



Report and Accounts

3<sup>rd</sup> Quarter **2015**

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# Teixeira Duarte, S.A.

PUBLIC COMPANY

Head Office: Lagoas Park, Edifício 2 - 2740-265 Porto Salvo

Share Capital: € 210,000,000

Sole Legal Person and Registration number at Cascais-Oeiras

Commercial Register 509 234 526

## KEY INDICATORS

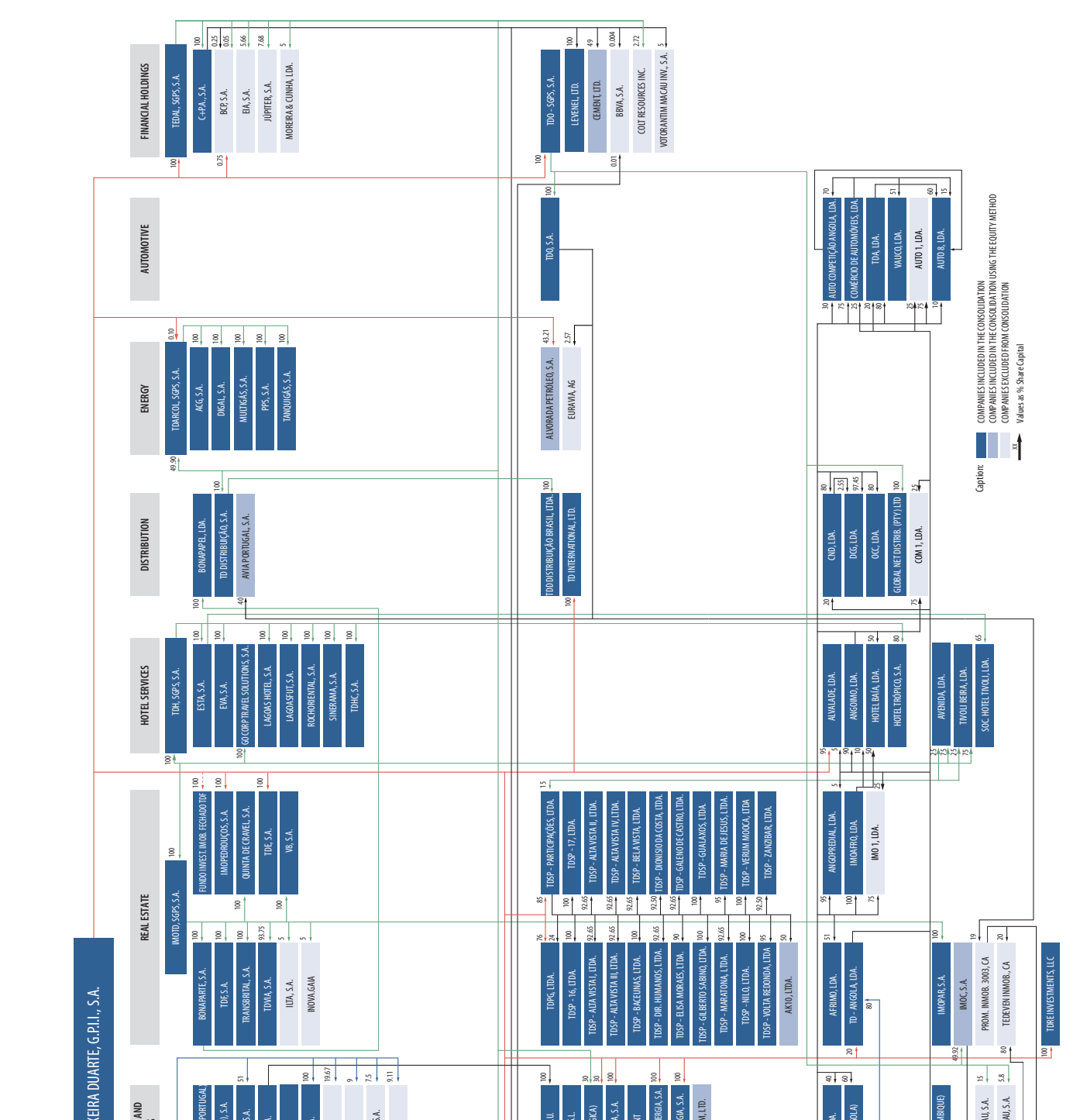
|   | 3rd Q<br>2011 | 3rd Q<br>2012 | 3rd Q<br>2013 | 3rd Q<br>2014 | 3rd Q<br>2015 | Variation<br>2015/2014 % |
|---|---------------|---------------|---------------|---------------|---------------|--------------------------|
| Average number of employees               | 11.725        | 10.734        | 11.989        | 13.165        | 13.691        | 4,0%                     |
| Turnover                                  | 916           | 980           | 1.119         | 1.175         | 1.005         | (14,4%)                  |
| Operating Income                          | 948           | 1.012         | 1.147         | 1.188         | 1.038         | (12,6%)                  |
| EBITDA                                    | 119           | 157           | 149           | 165           | 125           | (24,0%)                  |
| EBITDA / Turnover Margin                  | 13,0%         | 16,0%         | 13,3%         | 14,0%         | 12,5%         | (11,2%)                  |
| EBIT                                      | 67            | 112           | 95            | 133           | 67            | (49,5%)                  |
| Net Income Attributable to Shareholders   | (129)         | 6             | 10            | 71            | 17            | (76,2%)                  |
| Net Debt                                  | 1.168         | 983           | 1.202         | 1.293         | 1.253         | (3,1%)                   |
| Total Equity Attributable to Shareholders | 317           | 242           | 263           | 424           | 459           | 8,2%                     |
| Total Equity                              | 385           | 318           | 299           | 461           | 480           | 4,1%                     |
| Total Net Assets                          | 2.592         | 2.697         | 2.692         | 2.987         | 2.819         | (5,6%)                   |

### Notes:

The book values are expressed in million euros.

The values in the "Variation 2015/2014 %" column were calculated based on amounts that were not rounded off.

Total Equity includes non-controlling interests.





# Interim Management Report



## **I - INTRODUCTION**

Under the terms and for the effect of the applicable legal and regulatory provisions, TEIXEIRA DUARTE, S.A. ("TD, S.A.") hereby discloses the Interim Report relative to the first nine months of 2015, of which the consolidated financial statements attached herewith are also an integral part.

In compliance with and under the regulations on the presentation of periodic information, it is hereby clarified that the elements disclosed herein refer only to the consolidated aspect and that the consolidated financial Statements as at 30 September 2015 were prepared using accounting policies consistent with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union, enforced for periods beginning on 1 January 2015 onwards and in accordance with IAS 34 – Interim Financial Reporting.

Without prejudice to the regular monitoring of Teixeira Duarte's Group activity by its Supervisory Bodies, as well as through the information reported to the Supervisory Bodies for the purpose of preparing this document, the elements published herein were not, pursuant to the applicable provisions, subject to auditing.

In addition to the Consolidated Financial Statements and respective notes, this document also presents a brief description of the Group's activity evolution during the period under analysis, from which we highlight the following topics in advance:

- **Net Income Attributable to Shareholders** was positive by 17 million euros;
- **Turnover** stood at 1,005 million euros;
- **Foreign Market** represents 84.1% of Turnover;
- **EBITDA** reached 125.3 million euros;
- **EBITDA / Turnover margin** of 12.5%;
- **Net Debt** of 1,253 million euros;
- **Group's Net Assets** of 2,819 million euros;
- **Financial Autonomy** of 17%;
- **Teixeira Duarte's Group Order Book** in the construction sector stood at 2,377 million euros.

## II – GENERAL OVERVIEW OF THE ACTIVITY

### Income Statement for periods ended on 30 September 2015 and 2014

|                                  | 3rd Q 15        | 3rd Q 14        | Var (%)        | Jul-Sep 15      | Jul-Sep 14    | Var (%)        |
|----------------------------------|-----------------|-----------------|----------------|-----------------|---------------|----------------|
| Operating income                 | 1,038,409       | 1,187,871       | (12.6%)        | 336,028         | 421,762       | (20.3%)        |
| Operating costs                  | (913,157)       | (1,023,146)     | (10.8%)        | (293,523)       | (368,210)     | (20.3%)        |
| <b>EBITDA</b>                    | <b>125,252</b>  | <b>164,725</b>  | <b>(24.0%)</b> | <b>42,505</b>   | <b>53,552</b> | <b>(20.6%)</b> |
| Amortization and depreciation    | (58,473)        | (51,960)        | 12.5%          | (19,835)        | (17,828)      | 11.3%          |
| Provisions and impairment losses | 330             | 20,079          | (98.4%)        | (2,288)         | (6,533)       | (65.0%)        |
| <b>EBIT</b>                      | <b>67,109</b>   | <b>132,844</b>  | <b>(49.5%)</b> | <b>20,382</b>   | <b>29,191</b> | <b>(30.2%)</b> |
| <b>Financial results</b>         | <b>(65,820)</b> | <b>(36,824)</b> | <b>78.7%</b>   | <b>(47,746)</b> | <b>18,178</b> | -              |
| <b>Earnings before tax</b>       | <b>1,289</b>    | <b>96,020</b>   | <b>(98.7%)</b> | <b>(27,364)</b> | <b>47,369</b> | -              |
| Income tax                       | 16,007          | (24,504)        | -              | 21,312          | (16,995)      | -              |
| <b>Net income</b>                | <b>17,296</b>   | <b>71,516</b>   | <b>(75.8%)</b> | <b>(6,052)</b>  | <b>30,374</b> | -              |
| <b>Attributable to:</b>          |                 |                 |                |                 |               |                |
| <b>Shareholders</b>              | <b>17,033</b>   | <b>71,440</b>   | <b>(76.2%)</b> | <b>(7,214)</b>  | <b>28,931</b> | -              |
| Non-controlling interests        | 263             | 76              | 246.1%         | 1,162           | 1,443         | (19.5%)        |

(Values in thousand euros)

**Net Income Attributable to Shareholders** was positive by 17,033 thousand euros, reflecting a significant decline in comparison with the same period of 2014, with various contributing factors in particular which we consider worth mentioning.

Thus, it is important to highlight that, apart from the performance of the Group's companies compared to the same period of the previous year, this indicator was influenced by currency exchange rate differences, which in September 2015 achieved a positive value of 1,366 thousand euros and at the end of the first nine months of the previous year had been positive by 19,663 thousand euros, as well as by the negative impact of the impairment loss in the stake held in "Banco Comercial Português, S.A." of 10,709 thousand euros registered in the third quarter of 2015.

Additionally and in order to allow a better comparison of the activity of each period, it should be recalled that the results of September 2014 had been influenced positively by the gain in the acquisition of "TEGAVEN - Teixeira Duarte y Asociados, C.A." of 29,331 thousand euros and negatively by the impairment loss in the stake held in "Colt Resources" of 1,579 thousand euros.

It should be noted that the net income for the third quarter of 2015 was penalised by the negative currency exchange rate's differences value of 17,770 thousand euros, while in the third quarter of 2014 the currency exchange rate's differences value had been positive by 20,942 thousand euros.



**Turnover** reached 1,005,362 thousand euros, reflecting a 14.4% reduction in relation to September 2014, i.e. a decline of 169,216 thousand euros, being the following circumstantial facts worth mentioning:

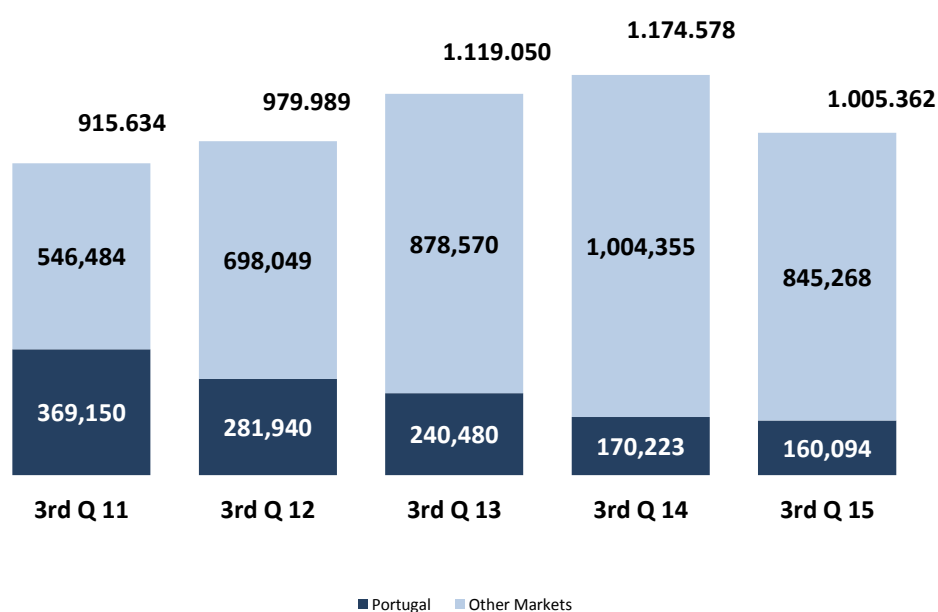
- During the first quarter of 2015, the Group sold its stake held in “PETRIN, S.A.” (a company through which Teixeira Duarte operated in the business of liquid fuel in Portugal) which had a contribution of 36,371 thousand euros to the Turnover recorded in September 2014;
- A reduction of 187,426 thousand euros in turnover was recorded in the Venezuelan market, which is essentially explained by the adoption of the SIMADI exchange rate, which altered the value in euros of the Turnover stated for the first nine months of 2015 in that market by 154,530 thousand euros.

The total of these two values, which add to 190,901 thousand euros, when compared to the indicated 169.216 thousand de euros of decline in Turnover, enables explaining other indicators in line with the effective increase of activity in these first nine months of 2015.

A further note should be made about this indicator, regarding its variation in the Portuguese market, to disclose that in spite of its 6% reduction in Portugal, had it not been for the aforesaid impact of the divestment of “PETRIN, S.A.”, the Group's Turnover would have increased by 19.6% in Portugal.

Other markets, which already accounted for 85.5% of this indicator in September of the preceding year, declined as a whole by 15.8%, hence representing 84.1% of Teixeira Duarte’s Group Turnover.

**Evolution of Turnover by Market**



(Values in thousand euros)

The tables below present the Turnover detailed by countries and activity sectors, clearly indicating the Group's exposure to different economic contexts.

#### Turnover by Country

| Country    | 3rd Q 15         |               | 3rd Q 14         |               | Variation      | Jul-Sep 15     |               | Jul-Sep 14     |               | Variation      |
|------------|------------------|---------------|------------------|---------------|----------------|----------------|---------------|----------------|---------------|----------------|
|            | Value            | Contribution  | Value            | Contribution  |                | Value          | Contribution  | Value          | Contribution  |                |
| Portugal   | 160,094          | 15.9%         | 170,223          | 14.5%         | (6.0%)         | 57,111         | 17.8%         | 53,570         | 12.9%         | 6.6%           |
| Angola     | 516,526          | 51.4%         | 539,495          | 45.9%         | (4.3%)         | 147,716        | 46.0%         | 206,287        | 49.6%         | (28.4%)        |
| Algeria    | 66,124           | 6.6%          | 45,372           | 3.9%          | 45.7%          | 18,434         | 5.7%          | 16,267         | 3.9%          | 13.3%          |
| Brazil     | 109,253          | 10.9%         | 134,478          | 11.4%         | (18.8%)        | 32,773         | 10.2%         | 58,776         | 14.1%         | (44.2%)        |
| Spain      | 32,577           | 3.2%          | 22,673           | 1.9%          | 43.7%          | 9,606          | 3.0%          | 7,731          | 1.9%          | 24.3%          |
| Mozambique | 93,011           | 9.3%          | 46,483           | 4.0%          | 100.1%         | 51,276         | 16.0%         | 17,388         | 4.2%          | 194.9%         |
| Venezuela  | 24,183           | 2.4%          | 211,609          | 18.0%         | (88.6%)        | 2,494          | 0.8%          | 53,842         | 12.9%         | (95.4%)        |
| Other      | 3,594            | 0.4%          | 4,245            | 0.4%          | (15.3%)        | 1,470          | 0.5%          | 1,950          | 0.5%          | (24.6%)        |
|            | <b>1,005,362</b> | <b>100.0%</b> | <b>1,174,578</b> | <b>100.0%</b> | <b>(14.4%)</b> | <b>320,880</b> | <b>100.0%</b> | <b>415,811</b> | <b>100.0%</b> | <b>(22.8%)</b> |

(Values in thousand euros)

Venezuela's negative variation in September 2015 is primarily due to the aforesaid alteration of the exchange rate (from SICAD to SIMADI), where, disregarding this effect, Venezuela's Turnover would have reached the value of 178,713 thousand euros, therefore, disregarding this factor, the reduction in relation to the third quarter of 2014 would only have been 32,896 thousand euros.

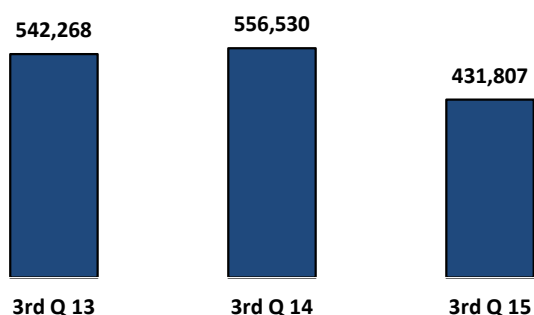
#### Turnover by Activity Sector

| Activity Sector         | 3rd Q 15         |               | 3rd Q 14         |               | Variation      | Jul-Sep 15     |               | Jul-Sep 14     |               | Variation      |
|-------------------------|------------------|---------------|------------------|---------------|----------------|----------------|---------------|----------------|---------------|----------------|
|                         | Value            | Contribution  | Value            | Contribution  |                | Value          | Contribution  | Value          | Contribution  |                |
| Construction            | 431,807          | 43.0%         | 556,530          | 47.4%         | (22.4%)        | 159,084        | 49.6%         | 178,234        | 42.9%         | (10.7%)        |
| Concessions and Service | 80,908           | 8.0%          | 64,296           | 5.5%          | 25.8%          | 27,505         | 8.6%          | 23,011         | 5.5%          | 19.5%          |
| Real estate             | 81,443           | 8.1%          | 82,419           | 7.0%          | (1.2%)         | 21,256         | 6.6%          | 35,252         | 8.5%          | (39.7%)        |
| Hotel services          | 55,367           | 5.5%          | 52,904           | 4.5%          | 4.7%           | 17,011         | 5.3%          | 20,606         | 5.0%          | (17.4%)        |
| Distribution            | 203,746          | 20.3%         | 170,689          | 14.5%         | 19.4%          | 61,397         | 19.1%         | 72,636         | 17.5%         | (15.5%)        |
| Energy                  | 12,811           | 1.3%          | 49,333           | 4.2%          | (74.0%)        | 3,410          | 1.1%          | 14,311         | 3.4%          | (76.2%)        |
| Automotive              | 139,280          | 13.9%         | 198,407          | 16.9%         | (29.8%)        | 31,217         | 9.7%          | 71,761         | 17.3%         | (56.5%)        |
|                         | <b>1,005,362</b> | <b>100.0%</b> | <b>1,174,578</b> | <b>100.0%</b> | <b>(14.4%)</b> | <b>320,880</b> | <b>100.0%</b> | <b>415,811</b> | <b>100.0%</b> | <b>(22.8%)</b> |

(Values in thousand euros)

Supplementing the table above, the following notes are presented in relation to the activity developed in the first nine months in each of the Group's operating sectors:

#### Turnover of Construction



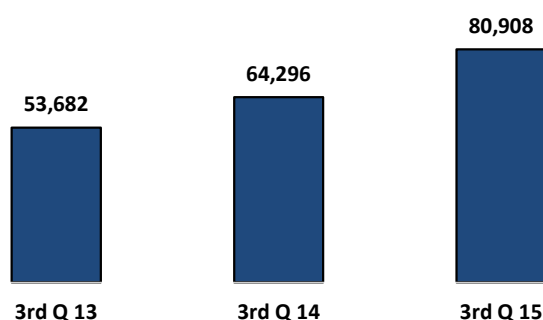
The Construction Business's turnover declined by 22.4% compared to the same period of 2014.

Portugal recorded an increase of 39.9% in relation to the first nine months of 2014, basically due to the activity carried out in Marão Tunnel.

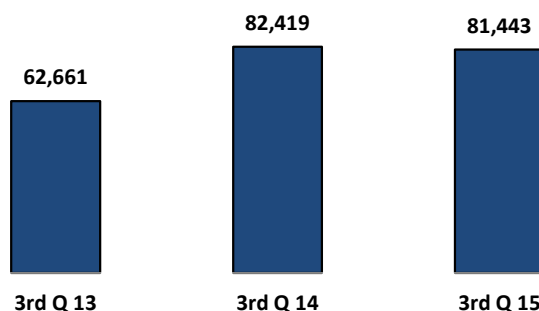
— In the other markets, ~~reference is made to increases~~ the growth observed in Algeria and Mozambique stand out, with increases of registering 45.79% and 123.3%, of increase respectively, and yet, these results, which even so did not offset ~~the~~ decreases registered in Angola and Venezuela. In this last case, it should be recalled that the adoption of this new exchange rate had a negative impact of 154,530 thousand euros, therefore, despite the reduction of Turnover, ~~in the first nine months of 2015 there was in fact a real increase in~~ the activity of the Group's construction sector increased in the first nine months of 2015.

As at 30 September 2015, the foreign market represented 81% of Construction turnover.

#### Turnover of Concessions and Services

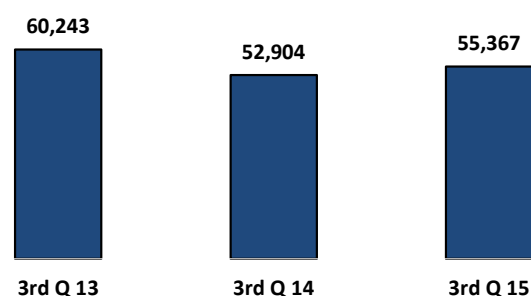


In Concessions and Services, Turnover grew by 25.8% in relation to September 2014, with good particularly performance in Portugal and Angola, where the attraction of new customers, essentially in the area of Facilities Management, led to growth of 29.7% and 34.4% year-on-year.

**Real Estate Turnover of Real Estate**

The Real Estate business's overall Turnover dropped by 1.2% in relation to the first nine months of 2014.

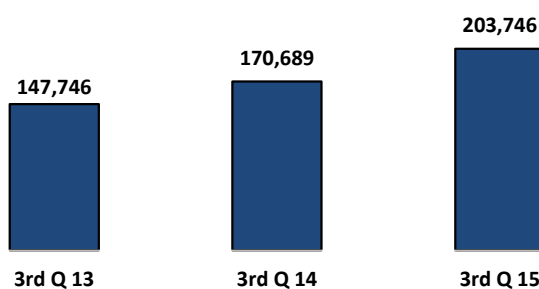
In Portugal a 12% reduction was registered in relation to September 2014, while in Brazil the stage of development of previously launched enterprises enabled achieving an increase of 2.6% compared to the same period of the previous year. Excluding the currency devaluation effect, the increase in Brazil would have been 17.1% year-on-year.

**Turnover of Hotel Services**

The Turnover of the Hotel Business grew, as a whole, by 4.7% compared to the same period of 2014.

In Angola, the increase stood at 9.4% compared to the first nine months of 2014, with the contribution of "HOTEL TRÓPICO" having influenced this net change, as it had been closed for remodelling works during the first semester of 2014.

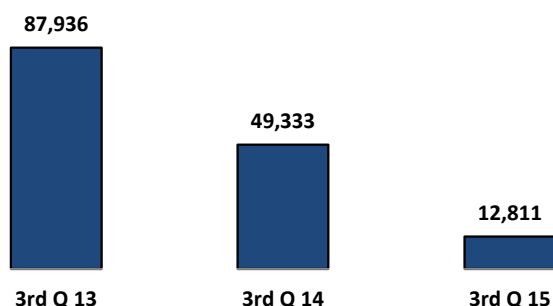
In Mozambique an 11.8% reduction was registered in relation to September 2014, while in Portugal an increase of 1.6% was achieved in relation to the same period of 2014.

**Turnover of Distribution**

Distribution registered an increase of 19.4% over the first nine months of 2014, although, excluding the currency conversion effect, this indicator would have reached levels similar to those of September 2014.

A pharmaceutical product marketing operation took place in Angola during the period under review, with the opening of two retail outlets in the metropolitan area of Luanda, in addition to the continued pursuit of consolidation of the business units operating in other areas of this Sector.

### Turnover of Energy

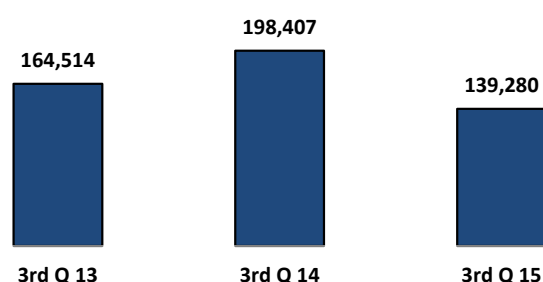


The Group's Energy Turnover declined by 74% year-on-year.

During the first quarter of 2015, the Group sold its stake held in "PETRIN, S.A." (a company which operated in the marketing of liquid fuel in Portugal) which had contributed with 36,371 thousand euros to the Turnover recorded in September 2014.

In the area of Gas, the group maintained similar levels of activity.

### Turnover of the Automotive sector



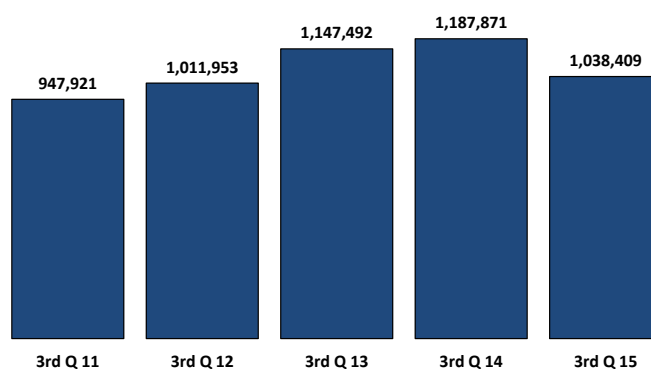
The Turnover of the Automotive sector fell by 29.8% in relation to September 2014.

During the first nine months of the year, a 47% reduction was recorded in the units sold in the light vehicle segment and a 20% decline in after-sales services.

(Values in thousand euros)

**Operating income** fell by 12.6% year-on-year, having reached the value of 1,038,409 thousand euros.

### Evolution of Operating Income



(Values in thousand euros)

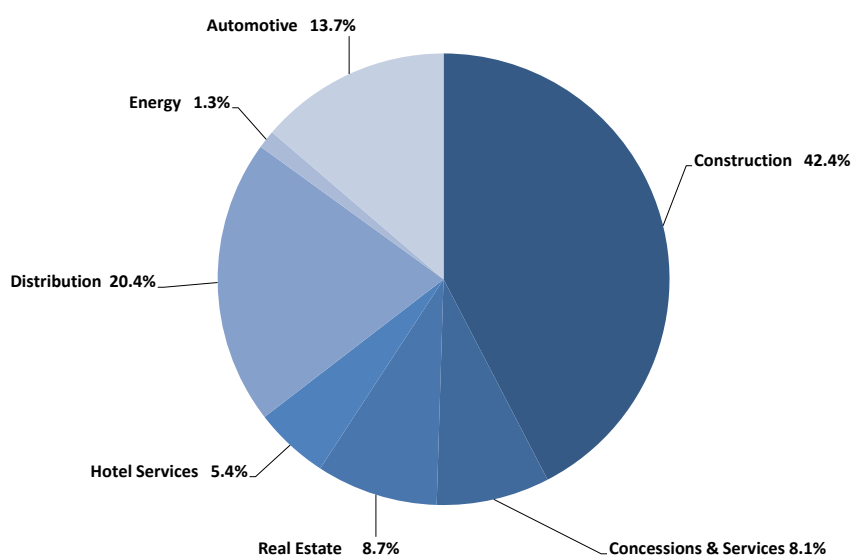
The table below illustrates the good performance in the Concessions and Services, Real Estate, Hotel and Distribution sectors.

### Operating Income by activity and geographic market:

| Activity Sector          | Internal Market |                |             | External Market |                  |                | Total            |                  |                |
|--------------------------|-----------------|----------------|-------------|-----------------|------------------|----------------|------------------|------------------|----------------|
|                          | 3rd Q 15        | 3rd Q 14       | Var (%)     | 3rd Q 15        | 3rd Q 14         | Var (%)        | 3rd Q 15         | 3rd Q 14         | Var (%)        |
| Construction             | 91,338          | 61,404         | 48.7%       | 348,760         | 500,148          | (30.3%)        | 440,098          | 561,552          | (21.6%)        |
| Concessions and Services | 27,750          | 20,507         | 35.3%       | 56,396          | 45,827           | 23.1%          | 84,146           | 66,334           | 26.9%          |
| Real estate              | 32,249          | 28,464         | 13.3%       | 58,165          | 55,305           | 5.2%           | 90,414           | 83,769           | 7.9%           |
| Hotel services           | 13,560          | 13,289         | 2.0%        | 42,167          | 39,860           | 5.8%           | 55,727           | 53,149           | 4.9%           |
| Distribution             | 818             | 763            | 7.2%        | 211,286         | 171,400          | 23.3%          | 212,104          | 172,163          | 23.2%          |
| Energy                   | 13,506          | 51,122         | (73.6%)     | -               | 57               | -              | 13,506           | 51,179           | (73.6%)        |
| Automotive               | -               | -              | -           | 142,414         | 199,725          | (28.7%)        | 142,414          | 199,725          | (28.7%)        |
| <b>Total</b>             | <b>179,221</b>  | <b>175,549</b> | <b>2.1%</b> | <b>859,188</b>  | <b>1,012,322</b> | <b>(15.1%)</b> | <b>1,038,409</b> | <b>1,187,871</b> | <b>(12.6%)</b> |

(Values in thousand euros)

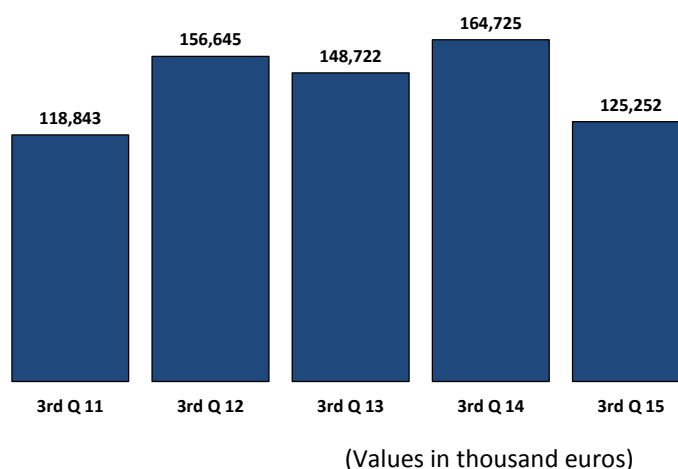
In view of the evolution referred to above, the contribution of each activity sector to the total value of the operating income achieved as at 30 September 2015 was as follows:





**EBITDA** declined by 24% in relation to September 2014, to stand at 125.252 thousand euros.

#### Evolution of EBITDA



Analysing this indicator by sector, the table below shows very divergent performance among the different business areas according to the specific characteristics of each activity and the respective markets in which they operate.

The performance of the Construction sector was heavily penalised in this period due to the fact that the works were at different stages of execution during the period under review when compared to the same period of the previous year. While in the first nine months of 2014, various important works in Angola and Venezuela were at a stage of completion with a significant volume of the work already executed, in the period ended on 30 September 2015 important works underway in Algeria are still at a start-up stage, with low completion percentage and, accordingly, lower impact on turnover. This situation started to change by the third quarter of this year.

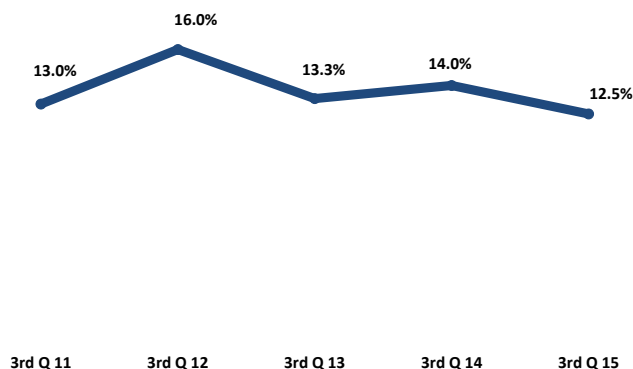
#### Evolution of EBITDA by Activity Sector

| Activity Sector          | 3rd Q 15       | 3rd Q 14       | Var (%)        | Jul-Sep 15    | Jul-Sep 14    | Var (%)        |
|--------------------------|----------------|----------------|----------------|---------------|---------------|----------------|
| Construction             | 9,740          | 62,557         | (84.4%)        | 6,840         | 10,966        | (37.6%)        |
| Concessions and Services | 14,594         | 9,838          | 48.3%          | 4,693         | 3,370         | 39.3%          |
| Real estate              | 46,380         | 41,241         | 12.5%          | 13,111        | 20,365        | (35.6%)        |
| Hotel services           | 12,837         | 15,427         | (16.8%)        | 4,701         | 7,176         | (34.5%)        |
| Distribution             | 17,824         | 7,340          | 142.8%         | 7,170         | 3,146         | 127.9%         |
| Energy                   | 2,639          | 1,211          | 117.9%         | 98            | (352)         | -              |
| Automotive               | 26,358         | 37,574         | (29.9%)        | 5,489         | 12,136        | (54.8%)        |
| Not allocated to segment | (5,092)        | (10,438)       | (51.2%)        | 404           | (3,257)       | -              |
| Elimination              | (28)           | (25)           | 12.0%          | (1)           | 2             | -              |
|                          | <b>125,252</b> | <b>164,725</b> | <b>(24.0%)</b> | <b>42,505</b> | <b>53,552</b> | <b>(20.6%)</b> |

(Values in thousand euros)

The **EBITDA / Turnover Margin** declined by 11.2% in relation to the same period of the previous year, having fallen from 14% to 12.5% in September 2015.

#### Evolution of the EBITDA / Turnover Margin



The **financial results** were negative by 65,820 thousand euros for the period ended on 30 September 2015, while at the end of the third quarter of 2014 the financial results had been negative by 36,824 thousand euros.

|  | 3rd Q 15         | 3rd Q 14         | Var (%)        | Jul-Sep 15      | Jul-Sep 14      | Var (%)      |
|--|------------------|------------------|----------------|-----------------|-----------------|--------------|
| <b>Financial costs and losses:</b>           | <b>(351,373)</b> | <b>(129,852)</b> | <b>170.6%</b>  | <b>(87,253)</b> | <b>(45,002)</b> | <b>93.9%</b> |
| Interest paid                                | (70,260)         | (72,646)         | (3.3%)         | (21,520)        | (25,461)        | (15.5%)      |
| Unfavourable currency conversion differences | (267,277)        | (38,740)         | 589.9%         | (64,030)        | (14,102)        | 354.0%       |
| Other financial costs and losses             | (13,836)         | (18,466)         | (25.1%)        | (1,703)         | (5,439)         | (68.7%)      |
| <b>Financial income and gains:</b>           | <b>282,583</b>   | <b>76,759</b>    | <b>268.1%</b>  | <b>52,270</b>   | <b>40,487</b>   | <b>29.1%</b> |
| Interest received                            | 10,903           | 10,371           | 5.1%           | 5,002           | 4,478           | 11.7%        |
| Favourable currency conversion differences   | 268,643          | 64,163           | 318.7%         | 46,260          | 35,167          | 31.5%        |
| Cash discounts received                      | 175              | 275              | (36.4%)        | 40              | 85              | (52.9%)      |
| Other financial income and gains             | 2,862            | 1,950            | 46.8%          | 968             | 757             | 27.9%        |
| <b>Earnings from investment activities:</b>  | <b>2,970</b>     | <b>16,269</b>    | <b>(81.7%)</b> | <b>(12,763)</b> | <b>22,693</b>   | <b>-</b>     |
| Earnings from associates and joint ventures  | 5,703            | (6,661)          | -              | 1,340           | 295             | 354.2%       |
| Dividends                                    | 863              | 772              | 11.8%          | 213             | 207             | 2.9%         |
| Other investments                            | 10,217           | (1,206)          | -              | (503)           | 123             | -            |
| Gains / losses in assets available for sale  | (13,813)         | 23,364           | -              | (13,813)        | 22,068          | -            |
| <b>Financial results</b>                     | <b>(65,820)</b>  | <b>(36,824)</b>  | <b>78.7%</b>   | <b>(47,746)</b> | <b>18,178</b>   | <b>-</b>     |

(Values in thousand euros)

This indicator deteriorated by 28,996 thousand euros in relation to the same period of 2014, where the contribution of the following variations was noteworthy:

- Negative variation of 24,057 thousand euros, derived from the impact of exchange rate differences;
- Negative variation of 37,177 thousand euros, derived from the negative impact of the impairment loss in the participated company “Banco Comercial Português, S.A.” of 13,813 thousand euros in September 2015 and the positive impact of the divestment of rights of “Banco Comercial Português, S.A.” by 22,068 thousand euros in September 2014;
- Positive variation of 12,364 thousand euros of earnings from associates and joint ventures;
- Positive variation of other investments by 11,423 thousand euros, due to the divestment of financial holdings in unlisted companies stated at cost value in the Group's accounts;
- Positive variation derived from the reduction of 2,386 thousand euros of interests paid.

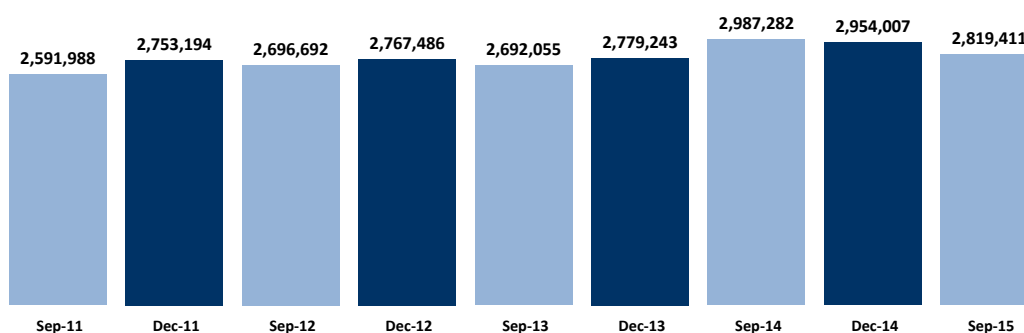
**Income Tax** amounted to 16,007 thousand euros for the period ended on 30 September 2015, while it had stood at 24,504 thousand euros in the same period of the previous year.

|              | 3 <sup>o</sup> T 15 | 3rd Q 14        | Var (%) | Jul-Sep 15    | Jul-Sep 14      | Var (%) |
|--------------|---------------------|-----------------|---------|---------------|-----------------|---------|
| Current tax  | (18,794)            | (35,316)        | (46.8%) | (3,698)       | (12,419)        | (70.2%) |
| Deferred tax | 34,801              | 10,812          | 221.9%  | 25,010        | (4,576)         | -       |
|              | <b>16,007</b>       | <b>(24,504)</b> | -       | <b>21,312</b> | <b>(16,995)</b> | -       |

(Values in thousand euros)

**Total Net Assets** declined by 4.6% in relation to 31 December 2014, having stood at 2,819,411 thousand euros.

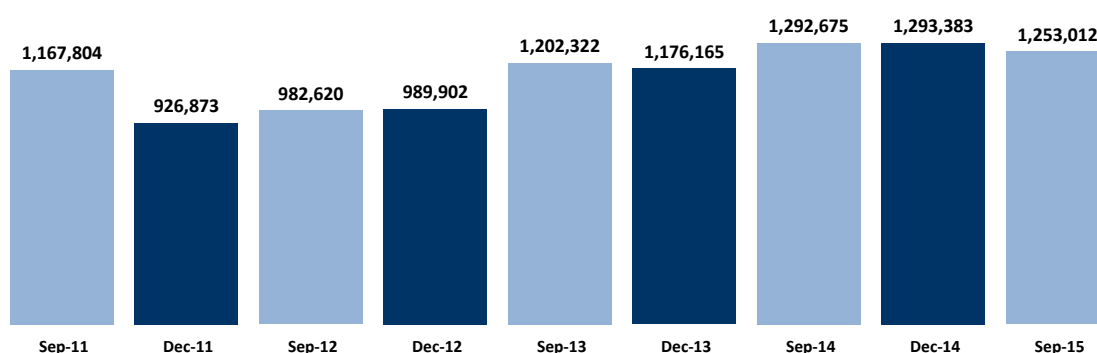
#### Evolution of Net Assets



(Values in thousand euros)

**Net Debt** fell by 3.1% in relation to the end of the previous year, having stood at 1,253,012 thousand euros as at 30 September 2015.

#### Net Debt Evolution



(Values in thousand euros)

The analysis of the evolution of these indicators should take into account the aforesaid impact of the adoption of the SIMADI exchange rate, as well as the investments carried out in facilities and equipment which reached 56.9 million euros during the period.

**Equity Attributable to Shareholders** increased by 984 thousand euros, having shifted from 457,687 thousand euros to 458,671 thousand euros, corresponding to a growth of 0.2% in relation to 31 December 2014.

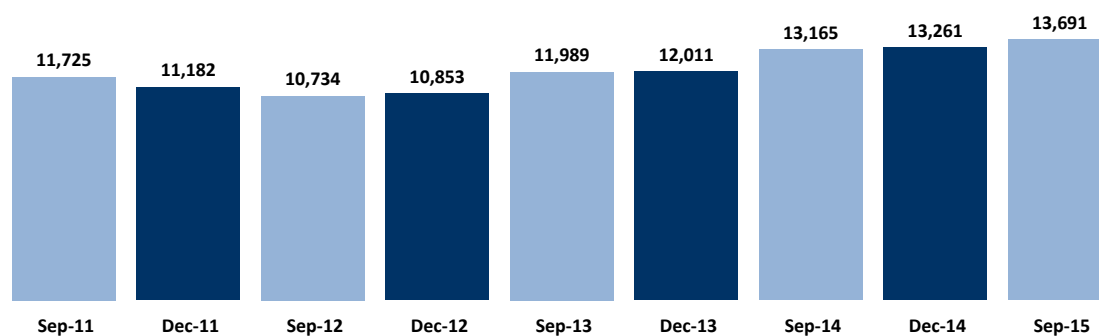
**Total Equity** declined by 1.1%, to stand at 479,619 thousand euros, influenced essentially by the following factors:

- Positive net income of 17,296 thousand euros;
- Positive effect of 1,390 thousand euros in the hedge operation, derived from the fair value variation of the financial instrument (interest rate swap) contracted in 2008 under the Concession for the Management of Cascais Hospital Building;
- Negative currency exchange rate effect of 13,382 thousand euros, that resulted from the value increase of the currencies with which the Group operates in relation to the Euro;
- Negative variation in the fair value of the financial assets available for sale, net of deferred tax, of the value of 153 thousand euros;
- Distribution of dividends of 5,670 thousand euros.

**Financial Autonomy** shifted from 16.4% as at 31 December 2014 to 17% as at 30 September 2015.

The **Average Number of Employees** at the end of the period ended on 30 September 2015 was 13,691, having increased by 3.2% in relation to 31 December 2014, which accompanied the effective increase of activity in these first nine months of 2015, as explained above.

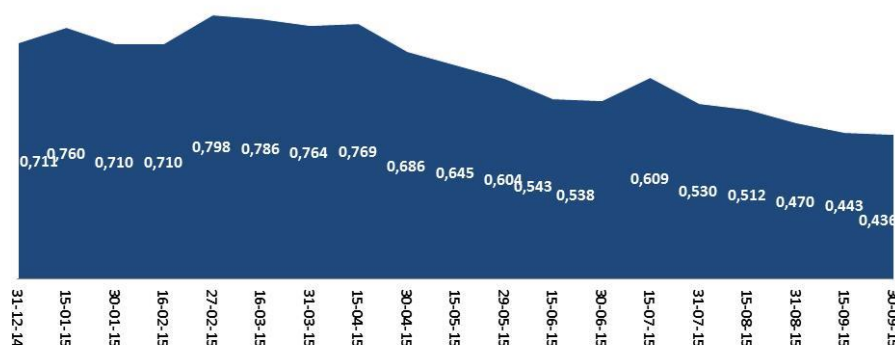
#### Evolution of the Average Number of Employees



**“Teixeira Duarte, S.A.” share prices** fluctuated between 0.711 euros as at 31 December 2014 and 0.436 euros as at 30 September 2015.

The graph below shows the evolution of the stock market prices of shares during the first nine months of this year, which varied over this period between a minimum of 0.42 euros and maximum of 0.829 euros.

**Teixeira Duarte, S.A. Share Prices**



During this period, 21,824,255 shares were traded on the stock exchange, with a total turnover of 14,414,021 euros.

### **III. FACTS WHICH OCCURRED AFTER THE END OF THE 3RD QUARTER OF 2015**

TEIXEIRA DUARTE pursued its activity in the different markets where it operates, having any noteworthy fact occurred after 30 September 2015 and the date of issue of the present document.

#### IV. OUTLOOK FOR 2015

Apart from possible new contracts, the Group has assured adequate activity levels in Construction in the foreign market which enabled, in spite of the Teixeira Duarte Group's Order Book for the construction sector having fallen by 1.4% in relation to the end of 2014%, this sector to reach the impressive overall value of 2,376,957 thousand euros as at 30 September 2015, of which 1,002,227 thousand euros are for 2018 and following years.

For a more detailed review of the closer periods, i.e. for the remaining 1,374,730 thousand euros already contracted with execution foreseen to take place in the fourth quarter of 2015 and during 2016 and 2017, a table is presented below with additional information on its distribution by country of operation:

|            | Oct-Dec 2015   | Contribution (%) | 2016           | Contribution (%) | 2017           | Contribution (%) |
|------------|----------------|------------------|----------------|------------------|----------------|------------------|
| Portugal   | 39,572         | 12.5%            | 48,498         | 7.5%             | 19,260         | 4.6%             |
| Angola     | 36,142         | 11.4%            | 95,954         | 14.9%            | 42,382         | 10.2%            |
| Algeria    | 61,878         | 19.6%            | 272,899        | 42.5%            | 234,093        | 56.3%            |
| Brazil     | 32,156         | 10.2%            | 81,802         | 12.7%            | 64,610         | 15.5%            |
| Spain      | 2,991          | 0.9%             | 31,275         | 4.9%             | 3,507          | 0.8%             |
| Mozambique | 100,614        | 31.8%            | 87,446         | 13.6%            | 13,661         | 3.3%             |
| Venezuela  | 42,158         | 13.3%            | 19,491         | 3.0%             | 38,381         | 9.2%             |
| Other      | 506            | 0.2%             | 5,454          | 0.8%             | -              | 0.0%             |
|            | <b>316,017</b> | <b>100.0%</b>    | <b>642,819</b> | <b>100.0%</b>    | <b>415,894</b> | <b>100.0%</b>    |

(Values in thousand euros)

For the fourth quarter of 2015 an increase of activity is predicted to occur in various relevant countries of Teixeira Duarte's Group action in foreign markets. Hence, Teixeira Duarte maintains its forecast of achieving consolidated operating income of 1,600 million euros for 2015.

Lagoas Park, 27 November 2015

The Board of Directors,

*Pedro Maria Calainho Teixeira Duarte*

*Manuel Maria Calainho de Azevedo Teixeira Duarte*

*Joel Vaz Viana de Lemos*

*Carlos Gomes Baptista*

*Diogo Bebianho Branco de Sá Viana Rebelo*

*Jorge Ricardo de Figueiredo Catarino*



# Consolidated Financial Statements - 3<sup>rd</sup> Quarter **2015**



**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2015 AND 31 DECEMBER 2014**  
**(Values expressed in thousand euros)**

|   | Notes    | 30-09-2015<br>(Unaudited) | 31-12-2014<br>(Unaudited) |
|---|----------|---------------------------|---------------------------|
| <b>Non-current assets:</b>                              |          |                           |                           |
| Goodwill  |          | 29,754                    | 29,734                    |
| Intangible assets                                       |          | 32,235                    | 31,094                    |
| Tangible fixed assets                                   | 13       | 638,047                   | 668,117                   |
| Investment properties                                   | 14       | 501,210                   | 482,185                   |
| Investments in associates and joint ventures            | 7 and 15 | 12,471                    | 40,592                    |
| Financial assets available for sale                     | 7 and 16 | 45,860                    | 59,887                    |
| Other investments                                       |          | 51,791                    | 17,583                    |
| Deferred tax assets                                     | 18       | 206,447                   | 171,219                   |
| Customers   |          | 50,583                    | 55,225                    |
| Other receivables                                       |          | 308                       | 125                       |
| Other non-current assets                                |          | 1,151                     | 1,303                     |
| <b>Total non-current assets</b>                         |          | <b>1,569,857</b>          | <b>1,557,064</b>          |
| <b>Current assets:</b>                                  |          |                           |                           |
| Inventories   |          | 277,292                   | 355,871                   |
| Customers   |          | 436,549                   | 450,078                   |
| Other receivables                                       |          | 58,193                    | 74,540                    |
| Cash and cash equivalents                               | 20       | 163,925                   | 191,477                   |
| Other investments                                       |          | 4,606                     | 3,889                     |
| Other current assets                                    |          | 286,417                   | 320,679                   |
|   |          | <b>1,226,982</b>          | <b>1,396,534</b>          |
| Assets held for sale                                    | 17       | 22,572                    | 409                       |
| <b>Total current assets</b>                             |          | <b>1,249,554</b>          | <b>1,396,943</b>          |
| <b>TOTAL ASSETS</b>                                     | <b>7</b> | <b>2,819,411</b>          | <b>2,954,007</b>          |
| <b>Equity:</b>  |          |                           |                           |
| Capital   | 21       | 210,000                   | 210,000                   |
| Adjustment of holdings in associates and joint ventures |          | 7,544                     | 9,670                     |
| Currency conversion adjustments                         |          | 45,776                    | 55,546                    |
| Reserves and retained earnings                          | 22       | 178,318                   | 112,190                   |
| Consolidated net income                                 |          | 17,033                    | 70,281                    |
| <b>Equity attributable to shareholders</b>              |          | <b>458,671</b>            | <b>457,687</b>            |
| Non-controlling interests                               |          | 20,948                    | 27,058                    |
| <b>TOTAL EQUITY</b>                                     |          | <b>479,619</b>            | <b>484,745</b>            |
| <b>Non-current liabilities:</b>                         |          |                           |                           |
| Loans   | 23       | 699,587                   | 761,515                   |
| Provisions  |          | 43,129                    | 62,095                    |
| Financial leases  |          | 160,760                   | 171,376                   |
| Deferred tax liabilities                                | 18       | 61,260                    | 56,080                    |
| Other payables  |          | -                         | 455                       |
| Other non-current liabilities                           |          | 40,396                    | 110,002                   |
| <b>Total non-current liabilities</b>                    |          | <b>1,005,132</b>          | <b>1,161,523</b>          |
| <b>Current liabilities:</b>                             |          |                           |                           |
| Loans   | 23       | 717,350                   | 723,345                   |
| Suppliers   |          | 169,017                   | 187,388                   |
| Financial leases  |          | 18,994                    | 20,144                    |
| Other payables  |          | 43,915                    | 52,978                    |
| Other current liabilities                               |          | 385,384                   | 323,884                   |
| <b>Total current liabilities</b>                        |          | <b>1,334,660</b>          | <b>1,307,739</b>          |
| <b>TOTAL LIABILITIES</b>                                | <b>7</b> | <b>2,339,792</b>          | <b>2,469,262</b>          |
| <b>TOTAL LIABILITIES AND EQUITY</b>                     |          | <b>2,819,411</b>          | <b>2,954,007</b>          |

The notes are an integral part of the consolidated statement of financial position as at 30 September 2015.

**CONSOLIDATED INCOME STATEMENTS**  
**FOR THE PERIODS ENDED ON 30 SEPTEMBER 2015 AND 2014**  
**(Unaudited)**  
**(Values expressed in thousand euros)**

|   | Notes     | 3rd Q 15         | 3rd Q 14           | Jul-Sep 15       | Jul-Sep 14       |
|---|-----------|------------------|--------------------|------------------|------------------|
| Operating income:   |           |                  |                    |                  |                  |
| Sales and services rendered   | 7 and 8   | 1,005,362        | 1,174,578          | 320,880          | 415,811          |
| Other operating income  | 8         | 33,047           | 13,293             | 15,148           | 5,951            |
| <b>Total operating income</b>   | <b>8</b>  | <b>1,038,409</b> | <b>1,187,871</b>   | <b>336,028</b>   | <b>421,762</b>   |
| Operating costs:  |           |                  |                    |                  |                  |
| Cost of sales   |           | (370,530)        | (449,684)          | (92,583)         | (180,378)        |
| Change in production  |           | (690)            | (2,494)            | 134              | (1,360)          |
| External supplies and services  |           | (291,206)        | (291,858)          | (118,583)        | (72,404)         |
| Staff costs   |           | (215,622)        | (208,489)          | (68,897)         | (72,085)         |
| Amortisation and depreciation   | 7         | (58,473)         | (51,960)           | (19,835)         | (17,828)         |
| Provisions and impairment losses in depreciable and amortisable assets and Goodwill | 7         | 330              | 20,079             | (2,288)          | (6,533)          |
| Other operating costs   |           | (35,109)         | (70,621)           | (13,594)         | (41,983)         |
| <b>Total operating costs</b>  |           | <b>(971,300)</b> | <b>(1,055,027)</b> | <b>(315,646)</b> | <b>(392,571)</b> |
| <b>Net operating income</b>   | <b>7</b>  | <b>67,109</b>    | <b>132,844</b>     | <b>20,382</b>    | <b>29,191</b>    |
| Financial costs and losses  | 7 and 9   | (351,373)        | (129,852)          | (87,253)         | (45,002)         |
| Financial income and gains  | 7 and 9   | 282,583          | 76,759             | 52,270           | 40,487           |
| Earnings from investment activities:  |           |                  |                    |                  |                  |
| Earnings from associates and joint ventures   | 7 and 9   | 5,703            | (6,661)            | 1,340            | 295              |
| Other   | 7 and 9   | (2,733)          | 22,930             | (14,103)         | 22,398           |
| <b>Financial results</b>  |           | <b>(65,820)</b>  | <b>(36,824)</b>    | <b>(47,746)</b>  | <b>18,178</b>    |
| <b>Earnings before tax</b>  | <b>7</b>  | <b>1,289</b>     | <b>96,020</b>      | <b>(27,364)</b>  | <b>47,369</b>    |
| Income tax  | 10        | 16,007           | (24,504)           | 21,312           | (16,995)         |
| <b>Consolidated net income for the period</b>                                       |           | <b>17,296</b>    | <b>71,516</b>      | <b>(6,052)</b>   | <b>30,374</b>    |
| <b>Net income attributable to:</b>  |           |                  |                    |                  |                  |
| <b>Shareholders</b>   | <b>11</b> | <b>17,033</b>    | <b>71,440</b>      | <b>(7,214)</b>   | <b>28,931</b>    |
| Non-controlling interests   |           | 263              | 76                 | 1,162            | 1,443            |
| <b>Earnings per share:</b>  |           |                  |                    |                  |                  |
| Basic (euros)   | 11        | 0.04             | 0.17               | (0.02)           | 0.07             |
| Diluted (euros)   | 11        | 0.04             | 0.17               | (0.02)           | 0.07             |

The notes are an integral part of the consolidated income statement for the period ended on 30 September 2015.

**CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIODS ENDED ON 30 SEPTEMBER 2015 AND 2014**  
**(Unaudited)**  
**(Values expressed in thousand euros)**

|  | Notes | 3rd Q 15        | 3rd Q 14       | Jul-Sep 15      | Jul-Sep 14     |
|--|-------|-----------------|----------------|-----------------|----------------|
| <b>Consolidated net income for the period</b>                                    |       | <b>17,296</b>   | <b>71,516</b>  | <b>(6,052)</b>  | <b>30,374</b>  |
| <b>Income and costs that will not be subsequently reclassified to net income</b> |       |                 |                |                 |                |
| Other changes in equity  |       | (2,481)         | (3,886)        | (626)           | (5,866)        |
|  |       | <b>(2,481)</b>  | <b>(3,886)</b> | <b>(626)</b>    | <b>(5,866)</b> |
| <b>Income and costs that may be subsequently reclassified to net income</b>      |       |                 |                |                 |                |
| Fair value of financial assets available for sale                                | 16    | (153)           | (15,865)       | (8,097)         | (23,443)       |
| Currency conversion adjustments  |       | (13,382)        | 55,091         | (33,404)        | 29,987         |
| Adjustment of holdings in associates and joint ventures                          | 15    | (2,126)         | 3,142          | (168)           | 768            |
| Derivative financial instruments used for hedging                                |       | 1,390           | (3,505)        | (470)           | (1,072)        |
|  |       | <b>(14,271)</b> | <b>38,863</b>  | <b>(42,139)</b> | <b>6,240</b>   |
| <b>Net income recognised directly in equity</b>                                  |       | <b>(16,752)</b> | <b>34,977</b>  | <b>(42,765)</b> | <b>374</b>     |
| <b>Comprehensive income for the period</b>                                       |       | <b>544</b>      | <b>106,493</b> | <b>(48,817)</b> | <b>30,748</b>  |
| <b>Comprehensive income attributable to:</b>                                     |       |                 |                |                 |                |
| Shareholders   |       | <b>6,654</b>    | <b>104,733</b> | <b>(48,154)</b> | <b>26,853</b>  |
| Non-controlling interests  |       | (6,110)         | 1,760          | (663)           | 3,895          |

The notes are an integral part of the consolidated comprehensive income statement for the period ended on 30 September 2015.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### FOR THE PERIODS ENDED ON 30 SEPTEMBER 2015 AND 2014

(Values expressed in thousand euros)

|   | Notes | Capital | Adjustment of holdings in associates and joint ventures | Currency conversion adjustments | Reserves and retained earnings |               |                    |                         | Consolidated net income | Total equity attributable to shareholders | Non-controlling interests | Total  |                   |
|---|-------|---------|---|---------------------------------|--------------------------------|---------------|--------------------|-------------------------|-------------------------|---|---------------------------|--------|-------------------|
|   |       |         |   |                                 | Legal reserve                  | Free reserves | Fair value reserve | Hedge operation reserve |                         |   |                           |        | Retained earnings |
| Balance as at 1 January 2014  |       | 210,000 | 1,669   | (37,085)                        | 10,000                         | 75,378        | 34,074             | (8,305)                 | (24,298)                | 63,974                                    | 325,407                   | 35,321 | 360,728           |
| Comprehensive income for the period:  |       |         |   |                                 |                                |               |                    |                         |                         |   |                           |        |                   |
| Consolidated net income for the period  |       | -       | -   | -                               | -                              | -             | -                  | -                       | -                       | 71,440                                    | 71,440                    | 76     | 71,516            |
| Variation in currency conversion adjustments                                  |       | -       | -   | 52,885                          | -                              | -             | -                  | -                       | -                       | -   | 52,885                    | 2,206  | 55,091            |
| Variation in fair value and divestment of financial assets available for sale | 16    | -       | -   | -                               | -                              | -             | (15,865)           | -                       | -                       | -   | (15,865)                  | -      | (15,865)          |
| Effect of hedge operations  |       | -       | -   | -                               | -                              | -             | -                  | (3,505)                 | -                       | -   | (3,505)                   | -      | (3,505)           |
| Effect of the application of the equity method                                | 15    | -       | 3,142   | -                               | -                              | -             | -                  | -                       | -                       | -   | 3,142                     | -      | 3,142             |
| Other   |       | -       | -   | -                               | -                              | -             | -                  | -                       | (3,364)                 | -   | (3,364)                   | (522)  | (3,886)           |
| Transactions with shareholders in the period:                                 |       |         |   |                                 |                                |               |                    |                         |                         |   |                           |        |                   |
| Appropriation of the consolidated net income for 2013:                        |       | -       | -   | -                               | -                              | -             | -                  | -                       | -                       | -   | -                         | -      | -                 |
| Transfer to legal and free reserves   |       | -       | -   | -                               | 11,000                         | 46,674        | -                  | -                       | -                       | (57,674)                                  | -                         | -      | -                 |
| Dividends distributed   | 12    | -       | -   | -                               | -                              | -             | -                  | -                       | -                       | (6,300)                                   | (6,300)                   | -      | (6,300)           |
| Balance as at 30 September 2014 (Unaudited)                                   |       | 210,000 | 4,811   | 15,800                          | 21,000                         | 122,052       | 18,209             | (11,810)                | (27,662)                | 71,440                                    | 423,840                   | 37,081 | 460,921           |

|   | Notes | Capital | Adjustment of holdings in associates and joint ventures | Currency conversion adjustments | Reserves and retained earnings |               |                    |                         | Consolidated net income | Total equity attributable to shareholders | Non-controlling interests | Total   |                   |
|---|-------|---------|---|---------------------------------|--------------------------------|---------------|--------------------|-------------------------|-------------------------|---|---------------------------|---------|-------------------|
|   |       |         |   |                                 | Legal reserve                  | Free reserves | Fair value reserve | Hedge operation reserve |                         |   |                           |         | Retained earnings |
| Balance as at 1 January 2015  |       | 210,000 | 9,670   | 55,546                          | 21,000                         | 122,052       | 4,035              | (13,466)                | (21,431)                | 70,281                                    | 457,687                   | 27,058  | 484,745           |
| Comprehensive income for the period:  |       |         |   |                                 |                                |               |                    |                         |                         |   |                           |         |                   |
| Consolidated net income for the period  |       | -       | -   | -                               | -                              | -             | -                  | -                       | -                       | 17,033                                    | 17,033                    | 263     | 17,296            |
| Variation in currency conversion adjustments                                  |       | -       | -   | (9,770)                         | -                              | -             | -                  | -                       | -                       | -   | (9,770)                   | (3,612) | (13,382)          |
| Variation in fair value and divestment of financial assets available for sale | 16    | -       | -   | -                               | -                              | -             | (153)              | -                       | -                       | -   | (153)                     | -       | (153)             |
| Effect of hedge operations  |       | -       | -   | -                               | -                              | -             | -                  | 1,390                   | -                       | -   | 1,390                     | -       | 1,390             |
| Effect of the application of the equity method                                | 15    | -       | (2,126)   | -                               | -                              | -             | -                  | -                       | -                       | -   | (2,126)                   | -       | (2,126)           |
| Other   |       | -       | -   | -                               | -                              | -             | -                  | -                       | 280                     | -   | 280                       | (2,761) | (2,481)           |
| Transactions with shareholders in the period:                                 |       |         |   |                                 |                                |               |                    |                         |                         |   |                           |         |                   |
| Appropriation of the consolidated net income for 2014:                        |       | -       | -   | -                               | -                              | -             | -                  | -                       | -                       | -   | -                         | -       | -                 |
| Transfer to legal and free reserves   |       | -       | -   | -                               | 10,500                         | 54,111        | -                  | -                       | -                       | (64,611)                                  | -                         | -       | -                 |
| Dividends distributed   | 12    | -       | -   | -                               | -                              | -             | -                  | -                       | -                       | (5,670)                                   | (5,670)                   | -       | (5,670)           |
| Balance as at 30 September 2015 (Unaudited)                                   |       | 210,000 | 7,544   | 45,776                          | 31,500                         | 176,163       | 3,882              | (12,076)                | (21,151)                | 17,033                                    | 458,671                   | 20,948  | 479,619           |

The notes are an integral part of the consolidated statement of changes in equity for the period ended on 30 September 2015.



**CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE PERIODS ENDED ON 30 SEPTEMBER 2015 AND 2014**  
**(Unaudited)**  
**(Values expressed in thousand euros)**

|   | Notes     | 3rd Q 15           | 3rd Q 14           | Jul-Sep 15       | Jul-Sep 14       |
|---|-----------|--------------------|--------------------|------------------|------------------|
| <b>OPERATING ACTIVITIES:</b>                                    |           |                    |                    |                  |                  |
| Revenue from customers  |           | 1,032,373          | 1,145,626          | 208,775          | 457,710          |
| Payments to suppliers   |           | (591,930)          | (778,650)          | (107,451)        | (298,479)        |
| Staff payments  |           | (212,887)          | (207,838)          | (71,010)         | (71,903)         |
| <b>Cash flow generated by operations</b>                        |           | <b>227,556</b>     | <b>159,138</b>     | <b>30,314</b>    | <b>87,328</b>    |
| Income tax payment/revenue                                      |           | (25,365)           | (32,820)           | (7,322)          | (7,087)          |
| Other revenue/payments relative to operating activity           |           | (25,941)           | (85,691)           | 4,771            | (45,163)         |
| <b>Cash flow from operating activities (1)</b>                  |           | <b>176,250</b>     | <b>40,627</b>      | <b>27,763</b>    | <b>35,078</b>    |
| <b>INVESTMENT ACTIVITIES:</b>                                   |           |                    |                    |                  |                  |
| <b>Revenue derived from:</b>                                    |           |                    |                    |                  |                  |
| Financial investments   | 20        | 45,392             | 51,760             | 8,460            | 33,339           |
| Tangible fixed assets and investment properties                 |           | 6,906              | 5,396              | 3,116            | 3,114            |
| Interest and similar income                                     |           | 10,768             | 9,064              | 4,078            | 3,226            |
| Dividends   | 20        | 864                | 772                | 214              | 207              |
|   |           | <b>63,930</b>      | <b>66,992</b>      | <b>15,868</b>    | <b>39,886</b>    |
| <b>Payments relative to:</b>                                    |           |                    |                    |                  |                  |
| Financial investments   | 20        | (24,064)           | (53,100)           | (11,558)         | (32,128)         |
| Tangible fixed assets and investment properties                 |           | (52,713)           | (89,021)           | (20,129)         | (19,588)         |
| Intangible assets   |           | (859)              | (6,919)            | (133)            | (812)            |
|   |           | <b>(77,636)</b>    | <b>(149,040)</b>   | <b>(31,820)</b>  | <b>(52,528)</b>  |
| <b>Cash flow from investment activities (2)</b>                 |           | <b>(13,706)</b>    | <b>(82,048)</b>    | <b>(15,952)</b>  | <b>(12,642)</b>  |
| <b>FINANCING ACTIVITIES:</b>                                    |           |                    |                    |                  |                  |
| <b>Revenue derived from:</b>                                    |           |                    |                    |                  |                  |
| Loans raised  |           | <b>1,104,030</b>   | <b>1,348,070</b>   | <b>366,805</b>   | <b>485,424</b>   |
| <b>Payments relative to:</b>                                    |           |                    |                    |                  |                  |
| Loans raised  |           | (1,171,953)        | (1,197,115)        | (386,679)        | (451,202)        |
| Interest and similar costs                                      |           | (68,447)           | (76,136)           | (19,412)         | (29,057)         |
| Dividends   | 12        | (5,670)            | (6,300)            | -                | -                |
|   |           | <b>(1,246,070)</b> | <b>(1,279,551)</b> | <b>(406,091)</b> | <b>(480,259)</b> |
| <b>Cash flow from financing activities (3)</b>                  |           | <b>(142,040)</b>   | <b>68,519</b>      | <b>(39,286)</b>  | <b>5,165</b>     |
| <b>Variation in cash and cash equivalents (4)=(1)+(2)+(3)</b>   |           | <b>20,504</b>      | <b>27,098</b>      | <b>(27,475)</b>  | <b>27,601</b>    |
| <b>Effect of currency conversion differences</b>                |           | <b>(46,623)</b>    | <b>6,933</b>       | <b>(9,886)</b>   | <b>8,259</b>     |
| <b>Cash and cash equivalents - perimeter change (Note 5)</b>    |           | <b>(1,433)</b>     | <b>414</b>         | <b>(2)</b>       | <b>-</b>         |
| <b>Cash and cash equivalents at the beginning of the period</b> | <b>20</b> | <b>191,477</b>     | <b>186,441</b>     | <b>201,288</b>   | <b>185,026</b>   |
| <b>Cash and cash equivalents at the end of the period</b>       | <b>20</b> | <b>163,925</b>     | <b>220,886</b>     | <b>163,925</b>   | <b>220,886</b>   |

The notes are an integral part of the cash flow statement of the period ended on 30 September 2015.



## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015** **(Unaudited)**

### **1 - INTRODUCTION**

"Teixeira Duarte, S.A." (Company or "TD, S.A.") with head office in Porto Salvo, was incorporated on 30 November 2009, with share capital of 210,000,000 euros, represented by 420,000,000 shares with nominal value of 0.50 euros each (Note 21), and its core business being the implementation and management of investments, the coordination and supervision of other companies integrated in or related to its business Group.

Teixeira Duarte's business group (Group) is composed by the companies in which it holds stakes, indicated in Note 4. The Group's core business is: Construction; Concessions and Services; Real Estate; Hotel Services; Distribution; Energy and Automotive (Note 7).

The values indicated herein are expressed in thousands of euros.

### **2 - BASIS OF PRESENTATION**

The consolidated financial statements as at 30 September 2015 were prepared using the accounting policies consistent with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union, effective for periods beginning on the 1<sup>st</sup> January 2015 and in conformity with IAS 34 - Interim Financial Reporting.

### **3 - ALTERATIONS OF POLICIES, ESTIMATES AND ERRORS**

The adopted accounting policies are consistent with those followed for the preparation of the financial statements for the financial year ended on 31<sup>st</sup> December 2014, described in the respective notes, except with regard to the adoption of the standards and interpretations whose enforcement date corresponds to financial years started on or after the 1<sup>st</sup> January 2015.



#### 4 - COMPANIES INCLUDED IN THE CONSOLIDATION PERIMETER

As at 30 September 2015, TEIXEIRA DUARTE, S.A. and the following controlled companies were included in the consolidation, by the full method:

| Corporate name   | Head office   | Effective percentage holding |
|--|---|------------------------------|
| <b><u>INTERNAL MARKET</u></b>  |   |                              |
| <b>CONSTRUCTION</b>  |   |                              |
| CONSTRUSALAMONDE, ACE  | Edifício 2, Lagoas Park<br>Porto Salvo  | 92.50%                       |
| EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A.                        | Edifício 1, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| OFM - Obras Fluviais e Marítimas, S.A.                                       | Edifício 1, Lagoas Park<br>Porto Salvo  | 60.00%                       |
| SOMAFEL - Engenharia e Obras Ferroviárias, S.A.                              | Edifício 1, Lagoas Park<br>Porto Salvo  | 60.00%                       |
| TEIXEIRA DUARTE – Engenharia e Construções, S.A.                             | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| <b>CONCESSIONS AND SERVICES</b>  |   |                              |
| RECOLTE, Serviços e Meio Ambiente (Porto), S.A.                              | Praça do Bom Sucesso, nº 61 - Escritórios 501 e 502<br>Porto                        | 100.00%                      |
| MARINERTES, S.A.   | Rotunda Eng <sup>o</sup> Edgar Cardoso, nº 23 – 8 <sup>o</sup><br>Vila Nova de Gaia | 51.00%                       |
| RECOLTE, Serviços e Meio Ambiente, S.A.                                      | Edifício 1, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| SATU-Oeiras - Sistema Automático de Transporte Urbano, E.M., S.A. (a)        | Edifício Paço de Arcos, E.N. 249/3<br>Paço de Arcos                                 | 49.00%                       |
| TDGI - Tecnologia de Gestão de Imóveis, S.A.                                 | Edifício 1, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| TDHOSP - Gestão de Edifício Hospitalar, S.A.                                 | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| <b>REAL ESTATE</b>   |   |                              |
| BONAPARTE - Imóveis Comerciais e Participações, S.A.                         | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| Fundo de Investimento Imobiliário Fechado TDF                                | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| IMOPEDROUÇOS - Sociedade Imobiliária, S.A.                                   | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| IMOTD – Sociedade Gestora de Participações Sociais, S.A.                     | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| QUINTA DE CRAVEL - Imobiliária, S.A.   | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| TDE - Empreendimentos Imobiliários, S.A.                                     | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| TD VIA - Sociedade Imobiliária, S.A.   | Edifício 2, Lagoas Park<br>Porto Salvo  | 93,75%                       |
| TDF - Sociedade Gestora de Fundos de Investimento Imobiliário, S.A.          | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| TRANSBRITAL - Britas e Empreendimentos Imobiliários, S.A.                    | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |
| V8 - Gestão Imobiliária, S.A.  | Edifício 2, Lagoas Park<br>Porto Salvo  | 100.00%                      |

| Corporate name  | Head office                                   | Effective percentage holding |
|---|---|------------------------------|
| <b>HOTEL SERVICES</b>   |   |                              |
| ESTA - Gestão de Hotéis, S.A.   | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| EVA - Sociedade Hoteleira, S.A.   | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| GO CORP TRAVEL SOLUTIONS – Agência de Viagens, S.A.                             | Rua Comunidade Lusíada, nº 2, Letra C<br>Faro | 100.00%                      |
| LAGOASFUT - Equipamento Recreativo e Desportivo, S.A.                           | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| LAGOAS HOTEL, S.A.  | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| ROCHORIENTAL - Sociedade Hoteleira, S.A.  | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| SINERAMA - Organizações Turísticas e Hoteleiras, S.A.                           | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| TDH - Sociedade Gestora de Participações Sociais, S.A.                          | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| TDHC - Instalações para Desporto e Saúde, S.A.                                  | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| <b>DISTRIBUTION</b>   |   |                              |
| BONAPAPEL - Artigos de Papelaria e Equipamentos Informáticos - Unipessoal, Lda. | Edifício 2, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| TEIXEIRA DUARTE - DISTRIBUIÇÃO S.A.   | Edifício 1, Lagoas Park<br>Porto Salvo        | 100.00%                      |
| <b>ENERGY</b>   |   |                              |
| ACG - Distribuição e Comércio de Gás, S.A. (b)                                  | Rua das Lagoas - Campo Raso<br>Sintra         | 50.00%                       |
| DIGAL - Distribuição e Comércio, S.A. (b)                                       | Rua das Lagoas - Campo Raso<br>Sintra         | 50.00%                       |
| MULTIGÁS - Sociedade Comercial e Distribuidora de Gás, S.A. (b)                 | Rua das Lagoas - Campo Raso<br>Sintra         | 50.00%                       |
| PPS - Produtos Petrolíferos, S.A. (b)   | Edifício 1, Lagoas Park<br>Porto Salvo        | 50.00%                       |
| TANQUIGÁS - Distribuição e Comércio de Gás, S.A. (b)                            | Rua das Lagoas - Campo Raso<br>Sintra         | 50.00%                       |
| TDARCOL - Sociedade Gestora de Participações Sociais, S.A. (c)                  | Edifício 1, Lagoas Park<br>Porto Salvo        | 50.00%                       |
| <b>AUTOMOTIVE</b>   |   |                              |
| TDO - Investimento e Gestão, S.A.   | Rua das Pretas, 4 - Fracção 4 D<br>Funchal    | 100.00%                      |

| Corporate name  | Head office  | Effective percentage holding |
|---|--|------------------------------|
| <b>OTHER</b>  |  |                              |
| C + P.A. - Cimento e Produtos Associados, S.A.            | Edifício 1, Lagoas Park<br>Porto Salvo                     | 100.00%                      |
| TDO - Sociedade Gestora de Participações Sociais, S.A.    | Rua das Pretas, 4 - Fracção 4 D<br>Funchal                 | 100.00%                      |
| TEDAL - Sociedade Gestora de Participações Sociais, S.A.  | Edifício 2, Lagoas Park<br>Porto Salvo                     | 100.00%                      |
| <b><u>EXTERNAL MARKET</u></b>                             |  |                              |
| <b><u>SOUTH AFRICA</u></b>                                |  |                              |
| <b>DISTRIBUTION</b>                                       |  |                              |
| Global Net Distributors (Pty) Ltd.                        | 10 Ninth Avenue<br>Northmead, Gauteng 1501<br>South Africa | 100.00%                      |
| <b><u>ANGOLA</u></b>                                      |  |                              |
| <b>CONSTRUCTION</b>                                       |  |                              |
| BETANGOLA - Betões e Pré-Fabricados de Angola, Lda.       | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |
| <b>CONCESSIONS AND SERVICES</b>                           |  |                              |
| EDUCARE - Actividades Educativas e Culturais, Lda.        | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |
| TDGI - Tecnologia de Gestão de Imóveis, Lda.              | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |
| <b>REAL ESTATE</b>  |  |                              |
| AFRIMO - Empreendimentos Imobiliários, Lda.               | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 51.00%                       |
| ANGOPREDIAL - Empreendimentos Imobiliários, Lda.          | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |
| IMOAFRO - Empreendimentos Imobiliários, Lda.              | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |
| TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda. | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |
| <b>HOTEL SERVICES</b>                                     |  |                              |
| ALVALADE - Empreendimentos Turísticos e Hoteleiros, Lda.  | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |
| ANGOIMO - Empreendimentos e Construções, Lda.             | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |
| HOTEL TRÓPICO, S.A.                                       | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 80.00%                       |
| HOTEL BAÍA, Lda.  | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                 | 100.00%                      |

| Corporate name                                     | Head office   | Effective percentage holding |
|--|---|------------------------------|
| <b>DISTRIBUTION</b>                                |   |                              |
| CND – Companhia Nacional de Distribuição, Lda.     | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                                | 100.00%                      |
| DCG – Distribuição e Comércio Geral, Lda.          | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                                | 100.00%                      |
| OCC – Operador Central de Comércio, Lda.           | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                                | 80.00%                       |
| <b>AUTOMOTIVE</b>                                  |   |                              |
| AUTO COMPETIÇÃO Angola, Lda.                       | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                                | 100.00%                      |
| AUTO 8, Lda.                                       | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                                | 100.00%                      |
| COMÉRCIO DE AUTOMÓVEIS, Lda.                       | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                                | 100.00%                      |
| TDA - Comércio e Indústria, Lda.                   | Alameda Manuel Van-Dúnem, nº 318<br>Luanda                                | 100.00%                      |
| VAUCO - Automóveis e Equipamentos, Lda.            | Rua Ho Chi Min, Junto ao largo da Independência<br>Luanda                 | 51.00%                       |
| <b><u>ALGERIA</u></b>                              |   |                              |
| <b>CONSTRUCTION</b>                                |   |                              |
| TEIXEIRA DUARTE ALGERIE, SPA<br>Algiers            | 8 Roeute Ben Aknoun, El Biar  | 99.94%                       |
| <b><u>BELGIUM</u></b>                              |   |                              |
| <b>CONCESSIONS AND SERVICES</b>                    |   |                              |
| TDGI   | Avenue Jean-Monnet, 1 À 1348<br>Louvain-La-Neuve                          | 100.00%                      |
| <b><u>BRAZIL</u></b>                               |   |                              |
| <b>CONSTRUCTION</b>                                |   |                              |
| EMPA, S.A. - Serviços de Engenharia                | Rua Major Lopes, 800<br>Bairro São Pedro - Belo Horizonte                 | 100.00%                      |
| SOMAFEL – Obras Ferroviárias e<br>Marítimas, Ltda. | Rua Major Lopes, 800 – sala 306<br>Bairro São Pedro – Belo Horizonte      | 60.00%                       |
| <b>CONCESSIONS AND SERVICES</b>                    |   |                              |
| GONGOJI Montante Energia, S.A.                     | Rua Major Lopes, 800 – 3º - sala 310<br>Bairro São Pedro - Belo Horizonte | 100.00%                      |
| PAREDÃO de Minas Energia, S.A.                     | Rua Major Lopes, 800 – 3º - sala 306<br>Bairro São Pedro - Belo Horizonte | 100.00%                      |
| TABOQUINHA Energia, S.A.                           | Rua Major Lopes, 800 – 3º - sala 308<br>Bairro São Pedro - Belo Horizonte | 100.00%                      |



| Corporate name   | Head office   | Effective percentage holding |
|--|---|------------------------------|
| <b>REAL ESTATE</b>   |   |                              |
| TDPG - Empreendimentos Imobiliários e Hoteleiros, Ltda.          | Avenida Domingos Ferreira nº 4060, sala 301<br>Boa Viagem - Cidade de Recife      | 100.00%                      |
| TDSP - Participações, Ltda.                                      | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 01<br>Itaim Bibi - São Paulo   | 100.00%                      |
| TDSP - Elisa de Moraes Empreendimentos Imobiliários SPE, Ltda.   | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 02<br>Itaim Bibi - São Paulo   | 90.00%                       |
| TDSP - Bela Vista - Empreendimentos Imobiliários, Ltda.          | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 15<br>Itaim Bibi - São Paulo   | 92.65%                       |
| TDSP - Galeno de Castro Empreendimentos Imobiliários SPE, Ltda.  | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 03<br>Itaim Bibi - São Paulo   | 92.65%                       |
| TDSP - Maratona Empreendimentos Imobiliários SPE, Ltda.          | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 10<br>Itaim Bibi - São Paulo   | 92.65%                       |
| TDSP - Direitos Humanos Empreendimentos Imobiliários SPE, Ltda.  | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 12<br>Itaim Bibi - São Paulo   | 92.65%                       |
| TDSP - Alta Vista I Empreendimentos Imobiliários SPE, Ltda.      | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 05<br>Itaim Bibi - São Paulo   | 92.65%                       |
| TDSP - Verum Mooça Empreendimentos Imobiliários SPE, Ltda.       | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 06<br>Itaim Bibi - São Paulo   | 100.00%                      |
| TDSP - Gilberto Sabino Empreendimentos Imobiliários, Ltda.       | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 07<br>Itaim Bibi - São Paulo   | 100.00%                      |
| TDSP - Alta Vista II Empreendimentos Imobiliários SPE, Ltda.     | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 08<br>Itaim Bibi - São Paulo   | 92.65%                       |
| TDSP - Gualaxos Empreendimentos Imobiliários SPE, Ltda.          | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 09<br>Itaim Bibi - São Paulo   | 100.00%                      |
| TDSP - Alta Vista III Empreendimentos Imobiliários SPE, Ltda.    | Rua Iguatemi, nº 448, 6º andar, Conjunto 602<br>Itaim Bibi - São Paulo            | 92.65%                       |
| TDSP - Zanzibar Empreendimentos Imobiliários SPE, Ltda.          | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 18<br>Itaim Bibi - São Paulo   | 92.50%                       |
| TDSP - Dionísio da Costa Empreendimentos Imobiliários SPE, Ltda. | Rua Iguatemi, nº 448, 6º andar, Conjunto 602<br>Itaim Bibi - São Paulo            | 92.50%                       |
| TDSP - Baceunas Empreendimentos Imobiliários SPE, Ltda.          | Rua Iguatemi, nº 448, 6º andar, Conjunto 602<br>Itaim Bibi - São Paulo            | 100.00%                      |
| TDSP - Maria de Jesus Empreendimentos Imobiliários SPE, Ltda.    | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 04<br>Itaim Bibi - São Paulo   | 95.00%                       |
| TDSP - Volta Redonda Empreendimentos Imobiliários SPE, Ltda.     | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 13<br>Itaim Bibi - São Paulo   | 95.00%                       |
| TDSP - Nilo Empreendimentos Imobiliários, Ltda.                  | Rua Iguatemi, nº 448, 14º andar, Conjunto 1401, sala 14<br>Itaim Bibi - São Paulo | 100.00%                      |
| TDSP - Alta Vista IV Empreendimentos Imobiliários SPE, Ltda.     | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 15<br>Itaim Bibi - São Paulo   | 92.65%                       |
| TDSP - 16 Empreendimentos Imobiliários SPE, Ltda.                | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 16<br>Itaim Bibi - São Paulo   | 100.00%                      |
| TDSP - 17 Empreendimentos Imobiliários SPE, Ltda.                | Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 17<br>Itaim Bibi - São Paulo   | 100.00%                      |
| <b>DISTRIBUTION</b>  |   |                              |
| TDD - Distribuição, Ltda.  | Rua Iguatemi, nº 448, 6º andar, Conjunto 602<br>Itaim Bibi - São Paulo            | 100.00%                      |
| <b>CYPRUS</b>  |   |                              |
| <b>OTHER</b>   |   |                              |
| LEVENEL, Limited   | Irakli, Egkomi, 2413<br>Nicosia   | 100.00%                      |

| Corporate name   | Head office   | Effective percentage holding |
|--|---|------------------------------|
| <b><u>SPAIN</u></b>  |   |                              |
| <b>CONSTRUCTION</b>  |   |                              |
| UTE DE VIANA   | Av. Alberto Alcocer, 24 - 7º<br>Madrid  | 100.00%                      |
| <b>CONCESSIONS AND SERVICES</b>                                    |   |                              |
| RECOLTE, Servicios Y Medioambiente, S.A.<br>Sociedade Unipersonal. | Av. Alberto Alcocer, 24 - 7º<br>Madrid  | 100.00%                      |
| VALYGERSA, S.L.  | Av. Alberto Alcocer, 24 - 7º<br>Madrid  | 100.00%                      |
| <b><u>UNITES STATES OF AMERICA</u></b>                             |   |                              |
| <b>REAL ESTATE</b>   |   |                              |
| TDRE INVESTMENTS, LLC.   | 4900 Woodway Drive, Suite 1110, Houston<br>Texas 77056                              | 100.00%                      |
| <b><u>GIBRALTAR</u></b>  |   |                              |
| <b>CONSTRUCTION</b>  |   |                              |
| Teixeira Duarte International, LTD.                                | 23, Portland House - Glacis Road<br>Gibraltar                                       | 100.00%                      |
| <b><u>MACAU</u></b>  |   |                              |
| <b>CONSTRUCTION</b>  |   |                              |
| TEIXEIRA DUARTE - Engenharia e Construções<br>(Macau), Lda.        | Av. Dr. Mário Soares, nº 25 – Edifício Montepio<br>Apr. 26 e 28 – 3º andar<br>Macau | 100.00%                      |
| <b><u>MOZAMBIQUE</u></b>   |   |                              |
| <b>CONSTRUCTION</b>  |   |                              |
| TEIXEIRA DUARTE - Engenharia e Construções<br>(Moçambique), Lda.   | Av. Július Nyerere, nº 130<br>Maputo  | 74.46%                       |
| <b>CONCESSIONS AND SERVICES</b>                                    |   |                              |
| TDGI - Tecnologia de Gestão de Imóveis, Lda.                       | Av. Július Nyerere, nº 130<br>Maputo  | 69.55%                       |
| <b>REAL ESTATE</b>   |   |                              |
| IMOPAR - Centro Comercial de Maputo, S.A.                          | Av. Július Nyerere, nº 130<br>Maputo  | 100.00%                      |

| Corporate name  | Head office  | Effective percentage holding |
|---|--|------------------------------|
| <b>HOTEL SERVICES</b>                                   |  |                              |
| AVENIDA - Empreendimentos Turísticos e Hoteleiros, Lda. | Av. Július Nyerere, nº 627<br>Maputo   | 100.00%                      |
| Sociedade Hotel Tivoli, Lda.                            | Av. 25 de Setembro, 1321<br>Maputo   | 65.00%                       |
| TIVOLI BEIRA - Hotelaria e Serviços, Lda.               | Av. Július Nyerere, nº 130<br>Maputo   | 100.00%                      |
| <b><u>RUSSIA</u></b>                                    |  |                              |
| <b>CONCESSIONS AND SERVICES</b>                         |  |                              |
| MMK Cement, Limited Liability Company                   | Tri Rutchia Murmansk<br>Russia   | 70.00%                       |
| <b><u>VENEZUELA</u></b>                                 |  |                              |
| <b>CONSTRUCTION</b>                                     |  |                              |
| Consorcio Boyacá – La Guaira                            | Av. San Juan Bosco, Edifício Centra Altamira<br>Piso 5, Oficina 54, Urb. Altamira - Caracas<br>Venezuela | 57.20%                       |
| TEGAVEN – Teixeira Duarte y Asociados, C.A.             | Av. Venezuela com Calle Mohedano, Torre JWM<br>Piso 5, Of. 5-2, Urb El Rosal - Caracas<br>Venezuela      | 95.31%                       |

(a) The Group controls these subsidiaries through the subsidiary TEIXEIRA DUARTE - Engenharia e Construções, S.A.

(b) The Group controls these subsidiaries through the subsidiary TDARCOL - SGPS, S.A.

(c) The Group controls these subsidiaries through the subsidiary TEDAL - SGPS, S.A.

## 5 - CHANGES IN THE CONSOLIDATION PERIMETER

During the period ended on 30 September 2015, “PETRIN – Petróleos e Investimentos, S.A.” and “KARIBIB Portland Cement, LTD” both left the consolidation perimeter, relative to the consolidation perimeter as at 31 December 2014.

Their leaving had the following impacts:

|                                  | PETRIN        | KARIBIB     |
|----------------------------------|---------------|-------------|
| Tangible fixed assets (Note 13)  | 8,774         | 701         |
| Intangible assets                | 115           | -           |
| Deferred tax assets (Note 18)    | 33            | (438)       |
| Inventories                      | 1,677         | -           |
| Customers and other receivables  | 4,318         | -           |
| Cash and cash equivalents        | 1,431         | 2           |
| Other current assets             | 183           | 391         |
| Suppliers and other payables     | (6,259)       | (291)       |
| Other current liabilities        | (224)         | (385)       |
| <b>Net Assets</b>                | <b>10,048</b> | <b>(20)</b> |
| <b>Non-controlling interests</b> | <b>191</b>    | <b>(1)</b>  |
| <b>Share in Net Assets</b>       | <b>9,857</b>  | <b>(19)</b> |
| <b>Realisable value</b>          | <b>10,453</b> | <b>-</b>    |
| <b>Value received (Note 20)</b>  | <b>10,153</b> | <b>-</b>    |
| <b>Value receivable</b>          | <b>300</b>    | <b>-</b>    |
| <b>Capital gain (Note 8)</b>     | <b>596</b>    | <b>19</b>   |

## 6 - EXCHANGE RATES

The following exchange rates were used to convert the assets and liabilities expressed in foreign currency as at 30 September 2015 and 31 December 2014, as well as the earnings of operations developed in countries where the functional currency is different from the Euro, for the periods ended on 30 September 2015 and 2014:

| Currency               | Closing exchange rate |            |         | Average exchange rate |            |         |
|------------------------|-----------------------|------------|---------|-----------------------|------------|---------|
|                        | 30/09/2015            | 31/12/2014 | Var     | 30/09/2015            | 30/09/2014 | Var     |
| US Dollar              | 1.1203                | 1.2141     | (7.7%)  | 1.1220                | 1.3517     | (17.0%) |
| Macaense Pataca        | 8.9429                | 9.6995     | (7.8%)  | 8.9599                | 10.7986    | (17.0%) |
| Mozambican Metical     | 44.6400               | 38.5300    | 15.9%   | 40.6990               | 41.2700    | (1.4%)  |
| Venezuelan Bolivar (a) | 223.4107              | 14.5692    | 1433.4% | 138.0259              | 14.8138    | 831.7%  |
| Angolan Kwanza         | 151.6340              | 125.1110   | 21.2%   | 128.4327              | 131.7356   | (2.5%)  |
| Algerian Dinar         | 118.9649              | 106.7437   | 11.4%   | 109.8738              | 107.1210   | 2.6%    |
| Moroccan Dirham        | 10.9095               | 10.9505    | (0.4%)  | 10.8463               | 11.1949    | (3.1%)  |
| Brazilian Real         | 4.4808                | 3.2207     | 39.1%   | 3.5476                | 3.1094     | 14.1%   |
| Ukrainian Hryvnia      | 23.7504               | 19.2052    | 23.7%   | 23.5791               | 15.0813    | 56.3%   |
| Namibian Dollar        | 15.4984               | 14.0353    | 10.4%   | 13.7937               | 14.5102    | (4.9%)  |
| Cape Verdean Escudo    | 110.2650              | 110.2650   | -       | 110.2650              | 110.2650   | -       |
| Russian Rouble         | 73.2416               | 72.3370    | 1.3%    | 67.6327               | 48.0976    | 40.6%   |
| Tunisian Dinar         | 2.2051                | 2.2566     | (2.3%)  | 2.1787                | 2.2383     | (2.7%)  |
| South African Rand     | 15.4984               | 14.0353    | 10.4%   | 13.7937               | 14.5102    | (4.9%)  |
| Columbian Peso         | 3,456.4100            | 2,899.8800 | 19.2%   | 2,965.2350            | 2,633.0710 | 12.6%   |

- (a) – Following the Venezuelan government's elimination of the SICAD II currency conversion regime in February 2015, the Group started to use the SIMADI currency conversion regime for its assets, liabilities and transactions from 1 April 2015 onwards.

## 7 – SEGMENTAL INFORMATION

The Group organises its activity according to the following business segments:

- Construction;
- Concessions and services;
- Real estate;
- Hotel services;
- Distribution;
- Energy;
- Automotive.

The sales and services rendered and the earnings of each of operating segment referred to above, for the periods ended on 30 September 2015 and 2014, were as follows:

| Segment                                      | Sales and services rendered |                 |                  |                  |                 |                  | Net operating income |                |
|--|-----------------------------|-----------------|------------------|------------------|-----------------|------------------|----------------------|----------------|
|  | 3rd Q 15                    |                 |                  | 3rd Q 14         |                 |                  | 3rd Q 15             | 3rd Q 14       |
|  | Customers abroad            | Inter-segmental | Total            | Customers abroad | Inter-segmental | Total            |                      |                |
| Construction                                 | 431,807                     | 50,763          | 482,570          | 556,530          | 66,690          | 623,220          | (18,486)             | 56,016         |
| Concessions and services                     | 80,908                      | 9,348           | 90,256           | 64,296           | 18,511          | 82,807           | 11,902               | 4,044          |
| Real estate                                  | 81,443                      | 11,146          | 92,589           | 82,419           | 8,798           | 91,217           | 39,538               | 35,829         |
| Hotel services                               | 55,367                      | 15,444          | 70,811           | 52,904           | 12,189          | 65,093           | 4,948                | 9,465          |
| Distribution                                 | 203,746                     | 3,692           | 207,438          | 170,689          | 4,560           | 175,249          | 9,123                | 2,250          |
| Energy                                       | 12,811                      | 2               | 12,813           | 49,333           | 1,661           | 50,994           | 832                  | (53)           |
| Automotive                                   | 139,280                     | 4,329           | 143,609          | 198,407          | 8,712           | 207,119          | 24,398               | 35,761         |
| Not allocated to segments                    | -                           | -               | -                | -                | -               | -                | (5,118)              | (10,443)       |
| Elimination                                  | -                           | (94,724)        | (94,724)         | -                | (121,121)       | (121,121)        | (28)                 | (25)           |
|  | <b>1,005,362</b>            | <b>-</b>        | <b>1,005,362</b> | <b>1,174,578</b> | <b>-</b>        | <b>1,174,578</b> | <b>67,109</b>        | <b>132,844</b> |
| Financial costs and losses (Note 9)          |                             |                 |                  |                  |                 |                  | (351,373)            | (129,852)      |
| Financial income and gains (Note 9)          |                             |                 |                  |                  |                 |                  | 282,583              | 76,759         |
| Earnings from investment activities (Note 9) |                             |                 |                  |                  |                 |                  | 2,970                | 16,269         |
| <b>Earnings before tax</b>                   |                             |                 |                  |                  |                 |                  | <b>1,289</b>         | <b>96,020</b>  |

Inter-segmental transactions are carried out under market conditions and terms, equivalent to transactions conducted with third parties.

The accounting policies in the different segments are consistent with the Group's policies.

Other information:

| Segment                   | Fixed capital expenditure |               | Amortisation and depreciation through profit or loss |               | Provisions and impairment losses |                 |
|---------------------------|---------------------------|---------------|--|---------------|----------------------------------|-----------------|
|                           | 3rd Q 15                  | 3rd Q 14      | 3rd Q 15   | 3rd Q 14      | 3rd Q 15                         | 3rd Q 14        |
| Construction              | 22,827                    | 22,901        | 29,038   | 29,211        | (812)                            | (22,670)        |
| Concessions and services  | 2,993                     | 3,402         | 2,816  | 3,199         | (124)                            | 2,595           |
| Real estate               | 10,533                    | 17,201        | 6,166  | 5,411         | 676                              | 1               |
| Hotel services            | 4,801                     | 17,793        | 7,889  | 5,962         | -                                | -               |
| Distribution              | 12,544                    | 25,409        | 8,701  | 5,090         | -                                | -               |
| Energy                    | 1,262                     | 2,298         | 1,877  | 1,264         | (70)                             | -               |
| Automotive                | 1,923                     | 4,264         | 1,960  | 1,818         | -                                | (5)             |
| Not allocated to segments | 33                        | 37            | 26   | 5             | -                                | -               |
|                           | <b>56,916</b>             | <b>93,305</b> | <b>58,473</b>  | <b>51,960</b> | <b>(330)</b>                     | <b>(20,079)</b> |

The assets and liabilities of the segments and their respective reconciliation with the consolidated total, as at 30 September 2015 and 31 December 2014, are as follows:

| Segment                   | Assets   |   |                  |                    |  |   |                  |                    | Liabilities      |                  |
|---------------------------|--|---|------------------|--------------------|--|---|------------------|--------------------|------------------|------------------|
|                           | 30/09/2015   |   |                  |                    | 31/12/2014   |   |                  |                    | 30/09/2015       | 31/12/2014       |
|                           | Investments in associates and joint ventures (Note 15) | Financial assets available for sale (Note 16) | Other assets     | Total              | Investments in associates and joint ventures (Note 15) | Financial assets available for sale (Note 16) | Other assets     | Total              |                  |                  |
| Construction              | 1,402  | -   | 1,894,261        | <b>1,895,663</b>   | 1,176  | -   | 1,916,045        | <b>1,917,221</b>   | 1,333,201        | 1,309,497        |
| Concessions and services  | 521  | 18,793  | 251,582          | <b>270,896</b>     | 528  | 19,007  | 231,952          | <b>251,487</b>     | 211,235          | 171,937          |
| Real estate               | 433  | 19,358  | 1,660,274        | <b>1,680,065</b>   | 643  | 29,236  | 1,647,746        | <b>1,677,625</b>   | 864,927          | 880,493          |
| Hotel services            | -  | -   | 419,788          | <b>419,788</b>     | -  | -   | 389,796          | <b>389,796</b>     | 243,615          | 284,613          |
| Distribution              | -  | -   | 280,658          | <b>280,658</b>     | -  | -   | 276,553          | <b>276,553</b>     | 210,531          | 212,995          |
| Energy                    | -  | -   | 42,224           | <b>42,224</b>      | 24   | -   | 68,735           | <b>68,759</b>      | 23,660           | 45,547           |
| Automotive                | 24   | -   | 179,744          | <b>179,768</b>     | -  | -   | 207,658          | <b>207,658</b>     | 114,314          | 126,693          |
| Not allocated to segments | 10,091   | 7,709   | 1,049,020        | <b>1,066,820</b>   | 38,221   | 11,644  | 1,010,024        | <b>1,059,889</b>   | 156,708          | 173,532          |
| Elimination               | -  | -   | (3,016,471)      | <b>(3,016,471)</b> | -  | -   | (2,894,981)      | <b>(2,894,981)</b> | (818,399)        | (736,045)        |
|                           | <b>12,471</b>  | <b>45,860</b>                                 | <b>2,761,080</b> | <b>2,819,411</b>   | <b>40,592</b>  | <b>59,887</b>                                 | <b>2,853,528</b> | <b>2,954,007</b>   | <b>2,339,792</b> | <b>2,469,262</b> |

The sales, services rendered and information on non-current non-monetary assets by geographic segment are broken down as follows for the periods ended on 30 September 2015 and 2014 and as at 30 September 2015 and 31 December 2014, respectively:

| Geographic segment | Sales and services rendered |                  | Non-monetary non-current assets |                  |
|--------------------|-----------------------------|------------------|---------------------------------|------------------|
|                    | 3rd Q 15                    | 3rd Q 14         | 30/09/2015                      | 31/12/2014       |
| Portugal           | 160,094                     | 170,223          | 576,269                         | 586,937          |
| Angola             | 516,526                     | 539,495          | 524,612                         | 493,223          |
| Algeria            | 66,124                      | 45,372           | 18,165                          | 15,438           |
| Brazil             | 109,253                     | 134,478          | 29,779                          | 46,464           |
| Spain              | 32,577                      | 22,673           | 14,018                          | 13,861           |
| Mozambique         | 93,011                      | 46,483           | 35,888                          | 32,368           |
| Venezuela          | 24,183                      | 211,609          | 1,430                           | 21,242           |
| Other              | 3,594                       | 4,245            | 1,085                           | 1,597            |
|                    | <b>1,005,362</b>            | <b>1,174,578</b> | <b>1,201,246</b>                | <b>1,211,130</b> |

Non-current non-monetary assets include goodwill, intangible assets, tangible fixed assets and investment properties.

## 8 - OPERATING INCOME

For the periods ended on 30 September 2015 and 2014, operating income was as follows:

|  | 3rd Q 15         | 3rd Q 14         | Jul-Sep 15     | Jul-Sep 14     |
|--|------------------|------------------|----------------|----------------|
| <b>Sales and services rendered:</b>                  |                  |                  |                |                |
| Sales  | 699,291          | 933,639          | 216,299        | 326,263        |
| Services rendered                                    | 306,071          | 240,939          | 104,581        | 89,548         |
|  | <b>1,005,362</b> | <b>1,174,578</b> | <b>320,880</b> | <b>415,811</b> |
| <b>Other operating income:</b>                       |                  |                  |                |                |
| Own work capitalised (a)                             | 13,727           | 2,297            | 4,573          | 2,003          |
| Divestment of assets (b)                             | 4,495            | 1,581            | 2,336          | 797            |
| Supplementary income                                 | 3,967            | 3,388            | 1,581          | 1,321          |
| Reversal of impairment losses in accounts receivable | 3,672            | 1,225            | 2,882          | 362            |
| Variation in the fair value of investment properties | 2,744            | -                | 2,326          | -              |
| Reversal of inventory impairment losses              | 1,148            | 523              | 142            | 284            |
| Inventory gains                                      | 98               | 818              | 49             | 195            |
| Other operating income                               | 3,196            | 3,461            | 1,259          | 989            |
|  | <b>33,047</b>    | <b>13,293</b>    | <b>15,148</b>  | <b>5,951</b>   |
|  | <b>1,038,409</b> | <b>1,187,871</b> | <b>336,028</b> | <b>421,762</b> |

(a) Own work capitalised essentially corresponds to costs associated to the construction of real estate property.

(b) During the period ended on 30 September 2015, the indicated gains were obtained through the divestment of tangible fixed assets to the value of 3,880 thousand euros (1,581 thousand euros for the period ended on 30 September 2014) and the divestments of “PETRIN – Petróleos e Investimentos, S.A.” for 596 thousand euros and “KARIBIB Portland Cement, LTD” for 19 thousand euros, companies which had been included in the consolidation perimeter as at 31 December 2014.



## 9 - FINANCIAL RESULTS

The financial results for the periods ended on 30 September 2015 and 2014 were as follows:

|  | 3rd Q 15         | 3rd Q 14         | Jul-Sep 15      | Jul-Sep 14      |
|--|------------------|------------------|-----------------|-----------------|
| <b>Financial costs and losses:</b>                                 |                  |                  |                 |                 |
| Interest paid  | (70,260)         | (72,646)         | (21,520)        | (25,461)        |
| Unfavourable currency conversion differences                       | (267,277)        | (38,740)         | (64,030)        | (14,102)        |
| Other financial costs and losses                                   | (13,836)         | (18,466)         | (1,703)         | (5,439)         |
|  | <b>(351,373)</b> | <b>(129,852)</b> | <b>(87,253)</b> | <b>(45,002)</b> |
| <b>Financial income and gains:</b>                                 |                  |                  |                 |                 |
| Interest received  | 10,903           | 10,371           | 5,002           | 4,478           |
| Favourable currency conversion differences                         | 268,643          | 64,163           | 46,260          | 35,167          |
| Cash discounts received  | 175              | 275              | 40              | 85              |
| Other financial income and gains                                   | 2,862            | 1,950            | 968             | 757             |
|  | <b>282,583</b>   | <b>76,759</b>    | <b>52,270</b>   | <b>40,487</b>   |
| <b>Earnings from investment activities:</b>                        |                  |                  |                 |                 |
| Earnings from associates and joint ventures (a)                    | 5,703            | (6,661)          | 1,340           | 295             |
| Dividends (b)  | 863              | 772              | 213             | 207             |
| Other investments (c)  | 10,217           | (1,206)          | (503)           | 123             |
| Gains / losses in the measurement of assets available for sale (d) | (13,813)         | 23,364           | (13,813)        | 22,068          |
|  | <b>2,970</b>     | <b>16,269</b>    | <b>(12,763)</b> | <b>22,693</b>   |
| <b>Financial results</b>   | <b>(65,820)</b>  | <b>(36,824)</b>  | <b>(47,746)</b> | <b>18,178</b>   |

(a) The earnings from associates and joint ventures for the periods ended on 30 September 2015 and 2014 include the effect of the application of the equity method to these investments, amounting to 1,808 and (6,661) thousand euros (Note 15), respectively.

During the period ended on 30 September 2015, the Group recorded an impairment loss of 5,143 thousand euros and proceeded with the reversal of the provision for equity stakes of 9,038 thousand euros, relative to the participated company "Limited Liability Company Cement" (Note 15).

(b) As at 30 September 2015 the values presented above correspond to dividends received from "Other investments" of 665 thousand euros (580 thousand euros as at 30 September 2014) and dividends received from "Financial assets available for sale" of 198 thousand euros (192 thousand euros as at 30 September 2014).

(c) The heading "Other Investments" records earnings and capital gains achieved in the divestment of financial assets available for sale at fair value amounting to 394 thousand euros ((1,206) as at 30 September 2014) as well as capital gains obtained from the divestment of financial assets available for sale at cost, with the sale of the stakes held by the Group in LONGAVIA, S.A. and LONGAPAR – Sociedade Gestora de Participações Sociais, S.A., for the value of 11,499 thousand euros (Note 20), with capital gains of 9,823 thousand euros having been recorded.

(d) As at 30 September 2015, the Group recorded an impairment loss in its holding in "Banco Comercial Português, S.A." of 13,813 thousand euros.

As at 30 September 2014, the Group divested rights of "Banco Comercial Português, S.A." amounting to 22,068 thousand euros, and sold 472,414 shares of "Banco Bilbao e Vizcaya Argentaria, S.A." for 4,467 thousand euros (Note 20), having recorded capital gains of 1,296 thousand euros.

The net currency conversion differences for the period ended on 30 September 2015 and 2014 were due to payments and revenue, as well as currency conversion updates in balances, stated based on currencies other than the Euro.

## 10 - INCOME TAX

"TD, S.A." is the controlling company of a group of companies subject to the special taxation regime for corporate groups (RETGS), which covers all the companies in which it holds a stake, directly or indirectly, of at least 75% of the respective share capital, provided that this stake confers more than 50% of the voting rights and that they also have their head office and effective senior management in Portugal and are taxed under the general regime of Corporate Income Tax ("IRC").

All the other participated companies, not covered by the RETGS, are taxed individually, based on their respective tax bases and applicable rates of Corporate Income Tax, Municipal Surcharge and State Surcharge.

"TD, S.A." and most of the companies in which it holds a stake, based in Portugal, are subject to Corporate Income Tax ("IRC") at the rate of 21%. Entities which record taxable profit are also subject to the Municipal Surcharge, whose rate may vary to the maximum of 1.5%, as well as the State Surcharge, incident on the portion of taxable profit in excess of 1,500,000 euros, 7,500,000 euros and 35,000,000 euros, at the rates of 3%, 5% and 7%, respectively. The aforesaid entities are also subject to autonomous taxation on the charges and expenses at the rates established in article 88 of the Corporate Income Tax Code.

In the calculation of the taxable profit, to which the aforesaid tax rates are applied, amounts not accepted for tax purposes are added to and subtracted from the book value profit or loss. These differences between the book value profit or loss and the profit or loss for tax purposes may be of a temporary or permanent nature.

Pursuant to the legislation in force, tax returns in Portugal may be reviewed and corrected by the tax authorities for a period, in general, of four years (five years for Social Security). Regarding entities present in other countries, the period of revision of their tax returns varies between three and five years.

The Board of Directors believes that any corrections which might arise from any tax reviews/inspections to these tax returns will not significantly affect the consolidated financial statements reported as at 30 September 2015.

The Group records deferred taxes corresponding to the temporary differences between the book value of the assets and liabilities and the corresponding tax base, as laid down in IAS 12 - Income Tax (Note 18).

The income tax recognised for the periods ended on 30 September 2015 and 2014 is as follows:

|                                   | 3rd Q 15        | 3rd Q 14        | Jul-Sep 15     | Jul-Sep 14      |
|-----------------------------------|-----------------|-----------------|----------------|-----------------|
| <b>Current tax:</b>               |                 |                 |                |                 |
| Income tax in Portugal            | (4,292)         | (7,109)         | (1,422)        | (7,060)         |
| Income tax in other jurisdictions | (14,502)        | (28,207)        | (2,276)        | (5,359)         |
| <b>Current tax</b>                | <b>(18,794)</b> | <b>(35,316)</b> | <b>(3,698)</b> | <b>(12,419)</b> |
| <b>Deferred tax (Note 18)</b>     | <b>34,801</b>   | <b>10,812</b>   | <b>25,010</b>  | <b>(4,576)</b>  |
|                                   | <b>16,007</b>   | <b>(24,504)</b> | <b>21,312</b>  | <b>(16,995)</b> |

In addition to the amounts of deferred taxes recorded directly in the income statement, deferred taxes amounting to 1,811 thousand euros were recorded directly in equity as at 30 September 2015 (5,102 thousand euros as at 30 September 2014) (Note 18).

## 11 - EARNINGS PER SHARE

The earnings per share for the periods ended on 30 September 2015 and 2014 were calculated taking into account the following amounts:

|   | 3rd Q 15    | 3rd Q 14    | Jul-Sep 15    | Jul-Sep 14  |
|---|-------------|-------------|---------------|-------------|
| Net income for the effect of calculating earnings per basic share (net income for the period)       | 17,033      | 71,440      | (7,214)       | 28,931      |
| Weighted average number of shares for the effect of calculating earnings per basic share (thousand) | 420,000     | 420,000     | 420,000       | 420,000     |
| <b>Earnings per basic share</b>   | <b>0.04</b> | <b>0.17</b> | <b>(0.02)</b> | <b>0.07</b> |

Due to the fact that, for the periods ended on 30 September 2015 and 2014, there are no dilution effects of the earnings per share, the diluted earnings per share are the same as the basic earnings per share.

## 12 - DIVIDENDS

The General Meeting of Shareholders, held on 30 May 2015, deliberated the distribution of dividends of the value of 5,670 thousand euros, corresponding to 0.0135 euros per share, taking into consideration the separate financial statements of the Company as at 31 December 2014, with their payment having taken place in June 2015.

Dividends of 6,300 thousand euros were paid up for the period ended on 30 September 2014, relative to the financial year of 2013.

### 13 - TANGIBLE FIXED ASSETS

During the periods ended on 30 September 2015 and 2014, the movements which occurred in the tangible fixed assets, as well as in the respective accumulated depreciation and impairment losses, were as follows:

|  | Land & natural resources | Buildings & other constructions | Basic equipment | Transport equipment | Tools & utensils | Administrative equipment | Other tangible fixed assets | Tangible fixed assets in progress | Advances on account of tangible fixed assets | Total     |
|--|--------------------------|---------------------------------|-----------------|---------------------|------------------|--------------------------|-----------------------------|-----------------------------------|--|-----------|
| <b>Gross assets:</b>                                   |                          |                                 |                 |                     |                  |                          |                             |                                   |  |           |
| Balance as at 1 January 2014                           | 31,683                   | 434,063                         | 406,263         | 82,356              | 41,065           | 41,134                   | 10,004                      | 65,873                            | -  | 1,112,441 |
| Perimeter alteration                                   | 434                      | 514                             | 167             | 185                 | 4                | 22                       | -                           | -                                 | -  | 1,326     |
| Currency conversion adjustments                        | 196                      | 15,496                          | (1,956)         | (1,420)             | 903              | 1,327                    | 516                         | 2,315                             | -  | 17,377    |
| Additions  | -                        | 5,032                           | 17,580          | 8,887               | 2,316            | 2,494                    | 3,473                       | 46,459                            | 11   | 86,252    |
| Transfers and write-offs                               | -                        | 7,341                           | 7,806           | (326)               | (172)            | (484)                    | 303                         | 9,035                             | (11)   | 23,492    |
| Divestments  | -                        | (248)                           | (6,379)         | (1,676)             | (873)            | (90)                     | (16)                        | -                                 | -  | (9,282)   |
| Balance as at 30 September 2014                        | 32,313                   | 462,198                         | 423,481         | 88,006              | 43,243           | 44,403                   | 14,280                      | 123,682                           | -  | 1,231,606 |
| Balance as at 1 January 2015                           | 32,114                   | 535,129                         | 434,009         | 89,711              | 44,151           | 41,181                   | 10,455                      | 77,649                            | 151  | 1,264,550 |
| Perimeter alteration (Note 5)                          | (4,570)                  | (10,809)                        | (7,775)         | (128)               | (21)             | (950)                    | (155)                       | (93)                              | -  | (24,501)  |
| Currency conversion adjustments                        | (921)                    | 21,570                          | (24,469)        | (2,151)             | (1,771)          | 244                      | (520)                       | (2,282)                           | 13   | (10,287)  |
| Additions  | -                        | 5,855                           | 15,433          | 6,022               | 2,251            | 1,832                    | 754                         | 15,824                            | 51   | 48,022    |
| Transfers and write-offs                               | -                        | 16,864                          | (6,919)         | (1,444)             | (125)            | (253)                    | 705                         | (41,560)                          | -  | (32,732)  |
| Divestments  | -                        | (57)                            | (2,730)         | (7,280)             | (247)            | (190)                    | (37)                        | (708)                             | -  | (11,249)  |
| Balance as at 30 September 2015                        | 26,623                   | 568,552                         | 407,549         | 84,730              | 44,238           | 41,864                   | 11,202                      | 48,830                            | 215  | 1,233,803 |
| <b>Accumulated depreciation and impairment losses:</b> |                          |                                 |                 |                     |                  |                          |                             |                                   |  |           |
| Balance as at 1 January 2014                           | 166                      | 133,284                         | 280,370         | 58,481              | 31,097           | 32,367                   | 5,442                       | -                                 | -  | 541,207   |
| Perimeter alteration                                   | -                        | 232                             | 71              | 96                  | 3                | 16                       | -                           | -                                 | -  | 418       |
| Currency conversion effect                             | -                        | 1,547                           | (1,624)         | (1,068)             | (54)             | 874                      | 133                         | -                                 | -  | (192)     |
| Reinforcements   | -                        | 13,104                          | 25,740          | 6,992               | 2,244            | 2,462                    | 503                         | -                                 | -  | 51,045    |
| Transfers and write-offs                               | -                        | (145)                           | (4,612)         | (403)               | (99)             | (478)                    | (2)                         | -                                 | -  | (5,739)   |
| Divestments  | -                        | (210)                           | (4,200)         | (1,408)             | (528)            | (87)                     | (16)                        | -                                 | -  | (6,449)   |
| Balance as at 30 September 2014                        | 166                      | 147,812                         | 295,745         | 62,690              | 32,663           | 35,154                   | 6,060                       | -                                 | -  | 580,290   |
| Balance as at 1 January 2015                           | 167                      | 160,199                         | 302,124         | 62,927              | 33,285           | 31,479                   | 6,252                       | -                                 | -  | 596,433   |
| Perimeter alteration (Note 5)                          | -                        | (6,455)                         | (7,338)         | (116)               | (21)             | (941)                    | (155)                       | -                                 | -  | (15,026)  |
| Currency conversion effect                             | -                        | 4,121                           | (10,786)        | (1,938)             | (485)            | 395                      | 87                          | -                                 | -  | (8,606)   |
| Reinforcements   | -                        | 18,118                          | 25,735          | 7,897               | 2,413            | 2,449                    | 675                         | -                                 | -  | 57,287    |
| Transfers and write-offs                               | -                        | (16,294)                        | (8,126)         | (357)               | (78)             | (200)                    | (12)                        | -                                 | -  | (25,067)  |
| Divestments  | -                        | (51)                            | (2,470)         | (6,346)             | (203)            | (175)                    | (20)                        | -                                 | -  | (9,265)   |
| Balance as at 30 September 2015                        | 167                      | 159,638                         | 299,139         | 62,067              | 34,911           | 33,007                   | 6,827                       | -                                 | -  | 595,756   |
| <b>Net value:</b>                                      |                          |                                 |                 |                     |                  |                          |                             |                                   |  |           |
| As at 30 September 2014                                | 32,147                   | 314,386                         | 127,736         | 25,316              | 10,580           | 9,249                    | 8,220                       | 123,682                           | -  | 651,316   |
| As at 30 September 2015                                | 26,456                   | 408,914                         | 108,410         | 22,663              | 9,327            | 8,857                    | 4,375                       | 48,830                            | 215  | 638,047   |

The additions to tangible fixed assets carried out during the period ended on 30 September 2015 essentially refer to investments in facilities and equipment.

As at 30 September 2015, the tangible assets in progress include 44,048 thousand euros relative to buildings and other constructions underway, in particular the following:

- For the Distribution sector, the expansion of the retail network in Angola;
- For the Energy sector, the development of the tank facility project in Aveiro.

## 14 - INVESTMENT PROPERTIES

During the periods ended on 30 September 2015 and 2014, the movement which occurred in investment properties was as follows:

|                                   | 2015           | 2014           |
|-----------------------------------|----------------|----------------|
| <b>Balance as at 1 January</b>    | <b>482,185</b> | <b>479,965</b> |
| Currency conversion adjustments   | 7,438          | 7,394          |
| Increases / (divestments)         | 4,254          | (3,725)        |
| Variation in fair value           | 2,023          | (2,697)        |
| Transfer of tangible fixed assets | 5,310          | -              |
| <b>Balance as at 30 September</b> | <b>501,210</b> | <b>480,937</b> |

The income gained from investment properties arising from operating lease contracts reached 23,328 thousand euros for the period ended on 30 September 2015 (23,631 thousand euros as at 30 September 2014). Direct operating costs related to investment properties, for the period ended on 30 September 2015, reached 2,547 thousand euros (2,377 thousand euros as at 30 September 2014).

## 15 - INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The following associates and joint ventures were recorded through the equity method as at 30 September 2015:

| Corporate name  | Head office  | Effective percentage holding |
|---|--|------------------------------|
| ALVORADA PETRÓLEO, S.A.   | Av. Getúlio Vargas, nº 54, sala 405 – Br. Funcionários<br>Belo Horizonte - Minas Gerais - Brazil   | 43.20%                       |
| ALSOMA, GEIE.   | 3 Av André Malraux<br>Levallois Peret - France   | 27.00%                       |
| AVIAS - Grupo Ferroviário para a<br>Alta Velocidade, ACE  | Edifício 1, Lagoas Park<br>Porto Salvo   | 14.10%                       |
| AVIA PORTUGAL - Produtos Petrolíferos, S.A.   | Edifício 1, Lagoas Park<br>Porto Salvo   | 40.00%                       |
| CAIS DE CRUZEIROS 2ª FASE, ACE  | Rua da Tapada da Quinta de Cima<br>Linhó – Sintra  | 15.00%                       |
| CONBATE, ACE  | Edifício 2, Lagoas Park<br>Porto Salvo   | 20.00%                       |
| CONSORCIO MINERO LUSO VARGAS C.A.<br>(CONLUVAR)   | Av. Venezuela com Calle Mohedano, Torre JWM<br>Piso 5, Of. 5-2, Urb El Rosal – Caracas - Venezuela | 49.00%                       |
| CONSORCIO OPSUT 2010  | Calle 4, Casa nº 4, Urbanizacion Los Laureles<br>Valle de la Pascoa - Venezuela                    | 51.00%                       |
| DOURO LITORAL, ACE  | Edifício 2, Lagoas Park<br>Porto Salvo   | 40.00%                       |
| D.L.O.E.A.C.E. – Douro Litoral Obras<br>Especiais, ACE  | Edifício 2, Lagoas Park<br>Porto Salvo   | 40.00%                       |
| FERROVIAL/TEIXEIRA DUARTE - Obras<br>Hidráulicas do Alqueva, ACE  | Edifício Central Park<br>Rua Alexandre Herculano, Nº 3, 2º - Linda-a-Velha                         | 50.00%                       |
| GMP – Grupo Marítimo Português, ACE   | Edifício 1, Lagoas Park<br>Porto Salvo   | 20.04%                       |
| GMP – Grupo Marítimo Português MEK, ACE   | Edifício 1, Lagoas Park<br>Porto Salvo   | 20.04%                       |
| IMOC - Empreendimentos Imobiliários, S.A.   | Av. Julius Nyerere, 130<br>Maputo  | 49.92%                       |
| Limited Liability Company Cement  | Khutorskya Str., 70<br>Odessa  | 49.00%                       |
| METROLIGEIRO - Construção de<br>Infraestruturas, ACE  | Rua Abranches Ferrão, nº 10 – 5º F<br>Lisbon   | 26.80%                       |
| NOVA ESTAÇÃO, ACE   | Edifício 6 – Piso 1, Lagoas Park<br>Porto Salvo  | 25.00%                       |
| RPK Gulfstream, Ltd.  | Tri Ruchja str.<br>183003, Murmansk  | 42.70%                       |
| AK10 - Empreendimentos e<br>Participações SPE Ltda.   | Rua Iguatemi, nº 448, 6º andar, conjunto 602<br>Itaim Bibi – São Paulo                             | 25.00%                       |
| SOMAFEL E FERROVIAS, ACE  | Edifício 1, Lagoas Park<br>Porto Salvo   | 36.00%                       |
| TEIX.CO, SPA  | Parc Miremont, Rue A, nº 136<br>Algiers  | 48.78%                       |
| TEIXEIRA DUARTE - SOPOL - Metro<br>Superfície, ACE  | Edifício 2, Lagoas Park<br>Porto Salvo   | 57.30%                       |
| TRÊS PONTO DOIS - Trabalhos Gerais de<br>Construção Civil, Via e Catenária<br>de Modernização da Linha<br>do Norte, ACE | Av. das Forças Armadas, 125 - 2º C<br>Lisbon   | 50.00%                       |

The investments in associates and joint ventures showed the following movements during the periods ended on 30 September 2015 and 2014:

|  | Equity stakes | Goodwill      | Total         |
|--|---------------|---------------|---------------|
| <b>Balance as at 1 January 2014</b>              | <b>24,768</b> | <b>11,693</b> | <b>36,461</b> |
| Effects of the application of the equity method: |               |               |               |
| - Effect on net income for the year (Note 9)     | (6,661)       | -             | (6,661)       |
| - Effect on equity                               | 3,142         | -             | 3,142         |
| Increases  | 865           | -             | 865           |
| Currency conversion effect                       | (408)         | -             | (408)         |
| Other  | 3,595         | (50)          | 3,545         |
| <b>Balance as at 30 September 2014</b>           | <b>25,301</b> | <b>11,643</b> | <b>36,944</b> |
| <b>Balance as at 1 January 2015</b>              | <b>28,949</b> | <b>11,643</b> | <b>40,592</b> |
| Effects of the application of the equity method: |               |               |               |
| - Effect on net income for the year (Note 9)     | 1,808         | -             | 1,808         |
| - Effect on equity                               | (2,126)       | -             | (2,126)       |
| Currency conversion adjustments                  | (238)         | -             | (238)         |
| Impairment loss                                  | -             | (5,143)       | (5,143)       |
| Transfer to Assets Held for Sale (Note 17)       | (16,072)      | (6,500)       | (22,572)      |
| Other  | 150           | -             | 150           |
| <b>Balance as at 30 September 2015</b>           | <b>12,471</b> | <b>-</b>      | <b>12,471</b> |

The investments in associates and joint ventures as at 30 September 2015 and 31 December 2014 are detailed as follows:

| Associates and joint ventures                   | 30/09/2015    |          | 31/12/2014    |               | Value of financial position |
|---|---------------|----------|---------------|---------------|-----------------------------|
|   | Equity stakes | Goodwill | Equity stakes | Goodwill      |                             |
| IMOC - Empreendimentos Imobiliários, S.A.       | 10,091        | -        | 10,506        | -             | 10,506                      |
| RPK Gulfstream Ltd.                             | 521           | -        | 528           | -             | 528                         |
| Alvorada Petróleo, S.A.                         | 416           | -        | 623           | -             | 623                         |
| TEIX.CO, SPA                                    | 22            | -        | -             | -             | -                           |
| AK-10 Empreendimentos e Participações SPE LTDA. | 17            | -        | 20            | -             | 20                          |
| Limited Liability Company Cement                | -             | -        | 16,072        | 11,643        | 27,715                      |
| Other   | 1,404         | -        | 1,200         | -             | 1,200                       |
|   | <b>12,471</b> | <b>-</b> | <b>28,949</b> | <b>11,643</b> | <b>40,592</b>               |

The holdings referred to above are recorded through the equity method which, in the periods ended on 30 September 2015 and 2014, had the following impacts:

| 3rd Q 15  |  |                         |              |
|---|--|-------------------------|--------------|
| Associates and joint ventures                   | Gains and losses in associates and joint ventures (Note 9) | Adjustments of holdings | Total        |
| Alvorada Petróleo, S.A.                         | (11)   | (197)                   | (208)        |
| Limited Liability Company Cement                |  |                         | -            |
| IMOC - Empreendimentos Imobiliários, S.A.       | 2,111  | (2,526)                 | (415)        |
| AK-10 Empreendimentos e Participações SPE LTDA. | 3  | -                       | 3            |
| TEIX.CO, SPA                                    | (259)  | 597                     | 338          |
| Other   | (36)   | -                       | (36)         |
|   | <b>1,808</b>   | <b>(2,126)</b>          | <b>(318)</b> |

| 3rd Q 14  |  |                         |                |
|---|--|-------------------------|----------------|
| Associates and joint ventures                   | Gains and losses in associates and joint ventures (Note 9) | Adjustments of holdings | Total          |
| Alvorada Petróleo, S.A.                         | (35)   | 39                      | 4              |
| Limited Liability Company Cement                | (5,592)  | 2,223                   | (3,369)        |
| IMOC - Empreendimentos Imobiliários, S.A.       | 12   | 602                     | 614            |
| AK-10 Empreendimentos e Participações SPE LTDA. | (1)  | -                       | (1)            |
| Other   | (1,045)  | 278                     | (767)          |
|   | <b>(6,661)</b>   | <b>3,142</b>            | <b>(3,519)</b> |

## 16 - FINANCIAL ASSETS AVAILABLE FOR SALE

During the periods ended on 30 September 2015 and 2014, the movements which occurred in the valuation of the financial assets available for sale, stated at their respective fair value, were as follows:

|                                      | 2015          | 2014          |
|--------------------------------------|---------------|---------------|
| <b>Fair value as at 1 January</b>    | <b>59,887</b> | <b>84,613</b> |
| Acquisitions during the period       | -             | 22,787        |
| Divestments during the period        | -             | (4,227)       |
| Fair value increase/decrease         | (14,027)      | (15,431)      |
| <b>Fair value as at 30 September</b> | <b>45,860</b> | <b>87,742</b> |

As at 30 September 2015 and 31 December 2014, the Group held 622,229,693 shares of Banco Comercial Português, S.A., classified as financial assets available for sale.

The financial assets available for sale, and their respective cost and market values, as at 30 September 2015 and 31 December 2014, are as follows:

|                                       | 30/09/2015     |               | 31/12/2014     |               |
|---------------------------------------|----------------|---------------|----------------|---------------|
|                                       | Cost value     | Market value  | Cost value     | Market value  |
| Banco Comercial Português, S.A.       | 739,822        | 27,067        | 739,822        | 40,880        |
| Banco Bilbao Vizcaya Argentaria, S.A. | 31,801         | 18,793        | 31,801         | 19,007        |
|                                       | <b>771,623</b> | <b>45,860</b> | <b>771,623</b> | <b>59,887</b> |



## 17 – ASSETS HELD FOR SALE

As at 30 September 2015, the assets held for sale are detailed as follows:

|   | 30/09/2015     |
|---|----------------|
| <b>Limited Liability Company Cement</b> |                |
| Goodwill                                | 11,643         |
| Loan                                    | 16,072         |
| <b>Estimated Sale Value</b>             | <b>22,572</b>  |
| <b>Impairment loss (Note 15)</b>        | <b>(5,143)</b> |

As at 31 December 2014, the asset classified as held for sale involved a unit of a property, which was sold during the period ended on 30 September 2015.

## 18 - DEFERRED TAXES

All situations which might significantly affect future taxes are stated through the application of the deferred tax rule.

During the periods ended on 30 September 2015 and 2014, the movement which occurred in deferred tax assets and liabilities was as follows:

|   | Deferred tax assets |                | Deferred tax liabilities |               |
|---|---------------------|----------------|--------------------------|---------------|
|   | 2015                | 2014           | 2015                     | 2014          |
| <b>Balance as at 1 January</b>                    | <b>171,219</b>      | <b>188,514</b> | <b>56,080</b>            | <b>52,693</b> |
| <b>Constitution / Reversal</b>                    |                     |                |                          |               |
| Net income (Note 10)                              | 38,878              | 11,559         | 4,077                    | 747           |
| Equity  | 1,740               | 5,503          | (71)                     | 401           |
| <b>Currency conversion effect and adjustments</b> | <b>(5,795)</b>      | <b>907</b>     | <b>1,174</b>             | <b>1,747</b>  |
| <b>Perimeter alteration (Note 5)</b>              | <b>405</b>          | <b>26</b>      | <b>-</b>                 | <b>-</b>      |
| <b>Balance as at 30 September</b>                 | <b>206,447</b>      | <b>206,509</b> | <b>61,260</b>            | <b>55,588</b> |

Deferred tax assets are only recorded insofar as it is considered that taxable profits are likely to occur in future taxation periods which may be used to recover the tax losses or deductible tax differences. This assessment was based on the business plans of the Group's companies, periodically reviewed and updated, and on the prospects of generating taxable earnings.

## 19 - RELATED PARTIES

The transactions and balances between “TD, S.A.” and the Group's companies included in the consolidation perimeter, which are related parties, were eliminated in the consolidation process and are not disclosed in the present note. The balances and transactions between the Group and associates, joint ventures, related parties and individuals with significant voting rights and their own companies, are detailed below.

The terms or conditions applied between these related parties are, in substance, identical to those which would normally be contracted, accepted and applied between independent entities in comparable transactions.

The main balances with related entities as at 30 September 2015 and 31 December 2014 are detailed as follows:

| Entity  | Balance receivable |               | Balance payable |              | Loans granted |               | Other debts  |              |
|---|--------------------|---------------|-----------------|--------------|---------------|---------------|--------------|--------------|
|   | 30/09/2015         | 31/12/2014    | 30/09/2015      | 31/12/2014   | 30/09/2015    | 31/12/2014    | 30/09/2015   | 31/12/2014   |
| AEBT - Auto Estradas do Baixo Tejo, S.A.                      | 1                  | -             | -               | -            | 5,373         | 5,373         | -            | -            |
| AEDL - Auto Estradas do Douro Litoral, S.A.                   | -                  | -             | -               | -            | 1,202         | 1,202         | -            | -            |
| CINTEL - Construção Interceptor Esgotos, S.A.                 | 46                 | 46            | -               | -            | 17            | 4             | -            | -            |
| CONBATE, ACE  | 40                 | 22            | -               | -            | -             | -             | -            | -            |
| Consórcio Minero Luso Vargas - CONLUVAR                       | 269                | 3,808         | 131             | 1,500        | -             | -             | 4            | 3            |
| Consórcio OPSUT 2010  | 158                | 2,569         | 28              | 323          | -             | -             | -            | -            |
| DOURO LITORAL, ACE  | 12                 | 7             | 61              | 30           | -             | -             | -            | -            |
| DOURO LITORAL OBRAS ESPECIAIS, ACE                            | -                  | -             | 2               | -            | -             | -             | (269)        | (269)        |
| EIA - Ensino de Investigação e Administração, S.A.            | 9                  | 9             | -               | -            | -             | -             | (324)        | (324)        |
| GMP - Grupo Marítimo Português, ACE                           | 94                 | 56            | 10              | 10           | -             | -             | -            | -            |
| GMP - Grupo Marítimo Português MEK, ACE                       | 24                 | 20            | -               | -            | -             | -             | -            | -            |
| IMOC - Empreendimentos Imobiliários, S.A.                     | 9,004              | 10,050        | 70              | 5            | -             | -             | (106)        | (2)          |
| Limited Liability Company Cement                              | -                  | 147           | -               | -            | 16,072        | 16,072        | -            | -            |
| METROLIGEIRO - Construção de Infraestruturas, ACE             | 14                 | 13            | -               | -            | -             | -             | -            | -            |
| Moreira e Cunha, Lda.   | 3                  | 7             | -               | -            | -             | -             | -            | -            |
| MTS - Metro Transportes do Sul, S.A.                          | -                  | -             | -               | -            | 740           | 740           | -            | -            |
| NOVA ESTAÇÃO, ACE   | 1,017              | 1,017         | 60              | 51           | -             | -             | -            | -            |
| Promociones Inmobiliárias 3003, C.A.                          | -                  | -             | -               | -            | -             | -             | (54)         | (27)         |
| RPK Gulfstream, Ltd.  | -                  | -             | -               | -            | 1,362         | 1,379         | -            | -            |
| SOMAFEL/FERROVIAS, ACE  | 3                  | 5             | 10              | -            | -             | -             | -            | -            |
| TEDEVEN Imobiliária, C.A.                                     | -                  | 1             | 1               | 15           | -             | -             | -            | -            |
| TEIX.CO SPA   | 1,276              | 1,396         | 470             | 524          | -             | -             | (239)        | (281)        |
| TEIXEIRA DUARTE - SOPOL - Metro Superfície, ACE               | 7                  | -             | 57              | 44           | -             | -             | -            | -            |
| TRÊS PONTO DOIS - Trabalhos Gerais de Construção Civil, Via e | -                  | -             | -               | -            | -             | -             | -            | -            |
| Catenária de Modernização da Linha do Norte, ACE              | -                  | -             | 35              | 35           | -             | -             | -            | -            |
| VSL Sistema de Pré-Esforço - Equipamento de Montagem, S.A.    | -                  | 1             | -               | 12           | -             | -             | -            | -            |
|   | <b>11,977</b>      | <b>19,174</b> | <b>935</b>      | <b>2,549</b> | <b>24,766</b> | <b>24,770</b> | <b>(988)</b> | <b>(900)</b> |

The main transactions carried out with related parties during the periods ended on 30 September 2015 and 2014 were as follows:

|  | Sales and services rendered |              | Purchases and services received |              | Interest debited |              |
|--|-----------------------------|--------------|---------------------------------|--------------|------------------|--------------|
|  | 3rd Q 15                    | 3rd Q 14     | 3rd Q 15                        | 3rd Q 14     | 3rd Q 15         | 3rd Q 14     |
| AEBT - Auto Estradas do Baixo Tejo, S.A.   | 20                          | 23           | -                               | -            | -                | -            |
| CONBATE, ACE   | 74                          | 115          | 1                               | -            | -                | -            |
| Consórcio Minero Luso Vargas - CONLUVAR  | 170                         | 1,179        | 66                              | 5,823        | -                | -            |
| Consórcio OPSUT 2010   | 133                         | 904          | 107                             | 830          | -                | -            |
| DOURO LITORAL, ACE   | 46                          | 52           | 31                              | 3            | -                | -            |
| DOURO LITORAL OBRAS ESPECIAIS, ACE   | -                           | -            | 2                               | -            | -                | -            |
| GMP - Grupo Marítimo Português, ACE  | 37                          | 37           | -                               | -            | -                | -            |
| GMP – Grupo Marítimo Português MEK, ACE  | 3                           | 4            | -                               | -            | -                | -            |
| GPCC - Grupo Português de Construção de Infraestruturas de Gás Natural, ACE  | -                           | -            | -                               | 2            | -                | -            |
| IMOC - Empreendimentos Imobiliários, S.A.  | 8,036                       | 6,110        | 156                             | 81           | -                | -            |
| Limited Liability Company Cement   | -                           | -            | -                               | -            | 1,326            | 1,326        |
| METROLIGEIRO - Construção de Infraestruturas, ACE  | 16                          | 15           | -                               | -            | -                | -            |
| Moreira e Cunha, Lda.  | 25                          | 44           | -                               | -            | -                | -            |
| NOVA ESTAÇÃO, ACE  | -                           | 212          | 10                              | 16           | -                | -            |
| STELGEST - Gestão Hoteleira, S.A.  | -                           | 21           | -                               | 2            | -                | 40           |
| SOMAFEL/FERROVIAS, ACE   | 7                           | 2            | 10                              | -            | -                | -            |
| TEIX.CO SPA  | -                           | -            | -                               | -            | -                | -            |
| TEIXEIRA DUARTE/OPCA - Fungere - Parcela 1.18 do Parque das Nações em Lisboa - 3ª Fase - Empreitada de Acabamentos e Instalações Especiais dos Edifícios para o Hotel e Escritórios, ACE | 2                           | 1            | 1                               | 5            | -                | -            |
| TEIXEIRA DUARTE - SOPOL - Metro Superfície, ACE  | 11                          | 16           | 9                               | 28           | -                | -            |
| VSL Sistema de Pré-Esforço - Equipamento de Montagem, S.A.   | -                           | -            | -                               | 17           | -                | -            |
|  | <b>8,580</b>                | <b>8,735</b> | <b>393</b>                      | <b>6,807</b> | <b>1,326</b>     | <b>1,366</b> |

The remuneration of the members of the governing bodies of TD, S.A. for the periods ended on 30 September 2015 and 2014 was as follows:

|                             | 3rd Q 15     | 3rd Q 14     | Jul-Sep 15 | Jul-Sep 14 |
|-----------------------------|--------------|--------------|------------|------------|
| <b>Executive directors:</b> |              |              |            |            |
| Short term benefits         | 1,035        | 1,710        | 587        | 761        |
| <b>Supervisory board:</b>   |              |              |            |            |
| Short term benefits         | 50           | 44           | 17         | 16         |
| <b>Statutory auditor:</b>   |              |              |            |            |
| Short term benefits         | 45           | 45           | 15         | 15         |
|                             | <b>1,130</b> | <b>1,799</b> | <b>619</b> | <b>792</b> |

The remuneration of the members of the senior management staff of TD, S.A. for the periods ended on 30 September 2015 and 2014 was as follows:

|                      | 3rd Q 15     | 3rd Q 14     | Jul-Sep 15   | Jul-Sep 14   |
|----------------------|--------------|--------------|--------------|--------------|
| <b>Senior staff:</b> |              |              |              |              |
| Short term benefits  | 5,537        | 5,922        | 2,527        | 1,601        |
|                      | <b>5,537</b> | <b>5,922</b> | <b>2,527</b> | <b>1,601</b> |

## 20 - NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS

### Cash and cash equivalents

As at 30 September 2015 and 31 December 2014, this heading is broken down as follows:

|                        | 30/09/2015     | 31/12/2014     |
|------------------------|----------------|----------------|
| Demand deposits        | 113,733        | 111,264        |
| Term deposits          | 37,862         | 71,097         |
| Other cash investments | 3,799          | 3,822          |
| Cash                   | 8,531          | 5,294          |
|                        | <b>163,925</b> | <b>191,477</b> |

The heading of cash and cash equivalents includes cash, deposits repayable on demand, term deposits and cash investments with maturity of less than three months, repayable on demand and with insignificant risk of change of value.

### Cash flow from investment activities

The revenue derived from financial investments in the periods ended on 30 September 2015 and 2014, refer to the divestment of equity stakes in the following entities:

|   | 3rd Q 15      | 3rd Q 14      | Jul-Sep 15   | Jul-Sep 14    |
|---|---------------|---------------|--------------|---------------|
| Banco Bilbao Vizcaya Argentaria, S.A. (a)                   | 23,740        | 29,692        | 8,460        | 11,271        |
| Banco Comercial Português, S.A. (b)                         | -             | 22,068        | -            | 22,068        |
| PETRIN - Petróleos e Investimentos, S.A.                    | 10,153        | -             | -            | -             |
| LONGAVIA, S.A.  | 9,184         | -             | -            | -             |
| LONGAPAR - Sociedade Gestora de Participações Sociais, S.A. | 2,315         | -             | -            | -             |
|   | <b>45,392</b> | <b>51,760</b> | <b>8,460</b> | <b>33,339</b> |

(a) - Includes the amount of 4,467 thousand euros, relative to the divestment of shares "classified as financial assets available for sale" as at 30 September 2014.

(b) - The values presented as at 30 September 2014 correspond to the divestment of rights of "Banco Comercial Português, S.A.".

The payments relative to financial investments in the periods ended on 30 September 2015 and 2014, refer to the acquisition of equity stakes in the following entities:

|                                       | 3rd Q 15      | 3rd Q 14      | Jul-Sep 15    | Jul-Sep 14    |
|---------------------------------------|---------------|---------------|---------------|---------------|
| Banco Bilbao Vizcaya Argentaria, S.A. | 24,064        | 24,628        | 11,558        | 9,341         |
| Banco Comercial Português, S.A.       | -             | 22,787        | -             | 22,787        |
| AEBT - Vias do Baixo Tejo, S.A.       | -             | 4,554         | -             | -             |
| DIGAL - Distribuição e Comércio, S.A. | -             | 930           | -             | -             |
| Other                                 | -             | 201           | -             | -             |
|                                       | <b>24,064</b> | <b>53,100</b> | <b>11,558</b> | <b>32,128</b> |

The dividends received in the periods ended on 30 September 2015 and 2014, were as follows:

|   | 3rd Q 15   | 3rd Q 14   | Jul-Sep 15 | Jul-Sep 14 |
|---|------------|------------|------------|------------|
| LONGAPAR - Sociedade Gestora de Participações Sociais, S.A. | 399        | 360        | -          | -          |
| Banco Bilbao Vizcaya Argentaria, S.A.                       | 214        | 207        | 214        | 207        |
| CPM - Companhia de Parques de Macau, S.A.R.L.               | 251        | 205        | -          | -          |
|   | <b>864</b> | <b>772</b> | <b>214</b> | <b>207</b> |

## 21 - SHARE CAPITAL

As at 30 September 2015 and 2014, the underwritten and paid-up share capital was represented by 420,000,000 shares with the nominal value of 0.50 euros each.

As at 30 September 2015, TEIXEIRA DUARTE - Sociedade Gestora de Participações Sociais, S.A. directly held 203,520,000 shares representing the share capital of TEIXEIRA DUARTE, S.A. and corresponding to 48.46% of its share capital.

## 22 - RESERVES AND RETAINED EARNINGS

**Legal reserve:** Pursuant to the current legislation, the Company is obliged to transfer at least 5% of its annual net income to the legal reserve, until it reaches at least 20% of the share capital. This reserve is not distributable to the shareholders, but may be used to absorb losses, after all the other reserves have been depleted, or incorporated in the share capital.

**Fair value reserve:** The fair value reserve arises from the difference between the cost value and market value of the financial assets available for sale, not yet recognised in the income statement.

**Free reserves:** The free reserves are available for distribution, under the terms and within the limits established in the Commercial Companies Code.

**Hedge operation reserve:** The hedge operation reserve reflects the effective component (net of the tax effect) of the changes in the fair value of derivative financial instruments classified as cash flow hedges.

## 23 - LOANS

As at 30 September 2015 and 31 December 2014, the following loans had been raised:

|                                 | 30/09/2015       | 31/12/2014       |
|---------------------------------|------------------|------------------|
| <b>Non-current liabilities:</b> |                  |                  |
| Bank loans a)                   | 231,428          | 243,200          |
| Commercial paper b)             | 452,859          | 503,015          |
| Debenture loan c)               | 15,300           | 15,300           |
|                                 | <b>699,587</b>   | <b>761,515</b>   |
| <b>Current liabilities:</b>     |                  |                  |
| Bank loans a)                   | 603,393          | 624,788          |
| Commercial paper b)             | 113,957          | 98,557           |
|                                 | <b>717,350</b>   | <b>723,345</b>   |
|                                 | <b>1,416,937</b> | <b>1,484,860</b> |

### a) Bank loans

As at 30 September 2015, the internal bank loans, bank overdrafts and pledged current accounts earned interest at the weighted annual average rate of 4.63% (4.98% as at 30 September 2014).

As at 30 September 2015, the most significant bank loans contracted by the Group essentially correspond to:

Loan raised from Caixa Banco de Investimento, S.A. and Caixa Geral de Depósitos, S.A., contracted on 21 February 2008, of the value of 45,180 thousand euros on the closing date of September 2015, which will be repaid in 37 equal and successive instalments, ending on 10 December 2033.

Loan taken out by the Group at Caixa Geral de Depósitos, S.A. on 30 December 2008, of the value of 29,382 thousand euros on the closing date of September 2015, which will be repaid in 99 equal and successive monthly instalments, ending on 30 December 2023.

Loan raised from Banco Caixa Geral Totta Angola, contracted on 21 December 2011 of the value of 9,016 thousand euros on the closing date of September 2015, which will fall due on 28 February 2019.

Loan raised from Banco Bradesco, S.A., contracted on 27 March 2012 of the value of 12,916 thousand euros on the closing date of September 2015, which will fall due on 27 March 2016.

Loan raised from Banco BIC de Angola, contracted on 9 October 2012 of the value of 7,918 thousand euros on the closing date of September 2015, which will fall due on 5 December 2019.

Loan raised from Banco BIC de Angola, contracted on 9 October 2012 of the value of 16,996 thousand euros on the closing date of September 2015, which will fall due on 13 December 2019.

Loan raised from Banco Privado Atlântico de Angola, contracted on 12 October 2012 of the value of 10,129 thousand euros on the closing date of September 2015, which will fall due on 18 October 2017.

Loan raised from Banco Popular Portugal, S.A., contracted on 13 December 2012, of the value of 2,051 thousand euros on the closing date of September 2015. The current principal will be repaid over the contract period, and in accordance with the table of agreed haircuts, by the product of the sale of the mortgaged real estate properties, with the remainder being settled through bullet repayment on 13 December 2015.

Loan raised from Banco Bradesco, contracted on 21 February 2013 of the value of 3,431 thousand euros on the closing date of September 2015, which will fall due on 15 February 2016.

Loan raised from Banco Caixa Geral (Spain), contracted on 4 April 2013 of the value of 12,820 thousand euros on the closing date of September 2015, which will fall due on 26 February 2016.

Loan raised from Banco Itaú Unibanco, S.A., contracted on 29 August 2013 of the value of 9,299 thousand euros on the closing date of September 2015, which will fall due on 20 de October de 2016.

Loan raised from Banco Itaú Unibanco, S.A., contracted on 30 August 2013 of the value of 1,346 thousand euros on the closing date of September 2015, which will fall due on 20 November 2016.

Loan raised from Banco Itaú Unibanco, S.A., contracted on 11 September 2013 of the value of 2,546 thousand euros on the closing date of September 2015, which will fall due on 20 April 2017.

Loan raised from Banco Caixa Geral Totta Angola, contracted on 23 January 2014 of the value of 11,866 thousand euros on the closing date of September 2015, which will fall due on 30 April 2021.

Loan raised from Banco Angolano de Investimento, contracted on 20 February 2014 of the value of 26,412 thousand euros on the closing date of September 2015, which will fall due on 31 October 2020.

Loan raised from Banco BIC de Angola, contracted on 22 September 2014 of the value of 17,434 thousand euros on the closing date of September 2015, which will fall due on 31 December 2021.

Loan raised from Banco do Brasil S.A., contracted on 17 October 2014 of the value of 6,500 thousand euros on the closing date of September 2015, which shall be repaid on a six-monthly basis with instalments of 1,300 thousand euros.

Loan raised from Caixa Económica Montepio Geral, contracted on 23 October 2014, of the value of 8,000 thousand euros on the closing date of September 2015, which will be repaid in 84 constant and successive monthly instalments of principal and interest after a period of grace of twenty-four months, ending on 23 October 2023.

Loan raised from Caixa Económica Montepio Geral, contracted on 23 October 2014 of the value of 2,747 thousand euros on the closing date of September 2015, which will be repaid in 54 constant and successive monthly instalments, ending on 23 October 2019.

Loan raised from Novo Banco, S.A., contracted on 24 October 2014 for the value of 1,170 thousand euros on the closing date of September 2015, which will be repaid in 12 successive monthly instalments, with the first 11 being of 583 thousand euros and the last being 587 thousand euros.

Loan raised from Novo Banco, S.A., contracted on 24 October 2014 of the value of 12,000 thousand euros on the closing date of September 2015, which shall be repaid in 2 instalments of 5,000 and 7,000 thousand euros falling due on 30 October 2015 and 30 April 2016, respectively.

Loan raised from Banco BANRISUL, S.A., contracted on 24 November 2014 of the value of 651 thousand euros on the closing date of September 2015, which will fall due on 27 November 2016.

Loan raised from Banco BANRISUL, S.A., contracted on 24 November 2014 of the value of 578 thousand euros on the closing date of September 2015, which will fall due on 27 April 2017.

Loan raised from Banco Caixa Geral Totta Angola, contracted on 31 December 2014 of the value of 8,566 thousand euros on the closing date of September 2015, which will fall due on 31 December 2021.

Loan raised from Novo Banco, S.A., contracted on 26 January 2015 of the value of 29,750 thousand euros on the closing date of September 2015, repaid on a six-month basis in amounts varying between 1,000 thousand euros and 2,500 thousand euros, with the last instalment of 16,500 thousand euros falling due on 30 December 2019.

Loan raised from Banco DAYCOVAL, S.A., contracted on 14 April 2015 of the value of 168 thousand euros on the closing date of September 2015, which will fall due on 17 April 2017.

Loan raised from Banco SANTANDER, S.A., contracted on 30 April 2015 of the value of 1,194 thousand euros on the closing date of September 2015, which will fall due on 27 April 2017.

Loan raised from Banco Caixa Geral, S.A., contracted on 13 May 2015 of the value of 13,303 thousand euros on the closing date of September 2015, which will fall due on 13 November 2016.

Loan raised from Banco SAFRA, S.A., contracted on 18 May 2015 of the value of 376 thousand euros on the closing date of September 2015, which will fall due on 8 May 2017.

Loan raised from Novo Banco, S.A., contracted on 20 May 2015 of the value of 12,762 thousand euros on the closing date of September 2015, which shall be repaid in 12 quarterly instalments starting on 30 September 2015.

Loan raised from Banco Caixa Geral, S.A., contracted on 18 June 2015 of the value of 1,243 thousand euros on the closing date of September 2015, which shall be repaid on 31 October 2015.

Factoring line with recourse from Banco Caixa Geral, S.A., of the value of 5,000 thousand euros, of which 4,462 thousand euros is being used on the closing date of September 2015.

Factoring line with recourse from Banco Caixa Geral, S.A., of the value of 10,000 thousand euros, of which 7,941 thousand dollars (corresponding to 7,088 thousand euros) is being used on the closing date of September 2015.

Under a commercial discount line for abroad (Venezuela) granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. with Caixa Geral de Depósitos, S.A. of the value of 26,000 thousand dollars of the United States of America, on the closing date of September 2015, it was being used to the value of 12,382 thousand dollars of the United States of America, corresponding to 11,052 thousand euros.

Under a commercial discount line for abroad (Algeria) granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. with Caixa Geral de Depósitos, S.A. of the value of 30,000 thousand euros, on the closing date of 2015, which was being used to the value of 21,936 thousand euros on the closing date of September 2015.

Under a commercial discount line for abroad (Angola) granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A., Teixeira Duarte - Distribuição, S.A. and EPOS – Empresa Portuguesa de Obras Subterrâneas, S.A. with Caixa Geral de Depósitos, S.A. of the value of 20,000 thousand euros, which was being used, on the closing date of September 2015, by the three companies to the value of 3,006 thousand euros, 2,183 thousand euros and 6,340 thousand euros, respectively.

Under a credit line, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch, on 29 July 2013 with CorpBanca, C.A. (which was extinguished as a consequence of its merger by incorporation into Banco Occidental de Descuento, S.A.C.A.), of the maximum amount of 100,000 thousand Venezuelan bolivars, increased to 200,000 thousand Venezuelan bolivars, in May 2014, with approval, in November 2014, of a new extension up to 300,000 thousand Venezuelan bolivars, used to the value of 276,313 thousand Venezuelan bolivars on the closing date of September 2015 which, at the closing exchange rate of September 2015, corresponds to 1,237 thousand euros.

Under a credit line, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch, on 28 October 2013 with Banco Occidental de Descuento, C.A., of the maximum amount of 250,000 thousand Venezuelan bolivars, increased to 300,000 thousand Venezuelan bolivars, in July 2014, with approval, in November 2014, of a new extension up to 450,000 thousand Venezuelan bolivars, used to the value of 402,000 thousand Venezuelan bolivars on the closing date of September 2015, against the constitution of collateral by the Company, which, at the closing exchange rate of September 2015, corresponds to 1,799 thousand euros.

Under a credit line granted by TEIXEIRA DUARTE – Engenharia e Construções, S.A. - Venezuela Branch with Mercantil, C.A. Banco Universal, on 4 April 2013, of the maximum amount of 150,000 thousand Venezuelan bolivars, increased in May 2014 to a maximum limit of 300,000 thousand Venezuelan bolivars, with the approval in April 2015, of a new extension up to the value of 400,000 thousand Venezuelan bolivars, with 399,520 thousand Venezuelan bolivars being used on the closing date of 2015, which, at the closing exchange rate of September 2015, corresponds to 1,788 thousand euros.

Under a credit line granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch with Banco del Caribe C.A. on 13 February 2014, of the maximum amount of 200,000 thousand Venezuelan bolivars, entirely used on the closing date of September 2015, which, at the closing exchange rate of September 2015, corresponds to 895 thousand euros.

Under a credit line granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch in May 2014, with Banesco Universal, C.A. with a maximum ceiling of 150,000 thousand Venezuelan bolivars, used to the value of 141,250 thousand Venezuelan bolivars on the closing date of September 2015, which, at the closing exchange rate of September 2015, corresponds to 632 thousand euros.

Under a credit line granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch with Banco Nacional de Crédito, C.A., on 4 April 2013, of the maximum amount of 175,000 thousand Venezuelan bolivars, increased in May 2014 to a maximum limit of 220,000 thousand Venezuelan bolivars, used to the value of 61,875 thousand Venezuelan



bolivars on the closing date of September 2015 which, at the closing exchange rate of September 2015, corresponds to 277 thousand euros.

All the credit lines granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch are negotiated and renegotiated for periods of 12, 18 or 24 months and the amounts used under them earn interest at normal rates for identical operations on the local market, at their dates of use, which are charged on a monthly, quarterly or six-monthly basis, accordingly.

As at 30 September 2015 and 31 December 2014, the bank loans also include pledged current accounts of the value of 451,087 and 447,029 thousand euros, respectively.

## **b) Commercial paper**

As at 30 September 2015, the Group had negotiated the following commercial paper programmes:

Grouped commercial paper issue programme contracted with Haitong Bank S.A. and Novo Banco, S.A. on 16 December 2005, of the value of 100,000 thousand euros, corresponding to 45,000 thousand euros on the closing date of September 2015, in which TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part, with the entire amount being used by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. The participation of each company in the programme may vary each time it is used. The duration of the programme is five years minus one day, counted as of the contract signing date. The issue periods are from 1 to 6 months and earn interest in advance at the Euribor rate of the period plus a spread of 3%, with the repayment of the last issue being on 20 August 2018. This programme stipulates semi-annual repayments starting on 20 August 2015 of the value of 1,000 thousand euros on the first date and 2,500 thousand euros thereafter, and settlement of the remaining value on the repayment date of the last issue of the programme.

Commercial paper issue programme contracted with Banco Comercial Português, S.A. on 20 August 2008, of 17,800 thousand euros on the closing date of 30 September 2015, with annual renovation. The interest is earned in arrears, with the rate being indexed to the three-month Euribor plus a spread of 5.75% determined according to each issue date.

Commercial paper issue programme contracted with Banco Comercial Português, S.A. on 20 August 2008, of 3,500 thousand euros on the closing date of September 2015, with annual renovation. The interest is earned in arrears, with the rate being indexed to the three-month Euribor plus a spread of 5.75% determined according to each issue date.

Grouped commercial paper issue programme contracted with Caixa Geral de Depósitos, S.A. on 7 July 2010, of the value of 70,000 thousand euros, in which TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part, with the entire amount being used by TEIXEIRA DUARTE - Engenharia e Construções, S.A. The participation of each company in each programme may vary each time it is used. The programme was renewed on 12 May 2014 up to 14 May 2019, for the amount of 50,000 thousand euros, currently with the value of 40,000 thousand euros on the closing date of September 2015. This will be subject to annual repayments of 10,000 thousand euros, starting on 15 May 2016. The interest is earned in advance on each subscription date, with the intervention rate being indexed to the Euribor for the respective period, in force on the second business day prior to each subscription date, plus 4% up to May 2016 and 3.75% for the remaining period of the programme, and determined according to each auction date.

Commercial paper issue programme contracted with Haitong Bank, S.A. and Novo Banco, S.A. on 28 December 2010, of the amount of 34,000 thousand euros, in which TEIXEIRA DUARTE - Engenharia e Construções, S.A. participates. The programme had an initial use of three years, and is currently subject to the annual renewal. The interest is earned in advance on each subscription date, with the intervention rate being indexed to the Euribor for the respective period, in

force on the second business day prior to each subscription date, plus 3% and determined in accordance with the date of each auction.

Grouped commercial paper issue programme, through private subscription, contracted on 14 January 2011 with Banco Comercial Português, S.A., with the total amount used being 20,750 thousand euros, in which TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part, to the amounts of 18,650 thousand euros and 2,100 thousand euros, respectively. The participation of each company in the programme may vary each time the programme is used, with TEIXEIRA DUARTE - Engenharia e Construções, S.A. being required to participate with at least 10% of the total value. Interest is payable in arrears and the intervention rate is indexed to one to six-month Euribor by competitive auction of 7 to 180 days by direct placement plus 4.375% and determined in accordance with the date of each auction, with the repayment of the last issue taking place on 6 January 2016.

Grouped commercial paper issue programme contracted on 28 December 2011, with Banco Comercial Português, S.A. of the total amount of 43,000 thousand euros, corresponding to 42,000 thousand euros on the closing date of September 2015, in which TEIXEIRA DUARTE, S.A., TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part, where on this date the amounts used by each were 750 thousand euros, 750 thousand euros and 40,500 thousand euros, respectively. Each of the issues must necessarily be carried out together by all the issuers and the participation of each issuer cannot be less than 250 thousand euros. The programme shall be enforced up to 30 December 2021, with repayments being foreseen at the end of each semester of 3,300 thousand euros, with the exception of the last which shall be 5,900 thousand euros. The applicable interest rate is the Euribor for each issue period, in force on the second business day prior to the date of each issue, increased by a spread of 4.25%.

Grouped programme for commercial paper issues, contracted on 6 November 2013 with Novo Banco, S.A. and Haitong Bank, S.A., of the value of 98,500 thousand euros on the closing date of September 2015, in which TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. and TEIXEIRA DUARTE - Engenharia e Construções, S.A. participate, with the amounts of 88,500 thousand euros and 10,000 thousand euros, respectively. The participation of each company in the programme may vary in each of its issues. The duration of the programme is five years, counted as of the contract signing date, with the interest falling due in advance and the reference rate being indexed to the Euribor for the respective period, in force on the second business day prior to each subscription date, plus a 5.00% spread and determined according to the date of each auction, with the repayment of the last issue being on 6 November 2018. The programme will be subject to partial repayments, to occur on a six-monthly basis as of May 2016 of 2,000 euros, with the penultimate instalment being in May 2,000 of 2,500 euros.

Grouped commercial paper issue programme contracted on 30 December 2013 with Novo Banco, S.A. and Haitong Bank, S.A., of the value of 199,250 thousand euros on the closing date of September 2015, granted by the issuers TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., and by the guarantors TEDAL - Sociedade Gestora de Participações Sociais, S.A., TEIXEIRA DUARTE - Engenharia e Construções, S.A., QUINTA DO CRAVEL - Imobiliária, S.A., and V8 - Gestão Imobiliária, S.A., which is being entirely used by TEIXEIRA DUARTE - Engenharia e Construções, S.A. The participation of each company in each programme may vary in each of its issues. The duration of the programme is five years minus 1 day, counted as of the contract signing date, with the interest falling due in advance and the reference rate being indexed to the Euribor for the respective period, in force on the second business day prior to each subscription date, plus spread of 5% and determined according to the date of each auction, with the repayment of the last issue being on 29 November 2018. The programme will be subject to partial repayments, to occur on a six-monthly basis as of 30 December 2015 of 8,000 thousand euros, and as of June 2016 of 5,000 thousand euros.

Grouped commercial paper issue programme contracted on 2 May 2014 with Banco Finantia, S.A., of the value of 20,000 thousand euros, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., of which, on the closing date of September 2015, 10,000 thousand euros

is being used by TEIXEIRA DUARTE - Engenharia e Construções, S.A., and where the participation of each issuer may vary upon each issue. The duration of the programme is 3 years, and the issue period may vary from 7 to 365 days. Interest is payable in arrears at the rate corresponding to that arising from direct placement or the respective intervention rate which would be equal to the Euribor applicable to the issue period plus 4.7%.

Grouped commercial paper issue programme contracted on 27 June 2014 with Banco Comercial Português, S.A. of the value of 55,000 thousand euros, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. The duration of the programme is 5 years, and the issue period may vary from one to three months. Interest is payable in arrears at the rate corresponding to the Euribor applicable to the issue period plus 6%.

Grouped commercial paper issue programme contracted on 18 November 2014 with Banco BIC Português, S.A. of the value of 5,000 thousand euros, granted by TEIXEIRA DUARTE, S.A., TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. The programme is valid up to 2 January 2020, and the issue period may vary from one to six months. Interest is payable in arrears at the rate corresponding to the Euribor applicable to the issue period plus a 3.25% spread.

As a result of the commitment of successive renewal of the programme contracts during the period, some existing issues as at 30 September 2015 and 31 December 2014 are classified as non-current liabilities.

### c) Debenture Loan

TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. have signed, with Banco Comercial Português, S.A., a Contract for Provision of Services of Assistance and Placement of a Private Offer of Issue of Bonds, as well as the Contract of Paying Agent relative to the Grouped Issue by Private Subscription of Bonds of the value of 15,300 thousand euros (1,500 thousand euros of TEIXEIRA DUARTE - Engenharia e Construções, S.A. and 13,800 thousand euros of TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.) called "TEIXEIRA DUARTE - Engenharia e Construções, S.A. / TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. - 2014/2021". The interest is paid quarterly at the rate of 4.57% and the repayment is made at par value in three instalments of equal amount which fall due on 2 April 2019, 2 April 2020 and 2 April 2021.

As at 30 September 2015 and 31 December 2014, the repayment of non-current bank loans is defined as follows:

|                    | 30/09/2015     | 31/12/2014     |
|--------------------|----------------|----------------|
| 2016               | 76,251         | 137,032        |
| 2017               | 89,345         | 98,781         |
| 2018               | 346,347        | 346,910        |
| 2019               | 69,430         | 68,901         |
| 2020 and following | 118,214        | 109,891        |
|                    | <b>699,587</b> | <b>761,515</b> |

As at 30 September 2015 and 31 December 2014, the funding in foreign currency was expressed as follows:

| Currency           | 30/09/2015 |         | 31/12/2014 |         |
|--------------------|------------|---------|------------|---------|
|                    | Currency   | Euros   | Currency   | Euros   |
| Venezuelan Bolivar | 3,195,685  | 14,304  | 935,082    | 64,182  |
| US Dollar          | 29,204     | 26,068  | 21,553     | 17,752  |
| Moroccan Dirham    | -          | -       | 7,034      | 642     |
| Japanese Yen       | 14,578     | 108     | -          | -       |
| Angolan Kwanza     | 21,671,329 | 142,919 | 21,262,829 | 169,952 |
| South African Rand | -          | -       | 2,264      | 161     |
| Brazilian Real     | 151,277    | 33,761  | 110,391    | 34,275  |

The loans denominated in foreign currency earn interest at market rates and were converted into euros based on the exchange rate as at the reporting date.

The amounts expressed in Venezuelan Bolivars reflect the impact of the adoption of the “SIMADI” exchange rate.

## 24 - CONTINGENT LIABILITIES, GUARANTEES AND COMMITMENTS

Following various inspections conducted by the Taxation and Customs Authority (AT) to the accounts of TEIXEIRA DUARTE - Gestão de Participações Investimentos Imobiliários, S.A., a company 100% held indirectly by TEIXEIRA DUARTE, S.A. relative to the financial years of 2007 to 2012, the following corrections were made to the tax losses that had initially been reported for this participated company:

| Year | Calculated tax loss | AT correction |
|------|---------------------|---------------|
| 2007 | 46,632              | 29,331        |
| 2008 | 50,590              | 45,938        |
| 2009 | 50,182              | 24,807        |
| 2010 | 18,165              | 6,467         |
| 2011 | 12,779              | 3,213         |
| 2012 | 13,294              | 3,971         |

With the exception of the amounts of 611 and 1,666 thousand euros, included in the correction to the tax loss for 2008 and 2012, respectively (and relative, according to the AT, to the undue application of number 10 of article 22 of the EBF to the distribution of income by the TDF Closed Real Estate Investment Fund), these corrections arise entirely from the non-acceptance, as a tax cost, of the financial costs incurred with the investment made in participated companies under the form of additional paid-in capital.

Since TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. is subject to corporate income tax (IRC) in accordance with the special taxation scheme for groups of companies (RETGS) (article 69 and following of the IRC Code), the corrections to the tax losses for the periods of 2007 to 2011 were subject to additional IRC tax assessments and compensatory interest issued to TEIXEIRA DUARTE – Engenharia e Construções, S.A., participated company 100% directly held by the parent company, as the controlling company of the RETGS for those financial years. TEIXEIRA DUARTE – Engenharia e Construções, S.A. objected, under the terms of the law, to the corrections made by the Taxation and Customs Authority (AT) to the periods of 2007 to 2011.

Up to the present date, the Company has not yet been issued any additional payment, in its capacity of controlling company of the RETGS, in relation to the corrections of the financial year of 2012.

Notwithstanding the unfavourable outcome to the claims of TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., and, consequently, TEIXEIRA DUARTE – Engenharia e Construções, S.A., as the controlling company, under the proceedings relative to the period of 2006 on the acceptance, as a tax cost, of the financing costs incurred with the investment made in participated companies in the form of additional paid-in capital, the Board of Directors continues to expect a different outcome for the other periods subject to corrections.

In addition to the corrections described above relative to the participated company TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., the following corrections made by the AT to TEIXEIRA DUARTE - Engenharia e Construções, S.A., in an individual capacity, are disclosed:

- Correction of the taxable amount calculated for the period of 2008, amounting to 35,467 thousand euros, of which the Company objected to 32,595 thousand euros, related to tax credit, the system of re-investment of tax gains and the undue application of number 10 of article 22 of the EBF;
- The correction of 461 thousand euros, made by the Tax Authority to the tax credit due to double international taxation calculated by the Company for 2010, and disclosed in the report relative to 31 December 2014, has in the meantime had a favourable outcome in relation to the Company's claims;
- Corrections of the taxable amount calculated for the period of 2011, amounting to 1,739 thousand euros, of which the Company objected to 608 thousand euros, primarily related to the non-acceptance of autonomous taxation as a tax cost;
- Correction amounting to 12 thousand euros, the entirety of which was contested by the Company, due to considering that the correction established in number 6 of article 45 of the Corporate Income Tax Code (in the text applicable to the period of 2011) does not cover the Municipal Surcharge;
- Corrections to the taxable amount calculated for the period of 2011, amounting to 9,268 thousand euros, of which the Company shall object to 702 thousand euros, related to the non-acceptance of autonomous taxation as a tax cost, as well as favourable corrections to the amount of tax credit due to international double taxation, amounting to 2,892 thousand euros.

#### **Guarantees:**

As at 30 September 2015 and 31 December 2014, the group of companies included in the consolidation had provided the following guarantees to third parties:

|                          | 30/09/2015 | 31/12/2014 |
|--------------------------|------------|------------|
| Bank guarantees provided | 505,710    | 460,269    |
| Fidelity insurance       | 203,999    | 360,865    |

The bank guarantees were essentially provided for the effect of tenders, advances received and as a completion bonds for works.

TEIXEIRA DUARTE - Engenharia e Construções, S.A., EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A., SOMAFEL - Engenharia e Obras Ferroviárias, S.A., OFM - Obras Fluviais e Marítimas, S.A., RECOLTE, Serviços e Meio Ambiente, S.A., RECOLTE, Servicios y Medioambiente, S.A.U., EMPA - Serviços de Engenharia, S.A. and the Boyacá - La Guaira Consortium, have provided fidelity insurance in order to guarantee the good implementation of works and services rendered.

For the effect of suspension of the tax enforcement proceedings filed against the participated company TEIXEIRA DUARTE - Engenharia e Construções, S.A., relative to the corporate income tax debt for the year of 2008, in the meantime contested, a bank guarantee has been issued, in favour of the AT, for the amount of 14,752 thousand euros. Subsequently, TEIXEIRA DUARTE - Engenharia e Construções, S.A. applied for the replacement of the bank guarantee for a security, which was refused by the AT, which TEIXEIRA DUARTE, S.A. contested under the legal terms, having received a favourable decision from the South Administrative Central Court, and its enforcement as the final decision is pending.

For the effect of suspension of the tax enforcement proceedings filed against the participated company TEIXEIRA DUARTE - Engenharia e Construções, S.A., relative to the corporate income tax debt for the year of 2010, in the meantime contested, TEIXEIRA DUARTE, S.A. submitted a security, of the value of 10,139 thousand euros, which was accepted by the Taxation and Customs Authority.

A mortgage was also constituted in favour of Caixa Geral de Depósitos, S.A. on lot 3, situated in Lagoas Park, owned by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., to secure a loan contract granted by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. of the value of 29,382 thousand euros on the closing date of September 2015.

In order to secure a contract signed with Banco Caixa Totta Angola, of the present value of 9,016 thousand euros on the closing date of September 2015, HOTEL BAÍA, Lda. mortgaged a property owned by it, number 256 - 1st section, located in Chicala.

In order to secure a contract signed with BIC, of the value of 9,930 thousand euros on the closing date of September 2015, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 2554, located in Samba.

In order to secure a contract signed with BIC, of the value of 16,996 thousand euros on the closing date of September 2015, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 2554, located in Samba.

In order to secure a contract signed with BIC, of the value of 17,434 thousand euros on the closing date of September 2015, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 354, located in Samba.

In order to secure a contract signed with Banco Angolano de Investimentos, of the value of 26,412 thousand euros on the closing date of September 2015, CND - Companhia Nacional de Distribuição, Lda. mortgaged a property owned by it, number 123 and 874, located respectively at Ingombotas and Sambizanga.

In order to secure a contract signed with Banco Caixa Geral Totta Angola, of the value of 8,539 thousand euros on the closing date of September 2015, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 187, located in Ingombotas.

In order to secure a contract signed with Banco Caixa Geral Totta Angola, of the value of 11,866 thousand euros on the closing date of September 2015, HOTEL TRÓPICO, S.A. mortgaged a property owned by it, number 1826, located in Ingombotas.

In order to secure the issue of a bank guarantee with Banco BIC, of the value of 25,000 thousand euros on the closing date of September 2015, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 2554, located in Samba.

In order to secure the commercial paper contract signed with Banco Comercial Português, S.A., of the value of 42,000 thousand euros on the closing date of September 2015, granted by TEIXEIRA DUARTE, S.A., TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., mortgaged the properties implanted respectively on lots 6, 18 and 19, located in Lagoas Park, owned by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A..



In order to guarantee the loan of the value of 2,501 thousand euros on the closing date of September 2015, concluded with Banco Popular Portugal, S.A. on 13 December 2012, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A., TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários S.A., QUINTA DE CRAVEL - Imobiliária, S.A. and V8 - Gestão Imobiliária, S.A., V8 - Gestão Imobiliária, S.A. mortgaged the fractions it owns of the urban property located on Rua de Castro Portugal, numbers 497 and 511; Rua Professora Rita Lopes Ribeiro Fonseca, numbers 46, 52, 76, 80, 94 and 96; Locality and Parish of Vila Nova de Gaia, as well as the fractions of the urban property named lot 14, located on Rua Guilherme Duarte Camarinha, number 12, Locality of Candal, Parish of Vila Nova de Gaia, for the total value of 2,501 thousand euros.

Apart from the guarantees indicated above, the following pledges have also been provided:

In order to secure the loan contract signed with Banco Caixa Geral, S.A., of the value of 12,820 thousand euros on the closing date of September 2015, granted by RECOLTE, Servicios y Medioambiente, S.A.U., RECOLTE, Servicios y Medioambiente, S.A.U. pledged 2,000,000 shares of Banco Bilbao Vizcaya Argentaria, S.A..

In order to secure the commercial paper contract signed with Haitong Bank, S.A. and Novo Banco, S.A. of the value of 45,000 thousand euros on the closing date of September 2015, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. and TEDAL - Sociedade Gestora de Participações Sociais, S.A. pledged 325,000,000 and 32,000,000 shares of Banco Comercial Português, S.A., respectively.

To secure a loan contract signed with Novo Banco, S.A., of the value of 29,750 thousand euros on the closing date of September 2015, TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. and C+P.A. – Cimentos e Produtos Associados, S.A. pledged 120,000,000 and 145,229,693 shares in Banco Comercial Português, S.A., respectively.

In order to secure the commercial paper contract signed with Haitong Bank, S.A. and Novo Banco, S.A. of the value of 199,250 thousand euros on the closing date of September 2015, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., TEDAL - Sociedade Gestora de Participações Sociais, S.A. pledged 12,500,000 shares of EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A., 200,000,000 shares of C+P.A. - Cimentos e Produtos Associados, S.A., and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. pledged 1,325,000 participation units of the TDF Closed Real Estate Investment Fund. TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. constituted a voluntary mortgage on an urban building it owns, destined for warehouses, workshops, materials laboratory and parking of equipment, located on Avenida da Indústria, Alto Estanqueiro - Jardim, Montijo, of the value of 15,516 thousand euros. QUINTA DE CRAVEL - Imobiliária, S.A. also mortgaged the lots for construction numbers 8, 10, 11, 12, 13, 19, 23, 26 and 31, located at Quinta de Cravel, Mafamude, Vila Nova de Gaia, for the total value of 6,839 thousand euros. V8 - Gestão Imobiliária, S.A. mortgaged the lots for construction numbers 1, 2, 3, 5, 6, 8, 16, 18, 20 and 30 located at Empreendimento Santa Maria Design District, Santa Marinha, Vila Nova de Gaia, for the total value of 30,079 thousand euros.

In order to secure the commercial paper contract signed with Caixa Geral de Depósitos, S.A. of the value of 70,000 thousand euros, corresponding to 40,000 thousand euros on the closing date of September 2015, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. pledged 4,675,000 participation units of the TDF Closed Real Estate Investment Fund.

In order to secure the commercial paper contract signed with Haitong Bank, S.A. and Novo Banco, S.A., of the value of 34,000 thousand euros, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A., TEDAL - Sociedade Gestora de Participações Sociais, S.A. pledged 1,000,000 shares in TDGI - Tecnologia de Gestão de Imóveis, S.A..

In order to reinforce the guarantees provided under the financial lease contract signed on 31 December 2008 with Banco Comercial Português, S.A., TEDAL - Sociedade Gestora de Participações Sociais, S.A. pledged 9,000,000 shares of SOMAFEL - Engenharia e Obras Ferroviárias, S.A..

In order to secure debts to third parties, of the value of 14 thousand euros, IMOTD - SGPS, S.A. pledged 14,000 shares of V8, S.A..

In order to secure the loan contract granted by TDHOSP - Gestão de Edifício Hospitalar, S.A. of the value of 45,180 thousand euros on the closing date of September 2015, TEIXEIRA DUARTE - Engenharia e Construções, S.A. pledged to Caixa Geral de Depósitos, S.A. and Caixa Banco de Investimentos, S.A. 1,540,000 shares in TDHOSP - Gestão de Edifício Hospitalar, S.A. Under the same loan contract, TEIXEIRA DUARTE - Engenharia e Construções, S.A., as shareholder, pledged the credit rights over TDHOSP - Gestão de Edifício Hospitalar, S.A..

In order to secure the loan contract concluded with Caixa Económica Montepio Geral, of the value of 2,747 thousand euros on the closing date of September 2015, granted by DIGAL - Distribuição e Comércio, S.A., DIGAL - Distribuição e Comércio, S.A. constituted a commercial pledge on equipment of the value of 3,394 thousand euros.

In order to secure the loan contract signed with Caixa Económica Montepio Geral, of the value of 8,000 thousand euros, granted by PPS - Produtos Petrolíferos, S.A., TDARCOL - SGPS, S.A. pledged the shares of PPS - Produtos Petrolíferos, S.A..

#### **Financial commitments:**

As at 30 September 2015 and 31 December 2014, the comfort letters provided by TEIXEIRA DUARTE, S.A. and its subsidiaries reached 486,734 thousand euros and 546,054 thousand euros, respectively.

As at 30 September 2015 and 31 December 2014, factoring contracts without right of recourse were in force, which were recorded as reductions in accounts receivable of the value of 9,058 thousand euros and 11,609 thousand euros, respectively. Pursuant to the contractual conditions, the Group's liability is essentially restricted to the guarantee of acceptance on the part of customers of the invoices which are the object of factoring.

## **25 - MEASUREMENT AT FAIR VALUE**

### **Estimated fair value - assets and liabilities measured at fair value**

The table below presents the Group's assets and liabilities measured at fair value as at 30 September 2015, according to the following hierarchical levels of fair value:

- Level 1: the fair value of financial instruments is based on lending net market prices as at the reference date of the statement of financial position;
- Level 2: the fair value of financial instruments is not determined based on lending net market prices, but rather through use of valuation models;
- Level 3: the fair value of financial instruments is not determined based on lending net market prices, but rather through use of valuation models whose main inputs are not observable on the market;



| Category  | Item               | Level 1 | Level 2 | Level 3 |
|---|--------------------|---------|---------|---------|
| <b>Assets:</b>  |                    |         |         |         |
| Financial assets available for sale                   | Shares             | 45,860  | -       | -       |
| Financial assets at fair value through profit or loss | Shares             | 4,606   | -       | -       |
| Investment properties                                 | Buildings and land | -       | 501,210 | -       |
| <b>Liabilities:</b>                                   |                    |         |         |         |
| Financial liabilities at fair value                   | Hedge derivatives  | -       | 15,581  | -       |

Except with respect to non-current loans, most financial assets and liabilities mature in the short term, hence it is considered that their fair value is identical to the respective book values.

Most of the loans are taken out at variable interest rates. Therefore, it is deemed that the corresponding book value (amortised cost) does not differ significantly from the respective market value.

## 26 - APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements for the period ended on 30 September 2015 were approved by the Board of Directors on 27 November 2015.

## 27 - SUBSEQUENT EVENTS

TEIXEIRA DUARTE pursued its activity in the different markets in which it operates, with no relevant fact having occurred after 30 September 2015 and known at the date of the issue of the present document being worthy of disclosure.