IBERSOL – S.G.P.S., S.A.

Publicly Listed Company

Registered office: Praça do Bom Sucesso, n.º 105 a 159 – 9 th floor, 4150 – 146 Porto

Share Capital : 20.000.000 €

Porto Commercial Registry and Fiscal Number 501669477

Individual Annual Report 2015

(*Proposal point 1 of General Annual Meeting*)

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MANAGEMENT REPORT

In compliance with legal and statutory obligations, we present to the Shareholders the Management Report and Accounts of IBERSOL - S.G.P.S., SA for the 2015 financial year.

1- ECONOMIC ENVIRONMENT

Recent Bank of Portugal projections estimate that the Portuguese economy grew 1,5% in 2015 and forecast an accelaration of 1,7% and 1,8% for 2016 and 2017, respectively.

Exports remained at a good level showing an increase of 5.2%, in spite of the sharp fall in exports in those destinated to Angola, reflecting the ability of economic agents to diversify and conquer market share.

In reverse, the increase in imports (7,2%), reflecting the recovery of domestic demand and the increase of imported goods contributed negatively to GDP growth.

Investment slowed throughout the year (below the 3,7% growth verified in 2014). Higher investment in the construction sector and, on the other hand, the slowdown of investment in machinery and equipment must be highlighted.

Standing still 12% below the levels recorded before the crisis, the domestic demand in 2015 maintained the tendency of recovery from the downturn experienced in previous years, with special emphasis to private consumption (2,6%). This reflects the increase in household disposable income, the climate of greater trust and positive development of the labour market.

Unemployment is likely to reach 12,6%, expecting that the positive trend will persist in 2016, although at more moderate pace (12.2%).

The average annual inflation registered a positive value but still very weak (0.5), partly explained by the crude oil price decline and reflecting the evolution of the non-energy component in the CPI basket, looking ahead to 2016 we estimate a slight increase (0.8%).

The main short-term risk factors for sustained growth of the Portuguese economy without imbalances in the external accounts, are the increase in the price of oil, the reduction of external demand, the inability to replace imported goods by domestic supply and the increasing costs of external financing.

2 – ACTIVITY

The evolution of Ibersol SGPS is associated with the strategic development of its subsidiaries whose turnover had increased by 14%.

Ibersol SGPS focused its activities on providing technical services of administration and management to other group companies, with special emphasis on coordination and administration of the business financing.

Financial planning, the adequacy of the financial resources of the subsidiaries, the management of the financial costs of the group and support in managing the treasury strictly constituted another important part of our activity.

3 – ECONOMIC AND FINANCIAL SITUATION

The most important facts that occurred in the period, with regard to results and to changes in the ownership structure of the company are the following:

3.1 <u>Results</u>

The operating result amounted to EUR 131 thousand euros, about 28 thousand euros lower than 2014, being that:

a) the income related to the rendering of services to the subsidiary - Ibersol Restauração, S.A.- responsable of the management of the shared services by different brands operated by the Group – equaled the recent years

b) operating costs increased and amounted to EUR 468 thousand euros, 28 thousand euros above last year.

After absorption of earnings of subsidiaries, the operating result amounted to 11.4 million, which reflects an increase of 48% when compared to 2014.

The financial gains from the remuneration of loans provided have decreased by about 56 thousand euros as a result of the reduction in the amount of loans to subsidiaries during nearly the whole exercise and lower benchmark interest rates.

The society has progressively centralize the commission costs associated with contracts of Commercial Paper program of medium and long term and the guarantees to loans provided to its subsidiaries. Centralized commissions increased approximately 75 thousand euros.

The estimated IRC is 24 thousand euros. From the application of the special Regime for taxation of groups of companies (RETGS) results an estimate for IRC of 763 thousand euros for income tax.

The net profit stood at 10.58 million, more than 36% 2014.

3.2 <u>Assets and Liabilities</u>

On 31 December 2015, the assets amounted to EUR 238.0 million, an increase of 8 million euros, whose main contribution comes from the variation in the valuation of financial investments for implementation of MEP.

The debt to Ibersol Restauração reported at the end of 2014 amounting to 143 million euros was paid in the year. The society has financed the Ibersol Restauração with loans.

On 31 December 2015, the society has just 35 thousand euros of bank debt.

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On 31 December 2015, the Equity amounts to 161.5 million euros, corresponding to an increase of 8.5 million euros and that reflects the strong financial health of society

In addition the society received dividends from its subsidiaries amounting to 432 thousand euros and distributed to its shareholders around of 1 million euros.

4- RISKS AND UNCERTAINTIES

Risk management, being one of the components of the culture of the group, is trnaversal to the Organization, and present in all the processes and it is the responsibility of all managers and employees in the different organizational levels.

Risk management is developed with the aim of creating value through the management and control of the uncertainties and threats that may affect the business of the group, with a view to continuity of operations, in order to take advantage of business opportunities.

In the context of the strategic planning process are identified and assessed the risks of the portfolio of existing businesses, as well as the development of new businesses and projects more relevant and defined strategies for the management of these risks.

In the operational plan, are identified and assessed the risks of management of the objectives of each business and planned actions of management of these risks, which are included and monitored under the business plans and the functional units.

To ensure compliance of established procedures the evaluation of internal control systems of the Group is carried out on a regular basis.

The internal control and the monitoring of the internal control systems are driven by the Executive Board. Due to the specifics of the business we highlight the following areas of risk:

- Quality, hygiene and safety at work
- Diversification of markets
- Financial
- Environmental

On the other hand, operating in the food business, any epidemics or distortions in the markets of raw materials as well as possible changes in the pattern of consumption can lead to important impacts on the financial statements

The financial risks have no expression on the accounts of the society, as a result of reduced liabilities and the insignificance of the foreign currency assets.

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The exchange rate risk has increased significantly during the last exercise, because the subsidiaries located in Angola saw limited access to foreign currency, which resulted in delays of the payments, thus increasing the exposure to the effects of the devaluation.

5 – GOVERNANCE

The company governance practices elaborated in compliance with the provisions of article 245 of the Código dos Valores Mobiliários and pursuant to CMVM (securities market Commission) Regulation No. 4/2013, are included in the report on corporate governance which accompanies the consolidated

.

6 – OWN SHARES

During the year the company has not carried any transactions of treasurary stock.

On 31 December 2015, the company owned 2,000,000 shares (10% of the capital), with a nominal value of € 1 each, for a total amount of EUR 11,179,643. euros

7 – SUBSEQUENT EVENTS

Until the date of approval of this report no significant facts that deserve emphasis have occurred, besides the negotiateion of the extension of the franchise agreement with Pans & Co. until 2021 and the conclusion with Ascendi of the compensation agreement of the effects arising from the introduction of tolls on the ex-SCUTS that will result in an annual financial contribution linked to the evolution of traffic. Therefore the subsidiary Iberusa gave up the action that was initiated against the Portuguese State.

8 - OUTLOOK

In a context which gives signs of recovery in consumption, we will continue to support the very selective growth strategy of our subsidiaries in the three markets where we operate.

9 – PROPOSAL FOR PROFIT ALLOCATION

As described in the financial statements net results for the year amounted to EUR 10,582,729.00.

In accordance with legal and statutory rules we propose the following application of net profits:

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Non distributable Reserves 10.039.257,00 €

Free Reserves 543.472,00 €

We also propose the distribution of reserves in the amount of EUR 2,000,000, which corresponds to assign each action, a gross dividend of € 0.10. In the case of society hold own shares will keep this allocation of € 0.10 every action in circulation, reducing the total amount of dividends allocated.

10 - ACKNOWLEDGEMENTS

The first vote of this Board is directed to all employees of the group, for the dedication and enthusiasm revealed that was fundamental in achieving the objectives we have identified.

We thank also our Suppliers of goods and services for the support demonstrated and we stress, with appreciation, the cooperation given by the banks and other financial institutions with whom the Group has worked throughout the year.

We also recognise the Fiscal Council and Auditors for the permanent collaboration and dialogue expressed in the monitoring and examination of the management of the company.

Porto, 5th April 2016

THE BOARD OF DIRECTORS

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António Alberto Guerra Leal Teixeira

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António Carlos Vaz Pinto Sousa

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Juan Carlos Vázquez-Dodero

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STATEMENT OF THE BOARD OF DIRECTORS

Within the terms of paragraph c) of article 245 of the Portuguese Securities Code, the members of the Board of Directors, identified below, declare that to the best of their knowledge:

i) the information contained in the management report, the annual accounts and all other accounting documentation required by law or regulation, was produced in compliance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, the financial position and the results of Ibersol , SGPS, S.A. .
ii) the Management report is a faithful statement of the evolution of the businesses, of the performance and of the position of Ibersol , SGPS, S.A. and and contains a description of the main risks and uncertainties which they face.

António Alberto Guerra Leal Teixeira	Chairman
António Carlos Vaz Pinto Sousa	Board Member
Juan Carlos Vázquez-Dodero	Board Member

Ibersol – SGPS, SA

Individual Financial Statements

31 December 2015

Individual financial statements index

Financial Statements (in euros)

Balance sheet

	Notes	SNC 2015	SNC 2014
ASSETS			
Non-current Asset			
Tangible fixed assets	3.2 and 5	-	-
Financial investments - equity method	3.1 and 6	59.929.779	50.117.031
Financial investments - other methods	3.1 and 7	264.000	264.000
Group subsidiaries	14	173.564.279	31.203.279
Total non-current assets		**233.758.057**	**81.584.310**
Current Asset			
Group subsidiaries	14	3.998.524	4.150.392
Other debtors	9	16.023	143.024.955
Deferrals	10	12.710	29.313
Cash and bank deposits	3.5 and 4	39.338	90.877
Total current assets		**4.066.595**	**147.295.537**
Total Assets		**237.824.652**	**228.879.847**
EQUITY AND LIABILITIES			
Share capital	3.6 and 11	20.000.000	20.000.000
Own shares	12	-11.179.643	-11.179.643
Share prize		469.937	469.937
Legal reserves	13	4.000.001	4.000.001
Other reserves	13	95.153.166	95.460.775
Adjustments in financial assets	6	42.552.623	36.482.243
Revaluation surpluses		12.110	12.110
Net profit in the year		10.582.729	7.757.420
Total Equity		**161.590.922**	**153.002.842**
LIABILITIES			
Non-current			
Provisions	3.10 and 6	2.852.154	2.551.600
Deferrals	9	71.819.663	71.819.663
Total non-current liabilities		**74.671.817**	**74.371.263**
Current			
Suppliers		12.687	16.272
State and other public entities	8	1.239.624	1.266.470
Group subsidiaries	14	173.941	159.151
Loans obtained	3.7 and 15	35.000	-
Other current liabilities	16	100.662	63.848
Total current liabilities		**1.561.914**	**1.505.742**
Total Liabilities		**76.233.730**	**75.877.005**
Total Equity and Liabilities		**237.824.652**	**228.879.847**

Financial Statements (in euros)

Income statement

INCOME AND COSTS	Notes	SNC 2015	SNC 2014
Sales	3.12 and 17	600.000	600.000
Gains/losses accrued to subsidiaries, associates and joint undertakings	6	11.316.163	7.586.717
External supplies and services	18	-109.426	-93.297
Personnel costs	18	-329.343	-277.672
Provisions (increases / decreases)	6	-11.009	-12.920
Impairment of non-depreciable assets/ amortizable (losses / reversals)	6	-66.667	-66.667
Other operating income	3.11 and 20	16.484	572
Other operating costs	3.11 and 21	-58.487	-73.857
Income before depreciation, financing costs and taxes		**11.357.715**	**7.662.876**
Impairment of depreciable assets/ amortizable (losses / reversals)		-	-
Operating income (before financing costs and taxes)		**11.357.715**	**7.662.876**
Interest and other financial income obtained	22	180.534	236.254
Interest and other financial costs paid	22	-192.410	-112.297
Pre-tax income		**11.345.839**	**7.786.833**
Income tax	3.8 and 23	-763.111	-29.413
Net profit in the year		**10.582.729**	**7.757.420**
Earnings per share	27	0,59	0,43

Financial Statements (in euros)

Changes in equity statement

	Share Capital	Own shares	Share prize	Legal Reserves	Other reserves	Adjustments in financial assets	Revaluation surpluses	Net Profit	Total Equity
Balance on 1 January 2014	20.000.000	-11.179.643	469.937	4.000.001	70.803.475	58.464.957	12.110	3.576.911	146.147.748
Changes in period									
Changes in accounting policies									0
Application of net profit					1.880.848	1.696.063		-3.576.911	0
Realization of revaluation surpluses of tangible and intangible fixed assets									0
Revaluation surpluses of tangible and intangible fixed assets and their variations									0
Parque Central Maia adittion					23.766.452	-23.766.452			0
Conversion reserves - Angola						87.675			87.675
Other changes in equity									0
	0	**0**	**0**	**0**	**25.647.301**	**-21.982.714**	**0**	**-3.576.911**	**87.675**
Net profit in the year								7.757.420	**7.757.420**
Total income								7.757.420	**7.845.095**
Transactions with capital owners in the period									
Capital increseases									0
Share prizes increases									0
Dividends paid					-990.000				-990.000
Losses coverage									0
Other transactions									0
	0	**0**	**0**	**0**	**-990.000**	**0**	**0**	**0**	**-990.000**
Balance on 31 December 2014	**20.000.000**	**-11.179.643**	**469.937**	**4.000.001**	**95.460.775**	**36.482.243**	**12.110**	**7.757.420**	**153.002.842**

Financial Statements (in euros)

Changes in equity statement

	Share Capital	Own shares	Share prize	Legal Reserves	Other reserves	Adjustments in financial assets	Revaluation surpluses	Net Profit	Total Equity
Balance on 1 January 2015	20.000.000	-11.179.643	469.937	4.000.001	95.460.775	36.482.243	12.110	7.757.419	153.002.842
Changes in period									
Changes in accounting policies									0
Application of net profit					682.391	7.075.029		-7.757.420	0
Realization of revaluation surpluses of tangible and intangible fixed assets									0
Revaluation surpluses of tangible and intangible fixed assets and their variations									0
Sale of Asurebi investment									0
Conversion reserves - Angola						-919.070			-919.070
Other changes in equity						-85.579			-85.579
	0	**0**	**0**	**0**	**682.391**	**6.070.380**	**0**	**-7.757.420**	**-1.004.649**
Net profit in the year								10.582.729	**10.582.729**
Total income								10.582.729	**9.663.659**
Transactions with capital owners in the period									
Capital increseases									0
Share prizes increases									0
Dividends paid					-990.000				-990.000
Losses coverage									0
Other transactions									0
	0	**0**	**0**	**0**	**-990.000**	**0**	**0**	**0**	**-990.000**
Balance on 31 December 2015	**20.000.000**	**-11.179.643**	**469.937**	**4.000.001**	**95.153.166**	**42.552.623**	**12.110**	**10.582.729**	**161.590.923**

Financial Statements (in euros)

Cash flows statement

	Notes	31st December 2015	2014
Cash Flows from Operating Activities			
Receipts from clients		600.000	600.000
Payments to supliers		8.345	5.208
Staff payments		192.070	220.665
Operational cash flows		**399.585**	**374.127**
Payments/receipt of income tax		498.244	1.157.583
Other paym./receipts related with operating activities		-28.761	-157.305
Flows from Operating Activities (1)		**-127.420**	**-940.761**
Cash Flows from Investment Activities			
Payments for:			
Tangible assets			
Intangible assests			
Financial Investments:			
Investments			1.168.372
Capital contributions to subsidiaries			
Loans granted to subsidiaries		145.730.000	
Other assets			
Receipts from:			
Tangible assets			
Intangible assets			
Financial investments:			
Investments		143.000.000	
Capital contributions to subsidiaries			
Loans granted to subsidiaries		3.369.000	2.332.000
Other assets			
Investment benefits			
Interest received		180.534	482.988
Dividends received	6	432.100	1.010.120
Flows from Investment Activities (2)		**1.251.634**	**2.656.736**
Cash flows from financing activities			
Receipts from:			
Loans obtained			
Capital and other equity instruments increases			
Losses coverage			
Donations			
Other financing activities			
Payments for:			
Loans obtained			494.245
Interest and similar costs		220.753	172.636
Dividends paid		990.000	990.000
Capital reductions and supplementary entries			
Other financing activities			
Flows from financing activities (3)		**-1.210.753**	**-1.656.881**
Change in cash & cash equivalents (1)+(2)+(3)		**-86.539**	**59.093**
Cash & cash equivalents at the start of the period		**90.877**	**31.784**
Cash & cash equivalents at end of the period	3.5 and 4	**4.338**	**90.877**

Financial Statements (in euros)

Financial statements report

1 Introduction

Ibersol – SGPS, SA ("Company" or "Ibersol") has its head Office at Edifício Península – Praça do Bom Sucesso, 105/159 – 9º - 4150-146 Porto, Portugal. Ibersol was set up on 30 December 1985 with management of shareholdings main activity.

Ibersol is owned by 54,91% by ATPS - SGPS, S.A., with its head office at Edifício Península – Praça do Bom Sucesso, 105/159 – 9º - 4150-146 Porto.

These financial statements were approved by the Board of Directors on 05th April 2016. The Board of directors believes that these financial statements reflect the true and proper Ibersol operations, as well as its position and financial performance and cash flows.

2 Financial statements accounting standards

2.1. Basis of preparation

These financial statements were prepared in accordance with the Accounting Standardisation System (SNC), as applied in Portugal, issued and in force on 31 December 2015. And accordingly with the principle of historical cost, except, when applicable, in the fair value adjustments effected under previous legislation (POC).

In these individual financial statements equity in 31st December 2015 is different from the consolidated accounts (IFRS) as follows:

	2015
Equity SNC	161.590.922
Group's consolidated equity (IFRS)	129.924.316
Diference	**31.666.606**

This difference stems from:
i) deferred benefit correction corresponding to the value in between group transaction recorded in previous years (39.087.546 euros);
ii) Goodwill amortisation from January 2004 until 31 December 2008 in the annual accounts prepared according to POC (7.468.740 euros).

In the process of determining the accounting policies adopted by Ibersol the preparation of financial statements in accordance with the SNC requires the use of estimates, assumptions and critical judgements, with significant impact on the accounting value of assets and liabilities, as well as income and expenses of the reporting period.

Although these estimates are based on best experience of the Board of Directors and their best expectations in relation to current and future events and actions, present and future profit may differ from these estimates. In Note 3 of these financial statements we have the areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant.

2.2. Derogation from SNC standards

In these financial statements, there hasn't been any exception involving directly the derogation of any SNC standard.

2.3. Comparability of Financial statements

The elements contained in these financial statements are all comparable with the previous year.

3 Main accounting policies

The main accounting policies applied in preparing these financial statements are described below. Unless stated these policies have been consistently applied to all years presented.

3.1. Financial investments

Subsidiaries are all entities in which Ibersol directly or indirectly has the power to control their financial and operational activities, which is usually associated with holding more than half of the voting rights. The existence and the effect of potential voting rights are considered in the evaluation of the control over a subsidiary.

Associates are entities over which the company has between 20% and 50% of the voting rights or on which the company has significant influence, but which cannot exercise its control.

Investments in subsidiaries and associates are presented by the amount resulting from application of the equity method. According to this method, the financial statements include the company's share in total recognised gains and losses from the date on which control or significant influence begins until the date on which actually ends. Gains or losses on transactions between the Group and its subsidiaries and associated companies are eliminated. The dividends allocated by subsidiaries and associates are considered investment reductions.

The excess of the cost of acquisition over the fair value of the portion of the company in the identifiable assets acquired is recorded as goodwill, which, less accumulated impairment losses, is considered the value entered as the company's investment in subsidiaries and associates. If the acquisition cost is less than the fair value of net assets acquired subsidiary or associated with, the difference is recognised directly in the income statement.

Investments in subsidiaries and associates are subject to impairment tests whenever there are indications of impairment. An impairment loss is recognized in the income statement of the amount of the excess of the initial amount of the asset over its recoverable amount. The recoverable amount is the higher of the fair value of an asset less the costs incurred to sell and its value in use. To perform impairment tests, each investment is analyzed separately.

When the share of losses of a subsidiary or associated exceeds their investment and if the company has incurred in obligations or made payments on behalf of the subsidiary or associated Ibersol recognizes additional losses in the future.

When necessary the accounting policies of subsidiaries and associates are changed, to ensure that they are consistently within all group companies.

The entities that qualify as subsidiaries and associates are listed in note 6.

Ibersol, SGPS, S.A. prepares consolidated accounts.

3.2. Tangible fixed assets

Tangible fixed assets are shown at the acquisition cost, net of the respective amortisation and accumulated impairment losses. This includes estimated cost at the date of transition to NCRF, and acquisition costs to assets acquired after that date

The historic cost includes all expenses attributable directly to the acquisition of goods.

Subsequent costs are added to the amounts for which the good is recorded or recognised as separate assets, as appropriate, only when it is probable that the company will obtain the underlying economic benefits and the cost may be reliably measured.

Other expenses on repairs and maintenance are recognised as an expense in the period in which they are incurred.

Financial Statements (in euros)

The estimated lifetime for the most significant tangible fixed assets are as follows:

	Years
Land and buildings	Between 10 and 20 years
Equipment	Between 4 and 20 years
Other tangible assets	Between 5 and 10 years

Depreciation of assets is calculated by the equal annual amounts method, accordingly with accounting policies in force (DR nº 25/2009 14 September). Depreciation of tangible fixed assets begins when they are available for use.

The estimated lifetime of assets are reviewed each year, in which the depreciation is evaluated with the standards of use of assets. Changes to the estimated lifetime are treated as a change in accounting estimate and are applied prospectively.

As vidas úteis dos activos são revistas em cada ano de relato financeiro, para que as depreciações praticadas estejam em conformidade com os padrões de consumo dos activos. Alterações às vidas úteis são tratadas como uma alteração de estimativa contabilística e são aplicadas prospectivamente.

Impairment tests are carried out whenever there is evidence of loss of value to estimate the recoverable amount of the asset, and when necessary to record an impairment loss. The recoverable amount is determined as the higher of net selling price and value in use of the asset, the latter being calculated based on the present value of estimated future cash flows from continuing use and disposal of the asset at the end of its useful life

Gains and losses consequent to a reduction or sale are determined by the difference between receipts from the sale and the asset's accounted value, and are recognised in the profit and loss account.

3.3. Impairment of assets

Assets with a specific lifetime are not subject to amortisation and are, instead, subject to annual impairment tests. Ibersol performs impairment test in December of each year and whenever there are events or alterations in the circumstances causing their accounting value not to be recoverable.

Ibersol identifies an impairment loss and determines whether the loss is permanent or not whenever the recoverable amount is less than the carrying value of assets. In cases where the loss is not considered permanent and definitive, Ibersol makes the disclosure of the reasons for this conclusion.

The recoverable amount is the highest amount between an asset's fair value minus the costs necessary for its sale and its utilisation value. Assets are grouped at the lowest level at which it may be able to separately identify cash flows (units generating cash flows), to perform impairment tests.

At each reporting date, non-financial assets with impairment, other than goodwill, are assessed on the possible reversal of impairment losses.

Amortisation and depreciation of assets are recalculated prospectively in accordance with the recoverable value when there is an impairment reversal.

3.4. Financial assets

The Board of Directors determines the classification of financial assets at initial recognition date according to the NCRF 27 – financial instruments.

Financial assets can be measured as:

(a) at cost or amortised cost less impairment losses; or
(b) at fair value with changes in fair value recognized in the income statement.

Financial assets are classified and measured at cost or amortised cost: i) that have sight deadlines or defined maturity; ii) whose return is of fixed amount, interest rate fixed or variable rate fixed to a reference rate; and iii) who do not have any contractual clause which may result in loss of face value and interest accrued.

Interest earned to recognize in each period is determined according to the effective interest rate method, which corresponds to the rate that discounts estimated future cash receipts during the expected life of the financial instrument, for assets recorded at amortized cost.

Financial assets which represent loans, accounts receivable (customers, other debtors, etc.) and equity instruments and associated derivatives contracts, and which are not traded in active market or whose fair value cannot be reliably determined, are recorded at cost or amortised cost.

The Ibersol classifies and measures the fair value of financial assets that do not comply with the conditions to be measured at cost or amortised cost, as described above. Derivative contracts and financial assets held for trading are recorded at fair value of financial assets which represent equity instruments quoted on active market. Changes in fair value are recorded in the income statement, except for financial derivatives that qualify as coverage of cash flows.

At each reporting date Ibersol evaluates indicators of loss of value for financial assets that are not measured at fair value through earnings. If there is objective evidence of impairment, Ibersol recognises an impairment loss in the income statement.

Financial assets are derecognised when the rights to receive cash flows generated by these investments expire or are transferred, as well as all risks and benefits associated with possession.

3.5. Cash and cash equivalents

Cash and cash equivalents include cash amounts, bank deposits, other short term investments with high liquidity and initial maturities of up to 3 months and bank overdrafts. Bank overdrafts are presented in the balance sheet, in current liabilities, in the Obtained Loans item, and are considered in the the cash flow statement as cash and cash equivalents.

3.6. Share capital

When effected ordinary shares are classified in equity. Incremental costs directly attributable to the emission of new shares or options are presented in equity as a deduction, net of taxes, of entries.

3.7. Loans obtained

Loans obtained are initially recognised at the fair value, including incurred transaction costs. Medium and long term loans are subsequently presented at cost minus any amortisation; any difference between receipts (net of transaction costs) and the amortised value is recognised in the profit and loss account during the loan period, using the effective rate method.

Loans obtained are classified in current liabilities, except when Ibersol is entitled to an unconditional right to defer the liquidation of the liability for at least 12 months after the balance sheet date.

3.8. Income tax

Income tax for the period comprises current and deferred taxes. Income taxes are recorded in the income statement, except when they relate to items recognised directly in equity. The value of current tax payable is determined based on the result before taxes, adjusted in accordance with the tax rules in force.

Deferred taxes are recognised overall, using the liability method and calculated based on the temporary differences arising from the difference between the taxable base of assets and liabilities and their values in the financial statements.

Deferred taxes are determined by the tax (and legal) rates decreed or substantially decreed on the date of the balance sheet and that can be expected to be applicable in the period of the deferred tax asset or in the liquidation of the deferred tax liability.

Deferred tax assets are recognised insofar as it will be probable that future taxable income will be available for using the respective temporary difference. Deferred tax liabilities are recognised for all temporary differences, except those related to: i) the initial recognition of goodwill; or ii) the initial recognition of an asset or liability in a transaction that is not a corporate concentration or that, on the transaction date, does not affect the accounting result or the tax result. However, in respect of taxable temporary differences related to investments in subsidiaries, these are not recognised because: i) the parent company has the ability to control the amount of the reversal of the temporary difference; and ii) it is probable that the temporary difference will not be reverse in the near future.

The estimated income tax (IRC) was calculated under the special taxation regime (RETGS), and the Group decided that the expense / income recognized in the subsidiaries will be reflected in other liabilities / current assets with the parent company (Note 14.2).

3.9. Personnel benefits

The employee performance premiums are recorded in the year to which they relate, regardless of the year in which the payment occurs.

3.10. Provisions

Provisions for costs of restructuring activities, paid contracts and legal claims are recognised when: i) Ibersol has a legal or constructive obligation due to past events; ii) it is probable that a outflow of resources will be necessary to liquidate the obligation; e iii) the obligation amount may be reliably estimated. Whenever one of the criteria is not met or the existence of the obligation is subject to the occurrence (or not) of a certain future event, Ibersol discloses a contingent liability, unless the enforceability for payment is considered remote.

Provisions are measured at the present value of estimated expenditures to settle the obligation using a pre-tax rate that reflects market assessment for the period of discount and to the risk of that provision.

3.11. Costs and income

In accordance with the principle of accrual accounting expenses and income are recorded in the period to which they relate, regardless of their payment or receipt. The differences between the amounts received and paid and the corresponding revenues and expenses are recognised as assets or liabilities

3.12. Revenue

Revenue comprises the fair value of the sale of rendering of services from Ibersol's activities, net of taxes and discounts and after eliminating internal sales.

Rendering of services is recognised in the accounting period in which the services are rendered, in accordance with the percentage of completion or based on the period of the contract when the service is not associated with the implementation of specific activities, but to provide continuous service.

3.13. Important accounting estimates and judgments

Estimates and judgements are continuously evaluated and are based on past experience and on other factors, including expectations regarding future events that are believed to be reasonably probable within the respective circumstances.

Due to its nature accounting based on estimates rarely corresponds to the real reported results. Estimates and premises that present a significant risk of leading to a material adjustment in the accounting value of the assets and liabilities in the following year are described below:

Important accounting estimates

3.13.1 Provisions

The company determines periodically if any obligations arising from past events should be merit recognition or disclosure.

The determination if an amount of internal resources is required for the payment of obligations is very subjective and could lead to significant adjustments, either by variation of the assumptions used, either by the future recognition of provisions previously disclosed as contingent liabilities.

3.13.2 Impairment

The determination of a potential impairment loss can be triggered by the occurrence of various events, which are outside the sphere of Ibersol influence, such as: the future availability of funding, the cost of capital, as well as for any other changes, either internal or external.

It is expected from the Board of Directors a high degree of judgement as regards the identification of indicators of impairment, the estimate of future cash flows and the determination of fair value of assets entail and evaluation of different indicators of impairment, expected cash flows, discount rates applicable, useful lives and residual values.

3.13.3 Taxes

The company recognizes liabilities for additional settlements of taxes which may result from inspections made by the tax authorities. When the final result of tax inspections is different from the values initially recorded, differences will impact the income tax and deferred taxes, in the period in which such differences are identified.

3.14. Financial risk management

The group's activities are exposed to a number of financial risk factors: market risk (including interest rate risk), credit risk, liquidity risk and capital risk.

Ibersol maintains a risk management program that focuses its analysis on financial markets to minimise the potential adverse effects of those risks on the Ibersol's financial performance.

Risk management is headed by the Financial Department based on 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.

3.14.1 Market risk

Interest rate risk

There is no risk of interest rate, since the company does not have interest-bearing liabilities.

3.14.2 Credit risk

Ibersol's credit risk stems from its liabilities, in particular from loans to subsidiaries. The credit risk is assured by the company's financial Direction, taking into account the historic trading relationship, its financial situation, as well as other information that may be obtained through the network business of Ibersol. If necessary, the credit limits established are regularly reviewed and revised. Credit risk is reduced.

3.14.3 Liquidity risk

Financial Statements (in euros)

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.

3.14.4 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 above 35%.

On 31 December 2015 and 2014 Ibersol has no gearing ratio by the absence of remunerated debt.

4 Cash flows

On 31 December 2015 and 2014, cash and bank deposits are broken as follows:

	2015	2014
Bank deposits	39.338	90.877
Cash and bank deposits	39.338	90.877

"Cash and cash equivalents" for the preparation of the statement of cash flows for the years ended December 31, 2015 and 2014 is as follows:

	2015	2014
Bank deposits	39.338	90.877
Term deposits	-	-
Other deposits	-	-
	39.338	90.877
Cash and cash equivalents (asset)	39.338	90.877
Cash equivalents (liabilities)	-35.000	-
Cash and cash equivalents on the cash flows statement	4.338	90.877

5 Tangible fixed assets

As the assets are fully reinstated, in the years ending on 31 December 2015 and 2014, there has been no movement in tangible fixed assets and no depreciations.

	Land and buildings	Basic equipment	Transport equipment	Office equipment	Other tang. Assets	Total
31 December 2015						
Cost	29.828	3.736	-	215.338	18.289	267.191
Accumulated depreciation	29.828	3.736	-	215.338	18.289	267.191
Accumulated impairment	-	-	-	-	-	-
Net amount	-	-	-	-	-	-

6 Financial investments – equity method

Financial Statements (in euros)

	2015	2014
Goodwill (6.1)	35.509.250	35.661.496
Financial investments (6.2)	24.420.531	14.455.538
	59.929.781	50.117.033

6.1 Goodwill

The table bellow summarises the Goodwill broken down into segments:

	Goodwill	
	2015	2014
Portugal	8.430.220	8.515.799
Spain	27.845.512	27.845.512
Angola	130.714	130.714
	36.406.446	36.492.025
Accumulated impairment	-897.196	-830.529
	35.509.250	35.661.496

In the years ending on 31 December 2015 and 2014, the changes occurred in the value of goodwill were as follows:

	2015	2014
Initial net amount	36.492.025	36.406.446
Additions (1)	-	85.579
Decreases (1)	85.579	-
Other variations	-	-
Final net amount	36.406.446	36.492.025

(1) in 2015, the 2014 increase in goodwill, from the acquisition of subsidiary Gravos 2012, S.A., was reclassified in equity.

The main assumptions used in Impairment tests in goodwill are detailed as follow:

Growth rate	
Portugal	3,00% (1% real + 2% inflação)
Spain	3,00% (1% real + 2% inflação)
Discount rate	
Portugal	6,80%
Spain	6,00%

From the impairment tests performed, there was recognised impairment of Goodwill in subsidiary Maestro with the amount of 66.667 euros. The accumulated impairment at the end of the year 2015 is 897.196 euros (in which 461.242 are from subsidiary Maestro and 435.954 from Restmon).

6.2 Financial investments

On 31 December 2015 and 2014, Ibersol's subsidiaries are expressed in the balance sheet by the equity method as follows:

Financial Statements (in euros)

	2015			2014		
	Acquisition value	Equity adjustment	Balance sheet value	Acquisition value	Equity adjustment	Balance sheet value
Subsidiaries						
Ibersol Restauração, S.A.	847.986	17.421.750	18.269.736	847.986	8.324.800	9.172.786
Iberusa-Hotelaria e Restauração, S.A.	158.119	934.122	1.092.241	158.119	947.925	1.106.044
Ibersol Madeira Restauração, S.A.	242.800	2.195.948	2.438.748	242.800	1.769.785	2.012.585
Restmon Portugal, Lda	499.448	-499.448	-	499.448	-499.448	-
Eggon - SGPS, S.A.	645.000	953.129	1.598.129	645.000	911.455	1.556.455
Ibergourmet-Prod.Alimentares, S.A.	57.020	958.385	1.015.405	57.020	546.852	603.872
Ibersol Angola, S.A.	720	5.552	6.272	720	3.076	3.796
	2.451.092	21.969.439	24.420.531	2.451.092	12.004.445	14.455.538

In the year ending on 31 December 2015 and 2014, changes under investments in subsidiaries are presented as follows:

	Ibersol Rest., S.A.	**Ibersol Madeira Rest., S.A.**	**Iberusa Hotelaria e Rest., S.A.**	**Asurebi SGPS, S.A.**	**Eggon - SGPS, S.A.**	**Restmon Portugal, Lda**	**Ibergourmet-Prod.Alimen., S.A.**	**Ibersol Angola, S.A**	**Total**
1st January 2015	9.172.786	2.012.585	1.106.044	-	1.556.455	-	603.872	3.796	14.455.538
Acquisition/sale	-	-	-	-	-	-	-	-	-
Gains/losses	10.266.017	608.263	-13.803	-	41.674	-	411.533	2.479	11.316.163
Fair value adjustments	-	-	-	-	-	-	-	-	-
Other movement in Equity	-919.070	-	-	-	-	-	-	-	-919.070
Dividends received	-250.000	-182.100	-	-	-	-	-	-	-432.100
31st December 2015	18.269.732	2.438.748	1.092.241	-	1.598.129	-	1.015.405	6.275	24.420.531

	Ibersol Rest., S.A.	**Ibersol Madeira Rest., S.A.**	**Iberusa Hotelaria e Rest., S.A.**	**Asurebi SGPS, S.A.**	**Eggon - SGPS, S.A.**	**Restmon Portugal, Lda**	**Ibergourmet-Prod.Alimen., S.A.**	**Ibersol Angola, S.A**	**Total**
1st January 2014	8.940.480	1.673.335	1.137.609	116.533.621	1.528.018	-	166.679	1.619	129.981.361
Acquisition	-	152.800 (1)	-	-122.257.316 (2)	-	-	-	-	-122.104.516
Gains/losses	427.306	546.450	-31.565	6.176.719	28.437	-	437.193	2.177	7.586.717
Fair value adjustments	-	-	-	-	-	-	-	-	-
Other movement in Equity	-	-	-	2.096	-	-	-	-	2.096
Dividends received	-195.000	-360.000	-	-455.120	-	-	-	-	-1.010.120
31st December 2014	9.172.786	2.012.585	1.106.044	-	1.556.455	-	603.872	3.796	14.455.538

(1) subscription of subsidiary capital increase;
(2) sale of subsidiary Asurebi to Ibersol Restauração, on 31st December 2014.

Assets and liabilities on 31 December 2015 and 2014, and gain and losses earned in 2015 and 2014, as recognised in the separate financial statements of subsidiaries are as follows:

	2015						
	Ibersol Rest., S.A.	**Ibersol Madeira Rest., S.A.**	**Iberusa Hotelaria e Rest., S.A.**	**Eggon SGPS, S.A.**	**Restmon Portugal, Lda**	**Ibergourmet-Prod.Alimen., S.A.**	**Ibersol Angola, S.A.**
Equity	84.140.734	1.797.813	67.434.658	25.411.898	-2.203.105	2.520.000	4.669.099
Equity without capital contributions	14.140.734	1.797.813	-35.565.342	19.796.898	-2.203.105	1.335.000	1.627.050
Total income	9.460.941	610.245	360.066	546.792	-18.721	414.186	625.273
% Investment	100,00%	100,00%	5,00%	2,11%	61,00%	100,00%	0,20%
Acquisition value	847.986	242.800	158.119	645.000	499.448	57.020	720

Financial Statements (in euros)

	2014						
	Ibersol Rest., S.A.	Ibersol Madeira Rest., S.A.	Iberusa Hotelaria e Rest., S.A.	Eggon SGPS, S.A.	Restmon Portugal, Lda	Ibergourmet-Prod.Alimen., S.A.	Ibersol Angola, S.A.
Equity	5.217.578	1.332.677	67.167.632	24.939.392	-2.184.385	2.105.814	4.783.360
Equity without capital contributions	5.217.578	1.332.677	-35.832.368	19.324.392	-2.184.385	920.814	1.184.981
Total income	253.884	517.623	59.721	507.020	-20.097	433.422	729.191
% Investment	100,00%	100,00%	5,00%	2,11%	61,00%	100,00%	0,20%
Acquisition value	847.986	242.800	158.119	645.000	499.448	57.020	720

Ibersol SGPS, the parent company, considers the financial statements of its subsidiaries as consolidated in the Ibersol group for the purpose of applying the equity method.

6.3 Adjustments in financial assets

This account reflects the adjustments to the equity method.
In the year ending 2015 and 2014 financial assets movements are broken down as follows:

	2015	2014
Initial amount	36.482.243	58.464.957
Additions (1)	7.507.129	2.793.858
Decreases (2)	1.436.749	24.776.573
Final amount	42.552.623	36.482.243

(1) additions in 2015 and 2014 result mainly from the application of the previous year's earnings.
(2) decreases in 2015 result from dividends received in the year (432.100 eur) and from goodwill reclassification (85.579 eur). In 2014 from dividends received of 1.010.120 eur of and an additional decrease in 2014 from Asurebi sale.

The balance of heading adjustments in financial assets is not distributed to shareholders.

6.4 Provisions

In the year ending 2015 and 2014 provisions movements are broken down as follows:

	Legal proceedings		Losses in subsidiaries		Income tax	
	2015	2014	2015	2014	2015	2014
Initial amount	5.257	5.257	2.546.343	2.533.423	-	-
Additions (1) and (2)	-	-	11.009	12.920	289.545	-
Decreases	-	-	-	-	-	-
Final amount	5.257	5.257	2.557.352	2.546.343	289.545	-

(1) additions in 2015 and 2014 result from subsidiary Restmon adjusted earnings.
(2) in addition, a provision with the amount of 289.545 eur (Note 23) concerning 2014 income tax calculation for tax benefits in the process of confirmation of their implementation.

7 Financial investments – other methods

On 31 December 2015 and 2014, the assets recognized under this heading relate to capital shares, as follows:

	% own	2015	2014
Change Partners I, SGPS, S.A.	3,08%	264.000	264.000
Total		264.000	264.000

The primary business of Change Partners I, SGPS, S.A., is management of shareholdings. This investment is valued at cost because it is not possible to determine reliably the fair value.

Financial Statements (in euros)

8 State and other public entities

On 31 December 2015 and 2014, state and other public entities are broken as follows:

	2015		2014	
	Debit balance	Credit balance	Debit balance	Credit balance
Income tax - IRC (1)	-	1.099.991	-	1.124.669
Income tax - IRS	-	6.519	-	5.867
Value added tax - VAT	-	126.121	-	129.499
Social security contributions	-	6.993	-	6.436
Other taxes	-	-	-	-
	-	1.239.624	-	1.266.470

(1) by applying the special taxation for corporate groups (RETGS), the shareholder Ibersol - SGPS, SA will carry out payments of its subsidiaries income tax (Note 14.2).

For the periods presented the credit balance of IRC has the following breakdown:

	2015	2014
Payments on account (PEC)	-101.355	-82.239
Payments on account	-1.652.622	-851.829
Withholding taxes	-	-136
Income tax - IRC (Note 23)	24.154	68.527
Income tax - RETGS	2.829.814	1.990.346
Total	1.099.991	1.124.669

9 Other debtors

On 31 December 2015 and 2014, the detail of other current debtors is as follows:

		2015		2014	
		Current	Total	Current	Total
Other debtors:					
- Investments		-	-	143.000.000	143.000.000
- Tangible fixed assets		-	-	-	-
- Other debtors		13.318	13.318	22.250	22.250
	Sub-total	13.318	13.318	143.022.250	143.022.250
Personnel		2.705	2.705	2.705	2.705
	Sub-total	2.705	2.705	2.705	2.705
Accruals debtors:					
- Fees		-	-	-	-
- Others		-	-	-	-
	Sub-total	-	-	-	-
Accumulated impairment losses		-	-	-	-
Other debtors		16.023	16.023	143.024.955	143.024.955

10 Deferrals

On 31 December 2015 and 2014 the Ibersol has recorded under the heading of deferrals, the following balances:

Financial Statements (in euros)

	2015	2014
Insurance	2.774	2.564
Rents	3.353	3.353
Financial fees	6.583	23.396
Others	-	-
Deferred costs	12.710	29.313

Deferred costs are mainly related to financial fees as they are deferred for the period of the loans.

	2015	2014
Other income (1)	71.819.663	71.819.663
Deferred income	71.819.663	71.819.663

(1) balance raised from the sale of a financial investment within the group, in 1999 and from Asurebi SGPS subsidiary sale to Ibersol Restauração, in 2014. These amounts will be recognized in the income statement only at the time of its sale to an external entity.

11 Capital

On 31 December 2015, fully subscribed and paid up share capital was represented by 20.000.000 shares to the bearer with a par value of 1 euro each.

12 Own shares

In the years 2015 and 2014 Ibersol did not acquired nor sold any own shares. The shares are subordinated to the policy stipulated for own shares which specifies that the respective voting rights are suspended whilst the shares are held by the company, although Ibersol may sell these shares.

At the end of the year the company held 2.000.000 own shares acquired for 11.179.644 euros. According to the legislation in force, Ibersol shall maintain a non-available reserve bt the same amount of the purchase of own shares. This reserve is included in Other reserves.

13 Reserves

On December 2015 and 2014, reserves were broken down as follows:

13.1 Legal reserves

	Legal reserves	
	2015	2014
1st January	4.000.001	4.000.001
Increase	-	-
Use	-	-
31st December	4.000.001	4.000.001

The legal reserve is fully constituted under the law (20% of the share capital). This reserve can only be used to cover losses or increase Capital.

13.2 Other reserves

Financial Statements (in euros)

	Own shares reserves		Other reserves	
	2015	2014	2015	2014
1st January	11.179.643	11.179.643	84.281.132	59.623.831
Increase	-	-	792.391	25.757.300
Use	-	-	1.100.000	1.100.000
31st December	11.179.643	11.179.643	83.973.523	84.281.132

(1) increases in 2014 arise mainly from the sale of Asurebi subsidiary, resulting in a transfer of about 23,8 millions eur from adjustments in financial assets. In 2015, changes result from dividends received and from 2014 income of the year application.
(2) amount for dividends paid.

Ibersol available reserves amounts 60.207.070 euros. Legal reserves (4.000.001 euros) and own shares reserves held by Ibersol (11.179.644 euros) are unavailable for distribution.

14 Group subsidiaries

14.1 Non-current assets

On 31 December 2015 and 2014, balances recognised under this heading relate to loans granted to subsidiaries of Ibersol and subsidiaries supplementary capital contributions. These loans with repayment periods exceeding 1 year accrues interest at a fixed rate based on Euribor 12 m + 1,25% and changed as variation of ECB reference rate. Subsidiaries supplementary capital contributions are not remunerated, or have no fixed maturity.

2015	Iberusa	Ibersol Restauração	Asurebi SGPS	Restmon	Eggon	Ibergourmet	Ibersol Angola	TOTAL
Non-current								
Loans granted								
Subsidiaries	1.707.500	85.515.996		1.276.000				88.499.496
Capital contributions								
Subsidiaries	12.000.000	70.000.000			1.875.000	1.185.000	4.783	85.064.783
Loans granted and supplementary capital contributions	13.707.500	155.515.996	0	1.276.000	1.875.000	1.185.000	4.783	173.564.279
Accumulated impairment losses	-	-	-	-	-	-	-	-
Non-current total	13.707.500	155.515.996	-	1.276.000	1.875.000	1.185.000	4.783	173.564.279

2014	Iberusa	Ibersol Restauração	Asurebi SGPS	Restmon	Eggon	Ibergourmet	Ibersol Angola	TOTAL
Non-current								
Loans granted								
Subsidiaries	2.346.500	9.960.996	2.555.000	1.276.000	-	-	-	16.138.496
Capital contributions								
Subsidiaries	12.000.000	-	-	-	1.875.000	1.185.000	4.783	15.064.783
Loans granted and supplementary capital contributions	14.346.500	9.960.996	2.555.000	1.276.000	1.875.000	1.185.000	4.783	31.203.279
Accumulated impairment losses	-	-	-	-	-	-	-	-
Non-current total	14.346.500	9.960.996	2.555.000	1.276.000	1.875.000	1.185.000	4.783	31.203.279

Changes in this heading, are presented as follows:

	2015	2014
Initial amount	31.203.278	32.519.706
Additions	145.730.000	1.015.572
Decreases	3.369.000	2.332.000
Final amount	173.564.278	31.203.278

According to the General Assembly of 18 December 2015, 70 million euros loans granted to subsidiary Ibersol Restauração were converted in capital contributions.

Financial Statements (in euros)

14.2 Current assets and liabilities

On 31 December 2015 and 2014, balances recognised under this heading relate to interest concerning loans granted to subsidiaries of Ibersol and subsidiaries current year income tax, as follows:

	2015		2014	
	Current asset	Current liabilities	Current asset	Current liabilities
Income tax - RETGS	2.275.063	173.941	2.221.846	159.151
Interest loans	1.723.461	-	1.928.546	-
	3.998.524	173.941	4.150.392	159.151

By applying the special taxation for corporate groups (RETGS), the shareholder Ibersol - SGPS, SA will carry out income tax payments of its subsidiaries.

These balances are presented as follows (Note 26):

	2015		2014	
	Debit	Credit	Debit	Credit
Ibersol Restauração	106.276	-	104.761	-
Iberusa	368.569	-	201.472	-
Asurebi	-	162.192	-	108.431
IBR Imobiliária	153.545	-	163.009	-
Ibersol Hotelaria e Turismo	121.118	-	118.596	-
Eggon	3.843	-	11.639	-
Iber King	743.935	-	1.078.884	-
Ibersol Madeira & Açores	65.441	-	43.489	-
Sugestões & Opções	66.581	-	44.556	-
Anatir	-	1.306	4.962	-
Ibergourmet	123.218	-	143.826	-
Iberaki	20.249	-	6.531	-
Ferro & Ferro	4.462	-	2.875	-
Firmoven	-	10.443	-	37.035
QRM	22.948	-	24.268	-
Resboavista	69.919	-	2.231	-
JSCC	179.966	-	91.655	-
SEC	18.665	-	-	13.685
Ibersande	206.329		179.090	
	2.275.063	173.941	2.221.846	159.151

Concerning interest loans, short term balances of the subsidiaries are presented as follows:

	2015	2014
Ibersol Restauração	1.437.875	1.611.436
Iberusa	29.071	37.238
Restmon	256.515	239.927
Asurebi	-	39.945
	1.723.461	1.928.546

15 Loans

On 31 December 2015 and 2014, the detail of loans for the period (current and non-current) and by type of loan, is as follows:

Financial Statements (in euros)

	2015			2014		
	Current	Non-Current	Total	Current	Non-Current	Total
Bank overdrafts (1)	35000	-	35000	-	-	-
	35.000	-	35.000	-	-	-

(1) use of guarantees bank accounts.

16 Other current liabilities

On 31 December 2015 and 2014, the detail of other current liabilities is as follows:

	2015		2014	
	Current	Total	Current	Total
Other creditors				
Creditors	3.918	3.918	2.371	2.371
Accrued costs				
Payable remunerations	27.913	27.913	25.466	25.466
Premiums	60.000	60.000	-	-
Payable interest	-	-	-	0
Fee	-	-	-	-
Other	8.831	8.831	36.011	36.011
Total accounts payable to creditors and accrued costs	100.662	100.662	63.848	63.848

17 Sales and rendered services

The amount of sales and services recognized in the income statement, is detailed as follows:

	2015	2014
Rendered services - internal market	600.000	600.000
Rendered services - external market	-	-
Sub-total	600.000	600.000
Sales and rendered services	600.000	600.000

18 External supplies and services

External services and supplies in the years ending on 31 December 2015 and 2014 are broken down as follows:

	2015	2014
Services fees	106.941	89.403
Other	2.485	3.895
External supplies and services	109.426	93.297

19 Personnel costs

Personnel cost in the years ending on 31 December 2015 and 2014 are broken down as follows:

Financial Statements (in euros)

	2015	2014
Salaries and wages		
Board od directors	29.888	28.692
Employees	249.663	207.913
	279.551	236.605
Social costs		
Performance bonus	-	-
Social security contributions	44.174	35.649
Other personnel costs	5.618	5.418
Sub-total	49.792	41.067
Personnel costs	329.343	277.672

The average number of employees in 2015 was 3 (2014:3)

20 Other income and gains

Heading other income and gains may be presented as follows:

	2015	2014
Other income and gains		
Exchange rate differences	-	572
Others	16.484	-
	16.484	572

21 Other expenses and losses

The detail of other operating costs is presented in the following table:

	2015	2014
Other expenses and losses		
Taxes	9.405	11.334
Banking services	49.082	62.523
Others	-	-
	58.487	73.857

22 Financial costs and income

Financial costs and income in the years ending on 31 December 2015 and 2014 are broken down as follows:

	2015	2014
Financial costs		
Interest on bank loans	44	8.293
Commercial paper commissions	149.385	97.436
Other commissions	22.242	-
Others	20.739	6.567
	192.410	112.297

	2015	2014
Financial income		
Interest on bank loans	-	645
Interest subsidiaries debt	180.534	235.609
	180.534	236.254

23 Income tax

Tax amount recognised in the financial statements of the years 2015 and 2014 is as follows:

Financial Statements (in euros)

	2015	2014
Current income tax	24.154	68.527
Income tax insufficiency	-289.545	52.168
Provisions	289.545	-
Special taxation - RETGS (Note 8)	560.386	-91.282
Other effects	178.571	-
Deferred taxes	-	-
Income tax	763.110	29.413

	2015	2014
Current tax for the year		
Tax base	22.544	64.332
Special tax (independent)	-	-
Pours	1.610	4.196
	24.154	68.527

Tax amount for the year reconciliation is as follows:

	2015	2014
Pre-tax profit	**11.345.839**	**7.786.833**
Tax calculated at the applicable tax rate in Portugal Portugal (22,5%/24,5%)	**2.552.814**	**1.907.774**
Non-deductible costs	-	-
Non-deductible income	-	-
Equity method effect	-2.528.660	-1.839.247
Special tax (independent)	-	-
Income tax expenses	24.154	68.527
Imposto s/ rendimento corrente	24.154	68.527
Imposto s/ rendimento diferido	-	-
Imposto s/ rendimento	24.154	68.527
Taxa efectiva de imposto	0,21%	0,88%

To determine the amount of tax in the financial statements the tax rate is chosen as follows:

	2015	2014
Tax base rate	21,00%	23,00%
Tax pours	1,50%	1,50%
	22,50%	24,50%

In accordance with the legislation in force, tax declarations of Ibersol are subject to review and can be corrected by the tax authorities for a period of four years in general terms, so that the declarations of 2012 to 2015 are still open.

Ibersol board of directors understands that the corrections resulting from reviews or inspections by the tax authorities will not have a significant effect on the financial statements presented on 31 December 2015.

24 Contingencies

Bail of 28.342 euros for the rental of a commercial shop of 231m2 took by the subsidiary Ibersol Restauração, S.A..

Financial Statements (in euros)

Documentary credit with stand-by letter in amount of 8.225.000 euros for loan guarantees and responsibilities associated with Santander Central Hispano-Madrid bank and subsidiary Lurca, made in July 2013.

25 Remuneration assigned to social board

The compensation granted to social board is related to fees for the annual review of the company's accounts, as follows:

	2015	2014
Auditors	41.583	47.917
Fiscal board	26.358	26.358
General Assembly	2.335	2.335
Board of Directors (1)	6.000	6.000
	76.276	82.610

(1) earnings of non-Executive Director.

Remuneration and benefits assigned to directors:

The company shareholder ATPS-S.G.P.S., S.A., which signed a service-rendering contract with the subsidiary Ibersol Restauração, SA for 2015, in the amount of 800.000 euros (756.034 euros in 2014), provided services of administration and management to the group. ATPS-S.G.P.S., S.A. under contract with Ibersol Restauração, S.A. has the obligation to ensure that its administrators, António Carlos Vaz Pinto de Sousa and Antonio Alberto Guerra Leal Teixeira, exercise their positions without incur in any additional charge.

26 Related parties

On 31 December 2015, Ibersol is controlled by ATPS, SGPS, S.A. that holds a direct participation of 54,91%.

26.1. Transactions with related parties

(a) Nature of relationship with related parties:

Shareholders:

ATPS – SGPS, S.A.

Subsidiaries of Ibersol, SGPS:

Ibersande Restauração, S.A.
Iberusa – Hotelaria e Restauração, S.A.
Ibersol Madeira e Açores Restauração, S.A.
Ibersol Restauração, S.A.
Iberking Restauração, S.A.
Iberaki Restauração, S.A.
Restmon Portugal, Lda.
Ibersol – Hotelaria e Turismo, S.A.
Vidisco, S.L.
Inverpeninsular, S.L.
Ibergourmet Produtos Alimentares, S.A.
Ferro & Ferro, Lda.
Asurebi SGPS, S.A.
Charlotte Develops, S.L.
Firmoven Restauração, S.A.

Financial Statements (in euros)

I.B.R. - Sociedade Imobiliária, S.A.
Eggon SGPS, S.A.
Anatir SGPS, S.A.
Lurca, S.A.
Q.R.M. – Projectos Turísticos, S.A.
Sugestões e Opções – Actividades Turísticas, S.A.
Resboavista – Restauração Internacional, Lda.
José Silva Carvalho Catering, S.A.
Iberusa Central de Compras para Restauração, ACE
Vidisco e Pasta Caffe, Union Temporal de Empresas
Maestro – Serviços de Gestão Hoteleira, S.A.
Solinca – Eventos e Catering, S.A.
Ibersol – Angola, S.A.
HCI – Imobiliária, S.A.
Gravos 2012, S.A.

Joint undertakings with Ibersol, SGPS:

UQ Consult, S.A.

(b) Transactions and outstanding balances with related parties:

i) Shareholders:

The company has not carried out transactions with shareholders for the year 2015.

ii) Subsidiaries:

In the years ending on 31 December 2015 and 2014 Ibersol carried out transactions with subsidiaries as follows:

Sales and rendered services

	2015	2014
Sales and rendered services		
Ibersol Restauração	600.000	600.000
	600.000	600.000

Financial income

	2015	2014
Financial income		
Asurebi	-	39.945
Ibersol Restauração	134.875	140.436
Iberusa	29.071	37.238
Restmon	16.588	17.990
	180.534	235.609

Products and services

	2015	2014
Products and services acquisition		
Ibersol Restauração	10.707	10.005
	10.707	10.005

Debit and credit balances

Financial Statements (in euros)

In the years ending on 31 December 2015 and 2014, the balances resulting from transactions with related parties are as follows:

	2015	2014
Debit balances		
Anatir	-	4.962
Asurebi	-	39.945
Eggon	3.843	11.639
Ferro	4.462	2.875
Iber King	743.935	1.078.884
Iberaki	20.249	6.531
Ibergourmet	123.218	143.826
Ibersande	206.329	179.090
Ibersol Madeira e Açores	65.441	43.489
Ibersol Restauração	1.544.151	144.724.373
Iberusa	397.640	238.710
IBR	153.545	163.009
IHT	121.118	118.596
José Silva Carvalho	179.966	91.655
QRM	22.948	24.268
Resboavista	69.919	2.231
Restmon	256.515	239.927
SEC	18.665	-
Sugestões	66.581	44.556
	3.998.524	147.158.568
Loans		
Subsidiaries (Note 14)	88.499.496	16.138.496
	88.499.496	16.138.496

	2015	2014
Credit balances		
Anatir	1.306	-
Asurebi	162.192	108.431
Firmoven	10.443	37.035
Ibersol Restauração	4.666	-
SEC	-	13.685
	178.607	159.151

27 Income per share

Income per share in the years ending on 31 December 2015 and 2014 was calculated as follows

Financial Statements (in euros)

	Dec-15	Dec-14
Profit payable to shareholders	10.582.729	7.757.420
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)	0,59	0,43
Number of own shares at the end of the year	2.000.000	2.000.000

28 Subsequent events

There were no subsequent events as of 31 December 2015 that may have a material impact on these financial statements, besides having negotiated the extension of the Pans franchise agreement to 2021 and have completed Ascendi compensation agreement, concerning the introduction of tolls on former Scuts, which will result in an annual financial contribution linked to the development of traffic.

The Board of Directors,

António Alberto Guerra Leal Teixeira

António Carlos Vaz Pinto de Sousa

Juan Carlos Vázquez-Dodero

Responsibility Statement

In accordance with paragraph c) number 1 of article 245 of the Portuguese Securities Market Code the Fiscal Board informs as far as its members know and regarding the elements we assessed, the information contained in the individual and consolidated financial statements of 2015 was prepared in accordance with applicable accounting standards, giving a true and appropriate view of the assets and liabilities, financial position and the results of Ibersol, SGPS, SA, and the companies included in the consolidation perimeter, and that the management reports faithfully describes the business evolution, performance and financial position of the company and of the companies included in the consolidation perimeter, and contains a description of the major risks and uncertainties they face.

Porto, 6th April 2016

The Fiscal Board

The President
Joaquim Alexandre de Oliveira Silva

The Vice-President
António Maria de Borda Cardoso

The Effective Member
Eduardo Moutinho Ferreira Santos

FISCAL BOARD REPORT

To the Shareholders of Ibersol Sgps, SA:

In compliance with the applicable legislation and its mandate, the Fiscal Board issues its report on the supervisory action carried out as well as its opinion on the Management Report and remaining consolidated and individual financial statements for the year ended 31 December 2015.

1. Supervision:

The Fiscal Board accompanied, within the scope of its competencies and mandate, the management of the company and its subsidiaries, having received for that purpose the information of the Company's Board of Directors, the Statutory Auditor and the External Auditor.
Over the course of the year quarterly meetings of the Fiscal Council were held, with all members present, which examined and considered the matters subject to the powers of this body.
Also present the External Auditor, ***Pricewaterhouse Coopers & Associados-SROC***, who is also the Statutory Auditor of the company, who informed and obtained agreement from the Fiscal Board regarding its fiscal activity plan, including that meant to ascertain the effectiveness of the risk management system, internal control and internal auditing, and the quality of the process of preparing and disclosing financial information and respective accounting policies and value-measuring criteria, the regularity of the accounting registers and books and respective support documents, the verification of goods and values pertaining to the company. Along the exercise, they provided detailed information about the actions performed and the resulting conclusions.
The Fiscal Board meet quarterly with the Board of Directors and this last organ was forthcoming in providing the Fiscal Board information over the society's activity and explanations needed to understand the activity and financial information drawn up by same Board of Directors in previous moment to it's disclosure.

The Fiscal Board did not come across any constraint during their supervision action.

No verification of any irregularity by shareholders, collaborators of the Company, External Auditor or others were communicated to the Fiscal Board.

The Fiscal Board exercised its powers to supervise the activities and independence of the External Auditor and the Auditor, having the perception that the recommended practices were observed.

The Fiscal Board has rendered it's approval to additional services to the auditory services that were hired to the External Auditor, having considered that it's independence was safeguarded, it's remuneration was contained in market conditions, and, therefore, it was in the society's interest to benefit of the knowledge and punctuality assured in those services. The provision of additional services performed by the external auditor did not reach the threshold of 30% of the total value of provided Services.

There were no reports to the Fiscal Board of any kind of transactions between the society and it's shareholders or related parties, in the sense of the CMVM Recommendation IV.1.2, that should be submitted to it's prior opinion if they reached the level of significance established by this body.

The Fiscal Board examined the individual and consolidated management report and the individual and consolidated financial statements, it's respective annexure, including the 2015 Corporate Governance Report presented by the Board of Directors, having examined, as well, the Legal Certification of Accounts and its Opinion issued by the Chartered Accountant and has also considered the Audit Report submitted by ***Pricewaterhouse Coopers & Associados, SROC.***

The Fiscal Board also examined the compliance of the Corporate Governance Report included in the Management Report in compliance to the nº 5 art. 420 of the Commercial Societies Code, focusing it's analysis in the inclusion, in that Governance Report, of the required elements of the 254-A article of the Portuguese Securities Market Code.

2. Opinion:

Considering the above, the opinion of the Fiscal Board is that are fulfilled the conditions of the approval, by the General Meeting, of :

a) The management reports, the financial consolidated and individual statements of 2015 and respective annexes, namely the Governance Report, annexed to the Management Report and Consolidated Accounts;

b) The proposal of distribution of year-end results presented by the Board of directors.

Porto, 6th April 2016

The Fiscal Board

The President
Joaquim Alexandre de Oliveira e Silva

The Vice-President
António Maria de Borda Cardoso

The Effective Member
Eduardo Moutinho Ferreira Santos

Report of the Auditors for Statutory and Stock Exchange Regulatory Purposes in respect of the Individual Financial Information
(Free translation from the original version in Portuguese)

Introduction

1 As required by law, we present the Report of the Statutory Auditors for Stock Exchange Regulatory Purposes in respect of the Financial Information included in the Directors' Report and the financial statements of Ibersol, S.G.P.S., S.A., comprising the balance sheet as at 31 December 2015, (which shows total assets of Euros 237,824,652 and a total of shareholder's equity of Euros 161,590,922, including a net profit of Euros 10,582,729), the statements of income by nature, the statements of changes in equity and the cash flow statement for the year then ended and the corresponding notes to the accounts.

Responsibilities

2 It is the responsibility of the Company's Board of Directors (i) to prepare financial statements which present fairly, in all material respects, the financial position of the company, the results of its operations, the changes in equity and cash flows; (ii) to prepare the historic financial information in accordance with generally accepted accounting principles in Portugal while also meeting the principles of completeness, truthfulness, accuracy, clarity, objectivity and lawfulness, as required by the Portuguese Securities Market Code; (iii) to adopt appropriate accounting policies and criteria; (iv) to maintain an adequate system of internal control; and (v) the disclosure of any relevant matters which have influenced the activity and the financial position or results of the company.

3 Our responsibility is to verify the financial information included in the financial statements referred to above, particularly as to whether it is complete, truthful, accurate, clear, objective and lawful, as required by the Portuguese Securities Market Code, for the purpose of expressing an independent and professional opinion on that financial information, based on our audit.

Scope

4 We conducted our audit in accordance with the Standards and Technical Recommendations approved by the Institute of Statutory Auditors which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Accordingly, our audit included: (i) verification, on a test basis, of the evidence supporting the amounts and disclosures in the financial statements, and assessing the reasonableness of the estimates, based on the judgements and criteria of Management used in the preparation of the financial statements; (ii) assessing the appropriateness and consistency of the accounting principles used and their disclosure, as applicable; (iii) assessing the applicability of the going concern basis of accounting; (iv) assessing the overall presentation of the financial statements; and (v) assessing the completeness, truthfulness, accuracy, clarity, objectivity and lawfulness of the financial information.

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5 Our audit also covered the verification that the financial information included in the Director's report is in agreement with the financial statements, as well as the verification set forth in paragraph 4 and 5 of Article 451 of the Companies Code.

6 We believe that our audit provides a reasonable basis for our opinion.

Opinion

7 In our opinion, the financial statements referred to above, present fairly in all material respects, the financial position of Ibersol, S.G.P.S., S.A. as at 31 December 2015, the results of its operations, the changes in equity and its cash flows for the year then ended in accordance with generally accepted accounting principles in Portugal and duly comply with principles of completeness, truthfulness, accuracy, clarity, objectivity and lawfulness.

Report on other legal requirements

8 It is also our opinion that the information included in the Directors' Report is in agreement with the financial statements for the year and that the Corporate Governance Report includes the information required under Article 245-A of the Portuguese Securities Code.

6 de April 2016

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

Hermínio António Paulos Afonso, R.O.C.