

STCP



# Accounts for the Financial Year and Appendices

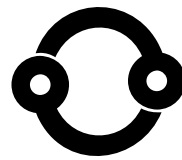
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**STCP**



# Accounts for the Financial Year and Appendices

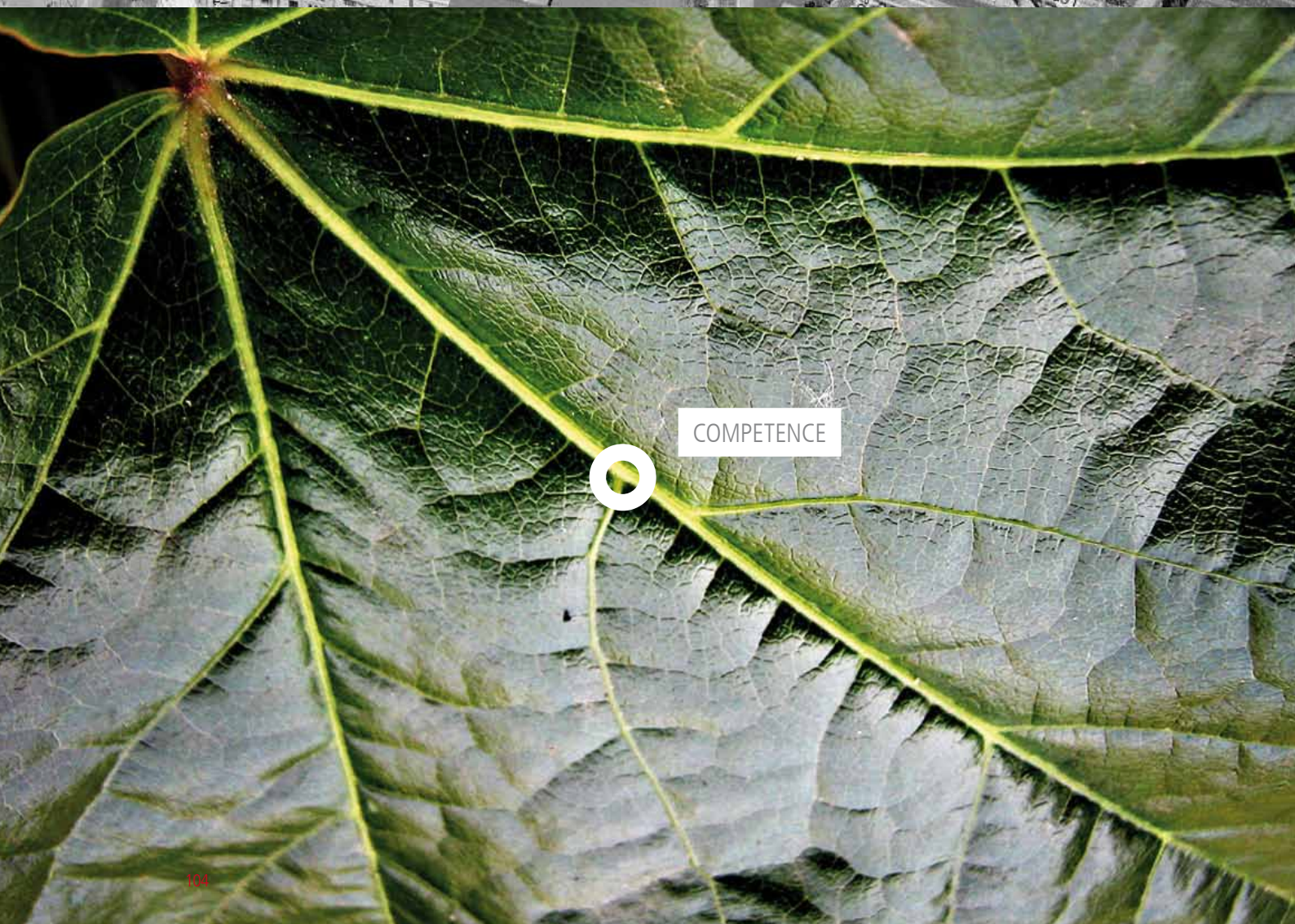
# 2010



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## 7. Accounts for the Financial Year

## Balance Sheet as at 31 December 2010

Assets		(amounts in euros)	
	Notes	2010	2009
<b>Non-current assets</b>		<b>102.624.296,41</b>	<b>96.947.782,43</b>
Tangible fixed assets	8	96.254.611,42	90.518.295,06
Investment properties	12	4.534.300,00	4.534.300,00
Goodwill			
Intangible assets	7	666.137,20	706.401,67
Biological assets			
Financial holdings - equity method	5, 14	434.247,79	453.785,70
Financial holdings - other methods	5, 15	25.000,00	25.000,00
Shareholders/Partners			
Other financial assets	28.1.2	710.000,00	710.000,00
Deferred tax assets			
<b>Current assets</b>		<b>12.121.540,42</b>	<b>14.002.109,85</b>
Inventories	19	698.968,54	683.516,33
Biological assets			
Customers	28.2.3	1.454.204,13	7.801.927,56
Advances to suppliers			
State and other public bodies	32	3.045.642,10	892.605,98
Shareholders/Partners			
Other accounts receivable	28.2.3, 33	5.410.028,68	4.028.419,32
Deferrals	34	343.710,48	400.073,57
Financial assets held for trading			
Other financial assets	28.1.2	59.461,61	
Non-current assets held for sale			
Cash and bank deposits	4	1.109.524,88	195.567,09
<b>Total assets</b>		<b>114.745.836,83</b>	<b>110.949.892,28</b>

Equity and Liabilities		(amounts in euros)	
Equity			
	Notes	2010	2009
Paid-up capital	28.4.1	79.649.000,00	79.649.000,00
Own shares (quotas)			
Other equity instruments			
Issue premiums			
Legal reserves	28.4.2	74.907,42	74.907,42
Other reserves	28.4.2	25.727,80	25.727,80
Retained earnings		-365.307.988,74	-342.042.468,39
Adjustments to financial assets	28.4.4	122.096,76	96.111,87
Revaluation surplus	28.4.3	45.960.129,43	46.373.157,83
Other changes in equity	23, 28.4.5	1.406.102,91	2.171.618,37
Net income for the period		-37.677.163,38	-23.652.563,86
<b>Total equity</b>		<b>-275.747.187,80</b>	<b>-237.304.508,96</b>
Liabilities			
<b>Non-current liabilities</b>		<b>283.003.362,30</b>	<b>315.526.491,41</b>
Provisions	22	4.599.763,02	4.596.312,75
Loans received	28.1.1,10	241.258.602,25	293.914.170,67
Post-employment benefit liabilities	29	929.257,00	865.021,00
Deferred tax liabilities			
Other accounts payable			
Other financial liabilities	28.1.3	36.215.740,03	16.150.986,99
<b>Current liabilities</b>		<b>107.489.662,33</b>	<b>32.727.909,83</b>
Suppliers	31	4.634.972,13	7.008.228,36
Advances from customers			
State and other public bodies	32	977.855,64	1.394.209,60
Shareholders/Partners			
Loans received	28.1.1,10	94.144.001,96	15.740.885,94
Other accounts payable	31, 33	6.779.328,66	7.640.586,05
Deferrals	34	882.612,00	897.716,54
Financial liabilities held for trading			
Other financial liabilities	28.1.3	70.891,94	46.283,34
Non-current liabilities held for sale			
<b>Total liabilities</b>		<b>390.493.024,63</b>	<b>348.254.401,24</b>
<b>Total equity and liabilities</b>		<b>114.745.836,83</b>	<b>110.949.892,28</b>



## Income Statement by Nature

Period ended on 31 December 2010

Income and Costs		(amounts in euros)	
	Notes	2010	2009
Sales and services	21	49.346.138,90	47.732.156,26
Operating grants	23	19.930.282,93	20.137.879,86
Gains/losses imputed to subsidiaries, associated companies and joint ventures	14	-19.537,91	18.576,37
Variation in production inventories	19	-193,09	-3.582,24
In-house works	7,8	33.294,45	136.311,80
Cost of goods sold and materials consumed	19	-1.421.071,04	-1.575.103,40
External supplies and services	35	-32.611.139,44	-31.603.203,89
Staff costs	36, 29	-39.999.492,59	-40.731.026,86
Impairment of inventories (losses/reversals)	19	-12.362,50	171.919,16
Impairment of debts receivable (losses/reversions)			
Provisions (increases/reductions)	22	-3.450,27	-358.288,94
Impairment of investments not subject to depreciation/amortisation (losses/reversals)			
Fair value increases/reductions	12		-2.491.077,27
Other income and gains	38	3.399.112,85	3.791.121,74
Other costs and losses	37	-1.367.897,18	-1.291.907,40
<b>Earnings before interest, taxes, depreciation and amortisation</b>		<b>-2.726.314,89</b>	<b>-6.066.224,81</b>
Costs/reversals of depreciation and amortisation	7,8	-6.527.901,47	-8.026.423,27
Impairment of investments subject to depreciation/amortisation (losses/reversals)	13		-1.809.910,65
<b>Net operating income (earnings before interest and taxes)</b>		<b>-9.254.216,36</b>	<b>-15.902.558,73</b>
Interest and similar income received	11, 28.1.3	4,02	2.717.699,34
Interest and similar expenses paid	11, 28.1.3	-28.383.141,88	-10.436.501,11
<b>Pre-tax profit</b>		<b>-37.637.354,22</b>	<b>-23.621.360,50</b>
Income tax for the period		-39.809,16	-31.203,36
<b>Net income for the period</b>	<b>28.4.6</b>	<b>-37.677.163,38</b>	<b>-23.652.563,86</b>

Certified Accountant number 6622

The Board of Directors  
Chairwoman  
Members

## Income Statement by Function

Period ended on 31 December 2010

Income and Costs		(amounts in euros)	
		2010	2009
Sales and services		69.276.421,83	67.870.036,12
Cost of the sales and services rendered		-66.407.389,99	-67.136.802,61
<b>Gross profit</b>		<b>2.869.031,84</b>	<b>733.233,51</b>
Other income		3.674.790,43	4.714.096,15
Distribution costs		-4.843.796,71	-5.069.040,41
Administrative costs		-7.921.731,52	-9.199.586,72
Research and development costs		-4.583,28	-9.916,38
Other costs		-3.027.927,12	-7.071.344,88
<b>Net operating income (earnings before interest and taxes)</b>		<b>-9.254.216,36</b>	<b>-15.902.558,73</b>
Financing costs (net)		-28.383.137,86	-7.718.801,77
<b>Pre-tax profit</b>		<b>-37.637.354,22</b>	<b>-23.621.360,50</b>
Income tax for the period		-39.809,16	-31.203,36
<b>Net income for the period</b>		<b>-37.677.163,38</b>	<b>-23.652.563,86</b>

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The Board of Directors  
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# Statement of Change in Equity

As at 31 December 2010

Amounts in euros

Description	Notes	Paid-up capital	Legal reserves	Other reserves	Retained earnings	Adjustments to financial assets	Revaluation surplus	Other changes in equity	Net income for the period	TOTAL
<b>Position at the Beginning of the Period of 2010</b>	<b>6</b>	79.649.000,00	74.907,42	25.727,80	-342.042.468,39	96.111,87	46.373.157,83	2.171.618,37	-23.652.563,86	-237.304.508,96
<b>Changes in the Period</b>										
First-time Adoption of the New Accounting Standards										
Alterations of Accounting Policies										
Conversion Differences of the Financial Statements										
Realisation of the Revaluation Surplus of Tangible and Intangible Fixed Assets	28.4.3				413.028,40		-413.028,40			
Revaluation Surplus of Tangible and Intangible Fixed Assets and Respective Changes	28.4.3									
Adjustments for Deferred Taxes										
Other Recognised Alterations in Equity					-23.678.548,75	25.984,89		-765.515,46	23.652.563,86	-765.515,46
	<b>7</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>-23.265.520,35</b>	<b>25.984,89</b>	<b>-413.028,40</b>	<b>-765.515,46</b>	<b>23.652.563,86</b>	<b>-765.515,46</b>
<b>Net Income for the Period</b>	<b>8</b>								<b>-37.677.163,38</b>	<b>-37.677.163,38</b>
<b>Comprehensive Net Income</b>	<b>9=7+8</b>								<b>-14.024.599,52</b>	<b>-38.442.678,84</b>
<b>Operations with Shareholders in the Period</b>										
Realisation of Capital										
Realisation of Issue Premiums										
Distributions										
Cash Entries for Coverage of Losses										
Other Operations										
	<b>10</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>Position at the End of the Period of 2010</b>	<b>6+7+8+10</b>	<b>79.649.000,00</b>	<b>74.907,42</b>	<b>25.727,80</b>	<b>-365.307.988,74</b>	<b>122.096,76</b>	<b>45.960.129,43</b>	<b>1.406.102,91</b>	<b>-37.677.163,38</b>	<b>-275.747.187,80</b>

# Statement of Change in Equity

As at 31 December 2009

Amounts in euros

Description	Notes	Paid-up capital	Legal reserves	Other reserves	Retained earnings	Adjustments to financial assets	Revaluation surplus	Other changes in equity	Net income for the period	TOTAL
<b>Position at the Beginning of the Period of 2009</b>	<b>1</b>	79.649.000,00	74.907,42	25.727,80	-298.205.466,71	26.464,11	16.264.033,10	3.209.860,07	-28.189.013,94	-227.144.488,15
<b>Changes in the Period</b>										0,00
First-time Adoption of the New Accounting Standards	2.4.2				-16.022.748,57		21.566.349,32	-482,59		5.543.118,16
Alterations of Accounting Policies										0,00
Conversion Differences of the Financial Statements										0,00
Realisation of the Revaluation Surplus of Tangible and Intangible Fixed Assets	28.4.3				397.552,26		-397.552,26			0,00
Revaluation Surplus of Tangible and Intangible Fixed Assets and Respective Changes	28.4.3						8.940.327,67			8.940.327,67
Adjustments for Deferred Taxes										0,00
Other Recognised Alterations in Equity					-28.211.805,37	69.647,76		-1.037.759,11	28.189.013,94	-990.902,78
	<b>2</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>-43.837.001,68</b>	<b>69.647,76</b>	<b>30.109.124,73</b>	<b>-1.038.241,70</b>	<b>28.189.013,94</b>	<b>13.492.543,05</b>
<b>Net Income for the Period</b>	<b>3</b>								<b>-23.652.563,86</b>	<b>-23.652.563,86</b>
<b>Comprehensive Net Income</b>	<b>4=2+3</b>								<b>4.536.450,08</b>	<b>-10.160.020,81</b>
<b>Operations with Shareholders in the Period</b>										
Realisation of Capital										
Realisation of Issue Premiums										
Distributions										
Cash Entries for Coverage of Losses										
Other Operations										
	<b>5</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>Position at the End of the Period of 2009</b>	<b>6=1+2+3+5</b>	<b>79.649.000,00</b>	<b>74.907,42</b>	<b>25.727,80</b>	<b>-342.042.468,39</b>	<b>96.111,87</b>	<b>46.373.157,83</b>	<b>2.171.618,37</b>	<b>-23.652.563,86</b>	<b>-237.304.508,96</b>

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# Cash Flow Statement

Period ended on 31 December 2010

(amounts in euros)			
	Notes	2010	2009
<b>Cash flow from operating activities - direct method</b>			
Receipts from customers		59.579.337,67	49.971.495,29
Payments to suppliers		-39.335.751,11	-40.453.433,87
Staff payments		-32.867.649,34	-33.614.857,38
<b>Cash generated by operations</b>		<b>-12.624.062,78</b>	<b>-24.096.795,96</b>
Payment/receipt of income tax		34.943,53	68.137,96
Other receipts/ payments		10.609.223,34	19.374.402,06
<b>Cash flow from operating activities (1)</b>		<b>-1.979.895,91</b>	<b>-4.654.255,94</b>
<b>Cash flow from investment activities</b>			
Payments relative to:			
Tangible fixed assets		-8.030.815,18	-1.085.622,95
Intangible assets		-108.673,45	-318.839,64
Financial investment		-260.056,12	-400.000,00
Other assets		0,00	0,00
		<b>-8.399.544,75</b>	<b>-1.804.462,59</b>
Receipts derived from:			
Tangible fixed assets		15.815,00	71.561,68
Intangible assets		0,00	0,00
Financial investment		0,00	0,00
Other assets		112.102,48	0,00
Investment grants		3.754,72	0,00
Interest and similar income		2,91	180.550,11
Dividends		0,00	47.090,69
		<b>131.675,11</b>	<b>299.202,48</b>
<b>Cash flow from investment activities (2)</b>		<b>-8.267.869,64</b>	<b>-1.505.260,11</b>
<b>Cash flow from financing activities</b>			
Receipts derived from:			
Loans received		48.610.000,00	351.187.000,00
Realisation of capital and other equity instruments		0,00	0,00
Coverage of losses		0,00	0,00
Donations		0,00	0,00
Other financing operations		0,00	0,00
		<b>48.610.000,00</b>	<b>351.187.000,00</b>
Payments relative to:			
Loans received		-40.810.000,00	-320.325.006,37
Interest and similar costs		-8.395.320,00	-8.843.340,97
Dividends		0,00	0,00
Reductions of capital and other equity instruments		0,00	0,00
Other financing operations		-2.646.830,86	-2.076.957,65
		<b>-51.852.150,86</b>	<b>-331.245.304,99</b>
<b>Cash flow from financing activities (3)</b>		<b>-3.242.150,86</b>	<b>19.941.695,01</b>
<b>Variation in cash and cash equivalent (1+2+3)</b>		<b>-13.489.916,41</b>	<b>13.782.178,96</b>
Cash and cash equivalent at the beginning of the period		-4.962.966,14	-18.745.145,10
Cash and cash equivalent at the end of the period	4	-18.452.882,55	-4.962.966,14
<b>Cash and cash equivalent</b>			
		<b>2010</b>	<b>2009</b>
Cash		54.204,36	60.069,72
Demand bank deposits		1.055.320,52	135.497,37
Cash investments		0,00	0,00
Cash and cash equivalent in the balance sheet		1.109.524,88	195.567,09
Bank overdrafts		-19.562.407,43	-5.158.533,23
Cash and cash equivalent in the cash flow statement		-18.452.882,55	-4.962.966,14

Certified Accountant number 6622

The Board of Directors  
Chairwoman  
Members

# Notes to the Financial Statements

## Period ended on 31.12.2010

(Amounts in euros)

### 1. Introductory Note

Sociedade de Transportes Colectivos do Porto, S.A. was instituted by Decree-Law 202/94 of 23 July, as a public limited liability company of exclusively public capital, having succeeded Serviço de Transportes Colectivos do Porto, created by Decree-Law 38144, of 30 December 1950. Its head office is at Avenida Fernão de Magalhães, 1862 - 13th floor, in Porto.

Sociedade de Transportes Colectivos do Porto, S.A. ensures the delivery of the public road transport of passengers on an exclusive basis within the limits of the municipality of Porto, and on a general competitive basis in the adjoining municipalities - Matosinhos, Maia, Valongo, Gondomar and Vila Nova de Gaia – within the Metropolitan Area of Porto. STCP mainly operates buses and, to a lesser extent, trams.

Under the implementation in 2008 of an Integrated Management System for the Environment, Quality and Safety and Health at Work (SIG-QAS) with STCP having received the respective certifications of the standards NP EN ISO 9001:2008-Quality, NP EN ISO 14001:2004-Environment and OHSAS 18001:2007-Security and Health, the Annual Monitoring Inspections of the Certification of the Integrated Management System took place during 2009 and 2010, carried out by a team of APCER auditors. Following the Annual Monitoring Inspections the certification attributed in 2008 was maintained.

In 2009, Sociedade de Transportes Colectivos do Porto, S.A. began all the preparations with a view to the installation of a new integrated management system for the administrative services of all the areas of the company. The new system, awarded to the company PRIMAVERA, replaced the SAP Management System in January 2010. In 2010, the work on the implementation of this system began at the same time as the start-up of its use, implying that this was a project of continuous improvement whenever deficiencies were detected and/or functionalities were found to be missing during its actual use. It is expected that this project will be concluded in 2011.

In 2009, Sociedade de Transportes Colectivos do Porto, S.A. signed contracts for the acquisition of 35 new public service vehicles, 15 double-decker buses and 20 articulated buses, involving an investment above 11 million euros. The vehicles are equipped with diesel engines, in accordance with the Euro V standard for articulated buses and EEV standard for double-decker buses.

In 2010, the 20 articulated buses were received having started operating in September. The 15 double-decker buses were received at the end of 2010, and began operating early in 2011.

In April 2009, STCP amortised a Schuldschein loan of 25,000 thousand euros and, in November, amortised a debenture loan of 29,000 thousand euros. Both loans had begun in 2002 and were backed by the Portuguese State.

In October 2009, Sociedade de Transportes Colectivos do Porto, S.A. issued a debenture loan of 120,000 thousand euros at five years, guaranteed by the Portuguese State. The bonds were listed for trading on Euro-next Lisbon. This loan met the objective of re-balancing the company's debt structure, by consolidating part of the short term liabilities.



In 2010, the funding was received for the acquisition of 20 articulated vehicles of the value of 5,698 thousand euros, through a financial leasing contract.

The attached financial statements are prepared in euros. Foreign operations are included in the financial statements in accordance with the policies described in point 3.8.

## 2. Accounting standards for the preparation of the financial statements

### 2.1. Accounting standards adopted

The attached financial statements were prepared under the provisions in force in Portugal established in Decree-Law 158/2009, of 13 July (rectified), and in accordance with the conceptual structure, accounting and financial reporting standards and consigned interpretative standards, respectively, in notices 15652/2009, 15655/2009 and 15653/2009, of 27 August 2009.

### 2.2. Derogations to the adopted accounting standards

Not applicable.

### 2.3. Non-comparable contents of the accounts

Not applicable.

### 2.4. First-time adoption of the NCRF: transitory disclosures.

The first-time adoption of the International Financial Reporting Standards (hereinafter designated NCRF), implied the adjustment of the following accounting policies:

- Valuation of the tangible fixed assets: annulment of the revaluation of the tangible fixed assets made in accordance with the fiscal criteria so that the initial valuation of the assets is their pure historical cost. This was followed by the revaluation of the group of buildings and land, with the reference date of 01.01.2009, to their fair value, based on the assessment made by independent and accredited experts (CPU Consultores de Avaliação, Lda.) and which was reflected in the separate accounts of STCP under IAS/IFRS reporting;
- Derecognition of tangible and intangible fixed assets: annulment, against the accumulated net income, of all the tangible and intangible assets which do not meet the criteria for recognition established in the Conceptual Structure and NCRF 6 and 7;
- Non-repayable grants related to tangible and intangible fixed assets: reclassification to equity, in accordance with the provisions in NCRF 22;
- Loans received: in accordance with NCRF 27 loans are now valued at their amortised cost, which implied the necessary adjustments and reclassifications in order to comply with the standard provisions;

- Exceptional net income: the exceptional costs and income headings, established in the POC (Portuguese Official Accounting Plan), were reclassified in accordance with their nature under operating losses, costs, income and gains;
- Financial holdings in associated companies: the application of the equity method, pursuant to the provisions in NCRF 13, led to alterations in the accounting value of the associated companies, which were then reflected in the respective valuation adjustments;
- Cash flow statement: the adjustments which were made were not significant since they involve the reclassification of the exceptional payments and receipts to operating payments and receipts.

The transition adjustments made are in conformity with NCRF 3 and are detailed as follows:

## 2.4.1. . Balance Sheet

Assets	1-Jan-09			31-Dec-09		
	SNC	Transition adjustments	POC	SNC	Transition adjustments	POC
<b>Non-current assets</b>	<b>98.445.291,94</b>	<b>22.677.113,00</b>	<b>75.768.178,94</b>	<b>96.947.782,43</b>	<b>27.396.680,03</b>	<b>69.551.102,40</b>
Tangible fixed assets	97.656.203,63	22.675.805,78	74.980.397,85	90.518.295,06	22.861.076,54	67.657.218,52
Investment properties	0,00	0,00	0,00	4.534.300,00	4.534.300,00	0,00
Intangible assets	18.878,98	0,00	18.878,98	706.401,67	-3,73	706.405,40
Financial holdings - equity method	435.209,33	1.307,22	433.902,11	453.785,70	1.307,22	452.478,48
Financial holdings - other methods	25.000,00	0,00	25.000,00	25.000,00	0,00	25.000,00
Other financial assets	310.000,00	0,00	310.000,00	710.000,00	0,00	710.000,00
<b>Current assets</b>	<b>16.325.459,48</b>	<b>-10.342,25</b>	<b>16.335.801,73</b>	<b>14.002.109,85</b>	<b>14.164,15</b>	<b>13.987.945,70</b>
Inventories	738.916,64	-10.342,25	749.258,89	683.516,33	14.164,15	669.352,18
Customers	5.920.137,08		5.920.137,08	7.801.927,56		7.801.927,56
State and other public bodies	2.695.726,64		2.695.726,64	892.605,98		892.605,98
Shareholders/Partners	47.090,69	0,00	47.090,69	0,00	0,00	0,00
Other accounts receivable	6.427.190,92		6.427.190,92	4.028.419,32		4.028.419,32
Deferrals	160.868,90	0,00	160.868,90	400.073,57	0,00	400.073,57
Other financial assets	50.537,50	0,00	50.537,50	0,00	0,00	0,00
Cash and bank deposits	284.991,11	0,00	284.991,11	195.567,09	0,00	195.567,09
<b>Total assets</b>	<b>114.770.751,42</b>	<b>22.666.770,75</b>	<b>92.103.980,67</b>	<b>110.949.892,28</b>	<b>27.410.844,18</b>	<b>83.539.048,10</b>

	1-Jan-09			31-Dec-09		
Equity and liabilities	SNC	Transition adjustments	POC	SNC	Transition adjustments	POC
Paid-up capital	79.649.000,00	0,00	79.649.000,00	79.649.000,00	0,00	79.649.000,00
Legal reserves	74.907,42	0,00	74.907,42	74.907,42	0,00	74.907,42
Other reserves	25.727,80	0,00	25.727,80	25.727,80	0,00	25.727,80
Retained earnings	-314.228.215,28	-16.022.748,57	-298.205.466,71	-342.042.468,39	1.350.932,16	-343.393.400,55
Adjustments to financial assets	26.464,11	0,00	26.464,11	96.111,87	0,00	96.111,87
Revaluation surplus	37.830.382,42	21.566.349,32	16.264.033,10	46.373.157,83	30.233.857,42	16.139.300,41
Other changes in equity	3.209.377,48	-482,59	3.209.860,07	2.171.618,37	-5.537,23	2.177.155,60
Net income for the period	-28.189.013,94	0,00	-28.189.013,94	-23.652.563,86	-4.152.456,68	-19.500.107,18
<b>Net income for the period</b>	<b>-221.601.369,99</b>	<b>5.543.118,16</b>	<b>-227.144.488,15</b>	<b>-237.304.508,96</b>	<b>27.426.795,67</b>	<b>-264.731.304,63</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>	<b>198.274.226,48</b>	<b>17.057.533,98</b>	<b>181.216.692,50</b>	<b>315.526.491,41</b>	<b>16.077.516,34</b>	<b>299.448.975,07</b>
Provisions	4.238.023,81	0,00	4.238.023,81	4.596.312,75	0,00	4.596.312,75
Loans received	176.075.954,08	-66.118,61	176.142.072,69	293.914.170,67	-73.470,65	293.987.641,32
Post-employment benefit liabilities	836.596,00	0,00	836.596,00	865.021,00	0,00	865.021,00
Other financial liabilities	17.123.652,59	17.123.652,59	0,00	16.150.986,99	16.150.986,99	
<b>Current liabilities</b>	<b>138.097.894,93</b>	<b>66.118,61</b>	<b>138.031.776,32</b>	<b>32.727.909,83</b>	<b>-16.093.467,83</b>	<b>48.821.377,66</b>
Suppliers	9.590.564,31		9.590.564,31	7.008.228,36		7.008.228,36
State and other public bodies	990.742,70		990.742,70	1.394.209,60		1.394.209,60
Loans received	118.249.679,29	66.118,61	118.183.560,68	15.740.885,94	57.519,16	15.683.366,78
Other accounts payable	8.309.555,42		8.309.555,42	7.640.586,05		7.640.586,05
Deferrals	957.353,21	0,00	957.353,21	897.716,54	0,00	897.716,54
Other financial liabilities	0,00	0,00	0,00	46.283,34	-16.150.986,99	16.197.270,33
<b>Total liabilities</b>	<b>336.372.121,41</b>	<b>17.123.652,59</b>	<b>319.248.468,82</b>	<b>348.254.401,24</b>	<b>-15.951,49</b>	<b>348.270.352,73</b>
<b>Total equity and liabilities</b>	<b>114.770.751,42</b>	<b>22.666.770,75</b>	<b>92.103.980,67</b>	<b>110.949.892,28</b>	<b>27.410.844,18</b>	<b>83.539.048,10</b>

## 2.4.2. Retained earnings

Account 56 - Retained Earnings	1-Jan-09	31-Dec-09
<b>Balance pursuant to the POC accounting standards</b>	<b>-298.205.466,71</b>	<b>-343.393.400,55</b>
Use for the year of the SNC revaluation reserve to cover losses		397.552,26
Annulment of the POC revaluation reserve	1.727.182,23	1.602.449,54
Recognised impairment of tangible fixed assets	-617.725,77	-617.725,77
Derecognition of tangible and intangible fixed assets	482,59	482,59
Adjustments - adoption of the amortised cost method	0,00	46.856,33
Adjustments - adoption of the fair value of financial instruments	-17.123.652,59	0,00
Adjustments - equity method	1.307,22	-68.340,54
Adjustments - impairment of inventories	-10.342,25	-10.342,25
<b>Total adjustments made</b>	<b>-16.022.748,57</b>	<b>1.350.932,16</b>
<b>Balance pursuant to the current accounting standards (SNC)</b>	<b>-314.228.215,28</b>	<b>-342.042.468,39</b>

### 2.4.3. Income statement by nature

Income and Costs	31 Dec-09		
	SNC	Transition adjustments	POC
Sales and services	47.732.156,26		47.732.156,26
Operating grants	20.137.879,86		20.137.879,86
Gains/losses imputed to subsidiaries, associated companies and joint ventures	18.576,37		18.576,37
Variation in production inventories	-3.582,24		-3.582,24
In-house works	136.311,80		136.311,80
Cost of goods sold and materials consumed	-1.575.103,40		-1.575.103,40
External supplies and services	-31.603.203,89	-1.725,78	-31.601.478,11
Staff costs	-40.731.026,86	1.725,78	-40.732.752,64
Impairment of inventories (losses/reversals)	171.919,16	24.506,40	147.412,76
Provisions (increases/reductions)	-358.288,94	0,00	-358.288,94
Fair value increases/reductions	-2.491.077,27	-2.491.077,27	0,00
Other income and gains	3.791.121,74	-298.170,36	4.089.292,10
Other costs and losses	-1.291.907,40	462.603,99	-1.754.511,39
<b>Earnings before interest, taxes, depreciation and amortisation</b>	<b>-6.066.224,81</b>	<b>-2.302.137,24</b>	<b>-3.764.087,57</b>
Costs/reversals of depreciation and amortisation	-8.026.423,27	80.227,38	-8.106.650,65
Impairment of investments subject to depreciation/amortisation (losses/reversals)	-1.809.910,65	-1.809.910,65	0,00
<b>Net operating income</b>	<b>-15.902.558,73</b>	<b>-4.031.820,51</b>	<b>-11.870.738,22</b>
Interest and similar income received	2.717.699,34	372.872,76	2.344.826,58
Interest and similar expenses paid	-10.436.501,11	-493.508,93	-9.942.992,18
<b>Pre-tax profit</b>	<b>-23.621.360,50</b>	<b>-4.152.456,68</b>	<b>-19.468.903,82</b>
Income tax for the period	-31.203,36	0,00	-31.203,36
<b>Net income for the period</b>	<b>-23.652.563,86</b>	<b>-4.152.456,68</b>	<b>-19.500.107,18</b>

### 2.4.4. Income statement by function

Income and Costs	31 Dec-09		
	SNC	Transition adjustments	POC
Sales and services	67.870.036,12	0,00	67.870.036,12
Cost of the sales and services rendered	-67.136.802,61	0,00	-67.136.802,61
<b>Gross profit</b>	<b>733.233,51</b>	<b>0,00</b>	<b>733.233,51</b>
Other income	4.714.096,15	270.955,94	4.443.140,21
Distribution costs	-5.069.040,41	0,00	-5.069.040,41
Administrative costs	-9.199.586,72	-726.379,17	-8.473.207,55
Research and development costs	-9.916,38	-0,01	-9.916,37
Other costs	-7.071.344,88	-3.576.397,27	-3.494.947,61
<b>Net operating income (earnings before interest and taxes)</b>	<b>-15.902.558,73</b>	<b>-4.031.820,51</b>	<b>-11.870.738,22</b>
Financing costs (net)	-7.718.801,77	-120.636,17	-7.598.165,60
<b>Pre-tax profit</b>	<b>-23.621.360,50</b>	<b>-4.152.456,68</b>	<b>-19.468.903,82</b>
Income tax for the period	-31.203,36	0,00	-31.203,36
<b>Net income for the period</b>	<b>-23.652.563,86</b>	<b>-4.152.456,68</b>	<b>-19.500.107,18</b>



## 3. Main accounting policies

The main accounting policies adopted in the preparation of the attached financial statements are as follows:

### 3.1. Basis of presentation

The attached financial statements were prepared under the assumption of the continuity of the operations, based on STCP's accounting ledgers and records, kept in accordance with the generally accepted accounting principles.

### 3.2. Financial investments

Investments in subsidiaries, jointly controlled companies and associated companies are recorded through the equity method. Pursuant to the equity method, financial holdings are recorded initially at their acquisition cost and are adjusted subsequently in accordance with the alterations which occur, after their acquisition, in the share of the financial holding in the net assets of the corresponding entities. The net income includes its respective portion in the net income of these entities.

Any excess of the cost of acquisition over the fair value of the identifiable assets and liabilities of each acquired entity, on the acquisition date, is recognised as goodwill and is maintained in the value of the financial investment. If the differential between the acquisition cost and fair value of the acquired net assets and liabilities is negative, this value is recognised as income for the year.

An assessment is made on an annual basis of the financial investments when there are indications that the asset may be impaired, with any impairment losses which are shown to exist being recognised as costs in the income statement. When impairment losses, which have been recognised in the previous year, no longer exist, they are reversed.

When the amount of the stake of the company in the accumulated losses of the participant exceed the value for which the investment is recorded, the investment is reported at null value, unless the company has assumed commitments to cover the losses of the associated company, in which case a provision is recorded to meet these obligations.

Unrealised gains in transactions with subsidiaries, jointly controlled companies and associated companies are eliminated in proportion to the interest of the participant in them, against the corresponding heading of the investment in the participated company. Likewise, unrealised losses are also eliminated, but only to the extent that the loss is not the result of a situation where the transferred asset is impaired.

### 3.3. Business combinations

Acquisitions of subsidiaries and businesses are recorded through the acquisition method. The corresponding cost is determined as the aggregate, on the acquisition date, of:

- Fair value of the assets which have been or are to be delivered;
- Fair value of the liabilities which have been incurred or assumed;

- Fair value of own equity instruments issued by the company in exchange of control over the subsidiary; and
- Costs directly attributable to the acquisition.

When applicable, the cost of the business combination or acquisition includes the effect of contingent payments agreed under the transaction. Any subsequent alterations in these payments are recorded against the corresponding goodwill.

In the event of the initial recognition of an acquisition not being concluded by the end of the reporting period in which it occurred, the company reports provisional amounts for the items whose recognition is incomplete. These provisional amounts may be adjusted during a period of 12 months counting from the acquisition date.

### **3.4. Non-current assets held for sale**

Non-current assets or groups for disposal are classified as held for sale when their book value is essentially recovered through a sale and not through its continued use. This condition applies only when its sale is highly probable and the non-current assets or groups for disposal are available for immediate sale in their present conditions. The corresponding sale must be concluded within a period of one year, counting from the date of the classification of the non-current assets or groups for disposal as available for sale.

When the group is committed to a plan to sell a subsidiary which involves the loss of control over it, all the assets and liabilities of that subsidiary are classified as held for sale, provided that the requirements referred to in the previous paragraph are met, even if the company retains some minority interest in the subsidiary after the sale.

Non-current assets or groups for disposal classified as held for sale are measured at the lowest amount between their book value before the classification and their fair value minus the costs related to their sale.

Non-current assets or groups for disposal held for sale should not be the object of depreciation or amortisation.

### **3.5. Revenue**

Revenue is measured at the fair value of the retribution which has been or will be received, taking into consideration the value of any commercial discounts and quantities granted by the entity. The difference between the fair value and the nominal value of the retribution is recognised as revenue from interest. Revenue arising from the sale of goods is recognised when all the following conditions have been met:

- All the risks and advantages of the ownership of the goods are transferred to the buyer;
- The company does not maintain any control over the sold goods;
- The value of the revenue can be measured reliably;
- It is probable that the future economic benefits associated to the transaction will flow into the company;
- The costs incurred or to be incurred with respect to the transaction can be measured reliably.

Revenue arising from the provision of services is recognised in accordance with the percentage completion of the transaction on the reporting date, provided that all the following conditions have been met:

- The value of the revenue can be measured reliably;
- It is probable that the future economic benefits associated to the transaction will flow into the company;
- The costs incurred or to be incurred with respect to the transaction can be measured reliably;
- The percentage completion of the transaction on the reporting date can be measured reliably.

Revenue arising from royalties is recognised on an accrual basis, in accordance with the substance of the corresponding contracts, provided that it is likely that economic benefits will flow into the company and their value can be measured reliably.

The revenue from interest is recognised using the effective interest rate method, provided that it is likely that economic benefits will flow into the company and their value can be measured reliably.

Revenue arising from dividends must be recognised when the right of the company to receive the corresponding value has been established.

### **3.6. Construction contracts**

Not applicable.

### **3.7. Leases**

Leases are classified as financial or operating leases according to the substance of the contracts in question and not their form. Lease contracts are classified as:

- Financial leases: if all the risks and advantages inherent to the possession of the leased asset are substantially transferred through them, or as:
- Operating leases: if all the risks and advantages inherent to the possession of the leased asset are not substantially transferred through them.

Assets acquired through financial leasing contracts, as well as the corresponding liabilities, are recorded at the beginning of the leasing at the lowest amount between the fair value of the assets and the present value of the minimum payments of the lease. Financial lease payments are divided between financial costs and reduction of the liability, in order to obtain a constant interest rate over the outstanding balance of the liability.

Operating lease payments are recognised as a cost, on a straight line basis, during the lease period. Any incentives which have been received are recorded as a liability, with their aggregate value being recognised as a reduction of the cost related to the lease, also on a straight line basis. Contingent rents are recognised as costs for the period in which they are incurred.

### **3.8. Foreign currency transactions and balances**

Transactions in foreign currency are recorded initially at the exchange rate of the dates of the transactions.

On each reporting date, the book values of the monetary items denominated in foreign currency are updated to the exchange rates of that date.

Any currency conversion differences arising from the updates referred to above are recorded through profit or loss for the period when they are generated.

The volume of transactions of the company in currency other than the functional currency (euro) is practically nonexistent and immaterial.

### **3.9. Financial costs related to loans received**

Financial costs related to loans received are recognised as costs in the financial statement for the year when they are incurred, in accordance with the accrual principle.

The financial costs of loans received related to the acquisition, construction or production of assets which may be qualified as such (tangible fixed assets in progress) are capitalised, and are an integral part of the cost of the asset. The capitalisation of these financial costs begins when expenses start to be incurred relative to the asset and when the activities required to prepare the asset for its intended use or sale are in progress. This capitalisation ceases when all the activities required to prepare the asset for its intended use or sale have been concluded substantially. The capitalisation is suspended during extensive periods when the development of the abovementioned activities is interrupted.

Any income generated by loans received, related in advance to a specific investment, are deducted from the financial costs eligible for capitalisation.

### **3.10. Government grants**

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

Any benefit arising from a Government financing (or equivalent) at an interest rate lower than that of the market is treated as a Government grant, and is measured as the difference between the value received and the fair value of the loan determined based on market interest rates.

Non-repayable Government grants related to tangible and intangible fixed assets are initially recorded in equity under the heading Other changes in equity - grants, and are subsequently imputed in a systematic manner to profit or loss as income, during the period of useful life of the respective assets.

Other Government grants are, in general, recognised as income in a systematic manner during the periods required to balance them with the cost they are supposed to compensate. Government grants intended to compensate losses that have already been incurred or which do not have associated future costs, are recognised as income for the period when they become receivable.

STCP is subject to an administrative price system, which implies the attribution by the government of compensatory indemnities, which are not re-payable, in order to partially fund its operations in compliance with its public service duties. STCP follows the criteria of recording the compensatory indemnities as operating grants for the year when they are attributed.



### 3.11. Post-retirement benefits

For the defined benefits plans, the corresponding cost is determined through the projected unit credit method, where the actuarial assessments are made on each reporting date.

The liability related to the payment of supplementary pensions, recognised on the balance sheet date, represents the present value of the liabilities related to defined benefits plans, adjusted for actuarial gains or losses and the cost of past service that have not been recognised and deducting the fair value of the net assets of the pensions fund, constituted for the effect. The costs related to past liabilities are recognised immediately through profit or loss, to the extent that the benefits have already been totally acquired.

### 3.12. Payments based on shares

Not applicable.

### 3.13. Income tax

Income tax corresponds to the sum of current tax and deferred tax. However, since the company has no forecasted future profit, it cannot forecast the recovery of the losses which have been accumulated up to date. Therefore, it does not recognise any deferred tax assets or liabilities, since there is no forecast possibility of deduction of future tax profits from the tax losses reported up to date.

### 3.14. Tangible fixed assets

Tangible fixed assets are recorded initially at acquisition cost, including the expenses imputable to the purchase (any costs directly attributable to the activities necessary to place the assets at the location and in the condition required for their operation in the intended manner) and, when applicable, the initial estimate of the costs related to the dismantling and removal of the assets and restoration of the respective places of the locations which are expected to be incurred.

Land and buildings are recorded subsequently based on the revaluation model. According to this model, the tangible fixed asset is presented at its fair value on the revaluation date minus the respective accumulated amortisations and impairment losses. The fair value of the land and buildings was determined based on the assessment made by specialised and independent valuers (CPU Consultores de Avaliação, Lda.) as at 31 December 2009 (the previous assessment referred to 1 January 2004) and will be reviewed periodically or whenever there are indications that its fair value differs significantly from the book value of the assets.

The resulting exchange rate differences are recorded in the equity under the heading "Surplus revaluation of fixed assets, unless there is a decrease recognised previously through profit or loss. Reductions resulting from revaluation are recorded directly under the heading Surplus revaluation up to the concurrence of any creditor balance of the revaluation surplus of the same asset. Any surplus of the reductions relative to this creditor balance is recognised through profit or loss. When the revalued asset is derecognised, the revaluation surplus, included in the equity associated to the asset, is not reclassified through profit or loss.

On an annual basis, the revaluation surplus of tangible and intangible fixed assets is transferred to accumulated net income according to whether it is used, written-off or disposed of. Therefore, the value of the surplus to be transferred will be the difference between the depreciation based on the revalued book value of the asset and the depreciation based on the original cost of the asset.

The rest of the tangible fixed assets are recorded at acquisition or production cost, minus accumulated amortisations and any accumulated impairment losses.

Tangible fixed assets are amortised in accordance with the straight line method, in twelfths, according to the useful life estimated for each group of assets, as of the time when the asset is in conditions to be used.

The useful lives and method of amortisation of the different goods are reviewed annually. The effect of any alteration to these estimates is recognised in the income statement prospectively.

The amortisation rates used correspond to the following estimated periods of useful life:

Tangible fixed asset headings	Until 1988	1989 and 90	1991 to 01	2002 to 10
Buildings and other constructions	8 a 100	10 a 100	10 a 50	10 a 50
Basic equipment	5 a 56	5 a 12	5 a 12	3 a 20
Transport equipment	7 a 25	5 a 12	5 a 12	4 a 12
Administrative equipment	6 a 10	3 a 10	3 a 10	3 a 10
Other tangible fixed assets	-	-	10	4 a 10

Maintenance and repair costs (subsequent expenditure) which are not capable of generating future economic benefits are recorded as costs for the period in which they are incurred.

The gain (or loss) arising from the disposal or write-off of a tangible fixed asset is determined as the difference between the amount received in the transaction and the book value of the asset, and is recognised through profit or loss in the period when the disposal takes place, being recorded in the income statement as: Income and gains from non-financial investments or Costs and losses from non-financial investments.

### 3.15. Investment properties

Investment properties essentially comprise of real estate held to obtain rents or capital appreciation, and are not intended for use in the production or supply of goods or services, for administrative purposes or for sale in normal business activities. Investment properties are recorded initially at acquisition cost, including all the expenses imputable to the purchase with the subsequent use of the fair value model.

The fair value of the investment properties is determined based on the assessment made by specialised and independent valuers (CPU Consultores de Avaliação, Lda.). Variations in the fair value of the investment properties are recognised directly in the income statement for the year under the heading Fair value increases/reductions.

The costs incurred in relation to investment properties in use, namely maintenance, repair, insurance and property taxes, are recognised as a cost for the year to which they refer. Any improvements which are expected to create future economic benefits are capitalised under the heading Investment property.

### 3.16. Intangibles

Intangible assets are recognised only if it is likely that future economic benefits will arise thereof to the company and if the company can, reasonably, control their value. Expenditure related to research activities is recorded as costs for the period in which they are incurred.

Intangible assets acquired separately are recorded at acquisition or production cost, minus accumulated amortisation and impairment losses. The amortisation is recognised on a straight line basis during the estimated useful life of the intangible assets. The useful lives and method of amortisation of the different assets are reviewed annually. The effect of any alteration to these estimates is recognised in the income statement prospectively.

Intangible assets generated internally arising from expenditure on project development are recognised only if all the following conditions are complied with and proved to be met:

- Existence of technical viability to conclude the intangible asset so that it is available for use or sale;
- Existence of the intention to conclude the intangible asset and use or sell it;
- Existence of capacity to use or sell the intangible asset;
- The intangible asset is capable of generating future economic benefits;
- Existence of the availability of adequate technical and financial resources to conclude the development of the intangible asset and use or sell it;
- Possibility of the reliable measurement of the expenditure associated to the intangible asset during their development phase.

The initially recognised value of the intangible asset, generated internally, consists of the sum of the expenditure incurred after the date when the conditions described above are met. When these conditions are not met, the expenditure incurred during the development phase is recorded as costs for the period.

Intangible assets essentially comprise of development expenditure, where the criteria for the recognition of the assets are met, expenses related to industrial property, commercial rights and other rights.

Intangible assets generated internally are recorded at acquisition cost, minus accumulated amortisation and impairment losses. The amortisation is recognised on a straight line basis during the estimated useful life of the intangible assets. The useful lives and method of amortisation of the intangible assets are reviewed annually. The effect of any alteration to these estimates is recognised in the income statement prospectively.

Intangible assets (independently of the way in which they are acquired or generated) with an undefined useful life are not subject to amortisation, but rather to impairment tests on an annual basis, or else, whenever there is indication that they might be impaired.

### 3.17. Impairment of tangible and intangible fixed assets excluding goodwill

On each reporting date a review is made of the book values of the company's tangible and intangible fixed assets with a view to determining if there is any indication that they might be impaired. If any indication exists, an estimate is made of the recoverable value of the respective assets so as to determine the extent of

the impairment loss. When it is not possible to determine the recoverable value of an individual asset, an estimate is made of the recoverable value of the unit generating the cash flow to which this asset belongs.

The recoverable value of the asset or unit generating the cash flow to which this asset belongs consists of the highest value between:

- The fair value minus the costs of its sale and
- the value of its use.

In the determination of the value of its use, the estimated future cash flows are discounted using a pre-tax discount rate which reflects market expectations on the time value of money and the specific risks of the asset or unit generating the cash flow, relative to which the estimated future cash flow has been adjusted.

Whenever the book value of the asset or unit generating the cash is greater than its recoverable value, an impairment loss is recognised. The impairment loss is recorded immediately in the income statement, under the heading Impairment losses, unless this loss compensates a revaluation surplus recorded in the equity. In this last case, the loss will be treated as decrease of revaluation.

A reversal of impairment losses, recognised in previous years, is recorded when there is evidence that the recognised impairment losses no longer exist or have decreased. A reversal of impairment losses is recognised immediately in the income statement under the heading Reversal of impairment losses. The reversal of the impairment loss is made up to the amount that would have been recognised (net of amortisation) if the impairment loss had not been recorded.

### **3.18. Inventories**

Inventories are recorded at the lowest value between the acquisition cost and the net realisable value. The net realisable value represents the estimated sales price minus all the estimated costs required to conclude the inventories and carry out their sale.

Subsidiary raw materials and consumables are stated at acquisition cost, using the average cost as the costing method.

### **3.19. Provisions**

Provisions are recognised only when the company has a present obligation (legal or implicit) arising from a past event. It is likely that in order to settle this obligation there will be an outflow of resources and the amount of the obligation can be estimated reasonably.

The recognised amount of the provisions consists of the present value of the best estimate on the reporting date of the resources required to settle the obligation. This estimate is determined taking into consideration the risks and uncertainties associated to the obligation.

Provisions are reviewed on each reporting date and adjusted to reflect the best estimate of its fair value on that date.

Present obligations arising from onerous contracts are recorded and measured as provisions. An onerous contract exists whenever the company is an integral part of the provisions of an agreement contract, whose compliance is associated to costs that cannot be avoided and which exceed the economic benefits derived there of.



A provision is recognised for restructuring when STCP develops a detailed formal restructuring plan, begins its implementation and announces its main components to those affected by it. The measurement of the restructuring provision considers only expenditure which arises directly from the implementation of the corresponding plan, and, consequently, not related to the company's current activities.

Contingent liabilities are not recognised in the financial statements, but are always disclosed whenever the possibility of an outflow of resources, involving economic benefits, is not remote. Contingent assets are not recognised in the financial statements, but are always disclosed whenever it is likely that there will be a future economic inflow of resources.

### **3.20. Financial assets and liabilities**

Financial assets and liabilities are recognised in the balance sheet whenever the company becomes a party in the corresponding contractual provisions.

Financial assets and liabilities are measured as follows:

- at cost or amortised cost; or
- at fair value with the fair value alterations recognised in the income statement.

Financial assets and liabilities are measured at amortised cost when they present the following characteristics simultaneously:

- They are considered sight or have a defined maturity;
- They are associated to a fixed or determinable return;
- They are not a derivative financial instrument or do not incorporate a derivative financial instrument.

These financial assets and liabilities are measured at amortised cost minus accumulated impairment losses (in the case of financial assets).

Also classified in the cost or amortised cost category, thus measured at amortised cost minus accumulated impairment losses, are contracts which grant or incur loans that cannot be settled on a liquid basis and that, when executed, meet the conditions described above.

Investments in own equity instruments which are not traded publicly and whose fair value cannot be determined reliably, as well as derivative financial instruments related to these own equity instruments, are also classified in the cost or amortised cost category, thus being measured at cost minus accumulated impairment losses.

Amortised cost is determined through the effective interest rate method. The effective interest rate is the rate which exactly discounts the estimated future payments or revenue, during the expected life of the financial instrument, based on the net book value of the financial asset or liability.

All financial assets and liabilities not classified in the cost or amortised cost category are classified in the category of fair value with the fair value alterations recognised in the income statement.

These financial assets and liabilities are measured at fair value, with their variations being recorded through profit or loss under the headings Fair value reductions and Fair value increases.

#### Impairment of financial assets:

- Financial assets classified in the cost or amortised cost category are subject to impairment tests on each reporting date. These financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events which have occurred after their initial recognition, their estimated future cash flow is affected. For financial assets measured at amortised cost, the impairment loss to be recognised corresponds to the difference between the book value of the asset and the present value of the new estimated future cash flow, discounted at the respective original effective interest rate.
- For financial assets measured at cost, the impairment loss to be recognised corresponds to the difference between the book value of the asset and the best estimate of the present value of the asset.
- Impairment losses are recorded through profit and loss, under the heading Impairment losses, for the period when they are determined.
- Subsequently, if the value of the impairment loss decreases and this reduction can be related objectively to an event which has taken place after the recognition of the loss, it should be reflected through profit or loss. The reversal should be made up to the amount that would be recognised (amortised cost) if the loss had not been recorded initially. The reversal of impairment losses is recorded through profit or loss, under the heading Reversals of impairment losses. The reversal of impairment losses recorded for investments in own equity instruments (measured at cost) is not permitted.

#### Derecognition of financial assets and liabilities:

- The company derecognises financial assets when all the contractual rights to their cash flows have expired, or when the financial assets and all the significant risks and benefits associated to their possession are transferred to another entity. Transferred financial assets relative to which the company has retained some significant risks and benefits are derecognised, provided that the control over them has been assigned.
- The company derecognises financial liabilities only when all the corresponding obligation is settled, cancelled or expired.

#### Compound instruments:

- Compound instruments are financial instruments that include a financial liability component and an own equity instrument component. These two components are presented in the balance sheet separately, according to the substance of the corresponding contractual provisions.
- The distinction between a financial liability and an own equity instrument is made according to the substance of the associated contractual provisions.
- In the initial recognition of a compound instrument, the financial liability component is determined based on the market interest rates for similar non-compound instruments. This component is measured at amortised cost, based on the effective interest rate method. The own equity component is determined by the difference between the value received and the value of the financial liability component, and is recorded in the equity. The own equity component is not measured subsequently.

### 3.21. Derivative financial instruments and hedge accounting

STCP uses derivatives in the management of its financial risks solely as a way to guarantee the hedging of these risks, therefore financial derivative instruments are not used for speculative purposes.

The derivative instruments used by the company refer to interest rate swaps in order to hedge against the risk of variation in the interest rate of loans received. The value of the loans, due dates for the interest and maturity of the repayment plans of the loans underlying the interest rate hedging instruments are, in substance, identical to the conditions established for the contracted loans.

However, the necessary requirements for the qualification of hedge accounting are not met.

Derivative financial instruments are recorded initially at their fair value on the date when they are contracted. On each reporting date they are re-measured at fair value, with the corresponding re-measurement gain or loss being recorded immediately through profit and loss, unless these instruments are designated hedging instruments.

A derivative financial instrument with positive fair value is recognised as a financial asset under the heading Other financial instruments - Derivatives. A derivative instrument with negative fair value is recognised as a financial liability, under the heading Other financial instruments - Derivatives.

A derivative financial instrument is presented as non-current if its remaining maturity is greater than 12 months and its realisation or settlement is not expected within the period of 12 months.

The criteria for the application of the hedge accounting rules are as follows:

- Adequate documentation of the hedging operation;
- The risk to be hedged against is one of the risks described in NCRF 27 - Financial instruments;
- It is expected that the alterations in the fair value or cash flow of the hedged item, attributable to the risk to be hedged against is practically compensated by the alterations in the fair value of the hedging instrument.

At the beginning of the hedge, the company documents:

- the relationship between the hedging instrument and the hedged item;
- its risk management objectives and strategy; and
- its assessment of the effectiveness of the hedging instrument to compensate variations in the fair values and cash flow of the hedged item.

Variations in the fair value of the derivative financial instruments designated as hedging instruments under the hedging against the risk of variability in interest rates, exchange rate risk, merchandise price risk, in the context of a commitment or a highly likely future transaction, and net investment risk in a foreign operation, are recorded in equity, under the heading Other reserves. These gains or losses recorded under Other reserves are reclassified to profit or loss in the periods when the hedged item affects profit or loss, and are stated in the line allocated to the hedged item.

Hedge accounting is discontinued when the company revokes the hedging relationship, when the hedging instrument expires, is sold or is exercised, or when the hedging instrument no longer qualifies for hedge

accounting. Any amount recorded under Other reserves is only reclassified to profit or loss when the hedged position affects profit or loss. When the hedged position consists of a future transaction and it is not expected that it will occur, any amount recorded under Other reserves is immediately reclassified to profit or loss.

### **3.22. Exploration and assessment of mineral resources**

Not applicable.

### **3.23. Agriculture**

Not applicable.

### **3.24. Critical value judgements and main sources of uncertainty associated to estimates**

The preparation of the attached financial statements included value judgements and estimates, and various assumptions were made which affect the reported values of assets and liabilities, as well as the reported values of income and costs for the period.

The underlying estimates and assumptions were determined based on the best knowledge existing on the date of approval of the financial statements of the events and transactions underway, as well as the experience of past and/or current events. However, situations may occur in subsequent periods that, not having been forecast on the date of approval of the financial statements, were not considered in these estimates. Any alterations to the estimates which occur subsequently to the date of the financial statements will be corrected in a prospective manner. For this reason, and in view of the associated degree of uncertainty, the real results of the transactions in question may differ from the corresponding estimates.

The main value judgements and estimates made in the preparation of the attached financial statements were as follows:

- Useful lives of tangible and intangible assets;
- Analyses of the impairment of tangible and intangible assets;
- Recording of the impairment of asset values, namely inventories and accounts receivable;
- Provisions;
- Calculation of the liability associated to the pensions funds;
- Calculation of the fair value of derivative financial instruments;
- Calculation of the fair value of the investment properties, land and buildings included in the tangible fixed assets.

### 3.25. Subsequent events

Events occurring after the balance sheet date providing additional information about conditions that existed on the balance sheet date (adjusting events) are reflected in the financial statements. Events after the balance sheet date providing additional information about conditions that existed after the balance sheet date (non adjusting events) are disclosed in the notes to the financial statements, when considered materially relevant.

## 4. Cash flow

For the effect of the cash flow statement, cash and cash equivalent include cash, bank deposits repayable on demand and cash investments on the monetary market, net of bank overdrafts and other equivalent short term financing.

The breakdown of cash and cash equivalent as at 31 December 2010 and 2009 is as follows:

	2010	2009
Cash	54.204,36	60.069,72
Bank deposits	1.055.320,52	135.497,37
Cash investments	0,00	0,00
Cash and cash equivalent in the balance sheet	1.109.524,88	195.567,09
Bank overdrafts	-19.562.407,43	-5.158.533,23
<b>Cash and cash equivalent in the cash flow statement</b>	<b>-18.452.882,55</b>	<b>-4.962.966,14</b>

## 5. Accounting policies, alterations to accounting estimates and errors

During the year there were no alterations to the accounting policies or corrections of materially relevant errors of previous periods.

In 2010, a review was made of the useful life of public buses, with their useful life having been changed from 10 years to 13 years. The alteration of the estimate led to a reduction in the amortisation costs of the tangible fixed assets for 2010, of the value of 1,040 thousand euros.

## 6. Related Parties

As at 31 December 2010 and 2009, STCP presented the following financial holdings:

Corporate Name	Head Office	% Share	Holding
<b>Subsidiaries</b>			
STCP Serviços – Transportes Urbanos, Consultoria e Participações, Unipessoal Lda.	Porto	100%	Activities of tourist operator and passenger land transport, urban and suburban.
AUTOLOC – Aluguer de Autocarros, ACE	Porto	90%	Acquisition and leasing of buses.
<b>Associated companies</b>			
TIP - Transportes Intermodais do Porto, ACE	Porto	33,3%	Transport ticket management.
Transpublicidade – Publicidade em Transportes, S.A.	Oeiras	20%	Operation of all and any advertising related to vehicles and facilities.
<b>Other participated companies</b>			
Metro do Porto, S.A.	Porto	16,6%	Urban and local light rail transport.
OPT - Optimização e Planeamento de Transportes, SA	Porto	12%	Development of R&D projects in the area of collective transport, developing advanced computer solutions for the management and optimisation of transport systems.

The remuneration of the company's senior management staff, during the years ended in 2010 and 2009 is described in point 4.6 (Remuneration of the members of the governing bodies) of this annual report.

No decurso dos exercícios findos em 2010 e 2009, foram efectuadas as seguintes transacções com partes relacionadas:

Description of the transactions	Subsidiaries	Associated companies	2010		Total
			Senior management staff	Other related parties	
Inventory purchases					
Fixed asset purchases				56.264,00	56.264,00
Services received	418,43	1.916.407,18		83.724,92	2.000.550,53
Interest paid					
Inventory sales					
Fixed asset sales					
Services provided	218.804,06	40.113.332,50		310.023,44	40.642.160,00
Interest received					



Description of the transactions	2009				Total
	Subsidiaries	Associated companies	Senior management staff	Other related parties	
Inventory purchases					
Fixed asset purchases	7.291,85			140.608,30	147.900,15
Services received		1.946.758,35		82.651,33	2.029.409,68
Interest paid					
Inventory sales					
Fixed asset sales					
Services provided	288.438,50	40.074.847,03		356.207,11	40.719.492,64
Interest received					

In 2010 and 2009, STCP presented the following balances with related parties:

Balances	2010				Total
	Subsidiaries	Associated companies	Senior management staff	Other related parties	
Current accounts receivable	318.221,62	1.492.794,15		70.251,15	1.881.266,92
Non-current accounts receivable					
Adjustments to debts receivable					
<b>Net accounts receivable</b>	<b>318.221,62</b>	<b>1.492.794,15</b>		<b>70.251,15</b>	<b>1.881.266,92</b>
Current balances payable	321.625,68	63.073,00		44.461,35	429.160,03
Non-current balances payable					
<b>Total accounts payable</b>	<b>321.625,68</b>	<b>63.073,00</b>		<b>44.461,35</b>	<b>429.160,03</b>

Balances	2009				Total
	Subsidiaries	Associated companies	Senior management staff	Other related parties	
Current accounts receivable	335.377,02	8.562.996,17		43.784,67	8.942.157,86
Non-current accounts receivable					
Adjustments to debts receivable					
<b>Net accounts receivable</b>	<b>335.377,02</b>	<b>8.562.996,17</b>		<b>43.784,67</b>	<b>8.942.157,86</b>
Current balances payable	330.153,10	2.278.815,48		78.862,08	2.687.830,66
Non-current balances payable					
<b>Total accounts payable</b>	<b>330.153,10</b>	<b>2.278.815,48</b>		<b>78.862,08</b>	<b>2.687.830,66</b>

As at 31 December 2010 and 2009, STCP presented the following loans received from and granted to related parties:

Balances	2010				
	Subsidiaries	Associated companies	Senior management staff	Other related parties	Total
Total loans received					
Loans granted with guarantees					
Loans granted without guarantees	59.461,61				59.461,61
<b>Total loans granted</b>	<b>59.461,61</b>				<b>59.461,61</b>

Balances	2009				
	Subsidiaries	Associated companies	Senior management staff	Other related parties	Total
Total loans received					
Total loans granted					

## 7. Intangible Assets

During the years ended on 31 December 2010 and 2009, the movement which occurred in the book value of the intangible assets, as well as in the respective accumulated amortisations and impairment losses, was as follows:

Intangible assets	Development projects	Computer programs	Industrial property	Other intangible assets	Intangible assets in progress	Total
<b>Net value as at 01.01.2010</b>	6.492,95	150.430,42	0,00		549.478,30	706.401,67
<b>Gross assets</b>						
<b>Balance as at 01.01.2010</b>	88.749,10	4.328.891,75	96.639,49		549.478,30	5.063.758,64
Movements in 2010						
Additions		17.555,38			43.000,00	60.555,38
<b>Write-offs/sales</b>						
Adjustments and transfers		7.616,00			-7.616,00	
<b>Balance as at 31.12.2010</b>	88.749,10	4.354.063,13	96.639,49		584.862,30	5.124.314,02
<b>Accumulated amortisation</b>						
<b>Balance as at 01.01.2010</b>	-82.256,15	-4.178.461,33	-96.639,49			-4.357.356,97
Movements in 2010						
Amortisation costs	-4.583,28	-96.236,57				-100.819,85
<b>Balance as at 31.12.2010</b>	-86.839,43	-4.274.697,90	-96.639,49			-4.458.176,82
<b>Net value as at 31.12.2010</b>	1.909,67	79.365,23	0,00		584.862,30	666.137,20

Intangible assets	Development projects	Computer programs	Industrial property	Other intangible assets	Intangible assets in progress	Total
Net value as at 01.01.2009 POC	16.409,33		2.469,65			18.878,98
Net value as at 01.01.2009 SNC	16.409,33	2.469,65				18.878,98
<b>Gross assets</b>						
Balance as at 01.01.2009 POC	88.749,10		1.098.489,91	752.112,68		1.939.351,69
SNC Adjustments		951.970,63	-951.970,63	-752.112,68		-752.112,68
Adjustments to pure historical cost						
Derecognition of assets				-752.112,68		-752.112,68
Reclassifications/transfers		951.970,63	-951.970,63			
Balance as at 01.01.2009 SNC	88.749,10	951.970,63	146.519,28			1.187.239,01
<b>Movements in 2009</b>						
Additions		61.809,45			391.923,30	453.732,75
Write-offs/sales		-498,80	-49.879,79			-50.378,59
Adjustments and transfers		3.315.610,47			157.555,00	3.473.165,47
Balance as at 31.12.2009 SNC	88.749,10	4.328.891,75	96.639,49		549.478,30	5.063.758,64
<b>Accumulated amortisation</b>						
Balance as at 01.01.2009 POC	-72.339,77		-1.096.020,26	-752.112,68		-1.920.472,71
SNC Adjustments		-949.500,98	949.500,98	752.112,68		752.112,68
Derecognition of assets				752.112,68		752.112,68
Reclassifications/transfers		-949.500,98	949.500,98			
Balance as at 01.01.2009 SNC	-72.339,77	-949.500,98	-146.519,28			-1.168.360,03
<b>Movements in 2009</b>						
Amortisation costs	-9.916,38	-107.290,80				-117.207,18
Write-offs/sales		498,80	49.879,79			50.378,59
Adjustments and transfers		-3.122.168,35				-3.122.168,35
Balance as at 31.12.2009 SNC	-82.256,15	-4.178.461,33	-96.639,49			-4.357.356,97
Net value as at 31.12.2009 SNC	6.492,95	150.430,42	0,00		549.478,30	706.401,67

The company does not capitalise any research costs and development costs are capitalised only when they meet the criteria for recognition defined in the NCRF.

Following the analysis of the intangible assets it was decided that there are no assets with an undefined useful life. The amortisation is calculated in accordance with the following estimated useful lives:

Intangible fixed asset headings	Years of useful life
Development projects	3
Computer programmes	2 a 5
Industrial property	3

The movement which occurred during 2010 and 2009 in tangible assets in progress was as follows:

	Balance 01.01.2010	Acquisitions	IHW(*)	Transfers	Write-offs/ Disposals	Balance 31.12.2010
Computer programmes	549.478,30	43.000,00		-7.616,00		584.862,30
	<b>549.478,30</b>	<b>43.000,00</b>		<b>-7.616,00</b>		<b>584.862,30</b>

	Balance 01.01.2009	Acquisitions	IHW(*)	Transfers	Write-offs/ Disposals	Balance 31.12.2009
Computer programmes		391.923,30		157.555,00		549.478,30
		<b>391.923,30</b>		<b>157.555,00</b>		<b>549.478,30</b>

(\*) IHW - In-house works

## 8. Tangible fixed assets

During the years ended on 31 December 2010 and 2009, the movement which occurred in the book value of the tangible fixed assets, as well as in the respective accumulated amortisations and impairment losses, was as follows:

### Tangible Fixed Assets

Tangible Fixed Assets	Land & natural resources	Buildings & other constructions	Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Tangible assets in progress	Advances on account tangible fixed assets	Total tangible
<b>Net value as at 01.01.2010</b>	<b>36.959.451,90</b>	<b>20.861.329,44</b>	<b>28.879.948,61</b>	<b>337.839,65</b>	<b>427.117,91</b>	<b>1.112.975,39</b>	<b>1.914.906,16</b>	<b>24.726,00</b>	<b>90.518.295,06</b>
<b>Gross assets</b>									
<b>Balance as at 01.01.2010</b>	<b>39.081.005,75</b>	<b>28.634.093,39</b>	<b>78.053.379,91</b>	<b>1.976.438,48</b>	<b>4.335.733,63</b>	<b>1.332.854,01</b>	<b>1.914.906,16</b>	<b>24.726,00</b>	<b>155.353.137,33</b>
<b>Movements in 2010</b>									
Additions		18.598,34	11.715.794,60	93.768,36	83.199,84		283.576,82		12.194.937,96
Write-offs/sales		-12.323,25	-933.246,93	-59.711,51	-41.206,71				-1.046.488,40
Adjustments and transfers		328.233,21					-358.533,21		-30.300,00
<b>Balance as at 31.12.2010</b>	<b>39.081.005,75</b>	<b>28.968.601,69</b>	<b>88.835.927,58</b>	<b>2.010.495,33</b>	<b>4.377.726,76</b>	<b>1.332.854,01</b>	<b>1.839.949,77</b>	<b>24.726,00</b>	<b>166.471.286,89</b>
<b>Accumulated depreciation</b>									
<b>Balance as at 01.01.2010</b>	<b>0,00</b>	<b>-7.589.524,54</b>	<b>-49.173.431,30</b>	<b>-1.638.598,83</b>	<b>-3.908.615,72</b>	<b>-219.878,62</b>	<b>0,00</b>	<b>0,00</b>	<b>-62.530.049,01</b>
<b>Movements in 2010</b>									
Depreciation and amortisation costs		-1.244.638,91	-4.878.251,97	-139.856,76	-156.378,97	-7.955,01			-6.427.081,62
Write-offs/sales		12.323,25	932.624,96	59.711,51	40.588,70				1.045.248,42
Adjustments and transfers									0,00
<b>Balance as at 31.12.2010</b>	<b>0,00</b>	<b>-8.821.840,20</b>	<b>-53.119.058,31</b>	<b>-1.718.744,08</b>	<b>-4.024.405,99</b>	<b>-227.833,63</b>	<b>0,00</b>	<b>0,00</b>	<b>-67.911.882,21</b>
<b>Accumulated impairment losses</b>									
<b>Balance as at 01.01.2010</b>	<b>-2.121.553,85</b>	<b>-183.239,41</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>-2.304.793,26</b>
<b>Balance as at 31.12.2010</b>	<b>-2.121.553,85</b>	<b>-183.239,41</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>-2.304.793,26</b>
<b>Net value as at 31.12.2010</b>	<b>36.959.451,90</b>	<b>19.963.522,08</b>	<b>35.716.869,27</b>	<b>291.751,25</b>	<b>353.320,77</b>	<b>1.105.020,38</b>	<b>1.839.949,77</b>	<b>24.726,00</b>	<b>96.254.611,42</b>

Tangible Fixed Assets	Land & natural resources	Buildings & other constructions	Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Tangible assets in progress	Advances on account of tangible assets	Total tangible fixed assets
Net value as at 01.01.2009 POC	15.473.636,89	20.505.664,41	34.795.773,02	315.623,56	744.915,42	1.140.126,91	1.965.531,64	39.126,00	74.980.397,85
Net value as at 01.01.2009 SNC	41.704.185,06	16.952.467,06	34.794.227,98	315.623,56	744.915,42	1.140.126,91	1.965.531,64	39.126,00	97.656.203,63
<b>Gross assets</b>									
Balance as at 01.01.2009 POC	15.473.636,89	40.144.543,13	83.991.150,19	2.065.631,56	8.593.783,31	1.648.975,62	1.965.531,64	39.126,00	153.922.378,34
SNC Adjustments	26.385.714,72	-16.886.389,31	-5.472.203,66	-104.550,50	-580.837,33	-250.419,01	0,00	0,00	3.091.314,91
- Adjustments to pure historical cost	-3.587.273,47	-22.868.500,59	-5.472.203,66	-104.550,50	-580.837,33	-250.419,01			-32.863.784,56
- Derecognition of assets		-277.075,96							-277.075,96
- Revaluation	29.972.988,19	6.259.187,24							36.232.175,43
Balance as at 01.01.2009 SNC	41.859.351,61	23.258.153,82	78.518.946,53	1.961.081,06	8.012.945,98	1.398.556,61	1.965.531,64	39.126,00	157.013.693,25
<b>Movements in 2009</b>									
Revaluation	3.112.741,12	8.148.327,04							11.261.068,16
Additions		165.938,11	247.359,05	116.253,14	113.758,70		408.517,74		1.051.826,74
Write-offs/sales		-1.041.455,83	-1.265.660,17	-115.295,72	-483.640,58	-65.702,60	-8.378,61		-2.980.133,51
Adjustments and transfers	-5.891.086,98	-1.896.869,75	552.734,50	14.400,00	-3.307.330,47		-450.764,61	-14.400,00	-10.993.317,31
Balance as at 31.12.2009 SNC	39.081.005,75	28.634.093,39	78.053.379,91	1.976.438,48	4.335.733,63	1.332.854,01	1.914.906,16	24.726,00	155.353.137,33
<b>Accumulated depreciation</b>									
Balance as at 01.01.2009 POC	0,00	-19.638.878,72	-49.195.377,17	-1.750.008,00	-7.848.867,89	-508.848,71	0,00	0,00	-78.941.980,49
SNC Adjustments	0,00	13.795.751,18	5.470.658,62	104.550,50	580.837,33	250.419,01	0,00	0,00	20.202.216,64
- Adjustments to pure historical cost	0,00	11.920.468,23	5.470.658,62	104.550,50	580.837,33	250.419,01	0,00	0,00	18.326.933,69
- Derecognition of assets	0,00	277.075,96	0,00	0,00	0,00	0,00	0,00	0,00	277.075,96
- Revaluation	0,00	1.598.206,99	0,00	0,00	0,00	0,00	0,00	0,00	1.598.206,99
Balance as at 01.01.2009 SNC		-5.843.127,54	-43.724.718,55	-1.645.457,50	-7.268.030,56	-258.429,70	0,00	0,00	-58.739.763,85
<b>Movements in 2009</b>									
Depreciation and amortisation costs		-912.142,69	-6.636.513,14	-108.437,05	-241.959,87	-10.163,34	0,00	0,00	-7.909.216,09
Revaluation	0,00	-2.320.740,49	0,00	0,00	0,00	0,00	0,00	0,00	-2.320.740,49
Write-offs/sales	0,00	1.040.229,51	1.264.471,79	115.295,72	480.190,41	48.714,42	0,00	0,00	2.948.901,85
Adjustments and transfers	0,00	446.256,67	-76.671,40	0,00	3.121.184,30	0,00	0,00	0,00	3.490.769,57
Balance as at 31.12.2009 SNC	0,00	-7.589.524,54	-49.173.431,30	-1.638.598,83	-3.908.615,72	-219.878,62	0,00	0,00	-62.530.049,01
<b>Accumulated impairment losses</b>									
Balance as at 01.01.2009 POC	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
SNC Adjustments	-155.166,55	-462.559,22	0,00	0,00	0,00	0,00	0,00	0,00	-617.725,77
- Asset impairment	-155.166,55	-462.559,22	0,00	0,00	0,00	0,00	0,00	0,00	-617.725,77
Balance as at 01.01.2009 SNC	-155.166,55	-462.559,22	0,00	0,00	0,00	0,00	0,00	0,00	-617.725,77
<b>Movements in 2009</b>									
Increases	-2.121.553,85								-2.121.553,85
Reversals	124.646,78	186.996,42							311.643,20
Write-offs/sales		1.226,32							1.226,32
Adjustments and transfers	30.519,77	91.097,07							121.616,84
Balance as at 31.12.2009 SNC	-2.121.553,85	-183.239,41	0,00	0,00	0,00	0,00	0,00	0,00	-2.304.793,26
Net value as at 31.12.2009 SNC	36.959.451,90	20.861.329,44	28.879.948,61	337.839,65	427.117,91	1.112.975,39	1.914.906,16	24.726,00	90.518.295,06

The additions column of 2009 includes 135,115,77 euros of in-house works.

On the date of transition to the new accounting standards (01.01.2009) the company adopted the pure historical cost and annulled all the revaluation carried out under legal diplomas. On the other hand, it adopted the fair value model for the category of land and buildings as the subsequent measurement criterion.

The fair value of buildings and land as at 01.01.2009 was determined based on the fair value in use by the company, under its IAS/IFRS accounting reporting, and which results from an assessment made by an accredited and independent entity (CPU Consultores de Avaliação, Lda.).

The derecognition of tangible fixed assets was made where the criteria for recognition were no longer met, with the impact being null because their net value was zero.

The impact of these transition adjustments is presented in the table above.

As at 31 December 2009, the Board of Directors decided to change the use of certain buildings and land, which were not being used by the company, for capital appreciation or to obtain rents, and transferred them to the heading Investment properties. Hence, the heading Adjustments and transfers of gross assets, in the category of Land and Buildings and other constructions, and the accumulated depreciation in the category of Buildings and other constructions, and respective accumulated impairment losses essentially reflect the reclassification of these assets.

As at 31 December 2009, the company requested a new independent assessment (CPU Consultores de Avaliação, Lda.) of its land and buildings (all located in Greater Porto) classified as tangible fixed assets.

The assumptions for the assessment used in the determination of the fair value were as follows:

- In order to obtain the value of each property the following main factors were taken into consideration: location, access, existing size, characteristics and the current state of conservation of the construction, as well as the visit made to the exterior area of each place;
- Current market values relative to properties with similar potential use and locations were also used as a reference;
- The values used do not consider any incidence of personal (IRS) or corporate income tax (IRC).

It is also important to emphasise that this assessment process did not take into account any constraints of commercial nature or economic obsolescence of the business or activities to be exercised at the premises, with the property being assessed just as it was found, and with its current uses.

The valuation of the infrastructures allocated to each property - flooring, water supply and distribution networks, wastewater and rainwater drainage networks, electricity distribution grids, etc. – were considered and included in the overall valuation of each property.

For properties currently with operational functions - considered as tangible fixed assets - their value under continued use was determined.

For the property which refers to the floor of offices at Torre das Antas under operational use by the company – the market and income comparison criteria were used, in a perspective of continued use.

In certain circumstances, namely due to the specialised nature of the property and if it is rarely sold except as an integral part of a "continued business", its fair value can be attributed, using a depreciated replacement cost approach.

For the rest of the properties of the tangible fixed assets, the criteria of depreciated construction costs were used.

As a result of the revaluation carried out, the total fair value of the land and buildings and other constructions showed, as at 31 December 2009, a positive variation of the net value of 7,130,417.02 euros.

If the land, natural resources, buildings and other constructions had been recognised in accordance with the cost model, the book value would have been, respectively:

Heading	2010	2009
Land and natural resources	4.637.280,62	4.637.280,62
Buildings and other constructions	7.275.836,70	7.689.376,55
	<b>11.913.117,32</b>	<b>12.326.657,17</b>

No disclosures were made of restrictions on the ownership of assets, or of fixed assets given to guarantee liabilities, since there are no situations falling under this context. Therefore, sub-paragraph a) of paragraph 73 of the NCRF is not applicable.



During 2010, no contractual commitments were made for the acquisition of tangible fixed assets, therefore, there are no disclosures to be made under sub-paragraph c) of paragraph 73 of the NCRF 7.

The movement which occurred during 2010 and 2009 in the value of tangible assets in progress was as follows:

	Balance 01.01.2010	Acquisitions	IHW(*)	Transfers	Write-offs/ Disposals	Balance 31.12.2010
Buildings and other constructions	544.767,41	201.499,00		-358.533,21		387.733,20
Basic equipment	1.370.138,75	48.783,37	33.294,45			1.452.216,57
Administrative equipment						
Other tangible fixed assets						
	<b>1.914.906,16</b>	<b>250.282,37</b>	<b>33.294,45</b>	<b>-358.533,21</b>		<b>1.839.949,77</b>

	Balance 01.01.2009	Acquisitions	IHW(*)	Transfers	Write-offs/ Disposals	Balance 31.12.2009
Buildings and other constructions	210.751,23	334.408,21		-392,03		544.767,41
Basic equipment	1.587.385,41	72.913,50	1.196,03	-282.977,58	-8.378,61	1.370.138,75
Administrative equipment	167.395,00			-167.395,00		
Other tangible fixed assets						
	<b>1.965.531,64</b>	<b>407.321,71</b>	<b>1.196,03</b>	<b>-450.764,61</b>	<b>-8.378,61</b>	<b>1.914.906,16</b>

(\*) IHW - In-house works

The movements in advances for tangible fixed assets in 2010 and 2009 were as follows:

	Balance 01.01.2010	Acquisitions	IHW(*)	Transfers	Write-offs/ Disposals	Balance 31.12.2010
Land and natural resources	24.726,00					24.726,00
Buildings and other constructions						
Transport Equipment						
	<b>24.726,00</b>					<b>24.726,00</b>

	Balance 01.01.2009	Acquisitions	IHW(*)	Transfers	Write-offs/ Disposals	Balance 31.12.2009
Land and natural resources	24.726,00					24.726,00
Buildings and other constructions						
Transport Equipment	14.400,00			-14.400,00		
	<b>39.126,00</b>			<b>-14.400,00</b>		<b>24.726,00</b>

(\*) IHW - In-house works

## 9. Non-current assets held for sale and discontinued operating units

The company has no assets under these conditions.

## 10. Leases

### 10.1. Financial leases - lessees

During 2010 and 2009, the company paid financial lease instalments to the value of 3,150,562.56 euros (includes 503,731.70 euros of interest) and 3,029,417.32 euros (includes 952,459.67 euros of interest), respectively.

As at 31 December 2010 and 2009, the company had liabilities, as a lessee, relative to the instalments of financial leasing contracts, to the value of 26,643,854.22 euros and 23,122,458.60 euros, respectively (which includes VAT when it is not deductible), due during the following years, as shown in the table below:

Years	2010			2009		
	Discounted value min. payments	Interest	Total	Discounted value min. payments	Interest	Total
2010				1.928.547,68	394.334,33	2.322.882,01
2011	3.030.933,17	485.954,73	3.516.887,90	1.966.139,10	356.742,87	2.322.881,97
2012	3.094.231,80	422.656,13	3.516.887,93	2.004.469,66	318.412,31	2.322.881,97
2013	3.122.323,36	358.151,61	3.480.474,97	2.007.101,08	279.437,92	2.286.539,00
2014	3.182.225,95	292.786,01	3.475.011,96	2.040.931,40	240.144,59	2.281.075,99
2015	3.106.288,22	226.090,19	3.332.378,41	2.119.786,90	200.114,50	2.319.901,40
Após 2015	8.874.458,02	447.755,03	9.322.213,05	8.849.213,18	417.083,08	9.266.296,26
<b>Total</b>	<b>24.410.460,52</b>	<b>2.233.393,70</b>	<b>26.643.854,22</b>	<b>20.916.189,00</b>	<b>2.206.269,60</b>	<b>23.122.458,60</b>

As at 31 December 2010 and 2009, the net book value for each category of asset under financial leasing was as follows:

Description	2010			2009		
	Acquisition value	Accumulated amortisation	Net value	Acquisition value	Accumulated amortisation	Net value
Land and natural resources	2.460.351,85		2.460.351,85	2.460.351,85		2.460.351,85
Basic equipment	28.555.850,78	6.678.033,53	21.877.817,25	22.858.150,78	4.776.125,57	18.082.025,21
<b>Total</b>	<b>31.016.202,63</b>	<b>6.678.033,53</b>	<b>24.338.169,10</b>	<b>25.318.502,63</b>	<b>4.776.125,57</b>	<b>20.542.377,06</b>

### 10.2 Operational leasing

During 2010 and 2009, costs of 5,988,720.83 euros and 6,166,078.52 euros, respectively, were recognised relative to operational leasing contract instalments.

As at 31 December 2010 and 2009, the instalments of operating lease contracts showed the following due dates:

Years	2010	2009
2010		5.765.346,81
2011	5.663.916,05	5.763.754,61
2012	5.663.916,05	5.763.754,57
2013	4.658.758,24	4.722.136,07
2014	3.089.165,59	3.113.648,87
2015	1.612.518,00	1.626.851,89
<b>Total</b>	<b>20.688.273,93</b>	<b>26.755.492,82</b>

## 11. Costs of loans received

The financial costs related to loans received are generally recognised as costs in accordance with the accrual accounting principle, using their effective interest rate for the effect.

The interest and similar costs paid in 2010 and 2009 were as follows:

	2010	2009
Interest paid	7.486.445,32	8.326.437,55
<b>Interest - credit and financial institutions</b>	<b>920.400,04</b>	<b>2.515.335,70</b>
Bank loans	343.533,16	1.250.658,04
Bank overdrafts	166.420,66	484.364,22
Leases	410.446,22	780.313,44
Financing interest for securities - bonds	5.379.332,44	4.178.190,43
Interest - other financing	459.382,02	1.347.027,37
Interest - other financial instruments	727.330,82	285.884,05
<b>Other financing costs and loss - relative to loans received</b>	<b>831.943,52</b>	<b>888.619,49</b>
Costs related to discounts on financial issues	47.087,06	35.927,44
Endorsement fee	556.920,66	436.877,77
Commissions and other costs	79.429,13	33.339,42
Stamp duty on use of capital	148.506,67	382.474,86
<b>Actual interest and similar costs paid</b>	<b>8.318.388,84</b>	<b>9.215.057,04</b>
<b>Fair value reductions - Financial instruments</b>	<b>20.064.753,04</b>	<b>1.221.444,07</b>
<b>Interest and similar costs paid in the income statement</b>	<b>28.383.141,88</b>	<b>10.436.501,11</b>

The interest and similar income received in 2010 and 2009 were as follows:

	2010	2009
Interest received	2,91	523.584,16
From deposits	2,91	220.359,16
From other financial instruments	0,00	303.225,00
Other financing income and gains	1,11	5,51
<b>Actual interest and similar income received</b>	<b>4,02</b>	<b>523.589,67</b>
<b>Fair value increases - Financial instruments</b>	<b>0,00</b>	<b>2.194.109,67</b>
<b>Interest and similar income received in the income statement</b>	<b>4,02</b>	<b>2.717.699,34</b>

The company did not capitalise the cost of assets of financial costs because it does not have any which qualify as such.

## 12. Investment properties

As referred to in note 8, the Board of Directors decided, as at 31 December 2009, to alter the purpose of some properties, defining their purpose as the obtaining of rents and capital appreciation. Therefore, on this date, a group of nine properties were transferred from the tangible fixed assets.

The fair value model was also adopted in the subsequent valuation of the buildings and land classified as investment properties, using the measurement followed for land and buildings classified as tangible fixed assets.

As at 31 December 2009, the company revalued the investment properties, with the fair value of the properties having been determined through an assessment made by a specialised and independent entity of recognised professional qualification (CPU Consultores de Avaliação, Lda.).

As at 31 December 2010, there was no new request for the assessment of the properties because the Board of Directors considered that the preparation of a new assessment was unnecessary. The underlying reasoning of this attitude was linked to the fact that an assessment of the fair value had been carried out at the end of 2009 and, since then, there had been no alterations in the market prices or urban plans where the properties are situated. On the other hand, the Board of Directors considered that there are no provisions in the Accounting Standardisation System imposing the annual undertaking of assessments to determine the fair value of investment properties.

During the years ended in 2010 and 2009, the movement which occurred in the book value of the investment property was as follows:

## Investment Property

Investment properties	Land and natural resources			Buildings & other constructions			Total
	Rented	For appreciation	Total	Rented	For appreciation	Total	
<b>Net value as at 01.01.2010</b>	<b>314.040,00</b>	<b>2.955.700,00</b>	<b>3.269.740,00</b>	<b>732.760,00</b>	<b>531.800,00</b>	<b>1.264.560,00</b>	<b>4.534.300,00</b>
<b>Gross value</b>							
Balance as at 01.01.2010	314.040,00	2.955.700,00	3.269.740,00	1.046.000,33	653.728,89	1.699.729,22	4.969.469,22
Balance as at 31.12.2010	314.040,00	2.955.700,00	3.269.740,00	1.046.000,33	653.728,89	1.699.729,22	4.969.469,22
<b>Accumulated amortisation</b>							
Balance as at 01.01.2010	0,00	0,00	0,00	-261.445,45	-121.928,89	-383.374,34	-383.374,34
Balance as at 31.12.2010	0,00	0,00	0,00	-261.445,45	-121.928,89	-383.374,34	-383.374,34
<b>Accumulated impairment losses</b>							
Balance as at 01.01.2010	0,00	0,00	0,00	-51.794,88	0,00	-51.794,88	-51.794,88
Balance as at 31.12.2010	0,00	0,00	0,00	-51.794,88	0,00	-51.794,88	-51.794,88
<b>Net value as at 31.12.2010</b>	<b>314.040,00</b>	<b>2.955.700,00</b>	<b>3.269.740,00</b>	<b>732.760,00</b>	<b>531.800,00</b>	<b>1.264.560,00</b>	<b>4.534.300,00</b>

Investment properties	Land and natural resources			Buildings & other constructions			Total
	Rented	For appreciation	Total	Rented	For appreciation	Total	
<b>Net value as at 01.01.2009 POC</b>							
<b>Net value as at 01.01.2009 SNC</b>							
<b>Gross value</b>							
<b>Balance as at 01.01.09 POC</b>							
<b>Movements in 2009</b>							
Adjustments and transfers	307.489,77	5.583.597,21	5.891.086,98	1.042.840,33	581.668,02	1.624.508,35	7.515.595,33
Variation in fair value	6.550,23	-2.627.897,21	-2.621.346,98	3.160,00	72.060,87	75.220,87	-2.546.126,11
- Gains	6.550,23	99.739,00	106.289,23	3.160,00	72.060,87	75.220,87	181.510,10
- Losses		-2.727.636,21	-2.727.636,21			0,00	-2.727.636,21
<b>Balance as at 31.12.09 SNC</b>	<b>314.040,00</b>	<b>2.955.700,00</b>	<b>3.269.740,00</b>	<b>1.046.000,33</b>	<b>653.728,89</b>	<b>1.699.729,22</b>	<b>4.969.469,22</b>
<b>Accumulated amortisation</b>							
<b>Balance as at 01.01.09 POC</b>							
<b>Movements in 2009</b>							
Adjustments and transfers			0,00	-258.917,46	-109.683,76	-368.601,22	-368.601,22
Variation in fair value	0,00	0,00	0,00	-2.527,99	-12.245,13	-14.773,12	-14.773,12
- Gains			0,00	-2.527,99	-12.245,13	-14.773,12	-14.773,12
<b>Balance as at 31.12.09 SNC</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>-261.445,45</b>	<b>-121.928,89</b>	<b>-383.374,34</b>	<b>-383.374,34</b>
<b>Accumulated impairment losses</b>							
<b>Balance as at 01.01.09 POC</b>							
<b>Movements in 2009</b>							
Adjustments and transfers	-30.519,77		-30.519,77	-91.097,07		-91.097,07	-121.616,84
Reversals of impairment losses	30.519,77		30.519,77	39.302,19		39.302,19	69.821,96
<b>Balance as at 31.12.09 SNC</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>-51.794,88</b>	<b>0,00</b>	<b>-51.794,88</b>	<b>-51.794,88</b>
<b>Net value as at 31.12.2009 SNC</b>	<b>314.040,00</b>	<b>2.955.700,00</b>	<b>3.269.740,00</b>	<b>732.760,00</b>	<b>531.800,00</b>	<b>1.264.560,00</b>	<b>4.534.300,00</b>

As at 31 December 2009, the valuator entity noted that the assessment work carried out consisted of the determination of the value of the properties, for accounting effects, in observance of the requirements of the NCRF and terms of reference indicated by STCP. The investment properties were assessed in a perspective of alternative use. Their market value was determined, they were considered free and available (even for rented properties) and, in void properties, this value corresponds to its value under an alternative use.

Under the principle of the best alternative use, the market value of the property is based on an analysis of the rate of return of the development project consistent with its best possible use or, when existent, in accordance with any other development projects. The best alternative use is defined as the probable and reasonable use that, on the assessment date, generates the highest current value.

Therefore, in order to assess the value of the properties use was made of the market and income comparison criteria, in some cases through the direct capitalisation method and, in other cases, the residual value method.

The fair value is defined in NCRF 11, paragraph 38, as "the price at which the property may be exchanged between knowledgeable and willing parties, in a transaction where there is no relationship between the parties".

The fair value is generally the market value determined by qualified expert valuers.

In this way the requirements established in NCRF 11 for the determination of the market value of properties were fulfilled. The gains and losses arising from the updating of the fair value of the investment properties, as at 31 December 2009, to the value of -236,558.94 euros and 2,727,636.21 euros, respectively, were reflected in the income statement under the heading Fair value increases/reductions:

	2010	2009
Losses due to the decreased fair value		
of investment properties		2.727.636,21
Gains due to the increased fair value		
of investment properties		-236.558,94
		<b>2.491.077,27</b>

The company assumed no contractual obligation relative to the construction, development, repair or maintenance of investment properties.

During 2010, the following income and costs related to investment properties were recognised through profit or loss (in 2009 these properties were classified as tangible fixed assets):

Investment properties	Rented	For appreciation	Total
<b>Income</b>			
Income from rents	252.644,91		252.644,91
<b>Costs</b>			
Direct costs	-8.313,89	-12.328,96	-20.642,85
Other losses			
<b>Net total</b>	<b>244.331,02</b>	<b>-12.328,96</b>	<b>232.002,06</b>



## 13. Impairment of tangible and intangible assets

According to STCP, a company of exclusively public capital, whose main objective is not profit, but rather the provision of a social service of transport without any commercial justification, it should be financially compensated for this significant share of service it is forced to ensure, and it is hoped that this position will be clarified under the public service contracting process that is currently underway.

In this context, we believe that the historic situation of creation of successive losses does not reflect an indication of impairment, but rather a deficit in the State's compliance with the duty to fund the social activities it imposes. Hence, STCP presented contracting proposals at the end of 2009 and beginning of 2010, to the technical line ministries - the Secretariat of State for Transport and Secretariat of State for the Treasury and Finance - for the contracting of the Duties of Public Service and adoption of measures to re-balance the company's economic and financial position. This will be the path that will enable STCP to re-balance its operations and resolve the historic structural problem of a situation of negative equity.

When any asset shows indications of impairment, whether due to obsolescence or material, an analysis of impairment is made and any losses arising thereof are recognised.

Furthermore, we would like to emphasise that during 2009 we obtained market assessments, carried out by independent valuers, for the category of Land and buildings classified as tangible fixed assets and investment properties, whereby in some cases the corresponding impairment losses were identified and recorded.

The movement which occurred during 2010 and 2009 in the heading Accumulated impairment of tangible fixed assets are detailed in Note 8.

The impairment losses and respective reversals, recorded in 2010 and 2009, are as follows:

Tangible fixed assets		
	2010	2009
<b>Income statement</b>		
<b>Impairment losses</b>		<b>1.809.910,65</b>
- Increases		2.121.553,85
- Reversals		-311.643,20
<b>Equity - Revaluation surplus</b>		
- Revaluation surplus		-236.558,94
		<b>1.809.910,65</b>

## 14. Financial holdings valued through the equity method

As at 31 December 2010 and 2009, the financial holdings in subsidiaries and associated companies, all valued through the equity method, were as follows:

2010						
	Assets	Liabilities	Equity	Income	Net income	% Stake
<b>Subsidiaries</b>						
STCP Serviços	160.482,64	567.988,55	-407.505,91	475.899,29	-329.974,04	100,00%
AUTOLOC	324.021,97	2.000,00	322.021,97		-6.150,00	90,00%
<b>Associated companies</b>						
TIP - Transportes Intermodais do Porto, ACE	10.873.171,00	12.639.429,00	-1.766.257,00	4.893.732,00	278.608,00	33,33%
Transpublicidade – Publicidade em Transportes, S.A.	1.270.907,22	548.767,12	722.140,10	1.158.540,76	-63.478,47	20,00%

2009						
	Assets	Liabilities	Equity	Income	Net income	% Stake
<b>Subsidiaries</b>						
STCP Serviços	961.081,19	1.038.613,06	-77.531,87	507.206,20	-465.375,92	100,00%
AUTOLOC	331.621,97	3.450,00	328.171,97		-8.231,75	90,00%
<b>Associated companies</b>						
TIP - Transportes Intermodais do Porto, ACE	24.313.258,00	25.677.091,00	-1.363.833,00	4.724.191,00	224.309,00	33,33%
Transpublicidade – Publicidade em Transportes, S.A.	1.651.399,53	865.780,96	785.618,57	1.714.398,70	129.924,70	20,00%

The financial statements of the associates and subsidiaries were used, as at 31 December of each year, albeit being provisional data.

Since the proportion of the company in the negative net income of STCP Serviços and TIP exceeded the book value of the corresponding investment, the application of the equity method was interrupted in previous years. Consequently, during 2010 and 2009, the corresponding portion in the losses and gains of these two participated companies were not recognised by the company.

During 2010 and 2009, the financial shareholdings in subsidiaries and associates in the financial statements of STCP recorded the following movements:

	2010	2009
<b>Financial holdings</b>		
Opening balance	453.785,70	433.902,11
SNC transition adjustments		1.307,22
Adjustments - Equity method	-19.537,91	18.576,37
Closing balance	434.247,79	453.785,70
<b>Impairment losses</b>		
<b>Net assets</b>	<b>434.247,79</b>	<b>453.785,70</b>

## 15. Financial holdings valued through other methods

The financial holdings in other companies are recorded at cost because they are not listed on an active market, and therefore their fair value cannot be measured reliably.

There were no movements in these shareholdings, as shown in the table below, and the book value refers only to the stake in OPT, since the stake in Metro do Porto is null (due to it having been valued through the equity method up to 2007 - the stake up to this date was 25% - and showing negative equity):

	2010		2009	
	Fair value	At cost	Fair value	At cost
Financial holdings:				
Opening balance		25.000,00		25.000,00
Closing balance		25.000,00		25.000,00
Impairment losses:				
Net assets				

## 16. Business combinations

Not applicable.

## 17. Exploration and assessment of mineral resources

Not applicable.

## 18. Agriculture

Not applicable.

## 19. Inventories

As at 31 December 2010 and 2009, the heading Inventories shows the following details:

	2010			2009		
	Gross value	Impairment losses	Net value	Gross value	Impairment losses	Net value
Raw materials and consumables	820.466,02	-123.011,08	697.454,94	792.458,22	-110.648,58	681.809,64
Products and work in progress	1.513,60		1.513,60	1.706,69		1.706,69
	<b>821.979,62</b>	<b>-123.011,08</b>	<b>698.968,54</b>	<b>794.164,91</b>	<b>-110.648,58</b>	<b>683.516,33</b>

The cost of raw materials and consumables, in 2010 and 2009, was as follows:

	2010	2009
<b>Opening inventory</b>	792.458,22	1.016.195,45
Purchases	1.450.477,89	1.349.181,21
Adjustments	-1.399,05	2.184,96
Closing inventory	820.466,02	792.458,22
<b>Cost of materials consumed</b>	<b>-1.421.071,04</b>	<b>-1.575.103,40</b>

As at 31 December 2010 and 2009, the variation of the Products and work in progress was as follows:

	2010	2009
Opening balance	1.706,69	5.288,93
Adjustments	0,00	0,00
Closing balance	1.513,60	1.706,69
<b>Variation in production inventories</b>	<b>-193,09</b>	<b>-3.582,24</b>

The evolution of the accumulated impairment losses of inventories, during the years ended in 2010 and 2009, is detailed as follows:

Ano de 2010	Opening balance	Increases	Reversals	Closing balance
Raw materials and consumables	110.648,58	12.362,50	0,00	123.011,08
Products and work in progress				
Ano de 2009	Opening balance	Increases	Reversals	Closing balance
Raw materials and consumables	282.567,74	0,00	171.919,16	110.648,58
Products and work in progress				

The increases and reversals of inventory impairment losses, for 2010 and 2009, were recorded under the heading Impairment of inventories:

	2010	2009
Increases of impairment losses	-12.362,50	
Inventory impairment losses	-12.362,50	
Reversals of impairment losses		171.919,16
Reversals of inventory impairment losses		171.919,16
	<b>-12.362,50</b>	<b>171.919,16</b>

## 20. Construction contracts

Not applicable.

## 21. Revenue

The details of the recognised revenue, as at 31 December 2010 and 2009, all received on national territory, was as follows:

	2010	2009
<b>Services</b>	<b>49.346.138,90</b>	<b>47.732.156,26</b>
Public passenger transport	49.247.246,57	47.640.268,35
Bus leases	62.425,00	44.500,00
Tram leases	36.467,33	47.387,91
<b>Supplementary revenue</b>	<b>1.751.311,99</b>	<b>1.992.935,63</b>
Social services		2.547,01
Equipment leases	9.608,00	17.312,00
Studies, projects and technological assistance		
Royalties	995,18	
Performance of social positions in other companies	78.881,25	45.499,93
<b>Other supplementary revenue</b>	<b>1.661.827,56</b>	<b>1.927.576,69</b>
Maintenance services	528.599,44	515.239,12
Advertising	296.390,52	287.446,38
Assignment of personnel	32.706,60	85.375,35
Rent and assignment of facilities	98.561,77	281.801,76
Advisory and other services	164.635,91	
Sale of scrap and other items	52.698,36	27.980,47
Museum sales and services	92.263,60	
Other	395.971,36	729.733,61
<b>Rents and other income from investment properties</b>	<b>252.644,91</b>	
<b>Interest received</b>	<b>2,91</b>	<b>527.846,95</b>
	<b>51.350.098,71</b>	<b>50.252.938,84</b>

(\*) The public subsidies are defined in Decree-Law 167/2008, of 26 August, which establishes two types of subsidies: compensatory indemnities and other types of subsidies.

The compensatory indemnities are characterised by payments made with sums from the State Budget to public and private entities, which are intended to compensate operating costs arising from the provision of services of general interest (article 3 of the aforementioned Decree-Law). The concept of general interest requires, amongst others, duties to provide services of a universal nature and which guarantee accessibility in terms of price to citizens in general (article 4).

On the other hand, this same Decree-Law admits other types of subsidies through agreements or contracts with the State, but excludes subsidies of a social character granted to natural persons. However, it binds the State to the publicising of the sums granted under such agreements or contracts made with the entities.

STCP concluded two agreements with the State that do not involve compensatory indemnities, since they do not comply with the definition of compensatory indemnity noted above.

The objective of these agreements is the provision of services at the most economic fare prices to natural persons with certain constraints of social order.

The State reimburses STCP for the reduction of the price of fares practiced under these circumstances.

The agreement for the implementation of the social fare prices in the Andante inter-modal system was signed on 29/06/2006 and the agreement for the fare prices 4\_18@escola.tp, was signed on 29/01/2009.

Hence, the company recognises these subsidies, under these contracts with influence on fare prices, under the heading Revenue of sales and services - public passenger transport.

## 22. Provisions, contingent liabilities and contingent assets

The following provisions were constituted:

- Ongoing lawsuits: according to the costs that the company might be forced to pay for outstanding lawsuits at the end of each year in Court and corresponding to the forecast total value.
- Accidents at work and occupational diseases: according to the cost that STCP should pay in the future for pensions in force as at 31 December 2010. Up to February 1998, the company took on the insurance itself relative to these accidents, although there was also a partial insurance for major risks. As of 1 March 1998, the company transferred the liability arising from accidents at work to an insurer, with an exemption of 30 days. As of 1 March 2009, the liability arising from accidents at work no longer includes the exemption.
- Other risks and expenses: according to the cost that STCP might be forced to pay due to legal claims arising from accidents of its responsibility, outstanding as at 31 December 2010.

The movements which occurred in provisions in 2010 and 2009 were as follows:

2010				
	Opening balance	Increases	Reversals	Closing balance
Ongoing lawsuits	2.116.807,55		219.021,14	1.897.786,41
Accidents at work and occupational diseases	551.646,69		23.555,08	528.091,61
Other Provisions	1.927.858,51	246.026,49	0,00	2.173.885,00
	<b>4.596.312,75</b>	<b>246.026,49</b>	<b>242.576,22</b>	<b>4.599.763,02</b>
<b>Increases and (reduction)s of provisions</b>			<b>3.450,27</b>	

2009				
	Opening balance	Increases	Reversals	Closing balance
Ongoing lawsuits	2.159.232,03		42.424,48	2.116.807,55
Accidents at work and occupational diseases	553.360,81		1.714,12	551.646,69
Other Provisions	1.525.430,97	402.427,54		1.927.858,51
	<b>4.238.023,81</b>	<b>402.427,54</b>	<b>44.138,60</b>	<b>4.596.312,75</b>
<b>Increases and (reduction)s of provisions</b>			<b>358.288,94</b>	

The company has two ongoing lawsuits against it whose values are materially relevant, but are not provisioned:



- Lawsuit where the plaintiff is Porto Municipality, filed also against the Portuguese State, where part of the real estate assets of the company are claimed.
- Lawsuit, filed by ANTROP against the Portuguese State, where the counter-interested parties are STCP, SA and CARRIS, applying for the annulment of the decision of Council of Ministers number 52/2003, of 27 March 2003, which attributes these operators with the Compensatory Indemnities for the year of 2003.

Both cases involve lawsuits where the liability is the responsibility of the Portuguese State, respectively, due to its capacity as shareholder and entity responsible for the compensation of the public service.

The fact that STCP has not made any provisioning whatsoever of any values with respect to these lawsuits arises from its opinion on the ultimate responsibility for the matters under dispute:

- Regarding the lawsuit filed by Porto Municipality against STCP and the Portuguese State on the property of the land and other real estate assets included in the company's equity at the time of its transformation into a public limited liability company of exclusively public capital in 1994, through the transformation of the then designated Public Collective Transport Service of Porto, the company is firmly convinced that the outcome of this lawsuit will be the confirmation that the assets in question belong to it and that, should the judgement be otherwise, it is the responsibility of the State and not the company to meet the solution established in the Initial Petition: pay an indemnity to the Municipality equivalent to the value to be attributed to any property (properties) that the final sentence might decide belongs (belong) to the latter. This lawsuit is still under assessment as to whether the Court is competent to judge this case, and it is not expected that a definitive outcome will be reached in the next few years.
- Regarding the lawsuit filed by ANTROP against the Portuguese State and against STCP and Carris on the attribution, in 2003, of the values of the Compensatory Indemnities to these two companies, the State already has all the necessary data to confirm that the sum attributed to STCP (the only one concerning us) was not even sufficient to cover the extra costs paid in relation to the social service imposed on it, and carried out during that year. The total value that might possibly be necessary to return to the Portuguese State should be attributed to STCP which could be done, namely, through an increase of share capital, in its capacity of single shareholder.

From the above we conclude that these liabilities are contingent because the possibility of the occurrence of any future reimbursement is less than 50% and it is also neither possible to estimate the value of the future reimbursements nor when they might occur. Therefore, it is impossible to calculate an estimate of their financial effect.

## 23. Grants

During the years ended on 31 December 2010 and 2009, the most relevant movements which occurred in grants were as follows:

Grants	2010				
	Total value	Value received	Value receivable	Revenue for the period	Accumulated revenue
<b>Operating grants:</b>	<b>19.930.282,93</b>	<b>18.975.463,21</b>	<b>954.819,72</b>	<b>19.930.282,93</b>	
State Budget	18.975.463,21	18.975.463,21		18.975.463,21	
Inst.Gest.Fin.Seg.Soc.- PAII	954.819,72		954.819,72	954.819,72	
<b>Grants related to assets</b>	<b>7.038.055,92</b>	<b>3.754,72</b>		<b>769.270,18</b>	<b>5.913.001,64</b>
<b>Tangible assets</b>	<b>6.949.986,98</b>	<b>2.842,86</b>		<b>769.122,91</b>	<b>5.833.550,99</b>
- Buildings and other constructions	330.531,01			6.960,59	142.815,99
- Basic equipment	6.342.532,44			757.641,39	5.600.721,32
- Administrative equipment	73.989,91	2.842,86		810,90	70.304,64
- Other tangible fixed assets	26.201,50			3.710,03	19.709,04
- Tangible assets in progress	176.732,12				
<b>Investment properties</b>	<b>15.397,52</b>				<b>7.543,82</b>
- Buildings	15.397,52				7.543,82
<b>Intangible assets</b>	<b>72.671,42</b>	<b>911,86</b>		<b>147,27</b>	<b>71.906,83</b>
Computer programmes	72.671,42	911,86		147,27	71.906,83
	<b>26.968.338,85</b>	<b>18.979.217,93</b>	<b>954.819,72</b>	<b>20.699.553,11</b>	<b>5.913.001,64</b>

Grants	2009				
	Total value	Value received	Value receivable	Revenue for the period	Accumulated revenue
<b>Operating grants:</b>	<b>20.137.879,86</b>	<b>19.156.181,23</b>	<b>981.698,63</b>	<b>20.137.879,86</b>	
State Budget	19.156.181,23	19.156.181,23		19.156.181,23	
Inst.Gest.Fin.Seg.Soc.- PAII	981.698,63		981.698,63	981.698,63	
<b>Grants related to assets</b>	<b>7.114.108,88</b>			<b>1.037.759,11</b>	<b>5.223.539,14</b>
<b>Tangible assets</b>	<b>7.026.951,80</b>			<b>1.036.523,55</b>	<b>5.144.235,76</b>
- Buildings and other constructions	330.531,01			12.944,19	215.663,08
- Basic equipment	6.422.340,12			1.016.474,01	4.843.079,93
- Administrative equipment					
- Other tangible fixed assets	71.147,05			2.301,68	69.493,74
- Tangible assets in progress	26.201,50			4.803,67	15.999,01
Investment properties	176.732,12				
- <b>Buildings</b>	<b>15.397,52</b>			<b>307,44</b>	<b>7.543,82</b>
Intangible assets	15.397,52			307,44	7.543,82
<b>Computer programmes</b>	<b>71.759,56</b>			<b>928,12</b>	<b>71.759,56</b>
Programas de computador	71.759,56			928,12	71.759,56
	<b>27.251.988,74</b>	<b>19.156.181,23</b>	<b>981.698,63</b>	<b>21.175.638,97</b>	<b>5.223.539,14</b>

STCP is subject to an administrative price system, which implies the attribution by the Government of compensatory indemnities, which are not re-payable, in order to partially fund its operations in compliance with its public service duties. STCP follows the criteria of recording the compensatory indemnities as operating grants for the year when they are attributed.

## 24. Alterations in exchange rates

During 2010 and 2009 there were no operations in foreign currency.

## 25. Events after the balance sheet date

There is nothing of relevance to note.

## 26. Income tax

The company is subject to the general regime of Corporate Income Tax (IRC), but in view of its situation of deficit it has never paid income tax. The company only pays the costs arising from autonomous taxation and has made the special payment on account to which it is bound.

In view of the above, there has been no recognition of any deferred tax assets or liabilities, since there is no forecast possibility of deduction of future tax profits from the tax losses reported up to date.

As at 31 December 2010, the reported tax losses reached 133,146,711.37 euros, as presented below.

Years	Tax losses
2004	25.984.946,82
2005	19.629.563,03
2006	20.309.815,49
2007	24.714.364,80
2008	22.643.194,03
2009	19.864.827,20
	<b>133.146.711,37</b>

## 27. Environmental matters

For 2010 and 2009 there is no relevant information to report.

## 28. Financial instruments

### 28.1 Identification of financial assets and liabilities

As at 31 December 2010 and 2009, the categories of financial assets and liabilities are detailed as follows:

Financial assets	2010			
	Loans granted and Accounts receivable	Available for sale	Not covered IFRS7	Total
<b>Non-current assets</b>		<b>735.000,00</b>		<b>735.000,00</b>
Financial holdings through the cost method		25.000,00		25.000,00
Other financial assets		710.000,00		710.000,00
<b>Current assets</b>	<b>4.891.278,89</b>		<b>3.141.940,41</b>	<b>8.033.219,30</b>
Customers	1.454.204,13			1.454.204,13
Other accounts receivable	2.268.088,27		3.141.940,41	5.410.028,68
Other financial assets	59.461,61			59.461,61
Cash and bank deposits	1.109.524,88			1.109.524,88
	<b>4.891.278,89</b>	<b>735.000,00</b>	<b>3.141.940,41</b>	<b>8.768.219,30</b>

Financial liabilities	Financial liabilities at amortised cost	Financial liabilities valued at fair value through profit or loss	Not covered IFRS7	Total
<b>Non-current liabilities</b>	<b>219.879.074,90</b>	<b>36.215.740,03</b>	<b>21.379.527,35</b>	<b>277.474.342,28</b>
Loans received	219.879.074,90		21.379.527,35	241.258.602,25
Other financial liabilities		36.215.740,03		36.215.740,03
<b>Current liabilities</b>	<b>96.565.994,24</b>	<b>70.891,94</b>	<b>8.992.308,21</b>	<b>105.629.194,39</b>
Suppliers	4.634.972,13			4.634.972,13
Loans received	91.105.336,40		3.038.665,26	94.144.001,66
Other accounts payable	825.685,71		5.953.642,95	6.779.328,66
Other financial liabilities		70.891,94		70.891,94
	<b>316.445.069,14</b>	<b>36.286.631,97</b>	<b>30.371.835,56</b>	<b>383.103.536,67</b>

2009				
Financial assets	Loans granted and Accounts receivable	Available for sale	Not covered IFRS7	Total
<b>Non-current assets</b>		<b>735.000,00</b>		<b>735.000,00</b>
Financial holdings through the cost method		25.000,00		25.000,00
Other financial assets		710.000,00		710.000,00
<b>Current assets</b>	<b>10.950.773,00</b>		<b>1.075.140,97</b>	<b>12.025.913,97</b>
Customers	7.801.927,56			7.801.927,56
Other accounts receivable	2.953.278,35		1.075.140,97	4.028.419,32
Other financial assets				
Cash and bank deposits	195.567,09			195.567,09
	<b>10.950.773,00</b>	<b>735.000,00</b>	<b>1.075.140,97</b>	<b>12.760.913,97</b>

Financial liabilities	Financial liabilities at amortised cost	Financial liabilities valued at fair value through profit or loss	Not covered IFRS7	Total
<b>Non-current liabilities</b>	<b>274.926.529,35</b>	<b>16.150.986,99</b>	<b>18.987.641,32</b>	<b>310.065.157,66</b>
Loans received	274.926.529,35		18.987.641,32	293.914.170,67
Other financial liabilities		16.150.986,99		16.150.986,99
<b>Current liabilities</b>	<b>22.216.692,88</b>	<b>46.283,34</b>	<b>8.172.707,58</b>	<b>30.435.683,80</b>
Suppliers	7.008.228,36			7.008.228,36
Loans received	13.808.198,16		1.932.387,89	15.740.586,05
Other accounts payable	1.400.266,36		6.240.319,69	7.640.586,05
Other financial liabilities		46.283,34		46.283,34
	<b>297.143.222,23</b>	<b>16.197.270,33</b>	<b>27.160.348,90</b>	<b>340.500.841,46</b>

In 2010 and 2009, STCP only had financial assets and liabilities classified as:

- Loans granted and accounts receivable;
- Available for sale;
- Financial liabilities valued at amortised cost;
- Financial liabilities valued at fair value through profit or loss

According to point 29 of IFRS7, sub-paragraph a), when the book value is a reasonable approximation of the fair value, as in financial instruments such as commercial accounts receivable or payable in the short term, it is not necessary to disclose their fair value. In 2010 and 2009, this situation was the case of the headings Customers, Other accounts receivable, Cash and bank deposits and Other accounts payable.

The heading Financial shareholdings at the cost method is measured at cost and refers to a stake in a company not listed in an active market, therefore its fair value cannot be measured reliably (exception established

in point 29, sub-paragraph b) of IFRS7). Hence, it was not disclosed.

This leaves the derivative financial instruments, included in the heading Other financial liabilities, which are stated at fair value.

### 2.8.1.1. Loans received

As at 31 December 2010 and 2009, the details of the loans were as follows:

Account 25 - Loans Received	Ano de 2010					
	Amortised cost			Nominal value		
	Total	Current	Non-current	Total	Current	Non-current
<b>251 - Credit and financial institutions</b>	<b>59.400.947,57</b>	<b>38.021.420,22</b>	<b>21.379.527,35</b>	<b>59.272.867,95</b>	<b>37.893.340,60</b>	<b>21.379.527,35</b>
Bank loans	15.339.868,42	15.339.868,42	0,00	15.300.000,00	15.300.000,00	0,00
Bank overdrafts	19.642.886,54	19.642.886,54	0,00	19.562.407,43	19.562.407,43	0,00
Financial leasing	24.418.192,61	3.038.665,26	21.379.527,35	24.410.460,52	3.030.933,17	21.379.527,35
<b>252 - Stock Market</b>	<b>220.987.002,81</b>	<b>1.107.927,91</b>	<b>219.879.074,90</b>	<b>220.000.000,00</b>	<b>0,00</b>	<b>220.000.000,00</b>
<b>Non-convertible debenture loans</b>	<b>220.987.002,81</b>	<b>1.107.927,91</b>	<b>219.879.074,90</b>	<b>220.000.000,00</b>	<b>0,00</b>	<b>220.000.000,00</b>
Debenture loan 07	100.057.857,74	97.426,70	99.960.431,04	100.000.000,00	0,00	100.000.000,00
Debenture loan 09	120.929.145,07	1.010.501,21	119.918.643,86	120.000.000,00	0,00	120.000.000,00
<b>258 - Other sources of funds</b>	<b>55.014.653,83</b>	<b>55.014.653,83</b>	<b>0,00</b>	<b>55.000.000,00</b>	<b>55.000.000,00</b>	<b>0,00</b>
Schuldschein II	55.014.653,83	55.014.653,83	0,00	55.000.000,00	55.000.000,00	0,00
	<b>335.402.604,21</b>	<b>94.144.001,96</b>	<b>241.258.602,25</b>	<b>334.272.867,95</b>	<b>92.893.340,60</b>	<b>241.379.527,35</b>

Account 25 - Loans Received	Ano de 2009					
	Amortised cost			Nominal value		
	Total	Current	Non-current	Total	Current	Non-current
<b>251 - Credit and financial institutions</b>	<b>33.613.919,65</b>	<b>14.626.278,33</b>	<b>18.987.641,32</b>	<b>33.574.722,23</b>	<b>14.587.080,91</b>	<b>18.987.641,32</b>
Bank loans	7.518.646,41	7.518.646,41		7.500.000,00	7.500.000,00	
Bank overdrafts	5.175.244,03	5.175.244,03		5.158.533,23	5.158.533,23	
Financial leasing	20.920.029,21	1.932.387,89	18.987.641,32	20.916.189,00	1.928.547,68	18.987.641,32
<b>252 - Stock Market</b>	<b>221.045.212,40</b>	<b>1.111.327,26</b>	<b>219.933.885,14</b>	<b>220.000.000,00</b>	<b>0,00</b>	<b>220.000.000,00</b>
<b>Non-convertible debenture loans</b>	<b>221.045.212,40</b>	<b>1.111.327,26</b>	<b>219.933.885,14</b>	<b>220.000.000,00</b>	<b>0,00</b>	<b>220.000.000,00</b>
Debenture loan 07	100.024.289,74	72.327,22	99.951.962,52	100.000.000,00		100.000.000,00
Debenture loan 09	121.020.922,66	1.039.000,04	119.981.922,62	120.000.000,00		120.000.000,00
<b>258 - Other sources of funds</b>	<b>54.995.924,56</b>	<b>3.280,35</b>	<b>54.992.644,21</b>	<b>55.000.000,00</b>	<b>0,00</b>	<b>55.000.000,00</b>
Schuldschein II	54.995.924,56	3.280,35	54.992.644,21	55.000.000,00		55.000.000,00
	<b>309.655.056,61</b>	<b>15.740.885,94</b>	<b>293.914.170,67</b>	<b>308.574.722,23</b>	<b>14.587.080,91</b>	<b>293.987.641,32</b>

The financing conditions for current bank loans and overdrafts were negotiated on a daily basis, with their use being dependent on the lowest spreads.

In 2009, the negotiation established the highest spread at 2%. The 30 day Euribor continued as the most used, with a monthly periodicity of payment of interest.

In 2010, the negotiation established the highest spread at 3%. The 30 day Euribor continued as the most used, with a monthly periodicity of payment of interest.

This group of loans, in force as at 31 December 2010 and 2009, was characterised as follows:

- In September 2004, STCP contracted a loan on the Schuldschein market, at 7 years, of the value of 55,000 thousand euros. The loan is fully redeemable at par, at the end of its maturity. The company may proceed with the early repayment, total or partial, on any due date of the coupon, without incurring any penalty.
- In June 2007, the company issued a debenture loan of the value of 100 million euros, for 15 years. The subscription was private and direct. The rate is variable, indexed to the 6 month Euribor. There is a Call-Option, as of the 5th year, total or partial.
- In October 2009, the company contracted a debenture loan for 5 years of the value of 120,000 thousand euros. The repayment of the loan will be made at the nominal value, at the end of the maturity of the issuance. This loan was listed for trading on a regulated market.

These three sources of funds benefit from the personal backing of the Portuguese State.

Through a Guarantee contract, the Portuguese Republic unconditionally and irrevocably guarantees the payment of the values corresponding to the principal and interest payable under the terms and conditions of the contracts.

Most of the financing contracts in force have clauses covering a series of usual covenants, establishing the situations of default, cross default, negative pledge and pari passu. Default on the debt service, the crossing of information in the financial system and any early calling in of future liabilities have been agreed and accepted by the counterparties. It should also be noted that there are clauses of ownership of the Portuguese State.

The agreed covenants do not, as a rule, have corresponding indicators, with the exception of the clauses of ownership which bind the Portuguese State to the full ownership of the company's share capital, or in other cases, to the majority ownership, that is, to over 50% of the share capital.

In 2010 and 2009, the financing conditions of the loans in force are as follows:

Loan	Due date	Interest rate	Periodicity
<b>Non-convertible debenture loans</b>			
Debenture loan 2002	28-Nov-09	Euribor6M+0,06%	6-monthly
Debenture loan 2007	05-Jun-22	Euribor6M+0,0069%	6-monthly
Debenture loan 2009	09-Oct-14	3,61%	6-monthly
<b>Other sources of funds</b>			
Schuldschein I	09-Apr-09	Euribor 6M	6-monthly
Schuldschein II	20-Sep-11	Euribor3M+0,04%	Quarterly
FETT loan	31-Dec-09	3%	6-monthly

As at 31 December, the balance sheet date, the company had no situations of default in relation to any of the loans incurred.

#### 2.8.1.2. Other financial assets

The heading Other non-current financial assets includes the additional paid-in share capital granted to the participated company STCP Serviços.

The heading Other current financial assets includes the mutual loans granted to the participated company STCP Serviços.

### 2.8.1.3. Other financial liabilities

The company hedges against the risk of variation in the interest rate of some of the medium and long terms loans, by contracting swaps to minimise interest rate risk.

As at 31 December 2010 and 2009, the company had contracted the following derivative instruments:

Hedged financing	Nominal value	Maturity	2010			2009		
			Fair value	Current	Non-current	Fair value	Current	Non-current
Debenture loan 2007	25.000.000	05-Jun-22	-33.955.530,95	-48.548,18	-33.906.982,77	-15.966.873,33	-20.516,67	-15.946.356,66
Debenture loan 2007	25.000.000	05-Jun-22	-2.331.101,02	-22.343,76	-2.308.757,26	-230.397,00	-25.766,67	-204.630,33
<b>Other financial liabilities</b>			<b>-36.286.631,97</b>	<b>-70.891,94</b>	<b>-36.215.740,03</b>	<b>-16.197.270,33</b>	<b>-46.283,34</b>	<b>-16.150.986,99</b>

The two interest rate swaps, in force as at 31 December 2010 and 2009, to hedge 50% of the nominal value of the debenture loan, contracted in 2007, will be in force until the maturity of this loan. For both structures, and during the initial period of 3 years which ended in December 2010, the company exchanged the receipt of the 6 month Euribor rate for a fixed payment of the interest rate. These rates were established for both structures, at levels slightly above 2%.

After the initial period of 3 years, the hedge structures began to include a variable term. This term, directly related to the fluctuations of the Euribor and mid swap rate, evolved as follows:

- A floor at 2% for variations of the 3 month Euribor and a cap at 6% for variations of the 6 month Euribor. Whenever the Euribor is outside the limits of the range, an extra spread is added to the rate established at the beginning of the hedge. The addition recorded in a specific coupon is reflected in a cumulative effect for the next coupon, that is, a cumulative effect of memory of spreads. When the Euribor returns back to within the defined range, the hedge structure has a DigiCoupon of 50bps, which is nothing more than an “accelerator effect” of annulment of the cumulative effects of the previous coupons.
- Daily observations of the 2Y and 10Y mid swap rates. The 10Y mid swap rate cannot fall below a level of 2.75%, or, the spread between the 2Y and 10Y mid swap rate cannot fall below -0.25%. Whenever the mid swap rate is below the defined limits, a percentage component of daily observation is added to the rate established at the beginning of the structure, which is reflected in an additional spread. If the mid swap rate is always above the limits then the structure remains unchanged. There are no cumulative effects.

This structure was initially indexed, apart from that described above, to the constraint of a fx-option, with certain levels for the EURUSD index levels at specific times in the life of the structure. Since the conditions were met in December 2008, there was an automatic exercise of the Knockout EURUSD @ 1.35 option, an integral part of the structure in the portfolio and in this way the structure no longer has a EURUSD risk component, with all the other terms of the operation remaining unchanged.

It can be concluded that the structures are currently at levels above recent market conditions with respect to the fixed component of the hedges.

The mark-to-market as at 31 December 2010 of these operations presents significantly negative values, thus reflecting the evolution of the different market variables, such as the interest rates of the 3M Euribor, 6M

Euribor and 2Y and 10Y swap rates. The uncertainty over time, associated to the longevity of the maturity of these operations also explains the negative evolution of the mark-to-market.

These derivative instruments are stated at fair value. The calculation of the fair value of the derivatives contracted by the company was carried out by the respective counterparties, the financial institutions with which such contracts are concluded.

The valuation at fair value of the interest rate swap is based on Option Pricing Models and Discount Cash-Flow Models suited to derivative instruments not listed on stock markets (OTC derivative instruments).

For the determination of the fair value of the contracted swap, the evaluation model estimates the future cash flow based on the critical variables of valuation of the financial instruments embedded in the swap (that is, the different components incorporated in the swap), using, for the effect, the interest rate curve and implicit volatilities that are most representative in the market. Apart from the volatility trend, the correlation trend, for the period, is also used.

The valuation of the interest rate swap is indicative and representative of the existing market conditions on the reference date. The swap may incur significant adjustments in the fair value as a result of relatively minor variations in the critical variables and market risk, as well as through the occurrence of abnormal liquidity conditions in the market, liquidity risk, or due to direct or indirect sensitivity to other types of factors, and variety of risks (credit risk or systemic risk).

The sources used to ensure the reliability of the market parameters underlying the valuation are considered credible and consensual.

Although these derivative instruments have been contracted under a policy of hedging against the risk of the variation in the interest rate, all the necessary conditions are not met for the accounting of the operations as hedge accounting, as established in NCRF 27 - Financial instruments.

Therefore, the net variations in fair value, that occurred in 2010 and 2009, of the value of -20,064,753.04 euros and 972,666.60 euros of these financial instruments were recognised directly through profit or loss, under the headings Fair value reductions of financial instruments (Note 11) and Fair value increases of financial instruments (Note 11), presented in the income statement by nature under the headings Interest and similar income received/granted.

The details of the variations of fair value, in 2010 and 2009, are as follows:

Hedged financing	Nominal value	Maturity	2010	2009
Debenture loan 2007	25.000.000	05-Jun-22	-17.960.626,11	-1.221.444,07
Debenture loan 2007	25.000.000	05-Jun-22	-2.104.126,93	2.194.109,67
			<b>-20.064.753,04</b>	<b>972.665,60</b>

## 28.2. Financial risk management

The company is, as is the case of most companies, exposed to market risks: interest rate, credit and liquidity. There is no exposure to exchange rate risk.



### 28.2.1. Interest rate risk - policy and sensitivity analysis

The company is naturally exposed to interest rate risk. The debt is composed of a floating portion and a stable component.

In terms of floating debt, the interest rate risk is evident in the lines contracted at variable rates, subject to review in the short term, as established contractually.

The stable component of the debt, medium and long term, is divided as follows:

- Variable rate, where a portion is hedged with an instrument to manage the interest rate risk and,
- Fixed rate.

The interest rate risk management policy aims to minimise the financial costs and diversify the underlying variables. Part of the exposure to the risk of the variability of the interest rate is mitigated by 2 derivative operations, contracted in 2007. The contracted derivatives replicate the partial exposure (50%) of a financing operation and refer to the interest maturity periods of the operation which created them.

The performance of the operations is monitored over time, so as to find the structure which best minimises the low market value shown. In terms of the future, the contracting of new structures is also contemplated for the purpose of reducing or limiting the financial costs, always in a perspective of the total price of the debt.

The longer term debt is indexed to variations in the 3 and 6 month Euribor. This is composed of 2 operations: an issuance of bonds of 100 million euros for 15 years and a placement on the Schuldschein market of 55 million euros for the period of 7 years. A sensitivity analysis of the exposure of these two loans has been made to variations in the reference rates, indicating that, according to the 2011 forecast, the costs will stand at over 788 thousand euros for a variation of an additional 1% in the interest rate.

The issuance of bonds of 120 million euros for the period of 5 years has a fixed coupon interest rate, and therefore, is not exposed to the risk of rate fluctuation.

In 2011, the company will repay the Schuldschein loan of 55 million euros and will issue new debt with a similar maturity period, in addition to the funding of its current activity.

#### Short term funding of operations

The short term debt is exposed to variations in the 1 and 3 month Euribor rate, and to spread variations, with the current context being more serious, variable and significant than the actual reference rates. This is composed of various current account lines, some backed by promissory notes, whose value currently reaches approximately 90 million euros.

Hence, a 1% variation in the interest rate level is reflected in an increase of 336 thousand euros in terms of the costs forecast to cover the funding needs determined for 2011.

#### Financial flow of the swaps

In order to cover the exposure to interest rate risk, mostly variable risk pursuant to the contracts which have been concluded, the company contracted 2 derivative operations, with the objective of mitigating and diversifying risk.

The hedge operations, at the time of their contracting, comply with the following basic principles: they are subject to comparative analysis between various other proposals, the counterparties are suitable financial institutions and which usually support the company, and the contractual support is the standard one of the market – ISDA.

These operations are not undertaken for the purpose of speculation or trading.

The operations are accompanied by a behavioural study of the structure together with the underlying financial operation – a mix of the debt, where their implicit rate is determined, in terms of real cash flow, at the present time. In future terms, the hedge operations carried out are subject to proposals of new hedges so as to improve the overall performance. These operations are regularly subject to stress-test scenarios to assess their impact, so as to understand the sensitivity of the structure to the short term evolution of the market.

The flows of these hedges in 2011 are estimated at the value of 1.03 million euros.

The increases in the 3 month Euribor rate by above 2% improved the performance of one of the swaps, to the extent that the receiving party positively recovered and the paying party no longer accumulated the previous spreads.

For the other hedge the scenario is similar, in terms of the fixed component, the increase of the 6 month Euribor will enable increasing the receiving part, with the attention being focused on the level of the mid swap rates.

A sensitivity analysis of these structures with upward variations of the Euribor by 1% improve the performance of the two operations, and a 1% downward variation of the rates is not possible with the current rates, since this would place them at 0%.

### **28.2.2. Liquidity Risk**

The company's financial planning is based on a platform of stability which is characterised by: stable and normal market conditions; stable performance of the supporting financial partners and their interest in the SEE and their reasonable level of risk; compliance with the debt service which has been assumed; capacity to analyse and foresee the risk of default with immediate reporting to the line ministry regarding operations backed by the State; possibility of appeal, in the last instance, to the shareholder for one-off situations of solvency to meet commitments, thus avoiding the extent of cross-default.

This risk is always analysed by the company, where it has been established that the objective of the diversification of the counterparties is to prevent the denouncement of any of the counterparties and the withdrawal of their loans. The company chooses the instruments best suited to their accounts, their equity and the specificity of their future funding needs.

The assumption of a corporate position of the partners with respect to default or the massive withdrawal of liquidity, at the limit, would be met, exclusively, by the assistance of the shareholder, since the values generated in the public service provided by the company are not high enough to ensure self-sufficiency.

As noted in the previous paragraph, the company promotes a policy of diversification of its funding sources and contracting institutions, monitoring the exposure to each type of operation and each institution, and choosing counterparties of demonstrated reputation through their reciprocal business relationship over the years. Maturities are dispersed according to the chosen time horizon, from times of less concentration of liabilities and from the market conditions at the time of the negotiation.

The objective of the search for operations of consolidation of short term liabilities is, amongst other reasons, that of extending the maturity of the debt, releasing lines of support to the business, which, per se, operates at a loss.

The range of permanent liquidity, as considered in normal market periods, comprises a portfolio of lines which are always replaced when approximately 50% of this fund has been used.

This comfortable coefficient enables the company to begin a process whenever necessary at the time of the issue of longer term debt and involves various and time-consuming authorisations.

The future cash flow relative to the medium and long term loans are as follows:

Years	Interest	Repayment	Cash-flow
2011	6.061.070,28	55.000.000,00	61.061.070,28
2012	5.619.181,66		5.619.181,66
2013	5.615.668,05		5.615.668,05
2014	5.615.668,05	120.000.000,00	125.615.668,05
2015	1.282.468,05		1.282.468,05
2016	1.285.981,66		1.285.981,66
2017	1.282.468,05		1.282.468,05
2018	1.282.468,05		1.282.468,05
2019	1.282.468,05		1.282.468,05
2020	1.285.981,66		1.285.981,66
2021	1.282.468,05		1.282.468,05
2022	639.477,22	100.000.000,00	100.639.477,22

Reported as at 31 December 2010, the company has approximately 50 million euros of short term lines, available for use.

### 28.2.3. Credit Risk

Regular monitoring is ensured of the values in debt of customers and other receivables, regarding the values of credit loaned and any delay in repayment, including analysis of the associated risk of non-collection

The Board of Directors believes that, as at 31 December 2010 and 2009, the impairment losses recorded, arising from debts receivable, reflect the reality of the assumed risk of non-collection.

The details of the heading Customers and other receivables, according to their maturity and recoverability, are as follows:

	2010	2009
Without recorded impairment		
<b>Customers, current account</b>	<b>1.454.204,13</b>	<b>7.801.927,56</b>
<b>Not due</b>	<b>1.423.166,94</b>	<b>2.179.248,22</b>
<b>Past due</b>	<b>31.037,19</b>	<b>5.622.679,34</b>
<30	12.053,50	1.328.558,31
<60	2.952,40	1.307.843,12
<90	4.102,50	1.212.510,02
<120	1.280,75	984.507,03
<180	1.999,35	788.440,91
>180	8.648,69	819,95

	2010	2009
<b>Other receivables</b>	<b>2.869.624,84</b>	<b>3.567.354,55</b>
Without recorded impairment		
<b>Other receivables</b>	<b>1.959.982,30</b>	<b>2.657.712,01</b>
Not due	445.682,18	440.725,45
Past due	1.514.300,12	2.216.986,56
<30	213.983,64	126.270,46
<60	333,32	9.647,82
<90	62.631,58	78.867,65
<120	126.661,48	87.106,28
<180	69.757,61	123.433,54
>180	1.040.932,49	1.791.660,81
With recorded impairment		
<b>Other receivables</b>	<b>909.642,54</b>	<b>909.642,54</b>
Not due	0,00	0,00
Past due	909.642,54	909.642,54
>180	909.642,54	909.642,54

In the heading Other current receivables, particular note should be made of the following values:

- 813 thousand euros relative to expenses paid on behalf of the Installing Committee of the Metropolitan Transport Authority of Porto and which should be reimbursed by the State:  
The Board of Directors considers that, as at 31 December 2010 and 2009, the debt in question, in spite of its delay in payment, does not present any risk of non-collection therefore there has been no recognition of any impairment loss. The motives underlying this decision are:

STCP has paid expenses related to the Metropolitan Transport Authority of Porto, and should be compensated by AMTP as soon as it is effectively appointed and empowered. It was only with the publication of Law 1/2009 and with the recent appointment of the bodies of the Board of Directors of the Metropolitan Transport Authority (Order 17026/2010 of 11.11.2010) that the conditions were created to receive the sum in question, with the open balance having been confirmed and recognised, for settlement in the short term.

- 910 thousand euros relative to compensation, debited from Porto Municipality, for the direct costs incurred by STCP with the removal of the tram line of the stretches between Praça Cidade S. Salvador and Praça Gonçalves Zarco.

Debts overdue more than 90 days are essentially relative to entities of exclusively public capital. The analyses of the risk of non-collection were carried out by the Board of Directors which considered that only the debt of Porto Municipality was impaired. Hence, the respective impairment was recognised to the value of 909,642.54 euros. This impairment was carried over from previous years.

### 28.3. Costs, Income, Losses and Gains

Costs and losses as well as income and gains relative to the loans received and derivative financial instruments are detailed in Note 11.

## 28.4. Own Equity Instruments

### 28.4.1. Share Capital

The book value of the share capital issued by the company, in 2010 and 2009, corresponds only to the heading Share capital, of the value of 79,649 thousand euros, which is fully paid-up. The share capital is represented by 15,929,800 shares merely in book value form, with the nominal value of 5 euros each

During 2010 and 2009 there were no movements in the share capital. The Portuguese State owns 100% of the share capital.

### 28.4.2. Reserves

As at 31 December 2010 and 2009, the heading Reserves shows the following details:

Reserves	2010	2009
Legal reserves	74.907,42	74.907,42
Other reserves	25.727,80	25.727,80
Other reserves - Free reserves	25.256,95	25.256,95
Other reserves - Staff assistance fund	470,85	470,85

### 28.4.3 Revaluation Surplus

The movement of the revaluation surplus of tangible and intangible fixed assets, in 2010 and 2009, presented the following details:

	Intangible assets	Tangible fixed assets	Total
<b>2010</b>			
Balance as at 01.01.2010	0,00	46.373.157,83	46.373.157,83
Amortisations		-413.028,40	-413.028,40
Balance as at 31.12.2010	0,00	45.960.129,43	45.960.129,43
<b>2009</b>			
Balance as at 01.01.2009 POC	0,00	16.264.033,10	16.264.033,10
SNC Adjustments		21.566.349,32	21.566.349,32
- Adjustment to pure historical cost		-16.264.033,10	-16.264.033,10
- Revaluation		37.830.382,42	37.830.382,42
Balance as at 01.01.2009 SNC	0,00	37.830.382,42	37.830.382,42
Changes during 2009			
Revaluation		8.940.327,67	8.940.327,67
Amortisations		-397.552,26	-397.552,26
Closing balance for the period	0,00	46.373.157,83	46.373.157,83

### 28.4.4. Adjustments to Financial Assets

As at 31 December 2010 and 2009, the heading Adjustments to financial assets shows the following details:

	2010	2009
<b>Transition adjustments</b>	<b>-32.699,86</b>	<b>-32.699,86</b>
STCP Serviços	-5.000,00	-5.000,00
Autoloc	-139,83	-139,83
Transpublicidade	-27.560,03	-27.560,03
<b>Non-distributed profit</b>	<b>154.796,62</b>	<b>128.811,73</b>
Transpublicidade	154.796,62	128.811,73
<b>Adjustments to financial assets - Relative to MEP</b>	<b>122.096,76</b>	<b>96.111,87</b>

#### 28.4.5. Other changes in equity

The heading Other changes in equity, as at 31 December 2010 and 2009, presented the following details:

	2010	2009
<b>Grants</b>	<b>1.125.054,28</b>	<b>1.890.569,74</b>
Assets subject to amortisation - Attributed value	7.038.055,92	7.114.108,88
Assets subject to amortisation - Retained earnings	-5.913.001,64	-5.223.539,14
<b>Donations</b>	<b>281.048,63</b>	<b>281.048,63</b>
<b>Other changes in equity</b>	<b>1.406.102,91</b>	<b>2.171.618,37</b>

#### 28.4.6. Earnings per share

For 2010 and 2009, the earnings per share were determined as follows:

	2010	2009
Net income for the period	-37.677.163,38	-23.652.563,86
Weighted average number of shares	15.929.800	15.929.800
<b>Basic earnings per share</b>	<b>-2,37</b>	<b>-1,48</b>

Since there were no situations leading to dilution, the net income per share is the same as the basic earnings per share.

## 29. Employee Benefits

The company has had a defined benefits plan since 1 May 1975, which establishes the attribution of a supplementary pension for the retirement and invalidity of all workers with permanent employment contracts, signed up to 2005 inclusively, which is calculated based on a fixed formula, and is paid provided that the sum of the pension attributed by Social Security plus this supplement does not exceed 650 euros (value in force since 2007).

In December 1998, the company transferred its liability to the BPI Open Pensions Fund, proceeding, through the signing of the Adherence contract, with an initial endowment of 3,042,667 euros, corresponding to 304,158.66 participation units.

As at 31 December 2010 and 2009, according to an actuarial study carried out by BPI PENSÕES, the present value of the liabilities assumed with responsibilities for retirement and invalidity supplementary pensions was as follows:

	2010	2009
Costs related to past services of pensioners	3.267.798,00	3.459.296,00
Costs related to past services of active workers	0,00	31.999,00
<b>Liability of the fund</b>	<b>3.267.798,00</b>	<b>3.491.295,00</b>

The financial and actuarial assumptions used in the actuarial assessment of the liabilities, in 2010 and 2009, were as follows:

Assumptions	2010	2009
Discount rate	4,75%	6,00%
Projected rate of return	5%	5%
Growth rate of the ceiling (**)	Without growth, fixed value of 650.00 euros	
Growth rate of Social Security pensions (*)	1,75%	2%
Growth rate of STCP pensions	Same as the growth rate of Social Security pensions limited by the difference between the value of the ceiling and Social Security pension	
Salary growth rate	Not applicable	1% above the pensions growth rate
Mortality table	French table TV 73/77	
Invalidity table	Not applicable	Swiss table EKV-80

(\*) Prior to 2001 this was 1%, in the long term.

(\*\*) Prior to 2001 the ceiling was 548.68 euros. From 2001 until 2006 inclusively, it became 598.56 euros.

As at 31 December 2010 and 2009, the movements in the pensions fund were as follows:

	2010	2009
<b>Value of the assets in the fund at the beginning of the year</b>	<b>2.626.274,00</b>	<b>3.045.472,00</b>
Company contributions	235.371,00	0
Pensions paid	-575.250,00	-612.169,00
<b>Effective income:</b>	<b>52.146,00</b>	<b>192.970,00</b>
Projected rate of return of the fund net of commissions	115.877,00	136.317,00
Income gains/(losses)	-63.731,00	56.653,00
<b>Value of the assets in the fund at the end of the year</b>	<b>2.338.541,00</b>	<b>2.626.274,00</b>

At the closing date of the accounts it was not possible to reliably estimate the expected value of the contributions for 2010, since this value will be determined in accordance with the funding level.

As at 31 December 2010 and 2009, the alterations in the liabilities assumed in relation to supplementary retirement and invalidity pensions were as follows:

	2010	2009
<b>Liabilities at the beginning of the year</b>	<b>3.491.295,00</b>	<b>3.882.068,00</b>
Current service costs	23.337,00	27.603,00
Interest costs	192.354,00	215.432,00
Projected pensions	-617.452,00	-638.270,00
Actuarial losses/(gains) related to experience	-139.713,00	4.462,00
Gains/(losses) from changes in the discount rate	317.977,00	0,00
<b>Liabilities at the end of the year</b>	<b>3.267.798,00</b>	<b>3.491.295,00</b>

During the years ended in 2010 and 2009, the following values were recognised through profit or loss, under the heading Staff costs, arising from liabilities due to supplementary retirement and invalidity pensions:

	2010	2009
Current service costs	23.337,00	27.603,00
Interest costs	192.354,00	215.432,00
Projected rate of return	-115.877,00	-136.317,00
<b>Actuarial losses/(gains)</b>	<b>199.793,00</b>	<b>-78.292,00</b>
Actuarial losses/(gains) related to experience	-139.713,00	4.462,00
Income losses/(gains)	63.731,00	-56.653,00
Losses/(gains) in benefits (pensions)	-42.202,00	-26.101,00
Losses/(gains) from changes in the discount rate	317.977,00	0,00
	<b>299.607,00</b>	<b>28.426,00</b>

The evolution of the gains and losses arising from adjustments of experience were as follows:

	2010	2009	2008	2007	2006
<b>Plan liabilities</b>					
Gains/(losses) related to experience	139.713,00	-4.462,00	62.774,00	-66.329,00	38.028,00
% Liabilities for past services	4,3%	-0,1%	1,6%	-1,5%	1,0%
<b>Plan assets</b>					
Income gains/(losses)	-63.731,00	56.653,00	-501.369,00	-44.129,00	53.111,00
% Plan assets	-2,7%	2,2%	-16,5%	-1,1%	1,3%

The effective rates of return of the Pensions Fund in the last 5 years were as follows:

	2010	2009	2008	2007	2006
Effective rate of return	2.8%	8.22%	-8.05%	4.07%	7.20%

Paragraph 104.A. of IAS19 is not applicable.

The evolution of the last 5 years of the present value of the defined benefits liability, in the fair value of the plan's assets and plan's surplus or deficit, were as follows:

Year	Fund liabilities	Value of Fund Assets	Fund Deficit/Surplus	Fund Coverage Rate
2006	3.796.726,00	4.224.049,00	427.323,00	111%
2007	4.306.315,00	3.997.361,00	-308.954,00	93%
2008	3.882.068,00	3.045.472,00	-836.596,00	78%
2009	3.491.295,00	2.626.274,00	-865.021,00	75%
2010	3.267.798,00	2.338.541,00	-929.257,00	72%

A composição do Fundo de Pensões Aberto BPI Valorização a 31 de Dezembro de 2010 e 2009 era a seguinte:



Composition	2010		2009	
	Valor	%	Valor	%
Shares	43.724.678	33,7%	43.410.671	34,3%
Real estate	2.828.076	2,2%	2.823.860	2,2%
Bonds at indexed rate	48.751.537	37,5%	47.190.685	37,3%
Bonds at fixed rate	8.470.393	6,5%	12.539.026	9,9%
Absolute return	5.640.592	4,3%	8.452.588	6,7%
Liquidity	20.464.740	15,8%	12.211.693	9,6%
	<b>129.880.016</b>		<b>126.628.523</b>	

As at 31 December 2010, the net worth of the adherence of STCP to the BPI Open Pensions Fund BPI Valorização was 2,338,541.00 euros, which represented 1.82% of the total value of the Pensions Fund. As at 31 December 2009, the net worth of the adherence of STCP to the BPI Open Pensions Fund BPI Valorização was 2,626,274 euros, which represented 2.07% of the total value of the Pensions Fund.

The composition of the Open Pensions Fund BPI Valorização has no assets of the company Sociedade de Transportes Colectivos do Porto (STCP).

## 30. Disclosures Required by Legal Diplomas

There is nothing of relevance to note.

## 31. Suppliers and Other payables

Debts to suppliers, as at 31 December 2010 and 2009, showed the following details and late payment:

	2010	2009
<b>Suppliers - current accounts</b>	<b>4.634.972,13</b>	<b>7.008.228,36</b>
Not due	2.803.600,70	3.853.396,90
Past due	1.284.997,44	2.830.859,87
<30	1.094.013,63	822.849,45
<60	83.545,83	209.683,64
<90	28.756,87	73.232,48
<120	8.176,18	35.643,38
<180	23.095,00	35.719,50
>180	47.409,93	1.653.731,42
Reception and conference	546.373,99	323.971,59
<b>Fixed asset suppliers</b>	<b>459.558,08</b>	<b>764.353,51</b>
Not due	290,40	187.725,92
Past due	459.267,68	576.627,59
<30	30.254,48	161.072,64
<60	9.855,45	
<90	532,40	
<120	15.707,70	79.222,15
<180		2.010,00
>180	402.917,65	334.322,80
<b>Other payables</b>	<b>243.118,76</b>	<b>491.019,13</b>
Not due	243.118,76	238.133,23
Past due		252.885,90
<30		3.222,00
<60		30.529,37
<120		215.278,50
<180		3.856,03

Debts to suppliers and accounts payable were recorded at their nominal value because these items do not earn interest and, on the other hand, the effect of their financial discount is not materially relevant, in view of the applicable average period of payment (which is purely commercial: 60 days).

## 32. State and Other Public Entities

EAs at 31 December 2010 and 2009, the details of the heading State and other public entities were as follows:

	2010		2009	
	Assets	Liabilities	Assets	Liabilities
Income tax (IRC)	476.838,16		506.612,31	
IRC - payments on account	471.000,00		401.000,00	
IRC - Calculation	5.838,16		105.612,31	
Income tax withholdings		249.781,10		233.776,75
Value added tax	2.568.803,94		385.993,67	420.900,74
Other taxes		5.110,65		4.492,26
Social Security contributions		717.649,09		723.695,05
Local government taxation				
Other taxation		5.314,80		11.344,80
<b>State and other public bodies</b>	<b>3.045.642,10</b>	<b>977.855,64</b>	<b>892.605,98</b>	<b>1.394.209,60</b>

## 33. Other accounts payable and receivable

As at 31 December 2010 and 2009, the details of Other accounts payable and receivable were as follows:

Other accounts payable	2010	2009
Fixed asset suppliers - current accounts	459.558,08	764.353,51
Accrued costs payable	5.953.642,95	6.240.319,69
Staff	118.494,77	144.389,72
Payable customer balances	4.514,10	504,00
Miscellaneous payables	243.118,76	491.019,13
	<b>6.779.328,66</b>	<b>7.640.586,05</b>

Accrued costs payable	2010	2009
External supplies and services - Outsourcing	57.718,11	23.709,52
External supplies and services - Specialised work	643.786,80	796.143,56
External supplies and services - Energy and other liquids	8.960,53	40.575,39
External supplies and services - Miscellaneous services	557.644,14	483.675,84
Staff costs	4.552.765,43	4.616.492,24
Other Costs and Losses	132.767,94	279.723,14
	<b>5.953.642,95</b>	<b>6.240.319,69</b>

Other accounts receivable	2010	2009
Accrued income receivable	3.141.940,41	1.075.140,97
Staff	306.885,47	289.598,27
Receivable supplier balances	1.220,50	5.968,07
Miscellaneous receivables	2.869.624,84	3.567.354,55
<b>Gross value</b>	<b>6.319.671,22</b>	<b>4.938.061,86</b>
Accumulated impairment losses	-909.642,54	-909.642,54
<b>Book value</b>	<b>5.410.028,68</b>	<b>4.028.419,32</b>

Accrued income receivable	2010	2009
Services	1.985.390,29	880.066,12
Operating grants	954.819,72	0,00
Other income and gains - Supplementary income	0,00	54.029,97
Other income and gains - Other	201.702,40	141.044,88
Interest receivable	28,00	0,00
	<b>3.141.940,41</b>	<b>1.075.140,97</b>

## 34. Deferrals

As at 31 December 2010 and 2009, the heading Deferrals, in Current assets and Current liabilities, showed the following details:

Deferrals	2010	2009
<b>Costs to be recognised</b>	<b>343.710,48</b>	<b>400.073,57</b>
External supplies and services	334.977,73	350.259,65
Other Costs and Losses	8.732,75	49.813,92
<b>Income to be recognised</b>	<b>882.612,00</b>	<b>897.716,54</b>
Services	689.381,44	839.477,80
Other income and gains	193.230,56	58.238,74

## 35. External Supplies and Services

The heading External supplies and services, in 2010 and 2009, were detailed as follows:

	2010	2009
<b>Outsourcing</b>	<b>6.316.252,45</b>	<b>5.858.499,20</b>
<b>Specialised services</b>	<b>6.546.040,94</b>	<b>6.983.500,46</b>
Specialised work	304.484,48	347.432,61
Advertising and publicity	96.601,12	125.707,85
Surveillance and security	353.316,07	434.147,35
Fees	142.837,27	183.416,16
Commissions	2.025.210,31	1.949.722,22
Maintenance and repair	3.284.938,31	3.532.841,94
Communication and public information	37.654,26	66.619,37
Other	300.999,12	343.612,96
<b>Materials</b>	<b>69.127,07</b>	<b>70.232,83</b>
<b>Energy and liquids</b>	<b>10.896.566,59</b>	<b>9.566.187,29</b>
Electricity	440.569,16	509.248,61
Fuel	10.417.471,56	9.026.885,99
Other	38.525,87	30.052,69
<b>Travel, hotel and transport</b>	<b>15.588,15</b>	<b>20.898,31</b>
<b>Miscellaneous services</b>	<b>8.767.564,24</b>	<b>9.103.885,80</b>
Rents	6.113.127,05	6.308.187,10
Communication	441.055,44	430.904,56
Insurance	603.493,67	589.853,60
Royalties	127.793,39	129.258,62
Litigation and notary services	8.768,62	34.897,91
Representation expenses	20.464,04	23.565,08
Cleaning, hygiene and comfort	1.236.162,41	1.285.066,84
Other services	216.699,62	302.152,09
<b>External supplies and services</b>	<b>32.611.139,44</b>	<b>31.603.203,89</b>

## 36. Personnel Costs

As at 31 December 2010 and 2009, the details of Staff costs are as follows:

	2010	2009
Remuneration of governing bodies	472.270,73	487.651,30
Salaries paid to the staff	30.561.411,47	30.311.201,74
Post-employment benefits	346.410,25	81.159,11
Payroll costs	6.751.009,96	6.710.000,42
Accidents at work and occupational diseases	383.971,05	357.829,05
Social action costs	416.275,66	391.712,55
Compensatory payments	954.363,08	2.193.075,36
Other staff costs	113.780,39	198.397,33
<b>Staff costs</b>	<b>39.999.492,59</b>	<b>40.731.026,86</b>

## 37. Other Costs and Losses

As at 31 December 2010 and 2009, the details of Other operating costs and losses are as follows:

	2010	2009
<b>Other costs and losses</b>	<b>1.313.735,28</b>	<b>1.267.069,67</b>
<b>Taxes</b>	<b>129.656,46</b>	<b>95.293,95</b>
Direct taxes	88.922,74	70.157,90
Indirect taxes	25.264,00	5.368,77
Rates	15.469,72	19.767,28
<b>Uncollectable debts</b>	<b>325,00</b>	
<b>Inventory losses</b>	<b>75.615,01</b>	<b>146.648,61</b>
Inventory losses - Breakage/waste	8.939,24	6.155,74
Inventory losses - Write-offs	66.675,77	140.492,87
<b>Costs and losses in non-financial investments</b>	<b>281.882,83</b>	<b>21.622,57</b>
Disposals		1.365,34
Write-offs	1.239,98	20.257,23
Investment property costs	20.642,85	
Other non-financial costs and losses	260.000,00	
<b>Other costs and losses</b>	<b>826.255,98</b>	<b>1.003.504,54</b>
Donations	100.186,52	99.983,98
Levies	27.701,63	30.502,95
Insufficient estimate of taxes		425,68
Compensations for claims	690.187,11	682.659,28
Other Operating Costs and Losses	8.180,72	189.932,65
<b>Financing gains and losses</b>	<b>54.161,90</b>	<b>24.837,73</b>
<b>Interest paid</b>	<b>33.591,51</b>	<b>45,67</b>
Other interest	33.591,51	45,67
<b>Unfavourable currency conversion differences</b>		<b>2,14</b>
<b>Other financing costs and losses</b>	<b>20.570,39</b>	<b>24.789,92</b>
	<b>1.367.897,18</b>	<b>1.291.907,40</b>

## 38. Other Income and Gains

As at 31 December 2010 and 2009, the details of Other operating income are as follows:

	2010	2009
<b>Other income and gains</b>	<b>3.399.112,85</b>	<b>3.786.858,95</b>
<b>Supplementary income</b>	<b>1.751.311,99</b>	<b>1.992.935,63</b>
<b>Cash discounts</b>	<b>12.116,11</b>	<b>19.750,47</b>
<b>Inventory gains</b>	<b>74.215,96</b>	<b>148.833,57</b>
Inventory gains - Unsold items	9.589,06	46.165,35
Inventory gains - Other gains	64.626,90	102.668,22
<b>Income and gains in non-financial investments</b>	<b>254.843,71</b>	<b>54.585,28</b>
Disposals	2.198,80	54.585,28
Rents and other income from investment properties	252.644,91	
<b>Other income and gains</b>	<b>1.306.625,08</b>	<b>1.570.754,00</b>
Other income and gains - Imputation of investment grants	769.270,18	1.037.759,11
Other income and gains - Claims	277.361,80	163.510,24
Other income and gains - Other grants	36.233,62	
Other non-specified	223.759,48	369.484,65
<b>Interest, dividends and similar income</b>		<b>4.262,79 €</b>
Interest received		4.262,79
Interest received - From other funding granted		4.262,79
<b>Other income and gains in the income statement</b>	<b>3.399.112,85</b>	<b>3.791.121,74</b>

## 39. Liabilities due to guarantees provided

As at 31 December 2010 and 2009, the liabilities assumed relative to guarantees provided to third parties were as follows:

Beneficiary of the Guarantee	Description	2010	2009
Ministry of Internal Administration	Self-protection services for activities pursuant to § f), number 2 of article 1 of DL 276/93	19.000,00	19.000,00
Labour Courts	Work accident pensions	447.430,41	447.430,41
EDP Serviço Universal	Supply of energy	9.168,00	9.168,00
Porto Adm. Fiscal Court	Dispute relative to the SAE grant	341.497,02	341.497,02
Gondomar Judicial Court	Dispute with Imgoval	245.564,00	245.564,00
		<b>1.062.659,43</b>	<b>1.062.659,43</b>

## 40. Number of Staff

During the year ended 31 December 2010 and 2009, the average number of employees working for the company was 1,512 and 1,502, respectively.

## 41. Negative Equity

During the year ended on 31 December 2010, the company incurred a loss of 37,677,163.38 euros, since on that date its total liabilities exceeded its total assets by 275,747,187.80 euros.

On celebrating 140 years of existence in 2010, STCP considers that by being part of the Corporate Sector of the Portuguese State, since it is a company of exclusively public capital, whose ultimate goal is the delivery of a service of a wider general interest, with a significant share of compulsory social service, instead of aiming at the profit, it plays a key role imposing the State to cover the costs resulting from this social service and to ensure the continuity of its activity.

Although the company has continuously shown negative results, there is no doubt about its continuity, as demonstrated by the fact that the Portuguese State continues to be the guarantor of the non-current operations providing financial support. This point will be noted in future annual reports.

Porto, 1 March 2011

Certified Accountant number 6622

The Board of Directors  
Chairwoman  
Members







DYNAMISM



CULTURAL PROMOTION



## 8 Other Information

## 8.1 Key Activity Indicators

NETWORK	2007	2008	2009	2010	10/09 PP
Operating Lines	83	83	83	85	2,4%
Road	80	80	80	82	2,5%
Trams	3	3	3	3	0,0%
Municipalities Covered	6	6	6	6	0,0%
Parishes Covered	52	52	52	53	1,9%
Stops	2.712	2.724	2.707	2.720	0,5%
Extension (km)	533,0	537,1	541,8	545,6	0,7%
Road	531,5	534,8	539,4	543,2	0,7%
Trams	8,7	8,7	8,9	8,9	0,0%
BUS Corridors	23,4	24,5	24,6	24,7	0,2%
DEMAND	2007	2008	2009	2010	10/09
Passengers (valores em milhares)					
Buses	108.834	110.993	107.945	108.830	0,8%
Own Production	96.045	98.355	94.720	95.515	0,8%
Private Operators	12.789	12.637	13.225	13.315	0,7%
Trams	268	261	298	389,86	30,7%
<b>Passengers</b>	<b>109.102</b>	<b>111.254</b>	<b>108.243</b>	<b>109.220</b>	<b>1%</b>
<b>Passengers km</b>	<b>432.875</b>	<b>441.425</b>	<b>410.404</b>	<b>388.666</b>	<b>-5%</b>
Type of tickets used	2007	2008	2009	2010	10/09 PP
<b>Mono-modal passengers</b>	<b>83,6%</b>	<b>74,9%</b>	<b>68,0%</b>	<b>63,2%</b>	<b>-4,8</b>
- passes	65,0%	58,9%	54,5%	50,8%	-3,8
- occasional tickets	13,7%	11,2%	9,2%	7,9%	-1,3
- loose + daily tickets	4,9%	4,8%	4,3%	4,4%	0,2
<b>inter-modal passengers</b>	<b>16,4%</b>	<b>25,1%</b>	<b>32,0%</b>	<b>36,8%</b>	<b>4,8</b>
- passes	13,5%	20,2%	26,1%	29,6%	3,6
- occasional tickets	3,0%	4,7%	5,5%	6,6%	1,1
- andante tour	0,02%	0,28%	0,46%	0,7%	0,2
REVENUE	2007	2008	2009	2010	10/09
Net revenue by type of fare price (values in thousand euros)					
Mono-modal Revenue	39.902	37.424	32.812	31.121	-5%
Andante Revenue	6.814	11.966	14.730	18.045	23%
<b>Total</b>	<b>46.716</b>	<b>49.390</b>	<b>47.542</b>	<b>49.166</b>	<b>3,4%</b>

SALES NETWORK		2007	2008	2009	2010	10/09
Sales channels						
Payshop Agents		452	493	487	495	2%
CTT Offices		86	86	85	85	0%
STCP Posts		4	4	4	3	-25%
Andante Shops		13	11	12	10	-17%
CP Ticket Office		2	5	5	5	0%
MVAs MP		173	177	179	179	0%
CUSTOMER COMPLAINTS		2007	2008	2009	2010	10/09
By Entry Channel						
Office of Public Defender		2.042	998	615	487	-21%
Blue Line		1.821	1.607	1.139	1.011	-11%
Complaints Book		470	241	199	210	6%
Other Channels		483	450	632	362	-43%
<b>Total Complaints</b>		<b>4.816</b>	<b>3.296</b>	<b>2.585</b>	<b>2.070</b>	<b>-20%</b>
TYPE OF COMPLAINT		2007	2008	2009	2010	10/09
Network and Routes		1.350	185	81	61	-25%
Time-tables		1.042	1.358	1.228	932	-24%
Ticket System		942	411	257	213	-17%
Staff Behaviour		690	447	349	406	16%
Information for the Public		402	307	201	144	-28%
Stops and Shelters		205	136	90	64	-29%
Other		184	374	160	183	14%
Behaviour with Legal Coverage			62	178	25	-86%
Vehicles			16	41	42	2%
<b>Total</b>		<b>4.816</b>	<b>3.296</b>	<b>2.585</b>	<b>2.070</b>	<b>-20%</b>

SUPPLY	2007	2008	2009	2010	10/09
<b>Total Production</b> (values in thousand km)					
Buses	29.628	29.452	28.786	29.740	3%
Trams	87	83	91	108	19%
<b>Vehicles km</b>	<b>29.715</b>	<b>29.535</b>	<b>28.877</b>	<b>29.848</b>	<b>3%</b>
Buses	2.597.221	2.566.339	2.513.430	2.602.705	4%
Trams	3.890	3.500	3.813	4.538	19%
<b>Places km</b>	<b>2.601.111</b>	<b>2.569.839</b>	<b>2.517.243</b>	<b>2.607.242</b>	<b>4%</b>
<b>Overall Occupancy Rate</b>					
Buses	16,6%	17,2%	16,3%	14,9%	-1,4 pp
Trams	20,7%	22,4%	16,8%	15,9%	-0,9 pp
<b>Total Commercial Speed</b>					
Buses	16,0	16,2	16,2	16,1	-1%
Trams	7,9	7,4	7,5	7,6	2%
<b>Production of Own Bus Fleet</b> (values in thousands)					
Average No. Vehicles (unit)	422	407	390	401	3%
Vehicles km	25.386	25.387	24.770	25.724	4%
Places km	2.272.414	2.254.910	2.206.567	2.296.833	4%
Vehicles hour	1.606	1.581	1.542	1.613	5%
<b>Indicators of the Own Bus Fleet Supply</b>					
Occupancy Rate (%)	17%	17%	16%	14,5%	-1,4 pp
Commercial Speed (km/h)	15,8	16,1	16,1	15,9	-1%
Collision accident rate (per million km)	40	37	43	39	-8%
<b>Production of the Private Operator Fleet</b> (values in thousands)					
Vehicles km	4.242	4.066	4.015	4.016	0%
Places km	324.806	311.429	306.863	305.872	0%
Vehicles hour	251	241	238	238	0%
<b>Indicators of the Private Operator Fleet Supply</b>					
Occupancy Rate (%)	15,6%	16,1%	19,4%	18,2%	-1,2 pp
Commercial Speed (km/h)	16,9	16,9	16,9	16,9	0%
<b>Production of the Tram Fleet</b> (values in thousands)					
Average No. Vehicles (unit)	3	4	4	4	0%
Vehicles km	87	83	91	108	19%
Places km	3.890	3.500	3.813	4.538	19%
Vehicles hour	11	11	12	14	17%
<b>Indicators of the Tram Supply</b>					
Occupancy Rate (%)	20,7%	22,4%	16,8%	15,9%	-0,9 pp
Commercial Speed (km/h)	7,9	7,4	7,5	7,6	2%
<b>Indicators of Detours</b>					
Number of Detours	n.d.	222	285	278	-2%
Due to Works	n.d.	132	185	187	1%
Due to Street Parties	n.d.	90	100	91	-9%
Average Duration of the Detours (days)		17	19	21	13%

HUMAN RESOURCES	2007	2008	2009	2010	10/09
Total Employees as at 31/12	1.623	1.521	1.490	1.496	0%
SP Drivers as at 31/12	1.051	998	975	978	0%
Crew (% total)	65,4%	66,3%	66,0%	66,0%	0,0 pp
Average Total Employees	1.645	1.591	1.502	1.512	1%
<b>Employee Distribution</b>					
Male Employees	1.533	1.434	1.415	1.401	-1,0%
Female Employees	90	87	87	95	9,2%
<b>Absenteeism</b>					
Overall Rate as at 31/12 (%)	7,1%	7,8%	8,3%	7,2%	-1,1 pp
Crew (%)	8,3%	9,0%	9,1%	7,5%	-1,7 pp
Other (%)	4,7%	5,4%	6,6%	6,7%	0,1 pp
<b>Supplementary Work</b>					
Hours	103.124	116.874	132.041	131.290	-1%
Crew	84.557	98.857	120.225	120.959	1%
Value (thousand euros)	890	1.028	1.160	1.133	-2%
Crew	704	840	1.023	1.014	-1%
<b>Age Structure</b>					
18-29	34	19	21	16	-24%
30-49	737	708	700	735	5%
> 49	852	794	769	745	-3%
<b>Total</b>	<b>1.623</b>	<b>1.521</b>	<b>1.490</b>	<b>1.496</b>	<b>0%</b>
<b>Training</b>					
<b>Hours</b>	<b>5.001</b>	<b>11.373</b>	<b>15.642</b>	<b>20.518</b>	<b>31%</b>
Crew	3.640	5.859	11.169	16.023	43%
Continuous Training	3.640	5.859	6.099	3.175	-48%
<b>Workers</b>	<b>563</b>	<b>894</b>	<b>773</b>	<b>783</b>	<b>1%</b>
Crew	508	679	643	571	-11%
Continuous Training	508	679	598	75	-87%

FLEET	2007	2008	2009	2010	10/09
Fleet Composition					
Buses	493	473	472	489	3,6%
Trams	8	8	8	5	-37,5%
<b>Total</b>	<b>501</b>	<b>481</b>	<b>480</b>	<b>494</b>	<b>2,9%</b>
Composition of the bus fleet					
Diesel vehicles	238	218	217	234	7,8%
Standard	233	213	212	209	-1,4%
Articulated	0	0	0	20	-
Minis	5	5	5	5	0,0%
Natural gas vehicles	255	255	255	255	0,0%
Standard	225	225	225	225	0,0%
Articulated	30	30	30	30	0,0%
<b>Bus fleet</b>	<b>493</b>	<b>473</b>	<b>472</b>	<b>489</b>	<b>3,6%</b>
Fleet Characteristics					
Natural gas	51,7%	53,9%	54,0%	52,1%	-1,9 pp
Air conditioned	69,6%	72,5%	72,7%	74,2%	1,6 pp
Lowered floor	87,8%	91,5%	91,7%	92,6%	0,9 pp
Folding ramp	54,4%	56,7%	56,8%	58,9%	2,1 pp
Average Age					
Trams	69,75	70,55	71,55	72,55	1,0 abs
Buses	6,68	7,46	8,45	9,04	0,6 abs
Diesel	9,06	9,75	10,74	10,71	0,0 abs
Natural gas	4,46	5,51	6,51	7,51	1,0 abs
Vehicle consumption by type of fuel used					
<b>Diesel (l/100 km)</b>	<b>52,68</b>	<b>52,04</b>	<b>52,27</b>	<b>52,78</b>	<b>1%</b>
Total Costs ('000 €)	5.637	5.242	4.232	5.364	27%
Cost per 100 km	42,76	48,31	38,18	46,00	20%
Average Cost (€/per litre)	0,81	0,93	0,73	0,87	19%
<b>Natural Gas (m3/100 km)</b>	<b>68,47</b>	<b>68,35</b>	<b>68,35</b>	<b>68,61</b>	<b>0%</b>
Total Costs ('000 €)	3.903	5.399	4.610	4.842	5%
Cost per 100 km	29,25	35,27	31,90	32,62	2%
Average Cost (€/m3)	0,43	0,52	0,54	0,48	-12%
<b>Traction Energy (Kwh/100 km)</b>	<b>246,07</b>	<b>266,13</b>	<b>297,10</b>	<b>268,92</b>	<b>-9%</b>
Total Cost ('000 €)	24	28	37	37	0%
Cost per 100 Km	27,18	32,78	37,89	33,03	-13%
Average Cost (€/kw)	0,11	0,12	0,13	0,12	-4%
Fleet Operations					
Imobilisation Rate	6,6%	5,8%	6,7%	7,9%	1,2 pp
Breakdown Rate (per thousand km)	1,22	1,19	1,17	1,19	2%

ECONOMIC AND FINANCIAL					
POC					
(values in thousand euros)					
Costs	2007	2008			
External Supplies and Services + Cost of Goods Sold and Materials Consumed (ESS+CGSMC)	36.137	37.371			
Staff Costs	38.440	38.777			
Amortisations and Provisions	8.287	8.917			
<b>Operating</b>	<b>83.523</b>	<b>85.788</b>			
<b>Financial</b>	<b>11.297</b>	<b>25.694</b>			
Current	94.820	111.482			
Exceptional	2.194	2.351			
<b>Total Costs</b>	<b>97.032</b>	<b>113.866</b>			
<b>% Staff Costs</b>					
Staff Costs/Operating Costs	46,02%	46,02%			
Staff Costs/Total Costs	39,6%	39,6%			
Transport ticket revenue/Staff costs	1,2	1,2			
SNC					
Costs	2009	2010	10/09		
ESS+CGSMC	33.178	34.032	2,6%		
Staff costs	40.731	39.999	-1,8%		
Costs/reversals - depreciation, amortisation and provisions	8.385	6.531	-22,1%		
<b>Operating</b>	<b>87.887</b>	<b>81.963</b>	<b>-6,7%</b>		
Interest and similar expenses paid	10.437	28.383	25.694		
<b>Total Costs</b>	<b>98.355</b>	<b>110.386</b>	<b>12,2%</b>		
<b>% Staff Costs</b>					
Staff Costs/Operating Costs	46,3%	48,8%	2,46 pp		
Staff Costs/Total Costs	41,4%	36,2%	-5,18 pp		
Transport ticket revenue/Staff costs	1,17	1,23	5,3%		
Income	2007	2008	2009	2010	10/09
(valores em milhares de euros)					
<b>Total Income</b>	<b>70.352</b>	<b>74.987</b>	<b>74.702</b>	<b>72.709</b>	<b>-2,7%</b>
Transport tickets	46.716	49.390	47.541	49.166	3,4%
PAII	870	947	982	955	-2,7%
Compensatory Indemnities	16.897	17.812	19.156	18.975	-0,9%
Other income and gains	5.869	6.838	7.023	3.612	-49%
State Financial Effort	2007	2008	2009	2010	10/09
(values in thousand euros)					
Compensatory Indemnities - Mono-modal System	16.623	17.812	19.156	18.975	-0,94%
Fare Price Compensation - Andante Inter-modal System	274	743	981	1.970	100,71%
PAII	870	947	982	955	-2,74%
<b>Total</b>	<b>17.767</b>	<b>19.501</b>	<b>21.119</b>	<b>21.900</b>	<b>3,70%</b>

Net Income	2007	2008	2009	2010	10/09
(values in thousand euros)					
Net Operating Income	-15.077	-14.132	-15.903	-9.254	42%
Before Compensatory Indemnities	-31.974	-31.945	-35.059	-28.230	19%
Net Financial Income	-11.243	-24.068	-7.719	-28.383	-268%
<b>Net Income for the Year</b>	<b>-26.680</b>	<b>-38.879</b>	<b>-23.653</b>	<b>-37.677</b>	<b>-59%</b>
Before Swap		-28.189	-24.625	-17.612	28%
Before Compensatory Indemnities	-43.578	-56.691	-42.809	-56.653	-32%

	2007	2008	2009	2010	10/09
(values in euros per thousand Km)					
Operating Income / Passenger Km	158,12	162,33	175,40	187,07	6,7%
Before Compensatory Indemnities	119,08	121,98	128,72	138,25	7,4%
Operating Costs / Passenger Km	192,95	194,34	214,15	210,88	-1,5%
Before Amortisation	175,88	175,55	194,59	194,09	-0,3%
Operating Income / Place Km	26,31	27,88	28,60	27,89	-2,5%
Before Compensatory Indemnities	19,82	20,95	20,99	20,61	-1,8%
Operating Costs / Place Km	32,11	33,38	34,91	31,44	-10,0%
Before Amortisation	29,27	30,15	31,73	28,93	-8,8%

% operating costs	2007	2008	2009	2010	10/09
Services	56,7%	57,8%	54,3%	60,2%	5,9 pp
Operating Grants	21,3%	21,9%	22,9%	24,3%	1,4 pp
Operating Income	84,2%	83,5%	81,9%	88,7%	6,8 pp

Activity Indicators	2007	2008	2009	2010	10/09
(values in thousand euros)					
Production	65.971	68.921	68.006	69.310	1,9%
By average employee	40,1	43,3	45,3	45,8	1,2%
Before Compensatory Indemnities	49.073	51.109	48.850	50.334	3,0%
Gross Value Added	31.650	33.321	37.327	37.309	-0,1%
By average employee	19,2	20,9	24,9	24,7	-0,7%
Before Compensatory Indemnities	14.753	15.509	18.171	18.333	0,9%

	2007	2008	2009	2010	10/09
(values in days)					
Average Payment Period	84,2	92,3	77,3	54,4	-30%
Average Receipt Period	22,6	43,6	58,8	10,6	-82%

The average payment period for 2009 was calculated in accordance with Council of Ministers Regulation 34/2008 and Order 9870/2009.

	2007	2008	2009	2010	10/09
General Liquidity Ratio	23,2%	10,4%	27,7%	3,4%	-24,4 pp
Quick Liquidity Ratio	21,6%	9,9%	25,7%	2,7%	-23,0 pp
Immediate Liquidity Ratio	0,4%	0,2%	0,6%	1,0%	0,4 pp



Balance Sheet Structure	2007	2008			
(values in thousand euros)					
<b>Assets</b>	<b>90.138</b>	<b>92.151</b>			
Fixed Assets	77.895	75.768			
Current Assets	9.563	13.951			
Accruals and Deferrals	2.680	2.433			
<b>Equity and Liabilities</b>	<b>90.138</b>	<b>92.151</b>			
Equity	-201.889	-247.197			
Liabilities	292.027	339.348			

Balance Sheet Structure	2009	2010	10/09
<b>Assets</b>	<b>110.950</b>	<b>114.746</b>	<b>3%</b>
Non-current	96.948	102.624	6%
Current	14.002	12.122	-13%
<b>Equity and Liabilities</b>	<b>110.950</b>	<b>114.746</b>	<b>3%</b>
Equity	-237.305	-275.747	-16%
Liabilities	348.254	390.493	12%

Financial Liabilities	2007	2008	2009	2010	10/09
(values in thousand euros)					
<b>Medium and Long Term</b>	<b>229.834</b>	<b>155.000</b>	<b>275.000</b>	<b>275.000</b>	<b>0%</b>
Debenture Loan	129.000	100.000	220.000	220.000	0%
Bank Loans	80.000	55.000	55.000	55.000	0%
Other Loans	20834	0	0	0	0%
<b>Short Term</b>	<b>31.027</b>	<b>115.661</b>	<b>12.659</b>	<b>34.862</b>	<b>175%</b>
Debenture Loan	0	29.000	0	0	-
Bank Loans	29.811	86.659	12.659	34.862	175%
Other Loans	1.216	2	0	0	-
<b>TOTAL</b>	<b>260.861</b>	<b>270.661</b>	<b>287.659</b>	<b>309.862</b>	<b>8%</b>

Investments	2007	2008	2009	2010	10/09
(values in thousand euros)					
Rolling Stock	23.162	4.874	163	11.765	7124%
Infrastructures	836	29	381	220	-42%
Other	689	696	962	270	-72%
<b>Total</b>	<b>24.688</b>	<b>5.600</b>	<b>1.506</b>	<b>12.255</b>	<b>714%</b>

Other Activity Indicators	2007	2008	2009	2010	10/09
Weighted Variation of the Fare Prices (Mono-modal)	2,0%	4,5%	0,0%	0,8%	0,8 pp
Annual Inflation Rate	2,4%	2,6%	-1,0%	1,4%	2,4 pp
Variation of the Unit Average Cost of Diesel	3,0%	14,4%	-21,3%	19,3%	40,6 pp
Variation of the Unit Average Cost of Natural Gas	2,2%	20,8%	4,3%	1,8%	-2,4 pp

Productivity	2007	2008	2009	2010	10/09
Vehicle Km (10 <sup>^3</sup> ) / Average Staff	18,1	18,6	19,2	19,7	2,7%
Place Km (10 <sup>^3</sup> ) / Average Staff	1.581,2	1.615,2	1.675,9	1.724,4	2,9%
Passenger (10 <sup>^3</sup> ) / Average Staff	66,3	69,9	72,1	72,2	0,2%
Passenger Km (10 <sup>^3</sup> ) / Average Staff	263,1	277,5	273,2	257,1	-5,9%
Network Extension (Km) / Average Staff	0,32	0,33	0,36	0,36	0,0%

Evolution of supplementary pensions	2007	2008	2009	2010	10/09
(values in thousand euros)					
Supplementary Pensions paid in the year	608	634	612	575	-6%
Average number of pensioners	346	321	315	307	-3%

Energy consumption	2007	2008	2009	2010	10/09
<b>CE Electricity</b>					
(kwh)	220.478	253.089	286.732	297.652	4%
Kwh/100km	246	295	297	271	-9%
<b>TPE</b>	<b>47</b>	<b>54</b>	<b>62</b>	<b>64</b>	<b>3%</b>
<b>Fixed Installed Electricity</b>					
(kwh)	4.839.465	5.020.939	4.800.421	4.940.201	3%
<b>TPE</b>	<b>1.040</b>	<b>1.080</b>	<b>1.032</b>	<b>1.062</b>	<b>3%</b>
<b>Diesel</b>					
Litres	6.944.829	5.647.060	5.793.505	6.154.613	6%
litres/100km	52,68	52,04	52,27	52,78	1%
<b>TPE</b>	<b>5.941</b>	<b>4.831</b>	<b>4.953</b>	<b>5.262</b>	<b>6%</b>
<b>Natural gas</b>					
Cubic meters	9.138.591	10.461.226	9.875.031	10.184.235	3%
m3/100km	68,47	68,35	68,35	68,61	0%
<b>TPE</b>	<b>8.270</b>	<b>9.467</b>	<b>8.937</b>	<b>9.217</b>	<b>3%</b>
<b>Total TPE</b>	<b>15.299</b>	<b>15.432</b>	<b>14.984</b>	<b>15.605</b>	<b>4%</b>

TPE - ton petroleum equivalent

## 8.2 KEY GRI INDICATORS

Since 2006, STCP has prepared a single report, called the Management and Sustainability Report, providing the information of a GRI (Global Reporting Initiative) structure for a GRI index that is an integral part of this report and presenting the following tables. Although STCP fully complies with the content and application of the GRI, it has never decided to issue its own statement of a certain level based on its own assessment of the content of the report, and, up to date, has never requested this analysis from an external entity.

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HR1	E	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	NR
HR2	E	Percentage of the main suppliers and companies contracted that were submitted to assessment in relation to their performance on human rights and measures taken	ND
HR3	C	Total number of hours of training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	NR
		<b>Aspect: Non-Discrimination</b>	
HR4	E	Total number of cases of discrimination and actions taken	NR
		<b>Aspect: Freedom of Association and Collective Labour Agreement</b>	
HR5	E	Cases where there is significant risk of impediment to the free exercise freedom of association and collective labour agreements, and measures contributing towards their elimination	NR
		<b>Aspect: Child Labour</b>	
HR6	E	Cases where there is significant risk of the occurrence of child labour, and measures contributing to their elimination	NR
		<b>Aspect: Forced and Slave Labour</b>	
HR7	E	Cases where there is significant risk of the occurrence of forced or slave labour, and measures contributing to their elimination	NR
		<b>Aspect: Security Practices</b>	
HR8	C	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations	NR
		<b>Aspect: Rights of Indigenous Peoples</b>	
HR9	C	Total number of incidents involving the violation of the rights of indigenous people and actions taken	NR

Company			
		<b>Aspect: Community</b>	
SO1	E	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities including at the time of their installation, operation and exit	ND
		<b>Aspect: Corruption</b>	
SO2	E	Percentage and total number of business units analysed for risks related to corruption	76-77
SO3	E	Percentage of employees given training in the organisation's anti-corruption policies and procedures	NR
SO4	E	Measures taken in response to incidents of corruption	NR
		<b>Aspect: Public Policies</b>	
SO5	E	Positions regarding public policies and participation in the development of public policies and lobbying	NR
SO6	C	Total value of financial and in-kind contributions to political parties, politicians and related institutions, by country	NR
		<b>Aspect: Unfair Competition</b>	
SO7	C	Total number of lawsuits actions due to unfair competition, anti-trust and monopoly practices, as well as their outcomes	147
		<b>Aspect: Conformity</b>	
SO8	E	Values involved in the payment of significant fines and total number of non-monetary penalties incurred due to non-compliance with environmental laws and regulations	NR
Product Responsibility			
		<b>Aspect: Health and Safety of the Customer</b>	
PR1	E	Life-cycles of products and services where health and safety impacts are assessed for the purpose of making improvements, as well as the percentage of the main categories of products and services subject to these procedures	ND
PR2	C	Total number of incidents of non-compliance with regulations and voluntary codes concerning the concerning health and safety impacts of products and services, during their respective life-cycle, detailed by type of outcome	ND
		<b>Aspect: Labelling of Products and Services</b>	
PR3	E	Type of information on products and services required by regulations, and percentage of significant products and services subject to these requirements	NR
PR4	C	Total number of incidents of non-compliance with regulations and voluntary codes concerning the information and labelling of products and services, by type of outcome	NR
PR5	C	Procedures related to customer satisfaction, including results of surveys measuring customer satisfaction	23-24
		<b>Aspect: Marketing Communication</b>	
PR6	E	Programs for observance of the laws, standards and voluntary codes relative to marketing communication, including advertising, promotion and sponsorship	NR
PR7	C	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communication, including advertising, promotion and sponsorship, by type of outcome	NR
		<b>Aspect: Customer Privacy</b>	
PR8	C	Total number of claims recorded in relation to breaches of customer privacy	NR
		<b>Aspect: Conformity</b>	
PR9	E	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	NR

Source: GRI (2006) - "G3: Guidelines for the Preparation of Sustainability Reports"

C - Additional indicator.

E - Essential indicator

NR - Indicator that is "not relevant" or "not applicable"

ND - Indicator that is "not available" or "partially available"

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ECONOMIC RATIONALITY



GUARANTEE





## 9. Legal Certification of Accounts

## CERTIFICAÇÃO LEGAL DAS CONTAS E RELATÓRIO DE AUDITORIA

### INTRODUÇÃO

1. Nos termos da legislação aplicável, apresentamos a Certificação Legal das Contas e Relatório de Auditoria sobre a informação financeira contida no Relatório de gestão e nas demonstrações financeiras anexas do exercício findo em 31 de Dezembro de 2010, da "SOCIEDADE DE TRANSPORTES COLECTIVOS DO PORTO, S.A." (Empresa), as quais compreendem: o Balanço em 31 de Dezembro de 2010 (que evidencia um total de 114 746 milhares de euros e um total de capital próprio negativo de 275 747 milhares de euros, incluindo um resultado líquido negativo de 37 677 milhares de euros), as Demonstrações dos resultados por naturezas e por funções, a Demonstração das alterações no capital próprio e a Demonstração dos fluxos de caixa do exercício findo naquela data, e o correspondente Anexo.

### RESPONSABILIDADES

2. É da responsabilidade do Conselho de Administração:

- a) a preparação do relatório de gestão e de demonstrações financeiras que apresentem de forma verdadeira e apropriada a posição financeira da Empresa, o resultado das suas operações e os fluxos de caixa;
- b) a informação financeira histórica, que seja preparada de acordo com os princípios contabilísticos geralmente aceites e que seja completa, verdadeira, actual, clara, objectiva e lícita, conforme exigido pelo Código dos Valores Mobiliários;
- c) a adopção de políticas e critérios contabilísticos adequados;
- d) a manutenção de um sistema de controlo interno apropriado;
- e) a informação de qualquer facto relevante que tenha influenciado a sua actividade, posição financeira ou resultados; e
- f) a informação financeira prospectiva, que seja elaborada e apresentada com base em pressupostos e critérios adequados e coerentes e suportada por um sistema de informação apropriado.

3. A nossa responsabilidade consiste em verificar a informação financeira contida nos documentos de prestação de contas acima referidos, designadamente sobre se é completa, verdadeira, actual, clara, objectiva e lícita, conforme exigido pelo Código dos Valores Mobiliários, competindo-nos emitir um relatório profissional e independente baseado no nosso exame.

### ÂMBITO

4. O exame a que procedemos foi efectuado de acordo com as Normas Técnicas e as Directrizes de Revisão/Auditoria da Ordem dos Revisores Oficiais de Contas, as quais exigem que o mesmo seja planeado e executado com o objectivo de obter um grau de segurança aceitável sobre se as demonstrações financeiras estão isentas de distorções materialmente relevantes. Para tanto o referido exame incluiu:



- a verificação, numa base de amostragem, do suporte das quantias e divulgações constantes das demonstrações financeiras e a avaliação das estimativas, baseadas em juízos e critérios definidos pelo Conselho de Administração, utilizadas na sua preparação;
- a apreciação sobre se são adequadas as políticas contabilísticas adoptadas e a sua divulgação, tendo em conta as circunstâncias;
- a verificação da aplicabilidade do princípio da continuidade;
- a apreciação sobre se é adequada, em termos globais, a apresentação das demonstrações financeiras; e
- a apreciação se a informação financeira é completa, verdadeira, actual, clara, objectiva e lícita.

5. O nosso exame abrangeu ainda a verificação da concordância da informação constante do relatório de gestão com os restantes documentos de prestação de contas, bem como as verificações previstas nos números 4 e 5 do artigo 451.º do Código das Sociedades Comerciais.

6. Entendemos que o exame efectuado proporciona uma base aceitável para a expressão da nossa opinião.

## OPINIÃO

7. Em nossa opinião, as referidas demonstrações financeiras apresentam de forma verdadeira e apropriada, em todos os aspectos materialmente relevantes, a posição financeira da “SOCIEDADE DE TRANSPORTES COLECTIVOS DO PORTO, S.A.” em 31 de Dezembro de 2010, o resultado das suas operações, as alterações no capital próprio e os fluxos de caixa no exercício findo naquela data, em conformidade com os princípios contabilísticos geralmente aceites em Portugal e a informação nelas constante é completa, verdadeira, actual, clara, objectiva e lícita.

## RELATO SOBRE OUTROS REQUISITOS LEGAIS

8. É também nossa opinião que a informação constante do Relatório de Gestão é concordante com as demonstrações financeiras do exercício e o Relatório do Governo das Sociedades inclui os elementos exigíveis nos termos do artigo 245.º-A do Código dos Valores Mobiliários.

## ÊNFASES

9. Sem afectar a opinião expressa no parágrafo n.º 7 acima, chamamos a atenção para as situações seguintes:

9.1 - Na sequência da entrada em vigor do novo Sistema de Normalização Contabilística e, cumprindo com o estipulado na Norma Contabilística e de Relato Financeiro n.º 3, são apresentados nas demonstrações financeiras reportadas a 31 de Dezembro de 2010, a título comparativo, valores relativos ao exercício de 2009, reexpresos de acordo com esse normativo, conforme nota n.º 2 do Anexo.



9.2 - A Empresa mantém a situação de incumprimento do estipulado no Artigo 35.º do Código das Sociedades Comerciais. O Conselho de Administração através do Relatório de Gestão, no ponto 5.2, refere-se a essa situação e o aviso convocatório da próxima Assembleia Geral Anual propõe, no ponto 7, da Ordem de Trabalhos deliberação sobre este assunto.

Página 2 de 3

**ANTÓNIO MAGALHÃES & CARLOS SANTOS**

*Sociedade de Revisores Oficiais de Contas  
Inscrita na Lista dos Revisores Oficiais de Contas sob o nº53  
Registada na CMVM com o nº.1975  
Contribuinte nº.502 138 394*

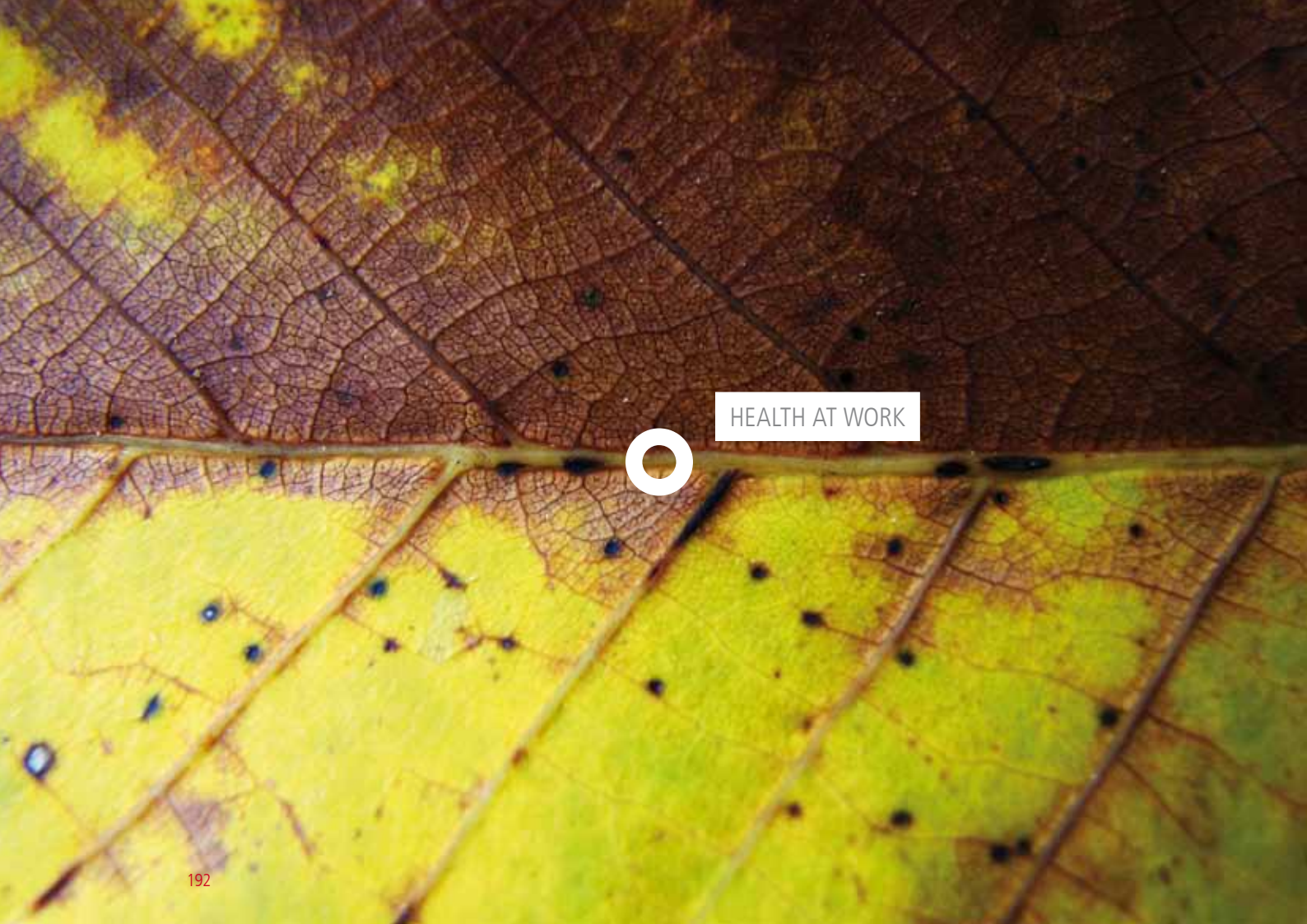
9.3 – Manteve-se a circunstância da Empresa alcançar resultados negativos no exercício os quais contribuem para o crescente avolumar da situação de capitais próprios negativos. Apesar disso, em nosso entendimento, a continuidade das operações não está em causa, atendendo ao facto do capital realizado pertencer integralmente ao Estado e a Empresa prestar um serviço público imprescindível.

Porto, 11 de Março de 2011

  
António Magalhães & Carlos Santos - SROC, representada  
por Carlos Alberto Freitas dos Santos - R.O.C. nº 177









***RELATÓRIO ANUAL DO  
CONSELHO FISCAL  
SOBRE O  
O RELATÓRIO E CONTAS DE 2010  
DA  
SOCIEDADE DE TRANSPORTES  
COLECTIVOS DO PORTO, S.A.***



## 1. Introdução

No cumprimento do estabelecido na alínea f) do n.º 1 do artigo 16º do Decreto-Lei n.º 202/94, de 23 de Julho, que rege a STCP, S.A. e aprovou os respectivos Estatutos, conjugado com a alínea g) do n.º 1 do artigo 420.º do Código das Sociedades Comerciais (CSC) e ainda por força do disposto nas alíneas d) e e) do n.º 1 do artigo 13.º do Decreto-Lei n.º 558/99, de 17 de Dezembro, que aprovou o Regime Jurídico do Sector Empresarial do Estado, na redacção dada pelo Decreto-Lei n.º 300/2007, de 23 de Agosto, vem o Conselho Fiscal emitir o seu Relatório Anual e Parecer sobre o Relatório e Contas de 2010, elaborado pelo Conselho de Administração da STCP, S.A.

Ao abrigo do disposto no ponto 17 dos Princípios de Bom Governo (PBG) das Empresas do Sector Empresarial do Estado (SEE), aprovados pela Resolução do Conselho de Ministros (RCM) n.º 49/2007, de 28 de Março, o Conselho Fiscal fará constar no presente Relatório uma avaliação do desempenho dos gestores executivos, bem como uma apreciação global das estruturas e dos mecanismos de governo em vigor na empresa.

O Revisor Oficial de Contas Dr. Carlos Alberto Freitas dos Santos, representante da Sociedade de Revisores Oficiais de Contas António Magalhães & Carlos Santos, emitiu a respectiva Certificação Legal das Contas a 11 de Março de 2011, que se anexa.

O Conselho Fiscal efectuou reuniões e contactos com o Conselho de Administração e os Serviços da Sociedade, dos quais recebeu toda a colaboração e disponibilidade, tendo procedido à elaboração de um relatório semestral, sobre a análise económico-financeira da STCP, suportado no trabalho desenvolvido pelo ROC, do qual foi dado conhecimento ao Conselho de Administração e ao Accionista Estado quer ao nível do Ministério das Finanças, quer do Ministério das Obras Públicas, Transportes e Comunicações. A causa da elaboração de apenas um relatório semestral, está devidamente explicada no relatório do Conselho Fiscal relativo ao 1.º Semestre do ano, e reside principalmente na circunstância da empresa ter adoptado um novo sistema informático, que ainda apresenta por vezes lapsos que afectam os

saldos de algumas contas, para além da reexpressão do POC em SNC, ocorrida no corrente ano.

## 2. Análise do Relatório e Contas de 2010

Do Relatório e Contas de 2010 parece-nos de salientar o seguinte:

- Em termos de actividade constatou-se que o volume de negócios da STCP, em 2010, correspondeu a cerca de EUR 52,745 milhões, com um nível de cumprimento de 105%, face ao valor previsto no Plano de Actividades para 2010;
- Esta situação teve reflexos na situação económico-financeira da Sociedade. A STCP obteve, em 2010, um resultado líquido negativo, de EUR -37,677 milhões, o que, não considerando o efeito da variação do justo valor das operações de cobertura de risco de taxa de juro, representa uma melhoria 28% (cerca de EUR 7 milhões) face ao ano anterior.
- O resultado operacional obteve uma evolução positiva de cerca de 42%. Salienta-se que, para além do acréscimo dos rendimentos operacionais (1%), principalmente na rubrica "Prestação de Serviços" (nomeadamente rendimentos operacionais derivados de receita de títulos de transporte, que aumentou 3,4% em resultado do aumento da procura e do ajustamento tarifário), verificou-se um decréscimo nos gastos operacionais (-6,7%), designadamente dos "Gastos com Pessoal" (-1,8%), das amortizações (-22,1%) e de outros gastos operacionais (-75%), o que reflecte um conjunto de políticas continuadas de reestruturação da empresa.
- Ao nível do Passivo Financeiro, destaca-se o aumento de 8%. Mais uma vez se constata que o financiamento da actividade da empresa decorreu essencialmente do recurso a capitais alheios, ultrapassando, assim, os 7% de limite de aumento do endividamento fixado no Plano de Estabilidade e Crescimento Económico (PEC). Este aumento, que se traduziu em cerca de EUR 25,76 milhões, correspondeu às necessidades de financiamento adicionais previstas pela STCP e comunicadas às Tutelas em 20 de Maio de 2010, tendo por base os seguintes pressupostos que não tiveram concretização:

a) Montante das Indemnizações Compensatórias atribuídas – Pela primeira vez o seu montante foi fixado objectivamente na Assembleia Geral de 2010 com o valor de EUR 24,3





milhões, tendo sido o montante atribuído de EUR 20,1 milhões, o que provocou necessidades adicionais de EUR 4,4 milhões no recurso a endividamento;

b) Redução do Prazo Médio de Pagamento a Fornecedores – O esforço de cumprimento da meta definida no Contrato de Gestão permitiu atingir, no final de 2010, um prazo médio de pagamento de 54,41 dias, com reflexos no incremento das necessidades de endividamento em 1,392 M€;

c) Não recebimento atempado de verbas referentes ao Subsídio do Programa de Apoio Integrado a Idosos (PAII), no montante de 1,012 M€, e da comparticipação do Estado no preço dos títulos do tarifário social Andante, do 4\_18@escola.tp e do Sub\_23@superior.tp, determinaram o recurso temporário a endividamento, por utilização das contas disponíveis de curto prazo contratadas.

- O Resultado Financeiro (-28,383 milhões de euros) diminuiu de forma significativa, ou seja, -268% face a 2009, devido essencialmente ao aumento das taxas de juro, pela falta de liquidez nos mercados financeiros, e à maior utilização de linhas de crédito de curto prazo, cuja renegociação permanente agravou os spreads e introduziu novos custos pela disponibilização de recursos financeiros em permanência.

- O grau de cumprimento do plano de investimento, em 2010, foi de 103% face ao objectivo previsto, o que correspondeu a uma taxa de execução do citado plano de 98% face ao valor de investimento orçamentado. Em 2010 o investimento totalizou cerca de EUR 12,3 milhões, sendo as principais rubricas a aquisição de viaturas e obras de requalificação. Este investimento foi realizado com recurso a capitais alheios.

- Nos termos do Programa pagar a tempo e horas, aprovado pela RCM n.º 34/2008, de 14 de Fevereiro, o Prazo Médio de Pagamentos apresentado pela STCP, em 31 de Dezembro de 2010, foi de 54 dias, com uma diminuição de 23 dias face a 2009 e um grau de execução de 116%, quando comparado com a meta prevista no Contrato de Gestão, de 65 dias.

- Relativamente à gestão do risco financeiro, a empresa procedeu, em Novembro de 2007, à contratação de operações de cobertura do risco de taxa de juro. Estas operações foram efectuadas tendo por base o empréstimo obrigacionista emitido no ano. A cobertura incide sobre 50 milhões de euros e foi repartida por duas operações de 25 milhões de euros cada, qualquer uma delas a vigorar até ao final da operação coberta, Junho de 2022. São



operações de taxa fixa nos três primeiros anos, passando a variáveis pelos restantes onze anos e meio. Estas operações swap de taxa de juro estão relevadas nas contas da empresa pela aplicação do justo valor como critério de mensuração dos instrumentos financeiros.

▪ Em 2010, foram tomadas as seguintes diligências no âmbito do cumprimento das recomendações do accionista emitidas aquando da aprovação de contas de 2009:

a) Cumprimento da redução do prazo médio pagamento (PMP), nos termos da RCM 34/2008 de 14 de Fevereiro;

b) Regularização da prestação de seguro de caução, nos termos do nº 1 do artigo 396º CSC. Este assunto já se encontrava negociado e contratado, não obstante as dificuldades do mercado nesse tipo de cobertura de risco, e garantiu a caução exigida;

c) Reformulação do Plano de Actividades e Investimentos de forma a contemplar um valor de Indemnizações compensatórias de EUR 24,3 milhões, obtendo-se um crescimento do endividamento não superior a 6% . Foi presente às tutelas a reformulação do Plano de Actividades e Investimentos em Junho 2010, contemplando já o previsto no Despacho nº 510/10 – SETF, de 1 de Junho, aumentado o limite de endividamento para 7%. As Indemnizações Compensatórias atribuídas à STCP foram (líquidas de IVA) de EUR 18,975 milhões (RCM 96/2010), -2% do que o mencionado na Assembleia Geral;

d) Proposta de Contrato de Serviço Público, votada favoravelmente a sua deliberação mas remetida para data posterior, após negociação do contrato entre a Empresa e o Estado. Artigo 35º do Código das Sociedades Comerciais: deliberado que esta matéria não fosse objecto de decisão na Assembleia Geral, para decisão pelo accionista na sequência da decisão sobre a proposta de prestação de serviço público apresentada pela STCP.

▪ Ainda durante o ano de 2010, e em resultado das medidas no âmbito do Pacto de Estabilidade e Crescimento Económico (PEC), a STCP:

1) cumpriu as orientações genéricas sobre negociações salariais para as empresas públicas (EP) nos termos do ofício nº 1730, de 25 de Fevereiro de 2010 da DGTF: "...não actualização dos salários nominais para o corrente ano..." e não actualizou as tabelas salariais ou o valor das restantes rubricas pecuniárias;

2) em cumprimento do Despacho de 25 de Março de 2010 do Ministro de Estado e das Finanças (MEF), comunicado através do ofício circular nº 2590 de 26 de Março de 2010,





não atribuiu prémios de gestão nos anos de 2010 e 2011, aos membros do órgão de administração;

3) em cumprimento da orientação constante no Despacho nº 438/10-SETF de 10 de Maio, transmitida através do ofício circular nº 6132 de 6 de Agosto de 2010, desta Direcção Geral, relativamente às normas da contratação pública, todos os contratos de prestação de serviços e aquisições de bens de valor superior a EUR 125.000 sem IVA são objecto de análise e decisão em reuniões do Conselho de Administração, através de notas técnicas, que justificam a necessidade de contratar, através uma avaliação devidamente fundamentada;

4) em cumprimento dos limites máximos de acréscimo de endividamento definidos para 2010 no PEC e aprovado pela RAR nº 29/2010 de 12 de Abril e explicitados pelo despacho n.º 510/10 SETF, de 1 de Junho, comunicado pelo Ofício Circular nº 4348 de 1 de Junho de 2010 da DGTF, a STCP apresentou um crescimento do endividamento em 2010 de 8,3% face ao valor da dívida no final de 2009;

5) implementou as medidas previstas no PEC ao nível da racionalização de política de aprovisionamento de bens e serviços, designadamente sobre a adesão da empresa ao Sistema Nacional de Compras Públicas (SNCP). A empresa efectuou a revisão dos seus contratos de aprovisionamento que se espera que produza resultados no decorrer do ano de 2011;

6) em cumprimento do previsto no artigo 12º da Lei nº 12-A/2010 de 30 Junho, foi aplicado a todos os membros do Conselho de Administração o corte de 5% nas remunerações a partir do mês de Junho, inclusive; e finalmente,

7) em cumprimento do previsto no artigo 17º da Lei nº 12-A/2010 de 30 de Junho, ao nível do princípio da Unidade de Tesouraria do Estado, segundo o qual "... as entidades que integram o SEE... devem manter as suas disponibilidades e aplicações financeiras junto do IGCP, IP...", a STCP diligenciou a abertura de uma conta no IGCP, IP.

▪ Salientamos, com alguma preocupação, o elevado nível de endividamento da empresa, sobretudo no médio e longo prazo, com elevados encargos financeiros, para financiar a actividade da empresa, nomeadamente o plano de investimentos.



- O Capital Próprio da STCP, S.A. é crescentemente negativo, por via dos sucessivos aumentos da rubrica Resultados Transitados, atingindo em 2010, -275,747 milhões de euros, ou seja, o passivo da empresa excede o seu activo por este mesmo valor.
- Por fim, reiteramos as ênfases assinaladas na certificação legal das contas e no relatório de auditoria emitida pelo ROC da sociedade, nomeadamente quanto ao incumprimento do disposto no art. 35.º do Código das Sociedades Comerciais.

### **3. Avaliação do desempenho dos gestores**

A avaliação dos gestores de forma individualizada tem, entre outros, como pressuposto principal a existência de um contrato de gestão que defina, para cada um deles, objectivos e estabeleça metas quantificáveis, em cumprimento do disposto no artigo 18.º do Estatuto do Gestor Público (EGP), aprovado pelo Decreto-Lei n.º 71/2007, de 27 de Março. Os contratos em causa foram outorgados entre o Accionista Estado e os gestores públicos da STCP, S.A., em Junho de 2009, nos quais se fixaram orientações estratégicas e objectivos de gestão anuais, para o período de 2009-2011, bem como, as componentes fixa e variável da remuneração, esta última associada ao grau de atingimento dos objectivos de gestão.

Ora, considerando os valores evidenciados no Relatório e Contas de 2010, que não nos suscitam quaisquer reparos, apurou-se um grau de atingimento dos objectivos de gestão traçados para 2010 de 108%, pelo que de uma forma global e atendendo à análise supra exposta, avaliamos de uma forma positiva o desempenho dos gestores públicos da STCP realizado no exercício de 2010.

### **Apreciação global das estruturas e dos mecanismos de governo**

Na sequência das alterações introduzidas ao Código das Sociedades Comerciais (CSC) pelo Decreto-Lei n.º 76-A/2006, de 29 de Março, o Governo determinou a adopção obrigatória de um novo modelo de fiscalização para empresas que sejam emitentes de valores mobiliários admitidos à negociação em mercado regulamentado (sociedades emitentes) e para grandes



sociedades que, não sendo totalmente dominadas por outras sociedades que adoptem este modelo, durante dois anos consecutivos, ultrapassem dois dos limites nele estabelecidos (artigo 413.º do CSC).

As disposições constantes do CSC aplicam-se subsidiariamente às empresas que integram o SEE por força do disposto no n.º 1 do artigo 7.º do Decreto-Lei n.º 558/99, de 17 de Dezembro, na redacção dada pelo Decreto-Lei n.º 300/2007, de 23 de Agosto, pela Lei n.º 64-A/2008, de 31 de Dezembro, e pela Lei n.º 55-A/2010, de 31 de Dezembro, quer sob a forma de Sociedades Anónimas, quer sob a forma de Entidades Públicas Empresariais, quer sob a forma de Sociedades Anónimas, quer sob a forma de Entidades Públicas Empresariais.

Nesta conformidade e preenchendo a STCP,SA, à data da Assembleia Geral Anual, realizada em 21 de Abril de 2008, os requisitos legais para o efeito, foi assegurada a transição do respectivo modelo de fiscalização, adequando-o às referidas disposições do CSC, o qual passou a ser composto por um Conselho Fiscal e uma Sociedade de Revisores Oficiais de Contas, que não é membro daquele órgão.

Face àquela alteração, a estrutura de governo da sociedade passou a adoptar a modalidade de Assembleia Geral, Conselho de Administração, Conselho Fiscal e SROC, cujos membros dos respectivos órgãos, eleitos para o mandato 2009-2011, se encontram identificados no Relatório e Contas de 2010.

Salienta-se o esforço do Conselho de Administração da STCP, SA no sentido da definição de objectivos de gestão e no seu alcance, bem como no cumprimento das obrigações estabelecidas nos Princípios de Bom Governo, através, nomeadamente, da inclusão no Relatório e Contas de 2010 de um ponto específico sobre ao governo das sociedades, no qual consta, designadamente, uma avaliação do grau de cumprimento daqueles princípios.

De igual modo e tendo presente as orientações estratégicas globais para o SEE, definidas através da RCM n.º 70/2008, de 22 de Abril e o Contrato de Gestão subscrito por cada um dos membros do Conselho de Administração da STCP, S.A., sublinha-se que este



Conselho de Administração evidencia no Relatório e Contas de 2010, bem como no Relatório de Execução do Contrato de Gestão 2010, as acções e os projectos que vão ao encontro das mesmas.

A actividade da empresa, explicitada no Relatório de Gestão e Sustentabilidade do exercício, reflectiu:

- A orientação do serviço para o cliente e a melhoria dos respectivos níveis de qualidade;
- A contribuição para o aumento sustentado de passageiros de transporte público na AMP;
- A contribuição para o aprofundamento da criação de um eficiente e eficaz Sistema de Transportes na AMP, em cooperação com os demais operadores intervenientes, públicos e privados, designadamente na coordenação de redes, horários, bilhética, informação ao público e rede de vendas;
- A concretização de acções de inovação que contribuam para a sustentabilidade ambiental, nomeadamente para a diminuição do nível de emissões poluentes;
- Também as acções e medidas concretizadas ao longo do ano, decorrentes da certificação obtida pela empresa em Dezembro de 2008, introduziram melhorias assinaláveis em muitas áreas e actividades;
- A contenção do agravamento do défice operacional, nomeadamente através do controlo de custos, do reforço da racionalidade económica, perseguindo a diminuição do peso financeiro do SEE, através da melhoria do desempenho da Sociedade,
- A preservação da componente social do transporte público;
- A promoção de um clima de paz social na empresa, estimulando o aumento da produtividade através da partilha de objectivos e responsabilidades com os trabalhadores;
- A formalização da proposta de contratualização do serviço público a prestar pela STCP;
- A participação activa na definição do modelo de financiamento do sistema e da adequada regulamentação do mercado;
- De igual modo, a formalização da proposta de equilíbrio económico-financeiro da empresa.





Ainda relativamente aos objectivos de gestão e metas quantificadas, reforça-se que a Tutela fixou contratualmente objectivos anuais, tendo-se verificado que globalmente o Contrato de Gestão foi cumprido e até ligeiramente superado com um nível global de execução de 108%.

A análise individual dos 11 indicadores mostra que houve cumprimento em 7 deles, com um nível de cumprimento significativamente excedentário em quatro – Margem do EBITDAR, ROACE, Peso dos Títulos Intermodais e Prazo Médio de Pagamentos – com cumprimento claro em outros quatro indicadores – Volume de Negócios, Custos Operacionais, Índice de Qualidade da Oferta e Taxa de Cumprimento do Plano de Investimentos – restando três, com cumprimento de 92% a 98% – Taxa de Ocupação, Emissão de Poluentes e Indicador de Eficiência.

Em face do exposto, fazemos uma apreciação positiva da actividade do Conselho de Administração da STCP, S.A.

#### **4. Conclusão**

Assim, considerando os elementos disponibilizados, o Conselho Fiscal, no âmbito das suas competências, conclui que o Relatório e Contas de 2010 responde às exigências legais aplicáveis, divulgando de forma adequada a evolução da actividade da STCP. Contempla igualmente, em capítulos autónomos, um conjunto vasto de informação em consonância com o disposto no Regime Jurídico do Sector Empresarial do Estado, aprovado pelo Decreto-Lei n.º 558/99, de 17 de Dezembro, na sua actual redacção, nos Princípios de Bom Governo das Empresas do SEE, anexos à RCM n.º 49/2007, de 1 de Fevereiro, bem como nas demais orientações transmitidas pela Direcção-Geral do Tesouro e Finanças, em representação do accionista Estado, pelo que somos de parecer que, sem prejuízo:

- da análise feita pelo Conselho Fiscal, acompanhar a opinião do Revisor Oficial de Contas, e reiterar as ênfases constantes da Certificação Legal das Contas e Relatório de Auditoria, nomeadamente, a assinalada no Relatório de Contas quanto ao incumprimento do disposto no art. 35.º do Código das Sociedades Comerciais; e

- de salientarmos, com alguma preocupação, o elevado nível de endividamento da empresa, resultante da utilização sistemática do recurso a capitais alheios, com elevados encargos financeiros, para financiar a sua actividade, nomeadamente o plano de investimentos.

propomos que sejam aprovados:

- O Relatório e Contas de 2010 apresentado pelo Conselho de Administração da Sociedade de Transportes Colectivos do Porto, S.A.; e

- Que seja apreciada a proposta de aplicação integral dos Resultados Líquidos apurados no exercício, no valor de -37.677.163,38 euros, na conta de Resultados Transitados apresentada pela Administração, a qual está em conformidade com as disposições legais e estatutárias.

Porto, 31 de Março de 2011

O Presidente do Conselho Fiscal,



Os Vogais do Conselho Fiscal,

Ana Alexandra Filipe Freitas

