



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 – 3rd Quarter 2008

- **Consolidated turnover of 159 million euro**
Growth of 7% in comparison with the 3rd quarter of 2007
- **Consolidated EBITDA reached 26 million euro**
Increased by 8% when compared with the same period of previous year.
- **Consolidated net profit of 11 million euro**
Increased by 10% when compared with the 3rd quarter of 2007

9M 2008 Results

Activity

Consolidated turnover (sales and services) of the first nine months of 2008 reached 159.4 million euro, corresponding to an increase of 7.4%, as compared with the same period of the previous year, with the following distribution:

	euro million	% Ch. 08/07
Sales of Restaurants	154.38	7.9%
Sales of Merchandise	3.20	-15.3%
Services Rendered	1.84	13.6%
Net Sales & Services	159.42	7.4%

The sales of Restaurants grew 7.9%, as follows:

SALES	Euro million	% Ch. 08/07
Pizza Hut	49.31	7.0%
Pans/Bocatta	16.29	7.4%
KFC	6.00	2.0%
Burger King	12.05	34.9%
Pasta Caffé (Portugal)	5.94	-6.0%
O`Kilo	4.19	-9.1%
Quiosques	2.33	-4.7%
Cafetarias	4.85	32.7%
PAPÀki	0.40	-7.8%
Cantina Mariachi	0.23	-22.9%
Arroz Maria	0.18	-34.8%
Sugestões e Opções e JSCC	4.64	-20.2%
Outros	5.18	-10.8%
Portugal	111.59	5.6%
Pizza Móvil	14.21	209.1%
Pasta Caffé (Spain)	2.62	314.3%
Burger King Spain	23.87	246.8%
Spain	40.70	236.0%
Extraordinary events	2.09	
Total Sales of Restaurants	154.38	31.0%

Note: Units temporarily closed at Lisbon Airport included in "Others" (during 3 months)

“Extraordinary events” include the sales corresponding to two non-recurrent events done in the 2nd quarter with a strong presence of Ibersol:

- *Lisbon Rock in Rio, in which Ibersol explored the main areas of restaurants;*
- *the world-wide launch of a new Skoda vehicle in Lisbon, during a period of 20 days, with all the service of catering rendered by our filial José Silva Carvalho.*

In the 3rd quarter, mainly due to the aggravation of the credit crisis and the economical deceleration, we registered a decrease the sales growth, which reached 3.6%.

The trend of transfer consumption from higher ticket restaurants to the concepts of lower price increased over the last months with **Burger King, Pans** and **KFC** registering an acceleration of their sales rates growth.

Nevertheless, **Pizza Hut**, through the balance between several channels of sales, continues to show a sound performance, over the last year, with sales in the third quarter rising over 5 %.

On the other hand, during the last three months, **Pasta Caffé** and **Okilo** decreased sales, 8 % and 3 %, respectively.

Growth rates of **Cafeterias** are mainly due the expansion of SOL occurred in the last three months.

In Spain, the effects of the economic downturn aggravated leading to the retraction of the consumption and highly competition market with strong promotions in the segment of delivery, with the consequent impact in the sales of the **Pizza Móvil**.

To accomplish the expansion plan Ibersol opened 4 stores in the third quarter.

By the end of the first nine months the group had opened 11 restaurants.

With the scope of improving the stores portfolio, until the end of 3rd quarter we closed 8 own stores: *one Pizza Móvil, one Pasta Caffé in Spain, the PapÀki express located in the space of the Burger King in the 2nd Circular and, still, O`kilo, PaPÀki and Cantina Mariachi, all in the Forum Almada, Arroz Maria and Cantina Mariachi of Odivelas Parque.*

Consequently, on the 30th September 2008, Ibersol was operating 389 own unities and 28 franchising contracts, as detailed below:

N° of Stores	2007	2008		2008
	31-Dec	Openings	Closings	30-Jun
PORTUGAL	298	9	7	300
Own Stores	295	9	6	298
Pizza Hut	92	2		94
Okilo	19		1	18
Pans	53	2		55
Burger King	28	1		29
KFC	16			16
Pasta Caffé	19			19
Quiosques	11			11
PapÁki	5		2	3
Cantina Mariachi	2		2	0
Arroz Maria	1		1	0
Cafetarias	24	4		28
Sugestões e Opções e JSCC	9			9
Others	16			16
Franchising Stores	3		1	2
SPAIN	116	3	2	117
Own Stores	91	2	2	91
Pizza Móvil	48	1	1	48
Pasta Caffé	11		1	10
Burger King	32	1		33
Franchising Stores	25	1	0	26
Pizza Móvil	25	1		26
Pasta Caffé	0			0
Total Own stores	386	11	8	389
Total Franchising stores	28	1	1	28
TOTAL	414	12	9	417

Results

Consolidated net profit of the firsts nine months reached 10.96 million euro, an increase of 9.8% compared to the same period of 2007, representing 6.9% of sales revenue.

RESULTS	30-09-2008	30-09-2007	% Ch.
Sales and services rendered	159,422,315	148,496,877	7.4%
Other operating revenues	2,231,322	1,673,061	33.4%
Costs of goods and services	35,430,765	34,322,725	3.2%
Gross Profit	126,222,872	115,847,213	9.0%
External services	49,121,357	44,529,990	10.3%
Personnel	50,035,845	45,875,615	9.1%
Other operating costs	1,032,022	1,444,756	-28.6%
EBITDA	26,033,648	23,996,852	8.5%
Provisions	44,868	0	
Depreciation	7,593,604	7,076,536	7.3%
EBIT	18,395,176	16,920,316	8.7%
Net financial results	-3,074,605	-2,910,019	5.7%
Income taxes	4,184,435	3,746,964	11.7%
Profit before minority interests	11,136,136	10,263,333	8.5%
Minority interests	174,117	277,682	-37.3%
Net Profit	10,962,019	9,985,651	9.8%

In general, brands succeeded in absorbing the strong price increases of the main raw materials occurred in the beginning of 2008 and some price of commodities food adjustments during the 3rd quarter allowed keeping the gross margin close to 79%.

Consolidated EBITDA grew from 8.5% to 26 million, outpacing the growth on Sales revenue. The EBITDA margin stood at 16.3% of revenues which compares with 16.2% in the first nine months of 2007.

Consolidated EBIT margin reached 11.5% of Turnover, i.e. a slightly superior contribution to sales than the same period of last year (11.4%).

Net financial results were negative in 3.07 million euro – an aggravation of around 165 thousand euros above the value of 2007 - reflecting the increase of interest rates.

Balance Sheet

Total Assets reached to around 209 million euro and Equity stood at 79.9 million, representing 38% of the assets.

Balance Sheet	30-09-2008	31-12-2007	% Ch.
ASSETS			
Net Fixed Assets	117,413,445	113,757,719	3.2%
Net Goodwill	44,258,495	44,293,117	-0.1%
Net Intangible Assets (without goodwill))	18,976,150	19,841,435	-4.4%
Investments for sale	436,085	436,085	0.0%
Stocks	3,812,437	4,076,723	-6.5%
Caixa e Equivalentes	8,953,519	12,691,939	-29.5%
Other non-currents Assets	2,530,481	2,390,566	5.9%
Other current Assets	12,897,473	10,656,387	21.0%
Total Net Assets	209,278,085	208,143,971	0.5%
EQUITY			
Share Capital	20,000,000	20,000,000	0.0%
Own Shares (nominal value)	-1,998,881	-1,994,373	0.2%
Reserves	46,249,145	34,305,445	34.8%
Net Profit for the period	10,962,019	12,790,269	-14.3%
Shareholders Funds	75,212,283	65,101,341	15.5%
Minority Interests	4,646,142	4,642,194	0.1%
Total Equity	79,858,425	69,743,535	14.5%
LIABILITIES			
Bank Debts	70,977,695	70,903,398	0.1%
Leasings	5,285,824	6,543,533	-19.2%
Provisions	218,419	183,549	19.0%
Trade Creditors and Accrued Costs	29,052,942	28,840,129	0.7%
Other current Creditors	8,699,829	16,485,901	-47.2%
Other non current liabilities	10,665,167	9,746,845	9.4%
Other current liabilities	4,519,783	5,697,081	-20.7%
Total Liabilities	129,419,659	138,400,436	-6.5%
Total LIABILITIES and EQUITY	209,278,085	208,143,971	0.5%

Net Debt increased around 2 million and, on September 30th, reached 70 million euro.

CAPEX ascended to around 12 million euros corresponding almost in the totality to the acquisition of the assets for the new unities and to the remodelling of two unities in the Airport.

In the firsts nine months, the company bought 4,508 **own shares** at the average price of 6.15 euro each. At the end of the period, the company held 1,998,881 shares (9.994% of the capital) acquired by 11,174,551 euro, which corresponds to an average price of 5.59 euro.

In October the own shares held by the company reached 10 % of the capital.

Outlook

With the impact of the financial crisis into the real economy all the indicators point out to a slowdown of the economical activity in the markets (Portugal and Spain) where we operate. Considering the seasonal characteristics of our business and the mix of formats that we explore, we foresee the group could maintain the 3rd quarter sales growth by the end of the year.

After a period of great volatility, the prices of the raw materials registered some adjustments and got stabilized, thus outlook the maintenance of the gross margin.

We hope that the successive reductions of the interest rates by the central banks are enough to compensate eventual adjustments of the spreads associated to our financing.

In October, we opened five stores more in Portugal – one Pizza Hut, one Pans, one Burger King and two Sol – and we expect to open even a further 4 own stores till the end of the year.

Porto, May 13th, 2008

António Alberto Guerra Leal Teixeira

António Carlos Vaz Pinto de Sousa

Juan Carlos Vázquez-Dodero