



**IBERSOL, S.G.P.S, S.A.**

Publicly Listed Company

Registered Office: Praça do Bom Sucesso, 105/159, 9º, Porto

Share Capital fully issued and paid up: € 24.000.000

Porto Commercial Registry and Fiscal Number 501669477

**NOTICE FOR CAPITAL INCREASE THROUGH INCORPORATION OF RESERVES**

1. Under the terms of article 1 (a) of CMVM's Regulation no 05/2008 and the final part of article 236, no.2, (b) of the Portuguese Securities Code, IBERSOL, SGPS, S.A. (IBERSOL) Shareholders are informed that at the General Shareholders Meeting held on the April 29, 2016, IBERSOL deliberated the increase of its share capital from 20.000.000 euros to 24.000.000 Euros, by incorporation of reserves, through the issuance of 4.000.000 new ordinary and nominative shares, with a par value of one euro per share (Shares).
2. The capital increase was registered at the Commercial Registry on the 22 June 2016.
3. The shares representing IBERSOL's share capital, traded at Euronext Lisbon (the regulated market managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.) until 28 October 2016, included, confer the right to participate in the capital increase through incorporation of reserves, with shares trading ex-rights from 31 October 2016.
4. The Shares will be allocated for free to IBERSOL Shareholders in the proportion of 1 (one) new Share for every five (5) shares held, through the application of a 1/5 factor to the number of shares held, rounded down, and will be credited on IBERSOL Shareholders' accounts on November 2, 2016.
5. After IBERSOL decision, and as provided in Interbolsa – Sociedade Gestora de Sistemas de Liquidação e Sistemas Centralizados de Valores Mobiliários S.A. Circular no. 1/2016, no incorporations rights will be detached from the existing shares and, therefore, there will be no rights negotiation. Fractions that results from the application of the allocation factor will be paid as described in the following section.
6. Fractions arising from the application of the allocation factor referred to in 3. will be paid by IBERSOL, at the price per Share of €13.350, which has been calculated per reference of

IBERSOL shares closing price of today (corresponding to € 2.225 per fraction). It is expected that the amount should be credited by the financial intermediary in which the fractions holder has its account, from November 2, 2016, with reference to the registered position in the account on November 1, 2016, according with the rules defined by Interbolsa – Sociedade Gestora de Sistemas de Liquidação e Sistemas Centralizados de Valores Mobiliários S.A.

7. The consideration for the acquisition of IBERSOL Shares deliberated by the IBERSOL Board of Directors fulfills, *mutatis mutandis*, the requirements for the acquisition of own shares deliberated by IBERSOL at the General Shareholders Meeting held on last 29 April.
8. Shares allocation will take place automatically with no need for the Shareholders to take any action. IBERSOL Shareholders may, until 28 October 2016, if they wish, acquire or sell IBERSOL shares to adjust their group of shares in order to obtain a number of shares that is a multiple of five.
9. Shares to be issued under IBERSOL's capital increase are fungible with others and entitle to profits, reserves or other assets whose distribution is decided subsequently to their issuance, keeping the PTIBS0AM0008 ISIN code.
10. Admission to trading at the regulated market managed by Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A. of the Shares to be issued under the capital increase has been requested, with the Shares expected to be admitted on November 2, 2016.

Porto, October 20, 2016

*In case of discrepancy between the Portuguese original text and the English translation, the Portuguese text shall prevail.*