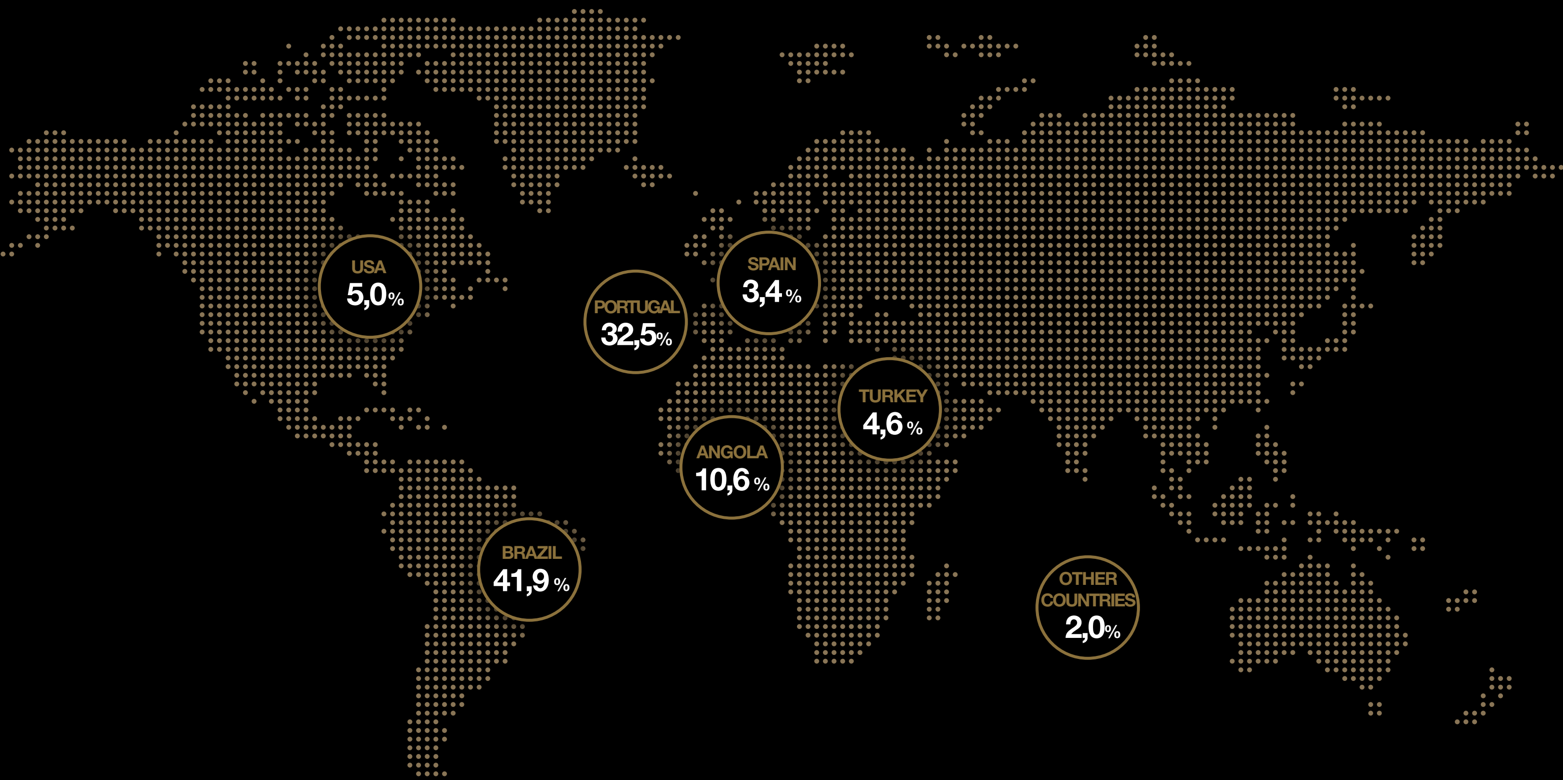
Management Report and Consolidated Financial Statements 2010

Grupo Auto Sueco



Turnover by Market

Portugal	32,5%
USA	5,0%
Turkey	4,6%
Angola	10,6%
Brazil	41,9%
Spain	3,4%
Other Countries	2,0%

Turnover by Product

Services	0,1%
Auto Glass	4,1%
Parts	3,6%
Buses	4,2%
Cars	14,9%
Industry	0,4%
Construction Equipment	17,7%
Penta	2,3%
Trucks	52,7%

Auto Sueco Group Key Indicators

Turnover 2010 **917 444**

Thousands of Euros	2009	2010
Turnover[1]	641.451	917.444
EBITDA	59.509	55.186
Net Profit, with non-controlling interests	26.070	18.132
Total Assets	550.478	691.381
Equity, with non-controlling interests	195.112	207.903
Net debt[2]	181.320	252.857
Financial autonomy[3]	35,4%	30,1%
Debt-to-equity[4]	92,9%	121,6%
EBITDA Margin %	9,3%	6,0%
WCN in sales days[5]	212	178
ROE[6]	13,4%	8,7%
Number of employees[7]	2.854	3.647

1 Sales + services rendered + own work capitalised.
2 Financial liabilities - cash and cash equivalents
3 Equity with non-controling interests / Net assets.
4 (Financial liabilities - cash and cash equivalents) / Equity with non-controling interests.
5 Ratio between (trade debtors + doubtful debtors + bills receivable - advances from customers + stocks - suppliers - suppliers invoices pending - suppliers bills payable + advances to suppliers) and Sales, multiplied by 365 days.
6 Net Profit / Equity.
7 Includes 100% of the Auto Sueco Group's employees.

Glossary

Financial Autonomy: Equity with non-controling interests / net assets.

ASC: Auto Sueco (Coimbra), Lda.

ASL: Auto Sueco, Lda.

Capital Invested: Equity + non-controling interests + financial liabilities + off balance sheet responsibilities

CGSMC: Cost of goods sold and materials consumed

Debt-to-Equity: Financial liabilities / Share-holders' capital with minority interests

EBITDA: Earnings before interests, taxes, depreciations and amortizations

GFCF: Gross fixed capital formation

WCN in sales days: Ratio between (trade debtors + doubtful debtors + bills receivable - advances from customers + stocks - suppliers - suppliers invoices pending - suppliers bills payable + advances to suppliers) & turnover, multiplied by 365 days

Gross Profit Margin: Sales - CGSMC - costs with workshop staff - subcontracts - workmen's compensation insurance - costs with legalization of vehicles - assistance contracts

GDP: Gross Domestic Product

PTP: Pre-Tax Profit

NRY: Net profit of the year

ROI: EBIT / Capital invested

ROE: Net profit / Equity

Turnover: Sales + services rendered + own work capitalised

2011E: 2011 estimated amounts

Contents

Group Outlook

The Auto Sueco Group's aim is to guarantee a business portfolio that, through geographic dispersion and diversification, will, on the one hand, make it increasingly immune to negative economic cycles felt regionally and, on the other, grant it the capacity to grow and reinforce its profitability.

In this context, the Auto Sueco Group's economic performance in 2010 reinforces the ambition with which the Group faces the future. Although the Net Profit of 18.1 million Euros was 30% down on 2009, it was achieved in extremely unfavourable macroeconomic conditions in some of the markets in which the Group operates.

If, on the one hand, we can no longer consider the low levels of activity of the Portuguese market to be impermanent, we should, on the other, mention the extraordinary nature of the less active behaviour of the Angolan market, something which, unlike 2009, has heavily penalised the Group's consolidated accounts.

In Brazil, besides the positive performance of Auto Sueco Brasil and Expressglass Brasil – the latter in its first full operating year – the results obtained in Vocal should also be highlighted. This company closed the 2010 economic year with a turnover of around 300 million Euros, projecting the Group's turnover in this market to amounts close to 400 million Euros, thereby transforming it into the largest and most important market in the consolidated sphere of the Group.

AUTO SUECO COIMBRA GROUP

In 2010 Auto Sueco Coimbra, a sub-company of the Auto Sueco Group and parent company of the Auto Sueco Coimbra Group, pursued its strategic plan of geographic expansion of its core business and diversification of its business portfolio.

Throughout the year now ending ASC made three major investments: the acquisition of 50% of Air-Rail and of Zephir in Spain - in a move towards greater diversification in the area of equipment for ports, airports and railways - and the acquisition of ASC Turk Maquina, a company responsible for the distribution of VCE's products in Turkey, this being a further step along the Group's path towards internationalization.

In 2010, as the result of improvements in the performance of its operations in Portugal and in the USA and essentially of the impact of the recent investment in Turkey, the ASC Group turned around the contraction cycle that it had been going through since 2008, reaching 41% growth .

Tomaz Jervell
Chairman

THREE DECISIVE STEPS

The Group took three fundamental steps in 2010 in pursuing its defined strategy which will certainly mark its development in the following years: the acquisition of 100% of Vocal; the acquisition of the Volvo construction machine distribution business for Turkey (today ASC Turk Makina) through its sub-company Auto Sueco Coimbra; and the acquisition of 66.6% of the Expressglass Group.

With the acquisition of Vocal, the Volvo truck and bus agent in São Paulo, the Brazilian market clearly became one of the Group's main strategic markets.

The dimension of this operation – with over 700 million Reais in invoicing, an EBITDA of 40 million Reais, 7 branches and more than 400 employees – projects the Group's presence in this market to an extremely significant level, complementing the truck distribution operation that the Group already had in the centre-west of the country and the glass repair and replacement operation (Expressglass Brasil) based in São Paulo.

The investment in the Expressglass Group was also another important move in the Auto Sueco Group's strategy. With this step we have ensured control of the brand and we have created the necessary conditions for the international development of the Expressglass operation, bringing the Portuguese operation into line with the existing operations in Brazil, Angola and Cape Verde. This is one of the Group's most exciting investments in recent years, both for its acknowledged operational up-side and for its of brand-enhancing challenge

CORPORATE CENTRES IN BRAZIL AND ANGOLA

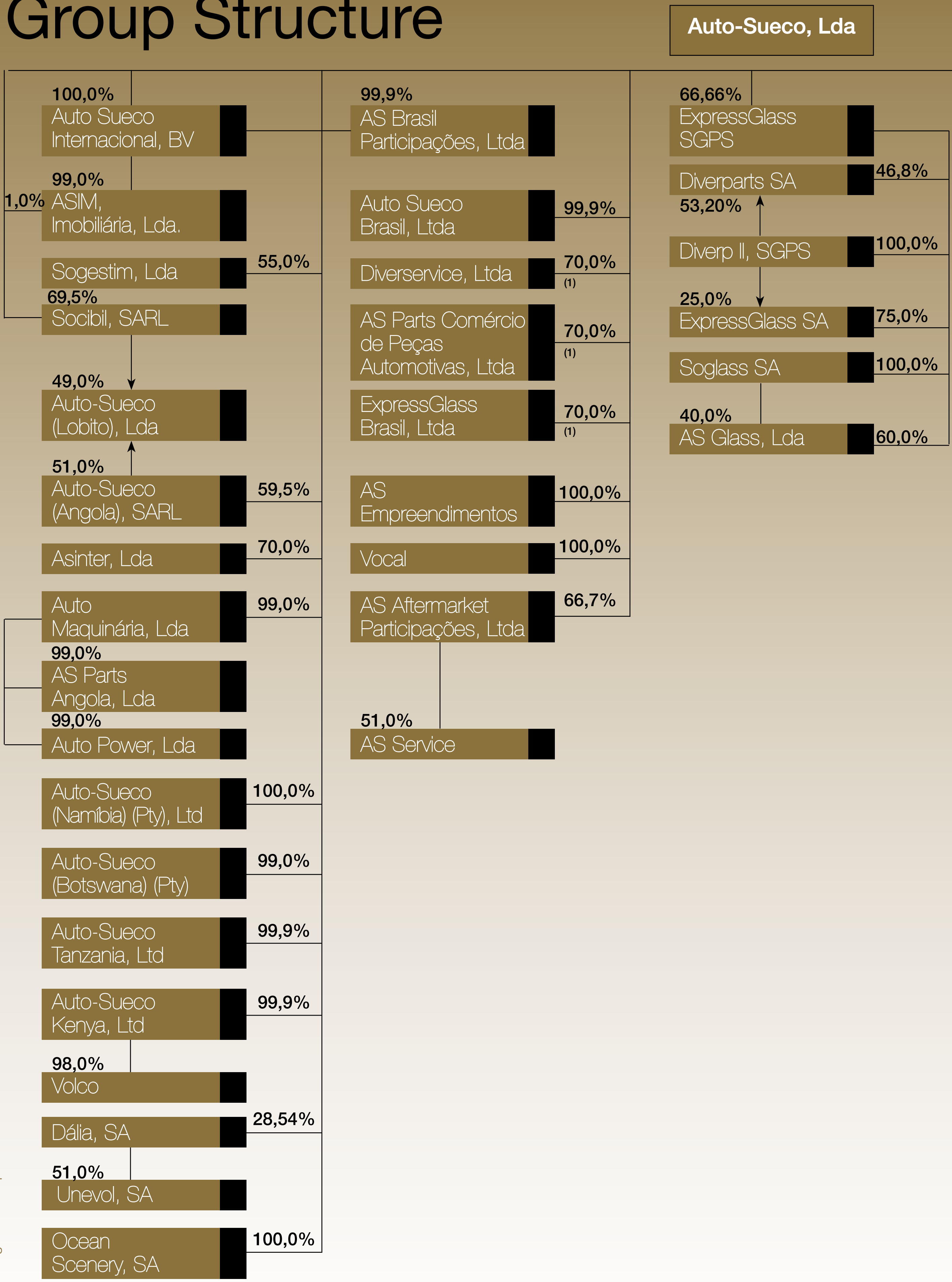
The Brazilian and Angolan markets have become increasingly important over recent years within the universe of the Auto Sueco Group.

In fact, the current situation, due not only to underlying macro-economic factors but also to operational risks and challenges in the areas of the strategic management of human and financial resources, of information, legal and fiscal systems, is so encouraging that the Group decided to set up corporate control and support structures for the development of its businesses in these countries.

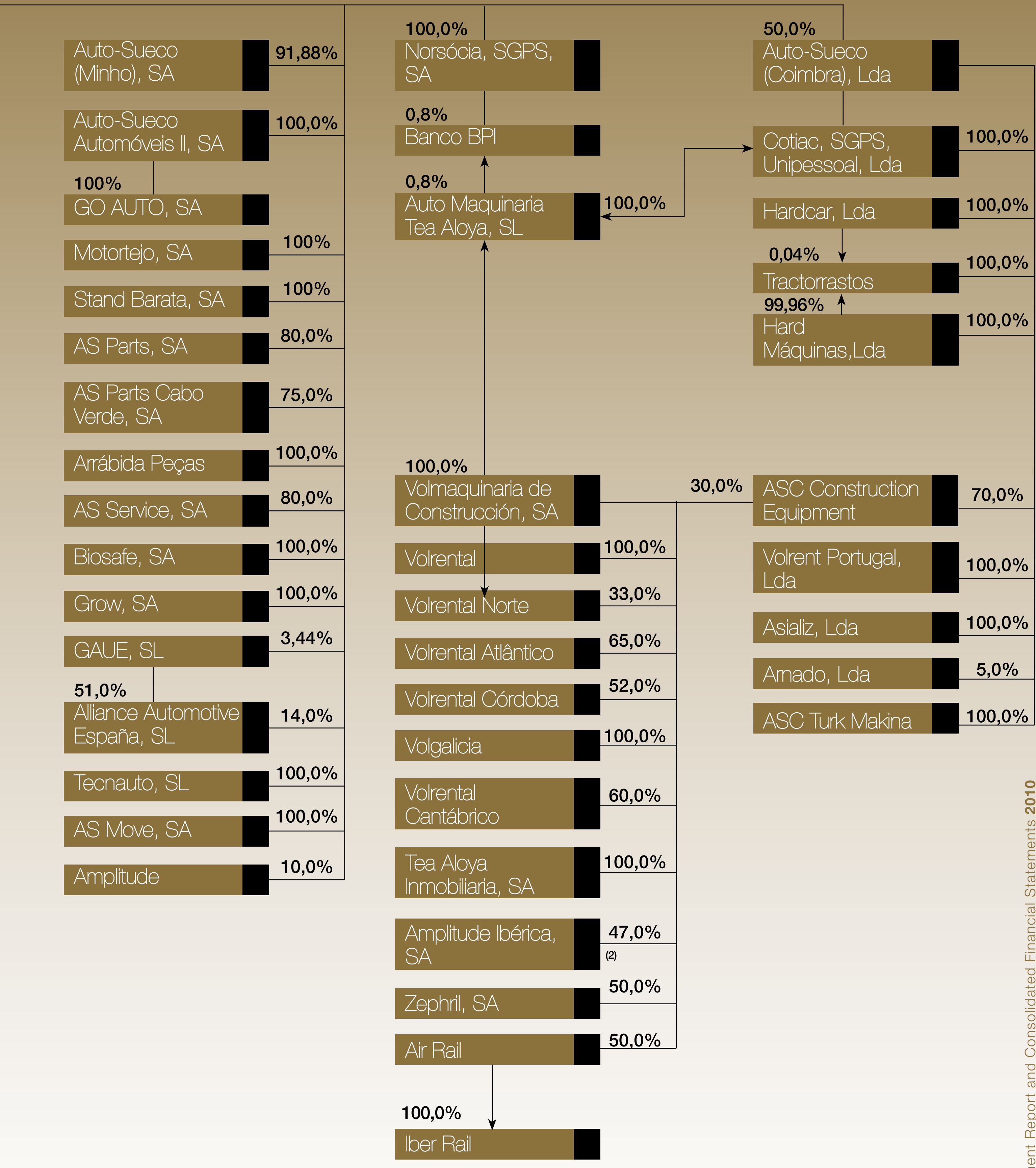
The recognition of the role of these human structures as a vehicle for transmitting the cultural values and organizational parameters of the Group was also decisive in reaching the decision taken in 2010, which will certainly mark the success of the commitment to these markets over the next years.

Tomás Jervell
Chief Executive Officer

Group Structure



(1) Wholly owned indirectly through ExpressGlass SGPS (10%) and ExpressGlass SA (20%)
(2) In addition, 47% held by Amplitude


Auto-Sueco (Minho), SA
91,88%
Auto-Sueco Automóveis II, SA
100,0%
100%
GO AUTO, SA
Motortejo, SA
100%
Stand Barata, SA
100%
AS Parts, SA
80,0%
AS Parts Cabo Verde, SA
75,0%
Arrábida Peças
100,0%
AS Service, SA
80,0%
Biosafe, SA
100,0%
Grow, SA
100,0%
GAUE, SL
3,44%
51,0%
Alliance Automotive España, SL
14,0%
Tecnauto, SL
100,0%
AS Move, SA
100,0%
Amplitude
10,0%
100,0%
Norsócia, SGPS, SA
0,8%
Banco BPI
0,8%
Auto Maquinaria Tea Aloya, SL
100,0%
100,0%
Volmaquinaria de Construcción, SA
Volrental
100,0%
Volrental Norte
33,0%
Volrental Atlântico
65,0%
Volrental Córdoba
52,0%
Volgalicia
100,0%
Volrental Cantábrico
60,0%
Tea Aloya Inmobiliaria, SA
100,0%
Amplitude Ibérica, SA
47,0%
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Zephril, SA
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Air Rail
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Iber Rail
50,0%
Auto-Sueco (Coimbra), Lda
Cotiac, SGPS, Unipessoal, Lda
100,0%
Hardcar, Lda
100,0%
0,04%
Tractorrastos
100,0%
99,96%
Hard Máquinas,Lda
100,0%
30,0%
ASC Construction Equipment
70,0%
Volrent Portugal, Lda
100,0%
Asializ, Lda
100,0%
Arnado, Lda
5,0%
ASC Turk Makina
100,0%


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VOLVO

World Economy in 2010

PORTUGAL

Dynamic private consumption and significant growth in exports helped to increase Portuguese GDP during 2010 by 1.3% (-2.5% in 2009). Near the end of the year economic activity suffered a significant slowdown, heralding the deceleration of all the components of domestic demand, notwithstanding the rush to buy cars due to a change in taxation that came into force in January 2011.

With regard to imports of goods and services, there was a 5% expansion in 2010, countering the retraction felt in 2009. Exports grew by 8.8% in 2010, a performance which also contrasts with that of the previous year and which represents the largest growth in the last four years, and which also helped to improve Portugal's Balance of Trade.

Inflation was 1.4% (2.2 percentage points higher than in 2009), caused by the increase in indirect taxation which made consumer prices rise by around 0.3 percentage points. Consumer prices should accompany the price of imports and wage costs.

Sources: *Bank of Portugal (Winter Bulletin 2009 and Spring Bulletin 2010)*
National Institute of Statistics

BRAZIL

Brazil's economy saw GDP grow by 7.5% in 2010, surpassing analysts' expectations. Inflation reached a rate of 5.9%, due to growing domestic demand and the clash between domestic and foreign supply in the foodstuffs market.

The positive movement in the labour market and access to credit led to an increase in family consumption, which, together with favourable expectations among businessmen concerning the continuity of the country's growth ensure the sustainability of the current investment cycle and continue to drive the economy.

With the creation of more than 2 million formal jobs in the first ten months of 2010, the six main metropolitan regions of the country reached an unemployment rate of 5.3% in December 2010, the lowest it has been since 2002. This trend was also accompanied by an increase in the average wage, which strengthens private consumption and compensates for the negative influence of the international economic crisis.

Easier access to credit, in terms of the reduction in interest rates (which reached their lowest level during this year) and the extension of repayment periods led to significant growth in loan operations intended for the production, sale and acquisition of motor vehicles, reaching a total of 264.5 billion Reais in September 2010.

Sources: *Central Bank of Brazil (Inflation Report)*
IBGE - Brazilian Institute of Geography and Statistics

ANGOLA

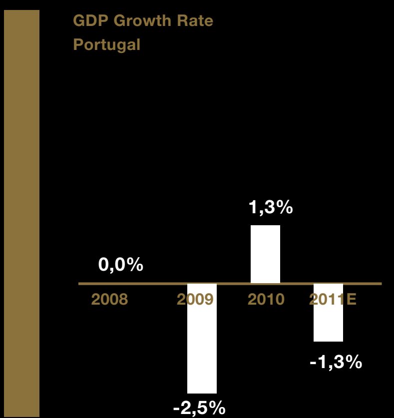
The GDP of the Angolan economy grew by 2.5% in 2010, much lower than that estimated by the IMF (7.5%) and by the Angolan government (9%). After a sharp slowdown in 2009 we saw real growth in the Angolan economy, but far short of double digit rates of the last decade.

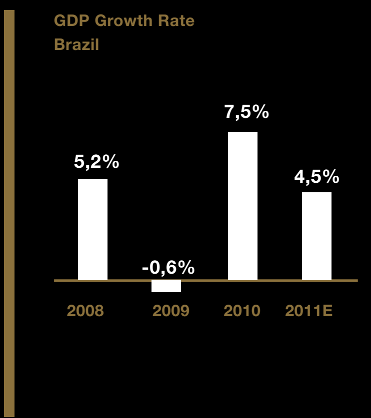
Even so, the Angolan market presented good indicators on a commercial level and the government developed its Programme for Logistical Restructuring and Distribution of Basic Products to the Community (PRESILD), aimed at reformulating trade and broadening the supply of essential goods, as well as increasing the indices of the consumption of nationally produced goods.

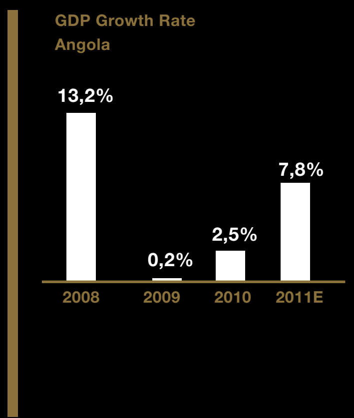
The non-oil sector suffered a significant slowdown largely due to the delay in domestic and foreign payments and areas such as civil construction and the provision of services were the hardest hit.

The visits made by the IMF to Angola in connection with the financing programme confirmed the positive performance of the economy, budgetary consolidation and the effort made to pursue a more restrictive resource allocation policy.

Inflation was 15.3%, two p.p. above the Government's forecasts. This performance places greater emphasis on priority investments in logistical infra-







World Economy in 2010

structures (warehousing, transports and distribution) as well as on the increase in domestic productive capacity, in order to reduce imports and inflationary pressure.

We should mention that debts to foreign companies began to be settled in the last quarter of the year and it is expected that the situation will be resolved in the first half of 2011. With this injection of liquidity into the market, the Government intends to restore the economic balance, stimulating the investment drive in infrastructures and productive units that will help to reinforce the activity of the non-oil sector.

Sources: *Bank/Fund for African Development (National Strategy)*

SPAIN

The Spanish economy contracted by 0.1% in 2010, which is nevertheless better than the -3.7% recorded in 2009.

Average annual inflation was close to 1.8%. The major contributors towards this increase were energy prices, very closely related to the variation in fuel and lubricant prices (3.8%) and the price of foodstuffs due to the change in the price of raw materials on the international markets.

Spain has undergone a reorganization of the banking sector and there continue to be increasing difficulties in obtaining credit which raises problems in terms of investment.

Sources: *Bank of Spain (Statistical Bulletin)*

TURKEY

The rate of growth of Turkey's GDP was 8.2% associated to a rate of inflation of 8.6%. This performance is markedly different to the climate experienced in 2008 and 2009 (2009 saw GDP fall by 4.7%).

Within this scenario we have witnessed the gradual removal of economic stimuli promoted in previous years.

Sources: *International Monetary Fund (World Economic Outlook, Regional Economic Outlook and Staff Report for the 2010 Article IV).*

USA

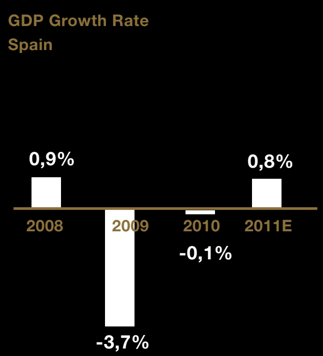
After a contraction in GDP in 2009 in the order of 2.6%, in 2010 there was 2.8% growth in the North American economy, motivated, in particular, by the expansionist economic policy adopted by the Government and by the American Federal Reserve, which includes measures, among others, such as (i) the acquisition of securities by the Federal Reserve, (ii) the acquisition of long maturity treasury bonds in order to keep interest rates low, and (iii) new tax incentives for domestic demand.

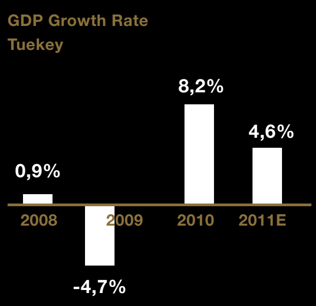
In average annual terms, private consumption made a positive recovery to around 1.7% compared with negative growth of 1.2% in 2009. In turn, indicators relating to public consumption and to the unemployment rate stayed in line with the previous year, in the order of 1.0% and 9.6%, respectively.

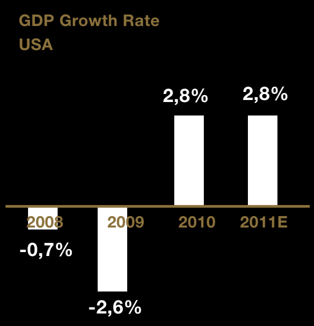
Special mention should be made of the increase in investment (3.5%), as well as the favourable performance of exports (11.9%).

Also worthy of note is the sharp increase in public debt in relation to GDP, which was in the order of 91.6%.

Sources: *FInternational Monetary Fund (World Economic Outlook)*







Analysis of the Group's Activity in 2010

Auto Sueco

Thousands of Euros KEY INDICATORS	2009	2010	Y.O.Y
Turnover [1]	103.059	100.878	-2,1%
EBITDA [2]	26.869	16.860	-37,3%
Number of employees	506	492	-2,8%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Auto Sueco Lda. has a prevalent role as the central driver of growth and in the coordination of the various businesses and geographies of the Auto Sueco Group, without forgetting the businesses that it is directly responsible for: the import and distribution, in the Portuguese market, of Volvo trucks, buses, equipment and generators, plus parts and complementary products .

In fact, this company takes care of the whole of the strategic management of the group as its respective decision-making centre, supported in this by a corporate centre – responsible for the financial, legal and tax areas, human resources, information and communication systems – and by a dedicated shared services structure.

With regard to the business functions resident in this company, it should be stated that these are centred essentially on the sale of Volvo heavy equipment and respective after-sales, activities in which Auto Sueco, Lda besides having its own network, also undertakes imports.

The performance achieved in these activities is highly conditioned by the evolution of the market itself which, after dipping by -49% from 2008 to 2009 (2,464 new registrations in 2009 compared to 4,854 in 2008) grew by only 5% in 2010.

So, the turnover achieved by the Company amounted to 100.8 million Euros, which represents a decrease of 2% compared to the previous year.

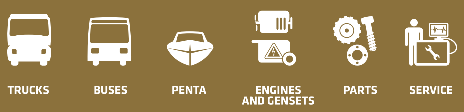
Commercial performance in trucks was positive with a turnover of 39 million Euros representing 441 new Volvo units registered corresponding to an 18% top-range penetration rate, in line with 2009.

Commercial activity for buses also showed good results with 91 new units being registered which helped to boost the penetration rate from 32% in 2009 to 36% in 2010. Turnover for this segment amounted to 12.3 million Euros.

Commercial activity for generator groups and internal marine engines increased by 11% in 2010 compared with the same period of the previous year, reaching invoicing of 8.3 million Euros and 445 units installed. The continuous adaptation of technical response capacity to the local and export market has brought great success in engineering projects associated to businesses with greater value added.

Finally with regard to after-sales 2010 saw a reduction of 5.8%, with a 1.2% drop in manual labour services and 7.5% in the sale of components.

We should also mention that Auto Sueco came in first place in the nation-wide Brand Image Survey and that the Customer Satisfaction Index rose significantly with a score of 79% (70% in 2009) of Customers who are very satisfied with the quality of the services provided.



Thousands of Euros

Sales by Business Unit	**2009**	**2010**	**Y.O.Y**
Trucks	32.388	39.342	21,5%
Buses	13.609	12.252	-10,0%
Generators	7.521	8.425	12,0%
Cars	6.121	0	-100,0%
Service	11.576	11.435	-1,2%
Components	31.846	29.454	-7,5%
Total	**103.060**	**100.878**	**-2,1%**

Analysis of the Group's Activity in 2010

Auto Sueco II Automóveis

Auto Sueco II Automóveis deals in the sale and after-sales assistance of the Volvo, Mazda, Honda, and Land Rover brands in Porto and in Lisbon.

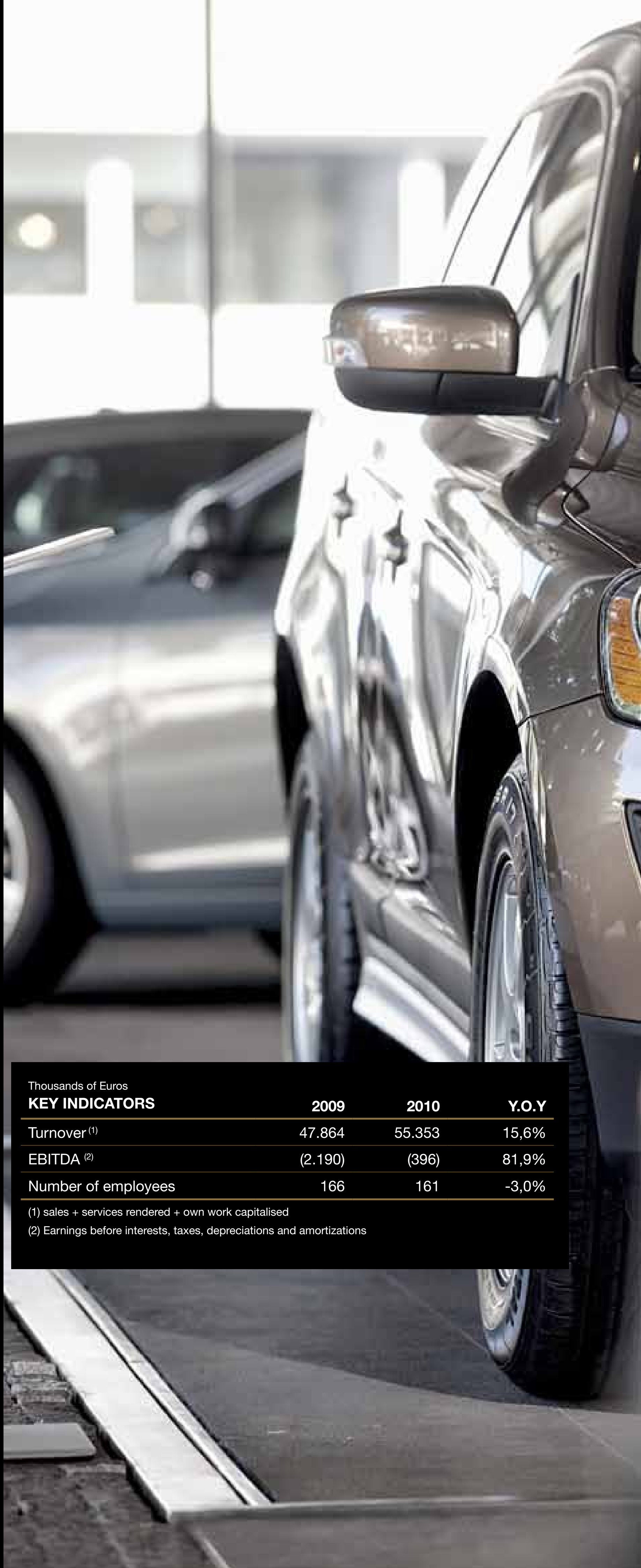
The Portuguese light passenger vehicle market enjoyed notable growth in 2010 (38.8%) reaching a volume of around 223,500 new vehicle registrations compared with 161,000 units in the previous year – Source: ACAP Automobile Association of Portugal.

In this regard the company's car sales activity accompanied the evolution of the brands represented very closely. The efficient management of stock in qualitative and quantitative terms and a better sales mix, with a high percentage of the Volvo brand, also helped to improve the profitability of the company.

In the after-sales area, the volume of sales was practically the same as in 2009, reaching an overall amount of 10.9 million Euros, keeping the margin in line with the previous year, both in the workshops and in components.

2011 bodes towards a recessive climate, which will necessarily have an impact on the motor vehicle sales and assistance business, further aggravated by an increase in taxation which is forecast, meaning that we can expect a contraction in the market which the industry associations estimate to be around 15 to 20%.

CARS PARTS SERVICE



Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	47.864	55.353	15,6%
EBITDA (2)	(2.190)	(396)	81,9%
Number of employees	166	161	-3,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Motortejo

Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover [1]	39.147	35.851	-8,4%
EBITDA [2]	(892)	300	133,6%
Number of employees	99	100	1,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Motortejo, SA deals in the sale and after-sales assistance of the Ford, Mazda, Honda, Land Rover, Isuzu, Ssangyong, Jeep, Dodge and Chrysler brands in various northern municipalities of the Setúbal district.

Although the company's turnover decreased by 8.4% in 2010, it was nevertheless able to achieve significantly better results.

This was essentially due to a significant reduction in the volume of used vehicles sold, as well as to the increase in average sales margins associated to the good performance in discounted financing, which led to an improvement in the company's profit. Reference should be made of the after-sales activity as its 2010 performance remained in line with that of 2009.

CARS PARTS SERVICE

GO Automóveis

GO Automóveis is dedicated to the sale of used vehicles and started business in 2008 with a broad product range adapted to the expectations of consumers who are looking for a quality used vehicle with a guarantee.

The company invoiced around 357 units in 2010, which represents a decrease of 9% in relation to 2009. Furthermore GO was unable to maintain its performance in terms of financing commissions received which affected its profitability.

There are indications that 2011 will be a year of greater demand for used and semi-new vehicles. So with its organization and team now stabilised both in terms of premises and human resources, and the implementation of a significant communication drive during the first six months of the year, it is hoped that this will lead to a corresponding boost in sales and results, which will help to it achieve the objectives set out.

CARS

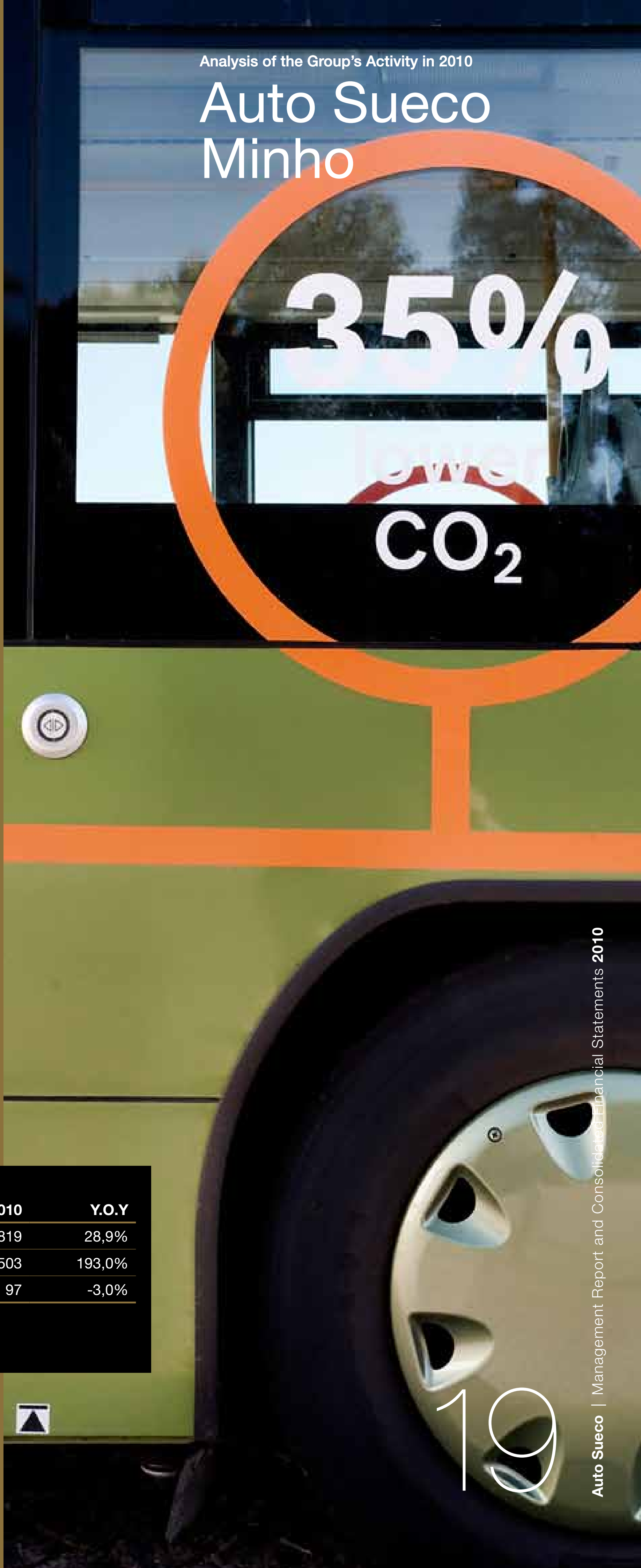
Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	4.914	4.314	-12,2%
EBITDA (2)	(98)	(296)	-202,0%
Number of employees	12	16	33,3%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Auto Sueco Minho



Auto Sueco Minho deals in the sale and after-sales assistance of Volvo trucks and cars in the Minho region. In 2010 it saw moderate growth in the sale of trucks and greater dynamism in the light vehicles market, with an exceptional increase in sales.

The Company managed to take advantage of a good phase in the light automobile market selling 631 units (367 new and 264 used, which is 167 more units than in 2009) worth a total of 12.8 million Euros (47% above 2009).

The trucks business was conditioned by a practically stagnant market, in spite of which the company sold 51 new units (41% more than in 2009) and 18 used, worth an overall amount of 4.76 million Euros (37% up on 2009).

In relation to after-sales, performance was positive both in the light and heavy vehicle segments, with a recovery in the volume of sales compared with 2009 of 8% and 9% respectively.

TRUCKS CARS PARTS SERVICE

Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	20.798	26.819	28,9%
EBITDA (2)	-541	503	193,0%
Number of employees	100	97	-3,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Analysis of the Group's Activity in 2010

Auto Sueco Angola

Thousands of USD **KEY INDICATORS**	**2009**	**2010**	**Y.O.Y**
Turnover [1]	273.720	95.537	-65,1%
EBITDA [2]	44.778	9.089	-79,7%
Number of employees	338	337	-0,3%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Units **Angolan Motor Market**	**2009**	**2010**	**Y.O.Y**
Light passenger	15.296	12.231	-20,0%
Light commercial	5.873	4.186	-28,7%
Heavy commercial	2.684	874	-67,4%
Heavy passenger	1.116	404	-63,8%
Total Market	**24.969**	**17.695**	**-29,1%**

Source: ACETRO - Association of Road Tranport Concessionaires

Auto Sueco Angola's activities include the import, retail and after-sales assistance of Volvo cars, trucks, buses, internal marine engines, generators of the SDMO brand and super-structures and semi-trailers of a variety of manufacturers.

Within the context of the slowdown in economic activity, the motor vehicle market suffered a downturn of 29.1%, which was felt most in the heavy commercial and passenger categories.

With the coming to a halt of vital sectors of the economy such as construction and the mining industry, the sale of heavy commercial vehicles reached 249 units delivered, corresponding to a decrease of 73.2% compared to 2009. Backed by new financial products such as renting and leasing, the refuse collection segment was the only one that saw growth in this category.

The light passenger vehicle category was the one that decreased least, even though there were 3,000 fewer new registrations (-20%) than in 2009. Mention should be made of the good acceptance of the XC60 model which, adapted to the market and to customers' demands, was sold at quite competitive prices.

In the generator business, 346 groups were delivered, which represents a drop of 32% compared to the previous year, partly justified by the substantial improvement in the electricity distribution network which reduced demand from private individuals.

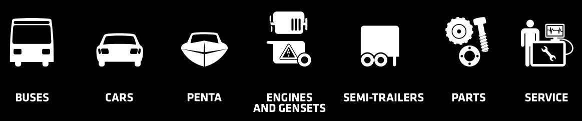
With the growth of the distribution network and petrol stations in all the provinces the fuel tanker semi-trailer trucks were the ones that were most sold in this category, although this fell by 72% in relation to 2009.

Using the line of credit from China again, the Angolan Government imported a massive quantity of buses from China which were delivered to the public and private companies of the passenger transport sector, affecting the results of this category.

Representing 35% of the overall results of the company, after-sales made 9,050 repairs, which represents a drop of 22% in relation to 2009, when there were 11,023 such jobs.

In 2011 the motor vehicle sector should follow the growth prospects indicated for the economy and benefit from the expected favourable economic climate. In the heavy goods market the Company intends to consolidate its market leadership in the > 18 tonnes segment and introduce the new Volvo FMX model, specific for the mining industry and for construction; in the heavy passenger vehicle segment its main bet will be on the partnership with TCUL (a public transport company), and on looking for appropriate solutions to the country's road conditions.

For 2011 the company hopes to increase the levels of productivity and quality of the after-sales service, to improve customer loyalty by introducing assistance contracts and to expand the coverage of after-sales to more specialised workshops. Another possibility is to create mobile teams to improve assistance in the provinces. Expansion is a strategic imperative and will be the main challenge for the next two years, in which it is intended to extend after-sales coverage to the provinces of Luanda Norte (Lucapa) and Huíla (Lubango) and also to build new premises in the Viana area, in Luanda.

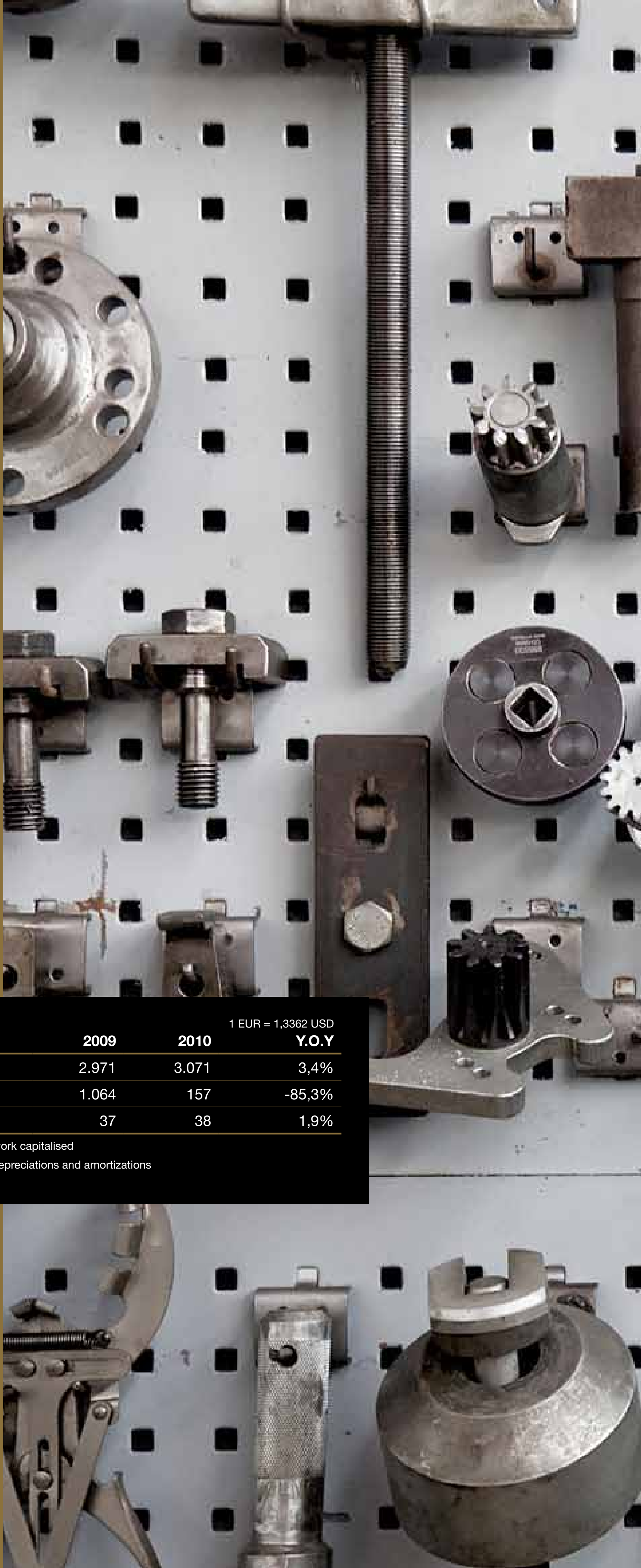


Auto Sueco Lobito

Auto Sueco Lobito started operations in March 2006 and in that region it performs similar activities to those entrusted to Auto Sueco Angola in terms of retail, being commissioned by the latter in the equipment business that it attracts.

This being so, Auto Sueco Lobito's activity was also badly affected by the financial crisis in Angola as mentioned above. Even so, in terms of turnover and because this relates only to after-sales, the company managed to achieve slight growth. However, with regard to commissions for new business, this was below the previous year, which caused a drop in the company's profitability.

TRUCKS BUSES CARS PENTA ENGINES AND GENSETS PARTS SERVICE



Thousands of USD — 1 EUR = 1,3362 USD

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	2.971	3.071	3,4%
EBITDA (2)	1.064	157	-85,3%
Number of employees	37	38	1,9%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Analysis of the Group's Activity in 2010

Auto Maquinaria

In 2010, the Company's activity continued to be heavily conditioned by late payments made by the State to the various sectors of the economy, and so the investments initially projected for the year by Customers were cancelled or suspended until the upturn starts, specifically in the mining and public works sectors. These constraints meant that turnover decreased by 47% in 2010.

In a particularly difficult year, after-sales represented 49.8% of the volume of sales, which is a good sign for the sustainability of the Company based on this segment of activity.

For 2011 good prospects are predicted for the Angolan market, which is somewhat encouraging and which will certainly be impacted by the positive effects produced by economic growth, namely in terms of investments in the Company's target sectors.

CONSTRUCTION EQUIPMENT | PARTS | SERVICE

Thousands of USD | 1 EUR = 1,3362 USD

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	43.979	23.347	-46,9%
EBITDA (2)	7.645	2.643	-65,4%
Number of employees	41	53	29,3%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

AutoPower

Thousands of USD

KEY INDICATORS	2009	2010	Y.O.Y
Turnover [1]	5,873	5,408	-7.9%
EBITDA [2]	377	-268	-171.2%
Number of employees	22	21	-4.5%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

AutoPower essentially deals in the sale of Cummins generators and SDLG construction Equipment.

Annual invoicing for 2010 amounted to USD 5.4 million, which was 12% lower than in the previous year. This decrease occurred within a difficult climate where weak economic performance together with private investors' lack of confidence caused by the absence of payments from the State and a lack of liquidity was felt throughout the year.

This retraction in investment and in the acquisition of equipment helped to mature the after-sales area, which increased sales by 59%, with this area coming to represent 36% of turnover.

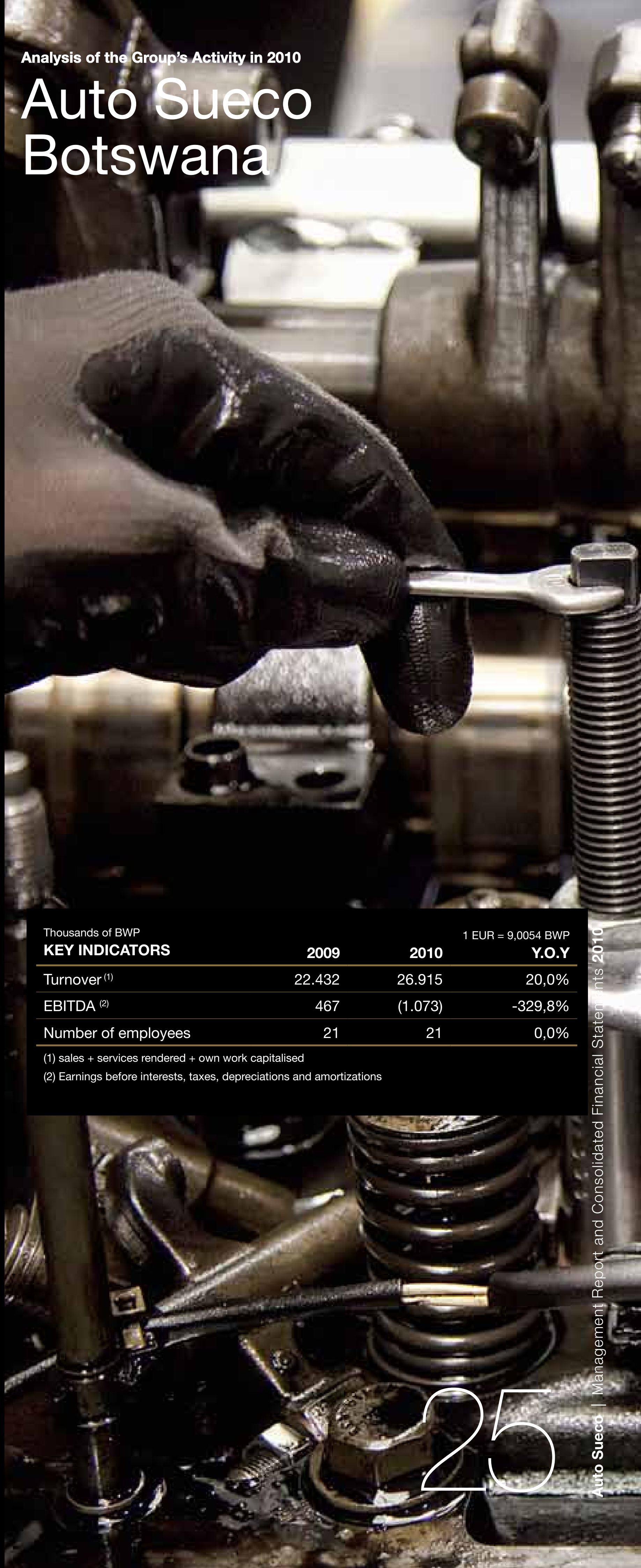
With a stabilised structure and indications of an upturn in the economy for 2011, our outlook points towards greater dynamism in the energy sector and the consequent increase in sales of generator groups, with forecasts of reaching a sales volume in the order of USD 10 million.

ENGINES AND GENSETS

PARTS

SERVICE

Auto Sueco Botswana



Auto Sueco Botswana's activities include the retail and after-sales assistance of Volvo trucks, buses and industrial/marine internal engines, and super-structures and semi-trailers of a variety of manufacturers.

Due to the partial freeze of the mining sector, the recovery of Botswana's economy was slow. In the second half of 2010 most of the mines reopened and the economy accelerated slightly, but although the Government tried to diversify economic activity, the country's revenue continues to depend heavily on the performance of the diamond industry.

The company delivered 25 units in 2010 compared with 19 in 2009 which represents a variation of 31.5%. In turn, after-sales grew by 14% in relation to 2009.

In spite of the positive evolution in total turnover, the company's profitability worsened, essentially justified by degraded sales margins on vehicles, as well as by the need to address labour costs imposed by local legislation – severance pay.

In 2011, the Company intends to implement a major restructuring in an attempt to boost sales volume and to improve operational efficiency. Expectations are to largely achieve the results of 2010, due to a forecast increase in the demand for new vehicles, as well as high demand for used vehicles.

TRUCKS BUSES PENTA ENGINES AND GENSETS PARTS SERVICE

Thousands of BWP

1 EUR = 9,0054 BWP

KEY INDICATORS	2009	2010	Y.O.Y
Turnover [(1)]	22.432	26.915	20,0%
EBITDA [(2)]	467	(1.073)	-329,8%
Number of employees	21	21	0,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Auto Sueco Namíbia

Auto Sueco Namíbia operates in the retail sales market and after-sales assistance for Volvo trucks, buses and marine/industrial internal engines, and super-structures and semi-trailers of a variety of manufacturers.

In 2010, the company's performance remained stable with 37 units of equipment sold which allowed the company to reach its objectives and consolidate its activity.

However, due to the increase in the volume of repurchases, the operation's profitability was down on that of 2009.

The first order for the FH16 700 8x4 in Africa, with delivery booked for the start of 2011 was a high point of the year.

Growth in after-sales activity was weak in the first three months of the year, but picked up by the end of the year, with the last four months representing 60% of the company's activity. With an intensive training programme, the team remained stable and the quality of the work improved significantly.

If the trend of an increase in repurchases persists, 2011 is expected to bring a margin fall on trucks, which will be compensated by a slight increase in turnover. With a structure of higher costs and lower sales margins, expectations are for a reduction in the net profit, although operating earnings should be in line with that achieved in 2010.

TRUCKS BUSES PENTA ENGINES AND GENSETS PARTS SERVICE

Thousands of ZAR | | | 1 EUR = 9,7016 ZAR

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	63.679	61.009	-4,2%
EBITDA (2)	2.192	1.322	-39,7%
Number of employees	24	22	-8,3%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Auto Sueco Kenya

Thousands of KES — 1 EUR = 105,105 KEZ

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	621.118	657.010	5,8%
EBITDA (2)	(32.650)	(177.108)	-442,5%
Number of employees	26	22	-15,4%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Auto Sueco Kenya deals in the import, retail sales and after-sales assistance of Volvo trucks, construction equipment and marine/industrial internal engines.

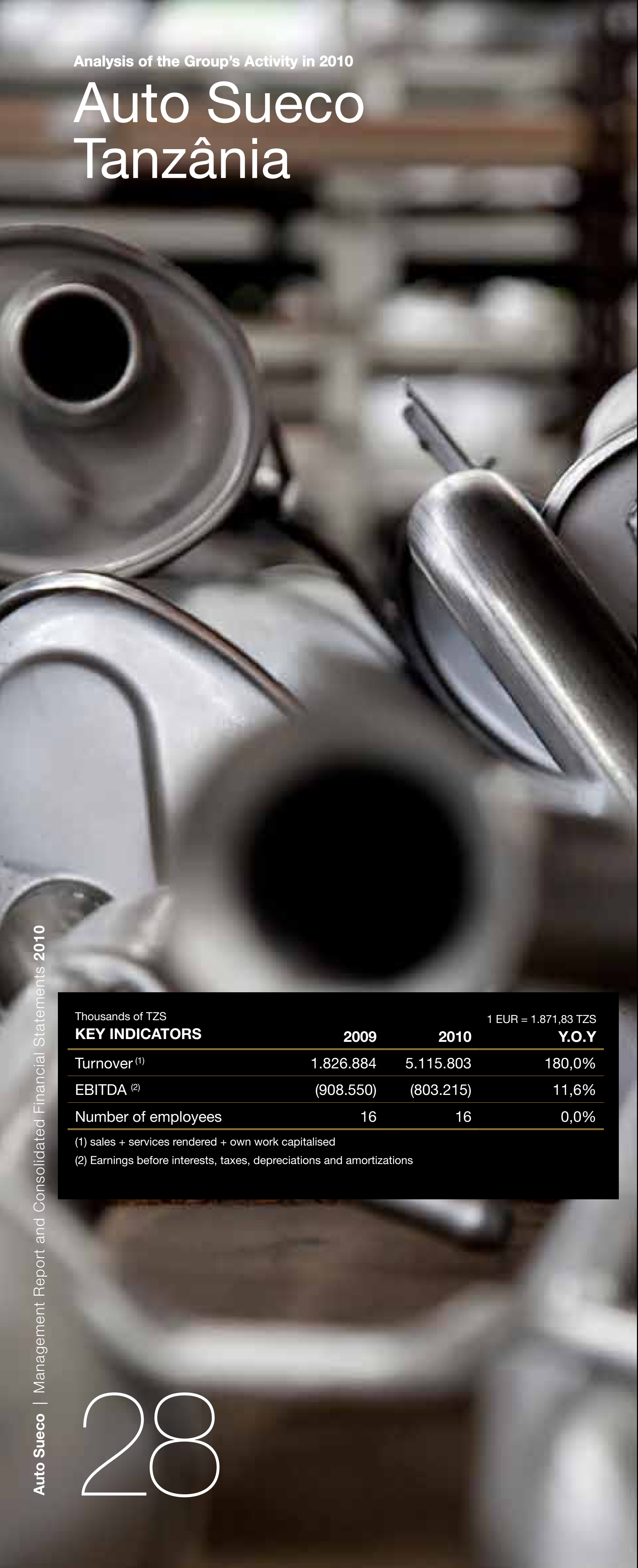
In 2010 AS East Africa and Volco merged, with the subsequent change in name of the former to "Auto Sueco Kenya".

Total turnover grew by 5.8% over the previous year, although this performance was helped greatly by the fact that the company was able to rid itself of existing equipment in stock that was not very well adapted to the local market. This operation significantly affected the profitability of the company but was important for it to operate at full capacity in 2011, in order to be able to address the challenges that it faces.

We should also mention that 2010 already saw an improvement in both turnover and quality of the after-sales service.

TRUCKS | BUSES | CONSTRUCTION EQUIPMENT | PENTA | ENGINES AND GENSETS | PARTS | SERVICE

Auto Sueco Tanzânia



Auto Sueco Tanzânia deals in the import, retail sale and after-sales assistance of Volvo trucks, construction equipment and marine/industrial internal engines.

Growth in the company's turnover was positive both in the sale of equipment and in after-sales which led to growth of 180% over the previous year.

TRUCKS | BUSES | CONSTRUCTION EQUIPMENT | PENTA | ENGINES AND GENSETS | PARTS | SERVICE

Thousands of TZS — 1 EUR = 1.871,83 TZS

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	1.826.884	5.115.803	180,0%
EBITDA (2)	(908.550)	(803.215)	11,6%
Number of employees	16	16	0,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Auto Sueco Brasil

Auto Sueco Brasil has been operating in the sale and after-sale assistance of Volvo trucks and buses in the states of Mato Grosso, Rondónia and Acre since 2007.

The incentives of the BNDES (Banco Nacional de Desenvolvimento - National Development Bank) for firms to renew their equipment provided a catalyst for activity in 2010. The region bucked the trend of the national market at the start of the year, caused by the retraction of financial institutions due to the heavy indebtedness of farmers, our target market. The total heavy vehicles market in the region where the company operates suffered a drop of over 25% in relation to the same period of the previous year, contrary to the growth of around 80% in the overall Brazilian market.

This scenario turned around as from the month of May, and the company managed to attain its objectives in terms of volume for the year, with a high volume of invoicing essentially in the last two months, in line with the necessary revision of production plans with the factory.

Auto Sueco Brasil ended the year with 600 new units invoiced. The profitability of the business was much better than planned. Enthusiasm over discounted interest and fixed rates and the perceptible liking for the products commercialised by the company ,all made it possible to apply better prices and to attract new customers. Market share in the heavy vehicles segment was 23%, in line with the national average and an exciting 12%, 4 p.p. above the average for Brazil , in the semi-heavy vehicle segment..

After-sales activity was heavily penalised by the low volume of traffic in Rondónia. The Vilhena and Porto Velho units had very little movement due to the lack of traffic in the State and in spite of the excellent performance of the Mato Grosso branches, the year ended slightly below target.

Attention should be drawn to the notable rise in customer satisfaction indicators. The company visibly improved its positioning in the ranking of the twelve dealers in Brazil, managing to go from ninth to fourth place in the index of satisfaction with after-sales.

The operational start-up of the Porto Velho unit, at the end of the first quarter and the start of construction work on the Rondonópolis branch in September, marked the evolution of the geo-

Thousands of Reais **KEY INDICATORS**	**2009**	**2010**	1 EUR = 2,3314 BRL **Y.O.Y**
Turnover (1)	115.416	153.563	33,1%
EBITDA (2)	17.718	18.301	3,3%
Number of employees	140	211	50,7%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

graphic expansion programme. With the exception of Rondonópolis (due to technical reasons related with the building that we currently use) all the units of Auto Sueco Brasil were successfully certified as Bronze under the 100% Volvo programme.

The year end was marked by the decision to start the building project of the Rio Branco Branch in Acre, planned to open during 2011. It was also decided to change the company's name from Auto Sueco Brasil to Auto Sueco Centro Oeste.

For 2011, no growth is expected in the heavy vehicles segment, but the company's ambition is to increase its market share in this segment to 25%, aiming to invoice 475 units, 35 more than in 2010. In the semi-heavy vehicle segment, market growth in the order of 10% is expected, the objective being to invoice 190 units.

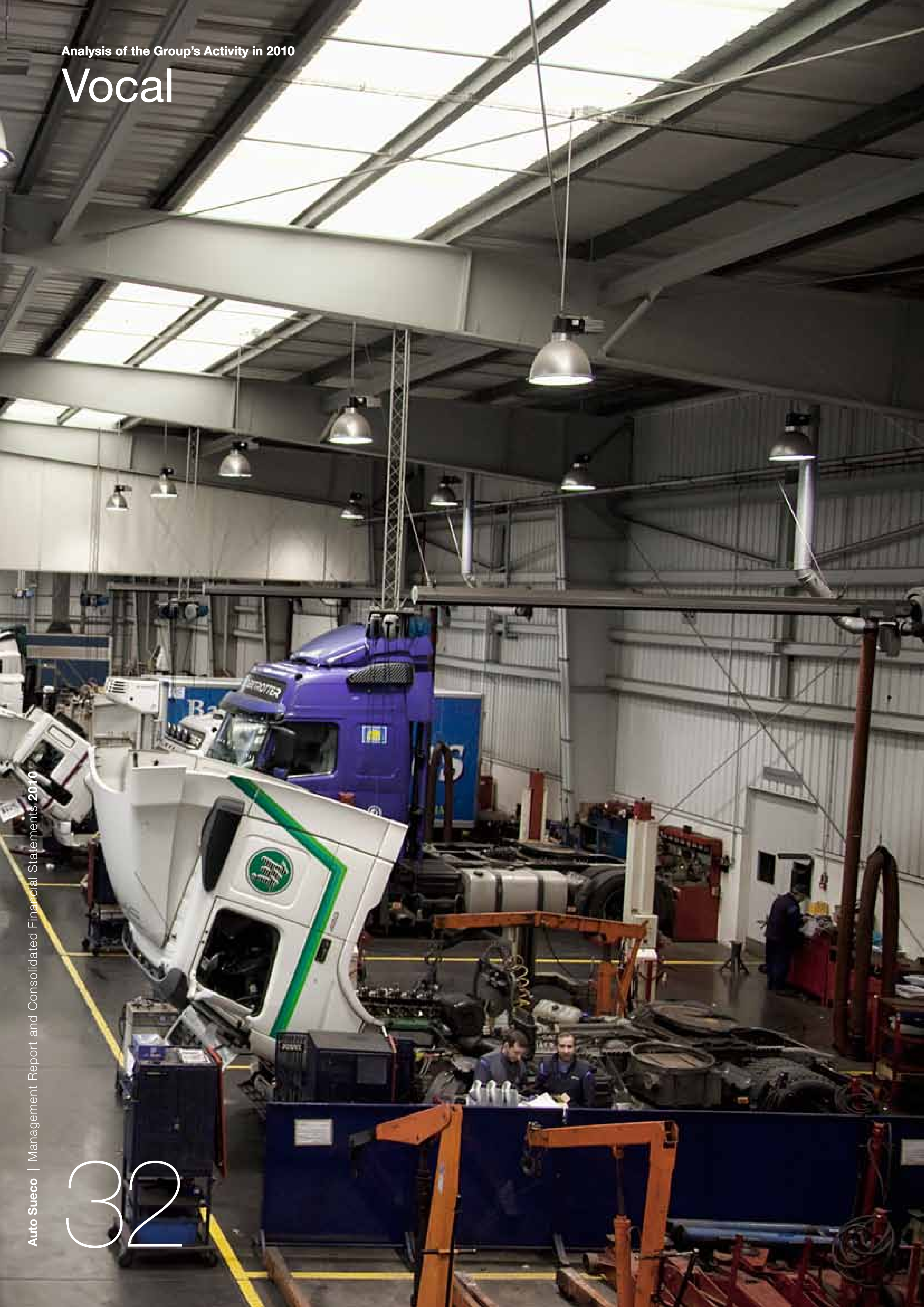
In after-sales activity, concentrating on raising customer satisfaction indicators and reinforcing the sales team will be the main factors aimed at increasing turnover by 10%.

In 2011, it hopes to gain ground in the buses market, in line with plans associated to the 2014 World Cup in Mato Grosso and the introduction of new products from the Volvo range.

TRUCKS BUSES PARTS SERVICE


VOLVO

Vocal



Vocal, acquired in 2010, operates in the sale and after-sales assistance of Volvo trucks and buses in the State of São Paulo.

2,139 trucks and 134 buses were sold in 2010, 93.4% above sales in the previous year, total net revenue for the year surpassed 719 million Reais and net profit reached 22 million Reais.

However, the profitability of after-sales was poor, and was even the worst area in the comparative analyses with the other Volvo concessions in Brazil. This result, influenced by its location, should be placed in context against the backdrop of infrastructural shortcomings and high operating costs in comparison with other States,.

The end of the year was marked by the construction, based on an innovative design, of a new branch situated in Guarulhos. With an investment close to 16 million Reais, this new unit is expected to be highly productive within a short period of time.

The macroeconomic prospects for Brazil in general and for the State of São Paulo in particular are, in 2011, continuing growth of GDP leveraged by private consumption, civil construction and public works, export of industrial goods, agriculture and animal husbandry and mining. All of these areas of activity have a positive impact on Vocal's business, and the needs arising due to growth in goods transportation (distribution and long haul) as well as equipment for the transportation of aggregates are expected to continue. The objective for 2011 is to deliver 2,550 new trucks.

In the passenger transport segment, major public and private investment is expected in the next two years, bearing in mind the city's preparation for the World Cup in 2014; together with the new products that Volvo is going to launch in 2011/2012, this will bring excellent business opportunities and forecast are for a significant increase in sales both in the urban and provincial bus segments. The objective set for the volume of buses sold in 2011 is 307 units.

A change in procedures and operational activity in the after-sales area is planned in order to obtain economic profitability and quality indicators in line with those for this activity in Portugal.

The construction of a new branch in 2011 will be a fundamental objective in order to fulfil the plan to modernise the company and increase its size, which includes the complete reformulation of Campinas to be carried out in the first six months of this year.

In human resources, the existing policies to retain and qualify current staff will be maintained so as to provide them with the necessary competences for the development and organic growth of the company.

TRUCKS BUSES PARTS SERVICE

Thousands of Reais

1 EUR = 2,3314 BRL

KEY INDICATORS	2009	2010	Y.O.Y
Turnover [(1)]	-	719.021	-
EBITDA [(2)]	-	41.020	-
Number of employees	-	407	-

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Auto Sueco Coimbra Group

The Auto Sueco Coimbra Group is today a Portuguese group of international significance, present in Portugal, Spain, USA and Turkey.

It is one of the largest distributors of Volvo Construction Equipment in the world.

The Group currently operates in 4 business areas:

· **Construction Equipment and Other Equipment:** Sale and Hire of construction equipment; Manufacturing and Mining Industries; Recycling; Forestry; Load Movement.
· **Cars:** Sale of multibrand vehicles (Volvo, Jaguar, Land Rover, Mazda and Mitsubishi), light passenger and commercial.
· **Trucks:** Sale of products and services of the various ranges (high, medium and low) of the Volvo brand in the trucks market.
· **Infrastructure Equipment:** Equipment and hires for airports, ports and railways.

The main companies of the Group are Auto Sueco (Coimbra), Lda., parent company of the Group headquartered in Coimbra, Volmaquinaria de Construcçion España, a company acquired in 1990 which distributes Volvo Construction Equipment's products in Spain, ASC Construction Equipment USA, headquartered in Charlotte, in the state of North Carolina, and the recently acquired ASC Turk Makina, exclusive distributor of VCE products to Turkey, headquartered in Istanbul.

Auto Sueco Coimbra

In Portugal, Auto Sueco (Coimbra) distributes and sells Volvo construction equipment and industrial machines directly throughout the country to such diverse sectors as construction and public works, forestry, recycling, load movement, etc.. ASC also provides its customers with hire services and after-sales assistance.

Furthermore, ASC is also present in the business areas of the sale and after-sales assistance of trucks and light automobiles.

In 2010, ASC found itself once again operating in a difficult environment, with its main target market - the construction and public works sector – again suffering a sharp decline in the order of 36%. However, this situation was attenuated by increases in the automobile and trucks markets of 39% and 3.8%, respectively.

Even so, ASC's turnover from construction equipment and industrial machines remained practically unchanged compared with 2009, with just a slight drop of 1.0%. In turn, in the automobile business the company recorded an increase in turnover compared with 2009 of 48.0%, while in the trucks business growth over the previous year was around 6.5%.

In terms of volumes, and with regard to the automobile business, 2010 was an excellent year, with 1,094 new units and 565 used units sold, representing an increase of 67% and 39% over 2009, respectively.

With regard to the trucks business, on a national level Volvo maintained its rate of penetration in the high range market at 18%, registering 418 trucks (2% more than in 2009). On the other hand, the national mid-range market dipped by around 6.7%, with a decrease in new Volvo registrations of 47.7% (23 registrations in 2010 compared with 44 registrations in 2009). This being so, Volvo's rate of penetration at a level national in this business segment was 9.7% in 2010 (17.3% in 2009).

Lastly, and in spite of the constraints of the civil construction and public works sector, the number of new machines sold by ASC increased by around 17% over 2009, corresponding to 148 units invoiced (without considering light equipment and load movement). ASC's main growth was in dumpers (+78%) and in road rollers (+136%), increasing its market shares in these segments from 55% in 2009 to 57% in 2010, and from 7% in 2009 to 19% in 2010, respectively.

In short, turnover recorded an increase of 16.8% (corresponding to 14.8 million Euros) coming in at 103 million Euros, and the net profit rose to 7.8 million Euros (compared with a positive net profit of 580 thousand Euros in 2009). This growth is particularly important in a very tough year in terms of competitiveness, the geographic dispersion of the company and conquering new markets.

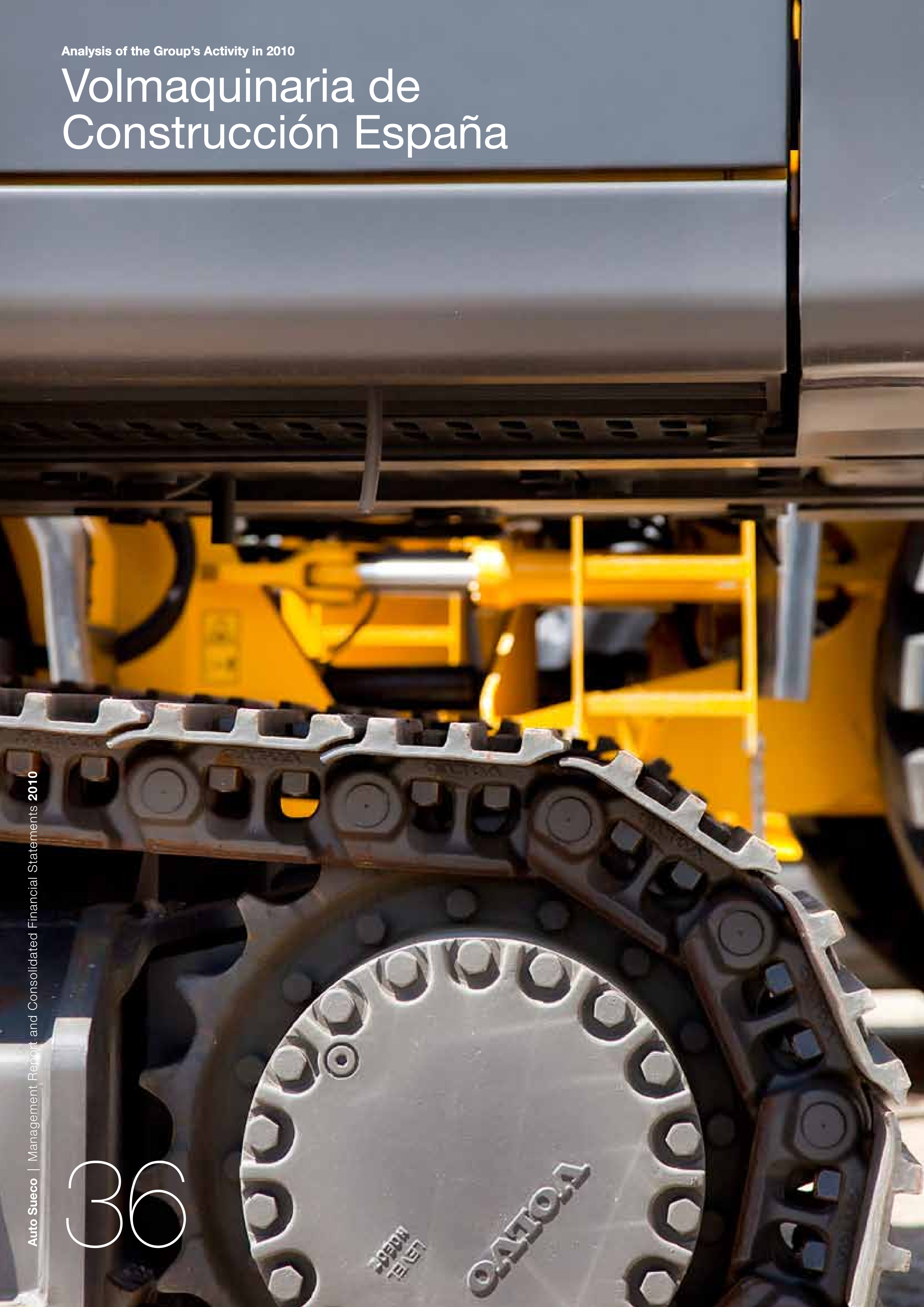
TRUCKS | CONSTRUCTION EQUIPMENT | CARS | PARTS | SERVICE

Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	87.778	102.507	16,8%
EBITDA (2)	6.436	5.321	-17,3%
Number of employees	419	419	0,0%

(1) sales + services rendered + own work capitalised
(2) Earnings before interests, taxes, depreciations and amortizations

Volmaquinaria de Construcción España



Volmaquinaria is the company in the Auto Sueco Group (Coimbra) that handles the import and distribution of Volvo construction equipment to the whole of Spain. Through a vast network of agents, and working directly in Madrid and Barcelona, Volmaquinaria's business involves offering a broad range of products, and it is considered by its largest customers as one of the highest quality companies in Spain.

Following strategic decisions by Auto Sueco Group (Coimbra), Volmaquinaria today represents the hub of the cluster of Spanish companies belonging to the Group, which comprises Tea Aloya Inmobiliaria, S.A., Volrental, S.A., Volrental Atlântico, S.A., Volrental Cantábrico, S.A., Volrental Córdoba, S.A., Air-Rail, S.L., and Zephir, S.L., also having a 47.00% stake in the insurance broker Amplitude Ibérica, S.A., and 33.33% of the share capital of Volrental Norte, S.A. On the 7th of September 2010, Volmaquinaria de Construcción España, S.A.U. completed the merger by absorption of Volgalicia, S.A.U..

In 2010, Volmaquinaria's activity was conditioned, for the third consecutive year, by the adverse conditions of the economy, reflected in weak signs of recovery in the country.

In spite of the negative economic backdrop, Volmaquinaria extended its distribution network by establishing a new dealer in the Canary Islands, Quality Trucks.

In line with Volmaquinaria's strategy relating to correlated diversification, at the start of 2010 the company acquired 50% of the share capital of the companies Air-Rail and Zephir so as to reduce the exposure of its business to the construction and public works sector. Both companies centre their activity on the sale and distribution of equipment for port, airport and railway infrastructures.

In addition, and in order to complement its product range in the traditional business segments, throughout 2010 Volmaquinaria developed and concluded negotiations with the company Sandvik for the distribution, throughout Spain, of its mobile grinding equipment.

In spite of Volmaquinaria's efforts to adapt to the market, turnover decreased by 17.5% compared with 2009, down to 51.6 million Euros, thereby reflecting the sharp drop in activity in construction and public works throughout 2010.

CONSTRUCTION EQUIPMENT PARTS SERVICE

Thousands of Euros

KEY INDICATORS	**2009**	**2010**	**Y.O.Y**
Turnover (1)	62.539	51.614	-17,5%
EBITDA (2)	3.481	2.124	-39,0%
Number of employees	178	172	-3,4%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

ASC Construction Equipment USA

Operating in business segments relating to the sale, hire and after-sales service of Volvo construction equipment, ASC USA is recognised as the largest Volvo dealer on North American soil since 2005, having received a number of awards since, both in financial and technical areas, at the Volvo Dealer Meeting.

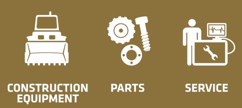
Furthermore, ASC USA extended its services to brands such as Bomag, Hypac, Champion, Broce, Mauldin, Blawknox by Lee Boy, Sennebogen, Tramac and Doosan, so that today it has an extensive, top quality portfolio.

In 2010 as in 2009, the construction industry showed no signs of recovery, suffering a drop of 10%. Nevertheless, there was a weak recovery in demand for construction equipment, explained (i) by an improvement in the economic conditions of the USA, (ii) by an increase in the level of consumer confidence, and (iii) by an increase in demand from diverse suppliers in order to re-establish stock levels, particularly with regard to re-establishing hire fleets. As a result, and after 4 consecutive years of negative growth, the GPPE and CSE market relating to the territory where ASC USA operates, increased by around 17.5% over 2009.

In spite of the market upgrade, the number of units sold by ASC USA fell by 16% compared to 2009, due essentially to the company's change in strategy, now focused on profitability and not on volume, together with a number of conditioning factors in terms of the supply of the machines.

In 2010, ASC USA also received awards in diverse categories in the last Volvo Dealer Meeting, among which the main ones were 1st place in the "Retail Finance Volume in the U.S." category and 2nd place in the "Retail Finance Penetration in the U.S." category.

Despite the adverse conditions of the North American construction market, ASC USA showed resilience, adaptability and vision throughout 2010. As a result, turnover rose to 92 million Euros, reflecting an increase of 2.1% over 2009.



Thousands of USD | 1 EUR = 1,3362 USD

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	119.449	121.904	2.1%
EBITDA (2)	12.357	20.734	67.8%
Number of employees	211	192	-9.0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations


BL71
VOLVO

ASC Türk Maquina

On the 30th of June 2010, the ASC Group acquired the two subsidiaries of Volvo Construction Equipment A.B (VTC Holding Holland N.V and Volvo Automotive Holding B.V), Volvo CE's import and distribution operations for the whole of Turkey. The company, now called ASC Türk, covers the whole range of Volvo CE's products through three business units (two in Istanbul and one in Ankara) and also a network of five agents.

In 2010, the demand for construction equipment in Turkey, within the portfolio of products commercialised by ASC Türk, amounted to around 6,100 units, thereby reflecting a significant increase compared with the number of units sold in 2009 (< 4,000).

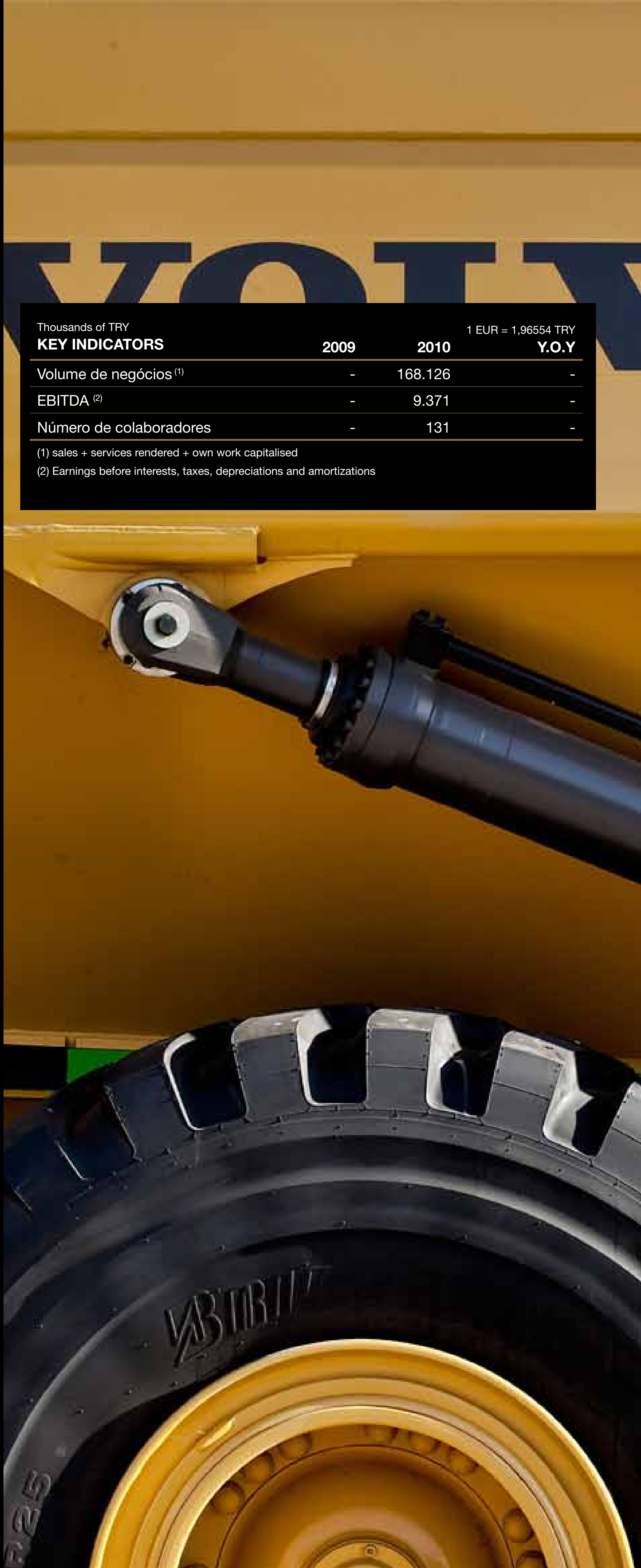
ASC Türk accompanied the positive trend of the market and in 2010 reached a rate of penetration of 14%, 2 p.p. above that of 2009, thereby positioning itself in 2nd place in the ranking of companies operating in the sector.

A highlight of 2010 was the opening of ASC Türk's new premises in the European part of Istanbul, as well as the start of the adaptation of the company's IT system, which will help to increase its levels of efficiency.

CONSTRUCTION EQUIPMENT

PARTS

SERVICE



Thousands of TRY — 1 EUR = 1,96554 TRY

KEY INDICATORS	2009	2010	Y.O.Y
Volume de negócios [1]	-	168.126	-
EBITDA [2]	-	9.371	-
Número de colaboradores	-	131	-

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Analysis of the Group's Activity in 2010

AS Parts

The results obtained in 2010 helped to reinforce AS Parts' image in the parts aftermarket for light vehicles, through the consolidation of its vast portfolio of Customers and its positioning with regard to the leading suppliers in this market.

At the end of its 4th full year of activity, AS Parts closed the year with 35% growth in its national market sales over 2009, ie real growth in its market share.

This performance is all the more important in a year of clear economic retraction in the national and world market, heavily impacting on a variety of business sectors and especially the automobile sector.

Special reference should be made to the improved product range with the introduction of the Kayaba range and the exclusive import, for the national market, of the Wolf range of lubricants, as well as the ongoing broadening of the ranges already sold, helping to improve the degree of market coverage.

In terms of in-house indicators, we should point out the performance of AS Parts' team in stock management and in the negotiation of better commercial terms with suppliers.

In 2011, AS Parts faces the challenge of enhancing its market positioning , hoping to attain a sales volume of 16.5 million Euros.

Thousands of EUR

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	10.282	13.926	35,4%
EBITDA (2)	346	833	140,8%
Number of employees	42	42	0,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

AS Parts Angola

AS Parts Angola's positioning in the Angolan automobile parts aftermarket, which was consolidated in 2009, was reinforced in 2010 with sales volume growth in the order of 40%.

Contributors to this performance were the opening of the Viana outlets, this being the business zone with the greatest growth potential in Greater Luanda and Benguela, as well as the development of a new business involving the import and sale of glass for construction with the opening of the Luanda and Benguela outlets.

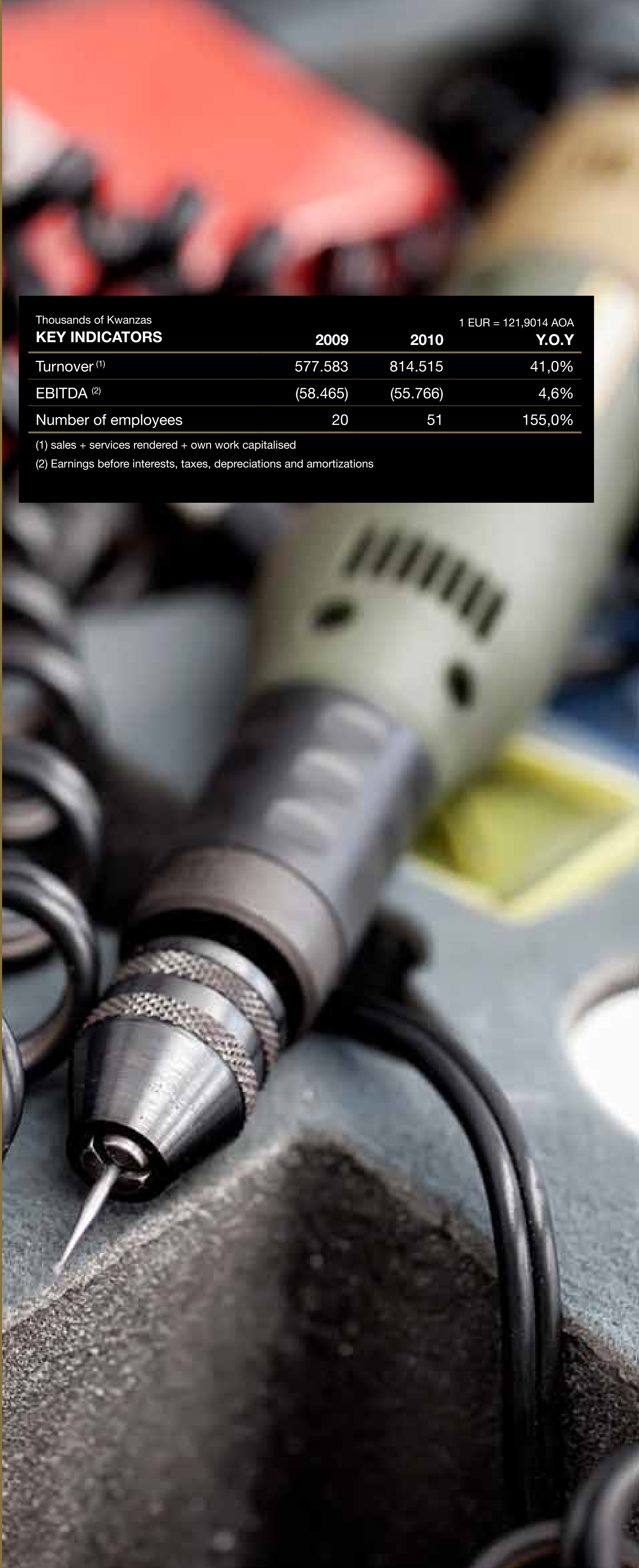
This expansion helped to reinforce coverage of the national market and Luanda in particular, through a presence in yet another city with high growth potential due to its location and mid-long term investment plan.

AS Parts Angola currently has a network of six stores in the automobile area, three in Luanda and three in the provinces of Huambo, Lobito and Benguela, and two stores in the area of construction glass.

The growth in turnover and the strengthening of its network of stores are demonstrative of the performance achieved during 2010 and of the efficacy of the strategy implemented, from the point of view of the company's business and geographic positioning. The company's EBITDA was negative by around 14.5 million Kwanzaa, a consequence of the investments made in extending the network of stores and the development of the new business related with the construction sector.

In 2011, AS Parts Angola will continue to pursue its business development plan with the objective of reinforcing its positioning in the Angolan market.

PARTS



Thousands of Kwanzas

1 EUR = 121,9014 AOA

KEY INDICATORS	2009	2010	Y.O.Y
Turnover [1]	577.583	814.515	41,0%
EBITDA [2]	(58.465)	(55.766)	4,6%
Number of employees	20	51	155,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

AS Parts Cabo Verde

2010 atood for consolidation of its positioning as market leader in the distribution of aftermarket parts in the city of Praia and on the island of Santiago, where the operation has been based since March 2009.

AS Parts Cabo Verde, applying an integrated supply model, promotes and develops the AS Parts brands in the distribution of parts for light vehicles, Civiparts in the distribution of parts for heavy vehicles, and Express Glass in the distribution, repair and replacement of vehicle glass for all ranges.

In 2010, the company continued to implement the AS Partners concept with the objective of extending coverage to the other islands which make up the Republic of Cape Verde. The strategy underlying the development of this network is to extend national coverage of AS Parts and Civiparts parts distribution in Cape Verde. Other than providing scale, this strategy constitutes a differentiation factor that will reinforce the company's positioning in the Cape Verdean market.

In after-sales a development plan was also implemented for the workshop and for the offer of automobile repair and maintenance services, through the improvement of technical competences and the implementation of workshop management rules and procedures.

In 2011, AS Parts Cabo Verde aims to reinforce its positioning by extending the network of AS Partners - so as to increase the degree of national coverage, to further the implementation of measures for the development of the heavy vehicles segment - through a plan to improve technical skills and service levels, and to develop partnerships with strategic companies operating in Cape Verde.

Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover [1]	338	534	57,8%
EBITDA [2]	-172	43	124,8%
Number of employees	5	5	0,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Stand Barata

In spite of the worsening macroeconomic conditions of the market in general and of the auto parts and accessories market in particular, in 2010 the company's turnover remained the same as in 2009, safeguarding its positioning and market share.

The company's level of maturity and the increase in the number of companies operating in this business, in Stand Barata's operational areas, made the growth in turnover forecast for the operation in 2010 unviable, especially in the Algarve and Almada areas.

2010 was also marked by the opening of the company's first store to the north of the River Tagus and its entry into the Lisbon market. The year therefore closed with 10 sales outlets and with a significant increase in the degree of national coverage, given the volume and potential of the Lisbon market.

In 2011, Stand Barata will pursue the strategy of expansion and growth that the company has implemented since the end of 2006, when the Auto Sueco Group acquired 100% of the capital of Stand Barata, by focusing on the retail activity and implementing projects to develop the market in which it operates.

PARTS

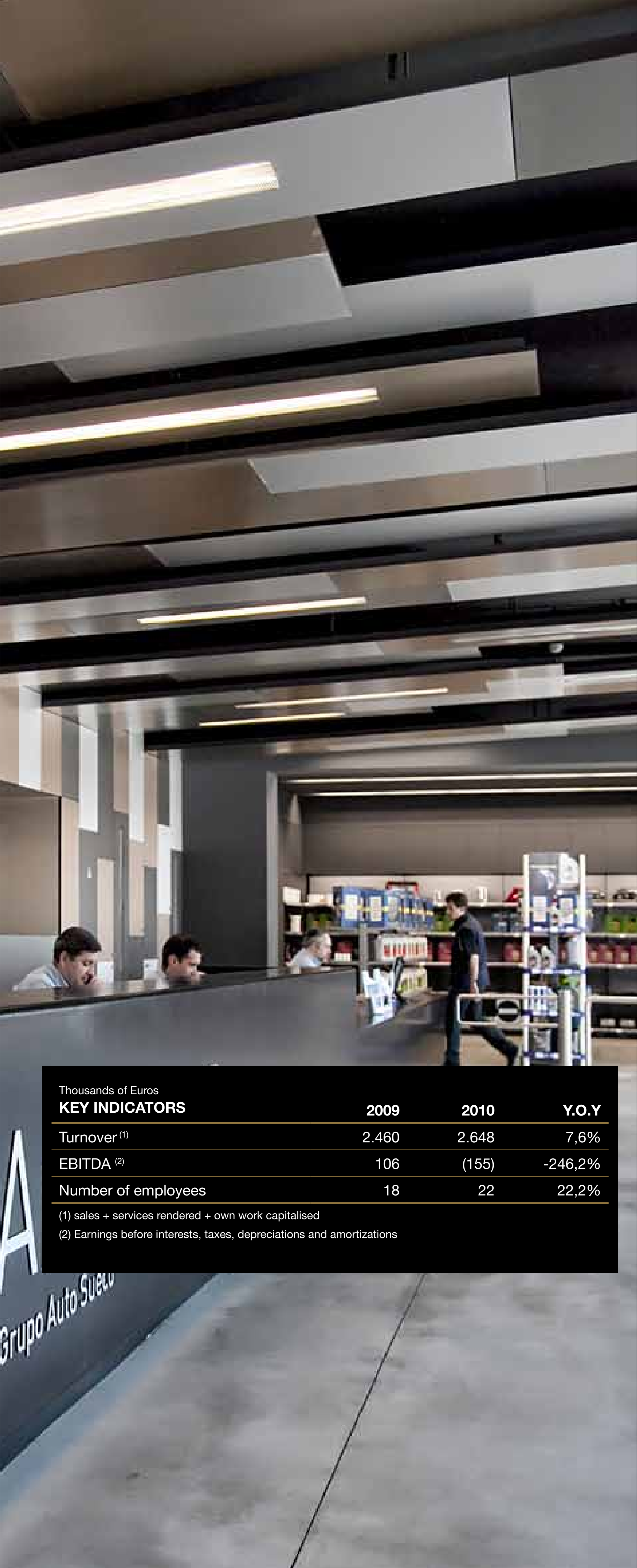
Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	9.339	9.260	-0,8%
EBITDA (2)	968	666	-31,2%
Number of employees	92	92	0,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Arrábida Peças



Arrábida Peças deals in parts and accessories for light automobiles.

After the acquisition of 100% of its capital by the Auto Sueco Group on the 14th of October 2009, in 2010 Arrábida Peças consolidated its integration into the Group, which included the adaptation of administrative rules and practices, a change of information systems, a reorganization of the team and a move, which allowed the company to start on its business expansion and growth plan.

For Arrábida Peças 2010 had 2 cycles, the 1st six months essentially focused on consolidating the integration and on the move and the 2nd semester was marked by a gradual upwards trend in turnover, reversing the loss of market share that it had been going through for the last 2 years.

In spite of the macroeconomic retraction of the market in general and of the auto parts and accessories market in particular, in 2010 Arrábida Peças saw its turnover grow by 8% compared to 2009, reinforcing its positioning and market share.

For 2011, in spite of forecasts of a particularly difficult year for the national economy in general and for the auto sector in particular, due to the reduction in purchasing power arising from the restrictive measures imposed and to high fuel prices, which impact directly on the volume of cars on the road, Arrábida Peças plans to continue to implement its business expansion and growth plan.

PARTS

Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	2.460	2.648	7,6%
EBITDA (2)	106	(155)	-246,2%
Number of employees	18	22	22,2%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Diverparts

Diverparts' main activity is the import and distribution of auto parts and accessories.

It started business in January 2002, with the opening of a warehouse in Gaia and was acquired in 2010 by the Auto Sueco Group, and currently owns two warehouses with national coverage, one in Lisbon and the other in Porto.

Diverparts works with the main glass and accessories manufacturers in the world and has a vast range of quality products; insofar as its prime objective is to become one of the main players in the distribution of auto glass in Portugal, it plays an important role in the Auto Sueco Group's integration in the auto glass market.

In 2010 it had a turnover of 5.3 million Euros and in 2011 it is expected, associated to the other companies of the Expressglass Group, to produce very positive results, maintaining the good performance of its commercial activity.

Thousands of Euros

KEY INDICATORS	**2009**	**2010**	**Y.O.Y**
Turnover [1]	-	5.353	-
EBITDA [2]	-	186	-
Number of employees	-	19	-

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

ExpressGlass - Portugal

AS GLASS

The start-up of the Auto Sueco Group in the auto glass repair and replacement business came with the creation of the AS Glass store in 2009 under the ExpressGlass insignia.

During 2010, the company followed the growth trend that it had already enjoyed in the previous year and which is essentially due to the increasing renown that the centre has conquered in the market.

Its business expansion continued throughout 2010 through the business development of its main customer, ExpressGlass, which in 2010 consolidated a number of existing protocols with insurance companies and signed new agreements, which greatly helped to intensify its business.

AUTOGLASS

Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover [1]	173	323	86,6%
EBITDA [2]	9	19	122,7%
Number of employees	3	3	0,0%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

ExpressGlass - Portugal

EXPRESSGLASS, S.A.

In 2010, ExpressGlass, a company which specialises in the provision of services related with the repair and replacement of automobile glass, was acquired by the Auto Sueco Group.

During this year, the company followed the growth trend that it had enjoyed in the previous year and which is essentially due to its close ties with the insurance market.

ExpressGlass' business continued to expand throughout 2010 by attracting new customers, more precisely insurance companies and car hire companies, the latter category being a new sector for the company. The consolidation of existing protocols with some insurers also helped significantly to intensify the company's activity.

The number of claims resolved by the company, as the main area of activity, grew around 24%, from 54,143 to 67,380 claims.

The network of ExpressGlass outlets, whose geographic coverage includes Continental Portugal, Madeira and the Azores so as to acquire new business and improve our customer service, grew by around 7%, going from 90 to 96 Centres.

The development of a new computer system is in the pipeline, which will help to provide integrated business management.

AUTOGLASS

Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	-	14.155	-
EBITDA (2)	-	1.499	-
Number of employees	-	17	-

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Thousands of Euros **KEY INDICATORS**	2009	2010	Y.O.Y
Turnover (1)	-	4.342	-
EBITDA (2)	-	-29	-
Number of employees	-	80	-

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

SOGLASS, S.A.

Soglass is a network of stores which specialises in the repair and replacement of glass for light and heavy vehicles.

This company was acquired by the Auto Sueco Group in 2010 and had 27 stores, 3 of which started business in the year in question.

The commitment to a network of own stores already established around the country stands for the consolidation of the Auto Sueco Group's strategy in this market.

With the start of 2011, the intention is to merge ASGlass and Soglass into ExpressGlass in order to obtain economies of scale and synergies through the better management of the associated resources and from the application of new procedures to be implemented in the network, as a means of gaining efficiency on the different business fronts.

During 2011, the idea is to reap the rewards of seeds sown with all of the shareholding restructuring undertaken, in particular with regard to the merger.

We believe that this year will produce new, interesting indicators in terms of growth, focusing on developing and consolidating existing relations with current customers so as to help to continue the growth of its business in Portugal, without forgetting that verticality, credibility and a vocation for a service of excellence are some of the targets to be achieved which are hallmarlks of this company's economic group.

AUTOGLASS

Expressglass - Brasil

Diverservice, together with the companies AS Parts Peças Automotivas and ExpressGlass Brasil, represents the start-up of the Auto Sueco Group in the auto glass distribution and repair business in Brazil.

DIVERSERVICE

In 2010, its second effective business year, the company consolidated the whole of its business management model for the insurance companies' GBO (glass breakage only) portfolios, a quite innovative business model, developed particularly for the European market.

The number of vehicles on the road in Brazil has grown by 88% in the last 10 years and 37% in the last 5 years, and in 2010 it reached 32 million vehicles (light and heavy) representing growth of 6% over 2009. It should be noted that ExpressGlass Brasil's target market covers around 43% of the fleet, seeing that this is the percentage covered by motor insurance, taking into consideration that motor insurance is still not obligatory in Brazil. Within the universe of insured vehicles,, only 68% had GBO (glass breakage only cover) in 2010.

New partnership protocols were signed in 2010 with the insurers Itaú / Unibanco and Liberty Seguros, besides those protocols signed in 2009 with the insurers HDI, Allianz and Marítima Seguros which remain in effect..

The Company reached a market share of 22% through its contracts with insurance companies, and as a result of the ongoing commercial work in hand in the insurance market we expect new contracts to be signed in 2011.

This increased market share led to a series of investments that are necessary to address this volume of business, such as reinforcing the staff structure, implementing the universal policies of the Group, growth in the call-centre which now has the capacity for a staff of 140 and constant sustainable system-wide development.

EXPRESSGLASS BRAZIL

2010 saw the implementation of the standardised Expressglass network , ie the creation of a network of partners whose image / entire procedures fit into the global standards of the Expressglass brand, with the number of standardised stores reaching 30 in December 2010, sustaining the growth forecast for the network in 2011.

ExpressGlass' first own store in São Paulo completed its first full year of sales in 2010, in line with the strategy set out to create its own network of stores by 2015.

AS PARTS BRASIL

AS Parts Comércio de Peças Automotivas Ltda. is dedicated to the import and export of components and tools for the repair and replacement of auto components as well as to the provision of repair, replacement, removal and placement services of auto glass and accessories for vehicles.

In relation to all three companies, the plan for 2011 is to speed up the opening of own stores, maintain the growth of the standardisation of the branch network which started in 2009 and to enter into more comprehensive partnerships with glass manufacturers in order to control upstream the cost of glass in services performed by the ExpressGlass network.

AUTOGLASS

DIVERSERVICE

Thousands of Reais — 1 EUR = 2,3314 BRL

KEY INDICATORS	2009 (3)	2010	Y.O.Y
Turnover (1)	12.213	52.066	326,3%
EBITDA (2)	-229	3.959	1.828,8%
Number of employees	106	157	48,1%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

(3) period from 11th of September to 31st of December 2009

EXPRESSGLASS BRASIL

Thousands of Reais — 1 EUR = 2,3314 BRL

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	-	744	-
EBITDA (2)	(17)	(212)	-1.146,6%
Number of employees	-		-

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

AS PARTS BRASIL

Milhares de Reais — 1 EUR = 2,3314 BRL

KEY INDICATORS	2009	2010	Y.O.Y
Turnover (1)	131	1.000	661,5%
EBITDA (2)	(2.752)	(1.341)	51,3%
Number of employees	11	12	9,1%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Biosafe

Biosafe produces and sells crumb rubber recycled from end-of-life tyres. These tyres are transformed into a new raw material, crumb rubber with a competitive commercial value and high added value.

Commercial activity was affected by its socioeconomic context . The public debt crisis and budgetary cuts have led to significant reductions in public investments which have forced the company to find alternatives in other markets. Even overseas activity was conditioned by the European crisis, by high fuel costs for the transport industry and the EUR/USD exchange rate. Difficulties with the liquidity of a number of customers persisted and even worsened due to the credit crunch.

In general terms, there was a decrease in commercial activity of around 14% in quantity compared with the previous year. Crumb rubber was essentially channelled to the sports surfacing and child safety industries, maintaining the trend of previous years. The market for rubber incorporation in road construction was down on the previous year, therefore continuing well below expectations.

Internally, management measures centred on cost control in line with the consolidation of revenue, ie costs were capped during periods of lower revenue .

Given that 2010 was a very tough year due to the national economic climate, the company closed the year with a turnover that was very similar to that of 2009. EBITDA, in turn, were up by 47% over 2009, resulting partly from the gains obtained in the tax incentive programme for innovation.

In turn, a change in the criteria applied to asset amortizations drove them up this year,, this being the main contributing factor for the 78% drop in Net Profit.

The existence of stocks in almost all the granulators and the difficulties being felt in Europe mean that all markets are attractive, which has led to increased competition. Given our high level of quality today, there is a possibility of establishing long-lasting contracts with customers with the capacity to purchase a significant part of our production. This situation helps to attenuate the commercial difficulties mentioned above. The company is committed to the unit's good performance in terms of average production costs for a tonne of crumb rubber, and is therefore exploring the market in order to study the best techniques and technologies that will help it to optimise fluxes, processes and production.

In terms of investment, the focus will be on systems to rationalise the business support structure, the renewal of some of the means of production and the respective changes in layout to balance the flux throughout the unit, and cooperation in terms of research, development and innovation with various companies and partners from the National Scientific System.

INDUSTRY

Thousands of Euros

KEY INDICATORS	2009	2010	Y.O.Y
Turnover [1]	3.759	3.741	-0,5%
EBITDA [2]	829	1.215	46,6%
Number of employees	45	44	-2,2%

(1) sales + services rendered + own work capitalised

(2) Earnings before interests, taxes, depreciations and amortizations

Human Resources

In spite of the economic and financial crisis that continues to affect different markets where the Auto Sueco Group operates, 2010 turned out to be a year in which the international dimension of the group was consolidated, reinforcing the position it already held in Brazil, a market considered to be strategic for its development, and with the start of operations in Turkey.

So, throughout the year the Group developed the following projects related with its organizational development, such as:

■ stage IV of the MAR project (Matrix, Audit, Reorganization), bringing 4 new companies into this model: Auto-Sueco Brasil, ExpressGlass Brasil, AS Parts (Brasil) and Diverservice;

■ the implementation of the MAR performance management system in Angola, in the companies Auto-Sueco Angola, Auto-Sueco Lobito, AutoMaquinária and AutoPower;

■ integration of computer systems to support the global management of the Group's organizational structures – extension to the Angolan market.

It was also a year of consolidation of the practices and policies divulged internationally. An example of this is the policy of international secondment which at the end of the year already represented the model used in 30% of the cases of international mobility in the Group.

For 2011 there will be greater standardisation of the strategic lines that govern the action of the Human Resources Departments in the various markets, as well as consolidation of the relationship model currently in force for the Corporate Structures (national / international).

In national terms, 2010 marks a new stage in the AS Group's performance management system, with the start-up and implementation in all companies that operate in Portugal of the SGD (performance management system)-MAR. Involving more than 700 employees, we continue to advocate the development of a model in which promoting the right behaviour to achieve the Group's strategic objectives, aligning targets and standardising criteria result in greater objectivity in each employee's individual performance.

It was also in 2010 that the first cycle of the assessment of the new performance management system was completed in the companies Auto Sueco, Lda., Auto Sueco Automóveis and Motortejo, the results of which demonstrate the appropriateness of this model to the Group's growth.

In terms of recruitment and selection, motivated by the good growth of the AS Group and by the unstable economic climate, the number of cases handled in 2010 reached a record number in the Group's history: a total of 215 cases, representing growth of 512% over the previous year.

The social climate diagnosis was extended to all companies, maintaining the focus on getting individual opinions of the level of satisfaction/motivation of the employees, in the light of indicators such as:

· Autonomy;
· Group welcome;
· Training;
· Rewards;
· Motivation;
· Inter-staff relations;
· Support from senior hierarchy, among others.

Given the value of the information obtained from the diagnosis of the social climate, both in terms of the daily barometer and the annual evaluation, this project will be kept active with regular data analysis, keeping the Group's management actively involved in the quest for measures to foster motivation and the overall satisfaction of employees.

With regard to internal communication, the magazine "Acção" (Action) launched a new layout with a significantly younger look, trying to reach out to all employees by touching on a variety of topics that are directly related with the activities of the companies and employees of the whole of the AS Group, so as to make this prime vehicle of communication even more attractive for everyone who receives it. It should be noted that this publication (around 2,500 copies) is distributed every four months to all the employees of Auto Sueco and companies of the Group (national and international), and is published in Portuguese and English.

Vocational training, a major component in continuing to develop skills, reached 17,657 hours, in addition to those of the Commercial Academy.

The main innovation in this area was the creation of ASG's training development platform,, bringing together representatives from all the business units/companies in order to jointly define methodologies, processes and improvements aligned with the various business strategies.

Economic and Financial Analysis

Thousands of Euros	2009	2010
Turnover[1]	**641.451**	**917.440**
Impairment of inventories	-911	-779
Impairment of debts receivable	-15.622	-3.804
Provisions	-1.186	-2.400
Impairment of non-depreciable/amortizable investments	0	-36
EBITDA[2]	**59.509**	**55.186**
% Turnover	9,3%	6,0%
Amortization	-14.195	-17.673
EBIT	**45.314**	**37.477**
% Turnover	7,1%	4,1%
Investment activity3	3.512	2.716
Financing activity4	-11.204	-13.571
EBT	**37.622**	**26.622**
% Turnover	5,9%	2,9%
NET PROFIT with non-controlling interests	**26.070**	**18.132**
% Turnover	4,1%	2,0%
Non-controlling interests	8.290	2.305
NET PROFIT	**17.780**	**15.827**
% Turnover	2,8%	1,7%

1 - sales + services rendered + own work capitalised
2 - EBITDA = Earnings + amortization and provisions - cash payment discounts (net)
3 - Costs and revenue associated to the financial activity of investment. This essentially relates to rentals and dividends received.
4 - Costs and revenue associated to the financing activity of the Group itself.

Turnover was 917 million Euros, representing an increase of 43% over 2009. The Brazilian market was the main contributor to this with 339 million Euros. This amount is largely explained by the acquisition of Vocal, which alone produced an increase in turnover of 296 Million Euros. The growth of the companies Expressglass, Diverservice and AS Parts Brasil in Brazil, also contributed with an increase of 24 million Euros, with Auto Sueco Brasil contributing the remaining 19 million Euros in growth.

The main companies operating in Angola, however, had a negative influence, absorbing around 148 million Euros from the total amount of the variation, but the recovery of the Angolan economy witnessed in the last months of 2010 anticipates a reversal of this trend.

Notwithstanding the unfavourable economic climate, the Auto Sueco Group grew by 29 million Euros in Portugal compared to the previous year, supported essentially by the acquisition of the Expressglass Group in this country (+18 million Euros).

Through the acquisition of ASC Türk Makina by its sub-company Auto Sueco Coimbra, the Auto Sueco Group consolidated with 43 million Euros more in sales than in 2009, figures which give an idea of the volume that the most recent acquisitions could imply in the future.

Contribution towards growth in Turnover by Market

Given the uniform application of the method of calculating provisions and adjustments in all the Companies of the Auto Sueco Group, in 2009 there was an increase in the respective amounts, largely associated to the companies in Angola. In 2010 there was a reduction in the adjustment compared with 2009 of a fraction of 11.8 million Euros related with the recovery of the Angolan economy and with the releasing of funds by the Government, which allowed the debtors to the companies of the Group based in Angola to fulfil their obligations.

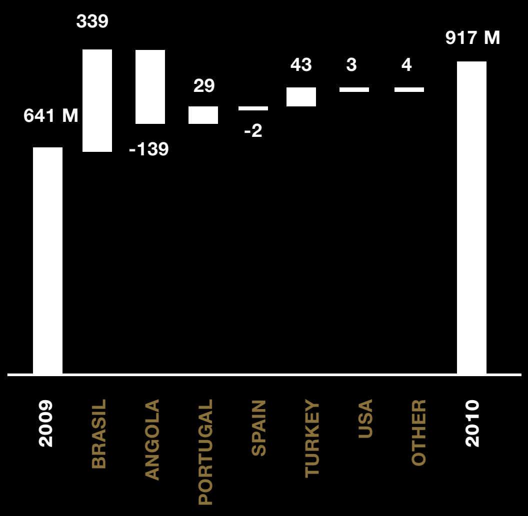
Notwithstanding the increase in turnover, the EBITDA margin suffered a reduction of 3.3 p.p. associated to a drop in the gross margin from 29.3% in 2009 to 21.5% in 2010.

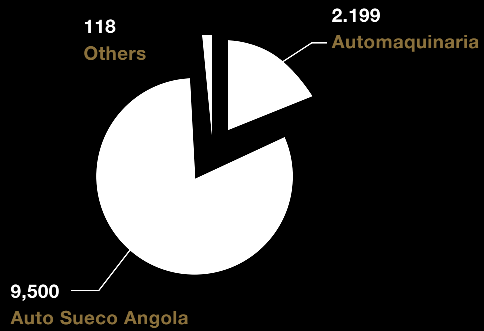
The margin's reduction should be analysed taking into account that the increase in the volume of sales came about mainly through the sale of trucks (483.2 million Euros more than in 2009), a product which normally has a lower margin than the other products commercialised by the Group. This growth is, nevertheless, fundamental as in the future it will ensure greater demand for the after-sales service and components related with the brand.

With the investments in the company ASC Türk Makina, through Auto Sueco Coimbra, in Vocal and in the creation of new branches by Auto Sueco Brasil, the increase of 3.5 million Euros in the value of amortizations is justified. It should be noted that the amount for 2010 was also heavily influenced by the implementation of a more aggressive amortization policy by Biosafe.

Given the world economic context a reduction in the Group's Net Profit compared to 2009 was inevitable (from 17.8 to 15.8 million Euros), although the amount achieved is considered to be very satisfactory.

Contribution to the growth of Turnover by Market





BALANCE

With regard to capital structure, the amount of the Balance Sheet increased by 25.6% in comparison with 2009. This increase is largely associated to the new entries within the Auto Sueco Group's consolidation perimeter.

The 22 million Euro increase in the amount of stocks is related to the acquisition of Vocal (+16.8 million Euros) and to the creation of stock based on the expectation of an upturn in activity in the Angolan market by Auto Sueco Angola (+7.4 million Euros) and of Auto Power (+1.6 million Euros) which will only be realised in 2011.

However, the runoff of very old stock in Auto Sueco Kenya, as a result of a business deal that was revoked in 2008, led to a 4.3 million Euro reduction in the amount of stocks. The volume of sales of light vehicles in 2010 helped Auto Sueco II Automóveis to reduce its stock by 3.4 million Euros compared to 2009.

96% of the positive variation under Customers is justified by the acquisition of Vocal (+24.5 million Euros out of a grand total of 25.4 million Euros). Other positive contributions to this variation, 35.4 million Euros, came from the new entries within the Auto Sueco Group's consolidation perimeter, and negative contributions from Auto Sueco Angola (-16.5 million Euros), Auto Maquinária (-1.8 million Euros) and Auto Sueco Brasil (-4.2 million Euros), with the first two following the trend of a reduction in the volume of sales.

In relation to the variation recorded under Suppliers (+58.8%), 27.1 million Euros is associated to the acquisition of Vocal and, in the opposite direction, -10.6 million Euros are justified by the reduction in activity in Auto Sueco Angola.

Thousands of Euros	2009	2010
Net assets	**550.478**	**691.381**
Fixed assets	161.944	238.024
Stocks	159.638	181.666
Clients	129.830	155.213
Other current assets	64.098	68.064
Cash and cash equivalents	34.968	48.414
Net liabilities without non-controlling interests	**355.366**	**483.478**
Financial liabilities	206.696	301.271
Provisions	2.628	6.130
Suppliers	62.246	98.849
Other current liabilities	**83.796**	**77.229**
Net situation with non-controlling interests	**195.112**	**207.903**
Capital	30.000	30.000
Global reserves	82.287	81.213
Net Profit	**17.780**	**15.827**
Non-controlling interests	18.172	18.376

Contributive Analysis of Working Capital

Globally, the acquisition of the new companies justify the variation in the Auto Sueco Group's need for Working Capital. In all, the new Companies within the Auto Sueco perimeter stood for 23.8 million Euros of Working Capital required.


GRUPO 4.

Social Responsibility

Corporate responsibility plays an important role within the Auto Sueco Group. This commitment is proof that the Group is increasingly dedicated to assuming a socially and environmentally responsible posture within the global community. It also means that there is a total commitment by the Group to fulfil and fully respect all of the requirements, laws, rules and regulations of all the countries in which it operates.

Within the Auto Sueco Group's vision, sustainability is essential for evaluating and reassessing business practices, in order to find a balance between the growth of the company and the economic, environmental and social needs of the places it operates in. The Group is committed in a major way to the preservation and defence of the environment, safety conditions at work, integrity in its relationship with partners and employees and also continuous respect for human rights.

The Auto Sueco Group's strategy of corporate responsibility is implemented through initiatives in diverse areas such as:

Social Support: Through support to the Mundos de Vida Foundation and promotion of the Procuram-se Abraços (Hugs Wanted) Campaign, with the objective of finding new foster families for children at risk; support for the Novo Futuro (New Future) Association, an institution which looks after needy children and youngsters; support for needy families at Christmas time through the in-house collection of goods organised by the Parents Association of School EB23 Augusto Gil, support for the Banco Alimentar Contra a Fome (Food Bank); and a donation of furniture to the São Cirilo Community Centre, a welcome centre for migrants. Support was granted to the Association Crescer Ser (Portuguese Association for the Rights of Minors and of the Family) and to the Pirilampo Mágico (Firefly Magic) Regatta organised by Cercigaia; a donation was made to the Voluntary Fire Brigade of Vila Praia de Âncora to purchase an ambulance; support was given to the Diocesan Council of Porto of the ACISJF (International Catholic Association for Girls) and to the Association of Toy Libraries of Porto through the donation of furniture and computers; a donation was made to the Association Somos Nós (Association for the Autonomy and Integration of Young Disabled People); a donation of furniture and computers went to the Project Acreditar (Believing), as a result of the Programme "Escolhas" (Choices) of the Manoel Oliveira Vertical School Grouping, the objective of which is to promote success at school and social and professional integration; support was provided for the Project Construir (Building), a Social Intervention Association; and a donation of furniture was made to Baloiço do Tempo (Swing of Time), a Not-for-Profit Association which provides support for children.

Education: Furniture and computers were donated to the Association Crescer Ser – APDMF – Portuguese Association for the Rights of Minors and of the Family. In partnership with the Augusto Gil Group of Schools, the Auto Sueco Group is involved in the Porto de Futuro (Future Port) Programme, an initiative promoted by Porto City Hall, under which it provides management support (contracts and purchases, health and safety, information systems), awards prizes to the best students and "Summer University" grants, donates computers; it further participates in the programmes of the Association "Aprender a Empreender" (Learning Entrepreneurship),by making employees available to teach different subjects.

Culture: The Auto Sueco Group is a co-founder of the Casa da Música, the Serralves Foundation and the Museum of the Douro. It supportsed the "Sangam" photography exhibition put on in the Fundação Oriente, as well as the publication of a book commemorating the Centenary of the Porto Hose-Riding Centre; also the Theatre Project "Persona" (Ingmar Bergman), an initiative promoted by the Swedish Embassy and by the Luso-Swedish Chamber of Commerce.

Environment: The Auto Sueco Group is a member of the Eco Movement – Companies Against Fires, through a MoU established with the National Civil Protection Authority. This MoU includes the financing and development of an awareness campaign to protect forests by preventing and fighting forest fires.

The Auto Sueco Group's corporate responsibility activities are fundamentally oriented by our vision and values – the cornerstone of the corporate character that we have been working on since our foundation.


RUGBY
KIT LOBOS
conti
TAG

Corporate Governance

TOMÁS JERVELL
CHIEF EXECUTIVE OFFICER

The management of Auto Sueco, Lda, parent company of the Auto Sueco Group, is carried out by the following two bodies:

General Board:
Tomaz Jervell
José Manuel Bessa Leite Faria
Paulo Jervell

Management Board, comprising:
Tomás Jervell – President
Henrique Ângelo Pereira da Silva Nogueira
Francisco Miguel Alçada Cardoso Ramos
Jorge Nieto Guimarães
José Jensen Leite de Faria
José Manuel Bessa Leite Faria
Paulo Jervell

The Management Board met twenty five times in 2010. As from January 2009 this body started to meet every fortnight, or whenever necessary according to the nature of the situation. The General Board meets four times a year and whenever especially important subjects arise, such as acquisitions and important investments, involving significant amounts, meeting nine times in 2010.

The Auto Sueco Group is audited by PricewaterhouseCoopers, and has very demanding internal standards concerning business behaviour and ethics.

Planning and Management Control, which reports to the Financial Department, is responsible for the control and economic and financial monitoring of the Group, analysing and providing reliable and standardised information that allows the correct utilisation of assets to be checked within defined rules. It is also responsible for analyzing new investment opportunities.

FRANCISCO MIGUEL ALÇADA CARDOSO RAMOS
BOARD MEMBER
PARTS AND COMPONENTES BUSINESS UNIT

HENRIQUE ÂNGELO PEREIRA DA SILVA NOGUEIRA
BOARD MEMBER
TRUCK, BUS AND PENTA BUSINESS UNIT

PAULO JERVELL
BOARD MEMBER

RUI MIRANDA
CHIEF FINANCIAL OFFICER

JOSÉ JENSEN LEITE DE FARIA
BOARD MEMBER
BUSINESS DEVELOPMENT

JORGE NIETO GUIMARÃES
BOARD MEMBER
CAR BUSINESS UNIT
TRUCK, BUS AND INDUSTRIAL EQUIPMENT BUSINESS UNIT - EXPANSION MARKETS; TRUCK AND BUS BUSINESS UNIT - BRAZIL

JOSÉ MANUEL BESSA LEITE DE FARIA
BOARD MEMBER

ANÍBAL BARBOSA
BOARD MEMBER
TRUCK, BUS AND INDUSTRIAL EQUIPMENT BUSINESS UNIT - ANGOLA

Quarterly meetings of the Group are held (called "Plan, Program and Budget") at which forecast and historic analyses are made, including market comparisons. These meetings also serve to check on the adaptability and reasonableness of the approved budgets.

Performance is constantly monitored with monthly financial, operational and strategic performance reports, which are reflected in internal documents that undergo continuous validation.

The Group's code of conduct establishes basic principles which are based on three fundamentalones : ethics, environmental protection and safety. The Group's history goes back 75 years, in which constant efforts have been made to strengthen the above principles, which have been the basis of its success. The current generation is committed to this legacy and guarantees the necessary investments and diligence to continue to follow these principles.

The Auto Sueco group represents Volvo products in various countries and continents, each with their specific culture and society. The Volvo code of conduct, which was implemented worldwide in June of 2003, and which determines the manner in which the group interacts with employees, customers, suppliers and the general public in relation to business principles, environmental care and work conditions, is followed, except in cases in which the group standards otherwise regulate these situations.

Risk Management

Introduction

The Auto Sueco group, in view of its global presence, is subject to a range of risks, either of an internal nature (quality, human resources, financing) or external (exchange rate changes, regulatory framework, political instability, economic trends).

CREDIT RISK

Credit risk is defined as the possibility of incurring a financial loss resulting from the non-fulfilment by a counterparty of its obligations regarding payments, relating to financial instruments or related to the Group's commercial and operational activity.

The company's exposure to counterparties through financial instruments is duly monitored by the respective departments and any variation is reported and controlled.

In relation to exposure to non-fulfilment by a counterparty, the commercial and operational activity of the group companies is managed through departments set up specifically to control credit, with established procedures which, through a system used to gather financial and qualitative information provided by recognised entities, help to produce a viable evaluation of the debtors in the fulfilment of their obligations. The same department is responsible for the management of customer's accounts and the necessary payment collection.

It should be noted that the concession of high amounts of credit is subject to tighter control which could include the need for authorization from the Credit Committee.

EXCHANGE RATE RISK

Operating on an international level the Auto Sueco Group is exposed to the possibility of losses or gains resulting from variations in the rate of exchange between the different currencies it uses. This risk affects the results on an operational level (impact on profits and cash flows) and capital invested in foreign subsidiary companies.

To hedge the exchange risk, besides direct coverage, the Group makes adjustments in the price of goods, with the objective of deflecting exchange variations. In general, the Group also uses a number of financial instruments to hedge the exchange risk with diverse financial institutions.

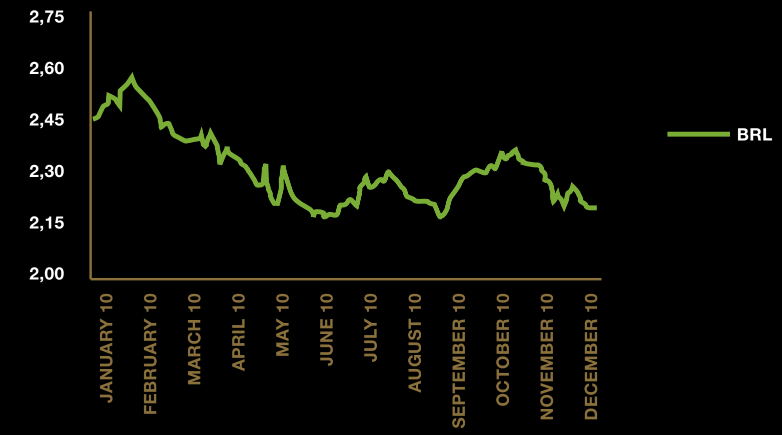
INTEREST RATE RISK

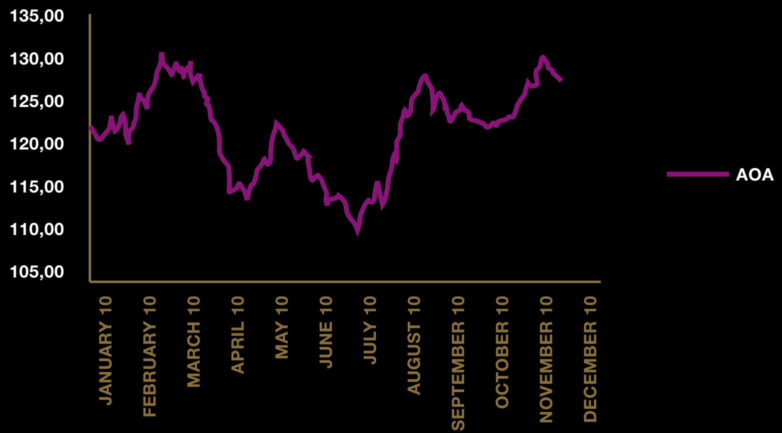
The interest rate risk considers possible fluctuations in the value of the financial charges borne by the Group related to the loans taken out in the countries in which it operates. With its insertion in diverse markets and different economic environments, the Auto Sueco Group ends up with a financing and investment portfolio that is less sensitive to interest rate rises that are specific to certain countries. In general the Group also uses a number of derivative instruments to hedge the interest rate risk.

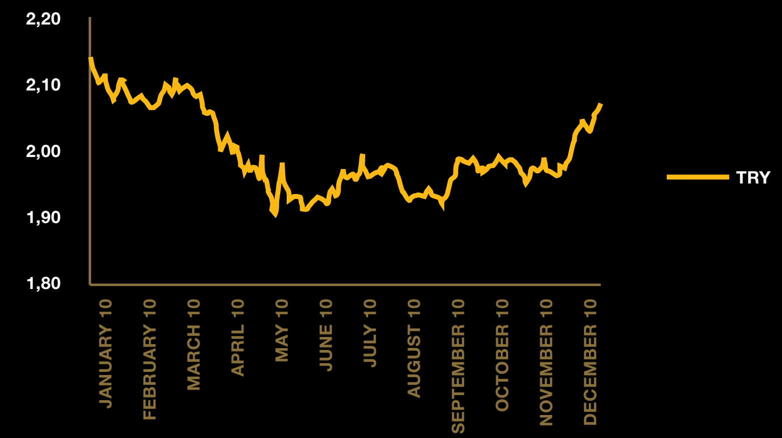
OPERATIONAL RISK

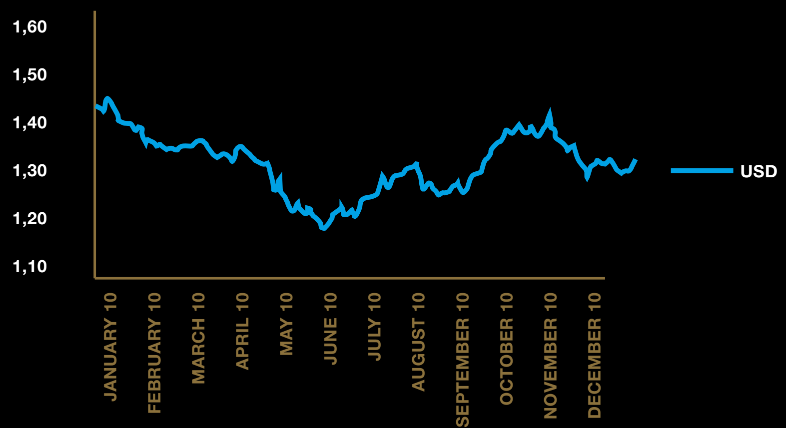
In the case of external risks, these are monitored by various departments of the Group in order to minimise technical, operational and economic risks arising from the business and the market is monitored in order to learn and apply the best practices, taking advantage of the opportunities that are identified to create value.

VARIATION OF THE MAIN CURRENCIES AGAINST THE EURO THROUGHOUT 2010









SOURCES:
Bank of Portugal
OANDA – Forex Trading and Exchange Rates Services

Prospects for 2011

The recovery of the world economy is gaining ground. However, considering the extent of the recession in the main advanced economies, growth is modest. In the case of the emerging and developing countries growth has been high reaching over 7% in 2010. This growth is accompanied by low rates of unemployment, but few countries have the capacity to contain costs and face high increases in the price of foodstuffs as well as other social challenges.

In general, world economic growth is not strong enough to have an impact on the high rates of unemployment (205 million people unemployed in the whole world) in the developed countries in general and among young people in the emerging countries in particular.

In the countries where the Auto Sueco Group operates, it is estimated performance in general will be positive, with the exception of Portugal and Spain. However, the Group's move towards geographic diversification reduces its exposure to certain markets.

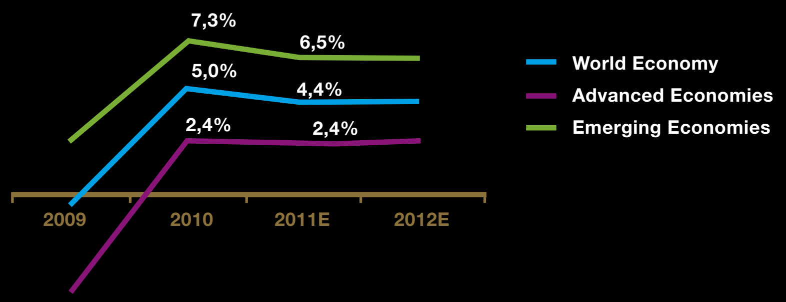
2011 is expected to be a difficult year for Portugal with a rate of variation in GDP of -1.5%. There are a number of measures to be taken on a fiscal, financial and structural level in order to restore confidence and become more competitive. The country will suffer cuts in the public sector and in social spending and contracting and pensions will be frozen, and there is a possibility of the introduction of quarterly fiscal targets. In financial terms a mechanism is needed to provide financial stability in terms of liquidity and support for capital. In structural terms, the main measures include introducing greater flexibility in the labour market, support for credit intended for exporting companies and an attempt to reduce the informal economy.

In Spain, efforts will continue to reduce the major imbalances existing before the crisis, although after two years in recession it is estimated that in 2011 the Spanish economy will show growth of around 0.8%, driven by growth in exports and accompanied by an improvement in competitiveness indicators. Unemployment will remain high and almost one in every two young people has no work. The adjustments that need to be made are still significant and will hinder consumption in the short term and also weigh heavily on investment decisions.

In relation to Turkey, the growth forecast is 4.6% associated to a drop in inflation to 5.7% resulting from the stabilization of the tax adjustments made in 2010 which caused it to escalate in that year. For the next two years the country has a full political agenda, with legislative elections planned for the middle of the following year and in September a constitutional reform package recently approved by Parliament will be put to a referendum. In 2012 it is expected that for the first time there will be presidential elections through direct popular vote.

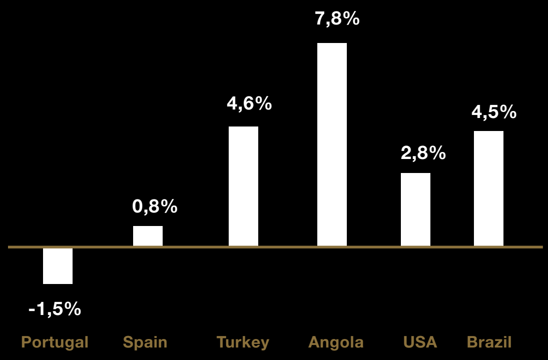
The first growth estimate for Brazilian GDP is 4.5% moving towards levels that are more compatible with long term growth. In relation to projections regarding inflation for the end of the year these point towards 5.9%, driven by increases in the price of food and energy products. Containing this situation will involve coordination between the fiscal policy adopted by the new government, aimed at gaining a tighter control on the public purse strings, and the objectives of the monetary policy in relation to the prime rate. A reduction in loans granted by the BNDES (National Development Bank) is therefore expected.

The recovery of Sub-Saharan Africa has been positive and in 2011, total growth in GDP is expected to be around 5.5%. The rise in the price of commodities in 2010, especially the price of petrol, should benefit various countries and be detrimental to many others at the same time, but in general it should help to reduce the fiscal deficit and balance of trade of the region. In Angola, the main African country where the Group operates, it is estimated that growth will be 7.8% based on the increase in revenue from oil. Nevertheless, challenges persist in relation to inflation which is estimated to reach 10.8%. With the continuing application of the Programme for Logistical Restructuring and Distribution of Basic Products to the Community (PRESILD), which has tried to extend the supply of essential goods to the population, besides increasing the rate of consumption of national produce, the price of foodstuffs is expected to come down.



EVOLUTION OF WORLD GDP - IMF

GROWTH IN GDP 2011 - IMF ESTIMATE



RELEVANT FACTS AFTER THE CLOSE OF THE YEAR

Under the consolidation strategy of the Auto Sueco brand in Brazil, in 2011 the name of the company Auto Sueco Brasil Concessionária de Veículos Ltda. was changed to Auto Sueco Centre-Oeste – Concessionária de Veículos Ltda.. The recently acquired company Vocal Comércio de Veículos Ltda. changed its name to Auto Sueco São Paulo – Concessionária de Veículos Ltda..

It should be pointed out that in the 2nd quarter of 2011 Auto Sueco Minho was split out and consequently merged into the companies Auto Sueco, Lda. and Auto Sueco II Automóveis. This operation involved the incorporation of the commercial activity of trucks and respective after-sales into Auto Sueco Lda. and the incorporation of the sale of light vehicles and respective after-sales into Auto Sueco II Automóveis.

In reinforcing the Auto Sueco Group's position in the glass distribution, repair and replacement market, the structure of the subsidiary holding company Expressglass SGPS., SA was simplified by integrating the companies Soglass and AS Glass in the company Expressglass.

After the close of the accounts the company Diverp II SGPS SA was absorbed by the holding company Expressglass SGPS, which went on to have a 100% stake in the capital of the companies Diverparts and Expressglass.

In April 2011 the company Norvicar – Comércio de Peças e Acessórios Auto Lda. was acquired with the objective of reinforcing the Auto Sueco Group's position in the retail sales market of parts and accessories for light vehicles.

Porto, 31st of May, 2011

Financial Statements 2010

Consolidated Statement of Financial Position on 31 de Dezembro 2010 and 2009 of Auto Sueco, Lda. (In Thousands of Euros)

	Note	2010	2009
ASSETS			
Non-current assets			
Intangible assets	6	4.196	3.760
Tangible fixed assets	7	127.631	98.686
Investment properties	8	12.457	11.584
Consolidation differences	9	50.062	7.931
Investments in Associated Companies and Companies excluded from the consolidation	10.1	2.798	2.640
Investments available for sale	10.2	14.889	22.760
Other accounts receivable	13	592	1.254
Other financial assets	10.3	1.368	
Deferred tax assets	15	24.031	13.328
		238.024	161.944
Current assets			
Inventories	11	181.666	159.638
Customers	12	155.213	129.830
State and public sector	23	4.587	2.776
Shareholders / partners		62	196
Other accounts receivable	13	59.878	57.325
Deferrals	14	3.536	3.788
Financial assets held for trading			14
Cash and bank deposits	16	48.414	34.968
		453.357	388.534
TOTAL ASSETS		691.381	550.478
Equity and Liabilities			
Equity			
Share capital	17	30.000	30.000
Legal reserves	18	6.000	6.000
Fair value reserves	18	2.139	6.620
Other reserves		122.242	103.220
Retained earnings	18	842	842
Revaluation surplus	18	12.478	12.478
		173.701	159.160
Net profit of the year		15.827	17.780
		189.527	176.940
Non-controlling interests	19	18.376	18.172
TOTAL EQUITY		207.903	195.112
Non-current liabilities			
Provisions	25	6.130	2.628
Financing obtained	20	175.598	98.830
Deferred tax liabilities	15	8.399	7.102
Other accounts payable		2.395	23
		192.522	108.582
Current liabilities			
Suppliers	21	98.849	62.246
State and public sector	23	14.813	23.213
Shareholders / partners		4.785	1.520
Financing obtained	20	125.673	117.458
Other accounts payable	22	40.264	33.735
Deferrals	24	6.573	8.612
		290.956	246.784
TOTAL LIABILITIES		483.478	355.366
TOTAL EQUITY AND LIABILITIES		691.381	550.478

The Chartered Accountant
Maria Elvira Santos

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Consolidated Income Statement
Auto Sueco, Lda. (In Thousands of Euros)

	Note	2010	2009
Income and costs			
Sales and services rendered	31	910.187	635.043
Operating subsidies		43	113
Gains / Losses imputed from subsidiary and associated companies and joint ventures		830	343
Variation in production inventories		(832)	969
Work capitalised		7.257	6.408
Cost of goods sold and of materials consumed	11	(697.689)	(437.729)
External supplies and services	32	(70.489)	(50.633)
Staff costs	33	(90.960)	(72.101)
Impairment of inventories (losses / reversals)	25	(779)	(911)
Impairment of debts receivable (losses / reversals)	25	(3.804)	(15.622)
Provisions and impairment losses (increases/ reductions)	25	(2.400)	(1.186)
Impairment of non-depreciable / amortizable investments (losses / reversals)		(2.606)	0
Other income and gains	34	28.002	32.758
Other costs and losses	34	(21.575)	(37.942)
Earnings before interests, taxes, depreciations and amortizations		**55.186**	**59.509**
Costs / reversals of depreciation and amortization	6, 7 e 8	(17.673)	(14.195)
Impairment of depreciable / amortizable investments (losses / reversals)		(36)	0
Operating result (Before Interests and taxes)		**37.477**	**45.314**
Interest and similar income obtained	36	2.716	3.512
Interest and similar costs borne	36	(13.571)	(11.204)
Pre-tax profit		**26.622**	**37.622**
Income tax of the period	28	(8.491)	(11.552)
Net result of the year		**18.132**	**26.070**
Net profit of the period attributable to:			
Holders of the capital of the parent company		15.827	17.780
Non-controlled interests	19	(2.305)	(8.290)
		18.132	**26.070**

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (In Thousands of Euros)

	RESERVAS									
	Share Capital	Legal Reserves	Revaluation surpluses	Retained Earnings	Fair value Reserves	Other reserves	Total reserves	Non-controlling Interests	Net Profit	Total
Balances on 31 December 2008	30.000	6.000	12.478	904	3.049	95.470	117.902	13.480	8.779	170.160
Application of the consolidated profit of 2008:										
Dividends distributed	-	-	-	-	-	-	-	(2.617)	(3.000)	(5.617)
Transfer to other reserves	-	-	-	-	-	5.779	5.779	-	(5.779)	-
Consolidated comprehensive income of the year	-	-	-	-	3.570	2.182	5.752	7.672	17.780	31.204
Other	-	-	-	(62)	-	(211)	(273)	(362)	-	(635)
Balances on 31 December 2009	30.000	6.000	12.478	842	6.620	103.220	129.160	18.172	17.780	195.112
Balances on 31 December 2009	30.000	6.000	12.478	842	6.620	103.220	129.160	18.172	17.780	195.112
Application of the consolidated profit of 2009:										
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-
Dividends distributed								(3.662)	(6.000)	(9.662)
Transfer to Retained earnings						11.780	11.780	-	(11.780)	-
Consolidated comprehensive income of the year					(4.481)	6.908	2.427	3.616	15.827	21.870
Other					-	334	334	249	-	583
Balances on 31 December 2010	30.000	6.000	12.478	842	2.139	122.242	143.701	18.376	15.827	207.903

The Notes form part of this statement for the year to 31 December 2010.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Thousands of Euros)

	2010	2009
Consolidated net profit of the year, including minority interests	18.132	26.070
Components of other consolidated comprehensive income of the year, net of tax:		
Variation in fair value of investments available for sale	(4.481)	3.570
Conversion differences in hedge operations	199	(33)
Variation in currency conversion reserves	8.020	1.596
	21.870	31.204
Consolidated comprehensive income of the period attributable to:	21.870	31.204
Shareholders of the parent company	18.254	23.533
Non-controlled interests	3.616	7.672

The Notes form part of this statement for the year to 31 December 2010.

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Paulo Jervell

Consolidated Statement of Cash Flow of Auto Sueco, Lda. (In Thousands of Euros)

CASH FLOW FROM OPERATING ACTIVITIES	2010	2009
Receipts from Customers	912.553	594.410
Payments to Suppliers	-720.695	-408.708
Payments to Staff	-81.593	-53.347
Cash Flow generated by Operations	**110.265**	**132.355**
Income tax Payments / Receipts	-23.720	-10.786
Payments related with VAT : Value Added Tax	0	0
Other Receipts / Payments	4.339	-25.705
Cash Flow from Operating Activities (1)	**90.884**	**95.865**
CASH FLOW FROM INVESTMENT ACTIVITIES		
Payments in respect of:		
Acquisition of Investments - Tangible fixed assets	-54.896	-21.023
Acquisition of Investments - Intangible assets	-1.020	-2.614
Acquisition of Financial Investments	-76.214	-1.411
Dividends	0	0
Interest and similar income	0	0
Payments for Investment Activities	**-132.130**	**-25.048**
Receipts from:		
Disinvestments - Tangible fixed assets	871	3.911
Disinvestments - Intangible assets	0	0
Financial Disinvestments	218	19
Disinvestments Other Assets	0	0
Investment Subsidies	0	0
Interest and similar income	5.901	3.435
Dividends	1.080	716
Receipts from Investment Activities	**8.070**	**8.081**
Cash Flow from Investment Activities (2)	**-124.061**	**-16.967**
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from:		
Financing obtained	298.398	289.436
Realization of capital and of other equity intruments	0	0
Coverage of Losses	0	0
Subsidies and Donations	0	542
Sale of Treasury Stock	0	0
Other financing transactions	456	14.782
Receipts from Financing Activities	**298.854**	**304.759**
Payments in respect of:		
Financing obtained	-242.946	-334.612
Operating and Finance Leasing	-358	-925
Interest and similar costs	-15.360	-19.192
Dividends	-5.916	-2.953
Purchase of Treasury Stock	0	0
Other financing transactions	-2.531	-20.807
Payments for Financing Activities	**-267.112**	**-378.488**
Cash Flow from Financing Activities (3)	**31.743**	**-73.729**
Net Variation in Cash and Cash Equivalents (4)=(1)+(2)+(3)	**-1.434**	**5.169**
Variation in the perimeter	13.513	153
Net Exchange Difference	1.353	-445
Net Cash and Cash Equivalents - Start of the period	34.982	30.105
Net Cash and Cash Equivalents - End of the period	**48.414**	**34.982**

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1. INTRODUCTORY NOTE

Auto Sueco, Lda. is a limited liability joint stock company founded in 1949, which has its head office in Porto, Portugal, and which mainly performs economic activities that come within the motor trade industry, namely, cars, trucks, machines and other industrial equipment, components thereof and workshop services.

The Auto Sueco Group's business is mainly carried out in Portugal, Brazil, Angola and Turkey.

On the 31st of December 2010, the companies that comprise the Auto Sueco Group, their respective head offices and abbreviations used, are:

COMPANY	
COMPANIES HEADQUARTERED IN PORTUGAL	BRANCH OF ACTIVITY
AUTO-SUECO,LDA Head Office: Via Marechal Carmona, 1637 4100 - 801 PORTO	
AUTO-SUECO II AUTOMÓVEIS, S.A. Rua Manuel Pinto de Azevedo, 711 - 2 4100-301 PORTO	Motor Trade and Repair
AUTO-SUECO (COIMBRA), LDA. Head Office: Marcos da Pedrulha, Zona Industrial 3021-901 Coimbra	Sale and after-sales:Trucks and Cars Import, sale and after-sales: Construction equipment
AUTO-SUECO (MINHO), S.A. Head Office: Lugar de Cabanas - Ap.413 S.Martinho Dume 4700 - 087 BRAGA	Sale and after-sales: Trucks and Cars
ASIALIZ - COMÉRCIO E REPARAÇÃO DE AUTOMÓVEIS, LDA. Alto do Vieiro, EN 1 LEIRIA	Sale and after-sales of cars
ASINTER - COMÉRCIO INTERNACIONAL, LDA. Head Office: Via Marechal Carmona,1637 4100 - 189 PORTO	International trade
AS PARTS - CENTRO DE PEÇAS E ACESSÓRIOS, S.A. Head Office: Rua Conde Covilhã, 1637 4100 - 189 PORTO	Trade in parts and accessories for cars
AS SERVICE, S.A. Head Office: Rua Manuel Pinto de Azevedo, 711 - 2 4100-321 PORTO	Insurance management
ASGLASS - COMÉRCIO E REPARAÇÃO DE VIDROS, S.A. Head Office: Rua Conde Covilhã, 1637 · 4100 - 189 PORTO	Trade and assembly of parts and accessories for cars
ASMOVE - CONSULTORIA E PROJECTOS INTERNACIONAIS, S.A. Head Office: Rua Manuel Pinto de Azevedo, 711 - 2 4100-321 PORTO	Trade in import and export Provision of consultancy services
ARRÁBIDAPEÇAS - COM., IMP. E EXP. PEÇAS AUTO, S.A. Head Office: Rua de Francos, nº 400 4250 - 217 PORTO	Trade in parts and accessories for cars
BIOSAFE - INDÚSTRIA DE RECICLAGENS, S.A. Head Office: E.N. 109, km 31 - Pardala · 3880-728 OVAR	Provision of services: Waste treatment and recycling and public cleaning in general
COTIAC - SGPS, UNIPESSOAL, LDA. Head Office: Rua Manuel Madeira · 3020 COIMBRA	Management of shareholdings in other companies
DIVERP II, S.G.P.S. S.A. Head Office:Travessa dos Chãos Velhos, 216 4405-577 Moreira - Maia	Management of shareholdings in other companies
DIVERPARTS - IMPORTAÇÃO E DISTRIBUIÇÃO DE PEÇAS E ACESSÓRIOS AUTOMÓVEL, S.A. Head Office: Travessa dos Chãos Velhos, 216 4405-577 Moreira - Maia	Import and Distribution of Motor Parts and Accessories

EXPRESSGLASS - VIDROS PARA VIATURAS, S.A Head Office: Via Adelino Amaro da Costa, Armazém nº 6, Lugar de Godim · 4470-557 Maia	Trade and assembly of parts and accessories for cars
GO AUTO - COMÉRCIO DE AUTOMÓVEIS, S.A. Head Office: Rua Manuel Pinto de Azevedo, 711 - 2 4149-010 PORTO	Motor Trade
GROW - FORMAÇÃO PROFISSIONAL, S.A. Head Office: Rua Manuel Pinto de Azevedo, 711 - 2 4140 - 010 PORTO	Professional training services
HARD CAR - COMÉRCIO DE AUTOMÓVEIS, UNIPESSOAL, LDA. Head Office: Edifício Volvo EN 16, Ap.198 3501-997 VISEU	Sale and after-sales of Cars
HARD MÁQUINAS - MÁQUINAS E EQUIPAMENTOS, UNIP., LDA. Head Office: Rua Manuel Madeira, Marcos da Pedrulha, 3025-999 Coimbra	Sale and after-sales of construction equipment
HOLDING EXPRESSGLASS S.A. Head Office: Via Adelino Amaro da Costa, Armazém nº 6, Lugar de Godim · 4470-557 Maia	Management of shareholdings in other companies
IBER RAIL - EQUIP. PARA AEROPORTOS, PORTOS E FERROVIAS, SOC. UNIP., LDA. Head Office: Estrada Nacional 10, Apt 2094 2696-801 São João da Talha - LOURES	
MOTORTEJO - COMÉRCIO E INDUSTRIA AUTOMÓVEL, S.A. Head Office: Rua Joaquim Pires Jorge, 20 2810-083 ALMADA	Motor Trade and Repair
NORSÓCIA SGPS, S.A. Head Office: Rua Conde Covilhã, 1637 4149-010 PORTO	Management of shareholdings in other companies
OCEAN SCENERY - CONSULTADORIA E PROJECTOS,S.A. Head Office: Avenida Arriaga 73, 1º, sala 105 9000-533 FUNCHAL	Consultancy and Projects
SOGLASS II - PRESTAÇÃO DE SERVIÇOS DE MONTAGEM DE PEÇAS AUTO, S.A. Head Office: Rua do Rio, 16, Lugar do Rio 4475-493 Maia	Provision of Motor Parts Assembly Services
STAND BARATA - COMÉRCIO DE PEÇAS E ACESSÓRIOS AUTO, S.A. Head Office:Parque Industrial do Seixal, 2ª Fase-Lote1, Quinta Nova · 2840-068 PAIO PIRES	Trade in Parts and Accessories for Cars
TRACTORRASTOS SOC. VENDEDORA DE ACESSÓRIOS, LDA. Head Office: Estrada Nacional 116, 2615-907 Alverca	Import and sale ofparts for industrial and agricultural machines
VOLRENT - SOC. DE ALUGUER MÁQUINAS E EQUIPAMENTOS, UNIPESSOAL, LDA. Head Office: Rua Vasco da Gama, nº 15 - Portela 2686 SACAVEM	Hire of equipment for construction
COMPANIES HEADQUARTERED IN OTHER COUNTRIES	
AIR-RAIL, S.L. Head Office: Calle Alsasua, 16, 28023 MADRID (ESPANHA)	Trade and distribution of industrial equipment
AUTO-SUECO (ANGOLA), S.A.R.L. Head Office: Av. 4 de Fevereiro, 95-3º, Apartado 34 LUANDA (RÉPUBLICA POPULAR DE ANGOLA)	Sale and after-sales of new and used trucks
AUTO SUECO BRASIL CONCESSIONÁRIA DE VEÍCULOS LTDA. Head Office: RDV BR 364, Km 16,3, Distrito industrial, Cuiabá, BRASIL	Sale and after-sales of new and used trucks
AUTO SUECO EMPREENDIMENTOS, LTDA. Head Office: RDV BR 364, Km 16,3, Distrito industrial, Cuiabá, BRASIL	Purchase, sale, management, administration

AUTO-SUECO (EAST AFRICA), LTD. Plot 12080 - Units 6 & 7 Apex Business Centre, Mombasa Rd, Industrial Area, NAIROBI (QUÉNIA)	Import, Export, Sale of vehicles Cars, Industrial Equipment, Engines, Components and After-sale
AUTO-SUECO INTERNATIONAL B.V. Head Office: Amsteldijk 166 - 6HG 1079LH Amsterdam (HOLANDA)	Management of shareholdings in other companies
AUTO SUECO (LOBITO), LTD. Estrada Nacional Lobito-Benguela LOBITO (RÉPUBLICA POPULAR DE ANGOLA)	Sale and after-sales:Trucks and Buses
AUTO SUECO VEHICLES, SPARE PARTS & SERVICES (NAMIBIA) (PTY), LTD. Head Office: 344 Independence Avenue 3º Windhoek (NAMIBIA)	Sale and after-sales:Trucks and Buses
AUTO-SUECO (TANZANIA) - TRUCKS, BUSSES AND CONST. EQ., LTD. Head Office: Kipawa Industrial Area Plot Nr. 92 Nyerere (Pugo) Road, P.O.Box 9303 DAR ES SALAAM (TANZANIA)	Import, Export, Sale of Motor Vehicles, Industrial Equipment, Engines and Components
AUTO-SUECO VEHICLES, SPARE PARTS & SERVICES (BOTSWANA)(PTY) LTD. Head Office: Plot 47 - Gaborone International Commerce Park Gaborone, BOTSWANA	Sale and after-sales of new and used trucks and trailers
ASC CONSTRUCTION EQUIPMENT USA, INC. Head Office: 11425 Reames Road Charlotte, NC 28269 USA (UNITED STATES OF AMERICA)	Sale, after-sale and hire of construction equipment
ASC TURK MAKINA, LTDA. Head Office: Içerenkoy Mahallesi Engin sokak, No. 9, Volvo Is Merkezi Atasehir, 34752, ISTANBUL (TURQUIA)	Sale and after-sales of construction equipment
AUTO MAQUINARIA TEA ALOYA, S.L. Head Office: Av.Castilla,2 - Parque Empresarial de San Fernando, Ed. Atenas, 2º, San Fernando de Henares 28830 MADRID (ESPANHA)	Management of shareholdings in other companies
AUTO MAQUINARIA, LDA. Rua da Volvo, Bairro Candua, Município do Cacuaco LUANDA (RÉPUBLICA POPULAR DE ANGOLA)	Trade, Import and Distribution of industrial and agricultural machinery, parts, tyres, fuel and after-sales assistance
AUTOPOWER ANGOLA, LDA. Head Office: Estrada do Cacuaco, Bairro Petrangol, Km 3,4, Ed.1Município do Sambizanga, Luanda (PEOPLE'S REPUBLIC OF ANGOLA)	Trade in parts and accessories for cars
AS BRASIL PARTICIPAÇÕES, LTDA. Head Office: Rua Pamplona 818, 9º, Conj. 92 01405-001 SÃO PAULO (BRASIL)	Management of shareholdings in other companies
AS PARTS ANGOLA, LDA. Head Office: Estrada do Cacuaco, Bairro Petrangol, Km 3,4, Ed.2 Município do Sambizanga, Luanda (PEOPLE'S REPUBLIC OF ANGOLA)	Comércio de peças e acessórios para automóveis
AS PARTS COMÉRCIO DE PEÇAS AUTOMOTIVAS, LTDA. Head Office: Rua Pamplona 818, 9º, Conj. 92 01405-001 SÃO PAULO (BRAZIL)	Comércio de peças e acessórios para automóveis
AS PARTS CABO VERDE, S.A. Head Office: Achada Grande Frente, Edi. Oásis Motors Cidade da Praia (CAPE VERDE)	Trade in parts and accessories for cars
DIVERSERVICE PRESTADORA DE SERVIÇOS AUTOMOTIVOS, LTDA. Head Office: Cidade de Santana de Parnaíba São Paulo (Brasil)	Provision of management services for the repair and replacement of parts for cars
EXPRESSGLASS BRASIL COM. E SERV. AUTOMOTIVOS, LTDA. Head Office: Cidade de Santana de Parnaíba São Paulo (Brazil)	Trade and assembly of parts and accessories for cars

IMPORTADORA DISTRIBUIDORA DE MAQUINARIA INDUSTRIAL ZEPHIR, S.L. Head Office: Calle Alsasua, 16, 28023 MADRID (SPAIN)	Import and trade in industrial equipment
SOCIBIL - IMOBILIÁRIA, SARL. Head Office: Avª 4 de Fevereiro nº.95, 3º., Apº.34. LUANDA (RÉPUBLICA POPULAR DE ANGOLA)	Purchase and sale of buildings
SOGESTIM, LDA. Head Office: Estrada do Cacuaco, Km 3,4 LUANDA (RÉPUBLICA POPULAR DE ANGOLA)	Acquisition and sale of buildings and land, construction of buildings and urbanization of sites
TEA ALOYA, INMOBILIARIA, S.A.U. Head Office: Av.Castilla,2 - Parque Empresarial de San Fernando, Ed. Munich, San Fernando de Henares 28830 MADRID (ESPANHA)	Acquisition and sale of buildings and land, construction of buildings and urbanization of sites
TECNAUTO VEHICULOS, S.L. Head Office: Polígono Ind. El Montavo c/Nobel 37008 SALAMANCA (ESPANHA)	Sale and after-sales: of Volvo products in Spain
VOCAL COMÉRCIO DE VEÍCULOS, LTDA. Head Office: Av. Otaviano Alves de Lima, Nº4694 029.0001-000 São Paulo (Brasil)	Sale and after-sales of new and used trucks and buses
VOLCO EQUIPMENT LIMITED Head Office: Enterpise/Homabay Road Industrial Area P.O. Box 45158 00100 NAIROBI (QUÉNIA)	Import, Export, Sale of Motor Vehicles, Industrial Equipment, Engines and Components
VOLMAQUINARIA DE CONSTRUCCIÒN ESPAÑA, S.A.U. Head Office: Av. Castilla, 2 - Parque Empresarial San Fernando, Edificio Atenas 2º Pl., San Fernando de Heranes 28830 MADRID (ESPANHA)	Importer of Machines Sale and after-sales: Construction equipment
VOLRENTAL, S.A.U. Head Office: Argentina, 9 28806 ALCALA DE HENARES (SPAIN)	Rental of equipment for construction
VOLGALICIA, S.A.U. Head Office: Parque Empresarial "O Campiño", R. das Mamaos, 22 PONTEVEDRA (SPAIN)	Sale, after-sale of construction equipment
VOLRENTAL ATLÂNTICO, S.A. Head Office: Carretera de Castilla nº167 15300 BETANZOS (SPAIN)	Rental of equipment for construction
VOLRENTAL CANTÁBRICO, S.A. Head Office: Poligno Industrial Abra, E-14, 2º - Vizcaya 48500 Abanto-Zierbana (SPAIN)	Rental of equipment for construction
VOLRENTAL CÓRDOBA, S.A. Head Office: Camino Carbonell Córdoba (SPAIN)	Rental of equipment for construction

The attached Financial Statements are presented in Thousands of Euros, the Euro being the main currency used in the economic environment in which the Group operates. Foreign operations are included in the Consolidated Financial Statements in accordance with the policy described in 2.2 d).

2. MAIN ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of the attached Consolidated Financial Statements are the following:

2.1 BASES OF PRESENTATION

The attached Financial Statements relate to the Consolidated Financial Statements of the Auto Sueco Group and were prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), the International Accounting Standards ("IAS"), issued by the International Accounting Standards Committee ("IASC") and respective interpretations – IFRIC and SIC, issued, respectively, by the International Financial Reporting Interpretation Committee ("IFRIC") and by the Standing Interpretation Committee ("SIC"), which have been adopted by the European Union, in force for the economic years beginning on 1 January 2010.

The attached consolidated financial statements were prepared on the assumption of the continuity of the operations and using the principle of historic cost as a basis and fair value in the case of some financial instruments, taken from the accounting books and records of the companies included in the consolidation (Note 4).

The following standards, interpretations, amendments and revisions, the application of which is obligatory in future economic years, were, by the date of approval of these financial statements, endorsed by the European Union:

IAS 32 – Financial instruments: Presentation (alteration); IAS 24 – Related Parties (alteration); IFRS 7 – Financial instruments: Disclosures (alteration); IAS 12 – Income Tax (alteration); IFRS 9 – Financial instruments – classification and measurement (new); IFRIC 14 - IAS 19 – The limit on a Defined Benefit Asset, Minimum Financing Requirements and respective interaction and IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments.

These standards, although endorsed by the European Union, were not adopted by the Group in the year ended on 31 December 2010, given that their application was not yet obligatory. No significant impact is expected on the financial statements arising from the adoption thereof.

Estimates were used in the preparation of the attached consolidated financial statements that affect the reported amounts of assets and liabilities, as well as the reported amounts of costs and income during the reporting period. However, all the estimates and assumptions made by the Management Board were based on the best existing knowledge of the events and transactions in progress on the date of approval of the financial statements.

In 2010 the Group adopted the international standards issued by the IASB, and so these consolidated financial statements correspond to the first financial statements issued after adoption of the IFRS.

Technical options in the transition (IFRS 1)

Tangible Fixed Assets and Investment Properties

IFRS 1 allows tangible assets and investment properties to be revaluated at the time of transition. The company adopted the deemed cost model in the measurement of tangible fixed assets and investment properties as allowed for in the transition standard IFRS 1. In order to determine fair value the company used evaluations made by independent experts.

Consolidation differences (IFRS 3)

Under IFRS 3, goodwill should not be amortised linearly, but rather undergo annual impairment tests, where impairment should be calculated by comparison between the fair value of this asset (via the projection of updated future cash-flows) and its accounting value.

The Group followed the option, set out in IFRS 1, of not re-expressing business concentrations prior to the transition date, or rather of accepting the treatment applied in accordance with the national standards.

Consolidation method (IAS 27/28/31)

Under the IFRS, companies were consolidated using the full consolidation method, which is identical to that which is accepted in the national standards.

The value attributed to minority interests is now included in the equity caption of Non-controlling interests.

Reconciliation of the results and equity relating to the transition date and to the year 2009

Transition adjustments

For the purpose of comparability, all the parts of the financial statements presented here and that refer to previous periods underwent adjustments arising from the transition from the Official Chart of Accounts (POC) to the IFRS, identified in the following text and tables.

Intangible Assets

Standard IAS 38 sets out specific conditions for the accounting and valuation of intangible assets. Part of the intangible assets presented in the Group's Consolidated Balance Sheet does not fit into the definition of intangible assets as defined in the IAS/IFRS standards, namely with regard to costs with start-up expenses and research and development expenses.

Tangible Fixed Assets and Investment Properties

IFRS 3R allows fair value to be considered in the initial measurement of tangible fixed assets and investment properties at the time of the transition, in full or in some assets. In accordance with IFRS 1R, and that was the option taken by the Management Board, tangible fixed assets and investment properties are measured at cost, containing the effect of revaluation (deemed cost). Furthermore, non-capitalizable assets were de-recognised.

Consolidation differences

Under IFRS 3, goodwill acquired in a concentration of business activities should not be reintegrated on a linear basis but rather undergo annual impairment tests, where impairment is calculated by comparison between the fair value of this asset (via the projection of updated future cash-flows) and its book value.

In the transition process, the net amount of goodwill was subject to an impairment test. In this way, equity on the transition date reduced by 4,848,000 Euros. Furthermore, the accumulated reintegration of goodwill was cancelled.

Impairment of assets

In accordance with IFRS 36, if the recoverable amount of an asset is lower than its book value, the stated amount of the asset should be reduced to its recoverable amount and this reduction constitutes an impairment loss.

In the transition process, impairment losses were recognised in inventories and in third parties, associated to the standardisation under the new Group policies on adjustments to inventories and third parties. In this way, equity on the transition date reduced by 1,633,000 Euros and 914,000 Euros, respectively.

Investments available for sale

The company recognises investments available for sale in accordance with IAS 39, recognising them at fair value, with the respective alterations being recognised in equity.

Provisions

The recording of provisions in accordance with the IFRS on the Balance Sheet date is permitted if there are contractual or common law obligations. The recognition of a provision requires the entity to have a present obligation (legal or constructive) as a result of a past event, that it is probable that an outflow of resources will be required to settle the obligation and that a reliable estimate of the amount of the obligation can be made. In the transition process, the provisions for other risks and charges that did not comply with the requirements set out under IAS 37 were cancelled.

	(In Thousands of Euros)
Equity on 1 January 2009 using the POC	**165.441**
Derecognition of Intangible assets	-116
Derecognition of multi-year costs	-10
Recognition of impairment losses of consolidation differences (goodwill - change of policy)	-4.848
Derecognition of impairment in financial holdings, net of deferred tax	608
Fair value of investments available for sale	1.536
DTA on tax loss FV Investments available for sale	1.513
Recognition of gratification of balance as cost	-625
Recognition of impairment losses on inventories, net of deferred tax (standardisation of Group policies in stock adjustments)	-1.633
Recognition of impairment losses in accounts receivable, net of deferred tax (standardisation of Group policies in adjustments of accounts receivable)	-914
Revaluation of Tangible fixed assets and Investment properties, net of deferred tax	9.164
Other adjustments	44
Equity on 1 January 2009 using the IFRS	**170.160**

	(In Thousands of Euros)
Result of the year 2009 using the POC	**27.491**
Derecognition of depreciation (tangible and intangible assets capitalised in previous periods)	127
Derecognition of Intangible assets capitalised in the period	-2
Derecognition of amortization of consolidation differences	1.545
Derecognition of deferred tax - financial holdings	219
Derecognition of reductions of provisions made under the POC	-44
Derecognition of the effect of variations in the fair value of financial investments available for sale in the result of 2009	-2.643
Recognition of gratification of the balance as a cost of the period	-719
Recognition of deferred tax arising from the revaluation of land	55
Recognition of impairment losses in accounts receivable, net of deferred tax (standardisation of Group policies in adjustments of accounts receivable)	-15
Recognition of impairment losses of inventories, net of deferred tax (standardisation of Group policies in stock adjustments)	-51
Other adjustments	108
Result of the year 2009 using the IFRS	**26.070**

	(In Thousands of Euros)
Equity on 31 December 2009 using the POC	**188.502**
Fair value of investments available for sale	2.861
IDA on tax loss JV Investments available for sale	1.115
Derecognition ofIntangible assets	-33
Derecognition of multi-year costs	-10
Recognition of gratification of balance as cost	-719
Recognition of impairment losses in inventories (standardisation of Group policies in stock adjustments)"	-1.685
Recognition of impairment losses in accounts receivable, net of deferred tax (standardisation of Group policies in adjustments of accounts receivable)	-929
Revaluation of Tangible fixed assets and Investment properties, net of deferred tax	9.162
Recognition of impairment losses of Consolidation differences (goodwill - change of policy)	-3.189
Other adjustments	37
Equity on 31 December 2009 using the IFRS	**195.112**

Summary of the impacts on the transition date (01.01.2009)

	POC	01.01.2009 Adjustments	IFRS
Non-current assets			
Tangible fixed assets	82.952	13.724	96.676
Investment properties	11.406	-1.275	10.132
Consolidation differences	10.625	-4.848	5.777
Intangible assets	2.739	-116	2.623
Financial holdings - other methods	19.273	2.363	21.636
Other accounts receivable	1.256	0	1.256
Deferred tax assets	5.859	2.290	8.149
	134.110	12.138	146.248
Current assets			
Inventories	255.070	-2.229	252.841
Customers	174.187	-1.254	172.933
Advances to Suppliers	6.708	0	6.708
State and public sector	2.661	0	2.661
Shareholders/partners	78	0	78
Other accounts receivable	41.646	0	41.646
Deferrals	8.486	-10	8.476
Financial assets held for trading	14	0	14
Cash and bank deposits	30.105	0	30.105
	518.955	-3.493	515.461
Total assets	653.064	8.645	661.709
Equity			
Share capital	30.000	0	30.000
Legal reserves	6.000	0	6.000
Fair value reserves	0	3.049	3.049
Revaluation surplus	3.314	9.164	12.478
Retained earnings	8.468	-7.564	904
Other reserves	95.470	0	95.470
Net result of the period	8.779	0	8.779
	152.031	4.649	156.680
Non-controlling interests	13.410	70	13.480
Total Equity	165.441	4.719	170.160
Non-current liabilities			
Provisions	5.282	-44	5.238
Financing obtained	86.609	0	86.609
Deferred tax liabilities	4.421	3.345	7.766
Other accounts payable	10.688	0	10.688
	107.001	3.301	110.302
Current liabilities			
Suppliers	85.228	0	85.228
Advances from customers	84.170	0	84.170
State and public sector	17.973	0	17.973
Shareholders/partners	71	0	71
Financing obtained	169.279	0	169.279
Other accounts payable	17.802	625	18.427
Deferrals	6.099	0	6.099
	380.622	**625**	**381.247**
Total Liabilities	487.623	3.926	491.549
Total Equity and Liabilities	653.064	8.645	661.709

Summary of the impacts as of 31.12.2009

	POC	31.12.2009 Ajustam	IFRS
Non-current assets			
Tangible fixed assets	84.960	13.726	98.686
Investment properties	12.893	-1.309	11.584
Consolidation differences	11.120	-3.189	7.931
Intangible assets	3.793	-33	3.760
Financial holdings - other methods	22.539	2.861	25.401
Other accounts receivable	1.254	0	1.254
Deferred tax assets	10.984	2.343	13.328
	147.544	14.400	161.944
Current assets			
Inventories	162.135	-2498	159.638
Customers	130.670	-840	129.830
Advances to Suppliers	8.283	0	8.283
State and public sector	2.776	0	2.776
Shareholders/partners	224	0	224
Other accounts receivable	49.447	-434	49.013
Deferrals	3.798	-10	3.788
Financial assets held for trading	14	0	14
Cash and bank deposits	34.968	0	34.968
	392.316	-3.782	388.534
Total assets	539.860	10.618	550.478
Equity			
Share capital	30.000	0	30.000
Legal reserves	6.000	0	6.000
Revaluation surplus	3.314	9.164	12.478
Retained earnings	8.665	-7.823	842
Fair value reserves	0	6.620	6.620
Other reserves	103.220	0	103.220
Net result	19.212	-1.432	17.780
	170.411	6.529	176.940
Non-controlling interests	18.091	81	18.172
Total Equity	188.502	6.610	195.112
Non-current liabilities			
Provisions	2.628	0	2.628
Financing obtained	89.238	0	89.238
Deferred tax liabilities	3.813	3.288	7.102
Other accounts payable	9.614	0	9.614
	105.294	3.288	108.582
Current liabilities			
Suppliers	62.246	0	62.246
Advances from customers	12.590	0	12.590
State and public sector	23.213	0	23.213
Financing obtained	117.458	0	117.458
Other accounts payable	21.945	719	22.664
Deferrals	8.612	0	8.612
	246.064	719	246.784
Total Liabilities	351.358	4.008	355.366
Total Equity and Liabilities	539.860	10.618	550.478

Impact on the Income Statement

	POC	31.12.2009 Ajustam	IFRS
Sales and services rendered	634.654	389	635.043
Operating subsidies	113	0	113
Gains/losses imputed from subsidiary and associated companies and joint ventures	343	0	343
Variation in production inventories	969	0	969
Work capitalised	6.408	0	6.408
Cost of goods sold and of materials consumed	-438.334	605	-437.729
External supplies and services	-50.632	-1	-50.633
Staff costs	-71.382	-719	-72.101
Impairment of inventories (losses/reversals)	87	-998	-911
Impairment of debts receivable (losses/reversals)	-15.602	-20	-15.622
Provisions (increase/reductions)	-1.142	-44	-1.186
Impairment of non-depreciable/amortizable investments (increases/reductions)	0	0	0
Increases/reductions in fair value	2.642	-2.642	0
Other Income and gains	33.185	-427	32.758
Other costs and losses	-37.942	0	-37.942
Earnings before interests, taxes, depreciations and amortizations	**63.366**	**-3.857**	**59.509**
Costs/reversals of depreciation and amortization	-15.863	1.668	-14.195
Impairment of depreciable/amortizable investments (losses/reversals)	0	0	0
Operating profit (before interests and taxes)	**47.503**	**-2.189**	**45.314**
Interest and similar income obtained	3.513	-1	3.512
Interest and similar costs borne	-11.204	0	-11.204
Pre-tax profit	**39.812**	**-2.190**	**37.622**
Income tax of the period	-12.321	769	-11.552
Net profit of the period	**27.491**	**-1.420**	**26.070**
Net profit of the period attributable to:			
Holders of the capital of the parent company	19.212	-1.432	17.780
Minority interests	-8.279	-11	-8.290
	27.491	-1.420	26.070

2.2 CONSOLIDATION PRINCIPLES

The consolidation principles adopted by the Group are the following:

a) Financial investments in Group companies

Financial investments in companies in which the Group has the power to control their financial and operational policies were included in the attached consolidated financial statements using the full consolidation method. The equity and net profit of these companies corresponding to the participation of third parties therein are presented separately in the statement of the consolidated financial position and in the consolidated income statement, under "Non-Controlling Interests". The companies of the Group included in the consolidated financial statements are detailed in Note 4.

When the losses attributable to minority shareholders exceeds the minority interest in the equity of the sub-company, the Group absorbs this excess and any additional losses, except when the minority shareholders have the obligation and are able to cover these losses. If the sub-company subsequently reports profits, the Group will appropriate all the profits until the minority part of the losses absorbed by the Group has been recovered.

The purchase method is followed in the acquisition of companies. The assets and liabilities of each sub-company are identified at their fair value on the acquisition date. Any excess of the acquisition cost over the fair value of the net assets and liabilities acquired is recognised as a consolidation difference -Note 2.2 c). If the difference between the acquisition cost and the fair value of the net assets and liabilities acquired is negative, this is recognised as a gain in the financial statements of the results of the year after confirmation of the fair value attributed. The interests of minority shareholders are presented at the respective proportion of the fair value of the assets and liabilities identified.

The results of the sub-companies acquired or sold during the period are included in the income statement from the date of their acquisition and effective control of the management thereof or up to the date of their sale.

Whenever necessary, adjustments are made to the financial statements of sub-companies in order to adapt their accounting policies to those used by the Group. The transactions, margins generated between companies of the Group, the balances and the dividends distributed between Group companies are eliminated in the consolidation process.

In situations where the Group has, in substance, the control of other entities created with a specific purpose, even though it may not directly have a stake in the capital of these entities, these are consolidated by the full consolidation method

b) Financial investments in associated companies

Financial investments in associated companies (companies where the Group exercises significant influence through participation in the financial and operational decisions of the companies but does not have control thereof) are stated using the equity pick-up method.

In accordance with the equity pick-up method, financial participations are initially stated at acquisition cost and are annually adjusted by the amount corresponding to the Group's participation in the variations in equity (including the net profit) of the associated companies as a counter-entry against gains or losses of the year, as well as by the dividends received and other variations in the assets of the sub-companies.

The differences between the acquisition cost and the fair value of the identifiable assets and liabilities of the associated company on the date of acquisition, if positive, are recognised as consolidation differences and are shown under "Investments in associated companies and companies excluded from the consolidation" - Note 2.2 c). If these differences are negative, they are stated as a gain of the period in the income statement under "Gains / Losses imputed from subsidiary and associated companies and joint ventures", after confirmation of the fair value attributed.

An evaluation is made of the investments in associated companies when there are signs that the asset maybe impaired, with the impairment losses that are confirmed being entered as a cost. When the impairment losses that are recognised in previous periods cease to exist, they are reversed.

When the Group's proportion in the accumulated losses of the associated company exceed the value at which the financial investment is stated, the investment is reported at zero while the equity of the associated company is not positive, except when the Group has assumed commitments with the associated company, in which case a provision is entered to address these obligations.

Unrealised gains in transactions with associated companies are eliminated in proportion to the Group's interest in the associated company, as a counter-entry against the financial investment in this same company. Unrealised losses are similarly eliminated, but only to the point that it does not show that the transferred asset is impaired.

c) Consolidation differences

Following the transition to the IFRS and as allowed for under IFRS 1 – "First-time adoption of the IFRS", the Group opted to maintain the consolidation differences resulting from concentrations of business activities that occurred before the transition date, recorded in accordance with the previous accounting rules applied by the Group.

Differences between the acquisition cost of the investments in Group companies, plus the share of minority interests in the fair value of the assets and liabilities acquired (including contingent liabilities) or, alternatively, plus the fair value of the participation of minority interests in the sub-company acquired, and the fair value of the total net assets and liabilities of the sub-company acquired, when positive, are stated under "Consolidation differences" (Note 9), and when negative, are entered as gains directly in the income statement, after confirmation of the fair value attributed.

Differences between the acquisition cost of investments in associated companies and the amount attributed at fair value of the identifiable assets and liabilities of these companies on the date of their acquisition, when positive, are stated under "Investments in associated companies and companies excluded from the consolidation", and when negative, are stated as gains directly in the income statement, after confirmation of the fair value attributed.

The amount of the consolidation differences is not amortised and is tested annually to see if there are impairment losses. The amount recoverable is determined based on the present value of the estimated future cash flow that is expected to arise from the continued use of the asset. Impairment losses from the consolidation differences entered in the year are stated in the Income Statement of the year under "Provisions and impairment losses".

Impairment losses relating to consolidation differences cannot by reversed.

Up to 31 January 2009, contingent acquisition prices were determined based on the best estimate of probable payments, while subsequent alterations may be entered as a counter-entry against the consolidation differences. After the 1st of January 2010, consolidation differences are not corrected according to the final determination of the amount of the contingent price paid, with this impact being recognised as a counter-entry against results.

d) Conversion of the financial statements of foreign entities

The assets and liabilities in the financial statements of foreign entities are converted to Euros using the rates of exchange in force on the date of the statement of financial position, and costs and income as well as the cash flow are converted to Euros using the average exchange rate in the year. The exchange difference generated after 1 January 2009 is stated in equity under "Conversion reserves". Accumulated exchange differences generated up to 1 January 2009 (the transition date to the IFRS) were cancelled against the equity caption "Other reserves".

Whenever a foreign entity is sold, the accumulated exchange difference is recognised in the income statement as a gain or loss in the sale column.

In 2010 and 2009, the quotations used in the conversion to Euros of the accounts of foreign sub-companies were the following:

2010

Company	Currency	Final Exchange Rate 2010	Exchange Rate Historic Average 2010	Exchange Rate Date of Constitution / Acquisition	Final Exchange Rate 2009
AS Brasil Participações, Ltda.	BRL	2,2177	2,3314	3,0627	2,5113
AS Empreendimentos, Ltda.	BRL	2,2177	2,3314	3,0243	2,5113
AS Parts Angola, Lda.	AOA	124,2945	121,9014	102,7220	128,5360
AS Parts Cabo Verde, S.A.	CVE	110,2650	110,2650	110,2650	110,2650
AS Parts Comércio de Peças Automotivas, Ltda.	BRL	2,2177	2,3314	3,0627	2,5113
ASC Construction Equipment, Inc.	USD	1,3362	1,3257	1,3621	1,4406
ASC Turk Makina, Limited Sirketi	TRL	2,0694	1,9965	1,9370	2,1547
Auto Maquinária, Lda.	USD	1,3362	1,3257	1,3833	1,4406
Auto Power Angola, Lda.	USD	1,3362	1,3257	1,3296	1,4406
Auto Sueco (Lobito), Ltd.	USD	1,3362	1,3257	1,1432	1,4406
Auto Sueco Brasil, Ltda.	BRL	2,2177	2,3314	2,7531	2,5113
Auto-Sueco (Angola), S.A.R.L.	USD	1,3362	1,3257	1,4666	1,4406
Auto-Sueco (Tanzania), Ltd.	TZS	1.964,0136	1.871,8345	1.529,8500	1.929,6840
Auto-Sueco Kenya Limited	KES	107,6281	105,1054	93,3593	109,3415
Auto-Sueco Vehicles, Spare Parts & Services (Botswana)	BWP	8,6059	9,0054	7,5188	9,5721
Auto-Sueco Vehicles, Spare Parts & Services (Namibia)	NAD	9,1270	9,7016	8,5616	10,7892
Diverservice, Ltda.	BRL	2,2177	2,3314	2,9241	2,5113
ExpressGlass Brasil, Ltda.	BRL	2,2177	2,3314	2,8151	2,5113
Socibil - Imobiliária, S.A.R.L.	USD	1,3362	1,3257	0,9105	1,4406
Sogestim	USD	1,3362	1,3257	1,4869	1,4406
Vocal	BRL	2,2177	2,3314	2,2343	2,5113

2009

Company	Currency	Final Exchange Rate 2010	Exchange Rate Historic Average 2010	Exchange Rate Date of Constitution / Acquisition	Final Exchange Rate 2009
AS Brasil Participações, Ltda.	BRL	2,5113	2,7674	3,0627	3,2436
AS Empreendimentos, Ltda.	BRL	2,5113	2,7674	3,0243	3,2436
AS Parts Angola, Lda.	AOA	128,5360	111,1663	102,7220	104,6614
AS Parts Cabo Verde, S.A.	CVE	110,2650	110,2650	110,2650	110,2650
AS Parts Comércio de Peças Automotivas, Ltda.	BRL	2,5113	2,7674	3,0627	3,2436
ASC Construction Equipment, Inc.	USD	1,4406	1,3948	1,3621	1,3917
ASC Turk Makina, Limited Sirketi	TRL	2,1547	-	1,9370	-
Auto Maquinária, Lda.	USD	1,4406	1,3948	1,3833	1,3917
Auto Power Angola, Lda.	USD	1,4406	1,3948	1,3296	1,3917
Auto Sueco (Lobito), Ltd.	USD	1,4406	1,3948	1,1432	1,3917
Auto Sueco Brasil, Ltda.	BRL	2,5113	2,7674	2,7531	3,2436
Auto-Sueco (Angola), S.A.R.L.	USD	1,4406	1,3948	1,4666	1,3917
Auto-Sueco (Tanzania), Ltd.	TZS	1.929,6840	1.849,2278	1.529,8500	1.799,6114
Auto-Sueco Kenya Limited	KES	109,3415	107,7484	93,3593	109,6078
Auto-Sueco Vehicles, Spare Parts & Services (Botswana)	BWP	9,5721	9,8020	7,5188	10,5932
Auto-Sueco Vehicles, Spare Parts & Services (Namibia)	NAD	10,7892	11,6737	8,5616	13,0667
Diverservice, Ltda.	BRL	2,5113	2,7674	2,9241	3,2436
ExpressGlass Brasil, Ltda.	BRL	2,5113	2,7674	2,8151	3,2436
Socibil - Imobiliária, S.A.R.L.	USD	1,4406	1,3948	0,9105	1,3917
Sogestim	USD	1,4406	1,3948	1,4869	1,3917
Vocal	BRL	2,5113	-	2,2343	-

2.3 MAIN ACCOUNTING CRITERIA

Tangible fixed assets acquired up to 1 January 2009 (transition date for IFRS), are stated at their deemed cost, which corresponds to their acquisition cost, or acquisition cost revaluated in accordance with the accounting principles generally accepted in Portugal (and in the countries of the respective subsidiaries of the Group) up to that date, less amortization and accumulated impairment losses.

Tangible fixed assets acquired after that data are carried at acquisition cost, less accumulated amortization and accumulated impairment losses.

Impairment losses detected in the amount realised from tangible fixed assets are stated in the year in which they are estimated, as a counter-entry against the caption “Provisions and impairment losses” in the income statement.

Amortization is calculated from the time when the goods are in a condition to be used, using the straight-line method, according to the following estimated periods of useful life:

	Years
Buildings and other constructions	20-50
Plant and machinery	7-16
Vehicles	4-5
Tools and utensils	4-14
Office equipment	3-14
Other tangible fixed assets	4 -8

Expenses incurred with the repair and maintenance of tangible fixed assets are considered as an expense in the year in which they occur. Improvements of a significant amount that increase the estimated period of use of the respective goods are capitalised and amortised in accordance with the useful remaining life of the corresponding goods.

Tangible fixed assets in progress represent tangible assets that are still at the construction/development stage, and are stated at acquisition cost less accumulated impairment losses. These assets are transferred to tangible fixed assets and amortised from the time when the underlying assets are available for use and in the conditions necessary to operate as intended by the management.

Capital gains or losses resulting from the sale or write down of tangible fixed assets are determined as the difference between the sale price and the net book amount on the date of sale/write down, entered in the income statement as “Other income and gains” or “Other costs and losses”.

b) Intangible assets

Intangible assets are stated at acquisition cost, less accumulated amortization and accumulated impairment losses. Intangible assets are only recognised if it is probable that they will give rise to future economic benefits for the Group, if the Group has the power to control them and their value can be reasonably measured.

Research expenses incurred with new technical knowledge are recognised as an expense in the income statement when incurred.

Development expenses, for which the Group demonstrates the capacity to complete their development and begin their sale and/or use and for which it is probable that the asset created will generate future economic benefits, are capitalised. Development expenses that do not meet these criteria are stated as a cost in the income statement of the year in which they are incurred.

Internal costs associated to software maintenance and development are stated as costs in the income statement when incurred, except in the situation where these costs are directly associated to projects for which the generation of future economic benefits for the Group is probable. In these situations, these costs are capitalised as intangible assets.

Intangible assets are amortised using the straight-line method during a period of three to five years.

Amortization of the year on intangible assets is stated in the income statement under “Costs / reversal of depreciation and amortization”.

c) Investment properties

Investment properties, which correspond to real estate assets held to obtain income through their rental or for capital appreciation, and not for use in the production or supply of goods and services or for administrative purposes, are carried at acquisition cost, with the respective fair value being the object of disclosure (Note 8).

Whenever the fair value of these assets turns out to be lower than their respective acquisition cost, an impairment loss is stated in the year in which this is estimated, as a counter-entry against the caption “Provisions and impairment losses” in the income statement. When the accumulated impairment losses stated cease to exist, they are immediately reversed as a counter-entry against the caption “Other income and gains” in the income statement up to the limit of the amount that would have been determined, net of amortization or depreciation, if no impairment loss had been recognised in previous years.

The fair value of the investment properties that is the object of disclosure was determined based on real estate evaluations made by an independent specialised entity.

d) Leasing

Leasing contracts are classified as (i) finance leasing, if, through these, all the risks and benefits inherent to ownership of the corresponding assets were substantially transferred; and as (ii) operating leases if, through these, all the risks and benefits inherent to ownership of the corresponding assets were not substantially transferred.

The classification of leasing into finance or operating depends on the substance and not on the form of the contract.

Fixed assets acquired through finance leasing contracts, as well as the corresponding liabilities, are stated using the financial method. Under this method, the cost of the asset is entered in tangible fixed assets and the corresponding liabilities are stated as accounts payable to suppliers of fixed assets. The instalment payments comprise the financial charge and the financial amortization of the capital, with the financial charges being allocated to the years during the leasing period, taking into consideration a constant periodic rate of interest on the outstanding balance of the liabilities, with tangible fixed assets being amortised as described in Note 2.3.a).

In leasing considered to be operating, the instalment payments due are recognised as an expense in the income statement of the year they relate to (Note 35).

e) Inventories

Goods, raw, subsidiary and consumable materials are valued at the average acquisition cost, which is lower than the respective market value.

Finished and intermediate products as well as products and works in progress are valued at production cost, which is lower than market value. Production costs include the cost of the raw materials incorporated, direct manual labour, general manufacturing costs and services performed outside of the company.

Accumulated impairment losses for the depreciation of inventories reflect the difference between acquisition /production cost and the net market realizable value of the inventories.

f) Government subsidies or subsidies from other public entities

Government subsidies are recognised in accordance with their fair value when there is a reasonable guarantee that they will be received and that the company will meet the conditions required for their concession.

Non-refundable subsidies received for the financing of tangible fixed assets are recorded only when there is a reasonable guarantee of their receipt in the captions “Other accounts payable”, being recognised as a gain in the income statement in proportion to the amortization of the subsidised tangible fixed assets.

Subsidies related with costs incurred are stated as a gain in as much as there is a reasonable guarantee that they will be received, that the company has already incurred the subsidised costs and that they meet the conditions required for their concession.

g) Impairment of assets, except consolidation differences

An evaluation of the impairment of the Group’s assets is made on the date of each financial statement and whenever an event or alteration in the circumstances is identified that indicates that the amount for which the asset is recorded may not be recoverable.

Whenever the amount for which the asset is stated is greater than its recoverable amount (defined as the higher of the net sale price and its value in use, or as the net sale price for assets held for sale), an impairment loss is recognised and is entered in the income statement in the caption “Provisions and impairment losses”. The net sale price is the amount that would be obtained with the sale of the asset in a transaction between independent, informed entities, less the costs directly attributable to the sale. The value in use is the present value of the estimated future cash flow that is expected to arise from the continued use of the asset and from its sale at the end of its useful life. The amount recoverable is estimated for each asset, individually or, in when this is not possible, for the cash flow generating unit to which the asset belongs.

The reversal of impairment losses recognised in previous periods is recorded when it is concluded that the impairment losses recognised no longer exist or have decreased. This analysis is made whenever there are signs that the impairment loss previously recognised has reversed. The reversal of the impairment losses is recognised in the income statement as “Other income and gains”. However, a reversal of an impairment loss is made up to the limit of the amount that would be recognised (net of amortization or depreciation) if the impairment loss had not been recorded in previous years.

Evidence of the existence of impairment in accounts receivable arises when:

- a counterparty is having significant financial difficulties;
- there are significant delays in the major payments by a counterparty; and
- it becomes probable that the debtor will go into liquidation or undergo financial restructuring.

For debts receivable, the Group uses historic information and information from its credit control and legal departments that allow it to make an estimate of the impaired amounts.

In the case of Inventories, impairment losses are calculated based on market indicators and on diverse stock rotation indicators, which are subsequently revised and adjusted by the responsible departments in order to guarantee that the value of the inventories does not exceed their net realizable value.

h) Financial charges

Financial charges related with loans obtained (interest, premiums, additional costs and finance leasing interest) are recognised as a cost in the income statement of the period in which they are incurred, in accordance with the principle of accrual accounting

i) Provisions

Provisions are recognised when, and only when, the Group has a present obligation (legal or constructive) resulting from a past event, whenever it is probable that, for the resolution of this obligation, there is an outflow of resources and the amount of the obligation can be reasonably estimated. Provisions are revised on the date of each statement of financial position and are adjusted so as to reflect the best estimate of their fair value on this data (Note 25).

Provisions for restructuring costs are recognised by the Group whenever there is a formal and detailed restructuring plan and that this has been communicated to the parties involved.

j) Financial instruments

i) Investments

The Group classifies financial investments into the following categories: 'Investments recorded at fair value through results', 'Investments held to maturity' and 'Investments available for sale'. The classification depends on the intention underlying the acquisition of the investment.

Investments recorded at fair value through results

This category is divided into two subcategories: 'financial assets held for trading' and 'investments recorded at fair value through results'. A financial asset is classified in this category if it is acquired with the purpose of being sold in the short term or if the adoption of its evaluation using this method eliminates or significantly reduces a time lag in its accounting. Derivative instruments are also classified as being held for trading, except if they are allocated to hedge operations. Assets in this category are classified as current assets if they are being held for trading or if it is expected that they will be realised in a period of under 12 months from the date of the statement of financial position.

On 31 December 2010, the Auto Sueco Group held no financial instruments in the categories "financial assets held for trading" and "instruments recorded at fair value through results".

Investments held to maturity

This category includes non-derivative financial assets with fixed or variable repayments, which have a fixed maturity and in relation to which it is intention of the Management Board to keep them up to their maturity date. These investments are classified as non-current assets, except if their maturity occurs in less than 12 months from the date of the statement of financial position.

Investments available for sale

Included here are the non-derivative financial assets that are designated as available for sale or those that do not fit into in the previous categories. This category is included in non-current assets, except if the Management Board has the intention of selling the investment within a period of less than 12 months from the date of the statement of financial position.

On 31 December 2010 and 2009, the Auto Sueco Group held investments classified in this category that correspond to shares of entities listed on the Lisbon Stock Exchange (Euronext Lisbon).

Investments are initially recorded at their acquisition value, which is the fair value of the price paid; in the case of investments held to maturity and investments available for sale, transaction expenses are included.

After initial recognition, investments measured at fair value through results and investments available for sale are revaluated to their fair value by reference to their market value on the date of the statement of financial position corresponding to their stock exchange quotation, without any deduction relating to transaction costs which may be incurred up to their sale.

Gains or losses arising from an alteration in the fair value of investments available for sale are recorded in equity until the investment is sold, received or disposed of in any way, or until the fair value of the investment is below its acquisition cost and this corresponds to a significant and permanent impairment loss, at which time the accumulated loss is recorded in the income statement.

Financial investments available for sale which represent parts of capital in shares of unlisted companies are recorded at acquisition cost, taking into consideration if there are impairment losses or not. The Management Board of the Group is convinced that the fair value of these investments does not differ significantly from their acquisition cost.

All purchases and sales of financial investments are recognised on the date of the transaction, or rather, on the date on which the Group assumes all the risks and obligations inherent to the purchase or sale of the asset. Investments are all initially recognised at fair value plus transaction costs, the only exception being "investments recorded at fair value through results". In this last case, the investments are initially recognised at fair value and the transaction costs are recognised in the income statement.

Investments are derecognised when the right to receive financial fluxes has expired or has been transferred and, consequently, all the associated risks and benefits have been transferred.

"Investments available for sale" and 'investments recorded at fair value through results' are subsequently kept at fair value by reference to their market value on the date of the statement of financial position, without any deduction relating to transaction costs that might be incurred up to their sale.

"Investments held to maturity" are recorded at amortised cost using the effective interest rate method.

Gains and losses, realised or not, arising from an alteration in the fair value of the "Investments recorded at fair value through results" are recorded in the income statement of the year. Gains and losses, realised or not, arising from an alteration in the fair value of non-monetary investments classified as available for sale, are recognised in equity until the investment is sold, received or disposed of in any way, or until the fair value of the investment is below its acquisition cost and this corresponds to an impairment loss, at which time the accumulated loss is entered in the income statement.

The fair value of financial investments available for sale is based on current market prices. If the market in which the investments are included is not an active market (unlisted investments), the Group states them at acquisition cost, taking into consideration if there are impairment losses or not. The Management Board of the Group is convinced that the fair value of these investments does not differ significantly from their acquisition cost. The fair value of listed investments is calculated based on the closing quotation of the stock market where they are transacted, on the date of the statement of financial position.

The Group makes evaluations on the date of each statement of financial position whenever there is objective evidence that a financial asset may be impaired. In the case of equity instruments classified as available for sale, a significant or prolonged fall in their fair value to levels lower than their cost is indicative that the asset is impaired. If there is any evidence of impairment for 'Investments available for sale', the accumulated losses – calculated by the difference between acquisition cost and fair value less any impairment loss previously recognised in the income statement – are removed from equity and recognised in the income statement.

All purchases and sales of these investments are recognised on the date that the respective purchase and sale contracts are signed, regardless of the date of their financial settlement.

ii) Third party debts

The debts of third parties that do not attract interest are recorded at their nominal value, less any impairment losses so that they reflect their present net realizable value. These amounts are not discounted as the effect of their financial update is not considered to be material.

Third party debts that attract interest (namely those in respect of the sale of vehicles in instalments) are recorded in assets for their total value, with the part relating to the interest being entered in liabilities as deferred income and recognised in the income statement upon falling due.

iii) Loans

Loans are recorded in liabilities at their nominal value less transaction costs that are directly attributable to the emission of these liabilities. Financial charges are calculated in accordance with the effective interest rate and accounted in the income statement of the period in accordance with the principle of accrual accounting.

iv) Debts owed to third parties

Debts owed to third parties that do not attract interest are recorded at their nominal value.

v) Derivative financial instruments

The Group uses derivative financial instruments in the management of its financial risks as a way of reducing its exposure to these risks. The derivative financial instruments normally used correspond to interest rate swaps (cash flow hedges) and aim to cover the risk of a variation in the rate of interest on loans obtained.

Although these derivative instruments are taken out with the objective mentioned above (fundamentally derivative in kind or including interest rate options), in relation to which the company did not apply hedge accounting, they are initially recorded at cost, which corresponds to their fair value, if any, and subsequently revaluated at their fair value, the variations in which, calculated through evaluations made by the banks with which the Group signs the respective contracts, directly affect the financial results captions of the consolidated statement of results.

On 31 December 2010 and 31 December 2009 the group had no active operations of this type.

vi) Cash and bank deposits

The amounts included in the caption “Cash and bank deposits” correspond to the amounts of cash, bank deposits, term deposits and other treasury applications that fall due in under three months, and which can be immediately moved with insignificant risk of a change in value.

k) Contingent assets and liabilities

Contingent liabilities are defined by the Group as (i) possible obligations that arise from past events and the existence of which will only be confirmed by the occurrence, or not, of one or more uncertain future events that are not totally under the control of the Group or (ii) present obligations that arise from past events,

but which are not recognised because is not probable that an outflow of resources that incorporate economic benefits will be necessary to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the Group’s financial statements, these being disclosed in the Notes to the Consolidated Financial Statements, unless the possibility of an outflow of funds affecting future economic benefits is remote, in which case they are not even subject to disclosure.

Contingent assets are possible assets that arise from past events and the existence of which will only be confirmed by the occurrence, or not, of one or more uncertain future events that are not totally under the control of the Group.

Contingent assets are not recognised in the Group's financial statements but are disclosed in the Notes to the Consolidated Financial Statements when the existence of a future economic benefit is probable.

l) Income Tax

Income tax of the year is calculated based on the taxable results of the companies included in the consolidation, in accordance with the tax rules in force in the country where the head office of each company of the Group is registered, and considers deferred taxation.

Current income tax is calculated based on the taxable results of the companies included in the consolidation.

Deferred taxation is calculated using the statement of financial position liability method and reflects the timing differences between the amounts of assets and liabilities for financial reporting and for income tax purposes. Deferred tax assets and liabilities are not recognized on timing differences resulting from consolidation differences or from the initial recognition of assets and liabilities other than through business concentration operations. Deferred tax assets and liabilities are calculated and reassessed annually using the tax rates in force or announced to be in force in the periods in which the timing differences are expected to reverse.

Deferred tax assets are recognized only when there is reasonable expectation that there will be sufficient future taxable income to use them, or when there are taxable timing differences that offset the deductible timing differences in the period they revert. At the end of each year a reappraisal is made of this deferred taxation, the amount of which is reduced whenever their future use becomes improbable.

Deferred taxes are recorded as cost or income for the year, except if they relate to items recorded directly in equity, in which case the deferred tax is also recorded in equity.

m) Fiscal consolidation

Income tax of the year is calculated based on the Special Taxation Regime of Groups of Companies ("RETGS"). The Group presents two RETGS: one for the Auto Sueco (Coimbra), Lda. Sub-Group and one for the Auto Sueco Group, where these include the companies headquartered in Portugal and with more than 90% held by it. Both the RETGS are based in Portugal and are reflected in the consolidated financial statements of the Auto Sueco Group on 31 December of each year.

The other companies of the Auto Sueco Group headquartered abroad or which do not comply with the rules for inclusion in the RETGS are taxed on an individual basis and in conformity with applicable legislation.

n) Accrual accounting and revenue

Income and costs are recorded in accordance with the principle of accrual accounting, under which these are recognised as they are generated, regardless of when they are received or paid. The differences between the amounts received and paid and the corresponding income and costs generated are recorded in the captions of increases and deferrals included in the captions "Other accounts receivable" and "Other accounts payable".

Costs and income for which the real value is not known are estimated using the best evaluation of the Management Boards and Boards of Directors of the companies of the Group.

Revenue is recognised, net of taxation and commercial discounts, at the fair value of the amount received or receivable, where:

- Revenue from the sale is recognised in the income statement when a significant part of the risks and benefits inherent to the ownership of the assets is transferred to the purchaser, it is probable that economic benefit will arise for the Group and that the amount of the said income can be reasonably quantified;
- Revenue from the provision of services is recognised in accordance with the stage of completion of the services rendered or based on the contract period when the provision of services is not associated to the execution of specific activities, but to the ongoing provision of the service.

The cost of these repairs includes the materials and labour involved, where the final cost and at the same time the price payable by the customers is only known on the date of the conclusion of the repairs, with the issue of the respective invoice and delivery of the repaired property to the customer, this also being when the respective revenue is recognised.

Equipment acquired by customers through leasing contracts, negotiated by them with financial entities, in which there is a commitment to repurchase, is recognised as revenue, at the time of the delivery thereof to the customers, whenever the risks and advantages inherent to the ownership of the property are transferred to the customer. This type of contract is recognised as operating leasing if the risks are not transferred.

The amount of the revenue is not considered to be reliably measurable until all the contingencies relating to the sale are substantially resolved. The company bases its estimates on historic results, considering the type of customer, the nature of the transaction and the specific details of each agreement.

Dividends are recognised as revenue in the year in which they are attributed.

o) Legal reserve

Portuguese, Brazilian and Angolan commercial legislation establishes that at least 5% of the annual net profit of each company, calculated in its individual accounts, must be appropriated to the legal reserve until this represents at least 20% of the share capital. This reserve cannot be distributed, except in the case of the liquidation of the company, but can be used to absorb losses, after all the other reserves have been used up or to increase share capital.

Spanish commercial legislation establishes that at least 10% of the annual net profit of each company, calculated in its individual accounts, must be appropriated to the legal reserve until this represents at least 20% of the share capital. Until this reserve reaches the minimum limit of 20% of the share capital it may only be used to cover losses and provided that there are no other reserves available for the purpose.

American legislation does not require any legal reserve to be set up.

Turkish commercial legislation establishes that, from the annual net profit, a first reserve of 5% be set up plus a second reserve of 10% of 90% of the annual net profit, representing a total reserve of 14% that should be deducted from the respective annual profits.

p) Classification of the statement of financial position

Assets realizable and liabilities payable in more than one year from the statement of financial position date are classified, respectively, as non-current assets and liabilities, with deferred tax assets and liabilities also being included in these captions.

q) Foreign currency balances and transactions

Assets and liabilities expressed in foreign currency were converted to Euros using the exchange rates in force on the date of the statements of the financial position. Exchange gains and losses arising from differences between the exchange rates in force on the date of the transactions and those in force on the data of collection, payment or the date of the statement of financial position, are recorded as gains and losses in the consolidated income statement of the period.

r) Information by segments

In each year all the business and geographic segments applicable to the Auto Sueco Group are identified.

s) Non-current assets held for sale

Non-current assets (and groups of related assets and liabilities held for sale) are classified as held for sale if the book value is recoverable through sale rather than through continued use. For this to be the case the sale must be highly probable and the asset (and groups of related assets and liabilities held for sale) must be available for immediate sale in its present condition. In addition, adequate measures must be in course so as to conclude that the sale is expected to occur within 12 months of the date of classification in this caption.

Non-current assets (and groups of related assets and liabilities held for sale) are classified as held for sale and stated at the lower of their book value and fair value less costs to sell.

On 31 December 2010 and 2009, there were non-current assets held for sale related with the shares of financial institutions listed on the Lisbon Stock Exchange (Note 10).

t) Judgements and estimates

In the preparation of the consolidated financial statements, the Management Board of the Group used the best available knowledge and experience of past and/or current events considering certain assumptions relating to future events.

The most significant accounting estimates reflected in the consolidated financial statements of the years ended on 31 December 2010 and 2009 include:

a) Useful lives of tangible and intangible assets;
b) A record of adjustments to the values of assets (accounts receivable and inventories) and provisions;
c) Impairment tests made on the consolidation differences.

Estimates and their underlying assumptions were determined based on the best knowledge existing on the date of approval of the financial statements of events and transactions in progress, as well as on the experience of past and/or current events. However, situations may occur in subsequent periods which, not being foreseeable on the date of approval of the financial statements, were not considered in these estimates. Changes to the estimates that occur after the date of the financial statements will be corrected using a prospective methodology. For this reason and given the associated degree of uncertainty, the real results of the transactions in question can differ from the corresponding estimates. Changes to the estimates that occur after the date of the consolidated financial statements will be corrected using a prospective methodology, as allowed for in IAS 8.

The main estimates and assumptions relating to future events included in the preparation of the consolidated financial statements are described in the corresponding attached notes.

u) Risk management policy

The Group's activities expose it to a variety of risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's global risk management programme, subject to a long term perspective of the continuity of operations, is focussed on the unpredictability of the financial markets and seeks to minimise the adverse effects that arise therefrom for its financial performance.

The Group's risk management is essentially controlled by the financial department, in accordance with policies approved by the Management Board of the Group. In this regard, the Management Board has defined the main principles of global risk management and also specific policies for some areas, such as the interest rate risk and the credit risk.

i) Exchange rate risk

At this time, and due to the growth of the operations in overseas markets, the Auto Sueco Group's exchange exposure has increased, namely to the Brazilian Real (BRL). With the acquisition of ASC Turk Makina, in Turkey, there is another important exchange variable in the Group's performance.

As mentioned in Note 2.2.d), the assets and liabilities of the financial statements of foreign entities are converted to Euros using the rates of exchange on the date of the statement of financial position and the costs and gains of these financial statements are converted to Euros using the average exchange rate of the year. Ensuing exchange gains and losses are entered in equity under "Other reserves".

In the management of its exchange rate risk, the Auto Sueco Group designated a bank loan in USD as a hedge instrument to address exchange fluctuations in its participation in ASC USA, Inc. Information relating to this instrument and its impact is in Note 26.

The amount of the Group's assets and liabilities (in Euros) recorded in currency other than the Euro, can be summarised as follows:

		Assets		Liabilities	
	Currency	Dec 2010	Dec 2009	Dec 2010	Dec 2009
Brazilian Real	BRL	172.634	46.106	74.503	16.493
Angolan Kwanza	AOA	6.992	5.915	7.957	6.454
Cape Verdean Escudo	CVE	721	860	730	1.021
US Dollar	USD	188.712	185.006	137.656	137.777
Turkish Lira	TRL	12.032	0	10.107	0
Tanzanian Shilling	TZS	2.321	1.559	2.584	1.329
Botswanan Pula	BWP	1.145	1.035	1.120	713
Kenyan Shilling	KES	3.342	8.723	3.897	7.723
Namibian Dollar	NAD	2.528	1.719	1.478	1.160

ii) Price risk

The price risk reflects the degree of the company's exposure to variations in price formed in openly competitive markets, in relation to the goods that are included, at any time, in its inventories, as well as other assets and financial instruments that the company has with the intention of their future sale.

1) The Group's price risk management related with goods in its warehouses is essentially controlled by the commercial departments of each company. In this regard, the Management Board issues guidelines that try to anticipate trends in the variation of the price of the goods commercialised, adapting the policy of stocks purchases and management in the most appropriate manner according to the circumstances. The Management Board is convinced that the price risk related with the goods in its warehouses is reasonably controlled.

2) Price risk management related with other assets and financial instruments involves greater exposure, and the mechanisms to control/minimise it can imply the use of more sophisticated hedge instruments.

The Group's sensitivity to variations in the quotation price in "Investments available for sale" (one of the captions that can have a greater price risk) can be summarised as follows (increases/reductions):

	DEC 2010		
	Variation	Results	Equity
Financial Investment - Shares BPI and BCP	+ 20%	1.985	1.000
	+ 10%	992	500
		2.977	1,500
Financial Investment - Shares BPI and BCP	- 20%	-1.985	-1.000
	- 10%	-992	-500
		-2.977	-1.500

iii) Interest rate risk

The Group's indebtedness is mainly indexed to variable interest rates, exposing the cost of debt to a high risk of volatility. The impact of this volatility on the results or on the equity of the Group is not significant due to the effect of the following factors: (i) possible correlation between the level of market interest rates and economic growth, with the latter having a positive effect on other lines of the consolidated results (namely operational) of the Group, thereby partially compensating added financial costs (natural hedge); and (ii) the existence of liquidity or consolidated cash and equivalents similarly remunerated at variable rates.

The Management Board of the Group approves the terms and conditions of financing, for which it analyses the debt structure, the inherent risks and the different options in the market, namely with regard to the type of interest rate (fixed/variable) and, by permanently monitoring the conditions and the alternatives in the market, it is responsible for taking decisions regarding the contracting of derivative financial instruments intended to hedge the interest rate risk.

Analysis of sensitivity to interest rate risk

The analysis of sensitivity to the interest rate risk described below was calculated based on the exposure to the interest rates for the financial instruments existing on the date of the statement of financial position. For liabilities with a variable rate, the following assumptions were considered:

(i) The effective interest rate is 1 p.p. higher than the interest rate applied;
(ii) The base used for the calculation was the Group's financing at the end of the year;
(iii) Maintenance of the spreads negotiated.

Sensitivity analyses assume the manipulation of a variable, while maintaining all others constant. In reality, this assumption would rarely come about, and changes in some of the assumptions could be related.

The Group's sensitivity to variations in interest rates in the said financial instruments can be summarised as follows (increases/(reductions)):

		DEC 2010		DEC 2009	
	Variation	Results	Equity	Results	Equity
Financing obtained	+ 1 p.p.	-2,906	-8	-2,033	-25
		-2,906	-8	-2,033	-25
Financing obtained	-1 p.p.	2,906	8	2,033	25
		2,906	8	2,033	25

iv) Liquidity risk

Liquidity risk is defined as the risk of the inability to settle or meet obligations on time or at a reasonable price.

The existence of liquidity in the companies of the Group implies that there are defined parameters of action in the function of managing this liquidity that help to maximise the return obtained and to minimise the costs associated to having such liquidity, in a safe and efficient manner.

The Auto Sueco Group manages liquidity risk with the following objectives:

i) Liquidity, or rather, to ensure permanent and efficient access to sufficient funds to be able to make current payments on the respective due dates as well as any requests for funds within the periods defined for this, even if not foreseen;
ii) Safety, or rather, to minimise the probability of non-fulfilment in the repayment of any application of funds; and
iii) Financial efficiency, or rather, to ensure that the companies maximise the value / minimise the cost of having surplus liquidity in the short term.

All and any surplus liquidity existing in the Group is applied in the amortization of short term debt, in accordance with criteria of economic-financial reasonableness.

The analysis of the maturity of each of the financial liability instruments is presented in Notes 20 and 22, with non-discounted values and based on the worst possible scenario, or rather, the shortest period in which the liabilities can be demanded.

On 31 December 2010 and 2009, the Group's net indebtedness was 252,857,000 Euros and 181,320,000 Euros, respectively, divided between current and non-current loans (Note 20) and cash and bank deposits (Note 16) taken out with diverse institutions.

v) Credit risk

The credit risk refers to the risk of the counterparty not meeting its contractual obligations, resulting in losses for the Group.

The Group's exposure to credit risk is mostly associated to accounts receivable arising from its operating activity.

The management of this risk has the objective of ensuring the effective payment collection of credit within the periods established without affecting the financial balance of the Group. This risk is monitored on a regular basis, and the objective of its management is (i) to limit credit granted to customers, considering the average collection period from customers, homogenous groups of customers and individually per customer, (ii) to monitor the evolution of the level of credit granted and (iii) to perform impairment analyses on accounts receivable on a regular basis. The Group obtains credit guarantees, whenever so recommended by a customer's financial situation.

The Group also uses credit evaluation agencies and has specific departments to control credit, payment collection and to manage cases that have gone to litigation, which help to mitigate this risk.

Adjustments for accounts receivable are calculated taking into consideration (a) the risk profile of the customer, (b) the average collection period, and (c) the financial condition of the customer. The movements in these adjustments for the years ended on 31 December 2010 and 2009 are disclosed in Note 25.

On 31 December 2010 and 2009, the Auto Sueco Group considers that there is no need for additional impairment losses besides the amounts recorded on those dates and shown, in summarised form, in Note 25.

The amount relating to customers and other third party debts presented in the financial statements, which is net of impairment, represent the Group's maximum exposure to the credit risk.

v)Subsequent events

Events that occur after the deadline for the financial statement that provide additional information about conditions that existed at the time of the deadline for the financial statement (adjusting events) are reflected in the consolidated financial statements. Events that occur after the deadline for the financial statement that provide information about conditions that occur after the deadline for the financial statement (non-adjusting events) are disclosed in the notes to the consolidated financial statements when material.

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF FUNDAMENTAL ERRORS

During the year ended on 31 December 2010, there were neither changes in accounting policies nor material errors relating to previous years.

4. GROUP COMPANIES INCLUDED IN THE CONSOLIDATION

The companies of the Group included in the consolidation using the full consolidation method and the respective proportion of the capital held on 31 December 2010 and 2009 are as follows:

Company and Head Office	% of Capital Held 2009 (1)	% of Capital Held 2010 (1)	Method of consolidation
Auto-Sueco,Lda	Parent Company	Parent Company	-
Auto-Sueco II Automóveis, S.A.	100,00%	100,00%	Full
Auto-Sueco (Minho),S.A.	91,88%	91,88%	Full
Auto-Sueco (Angola), S.A.R.L.	59,50%	59,50%	Full
Auto Sueco Brasil Concessionária de Veículos Ltda.	99,99%	99,99%	Full
Auto Sueco Empreendimentos, Ltda.	100,00%	100,00%	Full
Auto-Sueco (East Africa), Ltd.	99,99%	99,99%	Full
Auto-Sueco International B.V.	100,00%	100,00%	Full
Auto Sueco (Lobito), Ltd.	64,40%	64,40%	Full
Auto Sueco Vehicles, Spare Parts & Services (Namibia) (Pty), Ltd.	100,00%	100,00%	Full
Auto-Sueco (Southern Africa) (Pty), Ltd.	100,00%	100,00%	Full
Auto-Sueco (Tanzania) - Trucks, Busses and Const. Eq., Ltd.	99,99%	99,99%	Full
Auto-Sueco Vehicles, Spare Parts & Services (Botswana)(Pty) Ltd.	99,19%	99,19%	Full
Auto-Maquinária, Lda.	99,00%	99,00%	Full
Auto Power Angola, Lda.	98,01%	98,01%	Full
Asinter - Comércio Internacional, Lda.	70,00%	70,00%	Full
AS Brasil Participações, Ltda.	99,99%	99,99%	Full
AS Parts - Centro de Peças e Acessórios, S.A.	79,90%	79,90%	Full
AS Parts Angola, Lda.	98,01%	98,01%	Full
AS Parts Comércio de Peças Automotivas, Ltda.	70,00%	70,00%	Full
AS Parts Cabo Verde, S.A.	75,00%	75,00%	Full
AS Service, S.A.	80,00%	80,00%	Full
ASGLASS - Comércio e Reparação de Vidros, S.A.	60,00%	60,00%	Full
ASMOVE - Consultoria e Projectos Internacionais, S.A.	100,00%	100,00%	Full
Arrábidapeças - Com., Imp. e Exp. Peças Auto, S.A.	100,00%	100,00%	Full
Biosafe - Indústria de Reciclagens, S.A.	100,00%	100,00%	Full
Diverp II, S.A.	-	66,67%	Full
Diverparts - Importação e Distribuição de Peças e Acessórios Automóvel, S.A.	-	66,67%	Full
Diverservice Prestadora de Serviços Automotivos, Ltda.	70,00%	70,00%	Full
ExpressGlass - Vidros para Viaturas, S.A	-	66,67%	Full
ExpressGlass, S.G.P.S.	-	66,67%	Full
ExpressGlass Brasil Com. e Serv. Automotivos, Ltda.	70,00%	70,00%	Full
Go Auto - Comércio de Automóveis, S.A.	100,00%	100,00%	Full
Grow - Formação Profissional, S.A.	100,00%	100,00%	Full
Motortejo - Comércio e Industria Automóvel, S.A.	100,00%	100,00%	Full
Norsócia SGPS, S.A.	100,00%	100,00%	Full
Ocean Scenery - Consultadoria e Projectos,S.A.	100,00%	100,00%	Full
Socibil - Imobiliária, SARL.	69,50%	69,50%	Full
SOGLASS - Prestação de Serviços de Montagem de Peças Auto, S.A.	-	66,67%	Full
Sogestim, Lda.	-	55,00%	Full
Stand Barata - Comércio de Peças e Acessórios Auto, S.A.	100,00%	100,00%	Full
Tecnauto Vehiculos, S.L.	100,00%	100,00%	Full
Vocal Comércio de Veículos, Ltda.	-	100,00%	Full
Volco Equipment Limited	98,00%	98,00%	Full

(1) - Directly and Indirectly

These companies were included in the consolidation using the purchase method of consolidation, as established by IAS 27 – “Consolidated and individual financial statements” - control of the subsidiary through the majority of the voting rights, or other mechanism, being the owner of the capital of the company – Note 2.2 a).

Company and Head Office	% of Capital Held 2009 (1)	% of Capital Held 2010 (1)	% of Capital Held 20
Auto-Sueco (Coimbra),Lda.	50,00%	50,00%	Proportional
ASC Construction Equipment USA, INC.	50,00%	50,00%	Proportional
ASC Turk Makina, Ltd.	-	50,00%	Proportional
Auto Maquinaria Tea Aloya, S.L.	50,00%	50,00%	Proportional
Air-Rail, S.L.	-	25,00%	Proportional
Asializ - Comércio e Reparação de Automóveis, Lda.	50,00%	50,00%	Proportional
AÇORCAT Peças para Máquinas de Terraplanagem, Lda.	50,00%	50,00%	Proportional
Cotiac - SGPS, Unipessoal, Lda.	50,00%	50,00%	Proportional
ESCAT Peças para Máquinas de Terraplanagem, Lda.	50,00%	50,00%	Proportional
Hard Car - Comércio de Automóveis, Unipessoal, Lda.	50,00%	50,00%	Proportional
Hard Máquinas - Máquinas e Equipamentos, Unip., Lda.	50.00%	50,00%	Proportional
Importadora Distribuidora de Maquinaria Industrial ZEPHIR, S.L.	-	25,00%	Proportional
IBER RAIL - Equip. para aeroportos, portos e ferrovias, Soc. Unip., Lda.	-	25,00%	Proportional
Tea Aloya, Inmobiliaria, S.A.U.	50,00%	50,00%	Proportional
TRACTORRASTOS Soc. Vendadora de Acessórios, Lda.	50,00%	50,00%	Proportional
Volmaquinaria de Construcciòn España, S.A.U.	50,00%	50,00%	Proportional
Volrent - Soc. de Aluguer Máquinas e Equipamentos, Unipessoal, Lda.	50,00%	50,00%	Proportional
Volrental, S.A.U.	50,00%	50,00%	Proportional
Volgalicia, S.A.U.	34,50%	34,50%	Proportional
Volrental Atlântico, S.A.	34,50%	34,50%	Proportional
Volrental Cantábrico, S.A.	30,00%	30,00%	Proportional
Volrental Córdoba, S.A.	26,00%	26,00%	Proportional
Dália - Gestão e Serviços, S.A.	28,54%	28,54%	E.P.M.

(1) - Directly and Indirectly
E.P.M. - Equity Pick-Up Method

These companies were included in the consolidation using the proportional method or the equity pick-up method, as established by IAS 27 – "Consolidated and Individual Financial Statements" and IAS 28 – "Investments in Associated Companies".

5. ALTERATIONS TO THE CONSOLIDATION PERIMETER

During the year ended on 31 December 2010, there were the following variations in the composition of the consolidation perimeter:

- Acquisition by AS Brasil Participações, Ltda., a company held indirectly by Auto-Sueco, Lda, of 100% of the share capital of Vocal, Ltda., the main dealer of Volvo trucks in the Brazilian state of S. Paulo;

- Acquisition of 66.66% of the holding company ExpressGlass Portugal, which in turn holds the whole of the following companies: Soglass, Diverparts, ExpressGlass, AS Glass and Diverp II.

- The real estate company Sogestim, headquartered in Luanda, 59.5% of which is held indirectly by Auto-Sueco, Lda., was also formed and included in the perimeter

- Within the perimeter of AS Coimbra there was the acquisition of the shareholdings of the following companies: ASC Turk Makina, Limited Sirketi; Air Rail, S.L.; Importadora, Distribuidora de Máquinaria Industrial, ZEPHIR, S.L.; Iber Rail – Equipamentos para aeroportos, portos e ferrovias, Socidade Unipessoal, Lda.

The following relates to the liquidation of companies:

- The company AS Southern Africa was liquidated at the end of 2009, and was no longer included in the consolidation perimeter in 2010;

- Volco, Ltd. was also was liquidated, with its assets and liabilities being absorbed by AS Kenya, Ltda., and so, in 2010, this was no longer included in the consolidation perimeter.

- There was a merger operation In AS Coimbra, the outcome of which was the incorporation of the companies ESCAT and AÇORCAT, in the company TRACTORRASTOS. This led to the suppression in 2010 of the consolidation perimeter of the incorporated companies with the net assets on the date the merger was reported being incorporated in the Balance Sheet of the company TRACTORRASTOS.

During the year ended on 31 December 2009, there were the following variations in the composition of the consolidation perimeter:

- Acquisition by Auto-Sueco, Lda, of 100% of the share capital of Arrábida Peças;

- In the perimeter of AS Coimbra there was the acquisition of the shareholdings of the following companies: TRACTORRASTOS, Sociedade Vendedora de Acessórios, Lda.; ESCAT – Peças para Máquinas de Terraplanagem, Lda.; AÇORCAT – Peças para Máquinas de Terraplanagem, Lda.

The contribution of the companies that came into the perimeter on 31 December 2010 was:

COMPANY - ENTRY INTO THE CONSOLIDATION PERIMETER

Contribution	Vocal	Sogestim	Holding Express Glass	Express-Glass, SA	Diverparts	Soglass	Diverp II	ASC Turk Makina
Tangible Fixed Assets	3.002	3.474	24	186	247	428	0	535
Intangible Fixed Assets	96	3	0	0	8	0	0	73
Goodwill	12.769	0	0	0	0	0	0	0
Inventories	16.784	0	0	0	1.094	550	0	5.935
Customers	24.468	137	0	3.181	1.271	302	0	5.790
Other Assets	27.203	1.508	114	717	80	-138	0	6.910
Total assets	**84.321**	**5.122**	**139**	**4.085**	**2.700**	**1.141**	**0**	**19.242**
Financing obtained	17.130	0	0	2,255	789	648	0	57
Suppliers	27.064	3.393	1.831	-357	1.230	113	0	2.546
Other accounts payable	1.430	12	30	443	100	202	364	1.641
Other Liabilities	7.190	863	8	209	193	142	0	562
Total Liabilities	**52.815**	**4.268**	**1.869**	**2.549**	**2.312**	**1.105**	**364**	**4.806**
Sales	296.407	0	0	13.950	3.467	658	0	42.768
Staff costs	-14.823	-41	0	-688	-483	-1.380	0	-1.579
External Supplies and Services	-7.771	-133	-250	-8.393	-415	-962	0	-1.744
EBITDA	13.320	690	-270	1.202	36	-29	0	2.384
Amortization	-392	-109	-0	-93	-82	-137	0	-1
Net Result	**7.996**	**483**	**-272**	**746**	**-129**	**-245**	**0**	**1.882**

6. INTANGIBLE ASSETS

In the years ended on 31 December 2010 and 2009, the movements in intangible assets, as well as in the respective amortization and accumulated impairment losses, were the following:

	Develop-ment projects	Computer programs	Industrial property	Other intangible assets	Invest-ments in progress	Advances	Total
1 January 2009							
Acquisition value net of impairment	591	211	1.859	931	22	0	3.615
Accumulated depreciation	-590	-18	-133	-251	0	0	-991
Initial net value	**1**	**193**	**1.727**	**680**	**22**	**0**	**2.623**
Movements 2009							
Initial net value	1	193	1.727	680	22	0	2.623
Additions	8	1.575	283	0	0	0	1.866
Transfer and Write-downs/acquisition value	-2	227	-108	0	-22	0	94
Transfer and Write-downs/accumulated amortization	1	-167	7	0	0	0	-160
Depreciation of the year	-3	-341	-133	-187	0	0	-664
Loss/Reversal of impairment	0	0	0	0	0	0	0
Final net value	**4**	**1.486**	**1.776**	**494**	**0**	**0**	**3.760**
31 December 2009							
Acquisition value net of impairment	597	2.012	2.035	931	0	0	5.575
Accumulated depreciation	-593	-526	-259	-437	0	0	-1.816
Final net value	**4**	**1.486**	**1.776**	**494**	**0**	**0**	**3.760**
31 December 2010							
Initial net value	4	1.486	1.776	494	0	0	3.760
Additions	5	888	143	36	29	0	1.102
Transfer and Write-downs/acquisition value	-7	-83	152	-437	0	0	-376
Transfer and Write-downs/accumulated amortization	6	223	-5	437	0	0	661
Depreciation of the year	-3	-559	-165	-186	0	0	-913
Loss/Reversal of impairment	0	0	0	-36	0	0	-36
Final net value	**4**	**1.955**	**1.900**	**308**	**29**	**0**	**4.196**
Movements 2010							
Acquisition value net of impairment	594	2.817	2.330	494	29	0	6.264
Accumulated depreciation	-590	-862	-430	-186	0	0	-2.067
Final net value	**4**	**1.955**	**1.900**	**308**	**29**	**0**	**4.196**

7. TANGIBLE FIXED ASSETS

In the years ended on 31 December 2010 and 2009, the movements in tangible fixed assets, as well as in the respective amortization and accumulated impairment losses, were the following:

	Land and natural resources	Buildings and other constructions	Plant and vehicles	Office equipment	Other tangible fixed assets	Investments in progress	Advances	Total
1 January 2009								
Acquisition or re-evaluated value net of impairment	26.537	79.752	49.953	14.166	7.570	5.238	9	183.225
Accumulated depreciation	0	-45.657	-26.969	-10.549	-4649	0	0	-87.824
Initial net value	**2.6537**	**34.096**	**22.985**	**3.617**	**2.920**	**5.238**	**9**	**95.401**
Movements 2009								
Initial net value	26.537	34.096	22.985	3.617	2.920	5.238	9	95.401
Revaluation surplus	0	0	0	0	0	0	0	0
Acquisitions	2.723	5.353	6.884	1.067	1.283	5.665	1	22.977
Transfers and write-downs/Acquisition Value	-76	-1.069	-10.727	-1.411	-2.021	-1.831	-10	-17.145
Transfers and write-downs/amortization	0	649	7.473	1.979	787	0	0	10.889
Depreciation of the year	0	-2.852	-8.157	-1.304	-1.122	0	0	-13.436
Loss/Reversal of impairment	0	0	0	0	0	0	0	0
Final net value	**29.185**	**36.177**	**18.458**	**3.947**	**1.848**	**9.071**	**0**	**98.686**
31 December 2009								
Acquisition or re-evaluated value net of impairment	29.185	84.037	46.110	13.822	6.832	9.071	0	189.057
Accumulated depreciation	0	-47.860	-27.653	-9.875	-4.984	0	0	-90.371
Final net value	**29.185**	**36.177**	**18.458**	**3.947**	**1.848**	**9.071**	**0**	**98.686**
Movements 2010								
Initial net value	29.185	36.177	18.458	3.947	1.848	9.071	0	98.686
Revaluation surplus	0	0	0	0	0	0	0	0
Acquisitions	5.767	9.809	15.141	5.965	5.566	4.909	0	47.157
Transfers and write-downs/Acquisition Value	653	-314	-5.412	-2.775	-1.110	-2.250	0	-11.210
Transfers and write-downs/amortization	0	647	7.381	2.960	1.151	0	0	12.139
Depreciation of the year	0	-3.269	-10.314	-3.747	-1.797	0	0	-19.128
Loss/Reversal of impairment	0	0	-14	0	0	0	0	-14
Final net value	**35.604**	**43.049**	**25.240**	**6.349**	**5.658**	**11.730**	**0**	**127.631**
31 December 2010								
Acquisition or re-evaluated value net of impairment	35.604	93.532	55.825	17.011	11.288	11.730	0	224.991
Accumulated depreciation	0	-50.483	-30.585	-10.662	-5.631	0	0	-97.360
Final net value	**35.604**	**43.049**	**25.240**	**6.349**	**5.658**	**11.730**	**0**	**127.631**

8. INVESTMENT PROPERTIES

On 31 December 2010 and 2009, the caption "Investment properties" corresponded to real estate assets held by the Group that generate revenue through their respective rentals or capital appreciation. These assets are recorded at acquisition cost or revaluated cost on the date of the first application of the IFRS (01 January 2009).

The breakdown of the real estate assets recorded in the caption "Investment properties" on 31 December 2010 and 2009 can be presented as follows:

The Management believes that a possible alteration (within normal proceedings) in the main assumptions used in the calculation of fair value will not lead to impairment losses, besides the loss already stated. For properties for which no evaluation is presented, the Management believes that their book value is close to their respective fair value.

The fair value of the investment properties that is the object of disclosure on 31 December 2010 and 2009 was determined by a real estate evaluation carried out by an independent specialised entity – J. Curvelo Lda..

Building	Location	DEZ.2010 Net book value	DEZ.2010 Evaluation value	DEZ 2009 Net book value	DEZ 2009 Evaluation value
Terreno Alfragide	Alfragide	6.920	6.920	6.920	6.920
Casa e Terreno Algarve	Algarve	379	624	391	624
Edificio e Terreno Vila Real	Vila Real	150	150	150	150
Edificio Porto (edifício ligeiros)	Porto	1.649	2.760	1.683	2.745
Terrenos não utilizados ASC	Portugal	1.288	2.576	1.288	2.576
Edificio de Francos	Porto	155	161	158	161
Terrenos ExpressGlass	Porto	143	150	-	-
Edificio da Tecnauto	Galiza	747	-	767	-
Edificio AS Paulo	S. Paulo	394	-	-	-
Apartamento Sogestim	Luanda	394	-	-	-
Apartamento Sogestim	Luanda	239	-	226	-
		12.457		11.584	

The movement in the caption “Investment properties” on 31 December 2010 and 2009 was as follows:

	Land and natural resources	Buildings and other constructions	Other	Investments in progress	Total
1 January 2009					
Acquisition or re-evaluated value net of impairment	9.530	2.694	0	0	12.224
Accumulated depreciation	0	-818	0	0	-818
Initial net value	9.530	1.877	0	0	11.406
Movements 2009					
Initial net value	9.530	1.877	0	0	11.406
Revaluation surplus	0	0	0	0	0
Acquisitions	35	238	0	0	273
Transfers and write-downs/ Acquisition Value	0	0	0	0	0
Transfers and write-downs/ amortization	0	0	0	0	0
Depreciation of the year	0	-95	0	0	-95
Loss/Reversal of impairment	0	0	0	0	0
Final net value	9.565	2.019	0	0	11.584
31 December 2009					
Acquisition or re-evaluated value net of impairment	9.565	2.932	0	0	12.497
Accumulated depreciation	0	-913	0	0	-913
Final net value	9.565	2.019	0	0	11.584
Movements 2010					
Initial net value	9.565	2.019	0	0	11.584
Revaluation surplus	0	0	0	0	0
Acquisitions	434	487	0	0	921
Transfers and write-downs/ Acquisition Value	0	0	0	0	0
Transfers and write-downs/ amortization	0	0	0	0	0
Depreciation of the year	0	-48	0	0	-48
Loss/Reversal of impairment	0	0	0	0	0
Final net value	9.999	2.458	0	0	12.457
31 December 2010					
Acquisition or re-evaluated value net of impairment	9.999	3.419	0	0	13.418
Accumulated depreciation	0	-961	0	0	-961
Final net value	9.999	2.458	0	0	12.457

9. CONSOLIDATION DIFFERENCES

During the year ended on 31 December 2010 the companies Vocal, the ExpressGlass holding company and its sub-companies, ASC Turk Makina and Air-Rail were acquired.

Consolidation differences are not amortised. Impairment tests are carried out on an annual basis.

In order to analyse impairment, the recoverable amount was determined using the value in use, in accordance with the discounted cash flow method, based on business plans developed by the managers of the companies and duly approved by the Management Board of the Group and using discount rates that reflect the inherent business risks.

On 31 December 2010, the methods and assumptions used to gauge the existence, or not, of impairment, were as follows:

			DEC. 2010
Company	Goodwill	Growth Rate	Discount Rate
Arrábida Parts	913	2,00%	9,64%
AS Brasil, Ltda.	3.379	4,50%	18,04%
Holding Expressglass	9.730	2,00%	9,64%
Stand Barata	2.258	2,00%	9,64%
Vocal	16.801	4,00%	15,30%
Hard Machines	4	2,00%	12,00%
ASC Turk Makina	10.499	2,00%	12,92%
Tractorrastos	568	2,00%	12,00%
Asializ	78	0,00%	8,80%
Air-Rail	3.027	0,00%	10,40%
Granada - Spain	1.128	1,00%	10,40%
Zephir	1.310	0,00%	10,40%
Volcatalan - Barcelona	368	0,00%	10,40%
	50.061		

Goodwill	
1 January 2009	
Value net of impairment	6.450
Additions	1.481
Sales, transfers and write-downs	0
Impairment	0
31 December 2009	7.931
Additions	42.555
Sales, transfers and write-downs	-425
Impairment	
31 December 2010	50.062

The Management Board, using budgeted cash flow amounts, discounted at the rate considered applicable, concluded that, on 31 December 2010, the book value of the net assets, including consolidation differences, does not exceed their recoverable value.

Cash flow projections are based on historic performance and on expectations of improved efficiency. The managers in charge of this segment believe that a possible alteration (within normal proceedings) in the main assumptions used in the calculation of the recoverable value will not lead to impairment losses.

10. FINANCIAL INVESTMENTS

10.1 Investments in associated companies and companies excluded from the consolidation

	% Effective Participation	Dec 2010	Dec 2009	Method of consolidation
Dália-Gestão and Services, S.A.	28,54%	2.166	1.840	EPM
Amplitude Ibérica, S.L.	23,75%	87	139	EPM
Volrental Norte, S.A.U	16,67%			
Amplitude Seguros	10,00%	209	0	Acquisition Cost
Grupo Auto Union Espanha GAUE SL	3,44%	12	12	Acquisition Cost
Aliance Automotive Espanha, S.L.	15,75%	263	263	Acquisition Cost
Other Participations	-	62	387	Acquisition Cost
	-	2.798	2.640	-

10.2 Investments available for sale

	Dec 2010	Dec 2009
Balance on 1 January	22.761	18.793
Acquisitions in the year		
Sales in the year		
Increase/reduction in fair value	-7.872	3.968
Transfers		
Impairment losses		
Balance on 31 December	14.889	22.761

10.3 Other financial assets

Of the balance presented in 2010 in this caption of the Balance Sheet (1,368,250 €), the amount of 1,250,000 € corresponds to 50% of the remunerated shareholder loans made in a company of the Auto Sueco Coimbra Group, in which, on 31 December 2010, there is a minority interest, the remainder being justified by a reserve made for the opening of a company in Angola.

11. INVENTORIES

On 31 December 2010 and 2009, this caption was broken down as follows:

Inventories	Dec 2010	Dec 2009
Raw, subsidiary and consumable materials	453	92
Products and work in progress	3.405	4.244
Finished and intermediate products	109	247
Merchandise	182.862	161.266
Accumulated impairment losses in Inventories	-5.163	-6.211
TOTAL	181.666	159.638

The cost of sales, in the years ended on 31 December 2010 and 2009 was arrived at as follows:

CMVMC	Dec 2010	Dec 2009
Opening inventories	161.358	255.280
Net purchases	719.646	343.806
Closing inventories	183.315	161.358
TOTAL	697.689	437.729

12. CUSTOMERS

On 31 December 2010 and 2009, this caption was broken down as follows:

	Current assets	
Customers	Dec 2010	Dec 2009
Customers, current account	175.481	143.567
Customers, bills receivable	4.588	5.551
Customers doubtful debts	27.831	29.939
	207.900	**179.058**
Accumulated impairment losses in customers (Note 25)	-52.687	-49.228
TOTAL	155.213	129.830

The amounts presented in the statement of financial position are net of accumulated impairment losses that were estimated by the Group in accordance with the accounting policy adopted and disclosed, and using an evaluation of the economic environment on the date of statement of financial position. The concentration of credit risk is limited given that the customer base is broad and not relational. The Management Board believes that the book value of the accounts receivable from customers is close to its fair value.

The amounts of customers' balances included in assets are not influenced by advances made on account of services/goods to be acquired, which are presented in liabilities in the caption "Advances from customers" and which, on 31 December 2010 and 2009, amounted to 13,696,000 Euros and 12,590,000 Euros, respectively.

13. OTHER ACCOUNTS RECEIVABLE (current)

On 31 December 2010 and 2009, this caption was broken down as follows:

Other accounts receivable	Dec 2010	Dec 2009
Advances Suppliers	8.912	8.481
Treasury Loans - Related Entities	39.392	38.073
Accrued Income	3.540	2.668
Other Debtors	8.706	8.840
	60.550	**58.061**
Impairment losses (Note 25)	-672	-736
TOTAL	59.878	57.325

Treasury Loans includes the amount of a loan granted by Auto Sueco Lda. to Nortesaga.

14. DEFERRALS - LIABILITIES

Em 31 de Dezembro de 2010 e 2009, esta rubrica tinha a seguinte composição:

	Assets	
Deferrals	Dez 2010	Dez 2009
Insurance to be recognised	421	259
Interest to be recognised	970	274
Other costs to be recognised	2,146	3,254
Total	3,536	3,788

The caption "Other costs to be recognised" includes 358,000 Euros relating to a suspended capital loss to be recognised.

The Group recognises costs in accordance with when they are incurred, regardless of when they are paid. At the end of each period, in this caption, expenses already paid but which should only economically affect the following period are deferred.

15. TAXES

The breakdown of the amounts and nature of deferred tax assets and liabilities recorded in the consolidated financial statements on 31 December 2010 and 2009, can be summarised as follows:

DEFERRED TAX ASSETS

	Reporting of Tax losses	Provisions and Adjustments not accepted as a tax cost	Other	Total
1 January 2009	**512**	**5.303**	**2.334**	**8.149**
Currency exchange variation	0	-93	0	-93
Impact on the Income Statement	1.141	4.697	-153	5.686
Impact on Equity	0	31	-42	-11
Other Adjustments	-402	0	0	-402
31 December 2009	**1.251**	**9.937**	**2.139**	**13.328**
Currency exchange variation	0	554	0	554
Impact on the Income Statement	1.652	1.009	128	2.788
Impact on Equity	0	41	473	514
Other Adjustments	-1.140	0	7.987	6.847
31 December 2010	**1.763**	**11.542**	**10.727**	**24.031**

DEFERRED TAX LIABILITIES

	Deferred capital gains tax	Amortization not accepted as a tax cost	Effect of the valuation of fair value on land	Other	Total
1 January 2009	**3.542**	**183**	**3.323**	**718**	**7.766**
Impact on the Income Statement	-2	91	-50	0	38
Impact on Equity	0	-0	-1	-701	-702
31 December 2009	**3.540**	**273**	**3.272**	**17**	**7.102**
Impact on the Income Statement	426	103	14	317	860
Impact on Equity	384	51	0	2	437
31 December 2010	**4.350**	**428**	**3.286**	**336**	**8.399**

Within the terms of legislation in force in Portugal, tax losses are deferable during a period of four years (6 years for years ended up to 31 December 2009) after their occurrence and can be deducted from tax gains generated during this period.

In Spain, tax losses are deferable during a period of 30 years.
In the United States, tax losses are deferable during a period of 20 years.
In Turkey, tax losses are reportable during a period of five years.

On 31 December 2010 and 2009, the tax rates used to calculate current and deferred taxation were the following:

	Tax rate	
Country of origin of the sub-company:	**31.12.2010**	**31.12.2009**
Portugal	26,5%	25,5%
Brazil	34%	34%
Angola	30%	30%
Namibia	35%	35%
Botswana	35%	35%
Kenya	30%	30%
Tanzania	30%	30%
Spain	30%	30%
USA	34%	34%
Turkey	20%	20%

The companies of the Auto Sueco Group and of the Auto Sueco (Coimbra) Sub-Group headquartered in Portugal and which have more than 90% held by these, are subject to Corporation Tax in accordance with the Special Taxation Regime of Groups of Companies ("RETGS") as set out in articles 70 and 71 of the Corporation Tax Code. For years starting as from 1 January 2010, a State Surtax (Derrama Estadual) of 2.5% applies to the taxable profit in excess of 2,000,000 €

In accordance with the tax rules presently in force, tax declarations by Group companies with head-office located in Portugal may be revised and corrected by the Tax Authorities for a period of four years (five years for Social Security), except when there have been tax losses, tax benefits have been granted, or inspections, claims or appeals are in progress, in which cases, depending on the circumstances, the periods are extended or suspended. In this way, the tax declarations of the companies of the Group since 2007 may still be subject to revision. The Management Board of the Group believes that any corrections resulting from revisions/ inspections by the tax authorities to those tax declarations of the years open to inspection should not have a significant effect on the attached consolidated financial statements.

Pursuant to article 88 of the Corporation Tax Code, companies headquartered in Portugal are also subject to autonomous taxation on a series of charges at rates set out in the said article.

16. CASH AND BANK DEPOSITS

On 31 December 2010 and 2009 the breakdown of cash and cash equivalents was the following:

Cash and bank deposits	Dec 2010	Dec 2009
Cash	404	778
Bank deposits	48.011	34.190
Cash Equivalents	0	0
TOTAL	48.414	34.968

The Group had lines of credit available on 31 December 2010 amounting to approximately 80.3 million Euros which could be used for future operating activities and to meet financial commitments as there is no restriction on the use of this facility.

17. COMPOSITION OF THE SHARE CAPITAL

On 31 December 2010, the capital of Auto-Sueco, Lda., totally subscribed and paid up, is 30 million Euros.

The legal persons with more than 20% of the subscribed capital are as follows:

Company and Head Office	Participation	Fraction of Capital
NORBASE - S.G.P.S., S.A. Head Office: Av. Montevideu, 156 4150-034 PORTO	14.100,000	47,00%
CADENA - S.G.P.S., S.A. Head Office: Rua Alberto Oliveira, 83 4150-034 PORTO	8.700,000	29,00%
JELGE - S.G.P.S., S.A. Head Office: Rua Alfageme de Santarém, 198 4150-046 PORTO	4.851,000	16,17%
ELLEN JENSEN - S.G.P.S, S.A. Head Office: Rua de Fez, 114 4150-325 PORTO	243,000	0,81%

Dividends

In accordance with the decision of the General Meeting of Shareholders held on 26 May 2010, a total dividend of 6 million Euros was paid. In 2009, the total dividend paid was 3 million Euros.

Legal reserve

In accordance with commercial legislation in force, at least 5% of the annual net profit, if positive, must be appropriated to the legal reserve, until it represents at least 20% of share capital of the company. This reserve is not distributable except in the case of liquidation of the company, but can be used to cover losses after all the other reserves have been used up or to increase share capital.

This obligation is common to all of the countries where the Group operates.

Revaluation surpluses

The revaluation reserves cannot be distributed to shareholders, except if they are totally amortised or if the respective assets that are revalued have been disposed of.

Adjustments in financial assets

This caption includes conversion reserves which reflect currency exchange variations occurred in the transposition of the financial statements of sub-companies in a currency other than the Euro and cannot be distributed or used to absorb losses.

Fair value reserves

Fair value reserves reflect variations in fair value of financial instruments available for sale and cannot be distributed or used to absorb losses.

19. NON-CONTROLLING INTERESTS

The movement of this caption during the years ended on 31 December 2010 and 2009 was as follows:

Non-controlled interests	2010	2009
Opening balance on 1 January	18.459	13.735
Result of the year attributable to Non-controlling interests	2.305	8.290
Variation resulting from the acquisition of holdings	-2.388	-3.853
Closing balance on 31 December	18.376	18.172

20. FINANCING OBTAINED

On 31 December 2010 and 2009, the breakdown of the caption “Financing obtained” was as follows:

			DEC 2010
Financing obtained	Current	Non-current	Total
Debenture Loan	0	30.000	30.000
Commercial Paper	37.040	26.476	63.516
Guaranteed current accounts	34.347	72.254	106.601
Bank Loan	30.037	26.408	56.445
Bank Overdrafts	0	0	0
Finance Leasing	9.580	1.027	10.607
Floor Plan	5.245	14.765	20.010
Other Loans	9.425	4.667	14.092
Total	125.673	175.598	301.271

			DEC 2009
Financing obtained	Current	Non-current	Total
Debenture Loan	0	30.000	30.000
Commercial Paper	1.724	9.953	11.677
Guaranteed current accounts	5.770	698	6.468
Bank Loan	103.676	32.196	135.871
Bank Overdrafts	1	0	1
Finance Leasing	0	9.591	9.591
Floor Plan	4.289	11.963	16.252
Other Loans	1.999	4.428	6.428
Total	117.458	98.830	216.288

21. SUPPLIERS

On 31 December 2010 and 2009 this caption was made up from current balances payable to suppliers, all of which are due in the short term.

On 31 December 2010 and 2009 the aggregate balance of the suppliers caption was not conditioned by payment plans that incorporated the payment of interest and in this way the risk financial related with changes in interest rates is residual in this case.

On the other hand, the relations that the diverse companies of the group have with their main suppliers are established in duly formalised contracts and protocols, and so the price risk of goods or credit is reasonably controlled and monitored by the Management Board of the Group, thereby ensuring the normal continuity of the operations and development of the diverse activities and businesses.

22. OTHER ACCOUNTS PAYABLE

On 31 December 2010 and 2009 this caption was broken down as follows:

Other debts to third parties	Dec 2010	Dec 2009
Advances from Customers	13.696	12.590
Suppliers of fixed assets	4.964	1.444
Remuneration and charges	8.304	7.570
Interest and Bonuses	333	217
Operating costs to be paid	1.065	2.433
Creditors - accrued costs	5.168	1.454
Other creditors	6.734	8.026
TOTAL	40.264	33.735

23. STATE AND PUBLIC SECTOR

On 31 December 2010 and 2009 the caption “State and Public Sector” can be broken down as follows:

	Assets		Liabilities	
State and public sector	Dec 2010	Dec 2009	Dec 2010	Dec 2009
Withholding tax	0	0	3.369	1.297
Value Added Tax	2.355	2.009	6.736	4.292
Corporation Tax	715	480	1.784	14.874
Automobile Tax	0	0	0	0
Customs Duties	0	0	0	0
Social Security Contributions	0	0	1.546	860
Other	1.518	288	1.377	1.891
Total	4.587	2.776	14.813	23.213

24. DEFERRALS - LIABILITIES

On 31 December 2010 and 2009 the caption "Deferrals" can be broken down as follows:

		Liabilities
Deferrals	2010	2009
Sales to be recognised	4.182	7
Bonuses obtained - to be recognised	145	0
Other income to be recognised	2.246	8.605
Total	6.573	8.612

25. PROVISIONS AND ACCUMULATED IMPAIRMENT LOSSES

On 31 December 2010 and 2009 the caption "Provisions" can be broken down as follows:

Provisions	2010	2009
Taxation	329	329
Guarantees to customers	966	1.018
Lawsuits in progress	228	26
Restructuring	78	0
Other provisions	4.529	1.254
Total	6.130	2.628

The movement in provisions and impairment losses during the years ended on 31 December 2010 and 2009 was the following:

				2010
Provisions	Opening balance	Increases	Use and Reductions	Total
Accumulated impairment losses in customers	49.228	7.056	-3.597	52.687
Accumulated impairment losses in other accounts receivable	736	0	-65	672
Accumulated impairment losses in inventories	6.211	1.819	-2.867	5,163
Provisions	2.628	9.484	-5.982	6.130

				2009
Provisions	Opening balance	Increases	Use and Reductions	Total
Accumulated impairment losses in customers	36.003	17.661	-4.436	49.228
Accumulated impairment losses in other accounts receivable	533	203	0	736
Accumulated impairment losses in inventories	5.965	963	-717	6.211
Provisions	5.327	1.101	-3.800	2.628

Given the unforseeability of the timing of the reversal of provisions and given the nature of what they may be used for, these were not financially updated by the Group.

26. DERIVATIVE FINANCIAL INSTRUMENTS

Interest rate derivatives

The Management Board regularly assesses the degree of exposure of the Group to the diverse risks inherent to the activity of its diverse companies, namely, the price risk, interest rate risk, and exchange rate risk.

As at 31 December 2010 and 2009, the degree of exposure to the risk of variation in interest rates was considered to be reduced, taking into account that a significant part of the banking liabilities was represented by medium/long term lines of credit, with previously agreed financing conditions.

On the other hand, and even though an increasing amount of the Consolidated Balance Sheet is subject to the impact of variations in exchange rate (Euro/Dollar, Euro/Real and Euro/Turkish Lira) - see Note 2.3.(i),the degree of exposure was still considered to be limited.

As a result, as at 31 December 2010 and 2009 the group had not negotiated any kind of derivative financial instrument.

Nevertheless, the more recent changes in the capital markets and the accentuation of the degree of exposure of the Group's Balance Sheet to variations in the exchange rates of the currencies mentioned above or to others, may mean that in the short term, the Management Board of the Group will introduce the trading of derivative financial instruments duly adjusted to the typology of the respective risks in its risk management.

Exchange rate hedging instruments

In December 2004, a new subsidiary of the Group, called ASC Construction Equipment USA, Inc (ASC USA) was formed in the United States of America, fully owned, directly and indirectly, by the sub-company Auto-Sueco (Coimbra), Lda., which resulted from the acquisition of assets and liabilities from the company SABA Holding Company (a company of the Volvo AB Group), which up to this date owned the business of the sale of Volvo construction equipment in five states of the south-east region of the United States.

The global investment of this operation was financed with the use of a bank loan in US Dollars, part of which had been designated as a hedge instrument in order to compensate the symmetrical variations in the exchange rate related with the investment in the share capital of the subsidiary.

The amounts disclosed in the following tables reflect the impact in terms of equity of the exchange differences recognised directly therein relating to the instrument and the positions on the end date of each year of the instrument covered and of the hedge instrument, taking into account the financial amortization plan of the bank loan, verified up to 31/12/2010. The amounts presented correspond to the proportional value using the method of consolidation used for this subsidiary.

		Currency exchange differences resulting from bank financing designated as hedge instruments for investments in foreign subsidiaries
On 01-01-2009		257
Differences in the period of 2009	Positive	33
	Negative	0
On 31-12-2009 (01-01-2010)		290
Differences in the period of 2010	Negative	0
	Positive	199
On 31-12-2010		91

Hedge accounting for each type of risk that is covered		31/12/2010				
		Elements Hedged		Hedge instruments		
		Description	Amounts carried	Description	Total	Part designated as a hedge instrument
Exchange rate risk in the net investment in foreign subsidiaries	ASC USA, Inc	Investment in the share capital of ASC USA, Inc	5.950	Bank Loan stated in USD	4.975	1.075
	Total		5.950		4.975	1.075

Hedge accounting for each type of risk that is covered		31/12/2009				
		Elements Hedged		Hedge instruments		
		Description	Amounts carried	Description	Total	Part designated as a hedge instrument
Exchange rate risk in the net investment in foreign subsidiaries	ASC USA, Inc	Investment in the share capital of ASC USA, Inc	5.950	Bank Loan stated in USD	7.450	3.550
	Total		5.950		7.450	3.550

27. FINANCIAL COMMITMENTS ASSUMED AND NOT INCLUDED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

On 31 December 2010 and 2009, the Auto Sueco Group had assumed the following financial commitments:

Guarantees In favour of:	Dec 2010	Dec 2009
Angolan National Customs Authorities	1.735	1.871
Sonangol	224	242
Public entity Sinfra	223	0
Supplier Continental	996	2.029
Various Guarantees	1.457	1.772
	4.635	5.914

28. INCOME TAX

Income Tax recognised in the years ended on 31 December 2010 and 2009 is detailed as follows:

Income Tax	Dez 2010	Dez 2009
Current tax	-10.419	-17.199
Deferred tax	1.928	5.647
	-8.491	-11.552

29. INFORMATION BY SEGMENTS

The main information relating to the business segments existing on 31 December 2010 and 2009, prepared in accordance with the same accounting policies and criteria adopted in the preparation of the consolidated financial statements, is disclosed in Note 31.

30. AVERAGE STAFF NUMBERS

During the years ended on 31 December 2010 and 2009, the average number of staff in the service of the Group was the following:

Average Number of Employees	Dec 2010	Dec 2009
Average Number of Employees	3.647	2.854
Total	3.647	2.854

31. SALES AND THE PROVISION OF SERVICES BY GEOGRAPHIC MARKETS AND ACTIVITY

The breakdown of sales and the provision of services by geographic markets in the years ended on 31 December 2010 and 2009 was as follows:

Sales by Region	Dez 2010	Dez 2009
Portugal	33%	42%
Angola	11%	37%
Brazil	42%	7%
USA	5%	7%
Spain	3%	5%
Turkey	5%	0%
Other	2%	2%
Total	100%	100%

Furthermore, the breakdown of sales and provision of services by activity and by product is as follows:

Sales by Product	Dez 2010	Dez 2009
Trucks	53%	46%
Cars	15%	23%
Buses	4%	3%
Generator Groups	2%	3%
Machines	18%	19%
Components	4%	4%
Services	0%	1%
Glass	4%	0%
Total	100%	100%

32. EXTERNAL SUPPLIES AND SERVICES

On 31 December 2010 and 2009, the caption “External Supplies and Services” was broken down as follows:

External supplies and services	Dec 2010	Dec 2009
Subcontracts	-11.155	-7.558
Specialised work	-11.753	-6.429
Advertising	-2.112	-1.677
Surveillance and security	-2.300	-1.035
Conservation and repairs	-6.037	-4.089
Electricity	-1.739	-1.594
Fuel	-1.730	-1.256
Travel and accomodation	-3.391	-2.825
Rentals	-12.317	-8.801
Insurance	-1.447	-1.472
Guarantees	-2.367	-3.046
Contracts	-3.346	-3.462
Other external supplies and services	-10.796	-7.389
TOTAL	-70.489	-50.633

33. STAFF COSTS

Staff costs in the years ended on 31 December 2010 and 2009 are detailed as follows:

Staff costs	Dec 2010	Dec 2009
Remuneration of Governing Bodies	-6.057	-7.704
Remuneration of Staff	-63.255	-47.581
Indemnities	-895	-1
Charges on remuneration	-10.246	-10.925
Other staff costs	-10.508	-5.891
TOTAL	-90.960	-72.101

34. OTHER INCOME AND GAINS / OTHER COSTS AND LOSSES

On 31 December 2010 and 2009, the captions “Other income and gains” and “Other costs and losses” were broken down as follows:

Other Income and Gains	Dec 2010	Dec 2009
Cash payment discounts obtained	79	51
Gains on the disposal of tangible fixed assets	580	125
Excess of tax estimates	677	304
Interest obtained	3.672	2.294
Currency exchange gains	2.862	12.749
Recovery of expenses and cessions	7.138	0
Rent and other income on investment properties	1.022	3.329
Income under Guarantees	1.038	207
Management fees	4.217	3
Other supplementary income	246	8.045
Other	6.472	5.651
TOTAL	28.002	32.758

Other costs and Losses	Dec 2010	Dec 2009
Cash payment discounts granted	-401	-316
Taxation	-2.923	-2.997
Inventory Losses	-660	-1.300
Corrections relating to previous years	-448	-1.471
Gifts and samples of inventories	-356	-333
Interest	-740	-37
Losses on the disposal of tangible fixed assets	-124	-75
Currency exchange losses - commercial transactions	-1.988	-12.277
Other financing activity costs	-1.436	-1.303
Donations	-242	-281
Other	-12.256	-17.554
TOTAL	-21.575	-37.942

35. OPERATING LEASING

The companies of the Group lease a variety of vehicles and equipment through non-revocable leasing contracts. The contracts have different periods, readjustment clauses and renewal rights. As at 31 December 2010, the Group had contracts considered to be operating leasing under which the value of the instalment payments came to 837,000 Euros.

36. FINANCIAL RESULTS

On 31 December 2010 and 2009, the financial results were broken down as follows:

Interest and similar income borne	Dec 2010	Dec 2009
Interest on Bank Loans - Comercial Paper	-2.561	-2.321
Interest on Bank Loans - current	-7.634	-4.040
Interest on Bank Loans - Non-current	-49	-623
Interest on Debenture Loans	-597	-904
Interest on Finance Leasing	-147	0
Other Interest	-2.583	-3.317
TOTAL	-13.571	-11.204

Interest and similar income obtained	Dec 2010	Dec 2009
Interest from financing obtained	2.716	3.512
Total	2.716	3.512

37. RELATED ENTITIES

The balances and transactions between the parent company and its subsidiaries, which are related entities of the parent company, were eliminated in the consolidation process, and will therefore not be disclosed in this Note.

a) Transactions

The breakdown of the transactions between the Auto Sueco Group and its related entities can be summarised as follows:

Sales of products and services	Dec 2010	Dec 2009
Civiparts Angola, SARL	663	152
Civiparts España	66	2
Civiparts Marocos, SA	116	0
Promotejo - Compra Venda Propr S.A.	6	11
Imosócia - Sociedade Imobiliária, S.A.	5	5
ASFC SGPS	29	2
Aliaóptimo SA	61	130
Civiparts Serv Gestão SA	172	180
Nortesaga Investimentos SGPS Lda	64	44
Soma - Soc. Montagem de Autom., S.A.	348	311
Plurirent SA	1.840	3.253
Sotkon PT, SA	0	0
Civiparts Equipam SA	665	730
Total	4.035	4.818

Purchases of products and services	Dec 2010	Dec 2009
Civiparts Angola, SARL	14	6
Civiparts España	343	208
Civiparts Marrocos, SA	0	0
Promotejo - Compra Venda Propr S.A.	0	0
Imosócia - Sociedade Imobiliária, S.A.	354	351
ASFC SGPS	0	0
Aliaóptimo SA	0	0
Civiparts Serv Gestão SA	-4	0
Nortesaga Investimentos SGPS Lda	0	0
Soma - Soc. Montagem de Autom., S.A.	1.884	1.612
Plurirent SA	1.769	2.803
Sotkon PT, SA	0	0
Civiparts Equipam SA	258	173
Total	4.618	5.153

The purchase and sale of goods and the provision of services to related entities were made at market prices.

Other income and gains	Dec 2010	Dec 2009
Nortesaga Investimentos SGPS Lda	996	1.184
Total	996	1.186

b) Balances

The breakdown of the balances between the Auto Sueco Group and related entities can be summarised as follows:

Suppliers	Dec 2010	Dec 2009
Civiparts Espanha SA	38	0
Civiparts Angola SA	11	44
Soma - Soc. Montagem de Autom., S.A.	986	753
Plurirent SA	228	254
Civiparts Equipam SA	53	31
Total	1.316	1.083

Customers	Dec 2010	Dec 2009
Promotejo - Compra Venda Propr S.A.	1	3
Imosócia - Sociedade Imobiliária, S.A.	1	0
ASFC SGPS	51	19
Aliaóptimo Com Serviços SA	36	0
Civiparts Espanha SA	31	1
Civiparts Angola SA	664	140
Civiparts Serv Gestão SA	24	156
Civiparts Marrocos, SA	11	0
Nortesaga Investimentos SGPS Lda	11	0
Soma - Soc. Montagem de Autom., S.A.	57	114
Plurirent SA	602	1.007
Civiparts Equipam SA	63	1
Total	1.552	1.441

38. CONTINGENT ASSETS AND LIABILITIES

The company has contingent liabilities in respect of bank guarantees and others and other contingences related with its business. This is the summary of the guarantees:

2010

Company	Guarantees For Banks	Guarantees Provided to the importers of the brands represented	Guarantees Provided in Public Tenders	Other Guarantees	Total
Auto Sueco, Lda			1.063	1.897	2.960
Auto Sueco (Minho), S.A.					0
Auto Sueco II Automóveis, S.A.		1.335			1.335
Auto Sueco (Angola), S.A.R.L.	26.194			2.113	28.306
Auto Sueco (Lobito), Ltd.	748				748
Auto Power	2.245				2.245
Auto-Maquinária, Lda	14.968				14.968
AS Parts Angola, Lda	2.565				2.565
Socibil- Imobiliária, S.A.R.L.					0
AS Parts - Centro de Peças e Acessórios, S.A.				150	150
Motortejo - Comércio e Industria Automóvel, S.A.		1.261		1.116	2.377
Stand Barata - Comércio de Peças e Acessórios Auto, S.A.				16	16
Go Auto - Comércio de de Automóveis, S.A.				100	100
Arrábidapeças - Com., Imp. E Exp. Peças, S.A.					0
Auto Sueco Brasil, Ltda.				253	253
Perímetro Auto Sueco Coimbra	4.819			1.457	6.275
Vocal				1.127	1.127
Total	51.539	2.596	1.063	8.228	63.426

2009

Empresa	Guarantees For Banks	Guarantees Provided to the importers of the brands represented	Guarantees Provided in Public Tenders	Other Guarantees	Total
Auto Sueco, Lda				4.888	4.888
Auto Sueco (Minho), S.A.				500	500
Auto Sueco II Automóveis, S.A.	2.735				2.735
Auto Sueco (Angola), S.A.R.L.	25.112			1.960	27.072
Auto Sueco (Lobito), Ltd.	2.777				2.777
Auto Power					0
Auto-Maquinária, Lda	19.954				19.954
AS Parts Angola, Lda	2.380				2.380
Socibil- Imobiliária, S.A.R.L.	1.829				1.829
AS Parts - Centro de Peças e Acessórios, S.A.				150	150
Motortejo - Comércio e Industria Automóvel, S.A.	96	2.862		275	3.233
Arrábidapeças - Com., Imp. E Exp. Peças, S.A.				16	16
Stand Barata - Comércio de Peças e Acessórios Auto, S.A.				100	100
Go Auto - Comércio de de Automóveis, S.A.				1	1
Auto Sueco Brasil, Ltda.				36	36
Perímetro Auto Sueco Coimbra	7.211	1.420	40	99	8.769
Vocal					0
Total	62.094	4.282	40	8.026	74.441

39. REMUNERATION OF THE MEMBERS OF THE CORPORATE OFFICES

The remunerations of the members of the corporate offices of the Auto Sueco Group in the years 2010 and 2009 were as follows:

Remuneration of the Corporate Offices	Dec 2010	Dec 2009
Auto Sueco, lda	1.906	1.145
Auto Sueco Angola	1.737	5.492
ExpressGlass, S.A.	152	25
Grupo Auto Sueco Coimbra	724	591
Total	4.520	7. 253

40. REMUNERATION OF THE STATUTORY AUDITOR

The fees paid to the statutory audit firms in the diverse countries in which the Group is present in 2010 and 2009 were as follows:

Fees	Dec 2010	Dec 2009
Total	949	831

41. INFORMATION RELATING TO THE ENVIRONMENT

The Group adopts the measures necessary in relation to the environmental area, with the objective of complying with current legislation.

The Management Board of the Group does not believe that there are risks related with environmental protection and improvement, and has received no notice of administrative proceedings related with this matter during 2010.

42. SUBSEQUENT EVENTS

In the first six months of 2011 the company AS Minho was split/merged in the company Auto Sueco Lda. and Auto Sueco II. Also in this period Stand Barata, a company in the Auto-Sueco, Lda Group, acquired the company Norvicar, Lda..

Also in 2011 the company Auto Sueco Brasil Concessionária de Veículos Ltda. Changed its name to Auto Sueco Centro-Oeste – Concessionária de Veículos Ltda.. The recently acquired company, Vocal Comércio de Veículos Ltda., also changed its name to Auto Sueco São Paulo – Concessionária de Veículos Ltda..

So as to reinforce the Auto Sueco Group's position in the glass distribution, repair and replacement market, the structure of the subsidiary holding company Expressglass SGPS., SA, was simplified to include the companies Soglass and AS Glass in the company Expressglass.

After the close of the accounts, the company Diverp II SGPS SA was absorbed by the holding company Expressglass SGPS, with this going on to own 100% of the capital of the companies Diverparts and Expressglass.

43. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Management Board on 31 May 2011. Furthermore, the attached financial statements on 31 December 2010 are awaiting approval by the General Meeting of Shareholders. However, the Management Board of the Group believes that these will be approved without significant changes.

THE CHARTERED ACCOUNTANT
Maria Elvira Santos

THE MANAGEMENT BOARD
Tomás Jervell – CEO
Francisco Ramos
Henrique Nogueira
Jorge Guimarães
José Leite de Faria
José Bessa Leite de Faria
Paulo Jervell

Statutory Auditor's Report

pwc

Consolidated Statutory Audit Report

(Free translation from the original in Portuguese)

Introduction

1 We have audited the consolidated financial statements of **Auto-Sueco, Lda.**, comprising the consolidated statement of financial position as at December 31, 2010 (which shows total assets of Euro 691.381 thousand and total shareholder's equity of Euro 207.903 thousand, including non-controlling interests of Euro 18.376 thousand and a net profit of Euro 15.827 thousand), the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, and the corresponding notes to the accounts.

Responsibilities

2 It is the responsibility of the Company's Board of Directors to prepare the consolidated Directors' Report and the consolidated financial statements which present fairly, in all material respects, the financial position of the Company and its subsidiaries, the consolidated results and the consolidated comprehensive income of their operations, the changes in consolidated equity and the consolidated cash flows, as well as to adopt appropriate accounting policies and criteria and to maintain appropriate systems of internal control.

3 Our responsibility is to express an independent and professional opinion on these consolidated financial statements based on our audit.

Scope

4 We conducted our audit in accordance with the Standards and Technical Recommendations issued by the Institute of Statutory Auditors which require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. Accordingly, our audit included: (i) verification that the Company and its subsidiaries' financial statements have been appropriately examined and, for the cases where such an audit was not carried out, verification, on a sample basis, of the evidence supporting the amounts and disclosures in the consolidated financial statements and assessing the reasonableness of the estimates, based on the judgments and criteria of the Board of Directors used in the preparation of the consolidated financial statements; (ii) verification of the consolidation operations; (iii) assessing the appropriateness and consistency of the accounting principles used and their disclosure, as applicable; (iv) assessing the applicability of the going concern basis of accounting; and (v) assessing the overall presentation of the consolidated financial statements.

5 Our audit also covered the verification that the consolidated financial information included in the consolidated Directors' Report is consistent with the consolidated financial statements.

6 We believe that our audit provides a reasonable basis for our opinion.

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.
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Tel +351 225 433 000 Fax +351 225 433 499, www.pwc.com/pt
Matriculada na Conservatória do Registo Comercial sob o NUPC 506 628 752, Capital Social Euros 314.000

Opinion

7 In our opinion, the consolidated financial statements referred to above present fairly in all material respects, the consolidated financial position of **Auto-Sueco, Lda.,** as at December 31, 2010, the consolidated results and the consolidated comprehensive income of its operations, the changes in consolidated equity and the consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU.

Report on other legal requirements

8 It is also our opinion that the consolidated financial information included in the consolidated Directors' Report is consistent with the consolidated financial statements for the year.

July 25, 2011

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

José Pereira Alves, R.O.C.

PHOTOS: Dina Souto Rosa, Bruno Barbosa
LEGAL DEPOSIT: 335042/11