

35
YEARS





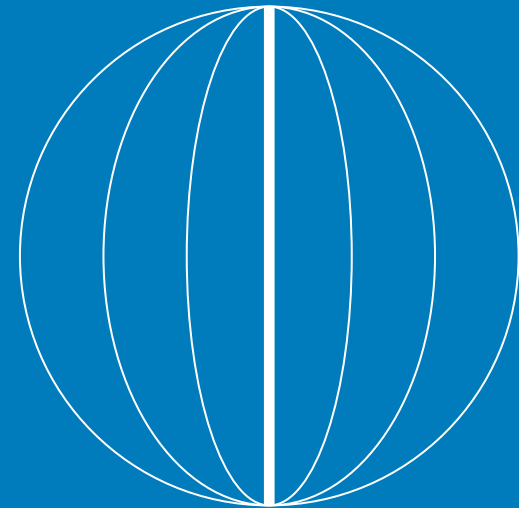
It is in the **straight line** that we find the **structural** and **structuring** direction that we have taken. A business path that leads to the future, with well-defined goals and driven by **determination** and the **ability to innovate**.

The straight line represents the guiding values and principles, but it can be redirected, it can bend as necessary to adapt to different external stimuli, causing a progressive evolution of the base form, but without **ever losing its direction**.

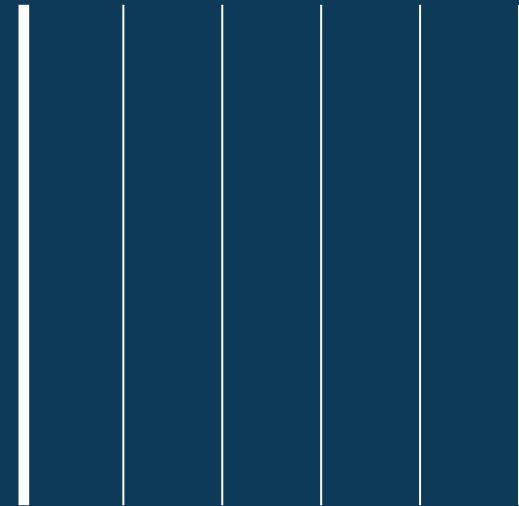


At **Visabeira Global**, multiple companies branch out from a common core, denoting their synergy and expressing a profile of global intervention.

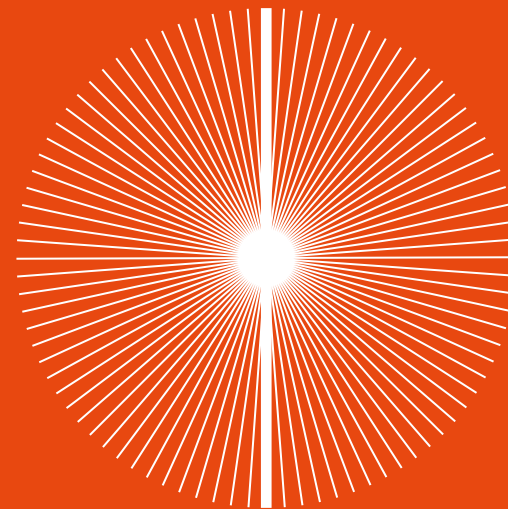
The different areas –Telecommunications, Energy, Construction and Technology – are united by the complementary of resources, instruments and knowledge.



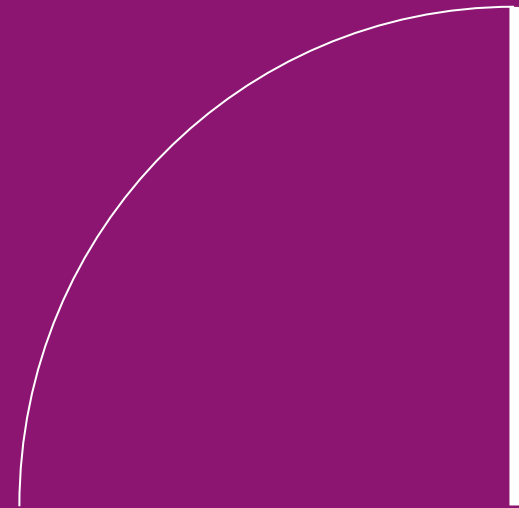
Another symbolic principle inspired by the straight line applies to **Industry**, where companies and brands of different universes operate in parallel, but with a marked degree of autonomy, taking different paths around the world.



In **Tourism**, from a line that represents the warm welcome of the Portuguese and Mozambican peoples, evoking the Montebelo brand, irradiate the most diverse tourism, leisure, restaurant and well-being infrastructures.

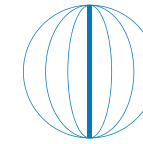


Real Estate, under the aegis of Visabeira Imobiliária, is based on a fundamental pillar of expertise that allows it to provide a high-quality offer, which synthesises simplicity and sophistication.

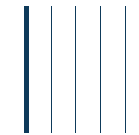


A balanced compromise between investment and return, the activities related to **Shareholding** unfold steadily but with a higher level of independence from the central core.

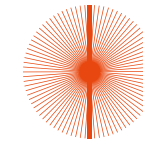




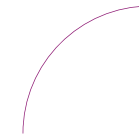
**VISABEIRA
GLOBAL**
SGPS, S.A.



**VISABEIRA
INDÚSTRIA**
SGPS, S.A.



**VISABEIRA
TURISMO**
SGPS, S.A.



**VISABEIRA
IMOBILIÁRIA**
SGPS, S.A.



**VISABEIRA
PARTICIPAÇÕES**
SGPS, S.A.

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Grupo
Visabeira

Vision

To be an economic group of wide multinational expansion, seeking leadership in every sector and market in which we operate, and differentiate ourselves with innovative concepts and integrated solutions that generate value both for customers and shareholders.

Mission

To continuously innovate and improve the products and services that make up our global portfolio, with the aim of exceeding our customers' expectations by anticipating their needs and preferences, thus attaining full customer satisfaction and loyalty.
At the same time, it seeks to ensure the growth of its business through consolidation in terms of its organisation and acquisitions, optimising results through an efficient management of human resources and assets and an unwavering commitment towards the valuing of its staff and the creation of an integrated and successful network with its partners.

Values

The main pillars of our activity are the following values:

Innovation
Dynamism
Creativity
Ambition
Competitiveness

These values, associated with the Visabeira brand, are the bedrock for its positioning and guide the actions of all of the organisation's employees.

Message from the chairman



In 2015, after a 35-year journey of continuous and sustained growth, we stand as the result of enormous determination, dynamism and competitiveness, which, combined with the high level of skill of our human resources, has enabled the consistent generation of success, especially as we continue to expand our geographic presence and our sectoral scope. Over the past year, we have strengthened our multinational position, not only remaining resilient in the face of an adverse macroeconomic scenario, but also standing as a growth-generating hub, both in and outside the universe of our companies. In this context, we have surpassed the 681 million euros mark in consolidated turnover, in which the foreign market represented 60%, reflecting

the result of the internationalisation strategy long followed by our Group. I must stress that the growth path recorded by the Group in terms of turnover is corroborated by its compound annual growth rate (CAGR), of about 12.6% per year, since 2003. In this context of internationalisation, highlight goes to the creation of Birla Visabeira Private Limited, a company born from a partnership between Grupo Visabeira and the Indian Group M.P. Birla, which will operate in India in the areas of telecommunications, energy and construction, and the major contract secured by Constructel France, which consolidates its position as an Orange key partner for the designing, construction, operation and maintenance of this operator's copper and optical fibre networks.

These two milestones are another example of our ability to create strategic partnerships, leverage synergies and anticipate new business opportunities all around the world, managing success in an effective and lasting way. In 2015, we continued to invest on shared services, which have allowed us to develop a more cohesive and flexible structure, as well as ensure greater control and mastery over our operations around the world, thus creating value for our customers, shareholders, employees and all of our business partners. Benefiting from a global vision and aligning our decisions with the organisation's goals, we have improved our organisational capacity and enhanced the growth of our various business areas, as well the development of new activities. All this led to a significant improvement in efficiency and use of resources, which translated into an increase in operating profit, allowing us to, for the first time, reach the mark of 109 million in EBITDA, with a 16% margin, surpassing the historical high reached in the previous year.

In a scenario of growth, we have adjusted our approaches, redefined our strategies and effectively managed a multitude of resources, reflecting our proven ability to innovate and face any challenges that the future may hold with optimism. A key element of our philosophy is an increasing focus on qualifying and renovating our staff, thanks to our investment in training and recruitment of young talent, fostering an environment conducive

to professional development and reaping the capital gains inherent to new knowledge, new experiences and new ideas. Another noteworthy aspect in this context, and the annual balance sheet, is the increase in our number of employees, to 9,743. Thanks to a posture characterised by rigour, effort and transparency, we continue to deserve the trust of our partners and customers, and we repay them with increased profitability and value creation. In 2015, we have proven, once more, that we are able to continue to grow, managing a volume of national and international assets that exceeds 1,600 million euros, through the intelligent allocation of our human, organisational and financial resources. Two thousand and sixteen will be no exception, above all because we know we can count on you.

Thank you very much.

Fernando Campos Nunes
Chairman of the Board
of Directors

In this context, we have surpassed the 681 million euros mark in consolidated turnover, in which the foreign market represented 60%, reflecting the result of the internationalisation strategy long followed by our Group.

Governing Bodies

Grupo Visabeira

SGPS, S.A.

Fernando Campos Nunes

Nuno Miguel Rodrigues Terras Marques

João Manuel Pisco de Castro

Alexandra da Conceição Lopes

Lázaro Ferreira de Sousa

António Jorge Xavier da Costa

Nuno Maria Pinto de Magalhães Fernandes Thomaz

Board of the General Meeting

Leopoldo de Sousa Camarinha – Chairman

Marta Albuquerque Santos – Secretary

Statutory Auditor

Ernst & Young, Audit & Associados – SROC, S.A.

Represented by Rui Manuel da Cunha Vieira



FERNANDO CAMPOS NUNES
Chairman
of the Board
of Directors



**NUNO MIGUEL RODRIGUES
TERRAS MARQUES**
Vice-Chairman of the Board
of Directors



**JOÃO MANUEL
PISCO DE CASTRO**
Vice-Chairman of the Board
of Directors



**ALEXANDRA
DA CONCEIÇÃO LOPES**
Member of the Board
of Directors



LÁZARO FERREIRA DE SOUSA
Member of the Board
of Directors

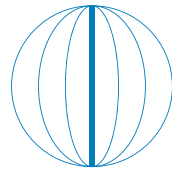


**ANTÓNIO JORGE
XAVIER DA COSTA**
Member of the Board
of Directors
Representing Caixa Capital
Ventures, S.A.

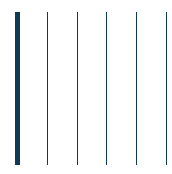


**NUNO MARIA PINTO
DE MAGALHÃES
FERNANDES THOMAZ**
Member of the Board
of Directors
Representing Caixa Capital Social
de Risco, S.A.

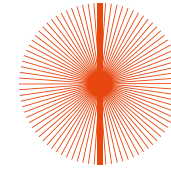
Governing Bodies



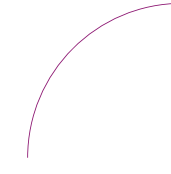
**VISABEIRA
GLOBAL**
SGPS, S.A.



**VISABEIRA
INDÚSTRIA**
SGPS, S.A.



**VISABEIRA
TURISMO**
SGPS, S.A.



**VISABEIRA
IMOBILIÁRIA**
SGPS, S.A.



**VISABEIRA
PARTICIPAÇÕES**
SGPS, S.A.

Board of Directors

João Manuel Pisco de Castro
Chairman of the Board of Directors

Nuno Miguel Rodrigues Terras Marques
Vice-Chairman of the Board of Directors and
Chairman of the Executive Committee

Alexandra da Conceição Lopes
Vice-Chairman of the Executive Committee

Jorge Manuel Ferreira Guimarães Sousa

António José Borges

António Carlos Ferreira Rocha Perpétua

José Paulo Gomes Tomás da Costa

Domingos Gonçalo Soares Sampaio

José Luís Borba de Campos Nogueira

José Manuel Carreiras Carrilho
Representing Caixa Capital
Sociedade de Capital de Risco, S.A.

António Jorge Xavier da Costa
Representing Portugal
Capital Ventures, S.A.

Lázaro Ferreira de Sousa
Chairman

João Manuel Pisco de Castro
Vice-Chairman

Alexandra da Conceição Lopes

António Jorge Xavier da Costa
Representing Portugal
Capital Ventures, S.A.

Frederico de Freitas Costa
Chairman

Alexandra da Conceição Lopes

José Eduardo Arimateia Antunes

José Luís Borba de Campos Nogueira

Alcides Saraiva de Aguiar

António Jorge Xavier da Costa
Representing Portugal
Capital Ventures, S.A.

José Eduardo Arimateia Antunes
Chairman

João Manuel Pisco de Castro
Vice-Chairman

Alexandra da Conceição Lopes

António Jorge Xavier da Costa
Representing Portugal
Capital Ventures, S.A.

Alexandra da Conceição Lopes
Chairman

João Manuel Pisco de Castro
Vice-Chairman

Jorge Manuel Esteves Costa

António Jorge Xavier da Costa
Representing Portugal
Capital Ventures, S.A.

General Meeting

Leopoldo de Sousa Camarinha
Chairman

Marta Albuquerque Santos
Secretary

Alberto Henrique de Figueiredo Lopes
Chairman

Marta Albuquerque Santos
Secretary

Manuel Marques da Costa Figueiredo
Chairman

Marta Albuquerque Santos
Secretary

Alberto Henrique de Figueiredo Lopes
Chairman

Marta Albuquerque Santos
Secretary

Manuel Marques da Costa Figueiredo
Chairman

Marta Albuquerque Santos
Secretary

Statutory Auditor

Rui Manuel da Cunha Vieira and alternate Pedro Jorge Pinto Monteiro da Silva e Paiva
Representing Ernst & Young, Audit & Associados - SROC, SA

Rui Manuel da Cunha Vieira and alternate Pedro Jorge Pinto Monteiro da Silva e Paiva
Representing Ernst & Young, Audit & Associados - SROC, SA

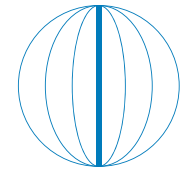
Ownership structure

GRUPO VISABEIRA SGPS, S.A.

81.61%
Fernando Campos Nunes
(NCFGEST, SGPS, S.A.)

4.31%
Caixa Capital, S.A.
(Grupo CGD)

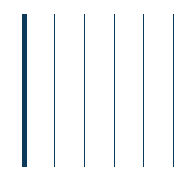
3.53%
Portugal Capital
Ventures, S.A.



85%

VISABEIRA GLOBAL SGPS, SA

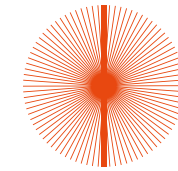
Viatel	99.29%	TVCABO (MZ)	50.00%
Fibroglobal	94.98%	Televisa (MZ)	50.00%
PDT	100.00%	TVCABO (AO)	50.00%
		Comatel (AO)	100.00%
Constructel (FR)	99.27%	Televisa Marrocos	80.00%
SCI Constructel	99.90%	Constructel África (MZ)	50.00%
Constructel Energie	51.00%		
Constructel Alemanha	75.00%	Electrotec (MZ)	49.00%
Gatel	100.00%	Selfenergy Moçambique	40.00%
Constructel Bélgica	96.77%		
Constructel Sweden	50.00%	Edivisa (AO)	99.00%
		Electrovisa (AO)	99.00%
Constructel (UK)	50.00%	Vista Power (AO)	50.00%
Cass Constructel	50.00%	Sogitel (MZ)	75.00%
Constructel Dinamarca	50.00%		
Constructel Russia	100.00%	Intelvisa (MZ)	49.00%
		Visaqua (MZ)	50.60%
Visabeira	60.00%	Aeroprotechnik	51.00%
Aceec	50.00%	Hidroáfrica (MZ)	81.90%
DST/Visabeira, ACE	50.00%	Constructel (DO)	80.00%
Yetech México	50.00%		
Beiragás	23.52%		
Naturenergia	100.00%		
Visagreen	100.00%		
Real Life Technologies	65.00%		
Real Life Technologies (MZ)	98.00%		
Real Life Academy (MZ)	98.00%		
Edivisa	100.00%		
Visacasa	100.00%		
Vibeiras	11.07%		



100%

VISABEIRA INDÚSTRIA SGPS, S.A.

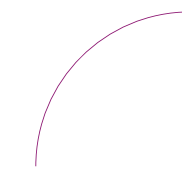
Cerutil	100.00%
Bordalgest	55.97%
Bordallo Pinheiro	83.99%
Vista Alegre Atlantis	76.89%
Ambitermo	50.99%
Ambitermo Maroc	100.00%
Mob	97.78%
Mob Cuisines (FR)	100.00%
Pinewells	66.53%
Granbeira	98.75%
Marmonte (MZ)	80.00%
Agrovisa (MZ)	99.98%
Celmoque (MZ)	70.38%
Tubangol (AO)	95.00%
Álamo (AO)	95.00%
Visaconstroi (AO)	95.00%



100%

VISABEIRA TURISMO SGPS, S.A.

Montebelo	99.83%
VAA Empreend. Turísticos	80.99%
Zambeze	50.00%
Doutibelo	20.00%
Sem Amarras	20.00%
Movida	94.17%
Mundicor	100.00%
Turvisa (MZ)	95.00%
Inhambane (MZ)	80.00%
Imobiliária Panorama (MZ)	70.00%
Milibangalala (MZ)	69.00%
Soginveste (MZ)	70.00%
Zambeze Village (MZ)	90.00%



100%

VISABEIRA IMOBILIÁRIA SGPS, S.A.

Visabeira Imobiliária S.A.	100.00%
Ifervisa	100.00%
Imovisa (MZ)	49.00%



100%

VISABEIRA PARTICIPAÇÕES SGPS, S.A.

Benetrónica	100.00%
Iutel	50.00%
Rentingvisa	100.00%
Parque Desp. de Aveiro	54.57%
Visabeira Saúde	100.00%
Porto Salus	79.50%
2 Logical	50.97%
Visab. Knowledge & Research	89.70%
Hosp. N.º Sr.ª da Arrábida	80.00%
Visabeira Pro - Est. e Invest.	100.00%
Gevisar	30.00%
Mercury Comercial (MZ)	95.00%
Combustíveis Songo (MZ)	99.00%
Mercury South Africa	100.00%
QVZ Associados (MZ)	30.00%
Visabeira Moçambique	100.00%
Autovisa (MZ)	80.00%
Imensis (MZ)	49.00%
Martifer Amal (MZ)	35.00%
Build Down & B. Up (MZ)	50.00%
Caetano Formula (MZ)	21.00%
Spinarq (MZ)	30.00%
Vibeiras (MZ)	59.00%
Visasecil (AO)	70.00%
Visauto (AO)	95.00%
Visabeira (ES)	60.00%
Mercury (AO)	99.00%
Catari Angola	95.00%
Visabeira Angola	99.00%
Convisa Engenharia (AO)	50.00%
Visarocha (AO)	60.00%
Visatur (AO)	95.00%
Agrovisa(AO)	95.00%
Angovisa	70.00%

Most relevant shares of the holding	
Visa House	100.00%
Fundo Invest. Imob. Tur. II	0.24%
Fundação Visabeira	9.00%
Moçambique Seguros	4.50%

Where we are

Operating in several areas of activity, including **telecommunications, energy, industry** and **tourism**, Grupo Visabeira has achieved a global reference position, being recognised for its wide range of products and turnkey solutions, coupled with a rapid response capability. The Group is currently present in 16 countries, including **Germany, France, Belgium, Spain, Denmark, Angola** and **Mozambique**, supplying products and services to over 70 nations and employing about 10,000 people, distributed by over 100 companies. Born in Viseu, Visabeira, in its 35 years of activity, has built a **multinational identity**, always growing sustainably and consolidating its reputation. Always willing to take on new challenges, it continues to expand into other business areas, in line with the permanent evolution of the market and of the needs of customers and partners.

Presence with companies

EUROPE	AMERICA	AFRICA	ASIA
Portugal	USA	Angola	India
Spain	The Caribbean	Mozambique	
France	Brazil	Morocco	
Germany		South Africa	
Belgium			
Denmark			
United Kingdom			
Sweden			

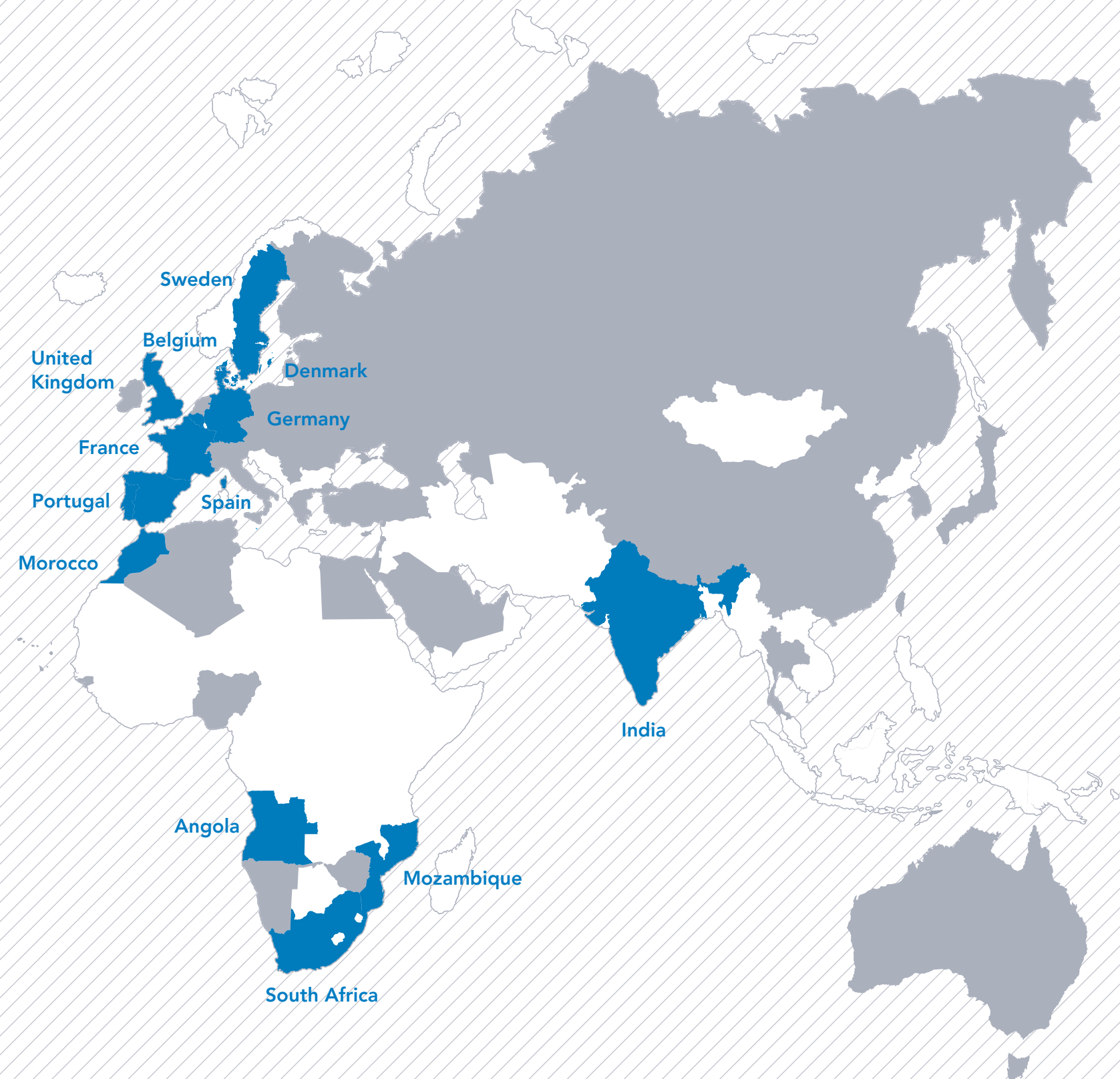
Presence with products/services

EUROPE	AMERICA	AFRICA	ASIA
Austria	Argentina	Algeria	Saudi Arabia
Cyprus	Canada	Cape Verde	Azerbaijan
Estonia	Chile	Egypt	Belarus
Finland	Colombia	Guinea-Bissau	Kazakhstan
Greece	Guatemala	Namibia	China
Netherlands	Honduras	Nigeria	South Korea
Hungary	Mexico	Tunisia	United Arab Emirates
Ireland	Panama	Zimbabwe	Israel
Italy	Venezuela		Japan
Latvia			Lebanon
Lithuania			Kuwait
Luxembourg			Macao
Malta			Qatar
Moldavia			Singapore
Monaco			Taiwan
Norway			Timor Lorosae
Poland			
Czech Republic			
Romania			
Russia			
Serbia			
Switzerland			
Turkey			
Ukraine			
			OCEANIA
			Australia

> 9,740
EMPLOYEES

Presente
com empresas

Presente
com produtos / serviços



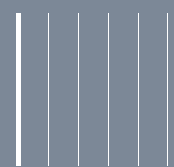
Main business areas

Visabeira adopts an approach based on **integration** and **complementarity** in every aspect of its business. This position has been the main pillar of the **consolidated development** that has characterised its **growth dynamics**. Perseverance and attention to detail is transversal to all companies owned by the Group, in all stages of their expansion, thus contributing to **consolidating its expertise**, , acquire knowledge and enhance **know-how**. These assets are continually coordinated, which results in a **solid, multi-purpose** structure, better prepared to take risks, establish new partnerships and **engage, in new commercial and technological dialogues**, generating enhanced responsiveness and a **higher customer** satisfaction rate.



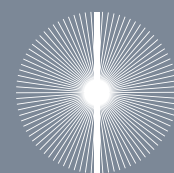
**VISABEIRA
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Telecommunications
Technology
Energy
Construction



**VISABEIRA
INDÚSTRIA**
SGPS, S.A.

Ceramics and Glassware
Kitchens
Biofuels and thermal energy
Natural resources



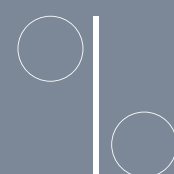
**VISABEIRA
TURISMO**
SGPS, S.A.

Hospitality
Restaurants
Entertainment and leisure
Sports and wellness



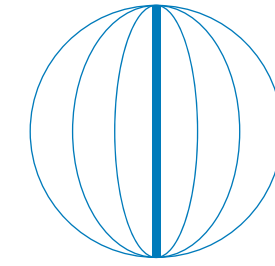
**VISABEIRA
IMOBILIÁRIA**
SGPS, S.A.

Commerce
Housing
Tourism
Management and services



**VISABEIRA
PARTICIPAÇÕES**
SGPS, S.A.

Investment
Trading
Health
Services



GLOBAL

Visabeira Global is a branch of Grupo Visabeira that concentrates the areas of **Telecommunications, Energy, Construction and Technology**.

Operating in several countries, autonomously or in partnership with leading global players, Visabeira Global stands out by its extensive internal skills and their transversality, which enhances its operating capacity. By providing turnkey services in a wide variety of contexts, and in areas that are vital for economic development, the Group stands as a strategic partner of growing importance in the world market.

Governing Bodies Visabeira Global SGPS, S.A.

BOARD OF THE GENERAL MEETING

Leopoldo de Sousa Camarinha Chairman
Marta Albuquerque Santos Secretary

STATUTORY AUDITOR

Ernst & Young, Audit & Associados – SROC, S.A.
Represented by Rui Manuel da Cunha Vieira

BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE



**JOÃO MANUEL
PISCO DE CASTRO**

Chairman of the Board
of Directors



**NUNO MIGUEL RODRIGUES
TERRAS MARQUES**

Vice-Chairman of the Board
of Directors and Chairman
of the Executive Committee



**ALEXANDRA
DA CONCEIÇÃO LOPES**

Member of the Board
of Directors and Vice-Chairman
of the Executive Committee



**JOSÉ PAULO GOMES
TOMÁS DA COSTA**

Member of the Board
of Directors and Member
of the Executive Committee



**DOMINGOS GONÇALO
SOARES SAMPAIO**

Member of the Board
of Directors and Member
of the Executive Committee



**JOSÉ LUÍS BORBA
DE CAMPOS NOGUEIRA**

Member of the Board
of Directors



**JORGE MANUEL FERREIRA
GUIMARÃES SOUSA**

Member of the Board
of Directors and Member
of the Executive Committee



ANTÓNIO JOSÉ BORGES

Member of the Board
of Directors and Member
of the Executive Committee



**ANTÓNIO CARLOS
FERREIRA ROCHA PERPÉTUA**

Member of the Board
of Directors and Member
of the Executive Committee



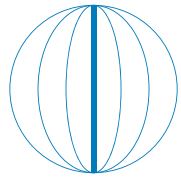
**JOSÉ MANUEL
CARREIRAS CARRILHO**

Member of the Board
of Directors
Representing Caixa Capital
Social de Risco, S.A.



**ANTÓNIO JORGE
XAVIER DA COSTA**

Member of the Board
of Directors
Representing Portugal
Capital Ventures, S.A.



TELECOMMUNICATIONS

Viatel
Fibroglobal
PDT
Televisa
Comatel
Constructel
Gatel
TVCABO Moçambique
TVCABO Angola

TECHNOLOGY

Real Life Technologies
Aeroprotechnik

ENERGY

Visabeira
Electrotec
Hidroáfrica
Constructel Energie
Selfenergy

CONSTRUCTION

Edivisa
Visacasa
Vibeiras
Sogitel
Visaonstrói

In the competitive world of telecommunications, an area in constant evolution, Visabeira Global holds a broad spectrum of skills and is able to intervene in all types of networks, systems and technological infrastructures in the fields of engineering, planning,

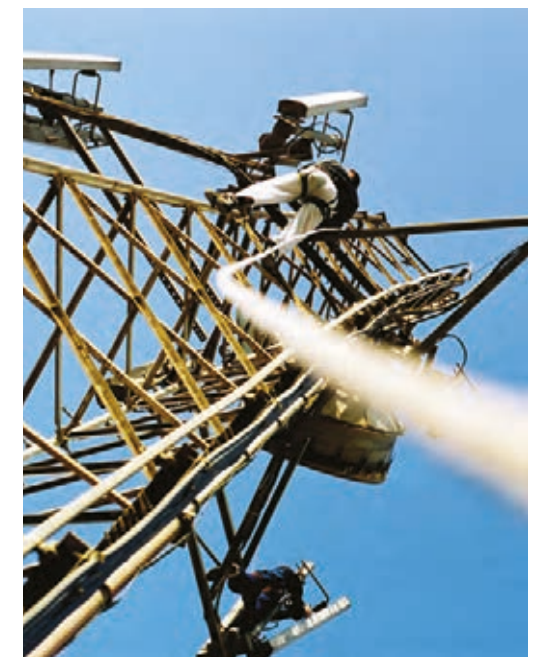
design, construction and maintenance. Visabeira Global also offers multimedia services, broadband Internet and cable TV, through a fully digital network of optical and coaxial cables.



LANDLINE NETWORK



MOBILE NETWORK





ENERGY



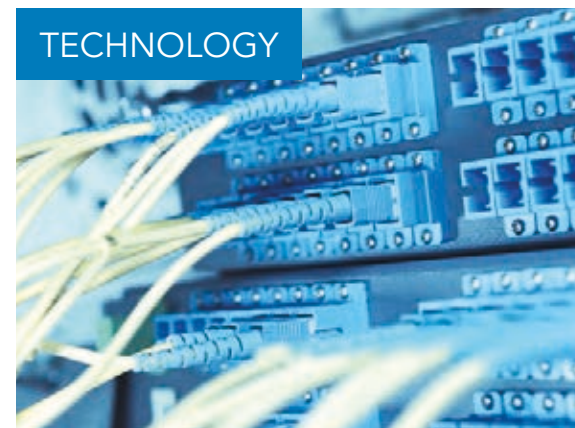
The Energy sector integrates companies with recognised competence in many fields related to the construction and maintenance of infrastructures and equipment related to energy resources, particularly in the context of electricity, gas and renewable energy sources, including solar, wind and biofuels.



CONSTRUCTION



The area of Construction is made up of companies that complement each other, intervening at different stages of the value chain and earning recognition for their high standards and quality services. Together, they hold a vast consolidated know-how, which goes from design and construction to rehabilitation and maintenance of buildings and infrastructures, taking on small, medium and large works, both in Portugal and abroad.



TECHNOLOGY



This area brings together leading companies in the development of high-complexity services and solutions in the areas of information and communication systems, mobility, innovation management and georeferencing, among others, also integrating units dedicated to the research and development of technological solutions for companies in various activity sectors.

A MELHOR OFERTA ESTÁ AQUI!

tv cabo

TELEVISÃO

+

INTERNET

+

TELEFONE

VIV

A VIDA A 3 DIMENSÕES



Thanks to a diversified offer of television channels and broadband internet, with increasing fibre optic coverage, the only cable TV operator in the country remains one of the brands with the widest recognition among the public and a reference in Visabeira Global's activity in Angola.



Present in the country for almost 20 years, and a pioneer in Southern Africa, TVCABO is a leader in the Mozambican market, where it remains the only dual-play operator (TV and Internet) through a diversified offer of multimedia services, including cable TV and broadband internet, through a coaxial and fibre optic network.

VIV
A VIDA A 3 DIMENSÕES

O NATAL CHEGOU MAIS CEDO
MAIS INTERNET COM OS MELHORES PREÇOS

Este Natal vais ter mais Net com melhores preços!
Faz como os Tuneza, adere ao VIV com TV para todos, telefone grátis para a rede TVCABO e mais Net. Tudo com os melhores preços.

923 168 000 | 222 680 000 | tv cabo@tv cabo.co.ao | www.tv cabo.ao

tv cabo

VIV
A VIDA A 3 DIMENSÕES

Relaxaaaaa
adere ao VIV e celebra o bom tempo

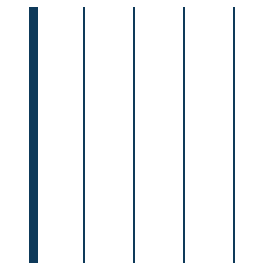
Oferta de*

Adere aos pacotes VIV e relaxa

Algo vai mesmo a pinta ficar em casa, TV para todos, net para navegar, é verdade! O melhor preço para a rede TVCABO, nada se ao lado para andar case livre.

923 168 000 | 222 680 000
tv cabo@tv cabo.co.ao | www.tv cabo.ao

tv cabo



INDUSTRY

In the Industry sector, Grupo Visabeira develops a wide range of businesses, in areas such as **pottery** and **porcelain**, **crystal** and **glassware kitchen furniture** and **wooden pellets**, both in Portugal and abroad. The result of an increasing production and exporting capacity, supported by production units in Portugal, Angola and Mozambique, the industrial segment is an essential pillar for the Group's expansion. In addition to manufacturing, it also markets its products through its own stores in **Portugal**, **France**, **Spain**, **Mozambique**, **Angola** and **United Arab Emirates**, among other countries.

**CERAMICS
AND
GLASSWARE**

Cerutil
Vista Alegre
Bordallo Pinheiro
Ria Stone

KITCHENS
Mob

**BIOFUEL
AND THERMAL
ENERGY**

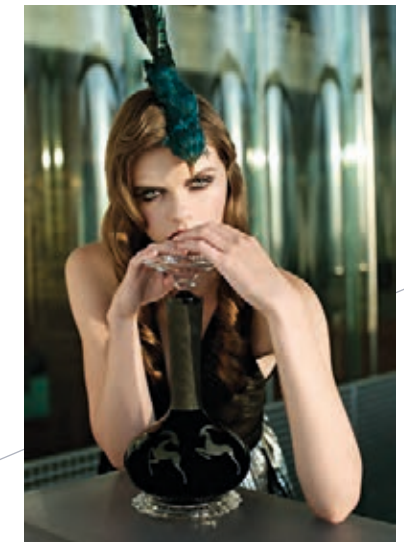
Pinewells
Ambitermo
Celmoque

**NATURAL
RESOURCES**

Granbeira
Agrovisa
Álamo



Vista Alegre Atlantis Group is Portugal's leading company in the production of porcelain and one of the top ten worldwide. Aggregating the segments of porcelain, crystal and glassware, the Vista Alegre brand is currently present in over 60 countries, offering a wide range of decorative and utilitarian products, also expanding its online presence. Continually investing in collaborations with the best designers, in 2015, the brand received some of most prestigious awards and nominations in the industry, including the Red Dot Design Award, the German Design Award and the Wallpaper Design Award.



A historical factory and brand, acquired by Grupo Visabeira in 2009, Faianças Artísticas Bordallo Pinheiro continues to stand as an example of creative and industrial vitality. Attesting to this is its ever-growing presence in digital platforms, the success of the *Sardinhas* collections by Bordallo Pinheiro, frequent collaborations with artists from several countries and areas, the growing demand for the brand's products and exports to over three dozen countries.

Through innovative industrial technologies and strict quality control, Pinewells focus its operations in the recovery of waste and waste wood. From densified biomass, composed mainly of sawdust and wood waste, Pinewells manufactures wood pellets, a solid organic fuel, without environmental impact, in addition to extracting and producing wood for other applications.



Concluded in mid-2014, Ria Stone, a stoneware tableware factory owned by Vista Alegre Atlantis Group, brought new life to the economy and business competitiveness of the Portuguese Centre region, as well as creating multiple jobs. In a short period of time, it became an example of productive capacity, thanks to the manufacture of 30 million pieces per year for the IKEA Group. This production output was achieved through the latest technologies, which enabled substantial reductions in waste and energy costs.

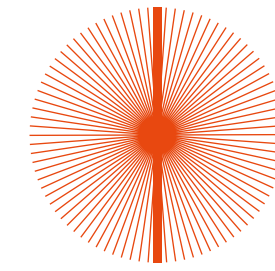


The most prestigious and award-winning Portuguese brand of custom kitchen furniture, recognised for its quality, ergonomics and design, has production units in Portugal and Angola. Its international presence has been strengthened, with its own stores in Luanda and Paris, in addition to the establishment of important partnerships in the UAE. In Portugal, it was, once again, awarded the Mobis Prize, the most important in the industry, in the category Kitchen Furniture and Cabinets.



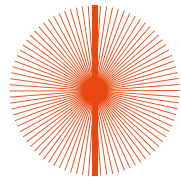
Cerutil is a company specialising in the design and production of multi-functional tableware and oven and microwave cookware. Manufacturing over 30,000 pieces per day, in a plant with more than 15,000 m² of production area, Cerutil, in addition to its strong presence in Portugal, currently exports to France, England, Germany, Italy and United States.





TOURISM

In the universe of Tourism, Grupo Visabeira offers a **wide range of hotel**, leisure and catering infrastructures, as well as wellness, aesthetics and sports facilities and services, including marinas, golf, an outdoor sports complex and the largest multi-purpose sports hall in the country. Benefiting from vast cross-sector expertise, Grupo Visabeira's tourist offer in **Portugal** and **Mozambique**, operates autonomously or in perfect complementarity, providing a **unique range of experiences in the sectors** it covers: leisure, business, culture and historical.



HOTELS PT

Montebelo Aguieira Lake Resort & Spa
Montebelo Viseu Hotel & Spa
Montebelo Vista Alegre Ílhavo Hotel
Parador Casa da Insua Palácio dos Melos
Hotel Príncipe Perfeito

HOTELS MZ

Montebelo Girassol Maputo Hotel
Montebelo Indy Maputo Congress Hotel
Montebelo Gorongosa Lodge & Safari
Nampula Hotel by Montebelo
Lichinga Hotel by Montebelo
Songo Hotel by Montebelo

RESTAURANTS

Zambeze Restaurante
Forno da Mimi & Rodízio Real
Cervejaria Antártida
Rodízio do Gelo
Leitões do Palácio

ENTERTAINMENT AND LEISURE

Palácio do Gelo Shopping
Bar de Gelo Viseu
Mundicor

SPORTS AND WELLNESS

Montebelo Golfe
ForLife



SUNSET IN GORONGOSA

In 2015, Montebelo Hotels & Resorts assimilated Girassol Hóteis, Grupo Visabeira's only tour operator in Mozambique to date. An evolution with added values, marked by the alliance of experience with recognition in two distinct markets, aimed at the exploitation

of multiple tourist, leisure and wellness infrastructures, as well as restaurants and catering services. Montebelo thus assumed its internationalisation as well, having elected the Mozambican market as a priority, already with presence in 5 provinces.



MONTEBELO VISEU HOTEL & SPA



SONGO HOTEL BY MONTEBELO



MONTEBELO AGUIEIRA LAKE RESORT & SPA



ZAMBEZE RESTAURANT, BY MONTEBELO



CASA DA INSUA



MONTEBELO INDY MAPUTO CONGRESS HOTEL

**MONTEBELO
VISTA ALEGRE**
ÍLHAVO · HOTEL
★★★★★



The new Montebelo unit enhances the heritage of Vista Alegre and the social, technological and artistic relevance of the ceramics industry, standing as one of the best-equipped 5-star hotels in the centre region. Integrated in a project to recover the Palace, the Chapel of Our Lady of Penha

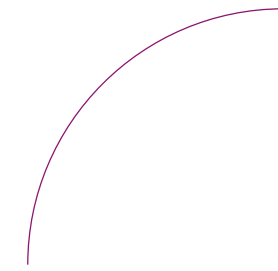
de França (National Monument), the Worker's Quarter, the Theatre and the Museum, within a landscape that includes the Aveiro Lagoon, the Montebelo Vista Alegre Ilhavo Hotel stands out for its unique identity, in addition to its comprehensive offer.

**MONTEBELO
GIRASSOL**
MAPUTO HOTEL
★★★★★



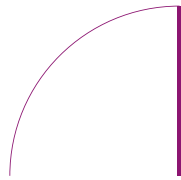
Montebelo Girassol Maputo Hotel (formerly Girassol Bahia Hotel), with its iconic circular building and spectacular panoramic views over the Bay of Maputo, is a reference in the Mozambican hotel industry. After a remodelling, which added more rooms, a restaurant with a panoramic

terrace, a swimming pool and a gym, this hotel unit reinforced the excellence of its services, combining comfort, location and view, multi-purpose facilities for leisure and business, and quality restaurant services.



REAL ESTATE

Grupo Visabeira's offer in the Real Estate sector is recognised by its **experience and versatility, thanks to** various projects of superior quality for high- and medium-high segments, in addition to **commercial space and offices, and** other complementary areas. Its competences in this field include the **design, construction, mediation and maintenance of buildings.**



TRADE

Palácio do Gelo
Shopping
Edifício Nampula

HOUSING

Montebelo Aguieira
Lake Resort & Spa
Quinta do Bosque
Quinta da Alagoa
Forum Residence
Villatrium
Moradias Vilabeira
Pateo Vera Cruz
Parque Desportivo
de Aveiro

TOURISM

Montebelo Aguieira
Lake Resort & Spa

MANAGEMENT AND SERVICES

Visabeira Imobiliária
Ifervisa
Imovisa



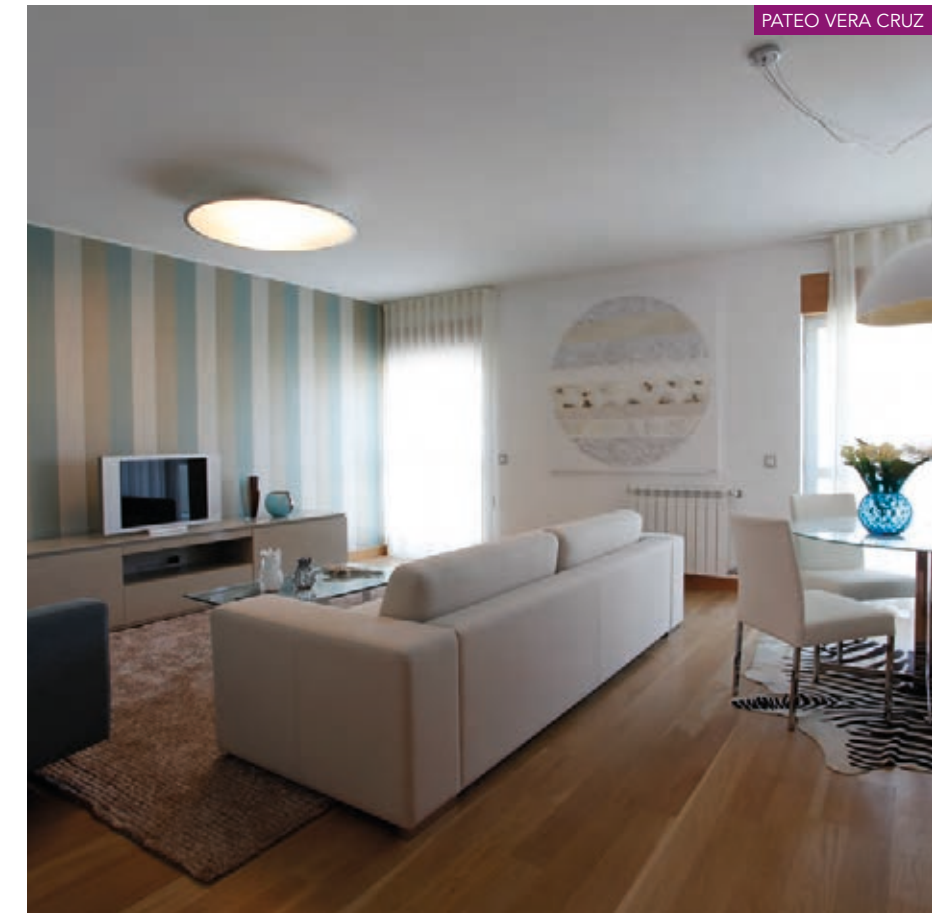
PALÁCIO DO GELO

TRADE

Prospecting of market opportunities and marketing of office spaces and business centres.

MANAGEMENT AND SERVICES

Management, administration, conservation, maintenance, supervision and marketing of real estate and related equipment; development of new real estate and tourism projects and provision of services for condominiums.



PATEO VERA CRUZ



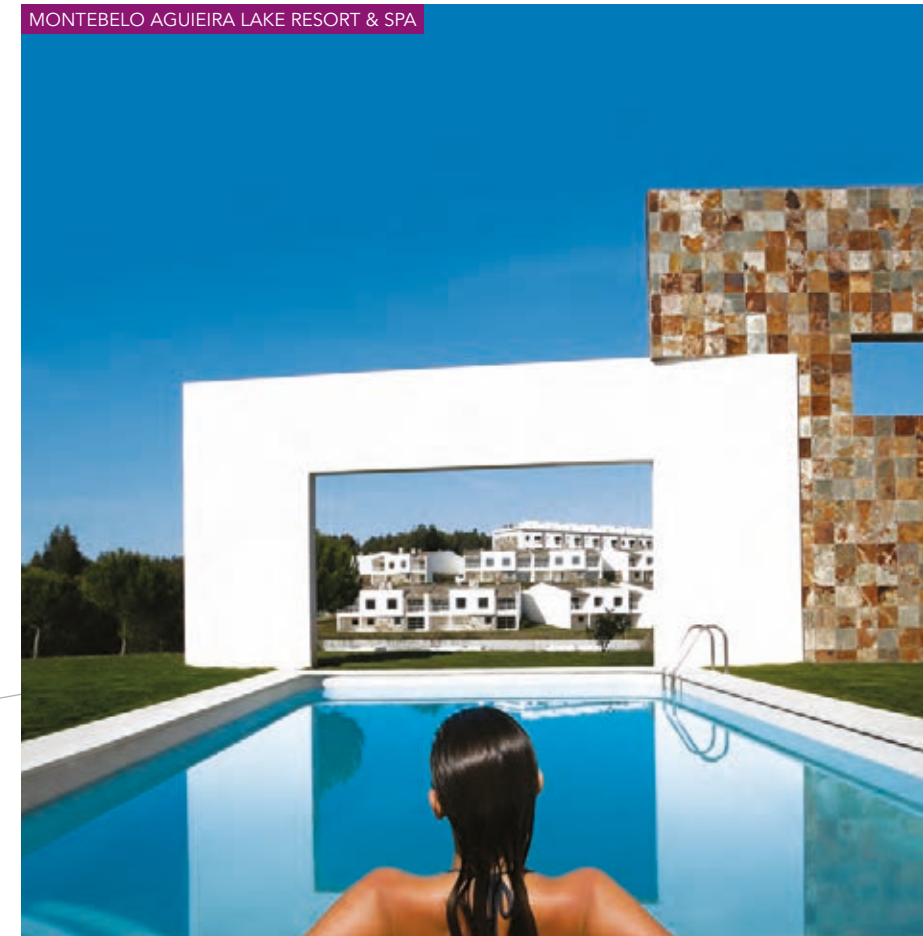
QUINTA DA ALAGOA

HOUSING

Design and construction of buildings, characterised by the quality of materials and finishing, providing the roominess, comfort and location required for high quality of life.



MONTEBELO AGUIEIRA LAKE RESORT & SPA



TOURISM

Real estate promotion in the commercial and tourist areas, and development and marketing of projects in the centre and north of Portugal.



FINANCIAL HOLDINGS

The business areas included in the Financial Holdings are associated with Grupo Visabeira's portfolio of products and services of a **more autonomous nature**. Be it by creating business synergies or incubating **new projects**, the Financial Holdings reflect the **business opportunities** identified by the Group, which go from international, multi-sector trading to the operation of health facilities, including management and consulting services, and georeferencing systems, among many other areas.



MANAGEMENT AND SERVICES

Visabeira Pro - Estudos e Investimentos
Visabeira Angola
Visabeira Moçambique
Fundação Visabeira – Os Infaninhos

TRADING

Benetrónica
Mercury
Autovisa
Visasecil

HEALTH

Visabeira Saúde
Porto Salus
Hospital Nossa Srª Arrábida



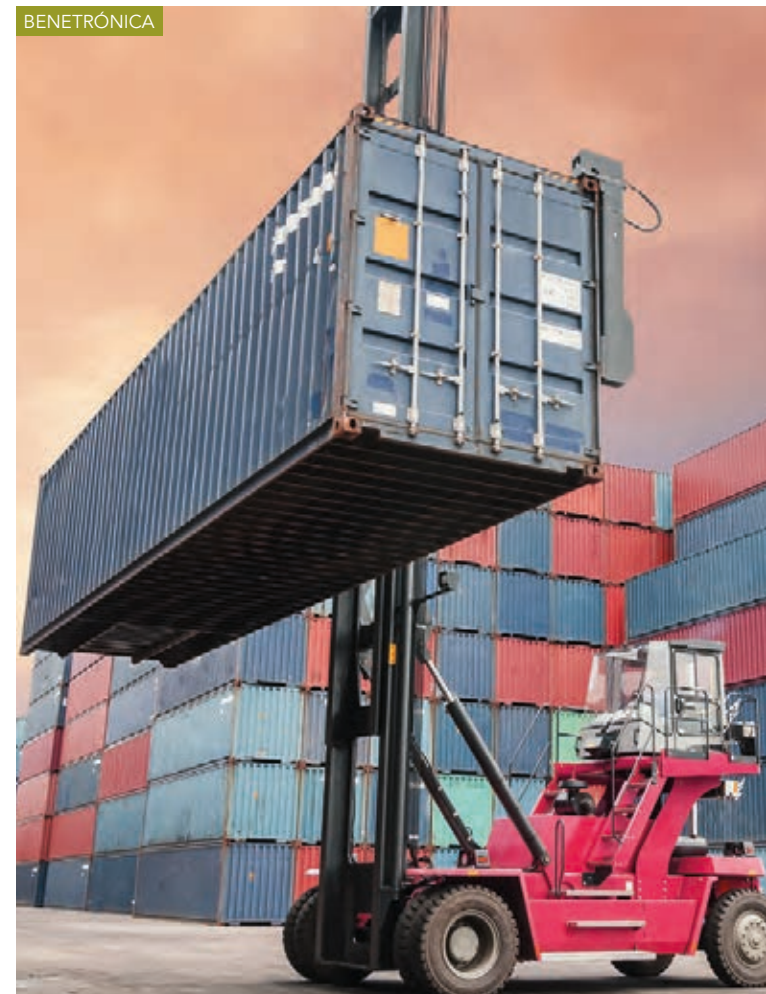
VISABEIRA PRO – ESTUDOS E INVESTIMENTOS

MANAGEMENT AND SERVICES / INVESTMENTS

Coordination of specialist teams for strategic advisory and provision of multidisciplinary services.



MERCURY



BENETRÓNICA



VISASECIL

TRADING

Importing and exporting of products in various segments, including construction materials, furniture, equipment, vehicles, technology and food brands, among others.

HOSPITAL NOSSA SENHORA DA ARRÁBIDA



FUNDAÇÃO VISABEIRA – OS INFANTINHOS



PORTO SALUS – ASSISTED LIVING

HEALTH
 Extended health care services, including the Port Salus Development - Assisted Living in Azeitão, Setúbal, and the newly commissioned Hospital of Nossa S^{ra} da Arrábida.

MANAGEMENT AND SERVICES
 Car fleet maintenance and management, commercial representation of auto makers, auto-repairs and sale of parts and accessories. Administrative and financial advisory and multidisciplinary technical services. Training and selection of human resources. Support for social solidarity institutions and disadvantaged families and children.



VISABEIRA ANGOLA



2015
overview

Analysis of consolidated results

Macroeconomic context

In 2015 there was a gradual recovery in economic activity, which is expected to continue until 2017. This trend should translate into an average annual GDP growth of 1.6% in 2015, followed by growths of 1.7% and 1.8% in 2016 and 2017. The pursuit of the medium-term goal of having public finances close to balance, in line with the rules of the European budgetary framework, is an advisable target for the Portuguese economy. Exports are expected to show a strong growth and domestic demand is expected to show a gradual recovery, compatible with the reduction of the level of financial level of families and non-financial companies. According to the Quarterly National Accounts published by the INE, the general government deficit on a national account basis stood at 3.1% of the GDP in the third quarter of 2015 and, therefore, the budgetary developments of the second semester will be particularly relevant for the closing of the excessive deficit procedure to which Portugal is subject. In the September notification under the Excessive Deficit Procedure (EDP), the Ministry of Finance maintained the estimate of 2.7% of the GDP for the general government deficit in 2015 unchanged.

Until November 2015, the government debt to GDP ratio decreased to 127.8%, after reaching 130.2% at the end of 2014.

In 2015, public investment is expected to show a positive variation, interrupting the downward trend witnessed over the last few years. Private consumption is expected to grow 2.7% in 2015. In 2015, private consumption benefited from a favourable evolution of the real disposable income of households and from an improvement in the expectations regarding the permanent income, in a context of maintenance of consumer confidence indicators at historically high levels. The inflation rate, as measured by the rate of change in the Harmonised Index of Consumer Prices (HICP) is expected to reach a growth of 0.7% in 2015. In 2015, the increasing prices will probably reflect the developments in the non-energy component (mainly in unprocessed food and services), given that the prices of energy goods are expected to drop. Prices in Portugal are expected to grow 0.5 pp above the average of the Eurozone in 2015. The gradual recovery expected for the Portuguese and the international economy should translate into a progressive increase of the internal and external inflationary pressures that, nevertheless, are expected to remain low.

Key economic indicators

	Annual rate of change (%)		
	2015	2014	2013
WORLDWIDE			
World economy	2.9	3.3	2.7
Advanced economies	1.8	1.8	1.2
USA	2.4	2.2	1.7
Japan	0.6	0.9	1.8
Eurozone	1.5	0.8	-0.4
Germany	1.5	1.4	0.5
France	1.1	0.4	0.2
Italy	0.6	-0.2	-1.9
Spain	2.8	1.3	-1.3
United Kingdom	2.5	3.2	1.4
Emerging markets and developing economies	-1.5	3.9	4.8
China	6.8	7.4	7.7
Brazil	-3.0	0.3	2.5

Source: OECD

PORTUGAL	2015	2014	2013
Gross Domestic Product	1.6	0.9	-1.5
Private Consumption	1.7	1.6	-2
Public Consumption	-0.5	-0.4	-1.5
Domestic Demand	1.9	1.2	-2.7
Net Exports	-1.1	-0.3	5.9
Inflation	0.6	-0.3	2.7
Unemployment rate	12.3	14.5	16.3
Budget Deficit (as a % of GDP)	-3.1	-4.9	-4.4
Public Debt (as a % of GDP)	127.8	127.7	129.4
Current Account Balance (as a % of GDP)	0.7	-0.2	2.5

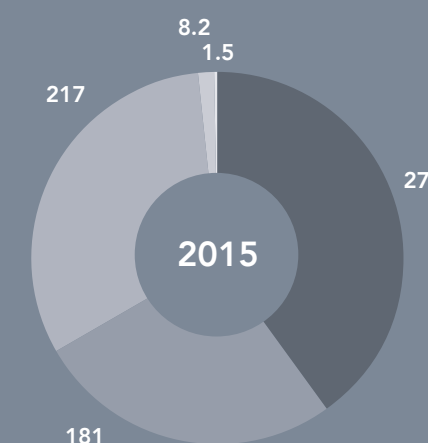
Source: Banco de Portugal (Bank of Portugal), INE (National Statistical Institute), OECD and Eurostat

GRUPO VISABEIRA

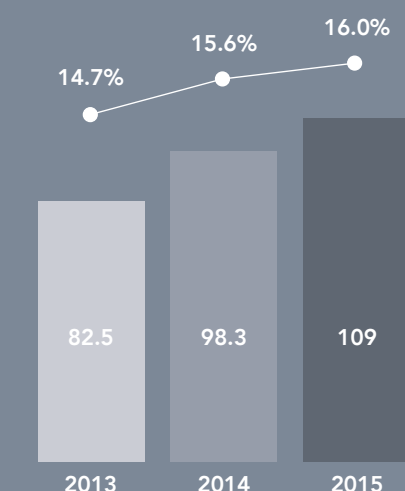
CONSOLIDATED TURNOVER (amounts expressed in million euros)

	2015	2014	Changes YoY
Turnover	681	632	8%
EBITDA	109.0	98.3	11%
EBITDA Margin	16.0%	15.6%	0.5 pp
Operating income	72.7	66.0	10%
Operating margin	10.7%	10.5%	0.2 pp
Net income	20.5	13.2	55%
Capex	69.2	85.5	-19%
Debt	806	780	3%
Inventories	150	178	-16%
Fixed assets (Including goodwill)	634	570	11%

TURNOVER (million euros)



EBITDA (million euros) and MARGIN (%)



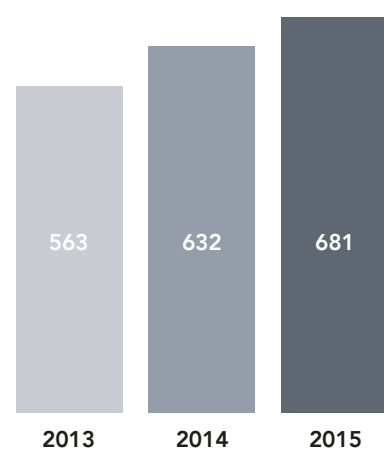
2005/2015 SUMMARY

	2005/2015	2014/2015
Aggregate turnover 824 million euros	9%	2%
Consolidated turnover 681 million euros	10%	8%
Foreign markets 60%	8%	4%
EBITDA 109 million euros	12%	11%
EBITDA Margin 16.01%	2%	3%
Productivity 25 thousand euros	3%	1%
Employees 9,743	9%	8%

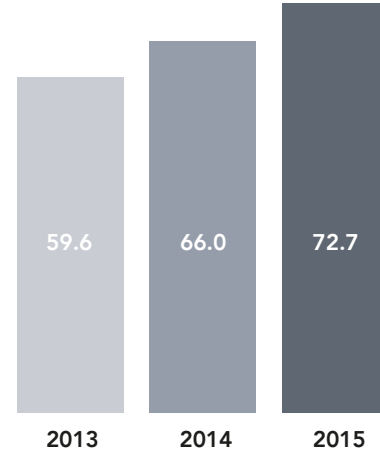
Results

For Grupo Visabeira, 2015 was marked by a turnover of 681 million euros, exceeding the turnover of 2014 (632 million euros), which resulted in a growth of 7.8%. We should also highlight the EBITDA of 109 million euros, which increased 11% compared to the previous year, and also the historical margin of 16% in Grupo Visabeira. Along the lines followed in 2014, in 2015 Grupo Visabeira continued to strengthen its internationalization strategy, something that was reflected in a growth of the turnover generated outside Portugal, which reached 60%, 3 pp higher than the 57% achieved in 2014. The foreign market countries with a greater impact on the Group's turnover are France, Angola and Mozambique, weighting 17.9%, 17.4% and 14.5%, respectively. Visabeira Global is still the business area with the greater weight, at the consolidated level, representing 72% of the Group's turnover and also 60% of the EBITDA, with a major incidence in Angola, Mozambique and France, in the cable TV and telecommunication infrastructure areas.

TURNOVER
(million euros)



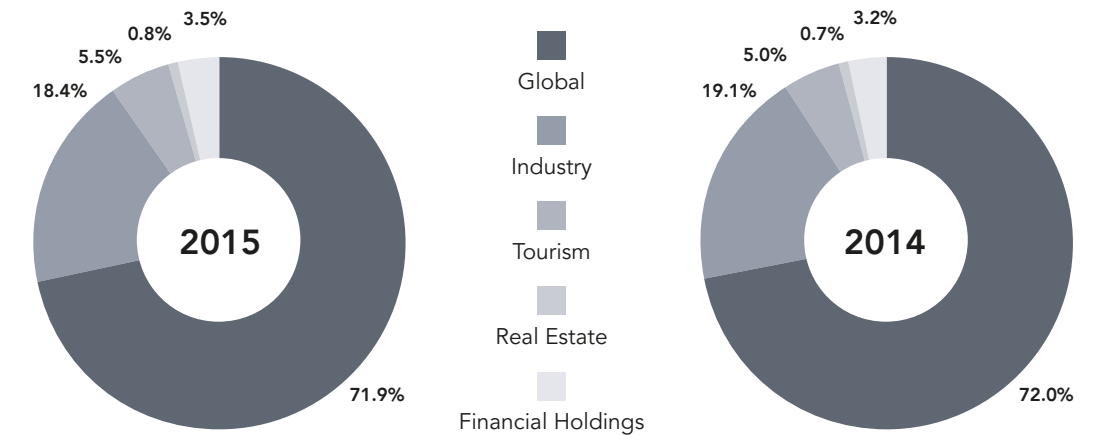
RECURRING OPERATING INCOME
(million euros)



In Visabeira Indústria we should highlight Bordallo Pinheiro and Vista Alegre as two brands with a significant worldwide recognition, which managed to increase their turnover and share in the foreign markets. We should highlight that Vista Alegre, Ambitermo and Pinewells accounted for most of the sub-holding's turnover, with 57.4%, 13.8% and 10.5%, respectively. The sub-holding Visabeira Turismo ended 2015 with a turnover of 37.2 million euros, which represents 5% of the total turnover, and with an EBITDA of 15.1 million euros. The foreign exchange result for the Group was negative in 2015 (5.6 million euros) due to the appreciation of the euro against the metical (19%) and the kwanza (10%), which contributed to a negative increase of 7.6 million euros over the previous year. As in 2014, Grupo Visabeira achieved one of the highest net incomes of its history, which amounted to 20.5 million euros in 2015, exceeding the 13.2 million euros achieved in 2014.

After purging the fair value variables of investment properties, impairment losses recorded in the shares of listed companies in PSI 20, and respective interest and taxes related to these items, the net result attributable to shareholders was 28.2 million euros in 2015, against the 23.7 million euros of 2014, an increase of about 19%. It is also worth recording the significant impact of the appreciation of the NOS shares by 9.8 million euros, whose accounting, in accordance with applicable regulations, is directly recorded under equity.

TURNOVER BY BUSINESS AREA



Balance Sheet

The slight increase in the internationalization of the Group led to a 1% growth of the Group's assets, reaching 1,670 million euros, as a result of the negative impact of the exchange rate effect witnessed throughout the year.

Despite the major CAPEX investment of 69 million euros made in 2015, with an emphasis on telecommunication networks, on cable TV in Mozambique and Angola, in Next-Generation networks in central Portugal and in the Azores, and in the completion of infrastructures in the industry, tourism and healthcare areas, there was an overall decrease in the final balance sheets, due to the exchange losses that occurred in Mozambique and Angola, whose currencies, the metical and the kwanza, witnessed a strong depreciation against the euro in 2015. There was also a loss of 2.8 million euros in financial assets available for sale, compared to the previous year. The financial autonomy ratio remained at the level of the previous year, standing at 23%. As a result of the heavy investment made throughout the year and of the changes in the scope of consolidation, the Group had the need to obtain funding from various financial institutions, which led to an increase of 26 million euros in the consolidated debt, which stands at 806 million euros. The value of the operational net debt, which deducts the value of financial assets available for sale, investments in progress that are still not generating EBITDA and real estate investments, stood at 457.8 million euros, reaching a 4.2 multiple of the operational net debt over the EBITDA, as shown in the attached table:

CONSOLIDATED FIGURES

Total Debt (Leases + Financing)	805.7
Cash and Bank Deposits	-43.0
Confirming	-23.1
Debt attributed to ongoing investment, not yet generating EBITDA	89.7
Debt allocated to Real estate properties	85.8
Available-for-sale financial assets	106.7
Total net operating debt	457.4
EBITDA	109
Net financial debt allocated to areas generating EBITDA / EBITDA	4.2 x

Investments**PORTUGAL** (amounts in euros)

	Amount	Investment
Grupo Visabeira	17,410	SAP Licences
Visabeira Global		
Fibroglobal	4,023,487	Next-Generation Networks
Viatel	1,152,137	Equipment
Real Life Technologies	371,920	Software licences
Edivisa	329,603	Equipment (Railway Network)
PDT	274,573	Equipment
Visabeira	111,733	Equipment
Visabeira Indústria		
Vista Alegre Atlantis	8,753,306	Refurbishments and equipment
Pinewells	3,472,373	Extension of the warehouse
Bordallo Pinheiro	272,764	Equipment
Ambitermo	252,043	Equipment
Cerutil	224,402	Equipment
Mob	11,030	Equipment
Visabeira Turismo		
VAA Empreendimentos Turísticos	11,561,153	Montebelo Vista Alegre Ílhavo Hotel
Movida	862,175	CUF Building and Head Offices
Empreendimentos Montebelo	88,051	Golf Resort
Zambeze	32,089	Equipment
Visabeira Participações Financeiras		
PDA	895,928	Ongoing work
Visabeira Estudos e Investimentos	47,173	Equipment
Other companies	245,542	
Total	32,998,892	

In Visabeira Global, throughout 2015, Fibroglobal continued to invest in Next-Generation Networks, with an amount of 4 million euros; Edivisa, despite allocating a smaller amount, also continued to invest in railway construction. The other investments made by this sub-holding are mainly related to technical equipment and means that suit the specific needs of each company and its activities. With regard to Visabeira Indústria's investment, we should highlight Vista Alegre's investment of 8.8 million euros. This amount was determined considering the refurbishment and creation of new stores and also the porcelain segment, with the purchase of a new oven in order to efficiently control the firing parameters and conditions, and the development of a new area and techniques for the application of glass and decoration, called INOVLAB. This project will allow maximising operational gains, reducing operational costs, and also developing new techniques and innovative products. Pinewells invested on the implementation of a system for eliminating raw-material contaminants (chip cleaning process system), which resulted in a fundamental change in the production process and allowed consolidating the company's position at the forefront of pellet production in Portugal. We should also highlight the investment on the extension of a finished product warehouse, which allows avoiding the need to rent warehouses, as well as the associated transportation costs. With regard to Visabeira Turismo, the most significant investments were made by VAA Empreendimentos Turísticos (11.6 million euros) on the completion of the Montebelo Vista Alegre Ílhavo Hotel, located in the porcelain factory complex, in Ílhavo. The hotel has 82 bedrooms, a restaurant for up to 142 people, meeting rooms, bars, a spa and two outdoor pools, divided into two different areas: the hotel and the Palace. The hotel's decoration and surroundings aim at promoting the recognition of the universal value of Vista Alegre's heritage as a brand and as a legacy of the industrial and ceramic culture. We should also highlight Movida, with an investment of 2.9 million euros related to the project for the Hospital CUF Viseu (reclassified as Investment Properties – see note 23), which José de Mello Saúde will operate on a renting basis.

INTERNATIONAL (amounts in euros)

	Amount	Investment
Mozambique		
TVCABO	6,039,510	Expansion of the network coverage area
Turvisa	3,572,252	Refurbishment of the Montebelo Indy and Montebelo Girassol hotels
Imovisa	2,704,574	Construction works at Hotel Montebelo Girassol
Televisa	496,784	Equipment
Sogitel	55,787	Equipment
Other	362,366	
Angola		
TVCABO Angola	17,653,586	Expansion of the network coverage area
Edivisa Angola	524,777	Equipment
Comatel	380,490	Equipment
Álamo Angola	376,890	Equipment
Other	796,699	
France		
Constructel	1,481,255	Equipment (transportation)
Constructel Energie	346,216	Equipment
Gatel	111,414	Equipment
Belgium		
Constructel Bélgica	992,245	Yard purchase
Germany		
Constructel GmbH	337,893	Equipment
Other countries	16,133	
Total	36,248,871	

With regard to international investment, the markets that witnessed the most significant investments were Angola, with 54.40% (19.7 million euros), followed by Mozambique with 36.48% (13.2 million euros). We should also highlight France, with 5.35% (1.9 million euros).

In the Angolan market, we should highlight TVCABO as the company with the largest share of investments; the investment of 17.7 million euros was largely aimed at the expansion of network and equipment for Luanda, Lubango and Benguela.

TVCABO invested 6 million euros in the Mozambican market, and the largest share of this amount was aimed at the expansion of the network in Maputo and Tete. We should also highlight Turvisa, which made investments worth 3.6 million euros in its hotels, introducing significant improvements in the units that are currently known as Montebelo Maputo Girassol Hotel, Montebelo Indy Maputo Congress Hotel, Lichinga Hotel by Montebelo, Nampula Hotel Nampula by Montebelo, Songo Hotel by Montebelo, Montebelo Gorongosa Lodge & Safari – with a special focus on the Montebelo Girassol Maputo Hotel, whose furniture and decoration were fully renovated as a result of the refurbishment carried out by Imovisa, which invested 2.7 million euros in construction works in this unit.

We should also mention Constructel França and Constructel Bélgica, with investments worth 1.5 million euros and 992 million euros, respectively, related to the technical equipment and means required by their various operational teams and also to the acquisition of a yard by Constructel Bélgica.

Financial Investments

Grupo Visabeira constituted and acquired a series of companies in 2015, with an emphasis on the incorporation of companies located in foreign markets. In Angola we highlight the constitution of Angovisa, Lda. with an interest of 70.00% in its capital. In Mozambique, the Group constituted the company Ventos do Lhambane, SA, in order to pursue activities related to wind energy, with an interest of 32.50%.

With the aim of exploring new markets, the Group also constituted, with an interest of 49.00%, Birla Visabeira Private Limited, located in India and focused on the telecommunications, energy and construction areas. This company is a partnership with the M.P Birla Group, which owns over 500 factories related to industries as diverse as textiles, vehicles, paper, cement, chemical products, among other sectors, in addition to being present in the healthcare and education areas. This partnership is also intended to act as a launch pad for the entry of Grupo Visabeira in the markets of that region of the world.

In Portugal, Grupo Visabeira acquired 60.00% of the interest in Hospital Nossa Senhora da Arrábida SA, and is now holding an interest of 80.00% that makes it the company's majority shareholder. In 2015, the company HPP Viseu, SA, in which the Group had an interest of 35%, was dissolved, and also during 2015, the companies Prato Convivas - Sociedade Hoteleira, Lda. and Ródia - Sociedade Beiraltina de Turismo e Diversões, SA, both fully owned by Grupo Visabeira, merged with Empreendimentos Turísticos Montebelo – Sociedade de Turismo e Recreio, SA.

Risk factors

Grupo Visabeira is exposed to a series of diversified risks associated with its different business areas. For that reason, the Group has always been aware of the importance of managing credit risk and protecting its cash holdings, acknowledging the significance of credit insurance as a crucial instrument in both the domestic and the foreign market.

Aware of the importance of actively managing the various financial risks in order to minimise their potential negative impacts upon cash flow, results and the value of the company, Grupo Visabeira seeks to manage these risks effectively by formulating appropriate hedging strategies. The continuity of the operations critically depends on the mitigation and control of risks that can significantly affect its assets (namely people, equipment, service quality, information, facilities) and, thus, jeopardise its strategic objectives. Grupo Visabeira and, in particular, its Board of Directors, devote great attention to the risks inherent to its activities.

Credit risk

Credit risk is an important and complex activity that is present in the everyday life of most companies of the Grupo Visabeira, whatever the nature of their business.

Risk assessments entail making decisions on credits, at times based on incomplete information, within a scenario of uncertainty and constant change.

Considering the business itself, the area of activity in which it operates, or the risk of the region and country, the classification and assessment of the credit risk of a given customer are usually summarised in a credit record containing the information that will inform the opinion on a given credit operation, such as: the nature of the customer, its management capacity, its capital, its history, financial information, credit guarantees and payment terms.

The assessment of credit risk reflects the multiplicity, quality and origin of the information available to the credit analyst.

For many years, Grupo Visabeira has been relying on some credit insurers, with which it subscribes insurance policies, thus delegating the first-level credit analysis to professionals specialised in the collection and recovery of debts, thus obtaining, from a privileged source, an assessment of the exposure - credit limit - that is adjusted to the creditworthiness of each customer. Thus, the management can be primarily focused on operational issues. The coverage of this risk enables a compensation for unpaid customer credits, which for the domestic market is 85%, and for the external market is 90%. Recent years have been marked by increased restrictions on lending in general, with credit limits having undergone significant unfavourable revisions. In light of this scenario, and in order to meet credit risk hedging requirements for which the limits granted under basic policies are insufficient, Grupo Visabeira has contracted additional instruments, which allow increasing the partial hedging of its risks up to twice the amount covered by basic policies, for customers of the domestic and foreign markets, and also to hedge risks whose amount is not specified in the said basic policy, or obtain more than twice the amount currently covered for foreign market customers, up to a limit of 100 thousand euros.

The added constraints in the external hedging of loans entail greater precision and stricter requirements in assessing applications for internal credit.

Factoring, in the form without recourse, is used as complementary hedging for transactions in which credit insurance may not be enough.

Also relevant is the amount of receivables by advanced payment or payments in cash, which, in the year under review, represented a volume of about 15% of turnover, with a special contribution from the cable TV and internet distribution, tourism, restaurants and recreation businesses. Loans granted to external entities, which also act as suppliers of the Group, had, in this year, a weight of 2.35%. Companies of Grupo Visabeira that act as infrastructures and telecommunications service providers sell to entities of recognised financial probity, and, in 2015, accounted for about 48% of consolidated turnover. This group includes entities such as local telecommunications operators, generally directly held by each country's State, replacing the credit risk with a political risk.

Examples of such companies are: TDM – Telecomunicações de Moçambique, EDM – Electricidade de Moçambique, ADM – Aeroportos de Moçambique, Moçambique Celular, Angola Telecom, France Telecom, Belgacom, MEO – Serviços de Comunicações e Multimédia, NOS, TV Cabo Portugal, EDP Distribuição and the natural gas concession holders.

Liquidity risk

The Group manages its liquidity risk in order to ensure the funding of the assets by maturity dates, as well as the appropriate rates and the timely settlement of its financial obligations. At the same time, appropriate cash balances and short-term credit lines are kept, in order to allow for the proper management of the cash available to meet short-term financial obligations.

The leverage associated with the acquisition of the Pharol, NOS, and EDP shares, in the form of commercial paper issued by Grupo Visabeira, in the amount of 224.4 million euros, is materialised by two separate commercial paper programs. One of the programmes, in the initial amount of 125 million euros, provides for three constant capital repayments, the first on 31 December 2017 and the last on 31 December 2019, and is based on the aforementioned financial assets.

The second programme, in the initial amount of 119.2 million euros, has annual repayments scheduled until 2023 and has associated the assets of Palácio do Gelo Shopping, partly funded as a real estate leasing. The amount of short-term debt includes 30 million euros related to pledged current accounts and overdrafts facilities, as well as 27.5 million euros related to commercial paper syndicated in the Group's major banks, maturing in December 2016, and whose renewal has been historically achieved, which leads the Group to expect the revolving of these credit lines. The amount of 16 million euros corresponds to the funding of Hospital CUF Viseu, an asset that the Group intends to sell in 2016, settling this liability with the proceeds from the sale. Additionally, the short-term debt includes an amount of 6 million euros related to the advanced payment of the funding contracted with the EIB, which will be settled via the medium- and long-term funding to be released by the EIB in 2016.

Considering the commercial paper renewal of 27.5 million euros, the settlement of the funding of Hospital CUF and the amount advanced by the EIB, the short-term residual debt will amount to 98 million euros, corresponding to a reduction of 15% compared to the previous year.

Under the same assumption, if we consider cash and deposits, net short-term debt, in the amount of 55 million euros, decreased by 28%, compared to the previous year. In July 2015, the Group contracted a new debenture loan in the amount of 100 million euros, maturing in 2021, with a 3-year vesting period and due to be repaid over a period of 3 years.

Besides investing in the expansion project of TVCABO Angola, whose financing worth 20 million euros was contracted by the European Investment Bank in April 2015, and in about 6.6 million dollars by an Angolan bank, Grupo Visabeira shall seek specific funding for other investments planned for 2016. At the same time, it must negotiate the partial revolving of short-term commitments, which is considered to be very likely, insofar as it mostly refers to partner organisations with a long relationship history, and institutions that have recently increased their involvement with the Group. The short-term debt of Grupo Visabeira is ranked by ARC Ratings (a Portuguese Rating Agency) at "B", which means that the Group currently has the appropriate capacity to meet its financial obligations.

ARC Rating also assigned, in 2015, a medium- and long-term rating, classifying the compliance capacity of medium- and long-term financial obligations with BB+, with a stable trend.

The overall liquidity index of the consolidated accounts stood at 0.84, witnessing an increase of 0.01, which shows the improvement of the suitability of the financing of current assets by current liabilities compared to the previous year.

Cash flow risk

The cash and investments of all Group companies are managed by a centralised global organisation, which reduces the risk of cash flows, avoiding exposure to variations that may affect the results of companies.

On the other hand, the use of factoring allows a reduction in the average collection period with the inherent anticipation of receivables and facilitates better cash management by obtaining the timely working capital necessary to finance the operational cycle, a vital condition for sustained economic and financial growth. On 31 December, 2015, the amounts paid in advance by customers in this format stood at 48 million euros. The Group has additionally contracted short-term current accounts to meet occasional cash needs.

Interest rate risks

The Group's exposure to interest rate risks arises primarily from loans obtained, since the financial investments are usually contracted for short periods and, consequently, the impacts arising from interest rate changes do not significantly affect the accounts.

The balance of the consolidated financial debt of Grupo Visabeira by the end of December 2015 was contracted, for the most part, at the indexed interest rate, and the main indexing factor was the Euribor rate at one and three months for national funding, and Libor for loans in dollars, mostly granted to foreign companies.

With the aim of reducing the risks of interest rate fluctuation, greater relevance was given to funding by the various subsidiaries, particularly in Angola and Mozambique, in local currency and at a fixed rate. On the date of the balance sheet, Grupo Visabeira SGPS, SA has open positions classified as hedging instruments associated with this index for 5 million euros, contracted in 2011 with a mark-to-market value of -80 thousand euros.

Through Cerutil, a company that holds a stake in Vista Alegre Atlantis, hedges were contracted in 2011 in the amount of 16.8 million euros, starting in June 2011 and ending in May 2016, receiving at a 3-month Euribor and paying at a fixed rate of 2.74%, which had a fully recognised mark-to-market value of -238 million euros. Vista Alegre contracted an amount of 5.7 million euros for the same period, also receiving at a 3-month Euribor and paying at a fixed rate of 2.69%, with a mark-to-market of -80 thousand euros.

In October 2008, the 3-month Euribor rate started a declining trend, as a result of successive cuts to the reference rate by the European Central Bank, in response to the international financial crisis. Having started the year 2015 at 0.076%, on 31 December, the three-month Euribor rate stood at -0.131%. With the Euribor at very low thresholds and a stable short-term trend, and with the debt partially hedged, the Group estimates that the impacts of any variations of this indexing factor will not have significant impacts on its accounts.

In line with the downward trend in the current level of spreads that occurred in 2015, the Group anticipates that there are favourable conditions for this trend to continue, mainly in new funding operations, with a positive impact on the Group's financial results.

Exchange rate risk

Whenever possible, the Group chooses to have a natural hedging for its foreign exchange risk, since its subsidiaries have assets and liabilities denominated in U.S. dollars, in order to make a balance and an automatic adjustment to possible currency mismatches. Thus, exposure to liabilities denominated in dollars does not represent a high economic or financial risk, given the fact that the impact of exchange rate changes on those liabilities are naturally offset by the operating revenues of the respective businesses, also dependent on the dollar. In external markets, particularly Angola and Mozambique, local companies import goods and services from the European market in euros, invoicing customers in kwanzas and meticals, respectively. In these markets, the local currency is strongly correlated with the U.S. dollar, with a historical devaluation trend.

In 2015, the Mozambican metical depreciated by 42.31% against the dollar, and the Angolan kwanza 30.97% against the dollar.

In Mozambique, balances denominated in this currency also have a long position of about 7 million dollars. On the balance sheet date, the Group's subsidiaries in Mozambique had liabilities in the amount of 36 million euros, which originated exchange rate losses with an impact of 5 million euros on the results. With a lower impact, there were also exchange losses of 1.3 million euros in Angola, reflected in the results as a consequence of a currency depreciation.

The transposal to the consolidated accounts of the subsidiaries in these countries also had a negative impact in equity under the heading foreign currency translation reserves.

Business evolution by area

TURNOVER BY COMPANY (euros)

Business areas	Total		Group		Consolidated 2015		Consolidated 2014	
GLOBAL								
Portugal	254,820,727	45.6%	38,917,200	56.5%	215,903,527	44.1%	224,083,594	49.4%
Visabeira Global, SGPS	2,486,373	0.4%	2,382,376	3.5%	103,996	0.0%	67,186	0.0%
Edivisa	50,816,546	9.1%	21,135,128	30.7%	29,681,419	6.1%	21,402,233	4.7%
Fibroglobal	9,283,038	1.7%	0	0.0%	9,283,038	1.9%	8,446,067	1.9%
Naturenergia	3,819,694	0.7%	692,658	1.0%	3,127,036	0.6%	3,049,148	0.7%
PDT	33,324,014	6.0%	280,485	0.4%	33,043,529	6.7%	22,188,560	4.9%
PTC	12,000	0.0%	12,000	0.0%	0	0.0%	0	0.00%
Real Life Technologies	18,217,159	3.3%	1,366,129	2.0%	16,851,030	3.4%	15,324,026	3.4%
Viatel	96,423,266	17.3%	9,258,320	13.4%	87,164,946	17.8%	115,094,120	25.4%
Visabeira	34,837,689	6.2%	3,055,911	4.4%	31,781,778	6.5%	34,833,899	7.7%
Visacasa	5,600,947	1.0%	734,194	1.1%	4,866,753	1.0%	3,678,355	0.8%
France	114,022,048	20.4%	2,411,108	3.5%	111,610,940	22.8%	81,006,822	17.8%
Constructel	94,121,884	16.9%	12,159	0.0%	94,109,725	19.2%	75,667,063	16.7%
Constructel Energie	15,361,627	2.8%	0	0.0%	15,361,627	3.1%	3,688,338	0.8%
Gatel	4,305,432	0.8%	2,165,845	3.1%	2,139,587	0.4%	1,651,422	0.4%
SCI Constructel	233,104	0.0%	233,104	0.3%	0	0.0%	0	0.0%
Belgium	8,170,580	1.5%	0	0.0%	8,170,580	1.7%	7,101,784	1.6%
Constructel Bélgica	8,170,580	1.5%	0	0.0%	8,170,580	1.7%	7,101,784	1.6%
Mozambique	62,754,310	11.2%	9,048,232	13.1%	53,706,078	11.0%	58,882,606	13.0%
Electrotec	0	0.0%	0	0.0%	0	0.0%	4,907,365	1.1%
Hidroafrica	3,630,641	0.6%	873,857	1.3%	2,756,784	0.6%	3,570,968	0.8%
Real Life Academy	9,227	0.0%	0	0.0%	9,227	0.0%	26,611	0.0%
Real Life Moçambique	3,258,264	0.6%	10,903	0.0%	3,247,361	0.7%	1,940,670	0.4%
Selfenergy	0	0.0%	0	0.0%	0	0.0%	747,399	0.2%
Sogitel	10,149,929	1.8%	5,483,983	8.0%	4,665,947	1.0%	5,274,024	1.2%
Televisa	21,881,809	3.9%	2,406,423	3.5%	19,475,386	4.0%	22,259,753	4.9%
TVCABO	21,886,137	3.9%	236,232	0.3%	21,649,905	4.4%	18,818,525	4.1%
Visaqua	1,938,303	0.3%	36,835	0.1%	1,901,469	0.4%	1,337,290	0.3%
Angola	110,835,028	19.8%	18,508,521	26.9%	92,326,507	18.9%	76,830,838	16.9%
Comatel	27,530,166	4.9%	13,042,344	18.9%	14,487,822	3.0%	13,115,925	2.9%
Edivisa Angola	7,009,280	1.3%	5,180,976	7.5%	1,828,304	0.4%	90,832	0.0%
Electrovisa	310,982	0.1%	193,136	0.3%	117,845	0.0%	-3,582	0.0%
TVCABO Angola	75,984,600	13.6%	92,065	0.1%	75,892,535	15.5%	63,627,663	14.0%
Dominican Republic	0	0.0%	0	0.0%	0	0.0%	169,682	0.0%
Constructel Republica Dominicana	0	0.0%	0	0.0%	0	0.0%	169,682	0.0%
Germany	7,740,509	1.4%	0	0.0%	7,740,509	1.6%	5,624,336	1.2%
Constructel GmbH	7,740,509	1.4%	0	0.0%	7,740,509	1.6%	5,624,336	1.2%
Sweden	0	0.0%	0	0.0%	0	0.0%	10,169	0.0%
Constructel Sweden AB	0	0.0%	0	0.0%	0	0.0%	10,169	0.0%
Denmark	221,219	0.0%	0	0.0%	221,219	0.0%	221,724	0.0%
Constructel Denmark	221,219	0.0%	0	0.0%	221,219	0.0%	221,724	0.0%
TOTAL	558,564,420	100.0%	68,885,061	100.0%	489,679,360	100.0%	453,931,555	100.0%

Business areas	Total		Group		Consolidated 2015		Consolidated 2014	
INDUSTRY								
Portugal	118,634,726	86.2%	11,309,499	89.4%	107,325,227	85.8%	104,032,801	86.5%
Visabeira Indústria, SGPS	418,093	0.3%	283,860	2.2%	134,232	0.1%	18,203	0.0%
Ambitermo	17,302,760	12.6%	86,861	0.7%	17,215,899	13.8%	17,367,442	14.4%
Bordallo Pinheiro	4,375,477	3.2%	768,078	6.1%	3,607,399	2.9%	2,390,898	2.0%
Cerutil	5,164,364	3.8%	606,155	4.8%	4,558,210	3.6%	6,004,489	5.0%
Granbeira	3,147,607	2.3%	858,996	6.8%	2,288,611	1.8%	2,425,890	2.0%
Mob	5,843,899	4.2%	641,873	5.1%	5,202,026	4.2%	3,171,534	2.6%
Pinewells	13,073,503	9.5%	0	0.0%	13,073,503	10.5%	17,081,502	14.2%
Ria Stone	15,439,736	11.2%	0	0.0%	15,439,736	12.3%	5,793,877	4.8%
Vista Alegre Atlantis	53,869,287	39.1%	8,063,675	63.7%	45,805,611	36.6%	49,778,966	41.4%
Mozambique	2,331,586	1.7%	29,390	0.2%	2,302,196	1.8%	1,106,684	0.9%
Agrovisa	21,459	0.0%	13,640	0.1%	7,819	0.0%	6,310	0.0%
Celmoque	1,931,425	1.4%	15,751	0.1%	1,915,675	1.5%	801,211	0.7%
Vista Alegre Atlantis Moçambique	378,702	0.3%	0	0.0%	378,702	0.3%	299,163	0.2%
Angola	5,517,318	4.0%	1,282,632	10.1%	4,234,686	3.4%	5,051,206	4.2%
Álamo Angola	5,109,317	3.7%	1,151,324	9.1%	3,957,992	3.2%	4,179,182	3.5%
Visaconstroi	408,001	0.3%	131,308	1.0%	276,693	0.2%	872,024	0.7%
France	997,063	0.7%	30,627	0.2%	966,436	0.8%	844,503	0.7%
Mob Cuisines	997,063	0.7%	30,627	0.2%	966,436	0.8%	844,503	0.7%
Brazil	2,920,684	2.1%	0	0.0%	2,920,684	2.3%	2,781,454	2.3%
Vista Alegre Atlantis Brasil	2,920,684	2.1%	0	0.0%	2,920,684	2.3%	2,781,454	2.3%
United States of America	761,517	0.6%	0	0.0%	761,517	0.6%	516,885	0.4%
Vista Alegre Atlantis USA	761,517	0.6%	0	0.0%	761,517	0.6%	516,885	0.4%
England	0	0.0%	0	0.0%	0	0.0%	6,182	0.0%
Vista Alegre Atlantis UK	0	0.0%	0	0.0%	0	0.0%	6,182	0.0%
Spain	6,524,582	4.7%	0	0.0%	6,524,582	5.2%	5,993,501	5.0%
Vista Alegre Atlantis Espanha	6,524,582	4.7%	0	0.0%	6,524,582	5.2%	5,993,501	5.0%
TOTAL	137,687,476	100.0%	12,652,148	100.0%	125,035,328	100.0%	120,333,215	100.0%

TOURISM

Portugal	31,778,280	75.2%	4,308,543	85.1%	27,469,737	73.9%	21,452,023	67.3%
Visabeira Turismo, SGPS	527,207	1.2%	323,153	6.4%	204,054	0.5%	0	0.0%
Empreendimentos Montebelo	13,965,376	33.1%	1,400,568	27.7%	12,564,808	33.8%	6,869,729	21.6%
Movida	14,073,798	33.3%	1,854,220	36.6%	12,219,578	32.9%	10,136,576	31.8%
Mundicor	1,848,761	4.4%	659,538	13.0%	1,189,223	3.2%	1,097,718	3.4%
Prato Convivas*	0	0.0%	0	0.0%	0	0.0%	351,030	1.1%
Ródia*	0	0.0%	0	0.0%	0	0.0%	1,967,867	6.2%
VAA - Empreendimentos Turísticos	115,752	0.3%	8,900	0.2%	106,852	0.3%	0	0.0%
Zambeze	1,247,385	3.0%	62,163	1.2%	1,185,222	3.2%	1,029,103	3.2%
Mozambique	10,457,761	24.8%	755,912	14.9%	9,701,849	26.1%	10,417,929	32.7%
Turvisa	10,457,761	24.8%	755,912	14.9%	9,701,849	26.1%	10,417,929	32.7%
TOTAL	42,236,041	100.0%	5,064,455	100.0%	37,171,586	100.0%	31,869,952	100.0%

REAL ESTATE

Portugal	3,258,237	42.6%	1,410,599	69.7%	1,847,638	32.8%	1,037,350	24.5%
Visabeira Imobiliária, SGPS	490,505	6.4%	329,317	16.3%	161,188	2.9%	0	0.0%
Ifervisa	775,265	10.1%	464,880	23.0%	310,385	5.5%	90,485	2.1%
Visabeira Imobiliária, SA	1,992,466	26.0%	616,401	30.4%	1,376,065	24.5%	946,865	22.4%
Mozambique	4,391,700	57.4%	613,898	30.3%	3,777,802	67.2%	3,192,724	75.5%
Imovisa	4,391,700	57.4%	613,898	30.3%	3,777,802	67.2%	3,192,724	75.5%
TOTAL	7,649,937	100.0%	2,024,497	100.0%	5,625,440	100.0%	4,230,074	100.0%

Business areas	Total		Group		Consolidated 2015		Consolidated 2014	
FINANCIAL HOLDINGS								
Portugal	49,378,971	65.6%	44,284,410	85.6%	5,094,561	21.7%	645,986	3.0%
Visabeira Participações, SGPS	598,069	0.8%	400,244	0.8%	197,825	0.8%	0	0.0%
2 Logical	591,878	0.8%	0	0.0%	591,878	2.5%	29,000	0.1%
Benetrónica	15,826,801	21.0%	14,497,379	28.0%	1,329,422	5.7%	48,841	0.2%
Hospital Nossa Srª Arrábida	424,216	0.6%	0	0.0%	424,216	1.8%	0	0.0%
lutel	355,551	0.5%	0	0.0%	355,551	1.5%	342,400	1.6%
Porto Salus	889,878	1.2%	784	0.0%	889,094	3.8%	225,746	1.1%
Visabeira Pro Estudos e Investim.	30,692,016	40.8%	29,386,003	56.8%	1,306,013	5.6%	0	0.0%
Visabeira Knowledge & Research	562	0.0%	0	0.0%	562	0.0%	0	0.0%
Spain	0	0.0%	0	0.0%	0	0.0%	1,152	0.0%
Visabeira Espanha	0	0.0%	0	0.0%	0	0.0%	1,152	0.0%
Mozambique	9,055,867	12.0%	3,237,017	6.3%	5,818,849	24.7%	8,467,260	40.0%
Autovisa	588,125	0.8%	385,212	0.7%	202,913	0.9%	223,079	1.1%
Build Down & Build Up	0	0.0%	0	0.0%	0	0.0%	8,301	0.0%
Combustíveis do Songo	2,416,489	3.2%	0	0.0%	2,416,489	10.3%	2,350,155	11.1%
Imensis	0	0.0%	0	0.0%	0	0.0%	2,939,096	13.9%
Mercury	3,085,820	4.1%	1,004,323	1.9%	2,081,498	8.9%	2,238,218	10.6%
Vibeiras Moçambique	712,026	0.9%	38,108	0.1%	673,918	2.9%	708,410	3.3%
Visabeira Moçambique	2,253,406	3.0%	1,809,375	3.5%	444,031	1.9%	0	0.0%
Angola	16,806,748	22.3%	4,207,766	8.1%	12,598,982	53.6%	11,842,911	55.9%
Catari Angola	377,458	0.5%	480	0.0%	376,978	1.6%	549,029	2.6%
Mercury Angola	1,300,838	1.7%	1,150,605	2.2%	150,233	0.6%	169,048	0.8%
Visabeira Angola	2,022,349	2.7%	1,991,520	3.8%	30,829	0.1%	261,672	1.2%
Visauto	13,106,103	17.4%	1,065,161	2.1%	12,040,942	51.2%	10,863,162	51.3%
TOTAL	75,241,586	100.0%	51,729,193	100.0%	23,512,392	100.0%	21,189,244	100.0%

HOLDING

Portugal	2,927,769	100.0%	2,927,736	100.0%	33	100.0%	0	100.0%
Grupo Visabeira	2,927,736	100.0%	2,927,736	100.0%	0	0.0%	0	100.0%
Visa House	33	0.0%	0	0.0%	33	100.0%	0	0.0%
TOTAL	2,927,769	100.0%	2,927,736	100.0%	33	100.0%	0	100.0%

OVERALL TOTAL	824,307,229	100.0%	143,283,090	100.0%	681,024,139	100.0%	631,554,040	100.0%
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* company merged with Empreendimentos Turísticos Montebelo

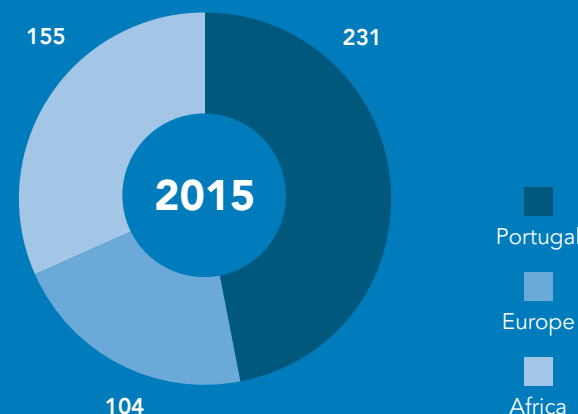


VISABEIRA GLOBAL

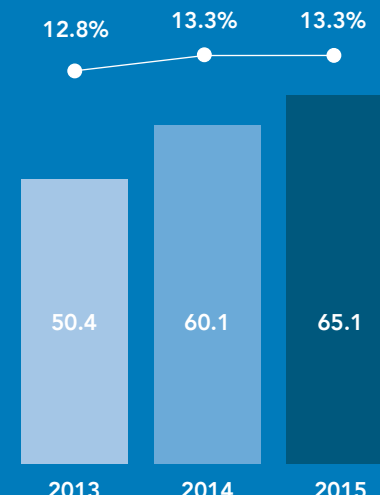
CONSOLIDATED TURNOVER (amounts expressed in million euros)

	2015	2014	Changes YoY
Turnover	490	455	8%
EBITDA	65.0	60.1	8%
EBITDA Margin	13.3%	13.3%	0.0 pp
Operating income	40.8	42.2	-3%
Operating margin	8.3%	9.3%	-1.0 p.p.
Net income	18.4	23.5	-22%
Capex	34.8	59.9	-42%
Debt	107.9	127.1	-15%
Inventories	40.5	59.6	-32%
Fixed assets (Including goodwill)	217	236	-8%

TURNOVER (million euros)



EBITDA (million euros) and MARGIN (%)



In 2015, the consolidated turnover of Visabeira Global increased by 8%, reaching 490 million euros and the EBITDA 65 million euros, which represents an increase of 8% compared with the previous year. Consequently, the EBITDA margin stood at 13.3%.

The greatest contributors to this performance were the business areas of telecommunication network engineering, energy and CATV services, which more than offset the decline in construction. External markets accounted for 53% of the total income of Visabeira Global, and 61% of its EBITDA. Indeed, the EBITDA in external markets decreased by 2% having reached 39.6 million euros supported by the business areas of telecommunications in Mozambique, TVCABO and construction in Angola and Mozambique. In Portugal, turnover was 260 million euros, an increase of 16% compared to the previous year, supported by the business areas of telecommunications and energy, together with construction and CIT.

Telecommunications

Despite the adverse circumstances that characterised the macroeconomic scenario at the global level, the majority of the companies that integrate Visabeira Global had a positive performance that was substantiated in an increase of their turnover that, in many cases, was rather significant, leading to a growth of approximately 4.5% in this sector, compared to the previous year.

As almost all the segments of the Portuguese market, the telecommunications sector has also been affected by the current economic crisis, both in the corporate segment, in which the companies are seeking to optimise and reduce expenses, and in the consumption segment, in which private customers are affected by a reduction in their disposable incomes. In this climate, Viatel turnover stood at 96.4 million euros.

In 2015, Viatel strengthened its continuous commitment towards the training, empowerment and presentation of its technicians, asserting it as one of the company's goals and as its main leverage for success, acting as a catalyst for its renowned technical expertise. This approach has been ensuring Viatel a leading position in the performance assessments made by the final customers, as well as in the technical performance and expertise rankings (customer networks and infrastructures).

In 2015, and despite the volatility of the sector, Viatel maintained, and even strengthened its leadership in the corresponding segment, increasing its advantage over the other market players in the main rankings, both in the network engineering and in the commercial areas. So, it maintained its position as Visabeira Global's main company and backbone of the internationalization and expansion of actions abroad, a path that continues to be followed by the other companies of the Group, with a particular emphasis on the new technology segment, namely in the fibre optic segment.

With regard to the year in question, we should also highlight the opening to new niches, as was the case with the construction, for NOS, of 20 mobile telecommunication stations in Archipelago of the Azores, as a result of the modernisation of the network, with a particular emphasis on the installation of LTE technology.

As a corollary of the monitoring of technological evolution, NarrowNet (SIGFOX NATIONAL OPERATOR in Portugal) selected Viatel for the construction of its network in Portugal, which will be the first IoT-dedicated (Internet of Things) network in the national territory.

In 2015, Constructel's motto was growth. In France, we should highlight the signing of the contract with ORANGE for the next 5 years, in the amount of 525 million euros, strengthening the company's position as one of the top 3 providers of services for that operator and ensuring the coverage of the entire French territory, including the regions located in the Caribbean.

In Germany, where Constructel is already recognised as a reference player, the company has been expanding its geographical areas of intervention and diversifying its range of customers. Some examples of Constructel's activities in Germany are the works carried out for Deutsche Telekom, Huawei and, more recently, for Ericsson, in regions like Berlin, Dresden, Cologne and, lately, also in Hannover and Stuttgart.

In Belgium, Constructel continues to be a reference partner of the operator Proximus and a supplier of Ericsson technology. Within the scope of a strategy for strengthening its presence in the country, the company purchased a yard in the Mons industrial area for the construction of Constructel's new headquarters on Belgian territory.

On a different front, Constructel continued to develop an important work in Denmark, in a project for the renovation of the 2G and 3G networks and for the installation of the 4G network. Its performance was publicly recognised with a prize awarded by Huawei, with the aim of distinguishing and rewarding the merit of the company's work. Constructel was thus recognised as the best service provider from the telecommunication network engineering sector operating in that Nordic country, receiving the award in a ceremony that was held in the Czech Republic.

In 2015, Constructel also expanded its activities to the Faeroe Islands, where it is developing another major project that includes the remodelling of the local mobile network, promoted by Huawei. Within a highly competitive environment, which depends on the investment policies put into practice by the major telecommunication operators to which it provides services, PDT, taking advantage of a very particular niche within its segment, invested on the expansion of infrastructures, thus leveraging the company's activity and creating conditions for the growth and sustainability of its business in the following years.

In this context, the company managed to overcome the recessive scenario, increasing its turnover by 43%, from 23.3 million euros, in 2014, to 33.3 million euros in 2015.

Specifically, the company's activity maintained last year's trend, characterised by an increase in network expansion operations, combined with a commercial growth, which was complemented by new activities related to the modernization and expansion of the telecommunication network, namely the installation of new networks based on the GSM-R technology.

The net income of the year increased to 1.6 million euros, representing a growth rate of 26%, compared to 2014.

In Mozambique, Televisa continued to strengthen its leading position, underpinning its performance in the engineering, design, installation, maintenance and repair of telecommunication infrastructures, networks and systems. With regard to customers, Vodacom maintained its confidence in the solutions presented by the company in 2014, in addition to the supply of solutions for Siemens, namely the rehabilitation of Nacala Rail's infrastructure.

In this context, the turnover stood at 21.9 million euros (934.4 million meticals). The company's EBITDA showed an improvement of approximately 5%, and a margin of 23.3%.

Continuing the work carried out in previous years, in 2015 Comatel developed several works for Angola Telecom across the Angolan territory, maintaining a leading position as service provider for this customer.

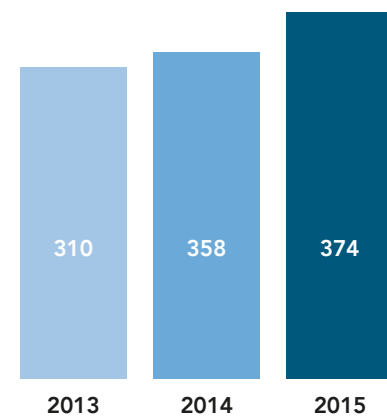
Additionally, it implemented and consolidated several projects for fibre optic infrastructures, aimed at serving large customers via the Diginet network, ensuring the maintenance of the national Backbone network.

For TVCABO Angola, Comatel continued to carry out construction and maintenance works related to its network in the cities of Luanda, Benguela and Lubango, while launching the project for the construction of the FTTH (Fibre To The Home) network in Huambo.

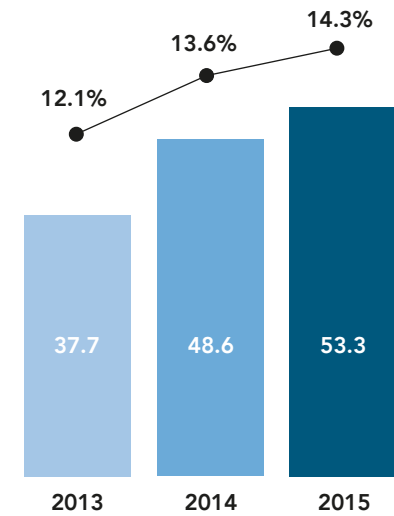
In 2015, Comatel consolidated its relationship with ZAP, becoming responsible for the installation of the Customer Network and for the maintenance of the areas where it implemented the centrality projects for Kilamba Kiayi and Alvalade / Maianga.

The expansion of Comatel's activity is reflected in its growing turnover, which rose to 27.5 million euros (3.7 billion kwanzas).

TURNOVER
(million euros)



EBITDA (million euros)
and **MARGIN** (%)



TELECOMMUNICATIONS



TVCABO
Angola and Mozambique
Stand FILDA.

CATV Services

TVCABO Moçambique strengthened its position as a reference operator in the cable TV and Internet distribution areas. In 2015, it continued to expand its fibre optic network, based on the GPON technology, and maintained its commitment to the consolidation of the Wi-Fi Hotspots offer, which has been favourably received by the market, enabling a differentiated TV + NET + HOTSPOT combination that is being very well received by the target segment; this strategy was complemented by the strengthening of the investment on the HORECA channel, which is a very specific segment. Reflecting the activity developed in 2015, the company's turnover exceeded 21.8 million euros (934 million kwanzas), a growth of 19% compared to the previous year.

The company's increased activity induced a sustained increase in most of the cost headings. Staff-related costs and ESS increased 18% compared to the previous year, in response to a growth in the number and quality of the company's employees, in line with the new demands required by its current performance level. TVCABO Angola, Lda., a pioneering company in the distribution of data and content and in the adoption of fibre optic technology, in the only triple-play operator with an entirely digital signal in the African continent. With regard to the company's product portfolio, 2015 was a year of assertion for the brand VIV in the residential segment, and also of the launch of the brand VIV for the Corporate segment (VIV - Negócios com + Fibra).

The company continued to pursue its strategy for the development of infrastructures in Luanda and Lobito/Benguela, from which we highlight the beginning of the operations in the Huila province and the consequent expansion of the FTTH (Fibre-To-The-Home) network in Lubango's city centre.

In 2015, guided by a policy focused on the continuous improvement of services that contribute to achieve customer satisfaction, the company implemented a speed upgrade for the internet and triple-play packages, as well as price reductions with the introduction of new, highly competitive triple-play offers.

In 2015, the operational profits exceeded 77.8 million euros (10.4 billion kwanzas), a 19.6% increase over the previous year. This sustained increase is the reflection of product and service diversification, commitment to quality and investments made in the commercial area.

The company's increased activity induced a sustained increase in most of the cost headings. Staff costs increased by 15.1% over the previous year, in order to tackle the growth in the number and quality of the company's employees, in line with its business expansion needs.

The growth of the heading amortizations follows the strong investment made in the company, leading amortizations to reach an amount of 4.7 million euros (631.5 million kwanzas), 27.7% more than in 2014.

Operating income increased by 29.2% compared to the previous year, reaching 18.1 million euros (2.4 billion kwanzas), thus reflecting the company's great operational performance.

We should also highlight the income before tax, which exceeded 12.6 million euros (1.7 billion kwanzas). The positive evolution of the EBITDA - approximately 29% compared to 2014 - reflects a better adaptation of the company to the country's conditions, as well as an operational optimization.

Energy

Considering Portugal and Mozambique, the energy segment increased its turnover by 13%, reaching 55.6 million euros.

For Visabeira's electricity sector, 2015 was marked by the beginning of the works related to the new EC2015 Continuous Contract, with an expected duration of 6 years and a total annual turnover estimated at approximately 16 million euros.

We should also highlight, within the scope of the works carried out for REN - Redes Energéticas Nacionais, some of the most important accomplishments: High-Voltage and Extra-High-Voltage (HV/EHV) lines, such as the construction of 10 km section in the Castelo de Paiva areas, involving works that amounted approximately to 4.8 million euros, or the works for the Construction of the 400 kV Estremoz-Divor Line (Section between the Estremoz Substation and Divor), which amounted approximately to 4.5 million euros.

In order to strengthen the skills of the employees who pursue their professional careers in this area, 2015 was marked by a strong increase in the number of training initiatives that were provided, both in the technical area and in the Quality, Safety and Environment area. Similarly, and with the aim of continuously improving the quality of the services that are provided, there were also training initiatives focused on the behavioural dimension, in order to strengthen specific skills that are crucial for the company to achieve the required connectivity.

Throughout 2015, the gas business was essentially focused on the management of the agreements carried over from the previous year, due to a virtual lack of new tenders that is mainly related to increasing number of multiannual contracting agreements.

For Galpenergia, Visabeira continued to fulfil the terms of the agreement signed together with Lusitâniagás and Beiragás, with the duration of 36 months, in a consortium with PRF, which started in September 2014 and was awarded for the overall amount of 9.4 million euros.

With regard to Tagusgás, Visabeira was, once again, awarded a 24-month contract in the overall amount of 2 million euros that includes works to be developed in the municipalities of Figueira da Foz, Montemor, Soure, Coimbra, Condeixa, Viseu, Tondela, Nelas, Santa Comba Dão, Mangualde, Mortágua, Seia, Guarda, Covilhã, Fundão, Castelo Branco, Lousã, Arganil, Penacova, Sátão, Almeida and Vila Velha de Ródão, which are integrated into the Concession Areas of those two distributors.

In this adverse climate, Visabeira was able to reach a turnover of 34.8 million euros.

In Mozambique, the electric sector has been subject to countless reforms, and the country is now able to take advantage of a value chain that, by comprising production, transportation and distribution, seeks to guarantee the sustainability that this sector needs to achieve in the future in order to provide a good service to the consumers.

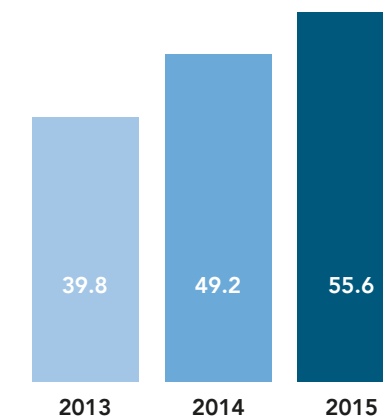
Hidroáfrica, a company specialised in the construction of hydraulic infrastructures, continues its operation in a large part of the Mozambican territory, always associated with major projects from which we highlight: the construction of the Limane Irrigation System, in the district of Mopeia, for PROIRRI; the construction of the Aquaculture Demonstration and Training Centre in Chokwe, for the National Aquaculture Development Institute (INAQUA), Ministry of Fisheries (a work developed in a consortium with Edivisa and Sogitel); and also electrification works based on the small hydroelectric power plant (SHPP) located in Chiurairue, for FUNAE, among others.

In 2015, Hidroáfrica maintained its customer portfolio, which includes the National Directorate for Agrarian Services (DNSA), Águas de Maputo, Ara-Sul, AIAS, Funae and the Inaqua; the most strategic customer is the DNSA, due to the investment that is expected to be made on irrigation systems, at the national level

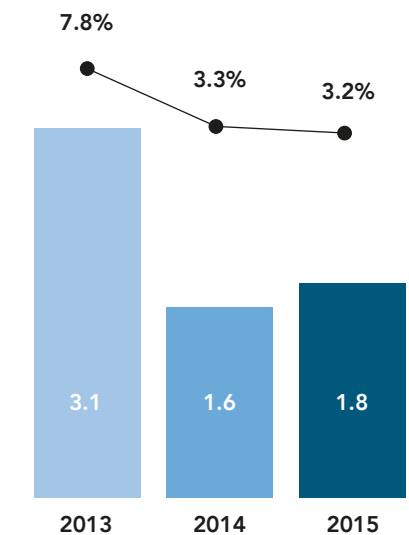
The company's momentum in 2015 allowed for its turnover to reach 3.6 million euros (155 million meticals).

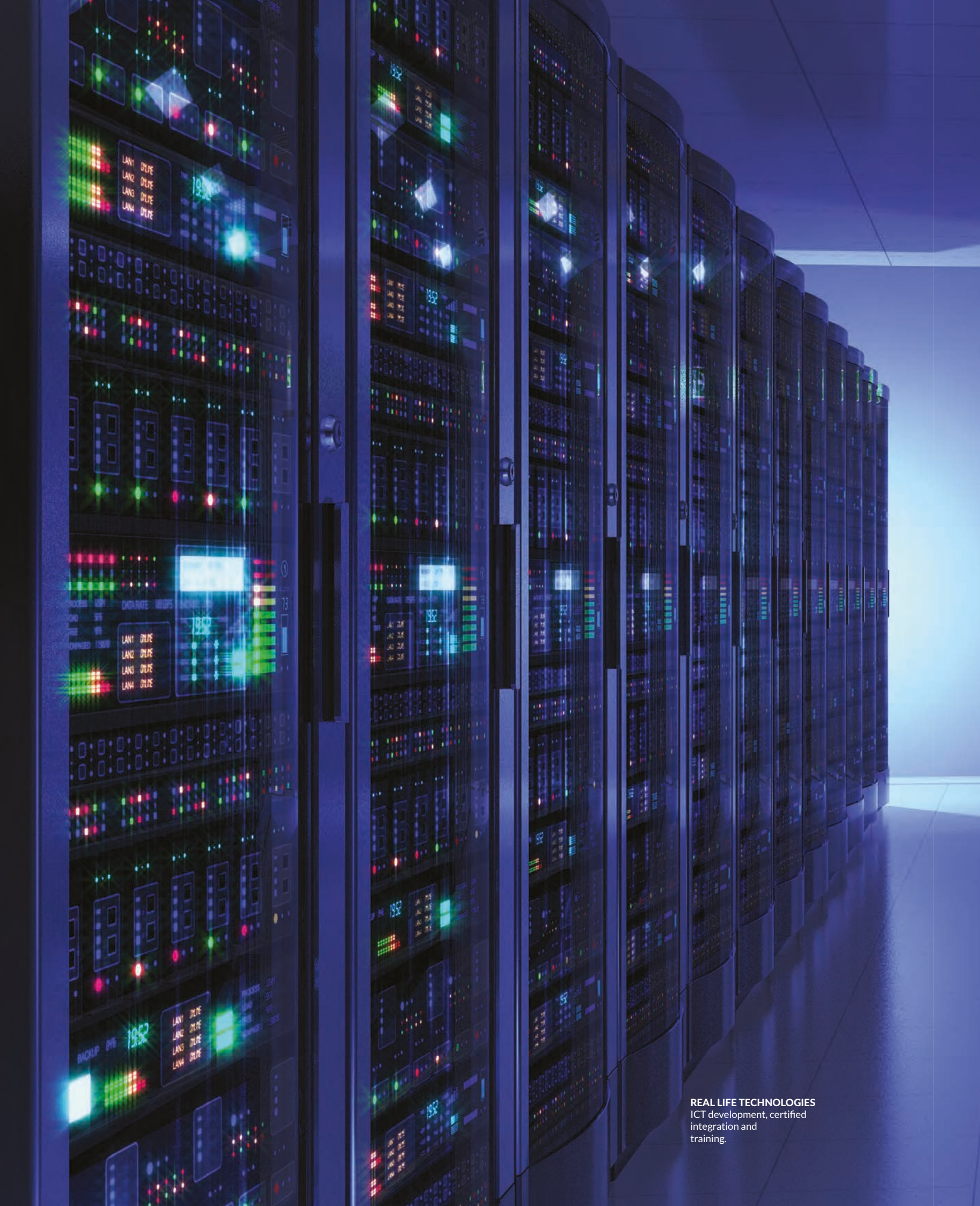
ENERGY

TURNOVER
(million euros)



EBITDA (million euros) and MARGIN (%)





REAL LIFE TECHNOLOGIES
ICT development, certified
integration and
training.

Communication and Information Technologies

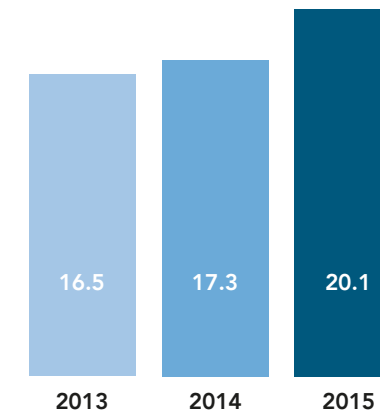
Real Life Technologies reinforced its status as a Multinacional ICT Service Provider through an agile adjustment to the reality of the markets, which unequivocally strengthened its position in the various areas where it operates. Its presence in Mozambique was significantly strengthened in 2015 thanks to an inter-geographical cross-selling strategy focused on entities with multinational characteristics, both from the telecommunication operator area, and from the financial market.

The knowledge base that has been built over the years ensured a successful and synergistic transfer of highly complex skills, solutions and services, fostering the participation in projects that are relevant in terms of local technological development. The Real Life Advanced Technologies Academy is now an unquestionable alternative for the educational development of professionals working in that market.

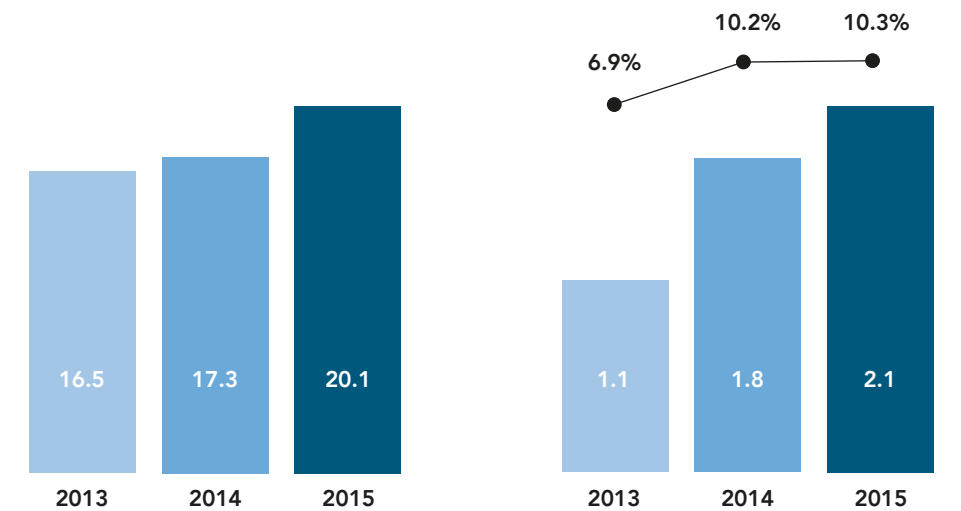
2015 was also marked by a strong growth of recurrent professional services, allowing the company to move up the value chain and increasing the number of customer-facing employees, in both the domestic and the international market.

Thanks to a high level of certification and skills, the continuous customer value policy, the enrichment of the value creation model and the solidity of the internationalization strategy, Real Life – Tecnologias de informação S.A.'s business grew, making up for the variations of the market with diversity and efficiency, and reaching an increase of the EBITDA of approximately 10%, to 2.1 million euros.

TURNOVER
(million euros)



EBITDA (million euros) and MARGIN (%)



TECHNOLOGY

Construction

Visabeira Global's aggregate turnover in the construction area was quite positive, reaching 41 million euros in 2015.

Emphasising its proven experience in the civil construction and public works sector, Edivisa combines all the skills and specialties related to construction and infrastructures, from the preparation and design of architectural and engineering projects to the construction, maintenance or rehabilitation of different types of buildings and structures.

In this area we highlight, at the national level, the completion of the construction of the new 5-star hotel of the Montebelo chain (Montebelo Vista Alegre Ilhavo Hotel), in the hamlet of Vista Alegre, an investment worth 10.5 million euros; this is a privileged location close to the Aveiro Lagoon where, in addition to the construction of a new building for a modern hotel, there were restoration and rehabilitation works focused on the old Vista Alegre Palace, which dates back to the 17th century, in order to integrate it into this distinguished hotel complex, unique for its global, porcelain-related conceptual decoration. Also in this sector, 2015 was marked by the start of the contract for the construction of Hospital CUF Viseu, due to be completed in 2016.

Given the significant decrease in public and private investment in the construction area and the consequent shortage of work in the domestic market, and following the strategy for 2014, Edivisa increased its international activity, with an emphasis on its presence in Mozambique.

Thus, the mobilisation of resources from Portugal to Mozambique was maintained, in order to award greater dynamics and operational capacity to companies in the local industry, including Edivisa Sucursal, Hidroáfrica and Sogitel.

Even so, and despite the unfavourable climate of civil construction in our country, Edivisa managed to expand its turnover, with a significant increase of approximately 62% from 31.3 million euros, in 2014, to 50.8 million euros, in 2015.

Internationally, we should highlight the works carried out in Mozambique where, through its affiliate, Edivisa Moçambique, the Group was involved in various projects, from which we point out, for their relevance, the contract for the Increase of Capacity of the Sena Line to 20MTPA, in the amount of 162 million euros, a project developed for Caminhos de Ferro de Moçambique (C.F.M.) and integrated into a consortium in which Edivida holds a 40% share.

We should also highlight the construction of railway infrastructures, as the company continued its important work to increase of capacity of the Sena Line, from Beira to Moatise, for Caminhos de Ferro de Moçambique (C.F.M.).

For Sogitel, 2015 was a year of consolidation within the construction market in Mozambique.

In this scenario, we highlight works such as: the participation in the construction of the Aquaculture Demonstration and Training Centre – Chokwé, in the amount of 2.6 million euros (112.4 million meticals) for Inaqua, as part of the Sogitel/Hidroáfrica/Edivisa Consortium;

the refurbishment of the unit that is now known as Montebelo Girassol Maputo Hotel, for Turvisa, in the amount of 2.4 million euros (101 million meticals); the 2nd phase of the construction of the new Songo Hotel by Montebelo (Tete), for Hidroelétrica de Cahora Bassa, with a budget of 3.7 million euros.

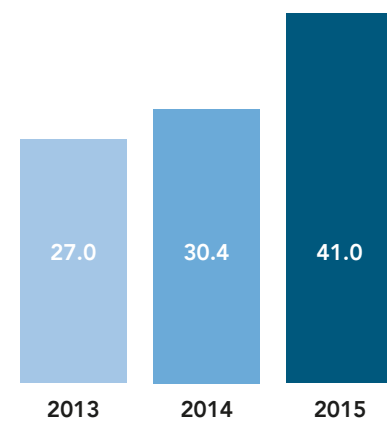
With the primary objective of increasing the value of its customers' buildings, Visacasa is focused on providing integrated solutions, with the aim of promoting an active cost reduction, together with an increase in the assets' service life and an effective pursuit of energy efficiency.

Despite the significant reduction in customer investments and an increased pressure on prices, both in terms of servicing agreements, and in terms of the prices of contracts for the rehabilitation of buildings and the installation of equipment, Visacasa managed to increase its turnover by approximately 8% compared to 2014,

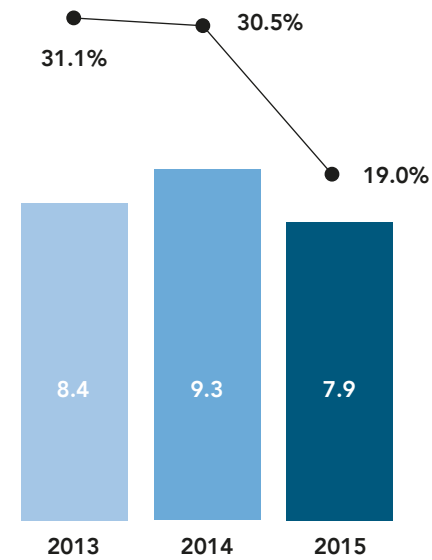
as the company intensified its commercial activity and earned the trust of the market.

In line with a differentiation policy, Visacasa has been investing on business areas with an increasingly higher added value, on the expertise and flexibility of its teams, on a better adequacy of its continuous commitment to technical training, as well as to the certification and accreditation of its technical staff.

TURNOVER
(million euros)



EBITDA (million euros)
and **MARGIN** (%)



CONSTRUCTION

MONTEBELO VISTA ALEGRE ÍLHAVO HOTEL
A new 5-star hotel integrated into the project for the rehabilitation of the Vista Alegre complex.

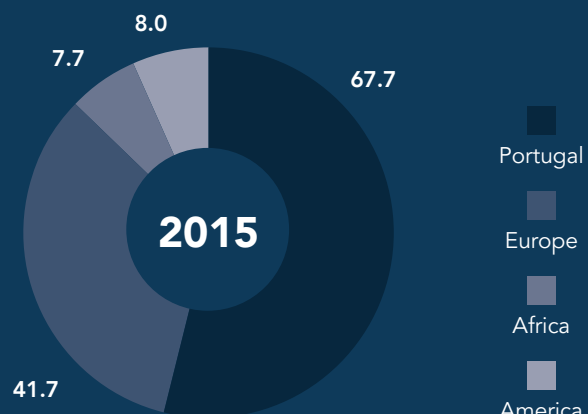


VISABEIRA INDÚSTRIA

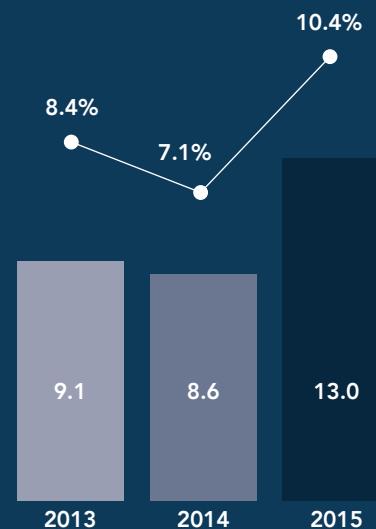
CONSOLIDATED TURNOVER (amounts expressed in million euros)

	2015	2014	Changes YoY
Turnover	125.0	120.0	4%
EBITDA	13.0	8.6	51%
EBITDA Margin	10.4%	7.1%	3.3 pp
Operating income	4.1	2.5	65%
Operating margin	3.3%	2.1%	1.2 pp
Net income	-3.5	-0.1	-3353%
Capex	13.4	14.8	-9%
Debt	71.1	75.1	-5%
Inventories	44.7	41.5	8%
Fixed assets (Including goodwill)	205.8	202.0	2%

TURNOVER (million euros)



EBITDA (million euros) and MARGIN (%)



In 2015, the consolidated turnover of Visabeira Indústria grew 4%, reaching 125 million euros, and the EBITDA reached 13 million euros, representing an increase of 51% when compared to the previous year.

Ceramics and glassware

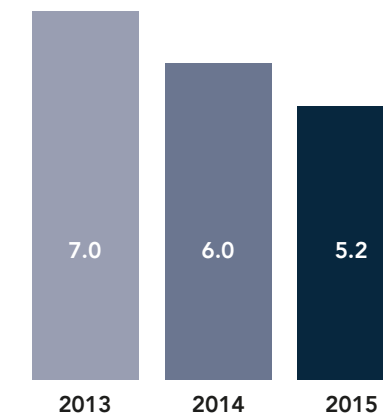
Turnover in this area totalled 89 million euros, with a growth of 19.6% compared to the previous year and an EBITA of 8.7 million euros, corresponding to a growth of 133%.

Consolidating the performance achieved over the last few years, in 2015 **Cerutil** sought to follow the circumstantial movements of the foreign market economy, showing sensitivity to the irregular cycles of demand throughout the year. This macro trend continued and became even more pronounced in 2015. Despite this adverse climate, the company managed to keep up its good performance, which had already been proven in 2014, achieving a turnover of 5.2 million euros.

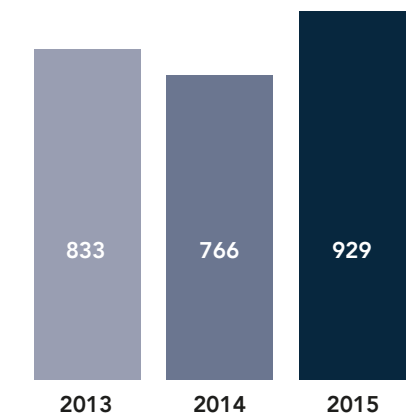
The company strengthened its commitment to improve processes and optimize resources, aiming at increasing its competitiveness in the markets where it operates and mainly focused on attracting the customers' interest. Pursuing this goal, it continued to invest on new products, new models and new decorations in order to enhance and complements its collections and add to its attractiveness to better meet the customers' expectations.

In the commercial area, supported by the synergies created within Grupo Visabeira, the company developed promotional campaigns based on its contacts and on presentations of products aimed at new customers in order to be able to discover new opportunities. Strengthening its commitment to the internationalization of the brand and to the sustainability of its position, the company maintained its presence in the leading international trade fair for home products - Ambiente Frankfurt 2015, and implemented an accurate programme of visits to its main target markets, with a special emphasis on the German, the Spanish and the French markets, to strengthen its commercial presence and analyse potential market expansions. Considering the foreign markets as its key priority remains as Cerutil's main guideline, and the results of this policy are well reflected in the fact that 90% of its sales were made in markets like France, Italy, England, the Benelux countries, Germany, among others. This strategy of placing innovative products on the market, to attract new segments and consolidate the company's position, was combined with a resource optimization policy that led to a reduction in operating costs reflected in an increase of the EBITDA margin by 5pp to 15.1%, reaching 781.6 thousand euros.

TURNOVER (million euros)



EBITDA (thousand euros)



CERUTIL

In 2015, **Grupo Vista Alegre Atlantis** put a greater emphasis on the expansion of its concept and brand, in line with a performance focused on innovation and on the creation of new product lines that allowed creating higher value-added products. This policy was supported by a strong commitment to the presentation of products in the international markets, ensuring that Vista Alegre was present at the industry's leading fairs, both in the retail segment, being present at 11 fairs in 3 continents, and in the hospitality segment, being present at 7 fairs in 4 continents, promoting the expansion of its distribution network and a significant contribution for the growth of exports. Internationally, we should highlight the presence at the industry's leading fairs, both in the retail segment and in the hospitality segment, namely New York Tabletop Show Maison & Objet and Ambiente Frankfurt, among others.

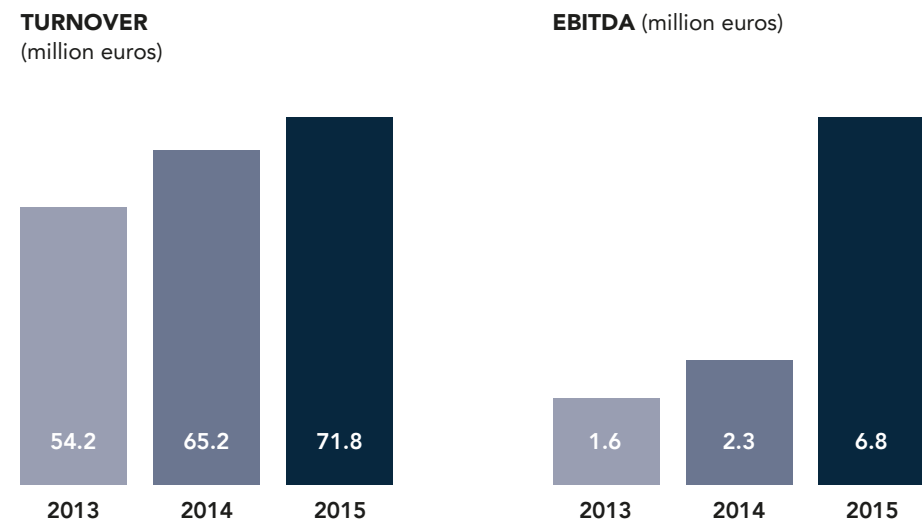
In 2015, Vista Alegre was also recognised with 12 international awards and distinctions. Vista Alegre's products are increasingly distinguished and recognised in various international competitions that celebrate the excellence of Design. We highlight the "Orquestra" and "Plissé" lines, which conquered the famous "Red Dot Design Award" in the "2015 Design Product" category; the Printemps piece, which received a German Design Award, and two other collections that received honourable mentions - Caribe by Christian Lacroix and Transatlántica by Bruno Jahara. The brand was also distinguished with the Wallpaper Design Award, in the "Best Coffee and Cake" category, granted to the "Orquestra" tableware. In 2015, and with a view to generating productivity gains, reducing operating costs and developing new techniques for the creation of innovative products, there were heavy investments in the manufacturing area, namely in an oven and in the glazing and decoration areas. We should also highlight the ongoing investments in the extension and modernization of Vista Alegre's warehouse and factory, as well as in the renovation of the new Ílhavo store and of the Outlet located next to the factory, which amounted to 1.7 million euros in 2015.

VAA remained focused on its strategy of internationalisation, innovation and diversification of customers and distribution channels, investing on the opening of two flagship stores in Spain, strategically located in Madrid and Barcelona, in order to increase and consolidate its presence in this market.

With regard to Research and Development (R&D), three projects were developed, namely in the crystal, stoneware and decals areas. Additionally, it presented two new projects related to the faience and crystal segments.

Grupo Vista Alegre Atlantis' consolidated results for 2015 revealed a positive performance compared to the previous year; the turnover increased 10.2% to 71.8 million euros and the EBITDA grew from 2.3 to 6.8 million euros, in line with a significant recovery in terms of net income, which grew 1.2 million euros, reaching a negative 0.8 million euros.

Exports continued to experience a high growth and are now accounting for 64% of the total sales.

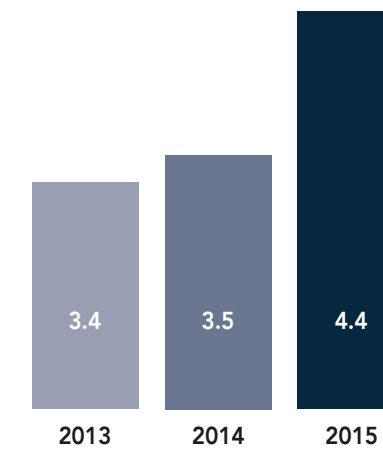


VISTA ALEGRE ATLANTIS

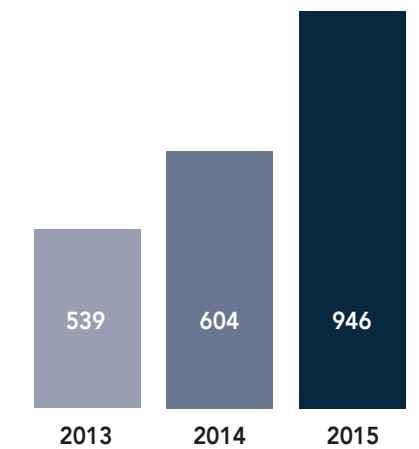
The company **Faianças Artísticas Bordallo Pinheiro**, founded by Raphael Bordallo Pinheiro, continues to focus its activity on the artistic faience sector, building a unique legacy for the history of artistic ceramics thanks to its dedication to the manufacturing of elaborate decorative clay and ceramic pieces, guided by values that emphasize art, originality and the "sui generis" characteristics that made the founder's legacy so unique. 2015 was characterised by an increase in sales of approximately 23% compared to 2014, reaching a total amount of 4.4 million euros. Following the trend of 2014, the domestic market accounted for most of the sales (68% in 2015). The presence in the foreign market was reinforced, and there was an increase in sales that stood at 23% compared to the previous year. With a view to counteracting the negative impacts of the adverse economic climate, the company continues to rely on a strong sales dynamics in the various markets where it operates, seeking to strengthen its prospective presence to take advantage of emerging opportunities. Also in 2015, Bordallo Pinheiro strengthened its presence at trade shows by participating in the Maison & Objet fair, in Paris, and in the Ambiente Frankfurt 2015 fair, where it had the possibility to significantly promote its contact and interaction with both existing and potential customers. The EBITDA amounted, in 2015, to 946 thousand euros, and the operating income reached 431 thousand euros, a figure 30% higher than that of the previous year, showing a strong performance, even in a turbulent period at all levels and, particularly, in this sector. With regard to key financial indicators, we highlight the gross margin, which was 32% higher than in 2014, and the company's ability to generate resources.

BORDALLO PINHEIRO

TURNOVER
(million euros)



EBITDA (thousand euros)



Biofuels and Thermal Energy

Pinewells, S.A. is a modern pellet production plant, based in the industrial area of Arganil and equipped with the latest technology, which stands out in its sector for providing a final product with a high quality and manufactured according to the most demanding specifications required by international customers and by the European ENPlus standard.

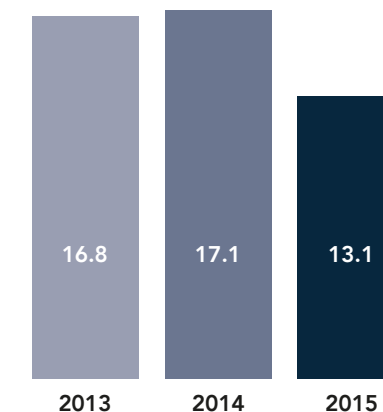
In 2015, as a result of the difficulties experienced due to the unfavourable economic climate, namely the generalised slowdown in the demand for pellets in the most important international markets, as a consequence of the short and mild winter felt across Europe in 2014/2015, Pinewells witnessed a slowdown in the growth of its turnover, which stood at a favourable amount of approximately 23 million euros.

The company's operating results stood at 389 thousand euros, which is a significant figure if we consider, not only the current economic circumstances, but also the segment's specific behaviour.

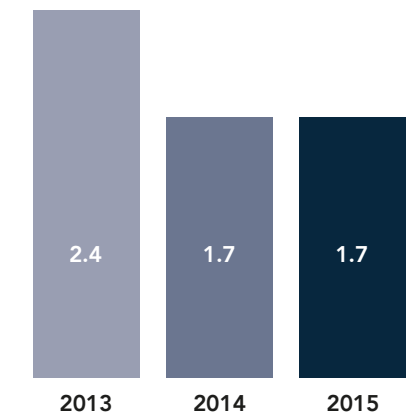
Total assets increased by 9% compared to 31 December 2014, reaching 23 million euros. Total equity reached 6 million euros.

The company continues to show robust financial strength, with the main indicators evidencing very significant amounts, with financial autonomy very close to 28.8% and capital adequacy ratio at 40.5%.

TURNOVER
(million euros)



EBITDA (million euros)



PINEWELLS

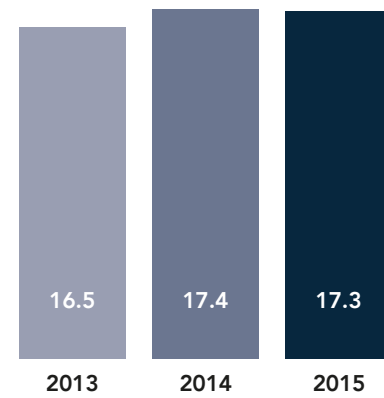
Ambitermo, S.A., is a company dedicated to the development and design of Boilers and Energy Recovery Systems. Its experience, combined with versatility and skill, allows designing, manufacturing and installing thermal power plants and energy-generating systems that are tailored to its customers' requirements. Throughout 2015, the international plan became increasingly important for Ambitermo's expansion, and it is worth highlighting the works carried in markets like the United Kingdom, Angola, Morocco, the United Arab Emirates and Saudi Arabia.

In 2015, Ambitermo designed, manufactured and installed a wide range of boilers and other industrial thermal equipment, within the scope of its core business. We should highlight the manufacturing of nearly 1000 tonnes of thermal equipment for 2 works, awarded in 2014, which are being developed in the cities of Milton Keynes and Derby, in the United Kingdom. These works are similar to the one awarded in 2013 that is still being developed in Glasgow, whose priority is the energy recovery of non-recyclable solid urban waste. Overall, these 3 works represent a turnover of approximately 22 million euros.

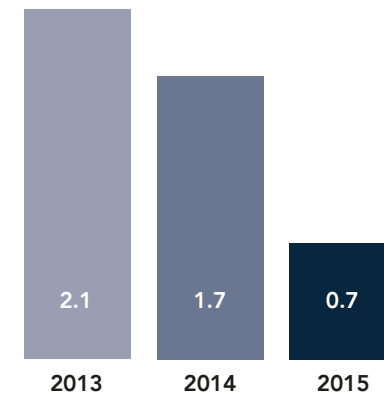
Two new installations with boilers were exported to Angola, strengthening the position that the company has already achieved in this market. Considering the good performance of the combined cycle of the Luanda refinery, the company was awarded a series of additional works related to mechanical connections, conduction, maintenance and spare parts, ensuring, in this way, a business continuity for 2016. We should also mention the manufacture of a waste incinerator for the Abu Dhabi refinery. In 2015, Ambitermo's turnover reached 17.3 million euros. The EBITDA reached 676 thousand euros and the operating income reached 780 thousand euros, reflecting a very positive performance. With regard to the maintenance of the key financial indicators, we highlight financial autonomy and solvency, which decreased from 35.5% to 31.5% and from 55.1% to 46%, respectively, proving the company's ability to generate resources.

So, Ambitermo will continue to pursue the strategy that has been allowing it to be recognised and distinguished by the excellence of its work, ensuring the loyalty and trust of its Customer and Suppliers.

TURNOVER
(million euros)



EBITDA (million euros)



AMBITERMO





MOB
Modular
customisable kitchens.

Kitchens

MOB is positioned in its market as a kitchen manufacturer specialising in the design and production of modern ergonomic and sophisticated high-end concepts. The focus on space, aesthetics and functionality are some of the distinguishing factors that make up the excellence of MOB kitchens. Its performance in 2015 allowed it to keep on growing, reversing a continued cycle marked by a decreasing turnover. This success is largely the result of a strategy outlined by the company, which included an investment on the opening of its own stores in foreign markets, namely in 2013, with the opening of the Paris and Luanda stores, a commitment to the search for new foreign markets, as well as a greater emphasis on the entry into new real estate projects in the domestic market. The result of this engagement in foreign markets, as well as the start of the Hidd Al Saadiyat project, in the United Arab Emirates, in the 2nd semester of 2015, increased the weight of the foreign markets in the company's turnover from 39% to 47%. Due to its monetary crisis, the Angolan market was overthrown by the United Arab Emirates as the main destination for MOB's exports. In addition to being present with its own stores and agents, a means to reach private customers, there was a strategic commitment to a greater commercial emphasis on the direct sale to developers and real estate agents, as a means to increase the company's market share and turnover in the domestic market.

With a view to promoting its products and strengthening its image in the eyes of its customers, MOB maintained its presence at fairs like Tektónica, in Portugal, Foire de Paris, in France, and Projekta, in Angola, while increasing its effort to gain media exposure in television shows like "Imagens de Marca" and "O Mundo de Sofia", among others.

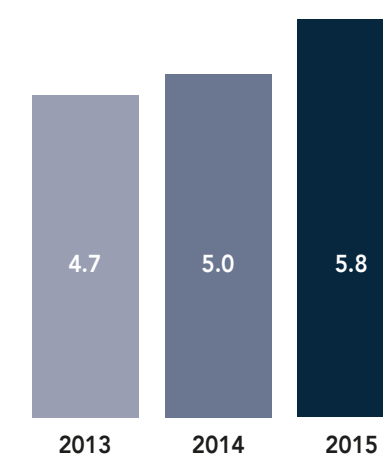
The company's innovation effort was distinguished, once again, with the award of the MOBIS prize for the best national kitchen furniture manufacturer.

In this context, the company grew its turnover by 16%, reaching an amount of 5.8 million euros. In line with the performance of the previous year, the EBITDA witnessed a growth and stood at 313 thousand euros.

With regard to the cost structure, our highlight goes to an increase in the cost of goods sold and raw materials consumed, from 2.1 million euros in 2014 to 2.5 million euros. As a result of the increasing profits, the operating income rose reaching, in 2015, an amount of 31.3 thousand euros.

Financial indicators reflect the maintenance of the solvency of short-, medium- and long-term commitments, with financial autonomy standing at 51.5% and solvency at 100%.

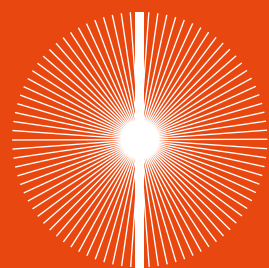
TURNOVER
(million euros)



FINANCIAL AUTONOMY (in percentage)



MOB

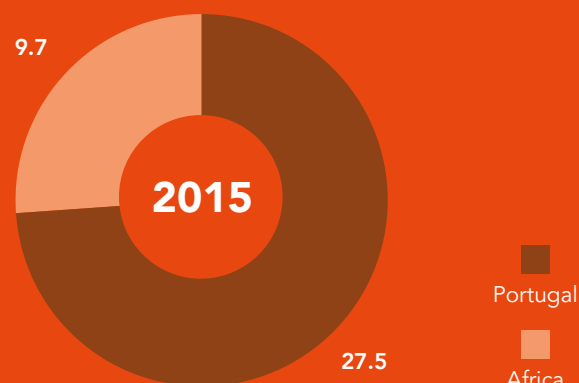


VISABEIRA TURISMO

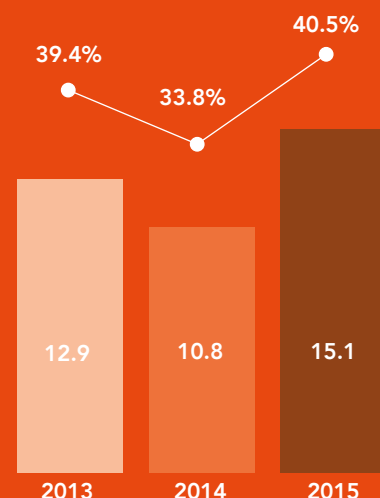
CONSOLIDATED TURNOVER (amounts expressed in million euros)

	2015	2014	Changes YoY
Turnover	37.2	31.9	17%
EBITDA	15.1	10.8	39%
EBITDA Margin	40.5%	33.8%	6.7 pp
Operating income	8.7	5.4	61%
Operating margin	23.5%	17.0%	6.5 pp
Net income	0.9	19.0	-95%
Capex	16.3	6.9	136%
Debt	36.3	33.7	8%
Inventories	1.6	0.4	311%
Fixed assets (Including goodwill)	142	112	26%

TURNOVER (million euros)



EBITDA (million euros) and MARGIN (%)



The Tourism segment witnessed a momentum in 2015, which reversed the trend of 2014 and resulted in a positive evolution of the turnover, which grew 17% compared to the previous year, reaching 37.2 million euros. The foreign market (Mozambique) witnessed a drop related to the refurbishment and rehabilitation works carried out at the Montebelo Indy Maputo Congress Hotel and at the Montebelo Gorongosa Lodge & Safari, which limited the regular operation of these units. In Portugal, the turnover of the Tourism segment grew 5.3% compared to the previous years, as a result of the great effort made by the commercial teams and of the excellent quality of the service offered by the Group to its customers.

Hospitality

The integrated offer of hospitality, golf, entertainment, sports, adventure, well-being and restaurants provided by Empreendimentos Turísticos Montebelo (ETMB) allowed the company to maintain its leading position in the regional tourism sector, even in a climate of economic retraction. This was only possible through a constant concern in optimising the productive circuits of its various operating centres, accompanied by a continuous effort in managing human resources and goods, as well as with improving service levels. The focus on the values of quality and innovation capacity remained major factors of competitiveness and profitability. With the aim of covering a larger number of markets, the company's management invested on the presence at various international fairs, namely in Madrid (FITUR), Berlin (ITB), London (WTM) and Lisbon (BTL), as well as on the participation in various business missions and international workshops.

In 2015, the company created conditions to increase its ability to attract Spanish tourists and to consolidate the investments to promote its offer in the Brazilian, the German, the French and the English markets.

We should highlight the launch of a new development, the Montebelo Vista Alegre Ílhavo Hotel, an investment of 11.6 million euros. This new 5-star hotel has 82 bedrooms with privileged views over a branch of the Aveiro Lagoon. The complex, developed around Terreiro da Vista Alegre, includes the Factory, the Chapel of Nossa Senhora da Penha de França (national monument), the Theatre and the Museum, as well as two Vista Alegre retails shops and the Bordallo Pinheiro store.

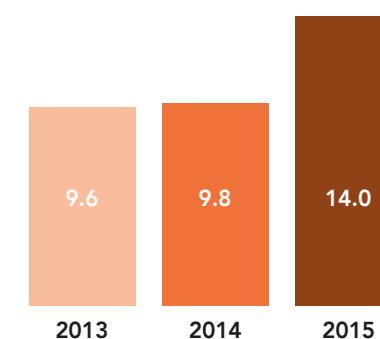
The integration of Casa da Ínsua into the Paradores network at the end of 2015 contributed to put that unit on the international map of the Iberian Peninsula's great historical hotels. The other hotels continue to host numerous and important events, such as medical conferences and pharmaceutical company meetings, as well as football, cycling, motor racing and handball teams, among others; we highlight, once again, the important canoeing training centre and world-class events based at the Montebelo Agueira Lake Resort & Spa. Montebelo Agueira attracts thousands of top-level athletes from Central and Northern Europe, as well as from the Asian and the American continents.

The Montebelo Hotels & Resorts chain was awarded several prizes and distinctions, from which we highlight the reference made by Booking, the leading online hotel reservation website, which considered the Montebelo Viseu Hotel & Spa as the "Best Hotel for Conferences and Events" at the ExpoEventos Gala, held in Lisbon; Palácio dos Melos, which was awarded the "Luxury Travel Guide's Charming Luxury Hotel of the Year" distinction; Casa da Ínsua's wines that, once again, were awarded national and international prizes; and Montebelo Golfe, which continued to host a series of amateur competitions, namely the Expresso BPI Golf Cup, one of the most important national competitions.

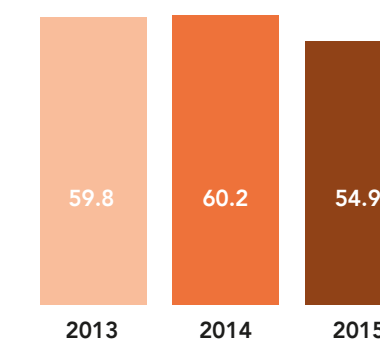
Thus, the favourable development and positive performance in the financial year is evident in the growth of turnover, which stood at 14 million euros. Operating income stood at 1.1 million euros, an increase of approximately 78.5%, and EBITDA reached 1.3 million euros.

The company still maintains very comfortable levels of financial autonomy and solvency, shown by its financial autonomy and solvency ratios of 54.9% (2014: 59.9%) and 121.6 (2014: 149.6%), respectively.

TURNOVER (million euros)



FINANCIAL AUTONOMY (in percentage)

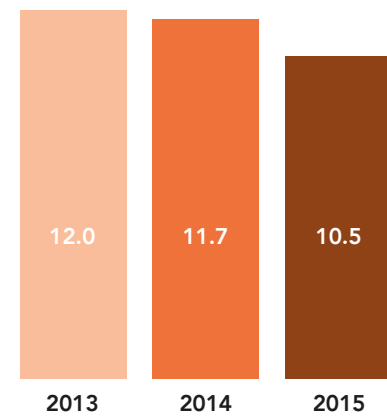


MONTEBELO

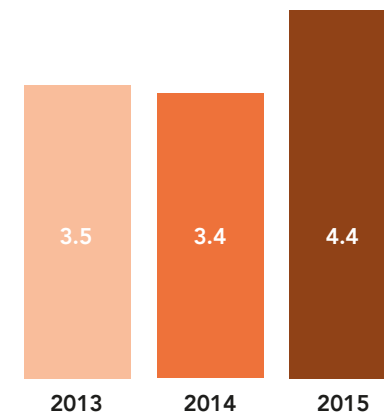
In Mozambique, Turvisa concentrates all of the Group's activities in the tourism sector, particularly in the hospitality and catering industries. We highlight the renowned Montebelo Indy Maputo Congress Hotel and Montebelo Girassol Maputo Hotel, the Lichinga Hotel by Montebelo, the Nampula Hotel by Montebelo, the Montebelo Gorongosa Lodge & Safari, integrated into the Gorongosa National Park and, most recently, the Songo Hotel by Montebelo, located close to the Cahora Bassa Dam, as well as Rodizio Real, which maintains its position as one of Maputo's most famous restaurants.

In order to consolidate their position in the Mozambican Tourism market, the Girassol hotels, which will be integrated into the Montebelo chain in 2016, continued to pursue the commercial policy followed in the previous year and, in 2015, invested on various advertising media, namely periodic publications, event sponsorships, newspapers and magazines and tourism fairs, among others. Turvisa's performance in 2015 translated into a turnover of 10.5 million euros (446.5 million meticals). Its operating income, which stood at 3.0 million euros (127 million meticals), and an EBITDA of 4.4 million euros (188.4 million meticals), resulted in a significant EBITDA margin of 42.2%. In terms of the financial structure, the maintenance of the main short- and medium-term indicators is worth highlighting, thereby showing the financial consolidation of the company, setting its financial independence at 27.2% (2014: 27.7%) and its solvency at 37.4% (2014: 38.3%). The gross margin stood virtually unchanged at 77.35% (2014: 77.15%) and the free cash flow reached an amount of 66.1 million meticals; these figures prove the company's ability to keep on generating resources in the future.

TURNOVER
(million euros)



EBITDA (million euros)



TURVISA



**MONTEBELO INDY
MAPUTO CONGRESS HOTEL**
A hotel in a privileged location
offering a wide range of
services.

ZAMBEZE RESTAURANT
 A gastronomic reference in the historic centre of Lisbon, with privileged views over the Baixa quarter and the river Tagus.



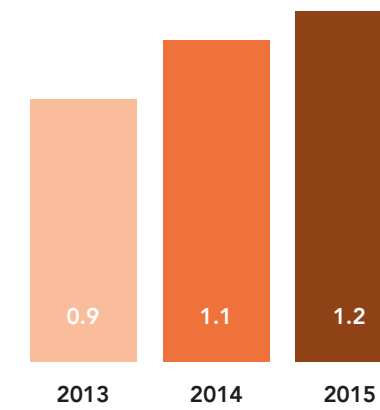
Restaurants

In terms of restaurants, the Zambeze, in Lisbon, continues to be our ambassador in the country's capital. Promoting an excellent cuisine, it has been increasingly growing and attracting the preference of a wide variety of customers, being popular among politicians, economists, artists, among others. We should also highlight that, quite recently, the renowned magazine "Luxury Retreats" mentioned Zambeze as one of the 7 must-try restaurants in Lisbon, thanks to its unique combination of flavours. There are also four restaurants in Viseu: Rodízio do Gelo, Cervejaria Antártida, Leitões do Palácio and Forno da Mimi. With a wide gastronomic offer, the Group's restaurants are renowned for their high-quality services.

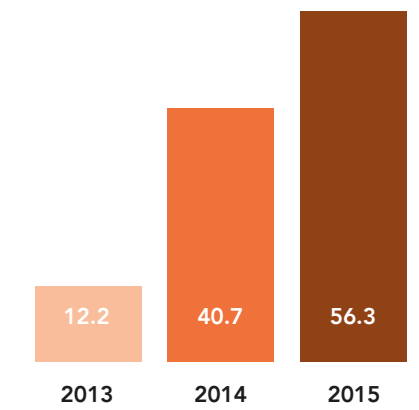
In 2015, the economic climate continued to have a negative impact on the restaurant business, requiring innovation and leading the turnover to stand at a favourable amount of 1.2 million euros, which represents an increase of 16% compared to 2014. The company's operating income increased by approximately 5.4 thousand euros, reaching an amount of 28.5 thousand euros in 2015.

The cash flow reached 54.3 thousand euros, showing a recovery of approximately 36% compared to 2014, and the net income increased 32% to 24.7 thousand euros, proving the company's good performance.

TURNOVER
(million euros)



EBITDA (thousand euros)

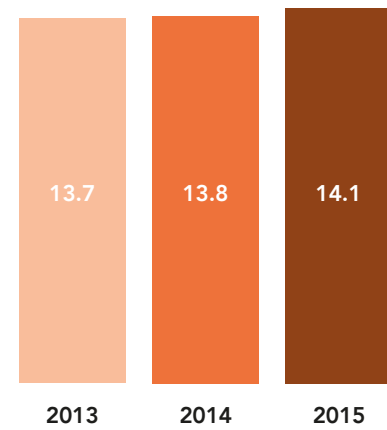


ZAMBEZE

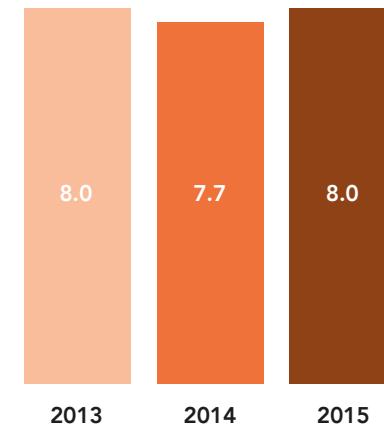
Services

Movida, with the aim of consolidating the notoriety of Palácio do Gelo Shopping, continued to base its activity on innovation and differentiation in terms of its offer and on precision in terms of the services it provides, through the development of several marketing campaigns. Palácio do Gelo Shopping was a pioneering unit in the country for combining, in a single building, complementary facilities from the sports, health, entertainment, trade and services areas, and continues to surprise the public thanks to the diversity of its proposals and to its increasingly varied offer of products, services and leisure facilities. Being a shopping and entertainment reference at the national scale, Palácio do Gelo offers unique conditions in terms of space, comfort, technology and landscape. With regard to sporting activities, the strategy was focused on the offer of a wide variety of activities, appropriate for all ages and physical conditions, with an emphasis on high-impact sports, dance, martial arts, zen activities and, following the newest market trends, on the promotion of activities such as functional training and TRX. The good performance of some of the tenants that, despite the retraction experienced by the sector, managed to maintain their sales volume, allowed Movida's turnover to reach 14.1 million euros (2014: 13.8 million euros). The year's operating income showed an increase of approximately 29%, growing from 2.8 million euros in 2014 to 3.6 million euros in 2015. EBITDA was very close to 8 million euros, and the respective margin was at 55%. In terms of the financial structure, the maintenance of the main short- and medium-term indicators is worth highlighting, thereby showing the financial consolidation of the company, setting its financial independence at 43.2% and its solvency at 76.1%.

TURNOVER
(million euros)



EBITDA (thousand euros)



MOVIDA

PALÁCIO DO GELO SHOPPING
A shopping centre that combines, in a single building, complementary facilities from the sports, health, entertainment, trade and services areas.

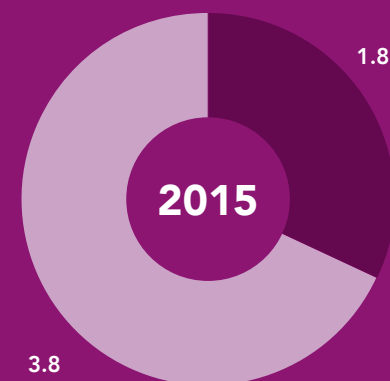


VISABEIRA IMOBILIÁRIA

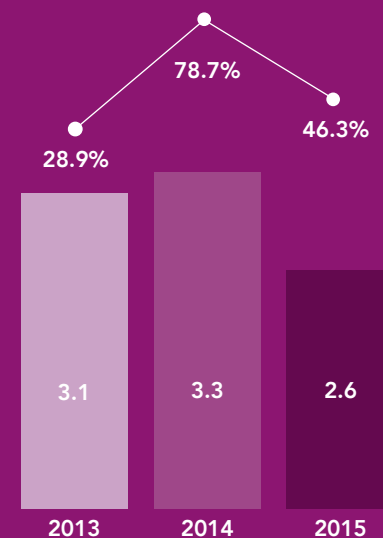
CONSOLIDATED TURNOVER (amounts expressed in million euros)

	2015	2014	Changes YoY
Turnover	5.6	4.2	34%
EBITDA	2.6	3.3	-21%
EBITDA Margin	46.3%	78.7%	-32.4 pp
Operating income	1.2	2.8	-57%
Operating margin	21.6%	66.1%	-44.5 pp
Net income	-1.2	28.2	-104%
Capex	2.7	0.4	585%
Debt	9.9	17.6	-44%
Inventories	57.0	67.6	-16%
Fixed assets (Including goodwill)	6.5	2.8	131%

TURNOVER (million euros)

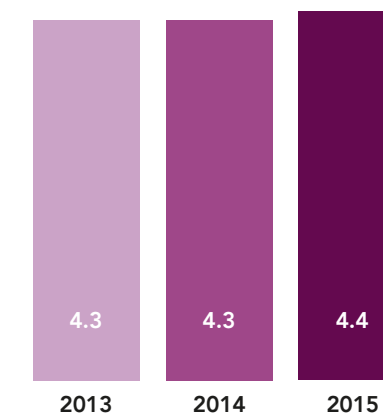


EBITDA (million euros) and MARGIN (%)

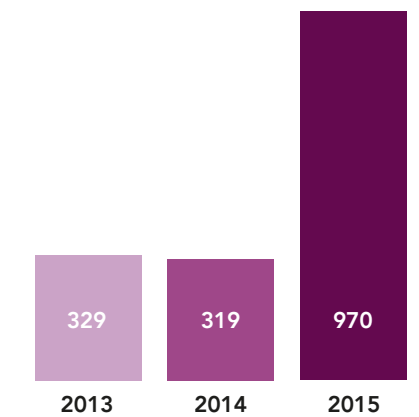


The current housing market is a complex system that requires a good understanding of its workings by the major stakeholders. In order to counteract the crisis-prone evolution of real estate sales, the company pursued strategies other than the simple sale and leasing of properties. So, its commercial operations are now covering, not only individual sales and leasings, but also sales associated with investments. The year was marked by the implementation of a digital platform for the promotion of its properties in the most important specialist websites. The result in terms of new contracts has been very positive and there is already an increase in sales. In view of this situation, there was the need to outline a new strategy based on the creation of a new company (Visahouse), which deals, not only with the sale of Visabeira Imobiliária's properties, but also with the listing and sale of assets from other builders, developers or even private customers. The increasing awareness on the comprehensiveness of the markets raised the need to develop a new concept that, in addition to dealing with the simple transaction of properties, will also deal with their management, creating investor-oriented solutions.

TURNOVER (million euros)



EBITDA (thousand euros)



IMOVISA

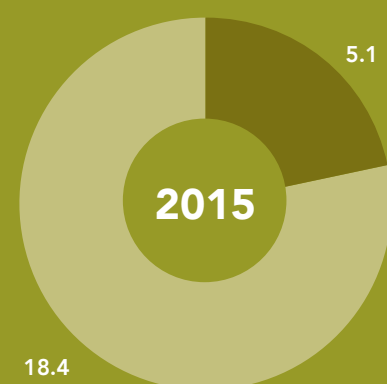
Imovisa is a company specialising in the provision of services, whose scope of activity includes real estate management and brokerage, facility hygiene and building rehabilitation and maintenance. Its major clients include: Banco de Moçambique, Mozal, TDM, Coca Cola, Standard Bank, Visabeira Moçambique, Turvisa and TVCABO (the last three are companies from Grupo Visabeira). Its activity grew in 2015, and its turnover reached an amount of 4.4 million euros, which represents an increase of approximately 8%. On the other hand, and as a result of its efforts towards operational efficiency, Imovisa managed to reduce the cost of supplies and external services, which allowed for its Operating Income to grow, reaching 580 thousand euros (24.8 million meticals). The EBITDA stood at 945 thousand euros (40.4 million meticals), reflecting Imovisa's capacity to generate cash flow.

VISABEIRA PARTICIPAÇÕES

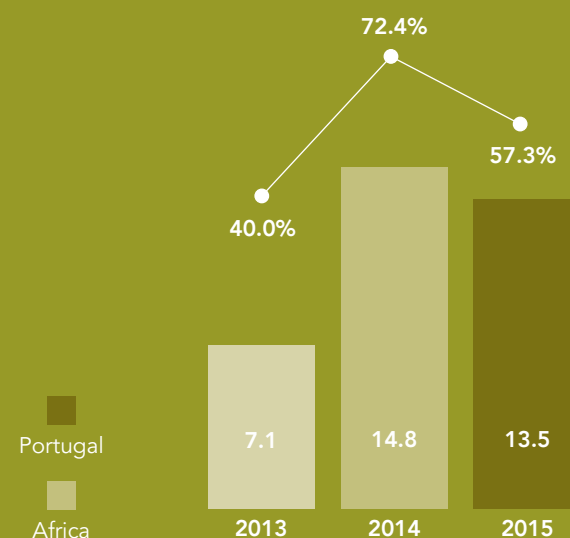
CONSOLIDATED TURNOVER (amounts expressed in million euros)

	2015	2014	Changes YoY
Turnover	23.5	20.5	15%
EBITDA	13.5	14.8	-9%
EBITDA Margin	57.3%	72.4%	-15.1 pp
Operating income	12.4	13.2	-6%
Operating margin	52.7%	64.3%	-11.6 pp
Net income	5.8	-55.4	110%
Capex	2.0	3.4	-43%
Debt	523	471	11%
Inventories	6.3	9.8	-36%
Fixed assets (Including goodwill)	63.1	42.5	48%

TURNOVER (million euros)



EBITDA (million euros) and MARGIN (%)



Visabeira Participações, SGPS, SA is the sub-holding of Grupo Visabeira which brings together all service providers.

This sub-holding's affiliates operate in different areas, from the provision of services shared by all the companies of the Group (Visabeira Pro), the sale of trucks and workshops (Visauto and Autovisa), and trading (Benetronica, Mercury Angola and Mercury Moçambique) to the healthcare area, which includes the Unidade de Residências Assistidas Porto Salus (assisted living facilities) and the Hospital Nossa Senhora da Arrábida.

In 2015, Visabeira Participações' turnover increased 15% compared to the previous year and the EBITDA witnessed a slight increase of 9%. However, the net income related to the impairments generated in 2015 by the Group's financial investments stood at positive 5.8 million euros, an increase of 110% compared to the previous year.

Commitment to society

Environment, Quality and Safety

Environment, Quality and Occupational Health and Safety are increasingly becoming some of the key management challenges and coming across as the main foundations of corporate sustainability. The evolution in the management of organizations has led to a new culture that encompasses not only the quality of products and/or services offered, but also environmental issues, health and safety in the workplace, and even social and ethical issues that, nowadays, are crucial areas for ensuring a sustainable growth and development of organizations.

Grupo Visabeira, aware of its commitment in this area, chooses Environment, Quality and Safety as the field for which it defines permanent and priority goals in order to ensure the competitiveness, success and leadership of its companies in their different areas of operation. The Group believes that this attitude allows enhancing its market assertiveness and promoting its products and services in a favourable climate, interacting with all the players and their environment.

For Grupo Visabeira, the commitment towards continuous progress and growth is a priority that is in line with the Group's strategic orientations. Labour practices at Grupo Visabeira are in compliance with Portuguese legislation and with that of the countries in which it operates and are also based on the fundamental principles of the International Labour Organisation (ILO). As a large-size employer, the Group is aware that it contributes to one of society's most widely accepted goals, which is the improvement of living standards through full employment, job security and dignified work.

Below we mention some of the initiatives that were developed in 2015, according to the established multiannual plan:

- Implementation of a project for the renovation of vehicles equipped with a lifting system, which involves the use of electric systems instead of fossil fuel based systems. This project will allow a significant reduction in fuel consumption, specifically in Constructel France;
- Implementation of Energy Rationalization Plans covering the largest vehicles fleets of the Group's companies, namely Viatel and Visabeira;
- Continuous monitoring of the best practices in the quality, environment and safety areas, based on the conduction of visits and inspections, with an emphasis on the telecommunications and energy areas;
- Continuous monitoring of the flora (zooplankton) and of the water quality in the Aguieira anchorage area, with the aim of continuously assessing the impact of the anchorage's activities on the reservoir's zooplankton community;
- Increased emphasis on the strong commitment to training in the field of security, which resulted, in 2015, in 242 training initiatives in this area, involving 1.836 employees;
- Maintenance of the programme for the continuous monitoring of the best practices in the food hygiene and safety area, with the conduction of 262 microbiological analyses that covered the various units managed by Visabeira Turismo.

In line with the strategic guidelines mentioned above, Grupo Visabeira, as an active member of the United Nations Global Compact, prepared its third Communication on Progress (COP) report, reaffirming once again its commitment to further promote the Global Compact and its principles as an important part of the company's strategy, culture and day-to-day operations.

In fact, for Grupo Visabeira, being part of the Global Compact represents, both an opportunity and a challenge that will push it to continuously reflect on sustainability and to share practices that contribute to a more equal and inclusive global market.

The people

Grupo Visabeira has always maintained a strategic commitment to the empowerment of its employees and to their alignment with the dynamic and result-oriented attitude that characterizes the brand's position.

Last year, the Group continued to follow the essence of this long-term strategy, while reinforcing its commitment to provide more training aimed at the international market, seen as a leverage to promote the growth of foreign business within the scope of the Group's activity.

The Group was able to fully comply with the programmes outlined to promote the improvement of its employees' performance, in many different areas, investing on their continuous development and on increasing the professional appreciation of their skills.

Additionally, this year there were more training initiatives focused on the employees' behaviour with the aim of making an increasingly greater difference in terms of customer contact, in order to exceed all expectations when it comes to interacting with the public.

The Group's internal programmes continue to privilege career development expectations, providing its employees with effective means to pursue an ambitious international career as a lever for each individual's professional enrichment.

In terms of recruitment, our commitment to interact with educational institutions was also reinforced, in order to promote a strong connection to foster mutual synergies and leverage the ability to attract talents.

So, in its frame of reference, the Group continues to consider people as the key driver for success, establishing clear guidelines for a constant focus on the search for the best solutions for its customers.

In 2015, the strategic pillars of the human resource policy continued to be the assumption of overall guidelines that place the development of skills, as well as the effective application of this expertise in a flexible way; these as key factors for the consolidation and expansion of the Group's different activities in their various spheres of action.

The Group believes that this policy of growth, capacity building and skill optimization is the main driving force behind its national and international growth and the cornerstone for the future expansion of its success to new geographies.

On 31 December 2015, and as a corollary of this strategy, the number of employees working for the Group rose to 9,652, corresponding to a growth of 1.1% compared to 2014.

On average, the number of employees increased from 9,031 in 2014, to 9,743 in 2015.

The evolution of the number of employees by sub-holding over the last few years is shown in the following table:

PEOPLE

	2015	2014	2013	2012
Visabeira Global	4,932	4,826	3,881	3,268
Visabeira Indústria	2,442	2,504	2,327	2,308
Visabeira Turismo	883	845	847	831
Visabeira Imobiliária	594	616	632	558
Visabeira Participações Financeiras	801	762	603	580
TOTAL	9.652	9.553	8.290	7.545

Vocational Training

Visabeira asserts as its main goal the promotion of innovative, high-quality and sustainable training projects that may efficiently contribute to maximize and appropriately develop its human potential and to the growth of its companies.

With a view to accomplishing this mission, 2015 was also a year focused on the consolidation of training initiatives dedicated to the different areas covered by the Grupo Visabeira's companies, giving shape to a clear strategy whose main goal is to raise the service and product quality standards. So, this year, despite a reduction in activity, compared to 2014, as a result of the fact that some of the business areas in which the Grupo Visabeira's companies operate witnessed a slowdown, particularly the telecommunications segment, there were 489 training initiatives that involved 4,222 trainees. These initiatives were focused exclusively on the Portuguese territory and held in different locations in mainland Portugal, the Azores and Madeira; most of them were held at the Viseu Training Centre.

Of all the trainees involved, nearly 4,200 were certified within the scope of the various training areas for which we have been accredited by the DGERT (Occupational Health and Safety, 44%; Electricity and Energy, 26%; Electronics and Automation, 11%; Civil Construction and Civil Engineering, 10%; other, 9%). There were 6,973 hours of training, which correspond to a training volume of 59,357 hours. On average, there were 2 certified training initiatives per day, involving 18 trainees/day and approximately 29 hours of training/day.

The slowdown of the economic activity in the telecommunications area is expected to continue in 2016, a circumstance that might have an impact on the number of training initiatives that will be held. However, there are plans to implement other training initiatives, namely in the hospitality and restaurant areas, among others. Simultaneously, the potential of the Training Park (landline network, mobile network and electricity), which is currently Visabeira Potencial Humano's greatest asset, will be enhanced in order to bring it in line with training needs that are increasingly focused on foreign operations. Associated with this factor is the commitment to enhance strategic partnerships that may allow an enhanced/easier access to specialised training for Group employees, while helping to promote training for external companies in order to increase the profitability of spaces and equipment.

Communication

In 2015 there were many references to Grupo Visabeira, its sub-holdings and associated companies in the various media. We highlight the national and regional media, which have been sharing information on the Group's activity, namely through brands like the Montebelo Hotels & Resorts chain, in the national territory, and the Girassol Hotéis chain (that, in 2016, will become part of the Montebelo universe), in Mozambique, or other leading brands such as Vista Alegre Atlantis, Bordallo Pinheiro, TVCABO Angola and TVCABO Moçambique.

January began with the news of the opening of the first Vista Alegre Atlantis store in Brazil. The first unit in the Brazilian market represented an overall investment of nearly one million euros and was a leading news item in various media, such as the press and the radio. Bordallo Pinheiro started the year with the news of the launch of its online shop, which was announced by the TV stations, the printed press and the online media.

The signing of the memoranda of understanding between Visabeira Global and the Birla Group, from India, with a view to setting up a mixed capital company, and between Visabeira Global and the Beijing Urban Construction Group, from China, were extensively covered by TV stations and by the national and regional press. On the other hand, the agreement between the subsidiary Constructel and Orange/France Telecom for the provision of construction and maintenance services for the French operator's fibre optic and copper networks was the subject of an exclusive report published in the weekly newspaper Expresso.

Throughout the year, Visabeira Turismo was responsible for an important flow of information. We highlight the "Queijo Serra da Estrela à Chef" (QSE'15) initiative, which brought together six high-profile Michelin star chefs at Casa da Ínsua Hotel, in Penalva do Castelo. The event was the subject of nearly one hundred news pieces published and broadcasted by national, regional and specialist media, deserving a special highlight in a TV coverage by SIC. With regard to Casa da Ínsua, the awarding of two silver medals to the Tinto Reserva 2010 and the Tinto Colheita 2011 wines in the Lyon International Competition, in France, was also highlighted by the media.

Porto Canal dedicated an edition of the "Imperdíveis" programme to the estate's wine production. In addition to the activity programmes developed at Casa da Ínsua, particularly the ones associated with the grape harvest season, the media's interest in this unit reached its peak at the time of the announcement of the partnership signed with the Paradores network, in September 2015, which resulted in more than one hundred articles in the economic and tourism-oriented press, as well as in the main generalist national, local and online media. SIC and SIC Notícias placed great emphasis on this charm hotel throughout the year, namely in TV programmes such as "Boa Cama Boa Mesa", "Imagens de Marca", "Golf Report" and in various editions of "Jornal da Tarde".

The initiatives carried out at Palácio do Gelo Shopping also ensured a high news flow, with a particular emphasis on the celebration of its seventh anniversary, which included a fashion show brightened by the presence of the Brazilian model/actress Leticia Birkheuer. The main celebrity magazines, such as Caras and Lux, the TV stations SIC (in the programme "Fama Show") and Correio da Manhã TV ensured a large coverage of this event, together with the other national and regional media. Palácio do Gelo Shopping was also the stage of recordings for the movie "Amor Impossível", directed by António Pedro Vasconcelos, a fact that ensured a constant news flow throughout the year and with the premier, in December, at Palácio do Gelo Shopping's NOS movie theatre. It attracted a lot of media attention, generating news and TV reports in the main national channels and magazines. In terms of news reports, October was marked by the party "Os Melhores Anos", which this year was dedicated to the mythical radio show "Rock em Stock", and by the opening of the Group's most recent accommodation unit, the Montebelo Vista Alegre Ilhavo Hotel. Until the end of December, the opening of this 5-star hotel gave rise to hundreds of news published in the national (generalist and tourism-oriented) press, in the regional press and broadcast by TV stations. Highlight for articles released by

weekly publications: E (Expresso's magazine), Fugas, Visão, Evasões, Time Out and lash, as well as the interview to the weekly newspaper Expresso and the articles published in magazines, newspapers, sites and lifestyle blogs. The TV programmes "Boa Cama Boa Mesa" and "Espaços & Casas", as well as the magazine "Meios & Publicidade" and the newspapers Correio da Manhã and OJE, presented extended reports focused on the unit's facilities.

In this 2015 overview we should also highlight Vista Alegre Atlantis, which has been part of the Grupo Visabeira since 2009 and generated a significant news flow throughout the year. We highlight the distinction of the brand with two Red Dot Design Awards, the nomination for the German Design Awards, as well as the manufacturing of bottles for the whiskey The Glenrothes Single Cask 1968, which attracted the media's attention. The new partnerships between VAA and the French brand Christian Lacroix and Oscar de la Renta also generated a considerable news flow, particularly in the printed press and in specialist magazines.

With regard to Bordallo Pinheiro, the launch of the "Os Figurões" collection attracted the media's attention. The collection, which revives a satirical and irreverent tradition by depicting personalities as renowned as Pope Francis, Eusébio, Barack Obama, Angela Merkel and Mário Soares, motivated references in Público, Observador, Rádio Renascença, Lux, TVI, among others. We also highlight the inauguration of the Rota Bordalliana, a cultural and artistic route across the streets of Caldas da Rainha, which displays 20 ceramic figures manufactures at the human scale. Material for dozens of reports published, for example, in Jornal Público, Lifecooler and the local press.

In sum, we can say that, throughout 2015, the activities developed by Grupo Visabeira and its sub-holdings were regularly present in newspapers like Jornal de Notícias, Diário de Notícias, Público, Expresso, I, OJE, Económico, Negócios, ETV, Dinheiro Vivo, Diário de Viseu, Diário de Coimbra, Diário de Aveiro, Diário As Beiras, Jornal Via Rápida, Publituris, Ambitur, as well as in the magazines Flash!, VIP, Sábado and Visão, in the radios TSF and Antena 1, among others. The TV channels RTP 1, RTP 2, RTP Informação, SIC, SIC Notícias, TVI, TVI 24, CMTV and Porto Canal have also broadcast reports on the activities of Grupo Visabeira.

Internal communication

NEWSLETTER

The MyVisabeira newsletter continues to pursue its mission to internally publicize the main activities and initiatives developed by Grupo Visabeira; it is digitally published on a monthly basis, being available to all the Group's employees in Portugal and in the countries where Visabeira operates. It is the means used to provide information about the main events and news related to the activity of the Group and its companies, and it is sent to the employees via email and in a shorter printed version. The MyVisabeira newsletter encourages everyone to collaborate with news, ideas and suggestions.

INTRANET

The Intranet projects of Grupo Visabeira continued to warrant special attention and dynamics in 2015. It is a communication platform par excellence among the Group's employees which, in the countries where the holding is present, have access to various sectors, especially to Human Resources. It is also on the intranet that the news clippings referring to the universe of Grupo Visabeira are posted.

Social Responsibility

Aware of the importance of social and environmental initiatives for its day-to-day operations and for its interaction with all the stakeholders, Grupo Visabeira has been adopting, for several years, policies of social responsibility that are implemented at two different levels. Internally, with an emphasis on its employees and externally, with an emphasis on the society into which its companies are integrated in the different countries where it operates.

In 2015, Grupo Visabeira continued to provide financial support to Fundação Visabeira, a private social solidarity institution whose goal is to contribute to the social promotion of the general population, of children and youths, among others. The management of the Infantinhos da Vilabeira and Infantinhos da Quinta do Bosque nurseries and kindergartens is entrusted to Fundação Visabeira, which also plays a socially relevant role by providing support to the families of the Group's employees and welcoming dozens of children from the two geographical areas of the city of Viseu.

Internally, Grupo Visabeira promoted a series of initiatives aimed at its employees, with a view to strengthening their team spirit and consolidating their interpersonal relationships. We highlight the summer meetings, held before the holidays, and the traditional Christmas dinners.

The Christmas dinners involve thousands of staff members and brings together employees from the Group, Vista Alegre Atlantis and Bordallo Pinheiro; these initiatives are held in Viseu, as well as in all Visabeira Global's facilities located in Portugal and in the various countries where the company operates, namely Angola and Mozambique.

At the external level, Grupo Visabeira developed several initiatives based on different types of sponsorship, collaborating with social, sports, cultural, religious, educational, leisure and well-being, and healthcare promotion associations, among others. Within this scope, we can highlight the collaboration with the APPACDM – Portuguese Association of Parents and Friends of Mentally Disabled Citizens (Viseu section), the Orfeão de Viseu, the Amigos de Santos Evos Social, Cultural and Recreational Solidarity Association, the Volunteer Fire Brigade of Viseu, the 14th Infantry Regiment, the Polytechnic Institute of Viseu and the Portuguese Catholic University, the AIRV - Business Association of the Viseu Region, the collaboration with the French-Portuguese Chamber of Commerce and Industry, among many others.

In 2015, and in the cultural area, Grupo Visabeira continued to collaborate with initiatives such as the Ephemeral Gardens festival (Viseu), the Spring Music Festival and the 3rd edition of the Viseu Jazz Festival, and continued to fulfil the collaboration protocol with the Grão Vasco National Museum. We should also highlight the support provided by Grupo Visabeira to the film "Amor Impossível", directed by António Pedro Vasconcelos; some of the scenes were recorded in facilities related to the Group, such as the Palácio dos Melos Hotel, the Príncipe Perfeito Hotel, Palácio do Gelo Shopping, ForLife, Cervejaria Antártida and two apartments managed by Visabeira Imobiliária. In the healthcare promotion area, Grupo Visabeira continued to provide its annual support to Health4Moz, a Portuguese medical association that carried out another humanitarian mission in Mozambique. The non-governmental organization (NGO) Health4Moz, which is supported by some Portuguese hospital, among which the hospitals of São João and Santo António, in Porto, aims at improving the quality of health in various areas, both in terms of prevention and in terms of differential treatment. The 2015 mission involved 8 people, among which two obstetricians and three paediatricians who worked on a voluntary basis to provide different types of training: pregnancy monitoring and childbirth care - pre-graduate training provided to 20 medical students of the Lúrio de Nampula University, in Mozambique, and post-graduate training provided to 20 nurses/midwives and 20 general practitioners and obstetricians. The mission included also a post-graduate training in neonatology provided to 20 general practitioners from Nampula and 20 paediatricians from around the country, in collaboration with the Ministry of Health.

Also in Mozambique, Visabeira Moçambique continued to develop initiatives aimed at the youngest generations, in line with the policy implemented over the last few years. In 2015, it sponsored the organization of a fair in collaboration with the Livro Aberto Association, which celebrated the International Children's Day, and was also used as a means to raise funds for community literacy projects in Maputo. This initiative, which had its fourth edition in 2015, has a distinguishing feature - the fact that it fosters the participation and interaction of children of all social classes from local and foreign families living in Mozambique. On the other hand, TVCABO Moçambique handed out presents in the paediatric section of the Maputo Central Hospital, an initiative that celebrated the Day of the African Child and allowed the hospitalised children to spend a different and special day. Also in Mozambique, TVCABO was one of the sponsors of the 2nd edition of MozTech, the Information and Communication Technology Fair held in Maputo, and sponsored, together with the Montebelo Indy Maputo Congress Hotel, the launch of the new image of Rádio Cidade, a radio station that is seeking to strengthen its relations with Rádio Moçambique.

In Portugal, Palácio do Gelo Shopping was, once again, the stage for numerous initiatives focused on the promotion of social well-being. We should highlight the awareness campaigns focused on the healthcare area, with screenings and medical advice, such as the one developed by ForLife and Visabeira Knowledge & Research, with the participation of the nutritionist Márcia Rego and two nurses from VKR, a clinic from Grupo Visabeira that promotes special programmes with an emphasis on obesity, diabetes, post heart attack recovery, post stroke recovery and cardiac arrhythmias. Also within this scope, and in order to mark the World Obesity Day, ForLife promoted a personalised awareness and clarification initiative, warning against the adverse health effects of overweight.

In the leisure and well-being area, Palácio do Gelo Shopping and ForLife opened their doors to welcome a series of "Open Days", which allowed the public to discover and try, for free, some of the sport disciplines available in their facilities. In 2015, ForLife continued to sponsor the paralympic athlete Mário Trindade, who competes in wheelchair racing, and it also continued to support the mountain bike team of the TOC -Termas Hóquei Clube, a sports association based in Termas de São Pedro do Sul. Throughout the year, Palácio do Gelo Shopping welcomed various exhibitions and lectures, such as the exhibition organised in partnership with the District Command for Aid Operations (CDOS) of Viseu, which included vehicles, materials and equipment used by the various Civil Protection agents, and the exhibition "The Infantry Regiment of Viseu in the Great War", a tribute to all the R114 soldiers who fought in World War I. In the cultural area, we should also highlight the opening of a temporary exhibitions gallery in partnership with institutions based in Viseu (Teatro Viriato, Escola de Dança Lugar Presente and Companhia Paulo Ribeiro). This partnership allows bringing those three cultural institutions closer to the public, by publicising their activities through photography exhibitions, posters, videos, documentaries and shows. Also within the scope of its social responsibility policy, and following the end of its Christmas programme, Palácio do Gelo Shopping offered, once again, a New Year Concert with the participation of the Dr. José de Azeredo Perdigão Regional

Conservatorium of Music, an institution that is financially supported by Grupo Visabeira so it can purchase musical instruments to provide the children and youths from the region of Viseu with a proper artistic and musical education

In the healthcare areas, we should highlight the collaboration with the project of the Portuguese Association of Music in Hospitals and Solidarity Institutions (APMHIS), which spent one day in the Hospital Nossa Senhora da Arrábida, a unit integrated into Grupo Visabeira's Porto Salus - Residências Assistidas (Assisted Homes) Complex. In this initiative, the association's musicians shared moments of musical interaction with the hospitalised patients, in order to help ease the problems associated with hospitalization, namely in the palliative care area.

In 2015, Grupo Visabeira maintained its connection to sports, through Palácio do Gelo Shopping, by renewing the sponsorship of Académico de Viseu, whose athletes train in the ForLife gym, and through the Montebelo Hotels & Resorts chain, Bordallo Pinheiro and Palácio do Gelo Shopping, by supporting the team of the Clube Desportivo de Tondela in the first league. Furthermore, this year Grupo Visabeira signed a protocol to introduce golf as an extra-curricular activity for primary school students from Tondela (a joint partnership with the Portuguese Golf Federation, the Tondela City Council, the Tondela School Group - Tomaz Ribeiro, Empreendimentos Turísticos Montebelo and the Viseu Golf Club), which will cover children aged between 6 and 9. With regard to canoeing, we highlight the "Nelo Winter Challenge", a reference in winter competitions, which brings together canoeist from across the world, including Olympic medal winners, at the Montebelo Aguieira Lake Resort & Spa.

In 2015, Vista Alegre Atlantis continued to support and sponsor a series of sports, social and cultural events, such as "Casamentos de Santo António", the "Taça Portugal Solidário em Golfe", under the High Patronage of His Excellency the President of the Republic, the "Millenium Estoril Open", the "Volvo Ocean Race" (together with Bordallo Pinheiro), the "Troféu Carro do Ano - Volante de Cristal", "Algarve Classic Cars", among many others. Ensuring the continuity of an international project that began in 2014, Vista Alegre Atlantis maintained its commitment to young designers via the ID Pool (International Design Pool) programme, which enables young artists to develop and enhance their talent in the company's factory, in Ilhavo, offering a temporary residency at the industrial complex's facilities.

Vista Alegre, as a company, is also the mainstay of the Sporting Club of Vista Alegre, a sports association whose main goal is the training of young people in football.

Apart from financial support, Vista Alegre also provides the facilities where the club is based.

Future outlook

In 2015 there was a gradual recovery in economic activity, which is expected to continue until 2017. This trend is expected to continue in 2016, with expectations for a global economic recovery supported by an average annual GDP growth of approximately 1.7%. Taking advantage of development in the international markets, Grupo Visabeira will continue to focus on its growth and on expanding its business to other countries, in order to become increasingly international thanks to a wide range of investments in its various sub-holdings. This investment policy is aimed at achieving a higher profitability and optimising the expected return, while ensuring accuracy and objectivity in the assessment and selection of any future investments.

Visabeira Global

In 2016, Visabeira Global will allocate 74% of the total planned investments in Grupo Visabeira, with an emphasis on TVCABO Angola, TVCABO Moçambique and Fibroglobal; more than half of the planned investments are related to this sub-holding. Along the lines of the previous years, the investments planned for TVCABO Angola (13.6 million euros) are mainly intended for the purchase of equipment and for the expansion of the network in the areas where the company is already present (Luanda, Lubango and Benguela), and also in new areas, particularly in Huambo. Additionally, TVCABO Angola has planned investments for the opening of new physical shops in Luanda, Lubango and Benguela. With regard to TVCABO Moçambique, the scenario is quite similar, given that a large share of the planned investment (3.7 million euros) is intended for the expansion of the network in Maputo, with a special emphasis on the corporate market, and also for the introduction of the Voice service in the company's portfolio, a measure seen as a strategic commitment to make a difference in terms of customer loyalty and of the attractiveness of the overall product. Additionally, Fibroglobal has also planned an investment worth 4.3 million euros aimed at projects for Next-Generation Networks. Still within the scope of Visabeira Global, Comatel takes on a leading position as partner of the largest companies in the Angolan telecommunication market, such as Angola Telecom, MStelecom and ZAP, for which there are already awarded projects for the construction and maintenance of telecommunication systems. For that purpose, there are planned investments of 1.9 million euros, which the acquisition of a plot of land in Huambo. We should also mention Viatel, with the railway signalling tender, in a consortium with Thales and Mota-Engil, and also the construction of radio telecommunication infrastructures. We should also highlight PDT and its agreement with ZON TV Cabo for the construction of new networks along the coastal area, as well as in the Azores and Madeira. Also with regard to Visabeira, and in the electricity area, we should highlight the EC2015 Continuous Contract with EDP Distribuição, which began in March 2015 and has a duration of 72 months, and, additionally, with REN, the expected award of projects for the construction of high-voltage lines. We should also highlight the gas area, with the contract in consortium with PRF and the contract with TAGUSGÁS. In the construction area, we should mention Edivisa, with ongoing construction works such as Hospital CUF Viseu and Hotel VAA, in Chiado, and the new tenders for the construction of railway lines in Mozambique. Also in Mozambique, we should mention Televisa, whose renowned customers include VODACOM, TDM and HUAWEI, among others; the company already has contracts with these customers for the construction and maintenance of landline and mobile networks, and there are good perspectives for new awards, like the creation of an internal communication channel and BCI's optical data ring. The planned investments for each of these companies amount to approximately 500 thousand euros. We should highlight Constructel France, Gatel and Constructel Germany, with planned investments of 412 thousand euros, 199 thousand euros and 182 thousand euros, respectively. There are also plans for the creation of a company in Qatar, whose proposed name is Visabeira Qatar LLC, with an interest of 49% in partnership with a local associate that will develop activities in areas as varied as telecommunications, electricity, gas, water, civil construction and, also, the manufacturing and sale of kitchen furniture.

Visabeira Indústria

In the Visabeira Indústria sub-holding, Vista Alegre stands out as the company with the largest planned investment (2 million euros). These investments are intended for the refurbishment of some of the physical stores, to expand the company's sphere of influence and attractiveness; there are also investments in the porcelain and crystal segments, as these are expected to be the ones with the greatest growth potential. There will also be an emphasis on the international markets that are expected to show a greatest potential for growth, such as Brazil, Spain, the U.S.A., Latin America, among others, particularly at the commercial level. We should also mention Cerutil, whose strategy is focused on strengthening its position in the international markets, such as France, Germany, the United Kingdom, among others, and also Ambitermo, with continuous investments on markets like Scotland and the Nordic countries. With a stronger commercial team and a constant presence of commercial agents in the countries on which it is focused, Visabeira Indústria aims at increasing its turnover in the foreign market in 2016.

Visabeira Turismo

With regard to the Tourism sector, the Group has 12 hotels – 6 in Portugal and 6 in Mozambique. The Montebelo Vista Alegre Ílhavo Hotel was inaugurated at the end of 2015, as part of a new tourism complex located in Lugar da Vista Alegre, next to the company's factory. In 2016, the Grupo expects to start the project and construction of a unit located in Chiado, Lisbon, in a building owned by Vista Alegre. This year there are also plans for the extension of the Montebelo Indy Maputo Congress Hotel, located in the most privileged area of Maputo, with a planned investment of 7.2 million euros.

Visabeira Participações

Within the scope of the sub-holding Visabeira Participações, we should mention the company Porto Salus Azeitão, for which 2016 will be a year to consolidate the activities and strategies implemented and developed in the previous year; its commercial area is expected to have a significant weight, so there are plans to publicize it and promote its notoriety within its segment. We should also mention Hospital Nossa Senhora da Arrábida that, as Porto Salus Azeitão, will face a year of consolidation of its activities and strategies; the demand for the services provided by the company is expected to witness a slight growth. The investments planned for these companies correspond to residual amounts (96 thousand euros and 80 thousand euros, respectively), as this is a year for consolidating their activities.

Visabeira Imobiliária

In the real estate area, we highlight Imovisa, in Mozambique, with a planned investment of 2.6 million euros, for the extension and refurbishment of the Montebelo Girassol Maputo Hotel, which is expected to be completed still in the course of 2016. Visabeira Imobiliária has been focused on promoting and selling its properties since the end of last year. In 2016, with an enhanced commercial team and protocols with the main real estate agencies based in the areas where the Group's properties are located, there will be an emphasis on the sub-holding's strategy to sell its assets.

Annex to the Report of the Board of Directors

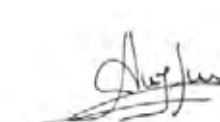
Pursuant to and for the purposes of Articles 447 and 448 of the Commercial Companies Code, we disclose the shareholdings of the members of management and supervisory bodies and the operations carried out during the year 2015.

SHAREHOLDER/MEMBER OF CORPORATE BODIES

	Number of shares on 31 December 2015	%	Number of shares on 31 December 2014	%	Transactions in 2014
Fernando Campos Nunes *	18,791,265	81.61%	18,081,182	78.53%	710,083
Caixa Capital	992,630	4.31%	1,568,258	6.81%	-575,628
Grupo Visabeira (own shares)	2,302,512	10.00%	2,302,512	10.00%	0
Portugal Capital Ventures	813,194	3.53%	947,649	4.11%	-134,455
Total	22,899,601	99.45%	22,899,601	99.45%	0

* Percentage held via personal Holding

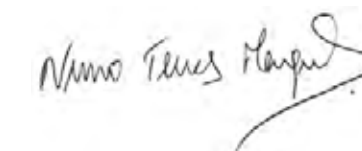
The Chartered Accountant



Chartered Accountant member
 No. 77089

The Board of Directors




A decorative graphic consisting of two overlapping circles, one on the left and one on the right, both outlined in a light gray. A solid blue line starts from the top left, passes through the left circle, crosses the vertical line between the circles, and continues across the right circle towards the right edge of the page.

Consolidated reporting documents

Consolidated financial statements

CONSOLIDATED INCOME STATEMENT

Financial years ended 31 December 2015 and 31 December 2014

	Notes	2015	2014
Ongoing operations			
Sales		158,381,593	147,022,929
Services rendered		522,642,546	484,531,111
Turnover	10	681,024,139	631,554,040
Cost of sales and services rendered		-157,421,857	-173,772,794
Gross margin		523,602,282	457,781,246
Own work capitalised	11	8,778,014	3,089,215
Other income	12	12,353,126	7,885,168
External supplies and services	13	-273,799,733	-225,642,939
Staff costs	14	-151,220,735	-134,660,675
Other expenses	12	-10,693,622	-10,196,551
Recurring operating income (net of depreciations and provisions)		109,019,333	98,255,464
Changes in the fair value of investment properties	23	3,272,211	63,140,782
Gains from business combinations		0	332,910
Depreciations	15	-36,329,940	-32,214,908
Provisions and impairment losses	16	-8,683,364	-2,826,414
Operating income		67,278,239	126,687,834
Interest borne, net	17	-33,806,113	-32,592,868
Gains/(losses) on listed shares	18	-15,603,291	-56,777,497
Other financial expenses, net	19	-9,739,483	-2,251,899
Gains/(losses) with associated companies	6	75,058	-675,915
Financial result		-59,073,829	-92,298,178
Pre-tax result		8,204,410	34,389,656
Current income tax	20	-7,119,754	-10,252,306
Deferred income tax	20	19,405,946	-10,905,280
Income tax for the financial year		12,286,192	-21,157,586
Net income		20,490,602	13,232,070
Attributable:			
Shareholders		15,609,734	8,083,092
Non-controlling interests	36	4,880,868	5,148,978
Earnings per share:			
Basic	34	0.68	0.35
Diluted	34	0.68	0.35

The notes are an integral part of this consolidated financial statement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the years ended 31 December 2015 and 31 December 2014

	2015	2014
Consolidated net income for the period (a)	20,490,602	13,232,070
Other comprehensive income:		
Amounts that will be subsequently reclassified as profit and loss		
Currency translation adjustments		
Translation of transactions denominated in foreign currency	-20,154,867	6,784,114
Derivatives and hedge accounting		
Changes in the market value	806,512	476,364
Tax effect	-174,264	-20,823
Impairments of assets		
Change in the fair value reserve of available-for-sale financial assets	14,730,058	7,771,259
Tax effect	-7,038,921	160,677
Other adjustments recognised directly in equity, net		
Other adjustments	46,789	-77,031
Amounts that will not be subsequently reclassified as profit and loss		
Retirement benefits		
Actuarial gains/(losses)	9,623	35,667
Tax effect	-2,079	-8,025
Other comprehensive income for period (b):	-11,777,148	15,122,202
Total comprehensive income for period (a) + (b)	8,713,454	28,354,272
Total comprehensive income attributable to:		
Non-controlling interests	-230,676	7,037,592
Shareholders of Grupo Visabeira	8,944,130	21,316,680

The notes are an integral part of this comprehensive income consolidated financial statement

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Financial years ended 31 December 2015 and 31 December 2014

	Notes	2015	2014
ASSETS			
Non-current assets			
Tangible assets	21	520,721,266	489,327,607
Goodwill	22	32,647,289	32,958,886
Investment properties	23	328,898,759	335,629,703
Intangible assets	24	80,741,185	80,933,099
Investments in associated companies	6	32,196,028	32,539,176
Financial assets available for sale	25	106,653,927	109,444,124
Other financial investments	7	64,271,803	54,349,291
Deferred tax assets	20	41,383,097	12,630,366
Total non-current assets		1,207,513,353	1,147,812,251
Current assets			
Inventories	26	150,170,229	177,910,352
Customers and other receivables	27	156,497,581	162,948,999
State and other public entities	28	2,481,755	6,375,619
Other current assets	29	110,015,050	128,806,589
Financial assets held for trading	30	579,956	754,347
Cash and cash equivalents	31	43,041,617	40,803,252
Total current assets		462,786,188	517,599,157
Total assets		1,670,299,541	1,665,411,409
EQUITY			
Capital	32	115,125,630	115,125,630
Own shares	33	-33,468,381	-33,468,381
Share premiums		44,493,578	44,493,578
Other reserves	35	59,694,515	63,081,729
Retained earnings	35	112,135,345	99,804,001
Equity attributable to shareholders		297,980,687	289,036,557
Non-controlling interests	36	48,508,334	48,863,465
Total equity		346,489,021	337,900,022
LIABILITIES			
Non-current liabilities			
Medium- and long-term bank loans	37	605,298,727	613,973,968
Other non-current liabilities	39	83,452,005	80,237,995
Shareholders	39	16,387,589	15,186,430
Deferred income tax liabilities	20	94,745,028	81,446,281
Provisions for other risks and expenses	42	6,211,821	6,359,299
Total non-current liabilities		806,095,170	797,203,973
Current liabilities			
Short-term bank loans	37	142,560,187	110,929,648
Suppliers and other payables	38	126,939,820	138,561,979
State and other public entities	28	7,622,692	13,437,599
Other current liabilities	39	240,592,652	267,378,187
Total current liabilities		517,715,351	530,307,414
Total liabilities		1,323,810,521	1,327,511,387
Total equity and liabilities		1,670,299,541	1,665,411,409

The notes are an integral part of this consolidated financial statement

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Financial years ended 31 December 2015 and 31 December 2014

	Capital	Own shares	Share premiums	Financial asset fair value reserve (note 25)	Retained earnings and other reserves (note 35)	Subtotal	Non-controlling interests	Total equity capital
On 1 January 2014	115,125,630	-32,724,483	44,493,578	21,693,662	119,875,388	268,463,775	40,320,085	308,783,859
Acquisitions, disposals and share capital increases	0	0	0	0	0	0	2,134,427	2,134,427
Comprehensive income for the period	0	0	0	7,931,936	13,384,744	21,316,680	7,037,592	28,354,272
Operations with share capital holders								
Dividends distributed	0	0	0	0	0	0	-628,639	-628,639
Acquisition of own shares	0	-743,898	0	0	0	-743,898	0	-743,898
On 31 December 2014	115,125,630	-33,468,381	44,493,578	29,625,599	133,260,132	289,036,557	48,863,465	337,900,021
On 1 January 2015	115,125,630	-33,468,381	44,493,578	29,625,599	133,260,132	289,036,557	48,863,465	337,900,021
Acquisitions, disposals and share capital increases	0	0	0	0	0	0	498,440	498,440
Comprehensive income for the period	0	0	0	7,691,137	1,252,993	8,944,130	-230,676	8,713,454
Operations with share capital holders								
Dividends distributed	0	0	0	0	0	0	-622,895	-622,895
On 31 December 2015	115,125,630	-33,468,381	44,493,578	37,316,736	134,513,124	297,980,687	48,508,334	346,489,521

The notes are an integral part of this consolidated statement of changes in equity

CONSOLIDATED CASH FLOW STATEMENT

Financial years ended 31 December 2015 and 31 December 2014

	2015	2014
OPERATING ACTIVITIES		
Receipts from customers	778,880,392	714,511,803
Payments to suppliers	-494,594,381	-472,335,153
Payments to staff	-149,738,100	-134,180,801
Operating cash flow	134,547,911	107,995,849
Income tax paid/received	-5,844,338	-6,150,323
Other operating payments/receipts	-9,790,804	987,267
Cash flow generated before extraordinary items	118,912,769	102,832,793
CASH FLOW FROM OPERATING ACTIVITIES (1)	118,912,769	102,832,793
INVESTMENT ACTIVITIES		
Receipts from:		
Financial investments	4,646,925	2,175
Investment grants	2,670,974	5,785,284
Interest and similar income	1,212,463	3,158,124
Loans granted	1,573,949	24,000
Dividends	3,990,699	4,645,980
	14,095,010	13,615,563
Payments concerning:		
Financial investments	-429,789	-3,572,203
Tangible fixed assets	-91,692,822	-86,817,701
Loans granted	-9,811,850	-21,549,635
	-101,934,460	-111,939,539
CASH FLOW FROM INVESTING ACTIVITIES (2)	-87,839,450	-98,323,976
FINANCING ACTIVITIES		
Receipts from:		
Loans obtained	950,700,826	952,706,036
Supplementary payments from non-controlling interests	1,020,213	1,795,000
	951,721,039	954,501,036
Payments concerning:		
Loans obtained	-928,408,918	-891,794,252
Depreciations of financial leasing contracts	-5,167,544	-8,896,995
Interest and similar costs	-49,470,874	-48,701,875
Acquisition of own shares	0	-743,898
	-983,167,638	-950,137,020
CASH FLOW FROM FINANCING ACTIVITIES (3)	-31,446,599	4,364,016
Changes in cash and cash equivalents (1) + (2) + (3)	-373,281	8,872,834
Cash and cash equivalents at the beginning of the period	39,418,600	30,965,353
Effects of changes in the consolidation perimeter	-495,183	419,586
Cash and cash equivalents at the end of the period	39,540,502	39,418,600

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

Financial years ended 31 December 2015 and 31 December 2014

1. Acquisition or disposal of companies	Price	Receipt./Paym.
a1) Acquisitions/increases in holdings in the current financial year		
MARTIFER AMAL	429,789	-429,789
	429,789	-429,789
a2) Disposals / returns of provisions in the current financial year		
NOS	3,774,815	3,774,815
PHAROL	872,110	872,110
	4,646,925	4,646,925

2. Breakdown of cash and cash equivalents:

For the companies included in the consolidation perimeter in 2015

	2015	2014
a) Cash		
- Cash	152,340	189,955
- Bank deposits	43,129,349	40,141,097
- Bank overdrafts	-4,612,825	-1,719,413
b) Cash equivalents		
c) Other holdings		
- Tradable securities	871,639	806,961
Cash and cash equivalents at the end of the period	39,540,502	39,418,600
- Bank overdrafts	4,612,825	1,719,413
From changes to consolidation perimeter during the year 2015		
a) Cash		
- Bank deposits	-495,183	419,586
Cash and cash equivalents in the balance sheet	43,658,144	41,557,599

Notes to the consolidated financial statements

On 31 December 2015 (amounts in euros)

1. Introductory note

Grupo Visabeira started its activity in 1980, in the telecommunications and electricity sectors. Headquartered in Viseu and the result of a combined commitment to human resources, an integrated information and logistics system, its own transport network and strategically located facilities, the Group rapidly extended its activity throughout Portugal and became the largest employer in the centre region.

Its contribution to modernising and developing telecommunications, by offering integrated and global solutions, earned it market leadership in the field of telecommunication network engineering, a position it has held for over 35 years.

Focusing on the diversification of its activities, Telecommunications, Construction, Industry, Real Estate, Tourism and Services, as well as maintaining a presence in several different markets, the Group adopted a strategy to structure its operations into sectoral sub-holdings, in order to maximise each of its business lines and streamline the Group's ability to perform.

The engine of its development strategy relies on a management model based on global information systems, which connects all the business units and integrates all the Group's resources. Based on the trust it has earned in the market, it has defined and consolidated a bold internationalisation strategy, which consolidated the Group's capabilities and dynamics into two parallel fields of action.

On the one hand, it expanded and consolidated its operating model in new countries, as a natural extension of its current markets and in emerging economies, through a policy of investment in partnerships or creation of local companies. Initially focusing on Portuguese-speaking countries, the Group has been exporting its model since the 1980s and, as a result of this strategy, it now holds solid companies in Mozambique, Angola, France, Belgium, Germany, Brazil, Denmark, and is present in many other countries.

Through the internationalisation of its markets, the Group promoted the placement of its products in more than sixty countries, on all five continents, of which the most important are the EU markets, Scandinavian countries, North America, Africa, Australia and Japan.

Currently, through its investment policy, Grupo Visabeira continues to consider external growth to be the key pathway for development, fuelled by its multi-sectoral matrix and by an attitude of constant technological updating.

The Grupo Visabeira will continue leveraging its distinctive skills and entrepreneurial dynamism, will keep operating in increasingly global scenarios, expanding its markets in a sustained way, always envisaging leadership in its business strategies.

On 31 December 2015, its turnover amounted to 681,024,139 euros. Its equity amounted to 346,489,021 euros, of which 48,508,334 euros correspond to non-controlling interests. In 2015, Grupo Visabeira employed an average of 9,743 employees (2014: 9,031).

The financial statements were authorised for issue by the meeting of the Board of Directors, held on 21 March 2016, and are pending approval by the General Meeting of Shareholders, pursuant to current Portuguese corporate law.

The Board of Directors believes that the financial statements will be approved without any changes.

2. Accounting policies

The most relevant accounting policies used in the calculation of the annual net income and in the presentation of the financial position are as follows:

2.1 BASES FOR PRESENTATION

Pursuant to Decree-Law No. 35/2005, dated 17 February, as subsequently amended by Decree-Law No. 98/2015 of 2 June, which transposed into Portuguese legislation the provisions of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, these consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB)

and the Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC), adopted by the EU, effective as of 1 January 2015.

In preparing the consolidated financial statements in accordance with IFRS, the Board of Directors of Grupo Visabeira SGPS employs estimates and assumptions that affect the application of policies and the amounts of assets and liabilities. Actual results may differ from these estimates.

The estimates and assumptions used in preparing the financial statements are presented in Note 3. The consolidated financial statements were prepared based on the accounting books and records of the companies included in the scope of consolidation (Notes 5 and 6), maintained in accordance with accounting principles generally accepted in the respective jurisdictions and in Portugal and adjusted, in the consolidation process and when applicable, so that the consolidated financial statements are presented in accordance with IAS/IFRS.

The consolidated financial statements have been prepared on the assumption of continuity of operations, based on historical cost, except in the case of investment property, derivatives, investments held for trading and available-for-sale investments, which have been measured at fair value.

The consolidated financial statements include comparative information, in relation to previous financial years. Unless stated otherwise, the amounts are expressed in euros (EUR).

2.2 BASES OF CONSOLIDATION

The consolidated financial statements include, in reference to 31 December 2015, the assets, liabilities and profit and loss of the companies of the Group, understood as the entirety of Grupo Visabeira and its subsidiaries, which are presented in Notes 5 and 6.

An entity is classified as a subsidiary when it is controlled by the Group. Control exists only where the Group has, cumulatively:

(a) power over the investee;

(b) exposure to or rights over variable results derived from its relationship with the investee; and

(c) ability to use its power over the investee to affect the amounts of the results for investors.

Generally, it is assumed that there is control when the Group holds the majority of voting rights. In order to support this assumption and in cases where the Group does not hold the majority of voting rights in the investee, all relevant facts and circumstances are taken into account when determining the existence of power and control, such as:

(a) Any contractual agreements with other holders of voting rights;

(b) Any rights arising from other contractual agreements;

(c) Existing and potential voting rights.

The existence of control by the Group is re-evaluated whenever there is a change in any facts and circumstances that lead to changes in one of the three factors of control mentioned above.

Subsidiaries are included in the consolidation according to the full consolidation method, from the date when control is acquired until the date it effectively ends.

Intergroup balances and transactions, as well as unrealised gains on transactions between companies of the Group, are eliminated. Unrealised losses are also eliminated, unless the transaction evidences impairment of a transferred asset.

The subsidiaries' accounting policies are changed whenever such is necessary to ensure consistency with the policies adopted by the Group.

A change in the participating interest in a subsidiary that does not entail loss of control is accounted as a transaction between shareholders. If the Group loses control over the subsidiary, the corresponding assets (including goodwill), liabilities, non-controlling interests and other equity components are derecognised and any gains or losses are recognised in the income statement. Investments retained are recognised at fair value at the time of the loss of control.

In situations where the Group has substantial control of entities created for a specific purpose, even if it has no direct shareholdings in these entities, they shall be consolidated using the full consolidation method.

The net assets of subsidiaries consolidated through the full consolidation method attributable to the equity stake or shares held by any third parties are recognised in the statement of consolidated financial position, under the heading Non-Controlling Interests.

Interests held by any third parties over the net income of subsidiaries are identified and adjusted by deduction from the equity attributable to Group shareholders and recognised in the statement of consolidated income, under the heading Non-Controlling Interests.

During the 2015 financial year, there were several changes in the scope of consolidation (note 8); the most significant one was the replacement of the full method with the equity method in the companies Electrotec, Selfenergy and Imensis, which did not significantly affect the Group's financial position and performance.

2.3 BUSINESS COMBINATIONS AND GOODWILL

The acquisition method is the method used to recognise the entry of the Group's subsidiaries upon their acquisition.

Acquisitions made after 2010:

In the acquisition method, the difference between: (i) the consideration transferred along with the non-controlling interests and the fair value of the equity interests previously held, and (ii) the net amount of identifiable assets acquired and liabilities assumed, is acknowledged, on the date of acquisition, as goodwill, if positive, or as a gain, if negative.

The consideration transferred is measured at fair value, calculated as the aggregate amount of fair values, on the date of acquisition, of assets transferred, liabilities incurred and equity instruments issued by the Group. For the purpose of determining goodwill/gains resulting from the combination, the transferred consideration is removed from any part of the consideration that concerns another transaction (e.g. remuneration for the rendering of future services or payment of pre-existing relationships) whose margin is recognised separately in the income statement.

The transferred consideration includes the fair value, on the date of acquisition, of any contingent consideration. Subsequent changes in this value are recognised: (i) as equity if the contingent consideration is classified as equity, (ii) as an expense or income in the statement of profit or loss or as other comprehensive income if the contingent consideration is classified as a financial asset or liability under IAS 39 and (iii) as expenses, pursuant to IAS 37 or other applicable standards, in remaining cases.

Expenses related to the acquisition are not part of the transferred consideration and thus do not affect the determination of goodwill/gains resulting from the acquisition, being recognised as expenses in the year they occur.

On the date of acquisition, the classification and designation of all assets acquired and liabilities transferred are reassessed in accordance with IFRS, with the exception of leasing and insurance contracts, which are classified and designated based on the contractual terms and conditions, on the contract's commencement date.

Assets arising from contractual indemnities paid by the seller concerning the outcome of contingencies related, in whole or in part, to a specific liability of the combined entity, shall be recognised and measured using the same principles and assumptions of the related liabilities.

The calculation of the fair value of acquired assets and contingent liabilities takes into account the fair value of contingent liabilities arising from a present obligation caused by a past event (if the fair value can be reliably measured), whether an outflow is expected or not.

For each acquisition, the Group can choose to measure "non-controlling interests" at their fair value or by their respective share in the assets and liabilities transferred from the acquiree. The choice of method influences the calculation of the amount of goodwill to be acknowledged. When the business combination is effected in stages, the fair value on the date of acquisition of the interests held is remeasured to the fair value on the date when control is obtained, by the income of the period in which control is achieved, affecting the valuation of goodwill.

Whenever a combination is not completed on the reporting date, the provisional amounts recognised on the date of acquisition shall be adjusted retrospectively, for a maximum period of one year counting from the date of acquisition and any additional assets and liabilities shall be recognised if new information is obtained on facts and circumstances existing on the date of acquisition which would result in the recognition of such assets and liabilities, should it have been known on that date. Goodwill is considered to have an indefinite useful life and thus is not amortisable, being subject to annual impairment tests, irrespective of whether or not it shows signs of being impaired.

For the purpose of impairment testing, goodwill is allocated, on the date of acquisition, to each of the cash-generating units expected to benefit from the business combination, irrespective of remaining assets and liabilities also associated with the cash-generating unit. When the operation, or part of it, associated with a cash generating unit is disposed of, the allocated goodwill is also derecognised and included in the balance of gains/losses of the disposal, calculated as the base for its relative value. Goodwill related to investments in companies based abroad, acquired after 1 January 2005, is recorded in those companies' reporting currency and translated into euros at the exchange rate in force on the balance sheet date.

Acquisitions made before 2010:

Compared to the treatment described above, applicable as of 1 January, 2010, the major differences are the following:

- The cost of an acquisition would include costs directly attributable to such acquisition, thus affecting the calculation of goodwill; The acquiree's "non-controlling interests" (formerly designated "minority interests") were measured only by the acquiree's share in the identifiable net assets, but would not influence the calculation of goodwill/gains resulting from the combination;
- When the business combination was effected in stages, the fair value on the previous acquisition date of the interests held was not remeasured on the date of obtaining control and the goodwill amount previously recognised remained unchanged;
- Any contingent acquisition value was only recognised if the Group had a present obligation, the outflow was probable the estimate was reliably determinable; subsequent changes in this value were acknowledged against goodwill;

2.4 FINANCIAL HOLDINGS IN ASSOCIATES AND JOINT VENTURES

Associated companies are entities over which Grupo Visabeira exercises significant influence, understood as the power to participate in the establishment of operating and financial policies, without, however, exercising control or joint control. Generally, it is assumed that there is significant influence whenever the holding percentage exceeds 20%.

The classification of financial investments in joint ventures is determined based on the existence of shareholder agreements that demonstrate and regulate joint control, which is understood to exist when decisions on activities relevant to the venture require a unanimous agreement between the parties. The Group owns no interest in joint ventures, as defined in IFRS 11.20.

The existence of significant influence or joint control is determined based on the same type of facts and circumstances applicable in the assessment of control over subsidiaries.

These holdings are consolidated by the equity method, i.e., the consolidated financial statements include the Group's interest in the total gains and losses of the associate/joint venture, from the date on which significant influence commences until the date on which it effectively ends. Dividends received from these entities are recorded as a reduction in the value of financial investments.

The Group's participation in the gains and losses of its associates/joint ventures is recognised in the income statement, and its share of movements in Post-acquisition Reserves are recognised in Reserves. The cumulative post-acquisition movements are adjusted according to the cumulative movements in the financial investment. When the Group's share of losses in an associate/joint venture equals or exceeds its investment in that entity, including any unsecured receipt transaction, the Group does not recognise any further losses, unless it has incurred in obligations or made payments on behalf of the associate/joint venture.

Any excess of the cost of acquisition of a financial investment over the Group's share in the fair value of the assets, liabilities and contingent liabilities identified on the date of acquisition of the associated company/joint venture is recognised as goodwill, which is included in the value of the financial holding and whose recovery is assessed annually as part of the financial investment. If the cost of acquisition is lower than the fair value of the net amount of the assets of the associate/jointly controlled entity acquired, the difference is recorded directly in the consolidated income statement.

Unrealised gains from transactions between the Group and its associates/joint ventures are eliminated to the extent of the Group's share in the respective associates/joint ventures. Unrealised losses are also eliminated, unless the transaction evidences impairment of a transferred asset.

The accounting policies of associates/joint ventures are changed whenever necessary to ensure consistency with the policies adopted by the Group.

Following the application of the equity method, the Group assesses the existence of impairment indicators; should they exist, the Group calculates the recoverable amount of the investment and recognises an impairment loss if the recoverable amount is lower than the book value of the investment, under item "Gains/losses in associates and joint ventures" of the income statement. After the loss of significant influence or joint control, the Group initially recognises the retained investment at fair value, and the difference between the accounting value and fair value held plus the revenue from the sale, are recognised in the income statement.

2.5 RECOGNITION OF REVENUE

a) Sales and services rendered

Income derived from sales is recognised in the income statement when risks and advantages inherent to the possession of the assets sold are transferred to the purchasing party. Income from services rendered are recognised in the income statement at the time they are rendered, taking into account the ratio between services rendered in the financial year and the total services contracted.

The costs of construction contracts are recognised when incurred. When revenue arising from the contract cannot be reliably measured, income is recognised to the extent of costs recovered. When revenue arising from the contract can be reliably measured and it is probable that the contract will be profitable, revenues are recognised throughout the period of construction. If the contract is not profitable, the expected loss is recognised immediately as an expense in the financial year. The percentage of completion method is used to recognise revenue in each period. The percentage of completion is measured taking into account the weight of costs incurred in the total estimated costs. Costs incurred in the financial year, which are associated with the future activities of the contract, are excluded from the calculation of the percentage of completion and are classified as inventories, deferred costs or other.

Key income is recognised at the time of conclusion of the contract of reservation of ownership and subsequent receipt.

The Group presents as assets any amounts to be recovered from customers for contracts in progress whose costs incurred, plus recognised income (and subtracted from recognised losses), exceed the amounts invoiced. Unpaid invoices are presented in the heading customers.

Income from sales and services rendered are not recognised if there are doubts as to the collectability of the proceeds from the sale or services rendered.

Income earned through rents are recorded, in accordance with the straight-line method during the rental period and are presented as "services rendered", due to their operational nature. Key income is recognised at the time of conclusion of the contract of reservation of ownership and subsequent receipt.

b) Grants

State are only recognised when received or upon sufficient certainty that the Group can comply with the conditions required for their granting.

Investment grants are included in the heading Other non-current liabilities and the associated income is recognised on a straight-line basis over the estimated useful life of the respective assets.

c) Net financial results

Net financial results essentially comprise interest from loans obtained, net of interest from financial investments and exchange rate gains and losses. Financial costs and income are recognised in the results on an accrual basis during the period to which they relate.

Gains/(losses) from listed shares are broken down in the income statement, comprising dividends received and financial costs directly associated to funds received for the acquisitions of the listed shares.

d) Dividends

This income is recognised upon the establishment of the shareholder's right to receive them.

e) Own work capitalised

Internal expenses (e.g., labour, materials, transportation) incurred in the production of tangible assets and inventories are capitalised only when the following conditions are met:

- (i) the assets are identifiable and reliably measurable;
- (ii) it is highly likely that they will generate future economic benefits.

No internally generated margins are recognised.

f) Accrual basis

In general, income and expenses are recorded on an accrual basis, whereby they are recognised as they are generated, regardless of the moment in which they are received or paid. The differences between the amounts received and paid, and the corresponding income and expenses, are recorded in the consolidated statement of financial position under "Other current assets" and "Other current liabilities", respectively.

2.6 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

All purchases and sales of these instruments are recognised on the date of the negotiation or when the respective contracts to buy or sell are signed, regardless of the date of the settlement.

2.6.1 Financial assets

Assets are initially recorded at their acquisition cost, which is the fair value of the price paid, including transaction costs, except for assets measured at fair value through profit and loss, in which transaction costs are immediately recognised in profit and loss.

These assets are not recognised when: (i) the contractual rights of the Group regarding the receipt of its cash flows have expired, or (ii) the Group has substantially transferred all the risks and benefits associated with its ownership or control over the assets.

Financial assets are classified as follows, depending on the intention of the Board of Directors at the time of their acquisition:

- a) Loans and accounts receivable;
- b) Investments held to maturity;
- c) Investments measured at fair value through profit and loss (held for trading);
- d) Financial assets available for sale.

a) Loans and accounts receivable

These consist of non-derivative financial assets with fixed or determinable payments for which there is no active market. Loans and accounts receivable are initially recorded at fair value and, subsequently, at amortised cost, based on the effective interest rate (where the effect of time is significant, in which case the financial effect is recognised as a financial gain), net of any impairment. Impairment losses are recorded based on the estimation and evaluation of losses associated with doubtful debt loans, on the date of the balance sheet, so that they reflect their net realisable value, and are presented under the heading "Provisions and impairment losses", in the case of accounts receivable, and under the heading "Other financial expenses, net", in the case of loans.

When the amounts receivable from customers or other debtors are past due and its terms are subject to renegotiation, they shall not be considered overdue and shall be treated as new loans.

b) Investments held to maturity

Investments held to maturity are classified as non-current investments, unless they mature within 12 months from the date of the balance sheet, and this heading includes investments with a defined maturity date for which the Group has the intention and ability to hold them until such date.

Investments held to maturity are non-derivative financial assets and are recorded at their amortised cost, net of any impairment losses.

c) Investments measured at fair value through profit and loss

This category includes financial assets held for trading and assets recorded at fair value through profit and loss at the moment of their initial recognition; they are presented as current assets.

A financial asset is classified as held for trading if it is:

- Acquired or incurred chiefly for the purpose of selling or repurchasing it in the near term;
- Part of a portfolio of identified financial instruments that are managed together and for which there is evidence of an effective recent pattern of short-term profit-taking;
- A derivative (except for a derivative that is a designated and effective hedging instrument).

Gains or losses resulting from a change in the fair value of investments measured at fair value through profit and loss are recorded in the income statement for the period (financial results).

d) Financial assets available for sale

Available-for-sale investments are non-derivative financial assets, which the Group intends to hold indefinitely, that are classified as such at the time of acquisition or that do not fit the remaining categories of financial assets. They are presented as non-current assets, except if there is an intention of transferring them in the 12 months following the date of the balance sheet.

After their initial recognition, available-for-sale investments are measured at their fair value by reference to their market value on the balance sheet date, without any deduction of transaction costs that may be incurred upon their sale. Investments regarding which the Group does not ensure significant influence over their operations, which are not listed and whose fair value cannot be reliably estimated, are kept at their acquisition cost, net of any impairment losses and are recognised in the "Statement of financial position" as "Other financial investments".

Gains or losses from changes in the fair value of available-for-sale investments are recognised as equity, under the reserves heading, until the investment is sold, collected or otherwise disposed of or until the fair value of the investment falls below the acquisition cost, thus corresponding to an impairment loss, at which time the accumulated gain or loss is recorded in the income statement. This decision requires judgement. To make this judgment, Grupo Visabeira assesses, among other factors, the changes in stock prices and the time/duration for which the market value of the shares is lower than the acquisition cost.

2.6.2 Financial liabilities

Financial liabilities are classified according to the substance of their contractual arrangement, regardless of the legal form, and are classified as follows:

- a) Financial liabilities measured at fair value through profit and loss;
- b) Bank loans;
- c) Accounts payable.

Financial liabilities are initially recognised at fair value and, in the case of bank loans and accounts payable, net from any costs directly incurred in the transaction.

Financial liabilities are derecognised when the obligation specified in the contract is satisfied, or when it is cancelled or expires. When a financial liability is replaced with another of the same borrower with substantially different terms, or the terms of an existing liability are substantially modified, the exchange or modification must be accounted for as an extinction of the original financial liability and recognition of a new financial liability. The difference generated in the exchange or modification is recognised in the financial results of the financial year in which it occurs.

a) Financial liabilities measured at fair value through profit and loss

This category includes financial liabilities held for trading and derivatives that do not qualify as hedge accounting instruments and are initially classified as such.

Gains and losses resulting from a change in the fair value of financial liabilities at fair value through profit and loss are recorded in the income statement for the period.

b) Bank loans

Loans are initially recognised at their fair value, minus transaction costs incurred and are subsequently measured at their depreciated cost. Any differences between the issuing value (net of transaction costs incurred) and the nominal value is recognised under profit and loss during the term of the loans, according to the effective interest method. Loans obtained are classified as current and non-current liabilities (in the latter case when their maturity exceeds 12 months after the balance sheet date).

c) Accounts payable

Outstanding balances to suppliers and other accounts payable are initially recorded at their nominal value, which is understood to be their fair value and subsequently at their amortised cost, in accordance with the effective interest method (whenever the effect of time is significant).

2.6.3 Equity instruments

Equity instruments are classified according to the substance of their contractual arrangement, regardless of its legal form. Equity instruments issued by companies of the Group are recorded at the value of proceeds received, net of any costs related to their issuance.

Own shares are recorded at their acquisition value as a deduction from equity. Gains or losses incurred in the disposal of own shares are recorded under "Other reserves" and are not considered in the results for the period in which they occur.

2.6.4 Derivatives and hedge accounting

On 31 December, 2015, a series of derivative financial instruments was contracted, primarily aiming at minimising the risk of exposure to changes in interest rates.

The contracting of such financial instruments was made after a careful analysis of the risks and benefits inherent to this type of operation and a survey of various institutions involved in the market.

These operations are subject to prior approval by the Executive Committee and involve the continuous monitoring of the evolution of financial markets and positions held by the Group. The market value (fair value) of these instruments is determined at regular intervals throughout the year, in order to enable a continuous assessment of these instruments and their financial implications.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured at fair value on the Balance sheet date.

The classification of a derivative as a hedging instrument complies with the provisions of IAS 39.

A hedging relationship exists when:

- there is formal documentation of such relationship on the date of the contract;
- there is an expectation that the hedging will be highly effective;
- the effectiveness of the hedging can be reliably measured;
- the hedging is continually assessed and proves highly effective throughout the financial reporting period;
- concerning a planned transaction, it must be highly probable.

Changes in the fair value of derivative instruments classified as fair value hedges are recognised as financial income for the period.

Changes in the fair value of derivative instruments designated as cash flow hedges are recognised as equity, in its effective component, and as financial results in its non-effective component.

Amounts recognised in equity are transferred to income when the hedged item also has effects on income. When derivative financial instruments, although contracted for the purpose of hedging, according to the Group's risk management policies, do not comply with all requirements stipulated in IAS 39 to qualify for hedge accounting, they are classified as derivatives held for trading and the respective changes in fair value are recorded as results for the period.

When there are derivatives embedded in other financial instruments or other contracts, these are treated as separate derivatives in situations where the risks and characteristics are not closely related to contracts, and in situations where the contracts are not presented at fair value, with unrealised gains or losses being recorded in the income statement.

2.6.5 Cash and cash equivalents

The heading "Cash and cash equivalents" includes cash, demand deposits and treasury investments with short maturities and quickly mobilisable, without significant risk of changes in value.

For the purposes of the cash flow statement, the heading "Cash and cash equivalents" also includes bank overdrafts in the heading "Bank loans", and the financial assets held for trading.

2.6.6 Borrowing costs

The Group capitalises borrowing costs (interest and other costs incurred due to requests for loan funds) that are directly attributable to the acquisition, construction or production of an asset that qualifies as part of the cost of such asset, i.e. an asset that necessarily takes a substantial period of time to be ready for its intended use or its sale. All other borrowing costs shall be accounted for as an expense in the period in which they are incurred.

2.7 TANGIBLE ASSETS

Tangible assets are recorded at their acquisition cost, net of any accumulated depreciations and impairment losses.

Subsequent costs are included in the carrying amount of the asset or recognised as separate assets, when future economic benefits are likely to flow to the company, surpassing the originally assessed performance standard of the existing asset and the cost of the asset for the company can be reliably measured. All other subsequent expenditure is recognised as expenses in the period they are incurred.

Financial charges related to the financing of the production/acquisition of assets that require a substantial period of time to be ready for use are added to the cost of those assets.

DEPRECIATIONS

Plots of land are not depreciated, except those used for mining activities. The depreciation of the remaining assets is calculated by applying the straight-line method, on a duodecimal basis, to the acquisition amount. The annual rates applied satisfactorily reflect the economic useful life of assets.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, on each balance sheet date.

The depreciation rates applied correspond, on average, to the following estimated useful lives:

	2015	2014
Land and natural resources	2.50%	2.50%
Buildings	2.00% - 5.00%	2.00% - 5.00%
Other edifications	2.00% - 10.00%	2.00% - 10.00%
Basic equipment	6.67% - 33.33%	6.67% - 33.33%
Transportation equipment	16.66% - 25.00%	16.66% - 25.00%
Tools and utensils	4.00% - 25.00%	4.00% - 25.00%
Administrative equipment	4.00% - 10.00%	4.00% - 10.00%

2.8 INVESTMENT PROPERTIES

Investment properties include land plots and buildings held to earn rental income or for capital appreciation, or both, and that are not used in the course of normal business.

Investment properties are initially measured at their acquisition cost, including transaction costs. After their initial recognition, investment properties are measured at their fair value, calculated in reference to the balance sheet date and reflecting current market conditions. Fair value is calculated by independent and duly accredited entities, following internationally recommended methodologies.

Investment properties also include the collection of porcelain pieces associated with the production of the Fábrica de Porcelana da Vista Alegre, which have been collected and classified since the foundation of this subsidiary. This collection, unparalleled in the country, reflects not only the nearly two centuries of the company, but also, and especially, the history of porcelain in Portugal and in the world. In addition to the pieces on display at the Vista Alegre Museum (around 2,000), the Group owns a reserve comprising a considerable number of objects, including porcelain and glass,

but also other collections associated with the history of the company, which cover several areas, such as decorative arts, technology and techniques, social and local history and religious history. The collection has been formed through direct transfers from the factory, purchases and donations, spanning a wide chronological period, which runs from the seventeenth to the twentieth century. Taking into account IAS 8, paragraph 10, which states that in the absence of an IFRS that specifically applies to a transaction, other event or condition, the Board of Directors shall use its judgement in developing and applying an accounting policy that results in information that is: relevant to the making of economic decisions on the part of users; and reliable, so that the financial statements: i) faithfully represent the entity's financial position, financial performance and cash flows, ii) reflect the economic substance, and not merely the legal form, of transactions and other events and conditions, iii) are neutral, i.e., free from any bias, iv) are prudent, and v) are complete in all material respects, the Board of Directors believes that an accounting treatment equivalent to that of investment properties is the most appropriate for the collection of pieces, which is also measured at fair value (see note 23). Gains or losses arising from changes in the fair value of investment properties are recorded in the income statement, in the year in which they are generated. Investment properties are derecognised when they are disposed of or when they are decommissioned with no expectations of future economic benefits resulting from their decommissioning. Any gains or losses arising from the derecognition of investment properties are acknowledged in the income statement of that year. Costs incurred with investment properties in use, such as maintenance, repairs, insurance and property taxes, are recognised in the consolidated income statement, in the period to which they relate.

The transfer to, or from, investment property shall be made when, and only when, there is a change in its use. In the transfer of an investment property carried at fair value to an owner-occupied property, the cost considered for subsequent accounting shall be its fair value on the date of the change in use. If an owner-occupied property becomes an investment property carried at fair value, the Group must use the same accounting principles that apply to tangible fixed assets, up to the date of the change in use. If an asset initially recognised in inventories is subsequently considered as an investment property after its change in use has been determined, any difference between the fair value of the property on that date and its previous carrying amount is recognised as profit or loss for that financial year. If the Group begins the development or construction of a building with the intention of selling it, it must be transferred to inventory. If this property is measured at fair value, this transfer must be measured at fair value on the date of the transfer and that shall be the cost considered for the recognition of the property in inventory.

2.9 LEASES

The classification of whether an agreement is (or contains) a lease is based on the substance and not the form of the agreement on the date of its commencement, which is the earliest between the date of the agreement and the date of the commitment by the parties with respect to its main terms. The agreement is (or contains) a lease if its fulfilment is contingent on the use of a specific asset or assets and the arrangement conveys a right to use such asset, even if this is not explicitly stated in the agreement. The lease by reference to the date of commencement of the agreement is classified as financial or operational. Leasing contracts for which the Group substantially assumes all the risks and rewards inherent to their ownership are classified as finance leases.

Finance lease contracts are recorded on the contract commencement date as assets and liabilities at either the fair value of the leased property or the present value of future lease payments, whichever is lower.

Rents are calculated as their financial cost plus the financial repayment of the capital, in order to determine a constant interest rate on the remaining liability. Financial costs are recognised as financial expenses in the income statement.

In the case of operating leases, rents owed are recognised as an expense in the income statement on a straight-line basis over the lease period.

2.10 INTANGIBLE ASSETS

All intangible assets are recorded at their acquisition cost minus accumulated depreciations and impairment losses.

Depreciation is calculated on the acquisition value, by the straight-line method on a duodecimal basis for its useful life (usually 3 years).

Costs related to internally generated intangible assets and own brands are recorded in the income statement for the period as they are incurred.

Costs of research carried out in the quest for new technical or scientific knowledge or in the quest for alternative solutions, are recognised under results when incurred. Development costs are capitalised when the technical feasibility of the product or process under development can be proven, and when the Group intends and is able to complete its development and begin its marketing or use.

2.11 IMPAIRMENT OF TANGIBLE AND INTANGIBLE FIXED ASSETS

Assets that have an indefinite useful life are not subject to depreciation but are subject to annual impairment tests. Impairment tests are also performed for assets that, having a finite useful life, are subject to depreciation, whenever circumstances change and their carrying value may not be recoverable. An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, net of costs to sell, and its value in use, which results from future cash flows updated based on pre-tax discount rates that reflect the present value of the capital and the risk specific to the asset(s) concerned.

To determine the recoverable amount, the assets are analysed individually or grouped at the lowest level for which they are identified separately as cash-flow generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Whenever the carrying amount of the asset is higher than its recoverable amount, an impairment loss is recognised in the income statement, in the period to which it relates. If this loss is subsequently reversed, the carrying amount of the asset is increased accordingly, but it can never be higher than the amount that would be recognised if the impairment loss had not been recorded. The impairment reversal is also recognised in the income statement in the period to which it relates.

2.12 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

This category includes assets or groups of assets whose value is realisable through a sale transaction or, jointly as a group in a single transaction, and any liabilities directly associated with these assets that are transferred in the same transaction. Assets and liabilities in this situation are measured at the lower of the respective book value and respective fair value, net of costs to sell.

For this situation to take place, the sale needs to be highly probable (expected to be realised within less than 12 months) and the asset has to be available for immediate sale in its present condition, in addition to the Group's commitment in effecting the sale. The depreciation of assets in these conditions ceases from the moment in which they are classified as held for sale and are recognised as current under asset, liability or equity headings.

A discontinued operation is a component (operational units and cash flows that can be clearly distinguished, in terms of operation and for purposes of financial reporting, from the rest of the entity) of an entity that has been sold or is classified as held for sale, and:

- a) represents a major line of business or separate geographical area of operations;
- b) is an integral part of a single coordinated plan to dispose of a major line of business or separate geographical area of operations; or
- c) is a subsidiary acquired exclusively with a view to resale.

The results of the discontinued operations are presented as a single amount in the income statement, which includes profit or loss after tax of the discontinued operations, plus the gains or losses after tax recognised in the measurement at fair value minus costs of sale or disposal of assets or group(s) for disposal comprised in the discontinued operation.

On 31 December 2014 and 2015, there are no assets in these conditions.

2.13 INVENTORIES

Inventories are valued at either their cost or their net realisable value, whichever is lower.

The net realisable value is the selling price minus the costs estimated for the completion of production of the asset and corresponding cost to sell.

Raw materials, subsidiaries and consumables - Includes plots of land for future real estate projects which are valued at purchase price plus the cost of purchase, which is lower than its market price. The remaining raw materials, subsidiaries and consumables are valued at purchase price plus the cost of purchase, including storage.

Finished goods and work in progress - when corresponding to fractions of buildings for sale in completed developments and products in progress, these are valued at production cost, which is lower than their market value. Production cost includes the cost of raw materials used, direct and indirect labour, subcontracts, other fixed and variable costs and financial charges. Financial charges considered correspond to the actual borrowing costs incurred on financing agreements that explicitly refer to the development, to the maximum extent, within reason, concerning its application.

Other finished goods and work in progress are valued at production cost, which includes all direct costs and manufacturing overheads.

Goods are valued at their average purchase price, including shipping and storage costs.

2.14 PROVISIONS

Provisions are recognised in the balance whenever the Group has a present obligation (legal or implicit) resulting from a past event and whenever a decrease in resources, which can be reasonably estimated, incorporating economic benefits is likely to be demanded in order to clear the obligation.

- Restructuring: A provision for restructuring is recognised after the formal approval of a restructuring operation, once it has been started or made public. Operating expenses shall not be included in the value of such provision.
- Onerous contracts: A provision for onerous contracts is recognised when the benefits expected from the fulfilment of the contract are lower than the costs arising from the obligations arising from it.

Provisions for the costs involved in the dismantling, removing of goods and restoration of the site are recognised when the goods begin to be used and if the respective obligation can be reliably estimated. The amount of the provision recognised is the present value of the obligation, and the financial update is recorded in results as a financial cost, in the heading "net interest".

A contingent liability recognised in connection with a business combination is initially recognised at fair value. After the initial recognition and until the liability is settled, cancelled or expires, a contingent liability is recognised in a business combination at the higher of the amount that would be recognised in accordance with IAS 37 and the amount initially recognised, minus, where appropriate, the cumulative depreciation recognised in accordance with IAS 18 - Revenue. Provisions are reviewed and updated on the balance sheet date, so as to reflect the best estimate of the obligation in question at that time.

2.15 CONTINGENT ASSETS AND LIABILITIES

Contingent liabilities (when not in connection with a business combination) are not recognised in the consolidated financial statements; they are presented in the Notes, unless the possibility of a cash outflow is remote, in which case they are not subject to disclosure.

Contingent assets are not recognised, and are only disclosed when there is a likelihood of a future economic benefit.

2.16 INCOME TAX

Income tax is calculated based on the taxable results of the companies included in the scope of consolidation and it includes deferred taxation.

Grupo Visabeira is covered by the special scheme for the taxation of groups of companies, which includes all companies in which the Group directly or indirectly holds at least 75% of the share capital and which are based in Portugal and subject to Corporate Income Tax (IRC).

Since 2014, the subsidiaries of the so-called Grupo VAA are included in Grupo Visabeira's scope of consolidation.

The remaining subsidiary companies, not covered by the special scheme for the taxation of groups of companies, are taxed individually, based on their respective taxable results and applicable tax rates. Deferred tax is calculated based on the balance sheet liability method, from temporary differences between the accounting value of the assets and liabilities in question and the respective tax base. Deferred tax assets are recognised whenever it is reasonably certain that future profits will be generated against which the reversion of existing deductible temporary differences, tax losses and tax credits can be used. Active deferred taxes are reviewed on a yearly basis and are reduced whenever they are not likely to be used.

No deferred tax is calculated on consolidation differences or on temporary differences in the initial recognition of an asset or liability when it does not affect the accounting or tax results. Likewise, no deferred taxes relating to temporary differences associated with investments in associates and interests in joint ventures are recognised, as it is considered that the following conditions are cumulatively satisfied:

- The Group is able to control the timing of the reversal of the time difference; and
- It is likely that the temporary difference will not be reversed in the foreseeable future.

The tax base of assets and liabilities shall reflect the tax consequences arising from the way the Group expects, on the reporting date, to recover or settle the carrying amount of its assets and liabilities, based on decisions that, from the fiscal point of view, are substantially implemented on the date of the consolidated income statement.

The amount of tax to be included either in the current or deferred taxes resulting from the transactions or events recognised in equity is recorded directly in these same headings and does not affect the income statement for the financial year.

Deferred taxes are determined by tax (and legal) rates enacted or substantially enacted on the balance sheet date, which are expected to apply in the period in which the deferred tax asset is realised or the deferred tax liabilities are settled. According to the legislation in force, the income tax rate considered is 21% and, in situations not related to tax losses, a 1.5% surcharge is added to the value of temporary differences that originated deferred tax assets or liabilities.

2.17 EMPLOYEE BENEFITS

2.17.1 Provisions for retirement pensions - defined benefit plan

Some of the Group's companies have assigned pension schemes to former employees, in the form of a defined benefit plan, which is a pension plan that defines the amount of pension benefit that an employee will receive upon retirement, usually dependent on one or more factors such as age, years of service and remuneration. The Group has in place various retirement benefit plans, some managed by the Group and others by Futuro, of Grupo Montepio.

The liability amount recognised in the balance sheet which concerns defined benefit plans is the present value of the defined benefit obligation on the balance sheet date. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows, using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

All actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly as equity and presented as other comprehensive income in the period in which they occur, and are not subsequently reclassified as profit or loss.

Net financial costs and income derived from the plan's assets are recognised as profit or loss. Financial costs are calculated by applying the discount rate to the liability of a defined or active benefit. The Group recognises the costs of current or past services, the gains and losses in curtailments and/or settlements, as well as the net financial costs in the heading "Staff costs".

Past-service costs are recognised immediately in results, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, past-service costs are amortised on a straight-line basis over the vesting period. Gains or losses resulting from the curtailment or settlement of a defined benefit plan are recognised in the results of the financial year in which the curtailment or settlement takes place. A curtailment occurs when there is a material reduction in the number of employees or the establishment plan is changed so that the defined benefits are reduced, with material effects, thus causing a reduction in the plan's liability.

2.17.2 Cessation of employment

Employment termination benefits are due when there is termination of employment before the normal retirement date or when an employee accepts voluntary redundancy in exchange for those benefits. The Group recognises these benefits in the profit-and-loss statement, provided it can prove to be forced to eliminate current positions, according to a detailed formal plan for terminations and there being no realistic alternative, or if these benefits are granted to encourage voluntary termination. Where termination benefits fall due more than 12 months after the balance sheet date, they shall be discounted to their current value.

Employment termination benefits must be recognised at the moment immediately before: (i) a commitment to their assignment cannot be revoked, and (ii) the provision for restructuring is constituted in accordance with IAS 37.

2.17.3 Holiday, holiday pay and bonuses

According to the Portuguese labour law, employees are entitled to 22 annual leave days, as well as one month of holiday allowance, vested in the year prior to their payment. These liabilities of the Group are recorded when incurred, regardless of when they are paid, and are reflected in the heading "Accounts payable and other".

2.17.4 Labour Compensation Fund (LCF) and Labour Compensation Guarantee Fund (LCGF) - Portugal

With the publication of Law No. 70/2013 and subsequent legislation through Order No. 294-A/2013, on 1 October, the Labour Compensation Fund (LCF) and Labour Compensation Guarantee Fund (LCGF) had entered into force. In this context, companies that hire a new employee are required to deduct a percentage of their salary for these two new funds (0.925% for LCF and 0.075% for LCGF), in order to ensure the future partial payment of the corresponding compensation in case of dismissal.

Taking into account the characteristics of each Fund, the following was considered:

- Monthly payments made by the employer to LCGF are recognised as expenses in the period when they occur.
- The monthly payments made by the employer to LCF are recognised as a financial asset of that entity, measured at fair value and with the respective changes recognised in profit or loss.

2.18 FAIR VALUE MEASUREMENT

The Group measures part of its financial assets as financial assets available for sale and held for trading, and some of its non-financial assets, such as investment properties, are measured at fair value on the reference date of the financial statements.

The fair value measurement assumes that the asset or liability is exchanged in a transaction between market participants to sell the asset or transfer the liability, on the measurement date, under the current market conditions.

The fair value measurement is based on the assumption that the transaction to sell the asset or transfer the liability can take place:

- In the main market of the assets and liabilities; or
- In the absence of a main market, it is assumed that the transaction occurs in the most advantageous market. The most advantageous market is that which maximises the amount that would be received upon the sale of the asset or that minimises the amount that would be paid to transfer the liability, after considering transaction and transportation costs.

Because different entities and different businesses within a single entity can have access to different markets, the main or most advantageous market for the asset or liability can vary from one entity to another, or even between businesses within the same entity, but it is assumed that they are accessible to the Group.

Fair value measurement relies on assumptions that market participants would use in pricing the asset or liability, assuming that market participants would use the asset to maximise its value and use.

The Group uses valuation techniques that are appropriate to the circumstances and for which there is sufficient data to measure the fair value, maximising the use of relevant observable data, and minimising the use of non-verifiable inputs.

All assets and liabilities measured at fair value or for which disclosure is mandatory are classified according to a fair value hierarchy, which classifies the data to be used in the fair value measurement into three levels, as detailed below:

Level 1 - Quoted market prices, unadjusted, in active markets for identical assets or liabilities, accessible to the entity on the measurement date;

Level 2 - Valuation techniques using inputs that, although not quoted, are directly or indirectly observable for assets or liabilities;

Level 3 - Valuation techniques using inputs not based on unobservable market data, i.e. based on unobservable data regarding assets and liabilities. Unobservable data must be used to measure at fair value whenever there is no relevant observable data, thus allowing to provide for situations in which there is little or no market activity with regard to the asset or liability at the time of the measurement. However, the purpose of fair value measurement remains the same, i.e., an exit price at the measurement date from the perspective of the market participant that holds the asset or owes the liability. Thus, unobservable data must reflect the assumptions that market participants would consider when pricing the asset or liability, including any assumptions on risk.

The fair value measurement is classified entirely at the lowest level (unobservable data) of the fair value hierarchy, corresponding to the input that is the most significant for the measurement as a whole.

2.19 INFORMATION BY SEGMENT

BUSINESS SEGMENT

A business segment is a distinguishable component of the Group, engaged in providing an individual product or service, and subject to different risks and rewards in relation to other business segments. Their internal organisational and management structure, as well as their reporting system, are geared toward the analysis of business performance by activity.

GEOGRAPHICAL SEGMENT

A geographical segment is an individual area of the Group committed to providing products or services within a particular economic environment, which is subject to risks and rewards that are different from those of other areas operating in other economic environments. The Group has subsidiaries in Angola, Mozambique, France, Spain, Belgium, Brazil, the United Kingdom, Germany, Denmark, Sweden and Russia, so these countries are identified as geographical segments.

2.20 TRANSACTIONS DENOMINATED IN A CURRENCY OTHER THAN EURO

The Group's functional and presentation currency is the euro. Companies based in Angola and Mozambique have different functional currencies and, thus, their financial statements are translated into U.S. dollars applying kwanza and metical cross rates and then from dollars to euros.

Monetary assets and liabilities denominated in foreign currencies for which there are no rate fixing agreements are translated into euro using the exchange rates in effect on the date of the balance sheet. Favourable and unfavourable exchange differences resulting from the comparison between the exchange rates in force on the date of the transactions and those in force on the date of collections, payments or on the date of the balance sheet, are recognised as income or expenses in the income statement, except for exchange differences arising from the translation of loan balances which, in practice, are an extension of financial investments abroad and whose repayment is not expected in a near future, which are recognised in equity until the disposal of the investment, at which time they are transferred to the income statement.

Non-monetary assets and liabilities denominated in foreign currency and recorded at cost are converted into the functional currency of each subsidiary, using the exchange rate in force on the date when they were acquired. Non-monetary assets and liabilities denominated in foreign currency and recorded at fair value are converted into the functional currency of each subsidiary, using the exchange rate in effect on the date when the fair value was determined.

The financial statements of subsidiaries and associated companies expressed in foreign currency are translated using the following exchange rates:

- The exchange rate in force on the date of the balance sheet for the translation of assets and liabilities;
- The average exchange rate for the period used to translate the income statement headings;
- The average exchange rate for the period used to translate cash flows (where such exchange rate is close to the actual rate; the remaining cash flows are translated using the exchange rate in force on the date of the operations);

Goodwill related to investments in companies based abroad, acquired after 1 January 2005, is recorded in those companies' reporting currency and translated into euros at the exchange rate in force on the balance sheet date.

Exchange differences arising from the translation into euros of the financial statements of subsidiaries and associated companies expressed in foreign currencies are included in equity, under "Foreign currency translation reserves".

On 31 December 2015 and 2014, assets and liabilities denominated in foreign currencies were translated into euros using the following exchange rates:

Exchange rate

2015	2014	Code	Name
147.11	125.26	AOA	Angolan Kwanza
49.29	38.63	MZN	Mozambican Metical
4.26	3.27	BRL	Brazilian Real

In the financial years 2015 and 2014, the financial statements of subsidiaries expressed in foreign currency were translated using the following exchange rates:

Average exchange rate

2015	2014	Code	Name
133.30	130.81	AOA	Angolan Kwanza
42.70	40.65	MZN	Mozambican Metical
3.74	3.11	BRL	Brazilian Real

2.21 SUBSEQUENT EVENTS

Any events occurring after the date of the balance, which may provide additional information on the conditions that existed on the date of the balance, shall be reflected upon the consolidated financial statements. Any events after the date of the balance which may provide information on the conditions that occurred after the date of the balance, if material, are presented in the notes to the consolidated financial statements.

3. Judgements and estimates

In the preparation of the consolidated financial statements in accordance with IFRS, the Board of Directors of Grupo Visabeira, SGPS, uses estimates and assumptions that affect the application of policies and the amounts reported. Estimates and judgements are continually assessed and are based on experience of past events and other factors, including expectations concerning future events considered likely to take place under the circumstances on which the estimates are based or the result of acquired information or experience. The most significant accounting estimates reflected in the consolidated financial statements are the following:

a) Goodwill impairment analysis

The Group conducts annual tests on goodwill to check for impairments. The recoverable amounts of cash-generating units were determined based on the value-in-use method. The use of this method requires the estimation of future cash flows from the operations of each cash-generating unit and the choice of a suitable discount rate.

b) Valuation and useful life of intangible assets

The Group has made assumptions in the estimation of future cash flows from the intangible assets acquired as part of company acquisition processes, including the estimated future revenues, discount rates and useful lives of said assets.

c) Recognition of provisions and adjustments

The Group is a party in various legal proceedings for which, based on the opinion of its legal advisers, it makes a judgement to determine whether a provision should be recorded for such contingencies (note 42). Adjustments for accounts receivable are calculated mainly based on the ageing of the accounts receivable, on the customers' risk profile and on their financial situation. Estimates related to adjustments for accounts receivable differ from business to business.

The Group's policy regarding the imposing of ceilings on loans granted, be it nationally or internationally, relies on companies specialising in credit risk coverage.

Excluding state agencies and customers with higher national and international credit ratings, it is noted that the average internal risk exposure is 20%. However, a detailed analysis of the changes in annual provisions clearly demonstrates that there is almost zero risk of non-collection.

Furthermore, the Group has access to major market databases, which, together with its technical analysis team, allows for a clear assessment and minimised credit risk.

d) Fair value of investment properties

The Group turns to external entities to calculate the fair value of investment properties. Note 23 describes the assumptions used, as well as the respective sensitivity analysis. An appraisal is an estimate of the market value but it is not a guarantee of the value that would be obtained in a transaction. In addition, other evaluators can legitimately calculate a different market value. Although showing signs of recovery, market transactions have been rare and market prices have proven unstable, so the method used to determine the fair value of investment properties was discounted cash flows. This valuation is too dependent on the value of future rents and on the long-term occupancy rate.

e) Calculation of the fair value of financial instruments

The Group chooses the method of assessment it deems appropriate for financial instruments not quoted in an active market based on its best knowledge of the market and of the assets, applying the valuation techniques commonly used in the market and using assumptions based on market rates.

f) Analysis of impairment of available-for-sale financial assets

The Group considers that there is an impairment of available-for-sale financial assets when there is a prolonged or significant devaluation of their fair value. This determination requires judgement. When making the decision, the Group's Executive Committee evaluates, among other variables, the normal volatility of share prices. In the specific case of shares held at NOS Multimédia, EDP and Pharol, impairment losses have been already recognised.

g) Taxes

Deferred tax assets are recognised for all damages recoverable to the extent to which it is probable that taxable profits will exist, against which the losses can be used.

Taking into account the context of the crisis and the impact it may have on future results, a judgement is required from the Board of Directors to determine the amount of deferred tax assets that can be recognised, considering:

- The date and amount of probable future taxable income, and
- Future attacks optimisation strategies.

h) Post-employment benefits

The assessment of liabilities associated with retirement and health benefits attributed to the Group's employees under defined benefit plans is performed annually, resorting to actuarial studies prepared by independent experts, based on actuarial assumptions related to economic and demographic indicators. All the indicators used are specific to the countries where the employee benefits are attributed and include, among others:

- Discount rates based on the rates of corporate bonds of the respective country with an AAA or AA rating;
- Mortality tables available for the population of the respective country;
- Future increases in salaries and pensions based on future inflation rates expected for the respective country.

Estimates were based on the best information available on the date of the preparation of the consolidated financial statements. However, situations may occur in subsequent periods, which, not being foreseeable at the time, were not considered in these estimates. Changes to these estimates, which occur after the date of the consolidated financial statements, are corrected in results on a prospective basis, in accordance with IAS 8.

i) Companies included in the scope of consolidation

For the purpose of determining the entities included in the scope of consolidation, the Group assesses the extent to which it is exposed, or entitled to, the variability of the returns related to its involvement with the entity in question and its ability to secure them thanks to the power it has over that entity (de facto control).

The Group's decision to consolidate a given entity is based on the use of a judgement, assumptions and estimates to determine the extent to which the Group is exposed to the variability of its returns and its ability to secure them thanks to its power.

Other assumptions and estimates could result in a different scope of consolidation, with a direct impact on the Group's consolidated financial statements.

4. Changes to accounting policies

These separate financial statements were prepared in accordance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB) and the Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC), adopted by the EU and in force for financial years started on 1 January, 2015. The most important accounting policies used in the preparation of these financial statements are described below. These policies were consistently applied during the comparative periods, except where stated otherwise.

Unless stated otherwise, the amounts are expressed in euros (EUR). The Company's financial statements were prepared in accordance with the historical cost convention.

The financial statements were prepared based on the assumptions of continuity of operations, accrual basis, consistency of the presentation, materiality and aggregation, no compensation and comparative information.

During the year 2015, there were no voluntary changes in accounting policies in relation to those considered in the preparation of the financial information of the previous year presented in the comparative statements.

With regard to new standards and interpretations, the following issues, revisions, amendments and improvements were introduced to the standards and interpretations used:

4.1. -Revisions, amendments and improvements to the standards and interpretations endorsed by the EU with effects on the accounting policies and disclosures adopted by the Group as of 1 January 2015:

- **IFRIC 21 – Levies** This interpretation applies to levies charged by government entities, which are not covered by other standards (e.g. IAS 12), including fines and other penalties for failure to comply with legislation. The interpretation clarifies that: (i) a liability must be recognised upon the occurrence of the activity that triggers the payment as identified in the relevant legislation (ii) the liability must be recognised progressively if the obligating event also occurs over a period of time in accordance with relevant legislation and (iii) if an obligation is triggered on reaching a minimum threshold, the liability is only recognised when that minimum threshold is reached. This interpretation does not establish what the consideration of the liability should be, and the provisions of the remaining standards shall be taken into account to determine whether it should be recognised as an asset or a cost.

- **Annual improvements in relation to the 2011-2013 cycle.** IASB introduced four improvements in four standards, whose abstracts are presented below:

- **IFRS 1 - First-time adoption of the International Financial Reporting Standards.** Clarifies what is understood by standards in force.
- **IFRS 3 - Business Combinations.** Updates the exception to the application of the standard to "Joint Arrangements", clarifying that the only exclusion refers to the accounting of the creation of a joint agreement in the financial statements of the very joint agreement.
- **IFRS 13 - Fair Value Measurement.** Updates paragraph 52 so that the portfolio exception also includes other agreements that are covered or are accounted for in accordance with IAS 39 or IFRS 9, regardless of whether they satisfy the definitions of financial assets or financial liabilities under IAS 32.
- **IAS 40 - Investment Properties.** Clarifies that it is in light of IFRS 3 that the entity must determine whether a given transaction is a business combination or an asset purchase, abandoning the description set out in IAS 40, which allows classifying a property as of investment or as owner-occupied.

No significant impacts resulted for the Group's financial statements from the application of these standards and interpretations.

4.2. - The standards and interpretations recently issued by IASB and endorsed by the European Union, whose application is mandatory only for financial years begun after 1 January 2015, and which were not subject to early adoption by the Group are the following:

- **IAS 19 R - Employee Benefits (Amendment): Employee Contributions.** This amendment applies to contributions from employees or third parties for defined benefit plans. It simplifies the accounting treatment of contributions that are independent of the number of years that the employee has been in service, such as contributions made by the employee that are calculated based on a fixed percentage of their salary, that are a fixed amount throughout the entire period of service or an amount that depends on the employee's age. Such contributions can now be recognised as a reduction in service costs for the period in which the service is provided.
- **Annual improvements in relation to the 2010-2012 cycle** IASB introduced six improvements in five standards, whose abstracts are presented below:
 - **IFRS 2 - Share-based Payments** - Updates definitions, clarifies what is meant by acquisition conditions and further clarifies situations related to concerns that had been raised about service conditions, market conditions and performance conditions.
 - **IFRS 3 - Business Combinations** - Amends the recognition of changes in fair value of contingent payments that are not equity instruments. Those changes are now recognised exclusively in profit or loss for the financial year.
 - **IFRS 8 - Operating Segments** - Requires additional disclosures (description and economic indicators) on factors that determined the aggregation of segments. Disclosure of the reconciliation of the total assets of reportable segments with the total assets of the entity is only required if this is also reported to the manager in charge, under the same terms applicable to the disclosure of liabilities in the segment.
 - **IAS 16 Tangible fixed assets and IAS 38 Intangible assets** - In the event of revaluation, the standard provides that the entity may choose to adjust the gross amount based on observable market data or allocate the variation, proportionally, to the change in the book value and, in either case, it requires the elimination of accumulated depreciations against the gross value of the asset. These changes only apply to revaluations carried out in the year in which the change is first applied and in the immediately preceding period. The restatement of all previous periods is allowed but not mandatory. However, failing to do so obligates the company to disclose the criteria used for those periods.
 - **IAS 24 - Related Party Disclosures** - Clarifies that a managing entity - an entity providing management services - is a related party subject to the associated disclosure requirements. In addition, an entity that uses the services of a managing entity is required to disclose the expenses incurred for such services.

- **IAS 16 and IAS 41: Plants that generate agricultural products** Amendments to IAS 16 – Tangible fixed assets and IAS 41 - Agriculture change the scope of IAS 16 to include biological assets that meet the definition of plants that generate agricultural produce (e.g., fruit trees). An agricultural production that grows on plants that generate agricultural produce (e.g. fruit that grows on trees) will remain within the scope of IAS 41. As a result of these amendments, plants that generate agricultural produce are now subject to all the recognition and measurement requirements of IAS 16, including the choice between the cost model and the revaluation model, and the government grants related to these plants are now accounted in accordance with IAS 20, and not in accordance with IAS 41.

- **IFRS 11: Accounting for Acquisitions of Interests in Joint Arrangements** – The amendments define that the acquirer of an interest in a joint operation in which the activity constitutes a business is required to apply, for an amount pro rata to its share, all the principles regarding business combinations set forth in IFRS 3 – Business Combinations and other IFRS that are not in conflict with IFRS 11 and also to proceed with the corresponding disclosures, as required by the standards related to business combinations. These amendments also apply if the entity contributes with a business for the creation of the joint arrangement. In the case of an acquisition of an additional interest in a joint operation whose activity constitutes a business, the interest that was previously held should not be remeasured when the operator retains joint control.

- **IAS 16 and IAS 38: Clarification of acceptable methods of depreciation and amortisation** – The amendments clarify that the principle set forth in the standards states that revenues reflect a pattern of generation of economic benefits that arise from the operation of a business (of which an asset is part) and, therefore, rather than the pattern of consumption of an asset's expected future economic benefits. So, the proportion of the revenues that are generated in relation to the overall revenues that are expected to be generated cannot be used to depreciate fixed assets and can only be used, in very specific circumstances, to amortise intangible assets.

- **IAS 27: Equity method in separate financial statements** – The purpose of these amendments is allowing the option of using the equity method for measuring subsidiaries and associated in separate accounts. The measurement options provided by IAS 27 for recognising investments in subsidiaries, joint ventures and associates are now: (i) cost, (ii) in accordance with IFRS 9 (or IAS 39) or (iii) equity method, with the application of the same accounting to each investment category. Consequently, there was also an amendment to IFRS 1 - First-time Adoption of International Financial Reporting Standards in order to allow those who adopt the IFRS for the first time and use the equity method in the separate financial statements to also be able to benefit from exemptions regarding past business combinations in the initial measurement of the investment.

- **IAS 1: Clarification on financial reporting disclosures** – The amendments to the IFRS include changes in the concepts of Materiality, Information to present in the financial statements, Structure of the Notes and Disclosures.

- **Annual improvements in relation to the 2012-2014 cycle** IASB introduced five improvements in four standards, whose abstracts are presented below:

- **IFRS 5 – Non-current assets held for sale and discontinued operations** – This improvement clarifies that the reclassification of non-current assets from held for distribution to held for sale and vice versa does not imply an amendment to the plan and should be considered as a continuation of the asset's original plan; therefore, there is no discontinuation of the requirements set forth in IFRS 5. The interpretation has a prospective application.
- **IFRS 7 – Financial Instruments: Disclosures** – Eliminates some disclosure requirements in interim financial statements. Additionally, it clarifies that when an entity transfers a financial asset it may retain the right to provide services related to the financial asset in exchange for a specific predetermined amount, for example, a servicing contract and that, under these circumstances, and for the purpose of determining the required disclosures, there should be an analysis of the continuing involvement arising from that contract. It is not necessary to apply the amendments to any presented period preceding the year in which the amendments are applied for the first time. This exemption is also applicable to entities that apply the IFRS for the first time. The interpretation has a retrospective application.

- **IAS 19 – Employee Benefits** – This improvement clarifies that the discount rate should be determined considering the high-quality bonds available in a regional market that shares the same currency of the benefits to be paid (e.g.: the Eurozone) and not in the markets where the bonds were issued. When there is no active market for high-quality bonds available in a regional market that shares the same currency of the benefits to be paid, it is possible to use bonds issued by the Government. This improvement is applicable from the beginning of the first comparison period presented in the first financial statements to which the entity applies the amendment. Any initial adjustment resulting from the application of the amendment should be recognised in retained earnings at the beginning of the period.
- **IAS 34 – Interim Financial Reporting** – Disclosures regarding significant events and transaction can now be made either directly via the interim financial statements or via a crossed reference to other reporting documents (e.g.: Management report or risk report). However, the interim financial reports are incomplete if their users are not allowed access, under the same terms and at the same time, to the information included via crossed reference. The interpretation has a retrospective application. No significant impacts are expected for the Group's financial statements from the application of these standards and interpretations.

4.3. - Standards and interpretations issued by IASB but not yet endorsed by the European Union

- **IFRS 9 – Financial Instruments** - Introduces new requirements for classifying and measuring financial assets and liabilities.
- **IFRS 10 and IAS 28** - Sale or contribution of assets between an investor and its associate or joint venture.
- **IFRS 10, IFRS 12 and IAS 28** – Investment Entities: Applying the Consolidation Exception.
- **IFRS 14** – Regulatory deferral accounts related to regulated activities.
- **IFRS 15** – Revenue from contracts with customers.

5. Group companies included in the consolidation

	Conditions for inclusion	Registered office	% of capital owned	
			2015	2014
GRUPO VISABEIRA, SGPS, SA		Viseu	Parent	Parent
Visabeira Global				
Aeroprotechnik - Aerial Engineering, Lda		Viseu	51.00%	-
Cass Constructel, Ltd	a)	London	50.00%	-
Comatel Infraestruturas, Lda		Luanda	100.00%	100.00%
Constructel - Constructions et Telecommunications Belgique		Mons	99.98%	99.98%
Constructel - Constructions et Telecommunications, SARL		Valence	99.96%	99.96%
Constructel África, SA		Maputo	100.00%	100.00%
Constructel Denmark, ApS		Copenhagen	99.82%	99.82%
Constructel Energie, S.A.		Clermont-Ferrant	70.00%	100.00%
Constructel Infra-Structures, SAS.		Santo Domingo	51.00%	51.00%
Constructel GmbH		Berlin	99.98%	99.98%
Constructel LLC		Moscow	100.00%	100.00%
Constructel Sweden AB		Stockholm	99.99%	99.99%
Constructel UK, Ltd		London	99.82%	99.82%
Edivisa - Empresa de Construção Lda		Luanda	100.00%	100.00%
Edivisa - Empresa de Construções, SA		Viseu	100.00%	100.00%
Electrotec - Projecto, Execução e Gestão de Redes de Energia, Lda	d)	Maputo	-	49.00%
Electrotec Engenharia, SA	d)	Maputo	-	39.20%
Electrovisa, Lda		Luanda	100.00%	100.00%
Fibroglobal - Comunicações Electrónicas SA		Viseu	94.98%	94.98%
Gatel, SAS		Domessin	100.00%	100.00%
Hidroáfrica - Comércio e Indústria, SARL		Maputo	85.52%	85.52%
Intelvisa, Gestão de Participações, SA	a)	Maputo	50.00%	50.00%
Naturenergia - Agro-Energias, SA		Viseu	100.00%	100.00%
PDT - Projectos e Telecomunicações, SA		Lisbon	99.29%	99.29%
PTC - Serviços de Telecomunicações, SA		Lisbon	100.00%	100.00%
Real Life - Tecnologias de Informação, SA		Algés	65.00%	65.00%
Real Life Advanced Technologies Academy MZ, SA		Maputo	65.70%	65.70%
Real Life Technologies MZ, SA		Maputo	65.70%	65.70%
SCI Constructel		Valence	100.00%	100.00%
Selfenergy Moçambique, SA	d)	Maputo	-	34.60%
Sogitel - Sociedade de Gestão Imobiliária, Lda		Maputo	90.00%	90.00%
Televisa - Sociedade Técnica de Obras e Projectos, Lda	a)	Maputo	50.00%	50.00%
Televisa Marrocos, SA		Casablanca	100.00%	100.00%
TVCABO - Comunicações Multimédia, Lda	a)	Maputo	50.00%	50.00%
TVCABO Angola, Lda	a)	Luanda	50.00%	50.00%
Viatel - Tecnologia de Comunicações, SA		Viseu	99.29%	99.29%
Visabeira - Sociedade Técnica de Obras e Projectos, Lda		Viseu	60.00%	60.00%
Visabeira Global, SGPS, SA		Viseu	100.00%	100.00%
Visacasa - Serviços de Assistência e Manutenção Global, SA		Cacém	100.00%	100.00%
Visagreen, SA		Viseu	100.00%	100.00%
Visaqua - Gestão de Infra-estruturas e Serviços, Ambientais, SA	c)	Maputo	25.50%	25.50%
Yetech, SA	d)	Cancun	-	30.00%
Visabeira Indústria				
Agrovisa - Agricultura e Pecuária, Lda		Maputo	100.00%	100.00%
Álamo - Indústria e Desenvolvimento Florestal, Lda		Luanda	100.00%	100.00%
Ambitermo - Engenharia e Equipamentos Térmicos, SA		Cantanhede	51.00%	51.00%
Ambitermo Maroc Chaudieres Industrielles, SARL		Casablanca	51.00%	51.00%
Bordalgest, SA		Lisbon	56.00%	56.00%

Visabeira Indústria (cont.)

Celmoque - Cabos de Energia e Telec. de Moçambique, SARL		Maputo	70.38%	70.38%
Cerexport - Cerâmica de Exportação, SA *		Aveiro	81.60%	81.60%
Cerutil - Cerâmicas Utilitárias, SA		Sátão	100.00%	100.00%
Faianças Artísticas Bordallo Pinheiro, Lda	a), c)	Caldas da Rainha	47.04%	47.04%
Faianças da Capôa - Indústria de Cerâmica, SA *		Aveiro	81.60%	81.60%
Granbeira - Soc. de Exploração e Com. de Granitos, SA		Viseu	98.75%	98.75%
Granbeira II - Rochas Ornamentais, SA		Vouzela	100.00%	100.00%
Marmonte - Mármore de Moçambique, SARL		Maputo	80.00%	80.00%
Mob - Indústria de Mobiliário, SA		Viseu	97.77%	97.77%
Mob Cuisines, SASU		Paris	97.77%	97.77%
Pinewells, SA		Arganil	63.53%	63.53%
Ria Stone - Fábrica de Louça de Mesa em Grés, SA*		Ílhavo	81.60%	81.60%
Tubangol - Tubos de Angola, Lda		Luanda	100.00%	100.00%
Visabeira Indústria, SGPS, SA		Viseu	100.00%	100.00%
Visaconstroí - Construção e Gestão Imobiliária, Lda		Luanda	100.00%	100.00%
Vista Alegre Atlantis, SA*		Lisbon	81.60%	81.60%
Vista Alegre Atlantis Brasil - Comércio, Importação e Exportação, SA*		Vitória	62.37%	62.37%
Vista Alegre Atlantis Imobiliária e Investimento, SA.*		Ílhavo	81.60%	81.60%
Vista Alegre Atlantis Moçambique, Lda.*		Maputo	81.60%	81.60%
Vista Alegre Atlantis, SGPS SA		Ílhavo	81.60%	81.60%
Vista Alegre Atlantis UK LTD.*		London	81.60%	81.60%
Vista Alegre Atlantis USA *		New York	81.60%	81.60%
Vista Alegre Espanha, SA*		Madrid	81.60%	81.60%
Vista Alegre Grupo - Vista Alegre Participações, SA*		Lisbon	81.06%	81.06%
Vista Alegre Renting, Lda*		Ílhavo	81.60%	81.60%

Visabeira Turismo

Empreendimentos Tur. Montebelo - Soc. Tur. e Recreio, SA		Viseu	99.83%	99.83%
Imobiliária Panorama, Lda		Maputo	70.00%	70.00%
Inhambane Empreendimentos, Lda		Maputo	80.00%	80.00%
Milibangalala, SA		Maputo	70.00%	70.00%
Movida - Empreendimentos Turísticos, SA		Viseu	99.96%	99.96%
Mundicor - Viagens e Turismo, SA		Viseu	100.00%	100.00%
Prato Convivas - Sociedade Hoteleira, Lda	b)	Viseu	-	100.00%
Ródia - Sociedade Beiraltina de Turismo e Diversões, SA	b)	Viseu	-	100.00%
Soginveste Empreendimentos, Lda		Maputo	70.00%	70.00%
Turvisa - Empreendimentos Turísticos, Lda		Maputo	100.00%	100.00%
VAA - Empreendimentos Turísticos, SA		Ílhavo	98.12%	98.12%
Visabeira Turismo, SGPS, SA		Viseu	100.00%	100.00%
Zambeze - Restauração, S.A	a)	Lisbon	50.00%	50.00%
Zambeze Village, Lda		Maputo	63.00%	63.00%

Visabeira Imobiliária

Ifervisa - Sociedade de Promoção e Desenvolvimento Imobiliário, SA		Lisbon	100.00%	100.00%
Imovisa - Imobiliária de Moçambique, Lda	a)	Maputo	49.00%	49.00%
Visabeira Imobiliária, SA		Viseu	100.00%	100.00%
Visabeira Imobiliária, SGPS, SA		Viseu	100.00%	100.00%

Visabeira Participações Financeiras

2 Logical - Serviços de Consultoria Farmacêutica, SA		Lisbon	51.00%	51.00%
Agrovisa - Agricultura e Pecuária, Lda		Luanda	100.00%	100.00%
Angovisa, Lda		Luanda	70.00%	-

Visabeira Participações Financeiras (cont.)

Company		Registered Office	Change in the consolidation perimeter	Date	Percentage of equity held
					Before the acquisition
Autovisa - Serviços Auto, SARL		Maputo	80.00%	80.00%	
Benetrónica - International Commerce, Imp. e Exportação, SA		Lisbon	100.00%	100.00%	
Build Down & Build Up Moçambique, Lda	d)	Maputo	-	50.00%	
Catari Angola, Lda	a)	Luanda	50.00%	50.00%	
Combustíveis do Songo, SA		Songo	100.00%	100.00%	
Convisa Engenharia, Lda	a)	Luanda	50.00%	50.00%	
Convisa Turismo, Lda	a)	Luanda	50.00%	50.00%	
Imensis - Soc. Gestão Empreem. Imobiliários, Lda	d)	Maputo	-	49.00%	
lutel - Infocomunicações, SA	a)	Viseu	50.00%	50.00%	
Hospital Nossa Senhora da Arrábida, SA		Azeitão	79.50%	-	
Mercury Comercial, Lda		Maputo	100.00%	100.00%	
Mercury Comercial, Lda		Luanda	100.00%	100.00%	
Mercury South Africa, Lda		Johannesburg	100.00%	100.00%	
PDA - Parque Desportivo de Aveiro, SA		Aveiro	54.57%	54.57%	
Predibeira - Compra e Venda de Propriedades, Lda	d)	Viseu	-	50.00%	
Porto Salus		Azeitão	79.50%	79.50%	
Rentingvisa, Unipessoal Lda		Viseu	100.00%	100.00%	
Telesp Telecomunicaciones, Electricidad y Gás de España, SA		Madrid	100.00%	100.00%	
Turvisa, Lda	d)	Lubango	-	30.00%	
Vibeiras, Sociedade Comercial de Plantas, SA		Maputo	64.43%	34.35%	
Visabeira Angola - Investimento e Participações, Lda		Luanda	100.00%	100.00%	
Visabeira Espanha, SA		Madrid	100.00%	100.00%	
Visabeira Estudos e Investimentos, SA		Viseu	100.00%	100.00%	
Visabeira Knowledge and Research, SA		Lisbon	90.00%	90.00%	
Visabeira Moçambique, Lda		Maputo	100.00%	100.00%	
Visabeira Participações Financeiras, SGPS, SA		Viseu	100.00%	100.00%	
Visabeira Saúde, SA		Viseu	100.00%	100.00%	
Visarocha - Rochas de Angola, Lda		Luanda	100.00%	100.00%	
Visasecil - Prestação de Serviços, Lda		Luanda	100.00%	100.00%	
Visatur - Empreendimentos Turísticos, Lda		Luanda	100.00%	100.00%	
Visauto - Reparações Auto, Lda		Luanda	100.00%	100.00%	
Visa House, SA (ex-Visabeira Turismo e Imobiliária, SGPS, SA)		Viseu	100.00%	100.00%	

a) The above companies are considered subsidiaries and are consolidated in accordance with the full consolidation method, since Grupo Visabeira has the power to control subsidiaries and, as such, is exposed to variable results. In the assessment of the existence of actual control, particular aspects were taken into account, such as the holding of majority voting rights, management agreements, and representation in corporate bodies.

In the specific case of TVCABO Angola, of which 50% is held by Grupo Visabeira and 50% by Angola Telecom, and which benefits from the know-how and technical expertise that the Visabeira brand name guarantees with its 35 years of activity in the field of Telecommunications, the Group controls all relevant activities: construction, financing (dependent on the maintenance of the Management and Technical Assistance Agreement (MTAA) concluded between TVCABO and Visabeira); contents; technological support and selection of human resources, including the General Manager.

In the specific case of TVCABO Moçambique, of which 50% is held by Grupo Visabeira and 50% by TDM, the situation is the same as that of TVCABO Angola.

In the specific case of Televisa, of which 50% is held by Grupo Visabeira and 50% by TDM, the situation is the same as that of TVCABO Angola.

The data for these entities are the following:

Amounts in euros	TVCABO Angola	TVCABO Moçambique	Televisa
Net assets			
Tangible and intangible fixed assets	88,739,144	33,666,117	4,039,662
Other assets	9,257,037	2,108,181	26,730,576
Cash and cash equivalents	15,627,740	1,723,342	474,782
Bank loans	-5,073,704	-12,414,707	-10,955,342
Other liabilities	-55,105,039	-20,716,871	-17,000,961
Total net assets	53,445,177	4,366,062	3,288,717

b) Companies merged with Empreendimentos Tur. Montebelo - Soc. Tur. e Recreio, SA.

c) Companies controlled by a subsidiary of the Group – the percentage of interest indicated is the direct percentage.

d) Companies that replaced the consolidation method with the equity method (see note 6).

* Consolidated by VAA SGPS, listed company.

The changes made to the scope of consolidation in 2015 were the following (see note 8):

Entries in the consolidation perimeter:

Company	Registered Office	Change in the consolidation perimeter	Date	Percentage of equity held	
				Before the acquisition	After the acquisition
Hospital Nossa Senhora da Arrábida, SA (HNSA)	Azeitão	entry	17-11-2015	19.50%	79.50%

Exits from the consolidation perimeter:

Company	Registered Office	Change in the consolidation perimeter	Date	Percentage of equity held On the date of the change	
				Direct	Total
Electrotec - Proj., Exec. e Ges. de Redes de Energia, Lda	Maputo	exit	01-01-2015	49.00%	49.00%
Imensis - Soc. Gestão Empreem. Imobiliários, Lda	Maputo	exit	01-01-2015	49.00%	49.00%
Selfenergy Moçambique, SA	Maputo	exit	01-01-2015	15.00%	34.60%

The effects of these amendments on the consolidated financial statements can be analysed as follows:

Amounts in euros	HNSA		Electrotec	Imensis	Selfenergy
	Value of the financial position before the acquisition	From 1 Jan to 31 Dec 2015			
Net assets					
Tangible and intangible fixed assets	11,154,953	10,982,220	5,703,522	42,785	52,947
Other assets	495,400	482,691	19,227,237	12,098,977	1,905,304
Cash and cash equivalents	99,851	22,721	176,404	434,837	58,227
Other liabilities	-11,696,944	-9,420,342	-23,459,565	-12,347,115	-1,810,981
Total net assets	53,260	2,067,289	1,647,598	229,484	205,498
Non-controlling interests (note 36)	456,740				
Acquisition cost	510,000				
Payments made	510,000				
Net cash flow resulting from the acquisition					
Payments made	-510,000				
Cash and cash equivalents acquired	99,851				
	-410,149				

Amounts in euros	HNSA	
	From the acquisition date	From 1 Jan to 31 Dec 2015
Sales and services rendered	424,216	2,091,471
Other income	-21,299	71,358
Sale cost	-37,250	-261,129
External supplies and services	-216,982	-1,220,264
Other expenses and losses	-229,383	-1,392,648
Financial result	-21,028	-398,090
Pre-tax result	-101,727	-1,109,301
Income tax	22,889	-2,189
Net income	-78,838	-1,111,489

6. Investments in associated companies

	Registered office	Holding		Equity	Net result	Carrying value		Effect of the E.M.	
		2015	2014	2015	2015	2015	2014	2015	2014
Visabeira Global									
Aceec, ACE	Viseu	50.00%	50.00%	52,111	0	19,916	20,000	0	0
Beiragás, SA	Viseu	23.52%	23.52%	42,454,343	3,786,996	11,067,790	9,896,443	852,294	981,672
Beiragás, SA - Empréstimos		-	-	-	-	447,622	2,238,111	-	-
Birla Visabeira Private Limited	Delhi	49.00%	-	1,434,492	-	702,872	-	-	-
Domingos da Silva Teixeira/Visabeira, ACE	Lisbon	50.00%	50.00%	-9,271	0	0	0	0	0
Electrotec - Projecto, Execução e Gestão de Redes de Energia, Lda	Maputo	49.00%	-	-816,833	-2,307,195	0	-	-129,258	-
Electrotec Engenharia, SA	Maputo	39.20%	-	0	0	0	-	0	-
Selfenergy Moçambique, SA	Maputo	34.60%	-	-485,633	-671,519	0	-	-10,510	-
Ventos de Inhambane	Inhambane	32.50%	-	150,000	0	48,750	-	0	-
Vista Power, Lda	Luanda	50.00%	50.00%	382,000	0	191,000	191,000	0	0
Yetech, SA	Cancun	30.00%	-	105,000	0	52,500	-	0	-
Visabeira Turismo									
Doutibelo, Lda	Viseu	19.97%	19.97%	1,747,021	223,768	2,999,820	2,955,065	44,754	-40,153
Doutibelo, Lda - empréstimos		-	-	-	-	2,448,147	2,071,497	-	-
Lipilichi Holdings, Lda	Port-Louis	15.00%	15.00%	-2,943,293	-1,175,019	0	36	0	0
Mtdendele Holdings, Lda	Port-Louis	25.00%	25.00%	1,518	-269	0	60	0	0
Sem Amarras, SA	Viseu	19.97%	19.97%	1,388,086	111,590	1,758,808	1,736,490	22,318	-18,768
Sem Amarras, SA - empréstimos		-	-	-	-	6,052,875	5,736,625	-	-
Visabeira Participações Financeiras									
Build Down & Build Up Moçambique, Lda	Maputo	50.00%	-	-297,946	-287,319	-124,502	-	0	-
Gevisar, SA	Santa Maria da Feira	30.00%	30.00%	21,101,462	-1,857,442	4,851,350	5,872,600	-557,233	-1,399,115
HPP Viseu	Viseu	-	35.00%	-	-	-	192,976	0	0
Hospital Nossa Senhora da Arrábida, Lda	Azeitão	-	20.00%	-	-	-	510,000	0	0
Imensis - Soc. Gestão Empreem. Imobiliários, Lda	Maputo	49.00%	-	343,562	135,978	105,151	-	0	0
Martifer Amal, SA	Maputo	35.00%	35.00%	2,444,843	-539,348	-45,269	76,639	-147,307	-199,551
Martifer Amal, SA - empréstimos		-	-	-	-	1,087,627	657,838	-	-
Payshop, Lda	Maputo	35.00%	35.00%	-1,263,820	-397,798	0	0	0	0
Predibeira - Compra e Venda de Propriedades, Lda	Viseu	50.00%	-	213,336	-312	106,668	0	0	-
Turvisa, Lda	Lubango	30.00%	-	42,355	-225	41,109	0	0	-
Twin City Maputo, Lda	Maputo	39.00%	40.00%	28,770		383,794	383,794	0	0
TOTAL						32,196,028	32,539,176	75,058	-675,915

The following table shows the Group's proportional share in the balance sheets and income statements of the companies listed above:

	Year	Assets	Liabilities	Income	Expenses
Visabeira Global					
Aceec, ACE	2014	42,140	16,075	0	0
	2015	42,130	16,075	0	0
Beiragás, SA	2014	22,315,523	13,220,921	5,034,593	3,528,783
	2015	20,437,375	10,452,113	4,376,619	3,485,917
Birla Visabeira Private Limited	2014	-	-	-	-
	2015	702,901	0	0	0
Domingos da Silva Teixeira/Visabeira, ACE	2014	-9,271	0	0	0
	2015	-9,271	0	0	0
Electrotec - Projecto, Execução e Gestão de Redes de Energia, Lda	2014	-	-	-	-
	2015	8,097,489	8,497,737	3,480,318	4,610,844
	Year	Assets	Liabilities	Income	Expenses

Visabeira Global (cont.)					
Selfenergy Moçambique, SA	2014	-	-	-	-
	2015	395,993	564,022	317,919	550,264
Ventos de Inhambane	2014	-	-	-	-
	2015	48,750	0	0	0
Vista Power, Lda	2014	191,000	0	0	0
	2015	191,000	0	0	0
Yetech, SA	2014	-	-	-	-
	2015	31,500	0	0	0
Visabeira Turismo					
Doutibelo, Lda	2014	1,579,646	1,275,451	97,213	137,303
	2015	1,592,802	1,243,922	165,928	121,242
Lipilichi Holdings, Lda	2014	320,668	599,285	0	0
	2015	268,223	709,717	98,679	274,931
Mtdendele Holdings, Lda	2014	4,062	3,592	0	0
	2015	3,867	3,487	0	67
Sem Amarras, SA	2014	1,932,609	1,677,756	6,723	63,278
	2015	1,947,713	1,670,581	91,889	69,609
Visabeira Participações Financeiras					
Build Down & Build Up Moçambique, Lda	2014	-	-	-	-
	2015	163,674	312,647	208,044	351,704
Gevisar, SA	2014	8,083,182	1,441,217	624,692	1,000,805
	2015	9,575,744	3,245,006	71,659	622,796
Hospital Nossa Senhora da Arrábida, Lda	2014	510,000	0	0	0
	2015	-	-	-	-
Imensis - Soc. Gestão Empreem. Imobiliários, Lda	2014	-	-	-	-
	2015	6,048,821	5,880,476	169,618	179,264
Martifer Amal, SA	2014	5,093,542	4,346,429	1,846,319	2,045,870
	2015	6,176,987	5,321,292	3,261,614	3,450,386
Payshop, Lda	2014	43,174	361,568	0	0
	2015	26,342	468,679	67	139,297
Predibeira - Compra e Venda de Propriedades, Lda	2014	-	-	-	-
	2015	129,377	22,709	675	830
Turvisa, Lda	2014	-	-	-	-
	2015	16,879	4,173	0	225
Twin City Maputo, Lda	2014	383,794	0	0	0
	2015	319,021	307,801	0	0
Total 2014		40,490,069	22,942,293	7,609,540	6,776,039
Total 2015		56,207,317	38,720,436	12,243,030	13,857,376

7. Other financial investments

	Registered Office	%	Book Value 2015	%	Book Value 2014
Capital holdings					
Parque de Ciência e Inovação (PCI)	Ílhavo	5.00%	375,000	5.00%	375,000
Fundação Visabeira, ISS	Viseu	85.09%	360,000	85.09%	360,000
Caetano Fórmula	Maputo	21.00%	332,436	21.00%	332,436
Transcom - S. F. C. Auditoria T. Comunicações, SARL	Maputo	22.00%	193,174	22.00%	193,174
TF Turismo Fundos - SGFII, S.A.	Lisbon	2.50%	137,574	2.50%	137,574
Moçambique Companhia de Seguros, SARL	Maputo	5.00%	97,382	5.00%	97,382
Duofil, Lda	Pedrogão Grande	3.17%	75,000	3.17%	75,000
Açor Pensões	Ponta Delgada	5.00%	49,880	5.00%	49,880
Imersys Ceramic	Maputo	n.a.	44,000	n.a.	44,000
Lusitânia Gás - Companhia de Gás do Centro, SA	Aveiro	0.04%	30,155	0.04%	30,155
Spinaq Moçambique	Maputo	21.00%	26,639	21.00%	26,639
Centro Venture - Soc. Capital de Risco, SA	Coimbra	3.33%	25,000	3.33%	25,000
Associação Inov Paredes	Paredes	10.00%	25,000	10.00%	25,000
Gestínviseu - Parques Empresariais de Viseu, SA	Viseu	4.00%	19,952	4.00%	19,952
Caixa Crédito Agrícola Mútuoa Costa Azul	Santiago do Cacém	n.a.	15,000	-	-
Lisgarante	Lisbon	n.a.	11,263	n.a.	11,263
Garval	Santarém	n.a.	11,263	n.a.	11,263
Itexample, ACE	Santarém	1.54%	10,000	1.54%	10,000
Oeirasexpo, SA	Oeiras	12.75%	8,500	12.75%	8,500
Norgarante	Porto	n.a.	7,350	n.a.	7,350
Fundo de compensação do trabalho		n.a.	3,989	-	-
Base Force, Lda	Viseu	20.00%	1,000	20.00%	1,000
Other capital holdings			475,496		61,591
			2,335,054		1,983,392
Loans to shareholders			61,936,750		52,365,899
TOTAL			64,271,803		54,349,291

At the end of 2015, the Group has a balance of 62 million euros related to loans granted to the majority shareholder. These loans are remunerated at a market rate adjusted according to subsequent market changes or changes in the cost of the Group's financing, and will predominantly mature in 2019.

8. Changes in the scope of consolidation

Acquisitions / Constitutions	% Held	Date	Amount	
Ventos de Inhambane, SA	Constitution	32.50%	05-03-2015	50,585
Angovisa, Lda	Constitution	70.00%	05-07-2015	1,320,681
Cass Constructel, Ltd	Constitution	50.00%	05-09-2015	13,486
Birla Visabeira Private Limited	Constitution	49.00%	15-09-2015	702,872
Hospital Nossa Senhora da Arrábida, SA	Acquisition	60.00%	17-11-2015	2,207,586
Aeroprotechnik - Aerial Engineering, Lda	Acquisition	51.00%	28-12-2015	5,205
Total			4,300,415	
Dissolutions / Mergers	% Sold	Date	Amount	
HPP Viseu SA	Dissolution	35.00%	05-09-2015	192,976
Prato Convivas - Sociedade Hoteleira, Lda	Merger	100.00%	27-11-2015	958,501
Ródia - Sociedade Beiraltina de Turismo e Diversões, SA	Merger	100.00%	27-11-2015	1,500,000
Total			2,651,477	

In November 2015, the Grupo acquired 60% of the participation of Hospital Nossa Senhora da Arrábida (HNSA), and is now holding a majority stake of 80%; simultaneously, there was a capital increase that, overall, was translated into an investment of 2.2 million euros. The acquisition of 11.6 million euros in assets and liabilities and contingent liabilities in the amount of 11.7 million euros generated a goodwill of 457 thousand euros. HNSA brought to the scope of consolidation fixed assets worth 11 million euros (see note 21) with an associated debt of 8.5 million euros. If it had been consolidated since January 2015, the turnover would have been 1.6 million euros higher.

9. Discontinued operations

In the financial years of 2015 and 2014, there were no discontinued operations. Similarly, from 31 December 2015 to the present date, there are no decisions to discontinue operating activities.

10. Main indicators by segment

a) By area of activity	Years	Global	Industry	Tourism	Real Estate	Financial Holdings	Total		
Turnover	2014	454,639,965	120,333,215	31,869,952	4,230,074	20,480,833	631,554,040		
	2015	489,679,360	125,035,328	37,171,586	5,625,440	23,512,425	681,024,139		
EBITDA	2014	60,730,238	8,596,016	10,775,247	3,328,524	14,825,440	98,255,464		
	2015	64,871,396	13,003,320	15,058,632	2,603,582	13,482,404	109,019,333		
Operating results *	2014	42,166,802	2,499,229	5,413,060	2,796,991	13,164,475	66,040,557		
	2015	44,767,121	2,783,668	10,729,592	1,375,026	13,033,985	72,689,393		
Net income	2014	22,944,261	-38,314	18,999,034	28,737,356	-57,410,266	13,232,070		
	2015	18,382,071	-3,453,496	944,150	-1,161,842	5,779,720	20,490,602		
Tangible/intangible assets	2014	221,667,599	191,628,108	116,462,714	2,799,009	37,703,276	570,260,706		
	2015	203,970,068	202,477,451	132,707,282	13,919,609	48,388,039	601,462,450		
Inventories	2014	59,599,147	41,479,145	428,569	67,566,288	8,837,202	177,910,352		
	2015	40,524,636	44,742,786	1,643,580	56,960,188	6,299,039	150,170,229		
b) By area of activity	Years	Portugal	Mozambique	Angola	France	Belgium	Spain	Other	Total
Turnover	2014	351,251,754	82,067,203	93,724,954	81,851,325	7,101,784	5,994,652	9,562,367	631,554,040
	2015	357,640,723	75,306,774	109,160,175	112,577,376	8,170,580	6,524,582	11,643,929	681,024,139
EBITDA	2014	54,404,906	12,885,851	27,665,517	2,773,493	354,139	-503,492	675,051	98,255,464
	2015	59,011,139	18,028,157	30,467,849	2,293,641	586,018	-832,167	-535,304	109,019,333
Operating results *	2014	34,918,641	8,862,540	20,187,638	1,912,174	242,412	-600,628	517,778	66,040,557
	2015	34,987,920	14,848,832	23,499,208	822,046	440,280	-1,021,755	-887,140	72,689,393
Net income	2014	-2,672,782	1,639,491	12,800,018	1,499,761	83,481	-591,038	473,138	13,232,070
	2015	12,153,955	-697,421	9,979,110	862,101	227,100	-1,039,463	-994,781	20,490,602
Tangible/intangible assets	2014	383,751,031	81,655,756	90,192,725	4,480,152	172,418	4,089,127	5,919,498	570,260,706
	2015	438,686,361	65,482,405	88,268,013	4,726,208	1,018,926	1,431,757	1,848,781	601,462,450
Inventories	2014	138,820,994	15,767,920	18,456,845	1,785,110	130,445	661,263	2,287,775	177,910,352
	2015	125,050,893	6,460,733	14,420,935	382,557	106,346	797,358	2,951,407	150,170,229

* Excluding the effect of variations in the fair value of investment properties, provisions and impairment losses and gains from business combinations

11. Own work capitalised

	2015	2014
Construction of new TVCABO cells in Mozambique	3,263,547	1,535,426
Refurbishment of Montebelo Indy and Montebelo Gorongosa	2,434,631	102,751
Refurbishment of the Pinewells plant	1,623,925	248,708
Construction of new TVCABO cells in Angola	823,046	777,941
Works at Parque Desportivo de Aveiro	207,889	0
Refurbishment of the Cerutil plant	205,380	0
Refurbishment of the outdoor areas of the Palácio do Gelo shopping	98,870	0
Recovery, restoration and creation of new moulds and dies	67,446	283,584
Exhibition furniture	53,280	50,215
Stores and buildings (Vista Alegre and Ria Stone)	0	90,590
TOTAL	8,778,014	3,089,215

12. Other operating income and expenses

	2015	2014
Other Income		
Supplementary income	8,184,538	6,033,434
Corrections regarding previous financial years	124,913	139,368
Investment grants	4,043,675	1,712,366
TOTAL	12,353,126	7,885,168
Other Expenses		
Taxes	5,674,662	4,439,996
Corrections regarding previous financial years	160,401	0
Losses on tangible fixed assets	78,963	929,730
Bad debts	320,394	190,768
Other	4,459,201	4,636,057
TOTAL	10,693,622	10,196,551

The heading supplementary income includes insurance compensations and other non-financial income, such as rents and earnings from tangible fixed assets.

From the heading investment grants we highlight the recognition of Fibroglobal's grants (2.5 million euros).

13. External supplies and services

	2015	%	2014	%
Subcontracts	159,579,050	58%	126,137,125	56%
Specialised work	23,547,938	9%	12,410,074	5%
Leases and rentals	21,626,382	8%	17,366,149	8%
Fuel	11,509,692	4%	11,272,585	5%
Maintenance and repairs	8,874,533	3%	9,182,505	4%
Electricity	8,038,434	3%	7,999,878	4%
Marketing	4,832,995	2%	5,018,940	2%
Travel and accommodation	4,811,454	2%	4,005,208	2%
Insurance	4,739,186	2%	4,429,445	2%
Transport of goods	4,341,446	2%	5,179,377	2%
Communication	3,881,268	1%	3,513,165	2%
Commissions	3,068,272	1%	2,980,272	1%
Surveillance and security	2,788,493	1%	3,012,450	1%
Cleaning, hygiene and comfort	2,206,706	1%	1,993,162	1%
Fast-wearing tools and utensils	1,925,616	1%	3,055,554	1%
Fees	1,215,491	0%	856,192	0%
Office supplies	739,480	0%	752,370	0%
Representation expenses	400,795	0%	304,823	0%
Other	5,672,500	2%	6,173,666	3%
TOTAL	273,799,733	100%	225,642,939	100%

In 2015, the heading subcontracts had an increase of 33.4 million euros. This increase is attributable mainly to the French (13.2 million euros), Angolan (10.8 million euros), Mozambican (12.5 million euros) and German (1 million euros) operations, in response to the growing trend in turnover. The heading specialised work also showed a significant increase of 11 million euros from 2014 to 2015, as a result of the company's growing internationalisation and of the increasing turnover of the external market.

14. Staff costs

	2015	2014
Staff remuneration	121,993,732	107,378,068
Social Security contributions	22,458,951	19,327,673
Remuneration premiums	1,609,292	1,754,318
Governing bodies	1,321,325	1,402,616
Insurance	1,254,952	1,305,728
Social action expenses	741,229	715,102
Occasional staff and staff on retainer	695,466	951,850
Other	1,145,789	1,825,321
TOTAL	151,220,735	134,660,675

Throughout the 2015 financial year, the average number of employees of the Group was 9,743 (2014: 9,031), with the following distribution by business sector and country:

Average number of employees by business	2015	2014
Global	5,026	4,415
Industry	2,468	2,432
Tourism	862	845
Real Estate	610	633
Financial Holdings	777	706
TOTAL	9,743	9,031

Average number of employees by country	2015	2014
Portugal	4,411	4,093
Mozambique	2,868	2,843
Angola	1,164	1,076
France	1,083	877
Belgium	109	89
Germany	104	25
Denmark	5	28
TOTAL	9,743	9,031

The remuneration of the governing bodies, or "key management staff" (under the terms of IAS 24), has an essentially fixed nature and does not include post-employment benefits or employment termination benefits.

15. Depreciations

	2015	2014
Depreciation of intangible assets		
Development projects	114,875	116,657
Computer software	416,253	462,460
Industrial property and other rights	288	293
Other	194,429	229,448
Total depreciation of intangible assets	725,844	808,858
Depreciation of tangible assets		
Land and natural resources	235,765	156,901
Buildings and other edifications	15,509,332	12,923,402
Basic equipment	9,931,054	9,545,819
Transportation equipment	3,724,400	3,589,193
Administrative equipment	1,643,356	1,121,781
Other	4,560,189	4,068,954
Total depreciation of tangible assets	35,604,096	31,406,049
TOTAL	36,329,940	32,214,908

The increase of depreciations in 2015 is mostly related to the investment on the construction of the Montebelo Vista Alegre Ílhavo Hotel, which was completed in the second semester of the year, and also to the construction and refurbishment of buildings and equipment by Vista Alegre.

16. Provisions and impairment losses

	2015	2014
Increases in provisions and adjustments	11,119,157	4,958,535
Decreases in provisions and adjustments	-2,435,793	-2,132,120
TOTAL	8,683,364	2,826,414

In 2015, and with regard to "increases in provisions and adjustment", we highlight the provisions set up at Edivisa (1.6 million euros), at Visaconstroi (1.5 million euros), at VAA (1.4 million euros) to reinforce retirement pensions, at TVCABO Angola (768 thousand euros), at Movida (474 thousand euros), and at Ambitermo (395 thousand euros), essentially to cover risks related to collections from customers; and the reinforcement of provisions to cover other losses estimated at 1.7 million euros.

17. Interest borne, net

	2015	2014
Interests borne		
Loans obtained	-37,210,365	-35,742,051
	-37,210,365	-35,742,051
Interest earned		
Loans obtained	3,404,252	3,149,183
	3,404,252	3,149,183
TOTAL	-33,806,113	-32,592,868

18. Gains/(losses) on listed shares

	2015	2014
Financial assets held for trading (see note 30)	-176,598	-405,372
Available-for-sale financial assets - impairment (see note 25)	-12,573,310	-54,284,064
Gains/(losses) on disposal.	-37,235	0
Dividends	3,990,699	6,215,025
Interest from loans related to financial assets	-6,806,847	-8,303,085
TOTAL	-15,603,291	-56,777,497

The impairments of financial assets available for sale decreased significantly in 2015, because the depreciation of Pharol's shares was lower. The renegotiation of the maturities of commercial paper (see note 37.1) and early debt repayments caused a downward effect on interest expenses related to listed shares, of around 1.5 million euros.

The dividends received are detailed as follows:

	2015	2014
EDP	3,010,960	3,010,960
NOS	979,739	839,776
PHAROL	0	2,364,289
TOTAL	3,990,699	6,215,025

19. Other financial expenses, net

	2015	2014
Unfavourable exchange rate differences	-13,372,472	-7,564,150
Other expenses	-4,038,670	-4,133,784
Cash payment discounts granted	-125,937	-115,854
Favourable exchange rate differences	7,740,006	9,501,018
Cash payment discounts obtained	41,648	51,931
Other income	15,942	8,941
TOTAL	-9,739,483	-2,251,899

Operations in Mozambique resulted in a negative contribution of 5 million euros (positive contribution of 1.7 million euros in 2014) to the net balance of foreign exchange rate differences, whereas operations in Angola contributed negatively with 1.3 million euros (negative contribution of 100 thousand euros in 2014).

20. Income tax

	2015	2014
Current tax	-7,119,754	-10,252,306
Deferred income tax	19,405,946	-10,905,280
Income tax for the financial year	12,286,192	-21,157,586
	2015	2014
Deferred tax asset		
Adjustment and provisions not accepted for tax purposes	32,292,251	3,142,012
Tax losses	4,365,468	6,716,663
Changes in exchange rates not accepted for tax purposes	2,056,902	258,182
Tax credit	1,376,086	1,378,717
Results not realised in intragroup operations	679,947	524,409
Fiscal adjustment in transition	612,443	610,383
Total deferred income tax assets	41,383,097	12,630,366
Deferred income tax liabilities		
Difference from the fair value of investment properties	50,317,007	48,628,766
Difference to the fair value of intangible assets	16,292,640	16,292,640
Revaluation reserves (formerly National Accounting Plan - POC [Plano Nacional de Contabilidade])	14,560,947	14,703,310
Results not realised in intragroup operations	11,590,881	266,180
Fiscal adjustment in transition	1,155,393	1,155,393
Changes in exchange rates not accepted for tax purposes	828,161	399,992
Total deferred income tax liabilities	94,745,028	81,446,281
	2015	2014
Income Statement		
Consolidated income before taxes	8,204,410	34,389,656
Income tax for the current financial year	-7,119,754	-10,252,306
Deferred income tax		
Adjustment and provisions not accepted for tax purposes	33,100,517	233,802
Changes in exchange rates not accepted for tax purposes	1,238,052	-297,362
Revaluation reserves (formerly National Accounting Plan - POC [Plano Nacional de Contabilidade])	142,363	632,412
Fiscal adjustment in transition	2,060	-2,172,640
Fair value of intangible assets	0	1,551,680
Tax credit	-2,631	27,913
Difference to the fair value of intangible assets	-1,688,242	-9,093,971
Tax losses	-2,351,195	-2,119,506
Results not realised in intragroup operations	-11,034,979	332,392
Deferred income tax	19,405,946	-10,905,280
Income tax for the financial year	12,286,192	-21,157,586

The growth of the balance of deferred tax assets is mainly explained by the future tax deductibility of losses in listed shares.

21. Tangible assets

	Land	Buildings	Basic equipment	Transportation equipment	Administrative equipment
Opening Balance on 1 January 2014	25,902,044	207,502,581	75,165,274	17,669,010	4,848,438
Increases	333,823	30,396,425	23,263,819	10,457,309	338,508
Disposals/Transfers	-3,962	26,622,993	21,157,730	-1,605,200	2,126,355
Changes in the scope of consolidation	1,382,227	10,432,249	229,741	174,198	20,324
Exchange rate effect	47,617	3,933,994	2,967,896	903,476	189,951
Impairment	0	16,642	0	0	0
Depreciations in the financial year	-156,901	-12,923,402	-9,545,819	-3,589,193	-1,121,781
Closing balance on 31 December 2014	27,504,848	265,981,482	113,238,641	24,009,601	6,401,795
On 31 December 2014					
Acquisition cost	29,142,314	369,034,073	231,178,826	46,256,782	24,082,268
Accumulated depreciation	1,587,946	103,014,485	117,932,697	22,247,181	17,680,472
Impairment losses	49,519	38,105	7,487	0	0
Tangible assets	27,504,848	265,981,482	113,238,641	24,009,601	6,401,795
Opening Balance on 1 January 2015	27,504,848	265,981,482	113,238,641	24,009,601	6,401,795
Increases	135,571	15,275,231	8,084,542	3,911,539	474,508
Disposals/Transfers	2,563,536	49,841,162	3,755,711	-1,158,570	208,994
Changes in the scope of consolidation	1,315,328	9,267,301	-451,698	-889,120	-64,299
Exchange rate effect	-129,214	-14,297,107	-8,073,153	-1,709,957	-459,131
Impairment	0	-176,141	0	0	0
Depreciations in the financial year	-235,765	-15,509,332	-9,931,054	-3,724,400	-1,643,356
Closing balance on 31 December 2015	31,154,304	310,382,596	106,622,990	20,439,093	4,918,511
On 31 December 2015					
Acquisition cost	32,862,573	426,322,977	231,894,178	45,493,869	23,063,177
Accumulated depreciation	1,658,750	115,726,136	125,263,701	25,054,776	18,144,667
Impairment losses	49,519	214,246	7,487	0	0
Tangible assets	31,154,304	310,382,596	106,622,990	20,439,093	4,918,511

	Other tangible fixed assets	In progress tangible assets	Advances on account of tangible assets	TOTAL
Opening Balance on 1 January 2014	9,397,665	84,294,496	9,202,891	433,982,399
Increases	1,984,565	18,014,285	0	84,788,735
Disposals/Transfers	-1,352,053	-57,593,394	-9,004,679	-19,652,209
Changes in the scope of consolidation	68,683	0	0	12,307,422
Exchange Rate Effect	385,753	861,979	0	9,290,667
Impairment	0	0	0	16,642
Depreciations in the financial year	-4,068,954	0	0	-31,406,049
Closing balance on 31 December 2014	6,415,660	45,577,367	198,213	489,327,607
On 31 December 2014				
Acquisition cost	43,126,185	45,577,367	198,213	788,596,026
Accumulated depreciation	36,710,077	0	0	299,172,860
Impairment losses	448	0	0	95,560
Tangible assets	6,415,660	45,577,367	198,213	489,327,607
Opening Balance on 1 January 2015	6,415,660	45,577,367	198,213	489,327,607
Increases	393,392	38,980,068	-171,213	67,083,639
Disposals/Transfers	1,971,905	-31,693,727	198,213	25,687,223
Changes in the scope of consolidation	-42,634	-3,977,199	0	5,157,678
Exchange Rate Effect	-3,210,414	-2,875,668	0	-30,754,644
Impairment	0	0	0	-176,141
Depreciations in the financial year	-4,560,189	0	0	-35,604,096
Closing balance on 31 December 2015	967,719	46,010,840	225,213	520,721,265
On 31 December 2015				
Acquisition cost	38,618,306	46,010,840	225,213	844,491,134
Accumulated depreciation	37,650,139	0	0	323,498,168
Impairment losses	448	0	0	271,701
Tangible assets	967,719	46,010,840	225,213	520,721,265

In 2015, and with regard to in progress tangible assets, we highlight the following works: extension of the cable TV networks in Angola and Mozambique (8.5 million euros and 4.2 million euros, respectively); and construction works at the Montebelo Girassol Maputo Hotel (3 million euros).

The most significant investments in 2015 were the following:

In Angola, TVCABO invested on the expansion of its network (17.7 million euros). Similarly, in Mozambique, TVCABO also invested on the expansion of its network (6 million euros). In Portugal, Fibroglobol continued its investment in the construction and implementation of Next Generation Networks (4 million euros).

In 2015, and in the Industrial sector, we highlight the investments made by Vista Alegre Atlantis Group (8.8 million euros) in the refurbishment and creation of new stores, as well as the investments in the porcelain segment.

With regard to the Tourism sector, we should highlight the completion of the Montebelo Vista Alegre Ílhavo Hotel (11.1 million euros), as well as the investment made by Turvisa (3.6 million euros) in the refurbishment of the Montebelo Indy Maputo Congress Hotel and the Montebelo Girassol Maputo Hotel.

There was an investment of 896 thousand euros in the project underway at Parque Desportivo de Aveiro; this is the only noteworthy investment in this sub-holding.

22. Goodwill

	Year of acquisition	Goodwill amount	
		2015	2014
Viatel – Tecnologia de Comunicações, SA	1997, 2002	14,997,178	14,997,178
Visabeira Moçambique, SARL	2001, 2002	3,390,676	3,390,676
Granbeira - Soc. Expl. Com. Granitos, SA	1992, 1998, 2002	3,116,383	3,116,383
Empreendimentos Turíst. Montebelo, SA	1998, 2002	2,768,845	2,518,558
Granbeira II - Rochas Ornamentais, SA (formerly Granvisa)	1992, 1998, 2001, 2002	2,105,101	2,105,101
Mob - Indústria de Mobiliário, SA	1998, 2002	1,320,221	1,320,221
PDA - Parque Desportivo de Aveiro, SA	2008	894,659	894,659
Edivisa - Empresa de Construções, SA	1993, 2002	888,354	888,354
Gatel, SAS	2008	869,778	869,778
Hospital Nossa Senhora da Arrábida, SA	2015	456,740	0
Cerutil - Cerâmicas Utilitárias, SA	1993, 2002	401,130	401,130
Electrotec - Proj., Exec. e Gestão de Redes de Energia, Lda	2008	0	768,337
Other		1,438,221	1,688,509
TOTAL		32,647,289	32,958,886

For the purpose of impairment tests, the goodwill amount was distributed among the cash-generating units that correspond to the reportable business segments. The Board of Directors, based on the estimated cash flows from those segments, discounted at the rates applicable to each business line, concluded that, on 31 December 2015, the carrying value of investments, including goodwill, did not exceed its recoverable amount, pointing out the following, concerning the highest goodwill value, allocated to the business developed by Viatel: the EBITDA of this company (2015: 4.4 million euros; 2014: 7.1 million euros).

The variation in goodwill results from changes in the scope of consolidation of the following companies: the exit of Electrotec (-768 thousand euros) and the change in the stake in Hospital Nossa Senhora da Arrábida (+457 thousand euros), which the Group now holds 80%.

23. Investment properties

	2015	2014
Opening balance	335,629,703	248,681,529
Transfer to tangible fixed asset	-14,500,000	0
Acquisitions	2,873,904	0
Foreign currency translation reserves	1,622,940	0
Depreciations	0	-28,274
Reclassification of inventories	0	23,835,666
Change in fair value	3,272,210	63,140,782
TOTAL	328,898,759	335,629,703
Palácio do Gelo Shopping	146,579,000	159,957,000
Golfe Montebelo Resort Project	64,304,614	63,119,614
Urbeira Project	32,850,000	32,000,000
Vista Alegre Atlantis Buildings	24,802,109	23,717,926
Hospital building	13,059,597	12,185,693
Santa Luzia Project	12,650,000	11,200,000
Belo Horizonte Resort Development	9,974,006	7,544,507
Land held for capital appreciation	6,337,244	6,337,244
Quinta do Bosque Retail Space	5,548,701	8,555,232
Vista Alegre Museum Collection	5,457,886	4,426,886
Alagoa II Project	4,950,000	4,200,000
MOB 2 building	2,300,000	2,300,000
Agrovisa (Xinavane- land for farming)	85,602	85,602
TOTAL	328,898,759	335,629,703

We highlight the transfer of 14.5 million euros to tangible fixed assets, related to Palácio do Gelo's parking facilities, whose operation was handed over to Movida in 2015.

Investment properties in use are measured at fair value, calculated using the discounted cash flow (DCF) and properties under development or intended for valuation are measured at fair value, calculated using the DCF method, the comparative method of the cost method.

In cases where fair value cannot be determined reliably, investment properties are kept at cost.

According to the DFC method, the fair value of the property is estimated based on the current amount of cash flows that the property is expected to generate in the future, based on financial projections concerning the business under development or to be developed (rental). Cash flows are discounted at a discount rate that reflects the time value of money, as well as the risks associated with *cash flows*.

The comparative method is in reference to the values of similar properties and intends to estimate the presumed sale value.

The cost method considers that the value of the asset is the sum of the cost of acquisition of the land, construction, projects, licensing, financial charges, marketing fees and estimated profit of the project. In the case of investment properties under development, costs were discounted, namely the costs estimated for the construction and development of the project.

The appraisals were conducted by accredited, independent appraisers (PricewaterhouseCoopers Assessoria de Gestão, Lda., Figueira Center Imobiliária, J. Curvelo and J.F. Lda.) with the required qualifications and expertise in property appraising. The appraisal models used are consistent with the principles set out in IFRS 13.

In the 2015 financial year, no changes were made to the investment property valuation methods. However, it should be pointed out that during the 2014 financial year, the Board of Directors identified a set of assets acquired for capital appreciation several years ago, which were reclassified from inventories to investment properties, although under development or construction, given that, in the current financial context, they will not be developed for sale as part of the Group's real estate business.

It is considered that, for all investment properties measured at fair value, the current use of the property is considered the best possible use (highest and best use).

PALÁCIO DO GELO SHOPPING

The appraisal of Palácio do Gelo Shopping was based on the following assumptions:

	2015	2014
Discount rate	7.08% to 7.06%	7.3%
Perpetuity discount rate	7.06%	7.3%
Occupancy rate	98%	98%
Sales growth rate	0% to 8%	0% to 8%
Rent perpetuity growth rate	1.7%	2.0%

A decrease (increase) of 1 pp in the occupancy rate of stores would reduce (increase) the appraisal value to 145.3 million euros (147.6 million euros). These changes in occupancy rates, combined with the changes shown in the sensitivity analysis conducted on the discount rate, translates into a minimum value of 133.5 million euros (minus 1 pp in occupancy and plus 0.5 pp in the discount rate) and a maximum value of 162.2 million euros (plus 1 pp in occupancy and minus 0.5 pp in the discount rate).

The growth of variable rents associated only with 80% of the tenants' sales, provided in the baseline scenario, would translate into an amount of 144.0 million euros and an increase in the growth rate of variable rents associated with 105% of the tenants' sales would translate into an amount of 147.2 million euros; if combined with a 0.5 pp increase in the discount rate, it would be 132.3 million euros. The growth in variable rents associated with 105% of the tenants' sales together with a decrease in the discount rate of 0.5 pp would increase the appraisal value to 161.8 million euros.

During the 2015 financial year, the amount of the rents paid for the commercial spaces of Palácio do Gelo reached nearly 10 million euros (2014: 11 million euros). Once again, the number of visitors increased again in 2015, having reached, since April 2008 to the present date, a figure higher than 67 million. The occupancy rate on 31 December is 84.4% (2014: 85%).

GOLFE MONTEBELO RESORT PROJECT

Golfe Montebelo Resort project aims at addressing deficiencies and enhancing the features of the 27-hole Golf Course, in operation for many years. Besides enhancing and revitalising the area of Golf, it will enable its promotion and the recognition of the area as an urban location, connected to the city, creating a prestigious sport-tourism nucleus in one single unit.

There are about 168,421 m² of construction, comprising houses (68,913 m²), apartments (70,506 m²) and a five-star hotel (29,003 m²).

The intervention will target 3 different areas: the first addresses the real estate network, which is small and does not clash with the second area, Resort. The project also includes a common area for services, equipment and commerce.

The appraisal values were the following:

	Area	2015	2014
Land for houses	68,913 m ²	45,440,000	45,755,000
Land for apartment buildings	70,506 m ²	16,170,000	14,330,000
Land for hotel	29,003 m ²	1,810,000	2,150,000
Additions by construction of infrastructures		884,613	884,613
Total	168,421 m²	64,304,614	63,119,614

URBEIRA PROJECT

A real estate project was approved, with feasibility for a built-up area of 137,421 m², comprising housing, commerce and services for the plot of land called "Urbeira", a property with a size of approximately 279,860 m², located southwest of the city of Viseu, which is only 3 km from the city centre.

Its fair value was determined using the comparative method, with an average price of 117 euros per m².

VISTA ALEGRE BUILDINGS

These are properties (land and buildings) that are not used in the normal course of business of the Group, but are intended for sale, in its current state or after a process of recovery.

The fair value of investment properties was determined based on market evidence.

With regard to leased investment properties, lease contracts of limited duration are in force, typically with a duration of five years and automatically renewable for periods of one year unless they are terminated.

The fair value was determined by J. Curvelo as follows:

	Fair value (in euros)	Appraisal method	Location	Assumptions	Intervals (average)
Vista Alegre Atlantis Buildings					
Angolana "Factory"	485,000	Comparative method	Marinha Grande	price per m ²	23.59
Pinhais	980,000	Cost method	Alcobaça	price per m ²	26.44
Quinta Nova "Factory"	6,014,000	DCF	Ílhavo	price per m ²	77.39
Nova Ivima "Factory"	1,620,000	DCF	Marinha Grande	price per m ²	31.72
L. Barão Quintela	4,456,000	Comparative method	Lisbon	price per m ²	1,181.14
Varied Properties	1,857,000	Cost method	Ílhavo	price per m ²	130.89
Rustic plots of land	20,000	Comparative method	Ílhavo	price per m ²	1.97
Vale do Ílhavo plots of land	127,000	Cost method	Ílhavo	price per m ²	63.50
R. Neves Ferreira	372,000	Comparative method	Lisbon	price per m ²	516.67
RAN plots of land	129,000	Comparative method	Ílhavo	price per m ²	2.44
Housing estate I	1,568,000	Cost method	Ílhavo	price per m ²	247.48
Housing estate II:					
Bairro Allotment and Annex Plots	4,540,000	Cost method	Ílhavo	price per m ²	70.17
Murteira Allotment	1,107,000	Cost method	Ílhavo	price per m ²	34.57
Rua Fáb. VA Allotment	1,476,000	Cost method	Ílhavo	price per m ²	85.80
Other	51,109				
TOTAL	24,802,109				

HOSPITAL CUF

On 13 September 2012, Grupo Visabeira concluded a Memorandum of Understanding with a national group in the health sector, for the construction and subsequent leasing of a hospital in Viseu. On that date, the fair value of the property was not calculated due to the fact that the Memorandum of Understanding did not contain the amounts that would be paid for the lease, which were to be defined by a subsequent contract. However, during the 2014 financial year, this contract was terminated by decision of the counterparty.

Thus, after the termination, Grupo Visabeira concluded a new contract, in December 2014, with Grupo José de Mello Saúde, for the continuation of the construction and subsequent leasing of the aforementioned hospital. In accordance with the Memorandum of Understanding currently in force, the property will be leased to José de Mello Saúde for an initial period of 25 years, with a possible extension for another 10 years, which already included the amounts to be paid for the lease during that period. This property, with a built-up area of 20,234 m² is scheduled to be inaugurated during the first semester of 2016.

Its fair value was determined using the DFC method, based on the negotiated lease amounts.

SANTA LUZIA PROJECT

The property "Santa Luzia," with an implementation area of 27,978 m² and a construction area of 38,519 m², is unquestionably, considering its excellent location, one of the best real estate offers in the city, mainly due to its proximity to the city's urban structuring roads and to the large commercial and service hub that includes the Palácio do Gelo shopping centre, the future Hospital CUF and the newly built Viseu Estrela School Centre.

Its fair value was determined using the comparative method, with an average price of 452 euros per m².

QUINTA DO BOSQUE COMMERCIAL AREA

Quinta do Bosque commercial area, with a construction area of 14,787 m² is located within the city, near the Montebelo Viseu Hotel & Spa, within a predominantly residential area. It is intended to be used for the construction of a trade and services building to increase the offer in central Portugal.

Its fair value was determined using the comparative method, with an average price of 2,741 euros per m², which is apparently high, but justified by the fact that the area of the plot in question is very small compared to the planned construction area.

CONDOMÍNIO DE BELO HORIZONTE (MOZAMBIQUE)

The land for the Condomínio do Belo Horizonte, in Matola, lies within a residential area, which mostly comprises mid-/high-end villas. The land where the Condomínio Belo Horizonte is to be built is integrated into a consolidated residential area, comprising mid-/high-end villas and it is broken down into 69 lots with a total area of 67,667 m². Its fair value, as calculated by an independent expert entity, after the issuing of the building permit on 16 December 2013, is 10 million euros.

ALAGOA II PROPERTY

This plot of land, owned by Movida, has a total area of about 6,769 m² and a construction area of 13,929 m². Its location is between Palácio do Gelo and the future Hospital CUF.

Its fair value was determined using the comparative method, with an average price of 731 euros per m².

VISTA ALEGRE COLLECTION

The pieces that make up the Vista Alegre collection were scattered throughout several locations of the Factory, namely in the administrative spaces of the museum, the old furnace area and in the basement of the company's art and development centre. The collection has been formed through direct transfers from the factory, purchases and donations, spanning a wide chronological period, which runs from the seventeenth to the twentieth century.

In 2014, after a lengthy process, which began in 2009, and included the painstaking work of cataloguing, studying, recovering and organising this rich heritage, the conditions were in place for its inventory and subsequent appreciation. The most reliable reference to the value of the pieces, to date, concerned the value attributed to the pieces that were in the museum for insurance purposes.

Thus, Veritas Art Auctioneers was hired to appraise the 8,601 pieces of the collection.

LAND HELD FOR CAPITAL APPRECIATION

On 31 December 2015, some properties held for capital appreciation were maintained at acquisition cost, due to the fact that their fair value could not be reliably measured as a result, for example, of the absence of any projects approved by official entities. Among the assets in these conditions, highlight goes to Quinta dos Areais.

INVESTMENT PROPERTIES PROVIDED AS COLLATERAL AND CONTRACTUAL RESPONSIBILITIES

On 31 December 2015 and 31 December 2014, only Palácio do Gelo was pledged as collateral for bank loans.

On 31 December 2015 and 31 December 2014, there are no contractual obligations to purchase, build or develop investment properties, with the exception of the construction of the hospital unit. In this case, the Group undertakes to build the Hospital Unit by 2016, whose estimated cost of construction will be around 13 million euros.

24. Intangible assets

	Development projects	Other intangible assets	Intangible assets in progress	TOTAL
Opening Balance on 1 January 2014	1,465,952	79,440,841	259,520	81,166,313
Increases	580,489	91,884	0	672,373
Disposals/Transfers	-331,035	-373,845	-168,344	-125,535
Exchange rate effect	4,742	17,217	6,847	28,806
Depreciations in the financial year	-579,117	-229,741	0	-808,858
Closing balance on 31 December 2014	1,141,031	79,694,045	98,023	80,933,099
On 31 December 2014				
Acquisition cost	3,783,858	82,036,499	98,023	85,918,379
Accumulated depreciation	2,642,828	2,342,453	0	4,985,281
Intangible assets	1,141,031	79,694,045	98,023	80,933,099
Opening Balance on 1 January 2015	1,141,031	79,694,045	98,023	80,933,099
Increases	405,973	135,918	-1,878	540,014
Disposals/Transfers	148,959	-85,519	0	63,439
Changes in the scope of consolidation	25,586	0	0	25,586
Exchange rate effect	27,252	-101,310	-21,050	-95,108
Depreciations in the financial year	-531,128	-194,716	0	-725,844
Closing balance on 31 December 2015	1,217,673	79,448,418	75,094	80,741,185
On 31 December 2015				
Acquisition cost	4,296,011	82,021,800	75,094	86,392,906
Accumulated depreciation	3,078,338	2,573,382	0	5,651,721
Intangible assets	1,217,673	79,448,418	75,094	80,741,185

In the heading "Other intangible assets," highlight goes to the value of the Vista Alegre brand name (80 million euros), as attributed by an independent expert entity at the time of the acquisition of Vista Alegre Atlantis Group.

For the purpose of impairment testing, the brand's value was attributed to the relevant cash-generating units (Vista Alegre porcelain and crystal segments), with a discount rate of 6.6% (2014: 6%). The value of the brand is also regularly validated through an evaluation conducted by My Brands, whose latest assessment, with reference to 31 December 2014, confirms the brand's book value.

25. Financial assets available for sale

	2014		2015	
	Fair value reserve	Book Value	Fair value reserve	Book Value
Capital holdings				
Pharol SGPS, SA	0	20,427,453	0	5,745,982
EDP - Electricidade de Portugal, SA	15,103,629	52,374,437	13,004,501	54,050,809
NOS Multimédia SGPS SA	14,521,970	36,642,235	24,312,234	46,857,136
TOTAL	29,625,599	109,444,124	37,316,736	106,653,927

It should be also noted a drop in the price of Pharol's shares, which led to the recognising of an impairment loss in the amount of 12.6 million euros in the financial year. Since the acquisition date, the accumulated depreciation of these shares has amounted to 212.6 million euros.

With regard to EDP shares, in 2015, an increase of 1.7 million euros was recognised in equity (2014: increase of 8.9 million euros).

The cumulative depreciation, since the date of acquisition, of EDP shares held on the date of the balance sheet is 14.6 million euros.

NOS shares recorded an increase of 9.8 million euros (2014: decrease of 1.1 million euros), recognised in equity. The accumulated depreciation of these shares since the date of the initial recognition is 27.6 million euros.

The amounts presented as "fair value reserves" are net of the respective tax effect.

26. Inventories

	Raw materials	Goods	Finished products	Ongoing products and work	TOTAL
31 December 2014					
Cost	46,552,824	32,578,870	118,738,972	18,105,071	215,975,736
Change in the scope of consolidation	1,285	1,569,888	0	0	1,571,173
Adjustments	-4,871,287	-3,974,883	-29,940,722	-849,665	-39,636,557
Inventories valued at either the acquisition cost or realisation value, whichever is lower	41,682,821	30,173,875	88,798,250	17,255,406	177,910,352
31 December 2015					
Cost	31,612,764	26,444,392	115,678,652	18,393,335	192,129,143
Reclassification as tangible fixed asset	0	0	-9,125,363	0	-9,125,363
Adjustments	-3,236,956	-4,105,067	-24,657,391	-834,137	-32,833,551
Inventories valued at either the acquisition cost or realisation value, whichever is lower	28,375,808	22,339,325	81,895,898	17,559,198	150,170,229

We should highlight the contribution of the sub-holding Visabeira Imobiliária for this heading (note 10.a).

27. Customers and other receivables

	2015	2014
Customers - current account	152,368,298	153,842,412
Customers - doubtful debts	16,976,924	18,122,077
Outstanding balances from suppliers	4,266,110	6,530,705
Customers - securities receivable	240,316	240,042
	173,851,648	178,735,237
Debtor allowances	-17,354,067	-15,786,238
TOTAL	156,497,581	162,948,999

The amounts presented in the balance sheet are net of accumulated impairment losses for doubtful debts, which were estimated by the Group in accordance with its experience and based on its assessment of the economic environment. The Board of Directors believes that the carrying value of accounts receivable is close to its fair value. The customers of the companies of Grupo Visabeira that act as providers of infrastructures and telecommunications services are entities of recognised financial probity. This group includes entities such as local telecommunications operators, generally directly held by the State of each country, replacing credit risk with political risk. Some examples of this are TDM – Telecomunicações de Moçambique, EDM – Electricidade de Moçambique, Angola Telecom, France Telecom, Belgacom, PT, NOS, EDP and natural gas concession holders.

The maturity of the amounts receivable in the heading customers - current account is detailed as follows:

2015	Months after the maturity date				Total
	0 - 6	6 - 12	12 - 18	> 18	
Customers - current account	108,622,153	13,039,959	5,273,788	25,432,398	152,368,298

The Board of Directors finds the debt adjustment appropriate.

28. State and other public entities

	Assets		Liabilities	
	2015	2014	2015	2014
Income tax	366,181	4,297,801	2,610,402	9,353,438
Third-party income tax withholding	0	7,411	10,841	13,000
Value-added tax	2,115,575	2,070,408	3,105,051	3,128,251
Social Security contributions	0	0	1,896,397	942,910
TOTAL	2,481,756	6,375,619	7,622,692	13,437,599

29. Other current assets

	2015	2014
Shareholders - loans	25,589,434	25,584,659
Margin accrual	62,522,224	72,140,415
Other accruals	8,991,011	9,543,609
Other debtors	6,696,120	12,514,406
Advance payments to suppliers	5,320,571	6,053,473
Subsidiary companies - loans	895,690	2,970,026
TOTAL	110,015,050	128,806,589

The amount in "margin accrual" refers to income incurred in 2015 but to be billed only in 2016, and is mainly related to the telecommunications business.

30. Financial assets held for trading

	No. of shares			Book value
	2015	2014	2015	2014
Capital holdings				
BCP	11,037,369	11,037,369	540,831	717,429
Other capital holdings in listed companies	-	-	39,124	36,918
TOTAL			579,956	754,347

31. Cash and cash equivalents

	2015	2014
Demand deposits	39,649,352	35,702,245
Term deposits	2,948,243	4,858,438
Cash	152,340	189,955
Treasury investments	291,683	52,614
TOTAL	43,041,617	40,803,252

32. Share capital

The authorised share capital is represented by 23,025,126 bearer shares, with a nominal value of five euros and the amount paid up is 115,125,630 euros.

On 31 December, 2015, the majority shareholder Fernando Campos Nunes held, directly and indirectly, 81.612% of Grupo Visabeira (2014: 78.528%), with 18,791,265 shares.

33. Own shares

Following a deliberation by the General Meeting of 25 November 2010, Grupo Visabeira purchased 1,200,804 of its own shares, representing 5.22% of the share capital, in the amount of 16,290,767 euros.

On 23 July 2013, Grupo Visabeira approved the acquisition of own shares representing 4.78% of its share capital, corresponding to an amount of 16,433,716 euros (1,101,708 shares), fully paid up. As of 31 December 2015, own shares corresponded to 10% of the share capital.

34. Earnings per share

	2015	2014
Basic		
Net income of the year for the purpose of calculation	15,609,734	8,083,092
Weighted average number of shares for the purpose of calculation	23,025,126	23,025,126
Basic earnings per share	0.678	0.351
Diluted		
Net income of the year for the purpose of calculation	15,609,734	8,083,092
Weighted average number of shares for the purpose of calculation	23,025,126	23,025,126
Diluted earnings per share	0.678	0.351

35. Retained earnings and other reserves

	2015	2014
Retained earnings	112,135,345	99,804,001
Financial investments - Swaps	-245,192	-877,441
Reserves	52,461,418	51,017,652
Fair value reserve	37,316,736	29,625,599
Foreign currency translation reserves	-29,838,446	-16,684,080
TOTAL	171,829,860	162,885,731

Portuguese commercial law establishes that 5% of net profits must be transferred to a legal reserve until it represents at least 20% of the share capital. This reserve is not distributable and can only be integrated into equity or used to absorb losses after all other reserves are exhausted. A reserve was established in an amount equivalent to the balance of own shares. The balance of retained earnings is not fully available for distribution, as it included gains resulting from increases in the fair value of investment properties.

36. Non-controlling interests

	% of Non-controlling interests		Book value		Attributed results	
	2015	2014	2015	2014	2015	2014
Visabeira Global						
TVCABO Angola, Lda	50.00	50.00	23,715,038	22,653,185	4,425,614	4,232,364
Visabeira, Lda	40.00	40.00	3,184,193	3,190,628	-6,435	176,775
TVCABO Moçambique, Lda	50.00	50.00	2,334,112	3,581,963	-398,121	311,097
Televisa, Lda	50.00	50.00	1,481,828	1,208,443	795,709	312,408
Electrotec, Lda	51.00	51.00	0	840,166	0	273,055
Visabeira Industry						
Vista Alegre, SA	18.40	18.40	8,043,324	8,204,155	-152,331	-289,645
Pinewells, SA	44.00	44.00	2,493,877	2,489,859	4,018	198,526
Ambitermo, SA	49.00	49.00	2,502,178	2,360,437	301,323	531,939
Bordallo Pinheiro, Lda	16.01	16.01	582,447	547,950	34,497	14,192
Bordalgest, SA	44.00	44.00	582,260	552,380	29,881	29,818
Visabeira Financial Holdings						
PDA, SA	45.00	45.00	1,795,998	1,791,904	4,094	-2,690
Other			1,793,079	1,442,396	-157,380	-638,862
TOTAL			48,508,334	48,863,465	4,880,868	5,148,978

37. Debt

	2015		2014	
	Current	Non-current	Current	Non-current
Commercial paper	59,200,000	259,725,000	35,050,000	330,650,000
Bank loans	78,829,602	111,031,415	66,932,244	146,226,926
Bond loans	1,020,000	216,617,022	6,100,000	117,400,000
Reimbursable grants	3,510,585	17,925,290	2,847,404	19,697,042
Financial leasing	4,628,037	53,232,375	5,012,154	49,664,697
TOTAL	147,188,224	658,531,102	115,941,802	663,638,665

37.1. COMMERCIAL PAPER

For the purpose of acquiring shares at EDP, Pharol and NOS, Grupo Visabeira contracted the following Commercial Papers, for a period of six months, renewable for the same period up to 5 years, indexed to the 6-month Euribor, with firm underwriting commitment:

	Amount	Current	Non-current	Settlement Date
Grupo Visabeira, SGPS, SA	119,600,000	3,200,000	116,400,000	20-12-2019
Grupo Visabeira, SGPS, SA	104,800,000	14,400,000	90,400,000	22-02-2023
TOTAL	224,400,000	17,600,000	206,800,000	

The following programmes to issue commercial papers were also contracted with a firm underwriting commitment:

	Amount	Current	Non-current	Settlement Date
Grupo Visabeira, SGPS, SA	8,550,000	0	8,550,000	29-09-2019
Grupo Visabeira, SGPS, SA	11,250,000	11,250,000	0	20-12-2016
Grupo Visabeira, SGPS, SA	11,250,000	11,250,000	0	20-12-2016
Grupo Visabeira, SGPS, SA	5,000,000	5,000,000	0	20-12-2016
Grupo Visabeira, SGPS, SA	3,250,000	1,000,000	2,250,000	09-01-2019
Grupo Visabeira, SGPS, SA	9,200,000	1,600,000	7,600,000	30-04-2021
Grupo Visabeira, SGPS, SA	1,800,000	500,000	1,300,000	26-06-2019
Grupo Visabeira, SGPS, SA	3,125,000	2,400,000	725,000	20-04-2017
Viatel - Tecn. Comunicações, SA	3,500,000	1,000,000	2,500,000	19-06-2019
Viatel - Tecn. Comunicações, SA	3,500,000	0	3,500,000	21-10-2018
Visabeira Global, SGPS, SA	4,000,000	4,000,000	0	30-09-2016
Visabeira Global, SGPS, SA	5,600,000	1,600,000	4,000,000	19-06-2019
Visabeira Global, SGPS, SA	20,000,000	2,000,000	18,000,000	30-12-2019
PDT - Proj. Telecomunicações, SA	4,500,000	0	4,500,000	15-06-2019
TOTAL	94,525,000	41,600,000	52,925,000	

2014

	Amount	Current	Non-current	Settlement Date
Grupo Visabeira, SGPS, SA	125,000,000	0	125,000,000	20-12-2019
Grupo Visabeira, SGPS, SA	119,200,000	14,400,000	104,800,000	22-02-2023
TOTAL	244,200,000	14,400,000	229,800,000	

The following programmes to issue commercial papers were also contracted with a firm underwriting commitment:

	Amount	Current	Non-current	Settlement Date
Grupo Visabeira, SGPS, SA	27,500,000	0	27,500,000	20-12-2016
Visabeira Global SGPS, SA	20,000,000	4,000,000	16,000,000	30-12-2019
Grupo Visabeira, SGPS, SA	12,500,000	0	12,500,000	29-09-2019
Visabeira Global SGPS, SA	10,000,000	2,000,000	8,000,000	30-12-2019
Grupo Visabeira, SGPS, SA	10,050,000	800,000	9,200,000	30-04-2021
Visabeira Turismo SGPS, SA	7,500,000	0	7,500,000	29-04-2018
Visabeira Global SGPS, SA	7,200,000	1,600,000	5,600,000	19-06-2019
Grupo Visabeira, SGPS, SA	4,750,000	4,750,000	0	27-04-2015
Viatel, SA	4,500,000	1,000,000	3,500,000	19-06-2019
PDT, SA	4,500,000	0	4,500,000	16-06-2019
Grupo Visabeira, SGPS, SA	4,250,000	1,000,000	3,250,000	09-01-2019
Grupo Visabeira, SGPS, SA	3,500,000	2,500,000	0	29-09-2019
Grupo Visabeira, SGPS, SA	2,300,000	500,000	1,800,000	26-06-2019
Grupo Visabeira, SGPS, SA	1,500,000	1,500,000	0	29-09-2019
Grupo Visabeira, SGPS, SA	1,500,000	0	1,500,000	21-10-2016
TOTAL	121,500,000	20,650,000	100,850,000	

37.2. BANK LOANS

	2015		2014	
	Current	Non-current	Current	Non-current
Authorised bank overdrafts	4,612,825	0	1,719,413	0
Portugal	2,626,727	0	1,719,413	0
Mozambique	1,495,806	0	0	0
France	490,292	0	0	0
Loans obtained	74,216,776	111,031,415	65,212,832	146,226,926
Portugal	50,265,496	86,085,537	33,738,355	115,614,593
Mozambique	16,585,843	16,366,551	23,438,137	22,821,788
Angola	5,602,389	4,990,223	6,607,565	6,026,924
France	1,018,228	1,737,252	1,428,775	1,763,622
Other	744,821	1,851,852	0	0
TOTAL	78,829,601	111,031,415	66,932,244	146,226,926

37.3. BOND LOANS

	Amount	Settlement Date
Current		
Grupo Visabeira, SGPS, SA	1,020,000	05-07-2016
Total Current	1,020,000	
Non-current		
Grupo Visabeira, SGPS, SA	100,000,000	22-07-2021
Grupo Visabeira, SGPS, SA	70,000,000	14-07-2019
Grupo Visabeira, SGPS, SA	20,000,000	30-09-2018
Grupo Visabeira, SGPS, SA	10,000,000	31-10-2018
Visabeira Moçambique, SA	5,072,023	23-03-2020
Grupo Visabeira, SGPS, SA	4,070,000	05-07-2020
Visabeira Global, SGPS, SA	2,775,000	29-10-2019
Grupo Visabeira, SGPS, SA	2,400,000	29-11-2020
Grupo Visabeira, SGPS, SA	2,300,000	30-10-2020
Total non-current	216,617,022	
TOTAL	217,637,022	

The value of the debenture loans includes a syndicated issue of 100 million euros commencing on 22-07-2015 and maturing on 22-07-2021, as well as other debenture loans, of which 1 million euros are due to mature in the short-term. In general, these issues include the covenants that are common in this type of funding, namely *pari passu*, cross default, negative pledge and ownership.

37.4. FINANCIAL LEASING

	2015		2014	
	Current	Non-current	Current	Non-current
Portugal	4,185,875	52,896,801	4,370,904	49,082,878
Mozambique	240,270	126,254	374,052	401,064
Angola	60,189	25,545	144,081	48,727
Belgium	91,587	146,194	39,314	44,292
Germany	50,115	37,582	83,804	87,737
TOTAL	4,628,037	53,232,375	5,012,154	49,664,698

The balances are presented in the Statement of Financial Position under the heading "Other liabilities" (Note 39).

37.5. MEDIUM- AND LONG-TERM DEBT

	Portugal	Mozambique	Angola	Belgium	France	Other	TOTAL
2017	111,635,065	4,130,654	1,840,641	112,824	712,977	449,202	118,881,362
2018	149,333,696	4,632,022	1,655,818	105,075	369,741	304,710	156,401,062
2019	171,110,361	4,317,077	1,440,287	89,360	163,790	233,161	177,354,036
2020	69,381,608	7,194,482	47,414	52,267	170,752	140,650	76,987,173
2021 and subsequent years	126,716,896	1,290,594	31,609	548,379	319,992	0	128,907,470
TOTAL	628,177,626	21,564,828	5,015,768	907,905	1,737,252	1,127,723	658,531,102

The loans contracted, namely commercial paper programmes, bond loans and mutual funds generally include, in addition to the usual terms and conditions, cross default, *pari passu* and negative pledge clauses on ownership by the Group or the majority shareholder.

38. Suppliers and other creditors

	2015	2014
Suppliers - current account	124,880,533	137,231,934
Suppliers - securities payable	73,214	67,700
Other	1,986,073	1,262,345
TOTAL	126,939,820	138,561,979

39. Other current and non-current liabilities

	2015	2014
Non-current		
Leasings (See note 37)	53,232,375	49,664,697
Investment grants	30,219,630	30,573,298
Shareholders	16,387,589	15,186,430
	99,839,594	95,424,426
Current		
Margin accrual	50,889,742	58,325,076
Factoring	48,873,421	47,511,790
Incurred costs billable in subsequent years	27,703,336	26,829,958
Advances from customers	14,479,359	28,276,615
Investment suppliers	12,207,612	8,112,585
Remunerations payable	11,344,890	10,489,860
Investment grants	11,108,226	9,980,123
Leasings (See note 37)	4,628,037	5,012,154
Derivative financial investments	496,502	1,082,993
Advances on account of sales	166,724	154,410
Other associated and subsidiary companies	125,125	125,125
Other	58,569,677	71,477,499
	240,592,652	267,378,187
TOTAL	340,432,245	362,802,613

The amount in the heading "margin accrual" in 2015 is mainly related to the telecommunication business.

40. Financial risks

Grupo Visabeira is exposed to a diverse set of risks associated with its various business areas, and, therefore, is aware of the importance of managing credit risk and protecting its cash, recognising the importance of credit insurance as an essential tool both in the domestic and foreign markets.

Aware of the importance of actively managing the various financial risks in order to minimise their potential negative impacts on its cash flows, results and on the value of the company, Grupo Visabeira seeks to manage these risks effectively, by devising appropriate hedging strategies. The continuity of the operations critically depends on the mitigation and control of risks that can significantly affect its assets (namely people, equipment, service quality, information, facilities) and, thus, jeopardise its strategic objectives. Grupo Visabeira and, in particular, its Board of Directors, devote much attention to the risks inherent to its activities.

INTEREST RATE RISK

The Group's exposure to interest rate risks arises primarily from loans obtained, since the financial investments are usually contracted for short periods and consequently the impacts arising from interest rate changes do not significantly affect the accounts.

The balance of the consolidated financial debt of Grupo Visabeira at the end of December 2015 was contracted, for the most part, at an indexed interest rate, and the index was 1-month and 3-month Euribor for domestic financing, and Libor for loans in dollars, mostly granted to foreign companies. With the aim of reducing the risks of interest rate fluctuation, greater relevance was given to funding by the various subsidiaries, particularly in Angola and Mozambique, in local currency and at a fixed rate.

On the date of the balance sheet, Grupo Visabeira SGPS, SA has open positions classified as hedging instruments associated with this index for 5 million euros, contracted in 2011 with a mark-to-market value of -80 thousand euros.

Through Cerutil, a company that holds a stake in Vista Alegre Atlantis, hedges were contracted in 2011 in the amount of 16.8 million euros, starting in June 2011 and ending in May 2016, receiving at a 3-month Euribor and paying at a fixed rate of 2.74%, which had a fully recognised mark-to-market value of -238 thousand euros. Vista Alegre contracted an amount of 5.7 million euros for the same period, also receiving at a 3-month Euribor and paying at a fixed rate of 2.69%, with a mark-to-market of -80 thousand euros.

In October 2008, the 3-month Euribor rate started a declining trend, as a result of successive cuts to the reference rate by the European Central Bank, in response to the international financial crisis. Having started the year 2015 at 0.076%, on 31 December, the three-month Euribor rate stood at -0.131%. With the Euribor at very low thresholds and a stable short-term trend, and with the debt partially hedged, the Group estimates that the impacts of any variations of this indexing factor will not have significant impacts on its accounts.

In line with the downward trend in the current level of spreads that occurred in 2015, the Group anticipates that there are favourable conditions for this trend to continue, mainly in new funding operations, with a positive impact on the Group's financial results.

Company	Description	Nominal value	Type of operation	Average maturity	Economic goal
Cerutil, SA	Euribor Swap 3M	10,000,000	Interest rate swap	5 years	Eliminate interest rate risks in financing
Vista Alegre Atlantis SGPS, SA	Euribor Swap 3M	5,743,000	Interest rate swap	5 years	Eliminate interest rate risks in financing
Grupo Visabeira SGPS, SA	Euribor Swap 3M	5,000,000	Interest rate swap	5 years	Eliminate interest rate risks in financing
Cerutil, SA	Euribor Swap 3M	5,000,000	Interest rate swap	5 years	Eliminate interest rate risks in financing
Naturenergia, SA	Euribor Swap 3M	3,000,000	Interest rate swap	8 years	Eliminate interest rate risks in financing
Cerutil, SA	Euribor Swap 3M	1,757,000	Interest rate swap	5 years	Eliminate interest rate risks in financing
Grupo Visabeira SGPS, SA	Euribor Swap 3M	790,510	Interest rate swap	2 years	Eliminate interest rate risks in financing

The fair value of all these financial instruments is reflected in the statement of financial position, as follows:

Company		2015	2014
Cerutil, SA	Euribor Swap (10M)	-140,423	-372,624
Naturenergia, SA	Euribor Swap (3M)	-98,287	0
Vista Alegre Atlantis SGPS, SA	Euribor Swap (5.743M)	-80,182	-213,172
Grupo Visabeira SGPS, SA	Euribor Swap (5M)	-79,730	-216,712
Cerutil, SA	Euribor Swap (5M)	-73,349	-196,093
Cerutil, SA	Euribor Swap (1.757M)	-24,531	-65,059
Visabeira Global, SGPS, SA	Euribor Swap (0.79M)	0	-17,055
Grupo Visabeira SGPS, SA	Euribor Swap (0.79M)	0	-2,279
TOTAL		-496,502	-1,082,993

EXCHANGE RATE RISK

Whenever possible, the Group chooses to have a natural hedging for its foreign exchange risk, since its subsidiaries have assets and liabilities denominated in U.S. dollars, in order to make a balance and an automatic adjustment to possible currency mismatches. Thus, exposure to liabilities denominated in dollars does not represent a high economic or financial risk, given the fact that the impact of exchange rate changes on those liabilities are naturally offset by the operating revenues of the respective businesses, also dependent on the dollar. In external markets, particularly Angola and Mozambique, local companies import goods and services from the European market in euros, invoicing customers in kwanzas and meticals, respectively. In these markets, the local currency is strongly correlated with the U.S. dollar, with a historical devaluation trend.

In 2015, the Mozambican metical depreciated by 42.31% against the dollar, and the Angolan kwanza 30.97% against the dollar.

In Mozambique, balances denominated in this currency also have a long position of about 7 million dollars. On the balance sheet date, the Group's subsidiaries in Mozambique had liabilities in the amount of 36 million euros, which originated exchange rate losses with an impact of 5 million euros on the results. With a lower impact, there were also exchange losses of 1.3 million euros in Angola, reflected in the results as a consequence of a currency depreciation.

The transposal to the consolidated accounts of the subsidiaries in these countries also had a negative impact in equity under the heading foreign currency translation reserves.

CASH FLOW RISKS

The cash and investments of all Group companies are managed by a centralised global organisation, which reduces the risk of cash flows, avoiding exposure to variations that may affect the results of companies.

On the other hand, the use of factoring allows a reduction in the average collection period with the inherent anticipation of receivables and facilitates better cash management by obtaining the timely working capital necessary to finance the operational cycle, a vital condition for sustained economic and financial growth. On 31 December 2015, amounts paid in advance by customers in this format stood at 40.5 million euros. The Group has additionally contracted short-term current accounts to meet occasional cash needs.

CREDIT RISK

Credit risk is an important and complex activity that is present in the everyday life of most companies of the Grupo Visabeira, whatever the nature of their business. Risk assessments entail making decisions on credits, at times based on incomplete information, within a scenario of uncertainty and constant change.

Considering the business itself, the area of activity in which it operates, or the risk of the region and country, the classification and assessment of the credit risk of a given customer are usually summarised in a credit record containing the information that will inform the opinion on a given credit operation, such as: the nature of the customer, its management capacity, its capital, its history, financial information, credit guarantees and payment terms. The assessment of credit risk reflects the multiplicity, quality and origin of the information available to the credit analyst. For years, the Grupo Visabeira has been cooperating with some credit insurers, with which it subscribes insurance policies, thus delegating the first-level credit analysis to professionals specialised in the collection and recovery of debts, thus obtaining, from a privileged source, an assessment of the exposure - credit limit - that is adjusted to the creditworthiness of each customer. Thus, the management can be primarily focused on operational issues. The coverage of this risk enables a compensation for unpaid customer credits, which for the domestic market is 85%, and for the external market is 90%. Recent years have been marked by increased restrictions on lending in general, with credit limits having undergone significant unfavourable revisions. In light of this scenario, and in order to meet credit risk hedging requirements for which the limits granted under basic policies are insufficient, Grupo Visabeira has contracted additional instruments, which allow increasing the partial hedging of its risks up to twice the amount covered by basic policies, for customers of the domestic and foreign markets, and also to hedge risks whose amount is not specified in the said basic policy, or obtain more than twice the amount currently covered for foreign market customers, up to a limit of one hundred thousand euros. The added constraints in the external hedging of loans entail greater precision and stricter requirements in assessing applications for internal credit. Factoring, in the form without recourse, is used as complementary hedging for transactions in which credit insurance may not be enough. Also relevant is the amount of receivables by advanced payment or payments in cash, which, in the year under review, represented a volume of about 15% of turnover, with a special contribution from the cable TV and internet distribution, tourism, restaurants and recreation businesses. Loans granted to external entities, which also act as suppliers of the Group, had, in this year, a weight of 2.35%.

Companies of Grupo Visabeira that act as infrastructures and telecommunications service providers sell to entities of recognised financial probity, and, in 2015, accounted for about 48% of consolidated turnover. This group includes entities such as local telecommunications operators, generally directly held by each country's State, replacing the credit risk with a political risk. Examples of such companies are: TDM – Telecomunicações de Moçambique, EDM – Electricidade de Moçambique, ADM – Aeroportos de Moçambique, Moçambique Celular, Angola Telecom, France Telecom, Belgacom, MEO – Serviços de Comunicações e Multimédia, NOS, EDP Distribuição and the natural gas concession holders.

LIQUIDITY RISK

The Group manages liquidity risk in such a way as to ensure the financing of assets by maturity date and at appropriate rates and the timely settlement of its financial commitments. At the same time, appropriate cash balances and short-term credit lines are kept, in order to allow for the proper management of the cash available to meet short-term financial obligations.

The leverage associated with the acquisition of the Pharol, NOS Multimédia, and EDP shares, in the form of commercial paper issued by Grupo Visabeira, in the amount of 224.4 million euros, is materialised by two separate commercial paper programs. One of the programmes, in the initial amount of 125 million euros, provides for three constant capital repayments, the first on 31 December 2017 and the last on 31 December 2019, and is based on the aforementioned financial assets. The second programme, in the initial amount of 119.2 million euros, has annual repayments scheduled until 2023 and has associated the assets of Palácio do Gelo Shopping, partly funded as a real estate leasing. The amount of short-term debt includes 30 million euros related to pledged current accounts and overdrafts facilities, as well as 27.5 million euros related to commercial paper syndicated in the Group's major banks, maturing in 2016, and whose renewal has been historically achieved, which leads the Group to expect the revolving of these credit lines. The amount of 16 million euros corresponds to the funding of Hospital CUF Viseu, an asset that the Group intends to sell in 2016, settling this liability with the proceeds from the sale. Additionally, the short-term debt includes an amount of 6 million euros related to the advanced payment of the funding contracted with the EIB, which will be settled via the medium- and long-term funding to be released by the EIB in 2016.

Considering the commercial paper renewal of 27.5 million euros, the settlement of the funding of Hospital CUF and the amount advanced by the EIB, the short-term residual debt will amount to 98 million euros, corresponding to a reduction of 15% compared to the previous year. Under the same assumption, if we consider cash and deposits, net short-term debt, in the amount of 55 million euros, decreased by 28%, compared to the previous year. In July 2015, the Group contracted a new debenture loan in the amount of 100 million euros, maturing in 2021, with a 3-year vesting period and due to be repaid over a period of 3 years.

Besides investing in the expansion project of TVCABO Angola, whose financing worth 20 million euros was contracted by the European Investment Bank in April 2015, and in about 6.6 million dollars by an Angolan bank, Grupo Visabeira shall seek specific funding for other investments planned for 2016. At the same time, it must negotiate the partial revolving of short-term commitments, which is considered to be very likely, insofar as it mostly refers to partner organisations with a long relationship history, and institutions that have recently increased their involvement with the Group. The short-term debt of Grupo Visabeira is rated by ARC Ratings [a Portuguese Rating Agency] as "B", with a positive trend, which means that the Group currently has the appropriate capacity to meet its financial commitments. ARC Rating also assigned, for the first time in 2015, a medium- and long-term rating, classifying the Group's capacity of meeting short-, medium- and long-term financial commitments as BB+, with a stable trend.

The overall liquidity ratio in the consolidated accounts stood at 0.84, having increased by 0.01, showing an improvement in the adequacy of financing of current assets by current liabilities, compared to the previous year.

OTHER DISCLOSURES ON FINANCIAL INSTRUMENTS

As defined by IAS 39, the carrying value of each of the categories provided is broken down as follows:

	2015	2014
Financial assets recorded at amortised cost		
Customers and other receivables	155,767,300	162,948,999
State and other public entities	2,481,755	6,375,619
Other current assets (advances to suppliers and other debtors)	153,951,800	163,172,488
Cash and cash equivalents	43,041,617	40,803,252
Financial assets recorded at fair value		
Listed shares	106,653,927	109,444,124
Cash flow hedging derivatives recorded at fair value	-496,502	-1,082,993
Financial liabilities at the amortised cost		
Debt	142,560,187	110,929,648
Accounts payable	126,939,820	138,561,979
Accrued expenses	62,731,135	69,897,929
Financial liabilities recorded under IAS 17 - Leasing	88,080,042	85,250,150

FAIR VALUE MEASUREMENT

The following table presents the fair value hierarchy of the assets and liabilities held by the Group as of 31 December, 2015 and 2014:

	Assets measured at fair value - 2015			Assets measured at fair value - 2014				
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets measured at fair value								
Investment properties	328,898,759		328,898,759		335,629,703			335,629,703
Financial assets held for sale	106,653,927	106,653,927			109,444,124	109,444,124		
Financial assets held for trading	579,956		579,956		754,347		754,347	
Liabilities measured at fair value								
Financial instruments - Swaps	496,502		496,502		1,082,993		1,082,993	

No transfers between levels 1 and 2 were made for the financial years 2014 and 2015. The fair value of loans paid to banks is considered close to their book value, given the recent renegotiation of the most significant loans and the market rates applied.

CAPITAL RISK

The group's goal in terms of capital management, which is a broader concept than the capital disclosed in the balance sheet, is to maintain an optimal capital structure through the prudent use of debt, allowing it to lower the cost of capital. The purpose of capital risk management is to ensure the continuity of the Group's operations, providing the appropriate compensation of its shareholders while generating benefits for all third-parties involved. This policy aims at optimising the capital structure, with a view to achieving greater tax efficiency and reducing the average cost of capital.

	2015	2014
Non-current loans	658,531,102	663,541,899
Current loans	147,188,224	116,038,569
Confirming debt	-23,101,292	20,975,376
Financial assets available for sale	-106,653,927	-109,444,124
Debt allocated to real estate, ongoing investments and not yet generating EBITDA	-175,507,326	-190,968,853
Cash and Bank Deposits	-43,041,617	-40,803,252
Operating debt	457,415,165	459,339,615
Investment grants	41,327,856	40,553,421
Total equity	346,489,021	337,900,021
Equity and subsidies	387,816,876	378,453,442
Operating debt/total capital	1.2	1.2

41. Contingencies

A) Proceedings with probable losses

On 31 December 2015 and 2014, there were several legal claims and other tax contingencies filed against various companies of the Group, which are classified as proceedings with probable losses, in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. Based on the opinion of internal and external legal advisers, the Group recorded provisions (Note 42) for these legal claims and tax contingencies in order to face the likely outflow of resources.

b) Proceedings with possible losses

On 31 December 2014 and 2015, there were several claims and contingent actions filed against certain companies of the Group, for which the possibility of future cash disbursement was considered possible, according to information from lawyers and consultants accompanying these proceedings, and for this reason, no provisions were recorded. The detail and nature of those proceedings are as follows:

	2015	2014
Civil liability	329,000	1,083,000
Other contingencies	23,609,000	17,353,000
Total	23,938,000	18,436,000

No significant losses are expected to result from these proceedings.

42. Provisions

	2014	Increases/Decreases	2015
Retirement pensions	2,916,777	108	2,916,885
Other	3,442,522	-147,586	3,294,936
	6,359,299	-147,478	6,211,821

42.1 RETIREMENT PENSIONS

Grupo VAA has in place various defined retirement benefit plans, some managed by the Pension Fund (Futuro - Sociedade Gestora de Fundos de Pensões, S.A.) and others by the Group itself.

One of the funds is called "Adesão Coletiva Atlantis" and has an indefinite duration. Participants in this fund include all permanent members of Vista Alegre Atlantis, S.A.'s establishment plan, former employees of Atlantis - Cristais de Alcobaça, S.A, who were admitted to the employ of the associated company before the end of 31 December 2003, and who meet the eligibility requirements set out in the Pension Plan, i.e. all participants reaching the age of 65, and who have, at least, ten years of service at the associated company, are entitled to a supplementary pension for old age, calculated under the terms of the Pension Plan.

There is also the "Fundo de Pensões Grupo Vista Alegre", also open-ended, which covers the members of Vista Alegre Atlantis SA's establishment plan, former employees of Vista Alegre Atlantis SA who were admitted before 20 December 1976 and that are covered by the CBA for the Ceramic Industry.

The report of the actuary in charge in 2015, with regard to "Fundo de Pensões Grupo Vista Alegre" and "Adesão Coletiva Atlantis", consists of the actuarial determination of liabilities associated with defined benefit pensions inherent to the contract.

The Grupo Vista Alegre pension fund is financed by the "Fundo de Pensões Grupo Vista Alegre" and "Adesão Coletiva Atlantis" is financed by "Fundo de Pensões Viva".

On 31 December 2015 and 31 December 2014, the liabilities are the following:

	2015	2014
Liabilities – Provisions for retirement pensions:		
Retirement benefits - Benefit plan provided by Grupo VAA	-2,916,885	-2,916,777
Asset - Accrued income:		
Retirement benefits - Benefit plan defined, with constituted fund (Excess/deficit of the amount of the pension fund)	249,053	55,689

On 31 December 2015, the amount of liabilities related to a former director of the Group is 2.7 million euros (December 2014: 2.3 million euros). The increase in provisions recognised in the financial year is a result of the judgement of the Supreme Court of Justice, notified on 5 December 2014, considering that the granting of retirement pensions to directors that meet the conditions set out in the Group's statutes, which were in the meantime revised, is not dependent on the minimum age requirement of 65 years. The director in question has not yet reached this age and the increase in the provision concerns the pension supplement in the period of time elapsed between his termination from the position of director and the age of 65. On 10 December 2014, VAA informed the CMV of the upholding of an action brought by a former director and, on 10 February 2015, of the transit in "rem judicatam".

This liability was determined considering the maximum remuneration that is currently earned by the directors of Grupo VAA. The table below summarises the composition of net pension costs for the years ended 31 December 2015 and 2014 recognised in the consolidated income statement:

	2015	2014
Operating costs:		
Retirement benefits - Benefit plan provided by Grupo VAA and active staff	-13,066	-20,653
Operating income:		
Defined benefit plan with constituted fund	82,973	143,000

BENEFIT PLAN DEFINED BY GRUPO VAA

The liability arising from these plans is directly ensured by the Group, and it is currently estimated, on the balance sheet date, by a specialised entity (Futuro Grupo Montepio).

Movements of Grupo VAA in the financial year:

	2015	2014
Balance on 1 January	2,916,737	1,614,312
Costs with interest + actuarial gains/losses + increase in provisions	671,152	1,368,904
Retirement benefits paid	-671,004	-66,479
Balance on 31 December	2,916,885	2,916,737

DEFINED BENEFIT PLAN WITH CONSTITUTED FUND

Liabilities resulting from these plans are covered by an autonomous pension fund managed by a specialised entity (Futuro Grupo Montepio).

Amounts recognised in Grupo VAA's balance sheet:

	2015	Increase/Decrease	2014
Present value of the benefit obligations	-2,895,060	423,813	-3,318,873
Book value of the fund	3,144,113	-230,449	3,374,562
Asset recognised in the balance sheet	249,053	193,364	55,689

42.2 OTHER

The provision appearing in the heading "Other" is intended primarily to cover liabilities estimated based on the information obtained from lawyers and arising from proceedings related to contracts, labour and taxes filed against the Group's companies.

43. Guarantees provided

In "Tangible guarantees", highlight goes to 119.6 million euros (of the PPC of Grupo Visabeira's listed shares), pertaining to the captive issuing of commercial paper, 35.1 million euros pertaining to Grupo Vista Alegre and 161.1 million euros relating to Palácio do Gelo.

	2015	2014
Tangible guarantees	440,854,969	422,195,250
Technical/work execution guarantees	45,316,289	30,732,670
Financial guarantees	42,210,146	30,940,582
TOTAL	528,381,404	483,868,503

44. Related parties

	Year	Sales to related parties	Purchases from related parties	Interest received	Interest borne	Amounts receivable from related parties	Amounts payable to related parties
Shareholders	2015	0	0	3,459,209	0	91,165,052	15,548,870
	2014	0	0	347,601	0	80,484,448	16,112,283
Associated companies and other holdings	2015	2,921,588	871,808	0	62,621	19,301,228	1,578,471
	2014	486,204	276,881	0	168,005	16,600,527	220,325

Also noteworthy are the loans obtained from Caixa Geral de Depósitos (see note 37) and key staff remunerations (see note 14).

45. Events after the balance sheet date

There were no events subsequent to the balance sheet date that may have a material impact on the financial statements.

The exchange rate adjustments to assets and liabilities in foreign currency from the holdings in Angola and the conversion of their financial statements to euros were made based on the exchange rate published by the National Bank of Angola on 31 December 2015. On 4 January 2016 (the first business day in 2016), the kwana depreciated nearly 14% against the euro. Based on the position of the assets and liabilities denominated in foreign currency in the aforementioned companies and the value of their net assets converted to euros, the aforementioned depreciation has a potential negative impact of approximately 8.7 million euros in the equity heading "Foreign currency translation reserves".

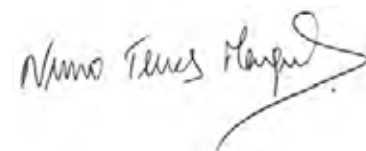
Viseu, 21 March 2016

The Chartered Accountant

The Board of Directors




Chartered Accountant member
No. 77089



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Assessment and certification documents



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(Translation of a report originally issued in Portuguese)

Statutory Auditor's Report

Introduction

1. We have examined the accompanying consolidated financial statements of Grupo Visabeira, S.G.P.S., S.A., comprising the Consolidated Statement of Financial Position as at 31 December 2015 (which shows a total assets of 1.670.299.541 Euros and a total equity holders of 346.489.021 Euros, including a net income for the year of 15.609.734 Euros attributable to the equity holders of the company, as mother of the group), the Consolidated Income Statement by Natures, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and Notes.

Responsibilities

2. The Company's Board of Directors is responsible for the preparation of consolidated financial statements which present a true and fair view of the consolidated financial position, consolidated results and comprehensive income of operations, consolidated changes in equity and consolidated cash flows, as well as for the application of appropriate accounting policies and for the maintenance of an adequate internal control system.
3. Our responsibility is to express a professional and independent opinion based on our examination of those financial statements.

Basis of Opinion

4. We conducted our examination in accordance with the technical standards and directives of the Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"), which require that we plan and perform the examination in order to obtain an acceptable level of assurance as to whether the consolidated financial statements are free of material misstatements. Accordingly, our examination included:



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- the verification of whether the financial statements included in the consolidation were examined appropriately, and for significant instances where these were not, the verification, on a test basis, of the supporting evidence of the amounts and disclosures contained therein and an assessment of the estimates, based on judgements and criteria determined by the Board of Directors, used in their preparation;
 - the verification of the consolidated adjustments;
 - the assessment of whether the accounting policies adopted and their disclosure are appropriate, considering the circumstances;
 - the verification of the appropriateness of the going concern principle; and
 - the assessment of whether the overall presentation of the financial statements is adequate.
5. Our examination also included the verification of the consistency of the financial information included in the consolidated Management Report with the consolidated financial statements.
 6. We believe that the examination carried out provides an acceptable basis for the expression of our opinion on the financial statements.

Opinion

7. In our opinion, the consolidated financial statements referred to above present a true and fair view, in all material respects, of the consolidated financial position of Grupo Visabeira, S.G.P.S., S.A. as at 31 December 2015, the consolidated results and comprehensive income of its operations, the consolidated changes in equity and the consolidated cash flows for the year then ended, in conformity with International Financial Reporting Statements as endorsed by the European Union.

Report on Other Legal Requirements

8. It is also our opinion that the financial information included in the consolidated Management Report is in agreement with the consolidated financial statements for the period.

Porto, 21 March 2016

Ernst & Young Audit & Associados – SROC, S.A.
Sociedade de Revisores Oficiais de Contas (nº 178)
Represented by:

(Signed)

Rui Manuel da Cunha Vieira (ROC nº 1154)

