BOARD OF DIRECTORS STATEMENT

REGARDING THE OPPORTUNITY AND CONDITIONS OF FIDELIDADE – COMPANHIA DE SEGUROS, S.A. OFFER

29 September 2014
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1. INTRODUCTION

The Board of Directors of Espírito Santo Saúde – SGPS, S.A. ("ESS"), having received, on 25 September 2014, and analysed the draft prospectus and draft offer announcement for the competing general and voluntary takeover offer for the acquisition of the shares representing the share capital of ESS ("Fidelidade Competing Offer"), which was disclosed in a preliminary announcement on 23 September 2014 ("Preliminary Announcement") presented by the company Fidelidade – Companhia de Seguros, S.A. ("Offeror" or "Fidelidade"), hereby issues a statement regarding the opportunity and conditions of the Fidelidade Competing Offer, as provided for and for the purposes set out in number 1 of article 181 of the Portuguese Securities Code ("PSC").

Because the Fidelidade Competing Offer has in the meantime been registered, on 26 September 2014, and the Fidelidade Competing Offer prospectus and offer announcement ("Prospectus" and "Offer Announcement", respectively) have been disclosed, the present statement of the Board of Directors is based on and refers to the content of the Fidelidade Competing Offer Prospectus and Offer Announcement.

Given that the preliminary announcement disclosed by Fidelidade of the general and voluntary takeover offer for the shares representing the share capital of ESS took place following the disclosure of another preliminary announcement of a takeover offer for ESS shares made on 19 August 2014 and following the registration of the latter offer by the Ángeles Servicios de Salud, S.A. de C.V. Group, ("GASS") and disclosure of the respective prospectus and offer announcement ("Initial Offer"), the offer preliminarily announced by Fidelidade on 23 September 2014 constitutes a competing offer, as provided for in article 185 of the PSC, which sets out that as of the disclosure of a preliminary announcement of a takeover offer any other takeover offer for securities of the same category may only take place under a competing offer.

Furthermore, the disclosure of the preliminary announcement of the Fidelidade Competing Offer took place following the disclosure of another preliminary announcement of a competing takeover offer for the referenced ESS shares by José de Mello Saúde, S.A., on 11 September 2014 ("JMS Competing Offer").

The Fidelidade Competing Offer is general and voluntary and the Offeror undertakes to purchase the whole of the shares whose holders validly accept the Fidelidade Competing Offer, save for shares directly held by the Offeror and by a person/entity in any of the situations vis-à-vis the Offeror set out in number 1 of article 20 of the PSC and that has blocked their ESS shares during the offer period of the Fidelidade Competing Offer.

In summary, from the analysis of the Prospectus and the Offer Announcement, the Board of Directors considers that:
(i) The success of the Fidelidade Competing 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;

(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 of €4.82 (four euros and eighty-two cents) per share offered by the Offeror is deemed acceptable, given that it falls within the analysed market valuation criteria (price of the initial public offering ("IPO"), share performance since the IPO, multiples of listed peer companies and comparable transactions, evolution of analyst outlooks from equity research, potential for the creation of value as a result of the acquisition by the Offeror and consideration of the Initial Offer);

(iv) The possible success of the Fidelidade Competing Offer does not entail a horizontal concentration of companies and does not alter the current scenario of freedom of choice of Employees and Clients/Patients, while not substantially impacting the current balance in the market as concerns insurance companies / healthcare systems / payers and suppliers and the State.

This statement 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 statement, 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 following documents are 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:

- Preliminary Announcement of the Initial Offer;
- Prospectus of the Initial Offer;
- Offer Announcement of the Initial Offer;
- ESS’ Board of Directors statement regarding the opportunity and conditions of the Initial Offer;
- Preliminary Announcement of the JMS Competing Offer;
• ESS’ Board of Directors statement regarding the opportunity and conditions of the JMS Competing Offer;
• Preliminary Announcement of the Fidelidade Competing Offer;
• Prospectus for the Fidelidade Competing Offer; and
• Offer Announcement for the Fidelidade Competing Offer.
2. TERMS AND CONDITIONS OF THE FIDELIDADE COMPETING OFFER

ESS’s 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").

Offeror

According to the information contained in the Prospectus and the Offer Announcement of the Fidelidade Competing Offer, the Offeror is a company incorporated and governed under Portuguese law, with registered office at Largo do Calhariz, no. 30, 1249-001 Lisbon, registered at the Commercial Registry of Lisbon under the sole commercial registration and tax identification number 500918880 and with a fully subscribed share capital of €381,150,000.00.

The Offeror’s businesses are in the Life and Non-Life branches of the insurance and reinsurance sectors. At the present date and as set forth in the Prospectus, the share capital of the Offeror is indirectly controlled by Fosun International Limited, through an 80% shareholding in Fidelidade’s share capital by the company LongRun Portugal, SGPS, S.A. In turn, Fosun International Limited is controlled by Mr. Guo Guangchang. The remaining 20% of the shares representing the share capital of Fidelidade are indirectly held by Caixa Geral de Depósitos, through Caixa Seguros e Saúde, SGPS, S.A..

Type of Offer of the Fidelidade Competing Offer

Given that the preliminary announcement of the general and voluntary takeover offer for the Shares disclosed by Fidelidade took place (i) following the disclosure of the preliminary announcement of the Initial Offer by GASS and following the registration of this same offer, on 19 September 2014, the Fidelidade Competing Offer, preliminarily announced by Fidelidade on 23 September 2014, constitutes a competing offer, as provided for in article 185 of the PSC, which sets out that as of the disclosure of a preliminary announcement of a takeover offer any other takeover offer for securities of the same category may only take place under a competing offer.

In addition, the Fidelidade Competing Offer is general and voluntary and encompasses the whole of the Shares issued and in circulation. The Offeror undertakes to purchase the whole of the Shares whose shareholders validly accept the Fidelidade Competing Offer.
Financial Intermediary

The financial intermediary appointed by the Offeror to advise on the Fidelidade Competing Offer, namely by rendering the services necessary for the preparation, launch and execution of the Fidelidade Competing Offer, is Banco Finantia, S.A..

Shares targeted by the Fidelidade Competing Offer

The category of shares targeted by the Fidelidade Competing Offer is the whole of the Shares. Given however 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 95,540,750 Shares may be accepted under the Fidelidade Competing Offer. As referenced in the Prospectus, voting rights corresponding to 1,504 Shares representing 0.0016% of ESS’ share capital are directly attributable to the Offeror, as provided for under number 1 of article 20 of the PSC.

Conditions for the launch of the Fidelidade Competing Offer

The launch of the Fidelidade Competing Offer was subject to its prior registration with the PSCom and to the consent by the Portuguese State to the indirect transfer of ESS’ shareholding in the company SGHL – Sociedade Gestora do Hospital de Loures, S.A. and the company HL – Sociedade Gestora do Edifício, S.A.. Both conditions to the launch of the Fidelidade Competing Offer were met on 26 September 2014, with the PSCom’s registration of the Fidelidade Competing Offer and with the joint ministerial order of the Secretary of State of Finance and the Secretary of State of Health, respectively.

In turn, the Fidelidade Competing Offer is conditional on the Offeror becoming a shareholder (or having attributed to it under number 1 of article 20 of the PSC) of at least 50.01% (fifty point zero one per cent) of the Shares representing ESS’ share capital and voting rights, until the date of and resulting from the physical and financial settlement of the Fidelidade Competing Offer.

Also of note, the Offeror states in the Prospectus and the Offer Announcement that, on 23 September 2014, it submitted a request for non-opposition to the Fidelidade Competing Offer to the Competition Authority, which had not yet issued such non-opposition statement at the time of registration of the Fidelidade Competing Offer and the disclosure of the Prospectus and the Offer Announcement. Nonetheless and as referenced in the Prospectus, such statement does not hinder the launch and conclusion of the Fidelidade Competing Offer, according to number 2 of article 40 of Law no. 19/2012, of 8 May (Legal Regime for Competition), which accepts a public offer to purchase or exchange prior to the Competition Authority’s decision as long as the Offeror
withholds from exercising the voting rights inherent to the holdings in question or exercises such voting rights solely to protect the full value of its investment and under a derogation granted by the Competition Authority following a reasoned request by the Offeror.

The Offeror further listed in the Preliminary Announcement of the Fidelidade Competing Offer a set of assumptions concerning the decision to launch the Fidelidade Competing Offer (see paragraph 19 to 21 of the Offer’s Preliminary Announcement).

“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 Competing Offer by exceeding the risks inherent to it” is also an assumption of the Fidelidade Competing Offer as set out in the Preliminary Announcement, in the Offer Announcement and the Prospectus.

Consideration

The consideration offered by the Offeror will be paid in cash and is €4.82 (four euros and eighty-two 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 Competing Offer” (the “Consideration”).

The Consideration as proposed would be paid in cash and, as set out in the Prospectus, will be available on the 2nd business day following the special session of the regulated market of Euronext Lisbon where the results of the Initial Offer and the Fidelidade Competing Offer will be determined and which is expected to take place on the first business day after the end of the offer period of the Fidelidade Competing Offer.

According to the Prospectus, “the total amount of the consideration offered under the Competing Offer corresponds to a maximum of €460,506,415.00 and is guaranteed as required by number 2 of article 177 of the Portuguese Securities Code.”

The Prospectus further states that, “the Offeror has deposited the funds necessary for the integral payment of the consideration offered under the present Competing Offer with Caixa Geral de Depósitos, S.A. and Banco Finantia, S.A., having evidence thereof been made available to the CMVM. Therefore, the funds necessary for the payment of the total amount of the consideration offered under the present Competing Offer have been duly ensured and blocked for the settlement thereof.”
Offer period and minimum number of Shares to be purchased

The Fidelidade Competing Offer will last for a 10-business day period, from 8:30 am on 29 September until 3:30 pm on 10 October 2014. It should be noted that, with the registration of the Fidelidade Competing Offer with its referenced offer period, the offer period of the Initial Offer will thereby take place simultaneously and will also conclude on 10 October 2014.

The Offeror made the Fidelidade Competing Offer conditional on the purchase, under this offer, of a number of Shares representing at least 50.01% of ESS’ share capital.

The results of the Initial Offer and the Fidelidade Competing 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 second business day following the special session. The Offeror expects that such settlement will take place on 15 October 2014.

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 three months therefrom should it reach or exceed, either directly or as provided for under number 1 of article 20 of the PSC, (i) 90% of the voting rights attached to ESS’ share capital and (ii) 90% of the voting rights encompassed by the Fidelidade Competing Offer, as a result of the Fidelidade Competing Offer or other lawful transactions which are relevant to the calculation of said percentage.

Should it not exercise the right referenced in the preceding paragraph or should it reach 90% of the voting rights attached to ESS’ share capital, but not the 90% of the voting rights encompassed by the Fidelidade Competing Offer, the Offeror has stated that it will not request the loss of public company status for ESS following the Fidelidade Competing Offer, as provided under paragraph a) of number 1 of article 27 of the PSC, in which case the Shares would remain admitted to trading in the regulated market of Euronext Lisbon.

The Offeror’s exercise of the right referenced above entails the immediate delisting of the Shares from the regulated market of Euronext Lisbon, being its readmission barred for a one-year period.

Statement of interest on the part of ESS’ shareholders

ESS’ shareholders that intend to accept the Fidelidade Competing Offer should state such interest during the offer period of the Fidelidade Competing Offer 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 Fidelidade Competing 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, given this context, the Fidelidade Competing 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.

Offeror’s Strategy

The Board of Directors has noted that, as regards the Offeror’s business strategy and the strategy for the acquisition of ESS, the success of the Fidelidade Competing Offer may bring some advantages given the following aspects identified by the Offeror in the Prospectus:

“The Offeror’s growth strategy entails the reinforcement of its positioning in the life-related risk area, namely healthcare and personal injury insurance. This strategy is based on the country’s present socio-demographic trends, such as the accelerated ageing of the population, but also the inevitable gradual redefinition of the State’s role in this sector.”

“In this sense, the acquisition of ESS suits the Offeror’s strategy and will allow it to develop its value proposition in key areas such as traditional medicine, or even new medical areas yet to be explored, such as preventive and occupational medicine.”

“[…] The Offeror intends to create the conditions necessary for the maintenance of the strategic business guidelines determined by ESS’ Board of Directors, whereby it and its subsidiaries operate aligned with such guidelines.”

In addition, the Offeror states that “it calls on its knowledge in the management of PPPs, acquired in the past from its ties to the management of the HPP – Hospital de Cascais and which will be made available to support, whenever necessary, ESS’ management of the Hospital Beatriz Ângelo in Loures.” and that “it intends to satisfy all commitments undertaken within the PPP agreement entered into under the PPP law, approved by Decree-Law no. 185/2002, of 20 August, under which ESS manages Hospital Beatriz Ângelo in Loures, ensuring thereby that the high quality of service is maintained and the production and efficiency levels are met.” Therefore, ESS’ Board of Directors believes
that the conditions are met to maintain the high quality of service to the State under the referenced agreement.

Lastly, as regards financial strategy and internationalisation, the Offeror states that “indeed, from a financial perspective, the Offeror intends to work together with ESS’ management with the goal of obtaining adequate funding for ESS’ current course of business and on-going capital, including a correct level of working capital, ensuring furthermore the reduction of its financing costs.” and that “Should ESS come to be a part of the Fidelidade Group, the conditions for the implementation and acceleration of its diversification and internationalisation policies will thereby be strengthened, (…) notwithstanding its autonomy as a healthcare services provider” and concludes “that its financial capacity will be an added value to the stability and continuity of ESS’ business, including in the medium and long term”.

**Strategic Alignment**

The reading of the Prospectus of the Fidelidade Competing Offer is deemed to indicate a strategic alignment between the Offeror and ESS, given that the former not only based its own strategic approach for ESS on ESS’ strategic plan as set out in the prospectus for the IPO 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. In particular, it states that “there is a strategic alignment between the Offeror and ESS and no substantial changes to the current activity of the latter are expected”; “the Offeror acknowledges the expansion opportunities identified by the present management, both as regards increasing the capacity of the current premises and as regards geographic expansion” and “the Offeror reiterates its trust in the current ESS’ Board of Directors and respective Senior Management team and proposes to generally maintain ESS’ corporate strategy”.

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.

Additionally, it is also deemed possible that the success of the Fidelidade Competing Offer may create synergy opportunities between the Offeror and ESS’ businesses, in particular and as referenced in the Prospectus, in what regards “the ability to ensure an increase in ESS’ production volumes due to its leading position in the insurance market, which immediately makes for a better use of ESS’ installed capacity and a resulting increase in efficiency. Furthermore, the Offeror and ESS would be in a position to offer significantly innovative commercial solutions in the healthcare sector, facilitating access to healthcare by a larger population that does not yet have access to healthcare in the private sector.”
4. IMPACT OF THE FIDELIDADE COMPETING 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 significantly change working conditions nor expects to reallocate employees in the short term, since it intends to continue to operate and conduct ESS’ business from its existing premises, as mentioned in the following paragraphs from the Prospectus:

“The Offeror considers the current ESS’ infrastructures to be adequate to its business and therefore does not foresee any significant change to working conditions, nor to the reallocation of employees in the short term.”

“The Offeror also acknowledges the high quality of ESS’ human resources, both regarding its management team and its clinical staff and administrative support teams. The Offeror therefore reiterates its acknowledgment and manifests its intention to count on their collaboration in the implementation of the abovementioned strategy.”

The Board of Directors also considers that the possible success of the Fidelidade Competing Offer does not undermine the current scenario of freedom of choice concerning the available alternatives of employers.

Clients / Patients

Given the aligned strategy referenced earlier, 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 Fidelidade Competing Offer be successful. In this respect, the following excerpt from the Prospectus is pertinent:

“The Offeror intends to create the conditions necessary for the maintenance of the strategic business guidelines determined by ESS’ Board of Directors, whereby it and its subsidiaries operate aligned with such guidelines.”

The Board of Directors also considers that the possible success of the Fidelidade Competing Offer does not entail a horizontal concentration of companies and does not
undermine the current scenario of freedom of choice concerning the available alternatives for healthcare service providers, so much so that the Offeror states it “believes it is capable of providing ESS with the necessary stability for the strengthening of its relationships with different stakeholders, while essentially maintaining the current market configuration, based on freedom of choice for users and insured persons.”

Insurance Companies / Healthcare / Paying Systems and Suppliers

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

The Offeror has no corporate presence in the private healthcare services market. Therefore, this Board of Directors 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 Fidelidade Competing Offer would generate disruptive consequences with an impact on the various sector stakeholders, in particular insurance companies, healthcare systems, other payers and suppliers.

Nonetheless, The Board of Directors considers that the success of the Fidelidade Competing Offer may possibly change the current situation of the market for insurers and other paying entities, insofar as it will entail a vertical integration between ESS and an insurance group (vertical concentration of companies). However, despite the Offeror’s presence in the Portuguese insurance market, it is not considered that the effects of such concentration would disrupt ESS’ relationship with the insurance companies and other payers.

Indeed, taking into account the Offeror’s statements, namely, that “in this context, the Offeror, given its current shareholder structure, has already redefined its corporate strategy in order to promote the diversification of its business, both in terms of markets and geographies. Should ESS come to be a part of the Fidelidade Group, the conditions for the implementation and acceleration of its diversification and internationalisation policies, maxime to Lusophone countries, will thereby be strengthened, notwithstanding its autonomy as a healthcare services provider”, as well as ESS’ business history within the same economic group as a large insurance company, the vertical concentration resulting from the success of the Fidelidade Competing Offer is not considered to undermine ESS’ autonomy as a healthcare service provider, nor to create significant shifts in its client/payers base.
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 responsible, under a public-private partnership, for the management of the Hospital Beatriz Ângelo in Loures, a hospital integrated in the National Health System.

It follows as regards this particular aspect that the Fidelidade Competing 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 Fidelidade Competing Offer is deemed to have no impact on the current public-private partnerships market. In this context, the following excerpt from the Prospectus is pertinent: “The Offeror intends to satisfy all commitments undertaken within the PPP agreement entered into under the PPP law, approved by Decree-Law no. 185/2002, of 20 August, under which ESS manages Hospital Beatriz Ângelo in Loures, ensuring thereby that the high quality of service is maintained and the production and efficiency levels are met.”

Furthermore, the success of the Fidelidade Competing Offer is deemed to maintain 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. Indeed, the four hospitals managed under public-private partnerships would continue to be managed by three private operators.

Financing

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 excerpts from the Prospectus are pertinent: “From a financial perspective, the Offeror intends to work together with ESS’ management with the goal of obtaining adequate funding for ESS’ ordinary course of business and on-going capital, including a correct level of working capital, ensuring furthermore the reduction of its financing costs” and “the abovementioned financial strategy naturally entails the strict compliance with the existing financing agreements, as well other laws and regulations that may apply.”

In addition, the following excerpts are also pertinent: “The Offeror acknowledges the expansion opportunities identified by the present management, both as regards increasing the capacity of the current premises and as regards geographic expansion” and “For the implementation of the programmatic guidelines described above, the Offeror
will work with ESS’ management to put in place the funding necessary for this plan, thereby ensuring the success of its own diversification and internationalisation policy.” 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 or its expansion plans.
5. TYPE AND AMOUNT OF THE CONSIDERATION OFFERED

ESS’ Board of Directors deems the amount offered of €4.82 (four euros and eighty-two cents) to be acceptable, given that it falls within the analysed market valuation criteria. This Board acknowledges that the Fidelidade Competing Offer may generate value, since it is deemed that (i) its success 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 strategic alignment between Fidelidade and ESS, as well as a similar business growth outlook; (iii) 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 Fidelidade Competing 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;
- Potential creation of value as a result of the acquisition by the Offeror;
- Consideration of the Initial Offer launched by GASS.

Price of the IPO

The price offered is higher than the sale price in the IPO (€3.20) by nearly 51%.

ESS’ ITF (intention to float) was disclosed on 14 January 2014, the price range determined on 24 January (€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 an aversion to risk on the part of investors, specially due to fears related to instability in
some emerging economies and 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) and a higher demand for refuge assets (receding Treasuries and Bunds yields) and an increase in volatility.

Share price evolution of selected peers and indexes before the IPO (12th 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>DJS 600</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>DJ Stoxx Healthcare</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 5th February 2014. ESS peers is an average of the following companies: Aevis, Al Noor, Clínica Baviera, Genérale 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 price of the IPO 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 Initial Offer by GASS, ESS showed a market performance much superior to the main market benchmarks, in particular to the European, 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 Espírito Santo Group.

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

The price offered represents a premium of nearly 22% as compared to the closing share price on the day the Preliminary Announcement of the Initial Offer was disclosed and a premium of 30% to 34% in relation to the volume weighted average price (VWAP) of ESS’ shares in the three and six months prior to the Initial Offer by GASS.

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 standard period), the consideration offered represents a premium of 31% compared to the weighted average share price (VWAP\(^1\)) of ESS.

**Implicit premium of the Offer in relation with several indicative prices, compared with the Preliminary Announcement date (19\(^{th}\) August 2014)**

<table>
<thead>
<tr>
<th></th>
<th>Since IPO</th>
<th>last 6 months (19 Feb. - 19 Aug.) pre-Initial Offer</th>
<th>3 months normalized (31 Mar. to 30 Jun.)</th>
<th>last 3 months (19 May. - 19 Aug.) pre-Initial Offer</th>
<th>last price pre-Initial Offer(^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>38%</td>
<td>34%</td>
<td>31%</td>
<td>30%</td>
<td>22%</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 performed at the Euronext Lisbon regulated market during the abovementioned period. Prices are rounded to the third decimal place.

(2) Last traded price at Euronext Lisbon regulated market before the Initial Offer announcement (19th August 2014)

**Evolution of ESS performance and selected indexes since the IPO**

Source: Bloomberg, (26th September 2014)
ESS performance compared with several benchmarks until the date of the Initial Offer (19th August 2014)

<table>
<thead>
<tr>
<th></th>
<th>Since the IPO</th>
<th>6 months prior to the Initial Offer</th>
<th>3 months prior to the Initial Offer</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESS</td>
<td>23%</td>
<td>22%</td>
<td>8%</td>
</tr>
<tr>
<td>Stoxx Healthcare</td>
<td>8%</td>
<td>5%</td>
<td>2%</td>
</tr>
<tr>
<td>IBEX 35</td>
<td>3%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>Stoxx Europe</td>
<td>2%</td>
<td>0%</td>
<td>-1%</td>
</tr>
<tr>
<td>PSI-20</td>
<td>-19%</td>
<td>-21%</td>
<td>-17%</td>
</tr>
</tbody>
</table>

Source: Bloomberg

ESS share price and traded volume evolution since the IPO

Source: Bloomberg, (26th September 2014)
Listed peer companies and transactions

The analysis of ESS’ multiples implicit in the Fidelidade Competing Offer price as compared to the median of international peer companies shows that the Fidelidade Competing Offer offers a premium as compared to market multiples, both in terms of EBITDA and results.

### Multiples from listed peers

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Europe</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spire</td>
<td>1,451</td>
<td>10.1x</td>
<td>9.2x</td>
<td>8.3x</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Orpea</td>
<td>2,755</td>
<td>13.0x</td>
<td>11.4x</td>
<td>10.2x</td>
<td>20.9x</td>
<td>18.2x</td>
<td>16.1x</td>
</tr>
<tr>
<td>Korian-Medica</td>
<td>2,367</td>
<td>11.4x</td>
<td>9.6x</td>
<td>8.6x</td>
<td>25.4x</td>
<td>19.1x</td>
<td>16.7x</td>
</tr>
<tr>
<td>Fresenius</td>
<td>20,903</td>
<td>8.4x</td>
<td>7.4x</td>
<td>6.5x</td>
<td>19.0x</td>
<td>16.5x</td>
<td>14.4x</td>
</tr>
<tr>
<td>Rhoen Klinikum</td>
<td>3,240</td>
<td>9.4x</td>
<td>7.6x</td>
<td>n/a</td>
<td>45.5x</td>
<td>25.6x</td>
<td>22.3x</td>
</tr>
<tr>
<td><strong>Europe Median</strong></td>
<td></td>
<td>10.1x</td>
<td>9.2x</td>
<td>8.4x</td>
<td>23.1x</td>
<td>18.7x</td>
<td>16.4x</td>
</tr>
<tr>
<td><strong>Europe Average</strong></td>
<td></td>
<td>10.5x</td>
<td>9.0x</td>
<td>8.4x</td>
<td>27.7x</td>
<td>19.9x</td>
<td>17.4x</td>
</tr>
<tr>
<td><strong>Other Geographies</strong></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>7,101</td>
<td>16.2x</td>
<td>13.4x</td>
<td>11.2x</td>
<td>31.2x</td>
<td>26.2x</td>
</tr>
<tr>
<td>Netcare</td>
<td>South Africa</td>
<td>3,276</td>
<td>11.9x</td>
<td>10.2x</td>
<td>8.8x</td>
<td>19.6x</td>
<td>16.7x</td>
</tr>
<tr>
<td>Mediclinic</td>
<td>South Africa</td>
<td>5,603</td>
<td>16.4x</td>
<td>13.9x</td>
<td>12.4x</td>
<td>25.7x</td>
<td>21.2x</td>
</tr>
<tr>
<td>Life Healthcare</td>
<td>South Africa</td>
<td>3,285</td>
<td>13.2x</td>
<td>11.6x</td>
<td>10.2x</td>
<td>22.0x</td>
<td>21.1x</td>
</tr>
<tr>
<td>HCA Holdings</td>
<td>USA</td>
<td>24,407</td>
<td>8.4x</td>
<td>7.7x</td>
<td>6.9x</td>
<td>17.1x</td>
<td>15.1x</td>
</tr>
<tr>
<td>LifePoint</td>
<td>USA</td>
<td>2,514</td>
<td>8.6x</td>
<td>7.5x</td>
<td>6.8x</td>
<td>23.0x</td>
<td>19.9x</td>
</tr>
<tr>
<td>Universal Health Services</td>
<td>USA</td>
<td>8,757</td>
<td>9.7x</td>
<td>8.8x</td>
<td>7.9x</td>
<td>19.5x</td>
<td>17.8x</td>
</tr>
<tr>
<td>Community Health Systems</td>
<td>USA</td>
<td>5,109</td>
<td>8.0x</td>
<td>6.9x</td>
<td>6.4x</td>
<td>23.8x</td>
<td>18.2x</td>
</tr>
<tr>
<td>Tenet Healthcare</td>
<td>USA</td>
<td>4,752</td>
<td>8.6x</td>
<td>7.4x</td>
<td>6.8x</td>
<td>57.0x</td>
<td>27.8x</td>
</tr>
<tr>
<td><strong>Other Geographies Median</strong></td>
<td></td>
<td>9.7x</td>
<td>8.8x</td>
<td>7.9x</td>
<td>23.0x</td>
<td>19.9x</td>
<td>17.5x</td>
</tr>
<tr>
<td><strong>Other Geographies Average</strong></td>
<td></td>
<td>11.2x</td>
<td>9.7x</td>
<td>8.6x</td>
<td>26.5x</td>
<td>20.5x</td>
<td>17.5x</td>
</tr>
<tr>
<td><strong>Global Median</strong></td>
<td></td>
<td>9.9x</td>
<td>9.0x</td>
<td>8.3x</td>
<td>23.0x</td>
<td>19.1x</td>
<td>16.7x</td>
</tr>
<tr>
<td><strong>Global Average</strong></td>
<td></td>
<td>10.9x</td>
<td>9.5x</td>
<td>8.5x</td>
<td>26.9x</td>
<td>20.3x</td>
<td>17.5x</td>
</tr>
</tbody>
</table>

| ESS (Offer)      | 461             | 10.5x | 9.6x  | 8.8x  | 25.9x | 22.2x | 19.3x |

n/a – not applicable

Source: Bloomberg, (25th 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 – Price premiums in relation to pre-announcement day closing price

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 350 observations were obtained, distributed as follows: 87 in 2011, 134 in 2012, 99 in 2013 and 30 in 2014 (until 25th September).

In light of this criterion and in comparison with the premium value range considered for the current Fidelidade Competing Offer (22% to 38%), the opinion of ESS’ Board of Directors is that, compared with the Initial Offer by GASS, the Fidelidade Competing Offer considerably reduces the differential vis-à-vis the whole of a potential control premium.

The next table compares the EV/Revenues and EV/EBITDA multiples implicit in the Fidelidade Competing Offer with the median 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</th>
<th>EV / EBITDA</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>GdS¹,²</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 Multimedis¹,²</td>
<td>Poland</td>
<td>Dadley 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 Klinikum1,³</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 Oy²</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 IM¹,²</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 Klinikum¹,²</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>
</tbody>
</table>
The analysis of these indicators shows that the Fidelidade Competing Offer values ESS in line with the median for comparable transactions selected above, in terms of the EV/EBITDA multiples.

**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 Initial Offer.

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 Initial Offer was of €4.26 (four euros and twenty six cents). Currently, this average is of €4.46 and therefore the Consideration offered by Fidelidade represents an average premium of 8% in relation thereto.

**Analysts’ Recommendations and Price Targets for ESS**

<table>
<thead>
<tr>
<th>Broker</th>
<th>Recommendation</th>
<th>Price Target pre-Initial Offer (€)</th>
<th>Premium/ (discount) compared with Price Target pre-Initial Offer</th>
<th>Current Price Target (€)</th>
<th>Premium/ (discount) compared with Current Price Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santander</td>
<td>Buy</td>
<td>4.55</td>
<td>5.9%</td>
<td>4.55</td>
<td>5.9%</td>
</tr>
<tr>
<td>Kepler Cheuvreux</td>
<td>Buy</td>
<td>4.20</td>
<td>14.8%</td>
<td>4.20</td>
<td>14.8%</td>
</tr>
<tr>
<td>Caixa BI</td>
<td>Hold</td>
<td>3.90</td>
<td>23.6%</td>
<td>3.90</td>
<td>23.6%</td>
</tr>
</tbody>
</table>
The opinion of certain Equity Research analysts stated following the Preliminary Announcement of the Initial 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)”. 

The opinion of certain Equity Research analysts following the disclosure of the preliminary announcement of the JMS Competing Offer (on 11 September 2014) and the registration of the Initial Offer by GASS (on 19 September 2014):
Credit Suisse (11 August 2014): “Our ESS take-out price assumption remains €4.6/share (10x CS 2014E EBITDA) and our unchanged stand-alone valuation of €4.0/share represents a good benchmark for the potential downside if the bid fails.”

BPI (22 September 2014): “GASS’ price revision places the bid price closer to our YE14 FV of Eur 4.55 but, in our opinion, it still does not reflect a potential control premium…”

Potential creation of value as a result of the acquisition by the Offeror

Although the Fidelidade Competing Offer documents emphasize the creation of certain benefits as a result of the acquisition of ESS by the Offeror, they do not provide any quantified information concerning synergies, which could be created thereby. Concerning this, the Offeror states in the Prospectus that “the acquisition of ESS will create significant synergies. Indeed, the Offeror is confident in its ability to ensure an increase in ESS’ production volumes due to its leading position in the insurance market, which immediately makes for a better use of ESS’ installed capacity and a resulting increase in efficiency. Furthermore, the Offeror and ESS would be in a position to offer significantly innovative commercial solutions in the healthcare sector, facilitating access to healthcare by a larger population that does not yet have access to healthcare in the private sector.”

Consideration of the Initial Offer launched by GASS

The consideration of €4.82 offered by Fidelidade represents a 7% premium vis-à-vis the consideration of the Initial Offer launched by GASS (€4.50) and registered on 19 September 2014.

Conclusion

The Board of Directors, following an analysis of the consideration of the Fidelidade Competing Offer under the various valuation criteria described above, namely the price of the IPO, share performance since the IPO, multiples of listed peer companies, comparable transactions, evolution of analyst outlooks from equity research and comparison with the consideration offered in the Initial Offer launched by GASS, is of the opinion that the Fidelidade Competing Offer is acceptable given that it falls within the market valuation criteria.
Comparison between the Offer and several indicative prices, in value

Source: Bloomberg
(1) Information as of 25th September 2014

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

Source: Bloomberg

* Assuming the median of the EV/EBITDA multiples applied to the analysts’ consensus values for the ESS 2014E EBITDA and net debt (Bloomberg, 25th September 2014)
(1) Information as of 25th 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 Fidelidade Competing Offer, unless there is a change in circumstances, in the conditions of the Initial Offer, in the JMS Competing Offer or in the conditions of the Fidelidade Competing Offer or other constraints unrelated with the Fidelidade Competing 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 Santos 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 Caieiro Púlido</td>
<td>15,000</td>
<td>Accept</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 Fidelidade Competing Offer as regards employment.

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 Fidelidade Competing Offer.

8. APPROVAL OF THE STATEMENT BY THE BOARD OF DIRECTORS

The present Statement was favourably approved in the Board of Directors meeting held on 29 September 2014 for the purpose of assessing this Statement. 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. SCHEDULE

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, 29 September 2014

Dear Sirs,

As this Board is aware, the company Rioforte Investments (RFI) requested on 22 July past, 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 Competing Takeover Bid over the whole of ESS’ share capital by Fidelidade – Companhia de Seguros, S.A. on 23 September past, as well as the resulting presentation of the Offer Documents for registration with the PSCom, 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 expressed in the Statement of ESS’ Board of Directors, the target company of said Offer, 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 that this letter by attached to the Minutes of the Meeting of ESS’ Board of Directors of this same date.

With my kindest regards,
[illegible signature]
João Rodrigues Pena
Member of the Board of Directors, Espírito Santo Saúde
Chief Executive Officer, Rioforte Investments, S.A.