("A free translation from Portuguese into English")

Financial Statements

LOG Commercial Properties e Participações S.A.

Individual and Consolidated Interim Financial Information for the nine and three months period ended September 30, 2012 and Report on Review of Interim Financial Information

LOG Commercial Properties e Participações S.A.

Financial statements

September 30, 2012

Contents

Independent auditor's review report on interim information 1

Reviewed financial statements
Balance sheets 3
Income statements 4
Statements of changes in equity 5
Statements of cash flows 6
Notes to the financial statements 7

ERNST & YOUNG TERCO

Edifício Phelps
Rua Antônio de Albuquerque, 156
10º andar - Savassi
30112-010 – Belo Horizonte, MG, Brasil

Tel: (5531) 3232-2100
Fax: (5531) 3232-2100
www.ey.com.br

A free translation from Portuguese into English of Independent Auditor's Review Report on quarterly review statements in accordance with accounting practices adopted in Brazil and on consolidated financial statements in accordance with IFRS and also with accounting practices adopted in Brazil

Review report on interim information

The Board of Directors, Shareholders and Officers
LOG Commercial Properties e Participações S.A.
Belo Horizonte - MG

We have reviewed the individual and consolidated interim financial information of LOG Commercial Properties e Participações S.A. for the nine-months period and the quarter ended September 30, 2012, comprising the balance sheet as at September 30, 2012 and related income statement for the nine-months period and the quarter ended on that date and the statement of changes in equity and cash flow statement for the nine-months period ended on that date including the explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with Technical Pronouncement CPC 21 – Interim financial reporting, and of the consolidated interim financial information according to CPC 21 and the international standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board - IASB. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 – Review of the Interim Financial Information performed by the Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of the interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and accordingly does not allow us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual interim information

Based on our review, nothing has come to our attention that cause us to believe that the individual interim financial information aforementioned was not prepared, in all material respects, in accordance with CPC 21.

Conclusion on the consolidated interim information

Based on our review, nothing has come to our attention that cause us to believe that the consolidated interim financial information aforementioned was not prepared, in all material respects, in accordance with CPC 21 and IAS 34.

Other matters

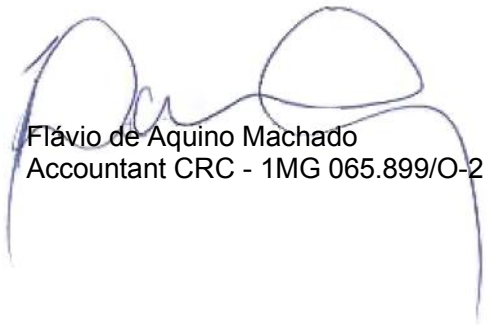
Audit and review of the amounts of the previous year and periods

The amounts for the year ended December 31, 2011, presented for comparison purposes, were previously audited by other auditors who issued a report dated on March 7, 2012, with no qualifications, containing an emphasis related to the valuation of investments in subsidiaries and jointly controlled entities on the individual financial statements, which according to the accounting practices adopted in Brazil, are accounted for using the equity method, while under IFRS, is accounted by the cost or fair value.

The interim financial information for the nine-months period and the quarter ended September 30, 2011, also presented for comparison purposes, were reviewed by other auditors who issued a report dated on November 1, 2011 without modification.

Belo Horizonte (MG), November 01, 2012

ERNST & YOUNG TERCO
Auditores Independentes S/S
CRC 2SP015199/0-6-F-MG



Flávio de Aquino Machado
Accountant CRC - 1MG 065.899/O-2

("A free translation from Portuguese into English")

LOG COMMERCIAL PROPERTIES E PARTICIPAÇÕES S.A.

BALANCE SHEETS AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

(In thousands of Brazilian reais - R$)

Assets	Notes	Individual		Consolidated	
		9/30/2012	12/31/2011	9/30/2012	12/31/2011
Current assets					
Cash and cash equivalents	3	**23,259**	182,758	**40,742**	200,526
Lease receivables	4	**3,001**	-	**6,398**	1,620
Recoverable taxes		**3,577**	1,334	**3,778**	1,378
Prepaid expenses		**855**	106	**1,519**	444
Inventories	5	**-**	-	**1,262**	4,780
Other		**1,437**	1	**33**	34
Total current assets		**32,129**	184,199	**53,732**	208,782
Noncurrent assets					
Prepaid expenses		**1,078**	-	**2,154**	600
Inventories	5	**-**	-	**11,295**	4,252
Recoverable taxes		**7,851**	-	**10,069**	-
Deferred income tax and social contribution	11	**2,138**	1,822	**2,138**	1,822
Other		**-**	3	**281**	15
Investments in subsidiaries and jointly controlled entities	6	**628,696**	393,470	**-**	-
Investment property	7	**244,330**	210,292	**916,574**	582,292
Property and equipment		**144**	38	**213**	55
Total noncurrent assets		**884,237**	605,625	**942,724**	589,036
Total assets		**916,366**	789,824	**996,456**	797,818

Liabilities and equity	Notes	Individual		Consolidated	
		9/30/2012	12/31/2011	9/30/2012	12/31/2011
Current liabilities					
Trade accounts payable		**4,000**	5,656	**14,108**	10,683
Borrowings, financing and debentures	10	**74,243**	117,342	**74,243**	117,342
Payroll, related taxes and benefits		**1,230**	1,214	**2,060**	1,549
Taxes payable		**518**	515	**2,133**	1,327
Land payables	8	**94,623**	61,413	**94,623**	61,413
Advances - barters	9	**-**	15,078	**13,533**	15,078
Dividends payable		**-**	624	**-**	624
Due to related parties	16	**198**	105	**198**	105
Other		**131**	204	**145**	313
Total current liabilities		**174,943**	202,151	**201,043**	208,434
Noncurrent liabilities					
Borrowings, financing and debentures	10	**292,337**	128,336	**319,793**	128,336
Land payables	8	**13,300**	6,027	**13,300**	6,027
Advances - barters	9	**-**	26,282	**24,818**	26,282
Deferred taxes	11	**-**	-	**1,142**	1,151
Other		**24**	5	**558**	514
Total noncurrent liabilities		**305,661**	160,650	**359,611**	162,310
Total liabilities		**480,604**	362,801	**560,654**	370,744
Equity					
Share capital	12	**134,362**	134,250	**134,362**	134,250
Reserves		**301,400**	292,773	**301,400**	292,773
Equity attributable to owners of the Company		**435,762**	427,023	**435,762**	427,023
Noncontrolling interests		**-**	-	**40**	51
Total equity		**435,762**	427,023	**435,802**	427,074
Total liabilities and equity		**916,366**	789,824	**996,456**	797,818

The accompanying notes are an integral part of these interim financial statements.

("A free translation from Portuguese into English")

LOG COMMERCIAL PROPERTIES E PARTICIPAÇÕES S.A.

INTERIM INCOME STATEMENTS FOR THE NINE-MONTH PERIODS AND QUARTERS ENDED SEPTEMBER 30, 2012 AND 2011
(In thousands of Brazilian reais - R$)

		Individual				Consolidated			
		2012		2011		2012		2011	
	Notes	Nine-months	3rd quarter	Nine-months	3rd quarter	Nine-months	3rd quarter	Nine-months	3rd quarter
Net lease revenue	14	**4,107**	**2,429**	-	-	**18,824**	**8,134**	3,924	2,005
Cost of leases	15	**(998)**	**(527)**	-	-	**(4,250)**	**(1,799)**	(893)	(452)
Gross profit		**3,109**	**1,902**	-	-	**14,574**	**6,335**	3,031	1,553
Operating income (expenses)									
Selling expenses	15	**(1,225)**	**(350)**	(160)	(110)	**(1,789)**	**(520)**	(498)	(402)
General and administrative expenses	15	**(5,565)**	**(2,356)**	(2,887)	(1,094)	**(5,556)**	**(2,347)**	(2,903)	(1,056)
Management compensation	15	**(623)**	**(216)**	(534)	(189)	**(623)**	**(216)**	(534)	(189)
Other operating expenses, net	15	**(55)**	**(36)**	(60)	(49)	**(4)**	**(42)**	(62)	(38)
Equity in subsidiaries and jointly controlled entities	6	**8,758**	**3,198**	3,192	1,445	**-**	**-**	-	-
Operating profit (loss) before financial income (expenses)		**4,399**	**2,142**	(449)	3	**6,602**	**3,210**	(966)	(132)
Financial income (expenses)									
Financial expenses	10	**(4,221)**	**(2,232)**	(904)	(120)	**(5,878)**	**(3,056)**	(993)	(159)
Financial income		**7,358**	**1,378**	2,139	1,383	**8,899**	**1,874**	3,689	1,960
Income before income tax and social contribution		**7,536**	**1,288**	786	1,266	**9,623**	**2,028**	1,730	1,669
Income tax and social contribution									
Current		**-**	**107**	-	-	**(2,155)**	**(1,101)**	(318)	(200)
Deferred		**316**	**422**	818	61	**384**	**890**	222	(143)
	11	**316**	**529**	818	61	**(1,771)**	**(211)**	(96)	(343)
Profit for the periods		**7,852**	**1,817**	1,604	1,327	**7,852**	**1,817**	1,634	1,326
Profit attributable to:									
Owners of the Company						**7,852**	**1,817**	1,604	1,327
Noncontrolling interests						**-**	**-**	30	(1)
						7,852	**1,817**	1,634	1,326
Earnings per share									
Basic (cents per share)	13	**0.0585**	**0.0135**	0.0197	0.0132				
Diluted (cents per share)	13	**0.0584**	**0.0135**	0.0197	0.0131				

The Company does not have other comprehensive income for the current or previous periods and, therefore, the related interim statement is not presented.

The accompanying notes are an integral part of these interim financial statements.

("A free translation from Portuguese into English")

LOG COMMERCIAL PROPERTIES E PARTICIPAÇÕES S.A.

INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

(In thousands of Brazilian reais - R$)

		Capital reserves		Earnings reserves			Equity attributable		
	Share capital	Share issuance premium	Recognized options granted	Legal	Earnings retention	Retained earnings	to owners of the Company	Noncontrolling interests	Total
BALANCE AT DECEMBER 31, 2010	**71,372**	**1,894**	**-**	**76**	**1,090**	**-**	**74,432**	**3,123**	**77,555**
Capital increase: ESMs of 4/30/11, 6/2/11, and 8/18/11	25,288	115,084	-	-	-	-	140,372	-	140,372
Net contributions from noncontrolling shareholders	-	-	-	-	-	-	-	2,205	2,205
Share issuance costs	-	(5,844)	-	-	-	-	(5,844)	-	(5,844)
Acquisition of equity interest in subsidiaries	-	-	-	-	-	-	-	(5,316)	(5,316)
Recognition of stock option reserve	-	-	162	-	-	-	162	-	162
Profit for the period	-	-	-	-	-	1,604	1,604	30	1,634
BALANCE AT SEPTEMBER 30, 2011	**96,660**	**111,134**	**162**	**76**	**1,090**	**1,604**	**210,726**	**42**	**210,768**
BALANCE AT DECEMBER 31, 2011	**134,250**	**285,418**	**243**	**404**	**6,708**	**-**	**427,023**	**51**	**427,074**
Capital increase: ESM of 7/26/12	112	512	-	-	-	-	624	-	624
Net reduction of noncontrolling shareholders	-	-	-	-	-	-	-	(11)	(11)
Recognition of stock option reserve	-	-	263	-	-	-	263	-	263
Profit for the period	-	-	-	-	-	7,852	7,852	-	7,852
BALANCE AT SEPTEMBER 30, 2012	**134,362**	**285,930**	**506**	**404**	**6,708**	**7,852**	**435,762**	**40**	**435,802**

The accompanying notes are an integral part of these interim financial statements.

("A free translation from Portuguese into English")

LOG COMMERCIAL PROPERTIES E PARTICIPAÇÕES S.A.

INTERIM STATEMENTS OF CASH FLOWS FOR THE NINE-MONTH PERIODS AND QUARTERS ENDED SEPTEMBER 30, 2012 AND 2011
(In thousands of Brazilian reais - R$)

	Notes	Individual		Consolidated	
		Nine-months of 2012	Nine-months of 2011	Nine-months of 2012	Nine-months of 2011
Cash flows from operating activities					
Profit for the period		**7,852**	1,604	**7,852**	1,634
Adjustments to reconcile profit for the period to net cash generated by (used in) operating activities:					
Depreciation	7	**998**	-	**4,250**	893
Equity in subsidiaries and jointly controlled entities	6	**(8,758)**	(3,192)	**-**	-
Amortization of prepaid expenses		**158**	-	**527**	-
Incurred and not paid charges		**4,023**	825	**5,502**	825
Deferred taxes		**(316)**	(818)	**(325)**	(178)
Stock options	15	**263**	162	**263**	162
		4,220	(1,419)	**18,069**	3,336
(Increase) decrease in operating assets:					
Lease receivables		**(3,001)**	-	**(4,778)**	(960)
Recoverable taxes		**(10,094)**	(321)	**(12,469)**	(353)
Inventories		**-**	-	**(3,525)**	(2,712)
Prepaid expenses		**(1,985)**	-	**(3,156)**	(597)
Other assets		**(1,432)**	82	**(423)**	73
Increase (decrease) in operating liabilities:					
Payroll, related taxes and benefits		**16**	463	**511**	813
Taxes payable		**3**	446	**2,043**	963
Other liabilities		**39**	213	**(31)**	721
Income tax and social contribution paid		**-**	-	**(1,237)**	(172)
Dividends received from subsidiaries	6	**7,380**	997	**-**	-
Net cash (used in) generated by operating activities		**(4,854)**	461	**(4,996)**	1,112
Cash flows from investing activities					
Increase in/acquisition of investments		**(140,084)**	(53,742)	**-**	-
Acquisition of equity interest in subsidiaries	6	**-**	(5,316)	**-**	-
Decrease in related parties		**-**	(27)	**-**	(28)
Acquisition of investment propriety		**(108,048)**	(138,679)	**(274,169)**	(194,019)
Other		**(106)**	(4)	**-**	-
Net cash used in investing activities		**(248,238)**	(197,768)	**(274,169)**	(194,047)
Cash flows from financing activities					
Borrowings, financing and debentures, net		**234,965**	186,945	**260,764**	186,945
Amortization of borrowings, financing and debentures		**(127,000)**	(62,023)	**(127,000)**	(62,023)
Interest payment		**(14,372)**	(16,602)	**(14,372)**	(16,602)
Contribution from shareholders	12	**624**	140,037	**624**	140,037
Share issuance costs		**-**	(5,844)	**-**	(5,844)
Payment of due to related parties		**-**	(75,144)	**-**	(75,144)
Increase in due to related parties		**-**	75,265	**-**	75,265
Distribution to noncontrolling interests		**-**	-	**(11)**	(3,111)
Dividend payments	12	**(624)**	(29)	**(624)**	(29)
Net cash generated by financing activities		**93,593**	242,605	**119,381**	239,494
(Decrease) increase in cash and cash equivalents		**(159,499)**	45,298	**(159,784)**	46,559
Cash and cash equivalents					
Cash and cash equivalents at the beginning of the year		**182,758**	16,522	**200,526**	33,120
Cash and cash equivalents at the end of the period		**23,259**	61,820	**40,742**	79,679
(Decrease) increase in cash and cash equivalents		**(159,499)**	45,298	**(159,784)**	46,559

1. General information

LOG Commercial Properties e Participações S.A. ("Company") is a private corporation with its head office in Belo Horizonte, Minas Gerais, established on June 10, 2008, which is engaged in the: (i) management of own assets; (ii) rendering engineering and construction services for residential and/or commercial properties; (iii) development, construction and lease of own or third-party residential and/or office buildings; and (iv) holding interests in other entities, either as partner or shareholder.

The projects are developed by LOG Commercial Properties e Participações S.A., its subsidiaries, and jointly controlled entities ("Group"), which are primarily engaged in the construction and lease (under operating leases rules) of industrial warehouses, stores/offices, shopping malls, strip malls and development and sale of industrial lots. The projects are located in the States of Minas Gerais, São Paulo, Espírito Santo, Paraná, Rio de Janeiro, Goiás, Ceará, and Bahia. See the list of and supplemental information on and jointly controlled entities in note 6.

The Company and its subsidiaries are currently at a stage of significant expansion, purchasing land and building warehouses, as well as other projects to be leased and/or sold in the future. For this reason, on September 30, 2012, the Group has negative working capital of R$147,311. In order to maintain the pace of growth and development of the projects, the Group is in final negotiations to raise funds from financial institutions in the amount of R $150 million, in addition to production's funding contracted whose release is related to the construction progress. The conclusion of the negotiations and funds release is estimated for November 2012.

2. Presentation of interim financial information and significant accounting policies

(a) Statement of compliance

The Company's financial statements comprise:

- The condensed consolidated interim financial statements prepared in accordance with CPC 21 - *Demonstração Intermediária* (Interim Financial Reporting) and IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), identified as Consolidated; and

- The condensed individual interim financial statements prepared in accordance with CPC 21 - *Demonstração Intermediária* (Interim Financial Reporting), identified as Individual.

The accounting practices adopted in Brazil comprise the policies set out in Brazilian Corporate Law and the pronouncements, guidance, and interpretations issued by the

Accounting Pronouncements Committee (CPC) and approved by the Federal Accounting Council (CFC).

The individual interim financial information present the valuation of investments in subsidiaries and jointly controlled entities by the equity method of accounting, pursuant to prevailing Brazilian statutes. The accounting practices adopted in Brazil, applied to the individual interim financial information differ from IFRSs applicable to the separate interim financial information only with respect to the measurement of investments in subsidiaries, which under IFRSs must be measured at cost or fair value.

As there is no difference between the consolidated equity and the consolidated profit attributable to the owners of the Company, disclosed in the consolidated interim financial information prepared in accordance with CPC 21 and IAS 34, and the Company's equity and profit disclosed in the individual interim financial information prepared in accordance with CPC 21, the Company opted for presenting these individual and consolidated financial statements in a single set, side by side.

The other information on the basis of preparation, basis of consolidation, investments in subsidiaries and jointly controlled entities, and significant accounting policies did not change significantly in relation to the information disclosed in note 2, (b) and (c), and note 3 to the annual financial statements for the year ended December 31, 2011, published on April 17, 2012 in the newspapers Diário Oficial da Estado de Minas Gerais (Minas Gerais State Gazette) and Hoje em Dia (hereinafter referred to as "financial statements for the year ended December 31, 2011").

3. Cash and cash equivalents

Broken down as follows:

	Individual		Consolidated	
	9/30/12	**12/31/11**	**9/30/12**	**12/31/11**
Cash	**9**	17	**11**	26
Bank accounts	**64**	183	**318**	320
Short-term investments:				
Bank certificates of deposit (CDBs)	**23,186**	87,133	**40,410**	104,755
Certificates backed by debentures	**-**	95,425	**3**	95,425
Total	**23,259**	182,758	**40,742**	200,526

Short-term investments, classified as held for trading, have daily liquidity, are immediately redeemable and subject to an immaterial risk of change in value and are carried at cost plus income earned, which is approximately 112.00% of the interbank deposit rate (CDI) at September 30, 2012 in Individual and 109.45% of CDI on a consolidated basis (104.50% of CDI in Individual and 104.60% of CDI on a consolidated basis at December 31, 2011), and are adjusted to fair value, when applicable.

Investment in certificates backed by debentures, which have its repurchase guaranteed by financial institutions, can be immediately redeemed according to Company needs and their yield is pegged to the CDI.

4. Lease receivables

This balance refers to the lease of industrial warehouses, under operating leases. The lease agreements are adjusted on an annual basis using the General Market Price Index (IGPM).

The aging list of future receivables is as follows:

	Individual		Consolidated	
	9/30/12	**12/31/11**	**9/30/12**	**12/31/11**
12 months	**11,566**	-	**35,731**	13,477
13 to 24 months	**12,438**	-	**31,867**	12,696
25 to 36 months	**13,049**	-	**26,984**	8,150
37 to 48 months	**10,769**	-	**16,472**	4,751
More than 48 months	**6,562**	-	**8,810**	412
Total	**54,384**	-	**119,864**	39,486

The other information on lease receivables did not change significantly in relation to the information disclosed in note 5 to the financial statements for the year ended December 31, 2011.

5. Inventories

This line item includes the industrial subdivisions for sale, owned by jointly controlled entity Betim I Incorporações SPE Ltda., as shown below:

	Consolidated	
	9/30/12	**12/31/11**
Urbanization in progress	**3,530**	267
Capitalized interest	**37**	-
Land bank	**8,990**	8,765
Total	**12,557**	9,032
Current	**1,262**	4,780
Noncurrent	**11,295**	4,252

6. Investments in subsidiaries and jointly controlled entities

Refer to interest held in subsidiaries and jointly controlled entities represented by special purpose entities, as follows:

Project	Incorporation date	Startup date	Location
Subsidiaries in operation:			
Contagem I SPE Ltda. (“LOG I”)	6/13/2008	February 2009	Contagem, Minas Gerais
Contagem II Incorporações SPE Ltda. (“LOG II”)	8/27/2008	March 2011	Contagem, Minas Gerais
Jundiaí Incorporações SPE Ltda. (“LOG Jundiaí”)	9/1/2009	April 2011	Jundiaí, São Paulo
Goiânia I Incorporações Imobiliárias SPE Ltda. (“LOG Goiânia”)	3/10/2011	April 2012	Goiânia, Goiás
Hortolândia Incorporações SPE Ltda. (“LOG Hortolândia”)	4/22/2010	September 2012	Hortolândia, São Paulo
Subsidiaries and jointly controlled entities at start-up stage:			
MRV LOG MDI SJC I Incorporações SPE Ltda. (“LOG SJC Sony”)	9/28/2010	-	São José dos Campos, São Paulo
Campos Sociedade em Conta de Participação (“LOG Campos”)	4/25/2011	-	Campo dos Goytacazes, Rio de Janeiro
MRV LOG SP I Incorporações SPE Ltda. (“Office Park Pirituba”)	5/20/2011	-	São Paulo, São Paulo
LOG Maracanaú I SPE Ltda. (“LOG Fortaleza”)	11/30/2011	-	Maracanaú, Ceará
LOG Sumaré Deltalog I SPE Ltda. (“LOG Sumaré”)	11/30/2011	-	Sumaré, São Paulo
LOG SJRP I Incorporações SPE Ltda. ("LOG SJRP")	1/18/2012	-	São José do Rio Preto, São Paulo
LOG Juiz de Fora I SPE Ltda. (“LOG Juiz de Fora”)	1/13/2012	-	Juiz de Fora, Minas Gerais
LOG Feira de Santana I SPE Ltda. (“LOG Feira de Santana”)	11/30/2011	-	Feira de Santana, Bahia
LOG Macaé I SPE Ltda. (“LOG Macaé”)	11/29/2011	-	Macaé, Rio de Janeiro
LOG RP I SPE Ltda. ("LOG RP")	12/5/2011	-	Ribeirão Preto, São Paulo
LOG São José dos Pinhais I SPE Ltda. (“LOG SJP”)	3/5/2012	-	São José dos Pinhais, Paraná
LOG Viana I SPE Ltda. ("LOG Viana")	3/7/2012	-	Viana, Espírito Santo
LOGCP Londrina I SPE Ltda. ("LOG Londrina")	3/5/2012	-	Londrina, Paraná
LOG Curitiba I SPE Ltda. ("LOG Curitiba")	3/5/2012	-	Curitiba, Paraná
LDI LOG Desenvolvimento Imobiliário Ltda. (“LDI”)	10/18/2011	-	Belo Horizonte, Minas Gerais
Cabral Investimentos SPE Ltda. (“Cabral”)	4/22/2010	-	Contagem, Minas Gerais
Betim I Incorporações SPE Ltda. (“Loteamento Betim”)	11/8/2010	-	Betim, Minas Gerais

The main information on each investment is summarized below:

	Information on investees		Information on Company				
	Share capital		Equity interest				
	9/30/12		9/30/12			12/31/11	
	Amount	Number of shares	Number of shares	Contractual percentage	Actual percentage (*)	Contractual percentage	Actual percentage (*)
SPEs/SCPs - subsidiaries:							
LOG I	63,461	50,000,000	49,995,000	99.99%	99.99%	100.00%	100.00%
LOG II	19,801	18,000,000	17,998,200	99.99%	99.99%	100.00%	100.00%
LOG Jundiaí	35,767	22,437,065	22,434,821	99.99%	99.99%	99.99%	99.99%
LOG Hortolândia	53,770	13,000,000	12,999,999	100.00%	100.00%	100.00%	100.00%
LOG SJC Sony	53,873	52,500,000	52,499,999	100.00%	100.00%	100.00%	100.00%
LOG Goiânia	32,502	10,000	9,990	99.90%	99.90%	99.90%	99.90%
LOG Campos	17,885	10,000	9,990	99.90%	99.90%	99.90%	99.90%
Office Park Pirituba	96,456	10,000	9,999	99.99%	99.99%	99.99%	99.99%
LOG Fortaleza	11,283	10,000	9,999	99.99%	99.99%	-	-
LOG Sumaré	244	10,000	9,999	99.99%	99.99%	-	-
LOG SJRP	9,241	10,000	9,999	99.99%	99.99%	-	-
LOG Juiz de Fora	17,979	10,000	9,999	99.99%	99.99%	-	-
LOG Feira de Santana	3,673	10,000	9,999	99.99%	99.99%	-	-
LOG Macaé	12,004	10,000	9,999	99.99%	99.99%	-	-
LOG RP	17,935	10,000	9,999	99.99%	99.99%	-	-
LOG SJP	10,855	10,000	9,999	99.99%	99.99%	-	-
LOG Viana	30,011	10,000	9,999	99.99%	99.99%	-	-
LOG Londrina	17,046	10,000	9,999	99.99%	99.99%	-	-
LOG Curitiba	24,943	10,000	9,999	99.99%	99.99%	-	-
LDI	38	10,000	9,900	99.00%	99.00%	-	-
SPEs - jointly controlled:							
Cabral	32,027	64,054,000	32,027,000	50.00%	50.00%	50.00%	50.00%
Betim subdivision	11,554	84,325,968	42,162,984	50.00%	21.51%	50.00%	17.67%

(*) Percentage interest actually contributed by the shareholders on the related reporting dates.

	Information on investees					
	Equity		Profit or loss			
			2012		2011	
	9/30/12	12/31/11	Nine months	3rd quarter	Nine months	3rd quarter
SPEs/SCPs – subsidiaries:						
LOG I	**67,112**	60,856	**5,248**	**1,876**	1,441	584
LOG II	**20,211**	20,425	**1,317**	**441**	587	345
LOG Jundiaí	**36,279**	42,935	**1,911**	**781**	254	192
LOG Hortolândia	**53,728**	13,856	**(40)**	**(23)**	(2)	(1)
LOG SJC Sony	**53,872**	53,844	**(1)**	**-**	2	(1)
LOG Goiânia	**32,012**	33,116	**(450)**	**(90)**	(24)	(24)
LOG Campos	**17,890**	5,041	**(16)**	**(12)**	-	-
Office Park Pirituba	**96,448**	90,067	**(8)**	**(3)**	-	-
LOG Fortaleza	**11,277**	-	**(6)**	**(6)**	-	-
LOG Sumaré	**244**	-	**-**	**-**	-	-
LOG SJRP	**9,241**	-	**-**	**-**	-	-
LOG Juiz de Fora	**17,976**	-	**(3)**	**(3)**	-	-
LOG Feira de Santana	**3,672**	-	**(1)**	**(1)**	-	-
LOG Macaé	**12,004**	-	**-**	**-**	-	-
LOG RP	**17,935**	-	**-**	**-**	-	-
LOG SJP	**10,855**	-	**-**	**-**	-	-
LOG Viana	**30,011**	-	**-**	**-**	-	-
LOG Londrina	**17,046**	-	**-**	**-**	-	-
LOG Curitiba	**24,943**	-	**-**	**-**	-	-
LDI	**44**	-	**7**	**6**	-	-
SPEs – jointly controlled:						
Cabral (*)	**70,556**	68,942	**1,614**	**478**	1,928	700
Betim subdivision	**53,570**	51,100	**(33)**	**(33)**	-	-
Total	**656,926**	440,182	**9,539**	**3,411**	4,186	1,795

	Information on Company					
	Investment		Equity in investees			
			2012		2011	
	9/30/12	12/31/11	Nine months	3rd quarter	Nine months	3rd quarter
SPEs – subsidiaries:						
LOG I	**67,105**	60,856	**5,248**	**1,876**	1,410	584
LOG II	**20,209**	20,425	**1,317**	**441**	587	345
LOG Jundiaí	**36,275**	42,931	**1,911**	**781**	255	192
LOG Hortolândia	**53,728**	13,856	**(40)**	**(23)**	(2)	(1)
LOG SJC Sony	**53,872**	53,844	**(1)**	**-**	2	(1)
LOG Goiânia	**31,980**	33,083	**(450)**	**(90)**	(24)	(24)
LOG Campos	**17,872**	5,036	**(16)**	**(12)**	-	-
Office Park Pirituba	**96,438**	90,058	**(8)**	**(3)**	-	-
LOG Fortaleza	**11,276**	-	**(6)**	**(6)**	-	-
LOG Sumaré	**244**	-	**-**	**-**	-	-
LOG SJRP	**9,240**	-	**-**	**-**	-	-
LOG Juiz de Fora	**17,974**	-	**(3)**	**(3)**	-	-
LOG Feira de Santana	**3,672**	-	**(1)**	**(1)**	-	-
LOG Macaé	**12,003**	-	**-**	**-**	-	-
LOG RP	**17,933**	-	**-**	**-**		
LOG SJP	**10,854**	-	**-**	**-**	-	-
LOG Viana	**30,008**	-	**-**	**-**		
LOG Londrina	**17,044**	-	**-**	**-**		
LOG Curitiba	**24,941**	-	**-**	**-**		
LDI	**44**	-	**7**	**6**	-	-
SPEs – jointly controlled:						
Cabral (*)	**35,918**	35,111	**807**	**239**	964	350
Betim subdivision	**11,523**	9,030	**(7)**	**(7)**	-	-
Capitalization of financial charges (**)	**48,543**	29,240	**-**	**-**	-	-
Total	**628,696**	393,470	**8,758**	**3,198**	3,192	1,445

(*) The investment amount of R$640 refers to the goodwill paid by the Company upon the payment of capital of Cabral.
(**) Amount related to the capitalized financial charges on borrowings, debentures, discount to present value and inflation adjustment of land payables taken by the Company for acquisition/development of its investees' investment properties.

The balances of assets and liabilities of jointly controlled entities are as follows:

	Total assets		Total liabilities	
	9/30/12	12/31/11	9/30/12	12/31/11
Cabral	**73,013**	70,824	**2,457**	1,882
Betim subdivision	**54,629**	51,143	**1,059**	43

The changes in the balances of investments in subsidiaries and jointly controlled entities for the nine-month period ended September 30, 2012 and 2011 are as follows:

	Opening balances	Capital contributions (reversals)	Purchase of equity interest	Equity in investees	Dividends	Other	Closing balances
Nine-month period ended September 30, 2012:							
SPEs/SCPs - subsidiaries:							
LOG I	60,856	4,887	-	5,248	(3,886)	-	67,105
LOG II	20,425	(187)	-	1,317	(1,346)	-	20,209
LOG Jundiaí	42,931	(6,422)	-	1,911	(2,145)	-	36,275
LOG Hortolândia	13,856	39,912	-	(40)	-	-	53,728
LOG SJC Sony	53,844	31	-	(1)	(2)	-	53,872
LOG Goiânia	33,083	(653)	-	(450)	-	-	31,980
LOG Campos	5,036	12,852	-	(16)	-	-	17,872
Office Park Pirituba	90,058	6,388	-	(8)	-	-	96,438
LOG Fortaleza	-	11,282	-	(6)	-	-	11,276
LOG Sumaré	-	244	-	-	-	-	244
LOG SJRP	-	9,240	-	-	-	-	9,240
LOG Juiz de Fora	-	17,977	-	(3)	-	-	17,974
LOG Feira de Santana	-	3,673	-	(1)	-	-	3,672
LOG Macaé	-	12,003	-	-	-	-	12,003
LOG RP	-	17,933	-	-	-	-	17,933
LOG SJP	-	10,854	-	-	-	-	10,854
LOG Viana	-	30,008	-	-	-	-	30,008
LOG Londrina	-	17,044	-	-	-	-	17,044
LOG Curitiba	-	24,941	-	-	-	-	24,941
LDI	-	38	-	7	(1)	-	44
SPEs - jointly controlled:							
Cabral	35,111	-	-	807	-	-	35,918
Betim subdivision	9,030	2,500	-	(7)	-	-	11,523
Capitalization of financial charges	29,240	-	-	-	-	19,303	48,543
Total	393,470	214,545	-	8,758	(7,380)	19,303	628,696
Nine-month period ended September 30, 2011:							
Total	164,813	169,907	5,316	3,192	(997)	16,286	358,517

7. Investment property

	Annual weighted depreciation rates	9/30/12			12/31/11
		Cost	Accumulated depreciation	Net	Net
Individual:					
Buildings	4%	**82,440**	**(998)**	**81,442**	-
Land	-	**141,811**	**-**	**141,811**	155,906
Works in progress	-	**21,077**	**-**	**21,077**	54,386
Total		**245,328**	**(998)**	**244,330**	210,292
Consolidated:					
Buildings	4%	**233,955**	**(6,723)**	**227,232**	69,687
Land	-	**532,173**	**-**	**532,173**	375,152
Works in progress	-	**157,169**	**-**	**157,169**	137,453
Total		**923,297**	**(6,723)**	**916,574**	582,292

Changes in investment property for the nine-month period ended September 30, 2012 and the year ended December 31, 2011 are as follows:

	Individual		Consolidated	
	Nine-month period ended 9/30/12	**Year ended 12/31/11**	**Nine-month period ended 9/30/12**	**Year ended 12/31/11**
Opening balance	**210,292**	136,695	**582,292**	293,516
Additions	**150,857**	188,725	**338,532**	292,113
Contributions to investees	**(115,821)**	(115,128)	**-**	-
Transfer to inventory	**-**	-	**-**	(1,826)
Depreciation	**(998)**	-	**(4,250)**	(1,511)
Closing balance for the period/year	**244,330**	210,292	**916,574**	582,292

The table below shows the net balances compared to the fair value of the investment properties as at September 30, 2012, broken down into Individual and Consolidated:

	Net balance				
	Land	**Buildings**	**Works in progress**	**Total**	**Fair value**
Individual:					
Industrial warehouses	122,726	81,442	15,687	219,855	256,810
Shopping mall	10,999	-	2,257	13,256	19,985
Strip mall	8,086	-	3,133	11,219	15,769
Total Individual	141,811	81,442	21,077	244,330	292,564
Consolidated:					
Industrial warehouses	410,943	227,232	121,847	760,022	936,868
Offices	84,354	-	24,103	108,457	141,258
Shopping mall	28,790	-	8,086	36,876	46,630
Strip mall	8,086	-	3,133	11,219	15,769
Total consolidated	532,173	227,232	157,169	916,574	1,140,525

The fair values of the investment properties have been determined at December 31, 2011 and updated to the reporting date of this interim financial information, as follows:

- Projects under construction and completed by December 31, 2011: maintained the fair values at that date;
- Land purchased until December 31, 2011: maintained the fair values at that date, added of the construction costs incurred in the first nine months of 2012;
- Land purchased in 2012: carried at the purchase cost added of the construction costs incurred in the first nine months of 2012.

Out of the total R$916,574 in investment properties, R$286,608 has been pledged as collateral of borrowings and financing entered into by the Company and its subsidiaries.

8. Land payables

	Individual and Consolidated	
	9/30/12	**12/31/11**
Land payables	**108,156**	68,899
Discount to present value	**(233)**	(1,459)
Net	**107,923**	67,440
Current	**94,623**	61,413
Noncurrent	**13,300**	6,027
Total	**107,923**	67,440

As at September 30, 2012, land payables, by maturity and adjustment index, are broken down as follows:

Period	Savings (*)	IGP-M (**)	CDI (***)	Fixed rate	Total
12 months	24,232	24,825	13,903	31,663	94,623
13 to 24 months	1,034	-	12,266	-	13,300
Total	25,266	24,825	26,169	31,663	107,923

(*) Benchmark interest rate plus 0.50% per month
(**) General Market Price Index
(***) Interbank deposit rate

Discount to present value:

	Individual and Consolidated	
	Nine-month period ended 9/30/12	**Year ended 12/31/11**
Opening balance of DPV on land payables	**1,459**	5,575
Discount to present value of land payables	**-**	1,817
Realization in the period:		
- capitalized in investment property	**(1,226)**	(5,933)
- recognized in profit or loss	**-**	-
Closing balance of DPV	**233**	1,459

The other information on land payables did not change significantly in relation to the information disclosed in note 9 to the financial statements for the year ended December 31, 2011.

9. Advances - barters

In the first quarter of 2012, the Company transferred the assets and liabilities related to barters to its subsidiaries, due to the start of the related projects.

The other information on barters did not change significantly in relation to the information disclosed in note 10 to the financial statements for the year ended December 31, 2011.

10. Borrowings, financing and debentures

The position of borrowings, financing and debentures at September 30, 2012 and December 31, 2011 is as follows:

	Individual		Consolidated	
	9/30/12	**12/31/11**	**9/30/12**	**12/31/11**
Local currency bank loans				
Working capital (a)	**122,138**	137,939	**122,138**	137,939
Debentures (b)	**194,307**	109,748	**194,307**	109,748
Construction financing (c)	**54,767**	-	**82,638**	-
(-) Borrowing costs	**(4,632)**	(2,009)	**(5,047)**	(2,009)
Total	**366,580**	245,678	**394,036**	245,678
Current	**74,243**	117,342	**74,243**	117,342
Noncurrent	**292,337**	128,336	**319,793**	128,336
Total	**366,580**	245,678	**394,036**	245,678

(a) In March 2012, the Company entered into a working capital loan agreement with a financial institution amounting to R$12,000. The agreement provides for interest equivalent to 100% of the CDI plus 1.95% spread per annum (effective interest rate equivalent to 100% of CDI plus 2.32% per annum). Principal and interest will be paid in 36 monthly installments, commencing in April 2014. These agreements do not contain any restrictive covenants requiring compliance with financial ratios. This transaction is collateralized by subsidiary Jundiaí I Incorporação SPE Ltda. and the receivables from the lease of industrial warehouses.

In June 2012, the Company entered into a working capital loan agreement with a financial institution amounting to R$9,022. The agreement provides for interest equivalent to 100% of the CDI plus 1.90% spread per annum (effective interest rate equivalent to 100% of CDI plus 2.28% per annum). Principal and interest will be paid in 36 monthly installments, commencing in June 2014. These agreements do not contain any restrictive covenants requiring compliance with financial ratios. This transaction is collateralized by the property Avenida Papa João Paulo I, in the city of Guarulhos and the receivables from the lease of industrial warehouses located in this property.

In July 2012, the Company entered into a working capital loan agreement with a financial institution amounting to R$25,000. The agreement provides for interest equivalent to 100% of the CDI plus 2.70% spread per annum (effective interest rate equivalent to 100% of CDI plus 3.50% per annum). Interest will be paid in six semiannual installments, commencing January 2013 and principal will be repaid in five semiannual installments, commencing July 2013. The agreement does not contain any restrictive covenants requiring compliance with financial ratios.

(b) In June 2012, the Company issued simple, nonconvertible, registered, book-entry, unsecured debentures, in a single series, with face value of R$1,000, totaling on issuance date, R$80,000, which pay interest equivalent to 100% of the CDI fluctuation plus spread of 1.90% per annum (effective interest rate of 100% of CDI fluctuation plus 2.17% per annum). The final maturity of these debentures in June 18, 2019 and interest and principal will be paid semiannually, commencing December 2012. These debentures do not contain any restrictive covenants

requiring compliance with financial ratios. The debentures are collateralized by the property and receivables of subsidiary Contagem I SPE Ltda.

(c) In the first quarter of 2012, the Company obtained funds to finance the construction of industrial warehouses amounting to R$43,016 (R$31,680 for the Company and R$11,337 for subsidiary SPE Jundiaí). The agreements provide for interest equivalent to 100% of the TR (a managed prime rate) plus 11.50% per annum (effective interest rate equivalent to 100% of TR plus 11.68% per annum). The agreements provide for a 23-month grace period for principal and interest, which will be paid in up to 120 installments, commencing after the grace period. These transactions are collateralized by the land, improvements and receivables generated by the financed projects. These agreements do not contain any restrictive covenants requiring compliance with financial ratios.

In the second quarter of 2012, subsidiary SPE Goiânia received R$15,094 in funds used to finance the construction of industrial warehouses. The agreement provides for interest equivalent to 100% of the TR (a managed prime rate) plus 11.50% per annum (effective interest rate equivalent to 100% of TR plus 11.73% per annum). The agreement provides for a 23-month grace period for principal and interest, which will be paid in up to 96 installments, commencing after the grace period. This transaction is collateralized by the land, improvements and receivables generated by the financed projects. The agreement does not contain any restrictive covenants requiring compliance with financial ratios.

In the third quarter of 2012, the lenders disbursed funds to finance the construction of industrial warehouses amounting to R$21,123 (R$21,122 for the Company and R$1 for subsidiary Goiânia I Incorporações Imobiliárias SPE Ltda.). The agreements provide for interest of 11.00% and 10.80% per annum, respectively, plus 100% of the TR (a managed prime rate) (effective interest rate equivalent to 100% of TR plus 11.23% per annum). The agreements provide for a 23-month grace period for principal and interest, which will be paid in up to 96 installments, commencing after the grace period. These transactions are collateralized by the land, improvements and receivables generated by the financed projects. The agreement does not contain any restrictive covenants requiring compliance with financial ratios.

The table below shows the borrowings, financing and debentures repayment schedule at September 30, 2012 and December 31, 2011:

	Individual		**Consolidated**	
	9/30/12	**12/31/11**	**9/30/12**	**12/31/11**
After the reporting period				
12 months	**74,243**	117,342	**74,243**	117,342
13 to 24 months	**130,380**	4,027	**132,700**	4,027
25 to 36 months	**39,429**	114,475	**42,548**	114,475
37 to 48 months	**39,562**	6,553	**42,681**	6,553
More than 48 months	**82,966**	3,281	**101,864**	3,281
Total	**366,580**	245,678	**394,036**	245,678

Allocation of financial charges

Finance charges are capitalized as follows:

	Individual			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Finance charges:				
Borrowings, financing and debentures	**(24,210)**	**(8,912)**	(21,030)	(9,574)
Realization of DPV and adjustment of land payable	**(6,805)**	**(2,923)**	(10,438)	(3,626)
Total finance charges	**(31,015)**	**(11,835)**	(31,468)	(13,200)
Interest capitalized in investment property				
Company	**7,689**	**1,013**	14,357	4,052
Subsidiaries	**19,482**	**8,767**	16,286	9,060
	(3,844)	**(2,055)**	(825)	(88)
Other financial expenses	**(377)**	**(177)**	(79)	(32)
Finance charges allocated to profit or loss	**(4,221)**	**(2,232)**	(904)	(120)

	Consolidated			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Finance charges:				
Borrowings, financing and debentures	**(25,868)**	**(9,678)**	(21,030)	(9,574)
Realization of DPV and adjustment of land payable	**(6,805)**	**(2,923)**	(10,438)	(3,626)
Total finance charges	**(32,673)**	**(12,601)**	(31,468)	(13,200)
Interest capitalized in investment property	**27,171**	**9,780**	30,643	13,112
	(5,502)	**(2,821)**	(825)	(88)
Other financial expenses	**(376)**	**(235)**	(168)	(71)
Finance charges allocated to profit or loss	**(5,878)**	**(3,056)**	(993)	(159)

The other information on borrowings, financing and debentures did not change significantly in relation to the information disclosed in Note 11 to the financial statements for the year ended December 31, 2011.

11. Income tax and social contribution

(a) Income tax (IRPJ) and social contribution (CSLL) recognized in income statement

The income tax and social contribution income (expense) for the three and nine-month period ended September 30, 2012 and 2011 is reconciled with accounting profit as follows:

	Individual			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Income before income tax and social contribution	**7,536**	**1,288**	786	1,266
Statutory rate - income tax and social contribution	**34%**	**34%**	34%	34%
Nominal expense	**(2,562)**	**(438)**	(267)	(430)
Effect of IRPJ and CSLL on permanent differences:				
Equity in subsidiaries and jointly controlled entities	**2,978**	**1,088**	1,085	491
Other	**(100)**	**(121)**	-	-
IRPJ and CSLL credits in Company's profit	**316**	**529**	818	61

	Consolidated			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Lease revenue - subsidiaries	**15,313**	**5,958**	4,053	2,064
Tax rate on deemed income	**32%**	**32%**	32%	32%
Deemed income - subsidiaries	**4,900**	**1,907**	1,297	660
Financial income - subsidiaries	**1,541**	**496**	1,550	577
Other	**46**	**-**	-	-
Taxable basis - subsidiaries	**6,487**	**2,403**	2,847	1,237
IRPJ and CSLL tax rate	**34%**	**34%**	34%	34%
IRPJ and CSLL expenses – subsidiaries	**(2,206)**	**(817)**	(968)	(421)
Effect of portions not taxed by the IRPJ surtax (*)	**119**	**77**	54	17
Effective IRPJ and CSLL expenses – subsidiaries	**(2,087)**	**(740)**	(914)	(404)
Individual	**316**	**529**	818	61
Consolidated	**(1,771)**	**(211)**	(96)	(343)

(*) The 10% surtax is levied only on annual income exceeding R$240.

(b) Deferred tax balances

Deferred tax assets arise from tax loss carryforwards, while deferred tax liabilities arise from temporary differences between the cash basis adopted for tax purposes and the accrual basis for accounting purposes.

The table below shows the breakdown of deferred tax assets (liabilities) disclosed in the balance sheets.

	Individual		Consolidated	
	9/30/12	**12/31/11**	**9/30/12**	**12/31/11**
Assets:				
Income tax and social contribution	**2,138**	1,822	**2,138**	1,822
Liabilities:				
Income tax and social contribution	**-**	-	**(1,024)**	(1,092)
Taxes on revenue (PIS/COFINS)	**-**	-	**(118)**	(59)
	-	-	**(1,142)**	(1,151)

As at September 30, 2012, deferred tax assets and liabilities will be realized and settled based on the projection of future taxable income, prepared by the Company's management, is as follows:

	Individual		Consolidated	
	IRPJ and CSLL		**IRPJ and CSLL**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Expected realization:				
12 months	-	-	-	(1,142)
From 13 to 24 months	2,138	-	2,138	-
Total	2,138	-	2,138	(1,142)

The bases to recognize deferred tax assets (liabilities) are as follows:

	Individual		Consolidated	
	9/30/12	**12/31/11**	**9/30/12**	**12/31/11**
Tax loss carryforwards	**6,113**	5,197	**6,113**	5,197
Other	**174**	161	**174**	161
	6,287	5,358	**6,287**	5,358
Tax rate	**34%**	34%	**34%**	34%
Income tax and social contribution - noncurrent assets	**2,138**	1,822	**2,138**	1,822
Rentals not received - subsidiaries	**-**	-	**(3,397)**	(1,620)
Tax rate on deemed income	**32%**	32%	**32%**	32%
Deemed taxable base	**-**	-	**(1,087)**	(518)
Finance income taxed on an cash basis	**-**	-	**(1,925)**	(2,694)
Total taxable base	**-**	-	**(3,012)**	(3,212)
Tax rate	**34%**	34%	**34%**	34%
Income tax and social contribution - noncurrent liabilities	**-**	-	**(1,024)**	(1,092)

12. Shareholders' equity

Common shares and issued capital

	Number of shares in thousands	Issued capital
Balance at December 31, 2010	71,372	71,371
Share issuance – ESMs of 4/30/11 and 6/2/11		
Paid-in in cash	22	22
Paid-in with dividends	206	206
Share issuance – ESM of 8/18/11		
Paid-in in cash	25,060	25,060
Unpaid	37,590	-
Balance at September 30, 2011	134,250	96,660
Balance at December 31, 2011	134,250	134,250
Share issuance – ESM of 7/26/12		
Paid-in in cash	112	112
Balance at September 30, 2012	134,362	134,362

Dividends of 2011, amounting to R$624, were approved by the Annual Shareholders' Meeting (ASM) held on April 27, 2012 and paid in the third quarter of 2012.

The Extraordinary Shareholders' Meeting (ESM), held on July 26, 2012, approved the increase of the Company's capital to R$134,362, through the issuance of 111,654 registered common shares without par value, under following terms and conditions: 111,654 new common shares, placed at the issuance price of R$5.59 per share, totaling R$624, of which R$112 are allocated to capital increase and R$512 to the capital reserve.

Stock option plan:

On June 28, 2012, the Company approved the second stock option plan, equivalent to 89,774 common shares, at the exercise price of R$5.59. No amount is paid by the beneficiary when the option is granted. The stock options granted correspond to 2.52% of total approved for the plan. The options' vesting period is up to four years and options can be exercised within three years after the vesting date. From a total of 89,774 granted stock options, 4,489 are already vested when granted.

Under Article 171, Par. 3, of the Brazilian Corporate Law, the Company's shareholders do not have preemptive rights on the exercise of stock options.

The Company records the employees' share-based compensation in the financial statements based on its fair value. The fair value of the stock option program was estimated based on the Black & Scholes stock option pricing model, considering the following weighed average assumptions:

Risk-free rate	8.66%
Vesting period in years	4
Expected annualized volatility	42.26%
Expected dividends	5%
Stock options fair value on grant date per share	R$2.73

The compensation costs resulting from the granted stock options were R$33 for the nine-month period ended September 30, 2012 (R$263 taking into consideration the first and second stock option plans). As at September 30, 2012, the compensation costs resulting from the stock options granted under the second plan still to be recognized over the remaining 3.7-year vesting period total R$212 (R$871 for the first and second stock option plans).

The other information on equity did not change significantly in relation to the information disclosed in note 13 to the financial statements for the year ended December 31, 2011.

13. Earnings per share

Profit and the weighted average number of common used to calculate basic and diluted earnings per share are as follows:

	Individual			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Basic earnings per share:				
Profit for the periods	**7,852**	**1,817**	1,604	1,327
Weighted average number of outstanding common shares	**134,287,511**	**134,361,675**	81,359,548	100,882,081
Basic earnings per share - in R$	**0.0585**	**0.0135**	0.0197	0.0132
Diluted earnings per share:				
Profit for the periods	**7,852**	**1,817**	1,604	1,327
Weighted average number of outstanding common shares	**134,287,511**	**134,361,675**	81,359,548	100,882,081
Dilutive effect of stock options	**251,470**	**251,470**	229,880	229,880
Weighted average number of outstanding common shares	**134,538,981**	**134,613,145**	81,589,428	101,111,961
Diluted earnings per share - in R$	**0.0584**	**0.0135**	0.0197	0.0131

14. Net lease revenue

	Individual			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Lease revenue	**4,526**	**2,677**	-	-
PIS/COFINS on lease revenue	**(419)**	**(248)**	-	-
Net lease revenue	**4,107**	**2,429**	-	-

	Consolidated			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Lease revenue	**19,839**	**8,635**	4,053	2,064
PIS/COFINS on lease revenue	**(1,015)**	**(501)**	(129)	(59)
Net lease revenue	**18,824**	**8,134**	3,924	2,005

15. Cost and expenses by nature

	Individual			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Depreciation	**(998)**	**(527)**	-	-
Advertising	**(293)**	**(23)**	(141)	(97)
Salaries and employee benefits	**(3,135)**	**(1,408)**	(1,472)	(584)
Management compensation	**(623)**	**(216)**	(534)	(189)
Outside services	**(2,078)**	**(765)**	(850)	(215)
General expenses	**(868)**	**(344)**	(444)	(267)
Stock options	**(263)**	**(102)**	(162)	(80)
Vacancy expenses	**(152)**	**(64)**	-	-
Other	**(56)**	**(36)**	(38)	(10)
	(8,466)	**(3,485)**	(3,641)	(1,442)
Classified as:				
Cost of leases	**(998)**	**(527)**	-	-
Selling expenses	**(1,225)**	**(350)**	(160)	(110)
General and administrative expenses	**(5,565)**	**(2,356)**	(2,887)	(1,094)
Management compensation	**(623)**	**(216)**	(534)	(189)
Other operating expenses, net	**(55)**	**(36)**	(60)	(49)
	(8,466)	**(3,485)**	(3,641)	(1,442)

	Consolidated			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Depreciation	**(4,250)**	**(1,799)**	(893)	(452)
Advertising	**(300)**	**(30)**	(369)	(298)
Salaries and employee benefits	**(3,135)**	**(1,408)**	(1,472)	(584)
Management compensation	**(623)**	**(216)**	(534)	(189)
Outside services	**(2,465)**	**(931)**	(850)	(215)
General expenses	**(885)**	**(336)**	(503)	(273)
Stock options	**(263)**	**(102)**	(162)	(80)
Vacancy expenses	**(297)**	**(60)**	-	-
Other	**(4)**	**(42)**	(107)	(46)
	(12,222)	**(4,924)**	(4,890)	(2,137)
Classified as:				
Cost of leases	**(4,250)**	**(1,799)**	(893)	(452)
Selling expenses	**(1,789)**	**(520)**	(498)	(402)
General and administrative expenses	**(5,556)**	**(2,347)**	(2,903)	(1,056)
Management compensation	**(623)**	**(216)**	(534)	(189)
Other operating expenses, net	**(4)**	**(42)**	(62)	(38)
	(12,222)	**(4,924)**	(4,890)	(2,137)

16. Related parties

Related-party balances and transactions are as follows:

	Individual		Consolidated	
	9/30/12	12/31/11	9/30/12	12/31/11
Balance sheets:				
Short-term investments:				
Banco Intermedium (a)	**23,186**	36,259	**31,688**	45,079
Banco BMG (b)	**-**	-	**8,722**	8,803
Due to related parties:				
MRV Engenharia e Participações S.A. (c)	**198**	105	**198**	105
Land payables:				
MDI Desenvolvimento Imobiliário Ltda. (d)	**10,402**	26,828	**10,402**	26,828

	Individual			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Transactions:				
Income from short-term investments:				
Banco Intermedium (a)	**2,337**	**587**	456	232
Provision of administrative services (c)	**1,555**	**503**	609	169
Financial expenses - due to related parties:				
MRV Engenharia e Participações S.A. (f)	**-**	**-**	936	431

	Consolidated			
	2012		2011	
	Nine months	3rd quarter	Nine months	3rd quarter
Transações:				
Income from short-term investments:				
Banco Intermedium (a)	**2,939**	**761**	1,194	499
Banco BMG (b)	**611**	**182**	724	265
Provision of administrative services (c)	**1,555**	**503**	609	169
Acquisition of services (e)	**-**	**-**	1,246	-
Financial expenses - due to related parties:				
MRV Engenharia e Participações S.A. (f)	**-**	**-**	936	431

(a) Refers to short-term investments in CDBs with Intermedium Crédito Financiamento e Investimento S.A. ("Intermedium"), which is controlled by the controlling shareholder da MRV Engenharia e Participações S.A. As at September 30, 2012, short-term investments yielded approximately 112% of CDI in Individual and 110.4% of CDI on a consolidated basis (111.4% of CDI in Individual and 110.4% of CDI on a consolidated basis at December 31, 2011).

(b) Refers to an investment in CDBs with Banco BMG, which is the controlling shareholder of Agrícola São Gabriel Ltda., a shareholder of SPE Cabral. As at September 30, 2012, this investment yields approximately 106.0% of CDI (106.0% of CDI at December 31, 2011).

(c) Amounts payable consisting of expenses on administrative services provided by MRV Engenharia e Participações S.A., which are calculated by applying a 7.5% rate on the Company's projected revenue. The agreement is effective for an indefinite period.

(d) Refers to payables for the land acquired in December 2010 from a subsidiary of MRV Engenharia e Participações S.A.

(e) Refers to building and construction management services provided by a company related to the non-controlling shareholder related to the construction of warehouses at LOG I, LOG II and LOG Jundiaí. At the beginning of the second quarter of 2011, the Company acquired the interest held by these shareholders.

(f) Refers to financial expenses arising on the loan agreement entered into by these companies, which bears interest equivalent to CDI + fixed rate of 3.30% per annum. The loan was settled in August 2011.

17. Financial instruments and risk management

(a) Exposure to interest rates and inflation adjustment indices

The analysis below was undertaken as described in note 18 (c) to the financial statements for the year ended December 31, 2011.

Indicators	Financial asset	Financial liability	Net exposed financial liability	Effective rate for the 12-month period ended 9/30/2012	Estimated annual rate for 2012	Change in effective rate for the relevant scenario	Total estimated effect
Probable scenario:							
CDI	40,413	(342,614)	(302,201)	9.53%	7.26%	-2.27%	6,860
IGPM	-	(25,058)	(25,058)	8.07%	8.65%	0.58%	(145)
TR	-	(107,904)	(107,904)	0.51%	0.00%	-0.51%	550
							7,265
Scenario I:							
CDI	40,413	(342,614)	(302,201)	9.53%	9.08%	-0.45%	1,360
IGPM	-	(25,058)	(25,058)	8.07%	10.82%	2.75%	(689)
TR	-	(107,904)	(107,904)	0.51%	0.00%	-0.51%	550
							1,221
Scenario II:							
CDI	40,413	(342,614)	(302,201)	9.53%	10.89%	1.36%	(4,110)
IGPM	-	(25,058)	(25,058)	8.07%	12.98%	4.91%	(1,230)
TR	-	(107,904)	(107,904)	0.51%	0.00%	-0.51%	550
							(4,790)

(i) Data obtained on the Central Bank of Brazil website.
(ii) Data obtained on the Central Bank of Brazil website, Focus Bulletin.
(iii) Data obtained on the BM&F Bovespa website.
(*) Effective change for the first nine months of 2012 plus a projection for the next three months of 2012.

(b) Liquidity and interest rate risk table

The tables below detail the remaining contractual maturity of the Group's non-derivative financial liabilities and the contractual amortization periods. These tables have been prepared using the undiscounted cash flows of the financial liabilities based on the nearest date on which the Group should settle the related obligations. The tables include interest and principal cash flows. As the interest flows refer to floating rates, the undiscounted was obtained based on the index projections from September 30, 2012 to the contractual maturity, which is based on the nearest date on which the Group should settle the related obligations.

	Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Individual:					
Floating rates	155,433	179,745	51,371	184,450	570,999
Fixed rates	32,156	-	-	-	32,156
Non-interest bearing securities	5,903	-	-	-	5,903
Total	193,492	179,745	51,371	184,450	609,058

	Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Consolidated:					
Floating rates	155,433	182,498	55,610	233,506	627,047
Fixed rates	32,156	-	-	-	32,156
Non-interest bearing securities	19,004	-	-	-	19,004
Total	206,593	182,498	55,610	233,506	678,207

The other information on financial instruments, exposure to foreign exchange risks, capital risk management, and credit risk did not change significantly in relation to the information disclosed in note 18 to the financial statements for the year ended December 31, 2011.

18. Guarantees

Except for the guarantees described in notes 7 and 10, the Group does not collateralize any of its assets and is not the guarantor of any other types of third-party transactions.

19. Commitments

SPE Betim:

The Company entered into a shareholders' agreement with Agropecuária Aroeiras Ltda. mainly aimed at establishing how this SPE's capital will be paid in, and other relationships between the shareholders. As Agropecuária Aroeiras Ltda. paid in the capital through the assignment of own land on the establishment of the SPE and the Company is paying in capital basically in cash over time, the unpaid balance will be adjusted using a rate equivalent to 66% of CDI fluctuation, which will be the amount contributed by the Company as capital increase in SPE Betim. As at September 30, 2012, the amount to be paid-in by the Company is R$35,368.

20. Noncash transactions

During the nine-month period ended September 30, 2012 and 2011, the Company and its subsidiaries conducted the following investment and financing transactions that did not involve cash, which, therefore, are not reflected in the statement of cash flows:

	Individual		Consolidated	
	9M2012	9M2011	9M2012	9M2011
Capital contribution to investee with investment properties	**74,461**	116,165	**-**	-
Capital contribution to investee with investment properties - barter	**41,360**	-	**-**	-
Interest capitalization	**27,171**	16,286	**27,171**	-
Capital increase using dividends	**624**	-	**624**	-

21. Insurance

The Company has an insurance policy that considers primarily risk concentration and their materiality, taking into consideration the nature of its business, and advice of the insurance brokers. As of September 30, 2012, insurance coverage is as follows:

Items	Type of coverage	Insured amount
- Construction insurance (engineering risk)	- Coverage during construction for involuntary damages caused during construction, installation and assembling work on the insured sites.	50,545
- Real property delivery insurance	- Guarantees delivery of the works to committed buyers and barterers.	30,000
- Group life and personal injury insurance	- Bodily injury involuntarily caused to employees, contractors, interns and engineers.	40,831
- Corporate	- Fire, lightening, explosion, windstorm, hail, car crash, RC transactions, and rental loss/payment.	52,140

22. Events after the reporting period

In October 2012, the Company paid interest due and repaid part of the principal of the working capital transaction and extended the maturity of the remaining outstanding balance of R$40,000 to December 2012. The agreement addendum provides for interest equivalent to 100% of the CDI plus spread of 1.80% per year. Interest will be paid in December 2012. The agreement does not contain any restrictive covenants requiring compliance with financial ratios. The Company's shareholders guarantee the transaction.

In October 2012, the Company and its subsidiary received a total of R$14,256 to finance the construction of their assets. Also in October 2012, the Company entered into construction financing agreements totaling R$14,228, the release of which is estimated for November 2012.

23. Approval of the interim financial statements

This interim financial information was approved by the Company's Directors on October 31, 2012.