



RAMADA

INVESTIMENTOS E INDÚSTRIA

Earnings Announcement

1st Half 2017

(unaudited)

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards and with accordance with the International Accounting Standard 34 – Interim Financial Reporting, some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

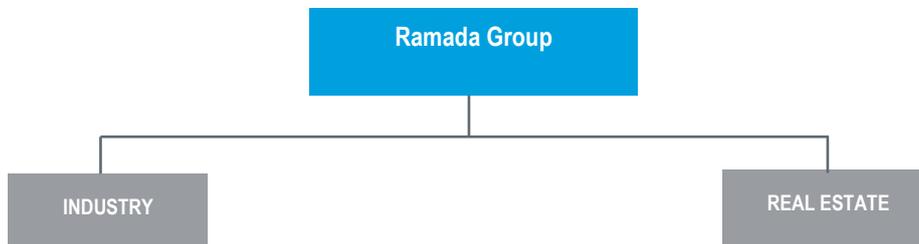
GROUP'S ACTIVITY

Ramada Investimentos S.G.P.S., S.A. is the parent company of a group of companies ("Ramada Group") which, together, operate in two business areas: i) Industry, which includes the steel activity, the Storage Systems activity (Storax – Engineered Storage Solutions) and the activity related to financial investments management (corresponding to non-controlling interests) and ii) Real Estate, focused in the management of real estate assets.

The steel activity, with a prominent position in the domestic market, is carried out by three companies: Ramada Aços, Universal Afir and Planfuro Global, S.A.. In 2016, the Group acquired the remaining stake in the joint venture Planfuro Global, S.A., taking full control of its business by the end of the year. In the first half of 2017 Planfuro Global, S.A. was included in the consolidation of the Ramada Group by the full consolidation method, although its impact on the Group's results has been reduced.

The activity of Storage Systems (Storax - Engineered Storage Solutions) is carried out by five companies: Ramada Storax (the largest manufacturer of storage systems in Portugal and where all manufacturing of the Group is concentrated), and by its subsidiaries in France, United Kingdom, Belgium and Spain.

The financial investment activity includes investments in Base Holding S.G.P.S. an entity that heads a group of companies that are active in the healthcare area, namely at the level of complementary means of diagnosis and treatment.



The financial information presented below in relation to Ramada Group was prepared in accordance with the recognition and measurement criteria of the International Financial Reporting Standards (IFRS), as adopted by the European Union.

PROFIT AND LOSS STATEMENT

	1H 2017	1H 2016	Var. %
Sales and services rendered	69,309	62,225	11.4%
Other income	358	586	-38.9%
Total income	69,667	62,811	10.9%
Cost of sales	(34,555)	(31,791)	8.7%
External supplies and services	(13,862)	(11,880)	16.7%
Payroll	(9,522)	(7,872)	21.0%
Other costs	(121)	(731)	-83.5%
Total costs (a)	(58,060)	(52,274)	11.1%
EBITDA (b)	11,606	10,537	10.1%
EBITDA margin	16.7%	16.8%	
Amortization and depreciation	(2,786)	(2,390)	16.6%
EBIT (c)	8,820	8,146	8.3%
EBIT margin	12.7%	13.0%	
Gains / losses in associated companies	991	885	
Financial costs	(765)	(1,120)	
Financial income	91	99	
Net profit before income tax	9,137	8,010	14.1%
Income tax	(2,066)	(2,244)	
Consolidated net profit	7,071	5,766	22.6%
Consolidated net profit attributable to shareholders of parent company	7,061	5,749	22.8%
Consolidated net profit attributable to non-controlling interests	10	16	

(amounts in thousands of Euros)

(a) Operating costs excluding amortization and depreciation, financial expenses and income tax

(b) EBITDA = Earnings before interest, income tax, depreciation and amortization

(c) EBIT = Operating results

Total income of Ramada Group, during the first half of 2017, amounted to 69,667 thousand Euro, representing an increase of 10.9% compared to the total income of the homologous period in 2016.

Total costs, excluding amortization, financial expenses and taxes, amounted to 58,060 thousand Euro, representing an increase of 11.1% in relation to the same period in 2016.

EBITDA in the first half of 2017 reached 11,606 thousand Euro, representing an increase of 10.1% when compared to the homologous period. The EBITDA margin reached 16.7%, which compares to 16.8% obtained in the same period in 2016.

Group's operating results (EBIT) amounted to 8,820 thousand Euro, representing a positive variation of 8.3% comparing with 8,146 thousand Euro in the same period of 2016.

In the first half of 2017 the Group recorded gains related to the application of the equity method in associated companies in the amount of 991 thousand Euro, a 12% increase compared to the 885 thousand Euro recorded in 2016.

The negative financial costs amounted to 674 thousand Euro, representing an improvement of 33.9%, when compared with the same period in 2016.

Net profit in the first half of 2017, amounted to 7,071 thousand Euro, 22.6% above the net profit recorded in the same period in 2016.

INDUSTRY

	1H 2017	1H 2016	Var. %
Total income	66,561	59,681	11.5%
Total costs (a)	(57,494)	(51,697)	11.2%
EBITDA (b)	9,067	7,984	13.6%
EBITDA margin	13.6%	13.4%	
EBIT (c)	6,480	5,729	13.1%
EBIT margin	9.7%	9.6%	
Financial results	(132)	(266)	-50.2%
Gains / losses in associated companies	991	885	12.0%
Net profit before income tax	7,339	6,348	15.6%

(amounts in thousands of Euros)

(a) Operating costs excluding amortization and depreciation, financial expenses and income tax

(b) EBITDA = Earnings before interest, income tax, depreciation and amortization

(c) EBIT = Operating results

During the first half of 2017, the total income for the Industry segment amounted to 66,561 thousand Euro, representing an increase of 11.5% compared to total income for the first half of 2016.

In the first half of 2017, special steels' activity was influenced by the lack of definition that the molds sector is experiencing, mainly due to its dependence on the automotive sector which finds itself in a period of transition and adaptation to a new reality, where the abandonment of diesel and the emergence of electric vehicles are generating new challenges.

The sector of general mechanics, construction of equipment and maintenance goods has shown some recovery compared to the same period.

In the first months of the year, some price rises were recorded on the most basic materials, not expected to occur in the second half of the year.

The complementary services of machining, oxyfuel and heat treatment showed a significant increase compared to the homologous period, since the trend of molds and tool manufacturers goes in the direction of look for pieces with greater added service.

Our integrated offer of added value products and services, with high quality, competitive prices and simplified logistics, has been recognized by the market.

Special steels' activity operates, essentially, in the domestic market, which represented 95% of its sales in the first half of 2017. However, it is important to mention that the external market grew by 9% over the same period last year, being the United Kingdom the country with the highest growth.

In the first half of 2017, storage systems activity (Storax - Engineered Storage Solutions) had a significant increase in turnover compared to the same period of 2016.

The external market represents the highest turnover of this activity. In the first half of 2017, exports accounted for 89% of turnover. Europe is the main export destination, being remarkable the sales growth in Spain, France and the Netherlands.

The Group continues to make investments to modernize and increase its production capacity in order to improve the productivity and services provided to its customers.

Industry segment's EBITDA in the first half of 2017 amounted to 9,067 thousand Euro, which represents an increase of 13.6% when compared with 7,984 thousand Euro achieved in the same period in 2016.

Industry segment's EBITDA margin went from 13.4% in the first half of 2016 to 13.6% in the same period of 2017.

REAL ESTATE

	1H 2017	1H 2016	Var. %
Total income	3,106	3,130	-0.8%
Total costs (a)	(566)	(577)	-1.9%
EBITDA (b)	2,540	2,553	-0.5%
EBIT (c)	2,340	2,417	-3.2%
Financial results	(542)	(755)	-28.2%
Net profit before income tax	1,798	1,662	8.2%

(amounts in thousand of Euros)

(a) Operating costs excluding amortization and depreciation, financial expenses and income tax

(b) EBITDA = Earnings before interest, income tax, depreciation and amortization

(c) EBIT = Operating results

Total income for the Real Estate segment in the first half of 2017 was 3,106 thousand Euro, representing a slight decrease when compared to the same period of 2016.

The rents obtained from the long-term lease of forest land represent more than 95% of total income of the Real Estate segment.

Real Estate segment EBITDA in the first half of 2017 amounted to 2,540 thousand Euro, practically at the same level as in the same period of last year.

Operational results (EBIT) amounted to 2,340 thousand Euro, representing a decrease of 3.2% compared with the same period in 2016.

Financial results of the Real Estate segment in the first half of 2017 were negative in 542 thousand Euro, which represents an improvement of 28.2% when comparing to 755 thousand Euro negative in the homologous period of 2016.

INVESTMENTS AND DEBT

Ramada Group investments in the first half of 2017 amounted to 2,345 thousand Euro.

The nominal net debt of the Ramada Group as of 30 June, 2017 reached 68,152 thousand Euro. As of 31 December, 2016 it amounted to 72,973 thousand Euro.

SUBSEQUENT EVENTS

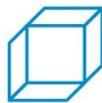
On July 19, 2017, F. Ramada – Investimentos, SGPS, S.A., together with the other shareholders, has signed an agreement with Medicina Laboratorial – Doutor Carlos da Silva Torres, S.A. for the sale of its entire stake of BASE HOLDING, SGPS, S.A. ("BASE Holding").

The execution of the transaction is subject to prior notification to the Competition Authority, under the terms established in the competition legal regime, and, therefore, subject to the decision of non-opposition by the Competition Authority, and it is estimated that it will be concluded during the second half 2017.

It is further informed that the transaction, whose overall amount is subject to adjustments under the terms of the agreement, will result in an estimated capital gain of more than 40 million Euro for Ramada Investimentos.

Porto, July 21, 2017

The Board of Directors



Shaping industry

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