

C A P S. A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2009 AND 2008

ASSETS (in thousands of US dollars)	June 30, 2009 ThUS\$	June 30, 2008 ThUS\$
CURRENT ASSETS		
Cash & banks	21.537,00	35.157,00
Time deposits	334.211,00	317.931,00
Marketable securities	23.889,00	21.433,00
Trade accounts receivable	158.237,00	260.044,00
Notes receivable	8.637,00	15.556,00
Sundry debtors	30.888,00	16.867,00
Notes and accounts receivable from related companies	3.193,00	8.351,00
Inventories	409.144,00	385.881,00
Recoverable taxes	59.469,00	27.193,00
Prepaid expenses	7.907,00	3.727,00
Deferred taxes	19.327,00	2.582,00
Other current assets	8.514,00	28.202,00
TOTAL CURRENT ASSETS	1.084.953,00	1.122.924,00
FIXED ASSETS:		
Land	16.391,00	11.711,00
Buildings & infrastructure	485.359,00	453.470,00
Machinery & equipment	1.774.112,00	1.675.920,00
Other fixed assets	490.627,00	481.903,00
Incremental value technical appraisal	104.244,00	103.905,00
Accumulated depreciation	(1.683.075,00)	(1.625.527,00)
TOTAL FIXED ASSETS	1.187.658,00	1.101.382,00
OTHER ASSETS:		
Investments in related companies	89.303,00	118.334,00
Investment in other companies		-
Goodwill	2.354,00	3.372,00
Negative goodwill	(23.542,00)	(24.998,00)
Long-term debtors	6.904,00	5.654,00
Notes & accounts receivable from related companies	1.958,00	-
Intangible assets	4.467,00	4.192,00
Amortization	(571,00)	(372,00)
Others	94.935,00	100.690,00
TOTAL OTHER ASSETS	175.808,00	206.872,00
TOTAL ASSETS	2.448.419,00	2.431.178,00

C A P S. A. Y FILIALES

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2009 AND 2008

LIABILITIES (in thousands of US dollars)	June 30, 2009 ThUS\$	June 30, 2008 ThUS\$
CURRENT:		
Short-term borrowing from banks & financial institutions	18.616,00	64.547,00
Short-term portion of long-term borrowing from banks & fin. Inst.	51.668,00	20.286,00
Bonds outstanding	13.965,00	7.083,00
Current maturities of long-term debt	4.796,00	7.107,00
Dividends payable	42.575,00	30.108,00
Accounts payable	82.410,00	95.651,00
Notes payable	19.875,00	29.278,00
Sundry creditors	9.283,00	4.685,00
Notes & accounts payable to related companies	100.495,00	68.710,00
Provisions	48.871,00	53.206,00
Withholdings	17.750,00	11.544,00
Income tax	73,00	13.225,00
Unearned income	2.289,00	3.347,00
Other current liabilities	67.027,00	13.820,00
TOTAL CURRENT LIABILITIES	479.693,00	422.597,00
LONG TERM:		
Borrowings from banks & financial institutions	190.627,00	189.616,00
Bonds outstanding	600.516,00	602.478,00
Sundry creditors	14.949,00	16.456,00
Long-term provisions	81.914,00	71.079,00
Long-term deferred taxes	30.613,00	28.229,00
Other long-term liabilities	15.857,00	23.491,00
TOTAL LONG-TERM LIABILITIES	934.476,00	931.349,00
MINORITY INTEREST	91.032,00	111.515,00
SHAREHOLDERS' EQUITY:		
Paid-in Capital	379.444,00	379.444,00
Other reserves	11.829,00	13.262,00
Retained earnings:	551.945,00	573.011,00
Accumulates earnings	585.983,00	441.286,00
Net income (loss) for the period	(34.038,00)	160.135,00
Interim dividends (less)	-	(28.410,00)
SHAREHOLDERS' EQUITY	943.218,00	965.717,00
TOTAL LIABILITIES	2.448.419,00	2.431.178,00

C A P S. A. Y FILIALES

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2009 AND 2008

STATEMENTS OF INCOME (in thousands of US dollars)	June 30, 2009 ThUS\$	June 30, 2008 ThUS\$
Sales	595.205,00	1.015.583,00
Cost of sales	(527.582,00)	(781.395,00)
Operating margin	67.623,00	234.188,00
Administrative & selling expenses	(56.260,00)	(51.921,00)
OPERATING INCOME	11.363,00	182.267,00
Financial income	10.470,00	6.202,00
Income on investment in related companies	26.891,00	62.679,00
Other non-operating income	17.850,00	6.282,00
Loss on investment in related companies	(2,00)	(3,00)
Amortization of goodwill	(548,00)	(598,00)
Financial expenses	(34.605,00)	(22.667,00)
Other non-operating expenses	(110.155,00)	(28.505,00)
Exchange differences	16.723,00	(5.936,00)
NON-OPERATING RESULTS	(73.376,00)	17.454,00
Income before income tax	(62.013,00)	199.721,00
Income taxes	17.079,00	(28.868,00)
Consolidated income (loss)	(44.934,00)	170.853,00
Minority interest	9.925,00	(11.670,00)
NET INCOME	(35.009,00)	159.183,00
Amortization of negative goodwill	971,00	952,00
NET INCOME FOR THE PERIOD	(34.038,00)	160.135,00

C A P S. A. Y FILIALES

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2009 AND 2008

STATEMENTS OF CASH FLOWS (in thousands of US dollars)	June 30, 2009 ThUS\$	June 30, 2008 ThUS\$
Cash flows from operating activities		
Collection of trade accounts receivable	757.640,00	1.341.160,00
Financial income	14.628,00	4.396,00
Dividends and other distributions received	39.000,00	30.000,00
Other income received	12.430,00	32.666,00
Payments to suppliers & personnel	(672.094,00)	(1.148.453,00)
Interest paid	(30.704,00)	(25.682,00)
Income tax paid	(14.564,00)	(20.522,00)
Other expenses paid	(22.444,00)	(14.121,00)
VAT & similar payments	(9.512,00)	(40.699,00)
NET OPERATING CASH FLOW	74.380,00	158.745,00
Cash flows from financing activities		
Placement of shares of payment		
Loans drawn	46.804,00	29.699,00
Bonds payable	-	246.815,00
Other financing disbursements	47.551,00	390,00
Dividends paid	(52.170,00)	(72.149,00)
Payment of loans	(97.442,00)	(39.997,00)
Payment of bonds		
Payment of bond issue & placement expenses	-	(3.258,00)
Other financing disbursements paid	(1.328,00)	(2.862,00)
NET CASH FLOW FROM FINANCING ACTIVITIES	(56.585,00)	158.638,00
Cash flows from investing activities		
Sales of fixed assets	6.154,00	1.945,00
Sales of permanent investments		-
Sales of other investments	98.948,00	-
Collection of other loans to related companies	1.068,00	-
Other investment income	-	345,00
Acquisition of fixed assets (less)	(50.850,00)	(101.277,00)
Investments in financial instruments	-	(207.319,00)
Other loans to related companies	-	-
Other investment disbursements (less)	(46,00)	(3.917,00)
NET CASH FLOW FROM INVESTING ACTIVITIES	55.274,00	(310.223,00)
NET TOTAL CASH FLOW FOR THE PERIOD	73.069,00	7.160,00
NET CHANGE IN CASH AND CASH EQUIVALENTS	73.069,00	7.160,00
INITIAL BALANCE OF CASH AND CASH EQUIVALENTS	109.387,00	127.977,00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	182.456,00	135.137,00

**RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES
WITH THE RESULT FOR THE PERIOD**

(in thousands of US dollars)

	June 30, 2009 ThUS\$	June 30, 2008 ThUS\$
Net income for the period	(34.038,00)	160.135,00
Results of asset sales:	(5.056,00)	(930,00)
Gain on sale of fixed assets	(5.056,00)	(930,00)
Gain on sales of investments	-	-
Charges (credits) to income not representing cash flows:	81.820,00	28.929,00
Depreciation for the year	34.986,00	36.245,00
Amortización de intangibles	161,00	-
Write-offs & provisions	(4.750,00)	2.049,00
Accrued income on investments in related companies	(26.891,00)	(62.679,00)
Accrued loss on investments in related companies	2,00	3,00
Amortization of goodwill	548,00	598,00
Amortization of negative goodwill	(971,00)	(952,00)
Net exchange differences	(16.723,00)	5.936,00
Other credits to income not representing cash flows	(22.326,00)	(14.491,00)
Other charges to income not representing cash flows	117.784,00	62.220,00
Changes in assets, affecting cash flow:	12.508,00	(48.315,00)
(Increase) decrease in trade accounts receivable	55.120,00	(6.180,00)
(Increase) decrease in inventories	109.083,00	(60.992,00)
(Increase) decrease in other assets	(151.695,00)	18.857,00
Changes in liabilities, affecting cash flow:	29.071,00	7.256,00
Increase (decrease) in accounts payable related to operating income	43.997,00	(46,00)
Increase (decrease) in interest payable	37,00	(1.041,00)
Net increase (decrease) in income tax payable	(24.772,00)	5.200,00
Increase (decrease) in other accounts payable related to non-operating results	10.040,00	(4.125,00)
Net increase (decrease) in VAT & similar payables	(231,00)	7.268,00
Income (loss) of the minority interest	(9.925,00)	11.670,00
NET OPERATING CASH FLOW	74.380,00	158.745,00