Aeroportos de Portugal

ANNUAL REPORT
2013

ana Aeroportos de Portugal

VISION, MISSION AND VALUES

VISION AND MISSION

VISION_ To achieve a profitable and sustainable business, by positioning our company among the best managed airport operators of comparable size, leveraging our relationship with customers and stakeholders.

MISSION_ To efficiently manage our airport infrastructures and to contribute toward the economic, social and cultural development of the surrounding communities.

To provide our customers with a world-class service offering, while enthusing our shareholders and motivating our people.

VALUES

CUSTOMER SATISFACTION_ We are fully focused on understanding our customers' needs and fulfilling them flawlessly.

INTEGRITY_ We honour our commitments with customers, communities, shareholders and stakeholders, in a professional and respectful manner.

INNOVATION_ We continually strive to improve our performance, encouraging an open-minded and creative approach to management.

TEAM SPIRIT_ We aim to learn, communicate, and share ideas and resources, prizing individual work as a crucial part of the whole organisation.

EMPLOYEES_ We support all opportunities for the professional and personal growth of our team.

RESULTS_ We are committed to meeting ambitious targets.

CONTENTS

ANNUAL REPORT

ACCOUNTS

1_KEY PERFORMANCE INDICATORS

INDICATORS[1]	ANA GROUP Real 2013	Real 2012 (reexp.)	Real 2011	Δ % 2013/2012
OPERATING INDICATORS				
Traffic				
Passengers	32,039,483	30,515,564	30,088,705	5.0
Aircraft movements	284,163	280,346	285,039	1.4
Cargo (tonnes)	133,950	137,374	143,421	(2.5)
Activities				
Turnover (thousand euros)[2]	456,007	433,032	429,139	5.3
Aviation (share of total)	74.8	74.0	74.6	0.8p.p.
Non-Aviation (share of total)	25.2	26.0	25.4	(0.8)p.p.
Staff				
Staff at 31 December	2,822	2,828	2,771	(0.2)
Average staff	3,034	2,828	2,806	7.3
Staff costs (thousand euros)	104,843	105,535	108,107	(0.7)
Productivity				
Passengers/staff	10,560	10,791	10,723	(2.1)
Earnings				
EBITDA[3] (thousand euros)	168,649	159,817	199,791	5.5
EBITDA Margin (%)	34.1	35.2	46.5	(1,1)p.p.
EBITDA without IFRIC 12 (thousand euros)	227,796	204,607	204,798	11.3
EBITDA Margin without IFRIC 12 (%)	50.0	47.2	47.7	2.8p.p.
EBIT[4] (thousand euros)	111,046	82,718	120,082	34.2
EBIT Margin (%)	22.3	17.9	27.2	4.4p.p.
FINANCIAL INDICATORS				
Earnings				
Net profit (thousand euros)	18,600	53,940	76,525	(65.5)
Financial structure				
Equity (thousand euros)	396,916	407,248	380,872	(2.5)
Debt (thousand euros)	1,701,820	581,314	646,338	192.8
Debt to shareholder	1,382,200	-	-	n/a
Debt to other entities	319,620	581,314	646,338	(45.0)
Capital employed (thousand euros)	2,098,736	988,562	1,027,210	112.3
Cash flow				
Operating cash flow (thousand euros)	200,226	171,753	162,663	16.6

[1] In 2012, ANA, S.A. adopted IFRIC12 for the first time

[2] Does not include amounts related to construction services (IFRIC 12): 2013 - 38.4 M€; 2012 - 21.1 M€; 2011 - 0.4 M€
The amounts of 2012 and 2011 were adjusted due to a reclassification of Portway services

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

[4] EBIT - Earnings before interest and taxes

INDICATORS[1]	ANA, S.A. Real 2013	Real 2012 (restated)	Real 2011	Δ % 2013/2012
OPERATING INDICATORS				
Traffic				
Passengers	29,570,070	28,209,993	27,670,733	4.8
Aircraft movements	261,054	257,667	260,881	1.3
Cargo (tonnes)	129,579	132,310	138,183	(2.1)
Activities				
Turnover (thousand euros)[2]	377,793	358,256	352,011	5.5
Aviation (share of total)	70.0	69.1	69.7	0.9p.p.
Non-Aviation (share of total)	30.0	30.9	30.3	(0.9)p.p.
Staff				
Staff at 31 December	1,043	1,077	1,107	(3.2)
Average staff	1,058	1,090	1,139	(2.9)
Staff costs (thousand euros)	54,589	52,473	57,647	4.0
Productivity				
Passengers/staff	27,949	25,881	24,294	8.0
Earnings				
EBITDA[3] (thousand euros)	148,751	143,146	186,198	3.9
EBITDA Margin (%)	35.8	37.8	52.9	(2.0)p.p.
EBITDA without IFRIC 12 (thousand euros)	204,533	187,054	186,198	9.3
EBITDA Margin without IFRIC 12 (%)	54.1	52.2	52.9	1.9p.p.
EBIT[4] (thousand euros)	97,155	72,447	113,205	34.1
EBIT Margin (%)	23.1	18.7	31.0	4.4p.p.
FINANCIAL INDICATORS				
Earnings				
Net profit (thounsand euros)	11,859	59,279	26,525	(80.0)
Financial structure				
Equity (thousand euros)	454,052	471,125	438,615	(3.6)
Debt (thousand euros)	1,612,534	441,458	493,985	265.3
Debt to shareholder	1,382,200	-	-	n/a
Debt to other entities	230,334	441,458	493,985	(47.8)
Capital employed (thousand euros)	2,066,586	912,583	932,600	126.5
Cash flow				
Operating cash flow (thousand euros)	186,413	151,242	145,613	23.3

[1] In 2012, ANA, S.A. adopted IFRIC 12 for the first time

[2] Does not include amounts related to construction services (IFRIC 12): 2013 - 38.1 M€; 2012 - 20.6 M€

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

[4] EBIT - Earnings before interest and taxes

2_BUSINESS REVIEW

The ANA Group's business strategy is to develop air traffic in the airports under its management, built by broadening and strengthening its strategic partnerships, through the availability of quality infrastructures which promote sustained demand.

2.1_ AVIATION BUSINESS

In 2013, the ten ANA network airports served 32 million passengers. This reflects year-on-year growth of 5%, or 1.52 million additional passengers. Other demand-side figures include a 2 pp rise in aircraft load factors. In terms of supply, aircraft movements rose by 1.4% and seats by 2.1%.

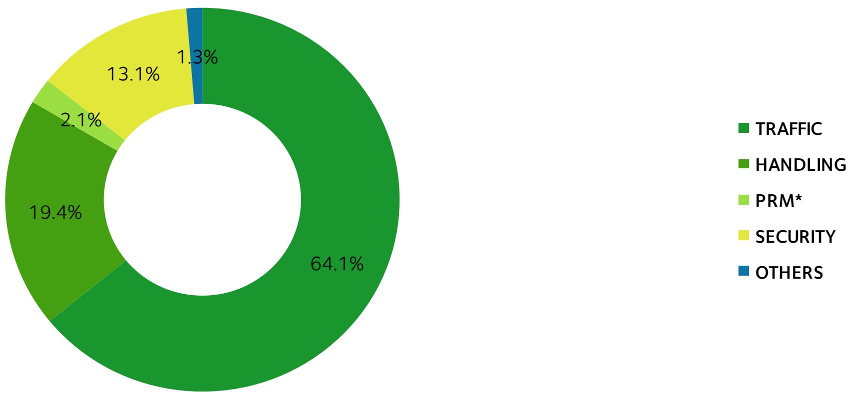
The growing attractiveness of the ANA Group's network of airports led both to an increment of 2.1% in the seats offered by airlines and to a growth of 2.2 pp in the load factor in 2013.

	Lisbon	Porto	Faro	Beja	Azores	ANA, S.A.	ANAM, S.A.	ANA Group
Passengers	16,008,848	6,372,801	5,981,448	2,319	1,204,654	29,570,070	2,469,413	32,039,483
Variation 13-12	4.6%	5.3%	5.4%	20.5%	1.7%	4.8%	7.1%	5.0%
Aircraft movements	142,333	58,384	41,410	69	18,858	261,054	23,109	284,163
Variation 13-12	1.0%	1.0%	5.0%	146.4%	(3.2%)	1.3%	1.9%	1.4%
Seats	20,580,443	8,033,675	7,110,647	3,304	1,814,748	37,542,817	3,169,084	40,711,901
Variação 13-12	1.0%	2.0%	6.0%	5.2%	(2.0%)	1.9%	3.8%	2.1%
Load factor	77.9%	80.0%	84.8%	70.2%	68.9%	79.2%	78.7%	79.2%
Variação 13-12	2.7 p.p.	2.6 p.p.	(0.5 p.p.)	8.8 p.p.	2.7 p.p.	2.2 p.p.	2.2 p.p.	2.2 p.p.

In terms of the individual performance of the airports in the ANA Group, Lisbon accounts for around 50% of all passengers served by the network. For the first time, over 16 million passengers passed through Lisbon.

Consequently, the aviation business continued to account for the lion's share of turnover. In 2013, it contributed 341.1 million euros, or 74.8%, to group turnover and 264.5 million euros, or 70%, to ANA, S.A. turnover. These revenues were achieved under the new regulatory model which led to an update of some regulated charges from June 2013.

ANA Group - Aviation business



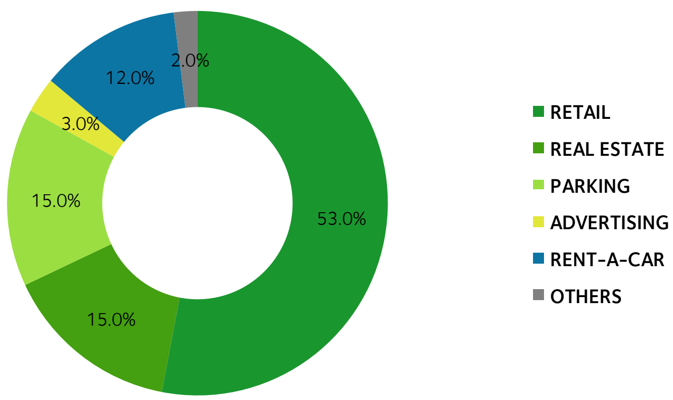
Note: **PRM** – Persons with Reduced Mobility

2.2_ NON-AVIATION BUSINESS

At the end of 2013, the ANA Group's non-aviation revenue represented about 25% of turnover. This was an amount of 115 million euros, 1.5% higher than in the previous year.

The retail business increased its overall share by 2 pp and now accounts for 53% of non-aviation revenue. The real estate and advertising business saw their shares fall.

Structure of non-aviation business at ANA Group



3_SUSTAINABILITY

3.1_ HUMAN RESOURCES

The ANA Group sees each employee as an essential link in a long chain of knowledge that needs to be safeguarded and nurtured, in the sense that knowledge is value and that having the right person in the right place is a benefit. To the group and all those that work in it.

3.1.1_ HUMAN RESOURCES IN NUMBERS

At 31 December 2013, the ANA Group had 2,822 employees working at the group's ten airports in Portugal. 1,043 people were employed by ANA, S.A., 269 by ANAM, S.A. and 1,510 by Portway, S.A., as per the table below.

	ANA, S.A.		ANAM, S.A.		Portway, S.A.		ANA Group	
	2013	Var. 13/12	2013	Var. 13/12	2013	Var. 13/12	2013	Var. 13/12
Total staff	1,043	(3.2%)	269	(11.5%)	1,510	4.4%	2,822	(0.2%)
Gender								
Male	638	(4.2%)	179	(10.9%)	1,145	4.1%	1,962	(0.3%)
Female	405	(1.5%)	90	(12.6%)	365	5.2%	860	(0.1%)
Age								
<30	23	(20.7%)	4	(33.3%)	251	(14.3%)	278	(15.2%)
30-50	715	(3.9%)	184	(2.6%)	1,144	8.8%	2,043	3.0%
>50	305	0.3%	81	(25.7%)	115	11.7%	501	(2.9%)
Average age	45.3	1.3%	43	(2.9%)	36.9	2.2%	126	0.1%

3.1.2_ BUILDING COMPETENCES

The investment in employee development was maintained in 2013, through a total of 82,645 training hours.

At ANA, which accounts for 32,240 hours of training, the staff group with the most training was the "Highly Qualified" employees, 65% of all training hours.

3.2_ENVIRONMENT

3.2.1_ MONITORING NOISE AND AIR QUALITY

The minimisation of the negative impacts resulting from noise emissions is a constant challenge.

The noise monitoring programme is already in place with the aim 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.

ANA, S.A. and ANAM, S.A. tightly control all gaseous emissions at their airports, in accordance with their legal obligations, particularly as regards one-off releases. The air quality at Lisbon, Porto and Ponta Delgada airports is similarly monitored.

3.2.2_VOLUNTARY CARBON MANAGEMENT

ANA, S.A. airports renewed their airport carbon accreditation in 2013, under the Airport Carbon Accredited (ACI) initiative.

3.2.3_ INCREASING 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. 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.

3.2.4_ CONSERVATION OF NATURAL RESOURCES

In this domain is worthy highlighting the pioneering attitude shown by ANA, S.A. towards its environmental responsibilities, which led to the development of a project to calculate its water footprint. The main aims of this project, launched in 2012, were to enable the periodic calculation of this footprint and to establish measureable objectives and targets for water consumption, as a way of working towards an efficient but reduced use of this resource. In 2013, ANA, S.A. began calculating its water footprint for 2012, in a process that also included the two airports run by ANAM, S.A..

3.3_RESEARCH, DEVELOPMENT AND INNOVATION

In 2013, the company participated in 5 collaborative co-financed R&D projects that largely focused on safety, security, airport efficiency, passenger satisfaction and the management of shopping areas. Through its various consortia, the company benefited from a network of 53 Portuguese and international partners in 2013. This not only allowed the company to acquire relevant knowledge but also helped to drive growth.

In order to ensure that airport solutions – products and services –are aligned with SESAR, ANA, S.A. and ACI jointly organised, with the help of SESARJU, a conference entitled "New function of the airport in the ATM system" (air traffic management).

4_ECONOMIC AND FINANCIAL ANALYSIS

In 2013, the end of year account closure was carried out differently. With ANA now a part of the VINCI Group and in order to align closing dates, a new Fast Close methodology was applied to all ANA Group companies.

4.1_ RESULTS

The group annual turnover reached 456.0 million euros in 2013, 5.3% higher than the previous year. The following table details the contribution made by each company to the group's overall turnover (not including construction services):

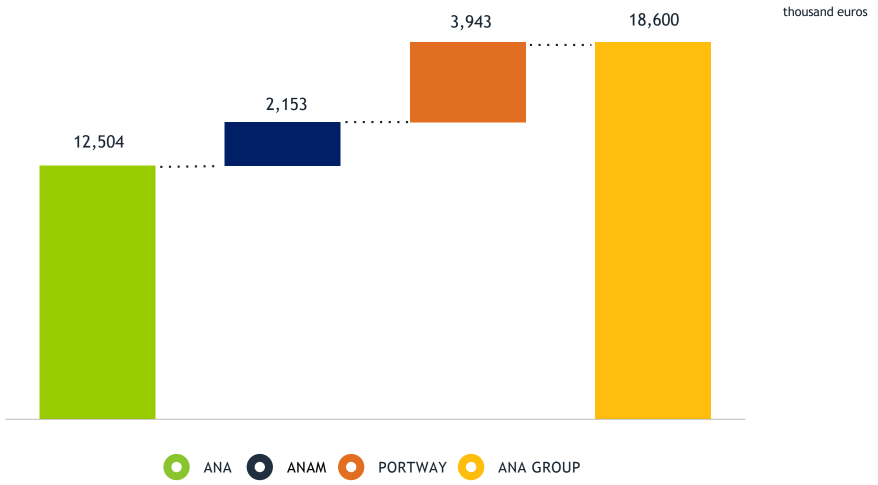
ANA Group	2013	2012 (Restated)	2011	Δ% 13/12
ANA, S.A.	368,926	349,992	344,277	5.4
ANAM, S.A.	37,251	35,194	37,000	5.8
Portway, S.A.	49,830	47,846	47,863	4.1
ANA Group	456,007	433,032	429,139	5.3

EBITDA (excluding the impact of the application of IFRIC 12) was 227.8 million euros in 2013, 11.3% higher than in the previous year. This translates into an EBITDA margin of 50.0%, 2.8 percentage points above the 2012 figure. Despite intra-group transactions, the ANA, S.A. contribution to that value was 204.7 million euros.

In 2013, revenue per passenger served was 14.2 euros. Deducting the cost of services rendered, net income was 7.1 euros, an increase of 6.0% in comparison with the previous year.

Net profits for the ANA Group for 2013 came to 18.6 million euros, 65.5% lower than in 2012. This difference is mostly attributable to the results at ANA, S.A. and was a consequence of the behaviour of its financial result. This change is mainly accounted for higher costs of financing (+61.6 million euros) on new loans taken out to pay the upfront fee for ANA, S.A.'s concession contract with the Portuguese state and by the refinancing of part of the existing debt. The net additional borrowing, at the end of 2013, was almost entirely in the form of shareholder loans.

The following graph breaks down net profits for each of the companies in the group, after adjustments for intra-group transactions.



4.2_ FINANCIAL SITUATION

At December 2013, the capital invested in the ANA Group totalled around 2.1 thousand million euros.

ANA, S.A. 2013	2012 (Reexp.)	2011		ANA Group 2013	2012 (Reexp.)	2011
85,910	90,775	858,691	Tangible fixed assets (net of subsidies)	92,581	94,842	863,035
1,956,036	1,965,245	7,862	Intangible assets (net of subsidies)	2,130,808	2,147,639	195,207
30,793	12,459	(449)	(+) Deferred tax assets	39,291	21,610	16,278
171	191	214	(+) Inventories	1,028	505	530
41,878	44,663	46,728	(+) Debtors	51,193	55,226	60,085
(183,949)	(1,296,796)	(76.067)	(+) Creditors	(216,752)	(1.332.145)	(108.386)
1,930,839	816,537	836,979	**(=) Total uses of capital (excl. fin. inv.)**	2,098,149	987,677	1,026,749
135.747	96,046	95,621	(+) Financial investments	587	885	461
2,066,586	912,583	932,600	**(=) Total uses of capital**	2,098,736	988,562	1,027,210
454,052	471,125	438,615	Equity	396,916	403,058	376,093
-	-	-	(+) Minority interests	0	4,190	4,779
1,382,200	-	-	(+) Net debt to shareholder	1,382,200	-	-
230,334	441,458	493,985	(+) Net debt to other entities	319,620	581,314	646,338
2,066,586	912,583	932,600	**(=) Capital employed**	2,098,736	988,562	1,027,210

One key event as regards financial investments was the decision by ANA, S.A., as sole shareholder[1], to increase the share capital of the subsidiary ANAM, S.A. by 90 million euros, to cover the financial needs of the latter. Of this total amount, 40 million euros were raised in 2013.

4.3_RISK MANAGEMENT

ANA Group is composed by companies which operate in the airport sector, which is in constant change. This means ANA Group has assessment and management mechanisms for its main risks.

The Group's risk management model is focused on the priority risks associated with its business activity, including the current business risk, risk in large-scale investment projects, risk of disruptive events and financial risk. This model is based on a dedicated organizational structure which responds to the Risk Committee.

The responsibilities of the Risk Committee comprise the discussion and approval of measures to mitigate risk to be implemented after monitoring the priority risks or other risks that might be identified with a growing impact on each of the companies' areas.

ANA, S.A. is also certified in several areas of its activity (Environment, Security and Safety, Quality and Health, Safety and Hygiene of Work – HSHW). The respective business processes already have built-in risk management initiatives.

The Group's policy to manage financial risks is detailed in Note 3 of the Financial Statements.

5_INVESTMENTS

In 2013, the ANA Group made investments in CAPEX[2] and REPEX[3] totalling 53.1 million euros. Around 83% of this was allocated to the ongoing capacity expansion programmes at Lisbon and Faro airports and to the replacement of the HBS standard I equipment with HBS Standard II equipment at the main airports.

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[1]In 2013, ANA, S.A., the parent company, acquired the remaining 30% share capital of ANAM, S.A.: 10% previously held by the Portuguese state and the Autonomous Region of Madeira's 20% holding in the same company.

[2] Capital expenditure
[3] Replacement expenditure

6_SUBSEQUENT EVENTS

There are no relevant post-balance sheet date events to disclose.

7_2014 OUTLOOK

The planned measures and actions for 2014 should result in traffic growth, across the airport network.

To ensure the predicted growth, the ANA Group has been working with the various operators, both regular and LCC, promoting the opening up of new routes and increased frequencies on some of the existing ones.

The group will continue to assess and address the appropriateness of the offer and the layout of its shopping areas, from the point of view of the passenger shopper. This has already resulted in development plans being implemented for the shopping areas in the various airports.

8_PROPOSED ALLOCATION OF NET PROFIT

ANA, S.A. closed out the 2013 financial year with a net profit of €11,858,836.97.

The concession contract includes a set of specific obligations to develop airport infrastructures over the coming years, within the framework of a strategic performance improvement programme. In 2014, ANA, S.A. will complete the operation to increase the share capital of its subsidiary ANAM – Aeroportos da Madeira, S.A., by 90 million euros. This will involve the 50 million euros remaining from the operation that was initiated in 2013.

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

Legal reserve: €592,941.85
Reserve for investments: €11,265,895.12

Lisbon, 11 March 2014

BOARD OF DIRECTORS

Jorge Manuel da Mota Ponce de Leão
Chairman

Luís Miguel Silva Ribeiro
Member of the Board

António dos Santos Morgado
Member of the Board

Mário Manuel Pinto Lobo
Member of the Board

Luis Miguel da Silveira Ribeiro Vaz
Member of the Board

Jean-Luc Bernard Marie Pommier
Member of the Board
Louis-Roch Burgard
Member of the Board

Nicolas Dominique Notebaert
Member of the Board

Olivier Patrick Jacques Mathieu
Member of the Board

Pascale Frédérique Thouy Albert-Lebrun
Member of the Board

Tanguy André Marie Bertolus
Member of the Board

ACCOUNTS

STATEMENT OF FINANCIAL POSITION

(thousand euros)

ANA, S.A. 2013	ANA, S.A. 2012 Restated	ANA, S.A. 01.jan.2012 Restated	Description	Notes	ANA GROUP 2013	ANA GROUP 2012 Restated	ANA GROUP 01.jan.2012 Restated
			ASSETS				
			Non-Current				
			Tangible fixed assets				
73,785	69,630	583,829	State property acquired	6	76,826	69,630	583,829
12,176	9,527	193,313	Company assets	6	16,093	13,853	198,484
2,516	14,913	156,212	Fixed assets in progress	6	2,568	15,199	156,461
-	-	-	*Goodwill*	8	1,430	1,430	2,120
1,954,984	1,959,124	-	Concession right	7	2,128,326	2,140,087	185,216
1,052	6,139	7,871	Other intangible assets	7	1,052	6,140	7,880
135,160	95,160	95,160	Investment in subsidiaries and associates	9	-	-	-
587	885	461	Financial investments	11	587	885	461
3,796	1,147	1,028	Receivables and others	12	3,797	1,150	1,031
312	62	391	Retirement benefits	17	312	62	391
33,711	16,659	4,912	Deferred tax assets	13	42,763	26,931	25,707
2,218,078	2,173,247	1,043,177			2,273,754	2,275,367	1,161,580
			Current				
171	191	214	Inventories	14	1,029	505	530
49,415	54,750	55,730	Receivables and others	15	60,238	67,188	70,812
20	9,382	543	Current tax	18	825	9,945	1,408
31,593	60,139	22,944	Cash and cash equivalents	19	47,278	95,699	54,351
81,200	124,462	79,431			109,370	173,337	127,100
2,299,277	2,297,709	1,122,608	Total assets		2,383,124	2,448,704	1,288,680
			EQUITY				
200,000	200,000	200,000	Share capital	20	200,000	200,000	200,000
163,438	134,182	133,510	Reserves	21	174,619	139,999	139,192
78,755	77,664	78,461	Retained earnings		3,697	9,118	(39,743)
11,859	59,279	26,644	Net profit		18,600	53,940	76,645
454,052	471,125	438,615		22	396,916	403,058	376,094
-	-	-	Non-controlled interests		-	4,191	4,779
454,052	471,125	438,615	Total equity		396,916	407,248	380,872
			LIABILITIES				
			Non-Current				
1,607,159	360,965	481,256	Loans	23	1,667,394	547,665	672,166
2,903	4,217	2,874	Derivatives financial liabilities	24	2,903	4,217	2,874
-	1,470	1,470	Provisions	25	-	1,470	1,470
2,917	4,200	5,362	Deferred tax liabilities	13	3,471	5,321	9,429
80,689	45,532	77,473	Payables and other liabilities	26	93,760	62,226	94,785
1,693,667	416,383	568,434			1,767,528	620,899	780,723
			Current				
34,066	136,415	32,799	Loans	23	78,801	125,131	25,648
111,415	1,273,786	74,883	Payables and other liabilities	27	132,777	1,294,117	93,417
6,077	-	7,877	Current tax	18	7,101	1,308	8,020
151,558	1,410,201	115,559			218,679	1,420,556	127,085
1,845,225	1,826,584	683,993	Total liabilities		1,986,208	2,041,456	907,808
2,299,277	2,297,709	1,122,608	Total of equity and liabilities		2,383,124	2,448,704	1,288,680

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

INCOME STATEMENT

(thousand euros)

ANA, S.A. 2013	ANA, S.A. 2012 Restated	Description	Notes	ANA GROUP 2013	ANA GROUP 2012 Restated
418,234	381,203	Revenue	28	495,669	455,374
238	1,252	Work executed by the entity and capitalised	6	238	1,252
(1,875)	(2,000)	Goods sold and materials consumed	29	(2,694)	(2,166)
(195,555)	(170,426)	External supplies and services	30	(200,667)	(173,252)
(54,589)	(52,473)	Personnel expenses	31	(104,843)	(105,535)
(2,294)	3,328	Impairment in receivables and other assets	16	(2,567)	3,737
620	-	Provisions	25	620	-
1,223	2,491	Other income	32	1,611	2,712
(17,251)	(20,229)	Other expenses	33	(18,717)	(22,303)
148,751	143,146	EBITDA		168,649	159,817
223	3,929	Investment subsidies	27	325	3,953
(51,818)	(74,628)	Amortisation and depreciation	34	(57,928)	(81,052)
97,155	72,447	Operating results		111,046	82,718
(75,998)	(14,365)	Finance costs	35	(79,010)	(17,566)
-	9,942	Impairment in financial investments	36	-	9,252
14	11	Share in the results of associates and others	37	14	11
(2,135)	239	Other financial results	38	(2,506)	250
(78,118)	(4,172)	Financial results		(81,503)	(8,052)
19,037	68,275	Results before income tax		29,543	74,667
(7,178)	(8,995)	Corporate income tax expenditure	39	(10,944)	(18,729)
-	-	Non-controlled interests		-	(1,997)
11,859	59,279	Net profit		18,600	53,940
		Earnings per share (euros)			
0.30	1.48	Basic earnings per share		0.46	1.35
0.30	1.48	Diluted earnings per share	40	0.46	1.35

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

(thousand euros)

COMPREHENSIVE INCOME STATEMENT

ANA, S.A. 2013	ANA, S.A. 2012 Restated	Description	Notes	ANA GROUP 2013	ANA GROUP 2012 Restated
11,859	59,279	Net profit		18,600	55,938
		Other income not qualified as results			
247	(1,289)	Remeasuremets	2.2.1	247	(1,289)
(72)	372	Deferred tax	2.2.1	(72)	372
		Other income qualified as results			
1,447	(1,335)	Fair value variation of swaps coverage	24	1,447	(1,335)
(191)	414	Fair value variation of assets available-for-sale	11	(191)	414
(363)	266	Deferred tax	13	(363)	264
12,927	57,708	Total comprehensive income		19,668	54,365
		Net profit			
11,859	59,279	Allocated to shareholders		18,600	53,940
-	-	Allocated to non-controlled interests		-	1,997
11,859	59,279			18,600	55,938
		Total comprehensive income			
12,927	57,708	Allocated to shareholders		19,668	52,368
-	-	Allocated to non-controlled interests		-	1,997
12,927	57,708			19,668	54,365

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

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

(thousand euros)

Description	Notes	Allocated to shareholders				Non-controlled interests	Total Group
		Capital	Reserves	Retained earnings	Net profit		
Balance as of 1 January 2012		200,000	139,192	(39,623)	76,525	4,779	380,872
Changes in accounting procedures	2.2.1	-	-	(119)	119	-	-
Balance as of 1 January 2012 - restated		200,000	139,192	(39,743)	76,645	4,779	380,872
Application of the result of the previous year		-	1,462	75,183	(76,645)	-	-
Dividends		-	-	(25,199)	-	-	(25,199)
NAER, S.A. Liquidation		-	2	(207)	-	(2,586)	(2,791)
Total income in the period		-	(656)	(916)	53,940	1,997	54,365
Balance as of 31 December 2012		200,000	139,999	9,118	53,940	4,191	407,248
Balance as of 1 January 2013		200,000	139,999	10,035	53,024	4,191	407,248
Changes in accounting procedures	2.2.1	-	-	(916)	916	-	-
Balance as of 1 January 2013 - restated		200,000	139,999	9,118	53,940	4,191	407,248
Application of the result of the previous year		-	28,551	25,390	(53,940)	-	-
Dividends	41	-	-	(30,000)	-	-	(30,000)
Acquisition from non-controlled interests		-	5,176	(986)	-	(4,191)	-
Total income in the period		-	893	175	18,600	-	19,668
Balance as of 31 December 2013		200,000	174,619	3,697	18,600	-	396,916

Notes 1 to 47 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 2012		200,000	133,510	78,580	26,525	438,615
Changes in accounting procedures	2.2.1	-	-	(119)	119	-
Balance as of 1 January 2012 - restated		200,000	133,510	78,461	26,644	438,615
Application of the result of the previous year		-	1,326	25,318	(26,644)	-
Dividends		-	-	(25,199)	-	(25,199)
Total income in the period		-	(655)	(916)	59,279	57,708
Balance as of 31 December 2012		200,000	134,182	77,664	59,279	471,125
Balance as of 1 January 2013		200,000	134,182	78,580	58,363	471,125
Changes in accounting procedures	2.2.1	-	-	(916)	916	-
Balance as of 1 January 2013 - restated		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	41	-	-	(30,000)	-	(30,000)
Acquisition from non-controlled interests		-	-	-	-	-
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

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

CASH FLOW STATEMENT

(thousand euros)

ANA, S.A. 2013	ANA, S.A. 2012		Notas	ANA GROUP 2013	ANA GROUP 2012
		Operating activities:			
409,602	388,665	Receipts from customers		478,431	457,014
(131,848)	(131,963)	Payments to suppliers		(128,254)	(128,391)
(56,225)	(50,705)	Payments to personnel		(110,099)	(99,695)
(11,827)	(38,099)	Payments and receivements of income tax		(13,951)	(38,765)
(23,289)	(16,656)	Other operating payments and receivements		(25,900)	(18,410)
186,413	151,242	*Operating cash flows*		200,226	171,753
		Investment activities:			
		Receipts from:			
-	665	Assets		24	681
-	-	Interest and similar income		100	-
-	233	Investment subsidies		-	721
14	11	Dividends		14	11
		Payments regarding:			
-	(1,836)	Changes in subsidiaries		-	(1,836)
(1,225,004)	-	Concession right		(1,225,004)	(756)
(9,101)	(59,136)	Tangible fixed assets		(10,172)	(61,305)
(40,000)	-	Capital increase advance		-	-
(1,274,092)	(60,062)	*Investments cash flows*		(1,235,038)	(62,484)
		Financing activities:			
		Receipts from:			
2,186,200	6,500	Loans		2,182,200	-
763	822	Interest and similar income		1,134	1,688
		Payments regarding:			
(1,042,204)	(20,685)	Loans		(1,108,345)	(24,426)
(55,625)	(15,422)	Interest and similar costs		(58,597)	(19,947)
(30,000)	(25,199)	Dividends		(30,000)	(25,199)
1,059,133	(53,984)	*Financing cash flows*		986,392	(67,884)
(28,546)	37,195	Variation of cash and equivalents		(48,421)	41,384
60,139	22,944	Cash and equivalents at the beginning of the pe	19	95,699	54,314
31,593	60,139	Cash and equivalents at the end of the period	19	47,278	95,699

Notes 1 to 47 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.) had its origins in the Public Company Aeroportos e Navegação Aérea, ANA, E.P. created by Decree-Law no. 246/79 of 25 July.

Decree-law no. 404/98 provided for the transformation of ANA, E.P., into a corporate entity under private law, with the status of a limited liability company, with the name of ANA – Aeroportos de Portugal, S.A. The company is governed by its articles, by the regulatory standards applicable to limited liability companies, by the concession contract and by the special standards applicable to the company's business activity.

ANA - Aeroportos de Portugal, S.A. was awarded the concession to run the public airport service in accordance with the framework established in Decree-Law 254/2012, of 28 November. This decree was later altered by Decree-Law no. 108/2013, of 31 July, which brings the airports of the Autonomous Region of Madeira into the airport network managed by ANA, S.A.

The above-mentioned laws set out:

- The general legal framework for the public airport service concession granted to ANA, S.A. and ANAM, S.A.;
- The licensing scheme for the private use of assets in the public airport domain;
- The set of fees to be applied at Portuguese airports;
- The scheme for the security fee and the fee for the assistance given to people with disabilities and reduced mobility;
- The principles and rules under the economic regulation applicable to Portuguese airports.

This framework is completed by the standards written into the concession contracts signed between ANA, S.A. and the Portuguese state, on 14 December 2012, and between ANAM, S.A. and the Portuguese state, on 10 September 2013.

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 activity are set out as follows.

The Financial Statements refer to the individual 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 2013, ANA, S.A. was 99.98% owned by Vinci Concessions Portugal, SGPS, S. A., and 0.02% owned by employees and ex-employees of the ANA Group.

On 17 September 2013, the state holding company Parpública – Participações Públicas, SGPS, S.A., owner of 100% of the share capital in ANA, S.A., sold 95% of the shares representing the share capital of ANA, S.A. to Vinci Concessions Portugal, SGPS, S.A. This transaction took the form of a private sale, authorised under the provisions of Decree-Law no. 232/2012, of 29 October, and Council of Ministers Resolution no. 94A/2012, of 14 November. The remaining 5% was set aside for employees and former employees of ANA, S.A. or of its subsidiary companies, in accordance with the terms established through Council of Ministers Resolution no. 101/2012, of 7 December, and 60/2013, of 20 September, as well as in the informational document "Public Offering".

The shares made available through the "Public Offering" which were not purchased by employees or former employees of ANA, S.A. were added to the shares sold through the private sale, as established in no. 2 of article 5 of Decree-Law no. 232/2012. Vinci Concessions Portugal, SGPS, S. A. acquired these shares on 14 October 2013.

Group companies:

On 28 June 2013, ANA, S.A., the parent company, acquired the Portuguese state's holding (10%) in ANAM – Aeroportos da Madeira, S.A. (ANAM, S.A.), the company that manages Madeira and Porto Santo airports in the Autonomous Region of Madeira. On 28 July 2013, it acquired the 20% holding of the Autonomous Region of Madeira in this same company, thus becoming the sole shareholder of ANAM, S.A.

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

The main business object of the group of companies is to operate public airport services, under 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 object, or that may facilitate or help to achieve its objectives.

1.2_CONCESSION OF PUBLIC AIRPORT SERVICES CONTRACT

1.2.1_ANA, S.A.

The concession to operate the public airport service in support of civil aviation was awarded to ANA, S.A., through Decree-Law no. 404/98, of 18 December, which approved the incorporation of the company and defined its competences. The general legal framework governing the concession is set out in Decree-Law no. 254/2012, of 28 November, as amended by 108/2013, of 31 July.

OBJECT OF CONTRACT

The Concession Contract for the provision of airport services signed between ANA, S.A. and the Portuguese State on 14 December 2012 embraces the airports located in mainland Portugal (Lisbon, Porto, Faro and Beja) and in the Autonomous Region of the Azores (Ponta Delgada, Santa Maria, Horta and Flores), and has as its object 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 out in the contract.

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

ANA, S.A. may not engage in any business deals related to the assets allocated to the concession that could jeopardise the effectual and continuing allocation of these to the concession, except when there is a need for replacement or when these are shown to be obsolete or inadequate for the performance of the activities of the concession, in which case may be ceded or sold only with the approval of the grantor.

In addition to the initial payment of 1,200 million euros, the concessionaire 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.

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

a) Maintain the runways, aprons, taxiways and cargo and mail infrastructures, as well as all the areas of the airport essential to the secure access to air transports, in conditions that are at least equal to those at the date of the contract;
b) Maintain all the passenger terminals at a C service level, according to the IATA manual;
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, which may be renegotiated as long as the coverage ratio of the Debt Service is met.

INCOME AND REBALANCING OF THE CONCESSION

The concession income consists of proceeds from charges collected 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 fees charged 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 fees 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_ANAM, S.A.

Through Regional Legislative Decree 8/92/M, of 21 April, the Autonomous Region of Madeira granted ANAM, S.A., for a period of 25 years, extendable by Regional Legislative Decree 7-A/2000/M, of 15 March, the "right to carry out work to enlarge Santa Catarina airport and to develop its infrastructures, as well as to plan and operate the public service supporting civil aviation in the Autonomous Region of Madeira".

The concession contract was signed on 9 July 1993, for a period of 25 years, beginning on 1 October 1993.

In accordance with the provisions of Regional Legislative Decree no. 25-A/2013/M, of 26 July, and Resolution no. 889/2013, of 6 September, the Autonomous Region of Madeira signed an Administrative Contract with the Portuguese state. Under this contract, it ceded the right to use, manage and operate the assets in the public airport domain in the Autonomous Region of Madeira. On 10 September 2013, the Portuguese state signed a contract with ANAM, S.A. for the public airport service concession for the airports in the region. In form and term, this contract was identical to the concession contract signed with ANA, S.A., that is, it is for 50 years and lasts until 2062.

1.3_LEGAL REGULATORY FRAMEWORK

Decree-Law no. 254/2012, of 28 November, approved the rules applicable to the airport sector, unifying the legislation that was scattered throughout various documents.

The aforesaid Decree-Law regulates:

- 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 fees related to these activities;
- a set of fees applied to all airports and aerodromes located in Portuguese territory, specifically the Security Fee due on the number of passengers boarded;
- the conditions for applying the juridical regime related to the rights of people with disabilities and persons with reduced mobility;
- the rules and common principles applicable to the fees subject to economic regulation and setting the indicators of quality in service, to be followed at airports and aerodromes located in Portuguese territory.

The airports managed by ANAM, S.A. are considered part of the ANA, S.A. airport network, under the terms of article 3, no. 2 of Decree-Law no. 254/2012, of 28 November, in the wording given to this by Decree-Law no. 108/2013, of 31 July.

Under article 49 of Decree-Law no. 254/2012, the security fee 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 fee 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 fee was created that came into effect in December 2008, complying with Regulation no. 1107/2006, of 5 July. This fee 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 ANA, S.A. AND ANAM, S.A. CONCESSION CONTRACT

The economic regulation established in the concession contract in question, in effect since 2013, applies to the airports of ANA, S.A. and ANAM, S.A., and defines the principles and rules applicable to the charging of fees 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.

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

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

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

i) Lisbon group (Lisbon, Azores, Madeira and Beja civilian terminal)
ii) Porto
iii) Faro

the concessionaire being free to set the structure and amounts of the fees 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 harmonized consumer price index, less the applicable efficiency factor; ii) the contribution made by the airside retail income for the year; and iii) the estimate of the number of terminal passengers for the year. However, the calculated amount may be subject to adjustments or restrictions dictated by the economic regulation. In practice, the most likely of these to be applied are those arising from the restrictions drawn up specifically for the "Lisbon group", such as the adjustments resulting from the biannual comparative test or the mechanisms for sharing traffic risk.

At the end of each year, the difference between the proposed 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. and ANAM, S.A., they 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 rates 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 'Rates Guide' available online at ANA, S.A.'s official website (www.ana.pt).

The rules of economic regulation established in annexe 12 apply to the airports managed by ANAM, S.A. in the Autonomous Region of Madeira, which are considered part of the ANA, S.A. airport network, under no. 2 of article 3 of Decree-Law no. 254/2012. These rules are in accord with the economic regulation scheme applicable to the airports managed by ANA, S.A., particularly as regards the provisions applying to the Lisbon group.

1.3.2_GROUND HANDLING SERVICES

Via Portway - Handling de Portugal, S.A., the group is involved in the activity of providing the aircraft that use Lisbon 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 2013.

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 2013

2.2.1_NORMS AND INTERPRETATIONS THAT CAME INTO EFFECT ON 1 JANUARY 2013:

The new norms adopted by the European Union, which came into effect on 1 January 2013, are as follows:

Norms

- **IAS 1 (change)** – 'Presentation of financial statements'. This alteration changes the reporting of items carried as other comprehensive income (OCI). Entities are required to separate items carried in OCI, depending on whether or not these may be restated in the future as income for the financial period and the corresponding fiscal impact, if the items are shown as pre-tax income. This amendment impacted on the ANA Group's financial statements, specifically as regards the drawing up of the comprehensive income statement, for the reporting period and for the relevant comparison.

- **IAS 12 (change)** – 'Income tax'. This alteration requires an entity to measure deferred taxes on assets, depending on whether the entity expects to recover the net value of the asset through use or sale. This alteration incorporates, into IAS 12, the principles included in SIC 21, which is revoked. This amendment had no impact on the ANA Group's financial statements.

- **IAS 19 (revised)** – 'Employee benefits'. This revision to IAS 19 introduces significant changes to the recognition and measurement of expenses related to defined benefits and termination benefits, as well as the disclosures to be made for all the benefits granted to employees. Actuarial gains and losses are recognised immediately and only in 'Other comprehensive income' (use of the corridor method not being allowed). The financial cost of funded defined benefits plans is calculated on the basis of the net value of the non-funded liabilities. Employment termination benefits are only recognised when the employee's obligation to provide future services ceases. This revision has impacted on the ANA Group's benefits plan. These impacts are summarised in note 17.

- **Improvements to the norms 2009-2011 cycle.** The annual improvement cycle affects these standards: IFRS 1 (second adoption of IFRS 1 and associated exemptions), IAS 1 (submission of additional financial statements when a change in accounting policy is compulsory or voluntary), IAS 16 (classification of spare parts and service equipment when the definition of tangible fixed assets is met), IAS 32 (classification of fiscal impacts related to transactions that involve equity or dividends) and IAS 34 (exemption from reporting assets or liabilities by segment). These improvements have had no significant impact on the ANA Group's financial statements.

- **IFRS 1 (change)** – 'First-time adoption of IFRS'. This amendment created an additional exemption, for when an entity that had been subject to severe hyperinflation adopts IFRS for the first time. The other change refers to the replacement of the specific reference dates with "date of transition to IFRS" in the exemptions to the retroactive application of IFRS. This amendment did not affect the ANA Group's financial statements, as it already implements IFRS.

- **IFRS 1 (change)** – 'First-time adoption of IFRS – Government loans'. This alteration is designed to clarify how entities that adopt IFRS for the first time should carry a government loan with an interest rate lower than the market rate, when transiting to IFRS. The change introduces an exemption to the retroactive application similar to that given to entities who were already reporting in IFRS, in 2009. This amendment did not affect the ANA Group's financial statements, as it already implements IFRS.

- **IFRS 7 (change)** – 'Disclosures – offsetting financial assets and financial liabilities'. This amendment is part of the IASB's "offsetting financial assets and financial liabilities" project. It introduces new disclosure requirements regarding an entities right to set off (assets and liabilities), the amounts set off, and the effect of these on exposure to credit risk. This amendment had no impact on the ANA Group's financial statements.

- **IFRS 13 (new)** – 'Fair value: measurement and disclosure'. IFRS 13 aims to improve the consistency of financial statements, by offering a precise definition of fair value and a single basis for measuring fair value. It also sets out the fair value disclosure requirements, to be applied across all IFRS. When this new standard came into force, it affected the ANA Group's financial statements.

Interpretations

- **IFRIC 20 (new)** – Stripping costs in the production phase of a surface mine'. This interpretation relates to the recognition of stripping costs as an asset, in the initial production phase of a surface mine. It considers that the stripping generates two potential benefits: the immediate extraction of mineral resources and the opening up of access to additional quantities of mineral resources that may be extracted in the future. When this interpretation came into force, it did not affect the ANA Group's financial statements.

2.2.2_NEW STANDARDS, CHANGES AND INTERPRETATIONS THAT HAVE ALREADY BEEN PUBLISHED BUT FOR WHICH APPLICATION IS OBLIGATORY FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER 1 JULY 2014, NOT ADOPTED IN ADVANCE:

Norms

- **IFRS 10 (new)** – 'Consolidated financial statements' (applicable in the European Union to reporting periods beginning on or after 1 January 2014). IFRS 10 replaces all procedures and guidelines pertaining to control and consolidation included in IAS 27 and SIC 12. It changes the definition of control and the criteria applied for determining control. The basic principle that the consolidated entity presents the parent company and its subsidiaries as a single entity remains unchanged. Adopting this standard should have no impact on the ANA Group's financial statements.

- **IFRS 11 (new)** – 'Joint arrangements' (applicable in the European Union to reporting periods beginning on or after 1 January 2014). IFRS 11 focuses on the rights and obligations associated with joint arrangements rather than on the legal form. Joint arrangements may be joint operations (rights over assets and obligations) or joint ventures (rights over the net assets by application of the equity method). Proportional consolidation is no longer allowed. Adopting this standard should have no impact on the ANA Group's financial statements.

- **IFRS 12 (new)** – 'Disclosure of interests in other entities' (applicable in the EU to reporting periods beginning on or after 1 January 2014). This standard establishes the disclosure requirements for all types of interests in other entities, including subsidiaries, joint arrangements, associates and structured entities. It is designed to allow the assessment of the nature, risk and financial impacts associated with the entity's interests. Adopting this standard should have no impact on the ANA Group's financial statements.

- **Alteration to IFRS 10, IFRS 11 and IFRS 12** – 'Transition regime' (applicable in the European Union to reporting periods beginning on or after 1 January 2014). When the reporting of equity differs from the treatment under IAS 27/SIC 12, following the adoption of IFRS 10, this change explains that the comparison figures only need to be adjusted for immediately preceding reporting period. The change introduced in IFRS 11 is that there is now an obligation to test the financial investment that results from the discontinuation of proportional consolidation for impairment. Specific disclosure requirements are established in IFRS 12. These changes should have no impact on the ANA Group's financial statements.

- **IAS 27 (revised 2011)** – 'Separate financial statements' (applicable in the European Union to reporting periods beginning on or after 1 January 2014). IAS 27 was revised after IFRS 10 was issued and contains the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an Entity prepares separate financial statements. The ANA Group will apply this revised norm to the beginning of the reporting period in which it comes into effect.

- **IAS 28 (revised 2011)** – 'Investments in associates and joint enterprises' (applicable in the European Union to reporting periods beginning on or after 1 January 2014). IAS 28 was revised after IFRS 11 was issued. It sets out the accounting methods used for investments in associates and joint ventures, establishing the requirements for the application of the equity method. This revision should have no impact on the ANA Group's financial statements.

- **IAS 32 (change)** – 'Offsetting of financial assets and liabilities' (applicable to reporting periods beginning on or after 1 January 2014). This alteration is part of the "asset and liability offsetting" project of IASB, which clarifies the expression "has a legally enforceable right to set off the amounts" and clarifies that some systems for settlement at gross amounts (clearinghouses) may be equivalent to offsetting at net amounts. The ANA Group will apply this norm to the beginning of the reporting period in which it comes into effect

- **IAS 36 (change)** – 'Disclosures of recoverable amounts for non-financial assets' (applicable to reporting periods beginning on or after 1 January 2014). This change deals with the disclosure of information on the recoverable value of impaired assets, when the impairment has been measured using the fair value less sales costs method. This change is expected to have no impact on the ANA Group's financial statements.

- **IAS 39 (change)** – 'Novation of derivatives and continuity of hedge accounting' (applicable to reporting periods beginning on or after 1 January 2014). This change to IAS 39 allows an entity to continue carrying a hedge, when the counterpart to a derivative that has been designated a hedge instrument, is changed to a clearinghouse, or equivalent, as a consequence of the application of some law or regulation. This change is expected to have no impact on the ANA Group's financial statements.

- **Change to IFRS 10, IFRS 12 and IAS 27** –'Investment entities' (applicable to reporting periods beginning on or after 1 January 2014). The change defines an investment entity and introduces an exception to the application of consolidation under IFRS 10, for entities that qualify as investment entities and whose investments in subsidiaries should be measured at fair value through results for the period, by reference to IAS 39. IFRS 12 requires specific disclosure. This change will have no impact on the ANA Group's financial statements.

- **IAS 19 (change)** – 'Defined benefit plans – Employee contributions' (applicable to reporting periods beginning on or after 1 January 2014). The European Union has not yet approved this change. The change applies to employee or third party contributions to defined benefits plans. It aims to simplify the accounting procedures for these, when the contributions are independent of the number of years of service. This change will have no impact on the ANA Group's financial statements.

- **Improvements to the norms 2010-2012 cycle** – (to apply, generally, to reporting periods beginning on or after 1 July 2014). The European Union has not yet approved these changes. This improvement cycle affects the following standards: IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38. The ANA Group will apply the improvements to the 2010-2012 cycle, as and when they come into effect.

- **Improvements to the norms 2011-2013 cycle** – (to apply, generally, to reporting periods beginning on or after 1 July 2014). The European Union has not yet approved these changes. This improvement cycle affects the following standards: IFRS 1, IFRS 3, IFRS 13, and IAS 40. The ANA Group will apply the improvements to the 2010-2012 cycle, as and when they come into effect, except for the improvements to IFRS 1, because the entity already applies the IFRS.

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 and no new segments were defined apart from the segments that have already been reported in the past.

The operating segments of the ANA Group are: airports, commercial activities and handling:

- airports – includes all activities related to the provision of public service support to civil aviation;
- commercial activities – includes all activities relating to the areas of Retail, Real Estate, Parking and Advertising;
- handling – includes all the activities in support of aircraft using the airports of ANA, S.A. and ANAM, S.A., and the passenger, baggage and air freight support services provided by Portway, 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	2013	2012
USD	1.3791	1.3194
GBP	-	0.8161

2.6_CONCESSION ASSETS

The concessions granted to the companies of the group, ANA, S.A. and ANAM, S.A. include the following concession assets.

2.6.1_FIXED TANGIBLE ASSETS

The fixed tangible assets include the State property and company assets acquired by the group, which are not eligible for recognition as Concession Right, as they do not meet the criteria of IFRIC 12 (Note 2.6.2).

a) State property – includes all assets acquired by the group companies that are implanted on lands in the public domain;
b) Patrimony – includes all the other assets not attributable to the activities of providing public service that have been acquired by group companies.

These properties are recorded as the value of the initial exchange liquidated by the companies and are 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 subsequent costs 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

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), only the fees charged to the airport users, while ANA, S.A. and ANAM, S.A. bear the risk of demand.

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

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

ii) the grantor controls any significant residual interest in the infrastructure – when the concessionaire cannot freely dispose of the assets (e.g., sell, charge or transfer) during the period of the concession and/or when all these assets revert to the grantor at the end of the contract.

Thus, the tangible fixed assets classified as Acquired state property and Company assets were classified as concession right, if they are not associated with activities of: i) landside retail; ii) operation of car parks; iii) rent-a-car; iv) real estate (buildings rented to third parties); and v) headquarter assets (except for the airport management information system). The value of subsidies received for these investments was deducted from the total of these assets, the net amounts invested in the concession right being presented in the accounts, according to the policy defined for the ANA Group.

In regard to State property granted, seeing that ANA, S.A. did not spend anything on their acquisition, having only the right to use them to provide a public service, these amounts were derecognised in the financial statements of ANA, S.A., along with the corresponding balance of Investment Subsidy, entered under Payables and other liabilities.

Resulting from the contractual obligation assumed by signing the Concession Contract, in 2012 ANA, S.A. registered 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 are amortised over the period of the concession (50 years), up to 2062.

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 commercialisation.

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, 2 cash flow generating units are considered:

- The network of airports managed by ANA, S.A., which includes all the assets of this company and ANAM, SA, keeping in mind that its assets alone do not themselves generate independent cash flows;
- Portway, S.A..

The recoverable amount is the higher between the value of use and the fair value less costs to sell. When the book value of an asset or a cash flow generating unit is higher than the recoverable value, then impairment needs to be recognised. Impairment losses are recognised in the income statement.

Under the concession contracts signed on 14 December 2012 between ANA, S.A. and the Portuguese State, and on 10 September 2013 between ANAM, S.A. and the Portuguese State, the economic regulation of the provision of public airport service is applied to the network of group airports, as explained in point 1.3.1, making the principle of integrated management of the business a concrete reality and forming a single cash-generating unit.

2.9_FINANCIAL ASSETS

The group determines the classification of its financial assets on the date at which the asset is first recognised 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 recognised. They are initially shown at fair value, the costs of the transaction being recognised in the results;
- Loans granted and receivables – these include 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 set out above. They are shown as non-current assets, except in cases where they are intended to be sold within 12 months after the date of the balance sheet. They are valued at their fair value, with any variations of this value recognised under the heading equity.

Financial assets are removed from the accounts when the rights to receive the monetary flows originated 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. Cost is determined using the weighted 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 also bank overdrafts.

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 under the heading cash and cash equivalents.

2.12_DIVIDENDS

Dividends are shown as a liability whenever approved at the General Meeting.

2.13_FINANCIAL LIABILITIES

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

Loans obtained are initially shown at fair value, net of transaction costs incurred 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 2 plans:

- Defined contribution plan – covers all employees, being contributions to this plan recognised 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

Tangible and intangible assets acquired via financial leasing contracts, in which the group has all the risks and benefits inherent to the ownership of these assets, as well as the corresponding responsibilities 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, within the scope of the activities covered by the concession, to be integrated into the infrastructure of public service, 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 coverage 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 tax benefit in Azores (reduction of tax rate).

ANAM, S.A. is not yet covered by the Special Taxation Regime for Company Groups, 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 its 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 fees charged for services in the areas of traffic, stopover assistance, security, occupation and the commercial area, as foressen 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. Direct costs related to technical areas involved in building expansion assets are also includes when determining services construction revenue.

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 focuses its analysis on the financial markets, seeking to minimize potential adverse effects, using derivative financial instruments to cover certain risks to which it is exposed.

There have been no changes to the risk management programme implemented by the ANA Group.

A) CREDIT RISK

Credit risk is the result of cash balances and cash equivalents, deposits and derivative financial instruments in financial institutions, as well as the accounts receivable from clients and other debtors. The ANA Group is subject to the credit risk of the airlines using the airports managed by the group and the group has no significant concentrations of credit risk. 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 2013	Balances 2012
Cash equivalents		
A2	31,402	-
Baa3	-	8
Ba1	3,998	30,241
Ba3	11,689	57,007
B1	23	7,680
B2	-	127
Caa1	38	-
Others	73	577
	47,223	95,641

Rating assigned by Moody's

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. The group has a short-term loan from its shareholder that has allowed it some flexibility in managing its floating debt.

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

The group's remunerated assets correspond to short-term applications (up to 1 year). 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 2013, plus a stress factor of +0.25% to -0.25%, 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 2014.

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

2013	Scenario at present rate *	Scenario +0,25%	Scenario -0,25%
Loans at variable rate	(73,299)	(3,367)	3,367
Loans at fixed	(5,349)	-	-
Financial leasing interest	(83)	(1)	1
Interest from long term deposits	18	-	-
Approximate impact on results/ Present rate scenario		(3,368)	3,368

* Estimated cost of interest in 2014

3.2_CAPITAL RISK MANAGEMENT

The company's objective with regard to the management of capital, which is a broader concept than the equity on the financial statement, is:

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

The gearing ratios as of 31 December 2013 and 2012 were as follows:

	ANA GROUP	
	2013	2012
Total loans	1,746,236	673,409
Cash and cash equivalents	(47,278)	(95,699)
Net debt	1,698,958	577,710
Equity	396,916	407,248
Total capital	2,095,874	984,958
Gearing (%)	*81.1*	*58.7*

This change in the level of debt is the result of a 1,382.2 million euro loan from the VINCI Group, for the purpose of paying the upfront fee for ANA, S.A.'s concession contract. It also reflects the repayment of two shareholder loans taken out by ANA, S.A., totalling 200 million euros, and two ANAM, S.A. loans, totalling 82.4 million euros.

3.3_DERIVATIVE FINANCIAL INSTRUMENTS ACCOUNTING

The group hires derivative financial instruments only for the purpose of economic hedging of financial risks to which they are exposed, particularly the risk of interest rate.

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 recognised in the results of the financial year.

With the adoption of IFRIC 12, ANA, S.A. carried out an impairment test to assess the recoverability of its assets, which showed there is no loss due to impairment to be reported.

There has been no indication of any impairment since the tests carried out in 2012.

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_ANAM, S.A.'S CONCESSION PERIOD

In 2012, it was agreed with the grantor that ANAM, S.A.'s concession was to be extended to 2053.

With the signing of the new concession contract, the amortisation of ANAM, S.A.'s concession right was changed to coincide with the new concession term of 2062, effective as of September 2013.

4.5_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.

According to the contractual conditions and regulations described in notes 1.3, ANA, S.A. and ANAM, S.A. assume the responsibilities for the renovation/replacement of infrastructures of the concession (assets within the scope of IFRIC 12), for the duration of the concession, without any provision for a concomitant revenue for this type of expenditure.

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 form Eurozone countries.

4.6_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

The ANA Group has identified 3 segments of core businesses: Airports, Commercial Activities and Handling.

	2013				
	Airports	Commercial activities	Handling	Non-allocated	ANA Group
Services					
Aviation	239,437	-	49,910	-	289,347
Security	44,523	-	-	-	44,523
Passengers with reduced mobility	7,327	-	-	-	7,327
Non-aviation	8,572	106,313	-	5	114,889
Construction contracts	36,614	-	-	1,813	38,427
Other revenue and operating earnings	2,064	225	16	1,320	3,625
Inter-segment earnings	561	-	-	-	561
	-	-	-	-	-
Operating costs	(238,390)	(15,514)	(42,135)	(33,450)	(329,489)
Inter-segment costs	-	(561)	-	-	(561)
	-	-	-	-	-
Investment subsidies	167	158	-	-	325
Depreciations / Amortisations	(43,741)	(8,488)	(1,494)	(4,204)	(57,928)
Operating result	57,134	82,132	6,296	(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	26,984	60,113	2,968	5,423	95,487
Concession right	899,063	13,982	-	1,215,281	2,128,326
Intangible assets	4	58	-	990	1,052
Investments	40,151	785	342	1,806	43,084

	2012 (Restated)				
	Airports	Commercial activities	Handling	Non-allocated	ANA Group
Services					
Aviation	223,117	-	43,559	-	266,676
Security	42,103	-	-	-	42,103
Passengers with reduced mobility	7,303	-	-	-	7,303
Non-aviation	8,663	103,853	-	146	112,663
Construction contracts	12,030	-	-	9,089	21,119
Other revenue and operating earnings	7,996	11	4,781	423	13,210
Inter-segment earnings	11,335	1,589	-	10,484	23,409
	-	-	-	-	-
Operating costs	(200,989)	(15,529)	(42,495)	(44,244)	(303,257)
Inter-segment costs	(7,530)	(11,641)	-	(4,238)	(23,409)
	-	-	-	-	-
Investment subsidies	3,737	206	-	10	3,953
Depreciations / Amortisations	(66,296)	(6,948)	(1,822)	(5,985)	(81,052)
Operating result	41,470	71,541	4,023	(34,315)	82,718
Finance costs					(17,566)
Impairment in financial investments					9,252
Share in the results of associates and others					11
Other financial results					250
Corporate income tax expenditure					(18,729)
Activities result					55,938
Result attributable to non-controlled interests					(1,997)
Net profit					53,940
Assets and investment					
Tangible fixed assets	29,502	57,503	4,281	7,395	98,682
Concession right	911,359	16,325	-	1,212,402	2,140,087
Intangible assets	745	85	-	5,309	6,140
Investments	44,781	2,063	1,237	12,799	60,880

6_FIXED TANGIBLE ASSETS

ANA, S.A. Total		ANA Group 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	8	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)	-	-	(3,400)
-	Sales	-	(703)	-	-	(703)
259,107	Balance 31-December-2013	197,352	100,178	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	98,682
88,476	Balance 31-December-2013	76,826	16,093	2,545	23	95,487

Note: Transfers include reclassifications between concession rights and fixed tangible assets.

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.

ANA, S.A.		ANA Group				
Total		State	Patrimony	In progress	Advances	Total
	Gross value					
1,823,762	Balance 01-January-2012	1,082,744	614,042	155,579	882	1,853,247
39,099	Increases	(519)	1,744	33,086	6,071	40,382
1,252	Capitalised work	-	-	1,252	-	1,252
1,532	Interest capitalised	-	-	1,532	-	1,532
(4,952)	Transfers	61,660	(4,999)	(58,925)	(2,688)	(4,952)
(1,588,829)	IFRIC 12 application	(965,567)	(503,340)	(115,681)	(4,241)	(1,588,829)
(1,668)	Repex	-	-	(1,668)	-	(1,668)
(25,544)	Write-offs	(619)	(25,459)	-	-	(26,078)
(4,046)	Sales	-	(4,453)	-	-	(4,453)
240,606	Balance 31-December-2012	177,699	77,535	15,175	23	270,432
	Accumulated depreciations					
890,407	Balance 01-January-2012	498,915	415,558	-	-	914,473
67,269	Reinforcements	30,485	38,800	-	-	69,285
(83,140)	Transfers and write-offs	14,235	(42,481)	-	-	(28,246)
(723,985)	IFRIC 12 application	(435,566)	(343,668)	-	-	(779,234)
-	Impairment	-	(178)	-	-	(178)
(4,016)	Sales	-	(4,350)	-	-	(4,350)
146,536	Saldo em 31-dez-2012	108,069	63,682	-	-	171,751
	Net value					
933,354	Balance 01-January-2012	583,829	198,484	155,579	882	938,774
94,070	Balance 31-December-2012	69,630	13,853	15,175	23	98,682

ANA, S.A.'s adoption of IFRIC 12 at the end of 2012 meant that tangible assets are now classified as part of the concession right (Note 7).

In 2012, investments were made in the Lisbon airport development plan and the Faro airport expansion plan. At the end of 2012, these investments were largely classified as being part of the concession right.

The tangible fixed assets acquired by the group through financial leasing contracts have the following net value at 31 December 2013:

	Cost	Depreciations	Net value
Basic equipment	2,503	1,576	926
Transport equipment	244	179	65
Administrative equipment	862	432	430
Software	72	47	25
	3,680	2,234	1,446

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 2013 period.

The capitalised amounts are as follows:

	2013	2012
Goods sold and consumable materials	1	7
Supplies and external services	29	236
Personnel costs	207	1,008
Other costs	-	-
	238	1,252

7_CONCESSION RIGHT AND OTHER INTANGIBLE ASSETS

The amounts carried in the concession right item refer to the amounts invested by ANA, S.A and ANAM, S.A., 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	Concession right: Subsidies	Concession right: Advances	Concession right: In progress	Concession right: 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	-
(14,191)	(7,243)	Transfers	102,631	(2,147)	(3,149)	(125,162)	(23,534)	(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	18,643
		Accumulated depreciations						
695,138	19,015	Balance 01-January-2013	971,121	144,576	-	-	826,546	19,745
37,736	2,973	Reinforcements	46,245	4,454	-	-	41,791	2,974
(11,113)	(5,129)	Transfers	(18,619)	(1,801)	-	-	(16,819)	(5,129)
(91)	-	Write-offs	(91)	-	-	-	(91)	-
721,671	16,859	Balance 31-December-2013	998,656	147,229	-	-	851,427	17,590
		Net value						
1,959,124	6,139	Balance 01-January-2013	2,198,337	199,326	4,241	136,834	2,140,087	6,140
1,954,984	1,052	Balance 31-December-2013	2,273,365	195,012	1,181	48,792	2,128,326	1,052

Note: Increases include 2,376 thousand euros relative to assets reframing. Transfers include reclassifications between concession rights and fixed tangible assets.

ANA, S.A.			ANA Group					
Concession right	Other intangible assets		Concession right					Other intangible assets
			Assets	Subsidies	Advances	In progress	Net value	
		Gross value						
-	20,307	Balance 01-January-2012	587,853	276,420	-	801	312,234	21,056
-	6	Increases	-	339	-	485	146	6
-	4,929	Transfers	757	-	-	(767)	(10)	4,929
-	(88)	Write-offs	-	-	-	-	-	(106)
-	-	IFRIC 12 application	-	-	-	-	-	-
1,220,634	-	Increases	1,200,000	-	-	20,634	1,220,634	-
1,433,629	-	Transfer to Concession right	1,380,849	67,143	4,241	115,681	1,433,629	-
2,654,263	25,154	Balance 31-December-2012	3,169,459	343,902	4,241	136,834	2,966,632	25,885
		Accumulated depreciations						
-	12,436	Balance 01-January-2012	235,653	108,636	-	-	127,017	13,177
-	4,254	Reinforcements	8,398	3,998	-	-	4,400	4,262
-	2,413	Transfers	(10)	-	-	-	(10)	2,413
-	(88)	Write-offs	-	-	-	-	-	(106)
-	-	IFRIC 12 application	-	-	-	-	-	-
3,038	-	Reinforcements	3,095	56	-	-	3,038	-
692,100	-	Transfer to Concession right	723,985	31,885	-	-	692,100	-
695,138	19,015	Balance 31-December-2012	971,121	144,576	-	-	826,546	19,745
		Net value						
-	7,871	Balance 01-January-2012	352,200	167,784	-	801	185,216	7,880
1,959,124	6,139	Balance 31-December-2012	2,198,337	199,326	4,241	136,834	2,140,087	6,140

One major investment made by the group in 2013 involved the Lisbon airport expansion plan and the construction contract for the north busgate - terminal enlargement.

Investments that came into service in 2013 include the north busgate – enlargement of the baggage terminal and the baggage conveyor system in Lisbon.

The amortisations for the period were calculated using the straight line method over the concession term, for both assets and subsidies.

8_GOODWILL

The goodwill can be summarised in the following manner:

	2013	2012
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.

	2013
Equity of Portway, S.A. as of 1 Janeiro 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 2013 to 2017.

From then until 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 11.29%.

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

The liquidation of NAER, S.A. was approved by Unanimous Written Consent on 20 December 2012, effective as from 15 October 2012, and the corresponding registration of the liquidation was made on 21 December 2012.

In 2013, ANA, S.A. acquired 30% of the share capital in ANAM, S.A., previously held by the Autonomous Region of Madeira (20%) and the Portuguese state (10%).

	Head office	% Held	Share Capital
ANAM - Aerop.Nav.Aérea da Madeira, S.A.	Funchal	100	90,000
Portway - Handling de Portugal, S.A.	Lisboa	100	17,000

In addition to the shareholder change in 2013, the sole shareholder also decided to increase ANAM, S.A.'s share capital (harmonious operation). Of the subscribed capital of 90,000 thousand euros, 50,000 thousand euros is still to be raised.

Investments in subsidiaries break down in the following way:

	ANA, S.A.	
	2013	2012
Subsidiaries		
ANAM - Aerop. Nav. Aérea da Madeira, S.A.	116,886	76,886
Portway - Handling de Portugal, S.A.	18,274	18,274
	135,160	95,160

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

	ANAM, S.A.	Portway, S.A.	Naer, S.A.	Total
1 January 2012	76,886	18,274	-	95,160
NAER - Impairment reversal	-	-	36,052	36,052
NAER - Sale	-	-	9,942	9,942
NAER - Liquidation	-	-	(45,994)	(45,994)
31 December 2012	76,886	18,274	-	95,160
Capital increase undertaken	40,000	-	-	40,000
31 December 2013	116,886	18,274	-	135,160

10_FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

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

2013	Credits and receivables	Assets available for sale	Ativos a justo valor por via de resultados	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
Supplies and other payables	-	-	-	-	33,597	-	33,597
Other liabilities	-	-	-	-	-	192,940	192,940
	-	-	-	2,903	1,779,792	192,940	1,975,635

2012	Credits and receivables	Assets available for sale	Ativos a justo valor por via de resultados	Cover liabilities at fair value	Other financial liabilities	Non financial assets/ liabilities	Total
Assets							
Financial investments	-	777	108	-	-	-	885
Customers and other receivables	55,226	-	-	-	-	-	55,226
Other assets	-	-	-	-	-	13,112	13,112
Cash and cash equivalents	95,699	-	-	-	-	-	95,699
	150,925	777	108	-	-	13,112	164,922
Liabilities							
Loans obtained	-	-	-	-	672,796	-	672,796
Derivative instruments	-	-	-	4,217	-	-	4,217
Supplies and other payables	-	-	-	-	1,242,646	-	1,242,646
Other liabilities	-	-	-	-	-	113,697	113,697
	-	-	-	4,217	1,915,443	113,697	2,033,357

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

2013	Level 1	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

2012	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value via results	108	-	-	108
Financial assets available for sale (1)	-	-	777	777
	108	-	777	885
Financial liabilities				
Covering Financial liabilities	-	(4,217)	-	(4,217)
	-	(4,217)	-	(4,217)

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

11_FINANCIAL INVESTMENTS

	2013	2012
Assets available for sale		
Capital shares - Futuro	587	777
Financial assets at fair value via results		
Others - Reserve fund	-	108
	587	885

FUTURO

The assets available for sale relate to ANA, S.A.'s 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 freed cash flow to be 0.5% up to maturity, adjusted to the opportunity cost of the capital (8.6%).

	Futuro
Balance as of 1 January 2012	363
Variation in fair value	414
Balance as of 31 December 2012	777
Variation in fair value	(191)
Balance as of 31 December 2013	587

The fair value sensitivity analysis, with growth rates varying between plus 0.1 basis points and minus 0.1 basis points and the cost of capital varying between plus 1 basis point and minus 1 basis point, resulted in the following:

	Futuro	Rate of growth 0.4%	Rate of growth 0.6%
Cost of Capital	7.6%	634	648
	9.6%	540	548

RESERVE FUND

Financial assets at fair value, via results, only concern the Reserve Fund. The Reserve Fund corresponds to the overfunding existing in the Pension Fund – ANA Complementos, on the date the defined benefits plan was converted into a defined contribution plan.

The value of the Reserve Fund has been used to meet the contributions to the defined contributions plan, as described in chapter I, article 6, of the contract that constituted the Pension Fund – ANA Complementos, published in the official journal DR-III Series, on 25 March 2004.

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

	Reserve fund
Balance as of 1 January 2012	97
Variation in fair value	11
Balance as of 31 December 2012	108
Variation in fair value	(108)
Balance as of 31 December 2013	-

In addition to the aforesaid investments, it is also necessary to consider the stake in EUROAIR (ex-LAR) with a net accounting value of zero. It went bankrupt in 1993, and is still in the phase of reclaiming credits. The cost value of the stake is 19 thousand euros.

12_RECEIVABLES AND OTHERS – NON-CURRENT

ANA, S.A.			ANA Group	
2013	2012		2013	2012
1,139	1,139	Subsidies receivable	1,139	1,139
7	8	Guarantees to third parties	8	11
2,651	–	Advanced payments	2,651	–
3,796	1,147		3,797	1,150

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

13_ASSETS AND LIABILITIES FOR DEFERRED TAXES

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

	2013	2012
ANA - (with reversal in 2013)	-	31.18%
ANA - (with reversal after 2013)	29.25%	28.89%
ANAM - (with reversal in 2013)	-	27.35%
ANAM - (with reversal after 2013)	26.77%	26.80%
ANAM - (recoverable tax losses)	23.00%	25.00%
PORTWAY	28.62%	28.62%

For 2013, the rates used for calculating deferred tax took into account the new corporate income tax rate that comes into effect in 2014.

For 2012, the tax rates were determined on the basis of the estimated reversal period, given that the provisional wording of the article on the state surcharge was only applicable to 2012 and 2013, as per no. 4 of article 116 of the corporate tax code.

The accumulated tax losses attributable to ANAM, S.A. that did not lead to the recognition of any active deferred tax were as follows:

Year	Recoverable until	Reportable tax losses as of 31 December 2012	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
		26,989	(4,932)	(3,234)	18,824	8,162

Year	Recoverable until	Reportable tax losses as of 31 December 2011	Year movements		Reportable tax losses as of 31 December 2012	Taxes losses not recognized in DT in 2012
			Use in the period	Expiry of use		
2006	2012	10,151	(5,284)	(4,867)	-	-
2007	2013	8,166	-	-	8,166	3,234
2008	2014	10,265	-	-	10,265	4,014
2009	2015	8,559	-	-	8,559	4,148
		37,141	(5,284)	(4,867)	26,989	11,396

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

	ANA Group								
	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	1,245	29.25%	(77)	96	-	-	4,322	1,264
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	(423)	2,903	849
Contractual responsibilities - Concession	43,908	12,685	29.25%	158	17,225	-	-	102,797	30,068
Total ANA	57,347	16,659		108	17,360	7	(423)	115,250	33,711
Tangible assets	24	7	26.77%	-	-	-	-	24	7
Tangible assets	24	7	27.35%	-	(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)	(1,134)	-	-	10,662	2,452
Contractual responsibilities - Concession	20,409	5,470	26.77%	(6)	1,089	-	-	24,476	6,552
Contractual responsibilities - Concession	275	75	26.77%	(2)	(73)	-	-	-	-
Intangible assets	38	11	28.62%	-	(2)	-	-	31	9
Total subsidiaries	39,307	10,272		(337)	(883)	-	-	35,314	9,052
	96,654	26,931		(229)	16,476	7	(423)	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)	-	-	0	0
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	14,184	4,200		33	(1,334)	2	17	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
	18,326	5,321		32	(1,901)	2	17	12,044	3,471

	ANA Group								
	2011							2012	
				Impact on results		Impact on equity			
	Base	Deferred tax	Rate	Rate variation	Movement	Transfers	Movement	Base	Deferred tax
Assets due to deferred taxes									
Provisions not accepted for tax purposes	8,954	2,581.55	31.18%	210	(1,541)	(5)	-	3,994	1,245
Provisions not accepted for tax purposes	-	-	28.89%	0	-	5	-	19	5
Retirement benefits	5,209	1,502	28.89%	3	-	-	-	5,209	1,505
Retirement benefits (a)	-	-	28.89%	-	(372)	-	372	-	-
Derivative instruments	2,874	829	28.89%	1	2	-	386	4,217	1,218
Contractual responsibilities - Concession	-	-	28.89%	-	12,685	-	-	43,908	12,685
Total ANA	17,038	4,912		214	10,774	-	758	57,347	16,658
Tangible assets	601	150	27.25%	1	-	(144)	-	24	7
Tangible assets	-	-	26.80%	0	(6)	12	-	24	7
Provisions not accepted for tax purposes	-	-	27.35%	-	805	-	-	2,943	805
Recoverable tax losses	-	-	25.00%	-	3,898	-	-	15,594	3,898
Contractual responsibilities - Concession	18,585	4,646	26.80%	367	525	(69)	-	20,409	5,470
Contractual responsibilities - Concession	-	-	27.35%	6	-	69	-	275	75
Intangible assets	60,373	15,999	26.50%	-	(15,989)	-	(2)	32	9
Intangible assets	-	-	28.62%	1	2	-	-	6	2
Total subsidiaries	79,559	20,795		376	(10,765)	(132)	(2)	39,307	10,272
	96,597	25,707		590	9	(132)	756	96,654	26,931
Liabilities due to deferred taxes									
Re-evaluations of fixed assets	4,779	1,378	28.89%	3	(46)	-	-	4,620	1,335
Retirement benefits	391	113	28.89%	0	(95)	-	-	62	18
Financial assets	374	108	*31.18%*	2	3	(80)	-	108	34
Financial assets	-	-	*28.89%*	-	-	80	120	691	199
Transition tax	13,053	3,763	*31.18%*	204	(1,357)	(1,254)	-	4,351	1,357
Transition tax	-	-	28.89%	3	-	1,254	-	4,351	1,257
Total ANA	18,597	5,362		212	(1,494)	-	120	14,184	4,200
Subsidies	8,989	2,382	26.50%	-	(2,382)	-	-	-	-
Intangible assets - Concession right	6,741	1,685	26.80%	37	-	(1,167)	-	2,071	555
Intangible assets - Concession right	-	-	*27.35%*	49	(518)	1,036	-	2,071	566
Total subsidiaries	15,729	4,067		86	(2,900)	(132)	-	4,142	1,121
	34,326	9,429		298	(4,394)	(132)	120	18,326	5,321

(a) - IAS 19R restatement impact

14_INVENTORIES

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
84	96	Goods	639	98
87	95	Raw, subsidiary and consumable materials	390	408
171	191		1,029	505
-	-	Losses due to impairment of consumable materials	-	-
171	191		1,029	505

The stored inventories essentially consist of fuels, substitute/spare parts and other materials related to the buildings/equipment used in the group's activities.

15_RECEIVABLES AND OTHERS – CURRENT

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
41,544	37,746	Customers	51,939	49,120
153	1,373	VAT receivable	1,351	2,195
9,699	12,485	Miscellaneous debtors and other receivables	11,107	13,666
6,336	9,318	Accrued earnings	6,866	10,047
1	284	Subsidies receivable	1	880
2,348	1,916	Advanced payments	3,326	3,065
60,080	63,122		74,590	78,973
(7,667)	(5,419)	Losses due to impairment of customers debts	(11,359)	(8,838)
(2,998)	(2,953)	Losses due to impairment of third party debts	(2,992)	(2,947)
(10,665)	(8,372)		(14,351)	(11,785)
49,415	54,750		60,238	67,188

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

The heading of Accrued Earnings includes, amongst others, the sums concerning security taxes to be received from INAC, I.P. The balance at the end of 2013 amounts to 4.8 million euros for the group, of which 4.2 million euros correspond to ANA, S.A. In 2012, this situation was expressed as follows: 8.8 million euros for the group, of which 8 million euros were for ANA, SA.

The amounts in question include income related to the security fee for the last quarter of 2013 collected by INAC, I.P and not yet transferred to the group.

Under Debtors and other receivables, approximately 3.1 million euros (2.9 million euros refers to ANA, S.A.) related to the group's security fees are included. This amount is related to the fact that INAC, I.P., under the terms of article 3(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 amounts 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 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 as it concerns subsequent periods.

The aging of receivables in the group is as follows:

2013	Outstanding	Arrears without Impairment			In impairment
		0 - 6 months	6 - 12 months	> 12 months	
Accounts Receivable	28,161	10,844	580	996	11,359
Other debtors	2,438	783	142	4,752	2,992
Subsidies receivable	1	-	-	-	-
Guarantees to third parties	8	-	-	-	-

2012	Outstanding	Mora s/Imparidade			In impairment
		0 - 6 months	6 - 12 months	> 12 months	
Accounts Receivable	31,355	7,858	158	911	8,838
Other debtors	1,509	3,125	0	6,086	2,947
Subsidies receivable	880	-	-	-	-
Guarantees to third parties	11	-	-	-	-

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:

	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

The increase in client debt impairment losses is largely the result of the difficulty in obtaining payment from two clients in the car rental business. During 2013, one of these clients left the premises following a breach of contract.

	2012			
	Opening Balance	Increase	Reversal	Closing Balance
Losses due to impairment of customers' debts				
ANA, S.A.	5,216	203	-	5,419
Remaining values of the Group and consolidation adjustments	3,828	37	445	3,419
	9,043	240	445	8,838
Losses due to impairment of other third party debts				
ANA, S.A.	6,484	-	3,531	2,953
Remaining values of the Group and consolidation adjustments	(6)	-	-	(6)
	6,478	-	3,531	2,947
Losses due to impairment of inventories				
Consumable materials	-	-	-	-
Losses due to impairment of financial investments				
Financial assets at fair value	19	-	-	19
	15,540	240	3,977	11,804

The 2012 decrease in the impairment of other third party debts results from the commercial agreement reached with the entity in the meantime.

17_OBLIGATIONS ON ACCOUNT OF RETIREMENT BENEFITS

These obligations only concern ANA, S.A. as mentioned in note 2.17. The Complementary Pension Fund has 2 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:

	2013	2012
Mortality table	TV(88/90)	TV(88/90)
Technical rate	3.50%	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:

	2013	2012	2011	2010	2009
Fund patrimony	4,418	4,510	4,192	4,564	4,846
Responsibilities undertaken	4,106	4,448	3,801	4,031	4,421
(Insufficiency)/Surplus	312	62	391	532	425

After carrying out a sensitivity analysis for the sums as of 31 December 2013, varying the technical rate by +25 b.p. and -25 b.p., the actuarial results are as follows:

Technical rate	3.25%	3.75%
Fund patrimony	4,277	4,579
Responsibilities undertaken	4,187	4,028
(Insufficiency)/Surplus	90	552

The fund's patrimony demonstrated the following average proportions by financial asset class:

	2013	2012
Shares	17.59%	12.11%
Bonds	72.55%	51.97%
Real estate	15.73%	18.27%
Other funds	0.24%	1.94%
Liquidity	4.21%	16.97%
Others	-10.32%	-1.26%
	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:

	2013	2012
Initial balance	4,510	4,192
Pensions paid	(249)	(916)
Contributions	-	940
Fund revenue	156	294
Final balance	4,418	4,510

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

	2013	2012
Opening balance	4,448	3,801
Current services expenses	-	-
Net interest (1)	149	181
Remeasurements - financial assumptions	(242)	694
Remeasurements - adjusting experience	-	688
Paid benefits	(249)	(916)
Final balance	4,106	4,448

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

The movements recorded in the group's financial statements pertaining to the Defined Benefits Plan resulting from amendments to IAS 19 (revised), were as follows:

	After IAS 19 (restated)	
	01 jan. 2012	31 dec. 2012
Liabilities at the beginning of the period	532	391
Interest expenses	(192)	(181)
Expected assets revenue	219	200
Net interest	26	20
Current service cost	-	-
Net result impact in liabilities	26	20
Return on assets (excluding share on net interest)	(337)	94
Gains / (losses) financial assumption variation	(43)	(694)
Gains / (losses) experience adjustments	212	(688)
Comprehensive income impact in liabilities	(168)	(1,289)
Contributions	-	940
Liabilities at the end of the period	391	62
Comprehensive income impact in liabilities	391	62
Tax rate	28.83%	28.89%
Income tax	48	372
Net impact of comprehensive income reclassification	(119)	(916)

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

	Income Statement	Comprehensive Income Statement	Statement of Financial Position
Balance as of 1 January 2012			391
Cost of the year 2012			
Net interest	20		
	20		
Contributions			940
Remeasurements			
Return on assets		94	
Gains / (losses) financial assumption variation		(694)	
Gains / (losses) experience adjustments		(688)	
		(1,289)	
Balance as of 31 December 2012			62
Cost of the year 2013			
Net interest	2		
	2		
Remeasurements			
Return on assets		5	
Gains / (losses) financial assumption variation		242	
		247	
Balance as of 31 December 2013			312

The surplus in the benefits plan as at 31 December 2013 was recognised as an asset, given that it will be recovered through future compensatory contributions made by the group.

In 2012, ANA, S.A. delivered 940 thousand euros for the financing of liabilities related to future payments of pensions.

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 2013 rose to 1,509 thousand euros (1,288 thousand euros in 2012).

18_CURRENT TAX

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
		Assets		
-	9,382	Tax provision	(636)	9,945
-	-	Recoverable income tax	456	-
20	-	Withholding taxes by third parties	796	-
-	-	Payments on account	209	-
20	9,382	Recoverable income tax	825	9,945
		Liabilities		
26,220	-	Tax provision	28,579	1,504
(5,566)	-	Withholding taxes by third parties	(5,600)	(25)
(14,577)	-	Payments on account	(15,878)	(171)
6,077	-	Payable income tax	7,101	1,308

The group's corporate tax rebate from 2012 (456 thousand euros) has not yet been repaid by the tax services.

During the 2013 financial year, ANA, S.A. benefited from tax incentives for Research & Development activities (SIFIDE). This benefit translated into a tax deduction of the sum of 41 thousand euros (presented in the tax return form 22 for 2012), derived from a total eligible R & D expenditure of 282 thousand euros.

With regard to fiscal incentives for Research & Development activities (SIFIDE), the tax estimate for the year considered a deduction of 20 thousand euros which encompassed Research & Development expenditure to the amount of 131 thousand euros.

19_CASH AND CASH EQUIVALENTS

Cash and cash equivalents were as follows, at 31 December 2013 and 2012:

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
		Cash		
19	25	Cash	55	58
		Cash equivalents		
13,074	30,614	Bank deposits - account	28,723	41,882
18,500	29,500	Bank deposits - fixed deposits	18,500	53,759
31,574	60,114		47,223	95,641
31,593	60,139		47,278	95,699

The reduction in cash and cash equivalents is due to the payment of dividends, in the amount of 30 million euros, and the repayment of loans.

At 31 December 2013, the cash and cash equivalents balance on the statement of financial position is equal to that on the cash flow statement.

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 31 December 2012, ANA, S.A. share capital was owned by the following entities:

- Parpública 27,422,096 shares
- Portuguese State 12,577,904 shares

On 4 January 2013, the share capital of ANA, S.A. was fully held by Parpública – Participações Públicas, SGPS, S.A., following the transfer of all the financial holdings of the other shareholder, the Directorate-General of the Treasury and Finances.

On 17 September 2013, the state holding company Parpública – Participações Públicas, SGPS, S.A., owner of 100% of the share capital in ANA, S.A., sold 95% of the shares representing the share capital of ANA, S.A. to Vinci Concessions Portugal, SGPS, S.A. The remaining 5% was set aside for employees and former employees of ANA, S.A. or of its direct or indirect holdings, in accordance with the terms established through Council of Ministers Resolution no. 60/2013 as well as in the informational document "Public Offering".

At 31 December 2013, ANA, S.A. was 99.98% owned by Vinci Concessions Portugal, SGPS, S. A., and 0.02% owned by employees and former employees of the group.

21_RESERVES

Reserves showed the following movements in the group:

ANA Group	Not distributable			Distributable	Total
	Legal	Others	Total	Free	
Balance as of 1 January 2012	14,668	3,693	18,361	120,831	139,192
Appropriation of results	1,462	-	1,462	-	1,462
Change in fair value of financial assets and liabilities	-	(655)	(655)	-	(655)
Balance as of 31 December 2012	16,130	3,038	19,168	120,831	139,999
Balance as of 1 January 2013	16,130	3,038	19,168	120,831	139,999
Appropriation of results	3,106	-	3,106	25,445	28,551
Aquisition of minority 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	3,932	28,343	146,276	174,619

Legal Reserves include those related to Investments – public domain assets (ANAM, S.A.) – 2,210 thousand euros and those resulting from the application of the Results of ANA, S.A and Portway, S.A..

The changes seen in legal reserves arise from the distribution of the 2012 profits, approved in ANA, S.A.'s General Meeting held on 31 May 2013, in the amount of 2,918 thousand euros and 188 thousand euros from Portway, S.A., as per the General Meeting decision on 20 March 2013, and 5,176 thousand euros resulting from the acquisition of 30% of ANAM, S.A..

22_CONCILIATION BETWEEN INDIVIDUAL EQUITY AND CONSOLIDATED EQUITY

2013		Equity before net profit for the year	Acquisition of minority 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		(68,688)	4,191	7,344	(57,154)
		374,126	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

2012		Equity before net profit for the year (restated)	NAER, S.A. liquidation	Net profit (restated)	Equity after net profit for the year
ANA, S.A.		411,846	-	59,279	471,125
Pre-consolidation adjustments	*a)*	(118)	-	708	591
Consolidation adjustments	*b)*	14,327	-	(14,297)	30
Impact of Subsidiaries and Associates		(62,406)	(14,531)	8,249	(68,688)
		363,649	(14,531)	53,940	403,058

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:

2013	Equity before net profit for the year	Net profit *	Acquisition of minority interests	Equity after net profit for the year
ANAM, S.A.	(67,108)	1,756	4,191	(61,162)
Portway, S.A.	(1,580)	5,588	0	4,008
	(68,688)	7,344	4,191	(57,154)

* Before intra-group transactions

2012	Equity before net profit for the year	Net profit *	NAER, S.A. liquidation	Equity after net profit for the year
ANAM, S.A.	(71,769)	4,660	-	(67,108)
Portway, S.A.	(5,327)	3,747	-	(1,580)
NAER, S.A.	45,081	(158)	(44,923)	-
	(32,015)	8,249	(44,923)	(68,688)

* Before intra-group transactions

23_LOANS

ANA, S.A. 2013	ANA, S.A. 2012	Non-current loans	ANA Group 2013	ANA Group 2012
1,606,668	350,236	Banking loans	1,666,523	546,233
-	10,000	ANAM, S.A. loans	-	-
-	(119)	Loans financial costs	-	(330)
491	848	Suppliers - leasing	871	1,763
1,607,159	360,965		1,667,394	547,665

ANA, S.A. 2013	ANA, S.A. 2012	Current loans	ANA Group 2013	ANA Group 2012
24,054	120,490	Banking loans	77,795	124,231
-	-	Overdraft	-	-
-	10,000	ANAM, S.A. loans	-	-
9,500	5,500	PORTWAY, S.A. loans	-	-
-	(143)	Loans financial costs	(41)	(282)
512	568	Suppliers - leasing	1,047	1,182
34,066	136,415		78,801	125,131

Bank loans have the following composition:

Contract	Interest rate	Amount owed Non-current 2013	Amount owed Non-current 2012	Amount owed Current 2013	Amount owed Current 2012	Fair Value 2013	Fair Value 2012
EIB 97/98							
A+B	Fixed	8,034	10,676	2,642	2,625	9,602	12,132
	Floating	1,496	1,995	499	499	1,995	2,494
C+D	Fixed	15,118	18,696	3,578	3,500	16,714	20,169
	Floating	4,157	5,196	1,039	1,039	5,196	6,235
E+F	Fixed	7,482	8,729	1,247	1,247	6,993	8,238
	Floating	7,482	8,729	1,247	1,247	8,729	9,976
EIB 02	Fixed	53,216	14,965	5,061	1,083	42,934	13,486
	Floating	15,625	60,500	1,563	5,500	16,124	64,736
EIB 02	Floating	22,500	24,375	1,875	1,875	24,375	26,250
	Revisable fixed	22,500	24,375	1,875	1,875	20,061	26,323
EIB 09	Floating	37,143	40,000	1,905	-	39,048	40,000
	Revisable fixed	29,714	32,000	1,524	-	29,790	29,975
Bonds	Floating	0	100,000	-	-	-	100,000
Bonds	Fixed	-	-	-	100,000	-	95,354
Bonds 2013/2018	Floating	100,000	-	-	-	100,000	-
Bonds 2013/2018	Floating	782,200	-	-	-	782,200	-
Credit Line	Floating	500,000	-	-	-	500,000	-
Total ANA, S.A.		1,606,668	350,236	24,054	120,490	1,603,761	455,367
EIB 98/2000 - 2.	Floating	59,856	63,597	3,741	3,741	59,856	67,338
Bonds	Fixed	-	50,000	50,000	-	51,037	51,178
Remaining values of the Group		59,856	195,997	53,741	3,741	200,915	200,915
Total		1,666,523	546,233	77,795	124,231	1,804,676	656,282

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 the interest at the end of the period, corresponding to level 2 of the fair value hierarchy. In the case of the revisable fixed rate loans, it has been assumed that they will switch to a floating rate during the next period when interest rates are revised.

During 2013, the group repaid the capital of loans contracted with the EIB, in the total amount of 25.9 million euros, of which 22.2 million euros concerned ANA, S.A. and 3.7 million euros ANAM, S.A..

Also of note was the repayment, at maturity, in the second half of 2013, of the bond loan taken out with Banco BPI, in the amount of 100 million euros. A 100 million euros bond loan from Millennium BCP was also repaid, before maturity.

ANAM, S.A. also made early repayments of the loans it had taken out with ABN Bank, in the amount of 35 million euros, and with BGB – Gesellschaft, in the amount of 47.4 million euros.

As part of the concession contract, and the sum thereby owed to the Portuguese state, ANA, S.A. took out a floating rate loan of 800 million euros. The term of the loan contract coincided with the date on which VINCI Concessions Portugal, SGPS,S.A. acquired the shares of ANA, S.A. The loan was repaid in the same reporting period, in September 2013.

New loans totalling 1,382.2 million euros were contracted with VINCI AIRPORTS INTERNATIONAL. These represent around 85% of ANA, S.A.'s total debt and 79% of group debt.

During the year, and within the group perimeter, ANA, S.A. also fully repaid the loan of 20 million euros that it had taken out with ANAM, S.A. In September, ANA, S.A, borrowed 4 million euros from Portway, S.A..

Also noteworthy is the fact that the rates for various loan tranches contracted with the EIB were set throughout the year, thereby decreasing the share of revisable fixed rate loans and increasing the weight of fixed rate debt.

The conditions for existing loans are as follows:

2013	First repayment	Last repayment	Interest rate	Interest payment period	Average interest rate (%) (1)
ANA, S.A. Loans					
EIB 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%
EIB 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%
EIB 02	15-09-2011	15-09-2026	Floating	Tranche C1 - Quarterly	1.44%
			Revisable fixed	Tranche C2 - Quarterly	4.74%
EIB 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					
EIB 98/2000 - 2.	15-03-2011	15-03-2020	Floating	Quarterly	0.54%
Bonds	29-07-2014	29-07-2014	Fixed	Annual	5.34%

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

The loans contracted by the ANA Group with EIB are object of guarantees, contracted by ANA, S.A. within commercial banks (177,814 thousand euros) and the Portuguese state (70,708 thousand euros), with the EIB as beneficiary.

2012	First repayment	Last repayment	Interest rate	Interest payment period	Average interest rate (%) (1)
ANA, S.A. Loans					
EIB 97/98					
A+B	15-09-2003	15-09-2017	Fixed	Tranche A - Quarterly	2.87%
			Fixed	Tranches B - Annual	4.00%
			Floating	Quarterly	1.00%
C+D	15-06-2007	15-06-2018	Fixed	Tranches C - Annual	3,25% e 3,26%
			Fixed	Tranches D - Annual	3,65% e 3,66%
			Floating	Tranche D3 - Quarterly	1.30%
E+F	15-12-2009	15-12-2020	Fixed	Annual	5.20%
			Floating	Quarterly	0.88%
EIB 02	15-09-2009	15-09-2024	Fixed	Tranche B2 - Annual	4.56%
			Revisable fixed	Tranche B1 - Quarterly	4.68%
			Fixed Revisivel	Tranches A - Annual	2,53% e 3,88%
EIB 02	15-09-2011	15-09-2026	Floating	Tranche C1 - Quarterly	1.99%
			Fixed Revisivel	Tranche C2 - Quarterly	4.74%
EIB 09	15-12-2013	15-06-2034	Floating	Semiannual	2.14%
			Fixed Revisivel	Semiannual	4.33%
Bonds	11-12-2016	11-12-2016	Floating	Semiannual	1.35%
Bonds	28-08-2013	28-08-2013	Fixed	Annual	4.05%
ANAM, S.A. Loans					
EIB 98/2000 - 2.	15-03-2011	15-03-2020	Floating	Quarterly	1.10%
ABN Bank	26-07-2016	26-07-2016	Floating	Semiannual	1.36%
BGB-Gesellschaft	24-04-2017	24-04-2017	Floating	Semiannual	1.35%
Bonds	29-07-2014	29-07-2014	Fixed	Annual	5.34%

(1) The Average Interest rate includes the costs of bank guarantees

The ANA Group has securities (ANAM, S.A. bond loan), listed on the Luxembourg stock market.

GENERAL COVENANTS OF ANA GROUP LOANS

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

Company	Financing Contracts	Contratual debt	Current debt	Covenant	Limit	Covenant as of 31 Dec. 2013
ANA, S.A.	EIB Financing Contracts	377,169	248,522	Guaranteed by the Portuguese State	100%	100.0%
				Borrower shareholder control (Portuguese State)	> 50%	0.0%
ANAM, S.A.	EIB Financing Contracts	74,820	63,597	Guaranteed by the Portuguese State	100%	100%
	Bonds	50,000	50,000	Borrower shareholder control (ANA, S.A.)	100%	0.0%

The abovementioned loans contracts have associated covenants relating to maintaining, directly or indirectly, the shareholder structures of the companies in the ANA Group, within the sphere of influence of the Portuguese state.

In September 2013, with the completion of the privatisation of the ANA Group and the sale of the Portuguese state's financial holding (via Parpública, SGPS, S.A) to the Vinci Group, steps were taken, with the counterparts involved, to rewrite these contractual clauses so as to reflect the new shareholder structure.

At 31 December 2013, the ANA Group was negotiating, primarily with the EIB, the revision of the conditions in the existing contracts.

No notice of non-compliance with the covenants or demand to call in the loans has been received.

LINES OF CREDIT

The group has loan facilities agreed with its shareholder.

FINANCIAL LEASING CONTRACTS

The conditions of financial leasing contracts as at 31 December 2013, are as follows:

First Instalment	Last Instalment	Interest rate	Periodicity
Leasing - ANA, S.A.			
2008	2015	Floating	Monthly
2010	2014	Fixed	Quarterly
2011	2015	Fixed	Quarterly
2012	2016	Fixed	Quarterly
2013	2017	Fixed	Quarterly
Leasing - Remaining values of the Group			
2009	2013	Floating	Monthly
2010	2014	Floating	Monthly
2011	2015	Floating	Monthly

The following table details the responsibilities assumed under financial leases by term:

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
		Property acquired through leasing		
-	-	Basic equipment	882	1,450
51	70	Transport equipment	84	150
952	1,345	Administrative equipment	952	1,345
		Future minimum payments		
564	639	Up 1 year	1,130	1,299
520	906	From 1 year to 5 years	908	1,859
		Interest		
52	71	Up 1 year	83	117
29	58	From 1 year to 5 years	37	96
		Present value of minimum payments		
512	568	Up 1 year	1,047	1,182
491	848	From 1 year to 5 years	871	1,763

24_DERIVATIVE FINANCIAL INSTRUMENTS

	2013		2012	
	Notional	Fair Value	Notional	Fair Value
Designated as cash flow coverage				
Interest rate swap	30,000	(2,903)	30,000	(4,217)
Total derivatives	30,000	(2,903)	30,000	(4,217)

At 31 December 2013 the ANA Group had contracted a derivative financial instrument with a notional amount of 30 million euros on the interest rate (interest rate swap).

This derivative was designated in a cash flow coverage report. The group's 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 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 loan 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 loan 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 2012	Impact in net results		Impact in equity	Fair Value 2013
		Interest Paid	Interest costs		
Coverage	(4,217)	872	(1,004)	1,447	(2,903)

	Fair Value 2012	Impact in net results		Impact in equity	Fair Value 2013
		Interest Paid	Interest costs		
Coverage	(2,874)	774	(782)	(1,335)	(4,217)

25_PROVISIONS

The provision constituted in 2009 sought to cover the responsibilities that ANA, S.A. could assume with regard to processes underway with the tax authority.

This provision was reversed in 2013, through exceptional arrangements for the repayment of tax debts, approved by Decree-Law no. 151-A/2013, of 31 October.

26_PAYABLES AND OTHER LIABILITIES – NON-CURRENT

ANA, S.A.			ANA Group	
2013	2012		2013	2012
3,204	3,605	Deferred earnings	3,204	3,605
2,331	3,105	Investment subsidies	2,433	3,154
72,327	35,734	Contractual responsibilities	84,929	52,162
2,826	3,087	Guarantees provided by third parties	3,194	3,305
80,689	45,532		93,760	62,226

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 1,500 thousand euros), required depending on the assessed level of risk and guarantees provided by investment suppliers (around 1,273 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	
2013	2012		2013	2012
12,026	21,716	Suppliers	12,438	24,116
13,339	9,124	Investment suppliers	13,331	9,466
-	-	State and other public entities	-	-
856	719	Tax withheld from third parties	1,335	1,078
1,006	987	Social expenses	2,087	1,994
-	-	Other taxes	291	2
-	-	Creditors - shares subscribed	-	-
2,139	1,201,889	Other creditors	3,824	1,202,686
-	-	Accrued costs	-	-
7,284	7,678	Personnel costs	12,435	16,320
24,602	2,836	Interest payable	25,679	3,871
14,097	5,730	External supplies and services	14,754	6,229
18,927	6,506	Contractual responsibilities	27,313	8,779
11,558	11,791	Other accrued costs	13,639	13,835
5,346	4,604	Deferred earnings (advanced receivements)	5,177	5,039
235	207	Investment subsidies	474	704
111,415	1,273,786		132,777	1,294,117

The fall seen in the other creditors item is largely the result of payment of the concession fee to the Portuguese state, in the amount of 1,200 million euros.

The increase in supplier and external services cost accruals results from the early closing out of accounting operations in the 2013 financial year.

The transactions that took place under the heading of Current and non-current investment subsidies were as follows:

ANA, S.A.			ANA Group	
	74,671	Balance as of 1 january 2012		75,748
70,527		Non-current	71,580	
4,144		Current	4,168	
	(68,066)	IFRIC 12 application		(68,574)
	636	Subsidies granted in the period		636
	36	Regularisation of the financial year		36
	(3,964)	Transfers to earnings in the year		(3,989)
	3,312	Balance as of 31 December 2012		3,857
3,105		Non-current	3,154	
207		Current	704	
	(241)	Reclassification to tangible assets		(343)
	(283)	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	474	

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	
		Balance as of 1 january 2012		18,585
-		Non-current	16,013	
-		Current	2,572	
	43,908	Additions in the period		44,684
	(1,668)	Use in the period		(2,328)
	42,240	Balance as of 31 December 2012		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	

28_REVENUE

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
1,652	1,782	Sales of goods	823	907
192,668	180,208	Traffic	218,676	204,639
18,225	18,048	Handling	61,199	59,358
26,123	25,999	Occupancy	24,845	24,970
59,185	56,402	Operation	61,813	58,887
17,325	16,936	Parking facilities	17,601	17,219
4,329	2,145	Equipment	3,601	1,974
3,288	4,231	Advertising	3,467	4,560
7,276	6,820	Other commercial activities	7,240	6,825
47,722	45,685	Security charges and PRM	51,850	49,406
38,063	20,634	Construction contracts (concession)	38,427	21,119
2,378	2,313	Other earnings	6,127	5,510
418,234	381,203		495,669	455,374

The construction service income recognised for the period was 38,427 thousand euros.

The increase, compared to the previous year, is due to the fact that ANA, S.A.'s airport activities have been entered under the concession contracts since 14 December 2012. The method used to determine contract revenue for the period is the percentage completion method.

29_GOODS SOLD AND MATERIALS CONSUMED

ANA, S.A.		ANA Group		
Total	Movements	Goods	Consumable materials	Total
	2013			
191	Inventories - opening balance	98	408	505
1,858	Purchases	2,926	288	3,214
(3)	Inventory adjustments	2	1	3
171	Inventories – closing balance	639	390	1,029
1,875	Costs in the financial year	2,387	307	2,694
	2012			
214	Inventories - opening balance	66	464	530
1,978	Purchases	1,890	253	2,143
(2)	Inventory adjustments	(6)	4	(2)
191	Inventories – closing balance	98	408	505
2,000	Costs in the financial year	1,853	313	2,166

30_EXTERNAL SUPPLIES AND SERVICES

ANA, S.A.			ANA Group	
2013	2012		2013	2012
25,354	25,572	Subcontracts	17,296	16,622
15,559	15,013	Water, electricity and fuel	16,853	16,243
22,088	21,111	Surveillance and security	24,135	23,160
13,933	16,775	Repairs and maintenance	15,352	19,045
10,770	12,809	Specialised work	12,236	14,596
1,696	1,635	Insurance	2,338	2,286
6,221	5,969	Cleaning	7,209	6,980
628	824	Travel	930	1,184
1,706	1,615	Rental costs	2,433	1,922
644	1,448	Advertising	795	1,545
751	818	Communications	841	931
37,244	20,634	Construction contracts costs	37,608	21,119
56,602	43,908	Contractual liabilities	59,966	44,790
2,361	2,296	Other external supplies and services*	2,673	2,829
195,555	170,426		200,667	173,252

* Headings under 1 million euros in 2013 in the Group

The change in supplies and external services is largely explained by the fact that ANA, S.A.'s concession contract came into effect at the end of 2012. This resulted in: i) contractual obligations to renew and repair concession infrastructures and ii) the subcontracting of third parties for the acquisition/construction of concession infrastructures.

31_PERSONNEL EXPENSES

ANA, S.A. 2013	ANA, S.A. 2012 restated		ANA Group 2013	ANA Group 2012 restated
41,052	39,264	Salaries	75,473	71,351
1,361	1,255	Pensions	1,376	1,258
9,435	8,838	Charges on remunerations	17,452	15,786
170	683	Incentives/indemnities	1,824	5,015
2,571	2,433	Other costs	8,719	12,126
54,589	52,473		104,843	105,535

* Amount of 2012 restated in accordance with revised IAS 19

The fall in the other costs item in 2013 is mainly due to the reduction in temporary employment at one of the subsidiaries.

32_OTHER INCOME

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
-	4	Operating subsidies	-	173
10	1,599	Contractual penalties	10	1,599
862	655	Gains on tangible assets	886	687
351	233	Other unspecified income	715	253
1,223	2,491		1,611	2,712

In 2012, the company applied a financial penalty on a customer, after it relinquished the licences it held at the airports of Lisbon, Faro and Porto.

33_OTHER EXPENSES

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
445	509	Taxes	475	562
15,533	10,957	Incentives	16,470	12,171
157	160	Contributions to business/Professional associations	193	194
737	796	Bank service costs	795	854
-	405	Bad Debts	-	448
318	419	Donations	338	457
1	7	Losses on inventory	1	7
-	20	Losses on tangible assets	96	84
7	575	Fines and penalties	4	774
54	6,380	Other costs	346	6,749
17,251	20,229		18,717	22,303

The incentives offered to airlines are designed to help build traffic levels, particularly through the opening up of new routes and/or frequencies and by optimising the capacity offered at the group's airports. The significant increase in these expenditures has been offset by the increase in traffic and, thus, revenue.

34_AMORTISATIONS AND DEPRECIATIONS

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
50,792	74,562	Amortisations/Depreciations in the financial year	56,901	80,986
-	-	Impairment losses	-	-
1,027	66	Write-offs of fixed assets	1,027	66
51,818	74,628		57,928	81,052

The write-offs of fixed assets item, in the amount of 1,027 thousand euros, pertains to the writing off of tangible assets during the period (see note 6).

The fall in amortisations/depreciations item for the period, results from the application of IFRS 12 to ANA, S.A. in December of last year and the extension of ANAM, S.A.'s concession term from 2053 to 2062.

35_COST OF GROSS FINANCIAL DEBT

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
(62,923)	(11,768)	Interests on bank loans	(65,888)	(15,752)
(76)	(81)	Interests on financial leasing	(124)	(160)
(2,108)	(1,735)	Commissions on guarantees	(2,108)	(1,735)
(7,750)	-	Stamp duty on bank loans	(7,750)	-
(2,100)	-	Upfront fee on the new loan	(2,100)	-
-	-	Interests from financial applications	-	862
(1,040)	(782)	Income from swaps	(1,040)	(782)
(75,998)	(14,365)		(79,010)	(17,566)

The amounts recognised for stamp duty and arrangement commissions relate, almost in their entirety, to the short-term loan of 800 million euros, mentioned above.

36_IMPAIRMENT IN FINANCIAL INVESTMENTS

In 2012, with the liquidation of NAER, S.A. the company entered the reversion of the impairment created in 2011.

By Unanimous Written Consent: i) a global transfer of NAER, S.A. patrimony to ANA, S.A., in the amount of 11.8 million euros was made; ii) the other shareholders were compensated, through the payment of the amount for the value of the assets, in proportion to their corresponding holdings of share capital, in the amount of 1.9 million euros.

37_SHARE IN THE RESULTS OF ASSOCIATES AND OTHERS

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
14	11	Dividends received (Futuro)	14	11
14	11		14	11

38_OTHER FINANCIAL RESULTS

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
		Expenses		
(3)	(8)	Interests paid	(1)	(14)
(8)	(11)	Foreign exchange losses	(11)	(18)
(2,522)	-	Financial effect of contractual liabilities	(3,314)	-
		Income		
398	233	Interest received	816	252
-	14	Foreign exchange gains	3	20
-	11	Other financial gains	-	11
(2,135)	239		(2,506)	250

39_CORPORATE INCOME TAX EXPENDITURE

ANA, S.A. 2013	ANA, S.A. 2012 restated		ANA Group 2013	ANA Group 2012 restated
26,220	20,847	Current tax	29,216	22,970
(273)	418	(Over) / Under estimation	(156)	453
(18,769)	(12,270)	Deferred tax	(18,116)	(4,694)
7,178	8,995		10,944	18,729

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

2013	ANA	PORTWAY	ANAM	Adjustment in consolidation	ANA Group
Current tax					
Tax for the year	26,220	2,359	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	19,037	7,961	3,149	(603)	29,543
Rate of taxation	31.24%	28.73%	28.77%	26.50%	
	5,946	2,287	906	(160)	8,980
Permanent differences	182	29	3	160	375
Diference in tax rate	1,147	-	1,517	-	2,663
Deduction of tax losses	-	-	(1,156)	-	(1,156)
Tax benefits - SIFIDE	(20)	-	-	-	(20)
Autonomous rate	195	45	18	-	258
(Over) / Under estimation	(273)	11	106	-	(156)
Income tax	7,178	2,373	1,393	-	10,944
Effective tax rate	37.70%	29.80%	44.24%	-	37.04%

2012	ANA - restated	PORTWAY	ANAM	NAER	Adjustment in consolidation	ANA Group restated
Current tax						
Tax for the year	21,219	1,504	618	1	-	23,342
(Over) / Under estimation	418	(2)	563	(54)	(472)	453
Deferred tax	(12,643)	(2)	(6,029)	-	13,607	(5,067)
Tax expenditure	8,995	1,500	(4,847)	(54)	13,135	18,729
Results before income tax	68,275	5,247	1,567	(212	(210	74,667
Rate of taxation	31.10%	28.62%	27.35%	26.50%	28.39%	-
	21,234	1,502	429	(56)	(60)	23,049
Permanent differences	(13,684)	(48)	4	-	13,666	(61)
Diference in tax rate	850	-	(4,544)	-	-	(3,695)
Deduction of tax losses	-	-	(1,314)	-	-	(1,314)
Tax benefits - SIFIDE	(35)	-	-	-	-	(35)
Autonomous rate	213	48	15	57	-	332
(Over) / Under estimation	418	(2)	563	(54)	(472)	453
Income tax	8,995	1,500	(4,847)	(54)	13,135	18,729
Effective tax rate	13.18%	28.59%	-309.29%	25.40%	-	25.08%

40_RESULT PER SHARE

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

ANA, S.A.			ANA Group	
2013	2012 restated		2013	2012 restated
11,859	59,279	Net profit of the period	18,600	53,940
40,000	40,000	Number of shares	40,000	40,000
		Net profit per share in euros		
0.30	1.48	Basic earnings	0.46	1.35
0.30	1.48	Diluted earnings	0.46	1.35

41_DIVIDENDS

On 31 May 2013, the General Meeting voted to distribute dividends in the amount of 30 million euros. These dividends were paid on 28 June 2013 to Parpública, SGPS, S.A.

42_COMMITMENTS UNDERTAKEN

ANA, S.A.			ANA Group	
2013	2012		2013	2012
45,010	148,118	Contracts signed and in progress	47,433	159,742

The value of the group, in 2013, includes the rental instalments falling due on operating leases for vehicles and equipment in the amount of 1,385 and 49 thousand euros, respectively.

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	
2013	2012		2013	2012
524	541	Up 1 year	583	589
719	324	Between 1 and 5 years	851	419

43_GUARANTEES PROVIDED

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
492	492	Surety insurance	492	492
3,106	3,172	Bank guarantees	4,317	4,168
3,598	3,664		4,808	4,660

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

ANA, S.A. 2013	ANA, S.A. 2012		ANA Group 2013	ANA Group 2012
2,979	3,010	Corporate Income Tax	2,979	3,010
492	492	Expropriation lawsuits	492	492
-	-	Customs licensed warehouses management	1,203	988
127	162	Others	135	169
3,598	3,664		4,808	4,660

44_CONTINGENCIES

44.1 CONTINGENT ASSETS

As mentioned in note 1.3 – Legal regulatory framework, the application of the economic regulation schedule to the ANA, S.A. and ANAM, S.A. concessions 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 2013, the first year of economic regulation, indicates that there is a negative difference, which should be recovered in future periods (2015 or later), in the amount of 4.7 million euros. The recognition period and amount will largely depend on future developments in the aviation market. At 31 December 2013, the estimated negative difference constitutes a contingent asset that cannot be entered into the accounts.

44.2 CONTINGENT LIABILITIES

Outstanding litigation underway as of 31 December 2013, which is not expected to result in responsibilities for the group, can be summed up as follows:

ANA, S.A.			ANA Group	
2013	2012		2013	2012
300	321	Labour suits	1,153	1,053
954	954	Expropriation suits	954	954
33	33	Court suit for annulment of negotiation procedures for the provision of parking lot management services	33	33
74	74	Court suit related to the contract for providing services to develop the concept and design of the new ANA, S.A. site	74	74
134	134	Compensation suit for annulment of a contract award	134	134
-	103	Administrative proceedings for damages caused by cancellation of allotment	-	103
-	-	Proceedings against ANAM, S.A. regarding the expansion project at Funchal Airport	167	167
311	266	Litigation against traffic duties application	311	266
88	72	Administrative lawsuits	88	72
589	589	Damage compensation lawsuits	589	589
468	468	Tender procedure for licensing	468	468
23	-	Litigation on handling rates	23	-
99	-	Litigation on operating charges	99	-
537	493	Other liabilities	628	542

45_BALANCES AND TRANSACTIONS WITH RELATED PARTIES

ANA – Aeroportos de Portugal, S.A. was controlled by the Portuguese state until 16 September 2013, and its share capital was 100% owned by Parpública – Participações Públicas (SGPS), S.A. Due to the nature of its business activities, a significant part of these transactions involved state sector companies and companies in the TAP group.

ANA, S.A. had no significant transactions with the shareholder as part of its operational activity.

In 2013, and as mentioned in note 1.1, ANA, S.A. became the sole shareholder of ANAM, S.A.

From 17 September 2013, it became part of the VINCI group, 99.8% owned by VINCI Concessions Portugal, SGPS, S.A.

In 2013, the related parties for each of the periods were the following:

UNTIL SEPTEMBER 2013, BEFORE PRIVATISATION

Shareholders

- Parpública – Participações Públicas, SGPS, S.A. (State holding)
- Direção-Geral do Tesouro e Finanças (Treasury and Finance Department)
- Regional Autónoma da Madeira (Autonomous Region of Madeira) (owned 20% of ANAM, S.A.'s capital)

The following Parpública, SGPS, S.A. holdings are also considered to be related parties:

- TAP – Transportes Aéreos Portugueses, S.A.
- SPDH – Serviços Portugueses de Handling, S.A.
- Megasis – Soc. Serv. Engenharia Informática, S.A.
- UCS – Cuidados Integrados de Saúde, S.A.
- Cateringpor – Catering de Portugal, S.A.
- LFP – Lojas Francas de Portugal, S.A.
- Portugália – Companhia Portuguesa de Transp. Aéreos, S.A.
- CTT - Correios de Portugal, S.A. (in 2013)

FROM SEPTEMBER 2013, AFTER PRIVATISATION

Shareholders

- VINCI CONCESSIONS PORTUGAL, SGPS, S.A.
- VINCI Aiports International, S.A. (shareholder of VINCI CONCESSIONS PORTUGAL, SGPS, S.A.)

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

- Sotécnica, S.A.
- Sotécnica Açores, Unipessoal, Lda.
- Nessie, Lda.
- Cegelec

Board of Directors:

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

ANA, S.A.			ANA Group	
2013	2012		2013	2012
592	534	Remunerations	830	781

NATURE OF THE RELATIONSHIP WITH THE RELATED PARTIES

Transactions with shareholders relate to the payment of dividends, as authorised by these same shareholders in the General Meeting, and 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 normally be contracted between independent entities engaging in comparable operations. Thus, the ANA Group provides the following services: air traffic control, fuel sales, space rental and the provision of other services. It acquires services for attracting new routes and other service provision (sub-contracts, conservation and repair, amongst others).

The 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	2013	2012
Balances			
ADA - Airports Management, Lda.	Various Debtors	-	1
Madeira Regional Government	Various Debtors	-	1,149
TAP Group - TAP	Clients	-	7,873
TAP Group - Cateringpor	Clients	-	240
TAP Group - Free shops	Clients	-	2,764
TAP Group - UCS	Clients	-	4
TAP Group - Portugália	Clients	-	251
TAP Group - Megasis	Clients	-	1
TAP Group - SPDH	Clients	-	1,185
TAP Group - TAP	Suppliers	-	23
TAP Group - Cateringpor	Suppliers	-	14
TAP Group - SPDH	Suppliers	-	77
TAP Group - Free shops	Suppliers	-	107
TAP Group - UCS	Suppliers	-	1
TAP Group - Cateringpor	Various Creditors	-	5
TAP Group - Free shops	Various Creditors	-	6
TAP Group - Megasis	Various Creditors	-	2
TAP Group - Free shops	Income Accrual	-	258
TAP Group - TAP	Deferred Income	-	175
TAP Group - Cateringpor	Deferred Income	-	3
TAP Group - Free shops	Deferred Income	-	626
TAP Group - UCS	Deferred Income	-	3
TAP Group - Portugália	Deferred Income	-	178
TAP Group - Megasis	Deferred Income	-	1
TAP Group - SPDH	Deferred Income	-	557
TAP Group - TAP	Costs Accrual	-	391
VAI, S.A.	Loans	1,382,200	-
VAI, S.A.	Costs Accrual - Interests	23,615	-
TAP Group - Free shops	Costs Accrual	-	422
Sotécnica Group - Sotécnica	Clients	6	-
Sotécnica Group - Sotécnica	Suppliers	145	-
Sotécnica Group - Sotécnica	Assets Suppliers	137	-
Sotécnica Group - Sotécnica	Guarantees provided	495	-
Sotécnica Group - Sotécnica	Advance to suppliers	35	-
Sotécnica Group - Sotécnica	Costs Accrual	97	-
Sotécnica Group - Nessie	Costs Accrual	4	-

Company	Account	Until Sep 2013*	2012
Transactions			
TAP Group - TAP	External supplies and services	8	18
TAP Group - Cateringpor	External supplies and services	59	76
TAP Group - Free shops	External supplies and services	3	2
TAP Group - UCS	External supplies and services	1	2
TAP Group - SPDH	External supplies and services	37	49
TAP Group - UCS	Personnel Expenses	-	1
TAP Group - TAP	Other Costs	997	607
TAP Group - Free shops	Other Costs	(1)	422
TAP Group - TAP	Income	30,819	39,181
TAP Group - Cateringpor	Income	933	1,320
TAP Group - Free shops	Income	27,857	34,879
TAP Group - UCS	Income	13	17
TAP Group - Portugália	Income	1,048	1,314
TAP Group - Megasis	Income	5	7
TAP Group - SPDH	Income	7,541	10,880
TAP Group - TAP	Other Financial Results	123	46
TAP Group - SPDH	Other Financial Results	-	2
TAP Group - Free shops	Other Income	7	8
TAP Group - UCS	Other Income	1	1
TAP Group - SPDH	Other Income	3	6
TAP Group - Free shops	Fixed Assets	-	57
TAP Group - SPDH	Fixed Assets	1	-

*Period prior to acquisition of position by VINCI

Company	Account	4th quarter 2013**
Transactions		
VAI, S.A.	Costs of financing	23,615
Sotécnica Group - Sotécnica	External supplies and services	389
Sotécnica Group - Nessie	External supplies and services	8
Sotécnica Group - Cegelec	External supplies and services	1
Sotécnica Group - Sotécnica	Income	2
Sotécnica Group - Sotécnica	Other Income	3
Sotécnica Group - Sotécnica	Fixed Assets	826

46_SUBSEQUENT EVENTS

There are no relevant post-balance sheet date events to disclose.

47_FINANCIAL STATEMENTS APPROVAL

These consolidated and separate financial statements were approved by the Board of Directors in the meeting on 11 March 2014. 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

Maria João Barros Caldeira Dias

Board of Directors

Chairman:

Jorge Manuel da Mota Ponce de Leão

Members of the Board:

Luís Miguel Silva Ribeiro

Louis-Roch Burgard

António dos Santos Morgado

Nicolas Dominique Notebaert

Mário Manuel Pinto Lobo

Olivier Patrick Jacques Mathieu

Luís Miguel da Silveira Ribeiro Vaz

Pascale Frédérique Thouy Albert-Lebrun

Jean-Luc Bernard Marie Pommier

Tanguy André Marie Bertolus

AUDIT REPORTS AND OPINIONS

CONSELHO FISCAL

REPORT AND OPINION OF THE FISCAL BOARD ON THE MANAGEMENT REPORT AND THE 2013 ACCOUNTS

(Translated from the original in Portuguese)

Shareholders,

Under the terms of the mandate given to us and to comply with point G of paragraph 1 of article 420 of the Companies Act we have prepared and issue 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 2013.

To carry out its mandate the Fiscal Board, appointed on 17th September 2013, 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 and clarification of various questions rose by it.

As foreseen by no. 2 of article 420 of the Companies Act the fiscal board noted the appointment of the Statutory Auditor responsible for checking the accounts and had meetings with him as well as PricewaterhouseCoopers in their capacity as external auditors of ANA and in such meetings the Fiscal Board obtained the necessary clarifications and adequate answers to the questions it raised.

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

To ensure the correct application of no.3 of article 349 of the Companies Act the Fiscal Board verified the limit of a bond issue made through a private placing by ANA totalling €100,000,000 (one hundred million euros) and issued a favourable opinion on the matter on 25th October 2013.

The Management's report emphasized the most relevant aspects of the ANA group in 2013 which showed a turnover of €456 million, a growth of 5.3% compared to 2012 and a total volume of passengers of 32 million.

The EBITDA of the group totalled €169 million, a slight increase (5.5%) over 2012, and a net profit of 18.9 million.

ANA's turnover totalled € 418.234 million, nearly 9% above 2012, and an operational profit of € 11.859 million.

We would point out that the results of the year are not strictly comparable with 2012 as in 2013 the group adopted the more up to date accounting principles laid down in IFRIC 12.

It should be noted that, despite the economic difficulties both in Portugal and in Europe, the ANA group and especially ANA, SA. in 2013 presented very positive results.

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 ANA'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.

Finally the Fiscal Board wishes to thank the Board of Directors as well as the financial department and to various ANA staff, and also the Statutory Auditor and the External Auditors, for their collaboration and for their support and in their assistance the carrying out of 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 2013, 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 21st March 2014

THE FISCAL BOARD

Dr. Jacques dos Santos - *President*

Dr. José Vitorino – *Member*

Dr. William Woolston - *Member*

B. COSTA & ASSOCIADOS
AUDITORES E CONSULTORES

ANA – Aeroportos de Portugal, S.A.

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

DECEMBER 31, 2013

B·C·A·A·C
B. COSTA & ASSOCIADOS
AUDITORES E CONSULTORES

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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, 2013 (presenting a total assets of 2.299.277 thousands Euros and a total shareholder's equity of 454.052 thousands Euros, including net results amounting to 11.859 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.

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

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

Opinion

7. 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, 2013, 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, march 19, 2014

BCA - B. Costa & Associados, SROC, S.A.
Representada por Gabriel Correia Alves, ROC

B. COSTA & ASSOCIADOS
AUDITORES E CONSULTORES

ANA – Aeroportos de Portugal, S.A.

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

DECEMBER 31, 2013

Praxity CORRESPONDENT
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

B·C·A·A·C
B. COSTA & ASSOCIADOS
AUDITORES E CONSULTORES

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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, 2013 (presenting a total assets of 2.383.124 thousands euros and a total shareholder's equity of 396.916 thousands euros, including net results amounting to 18.600 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, 2013, 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, march 19, 2014

BCA - B. Costa & Associados, SROC, S.A.
Representada por Gabriel Correia Alves, ROC

Auditor's Report

(Free translation from the original in Portuguese)

To the Board of Directors

Introduction

1 We have audited the financial statements of ANA – Aeroportos de Portugal, S.A., comprising the consolidated and separated statement of financial position as at 31 December 2013 (which shows total assets of Euro 2.383.124 thousand and Euro 2.299.277 thousand respectively, and a total consolidated shareholder's equity of Euro 396.916 thousand and separated of Euro 454.052 thousand, which include a net consolidated and separated profit of Euro 18.600 thousand and Euro 11.859 thousand respectively), the consolidated and separated statement of income by nature, the consolidated and separated statement of comprehensive income, the consolidated and separated statement of changes in equity and the consolidated and separated statement of cash flows for the year then ended, and the corresponding notes to the accounts.

Responsibilities

2 It is the responsibility of the Board of Directors to prepare the Directors' Report and the consolidated and separated financial statements which present fairly, in all material respects, the consolidated and separated financial position of the Company and its subsidiaries, the consolidated and separated results of its operations, the consolidated and separated comprehensive income, the changes in consolidated and separated equity and the consolidated and separated cash flows, as well as to adopt appropriate accounting policies and criteria and to maintain appropriate systems of internal control.

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

Scope

4 We conducted our audit in accordance with the Standards and Technical Recommendations issued by the Portuguese Institute of Statutory Auditors which require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated and separated financial statements are free from material misstatement. Accordingly, our audit included: (i) verification, on a sample basis, of the evidence supporting the amounts and disclosures in the consolidated and separated financial statements and assessing the reasonableness of the estimates, based on the judgments and criteria of the Board of Directors used in the preparation of the financial statements; (ii) verification of the consolidation operations and the utilization of the equity method; (iii) assessing the appropriateness of the accounting principles used and their disclosure, as applicable; (iv) assessing the applicability of the going concern basis of accounting; and (v) assessing the overall presentation of the consolidated and separated financial statements.

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Inscrita na lista das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 9077

5 Our audit also covered the verification that the consolidated and separated financial information included in the Directors' Report is consistent with the consolidated and separated financial statements.

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

Opinion

7 In our opinion, the consolidated and separated financial statements referred to above present fairly in all material respects, the consolidated and separated financial position of ANA – Aeroportos de Portugal, S.A. as at 31 December 2013, the consolidated and separated results of its operations, the consolidated and separated comprehensive income , the changes in consolidated and separated equity and the consolidated and separated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal requirements

8 It is also our opinion that the financial information included in the Directors' Report is consistent with the consolidated and separated financial statements for the year.

March 20, 2014

PricewaterhouseCoopers & Associados
– Sociedade de Revisores Oficiais de Contas, Lda
represented by:

António Alberto Henriques Assis, R.O.C.

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