

Second Quarter 2012 Results and Highlights

1.- Variations in the Balance Sheet

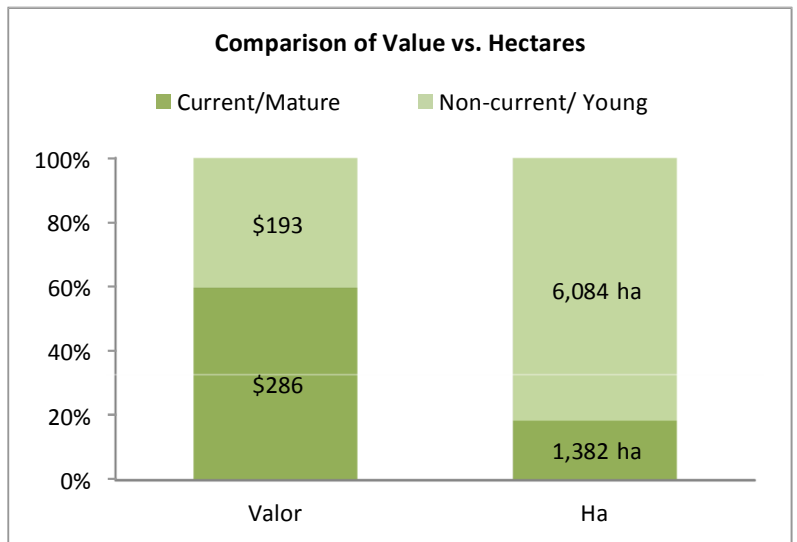
The balance sheet reflects a net increase of 2% compared to the same quarter last year with a total financial position of 1.2 billion. The company's Debt/Equity ratio continues to be notably solid, with a ratio of 1 to 8.

The cash position, including Cash and Short-Term Instruments, totals \$96,548, 22% higher than the previous quarter. \$35 million were used this quarter for forestry, administrative and operating expenses, which is in line with the company's level of activity and budget; \$18 million in land for new forest plantations in 2013, revenue was also obtained from the first installment of the new loan obtained from Financiera Rural for \$64 million and total collections in of \$9 million.

Accounts receivable show a significant increase of \$12.4 million compared to the close of 2011. This was due to sales of \$15.5 million this quarter, which are still in the payment term and are 81% greater than last quarter.

Other accounts receivable totaling \$63,025 increased principally due to the increase in Recoverable Taxes (especially VAT). It should be recalled that forestry activities are taxed at 0% and that the first significant refund to this effect was completed in October 2011.

Current or mature biological assets, i.e., those that are ready for sale, vary compared to the close of 2011 solely in terms of exchange rates and the harvests that have been carried out for sales this years. Non-current biological assets increased as a result of capitalizable forestry expenditures this quarter. These expenses include the preparation of 1,000 has for planting 2012 of a total of 1,200 has to be planted this year. This represents an improvement in the time to prepare of three months compared to the time it took to prepare the same number of hectares last year.



The value of Fixed Assets (Properties-Land) this

Figure 1: Figures include 1,000 ha ready for planting in 2012, and omits has of Acacia

quarter increased as a result of the aforementioned acquisition of 500 hectares for planting in 2013 for a total of \$18 million, as well as the translation adjustment to the increased exchange rate.

Current Liabilities, in general, are similar to the same period last year, while Non-Current Liabilities increased as a result of obtaining a new credit line by Financiera Rural for \$102 million with a fixed annual rate in pesos of 8.99%

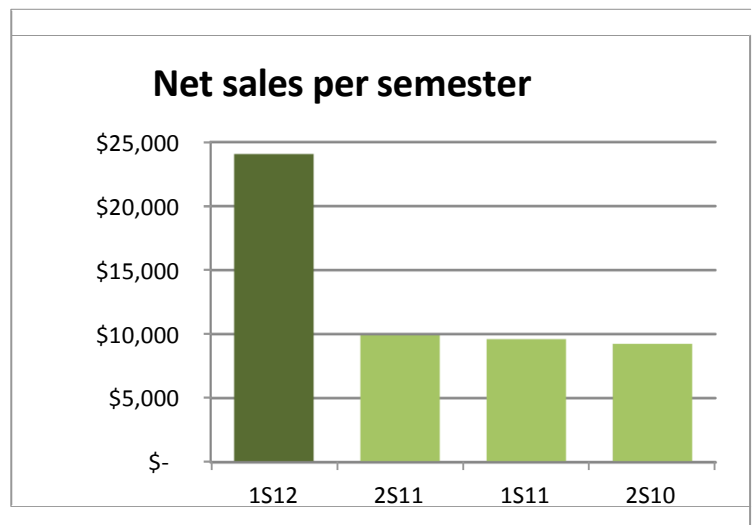
over a ten year term. This loan of which \$64.5 million were exercised this quarter, will be used for maintenance of 700 ha and the establishment of 500 ha.

In terms of capital structure, the position of the company continues to be very solid, with a Debt/Equity ratio of nearly 1 to 8, even considering the recent transfer of \$64 million.

2.- Variations in Income Statement

With Sales at \$15.5 million in the second quarter of the year, a new record, the previous record being held by the first quarter of this tax year, the YTD sales at this time are more than the sales for the entire tax year before.

This quarter recorded sales for a total of \$15.5 million, which combined with those of the previous quarter are 85% greater than the projected budget for this point in the year and reach 83% of the annual budget. In addition, these constitute the greatest semester sales volume in our history. In this regard, the first export of roundlogs to India may be highlighted, as well as the continued exports to China and local sales of teak and acacia roundlogs in Costa Rica. Added value product sales were 36% greater



than those recorded last quarter and it is estimated that this same level of sales will continue for the rest of the year.

In addition to the excellent performance in Sales, the commercial effort in Asian markets, particularly the teak roundlog market, continues to validate the prices the Company used for their valuations and projections (approximately \$430 USD/m³), getting slightly higher prices.

It is important to underscore that no revaluations were conducted to the biological asset this quarter as these are done in the final quarters of the year.

Sales Costs continue in the levels of the previous quarter and the Company continues to work toward stabilizing operations to definitively capitalize on these improvements.

General Expenses decreased by 11% compared to the previous quarter, although this reduction does not compensate for the amount over budget from the last period as a natural consequence of the increased activity of the company. Compared with the last quarter of the last tax year expenses are reduced by 15% as a result of improved international operations by the company.

Other YTD revenue and expenses reach 12.2 million, principally from payments for environmental services in

Costa Rica

3.- Cash Flow

This quarter the cash position increased by \$17 million. An extraordinary revenue was registered for 64.5 million of the credit line from Financiera Rural.

Aggregate cash flow is in line both with our annual budget and earlier quarters, adjusting with significant one-off effects.

Particularly worth noting is the income resulting from the exercise of \$64.5 million in credit, as well as the disbursement of \$18.2 million to purchase lands for planting.

The main expenditure item is related to that invested in forest operations where land holdings have already been prepared for planting approximately 1000 has of the 1,200 that were scheduled to be planted this fiscal year. Payments to personnel (including seasonal expenses for performance bonuses and taxes) are in line with the budget.

Having no further highlights to report that represent a risk for the operation of the business plan, we hereby conclude our comments for this quarter's financial statements.

Proteak announces that, as part of the Independent Analyst Program, the company's stock performance is followed by:

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Mexico City, Federal District, July 27, 2012. Proteak, S.A.P.I.B. de C.V. (BMV: TEAK CPO) published its second quarter results for 2012 on this date. This information is presented in nominal terms according to Mexican Financial Reporting Standards (Normas de Información Financiera, "NIF")

SECOND QUARTER 2012 CONSOLIDATED RESULTS (Thousands of pesos)

The table below presents the consolidated income statement expressed in thousands of pesos, the margin each concept represents in net sales, as well as the percent change for the quarter ending June 30, 2012 compared to the same period in 2011:

	Proteak YTD Q212	% Margin	Proteak YTD Q211	% Margin	Δ Q212 Vs Q211
NET SALES	24,063	83%	9,479	28%	154%
INCOME FROM REVALUATIONS	5,067	17%	24,670	72%	(79%)
COST OF SALES	27,402	94%	11,628	34%	136%
GROSS PROFIT (LOSS)	1,728	6%	22,521	66%	(92%)
GENERAL EXPENSES	29,392	101%	28,081	82%	5%
OTHER INCOME (EXPENSES), NET.	1,242	4%	815	2%	52%
OPERATING PROFIT (LOSS)	(26,421)	(91%)	(4,745)	(14%)	(457%)
COMPREHENSIVE FINANCING RESULTS	(1,468)	(5%)	(2,191)	(6%)	33%
ANNUAL RESULTS	(27,889)	(96%)	(6,936)	(20%)	(302%)
INCOME TAXES	-	0%	-	0%	N/A
DISCONTINUED OPERATIONS	(812)	(3%)	-	0%	N/A
ANNUAL RESULTS	(28,701)	(99%)	(6,936)	(20%)	(314%)

Quarterly Comparison

	Q212	Q112	Q411	Q311	Q211	Q111
NET SALES	15,505	8,558	5,959	3,939	6,405	3,199
INCOME FROM REVALUATIONS	-	5,067	10,107	-	19,133	5,537
COST OF SALES	18,216	9,186	6,909	4,054	9,175	4,161
GROSS PROFIT (LOSS)	(2,711)	4,439	9,157	(115)	16,364	4,575
GENERAL EXPENSES	14,350	15,042	15,493	14,576	13,179	9,828
OTHER EXPENSES/EXPENSES	620	622	2,089	43	711	104
OPERATING PROFIT (LOSS)	(16,440)	(9,981)	(4,247)	(14,648)	3,896	(5,149)
COMPREHENSIVE FINANCING RESULTS	(218)	(1,250)	(24,272)	23,878	(3,867)	1,676
ANNUAL RESULTS	(16,658)	(11,231)	(28,519)	9,230	29	(3,473)

CONSOLIDATED BALANCE SHEET FOR SECOND QUARTER 2012 (Thousands of pesos)

	Proteak Real	Proteak Real	Proteak Real	Δ Q112 Vs Q411	
Cash and Investments	96,548	118,529	690,425	(21,981)	(19%)
Accounts receivable (Customer)	19,656	7,278	3,641	12,378	170%
Other Accounts Receivable	63,025	46,447	25,748	16,578	36%
Inventories	17,980	23,524	7,255	(5,544)	(24%)
Current Biological Assets (Mature)	286,020	287,121	28,320	(1,101)	(0%)
Total Assets Available for Sale	116,775	133,557		(16,782)	(13%)
CURRENT ASSETS	600,004	616,456	755,389	(16,452)	(3%)
Property	410,853	357,020	165,975	53,833	15%
Machinery	45,244	43,957	21,414	1,287	3%
Other	6,783	18,622	11,694	(11,839)	(64%)
Cumulative depreciation	(11,126)	(8,952)	(2,572)	(2,174)	24%
Work in progress	113	14,578	5,859	(14,465)	(99%)
FIXED ASSETS	451,866	425,225	202,370	26,641	6%
Non-Current Biological Assets	193,499	180,005	82,246	13,494	7%
Other Assers	(7,691)	(3,330)	8,369		
TOTAL ASSETS	1,237,678	1,218,356	1,048,374	19,322	2%
Suppliers Accounts payable					
	7,552	5,237	3,751	2,315	44%
Payable taxes	3,085	599	330	2,486	415%
Provisions	11,097			11,097	
Other	4,936	23,925	11,780	(18,989)	(79%)
SHORT-TERM LIABILITIES	26,670	29,761	15,861	(3,091)	(10%)
Interest- bearing credit	119,455	51,698	37,525	67,757	131%
No cost credit	937	57	52	880	1543%
LONG-TERM LIABILITIES	120,392	51,755	37,577	68,637	133%
LIABILITIES	147,062	81,516	53,438	65,546	80%
Capital stock	463,951	463,950	463,741	1	0%
Share premium	579,892	579,892	579,892	(0)	(0%)
Accumulated earnings	(87,243)	(75,525)	(71,263)	(11,718)	16%
Earnings from revaluation of property	94,481	94,482	36,111	(1)	(0%)
Translation adjustment	68,236	120,029	-	(51,793)	(43%)
YTD Results	(28,701)	(45,988)	(13,546)	17,287	(38%)
TOTAL EQUITY	1,090,616	1,136,840	994,935	(46,224)	(4%)
TOTAL LIABILITIES + EQUITY	1,237,678	1,218,356	1,048,373	19,322	2%

CASH FLOW STATEMENT FOR SECOND QUARTER OF 2012 In Thousands of Pesos

	Proteak Real Q212	Proteak Real Q211	Δ Q212 Vs
CASH AT BEGINNING OF PERIOD	79,382	451,591	(82%)
(+) Financing Contributions	64,500	4,950	1203%
(-) Investment Activity Expenses	9,427	(183,161)	(105%)
NET BALANCE AVAILABLE	153,309	273,380	(44%)
(-) Loss before Taxes	(28,701)	(2,726)	953%
(-) Operating Expenses	(29,392)	83,950	(135%)
ENDING BALANCE	95, 216	354, 604	73%