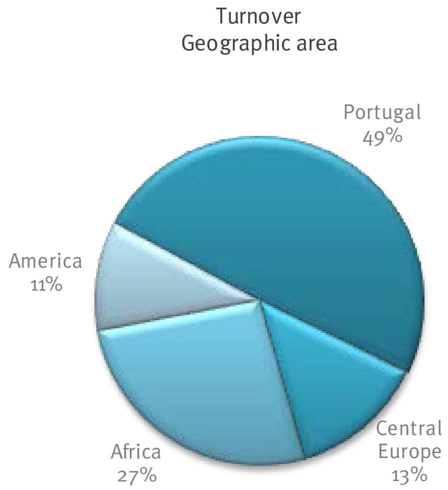
MOTA-ENGIL, SGPS, S.A.

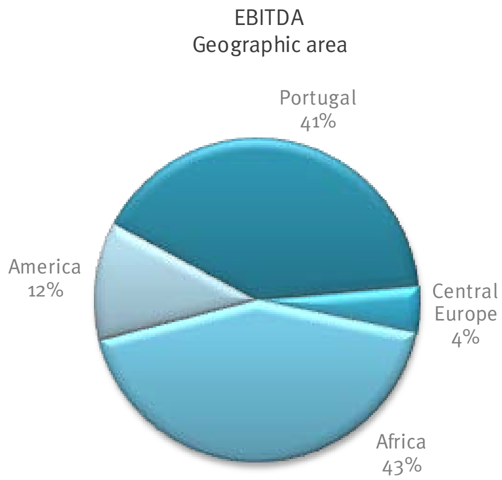
MANAGEMENT REPORT AND CONSOLIDATED FINANCIAL STATEMENTS AS OF THE 1ST HALF OF 2011

A World of Inspiration

Highlights

- Revenues increased by 8.2% to € 974 million
- EBITDA and EBIT margins of 12.7% and 7.4%
- Group's net attributable income of € 15.7 million
- Order book remained flat at € 3.4 billion
- Net corporate debt of € 1.01 billion





thousand euros

	1H11	% T	Δ	1H10	% T	2Q11	% T	Δ	2Q10	% T
Turnover	974.331		8,2%	900.100		542.966		9,7%	495.037	
EBITDA	123.817	12,7%	19,9%	103.231	11,5%	72.516	13,4%	21,1%	59.881	12,1%
EBIT	72.084	7,4%	19,8%	60.191	6,7%	47.287	8,7%	22,8%	38.510	7,8%
Net financial income	(39.174)	(4,0%)	(46,2%)	(26.787)	(3,0%)	(21.438)	(3,9%)	(44,8%)	(14.806)	(3,0%)
Net income/losses from equity method	3.070	0,3%	26,6%	2.426	0,3%	(1.626)	(0,3%)	(133,5%)	4.852	1,0%
Income before taxes	35.980	3,7%	0,4%	35.830	4,0%	24.223	4,5%	(15,2%)	28.555	5,8%
Net income	29.898	3,1%	24,3%	24.044	2,7%	20.230	3,7%	7,5%	18.825	3,8%
Attributable to:										
Non-controlling interests	14.208	1,5%	219,2%	4.450	0,5%	7.666	1,4%	238,0%	2.268	0,5%
Group	**15.690**	**1,6%**	**(19,9%)**	**19.594**	**2,2%**	12.565	2,3%	(24,1%)	16.557	3,3%

Ebitda = Earnings before interest and taxes + depreciation + provisions and imparity losses
Net Debt = Interest bearing debt – cash and equivalents

Non-audited financial statements.

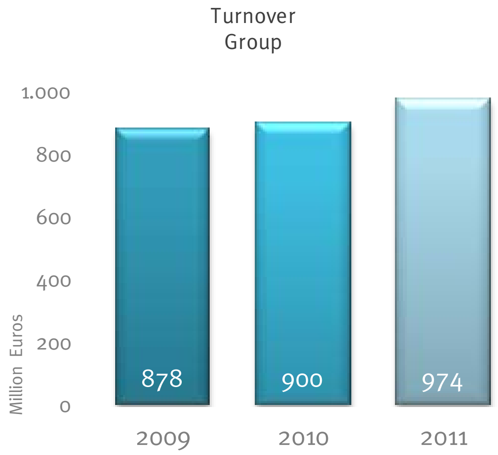
Index

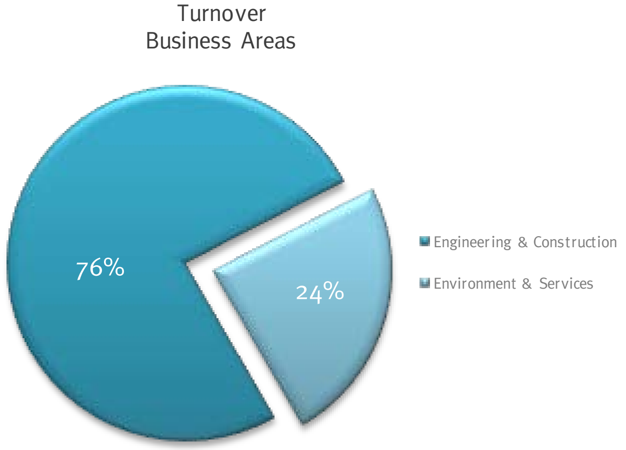
MOTA-ENGIL, SGPS, S.A.

MANAGEMENT REPORT AND CONSOLIDATED FINANCIAL STATEMENTS AS OF THE 1ST HALF OF 2011

1. INTERIM MANAGEMENT REPORT

1. Financial Analysis

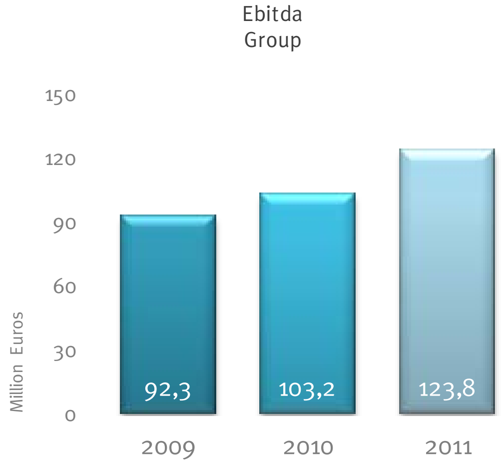


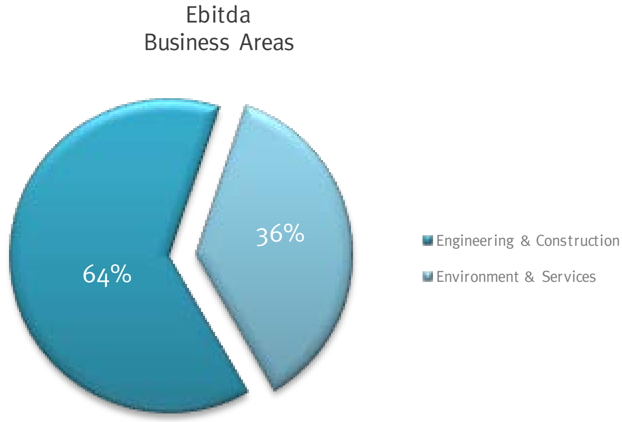


Mota-Engil Group's net income reached € 29.9 million in the first half on 2011, € 15.7 million of which attributable to the Group.

Revenues grew 8.2% to € 974 million (2010: € 900 million) in the first six months of the year. This was mainly a result of the good performance of the Environment & Services division (27%).

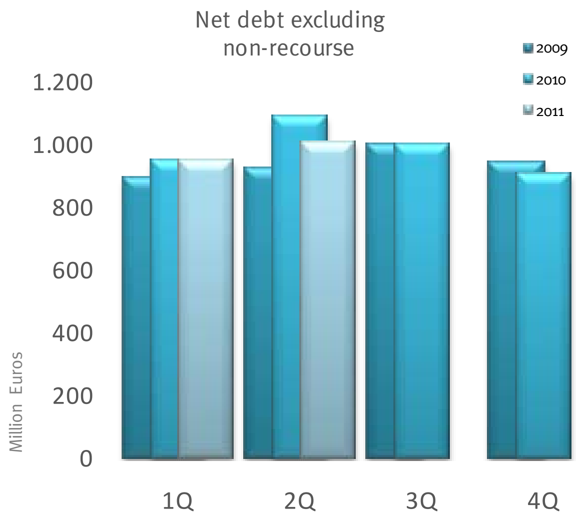
In terms of the revenues mix, the Environment & Services division's weight in total revenues further increased (2011: 24%; 2010: 21%) and therefore the Construction division's weight decreased (2011: 76%; 2010: 79%).

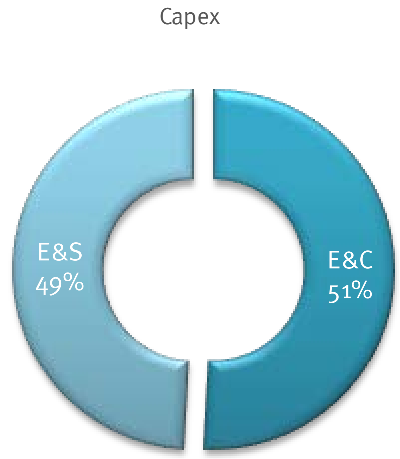




As far as the EBITDA is concerned, margins improved in the Environment & Services division in the first half of 2011 (19.3% in 2011 as compared to 17.8% in 2010), that, coupled with the increase in revenues allowed for the division's excellent operating performance (EBITDA of € 45.5 million in 2011, as compared to € 33.1 million in 2010). Unlike the latter division, the Construction division had a performance comparable to that of the first half of the previous year both in terms of revenues (€ 739 million in 2011, as compared to € 715 million in 2010) and margins (10.7% in 2011, as compared to 10.3% in 2010). The combination of these results allowed the Group to report good results, with EBITDA advancing by approximately 20%.

As far as the EBITDA mix is concerned, the Environment & Services division's share in total EBITDA went up to 36% (2010: 31%). The Construction division's share therefore fell to 64% of EBITDA (2010: 69%).



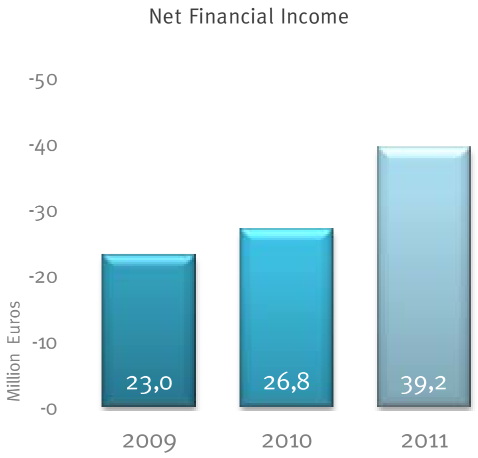


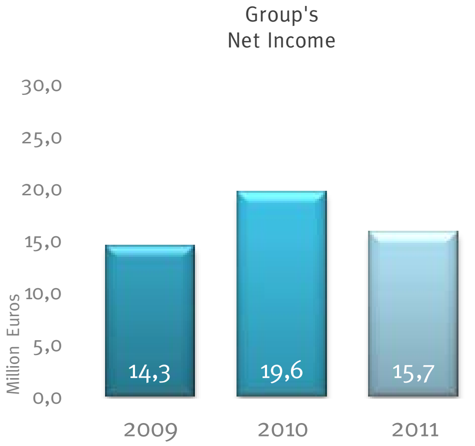
Net consolidated capital expenditure in the first half of the year reached € 67 million, € 33 million of which in the Environment & Services division (it mainly includes maintenance and expansion capex in the water distribution & sewage concessions, namely Indaqua Matosinhos, Vila do Conde and Feira). The construction division's capex reached € 34 million, of which € 15 million in Central Europe.

Maintenance capex was € 26 million. The above mentioned capital expenditure was in accordance with Mota-Engil's policy of reaching sustainable growth, optimizing the equipment's utilization rates and more demanding requirements in terms of the profitability of the projects.

Total capital expenditure in the first half of 2011, though moderate, contributed to the slight increase in net debt (€ 1.12 billion in June 2011, as compared to € 1.02 billion in December 2010). Recourse net debt reached € 1.01 billion (December 2010: € 907 million), € 549 million of which allocated to the Group's operating activity and the remaining (€ 461 million) to both investment in affiliated companies that do not contribute to Group's EBITDA and non-core assets. Per division, € 382 million came from the Construction division and € 370 million from the Environment & Services division.

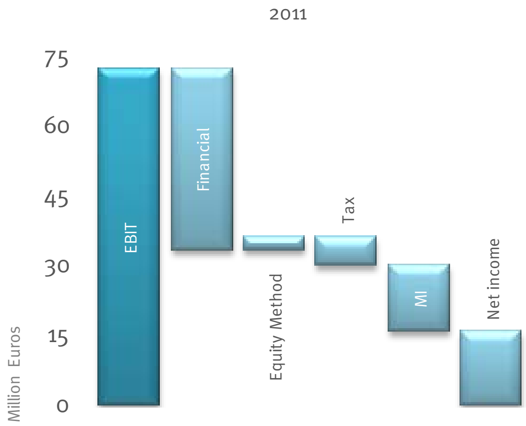
In addition, the Group's indebtedness includes non-recourse debt (project finance contracts, therefore without recourse to the shareholders) that comes from the consolidation of both water & sewage and port concessions. In June 2011, the amount of net non-recourse debt was € 114 million (December 2010: € 108 million).

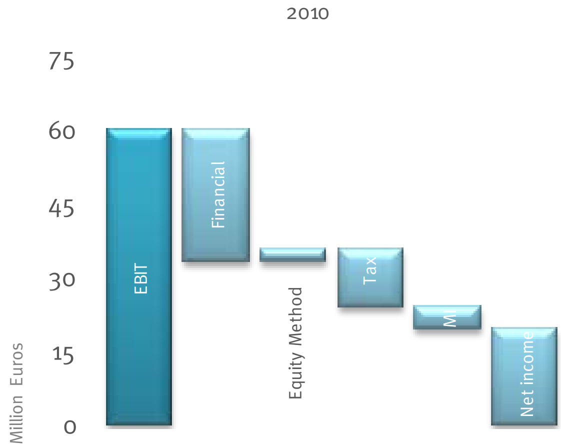




2009: pro forma figures excluding nonrecurring effects from Martifer

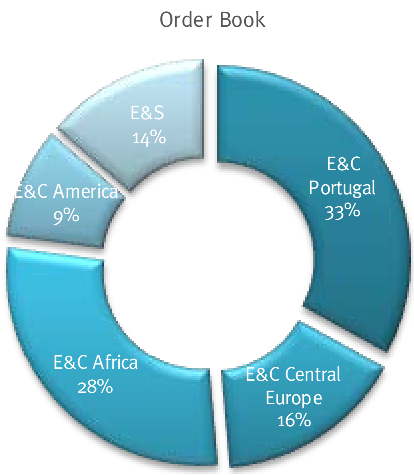
Net financial expenses reached € 39.2 million (2010: € 26.8 million), an increase of 46%, year on year. The increase in the latter figure was due to: (i) an increase of € 7.2 million in the interest paid account as a result of a higher average effective interest rate and (ii) an increase of € 4.8 million in foreign exchange losses.





In the first half of 2011, net income from equity consolidated companies contributed positively to the bottom line with € 3 million (2010: € 2.4 million). Ascendi, the sub-holding company for transport concessions, contributed with approximately € 8.8 million for the aforementioned figure.

As a result of the above reported operating and financial performances, earnings before taxes were of € 36 million (2010: € 35.8 million) and net consolidated earnings € 29.9 million (2010: 24 million), € 15.7 million of which attributable to the Group (2010: € 19.6 million).



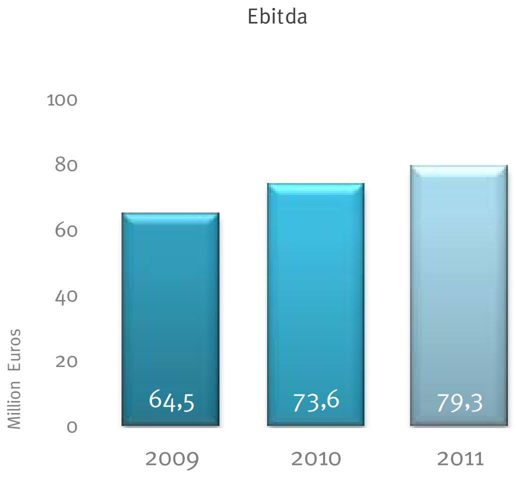
The order book by the end of June 2011 was of € 3.4 billion, € 3 billion of which was related to the Construction division.

During the first half of 2011, the GROUP strengthened its order book in African, Latin American and Central European markets, reaching a total of approximately € 2 billion, as of June 2011.

As is usually the case, the backlog of the Environment & Services division only includes contracts in waste management and multi-services, therefore excluding expected revenues from concession contracts in water sewage & distribution or ports.

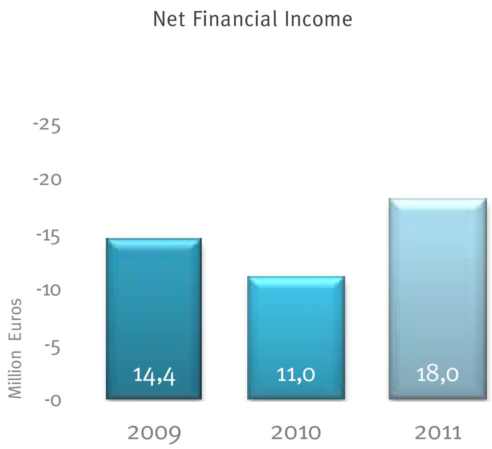
2. Business Areas' Analysis

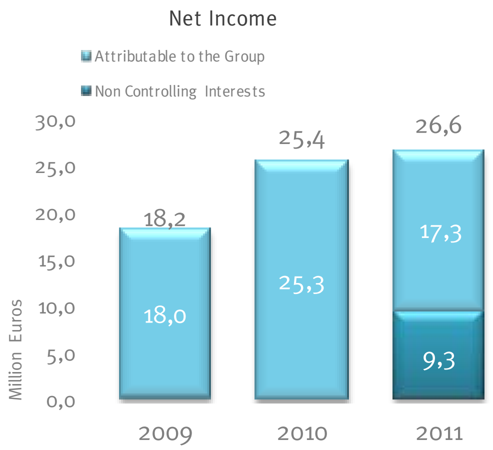
Construction



Revenues in the Construction division reached € 739 million in the first half of 2011 (2010: € 715 million), up 3.4% year on year. This small increase was due to the combination of the following two factors: the good performance of Central Europe and America's segments (where revenues advanced by € 40 million and € 52 million, respectively) that allowed for a 13% increase in their aggregated turnover and the bad performance of Portugal and Africa's segments (where revenues slipped € 29 million and € 43 million, respectively) that led to the combined turnover of these two segments to fall by 10%.

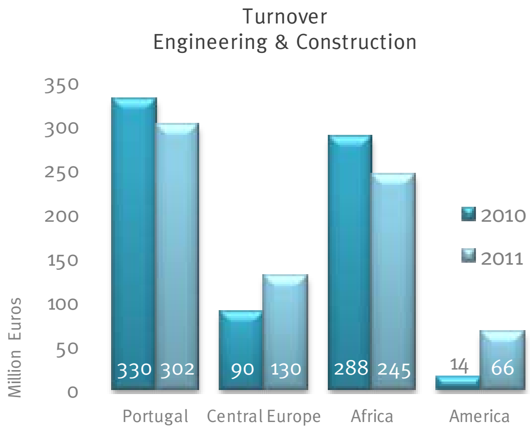
As far as the operating profitability is concerned, the EBITDA margin remained roughly stable (2011: 10.7%; 2010: 10.3%) and EBITDA grew slightly (2011: € 79.3 million; 2010: € 73.6 million).

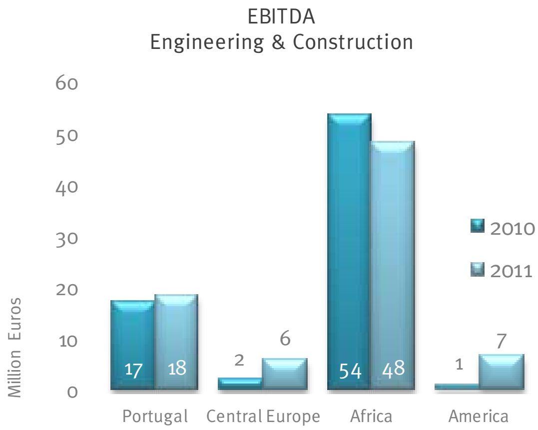




In the first half of 2011, net financial expenses reached € 18 million (2010: € 11 million).

Following the above mentioned operating and financial performances, earnings before taxes amounted to € 29.4 million (2010: € 35.5 million) and net earnings € 26.6 million (2010: € 25.4 million), of which € 17.3 million attributable to the Group (2010: € 25.3 million)





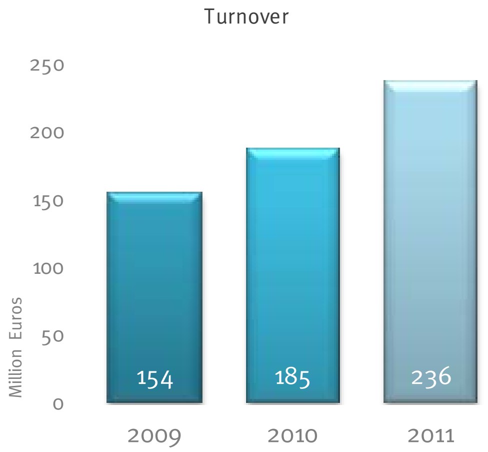
Despite the drop in revenues in Portugal in the first half of 2011, the EBITDA margin improved to 6.1% (2010: 5.1%).

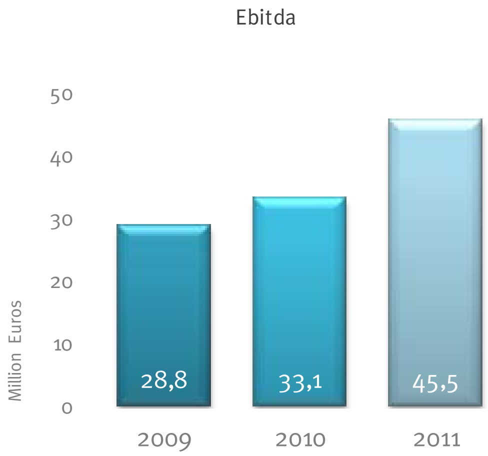
Revenues in Central Europe had a stellar growth of 45% in the first half of 2011 as compared to the same period of the previous year (2011: 130 million; 2010: 90 million). The low level of activity in Central Europe in the first quarters is a consequence of rigorous winters that are frequent in the region.

Revenues in Africa amounted to € 245 million (2010: € 288 million). The Angolan market, the largest in the region, although reporting lower revenues and EBITDA than in the same period of the previous year, kept a strong order book (€ 432 million), allowing us to anticipate a recovery in the delays in execution of the works in progress. As far as the other African markets are concerned, their higher contribution to the segment's performance (namely Mozambique), allow us to foresee another good year in that geography.

In Latin America it is worth mentioning the improvement of margins (EBITDA margin of 10% in 2011) and the substantial increase in activity strongly supported by the backlog in both Peru and Mexico.

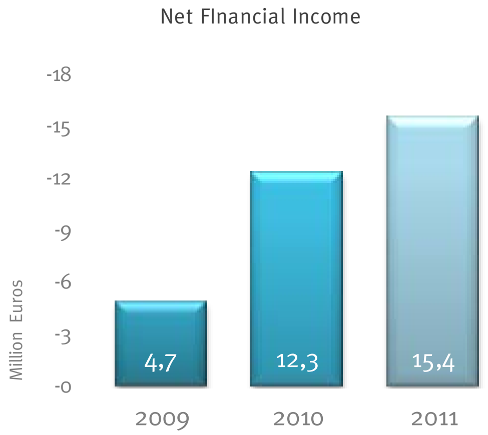
Environment & Services

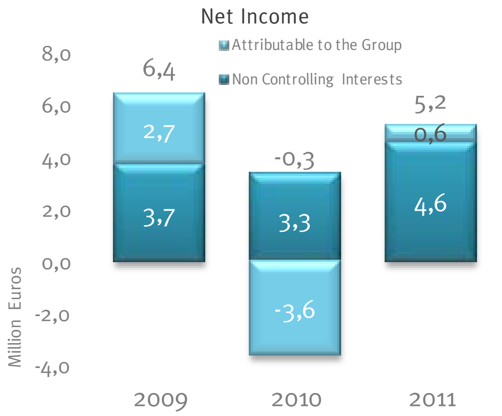




The Environment & Services division reported an outstanding performance in the first half of 2011 both in terms of revenues growth and operating margins.

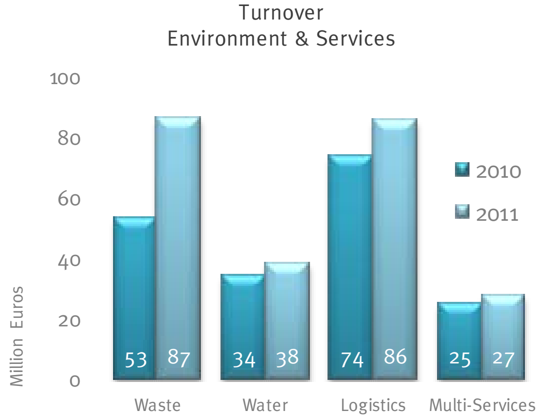
Revenues rose 27.4% to € 236 million (2010: € 185 million), including however the first time consolidation of GEOVISION (Brazil) that added € 31 million to the business area. Higher revenues and a slight improvement in margins (2011: 19.3%; 2010: 17.8%), led to a 38% increase in EBITDA (2011: 45.5 million; 2010: 33.1 million). GEOVISION contributed with € 4 million at the division's EBITDA level.

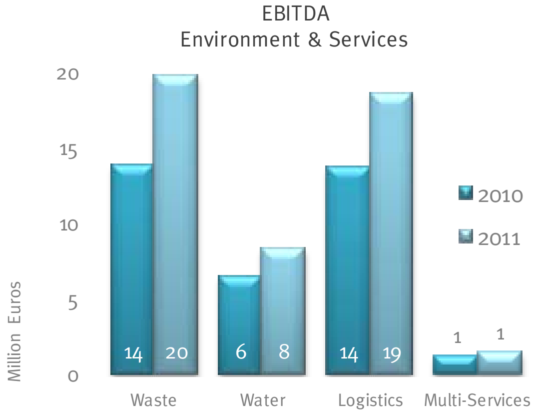




Net financial expenses of the division were of € 15.4 million (2010: € 12.3 million), a deterioration of approximately 25.5% as compared to 2010. GEOVISION's contribution to the latter was € 2.8 million.

In light of these operating and financial performances, earnings before taxes attained € 11.5 million (2010: € 5.8 million) and net earnings € 5.2 million (2010: loss of € 0.3 million).





The urban solid waste segment, thanks to GEOVISION'S consolidation, increased its weight within the Environment & Services division reporting an excellent performance in the first six months of the year in terms of activity (revenues soared 62%).

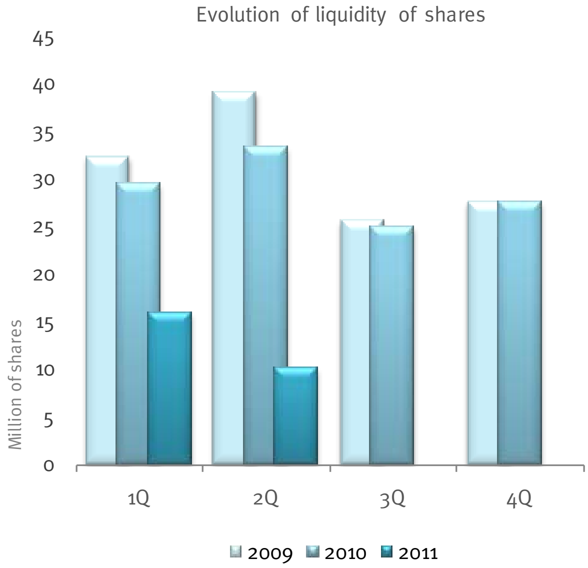
Revenues in the logistics segment grew 16% year on year (revenues of € 86 million in 2011, as compared to € 74 million in 2010). This performance, despite the current economic crisis, shows a recovery of ports activity.

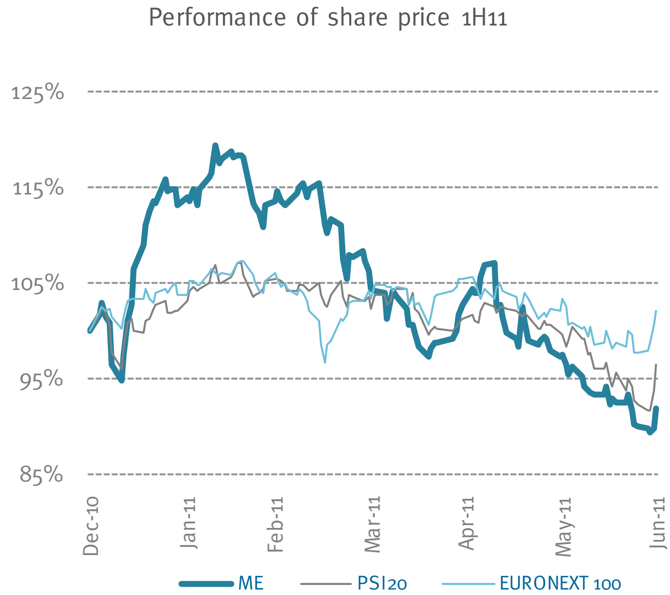
During the first half of 2011, MOTA-ENGIL, through a Spanish company (FERROL TERMINAL CONTAINERS) fully owned by TCL - TERMINAL OF CONTAINERS OF LEIXÕES, signed a concession contract of the port terminal of Ferrol, in Galiza (Spain). The project includes, in a first phase, a capital expenditure in equipment and civil construction works worth € 20 million, aiming at providing the infrastructure with an operating capacity of up to 234.000 TEU/year. 25% of the investment will be equity financed, being the remainder financed by regional entities of Galiza.

The water sewage & distribution segment reported an increase in revenues mainly because of the accounting procedure to book as revenues the capital expenditure in the network in some of its concessionaires.

As far as the Multiservices segment is concerned, both revenues (€ 27 million in 2011 as compared to € 25 million in 2010) and EBITDA margin (5.2% in 2011 and 4.8% in 2010) remained roughly unchanged.

3. Stock price performance and dividends





In a very demanding context, where an EU/IMF rescue program was agreed with the Portuguese Government and where the EU debt crisis was spreading and putting the whole Euro project at stake, the PSI 20 index dropped 5.5% and MOTA-ENGIL's shares 8.2%.

As had already been the case in the first quarter of the year and in line with what happened to the majority of stocks listed in NYSE Euronext, MOTA-ENGIL's liquidity further fell in the second quarter of 2011.

The General Shareholders Meeting as of April 14th, 2011 decided, according to the Board of Directors proposal, to pay 11 € cents per share as dividend, paid in May 13th.

Porto, August 29th, 2011

Jorge Coelho
Chief Executive Officer

Luís Silva
Chief Financial Officer

MOTA-ENGIL, SGPS, S.A.

MANAGEMENT REPORT AND CONSOLIDATED FINANCIAL STATEMENTS AS OF THE 1^{ST} HALF OF 2011

2. INTERIM CONSOLIDATED FINANCIAL INFORMATION

Separate Consolidated Income Statement
For The Periods Ended June 30, 2011 & 2010

		1st Half		2nd Quarter	
	Notes	2011 Euro	2010 Euro	2011 Euro	2010 Euro
		(non audited)	(non audited)	(non audited)	(non audited)
Sales & services rendered	2	974.330.666	900.100.153	542.965.929	495.036.835
Other revenues		42.742.985	34.290.088	24.276.394	7.577.175
Cost of goods sold, mat. cons. & Subcontractors		(523.188.780)	(489.661.701)	(295.188.064)	(274.082.206)
Gross profit		**493.884.871**	**444.728.540**	**272.054.259**	**228.531.804**
Third-party supplies & services		(180.257.698)	(156.218.134)	(98.465.189)	(81.037.620)
Wages and salaries		(192.127.230)	(176.761.489)	(102.322.115)	(91.234.948)
Other operating income / (expenses)		2.317.045	(8.517.505)	1.248.886	3.621.878
	2	**123.816.988**	**103.231.412**	**72.515.841**	**59.881.114**
Depreciation & Amortization	2	(47.515.613)	(42.378.794)	(24.198.265)	(21.126.629)
Provisons and impairment losses		(4.217.494)	(661.474)	(1.030.489)	(244.939)
Operating profit	2	**72.083.881**	**60.191.144**	**47.287.087**	**38.509.546**
Financial income & gains	2 and 3	33.967.278	27.153.774	13.275.547	16.830.420
Financial costs & losses	2 and 3	(73.141.491)	(53.941.032)	(34.713.538)	(31.636.911)
Gains / (losses) on associated companies	2	3.070.229	2.425.900	(1.625.769)	4.851.749
Income Tax	2	(6.082.282)	(11.785.766)	(3.993.026)	(9.729.755)
Consolidated net profit of the year		**29.897.615**	**24.044.020**	**20.230.301**	**18.825.049**
Attributable:					
to non-controlling interests	2	14.207.500	4.450.487	7.665.801	2.267.675
to the Group	2	15.690.115	19.593.533	12.564.500	16.557.374
Earnings per share:					
basic	4	0,0810	0,1017	0,0649	0,0861
diluted	4	0,0810	0,1017	0,0649	0,0861

To be read with the Notes to the Consolidated Financial Statements

Statement of Consolidated Comprehensive Income
For The Periods Ended June 30, 2011 & 2010

	1st Half		2nd Quarter	
	2011 Euro	2010 Euro	2011 Euro	2010 Euro
	(non audited)	(non audited)	(non audited)	(non audited)
Consolidated net profit for the period	29.897.615	24.044.020	20.230.301	18.825.049
Other comprehensive income				
Exchange differences stemming from transposition of financial statements expressed in foreign currencies	(12.779.569)	8.466.633	(4.917.754)	1.233.130
Variation, net of tax, of the fair value of financial derivatives	2.418.644	(2.628.549)	180.808	2.256.206
Variation, net of tax, of the fair value of mineral resources	2.061.605	-	2.061.605	-
Other comprehensive income in investments in associates using the equity method	5.947.629	2.798.232	5.148.700	(978.345)
Total comprehensive income for the period	27.545.924	32.680.336	22.703.660	21.336.041
Attributable:				
to non-controlling interests	11.797.261	2.044.675	6.155.923	2.642.539
to the Group	15.748.663	30.635.662	16.547.737	18.693.502

To be read with the Notes to the Consolidated Financial Statements

Consolidated Statement of Financial Position as at June 30, 2011 & December 31, 2010

	Notes	30-Jun 2011 Euro	31-Dec 2010 Euro
		(non audited)	(audited)
Assets			
Non-current			
Goodwill	5	145.950.438	135.309.629
Intangible fixed assets		305.797.837	264.980.820
Tangible fixed assets		596.549.443	569.058.903
Financial investments under the equity method	6	322.756.646	336.920.636
Available for sale financial assets	7	10.014.186	20.678.852
Investment properties		84.184.152	88.614.797
Customers & other debtors		88.606.697	80.680.939
Deferred tax assets		52.210.121	47.869.265
		1.606.069.520	**1.544.113.841**
Non-current Assets Held for Sale		**65.468.387**	**67.807.496**
Current			
Inventories		216.542.133	203.023.766
Customers		1.067.095.324	1.008.220.486
Other debtors		292.386.162	303.982.065
Other current assets		194.677.448	127.927.830
Derivative financial instruments		-	464.598
Cash & cash equivalents without recourse	10	10.846.379	8.636.101
Cash & cash equivalents with recourse	10	163.353.416	191.990.001
		1.944.900.862	**1.844.244.847**
Total Assets	2	**3.616.438.769**	**3.456.166.184**
Liabilities			
Non-current			
Debt without recourse	8	121.369.311	112.974.953
Debt with recourse	8	591.217.792	584.034.666
Sundry Creditors		227.583.888	231.298.170
Provisions		73.594.188	71.774.463
Other non-current liabilities		22.681.300	16.929.087
Deferred tax liabilities		31.462.411	32.482.904
		1.067.908.890	**1.049.494.243**
Current			
Debt without recourse	8	3.494.383	3.413.463
Debt with recourse	8	581.934.747	514.952.264
Suppliers		505.140.360	482.169.565
Derivative financial instruments		10.088.101	13.684.750
Sundry Creditors		472.271.818	441.011.161
Other current liabilities		468.647.058	470.710.839
		2.041.576.467	**1.925.942.042**
Total Liabilities	2	**3.109.485.357**	**2.975.436.285**
Shareholders' equity			
Equity capital		204.635.695	204.635.695
Reserves		185.120.530	170.120.973
Consolidated net profit for the year		15.690.115	36.950.674
Own funds attributable to the Group		**405.446.340**	**411.707.342**
Non-controlling interests		**101.507.072**	**69.022.557**
Total shareholders' equity		**506.953.412**	**480.729.899**
Total shareholders' equity & liabilities		**3.616.438.769**	**3.456.166.184**

To be read with the Notes to the Consolidated Financial Statements

Statement of Consolidated
During The Periods Ended

				Fair value reserves		
	Equity capital	Own Shares	Issue premiums	Available-for-sale investments	Lands assigned to quarrying operations	Derivatives
Balance as at January 1, 2010 (as restated)	204.635.695	(22.558.792)	87.256.034	45.586.328	(1.841.058)	(8.361.134)
Total comprehensive income for the period	-	-	-	-	-	(643.396)
Dividend distribution	-	-	-	-	-	-
Other distributions of results	-	-	-	-	-	-
Aquisition of own shares	-	(67.728)	-	-	-	-
Transfers for other reserves	-	-	-	-	-	-
Balance as at June 30, 2010	**204.635.695**	**(22.626.520)**	**87.256.034**	**45.586.328**	**(1.841.058)**	**(9.004.530)**
Balance as at January 1, 2011	204.635.695	(22.626.520)	87.256.034	27.702.096	4.791.226	(5.527.456)
Total comprehensive income for the period	-	-	-	-	2.061.605	1.402.094
Dividend distribution	-	-	-	-	-	-
Other distributions of results	-	-	-	-	-	-
Transfers for other reserves	-	-	-	-	-	-
Alterations to the consolidation perimeter	-	-	-	-	-	-
Balance as at June 30, 2011	**204.635.695**	**(22.626.520)**	**87.256.034**	**27.702.096**	**6.852.831**	**(4.125.362)**

To be read with the Notes to the Consolidated Financial Statements

Changes in Equity
June 30, 2011 & 2010

Currency translation reserve	Other reserves and results	Net Profit	Own funds attributable to shareholders	Own funds attributable to non-controlling interests	Shareholders' equity
(31.263.466)	(28.034.524)	71.738.092	**317.157.176**	47.842.644	**364.999.820**
7.488.198	4.197.327	19.593.533	**30.635.662**	2.044.675	**32.680.336**
-	(21.302.947)	-	**(21.302.947)**	-	**(21.302.947)**
-	(1.253.366)	-	**(1.253.366)**	-	**(1.253.366)**
-	-	-	**(67.728)**	-	**(67.728)**
-	71.738.092	(71.738.092)	**-**	-	**-**
(23.775.268)	**25.344.582**	**19.593.533**	**325.168.795**	**49.887.319**	**375.056.114**
(30.985.744)	109.511.336	36.950.674	**411.707.342**	69.022.557	**480.729.899**
(11.556.958)	8.151.807	15.690.115	**15.748.663**	11.797.261	**27.545.924**
-	(21.299.303)	-	**(21.299.303)**	-	**(21.299.303)**
-	(900.000)	-	**(900.000)**	-	**(900.000)**
-	36.950.674	(36.950.674)	**-**	-	**-**
-	189.638	-	**189.638**	20.687.254	**20.876.892**
(42.542.702)	**132.604.152**	**15.690.115**	**405.446.340**	**101.507.072**	**506.953.412**