ecoRODOVIAS

FINANCIAL STATEMENTS

2010 MANAGEMENT REPORT

Dear Shareholders

The Management of EcoRodovias Infraestrutura e Logística S.A., in conformity with statutory and legal provisions, submits for appreciation by its shareholders the Management Report and corresponding parent company and consolidated financial statements for the fiscal years ended December 31, 2010 and 2009, accompanied by the Independent Auditors Report for the financial statements.

Message from Management

The year 2010 marked a new milestone in the Company's history, with the initial public offering (IPO) carried out on March 31, which made it possible to raise proceeds of R$1.3 billion in the primary and secondary offerings, which corresponds to 144,003,000 shares, or 25.8% of the Company's total shares. In less than 12 months since the IPO, the stock price has gained 35%, which demonstrates investors' interest in the Company's strategy to become the largest integrated logistics infrastructure company in Brazil, with a focus on operating intermodal logistics platforms, highway concessions and associated services.

We have grown consistently through meticulous investments, seeking primarily to identify assets that can complement our current operations, while capturing and adding value to the various links in the intermodal logistics chain. The listing of the company's stock on the Novo Mercado special corporate governance segment of the BM&FBovespa S.A. – Securities, Commodities and Futures Exchange gives us the conditions to continue following the path outlined by our strategy, while maintaining our commitment to sustainability, governance and respect for investors.

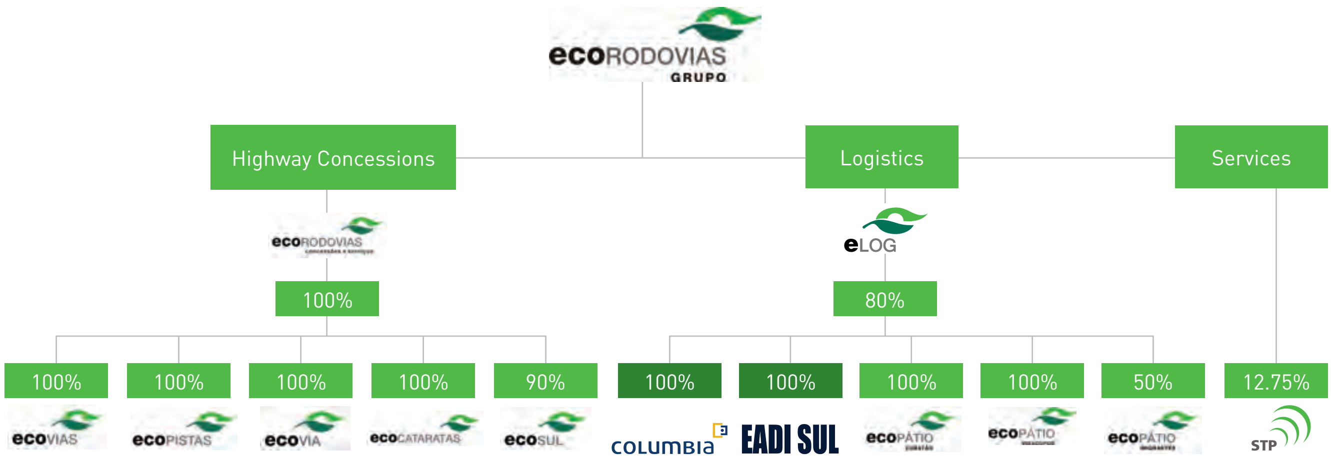
The growth and development of Brazil's economy posed challenges that, if already latent, became even more visible. These included one of the country's most serious bottlenecks: the infrastructure for handling exports and distributing imported goods and that for the domestic market itself. Due to cultural, political and economic reasons, among others, until recently these investments were carried out solely by the government. However, opportunities are beginning to emerge for the private sector, given the flexibility and quality required for the development of complex solutions. To capture these potential opportunities, our strategy is well defined: a complete focus on logistics solutions. Going beyond merely managing concessions, our strategy is based on opening a range of facilities for handling goods in our country, which, due to its continental size, already represents a major challenge. Supported by sustainable management, the goal is for our operations to represent efficient alternatives in both economic and operational terms, whether for tourism or for transporting goods. In this way, we will consolidate our position in the management of the main export and import corridors in the South and Southeast, regions, which combined concentrate more than half of Brazil's GDP. In this context, the acquisitions of Armazéns Gerais Columbia and EADI Sul were strategic for amassing assets that support the offering of integrated logistics solutions. The integration of Columbia and EADI Sul with our logistics assets, the Ecopátios, resulted in a structure with 3,690,000 square meters of total area, represented by 17 logistics platforms and 430,000 square meters of warehouse space.

In the highway concession sector, in 2010, we registered more than 180 million paying vehicle equivalents, for an increase of 52.4% from the volume in 2009. Our highways enjoy the advantage of being strategically located on the main corridors for exporting and importing goods and for the circulation of goods, production, consumption and tourism in the domestic market.

It is with this asset structure that we hope to each year become better prepared to capture the opportunities in the market, by expanding the offering of solutions within an intermodal logistics chain. For our employees, we expect to continue being one of the best companies to work for, investing in training, benefits and recognition, while offering a challenging environment. It is also our aim to be the first investment option for shareholders who see the potential of logistics in Brazil and respect the concept of sustainable management.

With a sense of having accomplished our mission, enthusiastic with the results obtained and with our excitement and motivation renewed for the future, we would like to express our gratitude to our employees, who in 2010, created a more efficient, profitable and robust company. We are also grateful to our shareholders, who during the year honored us with their trust, to our board members, who oversaw our activities to perfection, to our suppliers and all other institutions with which we formed healthy partnerships, and to our clients and users, who could take advantage of all the efficiency and safety our solutions have to offer.

OWNERSHIP STRUCTURE



ADOPTION OF NEW ACCOUNTING PRACTICES

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). These consolidated financial statements are the company's first prepared in accordance with IFRS. The effects from the adoption of IFRS and the new pronouncements issued by Accounting Pronouncements Committee (CPC) are detailed in Note 4 to the Financial Statements.

OPERATING PERFORMANCE

Highway Concessions – Traffic

Consolidated traffic reached 180,051 thousand paying vehicles in 2010, up 52.5% from 118,100 thousand paying vehicles registered in 2009. The main reasons for this growth were: (i) the strong organic growth in all of our new concessionaries, due to the higher flows of cargo transported on our export/import corridors originating from and destined for ports and borders, and to the higher number of passenger vehicles headed towards the tourist regions served by the Group's highways and (ii) the consolidation of 12 months of traffic at Ecopistas (SP), given that the concessionaire started operations in June 2009, as well as its strong growth in traffic, which reached 70,111 paying vehicle equivalents in 2010. Excluding the consolidation of Ecopistas, the other highways registered consolidated growth of 12%, reaching 109,940 thousand paying vehicle equivalents.

Logistics

In the container handling operations, which are represented by the services offered by REDEX (exports) and DEPOT (empty), in 2010, Ecopátio Cubatão registered an increase of 301.9% in comparison with 2009.

On May 28, 2010, EcoRodovias announced the acquisition of Armazéns Gerais Columbia S.A. and EADI Sul Terminal de Cargas Ltda. The authorization for the transfer of 100% of the controlling interest to Elog was issued in October 2010 by the Federal Revenue Service, which is the agency responsible for regulating customs areas in Brazil, and on December 28, 2010, EcoRodovias finalized the acquisition.

FINANCIAL RESULTS

GROSS REVENUES

Consolidated Gross Revenue reached R$1,528.2 million in 2010, up 27.2% in relation to 2009.

GROSS REVENUE

(R$MILLION)	2010	2009	CHG.
Highway Concessionaires	1,456.1	1,162.1	25.3%
Logistics	25.7	11.6	120.7%
Revenue from Services	46.4	27.5	68.5%
CONSOLIDATED	**1,528.2**	**1,201.3**	**27.2%**

Highway Concessions

– **Toll Revenue:** in 2010, consolidated gross revenue reached R$1,233.3 million, which represented an increase of 23.7% from 2009. This growth reflects the strong growth in traffic volumes on the highways, the consolidation of over 12 months of Ecopistas (SP) and the contractual increases to the basic tolls. Revenue from toll collection accounted for 80.7% of the Company's consolidated gross revenue.

– **Ancillary Revenues:** these revenues are derived from the monitoring of special cargo, advertising boards, occupation of right-of-way and accesses and other services involving the usage and exploration of the right-of-way of highway concessions and in 2010 accounted for 3.1% of the group's gross revenue in 2010.

– **Construction Revenue:** as established by Interpretation of the Accounting Pronouncements Committee 1 – Concession Contracts (ICPC 1), the works and improvements made to highway infrastructure came to R$174.7 million in 2010, up 39.9% from 2009. The Company did not recognize profit margins on this revenue (margin equal to zero), since the amounts booked correspond to the same amounts booked in the line "Construction Costs".

Logistics

– **Logistics Revenues:** these revenues are derived from the container handling services at REDEX and DEPOT, the Truck Management Yard and the leasing of warehouses provided by Ecopátio Cubatão and Ecopátio Imigrantes. In 2010, consolidated revenue reached R$30.7 million, up 163.4% from R$11.6 million in 2009. Since March 31, 2010, logistics revenues began to be consolidated at the rate of 80% due to the entry of BRZ in the logistics business of EcoRodovias.

STP – Sem Parar/Via Fácil

– **Service Revenue:** the gross revenue of STP reached R$363.9 million in 2010, up 68.5% from 2009, fueled by the growth in the base of active user tags, with over 2,562,000 devices installed. EcoRodovias holds an interest of 12.75% in the capital of STP, which corresponds to consolidated gross revenue of R$46.4 million.

NET REVENUE

Consolidated net revenue was R$370.8 million in 4Q10 and R$1,427.6 million in 2010, for growth of 26.6% from 2009. Gross Revenue Deductions were R$27 million in 4Q10 and R$100.6 million in 2010, representing 6.6% of total gross revenue in the period. Net Revenue excluding the effects of ICPC 01 was R$1,252.9 million.

OPERATING COSTS AND ADMINISTRATIVE EXPENSES

In 2010, consolidated costs and expenses came to R$756 million, up 26.4% from R$598.1 million in 2009.

OPERATING COSTS AND ADMINISTRATIVE EXPENSES

(R$MILLION)	2010	2009	CHG.
Highway Concessionaires	671.3	524.1	28.1%
Logistics	24.3	13.1	85.9%
Holding and STP	60.4	60.9	-1.0%
CONSOLIDATED	**756.0**	**598.1**	**26.4%**

The main reasons for the variations in consolidated Operating Costs and Administrative Expenses follow:

Highway Concessions

Costs and expenses in the highway concession sector increased by 28.1%, mainly due to: (i) the consolidation in 2010 of 12 months of the operational costs and administrative expenses of Ecopista, since this concessionaire started operations in June 2009; (ii) the growth in maintenance services and works to conserve and renovate overpasses and safety signage on highways; (iii) the higher depreciation expenses due to the conclusion of all new works at the concessionaires; and (iv) the higher provisioning for future costs with highway maintenance and construction works, both due to the application of IFRS/ICPC.

Logistics

The 85.9% increase in costs and expenses was basically due to: (i) the start of the service operations of DEPOT and REDEX at Ecopátio Cubatão, which led to the need to increase the number of employees and outsourced services; and (ii) the higher depreciation expenses due to the conclusion of infrastructure construction at Ecopátios Cubatão and Imigrantes.

EBITDA and EBITDA MARGIN

Considering the effects from the adoption of IFRS in 2010, EBITDA totaled R$812.1 million, growing 26.5% from R$642 million in 2009. This amount excludes the nonrecurring gain in equity income from the sale of 20% of Elog to BRZ and the booking of the revaluation of the Company's interest in Elog at its sale price of R$297.8 million.

EBITDA margin is now calculated considering the EBITDA calculated in accordance with IFRS, which determines that Construction Revenue is part of the balance of Net Revenue and Construction Costs and Provision for Maintenance are included in the balance of Cost of Services Provided. As a result, EBITDA margin reached 56.9% in 2010, in line with 2009.

For comparison purposes, we have also shown Adjusted EBITDA excluding the effects of IFRS, i.e., excluding Construction Revenue from Net Revenue and excluding Construction Costs and Provision for Maintenance from the Cost of Services Provided, thereby maintaining the same comparison bases as the previous accounting standards.

EBITDA IFRS

(R$MILLION)	2010	2009	CHG.
CONSOLIDATED			
Net Income	594.0	215.2	176.1%
Depreciation/Amortization	140.4	111.6	25.8%
Financial Result	199.5	174.3	14.4%
Income Tax and Social Contribution	175.9	140.9	24.9%
Non-recuring Operation Results	-297.8	-	nm
EBITDA (IFRS)	**812.0**	**642.0**	**26.5%**
EBITDA Margin (IFRS)	**56.9%**	**56.9%**	**-**

EBITDA ADJUSTED (EXCLUDING IFRS)

(R$MILLION)	2010
EBITDA IFRS	**812.1**
Construction Revenues	(174.7)
Construction Costs	174.7
Provision for Maintenance	48.2
Adjusted EBITDA	**860.3**
Adjusted EBITDA Margin	**68.7%**

FINANCIAL RESULT

The net financial result in 2010 was an expense of R$199.5 million, up 14.4% from R$174.3 million in 2009. This variation was basically due to the 4.2% increase in the stock of debt and the monetary variations on this debt and on the rights established in the concession contracts.

NET PROFIT

In 2010, net income reached R$594 million (net margin of 41.6%), up 176.1% on 2009. This increase was due to the operating performance of the consolidated companies, the equity income from the sale of 20% of Elog to Brazil Logistics Fund (BRZ) and the booking of the revaluation amount of the Company's interest in Elog at the sale value of R$297.8 million.

CASH AND CASH EQUIVALENTS AND CONSOLIDATED DEBT

EcoRodovias ended December 2010 with cash and cash equivalents and investments in securities of R$872.7 million, of which R$850.1 million came from the initial public offering held in April 2010. EcoRodovias' gross debt stood at R$1,771.3 million on December 30, 2010.

In December 2010, Elog issued R$170 million in debentures to pay for the acquisitions of the companies Columbia and EADI Sul. The R$371 million in promissory notes issued by Ecopistas, which mature in April 2011, are already in the restructuring phase, with the objective of reducing costs and lengthening the term after the debentures issue. The debt held by Columbia and EADI Sul totaled R$8.0 million, with the majority denominated in Brazilian real and maturing between 2012 and 2015.

CREDITORS

(R$MILLION)	2010	2009	CHG.
Short term	**768.6**	**613.2**	**25.3%**
Borrowings, Loans and leasing	451.6	485.2	-6.9%
Debenture	317.0	128.0	147.6%
Long Term	**1,002.7**	**1,087.4**	**-7.8%**
Borrowings, Loans and leasing	125.0	96.4	29.7%
Debenture	877.7	991.0	-11.4%
TOTAL DEBT	**1,771.3**	**1,700.6**	**4.2%**
Avaiable Funds	872.6	389.5	124.0%
NET DEBT	**898.7**	**1,311.1**	**-31.5%**

INVESTMENTS

The consolidated investments made at EcoRodovias in 2010 came to R$254.7 million, for growth of 12.9% from 2009.

In the highway concessions sector, the investments made in 2010 totaled R$215.4 million, or 37.1% more than in 2009. The main variations were due to the contractual investments at Ecopistas and the higher investments at EcoRodovias Concessões to modernize and improve the IT system of the operational and administrative areas. In the logistics sector, the investments made in 2010 totaled R$30.5 million, which represents a decrease of 49.3% from 2009, given the conclusion of infrastructure works at Ecopátio Cubatão and Ecopátio Imigrantes in 2009.

CAPEX

(R$MILLION)	2010	2009	CHG.
Highway Concessionaires			
Ecovias dos Imigrantes	52.2	66.9	-21.9%
Ecopistas	107.3	41.1	161.2%
Ecovia Caminho do Mar	25.8	21.4	20.5%
Ecocataratas	3.8	1.9	97.6%
Ecosul – Rodovias do Sul	19.1	23.9	-20.2%
EcoRodovias Conc. e Serviços	7.2	1.9	269.4%
Total	**215.4**	**157.1**	**37.1%**
Logistics			
Ecopátio Logística Cubatão	6.9	22.8	-69.8%
Ecopátio Bracor Imigrantes	10.3	37.4	-72.5%
Elog	13.4	-	nm
Total	**30.6**	**60.2**	**-50.8%**
Holding e STP			
Holding e STP	**8.7**	**8.1**	**7.0%**
CONSOLIDATED	**254.7**	**225.4**	**13%**

DIVIDENDS

For 2010, the Company proposed the payment of supplementary dividends of R$145.5 million, which, together with the interim dividend and interest on equity that were paid in advance on December 20, 2010, totals R$274.0 million, equivalent to 50% of net income in the period. The proposal is subject to approval by the Annual General Meeting.

CORPORATE GOVERNANCE

EcoRodovias is committed to adopting best corporate governance practices, with the efficiency and transparency of management and the goal of creating value for our shareholders, since the objective is to make decisions based on the best interests of the company over the long term.

We follow the practices recommended by the "Code of Best Corporate Governance Practices" of the Brazilian Corporate Governance Institute (IBGC), which include: the Code of Business Conduct approved by the Board of Directors; transparency in the disclosure of results; the positions of the chairman of the board of directors and the chief executive officer held by different people; the hiring of independent auditors to analyze the balance sheets and financial statements; the use of the arbitration chamber to resolve corporate conflicts; and a policy for the disclosure and safeguarding of information.

The Board of Directors is formed by seven members, of whom one is independent, with unified terms of two years. The Board of Directors is supported by the Audit, Evaluation and Compensation, Ethics, Corporate Sustainability and Governance committees.

The company's management is not related to the controlling shareholders and exercises a professional and shared management in its systematic pursuit of consensus among all members, strengthening its concept as the collegiate decision-making body.

PEOPLE MANAGEMENT

In 2010, EcoRodovias achieved the right to remain for yet another year in the select group of businesses recognized by the market for their excellence in people management. For the second straight year, the company figured among the best 150 companies to work for in Brazil, according to survey conducted by Exame/Você S.A. magazine and the 50 best companies in the Organizational Human Development Index. The Human Resources area prioritizes programs that seek the wellbeing of employees, such as the Leader Development Program, which promotes the development of competencies in its employees.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

Through practices and concepts established in Social Responsibly Policy approved by the Board of Directors, EcoRodovias adopted initiatives that represent effective contributions to the social and cultural development of various stakeholders, with an emphasis on surrounding communities, users and employees.

One of the highlights of these social and environmental responsibility programs is Ecoviver, a program that adopts a multidisciplinary approach to raise awareness among the children and adolescents at public schools in the municipalities situated near the highways operated by the group concerning the need to properly dispose of and recycle waste. Since 2006, when it was created, the project has already provided services to some 151,000 children in more than 18 cities in the states where EcoRodovias operates.

RELATIONSHIP WITH THE AUDITORS

In accordance with CVM Rule 381/2003, we inform that in the fiscal year ended December 31, 2010, Deloitte Independent Auditors provided the following services: Audit services for the parent company and consolidated financial statements prepared in accordance with generally accepted accounting principles in Brazil; Review of internal controls; Special Review of the Quarterly Information prepared in accordance with generally accepted accounting principles in Brazil; and accounting audits of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The Company also contracted the services of its auditors for the initial public offering process.

São Paulo, March 22, 2011

The Management

BALANCE SHEETS

AS OF DECEMBER 31, 2010 AND 2009 AND AS OF JANUARY 1, 2009
(IN THOUSANDS OF BRAZILIAN REAIS – R$)

		Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
ASSETS	NOTE	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
CURRENT ASSETS							
Cash and cash equivalents	6	370.287	17.522	6.875	872.654	389.524	53.375
Marketable securities	7	–	–	–	29.800	30.070	9.128
Trade accounts receivable	8	–	–	–	127.722	91.176	63.065
Recoverable taxes	9	12.288	4.285	4.368	21.851	6.553	4.564
Dividends and interest on capital		4.787	87.845	39.503	–	–	–
Escrow deposits	11	8.398	7.866	7.185	8.398	7.866	7.185
Prepaid expenses	10	–	118	–	6.995	6.023	3.546
Other receivables		884	203	271	9.460	5.134	2.420
Total current assets		396.644	117.839	58.202	1.076.880	536.346	143.283
NONCURRENT ASSETS							
Deferred income tax and social contribution	17.a	–	–	–	72.937	66.329	63.546
Escrow deposits	11	–	–	–	6.130	3.484	3.224
Indemnity assets	12	–	–	–	2.870	–	–
Related parties	23	33	31	126	260	–	–
Other receivables		–	–	–	3.882	–	–
Prepaid expenses	10	–	–	–	1.378	–	389
Investments:							
In subsidiaries	13	1.394.503	502.315	500.817	–	–	2.656
Goodwill	13	7.833	8.347	350.763	–	–	–
Investment properties	14	–	–	–	43.599	42.728	5.310
Property, plant and equipment	15	2.657	2.870	2.624	218.694	190.801	155.823
Intangible assets	16	7.921	8.454	350.872	2.739.146	2.234.663	1.628.704
Total noncurrent assets		1.405.114	513.670	854.439	3.088.896	2.538.005	1.859.652
TOTAL ASSETS		1.801.758	631.509	912.641	4.165.776	3.074.351	2.002.935

The accompanying notes are an integral part of these financial statements.

BALANCE SHEETS

AS OF DECEMBER 31, 2010 AND 2009 AND AS OF JANUARY 1, 2009
(IN THOUSANDS OF BRAZILIAN REAIS – R$)

		Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
LIABILITIES AND SHAREHOLDERS' EQUITY	NOTE	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
CURRENT LIABILITIES							
Trade accounts payable		1.229	391	289	97.202	82.866	66.033
Accounts payable – acquisition of companies	19	–	–	–	88.025	–	–
Loans and financing	20	–	–	361.713	450.241	484.521	446.091
Leasing	21	–	–	–	1.344	629	421
Debentures	22	–	–	–	316.995	128.011	16.517
Taxes, rates and contributions payable	18	25	223	352	21.757	14.481	11.983
Social security charges	27	4.849	4.156	3.761	28.663	17.691	14.470
Tax Debt Refinancing Program – PAES		–	–	–	281	439	272
Related parties	23	–	–	–	400	3.628	12.433
Concession fees payable	26	–	–	–	15.205	322.177	13.381
Provision for income tax and social contribution		–	–	–	15.266	14.129	12.787
Dividends payable	29.g	3.310	–	–	3.310	–	–
Provision for maintenance	24	–	–	–	24.337	58.238	39.416
Provision for future construction work	25	–	–	–	10.143	–	–
Other accounts payable		8.365	8.095	93	39.802	24.924	9.820
Total current liabilities		17.778	12.865	366.208	1.112.971	1.151.734	643.624
NONCURRENT LIABILITIES							
Loans and financing	20	–	–	–	123.505	95.100	75.373
Leasing	21	–	–	–	1.549	1.274	105
Debentures	22	–	–	–	877.686	991.019	506.379
Related parties	23	–	–	72	–	–	–
Tax Debt Refinancing Program – PAES		–	–	–	3.286	724	617
Advances from customers		–	–	–	6.769	4.345	4.883
Deferred income tax and social contribution	17.a	2.777	–	–	17.629	5.138	6.387
Reserve for tax, labor and civil contingencies	28	–	–	–	47.679	24.827	21.963
Provision for maintenance	24	–	–	–	120.517	103.346	122.825
Provision for future construction work	25	–	–	–	6.886	15.431	4.682
Concession fees payable	26	–	–	–	59.432	59.681	66.307
Total noncurrent liabilities		2.777	–	72	1.264.938	1.300.885	809.521
SHAREHOLDERS' EQUITY							
Capital	29.a	1.320.549	466.699	466.699	1.320.549	466.699	466.699
Revenue reserve – legal	29.e	71.600	44.203	34.583	71.600	44.203	34.583
Capital reserve	29.i	31.149	–	–	31.149	–	–
Dividends reserve	29.g	357.905	150.099	107.335	357.905	150.099	107.335
Accumulated losses		–	(42.357)	(62.256)	–	(42.357)	(62.256)
Attributable to owners		1.781.203	618.644	546.361	1.781.203	618.644	546.361
Noncontrolling interests		–	–	–	6.664	3.088	3.429
Total shareholders' equity		1.781.203	618.644	546.361	1.787.867	621.732	549.790
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1.801.758	631.509	912.641	4.165.776	3.074.351	2.002.935

The accompanying notes are an integral part of these financial statements.

STATEMENT OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
(IN THOUSANDS OF BRAZILIAN REAIS – R$, EXCEPT BASIC/DILUTED EARNINGS PER SHARE)

		Company (BR GAAP)		Consolidated (IFRSs and BR GAAP)	
	NOTE	31/12/10	31/12/09	31/12/10	31/12/09
NET REVENUE	31	–	–	1.427.608	1.127.566
COST OF SERVICES	32	–	–	(623.618)	(490.932)
GROSS PROFIT		–	–	803.990	636.634
OPERATING INCOME (EXPENSES)					
Personnel	32	(19.416)	(13.476)	(56.651)	(47.673)
Operational, general and administrative expenses	32	(18.630)	(32.376)	(75.672)	(59.539)
Equity in subsidiaries	13	344.979	291.478	–	–
Other revenues, net	5	239.399	363	297.778	943
OPERATING INCOME BEFORE FINANCIAL INCOME (EXPENSES)		546.332	245.989	969.445	530.365
FINANCIAL INCOME (EXPENSES)	33	59.078	2.804	90.551	26.064
Financial income	33	(1.956)	(36.501)	(290.011)	(200.371)
Financial expenses					
OPERATING INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		603.454	212.292	769.985	356.058
INCOME TAX AND SOCIAL CONTRIBUTION					
Current	17.c)	(10.382)	–	(165.140)	(140.144)
Deferred	17.c)	(2.777)	–	(10.806)	(731)
		(13.159)	–	(175.946)	(140.875)
NET INCOME FOR THE YEAR		590.295	212.292	594.039	215.183
ATTRIBUTABLE TO					
Owners		590.295	212.292	590.295	212.292
Non-controlling interest		3.744	2.891	3.744	2.891
		594.039	215.183	594.039	215.183
EARNINGS PER SHARE (IN R$) – BASIC	34	1.12	0.45	1.12	0.45
EARNINGS PER SHARE (IN R$) – DILUTED	34	1.12	0.45	1.12	0.45

Comprehensive income (loss):
The Company does not have transactions which would require the presentation of the statement of comprehensive income (loss).
The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
(IN THOUSANDS OF BRAZILIAN REAIS – R$, EXCEPT FOR VALUE PER SHARE)

	Attributable to subsidiary's shareholders					
	NOTE	CAPITAL	CAPITAL	LEGAL	RETAINED	RETAINED EARNINGS (ACCUMULATED LOSSES)
BALANCES AS OF JANUARY 1, 2009		466.699	–	34.583	107.335	(62.256)
Effect of non-controlling interest in subsidiaries		–	–	–	–	–
Realization of retained earnings reserve						
Dividends distributed (R$0.10 per share)		–	–	–	(46.409)	–
Dividends distributed (R$0.06 per share)		–	–	–	(27.513)	–
Net income for the year		–	–	–	–	212.292
Allocation of net income:						
Legal reserve		–	–	9.620	–	(9.620)
Revenue reserve		–	–	–	86.576	(86.576)
Interim dividends (R$0.14 per share)		–	–	–	–	(66.087)
Proposed dividends (R$0.06 per share)		–	–	–	30.110	(30.110)
BALANCES AS OF DECEMBER 31, 2009		466.699	–	44.203	150.099	(42.357)
Effect of non-controlling interest in subsidiaries		–	–	–	–	–
Capital increase	29.c)	874.000	–	–	–	–
Funding costs	29.d)	(20.150)	–	–	–	–
Stock option issuance premium	29.h)	–	324	–	–	–
Realization of retained earnings reserve						
Dividends distributed (R$0.21 per share)	29.f)	–	–	–	(119.989)	–
Dividends distributed (R$0.06 per share)		–	–	–	(30.110)	–
Net income for the year						
Allocation of net income:		–	–	–	–	590.295
Capital reserve	29.i)	–	30.825	–	–	(30.825)
Legal reserve	29.e)	–	–	27.397	–	(27.397)
Revenue reserve – capital budget	29. f)	–	–	–	215.747	(215.747)
Reserve for dividends	29. f)				142.158	(142.158)
Interim dividends (R$0.21 per share)	29.g)	–	–	–	–	(117.327)
Interest on capital (R$0.02 per share)	29.g)	–	–	–	–	(11.174)
Additional mandatory dividends (R$0.01 per share)	29.g)	–	–	–	–	(3.310)
BALANCES AS OF DECEMBER 31, 2010		1.320.549	31.149	71.600	357.905	–

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
(IN THOUSANDS OF BRAZILIAN REAIS – R$, EXCEPT FOR VALUE PER SHARE)

	SHAREHOLDERS' EQUITY OF CONTROLLING SHAREHOLDERS	NON-CONTROLLING INTEREST IN SHAREHOLDERS' EQUITY OF SUBSIDIARIES	CONSOLIDATED SHAREHOLDERS' EQUITY
BALANCES AS OF JANUARY 1, 2009	546.361	3.429	549.790
Effect of non-controlling interest in subsidiaries	–	(3.232)	(3.232)
Realization of retained earnings reserve			
Dividends distributed (R$0.10 per share)	(46.409)	–	(46.409)
Dividends distributed (R$0.06 per share)	(27.513)	–	(27.513)
Net income for the year	212.292	2.891	215.183
Allocation of net income:			
Legal reserve	–	–	–
Revenue reserve	–	–	–
Interim dividends (R$0.14 per share)	(66.087)	–	(66.087)
Proposed dividends (R$0.06 per share)	–	–	–
BALANCES AS OF DECEMBER 31, 2009	618.644	3.088	621.732
Effect of non-controlling interest in subsidiaries	–	(168)	(168)
Capital increase	874.000	–	874.000
Funding costs	(20.150)	–	(20.150)
Stock option issuance premium	324	–	324
Realization of retained earnings reserve			
Dividends distributed (R$0.21 per share)	(119.989)	–	(119.989)
Dividends distributed (R$0.06 per share)	(30.110)	–	(30.110)
Net income for the year			
Allocation of net income:	590.295	3.744	594.039
Capital reserve	–	–	–
Legal reserve	–	–	–
Revenue reserve – capital budget	–	–	–
Reserve for dividends			
Interim dividends (R$0.21 per share)	(117.327)	–	(117.327)
Interest on capital (R$0.02 per share)	(11.174)	–	(11.174)
Additional mandatory dividends (R$0.01 per share)	(3.310)	–	(3.310)
BALANCES AS OF DECEMBER 31, 2010	1.781.203	6.664	1.787.867

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
(IN THOUSANDS OF BRAZILIAN REAIS – R$)

	Company (BR GAAP)		Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09	12/31/10	12/31/09
CASH FLOW FROM OPERATING ACTIVITIES				
Income before income tax and social contribution	603.454	212.292	769.985	356.058
Adjustments to reconcile net income before income tax and social contribution with net cash provided by (used in) operating activities:				
Depreciation and amortization	850	16.383	140.445	111.622
Goodwill amortization in investments	221	4.373	–	–
Stock based compensation	324	–	324	–
Write-off of property, plant and equipment and intangible assets	–	–	5.511	364
Financial charges and inflation variation on loans, financing and debentures	–	32.185	223.755	134.837
Inflation variation with Concession Grantor	–	–	29.773	20.685
Reserve for tax, labor and civil contingencies, escrow deposits and inflation adjustment	–	–	20.984	9.284
Realization of adjustment at present value of the provision for maintenance and provision for construction	–	–	1.599	1.449
Provision for maintenance and inflation adjustment	–	–	64.153	54.965
Income on securities	–	–	(1.624)	(1.362)
Goodwill in subsidiary	–	–	(239.015)	–
Investments in subsidiaries	(569.452)	(54.897)	–	2.656
Equity in subsidiaries	(344.979)	(291.478)	–	–
Increase (decrease) in operating assets:				
Trade accounts receivable	–	–	(17.022)	(28.111)
Related parties	–	95	–	–
Recoverable taxes	(8.003)	83	(14.917)	(1.989)
Prepaid expenses	118	(118)	60	(2.477)
Escrow deposits	(532)	(681)	(577)	(347)
Indemnity assets	–	–	(18.272)	–
Other receivables	(681)	68	17.583	(2.715)
Increase (decrease) in operating liabilities:				
Trade accounts payable	838	102	6.930	16.833
Social security charges	693	395	3.037	3.221
Taxes, rates and contributions payable	(198)	(129)	5.851	2.498
Related parties	–	(72)	(3.738)	(8.805)
Reserve for tax, labor and civil contingencies	–	–	(6.526)	(5.934)
Provision for maintenance	–	–	(80.883)	(55.620)
Other accounts payable	269	8.003	7.631	15.201
Interest paid	–	–	(199.746)	(108.571)
Income tax and social contribution paid	(10.383)	–	(166.124)	(138.802)
Net cash provided by (used in) operating activities	(327.461)	(73.396)	549.177	374.940

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
(IN THOUSANDS OF BRAZILIAN REAIS – R$)

	Company (BR GAAP)		Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09	12/31/10	12/31/09
CASH FLOW FROM INVESTING ACTIVITIES				
Dividends received	105.080	224.582	–	–
Assets received on new acquisitions – Armazéns Gerais Columbia and Eadi Sul	–	–	(116.307)	–
Acquisition of investment properties	–	–	(10.293)	(37.418)
Elog assignment	–	–	13.497	–
Acquisition of property, plant and equipment and intangible assets	(104)	(530)	(244.389)	(457.142)
Noncontrolling interest	–	–	(168)	(3.232)
Disposal of property, plant and equipment	–	–	–	(275)
Net cash provided by (used in) investing activities	104.976	224.052	(357.660)	(498.067)
CASH FLOW FROM FINANCING ACTIVITIES				
Capital increase	874.000	–	874.000	–
Funding costs from public offering	(20.150)	–	(20.150)	–
Assignment creditor	–	–	(336.994)	(10.584)
Marketable securities	–	–	1.894	(19.580)
Loans, financing and debentures – third parties	–	–	990.889	2.189.368
Payment of loans and financing	–	–	(943.487)	(1.559.919)
Dividends and interest on capital	(278.600)	(140.009)	(278.600)	(140.009)
Net cash provided by (used in) financing activities	575.250	(140.009)	287.552	459.276
Net cash effect from acquisition of new companies	–	–	4.061	–
INCREASE IN CASH AND CASH EQUIVALENTS	352.765	10.647	483.130	336.149
Cash and cash equivalents at the beginning of the year	17.522	6.875	389.524	53.375
Cash and cash equivalents at the end of the year	370.287	17.522	872.654	389.524
INCREASE IN CASH AND CASH EQUIVALENTS	352.765	10.647	483.130	336.149

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF VALUE ADDED

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
(IN THOUSANDS OF BRAZILIAN REAIS – R$)

	Company (BR GAAP)		Consolidated (IFRSs e BR GAAP)	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
REVENUES				
Toll	–	–	1.233.260	997.148
Construction	–	–	174.700	124.867
Other	–	363	120.287	80.241
INPUTS ACQUIRED FROM THIRD PARTIES (including ICMS, IPI, PIS and Cofins)				
Cost of services	–	–	(368.198)	(334.842)
Deductions and discounts	–	–	(4.062)	–
Materials, electric energy, third-party services and other	(17.559)	(12.806)	(116.077)	(49.032)
GROSS VALUE ADDED	(17.559)	(12.443)	1.039.910	818.382
DEPRECIATION AND AMORTIZATION	(1.071)	(20.756)	(140.445)	(111.622)
WEALTH CREATED (CONSUMED) BY THE COMPANY	(18.630)	(33.199)	899.465	706.760
WEALTH RECEIVED IN TRANSFER				
Financial income	59.078	2.804	90.551	26.064
Equity in subsidiaries	344.979	291.478	–	–
Other operating revenues (expenses)	239.399	–	297.778	–
	643.456	294.282	388.329	26.064
WEALTH FOR DISTRIBUTION	624.826	261.083	1.287.794	732.824
DISTRIBUTION OF WEALTH	624.826	261.083	1.287.794	732.824
Personnel:	19.416	13.400	131.220	107.795
Direct compensation	17.964	11.931	110.903	88.909
Benefits	998	933	15.666	14.308
FGTS	454	536	4.651	4.578
Taxes, rates and contributions:	13.159	2.543	272.524	239.778
Federal	13.159	2.542	238.325	214.622
Municipal	–	1	34.199	25.156
Third parties:	1.956	32.848	290.011	172.959
Interest	–	32.185	175.121	164.453
Rental	1.956	663	114.890	8.506
Shareholders:	590.295	212.292	594.039	212.292
Dividends	–	96.197	–	96.197
Noncontrolling interest	–	–	3.744	–
Withhold income tax for the year	590.295	116.095	590.295	116.095

The accompanying notes are an integral part of these financial statements.

1. OPERATIONS

EcoRodovias Infraestrutura e Logística S.A. ("EcoRodovias" or "Company") is a publicly-held company headquartered in São Paulo, listed on São Paulo Stock Futures and Commodities Exchange (BM&FBovespa S.A.). The Company started operations on November 7, 2000 to engage in intermodal logistics assets, by operating highway concessions and performing logistics activities, such as back-up areas, bonded warehouses, distribution centers, port terminals etc., and holding interests in other service providers engaged in similar activities.

EcoRodovias Infraestrutura e Logística S.A. ("EcoRodovias" or the "Company") started its operations on November 7, 2000 and is engaged in operating intermodal logistics assets, by operating highway concessions, and operating logistics activities, such as back-up areas, bonded warehouses, distribution centers, port terminals, etc., and holding interests in other companies engaged services related to its core business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES:

2.1. Statement of compliance (with IFRSs and CPC standards)

The Company's financial statements comprise:

a) The consolidated financial statements prepared in accordance with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board – IASB and the accounting practices adopted in Brazil, identified as Consolidated (IFRSs and BR GAAP).

b) The individual financial statements of the Company have been prepared in accordance with the accounting practices adopted in Brazil and are identified as Company – BR GAAP.

The accounting practices adopted in Brazil comprise the Brazilian Corporate Law and the pronouncements, instructions and interpretations issued by the Accounting Pronouncement Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM).

In the individual financial statements, investments in subsidiaries, joint ventures and associates are stated under the equity method of accounting in accordance with the legislation prevailing in Brazil. Therefore, these individual financial statements do not comply with IFRSs, which requires that these investments be stated at fair value or cost in the Company's separate financial statements.

Since there is no difference between the consolidated shareholders' equity and the consolidated net income attributable to the Company's shareholders recorded in the consolidated financial statements prepared under IFRSs and the accounting practices adopted in Brazil and the Company's shareholders' equity and net income recorded in the individual financial statements prepared in accordance with the accounting practices adopted in Brazil, the Company opted to present the individual and consolidated financial statements together.

2.2. Basis of preparation

The financial statements have been prepared based on the historical cost, except if otherwise stated, as described in the accounting practices below. The historical cost is generally based on the fair value of the payments made for the assets.

These consolidated financial statements are the first financial statements prepared in accordance with the International Financial Reporting Standards (IFRSs). In preparing the individual financial statements, the Company adopted the new accounting practices adopted in Brazil introduced by CPC technical pronouncements 15 to 40. The effects of adopting IFRSs and these new pronouncements issued by the CPC are discussed in Note 4.

2.3. Functional and reporting currency

Items included in the financial statements of the Company and each one of the subsidiaries included in the consolidated financial statements are measured using the currency of the main economic environment in which the companies operate ("functional currency"). The consolidated financial statements are presented in Brazilian reais (R$), which is the Company's functional currency.

2.4. Basis of consolidation and valuation of investments

a) Investments in subsidiaries (Company)

In the individual financial statements (Parent), the Company measures and states investments in subsidiaries under the equity method.

b) Investments in subsidiaries

The Company fully consolidated the financial statements of all subsidiaries. Control is evidenced when the Company holds directly or indirectly the majority of the voting rights of an entity at the Annual Shareholders' Meeting or has the power to establish the financial and operating policies of an entity so as to obtain the benefits from its activities. In situations where the Company substantially holds the control over other entities established for a specific purpose, although it does not hold the majority of the voting rights, these entities are consolidated under the full consolidation method. The interest of third parties in the subsidiaries' shareholders' equity and net income is presented as a component of the consolidated shareholders' equity and in the consolidated statement of income in line item "Non-controlling interest", respectively.

c) Investments in jointly controlled entities and joint ventures

Jointly controlled entities and joint ventures are those where the control is exercised by the Company and one or more shareholders or partners. Investments in jointly controlled entities are recognized under the proportionate consolidation method, when the joint control is acquired. Under this method, financial investments in jointly controlled entities are recognized in the consolidated balance sheet, proportionally to the Company's assets, liabilities and net income.

d) Recognition of investment at fair value due to loss of control

When the Company loses the control over a subsidiary, the gain or loss from the disposal of control is calculated based on the difference between: (i) the sum of the fair value of considerations received and the fair value of the residual interest; and (ii) the prior-year balance of the subsidiary's assets (including goodwill) and liabilities and non-controlling interests, if any. The fair value of any investment in the former subsidiary on the date of loss of control is considered as the fair value on initial recognition to be subsequently accounted for, or, when applicable, as cost on initial recognition of an investment in an affiliate or jointly-owned subsidiary.

2.5. Business combination

Acquisitions as of or after January 1, 2009

For acquisitions made as of or after January 1, 2009, the Company measures goodwill as the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquired company, less the net recognized amount (fair value) of identifiable assets and liabilities, all measured as of the acquisition date. When the excess amount is negative, a gain arising from the purchase agreement is immediately recognized in profit or loss for the period.

For each business combination, the Company elects whether it will measure the non-controlling interest at its fair value or the proportional non-controlling interest in the identifiable net assets, on the acquisition date.

Transaction costs, except for those associated with the issuance of debt or equity instruments, incurred by the Company in a business combination, are recognized as expenses as incurred.

Acquisitions prior to January 1, 2009:

As part of the transition to the IFRSs and CPCs, the Company elected not to restate business combinations prior to January 1, 2009. For acquisitions prior to January 1, 2009, the goodwill corresponds to the amount recognized under the previously adopted accounting practices. This goodwill was allocated as part of the intangible asset of the concession and amortized based on the criteria described in note 2.9.

Treatment of acquisitions in the individual financial statements

In the individual financial statements, the Company applies the requirements of ICPC 09, which requires that any amount in excess of the acquisition cost on the Company's interest in the fair value of identifiable assets, liabilities and contingent liabilities of the acquired company on the acquisition date is recognized as goodwill. The goodwill is added to the carrying amount of the investment. Any amount of the Company's interest in the fair value of identifiable assets, liabilities and contingent liabilities in excess of the acquisition cost, after revaluation, is immediately recognized as profit or loss. The considerations transferred, as well as the net fair value of the assets and liabilities are measured by using the same criteria applicable to the consolidated financial statements, as described above.

2.6. Financial assets

Financial assets are classified in the following categories: financial assets measured at fair value through profit or loss; held-to-maturity financial assets; available-for-sale financial assets; and loans and receivables. Classification is made according to the nature and purpose of the financial assets and is determined upon initial recognition.

As of December 31, 2010 and 2009 and January 1, 2009, the Company had financial assets classified as financial assets at fair value through profit or loss and loans and receivables.

a) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets classified by the Company as receivables comprise mainly cash and cash equivalents, trade accounts receivable and other receivables and escrow deposits. These assets are measured at amortized cost using the effective interest method, less impairment losses. Interest income is recognized by applying the effective interest rate method, except for short-term receivables when the recognition of interest would be immaterial.

For classification as cash and cash equivalents, the Company considers and evaluates instruments, whose balances do not materially differ from fair values, redeemable in up to 90 days from the investment date or highly-liquid or convertible into a known amount of cash, subject to immaterial risk of change in value, which are recorded at cost plus income earned through the balance sheet dates, not exceeding market or realizable values.

b) Short-term investments (marketable securities)

Financial assets measured at fair value through profit or loss:

The financial assets measured at fair value through profit or loss are held-for-trading financial assets when acquired for such purpose, principally in the short term. Assets in this category are classified in current assets.

Short-term investments held for trading:

Comprise investments in certain financial assets classified when contracted to be held to maturity, which are measured at cost, plus income earned according to contractual terms and conditions.

c) Impairment of financial assets

Financial assets are tested for impairment on each balance sheet date to identify if they are impaired. They are considered as impaired if there is evidence that one or more events occurred after the initial recognition of the financial asset, with an impact on the estimated future cash flows of the financial asset.

2.7. Property, plant and equipment

Land is not depreciated. Buildings, furniture and fixtures and equipment are stated at cost, less accumulated depreciation and impairment losses.

The depreciation is recognized based on the estimated useful life of each asset on a straight line basis, in order to assure that its cost value less its residual value after completion of its useful life is fully offset (except for land and constructions in progress). The estimated useful life, the residual values and the depreciation methods are reviewed on each balance sheet date and the effects from any change in the estimates are recorded on a prospective basis.

Assets held through financial lease are depreciated over their expected useful lives, likewise own assets, or for a lower period, if applicable, pursuant to the terms of the lease agreement.

An item of property, plant and equipment is offset upon disposal or when there is no future economic benefits resulting from its continuous use. Any gain or loss from the sale or offset of an item of property, plant and equipment is determined by the difference between the sales amount received and the carrying value of the asset sold, recognized in the statement of income.

2.8. Investment properties

Investment properties are represented by land, buildings and construction in progress held to earn rentals and/or for capital appreciation, as disclosed in Note 14.

Investment properties are stated at acquisition or construction cost, less accumulated depreciation, calculated on on the straight-line basis at rates that take into consideration the estimated economic useful lives of assets.

Costs on investment properties in use, such as maintenance, repair, insurance and property taxes, are recognized as cost in the statement of income for the year to which they refer.

The investment property is written off after sale or when it is permanently unavailable for use and there are no future economic benefits arising from the sale. Any gain or loss from the write-off of the property (calculated as the difference between net revenue from sales and the carrying amount of the asset) is recognized in income for the year in which the property is written off.

The Company and its subsidiaries engage yearly specialized and independent experts to determine the fair value of the investment properties based on the assumptions described previously.

2.9. Intangible assets

The Company recognizes an intangible asset arising from the service concession arrangement when it has the right to charge for the use of the concession infrastructure. The intangible asset received as compensation for the provision of construction or improvement services in a service concession arrangement is measured at the fair value, upon its initial recognition. After initial recognition, the intangible asset is measured at cost, which includes, when applicable, the costs of capitalized borrowings, less accumulated amortization and impairment losses.

The amortization of intangible assets arising from the concession rights is recognized in income through the projected traffic curve for the concession period as from the date in which they are available for use, since this method best reflects the future economic benefit consumption pattern incorporated to the asset.

Goodwill allocated to concession rights, as well as those related but not directly allocated to the concession or other assets and liabilities, and whose economic benefit is limited to the time (defined term) in view of the concession right with definite useful live, comprising the balance of intangible assets are amortized based on the same criteria described in the preceding paragraph.

Software systems are stated at acquisition cost and amortization is recorded for a period of up to five years on a straight-line basis.

2.10. Goodwill (assets with indefinite useful lives)

Goodwill was allocated, for impairment test purposes, to each of the Company's cash-generating units or groups of cash-generating units, provided that they do not exceed the operating segments that will benefit from the business combination synergies. The cash-generating units to which goodwill was allocated are annually tested for impairment or more frequently when there are indications that a CGU may be impaired. If the recoverable value of a cash generating unit is lower that its carrying amount, impairment losses are firstly allocated to write down the carrying amount of any goodwill allocated to this unit and subsequently to the other assets of the unit, prorated to the carrying amount of each of its assets.

Any goodwill impairment loss is directly recognized in profit or loss. Impairment losses cannot be reversed in subsequent periods.

2.11. Allowance for impairment of long-lived assets

Management reviews the carrying amount of long-lived assets, especially property, plant and equipment and intangible assets with long-lived assets (mainly represented by intangible assets in connection with concession agreements), to be held and used in the Company's operations, to determine and assess whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets might not be recovered.

Analyses are performed in order to identify circumstances that could require testing long-lived assets for impairment and measure potential impairment losses. Assets are grouped and tested for impairment based on expected future discounted cash flows over the estimated remaining useful lives of the assets, based on new developments or circumstances. In this case, an impairment loss would be recognized based on the amount by which the carrying amount exceeds the probable recoverable value of a long-lived asset.

The probable recoverable value of an asset is determined as the higher of: (a) estimated sales value of assets less estimated costs of sale; and (b) its value in use, determined by the estimated present value of future cash flows of the asset or cash-generating unit.

2.12. Financial liabilities

Non-derivative financial instruments

The Company's and its subsidiaries' financial liabilities are represented mainly by trade accounts payable, finance lease and loans and financing, including debentures. These are stated at cost plus contractual financial charges, which comprise interest and inflation adjustment or exchange rate change. These are recognized at fair value, less transaction costs incurred, when applicable, and subsequently measured at amortized cost under the effective interest rate method.

Derivatives

The Company has derivatives to manage its exposure to interest rate, currency and index swap risks. Note 36 includes more detaled information on derivatives. Derivatives are initially recognized at fair value on the contracting date and subsequently remeasured at fair value at year-end. Possible gains or losses are recognized immediately in the statement of income, unless the derivative is designated and effective as hedge instrument; in this case, the time of recognition in profit or loss depends on the nature of the hedge relationship.

For the period presented in the financial statements there was no designation as hedge instrument.

They are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.13. Leasing

Leases are classified as finance leases whenever the terms of the lease agreement transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other Company's leases are classified as operating leases.

2.14. Taxation

Current taxes

The provision for income tax and social contribution is based on taxable income for the year. Taxable income differs from net income stated in the consolidated comprehensive statement of income because it excludes income or expenses taxable or deductible in other years, as well as permanently nontaxable or nondeductible items. The provision for income tax is calculated individually by each EcoRodovias Group company, based on the rates effective at year-end. Due to the application of the Transition Tax Regime (RTT), there are no effects relating to the application of the CPCs recorded in current taxes.

Deferred taxes

Deferred income tax ("deferred tax") is recognized on temporary differences at the balance sheet date between the asset and liability balances recorded in the financial statements and the respective tax basis adopted for the calculation of taxable income, including tax losses, when applicable. Deferred tax liabilities are usually recognized on all temporary taxable differences and deferred tax assets are recognized on all temporary deductible differences, only when it is probable that the Company will present future taxable income in a sufficient amount so that these deductible temporary differences can be utilized. Deferred tax assets or liabilities are not recognized on temporary differences arising from goodwill or initial recognition (except for business combinations, if applicable) of other assets and liabilities in a transaction that does not affect taxable or book income.

The recovery of the deferred tax asset balance is reviewed at the balance sheet date and, when it is no longer probable that future taxable income will be available to allow the recovery of all or part of assets, the asset balance is adjusted based on the expected recoverable amount.

Deferred tax assets and liabilities are measured based on the rates applicable for the period on which the liability is expected to the offset or the asset is expected to be realized, based on the rates set forth in the tax legislation effective on each balance sheet date, or upon approval of a new legislation. The measurement of deferred tax assets and liabilities reflects the tax effects expected by the EcoRodovias Group, on each balance sheet date, to recover or offset the carrying amount of these assets and liabilities.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred income tax assets and liabilities are related to the taxes managed by the same tax authorities, and when EcoRodovias Group has the intention to settle the net amount of its current tax assets and liabilities.

Service revenues are subject to cumulative Services Tax (ISS), Social Integration Program (PIS) and Tax on Revenue (Cofins). PIS and COFINS are recorded as a deduction from gross operating revenue in the statement of income and ISS is recorded as a deduction from costs and services.

2.15. Provisions

The provisions are recognized based on actual obligations (legal or presumed) from past events, based on which the amounts can be reasonably determined and the settlement of which is probable.

The amount recognized as provision is the best estimate of the amounts required to offset the obligations on each balance sheet date, considering the risks and uncertainties inherited to such obligations. When the provision is measured based on the cash flows estimated to offset the obligations, its carrying value is equivalent to the present value of these cash flows.

When some or all of the economic benefits required to settle a provision is expected to be reimbursed by another party, the asset will be recognized when, and only when, it is virtually certain that reimbursement will be received and the amount can be reliably measured.

Reserve for tax, labor and civil contingencies

The reserves for legal contingencies are recognized when the Company and its subsidiaries have a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and its present value can be reliably estimated. Reserves are quantified at the present value of the expected disbursement to settle the obligation using the appropriate discount rate, according to related risks.

Adjusted through the balance sheet date for the probable loss amount, according to the nature of each contingency and based on the opinion of the legal counsel of the Company and its subsidiaries. The bases for and nature of the reserves for tax, civil, and labor contingencies are described in note 28.

Allowance for doubtful accounts

The allowance for loan losses is recognized based on receivables past due over 90 days, based on historical loss experience.

2.16. Other current and noncurrent liabilities

Stated at known or estimated amounts, plus the related charges, inflation adjustments and exchange rate changes, when applicable, incurred through the balance sheet date.

2.17. Benefits to employees – stock options

The Company and its subsidiaries offer to employees stock-options plans, settled with the shares of the Company and its subsidiaries, under which the Company receives services in exchange for the stock options granted.

The stock-options plan for Company's employees and other service providers is measured at the fair value of equity instruments on the grant date. The details on the fair value of these plans are described in note 29.h).

The fair value of options granted set on grant date is recognized on a straight-line basis as expenses in income for the year over the vesting period, based on the Company's estimates on which options granted will become eventually vested, with a corresponding increase in shareholders' equity. At the end of each reporting period, the Company reviews its estimates on the number of equity instruments that will be acquired. The impact of the review of the original estimates, if any, is recognized in income (loss) for the period, so that the accumulated expense reflects the estimates reviewed including the corresponding adjustment to shareholder's equity under the line item "Reserve" that recorded the benefit to employees.

2.18. Revenue recognition

Revenues and expenses are determined on the accrual basis, including:

a) Toll revenues are recognized as users pass through the toll plaza, and logistics revenues are recognized when trucks use the courtyard or when empty containers are handled, stored or repaired.

b) Revenues from advance sales of toll coupons are recorded as "Deferred revenue" in current liabilities under the caption "Other payables" and are recognized as revenue in income as users pass through the toll plaza.

c) Revenue related to improvements or construction works under the service concession arrangement is recognized based on the percentage of completion of the construction performed. Revenues from operation or construction are recognized over the period in which services are provided by the Company. When the Company provides more than one service under a service concession arrangement, the compensation received is allocated by reference to the fair values of the services delivered.

2.19. Financial income (expenses)

Refer to interest, inflation adjustments and exchange rate fluctuations arising on short-term investments, escrow deposits, loans and financing, as shown in note 33.

2.20. Dividends and interest on capital

The proposed distribution of dividends and interest on capital made by the Company's management that does not exceed mandatory minimum dividends is recognized as liability in line item "Dividends and interest on capital payable" as it is considered a legal obligation under the Company's bylaws; however, the portion of dividends exceeding mandatory minimum dividends, approved by management after the reporting period but before the issuance of the financial statements is authorized, is recognized in line item "Proposed additional dividends" and their effects are disclosed in 29.g).

For corporate and accounting purposes, interest on capital is stated as allocation of income directly in shareholders' equity.

2.21. Statement of value added ("DVA")

This statement shows the wealth generated by the Company and its distribution during a specific period and is presented by the Company, as required by the Brazilian Corporate Law, as an integral part of its individual financial statements and supplementary information to the consolidated financial statements, since its is not required nor mandatory under the IFRSs.

The DVA was prepared based on the information obtained from the accounting records used as the basis for the preparation of the financial statements and in accordance with the provisions set forth in the CPC 09 – Statement of Value Added. The first part of the DVA presents the wealth generated by the Company, represented by revenues (gross sales, including the taxes thereon on revenues, other revenues and the effects from allowance for doubtful accounts) and inputs acquired by third parties (sales cost and acquisitions of materials, electric energy and third-party services, including the taxes thereon on the acquisition, the effects from losses and recovery of assets and depreciation and amortization) and the value added received from third parties (equity in subsidiaries, financial income and other revenues). The second part of the DVA presents the wealth distributed amongst personnel, taxes, rates and fees payable, third-party capital compensation and own capital compensation.

2.22. New and revised standards and interpretations issued and not yet adopted

Several standards that change the IFRSs standards and interpretations issued by IASB are not yer effective for the year ended December 31, 2010, as follows:

a) IFRS 9 – Financial Instruments, issued in November 2009 and amended in October 2010, introduces new requirements for the classification, measurement, and derecognition of financial assets and financial liabilities.

b) Amendments to IFRS 7 – Disclosures – Transfer of Financial Assets (equivalent to CPC 40) increase disclosure requirements for transactions involving financial asset transfers.

c) Amendments to IAS 32 – Classification of Rights (equivalent to CPC 39) address the classification of certain rights denominated in foreign currency as equity instrument or financial liability. Amendments to IAS 12 on deferred taxes (recovery of underlying assets): on December 20, 2010, IASB issued the amendment to IAS 12 – Income Taxes, denominated Deferred Tax: Recovery of Underlying Assets". IAS 12 requires that an entity measures deferred taxes related to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale.

d) Amendment to IFRS 1 on the elimination of fixed dates for first-time adopters of IFRS: on December 20, 2010, IASB issued the amendment to IFRS 1 – First-time Adoption of International Financial Reporting Standards (IFRSs) which addresses

the elimination of fixed dates for first-time adopters of IFRS. CPC has not enacted yet the respective pronouncements and amendments to the new and revised IFRSs presented previously. In view of the commitment assumed by CPC and CVM to maintain updated the rules issued based on the changes performed by IASB, these pronouncements and changes are expected to be edited by CPC and approved by CVM up to their mandatory adoption.
The Company's and its subsidiaries' management believes that the application of certain standards above, to be adopted in their financial statements on the effective dates, could impact previously reported amounts. However, it is not possible to provide a reasonable estimate of this effect until a detailed review is made at the time of their adoption.

3. USE OF ESTIMATES AND JUDGMENT

The preparation of the individual and consolidated financial statements pursuant to IFRSs and CPC standards requires Management to make judgments, estimates and assumptions that affect the application of the accounting practices and the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

The information on uncertainties about assumptions and estimates that have a significant risk of resulting in a material adjustment in the next year are mainly related to the following aspects: determination of present value discount rates used to measure certain short-and long-term assets and liabilities and determine the accruals for maintenance, of amortization rates of intangible assets obtained through traffic projection economic studies, of accruals for maintenance, of provisions for future investments arising from concession agreements whose economic benefits are diluted in current tolls, reserves for tax, labor and civil contingencies, losses on trade accouns receivable and preparation of projects for realization of deferred income tax and social contribution, which, although reflecting the judgment of the best estimate by the Company's and its subsidiaries' management concerning the likelihood of future events. Actual results could differ from those estimates.

Estimates and assumptions are reviewed on a continuous basis. Reviews related to the accounting estimates are recognized in the period in which estimates are reviewed and in any affected future periods.

Accounting for concession arrangements
In accounting for concession arrangements, the Company makes analyses involving Management's judgement mainly on the application of the interpretation of concession arrangements, determination and classification of improvement and construction costs as intangible or financial asset and assessment of future economic benefits in order to determine when intangible assets generated under concession arrangements are recognized. The disclosures on each of the Company's concession arrangement and its characteristics are described in note 39.

Recognition of intangible assets
Intangible assets are recognized based on the economic features of the concession arrangement. Any additions to the existing intangible assets will only be accounted for upon completion of services related to infrastructure construction or expansion that have potential to generate additional revenue. In these cases, the construction obligation is not recognized when the concession arrangement is executed but at the time of the construction, against the related intangible asset.

Determination of the annual amortization expense of intangible assets arising from concession arrangements
The Company recognizes the effect of amortization of intangible assets arising from concession arrangements based on the concession term. The calculation is made based on the expected pattern of benefit consumption, which normally arises from the traffic curve. Accordingly, the amortization rate is determined through economic studies seeking to reflect the projected highway traffic growth and future economic benefits arising from each concession arrangement.

The Company makes uses of econometric models to project traffic, which are periodically revaluated by analyzing independent projection variables, such as macroeconomic variables (Gross Domestic Product (GDP), Extended Consumer Price Index (IPCA), General Market Price Index (IGP-M), US dollar, export and import, fuel indices, consumer confidence indices and Consumer Price Index (IPC), sectorial indices (manufacturing and sale of cars and commercial vehicles, farming GDP, industrial GDP, service GDP and ABCR index), commodities (sugar, soybean and soybran, WTI and Brent oil price, loading/unloading of corn cargo, soybean and fertilizers in Paranaguá port), weather (pluviometry and temperature), seasonality (months, number of holidays and date in the week of holiday) and structural variables (new lanes and toll booths). The Company uses over 50 models to study and project traffic in highways under its concession. These projections do not take into account the potential growth in traffic arising from future construction work.

Determination of construction revenue

When the concessionaire provides construction services it must recognize the related revenue at fair value and the related costs transformed into expenses related to the construction service provided, thus, and consequently, calculate the profit margin. In accounting for construction profit margins, Management assesses issues related to the primary responsibility for the provision of construction services, even in the cases in which services are outsourced; costs on works management and/or monitoring; and the EcoRodovias Group's company that performs construction services. All the described assumptions are used for the purpose of determination of the fair value of construction activities. The Company's management understands that construction revenues are accounted for at fair value.

Provision for maintenance under concession arrangements

The accounting for the provision for maintenance, repair and replacements in highways is calculated based on the best estimate of the expense to settle the present obligation at the balance sheet date, as a contra entry to maintenance expenses in the year or recovery of infrastructure at a specified level of operationality. Liabilities, at present value, are progressively recorded and accrued to meet the disbursements to be made during maintenance.

Adjustment to present value of certain assets and liabilities

The effects of the adjustment to present value on certain assets and liabilities comprising the Company's operations are evaluated and recognized based on the time value of money and the related uncertainties. As of December 31, 2010 and 2009 and January 1, 2009, assets and liabilities adjusted to present value, as well as the main assumptions used by Management to measure and recognize them, are as follows:

a) Provision for maintenance and future construction work arising from estimated disbursements to meet the concession contractual obligations whose economic benefits are already accrued by the Company and provision for maintenance arising from estimated costs to meet the concession contractual obligations concerning the use and maintenance of highways at predefined use levels. The measurement of present values of provisions was calculated based on the projected cash flow method on the dates in which the outflow of funds is estimated to occur, to meet the related obligations (estimated over the concession term), and discounted through the application of the discount rate varying from 9.62% to 11.56% per annum. The discount rate used by Management is based on the weighted average of funding in the period.
b) Concession fees obligations arising from obligations incurred by the Company concerning the concession right. The measurement and criteria of related amounts are described in note 26.

4. EFFECTS OF ADOPTION OF IFRS AND NEW PRONOUNCEMENTS ISSUED BY CPC

4.1. Effect on consolidated financial statements (IFRS and BR GAAP)

The consolidated financial statements (identified as Consolidated) for the year ended December 31, 2010 are the first to be presented in conformity with the IFRSs. The Company applied the accounting policies set out in note 2 to all periods presented, which includes the balance sheet as of the transition date, defined as January 1, 2009. For the measurement of the adjustments of the opening balances and in preparing the balance sheet as at the transition date, the Company applied the mandatory exceptions and certain optional exemptions to the retrospective application prescribed by IFRS 1 and CPC 37(R1) First-time Adoption of International Financial Reporting Standards, as described below.

Reconciliations for previous accounting policies are as follows:

BALANCE SHEETS

		As of January 1, 2009 (transition date)			As of 12/31/09 (date of the latest reporting period under previous accounting policies)		
ACCOUNTS	ITEM	PRIOR BR GAAP	EFFECT OF TRANSITION TO IFRSS	IFRSS	PRIOR BR GAAP	EFFECT OF TRANSITION TO IFRSS	IFRSS
Assets							
Current assets:							
Cash and cash equivalents		53,375	–	53,375	389,524	-	389,524
Marketable securities		9,128	–	9,128	30,070	-	30,070
Trade accounts receivable		63,065	–	63,065	91,176	-	91,176
Recoverable taxes		4,564	–	4,564	6,553	-	6,553
Escrow deposits		7,185	–	7,185	7,866	-	7,866
Prepaid expenses		3,546	–	3,546	6,023	-	6,023
Deferred income tax and social contribution		319	(319)	-	389	(389)	-
Other receivables		2,419	–	2,419	5,134	-	5,134
Total current assets		143,601	(319)	143,282	536,735	(389)	536,346
Noncurrent assets:							
Deferred income tax and social contribution	c)	6,930	56,616	63,546	16,912	49,417	65,329
Escrow deposits	b)	1,371	1,853	3,224	1,037	2,447	3,484
Prepaid expenses		389	–	389	-	-	-
Investments		2,656	–	2,656	-	-	-
Investment properties		-	5,311	5,311	-	42,728	42,728
Property, plant and equipment		1,338,749	(1,182,926)	155,823	1,451,755	(1,260,954)	190,801
Intangible assets		402,879	1,225,825	1,628,704	930,508	1,304,155	2,234,663
Total noncurrent assets		1,752,974	106,679	1,859,653	2,400,212	137,793	2,537,005
Total assets		1,896,575	106,360	2,002,935	2,936,947	137,404	3,074,351

ACCOUNTS	ITEM	As of January 1, 2009 (transition date) PRIOR BR GAAP	EFFECT OF TRANSITION TO IFRSS	IFRSS	As of 12/31/09 (date of the latest reporting period under previous accounting policies) PRIOR BR GAAP	EFFECT OF TRANSITION TO IFRSS	IFRSS
Liabilities							
Current liabilities:							
Trade accounts payable		66,033	-	66,033	82,866	-	82,866
Loans and financing		446,091	-	446,091	484,521	-	484,521
Leasing		421		421	629	-	629
Debentures		16,517	-	16,517	128,011	-	128,011
Taxes and fees payable		11,983	-	11,983	14,481	-	14,481
Payroll and related taxes		14,470	-	14,470	17,691	-	17,691
Tax debt refinancing program – PAES		272	-	272	439	-	439
Related parties		12,433	-	12,433	3,628	-	3,628
Concession fee obligations		13,381	-	13,381	322,177	-	322,177
Provision for income tax and social contribution		12,787	-	12,787	14,129	-	14,129
Dividends payable	d)	27,513	(27,513)	-	30,110	(30,110)	-
Dividends to non-controlling shareholders		123	-	123	26	-	26
Provision for maintenance	a)	-	39,416	39,416		58,238	58,238
Other payables		9,697	-	9,697	24,898	-	24,898
Total current liabilities		631,721	11,903	643,624	1,123,606	28,128	1,151,734
Noncurrent liabilities:							
Loans and financing		75,373	-	75,373	95,100	-	95,100
Leasing		105	-	105	1,274	-	1,274
Debentures		506,379	-	506,379	991,019	-	991,019
Tax debt refinancing program – PAES		617	-	617	724	-	724
Advances from customers		4,883	-	4,883	4,345	-	4,345
Deferred income tax and social contribution		6,387	-	6,387	5,138	-	5,138
Provision for maintenance	a)	-	122,825	122,825		103,346	103,346
Provision for future construction work	a)	-	4,682	4,682		15,431	15,431
Reserve for tax, labor and civil contingencies	b)	20,110	1,853	21,963	22,380	2,447	24,827
Concession fee obligations		66,307	-	66,307	59,681	-	59,681
Total noncurrent liabilities		680,161	129,360	809,521	1,179,661	121,224	1,300,885
Total liabilities		1,311,882	141,263	1,453,145	2,303,267	149,352	2,452,619
Capital and reserves:							
Capital		466,699	-	466,699	466,699	-	466,699
Earnings reserves – legal		34,583	-	34,583	44,203	-	44,203
Proposed dividends		-	27,513	27,513		30,110	30,110
Retained earnings (accumulated losses)		-	(62,256)	(62,256)		(42,058)	(42,058)
Earnings retention reserve		79,822	-	79,822	119,989	-	119,989
Non-controlling interest		3,429	-	3,429	2,789	-	2,789
Total shareholders'equity		584,533	(34,743)	549,790	633,680	(11,948)	621,732
Total liabilities and shareholders' equity		1,896,415	106,520	2,002,935	2,936,947	137,404	3,074,351

SHAREHOLDERS' EQUITY

ACCOUNTS	ITEM	AS OF JANUARY 1, 2009 (TRANSITION DATE)	AS OF 12/31/09 (DATE OF THE LATEST REPORTING PERIOD UNDER PREVIOUS ACCOUNTING POLICIES)
Total shareholders' equity in accordance with prior accounting practices		581,104	630,891
Review of additional proposed dividends	d)	27,513	30,110
Accounting for concession arrangements	a), c)	(62,416)	(42,058)
Total adjustments to shareholders' equity		(34,903)	(11,948)
Total shareholders' equity according to IFRSs		546,201	618,943

STATEMENT OF INCOME

ACCOUNTS	ITEM	As of 12/31/09 (date of the latest reporting period under previous accounting policies)		
		PRIOR BR GAAP	EFFECT OF TRANSITION TO IFRSS	IFRSS
Net revenues	a)	1,002,699	124,867	1,127,566
Cost of services provided	a)	(411,343)	(79,589)	(490,932)
Gross profit		591,356	45,278	636,634
General and administrative expenses		(107,212)	-	(107,212)
Other net revenues		943	-	943
Operating income before financial income (expenses)		485,087	45,278	530,365
Financial income (expenses)	a)	(156,654)	(17,653)	(174,307)
Operating Income Before Income tax and social contribution		328,433	27,625	356,058
Income tax and social contribution	c)	(133,608)	(7,267)	(140,875)
Net income		194,825	20,358	215,183
Non-controlling interest		(2,432)	(459)	(2,891)
Net income		192,393	19,889	212,292

CASH FLOWS

ACCOUNTS	ITEM	As of 12/31/09 (date of the latest reporting period under previous accounting policies)		
		PRIOR BR GAAP	EFFECT OF TRANSITION TO IFRSS	IFRSS
Cash flows from operating activities	a)	427,388	(55,104)	372,284
Cash flows from investing activities	a)	(561,099)	65,688	(495,411)
Cash flows from financing activities		469,860	(10,584)	459,276

Notes to the reconciliations

The transition date for the preparation of the financial statements in accordance with the accounting pronouncements was January 1, 2009. The Company prepared the reconciliation between shareholders' equity and income (losses) according to all adjustments required by applicable rules. The main rules, as indicated in the tables above, are as follows:

a) ICPC 01 – Concession Agreements

Refers to amendments to ICPC 01, equivalent to IFRIC 12 – Concession Arrangements, which considered the following main changes: (i) transfer to intangible assets of residual values previously recorded in property, plant and equipment, concerning the highway infrastructure; (ii) calculation of amortization of intangible assets concerning the highway infrastructure according to the expected economic benefit, estimated based on the traffic curve projection; (iii) accounting for the provision for maintenance of the highway infrastructure; (iv) provision for investments without potential for additional future economic benefits; and (v) accounting for construction revenues and costs.

b) Escrow deposits

The escrow deposits are presented as an asset since they are not in compliance with the requirements for offset between assets and liabilities.

c) Deferred income tax and social contribution

Refer to the accounting for deferred taxes on applicable adjustments.

d) Additional proposed dividends

Proposed dividends that exceed the minimum mandatory dividend of 25% were reversed to shareholders' equity.

4.2. Effect on individual financial statements (Parent)

In the preparation of its individual financial statements (identified as Parent), the Company adopted all technical pronouncements and respective technical interpretations and technical guidelines issued by CPC and approved by CVM, which, together with the accounting practices included in the Brazilian Corporate Law, are denominated the accounting practices adopted in Brazil (BR GAAP).

The Company applied the accounting policies set out in note 2 to all periods presented, which includes the opening balance sheet as of January 1, 2009. For the measurement of the adjustments and in preparing this opening balance sheet, the Company applied the requirements set out in CPC 43 (R1) First-time Adoption of CPCs 15-40, and adjusted its individual financial statements so that when consolidated they produced the same amounts of equity, attributable to the owners of the Company, and net income of the consolidation prepared in accordance with IFRSs by applying IFRS 1 and CPC 37 (R1) First-time Adoption of International Financial Reporting Standards. Accordingly, the Company implemented in its individual financial statements the adjustments for adoption of IFRSs in the consolidated financial statements, as mentioned in note 2. This procedure was adopted to obtain the same net income and equity attributable to the owners of the Company in the individual and consolidated financial statements. Reconciliations for previous accounting policies are as follows:

BALANCE SHEETS

		As of 01/01/09 (transition date)			As of 12/31/09 (date of the latest reporting period under previous accounting policies)		
ACCOUNTS	ITEM	PRIOR BR GAAP	EFFECT OF ADOPTION OF NEW CPCS	RESTATED BR GAAP	PRIOR BR GAAP	EFFECT OF ADOPTION OF NEW CPCS	RESTATED BR GAAP
Assets							
Current assets:							
Cash and cash equivalents		6,875	-	6,875	17,522	-	17,522
Recoverable taxes		4,368	-	4,368	4,285	-	4,285
Dividends receivable		39,503	-	39,503	87,845	-	87,845
Escrow deposits		7,185	-	7,185	7,866	-	7,866
Prepaid expenses		-	-	-	118	-	118
Other receivables		271	-	271	203	-	203
Total current assets		58,202	-	58,202	117,839	-	117,839
Noncurrent assets:							
Related parties		126	-	126	31	-	31
Investments	a), c)	563,073	(62,256)	500,817	544,672	(42,357)	502,315
Property, plant and equipment		2,624	-	2,624	2,870	-	2,870
Intangible assets		350,872	-	350,872	8,454	-	8,454
Total noncurrent assets		916,695	(62,256)	854,439	556,027	(42,357)	513,670
Total assets		974,897	(62,256)	912,641	673,866	(42,357)	631,509

ACCOUNTS	ITEM	As of 01/01/09 (transition date)			As of 12/31/09 (date of the latest reporting period under previous accounting policies)		
		PRIOR BR GAAP	EFFECT OF ADOPTION OF NEW CPCS	RESTA-TED BR GAAP	PRIOR BR GAAP	EFFECT OF ADOPTION OF NEW CPCS	RESTA-TED BR GAAP
Liabilities							
Current liabilities:							
Trade accounts payable		289	-	289	391	-	391
Loans and financing		361,713	-	361,713	-	-	-
Taxes and fees payable		352	-	352	223	-	223
Payroll and related taxes		3,761	-	3,761	4,156	-	4,156
Dividends payable	d)	27,513	(27,513)	-	30,110	(30,110)	-
Other payables		93	-	93	8,095	-	8,095
Total current liabilities		393,721	(27,513)	366,208	42,975	(30,110)	12,865
			-	-		-	
Noncurrent liabilities:			-	-		-	
Related parties		72	-	72	-	-	-
Total noncurrent liabilities		72	-	72	-	-	-
Total liabilities		393,793	(27,513)	366,280	42,975	(30,110)	12,865
			-	-		-	
Capital and reserves			-	-		-	
Capital		466,699	-	466,699	466,699	-	466,699
Earnings reserves – legal		34,583	-	34,583	44,203	-	44,203
Additional proposed dividends		-	27,513	27,513	-	30,110	30,110
Retained earnings (accumulated losses)		-	(62,256)	(62,256)	-	(42,357)	(42,357)
Revenue retention reserve		79,822	-	79,822	119,989	-	119,989
Total shareholders'equity		581,104	(34,743)	546,361	630,891	(12,247)	618,644
Total liabilities and shareholders' equity		974,897	(62,256)	912,641	673,866	(42,357)	631,509

SHAREHOLDERS' EQUITY

	ITEM	AS OF 01/01/09 (TRANSITION DATE)	AS OF 12/31/09 (DATE OF THE LAST PERIOD PRESENTED ACCORDING TO PREVIOUS ACCOUNTING POLICIES)
Total shareholders' equity in accordance with prior accounting practices		581,104	630,891
Additional proposed dividends		27,513	30,110
Retained earnings (accumulated losses)	a), c)	(62,256)	(42,357)
Total adjustments to shareholders' equity		(34,743)	(12,247)
Total shareholders' equity pursuant to restated BR GAAP		546,361	618,644

STATEMENT OF INCOME

ACCOUNTS	ITEM	PRIOR BR GAAP	EFFECT OF ADOPTION OF NEW PCS	RESTATED BR GAAP
		As of 12/31/09 (date of the latest reporting period under previous accounting policies)		
Gross profit		-	-	-
General and administrative expenses		(25,381)	-	(25,381)
Goodwill amortization on investment		(20,471)	-	(20,471)
Equity in subsidiaries		271,579	19,899	291,478
Other revenues, net		363	-	363
Operating income before financial income (expenses)	a), c)	226,090	19,899	245,989
Financial income (expenses)		(33,697)	-	(33,697)
Operating Income Before Income tax and social contribution		192,393	19,899	212,292
Income tax and social contribution		-	-	-
Net income for the year arising from continuing operations		192,393	19,899	212,292
Non-controlling interests		-	-	-
Net income		192,393	19,899	212,292

STATEMENT OF INCOME

	ITEM	NET INCOME	NET INCOME FOR THE YEAR ATTRIBUTABLE TO THE CONTROLLING SHAREHOLDERS
		As of 12/31/09 (date of the latest reporting period under previous accounting policies)	
According to previous accounting policies		192,393	192,393
Equity in subsidiaries	a), c)	19,899	19,899
Total adjustments to net income		19,899	19,899
Pursuant to restated BR GAAP		212,292	212,292

CASH FLOWS

	PRIOR BR GAAP	EFFECT OF ADOPTION OF NEW CPCS	RESTATED BR GAAP
	As of 12/31/09 (date of the latest reporting period under previous accounting policies)		
Cash flows from operating activities	(18,499)	-	(18,499)
Cash flows from investing activities	169,155	-	169,155
Cash flows from financing activities	(140,009)	-	(140,009)

Notes to the reconciliations

The transition date for the preparation of the financial statements in accordance with the accounting pronouncements was January 1, 2009. The Company prepared the reconciliation between shareholders' equity and income (losses) according to all adjustments required by applicable rules. The main rules, as indicated in the tables above, are as follows:

a) ICPC 01 – Concession Agreements

Refers to the adjustments of ICPC 01, equivalent to IFRIC 12 – Concession Arrangements, which considered the reversal of local amortization and amortization based on the traffic curve, the accounting for the provision for maintenance of construction work, the reclassification of concession items to intangible assets, the accounting for construction revenues and related costs, as well as the effects of taxes on these adjustments.

b) Escrow deposits

The escrow deposits are presented as an asset since they are not in compliance with the requirements for offset between assets and liabilities.

c) Deferred income tax and social contribution

Refer to the accounting for deferred taxes on applicable adjustments.

d) Additional proposed dividends

Proposed dividends that exceed the minimum mandatory dividend of 25% were reversed to shareholders' equity.

5. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise EcoRodovias Infraestrutura e Logística S.A. and its fully-owned subsidiaries and interests in entities in which the Company is considered as the primary beneficiary, i.e., the holder of the main risks and rewards (even if the Company does not hold the majority of voting shares).

The interests held in the consolidated subsidiaries are as follows:

	12/31/10	12/31/09	01/01/09
Direct ownership interest:			
EcoRodovias Concessões e Serviços S.A.	100%	100%	-
Elog S.A.	80%	100%	100%
Ecoporto Holding Ltda.	100%	100%	-
Serviços e Tecnologia de Pagamentos S.A. – STP	12.75%	12.75%	12.75%
EIL01 Participações Ltda.	100%	-	-
Concessionária Ecovia Caminho do Mar S.A.	-	-	100%
Concessionária Ecovias dos Imigrantes S.A.	-	-	100%
Empresa Concessionária de Rodovias do Sul S.A. – Ecosul	-	90%	90%
Ecopátio Logística Cubatão Ltda.	-	-	100%
Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas	-	100%	-
Rodovia das Cataratas S.A. – Ecocataratas	100%	-	100%
Indirect ownership interest:			
Ecorodovias Concessões e Serviços S.A.:			
Concessionária Ecovias dos Imigrantes S.A.	100%	100%	-
Concessionária Ecovia Caminho do Mar S.A.	100%	100%	-
Concessionária de Rodovias do Sul S.A. – Ecosul	90%	-	-
Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas	100%	-	-
Rodovia das Cataratas S.A. – Ecocataratas	-	100%	-
Elog S.A.:			
Ecopátio Bracor Imigrantes S.A.	50%	50%	50%
Ecopátio Logística Cubatão Ltda.	100%	100%	-
ELG-01 Participações Ltda.	100%	100%	-
Armazéns Gerais Columbia S.A.	100%	-	-
EADI Sul Terminal de Cargas Ltda.	100%	-	-
Anish Empreendimentos e Participações Ltda.	100%	-	-
Paquetá Participações Ltda.	100%	-	-
Bodner S.A.	100%	-	-

The activities of direct and indirect subsidiaries are as follows:

Direct subsidiaries

• Ecorodovias Concessões e Serviços S.A., formerly EcoPorto Participações Ltda., was incorporated on May 16, 2007, and is engaged in holding interests in other companies as partner or shareholder. After the merger of ECSC – Centro de Serviços Corporativos Ltda. ("ECSC") and ECSE – Centro de Serviços de Engenharia Ltda. ("ECSE"), services, including administrative, financial, human resources, IT, engineering and procurement, started to be provided.

• On February 19, 2010, the Company approved the investment made in Elog S.A. by Logística Brasil – Fundo de Investimento em Participações through the subscription and payment by Logística Brasil – Fundo de Investimento em Participações of new shares representing 20% of the total and voting capital of Elog, plus one share, representing a total investment of R$92,000. Therefore, the Company became the holder of 80% of the shares issued by Elog S.A. The shareholders' agreement was signed on March 31, 2010.

• Serviços e Tecnologia de Pagamentos S.A. – STP is engaged in providing automated toll and parking Sem Parar, Via Fácil and Onda Livre payment services. STP, responsible for implementing the Automated Vehicle Identification (IAV) system in Brazil, operates in 242 toll plazas in Brazil, in the São Paulo, Rio de Janeiro, Rio Grande do Sul, Paraná, Minas Gerais and Santa Catarina states. The Company holds 12.75% of the capital of STP.

• Ecoporto Holding Ltda. is engaged in holding interests in other entities, as partner or shareholder.

• EIL-01 Participações Ltda. is engaged in holding interests in other entities, as partner or shareholder.

• Rodovia das Cataratas S.A. – Ecocataratas was incorporated on November 3, 1997 to operate Lot 003 of BR-277 highway, which is a 387.1-km stretch located between the city of Guarapuava, central region of the State of Paraná, and the city of Foz do Iguaçu, in the west end of the same State.

Indirect Subsidiaries

• Concessionária Ecovias dos Imigrantes S.A. started operations on May 29, 1998 and is engaged only in operating the Anchieta-Imigrantes highway system under the public service concession terms granted by the São Paulo State Government.

• Concessionária Ecovia Caminho do Mar S.A., established on October 21, 1997, is engaged in operating, on a concession basis, Lot 006 of the Highway Concession Program of the State of Paraná.

• Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas, incorporated on April 27, 2009, started operations on June 18, 2009 and is engaged in operating, through the collection of tolls and subsidiary revenues within the terms and limits set out in the concession agreement, the Ayrton Senna-Carvalho Pinto highway system.

• Empresa Concessionária de Rodovias do Sul S.A. – ECOSUL was incorporated on January 19, 1998 and started operations on March 1, 2001, and is engaged only in operating, on a concession basis, certain stretches included in the so-called Pelotas Hub.

• A ELG-01 Participações Ltda., incorporated on November 27, 2009, is engaged in holding interests in other entities, as partner or shareholder.

• Armazéns Gerais Columbia S.A. is engaged in providing general warehousing services, through own or leased equipment for the safeguarding and upkeep of domestic or imported goods, including in establishments in customs areas, set forth in the customs regulation, and specific logistics services, consisting of the transportation of goods to places set out by its customers.

• EADI Sul Terminal de Cargas Ltda. is engaged in providing general warehousing services, through own or leased equipment for the safeguarding and upkeep of domestic or imported goods, including in establishments in customs areas, set forth in the customs regulation, and specific logistics services, consisting of the transportation of goods to places set out by its customers.

• Anish Empreendimentos e Participações Ltda. is engaged in developing real estate projects, managing properties on own account and holding interests in other civil or commercial entities, as partner, holding company or shareholder.

• Paquetá Participações Ltda. is engaged in managing own assets, including, but not limited to, marketable securities and financial assets of any nature and holding direct or indirect interest, as partner or shareholder in any entity.

Spin-off

• On December 29, 2010, the Extraordinary Shareholders' Meetings of EcoRodovias Concessões e Serviços S.A. and Rodovia das Cataratas S.A. – Ecocataratas, direct and indirect subsidiaries, respectively, approved the partial spin-off of EcoRodovias Concessões, and subsequent mergers of the spun-off net equity and spun-off net assets into Ecocataratas, entered into on the same date among EcoRodovias Concessões, Ecocataratas and the Company, as the intervening consenting party. The carrying amount of the spun-off net equity of EcoRodovias Concessões transferred to Ecocataratas was evaluated at R$249,619,261.00, based on the deduction of the group of shares of Ecocataratas at the amount of R$23,167,715.00, previously held by EcoRodovias Concessões.

• Due to the partial spin-off, the capital stock of EcoRodovias Concessões was reduced to R$205,005,066.00, through the cancellation of 272,786,976 shares, which was solely supported by the Company. The capital stock of Ecocataratas was increased to R$291,468,261.00, through the issuance of 249,619,261 new shares of the capital stock of Ecocataratas. These shares were subscribed and paid in with the spun-off net equity of EcoRodovias Concessões merged into Ecocataratas and solely attributable to the Company.

• In light of the transaction described above, Ecocataratas became the direct subsidiary of the Company.

Business Combination

On May 7, 2011, Elog S.A. entered into a Share Purchase and Sale Agreement to acquire the control of Armazéns Gerais Columbia S.A. and EADI Sul Terminal de Cargas Ltda.

The total purchase price paid was R$274,666. A deposit of R$50,000 (R$40,000 corresponding to the 80% interest held by the Company) was made when the Agreement was executed, and the amount of R$205,414 (R$164,331 corresponding to the 80% interest held by the Company) was settled when the conditions precedent were fulfilled, especially, but not limited to, the approval of the transaction by the Brazilian Revenue Service. Of the settlement amount, R$19,252 (R$15,401 corresponding to the 80% interest held by the Company) was deducted from the sellers as guarantee for possible reserves for tax, labor and civil contingencies.

Columbia's and EADI Sul's logistics activities are currently conducted in 11 sites comprising a total area of about 1.1 million square meters, including 210.6 thousand square meters of warehouses, with cargo handling in Distribution Centers and Customs Areas. In these units, the following activities are performed:

The following activities are performed in these units:

• Customs warehousing, both import and export, by implementing several customs regimes.

• Distribution centers by performing, besides warehousing, inventory management, kit assembling, packaging, labeling, reverse logistics services, among others.

• Highway container and cargo transportation, under regular and customs regime.

The base value of the transaction is subject to regular contractual adjustments, and for purposes of calculation of the net assets acquired balance sheets as of December 28, 2010, whose acquired assets and liabilities are stated below, were taken into account:

	BALANCES AS OF 12/28/10
Cash and cash equivalents	5,076
Other current assets	52,433
Property, plant and equipment	32,724
Total liabilities	(57,775)
Goodwill on acquisition	77,043
Total acquisition cost	274,666

The Company made a preliminary estimate of the fair value of the assets acquired and liabilities assumed; these assets and liabilities are as follows:

	NET BOOK VALUE	PRICE ALLOCATION	FAIR VALUE AT ACQUISITION DATE	ECORODOVIAS 80% INTEREST
Net assets (liabilities) acquired:				
Cash and cash equivalents	5,706	-	5,706	4,061
Trade accounts receivables	24,509	-	24,509	19,607
Inventories	9	-	9	7
Other receivables	14,626	-	14,626	11,701
Escrow deposits	1,429	-	1,429	1,143
Deferred taxes	6,718	-	6,718	5,374
Indemnity assets	-	3,587	3,587	2,870
Property, plant and equipment	32,582	-	32,582	26,066
Intangible assets	5,284	156,495	161,779	129,423
Goodwill	-	77,043	77,043	61,634
Trade accounts payable	(8,923)	-	(8,923)	(7,138)
Loans and financing	(10,247)	-	(10,247)	(8,198)
Reserve for tax, labor and civil contingencies	(8,670)	5,083	(3,587)	(2,870)
Other payables	(29,935)	-	(29,935)	(23,949)
Purchase price	32,458	242,208	274,666	219,731

The Company is measuring the fair values of property, plant and equipment, intangible assets and goodwill on temporary basis, and after obtaining all information necessary for the fair determination of the related fair values, whose term will not exceed 12 months from the acquisition date, the temporary amount may be adjusted on a retrospective basis.

Loss of control over investments

In 2010, Logística Brasil – Fundo de Investimentos em Participações paid in the capital of Elog S.A., then the Company's wholly-owned subsidiary, by R$92,000, representing 20% of total voting capital. An agreement whereby the control of Elog S.A. was shared among shareholders was concurrently executed.

As a result of the loss of control, the remaining investment of 80% was remeasured at fair value on the transaction date, resulting in a gain of R$239,236, recognized in net income for the year under line item "Other operating revenue, net", with a contra entry on the following identifiable assets and liabilities:

Property, plant and equipment	3,582
Intangible assets	5,003
Goodwill	230,847
Loans and financing	(196)
	239,236

6. CASH AND CASH EQUIVALENTS

	Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
Cash and banks – In local currency	56	444	1,162	19,267	20,763	34,669
Short-term investments:						
Exclusive funds (a)	346,565	-	-	597,758	-	-
Bank certificates of deposit (CDB) (b)	23,666	17,078	5,713	255,629	368,761	18,706
	370,287	17,522	6,875	872,654	389,524	53,375

(a) Fund organized as an exclusive investment fund, classified as "fixed income", pursuant to the prevailing regulation, whose investment policy's main risk factor is the changes in the domestic interest rate or price index, or both, and whose goal is to seek the appreciation of its units through the investment of funds in a conservative portfolio. In order to fulfill its goals, the Fund should have at least 80% of the asset portfolio directly related to its main conservative risk, basically comprised of government bonds and private companies' securities.

The Fund's portfolio is represented by fixed-income securities of prime banks and Financial Treasury Bills (LFTs), being:

• 52.70% of repurchase transactions with fixed yield tied to the interbank deposit rate (CDI).
• 38.65% of CDB with fixed yield tied to the CDI.
• 8.65% of LFTs.

In case the security receives different classifications, the most conservative one will prevail.

The Fund may not carry out speculative transactions, or transactions that expose the fund to liabilities higher than its shareholders' equity.

In addition, the Fund may not be exposed to certain assets, such as shares, share indices and derivatives indexed by them, except for transactions that uses these instruments to produce a pre-determined yield.

The Fund's portfolio of securities is as follows:

	Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
CDBs	133,961	-	-	231,057	-	-
Repurchase transaction	182,629	-	-	315,000	-	-
LFTs	29,975	-	-	51,701	-	-
	346,565	-	-	597,758	-	-

(b) Unrestricted funds refer substantially to short-term investments in CDBs, with yield rates ranging from 99.0% to 101.35% of the CDI, without risk of material changes in value. Redemption periods range from one to three months, on average, and are highly liquid.

7. SECURITIES

Securities are temporary short-term investments represented by highly-liquid securities.

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
CDBs	29,800	30,070	9,128

Investments consisting of CDBs and yielding rates ranging from 100.2% to 101.5% of CDI, which reflect the market conditions at the balance sheet dates. Although highly liquid, they were classified as securities because they are pegged to the settlement of yield of the debentures of indirect subsidiary Concessionária Ecovias dos Imigrantes S.A. as guarantee of the funds required to pay interest and principal (see note 22).

8. TRADE ACCOUNTS RECEIVABLE

Represented basically by electronic tolls receivable, logistics receivables, lease of billboards and highway land, accesses and other services arising from use and lease of land along the highways.

a) These amounts are as follows:

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
Nacional	135,474	96,981	66,689
International (i)	1,342	-	-
	136,816	96,981	66,689
Allowance for doubtful accounts (ii)	(9,094)	(5,805)	(3,624)
	127,722	91,176	63,065

(i) Refer to trade accounts receivable from the activities of the Customs Logistics Industrial and Center (CLIA) of direct subsidiary Armazéns Gerais Columbia S.A.

(ii) Refer to the recognition of the allowance for doubtful accounts, mainly arising from the activities of direct subsidiary Serviços e Tecnologia de Pagamentos S.A. – STP.

The aging list of trade accounts receivable is as follows:

	12/31/10	12/31/09	01/01/09
Falling due	134,723	96,732	66,302
Past due:			
Up to 30 days	859	214	367
From 31 to 90 days	1,097	23	20
From 91 to 180 days	137	12	-
	2,093	249	387
	136,816	96,981	66,689

9. RECOVERABLE TAXES

	Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
Recoverable taxes	11,233	4,285	4,368	19,646	6,104	4,427
Other	1,055	-	-	2,205	449	137
	12,288	4,285	4,368	21,851	6,553	4,564

Refer to Withholding Income Tax (IRRF) on short-term investments and estimated monthly payments of IRPJ and CSLL, whose balance will be used to deduct IRPJ and CSLL, PIS, Cofins, IRRF and withholding PIS/Cofins/CSLL liabilities payable in 2011.

10. PREPAID EXPENSES – CONSOLIDATED (IFRSS AND BR GAAP)

The balance of R$8,373 (R$6,023 as of December 31, 2009 and R$3,935 as of January 1, 2009) refers mainly to unearned insurance premiums. Additional information on insurance is included in note 38.

11. ESCROW DEPOSITS

Escrow deposits representing restricted assets of the Company are related to amounts deposited in escrow and held in court until the related litigation is resolved.

The unfavorable outcome of their lawsuits, individually or in the aggregate, will not have a material adverse effect on the financial position or business of the Company, through its subsidiaries.

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
Balance at beginning of year	11,350	10,409	11,061
Balances received on acquisition of new companies (*)	1,143	-	-
Additions	3,507	1,080	997
Write offs	(2,398)	(691)	(1,342)
Inflation adjustment	926	552	(307)
Balance at end of year	14,528	11,350	10,409
Current	8,398	7,866	7,185
Noncurrent	6,130	3,484	3,224

(*) Balances received on acquisition of companies: Armazéns Gerais Columbia S.A. and EADI Sul Terminal de Cargas Ltda. by the direct subsidiary Elog S.A.

12. INDEMNITY ASSETS

On May 7, 2011, Elog S.A. entered into a Share Purchase and Sale Agreement to acquire the control of Armazéns Gerais Columbia S.A. and EADI Sul Terminal de Cargas Ltda. The fair value of liabilities assumed specifically relating to contingencies was R$18,272, for which there is a contractual reimbursement clause in the amount of R$15,402, totaling R$2,870.

13. INVESTMENTS – COMPANY (BR GAAP)

	Amounts of investees 12/31/10		Direct ownership interest		
	SHAREHOLDERS' EQUITY	INCOME (LOSS) FOR THE PERIOD	12/31/10	12/31/09	01/01/09
Elog S.A.	317,626	(4,637)	80%	100%	100%
EcoRodovias Concessões e Serviços S.A.	627,750	288,948	100%	100%	100%
Serviços e Tecnologia de Pagamentos S.A. – STP	98,329	87,271	12.75%	12.75%	12.75%
EcoPorto Holding S.A.	(4)	1	100%	100%	-
Concessionária das Rodovias Ayrton Senna e	-	-	-	100%	-
Carvalho Pinto S.A. – Ecopistas	-	-	-	-	100%
Ecopátio Logística Cubatão Ltda.	-	-	-	-	90%
Ecosul Participações Ltda.	1	-	100%	-	
ELI01 Participações Ltda.	-	-	-	-	100%
Concessionária Ecovias dos Imigrantes S.A.	-	-	-	-	100%
Concessionária Ecovia Caminho do Mar S.A.	268,777	(4,372)	100%	-	100%
Rodovia das Cataratas S.A. – Ecocataratas	-	-	-	90%	-
Concessionária de Rodovias do Sul S.A. – Ecosul	-	-	-	-	100%
ECSE – Centro de Serviços de Engenharia Ltda.	-	-	-	-	100%
ECSC Centro de Serviços Corporativos Ltda.	-	-	-	-	-
Elog S.A. – appreciation	-	-	-		
Concessionária Ecovias dos Imigrantes S.A. – goodwill	-	-	-	-	-
Unrealized profit – Ecopátio Logística Cubatão Ltda.					

Consolidated

The consolidated balance of R$2,656 as of January 1, 2009 refers to the difference between capital contributions made by the Company and the shareholder Bracor Investimentos Imobiliários S.A. during 2008. In 2009, capital contributions were equalized.

Investment			Equity in subsidiaries	
12/31/10	12/31/09	01/01/09	12/31/10	12/31/09
254,101	61,210	7,569	48,954	(978)
627,750	502,703	46,863	288,948	90,630
12,537	9,560	7,553	11,127	5,217
(4)	1	-	(5)	-
-	18,248	-	-	(4,983)
-	-	28,942	-	(6,994)
-	-	32,298	-	14,526
1	-	-	-	
-	(51,659)	286,452	-	115,124
-	(6,675)	12,045	-	17,887
268,777	(49,350)	(3,715)	(4,372)	17,418
-	26,278	(1,435)	-	10,896
-	-	1	-	14,491
-	-	2,795	-	18,080
239,015	-	-	-	-
-	-	89,614	-	-
(7,674)	(8,001)	(8,165)	327	164
1,394,503	502,315	500,817	344,979	291,478

Changes in investments for the year ended December 31, 2010 are as follows:

	12/31/09	ADDITIONS
Elog S.A.	61,210	143,937
EcoRodovias Concessões e Serviços S.A.	395,019	186,278
Empresa Concessionária de Rodovias do Sul S.A. – Ecosul	26,278	-
Rodovias das Cataratas S.A. – Ecocataratas	-	-
Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas	18,248	-
Serviços de Tecnologia de Pagamentos S.A.	9,560	-
Ecoporto Holding S.A.	1	-
EIL01 Participações Ltda.	-	1
Elog S.A. – goodwill	-	239,235
Unrealized profits – Ecopátio Logística Cubatão Ltda.	(8,001)	-
	502,315	569,452

Changes in investments for the year ended December 31, 2010 are as follows:

	12/31/08	ADJUST-MENTS	01/01/09
Concessionária Ecovias dos Imigrantes	338,111	(51,659)	286,452
Concessionária Ecovia Caminho do Mar	18,720	(6,675)	12,045
Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas	-	-	-
Empresa Concessionária de Rodovias do Sul S.A. – ECOSUL	-	(1,435)	(1,435)
Serviços e Tecnologia de Pagamentos S.A. – STP	7,553	-	7,553
ECSE – Centro de Serviços de Engenharia Ltda.	1	-	1
ECSC – Centro de Serviços Corporativos Ltda.	2,795		2,795
Ecopátio Logística Cubatão Ltda.	28,942		28,942
Ecosul Participações Ltda.	32,298		32,298
Elog S.A.	7,569		7,569
Rodovia das Cataratas S.A. – Ecocataratas	45,635	(49,350)	(3,715)
EcoRodovias Concessões e Serviços S.A.	-	46,863	46,863
Ecoporto Holding Ltda.	-		-
EIL-01 Participações Ltda.			-
Concessionária Ecovias dos Imigrantes – goodwill	89,614		89,614
Unrealized profits – Ecopátio	(8,165)	-	(8,165)
	563,073	(62,256)	500,817

	DIVIDENDS RECEIVED	TRANSFER OF SHARE CONTROL	MERGER OF GOODWILL AND IMPACTS ICPC 01	GOODWILL AMORTIZATION	EQUITY IN SUBSIDIARIES	12/31/10
	-	-	-	-	48,954	254,101
	(8,673)	39,327	(273,149)	-	288,948	627,750
	-	(26,278)	-	-	-	-
	-	-	273,149	-	(4,372)	268,777
	-	(18,248)	-	-	-	-
	(8,150)	-	-	-	11,127	12,537
	-	-	-	-	(5)	(4)
	-	-	-	-	-	1
	-	-	-	(221)	-	239,015
	-	-	-	-	327	(7,674)
	(16,823)	(5,199)	-	(221)	344,979	1,394,503

	ADDITIONS	DIVIDENDS	GOODWILL AMORTIZATION	TRANSFER OF SHARE CONTROL MERGES	EQUITY IN SUBSIDIARIES	12/31/09
	-	(100,193)	-	(290,999)	104,740	-
	-	(17,856)	-	(12,045)	17,856	-
	20,725	-	-	-	(2,477)	18,248
	-	(15,210)	-	32,027	10,896	26,278
	-	(3,210)	-	-	5,217	9,560
	-	(14,491)	-	(1)	14,491	-
	-	(18,080)	-	(2,795)	18,080	-
	31,172	-	-	(53,120)	(6,994)	-
	-	(6,236)	-	(40,588)	14,526	-
	1,499	-	-	53,120	(978)	61,210
	-	(19,560)	-	2,783	20,492	-
	1,500	(78,089)	-	329,280	95,465	395,019
	1	-	-	-	-	1
	-	-	-	-	-	-
	-	-	(4,373)	(85,241)	-	-
	-	-	-	-	164	(8,001)
	54,897	(272,925)	(4,373)	(67,579)	291,478	502,315

The balances of goodwill in the Company (reclassified to intangible assets in the consolidated) are as follows:

	GOODWILL ECOSUL	GOODWILL ECOCATARATAS	TOTAL
Balance as of January 1, 2009	-	350,763	350,763
Additions	8,561	-	8,561
Transfer of share control	-	(334,880)	(334,880)
Amortization	(214)	(15,883)	(16,097)
Balance as of December 31, 2009	8,347	-	8,347
Amortization	(514)	-	(514)
Balance as of December 31, 2010	7,833	-	7,833

14. INVESTMENT PROPERTIES

Investment properties are represented by land, buildings and construction in progress held to earn rentals and/or for capital appreciation.

AT COST

	Consolidated (IFRSs and BR GAAP)		
	LAND AND BUILDINGS	CONSTRUCTION IN PROGRESS	TOTAL
Balance as of January 1, 2009	3,851	1,459	5,310
Additions	34,554	2,864	37,418
Balance as of December 31, 2009	38,405	4,323	42,728
Loss of interest (20% for BRZ)	(7,681)	(865)	(8,546)
Additions	10,293	-	10,293
Transfers	3,458	(3,458)	-
Depreciation	(876)	-	(876)
Balance as of December 31, 2010	43,599	-	43,599

FAIR VALUE CONSIDERING THE TYPE OF PROPERTIES

	12/31/10
Buildings	69.736

The fair value of investment properties was estimated by specialized, independent appraisers, who adopted the basic methodology supported by NBR-14653 – Brazilian Asset Valuation Standard of the Brazilian Association of Technical Rules (ABNT), in parts 1: General Procedure and 2: Urban Real Estate.

The Urban Real Estate Valuation Standard – 2005 version, published by the Brazilian Institute of Engineering Valuation and Inspection (IBAPE), São Paulo Department, was also used.

All calculations are based on the analysis of the physical specifications of the real estate under analysis and various information gathered at the market, which are adequately addressed to be used in determining the value of the related real estate.

The Company and its subsidiaries engage yearly specialized and independent experts to determine the fair value of the investment properties based on the assumptions described previously.

15. PROPERTY, PLANT AND EQUIPMENT

A) COMPANY (BR GAAP)

	HARDWARE AND EQUIPMENT	MACHINERY AND EQUIPMENT	FURNITURE AND FIXTURES	LAND AND BUILDINGS	OTHER	TOTAL
Balance as of January 1, 2009	326	144	293	1,804	57	2,624
Additions	52	2	21	-	432	507
Depreciation	(105)	(23)	(41)	(75)	(17)	(261)
Balance as of December 31, 2009	273	123	273	1,729	472	2,870
Additions	54	-	3	-	36	93
Depreciation	(113)	(23)	(41)	(76)	(53)	(306)
Balance as of December 31, 2010	214	100	235	1,653	455	2,657
Annual depreciation rates	20.1	10.4	10.1	3.4	11.6	-

B) CONSOLIDATED (IFRSS AND BR GAAP)

	HARDWARE AND EQUIPMENT	MACHINERY AND EQUIPMENT	FURNITURE AND FIXTURES	LAND AND BUILDINGS	CONSTRUCTION IN PROGRESS	IMPROVEMENTS	OTHER	TOTAL
Balance as of January 1, 2009	30,828	9,866	2,613	17,193	87,000	-	8,323	155,823
Additions	18,129	408	1,728	3,534	15,764	-	9,115	48,678
Write offs	(8)	(48)	(8)	-	-	-	(20)	(84)
Transfers	3,650	3,356	99	98,698	(100,466)	-	(2,262)	3,075
Depreciation	(9,744)	(1,714)	(470)	(3,449)	-	-	(1,314)	(16,691)
Balance as of December 31, 2009	42,855	11,868	3,962	115,976	2,298	-	13,842	190,801
Assets received on new acquisitions	2,126	2,786	1,034	129	1,621	3,184	14,880	25,760
Assignment of Elog S.A.	(289)	(685)	(31)	(19,784)	(460)	-	(376)	(21,625)
Additions	21,574	3,284	1,955	12,085	4,695	-	4,580	48,173
Write offs	(519)	(404)	(10)	-	(1,602)	-	(1,429)	(3,964)
Transfers	1,359	892	94	1,261	(882)	-	(715)	2,009
Depreciation	(13,433)	(2,118)	(686)	(4,543)	-	-	(1,680)	(22,460)
Balance as of December 31, 2010	53,673	15,623	6,318	105,124	5,670	3,184	29,102	218,694
Annual depreciation rates	20.0	10.4	10.1	3.4	-	-	17.7	-

The Company's management, based on internal engineering reports, understands that its permanent assets are recorded at an amount close to deemed cost. Consequently, it did not verify the need to revaluate the amounts of assets since their amounts are already closed to their fair values.

The Company's management periodically analyzes the remaining economic useful lives of property, plant and equipment and did not identify significant differences in the economic useful lives of the assets comprising the Company's and its subsidiaries' property, plant and equipment.

Additionally, the Company's property, plant and equipment comprise the balance of the property, plant and equipment of indirect subsidiaries Armazéns Gerais Columbia S.A. and EADI Sul Terminal de Cargas Ltda., both acquired on December 28, 2010, whose amounts were measured at their fair values on the acquisition date, on a temporary basis. After obtaining all information necessary for calculation of the fair values, whose term should not exceed 12 months as of the acquisition date, the temporary amounts can be adjusted on a retrospective basis.

16. INTANGIBLE ASSETS

A) COMPANY (BR GAAP)

	THIRD-PARTY SOFTWARE	OTHERS	TOTAL
Balance as of January 1, 2009	103	6	109
Additions	23	-	23
Amortization	(23)	(2)	(25)
Balance as of December 31, 2009	103	4	107
Additions	11	-	11
Amortization	(28)	(2)	(30)
Balance as of December 31, 2010	86	2	88
Annual amortization rates	5.0	-	-

B) CONSOLIDATED (IFRSS AND BR GAAP)

	CONCESSION AGREEMENTS	GOO-DWILL ECOSUL	SOFTWARE	IN PROGRESS	GOODWILL COLUMBIA	GOODWILL ECOPÁTIO CUBATÃO	GOODWILL ECOPÁTIO CUBATÃO	OTHERS	TOTAL
Balance as of January 1, 2009	1,591,008	14,917	11,537	6,514	-	4,711	-	17	1,628,704
Additions	702,033	-	7,799	-	-	-	-	-	709,832
Write offs	(5)	-	(11)	-	-	-	-	-	(16)
Portion transferred to taxes	-	(4,900)	-	-	-	-	-	-	(4,900)
Portion transferred to non-controlling shareholders	-	(952)	-	-	-	-	-	-	(952)
Transfers	(3,074)	-	-	-	-	-	-	-	(3,074)
Amortization	(89,836)	(718)	(4,374)	-	-	-	-	(3)	(94,931)
Balance as of December 31, 2009	2,200,126	8,347	14,951	6,514	-	4,711	-	14	2,234,663
Assets received on new acquisitions	-	-	4,093	-	-	-	-	134	4,227
Assignment Elog S.A.	-	-	(199)	-	-	(942)	239,015	-	237,874
Additions	129,250	-	8,924	53,816	-	-	-	-	191,990
Addition– Columbia	129,423	-	-	-	61,634	-	-	-	191,057
Write offs	(349)	-	(67)	(1,131)	-	-	-	-	(1,547)
Transfers	50,988	-	(146)	(52,851)	-	-	-	-	(2,009)
Amortization	(111,247)	(514)	(5,347)	-	-	-	-	(1)	(117,109)
Balance as of December 31, 2010	2,398,191	7,833	22,209	6,348	61,634	3,769	239,015	147	2,739,146
Annual amortization rates	(*)	-	5.0	-	-	-	-	-	-

(*) The amortization of intangible assets arising from the concession rights is recognized in income through the projected traffic curve for the concession period as from the date in which they are available for use, since this method best reflects the future economic benefit consumption pattern incorporated to the asset.

The items relating to the concession arrangement comprise the highway infrastructure, the concession right and other rights.

Impairment of assets

Goodwill with indefinite useful lives (Ecopátio Cubatão, Elog and Columbia) are not amortized but is annually tested for impairment.

The related goodwill was allocated to the group of cash-generating units comprising the logistics activity.

The recoverable amount of these cash-generating units is determined based on the calculation of the fair value in use by using the projected flow cash supported by a five-year financial budget approved by Management and discount rate of 15% per annum (15% per annum in 2009).

Management believes that any type of reasonably possible change in the key assumptions in which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

17. INCOME TAX AND SOCIAL CONTRIBUTION – CONSOLIDATED (IFRSS AND BR GAAP)

a) Deferred income tax and social contribution

Deferred income tax and social contribution are recorded in order to reflect the future tax effects attributed to temporary differences between the tax basis of assets and liabilities and their carrying amounts.
The Company and its subsidiaries recognize their tax credits related to the provison for tax, labor and civil contingencies and the merged goodwill tax benefit in assets and liabilities and those related to temporary differences from the adoption of Law 11638/07, the discount to present value of concession rights, the concession fees obligation and the capitalization of borrowing costs in property, plant and equipment. The carrying amount of deferred tax assets is reviewed at least annually.

Should any material events or circumstances change these projections, they are revised during the year by the Company. Management believes that the deferred assets arising on temporary differences will be realized proportionally to the final resolution of tax, labor and civil contingencies and other related events.

Deferred income tax and social contribution have been recognized using the aggregate tax rate of 34% in effect and are as follows:

	12/31/10	12/31/09	01/01/09
Reserve for tax, labor and civil contingencies	9,924	8,399	7,555
Effect of accounting for concession arrangements	36,499	49,029	56,296
Goodwill (tax benefit from the merger of Ecosul Participações)	4,484	4,770	-
Tax loss carryforwards	4,802	2,533	-
Other	(401)	(3,540)	(6,692)
	55,308	61,191	57,159
Deferred assets	72,937	66,329	63,546
Deferred liabilities	(17,629)	(5,138)	(6,387)
	55,308	61,191	57,159

b) Income tax and social contribution in income

The following current and deferred income tax and social contribution amounts were recognized in income for the year:

	12/31/10	12/31/09
Changes in:		
Current income tax	(121,143)	(102,305)
Deferred income tax	(12,200)	(550)
	(133,343)	(102,855)
Changes in:		
Current social contribution	(43,998)	(37,839)
Deferred social contribution	1,394	(181)
	(42,604)	(38,020)

c) Reconciliation of income tax and social contribution expense

The following current and deferred income tax and social contribution amounts were recognized in income for the year:

	12/31/10	13/31/09
Income before income tax and social contribution	769,985	356,058
Tax rate	34%	34%
Income tax and social contribution expense at statutory tax rates	(261,795)	(121,060)
Adjustments to effective tax rate:		
Valuation of investment at fair value – goodwill	78,488	-
Goodwill amortization on investment	-	(12,069)
Other	7,360	(7,746)
Income tax and social contribution expenses	(175,947)	(140,875)

18. TAXES, RATES AND FEES PAYABLE

	Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
Taxes on billings:						
ISS	-	6	5	6,948	5,818	4,415
Cofins	-	162	285	4,656	4,009	3,074
PIS	-	35	62	1,009	869	752
Withholding income tax (IRRF) on interest on capital	-	-	-	-	643	816
Withholding ISS	1	-	-	628	588	936
Other	24	20	-	8,516	2,554	1,990
	25	223	352	21,757	14,481	11,983

19. TRADE ACCOUNTS PAYABLE – ACQUISITION OF COMPANIES – CONSOLIDATED (IFRSS AND BR GAAP)

The remaining balance as of December 31, 2010 is R$88,025 and refers to trade accounts payable assumed by the direct subsidiary Elog S.A. arising from the acquisition of Armazéns Gerais Columbia S.A. and EADI Sul Terminal de Cargas Ltda. The debt falls due on January 3, 2011.

20. LOANS AND FINANCING

			Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
LENDER	FINAL MATURITY	WEIGHTED AVERAGE INTEREST RATE	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
In local currency:								
BNDES	04/13/17	TJLP + 2.38% p.a.	-	-	-	42,410	58,947	64,692
Working capital	04/07/11	107.50% of CDI	-	-	-	20,338	-	-
Working capital	05/24/12	107.70% of CDI	-	-	-	11,692	17,337	23,682
Working capital	11/23/11	110.20% of CDI	-	-	-	35,434	-	-
Working capital	11/23/10	CDI +1.084% p.a.	-	-	-	-	42,480	-
Working capital	11/07/10	CDI +1.5% p.a.	-	-	-	-	47,624	-
Working capital	10/28/14	CDI + 2.032% p.a.	-	-	-	35,110	31,342	-
Equipment	03/26/12	CDI + 2.6% p.a.	-	-	-	421	-	-
Working capital	05/31/10	CDI + 3.04% p.a.	-	-	-	-	27,478	-
Working capital	11/01/09	CDI + 5.5% p.a.	-	-	-	-	-	71,377
Working capital	12/01/09	CDI + 4.5% p.a.	-	-	361,713	-	-	361,713
Real estate credit note	02/08/20	IPCA + 7.20% p.a.	-	-	-	34,505	-	-
Equipment	10/15/15	14.53% p.a.	-	-	-	4,131	-	-
Promissory notes	04/12/11	CDI + 1.20% p.a.	-	-	-	373,337	351,756	-
			-	-	361,713	557,378	576,964	521,464
In foreign currency:								
Equipment	01/20/14	9% p.a. + VC	-	-	-	764	1,205	-
Equipment	09/25/13	9% p.a. + VC	-	-	-	780	1,452	-
Working capital	12/04/15	6% p.a. + VC	-	-	-	-	-	-
Working capital	12/04/15	Libor + 4.20% p.a.	-	-	-	11,917	-	-
Equipment	03/15/14	VC + 9.25% p.a.	-	-	-	2,907	-	-
			-	-	-	16,368	2,657	-
			-	-	361,713	573,746	579,621	521,464
Current			-	-	361,713	450,241	484,521	446,091
Noncurrent			-	-	-	123,505	95,100	75,373

Maturities of noncurrent portions are as follows, by year:

	12/31/10
2012	19,188
2013	14,103
2014	48,372
2015	13,119
2016	10,206
2016 and thereafter	18,517
	123,505

Description of the main current bank loan and financing agreements:

• On December 8, 2010, the indirect subsidiary Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas conducted the fifth public distribution of commercial promissory notes, with the subscription and payment of 10 single series, promissory notes, with unit face value of R$37,100, totaling R$371,000, which mature within 120 days from issuance and bear interest corresponding to the CDI plus 1.20% per annum. The contract requires compliance with financial ratios ("covenants") determined by the guarantor and controlling shareholder EcoRodovias Concessões e Serviços S.A.: maintenance of the net debt to EBITDA ratio below 2.75 points and maintenance of net debt below R$800,000. Ecopistas is required to maintain a net debt to EBITDA ratio below 5.5 points and a net financial income (expenses) to EBITDA ratio below 1.35 points and net debt below R$450,000. On December 31, 2010, required financial ratios ("covenants") were complied with. In order to collateralize promissory notes, the subsidiary Ecopistas has assigned receivables from tolls and offered as real guarantee the pledge of 100% of the shares held by EcoRodovias Concessões in Ecopistas, under the Private Instruments of Coordination, Placement and Distribution of Promissory Notes, dated December 15, 2009 and June 11, 2010, respectively ("Ecopistas Promissory Notes"), among others.

The rates applicable to the yield of promissory notes are compliant with the agreement. The purpose of this procedure is to establish the final interest rates on which the promissory notes earn yield. Issuance expenses are amortized over 120 days and recorded as financial income/expense.

• On March 8, 2010, Ecopátio Bracor Imigrantes issued 90 Certificates of Real Estate Receivables (CRIs), with face value of R$1,000, totaling R$90,000 on issuance date (R$89,210, less issuance costs), and maturing within 119 months. Ecopátio Bracor Imigrantes issued two (2) split mortgage loan notes, designated as Mortgage Loan Notes (CCI), representing all receivables. The agreement does not require compliance with any financial ratios ("covenants").

• In March 2007, subsidiary Ecopátio Logística Cubatão Ltda. entered into a R$73,308 agreement with the National Bank for Economic and Social Development – BNDES to finance improvement and enlargement of support facilities. Three installments totaling R$63,507 have been disbursed and the amortization in 96 installments started in May 2009. This borrowing has a letter of guarantee issued by the Company. The contract requires compliance with financial ratios ("covenants"), corresponding to the net equity and total liabilities ratio, after the project implementation phase, and the ratio required beginning 2010 through the termination of the contract is 0.30. Such ratio must be calculated annually based on Ecopátio's interim information, with the Company as the guarantor. The financial ratios ("covenants") as of December 31, 2010 have been met.

• The borrowing refers to the raising of funds for working capital by subsidiaries Ecocataratas, Concessionária Ecovia Caminho do Mar S.A. and Ecosul, which does not require the compliance with financial ratios ("covenants"). These borrowings are guaranteed by EcoRodovias Concessões.

Guarantees by the indirect subsidiary EcoRodovias Concessões e Serviços S.A. and the assignment of receivables from tolls were offered to collateralize borrowings, if payment of promissory notes is not made.

The maintenance of financial ratios ("covenants") is required for Ecosul's borrowing. The net debt and EBITDA ratio shoud be lower than or equivalent to 1.5, and the EBTIDA and net debt service ratio should be higher than or equivalent to 1.5.

21. FINANCE LEASE

Lease obligations are effectively guaranteed, since the leased asset is reversed to the lessor in case of default.

Financial obligations are broken down as follows:

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
Gross finance lease obligations – minimum leasing payments			
Less than a year	1,257	548	418
More than a year and less than five years	1,549	1,274	105
	2,806	1,822	523
Future financing charges on finance lease	87	81	3
Finance lease obligations – accounting balance	2,893	1,903	526
Current	1,344	629	421
Noncurrent	1,549	1,274	105

The contra entry of the balance of finance leases is recorded under "Property, plant and equipment" and amounts to R$2,022 and R$2,244 as of December 31, 2010 and 2009, respectively.

22. DEBENTURES

Debentures are summarized as follows:

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
Adjusted principal	1,175,944	1,106,110	511,768
Yield (interest)	30,275	23,463	17,631
Debentures issuance costs	(11,538)	(10,543)	(6,503)
	1,194,681	1,119,030	522,896
Current	316,995	128,011	16,517
Noncurrent	877,686	991,019	506,379

- The direct subsidiary Elog S.A. has concluded, on December 20, 2010, the issuance in the amount of R$170,000 (R$136,000 concerning the 80% interest of Elog S.A.) of 170 single series debentures, with maturity in 11 semi-annual installments; the first installment will fall due on December 20, 2012 and last on December 20, 2017.

Series one, offered to the local market, bears interest corresponding to 100% of CDI, plus 2.20% per year, paid semiannually, and was priced using concepts set out in CVM Instruction 404/04.

This transaction was rated AA– by Fitch.

- On December 23, 2009, EcoRodovias Concessões completed the issuance of R$600,000 in debentures in three series, series one amounting to R$460,750, amortizable in 42 months and maturity on May 15, 2013, and series two and three amounting to R$69,625 each, amortizable in 66 and 72 months, and with maturities on May 15 and November 15, 2015, respectively.

Series one, offered to the local market, bears interest corresponding to 100% of CDI, plus 1.5% per year, paid semiannually, and was priced using concepts set out in CVM Instruction 404/04.

Series two and three, also offered to the local market, bear interest pegged to IGP-M fluctuation and interest rate of 8,75% per year, paid annually with a six-month interval between the two series.

For the period ended December 31, 2010, the direct subsidiary EcoRodovias Concessões e Serviços paid R$56,033 in interest related the series one of debentures, in the amount of R$49,678, and related to the series three, in the amount of R$6,356.

This transaction was rated brA+ by Standard & Poor's.

- On December 21, 2006, the indirect subsidiary Ecovias completed the issuance of R$450,000 in debentures in three series, series one amounting to R$135,000, amortizable in 84 months and with maturity on November 1, 2013, and series two and three amounting to R$157,500 each, amortizable in 90 and 96 months, and with maturity on May 1 and November 1, 2014, respectively.

Series one, offered to the local market, bears interest corresponding to 104% of CDI, paid semiannually, and was priced using concepts set out in CVM Instruction 404/04.

Series two and three, also offered to the local market, bear interest pegged to IGP-M fluctuation and interest rate of 9,5% per year, paid annually with a six-month interval between the two series.

In 2010, the direct subsidiary Ecovias paid R$161,500, of which R$64,750 relating to interest on the first, second and third series of debentures and R$96,750 relating to the principal of the first, second and third series.

This transaction was rated brAA– by Standard & Poor's.

The main features of the debentures issued are as follows:

EVENT	ECORODOVIAS CONCESSÕES E SERVIÇOS	ECOVIAS	ELOG S.A.
Method and convertibility	Registered, simple, nonconvertible into shares	Registered, simple, nonconvertible into shares	Registered, simple, nonconvertible into shares
Number issued	600,000 (in three series)	45,000 (in three series)	170 (single series)
Unit face value on the issuance date	R$1.00	R$10.00	R$1,000
Unit face value adjusted on December 31, 2010	Series 1 – not adjustable Series 2 – R$1.040 Series 3 – R$1.040	Series 1 – not adjustable Series 2 – R$10.14 Series 3 – R$12.68	Not adjustable
Unit value adjustment factor	Series 1 – not adjustable Series 2 and 3 – IPCA	Series 1 – not adjustable Series 2 and 3 – IGP-M	Not adjustable
Yield (interest and inflation adjustment)	Series 1 – 100% of CDI + 1.5% per year Series 2 and 3 – 8.75% per year (252 days) on the adjusted unit value	Series 1 – 104% of CDI Series 2 and 3 – 9.5% per year (252 days) on the adjusted unit value	CDI + 2,20% per year (252 days) on the adjusted unit value
Yield maturity (interest and inflation adjustment)	Series 1: semiannual installments (May 15, 2010 to November 15, 2013) Series 2: annual installments (May 15, 2011 to May 15, 2015) Series 3: annual installments (November 15, 2010 to November 15, 2015)	Series 1: semiannual installments (May 1, 2007 to May 1, 2013) Series 2: annual installments (May 1, 2008 to May 1, 2014) Series 3: annual installments (November 1, 2007 to November 1, 2014)	Semiannual installments (June 20, 2011 to December 20, 2017)
Repayment maturity	Series 1: semiannual installments (May 15, 2011 to November 15, 2013) Series 2: annual installments (May 15, 2013 to May 15, 2015) Series 3: annual installments (November 15, 2013 to November 15, 2015)	Series 1: semiannual installments (May 1, 2010 to November 1, 2013) Series 2: annual installments (May 1, 2010 to May 1, 2014) Series 3: annual installments (November 1, 2010 to November 1, 2014)	Semiannual installments (December 20, 2012 to December 20, 2017)
Reserve for repayment and yield (interest and inflation adjustment)	Not applicable	Retention in a restricted deposit account (investment) of 50% of amounts credited to bank account from the 6th day of each month until reaching amount equivalent to installment of estimated amount due in applicable month	Not applicable
Debenture depositary	Itaú Corretora de Valores S.A.	Banco Bradesco S.A.	SLW Corretora de Valores e Câmbio Ltda.
Place of payment	CETIP and CBLC	CETIP and CBLC	CETIP
Reserve account bank	Not applicable	Unibanco – União de Bancos Brasileiros S.A.	SWL Corretora Ltda.
Trustee	Pavarini Distrib. de Títulos e Valores Mobiliários Ltda.	Oliveira Trust DTVM S.A.	Itaú BBA

Os vencimentos das parcelas não circulantes têm a seguinte distribuição, por ano:

	12/31/10			12/31/09		
	PORTION	COST	TOTAL	PORTION	COST	TOTAL
2011	-	-	-	292,105	(2,328)	289,777
2012	316,267	(2,814)	313,453	292,105	(2,328)	289,777
2013	285,862	(2,569)	283,293	246,898	(2,041)	244,857
2014	159,962	(1,389)	158,573	120,998	(1,054)	119,944
2015	74,124	(691)	73,433	46,957	(293)	46,664
2016	24,727	(260)	24,467	-	-	-
2017	24,727	(260)	24,467	-	-	-
	885,669	(7,983)	877,686	999,063	(8,044)	991,019

The contract of subsidiary Ecovias requires compliance with the net debt to EBITDA ratio below 2.2 points and an EBITDA to debt service ratio (payment of interest and repayment of principal for the period) ratio higher than 1.3 points, based on the interim financial statements. Maintenance of such ratios is checked quarterly based on the past 12 months. The financial ratios (covenants) as of December 31, 2010 have been met.

The contract of subsidiary EcoRodovias Concessões requires compliance with the net debt to EBITDA ratio lower than 2.75 points and an EBITDA to net financial expenses ratio higher than or equal to 3,0 points based on the interim financial statements. Maintenance of such ratios is checked quarterly based on the past 12 months. The financial ratios (covenants) as of December 31, 2010 have been met.

The contract of subsidiary Elog S.A. requires compliance with the net debt to EBITDA ratio lower than 2.5 points; and an EBITDA to debt service ratio higher than 1.2 points. The ratios will be calculated semi-annually based on the Issuer's consolidated balance sheet over four consecutive six-month periods.

The table below shows the Internal Return Rate (TIR) of these transactions:

ISSUER	SERIES	DATE	FACE VALUE	ISSUANCE COSTS	NET VALUE	INTEREST RATE	TIR
Elog S.A. (*)	Singles series	12/20/10	136,000	(1,685)	134,315	CDI + 2.2%	14.60%
EcoRodovias Concessões e Serviços	Debentures – series 1	12/21/09	460,750	(6,308)	454,442	CDI + 1.5%	CDI + 2%
	Debentures – series 2	12/21/09	69,625	(953)	68,672	8.75%+ IPCA	9.39%+ IPCA
	Debentures – series 3	12/21/09	69,625	(953)	68,672	8.75%+ IPCA	9.37%+ IPCA
Ecovias	Debentures – series 1	11/01/06	135,000	(2,677)	132,323	104% do CDI	107% do CDI
	Debentures – series 2	11/01/06	157,500	(3,124)	154,376	9.5% + IGP-M	10.32%+ IGP-M
	Debentures – series 3	11/01/06	157,500	(3,124)	154,376	9.5% + IGP-M	10.35%+ IGP-M
			1,186,000	(18,824)	1,167,176		

(*) The total amount raised from debentures issued by direct subsidiary Elog S.A. was R$170,000 (R$136,000 concerning 80% interest of EcoRodovias).

23. RELATED-PARTY TRANSACTIONS

The Company and its subsidiaries engage services from their shareholders or from companies related to them, directly or through consortiums, for the performance of upkeep, improvement, and enlargement services in the highway system and consulting services.

The transactions and balances for the reporting periods are as follows:

	Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
Assets:						
Concessionária de Rodovias do Sul S.A. – Ecosul	33	31	126	-	-	-
Consórcio Serra do Mar	-	-	-	260	-	-
	33	31	126	260	-	-

	Company (BR GAAP)			Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09	12/31/10	12/31/09	01/01/09
Liabilities:						
Consórcio Planalto (a)	-	-	-	7	100	-
SBS Engenharia e Construções Ltda. (b)	-	-	-	-	1,756	-
Consórcio Serra do Mar (c)	-	-	72	-	1,607	12,428
CR Almeida S.A. Engenharia e Obras (d)	-	-	-	87	165	5
TB Transportadora Betumes Ltda.	-	-	-	35	-	-
CBB Ind. e Com. de Asfaltos e Engenharia Ltda.	-	-	-	271	-	-
	-	-	72	400	3,628	12,433
Income (loss):						
SBS Engenharia e Construções Ltda. (b)	-	-	-	-		1,579
Concessionária de Rodovias do Sul S.A. (e)	(384)	-	-	-	-	-
	(384)	-	-	-	-	1,579

Related-party transactions are broken down as follows:

(a) Consórcio Planalto, comprised of companies related to indirect subsidiary EcoRodovias: C.R. Almeida Engenharia e Obras S.A. and Cigla Construtor Impregilo Associados S.A. and Impregilo SPA, indirect parent company of EcoRodovias, provides Nova Marginal Tietê avenue expansion services and recovery of Ayrton Senna highway flexible pavement. The overall price agreed to deliver the services contracted by the Company and Planalto Consortium is R$58,263, including the contractual addendum. As of December 31, 2010, there is a balance of R$343 to be incurred with this contract. The outstanding balance payable falls due within 45 days and is not subject to the payment of interest or inflation adjustment. No collaterals were offerred to lenders.

(b) SBS Engenharia e Construções Ltda. holds a 10% equity interest in Ecosul and provides paving and engineering services in the highway system, and upkeep services in the highways operated by subsidiaries Ecosul and Ecovia. The overall price agreed to deliver the services contracted by Ecosul and SBS Engenharia e Construções Ltda. is R$22,887 and by Ecovia and SBS Engenharia e Construções Ltda. is R$31,165 including the contractual addendum to both contracts. As of December 31, 2010, there is a balance of R$3,507 to be incurred with these contracts. The outstanding balances payable fall due within 45 days and are not subject to the payment of interest or inflation adjustment. No collaterals were offerred to lenders.

(c) The Serra do Mar consortium, comprised of related parties of the indirect subsidiary EcoRodovias: C.R. Almeida Engenharia e Obras S.A. and Cigla Construtor Impregilo Associados S.A. and Impregilo SPA provides construction services in operating lanes, emergency areas, crossing in the third lane of the Padre Manoel da Nóbrega highway, construction of bypasses in the Cônego

Domenico Rangoni highway, paving of the Anchieta-Imigrantes system highways, and at the toll plazas of subsidiary Ecovias. The overall price agreed to deliver the services contracted by the concessionaire and Serra do Mar Consortium is R$180,589, including the contractual addendum. As of December 31, 2010, there is a balance of R$36,663 to be incurred with this contract. The outstanding balances payable fall due within 45 days and are not subject to the payment of interest or inflation adjustment. No collaterals were offerred to lenders.

(d) C.R Almeida Engenharia de Obras S.A., the related party of EcoRodovias, provides highway flexible pavement recovery services in the Ayrton Senna and Carvalho Pinto highways. The overall price to deliver the services contracted by the concessionaire and C.R. Almeida is R$5,370. The contract was terminated in February 2010 and there is a balance of R$286 to be incurred with this contract. The outstanding balances payable fall due within 45 days and are not subject to the payment of interest or inflation adjustment. No collaterals were offerred to lenders.

(e) Refers to the rental of the real estate where the head office of Ecosul is located; the monthly rent amount is R$33 thousand.

Mamangement compensation

Management members are the persons with authority and responsibility for the planning, steering and controlling of the Company's and its subsidiaries' activities, either directly or indirectly, including any officer (executive or other).

For the year ended December 31, 2010, management received short-term benefits (wages, salaries, profit sharing, health care, housing, free or Company-subsidized products or services) accounted for in "General and administrative expenses".

No amounts were paid in the period relating to:

(a) post-employment benefits (pension, other retirement benefits, post-employment life insurance and post-employment health care plan);

(b) long-term benefits (leave of absence for length of service and long-term disability benefits); (c) severance benefits; and (d) stock-options payments.

The Annual Shareholders' Meeting set management's annual overall compensation for fiscal year 2010 at R$9,192 (R$6,903 for fiscal year 2009).

The Company's management will call an AGO within the first four months of 2011 to approve the compensation of management for the fiscal year ending December 31, 2011, among other matters. Additionally, at the same AGO, Management will propose to shareholders the adjustment of the overall annual compensation of the Company's management for the year ended December 31, 2010 to R$10,476, whose amount was actually paid and recognized in the financial statements. The difference between the approved and actually paid amounts was due to the payment of additional performance-based compensation in view of the assistance with the growth of corporate governance as a publicly-held company in the fiscal year ended December 31, 2010.

Compensation paid to management for the year is as follows:

	Company (BR GAAP)	
	12/31/10	12/31/09
Salaries and wages	4,960	4,095
Direct and indirect benefits	5,516	2,764
	10,476	6,859

24. PROVISION FOR MAINTENANCE

The amounts recorded as provision for maintenance refer to the upkeep of the highway infrastructure, adjusted at present value based on rates from 9.62% to 11.73% per annum. The amounts are accrued by highway stretch, and interventions occur over an average five-year period.

As of December 31, 2010, the balance is R$144,854 (R$161,584 as of December 31, 2009 and R$162,241 as of January 1, 2009), as shown below:

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
Recognition of the provision for maintenance and adjustment to present value	162,422	206,555	209,025
Adjustment to present value – realized	(17,568)	(44,971)	(46,784)
	144,854	161,584	162,241
Current	24,337	58,238	39,416
Noncurrent	120,517	103,346	122,825

25. PROVISION FOR FUTURE CONSTRUCTION WORK

The provision for future construction work arises from the amounts to be disbursed to comply with the contractual concession obligations, whose economic benefits are already recognized by the Company as a contra entry to intangible assets.

The amounts are adjusted at present value based on rates from 9.62% to 11.56% per annum.

As of December 31, 2010 and 2009 and January 1, 2009, these amounts are as follows:

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
Recognition of the provision for future construction work	21,179	21,179	7,909
Adjustment to present value	(4,150)	(5,748)	(3,227)
	17,029	15,431	4,682
Current	10,143	-	-
Noncurrent	6,886	15,431	4,682

26. CONCESSION FEE OBLIGATIONS

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
Fixed installments	72,050	379,490	77,915
Variable installments	2,587	2,368	1,773
	74,637	381,858	79,688
Current	15,205	322,177	13,381
Noncurrent	59,432	59,681	66,307

The highway concession agreement of the subsidiary Ecovias, dated May 27, 1998, subdivides fixed fees into 240 fixed consecutive monthly installments, maturing from the first month of collection, adjustable annually based on IGP-M fluctuation. As of December 31, 2010, 89 installments remain unpaid and payments made correspond to 62.92% of total (59,92% as of December 31, 2009).

The highway concession agreement of the subsidiary Ecopistas, dated June 18, 2009, subdivides fixed fees into one cash installment of 20% and the remaining balance into 18 fixed consecutive monthly installments, adjusted based on IPCA-IBGE fluctuation. As of December 31, 2010, all installments were paid (33.3% as of December 31, 2009).

The variable installment is calculated monthly at 3% of the revenue collected by subsidiaries Ecovias and Ecopistas, and 1% of the revenue collected by Ecosul.

The indirect subsidiaries Ecovias and Ecopistas have insurance to guarantee an effective and comprehensive coverage of the risks incidental to the development of all activities involved in the concession. All insurance policies include the Concession Grantor and the Company, as co-insurer, and are effective for at least 12 months. The insurance covers should be effective until the agreement for the definitive return of the highway system is signed. In addition to the insurance required by the applicable legislation, the companies will also contract and maintain during the whole concession period insurance to cover operational risks, engineering risks and civil liability of highway concessionaires.

Maturities of noncurrent portions are as follows, by year:

	12/31/10	12/31/09	01/01/09
2011	-	10,664	10,851
2012	11,553	9,739	9,909
2013	10,842	8,894	9,050
2014	9,901	8,122	8,264
2015 and thereafter	27,136	22,262	28,233
	59,432	59,681	66,307

27. PAYROLL AND RELATED TAXES

	Company (BR GAAP)		
	12/31/10	12/31/09	01/01/09
Salaries and other related taxes	3,122	3,111	2,521
INSS payable	28	167	170
FGTS payable	60	54	43
IRRF payable	259	43	245
Accrued vacation	741	579	537
Charges on accruals	639	202	145
	4,849	4,156	3,761

	Consolidated (IFRSs and BR GAAP)		
	12/31/10	12/31/09	01/01/09
Salaries and other related taxes	11,269	7,740	6,605
INSS payable	2,928	1,479	1,279
FGTS payable	851	493	360
IRRF payable	1,060	786	775
Accrued vacation	9,144	5,251	4,004
Charges on accruals	3,411	1,942	1,447
	28,663	17,691	14,470

Accrued payroll and charges were recorded in the Company's statement of income under "Cost of services", "Selling expenses" and "General and administrative expenses", according to the employee's assignment.

28. RESERVE FOR TAX, LABOR AND CIVIL CONTINGENCIES

The Company and its subsidiaries are parties to ongoing labor, civil and tax lawsuits arising in the normal course of their operations. The related reserves for tax, labor and civil contingencies have been recognized for lawsuits whose likelihood of loss was considered probable, based on the opinion of the Company's legal counsel.

The balance of reserve is as follows:

	Consolidated (IFRSs and BR GAAP)		
PROCEEDINGS	12/31/10	12/31/09	01/01/09
Civil (a)	31,268	14,304	12,917
Tax (b)	863	1,340	2,787
Labor (c)	15,548	9,183	6,259
Noncurrent	47,679	24,827	21,963

CHANGES FROM JANUARY 1 TO DECEMBER 31, 2009

TYPE	01/01/09	ADDITIONS	WRITE OFFS	INFLATION ADJUSTMENT	12/31/09
Civil (a)	12,917	3,184	(2,997)	1,200	14,304
Tax (b)	2,787	614	(2,459)	398	1,340
Labor (c)	6,259	3,426	(1,169)	667	9,183
	21,963	7,224	(6,625)	2,265	24,827

CHANGES BETWEEN THE YEARS ENDED DECEMBER 31, 2009 AND 2010:

TYPE	12/31/09	ADDITIONS	BALANCES RECEIVED ON ACQUISITION OF NEW COMPANIES(*)	WRITE OFFS	INFLATION ADJUSTMENT	12/31/09
Cível (a)	14,304	16,032	1,521	(2,334)	1,745	31,268
Tributária (b)	1,340	503	337	(1,362)	45	863
Trabalhista (c)	9,183	2,980	5,078	(2,830)	1,137	15,548
	24,827	19,515	6,936	(6,526)	2,927	47,679

(*) Balances received on acquisition of Armazéns Gerais Columbia S.A. and EADI Sul Terminal de Cargas Ltda. by direct subsidiary Elog S.A.

(a) Civil lawsuits

Refer mainly to claims for compensation for damages and losses due to highway accidents. The Company and its subsidiaries have other reserves for civil contingencies totaling R$10,990 as of December 31, 2010 (R$11,698 as of December 31, 2009), whose likelihood of loss is assessed by the Company's legal counsel and Management as possible; accordingly, no reserve was recognized.

The logistics operation mainly comprise lawsuits involving indemnity claims for damages or losses arising from losses in the logistics operation. The Company recognized a reserve for lawsuits whose likelihood of loss is considered as probable in the total amount of R$790.

(b) Tax lawsuits

As of December 31, 2010, there are also other tax lawsuits totaling R$12,465 (R$19,638 as of December 31, 2009), which were assessed as possible losses by the legal counsel and Management and, therefore, no reserve was required. The main lawsuits are as follows:

a) Tax administrative proceeding challenging the tax assessment notice issued by the Receita Federal (Brazilian tax authority) in São Bernardo do Campo, SP, because tax auditors disregarded the cash method used to recognize foreign exchange gains and, as result, required the payment of related income tax and social contribution. The defense arguments filed were examined in December, 2009, and the administrative court issued a decision partially favorable to Ecovias that reduces the originally claimed amount of R$81,000 to approximately R$11,400, for which no reserve was recognized, based on the opinion of the legal counsel in charge of the proceeding, who consider the likelihood of an unfavorable outcome regarding the payment of the taxes and 75% fine as remote, and regarding the imposition of proportional interest as possible.

b) Tax administrative proceedings challenging the tax assessment notice issued by the Receita Federal (Brazilian tax authority) in Pelotas, RS, for the nonpayment of income tax and social contribution on profit sharing paid to the management of Ecosul, and the disallowance of the depreciation rate of improvements made in concession properties, regarding which the likelihood of an unfavorable outcome is considered by the legal counsel as possible.

The logistics operations comprise other tax lawsuits totaling R$46, whose likelihoof of loss was considered as possible by the Company's legal counsel and Management; accordingly, no reserve was recognized. The main tax lawsuit is as follows:

c) Administrative proceeding arising from a tax assessment notice filed by the Receita Federal (brazilian tax authority) imposing rates of 50% of Import Duty and 50% of IPI on the tax base, by alleging generic description of products, in addition to misplacement or consumption of goods imported by third parties, fully separated from the Company, a simple warehousing service provider without any relationship with the import from these third parties. The estimated amount is R$15,357. The proceeding is being analyzed by the Tax Appeal Council and no reserve was recognized, since the legal counsel in charge of the lawsuit understands that the likelihood of loss is remote.

(c) Labor lawsuits

Refer mainly to claims for compensation for occupational injuries and overtime pay claims, and there is no individual lawsuit with a significant amount. As of December 31, 2010, there are other labor lawsuits totaling R$18,833, of which R$5,033 (80% concerning the Company's interest) refer to the logistics operation (R$12,681 as of December 31, 2009), egose likelihood of loss was considered by the Company's legal counsel and management as possible; accordingly, no reserve was recognized.

Indirect subsidiary Ecocataratas is party to a joint liability action on a labor lawsuit filed against Qualix Serviços Ambientais S.A., a Sideco Group company (former shareholder of this subsidiary). The lawsuit was considered with grounds by the lower court against the defendant, and the adjusted award amount as of December 31, 2010 is R$5,192 (R$5,000 as of December 31, 2009). In light of the purchase and sale agreement entered into between Sideco S.A. and the Company, the former shareholders are required to pay indemnity in case of loss. The legal counsel and Management assessed this lawsuit as possible loss and, therefore, no reserve was recognized.

29. SHAREHOLDERS' EQUITY

a) Capital

As of December 31, 2010, the subscribed and fully paid-in capital of R$1,320,549 is represented by 558.699.080 common shares without par value.

b) Authorized capital

In accordance with its Bylaws, the Company is authorized to increase its capital to up to R$2,000,000 after a Board of Directors' resolution, subject to the statutory terms and conditions for issuance and exercise of preemptive rights.

c) Public offering of shares

On April 6, 2010, capital of R$874,000 was paid in through the public offering of 92,000,000 registered, book-entry common shares, without par value and unit value of R$9,50. As a result, the Company' capital increased from R$466,699 to R$1,320,549 through the issuance of 92,000 common shares.

EVENT	12/31/10
Primary shares	92,000
Issuance price – R$	9.50
Capital increase	874,000
Secondary shares	33,220
Overallotment – secondary shares	18,783

Under the Adhesion Agreement entered into with BMF&Bovespa, the Company complied with the requirement that 25% of its shares be outstanding in the market.

On April 30, 2010, the Leading Underwriter exercised the exclusive option granted by the Company and its shareholder Primav Construções e Comércio S.A. to distribute an overallotment of shares ("Share Overallotment"), and placed 18,783,000 shares held by Primav Construções e Comércio S.A. (secondary shares), under the same terms and conditions and price of the initial public offering of shares. This overallotment was used exclusively to meet the excess demand. The offering totaled R$1,368,028.

d) Funding costs

Costs incurred on the public offering of shares. The costs incurred totaled R$20,150, net of taxes effects.

e) Earnings reserve – legal

Recorded at 5% of adjusted net income for the year, limited to 20% of capital.

f) Revenue retention reserve

The earnings retention reserve in 2010 was recognized in conformity with art. 196 of Law 6404/76, in order to implement the Company's Investment Programs, provided for in the capital budget to be submitted to the Annual Shareholders' Meeting, and in order to pay for the proposed additional proposed dividends.

The amount recorded for the capital budget reserve was R$215,747, and for the dividend reserve was R$142,158.

g) Proposed dividends

Under the Company's Bylaws, shareholders are entitled to mandatory minimum dividends calculated at the rate of 25% of net income after the recognition of the legal reserve and bylaws reserve.

For the year ended December 31, 2010, the Company paid dividends totaling R$150,099 referring to 2009 net income.

The calculation of dividends for the year ended December 31, 2010 is as follows:

	12/31/10
Accumulated losses	(42,357)
Net income for the year	590,295
Legal reserve – 5%	(27,397)
Calculation base for dividends	520,541
Management's proposal:	
Interest on capital, net of IRRF	(9,498)
Interim dividends	(117,327)
Proposed dividends	(3,310)
Proposed and paid minimum mandatory dividend	130,135

h) Stock option plan

The Extraordinary Shareholders' Meeting (AGE) held on August 31, 2010 approved the Company's Stock Option Plan to management and employees. The Board of Directors is responsible for establishing and managing this plan.

The purpose of the stock option plan is to allow beneficiaries to become the Company's shareholders and participate directly and actively in bringing positive results to the Company. The Company's and its subsidiaries' members of the Board of Directors, management and key employees that are not statutory managers are eligible to the plan.

The option grant should not exceed 2% of the Company's common shares, which shall be only treasury shares.

The Board of Directors will set out the terms and conditions of each option in a Stock Option Agreement (the Agreement), to be signed by the Company and each beneficiary.

The price of options will correspond to the Company's share price, adjusted for inflation based on the IPCA or another similar index selected at the Company's Annual Shareholders' Meeting.

The Board of Directors made 685,764 common shares available for the plan, as follows:

DATE OF THE FIRST GRANT	08/31/10
Number of stock options	685,764
Strike price per share – R$	R$9.95
Adjustment index	IPCA

The Company recognizes in income during the period services are provided, the vesting period and the costs of compensation paid to beneficiaries based on the fair value of the options on grant date, using the Black-Scholes pricing model to measure the fair values of the options. In the year ended December 31, 2010, R$324 was recorded under "Stock Option Issuance Premium".

The Company will settle this stock option plan by delivering its own shares, which will be held in treasury up to the actual exercise of the options by the beneficiaries.

Changes in the number of stock options are as follows:

	NUMBER OF OPTIONS
Outstanding at beginning of period – August 31, 2010	685,764

No options were canceled during the year ended December 31, 2010.

The fair value of stock options was estimated on the option grant date by using the Black-Scholes pricing model.

The right to exercise the option will be vested as follows:

YEAR	NUMBER OF OPTIONS	ADJUSTED EXERCISE PRICE	FAIR VALUE OF THE OPTION ON ISSUANCE DATE	EXERCISE DATE
2011	171,441	R$10.22	2.16	11 meses
2012	171,441	R$10.22	2.82	23 meses
2013	171,441	R$10.22	3.38	35 meses
2014	171,441	R$10.22	3.88	47 meses
	685,764			

The conditions for the exercise of the options are as follows:

CONDITIONS	TERM
25% of the options (total of 685,764 shares)	After 12 months of service
25% of the options (total of 685,764 shares)	After 24 months of service
25% of the options (total of 685,764 shares)	After 36 months of service
25% of the options (total of 685,764 shares)	After 48 months of service

The fair value of stock options granted under the plan approved on August 31, 2010 was recognized as an expense in 2010 (period in which the right became vested). The consideration is recognized in a Earnings reserve – Stock option issuance premium award, in shareholders' equity. The amount recorded in 2010 was R$324.

i) Capital reserve

The Company recognizes a reserve for future purchase of shares under the stock-based option plan in the amount of R$30,825, which was transferred to line item "Capital reserve", as prescribed in the Bylaws.

30. SERVICE TAX (ISS)

Ecovias

In 1999, the highway operation services were included in the list of services taxed by ISS. This subsidiary started negotiations with the Concession Grantor to obtain financial rebalance of the agreement since this tax was not considered in the toll. In 2001, the subsidiary started to pay ISS to the municipalities served by the Anchieta-Imigrantes System, in accordance with these municipalities' regulations (except for the Municipality of São Paulo, which did not regulate the tax in that year).

As this tax was not considered in the concession proposal, the Company, based on the principles of economic and financial rebalance of the contract and approval by the Grantor, for the year ended December 31, 2010, offset R$7,955 paid to the municipalities against amounts of the payment for concession. From the beginning of the economic and financial rebalancing to December 31, 2010, the amount offset totaled R$194,700 (R$168,260 as of December 31, 2009).

31. NET INCOME

	Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09
Toll revenue:		
Toll in cash	643,863	560,786
Toll by electronic equipment	459,179	326,403
Toll tickets and coupons	127,321	107,066
Other	2,897	2,893
	1,233,260	997,148
Construction revenues	174,700	124,867
Revenue from logistics and other services (a)	72,103	39,187
Accessory revenues (b)	48,184	40,111
Gross revenue	1,528,247	1,201,313
Sales deductions	(100,639)	(73,747)
Net revenues	1,427,608	1,127,566

(a) Refers to the revenue from logistics companies relating to the truck parking yard, container warehousing and repair and special customs export terminal (Redex) and the revenue from services of subsidiary Serviços e Tecnologia de Pagamentos S.A. – STP relating to electronic toll adhesion and maintenance fees.

(b) Refer to other revenue of highway concessionaires, such as the lease of area for fiber optics, use of highway land, sales of advertising, implementation and concession of accesses and others.

32. OPERATING COSTS AND EXPENSES – PER NATURE

	Company (BR GAAP)	
	12/31/10	12/31/09
Personnel	19,416	13,476
Upkeep and maintenance	478	448
Outside services	12,888	8,605
Insurance	512	145
Depreciation and amortization	848	500
Other	3,904	2,207
Goodwill amortization on investment	-	20,471
	38,046	45,852
Classified as:		
Personnel expenses	19,416	13,476
General and administrative expenses	18,630	32,376
	38,046	45,852

	Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09
Personnel	131,220	107,795
Upkeep and maintenance	66,481	57,338
Outside services (*)	81,480	61,787
Insurance	12,153	10,233
Depreciation and amortization	140,445	111,622
Concession Grantor	37,598	26,017
Other	63,680	49,656
Provision for maintenance	48,184	48,829
Construction costs	174,700	124,867
	755,941	598,144
Classified as:		
Cost of services provided	623,618	490,932
Personnel expenses	56,651	47,673
General and administrative expenses	75,672	59,539
	755,941	598,144

(*) Outside services are composed basically of ambulance, paramedical, and removal services, consulting services, and cleaning services.

33. FINANCIAL INCOME (EXPENSES)

	Company (BR GAAP)		Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09	12/31/10	12/31/09
Financial income:				
Income from short-term investments	57,215	1,844	86,307	10,463
Inflation adjustment on financing	664	-	1,216	1,276
Inflation adjustment on debentures		-	-	5,621
Interest income on debentures		-	-	7,348
Interest receivable		681	-	-
Other	1,199	279	3,028	1,356
	57,078	2,804	90,551	26,064
Financial expenses:				
Interest on debentures	-	-	(112,188)	(55,772)
Interest on financing	(2)	(32,185)	(62,933)	(87,996)
Inflation adjustment on debentures	-	-	(46,276)	-
Inflation adjustment on concession fee	-	-	(29,773)	(20,685)
Amortization of costs on issuance of debentures	-	-	(3,574)	(5,314)
Tax on financial transactions (IOF)	-	(65)	-	(3,006)
Banking expenses	(364)	(118)	(3,802)	(1,688)
Brokers' fees	-	(502)	-	(502)
Adjustment to present value – ICPC 01	-	-	(17,568)	(17,653)
Other	(1,590)	(3,631)	(13,897)	(7,755)
	(1,956)	(36,501)	(290,011)	(200,371)
Financial income (expenses)	57,122	(33,697)	(199,460)	(174,307)

34. EARNINGS PER SHARE

	Company (BR GAAP)		Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09	12/31/10	12/31/09
Basic earning per share from operations	1.12	0.45	1.12	0.45
Diluted earning per share from operations	1.12	0.45	1.12	0.45

a) Basic earnings per share

The income and weighted average number of common shares used to calculate basic earnings per share are as follows:

	Company (BR GAAP)		Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09	12/31/10	12/31/09
Income for the year attributable to the Company's owners used to calculate basic earnings per share	590,295	212,292	590,295	212,292
Weighted average number of common shares used to calculate basic earnings per share	528,032	466,699	528,032	466,699

b) Diluted

The income used to calculate diluted earnings per share is as follows:

	Company (BR GAAP)		Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09	12/31/10	12/31/09
Income used to calculate basic and diluted earnings per share	590,295	212,292	590,295	212,292

The weighted average number of common shares used to calculate diluted earnings per share is reconciled with the weighted average number of common shares used to calculate basic earnings per share, as follows:

	Company (BR GAAP)		Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09	12/31/10	12/31/09
Weighted average number of common shares used to calculate basic earnings per share	528,032	466,699	528,032	466,699
Options of employees	324	-	324	-
Weighted average number of common shares used to calculate diluted earnings per share	528,356	466,699	528,356	466,669

35. PROFIT SHARING

The policy of the Company and its subsidiaries is to manage their employees' profit sharing, linked to specific goals and targets, which is established and paid in conformity with the collective labor agreement entered into with employees' union. In the year ended December 31, 2010, the profit sharing was R$4,403 (R$2,914 as of December 31, 2009), which was allocated to income under line items "Cost of services" and "General and administrative expenses".

36. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS – CONSOLIDATED (IFRSS AND BR GAAP)

The Company is subject to various financial risks: market (including currency and interest rate risk), credit and liquidity risk, and seeks to minimize the potential adverse effects on financial performance by using derivatives to hedge against certain risks.

The Company measured the fair value and/or realizable amounts of its assets and liabilities using available information and valuation methodologies defined by Management. However, both the interpretation of market inputs and the selection of appraisal methods require considerable judgment and reasonable estimates to calculated the most adequate realizable value. Accordingly, estimates presented herein are not necessarily indicative of the amounts that could realize in the market. The use of different market assumptions and/or valuation methodologies had no material effect on actual fair values.

Gains and losses on these transactions are consistent with the policies and strategies designed by the Management of the Company and its subsidiaries.

General considerations

• The Management of the Company and its subsidiaries elects the financial institutions where short-term investments can be made and sets the limits of the fund allocation percentages and amounts to be invested in each financial institution. Short-term investments are defined as held-for-trading assets.

• Short-term investments and securities: investments consisting of CDBs and yielding rates ranging 99.00% to 101.35% of CDI, which reflect the market conditions at the balance sheet date.

• Trade accounts receivable: arise directly from the Company's operations, are classified as held to maturity and are recorded at original amounts, less allowance for doubtful accounts losses and discount to present value, when applicable.

• Borrowings, financing and leasing: recorded as financial liabilities, not measured at fair value, and accounted for based on the contractual amounts established for each transaction, as shown in notes 15 and 16.

a) Financial instruments measured at fair value in the balance sheet

The Company applies the amendment to IFRS 7 for financial instruments measured at fair value in the balance sheet, which requires disclosure of fair value measurements based on the following fair value measurement hierarchy:

– Prices quoted (non-adjusted) in active markets for identical assets and liabilities (Level 1).

– Information, in addition to the quoted prices, included in Level 1, inputs used by the market for assets or liabilities, whether directly (e.g. prices) or indirectly (e.g., derived from prices) (Level 2).

– Inputs for assets or liabilities that are not based on the data adopted by the market (i.e., unobservable inputs) (Level 3).

The carrying amounts and fair values of the main consolidated financial instruments of the Company and its subsidiaries as of December 31, 2010 are as follows:

	STATUS	LEVEL 2 CARRYING VALUE	LEVEL 2 MARKET VALUE
Assets:			
Cash and cash equivalents	Loans and receivables	872,654	872,654
Customers	Loans and receivables	85,217	85,217
Short-term investments and securities	Available for sale	883,187	883,187
Liabilities:			
Loans and financing	Amortized cost	573,746	584,077
Leasing	Amortized cost	2,893	2,893
Debentures	Amortized cost	1,194,681	1,195,371
Concession fee obligations	Amortized cost	74,637	97,534

a) Currency risk

The currency risk arises from the possible fluctuation of the foreign exchange rates of foreign currencies used by the indirect subsidiary Ecopátio Logística Cubatão, with which foreign currency-denominated equipment financing contracts are entered into.

As of December 31, 2010, Ecopátio Logística Cubatão has the following agreements denominated in foreign currency:

	12/31/10	
CREDITOR	R$	CURRENCY
Nordea Bank Finland PLC	925	US$
Nordea Bank Finland PLC	1,006	E
Citibank	14,897	US$

b) Interest rate risk

The Company's and its subsidiaries' interest rate risk arises from short-term investments, borrowings and financing, debentures and short– and long-term promissory notes.

Pursuant to its financial policies, the Company has maintained its short-term investments at prime banks and has not entered into transactions with financial instruments for speculative purposes.

c) Credit risk

Financial instruments that potentially expose the Company and its subsidiaries to credit risk concentration consist primarily of trade accounts receivable.

The Company and its subsidiaries have been investing funds in low-risk rated financial institutions and have not entered into transactions involving speculative financial instruments or any other risk asset.

d) Market risks

This risk arises from the possibility of the companies incurring losses because of interest rate fluctuations that increase financial expenses related to borrowings and financing raised in the market. The Company continuously monitors market interest rates with the objective of assessing the need to hedge against the risk of volatility in these rates.

e) Liquidity risk

The Company's cash flow estimate is made at the treasury area. This area monitors the continuous forecasts of liquidity requirements to ensure the Company has sufficient cash to meet its operational needs. This forecast takes into consideration the Company's debt financing plans, compliance with contractual clauses, compliance with internal balance sheet ratio goals, and external regulatory or legal requirements, if applicable (for example, currency restrictions).

Cash surpluses held by operating units above the threshold required for working capital management is transferred to the treasury area, which invests the cash surplus in CDBs, LFTs and debentures (repurchase transactions), by selecting instruments with adequate maturity dates or sufficient liquidity to provide the necessary margin, as determined by the aforementioned forecasts. As of December 31, 2010, the Company held short-term investments of R$370,284 (R$17,522 as of December 31, 2009 and R$6,875 as of January 1, 2009).

f) Potential expectation by the Company to reduce or increase the exposure to material risks

The Company constantly analyzes the risks to which it is subject and that may affect its business, financial condition and operating results. The Company continuously monitors changes in the political and sectorial scenario that may affect its activities, by following up the main performance indicators.

g) Derivative financial instruments

As of December 31, 2010, the indirect subsidiary Ecopátio Logística Cubatão Ltda. has a foreign currency-denominated financing to acquire operating equipment to be used in its operations. The swap transaction entered into on December 30, 2010 consists of the swap of the Libor variation plus 4.20% per annum for a fixed rate of 6.00% per annum.

Sensitivity analysis

The sensitivity analysis was developed considering exposure to CDI, TJLP and IGP-M fluctuations, the main indices of debentures contracted by the Company and its subsidiaries:

		Interest to be incurred		
TRANSACTION	RISK	SCENARIO I PROBABLE	SCENARIO II – 25%	SCENARIO III – 50%
Interest on series 1 debentures	CDI increase	32,408	36,776	41,089
Interest on series 2 and 3 debentures	IGP-M increase	107,392	120,857	134,299
Interest on series 1, 2 and 3 debentures	IPCA increase	154,023	178,001	201,773
Interest on debentures – single series	CDI increase	89,101	107,048	124,810
Loans and financing	CDI increase	33,688	38,704	45,802
Loans and financing	TJLP increase	10,973	13,714	16,458
Loans and financing	US$increase	243	274	285

In compliance with CVM Instruction 475/08, the Company and its subsidiaries are presenting the probable scenario defined based on Management's expectations and two other scenarios with 25% and 50% deterioration in the risk variable considered, presented in accordance with the regulations as scenario II and scenario III, respectively.

The rates were as follows:

INDICATORS	SCENARIO I PROBABLE	SCENARIO II – 25%	SCENARIO III – 50%
CDI (a)	10.64%	13.30%	15.96%
IGP-M (b)	8.23%	10.28%	12.34%
TJLP (c)	1.97408	2.4676	2.96112
US$(d)	1.6662	1.7604	1.7793

(a)Refers to CDI rate as of December 31, 2010. (b)Refers to IGP-M rate as of December 31, 2010. (c) Refers to TJLP as of December 31, 2010. (d) Refers to the US dollar rate as of December 31, 2010.

The Company conducts transactions involving financial instruments and intended to meet its requirements. However, as of December 31, 2010, the Company does not have transactions designed to mitigate exposure to market and interest rate risks. The Company measured the fair value and/or realizable amounts of its assets and liabilities using available information and valuation methodologies defined by Management. However, both the interpretation of market inputs and the selection of appraisal methods require considerable judgment and reasonable estimates to calculated the most adequate realizable value. Accordingly, estimates presented herein are not necessarily indicative of the amounts that could realize in the market. The use of different market assumptions and/or valuation methodologies had no material effect on actual fair values.

Gains and losses on these transactions are consistent with the policies and strategies designed by the Management of the Company and its subsidiaries.

37. PENSION PLAN

The Private Pension Plan was implemented in June 2006, under the defined contribution category, whose costs are fairly determinable and can be controlled and managed, for which the Company and the employee contribute the same amounts for salaries above R$2.6, up to 8% of the nominal salary, and, for salaries below such amount, the Company contributes 1% of the employee's nominal salary. In the year ended December 31, 2010, the Company and its subsidiaries contributed R$1,044 (R$847 as of December 31, 2009), recorded in line item "General and administrative expenses".

38. INSURANCE

The Company and its subsidiaries have insurance coverage considered sufficient by management based on the risks associated with their operations. Concession agreements require concessionaires to write insurance and maintain umbrella insurance coverage to main and guarantee their regular operations. Policies cover civil liability, according to the related concession agreement, operational engineering risks, including problems faced during the construction stage, geological changes, fire and natural disasters (floods and landslides), property damages, and loss of revenue due to blockage of highways.

As of December 31, 2010, insurance by insurance line and effective date is as follows:

TYPE	COVERAGE
Warranty insurance	R$570 million
Equipment	R$1 million
Loaders	R$863 million
Operational risks	R$183 million
Civil liability	R$209 million
Head office insurance	R$5 million
Engineering risks	R$6 million
Vehicles	FIPE Table
Port operation	US$155 million
Sundry risks – equity	R$68 million
Properties	R$38 million

39. CONCESSION AGREEMENTS

Concessionária Ecovia Caminho do Mar S.A.

Concessionária Ecovia Caminho do Mar S.A., established on October 21, 1997, is engaged in operating, on a concession basis, Lot 006 of the Highway Concession Program of the State of Paraná, totaling 136.7, comprised of: (a) BR-277 highway stretch between the City of Curitiba and the Port of Paranaguá, which is 85.7 km long; b) PR-508 highway stretch linking the BR-277 highway and the City of Matinhos, which is 32.0 km long; and c) PR-407 highway stretch linking the BR-277 Highway and Praia de Leste, which is 19.0 km long.

The purpose of the concession is the recovery, improvement, maintenance, operation and development of highways during a 24-year period – concession effective until November, 2021 – upon collection of toll and alternative sources of revenue, which may include activities related to the use of the highway and highway land, access roads, or service and leisure areas, including advertising and excess weight tickets.

The subsidiary has assumed the following commitments arising on the concession:

a) Payment of the annual inspection fee in 12 monthly installments during the agreement term, which is R$60 per month from the beginning to the 11th year and R$66 per month from the 12th year to the end of the agreement.

b) Payment of the fee to equip the Highway Patrol. The fee is designed to equip and upgrade Highway patrol equipment and will be R$10 per month until the 11th year and R$11 per month from the 12th year to the end of the agreement.

c) Renovation, routine maintenance, and upkeep of pavement in highway access roads, as follows (except operation):

• 2.6 km of the PR-804 highway stretch between BR-277 and PR-408.
• 13.2 km of the PR-408 highway stretch between Morretes and BR-277.
• 9.6 km of the PR-408 highway stretch between PR-340 and Morretes.
• 13.0 km of the PR-411 Highway stretch between PR-410 (São João da Graciosa) and Morretes.
The above-mentioned amounts are adjusted proportionally to and on the same adjustment date as the tolls.

The concession agreement of Ecovia was classified as intangible asset. The intangible asset is recognized to the extent it has the right to charge from users public services.

Construction costs and revenue are recognized pursuant to the concession agreement as follows:

	Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09
Construction revenue	22,195	20,851
Construction costs	(22,195)	(20,851)
	-	-

There were changes in the concession agreement in 2010, as follows:

a) Increase in the scope of construction work in Marginal Tietê.

b) Advance of construction work in Marginal Tietê.

Pursuant to the concession agreement, Ecovia has no future commitments; construction work was performed for purposes of maintenance of the highway system.

Concessionária Ecovias dos Imigrantes S.A.

Concessionária Ecovias dos Imigrantes S.A. started operations on May 29, 1998 and is engaged only in operating the Anchieta-Imigrantes highway system under the public service concession terms granted by the São Paulo State Government.

The Anchieta-Imigrantes highway system, which is 176.8 km long, consists basically of the following highways: (a) Anchieta highway (SP-150 – from km 9.7 to km 65.6); (b) Imigrantes highway (SP-160 – from km 11.5 to km 70.0); (c) Planalto road link (SP-041 – 8-km long); (d) Baixada road link (SP-059 – 1.8-km long); (e) Padre Manoel da Nóbrega highway (SP-055/170 – from km 270.6 to km 292.2); and (f) Cônego Domênico Rangoni highway (SP-055/248 – from km 0 to km 8.4 and km 248.0 to km 270.6).

The 20-year toll concession comprises maintenance and improvement of operation systems, building the downward lanes of Imigrantes highway, recovery of existing highways, building lateral lanes, implementation of traffic control and user service systems, preventive maintenance, and implementation of electronic management and toll collection systems.

The concession period granted to the subsidiary was extended by additional 70 months, as a rebalancing measure of the economic and financial terms of the concession agreement, on December 21, 2006 under Amendment 10. The concession agreement is effective until March 2024.

The subsidiary has assumed the following commitments arising on the concession:

a) Main extension:
• Widening of Imigrantes highway between km 41.0 and km 58.0 (downward lanes), initially estimated to be completed in the first half of 2003. This commitment was completed in advance on December 17, 2002 upon delivery of the construction project.

b) Payment of:
• Concession right in monthly installments in amounts to be set throughout the concession period, totaling R$87,000 (R$44,857 adjusted to present value), plus adjustment based on the IGP-M variation.

• 3% of the revenues derived from the operation of the highway system.

At the end of the concession period, all reversible assets, rights and privileges related to the operation of the highway system will return to the Concession Grantor. The concessionaire will be entitled to compensation for the amortized or depreciated balance of the assets acquired or investments made in the last five years of the concession period, as duly authorized by the Concession Grantor.

The concession agreement of Ecovias was classified as intangible asset. The intangible asset is recognized to the extent it has the right to charge from users public services.

Construction costs and revenue are recognized pursuant to the concession agreement as follows:

	Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09
Construction revenue	44,561	61,855
Construction costs	(44,561)	(61,855)
	-	-

As of December 31, 2010 investments to meet future commitments of Ecovias are estimated at R$517,075 (R$521,127 as of December 31, 2009).

Rodovia das Cataratas S.A. – Ecocataratas
Rodovia das Cataratas S.A. – Ecocataratas was incorporated on November 3, 1997 to operate Lot 003 of BR-277 highway, which is a 387.1-km stretch located between the city of Guarapuava, central region of the State of Paraná, and the city of Foz do Iguaçu, in the west end of the same State, as provided for in the concession agreement entered into on November 14, 1997, resulting from the international bid 003/96 DER/PR, granted by the Paraná State, through the collection of toll and provision of related, auxiliary and supplementary concession services, including, but not limited to, construction work and recovery, improvement, upkeep and operation services, operating capacity growth and main highway exploitation and recovery, upkeep and maintenance of highway stretches to access Lot 003, as well as development and application of signaling, information, communication and security systems, weight gauging services, car mechanical and trailing services and medical services. This concession agreement contains several terms that are being discussed, including in courts, since the end of 2002 by Ecocataratas's management and the State Government of Paraná.

The term of Ecocataratas is indefinite but it will be extended at least over the 24-year period of concession (the final concession term is November 13, 2021).

On February 7, 2008 EcoRodovias Concessões e Serviços S.A. acquired the share control of Ecocataratas, with the transfer of all its shares.

Ecocataratas has assumed the following commitments arising on the concession:

a) Payment of annual inspection fee of R$77 in 12 monthly installments during the agreement term, adjusted proportionally to the adjustment of tolls. As of December 31, 2010, the adjusted installment is R$205.

b) Renovation, routine maintenance, and upkeep of pavement in highway access roads, as follows (except operation):

• 7.64 km of the PR-474 highway access road between BR-277 and the city of Campo Bonito, PR.
• 37.03 km of the PR-180 highway access road between BR-277 and the Juvinópolis district in the city of Cascavel, PR.
• 13.58 km of the PR-590 highway access road between BR-277 and the city of Ramilândia, PR.
• 13.59 km of the PR-874 highway access road to the Tourist Resort in the city of Santa Terezinha de Itaipu, PR.

The above-mentioned amounts are adjusted proportionally to and on the same adjustment date as the tolls.

The assets comprising the concession are the highways and access highway stretches comprising the system, including all buildings and other personal properties and real estate, that might be assigned by the Highway Department (DER) to Ecocataratas, on a temporary basis, so that services are not discontinued.

The concession agreement of Ecocataratas was classified as intangible asset. The intangible asset is recognized to the extent it has the right to charge from users the public services

Construction costs and revenue are recognized pursuant to the concession agreement as follows:

	Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09
Construction revenue	929	351
Construction costs	(929)	(351)
	-	-

There was no change in the concession agreement during the year.

According to the concession agreement, Ecocataratas does not have future commitments; the construction work was performed to maintain the highway system.

Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas

Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas started to operate on June 18, 2009 with the agreement being effective through June 2039. It is engaged, under the concession regime, in exploiting, through payment of toll and accessory revenues, based on the terms and limits of the concession agreement, the set of highway lanes of Ayrton Senna-Carvalho Pinto corridor, related rights of way and buildings, facilities and equipment therein, comprising:

a) SP-070 – Ayrton Senna and Carvalho Pinto Highways: initial stretch from km 11, end of the Marginal Tietê avenue, in São Paulo, SP, to km 190; and end stretch from km 130 and km 400, in the intersection with BR-116, between km 117 and km 400, Taubaté, SP.

b) SP-019 – initial stretch between km 0 and km 000, in the intersection with SP-070, between km 19 and km 300, Guarulhos, SP; and end stretch between km 2 and km 400, start of the Cumbica Airport area, Guarulhos, SP.

c) SPI-179/060 – interconnection Ayrton Senna x Rodovia Presidente Dutra: initial stretch between km 0 and km 000, in the intersection with BR-116, between km 179 and km 000, Guararema, SP; and end stretch between km 5 and km 400, in the intersection with SP-070, between km 60 and km 300, Guararema, SP.

d) SPI-035/056 – interconnection Itaquaquecetuba: initial stretch between km 0 and km 000, in the intersection with SP-056, between km 35 and km 000, Itaquaquecetuba, SP; and end stretch between km 0 and km 880, in the intersection with SP-070, between km 35 and km 700, Itaquaquecetuba, SP.

e) SP-099 – Rodovia dos Tamoios: initial stretch between km 4 and km 500, São José dos Campos, SP; and end stretch between km 11 and km 500, São José dos Campos, SP.

f) SP-070 – highway stretch to be built with 6.8 km lenght: extension until SP-125, Taubaté – SP.

g) Crossroads, stretches, bridges and structural works, and complementary facilities urban or road SP-070 highway (Ayrton Senna and Carvalho Pinto highways), granted to Dersa Desenvolvimento Rodoviário S.A. during the concession period, which total approximately 2 km and are located in km 45 (intersection with SP-088) and km 111 (intersection with SP-103).

Ecopistas has assumed the following commitments arising from the concession:

Payment of concession fee obligations, totaling R$595,157 (R$570,422 adjusted to present value), plus adjustment for inflation based on the IPCA index, of which R$118,800 was paid in June 2009, and the remaining balance will be paid in 18 monthly installments.

Whenever the financial and economic balance of the concession agreement may be recovered, such recovery will be implemented based on the effects of the triggering events, by means of:

a) Extension of the concession term.
b) Tariff review.
c) Review of the investment schedule.
d) Use of fixed lien.
e) Use of treasury grants.
f) Joint use of one or more categories.

The assets comprising the concession are all equipment, machinery, devices, accessories and, in general, all other assets linked to the exploitation and maintenance of the current system, transferred to the concessionaire, as well as the assets acquired by the concessionaire, over the concession term, used to explore the highway system.

After end of concession, all reversible assets, rights and privileges linked to the highway system exploitation, transferred to the Company or implemented by the Company under the scope of the concession, will be returned to the Concession Grantor.

The concession agreement of Ecopistas was classified as intangible asset. The intangible asset is recognized to the extent it has the right to charge from users the public services.

The concession agreement may be terminated at the concessionaire's request, in the case of nonperformance of obligations, by means of a lawsuit specifically filed to this end; however, the services provided by Ecopistas cannot be discontinued or interrupted until a court decision terminating the agreement is issued.

Construction costs and revenue are recognized pursuant to the concession agreement as follows:

	Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09
Construction revenue	89,057	18,999
Construction costs	(89,057)	(18,999)
	-	-

As of December 31, 2010, the investments made to meet Ecopistas's future commitments are estimated at R$387,702 (R$391,703 as of December 31, 2009).

Concessionária de Rodovias do Sul S.A. – Ecosul
Concessionária das Rodovias do Sul S.A. – Ecosul was incorporated on January 19, 1998 whose concession agreement was signed on July 15, 1998, operations started on July 24, 1998 and toll charging started on March 4, 2001. Ecosul is engaged only in operating, on a concession basis, the following highways and stretches included in the so-called Pelotas Hub:

HIGHWAY	STRETCH	LENGTH (KM)
BR-116	Pelotas/Camaquã	123.4
BR-116	Pelotas/Jaguarão	137.1
BR-293	Pelotas/Bagé	161.1
BR-392	Pelotas/Rio Grande	73.8
BR-392	Pelotas/Santana da Boa Vista	128.4

The 25-year toll concession (after toll begins to be charged) comprises maintenance and improvement of operation systems, recovery of existing highways, preventive maintenance, and implementation of traffic control and user service systems. At the end of the concession period, in March 2026, all reversible assets, rights and privileges related to the operation of the highway system will return to the Concession Grantor.

The concessionaire has assumed the following commitments arising from the concession:

a) Inspection rate: calculated as 1% on toll revenue and accrued monthly to be paid to the National Ground Transportation Agency (ANTT).

b) Renovation, routine maintenance, and pavement maintenance of the five highway stretches that form the system, totaling a length of 623.8 km as estimated in the operating costs and investments schedules of the exploration program.

The concession agreement of Ecosul was classified as intangible asset. Intangible assets are recognized to the extent it has the right to charge from users the public services.

Construction costs and revenue are recognized according to the concession agreement as follows:

	Consolidated (IFRSs and BR GAAP)	
	12/31/10	12/31/09
Construction revenue	17,958	22,811
Construction costs	(17,958)	(22,811)
	-	-

As of December 31, 2010, the investments made to meet Ecosul's future commitments are estimated at R$103,569 (R$121,836 as of December 31, 2009).

There was no change in the concession agreement during the year.

40. INFORMATION ON THE CONCESSION AGREEMENT OF SUBSIDIARIES ECOVIA AND ECOCATARATAS

Subsidiaries Concessionária Ecovia Caminho do Mar S.A and Rodovia das Cataratas S.A. – Ecocataratas are part of the Paraná State concession program, duly bid and contracted in 1997, in conjunction with four other concessionaires (both with concession termination date in November 2021). The current Paraná State Administration seeks to downsize or suppress the State highway concession program through administrative and legal actions. The litigation includes the following main fronts: takeover of concessions, expropriation of controlling shares, attempt to forfeit contracts, denial to adjust tariff in 2003 and

2009, attempt to nullify current amendments and consideration of accounting data to the detriment of regular contractual data. For the time being the Paraná State concessionaires have succeeded in all the litigation fronts, whether through preliminary injunctions, judgments, or court appeals.

The contractual tariff adjustments in 2003 to 2010, systematically denied by the State of Paraná, were implemented and are current, part of them through preliminary injunctions, most of which upheld at all courts levels, and part through final decisions. In 2007, two state laws were enacted to grant tariff exemptions to certain categories of highway users. In both cases, the court decisions challenging the validity of these laws were favorable to the concessionaires, including the final and unappealable decisions on the action against the law that grant toll exemptions to vehicles licensed in the municipalities where the toll plazas were located. Both Ecovia and Ecocataratas seek, through lawsuits in Federal Courts, recognition of events that unbalanced the concession contracts of each concessionaire, but were omitted or not recognized by the current State administration. If such events are recognized, they will lead to the right to reinstatement of the original economic/ financial status of the contracts, whether through increase in tariff or reduction in works or increase in the concession period, i.e., money compensation directly from the government, or a combination of these possibilities.

Management analyzed these matters in detail and concluded that even though there are risks related to the final decisions on the ongoing lawsuits, the likelihood that these events materially impact the financial positions and the results of the operations of the Company and its subsidiaries is less than probable, and that it is not currently possible to estimate the deadline for the termination of these lawsuits, even if no final decisions are expected to be made in the next 12 months.

41. STATEMENTS OF CASH FLOWS

a) Cash and cash equivalents

The breakdown of cash and cash equivalents included in the statements of cash flows is stated in note 6.

b) Supplemental information

Information on income tax, social contribution and dividends paid is stated in the changes in cash flows.

The changes that did not affect cash refer to capital contribution transactions, business combinations, and purchase of operating equipment, as described in notes 1, 15, and 16.

42. SEGMENT REPORTING

The Company's operating segments are reported in line with the internal reports provided to the Chief Operating Decision-maker (CODM).

For purposes of performance evaluation, the set of information on the segments and fund allocation is analyzed.

The logistics segment does not comply with the quantitative parameters for its disclosure nor is material to users.

43. RECONCILIATION OF NET INCOME AND SHAREHOLDERS' EQUITY

This interim information was subject to the special review procedures applied by the Company's independent auditors in accordance with the requirements of CVM on interim information (NPA 06 of the Institute of Independent Auditors of Brazil (IBRACON)), including the adjustments arising from the adoption of new accounting practices, and was not, therefore, subject to audit procedures.

The reconciliation of the effects from adjustments is as follows:

Consolidated (IFRSs and BR GAAP)

	12/31/10				
A) NET INCOME	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
Profit previously reported	119,721	61,946	76,141	67,714	325,522
"Goodwill" – Elog	239,236	-	-	-	239,236
Amortization	-	(73)	(74)	(74)	(221)
Provision for maintenance	(10,109)	(10,151)	(10,631)	(17,294)	(48,185)
Adjustment to present value	(4,436)	(4,436)	(4,436)	(4,260)	(17,568)
Reversal – local depreciation	51,139	52,443	54,120	55,998	213,700
Depreciation – traffic curve	(25,075)	(25,376)	(25,911)	(30,056)	(106,418)
Revenue from construction works	63,971	40,670	33,198	36,861	174,700
Construction costs	(63,971)	(40,670)	(33,198)	(36,861)	(174,700)
Tax effects	(6,325)	(3,773)	(3,999)	(1,077)	(15,174)
Non-controlling interests	(137)	(148)	(153)	(159)	(597)
Restated net income	364,014	70,432	85,057	70,792	590,295

	12/31/10				
B) SHAREHOLDERS' EQUITY	BALANCE AS OF 12/31/09	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
Shareholders' equity originally reported	630,891	630,623	1,536,041	1,622,675	1,559,037
Provision for maintenance	(161,585)	(167,012)	(160,313)	(148,411)	(144,853)
Intangible assets	70,497	256,119	332,262	333,365	334,059
Additional proposed dividends	30,110	(30,110)	-	-	-
Tax effects	49,030	42,705	38,932	34,933	33,856
Non-controlling interests	(299)	(436)	(584)	(737)	(896)
Restated shareholders' equity	618,644	731,889	1,746,338	1,841,825	1,781,203

12/31/09

1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
54,293	46,425	38,415	53,260	192,393
-	-	-	-	-
-	-	-	-	-
(9,557)	(12,934)	(13,301)	(13,037)	(48,829)
(4,164)	(4,306)	(4,591)	(4,591)	(17,652)
38,249	44,224	48,518	49,612	180,603
(20,387)	(21,091)	(22,498)	(22,520)	(86,496)
13,849	34,989	31,563	44,466	124,867
(13,849)	(34,989)	(31,563)	(44,466)	(124,867)
(876)	(1,472)	(2,232)	(2,686)	(7,266)
(91)	(110)	(122)	(135)	(458)
57,467	50,736	44,189	59,903	212,295

12/31/09

BALANCE AS OF 01/01/09	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
581,104	635,397	660,821	651,115	630,891
(162,240)	(169,864)	(163,251)	(160,978)	(161,585)
43,528	55,292	54,572	60,427	70,497
27,513	(27,513)	-	-	30,110
56,296	55,420	53,948	51,716	49,030
159	68	(42)	(164)	(299)
546,360	548,800	606,048	602,116	618,644

Company (BR GAAP)

A) NET INCOME	12/31/10 1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
Profit previously reported	119,721	61,946	76,141	67,714	325,522
"Goodwill" – Elog	239,236	-	-	-	239,236
Amortization	-	(73)	(74)	(74)	(221)
Provision for maintenance	(10,109)	(10,151)	(10,631)	(17,294)	(48,185)
Adjustment to present value	(4,436)	(4,436)	(4,436)	(4,260)	(17,568)
Reversal – local depreciation	51,139	52,443	54,120	55,998	213,700
Depreciation – traffic curve	(25,075)	(25,376)	(25,911)	(30,056)	(106,418)
Revenue from construction works	63,971	40,670	33,198	36,861	174,700
Construction costs	(63,971)	(40,670)	(33,198)	(36,861)	(174,700)
Tax effects	(6,325)	(3,773)	(3,999)	(1,077)	(15,174)
Non-controlling interests	(137)	(148)	(153)	(159)	(597)
Restated net income	364,014	70,432	85,057	70,792	590,295

B) SHAREHOLDERS' EQUITY	BALANCE AS OF 12/31/09	12/31/10 1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
Shareholders' equity originally reported	630,891	630,623	1,536,041	1,622,675	1,559,037
Provision for maintenance	(161,585)	(167,012)	(160,313)	(148,411)	(144,853)
Investments	-	239,236	239,163	239,089	239,015
Intangible assets	70,497	16,883	93,099	94,276	95,044
Additional proposed dividends	30,110	(30,110)	-	-	-
Tax effects	49,030	42,705	38,932	34,933	33,856
Non-controlling interests	(299)	(436)	(584)	(737)	(896)
Restated shareholders' equity	618,644	731,889	1,746,338	1,841,825	1,781,203

44. EVENTS AFTER THE REPORTING PERIOD

At the Extraordinary Shareholders' Meeting held on January 18, 2011 the indirect subsidiary Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas was authorized to carry out the first issuance of the Company's simple, nonconvertible debentures, under firm subscription and payment guarantee regime, with real guarantee represented by pledge of shares and assignment of credit rights, in four series, in the total amount of R$350,000, with a possibility of proportional increase between series by up to 5.71% with respect to the number originally offered, taking into account the option of additional debentures, pursuant to the terms and conditions of the Deed of First Public Issuance of Simple, Nonconvertible Debentures, with Real Guarantee Represented by Pledge of shares and Assignment of Credit Rights, in Four Series, of Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas, whose net proceeds will be fully allocated to the payment of a portion of the debt principal represented by promissory notes of the 5th issue of the Issuer, in the amount of R$371,000; the funds for the payment of the outstanding amount of the debt will derive from the Company's cash.

45. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements of EcoRodovias Infraestrutura e Logística S.A. and subsidiaries were approved by the Board of Directors on March 22, 2011.

12/31/09

	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
	54,293	46,425	38,415	53,260	192,393
	-	-	-	-	-
	-	-	-	-	-
	(9,557)	(12,934)	(13,301)	(13,037)	(48,829)
	(4,164)	(4,306)	(4,591)	(4,591)	(17,652)
	38,249	44,224	48,518	49,612	180,603
	(20,387)	(21,091)	(22,498)	(22,520)	(86,496)
	13,849	34,989	31,563	44,466	124,867
	(13,849)	(34,989)	(31,563)	(44,466)	(124,867)
	(876)	(1,472)	(2,232)	(2,686)	(7,266)
	(91)	(110)	(122)	(135)	(458)
	57,467	50,736	44,189	59,903	212,295

12/31/09

	BALANCE AS OF 01/01/09	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
	581,104	635,397	660,821	651,115	630,891
	(162,240)	(169,864)	(163,251)	(160,978)	(161,585)
	-	-	-	-	-
	43,528	55,292	54,572	60,427	70,497
	27,513	(27,513)	-	-	30,110
	56,296	55,420	53,948	51,716	49,030
	159	68	(42)	(164)	(299)
	546,360	548,800	606,048	602,116	618,644

Board of Directors

Marco Antonio Cassou – President

César Beltrão de Almeida – Full Member

João Alberto Gomes Bernacchio – Full Member

Massimo Villa – Full Member

Giuseppe Quarta – Full Member

Alessandro Rivano – Full Member

Eduardo Bunker Gentil – Full Member (Independent Director)

Francisco Henrique Passos Fernandes – Alternate Director

Gianfranco Catrini – Alternate Director

Executive Board

Marcelino Rafart de Seras – CEO

Federico Botto – Executive Vice President

Marcello Guidotti – CFO

Roberto Koiti Nakagome – Director of Investor Relations

Dario Rais Lopes – Director of Business Development

Luis Augusto de Camargo Opice – Director of Logistics

Accountant

Ana Silvia de Almeida

CRC 1SP-159542/O-3

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Management of

EcoRodovias Infraestrutura e Logística S.A.

São Paulo – SP

We have audited the accompanying individual and consolidated financial statements of EcoRodovias Infraestrutura e Logística S.A. (EcoRodovias or Company), identified as Company and Consolidated, respectively, which comprise the balance sheet as of December 31, 2010, and the statement of income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the individual financial statements in accordance with accounting practices adopted in Brazil and the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board – IASB, and in accordance with accounting practices adopted in Brazil, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Brazilian and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the individual financial statements

In our opinion, the individual financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2010, and its financial performance and its cash flows for the year then ended in accordance with accounting practices adopted in Brazil.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements present fairly, in all material respects, the Company's financial position as of December 31, 2010, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board – IASB and accounting practices adopted in Brazil.

We draw attention to note 2 to the financial statements, which states that the individual financial statements have been prepared in accordance with accounting practices adopted in Brazil. In the case of the Company, these accounting practices differ from the IFRSs, applicable to separate financial statements, only with respect to the measurement of investments in subsidiaries and joint ventures by the equity method of accounting, which, for purposes of IFRS would be measured at cost or fair value.

Other matters

We have also audited the individual and consolidated statements of value added ("DVA"), for the year ended December 31, 2010, the presentation of which is required by the Brazilian Corporate Law for publicly-held companies, and as supplemental information for IFRS that does not require a presentation of DVA. These statements were subjected to the same auditing procedures described above and, in our opinion, are fairly presented, in all material respects, in relation to the financial statements taken as a whole.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, March 22, 2011

DELOITTE TOUCHE TOHMATSU
Auditores Independentes
CRC nº 2 SP 011609/O-8

Ismar de Moura
Engagement Partner
CRC nº 1 SP 179631/O-2

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