

MARCOPOLO S.A.

Consolidated Information – 3Q10



Caxias do Sul, November 8, 2010 - Marcopolo S.A. (BM&FBOVESPA: POMO3; POMO4), one of the leading companies in the world dedicated to the development of solutions for public passenger transportation, disclosed its earnings results for the third quarter of 2010 (3Q10). The Consolidated Financial Statements have been prepared in accordance with the IFRS – *International Financial Reporting Standards*, established by the IASB - *International Accounting Standards Board* and CVM Instruction 457, July 13, 2007.

Net Revenues reached R\$ 2.1 billion and EBITDA totaled R\$ 300.1 million in the first nine months of 2010.

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HIGHLIGHTS JANUARY TO SEPTEMBER OF 2010

- **Consolidated Net Revenues** totaled R\$ 2,120.3 million, an increase of 50.2% to the same period of 2009.
- **Gross income** totaled R\$ 468.9 million, with a 22.1% margin.
- **Net Income** totaled R\$ 213.2 million with a margin of 10.1%.
- **EBITDA** was R\$ 300.1 million, with a 14.2% margin. **Adjusted EBITDA**, due to the exchange rate variation on exports, totaled R\$ 307.8 million, with a 14.5% margin.
- **Production** in Brazil was 13,480 units have consolidated worldwide production was 20,255 units.

(R\$ million, except where otherwise indicated)

Selected Information	3Q10	3Q09	Var. %	9M10	9M09	Var. %
Net operating income	713.3	473.2	50.7	2,120.3	1,412.1	50.2
- Revenues in Brazil	546.4	343.4	59.1	1,525.1	939.1	62.4
- Revenue from exp./foreign income	166.9	129.8	28.6	595.2	473.0	25.8
Gross Income	151.9	76.5	98.6	468.9	255.2	83.7
EBITDA	89.3	29.0	207.9	300.1	121.9	146.2
Net income	65.0	16.0	306.3	213.2	71.2	199.4
Profit per share	0.145	0.072	101.4	0.476	0.318	49.7
Return on Invested Capital (ROIC) ⁽¹⁾	23.4%	18.4%	5.0pp	23.4%	18.4%	5.0pp
Return on Equity (ROE) ⁽²⁾	29.2%	18.8%	10.4pp	29.2%	18.8%	10.4pp
Investment in fixed assets	21.8	19.6	11.2	60.6	84.1	(27.9)
Gross margin	21.3%	16.2%	5.1pp	22.1%	18.1%	4.0pp
EBITDA margin	12.5%	6.1%	6.4pp	14.2%	8.6%	5.6pp
Net margin	9.1%	3.4%	5.7pp	10.1%	5.0%	5.1pp
Balance Sheet Data	9/30/10	6/30/10	Var. %			
Net Equity	919.2	864.8	6.3			
Cash and Cash Equivalents	840.4	578.3	45.3			
Short-Term Financial Liabilities	243.0	273.6	(11.2)			
Long-Term Financial Liabilities	1,098.6	878.0	25.1			
Net Financial Liabilities – Industrial Seg.	8.9	79.1	(88.7)			

Notes: ⁽¹⁾ ROIC (Return on Invested Capital) = LTM EBIT ÷ (inventory+ clients + fixed assets - suppliers); ⁽²⁾ ROE (Return on Equity) = LTM Net income ÷ Net Equity; pp = percentage points.

PERFORMANCE IN THE BRAZILIAN BUS SECTOR

In 3Q10, the demand for buses in Brazil remained strong. Brazil's production of buses totaled 8,862 units, 34,8% over the 6,574 units produced in 3Q09 and 12.9% more than in 2Q10.

a) Domestic Market (DM). In 3Q10, 7,490 units were produced for the domestic market, 36.7% more than the 5,479 units produced in 3Q09 and 9.8% greater than the 6,820 units produced in 2Q10.

b) Foreign Market (FM). Exports totaled 1,372 units during 3Q10, 25.3% higher than the production for the foreign market during the same period the previous year. The recovery of the foreign market continued at a gradual pace. The increase in the volume exported signaled a scenario of more promising foreign sales.

BRAZILIAN BUS PRODUCTION (in units)

PRODUCTS	3Q10			3Q09			Variations
	DM	FM ⁽¹⁾	TOTAL	DM	FM ⁽¹⁾	TOTAL	%
Intercity	1,821	652	2,473	896	508	1,404	76.1
Urban	4,638	526	5,164	3,656	458	4,114	25.5
Micro	741	194	935	731	120	851	9.9
SUBTOTAL	7,200	1,372	8,572	5,283	1,086	6,369	34.6
Minis ⁽²⁾	290	-	290	196	9	205	41.5
TOTAL	7,490	1,372	8,862	5,479	1,095	6,574	34.8

PRODUCTS	9M10			9M09			Variations
	DM	FM ⁽¹⁾	TOTAL	DM	FM ⁽¹⁾	TOTAL	%
Intercity	4,784	1,530	6,314	2,604	1,824	4,428	42.6
Urban	12,440	1,804	14,244	9,805	1,211	11,016	29.3
Micro	2,247	424	2,671	1,934	297	2,231	19.7
SUBTOTAL	19,471	3,758	23,229	14,343	3,332	17,675	31.4
Minis ⁽²⁾	985	5	990	500	10	510	94.1
TOTAL	20,456	3,763	24,219	14,843	3,342	18,185	33.2

Sources: FABUS (National Association of Bus Manufacturers) and SIMEFRE (Interstate Highway and Railway Material and Equipment Manufacturers Association).

Notes: ⁽¹⁾ Includes knocked-down units exported; ⁽²⁾ Production data for minis does not include assembled units, such as Volare.

MARCOPOLO OPERATING AND FINANCIAL PERFORMANCE

• Units Registered As Net Revenues

During the months of July through September 2010, 7,035 units were reported under net revenue, an increase of 36.6% compared to 3Q09. Of this amount, 4,719 were reported in Brazil, representing 67.1% of the total and 2,316 units were reported from overseas, representing the other 32.9%. It is important to point out that inventories increased by 206 units during the quarter, due to delays in shipments to Guatemala and to the "Caminho da Escola" program. The table below shows the breakdown of the units registered as net revenues:

Operations	3Q10	3Q09	Var. %	9M10	9M09	Var. %
BRAZIL:						
- Domestic Market	4,307	3,083	39.7	12,157	8,257	47.2
- Foreign Market	505	599	(15.7)	1,467	1,566	(6.3)
SUBTOTAL	4,812	3,682	30.7	13,624	9,823	38.7
Knocked-down Units Exported ⁽¹⁾	(93)	(190)	51.1	(343)	(356)	3.7
TOTAL IN BRAZIL	4,719	3,492	35.1	13,281	9,467	40.3
INTERNATIONAL:						
- Mexico	445	330	34.8	867	1,175	(26.2)
- Portugal	-	-	-	-	58	-
- Colombia (50%)	165	150	10.0	543	474	14.6
- India (49%) ⁽²⁾	1,332	896	48.7	4,263	2,083	104.7
- South Africa	100	104	(3.8)	603	259	132.8
- Argentina (40%)	203	114	78.1	500	360	38.9
- Egypt (49%)	71	63	12.7	260	95	173.7
TOTAL INTERNATIONAL	2,316	1,657	39.8	7,036	4,504	56.2
GENERAL TOTAL	7,035	5,149	36.6	20,317	13,971	45.4

Note: ⁽¹⁾ Partially or totally disassembled bodies; ⁽²⁾ in India the units produced at the Lucknow factory are added, and are recorded differently for income.

• Production

Marcopolo's consolidated production was 7,241 units in 3Q10, 45.9% greater than the 4,964 units produced in 3Q09. For the domestic market, production reached 4,964 units in 3Q10, 47.9% more than during 3Q09, while for the foreign market the volume produced was 2,277 units, up 41.7% over the 1,607 units produced during the same period of the previous year. The highlight was the production at Polomex, in Mexico, which grew 34.8% over 3Q09 and 32.0% compared to 2Q10. Despite the recovery will the Mexican market still is depressed, although there is a better outlook for the year of 21 and thereafter. Production by countries shown in the table below:

MARCOPOLO - CONSOLIDATED WORLDWIDE PRODUCTION

Operations	3Q10	3Q09	Var. %	9M10	9M09	Var. %
BRAZIL:						
- Marcopolo ⁽¹⁾	3,245	2,221	46.1	8,942	6,442	38.8
- Subsidiary Companies ⁽²⁾	1,873	1,361	37.6	4,954	3,481	42.3
SUBTOTAL	5,118	3,582	42.9	13,896	9,923	40.0
Unassembled Units ⁽³⁾	(154)	(225)	31.6	(416)	(386)	(7.8)
TOTAL IN BRAZIL	4,964	3,357	47.9	13,480	9,537	41.3
INTERNATIONAL:						
- Mexico	445	330	34.8	867	1,175	(26.2)
- Portugal	-	-	-	-	54	-
- Russia (50%)	-	-	-	-	8	-
- Colombia (50%)	172	139	23.7	543	465	16.8
- India (49%) ⁽⁴⁾	1,332	896	48.7	4,263	2,083	104.7
- South Africa	54	62	(12.9)	341	225	51.6
- Argentina (40%)	203	117	73.5	501	365	37.3
- Egypt (49%)	71	63	12.7	260	95	173.7
TOTAL INTERNATIONAL	2,277	1,607	41.7	6,775	4,470	51.6
GENERAL TOTAL	7,241	4,964	45.9	20,255	14,007	44.6

Notes: ⁽¹⁾ Includes production of Volare; ⁽²⁾ In 3Q10 includes the production of Ciferal (1,421 units) and 45.0% of San Marino (452 units), corresponding to the share of Marcopolo in the company; ⁽³⁾ Partially or totally knocked-down bodies; ⁽⁴⁾ In India, the units produced at the Lucknow plant are included and recorded differently in income.

MARCOPOLO - CONSOLIDATED PRODUCTION WORLDWIDE BY MODEL

PRODUCTS/MARKETS (in units)	3Q10			3Q09		
	DM	FM ⁽¹⁾	TOTAL	DM	FM ⁽¹⁾	TOTAL
Intercity	1,248	274	1,522	540	153	693
Urban	1,699	1,080	2,779	1,396	739	2,135
Micro	355	219	574	249	143	392
Mini (LCV)	129	1,193	1,322	-	945	945
SUBTOTAL	3,431	2,766	6,197	2,185	1,980	4,165
Volares ⁽²⁾	1,032	12	1,044	763	36	799
TOTAL PRODUCTION	4,463	2,778	7,241	2,948	2,016	4,964

PRODUCTS/MARKETS (in units)	9M10			9M09		
	DM	FM ⁽¹⁾	TOTAL	DM	FM ⁽¹⁾	TOTAL
Intercity	3,282	930	4,212	1,427	697	2,124
Urban	4,682	3,106	7,788	3,537	2,208	5,745
Micro	896	606	1,502	700	471	1,171
Mini (LCV)	498	3,373	3,871	28	2,191	2,219
SUBTOTAL	9,358	8,015	17,373	5,692	5,567	11,259
Volares ⁽²⁾	2,812	70	2,882	2,647	101	2,748
TOTAL PRODUCTION	12,170	8,085	20,255	8,339	5,668	14,007

Notes: ⁽¹⁾ For total DM production knocked-down units (bodies partially or totally unassembled) are included, which had 154 units in 3Q10 and 255 units in 3Q09, 416 units in 9M10 and 386 in 9M09; ⁽²⁾ The production of Volares is not part of the data from SIMEFRE or FABUS, neither is the market share of Marcopolo, or the production for the sector.

PRODUCTION IN BRAZIL

PRODUCTS/MARKETS (in units)	3Q10			3Q09		
	DM	FM ⁽¹⁾	TOTAL	DM	FM ⁽¹⁾	TOTAL
Intercity	1,248	342	1,590	540	313	853
Urban	1,699	230	1,929	1,396	232	1,628
Micro	355	72	427	249	53	302
Mini (LCV)	129	-	129	-	-	-
SUBTOTAL	3,431	644	4,075	2,185	598	2,783
Volares ⁽²⁾	1,032	12	1,044	763	36	799
TOTAL PRODUCTION	4,463	656	5,119	2,948	634	3,582

PRODUCTS/MARKETS (in units)	9M10			9M09		
	DM	FM ⁽¹⁾	TOTAL	DM	FM ⁽¹⁾	TOTAL
Intercity	3,282	883	4,165	1,427	765	2,192
Urban	4,682	594	5,276	3,537	588	4,125
Micro	896	179	1,075	700	130	830
Mini (LCV)	498	-	498	28	-	28
SUBTOTAL	9,358	1,656	11,014	5,692	1,483	7,175
Volares ⁽²⁾	2,812	70	2,882	2,647	101	2,748
TOTAL PRODUCTION	12,170	1,726	13,896	8,339	1,584	9,923

Note: See notes for the chart Consolidated Worldwide Production by Model.

- **Share of the Brazilian Market**

The market share of the company in Brazil reached 45.5% in 9M10. Considering just production from 3Q10, the market share was 46.0%, with the intercity segment being the highlight, with a 64.3% share. The following table shows the quarterly evolution of the Company's market share by product model:

SHARE OF THE BRAZILIAN MARKET (%)

PRODUCTS ⁽¹⁾	1Q09	2Q09	3Q09	1Q10	2Q10	3Q10	9M10
Intercity	47.3	41.3	60.8	70.9	63.4	64.3	66.0
Urban	29.5	41.7	39.6	37.1	36.7	37.4	37.0
Micros	37.8	38.5	35.5	31.5	45.1	45.7	40.2
Minis ⁽²⁾	22.8	-	-	54.3	51.4	44.5	50.3
TOTAL	35.3	40.0	42.3	45.5	44.9	46.0	45.5

Source: FABUS and SIMEFRE

Notes: ⁽¹⁾ Includes 100.0% of Ciferal and a proportional share of the production of San Marino; ⁽²⁾ Volare is not counted for the effects of market share.

• Net Revenues

Consolidated Net Revenues of the Company totaled R\$ 713.3 million in 3Q10, 50.7% higher than the R\$ 473.2 million reported in 3Q09, explained by the 36.6% increase in the amount registered under net revenues and the better product mix. In the Brazilian market, revenues were R\$ 546.4 million, or 76.6% of the total, and in the foreign market revenues totaled R\$ 166.9 million, or 23.4% of the consolidated income.

The tables and graphs below show the expansion of net revenues by product and market:

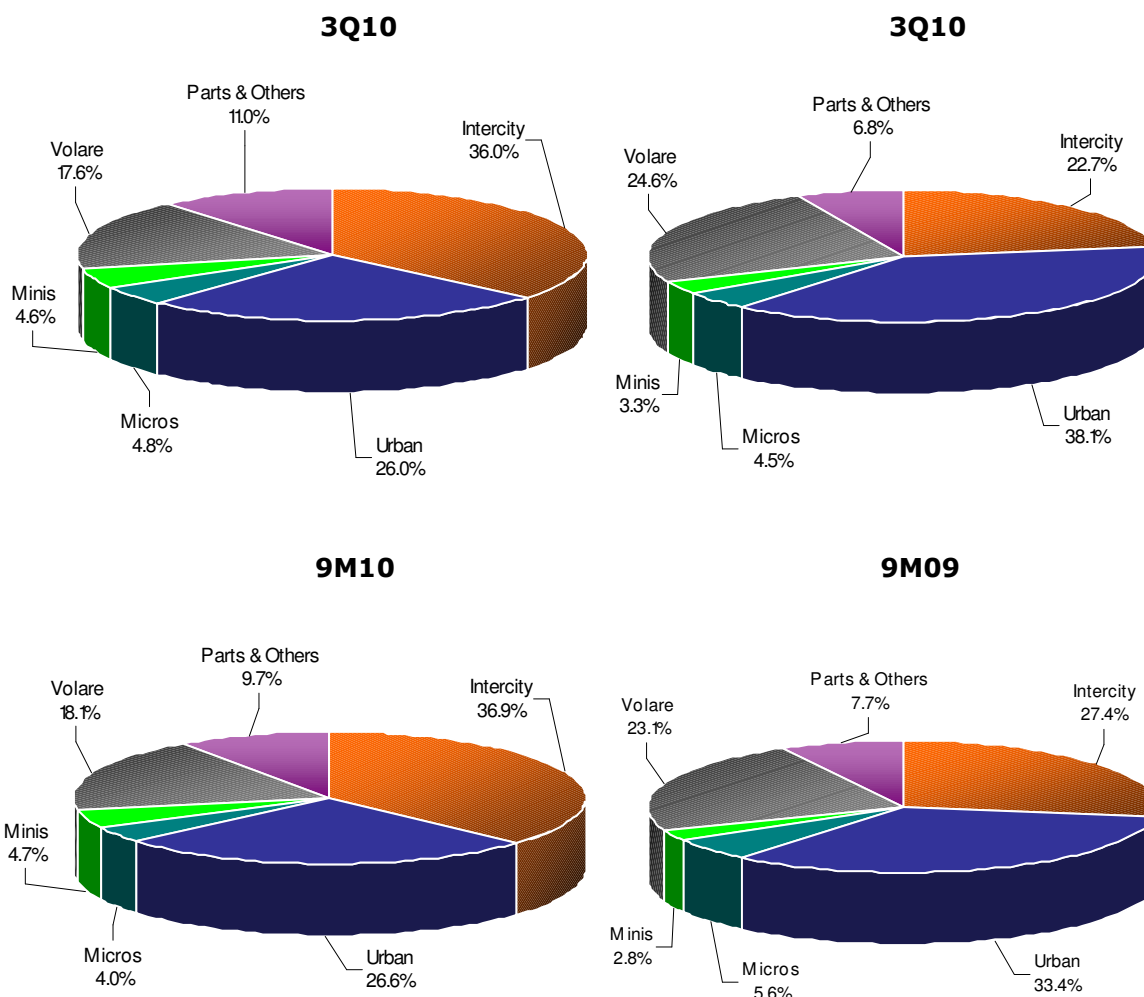
TOTAL CONSOLIDATED NET REVENUES By Products and Market (R\$ Million)

PRODUCTS ⁽¹⁾	3Q10		3Q09		TOTAL	
	DM	FM	DM	FM	3Q10	3Q09
Intercity	205.9	51.1	74.2	33.2	257.0	107.4
Urban	143.3	41.9	124.2	55.9	185.2	180.1
Micros	21.5	12.7	13.5	7.9	34.2	21.4
Minis	-	32.8	3.2	12.5	32.8	15.7
Subtotal Bodies	370.7	138.5	215.1	109.5	509.2	324.6
Volares ⁽²⁾	123.4	2.3	111.5	5.0	125.7	116.5
Parts	52.3	26.1	16.8	15.3	78.4	32.1
GENERAL TOTAL	546.4	166.9	343.4	129.8	713.3	473.2

PRODUCTS ⁽¹⁾	9M10		9M09		TOTAL	
	DM	FM	DM	FM	9M10	9M09
Intercity	530.9	251.7	220.4	166.8	782.6	387.3
Urban	410.3	154.6	285.3	186.0	564.9	471.2
Micros	53.1	30.7	48.9	30.0	83.8	79.0
Minis	42.9	56.7	7.2	33.0	99.6	40.2
Subtotal Bodies	1,037.2	493.7	561.8	415.8	1,530.9	977.7
Volares ⁽²⁾	370.9	11.9	313.5	12.7	382.8	326.2
Parts	117.0	89.6	63.8	44.5	206.6	108.2
GENERAL TOTAL	1,525.1	595.2	939.1	473.0	2,120.3	1,412.1

Notes: ⁽¹⁾ DM = Domestic Market; FM = Foreign Market; ⁽²⁾ Income for the Volares includes the chassis.

BREAKDOWN OF CONSOLIDATED NET REVENUES (%)



GROSS INCOME AND MARGINS

Consolidated gross income for 3Q10 totaled R\$ 151.9 million, with a margin of 21.3%, compared with R\$ 76.5 million and a margin of 16.2% in 3Q09. If compared to 2Q10, the gross margin during 3Q10 was somewhat higher, due to a greater share of intercity models in revenues. However, it should be noted that the appreciation of the Brazilian real against the U.S. dollar prohibited the realization of a better margin during 3Q10, because the games with exchange hedges on exports were booked as financial revenues.

OPERATING EXPENSES

- **Sales Expenses**

Sales expenses were R\$ 36.9 million in 3Q10, compared with R\$ 30.2 million in 3Q09, amounting to 5.2% and 6.4% of net revenues, respectively. The higher sales volume explains the R\$ 6.7 million increase in this account. In counterparty, sales with lower commissions explain the 1.2pp reduction over Net Revenues.

- **General and Administrative Expenses**

General and administrative expenses totaled R\$ 32.6 million in 3Q10, or 4.6% of net revenues, compared with R\$ 24.3 million, or 5.1% of revenues in 3Q09.

- **Other Revenues/Operating Expenses**

In 3Q10, R\$ 2.9 million in non-recurring expenses was booked to the “Other Operating Expenses” account, as a result of a court agreement.

NET FINANCIAL INCOME

Net financial income in 3Q10 was a positive R\$ 20.6 million, compared with the also positive R\$ 9.3 million reported for 3Q09. The exchange rate hedges mainly explain this result on export contracts and financial investment yields.

EBITDA AND ADJUSTED EBITDA

EBITDA reached R\$ 89.3 million in 3Q10, with a 12.5% margin compared with R\$ 29.0 million and a 6.1% margin in 3Q09. Adjusted EBITDA as a result of exchange rate variations on exports, including forward operations to protect the orders portfolio, totaled R\$ 95.4 million in 3Q10 with a 13.4% margin, as demonstrated in the following table:

(R\$ '000)	3Q10	3Q09	Var. %	9M10	9M09	Var. %
Operating Income	102.1	27.6	270.0	324.6	118.2	174.6
Financial Income	(52.1)	(60.5)	13.9	(154.6)	(163.3)	5.3
Financial Expenses	31.5	51.2	(38.5)	105.1	136.4	(22.9)
Depreciation/Amortization	7.8	10.7	(27.1)	25.0	30.6	(18.3)
EBITDA	89.3	29.0	207.9	300.1	121.9	146.2
Exchange Rate Variation From Exports	6.1	13.4	(54.5)	7.7	21.4	(64.0)
ADJUSTED EBITDA	95.4	42.4	125.0	307.8	143.3	114.8



NET INCOME

Consolidated net income for 3Q10 was R\$ 65.0 million, with a margin of 9.1%, compared to R\$ 16.0 million and a margin of 3.4% in 3Q09.

FINANCIAL DEBT

Net financial debt was R\$ 501.2 million as of September 30, 2010 (R\$ 573.3 million as of June 30, 2010). Of this amount, R\$ 8.9 million was from the industrial segment (R\$ 79.1 million as of June 30, 2010) and R\$ 492.3 million was from the financial segment (R\$ 494.2 million as of June 30, 2010).

It should be pointed out that the debt in the financial statement stems from the consolidation of the activities of Banco Moneo and should be analyzed separately, since it has distinct characteristics from those deriving from the Company's operational activities. Banco Moneo's financial liabilities are offset in the "Clients" account of the Bank's Assets. The credit risk is duly provisioned. Because it is a FINAME onlending transaction, each payment from the BNDES is an exact offset in the accounts receivable from clients of Banco Moneo.

On September 30, the net financial debt from the industrial segment represented 0.02 times the EBITDA generated for the last 12 months.

CASH GENERATION

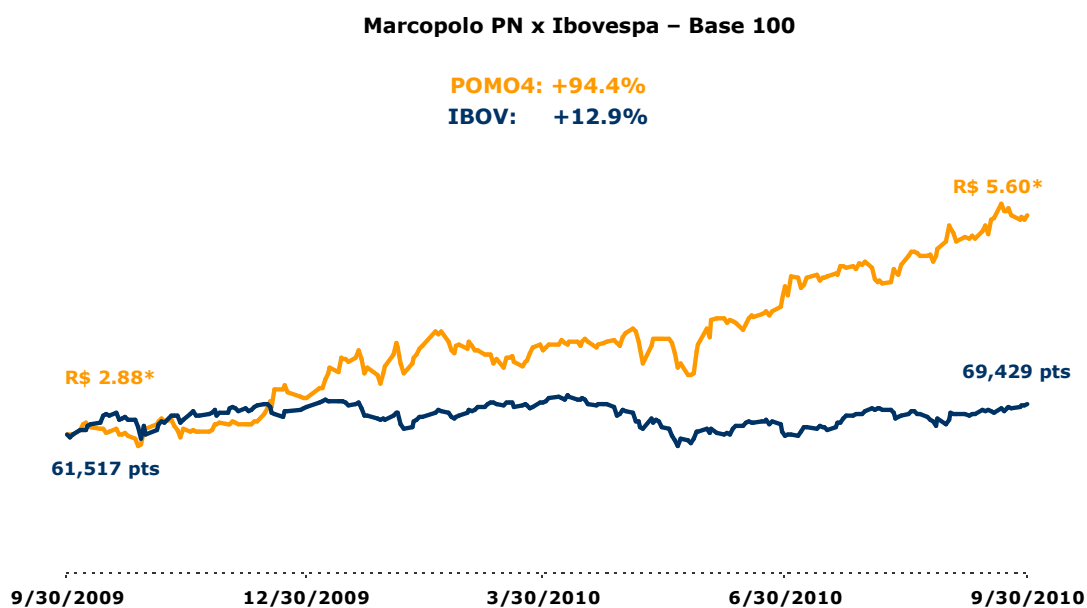
In 3Q10, activities from operations generated funds on the order of R\$ 108.4 million. Investment activities required R\$ 22.8 million and financing activities consumed an additional R\$ 176.8 million. As a result, the starting cash balance of R\$ 562.5 million, less R\$ 0.8 million for exchange rate variations on cash, increased to R\$ 607.3 million on September 30, 2010.

INVESTMENTS IN FIXED ASSETS

During 3Q10, the Company invested R\$ 21.8 million in capital goods, of which R\$ 6.2 million were spent by the holding company and invested as follows: R\$ 3.9 million in machinery and equipment; R\$ 0.2 million and computer equipment and software; R\$ 0.3 million in buildings, land and improvements; and R\$ 1.8 million and other fixed assets. In the holding company and its subsidiaries, R\$ 15.6 million was invested, of which R\$ 12.2 million in Ciferal and R\$ 3.4 million in the other units.

CAPITAL MARKETS

- Performance of Marcopolo's Shares on the BM&FBovespa



* Amounts adjusted to the 100.0% bonus approved on 9/10/2010.

From July to September 2010, Marcopolo's preferred shares – POMO4 – increased in value by 18.6%, while the value of the IBOVESPA went up by 13.9%. In the past 12 months, POMO4 increased in value by 94.4%, considerably above the 12.9% rise in the value of the Ibovespa during the same period. In 3Q10, 37.3 million shares issued by Marcopolo were traded, with a volume of R\$ 307.9 million.

Indicators	3Q10	3Q09	9M10	9M09
Number of Transactions	47,319	17,421	99,239	44,021
Shares Traded (million)	37.3	43.2	90.8	93.6
Value Traded (R\$ million)	307.9	233.8	729.8	427.3
Market value (R\$ million) ⁽¹⁾	2,511.6	1,291.7	2,511.6	1,291.7
Existing Shares (thousands) ^{(2) (*)}	448.5	448.5	448.5	448.5
Equity per share (R\$) ^(*)	2.05	1.63	2.05	1.63
Price POMO4 at the end of the period ^(*)	5.60	2.88	5.60	2.88

Notes: ⁽¹⁾ Price on the Last Trade per share of registered preferred (PE), multiplied by the total number of shares (OE + PE) at standing during the same period; ⁽²⁾ Of this total, 689,500 preferred shares were held by the treasury on September 30, 2010; ^(*) The data has been updated to reflect the 100.0% bonus granted pursuant to a decision of the Board of Directors in a meeting held September 10, 2010.

OUTLOOK

Domestic Brazilian market demand continues to sustain the growth of the bus industry in the country. Exports, although still weak, are beginning to show signs of recovery, mainly for the countries of South America. Brazilian production annualized for the nine months of the year indicate a volume over 32,000 units for 2010.

The scenario continues to be positive for the growth of Marcopolo's sales for the next years in the present market. Demand potential is linked to the following factors:

- Renewal of financing via the BNDES at reduced rates (FINAME – PSI) through March/11;
- Renewal of the interstate and international highway concessions in 2011;
- A more disciplined competitive environment in the country;
- Entry into effect the EURO5 motor in 2012, which could generate advanced sales in 2011;
- Municipal elections in 2012, which normally speeds up the renewal of urban bus fleets;
- A new generation of Marcopolo buses (Generation 7);
- Expansion of the federal government's "School Route" Program;
- Sporting events in Brazil (The Confederations Cup in 2013, the World Cup in 2014 and the Olympic Games in 2016), which will require investments in public transportation, as well as tourism in the country.

It should be noted that the price increase pressure on the main raw materials should tend to be higher in 2011, mainly with regard to metallic commodities. The Company continues seeking greater operating efficiencies in order to reduce costs and maximize profits.

With regard to overseas units, it is important to mention the recovery of the Mexican market, which has been taking place on a gradual basis. Marcopolo's other units in Latin America also had notable results in the quarter, confirming the good performance over the course of this year. In India, production during the first nine months of 2010 was in line with the initial expectations of the Company. The same was true of GB Polo in Egypt.

As reported by the Company on August 9, 2010, our performance guidance for 2010 is: (i) to achieve consolidated net revenues of R\$ 2.8 billion; and (ii) to produce 26,500 buses, between the units in Brazil and those located overseas.

The Management.

BALANCE SHEETS

in thousands of reais

ASSETS	Consolidated	
	09/30/10	12/31/09
Current assets		
Cash and cash equivalents	607,328	498,972
Financial assets at fair value	61,539	37,438
Trade accounts receivable	718,784	701,260
Inventories	289,757	237,403
Taxes recoverable	134,913	93,228
Other accounts receivable	43,011	48,062
	1,855,332	1,616,363
Non-current assets		
Long-term receivables		
Related parties	-	102
Financial assets available for sale	171,523	-
Taxes recoverable	3,030	2,243
Deferred income tax and social contribution	59,414	54,956
Judicial Deposits	14,211	13,618
Trade accounts receivable	416,971	398,943
Other accounts receivable	8,920	14,390
Investments	22,362	20,114
Property, plant and equipment	309,247	282,278
Intangible assets	74,090	71,887
	1,079,768	858,531
TOTAL ASSETS	2,935,100	2,474,894
LIABILITIES AND STOCKHOLDERS' EQUITY	Consolidated	
	09/30/10	12/31/09
Current liabilities		
Suppliers	263,602	204,920
Loans and financing	242,269	372,898
Derivatives	769	6,906
Salaries and vacation pay	120,902	57,008
Taxes and contributions payable	126,389	41,303
Related parties	-	90
Advances from customers	35,986	19,573
Comissioned representatives	14,427	20,330
Interest on own capital and dividends	10,147	43,576
Management profit sharing	6,283	7,552
Other accounts payable	67,756	67,824
	888,530	841,980
Non-current liabilities		
Loans and financing	1,098,572	866,156
Provision for contingencies	12,907	27,149
Other accounts payable	8,250	936
	1,119,729	894,241
Stockholders' equity		
Capital	700,000	450,000
Capital reserves	(790)	(806)
Revenue reserves	232,578	290,145
Treasury stock	(2,538)	(2,427)
Carrying value adjustments	(10,063)	(7,054)
	919,187	729,858
Non-controlling Interest	7,654	8,815
	926,841	738,673
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	2,935,100	2,474,894

The consolidated financial statements including the notes to financial statements and the report of independent auditors - PRICEWATERHOUSECOOPERS - Auditores independentes - are available at the sites www.cvm.gov.br and www.bovespa.com.br.

STATEMENTS OF INCOME

in thousands of reais

ACCOUNTS	Consolidated			
	3Q10	3Q09	09/30/10	09/30/09
Net sales and service revenues	713,319	473,164	2,120,275	1,412,130
Cost of sales and services	(561,463)	(396,627)	(1,651,347)	(1,156,885)
Gross Profit	151,856	76,537	468,928	255,245
Operating expenses (income)				
Selling expenses	(36,934)	(30,185)	(124,432)	(100,004)
Management fees	(3,563)	(5,129)	(12,258)	(12,282)
Administrative expenses	(28,995)	(19,200)	(80,043)	(62,433)
Other operating expenses (income), net	(2,903)	(4,307)	17,905	9,544
Equity in the results of investees	2,023	582	4,934	1,193
Operating profit before financial income (expenses)	81,484	18,298	275,034	91,263
Financial income	52,101	60,467	154,627	163,318
Financial expenses	(31,506)	(51,173)	(105,110)	(136,377)
Financial result net	20,595	9,294	49,517	26,941
Income before taxation and profit sharing	102,079	27,592	324,551	118,204
Income tax and social contribution				
For the year	(34,497)	(11,317)	(115,759)	(26,712)
Deferred	(2,558)	(238)	4,369	(20,315)
Net income for the year	65,024	16,037	213,161	71,177
Net income per share - R\$	0.145	0.072	0.476	0.318

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CASH FLOWS

in thousands of reais

	Consolidated	
	09/30/10	09/30/09
Cash flows from operating activities		
Net income for the year	213,161	71,177
Adjustments to reconcile net income with cash generated by (used in) operating activities:		
Depreciation and amortization	25,032	30,595
Cost of fixed and intangible asset sales	9,646	4,476
Equity in the results of investees	(4,934)	(1,193)
Provision for credit losses	6,606	11,068
Deferred income tax and social contribution	(4,369)	20,315
Interest and appropriated exchange variations	33,005	(71,481)
Minority interest	(760)	256
Changes in assets and liabilities		
(Increase) decrease in trade accounts receivable	(41,251)	68,345
(Increase) decrease in other accounts receivable	(31,726)	84,234
(Increase) decrease in inventories	(52,919)	23,924
Increase (decrease) in short-term investment	(195,624)	2,413
Increase (decrease) in suppliers	58,158	7,682
Increase (decrease) in accounts payable	159,350	(66,814)
Net cash provided by (used in) operating activities	173,375	184,997
Cash flows from investing activities		
Investments	-	(348)
Related parties	12	(190)
Fixed assets variation	(52,289)	(69,647)
Intangible assets variation	(8,307)	(10,395)
Proceeds from sale of property, plant and equipment	(557)	(544)
Net cash used in investing activities	(61,141)	(81,124)
Cash flows from financing activities		
Loans and financing	554,015	714,598
Payment of loans	(439,263)	(521,465)
Payment of interest	(52,090)	(49,244)
Payment of dividends and interest on capital stock	(65,687)	(66,810)
Treasury stock	593	2,117
Net cash provided by (used in) financing activities	(2,432)	79,196
Foreign exchange variation on cash and cash equivalents		
	(1,446)	(4,411)
Cash and cash equivalents at the beginning of the year	498,972	416,077
Cash and cash equivalents at the end of the year	607,328	594,735
Net increase (decrease) in cash and cash equivalents	108,356	178,658

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