ANA Aeroportos e Portugal

Annual Report 2015

VINCI AIRPORTS

Contents

1. KEY PERFORMANCE INDICATORS

INDICATORS	ANA GROUP Real 2015	Real 2014	Real 2013	Δ % 2015/2014
OPERATING INDICATORS				
Commercial Traffic				
Passengers	38,948,253	35,083,810	32,039,483	11.0
Aircraft movements	320,392	300,571	284,163	6.6
Cargo (tonnes)	136,810	140,815	133,950	(2.8)
Activities				
Turnover (thousand euros)[1]	568,330	509,818	440,329	11.5
Aviation (share of total)	74.1	74.0	73.9	0.1p.p.
Non-Aviation (share of total)	25.9	26.0	26.1	(0.1)p.p.
Staff				
Staff at 31 December	3,236	3,061	2,822	5.7
Average staff	3,504	3,214	3,034	9.0
Staff costs (thousand euros)	123,536	113,377	104,843	9.0
Productivity				
Passengers/average staff	11,115	10,916	10,560	1.8
Earnings				
EBITDA[2] (thousand euros)	322,293	281,681	168,649	14.4
EBITDA Margin (%)	56.7	54.2	35.2	2.5p.p.
EBIT[3] (thousand euros)	214,945	165,747	111,046	29.7
EBIT Margin (%)	36.4	31.5	23.0	4.9p.p.
FINANCIAL INDICATORS				
Earnings				
Net profit (thousand euros)	101,169	50,627	18,600	99.8
Financial structure[4]				
Equity (thousand euros)	547,591	446,807	396,916	22.6
Net debt (thousand euros)	1,453,631	1,601,158	1,701,820	(9.2)
Shareholder	1,332,200	1,382,200	1,382,200	(3.6)
Other entities	121,431	218,958	319,620	(44.5)
Capital employed (thousand euros)	2,001,222	2,047,965	2,098,736	(2.3)
Cash flow				
Operating cash flow (thousand euros)	266,687	227,094	200,226	17.4

[1] Does not include amounts related to construction services (IFRIC 12) and is discounted from incentives to traffic development

[2] EBITDA - Earnings before interest, taxes, depreciation and amortisation

[3] EBIT - Earnings before interest and taxes

INDICATORS	ANA,SA Real 2015	Real 2014	Real 2013	Δ % 2015/2014
OPERATING INDICATORS				
Commercial Traffic[1]				
Passengers	38,948,253	33,066,227	29,570,070	17.8
Aircraft movements	320,392	281,406	261,054	13.9
Cargo (tonnes)	136,810	137,693	129,579	(0.6)
Activities				
Turnover (thousand euros)[2]	521,145	435,418	362,337	19.7
Aviation (share of total)	70.8	69.7	68.7	1.1p.p.
Non-Aviation (share of total)	29.2	30.3	31.3	(1.1)p.p.
Staff[3]				
Staff at 31 December	1,243	1,290	1,043	(3.6)
Average staff	1,273	1,108	1,058	14.9
Staff costs (thousand euros)	75,808	64,091	54,589	18.3
Produtividade				
Passengers/average staff	30,596	29,843	27,949	2.5
Earnings				
EBITDA[4] (thousand euros)	318,484	260,569	148,751	22.2
EBITDA Margin (%)	59.0	58.5	37.2	0.5p.p.
EBIT[5] (thousand euros)	212,327	149,236	97,155	42.3
EBIT Margin (%)	38.9	33.0	24.0	5.9p.p.
FINANCIAL INDICATORS				
Earnings				
Net profit (thousand euros)	103,430	40,947	11,859	152.6
Financial structure				
Equity (thousand euros)	543,328	440,283	454,052	23.4
Net debt (thousand euros)	1,460,563	1,619,053	1,612,534	(9.8)
Shareholder	1,332,200	1,382,200	1,382,200	(3.6)
Other entities	128,363	236,853	230,334	(45.8)
Capital employed (thousand euros)	2,003,891	2,059,336	2,066,586	(2.7)
Cash flow				
Operating cash flow (thousand euros)	259,599	213,646	186,413	21.5

[1] Includes, as from the 1 October 2014, the Madeira Autonomous Region airports, previously managed by ANAM, S.A.

[2] Does not include amounts related to construction services (IFRIC 12) and is discounted from incentives to traffic development

[3] Includes former ANAM, S.A.'s staff, absorbed by ANA, S.A. from 1 October 2014

[4] EBITDA - Earnings before interest, taxes, depreciation and amortisation

[5] EBIT - Earnings before interest and taxes

2. THE ANA GROUP AT A GLANCE

The ANA Group comprises ANA, Aeroportos de Portugal, S.A., the parent company and Portway, Handling de Portugal, S.A..

Through the 50-year concession contract signed with the Portuguese State, ANA, S.A. is responsible, until 2062, for providing public airport facilities and services in support of civil aviation at Lisbon, Porto, and Faro airports and at the Beja Civilian Terminal, all on mainland Portugal, as well as at the airports of Ponta Delgada, Santa Maria, Horta and Flores in the Autonomous Region of the Azores. Following the merger by incorporation of ANAM, S.A. into ANA, S.A., the company also manages the two airports in the Autonomous Region of Madeira (Madeira and Porto Santo). After this merger, which took effect as from October 2014, ANA succeeded ANAM as the contract concessionaire for the provision of public airport services in support of civil aviation.

At 31 December 2015, ANA, S.A.'s share capital stood at 200,000,000 euros, fully subscribed and paid up, represented by 40,000,000 shares, each with a nominal value of 5 euros. 100% of these shares are owned by VINCI Airports International, S.A.. ANA, S.A. fully owns Portway, S.A., which has a share capital of 4,500,000 euros, due to a reduction of 12,500,000 euros held in 2015.

More detailed information on the business framework, the constitution of the share capital of the companies comprising the ANA Group and the transactions between related parties can be found in the Notes to the Financial Statements, appended to this report.

3. ECONOMIC ENVIRONMENT

3.1 MACROECONOMIC OVERVIEW

In 2015, the world economy continued to expand, with a general recovery taking place at differing rates in different geographies. The significant fall in petrol prices was a major driver of global economic activity. Less restrictive funding conditions also aided economic growth. In the more advanced economies, economic conditions improved, following a reduction in adverse factors. Conversely, conditions in a number of emerging markets deteriorated.[1]

The economic upswing in the euro area continued to gain ground throughout 2015. According to ECB analysts, the rate of GDP growth in the eurozone is expected to pick up slightly over the next few years. The same analysts calculated that real GDP grew by 1.5% in 2015. They have also forecast growth of 1.9% in 2016 and 2.0% in 2017.

[1] Source: ECB Report 4/ 2015

3.2 THE AIR TRANSPORT SECTOR

Historically speaking, the performance of the air transport sector tends to track the level of economic activity. Demand for air transport, as one branch of socio-economic activity, tends to correlate strongly with economic growth, in all its facets.

In Portugal, the growth in air traffic is closely linked to the gradual improvement of the economy and also to the leveraging provided by other drivers. These include the increased offer from new airlines, an uptake of new markets, and the significant upturn in tourist demand. There has also been growth in demand from emigration-related segments.

The growth in passenger numbers in Portugal in 2015 stood again amongst the most impressive in all of Europe, which confirms the attractiveness of the country's various regions and the efficiency of our airport management.

4. BUSINESS REVIEW

The ANA Group's business portfolio essentially comprises the management of the airport infrastructures that serve aircraft, passengers and cargo alike (generally defined as aviation's business) at the airports of Lisbon, Porto and Faro and at the civilian terminal in Beja, in mainland Portugal. These same services are also delivered at Ponta Delgada, Santa Maria, Horta and Flores airports, in the Azores Autonomous Region, and at Madeira and Porto Santo airports, in the Madeira Autonomous Region.

The Group's business activities also include the operation of commercial and advertising spaces at the airports, real estate (linked to airport operations, commercial buildings and hotels), car parks and car rental services (known collectively as our non-aviation business). Through Portway – Handling de Portugal, S.A., the Group also provides the full range of handling services required by air transport businesses. ANA, S.A. accounts for 89.7% of the Group's turnover.

In 2015 the ANA Group continued to consolidate its air traffic development strategy for the airports that it manages. We invested heavily in building connectivity in Portugal, as a way of creating value and growing sustainably. To do this, we implemented a route development strategy based on market diversification and attracting airlines that offer the right fit for the markets served by our airport network.

4.1 AVIATION BUSINESS

As in previous years, the Group's aviation business, which includes the handling business operated through our subsidiary Portway, S.A., was responsible for most of our turnover. In 2015, it contributed with 420.9 million euros, or 74% of total ANA Group turnover. These revenues were generated under the economic regulation model. The application of this model led to the updating of some regulated fees, as a way of ensuring we met the 2015 regulated revenue targets per passenger terminal for the whole ANA airport network. This included the recouping of 4.9 million euros attributable to 2013 revenues, resulting from the application of the estimate error adjustment factor built into the concession contract.

In 2015, we began consolidating the implementation of our coordinated strategy for aviation marketing across ANA network airports and all other airports in the VINCI Airports Group. This strategy, which is designed to increase airport competitiveness, focuses on air traffic and airport product growth. This growth has been promoted through new forms of communicating with our stakeholders.

The new incentives system for route development, in place since April 2015, is one of the key tools we are using to achieve this strategic objective. The new system was built to be adaptable to the specific characteristics of each of our airports and the regions in which we operate. This is so that it can take account of seasonal factors and infrastructure capacities. We designed the system in such a way as to encourage airlines to develop their services within the ANA airport network, by means of a more efficient use of the capacity available at each airport. Any airline operating out of any ANA airport can join the scheme, except in the case of Lisbon airport, due to constraints of capacity.

The ANA Group sees this support tool as a specific driver of commercial traffic growth at ANA, S.A. airports, as it will encourage an increase in passenger traffic for existing operations and open up new schedules and routes for Group airports.

As a result, ANA network airports managed to launch 26 new routes during the year and expand operations on 26 existing ones. A total of 11 airlines that had never flown scheduled flights out of some Group airports began doing so this year.

Pricing is also a key determiner in the implementation of this strategy. As a tool, it is used to modulate airport fees, within the current regulatory framework, and can be adapted to meet specific local market conditions and infrastructure capabilities.

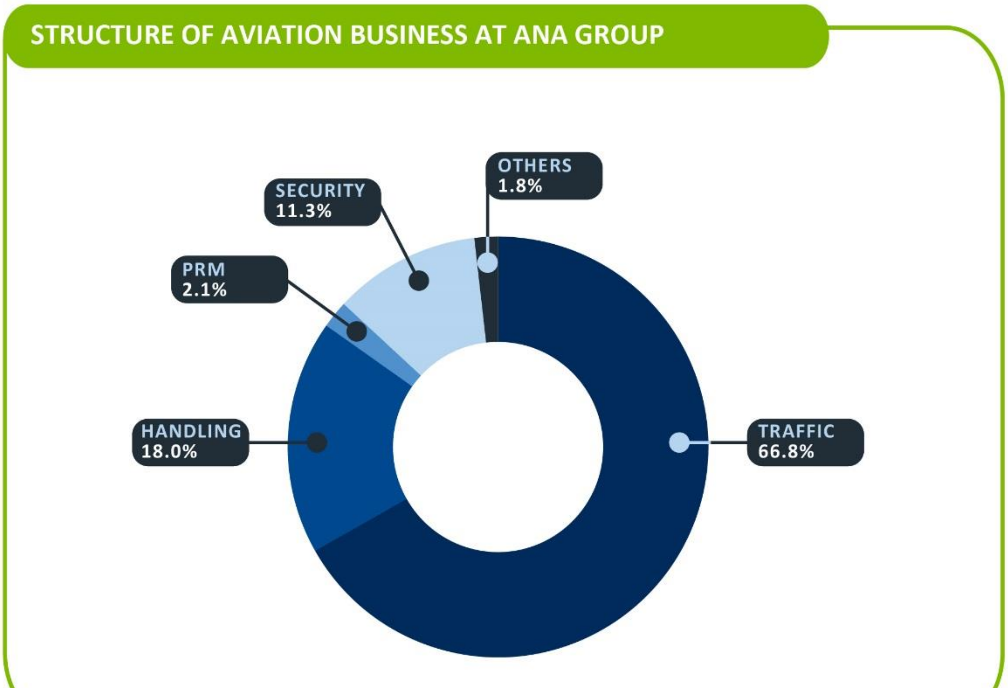
Our investment in the quality of the service provided to the various stakeholders has been another critical factor in ensuring an ongoing improvement in performance and in our ability to meet our commitments, as set out in Annexe 7 to the concession contract. This document details the minimum service levels that we must provide, in terms of both infrastructure availability and passenger satisfaction.

Quarterly monitoring of the minimum service levels for infrastructure availability showed that, in 2015, we performed positively overall, with the vast majority of performance indicators measuring at above the minimum contract levels.

The quarterly monitoring of passenger satisfaction indicators is based on surveys that assess the quality of our airport services. The results of these surveys, which are implemented through the Airport Service Quality Survey programme (ASQ survey) run by the Airports Council International (ACI), indicated that, in overall terms, we performed well in 2015.

The work on the final targets for the indicators in the **Airport Service Quality Scheme** (RQSA, in Portuguese), which started in 2013, has now been finished and formalised. In November 2015, and in compliance with Decree-Law no. 254/2012 and the concession contracts, ANA launched a consultation exercise involving all airport users, including handling agents. The sole purpose of the exercise was to set the minimum service levels for the 2016 RQSA indicators.

Once the consultation exercise had been completed, a final document was produced towards the end of the year. This includes a proposal to carry the 2015 minimum service levels through to 2016, unchanged. The document has been sent to the regulatory authority (ANAC) and users and has also been posted on our website.



Note: PRM – People with reduced mobility

The ten airports under ANA management served 38.95 million commercial passengers in 2015, or 11.0% more than in the previous year. Passenger growth in 2015 was up on 2014 (+9.5%), which had already been the fastest growing year since 1999.

For the first time, 20 million passengers passed through Lisbon Airport. Porto and Ponta Delgada airports also exceeded key passenger number targets, breaking through the 8 million and 1 million passenger barriers, respectively. The increase in passenger numbers at Lisbon Airport (+1.95 million) reflected year-on-year growth of 10.7% and accounted for 50.4% of all passenger growth in the ANA network.

In 2015, the growth in traffic at the airports in the Azores was largely the result of the deregulation of traffic between São Miguel (where Ponta Delgada Airport is located) and mainland Portugal. Portway, S.A. began operating in the archipelago for the first time, through its new handling unit at Ponta Delgada Airport.

There was also a substantial increase in the airline offer (+6.6% in aircraft movements and +9.2% in seats), particularly from the low cost segment.

The difference between the growth in movements and that in passenger traffic is explained by the rise in the average load factor for commercial flights, which went up 1.4 pp in 2015 to reach 82.2% in 2015.

The main commercial traffic indicators for 2015, for airports managed by the ANA Group, were as follows:

Commercial Traffic

	Lisbon	Porto	Faro	Beja	Azores	Madeira	ANA Group
Passengers	20,090,418	8,087,740	6,436,881	233	1,604,752	2,728,229	38,948,253
Change 15-14	10.7%	16.7%	4.4%	(73.4%)	25.7%	6.3%	11.0%
Aircraft movements	162,042	69,377	43,096	38	21,422	24,417	320,392
Change 15-14	6.4%	11.6%	1.6%	(53.1%)	11.0%	0.5%	6.6%
Seats	24,966,133	9,821,319	7,387,418	693	2,164,911	3,333,041	47,673,515
Change 15-14	9.8%	13.8%	1.4%	(66.3%)	16.1%	5.3%	9.2%
Load factor	80.5%	83.3%	88.1%	33.6%	76.8%	82.7%	82.2%
Change 15-14	0.6 pp	2.2 pp	2.7 pp	(9.1 pp)	5.4 pp	0.8 pp	1.4 pp

4.2 NON-AVIATION BUSINESS

As at the end of 2015, the ANA Group's non-aviation income represented approximately 26% of the total turnover for this business, which was 147.5 million euros. This was an increase of 11.4% compared to 2014.

The retail business generates the largest part of our non-aviation income, at 58.0%. This income stream is based on a strategy of extracting value from the asset base available to the retail business. There are three strands to this strategy:

- Reconfiguration of the shopping areas in the main airports, with major changes taking place in the layouts of these areas in Lisbon and Porto airports. Investments included the opening of the new food court in Lisbon Airport, at the end of the first half of the year, and the start of work to redesign the shopping area layouts at Faro and Funchal airports;
- Optimisation of the revenue stream was built into the new licensee selection process as well as into the processes for renegotiating and/or extending current licences;
- Maximisation of occupancy rates for the retail areas.

The new agreement governing the relationships between ANA and licensees is also of key importance here. This agreement is used to monitor licensee results and help them develop their businesses.

The 11.7% growth in retail business income in 2015 was slightly higher than that of passenger traffic (11.0%), despite the somewhat difficult economic context. Performance of the commercial outlets in 2015 was negatively affected by a broad range of economic factors (currency restrictions, fall in purchasing power, changes in the exchange rate) that affected two of our biggest origin/destination markets: Brazil and Angola.

Two of the larger developments in our real estate business were the licensing of the construction and operation of a second hotel unit at Lisbon Airport and of a hangar at the Beja Civilian Terminal. Construction work on both projects will begin in 2016.

The parking business grew 8.4% year-on-year, following the work we did to optimise the management of this business. This took the form of a more efficient management of occupancy rates, achieved by streamlining the online booking system, an increased and more innovative offer, investment in the refurbishment of facilities, the introduction of new access systems and adjustments to the tariff structure.

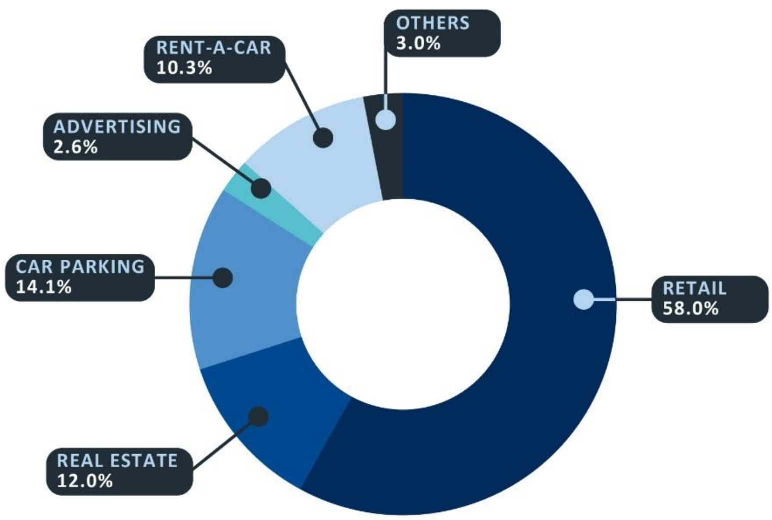
Car rental was up 17.9% on 2014, making it the fastest growing non-aviation business. In 2015, we renegotiated existing licences and a number of new operators started operating out of the mainland airports and those on the Azores.

The operating regulations for non-licensed car rental companies were published in the *Diário da República* (Official Gazette) for Lisbon Airport (Regulation 277/2015), Porto Airport (Regulation 278/2015) and Faro Airport (Regulation 279/2015). These regulations are intended to improve the conditions under which such companies provide their services as well as ensuring compliance with the common set of rules and conduct that applies to the companies already licensed for this type of business at ANA airports.

Income from the publicity concession at the airport rose 2.9% in 2015. This increase can be attributed to the renegotiation of the business conditions for the existing licence and the extension of this licence for a 5 further years beyond its initial term.

On the services side, we opened a new ANA lounge at Lisbon Airport. This quality facility offers passengers an enhanced airport experience.

STRUCTURE OF NON-AVIATION BUSINESS AT ANA GROUP



5. SUSTAINABILITY

5.1 HUMAN RESOURCES

A number of Human Resources-related matters were consolidated in 2015, including the entry into force of the new company agreement on 13 May 2015. This strengthened the company's social peace climate.

This collective labour agreement sets out a new career structure. This structure, which is largely based on the premise that the recognition of performance is a key element in professional development, is designed to encourage a culture of merit.

In the same way, the company's commitment to sharing performance results, in the form of variable remuneration, and the updating of the salary scales, has made a significant contribution to the recognition of employee merit.

The new company agreement has also allowed us to construct an employment framework that better matches both the needs of the company and the expectations of our workforce. It has resulted in much greater flexibility, particularly as regards working hours.

As an outcome of the 2014 reformulation of the overall training plan, we have launched a number of new training programmes aimed at developing specific competences. The training plan breaks down into three sub-plans, each with a different target public: **General training**, which develops base competences (common to all employees); **Operational training**, which focuses on developing core operational and business competences; and **Training for managers and team leaders,** through which department heads and coordinators develop the tools they need to increase the effectiveness and efficiency of their management of the teams they lead.

The company has also set up a partnership with the *Universidade Lusófona*, to run the Specialised Course in Airport Operations - CEOPA. This academic offer of a brand new specialist course, largely delivered by teachers drawn from the ANA staff, is aimed at students who are just finishing school. The protocol is also designed to ensure that, in a near future, ANA's needs in this area can be satisfied by the domestic labour market.

5.1.1 HUMAN RESOURCES IN NUMBERS

At 31 December 2015, the ANA Group had 3,236 employees[2] working at the Group's ten airports. 1,243 people were employed by ANA, S.A. and 1,993 by Portway, S.A., as shown in the following table.

[2] Includes members of the Management Committee

	ANA, S.A.			Portway SA			ANA Group		
	2015	2014	Var. 15/14	2015	2014	Var. 15/14	2015	2014	Var. 15/14
Total staff	1,243	1,290	(3.6%)	1,993	1,771	12.5%	3,236	3,061	5.7%
Gender									
Male	775	806	(3.8%)	1,496	1,353	10.6%	2,271	2,159	5.2%
Female	468	484	(3.3%)	497	418	18.9%	965	902	7.0%
Age									
<30	15	18	(16.7%)	405	385	5.2%	420	403	4.2%
30-50	828	871	(4.9%)	1,442	1,244	15.9%	2,270	2,115	7.3%
>50	400	401	(0.2%)	146	142	2.8%	546	543	0.6%
Average age	46.2	45.8	0.9%	36.2	36.8	(1.6%)	40.1	40.6	(1.2%)

5.1.2 BUILDING COMPETENCES

The ANA Group's ongoing investment in training, designed to build workforce competences, translated into the Group-wide delivery of 82,029 hours of training in 2015. Of this total, 20,490 hours were delivered to ANA, S.A. employees and 61,539 hours to Portway, S.A. employees.

5.2 ENVIRONMENT

5.2.1 NOISE AND AIR QUALITY

The minimisation of the negative impacts of noise emissions is an ongoing challenge for us.

The noise environment monitoring programme already in place is designed to assess the real impact of the noise generated by airport activity on the neighbouring community, as well as to check that it complies with legal requirements.

We control gaseous emissions at ANA, S.A. airports, particularly as regards one-off releases, in compliance with our legal obligations. Similarly, the air quality at Lisbon, Porto and Madeira airports is also monitored.

5.2.2 VOLUNTARY CARBON MANAGEMENT

All our airports have renewed their Airport Carbon Accreditation with the Airports Council International (ACI). Seven of the ten ANA airports have achieved level 2 accreditation (Reduction), in recognition of the efforts they have made to reduce their greenhouse gas emissions.

5.2.3 INCREASE IN ENERGY EFFICIENCY

Energy efficiency is of prime importance in the airport business, both in economic terms and as regards the environmental impact resulting from emissions of greenhouse gases. This is a key area in our sustainability management. Various energy efficiency measures have been implemented at the ANA Group, some in an across-the-board corporate sense while others have been adapted to the reality of each airport.

5.2.4 CONSERVATION OF NATURAL RESOURCES

ANA, S.A. has played a truly pioneering role as regards environmental responsibility. For example, we have set up a project to measure our water footprint. The main aim of this project, which we launched in 2012, is to calculate our footprint on a regular basis and to establish measurable water consumption objectives and targets. We want to ensure that our water use is as efficient as possible and is also kept to a minimum. In 2015, we completed our calculations of the 2013 and 2014 water footprints.

5.3 RESEARCH, DEVELOPMENT AND INNOVATION

In 2015, we continued our ongoing participation in selected RD&I initiatives and projects. These allow us to access cutting edge know-how in the airport sector, under competitive conditions, hone the expertise of our technical staff and, simultaneously, project a positive image of ANA.

The company played an active role in five European R&D projects, in the areas of operational efficiency, safety, the environment, energy efficiency and multi-modality. We also networked extensively in a variety of European knowledge networks involving other airports, leading organisations such as the ACI, SESARJU, Eurocontrol, universities and industry.

The collaboration between ANA, S.A. and THALES Portugal, S.A. led to the setting up of a strategic partnership agreement for research and development (R&D) in the area of flow monitoring and management. This partnership also covers the optimisation of terminal and airside operational processes, including the industrialisation and subsequent marketing of the solutions that are developed under this agreement. Amongst other successes, we were able to implement the ACDM[3] in Lisbon, in collaboration with the Lisbon Airport stakeholders. This SESAR project, coordinated by Eurocontrol through the TEN-T[4] programme, is designed to improve operational efficiency.

In terms of intellectual property management, we registered two patents internationally, one in Europe and one in China, in addition to registering them in Portugal.

In 2015, we received 266,074 euros in funding for European R&D projects and 211,915 euros in the form of SIFIDE tax benefits.

[3] ACDM-Advanced Collaborative Decision Making / SESAR–Single European Sky ATM Research

[4] TEN-T Trans-European Transport Network

6. ECONOMIC AND FINANCIAL ANALYSIS

6.1 RESULTS

ANA Group turnover[5] in 2015 was 568.3 million euros, a year-on-year increase of 11.5%. This growth can be attributed to the positive performance of both the aviation (+11.5%) and non-aviation (+11.4%) businesses at Group companies.

Excluding intra-group operations in the invoicing to Portway component, ANA, S.A. contributed 509.8 million euros to turnover. This is a 19.8% rise over 2014 contribution, the year in which the airports in the Madeira archipelago were incorporated. This incorporation took place in October. This is aligned with ANA, S.A.'s turnover growth, of 19.7%, as shown below:

ANA Group turnover

Thousand euros

ANA Group	2015	2014	2013	Δ% 15/14
ANA, S.A.	521,145	435,418	362,337	19.7
ANAM, S.A.	-	30,241	37,686	(100.0)
Portway, S.A.	70,866	65,531	60,601	8.1
Intra-group operations	(23,681)	(21,372)	(20,295)	10.8
ANA Group	**568,330**	**509,818**	**440,329**	**11.5**

Group EBITDA for 2015 came to 322.3 million euros, 14.4% higher than in 2014. This translates into an EBITDA margin of 56.7%, a year-on-year rise of 2.5 pp.

In 2015, revenue per passenger was 14.6 euros, up 0.4% on 2014.

Net profits for the ANA Group were 101.2 million euros, a twofold increase over the previous year.

Turnover, which rose by 58.5 million euros year-on-year, as detailed in chapter 4 of this report, was a major contributor to this increase. Another significant contributor was net financial income, which came in at 19.6 million euros higher.

External supplies and services, amounting to 130.4 million euros for the ANA Group, was the largest item on the costs side in 2015. It is worth highlighting that this 5.0% rise must be read in the context of a double digit growth in business activity, where we were able to achieve significant reductions in the costs through the renegotiation of some of our primary service contracts.

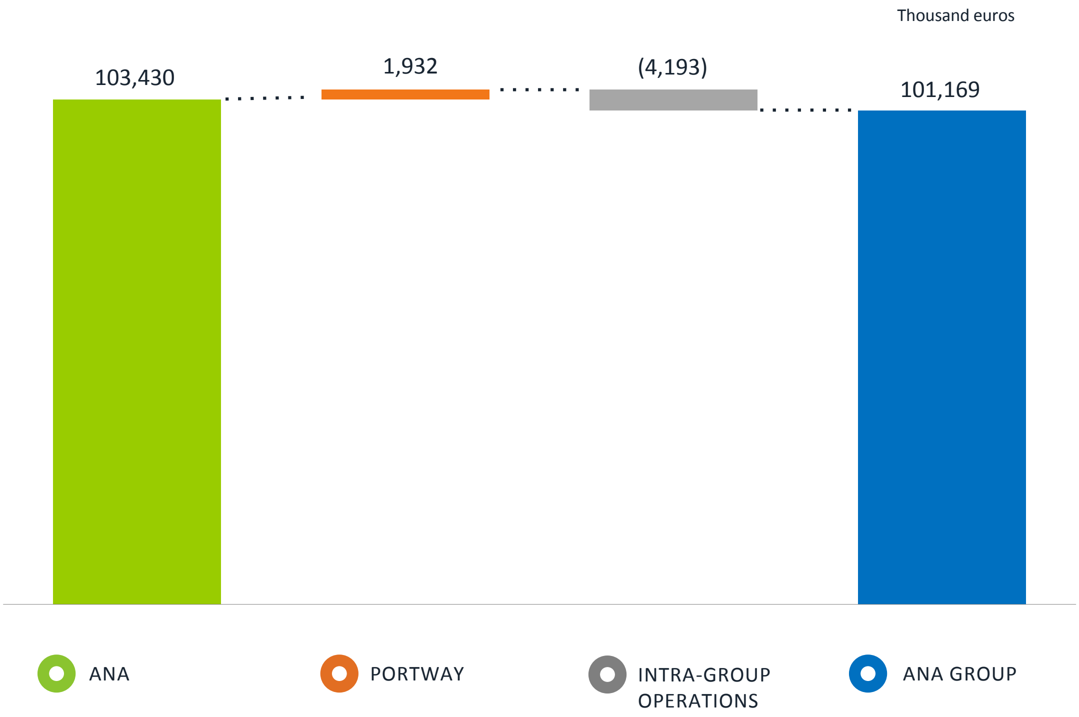
[5] Turnover is presented in this Report net of construction services (IFRIC 12) and air traffic development incentives

The 9.0% increase in staff costs in 2015 is accounted for by promotions, salary updates and retroactive overtime payments from 2014, based on the new company agreement. The programme to streamline the workforce also entailed a certain amount of extra expenditure.

The most significant factor in the other costs item was the Municipal Tourist Tax paid to the Lisbon City Council, as required by Regulation no. 569-A/2014, issued on 30 December.

As regards net financial income, the fall of 19.6 million euros in finance costs is explained by: the reduction, at the end of July, of the spread on the loans taken out with the shareholder in 2013 and used to pay the second tranche of the concession upfront fee to the grantor; the renegotiation of the interest rate on two loans from the European Investment Bank; and the lower charges incurred as a consequence of the repayment of the loans detailed in the following point.

The following graph shows the breakdown of net profits for each Group company in 2015:



6.2 FINANCIAL SITUATION

As at the end of 2015, the capital invested in the ANA Group and ANA, S.A. totalled 2.0 thousand million euros.

In 2014, ANA, S.A. accounting policies and practices, with respect to the application of IFRIC 12, were aligned with those used throughout the VINCI Group and the assets of the former ANAM, S.A. were assigned to ANA, S.A.. Subsequent to this, the reduction in tangible fixed assets and in intangible assets in 2015 is accounted for by the incorporation of investments less amortisations and depreciations for the year.

As regards changes in the working capital, the increase in third-party debt, as at 31 December, is largely the result of the financial restructuring currently taking place at two of ANA, S.A.'s main clients. These processes should be completed in 2016.

ANA, S.A.'s financial investments also fell, following the 12.5-million-euro reduction in the share capital of Portway.

On the funding side, the increase in equity is explained by the net results obtained in 2015.

The decrease in shareholder debt is the result of the early repayment, in October 2015, of a 50-million-euro bond loan. Net debts to other entities fell following loan repayments totalling 27.9 million euros to the European Investment Bank and the increase in cash resources as at the end of the year (+68.4 million euros).

Financial situation

Thousand euros

ANA, S.A.				ANA Group		
2015	2014	2013		2015	2014	2013
294,219	340,509	85,910	Tangible fixed assets (net of subsidies)	296,965	343,667	92,581
1,784,592	1,805,447	1,956,036	Intangible assets (net of subsidies)	1,786,022	1,806,877	2,130,808
35,975	38,167	30,793	(+) Deferred tax assets	36,105	38,177	39,291
329	316	171	(+) Inventories	942	889	1,028
104,371	76,697	41,878	(+) Third party debt	110,902	84,193	51,193
(220,921)	(219,654)	(183,949)	(+) Debt to third parties	(230,466)	(226,618)	(216,752)
1,998,565	2,041,482	1,930,839	(=) Net use of capital	2,000,470	2,047,185	2,098,149
5,326	17,854	135,747	(+) Financial investments	752	780	587
2,003,891	2,059,336	2,066,586	(=) Total use of capital	2,001,222	2,047,965	2,098,736
543,328	440,283	454,052	Equity	547,591	446,807	396,916
1,332,200	1,382,200	1,382,200	(+) Debt to shareholder	1,332,200	1,382,200	1,382,200
128,363	236,853	230,334	(+) Net debt to other entities[6]	121,431	218,958	319,620
2,003,891	2,059,336	2,066,586	(=) Capital employed	2,001,222	2,047,965	2,098,736

[6] Includes other loans and derivatives financial liabilities, deducted from cash and cash equivalents

6.3 RISK MANAGEMENT

The ANA Group as a whole is engaged in a broad range of airport management activities, in a sector in which there is significant exposure to risk.

Given the transformations that have taken place in recent years, in both the airport sector and as regards the company's organisational context, we implemented a review of ANA, S.A.'s Risk Management Model in 2015. This review aimed to ensure that the model has the flexibility it needs to be closely aligned, at all times, with the company's management objectives.

The current risk management model is based on the assumption that the "owners" of the risk are responsible for managing it. Actions taken in this respect are regularly reported to the top tier of management.

ANA groups risk into 5 main categories:

- Strategic - Dependent on external forces that can impact the company's strategy, performance, operations and organisation in the mid to long term;
- Operational - Arising from our engagement in our business activities and from the company's internal processes;
- Financial - Associated with the company's financial performance. The financial risk management policy for the ANA Group is detailed in the Notes to the Financial Statements, in points 2.20 - Coverage Policy and 3 - Management of Financial Risk;
- Conformity - Pertaining to compliance with the domestic and international legislation and regulations that govern the company's business activity;
- Fraud - Associated with deliberate misconduct, whether originating inside or outside the company.

7. INVESTMENTS

In 2015, the ANA Group invested 61.1 million euros in the ten airports we manage. Of this total, around 65% was invested in increasing our installed capacity. The remainder was absorbed by maintenance and conservation projects for the existing infrastructures, particularly the maintenance of aircraft manoeuvring areas (runways, taxiways and parking aprons).

Geographically speaking, the investment programme focused on the mainland airports (Lisbon, Porto and Faro), which accounted for 76% of the overall investment and 85% of the capacity growth involved, consequence of the high growth in traffic volumes seen in recent years. Approximately 19% of the investment total was applied to the island airports on Madeira and in the Azores. The lion's share of this investment, some 70%, was spent on maintaining and conserving existing infrastructures at these airports.

The development programme at Faro airport absorbed about 2.3 million euros, or some 4% of the investment total. This programme's share of total investment will increase substantially next year, with the start of the construction work to enlarge the passenger terminal.

The most significant investment at Portway, S.A., of some 0.6 million euros, is related to the opening of the handling unit at Ponta Delgada airport.

8. SUBSEQUENT EVENTS

No relevant events worthy of disclosure have occurred since the closure of the reporting period ended on 31 December 2015.

9. 2016 OUTLOOK

As a result of our ongoing efforts to promote the ANA Group to operators, we expect airport traffic to grow in 2016, through the opening of new routes and increased frequencies on existing ones.

The commercial areas, particularly retail, are also expected to grow significantly in the coming years. This growth will be fuelled by the work we have done to bring the layouts and offer in the shopping areas in line with the needs of our passengers.

ANA will retain its focus on improving the conditions offered by our infrastructures. We plan to take these beyond the specific development obligations written into the concession contract.

In the 2016 investment plan, projects relating to the development obligations written into the concession contract account for about 53% of the total planned investment. Much of the remainder will be spent on the Faro development plan and the work being done at Lisbon Airport.

10. PROPOSED ALLOCATION OF NET PROFIT

ANA, S.A. closed out the 2015 financial year with net profits of **103,430,270.30€**.

The company is committed to the specific development obligations for airport infrastructures written into the concession contracts. Moreover, and given the recent growth in traffic and the future outlook, we will continue to invest above and beyond these obligations, to adapt the existing infrastructures so that they provide service levels capable of contributing to the attractiveness of our airports.

On the basis of the results and objectives attained in 2015, the Board of Directors proposes that part of the company's net profits, in the amount of 741,900.00 euros, be shared with our employees. In accordance with the accounting principles underpinning the preparation of the company's financial statements, this amount is already reflected in the net profits stated above.

Given the above, the board of directors proposes that the net profits for the year be appropriated in the following manner:

Legal reserve: 5,171,513.52 euros
Reserve for investments: 98,258,756.78 euros

Lisbon, 16 May 2016

Board of Directors
Chairman:

____
Jorge Manuel da Mota Ponce de Leão

Members of the Board:

____
Pierre Marie Bernard Coppey

____
Jean-Luc Bernard Marie Pommier

____
Nicolas Dominique Notebaert

____
Olivier Patrick Jacques Mathieu

____
Pascale Frédérique Thouy Albert-Lebrun

____
François Jean Amossé

____
Luís Miguel da Silveira Ribeiro Vaz

____
Thierry Franck Dominique Ligonnière

____
Tanguy André Marie Bertolus

____
António dos Santos Morgado

____
Mário Manuel Pinto Lobo

Financial Statements

STATEMENT OF FINANCIAL POSITION SEPARATE AND CONSOLIDATED

(thousand euros)

ANA, S.A. 2015	ANA, S.A. 2014	Description	Notes	ANA GROUP 2015	ANA GROUP 2014
		ASSETS			
		Non-Current			
		Tangible fixed assets			
118,232	130,632	State property acquired	6	118,232	130,632
184,794	226,636	Company assets	6	187,536	229,432
14,379	8,745	Fixed assets in progress	6	14,383	9,106
-	-	*Goodwill*	8	1,430	1,430
1,782,503	1,801,549	Concession right	7	1,782,503	1,801,549
2,089	3,898	Other intangible assets	7	2,089	3,898
4,574	17,074	Investment in subsidiaries and associates	9	-	-
686	780	Financial investments	11	686	780
66	-	Derivatives financial assets	12	66	-
1,117	2,780	Receivables and others	13	1,117	2,780
-	107	Retirement benefits	18	-	107
35,975	38,167	Deferred tax assets	14	36,105	38,177
2,144,415	2,230,368			2,144,147	2,217,891
		Current			
329	316	Inventories	15	942	889
114,598	85,302	Receivables and others	16	120,572	93,615
-	7,976	Current tax	19	-	8,349
139,490	70,450	Cash and cash equivalents	20	139,741	71,354
254,417	164,044			261,255	174,207
2,398,832	2,394,412	Total assets		2,405,402	2,392,098
		EQUITY			
200,000	200,000	Share capital	21	200,000	200,000
162,394	120,373	Reserves	22	163,355	113,930
77,504	78,963	Retained earnings		83,068	82,250
103,430	40,947	Net profit		101,169	50,627
543,328	440,283		23	547,592	446,807
543,328	440,283	Total equity		547,592	446,807
		LIABILITIES			
		Non-Current			
1,561,271	1,639,364	Loans	24	1,561,271	1,639,364
3,547	4,238	Derivatives financial liabilities	25	3,547	4,238
4,461	1,279	Provisions	26	4,772	1,802
1,082	-	Retirement benefits obligations	18	1,082	-
94,094	111,557	Payables and other liabilities	27	94,284	111,684
1,664,455	1,756,438			1,664,956	1,757,088
		Current			
35,235	45,902	Loans	24	28,554	28,910
134,096	151,789	Payables and other liabilities	28	143,200	159,293
21,718	-	Current tax	19	21,100	-
191,049	197,691			192,854	188,203
1,855,504	1,954,129	Total liabilities		1,857,810	1,945,291
2,398,832	2,394,412	Total of equity and liabilities		2,405,402	2,392,098

Notes 1 to 47 are an integral part of these Financial Statements.

INCOME STATEMENT SEPARATE AND CONSOLIDATED

(thousand euros)

ANA, S.A. 2015	ANA, S.A. 2014	Description	Notes	ANA GROUP 2015	ANA GROUP 2014
543,484	447,935	Revenue	29	588,808	521,693
867	506	Work executed by the entity and capitalised	6	867	506
(1,755)	(1,725)	Goods sold and materials consumed	30	(2,684)	(2,521)
(137,684)	(121,898)	External supplies and services	31	(130,414)	(124,212)
(75,808)	(64,091)	Personnel expenses	32	(123,537)	(113,377)
(1,006)	786	Impairment in receivables and other assets	17	(1,030)	824
(3,183)	(135)	Provisions	26	(2,995)	104
945	2,982	Other income	33	1,010	3,221
(7,789)	(3,791)	Other expenses	34	(7,990)	(4,557)
3,881	3,710	Investment subsidies	28	3,881	3,889
(109,625)	(115,043)	Amortisation and depreciation	35	(110,971)	(119,823)
212,327	149,236	**Operating results**		214,945	165,747
(73,185)	(90,991)	Finance costs	36	(73,192)	(92,786)
4,221	1,934	Share in the results of associates and others	37	14	14
(975)	(762)	Other financial results	38	(973)	(1,015)
(69,939)	(89,819)	**Financial results**		(74,151)	(93,787)
142,388	59,417	Results before income tax		140,794	71,960
(38,958)	(18,470)	Corporate income tax expenditure	39	(39,625)	(21,333)
103,430	40,947	**Net profit**		101,169	50,627
		Earnings per share (euros)			
2.59	1.02	Basic earnings per share		2.53	1.27
2.59	1.02	Diluted earnings per share	40	2.53	1.27

Notes 1 to 47 are an integral part of these Financial Statements.

COMPREHENSIVE INCOME STATEMENT SEPARATE AND CONSOLIDATED

(thousand euros)

ANA, S.A. 2015	ANA, S.A. 2014	Description	Notes	ANA GROUP 2015	ANA GROUP 2014
103,430	40,947	Net profit		101,169	50,627
		Other income not qualified as results			
(1,189)	(216)	Remeasurements		(1,189)	(216)
354	424	Deferred tax	14	354	424
		Other income qualified as results			
691	(1,503)	Fair value variation of swaps coverage	25	691	(1,503)
(102)	193	Fair value variation of assets available-for-sale	11	(102)	193
(139)	366	Deferred tax	14	(139)	366
103,045	40,211	**Total comprehensive income**		100,784	49,891
		Net profit			
103,430	40,947	Allocated to shareholders		101,169	50,627
103,430	40,947			101,169	50,627
		Total comprehensive income			
103,045	40,211	Allocated to shareholders		100,784	49,891
103,045	40,211			100,784	49,891

Notes 1 to 47 are an integral part of these Financial Statements.

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

(thousand euros)

Description	Notes	Allocated to shareholders				Total Group
		Capital	Reserves	Retained earnings	Net profit	
Balance as of 1 January 2014		200,000	174,619	3,697	18,600	396,916
Application of the result of the previous year		-	12,138	6,462	(18,600)	-
ANAM's merger		-	(71,883)	71,883	-	-
Total income in the period		-	(944)	208	50,627	49,891
Balance as of 31 December 2014	23	200,000	113,930	82,250	50,627	446,807
Balance as of 1 January 2015		200,000	113,930	82,250	50,627	446,807
Application of the result of the previous year		-	48,350	2,277	(50,627)	-
Other movements		-	624	(624)	-	-
Total income in the period		-	451	(835)	101,169	100,785
Balance as of 31 December 2015	23	200,000	163,355	83,068	101,169	547,592

Notes 1 to 47 are an integral part of these Financial Statements.

STATEMENT OF SEPARATE CHANGES IN EQUITY

(thousand euros)

Description	Allocated to shareholders				Total ANA
	Capital	Reserves	Retained earnings	Net profit	
Balance as of 1 January 2014	200,000	163,438	78,755	11,859	454,052
Application of the result of the previous year	-	11,859	-	(11,859)	-
ANAM's merger	-	(53,980)	-	-	(53,980)
Total income in the period	-	(944)	208	40,947	40,211
Balance as of 31 December 2014	200,000	120,373	78,963	40,947	440,283
Balance as of 1 January 2015	200,000	120,373	78,963	40,947	440,283
Application of the result of the previous year	-	40,947	-	(40,947)	-
Other movements	-	624	(624)	-	-
Total income in the period	-	450	(835)	103,430	103,045
Balance as of 31 December 2015	200,000	162,394	77,504	103,430	543,328

Notes 1 to 47 are an integral part of these Financial Statements.

Direct method

(thousand euros)

CASH FLOW STATEMENT SEPARATE AND CONSOLIDATED

ANA, S.A. 2015	ANA, S.A. 2014		Notes	ANA GROUP 2015	ANA GROUP 2014
		Operating activities:			
557,429	455,440	Receipts from customers		600,715	524,613
(181,712)	(136,048)	Payments to suppliers		(177,960)	(133,568)
(76,163)	(63,284)	Payments to personnel		(116,613)	(112,377)
(7,125)	(31,343)	Payments and receipts of income tax		(7,125)	(33,476)
(32,830)	(11,119)	Other operating payments and receipts		(32,330)	(18,097)
259,599	213,646	***Operating cash flows***		266,687	227,095
		Investment activities:			
		Receipts from:			
12,500	1,200	Financial investments		-	-
-	8,893	Cash flow from ANAM's merger		-	-
21	2,472	Tangible fixed assets		21	2,508
25	-	Interest and similar income		33	-
1,020	1	Investment subsidies		1,020	1
4,221	1,934	Dividends		14	14
		Payments regarding:			
-	(50,000)	Financial investments		-	-
(32,015)	(43,331)	Tangible fixed assets and intangible assets		(33,741)	(45,105)
(14,228)	(78,831)	***Investments cash flows***		(32,653)	(42,582)
		Financing activities:			
		Receipts from:			
-	55	Interest and similar income		-	55
-	17,421	Other financing operations (Cash Pooling)		-	-
-	-	Other financing operations		7	-
		Payments regarding:			
(77,934)	(33,554)	Loans		(77,934)	(77,795)
(87,658)	(79,880)	Interest and similar costs		(87,720)	(82,697)
(10,739)	-	Other financing operations (Cash Pooling)		-	-
(176,331)	(95,958)	***Financing cash flows***		(165,647)	(160,437)
69,040	38,857	Variation of cash and equivalents		68,387	24,076
70,450	31,593	Cash and equivalents at the beginning of the period	20	71,354	47,278
139,490	70,450	Cash and equivalents at the end of the period	20	139,741	71,354

Notes 1 to 47 are an integral part of these Financial Statements.

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NOTES TO THE FINANCIAL STATEMENTS

PRELIMINARY NOTE

ANA - Aeroportos de Portugal, S.A. (ANA, S.A.) was set up by Decree-Law no. 404/98, of 17 December. This law transformed the former *Empresa Pública Aeroportos e Navegação Aérea, ANA, E.P.*, itself set up by Decree-Law no. 246/79, of 25 July, into a legal person under private law, with the status of a public limited liability company.

The company is governed by its articles of association, by the regulatory standards applicable to limited liability companies, by the concession contracts to which it is party and also by the special regulations applicable because of the company's specific business activity.

ANA - Aeroportos de Portugal, S.A. is currently the concessionaire for the provision of public airport services in support of civil aviation operations at eight national airports. These are located in mainland Portugal (Lisbon, Porto, Faro and Beja) and in the Autonomous Region of the Azores (Ponta Delgada, Santa Maria, Horta and Flores). It also runs two regional airports in the Autonomous Region of Madeira (Madeira and Porto Santo).

The legal framework for these concessions is set out in decree-Law no. 254/2012, of 28 November, and in the amendments to this introduced by Decree-Law no. 108/2013, of 31 July, which brings the airports in the Autonomous Region of Madeira into the airport network managed by ANA, S.A.

This legal framework is completed by the concession contracts for the provision of public airport services in support of civil aviation operations at national airports: (i) in mainland Portugal and the Azores, through the contract signed by ANA, S.A. and the Portuguese State on 14 December 2012, and (ii) in the regional airports in the Autonomous Region of Madeira, according to the contract signed on 10 September 2013. Under this latter contract, ANA, S.A. succeeded to ANAM, S.A. as concessionaire, as from October 2014, when ANAM, S.A. was incorporated by merger into ANA, S.A.

ANA - Aeroportos de Portugal, S.A. has its registered office at Rua D, Edifício 120, Lisbon Airport and is the “parent company” of the ANA Group. The shareholder structure and business purpose are described in the following points.

The Financial Statements given refer to the separate financial statements for ANA, S.A. and the consolidated financial statements for the ANA Group.

All values are expressed in thousand euros, unless otherwise indicated.

1_ACTIVITY

1.1_GROUP STRUCTURE AND FRAMEWORK OF ACTIVITY

SHAREHOLDERS:

At 31 December 2015, ANA, S.A. was 100% owned by VINCI Airports International, S.A..

GROUP COMPANIES:

ANA, S.A., the parent company, is the sole owner of Portway, Handling de Portugal, S.A., its handling subsidiary.

Until 30 September 2014, ANA, S.A. owned 100% of the former ANAM - Aeroportos e Navegação Aérea da Madeira, S.A.. As part of the company reorganisation/restructuring that took place in 2014, ANAM, S.A. (incorporated company) was merged by incorporation into ANA, S.A. (incorporating company) and ANAM, S.A. was then wound up. (see point 1.2.2).

The main business purpose of ANA, S.A. is to operate public airport services, as a concession, in support of civil aviation in Portugal. Additionally, the company may carry out business activities and commercial or financial operations that are directly or indirectly related, wholly or partially, to the main purpose, or that may help or ease the achievement of this main purpose.

1.2_CONCESSION OF PUBLIC AIRPORT SERVICES CONTRACT

1.2.1_NATIONAL AIRPORTS IN MAINLAND PORTUGAL AND IN THE AUTONOMOUS REGION OF AZORES

ANA, S.A. is a concessionaire of the public airport service in support of aviation at eight national airports in mainland Portugal (Lisbon, Porto, Faro and Beja) and in the Autonomous Region of Azores (Ponta Delgada, Santa Maria, Horta and Flores), under the concession contract signed with the Portuguese State on 14 December 2012.

Object of the Contract

This concession contract for the provision of airport services includes the following activities:

a) Airport activities and services – directly provided by the concessionaire or for which it provides airport infrastructures, particularly in relation to:

    1. The availability of airport infrastructures consisting of runways, taxiways and aprons;
    2. The availability of airport infrastructures necessary for air traffic control;
    3. The parking of aircraft on the aprons, as well as their shelter in hangars, when applicable;
    4. The safety of airport operations within the entire airport perimeter;

5. The provision of emergency, rescue and fire fighting services;
6. The availability of areas specifically designed for the embarking, disembarking, transfer or transit of passengers, cargo and mail;
7. The availability of airport infrastructures for the provision of assistance services to aircraft, passengers, cargo and mail, including the supply of fuel, oil and meals (catering);
8. The supply, operation and maintenance of equipment for embarking and disembarking passengers and equipment for remote embarking of persons with reduced mobility, as well as supply of energy to aircraft;
9. The availability of passenger check-in counters or any other infrastructure associated with the processing of passengers, including common use computer platforms;
10. The supply, operation and maintenance of infrastructures for the reception, treatment, handling and collection of baggage;
11. The availability of car parks with public access to airports;
12. General maintenance and upkeep of airport infrastructures.

b) The exclusive right (for a limited time) of the concessionaire to present a proposal for the design, construction, financing and/or operation and management of the new airport for Lisbon;
c) The provision of activities for design, projects, construction, strengthening, reconstruction, expansion, deactivation and closing of airports, under the terms of the contract;
d) The carrying out of business activities that may be performed in airports or other areas affected by the concession.

CONCESSION ASSETS AND ASSOCIATED OBLIGATIONS

The concession contract was awarded for a period of 50 years, from the date of the signing of the contract (14 December 2012).

In return for being granted this concession, ANA, S.A. paid the grantor the amount of 1,200 million euros, maintaining the right of use over all the airport infrastructures that make up the concession and assuming the responsibilities inherent in the maintenance of airport infrastructures according to the parameters of service quality set forth in the contract.

In addition to the initial payment of 1,200 million euros, ANA, S.A. is obligated to share with the grantor, in two equal annual payments (31 March and 30 September) between the 10th and 50th years of the concession, an amount corresponding to a percentage of the gross income from the concession, which varies between 1 and 10% according to the defined time intervals.

The establishment of the concession includes all the assets allocated to the concession, regardless of their ownership, which includes: a) buildings and land; b) other tangible assets; and c) intangible assets.

ANA, S.A. may not engage in any business deals related to the assets allocated to the concession that could jeopardise the effectual and continuing allocation of these to the concession, except when there is a need for replacement or when these have been shown to be obsolete or inadequate for the performance of the activities of the concession.

Under the concession contract, ANA, S.A. assumes specific obligations for development, including the maintenance of the airports in good operating conditions, assuming the total and exclusive responsibility for the operation, repair, replacement, maintenance and management of airports, and in particular to:

a) Maintain the runways, aprons, taxiways and cargo and mail infrastructures, as well as all the areas of the airport essential to the secure access to air transports, in conditions that are at least equal to those at the date of the contract;
b) Maintain all the passenger terminals at a C service level, according to the IATA manual[7];
c) Keep airports free from any environmental damage resulting from the concession activity;
d) Guarantee, on the expiration date of contract, the delivery of the assets allocated to the concession in operating conditions that meet the minimum reversion conditions.

FINANCING

As concessionaire, ANA, S.A. assumes full financing of the concession, although this may be renegotiated, provided that the debt servicing coverage ratio stipulated in the contract is maintained.

INCOME AND REBALANCING OF THE CONCESSION

The concession income consists of proceeds from charges issued by the concessionaire in return for providing airport activities and services, and includes income from commercial or other activities related to the management of the concession.

The charges under the provision of public service are regulated by ANAC - Autoridade Nacional de Aviação Civil, which sets the maximum values that can be put into practice.

The concessionaire assumes complete responsibility for all the risks inherent in the concession, rebalancing only being permitted in those cases expressly provided for in the contract. Rebalancing can take one or more forms:

a) Change in the charges subject to economic regulation;
b) Attribution of co-payment or direct compensation by the grantor;
c) Extension of the concession period; or
d) Any other form agreed upon between parties.

At the end of the concession, all the concession assets revert to the grantor, with the concessionaire retaining no rights of indemnification, except for investments greater than 30 million euros made in the last 5 years of the concession contract with the approval of the grantor. In these cases, the grantor shall pay the residual amount of the assets or extend the concession period.

Under the terms of the concession contract, the period of the contract may be extended, specifically in the event of the concessionaire's proposal for the design, construction, financing and/or operation and management of the new Lisbon airport is approved by the grantor.

[7] International Air Transport Association

1.2.2_REGIONAL AIRPORTS IN THE AUTONOMOUS REGION OF MADEIRA

Following the merger by incorporation of ANAM, S.A. as stated above, ANA, S.A. succeeded ANAM, S.A. as contract concessionaire for the provision of public airport services in support of aviation at the two regional airports in the Autonomous Region of Madeira (Madeira and Porto Santo). This contract was signed by ANAM, S.A. and the Portuguese state on 10 September 2013, as planned in the contract itself (clause 43.4).

For all material purposes, as regards both the duties and the obligations of the parties and the contract term, this contract is fully aligned with the concession contract for the provision of public airport services in support of aviation for the national airports in mainland Portugal and the Azores, as signed by ANA, S.A. and the Portuguese state on 14 December 2012.

Thus, ANA, S.A. has been the concession holder under two concession contracts since October 2014. Although these contracts are independent, the grantor is the same and the form of the contracts is materially identical.

1.3_ECONOMIC REGULATION LEGAL FRAMEWORK

- Decree-Law no. 254/2012 approved the rules applicable to the airport sector. The aforesaid Decree-Law regulates: (i) the licensing regime for the private use of airport assets in the public domain and the performance of activities and services in airports and national public aerodromes, as well as the charges related to these activities; (ii) a set of charges applied to all airports and aerodromes located in Portuguese territory, specifically the security charge due on the number of passengers boarded; (iii) the conditions for applying the juridical regime related to the rights of people with disabilities and persons with reduced mobility; (iv) the rules and common principles applicable to the charges subject to economic regulation and setting the indicators of quality in service, to be followed at airports and aerodromes located in Portuguese territory;

- Under article 49 of Decree-Law no. 254/2012, the security charge consists of two distinct components. One part covers the charges levied by ANAC and the security forces. The other part covers the costs incurred by the airport management bodies in providing civil aviation security services and also in installing, operating and maintaining the systems for screening all hold baggage. The part of the charge pertaining to this second component is fixed by ministerial order issued by the members of the government responsible for finance, internal administration and the economy. Prior to this, the airport management body makes a proposal that has been guided by the opinions of airport users, or their representatives, and is based on the costs of the security services provided, as per no. 2 of article 52 of Decree-Law no. 254/2012;

- In order to cover the costs inherent to providing assistance to Persons with Reduced Mobility, a charge was created that came into effect in December 2008, complying with Regulation no. 1107/2006, of 5 July. This charge is paid by the airlines using airports or aerodromes in Portugal. The amount is fixed, per passenger embarked, by decision of the administrative board of ANAC. Prior to this, the airport management body makes a proposal that has been guided by the opinions of airport users, or their representatives, or users associations, as per nos. 1 and 3 of article 61 of Decree-Law no. 254/2012.

1.3.1_ECONOMIC REGULATION ESTABLISHED IN THE CONCESSION CONTRACTS

The economic regulation defines the principles and rules applicable to the charges paid by airport customers for the use of available facilities and for services provided by the airport operator related to the landing, take-off, lighting and parking of aircraft and for the processing of passengers, cargo and mail.

The concession contracts for the provision of public airport services in support of aviation at the national airports in mainland Portugal and the Azores and at the regional airports in the Autonomous region of Madeira specify the economic regulation applicable to the business carried out at these airports, through a common and materially standardised model.

In terms of the regulation model adopted, the activities provided by the airport managing entity are divided into:

a) Regulated activities: i) directly related to aircraft operations; ii) related to the processing and assistance to passengers, on arrival, departure and in transfer;
b) Monitored activities: i) the commercial activities on the airside not included in the "airside retail activities"; ii) availability of ticket sale counters or for support of the airline operations; iii) activities for supplying fuel and catering to aircraft and other categories of assistance during stopover; and iv) activities related to flights exclusively operated by cargo planes.

The setting of the income per terminal passenger is made by airport or set of airports,

i) Lisbon group [Lisbon, Azores, Madeira (Madeira and Porto Santo) and Beja Civilian Terminal]
ii) Porto
iii) Faro

the concessionaire being free to set the structure and amounts of the charges owed, as long as the limits established for the Regulated Price Cap are observed.

The following factors feed into the calculation of the annual Regulated Price Cap: i) the Regulated Price Cap from the previous year indexed to the IPCH[8], less the applicable efficiency factor; ii) the contribution made by the airside retail income for the year; and iii) the estimate of the number of "terminal" passengers for the year. However, the calculated amount may be subject to adjustments or restrictions dictated by the economic regulation. In practice, the most likely of these to be applied are those arising from the restrictions drawn up specifically for the "Lisbon group", such as the adjustments resulting from the biannual comparative test or the mechanisms for sharing traffic risk.

At the end of each year, the difference between the proposed Regulated Price Cap and the actual Regulated Price Cap is calculated. When this difference results from errors in estimating annual passenger traffic volumes or errors in estimating the traffic mix and/or composition of services provided, the negative difference in the

[8] Harmonised Consumer Price Index

Regulated Price Cap can be recovered through adjustment in year n+2. When the calculated difference is in the favour of ANA, S.A., the company must return this difference to airlines within six months.

In any case, the amount to be fixed as annual Regulated Price Cap must be evaluated in the light of aviation market conditions on the date on which this amount is fixed. This is to ensure that the airport network does not lose competitiveness. In the case of the "Lisbon group", the restrictions referred to in point six of annexe 12 of the economic regulation and the established rules of preponderance must also be observed.

The rates to be applied for monitored activities are not subject to being set by ANAC, as they are merely monitored. Monitored activities may be reclassified as regulated activities and vice-versa by decision of the regulator with justification.

A regulatory description of rates due for using the airport facilities and services and for operating commercial activities can be found in the 'Regulated Charges Guide' available online at ANA, S.A.'s official website (www.ana.pt).

1.3.2_GROUND HANDLING SERVICES

Via Portway - Handling de Portugal, S.A., the Group is involved in the activity of providing the aircraft that use Lisbon, Porto, Faro, Madeira, Porto Santo and Ponta Delgada airports with assistance during stopovers, as defined by Decree-Law no. 275/99 dated 23 July, under licence from ANAC for the following activities:

- Administrative assistance on the ground and supervision;
- Assistance to passengers;
- Assistance with baggage;
- Assistance for cargo and mail;
- Assistance for runway operations;
- Assistance for cleaning and servicing aircraft;
- Assistance for air operations and crew management;
- Assistance for ground transport.

2_ACCOUNTING POLICIES

The main accounting policies applied while preparing these financial results are described below. These policies were applied consistently to all the years presented herein, unless otherwise indicated.

2.1_BASIS FOR THE PRESENTATION

These financial statements sheets were prepared according to the IFRS adopted by the European Union ("IFRS"), issued and in force or issued and adopted prior to 31 December 2015.

Thus, they were prepared according to the principle of historic cost basis, except with regard to derivative financial instruments, the financial assets available for sale, which are recorded according to their fair value in the statement of financial position and financial assets, which are recorded according to their fair value through results.

The preparation of the financial statements in accordance with the IFRS requires the use of some important estimates that affect the amounts of assets and liabilities as well as the amounts of income and costs during the reported period. These estimates and assumptions are derived from a better knowledge of management with regard to current events and activities. However, it is not expected that significant adjustments of the values of assets and liabilities in future years will result from these estimates. The areas that involve a greater degree of judgement or where the estimates are more significant for the financial statements are described in Note 4.

2.2_IFRS DISCLOSURES – NEW RULES AS OF 31 DECEMBER 2015

2.2.1_RECENTLY ISSUED ACCOUNTING STANDARDS AND INTERPRETATIONS THAT HAVE COME INTO FORCE AND THAT THE GROUP APPLIED IN PREPARING ITS FINANCIAL STATEMENTS

The new standards and interpretations adopted by the European Union for which application is mandatory are as follows:

- **Improvements to the IFRS (2011-2013)** - The annual improvements for the 2011-2013 cycle, issued by the IASB on 12 December 2013, introduced alterations to the IFRS 1, IFRS 3, IFRS 13 and IAS 40 standards. These alterations come into effect for reporting periods beginning on or after 1 July 2014. These amendments were endorsed by European Commission Regulation no. 1361/2014, of 18 December (which sets the latest possible date for application as being the start date of the first financial reporting period that begins on or after 1 January 2015). The ANA Group has adopted the improvements to the 2011-2013 IFRS cycle.

- **IFRS 3 – Exceptions to the scope of application for joint ventures** - The amendments exclude the formation of all types of joint arrangements, as these are defined in IFRS 11, from the scope of application of IFRS 3. This exception to the scope of application only applies to the financial statements of joint ventures or to the joint ventures themselves. These amendments had no impact on the Group’s financial statements.

- **IFRS 13 – Scope of paragraph 52 – portfolio exception** - Paragraph 52 of IFRS 13 includes an exception for measuring the fair value of groups of assets or liabilities on a net basis. The aim of this amendment is to clarify that the portfolio exception applies to all contracts covered by IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial asset or financial liability set out in IAS 32. This amendment had no impact on the Group’s financial statements.

- **IAS 40 – Interrelationship with IFRS 3 when properties are classified as investment properties or buildings for own use.** - The aim of this amendment is to clarify the need for a judgement to decide if an acquisition of investment properties corresponds to the acquisition of an asset, a group of assets or a concentration of an operating activity covered by IFRS 3. These amendments had no impact on the Group’s financial statements.

- **IFRIC 21 – Levies** - On 20 May 2013, the IASB issued this interpretation, with effective (retrospective) application for reporting periods beginning on or after 1 January 2014. This interpretation was endorsed by European Commission Regulation no. 634/2014, of 13 June (which sets the latest possible date for application as being the start date of the first reporting period that begins on or after 17 June 2014).
  This new interpretation defines a levy as being an outgoing for the entity that has been imposed by the government, in accordance with the relevant legislation. It confirms that the entity carries a liability for the levy when, and only when, the specific event that triggers the levy actually occurs. These amendments had no impact on the separate or consolidated financial statements.

2.2.2_THE GROUP DECIDED AGAINST EARLY ADOPTION OF THE FOLLOWING STANDARDS AND/OR INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION

- **IAS 19 (change) –Defined Benefit Plans: Employee contributions** - On 21 November 2013, the IASB issued the amendment, with effective (retrospective) application for reporting periods beginning on, or after, 1 July 2014. This amendment was endorsed by European Commission Regulation no. 29/2015, of 17 December 2014 (which sets the latest possible date for application as being the start date of the first financial reporting period that begins on or after 1 February 2015).
  This amendment clarifies the guidance given in the case of contributions made by employees or third parties in respect of service, requiring that the entity attributes such contributions in accordance with paragraph 70 of IAS 19 (2011). Thus, such contributions are attributed using the benefit formula or a linear form.
  The amendment reduces the level of complexity, introducing a simple form that allows an entity to recognise contributions, made by employees or third parties in respect of service, that are independent of the number of years of service (for example, a percentage of salary), as a reduction in the cost of services in the period in which they are rendered. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **Improvements to IFRS (2010-2012)** – The annual improvements for the 2010-2012 cycle, issued by the IASB on 12 December 2013, introduced alterations, with an effective date of application for periods beginning on, or after, 1 July 2014, to the IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38 standards. These amendments were endorsed by European Commission Regulation no. 28/2015, of 17 December 2014 (which sets the latest possible date for application as being the start date of the first financial reporting period that begins on or after 1 February 2015). The Group does not expect this amendment to have any relevant impact on its financial statements.
- **IFRS 2 – definition of vesting condition** – The amendment clarifies the definition of the vesting conditions contained in Annex A of IFRS 2 – Share-based Payments, separating the definition of "performance condition" and "condition of service" from the vesting condition of acquisition, giving a clearer description of each of the conditions. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IFRS 3 – Accounting of a contingent consideration within the scope of a concentration of business activities** - The aim of this amendment is to clarify certain aspects of the accounting of the contingent consideration within the scope of a concentration of business activities, namely the classification of the contingent consideration, taking into account if this contingent consideration is a financial instrument or a non-financial asset or liability. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IFRS 8 – Aggregation of operating segments and reconciliation between all of the assets of the reportable segments and the assets of the company** - The amendment clarifies the criterion of aggregation and requires an entity to disclose the factors used to identify the reportable segments, when the operating segment has been aggregated. In order to achieve internal consistency, a reconciliation of all of the assets of the reportable segments for all of the assets of an entity should be disclosed, if these amounts were regularly provided to the operational decision-maker. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IFRS 13 – Short-term receivables and payables** - The IASB altered the bases of conclusion in order to clarify that, in eliminating paragraph AG79 from IAS 39, it did not intend to eliminate the need to determine the current value of an account receivable or payable in the short term, where the invoice for this was issued without interest, even if the effect is immaterial. It should be pointed out that paragraph 8 from IAS 8 now allows an entity not to apply accounting policies defined in the IFRS if their impact is immaterial. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IAS 16 and IAS 40 – Valuation model – proportional reformulation of accumulated depreciation or amortisation** - In order to clarify the calculation of accumulated depreciation or amortisation, on the reassessment date, the IASB altered paragraph 35 of IAS 16 and paragraph 80 of IAS 38 in order to: (i) determine that accumulated depreciation (or amortisation) does not depend on the selection of the valuation technique; and (ii) and that accumulated depreciation (or amortisation) is calculated by the difference between the gross and net book values. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IAS 24 – Related party transactions – services of key management personnel** - In order to resolve concern over the identification of the costs of the service of key management personnel (KMP), when these services are rendered by an entity (as for example a management entity in investment funds), the IASB clarified that the disclosures of the amounts incurred by KMP provided by a separate management entity should be disclosed, but that it is not necessary to present the breakdown described in paragraph 17. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **Improvements to IFRS (2012-2014)** - The annual improvements for the 2012-2014 cycle, issued by the IASB on 25 September 2014, introduced alterations, with an effective date of application for periods beginning on, or after 1 January 2016 to the IFRS 5, IFRS 7, IAS 19 and IAS 34 standards. These amendments were endorsed by European Commission Regulation no. 2343/2015, of 15 December 2015. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IFRS 5 - Non-Current Assets Held For Sale and Discontinued Operations Change of Disposal Method** - The amendments to IFRS 5 clarify that if an entity reclassifies an asset (or a disposal group) directly from being ‘held for sale’ to being ‘held for distribution to owners’ (or vice versa), then the change in classification is considered a continuation of the original plan of disposal. Therefore, no measurement gain or loss is accounted for in the statement of profit or loss or other comprehensive income. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IFRS 7 - Financial Instruments: Disclosures: servicing contracts** - The amendments to IFRS 7 clarify – by adding additional application guidance – when servicing contracts constitute continuing involvement for the purposes of applying the disclosure requirements in paragraph 42C of IFRS 7. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IFRS 7 - Financial Instruments: Disclosures: Applicability of the Amendments to IFRS 7 on offsetting financial assets and financial liabilities to condensed interim financial statements** - This amendment clarifies that the additional disclosures requirements that were introduced in December 2011 by the amendments to IFRS 7 – offsetting financial assets and financial liabilities – are not applicable to interim periods after the year of their initial application, unless IAS 34 Interim Financial Reporting requires such disclosures. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IAS 19 - Employee benefits Discount rate: regional market issue** - The amendments to IAS 19 clarify that the high quality corporate bonds used to estimate the discount rate should be determined considering the same currency in which the benefits are to be paid. Consequently, the depth of the market for high quality corporate bonds should be assessed at currency level rather than at country level. If such a market does not exist, the market yield on government bonds denominated in that currency shall be used. The Group does not expect this amendment to have any relevant impact on its financial statements.

- **IAS 34 Interim Financial Report: Disclosure of information "elsewhere in the interim financial report"** -
  The amendments clarify that the 'other disclosures' required by paragraph 16A of IAS 34 shall be presented either in the interim financial statements or incorporated by cross-reference from the interim financial statements to some other statement (such as management commentary or a risk report) that is available to users of the financial statements on the same terms as the interim financial statements and at the same time. IAS 34 does not apply to the Group.
  The amendments to IAS 34 also clarify that if users of the financial statements do not have access to the information incorporated by cross-reference on the same terms and at the same time, the interim financial report is incomplete.

- **IAS 27 - Equity method in separate financial statements** - On 12 August 2014, the IASB issued amendments to IAS 27 that are to be applied to reporting periods that begin on or after 1 January 2016. These amendments introduce an option to measure subsidiaries, associates and joint ventures by the equity method, in the separate financial statements.
  These amendments were endorsed by European Commission Regulation no. 2441/2015, of 18 December 2015. This standard should have no impact on the separate financial statements. The company does not intend to make use of this option.

- **Other amendments** - In 2014, the IASB also issued the following amendments, which are applicable to reporting periods that begin on or after 1 January 2016: Amendments to IFRS 16 and IAS 41: Bearer plants (issued on 30 June and endorsed by European Commission Regulation no. 2113/2015, of 23 November); Amendments to IAS 16 and IAS 38: Clarification of the acceptable methods for depreciation and amortisation (issued on 12 May and endorsed by European Commission Regulation no. 2231/2015, of 2

December); Amendments to IFRS 11: Accounting for the acquisition of holdings in joint ventures (issued on 6 May and endorsed by European Commission Regulation no. 2173/2015, of 24 November) and Amendments to IAS 1: Disclosure Initiative (issued on 18 December and endorsed by European Commission Regulation no. 2406/2015, of 18 December). The Group does not expect this amendment to have any relevant impact on its financial statements.

2.2.3_STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT YET ADOPTED BY THE GROUP

STANDARDS

- **IFRS 9 - Financial instruments (issued in 2009 and revised in 2010, 2013 and 2014)** - IFRS 9 (2009) and IFRS 9 (2010) introduced new requirements for the classification and measurement of financial assets and liabilities. In this new approach, financial assets are classified and measured based on the business model of the portfolio concerned and the contractual characteristics of the cash flows of the instruments in question. IFRS 9 (2013) was published with the requirements that regulate the accounting of hedge operations.
  IFRS 9 (2014) was also published. This reviewed some of the guidelines for the classification and measurement of financial instruments (in addition to holdings in the capital of companies that are considered to be strategic, this also covers other debt instruments measured at fair value, with the alterations being recognised in other comprehensive income – OCI[9]). It also established a new model for impairment, based on the expected losses model. IFRS 9 will be applicable to reporting periods beginning on or after 1 January 2018 (early adoption being permitted). This standard may have an impact on the Group's financial statements.

- **IFRS 15 - Revenue from contracts with customers** - On 28 May 2014, the IASB issued IFRS 15 - Revenue from contracts with customers. Application of this standard is mandatory for reporting periods beginning on or after 1 January 2017. Early adoption is permitted. This standards replaces the following standards: IAS 11 - Construction Contracts, IAS 18 - Revenue, IFRIC 13 - Customer Loyalty Programmes, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 18 - Transfers of Assets from Customers and SIC 31 - Revenue - Barter Transactions Involving Advertising Services. IFRS 15 establishes a five-step model for determining when, and how much, revenue should be recognised. The model specifies that revenue should be recognised when an entity transfers goods or services to the client. This revenue is measured as the amount that the entity expects it will be entitled to. Depending on the fulfilment of certain criteria, the revenue is recognised i) at the precise time that the client gains control of the goods or services; or ii) over a period of time, as the entity's performance transfers control. This standard should have no impact on the Group's financial statements.

- **IFRS 16 - Leases** - On 13 January 2016, the IASB issued IFRS 16 - Leases. Application of this standard is mandatory for reporting periods beginning on or after 1 January 2019. Early adoption is permitted, provided IFRS 15 is also adopted. This standard replaces IAS 17 - Leases. IFRS 16 eliminates the classification of leases as operating leases or finance leases. All leases are treated as finance leases. The standard does not apply to short-term leases (less than 12 months) or leases for low-value assets (such as personal computers). This standard may have an impact on the Group's financial statements.

[9] Other comprehensive income

- **Other amendments** – The IASB also issued: (i) Amendments to IFRS 10, IFRS 12 and IAS 28 - Investment entities - Application of the consolidation exemption. These amendments were issued on 18 December 2014 and apply to reporting periods that begin on or after 1 January 2016. (ii) Amendments to IAS 12 that clarify the requirements for recognising deferred tax assets for unrealised losses, to address diversity in practice. These amendments were issued on 19 January 2016 and apply to reporting periods that begin on or after 1 January 2017.

2.3_CONSOLIDATION

SUBSIDIARIES

The financial holdings in companies over which the Group exercises control are consolidated by means of the full consolidation method. The method is applied from the date on which the Group gains control over the financial and operational activities of the subsidiary and until the date on which it relinquishes such control.

The Group is presumed to have control when it is exposed, or is entitled, to variable returns arising from its involvement in the holding and where it is able to influence such returns through the power it exercises over the holding, irrespective of the percentage of equity that it owns.

On an individual basis, investments in financial holdings that are not classified as non-current assets held for sale or included in a disposal Group that is classified as non-current assets held for sale are recognised at acquisition cost. They are also subject to periodic impairment tests, whenever there are signs that a given financial holding may be impaired.

Business combinations are measured using the purchase method. The cost of an acquisition is assessed by the fair value of the goods handed over, capital instruments issued and liabilities incurred or undertaken on the date of the acquisition. The transaction costs are recorded as expenses when incurred, in accordance with IFRS 3.

The identifiable assets that were acquired and the liabilities and contingent liabilities undertaken in a merger have initially been measured at the fair value on the date of the acquisition, irrespective of the existence of non-controlled interests. The surplus cost of acquisition with regard to the fair value of the Group's share of the identifiable assets that have been recorded has been recorded as goodwill. If the cost of the acquisition was lower than the fair value of the Group's share of the net assets of the subsidiary that has been acquired, the difference is recorded directly on the income statement.

Internal transactions, balances and unrealised gains in transactions between Group companies have been eliminated. Unrealised losses have also been eliminated, except in cases where the transaction proves to be evidence of the impairment of a transferred asset. The accounting policies of subsidiaries are altered whenever necessary, so as to ensure consistency with the policies adopted by the Group.

Investments in companies over which the Group exercises control, shown in the separate financial statements of ANA, S.A., are measured at acquisition cost, less any impairment losses.

2.4_REPORT PER SEGMENT

An operating segment is a component of an entity:

a) which develops business activities from which revenues can be obtained and expenditure can be incurred (including revenues and expenditure related to transactions with other components of the same entity);
b) whose operating results are regularly reviewed by the main body responsible for making operating decisions for the entity, for the purpose of making decisions about the allocation of resources to the segment and for assessing its performance; and
c) with regard to which separate financial information is available.

The ANA Group has identified the Board of Directors as being responsible for making operating decisions. This is the body that reviews internal information that has been prepared so as to assess the performance of the activities of the Group and the allocation of resources. The operating segments were defined on the basis of the information that is analysed by the Board of Directors.

The operating segments of the ANA Group are: Airports and Handling:

- Airports – includes all activities related to the provision of public service support to civil aviation as well includes all activities relating to the areas of retail, real estate, parking, rent-a-car and advertising;

- Handling – includes all the activities provided by Portway, S.A in support of aircraft, passenger, baggage and air freight in the airports of ANA, S.A.

2.5_FOREIGN EXCHANGE CONVERSIONS

A) OPERATING CURRENCY

The figures in the financial statements are expressed in thousands of euros (the currency of the economic environment in which the ANA Group operates).

B) TRANSACTIONS AND BALANCES

Transactions in currencies other than the euro have been converted into the operational currency using the exchange rates in effect on the date of the transaction.

The differences in exchange rates during the financial year, as well as those that were not realised, identified with regard to the monetary assets and liabilities that existed on the date of the balance sheet, at the exchange rates in effect on that date, have been included in the income statement.

The following exchange rates with regard to the Euro were used for the conversion of monetary assets and liabilities in foreign currencies, which existed on the date of the balance sheet:

Currency	2015	2014
USD	1.0887	1.2141

2.6_CONCESSION ASSETS

The concessions granted to ANA, S.A. include the following concession assets.

2.6.1_FIXED TANGIBLE ASSETS

The fixed tangible assets include the State property and company assets:

a) State property – includes all assets acquired by the Group companies that are implanted on lands in the public domain and attributable to the activities of providing public service;

b) Patrimony:

- ✓ Property assigned to the concession - includes all the assets used in providing the public service and, thus, assigned to the operation of the concession but which are, in substance, controlled by the concessionaire;
- ✓ Others – remaining assets not used in providing the public service but which have been acquired by Group companies.

As a result, ANA, S.A. changed the practical application of IFRIC 12, as from 1 January 2014, as regards the recognition of the real property assigned to the concession and controlled by ANA, S.A. This was done to align ANA, S.A. accounting policies and practices with those used throughout the VINCI Group.

The concession operator is deemed to have substantial control over the concession assets when it can independently, and without prior authorisation from the grantor, make decisions on the timing of the replacement of such assets, the size of the investment to be made and the specifications of the equipment to be procured (see note 2.6.2).

Fixed tangible assets are recorded at the value of the initial exchange paid and are subject to legal revaluations, within the scope of the former standards, which constitutes the presumed cost at the date of transition. The fixed tangible assets are being amortised by the respective estimated useful life, the linear method.

Subsequent expenditure is included in the sum recorded on the amount of the property or shown as separate assets, when appropriate, only when it is likely that the future outflow of the economic benefits for the companies and the cost can be reliably measured. Other expenditure related to repairs and maintenance has been shown as an expense during the period in which it was incurred.

The costs incurred with loans obtained for the construction of qualifiable assets have been capitalised during the time period necessary to complete and prepare the asset for its intended use. Other costs with loans have been shown as expenditure for the period.

Direct costs related to the technical areas involved in constructing the Group's assets are likewise capitalised into tangible assets. This capitalisation is carried out according to the internal resources used and the time spent, as a counterpart to the heading of work executed by the entity and capitalised.

The gains or losses derived from the sale or writing off of assets are determined by the difference between the receipts from the sale and the sum recorded on the amount of the asset and is shown as income or expenses on the income statement.

The average period of useful life of the main fixed tangible assets can be summarised as follows:

Buildings	10 to 50 years
Other constructions	10 to 50 years
Basic equipment	3 to 20 years
Transport equipment	4 to 7 years
Administrative equipment	4 to 10 years

Amortisation for the period is calculated using the linear method.

2.6.2_INTANGIBLE ASSETS – CONCESSION RIGHT

In accordance with the concession contracts of ANA, S.A. and the economic regulation established in those instruments, as described in note 1.3, the model for recording the concession assets as applied under IFRIC 12 is that of intangible asset, since there is no obligation for payment by the grantor for the management of the public service provided (operation and investment). There is only the right to charge the airport users, while the concessionaire bears the risk of demand.

In determining the property to be classified as assets comprising the concession right, the classes associated to the various activities carried out were identified, being considered as assets integrating the concession right those that are related to the services/activities in which:

i) The grantor controls or regulates:

   a) Which services are to be provided – the concessionaire is obligated to provide the services set forth in the concession contract;
   b) The users – the concessionaire is obligated to provide access to the public service to all users indiscriminately; and
   c) The price – the concessionaire is obligated to practise the prices established by the grantor or other equivalent entity (e.g., the regulator);

ii) The concession grantor substantially controls any significant interest in the infrastructure and the concessionaire cannot make free use of the assets without permission from the grantor.

The value of subsidies received for these investments was deducted from the total of these assets, the net amounts invested in the concession right being presented in the accounts, according to the policy defined for the ANA Group.

Resulting from the contractual obligation assumed by signing the Concession Contract, ANA, S.A. registered in 2012 an intangible asset of 1,200 million euros, as “upfront fee”, which is the cost of acquisition of the contractual right to operate the public airport service.

The concession right presented on the statement of the financial position includes the additional amounts agreed to with the grantor for the construction/acquisition of assets for the establishment of the concession that consist of investments for the expansion or renewal of infrastructures.

The capitalised concession right is amortised over the period of the concession (50 years), up to 2062, by the linear method.

As mentioned above, ANA, S.A. has adopted as of 1 January 2014 the practical application of IFRIC 12 in accordance with the methodology followed by the VINCI Group, the company's sole shareholder.

Following this change, the assets that had previously been carried as a direct cost of the concession were transferred to the item: Tangible fixed assets - property assigned to the concession. We have done this because we understand that it is the operator that substantially controls this property and not the grantor of the concession.

The effects of the change in the practical application of IFRIC 12, as regards the property assigned to the concession, were as follows:

a) When carried as part of the direct cost of the concession, they were derecognised from the concession right in the amount of the net value;

b) When previously acquired in counterpart for a reduction of renewal and replacement liabilities associated with the concession, the respective reduction of the liability was reversed;

c) After being recognised as a tangible fixed asset - Property assigned to the concession, their remaining useful life was estimated in such a way as to correspond to the period for which they are expected to be available for use.

The effects of the change in the practical application of IFRIC 12 were determined not to be materially relevant in the context of the financial statements as a whole.

2.7_OTHER INTANGIBLE ASSETS

Other intangible assets are valued at the cost of acquisition less accumulated amortisation and impairment losses.

Intangible assets are only recognised if identifiable and if it is likely that they will result in future economic benefits controlled by the Group and can be reliably measured.

The other intangible assets refer to software, with an estimated 3 year lifetime.

A) GOODWILL

Goodwill represents the surplus of the cost of acquisition as compared to the fair value of the identifiable assets and liabilities of the subsidiary/associate at the date of acquisition. The goodwill of acquisitions of subsidiaries is included in the intangible assets and that of the acquisition of associates is included as investments in associates. The goodwill is subject to impairment tests, on an annual basis, and is presented at cost, less the accumulated impairment losses. Gains or losses derived from the sale of an entity include the value of the goodwill pertaining to the entity.

The goodwill is allocated to the units that generate the cash flows for purposes of conducting impairment tests. The tests are conducted at least once a year with reference to the financial reporting date.

B) RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research carried out while pursuing new technical or scientific knowledge, or a quest for alternative solutions, is shown in the results when incurred.

The expenditure incurred on account of development is capitalised when it is proved that the product or process being developed can be executed in technical terms and that the Group has the intention and the capacity to complete its development and begin its use or sale.

C) SOFTWARE

The costs incurred with the acquisition of software are capitalised whenever it is expected that they will be used by the Group.

2.8_IMPAIRMENT OF NON-FINANCIAL ASSETS

The assets of the ANA Group are analysed during each report period so as to detect possible losses due to impairment.

While determining the value recoverable from the assets, two cash flow generating units are considered:

- The network of airports managed by ANA, S.A., keeping in mind that their assets alone do not themselves generate independent cash flows;
- Portway, S.A.

2.9_FINANCIAL ASSETS

The Group determines the classification of its financial assets on the date that the asset is first shown in accordance with the objective of its purchase, re-evaluating this classification on the date of each report.

Financial assets can be classified as:

- Financial assets at fair value via results – these include non-derivative financial assets held for trading concerning short term investments and assets that the company chooses to measure at fair value via results at the date they were initially shown. They are initially recognized at fair value, the costs of the transaction being shown in the results;
- Loans granted and receivables – this includes the non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are shown under amortised costs using the effective interest rate, after deducting any impairment loss. The adjustment for impairment of receivables is carried out when there is objective evidence that the Group will not have the capacity to receive the amounts due in accordance with the initial conditions of the transactions that created them;
- Investments held till maturity – include non-derivative financial assets with fixed or determinable payments and fixed maturities, which the entity has the intention and the capacity to maintain until its maturity;
- Financial assets available for sale – include the non-derivative financial assets that are deemed to be available for sale at the time when they are initially shown or if they cannot be classified in the categories above. They are shown as non-current assets, except in cases where they are intended to be sold in the 12 months after the date of the balance sheet. They are valued at their fair value, with any variations of this value shown under equity;
- Financial assets are removed when the rights to receive the monetary flows created by these investments expire or are transferred, along with all the risks and benefits associated with their possession.

2.10_INVENTORIES

Inventories are valued as the lesser of the cost of acquisition or the net sale value. Inventories essentially refer to fuels, spare parts and other materials. Inventories are initially shown at the cost of acquisition, which includes all the expenses associated with the purchase. The cost is determined using the pondered average cost method.

2.11_CASH AND CASH EQUIVALENTS

The heading cash and cash equivalents includes: cash, bank deposits, other short term investments with high levels of liquidity, insignificant risk of changes in value and with an initial maturity of up to 3 months and bank overdrafts.

It also includes the cash pooling figure, as the ANA Group is now part of the VINCI Group cash pooling mechanism. Cash pooling qualifies as being a cash equivalent because there are no restrictions on the way it is used, it is immediately available and it meets all the other pertinent criteria.

Bank overdrafts are shown on the statements of the financial position, in current liabilities under the heading of loans. For the purposes of cash flow statements, the bank overdrafts are included in the heading cash and cash equivalents.

2.12_DIVIDENDS

Dividends are shown as a liability whenever approved by Shareholders General Meeting.

2.13_FINANCIAL LIABILITIES

The IAS 39 classifies financial liabilities into two categories:

- Financial liabilities at fair value via results;
- Other financial liabilities.

Financial liabilities at fair value via results refer to derivative financial instruments contracted within the scope of managing the Group's financial risks.

Derivative financial instruments are shown on the date they are contracted at their fair value. Subsequently, the fair value of the derivative financial instruments is regularly evaluated. The gains or losses resulting from this evaluation are shown directly in the results for the period or in coverage reserves, in equity, depending on its qualification as derivative trading or coverage (Note 3.3).

Other financial liabilities include Loans obtained (Note 2.14) and Accounts payable (Note 2.15).

The financial liabilities are removed when the underlying obligations are eliminated by payment, or are cancelled or expire.

2.14_LOANS OBTAINED

A financial instrument is classified as a financial liability when the issuer is contractually obliged to pay back the capital and/ or interest by disbursing money or handing over some other financial asset, irrespective of its legal form. Financial liabilities are recognised (i) initially, at fair value, less the transaction costs incurred and (ii) subsequently, at amortised cost, which is calculated using the effective rate method.

They are classified as current liabilities, except if the Group has an unconditional right to defer the liquidation of the liability for, at least, 12 months after the date of the balance sheet. In this case they are classified as non-current liabilities.

2.15_PAYABLES AND OTHER LIABILITIES

The balances of suppliers and other payables are initially shown at the fair value, and are subsequently measured at the amortised cost in accordance with the effective interest rate method.

2.16_RETIREMENT BENEFITS

The parent company has responsibilities with complementary retirement benefits.

ANA, S.A. has a Complementary Pension Fund, managed by an autonomous entity, which includes two plans:

- Defined contribution plan – covers all employees, contributions for this plan are shown as a cost, in the financial year in which they occur;
- Defined benefits plan – covers only the employees who had already retired before 1 January 2004 (the date the defined benefits fund was changed to the defined contributions fund). The actuarial calculation of the company's responsibilities is carried out annually using the immediate annuity method. The actuarial differences (re-measurements) are recognised immediately and only in 'Other comprehensive income'. The financial cost of funded plans is calculated on the basis of the net non-funded liability.

2.17_PROVISIONS

Provisions for costs relating legal complaints are shown when:

- There is a legal, contractual or a constructive obligation, as a result of past events;
- It is likely that an outflow of resources will be necessary to satisfy the obligation;
- A reliable estimate of the amount of the obligation can be made.

When there are a number of similar obligations, the probability of generating an outflow of resources is determined together. The provision is shown even if the likelihood of an outflow owing to one element included in the same class of obligations might be lower.

The provisions are quantified at the present value of the estimated expenditure to satisfy the obligation using a rate before taxes, which reflects the market assessment for the discount period and for the risk of the provision in question.

For ongoing legal cases, management bases its judgement on external legal advice in conjunction with the assessment of the internal Legal and Litigation Office.

2.18_SUBSIDIES

Subsidies are shown at their fair value when there is a reasonable assurance that they will be received and that the Group will fulfil the inherent obligations.

Subsidies received for financing acquisitions of tangible fixed assets are recorded under liabilities and shown in the results, in proportion to the amortisation of the subsidised assets.

The subsidies granted under the public service activities are deducted from the value of construction contracts provided in concession right by constituting reimbursement of certain expenses incurred.

Subsidies concerning expenses are deferred and recognised in the balance sheet for the period necessary to balance them with the expenses that they are meant to compensate.

Subsidies are classified as non-current liabilities, under the heading of Accounts payable and other liabilities, when the period of deferral is greater than 12 months. The remaining balance is classified under current Accounts payable and other liabilities.

2.19_LEASING

FINANCIAL LEASING

Assets acquired via financial leasing contracts, in which the Group has all the risks and benefits inherent to the ownership of these assets, are accounted for using the financial method, therefore the respective asset value and the corresponding liabilities are recognised in the statement of financial position.

Leases are capitalised at the beginning of the lease as the lesser between the fair value of the leased asset and the present value of the minimum leasing payments, established on the date when the contract began. The resulting debt from a financial leasing contract is shown net of financial costs, under the heading current and non-current Loans. The financial costs included in the rental and depreciation of leased assets are shown in the income statement of the respective period.

The assets acquired under the regime of financial leasing are considered to be part of the services provided and consequently are deemed to be an additional intangible asset if they constitute investments for expansion or upgrading.

OPERATIONAL LEASING

Leases are considered to be operational as long as a significant part of the risks and benefits inherent to the possession of the property in question is retained by the lessor.

The rents paid under operational leasing contracts are recorded as a cost in the financial year during which they occur, during the period of the lease.

2.20_HEDGING POLICY

The ANA Group follows a policy of resorting to derivative financial instruments which comply with the provisions of IAS 39, with a view to covering the financial risks to which it is exposed, resulting from variations in interest rates.

Derivative financial instruments are shown on their trade date, at their fair value. Subsequently, the fair value of the derivative financial instruments is regularly re-evaluated, the resulting gains or losses of this re-evaluation are shown directly in the results for the period, except in cases that refer to coverage derivatives. The recognition of the variations of the fair value of the coverage derivatives depends on the nature of the risk covered and the model of coverage used.

COVERAGE ACCOUNTING

Derivative financial instruments used for purposes of coverage can be classified in accounting terms as coverage as long as they fulfil, cumulatively, the following conditions:

I. On the date the transaction is initiated, the coverage relation has been identified and formally documented, including the identification of the covered item, the coverage instrument and an evaluation of the effectiveness of the coverage;
II. There is an expectation that the coverage relation will be highly effective, at the date the transaction is initiated and over the life of the operation;
III. The effectiveness of the coverage can be reliably measured at the date the transaction is initiated and over the life of the operation;
IV. For cash flow coverage operations, there must be a high probability that they will occur.

INTEREST RATE RISK (COVERAGE OF FAIR VALUE)

Coverage instruments that are designated and qualify as fair value coverage are shown in the statement of financial position at their fair value as a counterpart to results. Simultaneously, the change in the fair value of the covered instruments, in the component that is being covered, is adjusted as a counterpart to results. Consequently, any ineffectiveness of the coverages is immediately shown in the results.

If the coverage ceases to comply with the criteria required for coverage accounting, the derivative financial instrument is transferred to the trading portfolio and the coverage accounting is prospectively discontinued.

INTEREST RATE RISK (CASH FLOW COVERAGE)

The operations that qualify as coverage instruments with regard to cash flow coverage are shown in the statement of financial position at their fair value and, insofar as they are considered to be effective coverages, the variations in the fair value of the instruments are initially shown as a counterpart to equity and are later reclassified under the heading of financial costs.

If the coverage operations are ineffective, this is directly shown in the results. Thus, in net terms, the flows associated with covered operations are accrued at the rate inherent to the contracted coverage operation.

When a coverage instrument expires or is sold, or when the coverage ceases to comply with the criteria required for coverage accounting, the variations of the fair value of the derivative accumulated in reserves are shown under results when the covered operation also shows results.

2.21_FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

While determining the fair value of a financial asset or liability, if there is an active market, the market quotation is used. This constitutes level 1 of the fair value hierarchy.
In case there is no active market, which is the case for some financial assets and liabilities, valuation techniques that are generally accepted by the market are used, based on market assumptions. This constitutes level 2 of the fair value hierarchy.

The Group uses valuation techniques for non-quoted financial instruments, such as derivatives, fair value financial instruments by means of results and for financial assets available for sale. The valuation models that are used most frequently are discounted cash flow (DCF) models and options evaluation models that incorporate, for example, interest rate curves and market volatility.

For financial assets and liabilities for which there is no market data or equivalent, more advanced valuation models are used containing assumptions and data that are not directly observable in the market, for which the Group uses internal estimates and assumptions. This constitutes level 3 of the fair value hierarchy.

2.22_INCOME TAX

ANA, S.A. has opted for the Special Taxation Regime for Company Groups with regard to its subsidiary Portway, S.A..

The income tax includes the current tax and deferred tax. The estimate of income tax is accounted for on the basis of the year and result for tax purpose, according to applicable legislation.

Deferred taxes are shown as a whole, using the liability method for temporal differences derived from the difference between the tax basis of the assets and liabilities and their values in the consolidated financial statements. However, if the deferred tax emerges from the initial showing of an asset or liability in a transaction that is not a merger, and which on the date of the transaction does not affect either the accounting results or the result for tax purpose, it is not included in the accounts.

The deferred taxes are determined by the tax rates (and laws) decreed or substantially decreed on the date of the balance sheet and that are expected to be applied during the period when the asset deferred tax will be realised or the liability deferred tax will be liquidated.

Asset deferred taxes are shown insofar as it is likely that future taxable profits will be available for use of the temporary difference.

Income tax is shown in the income statement, except when related to items that are shown directly in equity.

2.23_INCOME

SALES

Shown in the accounting period during which the Group transferred all the significant risks and benefits derived from the ownership of the properties to the buyer, comprising the fair value of the sale of goods, net of taxes and discounts.

SERVICES

Shown in the accounting period in which the services were provided, with reference to the phase of progress of the transaction at the date of the balance sheet, comprising the fair value of the sale of services provided, net of taxes and discounts.

The providing of services essentially encompasses charges for services in the areas of traffic, handling services, security, rents, exploitation and other commercial rates, as foreseen in economic regulation.

Service provision revenue is recognised in direct proportion to the percentage completion of the transaction at the reporting date. This occurs when: (i) the amount of revenue can be reliably measured, (ii) it is likely that the transaction will generate economic benefits, (iii) the percentage completion of the transaction at the reporting date can be reliably measured and (iv) the costs incurred in the transactions and the costs to be incurred in completing the transaction can be reliably measured.

When it is not possible to estimate the outcome of a service provision transaction with any reliability, the revenue is only recognised to the extent that the recognised costs can be recovered.

Recognition of revenue is also dependent on the type of service provided:

- Traffic, handling and security charges are recognised in the reporting period in which the services are provided. They are carried as the fair value of the service provision, net of taxes and the air traffic development incentives paid to airlines;
- Rents are recognised by the linear method over the period of the occupancy licence;
- Exploitation charges have a fixed component and/ or a variable component. The fixed component is recognised by the linear method over the licence period. The variable component is arrived at by applying a set percentage to the concessionaire's revenues. This amount is recognised in the period in which the concessionaire earns these revenues.

Other business charges are recognised in the period in which the services are provided.

CONSTRUTION CONTRACTS

This refers to the carrying of construction services associated with the concession contracts. The Group carries the costs associated with the acquisition/construction of expansion assets or the upgrade of concession infrastructures in the separate income statement, recognising the revenue of the corresponding construction.

The calculation of construction services income also takes into account the direct costs of the technical areas involved in the construction of the expansion assets.

3_MANAGEMENT OF FINANCIAL RISK

3.1_FACTORS FOR FINANCIAL RISK

The Group's activities are exposed to a variety of financial risk factors: credit risk, liquidity risk and cash flow risk associated to interest rates.

The Group has a risk management programme that seeks to minimize potential adverse effects, using the appropriate instruments to cover certain risks to which it is exposed.

A) CREDIT RISK

Credit risk may result from counterpart risk, risk of cash balances and cash equivalents, deposits and derivative financial instruments in financial institutions, as well as the credit risk related to receivables from clients and other debtors.

The ANA Group is subject to the credit risk given to its different aviation and non-aviation clients. The Group assesses the credit risk of its clients by evaluating the impact any potential default could have on the Group's financial situation.

This risk is assessed using specific tools, namely the Dun & Bradstreet Portfolio Manager, which sorts clients into risk bands.

Credit risk is monitored systematically and the Group has adopted a set of credit risk mitigation measures. These include the requirement to provide a bank guarantee, depending on the loan amount.

With regard to counterpart risk, the following table summarises the credit quality of the financial institutions, as regards deposits and applications:

Rating	Balances 2015	Balances 2014
Cash equivalents		
A1	-	3,475
Baa3	35	-
Ba1	-	2,986
Ba3	38	67
B1	437	17
B2	-	468
Caa1	1,238	177
Others	103	332
	1,851	7,522

Rating assigned by Moody's at 31.12.2015

B) LIQUIDITY RISK

The management of liquidity risk implies the maintenance, at a sufficient level, of availability of cash and its equivalents, the consolidation of floating debt, via an adequate amount of credit facilities, and the ability to liquidate market positions.

At the end of the 1st half of 2014, the ANA Group joined the VINCI Group cash pooling mechanism. As a result, the Group gained unconditional access to short-term cash funds, up to an amount equivalent to 2 months of sales. This has allowed the Group to manage its floating debt in a much more flexible manner.

2015	0 - 6 Months	6 - 12 Months	1 - 5 Years	> 5 Years
Accounts payable - current	8,851	-	-	-
Accounts payable - investments	17,531	-	-	-
Accounts payable - leasing	287	238	724	-
Other creditors	2,533	-	-	-
Guarantees by third parties	2,660	11	558	313
Bank loans	35,273	43,799	292,118	1,566,754
Derivatives	386	376	2,190	809
Contractual liabilities (1)	2,773	8,796	31,594	94,092
Accrual of costs, except banking interest	79,058	-	-	-
	149,352	53,220	327,184	1,661,968

(1) Contractual liabilities with substitution/replacement

2014	0 - 6 Months	6 - 12 Months	1 - 5 Years	> 5 Years
Accounts payable - current	14,065	-	-	-
Accounts payable - investments	10,424	-	-	-
Accounts payable - leasing	649	393	826	-
Other creditors	2,689	-	-	-
Guarantees by third parties	2,469	21	270	71
Bank loans	52,844	60,699	1,738,476	165,028
Derivatives	394	377	2,249	1,103
Contractual liabilities (1)	7,410	22,121	34,999	95,465
Accrual of costs, except banking interest	55,877	-	-	-
	146,821	83,611	1,776,820	261,667

(1) Contractual liabilities with substitution/replacement

In 2015, the repayment periods for the loans taken out with VINCI were extended by four years. Repayment will be complete in 2022 rather than in 2018.

C) CASH FLOW RISKS AND FAIR VALUE RISKS ASSOCIATED TO INTEREST RATES

Once the ANA Group had joined the VINCI Group's cash pooling mechanism, its remunerated assets took the form of short-term applications set up within the scope of this mechanism.

The operating cash flows are fairly independent of changes in market interest rates.

The Group's risk associated to interest rates is derived from long term loans that have been obtained. Such loans that have been issued with floating interest rates are exposed to cash flow risks associated to interest rates and those issued with fixed rates are exposed to the fair value risk of the debt.

The prevailing interest rates at 31 December 2015, plus a stress factor of +0.20% to -0.20%, were used in analysing sensitivity to changes in interest rates, as a way of estimating the impact on results for the 12-month period ending on 31 December 2016.

This analysis of sensitivity to interest rate changes shows the following likely impacts on results:

2015	Scenario at present rate *	Scenario +0.20%	Scenario -0.20%
Loans at variable rate	(48,668)	(2,990)	2,990
Loans at fixed	(2,334)	-	-
Financial leasing interest	(48)	-	-
Approximate impact on results/ Present rate scenario		(2,990)	2,990

* Estimated cost of interest in 2016

3.2_CAPITAL RISK MANAGEMENT

The company's objective with regard to the management of capital (which is a broader concept than the equity) is:

- To safeguard the Group's capacity to continue its activities and carry out the necessary investments to pursue the object of the concession;
- Maintain the debt ratio within the limits established in the concession contract;
- To create value in the long term for the shareholder.

The gearing ratios as of 31 December 2015 and 2014 were as follows:

	ANA Group	
	2015	2014
Total loans	1,589,825	1,668,274
Cash pooling	(137,825)	(63,774)
Cash and cash equivalents	(1,916)	(7,580)
Net debt	1,450,084	1,596,920
Equity	547,592	446,807
Total capital	**1,997,676**	**2,043,727**
Gearing (%)	*72.6*	*78.1*

The change in the level of indebtedness is essentially accounted for by the capital repayments on loans obtained from the EIB, in a total amount of 28 million euros, and the early repayment on the loan taken out with VINCI in the amount of 50 million euros.

3.3_DERIVATIVE FINANCIAL INSTRUMENTS ACCOUNTING

The Group has contracted two derivative financial instruments for the purpose of hedging interest rate risk.

The method used to recognise the changes in fair value depends on whether or not the instrument is classified as a hedge and the nature of the item that is covered.

The fair value of the interest rate swap contracts incorporates the ANA Group's credit risk.

4_IMPORTANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on past experiences and other factors, including expectations about future events that are reasonable in the existing circumstances.

The intrinsic nature of the estimates may differ in the future from the amounts originally estimated.

4.1_ASSET IMPAIRMENT

Whenever the accounting value of a set of assets that constitute a cash generating unit exceeds the recoverable quantity, corresponding to the highest value between the value in use and fair value less costs to sell, it is reduced to the recoverable amount and this impairment loss is recognized in the results of the financial year.

4.2_ESTIMATE OF THE FAIR VALUE OF FINANCIAL ASSETS

Whenever the financial assets available for sale are not quoted on the market, their fair value is estimated.

This estimate is carried out on the basis of the discounted cash flow method, and the best management estimate with regard to profitability, growth and discount rate, which may occur in the future.

4.3_ESTIMATE OF THE FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

The fair value of financial instruments is determined based on the interest rate curves estimated in the medium term, resulting from market transactions stated for those maturities and the credit risk rating for the ANA Group.

4.4_RENOVATION/REPLACEMENT RESPONSIBILITIES

The accrued costs for the responsibilities of renovation and replacement associated with the concession are calculated according to the quality parameters required for concession infrastructures and estimated wear, considering their state of repair and usage.

This liability is evaluated annually, both in regard to the amount and the date of occurrence, the accrued costs being entered at the current value of the best estimate of liability assumed at each date of the financial report.

The calculated liabilities result from the assessment by the technical team of the periodicity, the working periods and the amounts to be disbursed. These liabilities were discounted using the discount rates estimated for each period, based on a “basket” of risk-free interest rates from Eurozone countries.

4.5_IMPAIRMENT OF ACCOUNTS RECEIVABLE

The credit risk of accounts receivable balances is evaluated at each reporting date, taking into consideration the client’s history and risk profile. The accounts receivable are adjusted according to management's evaluation of the estimated collection risks existing on the date of the statement of financial position, which may differ from the actual risk incurred.

5_INFORMATION BY SEGMENTS

ANA Group has identified two segments of core businesses: Airports and Handling.

	2015			
	Airports	Handling	Non-allocated	ANA Group
Services				
Aviation	325,872	58,565	-	384,437
Security	47,714	-	-	47,714
Passengers with reduced mobility	8,772	-	-	8,772
Non-aviation	147,477	-	(3)	147,474
Construction contracts	18,993	-	121	19,114
Traffic incentives	(20,068)	-	-	(20,068)
Other revenue and operating earnings	2,032	155	1,055	3,242
Operating costs	(162,922)	(53,726)	(52,002)	(268,650)
Investment subsidies	3,881	-	-	3,881
Depreciations/ Amortisations	(103,786)	(1,345)	(5,840)	(110,971)
Operating result	267,965	3,649	(56,669)	214,945
Finance costs				(73,192)
Share in the results of associates and others				14
Other financial results				(973)
Corporate income tax expenditure				(39,625)
Activities result				101,169
Net profit				101,169
Assets and investment				
Tangible fixed assets	311,498	2,746	5,907	320,151
Concession right	1,679,431	-	103,072	1,782,503
Intangible assets	322	-	1,767	2,089
Investments	37,553	948	1,402	39,903

	2014			
	Airports	Handling	Non-allocated	ANA Group
Services				
Aviation	279,270	54,751	-	334,021
Security	45,953	-	-	45,953
Passengers with reduced mobility	8,516	-	-	8,516
Non-aviation	132,400	-	-	132,400
Construction contracts	10,025	-	-	10,025
Traffic incentives	(10,862)	-	-	(10,862)
Other revenue and operating earnings	4,163	285	1,996	6,444
Operating costs	(150,504)	(47,737)	(46,575)	(244,816)
Investment subsidies	3,889	-	-	3,889
Depreciations/ Amortisations	(114,229)	(1,238)	(4,356)	(119,823)
Operating result	208,621	6,062	(48,935)	165,747
Finance costs				(92,786)
Share in the results of associates and others				14
Other financial results				(1,015)
Corporate income tax expenditure				(21,333)
Activities result				50,627
Net profit				50,627
Assets and investment				
Tangible fixed assets	359,172	3,158	6,840	369,170
Concession right	1,792,921	-	8,628	1,801,549
Intangible assets	572	-	3,326	3,898
Investments	26,038	1,429	1,541	29,008

6_FIXED TANGIBLE ASSETS

ANA, S.A.		ANA GROUP				
Total		State	Patrimony	In progress	Advances	Total
	Gross value					
1,067,211	Balance 01-January-2015	336,400	745,080	9,106	-	1,090,586
15,661	Increases	-	1,868	14,330	412	16,610
867	Capitalised work	-	-	867	-	867
4,908	Transfers	2,302	13,063	(10,241)	(91)	5,033
(2,913)	Write-offs	(44)	(2,870)	-	-	(2,914)
(351)	Sales	-	(405)	-	-	(405)
1,085,383	Balance 31-December-2015	338,658	756,736	14,062	321	1,109,777
	Accumulated depreciations					
701,198	Balance 01-January-2015	205,768	515,648	-	-	721,416
70,083	Reinforcements	14,702	56,726	-	-	71,428
(45)	Transfers	-	94	-	-	94
(2,908)	Write-offs	(44)	(2,864)	-	-	(2,908)
(350)	Sales	-	(404)	-	-	(404)
767,978	Balance 31-December-2015	220,426	569,200	-	-	789,626
	Net value					
366,013	Balance 01-January-2015	130,632	229,432	9,106	-	369,170
317,405	Balance 31-December-2015	118,232	187,536	14,062	321	320,151

The main investments made in 2015 were the replacement of the lit signage on runway 03-21 and the acquisition of equipment for the enlargement of the baggage terminals of the baggage handling system at the new Busgate North. Both investments were at Lisbon Airport.

ANA, S.A.		ANA GROUP				
Total		State	Patrimony	In progress	Advances	Total
	Gross value					
259,107	Balance 01-January-2014	197,352	100,179	2,545	23	300,099
12,181	Increases	3,350	1,956	8,373	-	13,679
506	Capitalised work	-	-	506	-	506
712,007	Transfers	135,698	643,895	(2,318)	(23)	777,252
84,038	ANAM's merger	-	-	-	-	-
(617)	Write-offs	-	(713)	-	-	(713)
(12)	Sales	-	(237)	-	-	(237)
1,067,210	Balance 31-December-2014	336,400	745,080	9,106	-	1,090,586
	Accumulated depreciations					
170,631	Balance 01-January-2014	120,526	84,086	-	-	204,612
77,158	Reinforcements	14,820	64,467	-	-	79,287
394,509	Transfers	70,422	368,045	-	-	438,467
59,528	ANAM's merger	-	-	-	-	-
(617)	Write-offs	-	(713)	-	-	(713)
(12)	Sales	-	(237)	-	-	(237)
701,197	Balance 31-December-2014	205,768	515,648	-	-	721,416
	Net value					
88,476	Balance 01-January-2014	76,826	16,093	2,545	23	95,487
366,013	Balance 31-December-2014	130,632	229,432	9,106	-	369,170

Note: The transfers item includes the concession's real property. This has been the case since changes were made to the practical application of IFRIC 12, as explained in note 2.6.

The main investments made in 2014 were the enlargement of the baggage terminals, the baggage handling system at the new Busgate North and the acquisition of HBS-related equipment, both at Lisbon Airport.

The tangible fixed assets acquired by the Group through financial leasing contracts have the following net value at 31 December 2015:

	Cost	Depreciations	Net value
Basic equipment	44	44	-
Transport equipment	203	203	-
Administrative equipment	3,575	2,469	1,106
Software	148	76	72
	3,970	2,792	1,178

In accordance with the policy outlined in point 2.6, the direct costs pertaining to technical areas involved in constructing Group assets have been capitalised under tangible assets in the 2015 period.

The capitalised amounts are as follows:

	2015	2014
Goods sold and consumable materials	4	1
Supplies and external services	68	42
Personnel costs	795	463
	867	506

7_CONCESSION RIGHT AND OTHER INTANGIBLE ASSETS

The amounts carried in the concession right item refer to the amounts invested in respect of the management/ operation of the Portuguese airports covered by the concession contracts.

The figures for the concession right and other intangible assets have the following detail:

ANA, S.A.			ANA GROUP					
Concession right	Other intangible assets		Concession right					Other intangible assets
			Assets	Subsidies	Advances	In progress	Net value	
		Gross value						
2,285,730	29,394	Balance 01-January-2015	2,543,658	(270,835)	42	12,865	2,285,730	29,394
22,830	9	Increases	-	-	-	22,830	22,830	9
(5,549)	333	Transfers	11,025	(1,007)	(24)	(15,543)	(5,549)	333
98	-	Interest capitalised	-	-	-	98	98	-
-	(531)	Write-offs	-	-	-	-	-	(531)
2,303,109	29,205	Balance 31-December-2015	2,554,683	(271,842)	18	20,250	2,303,109	29,205
		Accumulated depreciations						
484,181	25,496	Balance 01-January-2015	587,016	(102,835)	-	-	484,181	25,496
37,419	2,118	Reinforcements	40,923	(3,504)	-	-	37,419	2,118
(994)	33	Transfers	12	(1,006)	-	-	(994)	33
-	(531)	Write-offs	-	-	-	-	-	(531)
520,606	27,116	Balance 31-December-2015	627,951	(107,345)	-	-	520,606	27,116
		Net value						
1,801,549	3,898	Balance 01-January-2015	1,956,642	(168,000)	42	12,865	1,801,549	3,898
1,782,503	2,089	Balance 31-December-2015	1,926,732	(164,497)	18	20,250	1,782,503	2,089

The main investments made in 2015 were as follows: (i) the redesign of the shopping and services areas on Floors 2, 4, 5 and 6 (food court, central x-ray facility and duty free) at Lisbon Airport; (ii) the enlargement of room F and new connections to the former baggage retrieval hall in Lisbon Airport; and (iii) the enlargement and remodelling of the terminal at Faro Airport.

ANA, S.A.			ANA GROUP					
Concession right	Other intangible assets		Concession right: Assets	Subsidies	Advances	In progress	Net value	Other intangible assets
		Gross value						
2,676,655	17,911	Balance 01-January-2014	3,272,021	(342,240)	1,181	48,792	2,979,754	18,642
17,505	-	Increases	3	-	60	17,779	17,842	-
(679,088)	11,253	Transfers	(718,681)	70,531	(1,199)	(53,795)	(703,144)	10,761
89	-	Interest capitalised	-	-	-	89	89	-
279,376	230	ANAM's merger	-	-	-	-	-	-
(8,807)	-	Write-offs	(9,685)	874	-	-	(8,811)	(9)
2,285,730	29,394	Balance 31-December-2014	2,543,658	(270,835)	42	12,865	2,285,730	29,394
		Accumulated depreciations						
721,671	16,859	Balance 01-January-2014	998,657	(147,229)	-	-	851,428	17,590
34,997	2,742	Reinforcements	41,410	(3,762)	-	-	37,648	2,742
(380,276)	5,665	Transfers	(443,645)	47,338	-	-	(396,307)	5,173
116,373	230	ANAM's merger	-	-	-	-	-	-
(8,584)	-	Write-offs	(9,406)	818	-	-	(8,588)	(9)
484,181	25,496	Balance 31-December-2014	587,016	(102,835)	-	-	484,181	25,496
		Net value						
1,954,984	1,052	Balance 01-January-2014	2,273,364	(195,011)	1,181	48,792	2,128,326	1,052
1,801,549	3,898	Balance 31-December-2014	1,956,642	(168,000)	42	12,865	1,801,549	3,898

Note: The transfers item includes the concession's real property. This has been the case since changes were made to the practical application of IFRIC 12, as explained in note 2.6.

The main investments made by the Group in 2014 concerned the construction of the Busgate North – enlargement of the baggage terminals and the remodelling of the shopping and services areas on floors 2, 4, 5 and 6 at Lisbon Airport.

The amortisations for the period were calculated using the linear method over the concession term.

8_GOODWILL

The goodwill can be summarised in the following manner:

	2015	2014
Acquisition of 40% of Portway, S.A. in 2006	1,430	1,430
	1,430	1,430

The goodwill ascertained with reference to Portway, S.A. was generated in January 2006, when ANA acquired the entire stake that Fraport held in this company, thus becoming the sole shareholder. The capital stake acquired, 40%, was assessed at 2,704 thousand euros, a sum paid in cash by ANA, S.A.. Taking into consideration Portway, S.A.'s equity as of 1 January 2006, the goodwill was ascertained at the sum of 1,430 thousand euros.

According to the policies defined by the Management, an impairment test was carried out for this goodwill at the end of the year.

The main assumptions used in carrying out the impairment test were as follows:

CALCULATION OF THE RECOVERABLE VALUE

The recoverable value was determined by the value of use, as there was no fair value established under the terms provided for in IAS 36.

The assumptions considered originate in Portway, S.A.'s plan for the period from 2015 to 2016. From this time until when the concession comes to term (2017 – 2062), the forecast used was based on a geometric ratio formula, with increasing terms and a constant ratio of 0.5%.

The discount rate used was 11.16%.

No impairment loss was identified.

SENSITIVITY ANALYSIS OF THESE ASSUMPTIONS

The sensitivity analyses carried out took into account the prevailing conditions in the financial markets, the situation of the Portuguese market for ground handling, as well as Portway, S.A.'s competitive position.

This sensitivity test did not result in any potential impairment loss.

9_INVESTMENTS IN SUBSIDIARIES

	Head office	% Held	Share capital
Portway - Handling de Portugal, S.A.	Lisbon	100	4,500

Investments in subsidiaries break down in the following way:

	ANA, S.A.	
	2015	2014
Subsidiaries		
Portway- Handling de Portugal, S.A.	4,574	17,074
	4,574	17,074

The transactions that took place under the heading of Investments in Subsidiaries were as follows:

	ANAM	Portway	Total
1 January 2014	116,886	18,274	135,160
Capital increase undertaken	50,000	-	50,000
ANAM's merger	(166,886)	-	(166,886)
Supplementary contributions reimbursement	-	(1,200)	(1,200)
31 December 2014	-	17,074	17,074
Share capital decrease	-	(12,500)	(12,500)
31 December 2015	-	4,574	4,574

10_FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

The breakdown of assets and liabilities of the Group by category is as follows:

2015	Credits and receivables	Assets available for sale	Assets at fair value via results	Cover liabilities at fair value	Other financial liabilities	Non financial assets/ liabilities	Total
Assets							
Financial investments	-	677	9	-	-	-	686
Derivative instruments	-	-	66	-	-	-	66
Customers and other receivables	110,902	-	-	-	-	-	110,902
Other assets	-	-	-	-	-	10,787	10,787
Cash and cash equivalents	139,741	-	-	-	-	-	139,741
	250,643	677	75	-	-	10,787	262,182
Liabilities							
Loans obtained	-	-	-	-	1,589,825	-	1,589,825
Derivative instruments	-	-	-	3,547	-	-	3,547
Suppliers and other payables	-	-	-	-	38,337	-	38,337
Other liabilities	-	-	-	-	-	199,147	199,147
	-	-	-	3,547	1,628,162	199,147	1,830,856

2014	Credits and receivables	Assets available for sale	Assets at fair value via results	Cover liabilities at fair value	Other financial liabilities	Non financial assets/ liabilities	Total
Assets							
Financial investments	-	779	1	-	-	-	780
Customers and other receivables	147,447	-	-	-	-	-	147,447
Other assets	-	-	-	-	-	12,722	12,722
Cash and cash equivalents	7,580	-	-	-	-	-	7,580
	155,027	779	1	-	-	12,722	168,529
Liabilities							
Loans obtained	-	-	-	-	1,668,274	-	1,668,274
Derivative instruments	-	-	-	4,238	-	-	4,238
Suppliers and other payables	-	-	-	-	35,329	-	35,329
Other liabilities	-	-	-	-	-	235,648	235,648
	-	-	-	4,238	1,703,603	235,648	1,943,489

The fair value hierarchy used in measuring assets and liabilities of the Group (Note 2.21) is as follows:

2015	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value via results	9	-	-	9
Financial assets available for sale (1)	-	-	677	677
Covering financial assets	-	66	-	66
	9	66	677	752
Financial liabilities				
Covering financial liabilities	-	(3,547)	-	(3,547)
	-	(3,547)	-	(3,547)

(1) The disclosures demanded on measurable assets at level 3 fair value are included in note 11 - Financial Investments

2014	Nível 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value via results	1	-	-	1
Financial assets available for sale (1)	-	-	779	779
	1	-	779	780
Financial liabilities				
Covering Financial liabilities	-	(4,238)	-	(4,238)
	-	(4,238)	-	(4,238)

(1) The disclosures demanded on measurable assets at level 3 fair value are included in note 11 - Financial Investments

11_FINANCIAL INVESTMENTS

	2015	2014
Assets available for sale		
Capital shares - Futuro	677	779
Financial assets at fair value via results		
Others - Reserve fund	9	1
	686	780

FUTURO

The assets available for sale relate to the participation of ANA, S.A. 3.89% stake in the capital of the pension fund manager Futuro - Sociedade Gestora de Fundos de Pensões, S.A..

The fair value of the stake in Futuro is estimated on the basis of the discounted cash flow method, considering the growth of free cash flow to be 0.5% up to maturity, adjusted to the opportunity cost of the capital (6.39%).

	Futuro
Balance as of 1 January 2014	587
Variation in fair value	192
Balance as of 31 December 2014	779
Variation in fair value	(102)
Balance as of 31 December 2015	677

The fair value sensitivity analysis, with growth rates varying between +10 base points and -10 base points and the cost of capital varying between plus 100 basis points and minus 100 basis points, resulted in the following:

	Futuro	Growth rate	
		0.40%	0.60%
Cost of capital	5.39%	743	762
	7.39%	618	628

RESERVE FUND

The financial assets at fair value via results only concern the Reserve Fund. The Reserve Fund corresponds to the overfunding existing in the Pensions Fund – ANA Complementos (defined benefit).

The fair value of these investments is assessed on the basis of market quotations.

	Reserve fund
Balance as of 1 January 2014	-
Variation in fair value	1
Balance as of 31 December 2014	1
Variation in fair value	8
Balance as of 31 December 2015	9

12_DERIVATIVE FINANCIAL ASSETS

In 2015, the ANA Group contracted a derivative financial instrument (interest rate) with a notional value of 14 million euros.

This derivative was intended to cover the fair value of the debt. The objective is to hedge the risk inherent in the interest rate applied to EIB loans, after this rate was changed to a revisable fixed rate. The instrument will cover the volatility in the fair value of the debt.

The main conditions of the hedged instrument and the hedge instrument are as follows:

HEDGED INSTRUMENT

Cash flows for the loans taken out with the EIB:

Notional	14 million euros
Issue date	15 September 2015
Maturity date	15 September 2020
Interest rate	0.357% per month, effective
Payment dates	on maturity

HEDGE INSTRUMENT

ANA, S.A. negotiated an interest rate swap with the following features:

Type	Interest Rate Swap
Counterparty	Banco Santander Totta
Notional	14 million euros (amortising)
Transaction date	7 August 2015
Start date	15 September 2015
Maturity date	15 September 2020
Underlying	ANA, S.A. receives 0.357% effective per month, and pays Euribor 3M + 0.121% (as from 15 December 2015)

EFFICACY TESTS

The cumulative dollar offset method is used to test the efficacy of the hedge.

The test is carried out on each reporting date.

The change over the past year was as follows:

	2015	
	Notional	Fair value
Designated as cash flow coverage		
Interest rate swap	14,063	66
Total derivatives	14,063	66

13_RECEIVABLES AND OTHERS – NON-CURRENT

ANA, S.A.			ANA Group	
2015	2014		2015	2014
-	1,140	Subsidies receivable	-	1,140
26	28	Guarantees to third parties	26	28
1,091	1,612	Advanced payments	1,091	1,612
1,117	2,780		1,117	2,780

The advanced payments on account item refers to the stamp duty paid on the bank guarantee provided to the Portuguese state for the concession contract and for a loan contract. The cost will be recognised over the concession period (December 2062) and the loan period (July 2022), respectively.

14_ASSETS AND LIABILITIES FOR DEFERRED TAXES

For purposes of assessing assets and liabilities for deferred taxes the following rates of taxation were used:

	2015	2014
ANA	28.84%	27.97%
Recoverable tax losses	21.00%	21.00%
Portway	24.24%	30.00%

In 2015, the rates used for calculating deferred tax took into account the corporate income tax (IRC) rate estimated for 2016.

As provided for in law, ANA, S.A. made use in 2014 of the tax losses of the now defunct ANAM, S.A..

The deferral of the reportable tax losses, as at 31 December 2015, is awaiting the outcome of a process currently being dealt with by the tax authorities.

Year	Recoverable until	Reportable tax losses as of 31 December 2014	Year movements		Reportable tax losses as of 31 December 2015
			Adjustments	Used by ANAM	
2009	2015	2,934	(567)	-	2,367
		2,934	(567)	-	2,367

Year	Recoverable until	Reportable tax losses as of 31 December 2013	Year movements		Reportable tax losses as of 31 December 2014
			Used by ANA	Used by ANAM	
2008	2014	10,265	(2,249)	(8,016)	-
2009	2015	8,559	(5,625)	-	2,934
		18,824	(7,874)	(8,016)	2,934

The transactions that occurred under the headings of deferred taxes in ANA, S.A. and in the Group can be summarised as follows:

	ANA GROUP										
	2014		Movements 2015							2015	
				Transfer		Impact on results		Impact on equity			
	Base	Deferred tax	Rate	Base	Deferred tax	Rate change	Results movement	Rate change	Equity movement	Base	Deferred tax
Assets due to deferred taxes											
Provisions not accepted for tax purposes	4,504	1,261	28.84%	-	-	39	70	-	-	4,747	1,370
Retirement benefits	5,209	1,457	28.84%	-	-	45	-	-	-	5,209	1,502
Retirement benefits	1,366	382	28.84%	-	-	1	(343)	11	343	1,366	394
Derivative instruments	4,237	1,185	28.84%	-	-	-	-	37	(199)	3,547	1,023
Recoverable tax losses	2,934	615	21.00%	(567)	-	-	(119)	-	-	2,367	496
Contractual liabilities - Concession	123,904	34,656	28.84%	-	-	1,078	(3,082)	-	-	113,217	32,652
Total ANA	142,154	39,556		(567)	-	1,163	(3,474)	48	144	130,453	37,437
Intangible assets	24	7	24.24%	-	-	-	(7)	-	-	-	-
Provisions not accepted for tax purposes	10	3	24.24%	-	-	-	127	-	-	37	130
Total subsidiaries	34	10		-	-	-	120	-	-	37	130
	142,188	39,566		(567)	-	1,163	(3,354)	48	144	130,490	37,567
Liabilities due to deferred taxes											
Re-evaluations of fixed assets	4,273	1,195	28.84%	-	-	37	17	-	-	4,332	1,249
Derivative instruments	-	-	28.84%	-	-	-	40	-	-	139	40
Financial assets	693	194	28.84%	-	-	-	2	6	(29)	599	173
Total ANA	4,966	1,389		-	-	37	59	6	(29)	5,070	1,462
				-	-				-	-	-
ANA- Assets due to deferred taxes	137,188	38,167		(567)	-	1,126	(3,533)	42	173	125,383	35,975
Group ANA- Assets due to deferred taxes	137,222	38,177		(567)	-	1,126	(3,413)	42	173	125,420	36,105

	ANA GROUP												
	2013		Movements 2014									2014	
				Merger		Transfer		Impact on results		Impact on equity			
	Base	Deferred tax	Rate	Base	Deferred tax	Base	Deferred tax	Rate change	Results movement	Rate change	Equity movement	Base	Deferred tax
Assets due to deferred taxes													
Provisions not accepted for tax purposes	4,322	1,265	27.97%	7	2	-	-	(55)	49	-	-	4,504	1,261
Provisions not accepted for tax purposes	19	5	27.97%	-	-	-	-	-	(5)	-	-	-	-
Retirement benefits	5,209	1,524	27.97%	-	-	-	-	(67)	-	-	-	5,209	1,457
Retirement benefits	-	-	27.97%	-	-	1,353	(164)	178	(57)	364	61	1,366	382
Derivative instruments	2,903	849	27.97%	-	-	-	-	(31)	(47)	(6)	420	4,237	1,185
Recoverable tax losses	-	-	21.00%	7,293	1,677	-	-	(146)	(916)	-	-	2,934	615
Contractual liabilities - Concession	102,797	30,068	27.97%	25,658	6,707	-	-	(846)	(1,273)	-	-	123,904	34,656
Total ANA	115,250	33,711		32,958	8,386	1,353	(164)	(967)	(2,249)	358	481	142,154	39,556
Tangible assets	24	7	26.77%	-	-	-	-	-	(7)	-	-	-	-
Provisions not accepted for tax purposes	120	32	26.61%	(7)	(2)	-	-	-	(30)	-	-	-	-
Recoverable tax losses	10,662	2,452	23.00%	(7,293)	(1,677)	-	-	-	(775)	-	-	-	-
Contractual liabilities - Concession	24,476	6,552	26.61%	(25,658)	(6,707)	-	-	(39)	194	-	-	-	-
Intangible assets	31	9	30.00%	-	-	-	-	-	(2)	-	-	24	7
Provisions not accepted for tax purposes	-	-	30.00%	-	-	-	-	-	3	-	-	10	3
Total subsidiaries	35,313	9,052		(32,958)	(8,386)	-	-	(39)	(617)	-	-	34	10
	150,563	42,763		-	-	1,353	(164)	(1,006)	(2,866)	358	481	142,188	39,566
Liabilities due to deferred taxes													
Re-evaluations of fixed assets	4,563	1,335	27.97%	-	-	-	-	(59)	(81)	-	-	4,273	1,195
Retirement benefits	559	163	27.97%	-	-	(559)	(163)	-	-	-	-	-	-
Financial assets	500	146	27.97%	-	-	-	-	-	-	(6)	54	693	194
Transition tax	4,351	1,273	29.25%	-	-	-	-	-	(1,273)	-	-	(1)	-
Total ANA	9,973	2,917		-	-	(559)	(163)	(59)	(1,354)	(6)	54	4,965	1,389
						-	-				-	-	-
Transition tax	2,071	554	26.77%	-	-	(1)	-	-	-	-	-	-	-
Total subsidiaries	2,071	554		-	-	(1)	-	-	-	-	-	-	-
	12,044	3,471		-	-	(560)	(163)	(59)	(1,354)	(6)	54	4,965	1,389
ANA- Assets due to deferred taxes	105,277	30,794		32,958	8,386	1,912	(1)	(908)	(895)	364	427	137,188	38,167
Group ANA- Assets due to deferred taxes	138,519	39,292		-	-	1,913	(1)	(947)	(1,512)	364	427	137,223	38,177

15_INVENTORIES

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
56	59	Goods	669	633
273	258	Raw, subsidiary and consumable materials	273	257
329	317		942	890
-	(1)	Losses due to impairment of consumable materials	-	(1)
329	**316**		**942**	**889**

16_RECEIVABLES AND OTHERS – CURRENT

ANA, S.A. 2015	ANA, S.A. 2014		ANA GROUP 2015	ANA GROUP 2014
106,317	76,520	Customers	113,766	84,194
25	687	VAT receivable	780	1,750
11,177	9,968	Debtors and other receivables	11,407	10,608
7,339	6,389	Accrued income	6,043	6,422
2,392	3,384	Advanced payments	3,132	4,168
127,250	96,948		135,128	107,142
(8,714)	(8,807)	Losses due to impairment of customers debts	(10,618)	(10,688)
(3,938)	(2,839)	Losses due to impairment of third party debts	(3,938)	(2,839)
(12,652)	(11,646)		(14,556)	(13,527)
114,598	85,302		120,572	93,615

The book value deducted from impairment losses of commercial debts is approximately its fair value.

The increase in third-party debt in 2015 is largely the result of the financial restructuring currently taking place at two of ANA, S.A.'s main clients. These processes should be completed in 2016.

Under "Debtors and other receivables", approximately 3.1 million euros related to the Group's security charges are included. This amount is related to the fact that ANAC, under the terms of article 3 no. 5 of Decree-Law no. 72-A/2010, of 18 June, blocked the amount in question. However, according to paragraph 6 of the same article, the blocked monies can be released and used through an order by the member of the Government responsible for the area of finances, and for this reason they were entered under this heading.

The accrued income item includes, amongst other sub-items, the security charges to be received from ANAC. The final balance for 2015 was 4.1 million euros.

The amounts in question pertain to security charge income for the last quarter of 2013, collected by ANAC but not yet transferred to the Group.

The heading of Advance payments is essentially related to Supplies of external services that have already been paid for but whose cost has not yet become effective due to respecting the subsequent periods.

The antiquity of receivables in the Group is as follows:

2015	Outstanding	Arrears without Impairment			In impairment
		0 - 6 months	6 - 12 months	> 12 months	
Accounts Receivable	37,524	42,448	6,538	16,638	10,618
Other debtors	1,547	2,023	37	3,862	3,938

Credit risk is managed as described in note 3.1.

17_LOSSES DUE TO ASSET IMPAIRMENT

The impairment losses ascertained during the financial year were shown as expenses in the income statement. In the same manner, the reversal of impairment losses has been recognised as income in the financial statements.

The movements shown under the heading of Impairment losses are as follows:

	2015			
	Opening Balance	Increase	Reversal	Closing Balance
Losses due to impairment of customers' debts				
ANA, S.A.	8,807	803	896	8,714
Remaining values of the Group and consolidation adjustments	1,881	41	17	1,905
	10,688	844	913	10,619
Losses due to impairment of other third party debts				
ANA, S.A.	2,839	1,149	50	3,938
Remaining values of the Group and consolidation adjustments	-	-	-	-
	2,839	1,149	50	3,938
Losses due to impairment of inventories				
Consumable materials	1	-	1	-
	13,528	1,993	963	14,557

The increase in impairment losses in 2015 is mainly accounted for by arrears interest charged to third parties for delayed payments in previous years.

	2014				
	Opening Balance	ANAM's merger	Increase	Reversal	Closing Balance
Losses due to impairment of customers' debts					
ANA, S.A.	7,667	1,767	-	627	8,807
Remaining values of the Group and consolidation adjustments	3,692	(1,767)	-	44	1,881
	11,359	-	-	671	10,688
Losses due to impairment of other third party debts					
ANA, S.A.	2,998	-	-	159	2,839
Remaining values of the Group and consolidation adjustments	(6)	-	-	(6)	-
	2,992	-	-	153	2,839
Losses due to impairment of inventories					
Consumable materials	1	-	-	-	1
Losses due to impairment of financial investments					
Financial assets at fair value	19	-	-	19	-
	14,371	**-**	**-**	**843**	**13,528**

The reversal in impairment losses in 2014 is largely accounted for by the partial payments made by two car rental clients, whose impairment had been set up in 2013.

18_OBLIGATIONS ON ACCOUNT OF RETIREMENT BENEFITS

These obligations only concern ANA, S.A. as mentioned in note 2.16. The Complementary Pension Fund has two associated plans, one of which is a defined benefits plan.

DEFINED BENEFITS PLAN

Actuarial calculations using the immediate annuity method were carried out to ascertain the responsibilities with services of the Defined Benefits Plan, which only covers a population of pensioners.

The actuarial assumptions used to ascertain responsibilities with past services of the Defined Benefits Plan were as follows:

	2015	2014
Mortality table	TV (88/90)	TV (88/90)
Technical rate	2.10%	2.30%
Pension growth rate (CGA)	1.50%	1.50%
Pension growth rate (SS)	1.50%	1.50%

Based on actuarial studies, the following values were ascertained:

	2015	2014	2013	2012	2011
Fund patrimony	3,913	4,345	4,418	4,510	4,192
Responsibilities undertaken	4,995	4,238	4,106	4,448	3,801
(Insufficiency)/Surplus	(1,082)	107	312	62	391

The Fund presents financing gap.

After carrying out a sensitivity analysis for the amounts as of 31 December 2015, varying the technical rate by +25 b.p. and -25 b.p., the actuarial results are as follows:

Technical rate	1.85%	2.35%
Fund patrimony	3,819	4,006
Responsibilities undertaken	5,099	4,894
(Insufficiency)/Surplus	(1,280)	(888)

The Fund patrimony demonstrated the following average proportions by financial asset class:

	2015	2014
Shares	15.62%	16.66%
Bonds	67.61%	71.00%
Real estate	11.87%	13.99%
Other funds	12.09%	5.95%
Liquidity	(6.79)%	(5.11)%
Others	(0.40)%	(2.49)%
	100%	100%

The heading Others includes gains/losses in foreign exchange, commissions, taxes and non-attributable gains.

An analysis of the composition of the portfolio allows one to conclude that there is sufficient diversification with regard to the various financial products and it is in accordance with the need for liquidity to pay pensions.

The movements that occurred in the fund's patrimony are as follows:

	2015	2014
Initial balance	4,345	4,418
Opening reclassification	(72)	14
Pensions paid	(422)	(363)
Fund revenue	62	276
Final balance	3,913	4,345

The movements in the liabilities of the plan were as follows:

	2015	2014
Opening balance	4,238	4,106
Net interest [1]	93	137
Remeasurements - financial assumptions	81	381
Remeasurements - adjusting experience	1,005	(23)
Paid benefits	(422)	(363)
Final balance	4,995	4,238

(1) - Net interest effect on the liabilities of the plan as of January 1st

The changes in the liabilities plan – impacts on staff costs and the statement of comprehensive income and the statement of financial position, were as follows:

	Income Statement	Comprehensive Income Statement	Statement of Financial Position
Balance as of 1 January 2014			312
Opening reclassification		14	
Cost of the year 2014			
Net interest	11		
	11		
Remeasurements			
Return on assets		128	
Gains/ (losses) financial assumption variation		(381)	
Gains/ (losses) experience adjustments		23	
		(230)	
Balance as of 31 December 2014			107
Opening reclassification		(72)	
Cost of the year 2015			
Net interest	1		
	1		
Remeasurements			
Return on assets		(32)	
Gains/ (losses) financial assumption variation		-	
Gains/ (losses) experience adjustments		(1,086)	
		(1,118)	
		(1,190)	
Balance as of 31 December 2015			(1,082)

DEFINED CONTRIBUTION PLAN

The defined contribution plan encompasses all workers of ANA, S.A., and the company contribution is carried out according to the following conditions:

- 2.8% of the reference salary, in case the worker does not provide own contributions;
- 3.5% of the reference salary, in case the worker chooses to make a contribution of, at least, 1%.

The value of the contributions made by ANA, S.A. to this fund during the year 2015 rose to 1,804 thousand euros (1,607 thousand euros in 2014).

19_CURRENT TAX

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
		Assets		
-	(16,887)	Tax provision	-	(18,601)
-	6,057	Withholding taxes by third parties	-	6,090
-	18,806	Payments on account	-	20,860
-	7,976	Recoverable income tax	-	8,349
		Liabilities		
37,224	-	Tax provision	38,022	-
(6,347)	-	Withholding taxes by third parties	(6,347)	-
(9,159)	-	Payments on account	(10,575)	-
21,718	-	Payable income tax	21,100	-

During the 2015 financial year, ANA, S.A. benefited from tax incentives for Research & Development activities (SIFIDE). The tax estimate for the year considered a deduction of 170 thousand euros which encompassed eligible Research & Development expenditure to the amount of 473 thousand euros.

In 2014 this benefit translated into a tax deduction of the sum of 212 thousand euros (presented in the tax return form 22 for 2014), derived from a total eligible R & D expenditure of 521 thousand euros.

20_CASH AND CASH EQUIVALENTS

Cash and cash equivalents were as follows, at 31 December 2015 and 2014:

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
		Cash		
37	32	Cash	65	58
		Cash equivalents		
1,628	6,644	Bank deposits - account	1,851	7,522
137,825	63,774	Cash pooling	137,825	63,774
139,490	**70,450**		**139,741**	**71,354**

At 31 December 2015, the cash and cash equivalents balance on the statement of financial position is equal to that on the cash flow statement.

21_SHARE CAPITAL

The share capital is represented by 40,000,000 shares with a face value of 5 euros each, which are registered and follow the regime of nominal shares. The share capital is entirely subscribed and realised.

On December 31, 2015, ANA, S.A. was 100% owned by the VINCI Airports International, S.A..

22_RESERVES

Reserves showed the following movements in the Group:

ANA Group	Not distributable			Distributable			Total
	Legal	Others	Total	Free	Merger	Total	
Balance as of 1 January 2014	24,412	3,932	28,344	146,276	-	146,276	174,620
Appropriation of results	872	-	872	11,266	-	11,266	12,138
ANAM's merger	-	-	-	-	(71,883)	(71,883)	(71,883)
Change in fair value of financial assets and liabilities	-	(944)	(944)	-	-	-	(944)
Balance as of 31 December 2014	25,284	2,988	28,272	157,542	(71,883)	85,659	113,931
Balance as of 1 January 2015	25,284	2,988	28,272	157,542	(71,883)	85,659	113,931
Appropriation of results	2,269	-	2,269	46,081	-	46,081	48,350
Others movements	-	624	624	-	-	-	624
Change in fair value of financial assets and liabilities	-	450	450	-	-	-	450
Balance as of 31 December 2015	27,553	4,062	31,615	203,623	(71,883)	131,740	163,355

The Legal Reserves include those from the application of the Results of ANA, S.A. and Portway, S.A..

The changes seen in the Legal Reserves arise from the distribution of the 2014 profits, approved in ANA, S.A.'s General Meeting held on 13 May 2015, in the amount of 2,047 thousand euros and 221 thousand euros from Portway, S.A., as per the General Meeting decision on 11 May 2015.

23_CONCILIATION BETWEEN INDIVIDUAL EQUITY AND CONSOLIDATED EQUITY

2015		Equity before net profit for the year	Dividends	Net profit	Equity after net profit for the year
ANA, S.A.		439,898	-	103,430	543,328
Pre-consolidation adjustments	*a)*	4,207	-	(4,207)	-
Impact of Subsidiaries and Associates		6,525	(4,207)	1,946	4,264
		450,630	(4,207)	101,169	547,592

a) Refers to the settlement of balances between the companies in the Group

2014		Equity before net profit for the year	Dividends	ANAM's merger	Net profit	Equity after net profit for the year
ANA, S.A.		399,335	-	-	40,947	440,282
Pre-consolidation adjustments	*a)*	1,909	-	-	(1,909)	-
Consolidation adjustments	*b)*	30	-	-	(30)	-
Impact of Subsidiaries and Associates		(57,154)	(1,920)	53,980	11,619	6,525
		344,120	(1,920)	53,980	50,627	446,807

a) Refers to the settlement of balances between the companies in the Group
b) Refers to the elimination of transactions

The impact of the Subsidiaries can be broken up in the following manner:

2015	Equity before net profit for the year	Net profit *	Dividends	Equity after net profit for the year
Portway, S.A.	6,525	1,946	(4,207)	4,264
	6,525	1,946	(4,207)	4,264

* Before intra-group transactions and after consolidation adjustments

2014	Equity before net profit for the year	Net profit *	ANAM's merger	Dividends	Equity after net profit for the year
ANAM, S.A.	(61,162)	7,182	53,980	-	-
Portway, S.A.	4,008	4,437	-	(1,920)	6,525
	(57,154)	11,619	53,980	(1,920)	6,525

* Before intra-group transactions and after consolidation adjustments

24_LOANS

ANA, S.A. 2015	ANA, S.A. 2014	Non-current loans	ANA Group 2015	ANA Group 2014
1,560,513	1,638,590	Loans	1,560,513	1,638,590
66	-	Swap | Fair Value Hedge	66	-
692	774	Suppliers - leasing	692	774
1,561,271	**1,639,364**		**1,561,271**	**1,639,364**

ANA, S.A. 2015	ANA, S.A. 2014	Current loans	ANA Group 2015	ANA Group 2014
28,077	27,934	Loans	28,077	27,934
6,681	17,421	PORTWAY, S.A. loans	-	-
477	547	Suppliers - leasing	477	976
35,235	**45,902**		**28,554**	**28,910**

The loans have the following composition:

Contract	Interest rate	Amount owed – Non-current 2015	Amount owed – Non-current 2014	Amount owed – Current 2015	Amount owed – Current 2014	Fair Value 2015	Fair Value 2014
BEI 97/98							
A+B	Fixed	2,696	5,374	2,678	2,660	5,289	7,580
	Floating	499	998	499	499	998	1,496
C+D	Fixed	7,724	11,462	3,737	3,657	11,325	14,235
	Floating	2,078	3,117	1,039	1,039	3,117	4,157
E+F	Fixed	4,988	6,235	1,247	1,247	5,822	6,479
	Floating	4,988	6,235	1,247	1,247	6,235	7,482
BEI 02	Fixed	11,466	48,113	1,210	5,103	12,170	43,126
	Revisable fixed	44,000	14,063	5,500	1,563	45,683	15,458
BEI 02	Floating + fixed spread	18,750	20,625	1,875	1,875	20,625	22,500
	Revisable fixed	18,750	20,625	1,875	1,875	19,877	20,165
BEI 09	Floating + fixed revisable spread	60,000	63,428	3,429	3,429	63,429	66,535
BEI 98/2000 - 2.	Floating	52,374	56,115	3,741	3,740	56,115	59,856
Bonds 2013/2022	Floating	100,000	100,000	-	-	100,000	100,000
Bonds 2013/2022	Floating	732,200	782,200	-	-	732,200	782,200
Credit Line	Floating	500,000	500,000	-	-	500,000	500,000
		1,560,513	1,638,590	28,077	27,934	1,582,885	1,651,269

The market value of the Group's medium/long term loans, contracted at fixed and revisable fixed interest rates is calculated on the basis on future cash flows, discounted at interest rates estimated in the medium/long term (forward rates).

In the case of the revisable fixed rate loans, it has been assumed that they will switch to a floating rate during the next period when interest rates are revised.

In 2015, interest rates fell across-the-board as they shadowed a similar fall in reference rates.

On 1 October 2015, ANA, S.A. made an early repayment on 500 bonds, worth a total of 50 million euros. These bonds were part of a bond loan contracted with VINCI in 2013.

In the same month, the repayment periods for loans taken out with VINCI (bond loan and credit agreement) were extended for four years beyond their original term. The maturity date for these loans is now 31 July 2022.

In June 2015, the interest rate was revised for the 1st repayment under the EIB 02 - A1 tranche funding contract. This interest rate was changed to a floating rate. In order to hedge the interest rate on this repayment, a swap contract was simultaneously negotiated with Banco Santander Totta.

In September 2015, the interest rate was revised for the 2nd repayment under the EIB 09 - D2 tranche funding contract. This revision resulted in a lower interest rate.

In 2015, the repayments on the loans taken out with the EIB totalled 28 million euros.

2015	First repayment	Last repayment	Interest rate	Interest payment period	Average interest rate (%)
ANA, S.A. Loans					
BEI 97/98					
A+B	15-09-2003	15-09-2017	Fixed	Tranche A - Quarterly	3.10%
			Fixed	Tranches B2 and B3 - Annual	2.00%
			Floating	Quarterly	0.61%
C+D1+D2	15-06-2007	15-06-2018	Fixed	Annual	3.01%
					2.71%
D3	15-06-2007	15-06-2018	Floating	Quarterly	0.65%
E+F	15-12-2009	15-12-2020	Fixed	Annual	2.32%
			Floating	Quarterly	0.65%
BEI 02	15-09-2009	15-09-2024	Revisable fixed	Tranche A1 - Annual	2.43%
				Tranches A2, A3 e A4 - Annual	2.07%
				Tranche B1 - Quarterly	2.07%
			Fixed	Tranche B2 - Annual	4.25%
BEI 02	15-09-2011	15-09-2026	Floating + fixed spread	Tranche C1 - Quarterly	0.93%
			Revisable fixed	Tranche C2 - Annual	1.74%
BEI 09	15-12-2013	15-06-2034	Floating + fixed revisable spread	Semiannual	0.93%
					2.08%
BEI 98/2000 - 2.	15-03-2011	15-03-2020	Floating	Quarterly	0.65%
Bonds 2013/2022	bullet	31-07-2022	Floating	Semiannual	4.87%
Bonds 2013/2022	bullet	31-07-2022	Floating	Semiannual	4.87%
Credit Line	bullet	31-07-2022	Floating	Semiannual	4.85%

2014	First repayment	Last repayment	Interest rate	Interest payment period	Average interest rate (%) (1)
ANA, S.A. Loans					
BEI 97/98					
A+B	15-09-2003	15-09-2017	Fixed	Tranche A - Quarterly	3.01%
			Fixed	Tranches B2 and B3 - Annual	3.62%
			Floating	Quarterly	2.44%
C+D	15-06-2007	15-06-2018	Fixed	Annual	2.61%
			Floating	Quarterly	0.76%
E+F	15-12-2009	15-12-2020	Fixed	Annual	4.13%
			Floating	Quarterly	0.75%
BEI 02	15-09-2009	15-09-2024	Revisable fixed	Tranche A1 - Annual	2.93%
			Fixed	Tranches A2, A3 e A4 - Annual	1.98%
			Fixed	Tranche B1 - Quarterly	2.23%
			Fixed	Tranche B2 - Annual	4.41%
BEI 02	15-09-2011	15-09-2026	Floating	Tranche C1 - Quarterly	1.25%
			Revisable fixed	Tranche C2 - Quarterly	1.85%
BEI 09	15-12-2013	15-06-2034	Floating	Semiannual	1.28%
			Revisable fixed	Semiannual	4.12%
BEI 98/2000 - 2.	15-03-2011	15-03-2020	Floating	Quarterly	0.34%
Bonds 2013/2018	bullet	31-07-2018	Floating	Semiannual	6.03%
Bonds 2013/2018	bullet	31-07-2018	Floating	Semiannual	6.03%
Credit Line	bullet	31-07-2018	Floating	Annual	6.10%

(1) The average interest rate includes the costs of bank guarantees

GENERAL COVENANTS OF ANA GROUP LOANS

The financing contracts of the ANA Group companies include various covenants, of which we highlight:

- **Financing contracts**

Company	Financing Contracts	Contractual debt	Current debt 31.12.2015	Covenant	Limit	Covenant 31.12.2015
ANA, S.A.	EIB Financing Contracts	451,989	256,389	**Borrower shareholder control (VINCI, S.A.)** (1)	> 50%	100%
				External indebtedness limit of Subsidiaries	< 20% Senior consolidated gross debt (2)	0%
				Financial Ratios (3):		
				Senior Net Debt / EBITDA	< 5x	0.37
				EBITDA / Consolidated Net Financial Costs	> 4x	62.23
				Access to Liquidity (4)	minimum of double of the monthly average of the consolidated revenue	100% (cash pooling)

(1) The EIB may require the early repayment of the loans, if: (i) there is an acquisition of a holding greater than 50% of the VINCI, S.A. share capital and/or of more than 50% of the voting rights in VINCI, S.A.; or (ii) VINCI, S.A. ceases to have a holding of over 50% in the share capital of ANA, S.A. and/or 50% of the voting rights in ANA, S.A.;

(2) This percentage excludes financing or loans provided by the EIB to any Group companies; and financial debt not subject to cure;

(3) The financial ratios have a dual function of covenant and as a basis for the application of an additional margin, to be applied during the term of each one of the loan contracts.

If, at any time, the net senior debt/ EBITDA ratio and/ or the EBITDA/ net consolidated financial costs ratio exceed the stipulated limits, the bank may require that additional guarantees be provided or it may demand the early repayment of all EIB loans;

(4) ANA, S.A. must ensure that it will have unconditional access to short-term cash funds in an amount equivalent to twice its average consolidated monthly income, by means of:

(i) revolving loan contracts provided by commercial banks or by VINCI Airports International, S.A., under market conditions; or

(ii) the VINCI Group cash pooling system.

Failure to adhere to this covenant will be interpreted as a mandatory early repayment trigger, affecting all EIB loans.

- **Concession contract**

The concession contract between ANA, S.A. and the Portuguese state, signed on 14 December 2012, stipulates that the maximum ratio for debt service coverage (ratio between the senior debt and the EBITDA, as defined in the concession contract) should be 6:1.

At 31 December 2015, the Group was in compliance with all the covenants it was a party to.

FINANCIAL LEASING CONTRACTS

The conditions of financial leasing contracts as at 31 December 2015 are as follows:

	First Instalment	Last Instalment	Interest rate	Periodicity
Leasing - ANA, S.A.				
	2012	2016	Fixed	Quarterly
	2013	2017	Fixed	Quarterly
	2014	2017	Fixed	Quarterly
	2014	2018	Fixed	Quarterly
	2015	2018	Fixed	Quarterly
	2015	2019	Fixed	Quarterly

The following table details the responsibilities assumed under financial leases for temporary period:

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
		Property acquired through leasing		
-	-	Basic equipment	-	420
-	31	Transport equipment	-	40
1,169	1,290	Administrative equipment	1,169	1,290
		Future minimum payments		
524	608	Up 1 year	524	1,041
724	826	From 1 year to 5 years	724	826
		Interest		
48	61	Up 1 year	48	65
32	51	From 1 year to 5 years	32	51
		Present value of minimum payments		
477	547	Up 1 year	477	976
692	774	From 1 year to 5 years	692	774

25_DERIVATIVE FINANCIAL LIABILITIES

	2015		2014	
	Notional	Fair Value	Notional	Fair Value
Designated as cash flow coverage				
Interest rate swap	30,000	(3,547)	30,000	(4,238)
Total derivatives	30,000	(3,547)	30,000	(4,238)

At 31 December 2015 the ANA Group had contracted a derivative financial instrument with a notional of 30 million euros on the interest rate (interest rate swap).

This derivative was designated in a cash flow coverage report. The aim is to cover the interest rate risk associated with the floating interest rate payments on its financial liabilities, thus transforming the floating interest rate into a fixed one. The risk which is covered is the floating interest reference rate for the loans in question, but the credit risk is not covered.

The main conditions of the covered instrument and the coverage instrument are given here:

COVERED INSTRUMENT

Cash flows of the finance contracted with the EIB:

Notional	30 million euros
Date of issue	15 June 2005
Maturity date	15 September 2026
Interest rate	Eur 3M
Liquidation date	at maturity

COVERAGE INSTRUMENT

ANA, S.A. negotiated an interest rate swap with the following characteristics:

Type	Interest Rate Swap
Counterpart	Deutsche Bank
Notional	30 million euros (amortising)
Transaction date	15 June 2005
Start date	15 June 2005
Maturity date	15 September 2026
Underlying	ANA, S.A. receives Euribor 3M, pays 3.55% (from 15 June 2010 onwards)

EFFECTIVENESS TESTS

The dollar offset method is used for the purposes of identifying effectiveness.

The test is carried out on each reporting date.

The movement in the year was as follows:

	Fair Value	Impact in net results		Impact in equity	Fair Value
	2014	Interest Paid	Interest costs		2015
Coverage	(4,238)	789	(789)	691	(3,547)

	Fair Value	Impact in net results		Impact in equity	Fair Value
	2013	Interest Paid	Interest costs		2014
Coverage	(2,903)	803	(635)	(1,503)	(4,238)

26_PROVISIONS

The provisions set aside are designed to cover any exposure ANA, S.A. may come to have in ongoing legal proceedings.

27_PAYABLES AND OTHER LIABILITIES – NON-CURRENT

ANA, S.A.			ANA Group	
2015	2014		2015	2014
2,414	2,804	Deferred income	2,414	2,804
19,877	20,037	Investment subsidies	19,877	20,037
68,451	86,012	Contractual liabilities	68,451	86,012
3,352	2,705	Guarantees provided by third parties	3,542	2,831
94,094	**111,557**		**94,284**	**111,684**

Deferred income refers to the operating income from the operating rights leased to third parties for Group assets – fuel stations and the hotel unit.
The contractual liabilities refer to expenditure to be borne in the next cycle of renovation/replacement of the concession assets, under IFRIC 12, and the regularisation of the impact of the financial effect of the liability's discount. The contractual liabilities are recorded at its present value.

Guarantees extended by third parties include: guarantees extended by clients as surety (around 2,507 thousand euros), required depending on the assessed level of risk and guarantees provided by investment suppliers (around 1,035 thousand euros), realised by means of withholdings on the payments made, required where no bank guarantee or surety is offered. These withholdings vary between 5% and 10%, depending on the type of contract/service involved.

28_PAYABLES AND OTHER LIABILITIES – CURRENT

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
8,683	13,962	Suppliers	8,851	14,064
17,530	10,199	Investment suppliers	17,531	10,424
		State and other public entities		
1,409	1,172	Tax withheld from third parties	1,722	1,493
1,249	1,604	Social expenses	1,992	2,278
2,075	1,549	Other taxes	2,166	1,549
719	1,324	Other creditors	2,533	2,689
		Accrued costs		
9,631	8,965	Personnel costs	15,488	12,751
21,263	35,737	Interest payable	21,263	35,737
15,296	14,004	External supplies and services	14,898	15,279
16,521	29,531	Contractual liabilities	16,521	29,531
29,848	21,055	Other accrued costs	31,069	21,463
6,563	7,220	Deferred earnings (advanced receipts)	5,857	6,568
3,309	5,467	Investment subsidies	3,309	5,467
134,096	**151,789**		**143,200**	**159,293**

The other taxes item includes VAT for the month of November, to be paid in January 2016.

The increase in other cost accruals is largely accounted for by the incentives paid to airlines to increase air traffic.

The investment subsidies item includes the following transactions:

ANA, S.A.			ANA Group	
	2,566	**Balance as of 1 January 2014**		**2,906**
2,331		Non-current	2,433	
235		Current	473	
	9,609	Reclassification to tangible assets		9,609
	13,745	ANAM`s merger		13,745
	-	ANAM`s elimination		(161)
	3,294	Subsidies granted in the period		3,294
	(3,710)	Transfers to earnings in the year		(3,889)
	25,504	**Balance as of 31 December 2014**		**25,504**
20,037		Non-current	20,037	
5,467		Current	5,467	
	1,563	Subsidies granted in the period		1,563
	(3,881)	Transfers to earnings in the year		(3,881)
	23,186	**Balance as of 31 December 2015**		**23,186**
19,877		Non-current	19,877	
3,309		Current	3,309	

The quantification of the contractual responsibilities with renovation/replacement and its use within the application of IFRIC 12, are detailed in the following table:

ANA, S.A.			ANA Group	
	91,254	**Balance as of 1 January 2014**		**112,242**
72,327		Non-current	84,929	
18,927		Current	27,313	
	11,601	Additions in the period		12,474
	20,139	ANAM`s merger		-
	(3,580)	Reclassification		(3,580)
	(3,871)	Use in the period		(5,593)
	115,543	**Balance as of 31 December 2014**		**115,543**
86,012		Non-current	86,012	
29,531		Current	29,531	
	(10,262)	Year movement		(10,262)
	916	Reclassification		916
	(21,225)	Use in the period		(21,225)
	84,972	**Balance as of 31 December 2015**		**84,972**
68,451		Non-current	68,451	
16,521		Current	16,521	

29_REVENUE

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
281,294	224,819	Traffic	281,296	245,483
85,647	73,110	Operation	85,645	75,335
56,486	51,239	Security charges and PRM	56,486	54,470
30,316	28,185	Occupancy	26,838	26,434
22,787	20,594	Handling	75,758	71,373
21,655	18,842	Parking facilities	21,075	19,007
11,426	8,301	Other commercial activities	11,801	8,929
6,005	5,011	Equipment	4,750	4,166
3,927	3,691	Advertising	3,927	3,826
1,600	1,626	Sales of goods	753	795
521,143	435,418		568,329	509,818
19,114	9,689	Construction contracts (concession)	19,114	10,025
3,227	2,828	Other earnings	1,365	1,850
543,484	447,935		588,808	521,693

The construction services income recognised for the period was 19,114 thousand euros.

Construction contract revenue includes the costs of acquiring/ constructing expansion assets or upgrading concession infrastructures. It also includes the direct costs generated by the technical areas involved in the construction of the expansion assets.

The amount carried in the traffic item for 2015 is net of the traffic development incentives given to airlines to open up new routes and/ or increase frequencies to optimise the capacity offered by the Group's airports. In 2015, the Group spent a total of 20,068 thousand euros on incentives.

30_GOODS SOLD AND MATERIALS CONSUMED

ANA, S.A.		ANA Group		
Total	Movements	Goods	Consumable materials	Total
	2015			
316	Inventories - opening balance	632	257	889
1,764	Purchases	2,481	214	2,695
4	Inventory adjustments	40	1	42
329	Inventories – closing balance	670	272	942
1,755	Costs in the financial year	2,483	201	2,684
	2014			
171	Inventories - opening balance	639	390	1,029
171	ANAM`s merger	-	-	-
1,706	Purchases	2,314	163	2,477
(7)	Inventory adjustments	9	(105)	(96)
316	Inventories – closing balance	632	257	889
1,725	Costs in the financial year	2,330	191	2,521

31_EXTERNAL SUPPLIES AND SERVICES

ANA, S.A.			ANA Group	
2015	2014		2015	2014
31,229	27,482	Subcontracts	20,367	19,232
25,812	24,237	Surveillance and security	26,151	26,016
18,232	8,876	Construction contracts costs	18,232	9,213
17,953	17,245	Repairs and maintenance	18,179	18,145
17,652	15,922	Water, electricity and fuel	17,747	16,926
11,408	10,585	Specialised work	12,111	12,398
6,721	6,471	Cleaning	6,938	7,219
1,840	1,338	Insurance	2,070	1,770
1,705	1,600	Rental costs	2,029	1,938
1,137	751	Advertising	1,152	906
951	655	Travel	1,135	892
772	786	Communications	822	884
(11,348)	(5,887)	Contractual liabilities	(11,348)	(5,294)
13,620	11,837	Other external supplies and services	14,829	13,967
137,684	**121,898**		**130,414**	**124,212**

The change in contractual liabilities results from the revision of the investment plan. The other external supplies and services item includes the technical and management services that the shareholder provides to the ANA Group.

32_PERSONNEL EXPENSES

ANA, S.A.			ANA Group	
2015	2014		2015	2014
54,745	47,607	Salaries	89,283	83,371
12,527	10,444	Charges on remunerations	20,019	18,217
3,806	2,443	Incentives/ indemnities	3,806	2,443
1,491	1,322	Pensions	1,491	1,324
3,239	2,275	Other costs	8,938	8,022
75,808	**64,091**		**123,537**	**113,377**

The increase in the remunerations item is due to promotions and the salary update. These are based on the amounts written into the new company agreement.

The change in the incentives/ compensations item is accounted for by the staff optimisation plan, which resulted in a number of retirements and voluntary redundancies.

33_OTHER INCOME

ANA, S.A.			ANA Group	
2015	2014		2015	2014
19	2,318	Gains on tangible assets	24	2,488
926	664	Other unspecified income	986	733
945	**2,982**		**1,010**	**3,221**

The amount recorded in 2014 in the gains on tangible assets item is explained by the compensation received for the claim in Faro.

34_OTHER EXPENSES

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
1,124	222	Incentives	1,124	620
972	358	Donations	974	366
355	364	Taxes	366	426
305	730	Bank service costs	366	791
153	141	Contributions to business/ Professional	170	173
78	767	Bad Debts	78	769
4,802	1,209	Other costs	4,912	1,412
7,789	**3,791**		**7,990**	**4,557**

The incentives item only includes commercial incentives. The traffic incentives are deducted from revenue in the traffic item.

The increase in the other costs item in 2015 is mostly explained by the Municipal Tourist Tax paid to the Lisbon City Council, as required by Regulation no. 569-A/2014, of 30 December.

35_AMORTISATIONS AND DEPRECIATIONS

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
109,620	114,841	Amortisations/ Depreciations in the financial year	110,965	119,621
5	202	Write-offs of fixed assets	6	202
109,625	115,043		110,971	119,823

36_COST OF GROSS FINANCIAL DEBT

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
(71,846)	(87,905)	Interests on bank loans	(71,846)	(89,670)
(778)	(635)	Income from swaps	(778)	(635)
(531)	(513)	Stamp duty on bank loans	(531)	(514)
(71)	(68)	Interests on financial leasing	(78)	(97)
41	(1,870)	Commissions on guarantees	41	(1,870)
(73,185)	**(90,991)**		**(73,192)**	**(92,786)**

The fall in interest is largely the result of the 50-million-euro partial repayment of the bond loan and the reduction in the spread charged on loans from VINCI, S.A., which came into effect on 31 July 2015.

37_SHARE IN THE RESULTS OF ASSOCIATES AND OTHERS

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
4,207	1,920	Dividends received (Portway)	-	-
14	14	Dividends received (Futuro)	14	14
4,221	**1,934**		**14**	**14**

38_OTHER FINANCIAL RESULTS

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
		Expenses		
(1,087)	(819)	Financial effect of contractual liabilities	(1,087)	(1,108)
(27)	(40)	Interests paid	(19)	(17)
(11)	(5)	Foreign exchange losses	(24)	(6)
(349)	-	Other	(349)	-
		Income		
490	99	Interest received	490	106
3	2	Foreign exchange gains	10	9
6	1	Other financial gains	6	1
(975)	**(762)**		**(973)**	**(1,015)**

39_CORPORATE INCOME TAX EXPENDITURE

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
37,224	16,887	Current tax	38,022	19,769
2,407	1,803	Deferred tax	2,287	1,904
(673)	(220)	(Over)/ Under estimation/ Restitution	(684)	(340)
38,958	18,470		39,625	21,333

The conciliation between current taxation and effective taxation is as follows:

2015	ANA	PORTWAY	Adjustment in consolidation	ANA Group
Current tax				
Tax for the year	37,224	798	-	38,022
(Over)/ Under estimation/ Restitution	(673)	(11)	-	(684)
Deferred tax	2,407	(120)	-	2,287
Tax expenditure	38,958	667	-	39,625
Results before income tax	142,388	2,588	(4,182)	140,794
Rate of taxation	28.61%	24.04%	28.61%	-
	40,735	622	(1,196)	40,161
Permanent differences	(1,003)	(6)	1,196	187
Diference in tax rate	(308)	7	-	(301)
Tax benefits - SIFIDE	(170)	-	-	(170)
Autonomous rate	377	55	-	432
(Over)/ Under estimation/ Restitution	(673)	(11)	-	(684)
Income tax	38,958	667	-	39,625
Effective tax rate	27.36%	25.77%	-	28.14%

2014	ANA	PORTWAY	ANAM *	Adjustment in consolidation	ANA Group
Current tax					
Tax for the year	16,887	1,714	1,168	-	19,769
(Over)/ Under estimation/ Restitution	(220)	26	(145)	-	(339)
Deferred tax	1,803	(2)	102	-	1,903
Tax expenditure	18,470	1,738	1,125	-	21,333
Results before income tax	59,417	6,169	8,306	(1,932)	71,960
Rate of taxation	29.97%	26.77%	26.67%	26.77%	-
	17,809	1,651	2,215	(517)	21,159
Permanent differences	857	(10)	1	517	1,365
Diference in tax rate	1,684	1	813	-	2,498
Deduction of tax losses	(1,811)	-	(1,771)	-	(3,582)
Tax benefits - SIFIDE	(204)	-	-	-	(204)
Autonomous rate	356	71	12	-	439
(Over)/ Under estimation/ Restitution	(220)	26	(145)	-	(339)
Income tax	18,470	1,738	1,125	-	21,333
Effective tax rate	31.09%	28.17%	13.54%	-	29.65%

*ANAM, S.A. until September 2014.

40_RESULT PER SHARE

The basic result per share is equal to the diluted result per share and is obtained by the quotient between the net profit of the financial year and the number of shares of ANA, S.A. (40 million shares).

ANA, S.A.			ANA Group	
2015	2014		2015	2014
103,430	40,947	Net profit of the period	101,169	50,627
40,000	40,000	Number of shares	40,000	40,000
		Net profit per share in euros		
2.59	1.02	Basic earnings	2.53	1.27
2.59	1.02	Diluted earnings	2.53	1.27

41_DIVIDENDS

No dividends were distributed in 2015.

42_COMMITMENTS UNDERTAKEN

ANA, S.A.			ANA Group	
2015	2014		2015	2014
110,117	54,745	Contracts signed and in progress	110,127	54,751

An amount of 4,052 thousand euros in 2015 and 5,219 thousand euros in 2014 was added to the above amounts for ANA, S.A., related to service provision contracts signed with Portway.

The commitments undertaken item includes amounts for investments and for costs (including operational rents).

The commitments assumed related to the rental instalments falling due on operating leases are broken down in the following manner by timelines:

ANA, S.A.			ANA Group	
2015	2014		2015	2014
357	427	Up 1 year	367	433
211	534	Between 1 and 5 years	211	534

43_GUARANTEES PROVIDED

ANA, S.A.			ANA Group	
2015	2014		2015	2014
50,773	50,782	Bank guarantees	52,066	51,993
492	492	Surety insurance	492	492
51,265	**51,274**		**52,558**	**52,485**

The purpose of the guarantees provided is to cover the following situations:

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
50,000	50,000	Compliance guarantee - Concession contract	50,000	50,000
724	724	Corporate Income Tax	724	724
492	492	Expropriation lawsuits	492	492
-	-	Customs licensed warehouses management	1,293	1,203
49	58	Others	49	65
51,265	**51,274**		**52,558**	**52,484**

As regards the compliance guarantee of the concession contract and as set out in point 28.1 of the concession contract, ANA, S.A. lodged an unconditional, irrevocable first-demand bank guarantee with the grantor for the purposes of guaranteeing compliance with the commitments given in the contract in question. This guarantee may be used in the same terms, and for the same purposes, in relation to the concession contract signed with the former ANAM, S.A. (clause 27).

44_CONTINGENCIES

44.1_CONTINGENT ASSETS

As mentioned in note 1.3 – Legal regulatory framework, the application of the economic regulation schedule to the ANA, S.A. airports network may result in differences between the real total Regulated Price Cap per passenger and the amounts calculated for the reporting period.

The preliminary calculation of the regulated income earned in 2015, the third year of economic regulation, indicates that there is a negative difference, which should be recovered in future periods (2017 or later), in the amount of € 7.5 million euros. The recognition period and amount will largely depend on future developments in the aviation market.

At 31 December 2015, the estimated negative difference constitutes a contingent asset that cannot be entered into the accounts.

44.2_CONTINGENT LIABILITIES

Outstanding litigation underway as of 31 December 2015, which is not expected to result in responsibilities for the Group, can be summed up as follows:

ANA, S.A. 2015	ANA, S.A. 2014		ANA Group 2015	ANA Group 2014
2,683	693	Labour suits	2,709	838
615	1,062	Expropriation suits	615	1,062
7,454	15,159	Public procurement suits	7,454	15,159
(5,265)	(13,224)	Counterclaims related with public procurement suits	(5,265)	(13,224)
-	33	Court suit for annulment of negotiation procedures for the provision of parking lot management services	-	33
84	84	Court suit related to the contract for providing services to develop the concept and design of the new ANA, S.A. site	84	84
311	311	Litigation against traffic duties application	311	311
-	192	Administrative lawsuits	-	192
-	400	Damage compensation lawsuits	-	400
63	23	Litigation on handling rates	63	23
-	1,520	Litigation on operating charges	-	1,520
174	155	Other liabilities	262	244

The litigation for public procurement item includes an amount of 6,627 thousand euros, relating to counterclaims, which amounted to 5,265 thousand euros in 2015.

45_BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The balances and transactions between Group companies that fall within the consolidation perimeter relate to the following services: handling, other commercial charges (occupation of spaces, use of equipment, consumption of water and power), use of fuel, use of staff, subcontracts and other service provision. These balance and transactions are eliminated in the consolidation process and are, thus, not disclosed in this note.

The following holdings are also considered to be related parties:

Shareholders

- VINCI Airports International, S.A.

The following VINCI holdings are also considered to be related parties:

- VINCI Airports
- VINCI Concessions
- VINCI Assurances
- Sotécnica, S.A.
- Sotécnica Açores, Unipessoal, Lda.
- Nessie, Lda.
- Cegelec

Board of Directors:

The Board of Directors was treated as a related party of the Group, having received the following remunerations:

ANA, S.A.			ANA Group	
2015	2014		2015	2014
1,067	1,019	Remunerations	1,275	1,267

NATURE OF THE RELATIONSHIP WITH THE RELATED PARTIES

The transactions with the shareholder mainly relate to financing activities.

Transactions with the companies owned regarded as related parties arise from the business purposes of the companies in the ANA Group. The terms and conditions of such transactions are practically identical to those that would be normally contracted between independent entities engaging in comparable operations. Thus, the ANA Group provides the following services: air traffic control, fuel sales, space rental and the provision of other services. It acquires services for attracting new routes and other service provision (sub-contracts, conservation and repair, amongst others).

The balances with related parties are as follows:

Company	Account	2015	2014
Balances			
VINCI Concessions	Costs accrual	1	1
VINCI Concessions	Clients	1	-
VINCI Airports International, S.A.	Loans	1,332,200	1,382,200
VINCI Airports International, S.A.	Cash pooling	137,825	63,774
VINCI Airports International, S.A.	Costs accrual - Interests	20,504	34,921
VINCI Airports International, S.A.	Income accrual - interests	30	-
VINCI Airports	Costs accrual	10,755	10,000
VINCI Airports	Income accrual	-	534
VINCI Airports	Suppliers	74	-
VINCI Airports	Clients	41	-
Grupo Sotécnica - Sotécnica Açores	Suppliers	-	1
Grupo Sotécnica - Sotécnica	Clients	2	4
Grupo Sotécnica - Sotécnica	Suppliers	724	394
Grupo Sotécnica - Sotécnica	Assets suppliers	150	250
Grupo Sotécnica - Sotécnica	Guarantees provided	48	48
Grupo Sotécnica - Sotécnica	Advance to suppliers	221	2
Grupo Sotécnica - Sotécnica	Costs accrual	272	125
Grupo Sotécnica - Nessie	Suppliers	-	4
Grupo Sotécnica - Nessie	Costs accrual	-	8
Grupo Sotécnica - Cegelec	Suppliers	205	-
Grupo Sotécnica - Cegelec	Advance to suppliers	100	-
Grupo Sotécnica - Cegelec	Costs accrual	3	-

The transactions with related parties are as follows:

Company	Account	2015	2014
Transactions			
VINCI Concessions	Other expenses	350	446
VINCI Assurances	External supplies and services	938	572
VINCI Airports International, S.A.	Costs of financing	67,483	83,738
VINCI Airports International, S.A.	Other financial results	63	34
VINCI Airports	Income	38	534
VINCI Airports	External supplies and services	10,702	10,032
VINCI Airports	Personnel expenses	127	-
Grupo Sotécnica - Sotécnica Açores	External supplies and services	-	1
Grupo Sotécnica - Sotécnica	External supplies and services	2,599	1,577
Grupo Sotécnica - Sotécnica	Income	9	6
Grupo Sotécnica - Sotécnica	Fixed assets	819	526
Grupo Sotécnica - Nessie	External supplies and services	-	115
Grupo Sotécnica - Nessie	Fixed assets	-	188
Grupo Sotécnica - Cegelec	External supplies and services	129	-
Grupo Sotécnica - Cegelec	Fixed assets	425	-

46_FURTHER EVENTS

Between the balance sheet date and the date on which the Board of Directors approved the financial statements, there were no events or occurrences that changed the conditions existing on the balance sheet date.

47_FINANCIAL STATEMENTS APPROVAL

These consolidated and separate financial statements were approved by the Board of Directors in the meeting on 16 May 2016. The Board of Directors believes that these financial statements are a true and appropriate representation of the Group's operations, as well as of its financial position and performance and cash flows.

Chartered Accountant

____

Janete Hing Lee

Board of Directors

Chairman:

____

Jorge Manuel da Mota Ponce de Leão

Members of the Board:

____

Pierre Marie Bernard Coppey

____

Jean-Luc Bernard Marie Pommier

____

Nicolas Dominique Notebaert

____

Olivier Patrick Jacques Mathieu

____

Pascale Frédérique Thouy Albert-Lebrun

____

François Jean Amossé

____

Luís Miguel da Silveira Ribeiro Vaz

____

Thierry Franck Dominique Ligonnière

____

Tanguy André Marie Bertolus

____

António dos Santos Morgado

____

Mário Manuel Pinto Lobo

15

Audit Reports & Opinions

REPORT AND OPINION OF THE FISCAL BOARD ON THE MANAGEMENT REPORT AND THE 2015 ACCOUNTS
(Translated from the original in Portuguese)

Shareholders,

Under the terms of the mandate given to us and to comply with point G of paragraph 1 of article 420 of the Companies Act we have prepared and issue our report on the management's report, the statement of the financial position, both on the separate and consolidated statements, the income statement and the comprehensive income statement, both separate and consolidated, the consolidated statement of changes in equity, the separate statement of changes in equity, the cash flow statement, separate and consolidated, and the respective annexes together with the notes to the financial statements, as well as the proposal for the application of the results presented by the Board of Directors of ANA – AEROPORTOS DE PORTUGAL, S.A. for the year ended 31st December 2015.

To carry out its mandate the Fiscal Board met with the Board of Directors of ANA and Senior Management, whenever it was felt necessary, to analyse management's performance and to discuss with it relevant matters resulting from the work we have performed.

In respect of its analysis and checks performed, the Fiscal Board requested and obtained documentation and clarifications to the various questions.

During the year the Fiscal Board met with KPMG both in their capacity as external auditors and also statutory auditors and also with the groups of internal auditors.

The Fiscal Board analysed the report prepared by management as part of the closing of the year end accounts as well as the various documents related to the accounts as presented by the Board of Directors and verified the same and obtained clarifications as it deemed necessary.

The management report emphasized the most relevant aspects of the ANA group in 2015, which showed a turnover of approximately €568 million, excluding construction works (IFRIC 12) and incentive discounts in respect of air traffic, representing a growth of 11.5% compared to 2014 and a total volume of passengers of 39 million.

The EBITDA of the group totalled €322,293 thousand, which represented an increase of 14.4% compared to 2014 and a net profit of €101,169 thousand compared to a net profit of €50.62.

It should be noted that despite the economic difficulties in Portugal and in Europe the ANA group presented very positive results with strong growth and management ratios both individual and consolidated showing the same.

Based on its analysis the Fiscal Board believes that the management report presented by the Board of Directors satisfies the requirements of the applicable laws and shows in a correct manner the growth of both ANA, S.A. and the group ANA's activities.

The various documents supporting the accounts were audited by the Statutory Auditor who issued its statutory audit opinion, which the Fiscal Board agrees with, and which is in agreement with that required by no. 2 of Article 452 of the Companies Act.

Based on the above we believe that the Shareholders may:

(a) Approve the management report, as well as the various documents making up both the individual and consolidated accounts presented by the Board of Directors;

(b) Approve the Board of Directors proposal for the distribution of the results as set out in the management report;

(c) Express its approval for the Administration and Financial Management of the company as foreseen in article 455 of the Companies Act.

Finally the Fiscal Board wishes to thank the Board of Directors and the Financial Department of ANA as well as its staff and also the External and Statutory Auditors KPMG for their collaboration and support in carrying out our work.

Lisbon, 18 May, 2016

THE FISCAL BOARD

Dr. Jacques dos Santos - President

Dr. José Vitorino – Member

Dr. William Woolston - Member

KPMG

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STATUTORY AUDITOR'S REPORT

(This report is a free translation to English from the original Portuguese version. In case of doubt or misinterpretation the Portuguese version will prevail.)

Introduction

1 We have audited the financial statements of **ANA – Aeroportos de Portugal, S.A.**, which comprise the statement of financial position as at 31 December 2015 (which shows total assets of thousand Euro 2,398,832 and a total Shareholders' equity of thousand Euro 543,328, including a net profit of thousand Euro 103,430), the statements of income, comprehensive income, changes in equity and cash flows for the year then ended and the corresponding Notes.

Responsibilities

2 Management is responsible for the preparation of financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, that give a true and fair view of the financial position of the Company, the results of its operations, the changes in equity, the comprehensive income and its cash flows, as well as for the adoption of adequate accounting policies and criteria and the maintenance of an appropriate internal control system.

3 Our responsibility is to express a professional and independent opinion on these financial statements based on our audit.

Scope

4 We conducted our audit in accordance with the Technical Standards and Guidelines issued by the Portuguese Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"), which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. For this purpose our audit included:

- verification, on a test basis, of the information underlying the figures and disclosures contained in the financial statements, and an assessment of the estimates, based on judgments and criteria defined by Management, used in their preparation;
- the assessment of the adequacy of the accounting principles used and their disclosure, considering the circumstances;
- the appropriateness of the going concern basis of accounting; and
- the assessment of the adequacy of the overall presentation of the financial statements.

5 Our audit also included the verification that the financial information included in the Management Report is consistent with the financial statements.

6 We believe that our audit provides a reasonable basis for our opinion.

Opinion

7 In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of **ANA – Aeroportos de Portugal, S.A.** as at 31 December 2015, the results of its operations, comprehensive income, changes in equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal requirements

8 It is also our opinion that the financial information included in the Management Report is consistent with the financial statements for the year.

Lisbon, 17 May 2016

KPMG & Associados -
Sociedade de Revisores Oficiais de Contas, S.A. (n.º 189)
represented by
João Paulo da Silva Pratas (ROC n.º 965)

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STATUTORY AUDITOR'S REPORT
CONSOLIDATED FINANCIAL STATEMENTS

(This report is a free translation to English from the original Portuguese version. In case of doubt or misinterpretation the Portuguese version will prevail.)

Introduction

1 We have audited the consolidated financial statements of **ANA – Aeroportos de Portugal, S.A.**, which comprise the consolidated statement of financial position as at 31 December 2015 (which shows total assets of thousand Euro 2,405,402 and a total Shareholders' equity of thousand Euro 547,592, including a net profit of thousand Euro 101,169), the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended and the corresponding Notes.

Responsibilities

2 Management is responsible for the preparation of consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, that give a true and fair view of the financial position of the group of companies included in the consolidation, the consolidated results of its operations, consolidated changes in equity, consolidated comprehensive income and its consolidated cash flows, as well as for the adoption of adequate accounting policies and criteria and the maintenance of an appropriate internal control system.

3 Our responsibility is to express a professional and independent opinion on these financial statements based on our audit.

Scope

4 We conducted our audit in accordance with the Technical Standards and Guidelines issued by the Portuguese Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"), which require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements. For this purpose our audit included:

- the verification that the financial statements of the companies included in the consolidation have been properly examined and, for the significant situations which have not been examined, the verification, on a test basis, of the information underlying the figures and disclosures contained in the financial statements, and an assessment of the estimates, based on judgments and criteria defined by Management, used in their preparation;
- the verification of the consolidation procedures;
- the assessment of the adequacy of the accounting principles used and their disclosure, considering the circumstances;

- the appropriateness of the going concern basis of accounting; and
- the assessment of the adequacy of the overall presentation of the consolidated financial statements.

5 Our audit also included the verification that the consolidated financial information included in the consolidated management report is consistent with the consolidated financial statements.

6 We believe that our audit provides a reasonable basis for our opinion.

Opinion

7 In our opinion, the consolidated financial statements referred to above, present fairly, in all material respects, the consolidated financial position of **ANA – Aeroportos de Portugal, S.A.** as at 31 December 2015, the consolidated results of its operations, consolidated comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal requirements

8 It is also our opinion that the financial information included in the consolidated management report is consistent with the consolidated financial statements for the year.

Lisbon, 17 May 2016

KPMG & Associados -
Sociedade de Revisores Oficiais de Contas, S.A. (n.º 189)
represented by
João Paulo da Silva Pratas (ROC n.º 965)

Aeroportos de Portugal