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

CONSOLIDATED RESULTS on 9M13
Unaudited

- **Turnover of 126.6 million euro**
  Decrease of 0.4 % over the 3rd Quarter of 2012.
- **Consolidated EBITDA reached 12.9 million euro**
  YoY EBITDA in 2013 increased by 1.9%
- **Consolidated net profit of 3.0 million euro**
  Increase of 8.8% over the same period of 2012

REPORT

Activity

Consolidated turnover of the first nine months of 2013 amounted to 126.6 million euro which compares with 127.1 million euro in the same period of 2012.

With private consumption still falling in the Iberian market, Ibersol was declining the turnover of 3.8%.

In the third quarter, sales with a growth of 1.1% reached 45.2 million euros, confirming signs of recovery evident in the first half.

The more favorable context in recent months has allowed an improvement in sales in most concepts.

The Burger King with marketing campaigns with aggressive price and more time in the main media was the brand that benefited most from the positive inversion of the market, taking in the third quarter a significant growth in Portugal and Spain.

The KFC, another concept counter, that in Portugal in the period of crisis has sustained its market share recorded growth in sales in the third quarter. In Angola, the brand continues to operate two units, having maintained the pace of sales of previous quarters.

The business in captives spaces also presents a positive trend of sales and just do not hit the volume of 2012 because we fail to explore the points of terminal 2 of the Lisbon airport.

The Pizza Hut and Pans that showed greater difficulties in the last year significantly slowed the losses of sales.

Sales of Pizza Móvil which were affected by closures, which had decreased the area of distribution, in the same universe had behavior close to the market.

The remaining concepts of higher ticket - Okilo, Pasta Caffé and Flor d `Oliveira - had greater difficulties during summer and remained still with significant losses. The unit of MIIT Norteshopping continues to give good indications and in October we converted the Okilo unit of Vasco da Gama.

Business in the service areas continue with a negative trend, and not kept pace sales of other concepts while maintaining a performance in line with previous periods.

In the business of catering the sales in third quarter benefited from events held at the Congress Centre in Lisbon.

During the first nine months in Portugal, Ibersol closed seven units by decision not to renew their contracts. In Spain the Group closed one Pasta Caffé and one Pizza Móvil and transferred another one from own operating to a franchise.

By the end of the third quarter the number of units amounted to 373, as shown below:

Nº of Stores	2012 31-Dec	Openings	2013 Transfer	Closings	2013 30-Sep
PORTUGAL	**308**	**1**		**7**	**302**
Own Stores	**307**	**1**		**7**	**301**
Pizza Hut	95			2	93
Okilo	11			2	9
Pans	57			1	56
Burger King	38	1			39
KFC	18				18
Pasta Caffé	16			1	15
Quiosques	10				10
Flor d`Oliveira	1				1
Cafetarias	35				35
Catering (SeO,JSCCe Solinca)	6				6
Concessions & Other	20			1	19
Franchise Stores	**1**				**1**
SPAIN	**92**	**1**		**4**	**89**
Own Stores	**73**	**0**	**-1**	**2**	**70**
Pizza Móvil	39		-1	1	37
Pasta Caffé	2			1	1
Burger King	32				32
Franchise Stores	**19**	**1**	**1**	**2**	**19**
ANGOLA	**2**				**2**
KFC	**2**				2
Total Own stores	**382**	**1**	**-1**	**9**	**373**
Total Franchise stores	**20**	**1**	**1**	**2**	**20**
TOTAL	**402**	**2**	**0**	**11**	**393**

Results

Consolidated net profit for the first nine months reached 2.96 million euro, 8.7% above what has been achieved in the same period of 2012.

The increase in consolidated net income which amounted to 238 thousand euro stems largely from the recovery of activity registered in the 3rd quarter.

The gross margin in the first nine months was 76.1% of turnover, lower than in the same period of 2012. Other operating income substantially reduced by the effect of some suppliers reimbursements have been transferred to reductions in purchase prices. Gross profit has reduced by 1.9%, reflecting a reduction in selling prices and promotional effort.

The costs adjustment to a lower activity attenuated the impact on results. This effort resulted in the evolution of the main factors:

- A 4.0% reduction in personnel costs, that now represents 32.3% of turnover and compares with 33.5% in the same period of 2012;

- External Supplies and Services which decreased by 1.1%, now representing 33.7% of turnover, 20 b.p. above than 2012. Most items had an evolution according to turnover. However, higher energy prices and more maintenance of assets hindered a higher adjustment of cost.

The effort to control costs associated with less pressure on sales allowed a recovery of operating results. EBITDA increased by EUR 236 thousand and amounted to EUR 12.9 million, ie 1.9% more than in the same period of 2012.

The EBITDA margin stood at 10.2% of turnover compared with 10.0% in the same period of 2012, reflecting the improvement in the level of activity.

Consolidated EBIT margin was 4.4% of turnover, corresponding to an operating profit of EUR 5.5 million.

The net financing costs reached EUR 1.44 million – a decrease of 147 thousand euro over the first nine months of 2012. The average cost of funds, which stood at 4.8%, remained at the same level of the same period of 2012. The reduction in the net financing costs due mainly to the reduction in the level of debt compared to that seen in 2012 and despite the increase in debt of subsidiaries operating in Angola where market rates are substantially higher than the European rates.

Balance Sheet

Total Assets amounted to about EUR 220 million and shareholders' equity stood at EUR 119 million, representing around 54% of the Assets.

As is characteristic of this business, the Current Assets is less than the Current Liabilities. The financial allowance stands at 23 million euros, 5.6 million euro over that recorded at year end.

Capex amounted to 4.6 million euro. The expansion has absorbed about 1.8 million euro and the remainder was allocated to the refurbishment of units, of which 1.7 million euro in the Burger King in Spain.

Net debt reached to 20.0 million euro, 8.0 million lower than the year end.

The cash flow from operations amounted to EUR 16 million allowed the funding all the CAPEX and reduce debt.

Own Shares

During the first nine months the company not acquired or sold company shares. On 30th September 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

Signs of context less negative in Q3 will remain at least until the end of the year.

The adjustment of rents to the evolution of the business and the constant renegotiation of the cost of using spaces will remain as one of the priorities of the Group throughout the year.

Expansion program in the Iberian market is expected to achieve the opening of 1 unit of Burger King. We maintain the goal of remodeling at least 3 more units during the fourth quarter.

In Angola, it is likely to take place the opening of a unit until the end of the year

Porto, 13th de November 2013

The Board of Directors,

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António Alberto Guerra Leal Teixeira

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António Carlos Vaz Pinto de Sousa

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Juan Carlos Vázquez-Dodero

Declaration of conformity

In compliance with paragraph c) of section 1 of article 246 of the Securities Market Code each member of the board identified below declares that to the best of their knowledge:

(i) the consolidated financial statements of Ibersol SGPS, SA, referring to the first nine months, 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 report includes a fair review of the important events that have occurred in the first nine months of this year and the evolution of business performance and the position of all the companies included in consolidation.

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

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

Consolidated Financial Statements

30th September 2013

IBERSOL S.G.P.S., S.A.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION ON 30th SEPTEMBER 2013 AND 31st DECEMBER 2012
(values in euros)

ASSETS	Notes	30-09-2013	31-12-2012
Non-current			
Tangible fixed assets	7	117.369.349	119.826.752
Goodwill	8	42.498.262	42.498.262
Intangible assets	8	15.332.883	16.532.724
Deferred tax assets		790.661	935.834
Financial assets available for sale		915.340	926.600
Other non-current assets		1.590.873	1.604.632
Total non-current assets		**178.497.368**	**182.324.804**
Current			
Stocks		3.636.979	3.519.788
Cash and cash equivalents		29.646.539	26.748.790
Other current assets		8.688.419	11.389.131
Total current assets		**41.971.937**	**41.657.709**
Total Assets		**220.469.305**	**223.982.513**

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	101.949.023	100.428.555
Net profit in the year	2.954.180	2.513.579
	113.879.855	**111.918.786**
Non-controlling interest	4.684.748	4.680.545
Total Equity	**118.564.603**	**116.599.331**
LIABILITIES		
Non-current		
Loans	26.434.282	36.983.045
Deferred tax liabilities	10.344.087	10.287.213
Provisions	33.257	33.257
Other non-current liabilities	303.802	325.188
Total non-current liabilities	**37.115.428**	**47.628.703**
Current		
Loans	22.700.148	17.855.569
Accounts payable to suppl. and accrued costs	29.086.963	30.609.428
Other current liabilities	13.002.163	11.289.482
Total current liabilities	**64.789.274**	**59.754.479**
Total Liabilities	**101.904.702**	**107.383.182**
Total Equity and Liabilities	**220.469.305**	**223.982.513**

The Board of Directors,

IBERSOL S.G.P.S., S.A.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS PERIOD ENDED 30th SEPTEMBER, 2013 AND 2012

(values in euros)

	Notes	30-09-2013	30-09-2012
Operating Income			
Sales	5	126.165.509	126.602.577
Rendered services	5	457.197	484.187
Other operating income		1.213.051	1.951.569
Total operating income		127.835.757	129.038.333
Operating Costs			
Cost of sales		30.221.876	29.549.527
External supplies and services		42.651.158	43.131.824
Personnel costs		40.894.363	42.619.415
Amortisation, depreciation and impairment losses	7 e 8	7.364.654	7.364.136
Other operating costs		1.171.037	1.076.430
Total operating costs		122.303.088	123.741.332
Operating Income		5.532.669	5.297.001
Net financing cost		-1.446.500	-1.593.942
Profit before tax		**4.086.169**	**3.703.059**
Income tax expense	5	1.127.786	982.692
Profit for the year from continuing operations		**2.958.383**	**2.720.367**
Net profit		**2.958.383**	**2.720.367**
TOTAL COMPREHENSIVE INCOME		**2.958.383**	**2.720.367**
Net profit from continuing operations attributable to:			
Owners of the parent		2.954.180	2.671.590
Non-controlling interest		4.203	48.777
		2.958.383	2.720.367
Net profit attributable to:			
Owners of the parent		2.954.180	2.671.590
Non-controlling interest		4.203	48.777
		2.958.383	2.720.367
Total comprehensive income attributable to:			
Owners of the parent		2.954.180	2.671.590
Non-controlling interest		4.203	48.777
		2.958.383	2.720.367
Earnings per share:	9		
From continuing operations:			
Basic		**0,16**	**0,15**
Diluted		**0,16**	**0,15**

The Board of Directors,

IBERSOL S.G.P.S., S.A.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD TRIMESTER OF 2013 AND 2012
(values in euros)

	Notes	3nd TRIMESTER (unaudited) 2013	2012
Operating Income			
Sales	5	46.109.229	45.303.075
Rendered services	5	152.891	157.319
Other operating income		282.663	494.659
Total operating income		46.544.783	45.955.053
Operating Costs			
Cost of sales		11.154.654	10.286.426
External supplies and services		14.718.507	14.988.638
Personnel costs		13.924.985	14.368.796
Amortisation, depreciation and impairment losses	7 e 8	2.463.693	2.507.774
Other operating costs		540.843	432.187
Total operating costs		42.802.682	42.583.821
Operating Income		3.742.101	3.371.232
Net financing cost		-689.150	-817.262
Profit before tax		**3.052.951**	**2.553.970**
Income tax expense	5	785.204	660.923
Profit for the year from continuing operations		**2.267.747**	**1.893.047**
Net profit		**2.267.747**	**1.893.047**
TOTAL COMPREHENSIVE INCOME		**2.267.747**	**1.893.047**
Net profit from continuing operations attributable to:			
Owners of the parent		2.241.383	1.870.729
Non-controlling interest		26.364	22.318
		2.267.747	1.893.047
Net profit attributable to:			
Owners of the parent		2.241.383	1.870.729
Non-controlling interest		26.364	22.318
		2.267.747	1.893.047
Total comprehensive income attributable to:			
Owners of the parent		2.241.383	1.870.729
Non-controlling interest		26.364	22.318
		2.267.747	1.893.047
Earnings per share:	9		
From continuing operations:			
Basic		**0,12**	**0,10**
Diluted		**0,12**	**0,10**

The Board of Directors,

IBERSOL S.G.P.S., S.A.
Statement of Alterations to the Consolidated Equity
for the nine months period ended 30th September, 2013 and 2012
(value in euros)

	Note	Assigned to shareholders								
	Note	**Share Capital**	**Own Shares**	**Conversion Reserves**	**Legal Reserves**	**Other Reserves & Retained Results**	**Net Profit**	**Total parent equity**	**Non-controlling interest**	**Total Equity**
Balance on 1 January 2012		20.000.000	-11.179.644	9.581	4.000.001	91.440.139	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	-		-
Input of Parque Central Maia						-3.309		-3.309		-3.309
Conversion reserves - Angola				3.112				3.112		3.112
Net consolidated income in the nine month period ended on 30 September 2012							2.671.590	2.671.590	48.777	2.720.367
Total changes in the period		-	-	3.112	-	5.131.829	-2.463.548	2.671.393	48.777	2.720.170
Other comprehensive income							**2.671.590**	**2.671.590**	**48.777**	**2.720.367**
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 September 2012		**20.000.000**	**-11.179.644**	**12.693**	**4.000.001**	**96.571.968**	**2.671.590**	**112.076.608**	**4.498.768**	**116.575.375**
Balance on 1 January 2013		20.000.000	-11.179.644	3.268	4.000.001	96.581.582	2.513.579	111.918.786	4.680.545	116.599.331
Changes in the period:										
Application of the consolidated profit from 2012:										
Transfer to reserves and retained results						1.523.579	-1.523.579	-		-
Conversion reserves - Angola				-3.111				-3.111		-3.111
Net consolidated income in the nine month period ended on 30 September 2013							2.954.180	2.954.180	4.203	2.958.383
Total changes in the period		-	-	-3.111	-	1.523.579	1.430.601	2.951.069	4.203	2.955.272
Other comprehensive income							**2.954.180**	**2.954.180**	**4.203**	**2.958.383**
Transactions with capital owners in the period										
Application of the consolidated profit from 2012:										
Paid dividends							-990.000	-990.000		-990.000
Acquisition/ (sale) of own shares								-		-
		-	-	-	-	-	-990.000	-990.000	-	-990.000
Balance on 30 September 2013		**20.000.000**	**-11.179.644**	**157**	**4.000.001**	**98.105.161**	**2.954.180**	**113.879.855**	**4.684.748**	**118.564.603**

The Board of Directors,

IBERSOL S.G.P.S., S.A.
Consolidated Cash Flow Statements
for the nine months period ended 30 September, 2013 and 2012
(value in euros)

	Note	Nine months period ending on September 30 2013	2012
Cash Flows from Operating Activities			
Flows from operating activities (1)		**16.121.006**	**13.102.071**
Cash Flows from Investment Activities			
Receipts from:			
Financial investments		11.260	
Tangible fixed assets		35.131	175.368
Intangible assets			
Investment benefits			
Interest received		825.916	705.771
Dividends received			
Other			
Payments for:			
Financial Investments			200.000
Tangible fixed assets		5.068.365	7.228.619
Intangible assests		400.833	1.162.254
Other			
Flows from investment activities (2)		-4.596.891	-7.709.734
Cash flows from financing activities			
Receipts from:			
Loans obtained		3.632.050	4.000.000
Sale of own shares			
Other			
Payments for:			
Loans obtained		8.463.036	6.557.496
Amortisation of financial leasing contracts		179.521	544.968
Interest and similar costs		2.062.574	2.100.670
Dividends paid		990.000	990.000
Capital reductions and supplementary entries			
Acquisition of own shares			
Other			
Flows from financing activities (3)		-8.063.081	-6.193.134
Change in cash & cash equivalents (4)=(1)+(2)+(3)		**3.461.034**	**-800.797**
Perimeter changes effect			
Exchange rate differences effect			
Cash & cash equivalents at the start of the period		25.914.024	28.481.438
Cash & cash equivalents at end of the period		**29.375.058**	**27.680.641**

The Board of Directors,

IBERSOL SGPS, S.A.

ANNEX TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2013

(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 396 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, Miit, Sol, Sugestões e Opções, José Silva Carvalho, Catering and SEC Eventos e Catering. The group has 373 units which it operates and 20 units under a franchise contract. Of this universe, 89 are headquartered in Spain and 2 in Angola, of which 72 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 September 2013, mainly with the international standard n.º 34 –Interim Financial Report.

The accounting policies applied on 30 September 2013 are identical to those applied for preparing the financial statements of 30 September and of 31 December 2012.

3. IMPORTANT ACCOUNTING ESTIMATES AND JUDGMENTS

There where no substantially differences between accounting estimates and judgments applied on 31 December 2012 and the accounting values considered in the nine months period ended on the 30 September 2013.

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

4.1. The following group companies were included in the consolidation on 30th September 2013 and 31st December 2012:

Company	Head Office	% Shareholding Sep-13	Dec-12	Sep-12
Parent company				
Ibersol SGPS, S.A.	Porto	parent	parent	parent
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%	98%
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%
SEC - Eventos e Catering, S.A.	Porto	100%	100%	100%
IBERSOL - Angola, S.A.	Luanda - Angola	100%	100%	100%
HCI - Imobiliária, S.A.	Luanda - Angola	100%	100%	100%
Parque Central Maia - Activ.Hoteleiras, Lda	Porto	100%	100%	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.

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 nine months period ended on 30 September 2013.

4.2.2. Disposals

The group did not sell any of its subsidiaries in the nine months period ended on 30 September 2013.

5. INFORMATION PER SEGMENT

In the nine months period ended September 30, 2013 and 2012, given the small size of the operational activity and asset values, the contribution of Angola is reflected in the segment of Portugal.

The results per segment for the nine month period ended 30 September 2013 were as follows:

30 September 2013	**Portugal**	**Spain**	**Group**
Restaurants	93.260.407	30.327.356	123.587.763
Merchandise	1.359.845	1.217.901	2.577.746
Rendered services	167.203	289.994	457.197
Turnover per Segment	**94.787.455**	**31.835.251**	**126.622.706**
Operating income	4.083.781	1.448.888	5.532.669
Net financing cost	-1.009.122	-437.378	-1.446.500
Share in the profit by associated companies	-	-	-
Pre-tax income	**3.074.659**	**1.011.510**	**4.086.169**
Income tax	1.012.293	115.493	1.127.786
Net profit in the period	**2.062.366**	**896.017**	**2.958.383**

The results per segment for the nine month period ended 30 September 2012 were as follows:

30 September 2012	**Portugal**	**Spain**	**Group**
Restaurants	93.134.025	31.559.464	124.693.489
Merchandise	647.148	1.261.940	1.909.088
Rendered services	141.599	342.588	484.187
Turnover per Segment	**93.922.772**	**33.163.992**	**127.086.764**
Operating income	3.368.618	1.928.383	5.297.001
Net financing cost	-1.102.857	-491.085	-1.593.942
Share in the profit by associated companies	-	-	-
Pre-tax income	**2.265.761**	**1.437.298**	**3.703.059**
Income tax	686.594	296.098	982.692
Net profit in the period	**1.579.167**	**1.141.200**	**2.720.367**

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 nine months period ended 30 September 2013.

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 third trimester of the year compared with the first semester. The previous years have evidenced that, in comparable perimeter and with an equal distribution of openings and closings, in the period that understands the nine first months of the year, sales are about 74% of annual volume and, with the dilution effect of the fixed costs with the increase of the activity, the operating income represents about 77%.

7. TANGIBLE FIXED ASSETS

In the nine months period ended 30 September 2013 and in the year ending on 31 December 2012, the following movements took place in the value of tangible fixed assets, depreciation and accumulated impairment losses:

	Land and buildings	Equipment	Other tangible fixed Assets	Tangible Assets in progress (1)	Total
1 January 2012					
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**
31 December 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	-48.573	-1.713	-451	-69.110	-119.847
Additions	4.289.175	3.104.416	528.766	22.253	7.944.610
Decreases	660.269	202.417	1.769	94.661	959.117
Transfers	1.676.906	389.885	99.584	-2.630.883	-464.507
Depreciation in the year	3.224.853	4.235.984	987.744	-	8.448.581
Deprec. by changes in the perim.	-	-	-	-	-
Impairment in the year	1.394.342	-	-	-	1.394.342
Impairment reversion	-44.110	-	-	-	-44.110
Final net amount	**99.667.532**	**17.636.440**	**2.165.312**	**357.468**	**119.826.752**
31 December 2012					
Cost	133.921.515	70.420.661	14.770.055	357.468	219.469.700
Accumulated depreciation	29.331.240	52.221.588	12.542.229	-	94.095.056
Accumulated impairment	4.922.744	562.633	62.515	-	5.547.892
Net amount	**99.667.532**	**17.636.440**	**2.165.312**	**357.468**	**119.826.752**

	Land and buildings	Equipment	Other tangible fixed Assets	Tangible Assets in progress (1)	Total
30 September 2013					
Initial net amount	99.667.532	17.636.440	2.165.312	357.468	119.826.752
Changes in consolidat perimeter	-	-	-	-	-
Currency conversion	-219.987	-41.546	-8.034	-82	-269.649
Additions	2.535.063	1.155.993	470.259	265.231	4.426.546
Decreases	285.696	150.030	6.518	66.137	508.381
Transfers	95.168	-1.438	-	-95.168	-1.438
Depreciation in the year	2.294.539	3.140.490	620.623	-	6.055.652
Deprec. by changes in the perim.	-	-	-	-	-
Impairment in the year	48.833	-	-	-	48.833
Impairment reversion	-	-	-	-	-
Final net amount	**99.448.708**	**15.458.929**	**2.000.396**	**461.312**	**117.369.345**
30 September 2013					
Cost	134.282.177	69.654.417	14.878.799	461.312	219.276.706
Accumulated depreciation	30.900.532	53.632.855	12.815.889	-	97.349.275
Accumulated impairment	3.932.937	562.633	62.515	-	4.558.085
Net amount	**99.448.708**	**15.458.929**	**2.000.396**	**461.312**	**117.369.345**

(1) changes in the year 2012 are due, mainly, to the two KFC restaurants in Luanda, Angola, opened in 2012.

Bank loans (Note 11) are secured by Ibersol’s land and buildings assets with the amount of 383.371 euros (383.371 euros in 2012).

8. INTANGIBLE ASSETS

Intangible assets are broken down as follows:

	Sep-13	Dec-12
Goodwill	42.498.262	42.498.262
Other intangible assets	15.332.883	16.532.724
	57.831.145	**59.030.986**

In the nine months period ended 30 September 2013 and in the year ending on 31 December 2012, the movement in the value of intangible assets, amortization and accumulated impairment losses were as follows:

	Goodwill	Industrial property	Other intangible Assets	Intangible Assets in progress (1)	Total
1 January 2012					
Cost	44.895.940	19.567.107	4.703.952	2.284.169	71.451.168
Accumulated amortization	-	5.572.828	3.985.780	-	9.558.608
Accumulated impairment	1.861.678	720.969	70.110	-	2.652.757
Net amount	**43.034.262**	**13.273.310**	**648.062**	**2.284.169**	**59.239.803**
31 December 2012					
Initial net amount	43.034.262	13.273.310	648.062	2.284.169	59.239.803
Changes in consolidat. perimeter	-	-	-	-	-
Additions	-	1.198.198	900.107	-	2.098.305
Decreases	536.000	8.258	394.333	-349	938.242
Transfers	-	18.077	213.291	161.283	392.651
Amortization in the year	-	987.836	528.582	-	1.516.418
Amortiz. by changes in the perimeter	-	-	-	-	-
Impairment in the year	-	245.113	-	-	245.113
Impairment reversion	-	-	-	-	-
Final net amount	**42.498.262**	**13.248.378**	**838.545**	**2.445.801**	**59.030.987**
31 December 2012					
Cost	44.359.940	20.788.413	5.394.349	2.445.801	72.988.503
Accumulated amortization	-	6.572.385	4.485.694	-	11.058.079
Accumulated impairment	1.861.678	967.650	70.110	-	2.899.438
Net amount	**42.498.262**	**13.248.378**	**838.545**	**2.445.801**	**59.030.987**

	Goodwill	Industrial property	Other intangible Assets	Intangible Assets in progress (1)	Total
30 September 2013					
Initial net amount	42.498.262	13.248.378	838.545	2.445.801	59.030.987
Changes in consolidat. Perimeter	-	-	-	-	-
Currency conversion	-	-33.864	-81	-10.112	-44.057
Additions	-	168.971	-	6.740	175.711
Decreases	-	78.975	-	-	78.975
Transfers	-	1.438	-	-	1.438
Amortization in the year	-	835.680	418.277	-	1.253.957
Amortiz. by changes in the perimeter	-	-	-	-	-
Impairment in the year	-	-	-	-	-
Impairment reversion	-	-	-	-	-
Final net amount	**42.498.262**	**12.470.268**	**420.187**	**2.442.429**	**57.831.147**
30 September 2013					
Cost	44.359.940	20.807.358	5.378.862	2.442.429	72.988.589
Accumulated amortization	-	7.369.440	4.888.565	-	12.258.005
Accumulated impairment	1.861.678	967.650	70.110	-	2.899.438
Net amount	**42.498.262**	**12.470.268**	**420.187**	**2.442.429**	**57.831.147**

(1) intangible assets in progress balance 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 waiting for platforms delivery.

Goodwill is broken down into segments, as shown bellow:

	Sep-13	Dec-12
Portugal	9.464.021	9.464.021
Spain	32.903.527	32.903.527
Angola	130.714	130.714
	42.498.262	**42.498.262**

Goodwill on the Spain segment refers mainly to the purchase of the subsidiaries Lurca and Vidisco.

9. INCOME PER SHARE

Income per share in the nine months period ended 30 September 2013 and 2012 was calculated as follows:

	Sep-13	Sep-12
Profit payable to shareholders	2.954.180	2.671.590
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)	0,16	0,15
Earnings diluted per share (€ per share)	0,16	0,15
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 06th May 2013, the company decided to pay a gross dividend of 0,055 euros per share (0,055 euros in 2012), which was paid on 05th June 2013 corresponding to a total value of 990.000 euros (990.000 euros in 2012).

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 September 2013, responsibilities not recorded by the companies and included in the consolidation consist mainly of bank guarantees given on their behalf, as shown below:

	Sep-13	Dec-12
Guarantees given	117.049	119.091
Bank guarantees	1.707.798	2.513.266

Bank loans with the amount of 8.333 € (45.833 in 2012) 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 nine months period ended 30 September 2013 and 31 December 2012, under the heading of asset impairment losses were as follows:

	Sep-2013					
	Starting balance	Cancellation	Impairment assets disposals	Losses in the Year	Impairment reversion	Closing balance
Tangible fixed assets	5.547.892	-	-1.038.639	48.833	-	4.558.086
Consolidation differences	1.861.678	-	-	-	-	1.861.678
Intangible assets	1.037.760	-	-	-	-	1.037.760
Stocks	74.981	-	-	-	-	74.981
Other current assets	1.073.837	-28.719	-	21.079	-	1.066.196
	9.596.148	-28.719	-1.038.639	69.912	-	8.598.701

	Sep-2012					
	Starting balance	Transfers	Impairment assets disposals	Losses in the Year	Impairment reversion	Closing balance
Tangible fixed assets	5.553.870	-1.568	-1.053.624	-	-5.697	4.492.982
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	-	-1.053.624	-	-34.262	8.256.510

14. FINANCIAL RISK MANAGEMENT

14.1 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 mainly in the Iberian market. Bank loans are mainly in euros and acquisitions outside the Euro zone are of irrelevant proportions.

Although the Group holds investments outside the euro-zone in external operations, in Angola, due to the reduced size of the investment, there is no significant exposure to currency exchange risk. Angolan branch loans in the amount of 1.250.000 USD does not provide material exposure to currency exchange rate due to its reduced amount and to the strong correlation between USA dollar and local currency. The remaining loans are in local currency, the same as the revenues.

ii) Price risk
The group is not greatly 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 follows its liabilities, in particular 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.

The unpaid debt bears variable interest rate, part of which has been the object of an interest rate swap. The interest rate swap to hedge the risk of a 20 million euros loan has the maturity of the underlying interest and the repayment plan identical to the terms of the loan. Moreover, the Group has cash and cash equivalents covering about 40% of the loans in which the remuneration covers interest rate changes on the debt.

Based on simulations performed on 30 September 2013, an increase of 100 basis points in the interest rate, maintaining other factors constant, would have a negative impact in the net profit of 79 thousand euros.

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 that the short-term bank loans are due on the renewal date and that the commercial paper programmes matured on the dates of denunciation.

On 30th September 2013, current liabilities reached 65 million euros, compared with 42 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 use of commercial paper programmes in witch the Group considers the maturity date as the renewal date, regardless of its initial stated periods. In order to ensure liquidity of the short term debt it is expected in the year 2013 the renewal of the commercial paper programmes. However, in case of need, cash and cash equivalents and cash flows from operations are sufficient to settle current loans.

In the current financial markets pressure, to lower bank loans the company opted to increase financial debt maturity and to maintain a significant share of the short term debt. On September 30, 2013, the use of short term liquidity cash flow support was of 4%. Investments in term deposits of 19 million match 38% of liabilities paid.

The following table shows the Group financial liabilities (relevant items), considering contractual cash-flows:

	until September 2014	from September 2014 to 2024
Bank loans and overdrafts	10.612.251	8.810.486
Commercial paper	12.000.000	17.000.000
Financial leasing	87.897	-
Suppliers of fixed assets c/ a	2.098.010	-
Suppliers c/ a	18.182.684	-
Other creditors	9.466.319	303.802
Total	52.447.161	26.114.288

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 September 2013 the gearing ratio was of 14% and of 19% on 31 December 2012, as shown bellow:

	Sep-13	Dec-12
Bank loans	49.134.430	54.838.614
Cash and cash equivalents	29.646.539	26.748.790
Net indebtedness	19.487.891	28.089.824
Equity	118.564.603	116.599.331
Total capital	138.052.494	144.689.155
Gearing ratio	14%	19%

Given the current constraints of the financial markets and despite the goal of placing the gearing ratio in the range 35% -70%, prudently, in 2013 we have a 14% ratio.

14.2 Estimated fair value

The fair value of financial instruments commercialised in active markets (such as publicly negotiated derivatives, securities for negotiation and available for sale) is determined based on the listed market prices on the consolidated statement of financial position date. The market price used for the group's financial assets is the price received by the shareholders in the current market. The market price for financial liabilities is the price to be paid in the current market.

The nominal value of accounts receivable (minus impairment adjustments) and accounts payable is assumed to be as approximate to its fair value. The fair value of financial liabilities is estimated by updating future cash flows contracted at the current market interest rate that is available for similar financial instruments.

15. SUBSEQUENT EVENTS

There were no subsequent events as of 30 September 2013 that may have a material impact on these financial statements.

16. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for emission on 13th November 2013.