



RELEASE

1Q13

Release republished on 03/28/2014 due to the restatement of the Quarterly Information for the 1st quarter of 2013



Porto Alegre, March 28, 2014 - Forjas Taurus S.A. (**BM&FBOVESPA:** FJTA3, FJTA4), a company in the segments of (i) **Defense and Security** – as the largest weapon manufacturer in Latin America and one of the largest in the world; and of (ii) **Metallurgy and Plastics** – as market leader in the production of helmets for motorcyclists, and in the production of bulletproof vests, antiriot shields, plastic containers and forged and molded parts (M.I.M – Metal Injection Molding), informs hereby the voluntary restatement of result for the 1st quarter of 2013 (1Q13), as established by **CPC 23 – Accounting Practices, Changes in Accounting Estimates and Correction of Errors** (equivalent to IAS 8).

Due to the amendment of the Purchase and Sale Contract (“Contract”) in connection with disposal of operations of Taurus Máquinas-Ferramenta Ltda. (“TMFL”), occurred on September 12, 2013, the asset sale amount was decreased from R\$ 115 million to R\$ 57.52 million, resulting in a loss of R\$57.83 million. Company management, in a review of all contracts and correspondence related to this operation, concluded that the events that lead to decrease in value was already present on the sale of the asset, whose original contract was signed on June 21, 2012.

As a result, decided to restate the quarterly results related to 2012 and 2013, including 1Q13, thus eliminating the following: (i) the independent auditor’s qualified conclusion on the financial position; and (ii) the independent auditor’s adverse conclusion on the result and cash flows for the restated periods.

Considering the changes made for purposes of voluntary restatement of the financial information, a new process for approval of the Company’s Quartely Information (ITR) at March 31, 2013 was conducted by management and, in accordance with **CPC 24 – Subsequent Events**, the impacts from subsequent events were also considered, occurred between the period of the ITR and approval for the restatement thereof.

A consolidated net profit of R\$ 9.2 million in the 1Q13 was performed after ITR’s restatement, as shown in Section 1.9 of this report.

In view of the above, beyond this ITR, were restated the Quartely Information (“ITR”) closed in 09-30-12, 06-30-12, 06-30-13, 09-30-13, in addition to the financial statements standardized (“DFP”) to the year ended at 12-31-12, all restated at this date, for the comments on performance in management’s discussion and analysis of results (MD&A) to reflect the new financial situation and the financial and economic result after restatement of the financial statements, as detailed in Note 3 of each restated period.

The impact from restatement of financial statements is basically: (i) nonrecurring; and (ii) minimized by not representing significant outflows in the Company’s cash flow, being reversible in relation to the additional provisions, as the installments from the sale of TMFL operations are paid or as the contingencies don’t occur in fact.

The Company’s operating and financial information was consolidated in accordance with International Financial Reporting Standards – IFRS and the amounts are expressed in millions of Brazilian reais, except where otherwise stated.

HIGHLIGHTS FOR THE 1ST QUARTER OF 2013 (1Q13)

- ✓ **Consolidated net revenue** of R\$ 228.7 million was up 28.2% compared to 1Q12 and up 16.6% compared to 4Q12 due to the increase in exports;
- ✓ **Net revenue from the foreign market amounted to R\$ 172.5 million**, up 58.9% compared to 1Q12 and up 64.5% compared to 4Q12;
- ✓ **Revenue from the weapons segment reached R\$181.4 million in 1Q13**, up 38.4%, accounting for 79.3% of net revenue;
- ✓ **Gross profit totaled R\$ 78.0 million**, up 17.8% compared to 1Q12 and up 36.9% compared to 4Q12, with margin of 34.1%, mainly due to gross profit from the defense and security segment, which totaled R\$ 63.8 million, up 45.5% compared to 1Q12, with gross margin of 35.1%, higher than the 33.4% margin for 1Q12;
- ✓ **Adjusted EBITDA of 47 million**, with margin of 20.5%, was up 29.6% compared to 1Q12;

- ✓ **Consolidated net income** totaled R\$ 9.2 million with margin of 4.0%, a recovery in relation to loss from continuing operations of R\$ 23.0 million in 4Q12, but lower than net income of R\$ 12.1 million in 1Q12 (already deducting loss of R\$ 5.2 million from discontinued operations of TMFL);
- ✓ **Dividends of R\$ 0.129357657 per share** against income reserve for 2012, and the remaining R\$ 0.059 per share were credited as from May 26, 2013, to be approved in the next Ordinary Shareholders' Meeting of April 30, 2014 due to the restatement of the balance sheet for 2012, which generated loss for the period; and
- ✓ **Improvement in net debt to EBITDA ratio** of 3.41x at Mar/31/13 compared to 4.04x at Dec/31/12.

1– Economic and Financial Performance

1.1 - Main Economic and Financial Indicators

Consolidated amounts in millions of Brazilian reais, except where otherwise indicated

Ratios	1Q13	4Q12	1Q12	Variation %	
				1Q13/1Q12	1Q13/4Q12
Net revenue	228.7	196.2	178.4	28.2%	16.6%
Domestic market	56.2	91.3	69.8	-19.5%	-38.5%
Foreign market	172.5	104.9	108.6	58.9%	64.5%
COGS	150.7	139.2	112.2	34.3%	8.3%
Gross Profit	78.0	57.0	66.1	17.8%	36.9%
Gross Margin - %	34.1%	29.0%	37.1%	-3.0 p.p.	5.0 p.p.
Operating Expenses	-40.9	-71.3	-35.8	14.4%	-42.6%
Operating Profit (EBIT) (1)	37.0	-14.4	30.4	22.0%	-358.0%
Net Financial Income	-13.0	-13.8	-1.9	572.8%	-5.8%
Depreciation and amortization (2)	8.1	15.5	7.6	7.0%	-47.7%
Net Income - Continuing Operations	9.2	-23.0	17.3	-46.9%	-140.0%
Net Income Margin - Cont. Operations	4.0%	-11.7%	9.7%	-5.7 p.p.	15.7 p.p.
Net Income - Discontinuing Operations	0.0	0.0	-5.2	-100.0%	#DIV/0!
Net Income - Consolidated	9.2	-23.0	12.1	-24.3%	-140.0%
Net Income Margin - Consolidated	4.0%	-11.7%	6.8%	-2.8 p.p.	15.7 p.p.
Adjusted EBITDA (3)	47.0	11.6	36.2	29.6%	305.3%
Adjusted EBITDA Margin - %	20.5%	5.9%	20.3%	0.2 p.p.	14.6 p.p.
Total Assets	1,150.9	1,114.3	1,126.9	2.1%	3.3%
Equity	209.9	201.8	334.3	-37.2%	4.0%
Investments (CAPEX)	10.9	27.2	21.2	-48.9%	-60.2%

(1) For EBIT calculation purposes, equity pickup result was not considered, contained in operating expenses of the ITR form.

(2) Depreciation and amortization: these amounts include total depreciation and amortization based on cash flow for ITR

(3) Adjusted EBITDA: Earnings before interest, tax, depreciation and amortization and net earnings from non-recurring operations.

The computing process was developed according the CVM nº 527 instruction of October 04, 2012.

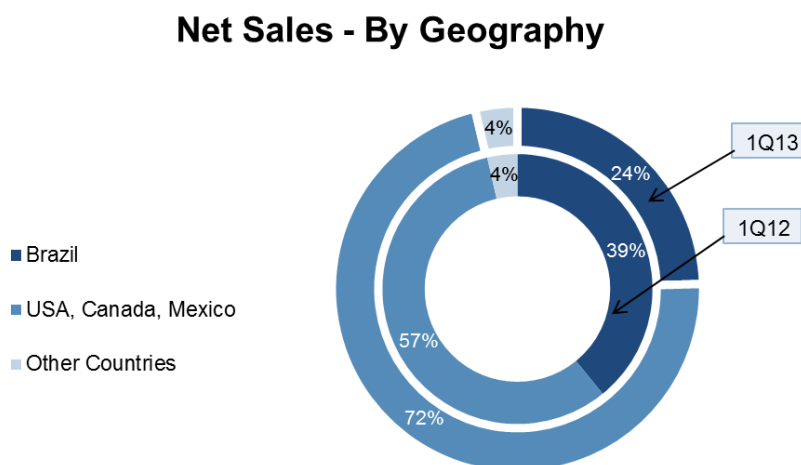
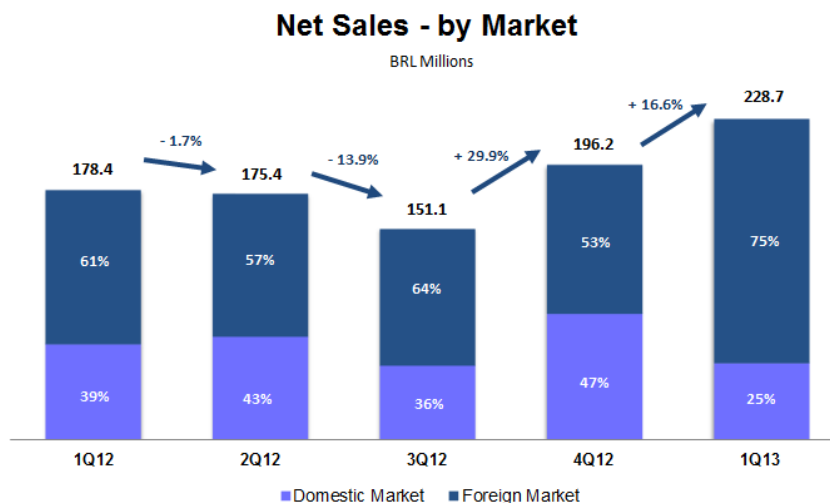
1.2 – Consolidated net revenue

Total consolidated net revenue for 1Q13 totaled R\$ 228.7 million, up 28.2% compared to R\$ 178.4 million in 1Q12 and up 16.6% compared to R\$ 196.2 million in 4Q12. This increase is mainly due to 58.9% increase in exports, which accounted for 75.4% of total consolidated net revenue in 1Q13 compared to 60.9% in 1Q12.

The North American market alone accounted for 72% of total net revenue in 1Q13 compared to 57% in 1Q12.

Consumption in the North American market continued presenting good performance, due to the 23 measures restricting use of special guns for civilians announced by President Barack Obama in his inauguration at the beginning of January 2013. Although the possible restrictions were not approved by the US Congress, recent events, i.e. the bomb scares in Boston, once again spread fear and uncertainties among the population, leading to maintenance in the level of demand for weapons and ammunitions.

We illustrate below the Company's net revenue, by market, in millions of Brazilian reais, of the quarters under analysis:



1.3 - Segment information

I. Defense and Security Segment

(i) Weapons

This segment includes handguns (revolvers and pistols for military and civil use), long guns (rifles and carbines) and submachine guns. The table below sets out consolidated financial highlights by segment:

RESULTS BY BUSINESS SEGMENT
Consolidated amount in millions of reais

Comparative Quarter - Year over Year

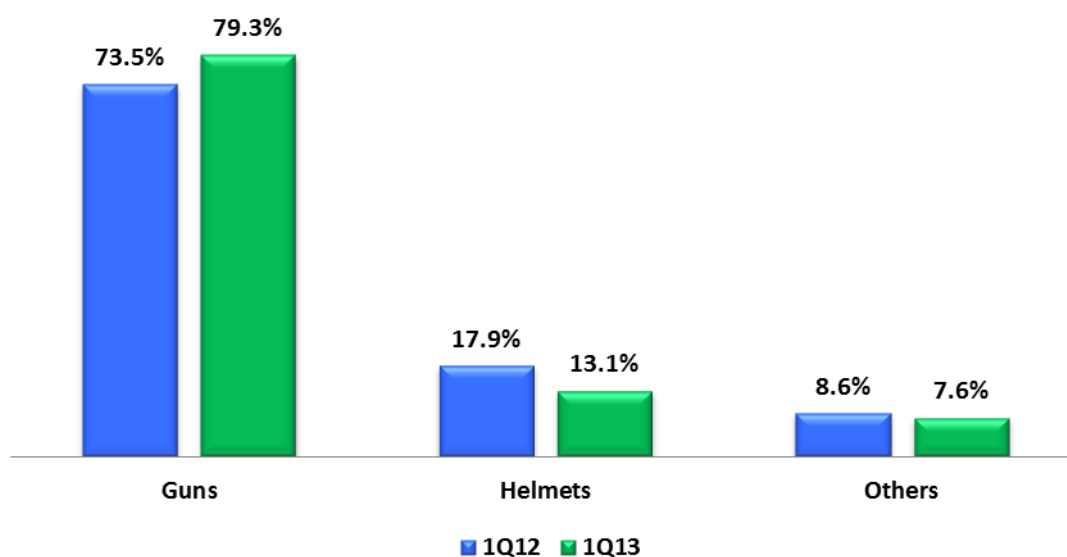
	Net Revenue					Gross Income			Gross Margin			Income before taxes		
	1Q13	Part. %	1Q12	Part. %	Var.	1Q13	1Q12	Var.	1Q13	1Q12	Var.p.p	1Q13	1Q12	Var.
Firearms	181.4	79.3%	131.1	73.5%	38.4%	63.8	43.8	45.5%	35.1%	33.4%	1.7	20.6	12.7	62%
Helmets	29.9	13.1%	32.0	17.9%	-6.6%	10.3	13.7	-24.9%	34.5%	42.9%	-8.4	5.9	9.5	-38%
Others	17.4	7.6%	15.3	8.6%	13.8%	3.9	8.6	-54.7%	22.4%	56.4%	-34.0	(2.4)	6.2	NS
Total	228.7	100.0%	178.4	100.0%	28.2%	78.0	66.1	17.8%	34.1%	37.1%	-3.0	24.0	28.4	-16%

Comparative Quarter - Current Quarter x Previous Quarter

	Net Revenue					Gross Income			Gross Margin			Income before taxes		
	1Q13	Part. %	4Q12	Part. %	Var.	1Q13	4Q12	Var.	1Q13	4Q12	Var.p.p	1Q13	4Q12	Var.
Firearms	181.4	79.3%	151.0	77.0%	20.2%	63.8	51.2	24.4%	35.1%	33.9%	1.2	20.6	1.1	NS
Helmets	29.9	13.1%	26.6	13.6%	12.3%	10.3	7.4	38.3%	34.5%	28.0%	6.5	5.9	3.0	99%
Others	17.4	7.6%	18.6	9.5%	-6.3%	3.9	(1.7)	NS	22.4%	-9.3%	31.8	(2.4)	(32.3)	-92%
Total	228.7	100.0%	196.2	100.0%	16.6%	78.0	57.0	36.8%	34.1%	29.0%	5.0	24.0	(28.2)	NS

- (i) *Weapons – operations conducted by Forjas Taurus S.A. and Taurus Holdings, Inc. (USA);*
- (ii) *Helmets for motorcyclists – operations conducted by Taurus Blindagens Ltda., Taurus Helmets Indústria Plástica Ltda. and Taurus Blindagens Nordeste Ltda.;*
- (iii) *Others- segments of forging, boiler making, bulletproof vests and plastic products.*

Net Sales by Segment



The Company's main segment is that of Defense & Security, accounting for 79.3% of consolidated net revenue. Weapon sales in 1Q13 totaled R\$181.4 million, up 38.4% compared to 1Q12 (R\$ 131.1 million, equivalent to 73.5% of total consolidated net revenue). Gross profit amounted to R\$ 63.8 million, up 45.5%, with gross margin of 35.1% due to the increase in export sales, contributing to pretax income of R\$ 20.6 million in 1Q13, up 62% compared to 1Q12.

The performance of the weapons segment is mainly due to the following: (i) change in the products mix; (ii) reduction of inventories due to high demand in the North American market and in other countries; (iii) margin recovery due to the increase in sales volume; (vi) lower pressure from cost of raw materials; and (v) quarter with weak seasonal demand in the domestic public security market.

II. Metallurgy and Plastics Segment

This segment accounts for 20.7% of net revenue, including the operations of Polimetal in the São Leopoldo unit (in the Rio Grande do Sul state) of forging and M.I.M.- Metal Injection Molding, as well as the activities of the helmet for motorcyclists plants (in the Paraná and Bahia states) and production of bulletproof vests and plastic containers (in the Paraná state).

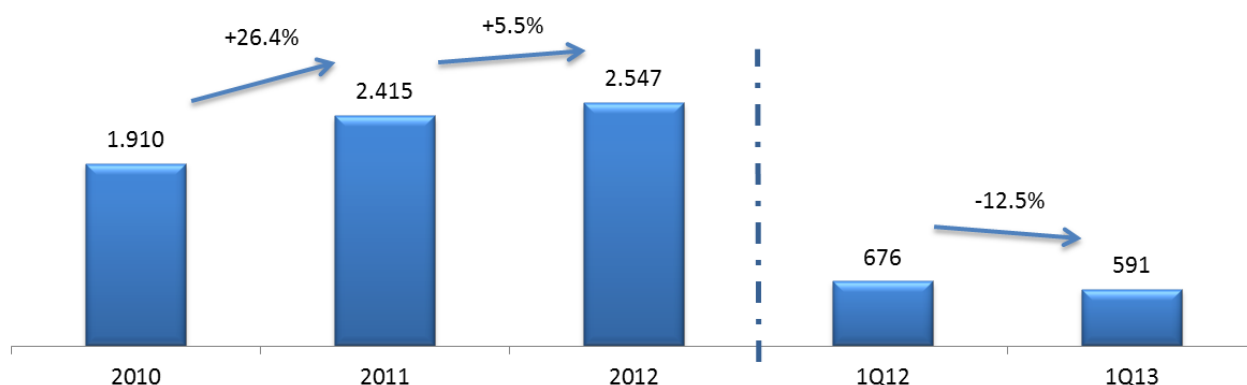
(ii) Helmets for motorcyclists

Motorcyclist helmet sales represented 13.1% of net revenue, totaling R\$ 29.9 million in 1Q13, down 6.6% in 1Q12 (R\$ 32 million and 17.9% of net revenue), due to the 20.4% decrease in motorcycle sales in the Brazilian market in 1Q13 compared to 1Q12.

There was 12.5% decrease in motorcycle helmet sales, significantly lower than the decrease in the motorcycle sales due to promotional sales campaigns with dealers and retailers thus assuring market share of approximately 58% . We illustrate below evolution of motorcycle sales and helmet for motorcyclists sales in Brazil by Taurus in 1Q11 and 1Q12.

Changes in sales of motorcycle helmets - Taurus

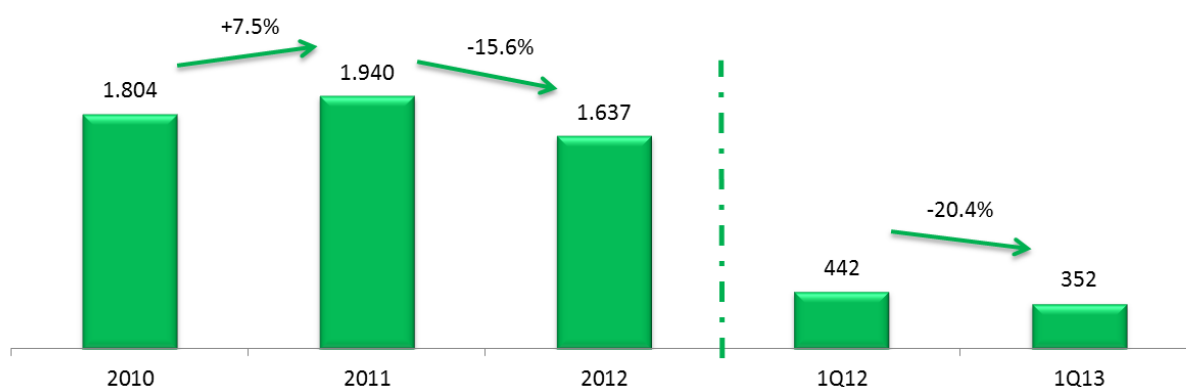
In thousands



Source: Company Data

Changes in motorcycle sales in Brazil

In thousands



Source: Fenabreve

(iii) Other products from the Metallurgy and Plastics segment

Consolidated net revenue from other products totaled R\$ 17.4 million, representing 7.6% of net revenue in 1Q13, up 13.8% compared to R\$15.3 million and 8.6% of net revenue in 1Q12, with decrease in gross profit

and gross margin due to change in the products mix, since the segment includes bulletproof vests, anti-riot shields, plastic containers and the metallurgy and forging for third parties areas, the latter has presented decrease in sales and lower performance compared to prior year.

1.4 – Gross profit and gross margin

Consolidated gross profit increased 17.8%, having reached R\$ 78.0 million in 1Q13 (compared to R\$ 66.1 million in 1Q12), with gross margin of 34.1% (compared to 37.1% in 1Q12). Gross profit and gross margin were mainly affected by the following factors: (i) increase in the volume of exported weapons sold in the USA and in other countries; (ii) reduction of inventories in the USA and Brazil; (iii) impact from foreign exchange variation; and (iv) alignment of costs and industrial labor to production level.

Compared to 4Q12, gross profit increased 36.9%, with recovery of 5 percentage points in relation to the 29.0% margin.

1.5 – Earnings before interest and taxes - EBIT

Consolidated operating profit, measured by EBIT (earnings before interest and taxes) in 1Q13, was up 22.0% compared to 1Q12, with a significant recovery in relation R\$ -14.4 million in 4Q12, totaling R\$ 37.0 million in the 1Q13 compared to R\$ 30.4 million in 1Q12, with operating margin of 16.2%, similar to the operating margin of 17% in 1Q12 and reversing the negative margin of 7.3% in 4Q12. EBIT in 1Q13 compared to the prior quarter was mainly affected by the 36.9% increase in gross profit and 42.6% decrease in operating expenses.

1.6 – Adjusted EBITDA and Adjusted EBITDA margin

Consolidated cash generation amounted to R\$ 47 million in 1Q13, up 29.6% compared to R\$ 36.2 million in 1Q12, measured by EBITDA adjusted as defined by CVM Rule No. 527/12.

Adjusted EBITDA margin was of 20.5% in 1Q13 (20.3% in 1Q12), a significant improvement related to 5.9% margin in 4Q12.

The EBITDA concept defined in CVM Rule No. 527/12, a measure commonly used to represent the Company's capacity to generate cash from its operations which brought the methodology for calculation the possibility of adjustments for non-recurrent results for purposes of comparison with prior years.

Among other purposes, EBITDA is used as indicator of Company commitments related to loans, financing and debentures. The table below sets out the calculation methodology, in accordance with CVM Rule No. 527/12 and the reconciliation with the adopted adjusted EBITDA:

CONSOLIDATED EBITDA

In thousands of BRL

	PERIOD	1Q12	1Q13
= NET PROFIT		12.141	9.194
(+) IR/CSLL		11.123	14.813
(+) Net Financial Expenses		48.525	26.867
(-) Net Interest Income		(46.589)	(13.841)
(+) Depreciation/Amortization		7.555	8.082
= EBITDA CVM Reg. 527/12		32.755	45.115
(+) Income from Discontinued Operations ⁽¹⁾		3.483	-
(+) Loss of Taurus Máquinas-Ferramenta Ltda. ⁽²⁾		-	1.850
= ADJUSTED EBITDA		36.238	46.965

⁽¹⁾ Net result of discontinued operations, properly discounted the depreciation and amortization, taxes and net financial result effects, as a criterion for calculating EBITDA.

⁽²⁾ Loss of Taurus Máquinas Ferramenta Ltda. referred to 1Q13, when operation ceased to be discontinued.

1.7 – Financial income (expenses)

Net financial expenses in 1Q13 totaled R\$ 13 million, lower than net financial expenses of R\$ 13.8 million in 4Q12, but higher than that in 1Q12 of R\$ 1.9 million. This decrease in net financial expenses is mainly due to better foreign exchange result, which generated financial income proportionally higher than the increase in financial expenses.

Extension of debt payment term and reduction of financial cost are ongoing strategic Company directives which, together with a new Project for Working Capital Optimization that has been conducted by management since the end of 2012, have already been generating results. This operation is also part of the strategy of sustainably strengthening the Company's internationalization process and to increase access to the global capital market.

1.8 – Net income (loss)

Consolidated net income in 1Q13 amounted to R\$9.2 million, down 24.3% compared to 1Q12, however an improvement compared to loss of R\$23 million in 4Q12.

The variation in the result in the comparison between the years is mainly due to the following: (a) increase in revenue from the defense and security segment as well as from the other metallurgy and plastics segments, except from helmets; (b) increase in gross profit; (c) foreign exchange variation; (d) increase in operating expenses; and (e) no impact from the result of discontinued operations from Taurus Máquinas-Ferramenta Ltda. in 1Q13 compared to loss from discontinued operations of R\$ 5.2 million in 1Q12.

1.9 – Restatement of Consolidated Quartely Reviews

On June 21, 2012, Forjas Taurus S.A. concluded the sale of the operating activities of Taurus Máquinas-Ferramenta Ltda. (“TMFL”) to Renill Participações Ltda. (“RPL”), in the amount of R\$115.35 million, according to the Contract for Purchase and Sale of Units of Interest and Other Covenants (“Contract”) entered into by the parties.

As mentioned in ITR’s Note 8, the Parties renegotiated the sales price and payment conditions, adjusting the overall value of the Contract related to disposal of subsidiary TMFL to R\$ 57.52 million.

The accounting effect from the renegotiation entailed reduction of the sale value from R\$115.35 million to R\$57.52 million thus resulting in loss of R\$57.83 million.

The Company revisited all contracts and correspondence related to the sale of TMFL operations, reaching the same conclusion as that of its independent auditor, i.e. that the events that led to the reduction of the original sales value were already present at June 30, 2012, reason why the loss should have been recognized as of that date.

In view of this, the Company decided to voluntarily correct all the effects determined on a retroactive basis in the financial statements as established by CPC 23 – Accounting Practices, Changes in Accounting Estimates and Correction of Errors (equivalent to IAS 8), as under:

In thousand of reais.

	Consolidated					
	At March 31, 2013					
	Assets		Liabilities and equity		Equity	Net income for the year
	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities		
Balance originally disclosed	767,323	536,586	521,497	410,739	371,673	11,881
Write-off of accounts receivable (a)	-	(57,830)	-	-	(57,830)	-
Supplementary provision for losses (b)	(4,916)	(57,699)	-	-	(62,615)	(1,871)
Provision for inventory losses (c)	(10,389)	-	-	-	(10,389)	(823)
Allowance for doubtful accounts (c)	(8,320)	-	-	-	(8,320)	-
Provision for impairment of PP&E (c)	-	-	2,723	-	(9,137)	540
Provision for tax and civil contingencies (c)	-	(13,522)	-	6,414	(13,522)	-
Adjustments – transactions with subsidiaries	-	-	(371)	-	371	371
Deferred taxes	-	(365)	-	-	(365)	(904)
Transfer to current assets/liabilities (d)	-	-	169,950	(169,950)	-	-
Restated balance	743,698	407,170	693,799	274,203	209,866	9,194

The accounting entries in the restatement substantially refers to subsidiary TMFL and went through the Consolidated Income Statement as “Result from Discontinued Operations”:

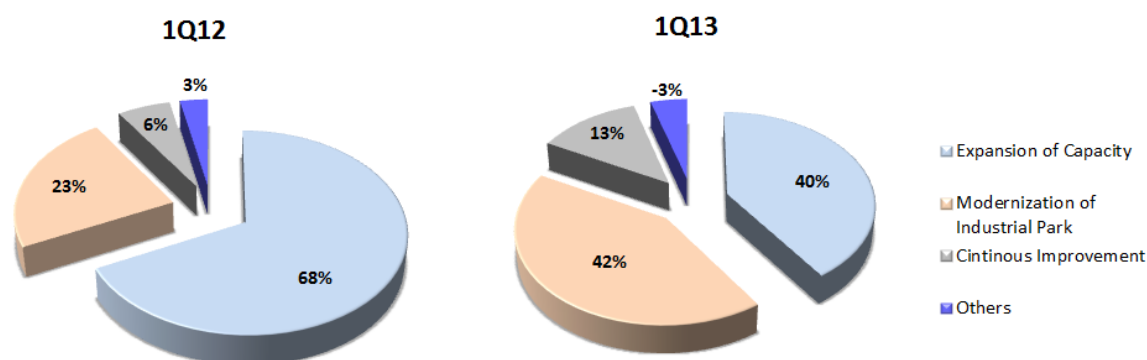
- Write down of accounts receivable owing to the sale of the machinery activity as a result from the renegotiation that led to reduction in the sale amount, as described in Note 8 to the Quartely Informations.
- In addition to recording of write down of accounts receivable for the sale of the machinery activities, as mentioned in ITR’s Note 8, management recorded at 06/30/2012 a provision for losses for the balance still receivable from Renill Participações, in accordance with CPC24 that provides for subsequent events occurred between the period of the financial statements and the approval for their restatement.
- Due to the changes made for restatement purposes, management performed a new process for approval of its financial statements. As part of this process, and in accordance with CPC 24, the impacts from subsequent events occurred between the period of the financial statements and approval for their restatement were also considered. Those events that evidence conditions already existing on the date of the financial statements were adjusted for restatement purposes.
- Due to the recording of losses, as mentioned above, certain financial ratios (covenants) of loan agreements and debentures were not met and the long-term portions were reclassified to current liabilities.

1.10 – Consolidated investments

Consolidated investments in fixed assets at 1Q13 sum R\$10.9 million (R\$21.2 million in 1Q12). Depreciation and amortization totaled R\$8.1 million in the quarter, against R\$7.6 million in 1Q12.

The Company Capital Budget of R\$39.7 million proposed by management for 2013 was approved at the Annual and Extraordinary General Meeting – AGM/EGM on April 26, 2013. There was no possible opportunities for acquisitions contemplated in these values.

The graphics below illustrate the investments in fixed assets at 1Q13 and at 1Q12, with the following distribution:



1.11 – Financial position

Cash and short-term investments totaled R\$ 247.3 million at Mar/31/13, up 37% compared to R\$180.8 million at Dec/31/12 and up 33% compared to R\$ 186.3 million at Mar/31/12. Short-term investments earn interest at rates varying from 98% to 103% of CDI at Mar/31/13, and are made with first tier financial institutions.

Taurus' consolidated gross indebtedness totaled R\$ 728.4 million at Mar/31/13, down 3% more if compared to R\$ 707.2 million at Dec/31/12. The funds are destined mainly to finance: (i) working capital; (ii) investments for modernization of industrial premises; and (iii) exports.

Long-term loans and financing totaled R\$228.8 million at Mar/31/12, down 20% compared to Mar/31/12 and down 10% compared to Dec/31/12.

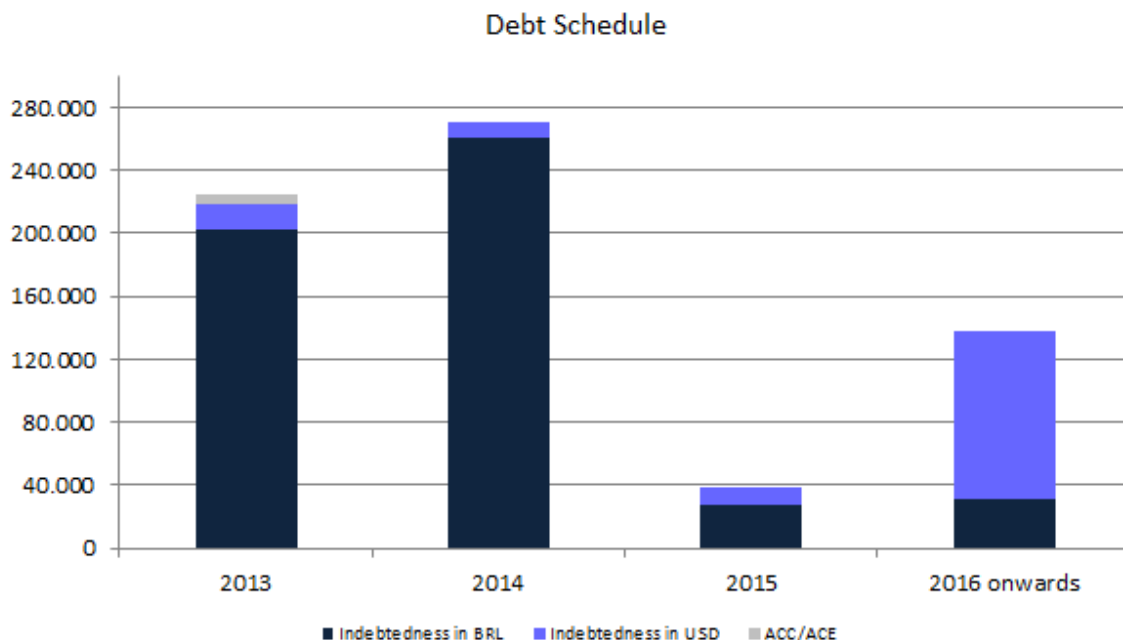
Despite higher pressure of short-term debt to carry out operations, net debt at Mar/31/13 totaled R\$ 481.1 million, down 9% compared to net debt of R\$ 526.4 million at Dec/31/12.

Management permanently seeks to extend debt payment terms and reduce financial costs, together with the Capital Optimization Program also aimed at developing the Company's cash management culture. The actions for working capital optimization resulted in 8% increase in the balance of trade accounts receivable; 7.7% decrease in trade accounts payable; 12.9% reduction in inventories; and 6.2% decrease in taxes recoverable, resulting in 36.8% increase in cash and cash equivalents at Mar/31/13 compared to Dec/31/12.

Furthermore, we consider the prepayment of receivables as debt, even without recourse, in response to the request of the debenture holders at the General Meeting of Debenture Holders held in November 12, 2013 to voting on the no early settlement of the 1st and 2nd issues.

Loans and financing maturing in 2013, both in local currency and US dollar are part of the Company's structural working capital, with lines renewed on a routine basis. They also include two installments of 1st issue debentures and the 1st installment of 2nd issue debentures that matured in 2013. The 1st issue debentures have final maturity in April 2014 and 2nd issue debentures in 2016.

Maturity of consolidated debt – In thousands of reais



We set out below the changes at Mar/31/13 compared to Dec/31/12 and Mar/31/12 and the main accounts related to the Company's financial position, as well as the main related indicators:

In millions BRL

	<u>12/31/2013</u>	<u>09/30/2013</u>	<u>12/31/2012</u>	<u>Var. Dec/13 x Sep/13</u>	<u>Var. Dec/13 x Dec/12</u>
Short term indebtedness	388,5	367,3	322,6	6%	20%
Long term indebtedness	273,2	302,8	255,5	-10%	7%
Exchange Serves	0,0	0,0	5,1	-	-
Debentures	57,6	77,1	94,7	-25%	-39%
Anticipation Mortgages	19,6	22,1	28,7	-11%	-32%
Advance on Receivables	116,0	124,6	26,4	-7%	340%
Derivatives	-35,6	-32,5	-25,8	10%	38%
Gross Indetbetedness	819,2	861,4	707,2	-5%	16%
(-) Cash available and financial investments	281,1	327,8	180,8	-14%	56%
Net Indebtedness	538,1	533,6	526,4	1%	2%
Adjusted EBITDA	100,0	124,2	130,3	-19%	-23%
Net Indebtedness/Adjusted EBITDA	5,38x	4,30x	4,04x		
Adjusted EBITDA/Financial Expenses Net	1,36x	1,85x	2,92x		

2 – Capital market

Performance of shares of Forjas Taurus S.A. - Bovespa

The Company has been listed at Level 2 of BM&FBovespa since Jul/07/11 and as a listed company for more than 30 years. The Company's articles of incorporation have been fully amended and consolidated addressing adoption of differentiated corporate governance practices provided for this corporate governance level and the Ordinary and Extraordinary Meeting of 04/26/13 approved amendment to article 56 of the articles of incorporation in order to include the updating occurred in Level 2 related regulations, referring to the Arbitration Chamber.

The Company's capital comprises the following number of shares at Mar/31/13:

Common shares: 47,137,539 representing **33.3%** of capital

Preferred shares: 94,275,078 representing **66.7%** of capital

Total issued shares: 141,412,617 representing **100%** of capital

The table below shows the recent evolution of the main aspects related to liquidity, such as number of trades, financial volume and quantity of traded shares, as well as the market value, based on certain information about Taurus shares on BM&FBovespa in 2013 and 2012:

	Jan/13 to Mar/13	Jan/12 to Dec/12	Var.
<u>Share FJTA3 - 47,137,539 shares</u>			
Stock Price - BRL share	3.07	3.25	-5.5%
Trades - Amount* (average)	6,174	10,931	-43.5%
Trades - Volum BRL* (average)	18,692	26,004	-28.1%
<u>Share FJTA4 - 94,275,078 shares</u>			
Stock Price - BRL share	2.99	2.90	3.1%
Trades - Amount* (average)	205,295	274,407	-25.2%
Trades - Volum BRL* (average)	621,399	639,017	-2.8%
<u>Market Value FTSA - BRL thousands</u>			
141,412,617 shares	426,595	426,595	0.0%
<u>Ibovespa</u>			
	56,352	60,952	-7.5%

Source: BM&FBovespa

3- Subsequent Events

3.1. Election of Board of Directors, Committees and Statutory Executive Board Members

The Ordinary and Extraordinary Shareholders' Meeting held on April 26, 2013 elected the members of Forjas Taurus Board of Directors. The elected members are Luis Fernando Costa Estima, Danilo Angst, Fernando José Soares Estima, Ruy Lopes Filho, Manuel Jeremias Leite Caldas, Carlos Augusto Leite Junqueira de Siqueira and Marcos Tadeu de Siqueira.

The Vice-Chairman of the Board of Directors, Danilo Angst, as well as Board members Ruy Lopes Filho, Manuel Jeremias Leite Caldas and Marcos Tadeu de Siqueira assumed the position of Independent Board

Members of the Company, and Carlos Augusto Leite Junqueira de Siqueira will be the Company's Outside Board Member.

The elected effective Supervisory Board members of the Company are: Mauro César Medeiros de Mello, Reinaldo Fujimoto, Amoreti Franco Gibbon, Marcelo de Deus Saweryn and Juliano Puchalski Teixeira. The alternate members are: Oscar Claudino Galli, José Ivo dos Santos Loss, Edgar Panceri, Lisiane Miguel Wilke and Carlos Eduardo Bandeira de Mello Francesconi, respectively.

The meeting also examined, discussed and voted the accounts of officers, the complete annual financial statements for the year ended December 31, 2012 and also the proposed allocation of net income for the year ended December 31, 2012 and the approval of dividends and interest on equity. In addition, the proposed capital budget for 2013 was examined, discussed and voted.

In the Board of Directors Meeting of May 2, 2013, the board member Luis Fernando Costa Estima assumed the position of Chairman and member Danilo Angst assumed the position of Vice-Chairman. In addition, there was election of statutory executive board members, as follows: (i) Dennis Braz Gonçalves, CEO; (ii) Jorge Py Velloso, International Relations and Strategic Projects Vice CEO and (iii) Dóris Beatriz França Wilhelm, Investor Relations Executive Officer.

The following employees and officers were appointed to compose the Company's Committees: (i) the Company's Audit and Risks Committee: Mr. Danilo Angst Ruy Lopes Filho and Mr. Edair Deconto, the first of which being the coordinator of this Committee; (ii) the Company's Remuneration and People Development Committee: Mr. Manuel Jeremias Leite Caldas, Mr. Fernando José Soares Estima and Mrs. Carla Pretto De Marchi, the first of which being the coordinator of this Committee and (iv) the Company's Management and Corporate Governance Committee: Mr. Marcos Tadeu de Siqueira, Mr. Fernando José Soares Estima and Mr. Carlos Augusto Leite Junqueira de Siqueira, the first of which being the coordinator of this Committee.

4 – Guidance 2013

Company had provided growth projections for 2013 based on perspectives to the two main business segments of Defense & Security and Metallurgy & Plastics as by the original presentation of 1Q13. According on the ITRs restatements, we are comparing the original projected, the 2012 restatement as comparison and the 2013 projections review to market knowledge:

In BRL Millions	Restatement 2012	Guidance 2013 (Original)	Guidance 2013 (Reviewed)	Realized 2013	Variation Guidance/Realized
Net Revenue	> R\$ 701.0	R\$ 785.0	R\$ 850.0	R\$ 807.3	-5.0%
Adjusted EBITDA	> R\$ 130.3	R\$ 170.0	R\$ 151.0	R\$ 100.0	-33.8%
CAPEX	R\$ 90.2	R\$ 39.7	R\$ 39.7	R\$ 28.2	-29.0%

Capital budget (CAPEX) of R\$ 39.7 million approved by the General Shareholders' Meeting for 2013, with realization of 27.3% of this amount in 1Q13.