(A free translation of the original in Portuguese)

Tupy S.A.

Quarterly information (ITR) at March 31, 2012 and report on review of quarterly information

(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Management 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 March 31, 2012, comprising the balance sheet as at that date and the statements of income, changes in equity and cash flows for the quarter 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.

Tupy S.A.

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 quarter ended March 31, 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) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

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 March 31, 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 March 31, 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 May 12, 2011 and March 16, 2012, respectively.

São Paulo, May 15, 2012

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

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

(A free translation of the original in Portuguese)

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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
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

3. Auditor

Does the Issuer have an auditor?	YES
CVM code	385-9
Type of auditor	Brazilian firm
Name/Corporate name	Deloitte Touche Tohmatsu
Individual Taxpayers' Registration Number (CPF)/ Federal Corporate Taxpayers' Registration Number (CNPJ)	49.928.567/0001-11
Period of services	1/25/2005 to 12/31/2011

Partner responsible	Period of services	CPF
Roberto Wagner Promenzio	1/25/2005 to 12/31/2011	633.231.338-20

Does the Issuer have an auditor?	YES
CVM code	287-9
Type of auditor	National
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

4. 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

5. 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	

6. Stockholders' department

CONTACT	**Marcio Bessa Sarquis**
Date when the person assumed the position	**7/1/1966**
Date when the person left the position	
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

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Company information / Capital composition

Number of shares (In thousands)	Current quarter 3/31/2012
Paid-up capital	
Common shares	56,820
Preferred shares	319
Total	57,139
Treasury shares	
Common shares	0
Preferred shares	0
Total	0

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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		Common		0.63832
Extraordinary and Annual General Stockholders Meeting	4/30/2012	Dividend		Preferred		0.63832
Extraordinary and Annual General Stockholders Meeting	4/30/2012	Interest on capital		Common		0.84034
Extraordinary and Annual General Stockholders Meeting	4/30/2012	Interest on capital		Preferred		0.84034

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Parent company financial statements / balance sheet - assets

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2012	Prior year 12/31/2011
1	Total assets	3,585,295	3,490,572
1.01	Current assets	2,038,212	1,984,893
1.01.01	Cash and cash equivalents	801	2,766
1.01.02	Financial investments	1,443,664	1,405,667
1.01.02.01	Financial investments at fair value	1,443,664	1,405,667
1.01.02.01.02	Securities available for sale	1,443,664	1,405,667
1.01.03	Trade receivables	240,436	219,671
1.01.03.01	Customers	240,436	219,671
1.01.04	Inventories	181,266	204,184
1.01.07	Prepaid expenses	7,188	5,821
1.01.08	Other current assets	164,857	146,784
1.01.08.03	Other	164,857	146,784
1.01.08.03.01	Third-party tools	26,753	25,044
1.01.08.03.02	Taxes and contributions recoverable	101,962	95,125
1.01.08.03.03	Notes and other receivables	24,667	19,523
1.01.08.03.04	Derivative financial instruments	11,475	7,092
1.02	Non-current assets	1,547,083	1,505,679
1.02.01	Long-term receivables	291,195	286,204
1.02.01.01	Financial investments at fair value	24,722	24,192
1.02.01.01.02	Securities available for sale	24,722	24,192
1.02.01.06	Deferred taxes	71,611	74,115
1.02.01.06.01	Deferred income tax and social contribution	71,611	74,115
1.02.01.09	Other non-current assets	194,862	187,897
1.02.01.09.03	Taxes and contributions recoverable	99,761	93,170
1.02.01.09.04	Credits - Eletrobrás	88,643	88,597
1.02.01.09.05	Judicial deposits and other	6,458	6,130
1.02.02	Investments	90,724	89,359
1.02.02.01	Equity investments	90,724	89,359
1.02.02.01.02	Investments in subsidiaries	89,360	87,995
1.02.02.01.04	Other investments	1,364	1,364
1.02.03	Property, plant and equipment	1,165,164	1,130,116
1.02.03.01	Property, plant and equipment in use	916,873	803,758
1.02.03.02	Leased property, plant and equipment	495	703
1.02.03.03	Construction in progress	247,796	325,655

Parent company financial statements / balance sheet - liabilities and equity

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2012	Prior year 12/31/2011
2	Total liabilities and equity	3,585,295	3,490,572
2.01	Current liabilities	800,472	792,463
2.01.01	Social security and labor obligations	95,359	87,635
2.01.01.01	Social security obligations	13,318	14,855
2.01.01.02	Labor obligations	82,041	72,780
2.01.02	Trade payables	156,690	165,243
2.01.02.01	Local suppliers	139,192	149,645
2.01.02.02	Foreign suppliers	17,498	15,598
2.01.03	Tax obligations	2,890	5,285
2.01.03.01	Federal tax obligations	2,520	5,084
2.01.03.02	State tax obligations	201	30
2.01.03.03	Municipal tax obligations	169	171
2.01.04	Borrowings	400,353	401,491
2.01.04.01	Borrowings	400,353	401,491
2.01.04.01.01	In local currency	346,697	345,646
2.01.04.01.02	In foreign currency	53,656	55,845
2.01.05	Other obligations	145,180	132,809
2.01.05.02	Other	145,180	132,809
2.01.05.02.02	Mandatory minimum dividends payable	53,078	55,506
2.01.05.02.04	Financing of taxes and social security charges	12,094	11,912
2.01.05.02.05	Advances from customers	43,673	44,731
2.01.05.02.06	Notes and other payables	36,335	20,660
2.02	Non-current liabilities	1,646,144	1,601,478
2.02.01	Borrowings	1,446,606	1,402,273
2.02.01.01	Borrowings	1,446,606	1,402,273
2.02.01.01.01	In local currency	647,381	585,315
2.02.01.01.02	In foreign currency	799,225	816,958
2.02.02	Other obligations	7,731	10,117
2.02.02.01	Payables to related parties	1,643	1,685
2.02.02.01.02	Debts with subsidiaries	1,643	1,685
2.02.02.02	Other	6,088	8,432
2.02.02.02.03	Financing of taxes and social security charges	2,510	4,974
2.02.02.02.04	Other long-term liabilities	3,578	3,458
2.02.03	Deferred taxes	98,719	98,049
2.02.03.01	Deferred income tax and social contribution	98,719	98,049
2.02.04	Provisions	93,088	91,039
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	93,088	91,039
2.02.04.01.01	Provisions for tax contingencies	10,202	9,826
2.02.04.01.02	Provisions for social security and labor contingencies	10,058	9,743
2.02.04.01.04	Provisions for civil contingencies	72,828	71,470
2.03	Equity	1,138,679	1,096,631
2.03.01	Paid-up capital	398,395	398,395
2.03.04	Revenue reserves	566,033	566,033
2.03.04.01	Legal reserve	37,453	37,453
2.03.04.02	Statutory reserve	499,598	499,598
2.03.04.08	Additional dividends proposed	28,982	28,982
2.03.05	Retained earnings (accumulated deficit)	45,461	0
2.03.06	Carrying value adjustments	128,790	132,203

Parent company financial statements / statement of income

(R$ thousand unless otherwise stated)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 3/31/2012	Accumulated - prior year 1/1/2011 to 3/31/2011
3.01	Sales and/or services revenue	523,395	496,661
3.02	Cost of sales and/or services	-442,603	-401,046
3.03	Gross profit	80,792	95,615
3.04	Operating income/expenses	-24,463	-44,422
3.04.01	Selling expenses	-22,243	-28,708
3.04.02	General and administrative expenses	-13,278	-12,310
3.04.05	Other operating expenses	9,693	-6,102
3.04.06	Equity in the results of investees	1,365	2,698
3.05	Profit before finance result and taxes	56,329	51,193
3.06	Finance result	6,723	8,549
3.06.01	Finance income	47,972	19,698
3.06.02	Finance costs	-41,249	-11,149
3.07	Profit before taxation	63,052	59,742
3.08	Income tax and social contribution on net income	-21,004	-19,463
3.08.01	Current	-17,830	-10,716
3.08.02	Deferred	-3,174	-8,747
3.09	Profit from continuing operations	42,048	40,279
3.11	Profit for the period	42,048	40,279
3.99	Earnings per share - (Reais / share)		
3.99.01	Basic earnings per share - R$		
3.99.01.01	Common share	0.73589	0.70493
3.99.01.02	Preferred share	0.73589	0.70493
3.99.02	Diluted earnings per share - R$		
3.99.02.01	Common share	0.73589	0.70493
3.99.02.02	Preferred share	0.73589	0.70493

Parent company financial statements / statement of comprehensive income

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 3/31/2012	Accumulated - prior year 1/1/2011 to 3/31/2011
4.01	Profit for the period	42,048	40,279
4.03	Comprehensive income for the period	42,048	40,279

(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 3/31/2012	Accumulated - prior year 1/1/2011 to 3/31/2011
6.01	Net cash provided by operating activities	34,260	86,583
6.01.01	Cash from operations	110,497	83,059
6.01.01.01	Profit for the period before income tax and social contribution	63,052	59,742
6.01.01.02	Depreciation and amortization	21,144	19,488
6.01.01.03	Share of results of subsidiaries	-1,365	-2,698
6.01.01.04	Disposal of property, plant and equipment	-139	0
6.01.01.05	Interest accrued and foreign exchange variations	27,153	8,385
6.01.01.06	Provision for impairment of trade receivables	-353	218
6.01.01.07	Provision for inventory losses	241	0
6.01.01.08	Provision for contingencies, net	644	-1,466
6.01.01.09	Other long-term liabilities	120	-610
6.01.02	Changes in assets and liabilities	-76,237	3,524
6.01.02.01	Trade receivables	-20,412	-23,874
6.01.02.02	Inventories	22,677	15,471
6.01.02.03	Customers' tools	-1,709	-621
6.01.02.04	Taxes and contributions recoverable	-25,676	-11,076
6.01.02.05	Notes and other receivables	-6,511	-3,920
6.01.02.06	Judicial deposits and other	-328	-128
6.01.02.07	Trade payables	-14,210	24,831
6.01.02.08	Taxes and contributions	-2,395	11,932
6.01.02.09	Salaries, social security charges and profit sharing	7,724	9,429
6.01.02.10	Advances from customers	-1,058	-8,269
6.01.02.11	Notes and other payables	15,675	1,050
6.01.02.12	Interest paid	-47,610	-9,434
6.01.02.13	Income tax and social contribution paid	-2,404	-1,867
6.02	Net cash used in investing activities	-50,396	-44,482
6.02.01	Purchases of property, plant and equipment	-50,544	-44,482
6.02.02	Sales of property, plant and equipment	148	0
6.03	Net cash provided by (used in) financing activities	56,023	-23,106
6.03.01	Payment of borrowings	-24,323	-27,781
6.03.02	Repayment of tax financing	-2,416	-2,322
6.03.03	New borrowings	85,765	11,653
6.03.04	Subsidiaries and associates	-45	-142
6.03.05	Interest on capital and dividends paid	-2,428	-2,323
6.03.06	Long-term financial investments	-530	-2,191
6.04	Foreign exchange variation on cash and cash equivalents	-3,855	-224
6.05	Increase (decrease) in cash and cash equivalents	36,032	18,771
6.05.01	Opening balance of cash and cash equivalents	1,408,433	558,168
6.05.02	Closing balance of cash and cash equivalents	1,444,465	576,939

Parent company financial statements / statement of changes in equity - 1/1/2012 to 3/31/2012

(R$ thousand)

1 - Code	2 - Description	Capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings (accumulated deficit)	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
5.05	Total comprehensive income	0	0	0	42,048	0	42,048
5.05.01	Profit for the period	0	0	0	42,048	0	42,048
5.06	Internal changes in equity	0	0	0	3,413	-3,413	0
5.06.02	Realization of the revaluation reserve	0	0	0	3,413	-3,413	0
5.07	Closing balance	398,395	0	566,033	45,461	128,790	1,138,679

Parent company financial statements / statement of changes in equity - 1/1/2011 to 3/31/2011

(R$ thousand)

1 - Code	2 - Description	Capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings (accumulated deficit)	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
5.05	Total comprehensive income	0	0	0	40,279	0	40,279
5.05.01	Profit for the period	0	0	0	40,279	0	40,279
5.06	Internal changes in equity	0	0	0	3,551	-3,551	0
5.06.02	Realization of the revaluation reserve	0	0	0	3,551	-3,551	0
5.07	Closing balance	398,395	0	423,874	43,830	144,939	1,011,038

(A free translation of the original in Portuguese)

Parent company financial statements / statement of value added

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 3/31/2012	Accumulated - prior year 1/1/2011 to 3/31/2011
7.01	Revenue	580,465	570,811
7.01.01	Sales of products and services	580,112	571,029
7.01.04	Changes in the provision for impairment of trade receivables	353	-218
7.02	Inputs acquired from third parties	-370,022	-369,325
7.02.01	Cost of sales and services	-286,603	-272,544
7.02.02	Materials, electricity, outsourced services and other	-83,419	-96,781
7.03	Gross value added	210,443	201,486
7.04	Retentions	-21,144	-19,488
7.04.01	Depreciation, amortization and depletion	-21,144	-19,488
7.05	Net value added generated by the entity	189,299	181,998
7.06	Value added received through transfer	37,522	17,764
7.06.01	Equity in the results of investees	1,365	2,698
7.06.02	Finance income	36,157	15,066
7.07	Total value added to distribute	226,821	199,762
7.08	Distribution of value added	226,821	199,762
7.08.01	Personnel	117,273	97,810
7.08.01.01	Direct remuneration	89,040	78,196
7.08.01.02	Benefits	20,417	12,834
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	7,816	6,780
7.08.02	Taxes and contributions	38,066	55,156
7.08.02.01	Federal	37,461	49,972
7.08.02.02	State	-274	4,415
7.08.02.03	Municipal	879	769
7.08.03	Remuneration of third-party capital	29,434	6,517
7.08.03.01	Interest	29,629	9,654
7.08.03.03	Other	-195	-3,137
7.08.03.03.01	Monetary and foreign exchange variations, net	-195	-3,137
7.08.04	Remuneration of own capital	42,048	40,279
7.08.04.03	Profits reinvested/loss for the period	42,048	40,279

(A free translation of the original in Portuguese)

Consolidated financial statements / balance sheet - assets

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2012	Prior year 12/31/2011
1	Total assets	3,581,713	3,504,937
1.01	Current assets	2,108,863	2,070,589
1.01.01	Cash and cash equivalents	16,521	15,418
1.01.02	Financial investments	1,443,664	1,405,667
1.01.02.01	Financial investments at fair value	1,443,664	1,405,667
1.01.02.01.02	Securities available for sale	1,443,664	1,405,667
1.01.03	Trade receivables	272,213	269,675
1.01.03.01	Customers	272,213	269,675
1.01.04	Inventories	206,106	222,261
1.01.07	Prepaid expenses	7,188	5,821
1.01.08	Other current assets	163,171	151,747
1.01.08.03	Other	163,171	151,747
1.01.08.03.01	Third-party tools	26,753	25,044
1.01.08.03.02	Taxes and contributions recoverable	107,838	100,572
1.01.08.03.03	Notes and other receivables	17,105	19,039
1.01.08.03.04	Derivative financial instruments	11,475	7,092
1.02	Non-current assets	1,472,850	1,434,348
1.02.01	Long-term receivables	296,230	292,745
1.02.01.01	Financial investments at fair value	24,722	24,192
1.02.01.01.02	Securities available for sale	24,722	24,192
1.02.01.06	Deferred taxes	73,898	77,865
1.02.01.06.01	Deferred income tax and social contribution	73,898	77,865
1.02.01.09	Other non-current assets	197,610	190,688
1.02.01.09.03	Taxes and contributions recoverable	101,505	94,957
1.02.01.09.04	Credits - Eletrobrás	88,643	88,597
1.02.01.09.05	Judicial deposits and other	7,462	7,134
1.02.02	Investments	5,938	5,553
1.02.02.01	Equity investments	1,364	1,364
1.02.02.01.04	Other investments	1,364	1,364
1.02.02.02	Investment properties	4,574	4,189
1.02.03	Property, plant and equipment	1,170,682	1,136,050
1.02.03.01	Property, plant and equipment in use	922,391	809,692
1.02.03.02	Leased property, plant and equipment	495	703
1.02.03.03	Construction in progress	247,796	325,655

(A free translation of the original in Portuguese)

Consolidated financial statements / balance sheet - liabilities and equity

(R$ thousand)

1 - Code	2 - Description	Current quarter 3/31/2012	Prior year 12/31/2011
2	Total liabilities and equity	3,581,713	3,504,937
2.01	Current liabilities	798,173	808,149
2.01.01	Social security and labor obligations	95,727	88,009
2.01.01.01	Social security obligations	13,323	14,861
2.01.01.02	Labor obligations	82,404	73,148
2.01.02	Trade payables	157,032	165,526
2.01.02.01	Local suppliers	139,534	149,928
2.01.02.02	Foreign suppliers	17,498	15,598
2.01.03	Tax obligations	3,886	6,455
2.01.03.01	Federal tax obligations	3,516	6,254
2.01.03.02	State tax obligations	201	30
2.01.03.03	Municipal tax obligations	169	171
2.01.04	Borrowings	400,353	401,491
2.01.04.01	Borrowings	400,353	401,491
2.01.04.01.01	In local currency	346,697	345,646
2.01.04.01.02	In foreign currency	53,656	55,845
2.01.05	Other obligations	141,175	146,668
2.01.05.02	Other	141,175	146,668
2.01.05.02.02	Mandatory minimum dividends payable	53,078	55,506
2.01.05.02.04	Financing of taxes and social security charges	12,094	11,912
2.01.05.02.05	Advances from customers	37,306	54,324
2.01.05.02.06	Notes and other payables	38,697	24,926
2.02	Non-current liabilities	1,644,861	1,600,157
2.02.01	Borrowings	1,446,606	1,402,273
2.02.01.01	Borrowings	1,446,606	1,402,273
2.02.01.01.01	In local currency	647,381	585,315
2.02.01.01.02	In foreign currency	799,225	816,958
2.02.02	Other obligations	6,088	8,432
2.02.02.02	Other	6,088	8,432
2.02.02.02.03	Financing of taxes and social security charges	2,510	4,974
2.02.02.02.04	Other long-term liabilities	3,578	3,458
2.02.03	Deferred taxes	98,719	98,049
2.02.03.01	Deferred income tax and social contribution	98,719	98,049
2.02.04	Provisions	93,448	91,403
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	93,448	91,403
2.02.04.01.01	Provisions for tax contingencies	10,202	9,826
2.02.04.01.02	Provisions for social security and labor contingencies	9,959	9,648
2.02.04.01.04	Provisions for civil contingencies	73,287	71,929
2.03	Consolidated equity	1,138,679	1,096,631
2.03.01	Paid-up capital	398,395	398,395
2.03.04	Revenue reserves	566,033	566,033
2.03.04.01	Legal reserve	37,453	37,453
2.03.04.02	Statutory reserve	499,598	499,598
2.03.04.08	Additional dividends proposed	28,982	28,982
2.03.05	Retained earnings (accumulated deficit)	45,461	0
2.03.06	Carrying value adjustments	128,790	132,203

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of income

(R$ thousand unless otherwise stated)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 3/31/2012	Accumulated- prior year 1/1/2011 to 3/31/2011
3.01	Sales and/or services revenue	528,405	510,663
3.02	Cost of sales and/or services	-436,698	-405,532
3.03	Gross profit	91,707	105,131
3.04	Operating income/expenses	-30,019	-51,824
3.04.01	Selling expenses	-26,496	-33,845
3.04.02	General and administrative expenses	-13,880	-13,031
3.04.05	Other operating expenses	10,357	-4,948
3.05	Profit before finance result and taxes	61,688	53,307
3.06	Finance result	3,755	7,273
3.06.01	Finance income	45,856	19,200
3.06.02	Finance costs	-42,101	-11,927
3.07	Profit before taxation	65,443	60,580
3.08	Income tax and social contribution on net income	-23,395	-20,301
3.08.01	Current	-18,758	-11,503
3.08.02	Deferred	-4,637	-8,798
3.09	Profit from continuing operations	42,048	40,279
3.11	Consolidated profit/loss for the period	42,048	40,279
3.11.01	Attributable to stockholders of the Parent company	42,048	40,279
3.99	Earnings per share - (Reais / share)		
3.99.01	Basic earnings per share - R$		
3.99.01.01	Common share	0.73589	0.70493
3.99.01.02	Preferred share	0.73589	0.70493
3.99.02	Diluted earnings per share - R$		
3.99.02.01	Common share	0.73589	0.70493
3.99.02.02	Preferred share	0.73589	0.70493

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of comprehensive income

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 3/31/2012	Accumulated - prior year 1/1/2011 to 3/31/2011
4.01	Consolidated profit for the period	42,048	40,279
4.03	Consolidated comprehensive income for the period	42,048	40,279
4.03.01	Attributable to stockholders of the Parent company	42,048	40,279

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of cash flows - indirect method

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 3/31/2012	Accumulated - prior year 1/1/2011 to 3/31/2011
6.01	Net cash provided by operating activities	38,415	78,844
6.01.01	Cash from operations	115,409	85,822
6.01.01.01	Profit for the period before income tax and social contribution	65,443	60,580
6.01.01.02	Depreciation and amortization	21,173	19,512
6.01.01.04	Disposal of property, plant and equipment	-137	14
6.01.01.05	Interest accrued and foreign exchange variations	28,282	7,892
6.01.01.06	Provision for impairment of trade receivables	-353	218
6.01.01.07	Provision for inventory losses	241	0
6.01.01.08	Provision for contingencies, net	640	-1,784
6.01.01.09	Other long-term liabilities	120	-610
6.01.02	Changes in assets and liabilities	-76,994	-6,978
6.01.02.01	Trade receivables	-2,185	-32,697
6.01.02.02	Inventories	15,914	16,483
6.01.02.03	Customers' tools	-1,709	-621
6.01.02.04	Taxes and contributions recoverable	-25,678	-11,067
6.01.02.05	Notes and other receivables	567	-4,803
6.01.02.06	Judicial deposits and other	-328	-128
6.01.02.07	Trade payables	-14,151	25,233
6.01.02.08	Taxes and contributions	-2,569	11,893
6.01.02.09	Salaries, social security charges and profit sharing	7,718	9,544
6.01.02.10	Advances from customers	-17,018	-8,975
6.01.02.11	Notes and other payables	13,771	248
6.01.02.12	Interest paid	-47,610	-9,434
6.01.02.13	Income tax and social contribution paid	-3,716	-2,654
6.02	Net cash used in investing activities	-50,396	-44,695
6.02.01	Purchases of property, plant and equipment	-50,544	-44,695
6.02.02	Sales of property, plant and equipment	148	0
6.03	Net cash provided by (used in) financing activities	56,068	-22,964
6.03.01	Payment of borrowings	-24,323	-27,781
6.03.02	Repayment of tax financing	-2,416	-2,322
6.03.03	New borrowings	85,765	11,653
6.03.04	Interest on capital and dividends paid	-2,428	-2,323
6.03.05	Long-term financial investments	-530	-2,191
6.04	Foreign exchange variation on cash and cash equivalents	-4,987	242
6.05	Increase (decrease) in cash and cash equivalents	39,100	11,427
6.05.01	Opening balance of cash and cash equivalents	1,421,085	578,366
6.05.02	Closing balance of cash and cash equivalents	1,460,185	589,793

Consolidated financial statements / statement of changes in equity - 1/1/2012 to 3/31/2012

(R$ thousand)

1 - Code	2 - Description	Capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings (accumulated deficit)	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
5.05	Total comprehensive income	0	0	0	42,048	0	42,048	0	42,048
5.05.01	Profit for the period	0	0	0	42,048	0	42,048	0	42,048
5.06	Internal changes in equity	0	0	0	3,413	-3,413	0	0	0
5.06.02	Realization of the revaluation reserve	0	0	0	3,413	-3,413	0	0	0
5.07	Closing balance	398,395	0	566,033	45,461	128,790	1,138,679	0	1,138,679

Consolidated financial statements / statement of changes in equity - 1/1/2011 to 3/31/2011

(R$ thousand)

1 - Code	2 - Description	Capital	Capital reserves, stock options and treasury shares	Revenue reserves	Retained earnings (accumulated deficit)	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
5.05	Total comprehensive income	0	0	0	40,279	0	40,279	0	40,279
5.05.01	Profit for the period	0	0	0	40,279	0	40,279	0	40,279
5.06	Internal changes in equity	0	0	0	3,551	-3,551	0	0	0
5.06.02	Realization of the revaluation reserve	0	0	0	3,551	-3,551	0	0	0
5.07	Closing balance	398,395	0	423,874	43,830	144,939	1,011,038	0	1,011,038

(A free translation of the original in Portuguese)

Consolidated financial statements / statement of value added

(R$ thousand)

1 - Code	2 - Description	Accumulated - current year 1/1/2012 to 3/31/2012	Accumulated - prior year 1/1/2011 to 3/31/2011
7.01	Revenue	585,526	584,819
7.01.01	Sales of products and services	585,173	585,037
7.01.04	Changes in the provision for impairment of trade receivables	353	-218
7.02	Inputs acquired from third parties	-367,191	-377,052
7.02.01	Cost of sales and services	-286,603	-272,544
7.02.02	Materials, electricity, outsourced services and other	-80,588	-104,508
7.03	Gross value added	218,335	207,767
7.04	Retentions	-21,173	-19,512
7.04.01	Depreciation, amortization and depletion	-21,173	-19,512
7.05	Net value added generated by the entity	197,162	188,255
7.06	Value added received through transfer	36,338	15,058
7.06.02	Finance income	36,338	15,058
7.07	Total value added to distribute	233,500	203,313
7.08	Distribution of value added	233,500	203,313
7.08.01	Personnel	118,291	99,171
7.08.01.01	Direct remuneration	89,904	79,401
7.08.01.02	Benefits	20,571	12,990
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	7,816	6,780
7.08.02	Taxes and contributions	40,578	56,078
7.08.02.01	Federal	39,931	50,852
7.08.02.02	State	-274	4,415
7.08.02.03	Municipal	921	811
7.08.03	Remuneration of third-party capital	32,583	7,785
7.08.03.01	Interest	30,494	10,495
7.08.03.03	Other	2,089	-2,710
7.08.03.03.01	Monetary and foreign exchange variations, net	2,089	-2,710
7.08.04	Remuneration of own capital	42,048	40,279
7.08.04.03	Profits reinvested/loss for the period	42,048	40,279

Comments on company performance



São Paulo - SP, May 15, 2012. Tupy S.A. (BM&F Bovespa - TUPY3 and TUPY4), which holds a solid position in the domestic and foreign markets regarding the manufacture of cast-iron components for the automotive industry (especially blocks and cylinder heads for engines) and flexible iron connections for use in the industrial segment - discloses its results for the first quarter of 2012 (1Q2012), ended March 31, 2012. The Company's information, except when otherwise indicated, is based on consolidated figures, in thousands of reais, according to the International Financial Reporting Standards (IFRS). All comparisons refer to the same period of 2011 (1Q2011), unless otherwise stated.

TUPY S.A. - RESULTS 1Q2012

Data - 3/31/2012
TUPY3: R$ 29.49 per share

Investor Relations Officer

Luiz Tarquínio Sardinha Ferro
CEO

Telephone: (47) 4009-8231
e-mail: dri@tupy.com.br

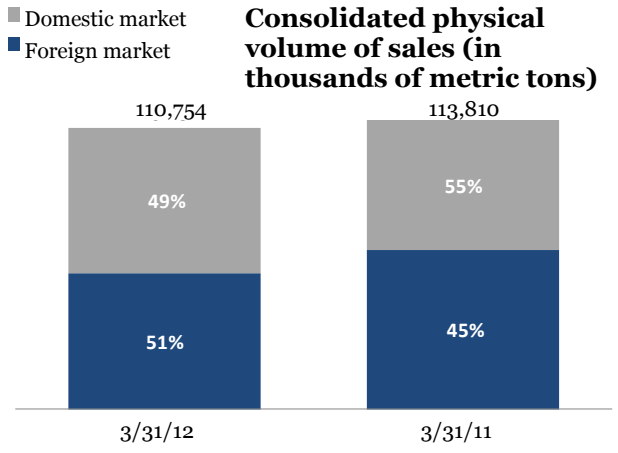
HIGHLIGHTS (1Q2012 in relation to 1Q2011)

- **Physical volume of sales:** 110.8 thousand metric tons, decrease of 3%.
- **Operating revenue:** R$ 528.4 million, increase of 3%.
- **Profit after finance result:** R$ 55.1 million, decrease of 16%.
- **Adjusted EBITDA:** R$ 72.0 million, decrease of 7%.
- **Profit:** R$ 42.0 million - accounting for 8% of the operating revenue, increase of 4%.
- **Cash provided by operating activities:** R$ 38.4 million, decrease of 51%.
- **Cash and cash equivalents:** R$ 1,460.2 million, increase of 148%.
- **Net debt:** R$ 350.6 million, decrease of 0.2%.
- **Investments:** R$ 56.2 million in the first quarter, increase of 26%;

Comments on company performance

PHYSICAL VOLUME OF SALES

PHYSICAL VOLUME OF SALES	Consolidated (in thousands of metric tons)		
	3/31/2012	3/31/2011	Variation
Domestic market	53,768	62,723	-14%
Participation %	**49%**	**55%**	
Foreign market	56,986	51,087	12%
Participation %	**51%**	**45%**	
Total sales	**110,754**	**113,810**	**-3%**



Consolidated physical volume of sales (in thousands of metric tons)

In the first quarter of 2012, the physical volume of sales totaled 110.8 thousand metric tons.

During this period, the physical volume of sales in the domestic market decreased 14% and in the foreign market it increased 12%, in comparison with the first quarter of 2011. As a result, the exports represented 51% of the total volume, while the domestic market represented 49%.

Domestic market: decrease in sales due to anticipated purchases and composition of the inventories of vehicles with engines equipped with the Proconve 5 (EURO III) technology, whose production was possible up to December 31, 2011.

Foreign market: in process of recovery after the world financial crisis of 2008 and 2009, in spite of a scenario with significant uncertainties.

Comments on company performance

PERFORMANCE HIGHLIGHTS

SUMMARY OF RESULTS	Consolidated (in thousands of reais)		
	1Q2012	1Q2011	Variation
Operating revenue	**528,405**	**510,663**	**3%**
Domestic market	251,647	285,792	-12%
Foreign market	276,758	224,871	23%
Cost of sales and operating expenses	(477,074)	(452,408)	5%
Profit before finance result	51,331	58,255	-12%
% over operating revenue	**10%**	**11%**	
Finance result, net	3,755	7,273	-48%
Profit after finance result	55,086	65,528	-16%
% over operating revenue	**10%**	**13%**	
Other operating income (expenses), net	10,357	(4,948)	-309%
Profit before tax effects	65,443	60,580	8%
% over operating revenue	**12%**	**12%**	
Income tax and social contribution	(23,395)	(20,301)	15%
Profit for the period	42,048	40,279	4%
% over operating revenue	**8%**	**8%**	

OPERATING RESULTS PERFORMANCE

The operating revenue increased 3% in the first quarter of 2012 in relation to 2011, while the Cost of sales and operating revenue varied 5%, in comparison with the same quarter of the prior year, as follows:

Operating revenue:

- The increase in prices due to the inflation in costs, especially metallic inputs;
- The appreciation of the Real in relation to same period of 2011 (average rate of R$/US$ 1.757 in 2012, against R$/US$ 1.654 in 2011), generating a positive impact on revenue from sales in the foreign market;
- REINTEGRA tax benefit, established in Provisional Measure 540/2011;
- The decrease in the physical volume of sales offset a portion of the aforementioned positive impacts.

Comments on company performance

Cost of sales and operating expenses:

- The inflation of prices of sundry inputs, electric power and manpower;
- The decrease in productivity, as a result of the use of old and less efficient equipment to meet the increase in demand and maintain the investment plan in progress;
- The increase in fixed expenditures, especially with personnel, through the implementation of a supplementary pension plan and healthcare expenditures due to the larger number of employees.

Taking into consideration the aforementioned effects, the Profit after finance result was R$ 51.3 million, 10% over operating revenue, against R$ 58.3 million verified in 2011, corresponding to 11% over the operating revenue in the same quarter of the prior year.

The net finance result totaled an income of R$ 3.8 million against R$ 7.3 million in the prior year. The decrease arises from the increase in the Company's gross indebtedness in relation to that verified in the same quarter of 2011.

Other operating income net totaled R$ 10.4 million against R$ 4.9 in the same period of 2011. The variation reflects the reversal of the provision for credit on tax loss recorded in 2011. Details may be found in notes 7(c) and 22.

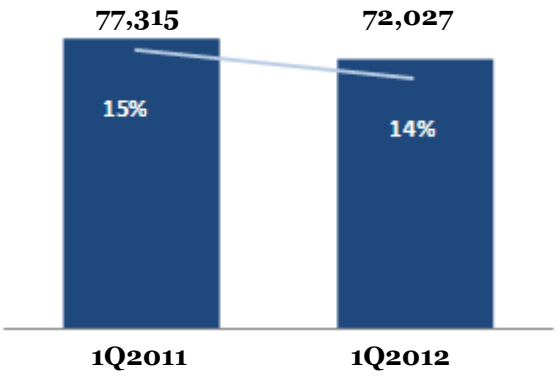
The profit for the period totaled R$ 42.0 million, in comparison with R$ 40.3 million in the same period of the previous year, representing a growth of 4% and a margin of 8% over operating revenue.

Adjusted EBITDA

RECONCILIATION OF PROFIT AND EBITDA	Consolidated (in thousands of reais)		
	1Q2012	1Q2011	Variation
Profit for the period	42,048	40,279	4%
(-) Finance result, net	3,755	7,273	-48%
(+) Income tax and social contribution	23,395	20,301	15%
(+) Depreciation and amortization	21,173	19,512	9%
= EBITDA (according to the methodology of CVM Circular Letter 01/07)	82,861	72,819	14%
EBITDA margin	**16%**	**14%**	
(+) Other operating income (expenses), net *(except for depreciation of non-operating assets)*	(10,834)	4,496	-341%
= Adjusted EBITDA	**72,027**	**77,315**	**-7%**
Adjusted EBITDA margin	**14%**	**15%**	

Comments on company performance

EBITDA/EBITDA margin - R$



Adjusted EBITDA in 2012 was R$ 72.0 million (14% over Operating revenue), a decrease of 7% in relation to the amount of R$ 77.3 million of the same prior-year period (15% over Operating revenue).

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

Adjusted EBITDA: correspond 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.

CASH FLOWS AND INDEBTEDNESS

SUMMARY OF CASH FLOWS	Consolidated (in thousands of reais)		
	1Q2012	1Q2011	Variation
Cash and cash equivalents at the end of the quarter	**1,460,185**	**589,793**	**148%**
Cash provided by operating activities	38,415	78,844	-51%
Cash used in investing activities	(50,396)	(44,695)	13%
Cash provided by (used in) financing activities	56,068	(22,964)	-344%
Effect of exchange differences on cash for the period	(4,987)	242	-2161%
Increase in cash and cash equivalents	39,100	11,427	242%

INDEBTEDNESS	Consolidated (in thousands of reais)	
	3/31/12	12/31/11
Bank debt - short term	388,878	394,399
Bank debt - long term	1,446,606	1,402,273
Total debt	**1,835,484**	**1,796,672**
(-) Cash and cash equivalents and financial investments	1,484,907	1,445,277
(=) Net indebtedness	**350,577**	**351,395**

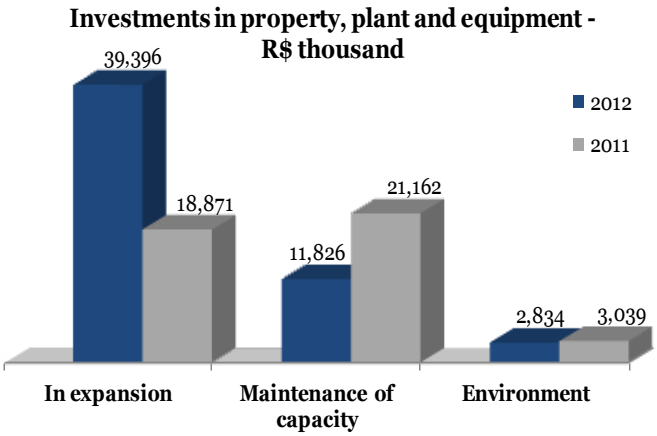
Comments on company performance

The Company closed 1Q 2012, with a cash balance of R$ 1,460.2 million.

The Company closed the first quarter of 2012, with a cash balance of R$ 1,460.2 million. This cash balance is derived from cash reserves constituted to pay for the acquisition of companies in Mexico and from long-term borrowing operations carried out to cover short-term maturities, seeking to maintain the debt profile.

In the 1Q2012, net debt stood at R$350.6 million.

INVESTMENTS



In 2012, total investments were up 26% over 2011 to R$ 56.2 million.

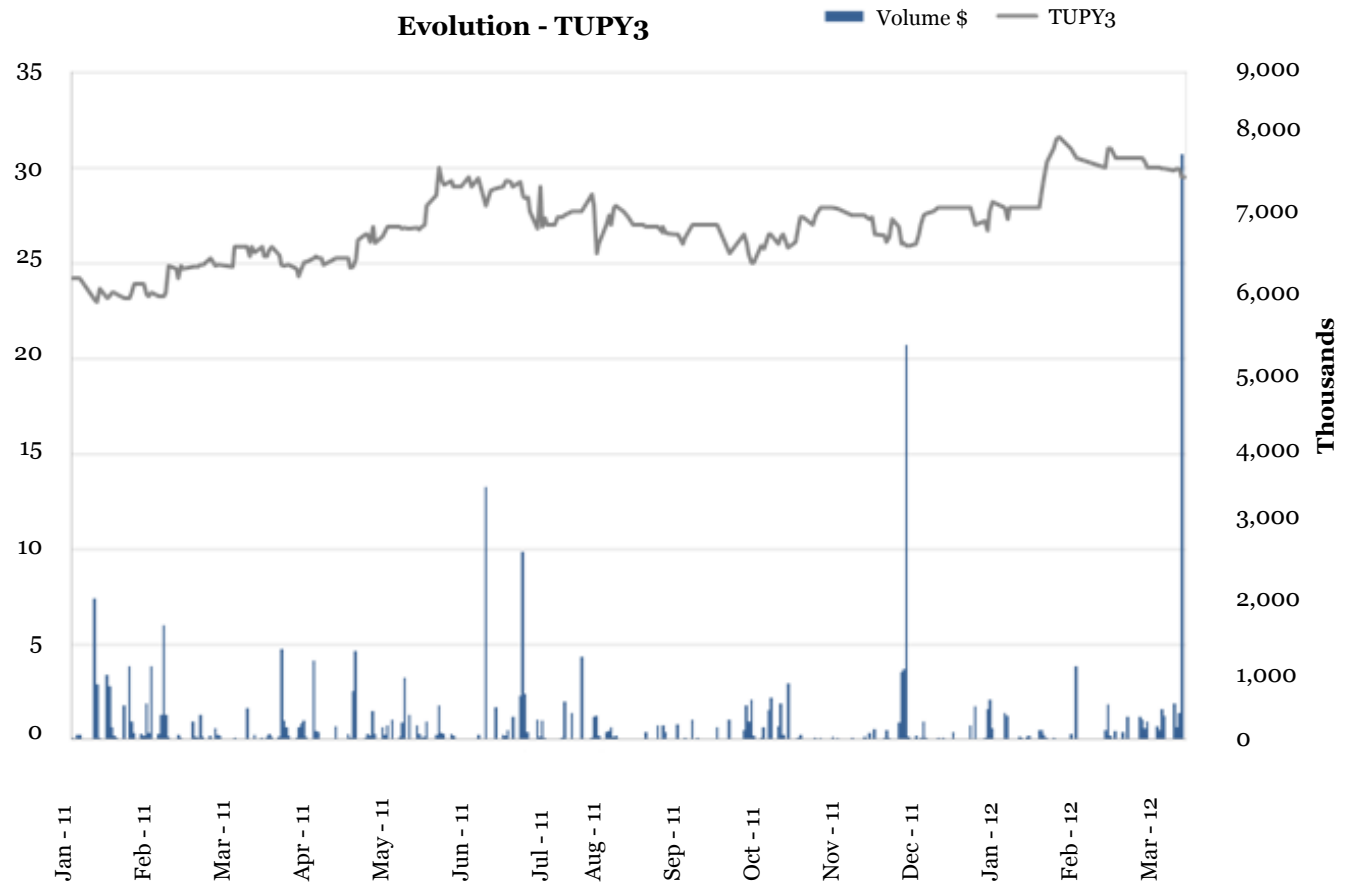
In addition to investments to expand the production capacity of the plants of Mauá and Joinville, at the latter, the new engine block and cylinder head production unit started operations in April 2012. The Company also applied significant amounts in the maintenance and modernization of its industrial complex and in improvements in the environmental area.

CAPITAL MARKETS

The trading volume and the highest and lowest price of the securities traded on stock exchange or on over-the-counter markets are as follows:

TUPY3 - ON			
	Average daily volume (R$)	Highest price (R$)	Lowest price (R$)
First quarter of 2012	128,326.00	31.60	26.70
Fourth quarter of 2011	269,620.10	27.90	25.00
Third quarter of 2011	209,276.51	29.26	25.50
Second quarter of 2011	231,081.67	30.00	24.30
First quarter of 2011	280,422.58	25.84	22.96
Fourth quarter of 2010	372,036.48	29.00	21.29
Third quarter of 2010	301,643.03	21.99	12.70
Second quarter of 2010	185,500.16	14.80	11.50

Comments on company performance



TUPY S.A.

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

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 second largest independent foundry of cast iron engine blocks and cylinder heads and the largest in Latin America. 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. (note 26)

In addition to its plants, the Company has the following wholly-owned subsidiaries:

- Tupy American Foundry Co., located in the United States, and Tupy Europe GmbH, headquartered in Germany, are engaged in logistics, sale and provision of technical assistance for automotive products sold to customers in North America and Europe;
- Tupy American Iron & Alloys Co., located in the United States of America, operates with logistics and sale of shapes;
- Tupy Argentina S.R.L., headquartered in Argentina, operates with logistics and sale of connections;
- Tupy Agroenergética Ltda., Brazilian company located in Joinville, Santa Catarina, operates in the reforestation segment, originally established to provide alternative sources of energy. Most assets were sold in 2009 and the remaining balance is classified as investment properties. (note 11)
- Sociedade Técnica de Fundições Gerais S.A. - Sofunge, "under liquidation".

On April 16, 2012, the Company concluded the process of acquisition of two companies located in Mexico. See note 29 for more details.

The issue of this quarterly information was authorized by the Company's management on May 14, 2012.

2. PRESENTATION AND PREPARATION OF THE QUARTERLY INFORMATION

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 below. The historical cost is generally based on the fair value of the consideration paid for assets.

The functional currency of the Company and all its subsidiaries is the Brazilian real (R$), which is the same currency used in the preparation and presentation of the parent company and consolidated quarterly information.

2.2. Use of estimates and judgment

The preparation of parent company and consolidated quarterly information in accordance with IFRS and the accounting practices adopted in Brazil requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported for assets, liabilities, revenues and expenses. The actual results may differ from these estimates.

Estimates and assumptions are reviewed at the end of each annual reporting period, and adjustments to accounting estimates are recognized in the period of the review and any future period affected.

Information on assumptions and estimates with a significant risk of resulting in a material adjustment in the following year is disclosed in the notes "Deferred income tax and social contribution" (note 8), "Provisions for tax, civil, social security and labor contingencies" (note 17) and "Financial instruments" (note 28).

2.3. Significant accounting policies

The accounting policies described in detail below have been consistently applied to the periods presented in this parent company and consolidated quarterly information.

a. Basis of consolidation

Subsidiaries

The financial information of the subsidiaries is included in the consolidated quarterly information. Accounting policies of subsidiaries are in accordance with the policies adopted by the Company.

In the parent company quarterly information, subsidiaries are recorded on the equity accounting method.

Transactions eliminated on consolidation

Balances, transactions and revenue or expenses from transactions between the subsidiaries and the Company are eliminated in the preparation of the consolidated quarterly information. Unrealized profit or loss arising from transactions with subsidiaries are eliminated to the extent of the Company's interest in the subsidiary.

b. Foreign currency

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies on the balance sheet date are translated into the functional currency using the exchange rate on that date. The exchange differences arising from the translations are recorded in the statement of income for the period.

Foreign subsidiaries' operations

The balance sheet and statement of income information of foreign subsidiaries is translated into the functional and presentation currency, which is the Brazilian real (R$), as follows:

- Assets and liabilities are translated into reais (R$) at the exchange rates prevailing at the balance sheet date;
- Revenues and expenses arising from transactions abroad are translated into the Brazilian Real at the average monthly exchange rates; and
- As these subsidiaries do not have administrative autonomy, do not enter into independent transactions, and, in substance, operate as an extension of the Company, the exchange effects on investments in foreign subsidiaries are recognized in the statement of income.

c. Financial assets

Classification
The Company classifies its financial assets, upon initial recognition, in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading (or designated as such at initial recognition). A financial asset is classified in this category if acquired principally for realization in the short-term. All financial assets in this category are classified as current assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. The Company's loans and receivables comprise "Trade receivables" and "Cash and cash equivalents" in the balance sheet (notes 5 and 3).

Recognition and measurement

Normal purchases and sales of financial assets are typically recognized on the trade date. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statement of income. Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the statement of income within "Finance result" in the period in which they arise.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legal right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Impairment of financial assets

Assets carried at amortized cost

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Company uses to determine whether there is objective evidence of an impairment loss include:

(i) significant financial difficulty of the issuer or debtor;

(ii) a breach of contract, such as a default or delinquency in interest or principal payments;

(iii) the Company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that it would not otherwise consider;

(iv) it becomes probable that the borrower will enter bankruptcy or other financial reorganization;

(v) the disappearance of an active market for that financial asset because of financial difficulties; or

(vi) observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

- adverse changes in the payment status of borrowers in the portfolio; and
- national or local economic conditions that correlate with defaults on the assets in the portfolio.

The amount of any impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized loss is recognized in the statement of income.

Derivative financial instruments

The Company has derivative financial instruments to hedge against fluctuations in foreign currencies.

Such instruments are recognized at fair value and attributable transaction costs and the changes in the fair value of any of the derivative instruments are recognized immediately in the statement of income within "Finance result".

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits, financial investments in Brazil and abroad, as well as highly-liquid securities redeemable in 90 days or less from the investment date, subject to an immaterial risk of change in value. (note 3)

Financial investments

Restricted financial investments are measured at fair value, and any resulting gains or losses are recognized in the statement of income. (note 4)

Trade receivables

Trade receivables are stated at the amortized cost, less impairment losses. Accounts receivable from foreign customers are adjusted based on exchange rates in effect at the end of the reporting period. Trade receivables are not adjusted to present value since they mature in the short term and the effects are not significant to the quarterly information.

The provision for impairment of trade receivables is recognized based on the aging of past-due receivables, in an amount considered sufficient to cover expected losses on the realization of the amounts receivable. (note 5)

Financial liabilities, except for borrowings

The Company initially recognizes debt securities issued and subordinated liabilities at the date they are originated. All other financial liabilities are initially recognized on the trade date when the Company becomes a party to the underlying contract. The Company derecognizes a financial liability when its contractual obligations are discharged, canceled or settled.

The Company has the following financial liabilities: borrowings, trade payables, notes payable and other payables.

Such financial liabilities are initially recognized at fair value, plus any attributable transaction costs. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest rate method.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred, and are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the total amount payable is recognized in the statement of income over the period of the borrowings using the effective interest method. (note 14)

d. Inventories

Inventories are carried at the average acquisition and/or production cost, considering the full manufacturing costs absorption method, adjusted to the net realizable value, when applicable.

Inventory costs include the expenditures incurred with the purchase of inputs, transportation to their current location and all direct and indirect fixed and variable production costs required to transform inputs into finished products ready to be sold. Inventory costs do not exceed the lower of cost and the net realizable value.

The net realizable value is the estimated sales price in the normal course of business less selling expenses. The analysis for recording a provision is based on the inventory applicability, recoverability, expected realization and evidence of obsolescence. (note 6)

e. Third-party tools

Refer to tools used in production to complete contracts with customers. They are carried at the average acquisition or production cost, less the provision for adjustment to probable realizable values, when applicable. When completed, the tools are billed to customers and remain in the Company under free-lease agreements, to be used in the production process.

f. Income tax and social contribution

The income tax and social contribution expenses comprise current and deferred taxes. Current and deferred taxes are recognized in profit or loss unless they are related to items recognized directly in equity or other comprehensive income. (notes 8 and 23)

Current taxes

The provision for income tax and social contribution is based on the taxable profit for the year. Taxable profit differs from profit as reported in the statement of income because it does not include income or expenses that are taxable or deductible in other periods and items that are never taxable or deductible. The provision for income and social contribution is calculated separately for each Group company based on the tax rates prevailing at the end of the reporting period.

Deferred taxes

Deferred taxes are recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred taxes are measured at the rates expected to be applied on temporary differences when reversed, based on the statutory tax rates that have been enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset whenever there is a legal right to offset current tax liabilities and assets, and they are related to taxes charged by the same tax authority to the same entity subject to taxation.

A deferred tax asset is recognized for all unused deductible tax losses, tax credits, and temporary differences to the extent that it is probable that taxable profits will be available against which those tax losses, tax credits, and deductible temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and will be reduced to the extent that their realization is no longer probable. (note 8)

g. Investment properties

Assets classified as investment property are measured at the lower of their previous carrying amount and fair value less costs to sell. (note 11)

h. Investments

The Company fully consolidated the quarterly information of Tupy S.A. and all its subsidiaries. There is control when the Company holds, directly or indirectly, most of the voting rights at the General Meeting or has the power to determine the financial and operational policies, to obtain benefits from the investee's activities.

In the parent company quarterly information, investments in subsidiaries are accounted for using the equity method and any profits not realized by the end of the reporting period are eliminated. The other investments are stated at acquisition cost less a provision to adjust them to probable realization values, when applicable. (note 12)

i. Property, plant and equipment

Recognition and measurement

Property, plant and equipment items are measured at the historical purchase or construction cost, less accumulated depreciation and, where applicable, accumulated impairment losses. (note 13)

Historical cost includes expenditures directly attributable to the installation of assets. The cost of assets built by the Company includes materials, labor, and any other costs required to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended. Historical cost also comprises borrowing costs incurred during the installation or construction of the related qualifying assets.

Depreciation

Depreciation is calculated on the cost of an asset and recognized in profit or loss based on the estimated useful life of each asset or portions of each asset, using the straight-line method, as this method is more representative of the time pattern in which future economic benefits from the asset are consumed.

Depreciation methods, useful lives and residual values are reviewed at the end of each year, and any adjustments are recognized as a change in accounting estimates on a prospective basis.

Leased assets

Leases of property, plant and equipment in which the Company assumes all ownership risks and benefits are classified as finance leases, as they refer to the financing of property, plant and equipment items. On initial recognition, a leased asset is measured at the lower of its fair value or the present value of the minimum lease payments. After initial recognition, a leased asset is carried according to the accounting policy applicable to property, plant and equipment.

j. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

k. Salaries, social security charges and profit sharing

Obligations to employees and related charges are measured when incurred and recognized as expenses as services are provided.

Liabilities related to the short-term profit sharing plan are recognized at the estimated amount to be disbursed by the Company. (note 16)

l. Advances from customers

This account refers to advances of funds to build the tools that will be used in the production process. Advances from customers are recorded at the contractual amounts and adjusted for foreign exchange differences when applicable, and settled upon the billing of the object of the transaction.

m. Provisions for tax, civil, social security and labor contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of funds will be required to settle the obligation. The provisions are recorded in an amount considered by management as sufficient to cover probable losses and adjusted for inflation or interest up to the balance sheet dates, based on the nature of each contingency and on the opinion of the Company's internal and external legal counsel. (note 17)

n. Sales revenue

Sales revenue is presented net of the related taxes and discounts. Taxes on sales are recognized when sales are billed and discounts are recognized when granted. Revenue from sales of goods is recognized when the sales amount can be measured reliably, the Company no longer controls the goods sold or has any other responsibility related to the ownership of the goods and costs incurred or to be incurred in respect of the transaction can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company, and the Company has transferred to the buyer all the risks and rewards of ownership of the goods. (note 19)

o. Basic and diluted earnings per share

Basic earnings per share are calculated using the profit for the period attributable to the Company's stockholders divided by the weighted average number of common and preferred shares outstanding in the respective period.

Diluted earnings per share are calculated using the aforementioned weighted average number of outstanding shares adjusted by potentially dilutive instruments convertible into shares, if any (note 24).

p. Statement of value added

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

The statement of value added was prepared based on information obtained from the same accounting records used to prepare the quarterly information and pursuant to the provisions of CPC 09, "Statement of value added'. The first part of this statement presents the wealth created by the Company, represented by revenue (gross sales revenue, including taxes levied thereon, other income and the effects of the provision for impairment of trade receivables), inputs acquired from third parties (cost of sales and purchase of materials, electricity and outsourced services, including taxes levied at the time of the acquisition, the effects of impairment losses and depreciation and amortization), and the value added received from third parties (equity in the results of investees, finance income and other income). The second part of the statement of value added presents the distribution of wealth among personnel, taxes and contributions, and remuneration of third-party and own capital.

q. New standards and interpretations

New standards adopted

The following interpretations and amendments to existing standards have been published and are mandatory as at March 31, 2012. However, they did not have a significant impact on the Company's quarterly information.

In May 2010, the IASB issued an amendment to standards IFRS 1 (CPC 37), IFRS 3 (CPC 15) and IAS 34 (CPC 21). The amendments to standard IFRS 3 are effective for annual periods beginning on or after July 1, 2010. The other amendments to the standards are effective for annual periods beginning on or after January 1, 2011.

New standards not yet effective

Several standards, revised standards and interpretations to the International Financial Reporting Standards (IFRS) were issued by the International Accounting Standards Board (IASB), namely:

- IFRS 9,"Financial Instruments" - applicable as from January 1, 2015.
- IFRS 10, "Consolidated financial statements" - applicable as from January 1, 2013.
- IFRS 12 - "Disclosures of interests in other entities" - applicable as from January 1, 2013.
- IFRS 13, "Fair value measurement" - applicable as from January 1, 2013.
- Amendment to IAS 1, "Financial statement presentation" regarding other comprehensive income - applicable as from July 1, 2012.
- Amendment to IAS 27, "Consolidated and separate financial statements" - applicable as from January 1, 2013.
- Amendment to IAS 28, "Investments in associates" - applicable as from January 1, 2013.

The CPC has not yet issued any pronouncements equivalent to the IFRS above, but it is expected that such pronouncements will be issued before the IFRS' effective date. Early adoption of the IFRS is contingent upon their approval by the Brazilian Securities Commission (CVM).

The Company has not yet assessed the potential impacts of these new standards and amendments to standards.

3. CASH AND CASH EQUIVALENTS

	Company and consolidated	
	Mar/12	Dec/11
Company		
Cash and banks	801	2,766
Financial investments in Brazil	1,188,476	1,232,083
Financial investments abroad	255,188	173,584
	1,444,465	**1,408,433**
Subsidiaries		
Cash and banks	189	117
Cash and banks abroad	15,531	12,535
Consolidated	**1,460,185**	**1,421,085**

The financial investments are readily convertible into known amounts of cash and are subject to immaterial risk of change in value; therefore, they have been considered as cash and cash equivalents in the statement of cash flow.

The financial investments in Brazil earn interest at the Interbank Deposit Certificate (CDI) rate, with an average rate of 9.74% per annum, and those abroad at an average rate of 0.34% 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	**Mar/12**	**Dec/11**
Financial investments in Brazil	24,722	24,192

These financial investments earn interest at the Interbank Deposit Certificate (CDI) rate, with an average rate equivalent to 9.96% 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 14).

5. TRADE RECEIVABLES

Trade receivable by market and aging are as follows:

	Company and consolidated	
	Mar/12	**Dec/11**
Company		
Domestic market	126,859	115,693
Foreign market	115,147	105,903
Provision for impairment of trade receivables	(1,570)	(1,925)
	240,436	**219,671**
Subsidiaries		
Domestic market	143	145
Foreign market	31,634	49,859
Consolidated	**272,213**	**269,675**

At March 31, 2012, the Company's foreign trade receivables of R$ 44,329 refer to related parties (R$ 31,088 in December 2011) (note 9).

TUPY S.A.

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

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

	Company		Consolidated	
	Mar/12	Dec/11	Mar/12	Dec/11
Falling due up to 30 days	147,314	146,720	186,102	195,753
Falling due from 31 to 60 days	48,898	44,351	59,858	49,359
Falling due over 61 days	38,058	22,419	16,969	13,597
Overdue for up to 30 days	2,184	2,980	2,684	4,360
Overdue from 31 to 60 days	3,884	3,103	3,410	6,508
Overdue for more than 60 days and fully provided for	1,668	2,023	4,760	2,023
Provision for impairment of trade receivables	(1,570)	(1,925)	(1,570)	(1,925)
	240,436	**219,671**	**272,213**	**269,675**

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

	Period past due		Company and consolidated	
			Mar/12	Dec/11
Domestic market	61 to 180 days	50%	98	98
	Over 180 days	100%	716	712
Foreign market	Over 180 days	100%	756	1,115
			1,570	**1,925**

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

	Company and consolidated	
	Mar/12	Dec/11
Opening balance	**(1,925)**	**(3,278)**
Additions	353	(1,120)
Reductions	2	2,473
Closing balance	**(1,570)**	**(1,925)**

TUPY S.A.

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

6. INVENTORIES

	Company and consolidated	
	Mar/12	Dec/11
Company		
Finished products	62,096	71,511
Work in process	27,217	26,275
Raw materials	26,250	33,251
Processing materials	35,438	41,618
Maintenance and other materials	32,867	33,890
Provision for losses	(2,602)	(2,361)
	181,266	**204,184**
Subsidiaries		
Finished products	24,840	18,077
Consolidated	**206,106**	**222,261**

Provisions were recorded for the adjustment of certain items to their net realizable value. During the period, the changes in the provision for adjustment of inventories to the net realizable value were as follows:

	Company and consolidated	
	Mar/12	Dec/11
Opening balance	**(2,361)**	**(3,867)**
Additions	(241)	-
Write-off due to loss	-	1,506
Closing balance	**(2,602)**	**(2,361)**

The costs of inventories recorded as expenses during the period in relation to the continuing operations totaled R$ 436,698 (R$ 405,532 in the same period of the previous year).

Management expects inventories to be realized in less than 12 months.

TUPY S.A.

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

7. TAXES AND CONTRIBUTIONS RECOVERABLE

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

	Company and consolidated Mar/12			Company and consolidated Dec/11		
	Current	Non-current	Total	Current	Non-current	Total
Company						
(a) 1979/1981 IPI premium credit	47,520	-	47,520	53,647	-	53,647
(b) 1988/1990 IPI premium credit	-	92,507	92,507	-	91,788	91,788
Provision for losses	-	(26,102)	(26,102)	-	(28,561)	(28,561)
(c) COFINS expanded basis of calculation	551	-	551	15,045	-	15,045
Provision for losses	-	-	-	(15,045)	-	(15,045)
(d) ICMS recoverable - São Paulo	-	22,161	22,161	-	22,938	22,938
(e) ICMS recoverable - Santa Catarina	7,677	11,195	18,872	11,644	7,005	18,649
Income tax recoverable	29,374	-	29,374	24,031	-	24,031
Social contribution recoverable	5,052	-	5,052	4,755	-	4,755
Reintegra benefit	10,608	-	10,608	-	-	-
COFINS, PIS and IPI recoverable	1,180	-	1,180	1,048	-	1,048
	101,962	**99,761**	**201,723**	**95,125**	**93,170**	**188,295**
Subsidiaries						
Income tax recoverable	1,106	-	1,106	1,054	-	1,054
Value-added Tax (VAT) recoverable	4,770	1,744	6,514	4,393	1,787	6,180
Consolidated	**107,838**	**101,505**	**209,343**	**100,572**	**94,957**	**195,529**

IPI - Excise Tax
COFINS - Social Contribution on Revenues
ICMS - Value-added Tax on Sales and Service
PIS - Social Integration Program

The aforementioned credits originate as follows:

a. IPI premium credit - exports from 1979 to 1981.

This credit relates to a tax benefit known as IPI premium credit, 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$ 6,510 against federal taxes in the first quarter of 2012. The Company expects to fully use this credit during 2012.

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.

On March 22, 2012, the Federal Judge of the 7th Court submitted the request to judicial investigation.

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$ 26,102 (R$ 28,561 in 2011).

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

Right to receive reimbursement for the payment of COFINS that was later recognized as undue by the Company in a final and unappealable decision of May 2006. This payment was made at the time through the utilization of IPI premium credit, which was not accepted by the Federal Revenue Service. The litigation and related debt to the Federal Revenue Secretariat were settled under the amnesty of Provisional Measure 470/09, in October 2010. In April 2011, the Company started to offset tax credits and used R$ 10,125.

On May 24, 2011, the Brazilian Federal Revenue Service prohibited new offsets under the allegation that the period for using the credit had expired. On July 18, 2011, the Company filed a lawsuit and, on December 13, 2011, obtained a favorable court decision ensuring the right to offset, which is still subject to appeals. For this reason, the Company maintained the provision made for the year ended December 31, 2011.

In the first quarter of 2012, the Company used R$ 14,494, and the amount of R$ 551 remains to be used in the next quarter.

Considering that the credit will be almost fully realized, and the Company reversed the provision recorded, based on the opinion of the legal advisors, which indicates that a possible questioning by the Brazilian Federal Revenue Service (RFB), concerning the offsets carried out, will not generate a contingency whose unsuccessful outcome is classified as probable.

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$ 18,872, realizable in 48 installments, according to applicable state legislation (R$ 18,649 in 2011).

8. DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

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

	Company and consolidated		
ASSETS	**Mar/12**	**Dec/11**	**Variation**
Company			
Trade receivables	1,789	1,495	294
Inventories	885	803	82
Taxes and contributions recoverable	8,875	14,826	(5,951)
Third-party tools	2,591	2,631	(40)
Credits - Eletrobrás	3,895	3,428	467
Other assets	5,596	5,217	379
Salaries, social security charges and profit sharing	8,055	6,395	1,660
Other liabilities	5,386	5,426	(40)
Provisions for tax, civil, social security and labor contingencies	34,539	33,894	645
	71,611	**74,115**	**2,504**
Consolidated			
Unrealized profits in subsidiaries	2,287	3,750	(1,463)
Total consolidated	**898**	**77,865**	**3,967**

	Company and consolidated		
LIABILITIES	**Mar/12**	**Dec/11**	**Variation**
Property, plant and equipment - carrying value adjustments	66,342	68,103	1,761
Depreciation rate differences	32,377	29,946	2,431
Total Company and consolidated	**98,719**	**98,049**	**670**

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.

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

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

	Company		Consolidated	
Year	Mar/12	Dec/11	Mar/12	Dec/11
2012	16,378	21,048	16,378	21,048
2013	27,730	25,069	27,730	25,069
2014	27,503	26,012	29,790	26,012
2015	-	1,986	-	5,736
	71,611	**74,115**	**73,898**	**77,865**

The subsidiary Sociedade Técnica de Fundições Gerais S.A. - Sofunge (under liquidation) has income tax losses of R$ 56,077 (R$ 56,053 in 2011) and social contribution losses of R$ 61,309 (R$ 61,284 in 2011). At the moment, management does not envisage any form of realization, which is why the related credits are not recorded.

9. TRANSACTIONS WITH RELATED PARTIES

The main transactions with related parties are summarized as follows:

a. Subsidiaries:

	Receivables		Payables	
Balance sheet	Mar/12	Dec/11	Mar/12	Dec/11
Tupy Agroenergética Ltda.	-	-	144	158
Sociedade Técnica de Fundições Gerais S.A. - Sofunge "under liquidation"	-	-	1,499	1,527
Tupy American Foundry Co.	34,805	21,924	-	-
Tupy American Iron & Alloys Co.	197	2	-	-
Tupy Europe GmbH	7,008	7,170	-	-
Tupy Argentina S.R.L.	2,319	1,992	-	-
	44,329	**31,088**	**1,643**	**1,685**

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	Sales revenue		Finance cost	
Statement of income	**3/31/12**	**3/31/11**	**3/31/12**	**3/31/11**
Tupy Agroenergética Ltda.	-	-	-	(9)
Sociedade Técnica de Fundições Gerais S.A. - Sofunge "under liquidation"	-	-	(3)	(6)
Tupy American Foundry Co.	96,845	79,944	-	-
Tupy American Iron & Alloys Co.	591	1,564	-	-
Tupy Europe GmbH	29,876	32,839	-	-
Tupy Argentina S.R.L.	375	43	-	-
	127,687	**114,390**	**(3)**	**(15)**

Intercompany receivables and sales revenue are basically represented by the sale of goods, and the prices and terms are defined as agreed upon by the parties.

The intercompany payables represent loans from subsidiaries in Brazil, 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 14.

c. Management compensation

	Board of Directors		Executive Board	
	3/31/12	**3/31/11**	**3/31/12**	**3/31/11**
Fixed compensation	216	168	618	729
Variable compensation	-	-	518	440
	216	**168**	**1,136**	**1,169**

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

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 to 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.

10. 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 will still challenge at higher courts, but that for now requires the recording of a provision for loss of R$ 11,455 (R$ 10,083 in 2011), resulting in an additional amount of R$ 1,372 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
Balance in December/11	**88,597**
Monetary restatement	1,418
Provision for losses	(1,372)
Balance in March/12	**88,643**

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11. INVESTMENT PROPERTIES

The Company did not complete negotiations for the sale of assets owned by the subsidiary Tupy Agroenergética Ltda., therefore, as the realization period cannot be clearly estimated, the Company reclassified the amount to the Investment properties group.

At March 31, 2012, the balance was R$ 4,574 (R$ 4,189 in 2011).

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

12. INVESTMENTS

	Total assets	Equity	Profit (loss) for the period	Interest in capital (%)	Equity in the results of investees (*)		Investment amount (*)	
					3/31/12	3/31/11	Mar/12	Dec/11
Investments in subsidiaries								
Tupy Agroenergética Ltda.	10,415	10,329	82	100.00	82	412	10,329	10,247
Companhia Técnica de Fundições Gerais SA. - Sofunge "under liquidation"	2,500	2,108	(24)	100.00	(24)	(21)	2,108	2,132
Tupy American Foundry Co.	83,588	35,897	(1,033)	100.00	621	684	32,063	31,070
Tupy American Iron & Alloys Co.	2,962	2,656	15	100.00	(65)	48	2,656	2,703
Tupy Europe GmbH	71,167	41,476	722	100.00	753	1,995	40,872	40,119
Tupy Argentina S.R.L.	3,758	1,332	59	100.00	(2)	(420)	1,332	1,724
					1,365	**2,698**	**89,360**	**87,995**
Other investments							1,364	1,364
Total investments							**90,724**	**89,359**

(*) adjusted by unrealized profits

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

13. PROPERTY, PLANT AND EQUIPMENT

a. Changes in property, plant and equipment

	Company and consolidated							Subsidiaries		
	Machinery, facilities and equipment	Buildings	Land	Vehicles	Furniture, fittings and other	Construction in progress	Total Company	Land	Other	Total consolidated
Cost										
At January 1, 2011	1,199,393	153,534	8,748	17,486	8,765	207,843	**1,595,769**	2,354	5,202	**1,603,325**
Additions	117,587	16,502	-	4,171	188	117,812	**256,260**	-	685	**256,945**
Disposals	(11,486)	(993)	-	(467)	(637)	-	**(13,583)**	-	(123)	**(13,706)**
At December 31, 2011	1,305,494	169,043	8,748	21,190	8,316	325,655	**1,838,446**	2,354	5,764	**1,846,564**
Additions	-	-	-	-	-	56,201	**56,201**	-	-	**56,201**
Transfers between accounts	110,222	23,733	-	81	24	(134,060)	**-**	-	-	**-**
Disposals	(5,115)	-	-	(282)	(1)	-	**(5,398)**	-	(2)	**(5,400)**
Transfers to investment properties	-	-	-	-	-	-	**-**	-	(385)	**(385)**
At March 31, 2012	1,410,601	192,776	8,748	20,989	8,339	247,796	**1,889,249**	2,354	5,377	**1,896,980**
Depreciation										
At January 1, 2011	(536,800)	(84,013)	-	(11,018)	(8,068)	-	**(639,899)**	-	(2,177)	**(642,076)**
Depreciation for the period	(74,254)	(4,058)	-	(2,073)	(125)	-	**(80,510)**	-	(123)	**(80,633)**
Disposals	10,395	593	-	455	636	-	**12,079**	-	116	**12,195**
At December 31, 2011	(600,659)	(87,478)	-	(12,636)	(7,557)	-	**(708,330)**	-	(2,184)	**(710,514)**
Depreciation for the period	(19,653)	(1,008)	-	(451)	(32)	-	**(21,144)**	-	(29)	**(21,173)**
Disposals	5,115	-	-	273	1	-	**5,389**	-	-	**5,389**
At March 31, 2012	(615,197)	(88,486)	-	(12,814)	(7,588)	-	**(724,085)**	-	(2,213)	**(726,298)**
Carrying amount										
At December 31, 2011	704,835	81,565	8,748	8,554	759	325,655	1,130,116	2,354	3,580	1,136,050
At March 31, 2012	795,404	104,290	8,748	8,175	751	247,796	1,165,164	2,354	3,164	1,170,682

Additions to consolidated property, plant and equipment, which refer to the continuity of the acquisitions and installations of new production lines of blocks, cylinder heads and other parts of the automotive products segment in both plants, the maintenance of the operating capacity and environmental protection (furnace exhaust systems, industrial landfill, and sand regeneration), are broken down as follows:

	Consolidated	
INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT	**3/31/12**	**3/31/11**
In expansion	39,396	18,871
Maintenance of the operating capacity	11,826	21,162
Environment	2,834	3,039
Interest and financial charges	2,145	1,623
	56,201	**44,695**

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 quarter of 2012 totals R$ 2,145 (R$ 1,623 in the same period of 2011).

c. Guarantees

At March 31, 2012, property, plant and equipment items in the carrying amount of R$ 386,187 (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.

14. BORROWINGS

			Company and consolidated	
Local currency	**Maturity**	**Average cost**	**Mar/12**	**Dec/11**
(a) Expansion project - Tupy S.A. - BNDES	Jul/2018	TJLP + 2.91% p.a.	228,973	171,519
(b) BNDES Exim - Prior to shipment (PSI)	Oct/2013	5.7% p.a.	751,326	751,326
Finame (PSI)	Mar/2021	6.77% p.a.	13,779	8,116
Foreign currency				
(a) Expansion project - Tupy S.A. - BNDES	Jul/2016	VC (*) + 5.82% p.a.	28,549	16,658
(c) Export prepayments	Sep/2017	VC+ Libor + 3.74% p.a.	811,749	836,882
Working capital	Mar/2013	VC+ Libor + 1.90% p.a.	12,583	19,263
			1,846,959	**1,803,764**
Short-term portion			400,353	401,491
Long-term portion			1,446,606	1,402,273

(*) VC - Foreign exchange rate variation.

The maturities of long-term borrowings are as follows:

	Company and consolidated	
Year	Mar/12	Dec/11
2013	495,246	514,055
2014	153,028	138,881
2015	276,991	265,088
2016	262,667	250,722
2017	242,615	230,609
Onwards	16,059	2,918
	1,446,606	**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, has a total maturity of 80 months, with a 27-month grace period.

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, of which R$ 80,115 was released in the first quarter of 2012, with a maturity of up to six and a half years, and a 2-year grace period, 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, located in the plant of 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 36 months, 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 24 months, 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 total term of 6 years and a 3-year grace period. Such funds will be allocated for cash reinforcement and to ensure settlement of debts falling due as from 2012.

Nearly 43% of the borrowing agreements are subject to the Net Debt / Adjusted EBITDA ratio and another 16% 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 March 31, 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.

15. 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 March 31, 2012, the balance was R$ 14,604 (R$ 16,886 at December 31, 2011).

16. SALARIES, SOCIAL SECURITY CHARGES AND PROFIT SHARING

	Company and consolidated	
Company	**Mar/12**	**Dec/11**
Salaries	10,670	9,339
Provision for vacation pay and 13th month salary	47,679	44,631
Social security charges	11,942	13,283
Profit sharing	23,692	18,810
Private pension plan	1,376	1,572
	95,359	**87,635**
Subsidiaries		
Salaries, charges and profit sharing	368	374
Consolidated	**95,727**	**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 a private pension plan for all employees, who had the option to join the plan or not. 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. For a small number of employees, the plan provides for a special contribution to the so-called "founding partners", those who meet certain requirements of age and time on the job, the amount of which is recognized and will be paid in five annual equal installments, beginning August 2012.

17. PROVISIONS FOR TAX, CIVIL, SOCIAL SECURITY AND LABOR

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.

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

	Company and consolidated					
Company	**Dec/11**	**Additions**	**Interest**	**Reductions**	**Payments**	**Mar/12**
Civil	71,471	-	1,357	-	-	72,828
Tax - PIS, COFINS, ICMS and IPI	10,154	-	48	-	-	10,202
Labor - former employee claims	13,580	1,379	-	-	(888)	14,071
Social security - INSS (Sebrae and Rat)	4,484	-	-	-	-	4,484
Restricted judicial deposits	(8,650)	(175)	-	328	-	(8,497)
	91,039	**1,204**	**1,405**	**328**	**(888)**	**93,088**
Subsidiaries						
Civil	459	-	-	-	-	459
Tax - PIS, COFINS, ICMS and IPI	43	-	-	-	-	43
Labor - former employee claims	61	-	-	-	-	61
Restricted judicial deposits	(199)	(4)	-	-	-	(203)
Consolidated	**91,403**	**1,200**	**1,405**	**328**	**(888)**	**93,448**

Provisions for civil contingencies are related to attorney fee awards in tax lawsuits and contingent debt arising from acquisition of subsidiary. Reductions in the period are related to adjustments to attorney fee awards, renegotiations of favorable outcome percentage (note 7, item b) and changes in the contingent debt arising from acquisition of 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 whose outcome is considered as 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.

	Company and consolidated	
	Mar/12	Dec/11
(a) PIS and COFINS credits/ IRPJ and CSLL processes	79,574	77,527
(b) Debts settled through tax amnesty	43,749	42,624
(c) ICMS credits	26,438	25,758
(d) Expired tax debts	23,762	23,151
(e) Social security	65,987	64,290
(f) Labor	19,755	19,180
(g) Civil	6,748	6,551

a. PIS and COFINS credits/ IRPJ and CSLL assessments

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 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.

b. 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.

c. 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 Value-added Tax on Sales and Services (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 tax legislation.

d. 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 of said debts has expired, in compliance with case law of higher courts.

e. 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.

f. Labor

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

g. 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.

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

a. Share capital

Authorized capital is limited to R$ 450,000, represented by registered book-entry shares without par value, divided into common and preferred shares.

Of the authorized capital, R$ 398,395 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 convenient and necessary up to the limit of authorized capital.

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 March 31, 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$ 16,305) and in 2005, for the Machinery and equipment account (R$ 112,485), 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.

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 revenue and operating revenue for the period is as follows:

	Company		Consolidated	
	3/31/12	3/31/11	3/31/12	3/31/11
Gross revenue	589,387	577,647	594,448	591,655
Less:				
Returns and rebates	(9,275)	(6,618)	(9,275)	(6,618)
Revenue net of returns and rebates	580,112	571,029	585,173	585,037
Taxes on sales	(56,717)	(74,368)	(56,768)	(74,374)
Operating revenue	**523,395**	**496,661**	**528,405**	**510,663**

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(All amounts in thousands of reais, unless otherwise indicated)

	Company		Consolidated	
	3/31/12	3/31/11	3/31/12	3/31/11
Operating revenue				
Domestic market	251,686	285,830	251,647	285,792
Foreign market	271,709	210,831	276,758	224,871
	523,395	**496,661**	**528,405**	**510,663**

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 income for the period, is as follows:

	Company		Consolidated	
	For periods ended:		For periods ended:	
	3/31/12	3/31/11	3/31/12	3/31/11
Raw materials	133,375	133,136	133,115	134,234
Processing materials	95,578	88,167	95,388	88,895
Maintenance and consumption materials	39,339	45,318	38,488	45,342
Salaries and social charges	113,047	90,606	111,327	92,281
Profit sharing	5,359	5,015	5,359	5,015
Social benefits	20,417	12,679	20,104	12,991
Electric power	29,669	23,614	29,004	23,814
Depreciation	21,144	19,488	21,173	19,512
Freight on sales	14,804	20,816	18,710	24,428
Management fees	1,352	1,337	1,352	1,337
Other costs	4,039	1,888	3,054	4,559
	478,124	**442,064**	**477,074**	**452,408**
Cost of sales	442,603	401,046	436,698	405,532
Selling expenses	22,243	28,708	26,496	33,845
Administrative expenses	11,926	10,973	12,528	11,694
Management fees	1,352	1,337	1,352	1,337
	478,124	**442,064**	**477,074**	**452,408**

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21. FINANCE RESULT

	Company		Consolidated	
Finance costs	3/31/12	3/31/11	3/31/12	3/31/11
Interest on bank borrowings	(29,016)	(9,048)	(29,016)	(9,048)
Interest on tax financing	(131)	(342)	(132)	(342)
Other costs	(482)	(264)	(1,346)	(1,105)
	(29,629)	(9,654)	(30,494)	(10,495)
Finance income				
Interest on financial investments	31,620	12,261	31,620	12,261
Interest on Eletrobrás credits	1,418	2,120	1,418	2,120
Other income	3,119	685	3,300	677
	36,157	15,066	36,338	15,058
Monetary and foreign exchange variations, net				
Foreign exchange variations, net	352	3,352	(1,933)	2,923
Monetary variations	(157)	(215)	(156)	(213)
	195	3,137	(2,089)	2,710
	6,723	**8,549**	**3,755**	**7,273**

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

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 income.

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

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

22. OTHER OPERATING INCOME (EXPENSES)

	Company		Consolidated	
	3/31/12	3/31/11	3/31/12	3/31/11
Constitution and restatement of provisions (note 17)				
Constitution and restatement of provisions:				
Tax	(48)	(47)	(48)	(47)
Civil	(1,357)	(4,805)	(1,357)	(4,805)
Labor	(1,379)	-	(1,379)	-
Social security	-	(377)	-	(377)
Other operating expenses				
Provision for COFINS credit loss (note 7)	15,045	-	15,045	-
Provision for Eletrobrás credit loss (note 10)	(1,372)	-	(1,372)	-
Depreciation of non-operating assets	(477)	(452)	(477)	(452)
Disposal of property, plant and equipment	139	-	137	-
Gain (loss) on the sale of unusable assets and write-off of third-party tools and other assets	(858)	(421)	(192)	733
	9,693	**(6,102)**	**10,357**	**(4,948)**

23. INCOME TAX AND SOCIAL CONTRIBUTION

	Company		Consolidated	
	3/31/12	3/31/11	3/31/12	3/31/11
Profit before tax effects	**63,052**	**59,742**	**65,443**	**60,580**
Combined tax rate	34%	34%	34%	34%
Expenses at combined rate	(21,438)	(20,312)	(22,251)	(20,597)
Tax effect of permanent (additions) exclusions:				
- Equity in the results of investees	464	917	-	-
- Depreciation of assets revalued in 1990	-	(165)	-	(165)
- Depreciation of non-operating assets	(162)	(154)	(162)	(154)
- Other permanent (additions) exclusions	132	251	(308)	380
Effects of tax losses in subsidiaries without the recording of deferred tax credits	-	-	(674)	235
Tax expenses in the statement of income	**(21,004)**	**(19,463)**	**(23,395)**	**(20,301)**

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

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

	Company		Consolidated	
	3/31/12	3/31/11	3/31/12	3/31/11
Current income tax and social contribution	(17,830)	(10,716)	(18,758)	(11,503)
Deferred income tax and social contribution	(3,174)	(8,747)	(4,637)	(8,798)
Tax effects recorded in the statement of income	**(21,004)**	**(19,463)**	**(23,395)**	**(20,301)**

24. EARNINGS PER SHARE

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

	Company and consolidated	
	3/31/12	3/31/11
Profit attributable to stockholders of the Company	42,048	40,279
Weighted average number of outstanding shares (thousand)	57,139	57,139
Basic and diluted earnings per share - R$	**0.7359**	**0.7049**

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:

	Mar/12	Dec/11
Buildings	77,378	77,378
Machinery and equipment, furniture and fittings	954,918	954,918
Inventories	130,279	130,279
Loss of profits	629,328	629,328
Civil liability	36,706	36,706

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

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	
	3/31/12	3/31/11	3/31/12	3/31/11	3/31/12	3/31/11
Operating revenue (note 19)	473,860	455,331	54,545	55,332	528,405	510,663
Costs and expenses (note 20)	(430,788)	(409,575)	(46,286)	(42,833)	(477,074)	(452,408)
Profit before net finance result and income tax and social contribution	43,072	45,756	8,259	12,499	51,331	58,255
Finance result, net (note 21)					3,755	7,273
Other operating income (expenses) (note 22)					10,357	(4,948)
Profit after finance result, net					65,443	60,580
Income tax and social contribution (note 23)					(23,395)	(20,301)
Profit for the period					**42,048**	**40,279**

Information on the countries from which the Company's 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:

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

	Consolidated			
OPERATING REVENUE	3/31/12	%	3/31/11	%
Brazil - head office	251,647	*47.6*	285,792	*56.0*
United States	104,535	*19.8*	95,654	*18.7*
Mexico	54,354	*10.3*	47,972	*9.4*
United Kingdom	45,454	*8.6*	33,391	*6.5*
Italy	16,971	*3.2*	10,739	*2.1*
Japan	13,878	*2.6*	5,655	*1.1*
Hungary	8,049	*1.5*	7,001	*1.4*
South Africa	6,658	*1.3*	2,152	*0.4*
Argentina	4,570	*0.9*	2,479	*0.5*
China	4,537	*0.9*	1,523	*0.3*
Netherlands	3,029	*0.6*	2,629	*0.5*
France	2,312	*0.4*	7,832	*1.5*
Other countries	12,411	*2.3*	7,844	*1.5*
Total	**528,405**	*100.0*	**510,663**	*100.0*

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	3/31/12	%	3/31/11	%
Automotive products				
Customer A	102,322	*19.4*	92,855	*18.2*
Customer B	89,230	*16.9*	78,871	*15.4*
Other customers of automotive products	282,308	*53.4*	283,605	*55.5*
Total automotive products	**473,860**		**455,331**	
Industrial products	54,545	*10.3*	55,332	*10.8*
Total operating revenue	**528,405**	*100.0*	**510,663**	*100.0*

The sales in the industrial products segment are very diversified.

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

Reconciliation of costs and expenses by segment

	Consolidated					
	Automotive products		Industrial products		Total	
	3/31/12	3/31/11	3/31/12	3/31/11	3/31/12	3/31/11
Raw materials	120,200	121,525	12,915	12,709	133,115	134,234
Processing materials	86,134	80,479	9,254	8,416	95,388	88,895
Maintenance and consumption materials	34,754	41,049	3,734	4,293	38,488	45,342
Salaries and social charges	100,526	83,544	10,801	8,737	111,327	92,281
Profit sharing	4,839	4,540	520	475	5,359	5,015
Social security benefits	18,154	11,761	1,950	1,230	20,104	12,991
Electric power	26,190	21,559	2,814	2,255	29,004	23,814
Depreciation	19,119	17,665	2,054	1,847	21,173	19,512
Freight on sales	16,895	22,115	1,815	2,313	18,710	24,428
Management fees	1,221	1,210	131	127	1,352	1,337
Other costs	2,756	4,128	298	431	3,054	4,559
	430,788	**409,575**	**46,286**	**42,833**	**477,074**	**452,408**

Reconciliation of assets and liabilities

	Consolidated					
	Automotive products		Industrial products		Total	
ASSETS	Mar/12	Dec/11	Mar/12	Dec/11	Mar/12	Dec/11
Trade receivables, net (note 5)	232,594	233,227	39,619	36,448	272,213	269,675
Inventories (note 6)	158,312	173,920	47,794	48,341	206,106	222,261
Third-party tools	26,718	25,006	35	38	26,753	25,044
Notes and other receivables	20,347	17,346	3,946	7,514	24,293	24,860
Property, plant and equipment (note 13)	1,134,442	1,103,764	36,240	32,286	1,170,682	1,136,050
Other assets not allocated	-		-	-	1,870,191	1,819,955
Total consolidated assets	**1,572,413**	**1,553,263**	**127,634**	**124,627**	**3,570,238**	**3,497,845**
LIABILITIES						
Trade payables	136,331	142,026	20,701	23,500	157,032	165,526
Taxes and contributions	3,280	6,444	606	11	3,886	6,455
Salaries, social security charges and profit sharing (note 16)	87,636	79,336	8,091	8,673	95,727	88,009
Advances from customers	33,034	40,114	4,272	14,210	37,306	54,324
Notes and other payables	34,263	18,422	4,434	6,504	38,697	24,926
Other liabilities not allocated					2,098,911	2,061,974
Equity	-	-	-	-	1,138,679	1,096,631
Total consolidated liabilities	**294,544**	**286,342**	**38,104**	**52,898**	**3,570,238**	**3,497,845**

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$ 5,657 at March 31, 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	
	Mar/12	Dec/11
Loans and receivables		
Cash and cash equivalents	1,460,185	1,421,085
Trade receivables	272,213	269,675
Notes and other receivables	24,293	24,860
Financial assets at fair value through profit or loss		
Financial investments	24,722	24,192
Derivative financial instruments	11,475	7,092
Financial liabilities at amortized cost		
Trade payables	157,032	165,526
Borrowings	1,846,959	1,803,764
Notes and other payables	38,697	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.

a. 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.

b. 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 and other 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 - 91%
- Moderate - 7%
- High - 2%

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.

c. 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 March 31, 2012, the Company had sufficient cash and cash equivalents to settle all contracted commitments.

The contractual maturities of financial liabilities are as follows:

			Consolidated					
			Contractual cash flows					Total
FINANCIAL LIABILITIES	Carrying amount	Weighted average effective interest rate	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	contractual cash flows
Local currency								
Collateralized borrowings	510,630	4.61% p.a./ TJLP + 2.91% p.a.	36,519	221,965	142,114	153,352	37,092	591,042
Uncollateralized borrowings	483,447	6.37% p.a.	15,174	125,999	387,017	-	-	528,190
Foreign currency								
Collateralized borrowings	47,739	VC+ Libor + 1.99% p.a./ VC +5.82% p.a.	15,814	15,815	11,916	19,825	5,373	68,743
Uncollateralized borrowings	805,143	VC+ Libor + 3.75% p.a.	26,679	26,509	42,972	619,186	253,308	968,654
Trade payables and notes and other payables	195,729		195,729	-	-	-	-	195,729
	2,042,688		**289,915**	**390,288**	**584,019**	**792,363**	**295,773**	**2,352,358**

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.

d. 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 the 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 US 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.

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

		Consolidated	
ASSETS	**Note**	**Mar/12**	**Dec/11**
Cash and financial investments abroad	3	270,719	186,119
Customers - foreign market	5	146,781	155,762
Swaps		273,315	281,370
		690,815	623,251
LIABILITIES			
Borrowings in foreign currency	14	(852,881)	(872,803)
Other amounts		(12,089)	(22,624)
		(864,970)	(895,427)
Net exposure (R$ thousand)		**(174,155)**	**(272,176)**
Net exposure (US$ thousand)		**(95,579)**	**(145,099)**

The Company has been maintaining a conservative liability foreign exchange exposure in relation to the invoicing in the foreign market. In March 2012, the volume of foreign exchange exposure to the U.S. dollar was equivalent to less than 2 months of exports.

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 indicated)

ACCOUNTING FOREIGN EXCHANGE EXPOSURE	Risk	Disclosed	Probable scenario (I)	Scenario (II)	Scenario (III)
U.S. dollar rate	Appreciation of the U.S. dollar	R$ 1.82	R$ 1.90	R$ 2.38	R$ 2.85
Asset position		690,815	720,349	900,437	1,080,524
Liability position		(864,970)	(901,950)	(1,127,437)	(1,352,925)
Net exposure (R$ thousand)		(174,155)	(181,601)	(227,001)	(272,401)
Net exposure (US$ thousand)		(95,579)	(95,579)	(95,579)	(95,579)
Potential impact (R$ thousand)		-	**(7,446)**	**(52,846)**	**(98,246)**

The simulation considered a devaluation of the Brazilian real in relation to the US 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:

		Consolidated	
		Carrying amount	
	Note	Mar/12	Dec/11
Floating-rate instruments			
Financial assets	3, 4 and 28 f	1,213,198	1,256,275
Financial liabilities	14	1,070,379	037,2301,
Fixed-rate instruments			
Financial assets	3	270,719	186,119
Financial liabilities	14	765,105	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$ 12,132 per annum.

The Company also has financial investments abroad at fixed rates. The simulation considers a fluctuation of 0.50% p.a., upward or downward, in the Libor rate, which would represent an impact of R$ 1,354 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$ 4,122 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$ 2,290 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:

	Consolidated	
	Mar/12	Dec/11
Own capital (equity)	1,138,679	1,096,631
Total payables	2,431,559	2,401,214
Cash and cash equivalents	(1,460,185)	(1,421,085)
Third-party capital	971,374	980,129
Own capital versus third-party capital ratio	1.17	1.12

e. 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.

f. 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. EVENTS AFTER THE REPORTING PERIOD

As disclosed in the Significant Event Notice of April 17, 2012, the Company completed the process of acquisition of two facilities in Mexico, in the Cities of Ramos Arizpe and Saltillo, for the production of 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.

The transaction was disclosed to the public on November 16, 2011, but it was concluded on April 16, 2012, when the amount of US$439 million was paid for the transfer of the shares of the companies that owned these facilities.

All conditions, for the conclusion of the transaction, were complied with, especially the issue of authorizations by the anti-trust authorities of Mexico and the United States.

The transaction will be submitted to authorization at the General Meeting of the Stockholders of Tupy, in accordance with article 256 of Law 6,404/76.

* * *

Opinions and representations/Report on review of quarterly information - without exceptions

Report on review of quarterly information

To the Management 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 March 31, 2012, comprising the balance sheet as at that date and the statements of income, changes in equity and cash flows for the quarter 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.

Opinions and representations/Report on review of quarterly information - without exceptions

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 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) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

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 March 31, 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 March 31, 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 May 12, 2011 and March 16, 2012, respectively.

São Paulo, May 15, 2012

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

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