



**MARTIFER**  
GROUP



# INTERIM MANAGEMENT REPORT AND FINANCIAL INFORMATION

9 Months 2010





HIGHLIGHTS

MAIN EVENTS

INTERIM MANAGEMENT REPORT

- ECONOMIC AND FINANCIAL ANALYSIS
- ANALYSIS BY SEGMENT
- OUTLOOK
- SHARE PERFORMANCE

INTERIM CONSOLIDATED FINANCIAL INFORMATION





Analysis of **Strategic Goals** and delivery of **Corporate Objectives** along the 9M10:

## FOCUS

### ACTIVITY EXPANSION OF METALLIC CONSTRUCTION

- ✓ One digit growth in YoY Revenues comparison
- ✓ QoQ Growth
  - +17.4% (3Q10 vs 3Q09)
  - +7.4% (3Q10 vs 2Q10)
- ✓ Stable order book and increased exposure to markets outside Iberia (from 55% in 2Q10 to 65% in the 3Q10)

### VISIBILITY OF MARTIFER SOLAR

- ✓ +66% YoY growth in Revenues, above FY09 results  
+211.6% YoY growth in the EBITDA
- ✓ Increased weight in total Consolidated Revenues, i.e., 34.4% in 9M10 vs 21.3 % in 9M09
- ✓ +99.1% in 3Q10 vs 2Q10 in the EBITDA

## OPERATIONAL EFFICIENCY

### IMPROVING OPERATING PERFORMANCE

- ✓ Revenues up by 2.6% YoY, Gross Profit +13.9%
- ✓ EBITDA YoY growth of 5.3%
- ✓ Adj. EBITDA (off Tavira Gran-Plaza effect) +21.5% YoY growth and +1.7 pp improved margin in an increasingly competitive environment

## FINANCIAL CONSOLIDATION

### FINANCIAL DISCIPLINE

- ✓ -20.4 M€ in Net Debt to 424.2 M€ (from FY2009 444.5 M€)
- ✓ Net Debt/EBITDA = 4.7x only considering Net Debt allocated to core business
- ✓ Sale of non-core assets: EDP and Tavira Gran-Plaza

## PROFITABILITY

- Adjusted Net Profit of 400 thousand euro vs -10.8 million euro in 9M09
- Prio Energy and Prio Foods contributed, in the 9M10, respectively with 1.3 million euro and -2.9 million euro of Net Profit

Reported Figures - non audited	9 Months		9 Months		
€M - IFRS	2010	Marg.	2009	Marg.	Var. %
<b>Revenues</b>	416.1		405.7		2.6%
<b>EBITDA</b>	41.8	10.1%	39.7	9.8%	5.3%
EBIT	5.6	1.3%	-16.4	-4.0%	n.m.
Financial Results	0.1		144.0		-99.9%
<b>Profit before tax</b>	5.7		127.6		-95.5%
Income tax	5.6		3.3		72.1%
<b>Profit from continued operations</b>	<b>0.1</b>	<b>0.0%</b>	<b>124.4</b>	<b>30.7%</b>	<b>-99.9%</b>
Net Profit - From discontinued operations	-		-12.9		
Consolidated Net Profit	0.1	0.0%	111.5	27.5%	-99.9%
Attributable					
to non-controlling interests	3.4		-2.8		n.m.
to shareholders	-3.3		114.3		n.m.

Adjusted Figures	9 Months		9 Months		
€M - IFRS	2010	Marg.	2009	Marg.	Var. %
<b>Revenues</b>	416.1		405.7		2.6%
<b>EBITDA</b>	41.8	10.1%	39.7	9.8%	5.3%
<b>EBITDA w/o Tavira Plaza effect</b>	45.0	10.8%	37.0	9.1%	21.5%
EBIT	19.0	4.6%	21.6	5.3%	-12.3%
Financial Results	-12.9		-16.9		23.4%
<b>Profit before tax</b>	6.0		4.7		27.6%
Income tax	5.6		3.3		72.1%
<b>Profit from continued operations</b>	<b>0.4</b>	<b>0.1%</b>	<b>1.5</b>	<b>0.4%</b>	<b>-71.1%</b>
Net Profit - From discontinued operations	-		-12.9		
Consolidated Net Profit	0.4	0.1%	-10.8	-2.7%	n.m.
Attributable					
to non-controlling interests	4.8		-2.8		n.m.
to shareholders	-4.3		-8.0		45.8%

Note: Results presented according to the consolidated financial statements (reported values) non-audited. To allow a better understanding of the operational performance of the Group, values were adjusted for non-recurring events. In the 9 Months 2010 adjustments reached 13.4 million euro of impairment losses and 13.1 million euro of capital gains relative to Prio Energy and Prio Foods' share sales. In the 9 Months 2009 values were re-expressed in order to present the results from the business unit held for sale (Agriculture & Biofuels) separate from continued operations. Reported figures in the 9 Months 2009 include a financial gain of 160.9 million euro from the sale of REpower Systems, AG, and provisions and impairment losses of 38 million euro resulting from a revaluation of assets.

## FEBRUARY 2010

### **Martifer Renewables sells 15% of Ventinveste to Galp**

Martifer Renewables sold 50% of the Parque Eólico Penha da Gardunha, Lda ('PEPG'), a company currently holding 30% of the share capital in the company Ventinveste, SA ('Ventinveste'), to Galp Energia. The value of the transaction amounted to approximately 5 million euro.

PEPG was acquired by Martifer Renewables from the Babcock & Brown Group in June 2009. This current sale of half the share capital of the company to Galp Energia had, in effect, rebalanced the respective stakes between Martifer SGPS and Galp Energia in Ventinveste. After this operation the shareholders' structure of Ventinveste is Galp Energia with 49%, Martifer SGPS with 46.6%, REpower with 2.4% and Efacec with 2%.

## MARCH 2010

### **Martifer sells 11% of Prio Foods and Prio Energy**

Martifer SGPS, SA sold 11% of its participation in the subsidiaries PRIO SGPS, SA ('Prio Foods') and PRIO Advanced Fuels SGPS, SA ('Prio Energy') to the company Severis SGPS, SA, for 13.75 million euro, this way proceeding with the reduction of the economic interest in the Agriculture & Biofuels segment.

By means of this operation, Martifer SGPS, SA reduces its share capital participation from 60% to 49% in the aforementioned companies and respective subsidiaries.

## APRIL 2010

### **Martifer approves a 10 million euro dividend distribution at AGM**

At the Annual General Meeting held on the 7<sup>th</sup> of April 2010 a dividend distribution of 10 million euro, relative to 2009's net profit, was approved, representing €0.10 per share. Dividends were paid on the 5<sup>th</sup> of May 2010.

**APRIL 2010****Martifer announces share capital increase in Martifer Solar**

Martifer SGPS, SA, following the Group's strategic focus on the metallic construction and renewable energy sectors (wind & solar), unanimously approved a 35 million euro share capital increase in its subsidiary Martifer Solar. Share capital will, as such, amount to 50 million euro.

This capital increase, to take place gradually in order to meet investment needs, will be proportionally subscribed by its shareholders. The aim of this operation is to strengthen the capital structure of Martifer Solar, in order to provide the company with endowment to benefit the current growth of the solar sector.

**AUGUST 2010****Martifer sells Tavira Gran-Plaza**

Martifer Gestão de Investimentos, S.A., sold 100% of Tavira Gran-Plaza to Estia by the total amount of 44.3 million euro. This sale is in line with the announced strategy of divestment in the retail assets and focus on its core business.

Estia is a multi-specialist real-estate developer, currently playing an active role in the conception, implementation, promotion and management of its own projects, namely Shopping Centers, Retail Parks, Business Hotels and Offices, Logistic and Warehousing Platforms, Residential, Multi-complexes, Resorts and Senior Living.

**SUBSEQUENT EVENTS****OCTOBER 2010****Martifer sold its financial participation in EDP**

Martifer sold its remaining financial participation in EDP, or 9,866,178 shares corresponding to a 0.27% financial stake of the share capital of that company. The average price has been 2.55 euro per share which corresponds to 25.2 million euro of cash proceeds.

## ECONOMIC AND FINANCIAL ANALYSIS

### Income Statement

€M	9M10 Adjusted	9M09 Adjusted	Var. %	9M10 Reported	9M09 Reported	Var. %
Revenues	416.1	405.7	2.6%	416.1	405.7	2.6%
Gross Profit	160.0	140.5	13.9%	160.0	140.5	13.9%
Earnings before depreciation, amortization and provisions & impairment losses (EBITDA)	41.8	39.7	5.3%	41.8	39.7	5.3%
EBITDA margin	10.1%	9.8%	0.3 pp	10.1%	9.8%	0.3 pp
Depreciation & Amortization	19.8	17.2	15.5%	19.8	17.2	15.5%
Provisions & Impairment Losses	3.0	0.9	>100%	16.4	38.9	-57.9%
Operating Income (EBIT)	19.0	21.6	-12.3%	5.6	-16.4	n.m.
EBIT margin	4.6%	5.3%	-0.8 pp	1.3%	-4.0%	5.4 pp
Financial Results	-12.9	-16.9	23.4%	0.1	144.0	-99.9%
Profit before taxes	6.0	4.7	27.6%	5.7	127.6	-95.5%
Income tax	5.6	3.3	72.1%	5.6	3.3	72.1%
Net Profit from Continued Operations	0.4	1.5	-71.1%	0.1	124.4	-99.9%
Results from the business unit held for sale	-	-12.9		-	-12.9	
Net Profit	0.4	-10.8	n.m.	0.1	111.5	-99.9%
Attributable to non-controlling interests	4.8	-2.8	n.m.	3.4	-2.8	n.m.
Attributable to shareholders	-4.3	-8.0	45.8%	-3.3	114.3	n.m.
per share €	-0.043	-0.080		-0.033	1.143	

Note: Results presented according to the consolidated financial statements (reported values) non-audited. To allow a better understanding of the operational performance of the Group, values were adjusted for non-recurring events. In the 9 Months 2010 adjustments reached 13.4 million euro of impairment losses and 13.1 million euro of capital gains relative to Prio Energy and Prio Foods' share sales.

The 9 Months 2009 values were re-expressed in order to present the results from the business unit held for sale (Agriculture & Biofuels) separate from continued operations. Reported figures in the 9 Months 2009 include a financial gain of 160.9 million euro from the sale of REpower Systems, AG, and provisions and impairment losses of 38 million euro resulting from a revaluation of assets.

### Revenues

In the 9 Months 2010, Operating Revenues increased by 2.6% YoY to 416.1 million euro, showing a significant rebound from the tendency posted in the 1<sup>st</sup> Half 2010.

The decrease of Operating Revenues in the Energy Systems (-57.3% YoY), which had been anticipated, was more than offset by the positive performance in the other business areas with strong growth record in Solar and RE Developer with +65.6% and +29.7% YoY respectively, and a growth of 8.6% YoY in the Metallic Construction business area.

We highlight that the third quarter 2010, in comparison with the second quarter, revealed significant improvement in all the business areas, with the exception of Energy Systems.

The Solar segment registered a Revenue increase of 65.6% YoY to 143.1 million euro, which by now overpasses the level of Revenues achieved in 2009. This activity has taken full advantage of the current buoyancy of the photovoltaic sector, particularly in some European countries such as Italy.

In the Metallic Construction business area the 8.6% YoY increase in Revenue is mainly justified by the launch of some significant projects in the portfolio and a smooth upwards trend felt in the aluminium and steel prices in the international market.

The RE Developer area also presented an Operating Revenue growth of 29.7% YoY, due to an increase in the number of operating MWs, as some parks started its operation in the middle of 2009.

Revenue reduction in the Energy Systems segment (-57.3%) is explained by the impact of both the economic slowdown, the difficult financial market conditions, and regulatory uncertainty given the budgetary problems faced by governments leading to a drop in the demand for eolic equipment and systems and, consequently, to a reduction of turnkey projects across Europe. Nevertheless, we emphasize that this sharp decline was, nonetheless, anticipated last February during the 2009 Annual Results presentation.

Revenues	9M 2010		9M 2009		Var. %
	€M	Weight	€M	Weight	
<b>Martifer Consolidated</b>	<b>416.1</b>		<b>405.7</b>		<b>2.6%</b>
Metallic Construction	207.0	49.7%	190.6	47.0%	8.6%
Energy Systems	53.5	12.9%	125.3	30.9%	-57.3%
Solar	143.1	34.4%	86.4	21.3%	65.6%
RE Developer	18.1	4.4%	14.0	3.4%	29.7%
Holding, Elim. and Adjust.	-5.5	-1.3%	-10.5	-2.6%	47.5%

It is important to stress that in terms of weight of consolidated Revenues by business area a significant shift from wind to solar has happened, with Metallic Construction and Solar weighting roughly 84.1% of the Revenue in the 9 Months 2010 comparing with 68.3% in the same period last year.

We would like to emphasize again that the Solar business area is already the second largest contributor to Martifer's Revenue, justifying the capital increase announced to boost the current portfolio of projects.

Otherwise, the distribution of consolidated Revenues by geography was as follows: Portugal 42.5%, Spain 14.4%, Central Europe 11.3%, Angola 5.5% and the rest of the World 26.3%.

## EBITDA and Net Profit

In the 9 Months 2010, total consolidated EBITDA registered a sum of 41.8 million euro, which represents an increase of 5.3% compared with the same period last year, and corresponding to a consolidated EBITDA margin of 10.1%, which compares with the EBITDA margin of 9.8%, in the same period last year. If we adjust the values taking into account the effect of the Tavira Gran-Plaza (see page 16) we obtain a growth in the Adj EBITDA of 21.5%.

The YoY increase of the EBITDA in Solar and RE Developer more than compensated the decrease in Energy Systems and Metallic Construction's EBITDA.

EBITDA	9M 2010		9M 2009		Var. %
	€M	Marg.	€M	Marg.	
<b>Martifer Consolidated</b>	<b>41.8</b>	<b>10.1%</b>	<b>39.7</b>	<b>9.8%</b>	<b>5.3%</b>
Metallic Construction	14.2	6.9%	23.3	12.3%	-39.0%
Energy Systems	-1.5	-2.9%	8.5	6.8%	n.m.
Solar	17.5	12.2%	5.6	6.5%	>100%
RE Developer	9.9	54.5%	1.1	8.0%	>100%
Holding, Elim. e Ajust.	1.8	-	1.2	-	-

Earnings before interest and taxes (EBIT) reached 5.6 million euro on a reported basis, which compares with -16.4 million euro on the same period of the previous year. However, for the two values to be really comparable (excluding non-recurrent effects), it is necessary to adjust 13.4 million euro in provision and impairment losses. Excluding this effect, EBIT amounts to 19 million euro in the 9 Months 2010, what compares with 21.6 million euro in the 9 Months 2009.

Net Financial Results amounted a negative 100 thousand euro, which on a reported basis includes two positive effects: 13.1 million euro capital gains resulting from the sale of 11% share capital in Prio Energy and in Prio Foods (non-recurrent) already registered in the 1<sup>st</sup> Half 2010 and 1.3 million euro of positive gains from the application of the Equity Method to Prio Advanced Fuels (recurrent). To these we have to add a negative effect from the application of the Equity Method to Prio Advanced Foods of 2.9 million euro.

The net contribution from the application of the Equity Method to the subsidiaries Prio Energy and Prio Foods reached approximately -1.6 million euro in the 9 Months 2010.

Net Financial Results adjusted for non-recurrent events have progressed favourably to -12.9 million euro in the 9 Months 2010, compared with -16.9 million euro in last year's 9 Months, which corresponds to a 4 million euro improvement. This improvement was due not only to a decrease in interest, resulting from a lower level of debt and to a reduction in interest rates, but also to foreign currency exchange gains.

Net Interest Expenses were 12.4 million euro, comparing positively with 14.1 million euro in the 9 Months 2009.

Net foreign exchange currency was positive, reaching 2.1 million euro due to the appreciation of Kwanza (Angola) and Polish Zloty (Poland), against the Euro, matching up with a 3.7 million euro net foreign currency exchange loss recognized in the 9 Months 2009.

## CAPEX

The value of investment in fixed assets in the 9 Months amounted to 29.5 million euro, essentially applied to the construction of the new tower plant in Texas, USA and to the development of RE Developer's assets in Romania, Poland, Portugal and Brazil, and finally the investments made in Angola to conclude the Metallic Construction's facilities.

The breakdown of CAPEX in the period by business area was 3.6 million euro in Metallic Construction, 5 million euro in Energy Systems, 19.3 million euro in RE Developer and 1.2 million euro in Solar.

As of 30<sup>th</sup> of September 2010, the Group controlled a stake of 9,866,178 shares of EDP – Energias de Portugal SA. Considering the share price at the time, this financial position represented a 24.8 million euro market value, with a potential capital loss of 201.717 euro (versus its value on the 31<sup>st</sup> December 2009), recorded directly in the caption 'Fair value reserves' at the share capital.

## Financial Position

€M	Sep-10	Dec-09	Var.
Fixed Assets (including Goodwill)	490.5	494.0	-0.7%
Other non-current assets	104.0	75.2	38.3%
Assets available for sale	24.9	55.0	-54.7%
Inventory and Receivables	514.3	412.5	24.7%
Cash and cash equivalents	61.4	24.8	>100%
Assets of the business unit held for sale	-	361.2	-
Assets held for sale	-	-	-
<b>Total Assets</b>	<b>1,195.2</b>	<b>1,422.7</b>	<b>-16.0%</b>
Shareholders Equity	372.6	387.1	-5.1%
Non controlling Interests	21.8	19.0	42.7%
Non controlling Interests associated to assets held for sale	-	32.0	-
<b>Total Equity</b>	<b>394.5</b>	<b>438.0</b>	<b>-9.9%</b>
Non-current debt and leasings	168.7	198.4	-15.0%
Other non-current liabilities	26.4	24.6	7.2%
Current debt and leasings	314.7	270.0	16.6%
Other current liabilities	291.0	241.4	20.5%
Liabilities related to the assets of the business unit held for sale	-	250.3	-
Liabilities related to the asset held for sale	-	-	-
<b>Total Liabilities</b>	<b>800.8</b>	<b>984.7</b>	<b>-18.7%</b>

Total assets on the 30<sup>th</sup> of September 2010 amounted to 1,195.2 million euro, while non-current assets reached 619.5 million euro, compared to 1,422.7 million euro and 624.2 million euro respectively at year-end 2009.

Shareholders' Capital decreased from 438.0 million euro at the end of the year to 394.5 million euro at the end of the 9 Months 2010. This variation is mainly explained by the non-controlling Interests associated to assets held for sale (Prio) in 2009.

## Net Debt

€M	Metallic Construction	Energy Systems	Solar	RE Developer	Holding	Martifer Consolidated
Corporate Net Debt allocated to operating activities	50.4	46.7	79.4	56.8	92.8	326.0
Corporate Net Debt allocated to non-operating activities	29.5			24.8		54.3
Non-Recourse Net Debt				43.9		43.9
Total Net Debt	79.9	46.7	79.4	125.4	92.8	424.2
Holding debt allocated to business units	25.0	13.9		45.2	-84.2	
EBITDA annualized*	28.0	1.2	24.4	13.1	2.3	68.9
<b>(Corporate Net Debt allocated to operating activities + Holding debt allocated to business units) / EBITDA</b>	<b>2.7 x</b>	<b>51.7 x</b>	<b>3.3 x</b>	<b>7.8 x</b>		<b>4.7 x</b>

\* The value of EBITDA taken into account in the calculation of financial ratios corresponds to the sum of the last Quarter of 2009 with the 3 Quarters of 2010.

Note: Net Debt = Borrowing + Financial Lease + Derivatives – Cash and Cash Equivalents

The Group's Consolidated Net Debt at the end of the September amounted to 424.2 million euro which compares with 429.4 million euro in the semester. The variation (- 4.6% or a reduction of 20.4 million euro) registered in the 9 Months is explained by the disposal the Tavira Gran-Plaza and the partial disposal of the financial stake in EDP, although there was an increase in debt from the working capital investment incurred in the period, related with the increased activity in Solar segment, the payment of the dividend to shareholders and Capex.

## ANALYSIS BY SEGMENT

### Metallic Construction

#### Sector trends

No changes occurred in this segment since last period, with the trends remaining the same in an intensified competitive environment.

Global economy is still trying to recover from the crisis, sustained by the brisk growth in emerging economies.

Demand for metallic constructions has decreased and stagnated in mature countries such as Portugal and Spain. Economic growth in Europe is still slower than in the rest of the world. And demand toughens the competition and puts margins under pressure, which forces companies to reduce their cost structures. Emerging countries have been facing a growth in demand that metallic constructions' companies must capitalize on. North of Africa and Asiatic Countries are among the best regions in terms of demand.

Steel prices rose during the 9 Months of 2010, the European Steel price index is up by 28.8% YoY.

On a market by market analysis:

**IBERIA** | Both countries have been suffering from the debt crisis. At the moment, private investment has contracted, and public investment has been mostly delayed, due to tough austerity plans performed by both countries.

**ANGOLA** | Continues to show a strong dynamic, both from the public and the private sectors, but the high risk of the country remains the key point for the companies operating in the market.

**EASTERN CENTRAL EUROPE** | The economic growth in these countries is very slow at the moment, with reduced investment, although still showing positive signs from demand.

**BRAZIL** | The country with higher expected growth for the following years, with lots of public investment due to the World Cup in 2014 and the Olympic Games in 2016.

**OTHER GEOGRAPHIES** | The North of Africa and the Middle East are interesting geographies to look out for in the next months and years.

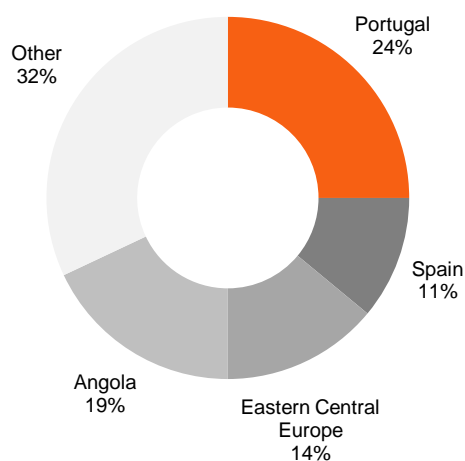
#### ACTIVITY

The Order book, with projects located in 11 countries, totalled 279 million euro at the 9 Months of 2010, 3% above the portfolio at the end of 2009, and in line with the previous quarters. During the 3<sup>rd</sup> Quarter the shift to markets outside Iberia continued, with their weight in the portfolio increasing from 55% to approximately 65%, what reveals the enormous effort to diversify to other geographies losing the dependency from the Iberian Construction Market. During these last three months the business unit gained the Edinburgh International Conference Centre project, worth 8.3 million euro, and the Sisk Bridges in Torun, Poland, a project of 77 million Polish Zloty.

**ORDER BACKLOG – FEATURED PROJECTS**

Project	Location	Total Value	Beginning Year	End Year
Artenius PTA plant	Sines, Portugal	Euro 22.4 M	2008	2010
Pego Power Plant	Abrantes, Portugal	Euro 7.0 M	2009	2010
Galp Petrogal – conversion of refinery	Sines, Portugal	Euro 16.7 M	2009	2010
Coach Museum	Lisbon, Portugal	Euro 6.3 M	2010	2010
Ulla Bridge	Corunna, Spain	Euro 20.8 M	2009	2010
Repsol Head Quarters	Madrid, Spain	Euro 18.1 M	2009	2010
Amiens Hospital	Amiens, France	Euro 1.8 M	2010	2011
Office Building – ZAC Victor Hugo	Paris, France	Euro 3.0 M	2010	2011
Dublin Airport, Terminal 2	Dublin, Ireland	Euro 61.0 M	2008	2010
JMD Koszalin	Koszalin, Poland	PLN 42.1 M	2010	2011
Basarab Bridge	Bucharest, Romania	Euro 5.1 M	2009	2010
Toll Station	Calafat, Romania	Euro 3.5 M	2010	2010
Renault Factory	Tangier, Morocco	Euro 25.3 M	2009	2011
Canberra Airport Terminal	Canberra, Australia	AUD 10.5 M	2009	2011
Alstom – Mannheim 9	Mannheim, Germany	Euro 16.5 M	2010	2011
Morocco Mall	Casablanca, Morocco	Euro 5.1 M	2010	2011
Office Building in Luanda	Luanda, Angola	Euro 12.2 M	2010	2011
Edinburgh International Conference Centre	Edinburgh, Scotland	Euro 8.3 M	2010	2011
Sisk Bridges	Torun, Poland	PLN 77.0 M	2010	2011

Note: Variations in some of the projects' values between periods may occur due to changes in the works requested

**BREAKDOWN OF THE BACKLOG – TOTAL: 279 M€**


## RESULTS

Metallic Construction's Revenues in the 9 Months of 2010 increased about 8.6% YoY to 207 million euro, reflecting the progressive increase during 2010. On a QoQ comparison (i.e. comparing 3Q10 with 3Q09), Revenues registered a growth of 17.4%, mainly due to an increase in volume of activity and also due to recovery in the price of raw material, such as steel and aluminium.

In the 9 Months of 2010, the breakdown of revenues by market has been: Iberia weighting 55% (a decrease from the 60% that Iberia represented at the end of 2009) and external markets representing roughly 45% of revenues.

Reported EBITDA in the 9 Months reached 14.2 million euro, corresponding to a 6.9% margin, 5.4 p.p. below the reported margin of the 9 Months 2009. Nevertheless this value is being skewed by accounting movements related with the real estate activity, thus taking into account the Adjusted EBITDA of 17.4 million euro, which compares with 20.6 million euro in the same period last year, the EBITDA margin reached 8.4%, what corresponds to a decrease of 2.4 p.p. YoY, justified by the increased level of competition in some markets, especially in Iberia and Eastern Europe. It is worthwhile to highlight that the adjustments made in 2010 and 2009 to the EBITDA, respectively 3.1 and -2.7 million euro, are related with the change of fair value of Tavira Gran-Plaza, as previously explained in the 1<sup>st</sup> Half 2010 results.

Reported EBIT in the period amounted 6.8 million euro, reflecting a margin of 3.3%. This represents a drop of 62% YoY, justified by an increase in depreciation and provisions amounting to 1.8 million euro. Of these, 1.3 million euro corresponds to provisions made on the account receivables and 500 thousand euro corresponds to depreciation from the Angolan facilities.

Net Financial Expenses showed a significant improvement by decreasing 51% YoY and amounting 4.1 million euro, which corresponded to 5.4 million euro of interest costs and other financial fees and to a positive foreign currency exchange, of 1.3 million euro.

Net Profit totalled 0.8 million euro, of which 2.5 million euro attributable to non-controlling interests, mostly in Martifer Alumínios and Martifer Angola.

Net Financial Debt in Metallic Construction by the 30<sup>th</sup> of September 2010 reached 104.9 million euro showing a decrease of 3.2% in the third quarter of the year. In other words, corresponding to a total Net Debt of 79.9 million euro registered in the financial statements of the business area and 25 million euro in other debt used at the Holding level. Furthermore, if compared with the end of 2009, there was a decrease of 34.9 million euro, greatly explained by the sale of the Tavira Gran-Plaza but also due to rigorous management on the working capital and level of capex, besides the progressive increase on the level of activity. Of the total net debt, 29.5 million are allocated to projects in the Retail area, not considered core business.

CAPEX reached 3.6 million euro in the 9 Months 2010, showing an important cut when compared to the same period in 2009 where 10.4 million euro were invested. The explanation for the lower level of investment is the conclusion of the production facilities. The latest investments were made in Angola, where roughly 60% of the 9 Months capex was applied in new factories.

Metallic Construction €M	9M 2010	9M 2009	Var. %
Revenues	207.0	190.6	9%
EBITDA	14.2	23.3	-39%
EBITDA Margin	6.9%	12.3%	-5.4 pp
<i>Adj. EBITDA</i>	<i>17.4</i>	<i>20.6</i>	<i>-16%</i>
<i>Adj. EBITDA Margin</i>	<i>8.4%</i>	<i>10.8%</i>	<i>-2.4 pp</i>
EBIT	6.8	17.7	-62%
EBIT Margin	3.3%	9.3%	-6 pp
Net Financial Expenses	4.1	8.3	-51%
Income tax	1.9	1.9	2%
Net Profit	0.8	7.6	-89%
Attributable to non-controlling interests	2.5	2.5	0%
Attributable to shareholders	-1.7	5.0	n.m.
Net Debt	79.9	176.8	-55%
Capex	3.6	10.4	-65%

Note: Adjusted EBITDA figures account a 3.1 million euro loss in 2010 and a 2.7 million euro gain in 2009, both concerning the update in the fair value of Tavira Gran-Plaza. Tavira Gran-Plaza was evaluated for 44.4 million euro in July 2010, whilst it was valued at 47.5 million euro in 2009.

## Solar

### Sector trends

Bloomberg New Energy Finance believes 2010 will have between 16.7 GW and 19.6 GW of new installations, an increase from the 1<sup>st</sup> Half numbers. This represents a huge boost when compared with 2009 (more than double). Projections for 2011 also presuppose an increase, with numbers between 18.6 GW and 24.5 GW.

Europe maintains its very unstable economic situation, especially in Greece and Portugal, with Spain also facing some difficulties. Regulatory uncertainty remains in Spain, where the market is on pause. Italy promises to have a very good 2011.

Germany is still the biggest market in the world, and in 2010 will probably reach between 10 and 11 GW. With the 13% tariff cut at the end of 2010 the market will suffer a large reduction in 2011, especially in large-scale projects, but a crash is not expected. The major PV players in Germany will feel the pressure to move rapidly to other markets, increasing the competition in most of the geographies we are currently focused on.

On a market by market analysis:

**PORTUGAL** | The Government announced the objective of 1,500 MW of solar capacity installed by 2020

**SPAIN** | The Government is having trouble because of the big bill they have to pay due to the high tariffs offered to renewable energy in recent years; a reduction of tariffs is probably the way forward, with more information available until the end of the year

**ITALY** | Market with very good prospects for 2010, with projections between 1.3 and 2.1 GW installed this year; the new solar energy bill will have a cap of 3 GW until 2013 and the tariff will decline 6% every four months next year and another 6% in the following two years; the government plans to reach 8 GW solar capacity by 2020; BNEF expects that installations in 2011 will range from 2.9 to 3.6 GW

**FRANCE** | Expanding market in Europe, with a strong wager on building integrated PV, for which the tariff is especially attractive; there are serious doubts on how this market will evolve

**CZECH REPUBLIC** | Market driven by an attractive tariff and good solar exposure, will be one of the main PV growth drivers in Europe in 2010, reaching about 1,600 MW of installed capacity; tariffs will be significantly reduced for 2011 onwards, but the market will remain interesting

**BELGIUM** | Remains an interesting market with its support for integrated PV in industrial rooftops

**USA** | Huge market and great potential, however it is still waiting for strong regulation support to push forward its development

**GREECE** | Currently unattractive market for development due to high uncertainty associated with the severe crisis the country is facing and also the current permitting bottlenecks

## RESULTS

Total Revenues grew 66% YoY in the 9 Months 2010, totalling 143.1 million euro which by now overpasses the level of Revenues achieved at the final year of 2009. The level of activity during 2010 has increased progressively quarter-on-quarter showing continued strong growth.

The geographies with the higher weight in the Revenue of the period continue to be Italy, Spain and Cape Verde (as a visit country, accounted in Portugal), and for the first time US had a significant contribution being already the fourth biggest geography in terms of Revenues. Moreover, other geographies such as Canada and Slovakia also initiated its contribution to Revenues, despite the recent entrance of the company in these two markets. Finally, both Belgium and Greece increased revenues during the period.

The strategic position of the company is to concentrate in geographies, emerging or mature countries which have a favourable regulatory framework, and be flexible providing integrated turnkey solutions. It is foreseeable that in 2011 other geographies showing potential can be added to the company's portfolio, namely Bulgaria or Turkey.

Total EBITDA rose by 211.6% YoY to 17.5 million euro, with the EBITDA margin reaching 12.2% versus 6.5% in the same period last year, benefiting from higher margins in some specific and complex works accounted in the period.

Net Financial Expenses recorded 2.5 million euro,+64% YoY, which is justified by an increase of interest costs due to the higher level of Debt needed to accomplish the projects in hands.

Net Profit totalled 9.1 million euro in the 9 Months 2010 that compares YoY with 1.6 million euro. With this level of results the Solar business area gains significant visibility and contribution to the total consolidated results of the Group.

CAPEX at the 9 Months 2010 was 1.2 million euro, contrasting with 3.3 million euro for the same period of 2009.

Net Financial Debt at the end of the 9 Months of 2010 stood at 79.4 million euro, an increase of 32.4 million euro from year-end 2009. This variation is explained by an extraordinary effort in the investment in working capital, firstly to proceed with the development of various projects that have to be concluded by the end of the year in order to have access to the feed-in tariff and secondly due to the increased bottleneck in the PV modules value chain with the strong demand shown worldwide. Nevertheless it is expected that the level of debt diminishes in the end of the year with the conclusion of some projects and with the respective proceeds paid.

Currently the backlog<sup>1</sup> (turnkey contracts signed and projects financed) until the end of the year is roughly 54 million euro, with Italy, US and Belgium as the geographies with the best contributions.

The company is optimistic about the performance for 2011, as the demand for projects continues to be very strong in several countries.

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<sup>1</sup> The definition of backlog is different for Solar and Metallic Construction: whilst the Solar backlog definition represents the projects we have until the end of the year, Metallic Construction's backlog represents a rolling year.

Solar €M	9M 2010	9M 2009	Var. %
Revenues	143.1	86.4	66%
EBITDA	17.5	5.6	>100%
EBITDA Margin	12.2%	6.5%	5.7 pp
EBIT	15.3	4.1	>100%
EBIT Margin	10.7%	4.8%	5.9 pp
Net Financial Expenses	2.5	1.5	64%
Income tax	3.7	1.0	>100%
Net Profit	9.1	1.6	>100%
Attributable to non-controlling interests	2.2	0.2	>100%
Attributable to shareholders	6.9	1.4	>100%
Net Debt	79.4	49.9	59%
Capex	1.2	3.3	-63%

## Energy Systems

### Sector trends

Contrary to our expectations on the 1<sup>st</sup> Half (circa 40 GW), the market should reach around 36 GW of new capacity in 2010. As for the following 3 years, estimates are around the 45 GW per annum.

A big part of this new capacity is coming from Asia, with China representing around 17 GW and close to 2 GW coming from India. The Asian market is almost entirely absorbed by local players, where low cost is the main driver.

The European market is to reach between 7 and 8 GW. This is a decrease from last year's 10 GW, mostly due to the regulatory uncertainty some of the markets are experiencing (e.g.: Spain and France; Italy during most of the year). This uncertainty led to a reduction in demand for turbines, crushing the margins along the value chain due to lower utilization of production capacity and a stronger pressure to reduce prices from increased competition. This year's number includes some offshore capacity already being installed.

The North American market probably won't reach the 10 GW of new capacity we mentioned in the 1<sup>st</sup> Half report, for all the markets are performing below our previous expectation. The US is facing some trouble due to the fall of natural gas prices, reduction in electricity demand and uncertainties over the national energy policy, which make it even harder to secure long-term power purchase agreements (PPA).

In the north of Africa there is a vibe around renewable energy growing up, which may represent opportunities in the wind sector.

Offshore wind should represent around 1.3 GW of new capacity by the end of the year. Nevertheless it is a market that should grow significantly until 2015.

To survive the wind market now and in the future it is necessary to make framework agreements and other partnership style relationships. The wind industry is changing – oversupply leads to cuts in production and prepares for medium and long term with product differentiation; price pressure leads to differentiation in services and reduction of costs from the production cycle.

### RESULTS

Revenues totalled 53.5 million euro at the end of the 9 Months 2010, posting a decrease of 57% in comparison to the same period last year. It should be highlighted, once again, that this significant reduction was previously anticipated and explained by the impact of both the economic slowdown and the difficult conditions on the financial market, plus the regulatory uncertainties which led to a decrease in the demand for eolic equipment and systems and also a reduction of turnkey projects across Europe. Moreover it was negatively influenced by the delay in Ventinveste's projects, which were supposed to be already in execution.

The consequence of this abrupt reduction in activity has been as well reflected on the EBITDA margin in the 9 Months 2010, which dropped to a negative 2.9%. The strong external pressure caused by the overall drop of the sector was not accompanied by a reduction in structural costs in the same proportion. Likewise the Naval Engineering activity (Navalria) was negatively affected by the operating margins of projects in hands, which represent the first experience of works in this specific niche.

Net Financial Expenses recorded 2.4 million euro, -8% YoY, mostly influenced by the lower level of debt.

Net Financial Debt in Energy Systems by the 30<sup>th</sup> of September 2010 amounted to 60.6 million euro: Net Debt of 46.7 million euro registered in the financial statements of the business area and 13.9 million euro in other debt used at the Holding level. Compared to the end of 2009 there was a decrease of 8.7 million euro in Total Net Debt plus other debt used at the Holding level.

Total CAPEX in the 9 Months 2010 reached 5 million euro, mostly in the new tower plant in the USA completed in June. As already mentioned in the previous period, the project was welcomed by local authorities, who have approved a package of incentives including grants, subsidies for professional training and tax incentives.

Energy Systems	9M	9M	Var. %
€M	2010	2009	
Revenues	53.5	125.3	-57%
EBITDA	-1.5	8.5	n.m.
EBITDA Margin	-2.9%	6.8%	-9.7 pp
EBIT	-4.5	3.0	n.m.
EBIT Margin	-8.5%	2.4%	-10.9 pp
Net Financial Expenses	2.4	2.6	-8%
Income tax	-1.1	0.9	n.m.
Net Profit	-5.9	-0.5	<-100%
Attributable to non-controlling interests	0.0	0.0	<-100%
Attributable to shareholders	-5.8	-0.5	<-100%
Net Debt	46.7	50.3	-7%
Capex	5.0	5.7	-11%

## RE Developer

### RESULTS

Operating Revenue increased 30% to 18.1 million euro in the 9 Months of 2010, corresponding to 104.7 MW of assets in operation.

From the Total Revenue Germany contributed with 4.8 million euro, Brazil with 3.9 million euro, Spain with 4.3 million euro, Poland with 1.6 million euro and Portugal with 3.0 million euro.

EBITDA reached 9.9 million euro in the 9 Months 2010, representing an EBITDA margin of 54.5%, 46.5 p.p. more than in the previous compared period. Despite significant improvements due to a reduction of structural costs and improvement in load factors in the period, the margin continues to be affected by costs of origination and development of projects in the pipeline (costs with due diligence, consulting, business prospection, and others). Poland, Romania and Brazil are the geographies with higher development costs.

The average EBITDA margin of the parks in operation was approximately 80%, which represents an improvement over the year-end average (70%), reflecting a gradual improvement in the margins of the parks that came into operation throughout 2009.

This business area recognized an impairment loss of 13.4 million euro, following the incorporation of the effects the turmoil in the markets and financial sector have on the future of projects. Thus, projects in the USA (recognition of 4.9 million euro impairment loss) and Poland (recognition of 8.5 million euro impairment loss) were reassessed. Indeed, we believe that the current situation across markets justifies an even more regular and careful analysis on its impacts to the profitability of projects in the pipeline.

Total CAPEX during the 9 Months 2010 reached 19.3 million euro, applied to the development of wind projects in Brazil, Poland, Romania and Portugal namely in Ventinveste's Project.

Net Financial Debt amounted to 125.4 million euro, of which 43.9 million euro from Project Finance, 12.5 million euro from project's leasings and 24.8 million euro with the financial participation in EDP. To this debt we must also add the 45.2 million euro in other debt at the Holding level and assigned to the business area, totalling 170.6 million euro.

Net Income adjusted from non-recurring events was -2.8 million euro.

RE Developer €M	9M 2010	9M 2009	Var. %
Revenues	18.1	14.0	30%
EBITDA	9.9	1.1	>100%
EBITDA Margin	54.5%	8.0%	46.5 pp
EBIT	-12.3	-41.4	70%
EBIT Margin	-67.9%	-296.6%	228.7 pp
Net Financial Expenses	3.3	3.8	-15%
Income tax	0.6	-0.6	n.m.
Net Profit	-16.2	-44.7	64%
Attributable to non-controlling interests	-1.3	-0.2	<-100%
Attributable to shareholders	-14.9	-44.5	67%
Net Debt	125.4	181.1	-31%
Capex	19.3	63.6	-70%

Note: In 2010 the figures for non-recurring events amount to 13.4 million euro of impairment losses in USA and Poland.

## OUTLOOK

Despite the tough period, still suffering constraints resulting from the economic and financial crisis and latest countries' indebtedness, Martifer Group has shown resilience due to its high level of internationalization and thus is expected that the same level of activity will be maintained during 4Q10. Detailing by business area:

### **Metallic Constructions**

Given the path of activity shown throughout 2010, we are expecting to achieve revenues of around 300 million euro with the current level of margins.

### **Solar**

With the current order book and projects in hands to be delivered until the end of the year, we can comfortably say that two-digit revenue growth will be maintained, as well as the EBITDA margin.

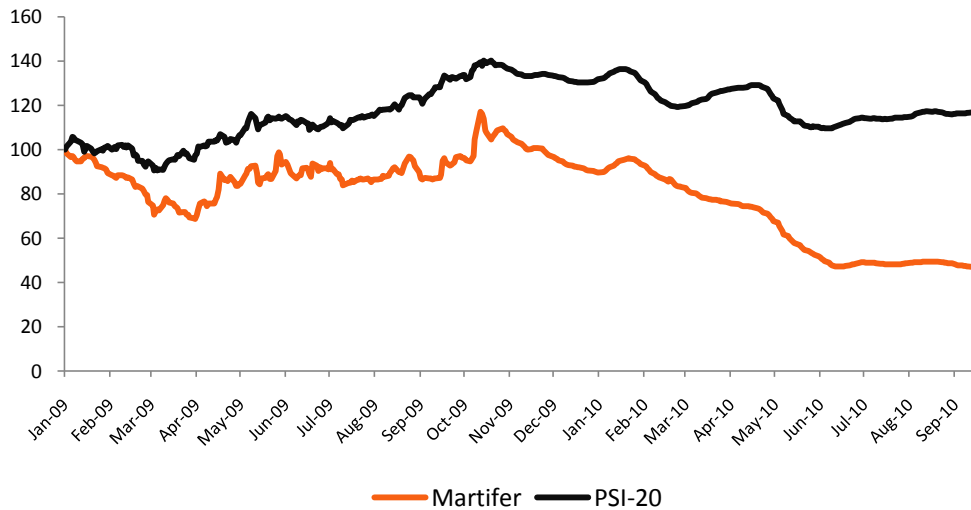
### **Energy Systems**

As expected since the beginning of the year, this business area will tend to follow the less favourable sector tendency, with a fall in demand and in the price of equipment. Based on the current order book, Energy Systems is expecting Operating Revenues to be approximately 70 million euro at the end of 2010, with EBITDA margins trailing in negative terrain due to the costs' structure.

### **RE Developer**

During the 4Q10, Martifer Renewables aims to a) begin its assets rotation plan, selling some of its current parks in operation and b) continue the development of its projects in Brazil (217.8 MW) and in Portugal, with Ventinveste's wind project.

## SHARE PERFORMANCE



Source: Reuters

Martifer's share price ended the 9 Months at €1.54/share, representing a decrease of 57.5% YTD. In the same period the PSI-20, major Euronext Lisbon market index, fell 11.2%. During this period of time the highest price achieved was €3.82/share and the lowest price was €1.56/share. The average volume of stock traded during the period was 87,368 shares.

During the period in analysis, some of the global markets had a rebound in its performance such as Dow Jones Industrial (+2.89%), S&P (+2.66%) and Nasdaq (+8%), while others such as Greece, Spain and Portugal had their performances penalized by the rising fear of country's debtness. In this scenario, small caps' stock performances were more affected than the indexes, and Martifer's stock was penalized by this juncture. Furthermore, considering the performance of Renewable index (ERIXP) drop of 41.5% Ytd, should be added that the current environment of the renewable energy sector has not been favourable to the performance of the Martifer's share price.

At the end of the 9 Months 2010 Martifer's market capitalization amounted to 154 million euro.

**PURCHASE OF OWN SHARES**

In accordance with CMVM regulation 5/2008, namely article 11, numbers 1 and 2, Martifer SGPS, SA informs of the purchase of own shares in the stock exchange:

<b>Date</b>	<b>Market / Transaction</b>	<b>Size (shares)</b>	<b>Price (€)</b>
<i>14-May-10</i>	<i>Euronext Lisbon – Purchase</i>	<i>20,000</i>	<i>2.06</i>
<i>14-May-10</i>	<i>Euronext Lisbon – Purchase</i>	<i>14,109</i>	<i>2.02</i>
<i>19-Oct-10</i>	<i>Euronext Lisbon – Purchase</i>	<i>850</i>	<i>1.54</i>
<i>25-Oct-10</i>	<i>Euronext Lisbon – Purchase</i>	<i>50,000</i>	<i>1.57</i>
<i>27-Oct.-10</i>	<i>Euronext Lisbon – Purchase</i>	<i>30,578</i>	<i>1.59</i>
<i>03-Nov -10</i>	<i>Euronext Lisbon – Purchase</i>	<i>7,748</i>	<i>1.61</i>
<i>04-Nov -10</i>	<i>Euronext Lisbon – Purchase</i>	<i>12,130</i>	<i>1.59</i>
<i>05-Nov -10</i>	<i>Euronext Lisbon – Purchase</i>	<i>89,048</i>	<i>1.56</i>

Following these transactions Martifer holds 224,463 own shares representing 0.2244% of its share capital.

Oliveira de Frades, 11<sup>th</sup> November 2010

The Board of Directors,

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Carlos Manuel Marques Martins  
*(Chairman of the Board of Directors)*

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Jorge Alberto Marques Martins  
*(Vice-Chairman of the Board of Directors)*

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Luis Filipe Cardoso da Silva  
*(Member of the Board of Directors)*

---

Arnaldo José Nunes da Costa Figueiredo  
*(Member of the Board of Directors)*

---

Mário Jorge Henriques Couto  
*(Member of the Board of Directors)*

---

Luís Valadares Tavares  
*(Member of the Board of Directors)*

---

Jorge Bento Ribeiro Barbosa Farinha  
*(Member of the Board of Directors)*

## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENTS FOR THE 9 MONTH AND 3 MONTH PERIODS ENDED 30 SEPTEMBER 2010 AND 2009

(TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN PORTUGUESE - NOTE 28)

	NOTES	9M'2010 IFRS (NON AUDITED)	9M'2009 IFRS (NON AUDITED)	3 <sup>RD</sup> QUARTER 2010 – IFRS (NON AUDITED)	3 <sup>RD</sup> QUARTER 2009 – IFRS (NON AUDITED)
Sales and services rendered	3 and 4	407,074,495	336,511,772	170,489,839	117,023,180
Other income	5	9,062,568	69,207,395	637,986	10,492,434
Cost of goods sold and subcontractors		(256,090,740)	(265,172,228)	(109,234,759)	(76,055,733)
<b>Gross profit</b>		<b>160,046,323</b>	<b>140,546,940</b>	<b>61,893,066</b>	<b>51,459,881</b>
External supplies and services		(59,998,826)	(59,986,271)	(25,221,997)	(25,399,808)
Staff costs		(57,871,708)	(54,238,663)	(19,378,125)	(18,384,767)
Other operational gains and losses	6	(336,538)	13,426,161	2,297,458	5,340,772
	4	41,839,250	39,748,168	19,590,403	13,016,078
Amortizations	4, 12 and 13	(19,837,790)	(17,181,063)	(6,696,104)	(6,486,639)
Provisions and impairment losses	7	(16,409,153)	(38,944,608)	(1,635,062)	256,230
<b>Operating Income</b>	<b>4</b>	<b>5,592,307</b>	<b>(16,377,503)</b>	<b>11,259,237</b>	<b>6,785,668</b>
Financial Income	8	31,193,896	172,841,401	2,306,913	414,401
Financial Expenses	8	(29,521,760)	(28,857,503)	(10,765,410)	(6,863,261)
Gains and losses on associated companies	9	(1,548,821)	7,007	26,612	28,832
Income tax		(5,605,995)	(3,256,652)	(4,417,763)	(188,157)
<b>Profit after tax</b>	<b>4</b>	<b>109,627</b>	<b>124,356,749</b>	<b>(1,590,411)</b>	<b>177,483</b>
<b>Earnings of the business unit held for sale</b>		<b>-</b>	<b>(12,870,327)</b>	<b>-</b>	<b>(1,251,215)</b>
Attributable to:					
non-controlling interests		-	(5,383,397)	-	(232,390)
owners of Martifer		-	(7,486,930)	-	(1,018,825)
<b>Profit for the period</b>		<b>109,627</b>	<b>111,486,422</b>	<b>(1,590,411)</b>	<b>(1,073,732)</b>
Attributable to:					
non-controlling interests		3,396,080	(2,807,795)	1,756,243	703,018
owners of Martifer		(3,286,454)	114,294,218	(3,346,654)	(1,776,750)
<b>Earnings per share:</b>					
<b>basic</b>	<b>10</b>	<b>(0.0329)</b>	<b>1.1429</b>	<b>(0.0335)</b>	<b>(0.0178)</b>
from continuing operations		(0.0329)	1.2178	(0.0335)	(0.0076)
from business unit held for sale		-	(0.0749)	-	(0.0102)
<b>diluted</b>	<b>10</b>	<b>(0.0329)</b>	<b>1.1429</b>	<b>(0.0335)</b>	<b>(0.0178)</b>
from continuing operations		(0.0329)	1.2178	(0.0335)	(0.0076)
from business unit held for sale		-	(0.0749)	-	(0.0102)

The accompanying notes are part of these financial statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE 9 MONTH PERIODS ENDED 30 SEPTEMBER 2010 AND 2009

(TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN PORTUGUESE - NOTE 28)

	9M'2010 IFRS (NON AUDITED)	9M'2009 IFRS (NON AUDITED)
Profit for the period	109,627	111,486,422
Fair value of cash flow hedges (derivatives), net of tax	(1,014,313)	(2,431,296)
Fair value of available for sale financial assets, net of tax	(3,970,251)	7,699,500
Exchange differences arising on (i) translating foreign operations; (ii) net investment in subsidiaries and (iii) goodwill	2,904,329	(3,762,431)
Income recognized directly in equity	(2,080,236)	1,505,774
Total comprehensive income for the period	(1,970,609)	112,992,196
Attributable to:		
non-controlling interests	3,940,338	(2,774,089)
owners of Martifer	(5,910,947)	115,766,285

The accompanying notes are part of these financial statements

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 30 SEPTEMBER 2010 AND 31 DECEMBER 2009**

(TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN PORTUGUESE - NOTE 28)

	NOTES	30 SEPTEMBER 2010 – IFRS (NON AUDITED)	31 DECEMBER 2009 – IFRS (AUDITED)
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	11	33,411,272	40,495,583
Intangible assets	12	51,768,280	55,315,241
Tangible assets	13	405,331,643	398,191,844
Investment property	14	9,505,000	57,013,000
Investments in associate companies	15	6,441,854	90,469
Available for sale investments	16	24,938,908	55,046,568
Other non current receivables		78,186,591	9,841,286
Deferred tax assets		9,888,994	8,249,453
		<b>619,472,542</b>	<b>624,243,444</b>
<b>Current assets</b>			
Inventories	17	60,520,090	51,171,469
Trade receivables		218,462,402	203,047,084
Other receivables		43,729,309	26,773,327
Current tax assets		28,635,293	45,353,151
Other current assets	18	162,973,019	86,074,198
Cash and cash equivalents		61,449,661	24,844,210
Assets of the business unit held for sale		-	361,190,780
		<b>575,769,775</b>	<b>798,454,219</b>
<b>Total assets</b>	<b>4</b>	<b>1,195,242,317</b>	<b>1,422,697,663</b>
<b>Equity</b>			
Issued capital	19	50,000,000	50,000,000
Reserves		325,920,804	229,365,149
Profit for the period		(3,286,454)	107,705,244
Equity attributable to owners of Martifer		<b>372,634,351</b>	<b>387,070,394</b>
Non-controlling interests		21,830,558	18,999,457
Non-controlling interests attributable to the business unit held for sale		-	31,958,178
<b>Total equity</b>		<b>394,464,908</b>	<b>438,028,029</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	20	135,535,694	171,259,217
Obligations under finance leases		33,195,945	27,174,571
Other non-current liabilities		10,738,385	7,146,910
Provisions	21	7,983,452	7,515,356
Deferred tax liabilities		7,640,749	9,859,456
		<b>195,094,224</b>	<b>222,955,511</b>
<b>Current liabilities</b>			
Borrowings	20	306,109,862	261,946,120
Obligations under finance leases		8,613,424	8,102,374
Trade payables		169,406,072	162,194,213
Other payables		50,393,841	25,527,973
Current tax liabilities		13,578,485	13,923,945
Other current liabilities	22	55,428,780	38,831,813
Derivatives		2,152,723	908,058
Liabilities related to the assets of the business unit held for sale		-	250,279,627
		<b>605,683,185</b>	<b>761,714,123</b>
<b>Total liabilities</b>	<b>4</b>	<b>800,777,409</b>	<b>984,669,634</b>
<b>Total equity and liabilities</b>		<b>1,195,242,317</b>	<b>1,422,697,663</b>

The accompanying notes are part of these financial statements

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE 9 MONTH PERIODS ENDED 30 SEPTEMBER 2010 AND 2009

(TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN PORTUGUESE - NOTE 28)

				Fair value reserves			Foreign currency translation reserves	Stock options reserves	Other reserves and accumulated earnings	Net profit for the year	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Issued capital	Treasury stock	Share premium	Revaluation of fixed assets	Available for sale investments	Cash flow hedge derivatives							
<b>Balance at 1 January 2009</b>	50,000,000	-	186,500,000	17,549,418	2,841,818	(1,705,601)	(22,974,300)	-	33,663,383	7,439,955	273,314,673	60,375,467	333,690,140
Appropriation of the profit of 2008	-	-	-	-	-	-	-	-	7,439,955	(7,439,955)	-	-	-
<b>Comprehensive income for the period:</b>													
Profit for the period	-	-	-	-	-	-	-	-	-	114,294,218	114,294,218	(2,807,795)	111,486,422
Exchange differences arising on (i) translating foreign operations and (ii) net investment in subsidiaries	-	-	-	-	-	-	(7,086,367)	-	-	-	(7,086,367)	341,125	(6,745,242)
Exchange differences arising on goodwill	-	-	-	-	-	-	2,656,923	-	-	-	2,656,923	325,888	2,982,812
Changes in fair value	-	-	-	-	7,699,500	(1,797,989)	-	-	-	-	5,901,511	(633,306)	5,268,204
<b>Total comprehensive income for the period</b>	-	-	-	-	7,699,500	(1,797,989)	(4,429,443)	-	-	114,294,218	115,766,285	(2,774,089)	112,992,196
Distribution of dividends	-	-	-	-	-	-	-	-	-	-	-	(450,000)	(450,000)
Other changes in equity of subsidiaries	-	-	-	-	-	-	-	-	(270,699)	-	(270,699)	200,337	(70,362)
Changes in the consolidation perimeter	-	-	-	-	-	-	-	-	-	-	-	(1,968,959)	(1,968,959)
<b>Balance at 30 September 2009</b>	50,000,000	-	186,500,000	17,549,418	10,541,318	(3,503,590)	(27,403,744)	-	40,832,639	114,294,218	388,810,259	55,382,756	444,193,015
<b>Balance at 1 January 2010</b>	50,000,000	-	186,500,000	17,549,418	8,261,660	(2,889,017)	(21,479,368)	17,347	41,405,109	107,705,245	387,070,394	50,957,635	438,028,029
Appropriation of the profit of 2009	-	-	-	-	-	-	-	-	107,705,245	(107,705,245)	-	-	-
<b>Comprehensive income for the period:</b>													
Profit for the period	-	-	-	-	-	-	-	-	-	(3,286,454)	(3,286,454)	3,396,080	109,627
Exchange differences arising on (i) translating foreign operations and (ii) net investment in subsidiaries	-	-	-	-	-	-	1,094,843	-	-	-	1,094,843	353,056	1,447,899
Exchange differences arising on goodwill	-	-	-	-	-	-	1,191,159	-	-	-	1,191,159	265,271	1,456,430
Changes in fair value	-	-	-	-	(3,970,251)	(940,244)	-	-	-	-	(4,910,496)	(74,069)	(4,984,565)
<b>Total comprehensive income for the period</b>	-	-	-	-	(3,970,251)	(940,244)	2,286,002	-	-	(3,286,454)	(5,910,947)	3,940,338	(1,970,609)
Distribution of dividends	-	-	-	-	-	-	-	-	(10,000,000)	-	(10,000,000)	-	(10,000,000)
Acquisition of treasury stock	-	(69,700)	-	-	-	-	-	-	-	-	(69,700)	-	(69,700)
Stock options	-	-	-	-	-	-	-	73,595	-	-	73,595	-	73,595
Sale of available for sale investments	-	-	-	-	(4,493,125)	-	-	-	-	-	(4,493,125)	-	(4,493,125)
Other changes in equity of subsidiaries	-	-	-	-	-	-	-	-	(446,037)	-	(446,037)	(991,479)	(1,437,516)
Changes in the consolidation perimeter	-	-	-	(1,333,700)	-	2,152,658	5,591,214	-	-	-	6,410,171	(32,075,936)	(25,665,764)
<b>Balance at 30 September 2010</b>	50,000,000	69,700	186,500,000	16,215,718	(201,717)	(1,676,604)	(13,602,152)	90,942	138,664,317	(3,286,454)	372,634,351	21,830,558	394,464,908

The accompanying notes are part of these financial statements

**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE 9 MONTH AND 3 MONTH PERIODS ENDED 30 SEPTEMBER 2010 AND 2009**

(TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN PORTUGUESE - NOTE 28)

	9M'2010 IFRS (NON AUDITED)	9M'2009 IFRS (NON AUDITED)	3 <sup>RD</sup> QUARTER 2010 – IFRS (NON AUDITED)	3 <sup>RD</sup> QUARTER 2009 – IFRS (NON AUDITED)
<b>OPERATING ACTIVITIES</b>				
Receipts from customers	397,318,203	581,834,230	140,263,657	244,140,595
Payments to suppliers	(325,063,868)	(541,144,886)	(74,726,933)	(232,148,577)
Payments to employees	(55,915,359)	(57,473,099)	(23,330,871)	(17,411,833)
Cash (used in)/generated from operations	16,338,976	(16,783,755)	42,205,853	(5,419,815)
Income taxes paid	(4,308,126)	(12,232,586)	(1,920,787)	(7,869,723)
Other receipts/(payments) relating to operating activities	14,963,380	2,409,211	3,283,404	(1,766,142)
Cash (used in)/generated from other operating activities	10,655,253	(9,823,375)	1,362,618	(9,635,865)
<b>Net cash (used in)/generated by operating activities (1)</b>	<b>26,994,229</b>	<b>(26,607,129)</b>	<b>43,568,471</b>	<b>(15,055,679)</b>
<b>INVESTING ACTIVITIES</b>				
Receipts arising from:				
Financial assets	35,192,530	182,499,473	15,983,645	-
Tangible assets	16,776,098	767,815	16,107,300	47,653
Intangible assets	3,047	24,133	(87,796)	-
Grants	-	139,479	-	139,479
Interest and similar income	1,102,058	3,988,341	1,086,156	1,281,685
Dividends	2,743,689	2,478,146	-	-
Others	120,989	-	(1,649)	-
	55,938,411	189,897,387	33,087,655	1,468,818
Payments arising from:				
Financial assets	(2,999,082)	(8,869,640)	(567,791)	(10,000)
Tangible assets	(8,580,317)	(110,199,449)	(1,795,681)	(14,085,949)
Intangible assets	(4,104,712)	(12,092,844)	(2,535,119)	(1,217,317)
Others	(202,401)	-	174,179	-
	(15,886,512)	(131,161,933)	(4,724,412)	(15,313,266)
<b>Net cash (used in)/generated by investing activities (2)</b>	<b>40,051,900</b>	<b>58,735,455</b>	<b>28,363,243</b>	<b>(13,844,448)</b>
<b>FINANCING ACTIVITIES</b>				
Receipts arising from:				
Borrowings	726,205,675	283,145,144	297,905,739	66,633,825
Grants and donations	-	147,652	-	-
Others	450,396	-	273,202	-
	726,656,071	283,292,795	298,178,941	66,633,825
Payments arising from:				
Borrowings	(715,312,518)	(287,999,501)	(353,734,892)	(3,204,935)
Leasings	(14,817,436)	(12,976,240)	(2,334,448)	(4,325,413)
Interest and similar costs	(13,541,922)	(27,269,725)	(4,057,770)	(10,697,158)
Dividends	(10,000,000)	-	-	-
Acquisition of treasury stock	(69,700)	-	-	-
Others	(1,040,099)	-	(103,412)	-
	(754,781,676)	(328,245,466)	(360,230,521)	(18,227,506)
<b>Net cash (used in)/generated by financing activities (3)</b>	<b>(28,125,605)</b>	<b>(44,952,670)</b>	<b>(62,051,581)</b>	<b>48,406,318</b>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)	38,920,524	(12,824,345)	9,880,133	19,506,191
Changes in the consolidation perimeter and others	(4,177,006)	(43,756)	145,628	-
Effect of foreign exchange currencies	1,861,934	(3,634,099)	(36,687)	(667,887)
Cash and cash equivalents at the beginning of the period	24,844,210	84,275,825	51,460,586	48,935,321
Cash and cash equivalents at the end of the period	61,449,661	67,773,625	61,449,661	67,773,625

The accompanying notes are part of these financial statements

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### INTRODUCTORY NOTE

Martifer SGPS, S.A., with its head-office at Zona Industrial, Apartado 17, Oliveira de Frades – Portugal ('Martifer SGPS' or 'the Company'), and its group of companies ('Group'), have as its main activity the construction of steel infrastructures, the production of energy equipment for wind and solar industries, and, also, the promotion, development and management of renewable energy projects (Note 4).

Martifer SGPS was incorporated on 29 October 2004, its share capital having been realized through the delivery of shares, valued at its market value, that the shareholders held in Martifer - Construções, S.A., a company that was incorporated in 1990 and which, at that time, was the holding company of the current Martifer Group.

As of June 2007, after the initial public offering Martifer SGPS, S.A. shares have been listed on Euronext Lisbon.

At 30 September 2010, the Group has developed its activity in Portugal, Spain, Poland, Slovakia, Germany, Romania, Czech Republic, Angola, Brazil, Sweden, Ukraine, Greece, United States of America, Australia, Ireland, Italy, Belgium, Bulgaria, France, Thailand, Morocco, South Africa, United Kingdom and Canada.

All the amounts presented in these notes are expressed in Euro (rounded at unit), unless otherwise stated.

The accompanying notes were selected to help the understanding of the more significant changes in the financial position and the financial performance of the Group since the last annual reporting, dated of 31 December 2009.

These financial statements are not audited.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PREPARATION

These accompanying consolidated financial statements relate to the consolidated financial statements of the Martifer Group and were prepared in accordance with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union, in force at the beginning of the economic period started 1 January 2010. These are the International Financial Reporting Standards, issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC"), that have been endorsed by the European Union.

The interim consolidated financial report for the nine month period ended at 30 September 2010 has been prepared in accordance with IAS 34 - 'Interim Financial Reporting' as adopted by the European Union.

Apart from the effect of new IFRS/IAS implemented in the period, the accounting policies are unchanged from those applied to the Annual Report for 2009 prepared under the International Financial Reporting Standards (IFRS) approved by the EU.

These consolidated financial statements have been prepared on a going concern basis from the books and accounting records of the companies included in the consolidation (Note 2) and have been prepared under the historical cost convention, except for the revaluation of certain non-current assets and certain financial instruments, which are stated at fair value.

#### New IASs/IFRSs implemented in the period

With effect from 1 January 2010, the Group implemented amendments to IAS 27 - 'Consolidated and separate financial statements' and IFRS 3 - 'Business combinations'.

The changes to IAS 27 and to IFRS 3 did have impact in the presented financial statements when accounting the loss of control of the subsidiaries of Prio Foods and Prio Energy Groups. The gain recognised in profit and loss account is Euro 13,062,857 (Note 8).

Regarding the remaining standards and interpretations implemented in the period, their application shall have no significant impact on the future Group's consolidated financial statements.

## 2. GROUP COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Group companies included in the consolidated financial statements, their consolidation methods, head offices and percentage of share capital held by the Group, at 30 September 2010 are as follows:

### COMPANIES CONSOLIDATED THROUGH THE FULL CONSOLIDATION METHOD

COMPANY	HEAD OFFICE	DESIGNATION	PERCENTAGE OF SHARE CAPITAL HELD		
			DIRECTLY	INDIRECTLY	TOTAL
<b>Martifer SGPS, S.A.</b>	<b>Oliveira de Frades</b>	<b>Martifer SGPS</b>	<b>Mãe</b>		
Martifer Inovação e Gestão, S.A.	Oliveira de Frades	Martifer Inovação	100.00%	-	100.00%
Martifer Gestione Si Servicii, S.R.L.	Bucharest	Martifer Inovação Roménia	100.00%	-	100.00%
<b>Martifer Metallic Constructions SGPS, S.A.</b>	<b>Oliveira de Frades</b>	<b>Martifer Metallic Constructions</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>
Martifer - Construções Metalomecânicas, S.A.	Oliveira de Frades	Martifer Construções	-	100.00%	100.00%
Martifer Mota-Engil Coffey Construction Joint Venture Limited	Dublin	MMECC	-	60.00%	60.00%
Martifer – Construcciones Metálicas España, S.A.	Madrid	Martifer Espanha	-	100.00%	100.00%
Martifer – Construções Metálicas Angola, S.A.	Luanda	Martifer Angola	-	78.75%	78.75%
Martifer Construction Limited	Dublin	Martifer Irlanda	-	100.00%	100.00%
Martifer Polska Sp. Zo.o	Gliwice	Martifer Polska	-	100.00%	100.00%
Martifer Constructions, SAS	Rungis	Martifer França	-	100.00%	100.00%
Martifer Constructii SRL	Bucharest	Martifer Constructii	-	100.00%	100.00%
Park Logistyczny Biskupice	Gliwice	Biskupice	-	90.00%	90.00%
Martifer Konstrukcje Sp. Z o.o.	Gliwice	Martifer Konstrukcje	-	100.00%	100.00%
Martifer Slovakia S.R.O.	Bratislava	Martifer Slovakia	-	100.00%	100.00%
Sociedade de Madeiras do Vouga, S.A.	Albergaria a Velha	Madeiras do Vouga	-	100.00%	100.00%
Martifer - Gestão de Investimentos, S.A.	Oliveira de Frades	MGI	-	100.00%	100.00%
Nagatel Viseu, Promoção Imobiliária, S.A.	Oliveira de Frades	Nagatel Viseu	-	100.00%	100.00%
Martifer Retail & Warehousing Angola, S.A.	Luanda	Martifer Retail Angola	-	100.00%	100.00%
Martifer - Alumínios, S.A.	Oliveira de Frades	Martifer Alumínios	-	55.00%	55.00%
Martifer - Alumínios, S.A.	Madrid	Martifer Alumínios Espanha	-	55.00%	55.00%
Martifer Alumínios Angola, S.A.	Luanda	Martifer Alumínios Angola	-	50.60%	50.60%
Martifer Recycling S.R.L.	Bucharest	Martifer Recycling Roménia	-	55.00%	55.00%
Martifer Recycling Sp. Zo.o	Gliwice	Martifer Recycling Polónia	-	55.00%	55.00%
Martifer Aluminium Pty, Ltd	Sidney	Sassall	-	55.00%	55.00%
Global Façade Systems Company Limited	Bangkok	Global Façade Systems <sup>1)</sup>	-	26.95%	26.95%
Martifer Aluminium Limited	Dublin	Martifer Aluminium Irlanda	-	55.00%	55.00%
Martifer Aluminium S.R.L.	Bucharest	Martifer Aluminium Roménia	-	55.00%	55.00%
Martifer Aluminium UK Limited	London	Martifer Aluminium UK	-	100.00%	100.00%
Martifer II Inox, S.A.	Sever do Vouga	Martifer II Inox	-	75.00%	75.00%
Martinox, S.A.	Luanda	Martinox Angola	-	63.00%	63.00%
MT Construction Maroc, S.A.R.L.	Tangier	Martifer Marrocos	-	100.00%	100.00%
Martifer - Construções Metálicas, Ltda.	Fortaleza	Martifer Brasil	-	100.00%	100.00%
Martifer Betteilungsverwaltungs GmbH	Wien	Martifer GmbH	100.00%	-	100.00%
M City Gliwice Sp. Zo.o	Gliwice	M City Gliwice	-	100.00%	100.00%
<b>Martifer Energy Systems SGPS, S.A.</b>	<b>Oliveira de Frades</b>	<b>Martifer Energy Systems</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>
Martifer Energia - Equipamentos para Energia, SA	Oliveira de Frades	Martifer Energia	-	100.00%	100.00%
Martifer Energia S.R.L.	Bucharest	Martifer Energia Roménia	-	100.00%	100.00%
Martifer Energia Sp. Z.o.o	Gliwice	Martifer Energia Polónia	-	100.00%	100.00%
Martifer Energia LLC	Kiev	Martifer Energia Ucrânia	-	100.00%	100.00%
Martifer Wind Energy Systems LLC	San Angelo TX	Martifer Wind USA	-	100.00%	100.00%
Martifer Energy Systems PTY	Cape Town	Martifer Energia África do Sul	-	85.00%	85.00%
Navalria – Docas, Construções e Reparações Navais, S.A.	Aveiro	Navalria	-	100.00%	100.00%
Ventinveste Indústria SGPS, S.A.	Oliveira de Frades	Ventinveste Indústria	-	46.60%	46.60%

COMPANY	HEAD OFFICE	DESIGNATION	PERCENTAGE OF SHARE CAPITAL HELD		
			DIRECTLY	INDIRECTLY	TOTAL
Martifer Solar SGPS, S.A.	Oliveira de Frades	Martifer Solar SGPS	100.00%	-	100.00%
Martifer Solar, S.A.	Oliveira de Frades	Martifer Solar	-	75.00%	75.00%
Martifer Solar Sistemas Solares, S.A.	Madrid	Martifer Solar Sistemas Solares	-	75.00%	75.00%
Solar Parks Construccion Parques Solares ETVE, S.A.	Madrid	Solar Parks	-	75.00%	75.00%
Parque Solar Seseña II, S.L.	Madrid	Seseña II	-	75.00%	75.00%
Martifer Solar S.R.L.	Milan	Martifer Solar Itália	-	75.00%	75.00%
MTS1 S.R.L.	Siracusa	MTS1	-	75.00%	75.00%
MTS2 S.R.L.	Siracusa	MTS2	-	75.00%	75.00%
MTS3 S.R.L.	Siracusa	MTS3	-	75.00%	75.00%
MTS4 S.R.L.	Siracusa	MTS4	-	75.00%	75.00%
MTS5 S.R.L.	Siracusa	MTS5	-	75.00%	75.00%
Martifer Solar Inc.	S. Francisco CA	Martifer Inc.	-	75.00%	75.00%
Martifer Solar USA, Inc.	Santa Monica CA	AEM <sup>1)</sup>	-	38.25%	38.25%
MT Silverado Fund LLC	S. Francisco CA	Silverado <sup>1)</sup>	-	38.25%	38.25%
Martifer Solar Hellas, A.T.E.	Athens	PVI <sup>1)</sup>	-	45.00%	45.00%
Martifer Solar Angola	Luanda	Martifer Solar Angola	-	56.25%	56.25%
Martifer Solar N.V.	Deerlijk	Martifer Solar Bélgica	-	75.00%	75.00%
Martifer Solar S.A.S.	Lyon	Martifer Solar França	-	75.00%	75.00%
Martifer Solar CZ	Prague	Martifer Solar República Checa	-	75.00%	75.00%
Home Energy II, S.A.	Oliveira de Frades	Home Energy II <sup>1)</sup>	-	45.00%	45.00%
Home Energy France SAS	Lyon	Home Energy França <sup>1)</sup>	-	45.00%	45.00%
PVGlass, S.A.	Oliveira de Frades	PVGlass	-	52.50%	52.50%
MPrime Solar Solutions, S.A.	Oliveira de Frades	MPrime	-	75.00%	75.00%
Martifer Solar Canadá, Ltd.	Toronto	Martifer Solar Canadá	-	75.00%	75.00%
Martifer Solar Investments, B.V.	Amsterdam	Martifer Solar Holanda	-	75.00%	75.00%
MTS6 S.R.L.	Siracusa	MTS6	-	75.00%	75.00%
MTSK1 s.r.o.	Cadca	MTSK1	-	67,50%	67,50%
Martifer Solar SK s.r.o.	Dolny Kubin	Martifer Solar Eslováquia	-	75,00%	75,00%
Canopy - Apollo SAS	Paris	Canopy <sup>1)</sup>	-	45,00%	45,00%
<b>Martifer Renewables SGPS, S.A.</b>	<b>Oliveira de Frades</b>	<b>Martifer Renewables SGPS</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>
Martifer Renewables, S.A.	Oliveira de Frades	Martifer Renewables SA	-	100.00%	100.00%
Martifer Renovables ETVE, S.A.U.	Madrid	Martifer Renovables	-	100.00%	100.00%
Eurocab FV 1 S.L.	Madrid	Eurocab 1	-	100.00%	100.00%
Eurocab FV 2 S.L.	Madrid	Eurocab 2	-	100.00%	100.00%
Eurocab FV 3 S.L.	Madrid	Eurocab 3	-	100.00%	100.00%
Eurocab FV 4 S.L.	Madrid	Eurocab 4	-	100.00%	100.00%
Eurocab FV 5 S.L.	Madrid	Eurocab 5	-	100.00%	100.00%
Eurocab FV 6 S.L.	Madrid	Eurocab 6	-	100.00%	100.00%
Eurocab FV 7 S.L.	Madrid	Eurocab 7	-	100.00%	100.00%
Eurocab FV 8 S.L.	Madrid	Eurocab 8	-	100.00%	100.00%
Eurocab FV 9 S.L.	Madrid	Eurocab 9	-	100.00%	100.00%
Eurocab FV 10 S.L.	Madrid	Eurocab 10	-	100.00%	100.00%
Eurocab FV 11 S.L.	Madrid	Eurocab 11	-	100.00%	100.00%
Eurocab FV 12 S.L.	Madrid	Eurocab 12	-	100.00%	100.00%
Eurocab FV 13 S.L.	Madrid	Eurocab 13	-	100.00%	100.00%
Eurocab FV 14 S.L.	Madrid	Eurocab 14	-	100.00%	100.00%
Eurocab FV 15 S.L.	Madrid	Eurocab 15	-	100.00%	100.00%
Eurocab FV 16 S.L.	Madrid	Eurocab 16	-	100.00%	100.00%
Eurocab FV 17 S.L.	Madrid	Eurocab 17	-	100.00%	100.00%
Eurocab FV 18 S.L.	Madrid	Eurocab 18	-	100.00%	100.00%
Eurocab FV 19 S.L.	Madrid	Eurocab 19	-	100.00%	100.00%
Martifer Renewables Brasil Participações LTDA	Fortaleza	Martifer Renewables Brasil	-	100.00%	100.00%
Martifer Renováveis - Geração de Energia e Participações S.A.	Fortaleza	Ventania	-	55.00%	55.00%

COMPANY	HEAD OFFICE	DESIGNATION	PERCENTAGE OF SHARE CAPITAL HELD		
			DIRECTLY	INDIRECTLY	TOTAL
Eólica Faisa, Ltda.	Fortaleza	Faisa	-	55.00%	55.00%
Faisa I	Fortaleza	Faisa I	-	55.00%	55.00%
Faisa II	Fortaleza	Faisa II	-	55.00%	55.00%
Faisa III	Fortaleza	Faisa III	-	55.00%	55.00%
Faisa IV	Fortaleza	Faisa IV	-	55.00%	55.00%
Faisa V	Fortaleza	Faisa V	-	55.00%	55.00%
Faisa Biomassa – Geração de Energia e Participações, Ltda	Fortaleza	Faisa Biomassa	-	55.00%	55.00%
Eólica Embuaca, Ltda.	Fortaleza	Embuaca	-	55.00%	55.00%
Eólica Mar e Terra, Ltda.	Fortaleza	Mar e Terra	-	55.00%	55.00%
Eólica Bela Vista, Ltda.	Fortaleza	Bela Vista	-	55.00%	55.00%
Eólica Cajueiro da Praia, Ltda .	Fortaleza	Cajueiro	-	55.00%	55.00%
Eólica Cacimbas, Ltda.	Fortaleza	Cacimbas	-	55.00%	55.00%
SBER – Sociedade Brasileira de Energias Renováveis, Ltda.	Fortaleza	SBER <sup>1)</sup>	-	41.25%	41.25%
Melosa – Geração de Energia e Participações, Ltda.	Fortaleza	Melosa	-	55.00%	55.00%
Eólica Paraipaba, Ltda .	Fortaleza	Paraipaba	-	55.00%	55.00%
Eólica Chapadão, Ltda.	Fortaleza	Chapadão	-	55.00%	55.00%
Rosa dos Ventos - Geração e Comercialização de Energia, S.A	Fortaleza	Rosa dos Ventos	-	52.25%	52.25%
Eólica Icarai, Ltda.	Fortaleza	Icarai	-	55.00%	55.00%
Eurocab FV 20 S.L.	Madrid	Eurocab 20	-	100.00%	100.00%
Eviva Energy S.R.L.	Bucharest	Eviva Roménia	-	100.00%	100.00%
Eviva Nalbant S.R.O.	Bucharest	Eviva Nalbant	-	99.00%	99.00%
Eviva Agighiol S.R.L.	Bucharest	Eviva Agighiol	-	99.00%	99.00%
Eviva Casimcea S.R.O.	Bucharest	Eviva Casimcea	-	99.00%	99.00%
Total Natural, S.R.L.	Bucharest	Total Natural	-	100.00%	100.00%
Premium Management Consulting, S.R.L.	Bucharest	Premium Management	-	85.00%	85.00%
MW Topolog, S.R.L.	Bucharest	MW Topolog	-	99.00%	99.00%
Eviva S.R.O.	Bratislava	Eviva Eslováquia	-	100.00%	100.00%
Martifer Renewables, S.A.	Gliwice	Eviva Polónia	-	100.00%	100.00%
IWP Sp. Z o.o.	Gliwice	IWP	-	100.00%	100.00%
Bukowsko	Gliwice	Bukowsko	-	100.00%	100.00%
Eviva Zebowo SP	Gliwice	Eviva Zebowo	-	51.00%	51.00%
Eviva Gac SP	Gliwice	Eviva Gac	-	51.00%	51.00%
Eviva Drzezewo SP	Gliwice	Eviva Drzezewo	-	51.00%	51.00%
Eviva Mepe	Athens	Eviva Grécia	-	100.00%	100.00%
Clean Energy Solutions	Norrköping	Clean Energy Solutions	-	50.10%	50.10%
Martifer Renewables Pty, Ltd.	Sidney	Eviva Austrália	-	100.00%	100.00%
Eviva Beteiligungsverwaltungs GmbH	Wien	Eviva GmbH	-	100.00%	100.00%
Eviva Hidro S.R.L.	Bucharest	Eviva Hidro	1.00%	99.00%	100.00%
Martifer Deutschland GmbH	Berlim	Martifer Deutschland	-	100.00%	100.00%
Windpark Bippen GmbH & Co. KG	Bremen	Bippen KG	-	100.00%	100.00%
Windpark Holleben GmbH & Co. KG	Bremen	Holleben KG	-	100.00%	100.00%
Martifer Renewables Bippen GmbH	Berlim	Eviva Bippen	-	100.00%	100.00%
Eviva Rumsko Sp. Z.o.o	Slupsk	Eviva Rumsko	-	51.00%	51.00%
Eviva Redecin Sp. Z.o.o	Slupsk	Eviva Redecin	-	51.00%	51.00%
Martifer Renewables Electricity LLC	San Francisco CA	Eviva Electricity	-	80.00%	80.00%
Martifer Renewables Wind LLC	San Diego CA	Eviva Spinnaker	-	72.00%	72.00%
Martifer Renewables Solar Thermal LLC	San Diego CA	Eviva Solar LLC	-	80.00%	80.00%
Martifer Renewables Itália, S.R.L.	Rome	Eviva Itália	-	100.00%	100.00%
Ginosa Solar Farm S.R.L.	Rome	Ginosa Solar Farm	-	100.00%	100.00%
Solar Spritehood S.R.L.	Rome	Solar Spritehood	-	100.00%	100.00%
Gesto Energia, S.A.	Oliveira de Frades	Gesto Energia	-	75.00%	75.00%
Martifer Renewables II Microprodução, S.A.	Vouzela	Martifer Renewables II Microprodução	-	60.00%	60.00%
G.I.G. - Gesto Investimento e Gestão, SGPS, S.A.	Oliveira de Frades	G.I.G.	-	75.00%	75.00%

COMPANY	HEAD OFFICE	DESIGNATION	PERCENTAGE OF SHARE CAPITAL HELD		
			DIRECTLY	INDIRECTLY	TOTAL
Hidroavelar, Unipessoal Lda.	Oliveira de Frades	Hidroavelar	-	75.00%	75.00%
Sociedade Hidroeléctrica do Távora, Unipessoal Lda.	Oliveira de Frades	Hidroeléctrica do Távora	-	75.00%	75.00%
Sociedade Geotérmica da Bacia Lusitana, Unipessoal Lda.	Oliveira de Frades	Soc. Geotérmica da Bacia Lusitana	-	75.00%	75.00%
Gesto Itália, S.R.L.	Roma	Gesto Itália	-	75.00%	75.00%
Eviva Energy SGPS, S.A.	Oliveira de Frades	Enerpetra	-	100.00%	100.00%
Wind Farm Odrzechowa Sp. Zo.o	Gliwice	Wind Odrzechowa	-	100.00%	100.00%
Energia Wiatrowa Sp. Zo.o	Gliwice	Energia Wiatrowa	-	100.00%	100.00%
Eviva Gizalki Sp. Zo.o	Miastko	Eviva Gizalki	-	60.00%	60.00%
Wind Farm Bukowsko Sp. Zo.o	Gliwice	Wind Farm Bukowsko	-	100.00%	100.00%
Wind Farm Markowa Sp. Zo.o	Gliwice	Wind Farm Markowa	-	100.00%	100.00%
Wind Farm Lada Sp. Zo.o	Gliwice	Wind Farm Lada	-	100.00%	100.00%
Wind Farm Jawornik Sp. Zo.o	Gliwice	Wind Farm Jawornik	-	100.00%	100.00%
Wind Farm Piersno Sp. Zo.o	Gliwice	Wind Farm Piersno	-	100.00%	100.00%
Martifer Renewables Brazil BV	Amsterdam	Renewables Holanda	-	100.00%	100.00%
Vesto EAD	Varna	Vesto	-	100.00%	100.00%
DVP1 Limited	Varna	DVP1	-	100.00%	100.00%
DVP2 Limited	Varna	DVP2	-	100.00%	100.00%
Martifer Renewables Investments ETVE, S.A.	Madrid	Eurocab 21	-	100.00%	100.00%
Gargano Solar Park, SRL	Cassola	Gargano Solar Park	-	100.00%	100.00%
Martifer Renewables North America LLC	Delaware	Martifer Renewables North America	-	100.00%	100.00%
Martifer Renewables Italy BV	Amsterdam	Renewables Italy Holanda	-	100.00%	100.00%
Prio Agriculture, B.V.	Delft	Prio Holanda	-	100.00%	100.00%

<sup>1)</sup> The full consolidation of these companies is justified as the Group has ultimate control.

## COMPANIES CONSOLIDATED THROUGH THE PROPORTIONATE METHOD

Companies consolidated through the proportionate method, their head offices and percentage of share capital held by the Group, at 30 September 2010, are as follows:

COMPANY	HEAD OFFICE	DESIGNATION	PERCENTAGE OF SHARE CAPITAL HELD		
			DIRECTLY	INDIRECTLY	TOTAL
Gebox, S.A.	Ílhavo	Gebox	-	50.00%	50.00%
Promoquatro – Investimentos Imobiliários, Lda.	Oliveira de Frades	Promoquatro	-	50.00%	50.00%
WPT – Wind Power Transmission, S.A.	Oliveira de Frades	WPT <sup>1)</sup>	-	33.33%	33.33%
Ventinveste, S.A.	Lisbon	Ventinveste SA <sup>2)</sup>	5.00%	41.60%	46.60%
Ventinveste Eólica, SGPS, S.A.	Lisbon	Ventinveste Eólica <sup>2)</sup>	-	46.60%	46.60%
Parque Eólico de Torrinheiras, S.A.	Lisbon	PE Torrinheiras <sup>2)</sup>	-	46.60%	46.60%
Parque Eólico do Douro Sul, S.A.	Lisbon	PE Douro Sul <sup>2)</sup>	-	46.60%	46.60%
Parque Eólico do Pinhal do Oeste, S.A.	Lisbon	PE Pinhal do Oeste <sup>2)</sup>	-	46.60%	46.60%
Parque Eólico de Vale Grande, S.A.	Lisbon	PE Vale Grande <sup>2)</sup>	-	46.60%	46.60%
Parque Eólico de Vale do Chão, S.A.	Lisbon	PE Vale do Chão <sup>2)</sup>	-	46.60%	46.60%
Parque Eólico do Cabeço Norte, S.A.	Lisbon	PE Cabeço Norte <sup>2)</sup>	-	46.60%	46.60%
Parque Eólico da Serra do Oeste, S.A.	Lisbon	PE Serra do Oeste <sup>2)</sup>	-	46.60%	46.60%
Parque Eólico do Planalto, S.A.	Lisbon	PE Planalto <sup>2)</sup>	-	46.60%	46.60%
Eviva Dunowo, Sp. Z o.o.	Gliwice	Eviva Dunowo	-	50.00%	50.00%
SPEE 3 – Parque Eólico do Baião, S.A.	Lisbon	SPEE 3	-	50.00%	50.00%
SPEE 2 – Parque Eólico de Vila Franca de Xira, S.A.	Oliveira de Frades	SPEE 2	-	50.00%	50.00%
Macquarie Capital Wind Fund Pty Limited	Sidney	Macquarie	-	50.00%	50.00%
Silverton Wind Farm Holding	Sidney	Silverton <sup>1)</sup>	-	25.00%	25.00%
Repower Portugal – Sistemas Eólicos, S.A.	Oliveira de Frades	Repower Portugal	-	50.00%	50.00%
Ventipower, S.A.	Oliveira de Frades	Ventipower <sup>2)</sup>	-	46.60%	46.60%
Martifer – Hirschfeld Energy Systems LLC	San Angelo TX	Martifer Energy Systems USA	-	50.00%	50.00%

COMPANY	HEAD OFFICE	DESIGNATION	PERCENTAGE OF SHARE CAPITAL HELD		
			DIRECTLY	INDIRECTLY	TOTAL
M City Bialystok Sp. Zo.o	Gliwice	M City Bialystok	-	50.00%	50.00%
M City Radom Sp. Zo.o	Gliwice	M City Radom	-	50.00%	50.00%
Parque Eólico da Penha da Gardunha, Lda.	Oliveira de Frades	PE Penha da Gardunha	-	50.00%	50.00%

<sup>1)</sup> The consolidation of these companies through the proportionate consolidation method results from the Group having joint control of their parent company, which in turn has joint or full control of the investee.

<sup>2)</sup> The consolidation of these companies through the proportionate consolidation method results from shareholder agreements that regulate joint control of the investee.

## COMPANIES CONSOLIDATED THROUGH THE EQUITY METHOD

Companies consolidated through the equity method, their head offices and percentage of share capital held by the group, at 30 September 2010, are as follows:

COMPANY	HEAD OFFICE	DESIGNATION	PERCENTAGE OF SHARE CAPITAL HELD		
			DIRECTLY	INDIRECTLY	TOTAL
Proempar	Oporto	Proempar	-	24.00%	24.00%
Parque Tecnológico do Tâmega	Felgueiras	PTT	-	19.40%	19.40%
Green Vouga, S.A.	Oliveira de Frades	GreenVouga	-	45.00%	45.00%
Pro Wind LLC	Simferopol	Pro Wind <sup>1)</sup>	-	50.00%	50.00%
Nova Eco LLC	Kiev	Nova Eco <sup>1)</sup>	-	50.10%	50.10%
Liszki Green Park, Sp. Zo.o	Gliwice	Liszki Green Park	-	45.00%	45.00%
Wind Hidro Sun Energy Services, Lda.	Vouzela	WHS Energy Services	-	45.00%	45.00%
Parque Solar Seseña I, S.L.	Madrid	Seseña I	-	37,48%	37,48%
Prio SGPS, S.A.	Oliveira de Frades	Prio SGPS	49.00%	-	49.00%
Prio Foods. S.A.	Oliveira de Frades	Prio Foods	-	49.00%	49.00%
Prio Agricultura. S.A.	Maputo	Prio Agricultura Moçambique	-	49.00%	49.00%
Prio Agricultura. S.R.L.	Bucharest	Prio Agricultura Roménia	-	49.00%	49.00%
Prio Agromart S.R.L.	Bucharest	Prio Agromart	-	49.00%	49.00%
Prio Balta S.R.L.	Bucharest	Prio Balta	-	49.00%	49.00%
Prio Facaieni S.R.L.	Bucharest	Prio Facaieni	-	49.00%	49.00%
Prio Ialomita S.R.L.	Bucharest	Prio Ialomita	-	49.00%	49.00%
Prio Rapita S.R.L.	Bucharest	Prio Rapita	-	49.00%	49.00%
Prio Terra Agrícola S.R.L.	Bucharest	Prio Terra Agrícola	-	49.00%	49.00%
Prio Turism Rural S.R.L.	Bucharest	Prio Turism Rural	-	49.00%	49.00%
Agromec Balaciu	Bucharest	Agromec Balaciu	-	42.60%	42.60%
Miharox S.R.L.	Bucharest	Miharox	-	40.47%	40.47%
Zimbrul. S.A.	Bucharest	Zimbrul	-	49.00%	49.00%
Agrozootehnica. S.A.	Bucharest	Agrozootehnica	-	48.98%	48.98%
Prio Agrotrans S.R.L.	Bucharest	Prio Agrotrans	-	49.00%	49.00%
Prio Agricultura e Extracção LTDA	S. Luís do Maranhão	Prio Agricultura e Extracção	-	49.00%	49.00%
Prio Extractie S.R.L.	Bucharest	Prio Extractie	-	49.00%	49.00%
Prio Agro Industries. Sp. Z o.o.	Gliwice	Prio Polónia	-	49.00%	49.00%
Prio Biocombustibil S.R.L.	Bucharest	Prio Biocombustibil	-	49.00%	49.00%
Prio Advanced Fuels SGPS. S.A.	Oliveira de Frades	Prio AF SGPS	49.00%	-	49.00%
Prio Biocombustíveis. S.A.	Oliveira de Frades	Prio Biocombustíveis	-	49.00%	49.00%
Prio Energy. S.A.	Oliveira de Frades	Prio Energy	-	49.00%	49.00%
Mondefin	Coimbra	Mondefin	-	49.00%	49.00%
Veiga & Seabra. S.A.	Aguada de Baixo	Veiga & Seabra	-	49.00%	49.00%

<sup>1)</sup> The consolidation of these companies through equity method results from the loss of economic control.

During the nine month period ended at 30 September 2010 and during 2009 the changes occurred in the consolidation perimeter were as follows:

**Incorporated companies:**

*In the nine month period ended at 30 September of 2010:*

Martifer Gestione Si Servicii. S.R.L. (Martifer Inovação Roménia)

Tavira Gran Plaza S.A. (Tavira Gran Plaza)

MTS6 S.R.L. (MTS6)

Ginosa Solar Farm S.R.L. (Ginosa Solar Farm)

Solar Spritehood S.R.L. (Solar Spritehood)

Martifer - Construções Metálicas, Ltda (Martifer Brasil)

Martifer Solar SGPS, S.A. (Martifer Solar SGPS)

MT Silverado Fund LLC (Silverado)

Home Energy France SAS (Home Energy França)

MPrime Solar Solutions, S.A. (MPrime)

Martifer Solar Canadá, Ltd. (Martifer Solar Canadá)

Eólica Faisa I, Ltda (Faisa I)

Eólica Faisa II, Ltda (Faisa II)

Eólica Faisa III, Ltda (Faisa III)

Eólica Faisa IV, Ltda (Faisa IV)

Eólica Faisa V, Ltda (Faisa V)

Eólica Icarai, Ltda. (Icarai)

Martifer Renewables North America LLC (Renewables North America)

Martifer Renewables Italy BV (Renewables Italy Holanda)

Martifer Constructions, SAS (Martifer França)

Martifer Solar SK s.r.o. (Martifer Solar Eslováquia)

Canopy – Apollo SAS (Canopy)

*In 2009:*

Martifer Solar S.A.S. (Martifer Solar França)

Parque Solar Seseña I, S.L. (Seseña I)

Parque Solar Seseña II, S.L. (Seseña II)

MTS1 S.R.L. (MTS1)

MTS2 S.R.L. (MTS2)

MTS3 S.R.L. (MTS3)

MTS4 S.R.L. (MTS4)

MTS5 S.R.L. (MTS5)

Martifer Recycling, S.R.L. (Martifer Recycling Roménia)

Martifer Wind Energy Systems LLC (Martifer Wind USA)

Martifer Energy Systems, PTY (Martifer Energia África do Sul)

MT Construction Maroc, S.A.R.L. (Martifer Marrocos)

Martifer Solar CZ (Martifer Solar República Checa)

Martifer Renewables II Microprodução, S.A. (Martifer Renewables II Microprodução)

G.I.G. - Gesto Investimento e Gestão, SGPS, S.A. (G.I.G.)

Hidroavelar, Unipessoal Lda. (Hidroavelar)

Sociedade Hidroelétrica do Távora, Unipessoal Lda. (Soc. Hidroelétrica do Távora)

Sociedade Geotérmica da Bacia Lusitaniana, Unipessoal Lda. (Soc. Geotérmica da Bacia Lusitaniana)

Gesto Itália, S.R.L. (Gesto Itália)

Wind Hidro Sun Energy Services, Lda. (WHS Energy Services)

Martifer Renewables Brasil Participações LTDA (Martifer Renewables Brasil)

Prio Advanced Fuels SGPS, S.A. (Prio AF SGPS)  
Martifer Solar Investments, B.V. (Martifer Solar Holanda)  
Martifer Aluminium UK Limited (Martifer Aluminium Reino Unido)

**Acquired companies:**

*In the nine month period ended at 30 September of 2010:*

Gargano Solar Park, SRL (Gargano Solar Park)  
MTSK1 s.r.o. (MTSK1))

*In 2009:*

Miharox, S.R.L. (Miharox)  
Premium Management Consulting, S.R.L. (Premium Management)  
Ground Investment Corp, S.R.L. (Ground Investment)  
Parque Eólico Penha da Gardunha, S.A. (PE Penha da Gardunha)  
Prio Agrotrans S.R.L. (Prio Agrotrans)  
RDS Farmers Seeds B.V. (Renewables Holanda)  
M City Bialystok Sp. Zo.o (M City Bialystok)

**Changes in the consolidation method:**

*In the nine month period ended at 30 September of 2010:*

Parque Solar Seseña I, S.L. (Seseña I) – from full consolidation method to equity method resulting from changes in the percentage held by the Group

Parque Eólico da Penha da Gardunha, Lda. (PE Penha da Gardunha) – from full to proportionate consolidation method resulting from changes in the percentage of control that became joint

Prio SGPS, S.A. (Prio SGPS)<sup>1)</sup>  
Prio Foods, S.A. (Prio Foods)<sup>1)</sup>  
Prio Agricultura, S.A. (Prio Agricultura Moçambique)<sup>1)</sup>  
Prio Agricultura, S.R.L. (Prio Agricultura Roménia)<sup>1)</sup>  
Prio Agromart S.R.L. (Prio Agromart)<sup>1)</sup>  
Prio Balta S.R.L. (Prio Balta)<sup>1)</sup>  
Prio Facaieni S.R.L. (Prio Facaieni)<sup>1)</sup>  
Prio Ialomita S.R.L. (Prio Ialomita)<sup>1)</sup>  
Prio Rapita S.R.L. (Prio Rapita)<sup>1)</sup>  
Prio Terra Agrícola S.R.L. (Prio Terra Agrícola)<sup>1)</sup>  
Prio Turism Rural S.R.L. (Prio Turism Rural)<sup>1)</sup>  
Agromec Balaciu (Agromec Balaciu)<sup>1)</sup>  
Miharox S.R.L. (Miharox)<sup>1)</sup>  
Zimbrul, S.A. (Zimbrul)<sup>1)</sup>  
Agrozootehnica, S.A. (Agrozootehnica)<sup>1)</sup>  
Prio Agrotrans S.R.L. (Prio Agrotrans)<sup>1)</sup>  
Prio Agricultura e Extração LTDA (Prio Agricultura e Extração)<sup>1)</sup>  
Prio Extractie S.R.L. (Prio Extractie)<sup>1)</sup>  
Prio Agro Industries, Sp. Z o.o. (Prio Polónia)<sup>1)</sup>  
Prio Biocombustibil S.R.L. (Prio Biocombustibil)<sup>1)</sup>  
Prio Advanced Fuels SGPS, S.A. (Prio AF SGPS)<sup>1)</sup>  
Prio Biocombustíveis, S.A. (Prio Biocombustíveis)<sup>1)</sup>  
Prio Energy, S.A. (Prio Energy)<sup>1)</sup>  
Mondefin (Mondefin)<sup>1)</sup>

Veiga & Seabra, S.A. (Veiga & Seabra)<sup>1)</sup>

<sup>1)</sup> These companies changed the consolidation method from full consolidation to equity method resulting from changes in the percentage held by the Group accompanied with the loss of economic control in its subsidiaries.

*In 2009:*

Repower Portugal – Sistemas Eólicos, S.A. (Repower Portugal) – from full to proportionate consolidation method resulting from changes in the percentage of control that became joint

Ventipower, S.A. (Ventipower) – from full to proportionate consolidation method resulting from changes in the percentage of control that became joint

Martifer – Hirschfeld Energy Systems LLC (Martifer Energy Systems USA) – from full to proportionate consolidation method resulting from changes in the percentage held by the Group

Nova Eco LLC (Nova Eco LLC) – from full consolidation method to equity method resulting from the loss of economic control

Global Façade Systems Company Limited (Global Façade Systems) – from equity method to full consolidation method resulting from changes in the percentage held by the Group

M City Radom Sp. Zo.o (M City Radom) – from full to proportionate consolidation method resulting from changes in the percentage held by the Group

Liszki Green Park, Sp. Zo.o (Liszki Green Park) - from full consolidation method to equity method resulting from changes in the percentage held by the Group

### 3. SALES AND SERVICES RENDERED

The breakdown of sales and services rendered for the nine month periods ended 30 September 2010 and 2009 is as follows:

	9M'2010	9M'2009
Revenue from the sale of merchandise	92,359,870	92,040,304
Revenue from the sale of goods	234,679,974	188,819,068
Services rendered	80,034,651	55,652,400
	407,074,495	336,511,772

### 4. INFORMATION BY BUSINESS SEGMENTS

The Group bases its disclosure of information for primary segments on its internal organisation in terms of management.

The Group is organised in two major business areas – Metallic Construction and Renewable Energy that are coordinated and supported by Martifer SGPS. The Metallic Construction business area includes all the construction activities of steel structures, aluminium façades and glass and stainless steel solutions. The Renewable Energy business area includes the following business segments 'Energy Systems', 'Solar' and 'RE Developer'. The Energy Systems segment includes: wind power division that produces components for wind power turbines, steel tower manufacturing, turbine assembly and turnkey wind farm delivery; engineering division that offers management and construction solutions for industrial units; and navy division that includes navy engineering, repair and maintenance. In the Solar segment the focus is on the production of PV panels, as well as the promotion, licensing, operation and maintenance of solar parks. The RE Developer segment (formerly named 'Electricity Generation') promotes, develops and manages electricity generation projects from renewable sources, using several technologies. Amounts related to Martifer SGPS, Martifer Inovação e Gestão S.A. (MIG) and Martifer Gestiune Si Servicii, S.R.L. (MIG RO) are included in the 'Holding and MIG's' caption.

The adoption of IFRS 8 – Business Segments did not result, apart from redenomination of some segments, in any change in the reportable segments of the Group as the management uses information based on the same segmentation. Additionally, the accounting policies used in the preparation of the information by business segments is the same used in the preparation of the attached financial statements (Note 1).

The breakdown of sales and services rendered by primary segments for the nine month periods ended 30 September 2010 and 2009 is as follow

	SALES TO EXTERNAL CUSTOMERS		INTERSEGMENT SALES		TOTAL	
	9M'2010	9M'2009	9M'2010	9M'2009	9M'2010	9M'2009
Holding and MIG's	2,093,502	499,032	6,868,081	8,430,783	8,961,584	8,929,815
Metallic Construction	201,776,924	174,391,533	66,016,488	120,201,307	267,793,412	294,592,841
Energy Systems	46,336,550	71,159,202	9,735,871	54,795,352	56,072,420	125,954,554
Solar	138,996,320	76,498,105	56,869,363	34,912,464	195,865,684	111,410,569
RE Developer	17,871,199	13,963,899	699,467	30,645,801	18,570,666	44,609,700
	407,074,495	336,511,772	140,189,270	248,985,707	547,263,765	585,497,479
Intersegment eliminations					(133,279,737)	(188,860,340)
Own work capitalized (Note 5)					(6,909,533)	(60,125,367)
Sales and services rendered to external customers – Total					407,074,495	336,511,772

Apart from Energy Systems segment all the other business areas recorded, during the first nine months of 2010, positive changes in sales and services rendered. In the Metallic Construction business area, this growth is mainly justified by the launch of some significant projects in the portfolio and a smooth upwards trend felt in the aluminium and steel prices in the international market.

In the Solar business area this positive change results mainly from the increase activity of photovoltaic sector, particularly in some European countries such as Italy and Spain and also Cape Verde.

In the RE Developer area the increase in sales and services rendered compared with the first nine months of 2009 is explained with the increase in the number of operating MWs, as some parks started its operation in the middle of 2009.

The reduction in sales and services rendered in the Energy Systems segment is explained by the impact of both the economic slowdown, the difficult financial market conditions, and regulatory uncertainty given the budgetary problems faced by governments leading to a drop in the demand for wind power equipment and systems and, consequently, to a reduction of turnkey projects across Europe.

The earnings before interest, taxes, amortisations, provisions and impairment losses (EBITDA), earnings before interest and taxes (EBIT) and profit after tax by primary segments for the nine month periods ended 30 September 2010 and 2009 are as follows:

	EBITDA		EBIT		PROFIT AFTER TAX	
	9M'2010	9M'2009	9M'2010	9M'2009	9M'2010	9M'2009
Holding and MIG's	1.801.048	1,171,672	284,711	214,187	12,178,049	160,346,507
Metallic Construction	14,245,107	23,345,931	6,806,078	17,720,754	811,586	7,579,132
Energy Systems	(1,527,578)	8,513,483	(4,546,320)	2,977,053	(5,852,928)	(526,709)
Solar	17,453,011	5,600,394	15,345,870	4,126,536	9,140,084	1,628,373
RE Developer	9,867,661	1,116,688	(12,298,033)	(41,416,034)	(16,167,164)	(44,670,553)
	41,839,250	39,748,168	5,592,307	(16,377,503)	109,627	124,356,749

The Group's net assets and liabilities by primary segments at 30 September 2010 and 31 December 2009 are as follows:

	ASSETS		LIABILITIES	
	30 SEPTEMBER 2010	31 DECEMBER 2009	30 SEPTEMBER 2010	31 DECEMBER 2009
Holding and MIG's	547,886,935	513,303,855	131,988,134	39,431,016
Metallic Construction	594,050,493	570,861,886	491,724,367	472,359,926
Energy Systems	214,165,441	229,272,498	188,067,349	204,009,976
Solar	262,419,888	151,620,064	228,759,009	138,573,011
RE Developer	967,775,614	982,432,226	861,173,290	860,154,458
Agriculture & Biofuels	-	596,874,676	-	590,788,986
Intra-group eliminations	(1,391,056,054)	(1,621,667,542)	(1,100,934,740)	(1,320,647,738)
	1,195,242,317	1,422,697,663	800,777,409	984,669,634
Attributable to the business unit held for sale		361,190,780		250,279,627

The Group's capital expenditures (acquisition of tangible and intangible assets) and amortisations by primary segments till 30 September 2010 and 2009 are as follows:

	CAPITAL EXPENDITURES		AMORTISATIONS	
	30 SEPTEMBER 2010	30 SEPTEMBER 2009	9M'2010	9M'2009
Holding and MIG's	275,132	2,398,440	1,516,337	957,485
Metallic Construction	3,643,599	10,420,883	5,181,736	4,712,031
Energy Systems	5,026,277	5,673,202	2,778,912	3,147,338
Solar	1,243,486	3,331,595	1,600,348	1,392,838
RE Developer	19,322,026	63,592,953	8,760,457	6,971,371
	29,510,520	85,417,073	19,837,790	17,181,063

The decrease in capital expenditure during this nine month period, compared with the nine month period of 2009, is justified with the finalization of most of the investments initiated during 2008 and 2009, with particular emphasis to the implementation of ERP SAP, to the construction of wind farms in RE Developer segment and to the new industrial facilities in Angola, in the Metallic Construction segment.

The investment recorded during the first nine months of 2010 was essentially applied to the construction of the new tower plant in Texas, USA in the Energy Systems segment and to the development of RE Developer's assets in Romania, Poland, Portugal and Brazil, and finally the investments made in Angola to conclude the Metallic Construction's facilities.

## 5. OTHER INCOME

For the nine month periods ended at 30 September 2010 and 2009, the breakdown of the caption 'Other income' is as follows:

	9M'2010	9M'2009
Change in production	2,153,035	9,082,028
Own work capitalized	6,909,533	60,125,367
	9,062,568	69,207,395

The reduction of 'Own work capitalized' is connected with the finalization of the construction of industrial facilities in Angola, in the Metallic Construction segment, as well as the wind farms conclusion in the RE Developer segment.

## 6. OTHER OPERATIONAL GAINS AND LOSSES

The changed occurred in this caption is mostly influenced by the end of the capitalization of development costs in wind farms and solar parks, in the RE Developer segment, due to its finalization and start of operation.

## 7. PROVISIONS AND IMPAIRMENT LOSSES

The provisions and impairment losses for the nine month periods ended 30 September 2010 and 2009 were as follows:

	9M'2010	9M'2009
Goodwill impairment (Note 11)	8,525,551	13,214,457
Financial investments impairment	-	4,275,172
Intangible assets impairment (Note 12)	4,851,537	9,688,243
Tangible assets impairment (Note 13)	-	6,686,622
Trade and other receivables impairment	1,764,491	726,961
Inventory impairment	-	350,129
Provisions arising from the use of the equity method (Note 21)	184,030	-
Other provisions (Note 21)	1,083,544	4,003,024
	16,409,153	38,944,608

RE Developer business area recognized, during the first nine months of the year, Euro 13,377,088 of non recurring impairment losses due to the incorporation, in future perspectives of the projects in progress, of the latest trend of behaviour in the world financial markets.

## 8. NET FINANCIAL RESULTS

The net financial results for the nine month periods ended at 30 September 2010 and 2009 can be analyzed as follows:

	9M'2010	9M'2009
<b>FINANCIAL INCOME</b>		
Loans and accounts receivable (including bank deposits)		
- Interest income	1,053,414	1,937,312
Available for sale investments		
- Dividend income	2,743,725	2,478,147
- Gains on the sale of financial assets	192,718	18,318
Held for sale investments		
- Gains on the sale of financial assets	13,062,857	160,885,470
Other financial income related to other financial assets		
- Foreign exchange gains	13,790,174	6,649,636
- Financial discounts received	96,538	649,867
- Other financial income	254,470	222,650
	31,193,896	172,841,401

	9M'2010	9M'2009
<b>FINANCIAL EXPENSES</b>		
Loans and accounts payable		
- Interest expenses in bank loans and in finance leases	13,544,010	16,232,316
• of which included in the acquisition cost of assets in progress	(92,624)	(175,231)
Other financial expenses related to other financial liabilities		
- Foreign exchange losses	11,653,617	10,325,343
- Financial discounts granted	41,217	7,561
- Other financial expenses	4,375,539	2,467,514
	29,521,760	28,857,503

The amount recorded in both years in the caption 'Dividend income' relates to the dividends received by the Group relating to the financial investment held in EDP – Energias de Portugal, S.A.

The caption 'Gains on the sale of financial assets' held for sale, in 2010, refers to the loss of control of the subsidiaries of Prio Foods and Prio Energy Groups. In 2009, the figure of Euro 160,885,470 relates to the financial gain recorded on the sale of the equity stake held by the Group in the share capital of Repower Systems, AG.

The changes in the captions 'Interest income / interest expenses' are related to a decrease in interest, resulting from a lower level of debt as well as a reduction in interest rates.

The captions 'Foreign exchange gains / (losses)' are related with exchange variations registered in foreign subsidiaries, particularly in Romania, Poland and Angola, and the changes in these nine months compared with the first nine months of 2009 are mainly due to the valorisation of local currencies towards Euro, particularly due to the appreciation of Kwanza (Angola) and Polish Zloty (Poland) against the Euro.

## 9. GAINS AND LOSSES IN ASSOCIATE COMPANIES

The gains and losses in associate companies for the nine month periods ended 30 September 2010 and 2009 are as follows:

	9M'2010	9M'2009
Group Prio Foods	(2,874,901)	-
Group Prio Energy	1,315,256	-
WHS Energy Services	11,987	-
Seseña I	(1,163)	-
Green Vouga	-	(12,474)
Power Blades	-	19,480
	(1,548,821)	7,007

## 10. EARNINGS PER SHARE

Martifer SGPS only issued ordinary shares, and as such, no shares have special voting or dividend rights.

Martifer has just one type of potential ordinary dilutive shares: stock options. In order to calculate diluted earnings per share it is necessary to determine if these stock options, independently of being or not exercisable, are diluted, which happened when the exercise price of the opting is lower than the average market price of the shares.

Once the average market price of Martifer's shares, in the period between 1 January 2010 and 30 September 2010, was Euro 2.35, lower than the exercise price of the stock options (Euro 3.84), these stock options are non diluted because if the options were exercised the number of shares outstanding would be reduced.

Therefore, at 30 September 2010 there were no differences between the basic earnings per share and the diluted earnings per share calculation.

The share capital of Martifer SGPS is represented by 100,000,000 ordinary shares, fully paid, representing a share capital of Euro 50,000,000.

The weighted average number of shares outstanding is deducted of 34,109 treasury shares acquired by Martifer SGPS on May 14, 2010.

At 30 September 2010 and 2009, the basic and diluted earnings per share can be summarised as follows

	9M'2010	9M'2009
Profit for the period (I)	(3,286,454)	114,294,218
Weighted average number of shares outstanding (II)	99,982,508	100,000,000
Basic and diluted earnings per share (I) / (II)	(0.0329)	1.1429

During the nine month period ended 30 September 2010 the Group paid Euro 10,000,000 of dividends.

## 11. GOODWILL

The relevant information regarding the companies acquired by the Group, during the nine month period ended at 30 September 2010, can be summarised as follows:

ACQUIRED COMPANY	BUSINESS ACTIVITY	ACQUISITION DATE	% ACQUIRED	ACQUISITION COST
Energia Wiatrowa	RE Developer	January 10	-	1,087,414
Ventinveste, S.A.	Holding company	February 10	5%	462,500
Gargano Solar Park	RE Developer	April 10	100%	56,320
MTSK1	Solar park development	July 10	90%	17,848
				1,624,082

These acquisitions were accounted in accordance with the purchase method and the majority represented cash out flows. In respect to the subsidiary Energia Wiatrowa, the amount paid refers to the accomplishment of the milestones agreed.

The goodwill generated on these acquisitions was recognized in the 'Goodwill' caption as the fair value allocation exercise is not yet concluded.

Fair value allocation of the acquired assets and liabilities can be summarised as follows:

	CARRYING AMOUNTS OF ACQUIRED ASSETS AND LIABILITIES BEFORE THE ACQUISITION	FAIR VALUE ALLOCATION	FAIR VALUE
<b>NET ASSETS ACQUIRED</b>			
Tangible assets	340,938	-	340,938
Intangible assets	209,167	-	209,167
Inventories	-	-	-
Trade receivables and others receivables	12,760	-	12,760
Cash and cash equivalents	11,843	-	11,843
Borrowings	(556,008)	-	(556,008)
Trade payables and others payables	(6,164)	-	(6,164)
Others	(10,824)	-	(10,824)
	1,713	-	1,713
Goodwill from acquisitions			1,622,369
Total acquisition cost:			1,624,082
Acquisition cost to be liquidated in kind			-
Acquisition cost paid in cash			1,624,082
Cash flows generated by the acquisitions:			
- Cash and cash equivalents paid			1,624,082
- Cash and cash equivalents in the acquired companies			(11,843)
			1,612,239

At 30 September 2010 and 31 December 2009, the movement occurred in the caption 'Goodwill' is as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
<b>COST</b>		
Opening balance	67,513,979	57,736,208
Acquisition of subsidiaries	1,622,369	8,978,238
Reductions arising from the fair value allocation process		
- SPEE 2	-	(1,300,000)
- Ventania	-	(596,193)
Changes arising from the loss of control of the subsidiaries:		
- Parque Eólico da Penha da Gardunha	(1,627,073)	-
Sale of subsidiaries	(1,630,768)	(981,156)
Effect of foreign currency exchange differences	1,445,945	3,693,784
Others	-	(16,901)
<b>CLOSING BALANCE</b>	<b>67,324,451</b>	<b>67,513,979</b>
<b>ACCUMULATED IMPAIRMENT LOSSES</b>		
Opening balance	27,018,396	2,685,876
Impairment losses recognized in the period (Note 7)	8,525,551	24,332,520
Sale of subsidiaries	(1,630,768)	-
<b>CLOSING BALANCE</b>	<b>33,913,179</b>	<b>27,018,396</b>
<b>Carrying amount at the beginning of the period</b>	<b>40,495,583</b>	<b>67,995,855</b>
<b>Carrying amount at the end of the period</b>	<b>33,411,272</b>	<b>40,495,583</b>

At 30 September 2010 and 31 December 2009, the breakdown of 'Goodwill' is as follow:

	30 SEPTEMBER 2010		31 DECEMBER 2009	
	COST	ACCUMULATED IMPAIRMENT LOSSES	CARRYING AMOUNT	CARRYING AMOUNT
Eviva S.A.	7,329,313	(3,606,487)	3,722,826	7,329,313
Macquarie	16,344,740	(9,237,420)	7,107,321	6,246,877
Martifer Construções	5,448,792	-	5,448,792	5,448,792
Martifer Metallic Constructions	4,127,466	-	4,127,466	4,127,466
Sassall Glass & Joinery	4,516,554	-	4,516,554	3,969,760
Parque Eólico Penha da Gardunha	2,046,312	-	2,046,312	3,673,386
Ventinveste	473,525	-	473,525	-
Energia Wiatrowa	2,945,112	(2,945,112)	-	1,857,699
Navalria	1,618,675	-	1,618,675	1,618,675
Martifer Solar	1,493,776	-	1,493,776	1,493,776
Bukowsko	796,974	(796,974)	-	796,974
Eviva Rumsko	637,197	-	637,197	637,197
Eviva Drzewo	634,959	-	634,959	634,959
Eviva Gizalki	602,432	(602,432)	-	602,432
IWP	574,545	(574,545)	-	574,545
A & M	363,546	-	363,546	344,418
Eviva Redecin	232,945	-	232,945	232,945
Premium Management	198,603	-	198,603	200,267
Home Energy II	154,280	-	154,280	154,280
Sassall Aluminium Pty Ltd	175,464	-	175,464	154,221
Eviva Gac	148,633	-	148,633	148,633
Eviva Zebowo	148,633	-	148,633	148,633
PVI	72,205	-	72,205	72,205
Gargano Solar Park	50,002	-	50,002	-
MTSK1	11,427	-	11,427	-
MGI	8,373	-	8,373	8,373
Martifer GmbH	6,026	-	6,026	6,026
RDS Farmers Seeds	6,000	-	6,000	6,000
M City Bialystok	4,733	-	4,733	4,733
Eviva Bippen	3,000	-	3,000	3,000
Clean Energy Solutions	1,595,582	(1,595,582)	-	-
Eviva Energy SR.L.	9,368,124	(9,368,124)	-	-
Eviva GmbH	5,587	(5,587)	-	-
Eviva S.R.O.	1,656,260	(1,656,260)	-	-
Solar Parks	2,685,876	(2,685,876)	-	-
Total Natural	509,173	(509,173)	-	-
Vesto	17,895	(17,895)	-	-
Pro Wind	61,835	(61,835)	-	-
Silverton	249,875	(249,875)	-	-
	67,324,451	(33,913,179)	33,411,272	40,495,583

## 12. INTANGIBLE ASSETS

This caption is analysed as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
<b>COST</b>		
Software and other rights	48,285,174	46,579,990
Intangible assets in progress	10,132,666	13,461,339
Advances for the acquisition of intangible assets	5,924,987	4,785,551
	64,342,826	64,826,880
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES</b>		
Software and other rights	12,574,546	9,511,639
Intangible assets in progress	-	-
Advances for the acquisition of intangible assets	-	-
	12,574,546	9,511,639
<b>CARRYING AMOUNT</b>	<b>51,768,280</b>	<b>55,315,241</b>

At 30 September 2010 and 2009, the gross amount of 'Intangible assets' can be analysed as follows:

	SOFTWARE AND OTHER RIGHTS	INTANGIBLE ASSETS IN PROGRESS	ADVANCES FOR THE ACQUISITION OF INTANGIBLE ASSETS	TOTAL
<b>30 SEPTEMBER 2009</b>				
Opening balance	44,990,513	12,848,001	1,127,664	58,966,178
Additions	346,260	5,904,924	4,735,551	10,986,734
Sales, disposals and write-offs	(24,250)	-	-	(24,250)
Effect of foreign currency exchange differences	843,594	(381,973)	(53,283)	408,337
Changes in the consolidation perimeter	(719,472)	(18,946)	-	(738,418)
Impairments	(9,688,243)	-	-	(9,688,243)
Transfers and other movements	8,183,922	(6,000,274)	-	2,183,647
	43,932,322	12,351,732	5,809,931	62,093,986
<b>30 SEPTEMBER 2010</b>				
Opening balance	46,579,990	13,461,339	4,785,551	64,826,880
Additions	1,563,295	1,514,339	1,976,106	5,053,740
Sales, disposals and write-offs	(7,338)	-	-	(7,338)
Effect of foreign currency exchange differences	152,298	653,045	-	805,343
Changes in the consolidation perimeter	(198)	(644,520)	(836,670)	(1,481,388)
Impairments (note 7)	-	(4,851,537)	-	(4,851,537)
Transfers and other movements	(2,873)	-	-	(2,873)
	48,285,174	10,132,666	5,924,987	64,342,826

The impairment losses recorded in intangible assets in progress refers, essentially, to the incorporation, in future perspectives of the projects in progress, in RE Developer segment, of the latest trend of behaviour in the world financial markets.

At 30 September 2010 and 2009, the accumulated depreciation of 'Intangible assets' can be analyzed as follows:

	SOFTWARE AND OTHER RIGHTS	INTANGIBLE ASSETS IN PROGRESS	ADVANCES FOR THE ACQUISITION OF INTANGIBLE ASSETS	TOTAL
<b>30 SEPTEMBER 2009</b>				
Opening balance	5,826,514	-	-	5,826,514
Additions	2,671,142	-	-	2,671,142
Sales, disposals and write-offs	(6,716)	-	-	(6,716)
Effect of foreign currency exchange differences	480	-	-	480
Changes in the consolidation perimeter	(36,968)	-	-	(36,968)
Transfers and other movements	(4,990)	-	-	(4,990)
	8,449,461	-	-	8,449,461
<b>30 SEPTEMBER 2010</b>				
Opening balance	9,511,639	-	-	9,511,639
Additions	3,043,671	-	-	3,043,671
Sales, disposals and write-offs	(6,376)	-	-	(6,376)
Effect of foreign currency exchange differences	7,200	-	-	7,200
Changes in the consolidation perimeter	(77)	-	-	(77)
Transfers and other movements	18,488	-	-	18,488
	12,574,546	-	-	12,574,546
<b>CARRYING AMOUNT</b>				
30 September 2009	35,482,862	12,351,732	5,809,931	53,644,525
30 September 2010	35,710,628	10,132,666	5,924,987	51,768,280

### 13. TANGIBLE ASSETS

This caption is analysed as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
<b>COST</b>		
Land and buildings	140,838,299	129,925,778
Equipments	164,105,518	159,500,917
Tangible assets in progress	105,197,317	97,441,061
Other tangible assets	92,961,720	92,638,317
	503,102,853	479,506,073
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES</b>		
Land and buildings	26,531,516	22,979,302
Equipments	63,597,208	54,239,347
Tangible assets in progress	-	-
Other tangible assets	7,642,486	4,095,579
	97,771,210	81,314,229
<b>CARRYING AMOUNT</b>	<b>405,331,643</b>	<b>398,191,844</b>

At 30 September 2010 and 2009, the gross amount of land and buildings, equipments, tangible assets in progress and other fixed assets can be analysed as follows:

	LAND AND BUILDINGS	EQUIPMENTS	TANGIBLE ASSETS IN PROGRESS	OTHER TANGIBLE ASSETS	TOTAL
<b>30 SEPTEMBER 2009</b>					
Opening balance	95,510,504	134,166,436	121,041,577	54,363,349	405,081,865
Additions	3,774,666	7,352,884	57,916,472	5,386,318	74,430,339
Sales, disposals and write-offs	(57,092)	(1,524,222)	-	(86,824)	(1,668,139)
Effect of foreign currency exchange differences	65,342	3,414,091	(3,231,273)	268,770	516,931
Changes in the consolidation perimeter	(101,282)	(341,861)	(1,534,285)	(596,692)	(2,574,120)
Impairments	(39,927)	(2,071,567)	(4,413,499)	(161,628)	(6,686,622)
Transfers and other movements	47,548,907	25,468,494	(77,592,640)	(548,368)	(5,123,608)
	146,701,116	166,464,255	92,186,351	58,624,925	463,976,647
<b>30 SEPTEMBER 2009</b>					
Opening balance	129,925,778	159,500,917	97,441,061	92,638,317	479,506,073
Additions	4,513,968	2,350,571	17,161,589	430,653	24,456,780
Sales, disposals and write-offs	(174,618)	(876,035)	-	(9,787)	(1,060,441)
Effect of foreign currency exchange differences	487,412	2,133,737	382,974	254,414	3,258,538
Changes in the consolidation perimeter	(606,039)	(216,824)	(890,284)	11,581	(1,701,567)
Transfers and other movements	6,691,799	1,213,152	(8,898,023)	(363,458)	(1,356,530)
	140,838,299	164,105,517	105,197,317	92,961,720	503,102,853

The decrease in capital expenditure this nine month period, compared with the nine month period of 2009, is justified with the finalization of most of the investments initiated during 2009, as mentioned in note 4 above. The investment recorded during the first nine months of 2010 was mostly allocated to the construction of the wind tower industrial facility of Energy Systems segment in Texas, USA, to the development of RE Developer's assets in Romania, Poland, Portugal and Brazil, as well as the conclusion of the new industrial facilities in Angola, in the Metallic Construction segment.

The amount recorded under the caption 'Effect of foreign currency exchange differences' is related with the translation of tangible assets originally expressed in a currency other than Euro that, with the valorisation of local currencies towards Euro, have had a positive impact when translating those assets from its functional currency into the presentation currency.

At 30 September 2010 and 2009, the accumulated depreciation of land and buildings, equipments, tangible assets in progress and other tangible assets can be analysed as follows:

	LAND AND BUILDINGS	EQUIPMENTS	TANGIBLE ASSETS IN PROGRESS	OTHER TANGIBLE ASSETS	TOTAL
<b>30 SEPTEMBER 2009</b>					
Opening balance	18.815.909	42.323.498	-	1.143.095	62.282.503
Additions	3.240.597	9.771.376	-	1.497.949	14.509.921
Sales, disposals and write-offs	-	(934.771)	-	(3.851)	(938.622)
Effect of foreign currency exchange differences	(13.074)	80.394	-	13.059	80.380
Changes in the consolidation perimeter	-	(311.831)	-	-	(311.831)
Transfers and other movements	(14.940)	242.735	-	5.253	233.048
	22.028.493	51.171.401	-	2.655.505	75.855.399
<b>30 SEPTEMBER 2010</b>					
Opening balance	22.979.302	54.239.347	-	4.095.579	81.314.229
Additions	3.525.686	9.744.387	-	3.524.046	16.794.119
Sales, disposals and write-offs	-	(563.835)	-	-	(563.835)
Effect of foreign currency exchange differences	50.359	210.365	-	28.377	289.101
Changes in the consolidation perimeter	(22.970)	(20.911)	-	(35)	(43.916)
Transfers and other movements	(861)	(12.146)	-	(5.482)	(18.488)
	26.531.516	63.597.208	-	7.642.486	97.771.210
<b>CARRYING AMOUNT</b>					
30 September 2009	124.672.624	115.292.854	92.186.351	55.969.419	388.121.248
30 September 2010	114.306.783	100.508.310	105.197.317	85.319.234	405.331.643

#### 14. INVESTMENT PROPERTY

At 30 September 2010 and 31 December 2009, the movement occurred in the caption 'Investment property' is as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
Opening balance	57,013,000	9,505,000
Additions	-	44,767,598
Changes in fair value	-	2,740,402
Sales	(47,508,000)	-
	9,505,000	57,013,000

The sales recorded under the caption 'Investment property' relates to the sold of Tavira Gran Plaza Shopping Centre, which took place last August second by the total amount of 44.3 million Euros.

## 15. INVESTMENTS IN ASSOCIATE COMPANIES

At 30 September 2010 and 31 December 2009, investments in associates are as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
Group Prio Energy	6,428,003	-
WHS Energy Services	13,851	1,968
Power Blades	-	88,501
	6,441,854	90,469

## 16. AVAILABLE FOR SALE INVESTMENTS

At 30 September 2010 and 31 December 2009, available for sale investments are as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
EDP - Energias de Portugal, S.A.	24,803,572	55,011,600
Others	135,336	34,968
	24,938,908	55,046,568

At 30 September 2010, the Group owned 9,866,178 shares of EDP – Energias de Portugal, S.A. corresponding to a 0.27% financial stake of the share capital of that company, after having sold during this nine month period a stake of 7,833,822 shares by the amount of Euro 20,043,529 with a gain of Euro 189,135. The change in fair value of the EDP shares is recorded in the caption 'Fair value reserves on available for sale investments' in the statement of comprehensive income. The fair value of this financial asset was calculated using the closing price on 30 September 2010 of EDP's stock at Euronext Lisbon.

At 30 September 2010 and 31 December 2009, the movement occurred in the caption 'Available for sale investments' is as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
Opening balance	55,046,568	48,394,186
Additions	45,330	-
Sales	(24,347,519)	-
Changes in fair value	(5,860,510)	7,310,100
Other changes	55,038	(657,718)
	24,938,908	55,046,568

The available for sale investments does not have a determined maturity.

## 17. INVENTORIES

At 30 September 2010 and 31 December 2009, inventories are as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
Raw-materials, subsidiaries and other consumables	27,414,133	21,017,753
Work in progress	4,229,287	6,157,728
Merchandise	16,858,995	16,954,342
Finished goods	5,883,970	2,395,056
Advances for the purchase of inventories	6,133,705	4,646,590
	60,520,090	51,171,469

## 18. OTHER CURRENT ASSETS

At 30 September 2010 and 31 December 2009, the breakdown of the caption 'Other current assets' is as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
<b>ACCRUED INCOME</b>		
Production not invoiced (construction contracts)	151,417,404	76,799,761
Interest to be received	343,798	33,850
Other accrued income	2,328,471	3,146,472
	154,089,674	79,980,083
<b>PREPAYMENTS</b>		
Insurances	883,382	824,887
Rents	706,308	970,318
Other prepayments	7,293,656	4,298,910
	8,883,346	6,094,115
	162,973,019	86,074,198

The change in the caption 'Accrued income – Production not invoiced' relates, on one hand, to an increase in volume activity of Metallic Construction and Solar business areas and, on the other hand, to the value of construction job already done in the extraction plant in Romania which is no longer eliminated during the consolidation process as a result of the Group's loss of control of the former subsidiary Prio Extractie.

## 19. SHARE CAPITAL AND TREASURY SHARES

Martifer SGPS, SA share capital, fully subscribed and paid at 30 September 2010, amounts to Euro 50,000,000 and it is represented by 100,000,000 bearer shares with a nominal value of 50 cents each. All shares have the same rights, including one vote per share.

On May 14, 2010, Martifer SGPS, S.A. acquired on stock exchange, 34,109 treasury shares, corresponding to 0.0341% of its capital.

At 30 September 2010, the share capital of Martifer SGPS, S.A. was held in 41.75% by I'M SGPS, S.A., in 37.5% by Mota-Engil SGPS, S.A and 0.03% are treasury shares. The remaining 20.72% represents free-float listed in Euronext Lisbon.

## 20. BORROWINGS

At 30 September 2010 and 31 December 2009, borrowings can be analysed as follows:

31 DECEMBER 2009	UNTIL 1 YEAR	2 YEARS	BETWEEN 3 AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
<b>FINANCIAL INSTITUTIONS BORROWINGS:</b>					
Bank loans	58,301,844	21,043,200	45,284,545	29,580,783	154,210,371
Bank overdrafts	29,924,500	-	-	-	29,924,500
Authorized overdrafts	22,647,000	-	-	-	22,647,000
<b>OTHER BORROWINGS:</b>					
Commercial paper	128,000,000	-	-	-	128,000,000
Other borrowings	23,072,776	413,056	413,056	74,524,577	98,423,466
	261,946,120	21,456,256	45,697,601	104,105,360	433,205,337

30 SEPTEMBER 2010	UNTIL 1 YEAR	2 YEARS	BETWEEN 3 AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
<b>FINANCIAL INSTITUTIONS BORROWINGS:</b>					
Bank loans	71,770,686	36,849,454	59,953,765	24,917,780	193,491,685
Bank overdrafts	52,688,289	-	-	-	52,688,289
Authorized overdrafts	52,031,000	-	-	-	52,031,000
<b>OTHER BORROWINGS:</b>					
Commercial paper	124,000,000	-	-	-	124,000,000
Other borrowings	5,619,886	1,033,472	827,775	11,953,448	19,434,581
	306,109,862	37,882,926	60,781,540	36,871,228	441,645,556

## 21. PROVISIONS

The information related with 'Provisions' as of 30 September 2010 can be detailed as follows:

	OPENING BALANCE	ADDITIONS	CHANGE OF CONSOLIDATION PERIMETER, EXCHANGE RATE DIFFERENCES AND TRANSFERS	CLOSING BALANCE
Quality guarantees	3,376,088	506,794	-	3,882,882
Legal claims in progress	322,294	-	242	322,536
Provisions arising from the use of the equity method	2,859,853	184,030	(794,386)	2,249,497
Others	957,121	576,750	(5,334)	1,528,537
	7,515,356	1,267,574	(799,478)	7,983,452

## 22. OTHER CURRENT LIABILITIES

At 30 September 2010 and 31 December 2009, other current liabilities are made up as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
<b>ACCRUED COSTS</b>		
Holiday pay and bonuses	7,984,865	6,073,039
Interest beared but not yet overdue	1,784,352	860,774
Production performed by third parties not yet invoiced	6,839,518	593,354
Other accrued expenses	12,659,090	6,643,405
	<b>29,267,825</b>	<b>14,170,571</b>
<b>DEFERRED INCOME</b>		
Production invoiced and not yet performed (construction contracts)	24,533,807	18,668,090
Subsidies / Government grants	1,090,362	1,063,716
Other deferred income	536,785	4,929,436
	<b>26,160,954</b>	<b>24,661,242</b>
	<b>55,428,780</b>	<b>38,831,813</b>

The change in the caption 'Deferred income – Production invoiced and not yet performed' relates, essentially, to construction contracts in Angola performed by Metallic Construction business area and also to anticipated invoicing from Navalria to Douro Azul in connection to the contract to build the hotel ship, in Energy Systems business area.

## 23. SHARE BASED PAYMENTS

Martifer Group implemented a stock option program applicable to some employees, under the terms approved by the General Meeting, in order to promote value enhancement.

The movements in the stock option plan are analysed as follows:

	OPTION ACTIVITY	AVERAGE EXERCISE PRICE PER SHARE (EURO)
Balance as at 1 January 2010	404,770	3.84
Options exercised	-	-
Options granted	-	-
Options expired	(53,952)	3.84
Balance as at 30 September 2010	350,818	3.84

## 24. RELATED PARTIES

Group companies have commercial relationships between them that qualify as related parties transactions. All of these transactions are performed on an arm's length basis.

Therefore, all of these transactions have been eliminated, since the consolidated financial statements disclose information regarding the holding company and its subsidiaries as an unique company.

The transactions performed with associate companies, accounted through the equity method, are not eliminate, with special regard to the accounts receivable from Prio Foods and Prio Energy Groups which amounts to Euro 61,800,000.

Besides current transactions, some relating to civil construction done with the Mota-Engil Group and others associated with real estate management projects under way done by Estia Group, there are not any other significant balances and transactions performed with related parties during the nine month period ended 30 September 2010, that had affected significantly the financial position or performance of the Group.

In addition to the companies included in the consolidated financial statements (Note 2), the list of the Martifer Group related parties is disclosed below:

Aenor – Auto-Estradas do Norte, S.A. (“Aenor”)  
Aenor Douro - Estradas do Douro Interior, S.A. (“ADI”)  
ALMINA, SA  
Ambigere, S.A. (“Ambigere”)  
Ambilital – Investimentos Ambientais no Alentejo, EIM. (“Ambilital”)  
Aqualevel (“Aqualevel”)  
Áreagolfe - Gestão, Construção e Manutenção de Campos de Golf, S.A. (“Areagolfe”)  
Ascendi - Concessões de Transportes, SGPS, S.A. (“Ascendi SGPS”)  
Ascendi-Serv. Assessoria Gestão Operação, S.A. (“Ascendi SA”)  
Asinter – Comércio Internacional, Lda. (“Asinter”)  
Aurimove – Utilidades, Equip. e Invest. Imobiliários, Lda. (“Aurimove”)  
Auto Sueco Angola, S.A. (“Auto Sueco Angola”)  
BAY 6.3 KFT  
BAY OFFICE, KFT  
BAY PARK, KFT  
BAY TOWER, KFT  
BAY WELLNESS, KFT  
Beiratir - Terminais da Covilhã, Lda. (“Beiratir”)  
Berd - Projecto Investigação e Engenharia de Pontes, SA (“Berd”)  
Bergamon, A.S.  
Bicske Plaza Kft. (“Bicske Plaza”)  
Calçadas do Douro - Sociedade Imobiliária, Lda. (“Calçadas do Douro”)  
Carlos Augusto Pinto dos Santos & Filhos S.A. (“CAPSFIL”)  
CHINALOG - Serviços Logísticos e Consultadoria, Lda. (“CHINALOG”)  
Cimertex & Companhia- Comércio Equip. e Ser. Técnicos, Lda. (“Cimertex & Companhia”)  
Cimertex Angola – Sociedade de Máquinas e Equipamentos, Lda. (“Cimertex Angola”)  
Citrave - Centro Integrado de Resíduos de Aveiro, S.A.  
Citrup – Centro Integrado de Resíduos, Lda. (“Citrup”)  
CITYPROFIT-INV.IMOBILIARIOS E TURISTICOS, LDA  
Companhia Portuguesa de Trabalhos Portuários e Construções, S.A. (“CPTP”)  
Concessionaria Autopista Perote Xalapa SA DE CV (“COPEXA”)  
Construcciones Crespo, SA (“Crespo”)  
Corgimobil - Empresa Imobiliária das Corgas, Lda. (“Corgimobil”)  
Correia & Correia, Lda. (“Correia & Correia”)  
Cosamo, PTY (“Cosamo”)  
DETALHES URBANOS, SA  
Dmowskiego Project Development  
E.A.Moreira - Agentes de Navegação, S.A. (“E.A. Moreira”)  
Ecodetra – Sociedade de Tratamento e Deposição de Resíduos, S.A. (“Ecodetra”)  
Ecolezéria - Empresa Intermunicipal para o Tratamento de Resíduos Sólidos, E. I. M. (“Ecolezéria”)  
Edifício Mota Viso – Soc. Imobiliária, Lda. (“Mota Viso”)  
Edifícios Galiza - Sociedade Imobiliária, Lda (“Ed. Galiza”)  
Edipainel – Utilidades, Equipamentos e Investimentos Imobiliários, Lda. (“Venimove”)  
Ekosrodowisko Spółka z.o.o. (“Ekosrodowisko”)  
EMASA, Lda. (“EMASA”)  
Emocil – Empresa Moçambicana de Construção Imobiliária (“Emocil”)  
Empresa Agrícola e Florestal Portuguesa, S.A. (“Empresa Agrícola”)  
EMSA – Empreendimentos e Exploração de Estacionamentos, S.A. (“EMSA”)  
Engber Kft.  
Engil – Construtora do Tâmega, ACE, S.A. (“Engil Tâmega ACE”)  
Engil, S.A. – Bau, GmbH (“Engil Bau”)  
Enviroil – Resíduos e Energia, Lda. (“Enviroil”)  
EPDM-EMP.PERFURAÇÃO E DESENVOLVIM. MINEIRO, SA  
Equimetragem - Operação e manutenção de infra. de transportes, Lda. (“Equimetragem”)  
ESTIA DEVELOPMENT, LDA  
ESTIA R&W, SRL  
ESTIA SGPS, SA  
ESTIALIVING RESIDENCIA DE AVEIRO, SA  
ESTIALIVING RESIDENCIA DE VIANA, SA  
ESTIALIVING, SA  
Fabritubo - Tubos Pressocentrífugados de Betão, Lda. (“Fabritubo”)  
FERREIROS & ALMEIDA, SA  
Ferrovias Brasil, Lda. (“Ferrovias Brasil”)  
Ferrovias e Construções, S.A. (“Ferrovias”)  
Gestiponte - Operação e Manutenção das Travessias do Tejo, S.A.  
Glan Agua, Ltd (“Glanagua”)  
GLOBAL MINING SGPS, SA  
Grossiman, S.L. (“Grossiman”)  
GT - Investimentos Internacionais SGPS, SA (“GT SGPS”)  
Haçor, Conc. Edifício do hospital da ilha terceira, SA

Hifer Construcción Conservación y Servicios, S.A. ("Hifer")  
Holdinorte - Sociedade Imobiliária do Norte, Lda. ("Holdinorte")  
Hungária Hotel Kft. Achat (" Hotel Achat Hungria")  
IBERCARGO Rail, S.A.  
Iberfibran - Poliestireno Extrudido, S.A. ("Iberfibran")  
Icer – Indústria de Cerâmica, Lda. ("Icer")  
IM MINING SGPS, SA  
IM SERVIÇOS DE GESTÃO, LDA  
IM SGPS, SA  
Imosines – Sociedade Imobiliária, Lda. ("Imosines")  
Indaqua – Indústria e Gestão de Águas, S.A. ("Indaqua")  
Indaqua Fafe – Gestão de Águas de Fafe, S.A. ("Indaqua Fafe")  
Indaqua Feira - Indústria de Águas de Santa Maria da Feira, S.A. ("Indaqua Feira")  
Indaqua Matosinhos - Gestão Águas de Matosinhos, S.A. ("Indaqua Matosinhos")  
Indaqua Santo Tirso – Gestão de Águas de Santo Tirso, S.A. ("Indaqua St. Tirso")  
Indaqua Vila do Conde - Gestão de Águas de Vila do Conde, S.A. ("Indaqua Conde")  
Indimo, Lda ("Indimo")  
Inovia, Serviços Ferroviários ACE, S.A. ("Inovia")  
INVESPOR HOLDING, BV  
InvestAmbiente - Recolha de Resíduos e Gestão de Sistemas de Saneamento Básico, S.A. ("Investambiente")  
Jasz-Vasut, Kft  
Jeremiasova Project Development, s.r.o.  
Kilińskiego Project Development Sp. z o.o. ("Kilin")  
Kordylewskiego Project Development Sp. z o.o. ("Kord")  
Kozielska Sp. z o.o. ("Kozielska")  
Largo do Paço – Investimentos Turísticos e Imobiliários, Lda. ("Largo do Paço")  
Liscont - Operadores de Contentores, S.A. ("Liscont")  
Lisprojecto - Consultoria e Soluções Informáticas, S.A. ("Lisprojecto")  
Logz - Atlantic Hub, S.A.  
Lokemark - Soluções de Marketing ("Lokemark")  
LusoLisboa - Auto-Estradas da Grande Lisboa, S.A. ("LusoLisboa")  
Lusoponte – Concessionária para a Travessia Tejo, S.A. ("Lusoponte")  
Lusoscut – Auto-Estradas do Grande Porto, S.A. ("Lusoscut GP")  
Lusoscut – Auto-Estradas da Costa de Prata, S.A. ("Lusoscut CP")  
Lusoscut – Auto-Estradas das Beiras Litoral e Alta, S.A. ("Lusoscut BLA")  
MAGNUM CAP - ELECTRICAL POWER STORAGE, LDA  
Mamaia Investments, SRL  
Manvia - Manutenção e Exploração de Instalações e Construção, S.A. ("Manvia")  
Matiprel – Materiais Pré-Esforçados, Lda. ("Matiprel")  
M-CITY LEGNICA, SP ZOO  
M-CITY SZCZECIN, SP ZOO  
ME- Central Europe SA  
ME- Investitii AV s.r.l. ("ME-Investitii")  
ME- Kruszywa S.A. ("ME-Kruszywa")  
ME- Property Investments Sp. z o.o.  
ME- Real Estate Management  
MEGAJoule II - CONSULTORIA EM ENERGIAS RENOVAVEIS, SA  
MEGAJoule INOVAÇÃO, LDA  
MEIC- Mota-Engil Ireland Construction Limited ("MEIC")  
MESP- Mota Engil , Serviços Partilhados, Administrativos e de Gestão, S.A. ("MESP")  
Metroepszolg, Zrt ("Metroepszolg")  
MI2 SP ZOO  
Mil e Sessenta – Sociedade Imobiliária, Lda. ("Mil e Sessenta")  
M-Invest Barrandov, a.s. ("Barrandov")  
M-Invest Bohdalec, A.S. ("Bohdalec")  
M-Invest Devonska, s.r.o. ("M-Invest Devonska")  
M-Invest Jihlavska, A.S. ("Jihlavska")  
M-Invest Portugal, s.r.o. ("M-Invest Portugal")  
M-Invest Slovakia Mierova , s.r.o. ("Mierova")  
M-Invest Slovakia Trnavska, s.r.o. ("Trnavska")  
M-Invest Slovakia, s.r.o. ("M-Invest Slovakia")  
M-Invest, sro ("M-Invest")  
MKContractors, LLC ("MKC")  
Moravské Pozemní Stavby, s.r.o. ("MPS")  
Mota Engil, SGPS, S.A., Sociedade Aberta (" Mota-Engil SGPS")  
Mota Internacional – Comércio e Consultadoria Económica, Lda. ("Mota Internacional")  
Mota Maurícias, Lda. ("Mota Maurícias")  
Motadómus - Sociedade Imobiliária, Lda. ("Motadómus")  
Mota-Engil Betão e Pré-Fabricados, Sociedade Unipessoal, Lda. ("ME Betão e Pré-Fabricados")  
Mota-Engil Brasil Participações, Ltda. ("Mota-Engil Brasil")  
Mota-Engil Central Europe SGPS, S.A. ("ME Central Europe")  
Mota-Engil Concessões de Transportes, SGPS, S.A. ("MECT")  
Mota-Engil Engenharia e Construção, S.A. ("Mota-Engil Engenharia")  
Mota-Engil Florida Investments Corp. ("Mota-Engil Florida")  
Mota-Engil II, Gestão, Ambiente, Energia e Concessões de Serviços, S.A. ("MEASII")  
Mota-Engil Irish Services Ltd ("MEIS")

Mota-Engil Magyarország, Rt ("Mota-Engil Magyarország")  
 Mota-Engil Pavimentações, S.A. ("ME-Pavimentações")  
 Mota-Engil Project 1 Kft. ("GOD")  
 Mota-Engil Real Estate Hungary Kft ("Merehun")  
 Mota-Engil Real Estate Portugal, S.A. ("ME Real Estate Portugal")  
 Mota-Engil S.Tomé e Príncipe ("ME S.Tomé")  
 Mota-Engil Slovakia, a. s. ("ME Eslováquia")  
 Mota-Engil Srodowisko, Sp. z.o.o. ("MES")  
 Mota-Engil, Ambiente e Serviços, SGPS, S.A. ("Mota-Engil Ambiente e Serviços")  
 MTO GMBH  
 MTS – Metro, Transportes do Sul, S.A. ("MTS")  
 Multiterminal - Soc. De Estiva e tráfego, S.A. ("Multiterminal")  
 Nádor Öböl Kft.  
 NANA FUNDULEA PROJECT DEV., BV  
 Norcargas - Cargas e Descargas, Lda. ("Norcargas")  
 Nortedómus, Lda. ("Nortedómus")  
 Nova Beira - Gestão de Resíduos, S.A. ("Nova Beira")  
 Novaflex - Técnicas do Ambiente, S.A. ("Novaflex")  
 OBOL INVEST, KFT  
 OBOL XI, KFT  
 Operadora Douro Interior - Operação e Manutenção Rodoviária, S.A. ("ODI")  
 Operadora GL - Operação e Manutenção de Auto-Estradas, S.A. ("Operadora LusoLisboa")  
 Operadora Lusoscut CP – Operação e Manutenção de Auto-Estradas, S.A. ("Operadora Lusoscut CP")  
 Operadora Lusoscut BLA – Operação e Manutenção de Auto-Estradas, S.A. ("Operadora Lusoscut BLA")  
 Operadora Lusoscut GP – Operação e Manutenção de Auto-Estradas, S.A. ("Operadora Lusoscut GP")  
 Operanor – Operação e Manutenção de Auto-Estradas, S.A. ("Operanor")  
 Operport - Sociedade Portuguesa de Operadores Portuários, Lda. ("Operport")  
 Parquegil - Planeamento e Gestão de Estacionamento, S.A. ("Parquegil")  
 Piastowska Project Development Sp. z o.o. ("Piastowska")  
 Planinova – Sociedade Imobiliária, S.A. ("Planinova")  
 PLAZA CENTER, SA  
 PORTHOLD PROJECT DEV., BV  
 Prefal – Préfabricados de Luanda, Lda. ("Prefal")  
 Probigalp Ligantes Betuminosos, S.A. ("Progalp")  
 Proempar - Promoção e Gestão de Parques Empresariais e Tecnológicos, S.A. ("Proempar")  
 PROMODOIS, SA  
 PROMODOZE, SA  
 PROMOJEDEN, SA  
 PROMOVINTE, SA  
 PTT - Parque Tecnológico do Tâmega ("PTT")  
 QUARTZOLITA-MINAS, GEOTECNIA E CONSTRUÇÕES, SA  
 Real Verde - Técnicas de Ambiente, S.A. ("Real Verde")  
 Realmota, sro ("Realmota")  
 Relevante Função - Gestão e Valorização Resíduos, Lda ("Relevante Função")  
 Rentaco - Equipamentos de Construção, Transportes, Combustíveis e Serviços, Sociedade Unipessoal, Lda. ("Rentaco")  
 Rentaco Angola ("Rentaco Angola")  
 Resiges - Gestão de Resíduos Hospitalares, Lda. ("Resiges")  
 Resilei – Tratamento de Resíduos Industriais, Lda ("Resilei")  
 Rima – Resíduos Industriais e Meio Ambiente, S.A. ("Rima")  
 RO SUD, SRL  
 RTA - Rio Tâmega, Turismo e Recreio, S.A. ("RTA")  
 Sadomar - Ag. de Naveg. e Trânsitos, S.A. ("Sadomar")  
 Sadoport - Terminal Marítimo do Sado, S.A. ("Sadoport")  
 Sampaio Kft.  
 Sealine - Navegação e Afretamentos ("Sealine")  
 Sedengil – Sociedade Imobiliária, Lda. ("Sedengil")  
 Sefimota, A.S. ("Sefimota")  
 SGA – Sociedade de Golfe de Amarante, S.A. ("SGA")  
 SIGA - Serviço Integrado Gestão Ambiental ("Siga")  
 SLPP - Serviços Logísticos de Portos Portugueses, S.A. ("SLPP")  
 Socarpor - Soc. Cargas Port. (Aveiro), S.A. ("Socarpor Aveiro")  
 Socarpor - Soc. Gestora de Participações Sociais (Douro e Leixões), S.A. ("Socarpor SGPSD/L")  
 Sociedade de Terminais de Moçambique, Lda  
 Soltysowska Project Development Sp. z o.o. ("Soltysowska")  
 Sonauta-Sociedade de Navegação, Lda. ("Sonauta")  
 SOSEL-CORRECTORES DE SEGUROS, SA  
 Sotagus - Terminal de Contentores de Santa Apolónia, S.A. ("Sotagus")  
 SRI - Gestão de Resíduos, Lda ("SRI")  
 SUMA – Serviços Urbanos Meio Ambiente, S.A. ("SUMA")  
 SUMA (Douro) Serviços Urbanos e Meio Ambiente, Lda. ("SUMA Douro")  
 SUMA (Esposende) Serviços Urbanos, Lda. ("SUMA Esposende")  
 SUMA (Matosinhos) Serviços Urbanos, S.A. ("SUMA Matosinhos")  
 SUMA (Porto) - Serviços Urbanos e Meio Ambiente, S.A. ("SUMA Porto")  
 Tabella Holding, BV ("Tabella")  
 Takargo-Transporte de Mercadorias, S.A. ("Takargo")  
 TCL - Terminal de Contentores de Leixões, S.A. ("TCL")

Tecnocarril – Sociedade de Serviços Industriais e Ferroviários, Lda. ("Tecnocarril")  
 TEN - Tráfego e Estiva do Norte, SA ("TEN")  
 Terminais Portuários Euroandinos  
 Ternor - Sociedade de Exploração de Terminais, S.A. ("Ternor")  
 Tersado - Terminais Portuários do Sado, S.A. ("Tersado")  
 Tertir - Concessões Portuárias, SGPS, S.A. ("Tertir SGPS")  
 Tertir - Terminais de Portugal, S.A. ("Tertir")  
 Tetenyi Project Development Kft ("Tetenyi")  
 Tracevia – Sinalização, Segurança e Gestão de Tráfego, Lda. ("Tracevia")  
 Tracevia Angola ("Tracevia Angola")  
 Transitex - Trânsitos Extremadura, SL ("Transitex Espanha")  
 Transitex Moçambique, Lda (" Transitex Moçambique")  
 Transitiber - Logística e Transporte Internacional, S.A. ("Transitiber")  
 Transitos de Extremadura S.L. Transitex Lietuvos filialas("Transitex Lituânia")  
 Translei, S.A. ("Translei")  
 Transporlixos - Transportes de Lixos, S.A.("Transporlixos")  
 Tratofoz- Sociedade de Tratamento de Resíduos, S.A.("Tratofoz")  
 Tratoser – Tratamento e Serviços Ambientais, S.A. ("Tratoser")  
 Traversofer - Industrie et Services Ferroviaires SARL ("Traversofer")  
 Triu - Técnicas de Resíduos Industriais e Urbanos, S.A. ("Triu")  
 TTRM, Transferência e Triagem de Resíduos da Madeira ACE ("TTRM")  
 Turalgo-Sociedade de Promoção Imobiliária e Turística do Algarve, S.A. ("Turalgo")  
 VBT - Projectos e Obras de Arquitectura Paisagística, Lda ("VBT")  
 Vibeiras – Sociedade Comercial de Plantas, S.A. ("Vibeiras")  
 Vista Energy Environment & Services ("Vista SA")  
 Vista Waste Management, Lda  
 Vortal – Comércio Electrónico, Consultadoria e Multimédia, S.A. ("Vortal")  
 WIDELAND VISION, LDA  
 Wilanow Project Development SP. Z.o.o. ("Wilanow")  
 Wilenska Project Development Sp. z.o.o. ("Wilenska")  
 Zöld-Project 2 Kft. ("GOD 2")  
 Zsombor Utcai Kft. ("Zsombor")

## 25. JOINTLY CONTROLLED COMPANIES

At 30 September 2010 and 2009, jointly controlled companies contribution to the Group's consolidated financial statements, before intragroup eliminations, is as follows:

	30 SEPTEMBER 2010	31 DECEMBER 2009
Current assets	24,850,061	30,715,268
Non-current assets	62,092,786	50,400,839
Current liabilities	15,993,564	29,819,597
Non-current liabilities	58,917,426	44,767,865

	9M'2010	9M'2009
Total revenues	11,483,588	24,341,818
Total costs	11,347,837	26,453,494
Contribution to the earnings of the period	4,185	(2,586,651)

## 26. SUBSEQUENT EVENTS

Martifer sold last October its remaining financial participation in EDP, or 9,866,178 shares corresponding to a 0.27% financial stake of the share capital of that company. The average price has been 2.55 euro per share which corresponds to 25.2 million euro of cash proceeds.

**27. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements were approved by the Board of Directors on 11<sup>th</sup> November 2010.

**28. EXPLANATION ADDED FOR TRANSLATION OF THE FINANCIAL STATEMENTS**

These financial statements are a translation of the consolidated financial statements originally issued in Portuguese in accordance with the International Financial Reporting Standards as adopted by European Union. In the event of discrepancies, the Portuguese version prevails.

Oliveira de Frades, 11<sup>th</sup> November 2010

**Chief Accountant**

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Rui Alexandre

**The Board of Directors**

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Carlos Manuel Marques Martins

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Jorge Alberto Marques Martins

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Arnaldo José Nunes da Costa Figueiredo

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Luís Filipe Cardoso da Silva

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Mário Jorge Henriques Couto

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Luís Valadares Tavares

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Jorge Bento Ribeiro Barbosa Farinha