



BY **H^eART**

BA

BY HART



#08



THE BA FORCE

REPORTS
2008



CONSOLIDATED INDICATORS

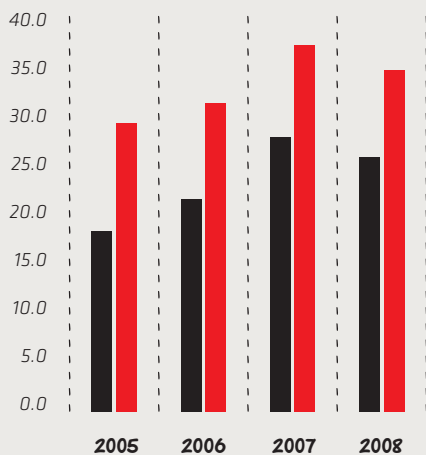


CONSOLIDATED INDICATORS

| <i>[10³ euros]</i> | 2008 | 2007 |
|-------------------------------|---------|---------|
| Turnover | 290,894 | 234,542 |
| Operating Results | 75,641 | 65,749 |
| Current Results | 60,546 | 49,444 |
| Financial Results | 0 | 0 |
| Net Earning | 44,342 | 36,241 |
| Cash Flow | 71,003 | 58,345 |
| Operational Cash Flow | 102,302 | 87,853 |

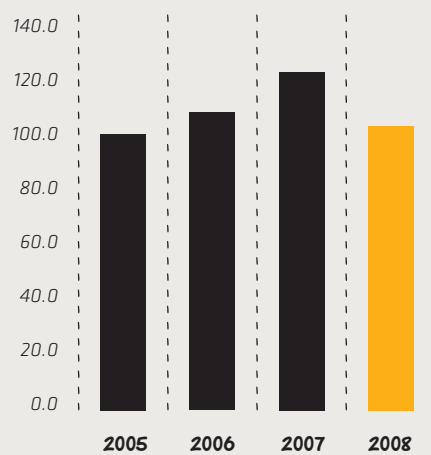
| <i>[10³ euros]</i> | 2008 | 2007 |
|-------------------------------|---------|---------|
| Net Assets | 523,220 | 345,115 |
| Equity | 73,494 | 52,352 |
| Financial liabilities | 307,230 | 208,556 |
| Asset Turnover | 1.31 | 1.52 |
| Net debt/EBITDA | 3.00 | 2.37 |
| Interest Cover Ratio | 5.4 | 4.9 |
| EBITDA/SALES | 35.2% | 37.5% |
| EBIT/SALES | 26.0% | 28.0% |
| ROE | 60.3% | 69.2% |
| Headcount | 1,508 | 1,046 |
| Sales per employee | 192.9 | 224.2 |

EBIT+EBITDA/SALES [%]

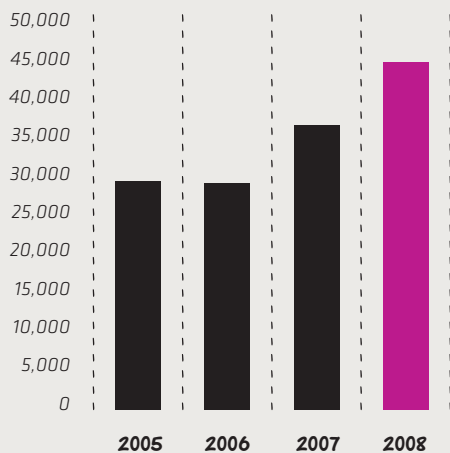


■ EBIT / Sales ■ EBITDA / Sales

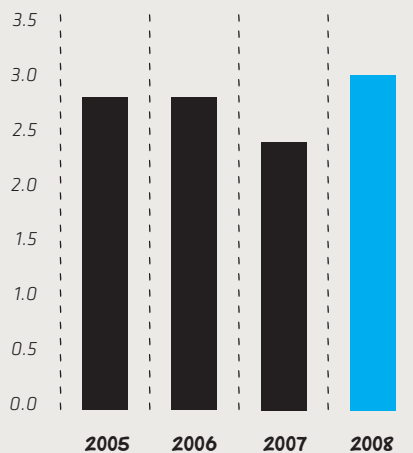
SALES PER CAPITA [Base 100=2005]



CONSOLIDATED NET EARNING [10^3 euros]



FINANCIAL LIABILITIES / EBITDA





LETTER FROM THE CHAIRMAN

To the shareholders and stakeholders,

In 2008, the group repeated its extraordinary performance, setting new records in sales, operational performance and profitability. Even if we take into account the six months during which the two recently acquired units were consolidated, BA's performance continues to be the best in the glass container production industry worldwide.

We take pride in this success, but we are also aware that leadership brings added responsibility. That is why we are counting on all our employees – **BA FORCE** – who, endowed with the group's values represented by the image of this report, work with professionalism, energy and creativity for the construction of a more competitive company.

At the end of the semester, we concluded the acquisition of Sotancro and of Vidriera del Atlântico, which together added 25% more to the group's capacity. The integration process of these two units was immediately initiated and we hope that both will reach the same performance level of the group in two years' time.

I hope that in 2009, with **improvement programmes beyond the benchmarks**, it will be possible to surpass the performance already achieved and therefore:

- satisfy our customers and contribute to their success during this economic recession period,
- confirm our leadership in terms of the industry's profitability,
- guarantee the sustainability of the business model we adopted for the benefit of our shareholders, employees and of the local communities where our company is located.

Although the economic crisis that has threatened the collapse of the world's financial system does not facilitate company acquisition processes, it is still my belief that every time our production performance is significantly higher than our competition's the company's growth should be brought about by acquisitions. We will continue to be on the look out for acquisition opportunities, in spite of being aware that the presently acceptable level of financial leverage is considerably lower than that of a year ago.

I would like to thank our customers for the challenges they have presented us and for the demand of their requirements. I would like to renew our commitment to maintain quality and value for money service as our first priority.

Last but not least, a special thanks to all those behind the **BA FORCE**, because they have showed the ability to conciliate the difficulty of the permanent quest to be the best with the satisfaction of achieving our goals in the construction of the best group of glass container production in the world. This group is robust, resilient and therefore better prepared to sail through the harder times ahead.

Once again, **let's get down to work!** 2009 will be a difficult year and we must confirm our leadership.

Avintes, 29 January 2009

**THE HISTORY
OF BA IS ONE
OF STRENGTH...**
THE STRENGTH OF ITS
STAFF WHO, ENDOWED
WITH THE VALUES
HUMILITY, AMBITION,
RIGOUR AND
TRANSPARENCY
AND A LOT OF
EMOTION,
FACES NEW
CHALLENGES AND
IS DETERMINED TO
ACHIEVE NEW GOALS
AND BETTER RESULTS.





A



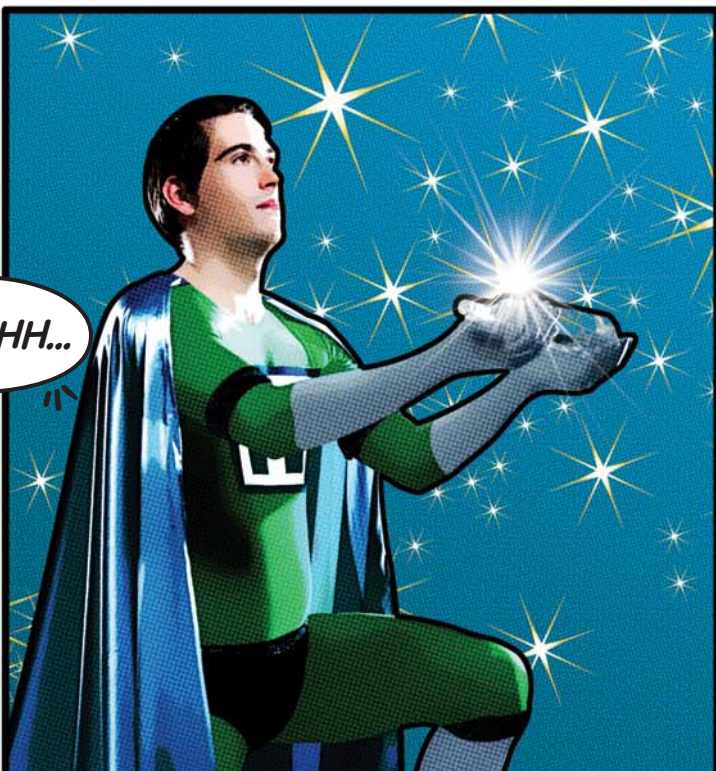
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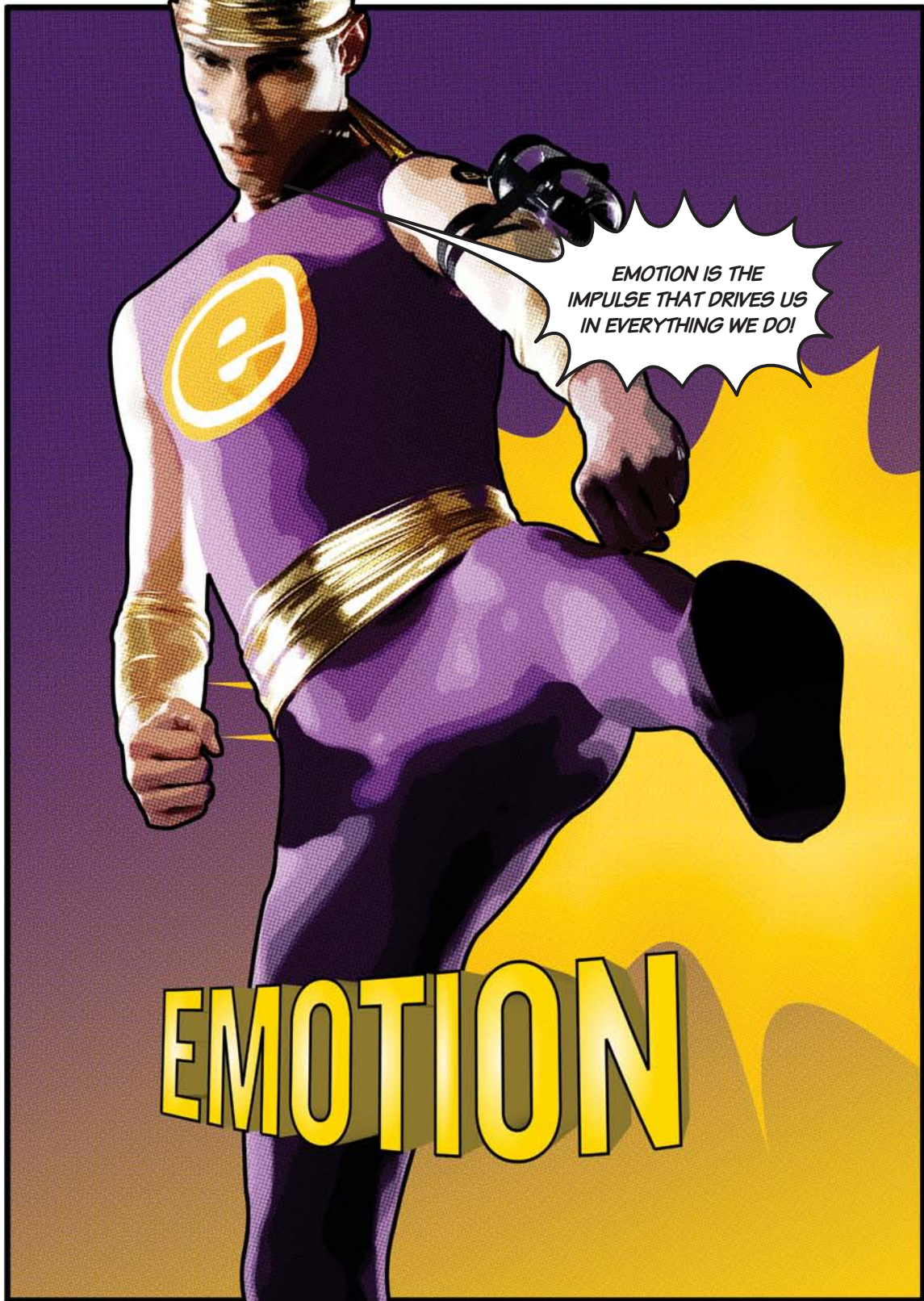
HUMBLENESS IS THE VALUE
THAT TEACHES US HOW TO GROW

HUMBLENESS



HUMBLENESS IS ONE OF THE MOST IMPORTANT VALUES IN OUR PROFESSIONAL AND PERSONAL LIVES. TO BE HUMBLE WHEN SHARING KNOWLEDGE, TO BE HUMBLE WHEN LOOKING FOR KNOWLEDGE, TO BE HUMBLE WHEN ENJOYING THE OPPORTUNITIES FOR GROWTH, TO BE HUMBLE EVERY DAY, WHETHER PERFORMING SMALL TASKS OR IN MAKING IMPORTANT DECISION.









AMBITION IS THE VALUE THAT DRIVES
US TO THE PURSUIT OF HIGHER GOALS.

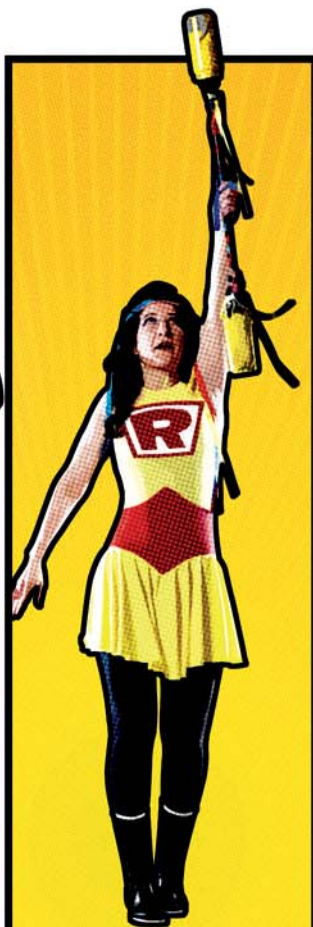
AMBITION



IT IS THE STRENGTH BEHIND TEAM WORK AND BEHIND THE REFUSAL TO ACCEPT DIFFICULTIES. IT IS OUR GROUP AMBITION THAT MAKES US REACH FURTHER AND FOR BETTER RESULTS, THAT THE KIND THAT LAST OVER TIME AND PREPARE US FOR NEW AND BIGGER CHALLENGES!



**SWOOISH!
VUUP! ZAP!**

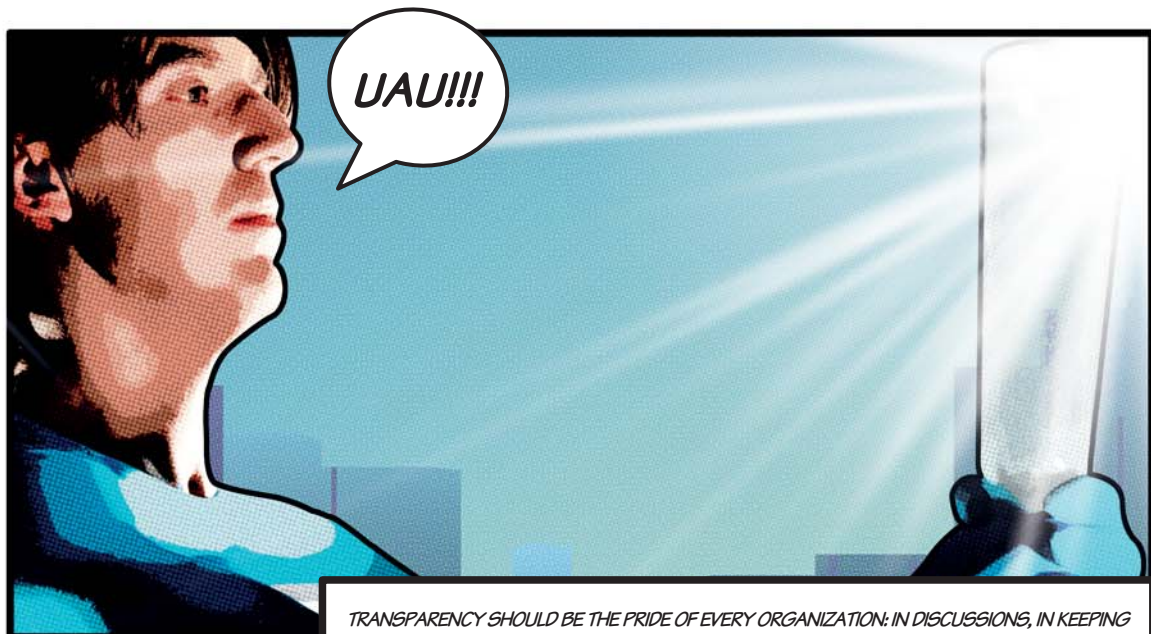


RIGOUR MEANS TO GET IT RIGHT THE FIRST TIME, TO BE DEMANDING WITH OURSELVES AND WITH OTHERS IN ALL OPERATIONS AND TASKS WE PERFORM. IT IS ONLY IF WE ARE ACCURATE DAILY, IN OUR INTERNAL AND EXTERNAL RELATIONSHIPS, IN OUR ATTENTION TO DETAIL, THAT WE CREATE A TRUSTING AND PROFESSIONAL ENVIRONMENT WITH OUR CUSTOMERS, SUPPLIERS, SHAREHOLDERS AND STAFF.

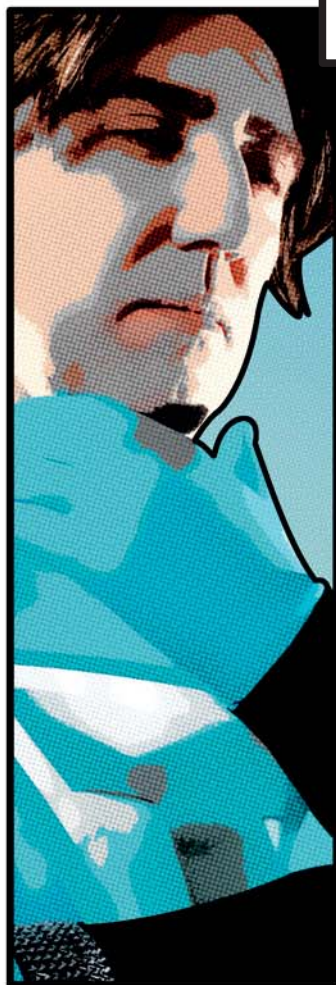


THIS IS THE VALUE
THAT ENABLES US TO ACT
TRUSTINGLY IN PROCESSES
AND RELATIONSHIPS.

TRANSPARENCY



TRANSPARENCY SHOULD BE THE PRIDE OF EVERY ORGANIZATION: IN DISCUSSIONS, IN KEEPING UP WITH OBJECTIVES, IN COMMUNICATING OPPORTUNITIES AND THREATS, IN THE RELATIONS WITH OTHER MEMBERS OF STAFF AND WITH OUTSIDERS. TRANSPARENT AS GLASS!









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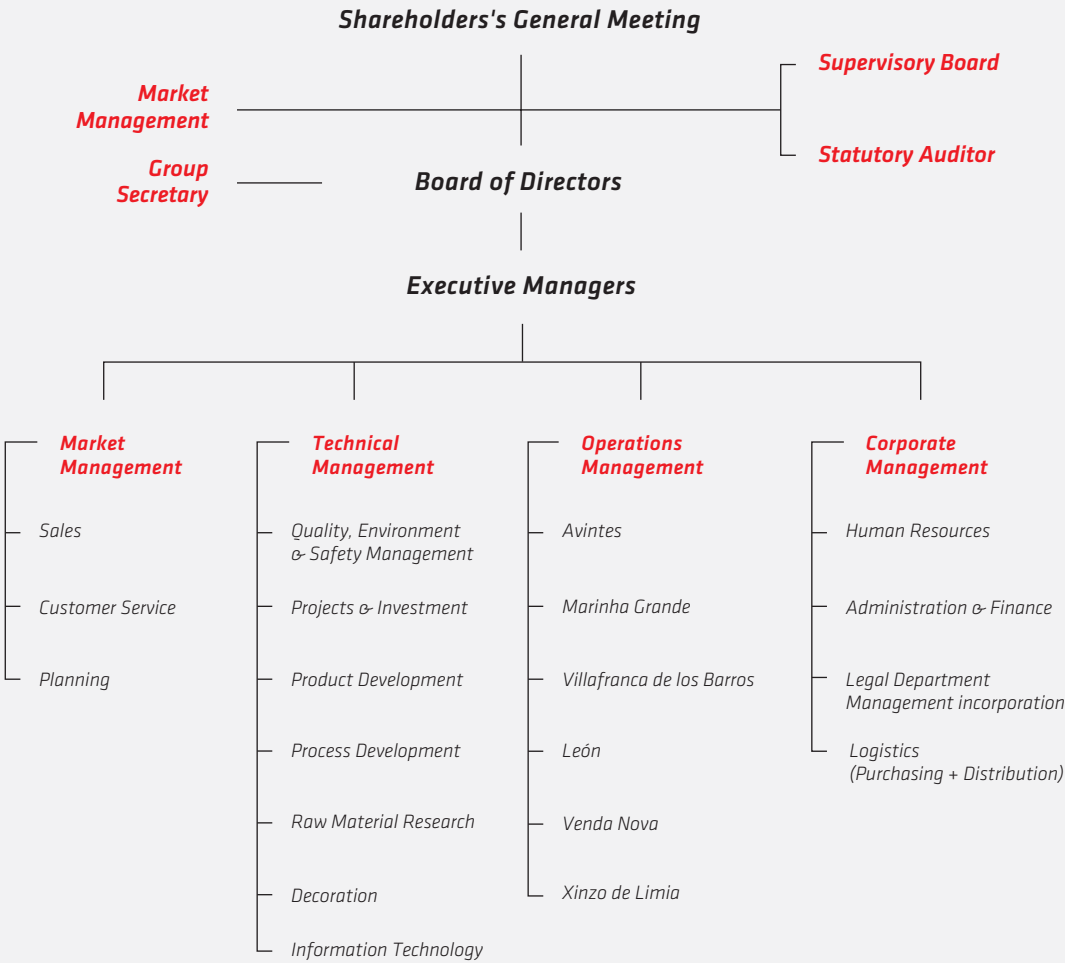
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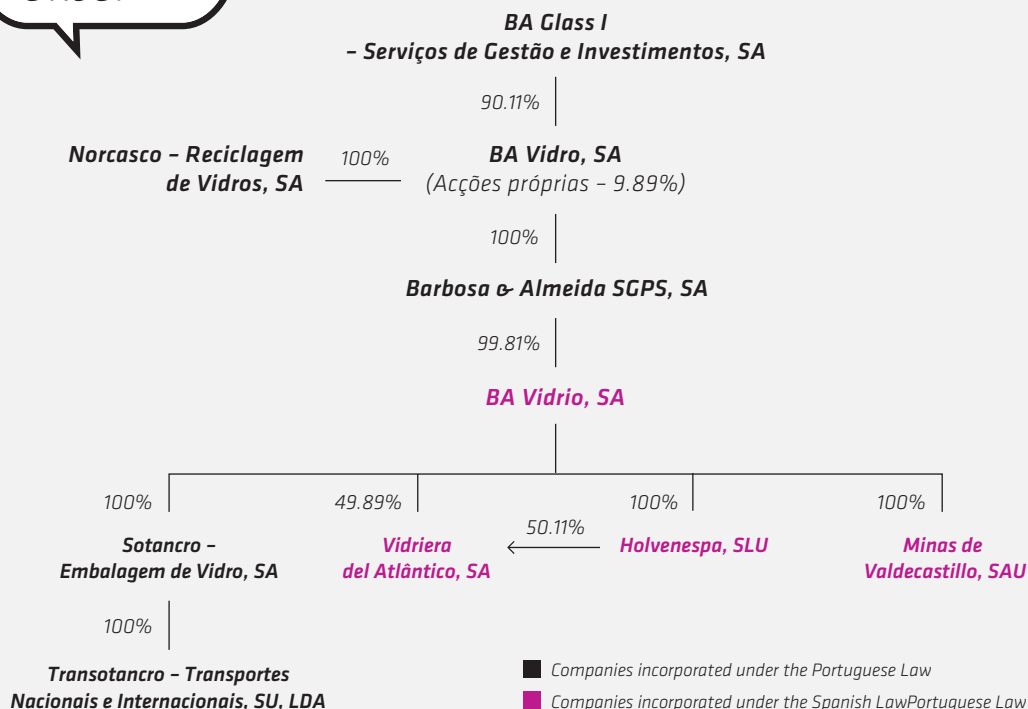
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ORGANISATION
CHART



BA GLASS GROUP



STATUTORY BODIES

Board of Directors

Carlos Moreira da Silva (Chairman)
Jorge Alexandre Ferreira
Álvaro Cuervo Garcia
António Vasquez Cardeñosa
Francisco Silva Domingues
José Ignacio Comenge
Mário Pereira Pinto
Pedro de Araújo Lopes

Executive Directors of the Affiliates

Jorge Alexandre Ferreira
Alfredo Lacerda Pereira
Pedro de Araújo Lopes

General Meeting Board

Mário Júlio Montalvão Machado (Presidente)
Eduardo Verde Pinho (Secretário)

Supervisory Board

Rita Silva Domingues (Chairman)
Manuel Ortigão de Oliveira
Óscar Alçada da Quinta

Certified Accountant

Ernst & Young Audit & Associados – SROC, SA
Represented by João Carlos Miguel Alves,
ROC n°896

Group Secretary

Rita Silva Domingues

Secretary of the affiliate BA Vidrio, SA

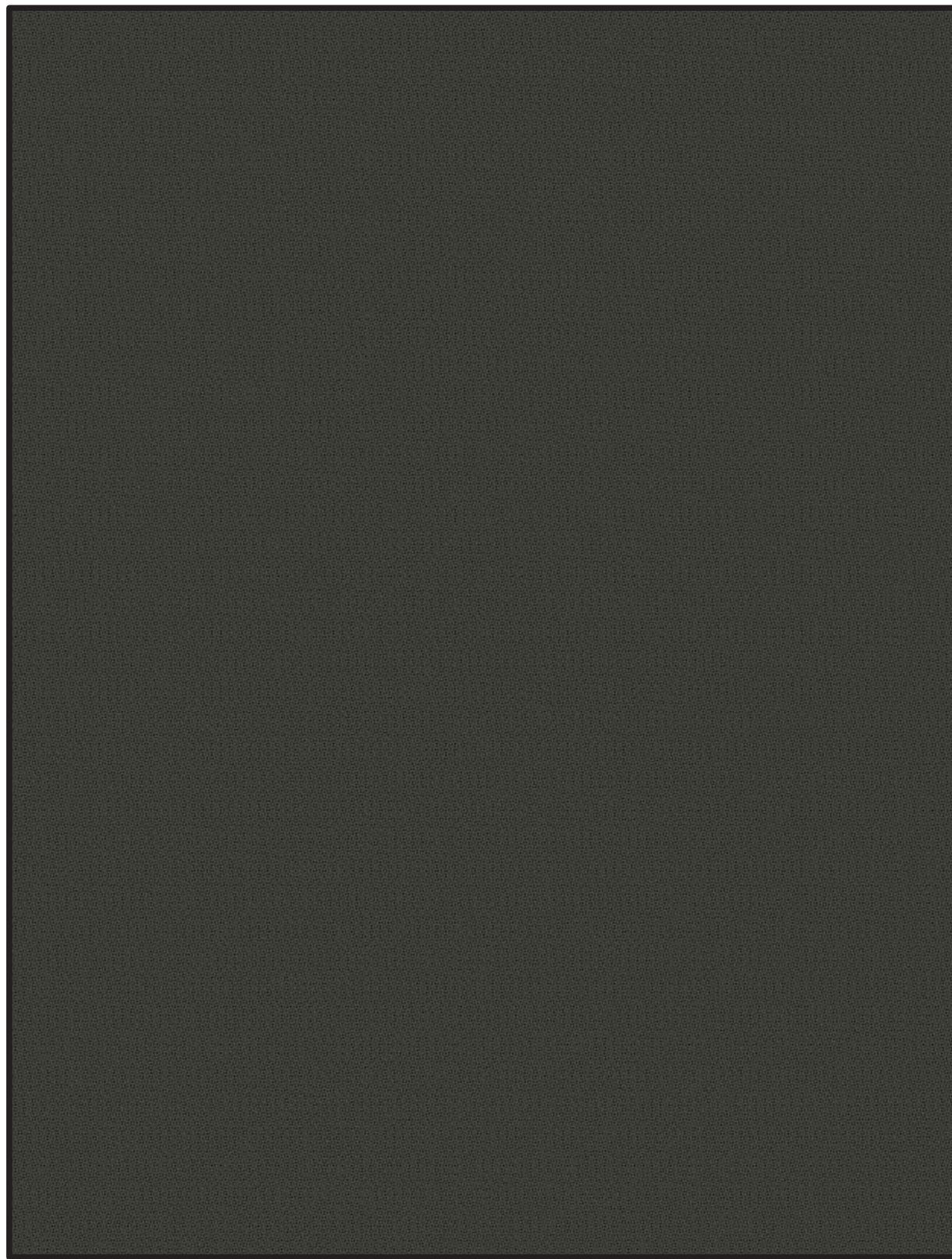
Efrén Villán Sánchez

Executive Committee of the Affiliates

Jorge Alexandre Ferreira
Alfredo de Lacerda Pereira
Pedro de Araújo Lopes
Sandra Maria Santos

Managers

Ana Cristina Gonçalves
António Magalhães
António Sá Couto
Fernando Amílvia
Javier Teniente
Luís Cardoso
Paulo Casaca
Pedro Correia
Rafael Corzo
Reinaldo Coelho
Vitor Matoso



CHAPTER I

MANAGEMENT REPORT AND ACCOUNTS







**BOARD OF DIRECTORS
CONSOLIDATED REPORT**

**INTRODUCTION; COMMERCIAL ACTIVITY; INDUSTRIAL ACTIVITY; HUMAN CAPITAL;
INVESTMENTS; INOVATION AND DEVELOPMENT; RESULTS; ASSETS AND FINANCIAL
ANALYSIS; PERSPECTIVES; ACKNOWLEDGEMENTS; ALLOCATION OF EARNINGS;
ATTACHMENT TO THE REPORT OF THE BOARD OF DIRECTORS**

INTRODUCTION

Dear Shareholders,
As determined by Portuguese law and the company's by-laws, we are pleased to present the Consolidated Financial Report and Accounts for 2008.

For the Iberian economy 2008 was a year marked by the negative evolution of the world economies, which suffered an unprecedented setback. This negative trend was strongly felt in the last semester, during which the majority of the world economies showed negative growths.

The two Iberian economies suffered distinct inflationary pressures, with the Portuguese economy finishing the year with 2.6% inflation and the Spanish with 1.4%.

The volatility shown by the dollar in 2008 (it recorded a minimum of 1.60 and a maximum of 1.25 against the euro) was only surpassed by the volatility of crude oil prices, which at the beginning of the year were quoted at \$93.3, in the summer reached \$145.3 and at the end of the year fell to \$36.3.

Consistent with the negative moment experienced by the surrounding macroeconomics, the glass container industry showed a similar behaviour, with a noticeable decrease in demand at the end of the year. Generally speaking, it is estimated that this industry is now stagnant in the Iberian Peninsula.

In this context, our group recorded a positive performance with consolidated sales reaching 290.9m euros, which represents a growth of 24% in relation to the previous year.

This increase resulted mainly from the merger with the Sotancro group, which took place at the beginning of the second semester. This latter group had two factories, one in Venda Nova (Portugal) and one in Xinzo de Limia (Spain). Another factor influencing the growth in performance was the increase of the demand in Portugal, as opposed to the sluggish Spanish market.

As part of the continuous improvement policy followed over the last few years, in 2008 our group had as its priorities energy saving, production efficiency and innovation and, accordingly, a series of measures were taken, some more transversal, while others were more focused on key points of the production process.

As far as energy saving was concerned, and given the severe increase in the prices of both electricity and natural gas, we continued with and increased our daily consumption controls.

In terms of innovation, the strategy of reinforcing the capacity of product development that we have been pursuing has allowed us to improve our response to customers' needs, working together in the creation of the packages.

The continuous effort in process innovation and the permanent quest for more efficient operational solutions have led to the improvement of operating profit: the operating cash-flow (EBITDA) reached 102.3m euros and the operating results (EBIT) 75.6m euros, figures which grew 16.4% and 15.0% comparatively to 2007, respectively.

The asset structure shows a total net asset of 526.9m euros and a net financial debt of 307.2m euros.

As a result of all the above mentioned facts, the consolidated net results rose to 44.3m euros, which represents an increase of 22.4% in relation to the previous year.

In terms of environmental policies, the group's ISO 14000 certifications were renewed for five of its factories and the certification procedure for the Xinzo de Limia factory was initiated.

The integrated quality certification of the four original production units according to the ISO 9001:2000 was renewed. The certification for the Venda Nova factory was also renewed, but the Xinzo de Limia factory has only recently started its certification process.

The ISO 22000 certification (Food Safety) has been implemented in four of our factories, and the same process has been initiated for the two factories that have joined our group.

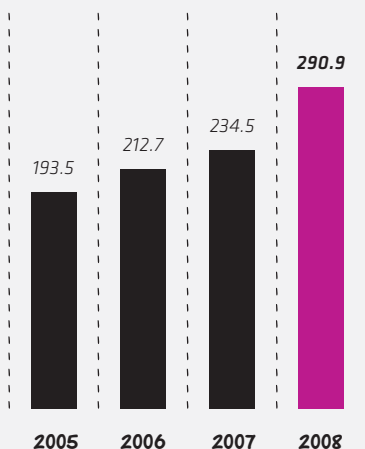
As decided in previous years, this publication includes a Sustainability Report where the sustainable development principles of our group will be described.

In terms of social responsibility, BA has favoured actions and projects in the area of education. Apart from numerous work placements, visits, sponsorships and lectures carried out by BA staff in the different communities where the group is present, the partnership with the Agrupamento de Escolas Gomes Teixeira (Schools' Association), under the scope of the "Porto de Futuro" programme (started by Oporto's Municipality), continued. From the several projects meant for students and schools, we would like to point out the sessions aimed at stimulating entrepreneurship and the improvement of accounting and administrative procedure.

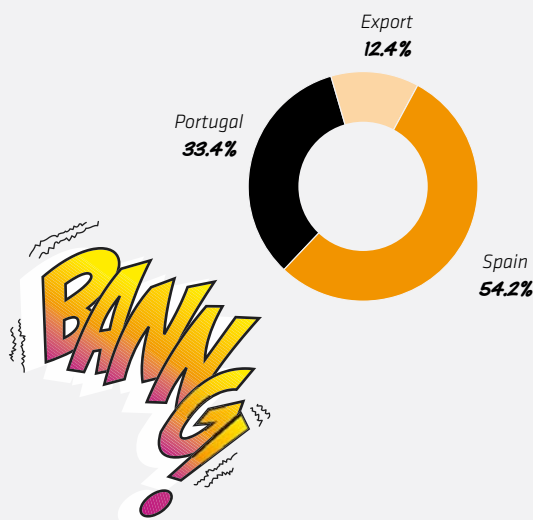
The group or its associated companies are members of AIVE - Associação dos Industriais de Vidro de Embalagem (The Association of Glass Containers Producers), of ANFEVI - Associação Nacional de Empresas de Fabricação Automática de Envases de Vidro and of FEVE - Fédération Européenne du Verre d'Emballage. The group has been very involved in the activities carried out by these associations, especially in promoting glass as a packaging material and in the follow-up of national and European legislation initiatives.

COMMERCIAL ACTIVITY

TURNOVER [10⁶ euros]



MARKET > SALES 2008 [%]



2008 was marked by the worst financial crisis of the last 30 years, which started in August 2007 and hit the economic activity in the second semester of 2008. Despite the macro-economic deterioration, the demand for glass containers in BA's markets has shown signs of maturity and, according to its recent historic evolution, it has been characterised by stability and fairly reduced variations, even in negative periods of the economic cycle.

It was against this difficult and uncertain background that BA recorded a significant growth in sales. Sales evolution was characterised by a fairly strong demand in the first eight months of the year and by a significant contraction at the end of the year.

2008 was also marked by the integration of the Sotancro group's sales in the second semester.

Sales reached 290.0 million euros, representing an increase of 24% in relation to 2007. This growth is mainly due to the merger with the Sotancro group, but also from the increase of demand in Portugal, as opposed to the sluggish Spanish market. This increase in sales – both in terms of business volume and in price – results from BA's growth strategy and from its market diversification policy.

The great dynamism in beer exports in Portugal has coun-

teredacted the tendency in other market segments and levered the growth in the market to a pleasant 2%. In Spain, on the other hand, glass container demand has fallen from 2 to 3%, following the slowdown of economy in general and of demand in particular.

It should be emphasised that with the acquisition of Sotancro, BA is now present in new segments such as pharmacies, cosmetics and interior decoration.

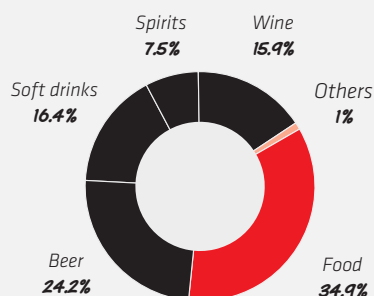
The Spanish market remained the main buyer of BA group's products (54.2%), whereas the Portuguese market represented 33.4% of total sales. Exports outside the Iberian Peninsula reached 12.4%.

The main sales segment is still the food business, which represents 34.9%, followed by the beer segment with 24.2% and the wine and liquor with 23.4%. Soft drinks represent 16.4% of total sales.

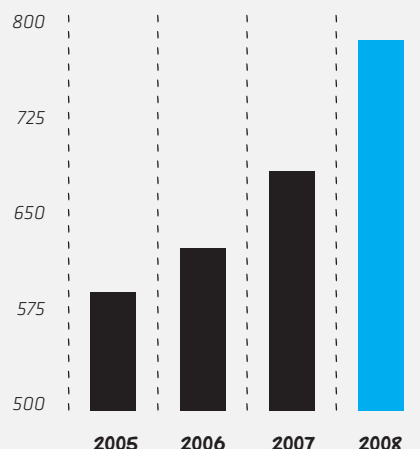
BA supplies all the main clients of the Iberian market, and to anticipate the market evolutions, it maintains its firm decision to stay close to its customers and consumers. These were the reasons behind the change of the sales' organizational structure, where the key Account Manager position was created and assigned to four employees, responsible for each of the four main market segments. BA hopes that this change

INDUSTRIAL ACTIVITY

SEGMENT > SALES 2008 [%]



USABLE PRODUCTION [1000 Ton]



will strengthen the close relationship with its customers, improving the “Desafio à Inovação” (Challenge to Innovation) projects BA shares with them – jointly analysing the complete value chain so that all the intervenients will gain something: BA, Customers and Consumers.

Several projects were developed during 2008 and led to a significant cost reduction for the clients and also to an obvious environmental benefit, through lighter packaging and the optimization of the logistics chain. As occurs every year, an independent client satisfaction questionnaire was carried out and we were very pleased to see that BA's value proposal is better understood, a result of the improved awareness of the service and quality BA offers to the market.

Despite the difficult times that lie ahead, we are optimistic. Sure of its values, BA continues to bet on product innovation and development and is committed to, together with its clients, develop, offer and promote glass containers that will make its products very successful in the consumer market.

The great priority in 2008 was to integrate two other production units in the group, Venda Nova and Xinzo de Límia. At the beginning of the second semester, immediately following the integration of those two units, BA implemented a series of procedures that enabled a single information system and an organizational dynamics that made it possible to affirm, at the end of the year, that the BA group is an organization comprehending six factories, no matter what associated company they belong to.

Particular attention was paid to energy rationalization measures because of the significant increase in the unitary costs, both in electricity and in natural gas, without disregarding productivity increases and the quality of the final product, which are key factors for the factories' success.

Several actions were carried out at the Avintes factory aimed at consolidating the manufacturing conditions, especially, in furnace nr.2. We would like to emphasize the optimization of the chimney draught performance and the concentration of efforts on the factory's output.

In Marinha Grande, the entire structure was deeply involved in phase 2 of the industrial park's reconstruction. The project was finished within the set schedule and budget.

The introduction of state-of-the-art technologies in production (both in equipment and in processes) was sustained by in-

tensive training programmes and by an organizational restructuring that enabled the adaptation to the new industrial reality.

Staff at the Villafranca de los Barros unit successfully worked at maintaining the high levels of quality standards and at reaching record output levels .

An action plan based on benchmarking programmes was prepared with the objective of increasing the output and its benefits were already felt in 2008.

Here too, the concern with the reduction of energy consumption was accomplished through a set of small measures adequate to the furnace's final stage in its life cycle.

The good results achieved in León confirm the accuracy of the measures taken over the past few years, and we emphasize the historic records obtained in the factory's output and the in the average set-up change.

A careful investment plan that will extend to 2009, with the reconstruction of furnace 2, has enabled the correction of some shortcomings and increase in productivity.

In both Venda Nova and Xinzo de Límia all efforts were concentrated on group integration, implementing methodologies and better practices which will, hopefully, bear fruit at the beginning of 2009.

In Xinzo de Límia we found a much-degraded social environment and the group has been striving to find some solutions with the aim of confirming the feasibility of this industrial project.

For a good part of the year, we have been working in the integration of the safety, environmental and quality sub-systems into the management system, thus consolidating BA's management model, which incorporates all the sub-systems it is subject to, either legally or optionally.

Generally speaking, and following the strategic guidelines established eight years ago with the intention of improving the production performance, we continued the changes in the organizational processes, based on internal and external benchmarking, with the adoption of better practices and with the analysis and monitoring of critical processes.

In terms of raw materials, there was greater efficiency in glass container production, which together with the rationalization of its supply made raw materials less relevant in terms of costs, despite the huge price increase affecting sodium carbonate.

The energy bill in 2008 was much higher than in 2007, a consequence of the price increase in both electricity and natural gas.

In terms of energy, the dissatisfaction with the quality of

electricity distribution service in Portugal should be pointed out, as it remains inadequate for the production demands of a competitive exporting industry. There were 31 power cuts in the Iberian factories, 21 of which were recorded in the two Portuguese factories.

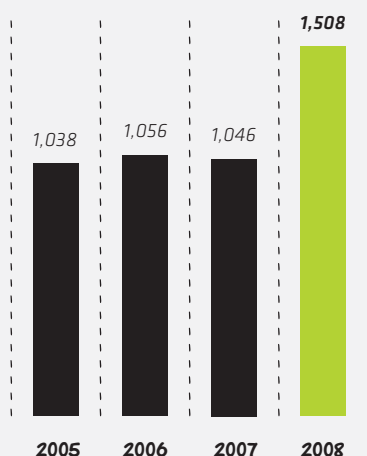
As far as logistics is concerned, BA intensified some partnerships with suppliers so as to strengthen trust and to bring about efficiency gains along the supply chain.

As for our associated companies, the excellent production performance of Minas de Valdecastillo stands out, a company that explores the silicon dioxide mine in the Province of León, as well as Norcasco, a company treating recycled glass that is then incorporated in the production of raw materials.

BA is still waiting for the issuing of the sand extraction licence for Herdade da Charneca (in Alentejo, Portugal), which has been delayed several times by red tape matters.

HUMAN CAPITAL

HEADCOUNT



As far as our Human Resources were concerned, team re-sizing and restructuring were the key-words in 2008. The integration of Sotancro (the factory in Venda Nova) and of Vidreira do Atlântico (the factory in Xinzo de Límia) brought new processes and cultures to the group, making it urgent to analyse and take advantage of the synergies created during the integration process.

Despite the resource rationalization brought about by the integration of any company, the recruitment of qualified personnel was one of the objectives set for 2008, when 85 new employees were hired.

With the objective of increasing production levels and of enriching the responsibilities of job positions (thus creating more attractive career prospects), we improved the structure of several managerial levels, increasing practical mobility, which was once again a fundamental tool in the collective management and in personal development.

Benchmarking, particularly internal benchmarking, once again played an important role in the integration, development and improvement of the entire group.

At the end of the year, BA group had 1508 employees, 964 of which in Portugal and 544 in Spain.

One of our main concerns in this past year was for the new staff to identify with the group's objectives and company culture. Therefore, internal communication took centre stage in the restructuring of teams and was used as a dissemination tool for the culture of transparency promoted by BA. Throughout 2008 the usual moments of group communication were reinforced, extending them to a new reality made up of six factories, namely through:

- quarterly publication of the "Contém" newsletter, which had special editions on the company values: Humbleness, Ambition, Rigor and Transparency;
- quarterly publication of the company results, reaching an ever larger number of employees;
- annual top staff meeting, where 120 employees were present;
- 10th anniversary celebration of the Villafranca de los Barros' factory.

BA maintained its bet on a transparent and accurate system for performance appraisal and career progress, extending the existing models to the factories of Venda Nova and Xinzo de Límia. Explanation and promotion sessions were given to all employees in order to instigate more staff participation in this process.

INVESTMENTS

Performance appraisal, career progress and succession planning are ever more the result of several analyses, individually assessed and discussed at the highest managerial level. These efforts have the objective of developing equal opportunities for all staff; attracting and maintaining highly talented employees.

Given that its staff is one of the three fundamental pillars of the company's vision, BA remains committed to knowing their opinion, therefore a Survey on the Organizational Atmosphere was carried out once more. The respondents answered questions on strategy, commitment, working conditions, human resources policies and leadership and could anonymously have their say on the company's evolution and on the impact of the measures being taken. The results showed that the staff has very positive opinions on the evolution of BA's policies, as well as on the possibility of maintaining a good personal/professional balance.

The consolidated figure for employee absenteeism shows an increase, reaching 4.5%, which was mainly the result of the integration of the Xinzo de Límia factory, with figures higher than the average of the other factories. It should be pointed out that the objective of "Zero Working Accidents" was still not achieved in 2008. However, we are concentrating our efforts on the pursuit of risk prevention and analysis and resolving accident causes so that in the short run, zero accidents will become a reality.

The investment in professional skills training reached 37,000 hours. The training programmes were mainly in technical areas, which is normal in a company where technological demands are predominant. Apart from training, BA also maintained other tools as means of skills improvement for employees, either as individuals or as part of teams, such as exchanging job functions, promoting functions and valuing the individuals.

The involvement with the community, namely with schools and universities, is still a priority for the BA group, which kept the regular visits and the grant of work placements to students.

The consolidated tangible investments reached 44.6m euros, thus beginning another reparation cycle of the furnaces in BA. We invested 23.0m Euros in the second phase of Marinha Grande's industrial park reconstruction, 6.0m Euros in preparing the repair works of Villafranca's furnace and 6.1m Euros in one of the furnaces of Venda Nova's factory. The latter investments will be concluded during the first semester of 2009. BA has already spent 1.7m Euros reconstructing the smaller furnace in Avintes.

We would also like to emphasise the investment made in Norcasco, with the installation of a fully automatic glass treatment and cleaning station where it is already possible to separate the containers according to their colour and which cost 1.9m Euros.

The permanent concern with improving the quality of our products has also been the reason for other investments, totalling approximately 170,000 Euros.

INNOVATION AND DEVELOPMENT RESULTS

The increasing concern with the environment, clearly present in the requests made by our customers for lighter glass containers, has made BA develop lightweight products and create packaging that stand out in the market.

These efforts are not only concentrated on making new models lighter but also the older ones; we are also engaged in the standardization of containers' size and in new forms of packaging for food products, thus gaining a competitive edge, reducing the environmental impact and creating brand value for our customers.

Throughout 2008 there was a slight growth in the number of new projects, as well as in the projects for molds for new products, already launched or still to be launched. The latter reached a number of 54, representing more than one product per week.

During the second semester it was already possible to integrate all the processes of product development and mold projects in the two new factories. The success of this integration was very much the result of the tools standardization processes carried out in previous years, as well as of the BA-tools interface, which will be upgraded next year.

The group results in 2008 show a consolidation perimeter different from that of 2007, as it integrates the results from the last six months of the year of Sotancro group's companies.

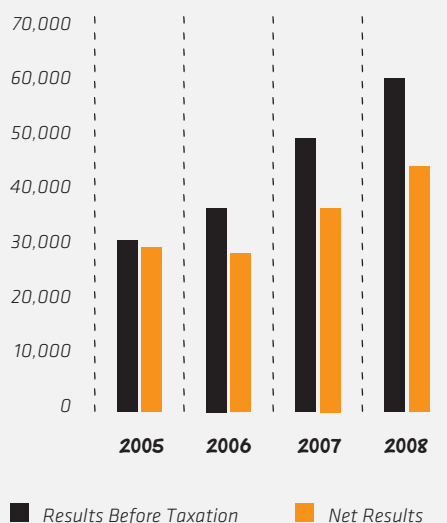
As we consolidate only the results of six months of activity of Sotancro group, the interpretation of productivity ratios, such as workforce productivity and asset rotation, should be done cautiously, as it may not clearly reflect reality.

This acquisition had a negative impact on the profit margins of BA group, a consequence of integrating companies with smaller profit margins. However, this fact was lessened by the improvement of the profitability of the associated companies already part of BA group.

The 2008 results were also strongly influenced by the (direct and indirect) negative effect the increase in energy bills on our production costs.

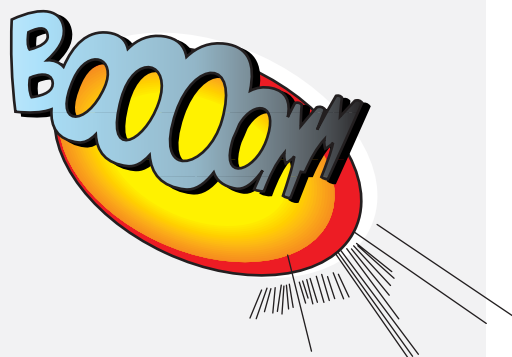
The restructuring costs, namely those of the acquired companies, negatively influenced the group results as well.

RESULTS [10³ euros]



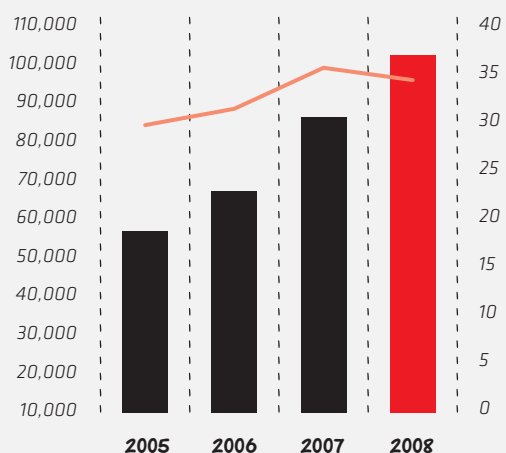
So:

- Even though EBITDA was maintained at very interesting figures, reaching 102.3m euros, 14.5m euros more than in 2007, the EBITDA margin decreased to 35.2% of sales, 2.3% less than in 2007;
- The operating profit (EBIT) amounted to 75.6m euros, 9.9m euros more than in 2007, and represented 26.0% of sales, 2.0% less than in 2007;
- The tangible asset rotation amounted to 1.30m, 15.0% less than in 2007, due to the consolidation of only six months of group Sotancro's activity, but it was still one of the big stimulators of the operating profits;
- The workforce productivity decreased 14.2%, a consequence of circumstances already referred, but also due to the incorporation of companies with a larger number of employees;
- The consolidated financial results increased, amounting to minus 15.1m euros, as opposed to the minus 16.3m euros in 2007, and despite the increase of the debt resulting from the incorporation of the debts of the acquired companies and from the acquisition's inherent debt;
- The profits before tax amounted to 60.5m euros and the net profit was 44.3m euros, which represented increases of 22.5% and 22.4%, respectively (when compared to 2007).



EBITDA [10³ euros]

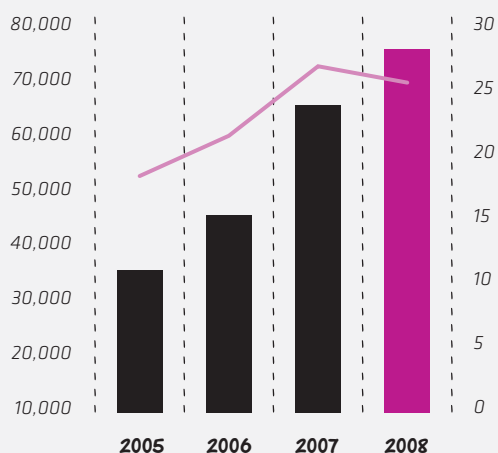
EBITDA / PRODUCTION [%]



■ EBITDA — EBITDA / Production

EBIT [10³ euros]

EBIT / PRODUCTION [%]



■ EBIT — EBIT / Production

ASSETS AND FINANCIAL ANALYSIS

In 2008 the consolidated assets reached 516.9m euros, and fixed assets represented 66.6% of that figure.

The amount of investments made in 2008 reached 44.6m euros, with the group maintaining its policy of higher average capex levels than the industry, but also ensuring higher rotation levels than the industry.

Despite the tight control of working capital, the need for it increased to 26.9% of sales, a consequence of the increase of stocks in the second semester of 2008.

At the end of the year, the total liabilities were 443.4m euros and the financial liabilities of the group reached 307.2m euros, with the medium and long-term debt representing 64.9% of that total.

PERSPECTIVES

The way the European economies and the other world economies (influenced as they are by endogenous and exogenous variables) will evolve is still largely unknown. There is a unanimous belief that the evolution will be negative, but no one really knows whether the curve will be upwards or downwards. The confidence crisis in the financial system, the euro/dollar exchange rates, the relation between Europe and China and the way it will evolve, the new and future relation of the United States with the rest of the world, the military interventions in oil areas are all factors obstructing a clear perspective on how things will evolve.

However, somewhere between the more optimistic and the more pessimist outlooks, it is probably reasonable to consider the possibility of a decrease in the demand for glass containers.

Nevertheless, we are starting 2009 with prudent optimism, as our group competitiveness has been improving over the last few years, there is more innovation, more staff ambition and determination to improve customer service.

We will still be concerned with using greater transparency in all processes, so as to enhance the relation with all stakeholders:

- As far as our shareholders are concerned, we aim at reaching the highest profitability levels, always based on ethical behavior and clear corporate governance rules;*
- As for our customers, we intend to achieve even higher levels of productivity and trustworthiness that will help them succeed in the ever demanding consumer market;*
- In relation to our staff, we wish to consolidate the use of management systems and methodologies and to extend the use of the variable bonus scheme as a form of sharing wealth;*
- As for the environment, we aim at developing the group's environmental policy, making available the information on the environmental performance of our production units and maintaining with the public entities, local associations and organizations an interactive relationship for the benefit of the community as a whole;*
- As for our suppliers, we hope to further develop our partnership so as to strengthen the mutual trust and to generate efficiency gains throughout the supply chain.*

ACKNOWLEDGEMENTS

First of all, the Board of Directors would like to thank all employees within the group's units, because their performance, enthusiasm and dedication were the most important contribution to the results achieved, both in terms of profitability and customer satisfaction.

We would also like to thank the governments, local and regional authorities of Portugal and Spain, which have supported and followed our activities and projects closely. We also appreciate the cooperation of Banks and other financial institutions with which we worked in 2008.

We are also indebted to the Audit Committee and to the auditors working in each of our companies for their permanent cooperation and positive criticism when they accompanied and analyzed our accounts and procedures.

Last but not least, our gratitude to our customers, whose trust, preference and demands are permanent incentives for our improvement.

ALLOCATION OF EARNINGS

To allocate the unconsolidated Retained and Net Earnings "BA Glass I - Serviços de Gestão e Investimentos, SA", which amount to 20,713,495.67 euros, we propose the following distribution:

| | |
|---------------|----------------------------|
| Dividends | 2,250,000.00 euros |
| Free Reserves | 18,463,495.67 euros |

This distribution corresponds to a gross dividend of 45.00 euros per share.

Avintes, 29 January 2009

The Board of Directors

Carlos Moreira da Silva - Chairman

Jorge Alexandre Ferreira - CEO

Álvaro Cuervo García

António Vasquez Cardenosa

Francisco Silva Domingues

José Ignacio Comenge

José Pedro Lopes

Mário Pereira Pinto

ATTACHMENT TO THE REPORT OF THE BOARD OF DIRECTORS

Disclosure of the Participation of the Members of the Board of Directors and of the Supervisory Board

(Article 447 of the Portuguese Companies Act)

Carlos António Rocha Moreira da Silva

› Chairman of the Board of Directors

Through the company named “Bar-Bar-Idade I, SGPS, SA”, owns 13,151 shares, which represents 26.30% of the share capital of “BA Glass I – Serviços de Gestão e Investimentos, SA”. (hereafter referred to as BA Glass)

The company “Fim do Dia, SGPS, SA” (of which he is the chairman of the Board of Directors) owns shares corresponding to 47.40% BA Glass capital share.

Francisco José Mestre Mira da Silva Domingues

› Member of the Board of Directors

The company “Atanágoras, SGPS, SA” (of which he is the Chairman of the Board) owns 13,151 shares, corresponding to 26.30% of BA Glass share capital.

The company “Fim do Dia, SGPS, SA” (of which he is a member of the Board) owns shares corresponding to 47.40% of BA Glass share capital.

Jorge Alexandre Tavares Ferreira

› Member of the Board of Directors

The company “Fim do Dia, SGPS, SA” (of which he is a member of the Board of Directors) owns shares corresponding to 47.40% of BA Glass share capital.

Rita Mestre Mira da Silva Domingues

› Chairwoman of the Supervisory Board

The company “Atanágoras, SGPS, SA” (of which she is a Member of the Board of Directors) owns 13,151 shares corresponding to 26.30% of BA Glass share capital.

Disclosure of Shareholders Percentages

(Article 448 of the Portuguese Companies Act)

| Shareholders | Shares | % of share capital and voting rights |
|---------------------------|--------|--------------------------------------|
| Fim do Dia, SGPS, SA | 23,698 | 47.40% |
| Atanágoras, SGPS, SA | 13,151 | 26.30% |
| Bar-Bar-Idade I, SGPS, SA | 13,151 | 26.30% |



CONSOLIDATED BALANCE SHEETS; STATEMENT OF CONSOLIDATED EARNINGS; STATEMENT OF CHANGES IN EQUITY; CONSOLIDATED CASH FLOW STATEMENT; NOTES TO THE CONSOLIDATED CASH-FLOW STATEMENT; NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT 2008.



FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

(amounts expressed in Euros)

| | Notes | Dec 2008 | Dec 2007 |
|---|-------|--------------------|--------------------|
| ASSETS | | | |
| Non current assets | | | |
| Goodwill | 7 | 90,948,136 | 46,105,169 |
| Intangible assets | | - | 5,146 |
| Tangible assets | 8 | 224,535,121 | 153,833,794 |
| Financial investments | 9 | 397,359 | 213,842 |
| Financial assets available for sale | | - | - |
| Investments properties | 10 | 1,706,097 | 1,763,469 |
| Other non current assets | 11 | 19,922,750 | 19,922,750 |
| Deferred tax assets | 12 | 6,659,963 | 8,125,889 |
| | | 344,169,427 | 229,970,059 |
| Current assets | | | |
| Inventories | 13 | 62,592,626 | 37,617,304 |
| Customers | 14 | 74,629,940 | 53,353,744 |
| Other debtors | 15 | 4,035,507 | 22,590,627 |
| Other current assets | 16 | 648,338 | 450,282 |
| Cash and other equivalents | 17 | 30,794,161 | 1,132,858 |
| | | 172,700,573 | 115,144,816 |
| Total assets | | 516,870,000 | 345,114,874 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 18 | 50,000 | 50,000 |
| Reserves, retained earnings and supplementary capital | 18 | 29,102,306 | 16,061,178 |
| Net result for the year | | 44,341,566 | 36,241,129 |
| Minority interests | | - | - |
| Total equity | | 73,493,872 | 52,352,307 |
| Non current Liabilities | | | |
| Bank loans | 19 | 199,434,322 | 156,625,652 |
| Provisions / Adjustments for impairment losses | 20 | 4,208,338 | 5,498,890 |
| Debts to third parties | 22 | - | - |
| Deferred taxes liabilities | 12 | 9,247,798 | 8,000,715 |
| | | 212,890,459 | 170,125,257 |
| Current Liabilities | | | |
| Bank loans | 19 | 138,589,692 | 53,063,233 |
| Suppliers | 21 | 50,625,331 | 34,502,188 |
| Cash and other equivalents | 22 | 8,291,555 | 6,153,110 |
| Other current liabilities | 23 | 32,979,091 | 28,918,779 |
| | | 230,485,669 | 122,637,311 |
| Total liabilities and equity | | 516,870,000 | 345,114,874 |

STATEMENT OF CONSOLIDATED EARNINGS

(amounts expressed in Euros)

| | Notes | Dec 2008 | Dec 2007 |
|---|-------|---------------------|---------------------|
| Operating revenue | | | |
| Sales and services rendered | 2.17 | 290,894,464 | 234,551,829 |
| Production variation | | 8,293,695 | 6,773,227 |
| Other operating results | 24 | 11,317,358 | 6,036,662 |
| | | 310,505,517 | 247,361,718 |
| Operating costs | | | |
| Raw materials and consumables used | | 97,311,707 | 73,901,703 |
| Supplies and external services | | 64,602,401 | 50,288,157 |
| Employee costs | | 44,504,218 | 34,750,319 |
| Amortizations | | 26,383,133 | 21,989,821 |
| Provisões | | 278,515 | 113,977 |
| Provisions | 25 | 1,784,968 | 568,946 |
| | | 234,864,941 | 181,612,923 |
| Operating Cash Flow (EBITDA) | | 102,302,224 | 87,852,593 |
| Operating results | | 75,640,576 | 65,748,795 |
| Financial results | 26 | (15,094,206) | (16,304,890) |
| Profit before taxes | | 60,546,370 | 49,443,905 |
| Income tax for the financial year | 27 | 16,204,804 | 13,202,776 |
| Net profit for the financial year | | 44,341,566 | 36,241,129 |
| Minority interests | | - | - |
| Consolidated net profit for the financial year | | 44,341,566 | 36,241,129 |
| Earnings per share | | | |
| Basic | | 886.83 | 724.82 |
| Diluted | | 886.83 | 724.82 |

STATEMENT OF CHANGES IN EQUITY

(amounts expressed in Euros)

| | Equity | Supplementary capital contributions | Shareholders' dividends |
|--|---------------|---|----------------------------|
| 31 December 2007 | 50,000 | 10,922,728 | - |
| Dividends distribution | - | - | (16,463,112) |
| Capital reserve distribution | - | - | - |
| Allocation of earnings | - | - | 16,463,112 |
| Net result of the year | - | - | - |
| Other changes | - | - | - |
| 31 December 2008 | 50,000 | 10,922,728 | - |
| 31 December 2006 | 50,000 | 62,632,091 | - |
| Restitution of supplementary capital contributions | - | (51,709,363) | - |
| Dividends distribution | - | - | (13,300,000) |
| Allocation of earnings | - | - | 13,300,000 |
| Net results of the year | - | - | - |
| Other changes | - | - | - |
| 31 December 2007 | 50,000 | 10,922,728 | - |

| <i>Legal reserves</i> | <i>Other reserves and retained earnings</i> | <i>Net results of the year</i> | <i>Total Equity</i> |
|---------------------------|---|--|-------------------------|
| 8,468,718 | (3,330,269) | 36,241,129 | 52,352,306 |
| - | - | - | (16,463,112) |
| - | (6,736,888) | - | (6,736,888) |
| 903,575 | 18,874,442 | -36,241,129 | - |
| - | - | 44,341,595 | 44,341,595 |
| - | - | (29) | (29) |
| 9,372,293 | 8,807,285 | 44,341,566 | 73,493,872 |
| 7,324,175 | (17,427,107) | 28,546,842 | 81,126,001 |
| - | - | - | (51,709,363) |
| - | - | - | (13,300,000) |
| 1,144,544 | 14,102,299 | (28,546,843) | - |
| - | - | 36,241,129 | 36,241,129 |
| - | (5,461) | - | (5,461) |
| 8,468,718 | (3,330,269) | 36,241,129 | 52,352,306 |

CONSOLIDATED CASH FLOW STATEMENT

(amounts expressed in Euros)

| | 2008 | 2007 |
|---|----------------------|---------------------|
| Operating Activities: | | |
| Cash Receipts from Customers | 271,958,738 | 250,318,289 |
| Payments to Suppliers | (159,943,359) | (147,077,276) |
| Payroll to staff | (42,583,783) | (31,124,904) |
| Operation generated flow | 69,431,595 | 72,116,109 |
| Income tax payable/ receivable | (12,616,256) | (8,549,234) |
| Other payments/ receivables related to operating activities | (855,392) | (4,390,081) |
| Operating activities flows (1) | 55,959,947 | 59,176,793 |
| Investment Activities: | | |
| Receivables concerning: | | |
| Financial Investments | - | - |
| Tangible fixed assets | 4,754,608 | 76,418 |
| Investments subsidies | - | - |
| Interest and other similar earnings | - | - |
| | 4,754,608 | 76,418 |
| Payments concerning: | | |
| Financial Investments | (62,233,226) | - |
| Tangible fixed assets | (44,156,069) | (29,197,901) |
| Granted loans | - | (21,000,000) |
| | (106,389,294) | (50,197,901) |
| Investment activities flows (2) | (101,634,686) | (50,121,483) |
| Financing Activities: | | |
| Receivables concerning: | | |
| Granted loans | 110,876,622 | 70,200,793 |
| Increase in supplementary capital | - | - |
| Other | - | 96,907 |
| | 110,876,622 | 70,297,700 |
| Payments concerning: | | |
| Bank Loans | - | (4,983,595) |
| Interest and similar costs | (12,294,390) | (11,195,938) |
| Dividends | (23,200,000) | (13,300,000) |
| Reductions in supplementary capital | - | (51,709,363) |
| Others | (46,191) | (409,168) |
| | (35,540,581) | (81,598,064) |
| Financing activities flows (3) | 75,336,041 | (11,300,364) |
| Cash Variation and its equivalents (4)=(1)+(2)+(3) | 29,661,303 | (2,245,053) |
| Cash and its equivalents at the beginning of the period | 1,132,858 | 3,377,911 |
| Cash and its equivalents at the end of the period | 30,794,161 | 1,132,858 |

NOTES TO THE CONSOLIDATED CASH-FLOW STATEMENT*(amounts expressed in Euros)*

| | 2008 | 2007 |
|--|-------------------|------------------|
| <i>Cash</i> | 35,101 | 26,734 |
| <i>Bank deposits</i> | 30,759,060 | 1,106,124 |
| <i>Cash and its equivalents</i> | 30,794,161 | 1,132,858 |
| <i>Negotiable bonds</i> | - | - |
| <i>Availabilities</i> | 30,794,161 | 1,132,858 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT 2008

(Figures are presented in Euros)

1. GENERAL INFORMATION

BA GLASS I – Serviços de Gestão e Investimentos, S.A.

was incorporated by a public deed on 29 May 2003, with the initial name of Bar-Bar-Idade Glass, Serviços de Gestão e Investimentos, S.A.

It is a Private Limited Company, whose aims are: to provide consulting services in the areas of management, marketing and advertisement to industrial or trading companies linked to the production of glass containers; to organize events and activities to promote those companies or their sales and products; to manufacture, trade and mediate the purchase and sales of glass items, as well as to exploit commercial establishments and distribution chains; to make and manage investments in the manufacture and distribution of glass containers and glass products or in companies linked to that area of production; to make real estate investments, namely to buy and sell buildings or plots of land, to build facilities for sale or urbanization; to acquire, manage or sell shareholding interest in national or foreign companies, regardless of their corporate purpose.

2. ACCOUNTING POLICIES

2.1 Presentation basis

According to the decree law nr.35/2005, of 17 February, that transposed EU Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 to Portuguese national law, these consolidated financial statements were prepared according to the International Accounting Standards and to the International Financial Reporting Standards" (IAS/IFRS), issued by the "International Accounting Standards Board" ("IASB") and the Interpretations issued by the "International Financial Reporting Interpretations Committee" ("IFRIC") or by the former "Standing Interpretations Committee" ("SIC"), adopted by the EU, and which came into force on 1 January 2008.

To prepare these consolidated financial statements according to the IFRS, the Board of Directors of BA Glass group uses estimates and assumptions that affect policy application and assets and liabilities. The actual results may differ from the estimates. The estimates and assumptions used in these financial statements are put forward in Note 3.

The consolidated financial statements were prepared under the supposition of operational continuity, from the accounting records of the company included in the consolidation (Note 5), which are kept according to the historic cost principle, except in the case of land assets, which are recorded at market value.

2.2 Consolidation basis

a) Reference Dates

The consolidated financial statements include, up to 31 December 2008, the assets, liabilities and results of the group's companies, this referring to BA Glass group and its subsidiaries, presented in Note 5.

b) Financial participation in the group's companies

The group's companies are those controlled by BA Glass group. There is control whenever BA Glass has direct or indirect power to run the operational and financial policies of a company, with the objective of influencing the benefits resulting from such activity. The potential right to exercise a vote is taken into account when determining the existence of control. There is control when the participation percentage is above 50%.

The group's companies are included in the consolidation by full consolidation method from the date control is achieved until it is terminated.

Acquisition cost accounting is the method used to record to acquisition of the group's subsidiaries.

Whenever the losses ascribed to minorities exceed the minority interest in the share capital of the subsidiary, the group assumes the difference and any other additional losses, except when the minority shareholders have the obligation and are able to cover those losses. If later the subsidiary is profitable, the group takes possession of them until the minority part of the losses previously assumed are recovered.

The cost of an acquisition is measured by the assets' fair value, the equity instruments used and the risks incurred or assumed when the asset was bought, plus the costs directly attributable to the acquisition. The identifiable purchased assets and the assumed contingencies and risks in business deal are initially measured by the asset's fair value, regardless of the extent of any minority interest. The difference between the acquisition cost and the asset's fair value against the group's identifiable purchased assets is recorded as goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is recorded directly in the financial statement. The interests of minority shareholders are recorded according to their proportion in relation to the fair value of the identified assets and liabilities.

The balance, inter-group transactions and unrealised gains resulting from transactions between the group's companies are eliminated. Unrealised losses are also eliminated unless the transaction shows impairment in transferred asset. The subsidiaries' accounting policies are changed whenever necessary, so as to guarantee the consistency of the group's adopted policies.

In situations in which the group has substantial control over the entities created with a specific aim in mind, even if it is not a shareholding, they are consolidated by the full consolidation method.

c) Other participations

The shareholdings in whose activities the group does not have a significant influence are recorded with the lowest possible difference between its acquisition cost and its disposal value.

d) Changes to the perimeter

During this fiscal year, BA Glass group acquired in June the to-

tal control of the companies making up Sotancro group, SA. Therefore, the consolidated accounts of BA Glass group registered the gains and costs of those subsidiaries from 1 June 2008 onwards. The resulting impact of this consolidated perimeter change on the group's balance sheets is emphasized in Note 7.

2.3 Revenue recognition

a) Sales and provision of services

The income resulting from sales are recorded in the financial statement whenever the risks and advantages of owning the asset are transferred to the buyer. The income associated with the provision of services are recorded in the financial statement whenever they are materialized, bearing in mind the proportion between the quantity of services provided during that fiscal year and the total of services hired.

The income resulting from sales and provision of services are not recorded if there are doubts about the collection of the money resulting from the sale or from the provision of services.

b) Subsidies

The subsidies are only recorded when they are received or after the group is certain it will fulfill all the underlying conditions.

Investment subsidies are included under the heading Other Current Liabilities and the underlying income are recognized along the estimated duration of associated assets.

c) Net income

The net income essentially represents the interest rates of the loans minus the proceeds from interest of financial applications and exchange rate profits and losses.

The financial cost and income are recognized in an accrual basis during the period they refer to.

d) Dividends

These are recognised when the AGM decides on their distribution to shareholders.

e) Internal assignments

The internal costs (for example, workforce, raw materials, and transport) incurred during the production of tangible assets and inventories are capitalised only when the following conditions are met: (i) the assets are identified and quantified in a reliable manner; and (ii) there is a strong possibility that they

will generate future income. We do not recognise any internally generated margins.

f) Accrual accounting

Generically speaking, costs and incomes are recorded according to accrual accounting principles, as revenue and expenditure are generated, independently from the moment they are received or paid. The differences between the received and paid amounts and the corresponding revenue and expenditure are recorded in the consolidated balance sheet under the heading “Other current assets” and “Other current liabilities”, respectively.

2.4 Transactions made with currencies other than the Euro

The group’s operational and presentation currency is the Euro.

The assets and liabilities presented in foreign currencies, in relation to which there is no fixed Exchange rate, are converted to Euros using the exchange rates valid at the moment the balance was carried out. The exchange rate differences, whether favourable or unfavourable, resulting from the comparison between exchange rates valid at the moment of transaction and those valid at the moment of payment or at the moment the balance sheet was done, are recorded as income and cost in the financial statement. The exception concerns the exchange rate differences resulting from the conversion of loan balances that in practice are an extension of an investment made abroad and whose return is not foreseeable in the near future, and which are recorded as equity until the investment is sold, at which time they are transferred to the financial year’s results.

The Exchange rates and the conversion rates used to update the amounts payable and receivable in foreign currency at the time balance sheet was done were as follows:

| Country | Currency | Exchange rate |
|-----------------|----------|---------------|
| American Dollar | USD | 1.392 |
| Sterling Pound | CHF | 1.485 |
| Libra Inglesa | GBP | 0.961 |
| Canadian dollar | CAD | 1.700 |

2.5 Financial assets and liabilities

All the acquisitions and Sales of these investments are recognised at the time they are negotiated or at the moment the

contracts of acquisition or sale were signed, regardless of the financial liquidation date.

At an initial stage, investments are recorded according to their acquisition value, which represents the fair value of the price paid, including transactional expenses, except for the assets whose value was increased through results, and whose transactional costs are immediately recognised in the financial statement.

These assets are no longer recognized when: (i) the group’s contractual rights to receive the cash flows expire, or (ii) the group substantially transferred all its owner’s benefits and associated risks or the control over its assets.

2.5.1 Financial assets

The financial assets are classified as follows, depending on the intention the Board of Directors had at the time of purchase:

- a) Loans and receivables;
- b) Held-to-maturity investments;
- c) Investments measured at fair value through profit or loss (held for trading);
- d) Financial assets available for sale.

a) Loans and receivables

This category includes non-derivative financial assets with fixed or determinable payments. The balance of customers or debtors are registered by their nominal value, without any impairment loss, so that they show their net value.

b) Held-to-maturity investments

Held-to-maturity investments are classified as non-current investments, except if they are due in less than 12 months from the date of the balance sheet. Under this heading we record the investments with a set maturity date that the group is able and intends to maintain until such date. The held-to-maturity investments are recorded according to their depreciated cost, without eventual impairment losses.

On 31 December 2008 and 2007 the group did not hold any investments in this category.

c) Investments measured at fair value through profit or loss

The non-derivative financial assets held for trading are recorded under this category, as are the derivatives that do not qualify for hedge accounting and are presented as current assets.

A financial asset is classified as being held for trading if:

- it is acquired or incurred mainly with the objective of being sold or re-bought in a very short period of time;
- it is part of an identified financial instruments portfolio which are managed together and for which there is evidence of recent short realization of profit;
- it is a derivative security (unless it is determined as an effective instrument for protection from risk).

Gains and losses, preceded from changes in fair value of derivatives which are held together with particular financial assets or financial liabilities, are included in the financial statement of that period.

On 31 December the group did not hold any financial assets in this category.

d) Available-for-sale assets

Available-for-sale investments are non-derivatives that the group intends to hold for an indefinite period of time, or that are thus called at the time of purchase or do not fall into any of the remaining categories. They are presented as non-current assets, except if there is the intention to dispose of them within 12 months of the balance sheet.

After their initial recognition, available-for-sale assets are estimated at fair value by reference to the market value at the date of the balance sheet, without any deduction of transaction costs that may occur until they are sold. The assets that are not quoted and that cannot be reliably measured at their fair value are kept at their acquisition cost less any impairment losses.

Profit or loss resulting from a change at the fair value of available-for-sale assets are recorded in equity, under the heading Reserves, until the investment is sold, paid back or disposed of or until its fair value is below its acquisition cost, as long as it corresponds to an impairment loss, at which time the accumulated profit or loss is recorded in the financial statement.

On 31 December the group did not hold any financial assets in this category.

2.5.2 Financial liabilities

Financial liabilities are classified according to their contractual nature, regardless of their legal form and are classified as follows:

- a) Financial liabilities measured at fair value through results?;**
- b) Bank loans;**
- c) Payables.**

a) Financial liabilities measured at fair value through profit or loss

This category includes financial liabilities held for trading and the derivatives that do not qualify for hedge accounting and that are thus classified at their initial recognition value.

Gains and losses, preceded from changes in fair value of financial liabilities measured at fair value through profit or loss derivatives are included in the financial statement of that period.

On 31 December 2008 and 2007 there were no financial liabilities in this category.

b) Bank loans

Bank loans are recorded under liabilities for their nominal value and the received value is net of commissions when such loans are issued. The financial charges are calculated according to the effective interest rate and recorded in the financial statement under the accrual-accounting based rules, according to the company policy established in note 2.3-f.

c) Payables

Payments to suppliers and other creditors are initially recorded at their nominal value, which is considered to be at fair value, and subsequently recorded at amortised cost, according to the effective interest rate method.

2.5.3 Shareholder Funds instruments

The shareholder fund instruments are classified according to their contractual nature, regardless of their legal form. The shareholder fund instruments issued by the group's companies are recorded at received value, net of issuing costs.

2.5.4 Derivatives and hedge accounting

On the 31 December 2008 the company held a series of financial instruments (derivatives) whose aim was to minimise the risks of interest rate fluctuations.

The choice for this type of financial instruments is the result of a careful risk and benefit analysis and consultation with several institutions of the financial market. This type of operation needs the previous approval from the Board of Directors and involves a permanent monitoring of the evolution of the financial markets and of the positions held by the group. The market value (Fair value) of these instruments is assessed regularly over the financial year, so as to allow for their continual evaluation and their financial implications.

The derivatives are initially measured at fair value when they are bought, and are later reassessed at fair value at the balance sheet date. the fair value at each balance sheet date is only recorded if there is a significant difference, as BA Glass group considers that the volatility introduced in financial statements from doing so does not contribute to a true and adequate picture of financial statements, nor does it influence the decisions of those analyzing them.

The designation of a derivative as a hedging instrument follows the classification of IAS 39. There is hedging accounting when:

- at the date of acquisition there is formal hedging documentation;
- there is expectation that this hedging will be highly efficient;
- the efficiency of the hedging may be measured with reliability;
- the hedging is continuously assessed and is proved to be highly effective during the fiscal year;
- in comparison to a foreseen transaction, this one has to be highly probable.

The variations in the fair value of derivatives classified as hedging instruments are recognized as a financial result for the fiscal year.

The variations in the fair value of derivatives classified as covering cash flows are recognized in equity, in its effective component, and in economic outturn accounts, in their non-effective component. The amounts recorded as equity are transferred to the results when the hedged item also has effects on the economic outturn accounts.

Whenever the derivatives, although purchased to give economic coverage according to the group's risk management policies, no longer respect all the conditions determined in IAS 39 to be classified as hedging accounting, are then classified as derivatives available for sale and their variations in fair value are recorded in the economic outturn accounts.

Whenever there are derivatives included in other financial instruments or other types of contracts, they are treated as separate derivatives in the situations in which the risk and characteristics are not closely linked to the contracts, and in the situations in which the contracts are not presented at fair value with unrealised gains and losses recorded in the results.

2.5.5 Cash and cash equivalents

These include cash in hand, deposits held at call with banks, and short-term treasury applications that are quickly mobilized without a significant risk of value change.

2.6 Tangible Fixed Assets

The tangible fixed assets are recorded at their acquisition cost net of their accumulated depreciation and impairment losses.

The subsequent costs are included in the carried amount or recognized as separate assets, when it is probable that future economic benefits (exceeding the originally evaluated performance of the asset) will flow to the company and its cost can be reliably measured. All the subsequent costs will be recognized as expenditure at the time they were incurred.

Amortisation

The land is not amortized, except the land that is linked to the extraction of raw materials. The amortisation of the remaining assets is calculated on the acquisition value, through constant share method, with monthly charges.

The residual value of the assets and their useful lives are re-evaluated and adjusted, if necessary, at the date of each balance sheet.

The amortisation rates used correspond, in average, to the following estimated useful life periods (years):

| | |
|-----------------------------------|---------|
| Buildings and other constructions | 20 – 50 |
| Basic equipment | 3 – 20 |
| Transportation equipment | 4 – 12 |
| Tools and utensils | 3 – 15 |
| Administrative equipment | 3 – 15 |
| Used beverage containers | 3 – 7 |
| Other tangible fixed assets | 3 – 15 |

2.7 Real estate held for investment

The real estate held for investment includes the buildings and lands owned with the aim of generating income, of increasing equity, or both, and are not used in the normal business activity.

The real estate is measured at acquisition cost, including the transaction costs.

The real estate held for investment is de-recognised when they are disposed of or when they are no longer used and future economic benefits are not foreseeable. Any gains or losses resulting from the de-recognition of real estate held for investment are recognized in the financial statement of that year.

The costs incurred in real estate held for investment under use,

namely maintenance and repair costs, insurance and land taxes, are recognized in the consolidated results for the period they refer to.

2.8 Leasing contracts

Those leasing contracts where the group substantially assumes all the risks and advantages of owning the leased asset are classified as finance leasing.

The financial leasing contracts are stated at their inception date as assets and liabilities at the least fair value of the leased property or at the present value of due leasing rents.

The assets bought by financial leasing are amortized according to the company's policy for tangible fixed assets.

The rents are made up by the financial cost and amortisation of capital. The financial costs are booked in the period of time concerning the leasing term, according to a constant periodic interest rate on the lessor's remaining net investment.

The rents classified as operational leasings, namely because there is no intention of buying the asset, are recorded as costs.

2.9 Intangible fixed assets and goodwill

2.9.1 Intangible fixed assets

Intangible fixed assets are stated at acquisition cost, less accumulated depreciation and impairment loss.

The depreciation is calculated on the acquisition value, through constant share method, with monthly charges, for the duration of the useful life period.

The costs of intangible fixed assets internally generated and own brands are recorded in the results account as they are incurred. The research expenditure, resulting from the search for new scientific or technical knowledge or for alternative solutions, is recognized as result when incurred. The development expenditure is stated as soon as the developing process or product's technical feasibility is proved and the group has the intention and capacity to complete its development and initiate its marketability or use.

2.9.2 Goodwill

The positive consolidation differences (goodwill) represent the excess in the acquisition cost over the fair value of assets and liabilities identifiable at the acquisition date or at the date of the first consolidation and are stated under the heading of noncurrent assets.

Goodwill is not amortised, but the impairment losses annually determined at the date of the balance sheet are deducted or every time there are indications of a possible loss of value. Any loss of value, or impairment, is stated in the period's statement and may not be subsequently reversed.

2.10 Impairment of tangible and intangible assets (except goodwill)

The assets that do not have a limited useful life period are not subject to amortisation but are subject to annual impairment tests. Those that have a limited useful life period and are, thus, subject to amortisation, also undergo impairment tests every time the circumstances change and the value they were carried at, may not be recoverable.

An impairment loss is the difference between the value an asset was carried at and its recoverable amount. The recoverable amount is the highest of an asset's net selling price (fair value – selling costs) and its value in use, which results from future cash flows updated according to discount rates before tax reflecting the current value of the asset and its (their) specific risk.

In order to determine the recoverable value, the assets are analysed individually or in group at the lowest level they are identified as separate cash flow generating units. A cash flow generating unit (CFGU) is the smallest group of assets that includes the asset and that generates cash flows from continual use, largely independent from the cash flows of other assets or other groups of assets.

Every time the book value of an asset is higher than its recoverable value, an impairment loss is stated on the financial statement for that period. If this loss is later reversed, the book value of the asset is updated accordingly, but may never be higher than the value that would have been recognized had it not been for the stated impairment. Reversal of impairment is also stated in the financial statement of the period it was incurred.

On 31 December 2008 there was no impairment losses unaccounted for.

2.11 Assets held for sale and discontinued operations

This heading includes the assets or groups of assets whose value is realisable through a selling transaction or together as a group in a single transaction, and the liabilities directly associated to these assets are transferred at the same time.

For this situation to happen it is necessary that, apart from the group's commitment to the operation, the sale is highly probable (it is quite probable that it will be materialised in 12 months) and that the asset is available for immediate sale under the present circumstances.

Under these circumstances, the amortisation of assets is ceased from the moment there are described as being held for sale.

On 31 December 2008 and 2007 there were no such situations.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value that corresponds to the selling price less the selling costs.

Raw materials, auxiliary materials and goods are stated at the acquisition price plus acquisition costs, which is inferior to their market value. The remaining raw materials, auxiliary materials and goods are stated at the acquisition price plus acquisition costs until storage.

Finished products and those still in production are stated at production cost, which includes the incorporated raw materials, direct workforce, subcontracting and other fixed and variable costs.

The goods are stated at the average price of acquisition, including transportation costs and storage.

2.13 Provisões

Provisions are recognised when the group has a present obligation (legal or implicit) as a result of past events, it is more likely than an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. In particular:

- **Restructuring:** such a provision is confirmed after the restructuring operation has been approved, initiated or made public. The operational costs should not be considered in the provision value.
- **Onerous contracts:** a type of contract where the costs involved with fulfilling the terms and conditions of the contract are higher than the amount of economic benefit received.
- **Dismantling costs, asset removal and restructuring of the site:** the provisions are recognised when the assets start being used and it is possible to estimate the obligation reliably. The amount of the recognised provision corresponds to obligation's current value, and the financial update is stated

as a financial cost under the heading "net interest rates".

The provisions are reassessed and updated at the balance date in order to reflect the best estimation possible for such an obligation.

2.14 Contingent assets and liabilities

Contingent liabilities are not stated in the consolidated financial statements; they are inserted in the attachments, unless the possibility of funds being used is a remote one, in which case they will not be mentioned.

Contingent assets are not recognised; they are made known only when there may be a future economic benefit.

2.15 Pensions

The BA GLASS group companies, BA Vidro and Sotancro are committed to giving to some of their former and current employee's monetary assistance in the form of pensions and pension complements, which takes the form of a defined benefit plan. The group's responsibilities are established according to the "Projected Unit Credit Method, using the actuary and financial principles more adequate to the defined plan.

The responsibility for former services rendered and for pensioners are totally covered and are stated in the balance sheet under the heading Provisions/Adjustments by impairment at the present value of the obligations with established benefit plans.

The additional responsibility created each year is recognised in the financial statement under the heading payroll payables.

2.16 Income tax

The calculation of the income tax is based on the taxable earnings of the companies included in the consolidation and considers deferred taxation.

The BA Glass group is subject to the Special Taxation Regime of Partnership Groups, which is extended to all those companies in which the group holds, directly or indirectly, at least 90% of their share capital and which are, simultaneously, located in Portugal and subject to Corporate Tax (IRC).

The other companies in which the group has interests but that are not covered by the Special Taxation Regime of Partnership Groups are taxed individually, according to their taxable earnings and to the applicable tax rates.

The deferred tax is calculated according to the balance responsibility method, on the temporary differences between the assets and liabilities book values and their basis for taxation. We do not calculate the deferred tax on the consolidation differences nor on the initial recognition of an asset or liability and they do not affect the booking or financial results. The taxable basis of the assets and liabilities is determined so as to reflect the taxing consequences of how the group hopes to recover or settle, at the balance sheet date, the gross carrying amount of its assets and liabilities. The tax amount to be included in both the current taxes and the deferred taxes that result from transactions or events recognized in reserves is directly stated under these same headings, and does not affect the earnings for the year.

The deferred tax assets are recognised every time there is a reasonable certainty of generation of future profits, against which the assets may be used. The deferred tax assets are annually reviewed and reduced every time it is probable that they may be used.

2.17 Segment information

Business segment

The business segment is a distinguishable component of the group, committed to supply an individual service or product, and subject to risks and yields different from those of other business segments. The internal organization and management structure, as well as our statement system, are aimed at the business performance analysis according to activity.

Geographical segment

The geographical segment is an individualised area of the group committed to provide products or services in a specific economic environment and subject to risks and yields different from those of other areas operating in distinct economic environments. The Groups has subsidiaries in Portugal and in Spain.

The group's activity is the glass industry, more specifically the glass container industry, with three plants located in Portugal and three in Spain, belonging to its subsidiary companies BA Vidrio, S.A., Sotancro, SA and Vidriera del Atlantico, SA.

There are no distinguishable components in the products, or in the production processes, or even in the type of clients and distribution that would justify an analysis of the business segment.

Likewise, we consider that there are no substantially different risks, yields, opportunities or perspectives in the units located in both countries that would turn them into differently stated geographical segments.

The sales and provision of services rendered until 31 December 2008 were distributed as follows:

| | Iberian Peninsula | Other EU countries | Other countries | Total | 2007 |
|-----------------|------------------------------|-------------------------------|----------------------------|--------------------|--------------------|
| Container glass | 253,692,907 | 31,971,324 | 4,523,542 | 290,187,773 | 233,830,181 |
| Others | 706,691 | | | 706,691 | 721,648 |
| | 254,399,598 | 31,971,324 | 4,523,542 | 290,894,464 | 234,551,829 |
| 2007 | 220,861,192 | 13,426,809 | 263,828 | 234,551,829 | |

The Sales under the heading "Others" refers to sales of sand to third parties made by the company Minas de Valdecastillo, SAU.

2.18 Subsequent events

The events happening after the balance date and that produce additional information on the conditions existing at the balance sheet date will be reflected on the consolidated financial statement. The events happening after the balance date and that produce additional information on conditions existing, after such date will be reflected in the notes to the consolidated financial statement.

3. CONSIDERATIONS AND ESTIMATES

When preparing the consolidated financial statements according to the IFRS, the Board of Directors of BA Glass group uses estimates and assumptions that affect the use of policies and stated amounts. The considerations and estimates are continually assessed and are based on the experience of past events and other factors, including the expectations concerning future events considered probable under the circumstances the estimations are based on or the result of acquired experience or information. The most significant accounting estimates reflected on the consolidated financial statement are as follows:

a) Analysis of goodwill impairment

The group annually tests the goodwill with the objective of verifying whether or not it is impaired. The recoverable amounts of cash generating units were determined by the methodology of the amount in use. This method requires the estimate of future cash flows resulting from the operations of each cash generating unit and the selection of an appropriate discount rate.

b) Appreciation and useful life of intangible fixed assets

The group used several assumptions when estimating the future cash flows resulting from acquired intangible fixed assets, part of company acquisition processes, namely estimated future income, discount rates and the useful life of the mentioned assets.

c) Recognition of adjustments and provisions

The group is presently involved in lawsuits for which, and following the opinion of the company's lawyers, it carries out considerations to determine whether or not to make a provision for such contingencies (Note 20). The adjustments for receivables are calculated mainly based on how old the receivables are, the customers' risk profile and their financial situation. The estimates related with the adjustments of receivables change from business to business.

The group's policy regarding attribution of credit limits, whether nationally or internationally, is decided according to the opinion of companies specialized in credit risk coverage.

Excluding the state entities and the customers with a higher national and international credit rating, it should be mentioned that the average exposure to internal credit risk reaches 20%. However, a detailed analysis of the annual provision variations clearly shows that there is almost no credit collection risk. Moreover, the group has access to the main market databases that, together with the input from its technical analysis professionals, make it possible to evaluate and clearly minimize credit risk.

(d) Determining the market value of financial instruments

The group selects the assessment method deemed appropriate for the financial instruments not rated in the active market, based on its best knowledge of the market and its assets and using the evaluation techniques generally used in the market and the assumptions based on market rates.

(e) Retirement benefits

The present amount of responsibilities with retirement benefits is calculated with actuarial methods, which use actuarial assumptions. Any change to those assumptions will impact on the book value of the responsibilities. The main actuarial assumptions used to calculate the responsibilities with retirement benefits are described in Note 28 below.

The estimates were determined by the best information available at the time of preparing the consolidated financial statements. However, there may be subsequent situations that, because they were not predictable at the time, were not considered those estimates. Changes to the estimates occurring after the date of the consolidated financial statement will be corrected prospectively, as determined by IAS 8.

4. CHANGES TO THE ACCOUNTING POLICIES

During 2008 there were no changes to the accounting policies (with the exception of the situation described in Note 31 – environmental issues), in relation to those used to prepare the financial information of the previous fiscal year, presented for purposes of comparison, nor were any material mistakes identified in previous statements.

Starting 1 January 2008, the group adopted the following norms/ interpretations issued by IASB and approved by the European Union:

- IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosure (amendment)
- IFRIC 11 IFRS 2 – Transactions with own treasury shares
- IFRIC 14 IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction.

The adoption of these norms had no impact on the consolidated accounts of BA Glass group.

Furthermore, at the date of approval of this financial statement, the following norms and interpretations not yet adopted by our group had been issued, but their application is only mandatory in the coming years:

- IFRS 1 First-time adoption of international financial reporting standards - cost of investing in subsidiaries, jointly controlled entities, and associates (amendment);
- IFRS 2 – Shared-based payment: Acquisition conditions (amendment);
- IFRS 8 – Operating segments;
- IAS 1 – Presentation of financial statements (reviewed);
- IAS 23– Borrowing costs (reviewed);
- IAS 27 – Consolidated and separate financial statements (amendment);
- IAS 32 – Financial instruments: presentation and IAS 1 – Presentation of financial statements – Disclosures about puttable shares and obligations arising only on liquidation (amendment)
- IFRIC 13 – Customer loyalty programmes;
- IFRIC 15 – Agreements for the construction of real estate;
- IFRIC 16 – Hedges of a net investment in a foreign operation;
- IFRS 3 – Business combinations (reviewed);
- IAS 27 – Consolidated and separate financial statements (amendment);
- IAS 39 – Financial instruments: recognition and measurement – hedged items (amendment) (statements starting on or after 1 July 2009).

It is not expected that the adoption of these norms will have significant impacts on BA Glass Groups' consolidated accounts.

5. COMPANIES INCLUDED IN THE CONSOLIDATION THROUGH THE FULL CONSOLIDATION METHOD

The companies included in the consolidation through the full consolidation method on 31 December 2008 and 2007 were as follows:

| Companies | Headquarters | Control % | |
|--|----------------|-----------|--------|
| | | 2008 | 2007 |
| BA Glass I, Serviços de Gestão e Investimentos, SA | Avintes | Mother | Mother |
| BA Vidro SA | Avintes | 100% | 100% |
| Sotancro – Embalagem de Vidro, SA | Amadora | 100% | – |
| Vidriera del Atlantico, SA | Xinzo de Limia | 100% | – |
| Barbosa & Almeida – SGPS, SA | Avintes | 100% | 100% |
| Norcasco – Reciclagem de Vidros, SA | Avintes | 100% | 100% |
| BA – Energia, SA | Avintes | 100% | 100% |
| BA – Vidrio, SA | León | 100% | 100% |
| Minas de Valdecastillo, SAU | León | 100% | 100% |
| BA – Vidrio Distribución Comercial Env., SA | Mérida | 100% | 100% |
| BA – Vidro II Marinha Grande SGPS, SA | Avintes | 100% | 100% |
| Holvenespa, SL | Ourense | 100% | – |
| Transotancro, Lda | Benavente | 100% | – |
| Amptec, Lda | Amadora | 100% | – |

6. COMPANIES NOT INCLUDED IN THE CONSOLIDATION

| Companies | Headquarters | Control % | |
|--------------------------------|--------------|-----------|--------|
| | | 2008 | 2007 |
| Artividro – Arte em Vidro, Lda | Leiria | 87.50% | 87.50% |

This company was not integrated through the full consolidation method, but its effect is considered materially irrelevant for the presentation of a truthful and accurate description of the financial situation and results of the group's operations. This participation is recorded under the heading Investments in Associates, and there was an adjustment to the participation for the full amount (Note 9).

7. GOODWILL

The Goodwill created before the transition to IFRS (1 January 2004) is stated as a net book value, calculated according to the POC and annually subject to impairment tests.

Goodwill is made up of the following elements:

| | Income | Accu. Amortisation 1 January 2004 | Net earnings 2008 | Net earnings 2007 |
|-----------------------------|-------------------|--|------------------------------|------------------------------|
| BA Vidro, SA | 33,744,163 | 843,604 | 32,900,558 | 32,900,558 |
| BA Vidrio, SA | 12,989,951 | 324,749 | 12,665,202 | 12,665,202 |
| Minas de Valdecastillo, SAU | 553,240 | 13,831 | 539,409 | 539,409 |
| Sotancro | 44,842,967 | - | 44,842,967 | - |
| | 92,130,320 | 1,182,184 | 90,948,136 | 46,105,169 |

According to IFRS 3.62, the established goodwill value may be changed until 30 June 2009.

8. TANGIBLE ASSETS

During 2008, the movement in the cost of the tangible assets, as well as the respective amortisations and accumulated impairment losses were as follows:

| | Land and Natural Resources | Buildings and Other Constructions | Basic Equipment | Transpor. Equipment | Adminis. Equipment | Other Tangible Assets | Current Fixed Assets | Total Tangible Assets |
|------------------------------------|---|--|----------------------------|--------------------------------|-------------------------------|--------------------------------------|-------------------------------------|--------------------------------------|
| Gross Assets | | | | | | | | |
| Balance on 1 January 2008 | 36,346,677 | 88,324,119 | 324,164,381 | 1,888,010 | 5,769,003 | 4,249,902 | 11,660,035 | 472,402,127 |
| Changes to the | | | | | | | | |
| consolidation perimeter | 6,216,032 | 35,092,581 | 60,540,339 | 1,189,902 | 4,286,018 | 18,164,616 | - | 125,489,488 |
| Investment | 1,072,099 | 927,066 | 35,413,811 | 202,605 | 184,732 | 226,885 | 6,574,598 | 44,601,796 |
| Increase in fair value | (1,109,786) | - | - | - | - | - | - | (1,109,786) |
| Disinvestment | (1,321,814) | (2,018,641) | (715,343) | (513,697) | (20,961) | (10,201) | - | (4,600,658) |
| Transfers | - | 491,409 | 10,894,237 | 66,100 | - | (66,100) | (11,385,646) | - |
| Balance on 31 December 2008 | 41,203,208 | 122,816,534 | 430,297,426 | 2,832,919 | 10,218,791 | 22,565,103 | 6,848,987 | 636,782,968 |

| | Land and Natural Resources | Buildings and Other Constructions | Basic Equipment | Transpor. Equipment | Adminis. Equipment | Other Tangible Assets | Current Fixed Assets | Total Tangible Assets |
|---|----------------------------------|---|--------------------|------------------------|-----------------------|-----------------------------|----------------------------|-----------------------------|
| Amortisations and Impairment Losses | | | | | | | | |
| Balance on 1 January 2008 | - | 45,438,576 | 262,244,463 | 1,381,231 | 5,500,104 | 4,003,957 | - | 318,568,331 |
| <i>Changes to the consolidation perimeter</i> | - | 10,930,680 | 49,909,288 | 828,952 | 3,827,047 | 4,699,603 | - | 70,195,570 |
| <i>Depreciation for the period</i> | - | 3,805,059 | 19,561,502 | 228,547 | 224,544 | 1,937,681 | - | 25,757,333 |
| <i>Disinvestment</i> | - | (1,611,092) | (144,876) | (486,188) | (21,033) | (10,201) | - | (2,273,389) |
| <i>Transfers</i> | - | - | - | - | - | - | - | - |
| Balance on 31 December 2008 | - | 58,563,223 | 331,570,377 | 1,952,542 | 9,530,662 | 10,631,040 | - | 412,247,845 |

| | | | | | | | | |
|--|------------|------------|------------|---------|---------|------------|------------|-------------|
| Net worth | 41,203,208 | 64,253,311 | 98,727,049 | 880,376 | 688,129 | 11,934,062 | 6,848,987 | 224,535,123 |
| Net worth on 31 December 2007 | 36,346,677 | 42,885,543 | 61,919,917 | 506,778 | 268,899 | 245,946 | 11,660,035 | 153,833,795 |

The group considers that on 31 December 2008 there were no indications of impairment to its tangible assets.

9. FINANCIAL INVESTMENTS

| | Shares of capital | Other financial applications | Total financial investments |
|-------------------------------------|----------------------|---------------------------------|--------------------------------|
| Gross Assets | | | |
| Balance for 1 January 2008 | 1,932,842 | 215,977 | 2,148,819 |
| <i>Increases</i> | - | 183,569 | 183,569 |
| <i>Decreases</i> | - | - | - |
| Balance for 31 December 2008 | 1,932,842 | 399,546 | 2,332,388 |
| Adjustments | | | - |
| Balance for 1 January 2008 | 1,932,842 | 2,135 | 1,934,977 |
| <i>Increases</i> | - | 52 | 52 |
| Balance for 31 December 2008 | 1,932,842 | 2,187 | 1,935,029 |
| Net worth | - | 397,359 | 397,359 |
| Net worth for December 2007 | - | 213,841 | 213,841 |

The heading "Shares held in group companies" concerns the participation in Artividro – Arte em Vidro, Lda.

10. REAL ESTATE HELD FOR INVESTMENT**Propiedades de Inventario****Gross Assets**

| | |
|-------------------------------------|------------------|
| Balance for 1 January 2008 | 1,842,343 |
| <i>Increases</i> | - |
| <i>Decreases</i> | - |
| Balance for 31 December 2008 | 1,842,343 |
| Amortisations | |
| Balance for 1 January 2008 | 78,874 |
| <i>Increases</i> | 57,372 |
| Balance for 31 December 2008 | 136,246 |
| Net worth | 1,706,097 |
| Net worth for December 2007 | 1,763,469 |

This real estate is made up of buildings held for leasing.

11. OTHER NONCURRENT ASSETS

The balance corresponds to the value receivable from AICEP, concerning two investment subsidies given for the accomplishment of contractual objectives between the years 2009 and 2015.

12. DEFERRED TAXES

The assets and liabilities resulting from deferred taxes on 31 December 2008 and 2007, according to the temporary differences originating them, were as follows:

| | 2008 | 2007 |
|--|------------------|------------------|
| Deferred tax assets | | |
| <i>Provisions for retirement pensions and other risks and responsibilities</i> | 1,101,245 | 873,874 |
| <i>Tax benefits from contractual investment</i> | - | 5,015,432 |
| <i>Report on tax losses</i> | 3,416,862 | - |
| <i>Deferred tax on BA Vidrio goodwill</i> | 2,141,856 | 2,236,583 |
| | 6,659,963 | 8,125,889 |
| Deferred tax liabilities | | |
| <i>Uniformisation of amortisation rates</i> | 2,010,926 | 2,001,883 |
| <i>Adjustments to fair value</i> | 5,063,504 | 5,732,513 |
| <i>Revaluation reserves of tangible assets</i> | 2,173,369 | 266,319 |
| | 9,247,798 | 8,000,715 |

On 31 December 2008 the tax rate used for calculating the deferred tax assets was 26.5% for Portugal and 30.0% for Spain (26.5% and 32.5% for 2007, respectively).

13. INVENTORIES

| | 2008 | 2007 |
|--|-------------------|-------------------|
| Raw materials, auxiliary materials and goods | 7,502,597 | 4,827,873 |
| Finished product and under production | 54,281,342 | 32,094,348 |
| Merchandise | 1,035,386 | 695,083 |
| | 62,819,325 | 37,617,304 |
| Impairment losses/ adjustments | (226,699) | - |
| | 62,592,626 | 37,617,304 |

14. CUSTOMERS

| | 2008 | 2007 |
|----------------------------------|-------------------|-------------------|
| Current customers | 72,396,487 | 51,590,009 |
| Customers with outstanding bills | 2,523,413 | 1,763,735 |
| Doubtful receivables | 2,308,937 | 3,897,863 |
| | 77,228,837 | 57,251,606 |
| Impairment losses/ adjustments | (2,598,896) | (3,897,863) |
| | 74,629,940 | 53,353,743 |

The group's contact with credit risk is linked to the receivables resulting from its operational activities. The amounts shown in the balance are net of accumulated impairment losses for doubtful receivables, which were calculated by the group according to its experience and based on its assessment of the economic state of affairs. The Board of Directors considers the book value of the receivables to be close to its fair value. The group does not have a high concentration of credit risk, as it is spread over a big group of clients.

15. OTHER PARTIES' DEBTS

| | 2008 | 2007 |
|-----------------------------------|------------------|-------------------|
| Shareholdings and joint ventures | 27,630 | 499 |
| State and other public entities | 3,131,511 | 599,309 |
| Other shareholders | - | 21,000,000 |
| Other debtors | 876,366 | 990,819 |
| | 4,035,507 | 22,590,627 |
| Perdas de imparidade/ajustamentos | - | - |
| | 4,035,507 | 22,590,627 |

The amount shown under the heading "State and other public entities" refers mainly to retained taxes on profits and VAT to be recovered.

The heading "Other shareholders" was settled in February 2008.

16. OTHER CURRENT ASSETS

| | 2008 | 2007 |
|--|----------------|----------------|
| Deferred Costs | | |
| Financing expenditures | 158,428 | - |
| Rents brought about by customers contracts | - | 55,790 |
| Insurance | 107,949 | 230,172 |
| Others | 11,264 | 12,397 |
| | 277,640 | 298,359 |
| Gain Increases | | |
| SWAP Contract gains | - | 151,923 |
| Interest | 262,901 | - |
| Other gain Increases | 107,797 | - |
| | 370,698 | 151,923 |
| Total of Other Current Assets | 648,338 | 450,282 |

17. CASH AND CASH EQUIVALENTS

| | 2008 | 2007 |
|----------------------------------|-------------------|------------------|
| Cash | 35,101 | 26,734 |
| Bank deposits | 30,759,060 | 1,106,124 |
| Cash and cash equivalents | 30,794,161 | 1,132,858 |

The amount of cash and cash equivalents corresponds to financial applications earned in January 2009.

18. EQUITY

On 31 December 2008 the company's share capital amounted to €50,000.00. It was completely subscribed and capitalized and divided into 50,000 ordinary shares, each worth €1.00. On 31 December 2008 and 2007, the shareholders' structure was as follows:

| | 2008 | | 2007 | |
|--|------------------|----------------|------------------|----------------|
| | Number of Shares | % | Number of Shares | % |
| Fim do Dia, SGPS, SA | 23,698 | 47.40% | 23,698 | 47.40% |
| Bar-Bar-Idade Imobiliário e Serviços, SA | 13,151 | 26.30% | 13,151 | 26.30% |
| Atanágoras, SGPS, SA | 13,151 | 26.30% | 13,151 | 26.30% |
| | 50,000 | 100.00% | 50,000 | 100.00% |

RESERVES, RETAINED EARNINGS AND SUPPLEMENTARY CAPITAL

| | 2008 | 2007 |
|--------------------------------------|-------------------|-------------------|
| Supplementary Capital | 10,922,728 | 10,922,728 |
| Legal reserves | 9,372,293 | 8,468,718 |
| Other reserves and retained earnings | 8,807,285 | (3,330,268) |
| | 29,102,306 | 16,061,178 |

Supplementary Capital

The characteristics of the supplementary capital make its restitution to the shareholders only possible when the net results of the group are not inferior to the sum of the share capital and the legal reserve.

The supplementary capital may be payable, with interest being determined by the Annual General Meeting.

Legal Reserves

The Companies Act determines that at least 5% of the annual net income of the companies (as individual entities) are used to reinforce the legal reserve in Portugal, whereas in Spain the percentage amounts to 10%, until the legal reserves represents 20% of equity. This reserve is not distributable unless the group is dissolved, but can be used to absorb losses after all the other reserves have been used or can be incorporated into the equity.

Other reserves and retained earnings

In the companies included in the consolidation perimeter there are free reserves to be distributed, in the individual accounts, amounting to €24,344,697.

19. BANK LOANS

| | 2008 | 2007 |
|--|--------------------|--------------------|
| Debts to third parties with interest | | |
| Noncurrent | 199,434,322 | 156,625,652 |
| Current | 138,589,692 | 53,063,233 |
| | 338,024,014 | 209,688,885 |
| Cash and its equivalents | | |
| Cash | 35,101 | 26,734 |
| Bank deposits | 30,759,060 | 1,106,124 |
| | 30,794,161 | 1,132,858 |
| | 307,229,853 | 208,556,027 |
| Fair value of the financial instruments | - | - |
| | 307,229,853 | 208,556,027 |

The bank loans of the group pay interests rated according to the Euribor, plus spreads determined in the contracts with the financial institutions, the same applying to the payment deadlines, and are shown in Euros.

| | Short term | Medium and long term | Total debt | 2007 |
|--|-----------------------|---------------------------------|-----------------------|--------------------|
| <i>Medium and long term financing contracts</i> | 33,166,781 | 69,505,114 | 102,671,895 | 69,671,164 |
| <i>Commercial paper issued by banks</i> | 57,050,000 | 98,000,000 | 155,050,000 | 103,000,000 |
| <i>BEI</i> | 3,750,000 | 18,750,000 | 22,500,000 | 11,250,000 |
| <i>Bank overdrafts</i> | 41,028,749 | - | 41,028,749 | 24,634,863 |
| <i>Leasing contracts</i> | - | 13,179,208 | 13,179,208 | - |
| <i>Bank deposits</i> | (27,200,000) | - | (27,200,000) | - |
| | 107,795,530 | 199,434,322 | 307,229,852 | 208,556,027 |
| <i>Fair valued of the derivative financial instruments</i> | - | - | - | - |
| | 107,795,530 | 199,434,322 | 307,229,852 | 208,556,027 |

As has been mentioned in Note 2.5.4, the group has opted not to state in the balance sheet the fair value of the derivative financial instruments on 31 December 2008 and 2007, which had a fair value at the closing date of -634,000 Euros.

The medium and long run column in 2008 has the following reimbursement plan:

| Year | 2008 |
|--------------------------|--------------------|
| 2010 | 35,269,581 |
| 2011 | 51,732,780 |
| 2012 | 31,994,274 |
| 2013 | 44,695,216 |
| 2014 and following years | 35,742,472 |
| | 199,434,322 |

20. PROVISIONS

| | Retirement plans | Undergoing law suits | Responsabilidades responsibilities | Total |
|------------------------------------|-----------------------------|---------------------------------|---|------------------|
| Balance on 1 January 2008 | 3,297,637 | 1,950,000 | 251,253 | 5,498,890 |
| <i>Changes to the perimeter</i> | 1,213,074 | - | - | 1,213,074 |
| <i>Increases</i> | - | - | - | - |
| <i>Uses</i> | 553,626 | 1,950,000 | - | 2,503,626 |
| <i>Restitutions</i> | - | - | - | - |
| Balance on 31 December 2008 | 3,957,085 | - | 251,253 | 4,208,338 |

The responsibilities for past services rendered and the responsibilities to the shareholders are totally covered by a specific provision (note 28).

In 2007, a provision was stated as a result of citation given to the company BA Vidro, S.A. by the Spanish Comisión Nacional del Mercado de Valores (CNMV), demanding the payment of a fine of 1,950,000 Euros for the alleged omission of communicating a qualified shareholding, which was appealed in the proper courts. In 2008, the process reached its end and BA Vidro had to pay the already mentioned fine, with the consequent annulment of the provision made.

The company Minas de Valdecastillo, SAL has the legal and constructive responsibility to restitute the lands linked to the operation, which have been estimated at 251,253 Euros (Note 31).

21. SUPPLIERS

These debts concern the payable amounts resulting from normal acquisitions incurred during the normal operations of the group. The Board of Directors considers the book value of these debts to approximately correspond to their amortised cost.

| | 2008 | 2007 |
|----------------------------|-------------------|-------------------|
| Suppliers, current account | 33,081,421 | 22,075,070 |
| Suppliers, received bills | 17,217,693 | 7,726,331 |
| Suppliers of fixed assets | 326,217 | 4,700,787 |
| | 50,625,331 | 34,502,188 |

22. OTHER DEBTS TO THIRD PARTIES

| | 2008 | 2007 |
|--|------------------|------------------|
| Current | | |
| Shareholders | 22,831 | - |
| State and other public entities | 6,376,119 | 5,858,645 |
| Current payables – CO ₂ Emission licences | - | 5,146 |
| Other creditors | 1,892,604 | 289,319 |
| | 8,291,554 | 6,153,110 |

The amount shown under the heading "State and other public entities" concerns mainly the Value Added Tax, an estimate on the income tax less the anticipated payments, contributions to the social security system and retained taxes on employees' income.

23. OTHER CURRENT LIABILITIES

| | 2008 | 2007 |
|--------------------------------------|-------------------|-------------------|
| Accrual costs | | |
| Employees charges | 7,105,748 | 5,290,968 |
| Payable financial charges | 3,912,760 | 2,362,773 |
| Other supplies and external services | 403,631 | 382,910 |
| Granted rappel | 779,982 | 412,060 |
| Others | 657,354 | 250,444 |
| | 12,859,475 | 8,699,154 |
| Deferred income | | |
| Investment subsidies | 20,119,616 | 20,219,625 |
| | 20,119,616 | 20,219,625 |
| | 32,979,091 | 28,918,779 |

The heading "Investment subsidies" includes the amount concerning the investment projects that BA Vidro developed in its factories in Avintes and Marinha Grande.

24. OTHER OPERATIONAL EARNINGS

| | 2008 | 2007 |
|--|-------------------|------------------|
| Investment subsidies | 4,207,156 | 4,468,215 |
| Gains from the disposal of noncurrent assets | 2,957,473 | 52,910 |
| Subsidies to the operation - gas emission rights - CO ₂ | - | 5,146 |
| Disposal of CO ₂ emission licences | 2,389,000 | - |
| Other operational earnings | 1,128,173 | 208,790 |
| Benefits resulting from contractual penalties | 421 | 4,483 |
| Rents | 10,405 | 115,023 |
| Adjustment reversal | 624,731 | 1,182,095 |
| | 11,317,358 | 6,036,663 |

25. OTHER OPERATIONAL COSTS

| | 2008 | 2007 |
|--|------------------|----------------|
| Taxes | 640,079 | 281,927 |
| Costs with gas emissions - CO ₂ | - | 5,146 |
| Losses from disposal of noncurrent assets | 11,312 | 80,179 |
| Other costs | 1,133,578 | 201,693 |
| | 1,784,968 | 568,946 |

26. FINANCIAL RESULTS

| | 2008 | 2007 |
|--|---------------------|---------------------|
| Interests and commissions of bank loans | (14,094,965) | (13,475,188) |
| Interests received from applications | 390,360 | 1,339,397 |
| Granted discounts | (811,857) | (649,793) |
| Received discounts | 102,133 | 67,184 |
| Exchange rate differences | (299,833) | (3,522,728) |
| Gains from the disposal of financial investments | - | - |
| Other financial costs | (451,480) | (63,761) |
| Other financial earnings | 71,436 | - |
| | (15,094,206) | (16,304,890) |

The amount of the Exchange rate differences stated in 2007 was totally materialized in BA Vidrio (Spain).

27. INCOME TAX

The group is subject to the Special Taxation Regime of Partnership Groups in Portugal and Spain. The mother companies for taxation purposes are BA Vidrio (Spain) and BA Glass I - Serviços de Gestão e Investimentos, SA (Portugal).

The annual income statements are subject to revision and eventual adjustment by the Portuguese and Spanish Tax Authorities for a period of 4 years.

On 31 December 2008 and 2007 the heading "Taxes" was as follows:

| | 2008 | 2007 |
|--------------|---------------------|---------------------|
| Current tax | (11,164,171) | (9,380,430) |
| Deferred tax | (5,040,632) | (3,822,347) |
| | (16,204,804) | (13,202,776) |

| Income tax reconciliation | 2008 | 2007 |
|--|--------------------|--------------------|
| Earnings before tax | 60,546,370 | 49,443,905 |
| Current income tax for the year | (11,164,171) | (9,380,430) |
| Deferred taxes | | |
| Asset decrease by deferred taxes - fiscal benefits to investment | (5,286,721) | (3,620,835) |
| Assets by deferred tax - fiscal losses | 446,067 | - |
| Asset decrease by deferred taxes - pensions | (146,711) | (330,003) |
| Asset decrease by deferred taxes - goodwill | (94,728) | (282,541) |
| Liability decrease by deferred taxes - fair value adjustment | - | 415,515 |
| Liability increase by deferred taxes - amortisation uniformization | - | (29,109) |
| Decrease of liabilities by deferred taxes - revaluation reserves | 41,459 | 24,625 |
| | (5,040,633) | (3,822,347) |
| Consolidated net earnings | 44,341,566 | 36,241,129 |

The group will benefit from an exemption on tax collection resulting from the contractual fiscal benefits of the investments made in the factories of Marinha Grande and Avintes until 2013 and 2015, respectively. In 2008, we recognized a tax deduction of 5,286,721 Euros (2007: 3,620,835 Euros).

28. RETIREMENT PENSIONS

BA Vidro, SA has a responsibility of defined benefit pensions for some former employees and some present staff of the group, which was determined according to the "Projected Unit Credit Method", using financial and actuarial assumptions.

The responsibilities for past services and the responsibilities for pensioners are totally covered by a specific provision (note 21).

The actuarial studies carried out by an independent organization, at the date of the balance sheet so as to calculate the accumulated responsibility, were based on the "Projected Unit Credit Method" and used the following assumptions and actuarial technical basis:

| | |
|-------------------------------|--------------|
| Mortality table | TV 88/90 |
| Invalidity table | 1,980 |
| Retirement age | 65 years old |
| Annual rate of salary growth | 3.0% |
| Discount rate | 3.0% |
| Annual rate of pension growth | 0.0% |

Taxa anual de desconto das responsabilidades com pensões foi estimada com base em taxas de rendimento de longo prazo de obrigações de elevado rating à data de balanço e com maturidades equiparáveis às das responsabilidades.

29. NÚMERO MÉDIO DE PESSOAS

The calculation of the annual rate of discount of pension responsibility was based on long term income rates of obligations with a high rating at the date of the balance sheet, and with maturities comparable to those of the responsibilities.

30. RELATED PARTS

Apart from the earnings and transactions of the companies included in the consolidation perimeter mentioned in note 5, which were annulled in the process of preparing the consolidated financial statement, there are other earnings and transactions with related parts, namely:

| Company | Nature of the transaction | Amount | Earning |
|---------------------------------------|--|-------------------|-------------------|
| <i>Fim do Dia SGPS, SA</i> | <i>Current credit (Note 15)</i> | - | 9,953,160 |
| <i>BBI Imobiliário e Serviços, SA</i> | <i>Current credit (Note 15)</i> | - | 5,523,420 |
| <i>Atanágoras, SGPS, SA</i> | <i>Supplementary capital (Note 19)</i> | 10,922,728 | 10,922,728 |
| | <i>Current credit (Note 15)</i> | - | 5,523,420 |
| | | 10,922,728 | 31,922,728 |

31. ENVIRONMENTAL ISSUES

Under the scope of its activity, the group is subject to several charges related to the environment, which, depending on their nature, are capitalized or recognized as a cost in the operational results of the period.

CO2 emission Licences

The co2 emission licences granted to the production units of the group in Portugal and Spain are covered by the European market of green house gas emissions. Coinciding with the new PNALE (National Plan for Emission Licences), after the first period of attribution was ended (valid for the period 2005-2007), the group decided that while IASB does not define an accounting policy for this situation (after the IFRIC 3 was removed) to adopt the method of Net Liability Approach (based on the paragraph 23 of IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance).

Under that scope, the granting and use of licences is reflected on the financial statements the following way:

- The emission licences are free of cost, as well as the corresponding emissions, and do not result in any asset or liability; the acquired licences are stated for what they cost and presented in the intangible assets;
- When the annual CO2 emissions exceed the granted licences a liability is stated in "Other operational costs", which is measured according to the market value of the licences at the date of the balance;
- The gains resulting from the sale of emission rights will be stated as a reduction of other operational costs.

Under the scope of PNALE II, valid for the period 2008-2012, the group was granted 2,337,55 tones of CO2 emissions and until 31 December 2008, a total of 506,034 tones had been used (including a sale of 90,000 tones).

Environmental reconstruction expenditure

The company Minas de Valdecastillo, SAL has the legal and constructive responsibility to restitute the lands linked to the operation, which have been estimated at 251,253 Euros (Note 31).

32. COMMITMENTS AND CONTINGENCIES

Guarantees:

On 31 December 2008 the group held banking guarantees for 27,133,172 Euros, where a guarantee to finance BEI is included.

In 2007 BA Vidro was inspected by the IRS concerning the fiscal documentation for 2005, and it had to pay additional taxes resulting from corrections made to taxable items. No provision was made in the financial statement because the Board of Directors considers the possibility of incurring in expenditures for the society as a remote possibility. Furthermore, the group presented a refutation.

33. SUBSEQUENT EVENTS

After 31 December 2008 there were no relevant facts that may materially impact the financial statement.

The Certified Accountant,

Alberto de Sousa Araújo Soares

The Board of Directors

Carlos Moreira da Silva – President

Jorge Alexandre Ferreira – Executive Chairman

Alfredo de Lacerda Pereira

Álvaro Cuervo García

António Vasquez Cardeñosa

Francisco Silva Domingues

José Ignacio Comenge

José Pedro Lopes

Mário Pereira Pinto



*CONSOLIDATED BALANCE SHEETS; REPORT AND
OPINION OF THE STATUTORY AUDIT BOARD*

*STATUTORY AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS*

HUMW...

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS



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Relatório dos Auditores

Introdução

1. Examinámos as demonstrações financeiras consolidadas anexas de BA GLASS I - Serviços de Gestão e Investimentos, S.A., as quais compreendem o Balanço Consolidado em 31 de Dezembro de 2008 (que evidencia um total de balanço de 516.870.000 Euros e um total de capital próprio de 73.493.872 Euros, incluindo um resultado líquido de 44.341.566 Euros), a Demonstração Consolidada dos Resultados por Naturezas, a Demonstração Consolidada dos Fluxos de Caixa e a Demonstração Consolidada das Alterações no Capital Próprio no exercício findo naquela data, e os correspondentes Anexos.

Responsabilidades

2. É da responsabilidade do Conselho de Administração a preparação de demonstrações financeiras que apresentem de forma verdadeira e apropriada a posição financeira do conjunto das empresas incluídas na consolidação, o resultado consolidado das suas operações e os fluxos de caixa consolidados, bem como a adopção de políticas e critérios contabilísticos adequados e a manutenção de um sistema de controlo interno apropriado.
3. A nossa responsabilidade consiste em expressar uma opinião profissional e independente, baseada no nosso exame daquelas demonstrações financeiras.

Âmbito

4. O exame a que procedemos foi efectuado de acordo com as Normas Internacionais de Auditoria, 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 de as demonstrações financeiras das empresas englobadas na consolidação terem sido apropriadamente examinadas e a avaliação das estimativas, baseadas em juízos e critérios definidos pelo Conselho de Administração, utilizadas na sua preparação;
 - a verificação das operações de consolidação;
 - a apreciação sobre se são adequadas as políticas contabilísticas adoptadas, a sua aplicação uniforme e a sua divulgação, tendo em conta as circunstâncias;

Sociedade Anónima - Capital Social 1.105.000 euros - Inscrição N.º 178 na Ordem dos Revisores Oficiais de Contas - Inscrição N.º 9011 na CMVM - Contribuinte N.º 505 988 283
C. R. Comercial de Lisboa sob o mesmo número - Sede: Av. da República, 90 - 6.º - 1600-206 Lisboa - A member firm of Ernst & Young Global Limited

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS



- a verificação da aplicabilidade do princípio de continuidade; e
 - a apreciação sobre se é adequada, em termos globais, a apresentação das demonstrações financeiras consolidadas.
5. Entendemos que o exame efectuado proporciona uma base aceitável para a expressão da nossa opinião.

Opinião

6. Em nossa opinião, as demonstrações financeiras referidas apresentam de forma verdadeira e apropriada, em todos os aspectos materialmente relevantes, a posição financeira consolidada de BA GLASS I - Serviços de Gestão e Investimentos, S.A., em 31 de Dezembro de 2008, o resultado consolidado das suas operações e os seus fluxos consolidados de caixa, no exercício findo naquela data, em conformidade com as Normas Internacionais de Relato Financeiros (IFRS), emitidas pelo "International Accounting Standards Board" (IASB) e tal como adoptadas pela União Europeia.

Porto, 29 de Janeiro de 2009

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas (nº 178)
Representada por:

João Carlos Miguel Alves (ROC nº 896)

A handwritten signature in black ink, appearing to be 'João Carlos Miguel Alves', written over a circular stamp or seal.

REPORT AND OPINION OF THE STATUTORY AUDIT BOARD

RELATÓRIO E PARECER DO CONSELHO FISCAL

Aos Accionistas da
BA Glass I – Serviços de Gestão e
Investimentos, SA.

Em conformidade com a legislação aplicável e com o mandato que nos foi conferido, submetemos à vossa apreciação o nosso Relatório e Parecer que abrange a actividade por nós desenvolvida e os documentos de prestação de contas individuais e consolidadas da BA Glass I – Serviços de Gestão e Investimentos, SA., relativos ao exercício findo em 31 de Dezembro de 2008, os quais são da responsabilidade do Conselho de Administração.

O Conselho Fiscal acompanhou a gestão da empresa, a evolução da sua actividade e das suas participadas, tendo efectuado reuniões com a frequência e extensão que considerou adequadas e, nas circunstâncias, sempre obteve da Administração e dos diversos serviços da empresa e das empresas englobadas na consolidação, todas as informações e esclarecimentos solicitados, nomeadamente, para a devida compreensão e avaliação da evolução dos negócios, do desempenho e da posição financeira, bem como dos sistemas de gestão de riscos e de controlo interno.

Acompanhou ainda o processo de preparação e de divulgação de informação financeira, bem como a revisão das contas aos documentos de prestação de contas individuais e consolidadas da empresa, tendo recebido do Revisor Oficial de Contas todas as informações e esclarecimentos e solicitados.

No âmbito das suas atribuições, o Conselho Fiscal examinou os Balanços individual e consolidado em 31 de Dezembro de 2008, as Demonstrações individuais e consolidadas dos resultados por naturezas, dos fluxos de caixa e das alterações no capital próprio do exercício findo naquela data e os correspondentes Anexos.

Adicionalmente procedeu à apreciação do Relatório de Gestão do exercício de 2008 e apreciou a Certificação Legal das Contas, emitido pela Sociedade de Revisores Oficiais de Contas, que mereceu o seu acordo.

Face ao exposto, o Conselho Fiscal é de opinião que a informação constante nas Demonstrações financeiras individual e consolidada, foi elaborada em conformidade com as normas contabilísticas legais e estatutárias aplicáveis, dando uma imagem verdadeira e apropriada do activo e do passivo, da situação financeira e dos resultados da BA Glass I – Serviços de Gestão e Investimentos, SA. e das empresas incluídas no perímetro de consolidação e que o Relatório de Gestão expõe fielmente a evolução dos

negócios, do desempenho e da posição financeira da BA Glass I – Serviços de Gestão e Investimentos, SA. e das empresas incluídas no perímetro de consolidação e contém uma descrição dos principais riscos e incertezas com que se defrontam.

Assim, somos de parecer:


- Que sejam aprovados o Relatório de Gestão, os Balanços individual e consolidado em 31 de Dezembro de 2008, as Demonstrações individuais e consolidadas dos resultados por naturezas, dos fluxos de caixa e das alterações no capital próprio do exercício findo naquela data e os correspondentes Anexos;
- Que seja aprovada a proposta de aplicação de resultados apresentada pelo Conselho de Administração.

Desejamos manifestar ao Conselho de Administração e aos diversos serviços da Empresa o nosso apreço pela colaboração que nos prestaram.

Avintes, 29 de Janeiro de 2009

O Conselho Fiscal


Rita Silva Domingues (Presidente)


Manuel António Oliveira


Óscar José Alçada da Quinta

