



IBERSOL – SGPS, SA

Publicly Listed Company

Head office: Praça do Bom Sucesso 105/159, 9º andar, Porto

Sahre Capital: Euro 20.000.000

Commercial Registry: Oporto under the number 501669477

Fiscal Number: 501 669 477

RESULTS -1st Half 2011

- **Consolidated turnover of 93.4 million euro**
Decrease of 7.5% over the first half of 2010
- **Consolidated EBITDA reached 10.2 million euro.**
YoY EBITDA in 2011 decreased by 24.5%
- **Consolidated net profit of 3.5 million euro**
Decrease of 36.2% over the first half of 2010

ACTIVITY REPORT

Activity

The consolidated turnover in the 1st half of 2011 amounted to 93.4 million euros which compares with 101.0 million euros in the same period of 2010.

The European sovereign debt crisis and the austerity plans to rebalance the economy and public finances in Portugal and Spain have conditioned negatively the activity of the first semester.

In this environment, with a strong fall in private consumption, Ibersol decreased turnover of 7.5%.

It should be added that in 2010 several brands of the Group attended the Rock in Rio in Lisbon which contributed with a sales volume of around 1.1 million euros. If we did not consider the effect of this event the decrease in turnover will be of 6.5%.

Sales decreased by 7.3% and the contributions by markets and concepts were as follows:

SALES	Euro million	% Ch. 11/10
Pizza Hut	28,85	-3,8%
Pans/Bocatta	9,98	-2,5%
KFC	4,47	6,7%
Burger King	10,40	-5,4%
Pasta Caffé (Portugal)	3,12	-5,8%
O'Kilo	1,97	-18,6%
Quiosques	1,24	-8,8%
Cafetarias	2,70	-19,6%
Flor d'Oliveira	0,20	-13,1%
Catering (SeO e SCC)	2,50	-20,0%
Concessions & Other	3,80	-4,4%
Portugal	69,22	-5,4%
Pizza Móvil	6,74	-9,2%
Pasta Caffé (Spain)	0,74	-27,5%
Burger King Spain	14,74	-7,6%
Spain	22,22	-8,9%
Total without RiR 2010	91,44	-6,3%
Total Sales of Restaurants	91,44	-7,3%

The very negative behavior of the market in May, sales in shoppings fell more than 10%, reduced the positive calendar effect of the second quarter. Consequently, sales in the second quarter showed a similar reduction as the first quarter.

The sales performance is summarized as follows:

- KFC maintained the growth of the last two years and was the only brand with sales growth.
- Pizza Hut in the second quarter invested in a marketing campaign to launch a new product - Crown Pizza - having recovered sales in that period to a level similar of 2010, reversing the negative trend of the first quarter.
- Pans had been recovering gradually her market share, and the second quarter sales are equal to the sales of same period of 2010.
- Burger King, after several years of great growth, sales had performed near the market evolution and the first semester ended with a decrease of more than 5%.
- The Pasta Caffé performed in line with the malls sales.
- O'Kilo continues to show competitive difficulties and this semester sales dropped like-for-like 15%.
- The concepts operating in concession areas after the start of toll at the ex-SCUTs no longer recovered and accumulated the effect of the general downturn in traffic. The average loss of sales reached 20% , while units in motorways ex-SCUTS decreased more than 30%.
- Particularly affected by the crisis in Portugal the catering business recorded losses in turnover by 20%, reflecting an identical number of events but with cheaper types.
- In Spain delays the reversal of the negative trend. However Pizza Movil in the second quarter slowed the rate of loss, result of more effective promotion.

Continuing the policy of renewal contracts of rents - non-renewal if the conditions are not adjusted to the reality of traffic - five units were closed during the first six months of the year.

On the other hand, considering the market opportunity to the shopping malls opened in 2011 - Forum Sintra and Acqua Portimão - five openings were carried out in Portugal. In Spain for a better area coverage, Pizza Móvil opened one unit.

At the end of the semester the number of units amounted to 427, as is explained in the table below:

Nº of Stores	2010 31-Dec	2011 Openings	2011 Closings	2011 30-Jun
PORTUGAL	322	5	4	323
Own Stores	321	5	4	322
Pizza Hut	99	2	1	100
Okilo	17		1	16
Pans	60	2	2	60
Burger King	38			38
KFC	17	1		18
Pasta Caffé	17			17
Quiosques	11			11
Flor d'Oliveira	1			1
Cafetarias	35			35
Catering (SeO,JSCCe Solinca)	5			5
Concessions & Other	21			21
Franchise Stores	1			1
SPAIN	104	1	1	104
Own Stores	81	1	1	81
Pizza Móvil	43	1		44
Pasta Caffé	5		1	4
Burger King	33			33
Franchise Stores	23	0	0	23
Pizza Móvil	23			23
Pasta Caffé	0			0
Total Own stores	402	6	5	403
Total Franchise stores	24	0	0	24
TOTAL	426	6	5	427

Results

Consolidated net profit of the first six months reached 3.5 million euro, 36% below when compared with the first half of 2010.

In general, the transfer of sales from eat-in service restaurants to the counters and a more aggressive sales prices policy, led to an increase of cost of sales and gross margin reduced to 77.5% (1H10: 78, 2%). The gross margin has been falling during all the last year and in this quarter had stabilized to the previous quarter.

A lower activity required an improvement on the costs that resulted at the end of the semester:

- reduction in personnel costs of 3.9%, which now represent 34.9% of turnover (10 1st half: 33.6%);
- Reduction in supplies and services by 8.4%, which now represent 32.8% of turnover, less than 30 bp when compared of same period of 2010, corresponding to a high operational effort to rationalize given the high rigidity of some fixed costs.

The steep decline in sales in the first six months had a strong impact on profitability and EBITDA amounted to EUR 10.2 million, representing a decrease of 25% over the same period of 2010.

The EBITDA margin stood at 10.9% of turnover compared with 13.4% in the first half of 2010, reflecting the inability of the costs adjustments to the new reality of sales. However, there is a

positive quarterly trend is that the EBITDA margin of 10.6% in the first quarter rose to 11.2% in the second quarter.

The consolidated EBIT margin dropped to 5.8% of turnover, corresponding to an operating profit of 5.5 million euros.

The consolidated financial results that were negative in 570 thousand EUR – a reduction of around 170,000 euros compared with the value that occurred in the first half of 2010 – and despite the increase in the average cost of funds, which stood at 3.3%, the lower level of loans and the rising rates of cash applications allowed an improved net financial results.

Balance Sheet

Total Assets amounted to about 230 million and shareholders' equity stood at 112 million euros, representing about 49% of Net Assets.

The cash flow generated from 8.2 million allowed to finance the total CAPEX and reduce debt levels.

The CAPEX to implement the expansion program amounted to EUR 6.5 million. The funds required for the development project in Angola amounted to 430 thousand euros and are recognized in the financial investments.

The net debt decreased by about 4.2 million and in June 30, 2010 amounted to about 28 million.

Own Shares

During the first semester the company not acquired or sold company shares. On 30 June 2011 the company held 2,000,000 shares (10% of the capital), with a face value of 1€ each, for an overall acquisition value of 11,179,644 euros, corresponding an average price per share 5.59 euro.

Outlook

The crisis in the United States, the issues surrounding sovereign debt of European countries and a slowdown of global economic reinforces the uncertainty about the depth of the recessionary effects on the economy of the countries where we operate.

We forecast a weakening of household consumption, namely in food services expenditures, which should drop, at least, at the same levels in first half.

Consequently, we expected that sales of the Group will evolve poorly as market, with slight gains of market share by the high notoriety of some brands and vulnerability of some competitors face the difficulties of a recessionary market and lower funding available to companies.

We will continue with aggressive pricing to compensate a decrease in margin with volume. On the other hand, we will continue the plan of adjustments costs and the effect of dilution in the 3rd and 4th quarters will allow a partial recovery of margin.

As a result of the postponement of inauguration the new shopping mall in Braga to the next year we expect no more openings for this year.

By the end of the year the refurbishment program has been reduced selectively, keeping the purpose of modernizing some of the most worn units as soon as conditions permit.

In Angola, after obtaining permission to build the first unit, the construction phase started in order to achieve its opening early next year.

Subsequent Events

Up to 30 June 2011 no significant events have occurred that need to be mentioned.

Porto, 29th August 2010

The Board of Directors,

António Carlos Vaz Pinto de Sousa

António Alberto Guerra Leal Teixeira

Juan Carlos Vázquez-Dodero

Declaration of conformity

In compliance with paragraph c) of section 1 of article 246 of the Securities Market Code we hereby declare that as far as is known:

- (i) the consolidated financial statements of Ibersol SGPS, SA, referring to the first semester, were drawn up in compliance with applicable accounting rules and provide a true and suitable picture of the assets and liabilities, financial situation and results of Ibersol SGPS, S.A., and the companies included in the consolidation perimeter; and
- (ii) the interim management includes a fair review of the important events that have occurred in the first six months of this year and the impact on the financial statements, together with a description of the main risks and uncertainties for the remaining six months.

Porto, 29 August 2011

António Carlos Vaz Pinto Sousa
António Alberto Guerra Leal Teixeira
Juan Carlos Vásquez-Dodero

Chairman of Board Directors
Member of Board Directors
Member of Board Directors

Qualified Shareholdings

Complying with article 9 nº1 of the CMVM Regulation nº 05/2008

Shareholders	nº shares	% share capital
ATPSII - SGPS, S.A. (*)		
ATPS-SGPS, SA	786.432	3,93%
I.E.S.-Indústria, Engenharia e Serviços, SGPS,S.A.	9.998.000	49,99%
António Alberto Guerra Leal Teixeira	1.400	0,01%
António Carlos Vaz Pinto Sousa	1.400	0,01%
Total attributable	10.787.232	53,94%
Banco BPI, S.A.		
Fundo Pensões Banco BPI	400.000	2,00%
Total attributable	400.000	2,00%
Kabouter Management LLC		
Kabouter Fund II	390.000	1,95%
Talon International	32.000	0,16%
Total attributable	422.000	2,11%
Bestinver Gestion		
BESTINVER BOLSA, F.I.	971.535	4,86%
BESTINFOND F.I.	906.958	4,53%
BESTINVER GLOBAL, FP	243.760	1,22%
BESTINVER MIXTO, F.I.	158.191	0,79%
SOIXA SICAV	171.763	0,86%
BESTINVER AHORRO, F.P.	137.598	0,69%
BESTINVER BESTVALUE SICAV	151.271	0,76%
TEXRENTA INVERSIONES SICAV	46.915	0,23%
BESTINVER VALUE INVESTOR SICAV	41.347	0,21%
DIVALSA DE INVERSIONES SICAV, SA	7.618	0,04%
BESTINVER EMPLEO FP	5.344	0,03%
LINKER INVERSIONES, SICAV, SA	4.571	0,02%
SUMEQUE CAPITAL,SIVAC	2.228	0,01%
Total attributable	2.849.099	14,25%
The Goldman Sachs Group, Inc		
Directamente	21.285	0,11%
Goldman,, Sachs &Co	402.000	2,01%
Total attributable	423.285	2,12%
Norges Bank		
Directamente	887.114	4,44%
FMR LLC		
Fidelity Management & Research Company	400.000	2,00%

(*) company held by the Board Directors António Pinto de Sousa and Alberto Teixeira, 50% each

Corporate Governing Bodies Information

Complying with article 9 nº1 of the CMVM Regulation nº 05/2008

Board of Directors	Date	Acquisitions		Sales		Balance at
		shares	av pr	shares	av pr	30.06.2011
<hr/>						
António Alberto Guerra Leal Teixeira						
ATPS II- S.G.P.S., SA	(1)					3.384.000
ATPS- S.G.P.S., SA	(2)					2.836
Ibersol SGPS, SA						1.400
António Carlos Vaz Pinto Sousa						
ATPS II- S.G.P.S., SA	(1)					3.384.000
ATPS- S.G.P.S., SA	(2)					2.836
Ibersol SGPS, SA						1.400
<hr/>						
<hr/>						
	Date	Acquisitions		Sales		Balance at
(1) ATPS II- S.G.P.S ., SA		shares	av pr	shares	av pr	30.06.2010
ATPS- S.G.P.S., SA	(2)					5.680
<hr/>						
<hr/>						
	Date	Acquisitions		Sales		Balance at
(2) ATPS- S.G.P.S ., SA		shares	av pr	shares	av pr	30.06.2010
Ibersol SGPS, SA						786.432
I.E.S.- Indústria Engenharia e Serviços, SA (3)						2.455.000
<hr/>						
(3) I.E.S.- Indústria Engenharia e Serviços, SGPS, SA						
Ibersol SGPS, SA						9.998.000

Transactions made by persons discharging managerial responsibilities

Complying with article 14 nº7 of the CMVM Regulation nº 05/2008

No transactions were reported by persons discharging managerial responsibilities and people closely connected with them during the first half of 2011.

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

Consolidated Financial Statements

30th June 2011

IBERSOL S.G.P.S., S.A.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION ON 30 JUNE 2011 AND 31 DECEMBER 2010
(values in euros)

ASSETS	Notes	30-06-2011	30-06-2010
Non-current			
Tangible fixed assets	7	122.892.227	121.039.747
Consolidation differences	8	42.903.548	42.903.548
Intangible assets	8	17.321.199	17.636.188
Deferred tax assets		1.003.952	606.486
Financial assets available for sale		1.434.954	1.004.417
Other non-current assets		1.770.429	1.740.203
Total non-current assets		187.326.309	184.930.589
Current			
Stocks		3.630.107	4.169.134
Cash and cash equivalents		30.307.632	29.361.466
Other current assets		8.990.618	13.756.416
Total current assets		42.928.357	47.287.016
Total Assets		230.254.666	232.217.605
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves attributable to shareholders			
Share capital		20.000.000	20.000.000
Own shares		-11.179.644	-11.179.644
Consolidation differences		156.296	156.296
Reserves and retained results		95.504.812	81.878.302
Net profit in the year		3.437.635	14.616.510
		107.919.099	105.471.464
Non-controlled interest		3.925.258	3.861.147
Total Equity		111.844.357	109.332.611
LIABILITIES			
Non-current			
Loans		25.614.951	45.420.024
Deferred tax liabilities		11.092.279	10.647.703
Provisions for other risks and charges		33.257	33.257
Other non-current liabilities		933.555	1.385.600
Total non-current liabilities		37.674.042	57.486.584
Current			
Loans		30.957.589	13.473.940
Accounts payable to suppl. and accrued costs		31.667.269	31.373.517
Other current liabilities		18.111.408	20.550.953
Total current liabilities		80.736.266	65.398.410
Total Liabilities		118.410.309	122.884.994
Total Equity and Liabilities		230.254.666	232.217.605

The Board of Directors,

IBERSOL S.G.P.S., S.A.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE, 2011 AND 2010
(values in euros)

	<u>Notes</u>	<u>30-06-2011</u>	<u>30-06-2010</u>
Operating Income			
Sales	5	93.030.809	100.393.180
Rendered services	5	406.047	648.723 *
Other operating income		1.550.224	2.380.157 *
Total operating income		<u>94.987.080</u>	<u>103.422.060</u>
Operating Costs			
Cost of sales		20.932.010	21.835.944
External supplies and services		30.681.222	33.487.824
Personnel costs		32.643.541	33.976.160
Amortisation, depreciation and impairment losses	7 e 8	4.744.618	5.124.449
Other operating costs		530.495	611.315
Total operating costs		<u>89.531.886</u>	<u>95.035.692</u>
Operating Income		<u>5.455.194</u>	<u>8.386.368</u>
Net financing cost		-570.221	-739.675
Pre-tax income		<u>4.884.973</u>	<u>7.646.693</u>
Income tax		1.383.227	2.156.339
After-tax income		<u>3.501.746</u>	<u>5.490.354</u>
Consolidated profit for the period		<u>3.501.746</u>	<u>5.490.354</u>
Other income		-	-
Total income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>3.501.746</u>	<u>5.490.354</u>
Profit attributable to:			
Shareholders		3.437.635	5.447.095
Non-controlled interest		64.111	43.259
Total comprehensive income attributable to:			
Shareholders		3.437.635	5.447.095
Non-controlled interest		64.111	43.259
Earnings per share			
Basic	9	<u>0,19</u>	<u>0,30</u>
Diluted		<u>0,19</u>	<u>0,30</u>

The Board of Directors,

* 266.154 euros Rendered Services were recognised as Other Operating Income.

IBERSOL S.G.P.S., S.A.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND TRIMESTER OF 2011 AND 2010
(values in euros)

		2nd TRIMESTER	
		2011	2010
Operating Income			
Sales		47.485.814	51.326.986 *
Rendered services		206.285	400.834 *
Other operating income		781.803	1.317.565
Total operating income		48.473.902	53.045.385
Operating Costs			
Cost of sales		10.651.033	11.124.573
External supplies and services		15.792.057	17.846.975
Personnel costs		16.483.843	17.183.017
Amortisation, depreciation and impairment losses		2.347.282	2.591.401
Other operating costs		212.010	397.715
Total operating costs		45.486.225	49.143.681
	Operating Income	2.987.677	3.901.704
Net financing cost		-219.409	-362.967
	Pre-tax income	2.768.268	3.538.737
Income tax		777.400	999.006
	After-tax income	1.990.868	2.539.731
	Consolidated profit for the period	1.990.868	2.539.731
Other income		-	-
	Total income	-	-
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1.990.868	2.539.731
Profit attributable to:			
Shareholders		1.943.506	2.520.798
Non-controlled interest		47.362	18.933
Total comprehensive income attributable to:			
Shareholders		1.943.506	2.520.798
Non-controlled interest		47.362	18.933
Earnings per share			
Basic		0,11	0,14
Diluted		0,11	0,14

The Board of Directors,

* 132.659 euros Rendered Services were recognised as Other Operating Income.

IBERSOL S.G.P.S., S.A.
Statement of Alterations to the Consolidated Equity
for the six months period ended 30 June, 2011 and 2010
(value in euros)

	Attributable to shareholders					Non-controlled interest	Total Equity
	Share Capital	Own Shares	Reserv. & Retained Results	Net	Profit	Total	
Balance on 1 January 2010	20.000.000	-11.179.644	68.411.956	14.612.638	91.844.950	3.477.604	95.322.554
Net consolidated income in the six month period ended on 30 June 2010				5.447.095	5.447.095	43.259	5.490.354
Total consolidated income	-	-	-	5.447.095	5.447.095	43.259	5.490.354
Transactions with capital owners in the period							
Application of the consolidated profit from 2009:							
Transfer to reserves and retained results			13.622.638	-13.622.638	-		-
Paid dividends				-990.000	-990.000		-990.000
Acquisition/ (sale) of own shares					-		-
	-	-	13.622.638	-14.612.638	-990.000	-	-990.000
Balance on 30 June 2010	20.000.000	-11.179.644	82.034.598	5.447.095	96.302.045	3.520.863	99.822.908
Balance on 1 January 2011	20.000.000	-11.179.644	82.034.598	14.616.510	105.471.464	3.861.147	109.332.611
Net consolidated income in the six month period ended on 30 June 2011				3.437.635	3.437.635	64.111	3.501.746
Total consolidated income	-	-	-	3.437.635	3.437.635	64.111	3.501.746
Transactions with capital owners in the period							
Application of the consolidated profit from 2010:							
Transfer to reserves and retained results			13.626.510	-13.626.510	-		-
Paid dividends				-990.000	-990.000		-990.000
Acquisition/ (sale) of own shares					-		-
	-	-	13.626.510	-14.616.510	-990.000	-	-990.000
Balance on 30 June 2011	20.000.000	-11.179.644	95.661.108	3.437.635	107.919.099	3.925.258	111.844.357

The Board of Directors,

IBERSOL S.G.P.S., S.A.
Consolidated Cash Flow Statements
for the six months period ended 30 June, 2011 and 2010
(value in euros)

Six month period ending on
June 30

Cash Flows from Operating Activities

Flows from operating activities (1)

2011	2010
11.853.159	6.398.662

Cash Flows from Investment Activities

Receipts from:

Financial investments	0	0
Tangible assets	5.893	109.748
Intangible assets	0	0
Investment benefits	0	0
Interest received	545.966	101.215
Dividends received		
Other		

Payments for:

Financial Investments	430.537	512.635
Tangible assets	5.580.958	5.265.072
Intangible assests	300.551	647.582
Other		

Flows from investment activities (2)

-5.760.187	-6.214.326
-------------------	-------------------

Cash flows from financing activities

Receipts from:

Loans obtained	9.103.898	10.860.841
Financial leasing contracts		
Sale of own shares		
Other		

Payments for:

Loans obtained	11.673.943	4.904.202
Amortisation of financial leasing contracts	882.738	1.099.918
Interest and similar costs	952.645	825.643
Dividends paid	990.000	1.140.000
Capital reductions and supplementary entries		
Acquisition of own shares		
Other		

Flows from financing activities (3)

-5.395.428	2.891.078
-------------------	------------------

Change in cash & cash equivalents (4)=(1)+(2)+(3)

697.544 **3.075.414**

Effect of exchange rate differences

Cash & cash equivalents at the start of the period 29.239.847 13.817.861

Cash & cash equivalents at end of the period **29.937.391** **16.893.275**

The Board of Directors,

IBERSOL SGPS, S.A.
ANNEX TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2011

(Values in euros)

1. INTRODUCTION

IBERSOL, SGPS, SA ("Company" or "Ibersol") has its head office at Praça do Bom Sucesso, Edifício Península n.º 105 a 159 – 9º, 4150-146 Porto, Portugal. Ibersol's subsidiaries (jointly called the Group), operate a network of 427 units in the restaurant segment through the brands Pizza Hut, Pasta Caffé, Pans & Company, Kentucky Fried Chicken, Burguer King, O' Kilo, Bocatta, Café Sô, Quiosques, Pizza Móvil, Flor d'Oliveira, Sol, Sugestões e Opções, José Silva Carvalho, Catering and Solinca Eventos e Catering. The group has 403 units which it operates and 24 units under a franchise contract. Of this universe, 104 are headquartered in Spain, of which 81 are own establishments and 23 are franchised establishments.

Ibersol is a public limited company listed on the Euronext of Lisbon.

2. MAIN ACCOUNTING POLICIES

The main accounting policies applied in preparing these consolidated financial statements are described below.

2.1 Presentation basis

These consolidated financial statements were prepared according to the International Financial Reporting Standards (IFRS), as applied in the European Union and in force on 30 June 2011, mainly with the international standard n.º 34 – Interim Financial Report.

The accounting policies applied on 30 June 2011 are identical to those applied for preparing the financial statements of 31 December and of 30 June 2010.

3. IMPORTANT ACCOUNTING ESTIMATES AND JUDGMENTS

There were no substantial differences between accounting estimates and judgments applied on 31 December 2010 and the accounting values considered in the six months period ended on the 30 June 2011.

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

4.1. Alterations to the consolidation perimeter

4.1.1. Acquisition of new companies

In February 2011, subsidiary Ibersol Angola, S.A., totally owned by the Group, acquired 99,89% of HCI – Imobiliária, S.A. by the amount of \$145.000.

Subsidiaries Ibersol Angola, S.A. and HCI – Imobiliária, S.A. are excluded from Ibersol's group consolidation accounts for reasons of immateriality and the timing to obtain information according consolidated rules. On June 30, 2011 balances and transactions with these two companies are as follows:

	<u>Ibersol Angola</u>	<u>HCI</u>
Investment	360.050	-
Loans	548.720	-
Other transactions	-	96.198
	<u>908.770</u>	<u>96.198</u>

4.1.2. Disposals

The group did not sell any of its subsidiaries in the six months period ended on 30 June 2011.

5. INFORMATION PER SEGMENT

Main Report Format – geographic segment

The results per segment for the six months period ended on 30 June 2011 are as follows:

30 June 2011	Portugal	Spain	Group
Restaurants	69.202.930	22.233.189	91.436.119
Merchandise	585.159	1.009.531	1.594.690
Rendered services	142.215	263.832	406.047
Turnover por Segment	69.930.304	23.506.552	93.436.856
Operating income	3.755.971	1.699.223	5.455.194
Net financing cost	-319.232	-250.989	-570.221
Share in the profit by associated companies	-	-	-
Pre-tax income	3.436.739	1.448.234	4.884.973
Income tax	1.096.952	286.275	1.383.227
Net profit in the year	2.339.787	1.161.959	3.501.746

The results per segment for the six months period ended on 30 June 2010 were as follows:

30 June 2010	Portugal	Spain	Group
Restaurants	74.284.426	24.396.769	98.681.195
Merchandise	662.705	1.049.280	1.711.985
Rendered services	380.479	268.244	648.723
Turnover por Segment	75.327.610	25.714.293	101.041.903
Operating income	6.128.615	2.257.753	8.386.368
Net financing cost	-411.427	-328.248	-739.675
Share in the profit by associated companies	-	-	-
Pre-tax income	5.717.188	1.929.505	7.646.693
Income tax	1.603.357	552.982	2.156.339
Net profit in the year	4.113.831	1.376.523	5.490.354

Transfers or transactions between segments are performed according to normal commercial terms and in the conditions applicable to independent third parties.

6. UNUSUAL AND NON-RECURRING FACTS AND SEASON ACTIVITY

No unusual facts took place during the six months period ended 30 June 2011.

In the restaurant segment season activity is characterized by an increase of sales in the months of July, August and December, which leads to a greater activity on the second half of the year. The previous years have evidenced that, in comparable perimeter and with an equal distribution of openings and closings, in the period that understands the six first months of the year, sales are about 48% of annual volume and, with the dilution effect of the fixed costs with the increase of the activity, the operating income represents about 39%.

7. TANGIBLE FIXED ASSETS

In the six months period ended 30 June 2011 and in the year ending on 31 December 2010, the following movements took place in the value of tangible fixed assets, and in the respective amortisation and accumulated impairment losses:

	Land and buildings	Equipment	Tools and utensils	Other tang. Assets	Fix. Assets in progress	Total
1 January 2010						
Cost	120.925.169	66.957.564	4.207.359	8.878.487	50.949	201.019.529
Accumulated depreciation	22.982.300	43.762.363	3.528.788	6.476.541	-	76.749.993
Accumulated impairment	3.322.621	764.242	16.153	46.132	-	4.149.149
Net amount	94.620.248	22.430.959	662.418	2.355.814	50.949	120.120.387
31 December 2010						
Initial net amount	94.620.248	22.430.959	662.418	2.355.814	50.949	120.120.387
Changes in consolidat perimeter	5.861	189.262	-	327.672	-	522.795
Additions	6.686.630	2.815.302	-	1.001.105	73.221	10.576.258
Decreases	684.048	432.723	-	4.193	1.500	1.122.463
Transfers	144.720	83.065	-662.418	669.466	-36.092	198.740
Depreciation in the year	2.702.366	4.542.834	-	1.263.164	-	8.508.364
Deprec. by changes in the perim.	-	-	-	-	-	-
Impairment in the year	747.612	-	-	-	-	747.612
Final net amount	97.323.433	20.543.030	0	3.086.700	86.578	121.039.741
31 December 2010						
Cost	125.377.979	68.148.991	-	14.244.146	86.578	207.857.695
Accumulated depreciation	24.550.849	46.881.834	-	11.111.499	-	82.544.182
Accumulated impairment	3.503.698	724.127	-	45.947	-	4.273.772
Net amount	97.323.433	20.543.030	-	3.086.700	86.578	121.039.741
	Land and buildings	Equipment	Tools and utensils	Other tang. Assets	Fix. Assets in progress	Total
30 June 2011						
Initial net amount	97.323.433	20.543.030	-	3.086.700	86.578	121.039.741
Changes in consolidat perimeter	-	-	-	-	-	-
Additions	4.136.144	1.506.440	-	294.744	152.423	6.089.751
Decreases	90.627	68.631	-	1.243	17.869	178.370
Transfers	-	33.542	-	336	-38.539	-4.661
Depreciation in the year	1.442.280	2.166.825	-	586.055	-	4.195.160
Deprec. by changes in the perim.	-	-	-	-	-	-
Impairment reversion	-140.927	-	-	-	-	-140.927
Final net amount	100.067.596	19.847.556	-	2.794.482	182.593	122.892.228
30 June 2011						
Cost	129.279.878	69.408.812	-	14.453.744	182.593	213.325.028
Accumulated depreciation	25.999.066	48.996.260	-	11.573.094	-	86.568.420
Accumulated impairment	3.213.216	564.996	-	86.168	-	3.864.380
Net amount	100.067.596	19.847.556	-	2.794.482	182.593	122.892.228

8. INTANGIBLE ASSETS

Intangible assets are broken down as follows:

	<u>Jun-11</u>	<u>Dec-10</u>
Consolidation difference	42.903.548	42.903.548
Other intangible assets	17.321.199	17.636.188
	<u>60.224.747</u>	<u>60.539.736</u>

In the six months period ended 30 June 2011 and in the year ending on 31 December 2010, the movement in the value of intangible fixed assets and in the respective amortisation and accumulated impairment losses were as follows:

	Consolidat. differences	Leasehold conveyance	Brands and Licences	Develop. Expenses	Industrial property	Fix. assets in progress	Total
1 January 2010							
Cost	44.216.181	1.433.631	22.623.705	880.663	19.122.970	2.655.616	90.932.767
Accumulated amortisation	-	590.926	21.774.811	717.795	4.448.851	-	27.532.384
Accumulated impairment	1.846.600	0	149.073	-	208.442	-	2.204.115
Net amount	42.369.581	842.705	699.821	162.868	14.465.677	2.655.616	61.196.268
31 December 2010							
Initial net amount	42.369.581	842.705	699.821	162.868	14.465.677	2.655.616	61.196.268
Changes in consolidat. Perimeter	549.045	-	-	-	160	-	549.205
Additions	-	-	385.048	-	301.704	37.153	723.905
Decreases	-	15.400	118.328	108.655	-106.450	-	135.933
Transfers	-	-	-4.988	-52.686	452.637	-418.796	-23.833
Depreciation in the year	-	149.309	578.794	1.522	1.025.170	-	1.754.795
Deprec. by changes in the perim.	-	-	-	-	-	-	-
Impairment in the year	15.078	-	-	-	-	-	15.078
Final net amount	42.903.548	677.996	382.759	5	14.301.458	2.273.973	60.539.739
31 December 2010							
Cost	44.765.226	1.337.271	3.136.625	130.360	19.141.360	2.273.973	70.784.816
Accumulated amortisation	-	659.275	2.604.793	130.355	4.631.460	-	8.025.884
Accumulated impairment	1.861.678	0	149.073	-	208.442	-	2.219.193
Net amount	42.903.548	677.996	382.759	5	14.301.458	2.273.973	60.539.739
	Consolidat. differences	Leasehold conveyance	Brands and Licences	Develop. Expenses	Industrial property	Fix. assets in progress (1)	Total
30 June 2011							
Initial net amount	42.903.548	677.996	382.759	5	14.301.458	2.273.973	60.539.739
Changes in consolidat. Perimeter	-	-	-	-	-	-	-
Additions	-	-	-	20.000	316.584	38.583	375.167
Decreases	-	-	867	-	-761	-	106
Transfers	-	-	-	-	336	-	336
Depreciation in the year	-	43.374	214.838	1.000	487.395	-	746.607
Deprec. by changes in the perim.	-	-	-	-	-	-	-
Impairment reversion	-	-	-7.290	-	-48.930	-	-56.221
Final net amount	42.903.548	634.622	174.345	19.005	14.180.674	2.312.556	60.224.750
30 June 2011							
Cost	44.765.226	1.337.271	3.191.124	149.865	19.459.565	2.312.556	71.215.608
Accumulated amortisation	-	702.649	2.946.670	130.860	5.269.508	-	9.049.688
Accumulated impairment	1.861.678	-	70.109	-	9.383	-	1.941.170
Net amount	42.903.548	634.622	174.345	19.005	14.180.674	2.312.556	60.224.750

(1) the balance of the fixed assets items in progress refers mainly to the 3 new concessions yet to be open, in service areas of the following motorways: Guimarães, Fafe and Paredes. These service areas are still in the design stage and awaiting for platforms delivery.

The table below summarises the consolidation differences broken down into segments:

	<u>Jun-11</u>	<u>Dec-10</u>
Portugal	10.000.021	10.000.021
Spain	32.903.527	32.903.527
	<u>42.903.548</u>	<u>42.903.548</u>

On 30 June 2011 on the Spain segment the consolidation differences refer mainly to the purchase of the subsidiaries Lurca and Vidisco.

9. INCOME PER SHARE

Income per share in the six months period ended 30 June 2011 and 2010 was calculated as follows:

	<u>Jun-11</u>	<u>Jun-10</u>
Profit payable to shareholders	<u>3.437.635</u>	<u>5.447.095</u>
Mean weighted number of ordinary shares issued	20.000.000	20.000.000
Mean weighted number of own shares	-2.000.000	-2.000.000
	<u>18.000.000</u>	<u>18.000.000</u>
Basic earnings per share (€ per share)	<u>0,19</u>	<u>0,30</u>
Earnings diluted per share (€ per share)	<u>0,19</u>	<u>0,30</u>
Number of own shares at the end of the year	<u>2.000.000</u>	<u>2.000.000</u>

Since there are no potential voting rights, the basic earnings per share is equal to earnings diluted per share.

10. DIVIDENDS

At the General Meeting of 11 April 2011, the company decided to pay a gross dividend of 0,055 euros per share (0,055 euros in 2010), which was paid on 11th May 2011 corresponding to a total value of 990.000 euros (990.000 euros in 2010).

11. CONTINGENCIES

The group has contingent liabilities regarding bank and other guarantees and other contingencies related with its business operations. No significant liabilities are expected to arise from the said contingent liabilities.

On 30 June 2011, responsibilities not recorded by the companies and included in the consolidation consist mainly of bank guarantees given on their behalf, as shown below:

	<u>Jun-11</u>	<u>Dec-10</u>
Guarantees given	87.061	129.872
Bank guarantees	4.032.716	4.093.880

Bank loans with the amount of 590.485 € (712.096 in 2010) are secured by Ibersol's land and buildings assets.

12. COMMITMENTS

No investments had been signed on the Balance Sheet date which had not taken place yet.

13. IMPAIRMENT

In the six months period ended 30 June 2011, the movement in the value of current assets and in the respective accumulated impairment losses were as follows:

	Starting balance	Cancellation	Reclassification	Impairment reversion	Closing balance
Tangible fixed assets	4.273.772	-	-268.465 (1)	140.927	3.864.380
Consolidation differences	1.861.678	-	-	-	1.861.678
Intangible assets	357.515	-	-221.802 (1)	56.221	79.493
Stocks	74.981	-	-	-	74.981
Other current assets	678.030	64.450	279.284 (2)	-	892.864
	7.245.975	64.450	-210.983	197.148	6.773.395

(1) decreases of impaired assets, as well as reclassifications against depreciation of their assets.

(2) in the first half of the year 2011, a correction was made to the customer accounts and associated impairments of 2010.

14. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The group's activities are exposed to a number of financial risk factors: market risk (including currency exchange risk, fair value risk associated to the interest rate and price risk), credit risk, liquidity risk and cash flow risks associated to the interest rate. The group maintains a risk management program that focuses its analysis on financial markets to minimise the potential adverse effects of those risks on the group's financial performance.

Risk management is headed by the Financial Department based on the policies approved by the Board of Directors. The treasury identifies, evaluates and employs financial risk hedging measures in close cooperation with the group's operating units. The Board provides principles for managing the risk as a whole and policies that cover specific areas, such as the currency exchange risk, the interest rate risk, the credit risk and the investment of surplus liquidity.

a) Market risk

i) Currency exchange risk

The currency exchange risk is very low, since the group operates only in the Iberian market. Bank loans are in euros and all sales and rendered services are performed in Portugal and Spain. Moreover, purchases outside the Euro zone are of irrelevant proportions. Although the Group hold investments outside the euro-zone in external operations, in Angola, there is no exposure to currency exchange risk due to the reduced size of the investment.

ii) Price risk

The group is not exposed to the merchandise price risk.

iii) Interest rate risk (cash flow and fair value)

Since the group does not have remunerated assets earning significant interest, the profit and cash flow from financing activities are substantially independent from interest rate fluctuations.

The group's interest rate risk stems from its liabilities, in particular from long-term loans. Loans issued with variable rates expose the group to the cash flow risk associated to interest rates. Loans with fixed rates expose the group to

the risk of the fair value associated to interest rates. At the current interest rates, in financing of longer maturity periods the group has a policy of totally or partially fixing the interest rates.

In recent years the group has taken into account the possibility of hedging the risk of interest rate variations only in a small part of their funding. The Group has a Swap operation over 1,9 millions of euros in Spain. Consequently, the remaining remunerated debt bears interest at a variable rate. On the other hand, the Group has holdings that cover about 1/3 of the loans whose remuneration in net terms dampens the debt interest rate changes.

Based on simulations performed on 30 June 2011, an increase of 100 basis points in the interest rate, maintaining other factors constant, would have a negative impact in the net profit of EUR 171 thousand.

b) Credit risk

The group's main activity covers sales paid in cash or by debit/credit cards. As such, the group does not have relevant credit risk concentrations. It has policies ensuring that sales on credit are performed to customers with a suitable credit history. The group has policies that limit the amount of credit to which these customers have access.

c) Liquidity risk

Liquidity risk management implies maintaining a sufficient amount of cash and bank deposits, the feasibility of consolidating the floating debt through a suitable amount of credit facilities and the capacity to liquidate market positions. Treasury needs are managed based on the annual plan that is reviewed every quarter and adjusted daily. Related with the dynamics of the underlying business operations, the group's treasury strives to maintain the floating debt flexible by maintaining credit lines available.

The Group considers the short-term bank loans payable on the date of renewal and that the contract commercial paper programmes expire on the dates of denunciation.

At the end of the first half of year 2011, current liabilities reached 81 million euros, compared with 43 million euros in current assets. This disequilibrium is, on one hand, a financial characteristic of this business and, on the other hand, due to the option of considering the maturity date as the renewal date for the subscribed commercial paper programmes, regardless of its initial stated periods. In order to ensure liquidity of the short term debt it is expected that in the year 2011 the Group will renew the maturity date of the subscribed commercial paper programmes

Due to the current situation of financial markets pressure for the reduction of credit granted by the banks, the Group chose to negotiate and maintain a significant part of the short-term credit lines. On 30 June 2011, the use of short-term credit lines was of 2%. The applications in term deposits of EUR 23 million correspond to 39% of passive remunerated.

d) Capital risk

The company aims to maintain an equity level suitable to the characteristics of its main business (cash sales and credit from suppliers) and to ensure continuity and expansion. The capital structure balance is monitored based on the gearing ratio (defined as: net remunerated debt / net remunerated debt + equity) in order to place the ratio within a 35%-70% interval.

On 30 June 2011 the gearing ratio was of 20% and of 23% on 31 December 2010.

14. SUBSEQUENT EVENTS

There were no subsequent events as of 30 June 2011 that may have a material impact on these financial statements.

15. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for emission on 29th August 2011.

Limited Review Report on Consolidated Financial Statements

(Free Translation from the original in Portuguese)

Introduction

1 In accordance with the Portuguese Securities Market legislation (“Código dos Valores Mobiliários”) we present the limited review report on the consolidated financial information for the period of six months ended 30 June 2011 of **Ibersol, SGPS, SA**, comprising the consolidated Management Report, the consolidated statement of financial position (which shows total assets of Euros 230.254.666 and total shareholder's equity of Euros 111.844.357, which includes Non-Controlling Interests of 3.925.258 euros and a net profit of Euros 3.437.635), the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended and the corresponding notes to the accounts.

2 The amounts included in the financial statements, as well other additional information, are derived from accounting registers.

Responsibilities

3 It is the responsibility of the Company's Management: (a) to prepare consolidated financial statements which present fairly, in all material respects, the financial position of the company and its subsidiaries, the consolidated results and the consolidated comprehensive income of their operations the changes in consolidated equity and the consolidated cash-flows; (b) to prepare historic financial information in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in particular the International Accounting Standard nº 34 – Interim Financial Information, and which is complete, true, timely, clear, objective and lawful as required by the Portuguese Securities Market Code; (c) to adopt appropriate accounting policies and criteria; (d) to maintain adequate systems of internal control; and (e) to disclose any relevant fact that has influenced the activity, financial position or results of the company and its subsidiaries.

4 Our responsibility is to verify the consolidated financial information presented in the financial statements referred to above, namely as to whether it is complete, true, timely, clear, objective and lawful, as required by the Portuguese Securities Market Code, for the purpose of issuing an independent and professional report on this information based on our review.

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.
o'Porto Bessa Leite Complex, Rua António Bessa Leite, 1430 - 5º, 4150-074 Porto, Portugal
Tel +351 225 433 000 Fax +351 225 433 499, www.pwc.com/pt
Matriculada na Conservatória do Registo Comercial sob o NUPC 506 628 752, Capital Social Euros 314.000

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. pertence à rede de entidades que são membros da PricewaterhouseCoopers International Limited, cada uma das quais é uma entidade legal autónoma e independente. Inscrita na lista das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na Comissão do Mercado de Valores Mobiliários sob o nº 9077

Scope

5 We conducted our limited review in accordance with the Standards and Technical Recommendations approved by the Portuguese Institute of Statutory Auditors, which require that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial statements are free of material misstatement. Our limited review consisted, principally, in inquiries and analytical procedures designed to evaluate: (i) the faithfulness of the assertions in the financial information; (ii) the adequacy and consistency of the accounting principles adopted, taking into account the circumstances; (iii) the applicability, or not, of the going concern basis; (iv) the overall presentation of the financial statements; and (v) verification of the completeness, truthfulness, accuracy, clarity, objectivity and lawfulness of the consolidated financial information.

6 Our review also covered the verification that the information included in the consolidated Management Report is consistent with the information contained in the consolidated financial statements.

7 We believe that our review provides a reasonable basis for our limited review report.

Opinion

8 Based in our limited review, which was performed in order to provide a moderate level of assurance, nothing has come to our attention that cause us to conclude that the consolidated financial statements of the period of six months ended 30 June 2011 contain material errors that affect their conformity with the International Financial Reporting Standards (IFRS), as adopted in the European Union, in particular the International Accounting Standard nr. 34 – Interim Financial Information, and the information there included is not complete, true, timely, clear, objective and lawful.

Report on other requirements

9 Based in our limited review, nothing has come to our attention that cause us to conclude that the information included in the Consolidated Management Report is not in accordance with the information contained in the consolidated financial statements.

29 August 2011

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Hermínio António Paulos Afonso, R.O.C.