Consolidated Results

3rd Quarter 2011

inapa

Contents

1. Highlights

FINANCIAL COSTS INCREASE PRESSURES RESULTS

Generation of results

- Sales grew 4.4% relatively to 2010
- Gross margin fell 0.7 percentage points to 17.6%
- Recurrent EBITDA was 20.3 million Euros
- Operational results were 15.2 million Euros
- Financial costs increased 2.4 million Euros
- Net income of -0.9 million Euros

Financial strength

- Working capital has decreased by 32.0 million Euros
- Net debt decreased 42.2 million Euros

Chart 1_Main Consolidated Indicators

Million euros	Until Sep-11	Until Sep-10	Δ 11/10	3Q11	3Q10	Δ 11/10
Tons ('000)	669	673	-0.6%	214	223	-4.1%
Sales	744.9	713.7	4.4%	237.4	242.8	-2.2%
Gross margin	130.9	130.7	0.1%	41.6	43.7	-4.8%
Gross margin (%)	17.6%	18.3%	-0.7 pp	17.5%	18.0%	-0.5 pp
Operating costs[1]	108.2	103.0	5.1%	36.5	35.3	3.4%
Proforma operating costs[2]	106.2	103.0	3.1%			
Provisions	2.3	3.9	-41.4%	0.9	0.9	-2.4%
Re-EBITDA	20.3	23.7	-14.3%	4.3	7.6	-43.4%
Re-EBITDA margin (%)	2.7%	3.3%	-0.6 pp	1.8%	3.1%	-1.3 pp
EBIT	15.2	17.8	-14.7%	2.4	5.3	-55.4%
Net financial costs	15.7	13.3	18.0%	5.0	4.0	23.7%
EBT	-0.5	4.5	-112%	-2.6	1.2	-315%
Net Result	-0.94	2.22	-143%	-2.05	0.6	-467%

	30/9/11	30/6/10	Δ 11/10	31/12/10	Δ 9 months
Net Debt[3]	406.6	448.8	-9.4%	434.0	-6.3%
Working capital	193.6	225.6	-14.2%	217.9	-11.2%
Debt level[4]	15.0 x	14.2 x	0.8 x	12.3 x	2.7 x

(1) Net of income from services and other income and excludes provisions **(2)** Without EBIX effect
(3) Includes securitization **(4)** Net debt / Annualized Re-EBITDA

2. Relevant facts

Until the third quarter of 2011, the relevant facts to the business were:

6/1/2011	Closing of the securitization operation and contracting of 133 million Euros in credit lines
8/1/2011	Announcement of the conditions of the 133 million Euros in credit lines
3/2/2011	Request for a notice of the General Meeting, with the inclusion of proposal for a capital increase of up to 225M€ through the emission of preferred shares with no voting right and a 5% priority dividend
2/3/2011	Sale of the operation in the UK
6/4/2011	2011 General Meeting: approval of 2010 accounts, transformation on no face value ordinary share and the proposal to increase the capital up to 225 million €
4/5/2011	Transformation of ordinary shares in ordinary shares with no face value
16/5/2011	Announcement of a qualified stake by Nova Expressão SGPS, SA
26/8/2011	Mandate to BCP and Caixa BI to organize and assist in the capital increase
22/9/2011	CMVM approved the prospectus of the public offering to raise capital and admission to trading on Euronext of preference shares

Until the date of publication of the report the additional relevant facts with impact on the business evolution were:

18/10/2011	Reduction of the qualified stake of Albano R. N. Alves – Distribuição de Papel, SA
18/10/2011	Result of the capital increase offer
21/10/2011	Announcement of the partnership with Heidelberg Druckmaschinen AG to distribute graphical supplies

3. Management report

3.1. Market analysis

The third quarter highlights the trend of slowdown in demand already experienced in the previous quarter. For this development the decrease in funding to the economy since this spring was determinant, impacting the level of investment in advertising and promotion made by companies, one of the key factors for the consumption of paper.

According to CEPIFINE (Confederation of European Fine Paper Industries) volumes of uncoated paper sold fell 5% and coated 6%, relatively to 2010, reflecting the slowdown felt in the last three months and the reduction of inventories in distribution.

Inapa has been focusing its operations in the paper distribution business in 6 key markets (core 6): Germany, France, Switzerland, Portugal and Spain and is the leader in the distribution of paper in the office segment in Belgium and Luxembourg.

Market conditions were particularly harsh on volumes, with a fall in demand and strong competition to compensate for shrinkage. In the first nine months of 2011, according to Eugropa (European Paper Merchants Association) in the five major markets in which Inapa acts volumes decreased 3.3%. In volume, Germany was the country that registered the smallest decrease compared to 2010, 1.7%. France and Switzerland fell by 3.0% and 3.9% respectively. In Spain and Portugal there were more significant losses as a result of their economic situation, with decreases of 12.5% and 10.1% in sales volumes.

Chart 2_Evolution of volumes in Inapa core 5 (until August 2011)

Thousand tons	Volume		
	2011	**2010**	**Δ 11/10**
Germany	1,905	1,937	-1.7%
France	579	597	-3.0%
Switzerland	207	215	-3.9%
Portugal	65	72	-10.1%
Spain	256	292	-12.5%
Core 5	3,011	3,113	-3.3%

Source: Eugropa

Despite the drop in volumes, the positive evolution in prices helped to mitigate the effect on sales.

Unlike European markets, the Angolan market showed significant growth, due to the dynamism of its economy. This evolution confirms the relevance and soundness of the investment strategy in emerging economies.

3.2.Consolidated performance

Inapa consolidated sales until September 2011 grew 4.4% relatively to the same period in 2010, reaching 744.9 million Euros. In the third quarter there was a slowdown in sales of 2.2% in comparison with the same period of the previous year, due to a reduction in paper volumes of 4.1% observed in the various markets.

Despite the activity slowdown, complementary businesses continued the trend of strong growth, with an increase of 14.5% and reaching 64.4 million euros, representing 8.6% of sales which compare to 7.9% in 2010.

Chart 3_ Developments of the Paper, Packaging and Visual Communication Business

Million euros	Sep-11			Sep-10	
	Sales	**Weight**	**Δ 10/09**	**Sales**	**Weight**
Paper	683.6	91.8%	3.5%	660.2	92.5%
Complementary business	64.4	8.6%	14.5%	56.2	7.9%
Packaging	28.1	3.8%	21.1%	23.2	3.3%
Visual communication	20.6	2.8%	11.7%	18.5	2.6%
Others[1]	19.4	2.6%	11.1%	17.5	2.4%
Total	744.9	100%	4.4%	713.7	100%

Note: (1) Cross-selling with the paper business (office and graphic supplies)

As a result of the difficulties in European economies and the strong competitive pressure that has been felt in all geographies, compounded by falling volumes, gross margin continued the downward trend, reducing 0.7 percentage points.

Operating costs on a comparable basis grew 3.1% by September 2011, as a result of higher distribution and administrative costs. Provisions decreased by 43% comparing with the previous year, reflecting the cautious sales policy along with the expansion of the Group's credit insurance to all markets.

Until September re-EBITDA reached 20.3 million euros, representing 2.7% of sales. Despite the reduction in gross margin, the evolution of complementary business partially offset the negative evolution of the paper business. These businesses - packaging and visual communication - continued to increase its weight in the Group's business, already accounting for 13.8% of consolidated re-EBITDA.

Operational results (EBIT) decreased 14.7% to 15.2 million Euros, representing 2.0% of sales.

Notwithstanding the debt reduction in 42.2 million comparatively to September 2010, financial costs increased 18% to 15.7 million euros, an increase of 2.4 million euros, as a result of worsening credit conditions.

By September, consolidated net income stood at -0.9 million euros. The reduction reflects the deterioration in market conditions as well as the significant increase in financial costs of 2.4 million, previously mentioned.

Working capital registered an improvement of 14.2% compared with September 2010, reflecting a reduction of 32.0 million euros. This evolution was due to an improvement in working capital management by reducing the receivable and inventory days.

Due to the strong reduction registered in working capital, Inapa's net debt at September 30 2011 was 406.6 million euros, down 42.2 million Euros comparing with September 2010.

3.3.Performance of the Group Business Areas

By September 2011 complementary business (packaging and visual communication) increased their weight on the Group operational results (EBIT), representing 9.5% and 7.2% respectively, while the paper business reduced its weight on consolidated from 92.3% to 83.3%.

PAPER

In volume, sales until September have remained almost unchanged compared with 2010 levels, rising from 673 thousand to 669 thousand tons. However in the third quarter of 2011 there was a decline in volumes of 4.1% as a consequence of the slowdown registered in several European markets. In value, and including cross-selling, sales amount to 703.0 million euros, increasing 3.7%. The rise in average price relatively to the same period of 2010, alongside the increase in the Group's position in some markets where it operates, explained the improvement in sales.

Following the upward trend in prices that has been registered in the market, the average price per ton increased 4.2% comparing with the same period in 2010.

Until August, and according to Eugropa's data, the Group market share was 19.4%, a 1.0 percentage point improvement relatively to the previous year. Contributing to this increase was primarily the acquisition of EBIX (that in the first half of 2010 did not impact Group accounts, as it was realized on July 2nd 2010), more than doubling the Group position in the

Spanish market and achieving the critical size for the profitability of the operation in that market.

Cross-selling in the paper business (namely the sale and graphic and office supplies) maintained the trend it has been registering, increasing 11% in the period under analysis.

As a result of the economic crisis that impacted on demand and, as consequence, increased the competitive pressure in the paper merchant market across Europe, gross margin reduced by 1.0 percentage points to 16.4%,

Operational results (EBIT) in the paper business reached 8.4 million Euros, representing 1.2% of sales, a 39% decrease compared with previous year.

PACKAGING

Packaging business had the highest growth, with a growth until September of 21% relatively to 2010, with sales of 28.1 million Euros, maintaining the trend of previous year.

Operational results (EBIT) grew 5.8% to 1.4 million Euros, representing 5.1% of sales.

VISUAL COMMUNICATION

Visual communication business continued to register a strong growth until September 2011, 12% when compared with 2010, with sales of 20.6 million Euros. Digital printing continues to register a strong growth due to innovations introduced in the market, as the Latex, that have speed up the change from offset technologies.

Operational results (EBIT) grew 3.3%, representing 5.3% of sales.

3.4.Future prospects

The uncertainty felt in the European markets should continue to affect its confidence, influencing demand. Regarding the markets of Germany, France and Switzerland (84% of consolidated sales), a better performance in volumes is anticipated in comparison with the Iberian market (15% of Group sales) due to the different rhythms and different economic growth of economies.

On the price side, an average price in line with the previous quarter is foreseen for next quarter, given the difficulty that paper merchants have had in passing price increases to producers.

Complementary business should maintain the growth and profitability trend, with the consequent weight increase on consolidated sales and results.

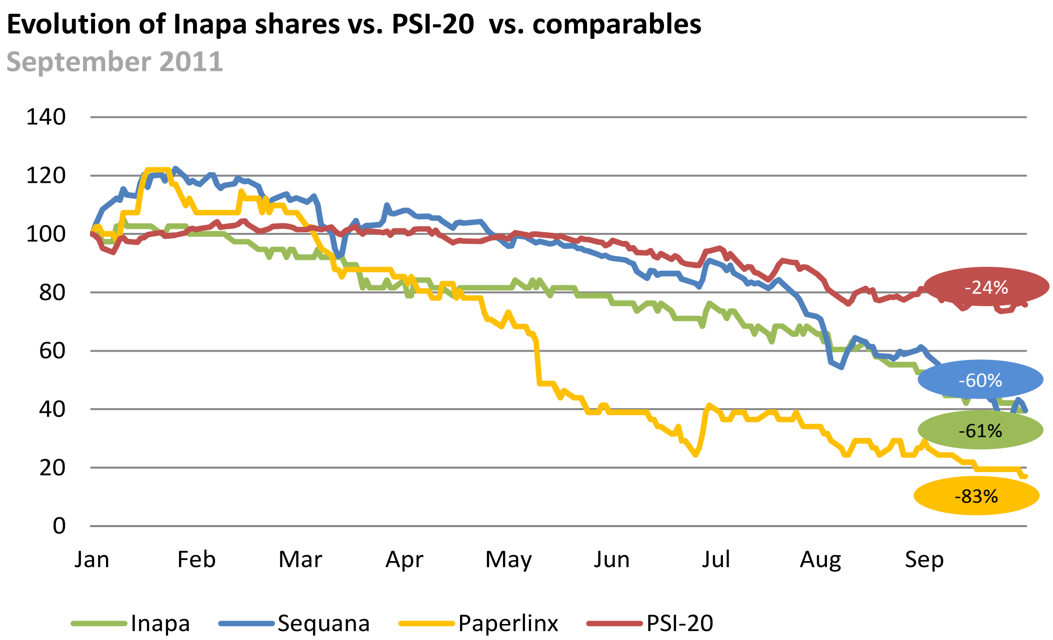
With the completion, in mid-October, of the capital increase that allowed to reduce the debt, it is expected a reduction of 3 million Euros on financial costs on an annual basis under current market conditions.

However, given the market evolution and increasing difficulty in access to credit, the expected net profit should be lower to the recorded in the previous year.

The harsh European economical context, the operational pressure and the growth limitations on Inapa' markets, provides particular opportunity to 2010-2013 strategic plan, namely the priority to develop the paper business on geographically close markets and the packaging and visual communication businesses.

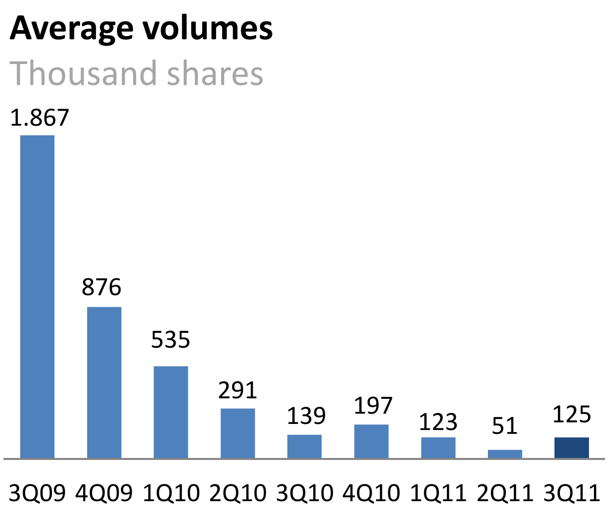
Inapa has continued the implementation of that plan centered in the analysis of potential opportunities for developing partnerships and in the growth in target markets and businesses, anticipating a positive outlook in terms of value generation.

3.5.Stock market



During the third quarter of 2011, the main European financial markets showed a decline, reflecting the slowdown in the growth of the economies and a strong distrust on the quality of sovereign debt of some countries.

Until September Inapa's stock price declined 61%, from 0.375 Euros to 0.15 Euros, which compares with a 26% drop of the PSI-20. During the third quarter the stock price maintained the negative trend, with a decrease of 46%, which compares with a 20% index decrease.



The evolution of Inapa's stock followed the same negative trend as the other comparables, which during 2011 also registered decreases on their quotes.

Inapa trading volumes until September continued to reduce significantly, comparing with 2010, with a 68% volume drop..

4. Interim Consolidated Accounts

INAPA - Investimentos, Participações e Gestão, SA

CONSOLIDATED INCOME STATEMENT AS AT SEPTEMBER 30, 2011
(Amounts expresses in thousand of Euros)

	Notes	SEPTEMBER 30, 2011	3rd QUARTER 2011 *	SEPTEMBER 30, 2010	3rd QUARTER 2010 *
Tonnes		**669,253**	**213,783**	**673,218**	**222,949**
Sales and service rendered	3	753,776	240,352	721,604	245,755
Other Income	3	20,655	6,055	18,588	5,797
Total Income	BALANCE /	**774,431**	**246,407**	**740,192**	**251,552**
Cost of sales		-622,419	-198,294	-590,945	-201,800
Changes in stocks		-	-	-	-
Personal costs		-59,271	-19,697	-57,329	-19,914
Other costs	5	-73,155	-24,517	-69,316	-22,969
		19,586	**3,898**	**22,601**	**6,868**
Depreciations and amortizations		-4,472	-1,507	-4,820	-1,538
Impairment in non current assets		-	-	-46	-46
Gains / (losses) in associates		2	-10	24	-1
Net financial function	6	-15,652	-4,998	-13,262	-4,040
Net profit before Income tax		**-537**	**-2,616**	**4,497**	**1,243**
Income tax	16	-264	560	-2,151	-658
Net profit / (loss) for the period before discountinued operations		**-801**	**-2,056**	**2,345**	**585**
Net results for the period from discontinued opeartions		-	-	-26	-26
Net profit / (loss) for the period		**-801**	**-2,056**	**2,320**	**559**
Attributable to :					
Shareholders of the company		-945	-2,054	2,218	560
Non controlling interests		144	-2	102	-1
Earnings per share of continued operations - €					
Basic		-0.006	-0.015	0.015	0.001
Diluted		-0.006	-0.015	0.015	0.001
Earnings per share of discontinued operations - €					
Basic		0.000	0.000	-0.0002	-0.0002
Diluted		0.000	0.000	-0.0002	-0.0002

To be read in conjuction with the Notes to the consolidated financial statements
* Non audited

INAPA - Investimentos, Participações e Gestão, SA

COMPREHENSIVE INCOME STATEMENT AS AT SEPTEMBER 30, 2011
(Amounts expresses in thousand of Euros)

	SEPTEMBER 30, 2011	3rd QUARTER 2011 *	SEPTEMBER 30, 2010	3rd QUARTER 2010 *
Net profit for the period before minority interest	**-801**	**-2,056**	**2,320**	**559**
Available-for-sale financial assets carried at fair value	-	-	-	-
Exchange differences on translating foreign operations	271	-152	2,172	-283
Earnings directly recognised in equity	**271**	**-152**	**2,172**	**-283**
Total comprehensive income for the period	**-530**	**-2,208**	**4,492**	**276**
Attributable to :				
Shareholders of the company	-674	-2,206	4,390	277
Minority interest	144	-2	102	-1
	-530	**-2,208**	**4,492**	**276**

To be read in conjuction with the Notes to the consolidated financial statements

* Non audited

INAPA - Investimentos, Participações e Gestão, SA

CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2011 AND DECEMBER 31, 2010
(Amounts expressed in thousand euros)

	Notes	September 30, 2011*	December 31, 2010
ASSETS			
Non-current assets			
Tangible fixed assets		96,666	99,180
Goodwill		140,343	139,661
Other intangible assets		110,812	111,570
Investment in associate companies		1,070	1,068
Available-for-sale financial assets	7	675	673
Other non-current assets		21,723	21,833
Deferred tax assets	16	21,935	20,994
Total non-current assets		393,224	394,979
CURRENT ASSETS			
Inventories		74,036	79,298
Trade receivables	10	175,330	197,322
Tax to be recovered		7,749	6,422
Other current assets	10	43,789	45,696
Cash and cash-equivalents	11	12,046	16,573
Total current assets		312,951	345,311
Total assets		**706,174**	**740,290**
SHAREHOLDERS EQUITY			
Share capital		150,000	150,000
Own shares		-	-
Share issue premium		2,937	2,937
Reserves		44,829	44,558
Retained earnings		-37,209	-42,335
Net profit for the period		-945	3,666
		159,611	158,826
Minority interests		3,952	1,032.2
Total shareholders equity		**163,564**	**159,858**
LIABILITIES			
Non-current liabilities			
Loans	14	159,086	157,227
Financing associated to financial assets	14	35,492	32,800
Deferred tax liabilities	16	21,212	20,264
Provisions		994	1,202
Liabilities for employee benefits		3,153	3,387
Other non-current liabilities		9,830	10,572
Total non-current liabilities		229,768	225,452
Current liabilities			
Loans	14	213,116	248,571
Suppliers	15	55,800	58,733
Tax liabilities		20,707	15,491
Other current liabilities	15	23,220	32,185
Total current assets		312,844	354,980
Total shareholders equity and liabilities		**706,175**	**740,290**

To be read in conjuction with the Notes to the consolidated financial statements
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INAPA - Investimentos, Participações e Gestão, SA

STATEMENT OF SHAREHOLDERS EQUITY AS AT SEPTEMBER 30, 2011 AND SEPTEMBER 30, 2010*

(Amounts expresses in thousand of Euros)

	Attributable to shareholders						Non-controlling interests	Total Shareholders Equity
	Share Capital	Share issuance premium	Foreign Exchange Adjustments	Other reserves and Retained earnings	Net Profit / (loss) for the period	Total		
BALANCE AS AT DECEMBER 31, 2009	**150,000**	**2,937**	**1,539**	**-5,127**	**2,165**	**151,514**	**1,033**	**152,547**
Total earnings and costs recognized in the period	-	-	2,172	-	2,218	**4,390**	102	**4,492**
Previous year net profit and loss result	-	-	-	2,165	-2,165	**-**	-	**-**
Dividends	-	-	-	-	-	**-**	-102	**-102**
Other changes	-	-	-	-300	-	**-300**	-1	**-301**
	-	-	**2,172**	**1,865**	**53**	**4,090**	**-1**	**4,089**
BALANCE AS AT SEPTEMBER 30, 2010	**150,000**	**2,937**	**3,711**	**-3,262**	**2,218**	**155,604**	**1,032**	**156,636**
BALANCE AS AT DECEMBER 31, 2010	**150,000**	**2,937**	**5,338**	**-3,115**	**3,666**	**158,825**	**1,032**	**159,857**
Total earnings and costs recognized in the period	-	-	271	-	-945	**-674**	144	**-530**
Previous year net profit and loss result	-	-	-	3,666	-3,666	**-**	-	**-**
Dividends	-	-	-	-	-	**-**	-144	**-144**
Other changes	-	-	-	1,460	-	**1,460**	2,920	**4,379**
	-	-	**271**	**5,126**	**-4,611**	**786**	**2,920**	**3,706**
BALANCE AS AT SEPTEMBER 30, 2011	**150,000**	**2,937**	**5,609**	**2,011**	**-945**	**159,611**	**3,952**	**163,563**

To be read in conjuction with the Notes to the consolidated financial statements

* Non audited

INAPA - Investimentos, Participações e Gestão, SA

CONSOLIDATED CASH FLOW STATEMENT AS AT SEPTEMBER 30, 2011 AND SEPTEMBER 30, 2010

(Amounts in thousand Euros) - direct method

		2011		2010	
	Notas	SEPTEMBER 30, 2011	3rd QUARTER 2011 *	SEPTEMBER 30, 2010	3rd QUARTER 2010 *
Cash flow generated from operating activities					
Cash receipts from customers		768,474	241,928	725,946	251,088
Payments to suppliers		-628,815	-191,434	-603,835	-215,941
Payments to personnel		-58,017	-17,400	-53,717	-17,060
Net cash from operational activities		81,642	33,094	68,394	18,087
Income taxes paid		-542	-407	-822	-121
Income taxes received		311	27	-	-
Other proceeds relating to operating activity		45,574	11,077	64,054	14,799
Other payments relating to operating activity		-108,814	-38,291	-142,648	-44,162
Net cash generated from operating activities	|1|	18,171	5,499	-11,021	-11,397
Cash flow from investing activities					
BALANCE AS AT SEPTEMBER 30, 2010					
Financial investments		864	48	-	-
Tangible fixed assets		372	-	142	73
Intangible assets		-	-	1	-
Interest and similar income		549	170	526	168
Dividends		-	-	-	-
		1,785	219	668	241
Payments in respect of:					
Financial investments		-815	-8	-3,299	-1,559
Tangible fixed assets		-1,088	-423	-1,135	-554
Intangible assets		-674	-157	-2,270	-1,770
Advances from third-party expenses		-	-	-	-
BALANC Loans granted		-	-	-18	-
		-2,576	-589	-6,721	-3,883
Net cash used in investing activities	|2|	-791	-370	-6,053	-3,642
Cash flow from financing activities					
Proceeds from:					
Loans obtained		101,910	35,423	44,014	9,409
Capital increases, repayments and share premiums		-	-	-	-
Treasury placements		-	-	-	-
Changes in ownership interests		700	-	-	-
		102,610	35,423	44,014	9,409
Payments in respect of:					
Loans obtained		-83,720	-12,905	-46,262	-21,874
Amortization of financial leases		-1,280	-399	-1,055	-344
Interest and similar expenses		-11,530	-3,788	-10,132	-3,350
Dividends		-710	-	-	-
		-97,240	-17,092	-57,449	-25,569
Net cash used in financing activities	|3|	5,370	18,330	-13,435	-16,159
Increase / (decrease) in cash and cash-equivalent	|4| = |1| + |2| + |3|	22,750	23,460	-30,508	-31,198
Effect of exchange differences		169	-8	238	-7
		22,919	23,451	-30,270	-31,205
Cash and cash-equivalents at the begining of period		-105,285	-	-85,581	-
Cash and cash-equivalents at the end of period	11	-82,367	23,451	-115,851	-31,205
		22,919	23,451	-30,270	-31,205

To be read in conjuction with the Notes to the consolidated financial statements

* Non audited

INAPA - INVESTIMENTOS, PARTICIPAÇÕES E GESTÃO, SA

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF NINE MONTHS ENDED 30 SEPTEMBER 2011

(All amounts are expressed in thousands of Euros, unless otherwise specified)

1. INTRODUCTION

Inapa - Investimentos, Participações e Gestão, S.A. ("Inapa IPG") is the parent company of the Inapa Group and its statutory business purpose is to hold and manage property holdings and other assets, holding shares in other companies, operate commercial establishments and industrial plant, either held for own account or for the account of third parties, and to assist companies in which it is a shareholder. Inapa IPG is listed on the Euronext Lisbon.

Head Office: Rua Castilho nº44 3º, 1250-071

Lisbon, Portugal

Share capital: 150.000.000 Euros

N.I.P.C. (Corporate Tax Identification Number): 500 137 994

The Group comprises a "sub-holding" company (Gestinapa - SGPS, S.A.), which purposes is to directly hold all stakes in companies operating in Paper Merchanting.

As a result of its development and internationalisation plan, the Inapa Group holds shares in the paper merchanting sector in several European countries, specifically (i) Inapa Deutschland, GmbH headquartered in Germany, which holds stakes in Papier Union, GmbH, which, in turn is the controlling shareholder of Inapa Packaging, GmbH, Inapa VisualCom GmbH, and PMF-Factoring, GmbH, all of which are incorporated in the same country, (ii) Inapa France, SA and subsidiary companies, operating in France and Belux, (iii) Inapa Switzerland, a subsidiary controlled directly and indirectly through Inapa Deutschland, GmbH, which operates in the Swiss market, (iv) Inapa Portugal – Distribuição de Papel, SA, the Portuguese company of the Group which has a stake in Inapa Angola- Distribuição de Papel,SA, (v) Inapa España Distribuición Ibérica, SA, operating in Spain, which has a stake in Surpapel SL (a company that markets paper). The subsidiary Inapa Packaging, GmbH, in turn has two companies selling packaging material, namely Hennessen & Potthoff, GmbH and HTL - Verpackung, GmbH, respectively.

These consolidated financial statements were approved by Inapa-IPG's Board of Directors of 4 November 2011.

2. ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements of the Inapa Group were prepared under the assumption that it will continue to operate and are based on the accounting books and records of the companies which comprise the Group. On the other hand, the interim financial statements for the nine months ending 30 September 2011 were prepared in compliance with the provisions of IAS 34 – Interim Financial Reporting and are published in conjunction with condensed Notes thereto, on account of which they are to be used in conjunction with the annual consolidated financial statements reported to financial year ended 31 December 2010.

The consolidated financial statements of the Inapa Group are also prepared in compliance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB) subject to the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or its former representative, the Standing Interpretations Committee (SIC), as endorsed in the European Union.

Accounting policies

The accounting policies applied in compiling these interim consolidated financial statements are consistent with the policies adopted by the Inapa Group in preparing its annual consolidated financial statements reported to the financial year ended 31 December 2010 and are detailed in the Notes to those financial statements.

After 1 January 2011 the following standards, interpretations and amendments to existing standards came into effect following their publication by the IASB, by IFRIC and their adoption by the European Union:

- IAS 24 (amendment) – Related party disclosures;
- IAS 32 (amendment) – Financial instruments : Presentation – classification of right issues;
- IFRS 1 (revision and amendment) – First time adoption of IFRS;
- IFRIC 14 (amendment) - IAS 19 – The limit on a defined benefit asset , minimum funding requirements and their interaction;
- IFRIC 19 – Extinguishing financial liabilities with equity instruments;
- Standards 2010 Improvements – effective for periods beginning on or after January 1, 2011. The standards and interpretations subject to improvements are: IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 27, IAS 34 e IFRIC 13

The present financial statements of the Group were not affected by these coming into effect.

IASB and IFRIC published new standards, amendments to existing standards and interpretations, the application of which is still not obligatory for the period beginning until 30 September 2011 as they have not been adopted by European Union. These standards are either not relevant in the context of the present financial statements or Inapa has opted not to adopt them before time:

- IAS 1 (amendment) – Presentation of Financial Statements (effective for periods beginning on or after 1 January 2012, in European Union);
- IAS 12 (amendment) – Income taxes (effective for periods beginning on or after January 1, 2012);
- IAS 19 (amendment) – Employee Benefits (effective for periods beginning on or after January 1, 2013);
- IAS 27 (revision) – Separate Financial Statements (effective for periods beginning on or after January 1, 2013);
- IAS 28 (revision) – Investments in Associates and Joint Ventures (effective for periods beginning on or after January 1, 2013);
- IFRS 1 (amendment) – First-time adoption of IFRS (effective for periods beginning on or after 1 July 2011);
- IFRS 7 (amendment) – Financial Instruments: Disclosures - transfers of financial assets (effective for periods beginning on or after 1 July 2011);
- IFRS 9 – Financial instruments – accounting and measurement (effective for periods beginning on or after 1 January 2013);
- IFRS 10 – Consolidated Financial Statements (effective for periods beginning on or after 1 January 2013);
- IFRS 11 – Joint Arrangements (effective for periods beginning on or after 1 January 2013);
- IFRS 12 – Disclosure of Interests in Other Entities (effective for periods beginning on or after 1 January 2013);
- IFRS 13 – Fair Value Measurement (effective for periods beginning on or after 1 January 2013);

Of the various standards, revisions and amendments already published by IASB or by IFRIC given above that are not yet in force, have not yet been adopted by European Union, coming into effect only after their publication in the associated Regulation.

Estimates and material errors

No material errors or significant changes to accounting estimates relative to prior periods were recognised during the course of the first nine months of 2011.

Estimates made in preparing the financial statements for the nine months ended September 30, 2011 have the same characteristics as in the preparation of financial statements for 2010.

3. SALES AND SERVICE RENDERED AND OTHER INCOME

Sales and services rendered during the nine months to 30 September 2011 and 30 September 2010 brake down as follows:

	30 September 2011	30 September 2010
Domestic market		
Goods sold	40.981	44.001
Service rendered	147	1.151
	41.128	45.152
Exports		
Goods sold	703.897	669.673
Service rendered	8.751	6.779
	712.648	676.452
Total	**753.776**	**721.604**

As at 30 September 2011 and 2010, other income balance brake down as follows:

	30 September 2011	30 September 2010
Supplementary income	461	359
Net cash discounts	8.415	7.968
Other income	11.779	10.261
	20.655	**18.588**

4. OPERATING SEGMENTS

The information in the report by segment is presented in accordance with the identified operating segments: paper supply, packaging and visual communication. Holdings that are not imputed to the identified businesses are recorded under Other operations.

The results for each segment correspond to those that are directly attributable and those for which there is reasonable basis for attribution. Inter-segmental transfers are carried out at market prices and are not materially significant.

The breakdown of financial information on September 30, 2011 and 2010 for operating segments is as follows:

	30 September 2011						30 September 2010					
	Paper	Packaging	Visual Comunication	Other operations	Eliminations on consoli-dations	Consolidated	Paper	Packaging	Visual Comunication	Other operations	Eliminations on consoli-dations	Consolidated
REVENUES												
External sales	699.482	26.847	18.530	19	-	**744.878**	674.470	21.959	16.985	260	-	**713.674**
Inter-segment sales	502	1.268	2.104	-	-3.874	**-**	302	1.239	1.495	-	-3.036	**-**
Other revenues	28.043	227	468	814	-	**29.552**	25.158	198	354	1.037	-	**26.747**
Total Revenues	**728.027**	**28.342**	**21.103**	**833**	**-3.874**	**774.431**	**699.930**	**23.396**	**18.834**	**1.297**	**-3.036**	**740.421**
RESULTS												
Segment results	14.165	1.431	1.127	-1.290	-322	15.113	16.553	1.351	1.087	-1.373	117	17.735
Operacional results						**15.113**						**17.735**
Interest expenses	-8.927	-231	-221	-10.950	4.039	-16.290	-6.228	-201	-196	-10.337	2.456	-14.506
Interest income	2.523	5	1	1.828	-3.717	639	2.191	5	13	1.788	-2.753	1.244
Tax on profits	-	-	-	-	-	-264	-	-	-	-	-	-2.151
Income from ordinary activities						**-803**						**2.322**
Gains/ (losses) in associated companies						2						24
Resultado operações descontinuadas						0						-26
Net profit /(loss) for the year						**-801**						**2.320**
Attributable :												
Equity shareholders						-945						2.218
Minority interests						144						102

As at 30 September 2011 and 2010, paper sales per country where the Group operates were broken down as follows:

	Sales	
	30 September 2011	30 September 2010
Germany	355.513	353.469
France	174.309	162.918
Portugal	41.854	43.135
Others	127.805	114.948
	699.482	**674.470**

5. OTHER COSTS

As at the end of the nine month period to 30 September 2011 and 30 September 2010, the Other costs brake down as follows:

	30 September 2011	30 September 2010
General and Administrative expenses	-66.323	-59.666
Indirect taxes	-2.716	-2.630
Other costs	-1.736	-2.310
Impairment to current assets	-2.380	-4.710
	-73.155	**-69.316**

6. FINANCIAL FUNCTION

As at the end of the nine months to 30 September 2011 and 30 September 2010, financial function broke down as follows:

	30 September 2011	30 September 2010
Financial income		
Interest received	90	604
Favourable FX differences	160	26
Other financial income and profits	388	614
	638	**1.244**
Financial costs		
Interest paid	-7.853	-6.149
Unfavourable FX differences	-537	-525
Other financial losses and costs	-7.901	-7.833
	-16.291	**-14.507**
Net financial results	**-15.652**	**-13.263**

7. AVAILABLE-FOR-SALE FINANCIAL ASSETS

As at 30 September 2011 and 31 December 2010, Available-for-sale financial assets were broken down as follows:

	30 September 2011	31 December 2010
BANIF - Unidades de participações em fundos de investimentos	628	628
Other financial assets	47	45
	675	**673**

Changes in Available-for-sale financial assets during the nine months period to 30 September 2011 and year 2010 were as follows:

Opening balance as at 1 January 2010	**9.294**
Aquisitions	4
Disposals	-8.625
Changes in fair value	0
Closing balance as at 31 December 2010	**673**
Aquisitions	1
Disposals	-
Changes in fair value	1
Closing balance as at 30 September 2011	**675**

8. COMPANIES INCLUDED IN THE CONSOLIDATED ACCOUNTS

As at 30 September 2011, the following subsidiary companies were consolidated on a full consolidation basis:

Subsidiary company name	Head Office	% Group holdings	Business operation	Direct holding company	Date of incorporation
Gestinapa - SGPS, SA	Rua Castilho, 44-3º 1250-071 Lisbon	100.00	SGPS	Inapa – IPG, SA	June 1992
Inapa-Portugal, SA	Rua das Cerejeiras, nº 5, Vale Flores São Pedro de Penaferrim 2710 Sintra	99.75	Paper Merchanting	Gestinapa - SGPS,SA	1988
Inapa Distribuición Ibérica, SA	c/ Delco Polígono Industrial Ciudad del Automóvil 28914 Leganés, Madrid	100.00	Paper Merchanting	Gestinapa-SGPS, SA	December 1998
Inapa France, SA	91813 Corbeil Essones Cedex France	100.00	Paper Merchanting	Inapa – IPG, SA	May 1998
Logistipack – Carton Services,SA	14, Impasse aux Moines 91410 Dourdon France	100.00	Packaging	Inapa France, SA	January 2008
Inapa Belgique	Vaucampslan, 30 1654 Huizingen Belgium	99.94	Paper Merchanting	Inapa-France, SA	May 1998
Inapa Luxemburg	211, Rue des Romains. L. 8005 Bertrange Luxemburg	97.81	Paper Merchanting	Inapa Belgique	Maio 1998
Inapa Deutschland, GmbH	Warburgstraβ, 28 20354 Hamburgo Germany	97.60	Holding	Gestinapa-SGPS, SA	April 2000

Subsidiary company name	Head Office	% Group holdings	Business operation	Direct holding company	Date of incorporation
Papier Union, GmbH	Warburgstraβe, 28 20354 Hamburgo Germany	94.90	Paper Merchanting	Inapa Deutschland, GmbH	April 2000
PMF- Print Medien Factoring , GmbH	Warburgstraβ, 28 20354 Hamburgo Germany	100.00	Factoring	Papier Union, GmbH	September 2005
Inapa Packaging, GmbH	Warburgstraβ, 28 20354 Hamburgo Germany	100.00	Holding	Papier Union, GmbH	2006
HTL Verpackung, GmbH	Werner-von-Siemens Str 4-6 21629 Neu Wulmstrof Germany	100.00	Packaging	Inapa Packaging, GmbH	January 2006
Hennessen & Potthoff, GmbH	Tempelsweg 22 Tonisvorst Germany	100.00	Packaging	Inapa Packaging, GmbH	January 2006
Inapa Viscom, GmbH	Warburgstraβ, 28 20354 Hamburgo Germany	100.00	Holding	Papier Union, GmbH	January 2008
Complott Papier Union, GmbH	Industriestrasse 40822 Mettmann Germany	100.00	Visual Communication	Inapa VisCom, GmbH	January 2008
Inapa – Merchants, Holding, Ltd	Torrington House, 811 High Road Finchley N12 8JW United Kingdom	100.00	Holding	Gestinapa – SGPS ,SA	1995
Inapa Suisse	Althardstrasse 301 8105 Regensdorf – Switzerland	100.00	Paper Merchanting	Inapa-IPG,SA e Papier Union, GmbH	May 1998
Edições Inapa, Lda	Rua Castilho 44-3º 1250-071 Lisbon	100,00	Editorial	Inapa-IPG,SA e Gestinapa, SGPS,SA	November 2009
Inapa Angola – Distribuição de Papel, SA	Rua Amílcar Cabral nº 211 Edifício Amílcar Cabral, 8º Luanda - Angola	100.00	Paper Merchanting	Inapa Portugal, SA	December 2009

In the first half of 2011 there was a partial sale of 2.40% of the share capital of the subsidiary Inapa Deutschland GmbH through Gestinapa - SGPS, SA, that result on a capital gain in the amount of 1,371 thousand euros, recognized under retained earnings.

Inapa through its subsidiary Inapa Merchants Holding, Ltd sold 100% of the share capital of the Tavistock Paper Sales Ltd based in the United Kingdom. This transaction generated a positive impact on the Group's consolidated accounts of 0.4 million Euros

All balances and transactions with subsidiary companies were eliminated in consolidation process.

The following companies were consolidated per the equity method in the consolidated financial statements and are reported under Holdings in associated companies:

Associate company name	Shareholding company	% Holding
Surpapel, SL	Inapa España Distribuicíon Ibérica, SA	25,00
Inapa Logistics	Warburgstrasse,28 20354 Hamburg Alemanha	100,00
Inapa Vertriebsgesellschaft GmbH	Warburgstrasse,28 20354 Hamburg Alemanha	100,00

9. COMPANIES EXCLUDED FROM THE CONSOLIDATED ACCOUNTS

Holdings in the companies listed in the following table were not consolidated on a full consolidation basis. The impact of their exclusion is deemed to be materially irrelevant. Megapapier was not consolidated on a full consolidation basis due to the fact that the Group intends to liquidate it and it was valued at nil.

Company name	Head Office	Direct Shareholder	% holdings
Megapapier - Mafipa Netherland BV	PO Box 1097 3430 BB Nieuwegein Holand	Inapa France, SA	100%
Inapa Logistics	Warburgstrasse,28 20354 Hamburg Germany	Papier Union, GmbH	100%
Inapa Vertriebsgesellschaft GmbH	Warburgstrasse,28 20354 Hamburg Germany	Papier Union, GmbH	100%

10. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

As at 30 September 2011 and 31 December 2010, Trade receivable was broken down as follows:

	30 September 2011	31 December 2010
Trade receivables		
Trade receivables -Current account	164.926	184.975
Trade receivables -Bills receivable	10.248	11.359
Doubtful debt	11.767	11.754
	186.941	208.088
Cumulative impairment losses	-11.611	-10.766
Trade receivebles - net balance	**175.330**	**197.322**

As at 30 September 2011 and 31 December 2010, the balance of Other current assets was broken down as follows:

	30 September 2010	31 December 2010
Other current assets		
Associate companies	0	48
Advances to suppliers	502	486
Other debtors	20.215	17.548
Accrued income	19.783	25.489
Deferred costs	3.289	2.125
	43.789	**45.696**

11. CASH AND CASH-EQUIVALENT

The balance of Cash and cash-equivalent was broken down as follows:

	30 September 2011	31 December 2010	30 September 2010
Cash and cash-equivalent			
Banks	11.909	16.397	13.376
Cash	137	176	396
	12.046	**16.573**	**13.772**

Cash-flow Statement

For purposes of reconciliation to the Cash Flow Statement, Cash and cash-equivalent items are broken down as follows:

	30 September 2011	31 December 2010	30 September 2010
Cash and cash-equivalent			
Banks	11.909	16.397	13.376
Cash	137	176	396
Cash and cash-equivalent per balance sheet	**12.046**	**16.573**	**13.772**
Bank overdrafts	-94.412	-121.858	-129.623
Cash and Cas-equivalent per Cash-Flow statement	**-82.366**	**-105.285**	**-115.851**

The item banks includes a short-term deposit in the amount of 2 million Euros, with due date on October 2011.

The balance of Bank overdrafts includes creditor balances held on current accounts with financial institutions included in the balance of Loans (Note 14).

12. Impairment

During the nine months ended in 30 September 2011 the recognised asset impairments were as follows:

	Goodwill	Other intangible assets	Inventories	Trade receivables	Total
Balance as at January 1, 2010	11.766	27.464	1.233	10.794	51.257
Increases	-	-	272	4.578	4.850
Utilisation	-	-	-482	-4.797	-5.279
Reverseals	-	-	-	-	-
Changes in the consolidation perimeter	-	-	3	1	4
Exchange rate differences	-	-	88	190	278
Balance as at December 31, 2010	11.766	27.464	1.114	10.766	51.110
Increases	-	-	46	2.380	2.426
Utilisation	-	-	-205	-1.579	-1.784
Reverseals	-	-	-	-	-
Changes in the consolidation perimeter	-	-	-	-	-
Exchange rate differences	-	-	4	44	48
Balance as at September 30, 2011	**11.766**	**27.464**	**959**	**11.611**	**51.800**

13. SHARE CAPITAL

As at 30 September 2011, share capital was represented by 150,000,000 fully subscribed and realised bearer shares with no par value each.

In compliance with the provisions of Articles 16 and 248 - B of the Securities Market Code and CMVM (the Portuguese Securities Market Commission) Regulation no. 5 / 2008, Inapa – Investimentos, Participações e Gestão, SA, was duly notified of the following qualified holdings of its shares by other companies or individuals:

- Parpública – Participações Públicas, SGPS, SA, which held 49,084,738 shares corresponding 32.72% of its share capital and respective voting rights;

- Banco Comercial Português, SA, which held 27,361,310 shares corresponding 18.24% of its share capital and respective voting rights (*), and;

- Nova Expressão SGPS, SA, which held 3.000.000 shares corresponding to 2.00% of its share capital and respective voting rights.

In compliance with the aforementioned applicable legislation and regulations, the Company was neither notified of any changes to the aforementioned holdings nor of any other holdings of other shareholders to whom voting rights equal to or greater than 2% of share capital may have accrued.

Notes:

(*) The holdings of Banco Comercial Português, SA, are broken down as follows:

- Fundo de Pensões do Grupo BCP …… 16,491,898 shares corresponding to 10.99% of voting rights;
- Banco Comercial Português, SA ……… 10,869,412 shares corresponding to 7.25% of voting rights;

As at 30 September 2011, the Group did not hold own shares and no transactions involving own shares were recorded during the nine-month period under analysis.

14. LOANS

As at 30 September 2011 and 31 December 2010, Loans balance were broken as follows:

	September 2011	December 2010
Current debt		
° Bank loans		
° Bank loans and other current financial instruments	94.412	121.858
° Commercial paper, redeemable at its nominal value, renewable, with maturity within one year	105.500	113.000
° Medium and long-term financial instruments (portion maturity within 1 year)	12.795	12.081
° Other current financial loans	408	1.632
Total current debt	213.115	248.571
Non- current debt		
° Bank loans		
° Medium and long-term financial instruments	102.177	106.520
° Other loans	56.909	50.707
	159.086	157.227
° Financing associated to finantial assets - securitisation (Note 37)	35.492	32.800
Total non-current debt	194.578	190.027
Total debt	**407.694**	**438.598**

As at 30 September 2011 the bank loans conditions are similar to the ones of 31 December 2010.

As at 30 September 2011 and 31 December 2010, the net balance of consolidated financial debt is broken down as follows:

	30 September 2011	31 December 2010
Loans		
Current	213.115	248.571
Non-current	159.086	157.227
	372.201	405.798
Loans associated to financial assets - securitization	35.492	32.800
Financial leases debt	10.990	11.943
	418.684	**450.541**
Cash and cash-equivalents	12.046	16.573
Negotiatable financial assets (listed securities)	-	-
Available-for-sale financial assets (listed securities)	-	-
	12.046	**16.573**
	406.638	**433.968**

15. SUPPLIERS AND OTHER CURRENT LIABILITIES

As at 30 September 2011 and 31 December 2010, the balances of Suppliers and of Other current liabilities were broken down as follows:

	30 September 2011	31 December 2010
Suppliers		
Suppliers on current account	51.107	54.972
Trade bills account	-	-
Invoices pending reconciliation	4.693	3.761
	55.800	58.733
Other current liabilities		
Advances from clients	1.313	1.220
Fixed assets suppliers	1.160	1.371
Other creditors	9.258	16.513
Accruals and deferred items	11.478	13.081
	23.209	32.185

16. INCOME TAX

The amount of taxes in the Interim Consolidated Income Statement for the nine months to 30 September 2011, amounting to a total of 264 thousand Euros, equates to the liability for current income tax for the nine months period in the amount of 257.2 thousand Euros plus the balance of changes in deferred tax, amounting to 7 thousand Euros.

The differential between the nominal tax rate (average rate of 31%) and the effective company income tax rate (IRC company tax) for the Group, as at 30 September 2010, is detailed in the following table:

	30 September 2011
Net income before tax	-537
Nominal company tax rate	31%
	166
Income tax	-264
	430
Permanent differences- France	-87
Permanent differences- Portugal	746
Dividends	-190
UK capital gain	-120
FX differences	59
Other	22
	430

Deferred tax

All instances where future taxation due may come to be significantly impacted are reported in the financial statements as at 30 September 2011 and 31 December 2010.

The following table reports changes in deferred tax assets and liabilities during the nine months to 30 September 2011 and the financial year ended 31 December 2010:

	01-01-2010	Changes in consolidation perimeter	Fair value reserves and other reserves	Net profit for the period	30-09-2010
Deferred tax assets					
Taxable provisions	53	-	-	-	53
Reportable tax losses	17.848	-	-	1.014	18.862
Others	3.093	-	-	-73	3.020
	20.994	-	-	941	21.935
Deferred tax liabilities					
Fixed assets revaluation	-8.142	-	-	-24	-8.166
Depreciation	-11.363	-	-	-9	-11.372
Others	-759	-	-	-915	-1.674
	-20.264	-	-	-948	-21.212
Net deferred tax	**730**	**-**	**-**	**-7**	**722**

	01-01-2010	Changes in consolidation perimeter	Fair value reserves and other	Net profit for the period	31-12-2010
Deferred tax assets					
Taxable provisions	54	-	-	-1	53
Reportable tax losses	18.524	-	-	-676	17.848
Others	3.796	-	-	-703	3.093
	22.374	-	-	-1.380	20.994
Deferred tax liabilities					
Fixed assets revaluation	-8.022	-	-	-120	-8.142
Depreciation	-10.059	-	-	-1.304	-11.363
Others	-807	-	-	48	-759
	-18.888	-	-	-1.376	-20.264
Net deferred tax	**3.486**	**-**	**-**	**-2.757**	**730**

Deferred tax assets are recognised for tax losses insofar as the use of their respective fiscal benefits is likely due to expected future taxable profits. The Group recognised a balance of 18,862 thousand Euros in deferred tax assets reported to tax losses which may come to be deducted from future taxable profits, as detailed in the following Table:

Company name	Deferred tax balance	Due date
Inapa France	9.372	ilimitado
Inapa Distribuición Ibérica	5.270	2021-2026
Portuguese group companies	2.310	2012-2015
Inapa Suisse	183	2011
Inapa Bélgique	1.692	ilimitado
Outros	35	
	18.862	

17. CONTINGENT LIABILITIES

On 1 August 2007, Papelaria Fernandes – Indústria e Comércio, SA filed a suit against Inapa – Investimentos, Participações e Gestão, SA and its subsidiaries Inaprest – Prestação de Serviços, Participações e Gestão, SA (a liquidated company) and Inapa Portugal – Distribuição de Papel, SA, petitioning the Court to, in short:

- Annul the following acts:
  - The signature of a Mercantile Notarial Bond, in June 2006, which was pledged as a counter-guarantee to letters of comfort issued by Inapa – Investimentos, Participações e Gestão, SA as security for credit facilities granted to that company by Banco Espírito Santo and Caixa Central de Crédito Agrícola Mútuo;
  - The effectiveness of certain transactions processed in 1991 for purposes of concentrating paper merchanting business in SDP (currently Inapa Portugal) and envelope production and sales business in Papelaria Fernandes;
  - The purchase of the holdings of Papelaria Fernandes in the share capital of SDP (currently Inapa Portugal), in 1994; and
  - The credit compensation arrangements agreed to by Papelaria Fernandes and Inaprest, also in 1994.
- Find Inapa guilty and sentence it to:

- Continue to honour the letters of comfort issued in favour of Banco Espírito Santo and Caixa Central de Crédito Agrícola Mútuo;

- Indemnify Papelaria Fernandes in the event of the aforementioned notarial bond being realised by the beneficiaries as a counter-guarantee to the said letters of comfort.

Since then, Papelaria Fernandes – Industria e Comércio, SA, has fully repaid the credit facilities obtained from Banco Espírito Santo and Caixa Central de Crédito Agrícola Mútuo, on account of which:

- The letters of comfort issued by Inapa - IPG have ceased to serve their original purpose and have since been released by their respective beneficiaries;

- The Company has consequently notified Papelaria Fernandes – Indústria e Comércio, SA that the terms and conditions of the mercantile notarial bond it had issued in its favour no longer applied, constituting due cause for cancellation thereof.

The legal suit, which has been valued at 24,460 thousand Euros, was contested by Inapa - IPG and by its subsidiary Inapa Portugal – Distribuição de Papel, SA, and is pending decision by the Court on the effects of the dissolution / liquidation of Inaprest – Prestação de Serviços, Participações e Gestão, SA. The Group believes that no financial impact will arise from such decision and, therefore, has not raised provisions on that account.

18. SUBSEQUENT EVENTS

After 30 September 2011 and to the publication date Inapa Group has verified the following relevant events:

- Reduction of the qualified stake of Albano R. N. Alves – Distribuição de Papel, SA
- Result of the apportionment offer related to the capital increase
- Announcement of the partnership with Heidelberg

-:-:-:-:-:-:-

5. Mandatory information

5.1.Shares Held by Governing Bodies

Stakes held in the company by members of the Board of Directors and Statutory Auditor, in compliance with paragraph a) no. 1 of article 9.º of the CMVM Regulation no. 5/2008.

Board of Directors

Name	Number of shares	Voting rights
Álvaro João Pinto Correia	0	0%
José Manuel Félix Morgado	563 631	0,38%
António José Gomes da Silva Albuquerque	0	0%
Jorge Manuel Viana de Azevedo Pinto Bravo	0	0%
Arndt Klippgen	0	0%
Emídio de Jesus Maria	0	0%
Acácio Jaime Liberado Mota Piloto	0	0%
Eduardo Fernández-Espinar	200 000	0,13%
Detidas por pessoas ou entidades contempladas no n.º 2 do art.º 447º do Código das Sociedades Comerciais	100 000	0,07%

Chartered Accountant

Name	Number of shares	Voting rights
PricewaterhouseCoopers & Associados, SROC, Lda, representada por: - Ricardo Filipe de Frias Pinheiro – ROC efectivo	0	0%
José Manuel Henriques Bernardo, ROC suplente	0	0%

5.2.Managerial Transactions

In compliance with the content of paragraph a) no. 1 of article 9 of the CMVM Regulation no. 5/2008, Inapa informs that during 2011 there were no transactions registered by any of its Governing Bodies members.

5.3.Statement of conformity

In compliance with the content of nº 1, Paragraph c) of Article 246 of CVM, the members of the Board of Directors of Inapa – Investimentos, Participações e Gestão, SA hereby declare that, to the best of their knowledge, the information contained in the abridged consolidated financial statements reported to the nine months ended on 30 September 2011 were elaborated in full conformance with the applicable accounting principles, providing a true and appropriate reflection of the assets and liabilities, financial standing, and results of the Company and its subsidiary and associate companies included in its consolidation perimeter and that its Interim Directors' Report faithfully reports on the performance of its statutory business and the set of companies included in its consolidated financial statements.

Lisbon, 4 November 2011

Álvaro João Pinto Correia
Chairman of the Board of Directors

José Manuel Félix Morgado
Vice-Chairman and President of the Executive Committee of the Board of Directors

Arndt Klippgen
Director and member of the Executive Committee of the Board of Directors

António José Gomes da Silva Albuquerque
Director and member of the Executive Committee of the Board of Directors

Jorge Manuel Viana de Azevedo Pinto Bravo
Director and member of the Executive Committee of the Board of Directors

Emídio de Jesus Maria
Director and Chairman of the Audit Committee

Acácio Jaime Liberado Mota Piloto
Director and member of the Audit Committee

Eduardo Fernández-Espinar
Director and member of the Audit Committee

6. Additional information

WARNING

This document contains information and future estimates based on current expectations and management opinions deemed reasonable. Future estimates must not be considered consolidated facts and are subject to several unpredictable factors that may have an impact on future results.

Despite the fact that said estimates represent current expectations, investors, analysts and all those who may make use of this document are warned that future information is subject to uncertain factors and risks, of which many are difficult to forecast. All readers are warned not to attribute inappropriate importance to future estimates and information. We exempt ourselves of any responsibilities concerning any future estimates or information.

Report available on Inapa's website
www.inapa.pt

Investor Relations
Hugo Rua
hugo.rua@inapa.pt
Tel.: +351 213 823 007

Inapa is admitted to trading on the Euronext Stock Exchange.
Information about the company may be checked under the tickers:

- Ordinary shares: INA
- Preferred shares: INAP

Inapa – Investimentos, Participações e Gestão, SA
Rua Castilho, 44, 3º
1250-071 Lisbon
Portugal