(A free translation of the original in Portuguese)

Tupy S.A.

Quarterly information (ITR) at June 30, 2012 and report on review of quarterly information

(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Board of Directors and Stockholders
Tupy S.A.
São Paulo/SP

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Tupy S.A., included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2012, comprising the balance sheet as at that date and the statements of operations and comprehensive income for the quarter and six-month period 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 interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 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 parent company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above

has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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.

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, 2012. 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) but 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.

Audit and review of prior-year information

The Quarterly Information (ITR) mentioned in the first paragraph includes the accounting information corresponding to the statements of income, changes in equity, cash flows and value added for the quarter ended June 30, 2011, obtained from the quarterly information as at that date, and the balance sheets at December 31, 2011, obtained from the financial statements as at December 31, 2011, presented for comparison purposes. The review of the Quarterly Information (ITR) for the quarter ended June 30, 2011 and the audit of the financial statements for the year ended December 31, 2011 were conducted by other independent auditors, who issued unqualified review and audit reports dated August 11, 2011 and March 16, 2012, respectively.

Florianópolis, August 14, 2012

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Mario Miguel Tomaz Tannhauser Junior
Contador CRC 1SP217245/O-8

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1. General information

Corporate name	TUPY S.A.
Date of adoption of the corporate name	12/10/1985
Type	Publicly-held corporation
Previous corporate name	Fundição Tupy S.A.
Date of establishment	2/15/1938
Federal Corporate Taxpayers' Registration Number (CNPJ)	84.683.374/0001-49
Brazilian Securities Commission (CVM) code	634-3
CVM registration date	7/1/1966
CVM registration status	Active
Date of effectiveness of status	7/1/1966
Home country	Brazil
Country in which the securities are held in custody	Brazil

Other countries in which the securities can be traded

Country	Date of admission

Activity sector	Metallurgy and Steel metallurgy
Description of activities	Casted products for the automotive industry / cast-iron connections to be used in hydraulic and gas networks / abrasives and shapes
Issuer category	Category A
Date of registration in the current category	1/1/2010
Issuer status	Operating phase
Date of effectiveness of status	7/1/1966
Type of ownership control	Private
Date of last change in ownership control	4/30/2008
Date of last change of the fiscal year	
Month/day of the end of the fiscal year	12/31
Issuer's website on the Internet	www.tupy.com.br

Newspapers in which the issuer discloses its information

Name of newspapers in which the issuer discloses its information	State
Diário Oficial do Estado	SP
Valor Econômico	SP

2. Address

Mail address	Rua Albano Schmidt, 3.400, -, Boa Vista, Joinville, SC, Brasil, CEP 89227-901, Telephone (47) 40098181, Fax (47) 40098584, E-mail tupy-sa@tupy.com.br
Headquarters' address	Av. Dr.Cardoso de Mello, 1666, 6o. andar, Vila Olímpia, São Paulo, SP, Brasil, CEP 04548-005, Telephone (47) 40098181, Fax (47) 40098584, E-mail tupy-sa@tupy.com.br

4. Auditor

Does the Issuer have an auditor?	YES
CVM code	287-9
Type of auditor	Brazilian firm
Name/Corporate name	PricewaterhouseCoopers Auditores Independentes
Individual Taxpayers' Registration Number (CPF)/ Federal Corporate Taxpayers' Registration Number (CNPJ)	61.562.112/0024-17
Period of services	3/12/2012

Partner responsible	Period of services	CPF
Mario Miguel Tomaz Tannhauser Junior	3/12/2012	149.917.078-54

5. Share registrar

Does the Company have a service provider?	YES
Corporate name	Bradesco S.A. Corretora de Títulos e Valores Mobiliarios
CNPJ	61.855.045/0001-32
Period of services	2/1/2002
Service address	Avenida Paulista 1.450, 7o. andar, Bela Vista, São Paulo, SP, Brasil, CEP 01310-917, Telephone (11) 36849495, Fax (11) 36849495, E-mail 5900.saq@bradesco.com.br

6. Investor relations officer or equivalent

Name	Luiz Tarquínio Sardinha Ferro
	Investor relations officer
CPF/CNPJ	238.804.571-15
Mail address	Rua Albano Schmidt, 3.400 - Boa Vista, Joinville, SC, Brasil, CEP 89227-901, Telephone (47) 40098231, Fax (47) 40098584, E-mail dri@tupy.com.br
Date when the person assumed the position	1/13/2003
Date when the person left the position	

7. Shareholders' department

CONTACT	**Marcio Bessa Sarquis**
Date when the person assumed the position	**7/1/1966**
Date when the person left the position	**4/30/2012**
Mail address	Rua Albano Schmidt, 3.400 - Boa Vista, Joinville, SC, Brasil, CEP 89227-901, Telephone (47) 40098238, Fax (47) 40098584, E-mail bessa@tupy.com.br

CONTACT	**Thiago Fontoura Struminski**
Date when the person assumed the position	**5/2/2012**
Date when the person left the position	
Mail address	Rua Albano Schmidt, 3.400 - Boa Vista, Joinville, SC, Brasil, CEP 89227-901, Telephone (47) 40098104, Fax (47) 40098231, E-mail thiago@tupy.com.br

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Company information / Capital composition

Number of shares (In thousands)	Current quarter 6/30/2012
Paid-up capital	
Common shares	56,820
Preferred shares	319
Total	57,139
Treasury shares	
Common shares	0
Preferred shares	0
Total	0

Company information/dividends

Event	Date approved	Description	Initial date of payment	Type of share	Class of share	Amount per share (Reais/share)
Extraordinary and Annual General Stockholders Meeting	4/30/2012	Dividend	6/15/2012	Common		0.63832
Extraordinary and Annual General Stockholders Meeting	4/30/2012	Dividend	6/15/2012	Preferred		0.63832
Extraordinary and Annual General Stockholders Meeting	4/30/2012	Interest on capital	6/15/2012	Common		0.84034
Extraordinary and Annual General Stockholders Meeting	4/30/2012	Interest on capital	6/15/2012	Preferred		0.84034

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Parent company financial statements / balance sheet - assets

(R$ thousand)

1 - Code	2 - Description	Current quarter 6/30/2012	Prior year 12/31/2011
1	Total assets	3,554,229	3,416,457
1.01	Current assets	1,082,816	1,984,893
1.01.01	Cash and cash equivalents	863	2,766
1.01.02	Financial investments	447,966	1,405,667
1.01.02.01	Financial investments at fair value	447,966	1,405,667
1.01.02.01.02	Securities available for sale	447,966	1,405,667
1.01.03	Trade receivables	236,331	219,671
1.01.03.01	Customers	236,331	219,671
1.01.04	Inventories	203,230	204,184
1.01.07	Prepaid expenses	8,221	5,821
1.01.08	Other current assets	186,205	146,784
1.01.08.03	Other	186,205	146,784
1.01.08.03.01	Third-party tools	28,434	25,044
1.01.08.03.02	Taxes and contributions recoverable	127,981	95,125
1.01.08.03.03	Notes and other receivables	29,790	19,523
1.01.08.03.04	Derivative financial instruments	0	7,092
1.02	Non-current assets	2,471,413	1,431,564
1.02.01	Long-term receivables	445,302	212,089
1.02.01.01	Financial investments at fair value	19,801	24,192
1.02.01.01.02	Securities available for sale	19,801	24,192
1.02.01.09	Other non-current assets	425,501	187,897
1.02.01.09.03	Taxes and contributions recoverable	107,863	93,170
1.02.01.09.04	Credits - Eletrobrás	88,343	88,597
1.02.01.09.05	Judicial deposits and other	6,458	6,130
1.02.01.09.06	Advances for future capital increase	222,837	0
1.02.02	Investments	843,121	89,359
1.02.02.01	Equity investments	843,121	89,359
1.02.02.01.02	Investments in subsidiaries	841,757	87,995
1.02.02.01.04	Other investments	1,364	1,364
1.02.03	Property, plant and equipment	1,182,990	1,130,116
1.02.03.01	Property, plant and equipment in use	957,585	803,758
1.02.03.02	Leased property, plant and equipment	340	703
1.02.03.03	Construction in progress	225,065	325,655

Parent company financial statements / balance sheet - liabilities and equity

(R$ thousand)

1 - Code	2 - Description	Current quarter 6/30/2012	Prior year 12/31/2011
2	Total liabilities and equity	3,554,229	3,416,457
2.01	Current liabilities	1,009,235	792,463
2.01.01	Social security and labor obligations	94,853	87,635
2.01.01.01	Social security obligations	14,010	14,855
2.01.01.02	Labor obligations	80,843	72,780
2.01.02	Trade payables	161,688	165,243
2.01.02.01	Local suppliers	147,741	149,645
2.01.02.02	Foreign suppliers	13,947	15,598
2.01.03	Tax obligations	2,028	5,285
2.01.03.01	Federal tax obligations	1,670	5,084
2.01.03.02	State tax obligations	185	30
2.01.03.03	Municipal tax obligations	173	171
2.01.04	Borrowings	651,201	401,491
2.01.04.01	Borrowings	651,201	401,491
2.01.04.01.01	In local currency	597,098	345,646
2.01.04.01.02	In foreign currency	54,103	55,845
2.01.05	Other obligations	99,465	132,809
2.01.05.02	Other	99,465	132,809
2.01.05.02.02	Mandatory minimum dividends payable	386	55,506
2.01.05.02.04	Financing of taxes and social security charges	12,277	11,912
2.01.05.02.05	Advances from customers	46,870	44,731
2.01.05.02.06	Notes and other payables	39,932	20,660
2.02	Non-current liabilities	1,406,203	1,527,363
2.02.01	Borrowings	1,271,876	1,402,273
2.02.01.01	Borrowings	1,271,876	1,402,273
2.02.01.01.01	In local currency	395,260	585,315
2.02.01.01.02	In foreign currency	876,616	816,958
2.02.02	Other obligations	5,349	10,117
2.02.02.01	Payables to related parties	1,617	1,685
2.02.02.01.02	Debts with subsidiaries	1,617	1,685
2.02.02.02	Other	3,732	8,432
2.02.02.02.03	Financing of taxes and social security charges	0	4,974
2.02.02.02.04	Other long-term liabilities	3,732	3,458
2.02.03	Deferred taxes	32,403	23,934
2.02.03.01	Deferred income tax and social contribution	32,403	23,934
2.02.04	Provisions	96,575	91,039
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	96,575	91,039
2.02.04.01.01	Provisions for tax contingencies	10,233	9,826
2.02.04.01.02	Provisions for social security and labor contingencies	10,905	9,743
2.02.04.01.04	Provisions for civil contingencies	75,437	71,470
2.03	Equity	1,138,791	1,096,631
2.03.01	Paid-up capital	537,051	398,395
2.03.04	Revenue reserves	398,395	566,033
2.03.04.01	Legal reserve	37,453	37,453
2.03.04.02	Statutory reserve	360,942	499,598
2.03.04.08	Additional dividends proposed	0	28,982
2.03.05	Retained earnings	42,449	0
2.03.06	Carrying value adjustments	125,651	132,203
2.03.07	Accumulated translation adjustments	35,245	0

Parent company financial statements / statement of operations

(R$ thousand unless otherwise stated)

1 - Code	2 - Description	Current quarter 4/1/2012 to 6/30/2012	Accumulated - current year 1/1/2012 to 6/30/2012	Same quarter of prior year 4/1/2011 to 6/30/2011	Accumulated - prior year 1/1/2011 to 6/30/2011
3.01	Sales and/or services revenue	528,513	1,051,908	531,229	1,027,890
3.02	Cost of sales and/or services	-437,341	-879,944	-435,533	-836,579
3.03	Gross profit	91,172	171,964	95,696	191,311
3.04	Operating income/expenses	-51,533	-75,996	-42,176	-86,598
3.04.01	Selling expenses	-21,346	-43,589	-21,979	-50,687
3.04.02	General and administrative expenses	-24,109	-37,387	-12,691	-25,001
3.04.05	Other operating expenses	-18,435	-8,742	-7,472	-13,574
3.04.06	Equity in the results of investees	12,357	13,722	-34	2,664
3.05	Profit before finance result and taxes	39,639	95,968	53,520	104,713
3.06	Finance result	-54,024	-47,301	9,104	17,653
3.06.01	Finance income	74,949	122,921	19,194	38,892
3.06.02	Finance costs	-128,973	-170,222	-10,090	-21,239
3.07	Profit (loss) before taxation	-14,385	48,667	62,624	122,366
3.08	Income tax and social contribution on net income	8,234	-12,770	-21,499	-40,962
3.08.01	Current	13,529	-4,301	-19,713	-30,429
3.08.02	Deferred	-5,295	-8,469	-1,786	-10,533
3.09	Profit (loss) from continuing operations	-6,151	35,897	41,125	81,404
3.11	Profit (loss) for the period	-6,151	35,897	41,125	81,404
3.99	Earnings (loss) per share - (Reais / share)				
3.99.01	Basic earnings (loss) per share - R$				
3.99.01.01	Common share	-0.10770	0.62820	0.71970	1.42470
3.99.01.02	Preferred share	-0.10770	0.62820	0.71970	1.42470
3.99.02	Diluted earnings (loss) per share - R$				
3.99.02.01	Common share	-0.10770	0.62820	0.71970	1.42470
3.99.02.02	Preferred share	-0.10770	0.62820	0.71970	1.42470

Parent company financial statements / statement of comprehensive income

(R$ thousand)

1 - Code	2 - Description	Current quarter 4/1/2012 to 6/30/2012	Accumulated - current year 1/1/2012 to 6/30/2012	Same quarter of prior year 4/1/2011 to 6/30/2011	Accumulated - prior year 1/1/2011 to 6/30/2011
4.01	Profit (loss) for the period	-6,151	35,897	41,125	81,404
4.02	Other comprehensive income	35,245	35,245	0	0
4.02.01	Exchange rate variation of investees located abroad	35,245	35,245	0	0
4.03	Comprehensive income for the period	29,094	71,142	41,125	81,404

(A free translation of the original in Portuguese)

Parent company financial statements / statement of cash flows - indirect method

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 6/30/2012	Accumulated - prior year 1/1/2011 to 6/30/2011
6.01	Net cash provided by operating activities	57,206	110,192
6.01.01	Cash from operations	177,741	171,276
6.01.01.01	Profit for the period before income tax and social contribution	48,667	122,366
6.01.01.02	Depreciation and amortization	44,097	38,994
6.01.01.03	Share of results of subsidiaries	-13,722	-2,664
6.01.01.04	Disposal of property, plant and equipment	15	1,133
6.01.01.05	Interest accrued and foreign exchange variations	97,259	14,453
6.01.01.06	Provision for impairment of trade receivables	-581	821
6.01.01.07	Provision for inventory losses	241	-1,111
6.01.01.08	Provision for contingencies, net	1,491	-1,479
6.01.01.09	Other long-term liabilities	274	-1,237
6.01.02	Changes in assets and liabilities	-120,535	-61,084
6.01.02.01	Trade receivables	-16,079	-22,988
6.01.02.02	Inventories	713	7,467
6.01.02.03	Customers' tools	-3,390	-8,186
6.01.02.04	Taxes and contributions recoverable	-36,531	-848
6.01.02.05	Notes and other receivables	-12,667	-5,581
6.01.02.06	Judicial deposits and other	-328	-33
6.01.02.07	Trade payables	-5,014	31,415
6.01.02.08	Taxes and contributions	-3,257	5,157
6.01.02.09	Salaries, social security charges and profit sharing	7,218	-15,696
6.01.02.10	Advances from customers	2,139	-7,474
6.01.02.11	Notes and other payables	19,272	-3,288
6.01.02.12	Interest paid	-66,154	-19,449
6.01.02.13	Income tax and social contribution paid	-6,457	-21,580
6.02	Net cash used in investing activities	-1,003,890	-104,636
6.02.01	Purchases of property, plant and equipment	-95,675	-104,636
6.02.02	Sales of property, plant and equipment	148	0
6.02.03	Acquisition of companies in Mexico	-908,363	0
6.03	Net cash used in financing activities	-33,941	-101,893
6.03.01	Payment of borrowings	-46,120	-43,868
6.03.02	Repayment of tax financing	-4,851	-4,669
6.03.03	New borrowings	95,775	11,653
6.03.04	Subsidiaries and associates	-72	-199
6.03.05	Interest on capital and dividends paid	-84,102	-64,810
6.03.06	Long-term financial investments	5,429	0
6.04	Foreign exchange variation on cash and cash equivalents	21,021	-2,006
6.05	Decrease in cash and cash equivalents	-959,604	-98,343
6.05.01	Cash and cash equivalents at the beginning of the period	1,408,433	558,168
6.05.02	Cash and cash equivalents at the end of the period	448,829	459,825

Parent company financial statements / statement of changes in equity - 1/1/2012 to 6/30/2012

(R$ thousand)

1 - Code	2 - Description	Capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings	Carrying value adjustments	Equity
5.01	Opening balance	398,395	0	566,033	0	132,203	1,096,631
5.03	Adjusted opening balance	398,395	0	566,033	0	132,203	1,096,631
5.04	Capital transactions with stockholders	138,656	0	-167,638	0	0	-28,982
5.04.01	Capital increases	138,656	0	-138,656	0	0	0
5.04.06	Dividends	0	0	-28,982	0	0	-28,982
5.05	Total comprehensive income	0	0	0	35,897	35,245	71,142
5.05.01	Profit for the period	0	0	0	35,897	0	35,897
5.05.02	Other comprehensive income	0	0	0	0	35,245	35,245
5.05.02.04	Translation adjustments for the period	0	0	0	0	35,245	35,245
5.06	Internal changes in equity	0	0	0	6,552	-6,552	0
5.06.02	Realization of the revaluation reserve	0	0	0	6,552	-6,552	0
5.07	Closing balance	537,051	0	398,395	42,449	160,896	1,138,791

Parent company financial statements / statement of changes in equity - 1/1/2011 to 6/30/2011

(R$ thousand)

1 - Code	2 - Description	Capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings	Carrying value adjustments	Equity
5.01	Opening balance	398,395	0	423,874	0	148,490	970,759
5.03	Adjusted opening balance	398,395	0	423,874	0	148,490	970,759
5.04	Capital transactions with stockholders	0	0	-22,006	0	0	-22,006
5.04.06	Dividends	0	0	-22,006	0	0	-22,006
5.05	Total comprehensive income	0	0	0	81,404	0	81,404
5.05.01	Profit for the period	0	0	0	81,404	0	81,404
5.06	Internal changes in equity	0	0	0	9,251	-9,251	0
5.06.02	Realization of the revaluation reserve	0	0	0	9,251	-9,251	0
5.07	Closing balance	398,395	0	401,868	90,655	139,239	1,030,157

Parent company financial statements / statement of value added

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 6/30/2012	Accumulated - prior year 1/1/2011 to 6/30/2011
7.01	Revenue	1,165,774	1,179,318
7.01.01	Sales of products and services	1,165,193	1,180,139
7.01.04	Changes in the provision for impairment of trade receivables	581	-821
7.02	Inputs acquired from third parties	-756,291	-750,228
7.02.01	Cost of sales and services	-579,742	-561,438
7.02.02	Materials, electricity, outsourced services and other	-176,549	-188,790
7.03	Gross value added	409,483	429,090
7.04	Retentions	-44,097	-38,994
7.04.01	Depreciation, amortization and depletion	-44,097	-38,994
7.05	Net value added generated by the entity	365,386	390,096
7.06	Value added received through transfer	63,497	36,011
7.06.01	Equity in the results of investees	13,722	2,664
7.06.02	Finance income	49,775	33,347
7.07	Total value added to distribute	428,883	426,107
7.08	Distribution of value added	428,883	426,107
7.08.01	Personnel	245,856	200,702
7.08.01.01	Direct remuneration	187,748	158,737
7.08.01.02	Benefits	39,521	27,664
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	18,587	14,301
7.08.02	Taxes and contributions	50,054	128,307
7.08.02.01	Federal	46,380	109,661
7.08.02.02	State	1,996	17,201
7.08.02.03	Municipal	1,678	1,445
7.08.03	Remuneration of third-party capital	97,076	15,694
7.08.03.01	Interest	58,894	19,210
7.08.03.03	Other	38,182	-3,516
7.08.03.03.01	Monetary and foreign exchange variations, net	38,182	-3,516
7.08.04	Remuneration of own capital	35,897	81,404
7.08.04.03	Profits reinvested	35,897	81,404

(A free translation of the original in Portuguese)

Consolidated financial statements / balance sheet - assets

(R$ thousand)

1 - Code	2 - Description	Current quarter 6/30/2012	Prior year 12/31/2011
1	Total assets	3,855,470	3,427,072
1.01	Current assets	1,583,628	2,070,589
1.01.01	Cash and cash equivalents	1,140	2,883
1.01.02	Financial investments	612,910	1,418,202
1.01.02.01	Financial investments at fair value	612,910	1,418,202
1.01.02.01.02	Securities available for sale	612,910	1,418,202
1.01.03	Trade receivables	395,064	269,675
1.01.03.01	Customers	395,064	269,675
1.01.04	Inventories	302,335	222,261
1.01.07	Prepaid expenses	8,221	5,821
1.01.08	Other current assets	263,958	151,747
1.01.08.03	Other	263,958	151,747
1.01.08.03.01	Third-party tools	62,392	25,044
1.01.08.03.02	Taxes and contributions recoverable	169,502	100,572
1.01.08.03.03	Notes and other receivables	32,064	19,039
1.01.08.03.04	Derivative financial instruments	0	7,092
1.02	Non-current assets	2,271,842	1,356,483
1.02.01	Long-term receivables	225,776	214,880
1.02.01.01	Financial investments at fair value	19,801	24,192
1.02.01.01.02	Securities available for sale	19,801	24,192
1.02.01.09	Other non-current assets	205,975	190,688
1.02.01.09.03	Taxes and contributions recoverable	109,742	94,957
1.02.01.09.04	Credits - Eletrobrás	88,343	88,597
1.02.01.09.05	Judicial deposits and other	7,890	7,134
1.02.02	Investments	8,998	5,553
1.02.02.01	Equity investments	4,424	1,364
1.02.02.01.04	Other investments	4,424	1,364
1.02.02.02	Investment properties	4,574	4,189
1.02.03	Property, plant and equipment	1,549,278	1,136,050
1.02.03.01	Property, plant and equipment in use	1,304,713	809,692
1.02.03.02	Leased property, plant and equipment	340	703
1.02.03.03	Construction in progress	244,225	325,655
1.02.04	Intangible assets	487,790	0
1.02.04.01	Intangible assets	461,993	0
1.02.04.02	Goodwill	25,797	0

Consolidated financial statements / balance sheet - liabilities and equity

(R$ thousand)

1 - Code	2 - Description	Current quarter 6/30/2012	Prior year 12/31/2011
2	Total liabilities and equity	3,855,470	3,427,072
2.01	Current liabilities	1,204,057	808,149
2.01.01	Social security and labor obligations	107,276	88,009
2.01.01.01	Social security obligations	15,056	14,861
2.01.01.02	Labor obligations	92,220	73,148
2.01.02	Trade payables	271,448	165,526
2.01.02.01	Local suppliers	257,501	149,928
2.01.02.02	Foreign suppliers	13,947	15,598
2.01.03	Tax obligations	17,781	6,455
2.01.03.01	Federal tax obligations	17,423	6,254
2.01.03.02	State tax obligations	185	30
2.01.03.03	Municipal tax obligations	173	171
2.01.04	Borrowings	651,201	401,491
2.01.04.01	Borrowings	651,201	401,491
2.01.04.01.01	In local currency	597,098	345,646
2.01.04.01.02	In foreign currency	54,103	55,845
2.01.05	Other obligations	156,351	146,668
2.01.05.02	Other	156,351	146,668
2.01.05.02.02	Mandatory minimum dividends payable	386	55,506
2.01.05.02.04	Financing of taxes and social security charges	12,277	11,912
2.01.05.02.05	Advances from customers	80,036	54,324
2.01.05.02.06	Notes and other payables	63,652	24,926
2.02	Non-current liabilities	1,512,622	1,522,292
2.02.01	Borrowings	1,271,876	1,402,273
2.02.01.01	Borrowings	1,271,876	1,402,273
2.02.01.01.01	In local currency	395,260	585,315
2.02.01.01.02	In foreign currency	876,616	816,958
2.02.02	Other obligations	18,576	8,432
2.02.02.02	Other	18,576	8,432
2.02.02.02.03	Financing of taxes and social security charges	0	4,974
2.02.02.02.04	Obligations of pension plan benefits	11,872	0
2.02.02.02.05	Other long-term liabilities	6,704	3,458
2.02.03	Deferred taxes	125,229	20,184
2.02.03.01	Deferred income tax and social contribution	125,229	20,184
2.02.04	Provisions	96,941	91,403
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	96,941	91,403
2.02.04.01.01	Provisions for tax contingencies	10,233	9,826
2.02.04.01.02	Provisions for social security and labor contingencies	10,812	9,648
2.02.04.01.04	Provisions for civil contingencies	75,896	71,929
2.03	Consolidated equity	1,138,791	1,096,631
2.03.01	Paid-up capital	537,051	398,395
2.03.04	Revenue reserves	398,395	566,033
2.03.04.01	Legal reserve	37,453	37,453
2.03.04.02	Statutory reserve	360,942	499,598
2.03.04.08	Additional dividends proposed	0	28,982
2.03.05	Retained earnings	42,449	0
2.03.06	Carrying value adjustments	125,651	132,203
2.03.07	Accumulated translation adjustments	35,245	0

Consolidated financial statements / statement of operations

(R$ thousand unless otherwise stated)

1 - Code	2 - Description	Current quarter 4/1/2012 to 6/30/12	Accumulated - current year 1/1/2012 to 6/30/12	Same quarter of prior year 4/1/2011 to 6/30/2011	Accumulated - prior year 1/1/2011 to 6/30/2011
3.01	Sales and/or services revenue	746,620	1,275,025	537,008	1,047,671
3.02	Cost of sales and/or services	-606,610	-1,043,308	-432,663	-838,195
3.03	Gross profit	140,010	231,717	104,345	209,476
3.04	Operating expenses	-91,055	-121,074	-46,450	-98,274
3.04.01	Selling expenses	-33,717	-60,213	-25,626	-59,471
3.04.02	General and administrative expenses	-31,767	-45,647	-13,363	-26,394
3.04.05	Other operating expenses	-25,571	-15,214	-7,461	-12,409
3.05	Profit before finance result and taxes	48,955	110,643	57,895	111,202
3.06	Finance result	-50,857	-47,102	5,867	13,140
3.06.01	Finance income	76,642	122,498	15,197	34,397
3.06.02	Finance costs	-127,499	-169,600	-9,330	-21,257
3.07	Profit (loss) before taxation	-1,902	63,541	63,762	124,342
3.08	Income tax and social contribution on net income	-4,249	-27,644	-22,637	-42,938
3.08.01	Current	8,333	-10,425	-20,286	-31,789
3.08.02	Deferred	-12,582	-17,219	-2,351	-11,149
3.09	Profit (loss) from continuing operations	-6,151	35,897	41,125	81,404
3.11	Consolidated profit (loss) for the period	-6,151	35,897	41,125	81,404
3.11.01	Attributable to stockholders of the Parent company	-6,151	35,897	41,125	81,404
3.99	Earnings (loss) per share - (Reais / share)				
3.99.01	Basic earnings (loss) per share - R$				
3.99.01.01	Common share	-0.10770	0.62820	0.71970	1.42470
3.99.01.02	Preferred share	-0.10770	0.62820	0.71970	1.42470
3.99.02	Diluted earnings (loss) per share - R$				
3.99.02.01	Common share	-0.10770	0.62820	0.71970	1.42470
3.99.02.02	Preferred share	-0.10770	0.62820	0.71970	1.42470

Consolidated financial statements / statement of comprehensive income

(R$ thousand)

1 - Code	2 - Description	Current quarter 4/1/2012 to 6/30/12	Accumulated - current year 1/1/2012 to 6/30/12	Same quarter of prior year 4/1/2011 to 6/30/2011	Accumulated - prior year 1/1/2011 to 6/30/2011
4.01	Consolidated profit (loss) for the period	-6,151	35,897	41,125	81,404
4.02	Other comprehensive income	35,245	35,245	0	0
4.02.01	Exchange rate variation of investees located abroad	35,245	35,245	0	0
4.03	Consolidated comprehensive income for the period	29,094	71,142	41,125	81,404
4.03.01	Attributable to stockholders of the Parent company	29,094	71,142	41,125	81,404

Consolidated financial statements / statement of cash flows - indirect method

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 6/30/2012	Accumulated - prior year 1/1/2011 to 6/30/2011
6.01	Net cash provided by operating activities	93,293	109,190
6.01.01	Cash from operations	234,770	175,074
6.01.01.01	Profit for the period before income tax and social contribution	63,541	124,342
6.01.01.02	Depreciation and amortization	50,158	39,057
6.01.01.03	Amortization of intangible assets	7,888	0
6.01.01.04	Disposal of property, plant and equipment	17	1,147
6.01.01.05	Interest accrued and foreign exchange variations	108,454	13,955
6.01.01.06	Provision for impairment of trade receivables	1,153	821
6.01.01.07	Provision for inventory losses	538	-1,111
6.01.01.08	Provision for contingencies, net	1,493	-1,900
6.01.01.09	Other long-term liabilities	608	-1,237
6.01.01.10	Obligations of pension plan benefits	920	0
6.01.02	Changes in assets and liabilities	-141,477	-65,884
6.01.02.01	Trade receivables	-34,701	-24,121
6.01.02.02	Inventories	-22,626	7,454
6.01.02.03	Customers' tools	-8,379	-8,186
6.01.02.04	Taxes and contributions recoverable	-38,808	-166
6.01.02.05	Notes and other receivables	-7,172	-9,509
6.01.02.06	Judicial deposits and other	-756	-33
6.01.02.07	Trade payables	17,343	31,745
6.01.02.08	Taxes and contributions	-2,252	5,202
6.01.02.09	Salaries, social security charges and profit sharing	7,806	-16,102
6.01.02.10	Advances from customers	6,656	-11,381
6.01.02.11	Notes and other payables	22,034	1,602
6.01.02.12	Interest paid	-66,154	-19,449
6.01.02.13	Income tax and social contribution paid	-14,468	-22,940
6.02	Net cash used in investing activities	-895,550	-104,850
6.02.01	Purchases of property, plant and equipment	-97,855	-104,850
6.02.02	Sales of property, plant and equipment	148	0
6.02.03	Acquisition of companies in Mexico	-908,363	0
6.02.04	Cash and cash equivalents acquired com companies in Mexico	110,520	0
6.03	Net cash used in financing activities	-33,869	-101,694
6.03.01	Payment of borrowings	-46,120	-43,868
6.03.02	Repayment of tax financing	-4,851	-4,669
6.03.03	New borrowings	95,775	11,653
6.03.04	Interest on capital and dividends paid	-84,102	-64,810
6.03.05	Long-term financial investments	5,429	0
6.04	Foreign exchange variation on cash and cash equivalents	29,091	-1,637
6.05	Decrease in cash and cash equivalents	-807,035	-98,991
6.05.01	Cash and cash equivalents at the beginning of the year	1,421,085	578,366
6.05.02	Cash and cash equivalents at the end of the year	614,050	479,375

Consolidated financial statements / statement of changes in equity - 1/1/2012 to 6/30/2012

(R$ thousand)

1 - Code	2 - Description	Capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings	Carrying value adjustments	Equity	Non-controlling interests	Consolidated equity
5.01	Opening balance	398,395	0	566,033	0	132,203	1,096,631	0	1,096,631
5.03	Adjusted opening balance	398,395	0	566,033	0	132,203	1,096,631	0	1,096,631
5.04	Capital transactions with stockholders	138,656	0	-167,638	0	0	-28,982	0	-28,982
5.04.01	Capital increases	138,656	0	-138,656	0	0	0	0	0
5.04.06	Dividends	0	0	-28,982	0	0	-28,982	0	-28,982
5.05	Total comprehensive income	0	0	0	35,897	35,245	71,142	0	71,142
5.05.01	Profit for the period	0	0	0	35,897	0	35,897	0	35,897
5.05.02	Other comprehensive income	0	0	0	0	35,245	35,245	0	35,245
5.05.02.04	Translation adjustments for the period	0	0	0	0	35,245	35,245	0	35,245
5.06	Internal changes in equity	0	0	0	6,552	-6,552	0	0	0
5.06.02	Realization of the revaluation reserve	0	0	0	6,552	-6,552	0	0	0
5.07	Closing balance	537,051	0	398,395	42,449	160,896	1,138,791	0	1,138,791

Consolidated financial statements / statement of changes in equity - 1/1/2011 to 6/30/2011

(R$ thousand)

1 - Code	2 - Description	Capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings	Carrying value adjustments	Equity	Non-controlling interests	Consolidated equity
5.01	Opening balance	398,395	0	423,874	0	148,490	970,759	0	970,759
5.03	Adjusted opening balance	398,395	0	423,874	0	148,490	970,759	0	970,759
5.04	Capital transactions with stockholders	0	0	-22,006	0	0	-22,006	0	-22,006
5.04.06	Dividends	0	0	-22,006	0	0	-22,006	0	-22,006
5.05	Total comprehensive income	0	0	0	81,404	0	81,404	0	81,404
5.05.01	Profit for the period	0	0	0	81,404	0	81,404	0	81,404
5.06	Internal changes in equity	0	0	0	9,251	-9,251	0	0	0
5.06.02	Realization of the revaluation reserve	0	0	0	9,251	-9,251	0	0	0
5.07	Closing balance	398,395	0	401,868	90,655	139,239	1,030,157	0	1,030,157

Consolidated financial statements / statement of value added

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 6/30/2012	Accumulated - prior year 1/1/2011 to 6/30/2011
7.01	Revenue	1,387,208	1,199,112
7.01.01	Sales of products and services	1,388,361	1,199,933
7.01.04	Changes in the provision for impairment of trade receivables	-1,153	-821
7.02	Inputs acquired from third parties	-940,553	-758,138
7.02.01	Cost of sales and services	-579,742	-561,438
7.02.02	Materials, electricity, outsourced services and other	-360,811	-196,700
7.03	Gross value added	446,655	440,974
7.04	Retentions	-50,158	-39,057
7.04.01	Depreciation, amortization and depletion	-50,158	-39,057
7.05	Net value added generated by the entity	396,497	401,917
7.06	Value added received through transfer	46,705	33,360
7.06.02	Finance income	46,705	33,360
7.07	Total value added to distribute	443,202	435,277
7.08	Distribution of value added	443,202	435,277
7.08.01	Personnel	248,337	203,187
7.08.01.01	Direct remuneration	189,847	160,939
7.08.01.02	Benefits	39,903	27,947
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	18,587	14,301
7.08.02	Taxes and contributions	65,161	130,466
7.08.02.01	Federal	61,356	111,722
7.08.02.02	State	1,996	17,201
7.08.02.03	Municipal	1,809	1,543
7.08.03	Remuneration of third-party capital	93,807	20,220
7.08.03.01	Interest	58,266	20,359
7.08.03.03	Other	35,541	-139
7.08.03.03.01	Monetary and foreign exchange variations, net	35,541	-139
7.08.04	Remuneration of own capital	35,897	81,404
7.08.04.03	Profits reinvested	35,897	81,404

Comments on company performance

TUPY. Referência mundial em fundição.



2Q12 HIGHLIGHTS

TUPY

Conference call and Webcast

Date: 8/16/2012

Portuguese
14h00 (Brasília)
Telephone: +55 11 4688-6361
Code: TUPY

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- On April 16, the Company concluded the **acquisition of two foundries in the cities of Saltillo and Ramos Arizpe, in Mexico.** As a result, the Company consolidated the results of these operations as from that date.
- **Physical volume of sales:** 158.7 thousand metric tons - an increase of 31% when compared to 2Q11.
- **Net revenue:** R$ 746.6 million - an increase of 39% as compared to 2Q11.
- **Operating profit:** R$ 74.5 million - 10% on net revenue and **net loss** of R$ 6.1 million.
- **Adjusted EBITDA:** R$ 108.4 million, with a margin of 14.5% - an increase of 28% when compared to 2Q11.
- On June 15, the Company paid R$ 84.5 million in **dividends and interest on capital**, referring to the profit for 2011, equivalent to R$ 1.48 per common share.

São Paulo, August 14, 2012: Tupy S.A. (BM&F Bovespa - TUPY 3 and TUPY4), a world reference company in foundry and the largest global manufacturer of blocks and cylinder heads and the largest domestic manufacturer of iron connections, releases its results for the second half of 2012. The financial and operational information was prepared in accordance with the International Financial Reporting Standards (IFRS) and the accounting practices adopted in Brazil, and was compared with the same period of 2011, unless otherwise stated.

Comments on company performance

PERFORMANCE HIGHLIGHTS

	Consolidated (thousands of R$)					
SUMMARY OF RESULTS	**2Q 2012**	**2Q 2011**	**Variation**	**1H 2012**	**1H 2011**	**Variation**
Operating revenue	**746,620**	**537,008**	**39.0%**	**1,275,025**	**1,047,671**	**21.7%**
Domestic market	256,977	293,950	-12.6%	508,624	579,742	-12.3%
Foreign market	489,643	243,058	101.5%	766,401	467,929	63.8%
Cost of sales and operating expenses	(672,094)	(471,652)	42.5%	(1,149,168)	(924,060)	24.4%
Profit before finance result	**74,526**	**65,356**	**14.0%**	**125,857**	**123,611**	**1.8%**
% over operating revenue	10.0%	12.2%		9.9%	11.8%	
Finance result, net	(50,857)	5,867	-966.8%	(47,102)	13,140	-458.5%
Profit after finance result	**23,669**	**71,223**	**-66.8%**	**78,755**	**136,751**	**-42.4%**
% over operating revenue	3.2%	13.3%		6.2%	13.1%	
Other operating expenses, net	(25,571)	(7,461)	242.7%	(15,214)	(12,409)	22.6%
Profit (loss) before tax effects	**(1,902)**	**63,762**	**-103.0%**	**63,541**	**124,342**	**-48.9%**
% over operating revenue	-0.3%	11.9%		5.0%	11.9%	
Income tax and social contribution	(4,249)	(22,637)	-81.2%	(27,644)	(42,938)	-35.6%
Profit (loss) for the period	**(6,151)**	**41,125**	**-115.0%**	**35,897**	**81,404**	**-55.9%**
% over operating revenue	-0.8%	7.7%		2.8%	7.8%	

COMMENTS ON COMPANY PERFORMANCE

The second quarter of 2012 saw a number of extraordinary events, which significantly affected the Company, as shown below.

On April 16, Tupy finally concluded the acquisition of two foundries - manufacturers of blocks and cylinder heads - located in the cities of Saltillo and Ramos Arizpe, in Mexico, for US$ 439 million. Among other things, this acquisition:

a. Made the Company the world's largest manufacturer of blocks and cast-iron cylinder heads;

b. Established a production location in a strategic region in order to better serve customers and related business;

Comments on company performance

d. Provided Tupy with the opportunity to quickly and effectively expand its worldwide business, with suppliers of machinery and equipment used in the mining, infrastructure and agricultural industries, leveraging its presence in the off-road market and also in emerging markets, to which a significant portion of these companies' sales is made.

Also during this period, the new unit in the city of Joinville started its operations with blocks and cylinder heads, an investment of R$ 157 million. When fully operating, this plant will add 70 thousand metric tons per year of production capacity.

Together with the advances highlighted above, the Company had to deal with a production interruption in April at the plant located in the city of Joinville, State of Santa Catarina, because of a strike. The impact of this situation in the results for the period amounted to R$ 12.5 million, recorded in "Other operating expenses".

As regards finance, the devaluation of the Brazilian real had a significant effect on the Company's results. The foreign exchange losses, which amounted to R$ 34.2 million, were a major factor in the finance cost of R$ 50.9 million, when compared to the revenue of R$ 5.9 million for the prior year, and decisive to the Company's net loss of R$ 6.1 million.

The negative impact of the exchange rate devaluation will be gradually compensated by benefits arising from revenues in foreign currency, if the new exchange rate remains stable. On the other hand, if the exchange rate returns to its pre-devaluation level, the finance result shown above will be reversed.

On the other hand, the devaluation had no great effects on cash flow for 2Q12, considering that the maturities of debts in foreign currency in this period were not so significant. In this regard, it should be noted that most of the interest and principal amounts due in foreign currencies are non-current payables. For this reason, the Company is able to obtain the benefits of the new exchange rate on its cash flow for a long time and so recognize gains exceeding the increase in the debt arising from the devaluation of the Brazilian real.

DOMESTIC MARKET

In order to compare the performance of the Brazilian segment of passenger vehicles and light commercial vehicles for 2Q12 and 2Q11, it is necessary to divide the reference quarter into two periods. In the first period (April and May), there was a decrease in financing available for the purchase of vehicles (-11% in April and -9% in May), mainly due to the credit restrictions resulting from the increase in the default levels.

Comments on company performance

Sales recovered in June, however, due to the decrease in the Excise Tax (IPI). During this period, an average of 17 thousand vehicles/day was registered. According to data provided by the National Association of Automotive Vehicle Manufacturers (ANFAVEA), the total number of light vehicles registered in June 2012 topped the same prior year period by 19%. Accordingly, the inventories of light vehicles which, in May 2012, were equivalent to 43 days of sale, returned to the normal historic level, that is, 29 days of sales.

The combination of these effects resulted in figures which, when compared to the second quarter of 2011, decreased by 0.1% in sales and 5.1% in the production of passenger vehicles and light commercial vehicles during 2Q12.

As regards the truck industry, the Company's analysis of the performance of the domestic market requires making reference to the Brazilian production in 2011 - 216 thousand units -, corresponding to an increase of 14% when compared to 2010, a period with a historic record already.

High sales of trucks in 2011 were mainly because of the amendments to the legislation on the engine emissions valid as from 2012, when Proconve 7 (EURO V) became effective. Because the engines produced in accordance with Proconve 7 were more expensive, the purchase and composition of inventories of vehicles with Proconve 5 (EURO III) technology were anticipated, since production thereof was possible up to December 31, 2011.

In 2012, the high inventories and the decrease in demand for commercial vehicles, arising from the slowdown in the Brazilian industrial production and the reduction in the agricultural harvest in the South Region of Brazil, led to a strong decrease in the production of these items. At the same time, together with trying to bring the inventories to normal levels, a number of manufacturers tried a number of alternatives, such as vacation shutdown, reduction in the working hours and temporary suspension of employment relationships with a portion of employees.

In addition, some incentive measures for domestic consumption in the heavy vehicle industry, announced by the Government, have not achieved their desired objectives, such as:

a. Reduction of interest of the Investment Sustainability Program (PSI) of the National Bank for Economic and Social Development (BNDES) from 7.7% to 5.5% p.a. for the acquisition of trucks (Pró-Caminhoneiro);

b. Extension of financing terms for the acquisition of trucks from 96 to 120 months.

In this context, domestic truck sales and production in 2Q12 decreased by 31% and 42%, respectively, when comparing to 2Q11. For both light and commercial vehicles, the relevant variable for the analysis of current results is the production level of the Company's customer, which determines the demand for the Company's products.

Comments on company performance

FOREIGN MARKET

Sales of vehicles in the United Sales continued to recover in 2Q12, leveraged by credit availability, low interest rates, decrease in fuel prices and employment level stability. Therefore, when compared to the same prior year period, sales of light and commercial vehicles both increased 16%, according to information disclosed by Auto News.

In Europe, the combination of weak economic growth and uncertainties about the future of the Euro Zone, because of problems in several countries - Greece and Spain the most -, resulted in a decrease of 6% and 7% in sales of light and heavy vehicles, respectively, despite the satisfactory performance of luxury vehicle manufacturers in the period with exports.

PHYSICAL VOLUME OF SALES

In the second quarter of 2012, the physical volume of sales totaled 158.7 thousand metric tons.

Consolidated (metric tons)

PHYSICAL VOLUME OF SALES	2Q 2012	2Q 2011	Variation	1H 2012	1H 2011	Variation
Total sales	**158,672**	**120,709**	**31.5%**	**269,426**	**234,519**	**14.9%**
Domestic market	53,651	63,902	-16.0%	107,419	126,625	-15.2%
% Share	33.8%	52.9%		39.9%	54.0%	
Foreign market	105,021	56,807	84.9%	162,007	107,894	50.2%
% Share	66.2%	47.1%		60.1%	46.0%	

The factors described above led to a decrease of 16% in the physical volume of sales in the domestic market. On the other hand, sales in the foreign market increased by 85% (both situations are compared to 2Q11). The good performance of the US market and the contribution of the companies newly acquired in Mexico were responsible for the significant variation in the volume of exports and the contribution to total sales (66.2% in 2Q12 against 47.1% in 2Q11).

Comments on company performance

OPERATING REVENUE

The operating revenue increased 39% in the second quarter of 2012 in relation to 2Q11.

	Consolidated (thousands of R$)					
	2Q 2012	2Q 2011	Variation	1H 2012	1H 2011	Variation
Operating revenue	**746,620**	**537,008**	**39.0%**	**1,275,025**	**1,047,671**	**21.7%**

In line with the trend in the physical volume of sales, the domestic market revenue decreased by 13%, while the foreign market increased by 102%, considering the addition of sales from the Tupy companies in Mexico. In this context, 50% of revenue in 2Q12 came from the United States and Mexico, compared to 27% in 2Q11.

Other important factors for the positive variation in revenue for the reference period include:

a. The devaluation of the Brazilian real, with a positive impact on the foreign sales revenue;
b. REINTEGRA tax benefit, established in Provisional Measure 540/2011, in the amount of R$ 19.5 million.

COST OF SALES AND OPERATING EXPENSES

The cost of sales and operating expenses in 2Q12 increased by 43% when compared to the same prior year period.

	Consolidated (thousands of R$)					
	2Q 2012	2Q 2011	Variation	1H 2012	1H 2011	Variation
Cost of sales and operating expenses	(672,094)	(471,652)	42.5%	(1,149,168)	(924,060)	24.4%

This variation was mainly due to:

a. The increase in prices of sundry inputs, electric power and labor;
b. The increase in fixed expenditures, especially with personnel, through the implementation of a supplementary pension plan and healthcare expenditures;
c. The fixed expenses related to the acquisition of companies in Mexico;
d. The increase in costs arising from the reduction in productivity and capacity of dilution of fixed expenditures because of the decrease in the activity level.

Comments on company performance

PROFIT BEFORE FINANCE RESULT

Taking into consideration the aforementioned effects, the Profit before finance result was R$ 74.5 million, 10% over operating revenue, against R$ 65.4 million in 2011, corresponding to 12.2% over the operating revenue in the same quarter of the prior year.

	Consolidated (thousands of R$)					
	2Q 2012	2Q 2011	Variation	1H 2012	1H 2011	Variation
Operating revenue	**746,620**	**537,008**	**39.0%**	**1,275,025**	**1,047,671**	**21.7%**
Cost of sales and operating expenses	(672,094)	(471,652)	42.5%	(1,149,168)	(924,060)	24.4%
Profit before finance result	**74,526**	**65,356**	**14.0%**	**125,857**	**123,611**	**1.8%**
% over operating revenue	10.0%	12.2%		9.9%	11.8%	

OTHER OPERATING INCOME (EXPENSES), NET

The "Other Operating income (expenses), net" account recorded an expense of R$ 25.6 million in 2Q12, against expenses of R$ 7.5 million in the same period of 2011. The variation reflects mainly the recognition of expenditures with the interruption in the production due to a strike in April as well as the amortization of intangible assets generated by the acquisition of companies in Mexico.

NET FINANCE RESULT

The devaluation of the Brazilian real had a significant impact on the Company's result. The foreign exchange losses, which amounted to R$ 34.2 million, were a major factor in the finance cost of R$ 50.9 million, when compared to the revenue of R$ 5.9 million for the prior year, and decisive to the Company's net loss of R$ 6.1 million.

The liabilities in foreign currency originated funds for the financing of exports. As mentioned before, the devaluation of the exchange rate in 2Q12 had no significant effects on the Company's cash flows, because there were few payables with maturity in the reference period. The Company has only non-current payables relating to the settlement of more voluminous interest and amortizations in foreign currency. Therefore, the Company is able to obtain the benefits on cash flows of exports in order to provide more than enough resources to make the corresponding payments. Export revenues, therefore, serve as foreign exchange protection for the negative exchange exposure, limited to the equivalent of four months of foreign sales from Brazil.

Comments on company performance

It should be noted that the positive impacts of the exchange rate variation on net assets in foreign currency, originated in the companies acquired in Mexico, did not reduce the exchange rate impact recognized in the statement of operations, considering that, in compliance with IFRS, the related gain of R$ 35.2 million was recorded in equity and disclosed in the statement of comprehensive income, which during 2Q12 amounted to R$ 29.1 million.

PROFIT (LOSS)

The loss for the period totaled R$ 6.1 million, in comparison with a profit of R$ 41.1 million in the same period of the previous year.

	Consolidated (thousands of R$)					
	2Q 2012	2Q 2011	Variation	1H 2012	1H 2011	Variation
Profit after finance result	**23,669**	**71,223**	**-66.8%**	**78,755**	**136,751**	**-42.4%**
Other operating expenses, net	(25,571)	(7,461)	242.7%	(15,214)	(12,409)	22.6%
Profit (loss) before tax effects	**(1,902)**	**63,762**	**-103.0%**	**63,541**	**124,342**	**-48.9%**
Income tax and social contribution	(4,249)	(22,637)	-81.2%	(27,644)	(42,938)	-35.6%
Profit (loss) for the period	**(6,151)**	**41,125**	**-115.0%**	**35,897**	**81,404**	**-55.9%**
% over operating revenue	-0.8%	7.7%		2.8%	7.8%	

ADJUSTED EBITDA

Adjusted EBITDA in 2Q12 was R$ 108.4 million (14.5% over Operating revenue), an increase of 28% in relation to the amount of R$ 84.5 million in the same prior year period (15.7% over Operating revenue).

The main reasons for the increase in adjusted EBITDA are the same as those already mentioned for changes in the results performance.

Adjusted EBITDA: corresponds to earnings plus net finance result, income tax and social contribution, depreciation and amortization, adjusted by the addition of other operating expenses or reduction of other operating income, net. Adjusted EBITDA is not a financial performance index according to the Accounting Practices Adopted in Brazil, and should not be considered separately, or as an alternative to profit, as an operating performance index, or as an alternative to operating cash flows or liquidity index. There is no standard definition of Adjusted EBITDA, and Tupy's definition of Adjusted EBITDA may not be comparable to other companies' definitions.

Comments on company performance

	Consolidated (thousands of R$)					
RECONCILIATION OF PROFIT AND EBITDA	2Q 2012	2Q 2011	Variation	1H 2012	1H 2011	Variation
Profit (loss) for the period	(6,151)	41,125	-115.0%	35,897	81,404	-55.9%
(+) Finance result, net	50,857	(5,867)	-966.8%	47,102	(13,140)	-458.5%
(+) Income tax and social contribution	4,249	22,637	-81.2%	27,644	42,938	-35.6%
(+) Depreciation and amortization	28,985	19,545	48.3%	50,158	39,057	28.4%
(*) Amortization of intangible assets	5,216	-	-	5,216	-	-
(according to the methodology of CVM Circular Letter 01/07)	**83,156**	**77,440**	**7.4%**	**166,017**	**150,259**	**10.5%**
EBITDA margin	11.1%	14.4%		13.0%	14.3%	
(+) Other operating expenses, net (except depreciation of non-operating assets)	25,217	7,017	-259.4%	14,383	11,513	-24.9%
Adjusted EBITDA	**108,373**	**84,457**	**28.3%**	**180,400**	**161,772**	**11.5%**
Adjusted EBITDA margin	14.5%	15.7%		14.1%	15.4%	

INVESTMENTS

In 2Q12, total investments were down 28% over 2Q11 to R$ 41.9 million. In addition to investments to expand the production capacity of the plants of Mauá and Joinville, at the latter the new engine block and cylinder head production unit started operations in the reference period.

As mentioned before, the new unit will add approximately 70 thousand metric tons/year of production capacity when fully operating. The Company also applied significant amounts in the maintenance and modernization of its industrial complex and in improvements in the environmental area (furnace exhaustion systems, industrial landfill and sand regeneration).

	Consolidated (thousands of R$)					
INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT	2Q 2012	2Q 2011	Variation	1H 2012	1H 2011	Variation
Total investments	**41,928**	**58,462**	**-28.3%**	**95,984**	**101,534**	**-5.5%**
In expansion	27,283	24,348	12.1%	66,679	43,219	54.3%
Maintenance and modernization of operating capacity	13,512	29,124	-53.6%	25,338	50,286	-49.6%
Environment	1,133	4,990	-77.3%	3,967	8,029	-50.6%

In the first quarter of 2012, total investments amounted to R$ 95.9 million, a decrease of 5.5% when compared to the same prior year period.

Comments on company performance

INDEBTEDNESS

Net indebtedness in 2Q12 amounted to R$ 1,289.2 million. The growth of the net debt in the period was a result of the application of resources to acquire companies in Mexico, concluded on April 16, in the amount of US$ 439 million. Concerning the composition by currency, 52% of the indebtedness level is denominated in Brazilian reais and 48% in foreign currencies. 34% are current liabilities and 66% are long-term liabilities.

Company and consolidated (thousands of R$)

	Maturity	Average cost	Jun/12	Dec/11
Local currency				
(a) Expansion project of Tupy S.A. - BNDES	Jul/2018	TJLP + 2.85% p.a.	227,297	171,519
(b) BNDES Exim - Pre-shipment of the Investment Sustainability Program (PSI)	Oct/2013	5.74% p.a.	751,279	751,326
Government Agency for Machinery and Equipment Financing (FINAME) (PSI)	Mar/2021	6.78% p.a.	13,782	8,116
Foreign currency				
(a) Expansion project of Tupy S.A. - BNDES	Jul/2016	VC + 5.83% p.a.	31,807	16,658
(c) Export Prepayment	Sep/2017	VC+ Libor + 3.76% p.a.	884,860	836,882
Working capital	Mar/2013	VC+ Libor + 1.90% p.a.	14,052	19,263
Total indebtedness			**1,923,077**	**1,803,764**
Short-term portion			**651,201**	**401,491**
Long-term portion			**1,271,876**	**1,402,273**

TJLP - Long-term Interest Rate
Libor - London Interbank Offered Rate
VC - Foreign exchange rate variation

CASH FLOW

The Company closed the second quarter of 2012 with a cash and cash equivalents balance of R$ 614.1 million. As mentioned before, the payment for the acquisition of companies in Mexico was made in April, and this was the main reason of the reduction in the cash balance when comparing to 1Q12.

Consolidated (thousands of R$)

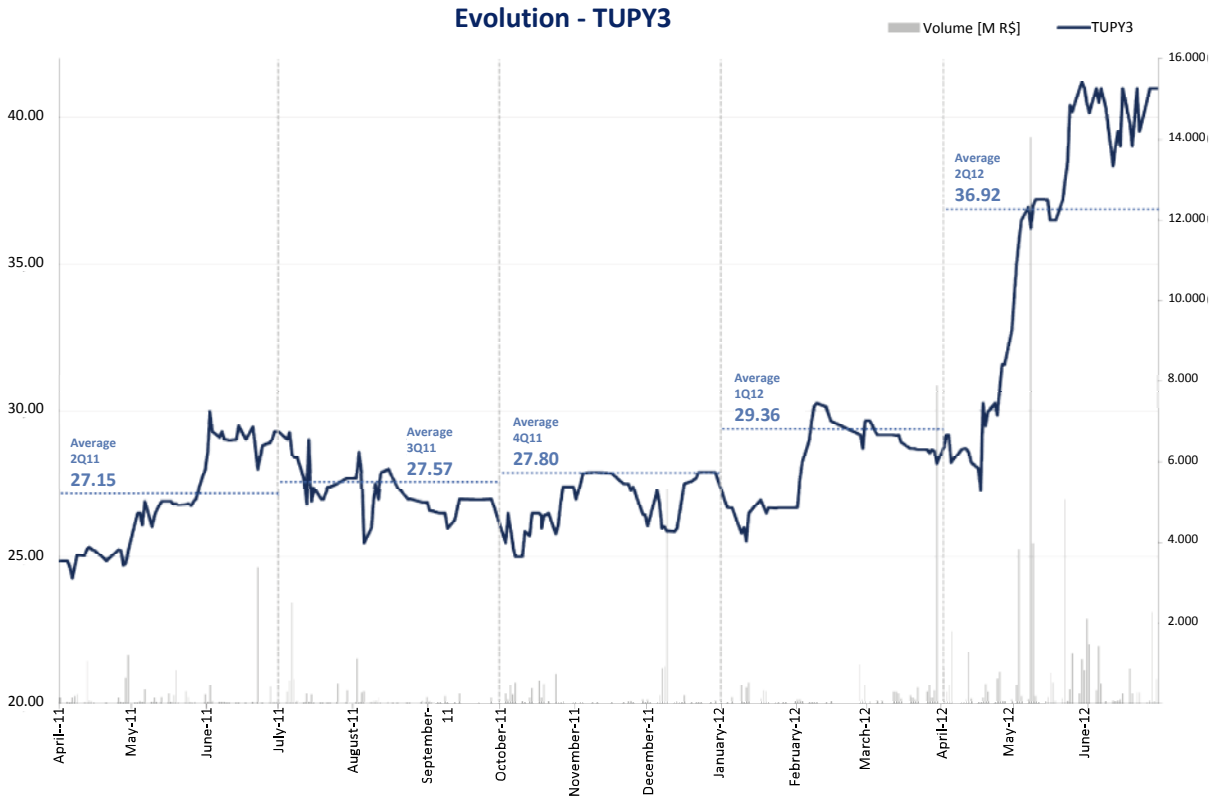
SUMMARY OF CASH FLOWS	2Q 2012	2Q 2011	Variation	1H 2012	1H 2011	Variation
Cash and cash equivalents at the end of the quarter	**614,050**	**479,375**	**28.1%**	**614,050**	**479,375**	**28.1%**
Cash provided by operating activities	51,210	32,537	57.4%	89,095	109,190	-18.4%
Cash used in investing activities	(840,956)	(60,155)	1298.0%	(891,352)	(104,850)	750.1%
Cash used in financing activities	(90,467)	(80,921)	11.8%	(33,869)	(101,694)	-66.7%
Effect of exchange differences on cash for the period	34,078	(1,879)	-1913.6%	29,091	(1,637)	-1877.1%
Decrease in cash	**(846,135)**	**(110,418)**	**666.3%**	**(807,035)**	**(98,991)**	**715.3%**

Comments on company performance

CAPITAL MARKETS

The trading volume and the highest and lowest price of the securities traded on the stock exchange or on over-the-counter markets of the common shares (TUPY3) are as follows. Changes in preferred shares (TUPY4) were omitted because they represent less than 0.5% of all the Company's shares:

	TUPY3 - Common shares		
	Average daily volume (R$)	Highest price (R$)	Lowest price (R$)
2nd quarter of 2012	872,440	41.19	27.27
1st quarter of 2012	376,021	31.60	26.70
4th quarter of 2011	269,620	27.90	25.00
3rd quarter of 2011	209,277	29.26	25.50
2nd quarter of 2011	231,082	30.00	24.30
1st quarter of 2011	280,423	25.84	22.96



NOTES TO THE QUARTERLY INFORMATION

(All amounts in thousands of reais unless otherwise stated)

1. GENERAL INFORMATION

Tupy S.A. ("Tupy" or the "Company") is a publicly-held corporation headquartered in São Paulo, State of São Paulo, listed in the BM&F BOVESPA S.A. - Securities, Commodities and Futures Exchange, with plants in the city of Joinville, State of Santa Catarina and in the City of Mauá, State of São Paulo. Tupy holds a solid position in the domestic and foreign foundry markets as the world's largest foundry of cast iron engine blocks and cylinder heads. It has a diversified customer base in the Americas, Europe and Asia, and is engaged in the manufacturing of automotive (blocks, cylinder heads and parts) and industrial (connections, abrasives and shapes) products.

On April 16, 2012, the Company concluded the process of acquisition of two new wholly-owned subsidiaries with industrial plants in Mexico, as follows:

- Tupy México Saltillo S.A. de C.V., and its service provider Diesel Serviços Industriales, and;
- Technocast S.A. de C.V., and its service provider Serviços Industriales Technocast S.A. de C.V.

In addition to its plants, the Company has the following companies abroad, which operate as an extension of the activities in Brazil in logistics, trading and technical assistance:

- Tupy American Foundry Co., located in the United States, and Tupy Europe GmbH, headquartered in Germany, which operate with automotive products for customers in North America and Europe; Tupy American Iron & Alloys Co., located in the United States of America, which operates with logistics and sale of shapes; and Tupy Argentina S.R.L., headquartered in Argentina, which operates with logistics and sale of connections.

The Company also has investments in the following companies, which are not in the Company's business segments:

- Tupy Agroenergética Ltda., Brazilian company located in Joinville, Santa Catarina, operates in the reforestation segment, originally established to provide alternative sources of energy. A significant portion of its assets was sold in 2009, and the remaining balance is classified as investment properties, and;
- Sociedade Técnica de Fundições Gerais S.A. - Sofunge, 'in liquidation'.

2. PRESENTATION AND PREPARATION OF THE QUARTERLY INFORMATION

The issue of this quarterly information was authorized by the Company's management on August 13, 2012.

The Company's quarterly information includes:

- the parent company quarterly information which has been prepared in accordance with accounting practices adopted in Brazil issued by the Brazilian Accounting Pronouncements Committee (CPC) and is disclosed together with the consolidated quarterly information; and
- the consolidated quarterly information which has been prepared and is being presented in accordance with 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).

In the parent company quarterly information, subsidiaries are recorded based on the equity accounting method. The same adjustments are made in the parent company and consolidated quarterly information to reach the same profit or loss and equity attributable to the stockholders of the parent company. In the case of Tupy S.A., the accounting practices adopted in Brazil applicable to the parent company quarterly information differ from IFRS applicable to separate financial statements only in relation to the measurement of investments in subsidiaries based on the equity accounting method, instead of cost or fair value in accordance with IFRS.

2.1 Basis of preparation, functional and presentation currency

The quarterly information has been prepared under the historical cost convention, except for certain financial instruments measured at their fair values, as described in the accounting policies. The historical cost is generally based on the fair value of the consideration paid for assets.

The Company's and its subsidiaries' functional currency is the Brazilian real, except for the companies in Mexico, whose functional currency is the U.S. dollar. The presentation currency of the quarterly information is the Brazilian real.

2.2 Use of estimates and judgments

The Company's quarterly information was prepared based on the same estimates, judgments and accounting practices described in Notes 2.2 and 2.3 ('a' to 'q') of the financial statements for the year ended December 31, 2011, except for the Notes presented below, which were included or changed because of the acquisition of the companies in Mexico.

i. Use of estimates and judgments

The pension benefits (Note 15.1) and amortization of intangible assets (Note 29) were included as estimates and judgments with significant risk of resulting in a material adjustment in the following financial year.

ii. Foreign currency

Foreign subsidiaries' operations

The balance sheet and statement of operation information of foreign subsidiaries is translated into the presentation currency, which is the Brazilian real, as follows:

- Assets and liabilities are translated into reais at the exchange rates prevailing at the balance sheet date.
- Revenues and expenses arising from transactions abroad are translated into reais at the average monthly exchange rates.
- The exchange differences arising from the translations are recorded:

  – in equity, when they are related to the subsidiaries with independent industrial operations (subsidiaries in Mexico);

  – in income (loss) when are related to the subsidiaries which are an extension of the activities performed in the parent company (other foreign subsidiaries).

iii. Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the net fair value of assets and liabilities of the acquired entity.

Goodwill on acquisition of subsidiaries is recorded as "Intangible assets" in the consolidated financial statements and is tested annually for impairment. It is recorded at cost value less accumulated impairment losses, which are not reversed once they have been recognized.

Other intangible assets

The contractual relationship with customers and the non-competition agreement in business combinations are recorded at fair value at the acquisition date and have defined useful lives (Note 29).

3. CASH AND CASH EQUIVALENTS

Company and consolidated

	June/12	December/11
Company		
Cash and banks	863	2,766
Financial investments in Brazil	116,615	1,232,083
Financial investments abroad	331,351	173,584
	448,829	1,408,433
Subsidiaries		
Cash and banks	277	117
Financial investments abroad	164,944	12,535
Consolidated	**614,050**	**1,421,085**

The financial investments in Brazil earn interest at the Interbank Deposit Certificate (CDI) rate, with an average rate of 8.48% per annum, and those abroad at an average rate of 0.31% per annum (average rates of 11.07% and 0.55% per annum, respectively, in December 2011).

The exposure to interest rate risk and the sensitivity analysis for the financial assets are disclosed in the note on financial instruments (Note 28).

4. FINANCIAL INVESTMENTS

Company and consolidated

LONG-TERM	June/12	December/11
Financial investments in Brazil	19,801	24,192

These financial investments earn interest at the Interbank Deposit Certificate (CDI) rate, with an average rate equivalent to 8.74% p.a. (average rate of 11.31% p.a. in December 2011) and are restricted to transactions entered into with the National Bank for Economic and Social Development (BNDES) (Note 13).

5. TRADE RECEIVABLES

Trade receivable by market and aging are as follows:

Company	June/12	Dec/11
Domestic market	118,922	115,693
Foreign market	118,761	105,903
Provision for impairment of trade receivables	(1,352)	(1,925)
	236,331	**219,671**
Subsidiaries		
Domestic market	87	145
Foreign market	212,387	80,947
Provision for impairment of trade receivables	(2,544)	-
	209,930	**81,092**
Related-party transactions (Note 8)	(51,197)	(31,088)
Consolidated	**395,064**	**269,675**

Trade receivables in the domestic market are exclusively denominated in Reais and in the foreign market primarily in U.S. dollars.

Trade receivables in the foreign market include related-party amounts which are eliminated in consolidation (Note 8).

Trade receivables from foreign subsidiaries include amounts related to exports from Brazil and traded by its subsidiaries acting as an extension of the Company's activities in Brazil, totaling R$ 74,388 (R$ 80,947 at December 31, 2011). Other amounts arise from foreign sales made by the subsidiaries in Mexico.

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

	Company		Consolidated	
	June/12	December/11	June/12	December/11
Falling due up to 30 days	134,398	146,720	306,599	195,753
Falling due from 31 to 60 days	44,917	44,351	54,168	49,359
Falling due over 61 days	47,916	22,419	13,039	13,597
Overdue for up to 30 days	5,783	2,980	13,818	4,360
Overdue from 31 to 60 days	3,241	3,103	6,800	6,508
Overdue for more than 61 days	1,428	2,023	4,536	2,023
Provision for impairment of trade receivables	(1,352)	(1,925)	(3,896)	(1,925)
	236,331	**219,671**	**395,064**	**269,675**

The provision for impairment of trade receivables is established based on past-due receivables, under the following conditions:

Company	Period past due		June/12	December/11
Domestic market	61 to 180 days	50%	130	98
	Over 180 days	100%	732	712
Foreign market	Over 180 days	100%	490	1,115
			1,352	**1,925**
Subsidiaries				
Foreign market	30 to 90 days	30%	380	-
	90 days to 120 days	60%	187	-
	Over 120 days	100%	1,977	-
Consolidated			**3,896**	**1,925**

During the period, the changes in the provision for impairment of trade receivables were as follows:

Company	2012	2011
Opening balance	(1,925)	(3,278)
Additions	(158)	(1,120)
Reversals	739	-
Other	(8)	2,473
	(1,352)	**(1,925)**
Subsidiaries		
Additions	(2,544)	-
Closing balance - Consolidated	**(3,896)**	**(1,925)**

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

6. INVENTORIES

Company and consolidated

	June/12	December/11
Company		
Finished goods	75,067	71,511
Work in process	34,748	26,275
Raw materials	24,201	33,251
Processing materials	37,448	41,618
Maintenance and other materials	34,368	33,890
Provision for losses	(2,602)	(2,361)
	203,230	**204,184**
Subsidiaries		
Finished goods	47,767	18,077
Work in process	19,461	-
Raw materials	17,409	-
Processing materials	851	-
Maintenance and other materials	15,395	-
Provision for losses	(1,778)	-
Consolidated	**302,335**	**222,261**

A provision for losses was recorded for certain items. The changes during the period were as follows:

Company and consolidated

	2012	2011
Opening balance	**(2,361)**	**(3,867)**
Additions	(2,019)	-
Write-off as loss	-	1,506
Closing balance	**(4,380)**	**(2,361)**

The costs of inventories recorded as expenses during the period in relation to the continuing operations totaled R$ 606,610 (R$ 432,663 in the same period of the previous year).

The Company's management expects inventories to be realized in less than 12 months.

7. TAXES AND CONTRIBUTIONS RECOVERABLE

Taxes and contributions recoverable, classified according to their expected realization, are as follows:

Company and consolidated

	June/12			December/11		
	Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Company						
(a) 1979/1981 Excise Tax (IPI) premium credit	44,260	-	44,260	53,647	-	53,647
(b) 1988/1990 IPI premium credit	-	93,226	93,226	-	91,788	91,788
Provision for losses	-	(21,138)	(21,138)	-	(28,561)	(28,561)
(c) Social Contribution on Revenues (COFINS) expanded basis of calculation	-	-	-	15,045	-	15,045
Provision for losses	-	-	-	(15,045)	-	(15,045)
(d) Value-added Tax on Sales and Service (ICMS) recoverable - São Paulo	-	24,125	24,125	-	22,938	22,938
(e) ICMS recoverable - Santa Catarina	8,712	11,650	20,362	11,644	7,005	18,649
(f) Reintegra benefit	19,475	-	19,475	-	-	-
Income tax recoverable	43,921	-	43,921	24,031	-	24,031
Social contribution recoverable	9,108	-	9,108	4,755	-	4,755
COFINS, Social Integration Program (PIS) and IPI recoverable	2,505	-	2,505	1,048	-	1,048
	127,981	**107,863**	**235,844**	**95,125**	**93,170**	**188,295**
Subsidiaries						
Income tax recoverable	1,417	-	1,417	1,054	-	1,054
Value-added Tax (VAT) recoverable	40,104	1,879	41,983	4,393	1,787	6,180
Consolidated	**169,502**	**109,742**	**279,244**	**100,572**	**94,957**	**195,529**

The aforementioned credits originate as follows:

a. IPI premium credit - exports from 1979 to 1981

This credit relates to a tax benefit arising from the exports carried out by the Company from 1979 to 1981. The right to use such credit was recognized by a final and unappealable court decision in December 2003. The

sentence with respect to execution became unappealable in March 2011. In April 2011, seeking the realization of the credit at the administrative level, the Company filed a request for dismissal of the executory acts, which was accepted in June 2011 and became final and unappealable in August 2011.

In September 2011, the Company requested from the Brazilian Federal Revenue Service (RFB) the approval of the aforementioned credit and, in February 2012, the request was accepted, which permitted the offset of R$ 9,772 against federal taxes in the first half of 2012. The Company expects to fully use this credit within the next 12 months.

b. IPI premium credit - exports from Jun/1988 to Oct/1990

This refers to IPI premium credit originating from exports carried out by the Company from June 1988 to October 1990. The right to utilize such credit was recognized by a final and unappealable decision of the High Court of Justice (TSJ) in April 2009.

On January 25, 2012, the Company filed a request for enforcement of said decision and the proceeding is expected to be completed within three years, allowing realization of the credit through the issuance of court-ordered debts.

The realization of the expert evidence was granted on March 22, 2012.

Taking into consideration the estimated realization, the Company adjusted the credit to present value and recorded a provision for loss in the amount of R$ 21,138 (R$ 28,561 in 2011).

c. COFINS credit due to expanded basis of calculation (Law 9,718/98)

Right to receive reimbursement of COFINS that was recognized in favor of the Company in a final and unappealable decision of May 2006.

The Company used a portion of this credit during 2010 and 2011, while the Brazilian Federal Revenue Service (RFB) did not permit the utilization of the other portion. Because of this, the Company recorded a provision for loss in the amount of R$ 15,045.

The Company had a favorable new decision on the offsetting at the end of 2011, and used the total of the credit in the first half of 2012, which led to the reversal of the provision recorded in 2011.

d. ICMS recoverable in São Paulo

Credits arising from the purchase of raw materials used in the manufacture of exported products.

e. ICMS recoverable in Santa Catarina

Credits arising from the purchase of property, plant and equipment items, amounting to R$ 20,362, realizable in 48 installments, according to applicable state legislation (R$ 18,649 in 2011).

f. Reintegra benefit

Credits arising from the benefit established by Provisional Measure 540 of August 2, 2011 and regulated by Decree 7,633 of December 1, 2011, effective as from December 1, 2011 to December 31, 2012, regarding the Special System for Refund of Tax Amounts to Exporting Companies (REINTEGRA). The amount recorded up to June 30, 2012 was R$ 19,475.

8. TRANSACTIONS WITH RELATED PARTIES

The main transactions with related parties are summarized as follows:

a. Subsidiaries:

	Sales revenue		Finance cost	
Statement of operations	**2Q 2012**	**2Q 2011**	**2Q 2012**	**2Q 2011**
Tupy Mexico Saltillo, S.A. de C.V	-	-	-	-
Technocast, S.A. de C.V.	-	-	-	-
Tupy American Foundry Co.	95,951	29,234	-	-
Tupy American Iron & Alloys Co.	755	497	-	-
Tupy Europe GmbH	38,582	11,640	-	-
Tupy Argentina S.R.L.	-	-	-	-
Tupy Agroenergética Ltda.	-	-	-	(1)
Sociedade Técnica de Fundições Gerais S.A. - Sofunge "in liquidation"	-	-	(1)	-
	135,288	**41,371**	**(1)**	**(1)**

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

	Receivables		Payables	
Balance sheet	**June/12**	**December/11**	**June/12**	**December/11**
Tupy Mexico Saltillo, S.A. de C.V	97,349	-	-	-
Technocast, S.A. de C.V.	125,488	-	-	-
Tupy American Foundry Co.	35,092	21,924	-	-
Tupy American Iron & Alloys Co.	420	2	-	-
Tupy Europe GmbH	13,100	7,170	-	-
Tupy Argentina S.R.L.	2,585	1,992	-	-
Tupy Agroenergética Ltda.	-	-	142	158
Sociedade Técnica de Fundições Gerais S.A. - Sofunge "in liquidation"	-	-	1,475	1,527
	274,034	**31,088**	**1,617**	**1,685**

	Sales revenue		Finance cost	
Statement of operations	**1H 2012**	**1H 2011**	**1H 2012**	**1H 2011**
Tupy Mexico Saltillo, S.A. de C.V	-	-	-	-
Technocast, S.A. de C.V.	-	-	-	-
Tupy American Foundry Co.	192,796	109,178	-	-
Tupy American Iron & Alloys Co.	1,346	2,061	-	-
Tupy Europe GmbH	68,458	44,479	-	-
Tupy Argentina S.R.L.	375	43	-	-
Tupy Agroenergética Ltda.	-	-	-	(10)
Sociedade Técnica de Fundições Gerais S.A. - Sofunge "in liquidation"	-	-	(4)	(6)
	262,975	**155,761**	**(4)**	**(16)**

The Company's receivables from subsidiaries Tupy México Saltillo, S.A. de C.V. and Technocast, S.A. de C.V. are related to credits assumed at the acquisition date, arising from the settlement of debts of these companies with their creditors, recorded in the Company's balance sheet within advances for future capital increase. This credit will be applied as capital increase in the investees.

The receivables and sales revenue of the Company with its subsidiaries are represented mainly by sales of merchandise. Prices are in compliance with market conditions, and terms range from 60 to 90 days, as the parties established.

The intercompany payables represent loans from subsidiaries in Brazil, with no defined maturity, which bear interest equivalent to the Referential rate.

b. Main stockholders

The Company's main stockholders are PREVI - Caixa de Previdência dos Funcionários do Banco do Brasil and BNDES Participações S.A. - BNDESPAR.

The Company has borrowing agreements with the BNDES, controlling stockholder of BNDES Participações S.A. - BNDESPAR, as detailed in Note 13.

c. Management compensation

	Board of Directors		Executive Board	
	2Q 2012	**2Q 2011**	**2Q 2012**	**2Q 2011**
Fixed compensation	216	184	636	729
Variable compensation	-	-	-	(440)
	216	**184**	**636**	**289**

	Board of Directors		Executive Board	
	1H 2012	**1H 2011**	**1H 2012**	**1H 2011**
Fixed compensation	432	352	1,254	1,458
Variable compensation	-	-	518	-
	432	**352**	**1,772**	**1,458**

The overall compensation approved at the Extraordinary and Ordinary General Meeting was R$ 10,311 (R$ 9,000 in 2011).

Statutory management compensation is paid only at the parent company level; therefore, no management compensation has been recorded in subsidiaries.

The amounts recorded as variable compensation of the Executive Board are considered a provision, according to the goals established for the period. The Company does not offer variable compensation to the Board of Directors.

Officers receive additional corporate benefits, such as company-provided vehicles, reimbursement of vehicle-related expenses, health insurance and severance pay.

The Company does not offer its officers a post-employment benefit plan or stock options.

9. CREDITS - ELETROBRÁS

Refer to credits recorded in 2003 relating to the recognition by the Courts (in a final and unappealable decision) of the right to the additional inflation adjustment of the Eletrobrás compulsory loan and related interest.

Concerning the execution of judgment, in December 2011, the Federal Regional Court of the 4th Region confirmed the calculation made by the Company, and allowed for, in addition to the credit already recognized by the trial court (principal plus interest), the credits corresponding to interest for late payment.

Therefore, the amount recorded by the Company reflects: (I) the right already recognized by the Courts; (ii) the calculation method indicated by the Federal Regional Court of the 4th Region; (iii) the expert report ratified by the Court; and (iv) the legal provision that allows Eletrobrás to pay a part of the aforementioned debt with shares - a criterion that the Company is challenging at higher courts, but that for now requires the recording of a provision for loss of R$ 12,879 (R$ 10,083 in 2011), resulting in an additional amount of R$ 2,796 recorded in 2012 (Note 22).

The monetary restatement is recognized based on the Amplified Consumer Price Index (IPCA-E).

The Company estimates that the credit will be effectively received during 2013.

The table below shows the balance of this account:

Company and consolidated

	Credits - Eletrobrás	Provision for losses	Total, net
Opening balance	98,680	(10,083)	88,597
Monetary restatement	2,542	-	2,542
Provision for losses	-	(2,796)	(2,796)
Closing balance	101,222	(12,879)	88,343

10. INVESTMENT PROPERTIES

The Company has assets classified as investment properties, mainly land and forests, belonging to the subsidiary Tupy Agroenergética Ltda. At June 30, 2012, their carrying value was R$ 4,574 (R$ 4,189 in 2011).

According to the appraisal performed in 2011 by a specialized company, the realizable amounts of these assets indicate a range between R$ 26,953 (minimum) and R$ 49,761 (expected), net of tax effects and carrying cost.

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

11. INVESTMENTS

	Total assets	Equity	Intangible assets	Profit (loss) for the period	Interest in capital (%)	Equity in the results of investees (*)		Investment amount (*)	
						1H 2012	1H 2011	June/12	December/11
Investments in direct subsidiaries									
Tupy Mexico Saltillo, S.A. de C.V	450,432	198,281	187,786	6,783	100.00	1,215	-	386,067	-
Technocast, S.A. de C.V.	372,422	195,852	161,406	7,168	100.00	3,564	-	357,258	-
Servicios Industriales Technocast, S.A. de C.V.	7,528	1,648	-	154	100.00	154	-	1,648	-
Tupy American Foundry Co.	91,997	39,555	-	(1,412)	100.00	3,009	(78)	35,111	32,102
Tupy American Iron & Alloys Co.	3,463	2,924	-	(5)	100.00	206	54	2,924	2,718
Tupy Europe GmbH	88,905	46,458	-	3,514	100.00	5,562	2,797	45,024	39,462
Tupy Argentina S.R.L.	3,935	1,247	-	(119)	100.00	(87)	(581)	1,247	1,334
Tupy Agroenergética Ltda.	10,477	10,402	-	155	100.00	155	514	10,402	10,247
Companhia Técnica de Fundições									
Gerais SA. - Sofunge "in liquidation"	2,477	2,076	-	(56)	100.00	(56)	(42)	2,076	2,132
						13,722	**2,664**	**841,757**	**87,995**
Other investments								1,364	1,364
Total investments								**843,121**	**89,359**

Company

	Investments in subsidiaries	Other investments	Total
Opening balance	**87,995**	**1,364**	**89,359**
Acquisition of subsidiaries in Mexico (Note 29)	704,795	-	704,795
Equity in the results of subsidiaries	13,722	-	13,722
Exchange variation of investees located abroad	35,245	-	35,245
Closing balance	**841,757**	**1,364**	**843,121**

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

12. PROPERTY, PLANT AND EQUIPMENT

a. Changes in property, plant and equipment

Company

	Machinery, facilities and equipment	Buildings	Land	Vehicles	Furniture, fittings and other	Construction in progress	Total
Cost							
Balance at January 1, 2011	**1,199,393**	**153,534**	**8,748**	**17,486**	**8,765**	**207,843**	**1,595,769**
Additions	117,587	16,502	-	4,171	188	117,812	256,260
Disposals	(11,486)	(993)	-	(467)	(637)	-	(13,583)
Balance at December 31, 2011	**1,305,494**	**169,043**	**8,748**	**21,190**	**8,316**	**325,655**	**1,838,446**
Additions	-	-	-	-	-	97,134	97,134
Transfers between accounts	165,194	29,993	-	2,490	47	(197,724)	-
Disposals	(6,955)	-	-	(282)	(1)	-	(7,238)
Balance at June 30, 2012	**1,463,733**	**199,036**	**8,748**	**23,398**	**8,362**	**225,065**	**1,928,342**
Depreciation							
Balance at January 1, 2011	**(536,800)**	**(84,013)**		**(11,018)**	**(8,068)**		**(639,899)**
Depreciation for the period	(74,254)	(4,058)		(2,073)	(125)		(80,510)
Disposals	10,395	593		455	636		12,079
Balance at December 31, 2011	**(600,659)**	**(87,478)**		**(12,636)**	**(7,557)**		**(708,330)**
Depreciation for the period	(41,014)	(2,127)		(892)	(64)		(44,097)
Disposals	6,801	-		273	1		7,075
Balance at June 30, 2012	**(634,872)**	**(89,605)**		**(13,255)**	**(7,620)**		**(745,352)**
Carrying amount							
At December 31, 2011	704,835	81,565	8,748	8,554	759	325,655	1,130,116
At June 30, 2012	828,861	109,431	8,748	10,143	742	225,065	1,182,990

Consolidated

	Machinery, facilities and equipment	Buildings	Land	Vehicles	Furniture, fittings and other	Construction in progress	Total
Cost							
Balance at January 1, 2011	**1,200,728**	**153,924**	**11,102**	**17,620**	**12,108**	**207,843**	**1,603,325**
Additions	117,637	16,502	-	4,182	812	117,812	256,945
Disposals	(11,539)	(1,007)	-	(467)	(693)	-	(13,706)
Balance at December 31, 2011	**1,306,826**	**169,419**	**11,102**	**21,335**	**12,227**	**325,655**	**1,846,564**
Additions	-	-	-	-	-	99,314	99,314
Transfers between accounts	167,486	29,993	-	2,491	76	(200,046)	-
Acquisition of subsidiaries in Mexico	751,447	182,762	27,239	535	1,088	17,638	980,709
Foreign exchange variations	76,167	18,200	2,763	101	298	1,664	99,193
Disposals	(6,955)	-	-	(282)	(3)	-	(7,240)
Transfers to investment properties	-	-	-	-	(385)	-	(385)
Balance at June 30, 2012	**2,294,971**	**400,374**	**41,104**	**24,180**	**13,301**	**244,225**	**3,018,155**

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

Consolidated

	Machinery, facilities and equipment	Buildings	Land	Vehicles	Furniture, fittings and other	Construction in progress	Total
Depreciation							
Balance at January 1, 2011	**(537,878)**	**(84,300)**		**(11,105)**	**(8,793)**		**(642,076)**
Depreciation for the period	(74,296)	(4,070)		(2,099)	(168)		(80,633)
Disposals	10,441	609		455	690		12,195
Balance at December 31, 2011	**(601,733)**	**(87,761)**		**(12,749)**	**(8,271)**		**(710,514)**
Depreciation for the period	(46,183)	(2,953)		(923)	(99)		(50,158)
Acquisition of subsidiaries in Mexico	(559,203)	(90,232)		(429)	(354)		(650,218)
Foreign exchange variations	(55,793)	(9,009)		(87)	(173)		(65,062)
Disposals	6,801	-		273	1		7,075
Balance at June 30, 2012	**(1,256,111)**	**(189,955)**		**(13,915)**	**(8,896)**		**(1,468,877)**
Carrying amount							
At December 31, 2011	705,093	81,658	11,102	8,586	3,956	325,655	1,136,050
At June 30, 2012	1,038,860	210,419	41,104	10,265	4,405	244,225	1,549,278

In 2Q12, total investments were down 28% over 2Q11 to R$ 41.9 million. In addition to investments to expand the production capacity of the plants of Mauá and Joinville, at the latter the new engine block and cylinder head production unit started operations in the reference period.

As mentioned before, the new unit will add approximately 70 thousand metric tons/year of production capacity when fully operating. The Company also applied significant amounts in the maintenance and modernization of its industrial complex and in improvements in the environmental area (furnace exhaustion systems, industrial landfill and sand regeneration).

	Consolidated					
INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT	**2Q 2012**	**2Q 2011**	**Variation**	**1H 2012**	**1H 2011**	**Variation**
Total investments	**41,928**	**58,462**	**-28.3%**	**95,984**	**101,534**	**-5.5%**
In expansion	27,283	24,348	12.1%	66,679	43,219	54.3%
Maintenance and modernization of the operating capacity	13,512	29,124	-53.6%	25,338	50,286	-49.6%
Environment	1,133	4,990	-77.3%	3,967	8,029	-50.6%

The Company depreciates property, plant and equipment on a straight-line basis, using the following useful lives:

	Average useful lives
Machinery, facilities and equipment	15 years
Buildings	35 years
Vehicles	5 years
Furniture and fittings	10 years

b. Capitalization of interest and financial charges

The Company recognizes interest and financial charges incurred during the period of construction of the qualifying assets as asset formation cost.

The amount recorded in the first half of 2012 totals R$ 3,330 (R$ 3,316 in the same period of 2011).

c. Guarantees

At June 30, 2012, property, plant and equipment items in the carrying amount of R$ 377,904 (R$ 125,719 in 2011) were pledged as collateral of long-term bank borrowings.

d. Insured amounts

Property, plant and equipment are insured for fire, electrical damage and explosion. Insurance coverage is determined based on the amounts and the level of risk involved, as described in Note 25.

13. BORROWINGS

			Company and consolidated	
	Maturity	Average cost	June/12	December/11
Local currency				
(a) Expansion project - Tupy S.A. - BNDES	July/2018	TJLP + 2.85% p.a.	227,297	171,519
(b) BNDES Exim - Prior to shipment (PSI)	Oct/2013	5.74% p.a.	751,279	751,326
Finame (PSI)	Mar/2021	6.78% p.a.	13,782	8,116
Foreign currency				
(a) Expansion project - Tupy S.A. - BNDES	July/2016	VC + 5.83% p.a.	31,807	16,658
(c) Export prepayments	Sep/2017	VC+ Libor + 3.76% p.a.	884,860	836,882
Working capital	Mar/2013	VC+ Libor + 1.90% p.a.	14,052	19,263
Total indebtedness			**1,923,077**	**1,803,764**
Short-term portion			**651,201**	**401,491**
Long-term portion			**1,271,876**	**1,402,273**

	Company and consolidated	
Year	June/12	December/11
2013	224,319	514,055
2014	166,292	138,881
2015	304,318	265,088
2016	289,834	250,722
2017	269,557	230,609
Thereafter	17,556	2,918
	1,271,876	**1,402,273**

The carrying amounts of borrowings approximate their fair values.

a. Expansion project - Tupy S.A. - BNDES

The financing for expansion obtained from the National Bank for Economic and Social Development (BNDES), contracted on June 15, 2009, in the amount of R$ 199,343, with a 4.5-year average term.

The agreement provides for the disbursement of 89% of funds with costs in reais and the remaining 11% in U.S. dollars. Collaterals comprise industrial equipment, mortgage, bank guarantees, and a guarantee deposit of 12% of the outstanding balance (Note 4).

In January 2012, the Company contracted a new loan of R$ 195,934 from BNDES, of the Enterprise Financing (FINEM) type, with a 4.3-year average term, of which R$ 90,125 was released in the first six months of 2012, with the objective of financing investments, already carried out and to be carried out between 2011 and 2013.

The agreement provides for the disbursement of 83% of funds with costs in reais and the remaining 17% in U.S. dollars. The guarantees comprise industrial equipment of the machining and blocks units of the plant located in Joinville/Santa Catarina.

b. BNDES Exim - Prior to shipment (PSI)

In September and November 2009 and June 2010, the Company entered into BNDES Exim - Pre-shipment of the Investment Sustainability Program (PSI) transactions with several financial institutions totaling R$ 299,217 and R$ 250,000 respectively, used to substitute debts falling due in the short term and reinforce the Company's cash. The funds contracted in 2009 and 2010 have a total maturity of 3 years, with the repayment of principal in a single installment at the termination of each agreement.

In September and October 2011, the Company entered into BNDES Exim - Pre-shipment of the Investment Sustainability Program (PSI) transactions with several financial institutions totaling R$ 200,000, used to substitute debts falling due in the short term and reinforce the Company's cash. The agreements have a total maturity of 2 years, with the repayment of principal in a single installment at the termination of each agreement.

c. Export prepayments

In September and October 2011, loans were obtained from Banco do Brasil, Itaú, Safra and Bradesco, amounting to US$ 420 million, with a 4.5-year average term. Such funds will be allocated for cash reinforcement and to ensure settlement of debts falling due as from 2012.

Nearly 52% of the borrowing agreements are subject to the Net Debt / Adjusted EBITDA ratio and another 9% are subject to different financial ratios comprising: Net Debt/Adjusted EBITDA; Adjusted EBITDA/Finance Result; Net Debt/Equity; Equity/Total Assets and Current Assets/Current Liabilities. At June 30, 2012, all financial ratios were being complied with.

Adjusted EBITDA corresponds to earnings plus income tax and social contribution, net finance result, depreciation and amortization, adjusted by the addition of other expenses or reduction of other operating income, net.

Net debt is the bank debt, less cash and cash equivalents and long-term investments.

14. FINANCING OF TAXES AND SOCIAL SECURITY CHARGES

On July 31, 2003, the former subsidiary Tupy Fundições Ltda. enrolled in the REFIS-PAES program, created by Law 10,684/03, for the settlement of National Institute of Social Security (INSS) debts of R$ 58,379, which is being paid in 120 monthly installments adjusted by the Long-term Interest Rate (TJLP). The Company does not provide any form of guarantee. At June 30, 2012, the balance was R$ 12,277 (R$ 16,886 at December 31, 2011).

15. SALARIES, SOCIAL SECURITY CHARGES AND PROFIT SHARING

	Company and consolidated	
Company	**June/12**	**December/11**
Salaries	11,168	9,339
Provision for vacation pay and 13th month salary	61,398	44,631
Social security charges	12,639	13,283
Profit sharing	8,277	18,810
Private pension plan	1,371	1,572
	94,853	**87,635**
Subsidiaries		
Salaries, charges and profit sharing	12,423	374
Consolidated	**107,276**	**88,009**

The Company's profit-sharing program applies proportionately according to time in service and is linked to financial and operating indicators and individual performance goals.

In 2011, the Company introduced an optional private pension plan for all employees. It is a defined contribution plan, for which any amount contributed by the employee, limited to an established percentage on the payroll, is matched with the same amount by the Company.

15.1 RETIREMENT BENEFIT OBLIGATIONS

The companies acquired in Mexico operate defined benefit pension plans for a group of employees based on employee pensionable remuneration and length of service. These plans are funded through payments to insurance companies or trustee-administered funds, which are governed by regulations that are specific to these entities in Mexico.

The value of this liability at June 30, 2012 was R$ 11,872 (R$ 10,952 assumed at the acquisition date), according to the actuarial valuation prepared for April 30, 2012.

16. PROVISIONS FOR TAX, CIVIL, SOCIAL SECURITY AND LABOR CONTINGENCIES

The Company and its subsidiaries are parties to ongoing lawsuits arising in the normal course of business and for which provisions (in the case of probable losses) were recorded based on estimates made by their legal counsel.

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

The changes in the provisions for tax, civil, social security and labor contingencies in the first half of 2012 and the related balances are as follows:

Company and consolidated

Company	December/11	Additions	Interest	Reversals	Payments	June/12
Civil	71,471	-	3,966	-	-	75,437
Tax - Pis, Cofins, ICMS and IPI	10,154	-	79	-	-	10,233
Labor - former employee claims	13,580	3,654	-	-	(2,244)	14,990
Social security - INSS (Sebrae and Rat)	4,484	-	-	-	-	4,484
Restricted judicial deposits	(8,650)	(247)	-	328	-	(8,569)
	91,039	**3,407**	**4,045**	**328**	**(2,244)**	**96,575**
Subsidiaries						
Civil	459	-	-	-	-	459
Tax - Pis, Cofins, ICMS and IPI	43	-	-	-	-	43
Labor - former employee claims	61	12	-	-	-	73
Restricted judicial deposits	(199)	(10)	-	-	-	(209)
Consolidated	**91,403**	**3,409**	**4,045**	**328**	**(2,244)**	**96,941**

Provisions for civil contingencies are related to attorney fee awards in tax lawsuits and contingent liabilities arising from acquisition of a subsidiary.

The aforementioned provisions are adjusted mainly based on the Special System for Settlement and Custody (SELIC) rate and General Market Price Index (IGPM), the impact of which on profit or loss for the period is described in Note 22.

Contingencies involving a possible loss

No provisions were recorded for contingent liabilities whose likelihood of loss, in the opinion of the Company's external legal counsel, is possible but not probable.

Company and consolidated

	June/12	December/11
PIS and COFINS credits/ IRPJ and CSLL processes	80,106	77,527
Debts settled through tax amnesty	51,185	42,624
ICMS credits	27,136	25,758
Expired tax debts	25,271	23,151
Social security	66,987	64,290
Labor	19,755	19,180
Civil	6,808	6,551

- **PIS and COFINS credits/ IRPJ and CSLL processes**

  Social Integration Program (PIS) and Social Contribution on Revenues (COFINS) processes: administrative proceedings in which the Brazilian Federal Revenue Service challenges the Company as to the use of credits generated in the acquisition of inputs from 2004 to 2011 (disagreement as to the concept of inputs). The Company submitted an administrative defense showing the eligibility for the use of credits in accordance with the applicable tax legislation.

  Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL): administrative proceedings of 1994 and 2006 in which the Brazilian Federal Revenue Service challenges, respectively, the calculation of taxable income and the use of estimated IRPJ. The Company submitted a defense stating that the tax calculation was correct.

- **Debts settled through tax amnesty**

  Debts settled by the Company by enrolling in the tax amnesty program of Provisional Measure 470/09, for which the Brazilian Federal Revenue Service claims the debts do not qualify for the program. The Company is seeking court approval as it considers that there is full compatibility of the debts with the referred to amnesty.

- **ICMS credits**

  Administrative and legal processes filed by the tax authorities of the states of São Paulo and Santa Catarina for the years of 2009 to 2011, in which the use of certain State Value-added Tax (ICMS) credits by the Mauá and Joinville plants are challenged. In all the cases, the Company has shown the eligibility for the use of credits in accordance with the applicable tax legislation.

- **Expired tax debts**

  Tax foreclosure actions brought by the Federal Government in 2004 and 2005 collecting alleged debts related to offsets against IPI premium credit. In its defense, the Company claims that the statute of limitation period of said debts has expired, in compliance with case law of higher courts.

- **Social security**

  Administrative and legal proceedings filed by the federal tax authorities for 1998 and 2008 concerning alleged debts related to social security contributions on payroll and owed by service providers (joint responsibility). In all

the cases, the Company's defense has shown that the procedures adopted are in full compliance with tax legislation.

- **Labor**

  Lawsuits filed by former employees in progress at the Labor Courts, claiming compensation and payroll charges allegedly owed by the Company.

- **Civil**

  Contingency in which the Company challenges an excess collection concerning an undue increase in the electricity tariff by the concessionaire during a price freeze period, from February to November 1986.

17. DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION, NET

The breakdown of deferred tax assets and liabilities relating to income tax and social contribution, according to the balance sheet accounts, are as follows:

	Company			Consolidated		
Deferred liability	**June/12**	**December/11**	**Variation**	**June/12**	**December/11**	**Variation**
Property, plant and equipment - carrying value adjustments	64,812	68,103	(3,291)	64,812	68,103	(3,291)
Depreciation rate differences	35,274	29,946	5,328	35,274	29,946	5,328
Deferred tax on intangible assets	-	-	-	138,598	-	138,598
Total	**100,086**	**98,049**	**2,037**	**238,684**	**98,049**	**140,635**
Deferred asset						
Trade receivables	2,790	1,495	1,295	2,790	1,495	1,295
Inventories	885	803	82	885	803	82
Taxes and contributions recoverable	7,187	14,826	(7,639)	7,187	14,826	(7,639)
Third-party tools	2,248	2,631	(383)	2,248	2,631	(383)
Credits - Eletrobrás	4,379	3,428	951	4,379	3,428	951
Unrealized profits in subsidiaries	-	-	-	3,030	3,750	(720)
Tax losses from prior years	-	-	-	6,629	-	6,629
Property, plant and equipment - carrying value adjustments (Mexico)	-	-	-	27,538	-	27,538
Other assets	6,246	5,217	1,029	6,246	5,217	1,029
Salaries, social security charges and profit sharing	2,812	6,395	(3,583)	2,812	6,395	(3,583)
Provisions for tax, civil, social security and labor contingencies	35,749	33,894	1,855	35,749	33,894	1,855
Temporary differences of provisions	-	-	-	8,575	-	8,575
Other liabilities	5,387	5,426	(39)	5,387	5,426	(39)
Total	**67,683**	**74,115**	**(6,432)**	**113,455**	**77,865**	**35,590**
Total deferred liability, net	**32,403**	**23,934**	**(6,432)**	**125,229**	**20,184**	**35,590**

The Company prepared a technical feasibility study, approved by the Board of Directors, for the deferred income tax and social contribution assets, which indicates the full recovery of these deferred taxes.

Expected future realization, based on the Company's profit projections, is as follows:

	Company		Consolidated	
Year	June/12	December/11	June/12	December/11
2012	10,979	21,048	10,979	21,048
2013	28,037	25,069	28,037	25,069
2014	28,667	26,012	30,846	26,012
2015	-	1,986	29,104	5,736
2016	-	-	14,489	-
	67,683	**74,115**	**113,455**	**77,865**

The subsidiary Sociedade Técnica de Fundições Gerais S.A. - Sofunge (in liquidation) has income tax losses of R$ 56,077 (R$ 56,053 in 2011) and social contribution losses of R$ 61,329 (R$ 61,284 in 2011). At the moment, management does not envisage any form of realization, and therefore the related credits are not recorded.

18. SHARE CAPITAL, CARRYING VALUE ADJUSTMENTS, RESERVES AND DIVIDENDS

a. Share capital

Authorized capital is limited to R$ 600,000, represented by registered book-entry shares without par value, divided into common and preferred shares.

Of the authorized capital, R$ 537,051 (R$ 398,395 at December 31, 2011) is subscribed and paid up, comprising 57,138,750 shares, of which 56,820,214 are common shares with voting rights, and 318,536 are preferred shares without voting rights.

The Company's Board of Directors may increase subscribed capital by an amount deemed appropriate and necessary.

The Company, within the limit of authorized capital and in accordance with the plan approved at the General Meeting, may grant stock options to its management or employees, or persons that provide services to it or its subsidiaries. Up to June 30, 2012, no stock options had been granted.

Preferred shares entitle their holders to:

- the right to priority in capital reimbursement, should the Company's activities be wound up;
- the right to participate, under the same conditions as other shares, in the distribution of dividends, receipt of bonuses arising from inflation adjustments, revaluation of assets, capitalization of reserves, or use of any funds; and
- the right to "tag along" in any public offering to sell the Company's shareholding control, in accordance with article 254-A of Law 6,404/76, and dividends equal to those paid to common shares.

b. Carrying value adjustments

Represents the balance of asset revaluations in 1990 for the Land and buildings accounts (R$ 16,078) and in 2005, for the Machinery and equipment account (R$ 109,573), which were treated as an integral part of the costs of the assets. Realization against the Retained earnings account is proportional to the corresponding assets' depreciation, when applicable.

In 2Q12, the Company recorded R$ 35,245 as foreign exchange variation on investments abroad (companies acquired in Mexico).

c. Revenue reserves

- Legal reserve

  This reserve is recorded at 5% of the profit of each year in compliance with article 193 of Law 6,404/76, up to the limit of 20% of capital.

- Investment reserve

  This reserve is recorded in an amount not less than 5% of annual profit, up to the limit of 50% of capital. The balance, together with the other revenue reserves, except for those relating to contingencies, tax incentives and unrealized profits, cannot exceed the amount of capital.

At the General Meeting held on April 30, 2012, the stockholders approved the capitalization of R$ 138,656 from investment reserves, thus increasing the Company's capital to R$ 537,051.

19. OPERATING REVENUE

The reconciliation between gross and net sales and services revenue for the period is as follows:

	Company		Consolidated	
	2Q 2012	2Q 2011	2Q 2012	2Q 2011
Gross revenue	595,424	616,915	818,633	622,701
Returns and rebates	(10,343)	(7,805)	(15,445)	(7,805)
Revenue net of returns and rebates	**585,081**	**609,110**	**803,188**	**614,896**
Taxes on sales	(56,568)	(77,881)	(56,568)	(77,888)
Operating revenue	**528,513**	**531,229**	**746,620**	**537,008**
Operating revenue				
Domestic market	257,032	294,023	256,977	293,950
Foreign market	271,481	237,206	489,643	243,058
	528,513	**531,229**	**746,620**	**537,008**

	Company		Consolidated	
	1H 2012	1H 2011	1H 2012	1H 2011
Gross revenue	1,184,811	1,194,562	1,413,081	1,214,356
Returns and rebates	(19,618)	(14,423)	(24,720)	(14,423)
Revenue net of returns and rebates	**1,165,193**	**1,180,139**	**1,388,361**	**1,199,933**
Taxes on sales	(113,285)	(152,249)	(113,336)	(152,262)
Operating revenue	**1,051,908**	**1,027,890**	**1,275,025**	**1,047,671**
Operating revenue				
Domestic market	508,718	579,853	508,624	579,742
Foreign market	543,190	448,037	766,401	467,929
	1,051,908	**1,027,890**	**1,275,025**	**1,047,671**

20. COSTS AND EXPENSES BY NATURE

The breakdown of costs and expenses by nature, reconciled with costs and expenses by function presented in the statement of operations for the period, is as follows:

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Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

	Company		Consolidated	
	2Q 2012	2Q 2011	2Q 2012	2Q 2011
Raw materials	128,204	149,055	203,202	148,695
Processing materials	91,712	91,586	146,064	91,328
Maintenance and consumption materials	42,599	49,934	52,124	49,957
Salaries and social charges	121,645	106,156	139,011	107,141
Profit sharing	2,731	(5,015)	2,731	(5,015)
Social security benefits	17,658	14,985	16,990	14,956
Electric power	34,152	24,059	43,901	23,996
Depreciation	22,953	19,506	34,994	19,545
Freight on sales	18,844	15,655	28,926	18,450
Management fees	852	473	852	473
Other costs	1,446	3,809	3,299	2,126
	482,796	**470,203**	**672,094**	**471,652**
Cost of sales	437,341	435,533	606,610	432,663
Distribution costs	21,346	21,979	33,717	25,626
Administrative expenses	23,257	12,218	30,915	12,890
Management fees	852	473	852	473
	482,796	**470,203**	**672,094**	**471,652**

	Company		Consolidated	
	1H 2012	1H 2011	1H 2012	1H 2011
Raw materials	261,579	282,191	336,317	282,929
Processing materials	187,290	179,753	241,452	180,223
Maintenance and consumption materials	81,938	95,252	90,612	95,299
Salaries and social charges	234,692	196,762	250,338	199,422
Profit sharing	8,090	-	8,090	-
Social security benefits	38,075	27,664	37,094	27,947
Electric power	63,821	47,673	72,905	47,810
Depreciation	44,097	38,994	56,167	39,057
Freight on sales	33,648	36,471	47,636	42,878
Management fees	2,204	1,810	2,204	1,810
Other costs	5,486	5,697	6,353	6,685
	960,920	**912,267**	**1,149,168**	**924,060**
Cost of sales	879,944	836,579	1,043,308	838,195
Distribution costs	43,589	50,687	60,213	59,471
Administrative expenses	35,183	23,191	43,443	24,584
Management fees	2,204	1,810	2,204	1,810
	960,920	**912,267**	**1,149,168**	**924,060**

21. FINANCE RESULT

	Company		Consolidated	
Finance costs	**2Q 2012**	**2Q 2011**	**2Q 2012**	**2Q 2011**
Interest on bank borrowings	(25,464)	(9,056)	(25,464)	(9,056)
Interest on tax financing	(160)	(202)	(159)	(202)
Other expenses	(3,641)	(298)	(2,149)	(606)
	(29,265)	**(9,556)**	**(27,772)**	**(9,864)**
Finance income				
Interest on financial investments	7,754	15,434	7,754	15,434
Interest on Eletrobrás credits	1,124	1,579	1,124	1,579
Other income	4,740	1,268	1,489	1,289
	13,618	**18,281**	**10,367**	**18,302**
Monetary and foreign exchange variations, net				
Foreign exchange variations, net	(39,140)	8	(34,214)	(2,941)
Monetary variations	763	371	762	370
	(38,377)	**379**	**(33,452)**	**(2,571)**
Total finance result	**(54,024)**	**9,104**	**(50,857)**	**5,867**

	Company		Consolidated	
Finance costs	**1H 2012**	**1H 2011**	**1H 2012**	**1H 2011**
Interest on bank borrowings	(54,480)	(18,104)	(54,480)	(18,104)
Interest on tax financing	(291)	(544)	(291)	(544)
Other expenses	(4,123)	(562)	(3,495)	(1,711)
	(58,894)	**(19,210)**	**(58,266)**	**(20,359)**
Finance income				
Interest on financial investments	39,374	27,695	39,374	27,695
Interest on Eletrobrás credits	2,542	3,699	2,542	3,699
Other income	7,859	1,953	4,789	1,966
	49,775	**33,347**	**46,705**	**33,360**
Monetary and foreign exchange variations, net				
Foreign exchange variations, net	(38,788)	3,360	(36,147)	(18)
Monetary variations	606	156	606	157
	(38,182)	**3,516**	**(35,541)**	**139**
Total finance result	**(47,301)**	**17,653**	**(47,102)**	**13,140**

Finance income mainly comprises income from financial investments and monetary restatements of assets that are recognized in the statement of operations.

Finance costs mainly comprise interest and monetary variations on bank borrowings that are not directly attributable to acquisition, construction or production of a qualifying asset; interest and monetary variations on financing of taxes and

social security charges; bank expenses and Tax on Financial Transactions (IOF) that are recognized in the statement of operations.

Gains and losses arising from foreign exchange variations on assets and liabilities in foreign currency are recorded on a net basis.

22. OTHER OPERATING INCOME (EXPENSES)

	Company		Consolidated	
	2Q 2012	2Q 2011	2Q 2012	2Q 2011
Constitution and restatement of provisions (Note 16)				
Tax	(31)	(31)	(31)	(31)
Civil	(2,609)	245	(2,609)	245
Labor	(2,275)	(5,892)	(2,287)	(5,892)
Social security	-	(280)	-	(280)
Other operating expenses				
Provision for Eletrobrás credit loss	(1,424)	-	(1,424)	-
Depreciation of non-operating assets	(354)	(444)	(354)	(444)
Disposal of property, plant and equipment	(154)	(1,133)	(154)	(1,147)
Expenses because of strike	(12,496)	-	(12,496)	-
Realization of intangible assets	-	-	(7,888)	-
Gain (loss) on the sale of unusable assets and write-off of third-party tools and other assets	908	63	1,672	88
	(18,435)	**(7,472)**	**(25,571)**	**(7,461)**

	Company		Consolidated	
	1H 2012	1H 2011	1H 2012	1H 2011
Constitution and restatement of provisions (Note 16)				
Tax	(79)	(78)	(79)	(78)
Civil	(3,966)	(4,560)	(3,966)	(4,560)
Labor	(3,654)	(5,892)	(3,666)	(5,892)
Social security	-	(657)	-	(657)
Other operating expenses				
Provision for COFINS credit loss (Note 7)	15,045	-	15,045	-
Provision for Eletrobrás credit loss (Note 10)	(2,796)	-	(2,796)	-
Depreciation of non-operating assets	(831)	(896)	(831)	(896)
Disposal of property, plant and equipment	(15)	(1,133)	(17)	(1,147)
Expenses because of strike	(12,496)	-	(12,496)	-
Realization of intangible assets	-	-	(7,888)	-
Gain (loss) on the sale of unusable assets and write-off of third-party tools and other assets	50	(358)	1,480	821
	(8,742)	**(13,574)**	**(15,214)**	**(12,409)**

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In April 2012, the activities in the Joinville plant were partially interrupted for approximately two days because of a strike organized by the regional Union. This had an impact of R$ 12,496 in the results for the period, and was recorded in other operating expenses.

23. INCOME TAX AND SOCIAL CONTRIBUTION

	Company		Consolidated	
	2Q 2012	2Q 2011	2Q 2012	2Q 2011
Profit (loss) before tax effects	(14,385)	62,624	(1,902)	63,762
Combined tax rate	34%	34%	34%	34%
Expenses at combined rate	4,891	(21,292)	647	(21,679)
Tax effect of permanent (additions) exclusions:				
Equity in the results of subsidiaries	4,201	(11)	-	-
Depreciation of assets revalued in 1990	-	(168)	-	(168)
Depreciation of non-operating assets	(121)	(151)	(121)	(151)
Other permanent (additions) exclusions	(737)	123	1,509	(575)
Effects of tax losses in subsidiaries without the recording of deferred tax assets	-	-	(6,284)	(64)
Tax benefit (expenses) in the statement of operations	**8,234**	**(21,499)**	**(4,249)**	**(22,637)**

	Company		Consolidated	
	1H 2012	1H 2011	1H 2012	1H 2011
Profit before tax effects	48,667	122,366	63,541	124,342
Combined tax rate	34%	34%	34%	34%
Expenses at combined rate	(16,547)	(41,604)	(21,604)	(42,276)
Tax effect of permanent (additions) exclusions:				
Equity in the results of subsidiaries	4,665	906	-	-
Depreciation of assets revalued in 1990	-	(333)	-	(333)
Depreciation of non-operating assets	(283)	(305)	(283)	(305)
Other permanent (additions) exclusions	(605)	374	1,201	(195)
Effects of tax losses in subsidiaries without the recording of deferred tax assets	-	-	(6,958)	171
Tax expenses in the statement of operations	**(12,770)**	**(40,962)**	**(27,644)**	**(42,938)**

Breakdown of the tax effects recorded in the statement of operations:

	Company		Consolidated	
	2Q 2012	2Q 2011	2Q 2012	2Q 2011
Current income tax and social contribution	13,529	(19,713)	8,333	(20,286)
Deferred income tax and social contribution	(5,295)	(1,786)	(12,582)	(2,351)
Tax benefit (expenses) in the statement of operations	**8,234**	**(21,499)**	**(4,249)**	**(22,637)**

	Company		Consolidated	
	1H 2012	1H 2011	1H 2012	1H 2011
Current income tax and social contribution	(4,301)	(30,429)	(10,425)	(31,789)
Deferred income tax and social contribution	(8,469)	(10,533)	(17,219)	(11,149)
Tax expenses in the statement of operations	**(12,770)**	**(40,962)**	**(27,644)**	**(42,938)**

24. EARNINGS (LOSS) PER SHARE

Calculation of earnings (loss) per common share (ON) and preferred share (PN) in the period is as follows:

	2Q 2012	2Q 2011
Profit attributable to stockholders of the Company	(6,151)	41,125
Weighted average number of outstanding shares	57,139	57,139
Basic and diluted earnings (loss) per share - R$	**(0.1077)**	**0.7197**

	1H 2012	1H 2011
Profit attributable to stockholders of the Company	35,897	81,404
Weighted average number of outstanding shares	57,139	57,139
Basic and diluted earnings per share - R$	**0.6282**	**1.4247**

25. INSURANCE

The Company contracts insurance taking into account the nature and level of risks involved, according to the guidance of its insurance advisors, and considered adequate by management. The risk assumptions adopted, because of their nature, are not part of the scope of a limited review of quarterly information.

Consequently, these assumptions were not examined by the independent auditors.

The covered risks include the following items and corresponding amounts:

	Jun/12	Dec/11
Buildings	259,570	77,378
Machinery and equipment, furniture and fittings	1,845,617	954,918
Inventories	231,884	130,279
Loss of profits	849,443	629,328
Civil liability	93,460	36,706

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26. SEGMENT REPORTING

The Company discloses information by operating segment based on the information reported to management and used in decision-making in order to allocate funds to the segments and to assess their performance, as described below.

Automotive products - Manufacture, by order, of casted and machined products, with high technological content, such as powertrain (blocks and cylinder heads), brake, transmission, steering, axle and suspension components for worldwide manufacturers of engines, passenger vehicles, commercial vehicles (trucks, buses, etc.), construction machines, tractors, agricultural machines and power generators.

Industrial products - Manufacture of flexible iron connections for the construction industry, iron and steel grits for the marble and granite processing industry and cast-iron shapes for general use.

The following is information on each reported segment:

Reconciliation of revenues, costs and expenses and results

Consolidated

	Automotive products		Industrial products		Total	
	2Q 2012	2Q 2011	2Q 2012	2Q 2011	2Q 2012	2Q 2011
Operating revenue (Note 19)	685,522	477,811	61,098	59,197	746,620	537,008
Costs and expenses (Note 20)	(623,204)	(423,939)	(48,890)	(47,713)	(672,094)	(471,652)
Profit before finance result and income tax and social contribution	**62,318**	**53,872**	**12,208**	**11,484**	**74,526**	**65,356**
Finance result, net (Note 21)					(50,857)	5,867
Other operating expenses (Note 22)					(25,571)	(7,461)
Profit (loss) after finance result, net					**(1,902)**	**63,762**
Income tax and social contribution (Note 23)					(4,249)	(22,637.00)
Profit (loss) for the period					**(6,151)**	**41,125**

Consolidated

	Automotive products		Industrial products		Total	
	1H 2012	1H 2011	1H 2012	1H 2011	1H 2012	1H 2011
Operating revenue (Note 19)	1,159,382	933,142	115,643	114,529	1,275,025	1,047,671
Costs and expenses (Note 20)	(1,053,992)	(833,514)	(95,176)	(90,546)	(1,149,168)	(924,060)
Profit before finance result and income tax and social contribution	**105,390**	**99,628**	**20,467**	**23,983**	**125,857**	**123,611**
Finance result, net (Note 21)					(47,102)	13,140.00
Other operating expenses (Note 22)					(15,214)	(12,409.00)
Profit after finance result, net					**63,541**	**124,342**
Income tax and social contribution (Note 23)					(27,644)	(42,938)
Profit for the period					**35,897**	**81,404**

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Information on the countries from which the Company derives revenue

The revenue derived from customers in Brazil and from customers in each foreign country, and their respective shares in the Company's total operating revenue for the period, is as follows:

Consolidated

OPERATING REVENUE	2Q 2012	%	2Q 2011	%
Brazil	256,977	34.4	293,950	54.7
United States	318,817	42.7	96,090	17.9
Mexico	57,615	7.7	47,278	8.8
United Kingdom	41,173	5.5	35,736	6.7
Italy	21,098	2.8	11,184	2.1
Japan	13,197	1.8	6,663	1.2
Hungary	10,559	1.4	8,486	1.6
South Africa	8,171	1.1	3,138	0.6
Argentina	3,097	0.4	3,475	0.6
China	1,013	0.1	5,024	0.9
Netherlands	2,708	0.4	2,688	0.5
France	658	0.1	11,571	2.2
Other countries	11,537	1.5	11,725	2.2
Total	**746,620**	**100.0**	**537,008**	**100.0**

Consolidated

OPERATING REVENUE	1H 2012	%	1H 2011	%
Brazil	508,624	39.9	579,742	55.3
United States	423,352	33.2	191,744	18.3
Mexico	111,969	8.8	95,250	9.1
United Kingdom	86,627	6.8	69,127	6.6
Italy	38,069	3.0	21,923	2.1
Japan	27,075	2.1	12,318	1.2
Hungary	18,608	1.5	15,487	1.5
South Africa	14,829	1.2	5,290	0.5
Argentina	7,667	0.6	5,954	0.6
China	5,550	0.4	6,547	0.6
Netherlands	5,737	0.4	5,317	0.5
France	2,970	0.2	19,403	1.9
Other countries	23,948	1.9	19,569	1.9
Total	**1,275,025**	**100.0**	**1,047,671**	**100.0**

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Major customers accounting for over 10% of the Company's total operating revenue

The Company has a diversified portfolio of local and foreign customers. The automotive products segment has customers that individually account for more than 10% of the consolidated operating revenue, as follows:

Consolidated

OPERATING REVENUE	2Q 2012	%	2Q 2011	%
Automotive products				
Customer A	129,613	17.4	77,249	10.3
Customer B	102,264	13.7	95,948	12.9
Other customers of automotive products	453,645	60.8	304,614	40.8
Total automotive products	**685,522**		**477,811**	
Industrial products	61,098	8.2	59,197	11.0
Total operating revenue	**746,620**	**100**	**537,008**	**100**

Consolidated

OPERATING REVENUE	1H 2012	%	1H 2011	%
Automotive products				
Customer A	218,843	17.2	156,120	14.9
Customer B	204,586	16.0	188,803	18.0
Other customers of automotive products	735,953	57.7	588,219	56.1
Total automotive products	**1,159,382**		**933,142**	
Industrial products	115,643	9.1	114,529	10.9
Total operating revenue	**1,275,025**	**100**	**1,047,671**	**100**

The sales in the industrial products segment are very diversified.

Reconciliation of costs and expenses by segment

Consolidated

	Automotive products		Industrial products		Total	
	2Q 2012	**2Q 2011**	**2Q 2012**	**2Q 2011**	**2Q 2012**	**2Q 2011**
Raw materials	188,263	133,681	14,939	15,014	203,202	148,695
Processing materials	135,321	82,084	10,743	9,244	146,064	91,328
Maintenance and consumption materials	48,353	44,912	3,771	5,045	52,124	49,957
Salaries and social charges	129,078	96,337	9,933	10,804	139,011	107,141
Profit sharing	2,581	(4,540)	150	(475)	2,731	(5,015)
Social security benefits	15,868	13,448	1,122	1,508	16,990	14,956
Electric power	40,677	21,566	3,224	2,430	43,901	23,996
Depreciation	32,396	17,565	2,598	1,980	34,994	19,545
Freight on sales	26,796	16,562	2,130	1,888	28,926	18,450
Management fees	800	423	52	50	852	473
Other costs	3,071	1,901	228	225	3,299	2,126
	623,204	**423,939**	**48,890**	**47,713**	**672,094**	**471,652**

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

Consolidated

	Automotive products		Industrial products		Total	
	1H 2012	**1H 2011**	**1H 2012**	**1H 2011**	**1H 2012**	**1H 2011**
Raw materials	308,463	255,206	27,854	27,723	336,317	282,929
Processing materials	221,455	162,563	19,997	17,660	241,452	180,223
Maintenance and consumption materials	83,107	85,961	7,505	9,338	90,612	95,299
Salaries and social charges	229,604	179,881	20,734	19,541	250,338	199,422
Profit sharing	7,420	-	670	-	8,090	-
Social security benefits	34,022	25,209	3,072	2,738	37,094	27,947
Electric power	66,867	43,125	6,038	4,685	72,905	47,810
Depreciation	51,515	35,230	4,652	3,827	56,167	39,057
Freight on sales	43,691	38,677	3,945	4,201	47,636	42,878
Management fees	2,021	1,633	183	177	2,204	1,810
Other costs	5,827	6,029	526	656	6,353	6,685
	1,053,992	**833,514**	**95,176**	**90,546**	**1,149,168**	**924,060**

Reconciliation of assets and liabilities

Consolidated

	Automotive products		Industrial products		Total	
ASSETS	**Jun/12**	**Dec/11**	**Jun/12**	**Dec/11**	**Jun/12**	**Dec/11**
Trade receivables, net (Note 5)	356,516	233,227	38,548	36,448	395,064	269,675
Inventories (Note 6)	255,070	173,920	47,265	48,341	302,335	222,261
Third-party tools	62,354	25,006	38	38	62,392	25,044
Notes and other receivables	34,839	17,346	5,446	7,514	40,285	24,860
Property, plant and equipment (Note 12)	1,512,219	1,103,764	37,059	32,286	1,549,278	1,136,050
Intangible assets	487,790	-	-	-	487,790	-
Other assets not allocated	-	-	-	-	1,018,326	1,749,182
Total consolidated assets	**2,708,788**	**1,553,263**	**128,356**	**124,627**	**3,855,470**	**3,427,072**
LIABILITIES						
Trade payables	248,684	142,026	22,764	23,500	271,448	165,526
Taxes and contributions	17,228	6,444	553	11	17,781	6,455
Salaries, social security charges and profit sharing (Note 16)	99,672	79,336	7,604	8,673	107,276	88,009
Advances from customers	74,282	40,114	5,754	14,210	80,036	54,324
Notes and other payables	58,456	18,422	5,196	6,504	63,652	24,926
Deferred tax on intangible assets	138,598	-	-	-	138,598	-
Other liabilities not allocated					2,037,888	1,991,201
Equity	-	-	-	-	1,138,791	1,096,631
Total consolidated liabilities	**636,920**	**286,342**	**41,871**	**52,898**	**3,855,470**	**3,427,072**

Segment-specific assets and liabilities are allocated directly to the segments, and criteria with respect to applicability and origin are used for common assets and liabilities. The Company does not allocate to the reportable segments cash and cash equivalents, recoverable and deferred taxes, judicial and other deposits, and investments in companies as they are not directly related to the operation. For the same reason, borrowings, tax financing and social charges, dividends, provisions, deferred taxes and other long-term liabilities are also not allocated to reportable segments.

27. NON-CASH TRANSACTIONS

The Company carried out investment transactions that did not affect cash, and which, therefore, were not recorded in the statement of cash flows. These transactions totaled R$ 1,459 at June 30, 2012 (R$ 11,798 at December 31, 2011).

28. FINANCIAL INSTRUMENTS

This note presents information on the Company's exposure to each one of the risks below, for risk measurement and management purposes, and the management of the Company's capital.

Financial instruments by category

Consolidated

	Jun/12	Dec/11
Loans and receivables		
Cash and cash equivalents	614,050	1,421,085
Trade receivables	395,064	269,675
Notes and other receivables	40,285	24,860
Financial assets at fair value through profit or loss		
Financial investments	19,801	24,192
Derivative financial instruments	-	7,092
Financial liabilities at amortized cost		
Trade payables	271,448	165,526
Borrowings	1,923,077	1,803,764
Notes and other payables	63,652	24,926

Financial risk management

The Company is exposed to risks arising from the use of financial instruments, related to credit, liquidity, market and operating risks.

The Company manages financial risks observing criteria for financial investments; contracting derivatives; ratings of the institutions with which it enters into transactions; among other control procedures. In addition, management permanently monitors and controls the exposure of foreign currency-denominated assets and liabilities to foreign exchange risk.

Due to exchange volatility and the different periods of realization of assets and settlement of liabilities, the Company contracts, when considered necessary, financial instruments to limit exposure to foreign exchange risk.

Fair value

The carrying values of trade receivables and payables, less impairment provision in the case of trade receivables, are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

The Company adopted CPC 40/IFRS 7 for financial instruments that are measured in the balance sheet at fair value. This requires disclosure of fair value measurements by level of the following hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The values of the financial instruments recorded in the consolidated quarterly information at their carrying amount are substantially similar to those that would have been obtained if traded in the market. However, since they do not have an active market, variations could occur if the Company and its subsidiaries were to decide to realize them in advance of their maturity.

a. Credit risk

Credit risk is the risk of loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises mainly from the Company's trade receivables and investment securities.

Trade receivables, notes and other receivables

The Company sets exposure limits for each customer to limit the credit risk of trade receivables and risks are managed according to specific credit rating criteria.

The Company records a provision for impairment which represents its estimate of expected losses on trade receivables according to the criteria described in Note 5.

The Company does not hold any credit guarantee to cover credit risks related to its financial assets.

Credit quality of financial assets:

The risk assessment of trade receivables is as follows:

- Low - 94%
- Moderate - 5%
- High - 1%

The other financial assets held by the Company, especially current accounts and financial investments, are considered of high quality and do not present indications of loss.

b. Liquidity risk

Liquidity risk is the risk that the Company will have difficulty in complying with its obligations associated with its financial liabilities that are settled in cash or other financial assets. The Company's approach to managing this risk is to ensure that it has sufficient liquidity to settle its obligations without incurring losses or affecting its operations.

At June 30, 2012, the Company had cash and cash equivalents equivalent to 95% of its short-term bank commitments. The contractual maturities of financial liabilities are as follows:

TUPY S.A.

Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

Consolidated

FINANCIAL LIABILITIES	Carrying amount	Contractual cash flows Weighted average effective interest rate	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	Total contractual cash flows
Local currency								
Collateralized borrowings	508,981	4.61% p.a. /TJLP +2.85% p.a.	224,622	32,804	145,278	146,175	30,179	579,058
Uncollateralized borrowings	483,383	6.43% p.a.	127,085	12,403	380,921	-	-	520,409
Foreign currency								
Collateralized borrowings	53,241	VC+Libor1.99% p.a./ VC+5.83% p.a.	17,112	10,199	6,350	21,565	4,516	59,742
Uncollateralized borrowings	877,472	VC+Libor+3.76% p.a.	29,718	29,347	47,496	782,867	143,871	1,033,299
Trade payables and notes and other payables	335,100		335,100	-	-	-	-	335,100
	2,258,177		**733,637**	**84,753**	**580,045**	**950,607**	**178,566**	**2,527,608**

The Company does not expect that the cash outflows, included in its maturity analyses, will occur significantly sooner or in amounts significantly different. Moreover, the Company generates sufficient cash to cover future payment flows.

c. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange and interest rates will affect the Company's results or the value of its financial instruments. The objective of market risk management is to maintain exposures to market risks within acceptable levels, while optimizing returns.

Currency risk

The Company is exposed to currency risk in sales, purchases and borrowings denominated in currencies other than the Company's functional currency, the Brazilian real. The main currencies in which these transactions are denominated are the U.S. dollar and the Euro.

Export revenues represent a foreign exchange hedge; however, because of concerns regarding exchange volatility and the different periods of realization of assets and settlement of liabilities, the Company contracts financial instruments to limit exposure to foreign exchange risk.

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Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

The Company's exposure to foreign currency risk is as follows:

Consolidated			
ASSETS	**Note**	**Jun/12**	**Dec/11**
Cash and financial investments abroad	3	496,295	186,119
(-) Cash and financial investments abroad - Mexico		(133,336)	-
Customers - foreign market	5	279,951	155,762
(-) Customers in foreign market - Mexico		(137,999)	-
Advance for future capital increase		222,837	-
Swaps		-	281,370
		727,748	**623,251**
LIABILITIES			
Borrowings in foreign currency	13	(930,719)	(872,803)
Other amounts		(16,955)	(22,624)
		(947,674)	**(895,427)**
Net exposure impacting profit (loss)			
In thousands of R$		(219,926)	(272,176)
In thousands of US$		(108,804)	(145,099)
Equity in subsidiaries in Mexico		**381,311**	**-**
Total net exposure			
In thousands of R$		161,385	(272,176)
In thousands of US$		79,842	(145,099)

The Company's net liability exposure in foreign currency, whose impacts of exchange variations are allocated to profit (loss), amounted to US$ 108,804 thousand at June 30, 2012, equivalent to approximately two months of exports.

Cash and financial investments and receivables of subsidiaries in Mexico are not considered to reduce exposure, since the exchange variation impacts of these assets are recorded in equity, not in profit (loss). The Company's policy is to hedge against impacts of exchange variation in profit (loss).

Sensitivity analysis of foreign exchange exposure

This analysis is based on the foreign exchange rate fluctuation, pursuant to CVM Normative Instruction (IN) 475, in which the risk variable is stressed with a 25 and 50 percent fluctuation as compared to the probable scenario estimated by the Company. This analysis considers that all other variables, especially the interest rates, will remain constant.

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Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

ACCOUNTING FOREIGN EXCHANGE EXPOSURE	Risk	Disclosed	Probable scenario (I)	Scenario (II)	Scenario (III)
U.S. dollar rate	**Appreciation of the U.S. dollar**	**2.0213**	**2.00**	**2.50**	**3.00**
Asset position		727,747	720,078	900,098	1,080,118
Liability position		(947,647)	(937,688)	(1,172,110)	(1,406,531)
Net exposure (thousands of R$)		(219,927)	(217,609)	(272,012)	(326,414)
Net exposure (thousands of US$)		(108,804)	(108,804)	(108,804)	(108,804)
Potential impact (R$ thousand)		**-**	**2,318**	**(52,085)**	**(106,487)**

The simulation considered a devaluation of the Brazilian real in relation to the U.S. dollar as compared to the probable scenario indicated by the Company.

Interest rate risk

Refers to the Company's exposure to changes in the interest rates on its investments and bank borrowings with a direct impact on profit or loss. To mitigate this risk, the Company seeks to diversify its borrowings and allocation of funds, as follows:

Consolidation - carrying amount

	Note	Jun/12	Dec/11
Floating-rate instruments			
Financial assets	3, 4	136,416	1,263,367
Financial liabilities	13	1,158,016	1,044,322
Fixed-rate instruments			
Financial assets	3	496,295	186,119
Financial liabilities	13	765,061	759,442

Sensitivity analysis of the variations in fixed and floating interest rates

The Company has financial investments in Bank Deposit Certificates (CDB), linked to the Interbank Deposit Certificate (CDI) rate. The simulation considers a fluctuation of 1% p.a., upward or downward, in the CDI rate, which would represent an impact of R$ 1,364 per annum.

The Company also has financial investments abroad at fixed rates. The simulation considers a fluctuation of 0.25% p.a., upward or downward, in remuneration, which would represent an impact of R$ 1,240 per annum.

The Company's borrowings in foreign currency are exposed to interest rate risk, related to the LIBOR fluctuation. The simulation considers a fluctuation of 0.50% p.a., upward or downward, in this variable interest rate, which would represent an impact of R$ 4,495 per annum.

Similarly, the Company is exposed to interest rate risk on its borrowings linked to the Long-term Interest Rate (TJLP). A fluctuation of 1% per year, upward or downward, in this rate would have an impact of R$ 2,642 per annum.

Price risk

This risk relates to the possibility of fluctuations in market prices of the inputs used in the manufacturing process, especially scrap, pig iron, metal alloys, coke and electricity. These price fluctuations can impact the Company's costs. The Company has a policy of monitoring these prices to pass on any changes as adjustments to its sales prices.

Capital structure risk

This risk derives from the structure of the Company's own capital (equity) and third-party capital that the Company uses to finance its operations. To mitigate liquidity risks and optimize the average cost of capital, the Company monitors the compliance with financial ratios required under its borrowing agreements.

The relation of own capital versus third-party capital, at the end of each period, is as follows:

	Jun/12	Dec/11
Own capital (equity)	1,138,791	1,096,631
Total payables	2,716,679	2,330,441
Cash and cash equivalents	(614,050)	(1,421,085)
Third-party capital	**2,102,629**	**909,356**
Own capital versus third-party capital ratio	0.54	1.21

d. Operating risk

This risk arises from all the Company's operations and can cause direct or indirect losses associated to a variety of factors, such as processes, personnel, technology, infrastructure and external factors.

The Company's objective is to manage the operating risk to avoid losses and damages to its reputation, and to seek cost efficiency.

The primary responsibility for developing and implementing operating risk controls is with a centralized area of Internal Controls reporting to senior management.

e. Derivative financial instruments

The Company operates with financial instruments and monitors its financial obligations to manage market risks. All these transactions are carried out in accordance with the guidelines established under the risk management structure.

The Company and its subsidiaries do not enter into speculative financial transactions, but they do use some financial derivative transactions to hedge certain assets and/or liabilities against fluctuations, mainly exchange rate fluctuations.

Seeking to maintain foreign exchange exposure at levels compatible with its business, in the period from January to March 2012, the Company carried out three transactions for contracting and renewal of currency swaps in the amounts of US$ 150 million (January and March) and US$ 300 million (February), all with terms of less than 30 days. From the transactions beginning and ending in the quarter, the Company recorded a net adjustment payable of R$ 13,082.

At March 31, 2012, the Company had an adjustment receivable of R$ 11,475, (R$ 7,092 at December 31, 2011), which was settled on April 2, 2012, at the net amount received of R$ 11,480.

At March 31, 2012, the Company had a swap of US$ 150 million (US$ 150 million at December 31, 2011).

The Company prepares the sensitivity analysis of such transactions including the net accounting foreign exchange exposure above.

29. BUSINESS COMBINATION

On April 16, 2012, the Company acquired 100% of the capital of Cifunsa Diesel, S.A. de C.V. (subsequently Tupy México Saltillo, S.A. de C.V.) and Technocast, S.A. de C.V. and their related service providers, located in the cities of Saltillo and Ramos Arizpe, in Mexico, to produce cast-iron blocks and cylinder heads used in the production of engines for passenger and commercial vehicles, agricultural and construction machines, stationary engines, in addition to other foundry products (automotive product segment).

The transaction was concluded for US$ 495.19 million (R$ 908.36 million), divided as follows:

- US$ 439.00 million for the companies, without cash and debts.
- US$ 56.19 million for the cash balance at the acquisition date.

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Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

The goodwill paid on the acquisition amounted to R$ 354,713, net of deferred tax, and is attributable to the acquired customer base, non-competition agreements, fair value of inventories and expectation of future profitability. The Company preliminary identified the allocation of intangible assets of the acquired companies, as presented below.

The following table summarizes the consideration paid for the acquisition of the companies as well as the amounts of assets acquired and liabilities assumed recognized at the acquisition date.

At April 16, 2012	Tupy México Saltillo	Technocast, S.A. de C.V.	TOTAL
Cash in thousands of US$ (transaction amount)	222,000	217,000	439,000
Cash in thousands of US$ (cash balance at date of transaction)	27,554	28,636	56,190
Total consideration in thousands of US$	**249,554**	**245,636**	**495,190**
Average translation rate	1.8344	1.8344	1.8344
Cash in thousands of R$	457,775	450,588	908,363
Total consideration in thousands of R$	**457,775**	**450,588**	**908,363**
Recognized amounts of identifiable assets acquired and liabilities assumed			
Cash and cash equivalents	54,880	55,640	110,520
Trade receivables	71,714	19,221	90,935
Inventories	43,331	14,656	57,987
Third-party tools	28,636	-	28,636
Taxes and contributions recoverable	18,785	13,217	32,002
Notes and other receivables	7,028	1,225	8,253
Deferred income tax and social contribution	34,252	18,887	53,139
Property, plant and equipment	128,155	202,336	330,491
Other investments	3,185	-	3,185
Trade payables	(64,576)	(22,545)	(87,121)
Taxes and contributions	(12,236)	(1,342)	(13,578)
Advances from customers	(16,846)	(2,210)	(19,056)
Salaries, social security charges and profit sharing	(9,555)	(1,907)	(11,462)
Notes and other payables - Current	(8,146)	(8,545)	(16,691)
Retirement benefit obligations (Note 16.1)	(10,952)	-	(10,952)
Notes and other payables - Non-current	(673)	(1,965)	(2,638)
Total identifiable net assets	**266,982**	**286,668**	**553,650**

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Notes to the quarterly information
(All amounts in thousands of reais unless otherwise stated)

At April 16, 2012	Tupy México Saltillo	Technocast, S.A. de C.V.	TOTAL
Intangible assets identified:			
(a) Contractual relationship with customers	251,089	215,411	466,500
(b) Non-competition agreement	3,380	-	3,380
Deferred tax on intangible assets identified	(76,341)	(64,623)	(140,964)
Subtotal	**178,128**	**150,788**	**328,916**
Goodwill			
(c) Expected future profitability (included in intangible assets)	12,665	13,132	25,797
Total intangible assets	**190,793**	**163,920**	**354,713**
TOTAL	**457,775**	**450,588**	**908,363**

The total consideration includes R$ 203.6 million as advances for future capital increase.

The goodwill recorded will not be deductible for income tax and social contribution.

The fair value of the acquired identifiable intangible assets is provisional pending receipt of the final valuations for those assets. This is management's best estimate at the date of the quarterly information.

a. Contractual customer relationships

Intangible assets identified referring to the customer portfolio acquired. The amount was calculated based on the minimum estimate of maintenance of this portfolio, using the discounted cash flow method, considering a ten-year period, equivalent to the minimum term estimated for the maintenance of the commercial relationship with the customers. These intangible assets will be amortized on a straight-line basis, and fully written off should any of the customer relationships be terminated during this period.

b. Non-competition agreement

Intangible assets referring to the agreement entered into by the parties (purchaser and sellers), through which the sellers assume the commitment not to invest for five years in any business related to the products manufactured by the companies involved in the transaction. The amount was calculated based on a methodology which assesses the business in markets with possible competition, compared to markets with no competition and then assesses the likelihood of this competition to occur or not.

c. Expected future profitability

Intangible assets represented by the excess of the cost of an acquisition over the net fair value of assets and liabilities of the acquired subsidiary. This goodwill is tested annually for impairment. If impairment losses are identified, the amounts will be recorded as an expense.

30. EVENTS AFTER THE REPORTING PERIOD

In June and July 2012, the Company entered into BNDES Exim - Pre-shipment of the Investment Sustainability Program (PSI) transactions with several financial institutions totaling R$ 200 million, the principal of which will be repaid in a single installment after 3 years. R$ 90 million of this amount was released in July and R$ 110 million in August 2012. These funds are used to substitute debts falling due in the short term and reinforce the Company's cash.

In July 2012, the Company entered into a Non Deliverable Forward purchase transaction of U.S. dollars in the amount of US$ 100 million for a 60-day period.

* * *

Report on review of quarterly information

To the Board of Directors and Stockholders
Tupy S.A.
São Paulo/SP

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Tupy S.A., included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2012, comprising the balance sheet as at that date and the statements of operations and comprehensive income for the quarter and six-month period 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 interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 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 parent company interim information

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

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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.

Report on review of quarterly information

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, 2012. 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) but 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.

Audit and review of prior-year information

The Quarterly Information (ITR) mentioned in the first paragraph includes the accounting information corresponding to the statements of income, changes in equity, cash flows and value added for the quarter ended June 30, 2011, obtained from the quarterly information as at that date, and the balance sheets at December 31, 2011, obtained from the financial statements as at December 31, 2011, presented for comparison purposes. The review of the Quarterly Information (ITR) for the quarter ended June 30, 2011 and the audit of the financial statements for the year ended December 31, 2011 were conducted by other independent auditors, who issued unqualified review and audit reports dated August 11, 2011 and March 16, 2012, respectively.

Florianópolis, August 14, 2012

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Mario Miguel Tomaz Tannhauser Junior
Contador CRC 1SP217245/O-8

Reasons for restatement

Version	Description
2	Update of information disclosed in Management's report