



F. RAMADA INVESTIMENTOS, S.G.P.S., S.A.
Open Capital Company

Head Office: Rua do General Norton de Matos, 68, r/c – Porto
Fiscal Number: 508 548 527
Share Capital: 25,641,459 Euros

3Q 2012 Financial Information
(Not audited)

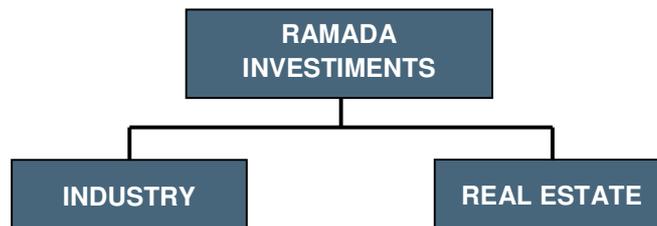


F. Ramada Investimentos was incorporated as of June 1, 2008, as a result of the demerger process, of the steel and storage systems business from Altri, SGPS, S.A. (“Altri”).

Currently, F. Ramada Investimentos is the parent company of a group of companies (“F. Ramada Group”) that, together, develop two business activities: i) Industry, which includes Steel activity, of which we highlight the sub segment of steel for molds and the storage systems activity; and ii) Real Estate, focused in the management of real estate assets.

The Steel activity, with a prominent position in the domestic market, is carried out by two Companies: F. Ramada Aços and Universal Afir.

The Storage Systems activity is carried out by four Companies: F. Ramada Estruturas (largest manufacturer of storage systems in Portugal, and where all Group production is concentrated), Storax Equipements with head office in France, Storax Racking with head office in the United Kingdom and Storax Benelux with head office in Belgium.



The financial information presented below in relation to F. Ramada Group was prepared in accordance with the recognition and measurement criteria of the International Financial Reporting Standards (IFRS), as adopted by the European Union.

Main indicators for nine months period

	30/09/2012	30/09/2011	Var. %
Sales and services rendered	79,538	83,134	-4.3%
Other income	581	600	-3.1%
Total income	80,119	83,734	-4.3%
Cost of sales	45,123	45,964	-1.8%
External supplies and services	13,130	14,528	-9.6%
Payroll expenses	9,153	9,518	-3.8%
Other costs	1,876	2,637	-28.8%
Total Costs (a)	69,282	72,649	-4.6%
EBITDA (b)	10,837	11,085	-2.2%
EBITDA margin	13.5%	13.2%	
Depreciation and amortization	893	1,001	-10.8%
EBIT (c)	9,944	10,084	-1.4%
EBIT margin	12.4%	12.0%	
Financial Results	-3,513	-2,988	17.6%
Net profit before income tax	6,431	7,096	
Income tax	-1,929	-2,129	
Consolidated net profit attributable to shareholders of Parent company	4,502	4,967	-9.4%

Amounts in thousand Euros

- (a) Operating expenses excluding depreciation, financial expenses and income tax
- (b) EBITDA= earnings before financial results, income tax, depreciation and amortization
- (c) EBIT = earnings before financial results and income tax

In the third quarter of 2012, total turnover of Ramada Group amounted to 80,119 thousand Euros, representing a decrease of 4.3% in relation to total turnover in the same period of 2011.

Group's EBITDA in the period between January and September of 2012 amounted to 10,837 thousand Euros, representing a decrease of 2.2% in relation to the same period of 2011. EBITDA margin reached 13.5%, which compares to 13.2% obtained in the same period of 2011.

Group's EBIT in the period between January and September of 2012 amounted to 9,944 thousand Euros, representing a decrease of 1.4%, which compares to 10,084 thousand Euros in relation to the same period of 2011.

Ramada Group net profit for the first nine months of 2012 reached 4,502 thousand Euros, 9.4% lower than in the same period of 2011.

Industry

	30/09/2012	30/09/2011	Variation
Total income	75,254	79,534	-5.4%
Total costs (a)	68,082	72,023	-5.5%
EBITDA (b)	7,171	7,511	-4.5%
EBITDA margin	9.5%	9.4%	
EBIT (c)	6,558	6,780	-3.3%
EBIT margin	8.7%	8.5%	
Financial results	(597)	(539)	10.7%
Net profit before income tax	5,962	6,241	-4.5%
Net profit	4,173	4,369	-4.5%

(Amounts in thousand Euros)

(a) Operating expenses excluding depreciation, financial expenses and income tax

(b) EBITDA = earnings before financial results, income tax, depreciation and amortization

(c) EBIT = earnings before financial results and income tax

During the period between January and September of 2012, total turnover of the industry segment reached 75,254 thousand Euros, corresponding to a decrease of 5.4% in relation to total turnover for the same period of 2011.

Turnover of Steel activity in the first nine months of 2012 had a decrease of 4% when compared to the same period of 2011.

The sector of molds fabrication, which has increased the sales of steel, continues with strong activity. However, financial difficulties experienced in this sector have sometimes limited our sales.

The sector of general mechanics, construction of equipment and maintenance, experienced a reduction when compared to 2011.

The inventory level remains very controlled, with an expected reduction in purchase prices of steel by the end of the year.

The total turnover of Storage Systems activity in the first nine months of 2012 had a decrease of 7,5% in relation to the same period in 2011. The external market remains the main growth engine of this activity, representing a weight of 84% of total turnover.

Industry segment EBITDA in the first nine months of 2012 amounted to 7,171 thousand Euros, representing a decrease of 4.5% in relation to the 7,511 thousand Euros recorded in the same period of 2011.

Industry segment EBITDA margin decreased from 9.4% in the period January to September 2011 to 9.5% in the same period of 2012.

Industry segment EBIT in the first nine months of 2012 amounted to 6,558 thousand Euros, corresponding to a decrease of 3.3% in relation to the amount of 6,780 thousand Euros achieved in 2011. EBIT margin increased from 8.5% in 2011 to 8.7% in 2012.

Industry segment net profit amounted to 4,173 thousand Euros, 4.5% below the amount recorded in the same period of 2011.

Real Estate

	30/09/2012	30/09/2011	Variation
Total income	4,866	4,200	15.9%
Total costs (a)	1,200	625	91.9%
EBITDA (b)	3,666	3,574	2.6%
EBIT (c)	3,385	3,304	2.5%
Financial results	(2,916)	(2,449)	19.1%
Net profit before income tax	469	855	-45.1%
Net profit	329	598	-45.1%

(Amounts in thousand Euros)

(a) Operating expenses excluding depreciation, financial expenses and income tax

(b) EBITDA = earnings before financial results, income tax, depreciation and amortization

(c) EBIT = earnings before financial results and income tax

Total turnover of the Real Estate segment in the first nine months of 2012 amounted to 4,866 thousand Euros, representing an increase of 15.9% in relation to the same period in 2011.

The rents obtained with the long-term renting of the forest land represent more than 90.0% of the total turnover of the real estate segment.



Real Estate segment EBITDA in the first nine months of 2012 reached 3,666 thousand Euros, representing an increase of 2.6% in relation to the 3,574 thousand Euros recorded in the same period of 2011. Real Estate segment EBIT in the first nine months of 2012 amounted to 3,385 thousand Euros, corresponding to an increase of 2.5% in relation to the 3,304 thousand Euros recorded in 2011.

Financial results of the Real Estate Segment in the first nine months of 2012 amounted to (2,916) thousand Euros, representing a decrease of 19.1% in relation to the (2,449) thousand Euros recorded in 2011.

Real Estate segment net profit amounted to 329 thousand Euros, 45.1% below the amount recorded in the first nine months of 2011.

Investments and Debt

Ramada Group investments in the first nine months of 2012 amounted to 464 thousand Euros.

Ramada Group nominal net debt as of September 30, 2012 amounted to 72,508 thousand Euros.

Porto, November 09, 2012

The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2012 AND 31 DECEMBER 2011

(Translation of financial statements originally issued in Portuguese - Note 19)
(Amounts expressed in Euro)

ASSETS	Notes	30.09.2012	31.12.2011
NON CURRENT ASSETS:			
Investment properties	6	86.072.721	85.860.729
Tangible assets		4.448.138	5.046.685
Intangible assets		105.056	105.002
Investments available for sale	4	8.542.965	8.198.581
Deferred tax assets	7	1.910.570	1.910.570
Total non current assets		<u>101.079.450</u>	<u>101.121.567</u>
CURRENT ASSETS:			
Inventories		26.355.928	25.445.515
Customers		30.975.272	39.384.208
State and other public entities		2.061.104	1.003.504
Other debtors		1.969.002	603.868
Other current assets		634.605	215.090
Cash and cash equivalents	8	13.559.697	16.112.789
Total current assets		<u>75.555.608</u>	<u>82.764.974</u>
Total assets		<u>176.635.058</u>	<u>183.886.541</u>
SHAREHOLDERS' FUNDS AND LIABILITIES			
SHAREHOLDERS' FUNDS:			
Share capital	9	25.641.459	25.641.459
Legal reserve		5.637.034	5.338.928
Monetary conversion reserves		(515.382)	(619.903)
Other reserves		17.384.335	13.323.943
Consolidated net profit for the period	14	4.501.616	6.409.814
Total shareholders' funds attributable to the parent company shareholders		<u>52.649.062</u>	<u>50.094.241</u>
Non-controlling interests		-	-
Total Shareholders' funds		<u>52.649.062</u>	<u>50.094.241</u>
LIABILITIES:			
NON CURRENT LIABILITIES			
Bank loans	10	50.732.578	54.421.020
Other non current creditors		35.000	135.309
Provisions	11	726.283	658.848
Deferred tax liabilities	7	81.485	81.485
Total non current liabilities		<u>51.575.346</u>	<u>55.296.662</u>
CURRENT LIABILITIES:			
Bank loans	10	4.397.076	4.072.139
Other loans	10	30.937.873	36.858.492
Derivatives	12	619.327	545.411
Suppliers		14.798.436	15.615.828
State and other public entities		3.806.297	4.728.097
Other creditors		3.177.242	2.238.305
Other current liabilities		14.674.399	14.437.366
Total current liabilities		<u>72.410.650</u>	<u>78.495.638</u>
Total Shareholders' funds and liabilities		<u>176.635.058</u>	<u>183.886.541</u>

The accompanying notes form an integral part of the consolidated financial statements.

The Chartered Accountant

The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A

**CONSOLIDATED STATEMENTS OF PROFIT AND LOSS BY NATURES
FOR THE NINE MONTHS AND THREE MONTHS PERIODS ENDED AS OF 30 SEPTEMBER 2012 AND 2011**

(Translation of financial statements originally issued in Portuguese - Note 19)
(Amounts expressed in Euro)

	Notes	NINE MONTHS PERIOD ENDED AS OF		THREE MONTHS PERIOD ENDED AS OF	
		30.09.2012	30.09.2011	30.09.2012	30.09.2011
Sales		72.683.291	76.907.353	22.243.612	28.803.795
Services rendered		6.854.993	6.226.688	2.213.528	359.633
Other income		580.882	599.746	230.849	48.777
Cost of sales		(45.122.784)	(45.964.456)	(13.566.227)	(15.381.531)
External supplies and services		(13.130.238)	(14.527.892)	(4.339.001)	(5.468.168)
Payroll expenses		(9.152.551)	(9.518.435)	(2.683.228)	(3.184.773)
Amortization and depreciation		(893.312)	(1.001.150)	(257.886)	(306.690)
Provisions and impairment losses	11	(1.034.577)	(1.708.160)	(358.424)	(1.025.229)
Other expenses		(841.865)	(929.668)	(228.189)	(228.230)
Profit / (Losses) in derivatives	12	(65.220)	(464.149)	(21.740)	(420.428)
Financial expenses	13	(4.199.643)	(2.931.451)	(1.175.100)	(755.488)
Financial income	13	751.904	407.479	18.167	137.217
Profit before income tax		6.430.880	7.095.905	2.076.361	2.578.885
Income tax		(1.929.264)	(2.128.772)	(622.909)	(773.666)
Consolidated net profit		4.501.616	4.967.133	1.453.452	1.805.219
Attributable to:					
Parent company's shareholders		4.501.616	4.967.133	1.453.452	1.805.219
Earnings per share:					
Basic	14	0,18	0,19	0,06	0,07
Diluted	14	0,18	0,19	0,06	0,07

The accompanying notes form an integral part of the consolidated financial statements.

The Chartered Accountant

The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE AND THREE MONTHS PERIODS ENDED AS OF 30 SEPTEMBER 2012 AND 2011

(Translation of financial statements originally issued in Portuguese - Note 19)
(Amounts expressed in Euro)

	Notes	NINE MONTHS PERIOD ENDED AS OF		THREE MONTHS PERIOD ENDED AS OF	
		30.09.2012	30.09.2011	30.09.2012	30.09.2011
Net consolidated profit for the period		4.501.616	4.967.133	1.453.452	1.805.219
Exchange differences arising on translation of foreign operations		104.521	(26.874)	25.419	155.947
Other comprehensive income for the period		104.521	(26.874)	25.419	155.947
Total comprehensive income for the period		<u>4.606.137</u>	<u>4.940.259</u>	<u>1.478.872</u>	<u>1.961.166</u>
Attributable to:					
Parent company's shareholders		4.606.137	4.940.259	1.478.872	1.961.166
Non-controlling interests		-	-	-	-

The accompanying notes form an integral part of the consolidated statements of comprehensive income.

The Chartered Accountant

The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' FUNDS
FOR THE NINE MONTHS PERIODS ENDED 30 SEPTEMBER 2012 AND 2011

(Translation of financial statements originally issued in Portuguese - Note 19)
 (Amounts expressed in Euro)

	Notes	Atributable to the parent company's Shareholders				Net profit	Total Shareholder's funds
		Share capital	Legal reserve	Monetary conversion reserves	Other reserves and retained earnings		
Balance as of 1 January 2011	9	25.641.459	4.971.340	(740.175)	10.183.019	5.113.696	45.169.339
Total comprehensive consolidated income for the period		-	-	(26.874)	-	4.967.133	4.940.259
Appropriation of the consolidated net profit for 2010:							
Transfer to legal reserve and other reserves		-	367.588	-	4.746.108	(5.113.696)	-
Distributed dividends		-	-	-	(1.794.901)	-	(1.794.901)
Change in reserves:							
Others		-	-	-	189.717	-	189.717
Balance as of 30 September 2011		<u>25.641.459</u>	<u>5.338.928</u>	<u>(767.049)</u>	<u>13.323.943</u>	<u>4.967.133</u>	<u>48.504.414</u>
Balance as of 1 January 2012	9	25.641.459	5.338.928	(619.903)	13.323.943	6.409.814	50.094.241
Total comprehensive consolidated income for the period		-	-	104.521	-	4.501.616	4.606.137
Appropriation of the consolidated net profit for 2011:							
Transfer to legal reserve and other reserves		-	298.106	-	6.111.708	(6.409.814)	-
Distributed dividends		-	-	-	(2.051.317)	-	(2.051.317)
Balance as of 30 September 2012	9	<u>25.641.459</u>	<u>5.637.034</u>	<u>(515.382)</u>	<u>17.384.335</u>	<u>4.501.616</u>	<u>52.649.062</u>

The accompanying notes form an integral part of the consolidated financial statements.

The Chartered Accountant

The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A.

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE AND THREE MONTHS PERIODS ENDED 30 SEPTEMBER 2012 AND 2011**

(Translation of financial statements originally issued in Portuguese - Note 19)
(Amounts expressed in Euro)

	Notes	NINE MONTHS PERIODS ENDED				THREE MONTHS PERIODS ENDED			
		30.09.2012		30.09.2011		30.09.2012		30.09.2011	
Operating activities:									
Collections from customers		97.039.394		96.204.043		30.185.788		35.750.471	
Payments to suppliers		(61.545.376)		(70.584.500)		(18.723.210)		(26.987.042)	
Payments to personnel		(6.808.862)	28.685.156	(6.315.237)	19.304.306	(2.039.715)	9.422.863	(2.057.016)	6.706.413
Other collections/payments relating to operating activities		(12.481.370)		(9.641.166)		(6.779.582)		(4.766.947)	
Corporate income tax		(1.760.689)	(14.242.059)	(251.641)	(9.892.807)	(31.144)	(6.810.726)	(84.592)	(4.851.539)
<i>Cash flow from operating activities (1)</i>			<u>14.443.097</u>		<u>9.411.499</u>		<u>2.612.137</u>		<u>1.854.874</u>
Investment activities:									
Collections relating to:									
Investments		677.891		-		-		-	
Tangible assets		49.948		31.603		41.913		9.998	
Interest and similar income		<u>107.224</u>	835.063	<u>432.104</u>	463.707	<u>16.407</u>	58.320	<u>185.940</u>	195.938
Payments relating to:									
Investments		(1.369.993)		(4.890.662)		-		(783.769)	
Investment properties		(211.992)		-		-		-	
Tangible assets		(640.127)		(479.770)		(143.900)		(116.047)	
Intangible assets		(52.004)	(2.274.116)	(5.370.432)		(29.582)	(173.482)	-	(899.816)
<i>Cash flow from investment activities (2)</i>			<u>(1.439.053)</u>		<u>(4.906.725)</u>		<u>(115.162)</u>		<u>(703.878)</u>
Financing activities:									
Collections relating to:									
Loans obtained		<u>1.600.000</u>	1.600.000	<u>1.150.000</u>	1.150.000	-	-	(45.047)	(45.047)
Payments relating to:									
Dividends		(2.051.317)		(1.794.846)		-		-	
Lease contracts				(19.544)		-		(3.017)	
Interest and similar costs		(4.266.640)		(3.889.928)		(614.336)		(580.522)	
Loans obtained		(10.447.430)	(16.765.387)	(5.074.138)	(10.778.456)	(1.488.711)	(2.103.047)	(88.385)	(671.924)
<i>Cash flow from financing activities (3)</i>			<u>(15.165.387)</u>		<u>(9.628.456)</u>		<u>(2.103.047)</u>		<u>(716.971)</u>
Cash and cash equivalents at the beginning of the period	8		12.785.230		19.925.742		10.263.978		14.235.471
Effect of exchange rate changes			44.947		(19.506)		10.928		113.057
Variation of cash and cash equivalents: (1)+(2)+(3)			(2.161.343)		(5.123.682)		393.928		434.025
Cash and cash equivalents at the end of the period	8		<u>10.668.834</u>		<u>14.782.554</u>		<u>10.668.834</u>		<u>14.782.553</u>

The accompanying notes form an integral part of the consolidated statement of cash flows.

The Chartered Accountant

The Board of Directors

1. INTRODUCTORY NOTE

F. Ramada Investimentos, SGPS, S.A. ("F. Ramada" or "Company") is a Company incorporated in 1 September 2008, has its head-office located at Rua do General Norton de Matos, 68, r/c - Porto, Portugal and its shares are listed in the NYSE Euronext Lisbon. Its main activity is the management of investments.

F. Ramada was incorporated as a result of the reorganization process of Altri, SGPS, S.A. by demerging the steel sector and storage systems business management area, namely the participation held in F. Ramada – Aços e Indústrias, S.A. representative of the voting rights of the mentioned company. The restructuring involved a simple demerger operation as defined by Article 118, 1.a), of the Commercial Companies Code ("Código das Sociedades Comerciais").

Due to this process, Altri, SGPS, S.A. patrimonial share corresponding to the equity holdings management business unit for the sector of steel and storage systems, including all other resources (such as human resources, assets and liabilities) related to that business unit, was detached to Ramada.

Currently, F. Ramada is the parent company of a group of companies listed in Note 4 (designated as F. Ramada Group), and through this financial holdings structure, focuses its operations in (i) steel trade, (ii) storage systems sales, sector in which the Group already presents a significant international presence, and (iii) real estate.

As of 30 September 2012, the Group developed its activity in Portugal, France, United Kingdom and Belgium.

The consolidated financial statements of F. Ramada Group are presented in Euro (with rounding to units), which is the currency used by the Group in its operations and, as such, considered to be its functional currency.

The consolidated financial statements were prepared in accordance with the accounting policies defined by the International Financial Reporting Standards and in accordance with IAS 34 – Interim Financial Reporting.

2. MAIN ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The consolidated financial statements as of 30 September 2012 were prepared in accordance with the accounting policies defined by the International Financial Reporting Standards and in accordance with IAS 34 – Interim Financial Reporting, and include the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows, as well as selected notes to the financial statements.

The accounting policies adopted in the preparation of the consolidated financial statements of F. Ramada are consistent with the accounting policies used in the preparation of the financial statements presented for the year ended as of 31 December 2011.

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF ERRORS

During the period there were no changes in the accounting policies and no material mistakes related with previous periods were identified.

4. INVESTMENTS

The companies included in the consolidated financial statements by the full consolidation method, its headquarters, percentage of participation held and main activity as of 30 September 2012, are as follows:

Designation	Headquarters	Percentage of participation held	Activity
<u>Parent company:</u>			
F. Ramada Investimentos, SGPS, S.A.	Oporto		Investment management
<u>F. Ramada Group</u>			
F. Ramada, Aços e Indústrias, S.A.	Ovar	100%	Steel commercialization
Universal Afir – Aços Especiais e Ferramentas, S.A.	Ovar	100%	Steel commercialization
F. Ramada – Produção e Comercialização de Estruturas Metálicas de Armazenagem, S.A.	Ovar	100%	Production and commercialization of storage systems
F. Ramada II, Imobiliária, S.A.	Ovar	100%	Real estate
F. Ramada, Serviços de Gestão, Lda.	Ovar	100%	Administration and management services
Storax Equipements, S.A.	Paris, France	100%	Commercialization of storage systems
Storax Racking Systems, Ltd.	Bromsgrove, United Kingdom	100%	Commercialization of storage systems
Storax Benelux, S.A.	Belgium	100%	Commercialization of storage systems

All the above companies were included in the consolidated financial statements of F. Ramada Group in accordance with the full consolidation method.

As of 30 September 2012 and 31 December 2011 the caption "Investments available for sale" and respective impairment losses can be detailed as follows:

	30.09.2012	31.12.2011
Gross book value	9,846,947	9,502,563
Accumulated impairment losses	(1,303,982)	(1,303,982)
	<u>8,542,965</u>	<u>8,198,581</u>

As of 30 September 2012 and 31 December 2011, the caption "Investments available for sale" mainly includes the participation held by F. Ramada Investimentos, SGPS, S.A. in the equity of Base Holding SGPS, S.A. in the nominal amount of 5,000,000 Euros, representing a stake of 15.92%.

Additionally, during 2011, F. Ramada Investimentos, SGPS, S.A. acquired a participation of 11% in the equity of Consumo em Verde – Biotecnologia das Plantas, S.A..

As of 30 September 2012 and 31 December 2011 impairment losses were recorded for the investments listed above in the amount of 1,303,982 Euros.

Financial investments included under the caption "Investments available for sale" are recorded at acquisition cost, less related impairment losses.

5. CHANGES IN CONSOLIDATION PERIMETER

During the nine months period ended as of 30 September 2012 no changes in the Group's consolidation perimeter occurred.

6. INVESTMENT PROPERTIES

Investment properties held by F. Ramada Group relate to land rented to third parties under operational lease. These contracts have an average length of 20 years, with the possibility of an additional period of 10 years if certain events occur. Investment properties are measured at acquisition cost. The movement occurred in this caption during the nine months period ended as of 30 September 2012 and the year ended as of 31 December 2011 is as follows:

	<u>30.09.2012</u>	<u>31.12.2011</u>
Opening balance	85,860,729	81,721,677
Aquisitions	211,992	4,200,213
Disposals	-	(61,161)
Closing balance	<u>86,072,721</u>	<u>85,860,729</u>

Given the land characteristics (land leased to third parties for forestry activity), frequent market transactions comparable for this type of assets do not occur. Accordingly, the Board of Directors considers that it is not possible to reliably estimate the fair value of the land, for which it is recorded at acquisition cost. However, it is the Board of Directors belief that, given the amount of rents collected annually, the market value of these assets will not be significantly different from its book value.

Part of this land (amounting to, approximately, 70 million Euro) is given as collateral for certain loans obtained.

7. CURRENT AND DEFERRED INCOME TAXES

In accordance with current legislation, the tax returns are subject to review and correction by the tax authorities over a period of four years (five years for Social Security), except when tax losses have occurred, tax benefits have been granted, or inspections, complaints or disputes are ongoing. In these cases, depending on the circumstances, the above referred period deadlines can be extended or suspended. Therefore, the tax returns of F. Ramada and its subsidiaries for the years 2008 to 2011 may still be subject to review.

The Board of Directors of F. Ramada believes that any potential corrections arising from reviews/inspections of these tax returns by the tax authorities will not have a significant effect on the consolidated financial statements as of 30 September 2012.

The movement occurred in deferred tax assets and liabilities in the nine months periods ended as of 30 September 2012 and 2011 was as follows:

	<u>30.09.2012</u>	
	<u>Deferred tax assets</u>	<u>Deferred tax liabilities</u>
Balance as of 01.01.2012	1,910,570	81,485
Effects on Income Statement:		
Fair value of derivatives	-	-
Other effects	-	-
Balance as of 30.09.2012	<u>1,910,570</u>	<u>81,485</u>
	<u>30.09.2011</u>	
	<u>Deferred tax assets</u>	<u>Deferred tax liabilities</u>
Balance as of 01.01.2011	2,098,395	94,519
Effects on Income Statement:		
Fair value of derivatives	117,406	-
Other effects	(192,853)	-
Balance as of 30.09.2011	<u>2,022,948</u>	<u>94,519</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2012

(Amounts expressed in Euro)

8. CASH AND CASH EQUIVALENTS

As of 30 September 2012 and as of 31 December 2011 the caption "Cash and cash equivalents" included in the consolidated statement of financial position can be detailed as follows:

	<u>30.09.2012</u>	<u>31.12.2011</u>
Cash	23,911	672,238
Bank deposits	13,535,786	15,440,551
	<u>13,559,697</u>	<u>16,112,789</u>
Bank overdrafts (Note 10)	(2,890,863)	(3,327,559)
Cash and cash equivalents	<u>10,668,834</u>	<u>12,785,230</u>

9. SHARE CAPITAL

As of 30 September 2012, F. Ramada's fully subscribed and paid up capital consisted of 25,641,459 shares with a nominal value of 1 Euro each. As of that date, F. Ramada Investimentos, SGPS, S.A. and its affiliates did not hold own shares.

Additionally, as of 30 September 2012 there were no entities holding a share in the subscribed capital of, at least, 20%.

10. BANK LOANS AND OTHER LOANS

As of 30 September 2012 and 31 December 2011, the captions "Bank loans" and "Other loans" can be detailed as follows:

	<u>30.09.2012</u>		<u>31.12.2011</u>	
	<u>Corrente</u>	<u>Não corrente</u>	<u>Corrente</u>	<u>Não corrente</u>
Bank loans	4,397,076	50,732,578	4,072,139	54,421,020
	<u>4,397,076</u>	<u>50,732,578</u>	<u>4,072,139</u>	<u>54,421,020</u>
Commercial paper	16,500,000	-	17,750,000	-
Current account	10,300,000	-	13,550,000	-
Bank overdrafts	2,890,863	-	3,327,559	-
Factoring	1,247,010	-	2,230,933	-
Other loans	30,937,873	-	36,858,492	-
	<u>35,334,949</u>	<u>50,732,578</u>	<u>40,930,631</u>	<u>54,421,020</u>

As of 30 September 2012 and 31 December 2011 there were no differences between the book value and nominal value of the loans obtained.

During the nine months period ended as of 30 September 2012 these loans borne interest at normal market rates depending on the nature and term of the credit obtained.

During the nine months period ended as of 30 September 2012 and the year ended as of 31 December 2011 the Group did not enter into any loan default.

11. MOVEMENT IN PROVISIONS AND IMPAIRMENT LOSSES

The movements occurred in provisions and impairment losses for the nine months periods ended as of 30 September 2012 and 2011 may be detailed as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 30 SEPTEMBER 2012

(Amounts expressed in Euro)

	30.09.2012		
	Provisions	Impairment losses in accounts receivable (a)	Total
Opening balance	658,848	25,178,120	25,836,968
Exchange rate variation	3,346	7,337	10,683
Increases	79,947	968,163	1,048,110
Reversals	(13,533)	-	(13,533)
Utilizations	(2,325)	(1,761)	(4,086)
Closing balance	<u>726,283</u>	<u>26,151,859</u>	<u>26,878,142</u>

	30.09.2011		
	Provisions	Impairment losses in accounts receivable (a)	Total
Opening balance	332,102	25,563,924	25,896,026
Exchange rate variation	(783)	(839)	(1,622)
Increases	67,260	1,809,762	1,877,022
Reversals	(39,862)	(129,000)	(168,862)
Utilizations	(22,003)	-	(22,003)
Closing balance	<u>336,714</u>	<u>27,243,847</u>	<u>27,580,561</u>

(a) - includes 1,104,512 Euro related to impairment in accounts receivable recorded as non-current assets.

The increases and reversals recorded in provisions and impairment losses for the nine months periods ended as of 30 September 2012 and 2011 were recorded in the profit and loss statement caption "Provisions and impairment losses".

The reversal of provisions and impairment losses occurred in the nine months periods ended as of 30 September 2012 and 2011 were recorded in the caption "Provisions and impairment losses" in the Income Statement.

The amount recorded in the caption "Provisions" as of 30 September 2012 relates to the Board of Directors' best estimate to cover possible losses arising from legal actions in progress.

12. DERIVATIVE FINANCIAL INVESTMENTS

In order to reduce the exposure to interest rate volatility, the Group has engaged in interest rate swap contracts. These contracts were evaluated in accordance with its fair value as of the statement of financial position date, being the corresponding amount recognized in the caption "Derivatives".

Derivative financial instruments recorded in the financial statements as of 30 September 2012 correspond to interest rate swaps, related with the loans to finance the Group. The Board of Directors believes that these derivatives do not fully comply with the requirements set by IAS 39 – Financial Instruments: Recognition and Measurement, to qualify as hedge instruments, and, as such, the changes in fair value of these derivatives have been recorded in the income statement for the year.

The movement during the nine months period ended as of 30 September 2012 and the year ended as of 31 December 2011 can be presented as follows:

	30.09.2012	31.12.2011
Opening balance	(545,411)	(438,257)
Increases / (decreases)	(73,916)	(107,154)
Closing balance	<u>(619,327)</u>	<u>(545,411)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2012

(Amounts expressed in Euro)

As of 30 September 2012 the Company had engaged in several financial instruments contracts to hedge interest rate (basically denominated "IRS" and "CPC"), which have maturities ranging from 2013 to 2016.

In addition to the change in fair value of derivative instruments occurred in the nine months period ended as of 30 September 2012, the income statement for the nine months period ended as of 30 September 2012 also includes the amount of interest incurred by the Group related with these derivatives instruments.

13. FINANCIAL RESULTS

The consolidated financial results for the nine months periods ended as of 30 September 2012 and 2011 can be detailed as follows:

	<u>30.09.2012</u>	<u>30.09.2011</u>
Financial expenses:		
Interest	(3,633,681)	(2,409,415)
Other financial expenses	(565,962)	(522,036)
	<u>(4,199,643)</u>	<u>(2,931,451)</u>
Financial income:		
Interest	105,361	407,479
Other financial income	646,542	-
	<u>751,904</u>	<u>407,479</u>

The interests paid and recognised in the profit and loss statement for the nine months periods ended as of 30 September 2012 and 2011 are totally related with loans obtained.

Likewise, the interest income recorded in the financial statements for the nine months periods ended as of 30 September 2012 and 2011 result primarily from investments made during the year.

14. EARNINGS PER SHARE

Earnings per share for the nine months periods ended as of 30 September 2012 and 2011 were determined taking into consideration the following amounts:

	<u>30.09.2012</u>	<u>30.09.2011</u>
Net profit considered for the computation of basic and diluted earnings	4,501,616	4,967,133
Weighted average number of shares used to compute the basic and diluted earnings per share	25,641,459	25,641,459
Earnings per share		
Basic	0.18	0.19
Diluted	0.18	0.19

15. RELATED PARTIES

The main balances with related parties as of 30 September 2012 and 2011 are with Altri Group and may be detailed as follows:

Related parties	<u>30.09.2012</u>		
	<u>Accounts Receivable</u>	<u>Accounts Payable</u>	<u>Receivable Rents</u>
Grupo Altri	633,693	124,738	4,275,000

	30.09.2011		
	Accounts Receivable	Accounts Payable	Receivable Rents
Grupo Altri	15,658	-	4,050,000

Apart from the companies included in the consolidation (Note 4), the companies considered to be related parties as of 30 September 2012, can be presented as follows:

Cofihold, SGPS, S.A.
 Caderno Azul, SGPS, S.A.
 Caminho Aberto, SGPS, S.A.
 Livre Fluxo, SGPS, S.A.
 Valor Autêntico, SGPS, S.A.
 Altri, SGPS, S.A.
 Celulose do Caima, SGPS, S.A.
 Caima Indústria de Celulose, S.A.
 Altri Florestal, S.A.
 Caima Energia – Empresa de Gestão e Exploração de Energia, S.A.
 Invescaima – Investimentos e Participações, SGPS, S.A.
 Inflora – Sociedade de Investimentos Florestais, S.A.
 Celtejo – Empresa de Celulose do Tejo, S.A.
 Altri - Energias Renováveis, SGPS, S.A.
 Celbi – Celulose da Beira Industrial, S.A.
 Celbinave – Tráfego e Estiva SGPS, Unipessoal, Lda.
 Viveiros do Furadouro Unipessoal, Lda.
 Altri, Participaciones Y Trading, S.L.
 Altri Sales, S.A.
 Pedro Frutícola, Sociedade Frutícola, S.A.
 Captaraiz Unipessoal, Lda.
 Cofina, SGPS, S.A.
 Cofina B.V.
 Efe Erre – Participações, SGPS, S.A.
 Cofina Media, SGPS, S.A.
 Presselivre – Imprensa Livre, S.A.
 Edisport – Sociedade de Publicações, S.A.
 Edirevistas – Sociedade Editorial, S.A.
 Mediafin, SGPS, S.A.
 Metronews – Publicações, S.A.
 Grafedisport – Impressão e Artes Gráficas, S.A.
 Web Works – Desenvolvimento de Aplicações para Internet, S.A.
 Transjornal – Edição de Publicações, S.A.
 Cofina – Eventos e Comunicação, S.A.
 VASP – Sociedade de Transportes e Distribuições, Lda.
 AdCom Media Anúncios e Publicidade, S.A.
 Destak Brasil – Empreendimentos e Participações, S.A.
 Mercados Globais – Publicação de Conteúdos, Lda.

16. SEGMENT INFORMATION

In accordance with the origin and nature of the income generated by the Group, the main segments identified are as follows:

- Industry – includes the commercialization of steel and storage systems, as well as support services (being the latest a residual activity);
- Real estate – includes the assets and activities related to the Group's real estate activity.

The segregation of activities by segments as of 30 September 2012 and 2011 is made up as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2012

(Amounts expressed in Euro)

	30.09.2012		30.09.2011	
	Industry	Real estate	Industry	Real estate
Net operating income				
Resulting from operations with external customers	75,253,523	4,865,644	79,534,103	4,199,684
Resulting from operations with other segments	5,916	932,184	5,916	903,375
Operating Cash-flow (a)	7,171,274	3,665,877	7,510,679	3,574,497
Amortisation and depreciation	612,804	280,508	730,323	270,827
Operation profit	6,558,471	3,385,369	6,780,356	3,303,670
Total assets	81,885,215	94,749,844	89,347,946	93,701,107
Total liabilities	41,029,720	82,956,276	50,994,880	83,549,759
Investment of the period (b)	464,419	-	428,291	-

(a) - Earnings before interests,taxes,depreciation and amortisation

(b) - Tangible assets,intangible assets and investments additions

17. SUBSEQUENT EVENTS

After September 30, 2012, F. Ramada Investimentos, SGPS, S.A. acquired in the Stock Exchange 2.564.145 own shares, which represent 9,999996% of the Company's share capital.

18. FINANCIAL STATEMENTS APPROVAL

The financial statements were approved by the Board of Directors and authorized for issuance in 8 November 2012.

19. EXPLANATION ADDED FOR TRANSLATION

These consolidated financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards (IFRS/IAS), some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

The Chartered Accountant

The Board of Directors

João Manuel Matos Borges de Oliveira – President

Paulo Jorge dos Santos Fernandes

Pedro Macedo Pinto de Mendonça

Domingos José Vieira de Matos

Pedro Miguel Matos Borges de Oliveira

Ana Rebelo de Carvalho Menéres de Mendonça