

ANNUAL GENERAL SHREHOLDERS' MEETING OF THE 17TH OF MAY 2012

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

Under the terms and for the effects of the applicable laws and regulations, we hereby disclose the proposal for the allocation of profits regarding the financial year of 2011, presented by the Board of Directors to be subject to discussion and deliberation at the Annual General Meeting to take place on the 17th of May 2012:

Extract of the Report and Accounts

Approved by the Board of Directors on its meeting on the 27th of April 2012

"Considering these assumptions, the Board of Directors proposes that the individual negative net profit of "TEIXEIRA DUARTE, S.A." for the financial year 2011, amounting to €175.616.665,80 (one hundred and seventy-five million six hundred and sixteen thousand six hundred and sixty-five Euros and eighty cents) be carried forward to the next year."

Lagoas Park, the 27th of April 2012

The Company Secretary,

José Pedro Cobra Ferreira