



ALPARGATAS

Press Release
1Q12

havaianas®



Topper

dupé®

**RAINHA**

**Mizuno®**

Timberland 

 **SETE LÉGUAS®**

MEGGASHOP



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1. Capital Market

Closing Price (May 4, 2012)

- ALPA3 – R\$ 16.00
- ALPA4 – R\$ 15.31
- Market Cap:
R\$ 6 billion

2. Conference Call (in English)

- Date: May 8, 2012
At 12:00 pm (BRT)
11:00 am (New York)
4:00 pm (London)

Phone:
+1 (786) 924-6977
Code: Alpargatas

- Presentation available at
<http://ri.alpargatas.com.br> 15
minutes before the call begins
- Speaker:
José Roberto Lettiere - CFO

3. Investor Relations

- José Roberto Lettiere
lettieri@alpargatas.com.br
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**Consolidated net revenue rose 17%.
Gross and EBITDA margins were
2.3 p.p. and 4 p.p. higher than the
4Q11, respectively.**

INTRODUCTION

In the first quarter of 2012 Alpargatas beat projections made in its operating plan. Improvement in EBITDA margins for domestic and international operations signal the start of a year of progress in a business environment that is more challenging than 2011. Last year consumers were more eager to buy and costs and operating expenses were lower, factors that contributed to the good result for 1Q11.

Alpargatas continues to grow sustainably, by controlling costs and expenses and making advances in structural projects, whose main achievements during the quarter were:

• Innovation

Innovation was seen in the launch of new sandals and sporting goods. Combined with communication and sports marketing, it contributed to the growth in sales. During the quarter, Havaianas launched a special edition, designed by the artist Adriana Degreas. Topper achieved success at points of sale with Instinct, an innovative line of soccer shoes launched last year. In addition, two more soccer shoe models, Provoke and Rapina, were placed on the market. The first running shoe models of the new Rainha collection were commercialized. Mizuno launched Wave Creation 13, the soccer shoe Wave Supersonic 2, and its first line of shoes for volleyball. The new Timberland collection for fall/winter 2012 arrived in stores in February featuring the Adventure line.



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- **Retail**

Alpargatas retail operations have continued to expand. As of March 31, 2012 there were 219 Havaianas franchise stores, 77 of which opened in one year. The Havaianas online store was visited by 749,000 people, as compared to 434,000 for 1Q11.

- **International markets**

In the United States, Alpargatas USA begun to serve independent retailers directly. These clients were previously served through a local distributor. Dupé has begun to export to Saudi Arabia, the Ukraine and Morocco.

- **Operations**

In the supply chain, advances were made in the Logica Project with the incorporation of the main changes introduced in the supply chain of the sandal factories, resulting in growth in volume. Construction on the sandals factory in Montes Claros has progressed and is on schedule. Land leveling has been completed for the main plateau, which is now ready for construction.

Enhanced transparency in communication with capital markets, road shows with domestic and international investors, coverage by sell-side analysts, with share purchase recommendations, and activities as a market maker are contributing to the superior performance of Alpargatas in relation to the Bovespa Index. From January to March, preferred shares appreciated 31%, as compared to a rise of 12% for the Bovespa Index.



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The main consolidated performance indicators for 1Q11 and 1Q12, are listed in the table below. These include accounting changes that are designed to adapt sales revenue recognition to the international norm IAS 18, (CPC 30 in Brazil).

Consolidated Financial Results (R\$ million, except margins)	1Q11	4Q11	1Q12	Change 1Q12 x 1Q11
Net revenue	554.6	703.7	648.9	+ 17%
Gross profit	259.1	295.4	287.7	+ 11%
Gross margin	46.7%	42%	44.3%	- 2.4 p.p.
EBITDA	105.8	87.6	106.5	+ 0.7%
EBITDA margin	19.1%	12.4%	16.4%	- 2.7 p.p.
Net income	87.3	58.8	78.2	- 10.4%
Net margin	15.7%	8.4%	12%	- 3.7 p.p.
Cash	660.2	671.0	680.7	+ 3.1%
Net financial position	373.8	435.1	439.2	+ 17.5%
Sales Volume (million of units)	1Q11	4Q11	1Q12	Change 1Q12 x 1Q11
Consolidated	61.2	65.1	65.9	+ 7.7%



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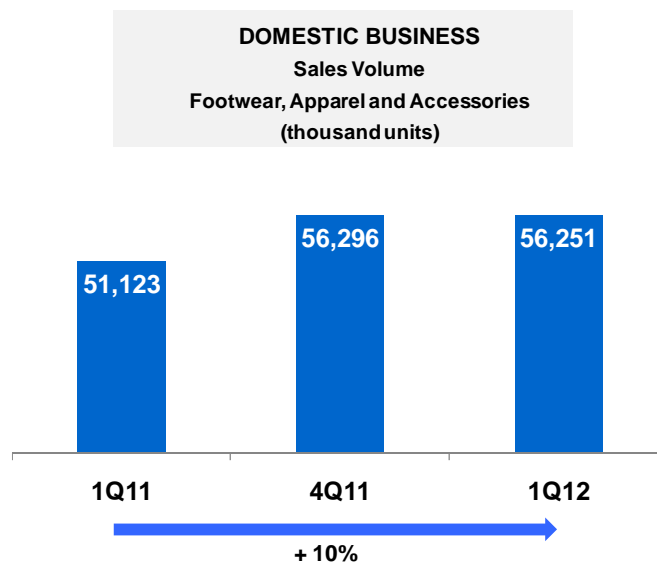
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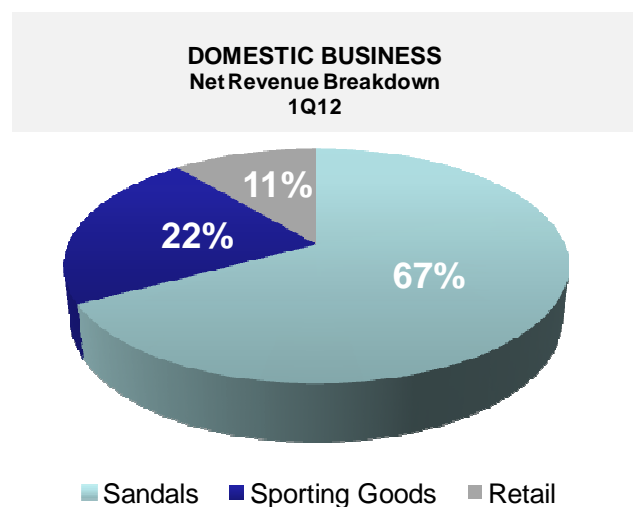
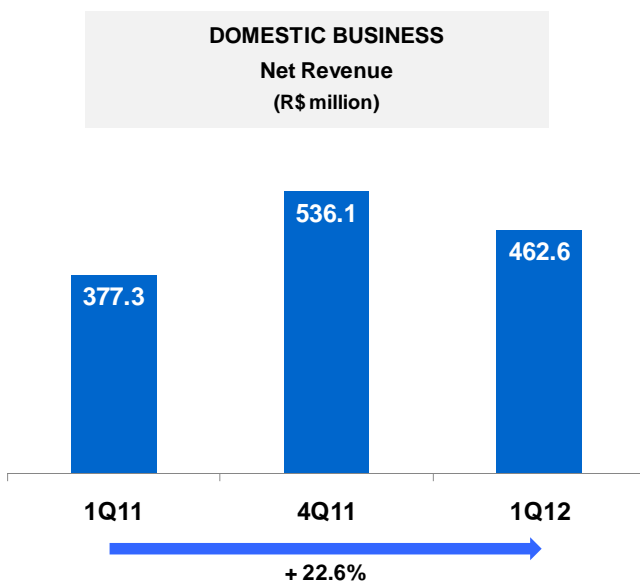
1.0. PERFORMANCE OF DOMESTIC BUSINESSES

1.1. Sales Volume and Net Revenue

A total of 56.251 thousand units of footwear, apparel and accessories were sold in Brazil, a rise of 10% over 1Q11. Investments in innovation, communication, sports marketing and expanded distribution in Brazil, with more points of sale, are factors that have enabled the sales volume to rise and have contributed to ensure the leadership/dominance of the brands in their respective markets.



The higher volume, combined with increased revenue from sandals, sporting goods and retailing, resulted in income of R\$ 462.6 million for 1Q12, an increase of 22.6% over 1Q11. This growth is attributed to the strength of the brands and the effectiveness of the Company's commercialization and sales management, and focus on higher value-added products.





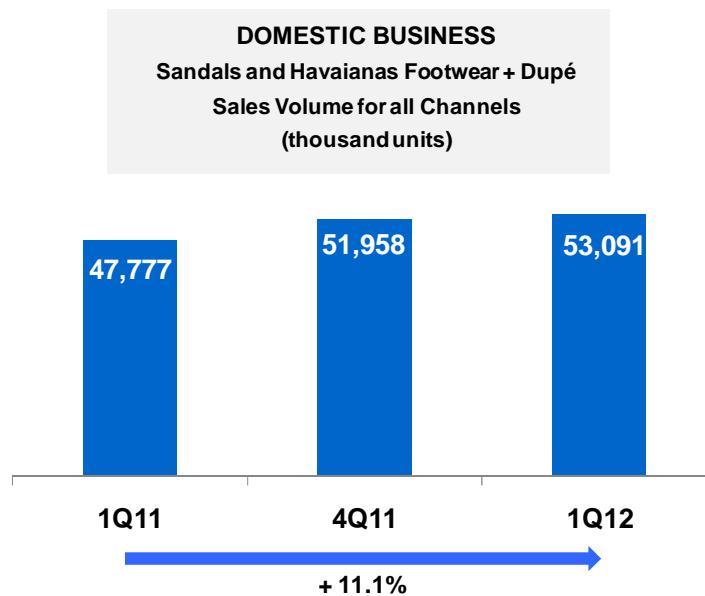
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1.1.1. Havaianas and Dupé

Commercialization of Havaianas sandals and footwear, combined with sales from Dupé, totaled 53.091 thousand units in Brazil, 11.1% higher than the figure for 1Q11. Progress has been made in adjusting to the new processes introduced in the supply chain at the sandals factories through the Logica Project, enabling a higher level of deliveries for the quarter. Revenue from sandals grew as a result of increased volume and higher prices, which were raised an average of 9.5% for the launch of the 2011/2012 collection.



For the quarter, the major factors contributing to the good sales performance of Havaianas and Dupé in Brazil were:

- Assembly of exclusive spaces, such as the Veja SP Havaianas Space, in the Riviera de São Lourenço, on the São Paulo coastline, and the Havaianas box seats and lounge at the Salvador Carnival, in Bahia.
- Special edition Havaianas Copa by the designer Adriana Degreas, inspired by soirees of the 1920s held in the Copacabana Palace Hotel, in Rio de Janeiro.
- Announcement of a partnership with the renowned brand Pantone, whose colors will be used in exclusive Havaianas models, which will be commercialized through Farm stores.
- Light and sound show projected on the face of the São Paulo Museum of Art (MASP) building, on Paulista Avenue, to commemorate the city's anniversary, portraying the milestones in the history of Brazilian modern art.
- Good sales volume for the Dupé models featuring Ice Age, Woody Woodpecker, Penelope Pitstop and Turma da Mônica (Monica's Gang) characters.
- Growth in the sales of Dupé sandals in the North and Northeast regions of Brazil, consolidating its leadership in these markets, driven by partnerships with new distributors.

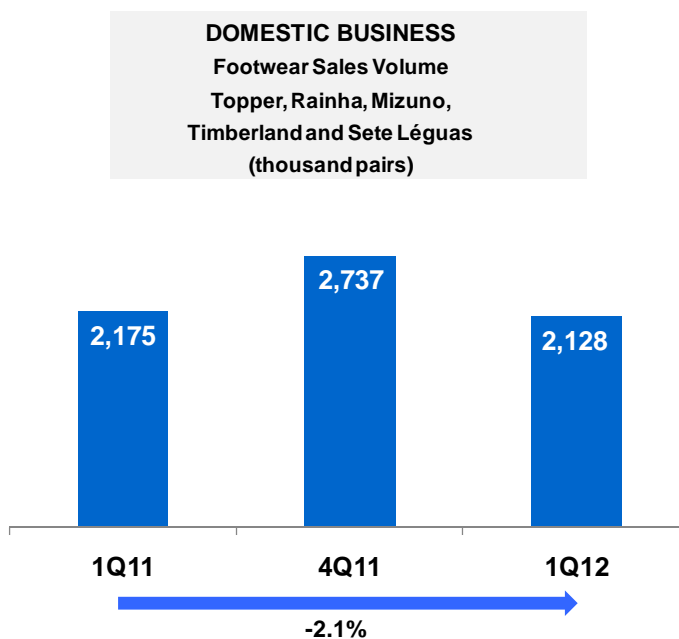


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1.1.2. Topper, Rainha, Mizuno, Timberland and Sete Léguas

The volume of athletic shoes commercialized, combined with Sete Léguas boots and Timberland footwear, topped 2.128 thousand pairs, a total similar to that of 1Q11. The sale of apparel and accessories totaled 1.032 thousand units in 1Q12.



Major initiatives of the sporting goods brands for the quarter are outlined below:

Topper

Topper continued to gain market share in sporting goods for soccer with good sales performance from the Instinct line, launched last year, and with the new soccer shoe models Provoke and Rapina, which arrived on the market this quarter. The Urban line of casual footwear also deserves special note for the excellent acceptance of all its models by clients and consumers. Starting in January, Topper expanded its exposure in the media, by broadcasting nationwide one commercial per game shown on the Globo TV network. During 2012, Topper will appear in around 100 televised games. The brand, as a sponsor of the FPF (São Paulo Football Federation), FERJ (Rio de Janeiro State Football Federation), Grêmio and Atlético football teams will have its name printed on balls, uniforms, press vests and field signage. Topper continues to sponsor the Brazilian Rugby Confederation. The South American Championship, the sport's premier annual competition, occurred in March, in Rio de Janeiro, where the women's national team again dominated the Sevens category.



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Rainha

The first running shoe models of the new Rainha collection were commercialized this quarter, the result of a renovation of the brand last year, with excellent acceptance from consumers. As a result, quarterly sales beat expectations, resulting in gains in market share for Rainha. The casual line Retrô, which relaunched classic shoes such as late and MontCar, obtained an excellent level of sales, increasing market penetration in the fashion segment for young people.

Mizuno

The success of Mizuno can be attributed to the constant stream of novelties presented in its products and marketing. The new collection brings with it an update to models, featuring Wave Creation 13, which, in addition to offering the main technologies of the brand, boasts a more modern design, bolder colors and is lighter than its previous version. The campaign, called "Evolução", is being publicized in leading magazines in Brazil. On the Internet, Mizuno launched the site <http://doeumcreation.com.br> where consumers can donate their Creation footwear, the model previous to 13. For every 10 donations Mizuno will give a new pair of sports footwear to an underprivileged athlete through the "Your sneakers can't stop," campaign organized by Corpore, a nonprofit organization. Mizuno sponsored the races WRun and Athenas and created something new: the Mizuno Challenge, a continuation of the Websérie. It consists of a reality show in which nine participants from different levels engage in competitions and training sessions, but only six finalists will participate in the Amsterdam Marathon. Registration ended in March with more than 3,000 entries. With the aim of exploiting other strengths of the Mizuno brand, the company launched its first line of volleyball shoes in Brazil. In soccer, news for the quarter included the announcement of sponsorship of Jonas, a forward for the Brazilian national team, who will be a world ambassador for Wave Supersonic 2, the new Mizuno soccer shoe.

Timberland

The Timberland collection for fall/winter 2012 arrived in stores in February featuring the Adventure line of footwear. The Earthkeepers casual shoe line went on sale throughout Brazil. Special care is taken in producing the EK products, such as the use of certified raw materials and tannery suppliers, in order to ensure its sustainable essence. In the imported line, bestsellers include the adventure boot Radler Trail, colorful and styled for young people, with ion-mask waterproofing technology. There was the launch of the women's boot which uses new heel spring technology. In apparel, Timberland extended its line of jackets to knits and slacks.



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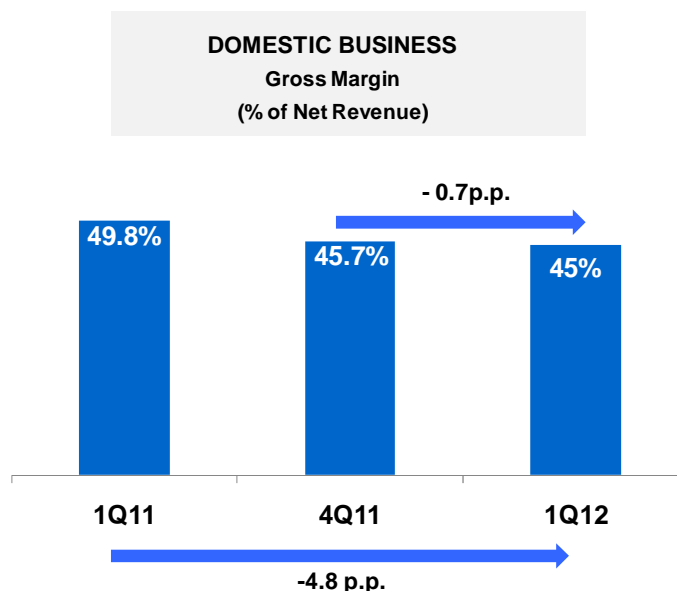
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1.1.3. Havaianas, Timberland and Meggashop Retailers

The expansion of the Havaianas franchise network continued into the start of this year. Seventy-seven stores were opened for the year ending March 31, 2012, eight of which in 1Q12. At the end of the first quarter, Havaianas retail operations consisted of 221 stores. Timberland retail operations ended March with 17 stores, of which 11 are company-owned and six are franchises. Initiatives including new visual communication and showcases for stores were implemented, as well as training for sales personnel. The Havaianas online store was visited by 749,000 people, as compared to 434,000 during 1Q11. Meggashop campaigns marked the quarter and contributed to an increase in sales volume of the store network, with a special “Mega-liquidation.”

1.2. Gross Profit and Margin

Gross profit of domestic businesses totaled R\$ 208.2 million, growth of 10.8% over 1Q11. The gross margin, of 45% (in line with that obtained in 4Q11), continued to be impacted by increases in production costs, especially rubber (29.3% average increase from March 2011 to March 2012) and factory labor. This is the main culprit behind the 4.8 percentage point drop against results for 1Q11. To counter the effect of the rising cost of rubber, Alpargatas has optimized the use of raw materials, of 1st and 2nd generations, in its factory processes.



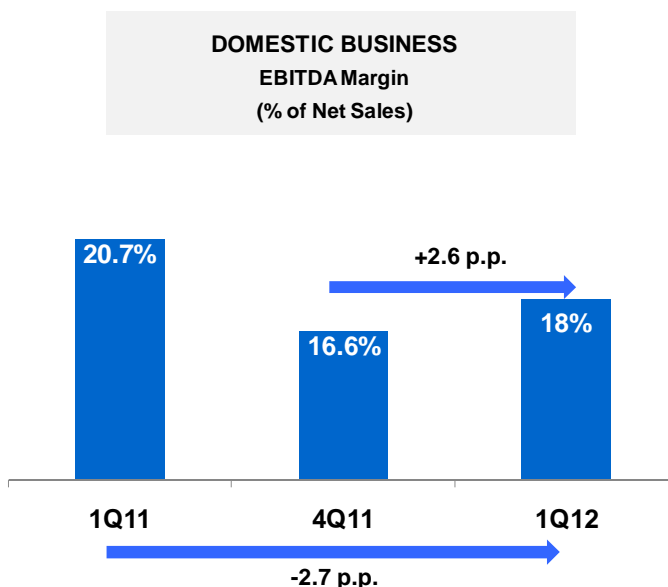


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1.3. EBITDA

EBITDA for domestic businesses was R\$ 83.3 million, 6.5% higher than 1Q11, and the margin fell 2.7 percentage points to 18%. When compared with the figure for 4Q11, the EBITDA margin for 1Q12 rose 2.6 percentage points.



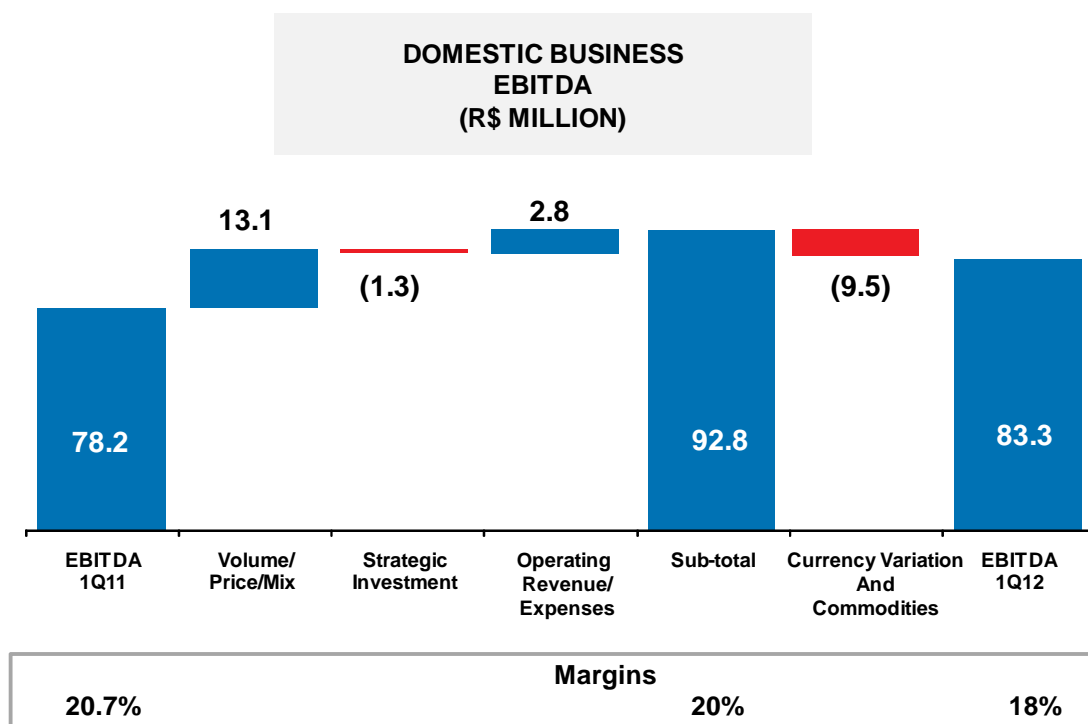
If the R\$ 9.5 million, almost entirely associated with the higher cost of commodities, is disregarded EBITDA would rise to R\$ 92.8 million, a growth of 18.7% and a 20% increase in margin.

Higher volumes and prices for sandals and athletic footwear contributed R\$ 13.1 million to the increase in EBITDA. An additional R\$ 1.3 million was spent on brand communication, for which the return was growth of sales volume. The difference between income and operating expenses was positive and contributed with R\$ 2.8 million. The commencement of expense control, using the Matrix Budgeting process, has already reaped benefits for budget management.



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2.0. PERFORMANCE OF INTERNATIONAL BUSINESSES

The consolidated figures for the international businesses cover Alpargatas Argentina, Alpargatas USA, Alpargatas Europa and exports. In 1Q12, income from international businesses grew 5%, reaching R\$ 186.4 million, with the commercialization of 9.634 thousand units.





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Growth in international revenue is due to an increase in sales in foreign currencies, with the exception of Alpargatas Europa, which recorded a lower sales volume.

International Business Net Revenue Variation in Foreign Currency	1Q12 X 1Q11
Alpargatas Argentina (Argentine Peso)	+ 4.4%
Alpargatas USA (Dollar)	+ 38.9%
Alpargatas Europe (Euro)	- 14.4%
Exports (Dollar)	+ 24.2%

2.1. Alpargatas Argentina

For the quarter, major achievements for Alpargatas Argentina include:

- Back-to-School Campaign: the focus on select clients was designed to increase sales of Topper during the back-to-school period.
- “Rumbo 38” Project: project management training focused on profitability for the footwear business.
- New format for displaying Topper products (Planogram) for key clients and training for sales personnel.
- Startup of EVA injection machine: reducing footwear production costs for running shoes and athletic footwear.
- Sponsorship of the tennis player David Nalbandian with Topper products.

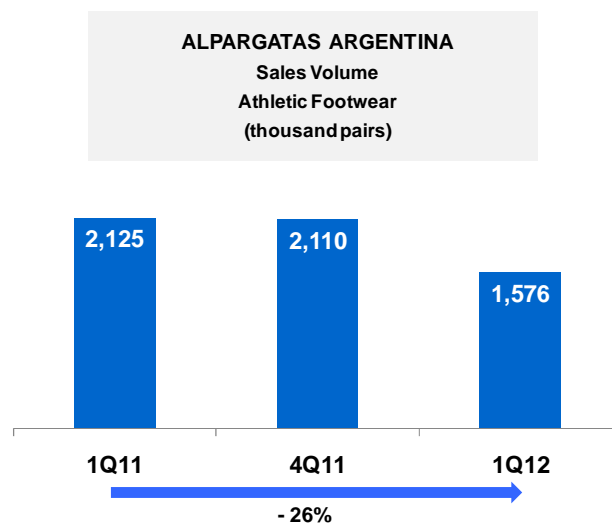


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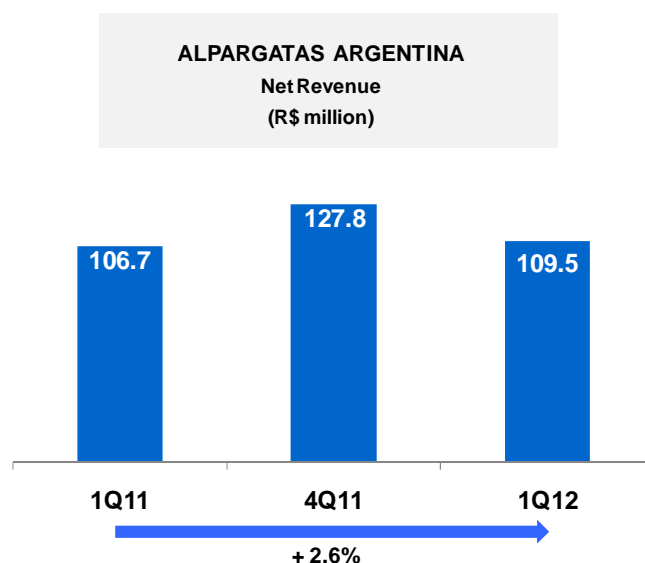
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2.1.1. Sales Volume and Net Revenue

In 1Q12, the sales volume for athletic footwear in Argentina totaled 1.576 thousand pairs and 366,000 units of apparel and accessories. Sales for the period were impacted by a slowdown in consumption, the result of uncertainty regarding future demand by clients.



Although there has been a reduction in footwear volume, the sales mix with readjusted prices according to local inflation, combined with the improved performance of the textile business, resulted in an increase of 2.6% in net revenue, for a total of R\$ 109.5 million, in 1Q12. A breakdown of net revenue in reais for Alpargatas Argentina during 1Q12 shows 60% was generated by the footwear business, 32% by textiles and 8% by retail operations.



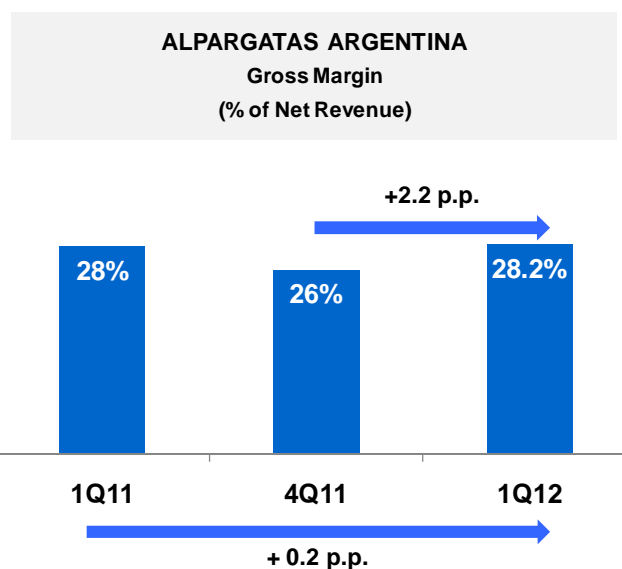
2.1.2. Gross Profit and Margin

The increase in the main production costs for footwear (direct labor and inputs) was offset by price readjustments according to local inflation. A fall in the price of cotton boosted the profitability of the textile business. For these reasons the gross profit came to R\$ 30.9 million, an increase of 3.3% over 1Q11, and the gross margin remained on par with 1Q11. Compared with 4Q11 a recovery of 2.2 percentage points can be observed in the gross margin.



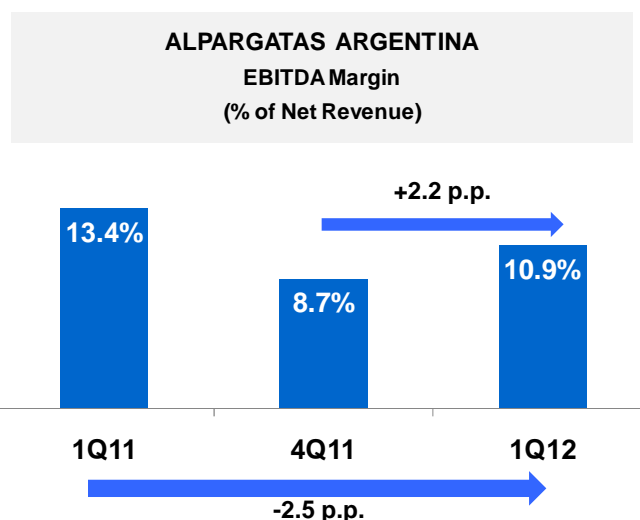
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2.1.3. EBITDA

EBITDA for Alpargatas Argentina was R\$ 11.9 million, 83% of the figure recorded for 1Q11, and the margin fell by 2.5 percentage points to 10.9%, while showing signs of recovery. When compared with the figure for 4Q11, the EBITDA margin for 1Q12 jumped 2.2 percentage points. This improvement is due to the impact of the fall in the price of cotton and strong budget controls.

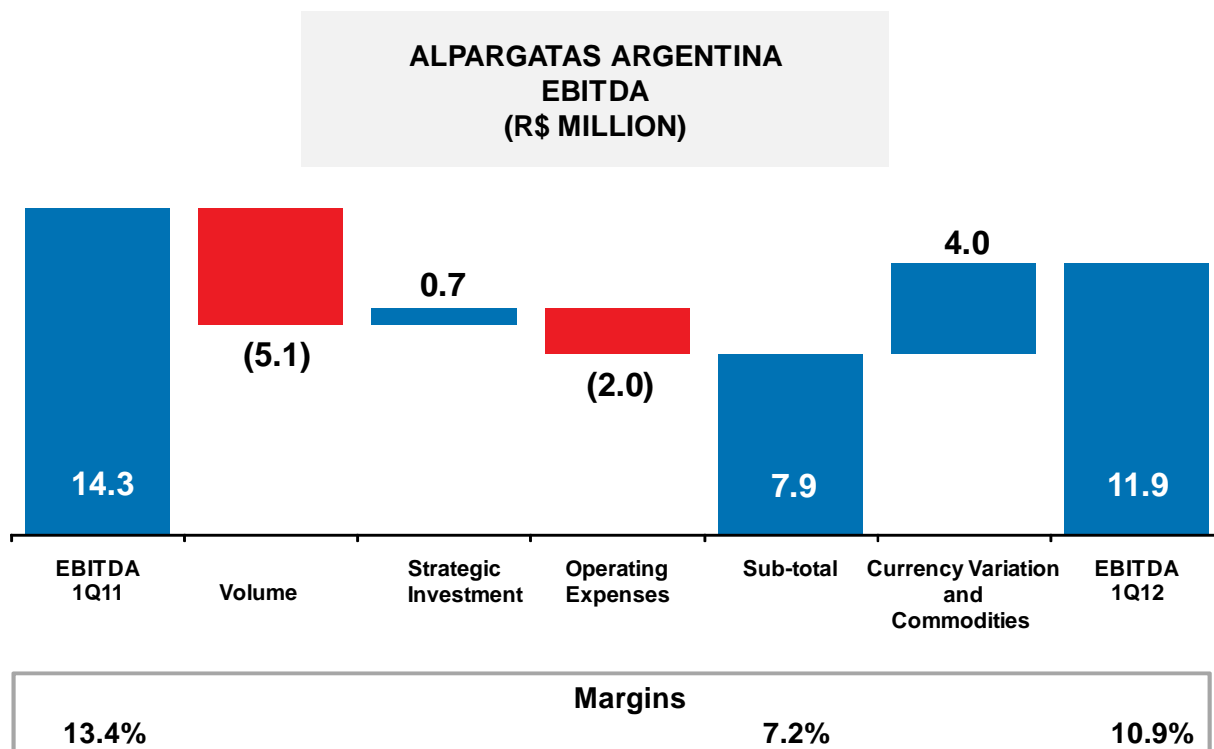


Lower sales volume for footwear reduced EBITDA by R\$ 5.1 million. Lower spending on Topper marketing communication added R\$ 0.7 million to EBITDA. Operating expenses were R\$ 2 million, impacted primarily by the need for greater storage space required for the higher inventory left from the slowdown in demand. The fall in the cost of cotton provided a gain of R\$ 4 million.



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2.2. Alpargatas USA, Alpargatas Europe and Exports

Making Havaianas sandals as popular around the world as they are in Brazil. This has been a strategically challenging objective, towards which Alpargatas has made strides every year. The performance of Havaianas has progressed as planned, especially in Europe and the United States, which are important consumer regions and creators of important brands in the world of fashion. Havaianas has grown in these markets because consumers increasingly recognize the brand, through point-of-sale marketing, advertising in fashion magazines, events such as MYOH – Make Your Own Havaianas and through digital media. In the United States, during the first quarter, a new Havaianas campaign was launched, one unlike campaigns in Brazil. Instead of illustrations, photographs are used that show people using the sandals, having fun, enjoying good times and conveying warmth. The photos were produced by two renowned professionals, David LaChapelle and Miles Aldridge. The campaign will be published throughout the country in fashion magazines like Elle and Vogue. The photographs will also be displayed on billboards in New York and Los Angeles. As announced, Alpargatas USA is now responsible for the direct sale of Havaianas to all American clients. In 1Q12, the sales volume of this subsidiary grew by 6.2%, as compared to 1Q11. Dupé now exports products to Saudi Arabia, the Ukraine and Morocco.

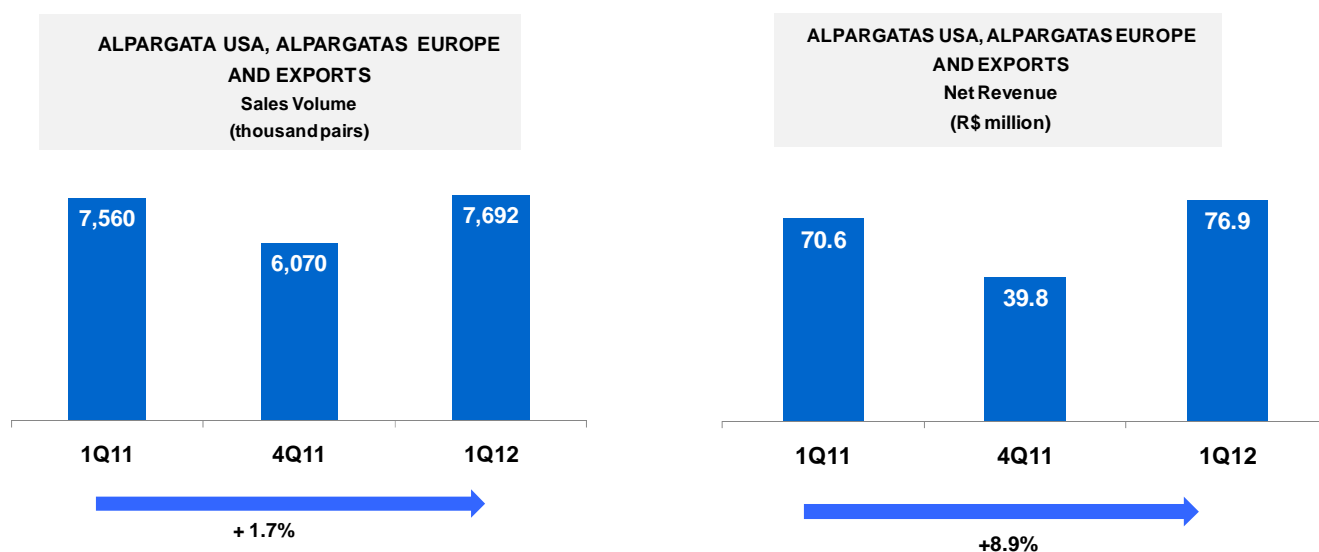


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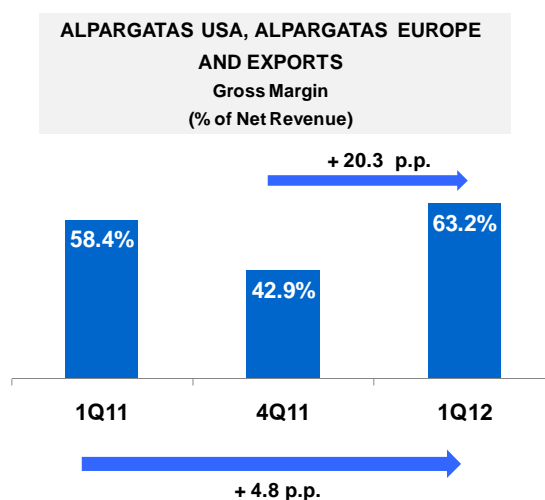
2.2.1. Sales Volume and Net Revenue

In 1Q12, the number of sandals commercialized by Alpargatas USA and Alpargatas Europe, combined with the number exported directly from Brazil totaled 7.692 thousand pairs, a rise of 1.7% over the same period last year. In the United States, the volume was 6.2% higher than 1Q11, and 12.1% higher for exports. In Europe, the volume was lower due to delays in deliveries from Brazil, which should be corrected in 2Q12. Net revenue was R\$ 76.9 million, an 8.9% increase over 1Q11.



2.2.2. Gross Profit and Margin

Gross profit came to R\$ 48.5 million, a rise of 17.6% over 1Q11. Growth in net sales resulted in an increase of 4.8 percentage points in the gross margin, as compared to 1Q11. This difference already reflects the expansion of US operations. The increase in the margin is greater in relation to 4Q11 because the last quarter of the year is impacted by seasonality, when the Northern Hemisphere experiences its fall/winter.





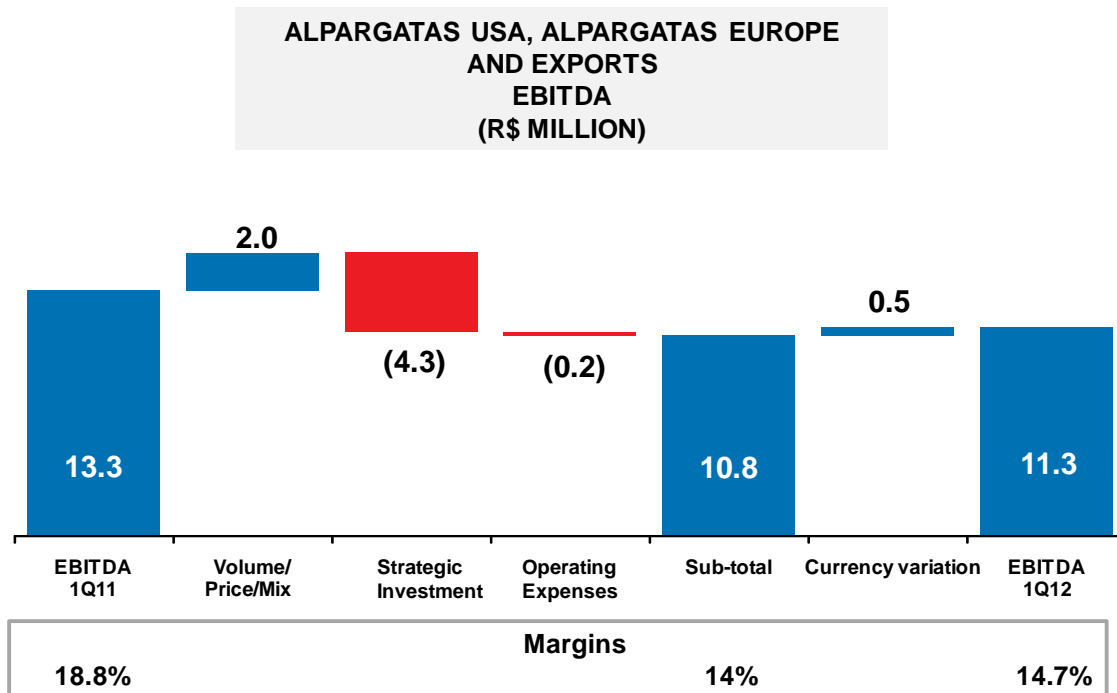
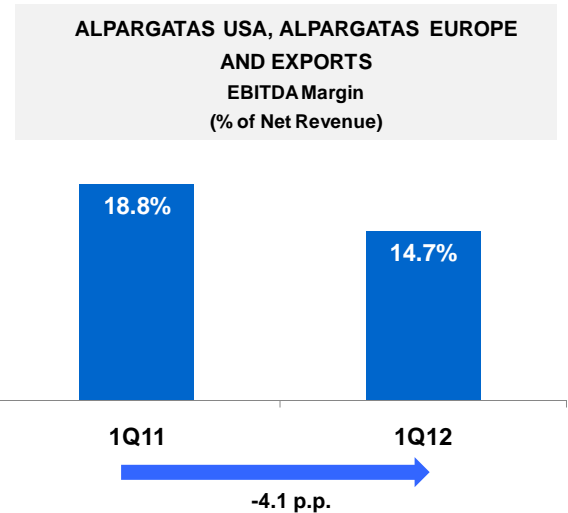
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2.2.3. EBITDA

EBITDA for Alpargatas USA, Alpargatas Europe and exports totaled R\$ 11.3 million, 85% of the amount recorded for 1Q11, and the margin fell by 4.1 percentage points to 14.7%. The combined volume, price and mix contributed R\$ 2 million to the increase in EBITDA. The main reason for the fall in margin was the extra R\$ 4.3 million spent on strategic initiatives, including events that raised the profile of Havaianas in Europe and the United States and the opening of stores in Europe. There was practically no change in operating expenses. Exchange rate fluctuations resulted in a gain of R\$ 500 thousand due to the appreciation of the dollar in 1Q12, in relation to 1Q11. EBITDA margin, which was negative in 4Q11, turned positive again in 1Q12 with the resumption of sales for spring/summer in the Northern Hemisphere.





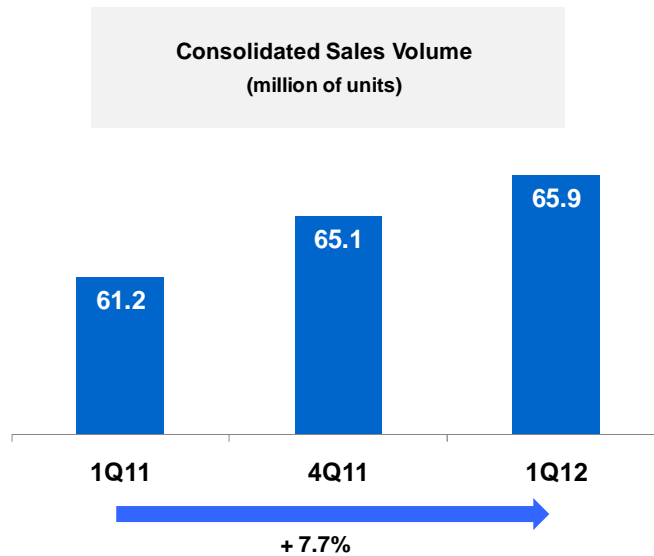
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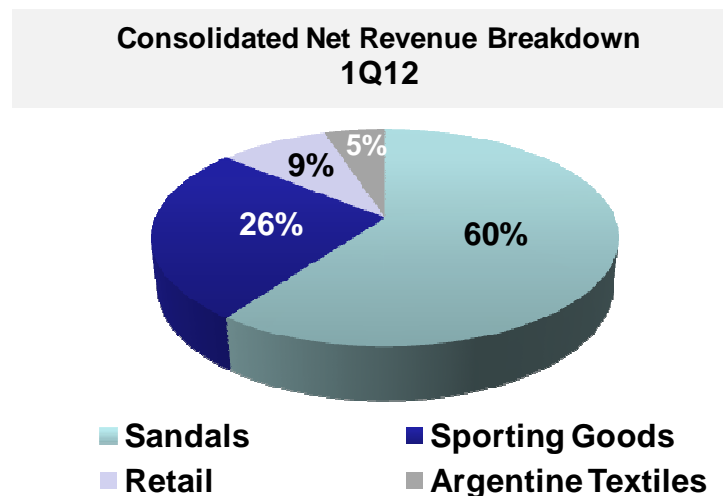
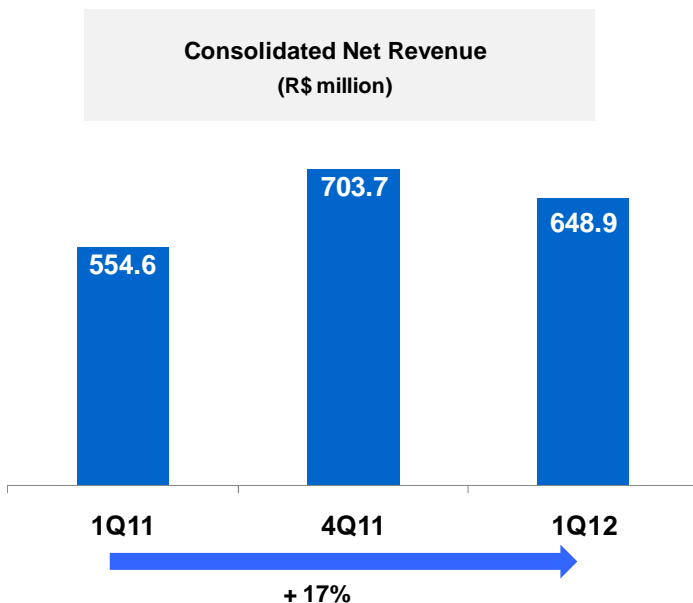
3.0. CONSOLIDATED PERFORMANCE

3.1. Sales Volume and Net Revenue

Consolidated volume totaled 65.9 million units of footwear, apparel and accessories, an increase of 7.7% over 1Q11, due to the good performance of sales of Havaianas sandals in Brazil and abroad.



With earnings of R\$ 648.9 million Alpargatas saw consolidated net revenue rise 17% over results for 1Q11. Growth was due to the 22.6% rise in the sales for domestic businesses and a 5% rise for international businesses.



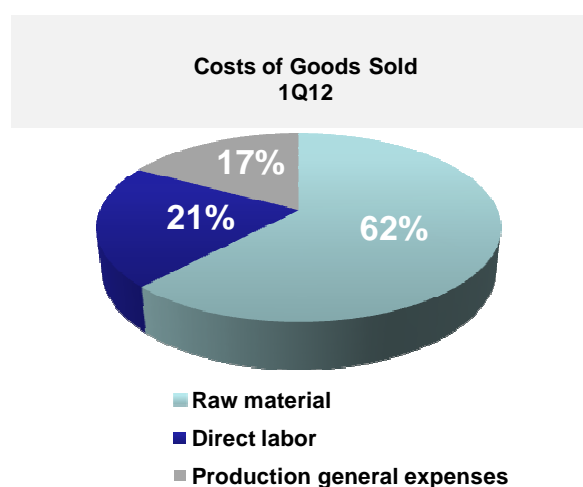
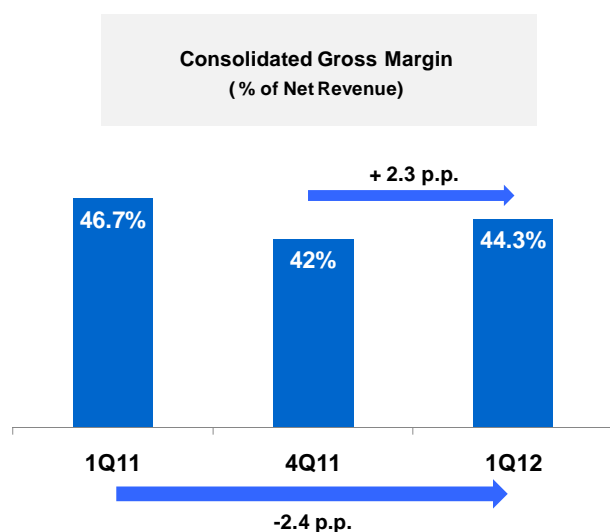


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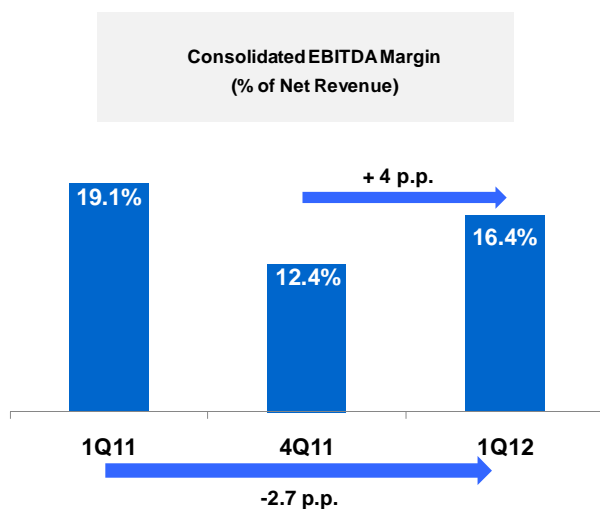
3.2. Gross Profit and Margin

Consolidated gross profit came to R\$ 287.7 million, an 11% increase over 1Q11. In addition to the increase in revenue, the increase in gross profit was due to a focus on the management of costs and factory expenses with the introduction of Matrix Budgeting. The consolidated gross margin of 44.3% for 1Q12 (46.7% in 1Q11) shows signs of recovery in relation to the margin recorded for 4Q11, with growth of 2.3 percentage points, due to the higher margins from international operations.



3.3. EBITDA

Consolidated EBITDA was R\$ 106.5 million, as compared to R\$ 105.8 million for 1Q11. The margin of 16.4% fell by 2.7 percentage points. When compared to 4Q11, the margin for 1Q12 rose 4 percentage points due to factors explained in the changes to the EBITDAs of domestic and international businesses.



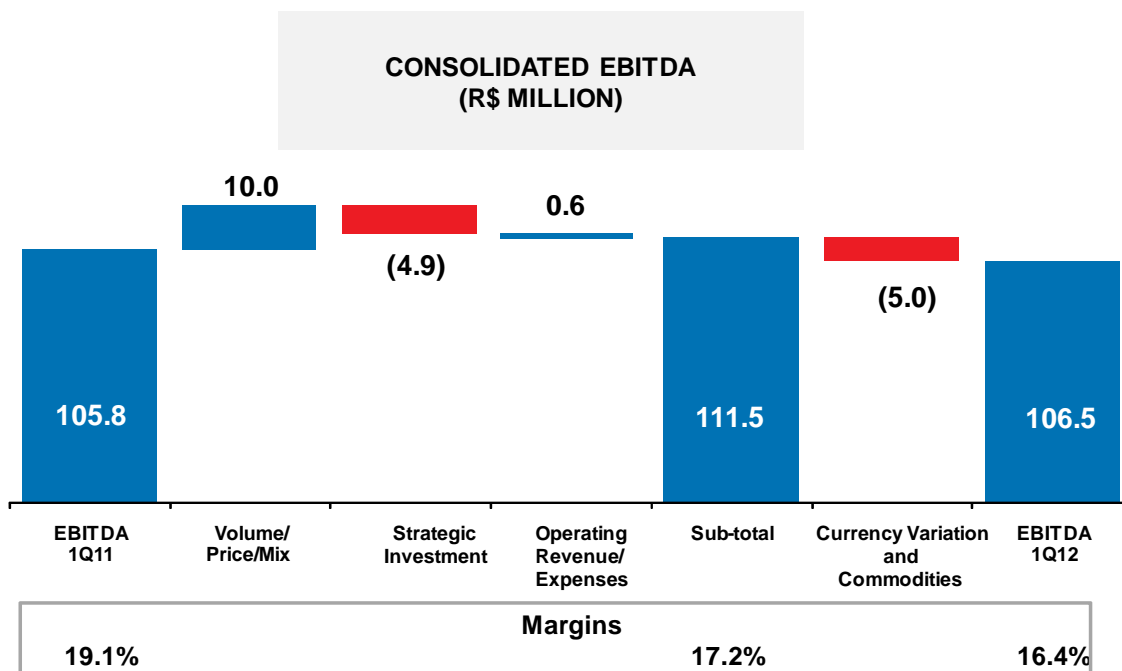
Consolidated EBITDA (R\$ million)	1Q12	1Q11
Operating Income before Financial Result and Equity in Subsidiaries	86.5	89.7
(+) Depreciation and Amortization	14.4	12.5
(+/-) Other	5.6	3.6
EBITDA	106.5	105.8



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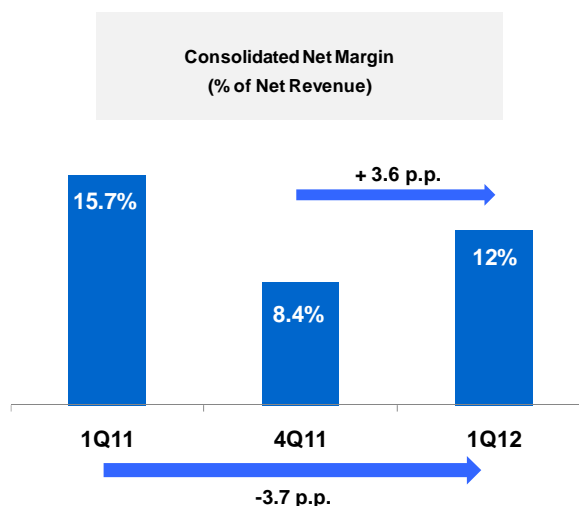
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The higher volume and price of sandals and athletic footwear contributed R\$ 10 million to the increase in EBITDA. For brand communication, R\$ 4.9 million more was spent, for which the return was growth of sales volume. The difference between income and operating expenses was positive and contributed with R\$ 0.6 million. The increase in the cost of rubber was the main culprit behind the R\$ 5 million decline in consolidated EBITDA.



3.4. Net Income

In the first quarter, Alpargatas recorded a net income of R\$ 78.2 million (R\$ 87.2 million for 1Q11). The net margin was 12% for 1Q12, as compared to 15.7% in 1Q11, and represents growth of 3.6 percentage points in relation to the margin for 4Q11.





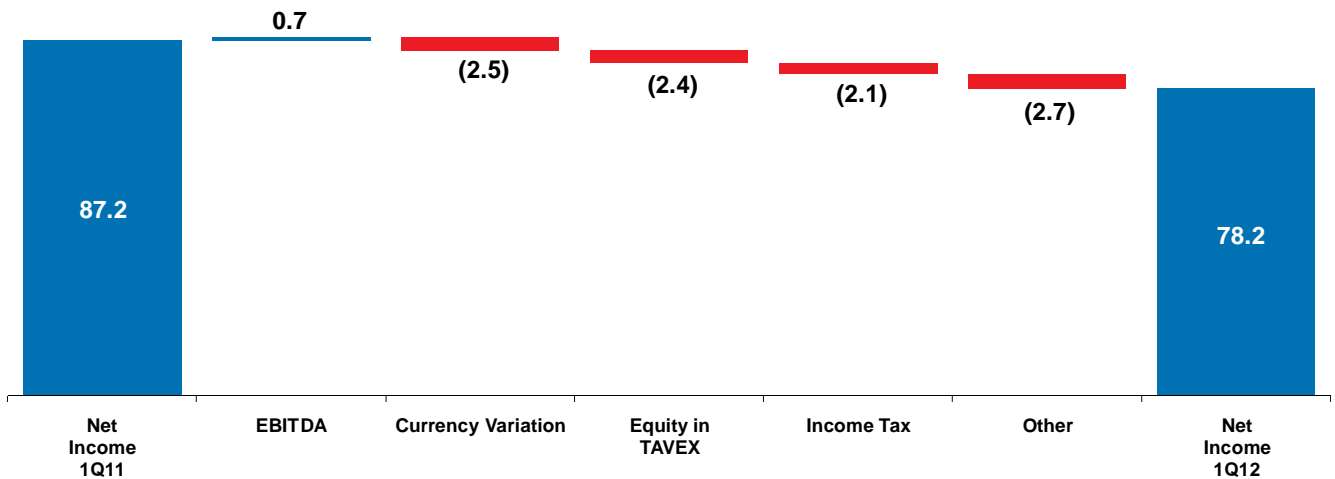
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The most relevant factors that explain the change in consolidated net income were: **(i)** EBITDA increase of R\$ 0.7 million; **(ii)** negative financial result of R\$ 2.5 million, primarily due to impact from exchange rate with the appreciation of the dollar against the real, in 1Q12; **(iii)** R\$ 2.4 million from the equity accounting loss for the Tavex Corporation; and **(iv)** higher income tax payment of R\$ 2.1 million due to a higher effective rate on international operations.

Consolidated Net Income (R\$ million)



3.5. Cash Conversion Cycle (CCC)

At the end of the quarter, consolidated CCC was 54 days, as compared to 62 for the end of 1Q11. Postponing payment of suppliers for 16 days and advancing receipt of payment from clients by 2 days supported 10 more days of inventory. Inventories were higher in the 1Q12 due to:

- Growth of international operations, whose inventory turnover is longer than in Brazil.
- Creation of strategic inventories of sandals to fully meet strong demand.
- Increased inventory in Argentina, due to a fall in sales.



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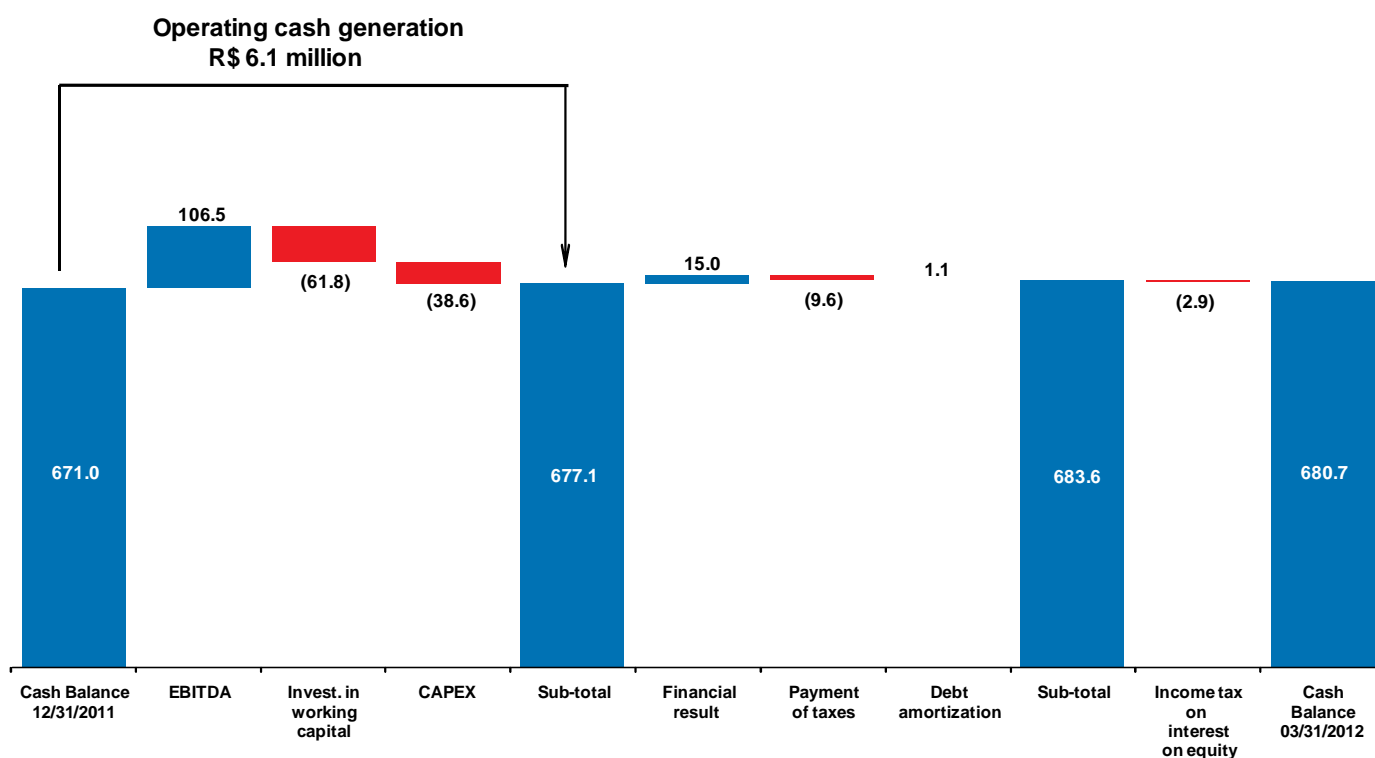
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3.6. Cash Flow

On March 31, 2012, Alpargatas presented a cash balance of R\$ 680.7 million, R\$ 9.7 million higher than on December 31, 2011. Operational cash generation was R\$ 6.1 million for the quarter. The cash generation rate was lower due to higher allocation to working capital (R\$ 61.8 million) and investment in CAPEX (R\$ 38.6 million), explained by the expansion of business, in Brazil and abroad, including the building of a new factory. The largest entry was due to EBITDA, which was R\$ 106.5 million.

Consolidated Cash Flow

(R\$ million)





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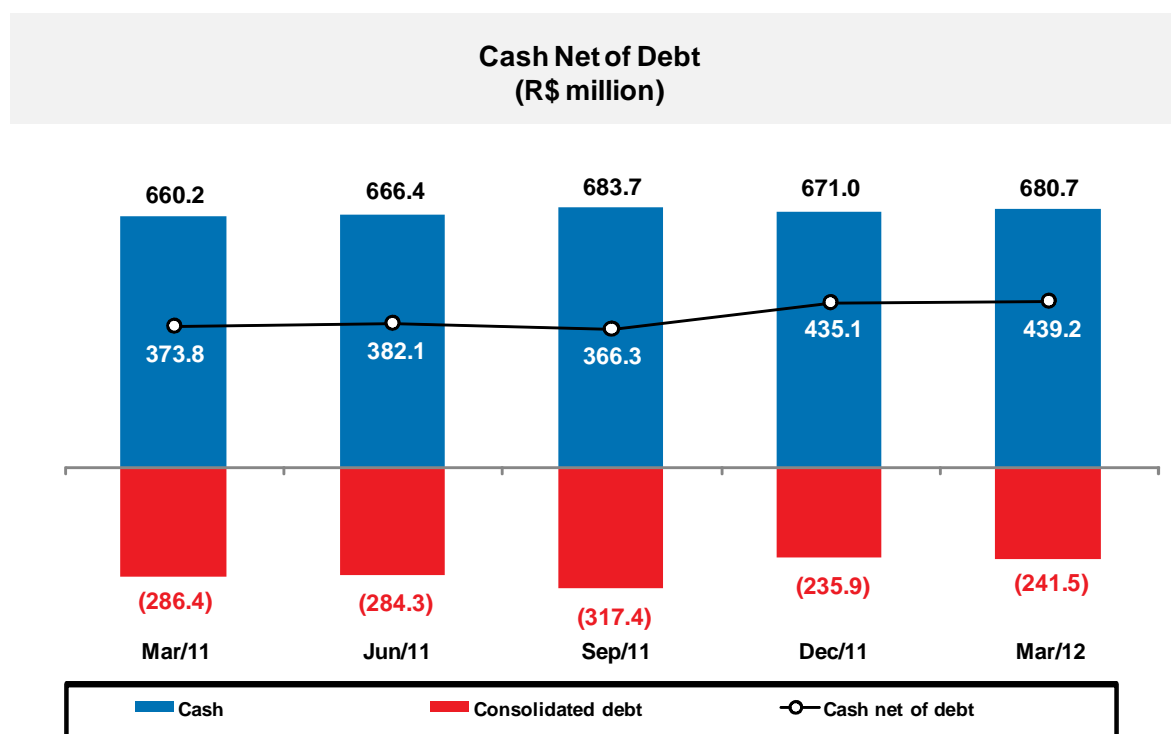
3.7. Debt

On March 31, 2012, consolidated financial debt totaled R\$ 241.5 million, of which R\$ 90.0 million was denominated in reais and R\$ 151.5 million in foreign currency, with the following profile:

- R\$ 149.9 million with short-term maturities, of which R\$ 41.1 million is denominated in domestic currency. Short-term debt in foreign currency was the equivalent of R\$ 108.8 million and finances imports and working capital for subsidiaries abroad, and can be renewed upon maturity.
- R\$ 91.6 million with long-term maturities, of which R\$ 48.9 million is in domestic currency and R\$ 42.7 million in foreign currency, with the following amortization schedule:
 - 2013: R\$ 57.0 million;
 - 2014: R\$ 15.3 million;
 - 2015: R\$ 15.3 million;
 - 2016: R\$ 2.5 million; and
 - 2017 to 2019: R\$ 1.5 million.

3.8. Net Financial Position

The net financial position on March 31, 2012 was R\$ 439.2 million, due to the increase in cash balance and debt reduction, consolidating the financial strength of Alpargatas.





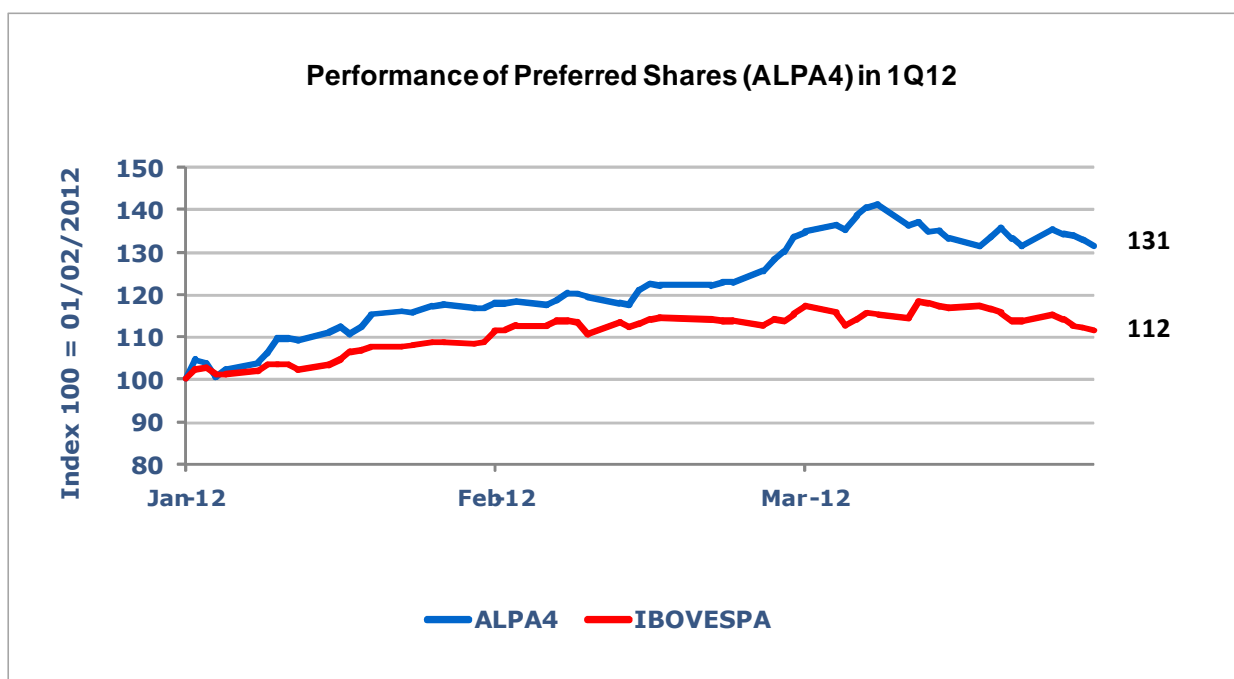
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4.0. CAPITAL MARKET

On March 31, 2012, preferred shares (ALPA4) was quoted at R\$ 15.79, 31% above the value for January 2, 2012, and common shares (ALPA3) was R\$ 16.10, appreciating in tandem with preferential stock. From January to March the Bovespa Index rose 12%. More active communication with the capital market, activities as a market maker and greater coverage from sell-side analysts are contributing to the good performance of Alpargatas shares on the stock exchange. In March, Raymond James started covering preferred shares, and in April, NAU Securities, of London, began coverage. Both institutions recommend the purchase of the shares with target prices of R\$ 21.00 and R\$ 20.00, respectively, for December of this year. On March 31, 2012, the value of Alpargatas on the BM&FBovespa stock exchange was R\$ 5.6 billion, as compared to R\$ 3.9 billion on the same date last year. The Board of Directors, in a meeting held on May 4, 2012, approved advanced payment of interest on own equity in the amount of R\$ 21.8 million. Added to the R\$ 21.6 million approved in March, compensation of Alpargatas shareholders has already reached R\$ 43.4 million for fiscal year 2012. The Company's shareholders approved, in the Extraordinary Meeting held on April, 25, the capital increase through share bonus at the rate of 10 shares for each 100 shares. The new shares are entitled to the same benefits, including dividends and possible payments to shareholders, which may be declared by the Company as of May 2, 2012, when the new shares will be credited to shareholders registered on April 25, 2012.





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Appendix I - Balance Sheet (R\$ thousands)

ASSETS	3/31/2012	3/31/2011	LIABILITIES	3/31/2012	3/31/2011
Current assets	1,670,648	1,499,226	Current liabilities	655,441	600,243
Cash and banks	22,661	18,716	Suppliers	283,418	202,172
Tempory cash investment	658,019	641,474	Loans and financing	149,959	220,827
Trade accounts receivable (net of provisions)	511,658	395,805	Debt restructuring agreements	13,818	12,855
Inventories	382,243	335,725	Payroll and related charges	114,228	101,861
Other receivables	37,237	51,810	Reserve for contingencies	12,108	8,543
Prepaid expenses	28,778	24,856	Provision for income and social contribution	5,893	8,478
Assets held for sale	309	-	Taxes payable	13,583	7,952
Other assets	-	-	Taxes Installments	-	-
Recoverable taxes	29,743	30,840	Interest on capital and dividends payable	19,507	17,807
			Other payable liabilities	42,927	19,748
			Long-term liabilities	319,191	299,135
Long-term assets	153,949	161,018	Loans and financing	91,564	65,606
Recoverable taxes	25,265	18,549	Debt restructuring agreements	60,092	59,655
Deferred income and social contribution taxes	90,328	89,910	Provision for taxes	86,625	60,243
Escrow deposits	15,002	14,245	Taxes Installments	874	-
Other receivables	23,354	38,314	Provision for income and social contribution	44,831	40,646
			Reserve for contingencies	26,194	66,660
			Other payable	9,011	6,325
			Shareholders' equity	1,542,303	1,398,297
Permanent Assets	692,338	637,431	Capital	518,922	441,171
Investments	70,430	76,070	Capital reserves	167,533	167,944
Property, plant and equipment	364,486	298,258	Treasury shares	(40,587)	(38,423)
Intangible	257,422	263,103	Profit reserves	922,710	825,707
			Equity assessment	(37,982)	(35,355)
			Minority shares	11,707	37,253
Total assets	2,516,935	2,297,675	Total liabilities	2,516,935	2,297,675
			Book value per share (R\$)	4.43	4.01



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Appendix II - Income Statement (R\$ thousand)

	1Q11	1Q12
Net revenue	554,637	648,939
Cost of goods sold	(295,542)	(361,274)
Gross profit	259,095	287,665
<i>Gross margin</i>	46.7%	44.3%
Operating revenues (expenses)	(169,415)	(201,206)
Sales	(129,933)	(159,443)
General and administrative	(30,132)	(35,549)
Management compensation	(1,374)	(1,605)
Amortization of intangible charges	(4,368)	(5,814)
Other operating revenues (expenses)	(3,608)	1,205
EBIT – Operating result	89,680	86,459
<i>Operating margin</i>	16.2%	13.3%
Financial earnings	18,817	18,746
Financial expenses	(11,965)	(12,294)
Exchange rate variation	1,716	(389)
Results in subsidiaries	(1,297)	(3,729)
Operating income	96,951	88,793
Income tax and charges	(8,448)	(10,550)
Minority interest	(1,252)	(78)
Net income	87,251	78,165
	-	-
EBITDA – R\$ million	105.8	106.5
<i>EBITDA margin</i>	19.1%	16.4%