

**SHAREHOLDERS' GENERAL MEETING OF THE 28<sup>TH</sup> OF MAY 2016**

**PROPOSAL PRESENTED WITHIN THE SCOPE OF THE SECOND ITEM**

Pursuant to the effects of legal and regulatory provisions, the proposal of allocation of results for the year 2015 presented by the Board of Directors is hereby provided, in order to be submitted for discussion and voted on at the Shareholders' General Meeting to be held on 28<sup>th</sup> May 2016:

Excerpt from the text of the Management Report  
approved by the Board of Directors in the meeting of 27<sup>th</sup> April, 2016

“The net results whose proposed allocation is presented herein correspond to the amounts calculated as at 31 December 2015 plus the cost of EUR 700,000 (seven hundred thousand Euros) which, being planned to be distributed to the employees and to the Directors, were, pursuant to the applicable rules, recorded as a cost of the actual financial year of 2015 in the financial statements which, should they be approved, confirm, on the one hand, such accordance of the shareholders to distribute profits to the employees and to the members of the Board of Directors and, on the other hand, that the Net Result which is the object of the proposal for allocation of Results is EUR 24.978.306,33 (twenty four million nine hundred and seventy eight thousand three hundred and six Euros and thirty three cents).

Furthermore, it is also the policy of Teixeira Duarte to privilege the reinforcement of the company's equity and ensure a continued and balanced distribution of dividends to the shareholders, which, in the present conjuncture, is understood as to be especially moderate.

Considering these assumptions, the Board of Directors proposes that the individual net results of “TEIXEIRA DUARTE, S.A.” for the financial year of 2015, amounting to EUR 24.978.306,33 (twenty four million nine hundred and seventy eight thousand three hundred and six Euros and thirty three cents), be allocated as follows:

Reinforcement of the legal reserve	EUR 5,000,000.00
Reinforcement of the free reserves	EUR 18,293,306.33
Dividends to shareholders	EUR 1,680,000.00”

Lagoas Park, the 29<sup>th</sup> of April 2016

The Company's Secretary,

***José Pedro Cobra Ferreira***