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MATERIAL INFORMATION

Translated from the Portuguese Original

SDC INVESTIMENTOS INFORMS ON FULL-YEAR 2015 EARNINGS

Anticipating the release of SDC Investimentos, SGPS, SA's 2015 report and accounts, which will, timely, be made available to shareholders and the public, we disclose the following information:

DESTAQUES

- Consolidated net losses attributable to the Group reached in 2015, 71,4 million Euros (-14,9 million Euros in 2014), to which the non recurrent costs related with the outcome of litigation in Israel (32.6 million Euros) and impairment costs of the real estate area (33,9 million Euros) had a decisive contribution;
- Financial result amounted to -3.6 million Euros (-7.4 million Euros in 2014), including a net financing cost of -6.2 million Euros (-9.6 million Euros in 2014) and benefited from 3.2 million Euros from capital gains from the sale of the capital held in Indaqua (which compares with 3.0 million Euros in 2014);
- Gains and losses in associated and jointly managed companies (equity consolidated) had a positive contribution to the result of 2.9 million Euros (4.8 million Euros in 2014);
- EBITDA was negative at 4.9 million Euros (-3.8 million Euros in 2014);
- Indaqua, CPE and SDC Hidroenergia 8C sales allowed a 51.9 million Euros reduction in net debt.

Key Performance Indicators (Consolidated)

(thousand Euros)	2015	2014*
Turnover	6,708.4	6,901.2
EBITDA	-4,933.5	-3,762.0
EBIT from continued operations	-66,018.0	-9,543.7
Gains and losses from associated companies	2,898.7	4,828.7
Financial results	-3,635.8	-7,433.4
Earnings before taxes	-66,755.1	-12,148.4
Net earnings from continued operations	-70,152.6	-12,796.5
Net earnings from discontinued operations	-1,272.9	-3,029.6
Net earnings attributable to the Group	-71,425.4	-14,857.6

(*) Restated

ACTIVITY ANALYSIS

In general, the profound changes in the last two years in the Group structure, together with the accounting standard changes (elimination of proportional consolidation method applied to associated companies) are reflected in the Company's income statement, in the lower weight of the operational components and in the higher importance of the item gains and losses in associated companies and financial results.

There is, however, to register in 2015 the decisive influence on the net earnings of the captions "Depreciation, amortization and impairment losses" and "Provisions and value adjustments" that, together, reached in 2015, the value of 61.1 million Euros, which mainly resulted from the impairment costs registered in the real estate area and from the arbitration decision on the process of Tel Aviv light railway project. In this later case, with further 8.8 million Euros of costs at the "Losses in associates and jointly managed companies" line.

Turnover

Turnover reached 6.7 million Euros (decreasing 2.8% compared with the same period of the previous year). This evolution was based on the growth in the real estate' business area turnover, CPE's (car parks) accounting as a discontinued operation, the sale of the stake held in Energia Própria in October 2014 and the termination of services provided to Soares da Costa Construção group companies.

The breakdown by business area is the following:

Turnover by Business Area

(thousand Euros)	2015	%	2014*	%	Var.%
Concessions	544.3	8.1%	806.9	11.7%	-32.5%
Real Estate	6,372.6	95.0%	5,334.9	77.3%	19.5%
Energy services	0.0	0.0%	438.6	6.4%	-
SDC Investimentos and others	7.1	0.1%	692.2	10.0%	-
Consolidation adjustments	-215.6	-3.2%	-371.4	-5.4%	-
Total	6,708.4	100.0%	6,901.2	100.0%	-2.8%

(*) Restated

Gains and losses in associated and jointly managed companies

This caption comprises the Company's proportional stakes in the net earnings of the jointly controlled companies, mainly from the concessions area, with a 2,898.7 million Euros contribution in 2015 (4,828.7 million Euros in 2014). This figure's breakdown can be seen in the following table, showing consistent positive results from the concession companies related with Beira Interior motorway, the significant improvement in results of the concession companies related with Transmontana motorway and the negative impact from the write off of the participation in the Tel Aviv light railway concession company.

Gains and losses in associated and jointly managed companies

(thousand Euros)	2015	2014
Beira Interior Motorway		
Scutvias-Autoestradas da Beira Interior, S.A.	4,326.2	4,240.9
MRN-Manutenção de Rodovias Nacionais, S.A.	2,255.2	1,856.5
Transmontana Motorway		
Auto-Estradas XXI - Subconcessionária Transmontana, S.A.	3,300.7	-2,129.0
Operestradas XXI S.A.	1,308.4	462.1
Metropolitan Transportation Solution (Israel)		
	-8,831.0	-
Others	539.3	398.2
Total	2,898.7	4,828.7

Financial Results

Consolidated financial results amounted to -3.6 million Euros in 2015, which compares with -7.4 million Euros in 2014.

Net financing costs (interest paid less interest received) improved from -9.6 million Euros (2014 restated) to -6.2 million Euros, mainly due to the reduction in liabilities arising from the sales in participations.

Capital gains from participations had a positive contribution in 2015 of 3.2 million Euros, benefiting from the sale of the shares held in Indaqua, which compares with 3.0 million Euros in 2014 from the sale of the shares held in the concessionaire and operator of Estradas do Zambeze (Zambezi Roads) in Mozambique.

Results from Discontinued Operations

Results from discontinued operations accounted in 2015 to -1,3 million Euros concerning the activity and sale of the subsidiary CPE – Companhia de Parques de Estacionamento, SA.

The amount accounted in this caption in 2014, which was related with Prince's activity – a construction company in the US market that was sold during the first half of 2014 – was restated, now also including the result arising from CPE's operations during that year, reaching a total of 3.1 million Euros.

Consolidated Net Earnings

Consolidated net earnings attributable to the Group reached in 2015 -71.4 million Euros, compared with -14.9 million Euros in 2014, reflecting the combined effect of all the factors mentioned above, and also the write-off of the fair value reserves from the swap related with the sale of the stake held in Indaqua (5.7 million Euros) and the write-off of deferred tax assets amounting to 3.3 million Euros.

Net Debt

Consolidated net debt reached 265.1 million Euros by year-end 2015, which represents an important decrease compared with the previous year's 317.0 million Euros. The application of the financial inflow obtained with the sale of Indaqua, and the sale of CPE were two determinant factors to this performance.

Shareholders' Equity

Shareholders' equity, that amounted to -9.5 million Euros by December 31, 2014, suffered a significant reduction during 2015, reaching the negative figure of 66.2 million Euros by year-end.

The evolution of the shareholders' equity in 2015 was the following:

Change in the Shareholders' Equity

(thousand Euros)		
Shareholders' equity as of 31.12.2014	(a)	-9,446.6
Consolidated net earring from the period		-71,425.4
Transposition of foreign exchange differences		-3,280.7
Change in fair value of financial instruments		4,336.2
Adjustments in financial investments consolidated by equity method		7,882.7
Comprehensive net profit	(b)	-62.487,1
Changes in consolidation perimeter	(c)	5.734,3
Shareholders' equity as of 31.12.2015	(a)+(b)+(c)	-66.199,5

No capital operations occurred during the year and the company (or its subsidiaries) didn't hold or transact own shares.

OUTLOOK

Apart from current asset management, in the areas of concessions and real estate, management efforts will continue to focus in the implementation of solutions to ensure the Group's continuity and sustainability, through debt restructuring, in line with what was announced on November 11, 2015 (adjusted to the consequences of the memorandum of understanding reached on January 14, 2016, regarding the sale of the remaining stake in Soares da Costa Construção), and the pursuit, as in the past, of opportunities that enhance the value of our assets.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL POSITION STATEMENT AS OF 31 DECEMBER 2015 AND 2014

(Euro)

ASSETS	31.12.2015	31.12.2014 Released
NON CURRENT		
Intangible assets	6,551,000	37,195,156
	6,551,000	37,195,156
Fixed tangible assets		
Buildings and lands	29,498,125	65,467,736
Basic equipment	186,345	986,842
Other fixed tangible assets	233,417	424,559
	29,917,887	66,879,138
Investment properties	13,390,214	26,246,591
Associated and jointly managed companies		
Financial investments	73,297,508	70,414,793
Loans	21,922,911	28,360,734
	95,220,419	98,775,527
Other financial investments	3,452,949	3,477,890
Other financial assets	38,500,000	38,500,000
Deferred tax assets	4,994,455	18,766,235
Other non current assets	7,866,000	7,866,000
Total non current assets	199,892,924	297,706,537
CURRENT		
Inventories	19,131,362	25,273,612
Accounts receivable		
Customers	7,912,630	13,539,864
State and other public entities	584,046	543,777
Other accounts receivable	25,423,803	33,758,538
	33,920,479	47,842,179
Other financial assets	2,084,400	0
Other current assets	346,947	611,966
Cash and equivalents	2,251,153	2,774,161
Total current assets	57,734,341	76,501,919
Non current assets held for sale	-	19,890,738
Total assets	257,627,265	394,099,194

CONSOLIDATED FINANCIAL POSITION STATEMENT AS OF 31 DECEMBER 2015 AND 2014

(Euro)

SHAREHOLDERS' EQUITY AND LIABILITIES	31.12.2015	31.12.2014 Released
SHAREHOLDERS' EQUITY		
Share capital	160,000,000	160,000,000
Adjustment of parts of capital in subsidiaries, associated companies and jointly managed investments	(16,905,890)	(28,086,548)
Reserves and retained earnings from the continued operations	(137,798,426)	(125,544,138)
Net earnings in the period	(71,437,128)	(14,857,635)
Shareholders' equity attributable to the Group	(66,141,444)	(8,488,322)
Minorities	(58,077)	(958,325)
Total shareholders' equity	(66,199,521)	(9,446,646)
LIABILITIES		
NON CURRENT		
Provisions	15,866,726	999,841
Loans		
Bonds	79,263,505	78,890,142
Bank loans	116,442,572	148,935,395
	195,706,077	227,825,537
Accounts payable	-	11,624,466
Derivatives	3,809,543	8,324,714
Deferred tax liabilities	-	4,816,182
Total non current liabilities	215,382,346	253,590,739
CURRENT		
Loans		
Bonds	20,000,000	19,898,410
Bank loans	51,410,342	71,728,978
	71,410,342	91,627,388
Accounts payable		
Suppliers	12,714,646	16,329,035
Investment suppliers	420,710	533,646
Advances on sales	137,850	48,996
State and other public entities	378,993	6,632,724
Other accounts payable	12,503,142	12,950,955
	26,155,341	36,495,357
Derivatives	-	2,092,011
Other current liabilities	10,878,757	19,740,345
Total current liabilities	108,444,440	149,955,101
Liabilities held for sale	-	-
Total liabilities	323,826,786	403,545,840
Total shareholders' equity	257,627,265	394,099,194

SEPARATE CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDING IN DECEMBER 31, 2015 AND 2014

(Euro)

INCOME STATEMENT	31.12.2015	31.12.2014 Restated	31.12.2014 Released
Continued operations			
Turnover	6,708,431	6,901,185	12,347,456
Change in production	(2,370,732)	(143,579)	(143,579)
Other operations income	1,294,026	1,723,168	1,750,529
Operating income	5,631,725	8,480,774	13,954,405
Cost of goods sold	(590,514)	(20,779)	(20,779)
External supplies	(6,347,376)	(5,377,172)	(7,570,246)
Staff costs	(1,709,239)	(1,971,615)	(2,534,431)
Depreciation, amortisation and impairment costs	(32,694,288)	(4,245,563)	(6,612,141)
Provisions and value adjustments	(28,390,250)	(1,536,142)	(1,536,142)
Other operating costs	(1,918,097)	(4,873,211)	(5,011,316)
Operating costs	(71,649,764)	(18,024,482)	(23,285,055)
Operating results from continued operations	(66,018,039)	(9,543,708)	(9,330,650)
Gains in associated and jointly managed companies	11,846,615	7,073,381	7,073,381
Losses in associated and jointly managed companies	(8,947,921)	(2,244,720)	(2,244,720)
Gains and losses in associated and jointly managed companies	2,898,694	4,828,661	4,828,661
Interest received	3,888,872	2,568,649	2,569,876
Interest paid	(10,127,332)	(12,173,699)	(14,073,659)
Net financing costs	(6,238,460)	(9,605,050)	(11,503,783)
Income and capital gains in stakes held	3,233,061	3,003,498	3,003,498
Other financial income	6,770,649	4,566,602	4,566,774
Other financial losses	(7,401,023)	(5,398,434)	(5,461,661)
Other financial income and losses	2,602,687	2,171,666	2,108,611
Financial Results	(3,635,773)	(7,433,384)	(9,395,172)
Earnings Before Taxes	(66,755,118)	(12,148,433)	(13,897,161)
Income tax	(3,397,434)	(648,034)	(939,223)
Net earnings from continued operations	(70,152,552)	(12,796,467)	(14,836,384)
Net earnings from discontinued operations	(1,272,850)	(3,029,628)	(989,711)
Consolidated net earnings for the period	(71,425,402)	(15,826,095)	(15,826,095)
Attributable to the Group	(71,437,128)	(14,857,635)	(14,857,635)
Minorities	11,726	(968,460)	(968,460)
Earnings per share of the continued activities:			
Basic	(0.439)	(0.074)	(0.087)
Diluted	(0.349)	(0.074)	(0.087)
Earnings per share			
Basic	(0.446)	(0.093)	(0.093)
Diluted	(0.359)	(0.080)	(0.093)

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD ENDING IN 31 DECEMBER, 2015 AND 2014

(Euro)

	31.12.2015 Rebuild	31.12.2014 Released
Consolidated net earnings for the period	<u>(71,425,402)</u>	<u>(15,826,095)</u>
Other comprehensive income:		
Exchange differences from transposition of financial statements expressed in foreign currencies	(3,280,688)	(3,563,606)
Change on fair value of derivatives	6,607,182	(2,996,639)
Change on deferred taxes of derivatives	(2,270,962)	503,466
Adjustments in investment consolidated by equity method	7,882,736	(21,840,382)
Other changes	-	42,414
Total comprehensive income for the period	<u>(62,487,135)</u>	<u>(43,680,842)</u>
Attributable		
To minorities	11,726	(2,547,052)
To the Group	(62,498,861)	(41,133,790)

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDING IN 31 DECEMBER, 2015 AND 2014

(Euro)

	Share capital	Own shares	Reserves and retained earnings	Reserves for foreign exchange	Reserves from hedging derivatives	Capital adjustments in associated companies	Others	Net earnings from the period	Equity attributable to shareholders	Minorities	Total shareholders' equity
Balance as of 1.1.2015	160,000,000	-	(114,653,445)	(2,787,345)	(8,145,763)	(28,086,548)	42,414	(14,857,635)	(8,488,322)	(958,324)	(9,446,646)
Application of net earnings for the previous year		-	(14,857,635)	-	-	-	-	14,857,635	-	-	-
Changes in perimeter	-	-	-	-	-	5,734,258	-	-	5,734,258	-	5,734,258
Variation in% of interest held on subsidiaries		-	(888,519)	-	-	-	-	-	(888,519)	888,521	2
Others	-	-	2,436,336	-	-	(2,436,336)	-	-	-	-	-
Integrated consolidated earnings		-	-	(3,280,688)	4,336,220	7,882,736	-	(71,437,128)	(62,498,861)	11,726	(62,487,135)
Balance as of 31.12.2015	160,000,000	-	(127,963,263)	(6,068,033)	(3,809,543)	(16,905,890)	42,414	(71,437,128)	(66,141,444)	(58,077)	(66,199,521)

	Share capital	Own shares	Reserves and retained earnings	Reserves for foreign exchange	Reserves from hedging derivatives	Capital adjustments in associated companies	Others	Net earnings from the period	Equity attributable to shareholders	Minorities	Total shareholders' equity
Balances as of 1.1.2014	160,000,000	-	(63,919,635)	2,397,460	(5,652,590)	(8,017,778)	120,580	(50,725,951)	34,202,086	8,849	34,210,935
Dividends	-	-	(50,725,951)	-	-	-	-	50,725,951	-	-	-
Own shares	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	(7,860)	(1,620,069)	-	1,771,611	(120,580)	-	23,102	158	23,260
Integrated consolidated earnings		-	-	(3,564,735)	(2,493,173)	(21,840,382)	42,414	(14,857,635)	(42,713,511)	(967,331)	(43,680,842)
Balance as of 31.12.2014	160,000,000	-	(114,653,445)	(2,787,345)	(8,145,763)	(28,086,548)	42,414	(14,857,635)	(8,488,323)	(958,324)	(9,446,646)

SDC INVESTIMENTOS, SGPS, SA, PUBLIC COMPANY

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