PARPÚBLICA
PARTICIPAÇÕES PÚBLICAS (SGPS) S.A.

Management Report
and Interim financial statements

June 2011

MANAGEMENT REPORT

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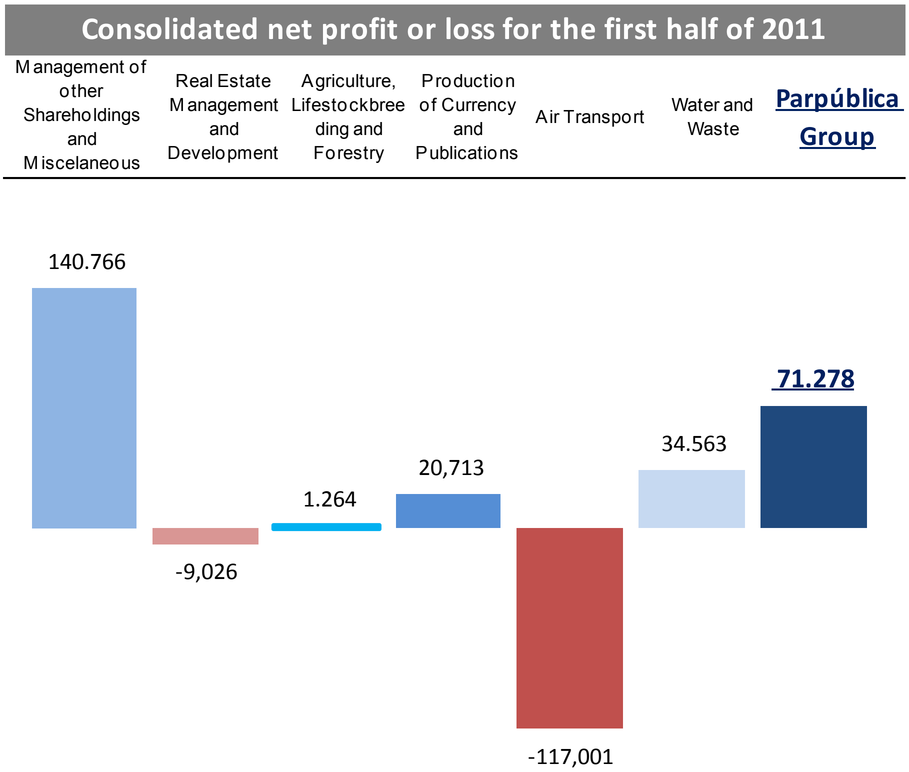
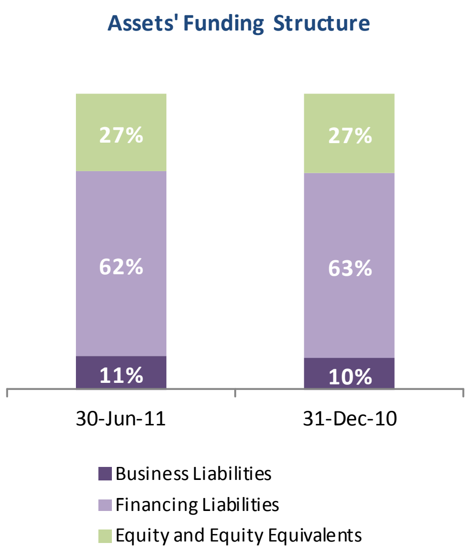
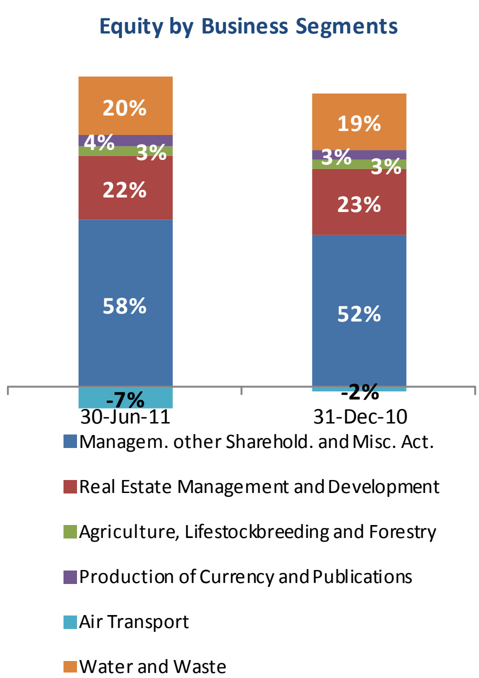
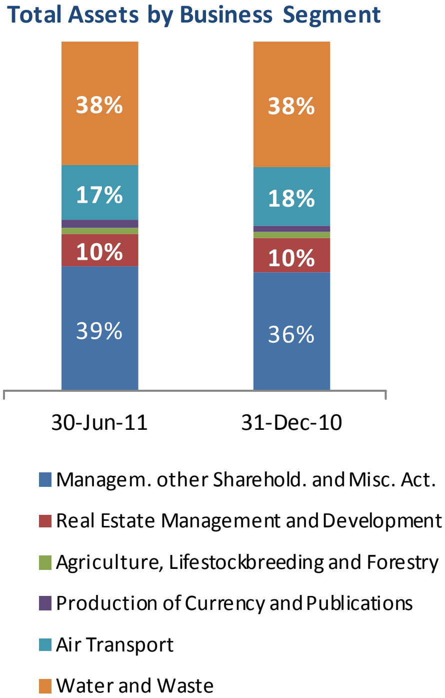
MANAGEMENT REPORT

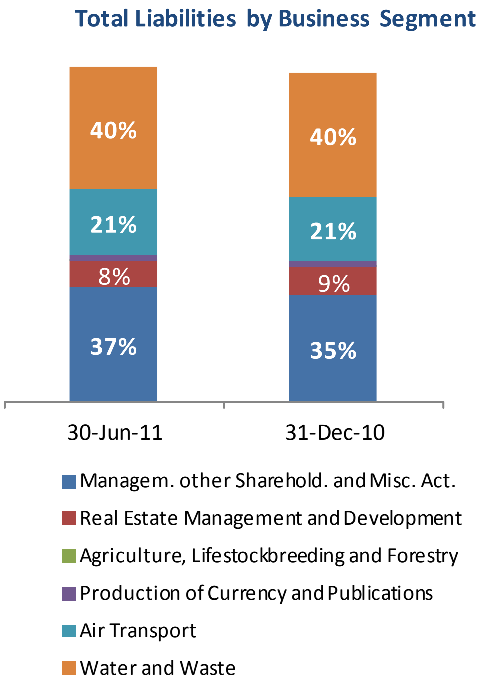
❖ MAJOR ECONOMIC AND FINANCIAL INDICATORS








Total Assets by Business Segment
38%
17%
10%
39%
38%
18%
10%
36%
30-Jun-11
31-Dec-10
Managem. other Sharehold. and Misc. Act.
Real Estate Management and Development
Agriculture, Lifestockbreeding and Forestry
Production of Currency and Publications
Air Transport
Water and Waste


Total Liabilities by Business Segment
40%
21%
8%
37%
40%
21%
9%
35%
30-Jun-11
31-Dec-10
Managem. other Sharehold. and Misc. Act.
Real Estate Management and Development
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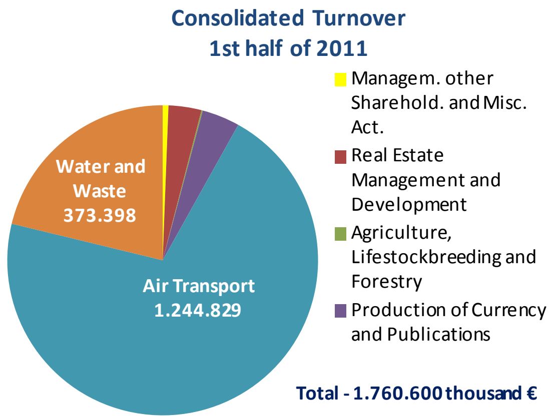
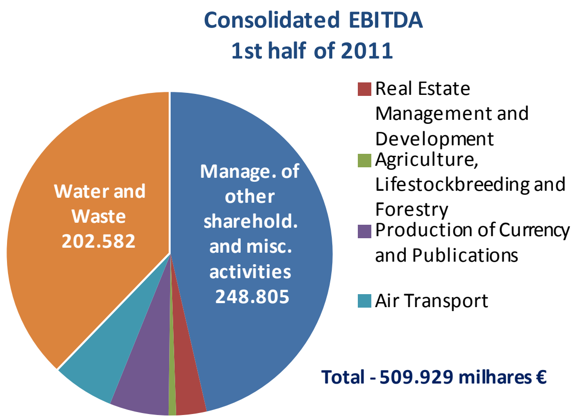

Consolidated Turnover
1st half of 2011
Water and Waste 373.398
Air Transport 1.244.829
Managem. other Sharehold. and Misc. Act.
Real Estate Management and Development
Agriculture, Lifestockbreeding and Forestry
Production of Currency and Publications
Total - 1.760.600 thousand €


Consolidated EBITDA
1st half of 2011
Water and Waste 202.582
Manage. of other sharehold. and misc. activities 248.805
Real Estate Management and Development
Agriculture, Lifestockbreeding and Forestry
Production of Currency and Publications
Air Transport
Total - 509.929 milhares €

❖ MAJOR EVENTS OCCURRED IN PERIOD AND FORESEEN FOR THE SECOND HALF OF THE YEAR

The Group's activity in general, and in particular the one of Parpública's, was framed by the governmental policies arising from the objectives provided in the State Budget consolidation and financial stabilization. These political options and the measures were subsequently resumed in the State Budget for 2011, in PEC III (Stability and Growth Programme), in the memorandum of understanding between the Portuguese Government, the European Central Bank (BCE) and the International Monetary Fund (FMI) and in the Government Programme. The measures with more direct impact in Parpública are the ones regarding the reprivatisation of some equity investments included in Parpública's portfolio (EDP, REN, TAP and HCB) and the elimination of the special voting rights included in EDP and GALP by-laws. It should be pointed out, with relevant impact not only in Parpública, but also in all Group of companies, the goals established for all the business sector of the State regarding the contention of debt and the decrease in the operating expenses, including wages and salaries.

The Group's Debt management, in particular Parpública's, is included in a global objective of reduce its nominal amount and relative weight compared to the value of the assets and correspondent profitability, in Parpública individually, in the Group and, as we believe, in Portugal as well.

The strategy of reducing operating expenses intends to expand the EBITDA margin to an amount that exceeds the increases in the interest expenses caused by the degradation in the perception of risk by international markets, and the corresponding impact on interest expenses.

On the other hand, the endogenous production factors, including the implicit production inputs needed for the sale of products and services, depend more from a redesign of the organization and of the product chain that considers the funding restrictions, the evolution of destination markets and the identification of conditions to improve productivity.

In implementing the defined objectives during the 1st half of 2011, and publicly announced, studies were developed and processes were prepared, culminating, during the 2nd half of 2011, in the elimination of the special voting rights included in the by-laws of EDP, GALP and PT owned by state entities. Also in the first semester were initiated the works aiming the privatisation processes of EDP, REN and TAP, including the preparation and development of the corresponding evaluations. It is expected that during the second half of 2011 the conditions for the government to decide on the several issues related with the sale of these equity investments will be fulfilled, including the transactions' models and the market approach, as well as prices and schedules.

In terms of management of the portfolio, no changes were recorded in the period, pursuing a strategy of valuation of these assets in order to maximize its value.

In this context it also should be referred, in particular, the monitoring of the processes regarding the accomplishment of the overall objectives defined for the State Owned Companies with special focus on the evolution of debt and of operating expenses, and also the need to provide regular additional information on several management aspects.

❖ GROUP FINANCIAL SITUATION AND PERSPECTIVES FOR THE SECOND HALF OF 2011

In spite of the markedly unstable economical environment and the negative trend of most of the businesses, Parpública Group recorded a positive performance in the 1st half of 2011, having accomplished for the period a consolidated net profit of 71.3 million Euros.

In the end of the 1st half of 2011, the net assets of the Group were of 19.2 billion Euros, above that of 2010 by 526 million Euros, representing an increase of almost 3%, nevertheless similar to the increase in the consolidated liabilities which amounted to 16.1 billion Euros. It should however be noted that these liabilities include 1.9 billion Euros of grants related to ongoing investments, in particular related to AdP and ANA, and so it can be said that, in the end of the 1st half of 2011, about 27% of the consolidated net assets were funded by equity, similar to the percentage in the end of 2010.

Group's debt, as shown in the consolidated balance sheet, shows a remarkable decrease when compared to the end of the prior year; however, this decrease results from the change in the classification of TAP that become classified as a "non-current asset held for sale" being the corresponding assets and liabilities considered separately as a specific item in the balance sheet, which explains the abovementioned decrease. Although these assets and liabilities (including debt) contribute to the Group's financial situation in the end of the semester, hopefully in the short term they will no longer figure in consolidated financial statements, as a result of the foreseen sale within this time gap. At Group's level, the financial debt continues to emerge from the business segment of "Management of other shareholdings and miscellaneous activities", corresponding in this case to the Parpública own debt, and of "Water and waste", being both segments responsible for about 80% of the consolidated debt. It should also be noticed that the nominal debt of Parpública, which in the end of the semester was 5.6 thousand million Euros outstanding, includes an amount of 1.9 million Euros related to the borrowings issued by Parpública regarding the reprivatisation transactions of EDP and GALP using Convertible Bonds.

In what concerns to the P/L, it should be noted that at the end of the semester all segments accomplished net profits, exception made to "Air Transport" business segment, due to the increase in the losses of TAP Group, amounting to 137 million Euros, and to "Real estate management and development" business segment, being the later caused by the net losses of SAGESTAMO Group, due to the increase of the interest expenses. The remaining business segments have shown net profits, in particular the business segment "Management of other shareholdings and miscellaneous activities" that, having recorded a loss of 56 million Euros in the first half of 2010, has now displayed a net profit of 140.8 million Euros, mostly due to the performance of the underlying shares and embedded options related to the convertible bonds issued by Parpública.

As for the cash-flows for the period, it should be noted that the operating cash-flows were positive in 123 million Euros, while the cash-flows from investing and financing activities were negative in 25.6 and 79.7 million Euros respectively.

The Group's risk profile, and more specifically Parpública's, continues to be closely monitored by specialized national and international entities. From our point of view, the ratings granted are presently determined not only considering the effective risk arising from the financial situation, but also, and increasingly, by the perception of risk shaped by asymmetric analysis of reality, rumours and fears and perspectives of political decisions with economic and financial impact being more and more blurred. In this context, the ratings attributed to Parpública have followed the developments in the rating actions made to the Republic. Thus, at the end of the first half of 2011 the ratings of Parpública were the following:

Moody's - *Issuer rating:* ***B1/Negative Outlook***

Moody's - *Senior unsecured:* ***B1/Negative Outlook***

Standard & Poor's - *Issuer rating:* ***BB/Outlook Negative***

Standard & Poor's - *Senior unsecured:* ***BB/Outlook Negative***

The prospects for the end of the current year are naturally dependent on the development of the financial markets in general, and that of the stock markets in particular, that, besides influencing the value of the assets in Parpública's portfolio, will also be able to shape the schedule for the reprivatisation transactions planed for the 2nd half of the current year.

On the other hand, it will be equally relevant the performance of other business segments, given their contribution to the net income, with particular concern for the ability of TAP Group, during the second semester, to recover from the accumulated losses recorded in this first half.

The inaccessibility to the debt markets will be another major restriction to the activity, in particular due to the need for rolling-over the existing debt.

The economic downturn that grasps the world forces, in our point of view, to a reassessment of its severity, eventually leading to the rejection of what has been called a mere economic recession with an associated liquidity problem caused by incorrect reading of the risk by (and for) the economic agents.

The financial leveraged position built over the past 13 years (since the bankruptcy of LTCM) reached proportions that exceed several times the G20 group of countries' GDP that aggregates the economies representative of two thirds of the world GDP.

Being correct about the situation, a deeper analysis leads us to a crisis based on a solvency problem, in which the value of the assets and their current growth rates will not support a predictable and reasonable capacity of fulfilment of the debt service, at least for the western economies.

ASSETS AND RESULTS BY BUSINESS SEGMENT AND PERSPECTIVES FOR THE 2ND HALF OF 2011

➢ Management of other shareholdings and miscellaneous activities

In this business segment are included, in addition to financial investments of reduced expression, the equity investments in INAPA, Sagesecur, Credip and, most of all, the investments in EDP, REN and GalpEnergia, being this business segment one of the most important segments in PARPÚBLICA Group, representing almost 40% of the consolidated assets and liabilities and absorbing 58% of the Group's equity.

In the current period there were no changes in the set of assets included in this business segment. However, the decisions announced by the Government regarding the planned reprivatisations led to a change in the accounting classification of some relevant assets (part of EDP and REN shares and the equity investments in TAP and HCB), that were moved to a new classification item in the balance sheet known as "Non-current assets held for sale", with implications in its disclosure structure.

In the current semester, the relevance of this segment was also reflected in terms of net profits, over 140 million Euros, being crucial for the P/L position of the entire Group.

This performance contrasts with the net losses recorded in the same period of the previous year, in which was recorded a loss of 56 million Euros, being justified primarily by the positive changes in the fair value of the assets, which amounted to 35 million Euros, while in the first semester of 2010, those fair value adjustments were negative by about 150 million Euros. This is due, essentially, to the increase in the market value of GALP shares that underlie the embedded option in the convertible bonds issued by the time of the reprivatisation of the company in the second half of 2010, together with the relative stability in the market value of EDP shares classified in the same way, which in the first half of 2010 had recorded a negative change in fair value of 190 million Euros.

Also at the level of the net income, it should be emphasized the 55% increase in interest expenses, reflecting an increase both in financial debt and the average interest rates, when compared with the first semester of 2010. On the other hand, and even though this business segment does not show a significant level of expenses with “materials and services consumed”, it should be noted, even because of the importance of the existing guidelines on this matter, that the growth in this item (+4.174 million Euros) is, wholly and exclusively, explained by the situation in the subsidiary Circuito Estoril and is due to the fact that Moto GP, with associated expenses of 4.6 million Euros, have occurred in the first semester of 2011, while, in 2010, took place in October.

Considering the performance achieved during the current semester, the equity of this business segment has grown by 151.3 million Euros (+11.2%) to 1,504 million Euros weighting 20% of the total assets of the business segment, a percentage similar to the one shown at the end of 2010. In what concerns the financial debt, it grew in a slower pace, corresponding essentially to an increase in Parpública’s debt which stood, when considering a comparable perimeter, in 90 million Euros. It should however be noted the increase in Parpública’s cash position of 251.6 million Euros.

The prospects for the year-end in what concerns net income are strongly dependent on the development of the markets.

- **Real estate management and development**

The slowdown of the economic activity in Portugal in the first half of 2011 was the backdrop of one of the worst performances in the real estate market in the recent years, forcing a sharp fall in the demand, worsened by an absence of foreign investors. Because heavily dependent on bank borrowings, the funding restrictions imposed, the rise in interest rates and the increasing in risk perception, fuelled the decline of market transactions and severely penalised the cash position of the companies, forcing them to look for new strategies, with a superior focus on control and efficiency of collections and in reducing expenses as well, redirecting the attention to new markets and products, in a context of redefinition of new promotional and sales policies.

In this scenario, it is not a full surprise the outcome of the consolidated net income of the real estate business segment of Parpública’s Group, based in its main operating vectors: Sagestamo Group, Baía do Tejo and Lazer e Floresta. The segment’s assets recorded a slightly decrease, by 37 million Euros, out of a total of over 1.9 billion Euros, having fallen slightly its weight in Parpública Group, representing now less than 10% of total consolidated assets. This decrease was also reflected in the liabilities side, amounting 1.3 billion Euros, more than 8% of the consolidated liabilities. The Equity, amounting to 585 million Euros, slightly decreases 9 million Euros, due to the losses of Sagestamo Group. Nevertheless EBITDA, amounting to 16.3 million Euros, shows a positive change of 12 million Euros when compared to the same period in 2010, the segment net losses for the period were of 9 million Euros, more 6 million when compared to the same period in the previous year.

In consolidated terms, the segment operating expenses increased by 37 million Euros between the two semesters under review, amounting in the last one a total of 54.3 million Euros. The main reason for this increase was the change in the cost of the real estate properties sold by Estamo, amounting to 41.5 million Euros. On the other hand, the materials and services consumed decreased in the period more than 9%, to an amount close to 6 million Euros, as well as the employee benefit expenses that decreased 7.5% to an amount of 3.6 million Euros. These costs savings, in absolute terms, were less expressive than what was expected and are explained by the exponential growth and dispersion of the real estate properties managed.

The consolidated assets of Sagestamo Group, that include the SGPS itself and three subsidiaries – Estamo, Consest and Fundiestamo –was at the end of the 1st semester 1.49 billion Euros, decreasing by 2.4% when compared to the amount recorded in 31 of December 2010, while the liabilities decreased by 2,2% deteriorating the equity in about 8.6 million Euros, as a consequence of the negative P/L in the semester (induced by a negative net interest income of 27.4 million Euros), essentially from Estamo, due to the exponential growth of the interest related to the loans granted by the shareholder (Parpública), reflecting the funding expenses of the later. During the semester, the Group's activity was focused particularly on finding solutions to place the properties for sale or for lease, as well as the rehabilitation of the buildings. In this period were held deeds of sale amounting to 42.3 million Euros, contributing with a 1.1 million Euros to the EBIT. However, the main source of income continued to be the rent and compensations for space occupation that together reached a global amount of 19.9 million Euros. It should be noted that the consolidated volume of sales and services rendered was six and a half times higher when compared to the same period of the prior year, reaching 53.2 million Euros. The Group's EBIT amounted 16 million Euros, a substantial increase when compared to the 2.1 million Euros in the first semester of 2010.

During the first half of 2011 Baía do Tejo, SA kept its activity focused in the management of the industrial parks of Barreiro, Seixal, Estarreja, and now of Mutela in Almada, as a consequence of the incorporation of the Margueira's assets, having promoted the beginning of the removal procedures of the environmental liabilities existing in some of those territories – case of Seixal and Barreiro industrial parks –, in parallel with the development of the planning studies included in the urban requalification of the south bank of Tagus river estuary. Despite the decrease of 12.5% in sales and services rendered when compared to the same period of the prior year (6.2 million Euros compared to 7.1 million Euros), the net profit, amounting to 651 thousand Euros was rather more expressive than the 96 thousand Euros then earned. The company maintains a solid financial structure, with 83% of the assets financed by equity without resorting to bank debt.

As for **Lazer e Floresta**, the unfavourable economic environment experienced by real estate market was reflected in its activity, translated not only in few declarations of interest in the assets of the company, but also in the obvious financial and funding difficulties experienced by the potential buyers, towards the strictness and worsening of the credit conditions. The company was then focused in the management of the agro-forestry and hunting activities, from which have resulted sales of products of 783 thousand Euros, although slightly lower than the same period of the prior year (-4.4%), developing in parallel several studies for enhancing tourism and real estate potential in some properties. As for sales, the global revenue was relatively modest, amounting to 1,480 thousand Euros, although considerably higher than the same period of 2010 (over 359 thousand Euros). The company earned a net profit of 119 thousand Euros, significantly more favourable than the net loss recorded in the same period of the prior year, which was 399 thousand Euros. The company also maintains a very solid financial structure, without recourse to remunerated debt.

If we consider the negative environment and the performance recorded by the market throughout the first semester, one can conclude that it is with caution and uncertainty that the second half of 2011 is faced. In fact, considering the context in which the Parpública's real estate sector has moved in, it should not be expected a significant improvement in the performance. Until things get better, Lazer & Floresta will continue to assure, as previously mentioned, a demandable management, seizing the moment to reformulate some of its models adapted to a new structural phase of the market, and seeking new markets and instruments to place its assets. The pursuing for liquidity, so necessary in this particular phase of the economic cycle we live in, should guide the activities of the segment.

Agriculture, livestock breeding and forestry

Companhia das Lezírias, SA, represents the whole of this business segment of Parpública Group, still showing a very reduced expression in the context of the consolidated accounts, as it represents only 0.6% of consolidated total net assets and 0.2% of consolidated total liabilities, similar to prior years.

The financial situation of the company remains very solid. The solvability ratio remains high, being its equity sufficient to finance 78% of the net assets.

The activity remains focused in the agro-forestry production and livestock breeding, keeping the accessory activities such as tourism and exploration of hunting resources with a merely residual weight, a situation aggravated by the contraction in demand occurred over the current period. In terms of net income, it can be observed that despite the adverse weather conditions occurred in key-periods of the production process, the company shows a positive evolution achieving a profit of 1,264 million Euros, when in the same period of the prior year it was recorded a loss of 230 thousand Euros. This evolution is mainly explained by the fact that the sale of cork took place in the course of the first half of 2011, unlike 2010, but also reflects the efforts to contain operating expenses that have decreased when compared to the same period of 2010, evolution that should be emphasised given the expense structure of the company, particularly in terms of wages and salaries.

Production of currency and publications

This business segment also comprises a single company, INCM – Imprensa Nacional, Casa da Moeda, SA, and represents only 1% of the Group's consolidated assets and 3% of the Group's consolidated equity.

In terms of net income, this semester ended with a profit of 20.7 million Euros, substantially higher than that recorded in the same period of the previous year (6.9 million Euros) yielding a return on equity of 21%. This evolution reflects mainly the effects of the non-current operation related to the destruction and sale of coined metal (Portuguese escudo) which was responsible for about 71% of the profit achieved. But the net results achieved also reflect the expenses containment effort that has been put in place leading to a decrease, when compared to the same period of 2010, in the expenses with services and materials consumed and with employee benefits, while a significant increase in sales has occurred.

In terms of equity it should be emphasised the growth of 11%, reaching 99.3 million Euros, while the total assets increased by 9% to 207.1 million Euros, leading to an increase in the financial autonomy ratio. It also should be noted the decrease in liabilities in line with the expected, because the increase in debt occurred in the end of 2010 was directly related to the operation of destruction and sale of the coined metal, whose first phase was already concluded.

Air Transport

This business segment of Parpública's Group is particularly sensitive to the evolution of the international economical environment which strongly influences the level of demand and also the price of the production factors as well, such as fuel. In the first half of 2011 remained some of the factors that have weighted negatively the activity, such as the increasing fears over several sovereign debts, the poor economic recovery in the European Economic Space and the pressure on oil prices. All these factors lead the main international association in the sector of air transport (IATA) to strongly lower the estimates for the net income of 2011.

At Parpública's Group level this is one of the most expressive business segments representing 17% and 21% of the consolidated assets and liabilities, respectively, and about 70% of the turnover of the whole Group. However its contribution to the consolidated figures is markedly negative as it is the only Group's business segment that shows a negative equity and a net loss.

Nonetheless, it should be noted that the performance of the two economic groups included in this segment, TAP Group and ANA Group, has been substantially different.

TAP Group ended the first half of 2011 with losses amounting to 137 million Euros, higher than those recorded in the first half of 2010 by 73%. This evolution is due, essentially, to the significant increase in the fuel costs, which were 42% higher (over 97 million Euros). This figure was partly compensated by the improvement of some of the operational indicators, such as, the increase in the occupation's overall coefficient that, compared to the first semester of 2010, shows a growth of 4.7%, to 74.5%, and the result of the measures taken to rationalise expenses. With a negative contribution to the net loss of TAP Group remain the businesses other than airline business, in particular the maintenance operation in Brazil and the handling unit in Portugal. There are strong expectations that the measures already adopted (including the sale of the equity investment in SPdH, the handling unit) may finally allow the expected turnaround of TAP Group's situation.

Naturally, in terms of equity, the current semester fuelled the degradation of the financial situation of TAP Group, having the equity reached the negative amount of 405.9 million Euros, from 264,8 million Euros in the year end of 2010, even though it had been observed in the current semester a decrease in the debt level by 90 million Euros.

The main activity of TAP Group presents a remarkable seasonality being expected that the second half of the year might have a positive contribution to the net income. However the level of losses already accumulated does not anticipate that the budgeted performance would be achieved.

Bearing in mind everything that we have been referring in previous reports concerning the situation of TAP Group, adding the poor performance in the current period, there is no other perspective of continuity of the company than its recapitalisation in the short term, which means the need to complete its reprivatisation, that is already foreseen and which preparatory works have already been performed.

ANA Group, in which Parpública holds 68.56% of the share capital, reported an increase in the traffic in national airports (+11% in commercial passengers) which impacts positively in the net income for the semester, reaching 29 million Euros, an amount higher by 15.3% when compared to the same period of the previous year. This evolution reflects not only the growth in sales (+6.2%) but also the outcome of the expenses containment policy that has been followed that led to a decrease in the services and materials consumed and in the employee benefits by 3%. This is a noticeable outcome, as it is achieved simultaneously with a significant increase in the activity of the company when compared to the first semester of 2010, was caused both by the increase in the demand and by the increase in the capacity of the airport infrastructures, with emphasis to the Lisbon Airport that, in the end of 2010, doubled its passenger terminal area.

For the net income accomplished by ANA Group, contributed positively both the aviation and the non-aviation segments, which includes the airport’s commercial activities, being noteworthy that ANA’s traditional activity, as airport manager, has generated a net profit of 25.5 million Euros, which is slightly higher than the 21.2 million Euros net profits achieved by the commercial activities business unit. On the other hand the handling segment of ANA Group evidences a net loss of 893 thousand Euros, although better than the one recorded in the same period of the previous year (1.088 thousand Euros).

In what concerns the financial situation of ANA Group, it remained identical to that of the end of 2010, with a small decrease of 1% in the level of financial autonomy. It also should be noted the increase of debt by 3.4% as a result of the use of 32 million Euros of the loan deal made in 2009 by ANA, SA with the European Investment Bank and with the goal of financing the investments to be performed in Faro and João Paulo II airports.

Given the good performance in terms of net income in the 1st semester and considering the consistency of the expenses containment policy that has been followed in the latest years, it is expected that the second half of 2011 confirms the positive trend evidenced in the analysed data.

Water and waste

This segment continues to include only the Parpública's investment of 72.18% in the share capital of AdP Group, being the remaining share capital held by other public shareholders, Parcaixa, SGPS, SA, with 19% and the Treasury (Direcção Geral do Tesouro e Finanças) with 8.82%.

The segment continues to be one of the most relevant of Parpública Group in terms of net assets. It represents almost 40% of total consolidated assets and 32% of total consolidated demandable liabilities, (being the grants related with assets considered as equity, as they are not due).

In terms of net income, the contribution of this segment is equally relevant, representing almost 50% of the consolidated net profit of Parpública Group. It should be highlighted the good performance in the current semester mirrored in a significant growth of the net profit of AdP Group, amounting to 60.5 million Euros, which compares with the 17.5 million Euros earned in the first half of 2010. This net profit is anchored in the 11% increase in sales, due to the entry into operation of the new infrastructures concluded, but also due to the beginning of activity of new companies like Águas da Região de Aveiro, Simdouro and Águas Públicas do Alentejo. In the opposite direction it should be noted that EPAL showed a decrease in sales as a result of the reduction of the volumes sold, both to direct consumers and to municipalities. But the increase in net profits, like in other companies already mentioned, is also due to the implementation of measures to reduce operating expenses, being noteworthy that even considering the significant increase of activity, there was a decrease in the expenses with materials and services consumed and with employee benefits in AdP Group, which, considering a comparable term and a comparable activity, lead to a decrease of 16%.

The main issue for AdP Group continues to be the accumulated tariff deficits and the debts from municipalities. For tariff deficits, amounting to 203 million Euros, there is a growing concern about the recovery of those amounts considering the implications in the future tariffs. In what respect to the debts from the municipalities, it is also of concern the rhythm of growth registered, given that since the end of 2010 the amount of overdue debt rose 83 million Euros, reaching 219.2 million Euros. Both situations create strong pressure on the financial situation and on the needs of funding of the companies within the scope of AdP Group.

❖ DISCLOSURES REQUIRED BY CVM (PORTUGUESE SECURITIES' CODE) AND BY REGULATION 4/2004 OF CMVM

➢ Audit or limited review to the interim financial information

The interim financial statements were not object of audit or limited review.

➢ Securities issued by Group companies held by any member of the statutory bodies

The members of the statutory bodies do not held any security issued by any Group company.

➢ Holders of qualifying positions

The share capital of Parpública, SGPS, SA, is fully held by the Portuguese State.

DECLARATION OF CONFORMITY

As far as is our knowledge, the information included in the consolidated financial statements was prepared according to the applicable accounting standards, giving a true and fair view of the assets, liabilities, financial position and net profit of Parpública together with the companies included in the consolidation perimeter. It is also our belief that the interim management report fairly exposes the information related to the indication of important events occurred throughout the current period, of their impact in the financial statements, and includes also an adequate description of the main risks and uncertainties for the following six months.

Lisbon, August 30th, 2011

Joaquim José de Oliveira Reis
Chairman

Carlos Manuel Durães da Conceição
Executive Member of the Board

José Manuel Pereira Mendes Barros
Executive Member of the Board

Fernanda Maria Mouro Pereira
Non-executive Member of the Board

Pedro Soares Vasquez
Non-executive Member of the Board

Mário Alberto Duarte Donas
Non-executive Member of the Board

INTERIM FINANCIAL STATEMENTS