



IBERSOL – SGPS, SA

Sociedade Aberta

Head Office: Praça do Bom Sucesso 105/159, 9º andar, Porto
Share Capital: Euro 20.000.000
CRC Porto – Matrícula nº 51.117
Fiscal N.: 501.669.477

Results - 1st Quarter 2008

- **Consolidated turnover of 50 million euro**
Growth of 12 % in comparison with the 1st quarter of 2007
- **Consolidated EBITDA reached 7,2 million euro**
Increase by 15% compared to the same period of previous year.
- **Consolidated net profit of 2,8 million euro**
Increase by 28% compared with the 1st quarter of 2007

1Q 2008 Results

Activity

Consolidated revenues (sales and services) of the first quarter of 2008 reached 50.4 million euro, corresponding to an increase of 12%, as compared with the same period of the previous year, with the following distribution:

	euro million	% Ch. 08/07
Sales of Restaurants	48.86	12.5%
Sales of Merchandise	1.07	-1.6%
Services Rendered	0.50	-2.3%
Net Sales & Services	50.43	12.0%

The sales of Restaurants grew 12,5%, as follows:

SALES	Euro million	% Ch. 08/07
Pizza Hut	15.67	11.8%
Pans/Bocatta	5.09	8.8%
KFC	1.80	4.1%
Burger King	3.77	44.3%
Pasta Caffé (Portugal)	1.97	0.2%
O`Kilo	1.34	-14.4%
Quiosques	0.73	-0.7%
Cafetarias	1.40	56.4%
PAPÀki	0.14	-1.5%
Cantina Mariachi	0.10	2.4%
Arroz Maria	0.05	-26.3%
Sugestões e Opções e JSCC	1.18	-8.4%
Others	1.46	-3.4%
Portugal	34.71	10.8%
Pizza Móvil	4.97	8.0%
Pasta Caffé (Spain)	1.00	58.3%
Burger King Spain	8.18	18.9%
Spain	14.15	16.8%
Total Sales of Restaurants	48.86	12.5%

Note: Units temporarily closed at Lisbon Airport included in "Others"

Comparing with the sales of the same period of last year, we must consider the followings impacts:

- more favourable schedule (one more trading day in February and Easter in March) and
- the closing, since mid-January, of two units at Lisbon airport, due to refurbishment of the shopping area in the "air" zone.

We estimate that these effects altogether increased consolidated sales by 2.4%.

Pizza Hut and **Burger King** (in Portugal and in Spain) continue to show a sound performance with a significant *like-for-like* growth.

Growth rates of **Pans** and **Cafetarias** are mainly due the expansion occurred in 2007.

KFC began a slow process of sales recovery, while O'Kilo continues facing difficulties in sustaining its operations, particularly in more competitive markets.

Pasta Caffé – this concept, facing an unfavourable macroeconomic environment and highly dependent upon the fluctuations of the purchasing power, has benefited from the above mentioned favourable schedule and kept sales at the same level of the first quarter of 2007.

The tobacco law, in force since the beginning of the year, affected substantially the sales of coffee, with greater impacts on the business of **Quiosques** and **Áreas de Serviço (highways)**.

In Spain, the effects of the economic downturn increased with consequent slowdown in private consumption, with special emphasis in the segments of the eat-in and delivery. Sales recorded by **Pasta Caffé** in Spain reflect the acquisition of two franchised units in the end of 2007.

As last year, the expansion plan will be accomplished especially in the second half of the year. At the end of the first quarter we kept the same number of units, as shown below:

Nº of Stores	2007	2008		2008
	31-Dec	Openings	Closings	31-Mar
PORTUGAL	298	0	1	297
Own Stores	295	0	0	295
Pizza Hut	92			92
Okilo	19			19
Pans	53			53
Burger King	28			28
KFC	16			16
Pasta Caffé	19			19
Quiosques	11			11
PapÁki	5			5
Cantina Mariachi	2			2
Arroz Maria	1			1
Cafetarias	24			24
Sugestões e Opções e JSCC	9			9
Others	16			16
Franchised Stores	3		1	2
SPAIN	116	2	1	117
Own Stores	91	1	1	91
Pizza Móvil	48	1		49
Pasta Caffé	11		1	10
Burger King	32			32
Franchised Stores	25	1	0	26
Pizza Móvil	25	1		26
Pasta Caffé	0			0
Total Own stores	386	1	1	386
Total Franchised stores	28	1	1	28
TOTAL	414	2	2	414

Results

Consolidated net profit of the quarter reached 2.8 million euro, an increase of 27.9% over the same period of 2007, representing 5.5% of sales revenue.

PROFIT & LOSS ACCOUNT	31-03-2008	31-03-2007	Var. %
Sales and services rendered	50,426,567	45,028,260	12.0%
Other operating revenues	447,386	601,242	-25.6%
Costs of goods and services	11,087,453	10,240,052	8.3%
Gross Profit	39,786,500	35,389,450	12.4%
External services	15,681,624	14,206,200	10.4%
Personnel	16,738,276	14,620,065	14.5%
Other operating costs	162,265	319,544	-49.2%
Provisions	20,630	0	
Depreciation	2,504,815	2,323,590	7.8%
EBIT	4,678,890	3,920,051	19.4%
Net financial results	-884,538	-836,231	5.8%
Income taxes	997,332	842,710	18.3%
Profit before minority interests	2,797,020	2,241,110	24.8%
Minority interests	22,751	71,932	-68.4%
Net Profit	2,774,269	2,169,178	27.9%
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EBITDA	7,183,705	6,243,641	15.1%
CASH FLOW	5,322,465	4,564,700	16.6%

In general, brands succeeded – by adjusting ranges, increasing the price of the products and reinforcing wastage control– in absorbing the strong price increases of the main raw materials keeping the gross margin close to 79%.

Consolidated EBITDA grew from 15.1% to 7.2 million, outpacing the growth on Sales revenue. The EBITDA margin stood at 14.2% of revenues which compares with 13.9% in the first quarter of 2007.

Consolidated EBIT margin reached 9.3% of Revenue, i.e. a stronger contribution to sales when compared with the same period of last year (8.7%).

Net financial results were negative in 885 thousand euro – an aggravation of around 50 thousand euros above the value of 2007 - reflecting the increase of interest rates.

Balance Sheet

The total assets amounted to around 208 million euro and Equity stood at 72.5 million, representing 35% of the assets.

Balance Sheet	31-03-2008	31-12-2007	Var. %
ASSETS			
Net Fixed Assets	114,444,235	113,757,719	0.6%
Net Goodwill	44,281,577	44,293,117	0.0%
Net Intangible Assets (without goodwill)	19,470,649	19,841,435	-1.9%
Investments for sale	436,085	436,085	0.0%
Stocks	3,706,458	4,076,723	-9.1%
Cash and Cash equivalents	13,030,634	12,691,939	2.7%
Other non-currents Assets	2,582,155	2,390,566	8.0%
Other currents Assets	10,200,822	10,656,387	-4.3%
Total Net Assets	208,152,615	208,143,971	0.0%
EQUITY			
Share Capital	20,000,000	20,000,000	0.0%
Own Shares (nominal value)	-1,996,731	-1,994,373	0.1%
Reserves	47,083,924	34,305,445	
Net Profit for the period	2,774,269	12,790,269	
Shareholders Funds	67,861,462	65,101,341	4.2%
Minority Interests	4,664,945	4,642,194	0.5%
Total Equity	72,526,407	69,743,535	4.0%
LIABILITIES			
Bank Debts	77,191,099	70,903,398	8.9%
Leasing	5,731,654	6,543,533	
Provisions	282,580	183,549	54.0%
Trade Creditors and Accrued Costs	26,420,974	28,840,129	-8.4%
Other current Creditors	11,174,644	16,485,901	-32.2%
Other non current liabilities	10,343,399	9,746,845	6.1%
Other current liabilities	4,481,858	5,697,081	-21.3%
Total Liabilities	135,626,208	138,400,436	-2.0%

Net Debt increased 5 million, impacted by the financing of:

- The investment in the period that amounted to 2.9 million;
- The payment of investments executed in the end of 2007;
- The increase in the payments to suppliers, usual in this quarter, which corresponds to the payment of the purchases made in the end of the previous year.

On March 31st, the net debt reached 70 million.

In the first quarter, the company bought 2,358 own shares at the average price of 6.0 euro each. At the end of the period, the company held 1,996,731 shares (9.984% of the capital) acquired by 11,160,958 euro, which corresponds to an average price of 5.59 euro.

Perspectives

All economic indicators and the outlook for the macroeconomic and private consumption environment in the two markets (Portugal and Spain) we operate recommend caution. Despite these remarks we believe that we can maintain a good pace of growth, either by the dynamic sales of the existing units, or by the expansion of new units, which will involve an annual capital expenditure of around 18 million euro.

If the increase in prices of raw materials does not cease, especially the strong recovery of cereals, the profitability of our business can be adversely affected in the coming quarters.

Additionally to the 4 stores already opened in April - one Pizza Hut, one Pans and two Sol - we expect to open until the end of the year a further 18 own stores.

Porto, May 20th, 2008

António Alberto Guerra Leal Teixeira

António Carlos Vaz Pinto de Sousa

Juan Carlos Vázquez-Dodero