IBERSOL – SGPS, SA

Publicly Listed Company

Head office: Praça do Bom Sucesso 105/159, 9º andar, Porto
Sahre Capital: Euro 20.000.000
Commercial Registry: Oporto under the number 501669477
Fiscal Number: 501 669 477

RESULTS -1st Half 2012

- **Consolidated turnover of 81.6 million euro**
  Decrease of 12.6% over the first half of 2011
- **Consolidated EBITDA reached 6.8 million euro.**
  YoY EBITDA in 2012 decreased by 33.5%
- **Consolidated net profit of 0.83 million euro**
  Decrease of 76.4% over the first half of 2011

ACTIVITY REPORT

Activity

The consolidated turnover in the 1st half of 2012 amounted to 81.6 million euros which compares with 93.4 million euros in the same period of 2011.

The activity of this first quarter was heavily penalized by the drop in consumption in Portugal and the increase of VAT rate from 13% to 23%.

In this environment, with a strong fall in private consumption, Ibersol decreased turnover of 12.6%, with greater impact on Portugal.

Sales decreased by 12.5% and the contributions by markets and concepts were as follows:

SALES		Euro million	% Ch. 12/11
Pizza Hut		23,84	-17,4%
Pans/Bocatta		8,08	-19,1%
KFC		4,16	-7,1%
Burger King		9,32	-10,3%
Pasta Caffé (Portugal)		2,39	-23,4%
O`Kilo		1,41	-28,4%
Quiosques		1,03	-16,8%
Cafetarias		1,95	-27,8%
Flor d`Oliveira		0,15	-28,1%
Catering (SeO e SCC)		2,32	-7,3%
Concessions & Other		3,77	-0,8%
	Portugal	**58,40**	**-15,6%**
Pizza Móvil		6,64	-1,5%
Pasta Caffé (Spain)		0,47	-36,1%
Burger King Spain		14,47	*-1,8%*
	Spain	**21,58**	**-2,9%**
Total Sales of Restaurants		**79,98**	**-12,5%**

The sales performance is summarized as follows:

PORTUGAL:

- The decline in consumption and absorption of about half the increase in VAT rate resulted in a reduction in the Portuguese market sales by about 15%.
- After a strong fall at the beginning of the year the market has maintained relatively stable, with most of our brands rising market share in Q2 from the previous quarter.

- Pizza Hut in Q1 had presented a better performance than the market due to the anticipation of its main marketing campaign, kept the volume of sales in the 2nd quarter. However, sales in the 2nd quarter compared with the same quarter of 2011 recorded a greater decrease by virtue of having been the campaign's Crown in this period.
- KFC continues to be the brand with more favorable quarterly trend
- restaurants in captive spaces are less affected by the crisis and sales performed better than other concepts
- O´Kilo continues to show competitive difficulties
- Concession areas in motorways after the start of toll at the ex-SCUTs no longer recovered and now accumulated the effect of the general downturn in traffic.

SPAIN

- In Spain, the market drops substantially lower than Portugal but in the Q2 the consumption reduction accelerated over the previous quarter.
- Burger King consequence of the aggressive brand dynamics and the refurbishment program we have in progress resists better than the global market
- The Pizza Móvil on a process of rationalization of the portfolio of units and consequent adjustment of the distribution areas, followed the market and in the Q2 decreased sales of about 4%.
- The Pasta Caffé with only 3 stores reduced sales in 36%. However, is comparing with more 2 units closed last year.

During the semester, we closed four units in Portugal by the decision not to renew their contracts with shopping malls. At Pizza Movil was developed a study to optimize the distribution areas from which resulted the closure of four own stores and the operation of three units previously franchised.

At the end of the semester the number of units amounted to 389, as is explained in the table below:

Nº of Stores	2011 31-Dez	2012 Openings	Transfer	Closings	2012 30-Jun
PORTUGAL	**317**	**0**		**4**	**313**
Own Stores	**316**	**0**		**4**	**312**
Pizza Hut	99			1	98
Okilo	14			3	11
Pans	59				59
Burger King	38				38
KFC	18				18
Pasta Caffé	16				16
Quiosques	10				10
Flor d`Oliveira	1				1
Cafetarias	35				35
Catering (SeO,JSCCe Solinca)	5				5
Concessions & Other	21				21
Franchise Stores	**1**				**1**
SPAIN	**102**	**0**		**6**	**96**
Own Stores	**79**	**0**	**3**	**5**	**77**
Pizza Móvil	43		3	4	42
Pasta Caffé	3				3
Burger King	33			1	32
Franchise Stores	**23**	**0**	**-3**	**1**	**19**
Pizza Móvil	**23**		-3	1	19
Pasta Caffé	**0**				0
Total Own stores	**395**	**0**		**9**	**389**
Total Franchise stores	**24**	**0**		**1**	**20**
TOTAL	**419**	**0**		**10**	**409**

Results

Consolidated net profit of the first six months reached 827 thousand euro, 76% below when compared with the first half of 2011.

The reduction in consolidated net profit which amounted to 2.6 million stems largely from the non-incorporation of the total increase in VAT on the sale price which impacted negatively by approximately 2.0 million euro in gross margin and in results.

The gross margin decrease to 76.4% of turnover (1H11: 77.5%) and it is slightly lower than in Q1. If we adjust the effect of the VAT in prices would result a gross margin of 77.0%, less 5 b.p. that seen in the 1st half of 2011, reflecting a greater promotional effort.

In addition to the effect of the VAT also the decrease in volume had impacted in results. However, the adjustment of the costs to a lower activity mitigated significantly the impact in the results. The adjustment effort is reflected in the evolution of the main factors:

- Personnel costs: reduction by 13.5%, higher than the reduction in sales, now representing 34.6% of turnover (1H11: 34.9%). Given the outlook for business, planning & management tools were developed and that facilitated a more efficient response to deviations in sales. Also were revised incentive plans of the entire Group;

- Supplies & services: reduction of 8.3%, which now represents 34.5% of turnover, over 170 bp in the same period of 2011. The majority of items have evolved according to the turnover. However, rising energy prices, delays in renegotiating rents and increase of Burger King marketing costs prevented a further adjustment in all the supplies&services.

A strong decline in sales and price reductions associated with the increase in VAT had a strong impact on the profitability. Consolidated EBITDA decreased by EUR 3.4 million and reached to EUR 6.8 million, or 33.5% less than in first half of 2011.

The EBITDA margin stood at 8.3% of turnover compared with 10.9% in the first half of 2011, reflecting the inability of the costs adjustments to the new reality of sales.

The consolidated EBIT margin dropped to 2.4% of turnover, corresponding to an operating profit of 1.9 million euros.

The net financing costs reached 777 thousand euro - an increase of 206 thousand euro over the first half of 2011. The increase of average cost of funds, which stood at 4.8%, had not been balanced by the deposits rates due to the limitations imposed by the regulator.

Balance Sheet

Total Assets amounted to about 225 million and shareholders' equity stood at 115 million euros, representing about 51% of Net Assets.

As is characteristic of this business, the Current Assets is less than the Current Liabilities. The financial allowance stands at 19 million euros, 4 million euros over that recorded at year end.

The *cash flow* of 5.7 million euros did not allow funding the change in working capital and the CAPEX of the period.

Capex amounted to 3.8 million euros. Highlight for the store of Angola, the relocation of Pizza Hut Maia, the acquisition of the assets of 3 units franchised Pizza Móvil and remodeling of 3 units Burger King in Spain.

Net debt reached to 31.6 million euros, below of the amount at 31 March 2012 and about 3.2 million higher than the year end.

Own Shares

During the first semester the company not acquired or sold company shares. On 30 June 2012 the company held 2,000,000 shares (10% of the capital), with a face value of 1€ each, for an overall acquisition value of 11,179,644 euros, corresponding an average price per share 5.59 euro.

Outlook

The uncertainty in Europe and the economic situation in Portugal and Spain is worrying. We fear private that the consumption may suffer a further drop, mainly in Spain.

The 2% increase in VAT rate scheduled for Spain is easier to manage than the increase recorded in Portugal, despite the effect on consumption especially if we consider the impact of the increase in the VAT general rate.

In this context we have to continue the policy of adjusting costs to sales trends. The adjustment of rents to the sales evolution is a lengthy process but in progression, requiring a continuous rationalization and renegotiation of the spaces.

The expansion program in the present market is limited to the analysis of some spaces outside Shoppings, which may or not advance. We maintain the purpose of modernizing some larger units as soon as obtained their authorizations.

Finally, on 15 of August took place the opening of first KFC in Luanda. Early indications are encouraging outperforming our expectations. However, given that we are in the opening phase of the first unit becomes difficult to predict the “cruise” sales.

We conclude the negotiations of the second space in Luanda and we already started the construction works for open the next KFC until the end of the year.

Subsequent Events

Up to 30 June 2012 no significant events have occurred that need to be mentioned.

Porto, 29th August 2012

The Board of Directors,

António Carlos Vaz Pinto de Sousa

António Alberto Guerra Leal Teixeira

Juan Carlos Vázquez-Dodero

Declaration of conformity

In compliance with paragraph c) of section 1 of article 246 of the Securities Market Code we hereby declare that as far as is known:

(i) the consolidated financial statements of Ibersol SGPS, SA, referring to the first semester, were drawn up in compliance with applicable accounting rules and provide a true and suitable picture of the assets and liabilities, financial situation and results of Ibersol SGPS, S.A., and the companies included in the consolidation perimeter; and

(ii) the interim management includes a fair review of the important events that have occurred in the first six months of this year and the impact on the financial statements, together with a description of the main risks and uncertainties for the remaining six months.

Porto, 29 August 2012

António Carlos Vaz Pinto Sousa	Chairman of Board Directors
António Alberto Guerra Leal Teixeira	Member of Board Directors
Juan Carlos Vásquez-Dodero	Member of Board Directors

Ibersol S.G.P.S., S.A.

Consolidated Financial Statements

30 June 2012

IBERSOL S.G.P.S., S.A.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION ON 30 JUNE 2012 AND 31 DECEMBER 2011
(values in euros)

ASSETS	Notes	30-06-2012	31-12-2011
Non-current			
Tangible fixed assets	7	122.527.907	123.224.419
Goodwill	8	43.034.262	43.034.262
Intangible assets	8	15.718.251	16.205.541
Deferred tax assets		1.482.256	1.054.915
Financial assets available for sale		533.685	733.685
Other non-current assets		1.683.612	1.710.740
Total non-current assets		**184.979.973**	**185.963.562**
Current			
Stocks		3.399.377	3.590.104
Cash and cash equivalents		25.090.627	29.316.069
Other current assets		11.898.945	8.879.845
Total current assets		**40.388.949**	**41.786.018**
Total Assets		**225.368.922**	**227.749.580**

EQUITY AND LIABILITIES		
EQUITY		
Capital and reserves attributable to shareholders		
Share capital	20.000.000	20.000.000
Own shares	-11.179.644	-11.179.644
Goodwill	156.296	156.296
Reserves and retained results	100.421.165	95.293.425
Net profit in the year	800.861	6.125.138
	110.198.678	**110.395.215**
Non-controlling interest	4.476.450	4.449.991
Total Equity	**114.675.128**	**114.845.206**
LIABILITIES		
Non-current		
Loans	39.392.177	44.331.622
Deferred tax liabilities	11.131.331	10.820.760
Provisions	33.257	33.257
Other non-current liabilities	339.612	420.552
Total non-current liabilities	**50.896.377**	**55.606.191**
Current		
Loans	17.252.988	13.313.341
Accounts payable to suppl. and accrued costs	27.431.623	29.712.622
Other current liabilities	15.112.806	14.272.220
Total current liabilities	**59.797.417**	**57.298.183**
Total Liabilities	**110.693.794**	**112.904.374**
Total Equity and Liabilities	**225.368.922**	**227.749.580**

The Board of Directors,

IBERSOL S.G.P.S., S.A.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE, 2012 AND 2011
(values in euros)

	Notes	30-06-2012	30-06-2011
Operating Income			
Sales	5	81.299.502	93.030.809
Rendered services	5	326.868	406.047
Other operating income		1.456.910	1.550.224
Total operating income		83.083.280	94.987.080
Operating Costs			
Cost of sales		19.263.101	20.932.010
External supplies and services		28.143.186	30.681.222
Personnel costs		28.250.619	32.643.541
Amortisation, depreciation and impairment losses	7 e 8	4.856.362	4.744.618
Other operating costs		644.243	530.495
Total operating costs		81.157.511	89.531.886
Operating Income		1.925.769	5.455.194
Net financing cost		-776.680	-570.221
Profit before tax		**1.149.089**	**4.884.973**
Income tax expense	5	321.769	1.383.227
Profit for the year from continuing operations		**827.320**	**3.501.746**
Net profit		**827.320**	**3.501.746**
TOTAL COMPREHENSIVE INCOME		**827.320**	**3.501.746**
Net profit from continuing operations attributable to:			
Owners of the parent		800.861	3.437.635
Non-controlling interest		26.459	64.111
		827.320	3.501.746
Net profit attributable to:			
Owners of the parent		800.861	3.437.635
Non-controlling interest		26.459	64.111
		827.320	3.501.746
Total comprehensive income attributable to:			
Owners of the parent		800.861	3.437.635
Non-controlling interest		26.459	64.111
		827.320	3.501.746
Earnings per share:	9		
From continuing operations:			
Basic		**0,04**	**0,19**
Diluted		**0,04**	**0,19**

The Board of Directors,

IBERSOL S.G.P.S., S.A.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND TRIMESTER OF 2012 AND 2011
(values in euros)

	Notes	2nd TRIMESTER (unaudited) 2012	2011
Operating Income			
Sales	5	40.789.905	47.485.814
Rendered services	5	150.398	206.285
Other operating income		684.836	781.803
Total operating income		41.625.139	48.473.902
Operating Costs			
Cost of sales		9.722.993	10.651.033
External supplies and services		14.035.246	15.792.057
Personnel costs		14.183.827	16.483.843
Amortisation, depreciation and impairment losses	7 e 8	2.415.053	2.347.282
Other operating costs		322.575	212.010
Total operating costs		40.679.694	45.486.225
Operating Income		945.445	2.987.677
Net financing cost		-210.699	-219.409
Profit before tax		**734.746**	**2.768.268**
Income tax expense	5	185.859	777.400
Profit for the year from continuing operations		**548.887**	**1.990.868**
Net profit		**548.887**	**1.990.868**
TOTAL COMPREHENSIVE INCOME		**548.887**	**1.990.868**
Net profit from continuing operations attributable to:			
Owners of the parent		530.094	1.943.506
Non-controlling interest		18.792	47.362
		548.887	1.990.868
Net profit attributable to:			
Owners of the parent		530.094	1.943.506
Non-controlling interest		18.792	47.362
		548.887	1.990.868
Total comprehensive income attributable to:			
Owners of the parent		530.094	1.943.506
Non-controlling interest		18.792	47.362
		548.887	1.990.868
Earnings per share:	9		
From continuing operations:			
Basic		**0,03**	**0,11**
Diluted		**0,03**	**0,11**

The Board of Directors,

IBERSOL S.G.P.S., S.A.
Statement of Alterations to the Consolidated Equity
for the six months period ended 30 June, 2012 and 2011
(value in euros)

		Attrivutable to shareholders						
	Note	**Share Capital**	**Own Shares**	**Reserv. & Retained Results**	**Net Profit**	**Total parent equity**	**Non-controlling interest**	**Total Equity**
Balance on 1 January 2011		20.000.000	-11.179.644	82.034.598	14.616.510	105.471.464	3.861.147	109.332.611
Changes in the period:								
Application of the consolidated profit from 2010:								
Transfer to reserves and retained results				13.626.510	-13.626.510	-		-
Net consolidated income in the six month period ended on 30 June 2011					3.437.635	3.437.635	64.111	3.501.746
Total changes in the period		-	-	13.626.510	-10.188.875	3.437.635	64.111	3.501.746
Other comprehensive income					**3.437.635**	**3.437.635**	**64.111**	**3.501.746**
Transactions with capital owners in the period								
Application of the consolidated profit from 2010:								
Paid dividends					-990.000	-990.000		-990.000
Acquisition/ (sale) of own shares						-		-
		-	-	-	-990.000	-990.000	-	-990.000
Balance on 30 June 2011		**20.000.000**	**-11.179.644**	**95.661.108**	**3.437.635**	**107.919.099**	**3.925.258**	**111.844.357**
Balance on 1 January 2012		20.000.000	-11.179.644	95.449.721	6.125.138	110.395.215	4.449.990	114.845.205
Changes in the period:								
Application of the consolidated profit from 2011:								
Transfer to reserves and retained results				5.135.138	-5.135.138	-		-
Insertion of Parque Central Maia				-3.309		-3.309		-3.309
Conversion reserves - Angola				-4.089		-4.089		-4.089
Net consolidated income in the six month period ended on 30 June 2012					800.861	800.861	26.459	827.320
Total changes in the period		-	-	5.127.740	-4.334.277	793.463	26.459	819.922
Other comprehensive income					**800.861**	**800.861**	**26.459**	**827.320**
Transactions with capital owners in the period								
Application of the consolidated profit from 2011:								
Paid dividends					-990.000	-990.000		-990.000
Acquisition/ (sale) of own shares						-		-
		-	-	-	-990.000	-990.000	-	-990.000
Balance on 30 June 2012		**20.000.000**	**-11.179.644**	**100.577.461**	**800.861**	**110.198.678**	**4.476.449**	**114.675.127**

The Board of Directors,

IBERSOL S.G.P.S., S.A.
Consolidated Cash Flow Statements
for the six months period ended 30 June, 2012 and 2011
(value in euros)

	Note	Six months period ending on June 30	
		2012	**2011**
Cash Flows from Operating Activities			
Flows from operating activities (1)		**4.764.089**	**11.853.159**
Cash Flows from Investment Activities			
Receipts from:			
Financial investments			
Tangible assets		38.727	5.893
Intangible assets			
Investment benefits			
Interest received		582.603	545.966
Dividends received			
Other			
Payments for:			
Financial Investments		200.000	430.537
Tangible assets		5.712.847	5.580.958
Intangible assests		195.227	300.551
Other			
Flows from investment activities (2)		-5.486.744	-5.760.187
Cash flows from financing activities			
Receipts from:			
Loans obtained		5.362.530	9.103.898
Sale of own shares			
Other			
Payments for:			
Loans obtained		5.731.803	11.673.943
Amortisation of financial leasing contracts		429.005	882.738
Interest and similar costs		1.455.667	952.645
Dividends paid		990.000	990.000
Capital reductions and supplementary entries			
Acquisition of own shares			
Other			
Flows from financing activities (3)		-3.243.945	-5.395.428
Change in cash & cash equivalents (4)=(1)+(2)+(3)		**-3.966.600**	**697.544**
Perimeter changes effect			
Exchange rate differences effect		5	
Cash & cash equivalents at the start of the period		28.481.438	29.239.847
Cash & cash equivalents at end of the period		**24.514.833**	**29.937.391**

The Board of Directors,

IBERSOL SGPS, S.A.

ANNEX TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2012

(Values in euros)

1. INTRODUCTION

IBERSOL, SGPS, SA ("Company" or "Ibersol") has its head office at Praça do Bom Sucesso, Edifício Península n.º 105 a 159 – 9º, 4150-146 Porto, Portugal. Ibersol's subsidiaries (jointly called the Group), operate a network of 409 units in the restaurant segment through the brands Pizza Hut, Pasta Caffé, Pans & Company, Kentucky Fried Chicken, Burguer King, O' Kilo, Bocatta, Café Sô, Quiosques, Pizza Móvil, Flor d'Oliveira, Sol, Sugestões e Opções, José Silva Carvalho, Catering and SEC Eventos e Catering. The group has 389 units which it operates and 20 units under a franchise contract. Of this universe, 96 are headquartered in Spain, of which 77 are own establishments and 19 are franchised establishments.

Ibersol is a public limited company listed on the Euronext of Lisbon.

2. MAIN ACCOUNTING POLICIES

The main accounting policies applied in preparing these consolidated financial statements are described below.

2.1 Presentation basis

These consolidated financial statements were prepared according to the International Financial Reporting Standards (IFRS), as applied in the European Union and in force on 30 June 2012, mainly with the international standard n.º 34 –Interim Financial Report.

The accounting policies applied on 30 June 2012 are identical to those applied for preparing the financial statements of 30 June and of 31 December 2011.

3. IMPORTANT ACCOUNTING ESTIMATES AND JUDGMENTS

There where no substantially differences between accounting estimates and judgments applied on 31 December 2011 and the accounting values considered in the six months period ended on the 30 June 2012.

4. INFORMATION ABOUT THE COMPANIES INCLUDED IN THE CONSOLIDATION AND OTHER COMPANIES

4.1 The following group companies were included in the consolidation on 30 June 2012, 30 June 2011 and 31 December 2011:

	Company	Head Office	% Shareholding Jun-12	Dec-11	Jun-11
	Parent company				
	Ibersol SGPS, S.A.	Porto	mãe	mãe	mãe
	Subsidiary companies				
	Iberusa Hotelaria e Restauração, S.A.	Porto	100%	100%	100%
	Ibersol Restauração, S.A.	Porto	100%	100%	100%
	Ibersande Restauração, S.A.	Porto	80%	80%	80%
	Ibersol Madeira e Açores Restauração, S.A.	Funchal	100%	100%	100%
	Ibersol - Hotelaria e Turismo, S.A.	Porto	100%	100%	100%
	Iberking Restauração, S.A.	Porto	100%	100%	100%
	Iberaki Restauração, S.A.	Porto	100%	100%	100%
	Restmon Portugal, Lda	Porto	61%	61%	61%
	Vidisco, S.L.	Vigo - Espanha	100%	100%	100%
	Inverpeninsular, S.L.	Vigo - Espanha	100%	100%	100%
	Ibergourmet Produtos Alimentares, S.A.	Porto	100%	100%	100%
	Ferro & Ferro, Lda.	Porto	100%	100%	100%
	Asurebi SGPS, S.A.	Porto	100%	100%	100%
	Charlotte Develops, SL	Madrid-Espanha	100%	100%	100%
	Firmoven Restauração, S.A.	Porto	100%	100%	100%
	IBR - Sociedade Imobiliária, S.A.	Porto	98%	98%	80%
	Eggon SGPS, S.A.	Porto	100%	100%	100%
	Anatir SGPS, S.A.	Porto	100%	100%	100%
	Lurca, SA	Madrid-Espanha	100%	100%	100%
	Q.R.M.- Projectos Turísticos, S.A	Porto	100%	100%	100%
	Sugestões e Opções-Actividades Turísticas, S.A	Porto	100%	100%	100%
	RESTOH- Restauração e Catering, S.A	Porto	100%	100%	100%
	Resboavista- Restauração Internacional, Lda	Porto	100%	100%	100%
	José Silva Carvalho Catering, S.A	Porto	100%	100%	100%
(a)	Iberusa Central de Compras para Restauração ACE	Porto	100%	100%	100%
(b)	Vidisco, Pasta Café Union Temporal de Empresas	Vigo - Espanha	100%	100%	100%
	Maestro - Serviços de Gestão Hoteleira, S.A.	Porto	100%	100%	100%
(c)	SEC - Eventos e Catering, S.A.	Maia	100%	100%	-
(d)	IBERSOL - Angola, S.A.	Luanda - Angola	100%	100%	-
(d)	HCI - Imobiliária, S.A.	Luanda - Angola	100%	100%	-
(e)	Parque Central Maia - Activ.Hoteleiras, Lda	Porto	100%	-	-
	Companies controlled jointly				
	UQ Consult - Serviços de Apoio à Gestão, S.A.	Porto	50%	50%	50%

(a) Company consortium agreement that acts as the Purchasing and Logistics Centre and provides the respective restaurants with raw materials and maintenance services.
(b) Union Temporal de Empresas which was founded in 2005 and that during the year functioned as the Purchasing Centre in Spain by providing raw materials to the respective restaurants.
(c) ex-Solinca – Eventos e Catering, S.A..
(d) Subsidiaries excluded from consolidation perimeter in the first half of the year 2011. Only included in the consolidated statements for the year 2011, having been incorporated since January 1, 2011.
(e) subsidiary incorporated in 2012 in the consolidation, acquired on 14/12/2011,

The subsidiary companies were included in the consolidation by the full consolidation method. UQ Consult, the Jointly controlled entity, was subject to the proportional consolidation method according to the group's shareholding in this company.

The shareholding percentages in the indicated companies imply an identical percentage in voting rights.

4.2. Alterations to the consolidation perimeter

4.2.1. Acquisition of new companies

The group did not buy any subsidiary in the six months period ended on 30 June 2012.

4.2.2. Disposals

The group did not sell any of its subsidiaries in the six months period ended on 30 June 2012.

5. INFORMATION PER SEGMENT

In the six months ended June 30, 2012, since there is no operational activity and asset values are not enough to constitute a separate segment, the contribution of Angola is reflected in the segment of Portugal.

Main Report Format – geographic segment

The results per segment for the six months period ended on 30 June 2012 are as follows:

30 June 2012	**Portugal**	**Spain**	**Group**
Restaurants	58.384.820	21.592.374	79.977.194
Merchandise	470.161	852.147	1.322.308
Rendered services	87.786	239.082	326.868
Turnover por Segment	**58.942.767**	**22.683.603**	**81.626.370**
Operating income	450.679	1.475.090	1.925.769
Net financing cost	-433.981	-342.699	-776.680
Share in the profit by associated companies	-	-	-
Pre-tax income	**16.698**	**1.132.391**	**1.149.089**
Income tax	94.998	226.771	321.769
Net profit in the period	**-78.300**	**905.620**	**827.320**

The results per segment for the six months period ended on 30 June 2011 are as follows:

30 June 2011	**Portugal**	**Spain**	**Group**
Restaurants	69.202.930	22.233.189	91.436.119
Merchandise	585.159	1.009.531	1.594.690
Rendered services	142.215	263.832	406.047
Turnover por Segment	**69.930.304**	**23.506.552**	**93.436.856**
Operating income	3.755.971	1.699.223	5.455.194
Net financing cost	-319.232	-250.989	-570.221
Share in the profit by associated companies	-	-	-
Pre-tax income	**3.436.739**	**1.448.234**	**4.884.973**
Income tax	1.096.952	286.275	1.383.227
Net profit in the period	**2.339.787**	**1.161.959**	**3.501.746**

Transfers or transactions between segments are performed according to normal commercial terms and in the conditions applicable to independent third parties.

6. UNUSUAL AND NON-RECURRING FACTS AND SEASON ACTIVITY

No unusual facts took place during the six months period ended 30 June 2012.

In the restaurant segment season activity is characterized by an increase of sales in the months of July, August and December, witch leads to a greater activity on the second half of the year. The previous years have evidenced that, in comparable perimeter and with an equal distribution of openings and closings, in the period that understands the six first months of the year, sales are about 48% of annual volume and, with the dilution effect of the fixed costs with the increase of the activity, the operating income represents about 30%.

7. TANGIBLE FIXED ASSETS

In the six months period ended 30 June 2012 and in the year ending on 31 December 2011, the following movements took place in the value of tangible fixed assets, and in the respective amortisation and accumulated impairment losses:

	Land and buildings	Equipment	Other tangible Assets	Tangible Assets in progress (1)	Total
1 January 2011					
Cost	125.377.979	68.148.991	14.244.146	86.578	207.857.695
Accumulated depreciation	24.550.849	46.881.834	11.111.499	-	82.544.182
Accumulated impairment	3.503.698	724.127	45.947	-	4.273.772
Net amount	**97.323.433**	**20.543.030**	**3.086.700**	**86.578**	**121.039.741**
31 December 2011					
Initial net amount	97.323.433	20.543.030	3.086.700	86.578	121.039.741
Changes in consolidat perimeter	1.805.422	43.960	16.434	326.173	2.191.989
Additions	6.143.015	2.488.436	576.160	2.773.526	11.981.137
Decreases	993.280	219.079	4.024	17.869	1.234.252
Transfers	-	29.191	336	-38.539	-9.012
Depreciation in the year	2.982.417	4.302.404	1.148.508	-	8.433.329
Deprec. by changes in the perim.	21.430	881	172	-	22.483
Impairment in the year	2.430.292	-	-	-	2.430.292
Impairment reversion	-140.927	-	-	-	-140.927
Final net amount	**98.985.378**	**18.582.253**	**2.526.926**	**3.129.869**	**123.224.427**
31 December 2011					
Cost	130.836.755	68.806.067	14.444.010	3.129.869	217.216.702
Accumulated depreciation	26.925.340	49.658.496	11.854.570	-	88.438.405
Accumulated impairment	4.926.037	565.318	62.515	-	5.553.870
Net amount	**98.985.378**	**18.582.253**	**2.526.926**	**3.129.869**	**123.224.427**

	Land and buildings	Equipment	Other tangible Assets	Tangible Assets in progress (1)	Total
30 June 2012					
Initial net amount	98.985.378	18.582.253	2.526.926	3.129.869	123.224.427
Changes in consolidat perimeter	-	-	-	-	-
Currency conversion	52.681	1.860	489	74.955	129.985
Additions	917.065	913.147	138.177	1.614.518	3.582.907
Decreases	199.836	92.730	856	2.183	295.605
Transfers	-	-4.870	-	-1.170	-6.040
Depreciation in the year	1.511.187	2.080.180	516.400	-	4.107.767
Deprec. by changes in the perim.	-	-	-	-	-
Impairment in the year	-	-	-	-	-
Impairment reversion	-	-	-	-	-
Final net amount	**98.244.101**	**17.319.480**	**2.148.336**	**4.815.989**	**122.527.907**
30 June 2012					
Cost	130.267.066	68.693.544	14.372.473	4.815.989	218.149.073
Accumulated depreciation	28.018.578	50.810.314	12.161.623	-	90.990.514
Accumulated impairment	4.004.387	563.750	62.515	-	4.630.652
Net amount	**98.244.101**	**17.319.480**	**2.148.336**	**4.815.989**	**122.527.907**

(1) fixed assets in progress are due to the KFC restaurant still under construction in Luanda, Angola, whose opening was on the 14th August 2012.

8. INTANGIBLE ASSETS

Intangible assets are broken down as follows:

	Jun-12	Dec-11
Goodwill	43.034.262	43.034.262
Other intangible assets	15.718.251	16.205.541
	58.752.513	**59.239.803**

In the six months period ended 30 June 2012 and in the year ending on 31 December 2011, the movement in the value of intangible fixed assets and in the respective amortisation and accumulated impairment losses were as follows:

	Goodwill	Industrial property	Other intangible Assets	Intangible Assets in progress (1)	Total
1 January 2011					
Cost	44.765.226	19.141.360	4.604.257	2.273.973	70.784.816
Accumulated amortisation	-	4.631.460	3.394.424	-	8.025.884
Accumulated impairment	1.861.678	208.442	149.073	-	2.219.193
Net amount	**42.903.548**	**14.301.458**	**1.060.760**	**2.273.973**	**60.539.739**
31 December 2011					
Initial net amount	42.903.548	14.301.458	1.060.760	2.273.973	60.539.739
Changes in consolidat. Perimeter	130.714	-	7.546	-	138.260
Additions	-	572.783	168.654	14.651	756.088
Decreases	-	14.575	10.941	-	25.516
Transfers	-	9.142	-	-4.455	4.687
Depreciation in the year	-	932.842	585.247	-	1.518.089
Deprec. by changes in the perim.	-	-	-	-	-
Impairment in the year	-	711.586	-	-	711.586
Impairment reversion	-	-48.930	-7.290	-	-56.221
Final net amount	**43.034.262**	**13.273.310**	**648.062**	**2.284.169**	**59.239.803**
31 December 2011					
Cost	44.895.940	19.567.107	4.703.952	2.284.169	71.451.168
Accumulated amortisation	-	5.572.828	3.985.780	-	9.558.608
Accumulated impairment	1.861.678	720.969	70.109	-	2.652.757
Net amount	**43.034.262**	**13.273.310**	**648.062**	**2.284.169**	**59.239.804**

	Goodwill	Industrial property	Other intangible Assets	Intangible Assets in progress (1)	Total
30 June 2012					
Initial net amount	43.034.262	13.273.310	648.062	2.284.169	59.239.804
Changes in consolidat. Perimeter	-	-	-	-	-
Additions	-	267.707	4.908	-	272.615
Decreases	-	4.916	10.752	-	15.668
Transfers	-	15.852	-	-10.982	4.870
Depreciation in the year	-	479.620	269.489	-	749.109
Deprec. by changes in the perim.	-	-	-	-	-
Impairment in the year	-	-	-	-	-
Impairment reversion	-	-	-	-	-
Final net amount	**43.034.262**	**13.072.333**	**372.729**	**2.273.187**	**58.752.512**
30 June 2012					
Cost	44.895.940	19.852.738	4.688.695	2.273.187	71.710.560
Accumulated amortisation	-	6.057.868	4.245.856	-	10.303.724
Accumulated impairment	1.861.678	722.537	70.109	-	2.654.324
Net amount	**43.034.262**	**13.072.333**	**372.729**	**2.273.187**	**58.752.512**

(1) the balance of the fixed assets items in progress refers mainly to the 3 new concessions yet to be open, in service areas of the following motorways: Guimarães, Fafe and Paredes. These service areas are still in the design stage and awaiting for platforms delivery.

The table below summarises goodwill broken down into segments:

	Jun-12	Dec-11
Portugal	10.000.021	10.000.021
Spain	32.903.527	32.903.527
Angola	130.714	130.714
	43.034.262	**43.034.262**

On 30 June 2012 on the Spain segment, goodwill refers mainly to the purchase of the subsidiaries Lurca and Vidisco.

9. INCOME PER SHARE

Income per share in the six months period ended 30 June 2012 and 2011 was calculated as follows:

	Jun-12	Jun-11
Profit payable to shareholders	800.861	3.437.635
Mean weighted number of ordinary shares issued	20.000.000	20.000.000
Mean weighted number of own shares	-2.000.000	-2.000.000
	18.000.000	18.000.000
Basic earnings per share (€ per share)	0,04	0,19
Earnings diluted per share (€ per share)	0,04	0,19
Number of own shares at the end of the year	2.000.000	2.000.000

Since there are no potential voting rights, the basic earnings per share is equal to earnings diluted per share.

10. DIVIDENDS

At the General Meeting of 13 April 2012, the company decided to pay a gross dividend of 0,055 euros per share (0,055 euros in 2011), which was paid on 11th May 2012 corresponding to a total value of 990.000 euros (990.000 euros in 2011).

11. CONTINGENCIES

The group has contingent liabilities regarding bank and other guarantees and other contingencies related with its business operations (as licensing, advertising fees, food hygiene and safety and employees, and the rate of success of these processes is historically high in Ibersol). No significant liabilities are expected to arise from the said contingent liabilities.

On 30 June 2012, responsibilities not recorded by the companies and included in the consolidation consist mainly of bank guarantees given on their behalf, as shown below:

	Jun-12	**Dec-11**
Guarantees given	70.835	74.091
Bank guarantees	2.568.949	3.970.973

Bank loans with the amount of 101.631 € (485.092 em 2011) are secured by Ibersol's land and buildings assets.

12. COMMITMENTS

No investments had been signed on the Balance Sheet date which had not taken place yet.

13. IMPAIRMENT

In the six months period ended 30 June 2012, the movement in the value of current assets and in the respective accumulated impairment losses were as follows:

	Starting balance	**Transfers**	**Impairment assets disposals**	**Losses in the Year**	**Impairment reversion**	**Closing balance**
Tangible fixed assets	5.553.870	-1.568	-921.650	-	-	4.630.653
Consolidation differences	1.861.678	-	-	-	-	1.861.678
Intangible assets	791.079	1.568	-	-	-	792.647
Stocks	74.981	-	-	-	-	74.981
Other current assets	1.062.787	-	-	-	-28.565	1.034.222
	9.344.395	-	-921.650	-	-28.565	8.394.180

14. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The group's activities are exposed to a number of financial risk factors: market risk (including currency exchange risk, fair value risk associated to the interest rate and price risk), credit risk, liquidity risk and cash flow risks associated to the interest rate. The group maintains a risk management program that focuses its analysis on financial markets to minimise the potential adverse effects of those risks on the group's financial performance.

Risk management is headed by the Financial Department based on the policies approved by the Board of Directors. The treasury identifies, evaluates and employs financial risk hedging measures in close cooperation with the group's operating units. The Board provides principles for managing the risk as a whole and policies that cover specific areas, such as the currency exchange risk, the interest rate risk, the credit risk and the investment of surplus liquidity.

a) Market risk

i) Currency exchange risk
The currency exchange risk is very low, since the group operates only in the Iberian market. Bank loans are in euros and all sales and rendered services are performed in Portugal and Spain. Moreover, purchases outside the Euro zone are of irrelevant proportions.

Although the Group hold investments outside the euro-zone in external operations, in Angola, there is no significant exposure to currency exchange risk due to the reduced size of the investment. Angolan branch loan in the amount of 2.200.000 USD does not provide great exposure to currency exchange rate due to its reduced amount and to the strong correlation between American dollar and local currency.

ii) Price risk
The group is not significantly exposed to the merchandise price risk.

iii) Interest rate risk (cash flow and fair value)
Since the group does not have remunerated assets earning significant interest, the profit and cash flow from financing activities are substantially independent from interest rate fluctuations.

The group's interest rate risk stems from its liabilities, in particular from long-term loans. Loans issued with variable rates expose the group to the cash flow risk associated to interest rates. Loans with fixed rates expose the group to the risk of the fair value associated to interest rates. At the current interest rates, in financing of longer maturity periods the group has a policy of totally or partially fixing the interest rates.

Remunerated debt bears interest at a variable rate. On the other hand, the Group has holdings that cover about 44% of the loans whose remuneration in net terms dampens the debt interest rate changes.

Based on simulations performed on 30 June 2012, an increase of 100 basis points in the interest rate, maintaining other factors constant, would have a negative impact in the net profit of EUR 113 thousand.

b) Credit risk
The group's main activity covers sales paid in cash or by debit/credit cards. As such, the group does not have relevant credit risk concentrations. It has policies ensuring that sales on credit are performed to customers with a suitable credit history. The group has policies that limit the amount of credit to which these customers have access.

c) Liquidity risk
Liquidity risk management implies maintaining a sufficient amount of cash and bank deposits, the feasibility of consolidating the floating debt through a suitable amount of credit facilities and the capacity to liquidate market positions. Treasury needs are managed based on the annual plan that is reviewed every quarter and adjusted daily. Related with the dynamics of the underlying business operations, the group's treasury strives to maintain the floating debt flexible by maintaining credit lines available.

The Group considers the short-term bank loans payable on the date of renewal and that the contract commercial paper programmes expire on the dates of denunciation.

At the end of the semester, current liabilities (net of deferred income) reached 60 million euros, compared with 40 million euros in current assets. This disequilibrium is, on one hand, a financial characteristic of this business and, on the other hand, due to the option of using short-term debt to finance investments. In order to ensure liquidity of the short term debt it is expected that in the year 2012 the Group will continue financial consolidation operations. However, in case of need, the balance of cash and cash equivalents and operating cash flows provided are sufficient to settle the current loans.

Due to the current situation of financial markets pressure for the reduction of credit granted by the banks, the Group chose to negotiate and maintain a significant part of the short-term credit lines. On June 30, 2012, the use of short term credit lines to support treasury was 4%.The applications in term deposits of EUR 23 million correspond to 41% of liability paid.

d) Capital risk

The company aims to maintain an equity level suitable to the characteristics of its main business (cash sales and credit from suppliers) and to ensure continuity and expansion. The capital structure balance is monitored based on the gearing ratio (defined as: net remunerated debt / net remunerated debt + equity) in order to place the ratio within a 35%-70% interval.

On 30 June 2012 the gearing ratio was of 22% and of 20% on 31 December 2011.

14. SUBSEQUENT EVENTS

The opening of the first Ibersol restaurant in Angola, brand KFC, took place on August 14, 2012.In addition, there are no other events subsequent to June 30, 2012 that may have a material impact on the financial statements presented.

15. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for emission on 29th August 2012.

Qualified Shareholdings

Complying with article 9 nº1 of the CMVM Regulation nº 05/2008

Shareholders	nº shares	% share capital
ATPSII - SGPS, S.A. (*)		
ATPS-SGPS, SA	786.432	3,93%
I.E.S.-Indústria, Engenharia e Serviços, SGPS,S.A.	9.998.000	49,99%
António Alberto Guerra Leal Teixeira	1.400	0,01%
António Carlos Vaz Pinto Sousa	1.400	0,01%
Total attributable	**10.787.232**	**53,94%**
Banco BPI, S.A.		
Fundo Pensões Banco BPI	400.000	2,00%
Total attributable	**400.000**	**2,00%**
Kabouter Management LLC		
Kabouter Fund II	208.728	1,04%
Kabouter Fund QP I	181.272	0,91%
Talon International	21.765	0,11%
Total attributable	**411.765**	**2,06%**
Bestinver Gestion		
BESTINVER BOLSA, F.I.	927.021	4,64%
BESTINFOND F.I.	910.910	4,55%
BESTINVER GLOBAL, FP	262.510	1,31%
BESTVALUE F.I..	260.073	1,30%
SOIXA SICAV	171.763	0,86%
BESTINVER MIXTO, F.I.M.	158.191	0,79%
BESTINVER AHORRO, F.P.	137.598	0,69%
BESTINVER SICAV-BESTINFUND	89.885	0,45%
BESTINVER SICAV-IBERIAN	73.235	0,37%
DIVALSA DE INVERSIONES SICAV, SA	7.303	0,04%
BESTINVER EMPLEO FP	7.453	0,04%
LINKER INVERSIONES, SICAV, SA	4.571	0,02%
BESTINVER EMPLEO II, F.P.	370	0,00%
Total attributable	**3.010.883**	**15,05%**
The Goldman Sachs Group, Inc		
Directamente	21.285	0,11%
Goldman,, Sachs &Co	402.000	2,01%
Total attributable	**423.285**	**2,12%**
Norges Bank		
Directamente	**764.825**	**3,82%**
FMR LLC		
Fidelity Managemment & Research Company	**400.000**	**2,00%**

(*) company held by the Board Directors António Pinto de Sousa and Alberto Teixeira, 50% each

Corporate Governing Bodies Information

Complying with article 9 nº1 of the CMVM Regulation nº 05/2008

Board of Directors	Date	Acquisitions		Sales		Balance at
		shares	av pr	shares	av pr	30.06.2012
António Alberto Guerra Leal Teixeira						
ATPS II- S.G.P.S., SA (1)						3.384.000
Ibersol SGPS, SA						1.400
António Carlos Vaz Pinto Sousa						
ATPS II- S.G.P.S., SA (1)						3.384.000
Ibersol SGPS, SA						1.400

	Date	Acquisitions		Sales		Balance at
(1) ATPS II- S.G.P.S ., SA		shares	av pr	shares	av pr	30.06.2012
ATPS- S.G.P.S., SA (2)						5.680

	Date	Acquisitions		Sales		Balance at
(2) ATPS- S.G.P.S ., SA		shares	av pr	shares	av pr	30.06.2012
Ibersol SGPS, SA						786.432
I.E.S.- Indústria Engenharia e Seviços, SA (3)						2.455.000

(3) I.E.S.- Indústria Engenharia e Seviços, SGPS, SA	
Ibersol SGPS, SA	9.998.000

Transactions made by persons discharging managerial responsabilities

Complying with article 14 nº7 of the CMVM Regulation nº 05/2008

No transactions were reported by persons discharging managerial responsabilities and people closely connected with them during the first half of 2012.

Limited Review Report on Consolidated Financial Statements

(Free Translation from the original in Portuguese)

Introduction

1 In accordance with the Portuguese Securities Market legislation ("Código dos Valores Mobiliários") we present the limited review report on the consolidated financial information for the period of six months ended 30 June 2012 of **Ibersol, SGPS, SA**, comprising the consolidated Management Report, the consolidated statement of financial position (which shows total assets of Euros 225.368.922 and total shareholder's equity of Euros 114.675.128, which includes Non-Controlling Interests of 4.476.450 euros and a net profit of Euros 800.861), the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended and the corresponding notes to the accounts.

2 The amounts included in the financial statements, as well other additional information, are derived from accounting registers.

Responsibilities

3 It is the responsibility of the Company's Management: (a) to prepare consolidated financial statements which present fairly, in all material respects, the financial position of the company and its subsidiaries, the consolidated results and the consolidated comprehensive income of their operations the changes in consolidated equity and the consolidated cash-flows; (b) to prepare historic financial information in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in particular the International Accounting Standard nº 34 – Interim Financial Information, and which is complete, true, timely, clear, objective and lawful as required by the Portuguese Securities Market Code; (c) to adopt appropriate accounting policies and criteria; (d) to maintain adequate systems of internal control; and (e) to disclose any relevant fact that has influenced the activity, financial position or results of the company and its subsidiaries.

4 Our responsibility is to verify the consolidated financial information presented in the financial statements referred to above, namely as to whether it is complete, true, timely, clear, objective and lawful, as required by the Portuguese Securities Market Code, for the purpose of issuing an independent and professional report on this information based on our review.

Scope

5 We conducted our limited review in accordance with the Standards and Technical Recommendations approved by the Portuguese Institute of Statutory Auditors, which require that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial statements are free of material misstatement. Our limited review consisted, principally, in inquiries and analytical procedures designed to evaluate: (i) the faithfulness of the assertions in the financial information; (ii) the adequacy and consistency of the accounting principles adopted, taking into account the circumstances; (iii) the applicability, or not, of the going concern basis; (iv) the overall presentation of the financial statements; and (v) verification of the completeness, truthfulness, accuracy, clarity, objectivity and lawfulness of the consolidated financial information.

6 Our review also covered the verification that the information included in the consolidated Management Report is consistent with the information contained in the consolidated financial statements.

7 We believe that our review provides a reasonable basis for our limited review report.

Opinion

8 Based in our limited review, which was performed in order to provide a moderate level of assurance, nothing has come to our attention that cause us to conclude that the consolidated financial statements of the period of six months ended 30 June 2012 contain material errors that affect their conformity with the International Financial Reporting Standards (IFRS), as adopted in the European Union, in particular the International Accounting Standard nr. 34 – Interim Financial Information, and the information there included is not complete, true, timely, clear, objective and lawful.

Report on other requirements

9 Based in our limited review, nothing has come to our attention that cause us to conclude that the information included in the Consolidated Management Report is not in accordance with the information contained in the consolidated financial statements.

29 August 2012

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Hermínio António Paulos Afonso, R.O.C.