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ELEKEIROZ S.A.

FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER AND 30 JUNE 2010
AND INDEPENDENT AUDITORS' REPORT

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MANAGEMENT REPORT

THIRD QUARTER OF 2010

1. SCENARIO

Brazil's economy continued its good performance in the third quarter of 2010.

In the segment of intermediary chemical products for industrial use, in the year to September production was up 8.8%, domestic sales 8.8% and prices 10.0%, when compared with the same period last year.

The increase in domestic consumption and the appreciation of the Brazilian currency against the US dollar accounted for a 30.4% surge in imports of chemical products (in value) when compared with the same period in 2009, reaching US\$24.3 billion, which generated a trade deficit of US\$14.7 billion in the chemical industry.

The use of Brazil's installed production capacity reached 83% in the year to September, against 79% in the same period in 2009.

2. COMPANY'S OPERATIONS

The physical shipment of products reached 358.7 thousand t in 2010, up 15% from 2009. The shipment of organic products reached 187.8 thousand t, up 18% from 2009 and the shipment of inorganic and resale products reached 170.9 thousand t, up 11%.

Domestic shipments accounted for 87% of the total and exports for the remaining 13%.

Shipments (thousand t)	3T 10	3T 09	3T 10 / 3T 09	9M 10	9M 09	9M 10 / 9M 09
Total Company	136.1	114.0	19%	358.7	312.8	15%
Organic products	65.9	55.5	19%	187.8	158.8	18%
Inorganic and resale products	70.3	58.5	20%	170.9	154.0	11%

3. ECONOMIC AND FINANCIAL PERFORMANCE

Gross sales were R\$296.7 million and net sales was R\$ 240.7 million in the third quarter of 2010, up 66% and 68%, respectively, from the third quarter of 2009. Compared with the second quarter of 2010, growth was +21% and +22%, respectively.

In the year to September gross and net sales totalled R\$790.8 million and R\$642.8 million, up +52% and +54%, respectively.

In the year to September export revenues reached R\$129.2 million, up +99%. Asian countries accounted for 50% of this total, South and North America accounted for 24% and 19%, respectively, and the remaining 7% are distributed among European countries and some countries in Africa and the Middle East. The share of exports in net sales reached 20% in the year to September and 16% in the same period in 2009.

In the year to September net income was R\$29.9 million against a loss of R\$7.7 million in 2009. EBITDA totalled R\$60.8 million and in 2009 it was minus R\$19.3 million. Accordingly, EBITDA margin increased from minus 4.6% in 2009 to 9.5% in 2010. The return on equity was 8.8%.

Total indebtedness to financial institutions by the end of September 2010 was R\$ 16.5 million, equivalent to 20% of annualized EBITDA, 4% of September's equity and cash and cash equivalents at R\$45.1 million were 2.7 times higher than total debts.

4. STRATEGIC MANAGEMENT AND SUSTAINABILITY

The Company pursued its programmes to increase productivity, maintain existing facilities, and ensure the safety of employees and environmental conservation, with investments of R\$10.2 million in the year to September.

The period without occupational accidents with leave of absence reached an important record of 1000 days at Camaçari facilities on 21 July 2010, the equivalent to 2 years and 9 months of continuous work.

The Company carries out the Responsible Care programme, an initiative developed by the International Council of Chemical Associations and managed in Brazil by ABIQUIM.

5. HUMAN RESOURCES

By the end of the third quarter of the Company had 697 employees. In the year to September R\$48.6 million was spent in salaries, social charges, meals at the workplace, basic staple of goods, transportation, medical care, insurance, pension plans and 35,080 hours of training.

6. CVM INSTRUCTION NO. 381

In the year to September 2010 BDO Auditores Independentes has provided solely audit services to the Company.

7. ACKNOWLEDGEMENTS

Management is grateful to shareholders for their confidence in its management and to the employees, customers, suppliers, service providers and financial institutions for their help in achieving the results.

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