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GOVERNING BODIES

BOARD OF THE ANNUAL GENERAL MEETING

Chairman

Pedro Canastra de Azevedo Maia

Deputy Chairman

Tiago Antunes da Cunha
Ferreira de Lemos

Secretary

Marta Horta e Costa Leitão Pinto Barbosa

BOARD OF DIRECTORS

Chairman

Stanley Hung Sun Ho

Deputy Chairmen

Mário Alberto Neves Assis Ferreira
Patrick Wing Ming Huen

Members

Pansy Catilina Chiu King Ho
Ambrose Shu Fai So
Man Hin Choi
António José de Melo Vieira Coelho
Vasco Esteves Fraga
Jorge Armindo de Carvalho Teixeira
Calvin Ka Wing Chann
Miguel Dias Urbano de Magalhães Queiroz

AUDIT BOARD

Chairman

Manuel Maria Reis Boto

Deputy-Chairmen

Vitor Pratas Sevilhano Ribeiro
Paulo Ferreira Alves

Alternate

Lisete Sofia Pinto Cardoso

REMUNERATION COMMITTEE

Pansy Catilina Chiu King Ho
Jorge Armindo de Carvalho Teixeira
Calvin Ka Wing Chann

ADVISORY BOARD

Chairman

Rui José da Cunha

COMPANY SECRETARY

Secretary

Carlos Alberto Francisco Farinha

Alternate

Artur Conde de Magalhães Mateus

STATUTORY AUDITOR

Deloitte & Associados, SROC, S.A.
Represented by Pedro Miguel Argente de
Freitas e Matos Gomes



INTERIM MANAGEMENT REPORT

1.

THE COMPANY

Estoril-Sol, S.A. was incorporated on 25 June 1958 and its company object is “the operation of the gambling concession, on an exclusive basis, in the Estoril permanent area, including other related trade and industries”.

On 18 March 2002, Estoril-Sol, S.A. modified its legal status to “Holding Company, S.G.P.S.”, Public Corporation, thereby no longer directly conducting any business activities, and such business is now to be conducted by various associated undertakings which have been incorporated for this purpose.

The Company held indirectly through subsidiaries interests in the tourism sector, in particular, in gaming activities at casinos. The Company owns the Game Concessions of Estoril (Casino do Estoril and Casino Lisboa) and Póvoa de Varzim. Since July 2016 the Company also began exploring the online gambling activity and sports betting through one of its subsidiaries.

During the first quarter of the year we monitor regularly and in detail the current management of the subsidiaries, giving particular attention and support to streamline processes and control costs.

2.

SHARE CAPITAL, SHARES AND DIVIDENDS

At 31st March 2018, the share capital of Estoril-Sol, S.G.P.S., S.A. was 59.628.420 Euros, represented by 11.993.684 shares with a nominal unit value of 5 (five).

At the time this report was prepared, Estoril-Sol, S.G.P.S., S.A. held 62.565 treasury shares, with no trading taking place during the financial year.

During the current year, the Company, did not sold or acquired own shares.

The Company's shares are listed on the Lisbon Stock Exchange since February 14, 1986.

The price and trading volume of Estoril-Sol, SGPS, SA securities, on the dates of reporting to the market during the first quarter of 2018 were according table ►02.

As at March 31st, 2018 the Company had two reference shareholders, which control 90,46% of the share capital, as shown in infographics ►03.

3.

ESTORIL-SOL GROUP

On March 31st, 2018, Estoril-Sol, S.G.P.S., S.A. had the following stakes in the following subsidiaries:

ESTORIL-SOL (III)**TURISMO ANIMAÇÃO E JOGO, S.A.**

Incorporated on 26 July 2001, headquartered in Estoril, the social object of which is the operation of games of chance in areas where this is permitted by law and, in addition, may also operate in the tourism, hotel, restaurant and entertainment industries, as well as providing consultancy services in those areas of activity. This company operates the Estoril and Lisbon Casinos.

Its share capital of EUR 34,000,000 is 100% held by Estoril-Sol, S.G.P.S., S.A..

**ESTORIL-SOL DIGITAL
ONLINE GAMING PRODUCTS
AND SERVICES, S.A.**

With a Share Capital of EUR 500.000 is 50% held by Estoril-Sol (III) - Turismo, Animação e Jogo, S.A..

The Company was founded in September 2015 in order to apply for an online gaming license. The license was issue during July 2016 and the Company

►01 Estoril-Sol, S.G.P.S., S.A. – Shares price evolution



►02 Date for disclosing Estoril-Sol, S.G.P.S., S.A. information

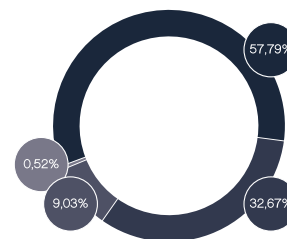
DISCLOSURE	DATE	QTD.	PRICE (EUR)			
Annual Results for 2017	30/04/18	2298	<i>Abertura</i> 12,20	<i>Máx.</i> 12,20	<i>Mín.</i> 12,20	<i>Fecho</i> 12,20

► Estoril-Sol Group



* Holds 10% of its Share Capital

► 03 Company Shareholders



▲ Finansol, Sociedade de Controlo, SGPS, S.A.

▲ Amorim, Entertainment e Gaming International, SGPS, S.A.

▲ Other Shareholders

▲ Treasury Shares

immediately started exploring the online gambling activity. During the course of 2017, in August, the company also obtained a license for online sports betting, activity that began on August 6th, 2017.

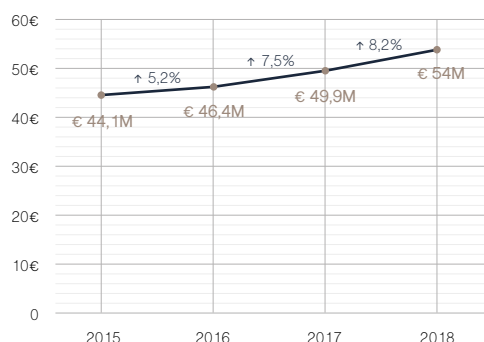
Within the online gaming activities, which is carried out through Estoril-Sol Digital, Online Gaming Products and Services, S.A., a subsidiary company of Estoril-Sol (III) – Turismo, Animação e Jogo, S.A., a company owned by the issuer (Estoril-Sol, S.G.P.S., S.A.), signed with Vision Gaming Holding Limited, a company based in Malta, an association agreement, through which it holds a minority interest, corresponding to 49.9998% of the share capital of Estoril-Sol Digital, keeping the Estoril-Sol (III) SA most of the capital and votes in that company (Estoril-Sol Digital, Online Gaming Products and Services, S.A.).

VARZIM SOL TURISMO, JOGO E ANIMAÇÃO, S.A.

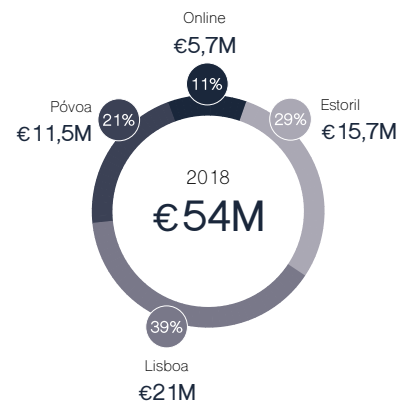
Headquartered in Póvoa de Varzim, has the social object, in particular, of operating the gambling concession of Póvoa de Varzim. This company operates the Póvoa de Varzim Casino. It has a share capital of EUR 33.650.000, 100% held by Estoril-Sol, S.G.P.S., S.A..

►04 Game Revenue, 1st Quarter

(Million Euros)



►05 Game Revenue per Casino

**ESTORIL-SOL (V) INVESTIMENTOS IMOBILIÁRIOS, S.A.**

Its share capital of EUR 50,000 is fully paid up by Estoril-Sol, S.G.P.S., S.A.. The Company is now idle, but owns a site located on maritime land in the parish of Ericeira.

DTH - DESENVOLVIMENTO TURÍSTICO E HOTELEIRO, S.A.

With a share capital of EUR 2,429,146, is 100% held by Estoril-Sol, S.G.P.S., S.A.. It owns a plot of land in Monte Estoril, where the former Miramar Hotel stood.

ESTORIL-SOL IMOBILIÁRIA, S.A.

With a share capital of EUR 7,232,570, it is 100% owned by Estoril-Sol, S.G.P.S., S.A.. Its social object is the construction, promotion, management and sale of tourist complexes and real estate.

ESTORIL-SOL INVESTIMENTOS HOTELEIROS, S.A.

With a share capital of EUR 10,835,000 is 90% held by Estoril-Sol, S.G.P.S., S.A., with the remaining 10% being held by the company itself.

ESTORILSOL E MAR INVESTIMENTOS IMOBILIÁRIOS, S.A.

With a share capital of EUR 1,286,000, is fully paid up by Estoril-Sol, S.G.P.S., S.A..

4.**ESTORIL-SOL FINANCIAL ANALYSIS 1ST QUARTER SUMMARY****GAME REVENUES**

During the first quarter of 2018 the total gross game revenues of the Estoril Sol Group (territorial and online) amounted to 54 million Euros, with an overall growth of 8,2%. The physical game showed a growth rate of 4% and online gaming revenues grew 58% driven by sports bets non-existent in the first quarter of 2017. Game revenues detailed by casino in the graphics ►05.

GROUP CONSOLIDATED RESULTS

In the first quarter of 2018 the Group's Consolidated EBITDA increased by 8% and amounted to Euro 10,7 million Euros.

As at 31st March 2018 the Group reported positive consolidated net results of 5,5 million Euros — ►06.

PERFORMANCE BY SEGMENT/CASINO

In the first quarter of 2018 all casinos, without exception, achieved a positive

net results and EBITDA (operational results). In 2017 the Casinos of Estoril and Póvoa still had negative net results.

Despite revenue growth, Online Casino has worsened its performance compared to the previous year due to strong marketing investments related to the operation of sports betting — ►07.

CAPEX

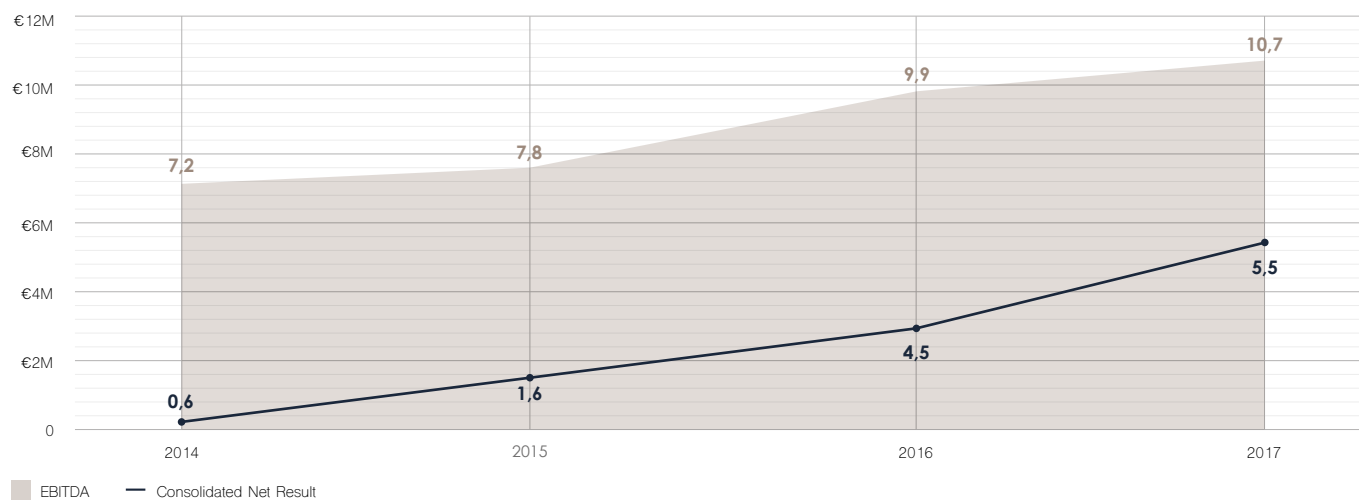
The Group's investment remains in line with previous years, although it has grown slightly. In the first quarter of 2018, the Group made investments totaling 0.5 million Euros — see ►08.

FINANCIAL DEBT

In a concerted effort to financial stability and less dependence on third parties, the Group has consistently reduced its bank debt, this reduction resulted in a significant decrease in financial costs incurred by the Group. By the end of March 2018 the Group bank debt was 13,1 million Euros — see graphic ►09.

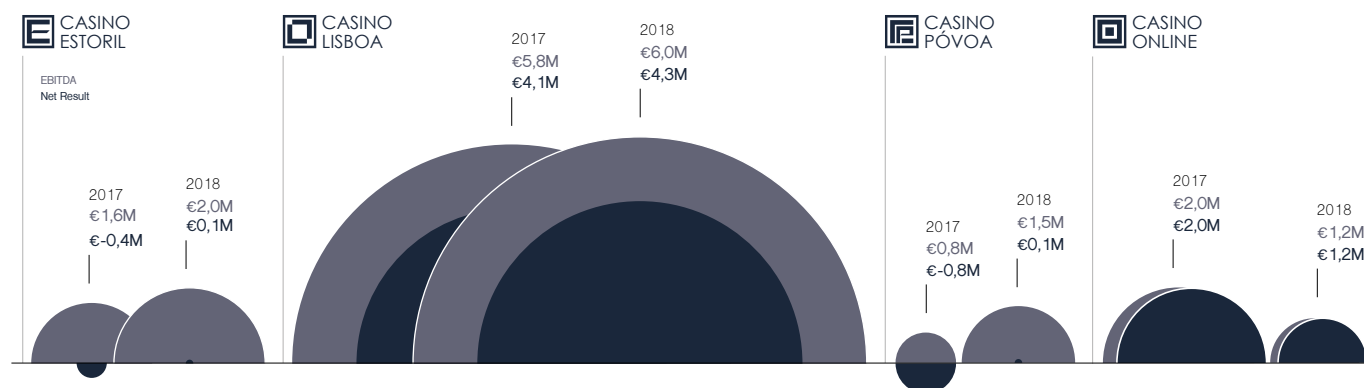
►06 EBITDA/Consolidated NET Result

(Price in Euros)



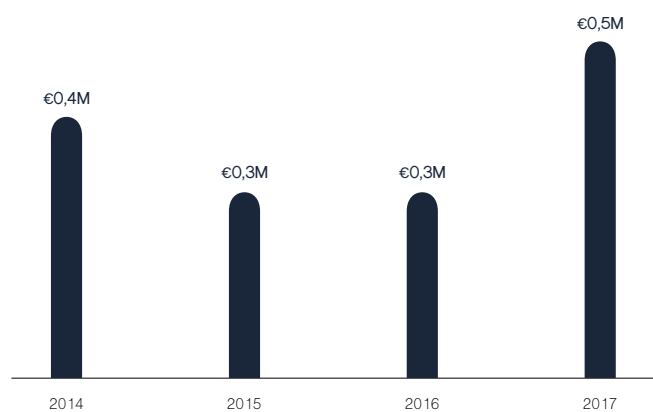
►07 EBITDA/Resultado Líquido

(Price in Euros)



►08 Capex

(Price in Euros)



►09 Financial Debt

(Million Euros)



5.

FINANCIAL ANALYSIS CONSOLIDATED ACCOUNTS

TERRITORIAL

In Portugal, the gambling activity in land based casinos is developed by five business groups that exploit, under a public concession, the twelve casinos existing in the national territory. In March 2017 the Casino of Ponta Delgada in the Azores started its activity. To this date there's no information available related to game revenues due to the youth of this operation.

The Estoril-Sol Group, through its subsidiaries, operates three of the four biggest casinos in Portugal, accounting for 63% of net income generated by the activity in Portugal.

Revenues from gambling in Portugal during the first quarter of 2018 amounted to approximately 75,8 million Euros, an increase of 5,6% compared to last year.

In the same period the Group land base game revenues achieved 48,3 million Euros, an increase of 4,3% — ► 10.

ONLINE

On the 28th June 2015 the online gambling regulation approved by Decree-Law 66/2015 entered into force.

The issue of the first license occurred one year later, in May 2016, it was a sports betting license. The second license issued by the Turismo de Portugal took place in July 2016 and also for sports betting.

In July 2016 the first online casino license (slot machines, roulette and blackjack) was issued. This license was granted to the Estoril-Sol Group on July 25th, 2016, and the Group started

operations on the same day. Since then five more licenses have been issued, totaling to this date six online casino licenses allotted. In August 2017 the Estoril-Sol Group obtained a license to operate online sports betting, and immediately started the operation.

As of March 31st, 2018 there are seven operators to explore twelve online game licenses — ► 11.

During the first quarter of 2018, online gambling in Portugal generated gross revenues (amount of bets after deducting the premiums paid) in the overall amount of 33,8 million Euros. The sports betting segment accounts for 52% of the market value and generated gross revenues of 17,4 million Euros. Casino Games, including slot machines, roulette and blackjack, represent 40% of the market and generated gross revenues of 13,4 million Euros. Poker generated revenues of 3 million Euros corresponding to 8% of all online bets — ► 12.

The Estoril-Sol Group on March 31st, 2018 holds two valid licenses, a license to operate online casino games, namely, slot machines, roulette and blackjack, and a second license that allows to operate the sports betting segment.

During the quarter of 2018 Estoril-Sol recorded online gaming revenues of 7,2 million Euros, from which 5,5 million Euros relating to online casino games and 1,7 million Euros relating to online sports betting (see graphs ► 13).

CONSOLIDATED ACCOUNTS

During the first quarter of 2018, the Group recorded combined gross game revenues, territorial and online, of 54 million Euros, with an overall growth of 8%. Net from gaming taxes, the Group's total game revenues amounted to 26,2 million Euros, an increase of 5,4% over the 24,9 million Euros achieved in the first quarter of the previous year.

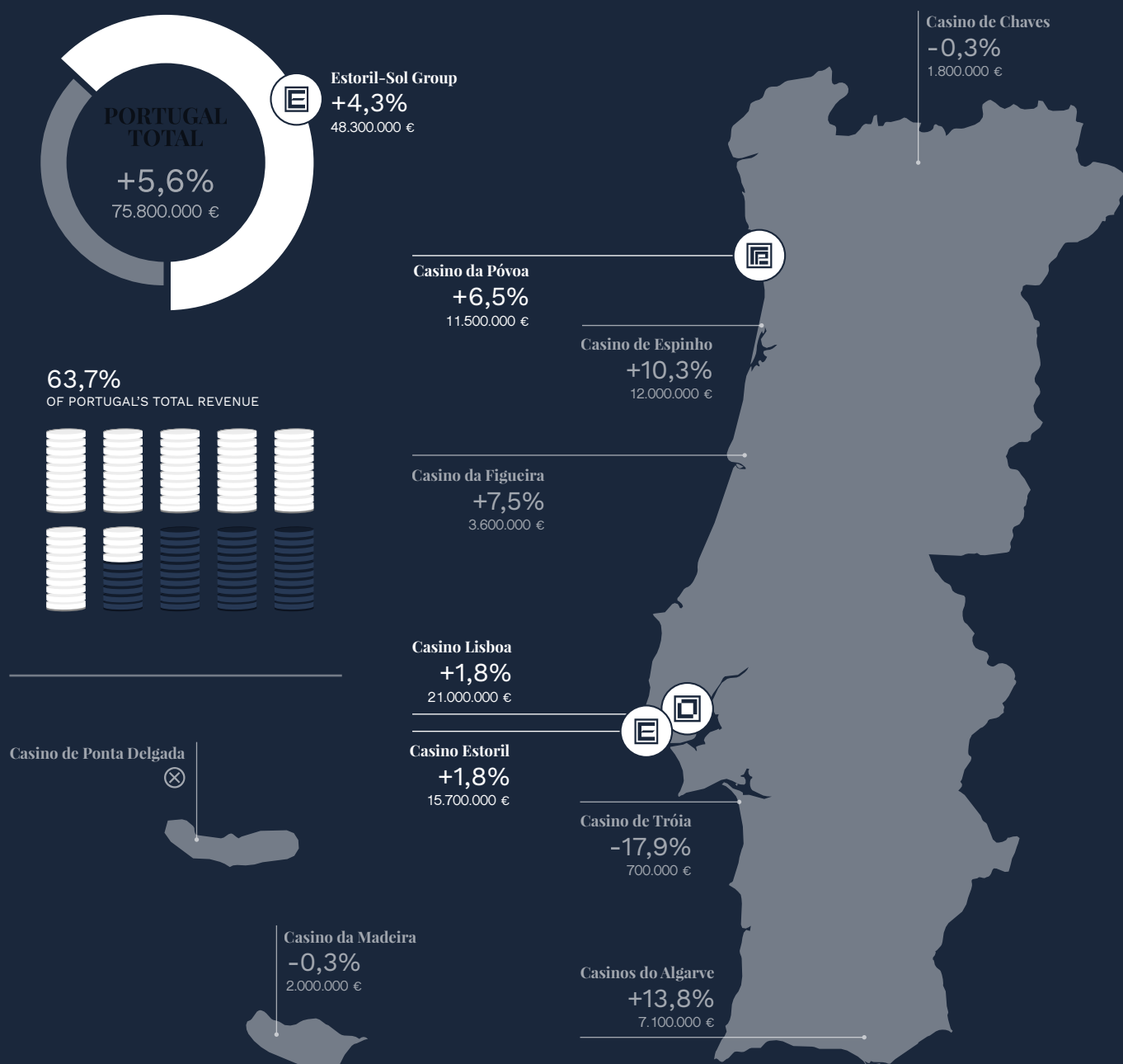
The other operating revenues of Estoril-Sol, restaurant and entertainment, increased by 5,8% to 2,3 million Euros. The Group's 4% increase in operating costs reflects the Group's investment in streamlining and increasing the entertainment, leisure and restaurant offer in the casinos, but mainly reflects the strong investment in marketing and advertising carried out by the Group in the first quarter of 2018 related with the online casino operation. This strong commitment and investment during the first quarter of 2018, in line with the investment policy also adopted during the last year, proved to be essential to obtain the good results of this new operation, the online casino.

Estoril-Sol Group improve its operating results in 7,8%, and reached for the first quarter of 2018 a positive EBITDA of 10,7 million Euros.

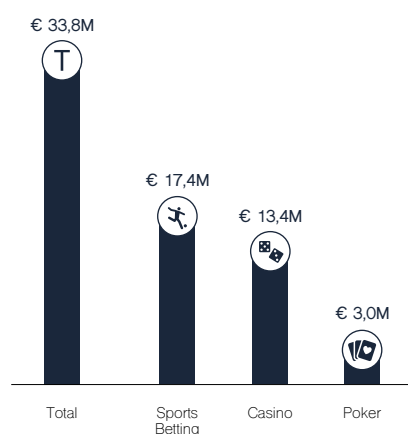
In a concerted effort to financial stability and less dependence on third parties, the Group has been successively reducing its bank debt. This reduction resulted in a significant decrease in financial costs incurred by the Group Estoril-Sol, a decrease of 46% over the first three months of 2018 compared to same period last year. Estoril-Sol supported almost 0,2 million Euros with loan interests during the first quarter of 2018.

The Consolidated Net Profit in the first quarter of 2018 was positive by 5,5 million Euros compared with earnings of 4,6 million Euros in the previous year. Of these 5,5 million Euros, 4,9 million Euros belong to the shareholders of Estoril-Sol, S.G.P.S., S.A., and the remainder held by minority and non-controlling interests — ► 14.

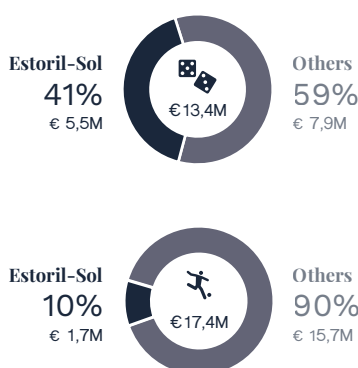
► 10 Game Revenues – Territorial



► 11 Online Licenses

► 12 Online Gambling Revenue 2017 1st Quarter 2018

► 13 Casino and Sports betting



► 14 Consolidated Income Statement

	Mar 2018	Mar 2017	Var. %
Gaming Revenue	54 018 764	49 896 203	8,3%
Special Gaming Tax	(27 719 531)	(24 938 950)	a)
Effective Tax Rate	51%	50%	
Game Revenue - Net	26 299 233	24 957 252	5,4%
Other Revenue (F&B/Entertainment)	2 305 322	2 179 131	5,8%
Operating Costs	(17 904 085)	(17 209 667)	4,0%
EBITDA	10 700 470	9 926 716	7,8%
Amortization and Depreciation	(4 893 312)	(4 979 809)	-1,7%
Financial Costs	-213 588	-398 552	-46%
Income Tax (IRC)	-	-	-
Consolidated Net Result Revenue	5 593 570	4 548 357	23%
Equity Holders of the Parent Company	4 957 842	3 526 687	
Non-controlling interests	635 728	1 021 670	
	5 593 570	4 548 357	

6. RELEVANT FACTS

During the first quarter of 2013, after a unanimous vote taken at the headquarters of the Portuguese Association of Casinos as well as within the Board of Estoril-Sol, the operating companies from the Group Estoril-Sol, have filed lawsuits against the State in which they seek to be restored the financial balance of Gaming Concessions.

Such a claim is founded, among other reasons, because the State, through its actions and omissions has given rise to changes in circumstances that were the basis for the negotiation of the gaming concessions. Of them highlights the fact that it was assumed for tax basis a continuing and significant increase of gaming revenue throughout the concession period.

Despite not having checked this proposition due to the economic climate and as a result of the State attitude in relation to online gambling and illegal gambling, among others, it continued to require them to pay very high taxes, calculated on revenue that the Concessionaires did not obtain.

Thus, remained no alternative to the Concessionaires that was not to challenge with the competent Administrative and Fiscal Courts the settlements of tax to which they were presented, and for that purpose submit the necessary judicial guarantees.

However by the time of approval of this report, and despite the fact that all tax settlements were contested by the Group, all taxes are without exception, or paid or its payment was legally postponed under Decree-Law 1/2015, and for this reason the Group Estoril-Sol does not have any overdue debt related with game taxes (note 16 and 17 to the Consolidated Accounts).

7.

SUBSEQUENT FACTS

Between the 31st of March 2018 and the date of this report, no relevant facts occurred that could materially affect the financial position and the future results of Estoril-Sol, S.G.P.S., S.A. and the other Companies of the Group.

8.

STATEMENT OF THE BOARD OF DIRECTORS

Within the terms of paragraph c) n.º1 of article 246 of Portuguese Securities Code, we hereby inform you that to the best of our knowledge:

- The information contained in the interim management report is a faithful statement of the evolution of the business, of the performance and of the position of Estoril-Sol, S.G.P.S., S.A., and the companies included within the consolidation perimeter, and contains a description of the main risks and uncertainties which they face;
- The information contained in the consolidated financial statements, as well as their annexes, was produced in compliance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, the financial situation and the results of Estoril-Sol, S.G.P.S., S.A. and the companies included in the consolidation perimeter.

Estoril, 30th May, 2018

O CONSELHO DE ADMINISTRAÇÃO*Chairman*

Stanley Hung Sun Ho

Vice-Chairmen

Mário Alberto Neves Assis Ferreira

Patrick Wing Ming Huen

Directors

Pansy Catilina Chiu King Ho

Ambrose Shu Fai So

Man Hin Choi

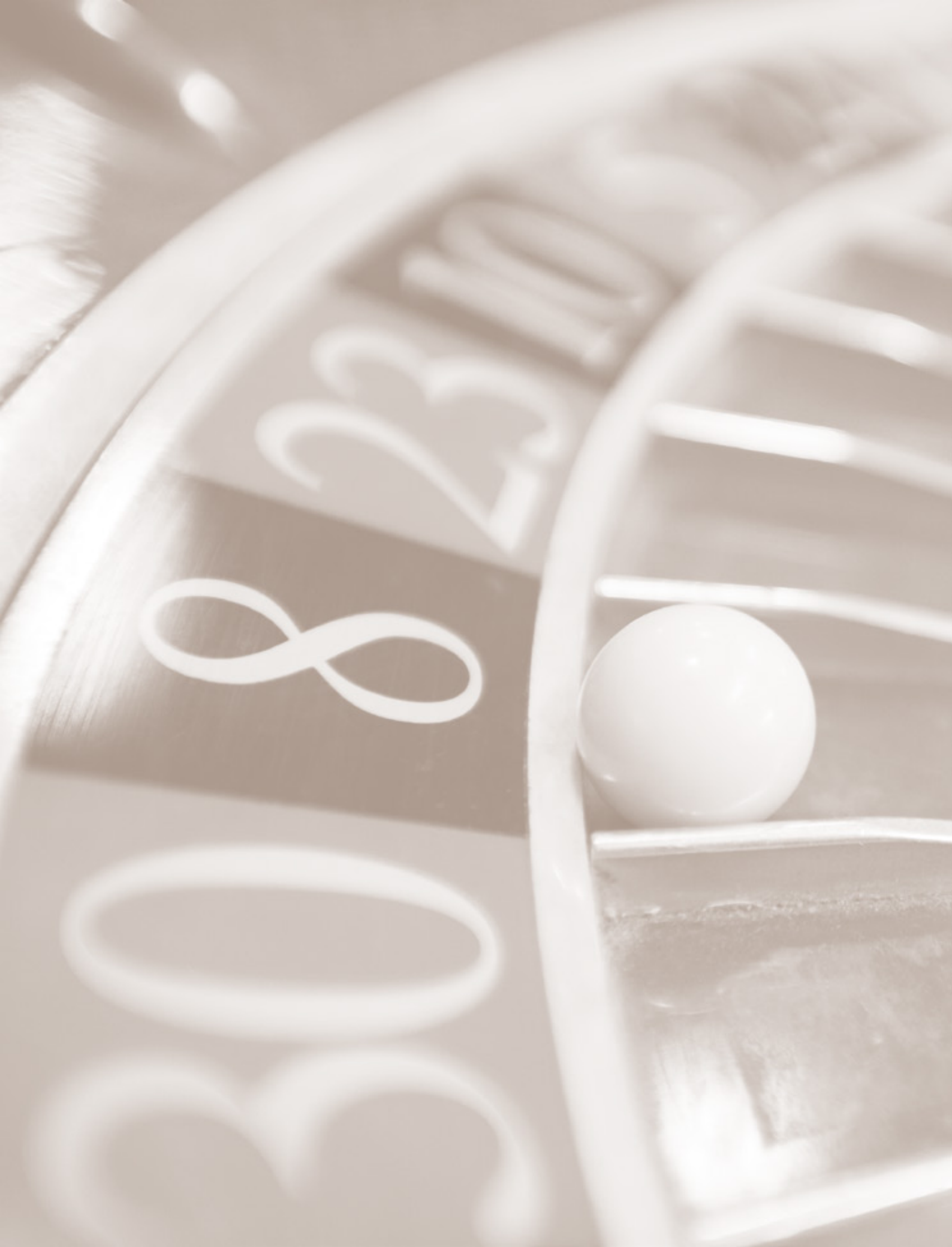
António José de Melo Vieira Coelho

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Jorge Armindo de Carvalho Teixeira

Calvin Ka Wing Chann

Miguel António Dias Urbano de Magalhães Queiroz





HOLDERS OF QUALIFIED SHAREHOLDINGS

FINANSOL, SOCIEDADE DE CONTROLO, S.G.P.S., S.A.

On 31st March 2018, Estoril-Sol, S.G.P.S., S.A. held 62.565 treasury shares, and as Finansol – Sociedade de Controlo, S.G.P.S., S.A., on 31st March 2017, held 6.930.604 shares of Estoril-Sol, S.G.P.S., S.A., it was a direct holder of 57,79% of the share capital and 58,09% of the voting rights.

The members of the Board of Directors and of the Advisory Board of the Companies which are controlled by or grouped under Estoril-Sol, held 255,698 shares of Estoril-Sol, S.G.P.S., S.A., corresponding to 2,1% of the share capital and voting rights.

Therefore, in overall terms, the direct and indirect stake of Finansol in the capital of Estoril-Sol is 57,79%, and 60,23% to the voting rights.

AMORIM ENTERTAINMENT E GAMING INTERNATIONAL, S.G.P.S., S.A.

On 31st March 2018, Estoril-Sol, S.G.P.S., S.A. held 62.565 treasury shares, and, as Amorim – Entertainment e Gaming International, S.G.P.S., S.A. held 3.917.793 shares, this company was a direct holder of 32,67% of the share capital and 32,84% of the voting rights of Estoril-Sol, S.G.P.S., S.A..

Mr. José Américo Amorim Coelho, held 34,915 shares of Estoril-Sol, S.G.P.S., S.A., corresponding to 0,29% of the share capital and voting rights.

Therefore, in overall terms, the direct and indirect stake of Amorim – Entertainment e Gaming International, S.G.P.S., S.A. in the share capital of Estoril-Sol, S.G.P.S., S.A. was, on 31st March 2018, 32,67% and 33,13% of the voting rights.



FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF THE FINANCIAL POSITION ON MARCH 31ST, 2018 AND DECEMBER 31ST, 2017

Amounts in Euros

	Notes	31-03-2018	31-12-2017
ASSETS			
NON-CURRENT ASSETS			
Tangible fixed assets:			
Reversible to the State		36 167 915	38 750 376
Not reversible to the State		54 147 119	54 433 315
Tax deductions on investments		(14 522 415)	(15 630 596)
		75 792 618	77 553 095
Intangible assets	10	35 804 833	38 465 150
Investment properties		191 856	193 244
Other non current assets		33 822	30 515
TOTAL NON-CURRENT ASSETS		111 823 130	116 242 004
CURRENT ASSETS			
Inventories		6 922 193	6 916 994
Accounts receivable – trade		335 807	404 291
Current tax assets		29 100	29 100
Other current assets		1 881 545	1 451 600
Cash and cash equivalents	11	29 958 000	24 998 841
TOTAL CURRENT ASSETS		39 126 644	33 800 826
TOTAL ASSETS		150 949 774	150 042 830
EQUITY AND LIABILITIES			
EQUITY			
Capital		59 968 420	59 968 420
Treasury shares		(708 306)	(708 306)
Share issue premiums		960 009	960 009
Legal Reserves		7 154 428	7 154 428
Other Reserves and Retained earnings	12	15 884 052	5 209 045
Consolidated net profit	17	4 957 842	10 675 008
Equity attributable to the holders of the Parent Company		88 216 446	83 258 604
Equity attributable to non-controlling interests	13	3 904 581	3 268 850
TOTAL EQUITY		92 121 027	86 527 454
LIABILITIES			
Non-current Liabilities			
Other non-current liabilities	15	3 734 424	3 734 424
Provisions		8 352 813	8 364 036
Total Non-current Liabilities		12 087 237	12 098 460
Current Liabilities			
Financial debt	14	13 151 820	6 009 432
Current tax liabilities		114 496	114 496
Other current liabilities	15	33 475 194	45 292 988
Total Current Liabilities		46 741 510	51 416 916
TOTAL LIABILITIES		58 828 747	63 515 376
TOTAL EQUITY AND LIABILITIES		150 949 774	150 042 830

The notes form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT OF THE PERIODS ENDED ON 31ST MARCH 2018 AND 2017

Amounts in Euros

	Notes	31-03-2018	31-03-2017
REVENUE			
Gaming revenues	6	54 018 764	49 896 203
Gaming taxes	6	(27 719 531)	(24 938 950)
		26 299 233	24 957 253
Other operating revenue	6	2 305 322	2 179 131
		28 604 555	27 136 384
OPERATING EXPENSES			
Cost of sales		(696 165)	(704 046)
Supplies and external services	7	(8 275 368)	(7 987 523)
Wages and salaries	8	(8 296 434)	(7 851 020)
Depreciation and amortization		(4 893 312)	(4 979 809)
Impairments - accounts receivable ((increases)/reversals)		300	-
Impairment of non-depreciable/amortizable investments		-	(45)
Other operating expenses		(636 417)	(667 033)
Total operating expenses		(22 797 397)	(22 189 476)
INCOME BEFORE FINANCIAL RESULTS AND TAXES		5 807 158	4 946 908
FINANCIAL (LOSSES) AND GAINS			
Financial losses	9	(226 360)	(410 203)
Financial gains	9	12 772	11 651
		(213 588)	(398 552)
Income before taxes		5 593 570	4 548 357
Income taxes		-	-
CONSOLIDATED NET INCOME	17	5 593 570	4 548 357
Attributable to:			
Equity holders of the Parent Company		4 957 842	3 526 687
Non-controlling interests	13	635 728	1 021 670
		5 593 570	4 548 357
Net result per share			
Basic and diluted	17	0,42	0,30

The notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS ENDED 31ST MARCH 2018 AND 2017

Amounts in Euros

	Share Capital	Treasury Shares	Issue Premiums	Legal Reserve	Other Reserves and Retained Earnings	Consolidated Net Result of the Year	Total	Non Controlling Interests (Note 13)	Total Equity
Balance at 1st January 2017	59 968 420	(708 306)	960 009	6 821 678	2 987 819	6 554 939	76 584 559	1 148 165	77 732 724
Application of the consolidated net profit of the year ended 31 st December 2016	-	-	-	-	6 554 939	(6 554 939)	-	-	-
Consolidated Other Comprehensive Income (OCI) of the period ended 31 st March 2017	-	-	-	-	-	3 526 687	3 526 687	1 021 670	4 548 357
Balance at 31st March 2017	59 968 420	(708 306)	960 009	6 821 678	9 542 758	3 526 687	80 111 246	2 169 835	82 281 081
Balance at 1st January 2018	59 968 420	(708 306)	960 009	7 154 428	5 209 045	10 675 008	83 258 604	3 268 850	86 527 454
Application of the consolidated net profit of the year ended 31 st December 2017	-	-	-	-	10 675 008	(10 675 008)	-	-	-
Consolidated Other Comprehensive Income (OCI) of the period ended 31 st March 2018	-	-	-	-	-	4 957 842	4 957 842	635 728	5 593 570
Balance at 31st March 2018	59 968 420	(708 306)	960 009	7 154 428	15 884 052	4 957 842	88 216 446	3 904 578	92 121 024

The notes form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENTS FOR PERIODS ENDED 31ST MARCH 2018 AND 2017

Amounts in Euros

	Notes	31-03-2018	31-03-2017
OPERATING ACTIVITIES			
Receipts from clients		56 000 821	51 172 781
Payments to suppliers		(10 534 032)	(10 116 960)
Payments to staff		(7 280 511)	(6 875 384)
Cash flow generated by operations		38 186 277	34 180 438
Payment of income tax		(3 577)	(2 904)
Payment of Special Gaming tax		(37 456 794)	(33 810 706)
Other payments relating to the operating activity		(1 072 790)	(1 761 399)
Cash flow from operating activities (1)		(346 884)	(1 394 571)
INVESTING ACTIVITIES			
Receipts from:			
Interest and similar income		8 666	11 439
		8 666	11 439
Payments in respect of:			
Tangible fixed assets		(928 670)	(1 312 916)
		(928 670)	(1 312 916)
Cash flow from investment activities (2)		(920 004)	(1 301 477)
FINANCING ACTIVITIES			
Receipts from:			
Bank loans obtained		174 592 915	91 817 784
		174 592 915	91 817 784
Payments in respect of:			
Bank loans repaid		(167 418 715)	(86 835 074)
Loans from related parties		(700 000)	-
Interest and similar costs		(248 153)	(441 615)
		(168 366 868)	(87 276 689)
Cash flow from financing activities (3)		6 226 047	4 541 095
Variation in cash and cash equivalents (4)=(1)+(2)+(3)		4 959 159	1 845 047
Cash and cash equivalents at the start of the period	11	24 998 841	13 573 389
Cash and cash equivalents at the end of the period	11	29 958 000	15 418 436

The notes form an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

1. INTRODUCTION

The Estoril-Sol Group, through its subsidiary and associated companies (Note 4), conducts business in gaming, the restaurant sector, entertainment and also real estate.

Estoril-Sol, S.G.P.S., S.A. is the Holding Company of the Estoril Sol Group ("Group") and the shares representing its share capital are admitted for trading on a regulated market - the Euronext - as such, on 1 January 2005 it was obliged to prepare Consolidated Accounts pursuant to article 3 of Regulation (EC) no. 1606/2002, of the European Parliament and of the Council, of 19 July, following the Portuguese government's publication of Decree Law no. 35/2005, article 11.

2. MAIN ACCOUNTING POLICIES

2.1. Bases of presentation

The attached financial statements were prepared on the assumption of the continuity of operations, based on the books and accounting records of the companies included in the consolidation (Note 4), adjusted to comply with the provisions of the IAS 34 as adopted in the European Union and should be read together with the consolidated financial statements for the year ended 31st December 2017. The interim financial information now disclose was not subjected to an external audit or limited review.

3. JUDGMENTS OF VALUE, CRITICAL ASSUMPTIONS AND MAIN SOURCES OF UNCERTAINTY ASSOCIATED TO ESTIMATES

During the period ended on 31st March 2018, there were no changes in accounting policies in relation to those used in the preparation and presentation of the financial statements of the year ended on 31st December 2017, nor were any material errors recognised relating to previous periods.

4. COMPANIES INCLUDED IN THE CONSOLIDATION AND ASSOCIATE COMPANIES

4.1 Companies included in the consolidation

The companies included in the consolidation, their registered offices, the method of consolidation adopted and the proportion of the capital effectively held on 31st March 2018 and 31st December 2017 are the following:

Name	Head Office	Method of Consolidation	Effective percentage of the capital held	
			Mar 2018	Dec 2017
Estoril-Sol, S.G.P.S., S.A.	Estoril	Integral	Mãe	Mãe
Estoril-Sol (III) - Turismo, Animação e Jogo, S.A.	Estoril	Integral	100	100
Varzim Sol - Turismo, Jogo e Animação, S.A.	Póvoa de Varzim	Integral	100	100
Estoril-Sol V - Investimentos Imobiliários, S.A.	Estoril	Integral	100	100
DTH - Desenvolvimento Turístico e Hoteleiro, S.A.	Estoril	Integral	100	100
Estoril-Sol Imobiliária, S.A.	Estoril	Integral	100	100
Estoril-Sol - Investimentos Hoteleiros, S.A.	Estoril	Integral	100	100
Estoril-Sol e Mar - Investimentos Imobiliários, S.A.	Estoril	Integral	100	100
Estoril-Sol Digital, Online Gaming Products and Services, S.A. (a)	Estoril	Integral	50	50

Within the online gaming activities, which is carried out through Estoril Sol Digital, Online Gaming Products and Services, S.A, a subsidiary company of Estoril Sol (III) - Turismo, Animação e Jogo, S.A., a company owned by the issuer (Estoril-Sol, SGPS, S.A.),

signed with Vision Gaming Holding Limited, a company based in Malta, an association agreement, through which it holds a minority interest, corresponding to 49.9998% of the share capital of Estoril Sol Digital, keeping the Estoril-Sol (III) SA most of the capital and votes in that company (Estoril-Sol Digital, Online Gaming Products and Services, S.A.).

5. REPORTING BY SEGMENTS

The segments reportable by the Group are based on the identification of segments in line with the financial information that is reported internally to the Board of Directors and which supports the Board in its evaluation of the performance of the businesses and in taking decisions with regard to the allocation of the resources to be used. The segments identified by the Group for reporting by segments, are therefore consistent with the way in which the Board of Directors analyses its business, corresponding to:

- the Estoril Gaming Concession the Estoril Casino and Lisbon Casino;
- the Póvoa de Varzim Gaming Concession the Póvoa Casino;
- the Online gambling license to Casino Online and Sports Betting;
- and “Others”, essentially including the effect of the holding companies and of the other operating activities of the Group.

On 31st March 2018 and 2017, the information by business segment, is as follows:

March 2018							
	Estoril Game Concession		Sub-Total	Póvoa Game Concession	License for Online Gambling	Other	Total
	Estoril Casino	Lisboa Casino		Póvoa Casino	Casino Online		
Net assets	29 844 569	74 324 977	104 169 547	25 333 326	13 907 107	7 539 794	150 949 774
Net liabilities	7 761 414	14 697 336	22 458 750	26 818 382	5 097 913	4 453 702	58 828 747
Result of the segment	131 870	4 327 717	4 459 586	61 919	1 271 466	(199 398)	5 593 573
Investment assets:							
Tangible fixed	243 614	229 934	473 548	4 443	488	-	478 479
Intangible	-	-	-	-	-	-	-

March 2017							
Rubrica	Estoril Game Concession		Sub-Total	Póvoa Game Concession	License for Online Gambling	Other	Total
	Estoril Casino	Lisboa Casino		Póvoa Casino	Casino Online		
Net assets	33 054 865	77 251 150	110 306 015	38 345 863	5 505 918	4 341 273	158 499 069
Net liabilities	18 403 309	24 724 978	43 128 287	26 873 284	1 166 237	5 050 184	76 217 992
Result of the segment	(392 119)	4 097 082	3 704 963	(842 521)	2 043 341	(357 426)	4 548 357
Investment assets:							
Tangible fixed	243 107	-	243 107	783	-	-	243 890
Intangible	-	-	-	-	-	-	-

6. OPERATING INCOME BY NATURE

The consolidated operating income, in the periods ended on 31st March 2018 and 2017, is split in the following manner:

March 2018						
Natureza	Estoril Game Concession		Sub-Total	Póvoa Game Concession	License for Online Gambling	Total
	Estoril Casino	Lisboa Casino		Póvoa Casino	Casino Online	
Gaming revenues:						
Slot Machines	11 843 552	16 887 532	28 731 084	9 523 551	4 649 043	42 903 678
Table based gaming	3 906 537	4 197 611	8 104 148	2 038 257	882 810	11 025 215
Sports betting	-	-	-	-	1 730 408	1 730 408
Bonuses and other fair value adjustments	(70 764)	(40 171)	(110 935)	27 374	(1 556 976)	(1 640 537)
	15 679 325	21 044 972	36 724 297	11 589 182	5 705 285	54 018 764
Gaming taxes:						
Special Gaming Tax (current)	(7 875 045)	(10 542 572)	(18 417 617)	(5 780 904)	(2 491 924)	(26 690 445)
Annual Gaming Tax (difference to minimum grant)	-	-	-	(1 029 086)	-	(1 029 086)
	(7 875 045)	(10 542 572)	(18 417 617)	(6 809 990)	(2 491 924)	(27 719 531)
Other operating revenues:						
F&B and Entertainment	1 004 968	164 296	1 169 263	262 147	-	1 431 410
Tax deductions - Entertainment	285 001	210 851	495 852	294 304	-	790 156
Supplementary income	35 559	8 315	43 874	6 708	-	50 582
Other	801	32 372	33 173	-	-	33 173
	1 326 329	415 834	1 742 163	563 159	-	2 305 322
	9 130 610	10 918 234	20 048 843	5 342 351	3 213 361	28 604 555

Março 2017						
Natureza	Estoril Game Concession		Sub-Total	Póvoa Game Concession	License for Online Gambling	Total
	Estoril Casino	Lisboa Casino		Póvoa Casino	Casino Online	
Gaming revenues:						
Slot Machines	11 631 293	16 396 002	28 027 295	8 905 693	3 052 619	39 985 607
Table based gaming	3 211 546	4 303 063	7 514 609	1 941 371	1 036 494	10 492 474
Bonuses and other fair value adjustments	(71 335)	(50 632)	(121 967)	(23 497)	(436 414)	(581 878)
	14 771 504	20 648 433	35 419 937	10 823 567	3 652 699	49 896 203
Gaming taxes:						
Special Gaming Tax (current)	(7 421 420)	(10 349 533)	(17 770 953)	(5 423 532)	(614 247)	(23 808 731)
Annual Gaming Tax (difference to minimum grant)	-	-	-	(1 130 218)	-	(1 130 218)
	(7 421 420)	(10 349 533)	(17 770 953)	(6 553 750)	(614 247)	(24 938 950)
Other operating revenues:						
F&B and Entertainment	965 170	160 479	1 125 649	275 360	-	1 401 009
Tax deductions - Entertainment	275 928	206 991	482 919	184 493	-	667 412
Supplementary income	67 007	9 215	76 222	33 874	-	110 097
Other	512	-	511	102	-	613
	1 308 617	376 683	1 685 301	493 829	-	2 179 131
	8 658 702	10 675 584	19 334 285	4 763 646	3 038 452	27 136 384

Income from the segments comes from transactions with external customers. There are no transactions between segments. The accounting policies of each segment are the same as those of the Group.

7. EXTERNAL SUPPLIES AND SERVICES

In the periods ended on 31st March 2018 and 2017, external supplies and services were as follows:

	Mar 2018	Mar 2017
Advertising	1 143 617	1 074 080
Gifts to customers	1 095 009	1 060 528
Subcontracts	962 652	1 049 298
Fees	673 959	317 188
Energy and other fluids	639 646	695 640
Cleaning and laundry	620 446	612 086
Conservation and repairs	557 361	624 791
Specialized work	522 405	530 152
Royalties	488 300	463 204
Financial services (comissions)	427 750	276 360
Surveillance and security	408 990	412 975
Rents	339 639	280 209
Insurance	102 694	269 334
Communication	81 985	130 587
Travel and hotels	71 308	49 840
Other	139 607	141 251
	8 275 368	7 987 523

8. STAFF COSTS

In the periods ended on 31st March 2018 and 2017, staff costs were as follows:

	Mar 2018	Mar 2017
Remuneration of governing bodies	743 372	748 417
Remuneration of staff	5 665 143	5 336 793
Indemnities	2 375	286
Charges on remuneration	1 464 757	1 387 220
Insurance	56 292	50 067
Social charges	309 114	284 008
Other	55 383	44 229
	8 296 434	7 851 020

9. NET FINANCIAL COSTS

Financial costs and income for the periods ended on 31st March 2018 and 2017 is broken down as follows:

	Mar 2018	Mar 2017
FINANCIAL COSTS		
Interest borne:		
Financing from banks (a)	(185 839)	(365 458)
Finance and operating leasing	(40 521)	(44 746)
	(226 360)	(410 204)
FINANCIAL INCOME		
Interests from bank deposits	4 106	-
Exchange gains	2 892	5 624
Other	5 774	6 027
	12 772	11 651
NET FINANCIAL COSTS	(213 588)	(398 553)

10. INTANGIBLE ASSETS

The breakdown of intangible assets on 31st March 2018 and 31st December 2017 is as follows:

Gaming Concession	Mar 2018		
	Gross Assets	Accumulated Amortization	Net Assets
Estoril Gaming Concession			
Casino Estoril	153 576 455	(137 272 940)	16 303 515
Casino Lisboa	30 000 000	(24 212 807)	5 787 193
Póvoa Gaming Concession - Casino da Póvoa	77 034 109	(63 348 713)	13 685 396
	260 610 564	(224 834 460)	35 776 104
Intangible assets - Online gaming license	38 000	(20 200)	17 800
Intangible assets - Online sports betting	14 000	(3 071)	10 929
	260 662 564	(224 857 731)	35 804 833

Gaming Concession	Dec 2017		
	Gross Assets	Accumulated Amortization	Net Assets
Estoril Gaming Concession			
Casino Estoril	153 576 455	(135 726 693)	17 849 762
Casino Lisboa	30 000 000	(23 698 521)	6 301 479
Póvoa Gaming Concession - Casino da Póvoa	77 034 109	(62 753 095)	14 281 014
	260 610 564	(222 178 309)	38 432 255
Intangible assets - Online gaming license	38 000	(17 200)	20 800
Intangible assets - Online sports betting	14 000	(1 905)	12 095
	260 662 564	(222 197 414)	38 465 150

11. CASH AND CASH EQUIVALENTS

On 31st March 2018 and 31st December 2017, this caption was broken down as follows:

	Mar 2018	Dec 2017
CASH	8 110 750	9 544 457
Bank Deposits:		
Immediately available bank deposits	13 847 250	8 454 383
Long term deposits	8 000 000	7 000 000
CASH AND CASH EQUIVALENTS	29 958 000	24 998 841

12. OTHER RESERVES AND RETAINED EARNINGS

The balance of this caption at 31st March 2018, corresponds to the value of the caption as at 31st December 2017 plus the net profit attributable to the parent company for the year 2017, amounting to 10,675,008 Euros, and as of this date, March 31st, 2018, had not yet been applied in accordance with the Proposal for the Application of Profits for the year 2017.

13. NON-CONTROLLING INTERESTS

On 31st March 2018 and 31st December 2017, this caption was broken down as follows:

	Mar 2018			
	Opening Balance	Profit/(Loss) of the period	Dividends	Closing Balance
Estoril-Sol Digital	3 268 850	635 731	-	3 904 581

	Dec 2017			
	Opening Balance	Profit/(Loss) of the period	Dividends	Closing Balance
Estoril-Sol Digital	1 148 165	3 213 181	(1 092 496)	3 268 850

14. FINANCIAL DEBT

On 31st March 2018 and 31st December 2017, this caption was broken down as follows:

Nature of the financing	Mar 2018		Dez 2017	
	Nominal Value	Balance Sheet Value	Nominal Value	Balance Sheet Value
Current financing:				
Bank loans	5 000 000	5 000 000	-	-
Commercial paper	4 000 000	4 123 520	2 500 000	2 645 332
Current accounts	4 028 300	4 028 300	3 364 100	3 364 100
	13 028 300	13 151 820	5 864 100	6 009 432
	13 028 300	13 151 820	5 864 100	6 009 432

The average interest rates for financing, borne by the Group, including commissions and other charges, come within an interval of between 2% and 4,1%.

Some of the financing operations, mainly bank loans, include commitments to maintain certain financial ratios based on contractually negotiated limits (financial covenants).

These ratios are:

- NetDebt/Ebitda;
- Financial autonomy.

On the 31st March 2018 and 31st December 2017, these ratios were according to the contractually negotiated limits.

Depending on the operating funds that are freed up, we feel the financial risk to which the associated undertakings are exposed is minimal, and the same understanding has prevailed in the examination carried out by financial institutions, as shown by the fact that assets guarantees are dispensed with for operations under contract.

The amount included in the column “Nominal value” corresponds to the contracted value that is still owing. The column “Balance sheet value” is added to the nominal value of financial charges already incurred but still not due, less interest and or commissions paid in advance.

15. OTHER CURRENT AND NON-CURRENT LIABILITIES

On 31st March 2018 and 31st December 2017, this caption was broken down as follows:

	Mar 2018	Dec 2017
Other accounts payable - non-current		
Annual payment - Difference to minimum grant		
Installments payment schedule - approved for 2014 (a)	3 734 424	3 734 424
	3 734 424	3 734 424
Other accounts payable - current		
Current suppliers	5 990 752	6 999 707
Suppliers of investments	161 129	617 715
State and Public Sector		
Annual gaming payment	4 157 895	14 076 910
Annual payment - Difference to minimum grant		
Related to 2018	1 029 088	4 004 696
Installments payment schedule - approved for 2015 (a)	576 214	576 214
Installments payment schedule - approved for 2017 (a)	1 773 816	-
Special Gaming Tax (to be paid next month)	7 213 988	6 892 798
Social Security contributions	676 509	639 401
Other in favour of the State	900 748	776 983
Clients advance payments (b)	1 630 564	1 048 080
Charges with holidays payable	5 261 005	5 088 294
Responsibilities for accumulated gaming prizes (c)	1 974 459	1 965 104
Other	2 129 027	2 607 086
	33 475 194	45 292 988

(a) These amounts are defined in payment plans approved by the Regulation and Inspection Service of Turismo de Portugal (SRIJ), which were being complied with, as follows:

- Instalments payment schedule - approved for 2014, that will be paid in three equal annual instalments of 1.244.808 Euros, on December 31st, 2019, 2020 and 2021.

- Instalments payment schedule – approved for 2015, that will be paid in three equal annual instalments of 576.215 Euros, on December 31st, 2016, 2017 and 2018. The instalment due in 2017 is recorded as “Other accounts payable – current”.
- Instalment payment schedule approved for the year 2017. In this plan the payment is defined in a single instalment with maturity on July 31st, 2018 and is recorded under the heading “other current liabilities”.

(b) Clients advance payments:

The value of “Clients advance payments” relate entirely to the online casino and refer to the balance of the in-ternet website of the online casino, available for playing or withdraw at 31st March 2018.

(c) This amount is related with liabilities for accumulated gaming prizes. These liabilities are revised on a monthly basis, according to the accumulated prizes announced in the diverse gaming rooms of the Casinos run by the Group .

16. CONTINGENT LIABILITIES AND ASSETS, GUARANTEES AND COMMITMENTS

Contingent liabilities

In the normal course of its business, the Group is involved in several legal proceedings. In result of their nature and provisions and according to the opinion of legal advisors, the expectation is that, from the respective outcome, there will be no material effects that are not yet recognized in the financial statements as of December 31, 2017 and 2016.

The most relevant processes are as follows:

- Differences in understanding between the Group and the Tax Authorities over Corporation Tax (IRC), relating to the years 2007, 2008, 2009 and 2010, with regard to the taxation of undocumented expenses incurred in the course of the gaming activity of subsidiaries that form part of the Group and which operate games of fortune as their main activity. During the year 2013 occurred the 1st instance verdict contrary to the allegations and convictions of the Group relating to the process for the years 2007 to 2009. It is the Company's belief, grounded in favourable opinions from legal advisers, that a final decision should be favourable, which is why the Group appealed to higher courts. On the date of these financial statements there are also previous legal decisions that are in the Group's favour, as well as judicial jurisprudence which is favourable to the Group on this matter. Even so, on this date the Group has bank guarantees provided in favour of the Finance Office of Cascais amounting to 7.197.635 Euros.
- The Group carried out a collective dismissal in 2010 and 2013 in the Casinos of Lisbon, Estoril and Póvoa de Varzim in the terms established in the Law, which included 133 employees. Some of these employees brought up an action to the Court for annulment of the dismissal and reinstatement within the Group. The Group and the legal counsel responsible for the proceeding consider that there is a high probability to obtain a favourable outcome and, in result, the provision recorded corresponds only to the legal obligations the Group would have incurred with be paid ex-employees as compensation. The total amount claimed by these former employees amounts to approximately 3,492,000 Euros and at 31 December 2017 and 2016 the Group's financial statements present provisions to cover only the minimum required by law, in the amounts of, approximately 1,766,000 Euros and 1,817,000 Euros, respectively.

- In 2011 Gastronomic Evolution – Gestão de Restaurantes, Lda., a former concessionaire of three restaurants in Casino de Lisboa, filed a lawsuit against the Group requiring compensation for loss of customers in relation to expectations that would have been previously generated. The total amount claimed amounts to 906,630 Euros, which is provisioned in the financial statements as of March 31st, 2018 and December 31st, 2017.
- On 31st March 2018 and 31st December 2017, the Group has been involved in various cases associated with interdicted players, alleging that the concessionaires have not complied with the prohibition order, at the entrance of the various Casinos operated, to which the same customers were subject, demanding a claim for compensation for the alleged non-compliance. The total amount claimed for the main proceedings of this nature at 31 March 2018 amounts to approximately 186,000 Euros. The Board of Directors, based on the opinion of its legal advisors and in view of the historic resolution of such cases, recognized in the financial statements as of March 31st and December 31st, 2018 and 2017, liabilities estimated at 147,000 Euros.
- In January 2009, a machine from Casino de Lisboa announced a fake Jackpot on a gaming machine of 4,232,774 Euros, and the customer involved, despite being informed about the machine error, filed a lawsuit against the Group to demand amount. The Board of Directors, supported by its legal advisors and the expert evidence prepared by the suppliers of those machines and by the Gaming Regulation and Inspection Service, where it is concluded that there has been a malfunction of the computer system which presented the prize, considers it is probable to obtain a favourable outcome for the Group, for which a provision of approximately 200,000 Euros was recorded.

Contingent Assets

In January 2013, the Group, together with other gambling concessionaires with gambling in Portugal, filed a lawsuit against the Portuguese State in order to restore the economic and financial rebalancing of the concession. This process includes the challenges of monthly special income taxes and the annual liquidations of 2012 to 2013, and the liquidations of the annual counterparts from 2014 to 2016, all settled in accordance with Decree-Law - n° 275/2001, so that, in the opinion of the legal and tax advisors of the Group, in the case of favourable decision on the referred objections, the liquidations will be refunded plus interest. In September 2016, the Administrative and Fiscal Court of Sintra ruled in favour of the Group on the unlaw-fulness of the clearance of the income tax payment of October 2013 on automatic machines and charged the Group with its share of responsibility for the value of court expenses, which for the actions involved in this proceeding were estimated as of approximately, 2,501,000 Euros. The Board of Directors, supported by the opinion of its legal and tax advisors, recognized the corresponding liability, considering the complaint presented on the amount of these court expenses, in the amount of 1,250,000 Euros.

Guarantees provided

On 31st March 2018 and 31st December 2017 the guarantees provided by the Group were as follows:

	Mar 2018	Dec 2017
Obligations related with the Special Gaming Tax	15 811 156	21 774 166
Tax lawsuits in hand / litigation	7 414 888	7 414 888
Current suppliers	39 250	39 250
	23 265 294	29 228 304

17. CONSOLIDATED RESULTS PER SHARE

The consolidated result per basic share of the years ended on 31st March 2018 and 2017 was determined as follows:

Rubrica	Mar 2018	Mar 2017
Results:		
Net profit of the Equity holders of the Parent Company	4 957 842	3 526 687
Number of shares:		
Average weighted number of shares in circulation (Note 24)	11 931 119	11 931 119
Result per basic share, basic and diluted	0,42	0,30

Due to the fact that there are no situations that cause dilution, the net result per diluted share is the same as the net result per basic share.



ESTORIL-SOL, S.G.P.S., S.A.

Capital social integralmente realizado 59.968.420 Euros

Sociedade Anónima com sede na Av. Dr. Stanley Ho, Edifício do Casino Estoril, 2765-190 Estoril - Cascais

