RAMADA
INVESTMENTS AND INDUSTRY

Annual Report 2014

80 YEARS
Investing in industry

(This is a translation of a document originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.)

INDEX

RAMADA INVESTMENTS AND INDUSTRY

DIRECTORS' REPORT

80 Years investing in industry

From steel
to engineering
and storage solutions,
our brands reflect
our know-how.

80 YEARS
Investing in industry

To the Shareholders

Pursuant to the legal requirements, the Board of Directors of F. Ramada Investimentos, S.G.P.S., S.A. ("Ramada Investimentos") hereby presents its Director's Report for the year 2014. According to number 6 of article 508 - C of the Commercial Companies Code, the Board of Directors decided to submit a single Board of Directors' Report, fulfilling all legal requirements.

INTRODUCTION

80 years ago Ramada Group was pioneer, today is leader in global steel solutions and high-density storage systems. It's our brands that reflect our know-how, and connect us to customers worldwide.

Ramada Group has consolidated its business and is expanding its activity: as it challenges the potential of steel, it innovates in the solutions and finds new opportunities it shares with the industry. Thus, the Group claims that transforms the industry, making it stronger and more competitive. But it does not stop here. Currently, Ramada Group is the largest manufacturer of high-density storage system solutions. Pioneer in Portugal and one of the largest players in Europe, exporting to all continents, the Group ensures a more optimized logistics and greater profitability for its customers: - the largest commitment to customers in Portugal and worldwide.

To continue this evolution, the Group believed it was time to change and to reaffirm the strength of its brand. Thus, Ramada Investimentos e Indústria emerged: the same know-how, the same excellence and rigor, but with a new ambition, a renewed image, in line with the challenges of the future.

In 2014 the Group went through a rebranding process. Of this project, came out Ramada Investimentos e Indústria, with a new image and new social designations for the Group companies. Opening up new markets and making its image more global and fresh, the bet on experience, working capacity and the confidence of customers, along with a vision of the future, were instrumental in taking this step in the Group's route.

As a result of this process, the names of the Group companies were:

- Ramada Aços, S.A. (previously F. Ramada – Aços e Indústrias, S.A.)
- Ramada Storage Solutions, S.A. (previously F. Ramada – Produção e Comercialização de Estruturas Metálicas de Armazenagem, S.A.)
- Universal – Afir, S.A. (previously Universal Afir – Aços Especiais e Ferramentas, S.A.)

Ramada Investimentos was incorporated as of June1, 2008, as a result of the demerger process of the steel and storage systems business from Altri, SGPS, S.A. ("Altri"). The incorporation of the company resulted from a projected reorganization in order to separate two autonomous business units, corresponding to the activity of management of shareholdings, respectively, in the pulp and paper sector and in the steel and storage systems sector.

Currently, Ramada Investimentos is the parent company of a group of companies ("Ramada Investimentos e Indústria") that operate in two business areas: i) Industry, which includes the steel activity, of which we highlight the sub segment of steel for molds, the Storage Systems activity, and as well as the activity related to management of financial investments held corresponding to non-controlling interests; and ii) Real Estate, focused in the management of real estate assets.

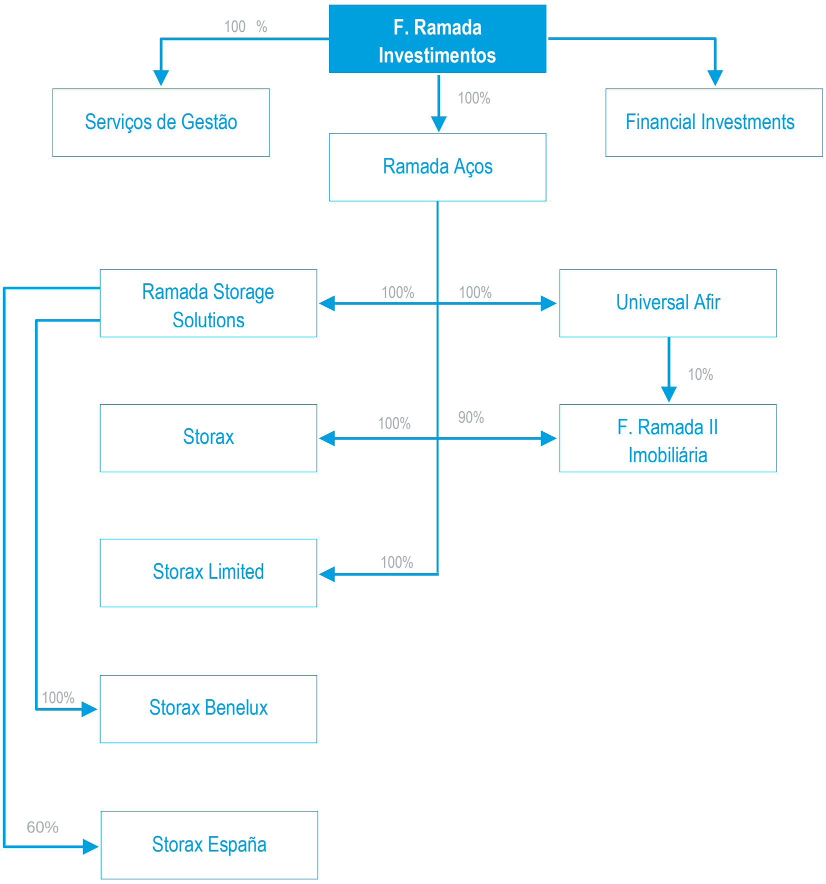
The steel activity, with a prominent position in the domestic market, is carried out by two companies: Ramada Aços, responsible for the industrial activities of manufacturing and distribution, and Universal Afir, just with the distribution.

The activity of Storage Systems is carried out by five companies: Ramada Storage Solutions (the largest manufacturer of storage systems in Portugal and where it concentrates all manufacturing of the Group), Storax (France), Storax Limited (UK) Storax Benelux (Belgium) and Storax España (Spain). In 2014 this activity started to be directly represented in Spain, with the establishment of the company Storax España, SL., in which the Group holds a 60% interest.

The activity of equity investments management includes the stake held in Base Holding (34.85%), and CEV – Consumo em Verde (15.48%) / Converde (4%).

The real estate segment with management of real estate assets is carried out by the company F. Ramada Imobiliária.

The structure of F. Ramada Group, as of 31 December 2014, can be presented as follows:



MACROECONOMIC BACKGROUND

The year 2014 was marked, in geopolitical terms, by the strong disputes between Russia and Ukraine of which resulted the annexation of Crimea by the first, which determined the imposition of international sanctions. 2014 was also marked by a strong appreciation of the dollar against most world currencies and by the sharp fall in oil, which threatens to radically change the existing economic power relationship between producer and consumer countries.

In Europe, beyond the impact of the situation in Ukraine, 2014 was a quieter year than the previous years, until near the end of the year. At that time, Greece has emerged again as a source of concern, with the schedule of elections for 2015. The growth was again very low and the economy takes a long time to regain dynamism. The policies pursued by the ECB to lower rates for negative values and gradually enter in a process of placing more liquidity in the markets, have not had economic effects in 2014. Even with low interest rates, with much less valued currency against the dollar and the fall in energy prices, the European economy was almost stagnant. The most indebted countries now have greater access to the market and to lower rates, a situation that led to the consolidation effort by expenditure adjustment started to fall behind.

The European Central Bank reference rate dropped to 0.05% and the rate of daily absorption of liquidity was placed in -0.20%, meaning that banks with excess liquidity on their balance sheets now have to pay to deposit in the ECB.

After a 0.4% fall in 2013, the GDP in the euro area will have increased 0.1% in 2014. However, the unemployment continued to be a major problem.

The Portuguese economy has stabilized its activity in the first three quarters of 2014, a trend that is expected to have continuity in the following quarters, continuing the recovery that began in 2013. The latest figures released by the Bank of Portugal (BoP) indicate a growth of 0.9% in 2014.

In a year where Portugal has successfully completed the financial and economic assistance program, domestic demand took over the lead role in GDP growth. This domestic demand standardization context resulted in an increase in imports, which has contributed to a negative external demand - a standard pattern of the Portuguese economy.

In terms of inflation, Portugal did not stay aside of the negative trend felt in most advanced economies and particularly in the euro zone. Inflation in Portugal ended the year at -0.4% (average inflation of -0.3%), with the fall in oil prices contributing to this fall, which can continue for at least the first months of 2015 when the effect may even intensify.

The predictions for 2015 reflect the continuity of the process of moderate economic recovery and the gradual adjustment of the macroeconomic imbalances, with the Bank of Portugal anticipating a growth of 1.5% for this year.

These projections are in line with the Government (the OECD and EC are more moderate, pointing to 1.3%) and assume a continued growth on exports, as well as an acceleration of investment, along with some deceleration in private consumption - the evolution of domestic demand is expected to remain constrained by high private sector indebtedness and by the fiscal consolidation process.

After a first quarter with negative growth of 2.9%, much as a result of unusually adverse weather conditions, the US economy grew at a rate that was no longer recorded long ago, with + 4.6% to + 5 % in the second and third quarters respectively. The unemployment rate continued to fall, closing the year at 5.6% and the trade balance continues to improve, which is not surprising given the constant fall in the imported oil values, both in terms of quantity or price.

On the other hand, an important part of the growth in recent years was originated from the shale oil and gas and, as such, the decline in oil prices in international markets could have an impact on GDP.

With regards to monetary policy, there was a gradual reduction of the monthly program of Treasury bonds' purchases, until its extinction in October.

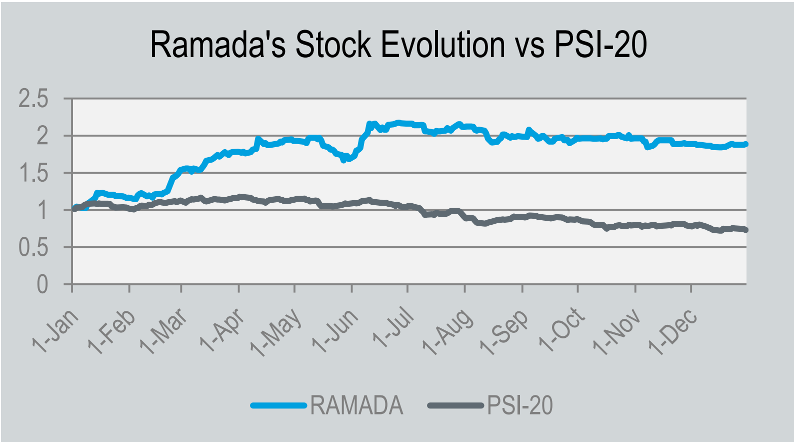
In terms of future predictions, the IMF has lowered by 0.3 percentage points the forecasts for the world economy in 2015 and 2016, to 3.5% and 3.7%, respectively. The institution considers that the depreciation of currencies like euro and yen, and especially the fall in oil prices, are insufficient to offset the legacy of the financial crisis in many countries, thus urging governments and central banks to continue with accommodative monetary policies.

The US has again a positive prediction, with a growth projection of 3.6% in 2015 (compared to 3.1% previously predicted). In the euro zone, the only positive point is Spain, where the growth was also revised upwards (from 1.7% to 2.0%).

STOCK EXCHANGE EVOLUTION

(Note: in order to enable a better comparison of the stock fluctuations, the PSI 20 index has been considered as being equal in value to the opening price of the shares in question.)

Ramada Investimentos' shares registered a valuation of 88% in 2014, strongly overcoming the national stock exchange index (PSI-20) that depreciated approximately 26.8% in the same period.



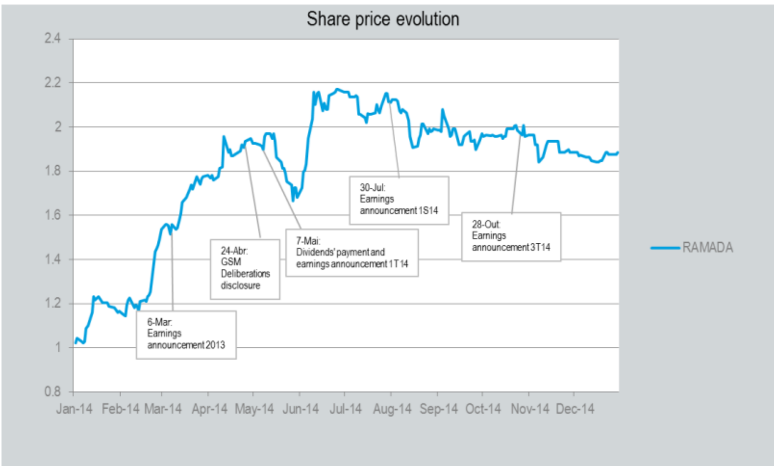
At the end of 2014, Ramada Investimentos' shares closed at 2.6 Euro per share, which represents a valuation of 88% compared to the end of 2013 and corresponds to a market capitalization of 67 million Euro.

In 2014, Ramada Investimentos' shares were traded at a maximum price of 2.997 Euro per share and a minimum price of 1.41 Euro per share. A total of 2,964,295 shares of Ramada Investimentos were traded in 2014.

Ramada Investimentos was distinguished with the "Listed company - Best Performance – EnterNext" award, given by Euronext at the fourth Euronext Lisbon Awards Gala, on January 2015.

Ramada Investimentos' share price evolution

The main events that marked the evolution of Ramada Investimentos' share price during 2014 can be described as follows:



- In the announcement of the Group's performance in the financial year 2013, released on 6 March 2014, Ramada's consolidated net profit was of 6.2 million Euro. Consolidated EBITDA (earnings before taxes, interests, depreciation and amortization) amounted approximately to 14.5 million Euro;
- In the announcement made on 24 April 2014, Ramada Investimentos informed the market about the resolutions of the General Shareholders' Meeting, which approved, among others, the proposed distribution of dividends corresponding to 0.125 Euro per share;
- On 7 May 2014, the Company informed the market that the dividends for the financial year 2013 would be paid from May 22;
- On the same date , in the announcement concerning the presentation of the financial statements for the first quarter of 2014, Ramada Group presented net profit of 1.7 million Euro, consolidated EBITDA amounted to 3.8 million Euro, while operating income amounted to 27.8 million Euro.;
- On 31 July 2014, the Group announced to the market the results of the first half of 2014, having obtained a net profit of 3.447 million Euro. Consolidated EBITDA amounted to 7.7 million Euro, while the EBITDA margin was of 13.0%;
- In the announcement of 28 October 2014, the Group presented the results for the third quarter of 2014, having obtained a net profit of 5.3 million Euro. Consolidated EBITDA amounted approximately to 11.3 million Euro, while the EBITDA margin was of 13.2%.

GROUP'S ACTIVITY

Ramada Investimentos was incorporated on the 1st June 2008, as a result of a spin-off process from Altri and in accordance with point a) of the article 118 of the Commercial Companies Code, of the autonomous business unit that manages the investments on the steel activity and storage systems. In addition to these activities, Ramada Investimentos has made investments in companies whose activities are complementary means of diagnosis and treatment and production of biological fungicide.

Currently, Ramada Investimentos is the parent company of a group of companies ("Ramada Investimentos e Indústria") which, together, operate in two business areas:

i) Industry, which includes the steel activity, of which we highlight the sub segment of steel for molds, the Storage Systems activity, and as well as the activity related to management of financial investments held corresponding to non-controlling interests;
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 two companies: Ramada Aços, responsible for the industrial activities of manufacturing and distribution, and Universal Afir, just with the distribution.

The steel activity transforms and sells steel and non-ferrous alloys mainly intended to the construction of machines and their components and to the production of tools (dies, sharps and moulds), having as principal destination markets that manufacture moulds for plastic, components for the automotive industry and capital goods.

This activity is enabled to provide to its customers a wide range of services, among which we should highlight the heat treatments, where the Company has a deep know-how, as well as modern technical and logistical resources. Thus, the Group supplies all the technical assistance required by its customers, in relation to whom it has followed a strategy of permanent quality improvement, both, concerning the services rendered and the products sold.

The activity of Storage Systems is carried out by five companies: Ramada Storage Solutions (the largest manufacturer of storage systems in Portugal and where it concentrates all manufacturing of the Group), and by its subsidiaries in France, UK, Belgium, Spain, which support the entire international network of distribution. In 2014 this activity started to be directly represented in Spain, with the establishment of the company Storax España, SL., in which the Group holds a 60% interest.

The activity of Storage Systems specializes in the design, manufacturing, installation and after-sales service storage solutions, with over 50 years of experience, being the deep knowledge of all storage areas its brand image.

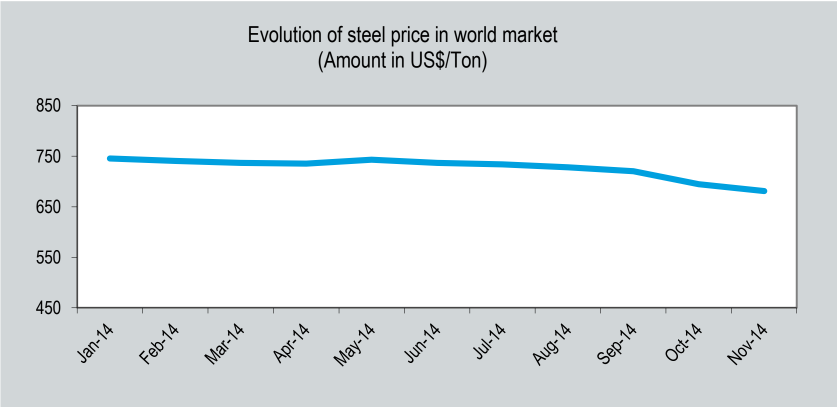
The steel activity presented, in 2014, a higher turnover than the previous year, mainly due to the increase of sales to the sectors of moulds and metal.

The steel activity essentially operates in the domestic, which represented 96% of its sales in 2014.

The sector of moulds and tools manufacturers presented high activity levels in the first half of 2014, registering a slowdown in the last months of the year. The Group believes that this sector presents the conditions to continue to grow internationally, following the strong trend of modernisation in the automobile market.

Sales to the metal sector registered a recovery compared to the previous year, having contributed to that growth, on one hand, a bigger dynamic of the sector and, on the other hand, a focus of the Group on the marketing of high strength steel, with wide application in the production of parts for automotive components.

In 2014, Ramada Aços undertook the challenge of expanding its machining services, adding to those already available, high-precision machining. This investment aims to meet the needs of customers and, above all, provide them with increasingly comprehensive solutions that enable them to monetize costs and time.



The price of steel remained stable throughout, registering a downward trend in the last months of the year.

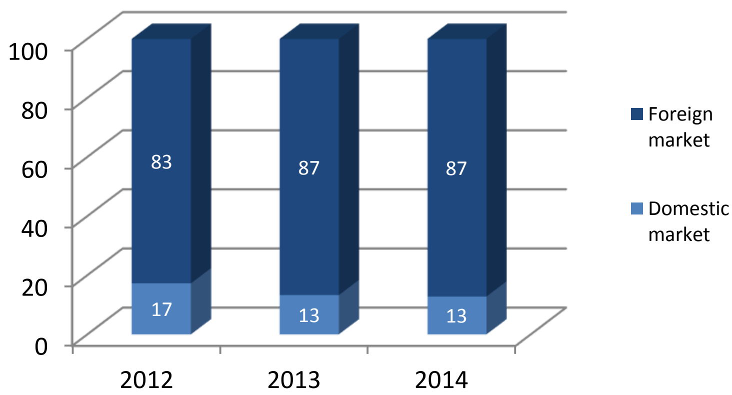
Regarding inventories, the volumes in stock are very controlled, given the big uncertainty about the future price of steel.

In 2014, storage systems activity had significant increase in turnover compared to the previous year.

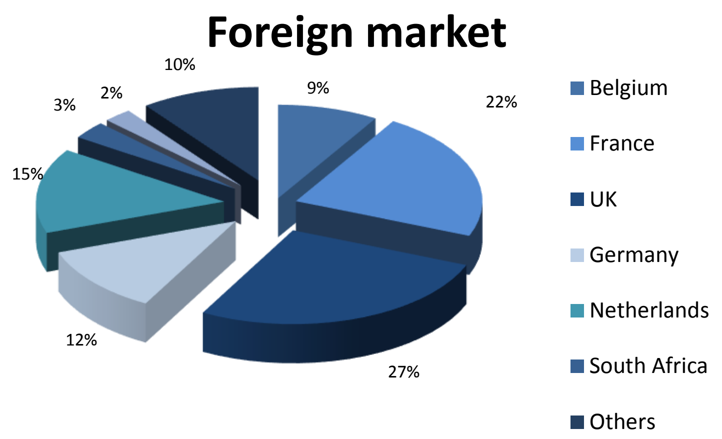
The focus on innovative solutions on the market of storage systems, in particular, in the case of high-density systems, examples of which are the 2Store and Ranger, is one of the main concerns of the Group, generating greater added value to end customers and allowing entry into new market niches.

The external market remains the main growth driver of this activity, representing 87% of turnover. Europe is the main destination market representing 90% of exports.

Storage systems turnover distribution by geographical market



Distribution of storage systems activity by foreign markets in 2014



In 2014 storage systems facilities were set up in 36 countries, covering almost every continent, with an emphasis to South Africa, Morocco, Angola, USA, Tunisia, Uruguay, Thailand and Egypt.

The activity of equity investments management includes the stake held in Base Holding and CEV – Consumo em Verde / Converde.

Base Holding is the parent company of a group of companies which operate in the sector of supplementary diagnostics, essentially being, clinical analyses, imaging and cardiology. Base Holding held, as of 31 December 2014, 28 units implemented across the country, with greater incidence in the North region. Additionally, it had 230 collection posts spread throughout the country, reaching a consolidated turnover of over 44 million Euro.

As of January 2015, Base Holding acquired the entire share capital of the company Dr. Campos Costa – Consultório de Tomografia Computorizada, S.A. to the Group José de Mello Saúde, which will allow further leveraging of the strong operational growth that it has had since its incorporation in 2009.

As of January 2015, Base Holding increased its share capital by 5 million Euro, having Ramada Investimentos subscribed 1.9 million Euro, now holding shares representing 35.22% of the share capital of that associated company.

The activity of CEV - Consumption Green / Converde is the development and patenting focused on BLAD protein. BLAD is a fungicide obtained from the extraction of the protein from Lupinus Albus (sweet lupine).

Its industrial unit was inaugurated in January 2013 and is located at Biocant Park in Cantanhede.

Regarding the operations of that subsidiary, at the beginning of 2014, was sent to the Environmental Protection Agency (EPA) all documentation (degradability tests of BLAD and human sera sensitive to lupine, their reports and opinions of American experts) that showed that BLAD has no effect on humans. This information empowered the EPA to respond to the Food and Drugs Administration (FDA) about the fear that had been raised on the allergenic potential of the product.

Throughout the year, EPA and FDA requested additional clarifications to all documentation, which have been answered by the technical team of CEV, in close collaboration with its consultants and its distributor for the North American market (USA and Canada) - FMC Corporation (listed on NYSE).

In December 2014, it was finally reported by EPA to CEV that the product market approval would be granted in January 2015, which it did.

Thus, 2015 will be the year in which sales in the US market start, which translates in the last step of this project - the arrival on the market of an organic fungicide that competes in efficiency with the existing best chemical products. It's foreseen, additionally, that, in the end of 2015, market approval in China and Australia will be granted.

FINANCIAL REVIEW

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.

The main indicators of the consolidated activity of Ramada Group are the following:

	2014	2013	Var. %
Sales and services rendered	118,199	104,399	13.2%
Other income	1,376	952	44.5%
Total income	**119,575**	**105,351**	**13.5%**
Cost of sales	66,134	58,756	12.6%
External supplies and services	20,476	16,351	25.2%
Payroll	14,762	13,025	13.3%
Other costs	2,033	2,754	-26.2%
Total costs (a)	**103,405**	**90,886**	**13.8%**
EBITDA (b)	**16,170**	**14,466**	**11.8%**
EBITDA margin	***13.5%***	***13.7%***	
Amortisation and depreciation	1,599	1,529	4.6%
EBIT (c)	**14,571**	**12,936**	**12.6%**
EBIT margin	***12.2%***	***12.3%***	
Financial results	(3,073)	(4,068)	-24.5%
Net profit before income tax	**11,498**	**8,868**	**29.7%**
Income tax	(3,410)	(2,650)	
Consolidated net profit	**8,088**	**6,218**	**30.1%**
Consolidated net profit attributable to shareholders of parent company	8,077	6,218	29.9%
Consolidated net profit attributable to non-controlling interests	11	-	

Amounts in thousands Euros

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

(b) EBITDA= Earnings before interests, income tax, depreciation and amortisation

(c) EBIT = Operating results

The total turnover of Ramada Group amounted to 119,575 thousand Euros, representing an increase of 13.5% in relation to 2013.

Total costs, excluding amortization, financial expenses and taxes, amounted to 103,405 thousand Euros, representing an increase of 13.8% in relation to 2013.

EBITDA in 2014 reached 16,170 thousand Euros, representing an increase of 11.8% when compared with 2013. In 2014, EBITDA margin reached 13.5%, which compares to 13.7% obtained in 2013.

Group's operating results (EBIT) amounted to 14,571 thousand Euros, representing a positive variation of 12.6% comparing with 12,936 thousand Euros in 2013.

Negative financial results amounted to 3,073 thousand Euros, representing an improvement of 24.5%, when compared with 2013.

Ramada Group net profit reached 8,088 thousand Euros, being 30.1% above the amount recorded in 2013.

According to the source of the income generated by F. Ramada Group, two business segments were defined: i) industry, which encompasses the activities of special steels, storage systems and financial investments; and ii) real estate, which includes the management of the property assets of the Group and of forest land that are leased.

INDUSTRY

	2014	2013	Var. %
Total income	113,234	99,096	14.3%
Total costs (a)	102,019	89,621	13.8%
EBITDA (b)	11,215	9,475	18.4%
EBITDA Margin	*9.9%*	*9.6%*	*0.3 p.p.*
EBIT (c)	9,957	8,324	19.6%
EBIT Margin	*8.8%*	*8.4%*	*0.4 p.p.*
Financial results	(501)	(717)	-30.2%
Net profit before income tax	9,456	7,607	24.3%

Amounts in thousands Euros
(a) Operating costs excluding amortisation, financial expenses and income tax
(b) EBITDA= Earnings before interest, income tax, depreciation and amortisation
(c) EBIT = Operating results

In 2014, total turnover of the industry segment reached 113,234 thousand euros, corresponding to a decrease of 14.3% in relation to total turnover in the prior year.

In 2014, the Industry segment EBITDA amounted to 11,215 thousand Euros, representing an increase of 18.4% compared to 9,475 thousand Euros recorded in 2013.

Industry segment EBITDA margin increased from 9.6% in 2013 to 9.9% in 2014.

Industry segment operating results (EBIT) amounted, in 2014, to 9,957 thousand Euros, showing a growth of 19.6% compared to 8,324 thousand Euros of the previous year. The EBIT margin increased from 8.4% to 8.8% in 2014.

Industry segment financial results, negative in 501 thousand Euros, show an improvement of 30.2% compared to the negative 717 thousand Euros in the previous year.

Profit before taxes in this segment reached to 9,456 thousand Euros, 24.3% higher than the amount recorded in 2013.

REAL ESTATE

	2014	2013	Var. %
Total income	6,341	6,255	1.4%
Total costs (a)	1,385	1,264	9.6%
EBITDA (b)	4,956	4,990	-0.7%
EBIT (c)	4,615	4,612	0.1%
Financial results	(2,573)	(3,351)	-23.2%
Net profit before income tax	2,042	1,261	62.0%

Amounts in thousands Euros

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

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

(c) EBIT = Operating results

In 2014 total turnover of the Real Estate segment amounted to 6,341 thousand Euros, representing an increase of 1.4% in relation to the prior year.

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

In 2014 Real Estate segment EBITDA reached 4,956 thousand Euros, representing a slight decrease of (-0.7%) in relation to 2013.

Real Estate segment's EBIT amounted to 4,615 thousand Euros, similar to 2013.

Financial results of the Real Estate segment, in 2014, amounted to negative 2,573 thousand Euros, representing an improvement of 23.2% compared with negative 3,351 thousand Euros reached in 2013.

INVESTIMENTS AND DEBT

In 2014 Ramada Group's investments amounted to 2,719 thousand Euros.

The nominal net debt of the Ramada Group as of December 31, 2014, deducted of own shares in portfolio (in the amount of 1,641 thousand Euros), amounted to 61,418 thousand Euros, which compares to 68,772 thousand Euros as of 31 December, 2013.

ACTIVITY DEVELOPED BY THE NON-EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS

During 2014, the non-executive directors of the Company have developed regularly and effectively their functions which consist in monitoring and evaluating the activities of the executive directors.

Among others, during 2014, the non-executive directors regularly and actively attended the Board of Directors meetings, discussing the matters under consideration and expressing their respective opinions on the Group's strategic guidelines. Whenever necessary, they maintained a close contact with the financial and operational key staff of the Group companies. In the year 2014, and during the Board of Directors' meetings, the executive members provided all the information required by the remaining members of the Board of Directors.

2015 OUTLOOK

Ramada group is very dependent on the performance of the European economy, with modest growth forecasts.

The special steel activity is heavily exposed to the automotive components and fabrication of plastic molds industries. For 2015, the Group has estimates of high activity in the industries of molds and metal. The storage systems activity is associated with the development and modernization companies' logistics, which, in periods of lower economic growth, translates into less demand for these solutions.

In 2014 significant investments in the Steel activity were made, and the investment in high precision machining services should be highlighted

The network of international distribution was strengthened, with a new office in Germany and the establishment of Storax España.

Although the economic forecasts for Europe, our main market, are not very optimistic, Ramada group predicts that the activity of 2015 stays at the level of 2014.

PROPOSALS OF THE BOARD OF DIRECTORS FOR APPROPRIATION OF THE NON CONSOLIDATED NET PROFIT FOR THE YEAR AND RESERVES DISTRIBUTION

F. Ramada Investimentos, SGPS, SA, as holding company of the Group, recorded in its individual financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, a net profit of 5,969,694.05 Euro, for which, in accordance with the applicable legislation and the Company's articles of association, the Board of Directors proposes to the Shareholders General Meeting the following appropriation:

Legal reserve	298,484.70
Other reserves	1,748,066.12
Dividends	3,923,143.23*

	5,969,694.05
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* This amount takes into account the existence of 2,564,145 own shares held. If the number of own shares changes, as of the payment date, the payable dividends amount may be adjusted by the amount destined to "Other reserves", so as to keep the proposed payable amount per share unchanged.

RAMADA INVESTMENTS AND INDUSTRY

CORPORATE GOVERNANCE REPORT

80 Years investing in industry

From steel
to engineering
and storage solutions,
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CORPORATE GOVERNANCE

PART I – INFORMATION ON SHAREHOLDER, ORANISATION AND CORPORATE GOVERNANCE

A. SHAREHOLDER STRUCTURE

I. Capital Structure

1. The capital structure

F. Ramada – Investimentos, SGPS, S.A. ("Company" or "Ramada Investimentos") share capital amounts to 25,641,459.00 Euro, fully subscribed and paid, and is made up of 25,641,459 ordinary, registered and bearer shares without nominal value.

Of the total issued voting rights, 71.83% are, as far as the Company is aware, attributed to the holders of qualifying holdings listed in II.7.

All of the shares representing the share capital are admitted to negotiation on the regulated market NYSE Euronext Lisbon.

2. Restrictions on the transfer and ownership of shares

Ramada Investimentos' shares have no restrictions on their transfer or on their ownership since there are no shareholders owning special rights. Therefore, Ramada Investimentos' shares are freely transferable in accordance with applicable legal standards.

3. Own shares

Pursuant to the purposes of the article 66 of the Commercial Companies Code, the Directors inform that as of 31 December 2014 the Company had 2,564,145 own shares representing 9.999996% of the share capital, which were acquired in the fourth quarter of 2012.

4. Important agreements to which the company is a party and that come into effect, amend or terminated in cases such as a change in the control of the company after a takeover bid, and the respective effects

There are no significant agreements concluded by Ramada Investimentos including any clauses of control change (including after a takeover bid), that is, which come into effect, be amended or terminated in such circumstances. Also, there are no specific conditions that limit the exercise of voting rights by shareholders of the Company or other matters that may interfere with the success of takeover bids.

Some financing agreements contain standard clauses of early repayment in the event of change of shareholder control of subsidiaries (and not of the Company). The Company believes that its disclosure would be harmful to her, while not adding any benefit to shareholders and considers that these ownership clauses, common in this type of contract, do not have a view to the adoption of any guarantee or shielding measures in cases of change of control or change in management body composition.

5. System that is subject to the renewal or withdrawal of countermeasures, particularly those that provide for a restriction on the number of votes capable of being held or exercised by only one shareholder individually or together with other shareholders

Ramada Investimentos didn't adopt any countermeasures.

6. Shareholders' agreements that the company is aware of and that may result in restrictions on the transfer of securities or voting rights

It is unknown the existence of any shareholders' agreements involving the Company.

II. Shareholdings and bonds held

7. Qualifying holdings

As of 31 December 2014 pursuant to the requirements of articles 16 and 20 of the Securities Code ("Código de Valores Mobiliários") and article 448 of the Portuguese Companies Act, the Company informs that, in accordance with the notifications received, the companies and/or individuals that hold qualifying holdings exceeding 2%, 5%, 10%, 20%, 33% and 50% of the voting rights, are as follows:

Maria João Fernandes Vieira de Matos	No of shares held as of 31-Dec-2014	% share capital with voting rights
Directly	518,677	2.02%
Total attributable	**518,677**	**2.02%**

Pedro Miguel Matos Borges de Oliveira	No of shares held as of 31-Dec-2014	% share capital with voting rights
Directly	1,402,072	5.47%
Total attributable	**1,402,072**	**5.47%**

Domingos José Vieira de Matos	No of shares held as of 31-Dec-2014	% share capital with voting rights
Directly	2,537,181	9.89%
Through Livrefluxo - SGPS, S.A. (of which is dominant sharehold and director)	53,450	0.21%
Total attributable	**2,590,631**	**10.10%**

Paulo Jorge dos Santos Fernandes	No of shares held as of 31-Dec-2014	% share capital with voting rights
Through Actium Capital - SGPS, S.A. (of which is dominant shareholder and director)	3,837,582	14.97%
Total attributable	**3,837,582**	**14.97%**

Ana Rebelo Carvalho Menéres de Mendonça	No of shares held as of 31-Dec-2014	% share capital with voting rights
Through PROMENDO - SGPS, S.A. (of which is dominant shareholder and director)	4,945,383	19.29%
Total attributable	**4,945,383**	**19.29%**

João Manuel Matos Borges de Oliveira	No of shares held as of 31-Dec-2014	% share capital with voting rights
Through CADERNO AZUL - SGPS, S.A. (of which is shareholder and director)	5,125,000	19.99%
Total attributable	**5,125,000**	**19.99%**

Ramada Investimentos was not informed of any participation exceeding 20% of the voting rights.

8. Number of shares and bonds held by members of the management and supervisory boards, under the terms of 447/5 of the Commercial Companies' Code

The shares and bonds held by members of management and supervisory bodies in the Company and in companies in a control or group relationship with the Company, directly or through related persons, are disclosed in the appendices to the Management Report as required by Article 447 of the Companies Code (CSC) and number 7 of Article 14 of Regulation 5/2008 of the Portuguese Securities Market Commission (CMVM).

9. Special Powers of the Board of Directors, especially as regards resolutions on the capital increase

Article 4 of the Company's articles of association, in the wording it was given at the time of incorporation of the Company (1 June 2008), assigned to the Board of Directors powers to manage and represent the Company and carry out all operations related to its corporate purpose including, among others, the possibility to decide, with the prior opinion of the supervisory board of the company, capital increases, by one or more occasions, up to 35 million Euro in cash.

This bylaw, in the terms of number 2 of Article 456, paragraph b) of CSC, was valid for five years, not having been renewed, in the terms of number 4 of the same Article, whereby, on 31 March 2013, ceased to apply, the date from which such power was to reside exclusively in the General Meeting.

10. Significant business relationships between the holders of qualifying holdings and the Company

There were no businesses or significant transactions between the Company and holders of qualifying holdings except those that, as part of normal operations, were performed in normal market conditions for similar transactions. The amounts involved are immaterial.

B. CORPORATE BOARDS AND COMMITTEES

I. GENERAL MEETING

a) Composition of the Presiding Board of the General Meeting

11. Details and position of the members of the Presiding Board of the General Meeting and respective term of office

As of December 31, 2014,the Presiding Board of the General Meeting was composed of the following members:

Chairman: José Francisco Pais da Costa Leite

Secretary: Cláudia Alexandra Gonçalves dos Santos Dias

The mandate began in 2014 and will have its term in 2016.

b) Exercising the right to vote

12. Restrictions on voting rights

The share capital of the Company is fully represented by a single class of shares, corresponding to each share one vote, with no statutory limitations on the number of votes that may be held or exercised by any shareholder.

The Company has not issued preferred shares without voting rights.

The participation of shareholders at the General Meeting is dependent, under the law, upon proof of ownership of the shares by reference to the "Record Date".

Individual shareholders with voting rights and companies who are shareholders of the Company may be represented by the person designated for that purpose. The representation should be communicated to the Chairman of the General Meeting, in writing, until the end of the third working day prior to the day scheduled for the meeting.

A shareholder may appoint different representatives for the shares owned in different securities accounts, without prejudice to the principle of unity of vote and of vote in different directions allowed to shareholders acting as professionals.

Shareholders can exercise voting rights via postal voting on all matters subject to the General Meeting which may be exercised by written declaration, together with the identification of the shareholder and his signature duly recognized, as required by law. According to the articles of association, the declaration of intention to cast postal votes and the supporting document proving the quality of shareholder must be delivered in the Company's headquarters, until the end of the third working day prior to the day scheduled for the meeting, with identification of the sender, addressed to the Chairman of the General Shareholders' Meeting. The possibility to exercise voting rights by electronic means is not provided. In that regard, the Company has not yet triggered the mechanisms required for its implementation since this modality was never requested by any shareholder and considering that this circumstance does not constitute any constraint or restriction on the exercise of voting rights by shareholders.

The Company discloses, within the legal time limits, and in all places requested by law, in Portuguese and English, the notice of General Meetings, which contains information on how to enable the shareholders to participate and exercise the right to vote and on procedures to be followed for voting by correspondence or designated representatives. The Company discloses yet, as required by law, the resolution proposals, preparatory information required by law and the minutes of letter of representation and voting forms for voting by correspondence, all to ensure, promote and encourage shareholder participation, by them or representatives designated by them, in the General Meetings.

13. Maximum percentage of voting rights that may be exercised by a single shareholder or by shareholders that are in any relationship as set out in Article 20/1

There is no limitation on the number of votes that can be held or exercised by a single shareholder or group of shareholders.

14. Shareholders' resolutions that, imposed by the articles of association, may only be taken with a qualified majority

According to the Articles of the Company, the corporate decisions are taken by majority vote, whatever the percentage of share capital represented at the meeting, except where required by law a different majority.

In a second call, the General Meeting may decide independently of the number of shareholders present and the capital they represent.

The deliberative quorum of the General Meeting is in accordance with the Portuguese Companies Act (CSC).

II. MANAGEMENT AND SUPERVISION

a) Composition

15. Identification of corporate governance model adopted

Ramada Investimentos adopts the model of government called monist, which includes a management structure centralized in a Board of Directors, a centralized Supervisory Board and a Statutory Auditor.

The Board of Directors is thus the body responsible for management of the Company's business in achieving its social object.

16. Articles of association rules on the procedural requirements governing the appointment and replacement of members of the Board of Directors, the Executive Board and the General and Supervisory Board, where applicable

The Members of the Board of Directors of the Company are appointed by the Shareholders' General Meeting for a three years mandate and may be re-elected once or more.

The Board is made up by three to nine members, shareholders or not, appointed by the Shareholders' General Meeting. At the General Shareholders' Meeting elections, 1 (one), 2 (two) or 3 (three) Directors shall be elected individually among the candidates proposed on the lists endorsed by groups of shareholders, depending on whether the total number of Directors is 3 (three) or 4 (four), 5 (five) or 6 (six), 7 or more than 7 (seven), provided that none of the said groups own shares representing over 20 % (twenty per cent) or less than 10 % (ten per cent) of the share capital. Each of the referred lists shall propose at least 2 (two) candidates eligible for each one of the available posts, one of them being nominated as substitute. No shareholder may endorse more than 1 (one) of the mentioned lists.

The General Shareholders' Meeting may not proceed to the election of any further Directors until 1 (one), 2 (two) or 3 (three) have been elected, as per the dispositions above, unless the above mentioned lists have not been presented. In the case of there being no elected Director, his/her respective substitute shall be called. In the case of there being no substitute, a new election shall be called, in which the dispositions above shall be applied with the necessary adaptations.

17. Composition of the Board of Directors

The Board of Directors is currently made up of 6 members who are responsible for carrying out all the management functions to implement the operations inherent to its corporate goals, acting in the best interests of the Company, its shareholders and other stakeholders. On December 31, 2014 this corporate board was composed of the following members:

- João Manuel Matos Borges de Oliveira – President
- Paulo Jorge dos Santos Fernandes – Member
- Domingos José Vieira de Matos – Member
- Pedro Miguel Matos Borges de Oliveira – Member
- Pedro Macedo Pinto de Mendonça – Member (non executive)
- Ana Rebelo de Carvalho Menéres de Mendonça – Member (non executive)

All Board of Director's members were appointed by the Shareholder's General Meeting held in April, 24, 2014 for the period 2014/2016.

NAME	FIRST APPOINTEMENT	END OF MANDATE
João Manuel Matos Borges de Oliveira	June 2008	December 31, 2016
Paulo Jorge dos Santos Fernandes	June 2008	December 31, 2016
Domingos José Vieira de Matos	June 2008	December 31, 2016
Pedro Macedo Pinto de Mendonça	June 2008	December 31, 2016
Pedro Miguel Matos Borges de Oliveira	May 2009	December 31, 2016
Ana Rebelo de Carvalho Menéres de Mendonça	May 2009	December 31, 2016

18. Distinction to be drawn between executive and non-executive Directors and, as regards non-executive members, details of members that may be considered independent

As of December 31, 2014, the Board of Director's included two non-executive members: Pedro Macedo Pinto de Mendonça and Ana Rebelo Carvalho Menéres Mendonça.

The Board Directors does not include any member that satisfies the standard of independence referred in recommendation II.1.7 of Corporate Governance Code issued by the Portuguese Securities Regulator (CMVM) since the non-executive director Pedro Mendonça is father of Ana Rebelo Carvalho Mendonça, holder of a qualifying holding.

To allow to the non-executive directors an independent and informed decision, the Company has the following mechanisms:

- Notices of meetings of the Board of Directors sent to all directors include the agenda, even tentatively, of the meeting, and are accompanied by all the relevant information and documentation;

- The availability of executive directors to provide to non-executive directors, any additional information which they consider relevant or necessary, and to carry out studies and more in-depth analysis in relation to all matters to be decided upon or are under review in some way, in the Company;

- Availability of minutes books, records, documents and other records of operation of the Company or the subsidiaries, for examination, as well as the provision and promotion of a direct channel of obtaining information from the managers and operational and financial officers of several companies that are part of the Group, without requiring any intervention of the executive directors in this process.

Given the corporate model adopted and the composition and mode of operation of its governing boards, including the independence of the supervisory boards, without, delegation of powers among them, the Group considers that the designation of independent directors to the Board would not yield significant improvements for the proper functioning of the corporate governance model, which has revealed itself proper and efficient.

The Director's report includes in its chapter "Activity developed by the non-executive members of the Board", a description of the activity of the non-executive Directors during 2014.

19. Professional qualifications and other relevant curricular information of each member of the Board of Directors

The qualifications, experience and positions held in other Companies by the members of the Board of Directors are presented in Appendix I.

20. Customary and meaningful family, professional or business relationships of members of the Board of Directors with shareholders that are assigned qualifying holdings that are greater than 2% of the voting rights

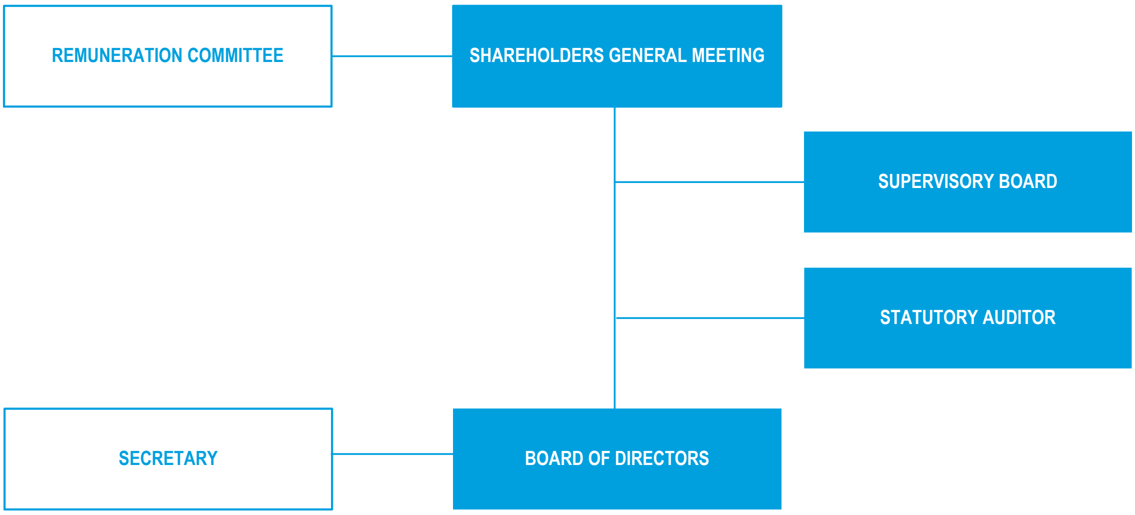
The director João Manuel Matos Borges de Oliveira is director and shareholder of CADERNO AZUL - SGPS, S.A., which owns 19.99 % of the share capital of Ramada Investimentos. In addition, that director is brother of the director Pedro Miguel Matos Borges de Oliveira, which owns 5.47% share capital of Ramada Investimentos.

The director Paulo Jorge dos Santos Fernandes is a director and dominant shareholder of ACTIUM CAPITAL – SGPS, S.A., which owns of 14.97 % share capital of Ramada Investimentos.

The director Domingos José Vieira de Matos is Maria João Fernandes Vieira de Matos' father, owner of 2.02 % share capital of F. Ramada Investimentos, SGPS, S.A..

The company Promendo SGPS, SA, holder of 19.29 % of the share capital of Ramada Investimentos has as director and dominant shareholder Ana Rebelo de Carvalho Menéres Mendonça, non-executive director of Ramada Investimentos and daughter of the director Pedro Macedo Pinto Mendonça.

21. Organisational charts or flowcharts concerning the allocation of powers between the various corporate boards, committees and/or departments within the company, including information on delegating powers, particularly as regards the delegation of the company's daily management



The Board of Directors develops its functions of management and coordination of the Group companies on a collective basis and is currently made up of a president and five members, two of them being non-executive.

The Board of Directors has been exercising its activity in constant dialogue with the Supervisory Board and the Statutory Auditor, providing the requested assistance with transparency and rigor, complying their regulations and best practices of corporate governance.

There is no limit to the maximum number of positions that the Board members can accumulate as directors of other companies. The members of Ramada Investimentos' Board of Directors are, in most cases, part of the management of the most significant group companies, so as to enable their activities to be more closely monitored.

The Board of Directors believes that due to its organizational structure, the only essential specialized commission taking into account its size and complexity, is the Remuneration Committee, as explained in paragraph 28 below.

The Remuneration Committee is the body responsible for performance evaluation and approving the remuneration of Board members and other corporate bodies, in compliance with the remuneration policy of the Company, approved by shareholders in General Meetings.

Ramada Investimentos' Corporate Finance department, given its integrated and cross-sectional view at the level of all companies in the group, is responsible, on the one hand, for the definition of financial management strategies and policies and, second, to secure interface capital markets, debt and banking. Ramada Investimentos' Corporate Finance will also develop mechanisms necessary to implement the outlined financial management strategies and policies.

The planning and management control area provides support in the implementation of corporate strategies and / or business, followed by the group. This area prepares and analyses the management information at the level of all companies in the group, as well as the consolidated level, monthly, quarterly, semi-annual and annual monitoring deviations from the budget and proposes the necessary corrective measures. Also bears responsibility for building business plans, integrating multidisciplinary work teams created for this purpose, activities that develops along with the ongoing development and technical studies and benchmark existing businesses in order to monitor the performance of Ramada Investimentos having regard to its strategic position.

The legal area provides legal support in all areas of group activity, monitoring and ensuring, on the one hand, the legality of the activities, and ensuring, on the other, relations with Euronext Lisbon, with the CMVM and the shareholders when that in question are legal matters. This area is also responsible for monitoring the corporate governance policy with a view to achieving best practice in this area. This area will also have the responsibility for drawing and / or analyse of contracts that maximize safety and reduce legal risks and potential costs, the management of issues relating to intellectual and industrial property used by the group, such as patents and trademarks, logos, domains and copyright, still exercising the corporate secretarial functions on a permanent monitoring of legal compliance, supporting the Board of Directors to implement their strategies.

The area of investor relations establishes the relationship between the group and the financial community, permanently disseminating relevant and updated information on the same activity. This area is also responsible for assisting the Board of Directors in providing updated information on the capital market as well as aid for the management of institutional relations of Ramada Investimentos, establishing permanent contact with institutional investors, shareholders and analysts and representing the group in associations , forums and events (national or international).

In addition, the operating companies of Ramada Investimentos have their own management bodies of control that exercise their activity at all levels of the subsidiary companies and prepare monthly reports periodically reported to the respective Boards of Directors.

The distribution of functions between the various members of the Board of Directors is carried out as follows:

- João Manuel Matos Borges de Oliveira – President
- Paulo Jorge dos Santos Fernandes – Member
- Domingos José Vieira de Matos – Member
- Pedro Miguel Matos Borges de Oliveira – Member
- Pedro Macedo Pinto de Mendonça – Member (non executive)
- Ana Rebelo de Carvalho Menéres de Mendonça – Member (non executive)

Generically, Ramada Investimentos' directors focus their activities in managing the Group holdings and defining its strategic development guidelines. The strategic decisions are adopted by the Board including all its members, executives and non-executives, in the normal accomplishment of their duties.

The daily management of each subsidiary is a responsibility of its Board of Directors, which includes some of Ramada Investimentos' directors but also some other members with defined functions.

Thus, taking into consideration the activities developed by the Board Members, both in Ramada Investimentos and in the several subsidiaries, the functional organizational chart can be presented as follows:

João Borges Oliveira
President

Paulo Fernandes
Domingos Matos
Pedro Pinto Mendonça
Pedro Borges Oliveira
Ana Rebelo Mendonça
Members of the Board of Directors

b) Functioning

22. Existence and place where rules on the functioning of the Board of Directors may be viewed

The Board of Directors and the Supervisory Board approved their regulations, which are available on the website of Ramada Investimentos (www.ramadainvestimentos.pt) (tab "Investors", section "Governance").

23. Number of meetings held and the attendance report for each member of the Board of Directors

The Company's Articles of Association provide that the Board of Directors shall meet whenever convened by its chairman, on his own initiative or at the request of any other officer and at least once a month.

During 2014, the Board of Directors met twelve times and assiduity corresponded, in ten meetings, to 100% and in two meetings only the director Pedro Macedo Pinto de Mendonça was missing, which presented, for all meetings, justification for absence, and it was considered acceptable.

The meetings of the Board are scheduled and prepared in advance, and timely documentation relating to the matters contained in its agenda is provided, to ensure all members of the Board the conditions for the informed exercise of their functions. Similarly, minutes of meetings, once approved, and the respective notices of meeting are forwarded to the President of the Supervisory Board.

24. Details of competent corporate boards undertaking the performance appraisal of executive directors

The performance assessment of executive directors belongs to the Remuneration Committee and is based on the functions performed by them in Ramada Investimentos and in its subsidiaries, in compliance with the remuneration policy of the Company, approved by shareholders in General Meetings.

The assessment is based on the functions performed by members representing the Board of Directors and other corporate bodies in Ramada Investimentos, considering the responsibilities assumed by each of these members, the added value of each and the accumulated knowledge and experience on the job.

25. Predefined criteria for assessing executive directors' performance

The remuneration of executive members of the Board of Directors includes a variable component of medium term (which will be calculated over the period of two mandates 2011 to 2013 and 2014-2016) computed based on total shareholders' return (share appreciation plus paid dividends), on the sum of net profit for that period (2011 to 2016) and on the evolution in the Company's business.

26. Availability of each member of the Board of Directors and details of the positions held at the same time in other Companies within and outside the Group, and other relevant activities undertaken by members of these boards throughout the financial year

The professional activity of the current members of Ramada Investimentos' Board of Directors, with reference to other companies where they have directors' functions and other relevant activities undertaken are presented in Appendix I.

It should be noted that the members of the Board of Directors showed their total commitment and availability in the exercise of their functions being present and participating in almost 100% of all meetings of the Board.

c) Committees within the Board of Directors

27. Details of the committees created within the Board of Directors and the place where the rules on the functioning thereof is available

The Board of Directors believes that the only committee required to meet the essential needs of the Company, considering its size, is the Remuneration Committee.

Ramada Investimentos has set a Remuneration Committee for the period 2014/2016, which composition is as follows:

João da Silva Natária – President

José Francisco Pais da Costa Leite – Member

Pedro Nuno Fernandes de Sá Pessanha da Costa – Member

The Remuneration Committee has a valid operating regulation for the current term, approved at a meeting of that committee held on December 2014 and which is available for consultation on the Company's website (www.ramadainvestimentos.pt) (tab "Investors", "Corporate Governance" section).

28. Composition, if applicable, of the executive board and/or identification of board delegates

Ramada Investimentos, considering its organizational structure, and the small size of the Board of Directors, composed by six members, considers it unnecessary a formal appointment of an Executive Committee on the Board of Directors.

Nevertheless, as stated in paragraph 18 of this report, four members of the Board of Directors perform executive functions, observing the following:

- notices of meetings of the Board of Directors sent to all directors include the agenda, even tentatively, of the meeting, and are accompanied by all the relevant information and documentation;
- availability of executive directors for the provision to non-executive directors, of any additional information which they consider relevant or necessary, and to carry out further studies and analyses in relation to all matters which are the subject of deliberation or that, are under review in some way, in the Company;
- the non – executive directors have wide powers to obtain information on any aspect of the Company, to examine its books, records, documents and other historic facts of the Company's operations. They can request relevant information directly to the directors and to the financial and operating senior staff of all group companies, without requiring any intervention of the executive directors in this process.

Thus, the Company considers that the necessary conditions for decisions on strategic matters are guaranteed, taken by the Board of Directors as a body composed of all of its members, executive and non-executive, in the normal performance of their duties, enlightened and informed way, totally focused on creating value for shareholders.

However, the Board has regularly reflected on the adequacy of its organizational structure, always concluding that its structure is aligned with the best corporate governance practices, which has materialized in a positive performance.

29. Description of the powers of each of the committees established and a summary of activities undertaken in exercising said powers

As mentioned in the paragraphs 27 and 28, the Board of Directors believes that the only specialized committee indispensable to satisfy the needs of the Company, considering its dimension, is the Remuneration Committee.

According to the Articles of Association, the Remuneration Committee is the corporate body responsible for performance evaluation and approving the remuneration of Board members and other corporate bodies, in compliance with the remuneration policy of the Company, approved by shareholders in General Meetings.

The performance assessment of executive directors belongs to the Remuneration Committee and is based on the functions performed by them in Ramada Investimentos and in the Group as well as the responsibility and the added value by each one of the directors and the accumulated experience and knowledge on their functions.

III. SUPERVISION

a) Composition

30. Details of the Supervisory Board representing the model adopted

The Supervisory Board and Statutory Auditory are the supervision bodies of the Company.

31. Composition of the Supervisory Board with details of the articles of association's minimum and maximum number of members, duration of term of office, number of effective members, date of first appointment, date of end of the term of office for each member

The Supervisory Board is appointed by the Shareholders' General Meeting, for a three years mandate, composed of three members and one or two substitutes, responsible for the supervision of the company and the appointment of the Statutory Auditor. In December 31, 2014, the Supervisory Board was composed by the following members:

Pedro Nuno Fernandes de Sá Pessanha da Costa – President

André Seabra Ferreira Pinto – Member

José Guilherme Barros Silva – Member

Luis Filipe Alves Baldaque de Marinho Fernandes – Substitute

The Supervisory Board members were appointed for the first time in April 2014.

32. Details of the members of the Supervisory Board which are considered to be independent pursuant to article 414/5 of Portuguese Companies Act

As a collective board, the assessment of independence of the supervisory board is made to all those who compose it, given the application of the number 6 of Article 414 of the Portuguese Companies Act, considering independence in accordance with the definition that is given by number 5 of article 414 and incompatibility according to definition of the number 1 of article 414-A, both of the Portuguese Companies Act. All members that compose the Supervisory Board comply with the rules of incompatibility and independence identified above.

33. Professional qualifications of each member of the Supervisory Board and other important curricular information

As regards the skills to exercise these functions, all members have appropriate skills to fulfil their duties and the chairman is adequately supported by the other members of the Supervisory Board. Appendix I presents the qualifications and professional activities of the members of the Supervisory Board.

b) Functioning

34. Availability and place where the rules on the functioning of the Supervisory Board may be viewed

The Supervisory Board regulations are available on the website of Ramada Investimentos (www.ramadainvestimentos.pt) (tab "Investors", section "Corporate Governance").

35. Number of meetings held and the attendance report for each member of the Supervisory Board

During 2014 the Supervisory Board of the Company met 4 times, with presence of all its members, and the corresponding minutes are recorded in the minutes' book of the Supervisory Board.

36. Availability of each member of the Supervisory Board indicating the positions held simultaneously in other Companies inside and outside the Group, and other relevant activities undertaken by members of this Board throughout the financial year

The members of Supervisory Board showed availability in the exercise of their duties attending and participating in all meetings of the Board. The information regarding other undertaken positions, qualifications and professional experience of the Supervisory Board members are detailed on Appendix I.

c) Powers and duties

37. Description of the procedures and criteria applicable to the supervisory body for the purposes of hiring additional services from the External Auditor

The Supervisory Board analyses and approves the nature of other additional services evaluating if the independence of the External Auditor is ensured.

The Supervisory Board, exercising its functions, carries out an annual evaluation of independence of the External Auditor, particularly regarding non-audit services. Additionally, the Supervisory Board receives, annually, the declaration of independence of the auditor where are described the services rendered by it and by other entities of the same network, their fees, possible threats to their independence and safeguard measures. All threats to the independence of the Auditor are evaluated and discussed with him as well as the respective safeguard measures.

The Board of Directors, at the request of the projects assigned to the group companies' auditors, ensures, before its adjudication, that no services are contracted to them or to their network that, in accordance with the recommendation of the European Commission no. C (2002) 1873 of 16 May, would threaten their independence.

38. Other duties of the supervisory Board

The supervision of the Company is assigned to the Supervisory Board, as provided by article no. 420 of the Portuguese Companies Act.

The Supervisory Board also represents the Company regarding the External Auditor and Statutory Auditor and is responsible for proposing the provider for these services, their remuneration and to ensure that they are guaranteed, within the group, suitable conditions for them to provide their services. The Supervisory Board is the first recipient of the reports issued by the External Auditor as well as the group's representative in the relationship with that entity.

The Supervisory Board is responsible for preparing an annual report on its activity and for giving an opinion on the annual report and proposals presented by the Board of Directors as well as monitor the effectiveness of risk management and internal control.

The Board of Directors, together with the Supervisory Board, regularly reviews and oversees the preparation and disclosure of financial information in order to prevent access, improper and untimely of third parties to relevant information.

Additionally, the Supervisory Board issues an opinion on transactions between the directors of Ramada Investimentos and the company or between Ramada Investimentos and companies in a group or domain relationship with the one in which the interested part is director, regardless of the amount, under article 397 of Portuguese Companies Act. The External Auditor, within the annual audit, analyses the functioning of the internal control mechanisms and reports deficiencies identified; verifies that the key elements of internal control systems and risk management implemented in the company in relation to the process of financial reporting are presented and disclosed in the annual Corporate Governance Report and issues a legal certification of accounts and audit report, which certifies whether that report disclosed about the structure and practices of corporate governance includes the elements referred to in Article 245 -A of Securities Code.

During 2014, the Statutory Auditor monitored the development of company's activity and carried out the tests and inspections deemed necessary to the review and legal certification of the accounts, in interaction with the Supervisory Board and with full cooperation of the Board of Directors.

In addition, the Statutory Auditor pronounced itself on the work it developed in 2014 in its annual audit report subject to the assessment of the Shareholders' Annual General Meeting.

IV. STATUTORY AUDITOR

39. Details of the Statutory Auditor and the partner that represents same

The Statutory Auditor of the Company for the period 2014/2016 is Deloitte & Associados, SROC S.A., represented by António Manuel Martins Amaral or Miguel Nuno Machado Canavarro Fontes.

40. Number of years that the statutory auditor consecutively carries out duties with the Company and/or Group.

Deloitte & Associados, SROC, is responsible for the functions of the Statutory Auditor since 2008, represented by Antonio Manuel Martins Amaral since that date.

41. Description of other services that the statutory auditor provides to the Company

The Statutory Auditor is simultaneous the External Auditor of Company as detailed in sections below.

V. EXTERNAL AUDITOR

42. Details of the external auditor appointed in accordance with article 8 and the partner that represents same in carrying out these duties, and the respective registration number at the CMVM

The External Auditor of the company is Deloitte & Associados, SROC, S.A. appointed in accordance with article 8 of CVM, registered under the number 231 in the Portuguese Securities Regulator (CMVM), represented António Manuel Martins Amaral or by Miguel Nuno Machado Canavarro Fontes.

43. State the number of years that the External Auditor and respective partner that represents same in carrying out these duties consecutively carries out duties with the Company and/or Group

The External Auditor was appointed for the first time in 2008 and is in his third mandate. The partner that represents it is in duty since 2008.

44. Rotation policy and schedule of the external auditor and the respective partner that represents said auditor in carrying out such duties

The policy adopted by the Supervisory Board on this matter, has been to previously to proposals for the election of the External Auditor for a new term, carry out a thorough evaluation of the advantages and drawbacks of the maintenance functions of that auditor, and not just adopt the principle of rotation at the end of three terms, if from that evaluation results the conviction that staying in office beyond that period, does not endanger the required and necessary independence of the said Auditor.

45. Details of the board responsible for assessing the external auditor and the regular intervals when said assessment is carried out

The Supervisory Board, in the fulfillment of its functions, annually assesses the External Auditor independence-Additionally, the Supervisory Board promotes whenever necessary or appropriate in light of developments in the Company's business or the evolution of the market, a reflection on the adequacy of the External Auditor to carry out its duties.

46. Details of services, other than auditing, carried out by the external auditor for the company and/or companies in a control relationship and an indication of the internal procedures for approving the recruitment of such services and a statement on the reasons for said recruitment

Other services rendered by the External Auditor in 2014 included, essentially, services connected with validation of applications to governmental subsidies and with the revision of fiscal documentation processes.

The other services and other audit reliability services are provided by different teams of those involved in the audit process, so it enhances auditor's independence.

The Supervisory Board has reviewed and approved the scope of those services and concluded that they did not threaten the independence of the External Auditor. In this particular aspect, the hiring of Deloitte & Associados, SROC, S.A. proved to be the most appropriate due to its solid experience and expertise in the field of taxation and fiscal incentives. Moreover, the actions of Deloitte & Associados, SROC, S.A. are often articulated with technicians and experts independent from its network, namely consultants.

In 2014, the fees charged by Deloitte & Associados, SROC, S.A. to F. Ramada Investimentos' Group represented less than 1% of the total annual turnover of Deloitte & Associados, SROC, S.A. in Portugal. The quality system of the External Auditor controls and monitors the potential risk of loss of independence or conflicts of interest with F. Ramada Investimentos.

47. Details of the annual remuneration paid by the company and/or legal entities in a control or group relationship to the auditor and other natural or legal persons pertaining to the same network and the percentage breakdown relating to the following services:

	2014	%	2013	%
By the Company				
Audit and statutory audit services (€)	7,500	4.0%	7,500	2.5%
Other attest services (€)	-	0.0%	-	0.0%
Tax consulting services (€)	-	0.0%	-	0.0%
Other services (€)	-	0.0%	-	0.0%
By Group companies				
Audit and statutory audit services (€)	129,979	69.8%	151,138	50.4%
Other attest services (€)	14,000	7.5%	14,000	4.7%
Tax consulting services (€)	7,351	3.9%	-	0.0%
Other services (€)	27,325	14.7%	127,069	42.4%
	186,155	100.00%	299,707	100.00%
Total				
Audit and statutory audit services (€)	137,479	73.85%	158,638	52.93%
Other attest services (€)	14,000	7.52%	14,000	4.67%
Audit services subtotal	151,479	81.37%	172,638	57.60%
Tax consulting services (€)	7,351	3.95%	-	0.00%
Other services (€)	27,325	14.68%	127,069	42.40%
	186,155	100.00%	299,707	100.00%

C. INTERNAL ORGANISATION

I. ARTICLES OF ASSOCIATION

48. Rules governing amendment to the articles of association

The Statutory amendments follow the applicable legal terms, including the Portuguese Companies Act, which require two-thirds majority of votes cast for the adoption of such resolution.

II. REPORTING OF IRREGULARITIES

49. Reporting Means and policy on the reporting of irregularities in the company

In Ramada Investimentos, and as a result of the applicable legal dispositions, any reports of irregularities that consubstantiate violations of ethical or legal nature with significant impact in the fields of accounting, the fight against corruption and the financial and banking crime, must be addressed to the Supervisory Board.

Irregularities in relation to matters other than those mentioned above should be addressed to the Board of Directors.

Considering the proximity of the members of the Board of Directors to the activities of the several Group companies and the respective employees, Ramada Investimentos considers that such proximity allows that, whenever irregularities are detected, the Board of Directors is promptly informed, which ensures the implementation of procedures which handle in an effective and fair way the eventual irregularities that are detected.

Regarding the competences in the evaluation of ethical issues and the corporate governance structure, such functions are performed directly by the Board of Directors, which maintains a constant debate over this matter.

III. INTERNAL CONTROL AND RISK MANAGEMENT

50. Individuals, boards or committees responsible for the internal audit and/or implementation of the internal control systems

Risk management, as a key issue of the principles of good corporate governance is an area considered critical in Ramada Investimentos, which promotes permanent awareness of all employees, at all levels of the organization, putting in them such responsibility in all processes of decision-making.

Ramada Investimentos has no autonomous internal audit services and compliance. Risk management is ensured by the several Ramada Investimentos' operating units based on a preliminary identification and prioritization of critical risks, by developing risk management strategies in order to implement control procedures considered appropriate to reduce the risk to an acceptable level.

Ramada Investimentos has been monitoring the appropriation of this risk management model that has proved to be entirely appropriate given the organizational structure of the Company.

51. Detail of hierarchical and/or functional dependency in relation to other boards or committees of the company

The Supervisory Board is responsible for supervise action taken related to the evaluation of the operation of risk management mechanisms. It is therefore responsibility of this corporate body the supervision of the actions carried out by the Company in these matters.

The External Auditor, in the exercise of its functions, checks the adequacy of mechanisms and procedures involved ensuring the reporting of its conclusions to the Supervisory Board.

The Board of Directors is responsible for monitoring these mechanisms and procedures.

52. Other functional areas responsible for risk control

The Board of Directors is the body responsible for setting the overall strategic guidelines of the group, and is duly supported by the subsidiary management teams, ensuring not only the continuous monitoring, and the reporting to the Board of Directors of Ramada Investimentos, of their situations detected, to ensure continuous and effective risk controls.

Risk management is ensured by various Ramada Investimentos' operating units. The methodology of risk management includes several steps:

- First, internal and external risks that may materially affect the Groups' strategic objectives are identified and prioritized;
- The operational management of the various business units identify risk factors and events that may affect the operations and activities of Ramada Investimentos, as well as any procedures and control mechanisms;
- Additionally, the impact and the probability of occurrence of each risk factor are weighted and according to the exposure level, the need to respond to the risk is evaluated; and
- The risk mitigation actions are monitored and the level of exposure to critical factors is constantly monitored.

The Board of Directors decides the level of exposure assumed by the group in its various activities and, without prejudice, the delegation of tasks and responsibilities, sets overall limits of risk and ensures that policies and procedures for risk management are followed.

In the monitoring of the risk management process the Board of Directors as a board responsible for Ramada Investimentos' strategy, has the following objectives and responsibilities:

- Be aware of the most significant risks affecting the group;
-
- Ensure the existence within the Group, of appropriate levels of knowledge of the risks affecting the operations and how to manage them;
- Ensure the disclosure of the risk management strategy at all levels of hierarchy;
- Ensure that the Group is able to minimize the likelihood and impact of risks in the business; and
- Ensure that the risk management process is adequate and that it maintains a close monitoring of those risks with higher probability of occurrence and higher impact in the group´s operations.

The subsidiaries manage their own risks, within the established criteria and delegations set by the board of Directors.

53. Details and description of the major economic, financial and legal risks to which the company is exposed in pursuing its business activity

The Board of Directors considers that the Group is exposed to the normal risks associated with its operations, namely in its operating units. Therefore, the main risks considered by the Group are:

Credit Risk

Like any activity involving a commercial component, the Group's exposure to credit risk is attributable mainly to the accounts receivable resulting from the Group's operating activity. This risk is monitored and controlled through a system for collecting financial and qualitative information, provided by entities that provide credible risk information, which allows customers to evaluate the feasibility of the fulfilment of their obligations, in order to minimize the risk associated with granting credit. Credit risk evaluation is done in a regular basis, by analysing the current economic conjuncture conditions, in particular the credit situation of each company and, when necessary, adopting the corrective measures.

Market Risk

Interest Rate Risk

Considering the Group's debt, possible variations on the interest rate may have an unwanted impact on the results. Therefore, the Group adopts a balanced position between the cost of the debt and its exposure to the interest rate variability. When the reasonable risk is exceeded, the Group engages interest rate swaps in order to reduce its exposure to risk and to restrict the potential volatility of results.

Exchange Rate Risk

The Company has transactions with non-resident companies with different currency from Euro. Therefore, every time that it is considered necessary to reduce the volatility of its net income, Group hedges its exposure to exchange rate variation, through the use of financial derivatives.

Risk of variability in commodities prices

By developing its activity in a sector that trades commodities (steel), the Group is particularly exposed to price variations, with the corresponding impacts on its net income. Therefore, when it is necessary to reduce this impact on its results the Group may hedge its exposure to variability in prices through the use of financial derivatives.

Liquidity Risk

Liquidity risk can occur if the sources of financing, such as operating cash flows, cash flows of disinvestment, credit lines and cash flows from financing do not meet the financing needs, such as outputs cash for operating and financing activities, investment, shareholders returns and debt repayment.

The main objective of the liquidity risk management policy is to ensure that the Group is available at all times, the financial resources needed to meet its responsibilities and pursue the strategies outlined by honouring all commitments made to third parties when they become due, through proper management of the maturity of funding.

The Group adopts an active strategy of refinancing focused on maintaining a high level of immediately available funds to meet short term needs and the extension or maintenance of debt maturity in accordance with the forecasted cash flows and the capacity of leveraging of the balance sheet.

54. Description of the procedure for identification, assessment, monitoring, control and risk management

As mentioned in paragraph 52, the Board of Directors is the body responsible for setting the overall strategic guidelines of the group, and is duly supported by the subsidiary management teams, ensuring not only the continuous monitoring, and the reporting to the Board of Directors of Ramada Investimentos, of their situations detected, to ensure continuous and effective risk controls.

The process of identification and evaluation, monitoring, control and risk management in Ramada Investimentos works as follows:

The risks that the group faces in the normal course of its business are identified. For all identified risks, the impact on financial performance and the value of the group is measured. The risk value is compared with the costs of hedging instruments, if available and, consequently, the development of identified risks and the hedging instruments is monitored, which follows, more or less, in compliance with the following methodology:

- First, internal and external risks that may materially affect the Groups' strategic objectives are identified and prioritized;
- The operational management of the various business units identify risk factors and events that may affect the operations and activities of Ramada Investimentos, as well as any procedures and control mechanisms;
- Additionally, the impact and the probability of occurrence of each risk factor are weighted and according to the exposure level, the need to respond to the risk is evaluated; and
- The risk mitigation actions are monitored and the level of exposure to critical factors is constantly monitored.

The Company has implemented additional risk management strategies that aim to ensure, essentially, that the systems and control procedures and the established policies allow answering expectations of management bodies, shareholders and other stakeholders.

Some of these strategies are as follows:

- Systems and control procedures and policies are established in accordance with all applicable laws and regulations;
- The financial and operational information is complete, reliable, safe and reported on a regular and timely manner;
- Ramada Investimentos resources are used efficiently and rationally; and
- The shareholder value is maximized and operational management takes the necessary measures to correct problems reported.

55. Core details on the internal control and risk management systems implemented in the company regarding the procedure for reporting financial information

In what refers to risk control in the process of disclosure of financial information, a form of control is the involvement of a very limited number of Ramada Investimentos' employees in the process.

All involved in financial analysis are considered as having access to privileged information and is especially knowledgeable about the content of their obligations as well as the sanctions resulting from the misuse of such information.

The internal rules for the disclosure of financial information are intended to secure their timing and prevent the asymmetry of the market.

The system of internal control in areas of accounting and preparation and disclosure of financial information is based on the following key elements:

- The use of accounting principles, detailed throughout the notes to financial statements, is one of the bases of the control system;
- Plans, procedures and records of the Company and its subsidiaries provide reasonable assurance that transactions are recorded only properly authorized and that such transactions are recorded in accordance with generally accepted accounting principles;
- Financial information is analysed in a systematic and regular basis for the management of operational units, ensuring a permanent monitoring and control of its budget;
- During the process of preparing and reviewing financial information, a timetable for closure of accounts is previously established and shared with the different areas involved, and all documents are reviewed in depth;
- At the level of individual financial statements of the various group companies, the accounting records and preparing financial statements are provided by administrative and accounting services. The financial statements are prepared by an official chartered accountant and reviewed by the financial management of each subsidiary;
- The consolidated financial statements are prepared quarterly by the consolidation team. This process is an additional element of monitoring the reliability of financial reporting, particularly by ensuring the uniform application of accounting principles and procedures for cut-off of operations as well as check balances and transactions between group companies;
- The consolidated financial statements are prepared under the supervision of the CFO. The annual report is sent for review and approval by the Board of Directors. After the approval, the documents are sent to the External Auditor, which issues the Statutory Audit and Auditor's Report; and
- The process of preparing the financial information and consolidated directors' report is monitored by the Supervisory Board and by the Board of Directors. Each quarter, these corporate boards meet and analyse the individual and consolidated financial statements of the Company.

As regards to risk factors that could materially affect the accounting and financial reporting, we should highlight the use of accounting estimates that are based on the best available information during the preparation of financial statements as well as the knowledge and experience of past or present events. We also stress the balances and transactions with related parties: Ramada Investimentos' Group balances and transactions with related parties relate essentially to the operational running of the group companies as well as to granting and obtaining loans at market rates.

The Board of Directors, together with the Supervisory Board, regularly review and monitor the preparation and disclosure of financial information in order to prevent access, improper and untimely, of other persons to relevant information.

IV. INVESTOR ASSISTANCE

56. Department responsible for investor assistance, composition, functions, the information made available by said department and contact details

The Company has an Investor assistance department which includes the group's market liaison officer and the investor relations.

The contact for investors to obtain information is as follows:

Rua do General Norton de Matos, 68 – r/c
4050-424 Porto
Telephone: (+351) 22 83 47 100
Fax: (+351) 25 586 747
E-mail: adilia.miranda@ramadainvestimentos.pt

F.Ramada Investimentos provides financial information relating to its individual and consolidated operations, as well as that of its subsidiary companies, through its official internet page (www.ramadainvestimentos.pt). This website is also used by F.Ramada Investimentos to provide information on press releases, as well as any relevant facts occurring in the life of the Company. This page also includes the Group's reports and accounts of the latest years. The majority of the information is available in the site both in Portuguese and in English.

57. Market Liaison Officer

The functions of Group's market liaison officer are performed by Adília Miranda dos Anjos.

58. Data on the extent and deadline for replying to the requests for information received throughout the year or pending from preceding years

Whenever necessary, the market liaison officer ensures that all relevant information regarding events, facts considered as relevant, disclosure of quarterly results and answers to any requests for clarification by the investors or the general public on public financial information is provided. All information requested by investors are analysed and provided within a maximum of five days.

V. WEBSITE

59. Address(es)

F.Ramada Investimentos has available a web page with information about Company and Group. The address is: www.ramadainvestimentos.pt.

60. Place where information on the firm, public company status, headquarters and other details referred to in article 171 of the Commercial Companies Code is available

www.ramadainvestimentos.pt \ investors \ identification of the company

61. Place where the articles of association and regulations on the functioning of the boards and/or committees are available

www.ramadainvestimentos.pt \ investors \ company management

62. Place where information is available on the names of the corporate boards' members, the Market Liaison Officer, the Investor Assistance Office or comparable structure, respective functions and contact details

www.ramadainvestimentos.pt \ investors \ company management
www.ramadainvestimentos.pt \ investors \ investor support office

63. Place where the documents are available and relate to financial accounts reporting, which should be accessible for at least five years and the half-yearly calendar on company events that is published at the beginning of every six months, including, inter alia, general meetings, disclosure of annual, half-yearly and where applicable, quarterly financial statements

www.ramadainvestimentos.pt \ investors \ financial reports
www.ramadainvestimentos.pt \ investors \ calendar of events

64. Place where the notice convening the General Meeting and all the preparatory and subsequent information related thereto is disclosed

www.ramadainvestimentos.pt \ investors \ general meetings

65. Local where the historical archive on the resolutions passed at the company's General Meetings, share capital and voting results relating to the preceding three years are available

www.ramadainvestimentos.pt \ investors \ general meetings

D. REMUNERATIONS

I. POWER TO ESTABLISH

66. Details of the powers for establishing the remuneration of corporate boards, members of the executive committee or chief executive and directors of the company

The Remuneration Committee is responsible for approving the remuneration of the Board of Directors and other corporate bodies representing the shareholders, in accordance with the remuneration policy approved by the shareholders at the General Meeting.

II. REMUNERATION COMMITTEE

67. Composition of the Remuneration Committee, including details of individuals or legal persons recruited to provide services to said committee and a statement on the independence of each member and advisor

Ramada Investimentos has set a Remuneration Committee for the period 2014/2016, whose composition is as follows:

- João da Silva Natária – President
- José Francisco Pais da Costa Leite – Member
- Pedro Nuno Fernandes de Sá Pessanha da Costa – Member

All members of the Remuneration Committee are independent from the members of the Board of Directors. Additionally, in 2014 no persons or entities were hired to assist Remuneration Committee members.

68. Knowledge and experience in remuneration policy issues by members of the Remuneration Committee

Ramada Investimentos believes that the experience and professional careers of the members of the Remuneration Committee allow them to perform their duties accurately and effectively. In particular, João da Silva Natária has extensive experience and specific knowledge in matters of remuneration policy. Additionally, and whenever necessary, this committee uses specialized resources, internal or external, to support its decisions.

III. REMUNERATION STRUCTURE

69. Description of the remuneration policy of the board of directors and Supervisory Boards as set out in article 2 of Law No. 28/2009 of 19 June

As provided in Law 28/2009, of 19 June, a statement on the remuneration policy of the management and supervisory boards is submitted annually for consideration by the General Shareholders Meeting.

The policy on remuneration and compensation of the corporate bodies of Ramada Investimentos, adopted at the General Meeting of 24 April 2014, respects the following principles:

BOARD OF DIRECTORS:

In order to establish the value of individual remuneration of each director, the following should be taken into account:

- The functions performed at the Company and its subsidiaries;
- The responsibility and the value added by individual performance;
- Knowledge and cumulative experience on the job;
- The economic situation of the Company;
- The remuneration in companies within the same sector and in other companies listed on NYSE Euronext Lisbon.

The global fixed remuneration for all the members of the Board of Directors, including the remuneration that the subsidiaries pay to the members that integrate the Board of Directors, cannot exceed 750 thousand Euro per year.

1. Executive directors

- Fixed component, amount paid monthly.
- Medium term variable component:

Intended to more strongly align the interests of executive directors with those of shareholders and will be calculated covering the period of two mandates. 2011-2013 and 2014-2016, based on:

- Total shareholder return (stock appreciation plus dividend distributed)
- Sum of the consolidated net results of the six years (2011 to 2016)
- Company' business development

The total medium term component cannot exceed 50% of fixed remuneration earned during the period of the six years.

2. Non-executive directors

The individual remuneration of any non-executive director may not exceed 70,000 Euro per year, being exclusively fixed.

SUPERVISORY BOARD

The remuneration of Members of the Statutory Audit Board will be based on yearly fixed amounts at levels considered adequate for similar functions.

GENERAL SHAREHOLDERS MEETING

The remuneration of the members of the General Shareholders Meeting will be exclusively fixed and will follow market practices.

STATUTORY AUDITOR

The Statutory Auditor will have a fixed fee appropriate to the respective functions and in accordance with market practice, under the supervision of the Statutory Audit Board.

COMPENSATION FOR TERMINATION OF FUNCTIONS BEFORE ON OR TERM OF MANDATE

The remuneration policy maintains the principle of not covering the granting of any compensation to directors or other governing bodies, concerning their termination of functions, either early or at the scheduled end of their duties, subject to compliance with the legal provisions in force.

SCOPE OF PRINCIPLES

The principles that follow remuneration policies and compensation specified in this policy include not only the salaries paid by Ramada Investimentos but also the salaries that are paid to members of the Board of Directors for companies controlled directly or indirectly by it.

70. Information on how remuneration is structured so as to enable the aligning of the interests of the members of the board of directors with the company's long-term interests and how it is based on the performance assessment and how it discourages excessive risk taking.

The remuneration policy for executive directors aims to ensure a proper and thorough compensation for the performance and contribution of each director for the success of the organization, aligning the interests of the executive directors with those of the shareholders and of the company. Additionally, the remuneration policy provides for a variable component with deferred payment aiming to more strongly align the interests of the executive directors with those of the shareholders and the long-term interests of the company.

The proposal for remuneration of executive directors are drawn up taking into account the functions performed in F. Ramada Investimentos, SGPS, S.A. and in its subsidiaries, the responsibility and added value by individual performance, the knowledge and the experience accumulated on the job, the economic situation of the company, the remuneration paid by other companies from the same sector and other companies listed on NYSE Euronext Lisbon. Regarding the latter point, the Remuneration Committee takes into account all national companies of equivalent size, particularly listed on NYSE Euronext Lisbon, and also companies in international markets with characteristics similar to F. Ramada Investimentos.

71. Reference, where applicable, to there being a variable remuneration component and information on any impact of the performance appraisal on this component

In the General Shareholders Meeting held in 24 April 2014, the remuneration policy as detailed in paragraph 69 above was approved, which includes a variable component depending on performance during the period between 2011 and 2016.

No mechanisms to prevent executive directors from having employment contracts that question the grounds of the variable remuneration are implemented. However, the Remuneration Committee takes into account these factors in the criteria for determining the variable remuneration. The Company did not celebrate any agreements with members of the Board of Directors that have the effect of mitigating the risk associated to variability of the remuneration or has become aware of any identical contracts with third parties.

72. The deferred payment of the remuneration's variable component and specify the relevant deferral period

There is currently no variable compensation due which payment was deferred in time.

73. The criteria whereon the allocation of variable remuneration on shares is based

F. Ramada Investimentos has not in place nor intends to have any form of compensation that may include shares or any other equity based compensation system.

74. The criteria whereon the allocation of variable remuneration on options is based

F.Ramada Investimentos does not have in place any form of compensation that includes stock options.

75. The key factors and grounds for any annual bonus scheme and any additional non-financial benefits

F.Ramada Investimentos hasn't any annual bonus scheme or any other non-financial benefits.

76. Key characteristics of the supplementary pensions or early retirement schemes for directors and state date when said schemes were approved at the general meeting, on an individual basis

F.Ramada Investimentos has no supplementary pension scheme or early pension for members of the administrative and supervisory boards and other key staff.

IV. REMUNERATION DISCLOSURE

77. Indication on the amount relating to the annual remuneration paid as a whole and individually to members of the company's board of directors, including fixed and variable remuneration and as regards the latter, reference to the different components that gave rise to same.

The remunerations received by the members of the Board of Directors were fully paid by the Group's subsidiaries were they are also directors and there are no directors paid directly by F. Ramada Investimentos SGPS.

78. Any amounts paid, for any reason whatsoever, by other companies in a control or group relationship, or are subject to a common control

The remuneration received by the Board of Directors of F.Ramada Investimentos during 2014, in the exercise of their functions, includes only fixed remuneration and amounted to Euro 576,520 allocated as follows: João Borges de Oliveira – Euro 139,860; Paulo Fernandes – Euro 139,860; Domingos Matos – Euro 130,900; Pedro Borges de Oliveira – Euro 130,900; Ana Mendonça – Euro 35,000. The non-executive director Pedro Mendonça did not receive any remuneration in 2014.

79. Remuneration paid in the form of profit sharing and/or bonus payments and the reasons for said bonuses or profit sharing being awarded

During the year there weren't any remuneration in the form of profit sharing or bonuses.

80. Compensation paid or owed to former executive directors concerning contract termination during the financial year

During the year, no amounts relating to compensation to directors whose functions have ceased have been paid or became due.

81. Details of the annual remuneration paid, as a whole and individually, to the members of the company's supervisory board

The remuneration of the Statutory Audit Board is composed of a fixed annual amount based on the F.Ramada Investimentos situation and on the current market practices. In the year ended 31 December 2014, the remuneration of Statutory Audit Board members amounted to Euro 17,940 distributed as follows: Pedro Pessanha – 6,860 Euro; André Pinto – 5,540 Euro; José Guilherme Silva –5,540 Euro.

The remuneration of the Statutory Auditor is described in paragraph 47 above.

82. Details of the remuneration in said year of the Chairman of the Presiding Board to the General Meeting

The remuneration of the Chairman of the Board of the General Meeting in the year ended in 31 December 2014 was 5,000 Euro.

V. AGREEMENTS WITH REMUNERATION IMPLICATIONS

83. The envisaged contractual restraints for compensation payable for the unfair dismissal of directors and the relevance thereof to the remunerations' variable component

The remuneration policy maintains the principle of not including the grating of any compensation to directors or other governing boards, concerning the termination of their functions, either early or at the scheduled end of their terms of office, subject to the compliance with the legal provisions in force.

84. Reference to the existence and description, with details of the sums involved, of Agreements between the company and members of the Board of Directors and managers, pursuant to Article 248-B/3 of the Securities Code that envisages compensation in the event of resignation or unfair dismissal or termination of employment following a takeover bid.

There are no agreements, between the Company and members of the board of directors or other key staff, pursuant to paragraph 3 of Article 248-B of CVM, which provide compensations in case of resignation, unfair dismissal or termination of employment contract following a takeover bid. There aren't also planned agreements with directors to ensure any compensation in case of non-renewal of their terms of office.

VI. Stock options plan

85. Details of the plan and the number of persons included therein.

Ramada Investimentos has no plan to grant shares or stock options neither to the Board of Directors nor to its employees.

86. Characteristics of the plan

Ramada Investimentos does not have any plan to grant shares or stock options.

87. Stock option plans for the company employees and staff

There are no stock options *granted for the acquisition of shares* which benefit company employees and staff.

88. Control mechanisms for a possible employee-shareholder system inasmuch as the voting rights are not directly exercised by said employees

Not applicable as explained above.

E. RELATED PARTY TRANSACTIONS

I. CONTROL MECHANISMS AND PROCEDURES

89. Mechanisms implemented by the Company for the purpose of controlling transactions with related parties

Currently, there are no established procedures or criteria for defining the relevant significance level of business between the Company and holders of qualifying holdings, or entities in any relationship or group with those shareholders, from which the intervention of the supervisory board is required.

90. Details of transactions that were subject to control in the referred year

There weren't performed businesses or significant transactions between the Company and members of its governing boards (both management and supervision), the holders of qualified shareholdings or companies in a control or group, except those that are part of the current activity of the group and which were carried out under normal market conditions for similar transactions.

There weren't performed any business or transactions with members of the Supervisory Board.

The non-audit services provided by the Statutory Auditor were approved by the Supervisory Board and are detailed in paragraph 47 above.

Transactions with group companies are not material and were made under normal market conditions and are part of the current activity of the Company and therefore are not subject to separate disclosure.

91. A description of the procedures and criteria applicable to the supervisory body when same provides preliminary assessment of the business deals to be carried out between the company and the holders of qualifying holdings or entity-relationships with the former

Transactions with Ramada Investimentos' directors or companies that are in a group or control relationship with the one in which the intervener is a director, regardless of the amount, are subject to the prior authorization of the Board of Directors with a favorable opinion the supervisory Board pursuant to Article 397 of the Portuguese Companies Act. In 2014 it was not necessary to the Supervisory Board to issue an opinion because no transactions that require the approval of that board occurred.

II. DATA ON BUSINESS DEALS

92. Details of the place where the financial statements including information on business dealings with related parties are available

Information on related parties is disclosed in Note 26 of the notes to Consolidated Financial Statements and Note 16 of the notes to the Individual Financial Statements of the Company.

PART II – CORPORATE GOVERNANCE ASSESSMENT

1. Details of the Corporate Governance Code implemented

This report provides a description of the governance structure adopted by Ramada Investimentos, as well as the respective policies and practices adopted.

The report complies with the standards of Article 245-A of the Portuguese Securities Code and discloses in accordance with the comply or explain principle, the degree of compliance with the CMVM recommendations incorporated in 2013 CMVM Corporate Governance Code.

The duties of disclosure required by Law 28/2009 of 19 June, Articles 447 and 448 of the Portuguese Companies Act and CMVM Regulation Nr. 5 / 2008, of 2 October 2008 are also fulfilled.

All the legal provisions referred on this report and the recommendations listed in the Corporate Governance Code of 2013, can be found in www.cmvm.pt.

This report should be read as part of the Annual Management Report and as part of the Individual and Consolidated Financial Statements for the fiscal year 2014.

2. Analysis of compliance with the Code of Corporate Governance adopted

Ramada Investimentos encouraged all actions to promote the adoption of best corporate governance practices, basing its policy on high ethical standards and social responsibility.

The Board of Directors of Ramada Investimentos encourages transparent relationships with investors and with the market, and has based its performance by the constant search of value creation, to the promotion of the interests of employees, shareholders and other stakeholders.

In compliance with the standards of Article 245-A, no. 1, paragraph o) of the Portuguese Securities Code, the CMVM recommendations incorporated in 2013 CMVM Corporate Governance Code the Company set out to carry out are listed below:

CMVM RECOMENDATIONS	COMPLIES	REPORT
I. VOTING AND CONTROL OF THE COMPANY		
I.1. Companies shall encourage shareholders to attend and vote at general meetings and shall not set an excessively large number of shares required for the entitlement of one vote, and implement the means necessary to exercise the right to vote by mail and electronically.	Adopted	12, 13 and 14
I.2. Companies shall not adopt mechanisms that hinder the passing of resolutions by shareholders, including fixing a quorum for resolutions greater than that provided for by law.	Adopted	13 and 14
I.3. Companies shall not establish mechanisms intended to cause mismatching between the right to receive dividends or the subscription of new securities and the voting right of each common share, unless duly justified in terms of long-term interests of shareholders.	Adopted	12 and 13
I.4. The company's articles of association that provide for the restriction of the number of votes that may be held or exercised by a sole shareholder, either individually or in concert with other shareholders, shall also foresee for a resolution by the general assembly (five year intervals), on whether that statutory provision is to be amended or prevails - without superquorum requirements as to the one legally in force - and that in said resolution, all votesissued be counted, without applying said restriction.	Adopted	13 and 14
I.5. Measures that require payment or assumption of fees by the company in the event of change of control or change in the composition of the Board and that whichappear likely to impair the free transfer of shares and free assessment by shareholders of the performance of Board members, shall not be adopted.	Adopted	2, 4, 5 and 6
II. SUPERVISION, MANAGEMENT AND OVERSIGHT		
II.1 SUPERVISION AND MANAGEMENT		
II.1.1. Within the limits established by law, and except for the small size of the company, the board of directors shall delegate the daily management of the company and said delegated powers shall be identified in the Annual Report on Corporate Governance.	Not Adopted	21 and 28
II.1.2. The Board of Directors shall ensure that the company acts in accordance with its objectives and shall not delegate its responsibilities as regards the following: i) define the strategy and general policies of the company; ii) define business structure of the group; iii) decisions considered strategic due to the amount, risk and particular characteristics involved.	Adopted	21 and 28
II.1.3. The General and Audit Committee, in addition to its supervisory duties supervision, shall take full responsibility at corporate governance level, whereby through the statutory provision or by equivalent means, shall enshrine the requirement for this body to decide on the strategy and major policies of the company, the definition of the corporate structure of the group and the decisions that shall be considered strategic due to the amount or risk involved. This body shall also assess compliance with the strategic plan and the implementation of key policies of the company.	Not applicable	
II.1.4. Except for small-sized companies, the Board of Directors and the General and Audit Committee, depending on the model adopted, shall create the necessary committees in order to: a) Ensure a competent and independent assessment of the performance of executive directors and its own overall performance, as well as of other committees; b) Reflect on the system structure and governance practices adopted, verify its efficiency and propose to the competent bodies, measures to be implemented with a view to their improvement.	Adopted	21, 27, 28 and 29
II.1.5. The Board of Directors or the General and Audit Committeed, depending on the applicable model, should set goals in terms of risk-taking and create systems for their control to ensure that the risks effectively incurred are consistent with those goals.	Adopted	52, 54 and 55
II.1.6. The Board of Directors shall include a number of non-executive members ensuring effective monitoring, supervision and assessment of the activity of the remaining members of the board.	Adopted	18

CMVM RECOMENDATIONS	COMPLIES	REPORT
II.1.7. Non-executive members shall include an appropriate number of independent members, taking into account the adopted governance model, the size of the company, its shareholder structure and the relevant free float. The independence of the members of the General and Supervisory Board and members of the Audit Committee shall be assessed as per the law in force. The other members of the Board of Directors are considered independent if the member is not associated with any specific group of interests in the company nor is under any circumstance likely to affect an exempt analysis or decision, particularly due to: a. Having been an employee at the company or at a company holding a controlling or group relationship within the last three years; b. Having, in the past three years, provided services or established commercial relationship with the company or company with which it is in a control or group relationship, either directly or as a partner, board member, manager or director of a legal person; c. Being paid by the company or by a company with which it is in a control or group relationship besides the remuneration arising from the exercise of the functions of a board member; d. Living with a partner or a spouse, relative or any first degree next of kin and up to and including the third degree of collateral affinity of board members or natural persons that are direct and indirectly holders of qualifying holdings; e. Being a qualifying shareholder or representative of a qualifying shareholder.	Not adopted	18
II.1.8. When board members that carry out executive duties are requested by other board members, said shall provide the information requested, in a timely and appropriate manner to the request.	Adopted	18
II.1.9. The Chair of the Executive Board or of the Executive Committee shall submit, as applicable, to the Chair of the Board of Directors, the Chair of the Supervisory Board, the Chair of the Audit Committee, the Chair of the General and Supervisory Board and the Chairman of the Financial Matters Board, the convening notices and minutes of the relevant meetings.	Adopted	23
II.1.10. If the chair of the board of directors carries out executive duties, said body shall appoint, from among its members, an independent member to ensure the coordination of the work of other non-executive members and the conditions so that these members can make independent and informed decisions or to ensure the existence of an equivalent mechanism for such coordination.	Not adopted	18
II.2. SUPERVISION		
II.2.1. Depending on the applicable model, the Chair of the Supervisory Board, the Audit Committee or the Financial Matters Committee shall be independent in accordance with the applicable legal standard, and have the necessary skills to carry out their relevant duties.	Adopted	32 and 33
II.2.2. The supervisory body shall be the main representative of the external auditor and the first recipient of the relevant reports, and is responsible, inter alia, for proposing the relevant remuneration and ensuring that the proper conditions for the provision of services are provided within the company.	Adopted	38
II.2.3. The Audit Committee shall evaluate the external auditor on an annual basis and propose to the competent body its dismissal or termination of the contract as to the provision of their services when there is a valid basis for said dismissal.	Adopted	45
II.2.4. The Audit Committee shall evaluate the functioning of the internal control systems and risk management and propose adjustments as may be deemed necessary.	Adopted	38
II.2.5. The Audit Committee, the General and Supervisory Board and the Audit Committee decide on the work plans and resources concerning the internal audit services and services that ensure compliance with the rules applicable to the company (compliance services), and should be recipients of reports made by these services at least when it concerns matters related to accountability, identification or resolution of conflicts of interest and detection of potential improprieties.	Not applicable	50 and 51
II.3. REMUNERATION SETTING		
II.3.1. All members of the Remuneration Committee or equivalent should be independent from the executive board members and include at least one member with knowledge and experience in matters of remuneration policy.	Adopted	67 and 68
II.3.2. Any natural or legal person that provides or has provided services in the past three years, to any structure under the board of directors, the board of directors of the company itself or who has a current relationship with the company or consultant of the company, shall not be hired to assist the Remuneration Committee in the performance of their duties. This recommendation also applies to any natural or legal person that is related by employment contract or provision of services with the above.	Adopted	67
II.3.3. A statement on the remuneration policy of the management and supervisory bodies referred to in Article 2 of Law No. 28/2009 of 19 June, shall also contain the following: a) Identification and details of the criteria for determining the remuneration paid to the members of the governing bodies; b) Information regarding the maximum potential, in individual terms, and the maximum potential, in aggregate form, to be paid to members of corporate bodies, and identify the circumstances whereby these maximum amounts may be payable; c) Information regarding the enforceability or unenforceability of payments for the dismissal or termination of appointment of board members.	Adopted	69
II.3.4. Approval of plans for the allotment of shares and/or options to acquire shares or based on share price variation to board members shall be submitted to the General Meeting. The proposal shall contain all the necessary information in order to correctly evaluate said plan.	Not applicable	73 and 74
II.3.5. Approval of any retirement benefit scheme established for members of corporate members shall be submitted to the General Meeting. The proposal shall contain all the necessary information in order to correctly evaluate said system.	Not applicable	76

CMVM RECOMENDATIONS	COMPLIES	REPORT
III. REMUNERATION		
III.1. The remuneration of the executive members of the board shall be based on actual performance and shall discourage taking on excessive risk-taking.	Adopted	70
III.2. The remuneration of non-executive board members and the remuneration of the members of the Audit Committee shall not include any component whose value depends on the performance of the company or of its value.	Adopted	78, 81 e 82
III.3. The variable component of remuneration shall be reasonable overall in relation to the fixed component of the remuneration and maximum limits should be set for all components.	Adopted	69
III.4. A significant part of the variable remuneration should be deferred for a period not less than three years, and the right of way payment shall depend on the continued positive performance of the company during that period.	Adopted	69
III.5. Members of the Board of Directors shall not enter into contracts with the company or with third parties which intend to mitigate the risk inherent to remuneration variability set by the company.	Adopted	71
III.6. Executive board members shall maintain the company's shares that were allotted by virtue of variable remuneration schemes, up to twice the value of the total annual remuneration, except for those that need to be sold for paying taxes on the gains of said shares, until the end of their mandate.	Not applicable	73 e 74
III.7. When the variable remuneration includes the allocation of options, the beginning of the exercise period shall be deferred for a period not less than three years.	Not applicable	74
III.8. When the removal of board member is not due to serious breach of their duties nor to their unfitness for the normal exercise of their functions but is yet due on inadequate performance, the company shall be endowed with the adequate and necessary legal instruments so that any damages or compensation, beyond that which is legally due, is unenforceable.	Adopted	69 and 83
IV. AUDITING		
IV.1. The external auditor shall, within the scope of its duties, verify the implementation of remuneration policies and systems of the corporate bodies as well as the efficiency and effectiveness of the internal controlmechanisms and report any shortcomings to the supervisory body of the company.	Adopted	38
IV.2. The company or any entity with which it maintains a control relationship shall not engage the external auditor or any entity with which it finds itself in a group relationship or that incorporates the same network, for services other than audit services. If there are reasons for hiring such services - which must be approved by the Audit Committee and explained in its Annual Report on Corporate Governance - said should not exceed more than 30% of the total value of servicesrendered to the company.	Adopted	47
IV.3. Companies shall support auditor rotation after two or three terms whether four or three years, respectively. Its continuance beyond this period must be based on a specific opinion of the Audit Committee that explicitly considers the conditions of auditor's independence and the benefits and costs of its replacement.	Adopted	40, 42, 43 and 44
V. CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS		
V.1. The company's business with holders of qualifying holdings or entities with which they are in any type of relationship pursuant to article 20 of the Portuguese Securities Code, shall be conducted during normal market conditions.	Adopted	90
V.2. The supervisory or oversight board shall lay down procedures and criteria that are required to define the relevant level of significance of business with holders of qualifying holdings - or entities with which they are in any of the relationships described in article 20.1 of the Portuguese Securities Code -thus significant relevant business is dependent upon prior opinion of that body.	Not Adopted	91
VI. INFORMATION		
VI.1. Companies shall provide, via their websites in both the Portuguese and English languages access to information on their progress as regards the economic, financial and governance state of play.	Adopted	59 to 65
VI.2. Companies shall ensure the existence of an investor support and market liaison office, which responds to requests from investors in a timely fashion and a record of the submitted requests and their processing, shall be kept.	Adopted	56 to 58

The recommendations II.1.7., II.1.10. and V.2. are not fully adopted by Ramada Investimentos, as explained below.

Recommendations II.1.7. and II.1.10.:

The Board Directors does not include any member that satisfies the standard of independence referred in recommendation II.1.7. and II.1.10. of Corporate Governance Code issued by the Portuguese Securities Regulator (CMVM) since non-executive director Pedro Mendonça is the father of the non-executive director Ana Rebelo de Carvalho Menéres de Mendonça, holder of qualifying holdings, and both of the non-executive directors are holders of qualifying holdings, directly or indirectly, of the Company.

Nevertheless, to allow to the non-executive directors an independent and informed decision, the Company has the following mechanisms:

- Notices of meetings of the Board of Directors sent to all directors include the agenda, even tentatively, of the meeting, and are accompanied by all the relevant information and documentation;
- Availability of executive directors for the provision to non-executive directors, of any additional information which they consider relevant or necessary, and to carry out further studies and analyses in relation to all matters which are the subject of deliberation or that, are under review in some way, in the Company;
- Availability of minutes books, records, documents and other records of operation of the Company or the subsidiaries, for examination, as well as the provision and promotion of a direct channel of obtaining information from the managers and operational and financial officers of several companies that are part of the Group, without requiring any intervention of the executive directors in this process.

Given the corporate model adopted and the composition and mode of operation of its governing boards, including the independence of the supervisory boards, without, delegation of powers among them, the Group considers that the designation of independent directors to the Board would not yield significant improvements for the proper functioning of the corporate governance model, which has revealed itself proper and efficient.

The Director’s report includes in its chapter “Activity developed by the non-executive members of the Board," a description of the activity of the non-executive director during 2014.

Recommendation V.2.:

Transactions with Ramada Investimentos’ directors or with companies that are in a group or dominance relationship with them, regardless of the amount, are subject to prior approval of the Board of Directors, with a favourable opinion of the Statutory Board, under the terms of article 397 of the Portuguese Companies Act.

Currently, there are no established procedures or criteria for defining the relevant level of significance of businesses between the company and holders of qualified holdings or entities that are in a group or dominance relationship, from which the intervention from the Statutory Board is required.

However, given the above mentioned legal requirement, and especially considering the constant legal requirement of the same matter, to disclose in the annual report of the board, the occurrence of these situations, to which Ramada Investimentos would always give full compliance, all legal requirements, as well as all the information disclosure obligations to shareholders and to the market on a complete and transparent basis are safeguarded.

3. Other information

In line with what has been said, Ramada Investimentos would like to point out that, of the forty recommendations contained in the Corporate Governance Code of 2013, six of them are not applicable for the reasons set out above, and the failure to fully adopt only three of the recommendations is largely explained above.

Ramada Investimentos therefore considers that, given the full compliance of thirty one of these recommendations, the degree of adoption of the Company to the 2013 Corporate Governance Code's recommendations is practically total, which is materialized in a diligent and prudent management, absolutely focused on creating value for the Company and hence for shareholders.

LEGAL MATTERS

Own Shares

Pursuant to the requirements of article 66 of the Commercial Companies' Code (Código das Sociedades Comerciais), the Directors inform that as of 31 December 2014 F. Ramada Investimentos had 2,564,145 own shares representing 9.999996% of the share capital.

Shares held by the governing boards of F. Ramada Investimentos

Pursuant to the requirements of article 447 of the Portuguese Companies Act, the Directors inform that, as of 31 December 2014, they held the following shares:

João Manuel Matos Borges de Oliveira (a)	5,125,000
Paulo Jorge dos Santos Fernandes (b)	3,837,582
Domingos José Vieira de Matos (c)	2,590,631
Ana Rebelo de Carvalho Menéres de Mendonça (d)	4,945,383
Pedro Miguel Matos Borges de Oliveira	1,402,072
Pedro Macedo Pinto de Mendonça	0

(a) – 5,125,000 shares correspond to the total shares of F. Ramada - Investimentos, SGPS, S.A. held by CADERNO AZUL – SGPS, S.A., from which the Director João Manuel Matos Borges de Oliveira is director and shareholder.
(b) – 3,837,582 shares represent F.Ramada – Investimentos, SGPS, S.A total shares held by the Company ACTIUM CAPITAL– SGPS, S.A., where Paulo Jorge dos Santos Fernandes is director and dominant shareholder.
(c) – Besides the 2,537,181 shares of F. Ramada – Investimentos, SGPS, S.A. owned directly by Domingos José Vieira de Matos, 53,450 shares of F. Ramada – Investimentos, SGPS, S. A. owned by LIVREFLUXO – SGPS, S. A. are also imputable to Domingos José Vieira de Matos, whom is director and dominant shareholder. Thus, in the legal terms, are imputable to Domingos José Vieira de Matos a total of 2,590,631 shares, corresponding to 10.10% of the share capital and voting rights of F. Ramada – Investimentos, SGPS, S.A..
(d) – 4,945,383 shares represents F.Ramada – Investimentos, SGPS, S.A total shares held by the Company PROMENDO– SGPS, S.A., where Ana Rebelo de Carvalho Menéres de Mendonça is director and owner of 59.6% off share capital.

As of 31 December 2014, the Statutory Auditor, the members of the Statutory Audit Board and the members of the Board of the General Shareholders' Meeting held no shares of F. Ramada Investimentos.

Participation in the Company's share capital

Pursuant to the requirements of articles 16 and 20 of the Securities Code (Código de Valores Mobiliários) and article 448 of the Commercial Companies Code, the Directors inform that, in accordance with the notifications received, the companies and/or individuals that hold qualified participations exceeding 2%, 5%, 10%, 20%, 33% and 50% of the voting rights, are as follows:

Maria João Fernandes Vieira de Matos	No of shares held as of 31-Dec-2014	% share capital with voting rights
Directly	518,677	2.02%
Total attributable	**518,677**	**2.02%**

Pedro Miguel Matos Borges de Oliveira	No of shares held as of 31-Dec-2014	% share capital with voting rights
Directly	1,402,072	5.47%
Total attributable	**1,402,072**	**5.47%**

Domingos José Vieira de Matos	No of shares held as of 31-Dec-2014	% share capital with voting rights
Directly	2,537,181	9.89%
Through Livrefluxo - SGPS, S.A. (of which is dominant sharehold and director)	53,450	0.21%
Total attributable	**2,590,631**	**10.10%**

Paulo Jorge dos Santos Fernandes	No of shares held as of 31-Dec-2014	% share capital with voting rights
Through Actium Capital - SGPS, S.A. (of which is dominant shareholder and director)	3,837,582	14.97%
Total attributable	**3,837,582**	**14.97%**

Ana Rebelo Carvalho Menéres de Mendonça	No of shares held as of 31-Dec-2014	% share capital with voting rights
Through PROMENDO - SGPS, S.A. (of which is dominant shareholder and director)	4,945,383	19.29%
Total attributable	**4,945,383**	**19.29%**

João Manuel Matos Borges de Oliveira	No of shares held as of 31-Dec-2014	% share capital with voting rights
Through CADERNO AZUL - SGPS, S.A. (of which is shareholder and director)	5,125,000	19.99%
Total attributable	**5,125,000**	**19.99%**

F. Ramada Investimentos was not informed of any participation exceeding 20% of the voting rights.

CLOSING REMARKS

We don't want to conclude without thanking our suppliers, financial institutions and other partners of the group for their trust in our organization. We would also like to thank the External Auditor for the assistance provided during 2014 and the Supervisory Board for the continued monitoring of our operations.

Oporto, 20 March 2015

The Board of Directors

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João Manuel Matos Borges de Oliveira

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Paulo Jorge dos Santos Fernandes

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Domingos José Vieira de Matos

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Pedro Miguel Matos Borges de Oliveira

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Pedro Macedo Pinto de Mendonça

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Ana Rebelo de Carvalho Menéres de Mendonça

RAMADA INVESTMENTS AND INDUSTRY

APPENDIXES TO THE ANNUAL REPORT

STATEMENT UNDER THE TERMS OF ARTICLE 245, PARAGRAPH 1, C) OF THE SECURITIES CODE

The signatories individually declare that, to the best of their knowledge, the Board of Director’s Report, the Individual and Consolidated Financial Statements were prepared in accordance with the International Financial Reporting Standards (“IFRS”) as adopted by the European Union, and other accounting documents required by law or regulation, giving a truthful and appropriate image of assets and liabilities, financial position and the consolidated and individual results of F. Ramada Investimentos, SGPS, S.A. and of the companies included in the consolidation perimeter and contains a description of the major risks and uncertainties faced.

DECLARATION OF RESPONSIBILITY

The members of the Board of Directors of F. Ramada Investimentos, S.G.P.S., S.A. declare that they assume responsibility for this information and affirm that the items included herein are true and that, to the best of their knowledge, there are no omissions.

As required by article 21 of Decree-Law 411/91 of 17 October, the Board of Directors informs that there are no overdue debts to the State, namely with respect to Social Security.

APPENDIX I

1. Board of Directors

Qualification, experience and positions held in other companies by members of the Board of Directors:

João Manuel Matos Borges de Oliveira

He was one of the founders of Altri (company from whom F. Ramada Investimentos demerged), and has been directly involved in the Group's management since its incorporation. Graduated from the Porto University with a degree in Chemical Engineering, holds an MBA at INSEAD. He works in the media and industry sectors, as well as in the definition of the Group´s strategy.

He is shareholder of the Company since 2008, having also been appointed as Director at the same date.

In addition to the Companies where he currently exercises functions of administration, his professional experience includes:

1982/1983	Assistant Director of Production at Cortal
1984/1985	Production Director at Cortal
1987/1989	Marketing Director at Cortal
1989/1994	General Director at Cortal
1989/1995	Vice President of the Board at Cortal
1989/1994	Director at Seldex
1996/2000	Non-executive Director at Atlantis, S.A.
1997/2000	Non-executive Director at Group Vista Alegre, S.A.
1998/1999	Director at Efacec Capital, SGPS, S.A.
Since 2008	President of the Statutory Audit Board of Oporto Business School
2008/2011	Non-executive director at Zon Multimédia, SGPS, S.A.
2011/2013	Member of ISCTE-IUL CFO Advisory Forum

The other companies where he carries out management functions as of 31 December 2014 are as follows:

- Alteria, S.G.P.S., S.A. (a)
- Altri Abastecimento de Madeira, S.A. (a)
- Altri Participaciones Y Trading, S.L. (a)
- Altri, SGPS, S.A. (a)
- Base Holding, SGPS, S.A. (a)
- Caderno Azul, S.G.P.S., S.A. (a)
- Caima – Indústria de Celulose, S.A. (a)
- Caima Energia – Emp. Gestão e Exploração de Energia, S.A. (a)
- Captaraíz – Unipessoal, Lda. (a)
- Celulose Beira Industrial (Celbi), S.A. (a)
- Celtejo – Empresa de Celulose do Tejo, S.A. (a)
- Cofina, SGPS, S.A. (a)
- Cofina Media, S.A. (a)
- Cofihold SGPS, S.A. (a)
- Elege Valor, S.G.P.S., S.A. (a)
- F. Ramada II Imobiliária, S.A.
- F. Ramada Serviços de Gestão, Lda.
- Grafedisport – Impressão e Artes Gráficas, S.A. (a)
- Indaz, S.A. (a)
- Jardins de França – Empreendimentos Imobiliários, S.A. (a)
- Malva – Gestão Imobiliária, S.A. (a)
- Préstimo – Prestígio Imobiliário, S.A. (a)
- Ramada Aços, S.A.
- Ramada Storage Solutions, S.A.

- Storax Limited
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A. (a)
- Torres da Luz – Investimentos imobiliários, S.A. (a)
- Universal – Afir, S.A.

a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

Paulo Jorge dos Santos Fernandes

He was also one of the founders of Altri (company from whom F. Ramada Investimentos demerged), and has been directly involved in the Group's management since its incorporation. He is graduated from Oporto University with a degree in Electronic Engineering, and has also an MBA at the University of Lisbon. He works in the media and industry sectors, as well as in the definition of the Group´s strategy.

He is shareholder of the Company since 2008, having also been appointed as Director at the same date.

In addition to the Companies where he currently exercises functions of administration, his professional experience includes:

1982/1984	Assistant Director of Production at CORTAL
1986/1989	General Director at CORTAL
1989/1994	President of the Board of Directors at CORTAL
1995	Director at CRISAL – CRISTAIS DE ALCOBAÇA, S.A.
1997	Director at Group Vista Alegre, S.A.
1997	Chairman of the Board of Directors at ATLANTIS - Cristais de Alcobaça, S.A.
2000/2001	Director at SIC
2001	Director at V.A.A.

Throughout his career, he also played roles in several associations:

1989/1994	President of FEMB (Fédération Européene de Mobilier de Bureau) for Portugal
1989/1990	President of General Assembly at Assoc. Industr. Águeda
1991/1993	Member of Advisory Board at Assoc. Ind. Portuense
Since 2005	Member of Superior Council of the Association of Former Students of MBA
2013/2016	Chairman of the Supervisory Board of BCSD
Since 2006	Advisory Board Member for Engineering and Management IST

The other companies where he carries out management functions as of 31 December 2014 are as follows:

- Actium Capital, SGPS, S.A. (a)
- Alteria, S.G.P.S., S.A. (a)
- Altri Abastecimento de Madeira, S.A. (a)
- Altri Participaciones Y Trading, S.L. (a)
- Altri, SGPS, S.A. (a)
- Base Holding, SGPS, S.A. (a)
- Caima – Indústria de Celulose, S.A. (a)
- Caima Energia – Emp. Gestão e Exploração de Energia, S.A. (a)
- Celulose Beira Industrial (Celbi), S.A. (a)
- Celtejo – Empresa de Celulose do Tejo, S.A. (a)
- Cofihold - SGPS, S.A. (a)
- Cofina, S.G.P.S, S.A. (a)
- Cofina Media, S.A. (a)
- Elege Valor, S.G.P.S., S.A. (a)
- F. Ramada II Imobiliária, S.A.
- Jardins de França – Empreendimentos Imobiliários, S.A. (a)

- Malva – Gestão Imobiliária, S.A. (a)
- Metro News, Publicações, S.A. (a)
- Préstimo – Prestígio Imobiliário, S.A. (a)
- Ramada Aços, S.A.
- Ramada Storage Solutions, S.A.
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A. (a)
- Torres da Luz – Investimentos Imobiliários, S.A. (a)
- Transjornal – Edição de Publicações, S.A. (a)

(a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

Pedro Macedo Pinto de Mendonça

He was one of the founders of Altri (company from whom F. Ramada Investimentos demerged). Attended the Faculty of Medicine in Porto for two years, and holds a degree in Mechanics from the École Superiore de L'Etat in Brussels. He is shareholder of the Company since 2008 and has been appointed as Director since that date.

In addition to the Companies where he currently exercises functions of administration, his professional experience includes:

1959	Director of Supply of Empresa de Metalurgia Artística Lisboa
1965	Production Director of Empresa de Metalurgia Artística Lisboa
1970	Director and sales responsible of Seldex
1986	Founding Partner of Euroseel
1986/1990	Director at Euroseel
1986	Chairman of the Board of Directors at Seldex
1989	Director at Cortal

The other companies where he carries out functions of administration as of 31 December 2014 are:

- Alteria, S.G.P.S., S.A. (a)
- Altri, SGPS, S.A. (a)
- Caima – Indústria de Celulose, S.A. (a)
- Celulose Beira Industrial (Celbi), S.A. (a)
- Celtejo – Empresa de Celulose do Tejo, S.A. (a)
- Cofina, SGPS, S.A. (a)
- Cofina Media, S.A. (a)
- Cofihold, S.G.P.S., S.A. (a)
- Elege Valor, S.G.P.S., S.A. (a)
- F. Ramada II Imobiliária, S.A.
- Jardins de França – Empreendimentos Imobiliários, S.A. (a)
- Malva – Gestão Imobiliária, S.A. (a)
- Préstimo – Prestígio Imobiliário, S.A. (a)
- Ramada Aços, S.A.
- Ramada Storage Solutions, S.A.
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A. (a)
- Torres da Luz – Investimentos imobiliários, S.A. (a)
- Universal - Afir, S.A.

(a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

Domingos José Vieira de Matos

He was one of the founders of Altri (company from whom F. Ramada Investimentos demerged), and has been directly involved in the Group's management since its incorporation. He holds a degree in Economics from the Faculty of Economy of the University of Oporto. He initiated his career in management in 1978. He is shareholder of the Company since 2008 and has been Director since that date.

In addition to the Companies where he currently exercises his duties as Director, his professional experience includes:

1978/1994	Director at CORTAL, S.A.
1983	Founding Partner of PROMEDE – Produtos Médicos, S.A.
1998/2000	Director at ELECTRO CERÂMICA, S.A.

The other companies where he carries out management functions as of 31 December 2014 are as follows:

- Alteria, S.G.P.S., S.A. (a)
- Altri Florestal, S.A. (a)
- Altri, SGPS, S.A. (a)
- Base Holding, SGPS, S.A. (a)
- Caima – Indústria de Celulose, S.A. (a)
- Celulose Beira Industrial (Celbi), S.A. (a)
- Cofina, SGPS, S.A. (a)
- Cofihold SGPS, S.A. (a)
- Elege Valor, S.G.P.S., S.A. (a)
- F. Ramada II Imobiliária, S.A.
- F. Ramada Serviços de Gestão, Lda.
- Jardins de França – Empreendimentos Imobiliários, S.A. (a)
- Livrefluxo, S.G.P.S., S.A. (a)
- Malva – Gestão Imobiliária, S.A. (a)
- Préstimo – Prestígio Imobiliário, S.A. (a)
- Ramada Aços, S.A.
- Ramada Storage Solutions, S.A.
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A. (a)
- Torres da Luz – Investimentos imobiliários, S.A. (a)
- Universal - Afir, S.A.

(a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

Pedro Miguel Matos Borges de Oliveira

He holds a degree in Financial Management by Instituto Superior de Administração e Gestão do Porto.

In 2000 he concluded the MBA Executive in Instituto Empresarial Portuense in partnership with Escuela Superior de Administración y Dirección de Empresas (ESADE), now called Católica Porto Business School. In 2009, he attended a Course of Company Evaluation in EGE- Escola de Gestão Empresarial. He was appointed as Director of the Company since May 2009.

Besides other companies where he currently exercises duties of Director, his professional experience includes:

1986/2000	Management advisor of FERÁGUEDA, Lda.
1992	Director at Bemel, Lda.
1997/1999	Assistant manager of GALAN, Lda.
1999/2000	Assistant Director of the department of Saws and Tools of F.Ramada, Aços e Indústrias, S.A.
2000	Director of the Department of Saws and Tools of F. Ramada, Aços e Indústrias, S.A.
2006	Director of Universal Afir, Aços Especiais e Ferramentas, S.A.
2009	Director of Cofina, S.G.P.S., S.A.

The other companies where he carries out management functions as of 31 December 2014 are as follows:

- Alteria, S.G.P.S., S.A. (a)
- Altri Florestal, S.A. (a)
- Altri, SGPS, S.A. (a)
- Celulose Beira Industrial (Celbi), S.A. (a)
- Cofihold SGPS, S.A. (a)
- Cofina, S.G.P.S., S.A. (a)
- Elege Valor, S.G.P.S., S.A. (a)
- F. Ramada II Imobiliária, S.A.
- F. Ramada – Serviços de Gestão, Lda.
- Jardins de França – Empreendimentos Imobiliários, S.A. (a)
- Malva – Gestão Imobiliária, S.A. (a)
- Préstimo – Prestígio Imobiliário, S.A. (a)
- Ramada Aços, S.A.
- Ramada Storage Solutions, S.A.
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A. (a)
- Torres da Luz – Investimentos imobiliários, S.A. (a)
- Universal - Afir, S.A.
- Valor Autêntico, S.G.P.S., S.A. (a)

(a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

Ana Rebelo de Carvalho Menéres de Mendonça

Has a Degree in Economics by Universidade Católica Portuguesa in Lisbon, having been appointed as Director of the Company since May 2009.

Besides other companies where she currently exercises duties of Director, her professional experience includes:

1995	Journalist in the economic segment of the newspaper Semanário Económico
1996	Commercial department of Citibank
1996	Director at Promendo, S.A.
2009	Director at PROMENDO, SGPS, S.A.

The other companies where she carries out management functions as of 31 December 2014 are as follows:

- Altri, SGPS, S.A. (a)
- Jardins de França – Empreendimentos Imobiliários, S.A. (a)
- Promendo, SGPS, S.A. (a)
- Préstimo – Prestígio Imobiliário, S.A. (a)
- Ramada Aços, S.A.
- Ramada Storage Solutions, S.A.

(a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

2. Statutory Audit Board

Qualifications, experience and positions held in other companies by members of the Statutory Audit Board:

Pedro Nuno Fernandes de Sá Pessanha Da Costa

Academic curriculum: Degree in Law from the Faculty of Law of the University of Coimbra in 1981
Complimentary training in Company Management and Economic and Financial Analysis at the School of Law of the Portuguese Catholic University, Porto, 1982 and 1983.

Professional experience: Member of the Lawyers Association ("Ordem dos advogados) since 1983
President of the General and Supervisory Board of a public company from 1996 to 2010,
President of the General Shareholders Meeting of several listed and non-listed companies
Co-author of the chapter on Portugal in "Handbuch der Europäischen Aktien-Gesellschaft" – Societas Europaea – by Jannot / Frodermann, published by C.F. Müller Verlag
Continuous law practice since 1983, with a special focus on commercial law and corporate law, mergers and acquisitions, foreign investment and international contracts
Honorary Consul of Belgium in Porto

Other positions held:
President of the Supervisory Board of Altri, SGPS, SA (a)
President of the Supervisory Board of F. Ramada Investimentos, SGPS, S.A. (a)
Member of the Altri, SGPS, S.A. Remuneration Committee (a)
Member of the F. Ramada Investimentos, SGPS, S.A. Remuneration Committee (a)

(a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

André Seabra Ferreira Pinto

Academic curriculum: Degree in Economics at University Portucalense
Chartered Accountant (ROC no. 1,243)
Executive MBA - Management School of Porto - University of Porto Business School

Professional experience: Between September 1999 and May 2008, worked in the Audit Department of Deloitte & Associados, SROC, SA (initially as a member of staff and since September 2004 as Manager).

Between June 2008 and December 2010, Senior Manager of Corporate Finance department - Transaction Services at Deloitte Consulting.

Between January 2011 and March 2013, CFO of companies WireCoWorldGroup Group in Portugal (a)

Since April 2013, Director (CFO) of Mecwide Group (a)

Other positions held:

Member of the Supervisory Board of Altri, SGPS, S.A. (a)
Member of the Supervisory Board of F. Ramada Investimentos, SGPS, S.A. (a)

(a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

José Guilherme Barros Silva

Academic curriculum: 1990-1995 Degree in Business Administration and Management, Portuguese Catholic University

Professional experience: 1995-1997 IC, Arthur Andersen, SC
1997-2010 Vice President of the Board of Directors, Detipin -Comércio de Vestuário, S.A. (a)
2004- Member of the Board of Directors, SEF - Serviços de Saúde e Fisioterapia, S.A. (a)
2005-2010 Member of the Board of Directors, Globaljeans - Comércio de Vestuário, S.A. (a)
2005- Vice-President of the Board of Directors, SEF – Serviços de Saúde e Fisioterapia, S.A. (a)
2005-2009 Vice President of the Board of Directors, AH Business, SGPS, S.A. (a)
2006- Member of the Board of Directors, Fisiofafe, S.A. (a)
2009- Member of the Board of Directors Clínica de S. Cosme de Gondomar II, Fisioterapia, S.A. (a)
2011- President of the Board of Directors, GNG – Comércio de Vestuário, S.A. (a)

Other positions held:
Member of the Supervisory Board of Altri, SGPS, S.A. (a)
Member of the Supervisory Board of F. Ramada Investimentos, SGPS, S.A. (a)

(a) – Companies that, as of 31 December 2014 cannot be considered to be part of Ramada Investimentos Group.

Article 447 of the Commercial Companies Code and Article 14, paragraph 7, of Portuguese Securities Regulator (CMVM) Regulation no. 5/2008

Disclosure of shares and other securities held by members of the Board of Directors and by those discharging managerial responsibilities, as well as by people closely connected with them (article 248 B of the Securities Code), and disclosure of the respective transactions during the year involving such shares and other securities.

Members of the Board of Directors	Shares held at 31-Dec-2013	Aquisitions	Disposals	Other	Shares held at 31-Dec-2014
João Manuel Matos Borges de Oliveira (imputation through CADERNO AZUL - SGPS, S.A.)	4,895,721	229,279	-	-	5,125,000
Paulo Jorge dos Santos Fernandes (imputation through ACTIUM CAPITAL - SGPS, S.A.)	3,427,924	409,658	-	-	3,837,582
Domingos José Vieira de Matos	2,495,181	12,950	(12,950)	42,000	2,537,181
Domingos José Vieira de Matos (imputation through LIVREFLUXO - SGPS, S.A.)	-	53,450	-	-	53,450
Pedro Miguel Matos Borges de Oliveira	1,402,072	-	-	-	1,402,072
Ana Rebelo de Carvalho Menéres de Mendonça (imputation through PROMENDO - SGPS, S.A	3,946,648	998,735	-	-	4,945,383
Pedro Macedo Pinto de Mendonça	213,125	-	(213,125)	-	-

João Manuel Matos Borges de Oliveira (imputation through CADERNO AZUL - SGPS, S.A.)

Date	Type	Volume	Price (€)	Local	No. Shares
31-Dec-2013	-	-	-	-	4.895.721
1-Aug-2014	Buy	1.500	2,860000	NYSE Euronext Lisbon	4.897.221
1-Aug-2014	Buy	1.500	2,860000	NYSE Euronext Lisbon	4.898.721
1-Aug-2014	Buy	1.500	2,860000	NYSE Euronext Lisbon	4.900.221
1-Aug-2014	Buy	149.779	2,930000	NYSE Euronext Lisbon	5.050.000
22-Aug-2014	Buy	75.000	2,800000	NYSE Euronext Lisbon	5.125.000
31-Dec-2014	-	-	-	-	5.125.000

Pedro Macedo Pinto de Mendonça

Date	Type	Volume	Price (€)	Local	No. Shares
31-Dec-2013	-	-	-	-	213.125
24-Nov-2014	Sell	(213.125)	2,670000	Lisbon	-
31-Dec-2014	-	-	-	-	-

Domingos José Vieira de Matos

Date	Type	Volume	Price (€)	Local	No. Shares
31-Dec-2013	-	-	-	-	2.495.181
5-Jun-2014	Buy	5.000	2,520000	NYSE Euronext Lisbon	2.500.181
5-Jun-2014	Buy	200	2,520000	NYSE Euronext Lisbon	2.500.381
5-Jun-2014	Buy	5.000	2,520000	NYSE Euronext Lisbon	2.505.381
5-Jun-2014	Buy	250	2,525000	NYSE Euronext Lisbon	2.505.631
10-Jun-2001	Buy	2.000	2,920000	NYSE Euronext Lisbon	2.507.631
10-Jun-2014	Buy	500	2,930000	NYSE Euronext Lisbon	2.508.131
13-Jun-2014	Donation	42.000	2,980000	NYSE Euronext Lisbon	2.550.131
15-Sep-2014	Sell	(12.950)	2,670000	NYSE Euronext Lisbon	2.537.181
31-Dec-2014	-	-	-	-	2.537.181

Domingos José Vieira de Matos (imputation through LIVREFLUXO - SGPS, S.A.)

Date	Type	Volume	Price (€)	Local	No. Shares
31-Dec-2013	-	-	-	-	-
1-Jul-2014	Buy	1.000	2,965000	NYSE Euronext Lisbon	1.000
1-Jul-2014	Buy	19.000	2,965000	NYSE Euronext Lisbon	20.000
2-Jul-2014	Buy	1.000	2,980000	NYSE Euronext Lisbon	21.000
2-Jul-2014	Buy	8.500	2,980000	NYSE Euronext Lisbon	29.500
15-Jul-2014	Buy	1.000	2,790000	NYSE Euronext Lisbon	30.500
15-Jul-2014	Buy	10.000	2,790000	NYSE Euronext Lisbon	40.500
15-Sep-2014	Buy	12.950	2,670000	NYSE Euronext Lisbon	53.450
31-Dec-2014	-	-	-	-	53.450

Paulo Jorge dos Santos Fernandes (imputation through ACTIUM CAPITAL - SGPS, S.A.)

Date	Type	Volume	Price (€)	Local	No. Shares
31-Dec-2013	-	-	-	-	3,427,924
11-Mar-2014	Buy	45,598	2.100000	NYSE Euronext Lisbon	3,473,522
11-Mar-2014	Buy	8,045	2.120000	NYSE Euronext Lisbon	3,481,567
11-Mar-2014	Buy	2,000	2.130000	NYSE Euronext Lisbon	3,483,567
12-Mar-2014	Buy	4,500	2.140000	NYSE Euronext Lisbon	3,488,067
12-Mar-2014	Buy	4,500	2.143000	NYSE Euronext Lisbon	3,492,567
12-Mar-2014	Buy	1,041	2.149000	NYSE Euronext Lisbon	3,493,608
12-Mar-2014	Buy	5,500	2.150000	NYSE Euronext Lisbon	3,499,108
12-Mar-2014	Buy	2,250	2.170000	NYSE Euronext Lisbon	3,501,358
12-Mar-2014	Buy	2,000	2.177000	NYSE Euronext Lisbon	3,503,358
12-Mar-2014	Buy	5,811	2.180000	NYSE Euronext Lisbon	3,509,169
13-Mar-2014	Buy	25	2.140000	NYSE Euronext Lisbon	3,509,194
13-Mar-2014	Buy	2,000	2.170000	NYSE Euronext Lisbon	3,511,194
13-Mar-2014	Buy	2,595	2.180000	NYSE Euronext Lisbon	3,513,789
13-Mar-2014	Buy	3,000	2.195000	NYSE Euronext Lisbon	3,516,789
13-Mar-2014	Buy	1,129	2.199000	NYSE Euronext Lisbon	3,517,918
13-Mar-2014	Buy	15,150	2.200000	NYSE Euronext Lisbon	3,533,068
13-Mar-2014	Buy	11,150	2.201000	NYSE Euronext Lisbon	3,544,218
13-Mar-2014	Buy	4,155	2.210000	NYSE Euronext Lisbon	3,548,373
13-Mar-2014	Buy	796	2.220000	NYSE Euronext Lisbon	3,549,169
14-Mar-2014	Buy	6,500	2.191000	NYSE Euronext Lisbon	3,555,669
14-Mar-2014	Buy	115	2.221000	NYSE Euronext Lisbon	3,555,784
14-Mar-2014	Buy	2,489	2.240000	NYSE Euronext Lisbon	3,558,273
14-Mar-2014	Buy	265	2.248000	NYSE Euronext Lisbon	3,558,538
14-Mar-2014	Buy	1,404	2.249000	NYSE Euronext Lisbon	3,559,942
14-Mar-2014	Buy	9,000	2.250000	NYSE Euronext Lisbon	3,568,942
14-Mar-2014	Buy	5,750	2.260000	NYSE Euronext Lisbon	3,574,692
8-Apr-2014	Buy	7,867	2.480000	NYSE Euronext Lisbon	3,582,559
8-Apr-2014	Buy	3,000	2.490000	NYSE Euronext Lisbon	3,585,559
8-Apr-2014	Buy	800	2.499000	NYSE Euronext Lisbon	3,586,359
8-Apr-2014	Buy	5,040	2.500000	NYSE Euronext Lisbon	3,591,399
11-Apr-2014	Buy	1,100	2.520000	NYSE Euronext Lisbon	3,592,499
11-Apr-2014	Buy	500	2.525000	NYSE Euronext Lisbon	3,592,999
11-Apr-2014	Buy	4,000	2.540000	NYSE Euronext Lisbon	3,596,999
11-Apr-2014	Buy	1,580	2.543000	NYSE Euronext Lisbon	3,598,579
11-Apr-2014	Buy	3,400	2.560000	NYSE Euronext Lisbon	3,601,979
11-Apr-2014	Buy	2,000	2.570000	NYSE Euronext Lisbon	3,603,979
11-Apr-2014	Buy	8,779	2.630000	NYSE Euronext Lisbon	3,612,758
30-May-2014	Buy	6	2.160000	NYSE Euronext Lisbon	3,612,764
30-May-2014	Buy	500	2.280000	NYSE Euronext Lisbon	3,613,264
30-May-2014	Buy	1,138	2.290000	NYSE Euronext Lisbon	3,614,402
30-May-2014	Buy	5,750	2.300000	NYSE Euronext Lisbon	3,620,152
2-Jun-2014	Buy	50	2.281000	NYSE Euronext Lisbon	3,620,202
2-Jun-2014	Buy	637	2.301000	NYSE Euronext Lisbon	3,620,839
2-Jun-2014	Buy	2,000	2.310000	NYSE Euronext Lisbon	3,622,839
2-Jun-2014	Buy	7,641	2.321000	NYSE Euronext Lisbon	3,630,480
2-Jun-2014	Buy	2,000	2.330000	NYSE Euronext Lisbon	3,632,480
2-Jun-2014	Buy	2,000	2.370000	NYSE Euronext Lisbon	3,634,480
2-Jun-2014	Buy	1,720	2.380000	NYSE Euronext Lisbon	3,636,200
3-Jun-2014	Buy	51	2.321000	NYSE Euronext Lisbon	3,636,251
3-Jun-2014	Buy	2,500	2.370000	NYSE Euronext Lisbon	3,638,751
3-Jun-2014	Buy	2,000	2.380000	NYSE Euronext Lisbon	3,640,751
4-Jun-2014	Buy	5,980	2.371000	NYSE Euronext Lisbon	3,646,731
4-Jun-2014	Buy	2,000	2.400000	NYSE Euronext Lisbon	3,648,731
4-Jun-2014	Buy	12,000	2.401000	NYSE Euronext Lisbon	3,660,731
4-Jun-2014	Buy	2,000	2.490000	NYSE Euronext Lisbon	3,662,731
4-Jun-2014	Buy	4,330	2.491000	NYSE Euronext Lisbon	3,667,061
4-Jun-2014	Buy	12,000	2.500000	NYSE Euronext Lisbon	3,679,061
4-Jun-2014	Buy	12,000	2.520000	NYSE Euronext Lisbon	3,691,061
4-Jun-2014	Buy	17,000	2.530000	NYSE Euronext Lisbon	3,708,061
5-Jun-2014	Buy	5,980	2.501000	NYSE Euronext Lisbon	3,714,041
5-Jun-2014	Buy	10,000	2.516000	NYSE Euronext Lisbon	3,724,041
5-Jun-2014	Buy	18,800	2.520000	NYSE Euronext Lisbon	3,742,841
5-Jun-2014	Buy	4,764	2.525000	NYSE Euronext Lisbon	3,747,605
6-Jun-2014	Buy	1,292	2.599000	NYSE Euronext Lisbon	3,748,897
6-Jun-2014	Buy	6,600	2.600000	NYSE Euronext Lisbon	3,755,497
6-Jun-2014	Buy	15	2.610000	NYSE Euronext Lisbon	3,755,512
20-Jun-2014	Buy	10,000	2.910000	NYSE Euronext Lisbon	3,765,512
20-Jun-2014	Buy	400	2.920000	NYSE Euronext Lisbon	3,765,912
20-Jun-2014	Buy	2,000	2.930000	NYSE Euronext Lisbon	3,767,912
20-Jun-2014	Buy	10,000	2.959000	NYSE Euronext Lisbon	3,777,912
23-Jun-2014	Buy	2,000	2.940000	NYSE Euronext Lisbon	3,779,912
23-Jun-2014	Buy	15,180	2.979000	NYSE Euronext Lisbon	3,795,092
23-Jun-2014	Buy	5,990	2.980000	NYSE Euronext Lisbon	3,801,082
24-Jun-2014	Buy	1,000	2.980000	NYSE Euronext Lisbon	3,802,082
24-Jun-2014	Buy	500	2.988000	NYSE Euronext Lisbon	3,802,582
24-Jun-2014	Buy	25,000	2.989000	NYSE Euronext Lisbon	3,827,582
24-Jun-2014	Buy	10,000	2.990000	NYSE Euronext Lisbon	3,837,582
31-Dec-2014	-	-	-	-	3,837,582

Ana Rebelo de Carvalho Menéres de Mendonça (imputation through PROMENDO - SGPS, S.A.)

Date	Type	Volume	Price (€)	Local	No. Shares
31-Dec-2013	-	-	-	-	3,946,648
24-Feb-2014	Buy	5,780	1.814000	NYSE Euronext Lisbon	3,952,428
25-Feb-2014	Buy	5,464	2.006000	NYSE Euronext Lisbon	3,957,892
25-Feb-2014	Buy	10,000	1.970000	NYSE Euronext Lisbon	3,967,892
26-Feb-2014	Buy	5,154	2.026000	NYSE Euronext Lisbon	3,973,046
26-Feb-2014	Buy	20,000	1.980000	NYSE Euronext Lisbon	3,993,046
27-Feb-2014	Buy	10,000	2.055000	NYSE Euronext Lisbon	4,003,046
27-Feb-2014	Buy	2,440	2.120000	NYSE Euronext Lisbon	4,005,486
28-Feb-2014	Buy	2,347	2.186000	NYSE Euronext Lisbon	4,007,833
28-Feb-2014	Buy	5,952	2.103800	NYSE Euronext Lisbon	4,013,785
28-Feb-2014	Buy	18,500	2.101000	NYSE Euronext Lisbon	4,032,285
3-Mar-2014	Buy	885	2.340000	NYSE Euronext Lisbon	4,033,170
4-Mar-2014	Buy	2,325	2.228000	NYSE Euronext Lisbon	4,035,495
5-Mar-2014	Buy	12,500	2.170000	NYSE Euronext Lisbon	4,047,995
6-Mar-2014	Buy	11,500	2.140000	NYSE Euronext Lisbon	4,059,495
7-Mar-2014	Buy	14,500	2.120000	NYSE Euronext Lisbon	4,073,995
7-Mar-2014	Buy	16,700	2.120000	NYSE Euronext Lisbon	4,090,695
10-Mar-2014	Buy	13,900	2.090000	NYSE Euronext Lisbon	4,104,595
11-Mar-2014	Buy	25,300	2.120000	NYSE Euronext Lisbon	4,129,895
13-Mar-2014	Buy	15,600	2.19	NYSE Euronext Lisbon	4,145,495
17-Mar-2014	Buy	9,800	2.29	NYSE Euronext Lisbon	4,155,295
18-Mar-2014	Buy	7,700	2.360000	NYSE Euronext Lisbon	4,162,995
19-Mar-2014	Buy	8,700	2.370000	NYSE Euronext Lisbon	4,171,695
21-Mar-2014	Buy	9,700	2.370000	NYSE Euronext Lisbon	4,181,395
26-May-2014	Buy	25,000	2.430000	NYSE Euronext Lisbon	4,206,395
26-May-2014	Buy	2,000	2.260000	NYSE Euronext Lisbon	4,208,395
27-May-2014	Buy	11,000	2.300000	NYSE Euronext Lisbon	4,219,395
27-May-2014	Buy	15,500	2.220000	NYSE Euronext Lisbon	4,234,895
28-May-2014	Buy	12,800	2.270000	NYSE Euronext Lisbon	4,247,695
28-May-2014	Buy	15,500	2.270000	NYSE Euronext Lisbon	4,263,195
30-May-2014	Buy	13,500	2.360000	NYSE Euronext Lisbon	4,276,695
30-May-2014	Buy	16,000	2.240000	NYSE Euronext Lisbon	4,292,695
2-Jun-2014	Buy	12,500	2.310000	NYSE Euronext Lisbon	4,305,195
2-Jun-2014	Buy	15,200	2.340000	NYSE Euronext Lisbon	4,320,395
3-Jun-2014	Buy	9,500	2.340000	NYSE Euronext Lisbon	4,329,895
3-Jun-2014	Buy	13,300	2.370000	NYSE Euronext Lisbon	4,343,195
4-Jun-2014	Buy	14,300	2.420000	NYSE Euronext Lisbon	4,357,495
4-Jun-2014	Buy	15,700	2.500000	NYSE Euronext Lisbon	4,373,195
5-Jun-2014	Buy	4,675	2.510000	NYSE Euronext Lisbon	4,377,870
5-Jun-2014	Buy	16,500	2.520000	NYSE Euronext Lisbon	4,394,370
6-Jun-2014	Buy	16,500	2.620000	NYSE Euronext Lisbon	4,410,870
6-Jun-2014	Buy	5,801	2.580000	NYSE Euronext Lisbon	4,416,671
10-Jun-2014	Buy	14,900	2.840000	NYSE Euronext Lisbon	4,431,571
10-Jun-2014	Buy	12,000	2.850000	NYSE Euronext Lisbon	4,443,571
12-Jun-2014	Buy	13,400	2.940000	NYSE Euronext Lisbon	4,456,971
13-Jun-2014	Buy	13,500	2.970000	NYSE Euronext Lisbon	4,470,471
16-Jun-2014	Buy	13,400	2.870000	NYSE Euronext Lisbon	4,483,871
17-Jun-2014	Buy	11,900	2.910000	NYSE Euronext Lisbon	4,495,771
19-Jun-2014	Buy	15,400	2.880000	NYSE Euronext Lisbon	4,511,171
20-Jun-2014	Buy	15,900	2.910000	NYSE Euronext Lisbon	4,527,071
23-Jun-2014	Buy	15,900	2.940000	NYSE Euronext Lisbon	4,542,971
30-Jun-2014	Buy	10,200	2.960000	NYSE Euronext Lisbon	4,553,171
14-Jul-2014	Buy	9,400	2.820000	NYSE Euronext Lisbon	4,562,571
16-Jul-2014	Buy	11,400	2.840000	NYSE Euronext Lisbon	4,573,971
18-Jul-2014	Buy	12,700	2.840000	NYSE Euronext Lisbon	4,586,671
23-Jul-2014	Buy	11,500	2.870000	NYSE Euronext Lisbon	4,598,171
6-Aug-2014	Buy	13,700	2.850000	NYSE Euronext Lisbon	4,611,871
11-Aug-2014	Buy	15,700	2.850000	NYSE Euronext Lisbon	4,627,571
12-Aug-2014	Buy	14,700	2.810000	NYSE Euronext Lisbon	4,642,271
12-Aug-2014	Buy	500	2.700000	NYSE Euronext Lisbon	4,642,771
13-Aug-2014	Buy	12,500	2.680000	NYSE Euronext Lisbon	4,655,271
15-Aug-2014	Buy	14,700	2.810000	NYSE Euronext Lisbon	4,669,971
19-Aug-2014	Buy	4,812	2.660000	NYSE Euronext Lisbon	4,674,783
21-Aug-2014	Buy	7,000	2.780000	NYSE Euronext Lisbon	4,681,783
2-Sep-2014	Buy	9,700	2.740000	NYSE Euronext Lisbon	4,691,483
3-Sep-2014	Buy	13,700	2.760000	NYSE Euronext Lisbon	4,705,183
4-Sep-2014	Buy	14,600	2.870000	NYSE Euronext Lisbon	4,719,783
5-Sep-2014	Buy	9,800	2.780000	NYSE Euronext Lisbon	4,729,583
8-Sep-2014	Buy	13,600	2.750000	NYSE Euronext Lisbon	4,743,183
9-Sep-2014	Buy	13,700	2.700000	NYSE Euronext Lisbon	4,756,883
9-Sep-2014	Buy	11,800	2.720000	NYSE Euronext Lisbon	4,768,683
12-Sep-2014	Buy	9,700	2.720000	NYSE Euronext Lisbon	4,778,383
15-Sep-2014	Buy	12,700	2.690000	NYSE Euronext Lisbon	4,791,083
16-Sep-2014	Buy	13,500	2.630000	NYSE Euronext Lisbon	4,804,583
17-Sep-2014	Buy	12,500	2.630000	NYSE Euronext Lisbon	4,817,083
18-Sep-2014	Buy	15,600	2.690000	NYSE Euronext Lisbon	4,832,683
6-Oct-2014	Buy	8,700	2.700000	NYSE Euronext Lisbon	4,841,383
7-Oct-2014	Buy	15,800	2.700000	NYSE Euronext Lisbon	4,857,183
7-Oct-2014	Buy	9,400	2.690000	NYSE Euronext Lisbon	4,866,583
9-Oct-2014	Buy	12,400	2.700000	NYSE Euronext Lisbon	4,878,983
10-Oct-2014	Buy	13,700	2.690000	NYSE Euronext Lisbon	4,892,683
20-Oct-2014	Buy	14,500	2.740000	NYSE Euronext Lisbon	4,907,183
22-Oct-2014	Buy	13,200	2.760000	NYSE Euronext Lisbon	4,920,383
28-Oct-2014	Buy	8,500	2.770000	NYSE Euronext Lisbon	4,928,883
29-Oct-2014	Buy	9,500	2.700000	NYSE Euronext Lisbon	4,938,383
31-Oct-2014	Buy	7,000	2.700000	NYSE Euronext Lisbon	4,945,383
31-Dec-2014	-	-	-	-	4,945,383


RAMADA INVESTMENTS AND INDUSTRY
CONSOLIDATED FINANCIAL STATEMENTS AND NOTES
Shaping industry
More than a commitment it's an honor.
80 YEARS
Investing in industry

F. RAMADA INVESTIMENTOS, SGPS, S.A.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2014 AND 2013

(Translation of financial statements originally issued in Portuguese - Note 34)
(Amounts expressed in Euro)

ASSETS	Notes	31.12.2014	31.12.2013
NON CURRENT ASSETS			
Investment properties	7	85.977.075	85.937.120
Tangible assets	8	5.146.397	5.391.709
Intangible assets	9	150.639	108.103
Investments in associated companies	4	12.196.970	11.500.000
Investments available for sale	4 and 6	2.609.500	2.609.500
Deferred tax assets	10	1.923.682	2.021.808
Total non current assets		108.004.263	107.568.240
CURRENT ASSETS			
Inventories	12	25.675.958	19.076.750
Customers	6 and 13	32.678.630	33.498.406
State and other public entities	6 and 14	635.870	723.414
Other debtors	6 and 15	471.355	396.070
Other current assets	6	235.691	248.317
Cash and cash equivalents	6 and 16	16.366.816	11.662.934
Total current assets		76.064.320	65.605.891
Total assets		184.068.583	173.174.131

SHAREHOLDERS' FUNDS AND LIABILITIES	Notes	31.12.2014	31.12.2013
SHAREHOLDERS' FUNDS			
Share capital	17	25.641.459	25.641.459
Own shares	17	(1.641.053)	(1.641.053)
Legal reserve	17	5.637.034	5.637.034
Currency translation reserves	17	(385.709)	(615.513)
Other reserves	17	24.813.767	21.480.207
Consolidated net profit for the year		8.077.269	6.218.227
Total shareholders' funds atributable to the parent company shareholders		62.142.767	56.720.361
Non-controlling interests	18	50.638	-
Total Shareholders' funds		62.193.405	56.720.361
LIABILITIES			
NON CURRENT LIABILITIES			
Bank loans	6 and 19	43.530.732	47.110.488
Provisions	23	1.358.333	1.107.580
Deferred tax liabilities	10	40.937	51.655
Total non current liabilities		44.930.002	48.269.723
CURRENT LIABILITIES			
Bank loans	6 and 19	3.485.753	4.292.109
Other loans	6 and 19	32.409.418	30.673.239
Suppliers	6 and 20	16.664.663	14.554.674
State and other public entities	6 and 14	4.092.389	3.469.203
Other creditors	6 and 21	1.121.189	1.150.702
Other current liabilities	6 and 22	19.171.764	14.044.120
Total current liabilities		76.945.176	68.184.047
Total Shareholders' funds and liabilities		184.068.583	173.174.131

The accompanying notes form an integral part of the consolidated financial statements.

The Chartered Accountant The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A.

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS
FOR THE YEARS ENDED AS OF 31 DECEMBER 2014 AND 2013
(Translation of financial statements originally issued in Portuguese - Note 34)
(Amounts expressed in Euro)

	Notes	31.12.2014	31.12.2013
Sales	29	108,236,929	94,599,088
Services rendered	29	9,961,569	9,799,854
Other income	27	1,376,370	952,249
Cost of sales and change in stocks of finished goods and work in progress	12	(66,134,021)	(58,756,201)
External supplies and services		(20,475,828)	(16,350,539)
Payroll expenses		(14,762,020)	(13,025,072)
Amortization and depreciation	8 and 9	(1,599,063)	(1,529,227)
Provisions and impairment losses	23	(1,115,394)	(2,197,163)
Other expenses		(917,343)	(556,676)
Gains / (Losses) in derivatives	11	-	34,873
Financial expenses	25	(3,101,787)	(4,141,258)
Financial income	25	28,331	38,051
Profit before income tax		**11,497,743**	**8,867,979**
Income tax	10	(3,409,836)	(2,649,752)
Consolidated net profit		**8,087,907**	**6,218,227**
Attributable to:			
Parent company's chareholders	**17**	**8,077,269**	**6,218,227**
Non-controlling interests	**18**	**10,638**	**-**
Earnings per share			
Basic	**28**	**0.35**	**0,27**
Diluted	**28**	**0.35**	**0,27**

The accompanying notes form an integral part of the consolidated financial statements.

The Chartered Accountant

The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED AS OF 31 DECEMBER 2014 AND 2013
(Translation of financial statements originally issued in Portuguese - Note 34)
(Amounts expressed in Euro)

	Notes	31.12.2014	31.12.2013
Net consolidated profit for the year		8.087.907	6.218.227
Other comprehensive income			
Items that won't be reclassified to proft or loss:		-	-
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		229.801	(62.433)
Other comprehensive income for the year		229.801	(62.433)
Total comprehensive income for the year		**8.317.708**	**6.155.794**
Attributable to:			
Parent company's shareholders		**8.307.070**	**6.155.794**
Non- controlling interests	17	**10.638**	**-**

The accompanying notes form an integral part of the consolidated statements of comprehensive income.

The Chartered Accountant

The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A.

CONSOLIDATED FINANCIAL STATEMENTS OF CHANGES IN SHAREHOLDERS' FUNDS
FOR THE YEARS ENDED AS OF 31 DECEMBER 2014 AND 2013
(Translation of financial statements originally issued in Portuguese - Note 34)
(Amounts expressed in Euro)

		Attributable to the parent company's shareholders								
	Notes	Share capital	Own shares	Legal reserve	Currency translation reserves	Other reserves and retained earnings	Net profit	Total	Non-controlling interests	Total Shareholders' funds
Balance as of 1 January 2013		25,641,459	(1,641,053)	5,637,034	(553,080)	17,388,193	6,168,972	52,641,526	-	52,641,526
Total comprehensive consolidated income for the year		-	-	-	(62,433)	-	6,218,227	6,155,794	-	6,155,794
Acquisition of own shares										
Appropriation of the consolidated net profit for 2012										
Transfer to legal reserve and other reserves	17	-	-	-	-	6,168,972	(6,168,972)	-	-	-
Change in reserves:										
Dividends	17	-	-	-	-	(2,076,958)	-	(2,076,958)	-	(2,076,958)
Balance as of 31 December 2013		**25,641,459**	**(1,641,053)**	**5,637,034**	**(615,513)**	**21,480,207**	**6,218,227**	**56,720,361**	**-**	**56,720,361**
Balance as of 1 January 2014		25,641,459	(1,641,053)	5,637,034	(615,513)	21,480,207	6,218,227	56,720,361	-	56,720,361
Total comprehensive consolidated income for the year		-	-	-	229,801	-	8,077,269	8,307,070	10,638	8,317,708
Change in consolidation perimeter	18	-	-	-	-	-	-	-	40,000	40,000
Appropriation of the consolidated net profit for 2013:										
Transfer to legal reserve and other reserves	17	-	-	-	-	3,333,563	(3,333,563)	-	-	-
Dividends	17	-	-	-	-	-	(2,884,664)	(2,884,664)		(2,884,664)
Others		-	-	-	3	(3)	-	-	-	-
Balance as of 31 December 2014		**25,641,459**	**(1,641,053)**	**5,637,034**	**(385,709)**	**24,813,767**	**8,077,269**	**62,142,767**	**50,638**	**62,193,405**

The accompanying notes form an integral part of the consolidated financial statements

The Chartered Accountant

The Board of Directors

F. RAMADA INVESTIMENTOS, SGPS, S.A.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AS OF 31 DECEMBER 2014 AND 2013
(Translation of financial statements originally issued in Portuguese - Note 34)
(Amounts expressed in Euro)

	Notes	31.12.2014		31.12.2013	
Operating activities:					
Collections from customers		141,132,258		124,018,800	
Payments to suppliers		(101,704,445)		(81,487,009)	
Payments to personnel		(10,116,764)	29,311,049	(9,408,465)	33,123,326
Other collections/payments relating to operating activities		(9,775,053)		(10,826,997)	
Corporate income tax		(3,218,801)	(12,993,854)	(1,814,298)	(12,641,295)
Cash flow from operating activities (1)			16,317,195		20,482,031
Investment activities:					
Collections relating to:					
Dividends		365,941		-	
Tangible assets		86,640		478,814	
Other assets		125,569		-	
Investment properties		-		602,700	
Interest and similar income		8,470	586,620	4,358	1,085,872
Payments relating to:					
Investments		(1,222,865)		(6,637,122)	
Intangible assets		(197,997)		(37,903)	
Tangible assets		(2,089,693)		(1,291,406)	
Investment properties		-		(544,158)	
Loans		-	(3,510,555)	(775,175)	(9,285,764)
Cash flow from investment activities (2)			(2,923,935)		(8,199,892)
Financing activities:					
Collections relating to:					
Capital increases and of other shares capital's instruments		40,000		-	
Loans obtained		5,347,204	5,387,204	264,915	264,915
Payments relating to:					
Lease contracts		-		(83,501)	
Interest and similar costs		(3,273,358)		(4,384,145)	
Other financing operations		(102,662)		-	
Dividends		(2,884,564)		(2,076,886)	
Loans obtained		(9,463,121)	(15,723,705)	(5,206,087)	(11,750,619)
Cash flow from financing activities (3)			(10,336,501)		(11,485,704)
Cash and cash equivalents at the beginning of the year	16		8,629,080		7,855,422
Effect of exchange rate changes			92,045		(22,777)
Variation of cash and cash equivalents: (1)+(2)+(3)			3,056,759		796,435
Cash and cash equivalents at the end of the year	16		11,777,885		8,629,080

The accompanying notes form an integral part of the consolidated statement of cash flows.

The Chartered Accountant

The Board of Directors

1. INTRODUCTORY NOTE

F. Ramada Investimentos, SGPS, S.A. ("F. Ramada" or "Company") is a Company incorporated as of 1 June 2008, has its head-office located at Rua do General Norton de Matos, 68, r/c - Porto, Portugal and its main activity is the management of investments, being its shares listed in the NYSE Euronext Lisbon.

F. Ramada was incorporated as a result of the reorganization process of Altri, SGPS, S.A. by demerging the steel sector and storage systems business management area, namely the participation held in F. Ramada – Aços e Indústrias, S.A. representative of the voting rights of the mentioned company. The restructuring involved a simple demerger operation predicted in item 1.a), article 118, of the Commercial Companies Code ("Código das Sociedades Comerciais").

Due to this process, Altri, SGPS, S.A. assets corresponding to the shareholdings management business unit for the sector of steel and storage systems, including all other resources (such as human resources, assets and liabilities) related to that business unit, were detached to F. Ramada.

Currently, F. Ramada is the parent company of a group of companies listed in Note 4 (designated as F. Ramada Group), and through this financial holdings structure, focuses its operations in (i) steel trade, (ii) storage systems sales, sector in which the Group has already a significant international presence, and (iii) real estate.

As of 31 December 2014 and 31 December 2013, the Group developed its activity in Portugal, France, United Kingdom and Belgium. In 2014, the Group started its activity in Spain.

The consolidated financial statements of F. Ramada Group are presented in Euro (with rounding to units), which is the currency used by the Group in its operations and, as such, considered to be its functional currency. The operations of the foreign companies whose functional currency is different from Euro are included in the consolidated financial statements in accordance with the policy set out in Note 2.2.d).

2. BASIS OF PRESENTATION AND MAIN ACCOUNTING POLICIES

The basis of presentation and main accounting policies adopted in the preparation of the consolidated financial statements are as follows:

2.1 BASIS OF PRESENTATION

The accompanying consolidated financial statements of F. Ramada have been prepared on a going concern basis from the books and accounting records of the companies included in the consolidation, maintained in accordance with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union for financial years started as from 1 January 2014. These standards include the International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB"), the International Accounting Standards ("IAS") issued by the International Accounting Standards Committee ("IASC") and respective interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and by the Standing Interpretations Committee ("SIC"), as adopted by the European Union. The standards and interpretations mentioned above will generally be presented as "IAS/IFRS".

The Interim financial statements were presented quarterly, in accordance with IAS 34 – "Interim Financial Report".

(Amounts expressed in Euro)

(i) Application of standards, interpretations, amendments and revisions

The following standards, interpretations, amendments and revisions were endorsed by the European Union and have mandatory application for the first time in the financial year ended as of 31 December 2014:

Standard/interpretation	Effective Date (annual periods beginning on or after)	
IFRS 10 - Consolidated Financial Statements	01-Jan-14	This standard is to establish requirements for the presentation of consolidated financial statements by the parent company, replacing, in these respects, IAS 27 - Consolidated and Separate Financial Statements and SIC 12 - Consolidation - Special Purpose Entities. This standard also introduces new rules concerning the definition of control and the determination of the scope of consolidation.
IFRS 11 - Joint Arrangements	01-Jan-14	This standard replaces IAS 31 - joint Ventures and SIC 13 - Jointly Controlled Entities - Non-Monetary Contributions by Ventures and eliminates the possibility of using the proportional consolidation method in accounting for interests in joint ventures.
IFRS 12 – Ddisclosure of Interests in other entities	01-Jan-14	This standard establishes a new set of disclosures relating to investments in subsidiaries, joint arrangements, associates and unconsolidated entities.
IAS 27 – Separate Financial Statements (2011)	01-Jan-14	This amendment restricts the scope of IAS 27 to the separate financial statements.
IAS 28 – Iinvestments in Associates and joint ventures (2011)	01-Jan-14	This amendment to ensure consistency between IAS 28 - Investments in Associates and new standards adopted, in particular IFRS 11 - Joint Arrangements.
Amendments: . IFRS 10 - Consolidated Financial Statements; . IFRS 12 - Disclosure of Interests in other entities (Investment activities)	01-Jan-14	This amendment introduces an exemption from consolidation for certain entities that meet the definition of investment entity. It also determines rules for measurement of investments held by these investment entities.

(Amounts expressed in Euro)

Standard/interpretation	Effective Date (annual periods beginning on or after)	
IAS 32 (Amendment) - Offsetting Financial Assets and Financial Liabilities	01-Jan-14	This amendment clarifies certain aspects of the standard due to the diversity of requirements in applying for compensation.
IAS 36 (Amendment) - Impairment (Recoverable Amount Disclosures for Non-Financial Assets)	01-Jan-14	This amendment eliminates the disclosure requirements of the recoverable amount of a cash-generating unit like goodwill or intangible assets with indefinite useful lives allocated to periods where it was not recorded any impairment loss or reversal of impairment. Introduces additional disclosure requirements for assets for which it was recorded an impairment loss or reversal of impairment and the recoverable amount of these has been determined based on fair value less costs to sell.
IAS 39 (Amendment) - Financial Instruments: Recognition and Measurement (Novation of Derivatives and Continuation of Hedge Accounting)	01-Jan-14	This amendment permits, the continuation of hedge accounting when a derivative designated as a hedging instrument is overhauled.
IFRIC 21 - Levies	01-Jan-14	This interpretation establishes the conditions regarding the timing of recognition of a liability related with a levy imposed by a government in result of a determined event (for example the participation in a certain market) in cases that payment has, as counterpart specified goods or services.

The effect in the consolidated financial statements of the Group for the year ended as of 31 December 2014, due to the adoption of the standards, interpretations, amendments and revisions mentioned above has not been significant.

(ii) Standards, interpretations, amendments and revisions with mandatory application in future years

The following standards, interpretations, amendments and revisions, with mandatory application in future years, were, until the approval date of the accompanying financial statements, endorsed by the European Union:

Standard	Effective Date (annual periods beginning on or after)	
Improvements to the Internacional Financial Reporting Standards (2011-2013)	01-Jan-15	These improvements involve the clarification of some aspects of IFRS 1 - First-time Adoption of International Financial Reporting Standards, IFRS 3 - Business Combinations, IFRS 13 - Fair Value Measurement and IAS 40 - Investment Property.

(Amounts expressed in Euro)

(iii) Standards, interpretations, amendments and revisions not endorsed by the European Union

The following standards, interpretations, amendments and revisions with mandatory application in future years, have not yet been endorsed by the European Union at the date of approval of these financial statements:

Standard	
IFRS 9 - Financial Instruments (2009) and subsequent amendments	This amendment, under the revision of IAS 39, are to establish the requirements for the classification and measurement of financial assets and liabilities and for the application of hedge accounting rules.
IFRS 14 – Regulatory Deferral Accounts	This standard establish the reporting requirements, by entities who first adopt IFRS / IAS applicable to regulatory deferral accounts.
IFRS 15 – Revenue from Contracts with Costumers	This standard introduces a revenu recognition structure based on principles and based on a model to be applied to all contracts entered into with customers.
IFRS 11 – Joint Arrangements	This amendment clarifies the IFRS 3 and should be applied when an investor acquires an interest in a jointly controlled entity when it is a business as defined by this standard. The application of IFRS 3 is required in the acquisition of the initial interest and subsequent acquisition of interests.
Amendments: . IAS 16 - Property, Plant and Equipment; . IAS 38 - Intangible Assets.	The amendments clarify which methods of depreciation of tangible fixed assets and intangible assets that are allowed.
Amendments: . IAS 16 - Property, Plant and Equipment; . IAS 41 - Agriculture.	These amendments provide that bearer plants (eg vineyards, fruit trees, etc.) should be recorded as fixed assets.
IAS 19 –Employee Benefits (Amendment)	This amendment clarifies the circumstances under which employee contribution for post-employment benefit plans are a reduction in the cost of short-term benefits.
Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates	These amendments delete an existing conflict between the standards, related to the sale or contribution of assets between the investor and the associate or jointly controlled entity.
IAS 27 – Separate Financial Statements (2011) - Amendment	This amendment introduces the possibility of applying the equity method, the valuation of investments in subsidiaries, associates and jointly controlled entities in the separate financial statements of an entity that presents consolidated financial statements.
Amendments to IFRS 10 - Consolidated Financial Statements, IFRS 12 - Disclosure of interests in other entities, and IAS 28 - Investments in associates and joint ventures (2011)	These amendments include the clarification of various aspects related to the application of the exception of consolidation by investment entities.

(Amounts expressed in Euro)

Standard	
Amendment - IAS 1 – Presentation of Financial Statements (Disclosures)	This amendment introduces a set of instructions and guidelines to improve and simplify the disclosures in the context of current IFRS reporting requirements.
Improvements to International Financial Reporting Standards (cycles 2010-2012 and 2012-2014)	These improvements involve the review of several standards.

These standards have not yet been approved ("endorsed") by the European Union and, as such, were not adopted by the Group for the year ended as of December 31 2014.

The accounting policies and measurement criteria adopted by the Group as of 31 December 2014 are consistent with those used in the preparation of the consolidated financial statements as of 31 December 2013.

In the preparation of the consolidated financial statements, certain assumptions and estimates that affect the reported assets and liabilities were adopted, as well as the income and expenses in relation to the reported periods.

The estimates and assumptions adopted were determined based on the best knowledge of the existing events and transactions at the approval date of the consolidated financial statements, as well as on the experience of past and/or current events. However, some situations may occur in subsequent periods, which not being predictable at the approval date of the consolidated financial statements, were not considered in those estimates. Changes in estimates after the approval date of the consolidated financial statements will be rectified prospectively. For this reason and given the associated uncertainty, the real results of the transactions may differ from the initial estimates.

The accompanying consolidated financial statements have been prepared for appreciation and approval by the General Shareholders Meeting. The Group's Board of Directors believes that they will be approved without changes.

2.2 CONSOLIDATION POLICIES

The consolidation policies adopted by F. Ramada Group in the preparation of the consolidated financial statements are as follows:

a) Investments in Group companies

Investments in companies in which F. Ramada Group owns, directly or indirectly, more than 50% of the voting rights at the Shareholders' General Meeting and is able to control the financial and operating policies so as to benefit from its activities (definition of control normally used by the Group), are included in the consolidated financial statements by the full consolidation method. Equity and net profit attributable to minority shareholders are shown separately, under the caption "Non-controlling interests", in the consolidated statement of financial position and in the consolidated statement of profit and loss. Companies included in the consolidated financial statements by the full consolidation method are listed in Note 4.

When losses attributable to the minority interests exceed the minority interest in the equity of the subsidiary, the excess and any further losses attributable to the minority interests are charged against the majority interests except to the extent that the minority shareholders have a binding obligation and are able to cover such losses.

If the subsidiary subsequently reports profits, such profits are allocated to the majority interests until the minority's share of losses previously absorbed by the Group has been recovered.

Under business combinations, the assets and liabilities of each subsidiary are measured at their fair value at the date of acquisition in accordance with IFRS 3 - "Business Combinations". Any excess on the cost of acquisition over the fair value of the identifiable net assets and liabilities acquired is recognized as goodwill (Note 2.2.c). Any excess of the fair value of the identifiable net assets and liabilities acquired over its cost is recognized as income in the profit and loss statement of the period of acquisition, after reassessment of the estimated fair value. Non-controlling interests are presented according to their share in the fair value of the identifiable assets and liabilities.

The results of subsidiaries acquired or disposed during the period are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, respectively.

Adjustments to the financial statements of Group companies are performed, whenever necessary, in order to adapt its accounting policies to those used by the Group. All intercompany transactions, balances and distributed dividends are eliminated during the consolidation process.

Whenever the Group has, in substance, control over other entities created for a specific purpose ("Special Purpose Entities" – SPE´s), even if no share capital interest is directly held in those entities, these are consolidated by the full consolidation method.

b) Investments in associated companies

Investments in associated companies (companies where the Group has significant influence but has no control over the financial and operating decisions - usually corresponding to holdings between 20% and 50% in a company's share capital) are accounted for in accordance with the equity method.

According to the equity method, the investments in associated companies are initially recorded at acquisition cost, which is adjusted proportionally to the Group's corresponding share capital, as at the acquisition date or as at the date of the first adoption of the equity method. On a yearly basis, investments are adjusted in accordance with the Group's participation in the associated company's net income against gains or losses for the year. Additionally, the dividends of the subsidiary are recorded as a reduction in the investment's book value and the Group's proportion in the changes occurred in the associated company's equity are recorded as a change in the Group's equity.

Any excess of the cost of acquisition over the Group's share in the fair value of the identifiable net assets acquired is recognised as goodwill, which is included in the caption "Investments in associated companies". If that difference is negative it is recorded as a gain in the caption "Gains and losses in associated companies", after reassessment of the fair value of the identifiable assets and liabilities acquired.

An evaluation of investments held in associated companies is performed whenever there are signs of impairment in those investments. Impairment losses are recorded in the statement of profit and loss for the period. When those losses recorded in previous periods vanish, they are reverted in the statement of profit and loss for the period.

When the Group's share of losses in the associated company exceeds the investment's book value, the investment is recorded at null value, except to the extent of the Group's commitments to the associate. In such case, the Group records a provision to cover those commitments.

Unrealised gains arising from transactions with associated companies are eliminated to the extent of the Group's interest in the associate against the investment held. Unrealised losses are eliminated but only to the extent that there is no evidence of impairment of the asset transferred.

c) Goodwill

Differences between the acquisition price of financial investments in Group companies (subsidiaries), plus the value of non-controlling interests and the fair value of the assets and liabilities of these companies as of the acquisition date, when positive, are accounted for as "Goodwill" and when negative, following a confirmation of its computation, are recorded directly in the statement of profit and loss. The differences between the acquisition price of the affiliated companies and joint ventures and the fair value of the assets and liabilities of these companies as of the date of acquisition, when positive, are kept as "Equity Consolidated Investments" and, when negative, following a confirmation of its computation, are recorded directly in the Statement of profit and loss.

Additionally, the differences between the acquisition cost of investments in foreign subsidiaries and the fair value of identifiable assets and liabilities of these subsidiaries as of the date of acquisition, are recorded in the reporting currency of those subsidiaries, and converted to the Group reporting currency (Euro) at the exchange rate as of the date of the statement of financial position. Differences arising from this translation are recorded under "Monetary conversion reserves".

Future contingent payments are recognized as a liability as of the date of the business combination at its fair value, with any change in the initial amount being recorded against "Goodwill", but only during the reassessment period (12 months following the acquisition date) and if related with events prior to the acquisition date, otherwise, it will have to be recorded against the statement of profit and loss.

Acquisitions or disposals of stakes in already controlled entities, as long as they do not represent a loss of control, are treated as transactions between shareholders, thus only affecting the equity caption with no impact on goodwill or net results.

Whenever a disposal generates a loss in control, all assets and liabilities of the disposed entity will have to be disregarded and whatever interest recognized in the disposed company will have to be reassessed at fair value and the resulting gain or loss arising from the disposal is accounted for as net profit.

Until 1 January 2004, Goodwill was amortised during the estimated investment recuperation period, being the amortizations recorded in the "Amortizations and Depreciations" caption of the statement of profit and loss. Since 1 January 2004, according to IFRS 3 – "Business Combinations", goodwill amortization was suspended, being subject to impairment tests. As of 31 December 2014 and 2013, consolidated financial statements do not include any amount related to goodwill.

On an annual basis, at the closing date, F. Ramada makes formal goodwill impairment tests. If the amount of the positive consolidation difference recorded is greater than the recoverable amount, a loss is recorded in the statement of profit and loss, in "Other operational expenses" caption. The recoverable amount is the higher between the net sales price and the value in use. Net sales price is the amount obtained with the asset disposal in a transaction at market conditions, less disposal costs. Value in use is the present value of the estimated future cash flows which are expected from the continuous use of the asset and from the disposal at the end of its life cycle. The recoverable amount is individually estimated for each asset or, if not possible, for the business unit in which the asset is included.

Impairment losses related to goodwill cannot be reversed.

d) Translation of financial statements of foreign companies

Assets and liabilities in the financial statements of foreign entities are translated to Euro using the exchange rates in force at the statement of financial position date. Profit and loss and cash flows are converted to Euro using the average exchange rate for the period. The resulting exchange rate difference is recorded in equity captions, under "Monetary conversion reserves".

Goodwill and adjustments to the fair value arising from the acquisition of foreign subsidiaries are recorded as assets and liabilities of those companies and translated to Euro at the statement of financial position date exchange rate.

Whenever a foreign company is sold, the accumulated exchange rate differences are recorded in the statement of profit and loss as a gain or loss associated with the disposal.

Exchange rates used in the translation to Euro of foreign Group companies included in the consolidated financial statements are as follows:

	Pound sterling (GBP)	
	Final exchange rate	Average exchange rate
31.12.2013	1.1995	1.2031
31.12.2014	1.2839	1.2405

2.3 MAIN ACCOUNTING POLICIES

The main accounting policies used by F. Ramada Group in the preparation of its consolidated financial statements are as follows:

a) Intangible assets

Intangible assets are recorded at cost, net of depreciation and accumulated impairment losses. Intangible assets are only recognized if it is likely that future economic benefits will flow to the Group, are controlled by the Group and if its cost can be reliably measured.

Development costs are recognized as an intangible asset if the Group has proven technical feasibility and ability to finish the development and to sell/use such assets and it is likely that those assets will generate future economic benefits. Development costs which do not fulfil these conditions are recorded as an expense in the period in which they are incurred.

Internal costs related with the maintenance and development of software are recorded as expenses in the statement of profit and loss for the period in which they are incurred, except in situations where these costs are directly attributable to projects for which the existence of future economic benefits for the Group is likely. Being this the case, they are capitalized as intangible assets.

Amortization is calculated on a straight line basis, as from the date the asset is available for use, over its expected useful life (usually 3 to 5 years).

b) Tangible assets

Tangible assets acquired until 1 January 2004 (IFRS transition date) and transferred following the demerger process (Introductory Note), are recorded at their respective deemed cost, which corresponds to its acquisition cost, or its acquisition cost restated in accordance with generally accepted accounting principles in Portugal until that date, net of accumulated amortization and accumulated impairment losses.

Tangible assets acquired after that date are recorded at acquisition cost, net of depreciation and accumulated impairment losses.

Depreciation is calculated on a straight line basis, as from the date the asset is available for use, over the expected useful life for each group of assets.

The depreciation rates used correspond to the following estimated useful lives:

	Years
Buildings and other constructions	10 to 50
Plant and machinery	2 to 15
Vehicles	2 to 10
Tools	4 to 14
Office equipment	2 to 10
Other tangible assets	3 to 10

Maintenance and repair costs related to tangible assets which do not increase the useful life or do not result in significant benefits or improvements in tangible assets are recorded as expenses in the period they are incurred.

Tangible assets in progress correspond to fixed assets still in construction and are stated at acquisition cost, net of impairment losses. These assets are depreciated as from the date they are concluded or ready to be used.

Gains or losses arising from the sale or disposal of tangible assets are calculated as the difference between the selling price and the asset's net book value as of the date of its sale/disposal, and are recorded in the statement of profit and loss under the captions "Other income" or "Other expenses".

c) Lease contracts

Lease contracts are classified as (i) a finance lease if the risks and rewards incidental to ownership lie with the lessee and (ii) as an operating lease if the risks and rewards incidental to ownership do not lie with the lessee.

Tangible assets acquired under financial lease contracts and the corresponding liabilities are recorded in accordance with the financial method. Under this method, the cost of the fixed assets and the corresponding liability are reflected in the statement of financial position. In addition, interests included in the lease instalments and depreciation of the fixed assets, calculated as explained in Note 2.3.b), are recorded as costs in the statement of profit and loss of the period to which they apply.

Classifying a lease as financial or as operational depends on the substance of the transaction rather than on the form of the contract.

The operational lease instalments on assets acquired under long-term rental contracts are recognized on a straight line basis as expenses during the period of the rental contract.

d) Government subsidies

Government subsidies for personnel training programs or production support are recorded in the statement of profit and loss caption "Other operating income" when attributed, independently of when they are received.

Non-repayable subsidies obtained to finance investments in tangible assets are recorded as "Other non-current liabilities" and "Other current liabilities" corresponding to the instalments repayable in the long and short term, respectively. These subsidies are recognized in the statement of profit and loss in accordance with the depreciation of the related tangible assets.

e) Impairment of assets, except for goodwill

Assets are assessed for impairment at each statement of financial position date and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit and loss under the caption "Provisions and impairment losses".

The recoverable amount is the higher of an asset's net selling price and its value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of the disposal. The value in use is the present value of the estimated future cash flows expected to arise from the continued use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if not possible, for the cash-generating unit to which the asset belongs.

Reversal of impairment losses recognized in prior years is recorded when the Group concludes that the impairment losses previously recognized for the asset no longer exist or have decreased. This analysis is made when there is evidence that the impairment loss previously recognised, no longer exists. The reversal is recorded in the statement of profit and loss as "Other operating income". However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation and amortisation) had no impairment loss been recognized for that asset in prior years.

f) Borrowing costs

Borrowing costs are usually recognised as expense in the statement of profit and loss for the period in which they are incurred, on an accrual basis.

When the Company becomes part of a loan agreement to specifically finance capital assets, the corresponding interests are capitalized, being part of the cost of the asset. The capitalization of these interests starts after the beginning of the preparation of the activities of construction, and ceases when the asset is ready for use or in case the project is suspended.

g) Inventories

Raw, subsidiary and consumable materials are stated at acquisition average cost, deducted from quantity discounts granted by suppliers, which is lower than its market value.

Finished and intermediate goods, sub-products and work in progress are stated at production cost, which includes the cost of raw materials, direct labour and production overheads, which is lower than market value.

When necessary, the Group companies record impairment losses to reduce inventories to its net realisable or market value.

h) Provisions

Provisions are recognised when, and only when, the Group (i) has a present obligation (legal or constructive) arising from a past event, (ii) it is probable that an outflow of resources will be required to settle the obligation, and (iii) a reliable estimate can be made of that obligation. Provisions are reviewed and adjusted at each statement of financial position date to reflect the best estimate as of that date.

Restructuring provisions are recorded by the Group whenever a formal and detailed restructuring plan exists and has been communicated to the affected parties.

When a provision is computed taking into consideration the cash flows necessary to eliminate such obligation, it is recorded by its net present value.

i) Financial instruments

The Group classifies its financial instruments in the categories presented and reconciled with the consolidated statement of financial position as indicated in Note 6.

i. Investments

Investments held by the Group are divided into the following categories:

Investments held to maturity, are classified as non-current assets unless they mature within 12 months of the balance sheet date. The investments classified as held to maturity are non-derivative assets with defined or determinable payment dates, have defined maturity and the Group has the intention and ability to maintain them until the maturity date.

Investments measured at fair value through profit and loss are classified as current assets. The purpose of these investments is to obtain short term profits. This category is divided into two subcategories: "Financial assets held for trading" and "Investments at fair value through profit and loss." Derivatives are also classified as held for trading unless they are engaged in hedging transactions.

Investments available for sale – this category includes the financial assets, non-derivatives, that are designated as available-for-sale and those that are not classified as ‘loans and receivables’, ‘held-to-maturity investments' or 'financial assets at fair value through profit or loss'. This category is classified as non-current, unless the Board of Directors has the intention to sell the investment within 12 months from the balance sheet date. Investments are initially measured at cost, which is the fair value of the price paid, including transaction costs if related with held to maturity and available for sale investments. After initial recognition, investments available for sale and investments measured at fair value through profit and loss are subsequently measured at fair value by reference to the market value as of the statement of financial position date without any deduction for transaction costs which may be incurred until its sale. Investments in equity instruments which are not listed on a stock exchange market and whose fair value cannot be reliably measured are stated at cost net of impairment losses. Investments held to maturity are recorded at amortised cost, using the effective interest method. Gains or losses arising from a change in the fair value of available for sale investments are recognised under the equity caption "Fair value reserve" included in caption "Other reserves", until the investment is sold or disposed, or until it is determined to be impaired, at which time the cumulative loss previously recognised in equity is transferred to the profit and loss account for the period. All purchases and sales of investments are recorded on its trade date, independently of the liquidation date.

ii. Accounts receivable

Receivables from third parties, that do not bear interests, are stated at their nominal value less impairment losses so that those receivables reflect their respective net realisable value.

Impairment losses are recognised if there is objective and measurable evidence that, as a result of one or more events that occurred, the balance will not be fully received. Therefore, each Group company takes into consideration market information which shows the customer default in their responsibilities', as well as historic information on outstanding debts not received.

Recognised impairment losses correspond to the difference between the nominal value of the receivable balance and the corresponding present value of future estimated cash-flows, discounted at the initial effective interest rate; when the payment is expected to occur within a one year period, the rate is considered null.

iii. Loans

Loans are recorded as liabilities at their respective nominal value, net of up-front fees and commissions directly related to the issuance of those instruments. Financial expenses are calculated based on the effective interest rate and are recorded in the statement of profit and loss on an accrual basis. The portion of the effective interest charge relating to up-front fees and commissions, if not paid in the period, is added to the book value of the loan.

Assets and liabilities are compensated and presented by its net amount as long as there is the right for compulsory fulfilment of compensation and the Board of Directors intends to realise them on a net basis or realise the asset and simultaneously settle the liability.

iv. Accounts payable and other debts to third parties

Noninterest bearing accounts payable are stated at nominal value, which is substantially equivalent to its fair value.

v. Derivative financial instruments

The Group may use derivative instruments to manage its exposure to financial risks. Derivative instruments are only used for hedge accounting purposes. Derivative instruments are not used for speculation purposes.

The criteria used by the Group to classify the derivative instruments as cash flow hedges are the following:

- At the inception of the hedge and in subsequent periods, the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk;
- Hedge effectiveness can be reliably measured;
- There is adequate documentation about the transaction till the inception of the hedge;
- The transaction to be hedged is highly probable to occur.

The cash flow hedge instruments related to interest rate and exchange rate are recorded at its fair value. Changes in the fair value of these instruments are recorded in assets or liabilities, against the corresponding entry under the equity caption “Hedging reserves”, and transferred to the statement of profit and loss when the operation subject to hedging affects the net result.

When derivative instruments, although specifically engaged to hedge financial risks, do not fulfil the requirements listed above to be classified and accounted for as hedge instruments, the changes in fair value are directly recorded in the profit and loss statement, as financial results.

Hedge accounting of derivative instruments is discontinued when the instrument matures or is sold. Whenever a derivative instrument can no longer be qualified as a hedging instrument, the fair value differences recorded and deferred in equity under the caption “Hedging reserves” are transferred to profit and loss of the period or to the carrying amount of the asset that resulted from the hedged forecast transaction. Subsequent changes in fair value are recorded in the income statement.

When embedded derivatives exist, they are accounted for as separate derivatives when the risks and the characteristics are not closely related to economic risks and characteristics of the host contract and when these are not stated at fair value with gains and losses not realizable being recorded in the profit and loss statement.

vi. Financial liabilities and Equity instruments

Financial liabilities and equity instruments are classified and accounted for based upon its contractual substance. Equity instruments are those that represent a residual interest upon the Group’s net assets and are recorded by the amount received, net of costs incurred with its issuance.

vii. Own shares

Own shares are recorded at acquisition cost as a deduction to equity captions. Gains or losses on its sale are recorded in the equity caption “Other reserves”, thus not affecting the net result.

viii. Discounted bills and accounts receivable transferred to factoring companies

Only when the assets´ cash flows contractual right has expired or when the risks and benefits inherent to those assets are property transferred to a third party, the Group derecognises the financial assets of its financial statements. If the Group substantially retains the risks and benefits inherent to the property of such assets, it continues to recognize them in its financial statements, by recording in the caption “Loans” the monetary counterparty for the conceded assets.

Consequently, the customers balances secured by non-outstanding discounted bills and accounts assigned under factoring arrangements as of the financial position date, with the exception of the non-appealing factoring operations, are recognized in the Group’s financial statements until the moment of its collection.

ix. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at banks on demand and term deposits and other treasury applications which reach maturity within less than three months and may be mobilized without significant risk of change in value.

For purposes of the consolidated statement of cash flows, “Cash and cash equivalents” caption also includes bank overdrafts, which are included in the balance sheet caption “Bank loans”.

j) Contingent assets and liabilities

Contingent assets are possible assets arising from past events and whose existence will be confirmed, or not, by uncertain future events not controlled by the Company.

Contingent assets are not recorded in the consolidated financial statements but only disclosed when the existence of future economic benefits is likely.

Contingent liabilities are defined by the Company as (i) possible obligations that arise from past events and which existence will be confirmed, or not, by one or more occurrences of uncertain future events not controlled by the Company, or (ii) present obligations that arise from past events but that are not recorded because it is unlikely that an outflow of resources occurs to settle the obligation or the obligation amount cannot be reliably measured.

Contingent liabilities are not recorded in the consolidated financial statements, being disclosed, unless the probability of a cash outflow is remote, in which case no disclosure is made.

k) Income tax

Income tax for the period is determined based on the taxable results of the companies included in consolidation and takes into consideration deferred taxation.

Current income tax is determined based on the taxable results of the companies included in consolidation, in accordance with the tax legislation in force at the location of the head office of each Group company, considering the annual estimated income tax rate.

Deferred taxes are computed using the balance sheet liability method and reflect the timing differences between the amount of assets and liabilities for accounting purposes and the corresponding amounts for tax purposes. Deferred taxes are computed using the tax rate that is expected to be in force at the time these temporary differences are reversed.

Deferred tax assets are only recorded when there is reasonable expectation that sufficient taxable profits will arise in the future to allow such deferred tax assets to be used. At the end of each period the Company reviews its recorded and unrecorded deferred tax assets which are reduced whenever its realisation ceases to be likely, or recorded if it is likely that taxable profits will be generated in the future to enable its recovery.

Deferred tax assets and liabilities are recorded in the statement of profit and loss, except if they relate to items directly recorded in equity. In these cases the corresponding deferred tax is recorded in equity captions.

l) Income recognition and accrual basis

Revenue arising from the sale of goods is recognized in the consolidated income statement when (i) the risks and benefits have been transferred to the buyer, (ii) the Company retains neither continued management involvement in a degree usually associated with ownership nor effective control over the goods sold, (iii) the amount of the revenue can be reasonably measured, (iv) it is likely that the economic benefits associated with the transaction will flow to the Group, and (v) the costs incurred or to be incurred related with the transaction can be reliably measured. Sales are recorded net of taxes, discounts and other expenses arising from the sale, and are measured at the fair value of the amount received or receivable.

Income related with storage systems activity, arising from short term projects (normally no more than 6 months), is recognized under the "stage of completion method", provided that all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits will flow to the seller;
- the costs incurred, or to be incurred, in respect of the transaction can be measured reliably;
- the stage of completion at the balance sheet date can be measured reliably.

Dividends are recognized as income in the period its distribution is approved.

All other income and expenses are recognized in the period to which they relate, independently of when the amounts are received or paid. Differences between the amounts received and paid and the corresponding income and expenses are recorded in the captions "Other current assets" and "Other current liabilities".

When the actual amount of income or expenses is yet unknown, these are recorded based on the best estimate of the Board of Directors of the Group companies.

m) Investment properties

Investment properties represent assets held to earn rentals or for capital appreciation, and are measured at acquisition cost, including transaction costs. Investment properties held as of 31 December 2014 and 2013 represent land held to earn rentals and not held for administrative purposes or for disposal under the current business activity of the Group.

n) Non-current assets held for sale

Non-current assets are classified as held for sale if the corresponding book value is recoverable through sale rather than through continued use. For this to be the case the sale must be highly probable and the asset must be available for immediate sale in its present condition. In addition, adequate measures must be in course by the Board of Directors so as to conclude that the sale is expected to occur within 12 months of the date of classification in this caption.

Non-current assets classified as held for sale are stated at the lower of its book value and fair value less costs to sell.

o) Balances and transactions expressed in foreign currencies

All assets and liabilities expressed in foreign currencies were translated to Euro using the exchange rates in force as of the balance sheet date.

Favourable and unfavourable exchange differences arising from changes in the exchange rates between those prevailing on the dates of the transactions and those in force on the dates of payment, collection or as of the balance sheet date are recorded in the consolidated statement of profit and loss, except the ones related to non-monetary values which fair value variation is directly recorded in equity.

p) Subsequent events

Post balance sheet date events that provide additional information about conditions that existed at the balance sheet date (adjusting events), are reflected in the consolidated financial statements. Post balance sheet date events that provide information about conditions that have only arise after the balance sheet date are considered non-adjusting events and are disclosed in the notes to the financial statements, if material.

q) Segment information

In each period, the Group identifies the most adequate segment division taking into consideration the business areas in which the Group is present.

Information regarding the business segments identified is included in Note 29.

r) Cash flows statement

Consolidated cash flows statement is prepared, using the direct method, in accordance with IAS 7. The Group classifies as “Cash and cash equivalents” applications which mature in less than three months and which are subject to insignificant risk of change in value.

Consolidated cash flow statement is classified as operating, investing and financing activities. Operating activities include cash receipts from customers, cash payments to suppliers, cash payments to and on behalf of employees and other operating activities payments and receipts. Investing activities cash flows include, essentially, payments and receipts related with acquisitions and sales of tangible assets and investments.

Financing activities cash flows include, essentially, payments and receipts of loans and borrowings, financial lease contracts and dividend payments.

s) Judgements and estimates

In the process of preparation of the Group's financial statements the Board of Directors used its best knowledge and accumulated experience in past and current events considering certain assumptions in relation to future events.

The most significant accounting estimates reflected in the consolidated financial statements for the years ended as of 31 December 2014 and 2013 include:

- Fair value and useful lives of the tangible and intangible assets;
- Recognition of provisions and impairment losses;
- Fair value of financial instruments.

Estimates used are based on the best available information during the preparation of consolidated financial statements and are based on best knowledge of past and present events. Although future events are neither controlled by the Group nor foreseeable, some could occur and have impact on the estimates. Changes to the estimates used by the management that occur after the date of these consolidated financial statements, will be recognised in net income, in accordance with IAS 8, using a prospective methodology.

For this reason, and given the degree of uncertainty, actual results of the transactions in question may differ from the corresponding estimates.

2.4 FINANCIAL RISK MANAGEMENT

F. Ramada Group is essentially exposed to the: (i) market risk; (ii) credit risk and (iii) liquidity risk. The main objective of the Board of Directors, on what risk management concerns, is to reduce these risks to a level considered acceptable for the development of the Group's activities.

The guidelines of the risk management policy are defined by F. Ramada's Board of Directors, which determines the acceptable risk limits. The operational concretization of the risk management policy is made by the Board of Directors and by the management of each participated company.

The main risks F. Ramada Group is exposed to are as follows:

a) Market risk

At this level of market risk, a particular importance is given to interest rate risk, exchange rate risk and variability of the commodities' price risk.

i) Interest rate risk

The risk of interest rate mainly arises from the Group's indebtedness indexed to variable rates (mostly indexed to Euribor), thus leading the cost of debt to be quite volatile.

The Board of Directors approves the terms and conditions of the relevant funding to the Company, analysing the structure of such debt, the risks and the different options available in the market, particularly regarding the type of interest rate (fixed / variable).

(Amounts expressed in Euro)

Sensitivity analysis of interest rate fluctuations

The sensitivity analysis presented below was computed on the basis of the exposure to interest rates in force as of the statement of financial position date. It was considered, as a basic assumption, that the financial structure (interest bearing assets and liabilities) remains stable throughout the year and similar to the one existing as of 31 December 2014.

Thus, during the years ended as of 31 December 2014 and 2013, the Group's sensitivity to changes in the interest rate indexing resulting from an increase / decrease by 100 basis points, measured as the change in financial results, can be analysed as follows:

	2014	2013
Interests (Nota 25)	2,346,776	2,802,899
Positive change of 100 basis points in interest rate on the entire indebtedness	614,000	(690,000)
Negative change of 100 basis points in interest rate on the entire indebtedness	(614,000)	690,000

However, this sensitivity analysis may not be representative of the risk of fluctuations in interest rates, once the net indebtedness at the end of the year may not be similar to the one effective throughout the year.

ii) Exchange rate risk

The Group's exposure to exchange rate risk arises, essentially, from inventory acquisition to non-resident entities in currencies other than Euro. Given the fact that the supplier's payment period is reduced, the exposure to the exchange rate risk under this factor is also reduced. However, in the event of transactions with non-resident entities and settled in a currency other than Euro where the variation of exchange rate may have a significant impact on its performance, the Group aims to hedge its position by entering into financial derivative contracts whenever applicable and considered necessary to reduce the volatility of its results.

Additionally, the Group also holds a financial investment in a subsidiary with a functional currency different from Euro (Storax Racking Systems, with Sterling Pound as functional currency).

Assets and liabilities in Sterling Pounds are as follows:

	31.12.2014	31.12.2013
Assets	6,878,719	4,135,244
Liabilities	(2,543,377)	(868,934)
	4,335,342	3,266,310

The Board of Directors considers that eventual changes in exchange rates do not have a significant effect in the consolidated financial statements.

iii) Variability risk on commodities' prices

By developing its activity in an industry that trades commodities (steel), the Group is particularly exposed to its price fluctuations, with the corresponding impacts in its results. However, in order to manage this risk, the Group may engage in derivative financial instruments contracts. On the other hand, in a commercial point of view, steel price variations are usually passed to Group customers.

b) Credit risk

The Group's exposure to credit risk is mainly related with accounts receivable arising from its operating activities. The credit risk relates to the risk of the counterparty not fulfilling its contractual obligations, resulting in a loss for the Group.

Credit risk is managed through a continued analysis of credit rating of each customer, before its acceptance, and through the adequacy of the granted credit periods. The evaluation of credit risk is made on a regular basis, taking into consideration the current conditions of economic environment and the specific situation of credit rating of each debtor, adopting corrective measures whenever necessary.

Additionally, and in order to prevent eventual losses not detected before the customer's acceptance, the Group has contracted credit insurances allowing recovering eventual receivables impairments from operational activities.

The Group's credit risk is not concentrated in any particular customer or group of customers with similar characteristics; the accounts receivable are distributed by a high number of customers, different areas of business and geographic areas.

The impairment adjustments to accounts receivable are calculated taking into consideration (i) the customer's risk profile, (ii) the average collection period, and (iii) the customer's financial condition. The adjustments movement occurred for the years ended as of 31 December 2014 and 2013 are disclosed in Note 23.

c) Liquidity risk

The aim of liquidity risk management is to ensure that the Group has the ability to meet its responsibilities and pursue the defined strategic goals, complying with all the commitments set with third parties within the established deadlines.

The Group defines as active policy (i) to keep an adequate level of immediately available resources to face the necessary payments in its due date, (ii) reduce the probability of default in the reimbursement of loans, negotiating the amplitude of its contractual clauses and (iii) minimize the cost of opportunity of excessive short term liquidity.

The Group aims to make compatible the due dates of assets and liabilities through an active management of its maturities.

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF ERRORS

During the year there were no changes in accounting policies and no material mistakes related with previous periods were identified.

(Amounts expressed in Euro)

4. INVESTMENTS

The companies included in the consolidated financial statements by the full consolidation method, its headquarters, percentage of participation held and main activity as of 31 December 2014, are as follows:

Designation	Headquarters	Percentage of participation held	Activity
Parent company:			
F. Ramada Investimentos, SGPS, S.A.	Porto		Holding
F. Ramada Group			
Ramada Aços, S.A.	Ovar	100%	Steel comercialization
Universal Afir, S.A.	Ovar	100%	Steel comercialization
Ramada Storage Solutions, S.A.	Ovar	100%	Production and commercialization of storage systems
F. Ramada II, Imobiliária, S.A.	Ovar	100%	Real estate
F. Ramada, Serviços de Gestão, Lda.	Ovar	100%	Administration and management services
Storax, S.A.	Paris, França	100%	Commercialization of storage systems
Storax Limited	Bromsgrove, Reino Unido	100%	Commercialization of storage systems
Storax Benelux, S.A.	Bélgica	100%	Commercialization of storage systems
Storax España S.L.	Espanha	60%	Commercialization of storage systems

All the above companies were included in the consolidated financial statements of F. Ramada Group in accordance with the full consolidation method, as established in Note 2.2.a).

Investment in associated companies

As of 31 December 2014, the caption “Investment in associates” includes, essentially, the shares of Base Holding SGPS, S.A. owned by F. Ramada Investimentos, SGPS, S.A.. This entity has its head office in Oporto and heads a group of companies which operate in the healthcare sector, namely, complementary means of diagnosis and treatment.

During the financial year of 2014, the Group purchased 1.95% of the equity in the above company increasing its stake to 34.9% (32.9% as of 31 December 2013) of its share capital. The application of the equity method for the year ended as of 31 December 2014 was based on Base Holding’s interim non-audited consolidated financial statements, with the impact on the net result of the year being registered on the caption “Other income” (Notes 2.2 b) and 27) in the amount of approximately 365,000 Euro. The Board of Directors believes that any materially relevant differences won’t emerge between the attached consolidated financial statements and the final consolidated statements of that associated company.

The main financial indicators of this associated company as of 31 December of 2013 and 2012, the latest audited consolidated financial statements, are as follows:

		31-Dec-12		31-Dec-13		Balance amount	
Company	% ownership	Equity	Profit	Equity	Profit	31/12/2013	31/12/2014
Base Holding, SGPS, SA	34.90%	36,375,171	1,239,846	36,968,101	2,608,730	11,500,000	12,196,970

(Amounts expressed in Euro)

Investments available for sale

As of 31 December 2014 and 2013 the caption "Investments available for sale" and respective impairment losses can be detailed as follows:

	31.12.2014	31.12.2013
Gross book value	6,318,095	5,886,424
Accumulated impairment losses (Nota 23)	(3,708,595)	(3,276,924)
	2,609,500	2,609,500

As of 31 December 2014, the changes occurred under the caption "Investments available for sale" can be detailed as follows:

	31.12.2014	Increases	31.12.2014
Investments	514,652	16,355	531,007
Loans	5,371,772	415,316	5,787,088
Impairment losses (Nota 23)	(3,276,924)	(431,671)	(3,708,595)
	2,609,500	-	2,609,500

As of 31 December of 2014, this caption includes, mainly, a stake of 15.48% (12.23% as of 31 December 2013) in the equity of Consumo em Verde – Biotecnologia das Plantas, S.A. and a stake of 4% in the equity of Sociedade Converde Unipessoal, Lda., as well as loans granted.

As of 31 December 2014 and 2013 the consolidated financial statements include impairment losses for the investments and loans listed above in the amount of 3,708,595 Euro and 3,276,924 Euro, respectively (Note 23).

Financial investments included under the caption "Investments available for sale" are recorded at acquisition cost, less related impairment losses.

5. CHANGES IN CONSOLIDATION PERIMETER

During 2014, the subsidiary Storax España S.L. was incorporated, a company owned in 60% by the Group. The assets and liabilities at the date of entry, which corresponds to the date of incorporation (August 4, 2014), are as follows:

Cash and bank deposits	100,000
Liabilities	-
Net assets	100,000
Actual percentage	60%
Acquisition value	60,000
Calculated gap	-

(Amounts expressed in Euro)

6. FINANCIAL INSTRUMENTS

The financial instruments in accordance with the policies described in Note 2.3.i), were classified as follows:

Financial assets

31 December 2014	Note	Loans and receivables	Available for sale	Sub-total	Assets out of scope of IFRS 7	Total
Non-current assets						
Investments available for sale	4	-	2,609,500	2,609,500	-	2,609,500
		-	2,609,500	2,609,500	-	2,609,500
Current assets						
Customers	13	32,678,630	-	32,678,630	-	32,678,630
State and other public entities	14	-	-	-	635,870	635,870
Other debtors	15	471,355	-	471,355	-	471,355
Other current assets		-	-	-	235,691	235,691
Cash and cash equivalents	16	16,366,816	-	16,366,816	-	16,366,816
		49,516,801	-	49,516,801	871,561	50,388,362
		49,516,801	2,609,500	52,126,301	871,561	52,997,862

31 December 2013	Note	Loans and receivables	Available for sale	Sub-total	Assets out of scope of IFRS 7	Total
Non-current assets						
Investments available for sale	4	-	2,609,500	2,609,500		2,609,500
		-	2,609,500	2,609,500	-	2,609,500
Current assets						
Customers	13	33,498,406	-	33,498,406		33,498,406
State and other public entities	14	-	-	-	723,414	723,414
Other debtors	15	396,070	-	396,070	-	396,070
Other current assets		-	-	-	248,317	248,317
Cash and cash equivalents	16	11,662,934	-	11,662,934	-	11,662,934
		45,557,410	-	45,557,410	971,731	46,529,141
		45,557,410	2,609,500	48,166,910	971,731	49,138,641

(Amounts expressed in Euro)

Financial liabilities

31 December 2014	Note	Other financial liabilities	Sub-total	Liabilities out of scope of IFRS 7	Total
Non-current liabilities					
Bank loans	19	43,530,732	43,530,732	-	43,530,732
		43,530,732	43,530,732	-	43,530,732
Current liabilities					
Bank loans	19	3,485,753	3,485,753	-	3,485,753
Other loans	19	32,409,418	32,409,418	-	32,409,418
Suppliers	20	16,664,663	16,664,663	-	16,664,663
State and other public entities	14	-	-	4,092,389	4,092,389
Other creditors	21	1,121,189	1,121,189	-	1,121,189
Other liabilities	22	-	-	19,171,764	19,171,764
		53,681,023	53,681,023	23,264,153	76,945,176
		97,211,755	97,211,755	23,264,153	120,475,908

31 December 2013	Note	Other financial liabilities	Sub-total	Liabilities out of scope of IFRS 7	Total
Non-current liabilities					
Bank loans	19	47,110,488	47,110,488	-	47,110,488
		47,110,488	47,110,488	-	47,110,488
Current liabilities					
Bank loans	19	4,292,109	4,292,109	-	4,292,109
Other loans	19	30,673,239	30,673,239	-	30,673,239
Suppliers	20	14,554,674	14,554,674	-	14,554,674
State and other public entities	14	-	-	3,469,203	3,469,203
Other creditors	21	1,150,702	1,150,702	-	1,150,702
Other liabilities	22	-	-	14,044,120	14,044,120
		50,670,724	50,670,724	17,513,323	68,184,047
		97,781,212	97,781,212	17,513,323	115,294,535

(Amounts expressed in Euro)

7. INVESTMENT PROPERTIES

Investment properties held by F. Ramada Group relate to land rented to third parties (Altri Group – Note 26) under operational lease, through contracts, signed in 2007 and 2008, have an average duration of 20 years, with the possibility of an additional period of 10 years if certain events occur. Investment properties are measured at acquisition cost. The movement occurred in this caption during the years ended as of 31 December 2014 and 2013 is as follows:

	31.12.2014	31.12.2013
Opening balance	85,937,120	86,103,423
Aquisitions	39,955	153,197
Disposals	-	(319,500)
Closing balance	85,977,075	85,937,120

The rented land generated, during the year ended as of 31 December 2014, income amounting, to approximately, 6,280,000 Euro (approximately 6,100,000 Euro in 2013).

Given the land characteristics (land leased to third parties for forestry activity), frequent market transactions comparable for this type of assets do not occur. Accordingly, the Board of Directors considers that it is not possible to reliably estimate the fair value of the land, for which it is recorded at acquisition cost. However, it is the Board of Directors belief that, given the amount of rents collected annually, the market value of these assets will not be significantly different from its book value.

Part of the land (amounting to, approximately, 70 million Euros) is given as collateral for certain borrowings.

(Amounts expressed in Euro)

8. TANGIBLE ASSETS

During the years ended as of 31 December 2014 and 2013, the movement occurred in tangible assets and the corresponding accumulated depreciation and impairment losses were as follows:

2014

Gross assets	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Tools	Office equipment	Other tangible assets	Tangible assets in progress	Totals
Opening balance	1,217,756	13,218,813	25,962,438	2,410,863	560,601	3,570,775	198,661	1,494	47,141,401
Exchange rate variation	-	4,828	12,178	-	-	8,235	-	-	25,241
Additions	-	-	947,877	115,289	12,177	156,279	38,528	6,750	1,276,900
Disposals	-	-	(291,003)	(94,747)	-	-	-	-	(385,750)
Transfers and write-offs	-	-	-	-	-	(5,583)	-	(1,494)	(7,077)
Closing balance	1,217,756	13,223,641	26,631,490	2,431,405	572,778	3,729,706	237,189	6,750	48,050,715

Accumulated depreciation and impairment losses	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Tools	Office equipment	Other tangible assets	Tangible assets in progress	Totals
Opening balance	-	11,290,479	23,837,798	2,343,277	874,409	3,393,371	10,357	-	41,749,691
Exchange rate variation	-	4,828	10,109	-	-	5,788	-	-	20,725
Additions	-	291,058	917,700	95,930	33,256	136,342	2,453	-	1,476,739
Disposals	-	-	(242,507)	(94,747)	-	-	-	-	(337,254)
Transfers and write-offs	-	-	-	-	-	(5,583)	-	-	(5,583)
Closing balance	-	11,586,365	24,523,100	2,344,460	907,665	3,529,918	12,810	-	42,904,318
	1,217,756	1,637,276	2,108,390	86,945	(334,887)	199,788	224,379	6,750	5,146,397

2013

Gross assets	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Tools	Office equipment	Other tangible assets	Tangible assets in progress	Totals
Opening balance	1,137,881	12,972,463	24,355,333	2,382,946	474,376	3,441,131	198,660	-	44,962,790
Exchange rate variation	-	(1,208)	(2,417)	(264)	(285)	(2,005)	-	-	(6,178)
Additions	79,875	247,558	1,601,149	45,865	89,167	165,708	-	57,567	2,286,889
Disposals	-	-	(25,936)	(38,183)	(3,922)	(29,267)	-	-	(97,308)
Transfers and write-offs	-	-	34,309	20,500	1,264	(4,792)	-	(56,072)	(4,792)
Closing balance	1,217,756	13,218,813	25,962,438	2,410,863	560,601	3,570,775	198,660	1,494	47,141,401

Accumulated depreciation and impairment losses	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Tools	Office equipment	Other tangible assets	Tangible assets in progress	Totals
Opening balance	-	10,957,616	23,005,308	2,269,104	855,172	3,288,693	9,379	-	40,385,272
Exchange rate variation	-	(1,208)	(1,935)	(22)	(285)	(1,527)	-	-	(4,976)
Additions	-	325,871	860,361	94,328	23,443	140,264	978	-	1,445,246
Disposals	-	(9,402)	(25,936)	(20,133)	(3,922)	(29,267)	-	-	(88,660)
Transfers and write-offs	-	17,602	-	-	-	(4,792)	-	-	12,810
Closing balance	-	11,290,479	23,837,798	2,343,277	874,409	3,393,371	10,357	-	41,749,691
	1,217,756	1,928,334	2,124,640	67,586	(313,808)	177,404	188,303	1,494	5,391,709

As of 31 December 2014 and 2013 there were no tangible assets pledged as guarantee for borrowings and there were no interests capitalized to fixed assets.

(Amounts expressed in Euro)

9. INTANGIBLE ASSETS

During the years ended as of 31 December 2014 and 2013, the movement occurred in intangible assets and the corresponding accumulated depreciation and impairment losses were as follows:

	2014	2013
	Gross assets	Gross assets
	Software	Software
Opening balance	638,267	620,706
Exchange rate variation	3,232	(1,345)
Additions	163,610	57,815
Disposals and write-offs	(2,310)	(38,909)
Closing balance	802,799	638,267
	Accumulated depreciation and impairment losses	Accumulated depreciation and impairment losses
	Software	Software
Opening balance	530,164	485,999
Exchange rate variation	1,982	(907)
Additions	122,324	83,981
Disposals and write-offs	(2,310)	(38,909)
Closing balance	652,160	530,164
	150,639	108,103

10. CURRENT AND DEFERRED INCOME TAXES

In accordance with current legislation, the tax returns are subject to review and correction by the tax authorities over a period of four years (five years for Social Security), except when tax losses have occurred, tax benefits have been granted, or inspections, complaints or disputes are on-going. In these cases, depending on the circumstances, the above referred period deadlines can be extended or suspended. Therefore, the tax returns of F. Ramada and its subsidiaries for the years 2011 to 2014 may still be subject to review.

The Board of Directors of F. Ramada believes that any potential corrections arising from reviews/inspections of these tax returns by the tax authorities will not have a significant effect on the consolidated financial statements as of 31 December 2014 and 2013.

F. Ramada Investimentos, SGPS, S.A. is the dominant company of the group of companies (F. Ramada Group) that are taxed under the Special Regime for taxation of groups of companies ("RETGS – Regime Especial de Tributação de Grupos de Sociedades”).

(Amounts expressed in Euro)

Deferred taxes

The movement occurred in deferred tax assets and liabilities in the years ended as of 31 December 2014 and 2013 was as follows:

2014	Deferred tax assets	Deferred tax liabilities
Balance as of 1 January	2,021,808	51,655
Effects on the income statement	(98,126)	(10,718)
Balance as of 31 December	1,923,682	40,937

2013	Deferred tax assets	Deferred tax liabilities
Balance as of 1 January	2,038,236	65,275
Effects on the income statement	(16,428)	(13,620)
Balance as of 31 December	2,021,808	51,655

The detail of the deferred taxes as of 31 December 2014 and 2013, in accordance with the nature of the timing differences that generated them, is as follows:

2014	Deferred tax assets	Deferred tax liabilities
Provisions and impairment losses not accepted for tax purposes	1,923,682	-
Reinvested capital gains	-	19,995
Amortizations not accepted for tax purposes	-	20,942
	1,923,682	40,937

2013	Deferred tax assets	Deferred tax liabilities
Provisions and impairment losses not accepted for tax purposes	2,021,808	-
Reinvested capital gains	-	26,035
Amortizations not accepted for tax purposes	-	25,620
	2,021,808	51,655

In accordance with the prevailing legislation, the Group calculates its deferred taxes based on a rate of 22.5%, which results from the sum of the approved rate to be in effect in 2015, and amounting, in subsequent years, to 21% for the corporate income tax, and the tax surcharge, whose rate is 1.5%.

(Amounts expressed in Euro)

Current taxes

In accordance with prevailing legislation in Portugal, the income tax rate for the year ended as of 31 December, 2014, was of 23% (25% as of 31 December 2013).

Additionally, in accordance with the prevailing legislation in Portugal, during the year ended as of 31 December 2014, the state tax surcharge corresponded to the application of an additional rate of 3% over the taxable income share between 1.5 and 7.5 million Euro, of 5% over the taxable income share between 7.5 and 35 million Euro and of 7% over the taxable income share above 35 million Euro.

Income taxes recorded in the income statements during the years ended as of 31 December 2014 and 2013 are detailed as follows:

	2014	2013
Current tax		
Income tax for the year	3,322,428	2,646,944
Deferred tax	87,408	2,808
	3,409,836	2,649,752

The reconciliation of profit before income tax and the income tax for the year is as follows:

	2014	2013
Profit before income tax	11,497,743	8,867,979
Income tax rate	23%	25%
	2,644,481	2,216,995
Local Tax Surplus	97,711	136,059
Local Tax Surplus	131,587	125,447
Autonomous tax	170,058	116,426
Fiscal benefits - SIFIDE (Note 32)	(538,840)	(445,654)
Fiscal benefits - CFEI	-	(357,919)
Other costs not considered for taxable purposes	173,971	494,587
Other effects	643,460	361,003
Deferred tax	87,408	2,808
Income tax	3,409,836	2,649,752

11. DERIVATIVE FINANCIAL INSTRUMENTS

In order to reduce the exposure to interest rate volatility, the Group has engaged in interest rate swap contracts. These contracts were evaluated in accordance with its fair value as of the statement of financial position date, being the corresponding amount recognized in the caption “Derivatives”.
As of 31 December 2014 and 2013 there are no derivative financial instruments.

(Amounts expressed in Euro)

12. INVENTORIES

As of 31 December 2014 and 2013 the caption "Inventories" was made up as follows:

	2014	2013
Merchandise	12,366,627	10,395,936
Raw, subsidiary and consumable materials	3,170,421	3,566,138
Subproducts		
Finished and intermediated goods	2,046,459	1,874,751
Work in progress	8,505,613	3,536,760
	26,089,120	19,373,585
Accumulated impairment losses (Note 23)	(413,162)	(296,835)
	25,675,958	19,076,750

The cost of sales and the variation of production for the year ended as of 31 December 2014 and 2013 amounted to 66,134,021 Euro and 58,756,201 Euro, respectively, and was computed as follows:

2014

	Merchandise	Raw, subsidiary and consumable materials	Finished and intermediated goods	Work in progress	Total
Opening balance	10,395,936	3,566,138	1,874,751	3,536,760	19,373,585
Exchange rate variation (Nota 2.2.d)	-	26,033	56,957	2,441	85,431
Purchases	31,129,173	29,591,631	9,642,417	2,352,134	72,715,606
Inventory adjustments	48,519	-	-	-	48,519
Closing inventories	(12,366,627)	(3,170,421)	(2,046,459)	(8,505,613)	(26,089,120)
	29,207,001	30,013,381	9,527,666	(2,614,278)	66,134,021

2013

	Merchandise	Raw, subsidiary and consumable materials	Finished and intermediated goods	Work in progress	Total
Opening balance	9,742,502	2,854,292	2,205,260	3,960,466	18,762,520
Exchange rate variation (Nota 2.2.d)	-	(8,818)	(19,527)	(3,819)	(32,164)
Purchases	23,488,088	26,447,424	8,077,557	1,323,933	59,337,001
Inventory adjustments	-	62,507	(78)	-	62,429
Closing inventories	(10,395,936)	(3,566,138)	(1,874,751)	(3,536,760)	(19,373,585)
	22,834,654	25,789,267	8,388,461	1,743,820	58,756,201

(Amounts expressed in Euro)

13. CUSTOMERS

As of 31 December 2014 and 2013 this caption can be detailed as follows:

	2014	2013
Customers, current account	40,733,141	38,214,589
Customers, notes receivable	2,246,345	2,872,657
Customers, doubtfull accounts	14,317,583	17,065,659
	57,297,069	58,152,905
Accumulated impairment losses (Note 23)	(24,618,439)	(24,654,499)
	32,678,630	33,498,406

The Group's exposure to credit risk is mainly attributable to the accounts receivable resulting from the Group's operating activity. The amounts recorded in the statement of financial position are presented net of accumulated impairment losses for doubtful accounts that were estimated by the Group, in accordance with its experience and based on the economic environment evaluation. The Board of Directors believes that the recorded net amounts are close to their fair value, once these accounts receivable do not pay interests and the discount effect is immaterial.

As of 31 December 2014 and 2013, the customers ageing balances can be detailed as follows:

	2014			2013		
	Industry	Real Estate and others	Total	Industry	Real Estate and others	Total
Not due	17,243,503	6,287,826	23,531,329	17,862,503	6,139,727	24,002,230
Due, with no impairment losses						
0 - 180 days	7,573,709	-	7,573,709	7,788,429	-	7,788,429
180 - 360 days	636,580	-	636,580	52,798	-	52,798
+ 360 days	558,927	-	558,927	11,806	-	11,806
	8,769,216	-	8,769,216	7,853,033	-	7,853,033
Due, with impairment losses						
0 - 180 days	333,749	-	333,749	1,277,952	-	1,277,952
180 - 360 days	7,410	-	7,410	89,821	-	89,821
+ 360 days	36,926	-	36,926	275,370	-	275,370
	378,085	-	378,085	1,643,143	-	1,643,143
Total	26,390,804	6,287,826	32,678,630	27,358,679	6,139,727	33,498,406

In relation to the overdue amounts for which there is no impairment loss, the Group considers that there has been no loss in the credit capacity of the counterparty, and therefore there is no credit risk.

The impairment of accounts receivable was determined following a review of the recoverable amount of assets with respect to receivables that the Board of Directors considered to be in risk of partial or full failure, taking into consideration the credit insurance contracts.

(Amounts expressed in Euro)

The amounts due with impairment losses, are adjusted in relation to their nominal value in approximately 99% (94% on 31 December 2013), which, in accordance with the understanding of the Board of Directors, taking into consideration that most of the balances are less than 180 days overdue, is sufficient to meet the problems of recoverability of these assets.

The Group does not charge any interests as long as the defined payment terms (in average 90 days) are respected. After that period, interests defined contractually are charged, and in accordance with the applicable legislation; usually such situations only occur under extreme conditions. On a conservative basis, interests charged are accrued and only recognized in the profit and loss statement in the period they are received.

14. STATE AND OTHER PUBLIC ENTITIES

As of 31 December 2014 and 2013 these assets and liabilities captions had the following composition:

	2014	2013
Assets		
Value Added Tax	502,904	650,549
Others	132,966	72,865
	635,870	723,414
Liabilities		
Value Added Tax	2,194,541	1,985,234
Social Security contributions	412,969	454,638
Personal Income Tax	386,753	291,702
Corporate Income Tax	1,093,755	686,082
Other taxes	4,371	51,547
	4,092,389	3,469,203

The liabilities caption "Corporate Income Tax" includes the income tax estimate of the Group companies, net of advance payments on account, additional advance payments on account and special advanced payments on account done by these companies, as well as taxes withheld by third parties.

15. OTHER DEBTORS

As of 31 December 2014 and 2013 this caption can be detailed as follows:

	2014	2013
Advances to suppliers	111,355	28,418
Other debtors	360,000	367,652
	471,355	396,070
Accumulated impairmente losses	-	-
	471,355	396,070

As of 31 December 2014, the caption “Other debtors” essentially included receivable amounts concerning advances to suppliers, with no ageing.

(Amounts expressed in Euro)

16. CASH AND CASH EQUIVALENTS

As of 31 December 2014 and 2013 the caption "Cash and cash equivalents" included in the consolidated statement of financial position can be detailed as follows:

	31.12.2014	31.12.2013
Cash	2,866,994	16,323
Bank deposits	13,499,822	11,646,611
	16,366,816	11,662,934
Bank overdrafts (Nota 19)	(4,588,931)	(3,033,854)
Cash and cash equivalents	11,777,885	8,629,080

17. SHARE CAPITAL AND RESERVES

Share Capital

As of 31 December 2014, F. Ramada's fully subscribed and paid up capital consisted of 25,641,459 shares with a nominal value of 1 Euro each. As of that date, F. Ramada Investimentos, SGPS, S.A. holds 2,564,145 own shares, corresponding to 9.999996% of the share capital of the company, acquired by 1,641,053 Euros.

Additionally, as of 31 December 2013 and 2014, there were no companies holding a share in the subscribed capital of, at least, 20%.

Reserves

Legal reserve
The Portuguese commercial legislation provides that at least 5% of annual net profit must be used to reinforce the "Legal reserve" until this caption represents at least 20% of the share capital. This reserve is not distributable but can be used to absorb losses after every other reserve has been used, and for inclusion in the share capital.

Currency translation reserves
Currency translation reserves reflect the exchange rate differences originated by the translation of financial statements of foreign companies and cannot be distributed or used to absorb losses.

Under the Portuguese legislation, the amount of distributable reserves is determined based on the non-consolidated financial statements of the Company.

(Amounts expressed in Euro)

18. NON CONTROLLING INTERESTS

The movement occurred in this caption in the year ended as of 31 December 2014 was as follows:

	2014
Opening balance	-
Change in consolidation perimeter (Note 5)	40,000
Non-controlling interests	10,638
Closing balance	50,638

The movements evidenced above result from the incorporation of Storax España in 4 August , 2014, a company owned in 60% by the Group (Note 5).

19. BANK LOANS AND OTHER LOANS

As of 31 December 2014 and 2013, the captions “Bank loans” and “Other loans” can be detailed as follows:

	31.12.2014		31.12.2013	
	Current	Non current	Current	Non current
Bank loans	3,485,753	43,446,179	4,292,109	46,930,414
Bank loans	3,485,753	43,446,179	4,292,109	46,930,414
Commercial paper	19,750,000	-	15,250,000	-
Current accounts	5,750,000	-	10,900,000	-
Bank overdrafts (Nota 16)	4,588,931	-	3,033,854	-
Factoring	2,232,077	-	1,405,885	-
Financial lease contracts	88,410	84,553	83,500	180,074
Other loans	32,409,418	84,553	30,673,239	180,074
	35,895,171	43,530,732	34,965,348	47,110,488

As of 31 December 2014 and 2013 there were no differences between the book value and nominal value of the loans obtained.

(Amounts expressed in Euro)

Loans:

The nominal amount of bank loans as of 31 December 2014 will be reimbursed as follows:

Reimbursement year	Amount	Estimated interest
Current		
2015	3,485,753	1,220,000
Non current		
2016	3,485,753	1,130,000
2017	3,485,753	1,038,000
2018	3,485,753	948,000
2019	18,446,845	857,000
2020	14,542,075	378,000
	43,446,179	4,351,000

As of 31 December 2014, the credit facilities used by the Group and the corresponding maximum amounts allowed were as follows:

Nature	Maturity	Authorized amount	Used amount	Available amount
Loan	January 2020	n.a.	46,931,932	n.a.
Current account	Yearly renewal	5,200,000	1,250,000	3,950,000
Current account	Yearly renewal	4,000,000	-	4,000,000
Current account	Yearly renewal	2,000,000	2,000,000	-
Current account	Yearly renewal	2,000,000	-	2,000,000
Current account	Yearly renewal	2,500,000	2,500,000	-
Current account	Yearly renewal	2,500,000	-	2,500,000
Commercial paper programme	June 2015	7,500,000	7,500,000	-
Commercial paper programme	December 2015	5,000,000	5,000,000	-
Commercial paper programme	December 2015	4,000,000	4,000,000	-
Commercial paper programme	June 2015	3,250,000	3,250,000	-
Bank overdraft	Yearly renewal	6,000,000	2,641,170	3,358,830
Bank overdraft	Yearly renewal	5,000,000	-	5,000,000
Bank overdraft	Yearly renewal	2,000,000	1,947,761	52,239
Factoring	n.a.	n.a.	2,232,077	n.a.
Financial lease contracts	n.a.	n.a.	172,963	n.a.

During the year ended as of 31 December 2014 these loans bear interest at normal market rates depending on the nature and term of the credit obtained.

During the years ended as of 31 December 2014 and 2013 the Group did not enter into any loan default.

(Amounts expressed in Euro)

Additionally, as of 31 December 2014, there are no covenants associated with the loans obtained.

Financial lease contracts:

As of 31 December 2014 and 2013, liabilities expressed in the financial statements with respect to financial lease contracts concern the lease of basic equipment and had the following payment plan:

Reimbursement year	Amount
Current	
2015	88,410
Non current	
2016	84,553

20. SUPPLIERS

As of 31 December 2014 and 2013 this caption could be presented, taking into account its maturity, as follows:

	2014		
		Payable in	
	Book value	Less than 3 months	More than 3 months
Suppliers and other commercial creditors			
Industry	16,527,175	16,527,175	-
Real Estate and others	137,488	137,488	-
	16,664,663	16,664,663	-

	2013		
		Payable in	
	Book value	Less than 3 months	More than 3 months
Suppliers and other commercial creditors			
Industry	14,302,240	14,302,240	-
Real Estate and others	252,434	252,434	-
	14,554,674	14,554,674	-

21. OTHER CREDITORS

As of 31 December 2014 and 2013 the current liabilities caption “Other creditors” was made up as follows:

	2014	2013
Fixed assets suppliers	588,828	871,945
Other creditors	532,361	278,757
	1,121,189	1,150,702

The liabilities recorded under the caption “Fixed assets suppliers” are payable in less than three months.

(Amounts expressed in Euro)

22. OTHER CURRENT LIABILITIES

As of 31 December 2014 and 2013 the caption “Other current liabilities” can be detailed as follows:

	2014	2013
Accrued expenses		
Accrued payroll	2,898,738	2,678,112
Interests payable	1,231,352	1,269,820
Others	2,114,151	1,693,427
Deferred income	12,927,523	8,402,761
	19,171,764	14,044,120

The caption “Deferred income” mainly includes anticipated invoicing regarding storage systems sales.

23. MOVEMENT IN PROVISIONS AND IMPAIRMENT LOSSES

The movements occurred in provisions and impairment losses for the years ended as of 31 December 2014 and 2013 may be detailed as follows:

2014

	Provisions	Impairment losses in accounts receivable	Impairment losses in investments	Impairment losses in inventories	Total
		(Note 13)	*(Note 4)*	*(Note 12)*	
Opening balance	1,107,580	24,654,499	3,276,924	296,835	29,335,838
Exchange rate variation	-	13,887	-	-	13,887
Increases	250,753	590,937	431,671	116,327	1,389,688
Reversals	-	(274,294)	-	-	(274,294)
Utilizations	-	(366,590)	-	-	(366,590)
Closing balance	1,358,333	24,618,439	3,708,595	413,162	30,098,529

2013

	Provisions	Impairment losses in accounts receivable	Impairment losses in investments	Impairment losses in inventories	Total
		(Note 13)	*(Note 4)*	*(Note 12)*	
Opening balance	1,075,249	24,877,961	1,786,371	306,557	28,046,138
Exchange rate variation	(587)	-	-	-	(587)
Increases	87,793	677,776	1,490,553	-	2,256,122
Reversals	(49,236)	-	-	(9,722)	(58,958)
Utilizations	(5,639)	(901,238)	-	-	(906,877)
Closing balance	1,107,580	24,654,499	3,276,924	296,835	29,335,838

The increases and reversals recorded in provisions and impairment losses for the years ended as of 31 December 2014 and 2013 were recorded in the profit and loss statement caption “Provisions and impairment losses”.

The amount recorded in caption “Provisions” as of 31 December 2014 relates to the Board of Directors estimate to cover possible losses arising from legal actions in progress and other liabilities.

(Amounts expressed in Euro)

As confirmed by our lawyers, there are no material assets or liabilities associated with likely or possible tax contingencies that should be disclosed in the notes to the consolidated financial statements as of 31 December 2014.

The amount recorded in the caption "Impairment losses in investments" as of 31 December 2014 results from an impairment for the shareholdings and loans both held in Consumo em Verde – Biotecnologia das Plantas, S.A. and Converde Unipessoal, Lda. (Note 4).

24. OPERATIONAL LEASES

As of 31 December 2014 and 2013, the Group held, as lessee, operational lease contracts which minimal lease payments present the following maturity:

Responsibilities under operational lease rentals	31.12.2014 Minimal operational lease payments	31.12.2013 Minimal operational lease payments
2014	-	326,194
2015	251,548	177,105
2016	178,692	75,149
2017	115,675	29,493
2018 e seguintes	77,327	8,258
	623,241	616,199

Additionally, as of 31 December 2014 and 2013 the Group had, as lessor, operational lease contracts celebrated in 2007 and 2008. These contracts were celebrated for a 20 years period, renewable for an additional 10 years period.

25. FINANCIAL RESULTS

The consolidated financial results for the years ended as of 31 December 2014 and 2013 can be detailed as follows:

	2014	2013
Financial expenses:		
Interest	(2,346,776)	(2,802,899)
Other financial expenses	(755,011)	(1,338,359)
	(3,101,787)	(4,141,258)
Financial income:		
Interest	10,611	15,844
Other financial income	17,720	22,207
	28,331	38,051

Interests paid and recognised in the profit and loss statement for the years ended as of 31 December 2014 and 2013 are totally related with loans obtained.

(Amounts expressed in Euro)

26. TRANSACTIONS WITH RELATED PARTIES

Commercial transactions

The Group companies have relations with each other that are qualified as transactions with related parties. All these transactions are made at market prices.

During the consolidating procedures, the transactions between companies included in consolidation by the full consolidation method are eliminated, since the consolidated financial statements disclose information regarding the holding company and its subsidiaries as a unique Entity.

The main balances with related parties as of 31 December 2014 and 2013 and the main transactions with related entities during these years may be detailed as follows:

	2014				
Related parties	External supplies and services	Sales	Services rendered	Accounts receivable	Accounts payable
Altri Group	124,305	189,530	6,280,679	6,326,381	124,305
Others	-	-	-	2,600,000	-

	2013				
Related parties	External supplies and services	Sales	Services rendered	Accounts receivable	Accounts payable
Altri Group	124,335	89,196	6,135,933	6,157,892	-
Others	-	-	-	2,600,000	-

The services rendered to Altri Group companies refer to rents for the lease of land which are classified under the caption "Investment Properties" (Note 7).

Accounts receivable and payable with Altri Group companies include, essentially, receivables arising from rents referred above.

Accounts receivable amounting to 2,600,000 Euros, included in caption “Other” as of 31 December 2013, are related to loans to subsidiaries net of impairment losses, which are classified as “Investments available for sale” (Note 4).

(Amounts expressed in Euro)

Board of Directors compensation

Compensations paid to members of F. Ramada Investimentos, SGPS, S.A. Board of Directors during the years ended as of 31 December 2014 and 2013 by the companies included in the consolidation by the full consolidation method, are as follows:

	2014	2013
Fixed remunerations	576,520	576,520
Variable remunerations	-	-
	576,520	576,520

Related parties

Apart from the companies included in the consolidation (Note 4), the companies considered to be related parties as of 31 December 2014, can be presented as follows:

Actium Capital, SGPS, S.A.
AdCom Media Anúncios e Publicidade, S.A.
Alteria, SGPS, S.A.
Altri Florestal, S.A.
Altri Sales, S.A.
Altri, Participaciones Y Trading, S.L.
Altri, SGPS, S.A.
Base Holding SGPS, S.A.
Caderno Azul, SGPS, S.A.
Caima Energia – Empresa de Gestão e Exploração de Energia, S.A.
Caima Indústria de Celulose, S.A.
Captaraiz Unipessoal, Lda.
Celulose Beira Industrial (Celbi), S.A.
Celtejo – Empresa de Celulose do Tejo, S.A.
Cofihold, SGPS, S.A.
Cofina – Eventos e Comunicação, S.A.
Cofina Media, S.A.
Cofina, SGPS, S.A.
Consumo em Verde – Biotecnologia das Plantas, S.A.
Converde Unipessoal, Lda.
Destak Brasil – Empreendimentos e Participações, S.A.
Destak Brasil Editora S.A.
Edirevistas – Sociedade Editorial, S.A.
Edisport – Sociedade de Publicações, S.A.
Efe Erre – Participações, SGPS, S.A.
Elege Valor, SGPS, S.A.
Grafedisport – Impressão e Artes Gráficas, S.A.
Inflora – Sociedade de Investimentos Florestais, S.A.
Jardins de França S.A.

Livre Fluxo, SGPS, S.A.
Malva – Gestão Imobiliária, S.A.
Mediafin, SGPS, S.A.
Mercados Globais – Publicação de Conteúdos, Lda.
Metronews – Publicações, S.A.
Pedro Frutícola, Sociedade Frutícola, S.A.
Presselivre – Imprensa Livre, S.A.
Préstimo – Prestígio Imobiliário, S.A.
Promendo, SGPS, S.A.
Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
Torres da Luz – Investimentos imobiliários, S.A.
Transjornal – Edição de Publicações, S.A.
Valor Autêntico, SGPS, S.A.
VASP – Sociedade de Transportes e Distribuições, Lda.
Viveiros do Furadouro Unipessoal, Lda.
Web Works – Desenvolvimento de Aplicações para Internet, S.A.

Board of Directors

F. Ramada Investimentos, SGPS, S.A. Board of Directors as of 31 December 2014 was composed as follows:

João M. Matos Borges de Oliveira
Paulo Jorge dos Santos Fernandes
Pedro Macedo Pinto de Mendonça
Domingos José Vieira de Matos
Pedro Miguel Matos Borges de Oliveira
Ana Rebelo de Carvalho Menéres de Mendonça

27. OTHER OPERATING INCOME

As of 31 December 2014, the caption “Other operating income” mainly includes the results of the equity method’s application by the associated companies amounting to approximately 365,000 Euro (Note 4), costs supported and billed back to customers amounting to 436,000 Euro and discounts obtained for prompt payments amounting to 108,000 Euro.

(Amounts expressed in Euro)

28. EARNINGS PER SHARE

Earnings per share for the years 2014 and 2013 were determined taking into consideration the following amounts:

	2014	2013
Net profit considered for the computation of basic and diluted earning	8,087,907	6,218,227
Number of shares	25,641,459	25,641,459
Number of own shares	2,564,145	2,564,145
Weighted average number of shares used to compute the basic and diluted earnings per share	23,077,314	23,077,314
Earnings per share		
Basic	0.35	0.27
Diluted	0.35	0.27

There are no situations in the Group that might represent a reduction on earnings per share, arising from stock options, warrants, convertible bonds or other rights embedded in ordinary shares.

29. SEGMENT INFORMATION

In accordance with the origin and nature of the income generated by the Group, the main segments identified are as follows:

- Industry – includes the commercialization of steel and storage systems, as well as support services (being the latest a residual activity);
- Real estate – includes the assets and activities related to the Group's real estate development.

The segregation of activities by segments as of 31 December 2014 and 2013 is made up as follows:

	31.12.2014		31.12.2013	
	Industry	Real Estate	Industry	Real Estate
Net operating income				
Resulting from operations with external customers	113,233,937	6,340,932	99,096,485	6,254,707
Resulting from operations with other segments	8,004	1,294,653	8,004	1,250,871
Operating Cash-flow (a)	11,214,561	4,955,703	9,475,202	4,990,338
Amortisation and depreciation	1,258,034	341,030	1,150,912	378,315
Operating profit	9,956,527	4,614,673	8,324,290	4,612,023
Total assets	88,882,846	95,185,737	77,703,412	95,470,719
Total liabilities	42,493,275	79,381,902	34,239,909	82,213,861
Investment of the period (b)	2,679,152	43,104	8,518,968	-

(a) - Earnings before interests, taxes, depreciation and amortisation
(b) - tangible assets, intangible assets and investment additions

(Amounts expressed in Euro)

Sales and services rendered by the Group in 2014 and 2013 can be detailed by geographical markets as follows:

	2014	2013
Domestic market	67,731,546	62,543,611
Foreign market	50,466,952	41,855,331
	118,198,498	104,398,942

30. RESPONSIBILITIES FOR GUARANTEES PROVIDED

As of 31 December 2014 and 2013, F. Ramada Group companies had provided bank guarantees as follows:

	2014	2013
Supply of storage systems	59,102	59,102
Others	158,144	158,144
	217,245	217,245

31. AVERAGE NUMBER OF PERSONNEL

During the years ended as of 31 December 2014 and 2013 the average number of employees of F. Ramada Group was of 419 and 399, respectively. As of 31 December 2014, the number of employees was of 430 (404 as of 31 December 2013).

32. TAX BENEFITS

In the financial year of 2014, the Group received a tax credit for research and development (R&D) expenses incurred in the years 2010, 2011 and 2012 that could be supported under the Business Research and Development Incentive Scheme ("Sistema de Incentivos em Investigação e Desenvolvimento Empresarial" – SIFIDE), in accordance with the framework provided under Article 6, Law 40/2005, on the wording of Law 63-B / 2011. In this sense, an amount of deductible tax benefit to the tax collection was computed in the amount of 538,840 Euro (Note 10).

33. FINANCIAL STATEMENT APPROVAL

The financial statements were approved by the Board of Directors and authorized for issuance in March 20, 2015. The final approval depends on the agreement of the General Shareholders Meeting.

34. EXPLANATION ADDED FOR TRANSLATION

These consolidated financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards (IFRS/IAS) as adopted by the European Union, 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.

The Chartered Accountant

The Board of Directors

João Manuel Matos Borges de Oliveira – Chairman

Paulo Jorge dos Santos Fernandes

Pedro Macedo Pinto de Mendonça

Domingos José Vieira de Matos

Pedro Miguel Matos Borges de Oliveira

Ana Rebelo de Carvalho Menéres de Mendonça

Shaping industry

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