



Outlook

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All forecasts point to a slight easing of the pressure on domestic demand in the Iberian market, but the need to maintain the fiscal consolidation measures will continue to affect the growth of the food service market. However, if the signs of a pick-up in the economy continue in 2014, sales can be expected to continue the trend seen in the fourth quarter. The pressure on prices will continue, so margins will continue to contract.

As regards funding, the increase in liquidity seen at the end of 2013 can be expected to continue through 2014. The selective release of funds to the economy has been apparent in the approach most Banks have taken towards the Group, offering new credit lines or expressing

a willingness to extend existing facilities. Consequently, we anticipate a reduction in the spreads on loans in Portugal and Spain.

As regards expansion, we will remain alert to opportunities to strengthen the competitive position of the brands we operate and expect Ibersol to open 5 units and remodel more than 10 in 2014, possibly also closing some, especially those units where renegotiation of the franchise agreement makes the operation unviable given the level of sales.

In Angola, with the business now more firmly established, we envisage the opening of one or two more restaurants.