

Report and Accounts

1st Semester **2016**

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Teixeira Duarte, S.A.

LISTED COMPANY

Head Office: Lagoas Park, Edifício 2 - 2740-265 Porto Salvo

Share Capital: € 210,000,000

Sole Legal Person and Registration

number at Cascais-Oeiras Commercial Register 509 234 526

KEY INDICATORS

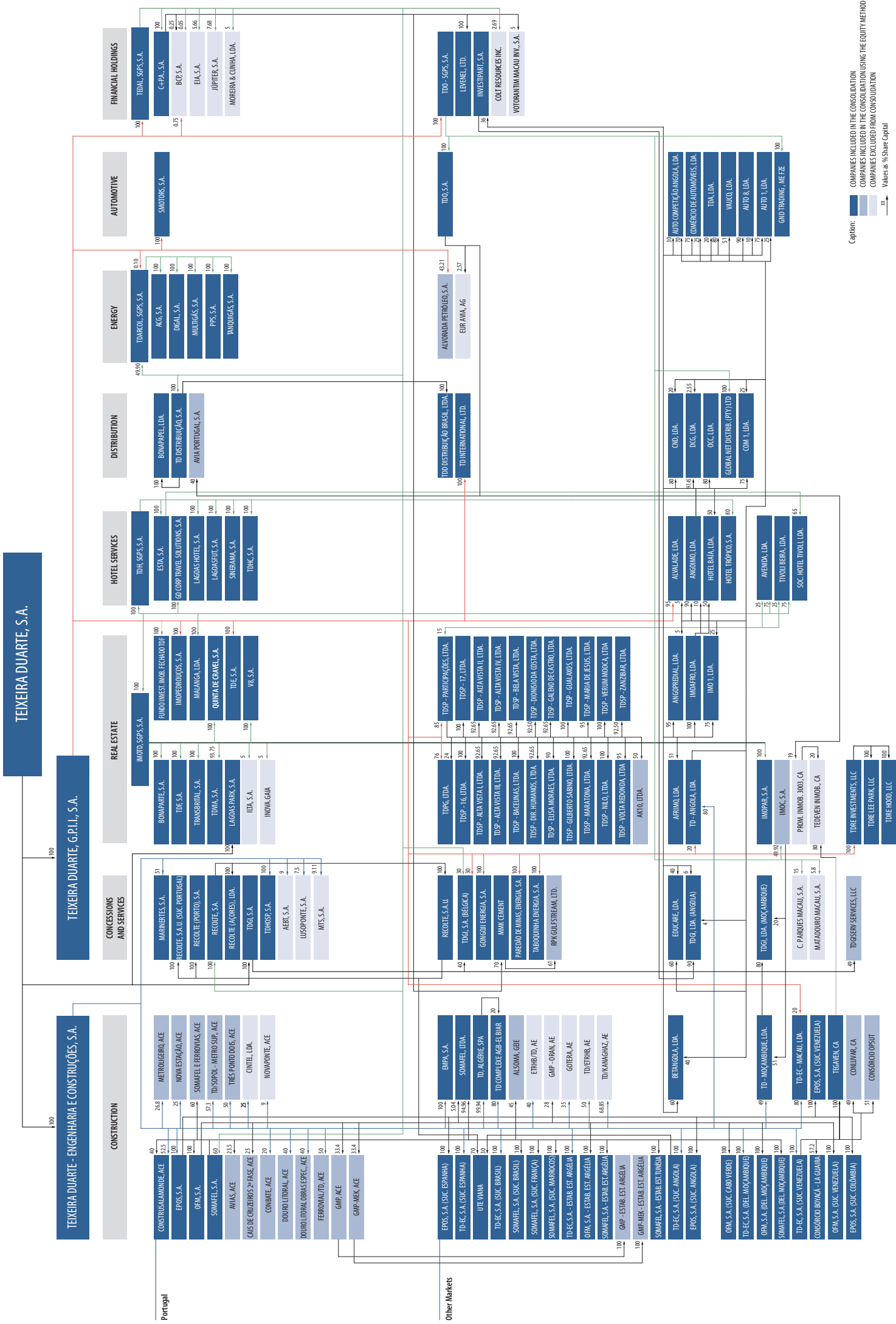
	1st S 2012	1st S 2013	1st S 2014	1st S 2015	1st S 2016	Variation 2016/2015 %
Average number of employees	10,535	11,679	13,173	13,628	11,777	(13.6%)
Turnover	588	735	759	684	570	(16.7%)
Operating Income	608	753	766	702	590	(16.0%)
EBITDA	86	103	111	83	96	16.5%
EBITDA / Turnover Margin	14.6%	14.1%	14.7%	12.1%	16.9%	39.9%
EBIT	58	73	104	47	65	38.9%
Net Income Attributable to Shareholders	(4)	9	43	24	(36)	-
Net Debt	929	1,209	1,294	1,236	1,152	(6.7%)
Total Equity Attributable to Shareholders	248	267	397	507	344	(32.2%)
Total Equity	321	308	430	528	393	(25.7%)
Total Net Assets	2,720	2,722	2,888	2,943	2,526	(14.2%)

Notes:

The book values are expressed in million euros.

The values in the "Variation 2016/2015 %" column were calculated based on amounts that were not rounded off.

TEIXEIRA DUARTE GROUP - 1st Semester 2016



Interim Management Report **1st Semester 2016**



I - INTRODUCTION

Under the terms and for the effect of the applicable legal and regulatory provisions, TEIXEIRA DUARTE, S.A. ("TD, S.A.") hereby discloses the Interim Report relative to the first six months of 2016, of which the consolidated financial statements attached herewith are also an integral part.

In compliance with and under the regulations on the presentation of periodic information, it is hereby clarified that the elements disclosed herein refer only to the consolidated aspect and that the consolidated financial Statements as at 30 June 2016 were prepared using accounting policies consistent with the International Financial Reporting Standards ("IFRS"), as adopted in the European Union, enforced for periods started on 1 January 2016 and in conformity with IAS 34 – Interim Financial Reporting.

Without prejudice to the regular monitoring of the activity of the Teixeira Duarte Group by its Supervisory Bodies, as well as through the information reported to the Supervisory Bodies for the purpose of the preparation of this document, the elements published herein were not, pursuant to the applicable provisions, subject to auditing.

In addition to the Consolidated Financial Statements and respective notes, this document also presents a brief description of the evolution of the Group's activity during the period under analysis, relative to which we highlight the following aspects:

- **Net Profit Attributable to Shareholders** was negative by 35.8 million euros;
- **Turnover** stood at 570.1 million euros;
- **Foreign Market** represents 83.2% of Turnover;
- **EBITDA** reached 96.4 million euros;
- **EBITDA / Turnover margin** of 16.9%;
- **Net Debt** of 1,152 million euros;
- **Net Assets of the Group** of 2,526 million euros;
- **Financial Autonomy** of 15.6%;
- **Order Book of the Teixeira Duarte Group** for the construction sector stood at 1,912 million euros.

II – GENERAL OVERVIEW OF THE ACTIVITY

Income Statement for the periods ended on 30 June 2016 and 2015

	1st S 16	1st S 15	Var (%)	2nd Q 16	2nd Q 15	Var (%)
Operating income	590,069	702,381	(16.0%)	292,704	334,563	(12.5%)
Operating costs	(493,645)	(619,634)	(20.3%)	(244,778)	(286,209)	(14.5%)
EBITDA	96,424	82,747	16.5%	47,926	48,354	(0.9%)
Amortisation and depreciation	(38,160)	(38,638)	(1.2%)	(18,390)	(15,988)	15.0%
Provisions and impairment losses	6,645	2,618	153.8%	5,000	4,820	3.7%
EBIT	64,909	46,727	38.9%	34,536	37,186	(7.1%)
Financial results	(72,325)	(18,074)	300.2%	(25,923)	(35,965)	(27.9%)
Earnings before tax	(7,416)	28,653	-	8,613	1,221	605.4%
Income tax	(13,797)	(5,305)	160.1%	(18,381)	6,753	-
Net income	(21,213)	23,348	-	(9,768)	7,974	-
Attributable to:						
Shareholders	(35,777)	24,247	-	(13,316)	8,979	-
Non-controlling interests	14,564	(899)	-	3,548	(1,005)	-

(Values in thousand euros)

The **Net Income Attributable to Shareholders** was negative by 35,777 thousand euros, corresponding to a significant reduction compared to the same period of 2015, notwithstanding the better operating performance of the Group's companies in relation to the first semester of the previous year.

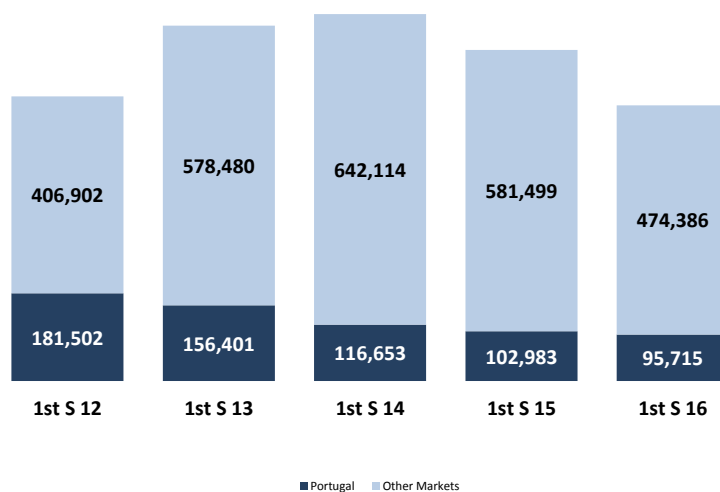
These results were strongly influenced by the following two factors: the variation of exchange rate differences which were negative by 23,723 thousand euros in June 2016, while in the same period of 2015 this figure had been positive by 19,136 thousand euros, and the negative impact, net of deferred taxes, of 14,810 thousand euros of impairment loss in the equity holding in "Banco Comercial Português, S.A." recorded in the first six months of 2016.

Concerning the second quarter of 2016, it should be noted that of the 13,316 thousand euros of negative net income, 8,442 thousand euros were derived from the negative effect, net of deferred taxes, of the impairment loss in the stake in "Banco Comercial Português, S.A.".

Turnover reached 570,101 thousand euros, reflecting a 16.7% reduction in relation to the same period of 2015, i.e. a decline of 114,381 thousand euros.

Other markets, which already accounted for 85% of this indicator in June 2015, declined as a whole by 18.4%, to represent 83.2% of the total Turnover of the Teixeira Duarte Group.

Evolution of Turnover by Market



(Values in thousand euros)

The tables below present the Turnover detailed first by country and second by activity sector.

Turnover by Country

Country	1st S 16		1st S 15		Variation	2nd Q 16		2nd Q 15		Variation
	Value	Contribution	Value	Contribution		Value	Contribution	Value	Contribution	
Portugal	95,715	16.8%	102,983	15.0%	(7.1%)	44,114	15.7%	51,368	15.8%	(14.1%)
Angola	243,401	42.7%	368,810	53.9%	(34.0%)	123,144	43.9%	174,441	53.7%	(29.4%)
Algeria	55,986	9.8%	47,690	7.0%	17.4%	32,847	11.7%	25,897	8.0%	26.8%
Brazil	67,334	11.8%	76,480	11.2%	(12.0%)	38,945	13.9%	37,625	11.6%	3.5%
Spain	15,933	2.8%	22,971	3.4%	(30.6%)	7,830	2.8%	12,400	3.8%	(36.9%)
Mozambique	71,446	12.5%	41,735	6.1%	71.2%	31,998	11.4%	26,267	8.1%	21.8%
Venezuela	9,545	1.7%	21,689	3.2%	(56.0%)	(2,575)	(0.9%)	(4,565)	(1.4%)	(43.6%)
Other	10,741	1.9%	2,124	0.3%	405.7%	4,312	1.5%	1,555	0.5%	177.3%
	570,101	100.0%	684,482	100.0%	(16.7%)	280,615	100.0%	324,988	100.0%	(13.7%)

(Values in thousand euros)

The first table reveals the Group's exposure to economic contexts that are currently more adverse, in particular Angola and Venezuela, which have recorded most impact on the Group's activity over recent years and where, therefore, the impact of their decline is highest on the overall values achieved.

The negative Turnover in Venezuela in the second quarter of 2016 was due to the accumulated effect of the devaluation of the Venezuelan Bolivar, as it is stated in terms of its difference in relation to the first quarter. Excluding this effect, Venezuela would have achieved 3,351 thousand euros in these three months.

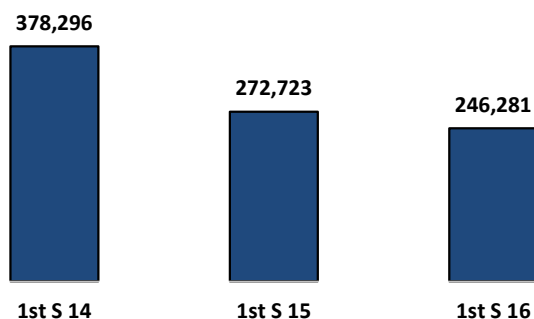
Turnover by Activity Sector

Activity Sector	1st S 16		1st S 15		Variation	2nd Q 16		2nd Q 15		Variation
	Value	Contribution	Value	Contribution		Value	Contribution	Value	Contribution	
Construction	246,281	43.2%	272,723	39.8%	(9.7%)	124,064	44.2%	123,423	38.0%	0.5%
Concessions and Services	55,755	9.8%	53,403	7.8%	4.4%	29,454	10.5%	27,462	8.5%	7.3%
Real estate	53,391	9.4%	60,187	8.8%	(11.3%)	28,937	10.3%	30,476	9.4%	(5.0%)
Hotel services	25,949	4.6%	38,356	5.6%	(32.3%)	13,274	4.7%	19,471	6.0%	(31.8%)
Distribution	133,957	23.5%	142,349	20.8%	(5.9%)	59,526	21.2%	70,356	21.6%	(15.4%)
Energy	9,363	1.6%	9,401	1.4%	(0.4%)	4,477	1.6%	4,222	1.3%	6.0%
Automotive	45,405	8.0%	108,063	15.8%	(58.0%)	20,883	7.4%	49,578	15.3%	(57.9%)
	570,101	100.0%	684,482	100.0%	(16.7%)	280,615	100.0%	324,988	100.0%	(13.7%)

(Values in thousand euros)

Supplementing the table above, the following notes are presented in relation to the activity developed in the first semester for each of the Group's sectors of operation:

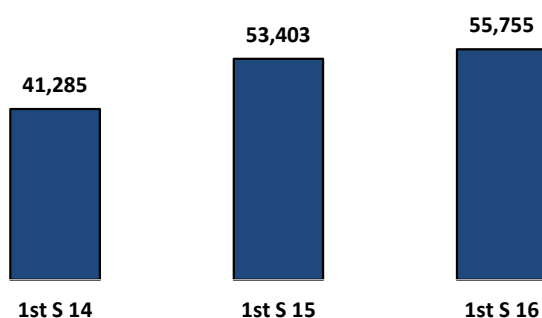
Turnover of Construction



Turnover of Construction fell by 9.7% in relation to the same period of 2015, with Portugal having declined by 20.2% in relation to the first six months of 2015.

In the other markets, reference is made to the growth observed in Algeria, Brazil and Mozambique, with increases of 17.4%, 9.4% and 83.5%, respectively, which even so did not offset the decreases recorded in Angola and Venezuela. As at 30 June 2016, the foreign market represented 83.9% of Construction turnover.

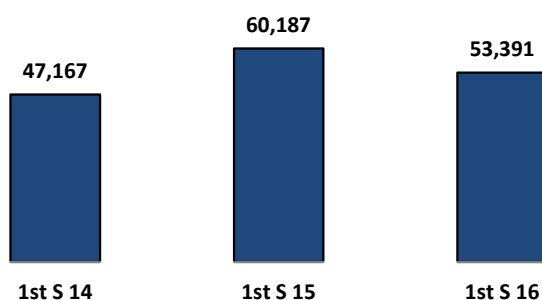
Turnover of Concessions and Services



In Concessions and Services, Turnover grew by 4.4% in relation to June 2015, especially due to the good performance in Spain, which increased by 5.9% relative to the same period of 2015.

In Portugal and Angola similar values to those of the first half of 2015 were recorded.

Turnover of Real Estate

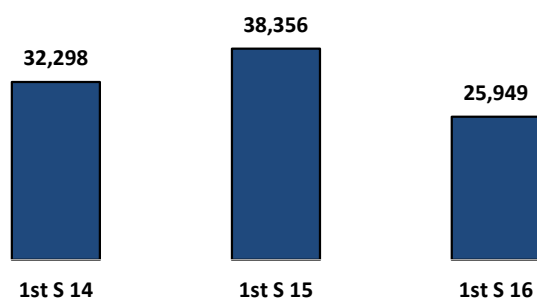


Real Estate Turnover declined as a whole by 11.3% in relation to the same period of 2015.

In Portugal, in a context of recovery of the real estate market, an increase of 30.8% was recorded in relation to June 2015.

In Brazil, under less favourable economic circumstances for this sector, the Group's performance was also hit by the devaluation of the Real, with turnover in this country having declined by 37.7% year-on-year.

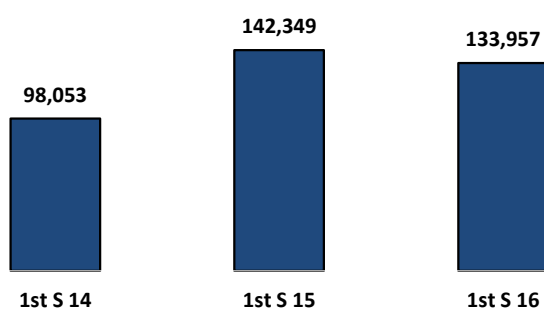
Turnover of Hotel Services



The Turnover of the Hotel Service Business declined as a whole by 32.3% in relation to the same period of 2015.

Apart from the reduction derived from the divestment at the end of 2015 of two hotels held by the Group in Portugal, and the 18.7% decrease in Mozambique, the main cause of the reduction of this indicator of the Group concerning the same period of 2016 was the 33.1% year-on-year decline recorded in Angola – the Group's principal market of action in this Sector.

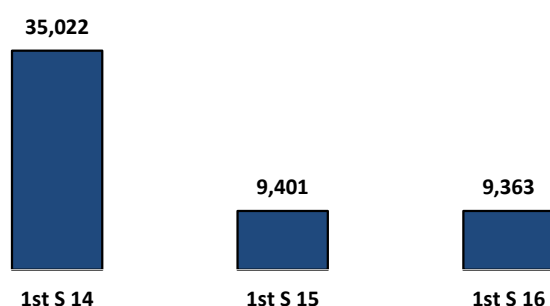
Turnover of Distribution



Distribution recorded a decline of 5.93% in relation to the first six months of 2015.

In the first half of 2016, in Angola, the Group continued to focus on optimising its different operations developed in this sector in the country, and consolidating the different business units.

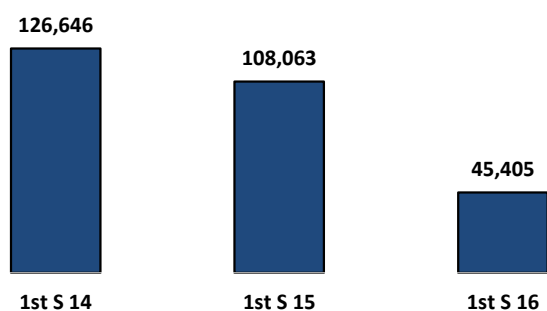
Turnover of Energy



The Group's Energy Turnover decreased by 0.4% year-on-year.

Currently, the Group only operates in the Gas sector, where it has over 700 reservoirs and a network of 350 km supplying approximately 65,000 housing units.

Turnover of the Automotive sector



(Values in thousand euros)

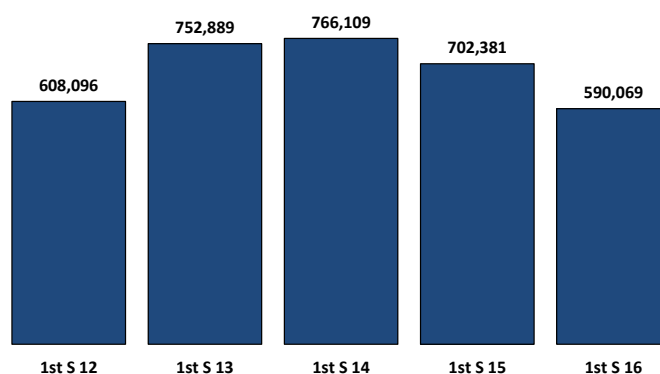
The Turnover of the Automotive sector fell by 58% in relation to the same period of 2015.

In the first six months of the year a decline of 76% was recorded in units sold in the light segment and a reduction of 17% in the after-sales service.

An operation was started up in Portugal in this sector, with the Group having a representation of the brand Suzuki.

Operating income fell by 16% year-on-year, having reached the value of 590,069 thousand euros.

Evolution of Operating Income



(Values in thousand euros)

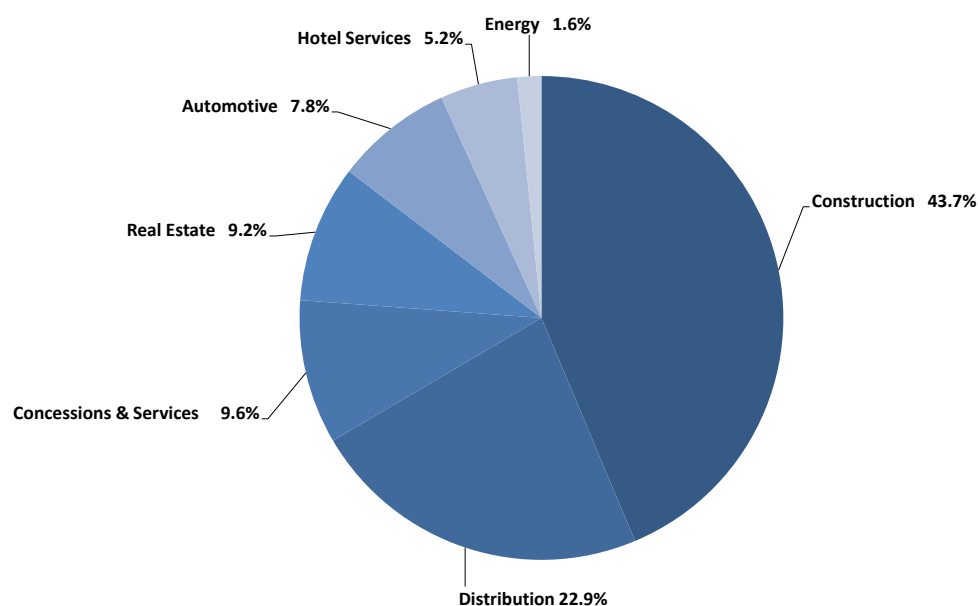
The table below, presenting the results of the different Sectors in this indicator in the Domestic and External Market, illustrates the good performance of the Concessions and Services sector.

Operating Income by Activity Sector in the Domestic and External Market

Activity Sector	Domestic Market			External Market			Total		
	1st S 16	1st S 15	Var (%)	1st S 16	1st S 15	Var (%)	1st S 16	1st S 15	Var (%)
Construction	47,098	51,270	(8.1%)	210,607	225,145	(6.5%)	257,705	276,415	(6.8%)
Concessions and Services	16,894	16,971	(0.5%)	39,949	37,764	5.8%	56,843	54,735	3.9%
Real estate	25,099	21,483	16.8%	29,138	41,924	(30.5%)	54,237	63,407	(14.5%)
Hotel services	4,933	7,839	(37.1%)	25,657	30,258	(15.2%)	30,590	38,097	(19.7%)
Distribution	519	634	(18.1%)	134,394	148,444	(9.5%)	134,913	149,078	(9.5%)
Energy	9,396	10,118	(7.1%)	29	-	-	9,425	10,118	(6.8%)
Automotive	116	-	-	46,240	110,531	(58.2%)	46,356	110,531	(58.1%)
Total	104,055	108,315	(3.9%)	486,014	594,066	(18.2%)	590,069	702,381	(16.0%)

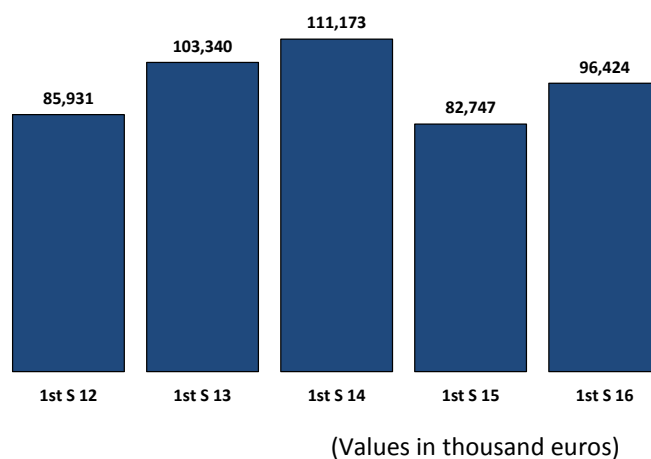
(Values in thousand euros)

In view of the evolution referred to above, the contribution of each activity sector to the total value of the operating income achieved by the Group as at 30 June 2016 was as follows:



EBITDA increased by 16.5% in relation to June 2015, to stand at 96,424 thousand euros.

Evolution of EBITDA



Analysing this indicator by Sector, the table below shows very divergent performance among each areas according to the specific features of each business and market of operation.

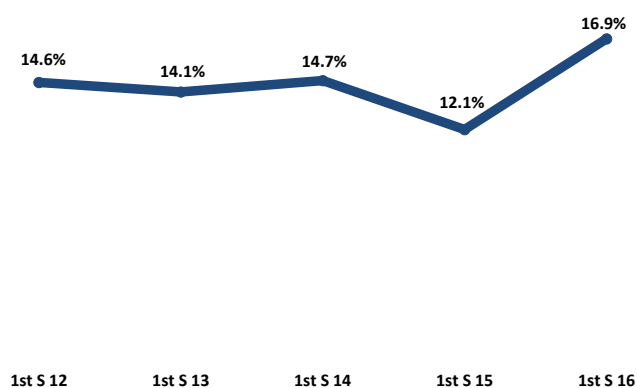
Evolution of EBITDA by Activity Sector

Activity Sector	1st S 16	1st S 15	Var (%)	2nd Q 16	2nd Q 15	Var (%)
Construction	16,832	2,900	480.4%	10,939	6,107	79.1%
Concessions and Services	10,247	9,901	3.5%	6,139	4,531	35.5%
Real estate	22,618	33,269	(32.0%)	10,225	16,322	(37.4%)
Hotel services	3,921	8,136	(51.8%)	2,359	4,776	(50.6%)
Distribution	27,811	10,654	161.0%	9,351	7,674	21.9%
Energy	2,188	2,541	(13.9%)	1,153	695	65.9%
Automotive	17,523	20,869	(16.0%)	9,651	10,890	(11.4%)
Not allocated to segment	(4,588)	(5,496)	(16.5%)	(1,764)	(2,615)	(32.5%)
Elimination	(128)	(27)	-	(127)	(26)	-
	96,424	82,747	16.5%	47,926	48,354	(0.9%)

(Values in thousand euros)

The **EBITDA / Turnover Margin** increased by 39.9% year-on-year, having shifted from 12.1% to 16.9% in June 2016.

Evolution of the EBITDA / Turnover Margin



The **financial results** were negative by 72,325 thousand euros for the period ended on 30 June 2016, while at the end of the first semester of 2015 the financial results were negative by 18,074 thousand euros.

	1st S 16	1st S 15	Var (%)	2nd Q 16	2nd Q 15	Var (%)
Financial costs and losses:	(236,964)	(264,120)	(10.3%)	(109,873)	(90,460)	21.5%
Interest paid	(40,394)	(48,740)	(17.1%)	(21,503)	(23,973)	(10.3%)
Unfavourable exchange rate differences	(184,634)	(203,247)	(9.2%)	(82,353)	(58,875)	39.9%
Other financial costs and losses	(11,936)	(12,133)	(1.6%)	(6,017)	(7,612)	(21.0%)
Financial income and gains:	169,934	230,313	(26.2%)	89,518	39,072	129.1%
Interest received	6,995	5,901	18.5%	3,811	947	302.4%
Favourable exchange rate differences	160,911	222,383	(27.6%)	84,675	36,828	129.9%
Cash discounts received	37	135	(72.6%)	4	42	(90.5%)
Other financial income and gains	1,991	1,894	5.1%	1,028	1,255	(18.1%)
Earnings from investment activities:	(5,295)	15,733	-	(5,568)	15,423	-
Earnings from associates and joint ventures	9,534	4,363	118.5%	4,425	4,998	(11.5%)
Dividends	1,652	650	154.2%	82	485	(83.1%)
Other investments	2,622	10,720	(75.5%)	815	9,940	(91.8%)
Gains / losses in assets available for sale	(19,103)	-	-	(10,890)	-	-
Financial results	(72,325)	(18,074)	300.2%	(25,923)	(35,965)	(27.9%)

(Values in thousand euros)

This indicator thus deteriorated by 54,251 thousand euros in relation to the same period of 2015, having been influenced in particular by the following net changes:

- Negative variation of 42,859 thousand euros, derived from the impact of exchange rate differences;
- Variation derived from the negative impact of the impairment loss in the participated company “Banco Comercial Português, S.A.” of 19,103 thousand euros in June 2016;
- Negative variation of "Other investments" of 8,098 thousand euros, due to the divestment of financial holdings in unlisted companies stated at cost value in the Group's accounts, with higher positive impact in the first semester of 2015;
- Positive variation derived from the reduction of 8,346 thousand euros of interest paid;
- Positive variation of 5,171 thousand euros of earnings from associates and joint ventures.

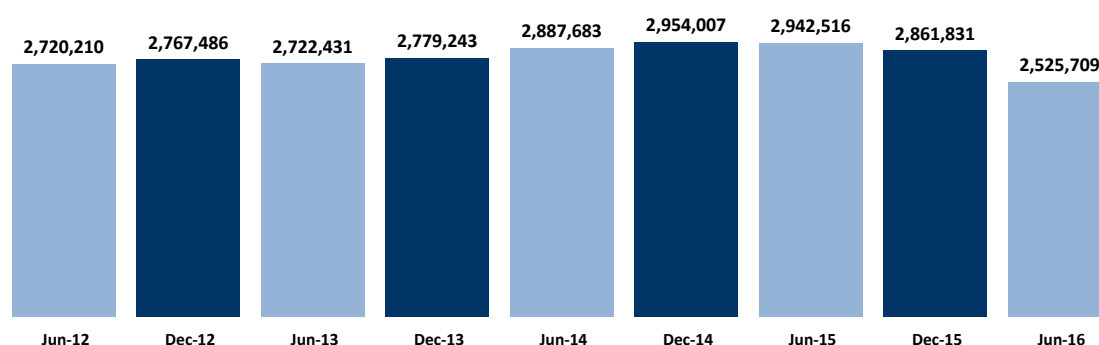
Income Tax amounted to 13,797 thousand euros as at 30 June 2016, while in the same period of the previous year this figure had stood at negative 5,305 thousand euros.

	1st S 16	1st S 15	Var (%)	2nd Q 16	2nd Q 15	Var (%)
Current tax	(24,790)	(15,096)	64.2%	(5,886)	(2,722)	116.2%
Deferred tax	10,993	9,791	12.3%	(12,495)	9,475	-
	(13,797)	(5,305)	160.1%	(18,381)	6,753	-

(Values in thousand euros)

Total Net Assets declined by 11.7% in relation to 31 December 2015, having stood at 2,525,709 thousand euros.

Evolution of Net Assets

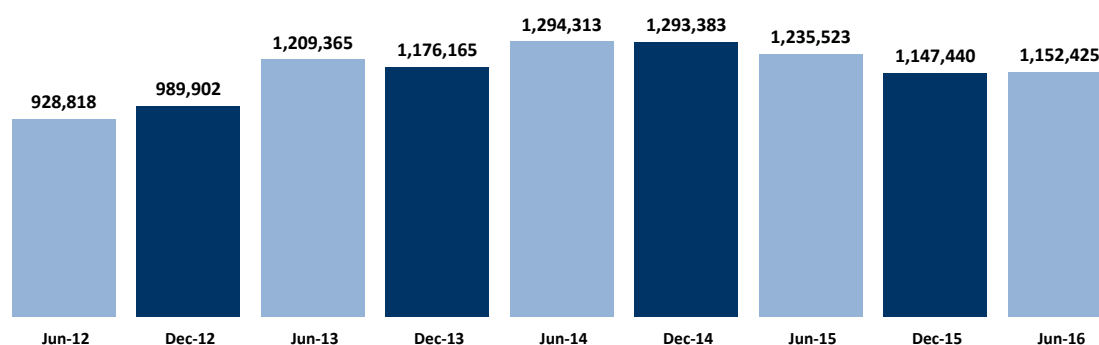


(Values in thousand euros)

The Group has important assets in countries such as Angola and Mozambique which, being recorded in currencies which have devalued significantly, had an impact on the consolidated accounts in euros, although this does not necessarily correspond to an effective depreciation of these assets.

Net Debt showed a minor increase of 0.4% in relation to the end of the previous year, having stood at 1,152,425 thousand euros as at 30 June 2016.

Evolution of Net Debt



(Values in thousand euros)

The analysis of the evolution of these indicators should take into account the heavy devaluation in currencies in which the Group operates, namely the Angolan Kwanza and Venezuelan Bolivar.

It should also be noted that, essentially to accomplish the contracted activities, the Group made investments in the period of the value of 37.2 million euros.

Equity Attributable to Shareholders declined by 124,188 thousand euros, having shifted from 467,927 thousand euros to 343,739 thousand euros, corresponding to a reduction of 26.5% in relation to 31 December 2015.

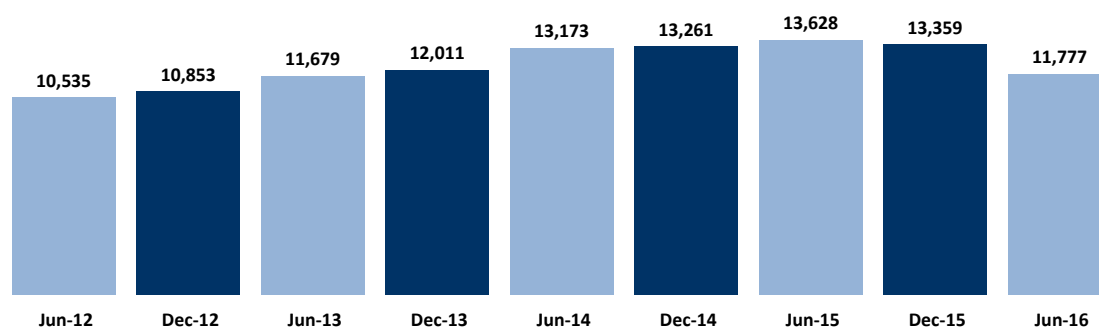
Total Equity fell by 125,439 thousand euros, having shifted from 518,217 thousand euros to 392,778 thousand euros, corresponding to a decrease of 26.5% in relation to 31 December 2015, primarily influenced by the following factors:

- Negative net income of 21,213 thousand euros;
- Negative effect of 89,688 thousand euros, derived from currency conversion in the transposition of the financial statements into euros, due to the devaluation of the currencies in which the Group operates in relation to the Euro. While this effect was particularly negative in non-financial assets, it does not necessarily correspond to an effective depreciation of these assets.

Financial Autonomy shifted from 18.1% as at 31 December 2015 to 15.6% as at 30 June 2016.

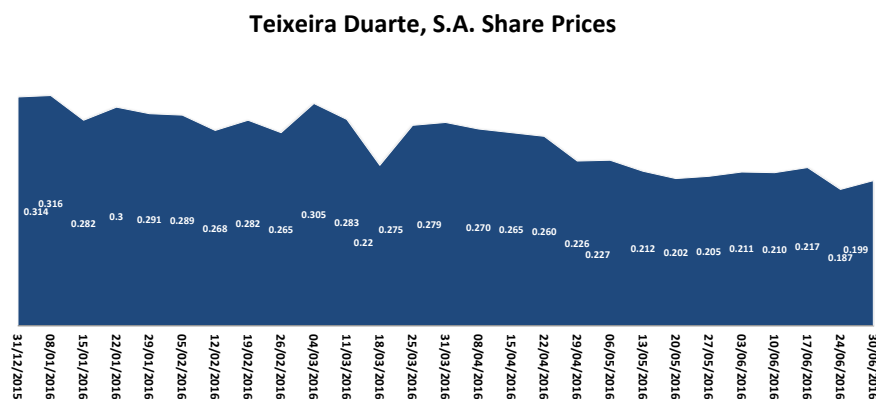
The **Average Number of Employees** at the end of the period ended on 30 June 2016 was 11,777, having decreased by 11.8% in relation to 31 December 2015, accompanying the aforesaid lower activity in these first six months of 2016 and inherent adjustment of the Group's structures to this reality.

Evolution of the Average Number of Employees



“Teixeira Duarte, S.A.” share prices fluctuated between 0.314 euros as at 31 December 2015 and 0.199 euros as at 30 June 2016.

The graph below shows the evolution of the stock market prices of these shares during the first six months of this year, having varied over this period between a minimum of 0.17 euros and maximum of 0.33 euros.



During this period, 9,338,152 shares were traded on the stock exchange, with a total turnover of 2,428,245 euros.

III. FACTS WHICH OCCURRED AFTER THE END OF THE 1st SEMESTER 2016

TEIXEIRA DUARTE pursued its activity in the different markets in which it operates, with the following relevant facts having occurred after the closing of the first semester of 2016, which were disclosed in due time to the market:

CONTRACT FOR THE EXECUTION OF BUILDING WORK IN BRAZIL, FOR THE VALUE OF 102.5 MILLION EUROS

The Brazilian company, in which "Teixeira Duarte, S.A." indirectly holds a 100% stake "EMPA, S.A. Serviços de Engenharia", concluded with IURD "Amendment number 3 to the Partial Construction Contract", dated 13 July 2016, for the execution of the internal masonry, finishing, installations and landscaping and other agreements of the Cenáculo Curitiba building, located in the Municipality of Curitiba, State of Paraná, in Brazil.

The period established for the implementation of the work is 24 months, with the total value of this contract being 373,000,000.00 Brazilian reais, corresponding to 102,582,437.23 euros on the date of the press release to the market.

It is also disclosed that the conclusion of this "Amendment 3" follows the "Partial Construction Contract" signed between the parties on 15 August 2014 and subsequent "Amendment 1" and "Amendment 2", respectively concluded on 13 April 2015 and 17 June 2015, for the accomplishment of work, already partially executed, under the same construction work.

As a whole, i.e. including the "Partial Construction Contract" and its three Amendments, this construction contract reaches a total value corresponding to 128,419,555.32 euros on the date of the press release to the market.

CONTRACT FOR THE EXECUTION OF RAILWAY WORK IN BRAZIL, FOR THE VALUE OF 66.4 MILLION EUROS

The Brazilian company, in which "Teixeira Duarte, S.A." indirectly holds a 100% stake "EMPA, S.A. Serviços de Engenharia" and the Brazilian company in which it indirectly holds a 60% stake "SOMAFEL – Obras Ferroviárias e Marítimas, Ltda." , concluded a contract with VALE, S.A. on 26 July 2016 to carry out, in Brazil, the "Total construction contract for civil works, drainage, current structural work, special structural work, earthworks and signalling infrastructure relative to the execution of the duplication infrastructure of segments 44-45, 45-46 semi, 45-46 supplement, renovation of patio 46, 46-47 semi and 46-47 supplement of the Expansion of Estrada de Ferro Carajás – EFC. This work is an integral part of the North Logistics Capacity-Building Programme (CLN) S11D, distributed along the railway line in the states of Maranhão and Pará, with supply of materials", under a turnkey arrangement.

The period established for the implementation of the work is 759 days, with the total value of the contract being 239,649,533.06 Brazilian reais, corresponding to the counter-value of 66,421,710.94 euros on the contract date.

IV. OUTLOOK FOR 2016

Apart from possible new contracts, the Group has assured activity levels in Construction which enable, despite Teixeira Duarte Group's Order Book for the construction sector having fallen by 14.4% in relation to the end of 2015, this sector as a whole to have achieved a total value of 1,911,758 thousand euros as at 30 June 2016, of which 565,956 thousand euros are for 2019 and following years.

For a more detailed review of the closer periods, i.e. for the remaining 1,345,802 thousand euros already contracted with execution foreseen to take place in the next six months of 2016 and during 2017 and 2018, a table is presented below with additional information on its distribution by country of operation.

	Jul-Dec 2016	Contribution (%)	2017	Contribution (%)	2018	Contribution (%)
Portugal	37,263	9.8%	50,660	8.2%	45,622	12.9%
Angola	44,511	11.8%	28,154	4.6%	14,047	4.0%
Algeria	117,016	30.9%	325,369	52.9%	178,871	50.7%
Brazil	58,575	15.5%	164,027	26.7%	87,045	24.7%
Spain	965	0.3%	-	-	-	-
Mozambique	77,511	20.5%	32,392	5.3%	11,415	3.2%
Venezuela	38,348	10.1%	11,663	1.9%	15,962	4.5%
Other Markets	4,103	1.1%	2,283	0.4%	-	-
Total	378,292	100.0%	614,548	100.0%	352,962	100.0%

(Values in thousand euros)

It should be noted that the numbers indicated in the table refer to the Group's Order Book for Construction stated as at 30 June 2016, therefore the work contracted after this date are not included, namely the work referred to above in Chapter III, amounting to 169,004 thousand euros.

For 2016, Teixeira Duarte expects to achieve operating income of around 1,300 million euros, corresponding to a reduction of activity caused by the difficulties of access to foreign exchange in external markets.

This reality implies an appropriate reduction of structures which, combined with the difficulty of expanding financing in Portugal, leads to the adjustment of the Group's productive capacity.

V. NOTES TO THE INTERIM MANAGEMENT REPORT

NUMBER OF SECURITIES OF THE MEMBERS OF THE GOVERNING BODIES

In compliance with the duties of information to which the Company is bound under the different regulations in force, Teixeira Duarte, S.A. presents, below, the list of shares issued by the Company and by companies with which it is in a controlling or group relationship, held by members of the governing bodies, as well as all the acquisitions, encumbrances or transfers during the first semester of 2016, specifying the amount, date of the fact and consideration paid or received.

I - Number of shares owned by Members of the Governing Bodies as at 31 December 2015:

Name	Company	Capacity	Nr. of Shares
Rogério Paulo Castanho Alves	Teixeira Duarte, S.A.	Chairman of the Board of the General Meeting	-
José Gonçalo Pereira de Sousa Guerra Costenla	Teixeira Duarte, S.A.	Deputy Chairman of the Board of the General Meeting	-
José Pedro Poiares Cobra Ferreira	Teixeira Duarte, S.A.	Secretary of the Board of the General Meeting	-
Pedro Maria Calainho Teixeira Duarte	Teixeira Duarte, S.A.	Chairman of the Board of Directors	42,000
Manuel Maria Calainho de Azevedo Teixeira Duarte	Teixeira Duarte, S.A.	Director	5,149,575
Joel Vaz Viana de Lemos	Teixeira Duarte, S.A.	Director	433,862
Carlos Gomes Baptista	Teixeira Duarte, S.A.	Director	62,671
Diogo Bebianco Branco de Sá Viana Rebelo	Teixeira Duarte, S.A.	Director	31,160
Jorge Ricardo de Figueiredo Catarino	Teixeira Duarte, S.A.	Director	180,000
Óscar Manuel Machado de Figueiredo	Teixeira Duarte, S.A.	Chairman of the Supervisory Board	-
Mateus Moreira	Teixeira Duarte, S.A.	Member of the Supervisory Board	-
Miguel Carmo Pereira Coutinho	Teixeira Duarte, S.A.	Member of the Supervisory Board	(a) 10,000
Rui Pedro Ferreira de Almeida	Teixeira Duarte, S.A.	Alternate of the Supervisory Board (b)	-
Moore Stephens & Associados, SROC, S.A.	Teixeira Duarte, S.A.	Statutory Auditor (c)	-

- (a) Held under a regime of joint ownership with his wife.
- (b) Elected to the position only on 30 May 2015.
- (c) Elected to the position only on 30 May 2015.

II. Transactions with shares held, directly and indirectly, by Members of the Governing Bodies during the period between 1 January and 30 June 2016:

It is disclosed, for the due purpose, that there were no transactions with shares held, directly and indirectly, by Members of the Governing Bodies during the period between 1 January and 30 June 2016.

III - Number of shares held by Members of the Governing Bodies as at 30 June 2016:

Name	Company	Capacity	Nr. of Shares
Rogério Paulo Castanho Alves	Teixeira Duarte, S.A.	Chairman of the Board of the General Meeting	-
José Gonçalo Pereira de Sousa Guerra Costenla	Teixeira Duarte, S.A.	Deputy Chairman of the Board of the General Meeting	-
José Pedro Poiares Cobra Ferreira	Teixeira Duarte, S.A.	Secretary of the Board of the General Meeting	-
Pedro Maria Calainho Teixeira Duarte	Teixeira Duarte, S.A.	Chairman of the Board of Directors	42,000
Manuel Maria Calainho de Azevedo Teixeira Duarte	Teixeira Duarte, S.A.	Director	5,149,575
Joel Vaz Viana de Lemos	Teixeira Duarte, S.A.	Director	433,862
Carlos Gomes Baptista	Teixeira Duarte, S.A.	Director	62,671
Diogo Bebianco Branco de Sá Viana Rebelo	Teixeira Duarte, S.A.	Director	31,160
Jorge Ricardo de Figueiredo Catarino	Teixeira Duarte, S.A.	Director	180,000
Óscar Manuel Machado de Figueiredo	Teixeira Duarte, S.A.	Chairman of the Supervisory Board	-
Mateus Moreira	Teixeira Duarte, S.A.	Member of the Supervisory Board	-
Miguel Carmo Pereira Coutinho	Teixeira Duarte, S.A.	Member of the Supervisory Board	(a) 10,000
Rui Pedro Ferreira de Almeida	Teixeira Duarte, S.A.	Alternate of the Supervisory Board (b)	-
Moore Stephens & Associados, SROC, S.A.	Teixeira Duarte, S.A.	Statutory Auditor (c)	-

- (a) Held under a regime of joint ownership with his wife.
- (b) Elected to the position only on 30 May 2015.
- (c) Elected to the position only on 30 May 2015.

SHAREHOLDERS WITH AT LEAST ONE TENTH OF THE SHARE CAPITAL

Company	Nr. shares as at 30.06.2016	% Share Capital
TEIXEIRA DUARTE - Sociedade Gestora de Participações Sociais, S.A.	203,520,000	48.46%
MIDINVEST, S.G.P.S., Sociedade Unipessoal Lda.	43,503,902	10.36%

LIST OF OWNERS OF QUALIFYING HOLDINGS AS AT 30 JUNE 2016

In compliance with the applicable legal and regulatory provisions, based on the Company's records and the information which has been received, TEIXEIRA DUARTE, S.A. herein discloses the list of owners of qualifying holdings in its share capital as at 30 June 2016, indicating the number of shares held and imputed, with the corresponding percentage voting rights, calculated under the terms of article 20 of the Securities Market Code.

TEIXEIRA DUARTE - Sociedade Gestora de Participações Sociais, S.A.	Nr. of shares	% Share capital with voting rights
Directly	203,520,000	48.46%
Through members of the Board of Directors of "Teixeira Duarte - Sociedade Gestora de Participações Sociais, S.A."	8,337,135	1.99%
TOTAL IMPUTABLE	211,857,135	50.45%

Eng. Miguel Calainho de Azevedo Teixeira Duarte	Nr. of shares	% Share capital with voting rights
Directly	333,790	0.08%
Through the company controlled by him directly, "MIDINVEST, S.G.P.S., Sociedade Unipessoal, Lda."	43,170,112	10.28%
TOTAL IMPUTABLE	43,503,902	10.36%

Banco Comercial Português, S.A.	Nr. of shares	% Share capital with voting rights
Directly	-	-
Through the Pension Fund of the Banco Comercial Português Group held by him	41,225,838	9.82%
TOTAL IMPUTABLE	41,225,838	9.82%

Eng. Pedro Pereira Coutinho Teixeira Duarte	Nr. of shares	% Share capital with voting rights
Directly	9,100,000	2.17%
TOTAL IMPUTABLE	9,100,000	2.17%

STATEMENT OF CONFORMITY

(under the terms of subparagraph c) of number 1 of article 246 of the Securities Market Code)

To the best of the signatories' knowledge, the information disclosed in the present report and respective financial statements was prepared in conformity with the applicable accounting standards, presenting a true and appropriate image of the assets and liabilities, financial situation and net income of TEIXEIRA DUARTE, S.A. and the companies included in its consolidation perimeter. Likewise, the interim management report faithfully discloses information on the important events which occurred in the first six months of 2016 and the impact on the respective financial statements, as well as a description of the main risks and uncertainties for the following six months.

Lagoas Park, 29 August 2016

The Board of Directors,

Pedro Maria Calainho Teixeira Duarte

Manuel Maria Calainho de Azevedo Teixeira Duarte

Joel Vaz Viana de Lemos

Carlos Gomes Baptista

Diogo Bebiano Branco de Sá Viana Rebelo

Jorge Ricardo de Figueiredo Catarino

Consolidated Financial Statements

1st Semester 2016



CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2016 AND 31 DECEMBER 2015
(Values expressed in thousand euros)

	Notes	30/06/2016 (Unaudited)	31/12/2015 (Audited)
Non-current assets:			
Goodwill		21,902	21,955
Intangible assets		37,443	33,262
Tangible fixed assets	13	542,451	630,986
Investment properties	14	482,485	511,683
Investments in associates and joint ventures	7 & 15	12,466	16,874
Financial assets available for sale	7 & 16	11,325	30,427
Other investments		54,132	52,970
Deferred tax assets	18	205,859	194,913
Customers		48,050	52,087
Other receivables		373	99
Other non-current assets		693	1,242
Total non-current assets		1,417,179	1,546,498
Current assets:			
Inventories		254,121	274,018
Customers		360,597	433,569
Other receivables		59,435	55,908
Cash and cash equivalents	20	210,921	252,693
Other investments		25	35
Other current assets		207,359	276,538
		1,092,458	1,292,761
Assets held for sale	17	16,072	22,572
Total current assets		1,108,530	1,315,333
TOTAL ASSETS	7	2,525,709	2,861,831
Equity:			
Capital	21	210,000	210,000
Adjustment of holdings in associates and joint ventures		29	8,326
Foreign exchange conversion adjustments		(28,290)	48,126
Reserves and retained earnings	22	197,777	167,822
Consolidated net income		(35,777)	33,653
Equity attributable to shareholders		343,739	467,927
Non-controlling interests		49,039	50,290
TOTAL EQUITY		392,778	518,217
Non-current liabilities:			
Loans	23	676,762	665,537
Provisions		42,527	52,441
Financial leases		152,013	155,889
Deferred tax liabilities	18	57,438	59,019
Other payables		381	113
Other non-current liabilities		47,671	70,780
Total non-current liabilities		976,792	1,003,779
Current liabilities:			
Loans	23	686,584	734,596
Suppliers		148,918	193,896
Financial leases		22,943	18,913
Other payables		37,781	34,246
Other current liabilities		259,913	358,184
Total current liabilities		1,156,139	1,339,835
TOTAL LIABILITIES	7	2,132,931	2,343,614
TOTAL LIABILITIES AND EQUITY		2,525,709	2,861,831

The notes are an integral part of the consolidated statement of financial position as at 30 June 2016.

CONSOLIDATED INCOME STATEMENTS
FOR THE PERIODS ENDED ON 30 JUNE 2016 AND 2015
(Unaudited)
(Values expressed in thousand euros)

	Notes	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Operating income:					
Sales and services rendered	7 & 8	570,101	684,482	280,615	324,988
Other operating income	8	19,968	17,899	12,089	9,575
Total operating income	8	590,069	702,381	292,704	334,563
Operating costs:					
Cost of sales		(176,779)	(277,947)	(89,112)	(136,172)
Change in production		954	(824)	287	(408)
External supplies and services		(173,168)	(172,623)	(86,040)	(75,349)
Staff costs		(125,390)	(146,725)	(60,988)	(65,435)
Amortisation and depreciation	7	(38,160)	(38,638)	(18,390)	(15,988)
Provisions and impairment losses in depreciable and amortisable assets and Goodwill	7	6,645	2,618	5,000	4,820
Other operating costs		(19,262)	(21,515)	(8,925)	(8,845)
Total operating costs		(525,160)	(655,654)	(258,168)	(297,377)
Operating results	7	64,909	46,727	34,536	37,186
Financial costs and losses	7 & 9	(236,964)	(264,120)	(109,873)	(90,460)
Financial income and gains	7 & 9	169,934	230,313	89,518	39,072
Earnings from investment activities:					
Earnings from associates and joint ventures	7 & 9	9,534	4,363	4,425	4,998
Other	7 & 9	(14,829)	11,370	(9,993)	10,425
Financial results		(72,325)	(18,074)	(25,923)	(35,965)
Earnings before tax	7	(7,416)	28,653	8,613	1,221
Income tax	10	(13,797)	(5,305)	(18,381)	6,753
Consolidated net income for the period		(21,213)	23,348	(9,768)	7,974
Net income attributable to:					
Shareholders	11	(35,777)	24,247	(13,316)	8,979
Non-controlling interests		14,564	(899)	3,548	(1,005)
Earnings per share:					
Basic (euros)	11	(0.09)	0.06	(0.03)	0.02
Diluted (euros)	11	(0.09)	0.06	(0.03)	0.02

The notes are an integral part of the consolidated income statement for the period ended on 30 June 2016.

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE PERIODS ENDED ON 30 JUNE 2016 AND 2015
(Unaudited)
(Values expressed in thousand euros)

	Notes	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Consolidated net income for the period		(21,213)	23,348	(9,768)	7,974
Income and costs that will not be subsequently reclassified to net income					
Other changes in equity		(2,534)	(1,855)	472	2,526
		(2,534)	(1,855)	472	2,526
Income and costs that may be subsequently reclassified to net income					
Fair value of financial assets available for sale	16	-	7,944	-	(9,322)
Foreign exchange conversion adjustments		(89,688)	20,022	(6,140)	9,965
Adjustment of holdings in associates and joint ventures	15	(8,297)	(1,958)	61	321
Derivative financial instruments used for hedging		(2,027)	1,860	(460)	3,097
		(100,012)	27,868	(6,539)	4,061
Net income recognised directly in equity		(102,546)	26,013	(6,067)	6,587
Comprehensive income for the period		(123,759)	49,361	(15,835)	14,561
Comprehensive income attributable to:					
Shareholders		(122,508)	54,808	(15,650)	19,631
Non-controlling interests		(1,251)	(5,447)	(185)	(5,070)

The notes are an integral part of the consolidated comprehensive income statement for the period ended on 30 June 2016.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED ON 30 JUNE 2016 AND 2015
(Unaudited)
(Values expressed in thousand euros)

Notes	Capital	Adjustment of holdings in associates and joint ventures	Currency conversion adjustments	Reserves and retained earnings					Consolidated net income	Total equity attributable to shareholders	Non-controlling interests	Total
				Legal reserve	Free reserves	Fair value reserve	Hedge operation reserve	Retained earnings				
Balance as at 1 January 2015	210,000	9,670	55,546	21,000	122,052	4,035	(13,466)	(21,431)	70,281	457,687	27,058	484,745
Comprehensive income for the period:												
Consolidated net income for the semester	-	-	-	-	-	-	-	-	24,247	24,247	(899)	23,348
Variation in currency conversion adjustments	-	-	21,251	-	-	-	-	-	-	21,251	(1,229)	20,022
Variation in fair value and divestment of financial assets available for sale	16	-	-	-	-	7,944	-	-	-	7,944	-	7,944
Effect of hedge operations	-	-	-	-	-	-	1,860	-	-	1,860	-	1,860
Effect of the application of the equity method	15	-	(1,958)	-	-	-	-	-	-	(1,958)	-	(1,958)
Other	-	-	-	-	-	-	-	1,464	-	1,464	(3,319)	(1,855)
Transactions with shareholders in the period:												
Appropriation of the consolidated net income for 2014:												
Transfer to legal and free reserves	-	-	-	10,500	54,111	-	-	-	(64,611)	-	-	-
Dividends distributed	12	-	-	-	-	-	-	-	(5,670)	(5,670)	-	(5,670)
Balance as at 30 June 2015	210,000	7,712	76,797	31,500	176,163	11,979	(11,606)	(19,967)	24,247	506,825	21,611	528,436
Balance as at 1 January 2016	210,000	8,326	48,126	31,500	176,163	-	(11,698)	(28,143)	33,653	467,927	50,290	518,217
Comprehensive income for the period:												
Consolidated net income for the semester	-	-	-	-	-	-	-	-	(35,777)	(35,777)	14,564	(21,213)
Variation in currency conversion adjustments	-	-	(76,416)	-	-	-	-	-	-	(76,416)	(13,272)	(89,688)
Effect of hedge operations	-	-	-	-	-	-	(2,027)	-	-	(2,027)	-	(2,027)
Effect of the application of the equity method	15	-	(8,297)	-	-	-	-	-	-	(8,297)	-	(8,297)
Other	-	-	-	-	-	-	-	9	-	9	(2,543)	(2,534)
Transactions with shareholders in the period:												
Appropriation of the consolidated net income for 2015:												
Transfer to legal and free reserves	-	-	-	5,000	18,298	-	-	8,675	(31,973)	-	-	-
Dividends distributed	12	-	-	-	-	-	-	-	(1,680)	(1,680)	-	(1,680)
Balance as at 30 June 2016	210,000	29	(28,290)	36,500	194,461	-	(13,725)	(19,459)	(35,777)	343,739	49,039	392,778

The notes are an integral part of the consolidated statement of changes in equity for the period ended on 30 June 2016.

CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIODS ENDED ON 30 JUNE 2016 AND 2015
(Unaudited)
(Values expressed in thousand euros)

	Notes	1st S 16	1st S 15	2nd Q 16	2nd Q 15
OPERATING ACTIVITIES:					
Revenue from customers		501,721	823,598	250,708	439,474
Payments to suppliers		(313,455)	(484,479)	(155,073)	(136,679)
Staff payments		(122,102)	(141,877)	(60,200)	(68,228)
Cash flow generated by operations		66,164	197,242	35,435	234,567
Income tax payment/revenue		(16,172)	(18,043)	(13,428)	(16,136)
Other revenue/payments relative to operating activity		26,401	(30,712)	15,732	(13,581)
Cash flow from operating activities (1)		76,393	148,487	37,739	204,850
INVESTMENT ACTIVITIES:					
Revenue derived from:					
Financial investments	20	9,136	36,932	6,645	21,875
Tangible fixed assets and investment properties		11,101	3,790	8,818	1,503
Intangible assets		7	-	7	-
Interest and similar income		6,829	6,690	3,039	1,411
Dividends	20	1,652	650	82	485
		28,725	48,062	18,591	25,274
Payments relative to:					
Financial investments	20	(12)	(12,506)	(12)	(10,878)
Tangible fixed assets and investment properties		(27,600)	(32,584)	(19,814)	(17,848)
Intangible assets		(1,791)	(726)	(1,704)	(563)
		(29,403)	(45,816)	(21,530)	(29,289)
Cash flow from investment activities (2)		(678)	2,246	(2,939)	(4,015)
FINANCING ACTIVITIES:					
Revenue derived from:					
Loans received		931,373	737,225	628,406	251,891
Payments relative to:					
Loans received		(968,160)	(785,274)	(630,009)	(346,931)
Interest and similar costs		(38,536)	(49,035)	(20,617)	(24,815)
Dividends	12	(1,680)	(5,670)	(1,680)	(5,670)
		(1,008,376)	(839,979)	(652,306)	(377,416)
Cash flow from financing activities (3)		(77,003)	(102,754)	(23,900)	(125,525)
Variation in cash and cash equivalents (4)=(1)+(2)+(3)		(1,288)	47,979	10,900	75,310
Effect of exchange rate differences		(40,484)	(36,737)	(12,138)	(49,298)
Cash and cash equivalents - perimeter change		-	(1,431)	-	-
Cash and cash equivalents at the beginning of the period	20	252,693	191,477	212,159	175,276
Cash and cash equivalents at the end of the period	20	210,921	201,288	210,921	201,288

The notes are an integral part of the cash flow statement of the period ended on 30 June 2016.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2016 **(Unaudited)**

1 - INTRODUCTION

Teixeira Duarte, S.A. ("Company" or "TD, S.A.") with head office in Porto Salvo, was incorporated on 30 November 2009, with share capital of 210,000,000 euros, represented by 420,000,000 shares with the nominal value of 0.5 euros each (Note 21), and its core business is the implementation and management of investments, the coordination and supervision of other companies integrated in or related to its business Group.

The business group of Teixeira Duarte ("Group") is composed of the companies in which it holds stakes, indicated in Note 4. The Group's core business is the following: Construction; Concessions and Services; Real Estate; Hotel Services; Distribution; Energy and Automotive (Note 7).

The values indicated herein are expressed in thousand euros, unless explicitly indicated otherwise.

2 - BASIS OF PRESENTATION

The consolidated financial statements as at 30 June 2016 were prepared using the accounting policies consistent with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union, effective for periods beginning on 1 January 2016 and in conformity with IAS 34 - Interim Financial Reporting.

3 - ALTERATIONS OF POLICIES, ESTIMATES AND ERRORS

The adopted accounting policies are consistent with those followed for the preparation of the financial statements for the financial year ended on 31 December 2015, described in the respective notes, except with regard to the adoption of the standards and interpretations whose enforcement date corresponds to financial years started on or after 1 January 2016.

4 - COMPANIES INCLUDED IN THE CONSOLIDATION PERIMETER

As at 30 June 2016, TEIXEIRA DUARTE, S.A. and the following controlled companies were included in the consolidation, by the full method:

Corporate name	Head office	Effective percentage holding
<u>DOMESTIC MARKET</u>		
CONSTRUCTION		
CONSTRUSALAMONDE, ACE	Edifício 2, Lagoas Park Porto Salvo	92.50%
EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A.	Edifício 1, Lagoas Park Porto Salvo	100.00%
OFM - Obras Fluviais e Marítimas, S.A.	Edifício 1, Lagoas Park Porto Salvo	60.00%
SOMAFEL - Engenharia e Obras Ferroviárias, S.A.	Edifício 1, Lagoas Park Porto Salvo	60.00%
TEIXEIRA DUARTE – Engenharia e Construções, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
CONCESSIONS AND SERVICES		
RECOLTE, Serviços e Meio Ambiente (Porto), S.A.	Praça do Bom Sucesso, nº 61 - Escritórios 501 e 502 Porto	100.00%
MARINERTES, S.A.	Rotunda Engº Edgar Cardoso, nº 23 – 8º Vila Nova de Gaia	51.00%
RECOLTE, Serviços e Meio Ambiente, S.A.	Edifício 1, Lagoas Park Porto Salvo	100.00%
RECOLTE, Serviços e Meio Ambiente (Açores), Unipessoal, Lda.	Zona Industrial Chã do Rego d'Água Cabouco, Ilha de São Miguel - Azores	100.00%
TDGI - Tecnologia de Gestão de Imóveis, S.A.	Edifício 1, Lagoas Park Porto Salvo	100.00%
TDHOSP - Gestão de Edifício Hospitalar, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
REAL ESTATE		
BONAPARTE - Imóveis Comerciais e Participações, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
Fundo de Investimento Imobiliário Fechado TDF	Edifício 2, Lagoas Park Porto Salvo	100.00%
IMOPEDROUÇOS - Sociedade Imobiliária, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
IMOTD – Sociedade Gestora de Participações Sociais, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
LAGOAS PARK, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
MALANGA – Investimentos Imobiliários, Unipessoal Lda.	Edifício 2, Lagoas Park Porto Salvo	100.00%
QUINTA DE CRAVEL - Imobiliária, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
TDE - Empreendimentos Imobiliários, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
TD VIA - Sociedade Imobiliária, S.A.	Edifício 2, Lagoas Park Porto Salvo	93.75%
TDF - Sociedade Gestora de Fundos de Investimento Imobiliário, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%

Corporate name	Head office	Effective percentage holding
TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
TRANSBRITAL - Britas e Empreendimentos Imobiliários, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
V8 - Gestão Imobiliária, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
HOTEL SERVICES		
ESTA - Gestão de Hotéis, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
GO CORP TRAVEL SOLUTIONS – Agência de Viagens, S.A.	Rua Encosta das Lagoas, nº 8 Porto Salvo	100.00%
LAGOASFUT - Equipamento Recreativo e Desportivo, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
LAGOAS HOTEL, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
SINERAMA - Organizações Turísticas e Hoteleiras, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
TDH - Sociedade Gestora de Participações Sociais, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
TDHC - Instalações para Desporto e Saúde, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
DISTRIBUTION		
BONAPAPEL - Artigos de Papelaria e Equipamentos Informáticos - Unipessoal, Lda.	Edifício 2, Lagoas Park Porto Salvo	100.00%
TEIXEIRA DUARTE - DISTRIBUIÇÃO S.A.	Edifício 1, Lagoas Park Porto Salvo	100.00%
ENERGY		
ACG - Distribuição e Comércio de Gás, S.A. (b)	Rua das Lagoas - Campo Raso Sintra	50.00%
DIGAL - Distribuição e Comércio, S.A. (b)	Rua das Lagoas - Campo Raso Sintra	50.00%
MULTIGÁS - Sociedade Comercial e Distribuidora de Gás, S.A. (b)	Rua das Lagoas - Campo Raso Sintra	50.00%
PPS - Produtos Petrolíferos, S.A. (b)	Edifício 1, Lagoas Park Porto Salvo	50.00%
TANQUIGÁS - Distribuição e Comércio de Gás, S.A. (b)	Rua das Lagoas - Campo Raso Sintra	50.00%
TDARCOL - Sociedade Gestora de Participações Sociais, S.A. (c)	Edifício 1, Lagoas Park Porto Salvo	50.00%
AUTOMOTIVE		
SMOTORS, S.A.	Edifício 1, Lagoas Park Porto Salvo I	100.00%
TDO - Investimento e Gestão, S.A.	Rua das Pretas, 4 - Fracção 4 D Funchal	100.00%

Corporate name	Head office	Effective percentage holding
OTHER		
C + P.A. - Cimento e Produtos Associados, S.A.	Edifício 1, Lagoas Park Porto Salvo	100.00%
TDO - Sociedade Gestora de Participações Sociais, S.A.	Rua das Pretas, 4 - Fracção 4 D Funchal	100.00%
TEDAL - Sociedade Gestora de Participações Sociais, S.A.	Edifício 2, Lagoas Park Porto Salvo	100.00%
<u>EXTERNAL MARKET</u>		
<u>SOUTH AFRICA</u>		
DISTRIBUTION		
Global Net Distributors (Pty) Ltd.	10 Ninth Avenue Northmead, Gauteng 1501	100.00%
<u>ANGOLA</u>		
CONSTRUCTION		
BETANGOLA - Betões e Pré-Fabricados de Angola, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
CONCESSIONS AND SERVICES		
EDUCARE - Actividades Educativas e Culturais, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
TDGI - Tecnologia de Gestão de Imóveis, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	42.40%
REAL ESTATE		
AFRIMO - Empreendimentos Imobiliários, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	51.00%
ANGOPREDIAL - Empreendimentos Imobiliários, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
IMO 1 - Empreendimentos Imobiliários, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
IMOAFRO - Empreendimentos Imobiliários, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
HOTEL SERVICES		
ALVALADE - Empreendimentos Turísticos e Hoteleiros, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
ANGOIMO - Empreendimentos e Construções, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
HOTEL TRÓPICO, S.A.	Alameda Manuel Van-Dúnem, nº 318 Luanda	80.00%
HOTEL BAÍA, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%

Corporate name	Head office	Effective percentage holding
DISTRIBUTION		
CND – Companhia Nacional de Distribuição, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
COM 1 - Comércio e Distribuição, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
DCG – Distribuição e Comércio Geral, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
OCC – Operador Central de Comércio, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	80.00%
AUTOMOTIVE		
AUTO 1 - Comércio Automóvel, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
AUTO COMPETIÇÃO Angola, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
AUTO 8, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
COMÉRCIO DE AUTOMÓVEIS, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
TDA - Comércio e Indústria, Lda.	Alameda Manuel Van-Dúnem, nº 318 Luanda	100.00%
VAUCO - Automóveis e Equipamentos, Lda.	Rua Ho Chi Min, Junto ao Largo da Independência Luanda	51.00%
OTHER		
INVESTIPART – Participações e Investimentos, S.A.	Alameda Manuel Van-Dúnem, nº 318 Luanda	36.00%
<u>ALGERIA</u>		
CONSTRUCTION		
TEIXEIRA DUARTE ALGERIE, SPA Algiers	8 Roeute Ben Aknoun, El Biar	99.94%
<u>BELGIUM</u>		
CONCESSIONS AND SERVICES		
TDGI	Avenue Jean-Monnet, 1 À 1348 Louvain-La-Neuve	100.00%
<u>BRAZIL</u>		
CONSTRUCTION		
EMPA, S.A. - Serviços de Engenharia	Rua Major Lopes, 800 Bairro São Pedro - Belo Horizonte	100.00%
SOMAFEL – Obras Ferroviárias e Marítimas, Ltda.	Rua Major Lopes, 800 – sala 306 Bairro São Pedro – Belo Horizonte	60.00%
CONCESSIONS AND SERVICES		
GONGOJI Montante Energia, S.A.	Rua Major Lopes, 800 – 3º - sala 310 Bairro São Pedro - Belo Horizonte	100.00%
PAREDÃO de Minas Energia, S.A.	Rua Major Lopes, 800 – 3º - sala 306 Bairro São Pedro - Belo Horizonte	100.00%
TABOQUINHA Energia, S.A.	Rua Major Lopes, 800 – 3º - sala 308 Bairro São Pedro - Belo Horizonte	100.00%

Corporate name	Head office	Effective percentage holding
REAL ESTATE		
TDPG - Empreendimentos Imobiliários e Hoteleiros, Ltda.	Avenida Domingos Ferreira nº 4060, sala 301 Boa Viagem - Cidade de Recife	100.00%
TDSP - Participações, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 01 Itaim Bibi - São Paulo	100.00%
TDSP - Elisa de Moraes Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 02 Itaim Bibi - São Paulo	90.00%
TDSP - Bela Vista - Empreendimentos Imobiliários, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 15 Itaim Bibi - São Paulo	92.65%
TDSP - Galeno de Castro Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 03 Itaim Bibi - São Paulo	92.65%
TDSP - Maratona Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 10 Itaim Bibi - São Paulo	92.65%
TDSP - Direitos Humanos Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 12 Itaim Bibi - São Paulo	92.65%
TDSP - Alta Vista I Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 05 Itaim Bibi - São Paulo	92.65%
TDSP - Verum Mooça Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 06 Itaim Bibi - São Paulo	100.00%
TDSP - Gilberto Sabino Empreendimentos Imobiliários, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 07 Itaim Bibi - São Paulo	100.00%
TDSP - Alta Vista II Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 08 Itaim Bibi - São Paulo	92.65%
TDSP - Gualaxos Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 14º andar, Conjunto 1401, sala 09 Itaim Bibi - São Paulo	100.00%
TDSP - Alta Vista III Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602 Itaim Bibi - São Paulo	92.65%
TDSP - Zanzibar Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 18 Itaim Bibi - São Paulo	92.50%
TDSP - Dionísio da Costa Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602 Itaim Bibi - São Paulo	92.50%
TDSP - Baceunas Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602 Itaim Bibi - São Paulo	100.00%
TDSP - Maria de Jesus Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 04 Itaim Bibi - São Paulo	95.00%
TDSP - Volta Redonda Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 13 Itaim Bibi - São Paulo	95.00%
TDSP - Nilo Empreendimentos Imobiliários, Ltda.	Rua Iguatemi, nº 448, 14º andar, Conjunto 1401, sala 14 Itaim Bibi - São Paulo	100.00%
TDSP - Alta Vista IV Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 15 Itaim Bibi - São Paulo	92.65%
TDSP - 16 Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 16 Itaim Bibi - São Paulo	100.00%
TDSP - 17 Empreendimentos Imobiliários SPE, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602, sala 17 Itaim Bibi - São Paulo	100.00%
DISTRIBUTION		
TDD - Distribuição, Ltda.	Rua Iguatemi, nº 448, 6º andar, Conjunto 602 Itaim Bibi - São Paulo	100.00%
CYPRUS		
OTHER		
LEVENEL, Limited	Irakli, Egkomi, 2413 Nicosia	100.00%

Corporate name	Head office	Effective percentage holding
<u>SPAIN</u>		
CONSTRUCTION		
UTE DE VIANA	Av. Alberto Alcocer, 24 - 7º Madrid	100.00%
CONCESSIONS AND SERVICES		
RECOLTE, Servicios Y Medioambiente, S.A. Sociedade Unipersonal.	Av. Alberto Alcocer, 24 - 7º Madrid	100.00%
<u>UNITED STATES OF AMERICA</u>		
REAL ESTATE		
TDRE INVESTMENTS, LLC.	4900 Woodway Drive, Suite 1110, Houston Texas 77056	100.00%
TDRE LEE PARK, LLC.	4900 Woodway Drive, Suite 1110, Houston Texas 77056	100.00%
TDRE HOOD, LLC.	4900 Woodway Drive, Suite 1110, Houston Texas 77056	100.00%
<u>GIBRALTAR</u>		
DISTRIBUTION		
Teixeira Duarte International, LTD.	23, Portland House - Glacis Road Gibraltar	100.00%
<u>MACAU</u>		
CONSTRUCTION		
TEIXEIRA DUARTE - Engenharia e Construções (Macau), Lda.	Av. Dr. Mário Soares, nº 25 – Edifício Montepio Apr. 26 e 28 – 3º andar Macau	100.00%
<u>MOZAMBIQUE</u>		
CONSTRUCTION		
TEIXEIRA DUARTE - Engenharia e Construções (Moçambique), Lda.	Av. Július Nyerere, nº 130 Maputo	74.46%
CONCESSIONS AND SERVICES		
TDGI - Tecnologia de Gestão de Imóveis, Lda.	Av. Július Nyerere, nº 130 Maputo	69.55%
REAL ESTATE		
IMOPAR - Centro Comercial de Maputo, S.A.	Av. Július Nyerere, nº 130 Maputo	100.00%

Corporate name	Head office	Effective percentage holding
HOTEL SERVICES		
AVENIDA - Empreendimentos Turísticos e Hoteleiros, Lda.	Av. Július Nyerere, nº 627 Maputo	100.00%
Sociedade Hotel Tivoli, Lda.	Av. 25 de Setembro, 1321 Maputo	65.00%
TIVOLI BEIRA - Hotelaria e Serviços, Lda.	Av. Július Nyerere, nº 130 Maputo	100.00%
<u>RUSSIA</u>		
CONCESSIONS AND SERVICES		
MMK Cement, Limited Liability Company	Tri Rutchia Murmansk	70.00%
<u>VENEZUELA</u>		
CONSTRUCTION		
Consorcio Boyacá – La Guaira	Av. San Juan Bosco, Edifício Centra Altamira Piso 5, Oficina 54, Urb. Altamira Caracas	57.20%
TEGAVEN – Teixeira Duarte y Asociados, C.A.	Av. Venezuela del Rosal con Calle Mohedano, Torre JWM Piso 5, Of. 5-2, Urb El Rosal - Caracas	100.00%

(a) The Group controls these subsidiaries through the subsidiary TEIXEIRA DUARTE - Engenharia e Construções, S.A.

(b) The Group controls these subsidiaries through the subsidiary TDARCOL - SGPS, S.A.

(c) The Group controls these subsidiaries through the subsidiary TEDAL - SGPS, S.A.

5 - CHANGES IN THE CONSOLIDATION PERIMETER

During the period ended on 30 June 2016, there were no alterations to the consolidation perimeter relative to 31 December 2015.

6 - EXCHANGE RATES

The following exchange rates were used to convert the assets and liabilities expressed in foreign currency as at 30 June 2016 and 31 December 2015, as well as the earnings of operations developed in countries where the functional currency is different from the Euro, for the periods ended on 30 June 2016 and 2015:

Currency	Closing exchange rate			Average exchange rate		
	30/06/2016	31/12/2015	Var	30/06/2016	30/06/2015	Var
US Dollar	1.1102	1.0887	2.0%	1.1106	1.1260	(1.4%)
Macaense Pataca	8.8719	8.6907	2.1%	8.8823	8.9921	(1.2%)
Mozambican Metical	70.1500	49.2900	42.3%	58.1371	39.1943	48.3%
Venezuelan Bolivar	697.5868	216.3232	222.5%	384.2674	102.2884	275.7%
Angolan Kwanza	185.3605	147.8315	25.4%	175.1734	122.0734	43.5%
Algerian Dinar	122.5585	116.5985	5.1%	120.7650	107.4052	12.4%
Moroccan Dirham	10.8650	10.7806	0.8%	10.8620	10.8440	0.2%
Brazilian Real	3.5898	4.3117	(16.7%)	4.1066	3.3187	23.7%
Ukrainian Hryvnia	27.5663	26.1593	5.4%	28.2102	23.4016	20.5%
Namibian Dollar	16.4461	16.9530	(3.0%)	16.9825	13.3661	27.1%
Cape Verdean Escudo	110.2650	110.2650	-	110.2650	110.2650	-
Russian Rouble	71.5200	80.6736	(11.3%)	77.2497	65.9096	17.2%
Tunisian Dinar	2.4366	2.2153	10.0%	2.2936	2.1768	5.4%
South Africa Rand	16.4461	16.9530	(3.0%)	16.9825	13.3661	27.1%
Columbian Peso	3,239.5600	3,456.0800	(6.3%)	3,431.6986	2,805.6271	22.3%

7 – SEGMENTAL INFORMATION

The Group is organised according to the following business segments:

- Construction;
- Concessions and services;
- Real estate;
- Hotel services;
- Distribution;
- Energy;
- Automotive.

The sales and services rendered and the earnings of each of operating segment referred to above, for the periods ended on 30 June 2016 and 2015, were as follows:

Segment	Sales and services rendered						Operating results	
	1st S 16			1st S 15			1st S 16	1st S 15
	Customers abroad	Inter-segmental	Total	Customers abroad	Inter-segmental	Total		
Construction	246,281	15,022	261,303	272,723	31,143	303,866	2,225	(14,379)
Concessions and services	55,755	12,127	67,882	53,403	12,481	65,884	7,770	8,100
Real estate	53,391	6,169	59,560	60,187	7,612	67,799	18,541	29,161
Hotel services	25,949	7,879	33,828	38,356	10,216	48,572	566	2,886
Distribution	133,957	1,192	135,149	142,349	2,453	144,802	22,061	5,571
Energy	9,363	-	9,363	9,401	2	9,403	893	1,367
Automotive	45,405	2,156	47,561	108,063	3,528	111,591	15,987	19,558
Not allocated to segments	-	-	-	-	-	-	(3,006)	(5,510)
Elimination	-	(44,545)	(44,545)	-	(67,435)	(67,435)	(128)	(27)
	570,101	-	570,101	684,482	-	684,482	64,909	46,727
Financial costs and losses (Note 9)							(236,964)	(264,120)
Financial income and gains (Note 9)							169,934	230,313
Earnings from investment activities (Note 9)							(5,295)	15,733
Earnings before tax							(7,416)	28,653

Inter-segmental transactions are carried out under market conditions and terms, equivalent to transactions conducted with third parties.

The accounting policies in the different segments are consistent with the Group's policies.

Other information:

Segment	Fixed capital expenditure		Amortisation and depreciation through profit or loss		Provisions and impairment losses	
	1st S 16	1st S 15	1st S 16	1st S 15	1st S 16	1st S 15
Construction	22,905	15,933	19,395	19,759	(4,788)	(2,480)
Concessions and services	721	1,843	2,509	1,869	(32)	(68)
Real estate	8,932	5,285	4,077	4,108	-	-
Hotel services	546	2,239	3,355	5,250	-	-
Distribution	2,752	9,914	5,750	5,083	-	-
Energy	179	384	1,515	1,244	(220)	(70)
Automotive	1,196	1,308	1,536	1,311	-	-
Not allocated to segments	-	8	23	14	(1,605)	-
	37,231	36,914	38,160	38,638	(6,645)	(2,618)

The assets and liabilities of the segments and their respective reconciliation with the consolidated total, as at 30 June 2016 and 31 December 2015, are as follows:

Segment	Assets								Liabilities	
	30/06/2016				31/12/2015				30/06/2016	31/12/2015
	Investments in associates and joint ventures (Note 15)	Financial assets available for sale (Note 16)	Other assets	Total	Investments in associates and joint ventures (Note 15)	Financial assets available for sale (Note 16)	Other assets	Total		
Construction	1,410	-	2,134,144	2,135,554	1,371	-	2,270,472	2,271,843	1,059,603	1,230,366
Concessions and services	559	-	231,104	231,663	473	-	235,014	235,487	162,437	157,042
Real estate	619	8,099	1,558,964	1,567,682	446	21,761	1,548,671	1,570,878	832,200	851,784
Hotel services	-	-	329,319	329,319	-	-	423,590	423,590	198,179	253,515
Distribution	-	-	234,371	234,371	-	-	290,483	290,483	161,836	204,550
Energy	-	-	41,721	41,721	-	-	42,089	42,089	24,264	24,723
Automotive	24	-	148,176	148,200	24	-	177,322	177,346	71,819	102,969
Not allocated to segments	9,854	3,226	944,079	957,159	14,560	8,666	928,662	951,888	669,289	659,148
Elimination	-	-	(3,119,960)	(3,119,960)	-	-	(3,101,773)	(3,101,773)	(1,046,696)	(1,140,483)
	12,466	11,325	2,501,918	2,525,709	16,874	30,427	2,814,530	2,861,831	2,132,931	2,343,614

The sales, services rendered and information on non-current non-monetary assets by geographic segment are broken down as follows for the periods ended on 30 June 2016 and 2015 and as at 30 June 2016 and 31 December 2015, respectively:

Geographic segment	Sales and services rendered		Non-monetary non-current assets	
	1st S 16	1st S 15	30/06/2016	31/12/2015
Portugal	95,715	102,983	561,689	563,559
Angola	243,401	368,810	413,613	530,787
Algeria	55,986	47,690	32,939	21,978
Brazil	67,334	76,480	32,199	29,561
Spain	15,932	22,971	18,248	13,683
Mozambique	71,446	41,735	24,587	36,060
Venezuela	9,545	21,689	394	1,412
Other	10,742	2,124	612	846
	570,101	684,482	1,084,281	1,197,886

Non-current non-monetary assets include goodwill, intangible assets, tangible fixed assets and investment properties.

8 - OPERATING INCOME

For the periods ended on 30 June 2016 and 2015, operating income was as follows:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Sales and services rendered:				
Sales	400,420	482,992	188,724	203,902
Services rendered	169,681	201,490	91,891	121,086
	570,101	684,482	280,615	324,988
Other operating income:				
Own work capitalised (a)	7,340	9,154	3,919	5,484
Divestment of assets (b)	5,843	2,159	4,973	810
Supplementary income	4,465	2,386	1,674	1,052
Reversal of impairment losses in accounts receivable	463	790	290	486
Variation in the fair value of investment properties	427	418	395	310
Reversal of inventory impairment losses	332	1,006	53	735
Gains in inventories	18	49	11	17
Other operating income	1,080	1,937	774	681
	19,968	17,899	12,089	9,575
	590,069	702,381	292,704	334,563

(a) Own work capitalised essentially corresponds to costs associated to the construction of real estate property.

(b) During the period ended on 30 June 2016, the indicated gains were obtained from the divestment of tangible fixed assets to the value of 5,843 thousand euros (1,563 thousand euros in the period ended on 30 June 2015) and the divestment of “PETRIN – Petróleos e Investimentos, S.A.” corresponding to 596 thousand euros as at 30 June 2015, a company which had been included in the consolidation perimeter as at 31 December 2014.

9 - FINANCIAL RESULTS

The financial results for the periods ended on 30 June 2016 and 2015 were as follows:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Financial costs and losses:				
Interest paid	(40,394)	(48,740)	(21,503)	(23,973)
Unfavourable exchange rate differences	(184,634)	(203,247)	(82,353)	(58,875)
Other financial costs and losses	(11,936)	(12,133)	(6,017)	(7,612)
	(236,964)	(264,120)	(109,873)	(90,460)
Financial income and gains:				
Interest received	6,995	5,901	3,811	947
Favourable exchange rate differences	160,911	222,383	84,675	36,828
Cash discounts received	37	135	4	42
Other financial income and gains	1,991	1,894	1,028	1,255
	169,934	230,313	89,518	39,072
Earnings from investment activities:				
Earnings from associates and joint ventures (a)	9,534	4,363	4,425	4,998
Dividends (b)	1,652	650	82	485
Other investments (c)	2,622	10,720	815	9,940
Gains / losses in the measurement of assets available for sale (d)	(19,103)	-	(10,890)	-
	(5,295)	15,733	(5,568)	15,423
Financial results	(72,325)	(18,074)	(25,923)	(35,965)

(a) The earnings from associates and joint ventures for the periods ended on 30 June 2016 and 2015 include the effect of the application of the equity method to these investments, amounting to 9,534 and 468 thousand euros (Note 15), respectively.

During the semester ended on 30 June 2015, the Group recorded an impairment loss of 5,143 thousand euros and reversed the provision for equity stakes of 9,038 thousand euros, relative to the participated company "Limited Liability Company Cement".

(b) As at 30 June 2016 and 2015, the presented values correspond to dividends received from "Other Investments".

(c) As at 30 June 2016 and 2015, the heading "Other investments" records gains and losses derived from the divestment of Financial assets available for sale at cost value.

(d) As at 30 June 2016, the Group recorded an impairment loss in its holding in "Banco Comercial Português, S.A." of 19,103 thousand euros.

The net currency conversion differences recorded for the periods ended on 30 June 2016 and 2015 were due to payments and revenue, as well as currency conversion updates in balances, stated based on currencies other than the Euro.

10 - INCOME TAX

"TD, S.A." is the controlling company of a group of companies subject to the special taxation regime for corporate groups (RETGS), which covers all the companies in which it holds a stake, directly or indirectly, of at least 75% of the respective share capital, provided that this stake confers more than 50% of the voting rights and that they also have their head office and effective senior management in Portugal and are taxed under the general regime of Corporate Income Tax ("IRC").

All the other participated companies, not covered by the RETGS, are taxed individually, based on their respective tax bases and applicable rates of Corporate Income Tax, Municipal Surcharge and State Surcharge.

"TD, S.A." and most of the companies in which it holds a stake, based in Portugal, are subject to Corporate Income Tax ("IRC") at the rate of 21%. Entities which record taxable profit are also subject to the Municipal Surcharge, whose rate may vary to the maximum of 1.5%, as well as the State Surcharge, incident on the portion of taxable profit in excess of 1,500,000 euros, 7,500,000 euros and 35,000,000 euros, at the rates of 3%, 5% and 7%, respectively. The aforesaid entities are also subject to autonomous taxation on the charges and expenses at the rates established in article 88 of the Corporate Income Tax Code.

In the calculation of the taxable profit, to which the aforesaid tax rates are applied, amounts not accepted for tax purposes are added to and subtracted from the book value profit or loss. These differences between the book value profit or loss and the profit or loss for tax purposes may be of temporary or permanent nature.

Pursuant to the legislation in force, tax returns in Portugal may be reviewed and corrected by the tax authorities for a period, in general, of four years (five years for Social Security). Regarding entities present in other countries, the period of revision of their tax returns varies between three and five years.

The Board of Directors believes that any corrections which might arise from any tax reviews/inspections to these tax returns will not significantly affect the consolidated financial statements reported as at 30 June 2016.

The Group records deferred taxes corresponding to the temporary differences between the book value of the assets and liabilities and the corresponding tax base, as laid down in IAS 12 - Income Tax (Note 18).

The income tax recognised for the periods ended on 30 June 2016 and 2015 is as follows:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Current tax:				
Income tax in Portugal	(4,137)	(2,870)	(920)	(476)
Income tax in other jurisdictions	(20,653)	(12,226)	(4,966)	(2,246)
Current tax	(24,790)	(15,096)	(5,886)	(2,722)
Deferred tax (Note 18):	10,993	9,791	(12,495)	9,475
	(13,797)	(5,305)	(18,381)	6,753

In addition to the amounts of deferred taxes recorded directly in the income statement, deferred taxes amounting to 640 thousand euros were recorded directly in equity as at 30 June 2016 ((668) thousand euros as at 30 June 2015) (Note 18).

11 - EARNINGS PER SHARE

The earnings per share for the periods ended on 30 June 2016 and 2015 were calculated taking into account the following amounts:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Net income for the effect of calculating earnings per basic share (net income for the period)	(35,777)	24,247	(13,316)	8,979
Weighted average number of shares for the effect of calculating basic earnings per share (thousand)	420,000	420,000	420,000	420,000
Basic earnings per share	(0.09)	0.06	(0.03)	0.02

Due to the fact that, for the periods ended on 30 June 2016 and 2015, there are no dilution effects of the earnings per share, the diluted earnings per share are the same as the basic earnings per share.

12 - DIVIDENDS

The General Meeting of Shareholders, held on 28 May 2016, deliberated the distribution of dividends of the value of 1,680 thousand euros, corresponding to 0.004 euros per share, taking into consideration the separate financial statements of the Company as at 31 December 2015, with their payment having taken place in June 2016.

Dividends of 5,670 thousand euros were paid up in the semester ended on 30 June 2015, relative to the financial year of 2014.

13 - TANGIBLE FIXED ASSETS

During the periods ended on 30 June 2016 and 2015, the movements which occurred in the tangible fixed assets, as well as in the respective accumulated depreciation and impairment losses, were as follows:

	Land & natural resources	Buildings & other constructions	Basic equipment	Transport equipment	Tools & utensils	Administrative equipment	Other tangible fixed assets	Tangible fixed assets in progress	Advances on account of tang. fixed assets	Total
Gross assets:										
Balance as at 1 January 2015	32,114	535,129	434,009	89,711	44,151	41,181	10,455	77,649	151	1,264,550
Perimeter alteration	(4,321)	(10,445)	(7,773)	(102)	(21)	(935)	(155)	-	-	(23,752)
Foreign exchange conversion adjustments	(471)	22,801	(10,753)	405	(687)	676	(108)	(1,972)	13	9,904
Additions	-	3,449	9,407	4,994	1,237	1,460	465	11,347	-	32,359
Transfers and write-offs	-	28,234	192	(1,066)	(78)	(431)	541	(33,418)	-	(6,026)
Divestments	-	(317)	(1,946)	(3,804)	(97)	(125)	(41)	-	-	(6,330)
Balance as at 30 June 2015	27,322	578,851	423,136	90,138	44,505	41,826	11,157	53,606	164	1,270,705
Balance as at 1 January 2016	24,448	565,696	416,283	85,066	45,364	42,567	11,724	41,632	168	1,232,948
Currency conversion adjustments	101	(76,351)	6,142	1,825	(1,371)	(4,456)	(991)	(8,391)	(92)	(83,584)
Additions	-	3,737	16,443	3,115	1,638	356	174	7,198	18	32,679
Transfers and write-offs	224	(3,552)	(2,827)	(502)	(4,640)	(1,041)	-	(7,329)	(94)	(19,761)
Divestments	-	(1,963)	(8,525)	(1,666)	(39)	(85)	(11)	-	-	(12,289)
Balance as at 30 June 2016	24,773	487,567	427,516	87,838	40,952	37,341	10,896	33,110	-	1,149,993
Accumulated depreciation and impairment losses:										
Balance as at 1 January 2015	167	160,199	302,124	62,927	33,285	31,479	6,252	-	-	596,433
Perimeter alteration	-	(6,439)	(7,336)	(102)	(21)	(925)	(155)	-	-	(14,978)
Currency conversion effect	-	4,863	(5,559)	(7)	(180)	663	113	-	-	(107)
Reinforcements	-	11,498	17,379	5,420	1,600	1,607	421	-	-	37,925
Transfers and write-offs	-	(2)	(193)	(122)	(38)	(142)	(12)	-	-	(509)
Divestments	-	(86)	(1,802)	(3,126)	(55)	(105)	(24)	-	-	(5,198)
Balance as at 30 June 2015	167	170,033	304,613	64,990	34,591	32,577	6,595	-	-	613,566
Balance as at 1 January 2016	164	155,363	306,534	63,946	35,404	34,066	6,485	-	-	601,962
Currency conversion effect	-	(18,180)	11,655	2,865	(921)	(3,163)	(522)	-	-	(8,266)
Reinforcements	-	9,490	16,455	5,190	1,528	1,241	1,531	-	-	35,435
Transfers and write-offs	-	(1,226)	(5,280)	(244)	(4,800)	(1,034)	(12)	-	-	(12,596)
Divestments	-	(734)	(6,741)	(1,412)	(36)	(60)	(10)	-	-	(8,993)
Balance as at 30 June 2016	164	144,713	322,623	70,345	31,175	31,050	7,472	-	-	607,542
Net value:										
As at 30 June 2015	27,155	408,818	118,523	25,148	9,914	9,249	4,562	53,606	164	657,139
As at 30 June 2016	24,609	342,854	104,893	17,493	9,777	6,291	3,424	33,110	-	542,451

The additions to tangible fixed assets carried out during the period ended on 30 June 2016 essentially refer to investments in facilities and equipment.

As at 30 June 2016, the tangible assets in progress include 22,092 thousand euros relative to buildings and other constructions in progress, in particular the following:

- For the Distribution sector, the expansion of the retail network in Angola;
- For the Distribution and Automotive sectors, facilities for logistics in Angola.

14 - INVESTMENT PROPERTIES

During the periods ended on 30 June 2016 and 2015, the movement which occurred in investment properties was as follows:

	2016	2015
Balance as at 1 January	511,683	482,185
Currency conversion adjustments	(19,985)	7,364
Increases / (divestments)	(9,181)	1,086
Variation in fair value	335	1
Transfer of tangible fixed assets	(367)	5,359
Balance as at 30 June	482,485	495,995

The income gained from investment properties arising from operating lease contracts reached 16,293 thousand euros for the period ended on 30 June 2016 (15,525 thousand euros as at 30 June 2015). Direct operating costs related to investment properties, for the period ended on 30 June 2016, reached 1,550 thousand euros (1,494 thousand euros as at 30 June 2015).

15 - INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The following associates and joint ventures were recorded through the equity method as at 30 June 2016:

Corporate name	Head office	Effective percentage holding
ALVORADA PETRÓLEO, S.A.	Rua Paraíba, nº 1000, sala 1518, 15º andar – Bairro Funcionário Belo Horizonte - Minas Gerais - Brazil	43.20%
ALSOMA, GEIE.	3 Av André Malraux Levallois Peret - France	27.00%
AVIAS - Grupo Ferroviário para a Alta Velocidade, ACE	Edifício 1, Lagoas Park Porto Salvo	14.10%
AVIA PORTUGAL - Produtos Petrolíferos, S.A.	Edifício 1, Lagoas Park Porto Salvo	40.00%
CAIS DE CRUZEIROS 2ª FASE, ACE	Rua da Tapada da Quinta de Cima Linhó – Sintra	15.00%
CONBATE, ACE	Edifício 2, Lagoas Park Porto Salvo	20.00%
CONSORCIO MINERO LUSO VARGAS C.A. (CONLUVAR)	Av. Venezuela com Calle Mohedano, Torre JWM Piso 5, Of. 5-2, Urb El Rosal – Caracas - Venezuela	49.00%
CONSORCIO OPSUT 2010	Calle 4, Casa nº 4, Urbanizacion Los Laureles Valle de la Pascoa - Venezuela	51.00%
DOURO LITORAL, ACE	Tower Plaza, Rotunda Edgar Cardoso, nº 23, 12º andar Sala C, G e H – Vila Nova de Gaia	40.00%
D.L.O.E.A.C.E. – Douro Litoral Obras Especiais, ACE	Edifício 2, Lagoas Park Porto Salvo	40.00%
FERROVIAL/TEIXEIRA DUARTE - Obras Hidráulicas do Alqueva, ACE	Edifício Central Park Rua Alexandre Herculano, Nº 3, 2º - Linda-a-Velha	50.00%
GMP – Grupo Marítimo Português, ACE	Edifício 1, Lagoas Park Porto Salvo	20.04%
GMP MEK– Grupo Marítimo Português Mers El Kibir, ACE	Edifício 1, Lagoas Park Porto Salvo	20.04%
IMOC - Empreendimentos Imobiliários, S.A.	Av. Julius Nyerere, 130 Maputo	49.92%
METROLIGEIRO - Construção de Infraestruturas, ACE	Rua Abranches Ferrão, nº 10 – 5º F Lisbon	26.80%
NOVA ESTAÇÃO, ACE	Edifício 6 – Piso 1, Lagoas Park Porto Salvo	25.00%
RPK Gulfstream, Ltd.	Tri Ruchja str. 183003, Murmansk	42.70%
AK10 - Empreendimentos e Participações SPE Ltda.	Alameda Santos, nº 960, 19º andar, Edifício CYK Cerqueira César – São Paulo	25.00%
SOMAFEL E FERROVIAS, ACE	Edifício 1, Lagoas Park Porto Salvo	36.00%
TEIXEIRA DUARTE - SOPOL - Metro Superfície, ACE	Edifício 2, Lagoas Park Porto Salvo	57.30%
TDGISERV LLC.	PO Box 7098, Doha Qatar	49.00%
TRÊS PONTO DOIS - Trabalhos Gerais de Construção Civil, Via e Catenária de Modernização da Linha do Norte, ACE	Av. das Forças Armadas, 125 - 2º C Lisbon	50.00%

The investments in associates and joint ventures showed the following movements during the periods ended on 30 June 2016 and 2015:

	Equity stakes	Goodwill	Total
Balance as at 1 January 2015	28,949	11,643	40,592
Effects of the application of the equity method:			
- Effect on net income for the year (Note 9)	468	-	468
- Effect on equity	(1,958)	-	(1,958)
Currency conversion adjustments	(159)	-	(159)
Impairment loss	-	(5,143)	(5,143)
Transfer to Assets Held for Sale (Note 17)	(16,072)	(6,500)	(22,572)
Other	138	-	138
Balance as at 30 June 2015	11,366	-	11,366
Balance as at 1 January 2016	16,874	-	16,874
Effects of the application of the equity method:			
- Effect on net income for the year (Note 9)	9,534	-	9,534
- Effect on equity	(8,297)	-	(8,297)
Increase	12	-	12
Currency conversion adjustments	(5,026)	-	(5,026)
Other	(631)	-	(631)
Balance as at 30 June 2016	12,466	-	12,466

The investments in associates and joint ventures as at 30 June 2016 and 31 December 2015 are detailed as follows:

	30/06/2016			31/12/2015		
	Equity stakes	Goodwill	Value of financial position	Equity stakes	Goodwill	Value of financial position
Associates and joint ventures						
IMOC - Empreendimentos Imobiliários, S.A.R.L.	9,854	-	9,854	14,560	-	14,560
Alvorada Petróleos, S.A.	606	-	606	430	-	430
RPK Gulfstream Ltd.	534	-	534	473	-	473
SCP AK-10 Empreendimentos e Participações SPE LTDA.	13	-	13	16	-	16
Other	1,459	-	1,459	1,395	-	1,395
	12,466	-	12,466	16,874	-	16,874

The holdings referred to above are recorded through the equity method which, in the periods ended on 30 June 2016 and 2015, had the following impacts:

1st S 16			
Associates and joint ventures	in associates and joint ventures (Note 9)	Adjustments of holdings	Total
Alvorada Petróleos, S.A.	18	60	78
IMOC - Empreendimentos Imobiliários, S.A.R.L.	8,814	(8,357)	457
SCP AK-10 Empreendimentos e Participações SPE LTDA.	(5)	-	(5)
Other	707	-	707
	9,534	(8,297)	1,237

1st S 15			
Associates and joint ventures	in associates and joint ventures (Note 9)	Adjustments of holdings	Total
Alvorada Petróleos, S.A.	(9)	(39)	(48)
IMOC - Empreendimentos Imobiliários, S.A.R.L.	700	(2,515)	(1,815)
SCP AK-10 Empreendimentos e Participações SPE LTDA.	4	-	4
TEIX.CO, SPA	(259)	596	337
Other	32	-	32
	468	(1,958)	(1,490)

16 - FINANCIAL ASSETS AVAILABLE FOR SALE

During the periods ended on 30 June 2016 and 2015, the movements which occurred in the valuation of the financial assets available for sale, stated at their respective fair value, were as follows:

	2016	2015
Fair value as at 1 January	30,427	59,887
Increase in fair value	-	10,445
Decrease in fair value	(19,102)	-
Fair value as at 30 June	11,325	70,332

As at 30 June 2016 and 31 December 2015, the Group held 622,229,693 shares of Banco Comercial Português, S.A., corresponding to 1.05% of its share capital and voting rights, classified as financial assets available for sale.

The financial assets available for sale, and their cost and market values, as at 30 June 2016 and 31 December 2015, are as follows:

	30/06/2016		31/12/2015	
	Cost value	Market value	Cost value	Market value
Banco Comercial Português, S.A.	739,822	11,325	739,822	30,427
	739,822	11,325	739,822	30,427

17 – ASSETS HELD FOR SALE

As at 30 June 2016, the asset classified as held for sale corresponds to the value derived from the divestment of the stake in “Limited Liability Company Cement”, carried out during the semester ended on 30 June 2016.

18 - DEFERRED TAXES

All situations which might significantly affect future taxes are stated by applying the deferred tax rule.

During the periods ended on 30 June 2016 and 2015, the movement which occurred in deferred tax assets and liabilities was as follows:

	Deferred tax assets		Deferred tax liabilities	
	2016	2015	2016	2015
Balance as at 1 January	194,913	171,219	59,019	56,080
Constitution / Reversal				
Net income (Note 10)	13,657	12,495	2,664	2,704
Equity	640	91	-	759
Currency conversion effect and adjustments	(3,351)	(3,127)	(4,245)	1,485
Perimeter alteration	-	(33)	-	-
Balance as at 30 June	205,859	180,645	57,438	61,028

Deferred tax assets are only recorded insofar as it is considered that taxable profits are likely to occur in future taxation periods which may be used to recover the tax losses or deductible tax differences. This assessment was based on the business plans of the Group's companies, periodically reviewed and updated, and on the prospects of generating taxable earnings.

19 - RELATED PARTIES

The transactions and balances between “TD,S.A.” and the Group's companies included in the consolidation perimeter, which are related parties, were eliminated in the consolidation process and are not disclosed in the present note. The balances and transactions between the Group and associates, joint ventures, related parties and individuals with significant voting rights and their own companies, are detailed below.

The terms or conditions applied between these related parties are, in substance, identical to those which would normally be contracted, accepted and applied between independent entities in comparable operations.

The main balances with related entities as at 30 June 2016 and 31 December 2015 are detailed as follows:

Entities	Balance receivable		Balance payable		Loans granted		Other debts	
	30/06/2016	31/12/2015	30/06/2016	31/12/2015	30/06/2016	31/12/2015	30/06/2016	31/12/2015
AEBT - Auto Estradas do Baixo Tejo, S.A.	7	7	-	-	5,373	5,373	-	-
AEDL - Auto Estradas do Douro Litoral, S.A.	-	-	-	-	-	1,202	-	-
CINTEL - Construção Interceptor Esgotos, S.A.	46	46	-	-	4	4	-	-
CONBATE, ACE	18	20	1	-	-	-	-	-
Consórcio Mineiro Luso Vargas - CONLUVAR	233	519	42	135	-	-	-	-
Consórcio OPSUT 2010	50	164	8	28	-	-	-	-
DOURO LITORAL, ACE	9	12	113	61	-	-	-	-
DOURO LITORAL OBRAS ESPECIAIS, ACE	-	-	2	2	-	-	(269)	(269)
EIA - Ensino de Investigação e Administração, S.A.	9	9	-	-	-	-	-	(324)
GMP - Grupo Marítimo Português, ACE	9	106	10	10	-	-	-	-
GMP MEK – Grupo Marítimo Português Mers El Kibir, ACE	4	24	-	-	-	-	-	-
INVESTIPART - Participações e Investimentos, S.A.	-	3	-	-	-	-	-	-
IMOC - Empreendimentos Imobiliários, S.A.R.L.	720	10,246	107	183	-	-	(124)	(126)
Limited Liability Company Cement	-	-	-	-	16,072	16,072	-	-
LUSOPONTE - Concessionária para a Travessia do Tejo, S.A.	-	-	-	-	150	150	-	-
METROLIGEIRO - Construção de Infraestruturas, ACE	9	11	-	-	-	-	-	-
Moreira e Cunha, Lda.	6	5	-	-	-	-	-	-
MTS - Metro Transportes do Sul, S.A.	-	-	-	-	740	740	-	-
NOVA ESTAÇÃO, ACE	1,017	1,017	88	60	-	-	6	-
Promociones Inmobiliárias 3003, C.A.	-	-	-	-	-	-	(31)	(32)
RPK Gulfstream, Ltd.	-	-	-	-	1,394	1,236	-	-
SOMAFEL/FERROVIAS, ACE	1	3	-	10	-	-	-	-
TEIXEIRA DUARTE - SOPOL - Metro Superfície, ACE	7	6	49	58	-	-	-	-
TRÊS PONTO DOIS - Trabalhos Gerais de Construção Civil, Via e Catenária de Modernização da Linha do Norte, ACE	-	-	35	35	-	-	-	-
	2,145	12,198	455	582	23,733	24,777	(418)	(751)

The main transactions carried out with related parties during the periods ended on 30 June 2016 and 2015 were as follows:

	Sales and services rendered		Purchases and services received		Interest debited	
	1st S 16	1st S 15	1st S 16	1st S 15	1st S 16	1st S 15
AEBT - Auto Estradas do Baixo Tejo, S.A.	13	20	-	-	-	-
CONBATE, ACE	43	49	1	1	-	-
Consórcio Minero Luso Vargas - CONLUVAR	286	171	-	80	-	-
Consórcio OPSUT 2010	-	131	-	62	-	-
DOURO LITORAL, ACE	28	24	52	31	-	-
DOURO LITORAL OBRAS ESPECIAIS, ACE	-	-	-	2	-	-
GMP - Grupo Marítimo Português, ACE	12	21	-	-	-	-
GMP MEK – Grupo Marítimo Português Mers El Kibir, ACE	5	2	-	-	-	-
IMOC - Empreendimentos Imobiliários, S.A.R.L.	2,260	7,857	128	120	-	-
Limited Liability Company Cement	-	-	-	-	884	884
METROLIGEIRO - Construção de Infraestruturas, ACE	9	11	-	-	-	-
Moreira e Cunha, Lda.	21	18	-	-	-	-
NOVA ESTAÇÃO, ACE	-	-	28	10	-	-
SOMAFEL/FERROVIAS, ACE	21	7	28	10	-	-
TEIX.CO SPA	-	-	-	2	-	-
TEIXEIRA DUARTE/OPCA - Fungere - Parcela 1.18 do Parque das Nações em Lisboa - 3ª Fase - Empreitada de Acabamentos e Instalações Especiais dos Edifícios para o Hotel e Escritórios, ACE	-	2	-	1	-	-
TEIXEIRA DUARTE - SOPOL - Metro Superfície, ACE	5	11	-	9	-	-
	2,703	8,324	237	328	884	884

The remuneration of the members of the governing bodies of TD, S.A. for the periods ended on 30 June 2016 and 2015 was as follows:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Executive directors:				
Short term benefits	393	448	207	232
Supervisory board:				
Short term benefits	33	33	16	16
Statutory auditor:				
Short term benefits	30	30	15	15
	456	511	238	263

The remuneration of the members of the senior management staff of TD, S.A. for the periods ended on 30 June 2016 and 2015 was as follows:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Senior staff:				
Short term benefits	2,675	3,010	1,418	1,748
	2,675	3,010	1,418	1,748

20 - NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS

Cash and cash equivalents

As at 30 June 2016 and 31 December 2015, this heading is broken down as follows:

	30/06/2016	31/12/2015
Demand deposits	159,375	171,868
Term deposits	44,658	74,623
Other treasury applications	4,610	2,518
Cash	2,278	3,684
	210,921	252,693

The heading of cash and cash equivalents includes cash, deposits repayable on demand, term deposits and cash investments with maturity of less than three months, repayable on demand and with insignificant risk of change of value.

Cash flow from investment activities

The revenue derived from financial investments in the periods ended on 30 June 2016 and 2015, refer to the divestment of equity stakes in the following entities:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Limited Liability Company Cement	6,645	-	6,645	-
AEDL - Auto-Estradas do Douro Litoral, S.A.	2,491	-	-	-
Banco Bilbao Vizcaya Argentaria, S.A.	-	15,280	-	10,376
PETRIN - Petróleos e Investimentos, S.A.	-	10,153	-	-
LONGAVIA, S.A.	-	9,184	-	9,184
LONGAPAR - Sociedade Gestora de Participações Sociais, S.A.	-	2,315	-	2,315
	9,136	36,932	6,645	21,875

The payments relative to financial investments in the periods ended on 30 June 2016 and 2015, refer to the acquisition of equity stakes in the following entities:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
Alvorada Petróleo, S.A.	12	-	12	-
Banco Bilbao Vizcaya Argentaria, S.A.	-	12,506	-	10,878
	12	12,506	12	10,878

The dividends received in the periods ended on 30 June 2016 and 2015, were as follows:

	1st S 16	1st S 15	2nd Q 16	2nd Q 15
LUSOPONTE - Concessionária para a Travessia do Tejo, S.A.	1,310	-	-	-
CPM - Companhia de Parques de Macau, S.A.R.L.	342	251	82	86
LONGAPAR - Sociedade Gestora de Participações Sociais, S.A.	-	399	-	399
	1,652	650	82	485

21 - SHARE CAPITAL

As at 30 June 2016 and 2015, the underwritten and paid-up share capital was represented by 420,000,000 shares with the nominal value of 0.50 euros each.

As at 30 June 2016, TEIXEIRA DUARTE - Sociedade Gestora de Participações Sociais, S.A. directly held 203,520,000 shares representing the share capital of TEIXEIRA DUARTE, S.A. and corresponding to 48.46% of its share capital.

22 - RESERVES AND RETAINED EARNINGS

Legal reserve: Pursuant to the current legislation, the Company is obliged to transfer at least 5% of its annual net income to the legal reserve, until it reaches at least 20% of the share capital. This reserve is not distributable to the shareholders, but may be used to absorb losses, after all the other reserves have been depleted, or incorporated in the share capital.

Fair value reserve: The fair value reserve arises from the difference between the cost value and market value of the financial assets available for sale, not yet recognised in the income statement.

Free reserves: The free reserves are available for distribution, under the terms and within the limits established in the Commercial Companies Code.

Hedge operation reserve: The hedge operation reserve reflects the effective component (net of the tax effect) of net changes in the fair value of derivative financial instruments classified as cash flow hedges.

23 - LOANS

As at 30 June 2016 and 31 December 2015, the following loans had been raised:

	30/06/2016	31/12/2015
Non-current liabilities:		
Bank loans a)	194,708	217,980
Commercial paper b)	466,754	432,257
Debenture loan c)	15,300	15,300
	676,762	665,537
Current liabilities:		
Bank loans a)	598,777	617,139
Commercial paper b)	87,807	117,457
	686,584	734,596
	1,363,346	1,400,133

a) Bank loans

As at 30 June 2016, the internal bank loans, bank overdrafts and pledged current accounts earned interest at the weighted annual average rate of 4.52% (4.67% as at 30 June 2015).

As at 30 June 2016, the most significant bank loans contracted by the Group essentially correspond to:

Loan raised from Caixa Banco de Investimento, S.A. and Caixa Geral de Depósitos, S.A., contracted on 21 February 2008, of the value of 43,618 thousand euros on the closing date of June 2016, which will be repaid in 35 equal and successive instalments, ending on 10 December 2033.

Loan taken out by the Group at Caixa Geral de Depósitos, S.A. on 30 December 2008, of the value of 26,839 thousand euros on the closing date of June 2016, which will be repaid in 90 equal and successive monthly instalments, ending on 30 December 2023.

Loan raised from Banco Caixa Geral Angola, contracted on 21 December 2011 of the value of 5,954 thousand euros on the closing date of June 2016, which will fall due on 28 February 2019.

Loan raised from Banco BIC de Angola, contracted on 9 October 2012 of the value of 5,335 thousand euros on the closing date of June 2016, which will fall due on 5 December 2019.

Loan raised from Banco BIC de Angola, contracted on 9 October 2012 of the value of 12,981 thousand euros on the closing date of June 2016, which will fall due on 13 December 2019.

Loan raised from Banco Privado Atlântico de Angola, contracted on 12 October 2012 of the value of 5,486 thousand euros on the closing date of June 2016, which will fall due on 18 October 2017.

Loan raised from Banco Popular Portugal, S.A., contracted on 13 December 2012, of the value of 1,847 thousand euros on the closing date of June 2016. The present principal will be repaid over the contract period, and in accordance with the table of agreed haircuts, by the product of the sale of the mortgaged real estate properties, with the remainder being settled through bullet repayment on 13 December 2016.

Loan raised from Banco Itaú Unibanco, S.A., contracted on 29 August 2013 of the value of 14,018 thousand euros on the closing date of June 2016, which will fall due on 20 October 2016.

Loan raised from Banco Itaú Unibanco, S.A., contracted on 30 August 2013 of the value of 5,729 thousand euros on the closing date of June 2016, which will fall due on 20 November 2017.

Loan raised from Banco Itaú Unibanco, S.A., contracted on 11 September 2013 of the value of 1,284 thousand euros on the closing date of June 2016, which will fall due on 20 December 2016.

Loan raised from Banco Caixa Geral Angola, contracted on 23 January 2014 of the value of 8,692 thousand euros on the closing date of June 2016, which will fall due on 30 April 2021.

Loan raised from Banco Angolano de Investimento, contracted on 20 February 2014 of the value of 19,320 thousand euros on the closing date of June 2016, which will fall due on 31 October 2020.

Loan raised from Banco Itaú Unibanco, S.A., contracted on 29 August 2014 of the value of 4,133 thousand euros on the closing date of June 2016, which will fall due on 20 November 2018.

Loan raised from Banco BIC de Angola, contracted on 22 September 2014 of the value of 11,844 thousand euros on the closing date of June 2016, which will fall due on 13 December 2021.

Loan raised from Banco do Brasil S.A., contracted on 17 October 2014 of the value of 3,900 thousand euros on the closing date of June 2016, which shall be repaid on a six-monthly basis with instalments of 1,300 thousand euros.

Loan raised from Caixa Económica Montepio Geral, contracted on 23 October 2014, of the value of 8,000 thousand euros on the closing date of June 2016, which will be repaid in 84 constant and successive monthly instalments of principal and interest after a period of grace of twenty-four months, ending on 23 October 2023.

Loan raised from Caixa Económica Montepio Geral, contracted on 23 October 2014 of the value of 2,277 thousand euros on the closing date of June 2016, which will be repaid in 40 constant and successive monthly instalments, ending on 23 October 2019.

Loan raised from Banco BANRISUL, S.A., contracted on 24 November 2014 of the value of 290 thousand euros on the closing date of June 2016, which will fall due on 27 November 2016.

Loan raised from Banco BANRISUL, S.A., contracted on 24 November 2014 of the value of 380 thousand euros on the closing date of June 2016, which will fall due on 27 April 2017.

Loan raised from Banco Caixa Geral Angola, contracted on 31 December 2014 of the value of 6,358 thousand euros on the closing date of June 2016, which will fall due on 31 December 2021.

Loan raised from Novo Banco, S.A., contracted on 26 January 2015 of the value of 28,750 thousand euros on the closing date of June 2016, repaid on a six-monthly basis in amounts varying between 1,500 thousand euros and 2,750 thousand euros, with the last instalment of 16,500 thousand euros falling due on 30 December 2019.

Loan raised from Banco SANTANDER, S.A., contracted on 30 April 2015 of the value of 907 thousand euros on the closing date of June 2016, which will fall due on 27 April 2017.

Loan raised from Banco Caixa Geral, S.A., contracted on 13 May 2015 of the value of 4,903 thousand euros on the closing date of June 2016, which will fall due on 13 November 2016.

Loan raised from Novo Banco, S.A., contracted on 20 May 2015 of the value of 10,228 thousand euros on the closing date of June 2016, which shall be repaid in 8 quarterly instalments starting on 30 September 2015.

Loan raised from Banco Caixa Geral, S.A., contracted on 18 August 2015 of the value of 478 thousand euros on the closing date of June 2016, which shall be repaid on 31 October 2016.

Loan raised from Banco Caixa Geral Angola, contracted on 26 November 2015 of the value of 11,859 thousand euros on the closing date of June 2016, which will fall due on 29 June 2020.

Loan raised from Banco Caixa Geral, S.A., contracted on 29 December 2015 of the value of 2,000 thousand euros on the closing date of June 2016, which shall be repaid on 20 December 2016.

Loan raised from Banco do Brasil S.A., contracted on 22 January 2016 with duration of 3 years, of the value of 3,500 thousand euros on the closing date of June 2016, which shall be repaid annually with instalments of 1,167 thousand euros.

Loan raised from Novo Banco, S.A., contracted on 5 February 2016 of the value of 3,350 thousand euros, used entirely on the closing date of June 2016, which shall be repaid on 15 December 2016.

Loan raised from Banco Comercial Português, S.A., contracted on 29 March 2016, of the value of 10,000 thousand euros on the closing date of June 2016, whose principal shall be repaid in successive six-monthly instalments in arrears, with the first being on 29 September 2016 and the last on 20 February 2023.

Loan raised from Caixa Geral de Depósitos, S.A., contracted on 29 February 2016, of the value of 7,000 thousand euros on the closing date of June 2016, whose principal shall be repaid on 27 August 2016.

Loan raised from Novo Banco, S.A., contracted on 26 April 2016 of the value of 7,000 thousand euros on the closing date of June 2016, which shall be repaid on 31 December 2016.

Credit opening contract concluded on 17 June 2016 between the banks Banco Comercial Português, S.A., Caixa Geral de Depósitos, S.A. and Novo Banco, S.A., of the value of 8,708 thousand euros on the closing date of June 2016, distributed among these banks by 3,266 thousand euros, 2,325 thousand euros and 3,117 thousand euros, respectively, and in force up to 15 December 2016.

Credit opening contract concluded on 20 June 2016 between the banks Banco Comercial Português, S.A., Caixa Geral de Depósitos, S.A. and Novo Banco, S.A., of the value of 12,717 thousand euros on the closing date of June 2016, distributed among these banks by 4,769 thousand euros, 3,395 thousand euros and 4,553 thousand euros, respectively, and in force up to 15 December 2016.

Loan raised from Banco Safra, S.A., contracted on 29 June 2016, of the value of 3,343 thousand euros on the closing date of June 2016, which shall be repaid on 31 July 2017.

Loan raised from Novo Banco, S.A., contracted on 30 June 2016 of the value of 1,828 thousand euros on the closing date of June 2016, which shall be repaid on 30 December 2016.

Factoring line with recourse from Banco Caixa Geral, S.A., of the value of 5,000 thousand euros, of which 4,490 thousand euros is being used on the closing date of June 2016.

Factoring line with recourse from Banco Caixa Geral, S.A., of the value of 10,000 thousand United States dollars, of which 3,958 thousand dollars (corresponding to 3,565 thousand euros) is being used on the closing date of June 2016.

Factoring line with recourse from Novo Banco, S.A., of the value of 3,500 thousand euros, of which 1,487 thousand euros is being used on the closing date of June 2016.

Under a commercial discount line for abroad (Venezuela) granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. with Caixa Geral de Depósitos, S.A. of the value of 7,302 thousand United States dollars, corresponding to 6,577 thousand euros on the closing date of June 2016.

Under a commercial discount line for abroad (Algeria) granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. with Caixa Geral de Depósitos, S.A. of the value of 36,515 thousand euros, which was being used to the value of 30,864 thousand euros on the closing date of June 2015.

Under a commercial discount line for abroad (Angola) granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A., Teixeira Duarte - Distribuição, S.A., EPOS – Empresa Portuguesa de Obras Subterrâneas, S.A. and TDO - Investimento e Gestão, S.A., raised from Caixa Geral de Depósitos, S.A. of the value of 15,000 thousand euros, which was being used on the closing date of June 2015 by the first three companies to the value of 1,930 thousand euros, 4,070 thousand euros and 4,378 thousand euros, respectively.

Under a commercial discount line for abroad (Angola) granted by Teixeira Duarte - Distribuição, S.A., with Banco Privado Atlântico Europa of the value of 4,721 thousand euros, which was used entirely on the closing date of June 2016.

Under a credit and commercial discount line for abroad (Angola) granted by Teixeira Duarte - Distribuição, S.A. and TDO - Investimento e Gestão, S.A. with Banco BAI Europa, of the total value of 7,500 thousand euros, which was used on the closing date of June 2016 to the value of 3,045 thousand euros and 3,614 thousand euros, respectively.

Under a credit line, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch, on 29 July 2013 with CorpBanca, C.A. (which was extinguished as a consequence of its merger by incorporation into Banco Occidental de Descuento, C.A.), of the maximum amount of 100,000 thousand Venezuelan bolivars, increased to 200,000 thousand Venezuelan bolivars in May 2014, with approval in November 2014 of a new extension up to 300,000 thousand Venezuelan bolivars, used to the value of 265,250 thousand Venezuelan bolivars on the closing date of June 2016 which, at the closing exchange rate of June 2016, corresponds to 380 thousand euros.

Under a credit line granted by TEIXEIRA DUARTE – Engenharia e Construções, S.A. - Venezuela Branch with Mercantil, C.A. Banco Universal, on 4 April 2013, of the maximum amount of 150,000 thousand Venezuelan bolivars, increased in May 2014 to a maximum limit of 300,000 thousand Venezuelan bolivars, with the approval in April 2015 of a new extension up to the value of 400,000 thousand Venezuelan bolivars, with 234,520 thousand Venezuelan bolivars being used on the closing date of June 2016, which, at the closing exchange rate of June 2016, corresponds to 336 thousand euros.

Under a formalised credit line granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch in May 2014, with Banesco Universal, C.A. with a maximum ceiling of 200,000 thousand Venezuelan bolivars, used to the value of 176,250 thousand Venezuelan bolivars on the closing date of June 2016, which, at the closing exchange rate of June 2016, corresponds to 253 thousand euros.

Under a credit line granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch with Novo Banco Venezuela Branch, on 5 December 2013, of the maximum amount of 15,000 thousand Venezuelan bolivars, increased in January 2014 to a maximum limit of 17,000 thousand Venezuelan bolivars, used entirely on the closing date of June 2016 which, at the closing exchange rate of June 2016, corresponds to 24 thousand euros.

All the credit lines granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Venezuela Branch are negotiated and renegotiated for periods of 12, 18 or 24 months and the amounts used under them earn interest at normal rates for identical operations on the local market, at their dates of use, which are charged on a monthly, quarterly or six-monthly basis, accordingly.

As at 30 June 2016 and 31 December 2015, the bank loans also include pledged current accounts of the value of 430,683 and 456,648 thousand euros, respectively.

b) Commercial paper

As at 30 June 2016, the Group had negotiated the following commercial paper programmes:

Grouped commercial paper issue programme contracted with Haitong Bank S.A. and Novo Banco, S.A. on 16 December 2005, of the value of 100,000 thousand euros, corresponding to 42,500 thousand euros on the closing date of June 2016, in which TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part, with the entire amount being used by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. The participation of each company in the programme may vary each time it is used. The duration of the programme is five years minus one day, counted as of the contract signing date. The issue periods are from 1 to 6 months and earn interest in advance at the Euribor rate of the period plus a spread of 3%, with the repayment of the last issue being on 20 August 2018. This programme stipulates six-monthly repayments of 2,500 thousand euros and full payment of the outstanding value on the programme's last issue date.

Commercial paper issue programme contracted with Banco Comercial Português, S.A. on 20 August 2008, of 17,000 thousand euros on the closing date of June 2016, with annual renovation. The interest is earned in arrears, with the rate being indexed to the three-month Euribor plus a spread of 5.75% determined according to each issue date.

Commercial paper issue programme contracted with Banco Comercial Português, S.A. on 20 August 2008, of 3,500 thousand euros on the closing date of June 2016, with annual renovation. The interest is earned in arrears, with the rate being indexed to the three-month Euribor plus a spread of 5.75% determined according to each issue date.

Grouped commercial paper issue programme contracted with Caixa Geral de Depósitos, S.A. on 7 July 2010, of the value of 70,000 thousand euros, in which TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part, with the entire amount being used by TEIXEIRA DUARTE - Engenharia e Construções, S.A. The participation of each company in each programme may vary each time it is used. The programme was renewed on 12 May 2014 up to 14 May 2019, for the amount of 50,000 thousand euros, currently with the value of 40,000 thousand euros on the closing date of June 2016. The first repayment shall be on 18 January 2017, with annual repayments starting on 16 May 2017. The interest is earned in advance on each subscription date, with the intervention rate being indexed to the Euribor for the respective period, in force on the second business day prior to each subscription date, plus 4% up to May 2016 and 3.75% for the remaining period of the programme, and determined according to each auction date.

Grouped commercial paper issue programme, through private subscription, contracted on 14 January 2011 with Banco Comercial Português, S.A., with the total amount used being 20,750 thousand euros, in which TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part, to the amounts of 18,650 thousand euros and 2,100 thousand euros, respectively. The participation of each company in the programme may vary each time the programme is used, with TEIXEIRA DUARTE - Engenharia e Construções, S.A. being required to participate with at least 10% of the total value. Interest is payable in arrears and the intervention rate is indexed to one to six-month Euribor by competitive auction of 7 to 180 days by direct placement plus 4% and determined in accordance with the date of each auction, with the repayment of the last issue taking place on 6 January 2021.

Grouped commercial paper issue programme contracted on 28 December 2011, with Banco Comercial Português, S.A. of the total amount of 53,400 thousand euros, being used entirely on the closing date of June of 2016, in which TEIXEIRA DUARTE, S.A., TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part, where on this date the amounts used by each were 1,000 thousand euros, 1,000 thousand euros and 51,400 thousand euros, respectively. Each issue must necessarily be carried out together by all the issuers and the participation of each issuer cannot be less than 250 thousand euros. The programme shall be enforced up to 30 December 2021, with the first repayment being on 30 September 2016 and the rest six-monthly starting on 30 December 2016, of amounts varying between 3,300 thousand euros and 5,700 thousand euros, except for the last which shall be 8,400 thousand euros. The applicable interest rate is the Euribor for each issue period, in force on the second business day prior to the date of each issue, increased by a spread of 4.25%.

Grouped commercial paper issue programme contracted on 30 December 2013 with Novo Banco, S.A. and Haitong Bank, S.A., of the value of 191,250 thousand euros on the closing date of June 2016, granted by the issuers TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., and by the guarantors TEDAL - Sociedade Gestora de Participações Sociais, S.A., TEIXEIRA DUARTE - Engenharia e Construções, S.A., QUINTA DO CRAVEL - Imobiliária, S.A., and V8 - Gestão Imobiliária, S.A., which is being entirely used by TEIXEIRA DUARTE - Engenharia e Construções, S.A. The participation of each company in each programme may vary in each of its issues. The duration of the programme is five years minus 1 day, counted as of the contract signing date, with the interest falling due in advance and the reference rate being indexed to the Euribor for the respective period, in force on the second business day prior to each subscription date, plus a spread of 5% and determined according to the date of each auction, with the repayment of the last issue being on 29 December 2018. The programme will be subject to partial repayments, to occur on a six-monthly basis as of June 2017 of 5,000 thousand euros.

Grouped commercial paper issue programme contracted on 2 May 2014 with Banco Finantia, S.A., of the value of 10,000 thousand euros, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., of which, on the closing date of June 2016, 1,000 thousand euros is being used by TEIXEIRA DUARTE - Engenharia e Construções, S.A., and where the participation of each issuer may vary upon each issue. The duration of the programme is up to 2 May 2017, and the issue period may vary from 7 to 365 days. Interest is payable in arrears at the rate corresponding to direct placement, never below the maximum rate indicated by the issuer.

Grouped programme for commercial paper issues contracted on 27 June 2014 with Banco Comercial Português, S.A. of the total value of 55,000 thousand euros, corresponding to 50,000 thousand euros on the closing date of June 2015, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. The duration of the programme is 5 years, and the issues may have a period of one to three months. Interest is payable in arrears at the rate corresponding to the Euribor applicable to the issue period plus 6%. The programme is subject to partial repayments with the first being 5,000 thousand euros on 27 September 2016 and the rest six-monthly starting on 27 December 2016 of variable amount between 2,000 thousand euros and 5,000 thousand euros, with the outstanding amount paid on the due date of the last issue.

Grouped commercial paper issue programme contracted on 18 November 2014 with Banco BIC Português, S.A. of the value of 5,000 thousand euros, granted by TEIXEIRA DUARTE, S.A., TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. The programme is valid up to 2 January 2020, and the issue period may vary from one to six months. Interest is payable in arrears at the rate corresponding to the Euribor applicable to the issue period plus a 3.25% spread.

Grouped programme for commercial paper contracted on 28 December 2015, with Novo Banco, S.A. corresponding to the value of 97,000 thousand euros on the closing date of June 2016, in which TEIXEIRA DUARTE, S.A., a TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. take part to the amounts of 9,700 thousand euros, 9,700 thousand euros and 77,600 thousand euros, respectively. The participation of each company in the programme may vary in each of its issues. The duration of the programme is five years, counted as of the contract signing date, with the interest falling due in advance and the reference rate being indexed to the Euribor for the respective period, in force on the second business day prior to each subscription date, plus a spread of 5% and determined according to the date of each auction, with the repayment of the last issue being on 6 November 2018. The programme will be subject to partial repayments, with the first being 3,000 thousand euros on 30 December 2016 and the rest six-monthly starting on 6 May 2017 of an amount varying between 2,000 thousand euros and 3,000 thousand euros.

Commercial paper issue programme contracted with Novo Banco, S.A. on 14 January 2016, of the amount of 34,000 thousand euros, in which TEIXEIRA DUARTE, S.A. and TEIXEIRA DUARTE - Engenharia e Construções, S.A. take part. The duration of the programme is four years. The interest is earned in advance on each subscription date, with the intervention rate being indexed to the Euribor for the respective period, in force on the second business day prior to each subscription date, plus 3% and determined in accordance with the date of each auction.

As a result of the commitment of successive renewal of the programme contracts during the period, some existing issues as at 30 June 2016 and 31 December 2015 are classified as non-current liabilities.

c) Debenture Loan

TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. have signed, with Banco Comercial Português, S.A., a Contract for Provision of Services of Assistance and Placement of a Private Offer of Issue of Bonds, as well as the Contract of Paying Agent relative to the Grouped Issue by Private Subscription of Bonds of the value of 15,300 thousand euros (1,500 thousand euros of TEIXEIRA DUARTE - Engenharia e Construções, S.A. and 13,800 thousand euros of TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.) called "TEIXEIRA DUARTE - Engenharia e Construções, S.A. / TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. - 2014/2021". The interest is paid quarterly at the rate of 4.57% and the repayment shall be made at par value in three instalments of equal amount which fall due on 2 April 2019, 2 April 2020 and 2 April 2021.

As at 30 June 2016 and 31 December 2015, the repayment of non-current bank loans is defined as follows:

	30/06/2016	31/12/2015
2017	65,114	91,846
2018	274,302	267,496
2019	114,625	90,634
2020	88,403	85,220
2021 and following	134,318	130,341
	676,762	665,537

As at 30 June 2016 and 31 December 2015, the funding in foreign currency was expressed as follows:

Currency	30/06/2016		31/12/2015	
	Currency	Euros	Currency	Euros
Venezuelan Bolivar	3,503,137	5,022	3,511,491	16,233
US Dollar	20,506	18,471	28,442	26,125
Japanese Yen	27,722	241	4,671	35
Angolan Kwanza	20,294,442	109,486	22,118,694	149,621
Mozambican Metical	-	-	5	-
Brazilian Real	122,881	34,231	130,074	30,168

The loans denominated in foreign currency earn interest at market rates and were converted into euros based on the exchange rate as at the reporting date.

24 - CONTINGENT LIABILITIES, GUARANTEES AND COMMITMENTS

Following various inspections conducted by the Taxation and Customs Authority (AT) to the accounts of TEIXEIRA DUARTE - Gestão de Participações Investimentos Imobiliários, S.A., a company 100% held directly by TEIXEIRA DUARTE, S.A. relative to the financial years of 2007 to 2012, the following corrections were made to the tax losses that had initially been reported for this subsidiary:

Year	Calculated tax loss	AT correction
2007	46,632	29,331
2008	50,590	45,938
2009	50,182	24,807
2010	18,165	6,467
2011	12,779	3,213
2012	13,294	3,971

With the exception of the amounts of 611 and 1,666 thousand euros, included in the correction to the tax loss for 2008 and 2012, respectively (and relative, according to the AT, to the undue application of number 10 of article 22 of the EBF to the distribution of income by the TDF Closed Real Estate Investment Fund), these corrections arise entirely from the non-acceptance, as a tax cost, of the financial costs incurred with the investment made in participated companies under the form of additional paid-in capital.

Since TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. is subject to corporate income tax (IRC) in accordance with the special taxation scheme for groups of companies (RETGS) (article 69 and following of the IRC Code), the corrections to the tax losses for the periods of 2007 to 2011 were subject to additional IRC tax assessments and compensatory interest issued to TEIXEIRA DUARTE – Engenharia e Construções, S.A., a subsidiary 100% directly held by TEIXEIRA DUARTE, S.A., as the controlling company of the RETGS for those financial years. TEIXEIRA DUARTE – Engenharia e Construções, S.A. objected, under the terms of the law, to the corrections made by the Taxation and Customs Authority (AT) to the periods of 2007 to 2011.

Up to the present date, the Company has not yet been issued any additional payment, in its capacity of controlling company of the RETGS, in relation to the corrections of the financial year of 2012.

Notwithstanding the unfavourable outcome to the claims of TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., and, consequently, TEIXEIRA DUARTE – Engenharia e Construções, S.A., as the controlling company, under the proceedings relative to the period of 2006 on the acceptance, as a tax cost, of the financing costs incurred with the investment made in participated companies in the form of additional paid-in capital, the Board of Directors continues to expect a different outcome for the other periods subject to corrections.

In addition to the corrections described above relative to the participated company TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., the following corrections made by the AT to TEIXEIRA DUARTE - Engenharia e Construções, S.A., in an individual capacity, are disclosed:

- Correction of the taxable amount calculated for the period of 2008, amounting to 35,467 thousand euros, of which the Company objected to 32,595 thousand euros, related to tax credit, the system of re-investment of tax gains and the undue application of number 10 of article 22 of the EBF;
- Corrections of the taxable amount calculated for the period of 2011, amounting to 1,739 thousand euros, of which the Company objected to 608 thousand euros, primarily related to the non-acceptance of autonomous taxation as a tax cost;
- Correction related to the IRC of previous periods and included in the additional payment issued in relation to the financial year of 2011, amounting to 12 thousand euros, the entirety of which was contested by the Company, due to considering that the correction established in number 6 of article 45 of the Corporate Income Tax Code (in the text applicable to the period of 2011) does not cover the Municipal Surcharge;
- Corrections to the taxable amount calculated for the period of 2011, amounting to 9,268 thousand euros, of which the Company shall object to 702 thousand euros, related to the non-acceptance of autonomous taxation as a tax cost, as well as favourable corrections to the amount of tax credit due to international double taxation, amounting to 2,969 thousand euros.

Guarantees:

As at 30 June 2016 and 31 December 2015, the group of companies included in the consolidation had provided the following guarantees to third parties:

	30/06/2016	31/12/2015
Bank guarantees provided	371,135	483,912
Fidelity insurance	247,920	193,160

The bank guarantees were essentially provided for the effect of tenders, advances received and as a completion bonds for works.

TEIXEIRA DUARTE - Engenharia e Construções, S.A., EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A., SOMAFEL - Engenharia e Obras Ferroviárias, S.A., OFM - Obras Fluviais e Marítimas, S.A., RECOLTE, Serviços e Meio Ambiente, S.A., RECOLTE, Servicios y Medioambiente, S.A.U., EMPA - Serviços de Engenharia, S.A. and the Boyacá - La Guaira Consortium, have provided fidelity insurance in order to guarantee the good implementation of works and services rendered.

For the effect of suspension of the tax enforcement proceedings filed against the participated company TEIXEIRA DUARTE - Engenharia e Construções, S.A., relative to the corporate income tax debt for the year of 2008, in the meantime contested, a bank guarantee has been issued, in favour of the AT, for the amount of 14,752 thousand euros. Subsequently, TEIXEIRA DUARTE - Engenharia e Construções, S.A. applied for the replacement of the bank guarantee by a security provided by TEIXEIRA DUARTE, S.A., which has been successively refused by the AT. Judicial claims were submitted against the AT's various decisions of dismissal, with a favourable outcome for the Company. On the closing date of June 2016, the Company was preparing a reaction to the appeal submitted by the Exchequer Tax Authority against the most recent decision, favourable to the Company, in the context of the these judicial claims. Should the AT accept the replacement of the bank guarantee by a security, the Company shall cancel the aforesaid bank guarantee.

For the effect of suspension of the tax enforcement proceedings filed against the participated company TEIXEIRA DUARTE - Engenharia e Construções, S.A., relative to the corporate income tax debt for the year of 2010, in the meantime contested, TEIXEIRA DUARTE, S.A. submitted a security, of the value of 10,139 thousand euros, which was accepted by the Taxation and Customs Authority.

A mortgage was also constituted in favour of Caixa Geral de Depósitos, S.A. on lot 3, situated in Lagoas Park, owned by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., to secure a loan contract granted by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. of the value of 26,839 thousand euros on the closing date of June 2016.

In order to secure a contract signed with Banco Caixa Geral Angola, of the value of 5,954 thousand euros on the closing date of June 2016, HOTEL BAÍA, Lda. mortgaged a property owned by it, number 256 - 1st section, located in Chicala.

In order to secure a contract signed with Banco BIC Angola, of the value of 5,335 thousand euros on the closing date of June 2016, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 2554, located in Samba.

In order to secure a contract signed with Banco BIC Angola, of the value of 11,844 thousand euros on the closing date of June 2016, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 2554, located in Samba.

In order to secure a contract signed with Banco BIC Angola, of the value of 12,981 thousand euros on the closing date of June 2016, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 354, located in Samba.

In order to secure a contract signed with Banco Angolano de Investimento, of the value of 19,320 thousand euros on the closing date of June 2016, CND - Companhia Nacional de Distribuição, Lda. mortgaged a property owned by it, number 123 and 874, located respectively at Ingombotas and Sambizanga.

In order to secure a contract signed with Banco Caixa Geral Angola, of the value of 6,358 thousand euros on the closing date of June 2016, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 187, located in Ingombotas.

In order to secure a contract signed with Banco Caixa Geral Angola, of the value of 8,692 thousand euros on the closing date of June 2016, HOTEL TRÓPICO, S.A. mortgaged a property owned by it, number 1826, located in Ingombotas.

In order to secure the issue of a bank guarantee with Banco BIC Angola, of the value of 24,230 thousand euros on the closing date of June 2016, ANGOIMO - Empreendimentos e Construções, Lda. mortgaged a property owned by it, number 2554, located in Samba.

In order to secure the commercial paper contract signed with Banco Comercial Português, S.A., of the value of 53,400 thousand euros on the closing date of June 2016, granted by TEIXEIRA DUARTE, S.A., TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., mortgaged the properties implanted respectively on lots 6, 18 and 19, located in Lagoas Park, owned by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.

In order to guarantee the loan of the value of 1,847 thousand euros on the closing date of June 2016, concluded with Banco Popular Portugal, S.A. on 13 December 2012, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A., TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários S.A., QUINTA DE CRAVEL - Imobiliária, S.A. and V8 - Gestão Imobiliária, S.A., V8 - Gestão Imobiliária, S.A. mortgaged the fractions it owns of the urban property located on Rua de Castro Portugal, numbers 497 and 511; Rua Professora Rita Lopes Ribeiro Fonseca, numbers 46, 52, 76, 80, 94 and 96; Locality and Parish of Vila Nova de Gaia, as well as the fractions of the urban property named lot 14, located on Rua Guilherme Duarte Camarinha, number 12, Locality of Candal, Parish of Vila Nova de Gaia, for the total value of 1,847 thousand euros.

Apart from the guarantees indicated above, the following pledges have also been provided:

In order to secure the commercial paper contract signed with Haitong Bank, S.A. and Novo Banco, S.A. of the value of 42,500 thousand euros on the closing date of June 2016, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and by TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. and TEDAL - Sociedade Gestora de Participações Sociais, S.A. pledged 325,000,000 and 32,000,000 shares of Banco Comercial Português, S.A., respectively.

To secure a loan contract signed with Novo Banco, S.A., of the value of 28,750 thousand euros on the closing date of June 2016, TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. and C+P.A. – Cimentos e Produtos Associados, S.A. pledged 120,000,000 and 145,229,693 shares of Banco Comercial Português, S.A., respectively.

In order to secure the commercial paper contract signed with Haitong Bank, S.A. and Novo Banco, S.A. of the value of 191,250 thousand euros on the closing date of June 2016, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A. and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., TEDAL - Sociedade Gestora de Participações Sociais, S.A. pledged 12,500,000 shares of EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A., 200,000,000 shares of C+P.A. - Cimentos e Produtos Associados, S.A., and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. pledged 1,325,000 participation units of the TDF Closed Real Estate Investment Fund. TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. constituted a voluntary mortgage on an urban building it owns, destined for warehouses, workshops, materials laboratory and parking of equipment, located on Avenida da Indústria, Alto Estanqueiro - Jardim, Montijo, of the value of 13,242 thousand euros. QUINTA DE CRAVEL – Imobiliária, S.A. also mortgaged the lots for construction numbers 8, 10, 11, 12, 13, 19, 26 and 31, located at Quinta de Cravel, Mafamude, Vila Nova de Gaia, for the total value of 6,829 thousand euros. V8 - Gestão Imobiliária, S.A. mortgaged the lots for construction numbers 1, 2, 3, 5, 6, 8, 16, 18, 20 and 30 located at Empreendimento Santa Maria Design District, Santa Marinha, Vila Nova de Gaia, for the total value of 26,698 thousand euros.

In order to secure the commercial paper contract signed with Caixa Geral de Depósitos, S.A. of the value of 70,000 thousand euros, renewed on 12 May 2014 up to 14 May 2019, for the value of 50,000 thousand euros, and corresponding to 40,000 thousand euros on the closing date of June 2015, granted by TEIXEIRA DUARTE - Engenharia e Construções, S.A.

and TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A., TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A. pledged 4,675,000 participation units of the TDF Closed Real Estate Investment Fund.

In order to secure the commercial paper contract signed with Haitong Bank, S.A., of the value of 34,000 thousand euros, granted by TEIXEIRA DUARTE, S.A. e a TEIXEIRA DUARTE - Engenharia e Construções, S.A., TEIXEIRA DUARTE, S.A. pledged 1,000,000 shares of TDGI - Tecnologia de Gestão de Imóveis, S.A.

In order to reinforce the guarantees provided under the financial lease contract signed on 31 December 2008 with Banco Comercial Português, S.A., TEDAL - Sociedade Gestora de Participações Sociais, S.A. pledged 9,000,000 shares of SOMAFEL - Engenharia e Obras Ferroviárias, S.A.

In order to secure a contract signed with Banco Caixa Geral Angola, of the value of 11,859 thousand euros on the closing date of June 2016, TEIXEIRA DUARTE - Engenharia e Construções, S.A. - Angola Branch, pledged 13,020 Treasury Bond Securities.

In order to secure debts to third parties, of the value of 14 thousand euros, IMOTD - SGPS, S.A. pledged 14,000 shares of V8, S.A.

In order to secure the loan contract granted by TDHOSP - Gestão de Edifício Hospitalar, S.A. of the value of 43,618 thousand euros on the closing date of June 2016, TEIXEIRA DUARTE - Engenharia e Construções, S.A. pledged to Caixa Geral de Depósitos, S.A. and Caixa Banco de Investimentos, S.A. 1,540,000 shares of TDHOSP - Gestão de Edifício Hospitalar, S.A. Under the same loan contract, TEIXEIRA DUARTE - Engenharia e Construções, S.A., as shareholder, pledged the credit rights over TDHOSP - Gestão de Edifício Hospitalar, S.A.

In order to secure the loan contract concluded with Caixa Económica Montepio Geral, of the value of 2,277 thousand euros on the closing date of June 2016, granted by DIGAL - Distribuição e Comércio, S.A., DIGAL - Distribuição e Comércio, S.A. constituted a commercial pledge over equipment of the value of 3,394 thousand euros.

In order to secure the loan contract signed with Caixa Económica Montepio Geral, of the value of 8,000 thousand euros, granted by PPS - Produtos Petrolíferos, S.A., TDARCOL - SGPS, S.A. pledged the shares of PPS - Produtos Petrolíferos, S.A.

In order to secure the loan of the maximum amount of 3,350 thousand euros, contracted with Novo Banco, S.A., granted by Teixeira Duarte – Engenharia e Construções, S.A. and C+PA – Cimentos e Produtos Associados, S.A., C+PA – Cimentos e Produtos Associados, S.A. is obliged to undertake the reimbursement, partial or total, of the amounts in debt under the Contract, of an amount equivalent to the product derived from the divestment of the share capital of “Limited Liability Company Cement”.

In order to secure the loan of the value of 10,000 thousand euros on the closing date of June 2016, contracted with Banco Comercial Português, S.A., granted by Teixeira Duarte – Gestão de Participações e Investimentos Imobiliários, S.A., Teixeira Duarte – Gestão de Participações e Investimentos Imobiliários, S.A. have mortgaged building 9 of the enterprise Lagoas Park.

In order to secure the loan of the value of 7,000 thousand euros on the closing date of June 2016, contracted with Caixa Geral de Depósitos, S.A., granted by Teixeira Duarte, S.A., Teixeira Duarte - Engenharia e Construções S.A. and Teixeira Duarte - Gestão de Participações e Investimentos Imobiliários, S.A., Teixeira Duarte - Gestão de Participações e Investimentos Imobiliários, S.A. took out a second mortgage on Lot 3, located in Lagoas Park.

In order to secure the loan of the value of 7,000 thousand euros on the closing date of June 2016, contracted with Novo Banco, S.A., granted by Teixeira Duarte – Engenharia e Construções, S.A. as borrower and by Teixeira Duarte - Gestão de Participações e Investimentos Imobiliários, S.A. and TEDAL – Sociedade Gestora de Participações Sociais, S.A. as guarantors, a financial pledge was made on 21,000 and 10,479,000 shares of TDARCOL – Sociedade Gestora de Participações Sociais, S.A., respectively.

Financial commitments:

As at 30 June 2016 and 31 December 2015, the comfort letters provided by TEIXEIRA DUARTE, S.A. and its subsidiaries amounted to 451,840 thousand euros and 485,853 thousand euros, respectively.

As at 30 June 2016 and 31 December 2015, factoring contracts without right of recourse were in force, which were recorded as reduction of accounts receivable of the value of 4,913 thousand euros and 10,538 thousand euros, respectively. Pursuant to the contractual conditions, the Group's liability is essentially restricted to the guarantee of acceptance on the part of customers of the invoices which are the object of factoring.

25 - MEASUREMENT AT FAIR VALUE

Estimated fair value - assets and liabilities measured at fair value

The table below presents the Group's assets and liabilities measured at fair value as at 30 June 2016, according to the following hierarchical levels of fair value:

- Level 1: the fair value of financial instruments is based on lending net market prices as at the reference date of the statement of financial position;
- Level 2: the fair value of financial instruments is not determined based on lending net market prices, but rather through use of valuation models;
- Level 3: the fair value of financial instruments is not determined based on lending net market prices, but rather through use of valuation models whose main inputs are not observable on the market;

Category	Item	Level 1	Level 2	Level 3
Assets:				
Financial assets available for sale	Shares	11,325	-	-
Financial assets at fair value through profit or loss	Shares	25	-	-
Investment properties	Buildings and land	-	482,485	-
Liabilities:				
Financial liabilities at fair value	Hedge derivatives	-	18,726	-

Except with respect to non-current loans, most financial assets and liabilities mature in the short term; hence it is considered that their fair value is identical to the respective book values.

Most of the loans are taken out at variable interest rates. Therefore, it is deemed that the corresponding book value (amortised cost) does not differ significantly from the respective market value.

26 - APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements for the period ended on 30 June 2016 were approved by the Board of Directors on 29 August 2016.

27 - SUBSEQUENT EVENTS

TEIXEIRA DUARTE pursued its activity in the different markets in which it operates, with the following relevant facts having occurred after the closing of the first semester of 2016, which were disclosed in due time to the market:

CONTRACT FOR THE EXECUTION OF BUILDING WORK IN BRAZIL, FOR THE VALUE OF 102.5 MILLION EUROS

The Brazilian company, in which "Teixeira Duarte, S.A." indirectly holds a 100% stake "EMPA, S.A. Serviços de Engenharia", concluded with IURD "Amendment number 3 to the Partial Construction Contract", dated 13 July 2016, for the execution of the internal masonry, finishing, installations and landscaping and other agreements of the Cenáculo Curitiba building, located in the Municipality of Curitiba, State of Paraná, in Brazil.

The period established for the implementation of the work is 24 months, with the total value of this contract being 373,000,000.00 Brazilian reais, corresponding to 102,582,437.23 euros on the date of the press release to the market.

It is also disclosed that the conclusion of this "Amendment 3" follows the "Partial Construction Contract" signed between the parties on 15 August 2014 and subsequent "Amendment 1" and "Amendment 2", respectively concluded on 13 April 2015 and 17 June 2015, for the accomplishment of work, already partially executed, under the same construction work.

As a whole, i.e. including the "Partial Construction Contract" and its three Amendments, this construction contract reaches a total value corresponding to 128,419,555.32 euros on the date of the press release to the market.

CONTRACT FOR THE EXECUTION OF RAILWAY WORK IN BRAZIL, FOR THE VALUE OF 66.4 MILLION EUROS

The Brazilian company, in which "Teixeira Duarte, S.A." indirectly holds a 100% stake "EMPA, S.A. Serviços de Engenharia" and the Brazilian company in which it indirectly holds a 60% stake "SOMAFEL – Obras Ferroviárias e Marítimas, Ltda.", concluded a contract with VALE, S.A. on 26 July 2016 to carry out, in Brazil, the "Total construction contract for civil works, drainage, current structural work, special structural work, earthworks and signalling infrastructure relative to the execution of the duplication infrastructure of segments 44-45, 45-46 semi, 45-46 supplement, renovation of patio 46, 46-47 semi and 46-47 supplement of the Expansion of Estrada de Ferro Carajás – EFC. This work is an integral part of the North Logistics Capacity-Building Programme (CLN) S11D, distributed along the railway line in the states of Maranhão and Pará, with supply of materials", under a turnkey arrangement.

The period established for the implementation of the work is 759 days, with the total value of the contract being 239,649,533.06 Brazilian reais, corresponding to the counter-value of 66,421,710.94 euros on the contract date.