

financial statements by the proportional consolidation method, as of the date on which the joint control is acquired. According to this method, these companies' assets, liabilities, income and costs were included in the annexed consolidated financial statements, item by item, in the proportion of the control assigned to the group. The Group acknowledges his share of losses and gains on assets sold to the jointly controlled companies payable to other investors. The Group doesn't acknowledge his share of losses and gains on assets sold to the jointly controlled companies payable to the Group until these assets are sold outside the Group. However a loss in these transactions is immediately recognised if it indicates a liquid asset reduction or impairment. Transactions, balances and dividends paid among group companies and jointly controlled companies are eliminated in the proportion of the control assigned to the group. The excess acquisition cost compared with the fair value of the identifiable assets and liabilities on the acquisition date of a jointly controlled company is recognised as a consolidation difference.

Jointly controlled companies are listed in Note 5.

2.3. Report per segment

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions

with other components of the same entity) whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The group's head office – which also houses the largest operating company is located in Portugal. Its business activity is in the restaurant segment.

The Group operates in three main geographic areas (Portugal, Spain and Angola) managed on a national level. However in this financial report we consider only two segments, given the small size of investment in Angola and the fact that the Group has not yet opened restaurants in Angolan territory, in the year ended December 31, 2011.

Sales are broken down based on the country where the client is located.

The segments' assets include, in particular, tangible fixed assets, intangible assets, stocks, accounts receivable and liquid funds. This category excludes deferred taxes, financial investments and derivatives held for negotiation or to cover loans.

The segments' liabilities are operating liabilities. They exclude factors such as taxes, loans and related hedging derivatives.