BOARD OF DIRECTORS STATEMENT

REGARDING THE OPPORTUNITY AND CONDITIONS OF GRUPO ÁNGELES SERVICIOS DE SALUD OFFER

9 September 2014
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1. INTRODUCTION

The Board of Directors of Espírito Santo Saúde – SGPS, S.A. ("ESS"), having received, on 1 September 2014, and analysed the draft prospectus and draft offer announcement ("Draft Prospectus" and "Draft Offer Announcement", respectively) for the general and voluntary takeover offer for the acquisition of the shares representing the share capital of ESS, which was disclosed in a preliminary announcement on 19 August 2014 ("Preliminary Announcement") presented by Grupo Ángeles Servicios de Salud, S.A. de C.V. ("Offeror" or "GASS" and "Offer" respectively), hereby issues a statement regarding the opportunity and conditions of the Offer, as provided for and for the purposes set out in number 1 of article 181 of the Portuguese Securities Code ("PSC").

The Offeror is a company incorporated and governed by the laws of the United Mexican States and is a sub-holding of Grupo Empresarial Ángeles, S.A. de C.V. ("GEA"), whose business is developed in the healthcare services sector. According to the information contained in the Draft Prospectus of the Offer, the Offeror has developed the most important private hospital system in Mexico, with various branches, including among which are the Ángeles Hospitals. The Ángeles Hospitals are leaders in the private healthcare sector in Mexico with 28 hospitals of their own, more than 2,500 beds, 9 haemodialysis centres, biomedical laboratories, among other activities supplementary to the rendering of healthcare services.

The purchasing company is Ángeles Portugal, S.A. de C.V. – a company incorporated and governed by the laws of the United Mexican States, ("Purchasing Company"). The Purchasing Company was incorporated for the purpose of launching the Offer and is 99.99% held by the Offeror and 0.01% by Mr. Olegario Vázquez Aldir.

The Offer is general and voluntary and the Offeror undertakes to purchase the whole of the shares whose holders validly accept the Offer, through the Purchasing Company.

In summary, from the analysis of the Draft Prospectus and Draft Offer Announcement, the Board of Directors considers that:

(i) The success of the Offer is deemed to be a way of obtaining the necessary shareholder stability in ESS, thereby allowing ESS to, on the one hand, resume its medium and long term strategic management in addition to its current course of business through the continued development of its previously announced expansion plans and, on the other hand, the normalization of its relationship with the various stakeholders, in particular the unrestricted return to the financial market;

(ii) There is a deemed strategic alignment between the Offeror and ESS, given that the Offeror not only based its own strategic approach for ESS on ESS’ strategic
plan, but also indicates that no substantial changes to ESS’ corporate activities are expected;

(iii) The consideration offered by the Offeror is deemed acceptable, given that it fits within the analysed market valuation criteria (price of the IPO, share performance since the IPO, multiples of listed peer companies and comparable transactions and evolution of analyst outlooks from Equity Research), although it may not reflect the whole of a potential control premium;

(iv) The possible success of the Offer does not entail a concentration of companies and does not alter the current scenario of freedom of choice of Employees and Clients/Patients, while ensuring the maintenance of the current balance in the market as concerns insurance companies / healthcare systems / paying entities and suppliers and the State.

This report was drafted based on the best information available to ESS’ Board of Directors. Notwithstanding, it can in no way replace the individual assessment required from each shareholder in his/her decision-making process.

In the drafting of the present report, the Board of Directors was advised by Banco Espírito Santo de Investimento, S.A. as its financial consultants and Linklaters LLP, Sucursal em Portugal as its legal advisors.

The Preliminary Announcement of the offer is available for consultation by any interested party on the website of the Portuguese Securities Commission ("CMVM"), whose address is www.cmvm.pt, as well as on the website of ESS, whose address is www.essaude.pt.
2. TERMS AND CONDITIONS OF THE OFFER

ESS’ share capital is represented by 95,542,254 ordinary nominative book-entry shares whose nominal value is €1.00 (one euro) each and which are admitted to trading on the Euronext Lisbon regulated market managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. ("Euronext Lisbon"), with the ISIN code PTEPT0AM0005 ("Shares").

2.1. Offeror and Purchasing Company

According to the information contained in the Draft Prospectus and Draft Offer Announcement, the Offeror is a company incorporated and governed by the laws of the United Mexican States, with registered office at Camino a Santa Teresa 1055, Torre de Especialidades Quirúrgicas, 14th floor, Col. Héroes de Padierna, Mexico City, Distrito Federal, 10700, United Mexican States, with a fixed share capital of 50,000.00 (fifty thousand) Mexican pesos and a variable share capital of 2,067,575,920.00 (two billion sixty seven million five hundred and seventy five thousand nine hundred and twenty) Mexican pesos.

The Offeror is a sub-holding of GEA, which operates in the healthcare services sector. On the present date, the Offeror’s share capital is directly controlled by GEA, which holds 90% of the ordinary shares representing GASS’ share capital.

In turn, GEA is jointly controlled by the company Corpvaza, S.A. de C.V. ("Corpvaza"), which holds 50.000003% of the ordinary shares representing GEA’s share capital and by Mr. Olegario Vázquez Raña who holds 27.999997% of the ordinary shares representing GEA’s share capital.

Finally, Corpvaza is directly controlled by Mr. Olegario Vázquez Raña, who holds 55.992108% of the ordinary shares representing Corpvaza’s share capital and by Mr. Olegario Vázquez Aldir, who holds 22.003955% of the ordinary shares representing Corpvaza’s share capital.

The Purchasing Company is a company incorporated and governed by the laws of the United Mexican States, with registered office at Camino a Santa Teresa 1055, Torre de Especialidades Quirúrgicas, 14th floor, Col. Héroes de Padierna, Mexico City, Distrito Federal, 10700 and with a fixed share capital of 50,000.00 (fifty thousand) Mexican pesos. The Purchasing Company, incorporated for the purpose of launching the Offer, is 99.99% held by the Offeror and 0.01% by Mr. Olegario Vázquez Aldir.
2.2. Type of Offer

The Offer is general and voluntary and encompasses the whole of the Shares issued and in circulation, with the exception of the Shares held by the Offeror and by its respective Board members. The Offeror undertakes to purchase, through the Purchasing Company, the whole of the Shares whose shareholders validly accept the Offer.

2.3. Financial Intermediary

The financial intermediary appointed by the Offeror to advise on the Offer, namely by rendering the services necessary for the preparation, launch and execution of the Offer, is Banco Bilbao Vizcaya Argentaria (Portugal), S.A.

2.4. Shares targeted by the Offer

The category of shares targeted by the Offer is the whole of the Shares. However and given the Shares directly held by the Offeror at this date and the voting rights attached thereto under number 1 of article 20 of the PSC, only a maximum of 88,882,107 Shares may be accepted under the Offer. Voting rights corresponding to 6,660,147 Shares representing 6.97% of ESS’s share capital are directly attributed to the Offeror, as provided for under number 1 of article 20 of the PSC.

2.5. Conditions for the launch of the Offer

The launch of the Offer is subject to its prior registration with the CMVM and to the CMVM’s recognition, and statement to that effect, of the exemption from the duty to launch a subsequent offer as a result of the purchase of the Shares under the present Offer, as provided for under number 1, paragraph a) and number 2 of article 189 of the PSC.

The effectiveness of the Offer is in turn dependent on the satisfaction of the following conditions until the closing of the Offer:

1. Obtaining the unconditional consent, or statement of non-opposition, to the indirect transfer of the shares representing the share capital of the company SGHL – Sociedade Gestora do Hospital de Loures, S.A. and the company HL – Sociedade Gestora do Edifício, S.A. by the Portuguese State;

2. Obtaining the unconditional consent, or statement of non-opposition, to the transfer of the Shares and to the indirect transfer of shares representing the share capital of ESS’s subsidiaries by certain financing banks regarding
financing agreements that contain change of control provisions, as briefly described in the prospectus for the public offer for distribution and admission to trading of the Shares dated 24 January 2014, available on CMVM’s website (www.cmvm.pt);

3. Obtaining the unconditional consent, or statement of non-opposition, to the transfer of the Shares and to the indirect transfer of shares representing the share capital of ESS’s subsidiaries by certain private insurance companies, including managed care companies, by public or private healthcare subsystems and by the Ministry of Health regarding healthcare services agreements, which are briefly described in the prospectus for the public offer for distribution and admission to trading of the Shares dated 24 January 2014, available on the CMVM website (www.cmvm.pt);

4. Definitive transfer to Novo Banco, S.A. of all assets and liabilities that the Target Company and each of its subsidiaries held in Banco Espírito Santo, S.A. ("BES"), namely cash deposits, immediately available bank deposits and other short-term investments and cash equivalents, due to the resolution process applied to the latter by the Bank of Portugal on 3 August 2014, such assets being freely and immediately available in Novo Banco, S.A. to ESS and/or to each of its subsidiaries.

On the date of this report, the Board of ESS is not aware of the satisfaction of the conditions set out in 1, 2 and 3. As for condition 4, the whole of the deposits held with BES and belonging to ESS and the entities in a dominant or group relationship with it have been transferred to Novo Banco, S.A., with unlimited access, as at the present date, to the existing balances and its free movement, notwithstanding the Bank of Portugal’s right to transfer the assets, liabilities and off-balance sheet items and assets managed by Novo Banco, S.A. to BES. In addition, the Offeror makes the offer conditional on the purchase of a number of Shares representing at least 50.01% of ESS’ share capital by the Purchasing Company under the Offer.

Regarding condition 1, this Board of Directors recalls that under Clause 12 of the Loures Hospital Management Agreement, entered into by the Portuguese State, as the Contracting Public Entity, SGHL – Sociedade Gestora do Hospital de Loures, S.A. and HL – Sociedade Gestora do Edifício, S.A., the shares of the referenced Managing Entities are necessarily nominative and their transfer, whether between shareholders or to third parties, is subject to the prior consent of the Contracting Public Entity, under penalty of becoming null and void. Said clause further clarifies that any acts that result in or that may possibly result in a change of control or of management of the Managing Entities, such as a direct or
indirect change in ownership of its share capital, are encompassed by said regime. Under the terms of Clause 19 of the Agreement, the referenced prior consent shall be express and written and given within thirty days of the presentation of the request, by joint ministerial order of the Ministries of Finance and of Health.

The Draft Prospectus states that “The Offeror and the Purchasing Company may, as they see fit, fully or partially waive the satisfaction of any and all conditions contained in the Preliminary Announcement and Draft Offer Announcement referred to above.”

The Offeror further detailed in the Preliminary Announcement of the Offer a set of assumptions concerning the decision to launch the Offer (see paragraph 14 and 15 of the Preliminary Announcement of the Offer).

“The absence of any material change to the national and international financial markets and to their respective financial institutions not reflected in the official scenarios disclosed by the Eurozone authorities and that has a material adverse effect on the Offer by exceeding the risks inherent to it” is also an assumption of the Offer as set out in the Preliminary Announcement, in the Draft Offer Announcement and the Draft Prospectus.

2.6. Consideration

The consideration offered by the Offeror will be paid in cash and is €4,30 (four euros and thirty cents) per Share, an amount which is “deducted from any (gross) amount that may be attributed to each Share, whether as a dividend, advance payment of year-end profits or distribution of reserves, such deduction being made at the time the right to the amount in question has been detached from the Shares and if such occurs prior to the financial settlement of the Offer”.

According to the Draft Prospectus, “the total amount of the consideration is guaranteed as provided for under number 2 of article 177 of the Portuguese Securities Code. For this purpose, the amount of € 382,193,060.00 has been ensured with BBVA Bancomer through a commitment letter.”

2.7. Offer period and minimum number of Shares to be purchased

The Offeror proposes an offer period of 12 business days.

The Offeror made the Offer conditional on the purchase, under the Offer, of a number of Shares representing at least 50.01% of ESS’ share capital.
The result of the Offer will be determined in a special session of the regulated market of Euronext Lisbon, which is expected to take place three days after the end of the offer period. The respective physical and financial settlement will take place on the third business day following the special session.

2.8. Public company status

The Offeror has reserved itself the right to make use of the squeeze-out mechanism provided for under article 194 of the PSC and that would allow it to purchase the remaining Shares over the following three months should it reach or exceed, either directly or as provided for under number 1 of article 20 of the PSC, namely through the Purchasing Company, (i) 90% of the voting rights attached to ESS’ share capital and (ii) 90% of the voting rights encompassed by the Offer, as a result of the Offer or other lawful transactions which are relevant to the calculation of said percentage.

The Offeror has further reserved itself the right to request the loss of public company status for ESS, as provided under article 27 of the PSC, should it come to hold at least 90% of the voting rights attached to ESS’ share capital following the Offer, the calculation of which includes the voting rights attributed to it under number 1 of article 20 of the PSC.

The Offeror’s exercise of the rights referenced in the two preceding paragraphs entails the immediate delisting of the Shares from the regulated market of Euronext Lisbon, being its readmission barred for a one-year period, although there may be instances where the remaining shareholders are hindered from making use of the squeeze-out mechanism set out in article 194 of the PSC.

2.9. Statement of interest on the part of ESS’ shareholders

ESS’ shareholders that intend to accept the Offer should state such interest during the Offer period through sell orders issued through their broker companies, broker-dealer companies and at the branches of the financial intermediaries eligible to render securities registration and deposit services.
3. OFFEROR’S STRATEGIC PLANS FOR ESS

Opportunity of the Offer

Because ESS is a company mainly owned by companies of the Espírito Santo Group, it is presently in an uncertain situation concerning the future of its controlling shareholders.

ESS’ Board of Directors considers that, due to this context, the Offer through which the Offeror proposes to purchase the whole of ESS’ share capital, is deemed to be a way of obtaining the necessary shareholder stability. On the one hand, this will allow ESS to resume its medium and long term strategic management in addition to its current course of business through the continued development of its previously announced expansion plans and, on the other hand, the normalization of its relationship with the various stakeholders, in particular the unrestricted return to the financial market;

Offeror’s Strategy

The Board of Directors has noted that the Offeror identifies itself as the largest provider of private healthcare services in Mexico and therefore deems that various competitive advantages could result therefrom for ESS, as stated in the Draft Prospectus:

“GASS is the most important private hospital system in Mexico, which entailed a commitment to render the best service with quality and courtesy to doctors, patients and their relatives.”

“GASS’ competitive advantages are: state of the art infrastructures, cutting edge technology and operational efficiency. In addition, it ensures high quality courteous customer service through the standardization of the customer service, administrative and medical procedures.”

“Remaining at the forefront requires constant investment. Over almost three decades, the Offeror has been a pioneer in the implementation of the latest technologies for the diagnosis and treatment of diseases in all specialties.”

“In order to integrate and certify the medical staff, strict quality controls are applied, thereby ensuring the medical excellence that sets GASS apart. The Offeror has the benefit of a medical organization that has established the highest standards to assess professional training and performance of the specialists that aspire to be a part of the institution.”

“Comfortable facilities with the support of modern medical equipment and various teaching, research and recreational areas are made available to the doctors that practice
their specialty in the Ángeles Hospitals. All of this results in the medical staff rewarding GASS with its trust and strong sense of belonging and loyalty."

"On the other hand, GASS supports medical advances through incentives to doctors and researchers by giving grants and regularly entering into protocols with national and international universities, in addition to organizing and participating in multiple medical conferences and congresses."

**Strategic Alignment**

The Board of Directors also notes that there is a deemed alignment between the Offeror and ESS in relation to a central core of operational principles, namely concerning excellence, innovation and skills, as well the strong commitment of their human resources to the rendering of high quality healthcare services, in addition to a profitable growth outlook for the company which nonetheless upholds the abovementioned operational principles.

As referenced in the Draft Prospectus, “The GASS management model has the following competitive advantages:

- Focus on productivity and efficiency in all procedures;
- Committed shareholders with a long-term outlook;
- The most renowned medical staff with a high sense of belonging and commitment;
- Highly skilled and specialised technical, paramedical and nursing staff;
- Continuous investment in infrastructures, medical technology and systems;
- Leveraging of scale or critical mass;
- Flexibility and speed in decision making;
- Superior capacity in training of health professionals;
- Solid operational and financial results;
- Strong growth potential;
- Experienced management.

The reading of the Draft Prospectus of the Offer is deemed to indicate a strategic alignment between the Offeror and ESS, given that the former not only based its own strategy for ESS on ESS’ strategic plan as set out in the prospectus for the public offer of distribution and admission to trading of the Shares, dated of 24 January 2014, but also indicates that no substantial changes to ESS’ corporate activities are expected. It states, in particular, that: “No significant changes are expected in this respect.” The Offeror further declares that: “(...) it intends to operate the Target Company and respective
subsidiaries by continuing their activities and maintaining the strategic approach defined by ESS’ Board of Directors.” (as provided for on page 38 of the Draft Prospectus). Additionally, the Offeror states that “it has no current presence in Europe and maintains its confidence in the Board of Directors and respective management team” of ESS.

It is the opinion of the Board of Directors that the prescribed continuation of ESS’ strategic approach is deemed consistent, given the characteristics and market positioning of the Offeror.

The Offeror describes itself as having size, experience and capacity in the healthcare services sector, in addition to the necessary know-how in business areas that ESS intends to strengthen, which is deemed to possibly leverage that development. It is, therefore, also deemed possible to create opportunities for synergies with ESS’ business, in particular, and as referenced in the Draft Prospectus, concerning:

- Training of healthcare professionals – “GASS supports medical advances through incentives to doctors and researchers by giving grants and regularly entering into protocols with national and international universities, in addition to organizing and participating in multiple medical conferences and congresses. In that regard, the different specialty study programmes available at the Ángeles Hospitals are certified by the most prestigious medical schools and universities. Currently, nearly 800 doctors a year are trained under various undergraduate and post-graduate degrees”;

- Healthcare tourism business – “GASS is also active in the healthcare tourism business, a sector with a tendency toward strong growth on a global scale and which has helped thousands of people find quality treatment in Mexico and other destinations throughout the world”.

- Haemodialysis - “Ángeles Diagnostic Centre (CEDIASA) – 9 haemodialysis centres in the City of Mexico and respective metropolitan area (492 teams)”.

Finally, the Offeror has no corporate presence in Europe. Therefore, this Board considers that the potential acquisition of control of ESS is not deemed to entail a change in the structure of the private healthcare services market in Portugal, for which reason it does not believe that the possible success of the Offer would generate disruptive consequences with an impact on the various sector stakeholders, namely, employees and insurance companies/healthcare systems/paying entities, as is made clear in the analysis set out in the following section.
4. IMPACT OF THE OFFER ON THE INTERESTS OF EMPLOYEES AND THEIR WORKING CONDITIONS AND ON THE LOCATIONS WHERE ESS OPERATES

Employees

ESS’ Board of Directors considers the repercussions of an offer on the interests of its employees, in particular on their stability and working conditions, as well as their professional development to be a crucial factor in any offer.

The Offeror mentions it does not foresee the need to change working conditions nor to reallocate employees, since it intends to continue to operate and conduct ESS’ business from its existing facilities. These intentions of the Offeror are deemed consistent with the fact that, on the one hand, the Offeror has no businesses in Portugal and that, on the other, it has stated its agreement with the management of ESS, as mentioned in the following two excerpts from the Draft Prospectus:

“The Offeror’s intention is to continue to operate and conduct the business of the Target Company from its existing facilities and does not foresee the need to change either working conditions or to reallocate workers”.

“Additionally, the Offeror recognises the high quality of the healthcare services industry in Portugal and more specifically of the human resources of ESS and counts on its future collaboration in order to achieve the strategy of the Target Company”.

Specially, regarding healthcare professionals, the Offeror mentions that “On the other hand, GASS supports medical advances through incentives to doctors and researchers by giving grants and regularly entering into protocols with national and international universities, in addition to organizing and participating in multiple medical conferences and congresses. In that regard, the different specialty study programmes available at the Ángeles Hospitals are certified by the most prestigious medical schools and universities. Currently, nearly 800 doctors a year are trained here under various undergraduate and post-graduate degrees.” It is deemed by the Board of Directors that, should the Offer be successful, this positioning of the Offeror concerning professional and academic training could leverage what already occurs in the ESS group units, which would contribute to greater development of ESS healthcare professionals, thereby benefitting their respective working conditions.
**Clients / Patients**

Given the aligned strategy, as well as both ESS’ and the Offeror’s market positioning, the Board of Directors expects that the quality of the services rendered, as well as the level of client service of the various ESS units will be maintained, should the Offer be successful. The following excerpt from the Draft Prospectus supports this:

"GASS is the most important private hospital system in Mexico, which entailed a commitment to render the best service with quality and courtesy to doctors, patients and their relatives."

The Board of Directors also considers that the possible success of the Offer does not undermine the current scenario of freedom of choice concerning the available alternatives both regarding employers, in the case of Employees, and regarding healthcare service providers, in the case of Clients/Patients.

**Insurance Companies / Healthcare Systems / Payors and Suppliers**

In light of the stated shared strategic vision of the Offeror and ESS, as well as the agreement stated by the Offeror in the Draft Prospectus of the Offer with ESS’ management model, no impact on the current relationship with healthcare systems / payors and suppliers (actual and potential) is expected.

The Board of Directors further considers that the success of the Offer is deemed to ensure the maintenance of the current balance in the insurance market and other paying entities, insofar as it will not involve a concentration of companies that would increase ESS’ market power vis-à-vis such insurance companies and other paying entities.

**State**

The Offeror states it intends to satisfy all commitments undertaken with the Portuguese State under the Loures Hospital Management Agreement whereby one of the companies held by ESS (SGHL – Sociedade Gestora do Hospital de Loures, S.A.) is in charge, under a public-private partnership, of the management of the Beatriz Ângelo Hospital in Loures, a hospital integrated in the National Health System.

It follows as regards this particular aspect that the Offer is deemed neutral for the public segment of ESS. The Board believes that the conditions necessary to maintain a high quality service to the State under the referenced agreement are met and that the Offer is deemed to have no impact on the current public-private partnerships market. In this context, the following excerpt from the Draft Prospectus is pertinent: “The Offeror further intends to satisfy all commitments undertaken under the public-private partnership agreement entered into under the public-private partnership law approved by Decree-Law no. 185/2002, of 20 August, wherein the ESS Group manages Hospital Beatriz Ângelo in
Loures as regards investment, diversity of medical specialties, efficiency policies, quality of service and production levels. To ensure compliance with the referred agreement, the Offeror will make the relevant communications in relation to the Offer.”

Furthermore, the success of the Offer is deemed to allow the maintenance of the current balance of the public-private partnership market, i.e. the State would maintain its exposure to different management models whereby it can assess the best practices and promote innovation, as well as ensure its negotiation capacity throughout the agreement. In fact, the four hospitals managed under public-private partnerships would continue to be managed by three private operators.

Financing entities

The Offeror has stated its intention to maintain the financing policies and strategies of ESS and, therefore, no significant changes are expected to the existing relationships between ESS and the financing banks. In this context, the following excerpt from the Draft Prospectus is pertinent: “The financial strategy to be adopted following the Offer will maintain the policy followed by the Target Company, seeking the reduction of financing costs, the maintaining of an appropriate level of working capital and ensuring the continuity of existing agreements. That policy will be implemented taking into account and ensuring the satisfaction of existing financial agreements, applicable laws and regulations and will also ensure the adequate funding of working capital, capital expenses and liabilities, actual or contingent (including fiscal).”

In addition, the Offeror stated that, as regards financing arrangements containing change of control provisions, it has the capacity to obtain financing, should it be necessary in light of the current obligations of ESS under the existing agreements. In this context, the following excerpt from the Draft Prospectus is pertinent: “The Offeror acknowledges the existence of financing agreements entered into between the Target Company and financial institutions regarding which change of control provisions apply and has the capacity to obtain the financing necessary for the satisfaction of the possible obligations that may result from the enforcement of such clauses due to the success of the Offer. The Offeror has the additional goal of maintaining the long-term relationships with the entities that have financed the Target Company in the past.” The Board of Directors considers this statement on the part of the Offeror to be particularly relevant in order to ensure that a change of control will not affect the normal business of the ESS group.
5. TYPE AND AMOUNT OF THE CONSIDERATION OFFERED

ESS’ Board of Directors considers the amount offered of €4.30 (four euros and thirty cents) to be acceptable, although it may not entirely reflect the potential and intrinsic value of ESS in the long term. This Board acknowledges that this Offer may generate value, since it is deemed that (i) its successful conclusion allows the creation of a stable core of shareholders, which is particularly relevant at a time when the current majority shareholder is in an undetermined and uncertain situation; (ii) there is a significant strategic alignment between GASS and ESS, given that both groups focus their business on the same set of guiding principles, as well as share an identical business growth outlook; (iii) additionally, the Offeror undertakes to maintain both the assets of ESS and its commitments with the various stakeholders.

Concerning the opinion on the price of the Offer, the Board of Directors took various factors into consideration:

- Price of the Initial Public Offering (IPO);
- Share performance since the IPO;
- Listed peer companies and transactions;
- Evolution of the outlooks of the Equity Research analysts.

Price of the IPO

The price offered is higher than the sale price in the IPO (€3.20) by approximately 34%. ESS’ ITF (intention to float) was disclosed on 14 January 2014, the price range determined on 24 January 2014 (€ 3.20 - € 3.90) and the roadshow and offer period took place between 27 January and 6 February 2014. The determination of a price range in an IPO serves the purpose of attracting the interest of the widest array possible of investors (due to the amplitude of the price range), thereby maintaining a sufficient level of demand even during periods of high volatility with sharp falls in the market, a scenario in which it is possible to set the price at the lower end of the range and, on the other hand, to obtain a price closer to the intrinsic value of the company, if the market were to become more positive.

The offer period of the IPO and subsequent determination of the price at the end of this period took place during the last two weeks of January and the first week of February 2014, during which time there was an increase in volatility in the financial markets and in the aversion to risk on the part of investors, specially due to fears related to instability in some emerging economies, which are considered to have had a negative impact on the price of the IPO. In fact, this environment translated into a penalization of risk assets
(sharp falls in equity markets, depreciation of the currencies of emerging nations), a higher demand for refuge assets (receding Treasuries and Bunds yields) and an increase in volatility.

### Share price evolution of peer companies and indexes in the period prior to the IPO (12 February 2014)

<table>
<thead>
<tr>
<th>Share performance</th>
<th>L1M</th>
<th>L3M</th>
<th>L6M</th>
<th>L12M</th>
<th>Since ITF</th>
<th>Since beginning of roadshow</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESS peers</td>
<td>(8.4%)</td>
<td>(9.0%)</td>
<td>(4.1%)</td>
<td>8.1%</td>
<td>(7.0%)</td>
<td>(1.6%)</td>
</tr>
<tr>
<td>PSI 20</td>
<td>(0.7%)</td>
<td>6.4%</td>
<td>16.8%</td>
<td>8.9%</td>
<td>(5.1%)</td>
<td>(1.0%)</td>
</tr>
<tr>
<td>DJ Stoxx Healthcare</td>
<td>(2.9%)</td>
<td>(1.5%)</td>
<td>4.4%</td>
<td>11.4%</td>
<td>(4.1%)</td>
<td>(2.2%)</td>
</tr>
<tr>
<td>PSI 20</td>
<td>0.3%</td>
<td>2.8%</td>
<td>6.1%</td>
<td>16.4%</td>
<td>(0.6%)</td>
<td>(0.1%)</td>
</tr>
</tbody>
</table>

Source: FactSet 5 February 2014. ESS peer companies is an average of the following companies: Aevis, Al Noor, Clinica Baviera, Générale de Santé, IHH, Life Healthcare, Mediclin, Mediclinic, MD Medical, Netcare, NMC Health, Ramsay, Rhoen Klinikum.

It follows that the price of the IPO was determined in a fairly negative market climate which required the sale price to be set at the minimum value of the price range, i.e. €3.20 (three euros and twenty cents). Additionally, the transaction was a sale of a minority shareholding (49% of ESS), which entails in of itself a discount higher than those usual in IPOs where control is transferred.

### Share performance since the IPO

From the IPO until the Preliminary Announcement of the Offer by the Offeror, ESS showed a market performance much superior to the main market benchmarks, in particular to the European, North American, Portuguese and Spanish markets.

However, ESS’ share price has been very volatile since the end of June in line with the Portuguese market, mainly due to the instability created by the beginning of the crisis in the Espírito Santo Group.

Prior to this more volatile period, ESS followed the trend of the main indexes.

The price offered represents a premium of approximately 9% as compared to the closing share price on the day the Preliminary Announcement of the Offer was disclosed and a premium of 16% to 20% in relation to the volume weighted average price (VWAP) of ESS’ shares in the three and six months prior to the Preliminary Announcement of the Offer.

Considering the three month period in which ESS’ share price was not influenced by extraordinary external factors, i.e. considering the three months until 30 June (second
quarter of 2014 as normalised period), the Consideration offered represents a premium of 17% compared to the weighted average share price (VWAP\(^1\)) of ESS.

**Implicit premium of the Consideration in relation to several indicative prices**

<table>
<thead>
<tr>
<th></th>
<th>Since IPO</th>
<th>Last 6 months (19 Feb. to 19 Aug.)</th>
<th>3 Months of normalised period (31 Mar. to 30 June)</th>
<th>Last 3 months (19 May to 19 Aug.)</th>
<th>Last transaction before the announcement(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>VWAP(^1) ESS</td>
<td>3.490</td>
<td>3.592</td>
<td>3.671</td>
<td>3.718</td>
<td>3.943</td>
</tr>
<tr>
<td>Premium offered</td>
<td>23%</td>
<td>20%</td>
<td>17%</td>
<td>16%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: Bloomberg.

(1) The calculation of the Volume Weighted Average Price – VWAP – was executed based on the price of each transaction made during the sessions of the regulated market of Euronext Lisbon during the referenced period. Prices are rounded to the third decimal place.

(2) Last traded price in the session of the regulated market of Euronext Lisbon prior to the Preliminary Announcement of the Offer (19 August 2014)

**Evolution of ESS’ performance and selected indexes for the period from 12 February 2014 (ESS’ IPO) until 19 August 2014 (preliminary announcement of the Offer)**

Source: Bloomberg
Evolution of ESS’ share price compared to several benchmarks until the date of the preliminary announcement of the Offer (19 August 2014)

<table>
<thead>
<tr>
<th></th>
<th>Since the IPO</th>
<th>6 months prior</th>
<th>3 months prior</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stooxx Healthcare</td>
<td>23%</td>
<td>22%</td>
<td>8%</td>
</tr>
<tr>
<td>IBEX 35</td>
<td>8%</td>
<td>5%</td>
<td>2%</td>
</tr>
<tr>
<td>Stooxx Europe</td>
<td>3%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>PSI-20</td>
<td>-19%</td>
<td>-21%</td>
<td>-17%</td>
</tr>
</tbody>
</table>

Source: Bloomberg

Evolution of ESS’ share price and traded volume until the date of the preliminary announcement of the Offer (19 August 2014)

Source: Bloomberg
Listed peer companies and transactions

The analysis of ESS’ multiples implicit in the Offer price as compared to international peer companies shows that the Offer is in line / with a slight discount as compared to market multiples, both in terms of EBITDA and earnings.

Multiples from listed peer companies (information at 5 September 2014)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spire</td>
<td>UK</td>
<td>1,365</td>
<td>9.8x</td>
<td>8.9x</td>
<td>7.9x</td>
<td>w.r.</td>
<td>w.r.</td>
<td>w.r.</td>
</tr>
<tr>
<td>Orpea</td>
<td>France</td>
<td>2,784</td>
<td>13.0x</td>
<td>11.2x</td>
<td>10.0x</td>
<td>20.8x</td>
<td>17.9x</td>
<td>15.8x</td>
</tr>
<tr>
<td>Korian-Medica</td>
<td>France</td>
<td>2,142</td>
<td>10.6x</td>
<td>9.0x</td>
<td>8.0x</td>
<td>23.0x</td>
<td>17.3x</td>
<td>15.1x</td>
</tr>
<tr>
<td>Fresenius</td>
<td>Germany</td>
<td>20,472</td>
<td>8.3x</td>
<td>7.3x</td>
<td>6.4x</td>
<td>18.3x</td>
<td>15.9x</td>
<td>13.9x</td>
</tr>
<tr>
<td>Rhoen Klinikum</td>
<td>Germany</td>
<td>3,277</td>
<td>9.7x</td>
<td>7.9x</td>
<td>n.a.</td>
<td>44.8x</td>
<td>26.9x</td>
<td>22.6x</td>
</tr>
<tr>
<td>Europe Median</td>
<td></td>
<td></td>
<td>9.8x</td>
<td>8.9x</td>
<td>8.0x</td>
<td>21.9x</td>
<td>17.6x</td>
<td>15.5x</td>
</tr>
<tr>
<td>Europe Average</td>
<td></td>
<td></td>
<td>10.3x</td>
<td>8.8x</td>
<td>8.1x</td>
<td>26.7x</td>
<td>19.5x</td>
<td>16.9x</td>
</tr>
<tr>
<td>Other Geographies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ramsay Healthcare</td>
<td>Australia</td>
<td>7,649</td>
<td>16.7x</td>
<td>13.7x</td>
<td>11.4x</td>
<td>32.1x</td>
<td>26.9x</td>
<td>23.6x</td>
</tr>
<tr>
<td>Netcare</td>
<td>South Africa</td>
<td>3,548</td>
<td>12.5x</td>
<td>10.7x</td>
<td>9.3x</td>
<td>20.7x</td>
<td>17.6x</td>
<td>14.9x</td>
</tr>
<tr>
<td>Mediclinic</td>
<td>South Africa</td>
<td>6,026</td>
<td>17.0x</td>
<td>14.4x</td>
<td>13.0x</td>
<td>26.9x</td>
<td>21.8x</td>
<td>19.4x</td>
</tr>
<tr>
<td>Life Healthcare</td>
<td>South Africa</td>
<td>3,517</td>
<td>13.8x</td>
<td>12.1x</td>
<td>10.6x</td>
<td>22.9x</td>
<td>22.1x</td>
<td>19.2x</td>
</tr>
<tr>
<td>HCA holdings</td>
<td>USA</td>
<td>22,719</td>
<td>8.1x</td>
<td>7.5x</td>
<td>6.8x</td>
<td>16.2x</td>
<td>14.4x</td>
<td>12.7x</td>
</tr>
<tr>
<td>LifePoint</td>
<td>USA</td>
<td>2,476</td>
<td>8.6x</td>
<td>7.6x</td>
<td>6.8x</td>
<td>23.0x</td>
<td>20.1x</td>
<td>17.7x</td>
</tr>
<tr>
<td>Universal Health Services</td>
<td>USA</td>
<td>8,266</td>
<td>9.5x</td>
<td>8.6x</td>
<td>7.7x</td>
<td>19.0x</td>
<td>17.3x</td>
<td>15.6x</td>
</tr>
<tr>
<td>Community Health Systems</td>
<td>USA</td>
<td>4,584</td>
<td>7.7x</td>
<td>6.7x</td>
<td>6.3x</td>
<td>22.2x</td>
<td>17.2x</td>
<td>14.8x</td>
</tr>
<tr>
<td>Tenet Healthcare</td>
<td>USA</td>
<td>4,307</td>
<td>8.5x</td>
<td>7.4x</td>
<td>6.9x</td>
<td>53.2x</td>
<td>27.2x</td>
<td>21.2x</td>
</tr>
<tr>
<td>Other Geographies Median</td>
<td></td>
<td></td>
<td>9.5x</td>
<td>8.6x</td>
<td>7.7x</td>
<td>22.9x</td>
<td>20.1x</td>
<td>17.7x</td>
</tr>
<tr>
<td>Other Geographies Average</td>
<td></td>
<td></td>
<td>11.4x</td>
<td>9.9x</td>
<td>8.8x</td>
<td>26.3x</td>
<td>20.5x</td>
<td>17.7x</td>
</tr>
</tbody>
</table>

Global Median 9.8x 8.8x 7.9x 22.9x 17.9x 15.8x

Global Average 11.0x 9.5x 8.6x 26.4x 20.2x 17.4x

ESS (Offer) 411 9.6x 8.8x 8.1x 23.1x 19.6x 17.2x

n.a. – Not available; w.r. – Without meaning

Source: Bloomberg, 5 September 2014
In fact, considering the takeovers launched since 2011 in Europe, the premiums offered are high – 32% on average, as compared to the share price on the day prior to the offer – as illustrated below.

**Takeover bids in Europe – Premiums offered compared to the share price on the day prior**

![Premiums offered graph]

Source: Mergermarket. The above graph is based on information regarding takeover bids launched over European target companies in various business sectors (with the exclusion of no sector). With the referenced criteria, a total of 346 observations were obtained, distributed as follows: 87 in 2011, 134 in 2012, 99 in 2013 and 26 in 2014 (until 3 September).

In light of this criterion and in comparison with the premium value range considered for the current Offer (9% to 23%), the opinion of ESS’ Board of Directors is that the Offer does not fully reflect a potential control premium.

The next table compares the EV/Revenues and EV/EBITDA multiples implicit in the Offer with the median and average of the multiples present in comparable transactions in the sector since 2012:

**Multiples from comparable transactions**

<table>
<thead>
<tr>
<th>Date</th>
<th>Target</th>
<th>Country</th>
<th>Buyer</th>
<th>EV / Revenues Multiple</th>
<th>EV / EBITDA Multiple</th>
</tr>
</thead>
<tbody>
<tr>
<td>25/06/2014</td>
<td>Clinique La Colline SA²</td>
<td>Switzerland</td>
<td>Klinik Hirslanden AG</td>
<td>n.a.</td>
<td>8.8 x</td>
</tr>
<tr>
<td>03/06/2014</td>
<td>Partnerships in Care²</td>
<td>UK</td>
<td>Acadia</td>
<td>2.3 x</td>
<td>8.8 x</td>
</tr>
<tr>
<td>12/05/2014</td>
<td>Gds¹²</td>
<td>France</td>
<td>Ramsay</td>
<td>0.9 x</td>
<td>7.1 x</td>
</tr>
<tr>
<td>16/04/2014</td>
<td>Scanmed Multimeds¹²</td>
<td>Poland</td>
<td>Dudley Investments</td>
<td>2.3 x</td>
<td>13.2 x</td>
</tr>
<tr>
<td>28/01/2014</td>
<td>Cura Day Hospitals Group Pty Ltd²</td>
<td>Australia</td>
<td>Intermediate Capital Group</td>
<td>4.3 x</td>
<td>16.2 x</td>
</tr>
<tr>
<td>04/10/2013</td>
<td>Teknon²</td>
<td>Spain</td>
<td>Doughty Hanson</td>
<td>n.a.</td>
<td>13.0 x</td>
</tr>
<tr>
<td>13/09/2013</td>
<td>Rhoen Klinikum¹²</td>
<td>Germany</td>
<td>Fresenius</td>
<td>1.5 x</td>
<td>12.3 x</td>
</tr>
<tr>
<td>10/09/2013</td>
<td>Terveystalo Healthcare Oyj²</td>
<td>Finland</td>
<td>EQT Partners AB</td>
<td>1.4 x</td>
<td>12.4 x</td>
</tr>
<tr>
<td>28/05/2013</td>
<td>EMC IM¹²</td>
<td>Poland</td>
<td>Penta Investments Limited</td>
<td>1.2 x</td>
<td>16.5 x</td>
</tr>
<tr>
<td>21/02/2013</td>
<td>UK Specialist Hospitals Limited²</td>
<td>UK</td>
<td>Care UK Limited</td>
<td>0.4 x</td>
<td>5.8 x</td>
</tr>
<tr>
<td>27/08/2012</td>
<td>Emirates Healthcare (Part. 49.63%)</td>
<td>U. A. E.</td>
<td>Mediclinic</td>
<td>2.0 x</td>
<td>10.6 x</td>
</tr>
<tr>
<td>26/04/2012</td>
<td>Rhoen Klinikum¹²</td>
<td>Germany</td>
<td>Fresenius</td>
<td>1.5 x</td>
<td>10.9 x</td>
</tr>
<tr>
<td>22/03/2012</td>
<td>Grupo Hospitalario Quiron (Part. 40%)</td>
<td>Spain</td>
<td>United Surgical Partners Europe</td>
<td>1.4 x</td>
<td>9.5 x</td>
</tr>
<tr>
<td>20/03/2012</td>
<td>Carint Scanmed (Part. 50%)</td>
<td>Poland</td>
<td>American Heart of Poland</td>
<td>2.6 x</td>
<td>8.5 x</td>
</tr>
<tr>
<td>09/02/2012</td>
<td>USP Hospitales²</td>
<td>Spain</td>
<td>Doughty Hanson</td>
<td>1.0 x</td>
<td>10.5 x</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Median</th>
<th>Average</th>
<th>ESS (Offer)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EV / Revenues</td>
<td>1.5 x</td>
<td>1.8 x</td>
<td>1.5 x</td>
</tr>
<tr>
<td>EV / EBITDA</td>
<td>10.6 x</td>
<td>10.9 x</td>
<td>9.6 x</td>
</tr>
</tbody>
</table>

1: Listed target company

2: Acquisition of a controlling position in the target company

Source: Mergermarket; Research Reports
The analysis of these indicators shows that the Offer values ESS slightly below the market, based on the comparable transactions selected above.

**Evolution of Equity Research analysts’ outlooks**

The majority of Equity Research analysts have issued buy or outperform recommendations on ESS’ shares, there being no sell recommendation at the date of the Preliminary Announcement of the Offer.

The Consideration offered by the Offeror is in line with the price target of the Equity Research analyst’s consensus

The average of the analysts’ price targets with Equity Research backing in relation to ESS’ shares on the date of disclosure of the Preliminary Announcement of the Offer is of €4.26 (four euros and twenty six cents), which represents an offered average premium of 1%, given that the price targets of the analysts reflect the intrinsic value of the company with no regard to a possible control premium.

Therefore, the Board of Directors is of the opinion that the consideration offered by the Offeror does not include the whole of a premium for possible benefits that may arise for ESS from the acquisition of control by GASS.

**Analysts’ recommendations and Price target for ESS prior to the Offer**

<table>
<thead>
<tr>
<th>Broker</th>
<th>Recommendation</th>
<th>Date</th>
<th>Price Target</th>
<th>Premium/ (discount) compared with Price Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Santander</strong></td>
<td>Buy</td>
<td>2-Jun-14</td>
<td>4.55</td>
<td>-5.5%</td>
</tr>
<tr>
<td><strong>Kepler Cheuvreux</strong></td>
<td>Buy</td>
<td>28-Mai-14</td>
<td>4.20</td>
<td>2.4%</td>
</tr>
<tr>
<td><strong>CaixaBI</strong></td>
<td>Hold</td>
<td>18-Ago-14</td>
<td>3.90</td>
<td>10.3%</td>
</tr>
<tr>
<td><strong>Credit Suisse</strong></td>
<td>Neutral</td>
<td>18-Ago-14</td>
<td>4.15</td>
<td>3.6%</td>
</tr>
<tr>
<td><strong>BBVA</strong></td>
<td>Outperform</td>
<td>7-Ago-14</td>
<td>4.60</td>
<td>-6.5%</td>
</tr>
</tbody>
</table>
Regarding the price offered, the opinion of Equity Research analysts stated following the Preliminary Announcement of the Offer was the following:

**BPI (20 August 2014):** “The end or the beginning?...: the offer price, €4.30/share, stands roughly in line with our YE14 FV for the stock (€4.26). Please recall that our €3.95 YE14 PT included a 10% small cap discount, which we believe is not justifiable in this situation. Moreover, it could be argued that the acquisition of a controlling position in the company could even deserve a premium”.

**Santander (20 August 2014):** “We note the price offered is slightly below (c5.5%) our TP of €4.55 and 9.5% below the €4.70/share level that we have seen as a reference, based on transaction multiples for M&A deals (involving good assets), which could be around 10x EV/EBITDA 2014E, so upside is now more limited”.

**Credit Suisse (28 August 2014):** “On 19 August, Mexican private health group Angeles Health made a public offer for ESS at €4.30/share in cash. This represents a 16% premium to an undisturbed price of €3.70/share (3 month average May-July, i.e. before the news around the Espirito Santo group restructuring hit the Portuguese market). …We believe that the 16% premium offered to the undisturbed average price is relatively low. However, the specific circumstances surrounding the family holding company finances may impact the bid premium. The average EV/EBITDA multiple for acquisitions in the hospital sector in the last 3 years has been 10x. On this basis, it suggests an ESS take-out price of €4.6/share (on CS 2014E EBITDA)”.

**Conclusion**

The Board of Directors, following an analysis of the Consideration of the Offer under the various valuation criteria described above, namely the price of the IPO, share performance since the IPO, multiples of listed peer companies and comparable transactions and evolution of analyst outlooks from Equity Research, is of the opinion that the Offer is acceptable given that it fits within the market valuation criteria, although it may not fully reflect a potential control premium.
Comparison of the Consideration offered and several indicative prices, in value

<table>
<thead>
<tr>
<th>Source: Bloomberg</th>
</tr>
</thead>
</table>

Comparison of the Consideration offered and several indicative prices, in percentage

<table>
<thead>
<tr>
<th>Source: Bloomberg</th>
</tr>
</thead>
</table>

* Assuming the median of the EV/EBITDA multiples applied to the analysts’ consensus values for the ESS 2014E EBITDA and net debt (Bloomberg, 5 September 2014)
6. INTENTIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS THAT ARE ALSO ESS’ SHAREHOLDERS ON THE ACCEPTANCE OF THE OFFER

The following table shows the shareholdings in ESS’ share capital held by each member of the Board of Directors and their respective intention to accept or decline the Offer, unless there is a change in circumstances, the conditions of the Offer or other constraints unrelated with the Offer:

<table>
<thead>
<tr>
<th>Members of the Board of Directors</th>
<th>Shares held</th>
<th>Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diogo José Fernandes Homem de Lucena</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Isabel Maria Pereira Aníbal Vaz</td>
<td>21,224</td>
<td>Accept</td>
</tr>
<tr>
<td>João Paulo da Cunha Leite de Abreu Novais</td>
<td>19,797</td>
<td>Accept</td>
</tr>
<tr>
<td>Tomás Leitão Branquinho da Fonseca</td>
<td>60,267</td>
<td>Accept</td>
</tr>
<tr>
<td>Ivo Joaquim Antão</td>
<td>11,297</td>
<td>Accept</td>
</tr>
<tr>
<td>Pedro Gonçalo da Costa Pinheiro Libano Monteiro</td>
<td>19,620</td>
<td>Accept</td>
</tr>
<tr>
<td>António Davide de Lima Cardoso</td>
<td>6,050</td>
<td>Accept</td>
</tr>
<tr>
<td>Artur Aires Rodrigues de Morais Vaz</td>
<td>4,738</td>
<td>Accept</td>
</tr>
<tr>
<td>José Manuel Malheiro Holtreman Roquette</td>
<td>3,090</td>
<td>Accept</td>
</tr>
<tr>
<td>Maria do Rosário Nunes Vicente Rebordão Sobral</td>
<td>10,000</td>
<td>Accept</td>
</tr>
<tr>
<td>Luís Espírito Santo Silva Ricciardi</td>
<td>600</td>
<td>Accept</td>
</tr>
<tr>
<td>João Carlos Pellon Parreira Rodrigues Pena</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>José Manuel Caeiro Pulido</td>
<td>15,000</td>
<td>Decision pending</td>
</tr>
<tr>
<td>Alexandre Carlos de Melo Vieira Costa Relvas</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nuno de Carvalho Fernandes Thomaz</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pedro Guilherme Beauvillain de Brito e Cunha</td>
<td>1,000</td>
<td>Accept</td>
</tr>
</tbody>
</table>
7. OTHER INFORMATION

As at the present date, the Board of Directors has not received from the employees, either directly or through their representatives, any opinion on the labour repercussions of the Offer.

No member of ESS’ Board of Directors is a member of any corporate body of the Offeror or of companies in a dominant or group relationship with the Offeror, nor has any relevant tie or specific interest in the Offeror or in the companies in a dominant or group relationship with the Offeror and therefore no member of the Board of Directors is in any way hampered from making an unbiased analysis of the Offer.

8. APPROVAL OF THE REPORT BY THE BOARD OF DIRECTORS

The present Report was favourably approved in the Board of Directors meeting held on 8 September 2014 for the purpose of assessing this Report. All directors present voted favourably, with the exception of the Director Mr. João Carlos Pellon Parreira Rodrigues Pena who abstained for the reasons set out in a statement presented by the latter and attached hereto.
9. APPENDIX

Espírito Santo Saúde
To the attention of the Board of Directors
Ed. Amoreiras Square,
Rua Carlos Alberto da Mota Pinto, no. 17 – 9th floor
1070-313 Lisbon

Lisbon, 8 September 2014

Dear Sirs,

As this Board is aware, the company Rioforte Investments (RFI) requested on 22 July last, before the Court of Luxembourg where it has its registered office, to be brought under the ‘gestion controlee’ regime.

Although the shareholder of Espírito Santo Saúde (ESS) is Espírito Santo Healthcare Investments (ESHCI) and the signatory hereof is a non-executive Director of ESS, the fact he is also a Director of ESHCI and especially CEO of RFI cannot be discredited, on a personal level.

In that capacity, I considered it my duty to promptly report to the Court, through RFI’s lawyers in Luxembourg (EHP), the Preliminary Announcement of the Takeover Bid over the whole of ESS’ share capital by the Ángeles Group on 19 August last, as well as the resulting presentation of the Offer Documents for registration with the CMVM, regarding which this BoD must issue an opinion under the terms and periods provided for by law.

Although RFI is not an ESS shareholder, the possible decision by the Court should be taken into account by the Board of Directors of RFI, especially by its CEO.

Given that such decision has not yet been communicated to RFI, it is my belief that, as CEO of a company under ‘gestion controlee’, I should not state an opinion as non-executive Director of ESS, whether favourable or unfavourable, regarding the content and recommendations stated in the Report of ESS’ Board of Directors, the target company of said Takeover Bid, issued for the purposes and under the terms set out in the PSC.

For this reason I abstain in the belief that my abstention will not hinder the decision now taken by the Board of Directors.

I request this letter to be attached to the Minutes of the Meeting of ESS’ Board of Directors of this same date.

With my kindest regards,

[signature]

João Rodrigues Pena
Member of the Board of Directors, Espírito Santo Saúde
Chief Executive Officer, Rioforte Investments, SA