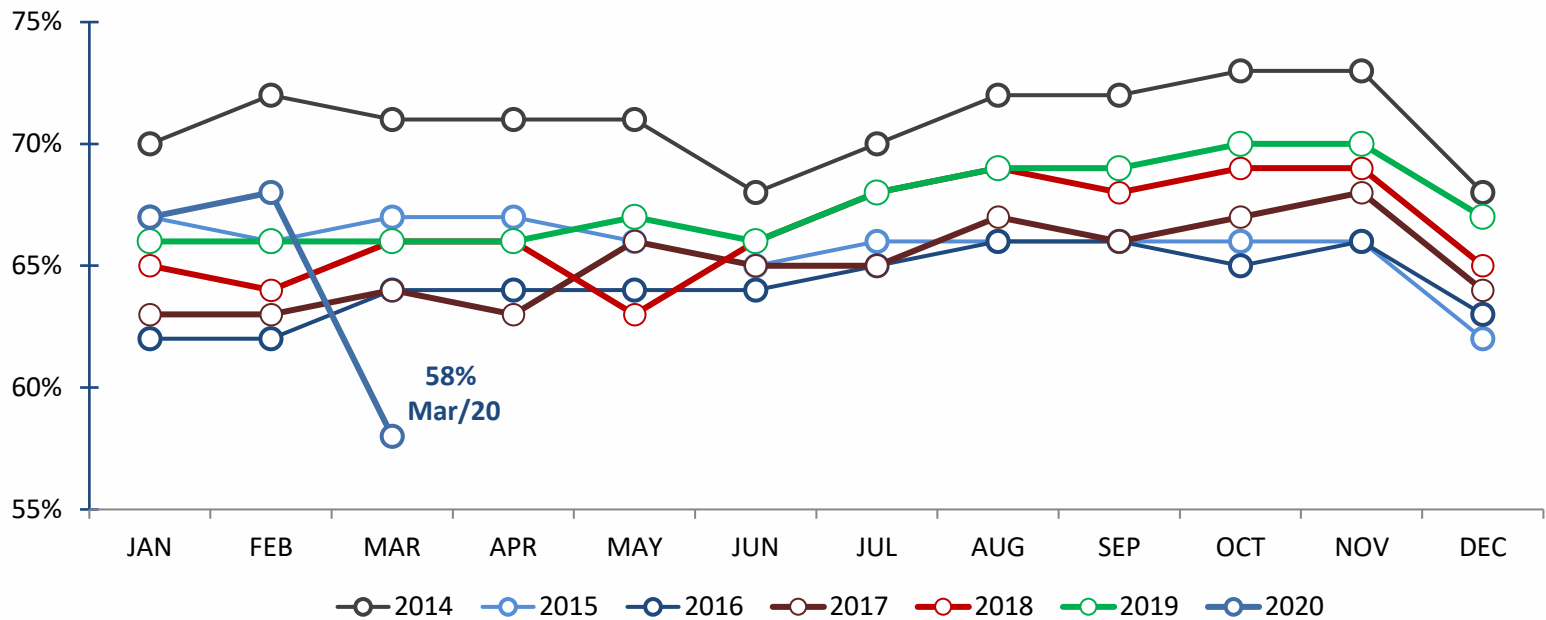
April 29, 2020

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.

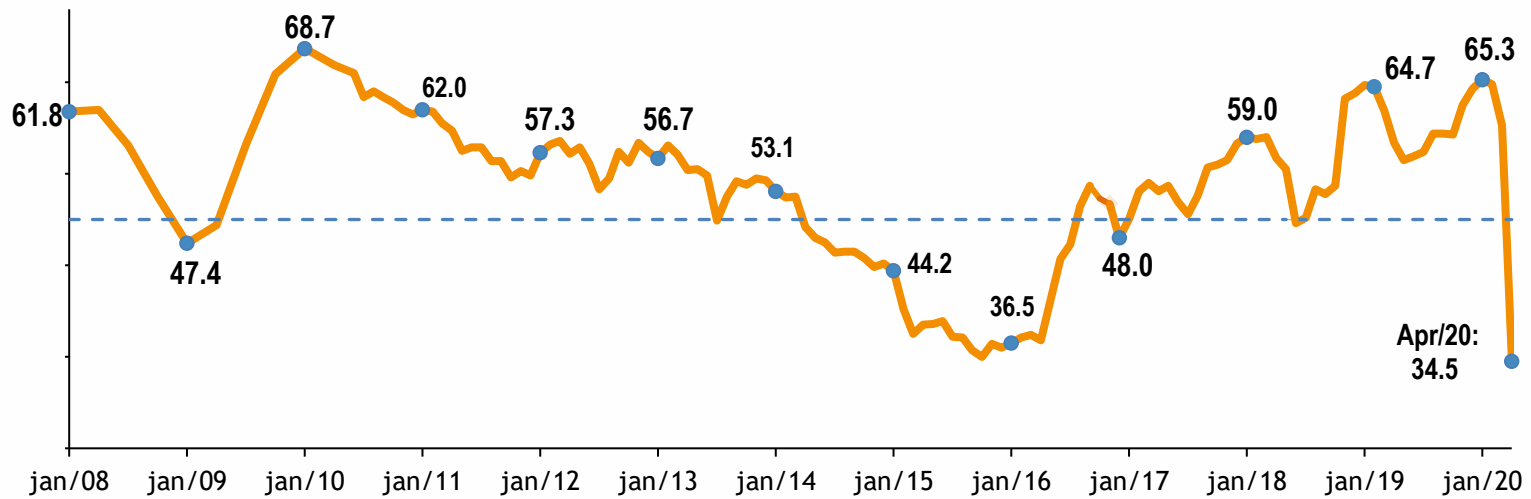
- **Order entry** in 1Q20 **grew 32.7%** over 1Q19, with emphasis on the **Romi Machines** and **Rough and Machined Cast Iron Parts** Units, which **grew 21.8%** and **114.7%**, respectively;
- The **net operating revenue increased** by **37.4%** in 1Q20 over the same period in 2019, reflecting positively on the operating margin, which in the same period **increased** by **18.2 p.p.**;
- At the **Romi Machines Unit**, the **net operating revenue** in 1Q20 was **19.7% higher** than that observed in 1Q19, due to the recovery of the domestic market. This growth, combined with the control of operating expenses, resulted in an **expansion** of the **operating margin**, in the same comparison period, of **11.5 p.p.**;
- The **B+W Machines Unit** posted a **growth** of **107.2%** in **net operating revenue** in 1Q20. The higher volume of revenue, combined with projects focused on increasing profitability, reflected on the growth of the operating margin; and
- The **Rough and Machined Cast Iron Parts Unit** achieved a **growth** of **36.9%** in **net operating revenue** in 1Q20 as compared to 1Q19, driven by the delivery of large parts. The **operating margin grew** by **15.6 p.p.**, reflecting the **higher** volume of production and revenue.



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



Source: CNI – UCI (Utilization of installed Capacity), March 2020



Source: CNI – ICEI (Industrial Executive Confidence Index), April 2020

Economic Indexes - Conjunctural

Romi Machines



	1Q20	2019
Job shops	20%	22%
Machines and Equipments	16%	19%
Automotive	13%	14%
Agricultural	11%	2%
Tooling	7%	7%
Packing	6%	5%
Others	27%	31%

B+W Machines



	1Q20	2019
Machines and Equipments	40%	52%
Automotive	32%	24%
Motors and Systems	28%	20%
Aerospace	0%	4%

Rough and Machined Cast Iron Parts



	1Q20	2019
Wind Power	44%	23%
Automotive	28%	32%
Construction	14%	20%
Agriculture	13%	23%
Others	1%	2%

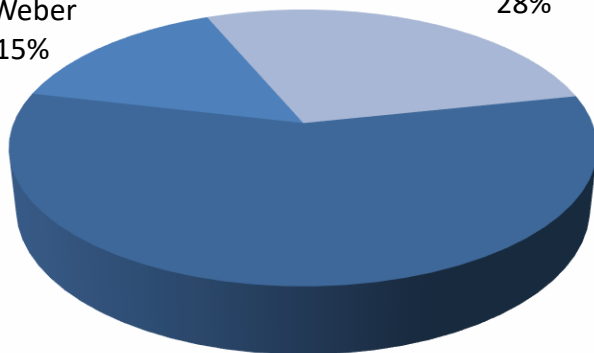
Business units

1Q19

Máquinas
Burkhardt
+ Weber
15%

Cast Iron
Parts
28%

Romi
Machines
57%

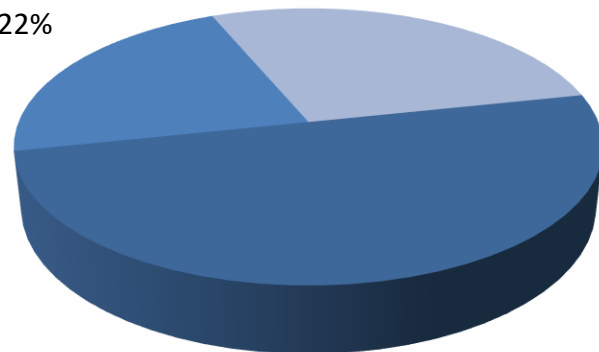


1Q20

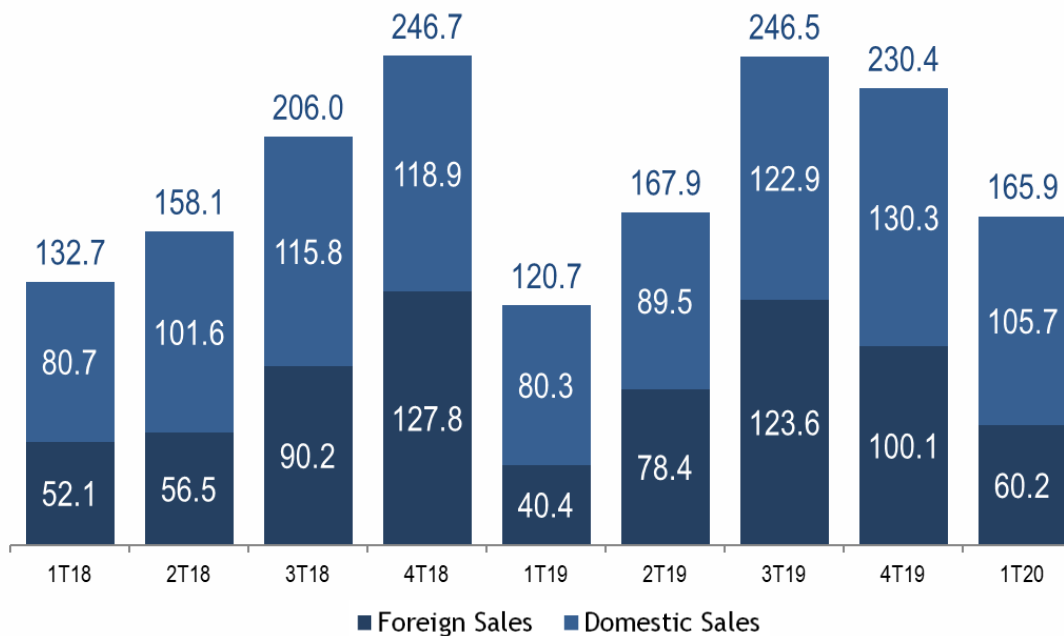
Máquinas
Burkhardt
+ Weber
22%

Cast Iron
Parts
28%

Romi
Machines
50%



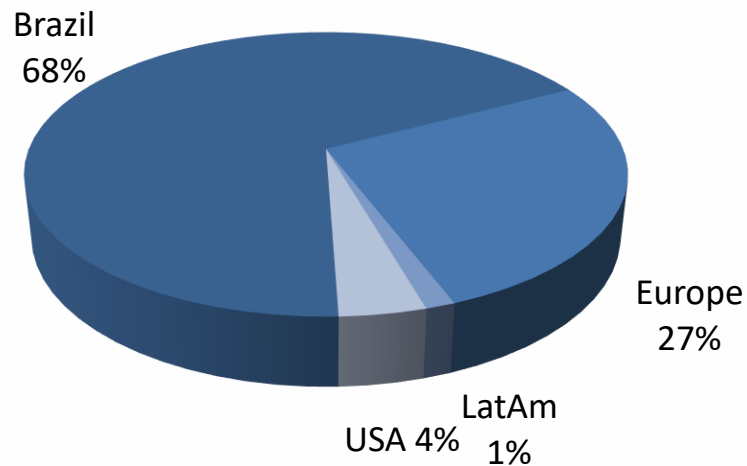
Net Operating Sales (R\$ million)



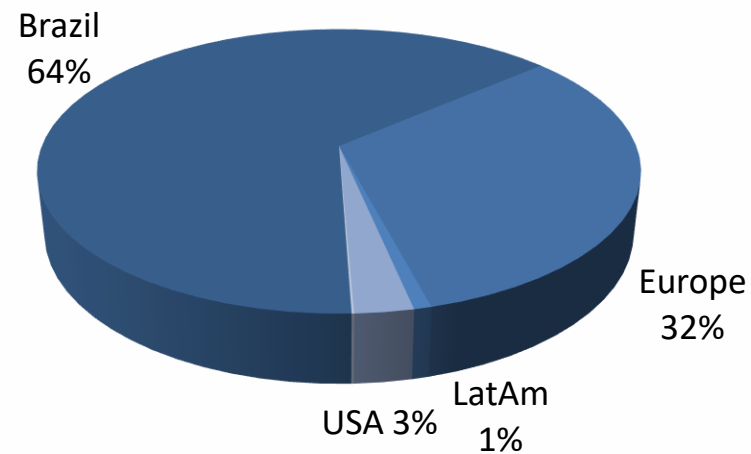
(*) Amounts relating to continued operations, excluding revenues from the subsidiary Romi Italia, which are presented as discontinued operations.

Net Sales per Business Unit

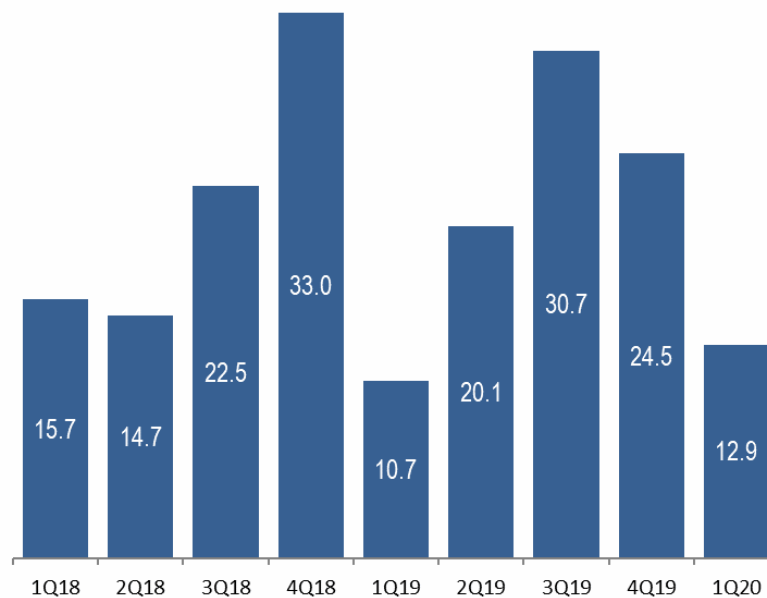
1Q19



1Q20



Foreign Sales (US\$ million)



(*) Amounts relating to continued operations, excluding revenues from the subsidiary Romi Italia, which are presented as discontinued operations.

Sales Distribution

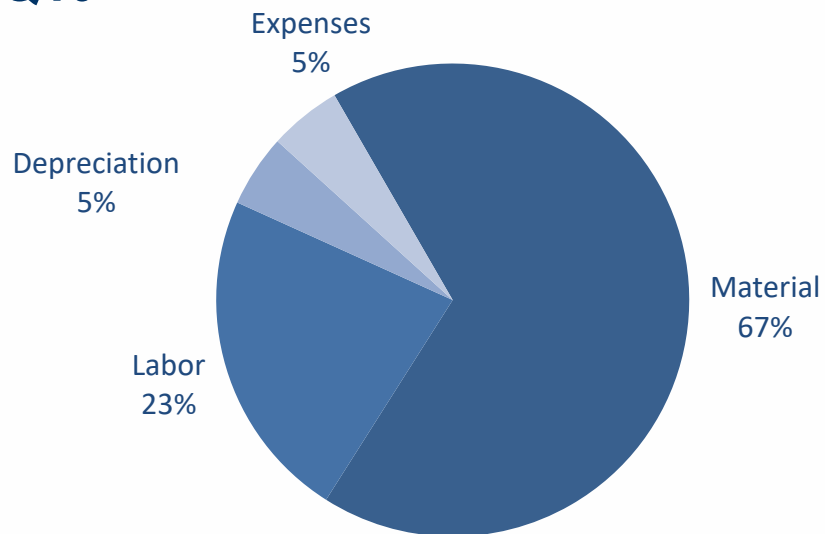
Order Entry (R\$ 000) Gross Values, sales taxes included	1Q19	4Q19	1Q20	Chg. 1Q20/4Q19	Chg. 1Q20/1Q19
Romi Machines	71,956	111,184	87,624	-21.2%	21.8%
Burkhardt+Weber Machines	32,199	27,249	20,182	-25.9%	-37.3%
Rough and Machined Cast Iron Parts	37,078	46,820	79,616	70.0%	114.7%
Total *	141,233	185,253	187,423	1.2%	32.7%

Order Backlog (R\$ 000) Gross Values, sales taxes included	1Q19	4Q19	1Q20	Chg. 1Q20/4Q19	Chg. 1Q20/1Q19
Romi Machines	74,815	93,276	111,063	19.1%	48.4%
Burkhardt+Weber Machines	187,107	138,470	164,039	18.5%	-12.3%
Rough and Machined Cast Iron Parts	50,100	73,207	106,829	45.9%	113.2%
Total *	312,022	304,952	381,931	25.2%	22.4%

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

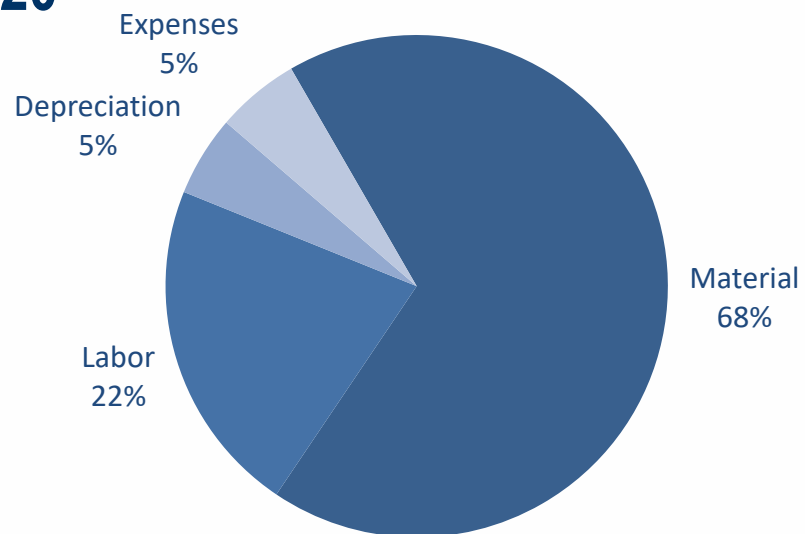
Order Entry Backlog

1Q19



21%	Domestic material
16%	FX Related Domestic Material
13%	Metals
17%	Imported Material

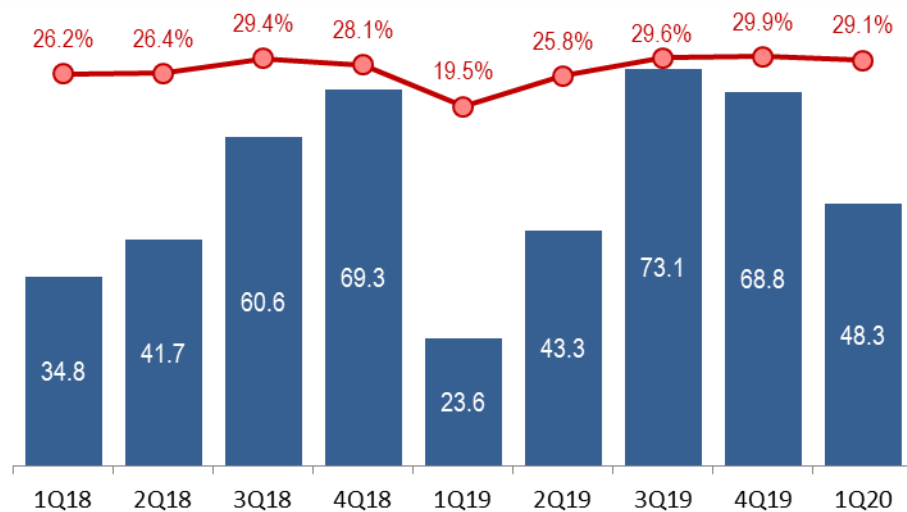
1Q20



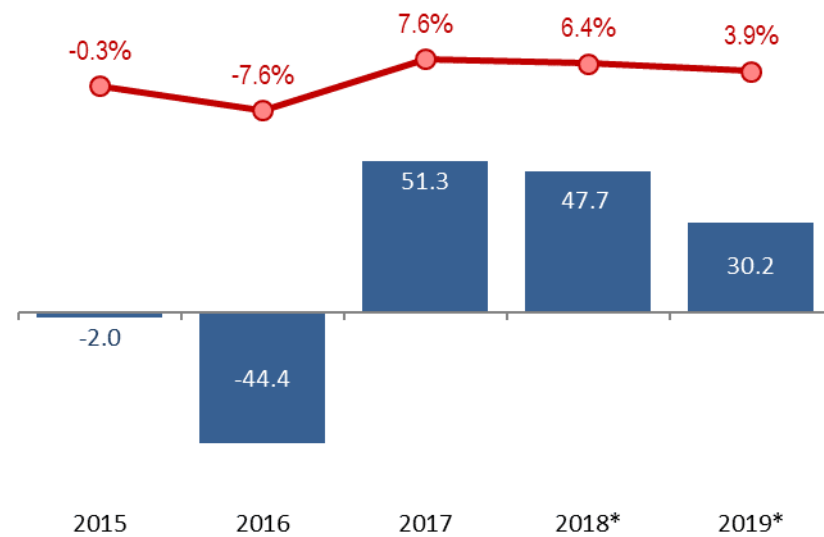
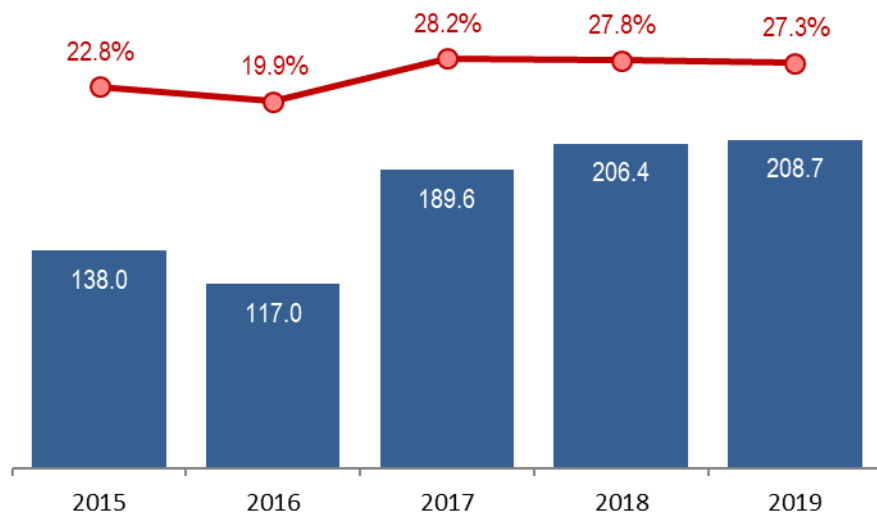
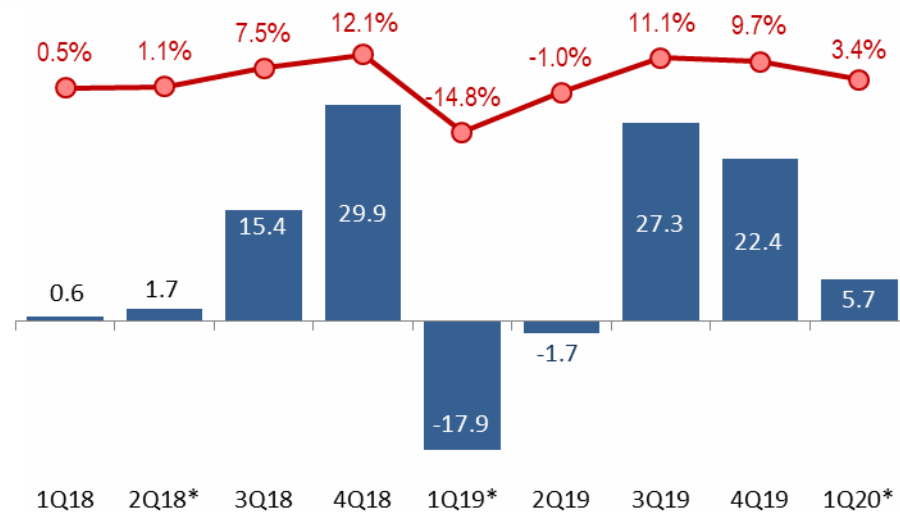
21%	Domestic material
14%	FX Related Domestic Material
14%	Metals
19%	Imported Material

Cost of Goods Sold

Gross Profit (R\$ million) and Gross Margin

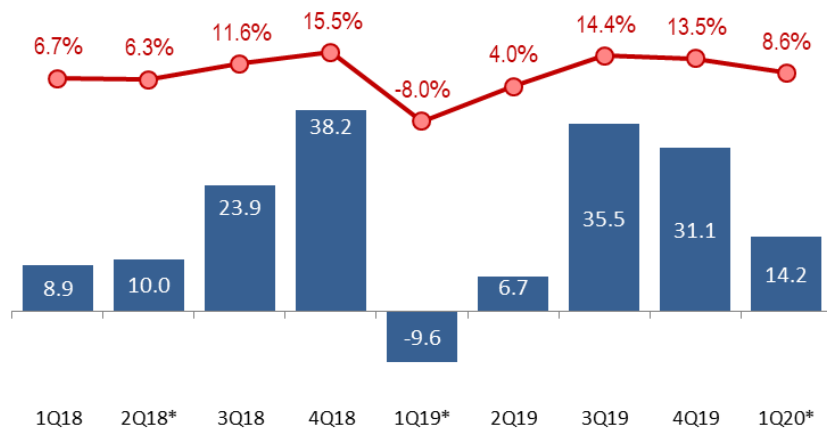


Operating Profit (loss) (R\$ million) and Operating Margin

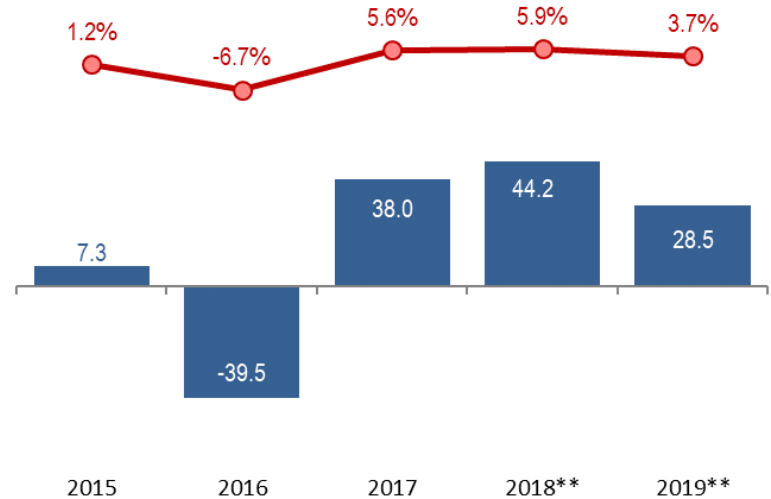
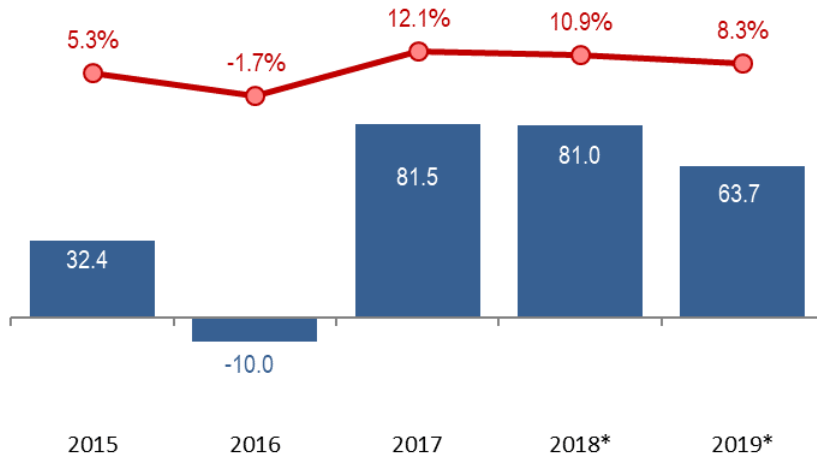
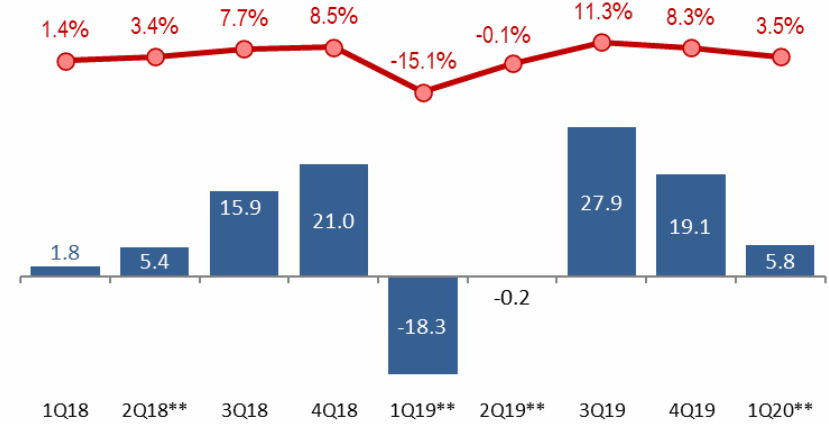


(*) According to the information in the 1Q20 Earnings Release, operating income is adjusted as follows: (i) 2Q18/2018: increased by R\$1.6 million; (ii) 1Q19/2019: reduced by R\$74.3 million; and (iii) 1Q20: increased by R\$1.0 million.

EBITDA (R\$ million) and EBTIDA Margin



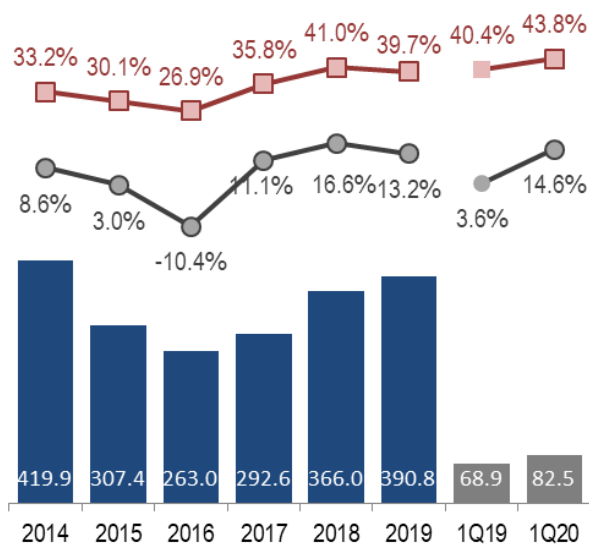
Net income (loss) (R\$ million) and Net Margin



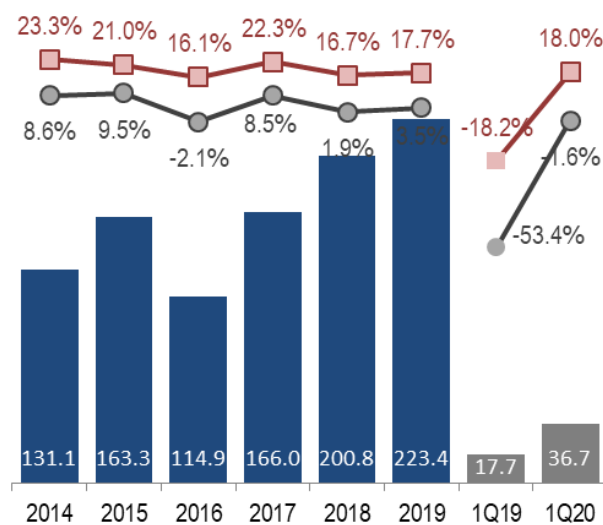
(*) According to the information in the 1Q20 Earnings Release, EBITDA is adjusted by the following aspects: (i) 2Q18/2018: increased by R\$1.6 million; (ii) 1Q19/2019: reduced by R\$74.3 million; and (iii) 1Q20: reduced by R\$1.0 million. (**) According to the information in the 1Q20 Earnings Release, 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; (iv) 2019: reduced by R\$101.4; and (v) 1Q20: reduced by R\$35.0 million.

	Quarter								
Sales	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
Romi Machines (qty)	144	183	227	270	137	172	242	248	164
Burkhardt+Weber (qty)	3	4	9	13	2	8	12	7	3
Rough and Machined Cast Iron Parts (ton)	4,592	5,453	5,520	3,469	3,567	3,836	4,286	3,605	4,095

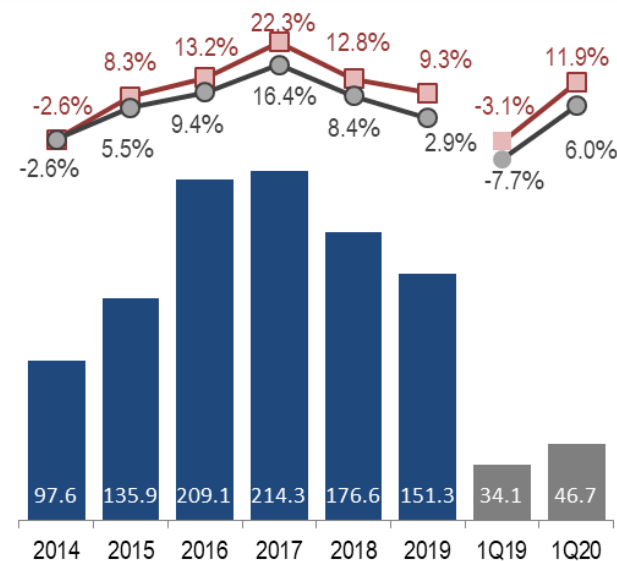
Romi Machines



B+W Machines



Rough and Machined Cast Iron Parts



■ Revenue ■ Gross Margin ● EBTIDA Adjusted

(*) EBTIDA margin is adjusted according to previous slides.

Business Units' Results

Cash and Cash Equivalent (R\$ MM) - 03/31/2020

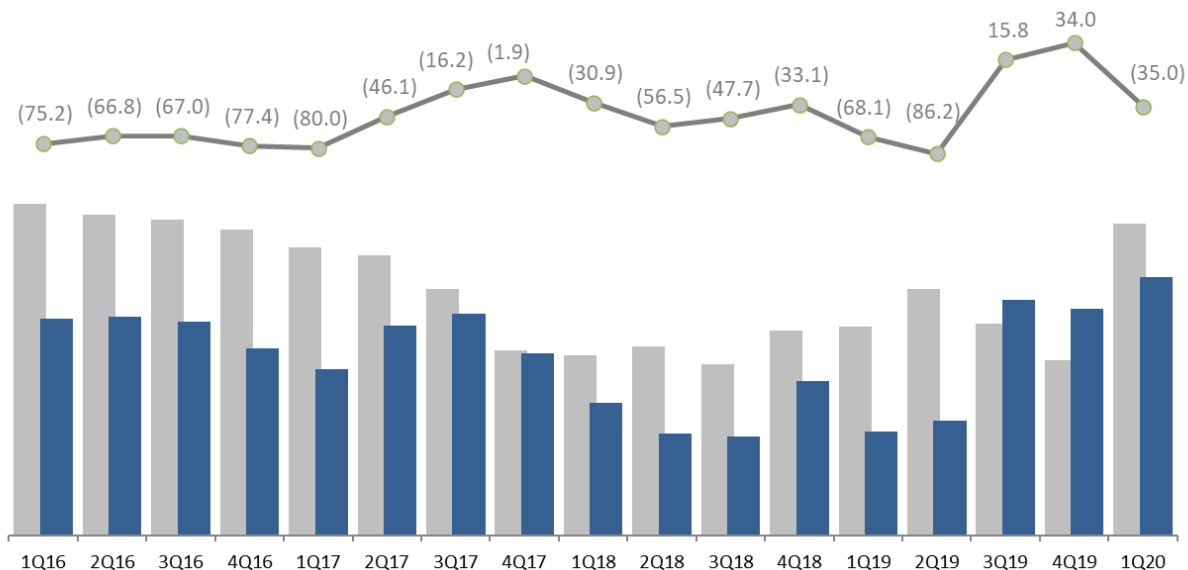
	Amount
Bank Deposit Certificate (CDB)	145.5
Financial Investment with Bonds	3.0
Banks	20.2
Total	168.7
Net Cash=	-35.0

Loans* (R\$ MM) - 03/31/2020

	Amount
2020	90.1
2021	90.6
2022	6.4
2023	7.7
2024	2.5
2025 and after	6.5
Total	203.8

Net Cash (Debt) Position

R\$ million

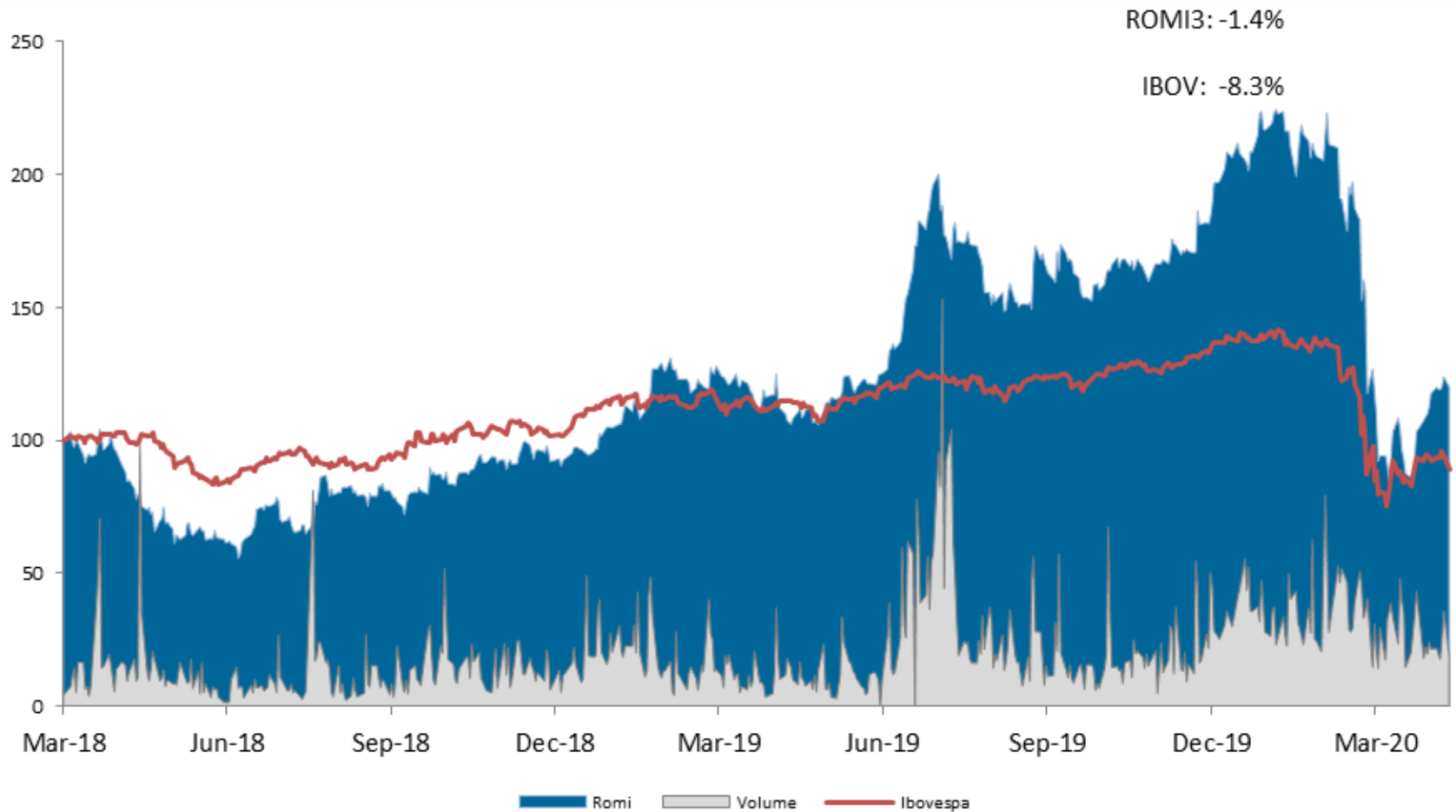


(*) Without Finame Manufacturer

Cash Position

Share Performance ROMI3 vs. Ibovespa

From 03/31/2018 to 04/27/2020



Source: B3

Share Performance



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