



MARTIFER
GROUP



MARTIFER GROUP PRESENTATION

October, 2010



Listed on Euronext Lisbon (IPO June 2007)

Number of shares outstanding: 100,000,000

Reuters: MARTI.LS

Bloomberg: MAR PL

Euronext Lisbon: MAR

ISIN: PTMFR0AM0003

Coverage by 7 equity research teams (BESI, Caixa BI, BPI, Millennium BCPI, Goldman Sachs, Santander, Banif IB)

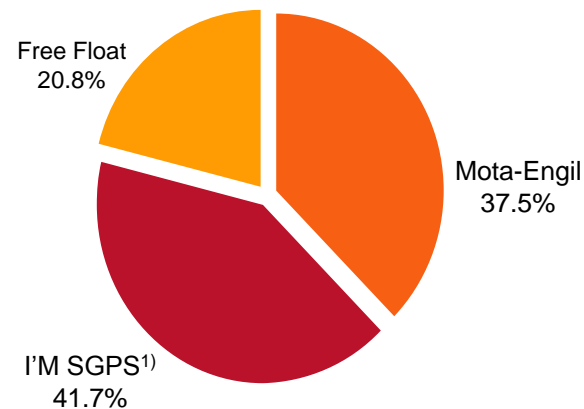
IPO was in 2007 on Euronext Lisbon:

First trading day: June 27th, 2007

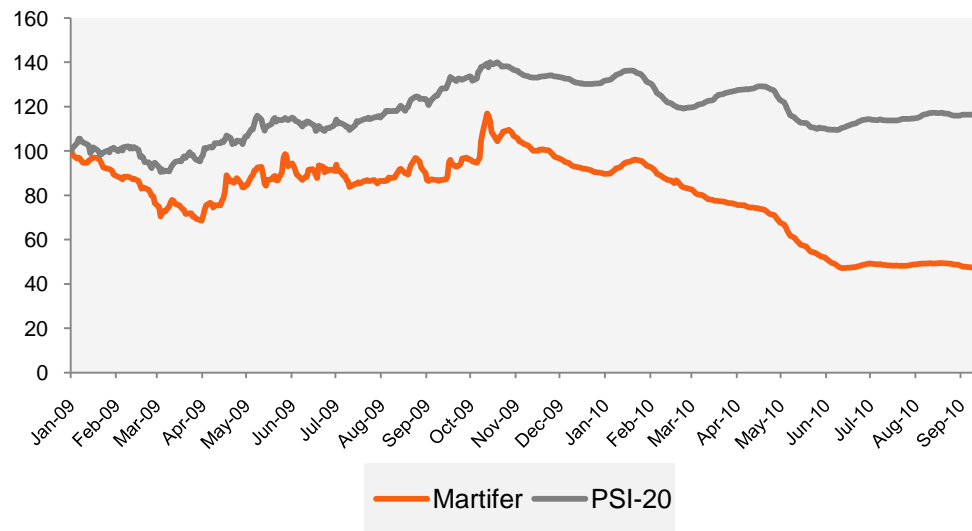
Priced at €8.00 per share, top of range

€199Mn gross proceeds, exclusively to company

SHAREHOLDER STRUCTURE



SHARE PRICE PERFORMANCE VS. PSI20 INDEX



- THROUGHOUT THE LAST 20 YEARS, MARTIFER HAS BASED ITS STRATEGY ON A STRONG ENTREPRENEURIAL SPIRIT
- WITH METALLIC CONSTRUCTION AS THE CORE BUSINESS, MARTIFER COMPLEMENTED ITS ACTIVITY IN THE RENEWABLE ENERGY INDUSTRY: WIND AND SOLAR
- ITS ACTIVITY IS BASED ON SYNERGIES WITH THE CORE BUSINESS WITH THE AIM TO OFFSET THE DEGREE OF DEPENDENCY FROM CONSTRUCTION SECTOR



METALLIC CONSTRUCTION



- Working as a Subcontractor and Provider of Turnkey Solutions in Steel Structures, Glass and Aluminium Façades and Stainless Steel Solutions
- Industrial Capacity in Portugal, Poland, Romania and Angola
- Steel Structure total installed capacity: 80,000 tonnes/year
- Order Book of €283m (1H10)

RENEWABLE ENERGY



- Since 2007 achieved more than 100 MW of PV installations
- Internal capacity production of 50 MW, possibility to increase to 100 MW
- Order Book >42 MW (contracted and financed) and >100MW of new possible projects

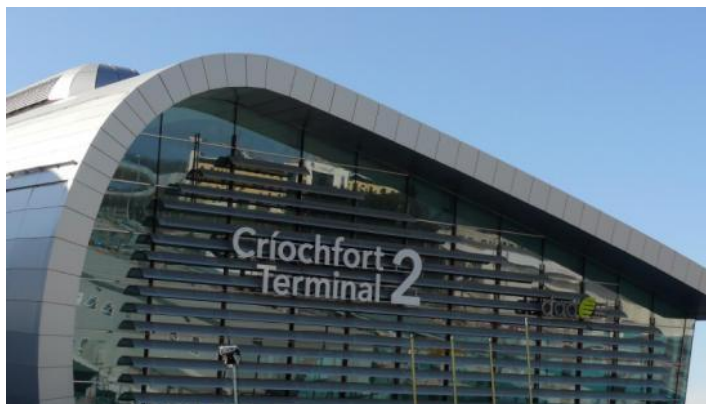


- Capacity of wind towers: 400 towers/year capacity in Oliveira de Frades, Portugal and 200 towers/year capacity in Texas, USA
- Provider of other Steel components for the Wind Industry



- 97 MW of win assets under operation
- 7.4 MW of Solar parks under Operation
- Developing 400 MW at 50/50 with Galp in Portugal and 217.8 MW in Brazil

METALLIC CONSTRUCTION



RENEWABLE ENERGY

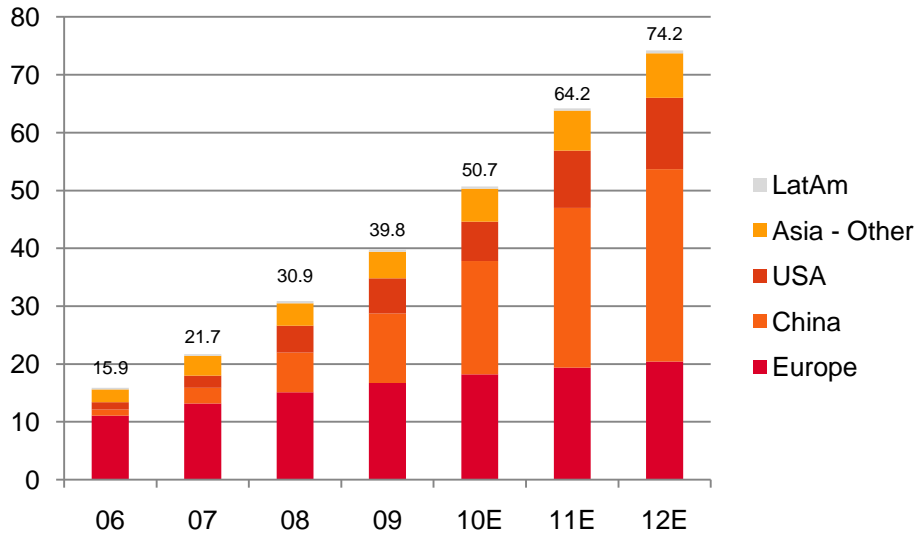


1H2010

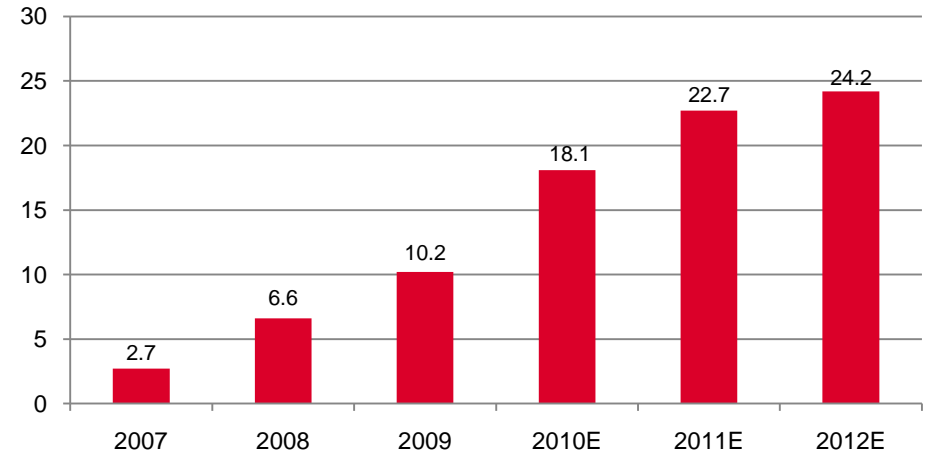
	MARTIFER METALLIC CONSTRUCTIONS	MARTIFER SOLAR	MARTIFER ENERGY SYSTEMS	MARTIFER RENEWABLES	Consolidated*	1H2009
Revenues (M€)	130.4	71.5	36.1	11.3	245.0	278.2
Change YoY	+4%	+56.2%	-64.5%	+32%	-11.9%	
EBITDA (M€)	13.2	7.5	-0.7	4.7	25.4	24
Change YoY	-2.9%	>100%	n.m.	>100%	5.8%	
EBITDA margin (%)	10.1	10.5	-1.9	41.3	10.4	8.6

* Does not add up due to Holding, eliminations and adjustments

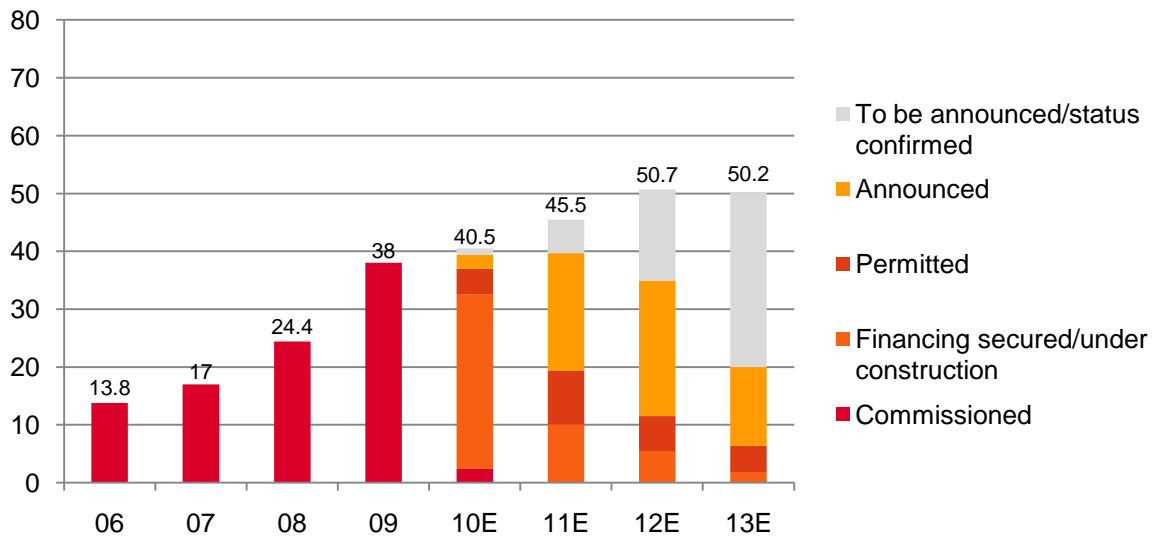
PRODUCTION CAPACITY



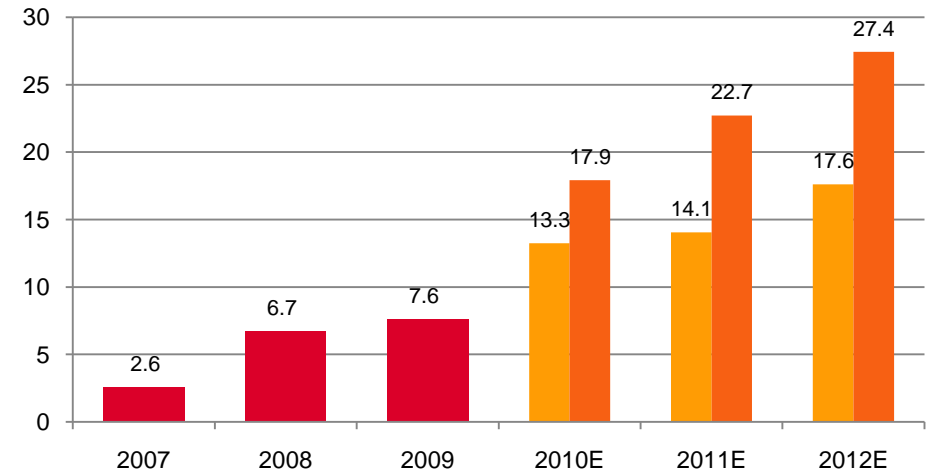
MODULE PRODUCTION

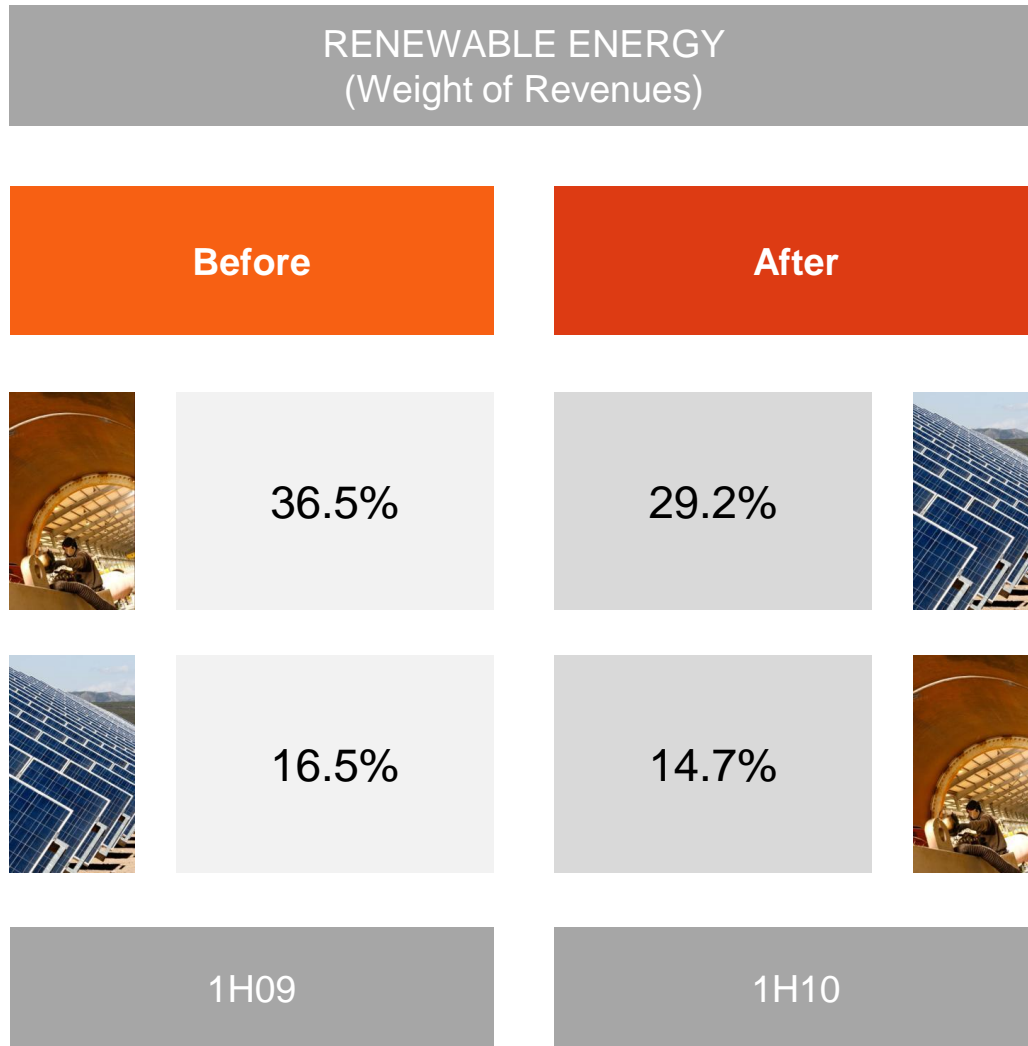


DEMAND



DEMAND





- There has been a shift in the weight of Renewables in the Revenues of the Group – from the focus in Wind to a focus in Solar
- This tendency is to be maintained in the years to come, due to an increasingly stronger solar market



PORTUGAL	BELGIUM	BRAZIL	GREECE
SPAIN	GERMANY	AUSTRALIA	USA
ITALY	CZECH REPUBLIC	FRANCE	BULGARIA
IRELAND	POLAND	ROMANIA	ANGOLA

INDUSTRIAL UNITS



PORTUGAL
OLIVEIRA DE FRADES

Steel structures
2,000 tonnes/year

Aluminium
150,000 sqm/year

Wind towers
400 towers/year

Wind components
600 canopies/year

Assembly wind turbines
130 units/year

Solar panels
50 MW/year

SEVER DO VOUGA

Stainless steel
2,000 tonnes/year

VAGOS

Steel structures
7,000 tonnes/year

BENAVENTE

Steel structures
15,000 tonnes/year

POLAND
GLIWICE

Steel structures
15,000 tonnes/year

ROMANIA
CALARASI

Steel structures
15,000 tonnes/year

ANGOLA
VIANA, LUANDA

Steel structures
15,000 tonnes/year

BENGUELA

Stainless steel
2,000 tonnes/year

AUSTRALIA
WOLLONGONG

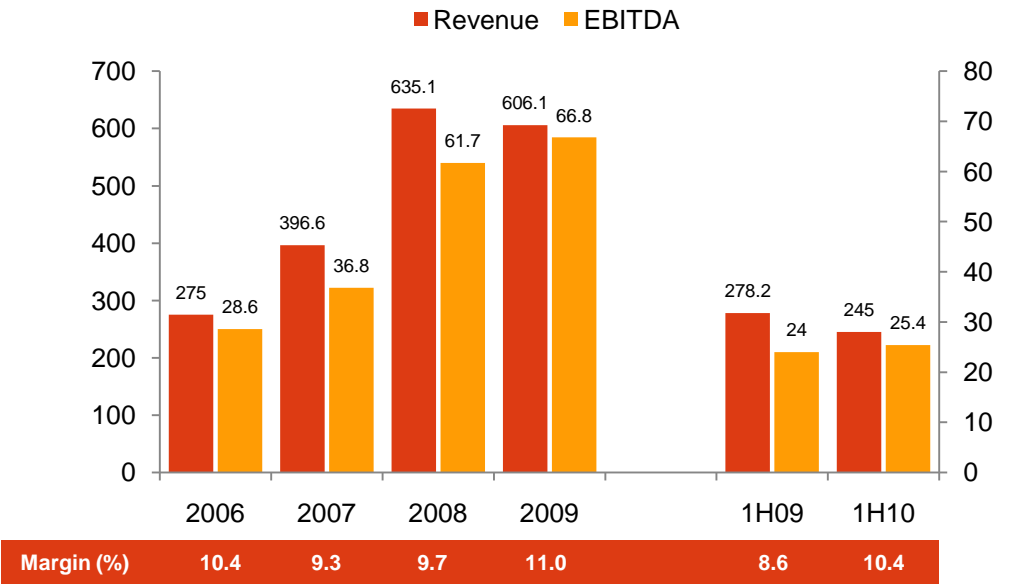
Aluminium
35,000 sqm/year

USA
SAN ANGELO, TEXAS

Wind towers
200 towers/year

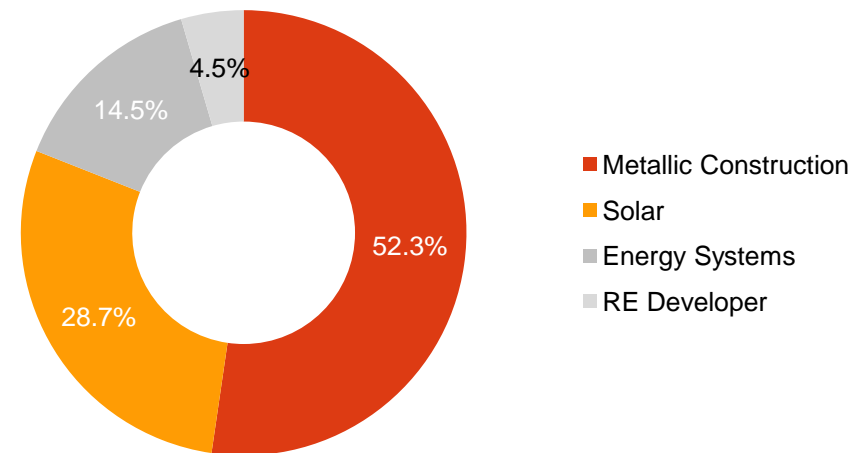


Revenue and EBITDA evolution (2006-2010)



- EBITDA has been constantly increasing, even through the current negative business climate and though there was a decrease in revenue

Revenue by Business in 1H2010



- Metallic Construction is still the Group's cash cow, responsible for more than 50% of the total revenue
- Solar has been gaining ground on the other business areas, amounting almost to 30% of total Revenue



METALLIC STRUCTURES



ALUMINIUM FAÇADES



STAINLESS STEEL SOLUTIONS



- Iberian market leader and one of the largest players in Europe
- Capacity to execute complex works, finding the right solutions both in project and engineering fields

- Provider of Turnkey Solutions
- Total installed capacity: 80,000 tonnes/year



TRENDS

- Mature countries have stagnated or decreased their demand for metallic constructions
- Emerging countries have shown some growth in metallic constructions' demand – companies must capitalize on these markets
- Steel prices rose during the 1H10, but the last two months (June and July) have shown a slight decrease

Iberia | Both countries have been suffering from the debt crisis. At the moment, private investment has contracted, and public investment has been mostly delayed

Angola | Continues to show a strong dynamic, both from the public and the private sectors, but the high risk of the country remains the key point for the companies operating in the market

Eastern Central Europe | Though not suffering the same impact that Iberia faces with the debt crisis, the economic growth in these countries is very slow at the moment, with reduced investment, although already showing positive signs from demand

Brazil | One of the countries with higher expected growth for the following years, with lots of public investment due to the World Cup in 2014 and the Olympic Games in 2016

Other Geographies | The North of Africa and the Middle East are interesting geographies to look out for in the next months and years

STRATEGY

- Our target: Top 5 in terms of Turnover, Profitability and Notoriety (being invited by the client to bid in 90% of the projects above €20m)
- Focus in projects with high complexity in Iberia, East and Central Europe
- In Angola Martifer expects to take advantage from the significant economic growth
- North Africa is a new market that will be served from Iberia and Romania as an extension of the European market
- United Kingdom has been our most recent strategic choice, as we see this market with enormous potential of growth
- Brazil is under analysis as the following years will receive the World Cup 2014 and the Olympics 2016
- Always looking for good project opportunities in other countries, which we call "Visit Countries"



GROUND BASED
SOLAR PARKS
(>100 kW)



EPC
Developer
Module distribution

ROOFTOP SYSTEMS
(>100 kW)



EPC
Developer
Module distribution

BUILDING INTEGRATED
- BIPV -
(20-200 kW)



EPC

RESIDENTIAL AND
COMMERCIAL
(<100 kW)



Module distribution
and microgeneration kits



- Capacity: 50 MW per year
- Leading technology
- Fully automated and robotized
- In-house production of tempered glass
- Suppliers (Gintech; Isovolta; Sapa; Tyco)
 - Certified
 - First quality
- Surface: 10,000 sqm





TRENDS

- The 2Q10 was very active, and expectations for the 2H10 are very good, with specialists believing the market can reach around 15 GW of new installations, which will more than double 2009 figures
- Europe still has a very unstable economic situation, especially in Greece with the possibility of affecting other countries. Then there is also the regulatory uncertainty in countries like Spain or Italy, where tariffs will be cut, but there's still no visibility on what the final numbers will exactly be.
- Germany is still the biggest market in the world, and is supposed to remain so in 2010, reaching between 7 and 9 GW. This market will probably suffer a large reduction in 2011, especially in large-scale projects, but a crash is no longer expected. The major PV players in Germany will feel the pressure to move fast to other markets, increasing the competition in most of the geographies we are currently focused on.

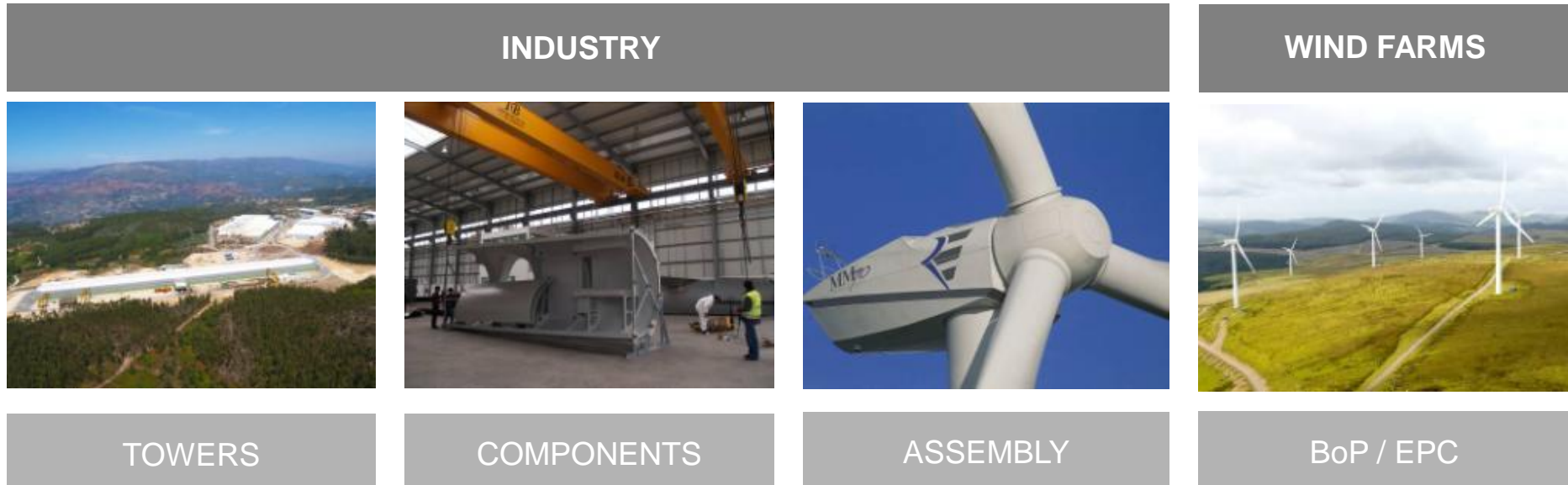
Portugal | The Government announced the objective of 1,500 MW of solar capacity installed by 2020

Spain | The Government is having trouble because of the cost they have to pay due to the high tariffs offered to renewable energy in recent years; a reduction of tariffs is probably the way forward, with more information available until the end of the year

Italy | Market with very good prospects for 2010, with projections between 1.3 and 2.1 GW installed this year; incentive scheme was reviewed, extending the current momentum of the Italian market; cuts will range from 10% to 24% year-to-year depending on system size, and permitting will receive new national guidelines that will speed up the process

STRATEGY

- Martifer Solar's focus is on four business areas: ground based, rooftop based, BIPV (Building Integrated PV) and residential
- There is another business area arising, with focus mainly in countries under development – Stand Alone Systems
- The modules' factory, with 50 MW capacity, is a quality guarantee for MTS' projects
- Martifer Solar also believes in the R&D+i area, where it has been developing some new solutions (like the SmartPark or the Smartracker) to take advantage of PV technology
- Geographically speaking, the company's focus is on countries with good regulatory support for solar energy and where there is enough demand – is currently moving into new countries like Canada and Slovakia
- Martifer Solar is able to provide a full turnkey service, from the dimensioning of land, through licensing and installation, ending with a full operation and maintenance service



- Production of wind towers: 400 towers/year capacity in Oliveira de Frades, Portugal and 200 towers/year capacity in Texas, USA
- Production of other wind turbine metallic components

- Assembly of generators in a Joint-Venture with REpower Systems (50%/50%)
- Project Management, EPC and BoP of Wind Projects
- O&M of Wind Farms

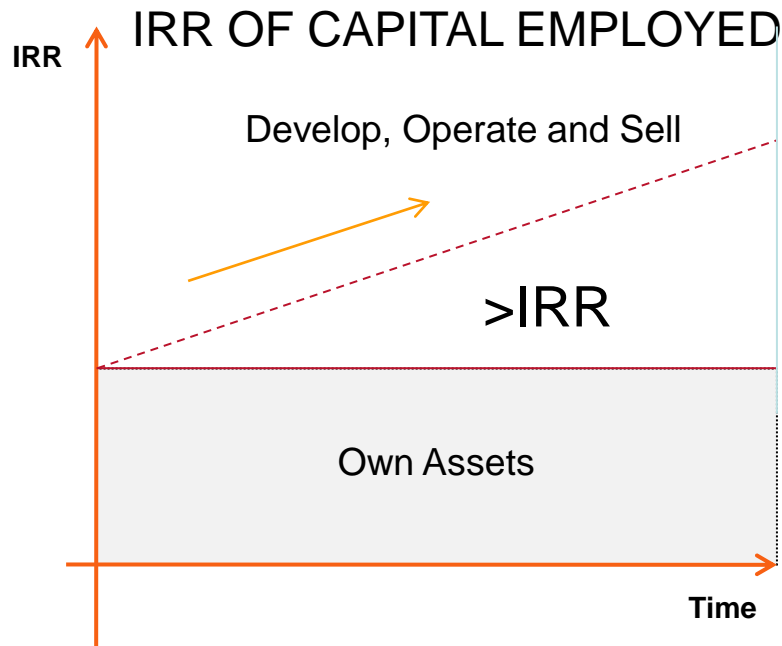


TRENDS

- Expectations and estimates for 2010 indicate that the market should reach around 40 GW of new capacity.
- Around 20 GW of new capacity will come from Asia, with China representing circa 18 GW and close to 2 GW coming from India. The Asian market is almost entirely absorbed by local players, where low cost is the main driver.
- The **European market** is to reach around 8 GW. A decrease from the last year's 10 GW, mostly due to the regulatory uncertainty some of the markets are under (like Spain and Italy). The number includes some offshore capacity already being installed.
- The **North-American market** will be able to maintain the 10 GW quota of new capacity, despite a probable reduction in the US market that should be offset by an increase in new installations in Canada and Mexico. This market is under some strain due to the fall of natural gas prices, reductions in electricity demand and uncertainties over the national energy policy, which make it even harder to secure long-term power purchase agreements (PPA).
- To survive the wind market from now on it is necessary to make framework agreements and other partnership style relationships. The wind industry is changing – oversupply leads to cuts in production and prepares for medium and long term with product differentiation; price pressure leads to differentiation in services and reduction of costs from the production cycle.
- **In conclusion, 2010 will be a tough year for players, like Martifer, with exposure to the markets in Europe and USA; the decrease in activity will affect the whole value chain.**

STRATEGY

- Martifer Energy Systems is focused on the production of wind towers:
 - Factory in Oliveira de Frades, Portugal, with capacity for 400 towers per year
 - Factory in San Angelo, Texas – USA, with capacity for 200 towers per year
- Besides the towers it also produces components for wind energy
- The company is a specialist in the project management, BoP and EPC of wind farms
- Its R&D+i department is investigating new technology for harvesting renewable energy – it is currently working on building a prototype for wave energy



ASSETS ROTATION STRATEGY:

- Optimize our Equity Allocation as asset Owner
- Improving Rentability with less capital Employed, accelerating cash in
- Develop, Operate and Sell
- Base managed by third parties



PARTNERSHIP WITH ENERSIS

EXECUTION OF COOPERATION AGREEMENT,

Development of Wind Farms



Pooling of Our Expertise

- Studies and Engineering
- Procurement
- Operation & Maintenance
- Financing
- Human Resources





Country MW	Potential		Development				Construction		Aggregate	
			Early stage		Advanced stage					
	MTR	Total	MTR	Total	MTR	Total	MTR	Total	MTR	Total
Poland			277	304	48	62	16	16	341	382
Romania	71	71	180	210	1	1	42	42	294	324
Eastern and Central Europe	71	71	457	514	49	63	58	58	633	703
Portugal			195	390	5	10			200	400
Iberia			195	390	5	10			200	400
Australia	143	570	108	430					250	1,000
Brazil					202	374			202	374
USA	379	526	⁽¹⁾ 157	⁽¹⁾ 207	125	174			661	907
Aggregate	593	1,167	917	1,541	381	621	58	58	1,949	3,387

⁽¹⁾ Includes CSP projects in the USA

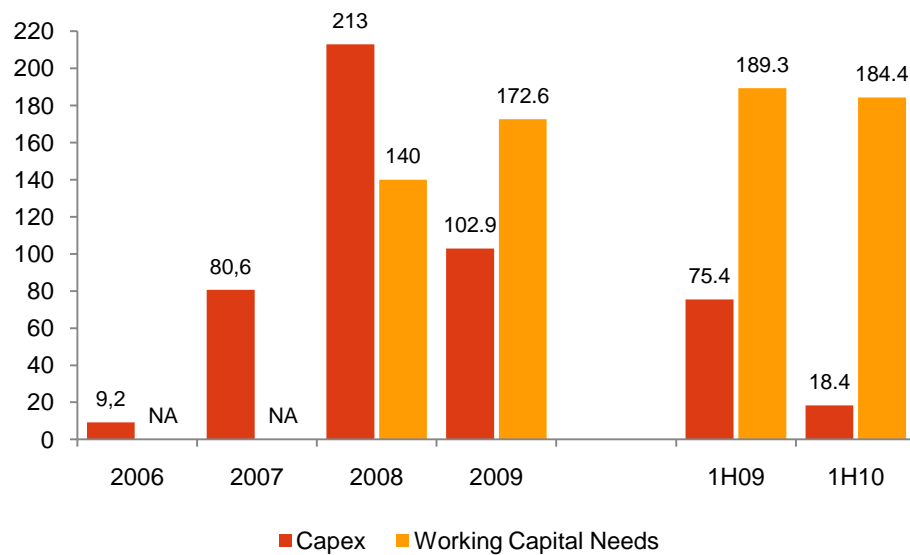


€M	Metallic Construction	Energy Systems	Solar	RE Developer	Holding	Martifer Consolidated
Corporate Net Debt allocated to operating activities	53.9	47.1	63.8	45.7	94.1	304.6
Corporate Net Debt allocated to non-operating activities	29.5			50.0		79.5
Non-Recourse Net Debt				45.3		45.3
Total Net Debt	83.4	47.1	63.8	141.0	94.1	429.4
Holding debt allocated to business units	25.0	13.9		45.2	-84.2	
EBITDA annualized *	30.9	2.8	17.0	7.4	4.3	62.3
(Net Debt allocated to business areas + PPC Holding) / EBITDA	2.6x	22.2x	3.7x	12.4x	-	4.9x

* The value of EBITDA taken into account in the calculation of financial ratios corresponds to the sum of the last 2 quarters of 2009 with the first 2 quarters of 2010.
 Note: Net Debt = Borrowing + Financial Lease + Derivatives – Cash and Cash Equivalents

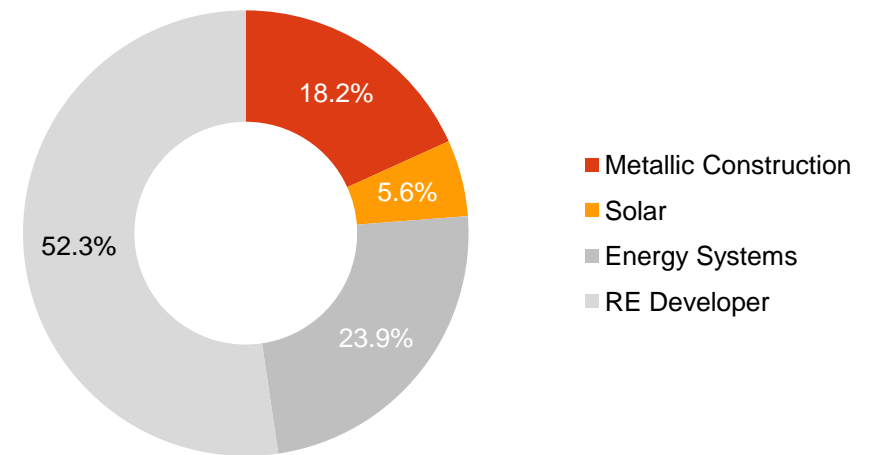
The Group's Consolidated Net Debt at the end of the 1H10, amounted to 429.4 million euro. The variation (decrease of 3.4% or a reduction of 15.1 M€) verified in the 1H is explained by the reclassification of the debt related with the Tavira Gran-Plaza to liabilities related to assets held for sale, although there was an increase in debt from the working capital investment incurred in the period, related with the increased activity in Solar segment, the payment of the dividend to shareholders and Capex.

Capex and Working Capital Needs evolution (2006-2010) M€

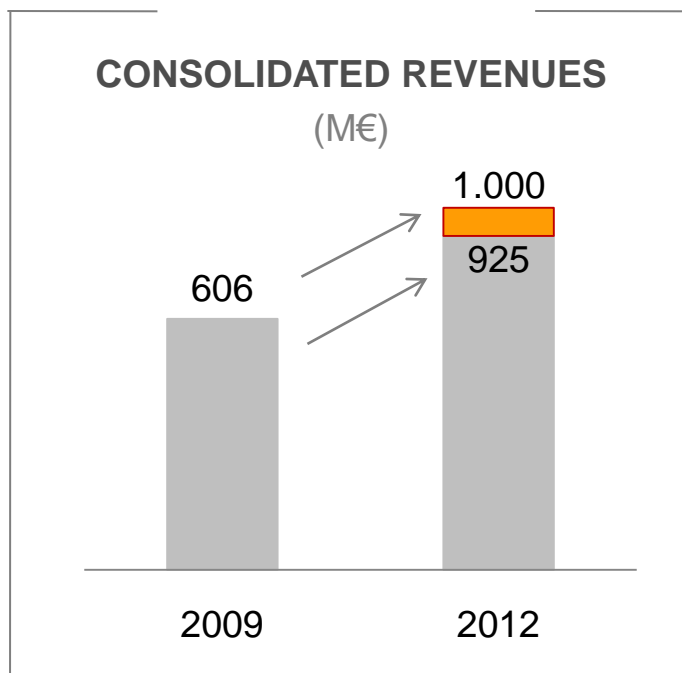


- With the crisis came a strong decrease in the Capex, with reduction of the investment on all business areas
- Working Capital has maintained the level in the last few years

Capex by Business in 1H2010



- Even though the numbers have been reduced, the focus is still on the necessary investments in the RE Developer area



METALLIC CONSTRUCTION

Revenues growth: [10% ; 13%] CAGR 09-12
EBITDA Mg: [10% ; 11%]

ENERGY SYSTEMS

Revenues growth: [14% ; 17%] CAGR 09-12
EBITDA Mg: [7% ; 8%]

SOLAR

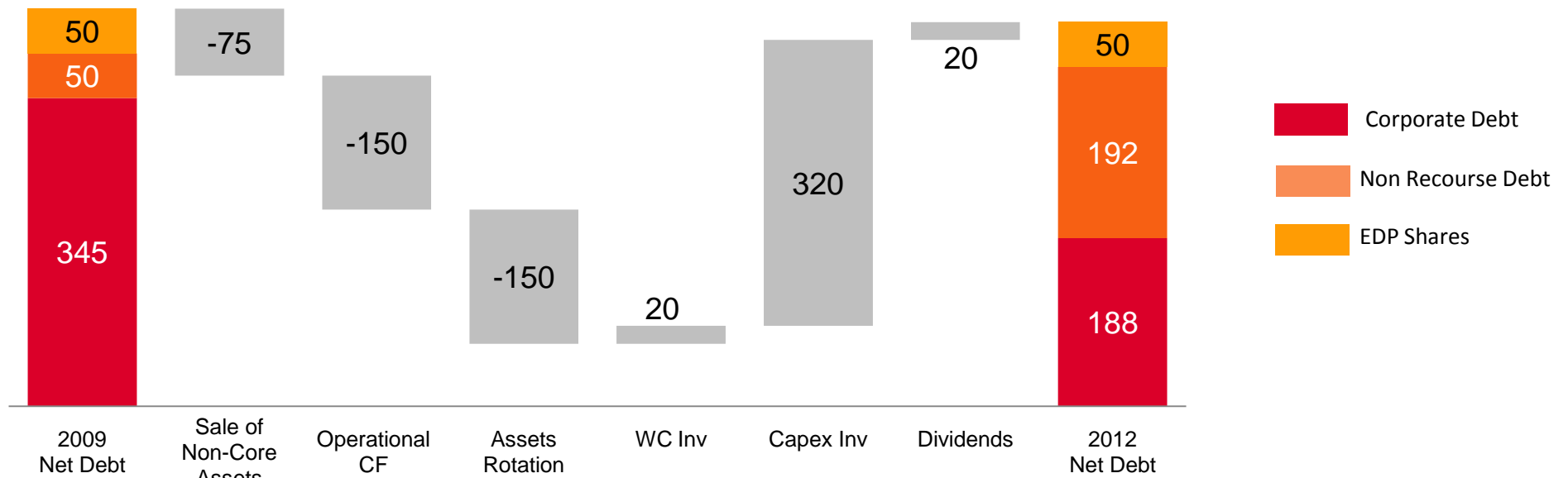
Revenues growth: [15% ; 18%] CAGR 09-12
EBITDA Mg: [7% ; 8%]

RENEWABLES

EBITDA Mg: [75% ; 80%] for assets under operation

Martifer is focused on value creation: consolidation of our current situation, leveraging of growth opportunities and profitability optimization

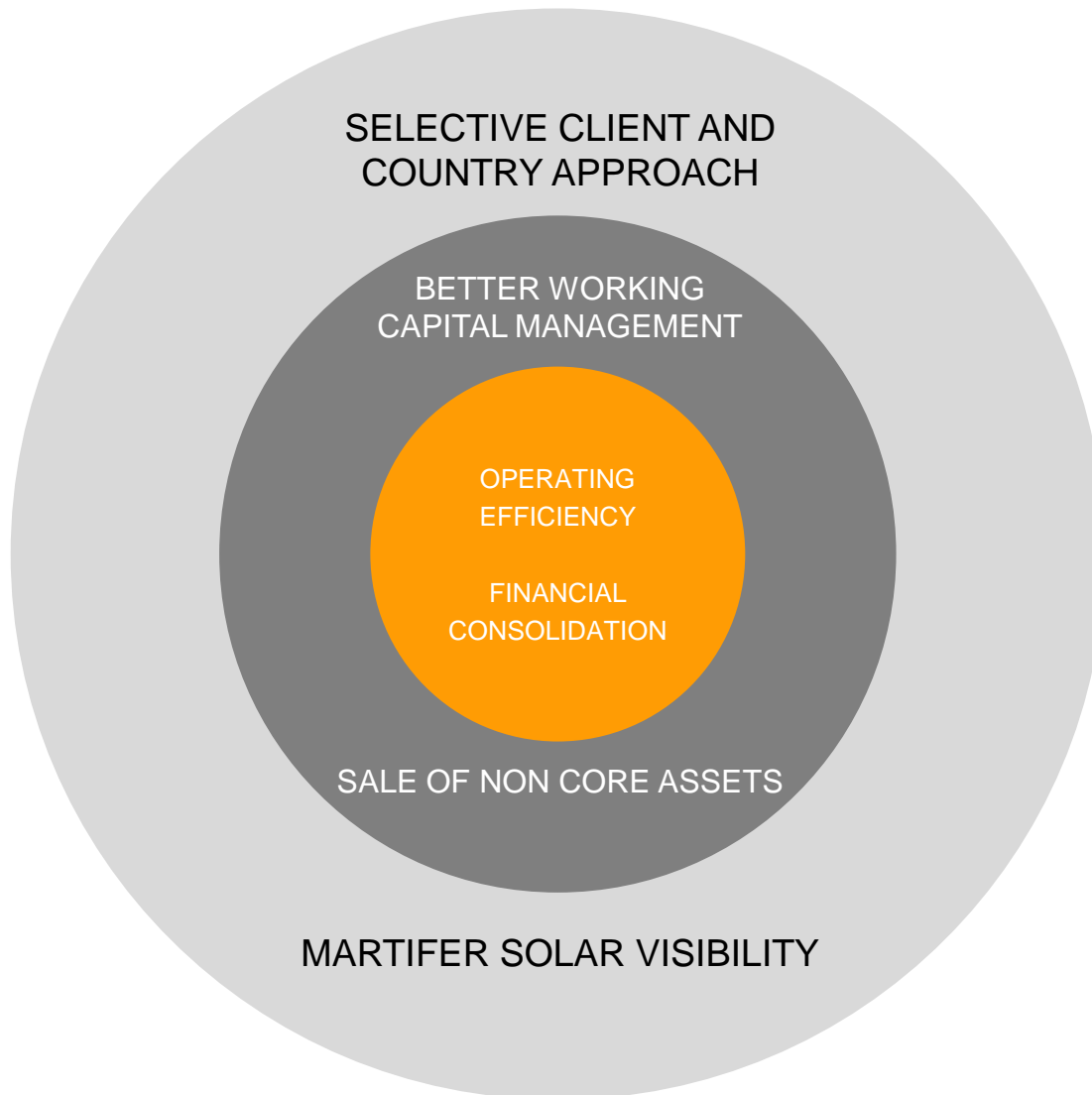
NET DEBT EVOLUTION 2009 – 2012E
(M€)



6.6 X (Adjusted Net Debt, excl. EDP)
5.8 X (Excl. Non Rec. Debt and EDP)

Net Debt / EBITDA

4.0 X (Adjusted Net Debt, excl. EDP)
2.0 X (Excl. Non Rec. Debt and EDP)



OBJECTIVES:

- Activity Expansion of Metallic Construction
- Visibility of Martifer Solar
- Operating Efficiency
- Financial Discipline

ACTIONS:

- Focus on commercial approach and reinforcement of partnerships with customers
- Sale of non-core assets
- Efficient Working Capital Management
- Assets Rotation Policy and Project Finance for RE projects

FOCUS

ACTIVITY EXPANSION OF METALLIC CONSTRUCTION

- ✓ One digit growth in YoY Revenues comparison
- ✓ QoQ Growth
 - +25.7% (2Q10 vs 2Q09)
 - +20.6% (2Q10 vs 1Q10)
- ✓ Stable order book and increased exposure to markets outside Iberia (from 48% in 1Q10 to 55% in 2Q10)

VISIBILITY OF MARTIFER SOLAR

- ✓ +56.2% YoY growth in Revenues
- ✓ +153% YoY growth in the EBITDA
- ✓ Increased weight in total Consolidated Revenues, e.g., 29.2% in 1H10 vs 16.5% in 1H09
- ✓ +96% in 2Q10 vs 1Q10 in the EBITDA

OPERATIONAL EFFICIENCY

IMPROVING OPERATING PERFORMANCE

- ✓ Adj. EBITDA (for the Tavira Gran-Plaza effect) +5.8% YoY growth and +1.7 pp improved margin in an increasingly competitive environment
- ✓ The positive performance of Solar, Metallic Constructions and RE Developer more than compensates the losses in Energy Systems

FINANCIAL CONSOLIDATION

FINANCIAL DISCIPLINE

- ✓ -15.1 M€ in Net Debt to 429.4 M€ (from FY2009 444.5 M€), excluding the Tavira Gran-Plaza effect
- ✓ Net Debt/EBITDA = 4.9x only considering Net Debt allocated to core business

PROFITABILITY

- Recurrent Net Profit grew 13.4% YoY to 1.5 M€
- Prio Energy and Prio Foods contributed, in the 1H10, respectively with 1 M€ and -2.6 M€ of Net Profit

Sónia Baldeira

Head of Investor Relations and
Corporate Communication

Phone: +351 232 767 702
Mobile: +351 93 43 70 138
Fax: +351 232 767 750

investor.relations@martifer.com

Martifer SGPS, S.A.
Zona Industrial, Apartado 17
3684-001 Oliveira de Frades
Portugal

Tel: +351 232 767 702
Fax: +351 232 767 750

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