IMPRESA

2015 Annual Report

IMPRESA – SGPS, S.A.
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SINGLE MANAGEMENT REPORT 2015

In compliance with the requirements imposed by law regarding public companies, the Board of Directors of IMPRESA – Sociedade Gestora de Participações Sociais, S.A. hereby presents its SINGLE MANAGEMENT REPORT relative to the financial year of 2014. In doing so, the Board was careful to include sufficient elements and information for the shareholders and investors in general to be able to assess the activity of the IMPRESA GROUP in a clear and objective manner within the respective horizon of intervention.

A. Consolidated Accounts

The consolidated financial statements were prepared according to IAS/IFRS provisions, as adopted by the European Union, which include the International Accounting Standards (IAS) issued by the International Standards Committee (IASC), the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the respective SIC and IFRIC interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and Standing Interpretation Committee (SIC).

1. Executive Summary

- As anticipated at the end of 2014, IMPRESA's results for 2015 were largely driven by the fall in multimedia revenues, included in the other revenues item, which represented more than the total reduction in revenues.

- It is also important to mention that the results for 2015 were also impacted by forex losses of 3.6 M€, and restructuring costs of 3.8 M€.

- IMPRESA achieved a consolidated EBITDA, after adjusting for restructuring costs, of 26.1 M€, in comparison with 32.6 M€ in 2014.

- In 2015, IMPRESA achieved a consolidated net profit of 4.0 M€. If adjusted for restructuring charges, reached 6.9 M€, lower than the comparable 11.5 M€ obtained in 2014.

- The consolidated revenues of IMPRESA reached 230.9 M€, down 2.9%, albeit an 11.7% increase in channel subscription revenues. In the 4th quarter of 2015, consolidated revenues increased by 2.3%.

- IMPRESA continued to reduce its remunerated debt (bank debt and finance leases), which fell from 184.6 M€ in December 2014 to 178.8 M€ at the end of 2015, i.e. a reduction of 5.8 M€. Over the last seven years, total net remunerated debt has fallen by 82.3 M€.

- In 2015, SIC achieved an EBITDA, after adjusting for restructuring costs, of 25.2 M€, in comparison with 31.7 M€ recorded in 2014.

- In 2015, IMPRESA Publishing achieved an EBITDA, after adjusting for restructuring costs, of 4.8 M€, in comparison with 4.9 M€ recorded in 2014.

- Over the whole day, SIC ended 2015 with a share of 18.7% and in a leading position, amongst generalist channels, in the commercial target A/B C D 25/54, with a share of 19.1%.

- During prime time, SIC maintained its leadership position in the commercial target A/B C D 25/54, amongst generalist channels, with a share of 24.1%. During weekday prime time, SIC maintained its leadership position amongst generalist channels, both in the commercial target A/B C D 15/54, with a share of 24.5%, and in the commercial target A/B C D 25/54, with a share of 25.5%.

- The performance of «Jornal da Noite», and the absolute leadership on Portuguese television of the soap opera «Mar Salgado» and SIC's most recent venture, «Coração d'Ouro», contributed to these results.

- The IMPRESA Group, with a market share of around 42.0% was considered the largest media group in terms of sales and subscriptions of digital copies of its publications (APCT data Jan-Dec 2015).

- The Expresso continued to be the most sold weekly newspaper, with paid circulation values of approximately 95,500 copies, and ended the year continuing to be, among all Portuguese publications, the leader in digital sales. The digital edition of EXPRESSO diário, with an average number of 17,000 buyers, is also noteworthy.

- IMPRESA has celebrated an agreement with Facebook Instant Articles for the newspaper Expresso.

- The newspaper Expresso was again distinguished with "European Newspaper of the Year", in weeklies category, which is the most important media design award.

- IMPRESA was selected by Linkedin to be responsible for the advertising management of its platforms in the Portuguese market.

- During the 3rd quarter of 2015, IMPRESA finalised the sale of its stake in the share capital of Noniussoft.

IMPRESA
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Table 1. IMPRESA Main Indicators

(Values in €)	dez-15	dez-14	ch %	4th Qt 2015	4th Qt 2014	ch %
Total Revenues	**230.922.406**	**237.780.059**	**-2,9%**	**66.463.033**	**64.970.374**	**2,3%**
Television	173.644.532	177.598.174	-2,2%	50.536.129	48.030.684	5,2%
Publishing	55.771.924	58.767.367	-5,1%	15.390.705	16.676.464	-7,7%
InfoPortugal & Others	2.328.838	1.809.500	28,7%	678.483	432.999	56,7%
Intersegments	-822.888	-394.982	108,3%	-142.284	-169.773	-16,2%
Operating Costs	**208.377.765**	**205.835.951**	**1,2%**	**58.157.217**	**52.845.000**	**10,1%**
EBITDA	**22.544.641**	**31.944.108**	**-29,4%**	**8.305.816**	**12.125.374**	**-31,5%**
EBITDA Margin	**9,8%**	**13,4%**		**12,5%**	**18,7%**	
EBITDA Television	23.726.425	31.728.888	-25,2%	9.375.381	10.926.599	-14,2%
EBITDA Publishing	3.628.492	4.530.299	-19,9%	1.283.584	2.650.111	-51,6%
EBITDA InfoPortugal & Others	-4.810.276	-4.315.079	-11,5%	-2.353.149	-1.451.336	-62,1%
EBITDA adjusted	26.297.897	32.580.024	-19,3%	11.957.773	12.560.234	-4,8%
Net Profits	**4.027.659**	**11.006.344**	**-63,4%**	**2.938.418**	**5.452.294**	**-46,1%**
Net Profit adjusted	**6.881.747**	**11.501.557**	**-40,2%**	**5.714.638**	**5.790.199**	**-1,3%**
Net Debt & Leasing (M€)	**178,6**	**184,6**	**-3,3%**	**178,6**	**184,6**	**-3,3%**

Notes: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. Net Debt = Loans (ST+MLT) - Cash and Cash Equivalents. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

2. Consolidated Accounts Analysis

IMPRESA reached consolidated revenues of 230.9 M€ in 2015, representing a decrease of 2.9% in relation to 2014. In the 4th quarter, consolidated revenues came to 66.5 M€, which represented a year-on-year increase of 2.s%. This improvement in the 4th quarter was driven by the increases in channel subscriptions, the content sales and InfoPortugal, with the latter two items being included in other revenues.

The following should be noted relative to business in 2015:

- 11.7% increase in channel subscription revenues, in the national and international markets.
- Growth in content sale in the international market and of InfoPortugal, which did not offset the decline in multimedia revenues.
- 2.7% decline in circulation revenues.
- 2.2% decrease in advertising revenues, impacted mainly by the publishing area.

Table 2. Total Revenues

(Values in €)	Dec-15	Dec-14	ch %	4th Qt 2015	4th Qt 2014	ch %
Total Revenues	**230.923.032**	**237.780.059**	**-2,9%**	**66.463.659**	**64.970.375**	**2,3%**
Advertising	119.160.642	121.844.840	-2,2%	34.402.229	36.711.758	-6,3%
Channel Subscription	50.423.742	45.125.528	11,7%	12.581.804	11.425.982	10,1%
Circulation	25.002.256	25.698.074	-2,7%	6.237.276	6.372.069	-2,1%
Others	36.336.392	45.111.617	-19,5%	13.242.350	10.460.566	26,6%

Operating costs, without considering amortisations and depreciation and impairment losses, reached 208.4 M€, which includes 3.8 M€ of restructuring costs, a 1.2 % increase versus 2014. Without considering restructuring costs, operating costs would have decreased by 0.3%. It should be noted that SIC continues to cover the total cost of its national fiction at first broadcast.

At the end of 2015, consolidated EBITDA, after adjusting for restructuring costs, reached 26.3 M€, which represented a decrease of 19.3% in relation to the value obtained in 2014, driven by the fall in multimedia revenues. In the 4th quarter, adjusted consolidated EBITDA came to 12.0 M€, having decreased by 4.8% in comparison to 12.6 M€ recorded in the 4th quarter of 2014.

The amount of amortisation and depreciation reached 3.9 M€ at the end of 2015 was similar to what was recorded in 2014, with non-adjusted EBIT (operating results + impairment losses) of 18.7 M€ having decreased in comparison to 28.1 M€ achieved in 2014.

In 2015, the negative financial results were 12.0 M€, higher than the value recorded in 2014 (11.3 M€), mainly due to the variation in exchange rate losses (+3.2 M€). It is important to mention that interest charges fell 45.3% during 2015, as a result of the decrease in the main indexes (6-month Euribor) and the renegotiation of the various funding lines, whereby lower spreads were obtained.

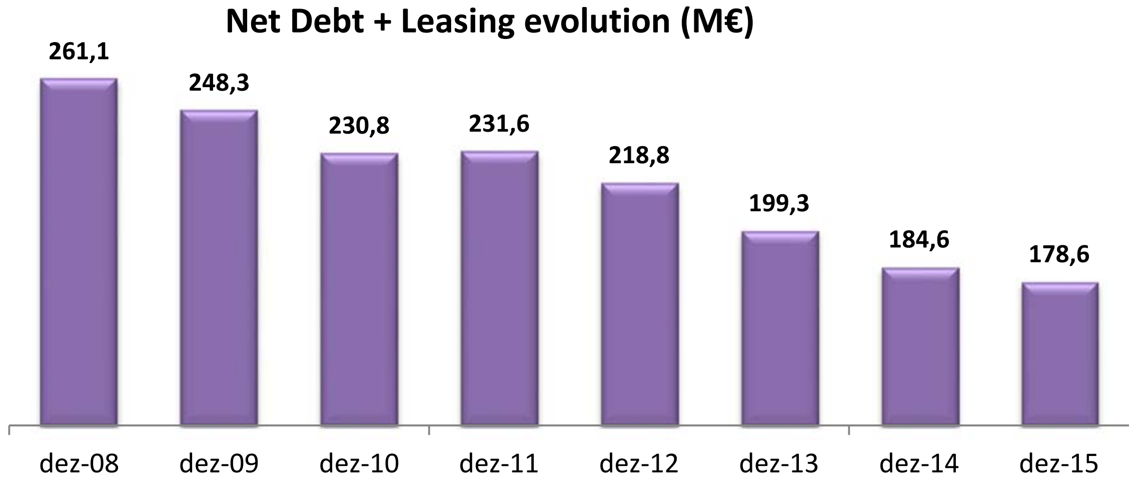
In 2015, earnings before tax and non-controlling interests was positive by 6.7 M€.

In 2015, IMPRESA achieved a consolidated net income of 4.0 M€, and adjusted for restructuring charges, reached 6.9 M€..

Table 3. Profit & Loss (Values in €)	Dec-15	Dec-14	ch %	4th Qt 2015	4th Qt 2014	ch %
Total Revenues	**230.922.406**	**237.780.059**	**-2,9%**	**66.463.033**	**64.970.374**	**2,3%**
Television	173.644.532	177.598.174	-2,2%	50.536.129	48.030.684	5,2%
Publishing	55.771.924	58.767.367	-5,1%	15.390.705	16.676.464	-7,7%
InfoPortugal & Others	2.328.838	1.809.500	28,7%	678.483	432.999	56,7%
Intersegments	-822.888	-394.982	108,3%	-142.284	-169.773	-16,2%
Operating Costs	**208.377.765**	**205.835.951**	**1,2%**	**58.157.217**	**52.845.000**	**10,1%**
Total EBITDA	**22.544.641**	**31.944.108**	**-29,4%**	**8.305.816**	**12.125.374**	**-31,5%**
EBITDA margin	**9,8%**	**13,4%**		**12,5%**	**18,7%**	
Television	23.726.425	31.728.888	-25,2%	9.375.381	10.926.599	-14,2%
Publishing	3.628.492	4.530.299	-19,9%	1.283.584	2.650.111	-51,6%
InfoPortugal & Others	-4.810.276	-4.315.079	-11,5%	-2.353.149	-1.451.336	-62,1%
EBITDA adjust.	26.297.897	32.580.024	-19,3%	11.957.773	12.560.234	-4,8%
Depreciation	3.845.005	3.811.373	0,9%	944.241	901.903	4,7%
EBIT	**18.699.636**	**28.132.735**	**-33,5%**	**7.361.575**	**11.223.471**	**-34,4%**
EBIT Margin	**8,1%**	**11,8%**		**11,1%**	**17,3%**	
Financial Results	-11.985.074	-11.341.458	5,7%	-2.800.908	-3.262.338	-14,1%
Impairements	0	239.523	-	0	239.523	-
Res. bef.Taxes & Minorities	**6.714.562**	**16.551.754**	**-59,4%**	**4.560.667**	**7.721.610**	**-40,9%**
Taxes (IRC)(-)	2.686.903	5.545.410	-51,5%	1.622.249	2.269.316	-28,5%
Minority Interests (-)	0	0	-	0	0	-
Net Profits	**4.027.659**	**11.006.344**	**-63,4%**	**2.938.418**	**5.452.294**	**-46,1%**
Net Profit adjusted	**6.881.747**	**11.501.557**	**-40,2%**	**5.714.638**	**5.790.199**	**-1,3%**

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

On the balance sheet side, at the end of 2015, net remunerated debt (bank debt + leases) came to 178.8 M€, i.e. 6.0 M€ less than the value registered in 2014.



At the end of 2015, medium and long term debt represented approximately 83.3% of total net remunerated debt (76.6% at the end of 2014).

Note should also be made of the increase in the financial autonomy ratio, which increased from 33.8%, in December 2014, to 35.1% at the end of 2015.

3. Television - SIC

Table 4. Television Indicators (Values in €)	Dec-15	Dec-14	ch %	4th Qt 2015	4th Qt 2014	ch %
Total Revenues	**173.644.532**	**177.598.174**	**-2,2%**	**50.536.129**	**48.030.684**	**5,2%**
Advertising	93.892.439	94.639.569	-0,8%	26.928.536	27.892.364	-3,5%
Channels Subscription	50.423.742	45.125.528	11,7%	12.581.804	11.425.982	10,1%
Others	29.328.351	37.833.077	-22,5%	11.025.789	8.712.338	26,6%
Operating Costs	**149.918.107**	**145.869.286**	**2,8%**	**41.160.748**	**37.104.085**	**10,9%**
EBITDA	**23.726.425**	**31.728.888**	**-25,2%**	**9.375.381**	**10.926.599**	**-14,2%**
EBITDA (%)	**13,7%**	**17,9%**		**18,6%**	**22,7%**	
EBITDA adjust.	**25.169.703**	**31.745.838**	**-20,7%**	**10.805.294**	**10.942.029**	**-1,2%**
EBIT	**20.807.887**	**28.979.081**	**-28,2%**	**8.646.220**	**10.276.023**	**-15,9%**

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

SIC ended 2015 with total revenues of 173.6 M€, which represented a decrease of 2.2% relative to 2014, driven mainly by the fall in multimedia revenues, with the 11.7% growth in channel subscription revenues being noteworthy. In the 4th quarter, revenues increased by 5.2% driven by the growth of channel subscriptions and the content sales.

By the end of the year, advertising revenues represented approximately 54% of SIC's total revenues.

SIC succeeded in consolidating its focus on national fiction in 2015. The station took top spot with "Dancin' Days", continued with "Sol de Inverno", broke all records with "Mar Salgado" and continues its number one station supremacy with "Coração d'Ouro". In 2015, SIC reinforced this commitment with the debut of the soap opera "Poderosas", which represented the start of a second Portuguese fiction line.

The soap opera "Mar Salgado" was the most watched programme on Portuguese television, with close to 1.5 million loyal viewers, which corresponded to a market share of 30.7%, making it the undisputed and absolute leader in the commercial targets.

Over the whole day, SIC ended 2015 with a share of 18.7% and in a leading position, amongst generalist channels, in the commercial target A/B C D 25/54, with a share of 19.1%.

During prime time, SIC maintained its leadership position in the commercial target A/B C D 25/54, amongst generalist channels, with a share of 24.1%. During weekday prime time, SIC maintained its leadership position amongst generalist channels, both in the commercial target A/B C D 15/54, with a share of 24.5%, and in the commercial target A/B C D 25/54, with a share of 25.5%.

SIC's set of generalist and thematic channels achieved a collective share of 22.1% in 2015. In the commercial target A/B C D 25/54, the set of SIC channels ended 2015 in a leading position, with a share of 22.9%.

Subscription revenues generated by SIC's 8 channels, in Portugal and abroad, grew by 11.7% in 2015 to 50.4 M€. This growth was registered in both the national and international market, but with greater emphasis in the international market, through the increase in subscribers and the sale of new channels. It is important to note that the SIC channels are present in 14 countries and 57 operators since 2014.

In November 2014, DSTV Kids was launched, in Multichoice, which contributed strongly to the growth of international revenues, representing about 19% of subscription revenues in 2015.

In 2015, SIC's subscription channels reached a collective audience of 3.4%, the highest value since 2012. SIC Notícias once again stood out as the information channel most preferred by the Portuguese, with a share of 1.9%, and was the second most watched channel among the cable channels. Regarding the other thematic channels, SIC Mulher obtained a share of 0.6%, SIC Radical also achieved a share of 0.6%, SIC K, only on the MEO platform, obtained a share of 0.3% and the SIC Caras channel, launched in December 2013 and only on the NOS platform, ended 2015 with a share of 0.1%.

In relation to the thematic channels, it is important to mention that the SIC Caras channel is now available on the Vodafone and MEO platforms, since December 2015 and January 2016, respectively.

In 2015, two important distribution contracts were renewed, with Vodafone and MEO, for a three-year period, which will allow SIC to meet its long-term growth objectives.

The sites of the SIC Universe registered a very positive performance in 2015, with traffic rising 22.3% year-on-year and with a monthly average of 4.8 million unique visitors. This growth reflects the complete overhaul that the SIC and SIC Notícias sites underwent during 2014.

SIC's other revenues fell 24.9% to 28.4 M€. The main cause behind this decline was the negative evolution of IVR revenues, which fell 34% during 2015. In this activity, in addition to the excellent year of 2014, particularly in the first half of the year, 2015 was affected by the self-regulation agreement, signed by the three generalist stations in June 2014, and also by the call barring of 760 numbers, which ended in April.

On the plus side, the sale of content registered another excellent year, having reached 4 M€, which represents more than three times the revenues generated in 2014. In addition to the sale of scripts for adaptation, SIC also exported soap operas dubbed into various languages to channels all over the world, with "Laços de Sangue", which won the "Emmy" for Best Soap Opera, being broadcast in 22 territories.

In addition to "Laços de Sangue", other soap operas such as "Mar Salgado", also co-produced by SIC and TV Globo and executed by SP Televisão, «Poderosas» and «Coração d'Ouro», currently broadcast on the Carnaxide channel, were an integral part of the negotiated packages.

SIC's operating costs, in the amount of 149.9 M€, grew by 1.4% in 2014, mainly due to the effect of the increase in variable costs associated to the Subscription of Channels and the restructuring costs of 1.4 M€ registered in this segment.

Based on this operating performance, the television segment achieved an EBITDA, after adjusting for restructuring costs, of 25.2 M€, in comparison with 31.7 M€ recorded in 2014.

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4. IMPRESA Publishing

Table 5. Publishing Indicators (Values in €)	Dec-15	Dec-14	ch %	4th Qt 2015	4th Qt 2014	ch %
Total Revenues	**55.771.924**	**58.767.367**	**-5,1%**	**15.390.705**	**16.676.464**	**-7,7%**
Advertising	25.582.043	27.110.453	-5,6%	7.431.396	8.571.458	-13,3%
Circulation	25.002.256	25.698.074	-2,7%	6.237.276	6.372.069	-2,1%
Others	5.187.625	5.958.840	-12,9%	1.722.033	1.732.937	-0,6%
Operating Costs	**52.143.432**	**54.237.068**	**-3,9%**	**14.107.121**	**14.026.353**	**0,6%**
EBITDA	**3.628.492**	**4.530.299**	**-19,9%**	**1.283.584**	**2.650.111**	**-51,6%**
EBITDA (%)	**6,5%**	**7,7%**		**8,3%**	**15,9%**	
EBITDA adjust.	**4.797.276**	**4.936.943**	**-2,8%**	**2.366.369**	**2.961.564**	**-20,1%**
EBIT	**3.330.774**	**4.181.930**	**-20,4%**	**1.223.767**	**2.563.762**	**-52,3%**

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

In the Publishing segment, total revenues reached 55.6 M€ in 2015, which represented a decline of 5.1% in relation to 2014. This negative evolution of revenues was transversal to all the activities of this segment.

In 2015, advertising revenues reached 25.6 M€, representing a decrease of 5.6% in spite of the strong contribution from the digital area - Expresso Diário, sites and classifed advertisements - which has already represented 12.0% of Publishing's total advertising revenues.

In terms of circulation, 2015 was a particularly difficult year, in which the sector was affected by the generalised decline in publication sales. Circulation revenues reached 25 M€, representing a decrease of 2.7% in relation to 2014. The decline in revenues from the sale of publications was offset by the good performance of subscriptions and the digital area, as well as by the increase of some cover prices. IMPRESA Publishing increased subscription revenues by 6%, which represent 18% of circulation revenues. In the specific case of the digital area, sales and digital subscriptions increased by 16%, representing 4.2% of total circulation revenues in 2015.

The publications of IMPRESA maintained their positions of leadership in the different market segments and, in a year marked by a widespread decline in circulation, Expresso, Courier, Jornal de Letras and Visão História (which changed from quarterly to bimonthly) were the publications of IMPRESA's portfolio that increased their circulation in 2015.

The IMPRESA Group, with a market share of 42.0% was considered the largest media group in terms of sales and subscriptions of digital copies of its publications (APCT data Jan-Oct 2015), occupying the leading position in all the segments where it is present.

The Expresso newspaper is leader in terms of subscribers and sales, with an average number of 17,000 buyers, which represent 18% of the newspaper's total sales (about 95,500 copies). The Exame and Exame Informática magazines, whose digital sales ended the year representing 19.2 and 12.2%, respectively, of total circulation, are also noteworthy.

The focus on digital formats continued to bear fruit in 2015, with digital sales of advertising and circulation growing by 5.4% relative to 2014, representing 7.2% of IMPRESA Publishing's total revenues.

The year of 2015 marked the end of the overhaul of the publishing sites, with the transfer of the sites of Expresso, Visão and Blitz to a new platform. This overhaul provided better editorial flexibility and significantly improved the performance of the sites.

In 2015, the publising sites exceeded, on average, 15 million visits, a year-on-year increase of 23.7% and a new record in terms of number of visits. The growth of the new EXPRESSO site which, since its re-launch in May, has reached an average of more than 10 million visits, representing a 46.6% year-on-year increase, is also worth highlighting The new sites enabled mobile traffic to increase substantially, representing an average of 37% of total traffic in 2015, about double the value registered in 2014. In the 4th quarter of 2015, mobile traffic reached 41.5% of total traffic.

The revenues generated from alternative products in 2015 reached 3.1 M€, falling 6.7% relative to the previous year. However, with a different mix of products, the margin increased relative to 2014. The collections “Receitas da Bimby”, “Os Óscares” and the guide “Boa Cama Boa Mesa” were among some of the most successful products.

Other revenues registered a decline of 28.6% in 2015, strongly influenced by the decline in customer publishing revenues, following the end of some contracts.

Operating costs, in the amount of 52.1 M€, which include restructuring costs in the amount of 1.2 M€, decreased by 3.9% relative to the previous year, mainly due to the effect of the decrease in production costs. Without restructuring costs operating costs should have fallen by 5,3%.

Based on this operating performance, the publishing segment achieved an EBITDA, after adjusting for restructuring costs, of 4.8 M€ in 2015, in comparison with 4.9 M€ recorded in 2014.

5. IMPRESA Other

Table 6. Impresa Others Indicators (Values in €)	Dec-15	Dec-14	ch %	4th Qt 2015	4th Qt 2014	ch %
Total Revenues	**1.505.950**	**1.414.518**	**6,5%**	**536.199**	**263.226**	**103,7%**
InfoPortugal & Others	2.328.838	1.809.500	28,7%	678.483	432.999	56,7%
Intersegments	-822.888	-394.982	-	-142.284	-169.773	-
Operating Costs	**6.316.226**	**5.729.597**	**10,2%**	**2.889.348**	**1.714.562**	**68,5%**
EBITDA	**-4.810.276**	**-4.315.079**	**-11,5%**	**-2.353.149**	**-1.451.336**	**-62,1%**
EBITDA adjust.	**-3.669.082**	**-4.102.757**	**10,6%**	**-1.213.890**	**-1.343.359**	**9,6%**
EBIT	**-5.439.030**	**-5.028.275**	**-8,2%**	**-2.508.417**	**-1.616.313**	**-55,2%**

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

This segment, which includes the management and financial costs of the holding, also covers the operating activities of InfoPortugal, a company dedicated to information technologies and content production, namely aerial photography, cartography and georeferenced contents, and the running of the photography website and Olhares Academy website.

In 2015, InfoPortugal achieved total revenues of 1.8 M€, similar to that recorded in the same period of the previous year. In terms of EBITDA, the company registered a positive value of 136 thousand euros at the end of 2015, in comparison to the negative value of 224.9 thousand euros obtained in 2014. The negative result of 2014 was due to the recognition of provisions for trade receivables in the amount of 329 thousand euros

As a result of the specialised production of integrated georeferenced contents and solutions for the tourism sector, InfoPortugal developed, during 2015, the tourism portals of Arouca Geopark, of the City Hall of Alcácer do Sal, the portal and mobile app of the City Hall of Boticas, the mobile application of the major route of Vale do Côa and the portal of Baixo Guadiana. The first WebSIG solution was also developed for the Intermunicipal Community of Cávado, using open-source code.

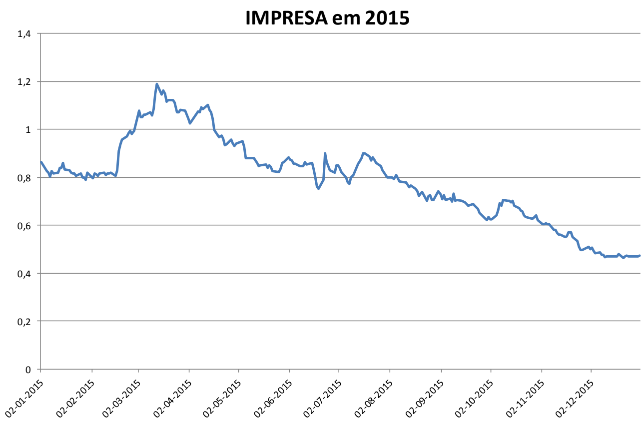
Regarding digital photogrammetry, in 2015, 135 hours were flown to undertake various projects involving the production of ortophotomaps. In the area of cartography, the necessary partnerships were created to permit the undertaking of topographic mapping projects. A total of 4 projects have been carried out in this area.

During 2015, Info Portugal maintained its focus on the development of innovative products and services, through Research and Development projects, in cooperation with different Universities, by providing academic internships to students from software development, design, multimedia and geographic information systems areas.

In 2015, the main focus of the Olhares project was the development of the Academy through the promotion of a greater number of events, which was also reflected in increased profitability.

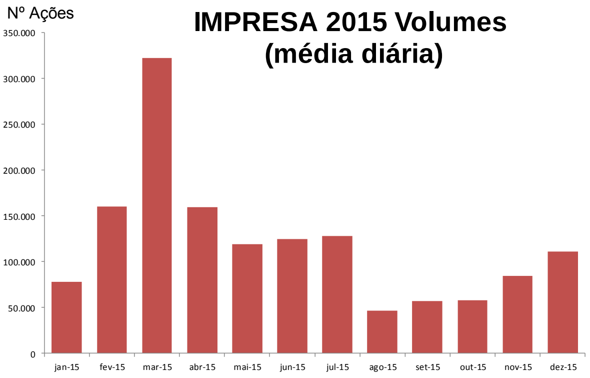
6. IMPRESA at the Stock Exchange

2015 was particularly characterised by market volatility. After strong upward pressure in the first 4 months of the year, stock markets lost a considerable part of their initial gains, but managed to end the year on positive territory. Portugal was no exception, with the PSI 20 having risen by 10.7%, standing among the highest appreciation of European markets, and above the performance of EuroStoxx, which appreciated by 3.2% in 2015.



In turn, the European media sector showed a positive performance, with the DJ EuroStoxx Media having appreciated by 12.0% in 2015, after the 7.3% increase recorded last year and 33.7% in 2013.

IMPRESA shares, after the strong appreciation in 2013 (+251.6%), and decline in 2014 (-27,7%), once again lost 40% in 2015. In addition to the decline of the Media sector, IMPRESA shares were penalised by the fall in the interactivity business and by a weaker advertising market than had been anticipated.



During 2015, IMPRESA remained an integral part of the PSI 20 Index. And, while IMPRESA had a free float of around 40%, the transaction volumes did not continue at the levels of 2014, having decrease by 31.4%.

The average transaction volume declined from 176.1 thousand shares/day in 2014 to 120 thousand shares/day in 2015.

7. Prospects

IMPRESA, which will continue to maintain tight control of operating costs, expects to achieve the following objectives in 2016: improvement of the operational indicators and net income, as well as continued reduction of interest-bearing liabilities.

B. Individual Accounts

1. Analysis of Individual Accounts

The Board of Directors of IMPRESA decided to adopt, in the preparation of its individual financial statements, the IAS/IFRS as endorsed by the European Union, considering 1 January 2008 as the transition date for the purpose of calculating the conversion adjustments. Hence, the individual financial statements presented since then have been prepared in accordance with these accounting standards.

In 2015, the subsidiary IMPRESA SERVIÇOS E MULTIMEDIA was incorporated by IMPRESA, with effect from January 1st, 2015, and subsequently all the assets and liabilities were transferred, namely SIC 49% financial stake, thus IMPRESA owns directly 100% of SIC.

During 2015, in individual terms, the operating results were negative by 5.375 thousand euros, compared with the negative results of 4.341 thousand euros, reached in 2014.

The financial results were positive by 13.813 thousand euros, which compares with the positive value of 5.656 thousand euros achieved in 2014, as a consequence of the increase of dividends received from the participated companies.

The net profit for 2015 was positive, to the value of 10.697 thousand euros, compared to the 12.785 thousand euros reached in 2014.

2. Proposed appropriation of net profit

It is proposed that the net profit for the year of 10.696.787 euros should be applied as follows:

- to the legal reserve .... 534,840 euros
- to retained earnings .... 10,161,947 euros

C. Activity of the Non-Executive Directors

Non-executive directors, in compliance with the duties entrusted to them by law, participated in the meetings of the Board of Directors, namely in meetings where the quarterly, half-year and annual accounts for the financial year of 2015 were appraised and approved, and in the general meetings of shareholders. These directors did not encounter any constraints in the performance of their duties.

Under the terms of the law and IMPRESA Audit Committee regulations, the activity of the non-executive members of the Audit Committee are described in a separate report, which is an integral part of the IMPRESA 2015 Annual Report.

D. Acknowledgements

The Board of Directors would like to thank the employees for their effort and dedication shown during the year under analysis, which enabled the results presented to be obtained.

The Board of Directors would also like to thank the Statutory Auditor, Deloitte & Associados, SROC and the following banks for the collaboration provided during the financial year of 2015: Banco BPI, Caixa Geral de Depósitos, Caixa Banco de Investimento, Novo Banco, Haitong Bank, Millennium BCP, Banco Santander Totta, Banco Popular, Caixa de Crédito Agricola, Montepio Geral and Banco BIC.

Lisbon, March 4th, 2016

The Board of Directors

Francisco José Pereira Pinto de Balsemão

Francisco Maria Supico Pinto Balsemão

Pedro Lopo de Carvalho Norton de Matos

Alexandre de Azeredo Vaz Pinto

António Soares Pinto Barbosa

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

José Manuel Archer Galvão Telles

João Nuno Lopes de Castro

IMPRESA

2015 Individual Report

IMPRESA – SGPS, S.A.
Publicly Held Company
Share Capital Eur 84,000,000
Rua Ribeiro Sanches, 65
1200-787 LISBON
Tax Number 502 437 464
Commercial Registry Office of Lisbon

IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A.

STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2015 AND 2014

(Amounts expressed in Euros)

(Translation of statements of financial position originally issued in Portuguese - Note 23)

ASSETS	Notes	31 December 2015	31 December 2014
NON-CURRENT ASSETS			
Investments in group and associated companies	10	305.976.743	187.951.822
Other non-current assets	20.1	322.627	198.235
Total current assets		306.299.370	188.150.057
CURRENT ASSETS			
Other current assets	11	4.869.660	14.005.052
Current tax assets	8	1.667.800	-
Cash and cash equivalents	12	111.937	106.642
Total current assets		6.649.397	14.111.694
TOTAL ASSETS		312.948.767	202.261.751
EQUITY AND LIABILITIES			
EQUITY:			
Capital	13	84.000.000	84.000.000
Share premium	14	36.179.271	36.179.271
Legal reserve	15	1.247.348	1.108.090
Other reserves	15	1.540.167	5.670.648
Accumulated losses	15	-	(7.600.490)
Net profit for the year		10.696.787	2.785.154
TOTAL EQUITY		133.663.573	122.142.673
LIABILITIES:			
NON-CURRENT LIABILITIES			
Bank borrowings	16	124.755.602	29.623.347
Provisions		29.400	-
Deferred tax liabilities	8	72.591	44.603
Total non-current liabilities		124.857.593	29.667.950
CURRENT LIABILITIES:			
Bank borrowings	16	29.926.198	14.957.663
Borrowings from group companies	17	21.723.813	29.330.894
Trade and other payables	18	181.133	1.987.644
Current tax liabilities	8	-	10.137
Other current liabilities	11	2.596.457	4.164.790
Total current liabilities		54.427.601	50.451.128
TOTAL LIABILITIES		179.285.194	80.119.078
TOTAL EQUITY AND LIABILITIES		312.948.767	202.261.751

The accompanying notes form an integral part of the statements of financial position as of 31 December 2015 and 2014

THE ACCOUNTANT

THE BOARD OF DIRECTORS

IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A.

STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER 2015 AND 2014

(Amounts expressed in Euros)

(Translation of statements of financial position originally issued in Portuguese - Note 23)

	Notes	31 December 2015	31 December 2014
OPERATING REVENUE:			
Services rendered	3	1.220.822	-
Provisions and impairment losses	2.13	3.184	-
Other operating revenue	3	240.804	49.535
		1.464.810	49.535
OPERATING COSTS:			
Supplies and services	4	(1.089.753)	(683.870)
Personnel costs	5	(5.261.861)	(3.332.580)
Amortization and depreciation	2.13	(40.564)	-
Other operating costs	6	(447.653)	(373.757)
Total operating costs		(6.839.831)	(4.390.207)
Operating loss		(5.375.021)	(4.340.672)
NET FINANCIAL ITEMS:			
Net financial costs	7	(6.303.633)	(2.798.021)
Net gain on group companies and associates	7	20.116.380	8.454.191
		13.812.747	5.656.170
Profit before taxes		8.437.726	1.315.498
Income tax for the year	8	2.259.061	1.469.656
		10.696.787	2.785.154
Other comprehensive income:			
Items that will not be reclassified to the statement of profit and loss			
Actuarial gain/(loss)	8 and 20	99.447	(60.047)
Comprehensive income for the year		10.796.234	2.725.107
Earnings per share:			
Basic	9	0,0637	0,0166
Diluted	9	0,0637	0,0166
Comprehensive income per share:			
Basic	9	0,0643	0,0162
Diluted	9	0,0643	0,0162

The accompanying notes form an integral part of the statements of profit and loss and other comprehensive income for the years ended 31 December 2015 and 2014.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2015 AND 2014

(Amounts stated in Euros)

(Translation of a statement of changes in equity originally issued in Portuguese - Note 23)

	Capital	Share premium	Legal reserve	Other reserves	Accumulated losses	Net profit for the year	Total equity
Balance at 1 January 2014	84.000.000	36.179.271	1.050.761	5.730.695	(8.689.728)	1.146.567	119.417.566
Pension plan - actuarial gain/(loss) (Note 20.1)	-	-	-	(84.682)	-	-	(84.682)
Pension plan - deferred tax liability (Note 8)	-	-	-	20.747	-	-	20.747
Pension plan - effect of change in the rate of tax on deferred tax liability (Note 8)	-	-	-	3.888	-	-	3.888
Other comprehensive income	-	-	-	(60.047)	-	-	(60.047)
Other changes:							
Appropriation of net result for the year ended 31 December 2013 (Note 15)	-	-	57.329	-	1.089.238	(1.146.567)	-
Net profit for the year ended 31 December 2014	-	-	-	-	-	2.785.154	2.785.154
Balance at 31 December 2014	84.000.000	36.179.271	1.108.090	5.670.648	(7.600.490)	2.785.154	122.142.673
Pension plan - actuarial gain/(loss) (Note 20.1)	-	-	-	128.319	-	-	128.319
Pension plan - deferred tax liability (Note 8)	-	-	-	(28.872)	-	-	(28.872)
Other comprehensive income	-	-	-	99.447	-	-	99.447
Other changes:							
Appropriation of net result for the year ended 31 December 2014 (Note 15)	-	-	139.258	-	2.645.896	(2.785.154)	-
Coverage of losses (Note 15)	-	-	-	(4.954.594)	4.954.594	-	-
Merger effect (Note 2.13)	-	-	-	724.666	-	-	724.666
Net profit for the year ended 31 December 2015	-	-	-	-	-	10.696.787	10.696.787
Balance at 31 December 2015	84.000.000	36.179.271	1.247.348	1.540.167	-	10.696.787	133.663.573

The accompanying notes form an integral part of the statements of changes in equity for the years ended 31 December 2015 and 2014.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A.

CASH FLOW STATEMENTS FOR THE YEARS ENDED

31 DECEMBER 2015 AND 2014

(Amounts stated in Euros)

(Translation of cash flow statements originally issued in Portuguese - Note 23)

	Notes	31 December 2015	31 December 2014
OPERATING ACTIVITIES:			
Cash received from customers		2.668.452	-
Cash paid to suppliers		(3.500.090)	(740.457)
Cash paid to employees		(5.674.773)	(3.122.793)
Cash used in operations		(6.506.411)	(3.863.250)
Recovery/(payments) of income tax		2.994.248	(1.780.208)
Other cash received/(paid) relating to operating activities		867.242	(560.126)
Net cash used in operating activities (1)		(2.644.921)	(6.203.584)
INVESTING ACTIVITIES			
Cash received relating to:			
Investments in group and associated companies	10	1.535.057	54.110
Dividends and decrease in capital of associates	7	20.116.181	8.437.823
Loans to group companies	11	5.485.289	-
Capital reductions	10	765.900	8.667.016
Tangible fixed assets		33.702	-
		27.936.129	17.158.949
Cash paid relating to:			
Supplementary capital contributions	10	(21.004.070)	(8.478.750)
Loans to group companies	11	-	(5.485.290)
		(21.004.070)	(13.964.040)
Net cash from investing activities (2)		6.932.059	3.194.909
FINANCING ACTIVITIES:			
Cash received relating to:			
Bank borrowings		20.877.439	45.000.000
			-
Cash paid relating to:			
Bank borrowings		(11.267.904)	(15.400.000)
Borrowings from group companies		(7.607.081)	(25.121.429)
Interest and similar costs		(6.284.297)	(1.423.873)
		(25.159.282)	(41.945.302)
Net cash (used)/from financing activities (3)		(4.281.843)	3.054.698
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		5.295	46.023
Merger	2.13	32.194	-
Cash and cash equivalents at the beginning of the year	12	106.642	60.619
Cash and cash equivalents at the end of the year	12	111.937	106.642

The accompanying notes form an integral part of the cash flow statements
for the years ended 31 December 2015 and 2014.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

(Amounts stated in Euros)

1. INTRODUCTORY NOTE

Impresa - Sociedade Gestora de Participações Sociais, S.A. (”the Company” or “Impresa”) has its head office in Lisbon, it was founded on 18 October 1990 and its main activity is the management of participations in other companies.

Impresa is the parent company of a group made up of Impresa and its subsidiaries (“the Group”). The Group operates in the media business, namely in television broadcasting, publishing (newspapers and magazines) and other audiovisual activities.

In 2015, Impresa Serviços e Mutimédia, Lda. (“ISM”) was merged into the Company its net assets being transferred to Impresa, the merged company being consequently extinguished, with tax and accounting effects from 1 January 2015.

The accompanying financial statements were authorized for publication by the Board of Directors of Impresa on 4 March 2016.

The Company has also prepared consolidated financial statements in accordance with legislation.

2. MAIN ACCOUNTING POLICIES

2.1 Bases of presentation

The financial statements were prepared on a going concern basis, from the Company’s accounting records, maintained in accordance with the provisions of the International Financial Reporting Standards as endorsed by the European Union, which include the International Accounting Standards (“IAS”) issued by the International Accounting Standards Committee (“IASC”), the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and the related “SIC” and “IFRIC” interpretations issued by the International Financial Reporting Interpretation Committee (“IFRIC”) and Standing Interpretation Committee (“SIC”). These standards are hereinafter referred to as “IFRS”.

Impresa adopted IFRS for the preparation of its separate financial statements for the first time in 2009 and so, in compliance with IFRS 1 – First-time Adoption of International Financial Reporting Standards (“IFRS 1”), the date of transition from Portuguese generally accepted accounting principles to IFRS rules was 1 January 2008.

Therefore, in compliance with IAS 1, Impresa declares that these financial statements and related notes comply with the requirements of IAS/IFRS as endorsed by the European Union, in force for the years beginning on 1 January 2015.

2.2 Adoption of new or revised IAS/IFRS

The accounting policies used in the year ended 31 December 2015 are consistent with those used for the preparation of the financial statements of Impresa for the year ended 31 December 2014 and explained in the corresponding notes.

The following standards, interpretations, amendments and revisions endorsed by the European Union are of mandatory application in the year ended 31 December 2015:

Standard / Interpretation	Applicable in the European Union in the years starting on or after	Brief description
IFRIC 21 – Levies	17/jun/14	This amendment establishes the conditions as to timing of the recognition of a liability relating to payment by an entity to the State as a result of a specific event (for example, participation in a specific market), without the payment having specific goods or services received in exchange.

(Amounts stated in Euros)

Standard / Interpretation	Applicable in the European Union in the years starting on or after	Brief description
Amendment to IFRS 3 – Business combinations (included in improvements to international financial statement standards – 2011-2013 cycle)	01/jan/15	Clarifies that IFRS 3 excludes from its scope of application the realization of a joint arrangement on the financial statements of the joint arrangement itself.
Amendment to IFRS 13 – Fair value measurement (included in improvements to international financial statement standards – 2011-2013 cycle)	01/jan/15	Clarifies that the exception of the application of the standard to financial assets and liabilities with offsetting positions extends to all contracts under IAS 39, independently of their compliance with the definition of financial asset or liability of IAS 32.
Amendment to IAS 40 – Investment properties (included in improvements to international financial statement standards – 2011-2013 cycle)	01/jan/15	Clarifies that it is necessary to apply value judgement to determine if the acquisition of an investment property is the acquisition of an asset or a business combination covered by IFRS 3.

The adoption of these standards interpretations, amendments and revisions did not have a significant effect on the Company's financial statements for the year ended 31 December 2015.

The following standards, interpretations, amendments and revisions applicable to future years have, to the date of approval of the accompanying financial statements, been endorsed by the European Union:

Standard / Interpretation	Applicable in the European Union in the years starting on or after	Brief description
Amendment to IAS 19 – Employee benefits – Employee contribution	01/fev/15	Clarifies under which circumstances employees' contributions to post-employment benefit plans consist of a decrease in the cost of short term benefits.
Improvements to international financial statement standards (2010-2012 cycle)	01/fev/15	These improvements involve the clarification of some aspects relating to: IFRS 2 – Share based payment: definition of the vesting condition; IFRS 3 – Business combinations: recording of contingent payments; IFRS 8 – Operating segments: disclosures relating to the judgment applied to the aggregation of segments and clarification of the need to reconcile total assets by segment with the amount of the assets in the financial statements; IAS 16 – Property, plant and equipment and IAS 38 – Intangible assets: need to proportionately revalue accumulated amortization in the case of the revaluation of fixed assets; and IAS 24 – Related Parties Disclosures: defines that an entity that renders management services to the Company or its parent company is considered a related party; and IFRS 13 – Fair value measurement: clarification relating to the measurement of short term receivables or payables.
Improvements to international financial statement standards (2012-2014 cycle)	01/jan/16	These improvements involve the clarification of some aspects relating to: IFRS 5 – Non-current assets held for sale and discontinued operations: introduces guidelines on how to proceed in the case of changes as to the expected realization method (sale or distribution to the shareholders); IFRS 7 – Financial instruments: disclosures: clarifies the impact of asset monitoring contracts under the disclosures relating to continued involvement of derecognized investments, and exempts the interim financial statements from the disclosures required relating to the compensation of financial assets and liabilities; IAS 19 – Employee benefits: defines that the rate to be used to discount defined benefits must be determined by reference to high quality bonds of companies issued in the currency that the benefits will be paid; and IAS 34 – Interim financial statements: clarification on the procedures to be used when the information is available in other documents issued together with the interim financial statements.

(Amounts stated in Euros)

Standard / Interpretation	Applicable in the European Union in the years starting on or after	Brief description
Amendment to IFRS 11 – Joint Arrangements – Recording of acquisitions of interests in joint arrangements	01/jan/16	This amendment relates to the acquisition of interests in joint operations. It establishes the requirement to apply IFRS 3 when the joint operation acquired consists of a business activity in accordance with IFRS 3. When the joint operation in question does not consist of a business activity, the transaction must be recorded as the acquisition of assets. This amendment is of prospective application to new acquisitions of interests.
Amendment to IAS 1 – Presentation of Financial Statements - “Disclosure initiative”	01/jan/16	This amendment clarifies some aspects relating to the disclosure initiative, namely: (i) the entity must not make it difficult to understand the financial statements by the aggregation of significant items with insignificant items or the aggregation of significant items of different natures; (ii) the disclosures specifically required by the IFRS need only to be provided if the information in question is significant; (iii) the lines in the financial statements specified by IAS 1 can be aggregated or segregated in accordance with what is significant in relation to the objectives of the financial reporting; (iv) the part of other comprehensive income resulting from the application of the equity method in associates and joint arrangements must be presented separately from the remaining elements of other comprehensive income, also segregating the items that can be reclassified to the statement of profit and loss from those that will not be reclassified; (v) the structure of the notes must be flexible, and should follow the following order: • a declaration of compliance with the IFRS's in the first section of the notes; • a description of the significant accounting policies in the second section; • supporting information for the items on the financial statements in the third section; and • other information in the fourth section.
Amendment to IAS 16 – Property, plant and equipment and IAS 38 – Intangible assets – Acceptable depreciation and amortization methods	01/jan/16	This amendment establishes the presumption (that can be refuted) that income is not an appropriate basis for amortizing an intangible asset and forbids the use of income as a basis for depreciating tangible fixed assets. The presumption established for amortizing intangible assets can only be refuted when the intangible asset is expressed based on the income generated or when utilization of the economic benefits is significantly related to the income generated.
Amendment to IAS 27 – Application of the equity method on separate financial statements	01/jan/16	This amendment introduces the possibility of measuring interests in subsidiaries, joint arrangements and associates in separate financial statements in accordance with the equity method, in addition to the measurements methods presently existing. This change applies retrospectively.

The Company did not apply any of these standards early in its financial statements for the year ended 31 December 2015. No significant impact on the Company's financial statements is expected as a result of the adoption of their standards.

The following standards, interpretations, amendments and revisions applicable to future years have, to the date of approval of the accompanying financial statements, not been endorsed by the European Union:

Standard / Interpretation	Brief description
IFRS 9 – Financial Instruments (2009) and subsequent amendments	This standard is part of the revision of IAS 39 and establishes the new requirements for the classification and measurement of financial assets and liabilities, to the methodology for the calculation of impairment and for the application of hedge accounting rules. This standard is of mandatory application for years beginning on or after 1 January 2018.
IFRS 15 – Revenue from Contracts with customers	This standard introduces a structure for recognizing revenue based on principles and a model to be applied to all contracts entered into with clients, substituting IAS 18 – Revenue, IAS 11 – Construction contracts; IFRIC 13 – Customer loyalty programes; IFRIC 15 – Agreements for the constructing of real estate; IFRIC 18 – Transfer of assets from customers and SIC 31 – Revenue – Barter transactions involving advertising services. This standard is of mandatory application for years beginning on or after 1 January 2018.

(Amounts stated in Euros)

Standard / Interpretation	Brief description
IFRS 16 – Leases	This standard introduces the principles for the recognition and measurement of leases, substituting IAS 17 – Leases. The standard defines a single model for recording lease contracts, which results in the recognition by the lessor of assets and liabilities for all lease contracts, except for those for periods of less than twelve months or for leases of assets of reduced value. Lessors will continue to classify leases between operating and finance leases, IFRS 16 not requiring substantial changes for such entities in relation to IAS 17.
Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosures of Interests in other entities and IAS 28 – Investments in Associates and Jointly Controlled Entities	These amendments clarify several aspects relating to the application of the exception consolidation by investment entities.
Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Jointly Controlled Entities	These amendments eliminate the conflict existing between these standards, relating to the sale or the contribution of assets between the investor and the associate or between the investor and the joint arrangement.

These standards have not yet been endorsed by the European Union and so have not been applied by the Company in the year ended 31 December 2015.

2.3 Investments in group and associated companies

Equity investments in group and associated companies are recorded at cost, which includes the amount paid plus transaction costs or at deemed cost as of the date of transition to IFRS, which corresponds to the amount recorded as of that date in accordance with generally accepted accounting principles in Portugal.

Investments are maintained at cost of acquisition or deemed cost, less any estimated impairment losses, when applicable.

Supplementary capital contributions made by the Company to group and associated companies are recorded at nominal value less any impairment losses. Such contributions are added to the amount of the investment in group and associated companies due to their permanent nature, they do not bear interest and in accordance with the applicable commercial legislation they can only be repaid if, after repayment, equity of the companies is not less than the sum of their capital and non-distributable reserves.

Dividends attributed by group and associated companies are recorded as financial income and decreases in capital are recorded as decreases in the amount of the investment.

2.4 Financial instruments

2.4.1 Other current assets

Other current assets are initially recorded at their nominal value and are presented net of any impairment losses. Impairment losses of these assets are recorded when there is objective evidence that all the amounts due will not be collected in accordance with the terms originally established for settlement of the amounts due. The amount of the loss corresponds to the difference between the nominal value and the estimated recoverable value and is recognized in the statement of profit and loss and other comprehensive income for the year.

2.4.2 Cash and cash equivalents

Cash and cash equivalents comprise cash and term deposits which mature in less than three months that are readily convertible to cash with an insignificant risk of change in value.

2.4.3 Borrowings

Borrowings are initially recognized as liabilities at the amount received, net of expenses relating to their issuance.

Expenses incurred with the issuance of borrowings are recognized in accordance with the amortized cost method, in the statement of profit and loss and other comprehensive income over the period of the borrowings.

Financial costs relating to bank interest and similar costs, such as stamp tax, are recognized in the statement of profit and loss and other comprehensive income on an accruals basis, the amounts due as of the date of the financial statements being classified as “Other current liabilities”.

2.4.4 Borrowings from Group companies

Borrowings from group companies are recorded at their nominal value, the amount corresponding accrued interest as of the date of the financial statements being classified in the caption “Other current liabilities”.

2.4.5 Trade and other payables and other current liabilities

Payables are recorded at their nominal value and do not bear interest.

2.5 Provisions and contingent liabilities

Provisions are recognized when there is a present (legal or implied) obligation resulting from a past event, the resolution of which will probably require expending internal resources, the amount of which can be reasonably estimated.

The amount of provisions is reviewed and adjusted at each statement of financial position date so as to reflect the best estimate at that time.

When any of the above mentioned conditions is not met, the corresponding contingent liability is not recorded but only disclosed, unless a future outflow of funds affecting future financial benefits is remote, in which case it is not disclosed.

2.6 Pension liability

The Company has assumed the commitment to grant its employees and remunerated Board Members hired up to 5 July 1993, pension supplements for retirement due to age and incapacity. The pensions consist of a percentage which increases with the number of years of service to the company, applied to the salary table, or a fixed percentage applied to the base salary in force in 2002.

The liability for the payment of retirement, incapacity and survivor pensions is recorded in accordance with the provisions of IAS 19, which requires companies with pension plans to recognize the cost of granting such benefits as the services are rendered by the benefiting employees and board members.

Therefore, at the end of each accounting period, the Company obtains an actuarial study made by an independent entity, in order to determine its liability at that date and the pension cost to be recognized in the period. The liability thus estimated is compared with the market value of the pension fund assets in order to determine the amount of contributions to be made or recorded.

The effect of changes in the assumptions and differences between the assumptions used and the actual amounts is considered as actuarial gain and loss, being recognized in equity (other comprehensive income).

2.7 Income tax

Income tax for the year consists of current tax and deferred tax and is recorded in accordance with the provisions of IAS 12.

Impresa is covered by the special regime for the taxation of groups of companies (Regime Especial de Tributação dos Grupos de Sociedades - “RETGS”), which covers all the companies in which Impresa has a direct or indirect participation of at least 75% and comply with the other conditions of the regime. The other companies of the Impresa Group not covered by the special regime for the taxation of groups of companies are taxed individually based on their taxable income at the applicable tax rates.

In determining income tax cost for the year, in addition to current tax, the effect of deferred tax is also considered, calculated based on the difference between the book value of assets and liabilities and their corresponding value for tax purposes.

Deferred tax assets and liabilities are calculated and valued annually using the tax rates expected to be in force when the temporary differences reverse.

Deferred tax assets are only recognized when there is reasonable expectation that there will be sufficient future taxable income to use them. At each statement of financial position date, a review of the temporary differences underlying the deferred tax assets is made so as to recognize the deferred tax assets not previously recognized because they did not fulfill the conditions required for them to be recognized, and/or reduce the amount of the deferred tax assets based on the current expectation of their future recovery.

2.8 Accruals basis

Costs and income are recorded in the period to which they relate, independently of the date they are paid or received.

Financial costs and income relating to interest are recognized on an accruals basis in accordance with the applicable effective interest rate.

2.9 Classification of the statement of financial position

Assets realizable and liabilities payable in less than one year from the statement of financial position date are classified as current assets and liabilities, respectively.

2.10 Subsequent events

Events that occur after the end of the year that provide additional information of conditions that existed at that date are reflected in the financial statements.

Events that occur after the end of the year, that provide additional information on conditions that existed after that date, if significant, are disclosed in the notes to the financial statements.

2.11 Impairment of assets

Impairment tests of assets are made as of the statement of financial position date and whenever events or changes in circumstances are identified that indicate that the amount at which an asset is recorded may not be recovered.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit and loss and other comprehensive income.

The recoverable amount is the higher of the net selling price and value in use.

Net selling price is the amount that could be obtained from the sale of the asset in a transaction between knowledgeable independent entities, less the costs directly attributable to the sale. Value in use is the present value of the estimated future cash flows from continued use of the asset and its sale at the end of its useful life. Value in use results from future cash flows discounted based on discount rates that reflect the present cost of capital and the specific risk of the asset.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit and loss and other comprehensive income for the period to which it refers. When an impairment loss is subsequently reversed, the book value of the asset is adjusted to its estimated value. However, impairment losses are reversed only up to the amount that would have been recognized had no impairment loss been recognized for the asset, net of amortization or depreciation, in prior years. The reversal of impairment losses is recognized immediately in the statement of profit and loss and other comprehensive income.

2.12 Changes in accounting policies and estimates

In 2015 there were no changes in accounting policies in relation to those used in preparing the financial statements for the year ended 31 December 2014, nor were material errors relating to prior years recognized.

As a result of the uncertainties relating to the operations, the basis used for the amounts estimated is the most recent reliable information available, the main estimates being those relating to the impairment analyses of the investments, provisions, market value of the financial instruments and pension liability. The revision of a prior period estimate is not considered as an error. Changes in estimates are only recognized prospectively in results and are subject to disclosure when the effect is significant. Estimates are determined based on the best information available at the time of preparing the financial statements.

(Amounts stated in Euros)

2.13 Effect of the merger carried out during the year

As explained in the Introductory Note, in 2015 ISM was merged into the Company, effective as of 1 January 2015.

The accounting effect of this operation consisted essentially of an increase of approximately 102,778,000 Euros, 102,053,000 Euros and 725,000 Euros, respectively in assets, liabilities and equity as follows:

		1 January 2015		
ASSETS	Notes	Beginning balance	Merger	Ending balance
NON-CURRENT ASSETS:				
Tangible fixed assets (a)		-	33,702	33,702
Intangible assets (a)		-	347,512	347,512
Investment in group and associated companies	10	187,951,822	99,321,541	287,273,363
Other non-current assets		198,235	-	198,235
Total non-current assets		188,150,057	99,702,755	287,852,812
CURRENT ASSETS:				
Current tax assets		-	-	-
Other current assets		14,005,052	3,042,793	17,047,845
Cash and cash equivalents		106,642	32,194	138,836
Total current assets		14,111,694	3,074,987	17,186,681
Total assets		202,261,751	102,777,742	305,039,493
EQUITY AND LIABILITIES				
EQUITY:				
Capital		84,000,000	-	84,000,000
Share premium		36,179,271	-	36,179,271
Legal reserve		1,108,090	-	1,108,090
Other reserves	15	5,670,648	724,666	6,395,314
Accumulated losses		(4,815,336)	-	(4,815,336)
Total equity		122,142,673	724,666	122,867,339
LIABILITIES:				
NON-CURRENT LIABILITIES:				
Bank borrowings	16	29,623,347	88,958,815	118,582,162
Provisions		-	29,400	29,400
Deferred tax liabilities		44,603	-	44,603
Total non-current liabilities		29,667,950	88,988,215	118,656,165
CURRENT LIABILITIES:				
Bank borrowings	16	14,957,663	11,532,448	26,490,111
Borrowings from group companies		29,330,894	-	29,330,894
Trade and other payables		1,987,644	598,777	2,586,421
Deferred tax liabilities		10,137	-	10,137
Other current liabilities		4,164,790	933,636	5,098,426
Total current liabilities		50,451,128	13,064,861	63,515,989
Total liabilities		80,119,078	102,053,076	182,172,154
Total equity and liabilities		202,261,751	102,777,742	305,039,493

In the year ended 31 December 2014, ISM presented costs and revenue of 10,941,227 Euros and 15,554,740 Euros respectively, in its statement of profit and loss.

(Amounts stated in Euros)

(a) In March 2015, the Company sold these assets to Impresa Office & Service Share – Gestão de Imóveis e Serviços, S.A. ("IOSS") for their book value, which generated cash flow of 33,702 Euros, the remainder being adjusted through the offset of accounts. In addition, in the first quarter of 2015, as a result of ISM's operations merged into Impresa, which was subsequently transferred to another Group company, services rendered of 1,152,580 Euros were recognised and provisions for impairment losses of receivables in the amount of 3,184 were reversed, and 2,668,452 Euros was received from customers.

3. SERVICES RENDERED AND OTHER OPERATING INCOME

Other operating income for the years ended 31 December 2015 and 2914 is made up as follows:

	2015	2014
Services rendered:		
Services rendered to Group companies (Notes 2.13 and 21)	1,152,580	-
Other services rendered	68,242	-
	1,220,822	-
Other operating income:		
Excess estimated income tax	240,754	49,534
Others	50	1
	240,804	49,535

4. SUPPLIES AND SERVICES

This caption for the years ended 31 December 2015 and 2014 is made up as follows:

	2015	2014
Rents (a)	307,810	300,250
Maintenance and repairs	139,608	1,732
Specialized works	416,289	225,131
Others	226,046	156,757
	1,089,753	683,870

(a) This caption for the years ended at 31 December 2015 and 2014 includes 89,784 Euros charged each year by related entities (Note 21).

The increase in this caption in 2015 in relation to 2014 is due essentially the effect of the merger of the activity of ISM into Impresa, subsequently transferred to another Group company.

5. PERSONNEL COSTS

Personnel costs for the years ended 31 December 2015 and 2014 were as follows:

	2015	2014
Remuneration of the corporate boards (Note 21)	1,012,161	950,911
Personnel remuneration	2,182,724	1,601,078
Charges on remuneration	739,237	589,669
Bonus (a)	583,000	-
Indemnities	575,486	-
Others	169,253	190,922
	5,261,861	3,332,580

(a) This amount corresponds to the accrual of an extraordinary career merit bonus of 583,000 Euros payable to the Group's Managing Director.

(Amounts stated in Euros)

The increase in the caption "Personnel remuneration" and "Charges on remuneration" in 2015 in relation to 2014 results essentially from the effect of the merger of the activity of ISM into Impresa, subsequently transferred to another Group company at the end of the third quarter of 2015.

The Company had an average of 25 and 22 employees during the years ended 31 December 2015 and 2014, respectively.

6. OTHER OPERATING COSTS

Other operating costs for the years ended 31 December 2015 and 2014 are made up as follows:

	2015	2014
Taxes	333,426	301,052
Subscriptions	113,796	71,529
Other operating costs	431	1,176
	447,653	373,757

7. NET FINANCIAL COSTS

Net financial costs for the years ended 31 December 2015 and 2014 are made up as follows:

	2015	2014
Financial costs:		
Interest (a)	(5,918,770)	(2,613,708)
Other financial costs	(384,863)	(184,313)
	(6,303,633)	(2,798,021)
Net gain on group and associated companies:		
Dividends (b)	20,116,181	8,437,823
Effect of the sale of shares in NoniusSoft, Software e Consultoria para Telecomunicações, S.A. ("NoniusSoft") (Note 10)	199	16,368
	20,116,380	8,454,191
	13,812,747	5,656,170

(a) At 31 December 2015 and 2014 this caption included 4,273,960 Euros and 1,789,669 Euros charged by related entities (Nota 21).

(b) This caption at 31 December 2015 and 2014 corresponds to dividends received from the following companies (Note 21):

	2015	2014
SIC - Sociedade Independente de Comunicação, S.A. ("SIC")	19,882,081	8,017,823
Vasp – Distribuidora de Publicações, S.A. ("Vasp")	234,100	420,000
	20,116,181	8,437,823

8. DIFFERENCES BETWEEN THE ACCOUNTING AND TAX RESULTS

The Company is subject to Corporation Income Tax under the Special Regime for the Taxation of Groups of Companies (Regime Especial de Tributação dos Grupos de Sociedades - "RETGS") together with its subsidiaries: Impresa Publishing, S.A. ("Impresa Publishing"), Medipress - Sociedade Jornalística e Editorial, Lda. ("Medipress"), SIC, GMTS – Global Media Technology Solutions – Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal, Lda. ("GMTS"), IOSS, and InfoPortugal - Sistemas de Informação e Conteúdos, S.A. ("InfoPortugal").

The Company is subject to corporate income tax at the rate of 21% of taxable income plus a municipal surcharge at the rate of 1.5% of taxable income, resulting in a maximum aggregate tax rate of 22.5%.

(Amounts stated in Euros)

In addition, taxable income exceeding 1,500,000 Euros is subject to State surcharge at the following rates:

- 3% on taxable profit from 1,500,000 Euros to 7,500,000 Euros;
- 5% for taxable profit from 7,500,000 Euros to 35,000,000 Euros;
- 7% on taxable profit exceeding 35,000,000 Euros.

Net financial costs for 2015 are deductible for determining taxable income of each company determined individually, are limited to the greater of the following limits:

- 1,000,000 Euros;
- 50% of the profit before amortization and depreciation, net financial costs and taxes.

In addition, net financial costs for 2015 are deductible, progressively each year up to 2017, for determining taxable profit, is limited to the greater of the following limits:

- 1,000,000 Euros;
- 40% (30% in 2017) of the profit before amortization and depreciation, net financial costs and taxes.

In accordance with article 88 of the Corporate Income Tax Code, the Company is subject to autonomous taxation on certain charges, at the rates established in the article.

In accordance with current legislation tax returns are subject to review and correction by the tax authorities during a period of four years (five years for social security), except where there have been tax losses, tax benefits have been given or tax inspections, claims or contestations have been made, in which case, depending on the circumstances, the period can be extended or suspended. Therefore the Company's tax returns for the years 2012 to 2015 are still subject to review.

The Board of Directors believes that any corrections resulting from revisions/inspections by the tax authorities of these tax returns will not have a significant effect on the financial statements as of 31 December 2015 and 2014.

In accordance with current legislation tax losses can be carried forward during a period of 12 years after their occurrence for deduction from taxable income generated in that period, limited to 70% of the Group's taxable income in each year, applicable also to tax losses incurred in prior years.

At 31 December 2015 and 2014 Impresa and its subsidiaries included in the tax consolidation (RETGS) did not have any tax losses carried forward.

Current tax assets and liabilities at 31 December 2015 and 2014 are made up as follows:

	2015	2014
Current tax assets		
Payments on account and special payments on account generated under the RETGS	3,747,508	-
Corporate income tax generated under the RETGS (i)	(1,996,094)	-
Estimated tax	(83,614)	-
	1,667,800	-
Current deferred tax liabilities		
Payments on account and special payments on account generated under the RETGS	-	(5,213,676)
Corporation income tax generated under the RETGS (i)	-	5,126,471
Estimated tax	-	97,342
	-	10,137

(Amounts stated in Euros)

(i) This amount was made up as follows at 31 December 2015 and 2014:

	2015	2014
Accounts payable generated under the RETGS (Note 11)	(302,285)	(1,470,162)
Accounts receivable generated under the RETGS (Note 11)	4,640,170	8,164,506
	4,337,885	6,694,344
Tax losses carried forward of the Company used under the RETGS	(2,341,791)	(1,567,873)
	1,996,094	5,126,471

a) Temporary differences – Changes in deferred tax assets

31 December 2015:

	Tax losses carried forward
Balance at 31 December 2014	-
Increases	2,341,791
Recovery	(2,341,791)
Balance at 31 December 2015	-

31 December 2014:

	Tax losses carried forward
Balance at 31 December 2013	-
Increases	1,567,873
Recovery	(1,567,873)
Balance at 31 December 2014	-

Deferred tax assets resulting from tax losses carried forward, generated during the years ended 31 December 2015 and 2014 were fully used up in the years then ended as a result of the taxable profit calculated by the companies included in the consolidated tax return (RETGS).

b) Temporary differences – Changes in deferred tax liabilities

31 December 2015:

	Pension plan
Balance at 31 December 2014	44,603
Increase/(decrease) with effect on other comprehensive income	28,872
Increase/(decrease) with effect on profit or loss	(884)
Balance at 31 December 2015	72,591

31 December 2014:

	Pension plan
Balance at 31 December 2013	68,363
Effect of change in the tax rate	(3,888)
Increase/(decrease) with effect on other comprehensive income	(20,747)
Increase/(decrease) with effect on profit or loss	875
Balance at 31 December 2014	44,603

(Amounts stated in Euros)

c) Reconciliation of the tax rate

	2015	2014
Profit before income tax	8,437,726	1,315,498
Nominal tax rate	21%	23%
Estimated income tax	1,771,922	302,565
Permanent differences (i)	(4,114,597)	(1,869,563)
Adjustment to taxable profit (ii)	83,614	97,342
Income tax for the year	(2,259,061)	(1,469,656)
Current tax	83,614	97,342
Deferred tax generated in the year	(2,342,675)	(1,566,998)
	(2,259,061)	(1,469,656)

(i) At 31 December 2015 and 2014, this caption is detailed as follows:

	2015	2014
Dividends received (Note 7)	(20,116,181)	(8,437,823)
Other non-deductible costs or in excess of the limits	583,000	-
Others, net	(60,138)	309,287
	(19,593,319)	(8,128,536)
	21%	23%
	(4,114,597)	(1,869,563)

(ii) This amount corresponds to corporate income tax taxed autonomously.

d) Tax processes in progress

As a result of a tax inspection carried out of ISM (in 2015 merged into Impresa) and its related tax procedures, in 2011, 2012, 2014 and 2015, Impresa was notified of additional corporation income tax assessments for the years 2008, 2009, 2010, 2011 and 2012, under which the Tax Administration did not accept the tax deductibility of interest on part of the loan from BPI to finance the acquisition of non-remunerated shareholders' loans of BPI (prior shareholder) to Solo (entity merged into ISM in prior years). The reasons alleged by the Tax Administration for this non-acceptance is that the normal and current activities of ISM do not include the granting of loans to subsidiaries (it is not a holding company) and such charges are supposedly not related to loans obtained for its direct operations. The corrections to taxable income amount to 3,415,295 Euros for 2008, 2,105,621 Euros for 2009, 2,161,788 Euros for 2010, 3,114,777 Euros for 2011 and 943,005 Euros for 2012.

At 31 December 2015 the additional tax assessments referred to above had been legally contested, Impresa having provided bank guarantees of 3,316,853 Euros relating to the years 2010, 2011 and 2012 (Note 19). Bank guarantees were not given for the appeals for the years 2008 and 2009 as the tax consolidation for these years presented tax losses carried forward (used in the year 2010) that offset the above additional tax assessments.

The Board of Directors believes, based on the opinion of its lawyers, that the prospects of success of its claims and/or contestations, are reasonable and so no provision has been recorded for that tax contingency.

(Amounts stated in Euros)

9. EARNINGS PER SHARE

Earnings per share for the years ended 31 December 2015 and 2014 were calculated as follows:

	2015	2014
Net profit for the year	10,696,787	2,785,154
Number of shares (Note 13)	168,000,000	168,000,000
Earnings for the year per share	0,0637	0,0166
Comprehensive income for the year	10,796,234	2,725,107
Number of shares (Note 13)	168,000,000	168,000,000
Comprehensive income for the year per share	0,0643	0,0162

As there are no situations that involve dilution, diluted earnings per share are the same as basic earnings per share.

10. INVESTMENTS IN GROUP AND ASSOCIATED COMPANIES

The movements in investments in group and associated companies and in the related accumulated impairment losses in the years ended 31 December 2015 and 2014 were as follows:

31 December 2015:

	Investments	Supplementary capital contributions	Total
Investments:			
Balance at 31 December 2014	115,631,272	72,320,550	187,951,822
Increases (a)	5,055	21,004,070	21,009,125
Merger (Note 2.13)	162,392,591	(63,071,050)	99,321,541
Decreases (b)	(2,302,175)	(3,570)	(2,305,745)
Balance at 31 December 2015	275,726,743	30,250,000	305,976,743

(a) The increase in the caption “Investments” is due to the acquisition of part of the capital of IOSS which was held by another group company. The increase in the caption “Supplementary capital contributions” refers to supplementary capital contributions of 21,000,000 Euros and 4,070 Euros granted to Impresa Publishing and IOSS, respectively.

(b) This caption corresponds to a capital decrease of 765,900 Euros in Vasp, as well as the sale of the full participation in Noniussoft for the amount of approximately 1,535,000 Euros, generating a gain of 199 Euros and the transfer of the account receivable of Visapress – Gestão de Conteúdos dos Media, C.R.L. (“Visapress”) in the amount of 3,750 Euros to other receivables.

31 December 2014:

	Investments	Supplementary capital contributions	Total
Investments:			
Balance at 31 December 2013	124,336,030	58,500,750	182,836,780
Increases (a)	-	13,819,800	13,819,800
Decreases (b)	(8,704,758)	-	(8,704,758)
Balance at 31 December 2014	115,631,272	72,320,550	187,951,822

(a) The increase in the caption “Supplementary capital contributions” refers to supplementary capital contributions made to ISM and Office Share in the amounts of 12,671,050 Euros (of which 7,330,000 Euros was repaid in 2014 and 5,341,050 Euros result from the conversion of shareholders’ loans made in cash in prior years) and 1,148,750 Euros, respectively.

(Amounts stated in Euros)

(b) This caption corresponds to approximately 8,670,000 Euros received as a result of a reduction in the capital of SIC and approximately 37,700 Euros relating to the sale 10,822 shares of NoniusSoft to that same entity for 54,110 Euros, generating a gain of approximately 17,000 Euros.

At 31 December 2015 and 2014, the Company had the following investments in group and associated companies (accounting information of the participations taken from their financial statements prepared in accordance with generally accepted accounting principles in Portugal ("SNC"))

31 December 2015:

Company	Head office	Net assets	Equity	Total revenue	Net profit/ (loss) for the year	Percentage participation	Book value	Impairment losses	Permanent loans	Total investment
Impresa Publishing (a)	Lisbon	38,254,160	26,381,098	27,011,129	1,789,384	100%	35,611,372	(10,149,415)	26,500,000	51,961,957
IOSS (a)	Oeiras	16,271,974	8,748,570	4,799,574	(185,860)	100%	5,947,555	-	3,750,000	9,697,555
SIC	Oeiras	100,349,957	24,187,554	173,628,982	11,853,284	100%	239,408,738	-	-	239,408,738
Infoportugal	Matosinhos	928,868	393,972	1,819,614	39,597	100%	2,842,435	-	-	2,842,435
Vasp	Cacém	34,382,369	9,123,850	207,635,576	667,384	33,33%	1,144,666	-	-	1,144,666
Lusa	Lisbon	11,606,728	4,239,849	15,398,919	(754,859)	22,35%	890,732	-	-	890,732
Visapress	Lisbon	n.a	n.a	n.a	n.d	10,00%	5,000	(5,000)	-	-
Nexponor	Porto	n.a	n.a	n.a	n.d	0,001%	660	-	-	660
Others	n.d	n.a	n.a	n.a	n.d	n.d	30,000	-	-	30,000
							285,881,158	(10,154,415)	30,250,000	305,976,743

31 December 2014:

Company	Head office	Net assets	Equity	Total revenue	Net profit/ (loss) for the year	Percentage participation	Book value	Impairment losses	Permanent loans	Total investment
Impresa Publishing (a)	Lisbon	51,045,312	3,539,066	26,755,586	1,525,529	100%	35,611,372	(10,149,415)	5,500,000	30,961,957
IOSS (a)	Oeiras	15,691,300	8,934,431	1,265,683	96,704	99,89%	5,942,500	-	3,745,930	9,688,430
SIC	Oeiras	113,112,773	32,216,351	177,598,171	19,882,081	51,00%	79,389,999	-	-	79,389,999
ISM (a)	Lisbon	100,819,737	(1,740,517)	4,754,925	4,613,513	100%	500,000	-	63,071,050	63,571,050
Vasp	Cacém	36,436,453	11,377,694	210,862,180	944,869	33,33%	1,910,566	-	-	1,910,566
Lusa	Lisbon	12,350,290	5,440,087	14,757,048	(802,415)	22,35%	890,732	-	-	890,732
NoniusSoft	Maia	n.a	n.a	n.a	n.d		1,534,858	-	-	1,534,858
Visapress	Lisbon	n.a	n.a	n.a	n.d	10,00%	5,000	(5,000)	3,570	3,570
Nexponor	Porto	n.a	n.a	n.a	n.d	0,001%	660	-	-	660
							125,785,687	(10,154,415)	72,320,550	187,951,822

(a) The equity of these investments includes amounts recorded by the Company as supplementary capital contributions in the caption "Permanent loans".

In 2015 and 2014 the Company did not identify impairment losses on its investments.

Investments in group and associated companies were valued by the Board of Directors considering the cash generating units controlled by Impresa, as well as the key assumptions of each, in conformity with the information presented in Note 17 to the consolidated financial statements.

(Amounts stated in Euros)

11. OTHER CURRENT ASSETS AND LIABILITIES

Other current assets at 31 December 2015 and 2014 are made up as follows:

	2015	2014
Customers		
Vasp (Note 21)	1,213	-
Other current account customers	13,423	-
	14,636	-
Other current assets		
Group companies - RETGS (Notes 8 and 21)		
SIC	4,012,107	7,178,531
Impresa Publishing	399,888	388,523
GMTS	101,701	260,778
Medipress	104,543	305,293
IOSS	-	31,381
InfoPortugal	21,931	-
	4,640,170	8,164,506
Group companies (Note 21):		
Impresa Publishing	-	5,485,284
Others	214,854	355,262
	4,869,660	14,005,052

Accounts receivable of Group companies at 31 December 2015 and 2014 in the amounts of 4,640,170 Euros and 8,164,506 Euros, respectively, correspond to estimated taxes, withholdings at source and payments on account of these subsidiaries recorded under the tax consolidation (Note 8).

The caption “Other current liabilities” at 31 December 2015 and 2014 is made up as follows:

	2015	2014
Group companies - RETGS (Notes 8 and 21)		
ISM	-	1,389,088
InfoPortugal	-	81,074
IOSS	302,285	-
	302,285	1,470,162
Group companies - RETGS of prior years (Note 21):		
SIC	-	1,601,190
Accrued costs:		
Bonus (Note 21)	583,000	-
Personnel vacation pay and subsidy	412,588	454,113
Interest (a)	741,494	207,524
Indemnities	129,138	-
Others	53,618	185,158
	1,919,838	846,795
State and other public entities:		
Personal income tax	233,194	129,400
Social security contributions	120,947	111,920
	354,141	241,320
Other liabilities		
Other creditors	20,193	5,323
	2,596,457	4,164,790

(a) The caption “Accrued interest” at 31 December 2015 includes 451,932 Euros relating to Group entities.

(Amounts stated in Euros)

Accounts payable to group companies in the amounts of 754,217 Euros and 1,470,612 Euros at 31 December 2015 and 2014, respectively, correspond to estimated income tax, withholdings at source and payments on account of those subsidiaries recorded under the RETGS (Note 8) and accrued interest.

12. CASH AND CASH EQUIVALENTS

The caption "Cash and cash equivalents" included in the cash flow statements as of 31 December 2015 and 2014 reflected in the statement of financial position as of those dates are as follows:

	2015	2014
Bank deposits	108,621	101,867
Cash	3,316	4,775
	111,937	106,642

The caption cash and cash equivalents includes cash and bank deposits repayable on demand.

13. CAPITAL

At 31 December 2015 and 2014 capital was fully subscribed for and paid up and amounted to 84,000,000 Euros, made up of 168,000,000 shares of fifty cents each, held as follows, in accordance with the qualified participations reported to the Stock Exchange Commission (CMVM):

	2015		2014	
	Percentage held	Amount	Percentage held	Amount
Impreger - Sociedade Gestora de Participações Sociais, S.A. ("Impreger")	50,31%	42,257,294	50,31%	42,257,294
Invesco, Ltd.	5,12%	4,299,295	5,12%	4,299,295
Madre - SGPS, S.A.	4,95%	4,161,206	4,97%	4,172,181
FIL, Ltd.	4,90%	4,120,092	5,32%	4,466,500
Grupo BPI	3,69%	3,100,000	3,69%	3,100,000
Santander Asset Management	3,49%	2,933,835	2,83%	2,375,627
Jefferies International Limited (JIL)	2,59%	2,173,471	0,00%	-
Hendersen Global Investors, Ltd.	2,50%	2,100,000	2,50%	2,100,000
Newshold - SGPS, S.A.	2,40%	2,019,382	2,40%	2,019,382
UBS Group AG	0,00%	-	2,52%	2,115,683
TT International	0,00%	-	2,47%	2,075,000
Others	20,04%	16,835,425	17,88%	15,019,040
	100,00%	84,000,000	100,00%	84,000,000

14. SHARE PREMIUM

This caption corresponds to premiums obtained in share capital increases made in previous years. In accordance with current legislation, utilization of this reserve is subject to the same rules as the legal reserve and so this amount is not available for distribution to the shareholders but may be used to absorb losses, once all the other reserves and retained earnings have been exhausted, or to increase capital.

15. RESERVES

The caption "Legal reserve" at 31 December 2015 and 2014 corresponds to the Company's legal reserve recorded in accordance with commercial legislation, which provides that at least 5% of annual net profit must be appropriated to a legal reserve until the reserve equals the minimum requirement of 20% of share capital. The reserve is not available for distribution except upon liquidation of the Company, but may be used to absorb losses, once all the other reserves and retained earnings have been exhausted, or to increase capital.

(Amounts stated in Euros)

The movements in reserves in 2015 and 2014 were as follows:

31 December 2015:

	Legal reserve	Other reserves	Retained earnings
Balance at 1 January 2015	1,108,090	5,670,648	(7,600,490)
Increases (a)	139,258	99,447	2,645,896
Merger (Note 2.13)		724,666	
Decreases (b)	-	(4,954,594)	4,954,594
Balance at 31 December 2015	1,247,348	1,540,167	-

(a) The increase in these captions results from the decision of the Shareholders' General Meeting held on 29 April 2015 to appropriate net profit for the year ended 31 December 2014 as follows:

Legal reserve	139,258
Retained earnings	2,645,896
	2,785,154

In addition, the increase in the caption other reserves is due to the net amount of actuarial gains and losses in the pension plan in the amount of 99,447 Euros.

(b) On 29 April 2015 the Shareholders' General Meeting decided to transfer the amount of 4,954,594 Euros to free reserves to cover the accumulated loss reflected in the financial statements.

31 December 2014:

	Legal reserve	Other reserves	Accumulated losses
Balance at 1 January 2014	1,050,761	5,730,695	(8,689,728)
Increases (a)	57,329	-	1,089,238
Decreases (b)	-	(60,047)	-
Balance at 31 December 2014	1,108,090	5,670,648	(7,600,490)

(a) The increase in these captions results from the decision of the Shareholders' General Meeting held on 23 April 2014 to appropriate net profit for the year ended 31 December 2013 as follows:

Legal reserve	57,329
Retained earnings	1,089,238
	1,146,567

(b) The decrease in this caption is due to the actuarial gain and loss on the pension plan in the net amount of 60,047 Euros.

16. BANK BORROWINGS

Bank borrowings at 31 December 2015 and 2014 are made up as follows:

	31 December 2015				31 December 2014			
	Book value		Nominal value		Book value		Nominal value	
Lending entities	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Caixa Geral de Depósitos, S.A. (a)	-	14,721,951	-	15,000,000	-	14,957,663	-	15,000,000
Novo Banco, S.A. and Banco Espírito Santo de Investimento, S.A. (b)	29,720,780	-	30,000,000	-	29,623,347	-	30,000,000	-
Banco BPI, S.A. (c)	79,495,339	9,463,732	79,868,851	9,508,198	-	-	-	-
Banco Popular, S.A. (d)	3,461,175	988,907	3,500,000	1,000,000	-	-	-	-
Banco BIC Português, S.A. (e)	8,497,856	2,371,495	8,600,000	2,400,000	-	-	-	-
Caixa Central de Crédito Agrícola Mútuo, C.R.L. (f)	3,580,452	895,113	3,600,000	900,000	-	-	-	-
Guaranteed current account (g)	-	1,485,000	-	1,485,000	-	-	-	-
	124,755,602	29,926,198	125,568,851	30,293,198	29,623,347	14,957,663	30,000,000	15,000,000

(Amounts stated in Euros)

(a) Issuance of commercial paper under a commercial paper program for a period of 3 years with maturities up to six months, ending on 23 December 2017, with an initial amount of 15,000,000 Euros, which will progressively be reduced to 3,750,000 Euros at the last issuance. At 31 December 2015 this commercial paper issue bore interest at the Euribor rate for the maturity period plus a spread of 2.85%.

In accordance with this loan, in addition to Impresa, SIC and Impresa Publishing have also assumed certain covenants, on a solidarity basis, including, among others, requirements to repay principal and pay interest. In addition, Impreger and Impresa must not cease to hold directly the majority of the capital of Impresa and SIC, respectively.

(b) On 12 November 2014 the Company issued bonds totaling 30,000,000 Euros, corresponding to 600 bonds of 50,000 Euros each, repayable on 12 November 2018. The bonds bear interest at the Euribor 6 month rate plus a spread of 4%.

In accordance with these bond loan, the Company assumed certain commitments, not ceasing to hold all the share capital of SIC and Impresa Publishing and Impreger must not cease to hold a majority (50.1%) of the Company’s capital.

At 31 December 2015 these bonds were listed for trading (Euronext), their market value being similar to the amount recorded in the financial statements as of that date.

(c) Loan from Banco BPI, S.A. to ISM for the acquisition of all the capital of Solo (merged into ISM) that held an 18.35% share in SIC and a 30.65% stake in SIC. On 1 January 2015, ISM was merged into Impresa having transferred all the inherent liability to that entity (Note 2.13). At 31 December 2015 the loan bore interest payable half yearly in arrears at the six month Euribor rate plus 2.5% and is repayable in 38 successive half year instalments, the first having been due on 30 June 2006. The nominal amount of the balance due of the loan is repayable as follows:

2016	9,508,198
2017	9,983,607
2018	9,983,607
2019	9,983,607
2020 and following	49,918,030
	79,868,851
	89,377,049

In guarantee of full compliance with the loan the Group signed a blank promissory note and pledged all the shares of SIC (Note 21).

As a result of the loan Impresa assumed several covenants and restrictions relating essentially to the acquisition and sale of assets and distribution of dividends.

In accordance with the terms of the loan Impresa must maintain at least 51% of the shares of SIC. In addition, Impreger must not reduce its participation in Impresa to below 50.1%.

(Amounts stated in Euros)

(d) Loan contract signed by Impresa with Banco Popular, S.A. in June 2015 to be repaid in 10 successive half year instalments up to 16 June 2020. At 31 December 2015 the loan bore interest payable half yearly in arrears at the six month Euribor rate plus 2.25%. The nominal amount of the loan is repayable as follows:

2016	1,000,000
2017	1,000,000
2018	1,000,000
2019	1,000,000
2020	500,000
	3,500,000
	4,500,000

In guarantee of full compliance with the loan Impresa signed a blank promissory note.

(e) On 18 September 2015, Impresa signed a loan contract with Banco BIC Português, S.A. to be repaid in six half yearly instalments, the first five of 1,200,000 Euros and the last on 18 September 2018 of 5,000,000 Euros. At 31 December 2015, the loan bore interest payable half yearly in arrears at the Euribor six month rate plus 1.5%. The nominal amount of the loan is repayable as follows:

2016	2,400,000
2017	2,400,000
2018	6,200,000
	8,600,000
	11,000,000

In guarantee of full compliance with the loan Impresa signed a blank promissory note.

(f) Loan contracted by Impresa with Caixa Central de Crédito Agrícola Mútuo C.R.L. in September 2015, repayable in 8 half yearly instalments up to 16 September 2018. At 31 December 2015, the loan bore interest payable half yearly in arrears at the six month Euribor rate plus 2.6%. The nominal amount of the loan is repayable as follows:

2016	900,000
2017	900,000
2018	1,350,000
2019	1,350,000
	3,600,000
	4,500,000

In guarantee of full compliance with the loan Impresa signed a blank promissory note.

(g) Guaranteed current accounts obtained by Group companies which bear interest at normal market rates for similar operations.

(Amounts stated in Euros)

In the years ended 31 December 2015 and 2014, the effective interest rates on the loans were as follows:

Lending entities	2015	2014
Caixa Geral de Depósitos, S.A.	2,85%	3,02%
Novo Banco, S.A. and Banco Espírito Santo de Investimento, S.A.	4,00%	4,18%
Banco BPI, S.A.	3,84%	-
Banco Popular, S.A.	2,25%	-
Banco BIC Português, S.A.	1,50%	-
Caixa Central de Crédito Agrícola Mútuo, C.R.L.	2,60%	-
Guaranteed current accounts	3,72%	5,26%

If the interest rates had been 0.5% higher or lower in 2015 and 2014, net profit for these years would have decreased or increased by approximately 498,000 Euros and 150,000 Euros, respectively.

The Board of Directors believes that there are no cases of non-compliance with the requirements of the above mentioned borrowings, both as regards maintenance of the main participations in subsidiary companies, the limitation of investments or the distribution of dividends and the applicable financial covenants, which are detailed in Note 28 to the consolidated financial statements.

17. BORROWINGS FROM GROUP COMPANIES

At 31 December 2015 and 2014 the Company had loans from its subsidiary SIC in the amounts of 21,723,813 Euros and 29,330,894 Euros, respectively (Note 21) which bore interest at market rates for similar operations.

18. TRADE AND OTHER PAYABLES

Trade and other payables at 31 December 2015 and 2014 are made up as follows:

	2015	2014
SIC (Note 21)	5,941	1,692,807
Impresa Publishing (Note 21)	-	235,323
Vasp (Note 21)	950	
Other current account payables	174,242	59,514
	181,133	1,987,644

19. CONTINGENT LIABILITIES AND GUARANTEES GIVEN

At 31 December 2015 the Company had requested the issuance of bank guarantees totaling 3,316,853 Euros in favor of the Tax Department in guarantee of tax execution processes resulting from the correction of corporation taxable income for the years 2011 and 2012 (Note 8).

At 31 December 2014 the Company had requested the issuance of bank guarantees totaling 2,991,811 Euros in favor of the Tax Department in guarantee of tax execution processes resulting from correction of corporation taxable income for the year 2010.

20. COMMITMENTS ASSUMED

20.1 Pensions

Impresa has assumed commitments to pay its employees and remunerated members of the Board of Directors hired before 5 July 1993, pension supplements for retirement due to age and incapacity. The benefits are calculated based on a percentage that increases with the number of years of service applied to the salary scale or a fixed percentage applied to the base salary defined as being the amounts in 2002.

(Amounts stated in Euros)

In 1987, the Group created an autonomous pension fund to which it transferred its liability for the payment of the above pensions.

In accordance with an actuarial study made by the entity managing the fund, the present value of the above mentioned past service liability for current and retired employees as of 31 December 2015 and 2014 was estimated at 715,179 Euros and 802,520 Euros, respectively, and the amount of the fund on those dates was 1,037,806 Euros and 1,000,755 Euros, respectively.

The changes in the past service liability of its current and retired employees and the amount of the Company's pension fund assets at 31 December 2015 and 2014 were as follows:

	2015	2014
Present value of the liability for defined benefits at the beginning of the year:	802,520	713,146
Benefits paid	(41,686)	(41,686)
Transfer of participants	52,200	-
Current service cost	9,287	8,058
Interest cost	21,298	26,907
Actuarial gain and loss	(128,440)	96,095
Present value of the liability for defined benefits	715,179	802,520
Plan assets at the beginning of the year:	1,000,755	992,175
Benefits paid	(41,686)	(41,686)
Transfer of participants	52,200	-
Interest of the plan	26,658	38,853
Financial gain/loss	(121)	11,413
Plan assets at the end of the year	1,037,806	1,000,755
Superavit	322,627	198,235

Financial gains and losses resulting from differences between the assumptions used in determining expected income from the assets and the amounts effectively realized and the actuarial gains and losses between the assumptions used in determining the liability were recognized as income and costs directly in equity as other comprehensive income. Actuarial gains and losses in 2015 result essentially from personnel included in the fund leaving the Company. The remaining income and costs were recognized in the statement of profit and loss.

	2015	2014
Amounts recognized in the statement of profit or loss:		
Current service cost	(9,287)	(8,058)
Interest cost	(21,298)	(26,907)
Fund interest	26,658	38,853
	(3,927)	3,888
Amounts recognized as other comprehensive income:		
Actuarial (gain)/loss	(128,440)	96,095
Financial gain/loss	121	(11,413)
	(128,319)	84,682

Other information relating to this matter are included in Note 34.1 to the consolidated financial statements.

(Amounts stated in Euros)

20.2 Operating leases

The operating lease contracts in force do not have contingent lease instalments. The operating lease contracts mature as follows:

	2015	2014
Within one year	137,668	154,646
Between one and five years	146,613	171,790
	284,281	326,436

In 2015 and 2014 the Group recognized in the statements of profit and loss and other comprehensive income the amounts of approximately 184,000 Euros and 162,000 Euros, respectively, relating to operating lease contracts.

21. RELATED PARTIES

All the subsidiaries and associated companies belonging to the Impresa Group identified in the consolidated financial statements and the shareholder Impreger are considered as related parties.

Considering the Company's governance structure and the decision making process, it only considers as "key management personnel", the Board of Directors, as the main operating decisions are made by the Managing Director and the Board of Directors. In the years ended 31 December 2015 and 2014, transactions with the Board of Directors corresponded essentially to remuneration paid for performing their functions in the Impresa Group.

The balances at 31 December 2015 and 2014 and transactions during the years then ended with related parties were as follows:

	2015	2014
Transactions:		
Services rendered (Note 3)	1,152,580	-
Rent cost (Note 4)	89,784	89,784
Personnel costs (Note 5)	1,805,161	950,911
Interest and similar costs (Note 7)	4,273,960	1,789,669
Dividends received (Note 7)	20,116,181	8,437,823
Balances:		
Cash and cash equivalents (a)	34,431	4,025
Receivables (Note 11)	4,641,383	13,649,790
Accrued bonus (Note 11)	583,000	-
Borrowings (Note 17)	21,723,813	29,330,894
Payables (Notes 11 and 18) (b)	1,344,108	4,999,482
Bank borrowings (Note 16)	88,959,071	-

(a) These balances correspond essentially to bank deposits at Banco BPI, S.A..

(b) This amount includes the accrual of the extraordinary career merit bonus of 583,000 Euros payable to the Managing Director.

In the years ended 31 December 2015 and 2014, pension supplements of 184,739 Euros were paid each year by the pension fund to the President of the Board of Directors.

In the years ended 31 December 2015 and 2014, no long term benefits for termination of labour contracts or payments in shares were attributed to members of the Board of Directors.

22. RISK MANAGEMENT

Risk is managed on a consolidated basis and so Note 37 of the consolidated financial statements should be consulted on this matter.

23. NOTE ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in conformity with International Financial Reporting Standards as endorsed by the European Union. In the event of discrepancies, the Portuguese language version prevails.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

IMPRESA

2015 Consolidated Report

IMPRESA – SGPS, S.A.
Publicly Held Company
Share Capital Eur 84,000,000
Rua Ribeiro Sanches, 65
1200-787 LISBON
Tax Number 502 437 464
Commercial Registry Office of Lisbon

IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

FOR THE YEARS ENDED 31 DECEMBER 2015 AND 2014

(Amounts stated in Euros)

(Translation of consolidated statements of comprehensive income originally issued in Portuguese - Note 38)

ASSETS	Notes	31 December 2015	31 December 2014
NON-CURRENT ASSETS			
Goodwill	17	300.892.821	300.892.821
Intangible assets	18	530.660	473.910
Tangible fixed assets	19	27.843.127	28.177.221
Investments	20	4.037.872	6.592.199
Investments properties	22	5.912.440	5.912.440
Program broadcasting rights	23	7.444.931	9.280.535
Other non-current assets	25	5.533.924	5.647.935
Deferred tax assets	15	620.908	983.814
Total non-current assets		352.816.683	357.960.875
CURRENT ASSETS:			
Program broadcasting rights	23	14.661.158	13.410.778
Inventories	23	1.857.440	1.850.673
Trade and other receivables	24	24.156.864	24.710.229
Current tax assets	15	1.694.484	-
Other current assets	25	4.766.999	4.327.395
Cash and cash equivalents	26	3.520.079	4.820.134
Total current assets		50.657.024	49.119.209
TOTAL ASSETS		403.473.707	407.080.084

EQUITY AND LIABILITIES	Notes	31 December 2015	31 December 2014
EQUITY:			
Share capital	27	84.000.000	84.000.000
Share premium	27	36.179.272	36.179.272
Legal reserve	27	1.247.348	1.108.090
Retained earnings and other reserves		16.318.585	5.302.172
Consolidated net profit for the year		4.027.659	11.006.344
TOTAL EQUITY		141.772.864	137.595.878
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Bank borrowings	28	142.067.857	135.494.549
Finance leases	29	4.698.391	5.840.452
Provisions	30.2	3.887.349	5.314.234
Deferred tax liabilities	15	396.946	353.515
Total non-current liabilities		151.050.543	147.002.750
CURRENT LIABILITIES:			
Bank borrowings	28	34.247.423	45.724.918
Trade and other payables	31	35.944.833	36.367.265
Finance leases	29	1.275.418	2.381.515
Current tax liabilities	15	-	7.341
Other current liabilities	32	39.182.626	38.000.417
Total current liabilities		110.650.300	122.481.456
TOTAL LIABILITIES		261.700.843	269.484.206
TOTAL EQUITY AND LIABLITIES		403.473.707	407.080.084

The accompanying notes form an integral part of on the consolidated statements of financial position as of 31 December 2015 and 2014.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER 2015 AND 2014

(Amounts stated in Euros)

(Translation of consolidated statements of comprehensive income originally issued in Portuguese - Note 38)

	Notes	31 December 2015	31 December 2014
OPERATING REVENUE			
Services rendered	9	199.722.255	206.650.888
Sales	9	28.054.742	28.820.112
Other operating revenue	10	3.145.409	2.309.059
Total operating revenue		230.922.406	237.780.059
OPERATING EXPENSES			
Cost of programs broadcast and goods sold	11	(82.511.385)	(81.398.581)
Supplies and services	12	(67.322.041)	(67.807.684)
Personnel costs	13	(55.898.419)	(53.689.819)
Amortization and depreciation	18 and 19	(3.845.005)	(3.811.373)
Provisions and impairment losses	30	(594.689)	(603.993)
Other operating expenses	10	(2.051.231)	(2.575.397)
Total operating expenses		(212.222.770)	(209.886.847)
Operating profit		18.699.636	27.893.212
NET FINANCIAL EXPENSES			
Gain / (loss) on associated companies	14	(19.338)	329.590
Interest and other financial costs	14	(11.994.159)	(11.685.089)
Other financial income	14	28.423	14.041
		(11.985.074)	(11.341.458)
Profit before taxes		6.714.562	16.551.754
Income tax expense	15	(2.686.903)	(5.545.410)
Consolidated net profit for the year		4.027.659	11.006.344
Other comprehensive income			
Items that will not be reclassified to the statement of profit and loss			
Actuarial gain/(loss)		149.327	(275.688)
Comprehensive income for the year		4.176.986	10.730.656
Earnings per share:			
Basic	16	0,0240	0,0655
Diluted	16	0,0240	0,0655
Comprehensive income per share:			
Basic	16	0,0249	0,0639
Diluted	16	0,0249	0,0639

The accompanying notes form an integral part of the consolidated statements of profit and loss and other comprehensive income for the years ended 31 December 2015 and 2014.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2015 AND 2014

(Amounts stated in Euros)

(Translation of statements of changes in equity originally issued in Portuguese - Note 38)

	Share capital	Share premium	Legal reserve	Retained earnings and other reserves	Consolidated net profit for the year	Total
Balance at 1 January 2014	84.000.000	36.179.272	1.050.761	(962.340)	6.597.529	126.865.222
Pension plan - actuarial gain/(loss) (Note 34.1)	-	-	-	(405.506)	-	(405.506)
Pension plan - deferred tax liability (Note 15)	-	-	-	99.349	-	99.349
Pension plan - effect of change in the tax rate on deferred tax (Note 15)	-	-	-	30.469	-	30.469
Other comprehensive income	-	-	-	(275.688)	-	(275.688)
Other changes:						
Appropriation of consolidated net profit for the year ended 31 December 2013 (Note 27)	-	-	57.329	6.540.200	(6.597.529)	-
Consolidated net profit for the year ended 31 December 2014	-	-	-	-	11.006.344	11.006.344
Balance at 31 December 2014	84.000.000	36.179.272	1.108.090	5.302.172	11.006.344	137.595.878
Pension plan - actuarial gain/(loss) (Note 34.1)	-	-	-	192.679	-	192.679
Pension plan - deferred tax liability (Note 15)	-	-	-	(43.352)	-	(43.352)
Other comprehensive income	-	-	-	149.327	-	149.327
Other changes:						
Appropriation of consolidated net profit for the year ended 31 December 2014 (Note 27)	-	-	139.258	10.867.086	(11.006.344)	-
Consolidated net profit for the year ended 31 December 2015	-	-	-	-	4.027.659	4.027.659
Balance at 31 December 2015	84.000.000	36.179.272	1.247.348	16.318.585	4.027.659	141.772.864

The accompanying notes for an integral part of the consolidated statements of changes in equity for the years ended 31 December 2015 and 2014.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A. AND SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEARS ENDED

31 DECEMBER 2015 AND 2014

(Amounts stated in Euros)

(Translation of cash flow statements originally issued in Portuguese - Note 38)

	Notes	2015	2014
OPERATING ACTIVITIES			
Cash receipts from customers		227.823.276	244.904.652
Cash paid to suppliers		(151.500.139)	(151.234.981)
Cash paid to employees		(56.216.462)	(54.187.478)
Cash generated from operations		20.106.675	39.482.193
Payments relating to income taxes		(4.025.822)	(10.017.648)
Other cash paid relating to operating activities		(682.227)	(1.986.549)
Net cash from operating activities (1)		15.398.626	27.477.996
INVESTING ACTIVITIES			
Cash received relating to:			
Sale of investments	20	1.534.989	54.110
Dividends and reductions of capital of associates	20	1.000.000	420.000
Subsidies		172.522	115.844
Interest and other income		14.723	9.906
Other assets		12.122	382.878
		2.734.356	982.738
Cash paid relating to:			
Tangible fixed assets		(3.186.652)	(2.278.318)
Intangible assets		(261.453)	(339.424)
		(3.448.105)	(2.617.742)
Net cash used in investing activities (2)		(713.749)	(1.635.004)
FINANCING ACTIVITIES			
Cash received relating to:			
Bank borrowings		21.000.000	84.115.000
		21.000.000	84.115.000
Cash paid relating to:			
Bank borrowings		(25.188.197)	(85.198.697)
Payments relating to finance leases		(2.248.158)	(2.872.910)
Interest and similar costs		(9.153.702)	(11.149.365)
		(36.590.057)	(99.220.972)
Net cash used in investing activities (3)		(15.590.057)	(15.105.972)
Net (decrease)/increase in cash and cash equivalents (4) = (1) + (2) + (3)		(905.180)	10.737.020
Cash and cash equivalents at the beginning of the year	26	4.335.807	(6.401.213)
Cash and cash equivalents at the end of the year	26	3.430.627	4.335.807

The accompanying notes form an integral part of the consolidated cash flow statements
for the years ended 31 December 2015 and 2014.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

(Amounts stated in Euros)

1. INTRODUCTORY NOTE

Impresa – Sociedade Gestora de Participações Sociais, S.A. ("the Company" or "Impresa") has its head-office in Rua Ribeiro Sanches 65, Lisbon and was founded on 18 October 1990, its main activities being the management of investments in other companies.

The Impresa Group ("the Group") is made up of Impresa and subsidiaries (Note 4). The Group operates in the media industry, namely in television broadcasting, publishing (newspapers and magazines) and other audiovisual activities.

Impresa's shares are listed in Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A..

These financial statements were approved for publication by the Board of Directors of Impresa on 4 March 2016.

2. MAIN ACCOUNTING POLICIES

2.1 Bases of presentation

The consolidated financial statements have been prepared on a going concern basis, from the accounting records of the companies included in the consolidation (Note 4), adjusted in accordance with the provisions of IAS/IFRS as endorsed by the European Union, which include the International Accounting Standards ("IAS") issued by the International Standards Committee ("IASC"), International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and related "SIC" and "IFRIC" interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"). These standards are hereinafter referred to as "IFRS".

Impresa adopted IFRS for the preparation of its consolidated financial statements for the first time in 2005 and so, in compliance with IFRS 1 – First-time Adoption of International Financial Reporting Standards ("IFRS 1"), the date of transition from Portuguese generally accepted accounting principles to IFRS rules was 1 January 2004.

Therefore, in compliance with IAS 1, Impresa declares that these consolidated financial statements and related notes comply with the requirements of IAS/IFRS as endorsed by the European Union, in force for years beginning on 1 January 2015.

2.2 Adoption of new and revised IAS/IFRS

The accounting policies used in the year ended 31 December 2015 are consistent with those used for the preparation of the consolidated financial statements of Impresa for the year ended 31 December 2014 and explained in the respective notes.

The following standards, interpretations, amendments and revisions endorsed by the European Union are of mandatory application in the year ended 31 December 2015:

Standard / Interpretation	Applicable in the European Union in the years starting on or after	Brief description
IFRIC 21 – Levies	17/jun/14	This amendment establishes the conditions as to timing of the recognition of a liability relating to payment by an entity to the State as a result of a specific event (for example, participation in a specific market), without the payment having specific goods or services received in exchange.
Amendment to IFRS 3 - Business combinations (including improvements to international financial reporting standards - 2011 - 2013 cycle)	01/jan/15	Clarifies that IFRS 3 excludes from its scope of application the realization of a joint arrangement on the financial statements of the joint arrangement itself.
Amendment to IFRS 13 – Fair value measurement (includes improvements to international financial reporting standards - 2011 - 2013 cycle)	01/jan/15	Clarifies that the exception of the application of the standard to financial assets and liabilities with offsetting positions extends to all contracts under IAS 39, independently of their compliance with the definition of financial asset or liability of IAS 32.

(Amounts stated in Euros)

Standard / Interpretation	Applicable in the European Union in the years starting on or after	Brief description
Amendment to IAS 40 – Investment properties (included in improvements to international financial statement standards – 2011-2013 cycle)		Clarifies that it is necessary to apply value judgement to determine if the acquisition of an investment property is the acquisition of an asset or a business combination covered by IFRS 3.

The effect of adopting the above standards, interpretations and amendments on the Group's consolidated financial statements for the year ended 31 December 2015 was not significant.

In addition, the following standards, amendments and revisions with mandatory application in future years were endorsed by the European Union up to the date of approval of these financial statements:

Standard / Interpretation	Applicable in the European Union in the years starting on or after	Brief description
Amendment to IAS 19 – Employee benefits – Employee contribution	01/fev/15	Clarifies under which circumstances employees' contributions to post-employment benefit plans consist of a decrease in the cost of short term benefits.
Improvements to international financial statement standards (2010-2012 cycle)	01/fev/15	These improvements involve the clarification of some aspects relating to: IFRS 2 – Share based payment: definition of the vesting condition; IFRS 3 – Business combinations: recording of contingent payments; IFRS 8 – Operating segments: disclosures relating to the judgment applied to the aggregation of segments and clarification of the need to reconcile total assets by segment with the amount of the assets in the financial statements; IAS 16 – Property, plant and equipment and IAS 38 – Intangible assets: need to proportionately revalue accumulated amortization in the case of the revaluation of fixed assets; and IAS 24 – Related Parties disclosures: defines that an entity that renders management services to the Company or its parent company is considered a related party; and IFRS 13 – Fair value measurement: clarification relating to the measurement of short term receivables or payables.
Improvements to international financial statement standards (2012-2014 cycle)	01/jan/16	These improvements involve the clarification of some aspects relating to: IFRS 5 – Non-current assets held for sale and discontinued operations units: introduces guidelines on how to proceed in the case of changes as to the expected realization method (sale or distribution to the shareholders); IFRS 7 – Financial instruments: disclosures: clarifies the impact of asset monitoring contracts under the disclosures relating to continued involvement of derecognized investments, and exempts the interim financial statements from the disclosures required relating to the compensation of financial assets and liabilities; IAS 19 – Employee benefits: defines that the rate to be used to discount defined benefits must be determined by reference to high quality bonds of companies issued in the currency that the benefits will be paid; and IAS 34 – Interim financial statements: clarification on the procedures to be used when the information is available in other documents issued together with the interim financial statements.
Amendment to IFRS 11 – Joint Arrangements – Recording of acquisitions of interests in joint arrangements	01/jan/16	This amendment relates to the acquisition of interests in joint operations. It establishes the requirement to apply IFRS 3 when the joint operation acquired consists of a business activity in accordance with IFRS 3. When the joint operation in question does not consist of a business activity, the transaction must be recorded as the acquisition of assets. This amendment is of prospective application to new acquisitions of interests.

(Amounts stated in Euros)

Standard / Interpretation	Applicable in the European Union in the years starting on or after	Brief description
Amendment to IAS 1 – Presentation of Financial Statements - “Disclosure initiative”	01/jan/16	This amendment clarifies some aspects relating to the disclosure initiative, namely: (i) the entity must not make it difficult to understand the financial statements by the aggregation of significant items with insignificant items or the aggregation of significant items of different natures; (ii) the disclosures specifically required by the IFRS need only to be provided if the information in question is significant; (iii) the lines in the financial statements specified by IAS 1 can be aggregated or segregated in accordance with what is significant in relation to the objectives of the financial reporting; (iv) the part of other comprehensive income resulting from the application of the equity method in associates and joint arrangements must be presented separately from the remaining elements of other comprehensive income, also segregating the items that can be reclassified to the statement of profit and loss from those that will not be reclassified; (v) the structure of the notes must be flexible, and should follow the following order: • a declaration of compliance with the IFRS's in the first section of the notes; • a description of the significant accounting policies in the second section; • supporting information for the items on the financial statements in the third section; and • other information in the fourth section.
Amendment to IAS 16 – Property, plant and equipment and IAS 38 – Intangible assets – Acceptable depreciation and amortization methods	01/jan/16	This amendment establishes the presumption (that can be refuted) that income is not an appropriate basis for amortizing an intangible asset and forbids the use of income as a basis for depreciating tangible fixed assets. The presumption established for amortizing intangible assets can only be refuted when the intangible asset is expressed based on the income generated or when utilization of the economic benefits is significantly related to the income generated.
Amendment to IAS 27 – Application of the equity method on separate financial statements	01/jan/16	This amendment introduces the possibility of measuring interests in subsidiaries, joint arrangements and associates in separate financial statements in accordance with the equity method, in addition to the measurements methods presently existing. This change applies retrospectively.

The Company did not apply any of these standards early in its financial statements for the year ended 31 December 2015. No significant impact on the consolidated financial statements is expected as a result of the adoption of the standards.

The following standards, interpretations, amendments and revisions applicable to future years have, to the date of approval of the accompanying financial statements, not been endorsed by the European Union:

Standard / Interpretation	Brief description
IFRS 9 – Financial Instruments (2009) and subsequent amendments	This standard is part of the revision of IAS 39 and establishes the new requirements for the classification and measurement of financial assets and liabilities to the methodology for the calculation of impairment and for the application of hedge accounting rules. This standard is of mandatory application for years beginning on or after 1 January 2018.
IFRS 15 – Revenue from Contracts with customers	This standard introduces a structure for recognizing revenue based on principles and a model to be applied to all contracts entered into with clients, substituting IAS 18 – Revenue, IAS 11 – Construction contracts; IFRIC 13 – Customer loyalty programmes; IFRIC 15 – Agreements for the constructing of real estate; IFRIC 18 – Transfer of assets from costumers and SIC 31 – Revenue – Barter transactions involving advertising services. This standard is of mandatory application for years beginning on or after 1 January 2018.
IFRS 16 – Leases	This standard introduces the principles for the recognition and measurement of leases, substituting IAS 17 – Leases. The standard defines a single model for recording lease contracts, which results in the recognition by the lessor of assets and liabilities for all lease contracts, except for those for periods of less than twelve months or for leases of assets of reduced value. Lessors will continue to classify leases between operating and finance leases, IFRS 16 not requiring substantial changes for such entities in relation to IAS 17.

Standard / Interpretation	Brief description
Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosures of interests in Other Entities and IAS 28 – Investments in Associates and Jointly Controlled Entities	These amendments clarify several aspects relating to the application of the exception consolidation by investment entities.
Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Jointly Controlled Entities	These amendments eliminate the conflict existing between these standards, relating to the sale or the contribution of assets between the investor and the associate or between the investor and the joint arrangement.

These standards have not yet been endorsed by the European Union and so have not been applied by the Group in the year ended 31 December 2015.

2.3 Consolidation principles

The consolidation methods used by the Group were as follows:

a) Controlled companies

The financial statements of all the companies controlled by the Group have been included in the accompanying consolidated financial statements by the full consolidation method. Control is considered to exist when the Group is exposed, or has rights, to variable returns resulting from its involvement with the participated companies and has the ability to affect those returns through the power it exercises over the companies. Shareholders' equity and net profit and loss of these companies corresponding to third party participation in them are presented separately in the consolidated statement of financial position and statement of comprehensive income under the caption "Non-controlling interest". The controlled companies included in the consolidated financial statements are listed in Note 4.

The assets and liabilities of subsidiaries are reflected at their respective fair values at the date of acquisition of the subsidiary. Any excess of cost over the fair value of identifiable net assets is recorded as goodwill. Where cost is lower than the fair value of the identified net assets, the difference is recognised as income in the consolidated statement of profit and loss and other comprehensive income for the year of the acquisition.

The results of subsidiaries acquired or sold during the year are included in the consolidated statement of profit and loss and other comprehensive income as from the date of their acquisition or up to the date of their sale.

Changes in the Group's participation in companies already controlled, which do not result in loss of control are recorded in equity. Consequently, the Group's interest and non-controlling shareholders' interest in these companies are adjusted so as to reflect the changes in the control of the subsidiaries. Differences between the non-controlling interests acquired or sold and the fair value of the purchase or sale, respectively, are recognized in equity.

Transactions, balances and dividends distributed between companies included in the consolidation are eliminated on consolidation. Capital gains resulting from the sale of participated companies within the Group are also eliminated in consolidation.

b) Associated companies

An associated company is one over which the Group has significant influence, but does not have control or joint control over decisions relating to their operating and financial policies.

Investments in associated companies (Note 5) are recorded in accordance with the equity method of accounting, except when the investment is classified as held for sale. Investments in associated companies are initially recorded at cost, which is subsequently increased or decreased by the difference between cost and the proportion of equity held in the companies, as of the acquisition date or the date the equity method is applied for the first time.

In accordance with the equity method, investments are periodically adjusted by the amount corresponding to the Group's share in the net results of the associated companies, by other changes in their equity, as well as by the recognition of impairment losses by corresponding entry to "Net financial gain and loss" (Note 14).

In addition, dividends received from these companies are recorded as decreases in the amount of the investment.

The Group suspends application of the equity method of accounting when the investment in the associated company is reduced to zero, and a liability is recognised only if the Group has a legal or constructive obligation to the associated company or to its creditors. If afterwards the associated company reports profits, the Group only resumes application of the equity method once its share of those profits equals the part of the losses not recognised.

The Group makes impairment assessments of investments in associated companies on an annual basis and whenever there are signs that the asset may be impaired, impairment losses being recognised as expenses. When impairment losses previously recognised cease to exist, they are reversed up to the limit of the impairment loss recognised.

Any excess of cost over the fair value of the identifiable net assets as of the date of acquisition is recorded as goodwill and included in the book value of the investment. Where cost is lower than the fair value of the identified net assets, the difference is recognised as income in the statement of profit and loss and other comprehensive income for the year of the acquisition.

Whenever necessary, adjustments are made to the financial statements of the associated companies to make them consistent with the accounting standards used by the Group.

c) Investments in other companies

Investments representing participations of less than 20%, for which there are no market references, are recorded at the lower of cost or estimated realizable value.

2.4 Goodwill

Goodwill corresponds to the excess of cost over the fair value of the identifiable assets and liabilities of a subsidiary as of its acquisition date. Where cost is lower than the fair value of the identifiable net assets, the difference is recognised as income in the statement of profit and loss and other comprehensive income for the year of the acquisition.

As a result of the exception established in IFRS 1, the Group did not apply retrospectively the provisions of IFRS 3 to acquisitions prior to 1 January 2004, and so goodwill arising on acquisitions prior to the transition to IFRS (1 January 2004) was maintained at the net book value as of that date determined in accordance with generally accepted accounting principles in Portugal.

Goodwill is recorded as an asset and is not amortised, being reflected separately on the statement of financial position. Goodwill is tested for impairment annually and whenever there are indications of a possible loss. Impairment losses are recorded immediately as costs in the statement of profit and loss and other comprehensive income and cannot be subsequently reversed (Note 17).

Goodwill is included in determining the gain or loss on the sale of a subsidiary.

2.5 Intangible assets

Intangible assets, which include software (except for that associated to tangible fixed assets), the cost of registering trademarks and titles, licenses and other rights of use, are recorded at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are only recognized when it is probable that they will generate future economic benefits for the Group, they are controllable and can be reliably measured.

Internal costs relating to maintenance and development of software are expensed as incurred in the statement of profit and loss and other comprehensive income, except where the development costs are directly related to projects which are expected to generate future financial benefits for the Group. In such situations, these costs are capitalised as intangible assets.

Intangible assets are amortized on a straight-line basis over their estimated useful lives, as from the time the assets are available for use, which varies from three to six years.

2.6 Tangible fixed assets

Tangible fixed assets acquired up to 1 January 2004 (date of transition to IFRS) are recorded at deemed cost, which corresponds to cost or restated cost based on price indices in accordance with tax legislation in force, less accumulated depreciation.

Fixed assets acquired after that date are stated at cost less accumulated depreciation and impairment losses. Acquisition cost is defined as the purchase price, plus related purchase expenses.

Estimated losses resulting from the replacement of equipment before the end of its useful life, due to technological obsolescence, are recognized as a decrease in the corresponding asset by corresponding entry to the statement of profit and loss and other comprehensive income for the year.

Current maintenance and repair costs are expensed as incurred. Improvements are only recognised as assets where they correspond to the replacement of assets which are written off, and result in increased future economic benefits.

Tangible fixed assets are depreciated from the time they become available for their intended use. Depreciation of cost less estimated residual value (if significant) is provided on a straight-line basis, from the month the asset becomes available for use, over the period of its expected useful life, as follows:

	Years
Buildings and other constructions	4 – 50
Machinery and equipment	3 – 10
Transport equipment	4
Administrative equipment	3 – 10
Other tangible fixed assets	4 – 8

2.7 Finance and operating leases

Leases are classified as (i) finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee and (ii) operating leases when the lease does not transfer substantially all the risks and rewards of ownership to the lessee.

Leases are classified as finance or operating leases based on the substance of the contracts rather than their form.

Tangible fixed assets acquired under finance lease contracts, as well as the corresponding liabilities, are recorded in accordance with the financial method. Under this method, the cost of the assets is recorded under tangible fixed assets, at the lower of the present value of the lease payments or their fair value at the inception of the lease, by corresponding entry to liabilities. The assets are depreciated in accordance with their estimated useful lives, the lease instalments being recorded as a reduction of the liability, and interest and depreciation of the asset are recognised as costs in the consolidated statement of profit and loss and other comprehensive income for the period to which they relate.

Operating lease instalments are charged to the consolidated statement of profit and loss and other comprehensive income on a straight-line basis over the term of the lease contract.

2.8 Investments properties

Investments properties consist essentially of land held for leasing, capital appreciation or both, and not for use in the production or supply of goods, rendering of services or for administrative purposes.

Investments properties are initially recorded at cost plus transaction costs, the Group having opted to maintain them at historical cost, less any impairment losses.

Maintenance, repair, insurance and tax costs, as well as any income realized on property investments are recognized in the consolidated statement of profit and loss and other comprehensive income for the period to which they relate.

2.9 Financial instruments

2.9.1 Trade and other receivables

Trade and other receivables classified as current assets are recorded at their nominal value which is understood to correspond to amortized cost, as they are expected to be received in the short term and this does not differ significantly from their fair value at the date they were contracted, less any impairment losses.

Impairment losses on trade and other receivables classified as current assets correspond essentially to the difference between the amount initially recognized and the estimated recoverable amount. The Group estimates impairment losses based on the age of the balances of the entities, the guarantees that may exist for each entity, the historical experience of each entity and information collected by the financial department relating to their financial situation and possible reasons for delays in their payments.

Trade and other receivables classified as non-current assets are recorded at amortized cost less eventual impairment losses. In measuring amortized cost the effective interest rate method was used, interest income having been applied over the expected life of the financial instruments, considering the contractual terms.

Impairment losses are recognized in the statement of profit and loss and other comprehensive income for the period in which they are estimated.

2.9.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, and bank deposits which mature in less than three months that are readily convertible to cash with an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents also include bank overdrafts, reflected under the caption “Bank Borrowings” in the statement of financial position.

2.9.3 Payables

Payables are recorded at their nominal value and, where applicable, by their amount discounted for possible interest calculated in accordance with the effective interest rate method.

2.9.4 Bank borrowings

Bank borrowings are initially recognised at the amount received, net of expenses relating to their issuance and are subsequently measured at amortised cost. Any difference between the amount received (net of issuance costs) and the amount payable is recognised in the statement of profit and loss and other comprehensive income over the term of the borrowing using the effective interest rate method.

Borrowings that mature in less than twelve months are classified as current liabilities, unless the Group has the unconditional right to defer their settlement for more than twelve months after the date of the statement of financial position.

2.9.5 Derivative financial instruments

The Group uses derivative financial instruments to hedge the financial risks to which it is exposed as a result of variations in exchange rates. The Group does not use derivative financial instruments for speculative purposes. The use of financial derivatives is governed by the Group’s policies approved by the Board of Directors. Derivative financial instruments are measured at fair value.

The possibility of designating a financial instrument as a hedging instrument obeys the provisions of IAS 39, as regards its documentation and effectiveness.

The derivative financial instruments contracted by the Group, although contracted for hedging purposes in accordance with the Group's hedging policies, do not comply with all the provisions of IAS 39 as regards the possibility of qualifying for hedge accounting, so, the variation in their are recognized in the statement of profit and loss and other comprehensive income for the period in which they occur.

2.10 Inventories and program broadcasting rights

Inventories are stated at the lower of cost or net realizable value, using the average cost method.

Net realizable value is estimated based on the Company's past experience in accordance with aging and inventory turnover criteria, considering also the possibility of their future use.

The Group records under the caption "Program broadcasting rights" the rights acquired from third parties to broadcast programs, by corresponding entry to the caption "Trade and other payables" when such rights come into force and the following conditions are met:

- The cost of the broadcasting rights is known or can be reasonably determined;
- The program contents have been accepted in accordance with the conditions established contractually; and
- The programs are available for broadcasting without restriction.

Program broadcasting rights correspond essentially to contracts or agreements with third parties for the broadcasting of soaps, films, series and other TV programs and are stated at specific acquisition cost. The cost of programs is recognized in the statement of profit and loss and other comprehensive income when the programs are broadcasted, considering the estimated number of broadcasts and estimated benefits of each broadcast.

In addition, advances made for the purchase of contents are recorded in the caption "Program broadcasting rights" by corresponding entry to "Trade and other payables".

Future financial commitments for the acquisition of programs are shown in Note 34.2.

Impairment losses (Notes 23 and 30) are recognised whenever the book value of inventories or broadcasting rights is greater than their estimated recoverable amount.

2.11 Provisions and contingent liabilities

Provisions are recognized when the Group has a present (legal or implied) obligation resulting from a past event, the resolution of which will probably require expending internal resources, the amount of which can be reasonably estimated.

Provisions for restructuring costs are only recognized when a detailed formal plan exists identifying the main characteristics of the plan, after the plan has been communicated to the entities involved.

The amount of provisions is reviewed and adjusted at the date of each statement of financial position so as to reflect the best estimate at that time.

When any of the above conditions is not met, the corresponding contingent liability is not recorded but only disclosed (Note 33), unless a future outflow of funds affecting future financial benefits is remote, in which case it is not disclosed.

2.12 Pension liability

Some of the Group companies have assumed the commitment to grant some of their employees and remunerated Board Members hired up to 5 July 1993, pension supplements for retirement due to age and incapacity. The pensions consist of a percentage which increases with the number of years of service to the company, applied to the salary table, or a fixed percentage applied to the base salary in force in 2002.

The liability for the payment of retirement, incapacity and survivor pensions is recorded in accordance with the provisions of IAS 19, which requires companies with pension plans to recognise the cost of granting such benefits as the services are rendered by the benefiting employees and board members.

Therefore, at the end of each accounting period the Group obtains an actuarial study made by an independent entity, in order to determine its liability at that date and the pension cost to be recognised in the period. The liability thus estimated is compared with the market value of the pension fund assets in order to determine the amount of contributions to be made or recorded.

The effect of changes in the assumptions and differences between the assumptions used and the actual amounts is considered as actuarial gain and loss, recorded under equity (other comprehensive income).

2.13 Income tax

Income tax for the year consists of current tax and deferred tax and is recorded in accordance with the provisions of IAS 12.

Impresa is covered by the special regime for the taxation of groups of companies (Regime Especial de Tributação dos Grupos de Sociedades - "RETGS")), which covers all the companies in which Impresa has a direct or indirect participation of at least 75% and comply with the other conditions of the regime. The other companies of the Impresa Group not covered by the special regime for the taxation of groups of companies are taxed individually based on their taxable income at the applicable tax rates.

In determining income tax cost for the year, in addition to current tax, the effect of deferred tax is also considered, calculated based on the variation between years of the difference between the book value of assets and liabilities at the end of each year and their corresponding value for tax purposes.

As established in the above rules, deferred tax assets are only recognized when there is reasonable assurance that they can be recovered in the future. At the end of each year, an assessment is made of deferred tax assets, and they are reduced whenever their future recovery stops being probable.

2.14 Subsidies

State subsidies received are recognized at their nominal value when there is reasonable certainty that they will be received and the Group companies will comply with the conditions required for their concession.

Operating subsidies are recognised in the statement of profit and loss and other comprehensive income in accordance with the the corresponding costs incurred.

Investment subsidies relating to the acquisition of assets are recorded as deferred income, being recognized as income for the year on a systematic basis over the useful life of the assets.

2.15 Revenue

Revenue from sales (relating mainly from the sale of newspapers, magazines, books and other publications) is recognised in the consolidated statement of profit and loss and other comprehensive income when all the risks and rewards of ownership are transferred to the buyer and the corresponding income can be reasonably quantified. Returns are recorded as a reduction of sales for the period to which they relate. Sales are recognized net of taxes, discounts and other costs relating to their realization.

Income from subscriptions to regular publications is deferred over the subscription period.

Income from services rendered (essentially the sale of advertising space in newspapers, magazines, television and the Internet, and from value added services) is recognised in the consolidated statement of profit and loss and other comprehensive income when the advertising is inserted or broadcasted. Services rendered are recognised net of taxes, discounts and other costs relating to their realisation.

Income relating to the ceding of broadcasting rights of the general channel and theme channels, essentially to cable television operators, is recognized in the consolidated statement of profit and loss and other comprehensive income over the period they are ceded.

Income relating to the ceding of transmission rights of programs or of the rights of the respective formats to third parties is recognized in the consolidated statement of profit and loss and other comprehensive income when the risks and benefits are transferred and the income can be reliably estimated and is probable:

In summary:

Income	Classification	Time of recognition
Sale of publications	Sales	When the publications are on the stands
Sale of books and other publications	Sales	When the goods are on the stands
Broadcasting of advertisements	Services rendered	When the advertising is broadcasted
Publication of advertisements	Services rendered	When the advertising is published
Value added services	Services rendered	When the services are rendered
Broadcasting rights on channels	Services rendered	When the rights are ceded
Broadcasting rights ceded	Services rendered	In the moment the rights are ceded

2.16 Accruals basis

Costs and income are recorded in the period to which they relate, independently of when they are paid or received. Where the amount of costs and revenue is not known it is estimated.

Interest and financial income are recognized on an accruals basis in accordance with the applicable effective interest rate.

2.17 Impairment of assets, excluding goodwill

The Group makes impairment tests of tangible and intangible fixed assets whenever events or changes in circumstances are identified that indicate that the amount of an asset may not be recovered. Where such indications exist, the recoverable amount of the asset is estimated in order to determine the amount of any impairment loss.

The recoverable amount is estimated for each asset individually or, when this is not possible, for the cash flow generating unit to which the asset belongs.

The recoverable amount is the higher of net selling price and value of use. Net selling price is the amount that could be obtained from the sale of the asset in a transaction between knowledgeable independent entities, less the costs directly attributable to the sale. Value in use is the present value of the estimated future cash flows discounted based on discount rates that reflect the present value of the capital and the specific risk of the assets.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised in the consolidated statement of profit and loss and other comprehensive income for the period to which it refers. When an impairment loss is subsequently reversed the book value of the asset is adjusted to its estimated value. However, impairment losses are reversed only up to the amount that would have been recognised had no impairment loss been recognised for the asset, net of amortisation or depreciation, in prior years. The reversal of impairment losses is recognised immediately in the consolidated statement of profit and loss and other comprehensive income.

2.18 Foreign currency balances and transactions

Foreign currency assets and liabilities are translated to Euros at the exchange rates prevailing as of the date of the consolidated statement of financial position, published by financial institutions. Exchange gains and losses arising from differences between the historical exchange rates and those prevailing at the date of collection, payment or at the date of the consolidated statement of financial position are recorded as income or costs in the consolidated statement of profit and loss and other comprehensive income for the period.

2.19 Classification in the statement of financial position

Assets realizable and liabilities payable in less than one year from the date of the consolidated statement of financial position are classified as current assets and liabilities, respectively.

2.20 Subsequent events

Events that occur after the year end that provide additional information of conditions that existed at the statement of financial position date are reflected in the consolidated financial statements.

Events that occur after the year end that provide additional information of conditions that occurred after the statement of financial position date, if material, are disclosed in the notes to the consolidated financial statements.

3. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

In the year ended 31 December 2015, there were no changes in accounting policies in relation to those used in the consolidated financial statements for the year ended 31 December 2014, nor were material errors relating to prior periods recognized.

The more significant accounting estimates reflected in the consolidated financial statements as of 31 December 2015 and 2014 include:

- Impairment analysis of goodwill and other non-current assets;
- The recording of provisions;
- Useful lives of tangible fixed assets;
- Recovery of deferred tax assets;
- Dates of broadcasting of program exhibition rights;
- Impairment adjustments of receivables;
- Definition of technical actuarial assumptions and bases;
- Analysis of the value of unlisted financial instruments.

The revision of a prior period estimate is not considered as an error. Changes in estimates are only recognized prospectively in results and are subject to disclosure when the effect is significant. Estimates are determined based on the best information available at the time of preparing the consolidated financial statements.

(Amounts stated in Euros)

4. COMPANIES INCLUDED IN THE CONSOLIDATION

The companies included in the consolidation by the full consolidation method, their head offices and the proportion of capital effectively held in them at 31 December 2015 and 2014 are as follows:

Company	Head office	Main activity	Percentage effectively held	
			2015	2014
Impresa - Sociedade Gestora de Participações Sociais, S.A. (parent company)	Lisbon	Holding company	Parent	Parent
Impresa Publishing, S.A. ("Impresa Publishing")	Lisbon	Publishing	100,00%	100,00%
Medipress - Sociedade Jornalística e Editorial, Lda. ("Medipress")	Lisbon	Publishing	100,00%	100,00%
Impresa Serviços e Multimédia- Sociedade Unipessoal, Lda. ("ISM") (a)	Lisbon	Multimedia production and management of administrative and financial services	-	100,00%
SIC - Sociedade Independente de Comunicação, S.A. ("SIC")	Carnaxide	Television	100,00%	100,00%
GMTS - Global Media Technology Solutions - Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal, Lda. ("GMTS")	Carnaxide	Rendering of services	100,00%	100,00%
InfoPortugal - Sistemas de Informação e Conteúdos, S.A. ("InfoPortugal")	Matosinhos	Multimedia production	100,00%	100,00%
Impresa Service & Office Share - Gestão de Imóveis e Serviços, S.A. ("IOSS") (b)	Oeiras	Management of real estate and services	100,00%	100,00%

(a) ISM was merged into Impresa with effects from 1 January 2015.

(b) Company previously called Office Share - Gestão de Imóveis e Serviços, S.A..

5. ASSOCIATED COMPANIES

Investments in associated companies are recorded in accordance with the equity method. Their head offices and the proportion of capital effectively held in them by the Group at 31 December 2015 and 2014 are as follows:

Company	Head office	Percentage effectively held	
		2015	2014
Vasp – Distribuidora de Publicações, S.A. (“Vasp”) (a)	Cacém	33,33%	33,33%
Lusa – Agência de Notícias de Portugal, S.A. (“Lusa”) (a)	Lisbon	22,35%	22,35%
Visapress - Gestão de Conteúdos dos Media, C.R.L. ("Visapress") (b)	Lisbon	21,43%	21,43%

(a) These participations are held directly by Impresa.

(b) Management of contents cooperative participated in by Impresa, Medipress and Impresa Publishing. As financial statements of that entity as of 31 December 2015 do not yet exist, the equity method was not applied. The Group believes that the effect of this is not significant for the presentation of its consolidated results.

6. OTHER COMPANIES

The investments in other companies and the proportion of capital held in them by the Group at 31 December 2015 and 2014 are as follows:

Company	Percentage effectively held	
	2015	2014
NP - Notícias de Portugal, C.R.L. (“NP”) (a)	10,71%	10,71%
ITEXAMPLE, ACE	-	4,41%
NoniusSoft, Software e Consultoria para Telecomunicações, S.A. ("Noniussoft") (b)	-	14,67%
Nexponor (c)	0,001%	0,001%

(a) Participation held by Impresa Publishing and SIC.

(b) Participation acquired by Impresa in July 2012. In 2015 the Company sold the full amount of this participation (Note 20).

(c) Participation acquired by Impresa in April 2013.

These investments are recorded at the lower of cost or estimated realizable value.

7. CHANGES IN THE GROUP

The following changes took place in the Group's consolidation perimeter in the year ended 31 December 2015:

- In March 2015 ISM was merged into Impresa with retroactive effect from 1 January 2015.

The following changes took place in the Group's consolidation perimeter in the year ended 31 December 2014:

- In December 2014 Olhares.com was merged into InfoPortugal, with retroactive effect from 1 January 2014.

8. SEGMENT REPORTING

The segments identified by the Group are based on identification of the segments in accordance with the financial information reported internally to the Board of Directors that supports it in the assessment of the performance of the businesses and the taking of decisions as to the allocation of resources to be used. The segments identified by the Group for segment reporting purposes are therefore consistent with the form in which the Board of Directors analyses its business.

Therefore, the Group identified the following reporting segments:

Television – The Group is the sole shareholder of SIC which broadcasts in open signal and by cable, under broadcasting licences, the television channels "SIC", "SIC Notícias", "SIC Radical", "SIC Internacional", "SIC Mulher", SIC K and SIC Caras. In addition, the Group includes GMTS in this segment.

Publishing – The Group publishes a wide range of newspapers and magazines covering several themes, including business, politics and society, namely, among others, the weekly newspaper "Expresso", and the magazines "Visão", "Exame" and "Caras".

Others – Includes the Group's holding company, IOSS and InfoPortugal that operates in the geographic information systems area (SIG).

In the Publishing segment, sales to VASP Group contributed 9.2% and 9.4%, respectively, of the Group's revenue reflected in the statement of profit and loss and other comprehensive income for the years ended 31 December 2015 and 2014, corresponding to 21,283,269 Euros and 22,403,409 Euros, respectively (Note 35). VASP is an intermediary between the publishers and the distribution network to the final customer, in which Impresa has a 33.33% participation (Note 5). In addition, advertising revenue results essentially from purchases from Group companies by six media centrals that operate as intermediaries between the advertiser and the social communication entities.

Inter-segment transactions are recorded using the same principles as transactions with third parties. The accounting policies of each segment are the same as those of the Group.

(Amounts stated in Euros)

a) Reporting by main segment – Business segment:

At 31 December 2015:

	Television	Publishing	Other	Total segments	Eliminations	Consolidated total
Operating revenue						
Services rendered - external costumers	170,979,748	26,744,710	1,997,797	199,722,255	-	199,722,255
Services rendered - intersegment	718,203	20,184	5,739,880	6,478,267	(6,478,267)	-
Sales - external costumers	-	28,054,742	-	28,054,742	-	28,054,742
Other operating revenue - external costumers	1,862,080	952,288	331,041	3,145,409	-	3,145,409
Other operating revenue - intersegment	84,501	-	-	84,501	(84,501)	-
Total operating revenue	173,644,532	55,771,924	8,068,718	237,485,174	(6,562,768)	230,922,406
Operating costs						
Cost of programs broadcast and goods sold	(75,114,797)	(7,396,588)	-	(82,511,385)	-	(82,511,385)
External supplies and services	(45,343,937)	(24,959,772)	(3,581,100)	(73,884,809)	6,562,768	(67,322,041)
Personnel costs	(27,660,865)	(19,435,914)	(8,801,640)	(55,898,419)	-	(55,898,419)
Depreciation and amortization of tangible and intangible fixed assets	(2,918,537)	(297,717)	(628,751)	(3,845,005)	-	(3,845,005)
Provisions (Note 30)	(450,689)	(144,000)	-	(594,689)	-	(594,689)
Other operating costs	(1,347,819)	(207,158)	(496,254)	(2,051,231)	-	(2,051,231)
Total operating costs	(152,836,644)	(52,441,149)	(13,507,745)	(218,785,538)	6,562,768	(212,222,770)
Operating profit/(loss)	20,807,888	3,330,775	(5,439,027)	18,699,636	-	18,699,636
Financial items:						
Gain and loss on associated companies	-	-	(19,338)	(19,338)	-	(19,338)
Other financial items	(4,632,483)	(907,582)	(6,425,671)	(11,965,736)	-	(11,965,736)
	(4,632,483)	(907,582)	(6,445,009)	(11,985,074)	-	(11,985,074)
Operating profit/(loss) before taxes	16,175,405	2,423,193	(11,884,036)	6,714,562	-	6,714,562
Income tax	(4,322,121)	(633,808)	2,269,026	(2,686,903)	-	(2,686,903)
Profit/(loss) per segment	11,853,284	1,789,385	(9,615,010)	4,027,659	-	4,027,659

At 31 December 2014:

	Television	Publishing	Other	Total segments	Eliminations	Consolidated total
Operating revenue						
Services rendered - external costumers	175,512,827	29,333,615	1,804,446	206,650,888	-	206,650,888
Services rendered - intersegment	579,785	73,372	5,706,093	6,359,250	(6,359,250)	-
Sales - external costumers	-	28,820,112	-	28,820,112	-	28,820,112
Other operating revenue - external costumers	1,430,286	540,268	338,505	2,309,059	-	2,309,059
Other operating revenue - intersegment	75,276	-	-	75,276	(75,276)	-
Total operating revenue	177,598,174	58,767,367	7,849,044	244,214,585	(6,434,526)	237,780,059
Operating costs						
Cost of programs broadcast and goods sold	(72,423,755)	(8,974,826)	-	(81,398,581)	-	(81,398,581)
External supplies and services	(45,302,313)	(25,208,366)	(3,731,531)	(74,242,210)	6,434,526	(67,807,684)
Personnel costs	(26,931,508)	(19,453,812)	(7,304,499)	(53,689,819)	-	(53,689,819)
Depreciation and amortization of tangible and intangible fixed assets	(2,749,808)	(348,369)	(713,196)	(3,811,373)	-	(3,811,373)
Impairment losses (Note 30)	(239,523)	-	-	(239,523)	-	(239,523)
Provisions (Note 30)	(184,470)	(180,000)	-	(364,470)	-	(364,470)
Other operating costs	(1,027,240)	(420,064)	(1,128,093)	(2,575,397)	-	(2,575,397)
Total operating costs	(148,858,617)	(54,585,437)	(12,877,319)	(216,321,373)	6,434,526	(209,886,847)
Operating profit/(loss)	28,739,557	4,181,930	(5,028,275)	27,893,212	-	27,893,212
Financial items:						
Gain and loss on associated companies	-	-	329,590	329,590	-	329,590
Other financial items	(1,116,322)	(1,943,705)	(8,611,021)	(11,671,048)	-	(11,671,048)
	(1,116,322)	(1,943,705)	(8,281,431)	(11,341,458)	-	(11,341,458)
Operating profit/(loss) before taxes	27,623,235	2,238,225	(13,309,706)	16,551,754	-	16,551,754
Income tax	(7,741,154)	(712,696)	2,908,440	(5,545,410)	-	(5,545,410)
Profit/(loss) per segment	19,882,081	1,525,529	(10,401,266)	11,006,344	-	11,006,344

(Amounts stated in Euros)

Assets, liabilities and other significant information by segment and reconciliation to the consolidated totals are as follows:

At 31 December 2015:

	Television	Publishing	Other	Total of segments	Eliminations	Consolidated total
Goodwill	17,499,139	32,270,000	251,123,682	300,892,821	-	300,892,821
Investments	6,235	12,470	4,019,167	4,037,872	-	4,037,872
Other assets	84,140,930	16,729,188	27,782,382	128,652,500	(30,109,486)	98,543,014
Total assets	101,646,304	49,011,658	282,925,231	433,583,193	(30,109,486)	403,473,707
Bank borrowings	17,163,070	3,950,958	155,201,252	176,315,280	-	176,315,280
Other liabilities	60,121,340	18,355,147	37,018,562	115,495,049	(30,109,486)	85,385,563
Total liabilities	77,284,410	22,306,105	192,219,814	291,810,329	(30,109,486)	261,700,843
Other information:						
Increases in tangible fixed assets (Note 19)	2,949,930	97,422	258,856	3,306,208	-	3,306,208
Depreciation and amortization for the year	2,918,537	297,717	628,751	3,845,005	-	3,845,005
Impairment losses except goodwill (Note 30)	870,839	14,931	-	885,770	-	885,770
Reversal of impairment losses (Note 30)	32,191	30,395	3,185	65,770	-	65,770
Utilization of impairment losses (Note 30)	129,420	214,911	-	344,331	-	344,331
Average number of personnel	542	408	127	1,077		1,077

At 31 December 2014:

	Television	Publishing	Other	Total of segments	Eliminations	Consolidated total
Goodwill	17,499,139	32,270,000	251,123,682	300,892,821	-	300,892,821
Investments	6,235	12,470	6,573,494	6,592,199	-	6,592,199
Other assets	95,686,646	17,040,856	36,748,636	149,476,138	(49,881,074)	99,595,064
Total assets	113,192,020	49,323,326	294,445,812	456,961,158	(49,881,074)	407,080,084
Bank borrowings	17,389,249	18,412,945	145,417,273	181,219,467	-	181,219,467
Other liabilities	63,412,095	27,371,315	47,362,403	138,145,813	(49,881,074)	88,264,739
Total liabilities	80,801,344	45,784,260	192,779,676	319,365,280	(49,881,074)	269,484,206
Other information:						
Increases in tangible fixed assets (Note 19)	2,267,860	220,537	13,965	2,502,362	-	2,502,362
Depreciation and amortization for the year	2,749,803	348,368	713,202	3,811,373	-	3,811,373
Impairment losses except goodwill (Note 30)	708,206	33,796	329,097	1,071,099	-	1,071,099
Reversal of impairment losses (Note 30)	125,255	40,110	-	165,365	-	165,365
Utilization of impairment losses (Note 30)	2,500,000	34,894	-	2,534,894	-	2,534,894
Average number of personnel	589	413	117	1,119		1,119

The column "Others" corresponds essentially to assets and liabilities recorded by Impresa whose activities consist essentially of managing investments, and so the corresponding assets include goodwill relating to the television, publishing and others segments in the amounts of 228,524,334 Euros, 20,130,344 Euros and 2,469,014 Euros, respectively, as well as the corresponding liabilities, namely bank loans used to acquire the investments.

b) Reporting by secondary segments – Geographic markets:

Operating revenue by geographic market for the years ended 31 December 2015 and 2014 were as follows:

	Portugal		Other markets		Consolidated total	
	2015	2014	2015	2014	2015	2014
Services rendered	188,376,907	199,545,070	11,345,348	7,105,818	199,722,255	206,650,888
Sales	27,997,863	28,755,587	56,879	64,525	28,054,742	28,820,112
Other operating income	3,145,409	2,309,059	-	-	3,145,409	2,309,059
Total operating income	219,520,179	230,609,716	11,402,227	7,170,343	230,922,406	237,780,059

At 31 December 2015 and 2014 there were no acquisitions of non-current assets relating to the segment "Other markets". In addition, more than 99% of the Group's assets and liabilities at 31 December 2015 and 2014 relate to the Portugal geographic segment.

(Amounts stated in Euros)

9. SERVICES RENDERED AND SALES BY ACTIVITY

Services rendered and sales for the years ended 31 December 2015 and 2014 were as follows:

	2015	2014
Services rendered:		
Television		
Publicity	93,892,439	94,639,569
Subscription to channels	50,423,742	45,125,528
Others (a)	26,663,567	35,747,730
	170,979,748	175,512,827
Publishing:		
Publicity	25,582,043	27,110,453
Others	1,162,667	2,223,162
	26,744,710	29,333,615
Others:		
Digital mapping	1,768,676	1,568,160
Others	229,121	236,286
	1,997,797	1,804,446
Total services rendered	199,722,255	206,650,888
Sales:		
Publications	25,002,256	25,698,074
Others - publishing	3,052,486	3,122,038
Total sales	28,054,742	28,820,112
Total services rendered and sales	227,776,997	235,471,000

(a) This caption includes essentially income from contests and telephone participation initiatives and the sale of contents.

10. OTHER OPERATING REVENUE AND COSTS

Other operating revenue for the years ended 31 December 2015 and 2014 was as follows:

	2015	2014
Reversal of provisions (Note 30.2)	1,783,237	181,802
Supplementary income and other operating income (a)	1,123,880	1,089,937
Subsidies	172,522	477,185
Reversal of impairment losses (Note 30.1)	65,770	165,365
Liquidation of FICA (Note 21)	-	394,770
	3,145,409	2,309,059

(a) In 2015 and 2014 this caption corresponded essentially to income received from sponsorships.

Other operating costs for the years ended 31 December 2015 and 2014 were as follows:

	2015	2014
Impairment losses on receivables (Note 30.1)	885,770	831,576
Taxes	844,107	1,480,362
Subscriptions	192,858	150,420
Other operating costs	128,496	113,039
	2,051,231	2,575,397

(Amounts stated in Euros)

11. COST OF PROGRAMS BROADCAST AND GOODS SOLD

The cost of programs broadcast and goods sold in the years ended 31 December 2015 and 2014 was as follows:

	2015	2014
Programs broadcast	75,114,797	72,423,755
Raw materials consumed	5,934,574	6,785,005
Merchandise sold	1,462,014	2,189,821
	82,511,385	81,398,581

12. SUPPLIES AND SERVICES

This caption for the years ended 31 December 2015 and 2014 was made up as follows:

	2015	2014
Subcontracts	17,012,482	16,767,873
Specialized work	10,320,414	9,921,297
Prizes to be given	10,068,152	11,294,554
Communication	8,135,567	8,789,362
Maintenance and repairs	4,528,264	4,193,547
Publicity and propaganda	3,986,440	4,157,649
Lease and rent	3,388,937	3,532,986
Royalties	1,376,122	147,483
Fees	3,298,789	3,570,825
Others	5,206,874	5,432,108
	67,322,041	67,807,684

13. PERSONNEL COSTS

Personnel costs for the years ended 31 December 2015 and 2014 are made up as follows:

	2015	2014
Salaries	41,944,316	42,139,843
Charges on remuneration and other personnel costs	10,200,847	10,892,501
Indemnities	3,753,256	657,475
	55,898,419	53,689,819

The average number of employees of the companies included in the consolidation in 2015 and 2014 was 1,085 and 1,119, respectively.

(Amounts stated in Euros)

14. NET FINANCIAL EXPENSES

Net financial expenses for the years ended 31 December 2015 and 2014 are made up as follows:

	2015	2014
Loss and gain on associated companies: (a)		
Loss on associated companies	(268,253)	(101,695)
Gain on associated companies	248,915	431,285
	(19,338)	329,590
Interest and other financial costs:		
Interest	(7,401,584)	(10,062,184)
Exchange losses (b)	(3,561,444)	(334,587)
Other financial costs (c)	(1,031,131)	(1,288,318)
	(11,994,159)	(11,685,089)
Other financial income:		
Interest	14,723	9,906
Exchange gain	8,323	233
Financial discount received	3,360	3,902
Other financial income	2,017	-
	28,423	14,041
Net financial expenses	(11,985,074)	(11,341,458)

(a) This caption is made up as follows:

	2015	2014
Vasp (Note 20)	248,716	414,917
Lusa (Note 20)	(268,253)	(101,695)
Outros (Note 20)	199	16,368
	(19,338)	329,590

(b) The variation in the caption “Exchange losses” in 2015 in relation to the preceding year is due essentially to valorization of the US Dollar in relation to the Euro, given that the Group maintains a recurring significant amount of accounts payable in USD. In addition, in 2015 the Group did not contract any derivative instrument to hedge exchange differences in that currency.

(c) This caption corresponds essentially to bank charges.

15. DIFFERENCES BETWEEN ACCOUNTING AND TAX RESULTS

Impresa is subject to Corporation Income Tax under the Special Regime for the Taxation of Groups of Companies (Regime Especial de Tributação dos Grupos de Sociedades - “RETGS”) together with its subsidiaries: Impresa Publishing, Medipress, SIC, GMTS, IOSS and Infoportugal.

Impresa and its subsidiaries are subject to corporate income tax at the rate of 21% of taxable income. In addition, taxation is increased by a Municipal Surcharge of up to 1.5% of taxable income, resulting in a maximum aggregate tax rate of 22.5%.

In addition, taxable income exceeding 1,500,000 Euros is subject to State surcharge at the following rates:

- 3% on taxable profit from 1,500,000 Euros to 7,500,000 Euros;
- 5% for taxable profit from 7,500,000 Euros to 35,000,000 Euros;
- 7% on taxable profit exceeding 35,000,000 Euros.

Net financial costs for 2015 are deductible for determining the Group’s annual taxable income up to the greater of the following limits:

- 1,000,000 Euros;
- 50% of the profit before amortization and depreciation, net financial costs and taxes.

(Amounts stated in Euros)

Furthermore, in 2016 the deduction of net financial costs for purposes of determining taxable income is limited each year progressively up to 2017 to the greater of the following limits:

- 1,000,000 Euros;
- 40% (30% in 2017) of the result before depreciation and amortization, net financial costs and taxes.

In accordance with article 88 of the Corporation Income Tax Code, the Group is subject to autonomous taxation of certain charges at the rates established in the article.

The Impresa Group's Board of Directors believes that possible corrections to the tax returns resulting from revisions/inspections by the Tax Administration will not have a significant effect on the consolidated financial statements as of 31 December 2015 and 2014.

Current tax assets and liabilities at 31 December 2015 and 2014 are made up as follows:

	2015	2014
Current tax assets		
Estimated tax	(2,323,918)	-
Additional payments on account	905,274	-
Payments on account	2,773,336	-
Special payments on account	34,448	-
Withholdings at source	305,344	-
	1,694,484	-
Current tax liabilities		
Estimated tax	-	5,248,826
Additional payments on account	-	(933,638)
Payments on account	-	(3,869,933)
Special payments on account	-	(139,709)
Withholdings at source	-	(298,205)
	-	7,341

The Group records deferred taxes resulting from temporary differences between the accounting and tax bases of its assets and liabilities. The following deferred tax assets were recognized at 31 December 2015 and 2014:

(a) Temporary differences – Changes in deferred tax assets

31 December 2015:

	Deferred tax assets				
	Impairment losses on receivables	Provisions for other risks and charges	Impairment losses on investments properties	Other	Total
Balance at 31 December 2014	319,260	592,369	65,869	6,316	983,814
Increase/(decrease)	(36,768)	(326,138)	-	-	(362,906)
Balance at 31 December 2015	282,492	266,231	65,869	6,316	620,908

(Amounts stated in Euros)

31 December 2014:

	Deferred tax assets					
	Impairment losses on receivables	Provisions for other risks and charges	Impairment losses on available-for-sale investments	Impairment losses on investments properties	Others	Total
Balance at 31 December 2013	315,090	603,929	343,750	-	6,877	1,269,646
Effect of change in tax rate	(16,853)	(11,560)	-	-	(561)	(28,974)
Increases/(decreases)	21,023	-	(343,750)	65,869	-	(256,858)
Balance at 31 December 2014	319,260	592,369	-	65,869	6,316	983,814

(b) Temporary differences – Changes in deferred tax liabilities

31 December 2015:

	Pension plan
Balance at 31 December 2014	353,515
Increase/(decrease) affecting other comprehensive income	43,352
Increase/(decrease) affecting profit and loss	79
Balance at 31 December 2015	396,946

31 December 2014:

	Pension plan
Balance at 31 December 2013	472,581
Effect of change in the tax rate	(30,469)
Increase/(decrease) affecting other comprehensive income	(99,349)
Increase/(decrease) affecting profit and loss	10,752
Balance at 31 December 2014	353,515

In accordance with current legislation, tax losses can be carried forward during a period of 12 years after their occurrence for deduction from taxable income generated in that period, limited to 70% of the Group's taxable income in each year, applicable also to tax losses incurred in prior years. At 31 December 2015 and 2014 the Group did not have tax losses carried forward.

c) Reconciliation of the tax rate

Income tax for the years ended 31 December 2015 and 2014 was as follows:

	2015	2014
Pre-tax profit	6,714,562	16,551,754
Nominal tax rate	21%	23%
	1,410,058	3,806,903
Effect of change in the tax rate on deferred tax	-	28,974
Permanent differences	147,581	(194,262)
Adjustments to income tax (i)	322,531	446,575
Municipal and State Surcharge	806,733	1,457,220
Income tax	2,686,903	5,545,410
Current tax	2,323,918	5,248,826
Deferred tax for the year	362,985	296,584
	2,686,903	5,545,410

(i) This amount corresponds to the autonomous taxation of certain expenses.

(Amounts stated in Euros)

16. EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended 31 December 2015 and 2014 were computed based on the following information:

	2015	2014
Number of shares		
Weighted average number of shares for purposes of computing basic earnings per share (Note 27)	168,000,000	168,000,000
Earnings		
Earnings for purposes of computing basic earnings per share (net profit for the year)	4,027,659	11,006,344
Earnings for purposes of computing comprehensive earnings per share (comprehensive income for the year)	4,176,986	10,730,656
Earnings per share:		
Basic	0,0240	0,0655
Diluted	0,0240	0,0655
Comprehensive income for the year per share:		
Basic	0,0249	0,0639
Diluted	0,0249	0,0639

There were no diluting effects in the years ended 31 December 2015 and 2014 and so the basic and diluted earnings per share are the same.

17. GOODWILL

There were no changes in the caption goodwill in the years ended 31 December 2015 and 2014.

Goodwill at 31 December 2015 and 2014 is made up as follows:

Company	2015	2014
Television:		
Recognized by the holding companies	228,524,334	228,524,334
Recognized by SIC	17,499,139	17,499,139
	246,023,473	246,023,473
Magazines:		
Recognized by Medipress	32,270,000	32,270,000
Newspapers (recognized by the holding companies)	20,130,334	20,130,334
InfoPortugal (recognized by Impresa)	2,065,500	2,065,500
Olhares.com (recognized by Infoportugal)	403,514	403,514
	22,599,348	22,599,348
	300,892,821	300,892,821

In compliance with the provisions of IFRS 3, the Group makes impairment tests of goodwill at 31 December of each year or whenever there are indications of impairment. For purposes of impairment tests, goodwill has been attributed to the identified cash generating units, considering, as a cash generating unit, the smallest identifiable group of cash generating assets that are largely independent of the cash flow of other assets or groups of assets. The cash generating units identified for this purpose, to which goodwill was attributed, were the following:

- Television: corresponding to the generalist channel SIC, the theme channels SIC Notícias, SIC Mulher, SIC Radical, SIC K, SIC Internacional and SIC Caras owned by the legal entity SIC, and to GMTS;

- Magazines: corresponding to several publications in magazine format with the titles Caras, Visão, Exame, TV Mais, Activa, Blitz, Telenovelas, among others, which are owned by the legal entity Medipress;

- Newspapers: corresponding essentially to the newspaper Expresso, which is owned by the legal entity Impresa Publishing;

- InfoPortugal: corresponding essentially to the digital mapping business, including also goodwill of Olhares.com recorded by Infoportugal since, as a result of the merger between the two companies, it is not possible to analyze it separately.

Approach used to determine the amounts attributed to key assumptions

The Group requested a specialised independent entity to test impairment of goodwill of television, magazines and newspapers as of 31December 2015 and 2014, as they are the most significant amounts and are considered to be the more complex for determination of the recoverable amount. The Group made internal tests of the impairment of goodwill of the remaining cash generating units.

The discounted cash flow method was used to test impairment of goodwill, based on cash flow projections for five years for each cash generating unit, a perpetuity being considered as from the fifth year.

The financial projections are prepared based on assumptions of the evolution of the business of the cash generating units, which the Board of Directors believes are coherent with historical experience and the market tendencies, being reasonable and prudent and which reflect their vision and that of the consultants involved in their preparation. In addition, whenever possible data obtained from the external entities were considered, which were compared with historical data and the Group's experience.

The discount rates used reflect the level of indebtedness and the borrowing cost of each cash generating unit, as well as the risk level and profitability expected by the market. In addition, in determining the discount rates, an interest rate applicable to assets without risk was used considering the interest rates of ten year German bonds plus a country risk premium corresponding to the average spread between the Portuguese and German 10 year bonds. The discount rates used also include a market risk premium, estimated by the external consultants that made the impairment studies.

The perpetuity growth rate was estimated based on an analysis of the potential market of each cash generating unit, considering the expectations of the Board of Directors and the external consultants involved in the valuations. For this purpose the external consultants considered a sample of Iberian companies.

The main changes made in the impairment analyses as of 31 December 2015 in relation to past experience are as follows:

- decrease in the discount rate resulting essentially from the decrease in the risk of the Portuguese sovereign debt;
- decrease in circulation during the projected period in relation to that previously estimated;
- decrease in the advertising market during the projected period in relation to that previously estimated;
- decrease in other income, namely in the television segment.

Impairment tests in the year ended 31 December 2015:

As a result of the impairment tests carried out, in the year ended 31 December 2015 the Group did not identify any impairment of goodwill.

Television:

The recoverable amount of this cash generating unit was determined considering the financial projections of the Television cash generating unit for a period of five years, using a discount rate of 7.84% (8.13% at 31 December 2014) and a perpetuity growth rate of 2% (2% in 2014).

The main business assumptions considered were as follows:

- Advertising market: an annual compound growth rate throughout the period of the projections of 2.5%, for the market relating to generalist channels and 4.4% for the paid channel;
- Advertising and audience market share: these variables were considered constant in relation to 2015 for the 5 year period of the projections;
- Programming cost: a small decrease was estimated for 2016 and an increase of 1% in the remaining years of the projection;
- Automatic renewal of the television operating licences at the end of their term, without additional costs;
- Maintenance of the current open signal transmission costs of the SIC generalist channel, as well as operating continuity of the current theme channels.

The impairment tests carried out assume maintenance of the current number of open signal television broadcasting channels, as well as the current limit of advertising space in each of these channels and other sector regulations.

The Company carried out the following sensitivity tests:

- a 1% decrease in advertising income of the cash generating unit resulting from a 1% decrease in advertising target market income over the period of the projection would not imply the need to record an impairment loss at 31 December 2015;
- a 0.5% increase in the assumed discount rate for the years of the projections would not imply the need to record an impairment loss at 31 December 2015;
- a decrease in the perpetuity growth rate to 1.75% would not imply the need to record an impairment loss at 31 December 2015.

Magazines:

The recoverable amount of this cash generating unit was determined considering the financial projections of the Magazines for a five year period, using a discount rate of 8.30% (8.15% at 31 December 2014) and a perpetuity growth rate 0.5% (0.5% in 2014).

The main assumptions considered were as follows:

- Advertising market: an annual compound growth rate of 1.4% was considered for the period of the projections;
- Advertising market share: a slight recovery was considered over the remaining period of the projections;
- Circulation: a slight decrease in magazine circulation was estimated over the years of the projection;
- Portfolio: maintenance of the current magazine publications.

The Company made the following sensitivity analyses:

- a 1% decrease in advertising income of the cash generating unit resulting from a 1% projected decrease in advertising target market income over the period of the projection would not imply the need to record an impairment loss at 31 December 2015;
- a 0.5% increase in the assumed discount rate over the years of the projections would not imply the need to record an impairment loss at 31 December 2015;

The Group does not consider it reasonable to assume a perpetuity growth rate of less than 0.5%.

Newspapers:

The recoverable amount of this cash generating unit was determined considering the financial projections of the Newspapers for a five year period, using a discount rate of 8.28% (8.16% at 31 December 2014) and a perpetuity growth rate 0.5% (0.5% in 2014).

The main assumptions considered were as follows:

- Advertising market: an annual compound increase rate of 1.4% was considered for the period of the projections;

- Advertising market share: recovery over the period of the projections was estimated;

- Circulation: a slight decrease was considered over the years of the projection.

The Company made the following sensitivity analyses:

- a 1% decrease in advertising income of the cash generating unit resulting from an assumed 1% decrease in advertising target market income over the period of the projection would not imply the need to record an impairment loss at 31 December 2015;

- a 0.5% increase in the assumed discount rate for the years of the projections would not imply the need to record an impairment loss at 31 December 2015.

The Group does not consider it reasonable to assume a perpetuity growth rate of less than 0.5%.

InfoPortugal, including Olhares.com:

The recoverable amount of these cash generating units was determined considering the financial projections of the digital mapping business and Olhares.com portal for a five year period using a discount rate of 7.64% (8.18% at 31 December 2014) and a perpetuity growth rate 2.5% (2.5% in 2014).

The main assumptions considered in the projections for 2015 assume recovery of operations and a 6.2% annual compound increase rate over the remaining period of the projections.

In addition, reasonable possible changes were not identified in the key assumptions of the valuations on which the Company based itself to determine the recoverable value that would imply the need to record additional impairment losses at 31 December 2015.

(Amounts stated in Euros)

18. INTANGIBLE ASSETS

The changes in intangible assets and related accumulated amortization and impairment losses in 2015 and 2014 were as follows:

31 December 2015:

	Industrial property and other rights	Software	Intangible assets in progress	Total
Gross:				
Balance at 31 December 2014	2,757,054	280,873	124,580	3,162,507
Purchases	-	261,453	-	261,453
Sales and write-offs	-	(23,000)	-	(23,000)
Transfers	-	124,580	(124,580)	-
Balance at 31 December 2015	2,757,054	643,906	-	3,400,960
Accumulated amortization and impairment losses:				
Balance at 31 December 2014	(2,678,475)	(10,122)	-	(2,688,597)
Increases	(27,644)	(177,059)	-	(204,703)
Decreases due to sales and write-offs	-	23,000	-	23,000
Balance at 31 December 2015	(2,706,119)	(164,181)	-	(2,870,300)
Net balance at 31 December 2015	50,935	479,725	-	530,660

The acquisitions of intangible assets during the year ended 31 December 2015 correspond essentially to updates and software licences of the Oracle program.

The decreases correspond to the write-off of fully amortized assets.

31 December 2014:

	Industrial property and other rights	Software	Intangible assets in progress	Total
Gross:				
Balance at 31 December 2013	3,720,800	5,136,626	91,302	8,948,728
Purchases	14,128	292,016	33,278	339,422
Sales and write-offs	(977,874)	(5,147,769)	-	(6,125,643)
Balance at 31 December 2014	2,757,054	280,873	124,580	3,162,507
Accumulated amortization and impairment losses:				
Balance at 31 December 2013	(3,589,649)	(5,029,412)	-	(8,619,061)
Increases	(66,700)	(128,479)	-	(195,179)
Decreases due to sales and write-offs	977,874	5,147,769	-	6,125,643
Balance at 31 December 2014	(2,678,475)	(10,122)	-	(2,688,597)
Balance at 31 December 2014	78,579	270,751	124,580	473,910

Intangible assets in progress at 31 December 2014 correspond essentially to updates and software licences of the Oracle program.

The decreases correspond to the write-off of fully amortized assets.

(Amounts stated in Euros)

19. TANGIBLE FIXED ASSETS

The changes in tangible fixed assets and corresponding accumulated depreciation and impairment losses during the years ended 31 December 2015 and 2014 were as follows:

31 December 2015:

	Land and natural resources	Buildings and other constructions	Machinery and equipment	Transport equipment	Administrative equipment	Other tangible assets	Fixed assets in progress	Total
Gross:								
Balance at 31 December 2014	1,675,961	23,235,995	102,006,994	594,862	25,279,886	13,637	71,232	152,878,567
Acquisitions	-	10,042	2,384,162	-	418,690	3,944	489,370	3,306,208
Sales and write-offs	-	-	(38,692)	-	(4,012)	-	-	(42,704)
Transfers	-	-	1,205	-	-	-	(1,205)	-
Balance at 31 December 2015	1,675,961	23,246,037	104,353,669	594,862	25,694,564	17,581	559,397	156,142,071
Accumulated depreciation and impairment losses								
Balance at 31 December 2014	-	(7,670,960)	(92,051,456)	(563,100)	(24,402,193)	(13,637)	-	(124,701,346)
Increase	-	(527,049)	(2,578,815)	(12,381)	(522,051)	(6)	-	(3,640,302)
Decreases due to sales and write-offs	-	-	38,692	-	4,012	-	-	42,704
Balance at 31 December 2015	-	(8,198,009)	(94,591,579)	(575,481)	(24,920,232)	(13,643)	-	(128,298,944)
Net balance at 31 December 2015	1,675,961	15,048,028	9,762,090	19,381	774,332	3,938	559,397	27,843,127

The increase in the caption "Machinery and equipment" is due essentially to the acquisition of technical broadcasting and television recording equipment.

31 December 2014:

	Land and natural resources	Buildings and other constructions	Machinery and equipment	Transport equipment	Administrative equipment	Other tangible assets	Fixed assets in progress	Total
Gross:								
Balance at 31 December 2014	1,675,961	23,255,655	101,047,494	592,085	25,088,202	21,414	2,705,267	154,386,078
Acquisitions	-	-	2,204,866	29,987	237,944	-	29,565	2,502,362
Sales and write-offs	-	-	(3,928,626)	(27,210)	(46,260)	(7,777)	-	(4,009,873)
Transfers	-	(19,660)	2,683,260	-	-	-	(2,663,600)	-
Balance at 31 December 2014	1,675,961	23,235,995	102,006,994	594,862	25,279,886	13,637	71,232	152,878,567
Accumulated depreciation and impairment losses								
Balance at 31 December 2013	-	(6,781,854)	(93,801,928)	(578,069)	(23,911,760)	(21,414)	-	(125,095,025)
Increases	-	(889,106)	(2,178,154)	(12,241)	(536,693)	-	-	(3,616,194)
Decreases due to sales and write-offs	-	-	3,928,626	27,210	46,260	7,777	-	4,009,873
Balance at 31 December 2014	-	(7,670,960)	(92,051,456)	(563,100)	(24,402,193)	(13,637)	-	(124,701,346)
Net balance at 31 December 2014	1,675,961	15,565,035	9,955,538	31,762	877,693	-	71,232	28,177,221

The increase in the caption "Machinery and equipment" corresponds essentially to the DCM/DAM project of SIC, the objective of which is to implement work flows relating to the treatment and circulation of contents entirely in digital format and create conditions for the broadcasting of channels in HD, completed during the year.

The decrease in the caption "Machinery and equipment" corresponds essentially to the write-off of fully depreciated assets.

At 31 December 2015 and 2014 the Group had the following assets under finance lease:

	2015			2014		
	Gross	Accumulated depreciation and impairment losses	Net balance	Gross	Accumulated depreciation and impairment losses	Net balance
Land	1.675.961	-	1.675.961	1.675.961	-	1.675.961
Buildings and other constructions	14.492.335	(3.248.318)	11.244.017	14.492.335	(2.941.558)	11.550.777
Machinery and equipment	4.371.362	(2.873.869)	1.497.493	9.017.788	(5.669.725)	3.348.063
Transport equipment	20.502	(18.366)	2.136	20.502	(13.241)	7.261
Administrative equipment	-	-	-	151.790	(84.639)	67.151
	20.560.160	(6.140.553)	14.419.607	25.358.376	(8.709.163)	16.649.213

(Amounts stated in Euros)

As explained in Note 2.7 the Group records leased assets in accordance with the financial method.

Except for the assets acquired under finance lease contracts, there are no other restrictions to the ownership of tangible fixed assets.

20. INVESTMENTS

The changes in investments in the years ended 31 December 2015 and 2014 were as follows:

31 December 2015:

	Investments in associated companies	Investments in other companies	Total
Balance at 31 December 2014	5,008,046	1,584,153	6,592,199
Application of the equity method	(19,537)	-	(19,537)
Dividend distributed by VASP	(234,100)	-	(234,100)
Decreases (a)	(765,900)	(1,534,790)	(2,300,690)
Balance at 31 December 2015	3,988,509	49,363	4,037,872

(a) This amount corresponds to a capital decrease of 765,900 Euros in Vasp, as well as the sale of the full participation in Noniussoft for the amount of approximately 1,535,000 Euros, generating a gain of 199 Euros.

31 December 2014:

	Investments in associated companies	Investments in other companies	Total
Balance at 31 December 2013	5,114,824	1,621,963	6,736,787
Application of the equity method	313,222	-	313,222
Dividend distributed by VASP	(420,000)	-	(420,000)
Decreases (b)	-	(37,810)	(37,810)
Balance at 31 December 2014	5,008,046	1,584,153	6,592,199

(b) This amount corresponds to the sale of 10,822 shares of NonuisSoft to that same entity for 54,110 Euros generating a gain of approximately 17,000 Euros.

Investments in associated companies at 31 December 2015 and 2014 are made up as follows:

31 December 2015:

		2015							
Company	Head office	Total assets	Total revenue	Equity	Net result	Percentage effectively held	Amount of participation	Accumulated impairment losses (Note 30.1)	Net value of the asset
Vasp	Cacém	34,382,369	207,635,576	9,123,850	667,384	33,33	3,040,901	-	3,040,901
Lusa	Lisbon	11,606,728	15,398,919	4,239,849	(754,859)	22,35	947,608	-	947,608
Visapress	Lisbon	n.a.	n.a.	n.a.	n.a.	21,43	15,000	(15,000)	-
							4,003,509	(15,000)	3,988,509

31 December 2014:

		2014							
Company	Head office	Total assets	Total revenue	Equity	Net result	Percentage effectively held	Amount of participation	Accumulated impairment losses (Note 30.1)	Net value of the asset
Vasp	Cacém	36,436,453	210,862,180	11,377,694	944,869	33,33	3,792,185	-	3,792,185
Lusa	Lisbon	12,350,290	14,757,048	5,440,087	(802,415)	22,35	1,215,861	-	1,215,861
Visapress	Lisbon	n.a.	n.a.	n.a.	n.a.	21,43	15,000	(15,000)	-
							5,023,046	(15,000)	5,008,046

(Amounts stated in Euros)

As a result of applying the equity method at 31 December 2015 and 2014 the following changes were recorded in the caption "Investments in associates":

	2015			2014		
Company	Gain on associated companies (Note 14)	Loss on associated companies (Note 14)	Total	Gain on associated companies (Note 14)	Loss on associated companies (Note 14)	Total
Vasp	248,716	-	248,716	414,917	-	414,917
Lusa	-	(268,253)	(268,253)	-	(101,695)	(101,695)
	248,716	(268,253)	(19,537)	414,917	(101,695)	313,222
Others	199	-	199	16,368	-	16,368
	248,915	(268,253)	(19,338)	431,285	(101,695)	329,590

Investments in other companies at 31 December 2015 and 2014 are made up as follows:

	2015		2014	
Company	Effective participation of the Group	Amount of the participation	Effective participation of the Group	Amount of the participation
NP	10,71%	18,703	10,71%	18,703
ITEXAMPLE, ACE	-	-	4,41%	30,000
NoniusSoft	-	-	14,96%	1,534,790
Nexponor	0,001%	660	0,001%	660
Others	n.a.	30,000	n.a.	-
		49,363		1,584,153

21. OTHER FINANCIAL ASSETS

In prior years, SIC subscribed for participating units in Fundo de Investimento Cinematográfico e Audiovisual ("FICA" or "the Fund"), founded under the terms of Ministerial Order 277/2007 of 14 March, with the objective of investing in cinematographic, audio-visual and multi-platform works, aimed at exploring them on a broad basis so as to increase and improve supply and increase the potential value of such productions with the ultimate purpose of stimulating the development of cinematographic and audio-visual art.

Also, in prior years, the Group recognized impairment losses corresponding to the full amount of its investment.

On 26 December 2014, the subscribers to FICA approved the liquidation, sharing and distribution of the result of the Fund as of that date, in proportion to the number of participating units subscribed for, the part corresponding to the Company being approximately 395,000 Euros (Note 10).

As a result of liquidation of the Fund the Company derecognized its participation and accumulated impairment in the amount of 2,500,000 Euros (Note 30.1).

22. INVESTMENT PROPERTIES

Investment properties held by the Group at 31 December 2015 and 2014 is made up as follows:

Property investment	2015	2014
"FNAC" land	5,912,440	5,912,440

(Amounts stated in Euros)

In the year ended 31 December 2015 there were no changes in the caption "Property investment". As a result of the valuation of the realizable value of the asset compared to the market, in 2014 an impairment loss of 239,523 Euros was recognized.

31 December 2014	
Balance at 31 December 2013	6,151,963
Impairment losses for the year (Note 30.1)	(239,523)
Balance at 31 December 2014	5,912,440

The Board of Directors believes that the market value of this asset does not differ significantly from its book value.

There is a promissory mortgage over this land in guarantee of a loan from BPI.

23. PROGRAM BROADCASTING RIGHTS AND INVENTORIES

Program broadcasting rights at 31 December 2015 and 2014 are made up as follows:

	31 December 2015		31 December 2014	
	Non-current	Current	Non-current	Current
Broadcasting rights				
Gross:				
Program broadcasting rights	7,444,931	3,993,042	9,280,535	4,900,024
Advances on account of purchases	557,128	10,668,116	557,128	8,510,754
	8,002,059	14,661,158	9,837,663	13,410,778
Impairment of realizable value:				
Accumulated impairment of the realizable value (Note 30)	(557,128)	-	(557,128)	-
Net realizable value of the transmission rights	7,444,931	14,661,158	9,280,535	13,410,778

The caption "Advances on account of purchases" at 31 December 2015 and 2014 includes payments made by SIC to program suppliers under contracts signed with these entities, relating to program broadcasting rights, which at that date were not available for broadcasting, corresponding essentially to soaps and sports rights.

Inventories at 31 December 2015 and 2014 are made up as follows:

	2015	2014
Inventories:		
Raw, subsidiary and consumable material	1,465,296	1,318,290
Work in progress	392,144	532,383
Net realizable value of inventories	1,857,440	1,850,673

At 31 December 2015 and 2014 the Group had no inventories pledged in guarantee of liabilities.

(Amounts stated in Euros)

24. TRADE AND OTHER RECEIVABLES

This caption at 31 December 2015 and 2014 was made up as follows:

	31 December 2015			31 December 2014		
	Gross	Accumulated impairment Losses (Note 30.1)	Net	Gross	Accumulated impairment Losses (Note 30.1)	Net
Customers	29,500,030	(10,214,853)	19,285,177	30,729,474	(9,739,184)	20,990,290
Invoices to be issued:						
Value added services	234,173	-	234,173	2,056,293	-	2,056,293
Television broadcasting rights of programs ceded	3,226,237	-	3,226,237	-	-	-
Television broadcasting rights of theme channels	300,000	-	300,000	585,101	-	585,101
Television broadcasting rights of generalist channels	214,506	-	214,506	180,829	-	180,829
Other amounts to be invoiced	818,194	-	818,194	837,284	-	837,284
Discounts receivable						
Volume discounts receivable	78,577	-	78,577	60,432	-	60,432
	34,371,717	(10,214,853)	24,156,864	34,449,413	(9,739,184)	24,710,229

25. OTHER NON-CURRENT AND CURRENT ASSETS

At 31 December 2015 and 2014 this caption was made up as follows:

	2015	2014
Other non-current assets:		
Lisgráfica – Impressão e Artes Gráficas, S.A. ("Lisgráfica") (a)	1,313,333	1,558,888
Pension fund - Post employment benefits (Note 37.1)	1,766,105	1,571,523
Premius, S.A.	906,250	906,250
Digital telebroadcasting services (b)	748,236	811,274
Novimovest - Fundo de Investimento Imobiliário (c)	800,000	800,000
	5,533,924	5,647,935
Other current assets:		
Advances to suppliers	765,978	630,027
Other debtors		
Lisgráfica (a)	245,555	252,934
Subsidies receivable (f)	31,394	173,222
Advances to employees	128,639	163,527
Isabel Monteiro (e)	192,868	192,868
Fantasy Day - Unipessoal, Lda. and Lemon- Entretenimento, Lda. (d)	169,403	169,403
Deposit (g)	1,750,265	982,492
Others	521,894	682,018
Prepayments:		
Licenses	17,448	105,384
Rent	163,869	115,696
Digital telebroadcasting services (b)	61,667	61,667
Financial charges	64,021	253,299
Insurance	41,698	15,692
Others	612,147	454,577
Taxes:		
Value added tax ("VAT")	-	74,524
Other taxes	153	65
	4,766,999	4,327,395
	10,300,923	9,975,330

(Amounts stated in Euros)

(a) Present value of the account receivable resulting initially from the sale in 2006 of the investment in Imprejornal - Sociedade de Impressão, S.A. to Mirandela – Artes Gráficas, S.A.. During the year ended 31 December 2008, the Group sold that account receivable to Lisgráfica. In accordance with the contract, this account is payable in monthly instalments of 25,000 Euros up to 2022. The nominal value of this receivable at 31 December 2015 and 2014 was 2,057,009 Euros and 2,357,010 Euros respectively.

(b) This caption corresponds to the deferral of the single instalment for access to the digital teledifusion network and for services rendered by PT Comunicações, under the technical alteration process. The amount is being deferred over the period of the contract to render digital telebroadcasting services entered into with PT Comunicações. The contract became effective on 1 January 2012 and remains in force until 9 December 2028.

(c) Amount still receivable from the sale of the SIC building in 2004, which is dependent upon updating of the utilization licence.

(d) Present value of the account receivable resulting from the sale in prior years of the 100% participation in iPlay- Som e Imagem, Lda..

(e) Present value of the account receivable resulting from the sale in prior years of the 90% participation in Dialectus – Traduções Técnicas, Legendagem e Locução, Lda..

(f) Subsidies attributed to InfoPortugal, not yet received.

(g) The amounts of 1,750,265 Euros and 982,492 Euros at 31 December 2015 and 2014, respectively, correspond to the net amount of a dollar term deposit of 6,888,950 Euros and 7,001,071 Euros, respectively, and a loan contract of 5,138,685 Euros and 6,018,579 Euros at 31 December 2015 and 2014 respectively, recorded in this caption with a maximum amount of 10,000,000 Euros, being automatically renewable for successive six month periods. The term deposit is in guarantee of the liability resulting from the loan contract.

26. CASH AND CASH EQUIVALENTS

The caption "Cash and cash equivalents" included in the consolidated statement of cash flow as of 31 December 2015 and 2014 and reconciliation thereof to the amount of cash and cash equivalents reflected in the statement financial position as of those dates are as follows:

	2015	2014
Cash	91,241	91,808
Bank deposits (a)	3,428,838	4,728,326
	3,520,079	4,820,134
Bank overdrafts (Note 28)	(89,452)	(484,327)
	3,430,627	4,335,807

(a) This caption at 31 December 2014 included a term deposit of 2,600,000 Euros that matured on 5 January 2015 and bore interest at normal market rates.

(Amounts stated in Euros)

27. EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY

Share Capital: At 31 December 2015 and 2014 Impresa's fully subscribed and paid up share capital amounted to 84,000,000 Euros, represented by 168,000,000 shares of fifty cents each, which are held as follows:

	2015		2014	
	Percentage held	Amount	Percentage held	Amount
Impreger - Sociedade Gestora de Participações Sociais, S.A. ("Impreger")	50,31%	42,257,294	50,31%	42,257,294
Invesco, Ltd.	5,12%	4,299,295	5,12%	4,299,295
Madre - SGPS, S.A.	4,95%	4,161,206	4,97%	4,172,181
FIL, Ltd.	4,90%	4,120,092	5,32%	4,466,500
BPI Group	3,69%	3,100,000	3,69%	3,100,000
Santander Asset Management	3,49%	2,933,835	2,83%	2,375,627
Jefferies International Limited (JIL)	2,59%	2,173,471	0,00%	-
Hendersen Global Investors, Ltd.	2,50%	2,100,000	2,50%	2,100,000
Newshold - SGPS, S.A.	2,40%	2,019,382	2,40%	2,019,382
UBS Group AG	0,00%	-	2,52%	2,115,683
TT International	0,00%	-	2,47%	2,075,000
Others	20,04%	16,835,425	17,88%	15,019,040
	100,00%	84,000,000	100,00%	84,000,000

Share premium: This caption corresponds to premiums obtained in capital increases made in previous years. In accordance with current legislation, utilisation of this reserve is subject to the same rules as the legal reserve, and so this amount is not available for distribution to the shareholders, but may be used to absorb losses once all other reserves and retained earnings have been exhausted, or to increase capital.

Legal reserve: Portuguese law provides that at least 5% of annual net profit must be appropriated to a legal reserve until the reserve equals the minimum requirement of 20% of share capital. The reserve is not available for distribution to the shareholders except upon liquidation of the Company, but may be used to absorb losses, once all other reserves and retained earnings have been exhausted, or to increase capital.

As decided at the Shareholders' General Meeting held on 29 April 2015, net result for the year ended 31 December 2014 in the amount of 2,785,154 Euros, presented in the non-consolidated financial statements of Impresa, were appropriated as follows:

Legal reserve	139,258
Retained earnings	2,645,896
	2,785,154

The difference between the non-consolidated and consolidated result was transferred to Retained earnings.

The same Shareholders' General Meeting decided to transfer the amount of 4,954,594 Euros to free reserves to cover the accumulated losses determined in accordance with Impresa's non-consolidated financial statements.

As decided at the Shareholders' General Meeting held on 23 April 2014, the net result for the year ended 31 December 2013, in the amount of 1,146,567 Euros presented in the non-consolidated financial statements of Impresa, was appropriated as follows:

Legal reserve	57,329
Retained earnings	1,089,238
	1,146,567

The difference between the non-consolidated and consolidated profit was transferred to retained earnings.

(Amounts stated in Euros)

28. BANK BORROWINGS

Bank Borrowings at 31 December 2015 and 2014 were as follows:

		31 December 2015				31 December 2014			
		Book value		Nominal value		Book value		Nominal value	
Company	Lending entities	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
ISM	Banco BPI, S.A. (a)	-	-	-	-	88,966,280	9,454,983	89,377,051	9,508,198
Impresa	Banco BPI, S.A. (a)	79,495,339	9,463,732	79,868,851	9,508,198	-	-	-	-
Impresa	Banco Popular, S.A. (b)	3,461,175	988,907	3,500,000	1,000,000	-	-	-	-
Impresa	Caixa Central de Crédito Agrícola Mútuo, C.R.L. (c)	3,580,452	895,113	3,600,000	900,000	-	-	-	-
Impresa	Banco BIC Português, S.A. (d)	8,497,856	2,371,495	8,600,000	2,400,000	-	-	-	-
Impresa	Caixa Geral de Depósitos, S.A. (e)	-	14,721,951	-	15,000,000	-	14,957,663	-	15,000,000
Impresa	Novo Banco, S.A. and Banco Espírito Santo de Investimento, S.A. (f)	29,720,780	-	30,000,000	-	29,623,347	-	30,000,000	-
SIC	Banco BPI, S.A. (g)	16,914,427	-	17,000,000	-	16,904,922		17,000,000	
SIC	Caixa Central de Crédito Agrícola Mútuo, C.R.L. (c)	198,914	49,729	200,000	50,000	-	-	-	-
Impresa Publishing	Banco Comercial Português, S.A. (h)	-	1,402,315	-	1,500,000	-	10,932,945	-	11,000,000
Impresa Publishing	Caixa Central de Crédito Agrícola Mútuo, C.R.L. (c)	198,914	49,729	200,000	50,000	-	-	-	-
	Guaranteed current accounts (i)	-	4,215,000	-	4,215,000	-	9,895,000	-	9,895,000
	Bank overdrafts (j) (Note 26)	-	89,452	-	89,452	-	484,327	-	484,327
		142,067,857	34,247,423	142,968,851	34,712,650	135,494,549	45,724,918	136,377,051	45,887,525

(a) Loan from Banco BPI, SA contracted by ISM to finance the acquisition of all the share capital of Solo (merged into ISM) that had an 18.35% participation in SIC, and a 30.65% participation in SIC. On 1 January 2015 ISM was merged into Impresa, responsibility for payment of the full amount of the loan being transferred to Impresa. At 31 December 2015, the loan bore interest payable half yearly in arrears at the Euribor six month rate plus a spread of 2.5% and is repayable in 38 successive half yearly instalments, beginning on 30 June 2006. The nominal amount of the loan is repayable as follows:

2016	9,508,198
2017	9,983,607
2018	9,983,607
2019	9,983,607
2020 and following	49,918,030
	79,868,851
	89,377,049

In guarantee of full compliance with this loan, the Group signed a blank promissory note and gave in guarantee all the share capital of SIC (Note 35).

Impresa assumed several covenants with respect to this loan and restrictions relating essentially to the acquisition and sale of assets and the distribution of dividends.

In accordance with this contract Impresa must maintain at least 51% of the capital of SIC. In addition, Impreger must not reduce its participation in Impresa to below 50.01% of its capital.

(b) Loan contract entered into by the Group with Banco Popular, S.A. in June 2015, repayable in ten successive half yearly instalments up to 16 June 2020. At 31 December 2015 the loan bore interest payable half yearly in arrears at a rate corresponding to the Euribor six month rate plus a spread of 2.25%. The nominal amount of the loan is repayable as follows:

2016	1,000,000
2017	1,000,000
2018	1,000,000
2019	1,000,000
2020	500,000
	3,500,000
	4,500,000

The Group signed a blank promissory note in guarantee of full compliance with the loan.

(Amounts stated in Euros)

(c) Loan contract entered into by the Group with Caixa Central de Crédito Agrícola Mútuo C.R.L. in September 2015, repayable in eight half yearly instalments up to 15 September 2019. At 31 December 2015 the loan bore interest payable half yearly in arrears at a rate corresponding to the six month Euribor rate plus a spread of 2.6%. The nominal amount of the loan is repayable by each entity as follows:

	Impresa	SIC	Impresa Publishing
2016	900,000	50,000	50,000
2017	900,000	50,000	50,000
2018	1,350,000	75,000	75,000
2019	1,350,000	75,000	75,000
	3,600,000	200,000	200,000
	4,500,000	250,000	250,000

The Group signed a blank promissory note in guarantee of full compliance with the loan.

(d) On 18 September 2015 the Group entered into a loan contract with Banco BIC Português, S.A., repayable in six half yearly instalments, the first five being in the amount of 1,200,000 Euros and the last on 18 September 2018 of 5,000,000 Euros. At 31 December 2015 the loan bore interest payable half yearly in arrears at a rate corresponding to the six month Euribor rate plus a spread of 1.5%. The nominal amount of the loan is repayable as follows:

2016	2,400,000
2017	2,400,000
2018	6,200,000
	8,600,000
	11,000,000

The Group signed three blank promissory notes in guarantee of full compliance with the loan.

(e) Issuance of commercial paper by Impresa under a commercial paper program for a period of 3 years with issuance terms of up to six months, ending on 23 December 2017, for an initial amount of 15,000,000 Euros, which will progressively be reduced to 3,750,000 Euros at the last issuance. At 31 December 2015 this commercial paper issue bore interest at the Euribor rate for the maturity period plus a spread of 2.85%.

In accordance with this loan, in addition to Impresa, SIC and Impresa Publishing assumed certain covenants, on a solidarity basis, including, among others, requirements to repay principal and pay interest. In addition, Impreger and Impresa must not cease to hold directly the majority of the capital of Impresa and SIC, respectively.

(f) On 12 November 2014 the Company issued bond to totalling 30,000,000 Euros, corresponding to 600 bonds of 50,000 Euros each, repayable on 12 November 2018. The bonds bear interest at the Euribor 6 month rate plus a spread of 4%.

In accordance with these bonds Impresa assumed certain commitments, must not ceasing to hold all the share capital of SIC and Impresa Publishing and Impregar must not cease to hold a majority (50.1%) of Impresa's capital.

At 31 December 2015 these bonds were listed for trading (Euronext), their market value being similar to the amount recorded in the financial statements as of that date.

(Amounts stated in Euros)

(g) Bank loan contracted by SIC with Banco BPI, S.A. on 26 June 2013 for the maximum amount of 17,000,000 Euros, which was fully used up in 2014. At 31 December 2015 the loan bore interest at the six month Euribor rate plus a spread of 4% (5% in 2014) and is repayable in 16 successive half yearly instalments as from 30 June 2017. As a result of this loan the Group signed a blank promissory note, assumed several covenants and restrictions relating essentially to the acquisition and sale of assets, a promissory mortgage of the FNAC land, as well as maintenance of the current shareholder structure of Impresa.

(h) Issuance of commercial paper by Impresa Publishing under a commercial paper program for 5 years with issuance terms of up to six months, ending on 18 November 2019, for a total amount of 11,000,000 Euros, which will progressively decrease to 1,100,000 by the last issuance. At 31 December 2015 this commercial paper issuance bore interest at the Euribor rate for the period of the issuance plus a spread of 3.35% (5.25% in 2014).

Impresa Publishing assumed certain obligations under this loan, including not being less than 50.1% owned by Impresa.

(i) Guaranteed current accounts obtained by Group companies that bear interest at normal market rates for similar operations.

(j) The bank overdrafts bear interest at market rates for similar operations.

At 31 December 2015 and 2014 the Group had approved unused credit limits of approximately 58,096,000 Euros and 53,321,000 Euros, respectively.

In the years ended 31 December 2015 and 2014, the effective interest rates on the loans were as follows:

Company	Financing entities	2015	2014
Impresa	Banco BPI, S.A.	3,84%	4,65%
Impresa	Banco Popular, S.A.	2,25%	-
Impresa	Caixa Central de Crédito Agrícola Mútuo, C.R.L.	2,60%	-
Impresa	Banco BIC Português, S.A.	1,50%	-
Impresa	Caixa Geral de Depósitos, S.A.	2,85%	3,02%
Impresa	Novo Banco, S.A. and Banco Espírito Santo de Investimento, S.A.	4,00%	4,18%
SIC	Banco BPI, S.A.	4,50%	5,29%
SIC	Caixa Central de Crédito Agrícola Mútuo, C.R.L.	2,60%	-
Impresa Publishing	Banco Comercial Português, S.A.	3,25%	5,43%
Impresa Publishing	Caixa Central de Crédito Agrícola Mútuo, C.R.L.	2,60%	-
Group	Guaranteed current accounts	3,36%	4,90%

Information regarding the Group’s exposure to interest rate risk based on the loans in force is included in Note 37.

The Board of Directors believes that there are no cases of non-compliance with the requirements of the above mentioned borrowings, both as regards maintenance of the main participations in subsidiary companies, the limitation of investments or the distribution of dividends as well as the applicable financial covenants. The financial covenants to be complied with, not applicable to all the borrowings, correspond to the “Remunerated net debt/EBITDA Ratio” and the “Financial Autonomy Ratio”, in which the existence of possible non-compliance, could result in the financial entities requiring early repayment of the borrowings and/or change in the lending conditions previously agreed. At 31 December 2015, waivers were obtained from the financing entities regarding compliance with the ratios that the Group did not achieve at that date.

(Amounts stated in Euros)

29. FINANCE LEASES

At 31 December 2015, Impresa Office & Service Share, InfoPortugal and companies of the television segment had liabilities under finance lease contracts totalling 5,564,798 Euros, 4,918 Euros and 404,093 Euros respectively, payable as follows:

	Principal	Interest	Total
2016	1,275,418	52,438	1,327,856
2017	886,324	36,924	923,248
2018	3,812,067	5,410	3,817,477
	4,698,391	42,334	4,740,725
	5,973,809	94,772	6,068,581

The liabilities under the lease contracts relate essentially to the building of Impresa Office & Service Share and technical support equipment for the digitalisation project of the television segment operating systems. The lease contracts do not include contingent instalments and include purchase options at below the market value of the assets.

At 31 December 2014 Impresa Office & Service Share, Impresa Publishing and InfoPortugal and the subsidiaries of the television segment had liabilities under finance lease contracts of 6,425,548 Euros, 149,175 Euros, 9,381 Euros and 1,637,863 Euros, respectively, payable as follows:

	Principal	Interest	Total
2015	2,381,515	151,819	2,533,334
2016	1,134,985	90,145	1,225,130
2017	894,727	69,151	963,878
2018	3,810,740	10,126	3,820,866
	5,840,452	169,422	6,009,874
	8,221,967	321,241	8,543,208

30. IMPAIRMENT LOSSES, LEGAL AND TAX PROCESSES AND PROVISIONS

30.1 Impairment losses

The following changes occurred in the accumulated impairment loss captions in the years ended 31 December 2015 and 2014:

31 December 2015:

	Impairment losses on investments (Note 20)	Impairment losses on investments properties (Note 22)	Impairment losses on receivables (Notes 10 and 24)	Impairment losses on broadcasting rights and inventories (Note 23)
Balances at 31 December 2014	15,000	239,523	9,739,184	557,128
Increases (Note 10)	-	-	885,770	-
Utilization	-	-	(344,331)	-
Reversal/adjustment (Note 10)	-	-	(65,770)	-
Balances at 31 December 2015	15,000	239,523	10,214,853	557,128

(Amounts stated in Euros)

31 December 2014:

	Impairment losses on investments (Note 20)	Impairment losses on investments properties (Note 22)	Impairment losses on receivables (Notes 10 and 24)	Impairment losses on broadcasting rights and inventories (Note 23)	Other financial assets (Note 21)
Balances at 31 December 2013	15,000	-	9,107,867	557,128	2,500,000
Increases (Note 10)	-	239,523	831,576	-	-
Utilization	-	-	(34,894)	-	(2,500,000)
Reversal/adjustment (Note 10)	-	-	(165,365)	-	-
Balances at 31 December 2014	15,000	239,523	9,739,184	557,128	-

Impairment losses are deducted from the amounts of the assets.

30.2 Provisions

The provision for risks and charges at 31 December 2015 and 2014 relates essentially to legal actions in progress and is made up as follows:

	2015		2014	
Nature	Amount claimed	Amount provided	Amount claimed	Amount provided
Tax	1,079,631	686,522	686,522	686,522
Dismissal/Labour	274,609	193,393	331,141	318,848
Publicity fines	1,664,264	226,016	2,233,137	309,259
Abuse of freedom of the press	1,710,461	196,251	1,987,093	240,680
Others	20,266,802	2,585,167	3,758,925	3,758,925
	24,995,767	3,887,349	8,996,818	5,314,234

The amounts claimed under legal actions relating to advertising fines result essentially from the filing of several countermanding actions by ERC for violation of the Publicity Code.

The Group is subject to several lawsuits for abuse of freedom of the press, for which it has recorded provisions based on the opinion of its lawyers and historical experience of this type of litigation.

The significant increase in the amount claimed under the caption “Others” results from quantification by GDA – Cooperativa de Gestão dos Direitos dos Artistas, Intérpretes ou Executantes, CRL in the liquidation incidence presented in December 2015 (Note 30.3).

The Board of Directors and the Group’s lawyers believe, based on an assessment of the risks of the litigation in process, that the outcome of the litigation will not result in significant liabilities not covered by provisions reflected in the consolidated financial statements as of 31 December 2015, which correspond to the best estimate of the outflow of funds resulting from these lawsuits as of that date.

The changes in provisions in the years ended 31 December 2015 and 2014 were as follows:

31 December 2015:

	Provision for risks and charges
Balance at 31 December 2014	5,314,234
Alteração de perímetro (Nota 7)	594,689
Increases	(238,337)
Utlization	(1,783,237)
Reversals/adjustments (Note 10)	3,887,349
Balance at 31 December 2015	

(Amounts stated in Euros)

31 December 2014:

	Provisões para riscos e encargos
Balance at 31 December 2013	5,894,373
Alteração de perímetro (Nota 7)	364,470
Increases	(762,807)
Utlization	(181,802)
Reversals/adjustments (Note 10)	5,314,234
Balance at 31 December 2014	

Utilization of provisions in the years ended 31 December 2015 and 2014 corresponds to direct utilization of the balance to cover the liabilities resulting essentially from the Group's legal and non-legal litigation. In addition, adjustments correspond to the reversal of provisions covering risks and contingencies for which they were provided but that did not materialize.

The caption "Provision for impairment losses" in the consolidated statement of profit and loss and other comprehensive income for the years ended 31 December 2015 and 2014 is made up as follows:

31 December 2015:

Increase in the provision for other risks and charges	594,689

31 December 2014:

Increase in the provision for other risks and charges	364,470
Impairment losses on investment properties (Note 22)	239,523
	603,993

30.3 Legal processes in progress

At 31 December 2015 there were several lawsuits in progress brought against the Group by third parties, as referred to in Note 30.2, the amounts of which and final outcome at the time of preparing the financial statements were still unknown, including:

- In prior years GDA – Cooperativa de Gestão dos Direitos dos Artistas, CRL (“GDA”) brought a legal action against SIC, in the Judicial Court of Oeiras, under which GDA claims payment of annual remuneration due to artists, interpreters or performers at the rate of 1.5% of the annual amount of advertising income, effective as from September 2004, as well as late payment interest. SIC contested this action, a favourable decision having been issued, considering the initial petition to be unfounded due to the lack of cause of the demand and, consequently, annulled the whole process. This decision was contested, the action following in the first instance. The Court judged GDA’s action as groundless and established as annual equitable remuneration, an amount per minute of the exhibitions, the amount per minute being subject to determination. At 31 December 2015 GDA presented a liquidation incidence under which it demands payment by SIC of approximately 17,700,000 Euros.

  Determination of this amount was based on a study made by a third party having as one of its assumptions the closeness of television activities to the activity of any company and its production. SIC contested GDA’s demand, based on the incompetence of the court, the lack of legal capacity of GDA, which only represents national artists, interpreters and executors, having also contested the methodology presented, and in the contestation estimated its responsibility based on the effective utilisation of the services rendered by the artists, in accordance with the sentence that it intends to liquidate determines, as well as by the calculation of a price per minute for the services close to that paid by SIC to Sociedade Portuguesa de Autores, but a reduced amount in terms of the law and practice. Therefore, an amount substantially lower than that demanded by GDA was determined, this being provided for in the financial statements as of 31 December 2015 to cover the liability, which the Board of Directors, based on the opinion of its lawyers and technicians, believes is sufficient.

30.4 Tax processes in progress

In previous years the Group was notified of additional tax assessments, most of which were not recorded or paid as they are considered to have no merit:

- As a result of tax inspections carried out of ISM (in 2015 merged into Impresa)and its related tax procedures, in 2011, 2012, 2013, 2014 and 2015 Impresa was notified of additional corporate income tax assessments for the years 2008, 2009, 2010, 2011 and 2012, under which the Tax Administration did not accept the tax deductibility of interest on part of the loan from BPI to finance the acquisition of non-remunerated shareholders’ loans of BPI (prior shareholder) to Solo (entity merged into ISM in prior years). The reasons alleged by the Tax Administration for this non-acceptance is that the normal and current activities of ISM do not include the granting of loans to subsidiaries (it is not a holding company) and such charges are supposedly not related to loans obtained for its direct operations. The corrections to taxable income amount to 3,415,295 Euros for 2008, 2,105,621 Euros for 2009, 2,161,788 Euros for 2010, 3,114,777 Euros for 2011and 943,005 for 2012.

  At 31 December 2015, the additional tax assessments had been legally contested, Impresa having provided bank guarantees of 3,316,853 Euros for the years 2010, 2011 and 2012 (Note 33). As regards the contestation for the years 2008 and 2009 bank guarantees were not provided as for these years the tax consolidation presented tax losses carried forward (used in the year 2010) that offset the above mentioned tax corrections.

  The Board of Directors believes, based on the opinion of its lawyers, that the prospects of success of the claims and/or contestations that it will make are reasonable and so no provision has been recorded for that tax contingency.

- In previous years, SIC was notified by the tax authorities to pay approximately 687,000 Euros (including compensatory interest), as a result of corporate income tax inspections of certain transactions realised in the year 2000. Based on the opinion of its legal advisors, SIC appealed against these notifications, as it believes that they are unfounded but has recorded a provision of approximately 687,000 Euros for them. In addition the Company has also provided bank guarantees for these assessments (Note 33).

(Amounts stated in Euros)

31. TRADE AND OTHER PAYABLES

At 31 December 2015 and 2014 this caption was made up as follows:

	2015	2014
Trade payables, current account	35,795,221	36,337,845
Suppliers of fixed assets, current account	149,612	29,420
	35,944,833	36,367,265

32. OTHER CURRENT LIABILITIES

This caption was made up as follows at 31 December 2015 and 2014:

	2015	2014
Other current liabilities:		
Advances from clients	3,850,439	1,960,111
Accrued costs:		
Personnel vacation and vacation subsidy	6,787,662	7,179,525
Cost of program production	4,819,706	3,734,488
Royalties	1,573,463	399,448
Commercial agreements	797,384	556,411
Personnel bonuses	595,400	893,042
Communication	456,147	750,555
Accrued interest	372,701	451,458
Authors' rights	350,000	250,000
TSU - Green receipts	304,184	316,427
Personnel commission payable	259,450	39,920
Marketing and publicity	141,925	427,505
Other accrued costs	3,470,049	3,149,031
	19,928,071	18,147,810
Deferred income:		
Pre-billing	1,669,375	2,856,611
Subscriptions to newspapers and magazines	1,747,625	1,670,534
Subsidies	11,357	40,966
Other deferred income	309,834	319,484
	3,738,191	4,887,595
State and other public entities:		
Value Added Tax	2,223,660	3,130,406
Personal income tax - withholdings at source	2,041,102	1,948,670
Social security contributions	1,729,187	1,747,799
Instituto Português de Arte Cinematográfica e Audiovisual/Cinemateca Portuguesa	1,134,711	1,289,160
Stamp tax	426,241	279,696
	7,554,901	8,395,731
Other liabilities:		
Other creditors	4,111,024	4,609,170
	39,182,626	38,000,417

(Amounts stated in Euros)

33. CONTINGENT LIABILITIES AND GUARANTEES GIVEN

The guarantees given to third parties by Impresa, SIC, Medipress and the remaining Group companies at 31 December 2015 were as follows:

At 31 December 2015 Impresa had pledged shares representing 49% of SIC's capital in guarantee of a loan from Banco BPI, S.A. to finance the acquisition of that participation (Note 28.a)).

At 31 December 2015 and 2014 the companies of the television segment had requested the issuance of the following guarantees in favour of third parties:

	2015	2014
General Secretariat of the Ministry of Internal Administration	3,297,381	3,317,338
Union des Associations Européennes de Football	2,600,000	3,665,268
ERC	1,995,192	1,995,192
Santander Novimovest	1,320,600	1,320,600
Algés tax department	970,283	970,283
IBM	797,133	1,231,215
De Lage Cisco	251,959	594,271
Imopólis	44,701	44,701
Municipal Council of Oeiras	35,745	35,745
Oeiras Court	7,000	7,000
Grande Lisboa Noroeste Court	4,000	4,000
	11,323,994	13,185,613

The guarantees given to the General Secretariat of the Ministry of Internal Administration are to ensure fulfilment of the publicity contests, “Furo da Sorte 2015”, “Casa Portuguesa”, “Janela da Felicidade”, Aniversário SIC”, and “Sextas Mágicas”.

Guarantee given to UEFA to ensure full compliance with the “UEFA Europa League 2015-2018” contracts.

The guarantee given to ERC results from the requirements of current legislation to license channels and for broadcasting television contests.

The guarantee given to Santander Novimovest is to ensure the fulfillment of obligations resulting from the lease contract of the SIC head office with that entity, especially the payment of the rent.

The guarantees given to the Algés Tax Department are in connection with tax execution processes (Note 30.3).

The guarantee given to IBM is to ensure compliance with the obligations resulting from the contract entered into with that entity relating to the DCM/DOM project of SIC.

The guarantees given to De Lage Cisco are to ensure compliance with the obligations resulting from the finance lease contracts.

The guarantee given to the Municipal Council of Oeiras is to ensure the repair of any damage that could be caused to the public infrastructure due to excavations and containment of land on the Outurela Road on a plot of land adjacent to the installations of SIC's headquarters.

At 31 December 2015 Medipress had requested the issuance of guarantees of 15,742 Euros in favour of the General Secretariat of the Ministry of Internal Administration. The guarantees are to ensure full compliance with the publicity competition called “Grande Sorteio TV Mais”. At 31 December 2014 Medipress did not have any guarantees in favour of third parties.

(Amounts stated in Euros)

At 31 December 2015, Impresa Publishing did not have any guarantees in favour of third parties.
At 31 December 2014, Impresa Publishing had requested the issuance of a guarantee in favour of Instituto de Apoio às Pequenas e Médias Empresas e à Inovação ("IAPMEI") in the amount of 28,404 Euros relating to a subsidy received in previous years.

At 31 December 2015 and 2014 the companies of the "Others" segment had requested the issuance of the following bank guarantees in favour of third parties.

	2015	2014
Tax and Customs Authority (Note 30.4)	3,316,853	2,991,811
IAPMEI	222,311	222,311
Turismo de Portugal	20,791	20,791
EPAL - Empresa Portuguesa das Águas Livres, S.A.	4,096	-
Direção Geral do Território	-	8,846
	3,564,051	3,243,759

The guarantees given to IAPMEI relate to subsidies received from that entity regarding the Intellitouring and SINTTRA projects that are being carried out by InfoPortugal.

The guarantee given to Turismo de Portugal is to ensure compliance with the service contracts with them by InfoPortugal.

The guarantee of 4,096 Euros given by Infoportugal to EPAL relates to the acquisition of numerical orthography services.

34. COMMITMENTS ASSUMED

34.1 Pensions

Certain Group companies (Impresa, Impresa Publishing and Medipress) have assumed commitments to pay their employees and remunerated members of the Board of Directors hired up to 5 July 1993, pension supplements for retirement due to age and disability. The benefits are calculated based on a percentage that increases with the number of years of service applied to the salary scale or a fixed percentage applied to the base salary defined as being the amounts in 2002.

In 1987, the Group created an autonomous pension fund to which it transferred its liability for the payment of the above pensions. In addition, Impresa Publishing assumed joint responsibility with the remaining companies to comply with all the obligations, namely for financing of the pension plan.

In accordance with an actuarial study made by the entity managing the fund, the present value of the past service liability of the above mentioned companies for current and retired employees as of 31 December 2015 and 2014 was estimated at 3,264,534 Euros and 3,594,735 Euros, respectively, the amount of the fund at those dates being 5,030,639 Euros 5,166,258 Euros, respectively.

In 2015 Medipress' share was extinguished and liquidated. For that purpose, the Pension Fund acquired two lifelong income assurance policies in the amount of 18,129 Euros so as to ensure continuity of the payment of pensions to the beneficiaries of Medipress. The remaining amount was transferred to Impresa Publishing's share.

(Amounts stated in Euros)

The actuarial study was made using the method known as “Projected Unit Credit” to calculate the pensions for retirement due to disability and age using the following main assumptions and actuarial and technical bases:

	2015	2014
Discount rate	2,60%	2,60%
Salary growth rate	0,00%	0,00%
Pension growth rate	0,00%	0,00%
National minimum salary growth rate	2,00%	2,00%
Actuarial tables:		
Mortality	TV 88/90	TV 88/90
Disability	EVK 80	EVK 80
Decrease due to incapacity	100% EVK 80	100% EVK 80
Retirement age	66 years	66 years

The rate used was determined based on market income rates for high quality corporate bonds, consistent with the currency and the expected period of the benefits.

The method used was based on the creation of an adjusted interest rate curve, considering the income of high quality corporate debt which covers several maturities. For this, a Eurozone interest rate swap curve was considered, obtaining, through the bootstrapping method, a zero coupon curve. The interest rate curve used resulted from the application of a risk spread to the zero coupon curve obtained. To determine the spread, the *iTraxx Europe Main*, index was used, that covers European corporate debt securities with an investment grade rating, therefore being considered of high quality. The rates for the intermediate term were obtained by straight-line interpolation, and for terms of less than 3 or more than 10 years a constant rate was used.

The pension fund is exposed to the following risks:

- Fund profitability risk

Definition of an investment policy is the responsibility of Impresa, with the advice of the Managing Entity, respecting the limits and restrictions defined for each class of investment. Caixa Gestão de Activos, S.A. is the entity responsible for implementing the strategy and managing the financial assets of the Pension Fund. The securities held are selected considering the defined guidelines, taking into account the economic-financial realities and expectations of the evolution of the market.

The investment policy follows a benchmark management model, which defines the maximum limits of exposure for each class of assets and reference indices for each, against which performance is measured.

There are some deviations between the makeup of the portfolio allocated and the benchmark, due to the significant monetary market component. This is due in part to the significant excess financing of the fund.

The composition of the portfolio of assets obeys a set of rules aimed, through systematic spreading of risks and a benchmark process, at referencing and measuring the performance and risk of the portfolio, ensuring that the principles of diversification and spreading of risk are met.

There are also precise guidelines regarding the quality of credit that establish minimum credit notations and define the universe of investments.

Financial flow projections were made for the liabilities up to the end of the useful life of the Pension Fund.

This management model, not being specifically aimed at minimizing the mismatch between assets and liabilities, is justified as the residual maturity of the past service liability exceeds 70 years and its duration is of approximately 12 years, which makes an effective immunization strategy difficult. This strategy does not invalidate the rebalancing of the portfolio, considering the evolution of the liability.

In the year ended 31 December 2015 and 2014 the profitability of the fund assets was 1.15% and 5.51%, respectively. Expected income from the assets, considering the defined benchmark, was 1.21% and 1.13% in each year, which is lower than the income rate considered for the projection.

- Exchange risk
  The portfolio is preferably represented by securities in the same currency as that of the liability, which is Euros. At 31 December 2015 and 2014 the percentage of the portfolio exposed to exchange risk was 11.90% and 0.51%, respectively.

- Liquidity risk
  At 31 December 2015 and 2014, the Pension Fund had pension liabilities in payment which, due to the evaluation of its liquidity, was considered in the composition of the portfolio. Therefore, at those dates the percentage of the portfolio invested in the monetary market was 10% and 18%, respectively, and so the cash in the portfolio was sufficient to cover the payment of expected pensions over the next three and four years, respectively.

- Credit risk
  The control of credit risk takes into consideration the maturities of each security and is made in aggregate terms, considering in isolation both the fixed and variable rate. The investment policy stipulates a minimum investment grade notation or equivalent for any security to be acquired.

  At 31 December 2015 and 2014, 90.14% and 93.26%, respectively, of the portfolio consisted of BBB- grade or better securities. The securities in question are analysed and are only maintained in the portfolio if they are comfortable with the issuer, as well as their maturity, being permanently monitored.

In addition, sensitivity analyses were made to variations in the portfolio of assets, as regards interest rates in both the share and real estate markets. Therefore, for the fixed income component, increases in the interest rate curve of 1% and 2% and decreases of 10% and 15% were considered simultaneously for the share and real estate markets, it having been determined that in any of the simulations, the amount of the portfolio is sufficient to cover the minimum level of solvency.

Furthermore, so as to assess the adequacy of the relationship between the assets and the liability, that in the sensitivity analyses made to the portfolio of assets to the various types of risk of the assets which, despite the expected profitability of the assets being lower than the discount rate used, if this scenario is maintained, it is not expected that it will be necessary to make any contribution to the Fund for the next 20 years.

(Amounts stated in Euros)

The changes in the amount of the past service liability for current and retired employees and the amount of the assets of the Company's plan in the years ended 31 December 2015 and 2014 were as follows:

	2015	2014
Present value of the liability for defined benefits at the beginning of the period	3,594,735	3,228,049
Benefits paid	(251,583)	(251,384)
Current service cost	39,884	30,979
Interest cost	91,487	122,144
Acquisition of lifelong rents	(18,129)	-
Actuarial (gains)/losses	(191,860)	464,947
Present value of the liability for defined benefits at the end of the period	3,264,534	3,594,735
Plan assets at the beginning of the year	5,166,258	5,156,951
Benefits paid	(251,583)	(251,384)
Interest of the plan	133,274	201,250
Acquisition of lifelong rents	(18,129)	-
Financial gain/(loss)	819	59,441
Plan assets at the end of the year	5,030,639	5,166,258
Surpleis (Note 26)	1,766,105	1,571,523

The financial gain and loss resulting from differences between the assumptions used in determining the expected income from the assets and the effective amounts and the actuarial gain and loss between the assumptions used in determining the liability, were recorded as income and costs directly in equity, as other comprehensive income. The actuarial gain and loss recognized in the year ended 31 December 2015 result essentially from beneficiaries that had been considered in the fund leaving the Company. The gain and loss recognized in the year ended 31 December 2014 results essentially from changes in the discount rate. The remaining income and costs were recorded in the statement of profit and loss.

	2015	2014
Amounts recognized in the statement of profit and loss:		
Current service cost	(39,884)	(30,979)
Interest cost of the plan	(91,487)	(122,144)
Plan interest	133,274	201,250
	1,903	48,127
Amounts recognized as other comprehensive income:		
Actuarial (gain)/loss	191,860	(464,947)
Financial gain/(loss)	819	59,441
	192,679	(405,506)

At 31 December 2015 and 2014 the impact of a decrease in the discount rate to 2.1% each year, used in the actuarial calculations, would correspond to an increase of 179,000 Euros and 197,000 Euros, respectively, in the present value of the liability.

(Amounts stated in Euros)

The portfolio of assets of the pension fund at 31 December 2015 and 2014 was made up as follows:

	2015		2014	
	Amount	%	Amount	%
Bonds	1,440,430	29%	1,763,758	34%
Public debt securities	915,847	18%	1,539,997	30%
Money market	509,889	10%	938,087	18%
Shares	233,761	5%	527,011	10%
Participating units in real estate investment funds	1,888,374	38%	411,448	8%
Cash, receivables (payables) and other short term assets (liabilities)	42,338	1%	(14,043)	0%
	5,030,639	100%	5,166,258	100%

The pension fund does not have any securities of the Impresa Group or any assets used by it.

34.2 Commitments to acquire programs

At 31 December 2015 and 2014, the Group had contracts and agreements with third parties to acquire films, series and other programs amounting to 23,398,069 Euros and 18,186,110 Euros, respectively, not included in the statement of financial position, in accordance with the valuation criteria used (Note 2.10)), as follows:

	31 December 2015					31 December 2014				
	Year the titles are available						Year the titles are available			
Nature	2016	2017	2018 and following years	Without a defined date	Total	2015	2016	2017 and following years	Without a defined date	Total
Entertainment	6,696,772	-	-	-	6,696,772	6,952,333	56,000	-	-	7,008,333
Films	1,815,337	-	-	-	1,815,337	2,215,010	140,342	-	-	2,355,352
Format	72,849	-	-	-	72,849	55,369	-	-	-	55,369
Soap-operas	8,897,583	-	-	-	8,897,583	5,875,278	-	-	-	5,875,278
Children	799,819	15,865	-	89,691	905,375	494,679	-	-	-	494,679
Juveniles	285,503	-	-	-	285,503	-	-	-	-	-
Documentaries	287,557	-	-	-	287,557	324,172	87,380	-	15,741	427,293
60 Series	1,165,917	-	-	-	1,165,917	629,369	94,479	-	-	723,848
Sport	1,882,805	1,368,421	-	-	3,251,226	1,135,263	-	-	-	1,135,263
Events	19,950	-	-	-	19,950	110,695	-	-	-	110,695
	21,924,092	1,384,286	-	89,691	23,398,069	17,792,168	378,201	-	15,741	18,186,110

	31 December 2015					31 December 2014				
	Limit year for broadcasting the titles						Limit year for broadcasting the titles			
Nature	2016	2017	2018 and following years	Without a defined date	Total	2015	2016	2017 and following years	Without a defined date	Total
Entertainment	5,836,768	518,087	243,500	98,417	6,696,772	5,633,973	485,042	889,318	-	7,008,333
Films	51,876	213,874	1,549,587	-	1,815,337	129,480	259,594	1,966,278	-	2,355,352
Format	-	72,849	-	-	72,849	8,000	27,820	19,549	-	55,369
Soap-operas	6,942,000	-	-	1,955,583	8,897,583	2,111,114	10,060	3,754,104	-	5,875,278
Children	17,625	433,542	364,517	89,691	905,375	6,995	202,419	285,265	-	494,679
Juveniles	24,238	234,143	27,122	-	285,503	-	-	-	-	-
Documentaries	49,269	113,381	124,907	-	287,557	70,748	100,024	240,780	15,741	427,293
60 Series	13,233	540,370	612,314	-	1,165,917	15,211	190,687	515,220	2,730	723,848
Sport	514,384	1,368,421	1,368,421	-	3,251,226	1,135,263	-	-	-	1,135,263
Events	-	-	19,950	-	19,950	95,695	15,000	-	-	110,695
	13,449,393	3,494,667	4,310,318	2,143,691	23,398,069	9,206,479	1,290,646	7,670,514	18,471	18,186,110

34.3. Commitments for the acquisition of tangible fixed assets

At 31 December 2015 and 2014, the commitments assumed for the acquisition of tangible fixed assets amounted to approximately 998,338 Euros and 1,100,294 Euros, respectively.

(Amounts stated in Euros)

34.4. Operating leases

In 2004 SIC sold its head office building to an investment fund for 12,300,000 Euros and signed a lease contract to rent back the building for a period of 15 years at an annual rent of 816,500 Euros in the first year and 873,000 Euros as from the second year, subject to annual adjustment based on inflation.

In 2009 GMTS signed a contract to lease a property in which the SIC studios are located for a period of five years, paying an annual rent of approximately 236,000 Euros, subject to annual adjustment in accordance with the applicable Ministerial Order.

In addition, the Group uses other assets under operating lease.

The operating lease contracts do not have contingent lease payments. The payments under the operating lease contracts mature as follows:

	2015	2014
within one year	2,064,451	2,155,676
from one to five years	4,174,045	5,509,389
more than five years	369,345	473,906
	6,607,841	8,138,971

In the years ended 31 December 2015 and 2014 the Group recognized operating lease costs of approximately 1,926,000 Euros and 2,142,000 Euros, respectively, in the consolidated statement of profit and loss and other comprehensive income.

35. RELATED PARTIES

The balances at 31 December 2015 and 2014 and transactions during the years then ended with related parties were as follows:

31 December 2015:

	Balances			
	Demand deposits	Receivables	Payables	Borrowings
Shareholders:				
BPI Group	2,232,292	1,799,590	-	106,462,949
Madre Group (SP - Televisão, Lda.)	-	364,215	4,040,476	-
Associates:				
Vasp - Distribuidora de Publicações, S.A. ("Vasp")	-	2,215,459	28,322	-
Vasp Premium - Entrega personalizada de publicações, Lda. ("Vasp Premium")	-	338	50,952	-
Vasp TMK - Soluções de Trademarketing, Lda. ("Vasp TMK")	-	-	13,870	-
Lusa - Agência de Notícias de Portugal, S.A. ("Lusa")	-	-	104,380	-
DPS - Digital Priting Services, Lda. ("DPS")	-	-	2,137	-
Others:				
Board of Directors (a)	-	-	583,000	-
Compta - Equipamentos e Serviços de Informática, S.A. ("Compta")	-	-	4,503	-
Compta - Infra-estruturas e Segurança, S.A. ("Compta Infra-estruturas")	-	-	17,672	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	-	-	140,495	-
	2,232,292	4,379,602	4,985,807	106,462,949

(a) This amount includes the accrual of an extraordinary career merit bonus to the Managing Director of the Group, in the amount of 583,000 Euros.

(Amounts stated in Euros)

	Transactions				
	Services obtained	Personnel costs	Financial costs	Sales and services rendered	Financial income
Shareholders:					
Impreger	89,784	-	-	-	-
BPI Group	-	-	5,109,779	295,884	14,608
Madre Group (SP - Televisão, Lda.)	19,466,201	-	-	961,033	-
Associates:					
Vasp (Note 8)	198,971	-	-	21,282,994	-
Vasp Premium (Note 8)	122,250	-	-	275	-
Vasp TMK	60,437	-	-	-	-
Lusa	379,205	-	-	-	-
DPS	7,897	-	-	-	-
Others:					
Board of Directors	-	1,805,161	-	-	-
Compta	390	-	-	-	-
Compta Infra-estruturas	21,238	-	1,500	-	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	375,323	-	-	7,000	-
	20,721,696	1,805,161	5,111,279	22,547,186	14,608

31 December 2014:

	Balances			
	Demand deposits	Receivables	Payables	Borrowings
Shareholders:				
BPI Group	464,982	982,492	30,750	118,619,573
Madre Group (SP - Televisão, Lda.)	-	355,901	2,196,956	-
Participated companies:				
Noniussoft	-	3,618	359	-
Associates:				
Vasp	-	2,305,689	33,935	-
Vasp Premium	-	338	64,174	-
Vasp TMK	-	-	34,473	-
Others:				
Compta Infra-estruturas	-	-	146,475	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	-	-	110,259	-
	1,447,474	2,665,546	2,617,381	118,619,573

	Transactions				
	Services obtained	Personnel costs	Financial costs	Sales and services rendered	Financial income
Shareholders:					
Impreger	89,784	-	-	-	-
BPI Group	-	-	6,633,012	291,866	7,842
Madre Group (SP - Televisão, Lda.)	11,557,700		-	797,406	-
Participated companies:					
Noniussoft	-	-	-	4,000	-
Associates:					
Vasp (Nota 8)	206,994	-	-	22,403,409	-
Vasp Premium	78,698	-	-	-	-
Vasp TMK	76,733	-	-	-	-
Others:					
Board of Directors	-	950,911	-	-	-
Compta	109	-	-	-	-
Compta Infra-estruturas	18,485	-	-	-	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	344,441	-	-	-	-
	12,372,944	950,911	6,633,012	23,496,681	7,842

(Amounts stated in Euros)

The terms and conditions practiced in transactions between Impresa and related parties are substantially the same to those that would normally be contracted, accepted and practiced between independent entities in comparable operations. Some of Impresa's shareholders are financial institutions with which commercial agreements are established in the normal course of Impresa's operations, with similar conditions to those currently contracted with independent entities. The transactions carried out under the commercial agreements relate essentially to advertising services rendered by the Impresa Group and the granting of loans by the financial institutions. In the beginning of 2005, the Group acquired from the BPI Group and other small shareholders, 49% of SIC's share capital and obtained a loan of 152,500,000 Euros (Note 28) to finance the acquisition.

Considering the governance structure of the Group and the decision making process, the Group only considers as "Key management personnel's the Board of Directors, since the main decisions related to its activity are taken by the Managing Director and the Board of Directors. During the years ended 31 December 2015 and 2014, the transactions with the Board of Directors relate essentially to the remuneration paid.

Balances and transactions between the consolidated companies were eliminated in the consolidation process and are shown in Note 8.

In the years ended 31 December 2015 and 2014, pension supplements of 184,739 Euros were paid each year to the Chairman of the Board of Directors by the pension fund.

In these years no long term benefits relating to termination of contracts or payments in shares were attributed to members of the Board of Directors. However, as explained above, a career merit bonus of 583,000 Euros payable to the Managing Director was accrued.

36. RATES USED TO TRANSLATE FOREIGN CURRENCY BALANCES

The following rates were used to translate foreign currency assets and liabilities to Euros at 31 December 2015 and 2014:

	2015	2014
US Dollar (USD)	1,0887	1,2141
Swiss Franc (CHF)	1,0835	1,2024
Pound Sterling (GBP)	0,7340	0,7789
Australian Dollar (AUD)	1,4897	1,4829
Canadian Dollar (CAD)	1,5116	1,4063

(Amounts stated in Euros)

37. FINANCIAL INSTRUMENTS

The Group manages its capital to ensure that the subsidiary companies carry out their operations from a going concern standpoint. In this respect, the Group periodically analyses the capital structure (own and third party) and debt maturities of all the companies therein, financing them when necessary.

The financial instruments at 31 December 2015 and 2014 were as follows:

	2015	2014
Financial assets:		
Receivables	33,709,704	34,206,087
Cash and cash equivalents (Note 26)	3,430,627	4,335,807
	37,140,331	38,541,894
Financial liabilities:		
Borrowings	176,225,828	180,735,140
Payables	81,101,268	82,596,990
	257,327,096	263,332,130

The Group believes that the amounts at which the loans at 31 December 2015 and 20143 are recorded do not differ significantly from their fair value or exceed fair value. Fair value of the borrowings depends significantly on the risk level attributed by the financing entities and conditions under which Impresa would, at 31 December 2015 and 2014, be able to obtain if it went to the market to contract loans with similar terms and amounts as those that it had at that date.

The Group believes that the majority of loans have market spreads as they have been negotiated recently or the rates are updated periodically and so their conditions are updated in relation to the current situation of the financial markets, so reflecting the risk level attributed by the lenders.

Borrowings that have not been subject to renegotiation were contracted under more favourable market conditions than those currently existing and so fair value should not exceed book value.

The Impresa Group is exposed essentially to the following financial risks:

a) Interest rate risk

Interest rate risk relates essentially to interest cost on several loans subject to variable interest rates. The loans contracted are exposed to changes in the market rates of interest (Note 28).

If market interest rates in the years ended 31 December 2015 and 2014 were 0.5% higher or lower, net profit for these years would have decreased or increased by approximately 890,000 Euros and 980,000 Euros, respectively, without considering the tax effect.

b) Exchange rate risk

Exchange rate risk refers to receivables and payables in currencies other than the Euro, the Group's currency.

Exchange rate risk at 31 December 2015 and 2014 relates essentially to the acquisition of television broadcasting rights from foreign producers. So as to reduce the risk to which the Company is exposed, a loan was contracted, which at 31 December 2015 and 2014 amounted to 5,138,685 Euros and 6,018,579 Euros, respectively, which was converted to a USD term deposit, which at 31 December 2015 and 2014 amounted to 6,888,950 Euros and 7001,071 Euros (Note 25).

In 2015 the Group did not contract exchange forwards.

In 2014 the Group contracted exchange forwards (calculated over the amount of 9,000,000 USD), to hedge exchange rate risk. However, at 31 December 2014 the Group did not have exchange forwards.

The foreign currency balances payable, expressed in Euros at the exchange rates in force on 31 December 2015 and 2014 were as follows:

	2015	2014
US Dollar (USD)	4,343,672	4,339,788
Swiss Franc (CHF)	8,174	31,096
Pound Sterling (GBP)	8,863	10,507
Australian Dollar (AUD)	2,900	2,913
Canadian Dollar (CAD)	279	300
Brazilian Real (BRL)	1,312	-
	4,363,888	4,384,604

At 31 December 2015 the Group had foreign currency receivables of 3,489,200 USD.

The Group did not have significant foreign currency receivables at 31 December 2014.

c) Credit risk

Credit risk relates essentially to accounts receivable resulting from the operations of several Group companies (Note 24). In order to reduce credit risk, the Group companies have defined policies for granting credit, with defines credit limits by client and collection terms and discount policies for payment in advance or in cash. The credit risk of each Group business is monitored regularly with the objective of:

- limiting credit granted to customers considering the profile and age of the account receivable;
- monitor evolution of the level of credit granted;
- review the recoverability of amounts receivable on a regular basis.

Impairment losses on accounts receivable are calculated considering:

- a review of the aging of accounts receivable;
- risk profile of the customer;
- historical commercial and financial relationship with the customer;
- existing payment agreements;
- financial condition of the customers.

The changes in impairment losses on accounts receivable are shown in Note 30.1.

The Board of Directors believes that the impairment losses on accounts receivable are adequately reflected in the financial statements, there being no need to increase the impairment losses on accounts receivable.

Receivables at 31 December 2015 and 2014 include amounts overdue as follows, for which impairment losses were not recognized as the Board of Directors believes that they are collectible.

Overdue balances	2015	2014
Up to 90 days	5,268,744	2,889,696
From 90 to 180 days	1,024,952	985,655
More than 180 days	1,813,486	1,560,034
	8,107,182	5,435,385

(Amounts stated in Euros)

In addition, accounts receivable at 31 December 2015 and 2014 include balances not yet due, their maturity dates being defined contractually as follows:

Due dates	2015	2014
2015	-	252,934
2016	245,555	246,164
2017	238,902	239,576
2018	232,429	231,146
2019 and following years	842,002	842,002
	1,558,888	1,811,822

d) Liquidity risk

Liquidity risk exists if the funding sources such as operating cash flows, divestment, credit lines and flows from financing operations do not meet the financing needs such as cash outflow for operating and financing activities, investment, shareholder remuneration and debt repayment.

In order to reduce this risk, the Group endeavours to maintain a liquid position and average debt maturities that enable it to repay debt under reasonable conditions. At 31 December 2015 and 2014 the amount of cash and credit lines approved and not used amounted to approximately 61,616,000 Euros and 62,961,000 Euros, respectively, which in the opinion of the Board of Directors, considering the main cash flow projections for 2015, will be sufficient to settle all the Company's current liabilities. Financial indebtedness at 31 December 2015 and 2014 matures as follows:

	2015				
Financial liabilities	Up to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Remunerated:					
Borrowing (a)	34,157,971	16,406,193	50,379,125	75,282,539	176,225,828
Finance lease liability	1,275,418	886,324	3,812,067	-	5,973,809
Suppliers' credits					
guaranteed by third parties	1,158,695	-	-	-	1,158,695
	36,592,084	17,292,517	54,191,192	75,282,539	183,358,332
Not remunerated:					
Trade payables	35,795,221	-	-	-	35,795,221
Suppliers of fixed assets	149,612	-	-	-	149,612
Other current liabilities	38,023,931	-	-	-	38,023,931
	73,968,764	-	-	-	73,968,764
	110,560,848	17,292,517	54,191,192	75,282,539	257,327,096

(Amounts stated in Euros)

	2014				
Financial liabilities	Up to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Remunerated:					
Borrowing (a)	45,143,265	9,466,513	11,577,612	114,547,750	180,735,140
Finance lease liability	2,381,515	1,134,985	894,727	3,810,740	8,221,967
Suppliers' credits guaranteed by third parties	1,014,847	-	-	-	1,014,847
	48,539,627	10,601,498	12,472,339	118,358,490	189,971,954
Not remunerated:					
Trade payables	36,337,845	-	-	-	36,337,845
Suppliers of fixed assets	29,420	-	-	-	29,420
Other current liabilities	36,992,911	-	-	-	36,992,911
	73,360,176	-	-	-	73,360,176
	121,899,803	10,601,498	12,472,339	118,358,490	263,332,130

(a) This caption does not include bank overdrafts.

38. NOTE ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in conformity with International Financial Reporting Standards as endorsed by the European Union. In the event of discrepancies, the Portuguese language version prevails.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

LEGAL CERTIFICATION OF ACCOUNTS AND AUDITOR'S REPORT

(Translation of a report originally issued in Portuguese – in the event of discrepancies, the original version in Portuguese prevails)

Introduction

1. In compliance with the applicable legislation we present our Legal Certification of Accounts and Auditor's Report on the financial information contained in the Directors' Report and accompanying consolidated and non-consolidated financial statements of Impresa - Sociedade Gestora de Participações Sociais, S.A. ("the Company") and subsidiaries for the year ended 31 December 2015, which comprise the consolidated and non-consolidated Statement of Financial Position as of 31 December 2015 that reflect totals of 403,473,707 Euros and 312,948,767 Euros, respectively, and consolidated and non-consolidated equity of 141,772,864 Euros and 133,663,573 Euros, respectively, including consolidated net profit of 4,027,659 Euros and a non-consolidated net profit of 10,696,787 Euros, the Consolidated and Non-Consolidated Statements of Profit and Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the year then ended and the corresponding notes.

Responsibilities

2. The Company's Board of Directors is responsible for: (i) the preparation of consolidated and non-consolidated financial statements that present a true and fair view of the consolidated and non-consolidated financial position of the companies included in the consolidation and of the Company, their consolidated and non-consolidated profit and loss and other comprehensive income from operations, the consolidated and non-consolidated changes in its equity and its consolidated and non-consolidated cash flows; (ii) the preparation of historical financial information in accordance with International Financial Reporting Standards as endorsed by the European Union which is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code (Código dos Valores Mobiliários); (iii) the adoption of adequate accounting policies and criteria and the maintenance of appropriate systems of internal control and (iv) the disclosure of any relevant facts that have influenced its operations and the operations of the companies included in the consolidation, its financial position and profit and loss and other comprehensive income.

3. Our responsibility is to examine the consolidated and non-consolidated financial information contained in the documents of accounts referred to above, including verifying that, in all material respects, the information is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code, and to issue a professional and independent report based on our work.

Scope

4. Our examination was performed in accordance with the Auditing Standards ("*Normas Técnicas e as Directrizes de Revisão/Auditoria*") issued by the Portuguese Institute of Statutory Auditors ("*Ordem dos Revisores Oficiais de Contas*"), which require that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the consolidated and non-consolidated financial statements are free of material misstatement. Our examination included verifying, on a sample basis, evidence supporting the amounts and disclosures in the consolidated and non-consolidated financial statements and assessing the estimates, based on judgments and criteria defined by the Board of Directors, used in their preparation. Our examination also included verifying the consolidation procedures used and application of the equity method, and that the financial statements of the companies included in the consolidation have been appropriately examined, assessing the adequacy of the accounting policies used, their uniform application and their disclosure, taking into consideration the circumstances, verifying the applicability of the going concern concept, assessing the adequacy of the overall presentation of the consolidated and non-consolidated financial statements and assessing if, in all material respects, the financial information is complete, true, timely, clear, objective and licit. Our examination also included verifying that the financial information included in the Directors' Report is consistent with the other consolidated and non-consolidated documents of accounts as well as the verifications established in items 4 and 5 of article 451 of the Commercial Companies Code. We believe that our examination provides a reasonable basis for expressing our opinion.

Opinion

5. In our opinion, the consolidated and non-consolidated financial statements referred to in paragraph 1 above, present fairly in all material respects, the consolidated and non-consolidated financial position of Impresa - Sociedade Gestora de Participações Sociais, S.A. as of 31 December 2015, the consolidated and non-consolidated profit and loss and other comprehensive income from its operations, the changes in its consolidated and non-consolidated equity and its consolidated and non-consolidated cash flows for the year then ended, in conformity with International Financial Reporting Standards as endorsed by the European Union and the information contained therein is, in terms of the definitions included in the standards referred to in paragraph 4 above, complete, true, timely, clear, objective and licit.

Report on other legal requirements

6. It is also our opinion that the financial information contained in the Directors' Report is in agreement with the consolidated and non-consolidated financial statements for the year and that the report on corporate governance includes the items required for the Company in accordance with article 245-A of the Portuguese Securities Market Code (Código dos Valores Mobiliários).

Lisbon, 4 March 2016

Deloitte & Associados, SROC S.A.
Represented by António Marques Dias