ANA Aeroportos de Portugal

Annual Report 2014

VINCI AIRPORTS

CONTENTS

ANNUAL REPORT

1. KEY PERFORMANCE INDICATORS

INDICATORS	ANA GROUP Real 2014	Real 2013	Real 2012 (restated)	Δ % 2014/2013
OPERATING INDICATORS				
Commercial Traffic				
Passengers	35,083,810	32,039,483	30,515,564	9.5
Aircraft movements	300,571	284,163	280,346	5.8
Cargo (tonnes)	140,815	133,950	137,374	5.1
Activities				
Turnover (thousand euros)[1]	509,818	440,329	421,314	15.8
Aviation (share of total)	74.0	73.9	73.3	0,1pp
Non-Aviation (share of total)	26.0	26.1	26.7	(0,1)pp
Staff				
Staff at 31 December	3,061	2,822	2,828	8.5
Average staff	3,214	3,034	2,828	5.9
Staff costs (thousand euros)	113,377	104,843	105,535	8.1
Productivity				
Passengers/average staff	10,916	10,560	10,791	3.4
Earnings				
EBITDA[2] (thousand euros)	281,681	168,649	159,817	67.0
EBITDA Margin (%)	54.2	35.2	36.1	19,0pp
EBIT[3] (thousand euros)	165,747	111,046	82,718	49.3
EBIT Margin (%)	31.5	23.0	18.3	8,5pp
FINANCIAL INDICATORS				
Earnings				
Net profit (thousand euros)	50,627	18,600	53,940	172.2
Financial structure				
Equity (thousand euros)	446,807	396,916	407,248	12.6
Net debt (thousand euros)	1,601,158	1,701,820	581,314	(5.9)
Shareholder	1,382,200	1,382,200	-	0.0
Other entities	218,958	319,620	581,314	(31.5)
Capital employed (thousand euros)	2,047,965	2,098,736	988,562	(2.4)
Cash flow				
Operating cash flow (thousand euros)	227,095	200,226	171,753	13.4

[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 amortization

[3] EBIT - Earnings before interest and taxes

INDICATORS	ANA,SA Real 2014	Real 2013	Real 2012 (restated)	Δ % 2014/2013
OPERATING INDICATORS				
Commercial Traffic				
Passengers	33,066,227	29,570,070	28,209,993	11.8
Aircraft movements	281,406	261,054	257,667	7.8
Cargo (tonnes)	137,693	129,579	132,310	6.3
Activities				
Turnover (thousand euros)[1]	435,418	362,337	347,452	20.2
Aviation (share of total)	69.7	68.7	68.1	1,0pp
Non-Aviation (share of total)	30.3	31.3	31.9	(1,0)pp
Staff[2]				
Staff at 31 December	1,290	1,043	1,077	23.7
Average staff	1,108	1,058	1,090	4.7
Staff costs (thousand euros)	64,091	54,589	52,473	17.4
Productivity				
Passengers/average staff	29,843	27,949	25,881	6.8
Resultados				
EBITDA[3] (thousand euros)	260,569	148,751	143,146	75.2
EBITDA Margin (%)	58.5	37.2	38.9	21,3pp
EBIT[4] (thousand euros)	149,236	97,155	72,447	53.6
EBIT Margin (%)	33.0	24.0	19.2	9,0pp
FINANCIAL INDICATORS				
Earnings				
Net profit (thousand euros)	40,947	11,859	59,279	245.3
Financial structure				
Equity (thousand euros)	440,283	454,052	471,125	(3.0)
Net debt (thousand euros)	1,619,053	1,612,534	441,458	0.4
Shareholder	1,382,200	1,382,200	-	0.0
Other entities	236,853	230,334	441,458	2.8
Capital employed (thousand euros)	2,059,336	2,066,586	912,583	(0.4)
Cash flow				
Operating cash flow (thousand euros)	213,646	186,413	151,242	14.6

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

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

[3] EBITDA - Earnings before interest, taxes, depreciation and amortization

[4] 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. Up until September 2014, ANAM, S.A., concessionaire for the airports in Madeira, was also part of the group.

As ANA, S.A. and ANAM, S.A. are engaged in similar business activities, and the former has owned 100% of the shares in the latter since July 2013, there was no obligation to maintain a separate legal structure for the management of the airports in Madeira. As a result, it was decided to concentrate the provision of public airport services in ANA, S.A., by merging ANAM, S.A. into ANA, S.A. For accounting and tax purposes, this merger by incorporation took effect as from 1 October 2014 and for legal purposes from 7 October 2014. From that moment, ANA, S.A. succeeded ANAM, S.A. as contract concessionaire in the two airports of the Autonomous Region of Madeira (Madeira and Porto Santo). In the analysis below, mention is made of this operation, whenever warranted for reasons of comparability.

At 31 December 2014, ANA, S.A.'s share capital stood at 200,000,000 euros, entirely subscribed and realised, 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 17,000,000 euros.

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 Accounts, appended to this report.

3. ECONOMIC ENVIRONMENT

3.1 MACROECONOMIC OVERVIEW

In 2014, the global economy continued on its tenuous path of recovery. This trajectory was marked, in the first half of the year, by volatile and low-level growth, which strengthened somewhat in the second half of the year, mainly as a result of the consolidation taking place amongst some of the main developed economies. (*source: ECB report, December 2014)*

The eurozone closed out 2014 with sluggish growth, held back by the "obvious fragility" of some of its main economies. 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 forecast that real GDP will have grown by 0.8% in 2014 and real global GDP (excluding the eurozone) by 3.6%.

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, and particularly in 2014, the negative knock-on effects of the country's economic situation on growth in passenger traffic were broadly attenuated by a mix of other factors. These included an increase in the overall offer, with new airlines flying to new markets, and a significant rise in tourist demand, allied with growth in the business segments related to emigration.

The growth in passenger numbers in Portugal was amongst the most impressive in all of Europe and reflects both the attraction of the country's various regions and the efficiency of our airport management.

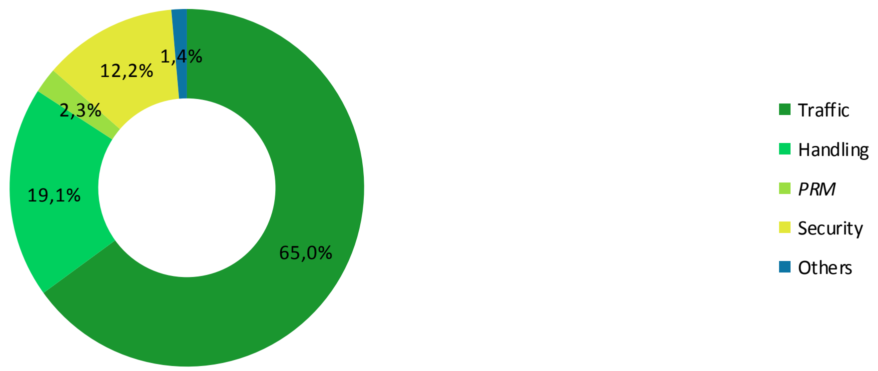
4. BUSINESS REVIEW

The ANA Group's business portfolio essentially comprises the management of the airport infrastructures that serve aircraft, passengers and cargo alike (generally defined as the aviation business) at the airports of Lisbon, Porto and Faro and at the civilian terminal in Beja, in continental 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 83.5% of the group's turnover.

For the ANA Group, 2014 was a year in which we focused on consolidating our air traffic development strategy for the airports we manage. We have 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 business generated through our subsidiary Portway, S.A., was responsible for most of our turnover. In 2014, it contributed with 377.5 million euros, or 74.0% 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 charges, as a way of ensuring we met the 2014 regulated revenue targets per passenger terminal for the whole ANA airport network.



Note: PR – People with reduced mobility

Commercial passenger traffic through the 10 airports managed by the ANA Group in 2014 rose by 9.5% to 35.1 million (+3.04 million passengers). It is worth noting that the airports have not seen growth of this magnitude since 1999. 33.1 million commercial passengers passed through the hands of ANA, S.A. This figure includes passengers at the airports in the Madeira archipelago, as from 1 October 2014.

On the offer side, there was a 5.8% increase in aircraft movements.

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 raised 1.7 pp in 2014 to reach 80.8%, together with a 7.3% increase in the number of available seats per aircraft.

For the first time, passenger numbers at Lisbon Airport reached 18 million, which was 13.3% (or 2.1 million passengers) higher than in 2013. This was the third highest level of growth at European airports in 2014 and accounted for 70.1% of the ANA Group's overall growth.

In a similar fashion, passenger numbers at Faro Airport reached 6 million for the first time, 3.1% up on 2013.

Commercial Traffic

	Lisbon	Porto	Faro	Beja	Azores	Madeira	ANA Group
Passengers	18,142,035	6,930,270	6,166,927	877	1,276,282	2,567,419	35,083,810
Variation 14-13	13.3%	8.8%	3.1%	(62.2%).	5.9%	4.0%	9.5%
Aircraft movements	152,335	62,165	42,402	81	19,292	24,296	300,571
Variation 14-13	7.0%	6.5%	2.4%	17.4%	2.3%	5.1%	5.8%
Seats	22,728,078	8,631,976	7,282,067	2,056	1,864,846	3,165,740	43,674,763
Variation 14-13	10.4%	7.4%	2.4%	(37.8%).	2.8%	(0.1%).	7.3%
Load factor	79.9%	81.1%	85.4%	42.7%	71.4%	81.9%	80.8%
Variation 14-13	2.0 pp	1.2 pp	0.7 pp	(27.5 pp)	2.6 pp	3.2 pp	1.7 pp

4.2 NON-AVIATION BUSINESS

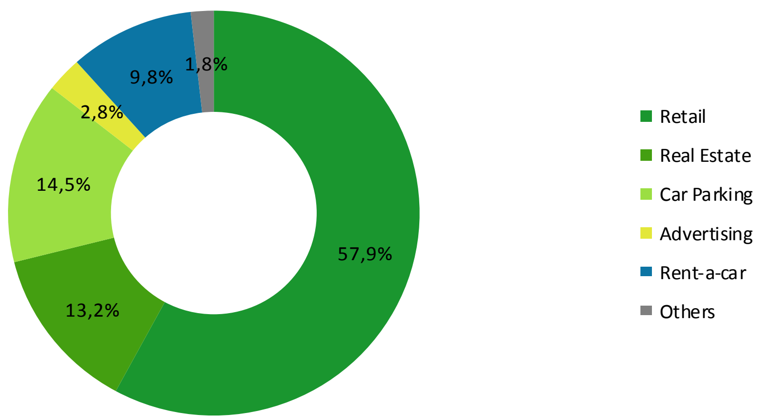
At the end of 2014, the ANA Group's non-aviation revenue represented about 26% of turnover. At 132.4 million euros, this was 15.2% higher than in 2013.

The retail business increased its overall share by 4.9 pp and now accounts for 57.9% of non-aviation revenue. The real estate and car rental businesses saw their shares fall.

The retail business, which grew by 25%, significantly outpaced the growth in passenger numbers. The renegotiation of the occupancy licenses and operation of new spaces was the main driver of this growth in revenue. Revenue was also driven upwards by the implementation of new concepts for the commercial areas that were designed to boost passenger engagement with the existing offer.

In January 2014, the hotel arm of our real estate business opened the *Tryp Lisboa Aeroporto*, the first hotel to be built within the perimeter of Lisbon Airport.

Structure of non-aviation business at ANA Group



5. SUSTAINABILITY

5.1 HUMAN RESOURCES

The process of privatising the share capital of ANA, S.A. also had an impact on the human resources area, with the implementation of a new organisational model for the company. Basically, this model is designed to help align policies and create synergies with the global business group of which ANA is now a part. The new model will lead to a strengthening of our objective and result oriented culture and a greater efficiency and effectiveness in creating value for the shareholder.

The group's ability to adapt to our new shareholder reality has been quite remarkable. One outward sign of this was the success of the first opportunity given to ANA Group employees to subscribe to the CASTOR Investment

Fund. This fund is only open to VINCI Group staff and serves as a channel for employee participation and the distribution of the profits generated by the group.

The year ended with the signing of a framework agreement between ANA and the organisations representing our employees. This agreement set out the guidelines for revising the company-level agreement for ANA Aeroportos de Portugal, S.A.

The contents of this new instrument for collective regulation clearly reflect the compromises willingly made by the negotiating teams. The main drivers built into the agreement are recognition of merit as basis of professional development and career progression.

5.1.1 HUMAN RESOURCES IN NUMBERS

At 31 December 2014, the ANA Group had 3,061 employees* working at the group's ten airports. 1,290 people were employed by ANA, S.A. and 1,771 by Portway, S.A., as shown in the following table. For the purposes of comparison, the ANA, S.A. staff numbers for 2013 include the employees who worked for ANAM, S.A. in the same period.

	ANA, S.A.		Portway, S.A.		ANA Group	
	2014	Var.14/13	2014	Var.14/13	2014	Var.14/13
Total staff	1,290	(1.7%)	1,771	17.3%	3,061	8.5%
Gender						
Male	806	(1.3%)	1,353	18.2%	2,159	10.0%
Female	484	(2.2%)	418	14.5%	902	4.9%
Age						
<30	18	(33.3%)	385	53.4%	403	45.0%
30-50	871	(3.1%)	1,244	8.7%	2,115	3.5%
>50	401	3.9%	142	23.5%	543	8.4%
Average age	45.8	1.1%	36.8	(0.3%)	40.6	0.0%

* Note: includes members of the Management Committee

5.1.2 BUILDING COMPETENCES

In 2014, we continued to invest in developing the competences of our people, because each and every day they are building the future of the ANA Group. Over the year, we delivered a total of 79,689 training hours, 13,895 of which were for ANA, S.A. staff (including staff of the defunct ANAM, S.A.) and 65,794 for 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 tightly control all gaseous emissions at ANA, S.A. airports, particularly as regards one-off releases, in compliance with our legal obligations. The air quality at Lisbon, Porto and Madeira airports is similarly monitored.

5.2.2 VOLUNTARY CARBON MANAGEMENT

ANA, S.A. airports renewed their level 1 carbon airport accreditation, under the Airport Carbon Accreditation (ACI) scheme.

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 of atmospheric emissions. 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

It is true to say that ANA, S.A. has played a pioneering role as regards environmental responsibility. One outcome of this is that 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 2014, we completed our calculations of the water 2012 footprint at the 10 ANA, S.A. airports and began work on calculating the water footprints for 2013 and 2014.

5.3 RESEARCH, DEVELOPMENT AND INNOVATION

In 2014, our RDI activities focused on implementing "innovations". All the initiatives involved were executed in a creative and systematic way, with the overarching objective of increasing internal knowledge and transforming this into innovation and competitive advantage for the ANA Group.

ANA, S.A. is well known for the quality and commitment that we bring to community-level projects and collaborations (from the operational, technical and managerial point of view). This means that we are frequently called upon to engage with new interventions and projects. The result has been increased access to top quality know-how under competitive conditions.

ANA, S.A. is a member of a number of leading consortia and, in 2014, our knowledge network embraced some 60 domestic and international partners. We remained actively and successfully involved in various R&D projects, 7 of which were co-financed collaborations.

In January 2014, this positive approach led ANA, S.A., with the support of ACI members, to sign up for a successful Eurocontrol candidature to the TEN-T[1] Programme. The project will support the ongoing implementation of the Lisbon A-CDM[2], including the integration of Lisbon Airport in the ATM[3] network. This will certainly contribute to improving the airport's performance.

6. ECONOMIC AND FINANCIAL ANALYSIS

6.1 RESULTS

The economic and financial results presented below should be read in the light of the merger by incorporation operation which saw ANAM, S.A. absorbed by ANA, S.A. For accounting and tax purposes, the operation took effect as from 1 October 2014.

ANA Group turnover in 2014 was[4] 509.8 million euros, a year-on-year increase of 15.8%. This growth can be attributed to the positive performance of both the aviation (+16.0%) and non-aviation (+15.2%) businesses at group companies.

ANA, S.A., excluding intragroup operations, contributed 425.5 million euros to total revenues. This represents an increase of 20.4% over the previous year. The figures for 2014 include the airports in the Madeira region for the last three operating months of the year. Until 30 September, these were managed by the now defunct ANAM, S.A.

Turnover at ANA Group

Thousand euros

ANA Group	2014	2013	2012 (Restated)	Δ% 14/13
ANA, S.A.	435,418	362,337	347,452	20.2
ANAM, S.A.	30,241	37,686	34,925	(19.8)
Portway, S.A.	65,531	60,601	58,814	8.1
Intragroup operations	(21,372)	(20,295)	(19,877)	5.3%
ANA Group	**509,818**	**440,329**	**421,314**	**15.8**

[1] Trans-European Transport Networks
[2] Collaborative Decision Making
[3] Airport Traffic Management
[4] Turnover is presented after the deduction of construction services (IFRIC 12) and air traffic development incentives.

ANA Group EBITDA for 2014 came to 281.7 million euros, 67% higher than in 2013. This translates into an EBITDA margin of 54.2%, a year-on-year rise of 19.0 pp.

In 2014, revenue per passenger was 14.5 euros, up 5.8% on 2013.

Net profits for the ANA Group were 50.6 million euros, a near threefold increase over the previous year.

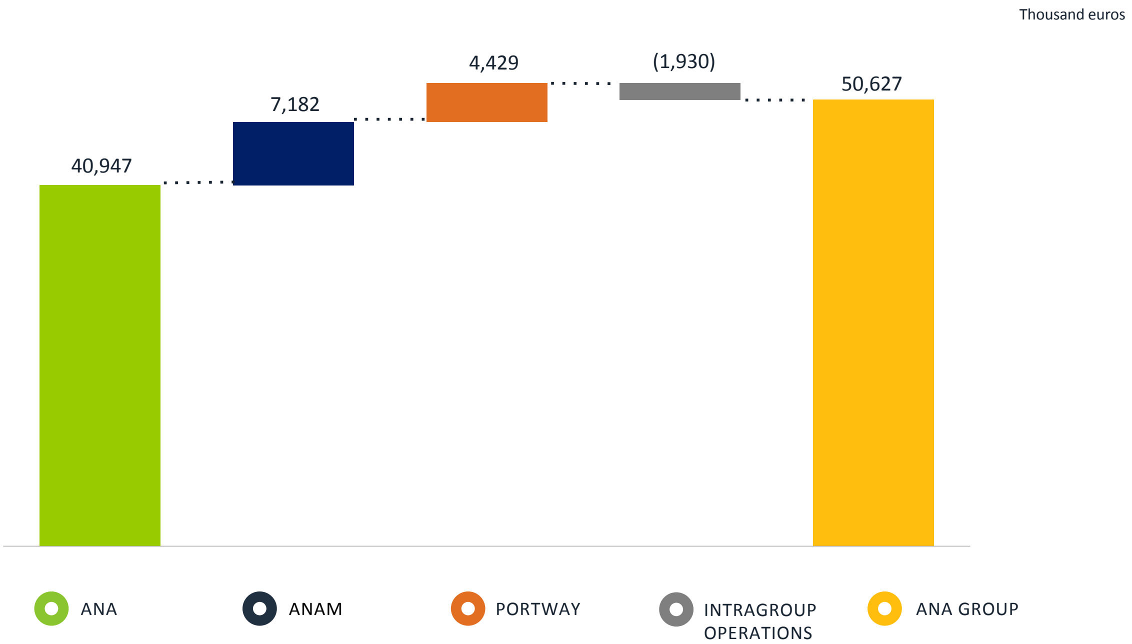
This growth was largely driven by a rise in turnover, as previously detailed.

At 124.2 million euros for the ANA Group, external supplies and services was the largest item on the costs side in 2014. The 6.4% increase in cash costs is fully attributable to the significant growth in business activity.

The 8.1% year-on-year rise in staff costs is explained by the restoration of the salary cuts as from September 2013, month in which the company passed from the state sector to the shareholder control under the VINCI Group, bonus attribution, salary review and the money spent on streamlining the staffing structure.

In terms of net financial result, the 13.8 million euro increase in finance costs is accounted for by twelve months' worth of financial charges on loans taken out in 2013. These loans were used to pay the second tranche of the upfront fee for the concession contract.

The following graph shows the breakdown of net profits for each group company, after adjustments for intragroup operations:



6.2 FINANCIAL SITUATION

At the end of 2014, the capital invested in the ANA Group and ANA, S.A. totalled 2.1 thousand million euros.

The increases in the various items referring to ANA, S.A. are attributable to the inclusion of ANAM, S.A. assets and liabilities in the company's accounts, following the merger by incorporation of ANAM, S.A. on 30 September 2014. The reduction in the level of ANA, S.A. equity reflects the counterpart of this incorporation and the elimination of the financial participation in the share capital of the now defunct ANAM, S.A.

The movements seen in both the tangible fixed assets and intangible assets items are the result of aligning ANA, S.A. accounting policies and practices with those used throughout the VINCI Group. One outcome of this was a change in the practical application of IFRIC 12, as from 1 January 2014, as regards the recognition of the movable assets assigned to the concession and controlled, in substance, by ANA, S.A., as concession operator.

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 controls, in substance, this property and not the grantor of the concession. For further details of the impacts of this change, please see note 2.6_Concession Assets.

The net debt to other entities item for 2014 carries the ANA Group cash surpluses that have been committed to the cash pooling system. At 31 December 2014, this amounted to around 63.8 million euros.

Financial situation

Thousand euros

ANA, S.A.				ANA Group		
2014	2013	2012		2014	2013	2012
340,509	85,910	90,775	Tangible Fixed Assets (net of subsidies)	343,667	92,581	94,842
1,805,447	1,956,036	1,965,245	Intangible Assets (net of subsidies)	1,806,877	2,130,808	2,147,639
38,167	30,793	12,459	(+) Deferred tax assets	38,177	39,291	21,610
316	171	191	(+) Inventories	890	1,028	505
76,697	41,878	44,663	(+) Debtors	84,192	51,193	55,226
(219,654)	(183,949)	(1,296,796)	(+) Creditors	(226,618)	(216,752)	(1,332,145)
2,041,482	1,930,839	816,537	**(=) Net use of capital**	2,.047,185	2,098,149	987,677
17,854	135,747	96,046	(+) Financial investments	780	587	885
2,059,336	2,066,586	912,583	**(=) Total use of capital**	2,047,965	2,098,736	988,562
440,283	454,052	471,125	Equity	446,807	396,916	403,058
-	-	-	(+) Minority interests	-	-	4,190
1,382,200	1,382,200	-	(+) Debt to shareholder	1,382,200	1,382,200	-
236,853	230,334	441,458	(+) Net debt to other entities	218,958	319,620	581,314
2,059,336	2,066,586	912,583	(=) Capital employed	2,047,965	2,098,736	988,562

6.3 RISK MANAGEMENT

The ANA Group comprises companies that operate in the airport sector, which, due to the nature of the business, makes risk management a key area. As a result, the ANA Group has set up a number of risk oversight and management mechanisms.

Risk management at the group is focused on priority risks, which include concession management risk, operating risk, the risk of disruptive events and financial risk.

The risks associated with the management of the concession contract can be basically attributed to the fact that our business activity is underpinned by an economic regulatory model that links price to service provision quality. This ensures, on the one hand, the competitiveness and stability of the tariff process and, on the other, drives efficient business management practices.

Point 24 and annexe 15 of the concession contract signed by ANA, S.A. specify that any concession risk is to be shared by the grantor and by the concessionaire and that this includes the possibility of requesting a rebalancing of the concession.

As regards operating risks, various domains of our business activity (environment, quality, health and safety in the workplace and research, development and innovation) are certified. Specific risk management initiatives are embedded in these certification processes.

In terms of security, we work in close compliance with a civil aviation security programme that adheres to all the domestic and international regulations approved by INAC[5]. The certification of our airports includes safety certification by INAC.

The ANA Group's management of disruptive event risk has involved the drawing up of comprehensive contingency plans.

The financial risk management policy for the ANA Group is detailed in the Notes to the Accounts, in points 2.20 - Coverage Policy and 3 - Management of Financial Risk.

7. INVESTMENTS

In 2014, at ANA Group were made CAPEX[6] and REPEX[7] investments totalling 36.4 million euros. These investments were designed to ensure we have quality infrastructures capable of driving sustained demand.

The drop in investment compared to previous years is explained by the completion of the development plan for Lisbon Airport, which has absorbed the greater part of ANA, S.A. investment outgoings in recent years.

The Faro Airport development plan is ongoing and will be accelerated over the next few years, with the implementation of a project to enlarge the airport's passenger terminal.

The plan for replacing our hold baggage screening machines (HBS II plan) also came to an end this year. The aim of this plan was to replace the HBS Standard I units with HBS Standard II units, in compliance with European regulations.

In addition to the above investment plans, there were a number of other investment initiatives over the year:

- the strengthening and reprofiling of the runway at Porto Santo Airport (5.4 million euros invested in 2014);

[5] The Portuguese Civil aviation regulator
[6] *Capital Expenditure*
[7] *Replacement Expenditure*

- the remodelling of the shopping and service areas on floors 2, 4, 5 and 6 of the passenger terminal at Lisbon Airport (2.2 million euros invested in 2014);

- The in-depth refurbishment of the taxiway surfaces at Lisbon Airport (1.4 million euros invested in 2014).

8. SUBSEQUENT EVENTS

No relevant events worthy of disclosure have occurred since the closure of the reporting period ended on 31 December 2014.

9. 2015 OUTLOOK

The ANA Group will continue to encourage operators to open up new routes and increase frequencies on existing routes. We expect that, in 2015, these measures will drive traffic growth in the airport network as a whole.

As well as stimulating demand, 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.

The investment plan for 2015 has two main components. Projects relating to development obligations written into the concession contract account for about 55% of the total planned investment. The remainder will be spent on service quality improvement projects and for development of our non-aviation business.

We are currently implementing investment plans in this latter area at a number of our airports. Our aim in doing this is to ensure that the shopping area layout and offer continues to best serve our passengers' interests. We expect that, over the next three years, this effort will result in significant growth in the commercial areas in general and in our retail offer in particular.

10. PROPOSED ALLOCATION OF NET PROFIT

ANA, S.A. closed out the period ended on 31 December 2014 with a net profit of **40,946,835.48 euros**.

The concession contract signed by ANA, S.A. includes a number of specific obligations regarding the development of airport infrastructures, with which the company fully intends to comply.

In 2014, and following the merger by incorporation of ANAM, S.A. with ANA, S.A., the company will also assume direct responsibility for these obligations as they apply to Madeira and Porto Santo airports.

Additionally, and given our strategic programme for enhancing performance, we are planning on making investments to adapt the existing infrastructures to the growth and types of demand that the ten airports under our management expect to see.

Bearing in mind the results of the company and the achievements accomplished in 2014, the Board of Directors proposes that a part of the company's profits, in the amount of 557,512.96 euros, is shared with its employees. According with the accounting principles underlying the company's financial statements, this amount is already reflected in the company's net profit reflected above.

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

Legal reserve: 2,047,341.77 euros
Reserve for investments: 38,899,493.71 euros

Lisbon, 25 March 2015

BOARD OF DIRECTORS
Chairman:

____
Jorge Manuel da Mota Ponce de Leão

Members of the Board:

Pierre 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 Andre Marie Bertolus	António dos Santos Morgado
Mário Manuel Pinto Lobo	Luís Miguel Silva Ribeiro

Financial statements

2014

STATEMENT OF FINANCIAL POSITION SEPARATE AND CONSOLIDATED

(thousand euros)

ANA, S.A. 2014	ANA, S.A. 2013	Description	Notes	ANA GROUP 2014	ANA GROUP 2013
		ASSETS			
		Non-Current			
		Tangible fixed assets			
130,632	73,785	State property acquired	6	130,632	76,826
226,636	12,176	Company assets	6	229,432	16,093
8,745	2,516	Fixed assets in progress	6	9,106	2,568
-	-	*Goodwill*	8	1,430	1,430
1,801,549	1,954,984	Concession right	7	1,801,549	2,128,326
3,898	1,052	Other intangible assets	7	3,898	1,052
17,074	135,160	Investment in subsidiaries and associates	9	-	-
780	587	Financial investments	11	780	587
2,780	3,796	Receivables and others	12	2,780	3,797
107	312	Retirement benefits	17	107	312
38,167	33,711	Deferred tax assets	13	38,177	42,763
2,230,368	2,218,079			2,217,891	2,273,754
		Current			
316	171	Inventories	14	889	1,028
85,302	49,415	Receivables and others	15	93,615	60,238
7,976	20	Current tax	18	8,349	825
70,450	31,593	Cash and cash equivalents	19	71,354	47,278
164,044	81,199			174,207	109,369
2,394,412	2,299,278	Total assets		2,392,098	2,383,123
		EQUITY			
200,000	200,000	Share capital	20	200,000	200,000
120,373	163,438	Reserves	21	113,930	174,619
78,963	78,755	Retained earnings		82,250	3,697
40,947	11,859	Net profit		50,627	18,600
440,283	454,052		22	446,807	396,916
440,283	454,052	Total equity		446,807	396,916
		LIABILITIES			
		Non-Current			
1,639,364	1,607,159	Loans	23	1,639,364	1,667,394
4,238	2,903	Derivatives financial liabilities	24	4,238	2,903
1,279	-	Provisions	25	1,802	-
-	2,917	Deferred tax liabilities	13	-	3,471
111,557	80,689	Payables and other liabilities	26	111,684	93,760
1,756,438	1,693,668			1,757,088	1,767,528
		Current			
45,902	34,066	Loans	23	28,910	78,801
151,789	111,415	Payables and other liabilities	27	159,293	132,777
-	6,077	Current tax	18	-	7,101
197,691	151,558			188,203	218,679
1,954,129	1,845,226	Total liabilities		1,945,291	1,986,207
2,394,412	2,299,278	Total of equity and liabilities		2,392,098	2,383,123

Notes 1 to 46 are an integral part of these Financial Statements.

INCOME STATEMENT SEPARATE AND CONSOLIDATED

(thousand euros)

ANA, S.A. 2014	ANA, S.A. 2013	Description	Notes	ANA GROUP 2014	ANA GROUP 2013
447,935	418,234	Revenue	28	521,693	495,668
506	238	Work executed by the entity and capitalised	6	506	238
(1,725)	(1,875)	Goods sold and materials consumed	29	(2,521)	(2,694)
(121,898)	(195,555)	External supplies and services	30	(124,212)	(200,667)
(64,091)	(54,589)	Personnel expenses	31	(113,377)	(104,843)
786	(2,294)	Impairment in receivables and other assets	16	824	(2,567)
(135)	620	Provisions	25	104	620
2,982	1,223	Other income	32	3,221	1,611
(3,791)	(17,251)	Other expenses	33	(4,557)	(18,717)
260,569	148,751	**EBITDA**		281,681	168,649
3,710	223	Investment subsidies	27	3,889	325
(115,043)	(51,818)	Amortisation and depreciation	34	(119,823)	(57,928)
149,236	97,156	**Operating results**		165,747	111,046
(90,991)	(75,998)	Finance costs	35	(92,786)	(79,010)
1,934	14	Share in the results of associates and others	36	14	14
(762)	(2,135)	Other financial results	37	(1,015)	(2,506)
(89,819)	(78,119)	**Financial results**		(93,787)	(81,502)
59,417	19,037	Results before income tax		71,960	29,544
(18,470)	(7,178)	Corporate income tax expenditure	38	(21,333)	(10,944)
40,947	11,859	**Net profit**		50,627	18,600
		Earnings per share (euros)			
1.02	0.30	Basic earnings per share		1.27	0.46
1.02	0.30	Diluted earnings per share	39	1.27	0.46

Notes 1 to 46 are an integral part of these Financial Statements.

COMPREHENSIVE INCOME STATEMENT SEPARATE AND CONSOLIDATED

(thousand euros)

ANA, S.A. 2014	ANA, S.A. 2013	Description	Notes	ANA GROUP 2014	ANA GROUP 2013
40,947	11,859	Net profit		50,627	18,600
		Other income not qualified as results			
(216)	247	Remeasurements		(216)	247
424	(72)	Deferred tax		424	(72)
		Other income qualified as results			
(1,503)	1,447	Fair value variation of swaps coverage	24	(1,503)	1,447
193	(191)	Fair value variation of assets available-for-sale	11	193	(191)
366	(363)	Deferred tax	13	366	(363)
40,211	12,927	**Total comprehensive income**		49,891	19,668
		Net profit			
40,947	11,859	Allocated to shareholders		50,627	18,600
40,947	11,859			50,627	18,600
		Total comprehensive income			
40,211	12,927	Allocated to shareholders		49,891	19,668
40,211	12,927			49,891	19,668

Notes 1 to 46 are an integral part of these Financial Statements.

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

(thousand euros)

Description	Notes	Allocated to shareholders				Non-controlled interests	Total Group
		Capital	Reserves	Retained earnings	Net profit		
Balance as of 1 January 2013		200,000	139,999	9,118	53,940	4,191	407,248
Application of the result of the previous year		-	28,550	25,390	(53,940)	-	-
Dividends		-	-	(30,000)	-	-	(30,000)
Acquisition from non-controlled interests		-	5,177	(986)	-	(4,191)	-
Total income in the period		-	893	175	18,600	-	19,668
Balance as of 31 December 2013	22	200,000	174,619	3,697	18,600	-	396,916
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	22	200,000	113,930	82,250	50,627	-	446,807

Notes 1 to 46 are an integral part of these Financial Statements.

STATEMENT OF SEPARATE CHANGES IN EQUITY

(thousand euros)

Description	Notes	Allocated to shareholders				Total ANA
		Capital	Reserves	Retained earnings	Net profit	
Balance as of 1 January 2013		200,000	134,182	77,664	59,279	471,125
Application of the result of the previous year		-	28,363	30,916	(59,279)	-
Dividends		-	-	(30,000)	-	(30,000)
Total income in the period		-	893	175	11,859	12,927
Balance as of 31 December 2013		200,000	163,438	78,755	11,859	454,052
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	2.24	-	(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

Notes 1 to 46 are an integral part of these Financial Statements.

Direct method

CASH FLOW STATEMENT SEPARATE AND CONSOLIDATED

(thousand euros)

ANA, S.A. 2014	ANA, S.A. 2013		Notes	ANA GROUP 2014	ANA GROUP 2013
		Operating activities:			
455,440	409,602	Receipts from customers		524,613	478,431
(136,048)	(131,848)	Payments to suppliers		(133,568)	(128,254)
(63,284)	(56,225)	Payments to personnel		(112,377)	(110,099)
(31,343)	(11,827)	Payments and receivements of income tax		(33,476)	(13,951)
(11,119)	(23,289)	Other operating payments and receivements		(18,097)	(25,900)
213,646	186,413	*Operating cash flows*		227,095	200,227
		Investment activities:			
		Receipts from:			
1,200	-	Financial investments		-	-
8,893	-	Cash flow from ANAM's merger		-	-
2,472	-	Tangible fixed assets		2,508	24
-	-	Interest and similar income		-	100
1	-	Investment subsidies		1	-
1,934	14	Dividends		14	14
		Payments regarding:			
(50,000)	(40,000)	Financial investments		-	-
(43,331)	(1,234,107)	Tangible fixed assets and intangible assets		(45,105)	(1,235,178)
(78,831)	(1,274,093)	*Investments cash flows*		(42,582)	(1,235,040)
		Financing activities:			
		Receipts from:			
-	2,186,200	Loans		-	2,182,200
55	763	Interest and similar income		55	1,134
17,421	-	Other financing operations (Cash Pooling)		-	-
		Payments regarding:			
(33,554)	(1,042,204)	Loans		(77,795)	(1,108,345)
(79,880)	(55,625)	Interest and similar costs		(82,697)	(58,597)
-	(30,000)	Dividends		-	(30,000)
(95,958)	1,059,134	*Financing cash flows*		(160,437)	986,392
38,857	(28,546)	Variation of cash and equivalents		24,076	(48,421)
31,593	60,139	Cash and equivalents at the beginning of the period	19	47,278	95,699
70,450	31,593	Cash and equivalents at the end of the period	19	71,354	47,278

Notes 1 to 46 are an integral part of these Financial Statements.

NOTES TO THE 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 8 national airports. These are located in continental 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. 106/2013, 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 in continental Portugal and in the Autonomous Region of the Azores. The first contract was signed by ANA, S.A. and the Portuguese state on 14 December 2014. The other contract for the regional airports in the Autonomous Region of Madeira was signed on 10 September 2013. Under this latter contract, ANA, S.A. replaced 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 2014, 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 points 1.2.2 and 2.24).

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, SA is a concessionaire of the public airport service in support of aviation at 8 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) immovable assets; b) movable 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:

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;
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 invoiced 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 INAC - Instituto Nacional de Aviação Civil, P.I., 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 the concessionaire’s proposal for the design, construction, financing and/or operation and management of the new Lisbon airport is approved by the grantor.

1.2.2_REGIONAL AIROPORTS 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 2 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 continental 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 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 legal 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 INAC, I.P. 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 checking 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 INAC, I.P. 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 continental 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 income per terminal passenger is set 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 Maximum Average Income are observed.

The following factors feed into the calculation of the maximum average annual income: 1) the maximum average income 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.

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[8] Harmonized Consumer Price Index

At the end of each year, the difference between the proposed maximum average regulated income and the actual maximum average regulated income 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 maximum average regulated income 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 6 months.
In any case, the amount to be fixed as annual maximum average income 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 charges to be applied for monitored activities are not subject to being set by INAC, I.P., 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 '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 handling activity, providing the aircraft that use Lisbon airport, Porto airport, Faro airport and Madeira airport with assistance during stopovers, as defined by Decree-Law no. 275/99 dated 23 July, under licence from INAC 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 2014.

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 profit.

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 2014

2.2.1_NORMS AND INTERPRETATIONS THAT CAME INTO EFFECT ON 1 JANUARY 2014:

The new norms and interpretations adopted by the European Union, which came into effect on 1 January 2014 are as follows:

NORMS

- **IAS 32 (change)** – 'Financial Instruments: Presentation - offsetting of financial assets and liabilities On 16 December 2011, IASB issued its amendments to "IAS 32 - Financial Instruments: Presentation - offsetting of financial assets and liabilities", with effective (retroactive) application for reporting periods beginning on, or after, 1 January 2014. These amendments were endorsed by European Commission Regulation no. 1256/2012, of 11 December. The changes introduced at this time add implementation guidelines that resolve inconsistencies in the practical application of the standard. The application guidance clarifies that the phrase 'currently has a legal enforceable right of set-off' means that the right of set-off must not be contingent on a future event and must be legally enforceable in the normal course of business, in the event of default and in the event of insolvency or bankruptcy, of the entity and all of the counterparties. The application guidance also specifies the characteristics of gross settlement systems in order to be considered equivalent to net settlement. This amendment had no impact on the separate and consolidated financial statements.

- **IAS 27 (change)** – 'Separate Financial Statements'. On 12 May 2011, the IASB issued its amendments to "IAS 27 - Separate Financial Statements", with effective (prospective) application for reporting periods beginning on, or after, 1 January 2014. These amendments were endorsed by European Commission Regulation no. 1254/2012, of 11 December. Given that IFRS 10 address the principles of control and establishes the requirements for the preparation of consolidated financial statements, IAS 27 (amended) now exclusively regulates separate accounts. On the one hand, the amendments aim to clarify the disclosures required of an entity that prepares separate financial statements, stating that the entity must disclose the principal place (and the country of incorporation) of business of its more significant subsidiaries, associates and joint ventures and, where applicable, of the parent company. The previous version only required the disclosure of the country of incorporation or of domicile of such entities. On the other hand, it also stipulates that all consolidation standards (IFRS 10, IFRS 11, IFRS 12, IFRS 13 and amendments to IAS 28) come into effect and disclosure becomes mandatory on the same date. This amendment had no impact on the separate financial statements.

- **IFRS 10** – 'Consolidated Financial Statements'. On 12 May 2011, the IASB issued "IFRS 10 - Consolidated Financial Statements", with effective (retrospective) application for reporting periods beginning on, or after, 1 January 2013. This standard was endorsed by European Commission Regulation no. 1254/2012, of 11 December, which allowed implementation to take place no later than 1 January 2014. IFRS 10 revokes part of IAS 27 and SIC 12, and introduces a single control model for determining whether or not an investment should be consolidated. The new concept of control involves the assessment of the power, the exposure to variable returns and the connection between the two. An investor controls an investee when it is exposed (or has rights) to variable returns resulting from its involvement with the investee and the ability to affect those returns through power over an investee (de facto control). The investor considers to what extent it controls the investee's relevant business activities, bearing in mind the new concept of control. The assessment must be made for each reporting period, as the relationship between power and exposure to variable returns may change over time. Control is usually assessed over a legal entity, but it can also be assessed over only specified assets and liabilities of an investee (referred to as "silos"). The new standard introduces other changes, such as: i) the requirements for subsidiary companies under the scope of consolidated financial statements are transferred from IAS 27 to this standard; and ii) it increases the number of disclosures that are required, including specific disclosures about structured entities, whether or not these are consolidated. This amendment had no impact on the consolidated financial statements.

- **IFRS 11** – 'Joint Arrangements'. On 12 May 2011, the IASB issued "IFRS 11 - Joint Arrangements", with effective (retrospective) application for reporting periods beginning on, or after, 1 January 2013. This standard was endorsed by European Commission Regulation no. 1254/2012, of 11 December, which allowed implementation to take place no later than 1 January 2014. This new standard, which revokes IAS 31 and SIC 13, defines "joint control", introducing the control model defined in IFRS 10. It requires an entity that is part of a "joint arrangement" to determine the type of joint arrangement in which it is involved ("joint operation" or "joint venture"), assessing its rights and obligations. IFRS 11 removes the possibility of proportionate consolidation for jointly controlled entities. Those jointly controlled entities that meet the classification criteria for "joint ventures" must be accounted for using the equity method (IAS 28). This standard had no impact on the financial statements.

- **IAS 28 (change)** – 'Investments in associates and joint enterprises'. On 12 May 2011, the IASB issued its amendments to "IAS 28 - Investments in associates and joint enterprises", with effective (prospective) application for reporting periods beginning on, or after, 1 January 2013. This standard was endorsed by European Commission Regulation no. 1254/2012, of 11 December, which allowed implementation to take place no later than 1 January 2014. As a consequence of the new standards IFRS 11 and IFRS 12, IAS 28 was altered and its name was changed to IAS 28 – Investments in Associates and Joint Ventures. It regulates the application of the equity method to both joint ventures and associates. This amendment had no impact on the financial statements.

- **IFRS 12** – 'Disclosure of interests in other entities'. On 12 May 2011, the IASB issued "IFRS 12 - Disclosure of interests in other entities", with effective (retrospective) application for reporting periods beginning on, or after, 1 January 2013. This standard was endorsed by European Commission Regulation no. 1254/2012, of 11 December, which allowed implementation to take place no later than 1 January 2014. The aim of this new standard is to require an entity to disclose information that helps the users of financial statements to assess: i) the nature of, and the risks associated with, investments in other entities, and ii) the effects of those investments on the financial position, financial performance and cash flows of the reporting entity. IFRS 12 includes disclosure requirements for all forms of investment in other entities, including joint arrangements, associates, special vehicles and other vehicles that are off the balance sheet. This amendment had no impact on the financial statements.

- **Investment Entities** – 'Amendments to IFRS 10, IFRS 12 and IAS 27 (issued on 31 October 2012)'. The amendments that were made apply to a particular class of business described as "investment entities". The IASB defines the term "investment entity" as an entity whose business purpose is to invest funds with the aim of obtaining returns from capital growth, investment income, or both. An investment entity must also measure and evaluate the performance of its investments on a fair value basis. Such entities may include private equity organisations, venture capital or development capital organisations, pension funds, health funds and other investment funds. The amendments provide an exemption from consolidation of subsidiaries under IFRS 10, requiring that such entities measure their investment in particular subsidiaries at fair value through profit or loss instead of consolidating. The amendments also define a series of disclosures that are applicable to such investment entities. The amendments are applicable to the financial years beginning on, or after, 1 January 2014, with early voluntary adoption also being possible. Such an option makes it possible for investment entities to apply the new amendments when IFRS 10 comes into force. This standard was endorsed by European Commission Regulation no. 1174/2013, of 20 November. This amendment had no impact on the financial statements.

- **IAS 36 (change)** – 'Impairment of Assets: Disclosure of the Recoverable Amount of Non-Financial Assets'. On 29 May 2013, the IASB issued the amendment in question, with effective (retrospective) application for reporting periods beginning on, or after, 1 January 2014. This standard was endorsed by European Commission Regulation no. 1374/2013, of 19 December. The aim of the amendments was to clarify the scope of the disclosures of information about the recoverable amount of assets, when this amount is based on the net fair value of the sales costs, being limited to impaired assets. This amendment had no impact on the financial statements.

- **IAS 39 (change)** – 'Financial Instruments: Novation of Derivatives and Continuation of Hedge Accounting'. On 27 June 2013, the IASB issued the amendment, with effective (retrospective) application for reporting periods beginning on, or after, 1 January 2014. This standard was endorsed by European Commission Regulation no. 1375/2013, of 19 December. The aim of these amendments was to make the accounting requirements flexible for a hedging derivative, where there is a need to change the clearing counterparty, as a consequence of changes in laws or regulations. Such flexibility means that hedge accounting continues regardless of the change in the clearing counterparty ("novation") which, without the alteration made to the standard, would no longer be allowed. This amendment had no impact on the financial statements.

INTERPRETATIONS

- **IFRIC 21** – 'Rates'. On 20 May 2013, the IASB issued this interpretation, with effective (retrospective) application for reporting periods beginning on, or after, 1 January 2014. This new interpretation defines rates (levy) as being a payment from an entity that is imposed by the government in accordance with legislation. It confirms that an entity recognises a liability for the rate when – and only when – the specific event occurs that triggers it, in accordance with legislation. This amendment had no impact on the financial statements.

2.2.2_NEW STANDARDS, CHANGES AND INTERPRETATIONS THAT HAVE ALREADY BEEN PUBLISHED BUT FOR WHICH APPLICATION IS ONLY OBLIGATORY FOR ANNUAL REPORTING PERIODS THAT BEGIN ON OR AFTER 1 JANUARY 2015, WHERE NOT ADAPTED BEFORE THIS:

NORMS

- **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 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 straight line basis. 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. This standard will have no impact on the 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. The ANA Group will apply the improvements to the 2010-2012 cycle.

- **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. This standard should have no impact on the 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. This standard should have no impact on the 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. This standard should have no impact on the financial statements.

- **IFRS 13** – Short-term receivables and payables. The IASB altered the bases of conclusion in order to clarify that, in eliminating AG 79 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 IAS 8.8 now allows an entity not to apply accounting policies defined in the IFRS if their impact is immaterial. This standard should have no impact on the 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: Determine that accumulated depreciation (or amortisation) does not depend on the selection of the valuation technique; and that accumulated depreciation (or amortisation) is calculated by the difference between the gross and net book values. This standard should have no impact on the 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 (management entity, as, for example, 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. This standard should have no impact on the financial statements.

Improvements to IFRS (2011-2013) – The annual improvements for the 2011-2013 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 1, IFRS 3, IFRS 13 and IAS 40 standards. The ANA Group will apply the improvements to the IFRs of the 2011-2013 cycle.

- **IFRS 1** – concept of “Effective IFRS”. The IASB clarified that the new IFRS were not yet mandatory but could be applied beforehand. IFRS 1 allows, but does not require that they be applied in the first financial statements reported using the IFRS.

- **IFRS 3** – exceptions to the scope of application for joint ventures. The alterations exclude from the scope of the application of IFRS 3, the formation of all types of joint arrangements, as defined in IFRS 11. This exception to the scope of application only applies to the financial statements of joint ventures or to the joint ventures themselves. This standard should have no impact on the financial statements.

- **IFRS 13** – Scope of paragraph 52 – exception of portfolios. 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 alteration is to clarify that the exception of portfolios applies to all the contracts covered by IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial asset or financial liability contemplated in IAS 32. This standard should have no impact on the financial statements.

- **IAS 40** – Interrelationship with IFRS 3 when properties are classified as investment properties or immovables for own use. The aim of the alteration 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. This standard should have no impact on the financial statements.

- **IFRS 9 – Financial instruments (issued in 2009 and revised in 2010 and 2013).** 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 also published with the requirements that regulate the accounting of hedge operations. The IASB currently has a project in hand to make limited alterations to the classification and measurement of financial instruments, as set out in IFRS 9 (with special emphasis on the likelihood of including other debt instruments in the category of fair value, besides the shares in the capital of companies that are considered to be strategic, with the alterations being recognised in other comprehensive income – OCI), as well as the establishment of a new model for impairment, based on the expected losses model. The date on which IFRS 9 will become effective has not yet been established, but it will be determined when the stages in hand are finalised. The group has not yet carried out a complete analysis of the impacts of the application or of the way in which the other phases of the standard, such as the impairment and hedge model, may develop. Given the reformulation of the way in which financial instruments are treated and the developments that may well take place in the remaining phases of the project, there may be an impact on the group's future financial statements.

2.3_CONSOLIDATION

SUBSIDIARIES

Subsidiaries include all those entities (including Special Purpose Entities) over which the group has decision making powers in terms of financial and operational policies, generally represented by more than half of voting rights. The existence and the effects of potential voting rights that can be exercised or converted are considered when evaluating if the group has control over another entity. Subsidiaries are consolidated into the group from the date on which control is transferred to the group and they are excluded from the consolidated group on the date on which control ceases.

The purchase method was used in accounting concerning the acquisition of subsidiaries. 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.

The non-controlled interests are initially recognised by the respective proportion of the fair value of the identified assets, liabilities and contingent liabilities. Transactions with non-controlled interests are recognised as transactions with shareholders, so that any difference in the acquisition or sale to non-controlled interests is recorded in equity, and there is no need to enter any gains, losses or goodwill.

Investments in subsidiaries, presented for ANA, S.A.’s separate financial statements, are entered 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 as all activities relating to the areas of Retail, Real Estate, Parking and Advertising;

- handling – includes all the activities provided by Portway, S.A. in support of aircraft, passenger, baggage and air freight using 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	2014	2013
USD	1.2141	1.3791

2.6_CONCESSION ASSETS

The concessions granted to the ANA Group 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 not 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).

These tangible fixed assets are recorded as the value of the initial exchange liquidated and were subject to legal re-evaluations, 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.

The subsequent expenditures have been included in the sum recorded on the amount of the property or shown as separate assets, when appropriate, only when it is likely that it will result in 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 a 50 years
Other constructions	10 a 50 years
Basic equipment	3 a 20 years
Transport equipment	4 a 7 years
Administrative equipment	4 a 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 the companies ANA, S.A. and ANAM, 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. There was no obligation for payment by the grantor for the management of the public service provided (operation and investment). There is only the right to apply charges to the airport users, while the concessionaire bears the risk of demand.

In determining the assets to be classified as belonging to the concession right, the classes associated to the various activities carried out were identified, being considered as 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 practice 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, so that 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 “initial payment”, 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. adopted the same practical application of IFRIC 12 as the VINCI Group, the company's sole shareholder, as from 1 January 2014.

Following this change, the movable assets assigned to the concession 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 of a reduction of the renovation and replacement liabilities associated with the concession, that reduction 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, including the related financial position and the composition of net profit. Thus, the effects were recognised prospectively, as provided for by IAS 8 - Accounting Policies, Changes to Accounting Estimates and Errors (paragraph 8).

The impacts were as follows:

	Impact on 31.12.2013
Fixed tangible assets (note 6)	269,121
Concession right and other intangible assets	(257,795)
Payables and other liabilities (note 26 and 27)	(14,013)
Tax impact	786
Impact on equity	(1,900)

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 at fair value via results at the date they were initially shown. They are initially shown 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 and with an initial maturity of up to 3 months and bank overdrafts. Includes also the amount of cash pooling, following ANA Group's joint to the VINCI Group's cash pooling mechanism.

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

The loans obtained are initially recognised at fair value net of transaction costs and are subsequently measured at amortised cost. Any difference between the receipts (net of transaction costs) and the amortised value is shown in the income statement over the period of the loan, 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 the group has:

- A legal or a contractual or a customary 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.

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 deferment 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 financial statement.

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 Financial Statements 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. In case they pertain to obligatory renovation/replacement, the value spent is regularised against the additional costs recorded in order to comply with these obligations.

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 financial statement 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 discontinued.

INTEREST RATE RISK (CASH FLOW COVERAGE)

The operations that qualify as coverage instruments with regard to cash flow coverage are shown in the financial statement 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

With effect from 1 January 2008, ANA, S.A. has opted for the Special Taxation Regime for Company Groups with regard to its subsidiary Portway, S.A.. The results of this measure are as follows:

a) The losses for tax purposes of Portway, S.A. generated after 1 January 2008 are deducted from the group results;
b) Renouncement to a reduction of tax rate.

Special Taxation Regime for Company Groups didn't cover ANAM, S.A., due to which the current tax reflected in the consolidated income statement is the tax resulting from estimate of income tax ascertained individually by the company, based on their result for tax purpose.

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 the future taxable profits will be available for use in the temporary difference.

Income tax is shown in the income statement, except when related to items that are shown directly in the 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, stopover assistance, security, occupation and the commercial area, as foreseen in economic regulation.

CONSTRUCTION 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.

2.24_IMPACTS OF THE MERGER OF ANAM, S.A ON THE ANA, S.A. ACCOUNTS

After ANA, S.A. became the sole shareholder in ANAM, S.A. in the second half of 2013, it decided that it no longer made sense to maintain a separate legal structure – ANAM, S.A. – for the exclusive management of Madeira and Porto Santo airports, with a consequent replication of resources and structures designed to provide identical services.

Thus, and as mentioned above, ANAM, S.A. was merged by incorporation with ANA, S.A., under the special tax neutrality scheme, with legal effect as from 7 October and accounting and tax effects as from 1 October 2014.

The impacts of the incorporation of the assets and liabilities into the ANA, S.A. accounts are detailed in the following table:

Description	Notes	Merger
ASSETS		
Non-Current		
Tangible fixed assets		
State property acquired	6	21,900
Company assets	6	2,611
Concession right	7	163,003
Receivables and others	12	2
Deferred tax assets	13	8,386
		195,902
Current		
Inventories	14	171
Receivables and others	15	7,237
Cash and cash equivalents	19	8,893
		16,301
Total assets		212,204
LIABILITIES		
Non-Current		
Loans	23	56,115
Payables and other liabilities	26	34,252
		90,367
Current		
Loans	23	3,741
Payables and other liabilities	27	4,546
Current tax	18	644
		8,930
Total liabilities		99,297
Net assets		112,906
Elimination of the financial participation in ANAM		166,886
Merger reserve		(53,980)

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 2014	Balances 2013
Cash equivalents		
A1	3,475	-
A2	-	31,402
Ba1	2,986	3,998
Ba3	67	11,689
B1	17	23
B2	468	-
Caa1	177	38
Others	332	73
	7,522	**47,223**

Rating assigned by Moody's at 31.12.2014

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 first 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 two months of sales. This has allowed the group to manage its floating debt in a much more flexible manner.

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

2013	0 - 6 Months	6 - 12 Months	1 - 5 Years	> 5 Years
Accounts payable - current	12,375	7	42	13
Accounts payable - investments	13,331	-	-	-
Accounts payable - leasing	591	539	908	-
Other creditors	3,336	413	-	75
Guarantees by third parties	1,869	228	1,019	79
Bank loans	30,450	127,072	1,852,358	184,196
Derivatives	402	399	1,884	390
Contractual liabilities (1)	6,805	20,508	94,256	120,277
Accrual of costs, except banking interest	39,575	1,246	8	-
	108,734	150,412	1,950,475	305,030

(1) Contractual liabilities with substitution/ replacement

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 2014, 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 2015.

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

2014	Scenario at present rate *	Scenario +0,20%	Scenario -0,20%
Loans at variable rate	(82,321)	(3,063)	3,063
Loans at fixed	(3,429)	-	-
Financial leasing interest	(65)	(2)	1
Approximate impact on results/ Present rate scenario		**(3,065)**	**3,064**

* Estimated cost of interest in 2015

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;
- Create value in the long term for the shareholder.

The gearing ratios as of 31 December 2014 and 2013 were as follows:

	ANA Group	
	2014	2013
Total loans	1,668,274	1,746,236
Cash pooling	(63,774)	-
Cash and cash equivalents	(7,580)	(47,278)
Net debt	1,596,920	1,698,958
Equity	446,807	396,916
Total capital	**2,043,727**	**2,095,874**
Gearing (%)	*78.1*	*81.1*

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 24 million euros, and the repayment of the ANAM, S.A. bond loan taken out with BNP Paribas, in the amount of 50 million euros.

3.3_DERIVATIVE FINANCIAL INSTRUMENTS ACCOUNTING

The group has contracted a derivative financial instrument for the purposes 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 cost 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 from 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.

	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

	2013			
	Airports	Handling	Non-allocated	ANA Group
Services				
Aviation	239,436	49,910	-	289,346
Security	44,523	-	-	44,523
Passengers with reduced mobility	7,327	-	-	7,327
Non-aviation	114,884	-	5	114,889
Construction contracts	36,614	-	1,813	38,427
Other revenue and operating earnings	2,289	16	1,320	3,625
Operating costs	(253,904)	(42,135)	(33,450)	(329,489)
Investment subsidies	325	-	-	325
Depreciations / Amortisations	(52,229)	(1,494)	(4,204)	(57,927)
Operating result	139,265	6,297	(34,516)	111,046
Finance costs				(79,010)
Share in the results of associates and others				14
Other financial results				(2,506)
Corporate income tax expenditure				(10,944)
Activities result				18,600
Net profit				18,600
Assets and investment				
Tangible fixed assets	87,096	2,968	5,423	95,487
Concession right	913,045	-	1,215,281	2,128,326
Intangible assets	62	-	990	1,052
Investments	40,936	342	1,806	43,084

6_FIXED TANGIBLE ASSETS

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 movable assets as a result of the change in the application of IFRIC 12 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.

ANA, S.A.		ANA GROUP				
Total		State	Patrimony	In progress	Advances	Total
	Gross value					
240,606	Balance 01-January-2013	177,699	77,535	15,175	23	270,432
5,270	Increases	7	405	5,532	-	5,944
238	Capitalised work	-	-	238	-	238
315	Interest capitalised	-	-	315	-	315
15,956	Transfers	22,792	23,195	(18,715)	-	27,272
(3,277)	Write-offs	(3,146)	(253)	-	-	(3,399)
-	Sales	-	(703)	-	-	(703)
259,107	Balance 31-December-2013	197,352	100,179	2,545	23	300,099
	Accumulated depreciations					
146,536	Balance 01-January-2013	108,069	63,682	-	-	171,751
10,083	Reinforcements	7,354	4,782	-	-	12,136
16,263	Transfers	7,225	16,523	-	-	23,748
(2,251)	Write-offs	(2,122)	(251)	-	-	(2,373)
-	Sales	-	(650)	-	-	(650)
170,631	Balance 31-December-2013	120,526	84,086	-	-	204,612
	Net value					
94,070	Balance 01-January-2013	69,630	13,853	15,175	23	98,681
88,476	Balance 31-December-2013	76,826	16,093	2,545	23	95,487

The investments made in 2013 essentially refer to the Faro Airport Development Plan (construction of new car parks, road accesses, curbsides and landscaping).

The figure for depreciations and amortisations in the income statement includes an amount of 1,027 thousand euros, relating to the tangible assets written off over the reporting period. ANA, S.A. transferred these assets to the private domain of the Autonomous Region of the Azores, thus complying with decree-law no. 66/2013 de 17, of 17 May 2013. This law concerns the hiving off from the state's public airport domain of plots of land and buildings located within Santa Maria airport.

The tangible fixed assets acquired by the group through financial leasing contracts have the following net value at 31 December 2014:

	Cost	Depreciations	Net value
Basic equipment	1,571	1,147	424
Transport equipment	242	220	22
Administrative equipment	4,259	2,978	1,281
Software	478	295	183
	6,550	4,640	1,910

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 2014 period.

The capitalised amounts are as follows:

	2014	2013
Goods sold and consumable materials	1	1
Supplies and external services	41	29
Personnel costs	463	207
	506	238

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: 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 movable assets as a result of the change in the application of IFRIC 12 explained in note 2.6.

ANA, S.A.			ANA GROUP					
Concession right	Other intangible assets		Concession right: Assets	Subsidies	Advances	In progress	Net value	Other intangible assets
		Gross value						
2,654,263	25,154	Balance 01-January-2013	3,169,459	343,902	4,241	136,834	2,966,632	25,885
37,934	-	Increases	22	485	88	38,405	38,030	-
(1,794)	-	Transfers to REPEX	-	-	-	(1,794)	(1,794)	-
533	-	Interest capitalised	-	-	-	533	533	-
(14,190)	(7,243)	Transfers	102,631	(2,147)	(3,148)	(125,162)	(23,532)	(7,243)
(91)	-	Write-offs	(91)	-	-	(24)	(115)	-
2,676,655	17,911	Balance 31-December-2013	3,272,021	342,240	1,181	48,792	2,979,754	18,642
		Accumulated depreciations						
695,138	19,015	Balance 01-January-2013	971,122	144,576	-	-	826,546	19,745
37,736	2,973	Reinforcements	46,245	4,454	-	-	41,791	2,974
(11,112)	(5,129)	Transfers	(18,619)	(1,801)	-	-	(16,818)	(5,129)
(91)	-	Write-offs	(91)	-	-	-	(91)	-
721,671	16,859	Balance 31-December-2013	998,657	147,229	-	-	851,428	17,590
		Net value						
1,959,125	6,139	Balance 01-January-2013	2,198,337	199,326	4,241	136,834	2,140,086	6,140
1,954,984	1,052	Balance 31-December-2013	2,273,364	195,011	1,181	48,792	2,128,326	1,052

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, for both assets and subsidies.

8_GOODWILL

The goodwill can be summarised in the following manner:

	2014	2013
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.

Equity of Portway, S.A. as of 1 January 2006	5,014
Percentage aquired from Fraport	40%
Accounting value of the stake acquired	1,274
Fair value of the stake	2,704
Goodwill	1,430

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 mid-term plan for the period from 2014 to 2017.

From this time until when the concession comes to term (2018 – 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 12.90%.

It was not identified any loss by impairment.

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.

9_INVESTMENTS IN SUBSIDIARIES

	Head office	% Held	Share capital
Portway - Handling de Portugal, S.A.	Lisboa	100	17,000

Investments in subsidiaries break down in the following way:

	ANA, S.A. 2014	2013
Subsidiaries		
ANAM- Aerop. Nav. Aérea da Madeira, S.A.	-	116,886
Portway- Handling de Portugal, S.A.	17,074	18,274
	17,074	135,160

On 1 October 2014, ANAM, S.A. was merged by incorporation into ANA, S.A. (see 2.4).

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

	ANAM	Portway	Total
1 January 2013	76,886	18,274	95,160
Capital increase undertaken	40,000	-	40,000
31 December 2013	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

10_FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

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

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

2013	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	-	587	-	-	-	-	587
Customers and other receivables	51,193	-	-	-	-	-	51,193
Other assets	-	-	-	-	-	12,843	12,843
Cash and cash equivalents	47,278	-	-	-	-	-	47,278
	98,471	587	-	-	-	12,843	111,901
Liabilities							
Loans obtained	-	-	-	-	1,746,195	-	1,746,195
Derivative instruments	-	-	-	2,903	-	-	2,903
Suppliers and other payables	-	-	-	-	33,597	-	33,597
Other liabilities	-	-	-	-	-	192,940	192,940
	-	-	-	2,903	1,779,792	192,940	1,975,635

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

2014	Level 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

2013	Level 2	Level 3	Total
Financial assets			
Financial assets at fair value via results	-	-	-
Financial assets available for sale (1)	-	587	587
	-	587	587
Financial liabilities			
Covering Financial liabilities	(2,903)	-	(2,903)
	(2,903)	-	(2,903)

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

11_FINANCIAL INVESTMENTS

	2014	2013
Assets available for sale		
Capital shares - Futuro	779	587
Financial assets at fair value via results		
Others - Reserve fund	1	-
	780	587

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 (5.89%).

	Futuro
Balance as of 1 January 2013	777
Variation in fair value	(190)
Balance as of 31 December 2013	587
Variation in fair value	192
Balance as of 31 December 2014	779

The fair value sensitivity analysis, with growth rates varying between +10 basis points and -10 basis 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	4.89%	884	914
	6.89%	689	704

RESERVE FUND

The financial assets at fair value via the 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 2013	108
Variation in fair value	(108)
Balance as of 31 December 2013	-
Variation in fair value	1
Balance as of 31 December 2014	1

12_RECEIVABLES AND OTHERS – NON-CURRENT

ANA, S.A.			ANA Group	
2014	2013		2014	2013
1,140	1,139	Subsidies receivable	1,140	1,139
28	7	Guarantees to third parties	28	8
1,612	2,650	Advanced payments	1,612	2,650
2,780	3,796		2,780	3,797

The 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 (until December 2062) and the loan period (until July 2018), respectively.

13_ASSETS AND LIABILITIES FOR DEFERRED TAXES

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

	2014	2013
ANA	27.97%	29.25%
ANAM - (recoverable tax losses)	21.00%	23.00%

For 2014, the rates used for calculating deferred tax took into account the new Corporate Income Tax rate that comes into effect in 2015.

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

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

Year	Recoverable until	Reportable tax losses as of 31 December 2013	Year movements		Reportable tax losses as of 31 December 2013	Taxes losses not recognized in DT in 2013
			Use in the period	Expiry of use		
2007	2013	8,166	(4,932)	(3,234)	-	-
2008	2014	10,265	-	-	10,265	4,014
2009	2015	8,559	-	-	8,559	4,148
		26,990	(4,932)	(3,234)	18,824	8,162

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

	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)	-	-	2,931	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	142,151	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	142,185	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 GROUP								
	2012		Movements 2013					2013	
				Impact on results		Impact on equity			
	Base	Deferred tax	Rate	Rate change	Results movement	Rate change	Equity movement	Base	Deferred tax
Assets due to deferred taxes									
Provisions not accepted for tax purposes	3,994	1,247	29.25%	(77)	96	-	-	4,322	1,266
Provisions not accepted for tax purposes	19	5	29.25%	-	-	-	-	19	5
Retirement benefits	5,209	1,505	29.25%	19	-	-	-	5,209	1,524
Derivative instruments	4,217	1,218	29.25%	8	39 -	7	(424)	2,903	848
Contractual liabilities - Concession	43,908	12,685	29.25%	158	17,225	-	-	102,797	30,068
Total ANA	57,347	16,660		108	17,360	7	(424)	115,250	33,711
Tangible assets	24	7	26.77%	-	-	-	-	24	7
Tangible assets	24	7	29.17%	-	(7)	-	-	-	-
Provisions not accepted for tax purposes	2,943	805	26.77%	(17)	(756)	-	-	120	32
Recoverable tax losses	15,594	3,898	23.00%	(312)	(1,135)	-	-	10,662	2,451
Contractual liabilities - Concession	20,409	5,470	26.77%	(6)	1,089	-	-	24,476	6,553
Contractual liabilities - Concession	275	75	26.77%	(2)	(73)	-	-	-	-
Intangible assets	38	11	28.95%	-	(2)	-	-	31	9
Total subsidiaries	39,307	10,273		(337)	(884)	-	-	35,313	9,052
	96,654	26,933		(229)	16,476	7	(424)	150,563	42,763
Liabilities due to deferred taxes									
Re-evaluations of fixed assets	4,620	1,335	29.25%	17	(17)	-	-	4,563	1,335
Retirement benefits	62	18	29.25%	-	73	-	72	559	163
Financial assets	108	34	29.25%	-	(34)	-	-	-	-
Financial assets	691	200	29.25%	-	-	2	(56)	500	146
Transition tax	4,351	1,357	29.25%	-	(1,357)	-	-	-	-
Transition tax	4,351	1,257	29.25%	16	-	-	-	4,351	1,273
Total ANA	14,183	4,201		33	(1,335)	2	16	9,973	2,917
Transition tax	2,071	555	26.77%	(1)	-	-	-	2,071	554
Transition tax	2,071	566	27.35%	-	(566)	-	-	-	-
Total subsidiaries	4,142	1,121		(1)	(566)	-	-	2,071	554
	18,325	5,322		32	(1,901)	2	16	12,044	3,471

14_INVENTORIES

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
59	84	Goods	633	639
258	87	Raw, subsidiary and consumable materials	257	389
317	171		890	1,028
(1)	-	Losses due to impairment of consumable materials	(1)	-
316	**171**		**889**	**1,028**

15_RECEIVABLES AND OTHERS – CURRENT

ANA, S.A. 2014	ANA, S.A. 2013		ANA GROUP 2014	ANA GROUP 2013
76,520	41,544	Customers	84,194	51,939
687	153	VAT receivable	1,750	1,351
9,968	9,698	Debtors and other receivables	10,608	11,106
6,389	6,336	Accrued income	6,422	6,866
-	1	Subsidies receivable	-	1
3,384	2,348	Advanced payments	4,168	3,326
96,948	60,080		107,142	74,589
(8,807)	(7,667)	Losses due to impairment of customers debts	(10,688)	(11,359)
(2,839)	(2,998)	Losses due to impairment of third party debts	(2,839)	(2,992)
(11,646)	(10,665)		(13,527)	(14,351)
85,302	49,415		93,615	60,238

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

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 INAC, I.P., under the terms of article 3 number 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 INAC, I.P. The final balance for 2014 was 4.1 million euros. The figure for 2013 had been 4.8 million euros.

The amounts in question pertain to security charge income for the last quarter of 2013. This was collected by INAC, I.P. but not yet transferred.

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:

2014	Outstanding	Arrears without Impairment			In impairment
		0 - 6 months	6 - 12 months	> 12 months	
Accounts Receivable	36,034	35,984	482	1,006	10,688
Other debtors	2,562	803	27	4,377	2,839

Credit risk is managed as described in note 3.1.

16_LOSSES DUE TO ASSET IMPAIRMENT

The impairment losses ascertained during the financial year were shown as expenditure 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:

	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.

	2013			
	Opening Balance	Increase	Reversal	Closing Balance
Losses due to impairment of customers' debts				
ANA, S.A.	5,419	2,248	-	7,667
Remaining values of the Group and consolidation adjustments	3,419	284	11	3,692
	8,838	2,532	11	11,359
Losses due to impairment of other third party debts				
ANA, S.A.	2,953	45	-	2,998
Remaining values of the Group and consolidation adjustments	(6)	-	-	(6)
	2,947	45	-	2,992
Losses due to impairment of inventories				
Consumable materials	-	1	-	1
Losses due to impairment of financial investments				
Financial assets at fair value	19	-	-	19
	11,804	2,578	11	14,371

17_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:

	2014	2013
Mortality table	TV (88/90)	TV(88/90)
Technical rate	2.30%	3.50%
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:

	2014	2013	2012	2011	2010
Fund patrimony	4,345	4,418	4,510	4,192	4,564
Responsibilities undertaken	4,238	4,106	4,448	3,801	4,031
(Insufficiency)/Surplus	107	312	62	391	533

After carrying out a sensitivity analysis for the sums as of 31 December 2014, varying the technical rate by +25 b.p. and -25 b.p., the actuarial results are as follows:

Technical rate	2.05%	2.55%
Fund patrimony	4,258	4,453
Responsibilities undertaken	4,326	4,153
(Insufficiency)/Surplus	(68)	300

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

	2014	2013
Shares	16.66%	17.59%
Bonds	71.00%	72.55%
Real estate	13.99%	15.73%
Other funds	5.95%	0.24%
Liquidity	-5.11%	4.21%
Others	-2.49%	-10.32%
	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:

	2014	2013
Initial balance	4,418	4,510
Opening reclassification	14	-
Pensions paid	(363)	(249)
Fund revenue	276	156
Final balance	4,345	4,417

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

	2014	2013
Opening balance	4,106	4,448
Current services expenses	-	-
Net interest (1)	137	149
Remeasurements - financial assumptions	381	(242)
Remeasurements - adjusting experience	(23)	-
Paid benefits	(363)	(249)
Final balance	4,238	4,106

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

The changes in the liabilities of the 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 2013			62
Cost of the year 2013			
Net interest	3		
	3		
Remeasurements			
Return on assets		5	
Gains / (losses) financial assumption variation		242	
Gains / (losses) experience adjustments		-	
		247	
Balance as of 31 December 2013			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)	
		(216)	
Balance as of 31 December 2014			107

The surplus in the benefits plan as at 31 December 2014 was recognised as an assets, given that it will be recovered through future compensatory contributions made by the group.

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 2014 rose to 1,607 thousand euros (1,509 thousand euros in 2013).

18_CURRENT TAX

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
		Assets		
(16,887)	-	Tax provision	(18,601)	(636)
-	-	Recoverable income tax	-	456
6,057	20	Withholding taxes by third parties	6,090	796
18,806	-	Payments on account	20,860	209
7,976	20	Recoverable income tax	8,349	825
		Liabilities		
-	26,220	Tax provision	-	28,579
-	(5,566)	Withholding taxes by third parties	-	(5,600)
-	(14,577)	Payments on account	-	(15,878)
-	6,077	Payable income tax	-	7,101

During the 2014 financial year, ANA, S.A. benefited from tax incentives for Research & Development activities (SIFIDE[9]). This benefit translated into a tax deduction of the sum of 35 thousand euros (presented in the tax return form 22 for 2013), derived from a total eligible R & D expenditure of 236 thousand euros.

With regard to fiscal incentives for Research & Development activities (SIFIDE), the tax estimate for the year considered a deduction of 204 thousand euros which encompassed Research & Development expenditure to the amount of 238 thousand euros.

19_CASH AND CASH EQUIVALENTS

Cash and cash equivalents were as follows, at 31 December 2014 and 2013:

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
		Cash		
32	19	Cash	58	55
		Cash equivalents		
6,644	13,074	Bank deposits - account	7,522	28,723
-	18,500	Bank deposits - fixed deposits	-	18,500
63,774	-	Cash pooling	63,774	-
70,418	31,574		71,296	47,223
70,450	**31,593**		**71,354**	**47,278**

At 31 December 2014, the cash and cash equivalents balance on the statement of financial position is equal to that on the cash flow statement.

[9] System of tax incentives for companies' Research and Development

In 2014 the ANA Group joined the VINCI Group's cash pooling mechanism. Therefore, the excess liquidity is transferred to VINCI.

20_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, 2014, ANA, S.A. was 100% owned by VINCI Airports International, S.A..

21_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 2013	16,130	3,038	19,168	120,831	-	120,831	139,999
Appropriation of results	3,106	-	3,106	25,445	-	25,445	28,551
Aquisition from non-controlled interests	5,176	-	5,176	-	-	-	5,176
Change in fair value of financial assets and liabilities	-	893	893	-	-	-	893
Balance as of 31 December 2013	24,412	3,931	28,343	146,276	-	146,276	174,619
Balance as of 1 January 2014	24,412	3,931	28,343	146,276	-	146,276	174,619
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	2,987	28,271	157,542	(71,883)	85,659	113,930

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 2013 profits, approved in ANA, S.A.'s General Meeting held on 28 April 2013, in the amount of 593 thousand euros and 279 thousand euros from Portway, S.A., as per the General Meeting decision on 31 March 2014.

22_CONCILIATION BETWEEN INDIVIDUAL EQUITY AND CONSOLIDATED EQUITY

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

2013		Equity before net profit for the year	Acquisition from non-controlled interests	Net profit	Equity after net profit for the year
ANA, S.A.		442,193	-	11,859	454,052
Pre-consolidation adjustments	*a)*	591	-	(603)	(12)
Consolidation adjustments	*b)*	30	-	-	30
Impact of Subsidiaries and Associates		(68,689)	4,191	7,344	(57,154)
		374,125	4,191	18,600	396,916

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:

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

2013	Equity before net profit for the year	Net profit *	Acquisition from non-controlled interests	Equity after net profit for the year
ANAM, S.A.	(67,109)	1,756	4,191	(61,162)
Portway, S.A.	(1,580)	5,588	-	4,008
	(68,689)	7,344	4,191	(57,154)

* Before intra-group transactions

23_LOANS

ANA, S.A. 2014	ANA, S.A. 2013	Non-current loans	ANA Group 2014	ANA Group 2013
1,638,590	1,606,668	Loans	1,638,590	1,666,523
774	491	Suppliers - leasing	774	871
1,639,364	**1,607,159**		**1,639,364**	**1,667,394**

ANA, S.A. 2014	ANA, S.A. 2013	Current loans	ANA Group 2014	ANA Group 2013
27,934	24,054	Loans	27,934	77,795
17,421	9,500	PORTWAY, S.A. loans	-	-
-	-	Loans financial costs	-	(41)
547	512	Suppliers - leasing	976	1,047
45,902	**34,066**		**28,910**	**78,801**

The loans have the following composition:

Contract	Interest rate	Amount owed Non-current 2014	Amount owed Non-current 2013	Amount owed Current 2014	Amount owed Current 2013	Fair Value 2014	Fair Value 2013
BEI 97/98							
A+B	Fixed	5,374	8,034	2,660	2,642	7,580	9,602
	Floating	998	1,496	499	499	1,496	1,995
C+D	Fixed	11,462	15,118	3,657	3,578	14,235	16,714
	Floating	3,117	4,157	1,039	1,039	4,157	5,196
E+F	Fixed	6,235	7,482	1,247	1,247	6,479	6,993
	Floating	6,235	7,482	1,247	1,247	7,482	8,729
BEI 02	Fixed	48,113	53,216	5,103	5,061	43,126	42,934
	Revisable fixed	14,063	15,625	1,563	1,563	15,458	16,124
BEI 02	Floating	20,625	22,500	1,875	1,875	22,500	24,375
	Revisable fixed	20,625	22,500	1,875	1,875	20,165	20,061
BEI 09	Floating	35,238	37,143	1,905	1,905	37,143	39,048
	Revisable fixed	28,190	29,714	1,524	1,524	29,392	29,790
BEI 98/2000 - 2.	Floating	56,115	59,856	3,740	3,740	59,856	59,856
Bonds 2013/2018	Floating	100,000	100,000	-	-	100,000	100,000
Bonds 2013/2018	Floating	782,200	782,200	-	-	782,200	782,200
Credit Line	Floating	500,000	500,000	-	-	500,000	500,000
Bonds	Fixed	-	-	-	50,000	-	51,037
		1,638,590	1,666,523	27,934	77,795	1,651,269	1,714,654

The market value of the group's medium/long term loans, contracted at fixed and revisable fixed interest rates is calculated on the basis of discounted cash flows after interest at the end of the period. In the case of 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.

During 2014, the group repaid the capital of loans contracted with the EIB, in the total amount of 27.9 million euros and also reimbursed the amount of 50 million euros related with the former ANAM, S.A.'s bonds loan contracted with BNP Paribas.

It is worth highlighting that, following the merger with ANAM, S.A., by incorporation into ANA, S.A., ANA took over ANAM's contractual position as borrower in the MADEIRA AIRPORT II – Tranche B (FI 20607) loan contract. For accounting purposes, this took place on 1 October 2014.

In April 2014, and also within the group's perimeter, all the capital, and all the interest, of the loans entered into with Portway was paid off. This amounted to 9.5 million euros.

The cash pooling system involving ANA Group's and VINCI Group's bank accounts generated a 17.4 million euro entry in the loans item, as a result of transfers made by Portway.

Following negotiations with the EIB, held because of the change in the ANA S.A. shareholder structure, all guarantees provided by the state and by commercial banks to the EIB as part of current loan contracts were released as from 23 December 2014.

This release presupposed the signing of an amendment with the EIB setting out the new terms and conditions for the loans in question.

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

2013	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	3.01%
			Fixed	Tranches B2 and B3 - Annual	3.41%
			Floating	Quarterly	2.20%
C+D	15-06-2007	15-06-2018	Fixed	Annual	2.61%
			Floating	Quarterly	0.74%
E+F	15-12-2009	15-12-2020	Fixed	Annual	3.97%
			Floating	Quarterly	0.74%
BEI 02	15-09-2009	15-09-2024	Fixed	Tranches A e B2 - Annual	2,47% e 4,56%
			Fixed	Tranche B1 - Quarterly	2.87%
			Revisable fixed	Annual	2.93%
BEI 02	15-09-2011	15-09-2026	Floating	Tranche C1 - Quarterly	1.44%
			Revisable fixed	Tranche C2 - Quarterly	4.74%
BEI 09	15-12-2013	15-06-2034	Floating	Semiannual	1.39%
			Revisable fixed	Semiannual	4.43%
Bonds 2013/2018	bullet	31-07-2018	Floating	Semiannual	5.83%
Bonds 2013/2018	bullet	31-07-2018	Floating	Semiannual	5.88%
Credit Line	bullet	31-07-2018	Floating	Annual	6.10%
ANAM, S.A. Loans					
BEI 98/2000 - 2.	15-03-2011	15-03-2020	Floating	Quarterly	0.54%
Bonds	29-07-2014	29-07-2014	Fixed	Annual	5.34%

GENERAL COVENANTS OF ANA GROUP LOANS

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

- **Financing contracts**

Company	Financing Contracts	Contractual debt	Current debt 31.12.2014	Covenant	Limit
ANA, S.A.	EIB Financing Contracts [1]	451,989	284,323	**Borrower shareholder control (Vinci, S.A.)** [2]	> 50%
				External indebtedness limit of Subsidiaries	< 20% Senior consolidated gross debt [3]
				Financial Ratios [4]**:**	
				Senior Net Debt / EBITDA	< 5x
				EBITDA / Consolidated Net Financial Costs	> 4x
				Access to Liquidity [5]	minimum of double of the monthly average of the consolidated revenue

(1) This figure includes loans taken out by the former ANAM, S.A. which, following the merger, were incorporated into ANA, S.A.'s financial debt figure. The former ANAM, S.A. had contracted loans of

74,820 thousand euros. ANA, S.A. incorporated the current debt load of 59,856 thousand euros into its financial debt figure.

(2) 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.

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

(4) 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.

(5) 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.

- **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 below 6:1.

At 31 December 2014, the group was in compliance with all the set covenants.

FINANCIAL LEASING CONTRACTS

The conditions of financial leasing contracts as at 31 December 2014 are as follows:

	First Instalment	Last Instalment	Interest rate	Periodicity
Leasing - ANA, S.A.				
	2008	2015	Floating	Monthly
	2011	2015	Fixed	Quarterly
	2012	2016	Fixed	Quarterly
	2013	2017	Fixed	Quarterly
	2014	2018	Fixed	Quarterly
Leasing - Remaining values of the Group				
	2011	2015	Floating	Monthly

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

ANA, S.A.			ANA Group	
2014	2013		2014	2013
		Property acquired through leasing		
-	-	Basic equipment	420	882
31	51	Transport equipment	40	84
1,290	952	Administrative equipment	1,290	952
		Future minimum payments		
608	564	Up 1 year	1,041	1,130
826	520	From 1 year to 5 years	826	908
		Interest		
61	52	Up 1 year	65	83
51	29	From 1 year to 5 years	51	37
		Present value of minimum payments		
547	512	Up 1 year	976	1,047
774	491	From 1 year to 5 years	774	871

24_DERIVATIVE FINANCIAL INSTRUMENTS

	2014		2013	
	Notional	Fair Value	Notional	Fair Value
Designated as cash flow coverage				
Interest rate swap	30,000	(4,238)	30,000	(2,903)
Total derivatives	30,000	(4,238)	30,000	(2,903)

At 31 December 2014 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 method used is that of linear regression, which analyses the statistical correlation between the two variables being analysed: the variation of the fair value of the swap and the variation of the fair value of the finance attributable to changes in the Euribor interest rate. This method is used in both retrospective as well as forecasting tests.

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

The test is carried out on each reporting date.

The movement in the year was as follows:

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

	Fair Value 2012	Impact in net results: Interest Paid	Impact in net results: Interest costs	Impact in equity	Fair Value 2013
Coverage	(4,217)	871	(1,004)	1,447	(2,903)

25_PROVISIONS

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

26_PAYABLES AND OTHER LIABILITIES – NON-CURRENT

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
2,803	3,205	Deferred earnings	2,804	3,204
20,037	2,331	Investment subsidies	20,037	2,433
86,012	72,327	Contractual liabilities	86,012	84,929
2,705	2,826	Guarantees provided by third parties	2,831	3,194
111,557	**80,689**		**111,684**	**93,760**

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 are carried at present value. The increase seen in contractual liabilities refers to the extra expenditure to be borne in the next cycle of repairs/renovations to the concession assets, under IFRIC 12, and the regularisation of the impact of the financial effect of the liability's discount.

Guarantees extended by third parties include: guarantees extended by clients as surety (around 2,217 thousand euros), required depending on the assessed level of risk and guarantees provided by investment suppliers (around 456 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.

This item is lower because of reduced investment-related withholdings.

27_PAYABLES AND OTHER LIABILITIES – CURRENT

ANA, S.A.			ANA Group	
2014	2013		2014	2013
13,962	12,026	Suppliers	14,064	12,438
10,199	13,339	Investment suppliers	10,424	13,331
		State and other public entities		
1,172	856	Tax withheld from third parties	1,493	1,335
1,604	1,006	Social expenses	2,278	2,087
1,549	-	Other taxes	1,549	291
1,324	2,139	Other creditors	2,689	3,824
		Accrued costs		
8,965	7,284	Personnel costs	12,751	12,435
35,737	24,602	Interest payable	35,737	25,679
14,004	14,097	External supplies and services	15,279	14,754
29,531	18,927	Contractual liabilities	29,531	27,313
21,055	11,558	Other accrued costs	21,463	13,639
7,220	5,346	Deferred earnings (advanced receivements)	6,568	5,177
5,467	235	Investment subsidies	5,467	474
151,789	**111,415**		**159,293**	**132,777**

The other taxes item includes VAT for the month of November, to be paid in January 2015.

The increase seen in other accrued costs is basically explained by transactions with the shareholder regarding management services provided to the group.

The increase seen in the investment subsidies item includes an amount of 3,294 thousand euros for a building that accrued to ANA, S.A..

The investment subsidies item includes the following transactions:

ANA, S.A.			ANA Group	
	3,312	**Balance as of 1 January 2013**		**3,857**
3,105		Non-current	3,154	
207		Current	703	
	(241)	Reclassification to tangible assets		(343)
	(282)	Regularisation of the financial year		(283)
	(223)	Transfers to earnings in the year		(325)
	2,566	**Balance as of 31 December 2013**		**2,906**
2,331		Non-current	2,433	
235		Current	473	
	9,609	Reclassification of Intangible 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	

The following table details the contractual liabilities for renovation/replacement under IFRIC 12 and the way in which these are used:

ANA, S.A.			ANA Group	
	42,240	**Balance as of 1 January 2013**		60,941
35,734		Non-current	52,162	
6,506		Current	8,779	
	58,329	Additions in the period		62,268
	(9,315)	Use in the period		(10,967)
	91,254	**Balance as of 31 December 2013**		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	

28_REVENUE

ANA, S.A.			ANA Group	
2014	2013		2014	2013
1,626	1,652	Sales of goods	795	823
224,819	192,668	Traffic	245,483	218,676
20,594	18,225	Handling	71,373	66,091
28,185	26,123	Occupancy	26,434	24,845
73,110	59,185	Operation	75,335	61,813
18,842	17,325	Parking facilities	19,007	17,601
5,011	4,329	Equipment	4,166	3,601
3,691	3,288	Advertising	3,826	3,467
8,301	7,276	Other commercial activities	8,929	7,240
51,239	47,722	Security charges and PRM	54,470	51,850
435,418	377,793		509,818	456,007
9,689	38,063	Construction contracts (concession)	10,025	38,427
2,828	2,378	Other earnings	1,850	1,234
447,935	**418,234**		**521,693**	**495,668**

The construction service income recognised for the period was 10,025 thousand euros. The decrease, compared to the previous year, is due to assets reclassification. The method used to determine contract revenue for the period is the percentage completed method.

The amount carried in the traffic item for 2014 is net of the traffic development incentives given to airlines to open up new routes and/or increase capacity and so optimise the capacity offered by the group's airports. In 2014, the group spent a total of 10,863 thousand euros on incentives of this type. In 2013, the incentives were recorded in other expenses.

29_GOODS SOLD AND MATERIALS CONSUMED

ANA, S.A.		ANA Group		
Total	Movements	Goods	Consumable materials	Total
	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
	2013			
191	Inventories - opening balance	98	408	506
1,858	Purchases	2,925	288	3,213
(3)	Inventory adjustments	2	1	3
171	Inventories – closing balance	638	390	1,028
1,875	Costs in the financial year	2,387	307	2,694

30_EXTERNAL SUPPLIES AND SERVICES

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
27,482	25,354	Subcontracts	19,232	17,296
15,922	15,559	Water, electricity and fuel	16,926	16,853
1,600	1,706	Rental costs	1,938	2,433
786	751	Communications	884	841
1,338	1,696	Insurance	1,770	2,338
655	628	Travel	892	930
17,245	13,933	Repairs and maintenance	18,145	15,352
751	644	Advertising	906	795
6,471	6,221	Cleaning	7,219	7,209
24,237	22,088	Surveillance and security	26,016	24,135
10,585	10,770	Specialised work	12,398	12,236
8,876	37,244	Construction contracts costs	9,213	37,608
(5,887)	56,602	Contractual liabilities	(5,294)	59,966
11,837	2,359	Other external supplies and services	13,967	2,675
121,898	**195,555**		**124,212**	**200,667**

The variation seen in contractual liabilities results from the change in the practical application of IFRIC 12 (see note 2.6). The other external supplies and services item includes the technical and management services provided to the ANA Group by its shareholders.

31_PERSONNEL EXPENSES

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
47,607	41,052	Salaries	83,371	75,473
1,322	1,361	Pensions	1,324	1,376
10,444	9,435	Charges on remunerations	18,217	17,452
2,443	170	Incentives/indemnities	2,443	1,824
2,275	2,571	Other costs	8,022	8,718
64,091	**54,589**		**113,377**	**104,843**

The increase in the remunerations item is due to the reinstatement of the "salary cuts" applied to public employees and similar, bonus attribution and salaries update.

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.

32_OTHER INCOME

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
2,318	862	Gains on tangible assets	2,488	886
564	351	Other unspecified income	633	715
100	10	Other	100	10
2,982	1,223		3,221	1,611

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

33_OTHER EXPENSES

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
364	445	Taxes	426	475
222	15,533	Incentives	620	16,470
141	157	Contributions to business/Professional a	173	193
730	737	Bank service costs	791	795
767	-	Bad Debts	769	-
358	318	Donations	366	338
1,209	61	Other costs	1,412	446
3,791	17,251		4,557	18,717

In 2014, the incentives item only carries commercial incentives. The traffic incentives, previously carried in this note, are now deducted from revenue in the traffic item.

The other expenses item pertains to discontinued investment operations worth 1,095 thousand euros.

34_AMORTISATIONS AND DEPRECIATIONS

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
114,841	50,792	Amortisations/Depreciations in the financial year	119,621	56,901
202	1,026	Write-offs of fixed assets	202	1,027
115,043	51,818		119,823	57,928

The increase in the amortisations/depreciations item for the period results from the assets reclassification (see note 2.6).

In 2013, the fixed assets written off item, in the amount of 1,027 thousand euros, pertains to the writing off of tangible assets during the period (see note 6).

35_COST OF GROSS FINANCIAL DEBT

ANA, S.A.			ANA Group	
2014	2013		2014	2013
(87,905)	(62,923)	Interests on bank loans	(89,670)	(65,888)
(68)	(76)	Interests on financial leasing	(97)	(124)
(1,870)	(2,108)	Commissions on guarantees	(1,870)	(2,108)
(513)	(7,751)	Stamp duty on bank loans	(514)	(7,750)
-	(2,100)	Upfront fee on the new loan	-	(2,100)
(635)	(1,040)	Income from swaps	(635)	(1,040)
(90,991)	**(75,998)**		**(92,786)**	**(79,010)**

In 2013, the amounts recognised for stamp duty and arrangement commissions relate, almost in their entirety, to the short-term loan of 800 million euros, meanwhile reimbursed.

The evolution in terms interests on bank loans is accounted for by twelve months' worth of financial charges on loans taken out in 2013 used to pay to the grantor the second tranche of the upfront fee for the concession contract.

36_SHARE IN THE RESULTS OF ASSOCIATES AND OTHERS

ANA, S.A.			ANA Group	
2014	2013		2014	2013
14	14	Dividends received (Futuro)	14	14
1,920	-	Dividends received (Portway)	-	-
1,934	**14**		**14**	**14**

37_OTHER FINANCIAL RESULTS

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
		Expenses		
(40)	(3)	Interests paid	(17)	(1)
(5)	(8)	Foreign exchange losses	(6)	(11)
(819)	(2,522)	Financial effect of contractual liabilities	(1,108)	(3,313)
		Income		
99	398	Interest received	106	816
2	-	Foreign exchange gains	9	3
1	-	Other financial gains	1	-
(762)	**(2,135)**		**(1,015)**	**(2,506)**

38_CORPORATE INCOME TAX EXPENDITURE

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
16,887	26,220	Current tax	19,769	29,216
(220)	(273)	(Over) / Under estimation	(340)	(156)
1,803	(18,769)	Deferred tax	1,904	(18,116)
18,470	**7,178**		**21,333**	**10,944**

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

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	(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	(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.

2013	ANA	PORTWAY	ANAM	Adjustment in consolidation	ANA Group
Current tax					
Tax for the year	26,220	2,360	636	-	29,216
(Over) / Under estimation	(273)	11	106	-	(156)
Deferred tax	(18,769)	2	651	-	(18,116)
Tax expenditure	7,178	2,373	1,393	-	10,944
Results before income tax	19,036	7,961	3,149	(603)	29,543
Rate of taxation	31.24%	28.73%	28.77%	26.50%	-
	5,946	2,287	906	(160)	8,979
Permanent differences	182	29	3	160	374
Diference in tax rate	1,148	-	1,516	-	2,664
Deduction of tax losses	-	-	(1,156)	-	(1,156)
Tax benefits - SIFIDE	(20)	-	-	-	(20)
Autonomous rate	195	46	18	-	259
(Over) / Under estimation	(273)	11	106	-	(156)
Income tax	7,178	2,373	1,393	-	10,944
Effective tax rate	37.71%	29.81%	44.24%	-	37.04%

39_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	
2014	2013		2014	2013
40,947	11,859	Net profit of the period	50,627	18,600
40,000	40,000	Number of shares	40,000	40,000
		Net profit per share in euros		
1.02	0.30	Basic earnings	1.27	0.46
1.02	0.30	Diluted earnings	1.27	0.46

40_DIVIDENDS

No dividends were distributed in 2014.

41_COMMITMENTS UNDERTAKEN

ANA, S.A.			ANA Group	
2014	2013		2014	2013
54,745	45,010	Contracts signed and in progress	54,751	47,433

An amount of 5,219 thousand euros in 2014 and 5,202 thousand euros in 2013 should be accrued to the above amounts for ANA, S.A. These amounts relate 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	
2014	2013		2014	2013
427	524	Up 1 year	433	583
534	719	Between 1 and 5 years	534	851

42_GUARANTEES PROVIDED

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
492	492	Surety insurance	492	492
50,782	53,106	Bank guarantees	51,993	54,317
51,274	**53,598**		**52,485**	**54,809**

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

ANA, S.A. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
724	2,979	Corporate Income Tax	724	2,979
492	492	Expropriation lawsuits	492	492
-	-	Customs licensed warehouses management	1,203	1,203
50,000	50,000	Compliance guarantee - Concession contract	50,000	50,000
58	127	Others	65	135
51,274	**53,598**		**52,484**	**54,809**

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).

43_CONTINGENCIES

43.1_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 maximum average regulated income per passenger and the amounts calculated for the reporting period.

The preliminary calculation of the regulated income earned in 2014, the second year of economic regulation, indicates that there is a negative difference, which should be recovered in future periods (2016 or later), in the amount of 5.2 million euros. The recognition period and amount will largely depend on future developments in the aviation market. At 31 December 2014, the estimated negative difference constitutes a contingent asset that cannot be recognized in the accounts.

43.2_CONTINGENT LIABILITIES

Outstanding litigation underway as of 31 December 2014, which is not expected to result in responsibilities for the group, can be summed up as follows:

ANA, S.A.			ANA Group	
2014	2013		2014	2013
693	300	Labour suits	838	1,153
1,062	954	Expropriation suits	1,062	954
15,159	15,159	Public procurement suits	15,159	15,159
(13,224)	(13,224)	Counterclaims related with public procurement suits	(13,224)	(13,224)
33	33	Court suit for annulment of negotiation procedures for the provision of parking lot management services	33	33
84	74	Court suit related to the contract for providing services to develop the concept and design of the new ANA, S.A. site	84	74
-	134	Compensation suit for annulment of a contract award	-	134
-	-	Proceedings against ANAM, S.A. regarding the expansion project at Funchal Airport	-	167
311	311	Litigation against traffic duties application	311	311
192	88	Administrative lawsuits	192	88
400	589	Damage compensation lawsuits	400	589
-	468	Tender procedure for licensing	-	468
23	23	Litigation on handling rates	23	23
1,520	99	Litigation on operating charges	1,520	99
155	537	Other liabilities	244	628

44_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
- 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. 2014	ANA, S.A. 2013		ANA Group 2014	ANA Group 2013
1,019	592	Remunerations	1,267	830

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 services, 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 transactions made between the ANA Group and the related parties are valued at market prices and conditions.

The balances with related parties are as follows:

Company	Account	2014	2013
Balances			
Vinci Airports International, S.A.	Loans	1,382,200	1,382,200
Vinci Airports International, S.A.	Cash pooling	63,774	-
Vinci Airports International, S.A.	Costs accrual - Interests	34,921	23,615
Vinci Airports	Costs accrual - Technical and management services	10,000	-
Vinci Airports	Income accrual	534	-
Vinci Concessions	Costs accrual	1	-
Grupo Sotécnica - Sotécnica	Clients	4	6
Grupo Sotécnica - Sotécnica	Suppliers	394	145
Grupo Sotécnica - Nessie	Suppliers	4	-
Grupo Sotécnica - Sotécnica Açores	Suppliers	1	-
Grupo Sotécnica - Sotécnica	Assets suppliers	250	137
Grupo Sotécnica - Sotécnica	Guarantees provided	48	495
Grupo Sotécnica - Sotécnica	Advance to suppliers	2	35
Grupo Sotécnica - Sotécnica	Costs accrual	125	97
Grupo Sotécnica - Nessie	Costs accrual	8	4

The transactions with related parties are as follows:

Company	Account	Until Sep 2013*
Transactions		
Grupo TAP - TAP	External supplies and services	8
Grupo TAP - Cateringpor	External supplies and services	59
Grupo TAP - Lojas Francas	External supplies and services	3
Grupo TAP - UCS	External supplies and services	1
Grupo TAP - SPDH	External supplies and services	37
Grupo TAP - TAP	Other Costs	997
Grupo TAP - Lojas Francas	Other Costs	(1)
Grupo TAP - TAP	Income	30,819
Grupo TAP - Cateringpor	Income	933
Grupo TAP - Lojas Francas	Income	27,857
Grupo TAP - UCS	Income	13
Grupo TAP - Portugália	Income	1,048
Grupo TAP - Megasis	Income	5
Grupo TAP - SPDH	Income	7,541
Grupo TAP - TAP	Other Financial Results	123
Grupo TAP - Lojas Francas	Other Income	7
Grupo TAP - UCS	Other Income	1
Grupo TAP - SPDH	Other Income	3
Grupo TAP - SPDH	Fixed Assets	1

*Period prior to acquisition of position by VINCI

Company	Account	2014	4th quarter 2013**
Transactions			
Vinci Airports International, S.A.	Costs of financing	83,738	23,615
Vinci Airports International, S.A.	Other Financial Results	34	-
Vinci Airports	Income	534	-
Vinci Airports	External supplies and services	10,032	-
Vinci Concessions	Other Costs	446	-
Grupo Sotécnica - Sotécnica	External supplies and services	1,577	389
Grupo Sotécnica - Nessie	External supplies and services	115	8
Grupo Sotécnica - Cegelec	External supplies and services	-	1
Grupo Sotécnica - Sotécnica Açores	External supplies and services	1	-
Grupo Sotécnica - Sotécnica	Income	6	2
Grupo Sotécnica - Sotécnica	Other Income	-	3
Grupo Sotécnica - Sotécnica	Fixed Assets	526	826
Grupo Sotécnica - Nessie	Fixed Assets	188	-

**Period after the acquisition of position by VINCI

45_FURTHER EVENTS

There are no subsequent events for disclosure.

46_FINANCIAL STATEMENTS APPROVAL

These consolidated and separate financial statements were approved by the Board of Directors in the meeting on 25 March 2015. 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 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	Luís Miguel Silva Ribeiro

ANA Aeroportos de Portugal

Audit reports & opinions

2014

VINCI AIRPORTS

ANA Aeroportos de Portugal

CONSELHO FISCAL

REPORT AND OPINION OF THE FISCAL BOARD ON THE MANAGEMENT REPORT AND THE 2014 ACCOUNTS

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 herewith the Annual Report and our opinion on the Management's report, the statement of the financial position, the income statement, the statement of changes in equity , and the cash flow statement and the respective annexes both in respect of the individual and the consolidated accounts as well as the proposal for the application of the results presented by the Board of Directors of ANA AEROPORTOS DE PORTUGAL, SA for the year ended on 31 December 2014.

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

In respect of its analysis and checks, the Fiscal Board requested and obtained a clarification of various questions rose by it.

The fiscal board met along the year the Statutory Auditor responsible for checking the accounts and had meetings with him as well as KPMG in their capacity as external auditors of ANA and in such meetings the Fiscal Board

CONSELHO FISCAL

obtained the necessary clarifications and adequate answers to the questions raised.

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

The Management's report emphasized the most relevant aspects of the ANA group in 2014 which showed a turnover of €510 million, a growth of 15.8% compared to 2013 and a total volume of passengers of 35 million.

The EBITDA of the group totalled €281 million, which represented an increase of 67% over 2013, and a net profit of €50.627 million, compared to a net profit of €18.600 million in 2013.

It should be noted that, despite the economic difficulties both in Portugal and in Europe, the ANA group and especially ANA, SA. in 2014 presented very positive results, with strong growth and management ratios both individual and consolidated increasing positively.

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 form the growth of both ANA's and the group's activities.

The various documents supporting the accounts were audited by the Statutory Auditor who issued his 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.

CONSELHO FISCAL

Finally the Fiscal Board wishes to thank the Board of Directors as well as the financial department and to ANA staff, and also the Statutory Auditor and the External Auditors, for their collaboration and for their support and assistance in carrying out its work.

Based on the above, we believe that the Shareholders may:

a) Approve the management report, as well as the various documents setting out the accounts, both individual and consolidated, in respect of 2014, presented by the Board of Directors.

b) Approve the Board of Director's proposal for the distribution of the results as set out in its management report.

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

Lisbon, May 12, 2015

THE FISCAL BOARD

Dr. Jacques dos Santos - President

Dr. Jose Vitorino - Member

W. H. Woolston

Dr. William Woolston - Member

ROSA, CORREIA & ASSOCIADOS
AUDITORES | CONSULTORES

ANA – Aeroportos de Portugal, S.A.

STATUTORY AUDITOR'S REPORT
ON SEPARATE FINANCIAL STATEMENTS
(Free translation from the original in Portuguese)

DECEMBER 31, 2014

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Statutory Auditor's Report
on Separate Financial Statements
(Free translation from the original in Portuguese)

Introduction

1. We have examined the separate financial statements of **ANA – Aeroportos de Portugal, S.A.**, which comprise the Separate Statement of Financial Position as of December 31, 2014 (presenting a total assets of 2.394.412 thousands Euros and a total shareholder's equity of 440.283 thousands Euros, including net results amounting to 40.947 thousands euros), the Separate Income Statement, the Statement of Changes in Equity, the Separate Statement of Comprehensive Income and the Separate Statements of Cash Flows for the year then ended and the corresponding notes.

Responsibilities

2. The Company's Board of Directors is responsible for the preparation and fair presentation of the Separate Financial Statements which give a true and fair view of the financial position of the Company, the result and comprehensive income of its operations, changes in equity and its cash flows as well as to adopt adequate accounting criteria and policies and to maintain a proper internal control system.

3. Our responsibility is to express a professional and independent opinion based on our examination of the above mentioned financial statements.

Scope

4. Our examination was performed in accordance with the Technical Auditing Standards and Guidelines approved by the Portuguese Institute of Statutory Auditors, which require that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the separate financial statements are free of material misstatements. Therefore, the examination included:

- verification, on samples basis, of the evidence supporting the amounts shown in the financial statements and assessing the reasonableness of the estimates, based on judgments and criteria defined by Board of Directors, used in the preparation of the financial statements;
- assessing the adequacy of the accounting policies adopted and its disclosure, considering the circumstances;
- verification of the applicability of the going concern concept;
- assessing the adequacy of the overall presentation of the financial statements.

Our examination also comprised the verification that the financial information included in the Management Report is in accordance with the financial statements.

5. We believe that our audit provides an acceptable basis to give our opinion on the above mentioned financial statements.

Opinion

6. In our opinion, the separate financial statements presents fairly, in all material respects, the financial position of **ANA – Aeroportos de Portugal, S.A**, as of December 31, 2014, the results and comprehensive income of its operations, the changes in the shareholder's equity and the cash flows for the year then ended, in conformity with International Financial Reporting Standards adopted by the European Union.

Report on other legal requirements

8. It is also our opinion that the information in the Management report is in accordance with the financial statements.

Lisbon, May 11, 2015

RCA – Rosa, Correia & Associados, SROC, S.A.
Representada por Gabriel Correia Alves, ROC

ROSA, CORREIA & ASSOCIADOS
AUDITORES | CONSULTORES

ANA – Aeroportos de Portugal, S.A.

STATUTORY AUDITOR'S REPORT
ON CONSOLIDATED FINANCIAL STATEMENTS
(Free translation from the original in Portuguese)

DECEMBER 31, 2014

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Statutory Auditor's Report on the Consolidated Financial Statements

(Free translation from the original in Portuguese)

Introduction

1. We have examined the consolidated financial statements of **ANA – Aeroportos de Portugal, S.A.**, which comprise the Consolidated Statement of Financial Position as of December 31, 2014 (presenting a total assets of 2.392.098 thousands euros and a total shareholder's equity of 446.807 thousands euros, including net results amounting to 50.627 thousands euros), the Consolidated Income Statement, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Cash Flows for the year then ended and the corresponding notes.

Responsibilities

2. The Company's Board of Directors is responsible for the preparation of consolidated financial statements which give a true and fair view of the financial position of the companies included in the consolidation, the consolidated results and comprehensive income of their operations, changes in equity and consolidated cash flows as well as to adopt adequate accounting criteria and policies and to maintain a proper internal control system.

3. Our responsibility is to express a professional and independent opinion based on our examination of the above mentioned financial statements.

Scope

4. Our examination was performed in accordance with the Technical Auditing Standards and Guidelines approved by the Portuguese Institute of Statutory Auditors, which require that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the consolidated financial statements are free of material misstatement. Therefore, the examination included:

- verification if the financial statements of the consolidated companies were properly examined, and for the significant cases that have not been, the verification, on a sample basis, of the support of the amounts shown in the financial statements and the evaluation of the estimates, based on judgments and criteria defined by the Board of Directors, used in their preparation;
- verification of the consolidation procedures;
- assessing the adequacy of the accounting policies adopted and their disclosure, taking into consideration the circumstances;
- verifying of the applicability of the going concern concept;
- assessing the adequacy of the overall presentation of consolidated financial statements.

5. Our examination also comprised verifying that the financial information included in the Consolidated Management Report is in accordance with the financial statements.

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

Opinion

7. In our opinion, the consolidated financial statements presents fairly, in all material respects, the consolidated financial position of **ANA – Aeroportos de Portugal, S.A**, as of December 31, 2014, the consolidated results and comprehensive income of their operations, the changes in the shareholders 'equity and the consolidated cash flows for the year then ended, in conformity 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 in the Management report is in accordance with the consolidated financial statements.

Lisbon, May 11, 2015

RCA – Rosa, Correia & Associados, SROC, S.A.
Representada por Gabriel Correia Alves, ROC

KPMG & Associados - Sociedade de Revisores Oficiais de Contas, S.A.
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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 2014 (which shows total assets of thousand Euro 2,394,412 and a total Shareholders' equity of thousand Euro 440,283, including a net profit of thousand Euro 40,947), 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 2014, 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.

Emphasis of matter

8 Without qualifying our opinion expressed in the previous paragraph, we draw your attention to the fact that the financial statements as at and for the year ended 31 December 2013 were audited by another auditor, who expressed an unmodified report without qualifications or emphasis of matter on those statements on 20 March 2014. We have been engaged to perform an audit of the financial statements of ANA – Aeroportos de Portugal, S.A. for the year ended 31 December 2014 on 20 May 2014.

Report on other legal requirements

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

Lisbon, 11 May 2015

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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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 2014 (which shows total assets of thousand Euro 2,392,098 and a total Shareholders' equity of thousand Euro 446,807, including a net profit of thousand Euro 50,627), 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 2014, 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.

Emphasis of matter

8 Without qualifying our opinion expressed in the previous paragraph, we draw your attention to the fact that the consolidated financial statements as at and for the year ended 31 December 2013 were audited by another auditor, who expressed an unmodified report without qualifications or emphasis of matter on those statements on 20 March 2014. We have been engaged to perform an audit of the consolidated financial statements of ANA – Aeroportos de Portugal, S.A. for the year ended 31 December 2014 on 20 May 2014.

Report on other legal requirements

9 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, 11 May 2015

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

ANA Aeroportos de Portugal

Annual Report

2014

VINCI AIRPORTS