



Earnings Announcement

1st Quarter 2019

(unaudited)

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards and in accordance with the International Accounting Standard 34, 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.



80 YEARS
Investing in industry

RAMADA GROUP – BUSINESS PROFILE

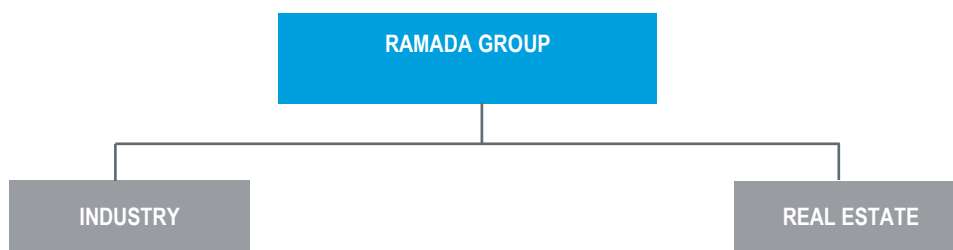
Ramada Investimentos is the parent company of a group of companies that together operate within two distinct business segments: i) Industry Segment, which includes the activity of special steels and wire drawing, as well as the activity related to the management of financial investments in which the Group is a minority shareholder; and ii) Real Estate Segment, aimed at the management of real estate assets.

The special steels activity, which focus especially at the sub-segment of moulds, with a leading position in the domestic market, is developed by three companies: Ramada Aços, Universal Afir and Planfuro Global.

Socitrel's main business is the production and commercialization of steel wires, capable of being used in a wide variety of activities, including industry, agriculture and construction.

In the financial investments management activity, among other portfolio investments held by the Group, it should be highlighted the participation held in Consumo em Verde-Biotecnologia das Plantas, S.A..

The Real Estate Segment includes the real estate asset management activity (made up by the forest assets and the buildings of the group) and is developed by F. Ramada II - Imobiliária, S. A..



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

PROFIT AND LOSS STATEMENT

The key information and indicators of Ramada Group's consolidated activity can be presented as follows:

	1Q 2019	1Q 2018	Var. %
Sales and services rendered	30 410	31 656	-3.9%
Other income	136	147	
Total revenue	30 546	31 803	-4.0%
Cost of sales	(19 094)	(19 077)	0.1%
External supplies and services	(3 840)	(4 222)	-9.0%
Payroll expenses	(3 583)	(3 614)	-0.8%
Other expenses	(138)	(239)	-42.5%
Total Costs (a)	(26 655)	(27 152)	-1.8%
EBITDA (b)	3 891	4 651	-16.3%
EBITDA Margin	12.7%	14.6%	
Amortization and depreciation	(1 101)	(1 492)	-26.2%
EBIT (c)	2 790	3 159	-11.7%
EBIT Margin	9.1%	9.9%	
Financial expenses	(381)	(397)	-3.9%
Financial income	38	0	8156.1%
Net profit before income tax from continuing operations	2 447	2 763	-11.4%
Income tax	(538)	(591)	
Net profit after tax from continuing operations	1 909	2 172	-12.1%
Net profit after tax income from discontinued operations	0	1 176	-100.0%
Consolidated net profit	1 909	3 348	-43.0%

(Amounts in thousands of Euro)

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

(b) EBITDA = earnings before financial results, taxes on income, amortization and depreciation

(c) EBIT = earnings before financial results and taxes on income

Total revenues of Ramada Group during the first quarter of 2019 amounted to 30,546 thousand Euro, presenting a 4.0% decrease over the total revenues recorded in the same period of 2018.

Total costs, excluding amortizations, financial results and income taxes, amounting to 26,655 thousand Euro, recorded a 1.8% decrease over March 2018.

EBITDA amounted to 3,891 thousand Euro, a 16.3% decrease when compared to the first quarter of 2018. EBITDA margin achieved 12.7% which compares with 14.6% recorded in the homologous period.

Operating income (EBIT), in the amount of 2,790 thousand Euro, recorded a decrease of 11.7% when compared to 3,159 thousand Euro in 2018.

The negative financial results, in the amount of 343 thousand Euro, recorded a 13.6% improvement over the first quarter of 2018.

During the first quarter of 2019, net profit of the continuing operations amounted to 1,909 thousand Euro, decreasing 12.1% when compared to the first quarter of the previous year.

INDUSTRY SEGMENT

	1Q 2019	1Q 2018	Var. %
Total Revenues	28 768	30 069	-4.3%
Total Costs (a)	26 241	26 790	-2.0%
EBITDA (b)	2 527	3 279	-22.9%
EBITDA Margin	8.8%	10.9%	
EBIT (c)	1 498	1 849	-19.0%
EBIT Margin	5.2%	6.1%	
Financial results	(132)	(183)	-27.5%
Net profit before income tax from continuing operations	1 366	1 666	-18.0%
Income tax	(300)	(317)	-5.1%
Net profit from continuing operations	1 065	1 350	-21.1%
Net profit from discontinued operations	0	1 176	-100.0%
Consolidated net profit	1 065	2 525	-57.8%

(Amounts in thousands of Euro)

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

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In the first quarter of 2019, total revenues from the Industry segment amounted to 28,768 thousand Euro, recording a 4.3% decrease over total revenues of the first quarter of 2018.

The EBITDA of the Industry segment during the first quarter of 2019 achieved the 2,527 thousand Euro, decreasing 22.9% over the same period of 2018.

EBITDA margin amounted to 8.8% compared with 10.9% recorded in the previous year.

Operational income (EBIT), in the amount of 1,498 thousand Euro, recorded a 19.0% decrease over the 1,849 thousand Euro in the same period of 2018.

In the first quarter of 2019, the steel business recorded a decrease in turnover when compared to the same period of the previous year.

The impact of the restructuring within automotive industry felt during the second half of 2018 continued to be felt during the first quarter of 2019.

Moulds and tools sector, crucial for the Group's business, kept facing adverse conditions. Metalworking sector also suffered with that demand decrease. This stagnant market situation drastically reduced subcontracting and significantly penalized the Group's turnover.

At the same time, the Group changed its ERP and the start-up of this new tool occurred in the middle of the quarter, causing some constraints.

The steel business is mainly developed in the domestic market which, in the first three months of 2019, accounted for 93% of turnover.

In the first quarter of 2019, Socitrel recorded a turnover increase over the same period of 2018.

Regarding the markets where Socitrel operates, there was an intense pressure on the supply side in all products, resulting a decrease in price and in the gross margin.

Socitrel operates mainly in the foreign market, which in the first quarter of 2019 represented 66% of turnover, with Europe being the major target market.

REAL ESTATE SEGMENT

	1Q 2019	1Q 2018	Var. %
Total revenues	1 778	1 734	2.6%
Total costs (a)	414	362	14.3%
EBITDA (b)	1 365	1 372	-0.6%
EBIT (c)	1 292	1 311	-1.4%
Financial results	(211)	(214)	-1.5%
Net profit before income tax	1 081	1 097	-1.4%

(Amounts in thousands of Euro)

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In the first quarter of 2019, total revenues of the Real Estate segment amounted to 1,778 thousand Euro, recording a 2.6% increase over the same period of 2018.

Income from long-term leases of forest land represent approximately 90% of total Real Estate revenues.

The EBITDA of the Real Estate segment in the first quarter of 2019 amounted to 1,365 thousand Euro, similar to 2018's level.

In the first quarter of 2019, operation profit (EBIT) of the Real Estate segment, in the amount of 1,292 thousand Euro, recorded a 1.4% decrease over the same period of 2018.

The financial results of the Real Estate segment were negative by 211 thousand Euro, recording a 1.5% improvement over the negative 214 thousand Euro recorded in the first quarter of 2018.

In the first quarter of 2019, profit before taxes for the Real Estate segment amounted to 1,081 thousand Euro, 1.4% less than in 2018.

INVESTMENTS AND DEBT

Ramada Group's operational investments, in the first quarter of 2019, amounted to, approximately, 352 thousand Euro.

As of 31 March 2019, the nominal net debt amounted to 14,237 thousand Euro. As of 31 December 2018, this amount was 21,375 thousand Euro.

Oporto, May 30, 2019

The Board of Directors



Shaping industry

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