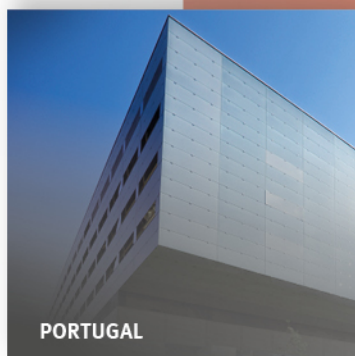




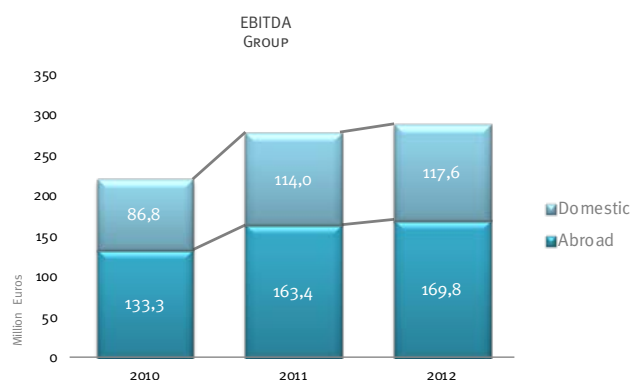
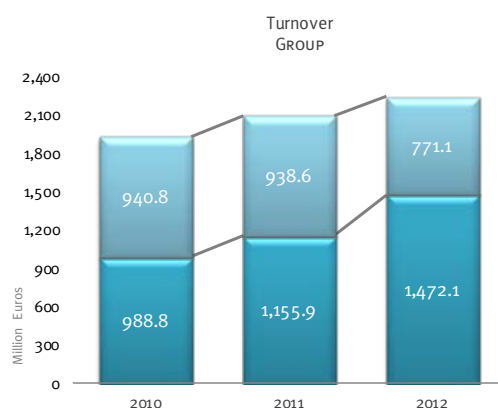
*Consolidated
Report &
Accounts* **20
12**





Highlights

- › Net result of the GROUP grows by 22% to 40.7 million euros
- › Turnover grows around 7.1%^(*), exceeding 2.243 million euros
- › International activity of the GROUP represents around 2/3 of the total
- › EBITDA increases 3.6% and EBIT around 8.2% with margins of 12.8% and 7.6%, respectively^(*)
- › Total net debt decreased to 850 million euros
- › Order book of 3.4 billion euros (77% in external markets)



	2012	% T	Δ	2011 ^(*)	% T	4Q12	% T	Δ	4Q11 ^(*)	% T
Turnover	2,243,167	0.0%	7.1%	2,094,457	0.0%	556,052		(7.1%)	598,251	
EBITDA	287,455	12.8%	3.6%	277,372	13.2%	70,394	12.7%	(23.1%)	91,490	15.3%
EBIT	171,180	7.6%	8.2%	158,280	7.6%	34,287	6.2%	(21.3%)	43,552	7.3%
Net financial income	(82,483)	(3.7%)	(18.6%)	(69,530)	(3.3%)	(14,231)	(2.6%)	(31.1%)	(10,859)	(1.8%)
Net income/losses from equity method	22,346	1.0%	2582.3%	833	0.0%	12,691	2.3%	599.1%	(2,543)	(0.4%)
Income before taxes	111,044	5.0%	24.0%	89,583	4.3%	32,747	5.9%	8.6%	30,151	5.0%
Net income	74,007	3.3%	4.7%	70,705	3.4%	15,980	2.9%	(35.6%)	24,821	4.1%
Attributable to:										
Non-controlling interests	33,261	1.5%	(10.8%)	37,273	1.8%	518	0.1%	(96.1%)	13,341	2.2%
Group	40,746	1.8%	21.9%	33,432	1.6%	15,462	2.8%	34.7%	11,479	1.9%

Ebitda = Operating result + amortisation + provisions and impairment losses

Net indebtedness = Indebtedness – cash and cash equivalents

(*) Proforma data considering using the equity method in the recognition of the interests held in the companies of the INDAGUA SUBGROUP.

Contents

Highlights	3
Message from the Chairman of the Board of Directors	5
Message from the Chief Executive Officer	7
Consolidated Management Report	9
Macroeconomic framework	10
Economic and financial review	16
Business areas	22
MOTA-ENGIL on the stock market	37
Risk management	39
Group's human capital management	44
Activity carried out by non-executive Board Members	46
Proposal for the appropriation of profits	46
The Outlook for 2013	46
Subsequent events	47
Closing remarks	48
Consolidated Financial Information	51
Separate Consolidated Income Statement	53
Statement of Consolidated Comprehensive Income	54
Statement Consolidated of Financial Position	55
Statement of consolidated changes in equity	56
Statement Consolidated of Cash-flows	58
Notes to the Consolidated Financial Statements	59
Appendix A	
Report on Corporate Governance Practices	155
Annexes	214
Declaration under Article 245 of the Securities Code	217
Article 324 of the Companies Code	217
Article 447 of the Companies Code	221
Article 448 of the Companies Code	221
Decree-Law 411/91	221
Article 66.5(g) of the Companies Code	222
Qualified Holdings	223
Statement on remuneration policies applicable to managers	
Supervision Reports	227
Statutory Auditors' Reports	229
Report and Opinion of the Statutory Audit Board	231
Auditors' Report	233

Message from the Chairman of the Board

Dear Shareholders,

Once again in 2012 we faced a difficult environment in Europe, which had enormous repercussions in Portugal. Once again our GROUP's strategy, which was recently updated by presenting the Ambition 2.0 Strategic Plan, made it possible to achieve excellent results, clearly on the way to meeting the targets set out for 2015.

If we analyse our three strategic pillars, I am proud that we were able to:

- Increase internationalisation.
- Take significant steps towards sustainability of our areas of diversification, particularly via their internationalisation.
- Drive the new management model based on both "Regions" and on the know-how and skills of a Portuguese company that has a global vision and scope.

We boosted internationalisation and turnover from business outside Portugal accounted for 66% of the GROUP's total, and our order book of almost 78 % overseas is an important factor for our strategy.

Growth in diversification, which expanded to many of the countries in which we operate contributed to the stability and sustainability of the businesses and makes it possible to capture the inherent value of the African and Latin American economies.

All of us, now more than 26,000 employees across three continents, were able to implement a new type of management based on geographical criteria, without neglecting the enhanced control and support provided by a centralised corporate structure.

The GROUP's aims are to:

- Increasingly capture opportunities that internationalisation brings in each regional market, by deploying the know-how we have acquired over 67 years of experience.
- Diversifying sources of financing and increasing their maturity, making increasing use of the internationalisation capacity of the GROUP.
- Establishing conditions for growth, safeguarding the GROUP's technical capacity, through relocation (around 1,500 expatriate staff).

And an analysis of the 2012 results makes it possible for us proudly to say that we are on the right track, as, despite the severe crisis in Europe, which has significant implications on a drop in business in Portugal, it was possible to achieve important levels of profitability for the GROUP.

I would especially like to thank Jorge Coelho, this GROUP's CEO, who for personal reasons resigned from his duties, and who contributed so much to the GROUP's development over the past few years.

I give my full support to the GROUP's new CEO Gonalo Moura Martins, ex-CFO, who I am certain will take the GROUP into a new phase of development over the next few years.

I would also like to mention the appointment of the new CFO Jos  Pedro Freitas, who will also have my fullest support.

The Executive Commission is now headed up by Gonalo Moura Martins and made up of
Arnaldo Figueiredo
Ismael Canastro
Carlos Mota Santos
Isabel Ramos
Jos  Pedro Freitas

It is the guarantee that in the future MOTA-ENGIL will be stronger.

Finally I would like to express my great satisfaction about the following

- Award of the Nacala Project by Vale
- Award of the Calueque Dam, in Angola, where we will be re-launching a construction project started in 1972 and brought to a halt in 1975.
- The enormous success of this year's bond issue.
- The launch of operations in Colombia in 2013.
- Acquisition of a medium-sized construction company in Brazil.
- Start of operations of the Perote - Xalapa concession in Mexico following conclusion of construction work.

This is our strength, which is only possible because of the great quality and commitment of all our employees, to whom I would like to give my thanks!

Ant nio Mota
Chairman of the Board of Directors

Message from the Chief Executive Officer

In line with the legal and statutory rules and obligations and duties of governance, as the Chief executive Officer I am addressing Shareholders.

The first matter that I would like to address is the resignation of Jorge Coelho, by personal choice, and which was the culmination of the success of the Ambition 2013 Strategic Plan that led to a significant period of development for the GROUP and boosted its internationalisation and diversification.

It was a period of concerted effort, which led to results, of a team led by him and of which I had the personal and professional pleasure to be a part.

I would therefore like to pay him a fitting and friendly tribute knowing that we will continue to benefit from his advice at the Company's recently-created Consultative Strategic Council.

I would also like to note the calm and structured way the transition to my nomination was carried out, a process that was headed up by the GROUP's Chairman and by its main shareholders, as well as the mature and responsible way in which the GROUP worked together for the success of this transition.

The importance of shareholder stability, the company's structure and planning of the GROUP's institutional and governance model was demonstrated once again.

I thank you All for this.

Despite the worsening economic context, which although it was particularly deeply-felt in Portugal still had global consequences, the GROUP's economic and financial performance was notable. This was owed to a determined implementation of the GROUP's macro-strategy and a joint effort that cannot be over-emphasised.

In this respect it is important to note:

- Increased profitability seen in a net result of around 22%.
- A 15% decrease in net debt, of around 154 million euros, despite increased investment.
- A rise of over 7% in turnover, on a like-for-like basis.
- The GROUP's international business continues to grow and now accounts for 2/3 of the total.

This means we have achieved our main objectives and the GROUP has a more robust balance sheet, which is more profitable and more exposed to markets and businesses with great potential for growth.

The GROUP's transformation, from a company with a strong focus on the domestic market and successful internationalisation into a truly multinational GROUP, with several domestic markets and an ability to think globally and act locally, has occurred in a coherent and determined, as well as a balanced and rational way, anchored on its values and culture whilst maintaining high employment levels based on mass geographical mobilisation of its staff.

We also want to reiterate the continued commitment of the GROUP's management to a policy of boosting the balance sheet and its economic fundamentals, which leads to increased profitability, debt control and the greater maturity of the debt cycle, selling off non-core assets and an increasingly strict selection of opportunities for growth that will mostly be organic.

The GROUP's current credibility is plain to see from the success of its bond issue and I am certain that others will follow, as it is essential that the GROUP finds new ways of financing itself.

But past successes add to our responsibility and the demands of our management, as the economic context is expected to get worse before it gets better, which means an extremely volatile and risk-filled climate that will need to be overcome.

This understanding that the GROUP needs to take on as a developing reality in all markets and businesses, should guide our extremely rigorous strategy, whilst always seeking out increased profitability, effective management of the GROUP's financial resources and a cohesion and unity that we have always had, particularly in the most adverse periods.

I will end by noting that the GROUP's biggest and most important asset is its Employees who, once again are above all an expression of its dynamics and success. I would like to thank them all for their committed and dedicated professionalism.

Gonçalo Moura Martins
Chief Executive Officer

*Consolidated
Report & Accounts
2012*

01.

*Consolidated
Management
Report*

1. Macroeconomic Framework

The International economy

Four years after the emergence of the global financial crisis, the global economy continues to be unable to reach the growth indexes that had been registered up to that time. The most recent forecasts of the International Monetary Fund (IMF) point to the growth of the emerging markets and the developing countries, which continue to be the actual real force behind the global economy, growing at rates that are clearly superior to those seen in the developed countries.

After a growth of 5.1% in 2010 and 3.9% in 2011, the global economy grew 3.2% in 2012, according to the IMF. This decelerating trend in economic activity, particularly accentuated in developed countries, where the economy grew only by 1.3% in 2012, reflects the problems of the sovereign debt crisis in the Eurozone and the uncertainties regarding budget consolidation measures in the United States of America (USA). The IMF forecasts for 2013 point to a growth of 3.5% in the global economy, with the main factors justifying this inversion of the downward trend being tied to the favourable impact on confidence and the financial markets, the actions taken by European authorities in response to the sovereign debt crisis and to the growing internal demand in the emerging and developing countries.

According to the IMF, the Eurozone contracted 0.4% in 2012, with the GDP of the peripheral countries Portugal, Spain, Italy and Greece falling substantially. This negative change is justified by the effects of the sovereign debt crisis and its repercussions on the deleveraging process of the banking sector in the real economy, by the impact of budget consolidation measures put into practice by European countries in general and by the slowdown in external demand. The forecasts of the IMF point to the continuation of the recession in the Eurozone, which in 2013 should contract by about 0.2%.

In spite of the adverse consequences of the aggressive budget consolidation policies such as high unemployment rates and reduced public and private investment, more recent financial indicators point to a significant reduction in financing costs and investors being less averse to risk. Starting in the second half of 2012, there is a clear perception of lower risks associated to the Eurozone economy, as evidenced by a substantial decrease in sovereign risk premiums, investors' greater appetite for exposure to risk, and less volatility in the major international stock exchanges. Despite these signs of improvement, the European financial system remains unstable, with interest rates in the peripheral countries remaining too high.

The economic activity in the USA accelerated slightly in 2012, demonstrating strong resiliency to the slowdown in global growth. According to the IMF, the North-American economy grew 2.3% in 2012 (2011: 1.8%), reaching the highest growth rate among the main developed economies. The real estate market in the United States stabilised and the trajectory of the unemployment rate continues in a downward direction. There are still a few risks, however, that condition the outlook for the direction the economy will take over the next years. Internally, the main challenge is the implementation of a structural programme for medium-term budget consolidation that avoids an excessive fiscal consolidation in the short term. Externally, the risk remains of contagion from the European sovereign debt crisis. According to the IMF predictions, the United States economy should grow around 2% in 2013, a slightly lower rate than that recorded in 2012.

The recently announced start of negotiations between the USA and the European Union, with the intent of creating a free trade zone between the two economic powers could represent an important driving force for economic growth and job creation in the medium term.

Unlike developed economies, more focused on budgetary and financial issues, emerging and developing countries achieved a marked economic growth in 2012, of around 5.1%, where, in addition to China and India, growth in South America and Sub-Saharan Africa stood out, on the order of 3.0 and 4.8%, respectively. In spite

of the considerable growth rates achieved, we see a deceleration of economic growth in these countries (2011: 6.3%), reflecting the impact of their weak economic performance. This slowdown, however, is clearly inferior to that registered in the global economy, due to the internal demand that is increasingly stronger in the emerging countries of Asia and Latin America. IMF's predictions for 2013 point to an average growth of 5.5% in the economies of the emerging and developing countries, which represents considerable growth and a lower dependency on the demand of more developed economies.

The general prices of commodities remained stable in 2012 as a result of moderate global economic growth. In spite of being subjected to considerable fluctuations, the average prices of commodities remained stable compared to the prices in 2011. According to the World Bank, the annual valorisation of the cost of crude oil per barrel was 2%, set at 106 USD, the quotations of minerals and metals fell approximately 15%, while the prices of food commodities grew about 1% compared to 2011. The World Bank foresees that the prices of commodities will maintain stable over the next few years, conditioned by the impact that the low expectations for global economic growth have on the demand.

According to the IMF forecasts, the global economy will continue to recover from the recession of 2009, albeit moderately. The more advanced economies will continue to face extremely high risks and should therefore grow at slower rates. The social crises associated with high levels of unemployment, aggressive budget consolidation policies and heavy restrictions on access to public and private financing are the main challenges that the more developed economies will face in the coming years. On the other hand, emerging markets should experience considerable growth rates, reflecting an increasingly greater internal demand and the continuation of high commodity prices.

The Portuguese economy

Within the framework of the Economic and Financial Assistance Programme (EFAP), based on a structural transformation of the economy through the adoption of strict policies for budget consolidation, Portugal registered a drop of 3.2% in the GDP, according to the INE – Instituto Nacional de Estatística (National Statistics Institute). The economic deterioration of the Eurozone and the spreading of the sovereign debt crisis to other countries of the Eurozone accentuated the decline of the country's economic situation.

In contrast to the strong contraction in public consumption, private consumption and investment, there was a significant increase in exports and a decrease in imports. In fact, the balance of goods and services achieved a status approaching equilibrium in 2012, leading to the expectation that this will be achieved in the next few years, supported by a continual growth in exports and a decrease in imports. The Portuguese economic situation was furthermore strongly influenced by the 16.9% unemployment rate, which is predicted to continue its upward trend throughout 2013, and by the social instability experienced in the country. In spite of the optimism inherent in Portugal's return to the financial markets and the decrease in the sovereign risk premium, in 2012 international investors demanded a 7% yield on 10-year bonds.

Following the trend of the last few years, 2013 will continue to be a year of budget consolidation, under the terms of the EFAP, with restrictive budget policies and revenue focused on taxes on families, contributing once again to the contraction of public and private consumption. Although it can be anticipated that there will be a gradual recovery in the country's economic situation in 2013 compared to what was recorded in 2012, the GDP will continue to follow the falling trend seen over the last several years, a contraction of approximately 2% being foreseen by the Portuguese Government in its recent forecasts. The conditions for the concession of credit to the economy remain restrictive, due to the deleveraging process of the banking sector. The debt of the Portuguese economy should reach a historical high in 2013, with a gradual reduction being expected in the following years.

The Polish economy

In contrast to the contraction in the Eurozone economy, the Polish economy registered a 2% growth in 2012, according to the Polish Government, which demonstrates its robustness in a frankly adverse context. Nevertheless, there was a significant slowdown in product growth, justified by the collapse in the global demand and the internal demand that has been the country's engine for growth in these last years.

Poland continues to carry out the budget consolidation policy initiated in 2011, which seeks to fight inflation and the deficit in public accounts, which reached 7.9% of the GDP in 2010. In fact, significant cuts in investment and public consumption were made, after the conclusion of the works for the European Football Championship, and new fiscal policies were introduced. In 2012, according to the IMF forecasts, the deficit in public accounts will have fallen to 3.5% of GDP, a downward trend that is expected to carry on into the coming years. Although the majority of banks with activities in Poland are of European origin and, as such, exposed to the current risks of the European financial system, the Polish banking system shows nominal gains as well as a low risk in access to credit. The unemployment rate did not fluctuate greatly, being calculated at 10.2%, compared to the 10% registered in 2011.

For 2013, a moderate reduction in inflation and the deficit is forecast, thanks to the continuation of the budget consolidation plan, supported by new fiscal reforms. The increase in tax on tobacco and CO₂ emissions, on the revenue side, and the cut in the salaries of public employees and the raise in the retirement age, on the expenditure side, are some of the main measures of this new plan that, naturally, will have repercussions in the slowdown of the Polish economy. According to IMF projections, the Polish economy will experience a slight growth of 1.7% in 2013.

The Angolan economy

The collapse in prices and in the demand for oil in 2009 interrupted a series of years of double-digit economic growth in Angola. Nevertheless, the country never stopped growing, having reached rates of 3.4% in 2010 and 3.9% in 2011. In 2012, despite the persistence of the European financial crisis, the postponement of the start of natural gas production and the severe dry period that affected the agricultural sector, Angola will have registered a substantial growth of 6.8% in the GDP, according to the most recent estimates issued by the IMF.

Angola continues to benefit from the frankly positive results obtained through the measures of economic stabilisation adopted within the scope of the Stand-By Arrangement (SBA), agreed upon with the IMF and finalised during 2012 (currently in an observation phase, post-SBA, until 2014). The kwanza remains stable, supported by a level of reserves of international currencies in excess of 30 billion USD. This stability in the foreign currency exchange, associated with a more active intervention by the National Bank of Angola (NBA), made a slowdown in inflation possible so that, for the first time in the country's recent history, it will be below 10%, according to calculations of the NBA for 2012. The IMF estimates for the behaviour of the 2012 trade balance a surplus of 8.5% of the GDP, in line with results of previous years.

2012 was also marked by the founding of the Angolan Petroleum Fund, which was widely highlighted by the IMF and by financial rating agencies. . This fund, created as a result of the sale of 36.5 million barrels of oil, and which will receive daily allotments of 100 thousand barrels, will function as a support tool for economic development, seeking to develop projects in the energy and water sectors and in other sectors considered strategic including, in particular, infrastructure projects. This sovereign fund will make it possible to mitigate the impact of the volatile nature of budget revenues on investment spending, allowing the sectorial investment priorities to be adjusted over time in accordance with an evaluation of development needs.

In 2013, the country that is the principal external market of the MOTA-ENGIL GROUP should maintain a robust growth and carry on with the economic stabilisation policies in progress. The IMF projections point to an inflation rate of 8.6% and a product growth of 5.5%, sustained by the commercial exploration of natural gas and the

increase in activity in the non-oil sectors. The consistency of the growth in the non-oil sectors takes on special significance within a perspective of long-term development of the Angolan economy, reducing its dependency in relation to the production of oil and other hydrocarbons.

The Mozambican economy

The Mozambican economy has registered strong growth over the last two decades, benefitting from large international investments, in particular in the sector of mineral resources, and from the strong support of international organisations for development. The historical evolution of the Mozambican product shows us that the economy has remained immune to the slowdown in the global economy, reaching growth rates higher than those seen in the remaining Sub-Saharan African countries, approaching the levels of China's growth.

The economy continued to show excellent performance in 2012, growing 7.5%, according to estimates by the IMF. On the other hand, despite the Mozambican Government's strong bet on expansionist economic policies, inflation has followed a downward trend. According to projections by the IMF, it should have decreased from 10.4% in 2011 to only 3.0% in 2012.

The ambitious public works programme in progress, based on the construction of «corridors» of development between the interior and coast of the country, should foster the execution of large investments in the mining sector, as well as the development of the Mozambican agricultural sector which, associated with the recent discovery of large natural gas resources, hints at strong economic growth for the country in the next few years.

IMF's projections indicate a growth of 8.4% in the Mozambican economy in 2012, undergirded by a significant growth in foreign direct investment, essentially in the mining and natural gas sectors, by a rise in agricultural exports, and by the execution of large public works in the country.

The Malawian economy

The Malawian economy, largely dependent on external aid to finance its development process, benefitted from an average annual growth of 7.1% between 2006 and 2010. This level of growth was sustained by the debt forgiveness granted under the terms of the programme of the World Bank and the IMF for heavily indebted poor countries, which made the adoption of measures to support the economy possible, specifically in the areas of agriculture, industry, construction and mining.

In the last two years the economic growth in Malawi slowed down, not exceeding 4.3% according to FMI estimates. In this period there was an increase in the budget deficit within the context of an overvalued exchange rate, which led to a scarcity of currency and the subsequent limitations to the access of consumer goods and raw materials. Consequently, the inflation rate shot up, estimated to have reached around 17.7% in 2012. Simultaneously, the decision of donating countries to withhold financial aid to Malawi further deteriorated the country's economic situation.

In 2012, determined to correct the country's macroeconomic imbalance and resume the financial aid from donating countries, the Malawian Government adopted a set of measures that seek to restore macroeconomic stability and the creation of an environment favourable to the development of private initiative, such as the devaluation of the kwacha, raising of the key interest rate, the application of a fiscal reform to foster private investment and the renegotiation of the IMF financial aid plan.

IMF forecasts for the coming years call for an acceleration in economic growth (2013: 5.7%), based on the stabilisation of macroeconomic conditions and the growing foreign investment in the mining sector, which will be the driving force of the economy. The inflation rate should taper off in 2013, being expected to stabilise at around 6% in the following years.

The Peruvian economy

Following the trend for sustained growth seen over the last few years, Peru is once again one of the countries in the American continent with the best economic performance. The growth rate has remained stable, even taking into account the modest growth of the principal markets for Peruvian exports, such as the United States of America.

According to recent data from the IMF, there was a slight deceleration of the economy in 2012, with the growth rate being pegged at 6.3%, compared to 6.9% recorded in 2011. Exports benefited from an increase in commodity prices, specifically copper, zinc and gold, which are expected to continue rising in the next few years. With the objective of maintaining the current growth dynamic of the country, the Peruvian Government will encourage public investment, specifically through the execution of new mining projects and the increase in social expenditures with a view to reducing poverty and improving living conditions.

Currently, Peru's inflation rate is the lowest in all of Latin America. In order to maintain this value within the established goals, the Peruvian monetary policy should keep the key interest rate at 4.25%, a value that has been in place since May, 2011. The exchange rate of the Peruvian sol registered a slight devaluation during the current year, continuing however to be the most stable currency in Latin America. For 2013, the IMF estimates a growth in line with that recorded in 2012, supported by the high commodity prices as well as the strong increase in internal consumption.

The Mexican economy

The performance of the Mexican economy was conditioned by the slowdown of the global economy in 2012. Even so, according to forecasts by the IMF, the Mexican economy had an economic growth of 3.8%, within a context of stabilising inflation, finance costs and the public deficit.

Macroeconomic policies oriented towards stability and the solid Mexican banking system are once again given as decisive factors in the context of some uncertainty in international markets and moderation in the global economy. The growth in exports to the United States (destination market for approximately 80% of Mexican exports) supports the positive economic outlook for the coming years. The workforce continues to generate jobs in the private sector, which, in turn, increases family consumption and investment. Oil, which represents approximately 30% of the country's exports, should remain at the high prices registered in 2012, fostering the country's economic growth and the corresponding budget equilibrium.

In spite of some uncertainties resulting from the slowdown of the global economy and the crisis in the Eurozone, the positive signs in the Mexican economy allow a projection of 3.5% economic growth for 2013 and 2014, according to projections by the IMF.

Brazilian economy

The Brazilian economy recorded a slowdown of activity during 2012, achieving a growth rate of merely 0.9%, in contrast with the strong growth rates recorded in previous years, according to data published by the Brazilian Institute of Geography and Statistics (IBGE).

Even without the buoyancy of the advanced economies and lacking the growth rates of other emerging economies, Brazil is currently the seventh largest economy of the world, according to the IMF. Brazil has a robust economy, being a major producer and exporter of various products, mainly mineral and agricultural commodities and manufactured products. The Brazilian government, aimed at further enhancing productive capacity, has adopted specific measures to encourage production and investment.

In addition to the important international events which will be held over the next few years in Brazil, the economy will continue to benefit from the ambitious Growth Acceleration Plan (PAC2), which includes massive investments in the areas of transport, energy, sanitation, housing and water resources, fundamental infrastructures for the economic and social development of the country.

Brazil currently shows a new macroeconomic profile, unique in the country's history, clearly boosting investment, production and employment. Interest rates are at historically low levels, both for sovereign debt and for funding the economy and families. The exchange rate is competitive and the fiscal performance demonstrates the solidity of Brazil's economic policies. Under these circumstances, the IMF forecasts robust growth rates for 2013 and 2014, of around 3.5% and 4%, respectively.

Columbian economy

In 2012, the Columbian GDP recorded a slight slowdown, even so, having achieved impressive growth of close to 4.3%, according to the projections of the IMF. Indeed, in spite of the sluggish economic growth of its main trading partner (United States of America) and the instability of global financial markets, Columbia continues to record strong economic growth rates, in a context of controlled inflation and moderate interest rates.

Columbia has a great variety of natural energy resources, such as oil, natural gas and coal, as well as metals such as gold, silver and copper, and is the world's largest producer of emeralds. Regarding agricultural production, its output of coffee, sugar cane, banana, corn, tobacco, cotton and flowers is of particular importance. In order to boost the export capacity of this market which is rich in natural resources, the Government has implemented a Productive Transformation Programme, aimed at tripling exports by 2014, in 12 sectors of the economy.

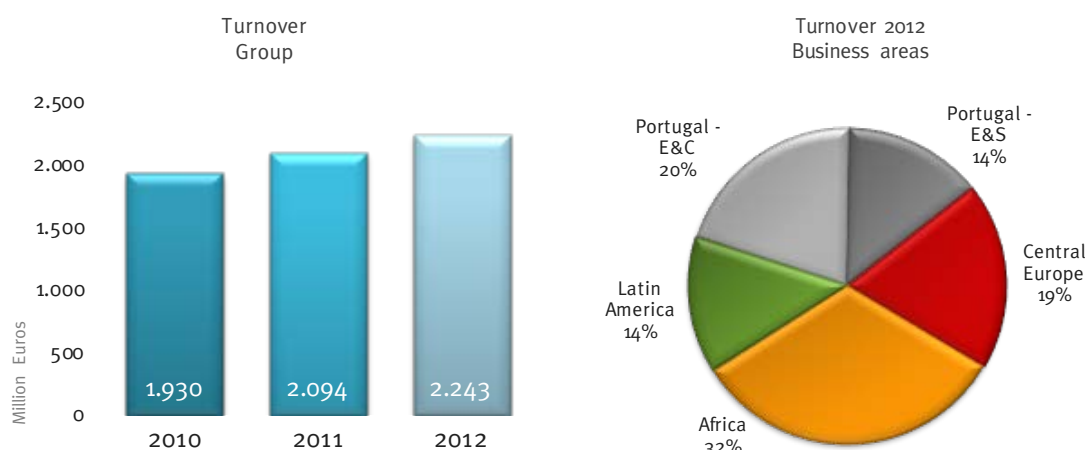
In fact, Columbia has defined the improvement of its transport infrastructures as a strategic priority, to leverage the growth of the export sector and domestic consumption. The National Infrastructure Agency, created in 2011, established the objective for 2013 of launching tenders for the implementation of infrastructure works of a total value of approximately 22 thousand million USD in 2013.

IMF forecasts for the Columbian economy point to sustained growth in 2013 and 2014, of close to 4.4% and 4.5% respectively, based on a strong increase of domestic consumption and public investment.

2. Analysis of the economic and financial performance

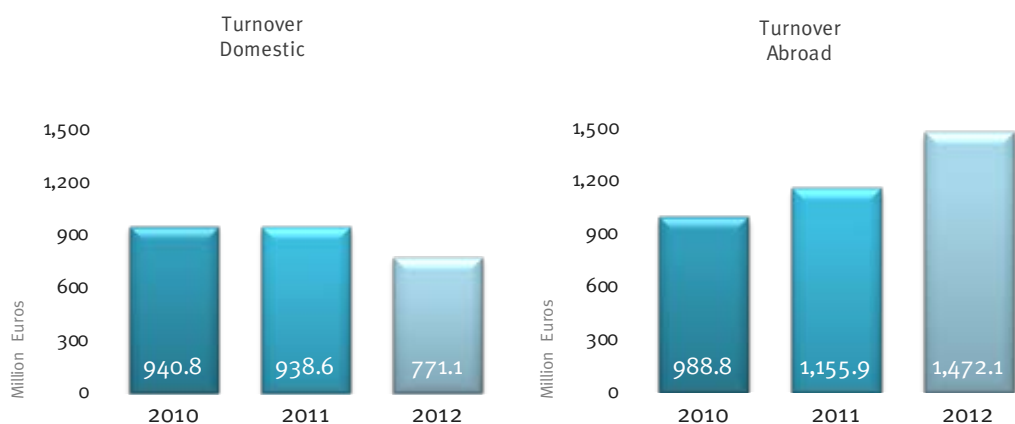
2012 was marked by remarkable growth, the strengthening of the strategic vectors of diversification and internationalisation (reaffirmed in the Ambition 2.0 Strategic Plan), improved operating efficiency and the reinforcement of the structural equilibrium of the GROUP's consolidated balance. Because of this, the GROUP was able to achieve in 2012 a consolidated net result of 40.7 million euros (2011: 33.4 million euros), which represents growth of around 22%.

In 2012, the GROUP altered its matrix of business dealings, which is now established by geographical areas, changing the logic of the business areas that was previously followed. In this way, the GROUP has been organised into the following four major business areas: Portugal, Africa, Latin America and Central Europe. This change was made to enable an improvement in the operating efficiency and the creation of value for the GROUP. It is also in line with this matrix that this report is organised.



2010 and 2011: Pro-forma data using the equity method in the recognition of interests held in the companies of the INDAQUA SUBGROUP

In 2012, turnover reached the amount of 2,243 million euros, which represented a growth of 7.1% in comparison with the 2,094 million euros of pro-forma turnover in 2011 (using the equity method in the recognition of interests held in the companies of the INDAQUA SUBGROUP).

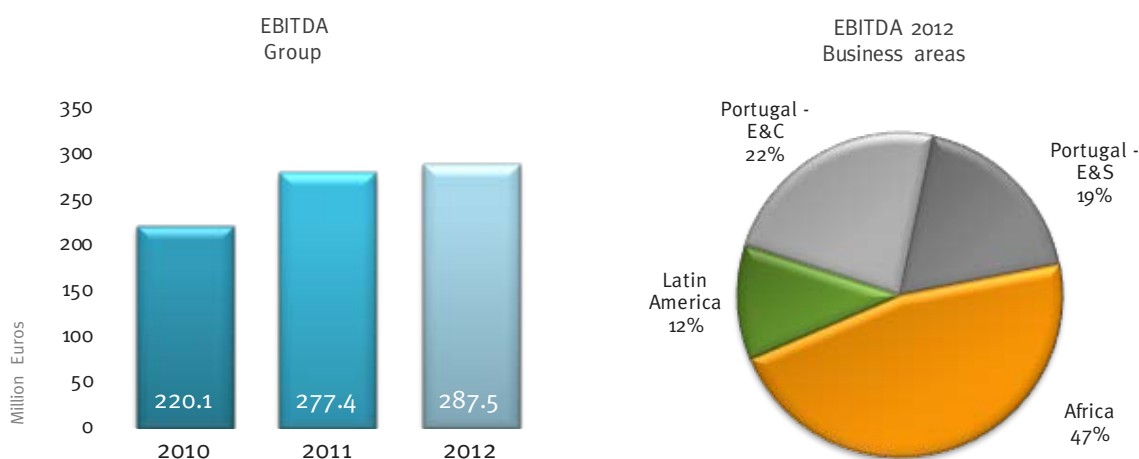


2010 and 2011: Pro-forma data using the equity method in the recognition of interests held in the companies of the INDAQUA SUBGROUP

This progress was possible due to the good performance seen in the external markets, with growth of around 27%, and in the business area of environment and services. The relative weight of the external activity of the Group in 2012 was close to 66% (2011: 55%).

Along with this increase in the volume of activity, the international order book has also been gaining ground in the GROUP. In this regard, a special mention goes to the trend registered in the companies of the Latin American region.

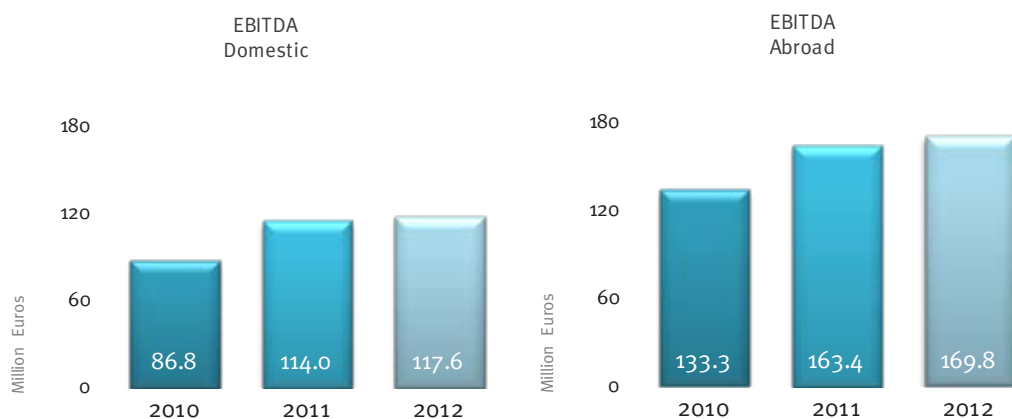
This growth in the importance of the external markets results from the bet on various countries with sustained growth, specifically in the emerging economies of Africa and Latin America, which, together with the new organisational model, was further strengthened under the Group's Strategic Plan: Ambition 2.0.



2010 and 2011: Pro-forma data using the equity method in the recognition of interests held in the companies of the INDAQUA SUBGROUP

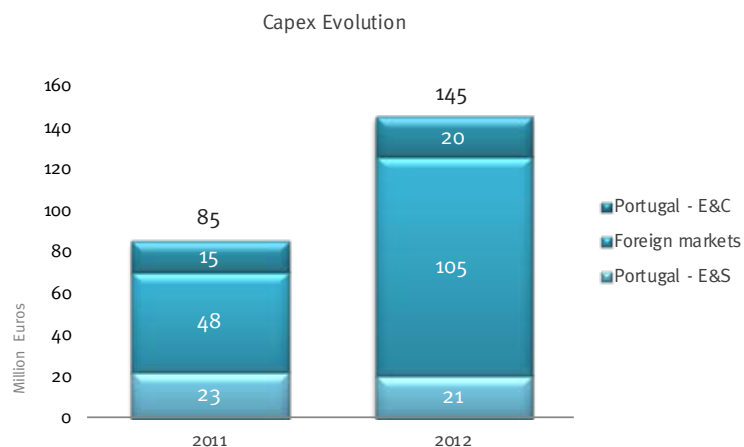
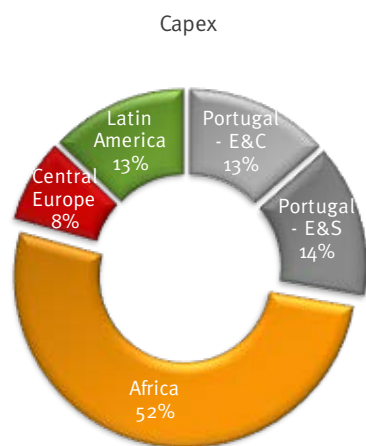
In terms of EBITDA, the growth experienced in 2012, compared to that of 2011, in the amount of 10.1 million euros, was essentially due to the African market (growth of 8.7 million euros in EBITDA), whilst the national market, as well, deserves mentioning due to its excellent operating performance (growth of 3.8 million euros in EBITDA). In Africa, it was the Malawian market that made the biggest contribution to that performance; as for the values in the domestic market, they were mainly the fruit of the results in the segments of construction and

logistics, more than compensating for the drop seen in the segment of waste collection and treatment. In 2012, the consolidated EBITDA margin was 12.8%, which compares with 13.2% in 2011.



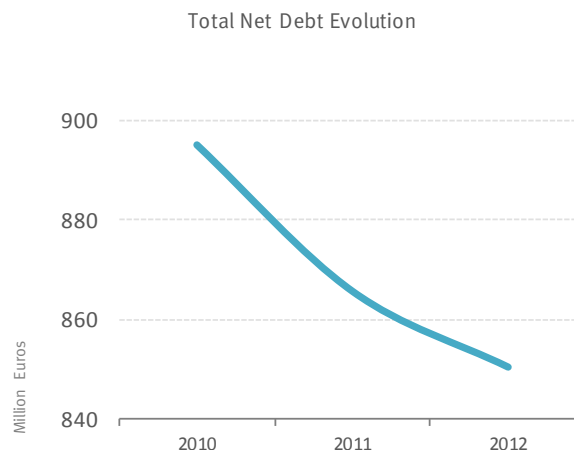
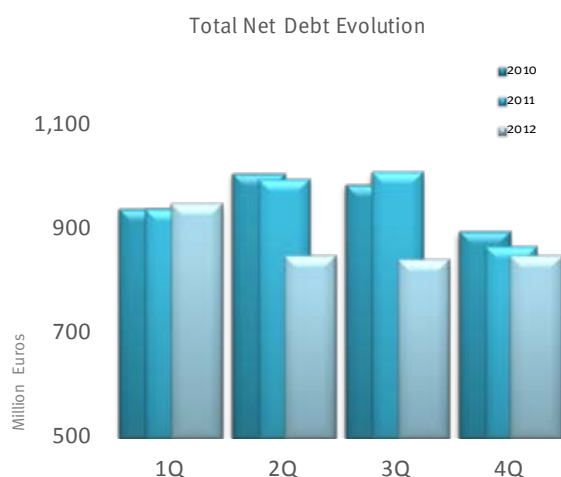
2010 and 2011: Pro-forma data using the equity method in the recognition of interests held in the companies of the INDAGUA SUBGROUP

External activity in 2012 represented about 60% of the total EBITDA of the Group, and between 2010 and 2012, its contribution to the increase in the total EBITDA of the Group was proportionately greater than that of the internal activity.



2011: Pro-forma data, excluding CAPEX of INDAGUA

In 2012, consolidated net investment reached 145 million euros (2011 pro-forma: 85 million euros), in which investment in the external markets stands out, totalling 101 million euros (2011 pro-forma: 48 million euros). Analysing the total investment by type, we note that the investment in maintenance totalled 54 million euros, investment in expansion approximately 81 million euros and the total financial investment was about 11 million euros.



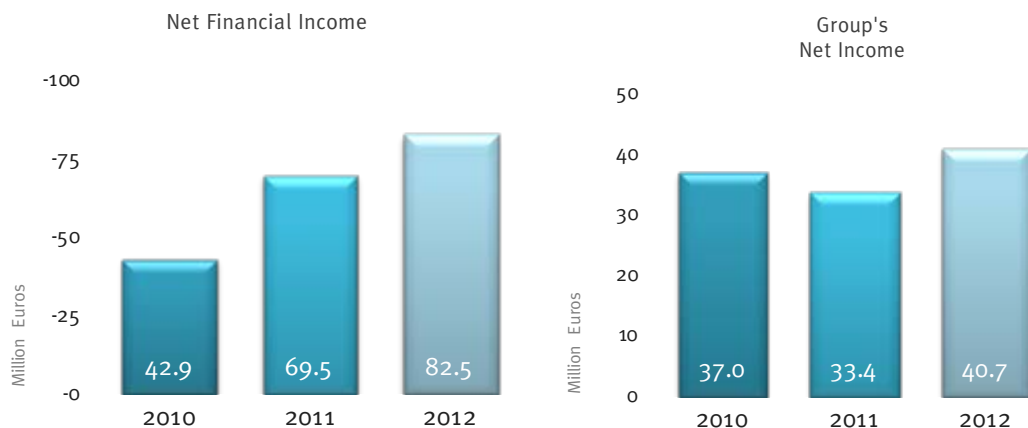
2010 and 2011: Pro-forma data using the equity method in the recognition of interests held in the companies of the INDAGUA SUBGROUP

Although the investment was higher in 2012 than in previous years, the total net debt at the close of the year was significantly lower than that recorded in the previous year (154 million euros less, which represents a drop of 15%).

The total net debt was 850 million euros (December 2011 pro-forma: 866 million euros). Of this amount, about 442 million euros were allocated to the operating activity of the Group, the remainder of the amount (409 million euros) being for investments in associated companies, which do not contribute to the EBITDA, and to non-strategic assets.

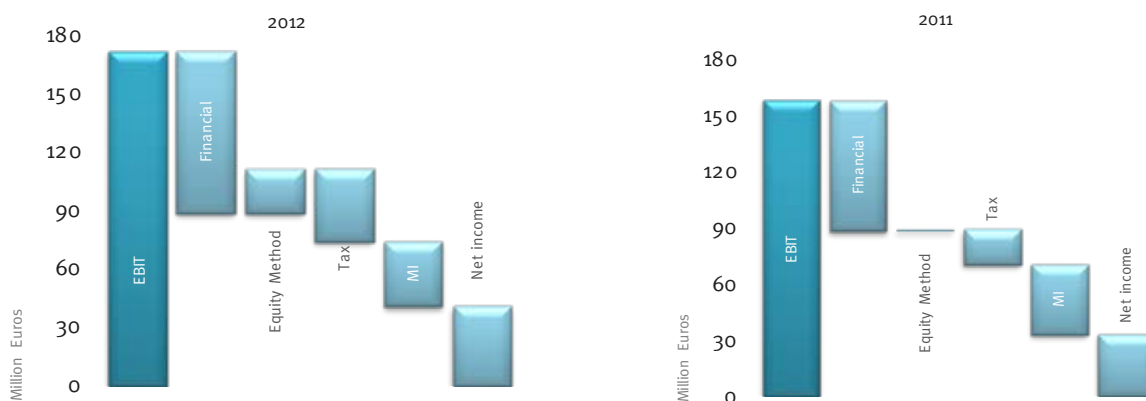
It is important to point out that, in 2012, the GROUP rescaled to the medium and long term more than 230 million euros of debt taken out at various institutions, which, together with similar operations carried out already in 2013, and with the bond issue referred to in the following paragraph, it can be concluded that the short-term debt, at the date this report is being issued, is less than one-third of the total short-term debt as at December 31, 2012.

On March 14, MOTA-ENGIL successfully issued a debenture loan in the amount of 175,000,000 euros, as a public offer for subscription to the general public announced at the beginning of February 2013. This bond issue will allow Mota-Engil to increase the average maturity of its debt and adjust the amortisation profile to the expected expansion of business foreseen in the Ambition 2.0 Strategic Plan, which involves internationalisation.



2010 and 2011: Pro-forma data using the equity method in the recognition of interests held in the companies of the INDAQUA SUBGROUP

The financial results contributed to the negative 82.5 million euro net result for the Group (2011 pro-forma: a negative 69.5 million euros), which represents an increase of about 13 million euros (18.6%), compared to 2011, in the net financial costs. The performance was essentially the result of the following effects: an increase of around 14 million euros in net interest incurred; a reduction of about 3 million euros related to the capital gains obtained from the sale of the waste operations in Brazil; a reduction of 5.8 million euros due to foreign exchange rate differentials.

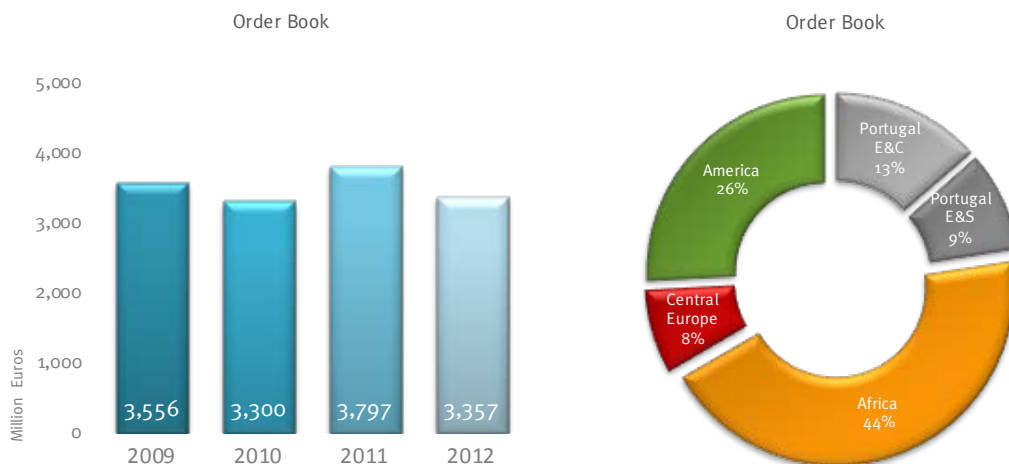


2011: Pro-forma data using the equity method in the recognition of interests held in the companies of the INDAQUA SUBGROUP

In 2012, the heading gains and losses in associated companies (Equity Method on the graph) made a positive contribution to the results, with 22.3 million euros (2011 pro-forma: 0.8 million euros). The 2012 value is essentially affected by the following facts: the Group's share in the results of the MARTIFER GROUP, a negative amount of 21 million euros (2011: negative 18.6 million euros); the Group's share in the results of the ASCENDI GROUP, a positive amount of 25 million euros (2011: 19.9 million euros); the gain, in the amount of 15.4 million euros, in the recognition of the fair value of the investment withheld in INDAQUA, following the sale of a minority position and consequently the Group's loss of control over that company.

As a result of this operating and financial performance, the pre-tax results grew to 119 million euros (2011 pro-forma: 89.6 million euros) and the consolidated net results rose to 81.7 million euros (2011 pro-forma: 70.7 million euros).

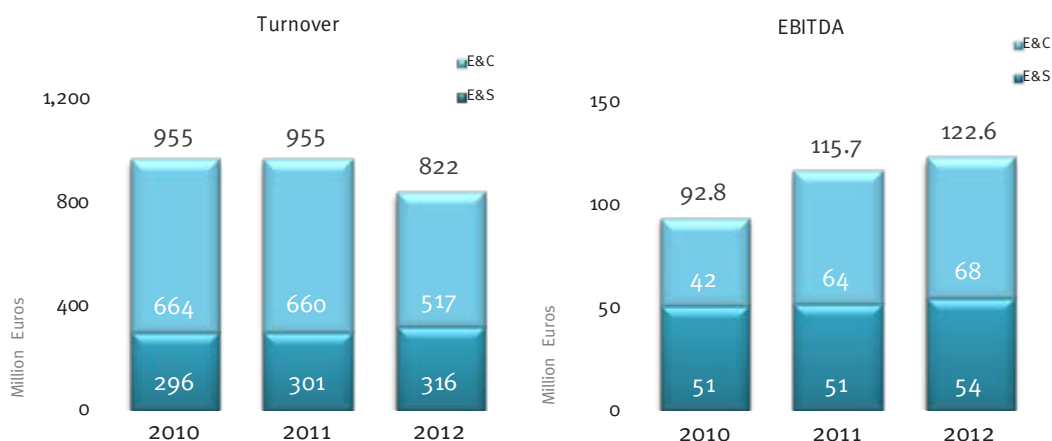
million euros), the share attributable to the Group being 48.6 million euros (2011: 33.4 million euros), which represents a growth of about 22%.



At the end of December 2012, the order book stood at about 3.4 thousand million euros, 2.6 thousand million euros of which were in external markets, representing about 77% of the total order book. As usual, the order book of business dealings not related to construction only includes service contracts in the segments of waste and maintenance. The Group does not include in its order book the foreseeable revenues coming from the operation of port terminals.

3. Business areas

Portugal



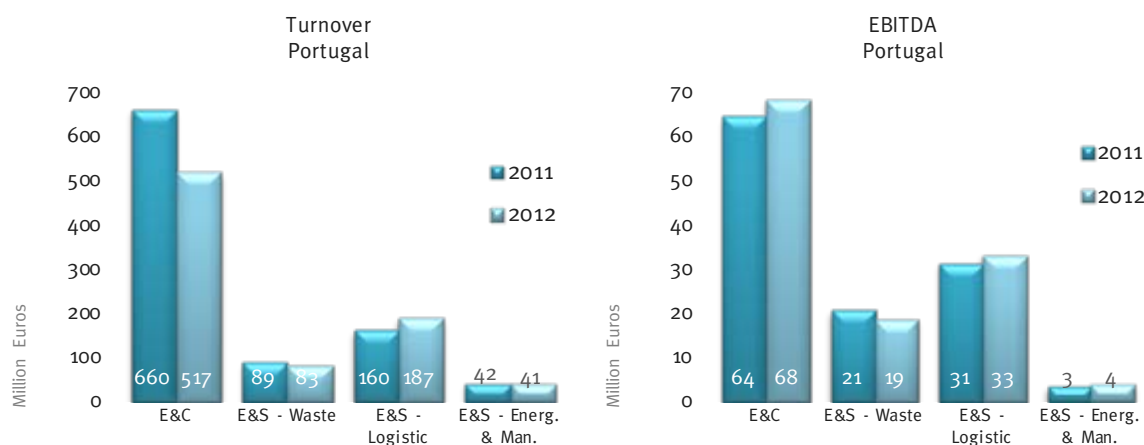
2010 and 2011: Pro-forma data using the equity method in the recognition of interests held in the companies of the INDAGUA SUBGROUP

The Portugal business area includes the businesses and companies of Engineering & Construction and Environment and Services that the Group has in Portugal or which are managed by the management structure of this region. Activities in the field of Environment & Services are in the sectors of Logistics, Waste, Water and Energy & Maintenance.

The turnover of the MOTA-ENGIL GROUP in Portugal in 2012 totalled 822 million euros (2011 pro-forma: 955 million euros), which translates into a 14% decline over 2011. Contributing to this drop were the lower numbers in turnover in the segments of engineering and construction (-22%) and waste treatment and collection (-7%). The logistics segment, despite the increase recorded in its turnover (27.6 million euros, which represents growth of about 17%), was not able to compensate for the negative effects referred to above. Overall, the segments of environment and services had a consolidated turnover of 316 million euros (2011 pro-forma: 300 million euros).

As for operating profitability achieved in Portugal, there was an increase in the EBITDA margin to 15% (2011 pro-forma: 12%) and a rise of 6% in the absolute value of that indicator to 122.6 million euros (2011 proforma: 115.7 million euros).

These results were made possible by the increase, albeit slight, in the weight of the environment and services segments, and the larger EBITDA margin of the engineering and construction companies, which in spite of their reduced activity, grew the corresponding absolute value of consolidated EBITDA (2012: 68.2 million euros; 2011: 64.4 million euros), as a result of greater operating efficiency in the use of their resources and their capacity to transfer resources to other markets.



The segment of wastes in Portugal registered a slowdown, both in terms of activity (2012: turnover of 82.7 million euros; 2011: turnover of 88.6 million euros), and in terms of EBITDA (2012: 18.6 million euros; 2011: 20.6 million euros).

It is the segment of logistics that continues to exert the greatest weight on the turnover in environment and services, growing 17% in relation to the values obtained the year before (187.4 million euros in turnover in 2012, which compares to 159.8 million euros in 2011) and 5% in terms of EBITDA (33.0 million euros in 2012, as opposed to 31.3 million euros in 2011). This excellent behaviour was due to the increased traffic in the domestic ports, as well as to the operating improvements which have been being introduced through an integrated management of the various concessions. It was adversely affected, however, by instability in some of the main domestic ports in the second half of the year.

Despite a slight decline in their activity, the segment of maintenance and energy companies improved their EBITDA margin remarkably well, achieving 9% in 2012.

Engineering and Construction

Following the trend of recent years, the sector of Civil Construction and Public Works in Portugal continues to go through a deep crisis, with weak demand, an excess of installed capacity and a crushing of the margins being practiced. Influenced by an unfavourable economic framework, the result of the sovereign debt crisis and the strict austerity plan implemented by the Portuguese government, the sector once again recorded a sharp drop in its activity in 2012, with the production index in Construction contracting 16.9% (2011: contraction of 10.3%), according to data from the National Institute of Statistics (INE). Eurostat data shows that the European construction sector suffered an 8.5% drop, with Portugal being the second most affected country.

Unlike in previous cycles, in which public investment served as one of the main instruments to drive the national economy forward, since 2010 this instrument has been used for the opposite purpose: to consolidate public debts. In 2012 public calls for tenders were opened amounting to 1.7 thousand million euros and works awarded in the amount of 1.2 thousand million euros, values that represent drops of 44.4% and 51.6%, respectively, in relation to the previous year.

According to the most recent analysis of the conjuncture made by FEPICOP - Portuguese Federation of the Construction Industry, up to November 2012 licences for new construction fell 30.2%, and those for non-residential buildings were 23.5% lower. These data are evidence of the continuing deterioration of the economic activity in the sector, which culminates in a 34.4% increase in unemployment in construction.

Portuguese banks continue to find it difficult to access financing, and consequently, there are heavy constraints on financing for the economy and a decline in private investment. Companies are confronted, simultaneously, with a strong pressure from deleveraging and a significant increase in the costs of financing. Added to this, the housing market, the most heavily penalised by the financial crisis, is undergoing an unprecedented decline in new credits to housing.

Despite this prolonged, systemic and deep crisis, the Group maintains a moderately optimistic outlook for 2013. The internal reorganisation of the segment endowed the related companies with a greater operating, economic, financial and management efficiency, allowing them to face the current economic and financial conjuncture with the certainty that the business area of Engineering & Construction in Portugal will come through the crisis even stronger after the recovery of the sector.

As has been mentioned, the turnover of the segment of Engineering & Construction in Portugal suffered a strong contraction in 2012, a reflection of the record decline in contract awards in the sector of civil construction and public works. Nevertheless, there was significant growth in operating profitability, resulting from a combination of factors: the quality of the order book that has been being compiled, both in the area of highway construction and in civil construction; and from the policies for the rationalisation of resources that have been being practiced. As a matter of fact, in spite of the decrease in the activity of the segment, the EBITDA rose, which demonstrates the strong resilience of the Engineering & Construction segment in Portugal. Due to the difficulties experienced in the internal market, together with the dynamic nature of the internationalisation process in construction, this segment again saw a drop in its share of the overall turnover of the Group: in 2012 the Engineering & Construction market in Portugal represented only 23% of the Group's consolidated activity (2011 pro-forma: 32%).

There was also growth in highway works and the concentration of production in larger contract works and in fewer building yards compared to previous years. Besides the construction of works in the Interior Douro and Interior Pinhal regions, the following contract works stand out for their importance:

- Remodelling and Expansion of the Bom Sucesso Market in Porto;
- Foz Tua Dam;
- Venda Nova Hydroelectric Plant III Undertaking;
- New Coach Museum;
- New Headoffices for EDP (Electric Company).

Various water-related infrastructures were also executed for EDIA (Development and Infrastructure Company of Alqueva), as well as several remodelling projects for school buildings, which stand out in the general panorama, due to the fulfilment of the goals established for delivery deadlines and quality.

Also noteworthy is the fact that MOTA-ENGIL ENGENHARIA, despite being a company in the business area of Portugal, is the Group company with the most technical and human resources and installed capacity, which allows it to make available to external markets the resources and know how required for the execution of large undertakings in progress, especially the specific support in specialised railway and port works.

Logistics

The business segment of Logistics includes the activities of port, road and railway terminal operations, integrated logistics and railway transport of goods.

Six years after the acquisition of the TERTIR GROUP, MOTA-ENGIL holds a leading and prominent position in the operation of port terminals, specifically through the operations of the terminals of Leixões, Aveiro, Figueira da Foz, Lisbon and Setúbal. The GROUP also provides integrated cargo activities, road and railway transport, intermodal logistical installations, distribution, shipping agents and other related services, having the distinction of being the first Portuguese private operator to enter the sector of rail transport of goods.

In fact, the *know-how* developed through TERTIR in the concessions of port infrastructures and integrated logistical systems allowed the GROUP to expand its activity into international markets, including the 30-year concession of the port of Paita in Peru, awarded in 2009 to a consortium in which the GROUP has a participation (TERMINALES PORTUARIOS EUROANDINOS) and to the 35-year concession of the container terminal of Ferrol, in Galicia, awarded in July 2011 to TERMINAL DE CONTENEDORES DE FERROL, a company held 100% by TERMINAL DE CONTENEDORES DE LEIXÕES (TCL), a company that is, in turn, controlled by MOTA-ENGIL.

The activity in the domestic port terminals was marked by growth in the first half of the year, followed by a significant decline in the second half. In the first half, the growth in exports and the greater preference for maritime transport over land transport resulted in significant rates of growth in the activity, despite the weak economic situation of the country. In the second half, the strike by the port workers, which lasted throughout almost all of that period, significantly affected the port concessions at Aveiro, Lisbon and Setúbal, in which invoicing fell 25% in comparison with the previous 6-month period.

In regard to rail transport, Takargo, which received its national licence as operator for the transport of goods in 2006 and in 2012 a similar licence to operate in Spain, consolidated its operations as a leading Iberian company in the transnational transport of goods by railroad.

Another company with a growing international presence is Transixex, a cargo shipper working with containers, including door-to-door service, which has its own structure set up in countries as scattered as Spain, Mozambique, Mexico, Brazil, Colombia, Chile, South Africa and Peru. The activities of Transixex, because they are not as dependent on the European conjuncture, recorded significant growth, both in volume as well as in profitability.

In 2012, in spite of the weak economic activity in Portugal and the heavy impact on the activity of the terminals from the strike by port workers, the business segment of logistics had an excellent performance, including a year-on-year organic growth of activity of 17%, which demonstrates the resilience of this business in the face of the current internal conjuncture.

Waste

Guaranteeing its continued position of leadership in the national market of waste, which was over 50% in 2012, the organic structure of the SUMA GROUP basically retained the same configuration and strategic profile, bringing together more than 30 companies to guarantee the capacity for the Full Life Cycle Management of Waste in the various categories (Urban Solid Waste; Hospital Waste; Bulky Waste; Common Industrial Waste, Hazardous and Non-Hazardous; Construction and Demolition Waste; Used Lubricating Oils; Liquid Effluents), from their production, to their recycling, elimination and/or technical confinement, with particular importance in the period in question to the reinforcement of the diversity and specialisation of the services rendered in activities with a greater potential for development, particularly in the segment of Industrial Waste.

The worsening economic and financial situation of the country, added to the budgetary and liquidity limitations of the main customers in the order book (Local Governments), led to a drop of 7% in the turnover of this

segment in Portugal, evidencing great difficulties in growth and internal investment (arising from the low incentive to private initiative) and maintaining the gap that exists between the Portuguese reality and that of the other countries of the European Union in regard to the privatisation of the public services of hygiene and sanitation, forcing the company to concentrate the objectives of entrepreneurial sustainability in the reinforcement of its bet on markets abroad. Despite the decline in the activity of the segment of Waste in Portugal, the operating profitability remained stable, with the EBITDA margin remaining stable at around 23%.

SUMA began 2012 with an inherited growth rate of 501% from the historical balance of the last ten years of its activity (2001-2011), its path to continued growth involving the implementation of policies of sustainability and internal efficiency, and the expansion to other markets, where important commercial investments have been made in the approximation and analysis of new opportunities, mainly in the African continent.

As far as commercial performance is concerned, 2012 was marked by a dozen or so renewals of service contracts or newly awarded contracts with a duration of over a year, which, added to the contracts already held, come to a total of 43 municipalities served in terms of Collection of Solid Waste and Urban Cleaning, representing a population of 2,198,237 inhabitants. There are 36 municipalities where Waste Treatment is being provided, where the population is estimated to be around 610,500 inhabitants.

Two years away from celebrating its two decades of existence, the stability of the SUMA project is the product of heavy investments—human, logistical, and technological—and a management focused on continual improvement and the search for successful alternatives and geographical settings designed to counteract the stagnation and resistance of the domestic market to the privatisation of the services of Urban Sanitation and Waste Collection and Treatment.

The direction outlined for the optimisation of resources and for the extensive and transverse application of good practices in the entire chain of services provided was corroborated with the renewal of the Quality Certificate and the continuation in Environment and Safety – Integrated Management System of SUMA – the SUMA Laboratory having ensured the accreditation for all the parameters, and SIGA obtained for the first time the certification of its Quality Management System.

Anchored on the values of service to the environment, a higher quality of life for the inhabitants of the areas covered, SUMA carries on with its efforts in the areas of corporate social responsibility, principally through the implementation of awareness and prevention projects, designed to ensure higher indicators of savings for the public treasury for its Customers, and a better management of resources by families in relation to waste.

Water

The strategy of the Mota-Engil Group for its business area of Water involves the search for partnerships that can increase the capacity for investment and the expansion of this sector of activity, both in Portugal and in the external markets. At the close of 2012, as a consequence of this strategy, the Group disposed of its minority participation in the capital of INDAQUA (the company that brings together all the Water-related businesses), which resulted in the Group's loss of control in that company and the deconsolidation of its businesses from the full method. Hence, the Water segment is longer a reportable segment for the MOTA-ENGIL Group. Despite this fact, and as the Group still has an important participation in INDAQUA, the main facts occurring during the year will continue to be mentioned.

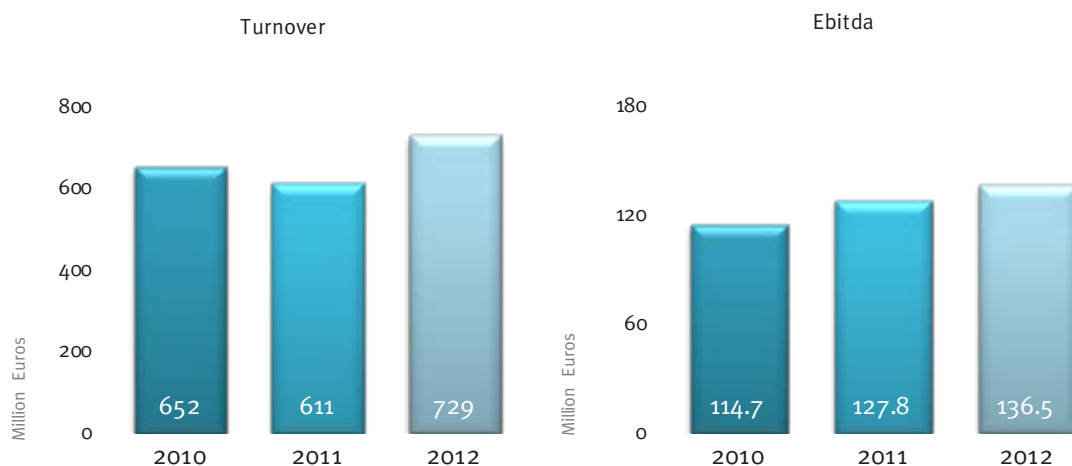
The Water business includes the concessions for water supply and sanitation in the municipalities of Fafe, Santo Tirso, Trofa, Santa Maria da Feira, Matosinhos and Vila do Conde, controlled by the subsidiaries of the Indaqua Group. The first three involve the service of water supply only. It also includes a public/private partnership with the Municipality of São João da Madeira for the management of the municipal public service of water supply and collection of sewage and storm waters in the municipality of São João da Madeira. These concessions have terms that vary between 25 and 50 years and the PPP is for an unlimited time, involving the management of about 215,000 customers, 4,400 km of water and sewer networks, and a population of around 575,000 inhabitants.

In 2012 INDAQUA was awarded the concession to operate and manage the public services of water supply, and the collection, treatment and disposal of waste waters in Oliveira de Azeméis for a period of 30 years, the start of operations being expected to take place in 2013. We cannot, however, consider the trends in the domestic market as having been favourable to the growth of INDAQUA, because the launchings of public calls for tenders have been few and successively postponed. Despite this fact, the total number of water customers of Indaqua in December 2012 already surpassed 215 thousand, which represents an increase of 2.4% over 2011, and the volume of water invoiced was on the order of 21.5 million cubic metres. The total number of users of the sewage services in December 2012 was about 147 thousand, which constitutes an increase of about 3% in comparison to 2011 and the volume invoiced was around 15.3 million cubic metres.

Investments in Portugal came to 36 million euros, the largest investments being in infrastructures to execute various works in line with the investment plans of the companies holding the concessions.

In light of the financial weakness of the State, INDAQUA foresees that beginning in 2013, the pace of launchings by Portuguese Municipalities of public calls for tenders for the attribution of municipal concessions will accelerate. It is INDAQUA's intention to participate in all of them, if they are seen to be economically and financially sustainable. Besides this, it is awaiting the carrying out of the project currently underway for the merger of multi-municipal water and sanitation companies within the universe of Águas de Portugal, with a view to private players in the near future being integrated into the management of the activity of the companies resulting from this project.

Africa



Africa is a natural market for the Mota-Engil Group, given the Group's presence in Angola for over 65 years, giving it a reference mark in this market, MOTA-ENGIL ANGOLA. With an activity that is very representative in markets such as Mozambique and Malawi, and in other expanding markets, such as South Africa, Cape Verde, S. Tomé e Príncipe, and Zimbabwe, MOTA-ENGIL is increasingly active in the area of southern Africa. The MOTA-ENGIL Group has been expanding the geographical base of its operations in Africa, assessing new markets and the diversification into new business areas, establishing a commitment to the development of these economies with high potential. The Group's investment in mining is the most recent example of this commitment to Africa. Activity in Africa represents about 32% of the total activity of the MOTA-ENGIL Group (2011: 29%).

In 2012, the turnover in Africa was 729 million euros, recording growth of 19.3% in relation to the value obtained the previous year (611 million euros). Although the EBITDA margin of this business area suffered a slight decline, dropping from 21% in 2011 to 19% in 2012, the operating profitability in absolute numbers increased to 136.5 million euros (2011: 127.8 million euros). It is worth noting that in 2012, the urban waste and cleaning business in Angola contributed 30 million euros in turnover (2011: 32 million euros) and 12.6 million euros in EBITDA (2011: 19 million euros).

Another important fact is that the order book of this area stood at around 1,470 million euros in December 2012 (December 2011: 1,687 million euros), which continues to support the excellent outlook for the Group's growth in this market.

The activity in Angola, Mozambique and Malawi is very representative, being one of the largest companies of the sector in each of those markets, which therefore places the Group in an excellent position to benefit from the enormous growth potential of these markets.

Driven by the exploration of its natural riches and benefitting from the high prices of commodities, the Africa market has achieved significant economic growth in recent years. This growth has allowed the governments of the region to adopt policies for investment in new infrastructures, an essential factor in fostering private investment and the development of other sectors of activity, such as agriculture, industry, commerce and tourism. The financing available in these markets has made it possible to leverage growth and support the execution of large public and private investments, specifically in the mining sector. The major private investments, together with the ambitious public works programmes designed to meet the great scarcity of infrastructures, constitute an enormous potential for growth for Engineering & Construction activity in this geographical area.

The activity in Angola is carried out through MOTA-ENGIL ANGOLA, a company that is the result of a partnership between the Group, with 51% of the capital, and an Angolan consortium that is part of the Sonangol Oil Company and Grupo Atlântico, with 49% of the capital. 2012 was marked by the consolidation of the activity in this market, in which there was sharp growth in the turnover and the maintaining of an EBITDA margin of more than 20%, reflecting the generally good execution of the contract works, of which the following are highlighted:

- Special Economic Zone;
- Renovation and Realignment of the Luanda outer highway;
- Improvements made to Avenida Murtala Mohamed
- Angola Maritime Training Centre (CFMA) at Sumbe - Package B – Buildings;
- Dundo Lucapa National Highway.

As for Malawi, the performance of this market was negatively influenced by difficulties in the supply of raw materials, caused by the lack of currency in the country, which delayed the normal progress of production in the order book. Nevertheless, 2012 was also the year construction began on the 145.11 km of railroad in Malawi awarded to MOTA-ENGIL for over 700 million dollars. This stretch is part of a railway corridor over 900 km long that connects the coal mines of Moatize-Tete with the port of Nacala, both in Mozambique, serving to take the mining production to market. Turnover in Malawi tripled in 2012, mainly because of this project, which will be completed in the course of 2014. The order book for Malawi shows 550 million euros, basically supported by private clients in the mining sector.

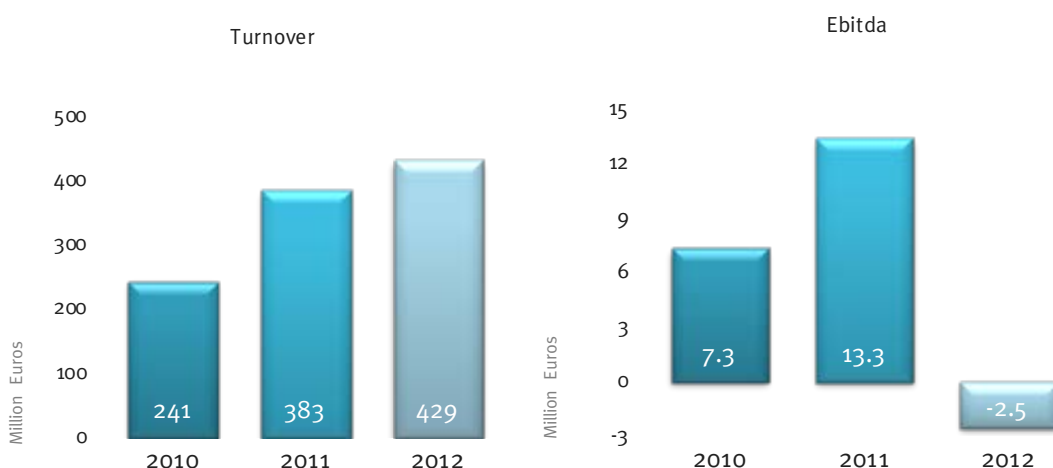
Turning to Mozambique, this country, which is evidencing continued growth that requires large investments in infrastructures, created an ambitious plan for public works that has in view the development of logistics corridors between the interior and the country's coast. As a matter of fact, the Mozambique market has been taking on a growing importance for the Group, with the order book in 2012 registering 230 million euros. The year was marked by the continuation of three contract works: the New Tete Bridge and its accesses, the Renovation and Improvement of the Milange-Mocuba Highway and the Renovation of EN260 between Chimoio and Espungabera, as well as the start-up of the railway works for the renovation of the Sena Line.

Following the strategic objective of diversifying activity in the markets, the sectors of Waste, Logistics, Water, Energy and Maintenance are more important today, representing about 11% of the total EBITDA of the African area of business. With its extensive experience in the area of mining support infrastructures and in contract mining, the MOTA-ENGIL Group continues to ponder the diversification of its activity into the mining sector, specifically through projects for prospecting and mining operations.

In fact, the Group's strategy for the African market is based on the consolidation of the current operations in progress in the markets, through the diversification of business deals and the increase in construction contracts with private customers. It also aims to expand its activity into new markets of sub-Saharan Africa, seeking, above all, projects that have financial backing from international institutions from the start.

In global terms, the African market evidenced significant growth in turnover and a slight drop in the EBITDA margin, which is explained by the delays in the progress of the construction works in Mozambique and Malawi. The outlook for 2013 points to significant growth in activity in Africa, the contribution of the Nacala corridor railway line naturally being a prominent factor.

Central Europe



Although the Group has operations in four Central European countries (Poland, the Czech Republic, Slovakia and Hungary), most of its activity is concentrated in Poland, in the Engineering & Construction segment.

The 2012 turnover in Central Europe was 429 million euros, which represents growth of about 12% in comparison to the previous year (2011: 383 million euros). Even so, the Group was still able to keep the same level of quality and meet the deadlines for all its works, which has been a distinctive feature of the Group, setting it apart from most of the companies operating in this segment and market. On the negative side, there was the conclusion of the process of closing operations in Romania, which resulted in the recording of losses totalling around 6 million euros, affecting the EBITDA in the same amount.

Following the peak production of the construction sector recorded in 2011, due for the most part to the European Cup, the volume of production fell back about 23.7% in 2012, according to recent figures from Eurostat. In fact, the level of public investment fell substantially in the last year, especially in the second quarter, when there was a smaller number of public calls for tenders in highway infrastructures. The sharp rise in the price of raw materials further deteriorated the performance of the sector, resulting in a strong increase in competition, the flattening of the margins, not to mention the fact that some of the companies of this sector in Poland became insolvent. Notwithstanding these heavy constraints, in 2012 Mota-Engil Central Europe successfully completed and delivered all its contract works within the agreed timeframes, in line with the commitment to quality assumed by the Group.

Despite the recent trend of fewer new contracts for the construction of highways and motorways, it is hoped that there will continue to be strong investments in the reconstruction, renovation and modernisation of regional and municipal roads. Additionally, the Polish authorities are studying the possibility of issuing calls for tenders for road works under the modality of PPP, which will also include the services of maintenance and reconstruction/modernisation. Significant investments in projects related to energy and environmental infrastructures are also expected, justifying the objective for diversification outlined for this segment.

Considered by “*Emerging Trends*” of PricewaterhouseCoopers in 2012 as the 3rd best city for investing and the financial capital of Eastern Europe, Warsaw has been the target of a strong demand in the market of offices and retail spaces. With this excess demand, the Polish real estate market needs to increase its offer, which augments the range of opportunities to expand and consolidate the activity of MOTA-ENGIL CENTRAL EUROPE.

Following a strategy of geographic expansion and diversification, the company has been consolidating its presence in various regions of Poland and doing business in new segments, specifically in civil construction and environmental works.

Contradicting the decline in production of the construction sector in Poland in 2012, the activity in the geographical area of Central Europe showed considerable growth in relation to 2011, registering 429 million euros, the fruit of an important order book collected in the previous years. The weight of Central Europe in the Group's activity rose from 18% in 2011 to 19% in 2012.

In the 2012 performance, the following contract works made a significant contribution:

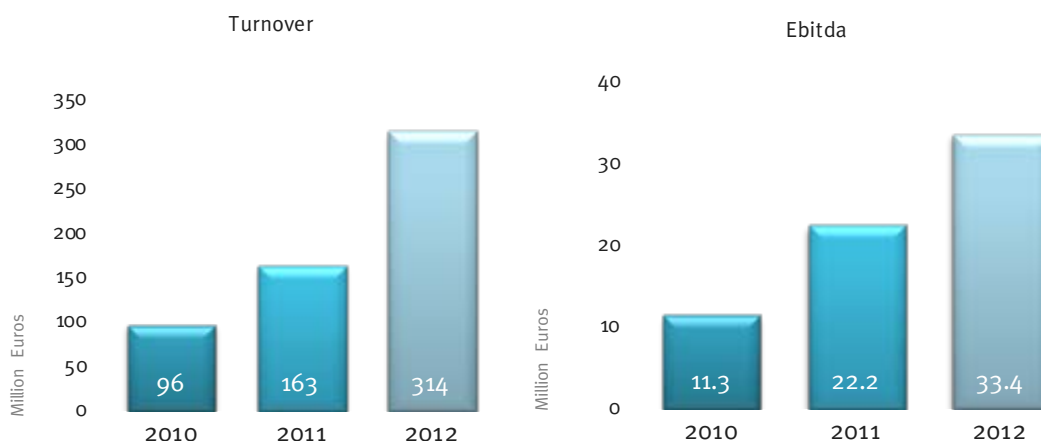
- Motorway S8: Jeżewo-Białystok;
- Motorway S8: Wrocław-Olesnica;
- Motorway S8: Syców-Kępno-Wieruszów;
- Motorway S3: Międzyrzecz-Sulechów;
- Motorway S17: Kurów-Lublin;
- Motorway S3: Gorzów Wielkopolski-Międzyrzecz;
- Interchanges at Przemyśl;
- Bridge over the River Vistula: Połaniec;
- Buildings and car park: Wrocław University of Technology
- Airport of Rzeszów-Jasionka

Within the scope of the strategic plan for the region established in 2010, the activity carried out in the real estate area in 2012 had as its main objective the creation and exploration of a portfolio of residential projects near the main centres of MOTA-ENGIL CENTRAL EUROPE operations, among which were the following:

- Devonska Project, Prague – construction of this multifamily residential complex of 145 apartments was started and its conclusion is projected for the beginning of 2013;
- City Island, Wrocław – residential and commercial complex begun in October 2012, with its conclusion set for the beginning of 2014.
- Hornom Cholupská, Prague – complex of two buildings E and F for residential and commercial purposes begun in July 2012, which is expected to be completed at the end of 2013.

Reflecting the lower number of new contract awards in 2012, the activity in this market is forecasted to be lower in 2013. Nevertheless, the current order book and the perspectives for a recovery in public calls for tenders guarantee a sustained level of activity in Central Europe in the coming years.

Latin America



In Latin America, the region with the greatest growth in turnover in 2012, the Mota-Engil Group is currently concentrating its activity in Peru and Mexico. In the third quarter, however, engineering and construction activity was started in Brazil. In Colombia, the Group was awarded its first project, with various others under study. This region already represents 14% of the Group's activity, in line with the goals of the Ambition 2.0 Strategic Plan (2015: about 27% of the turnover of the Mota-Engil Group).

The 2012 turnover in this market was 314 million euros, which represents a remarkable growth of about 93.1% in comparison to the previous year (2011: 163 million euros).

In regard to operating profitability, there was a decline in the EBITDA margins, from 13.7% in 2011 to 10.6% in 2012, due in part to the diversification efforts in this region, mainly in terms of the types of works, which led to pressure on the margins. On the other hand, this diversification will enable the Group to mitigate the risks associated with the excessive concentration of customers and their business areas.

The order book of the region was strengthened, which totalled about 867 million euros at the end of 2012.

Mota-Engil Peru, a major company of the Peruvian market, again performed well in 2012. The financial stability of the market and the strong economic growth of the country allowed the Group to continue carrying out its strategy for the growth and diversification of the company. This company also began taking important steps in the real estate sector. Following the conclusion and sale of the entire first property "Edificio Salaverry", and the licencing phase for the premium residential project "La Ponciana", the company continues with its expansion plans and began a new project - "Los Castaños".

In fact, the activity in Peru, previously more focused on earth-moving works for the mining sector, has been progressively diversified into other sectors, specifically highway construction, water works, fluvial-maritime projects, the signing of multi-annual contracts for the upkeep and maintenance of infrastructures and the management of port concessions.

This bet on the diversification of activities has made a decisive contribution to the excellent performance in the Peruvian market, which had a 2012 turnover of 244 million euros (2011: 129 million). The order book had sustained growth in 2012, totalling 373 million euros, which justifies the Group's high expectations for this market.

With the construction sector in evident expansion in Mexico, the Group has the opportunity to consolidate its presence in one of the largest countries of Latin America. In 2012, construction on the "Perote-Banderilla y

Libramiento de Xalapa" motorway carried on, following the 75-million euro amendment to the original contract in 2011. Mota-Engil Mexico, as part of a consortium, won the awarding of a contract for the construction, maintenance and renovation of the Guadalajara-Colima motorway over a distance of 145 km. The contract, with a total value of about 195 million euros, involves an investment in construction of around 90 million euros, the remainder coming from the maintenance work to be done over the contract's 12-year period. For Mota-Engil, which holds 20% of the consortium, this project will represent a portfolio of 40 million euros in a project that will have one-third of its overall invoicing issued in the first 24 months, related to the construction and renovation works.

In Brazil, the Mota-Engil Group reached an agreement for the acquisition of the majority of the share capital of a Brazilian construction company - Empresa Construtora Brasil, S.A, a company with vast experience in the Brazilian market. With this acquisition, the Group hopes that the Latin American geographical area will begin to count on the Brazilian market to make a significant contribution to its turnover, for this purpose taking advantage of the short and medium-term opportunities that exist, but above all, contributing to the perspectives for the sustainability of the infrastructure construction activity in the country. The year was marked by the signing of a contract, in a consortium with the Brazilian company CONIC, for the expansion of the Enotel Resort & Spa Porto Galinhas, for an overall amount of 57 million euros.

The Group also has as a strategic objective the expansion of its presence in the region, specifically to Colombia, a market that has excellent rates of economic growth and strong plans for investments in public infrastructures. Through Mota-Engil Colômbia and the local branch of Mota-Engil Engenharia, the Group is actively participating in public calls for tender in this market. The Group has already been awarded a project in this country, and its goal is to quickly build up its order book, principally through partnerships, which includes the agreement signed with the Odinsa Group.

ASCENDI GROUP

The ASCENDI GROUP is the product of a partnership created between the MOTA-ENGIL GROUP AND THE Banco Espírito Santo Group for the area of concessions in transports.

The process of concentration of the holdings began in 2010, with a capital increase of the ASCENDI GROUP, fully subscribed by ESConcessões, through the entry in kind of the latter's stake in the Norte, Costa de Prata, Beiras Litoral e Alta, and Grande Porto concessions. In 2012 the process of the transfer of holdings continued, with the conclusion of the acquisition of the ESConcessões stake in SCUTVIAS.

Ascendi Group Structure

Following the events of 2012, the make-up in the shareholders list of the subsidiary companies subject to the reorganisation process was modified, the current structure being as shown in the following table.

The transfer of the remaining holdings is to be concluded in the course of 2013. The following table presents the current portfolio and that which is expected to be in place, once the entire transfer process of the holdings is complete.

Concessionaire	Current Holding ⁽ⁱ⁾	Forecasted Holding ⁽ⁱ⁾	km	End Date
Portugal				
LUSOPONTE – CONCESSIONÁRIA PARA A TRAVESSIA DO TEJO	38,02%	38,02%	19,5	2030
ASCENDI – AUTO-ESTRADAS DO NORTE	74,87%	74,87%	175,0	2029
Scutvias – Auto-Estradas da Beira Interior	22,23%	22,23%	178,0	2029
ASCENDI – AUTO-ESTRADAS DA COSTA DE PRATA	80,20%	80,20%	109,6	2030
ASCENDI – AUTO-ESTRADAS DAS BEIRAS LITORAL E ALTA	80,20%	80,20%	172,5	2031
ASCENDI – AUTO-ESTRADAS DO GRANDE PORTO	80,20%	80,20%	55,5	2032
Vialitoral – Concessões Rodoviárias da Madeira	4,75%	4,75%	44,2	2025
ASCENDI – AUTO-ESTRADAS DA GRANDE LISBOA	-	65,97%	23,0	2036
ASCENDI – ESTRADAS DO DOURO INTERIOR	8,85%	80,75%	242,3	2038
ASCENDI – ESTRADAS DO PINHAL INTERIOR	8,09%	79,99%	520,3	2040
Total Portugal			1.540,0	
Spain				
Auvisa – Autovía de Los Viñedos	-	50,00%	75,0	2033
Autopista Madrid – Toledo	-	15,00%	81,0	2040
Total Espanha			156,0	
Latin America				
México – Concesionaria Autopista Perote – Xalapa	30,00%	50,00%	60,0	2038
Brasil – Concessionária Rodovias do Tietê	50,00%	50,00%	415,0	2039
Total América Latina			475,0	
Africa				
Moçambique – Nova Ponte de Tete	40,00%	40,00%	701,0	2039
Total África			701,0	
Railroad Concessions				
MTS – Metro, Transportes do Sul	18,09 %	24,89%	20,0	2032
TOTAL			2.892,0	

(i) Shares held (or to be held) directly by Ascendi Group, SGPS, SA, or by any other company within the sphere of its consolidation.

Reorganisation of the holdings in Portugal

Within the scope of the process of reorganising its holdings, on 20 June 2012, the ASCENDI GROUP became the holder of 22.23% of the company Scutvias – Autoestradas da Beira Interior, S.A. This company was constituted on 28 July, 1999, and has as its main object under the regime of concession to engage in the design, project development, construction or expansion of the number of carriageways, financing, upkeep and operation of the motorways and sets of associated roadways in Beira Interior (Portugal).

ASCENDI O&M

In 2012, ASCENDI O&M's BUSINESS ACTIVITY proceeded as planned. In regard to the consolidation of the exclusively electronic toll collection system – Multi-Lane Free-Flow, 16 new collection points were put into operation in the Pinhal Interior Subconcession, making a total of 22 points in operation in this Subconcession. With these new openings, Ascendi O&M S.A.'s operations rose to a total of 120 exclusively electronic collection points.

ASCENDI IGI – INOVAÇÃO E GESTÃO DE INFRAESTRUTURAS

Constituted in November 2011, Ascendi IGI began operations in 2012, not only providing services for the operation of highways and their maintenance, but also engaging in research and development activities for the sustainable management of highway infrastructures.

One of its important projects has to do with the development of a platform for the structured and interdisciplinary management of maintenance processes for all the main infrastructure elements – including engineering works, surfaces, embankments or supporting walls – and the equipment, e.g., highway telematics equipment. Once the objectives established for this project have been completed, the platform will be constituted as a tool that can be made available on the market, giving the user appropriate and timely information on the state of repair of the infrastructures and enabling the development of quantified projections on the proximate performance of the main elements. This will give users high-quality added support for the decisions that must be made in regard to the implementation of preventative and corrective actions for the conservation of the infrastructure.

ASCENDI DOURO INTERIOR

In 2012, the project design and construction activities in the Subconcession of Douro Interior were completed, and the last two stretches were opened to traffic: the road sections between the interchanges of Carlão and Pombal and between the interchanges of Nozelos and Mogadouro, both on the IC5. This subconcession now has the entire distance of 242 km under its operation.

ASCENDI PINHAL INTERIOR

In 2012, about 90 km of new roads of both categories—motorways as well as highways—were opened to traffic, specifically: i) as national highways, 2 stretches of the Sertã – Oleiros section, 16 km long; the section of Cernache do Bonjardim – IC8, 4 km in length; and the Proença-a-Nova – Perdigão section (A23), 16 km long, which completes the IC8 route from the A17 to the A23; and ii) in the category of motorways, the road sections of A13/IC3 between Avelar Norte and Condeixa, 17 km in length; from Alvaiázere to Tomar, 27 km; and the section of A13-1 between the Condeixa interchange on A13 and the A1 (Condeixa), over a distance of 10 km.

In August of this year, ASCENDI PINHAL INTERIOR and EP (Portuguese Highways) signed a memorandum of understanding, subject to the approval of financing entities, by which they established the main conditions for reducing the length of the subconcession and for reducing the investment in construction and operations, the definitive economic and financial terms of which are under negotiation and also subject to the prior approval of the financing entities.

LUSOPONTE

2012 was marked by the formalisation by the Portuguese State of the IX Financial Equilibrium Agreement, which had been under discussion since 2010. This new agreement takes into account the effects from the introduction of toll charges on the bridge “25 de Abril” in August 2012 and 2011. This formalisation makes possible a reduction in the amounts the State pays to LUSOPONTE until 2019.

As a consequence of the macroeconomic recession dominating the conjuncture Portugal is experiencing, traffic in the Concession suffered an overall contraction of 4.9%, which was somewhat asymmetrical between the two crossings. The drop was less accentuated on the “25 de Abril” Bridge (a decline of 2.9%) than that seen on the Vasco da Gama Bridge, which was 9.7% lower.

Brazil - CONCESSÃO RODOVIAS DO TIETÊ (CRT)

In 2012, it is important to note the strengthened position of the ASCENDI GROUP in Brazil, resulting from the acquisition of 10% of the capital of CRT, so that ASCENDI now holds 50% of the capital of this company, equal to the share held by Atlantia Bertin Participações S.A. (a company formed by the Brazilian entity Bertin Group (50%) and by the Italian company Atlantia (50%)).

This year was especially important for CRT, being marked by the start-up of the main works for the expansion of the road network, the consolidation of the process-based management model (BPM) and the completion of the construction of its new headquarters.

The works for the expansion and improvements in the highway network included the construction of the new bypass at Piracicaba, 9 km long, and the doubling of 32 km of carriageways on SP-101 and of 51 km on SP-308. Also completed in the first half of the year were the improvement works on the paving surfaces of about 200 km of other highways.

Just as important as the start-up of the large works was the consolidation of the BPM. During the course of the year, all the strategic, operating and support processes of the Concessionaire were developed and implemented, thus allowing the goals and performance indicators to be shared at all levels of the organisation.

Finally, the completion of the new headquarters provided a greater integration between the operating and administrative departments, due to the installation of the new Operational Control Centre as well as the proximity of the main highways under concession.

Mexico - CONCESIONÁRIA AUTOPISTA PEROTE-XALAPA (COPEXA)

2012 was marked by the completion of the construction works and the subsequent opening of all the road sections to traffic, anticipating the scheduled date for the opening by about a month. The Perote-Banderilla stretch, about 30 km in length, was completed and opened to traffic in July and the ringroad at Xalapa, also about 30 km in length, was finished in November.

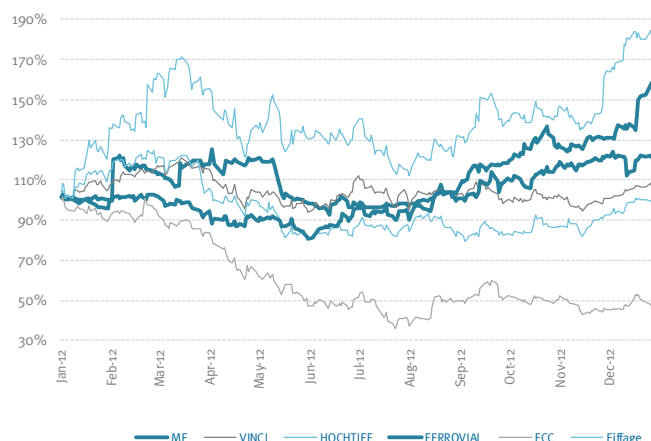
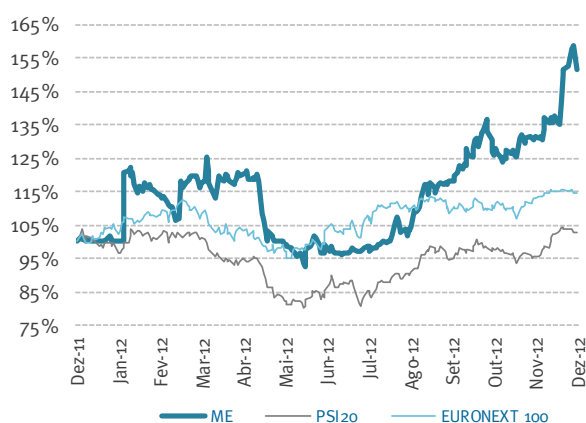
Mozambique – ESTRADAS DO ZAMBEZE

On 1 August 2012, tolls began to be collected on the Samora Machel Bridge. The works in progress went as planned, so that the conclusion of the works continues to be projected for September 2014. The works on the New Tete Bridge and related access viaducts are about 60% complete. Important happenings at the operating company Estradas do Zambeze include the April start-up of the routine maintenance work on the Tete-Cassacatiza (N9) and Mussacama-Calomué (N304) routes.

4. MOTA-ENGIL on the stock market

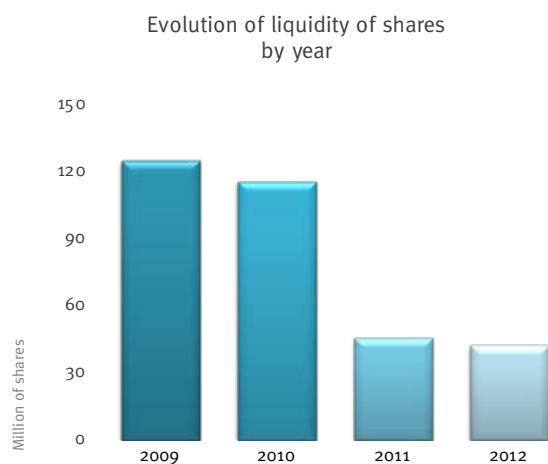
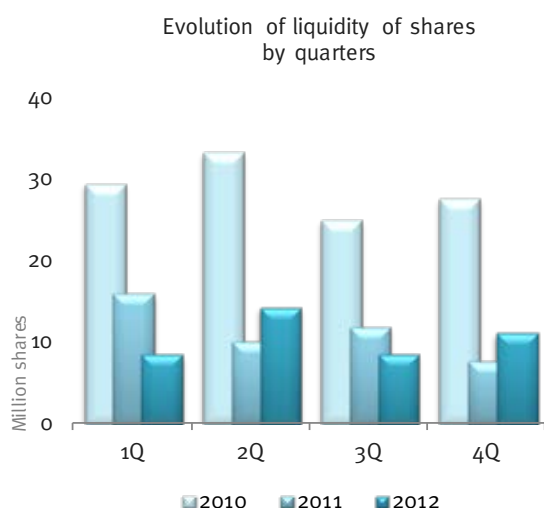
Mota-Engil's share price that had started rising in the third quarter of 2012, had an outstanding performance in the fourth quarter of the year, allowing for an annual performance of 51.4% (27.9% in the fourth quarter) in what was one of the best performances among the companies included in the PSI 20 index, that only rose 2.9% in the year (8.7% in the fourth quarter). This positive evolution of the equity market and of Mota-Engil's stock, particularly in the last quarter of the year, reflects the measures announced by the European Central Bank aimed at fighting the Euro zone financial crisis, namely the intention to buy public debt of the countries under financial assistance. As a result, bond yields of the Portuguese public debt had initiated a descending trajectory and positively contaminated the equity market, leading to stock prices of the majority of the listed companies to soar.

The performance of the share price is shown in the following charts:



The price target for Mota-Engil's stock, according to the five analysts that followed the stock, ranged from 1.50 euros to 2.55 euros (the stock's closing price on December 31st, 2012 was 1.567 euros).

With regard to volume, 42 million shares were traded in 2012, 7% less than the previous year. The evolution of liquidity is shown in the following charts:



The company paid out a gross dividend of 11 cents per share during the first half, providing a dividend yield of 9.4% on the average share price during the year.

The Company's Board of Directors is pleased to present in this report its proposal for the appropriation of profits calling for the payment of a dividend of 11 cents per share.

5. Risk management

Risk management has as its main objective the creation of value, through the processes of management and control of uncertainties and threats that can affect the GROUP and its subsidiaries, having an underlying perspective of on-going operations in the long term.

Exposure to risk by any subsidiary of the MOTA-ENGIL GROUP should always be subordinate to its strategy and be limited and accessory to its activity, so that all can achieve the objectives outlined individually, as in the business areas and the GROUP.

The process of risk management is the responsibility of each of the Boards of Directors of the GROUP's business areas, in general being carried out through a set of sequential stages or phases that repeat themselves cyclically and which are presented below.

- Identification of risk: determination of risks that the organisation is exposed to and the level of tolerance of exposure to those risks;
- Measurement of risk: quantification of the exposures to risk and preparation of reports on which to base the decision-making process;
- Risk control and management: definition of actions to be taken to deal with risk;
- Implementation of defined risk management measures;
- Monitoring: evaluation of the risk management process and, if necessary, realignment and redefinition of strategies;

It should be noted, however, that for the coordination of the process done at the business areas level, The MOTA-ENGIL GROUP has various committees that are set up as consulting bodies, whose mission consists of accompanying matters of primary importance for sustained development, providing an independent and objective vision that supports the decision-making process of the Board of Directors of MOTA-ENGIL, SGPS, S.A.

Among these, stands out the Audit and Risk Committee, whose main function is to appraise investment and business risk policies and Group projects, examine and issue opinions on investment or divestment projects, issue opinions on getting into and out of new business areas, new markets and monitor relevant financial and corporate operations.

Therefore, the main risks that the Group is subject to, and which are covered below, are accompanied by the internal reports of the heads of business areas and reports by this committee, in conjunction with information compiled by those who are in positions of corporate responsibility, in particular, the Legal Department, the Department of Planning and Corporate Management Control, the Department of Corporate Finance and the Corporate Department of Human Resources.

The Audit and Risk Committee, with its mission of supporting the management of the MOTA-ENGIL GROUP in reinforcing the means and methods of action at the internal control level and the anticipation of business risk, mission that operates through the Office of Audit and Risk, resource structure of which is specifically allocated to the following functions:

- Identification and assessment of risks, suggesting the establishment of acceptable levels of risk in light of the defined management objectives;

- Issuance of opinions regarding changes in the level of risk in the business deals of the MOTA-ENGIL GROUP;
- Minimisation of operating inefficiencies and losses, thus strengthening MOTA-ENGIL GROUP's capacity, by identifying potentially damaging events, assessing risks and proposing responses, in this way reducing unforeseen costs or losses;
- Identification of transverse risks within the GROUP, auditing the implementation of corporate policies and good practices of the MOTA-ENGIL GROUP;
- Issuance of advance opinions regarding risks inherent in the acquisitions or transfers of ownership decided by the MOTA-ENGIL GROUP;
- Audit of conformity in the development of processes or activities in all areas and companies that are materially relevant to the MOTA-ENGIL GROUP.

Once the risk mapping are materially relevant to MOTA-ENGIL GROUP is completed, internal audits are made annually in various companies of the Group, seeking to promote efficiency in the means of internal control and the improvement of the corresponding business processes. This methodology guarantees a dynamic character in the monitoring of risks in each of the operations of the Group, promoting the appropriate actions in light of the perceived risk and accompanying its development.

Conjunctural risks

As a result of the credit crisis experienced in Europe, particularly in Spain, Greece, Italy, Ireland and Portugal, the European Commission created the European Financial Stabilisation Facility (EFSF) and the European Financial Stabilisation Mechanism (EFSM) to grant funds to countries of the Eurozone that find themselves in financial difficulties and who seek that aid. In March 2011, the European Council agreed on the need for countries in the Eurozone to implement a permanent stability mechanism, the European Stability Mechanism (ESM), which will be activated by mutual agreement to assume the role of the EFSF and the EFSM in providing external financial aid to the Eurozone countries after June 2013.

In spite of the measures mentioned, there remain concerns related to the debt burden of certain countries of the Eurozone and their capacity to meet future financial obligations; to the stability of the Euro in general; and to the suitability of the Euro as a single currency given the adverse economic and political circumstances in some Member-States, taken individually. The high levels of sovereign debt and fiscal deficits in various Member-States raise concerns regarding the financial condition of credit institutions, insurance companies and other businesses (i) based in the Member-States in question, (ii) with direct or indirect exposure to these states, or (iii) whose service providers, financiers or suppliers are exposed to those Member-States. A significant decrease in the credit risk rating of one or more sovereign States or financial institutions could have a negative effect on the financial system as a whole and adversely affect, in ways that are hard to predict, some of the markets where the Group operates.

According to the World Economic Outlook of the International Monetary Fund for January 2013, the real gross domestic product of the Eurozone fell 0.4% in 2012. The available statistics and survey indicators continue to point towards a further weakening of activity that will probably extend through 2013, reflecting the negative impact on the internal expenditure resulting from weak consumer and investor confidence and a moderate external demand. Nevertheless, more recently there has been a general stabilisation in various indicators of the conjuncture, although at low levels, and confidence in the financial markets improved significantly. Over the course of 2013, a gradual recovery is expected to start taking place, accompanied by a significant improvement in the confidence in the financial markets, with a stronger external demand supporting the growth in exports.

The risks surrounding the economic outlook for the Eurozone remain on the down side, being mainly related to the slow rhythm of implementation of structural reforms, geopolitical issues and disequilibrium in major

industrialised countries, factors that could delay the recovery of private investment, employment and consumption.

In spite of the significantly improved confidence in the financial markets and the lower aversion to risk by investors in the Eurozone, the MOTA-ENGIL GROUP continues to focus its strategy in geographic diversification, according to that which was established in the last two strategic plans, called Ambition 2013 Strategic Plan (2008) and Ambition 2.0 Strategic Plan (2012). In fact, since 2008 the Portuguese market's share in the Group's activity has been dropping systematically, currently representing 40% of the turnover. Ambition 2.0 foresees that the markets of Portugal, Africa and Latin America will each have an equal weight in the GROUP's activity in 2015, on the order of 30%, which represents less exposure of the Group to the conjunctural risks in the various geographic markets where it operates.

Financial Risk Management

The Mota-Engil Group, like all other companies and businesses, is exposed to a variety of financial risks, with special focus given to the risks of interest rates, foreign exchange rates for transactions and conversions, liquidity and credit.

This set of financial risks results from carrying out the business activity and leads to uncertainties related to the capacity to generate cash flows and returns that are adequate for the remuneration of equity capital.

The Group's financial risk management policy seeks to minimize the adverse impacts and effects resulting from the uncertainty characteristic of financial markets. This uncertainty, reflected in various facets, demands special attention and concrete and effective management measures.

The financial risk management activity is coordinated by the Department of Corporate Finance, with the aid and support of the Department of Planning and Corporate Management Control, and is carried according to the guidelines approved by the Board of Directors, with the consultative interventions of the Audit, Investment and Risk Committee, delegated by the Board, without ever ceasing to be the responsibility of the Board of Directors of each of the business units of the Mota-Engil Group.

The Group's position in relation to financial risk management is cautious and conservative, resorting, when advisable, to derivative instruments for hedging, always from the viewpoint that these are related to the normal and on-going activity of the Company, never assuming positions in derivatives or other financial instruments of a speculative nature.

The various types of financial risk are interrelated and the various management measures, even if specific to each one, are interconnected in large measure, this integration contributing to the pursuit of the same objective, which is the reduction of the volatility of cash flow and expected levels of profitability.

Interest rate risk

The interest rate risk management policy has the objective of optimising the cost of debt and obtaining a reduced level of volatility in the financial costs, in other words, it aims to control and mitigate the risk of incurring losses as a result of variations in the interest rates that the Group's financial debt is indexed to, most of which is in Euros.

Until 2008, several operations of fixing or limiting variations in interest rates on loans were carried out in various business areas, mainly those indexed to Euribor, by swap contracting or making other structured operations on derivatives, at zero cost, which contributed (and will continue to contribute in the future) to financial costs being less sensitive to any rises in the interest rates.

The contracting of these operations had as its underlying rationale the pursuit of the objective to achieve and/or maintain the hedging at around 30% of the Group's corporate debt, normally issued in the regime of indexed or variable rate.

After 2008, in light of the stagnation that short and medium-long term interest rates have been resigned to, holding steady at historical lows, following the serious and prolonged economic-financial crisis that we are going through, new hedge operations for that risk have not been made. The Group is, however, keeping an eye out for the inversion of that tendency that will certainly accompany the inevitable recovery of economies in the coming years.

Exchange rate risk

The policy of foreign exchange rate risk management seeks to reduce the volatility in investments and operations made in foreign currency (currency other than the Euro), contributing towards the results being less sensitive to fluctuations in the foreign exchange rate.

The exposure of the Mota-Engil Group to foreign exchange rate risk results, primarily, from the fact that several of its subsidiaries are located in other markets, primarily Angola and Central Europe, where the activity represents an increasingly important share of the turnover, but also from their presence in Central and South America, in the Peruvian, Mexican and Brazilian markets, in particular. These markets bring new challenges, with the exposure to new currencies and new economic and financial realities.

In terms of foreign exchange rate risk management the intent is to, whenever possible and advisable, carry out the natural hedging of exposed amounts, by resorting to financial debt assumed in the foreign currency in which the amounts at risk are shown. Whenever this is not possible or appropriate, contracts are made or other operations are carried out, based on structured derivative instruments, using a logic to minimise their cost, specifically for hedging the risks in future foreign exchange transactions, with a high degree of certainty regarding the amount and date of completion.

Liquidity risk

The policy of managing liquidity risk seeks to guarantee that there are funds available at every moment in the GROUP and its subsidiaries, sufficient for them to meet, in a timely manner, all the financial obligations assumed. The point, then, is to ensure that the Group has the financial means (balances and financial revenue flows) needed to meet commitments (financial expenditure flows) at the moment these become due.

The achieving of high levels of financial flexibility, fundamental for the management of this risk, has been accomplished by resorting to the following management measures:

- Establishment of partnerships with financial entities, ensuring their financial support to the GROUP with a long-term vision, in the best or the most unfavourable conjunctures that cyclically affect all businesses.
- Opening and maintaining surplus short-term lines of credit that serve as liquidity reserves, available for use at any moment.
- Carrying out strict financial planning by company, accomplished through the creation and periodic revision of cash budgets, making it possible to predict future cash surpluses or deficits and to achieve the integrated and optimised management of financial flows between the GROUP's subsidiaries
- Financing of medium-long term investments, adapting the debt maturity dates and the payment plan on the liabilities resulting from the financing to the capacity to generate cash flows at each project or

company

- Start of the negotiation process for refinancing medium and long-term loans due within the year, with at least six months in advance of the corresponding maturity
- Maintaining a debt structure in the companies with levels of medium and long-term financing situated between 60 and 70%, thereby reducing their dependency on more volatile short-term funds and creating a certain immunity to conjunctural factors in the financial markets
- Scaling the maturity dates of the financial debt over time, seeking to extend the average debt maturity to make it coincide better with the degree of permanence of some long-term assets held by the Group
- Seeking new sources of financing and new financiers, with the objective of:
 - Geographic diversification – capture of resources in the various markets where the GROUP is active
 - Diversification of debt instruments – capture of funds from alternative sources

The effective management of liquidity risk is closely tied to the appropriate management of the remaining financial risks that contribute simultaneously to the accomplishment of this objective, ensuring the obtaining of cash flows at the times and in the amounts planned.

Credit risk

The credit risk management policy seeks to guarantee that the GROUP's subsidiaries promote the effective collection and receipt of their credits over third parties within the deadlines established and/or negotiated for that purpose.

The exposure of the GROUP to credit risk is mainly dependent on the accounts receivable as a result of the normal exercise of its business activities, with the activities as service provider and/or retail sales requiring special attention.

The mitigation of this risk is obtained preventatively, before the exposure to risk, by resorting to entities supplying information and credit risk profiles that provide a basis on which to make decisions regarding the granting of credit. Later, after the credit is granted, the maintenance of credit and collection control structures is ensured, and, in certain more specific cases, the company seeks recourse to credit insurance contracts with credible insurers in the market. These measures contribute towards maintaining credits over customers within levels that are not susceptible to affecting the financial health of the GROUP's subsidiaries.

The GROUP has operated for more than 65 years on an on-going basis in Angola, a country where, as is common knowledge, the petroleum economy represents 85% of the gross domestic product, so that the dollar value per barrel exerts an especially heavy influence on Angola's capacity to invest in infrastructures or even meet its obligations. The policies adopted by the Angolan leadership have led to a continual reinforcement of the foreign currency reserves to the point that, according to data from the State General Budget for 2013, the Net International Reserves (NIR) will have been 33.7 billion dollars at the end of 2012, compared to the amount of 26.1 billion dollars the year before and which reflects the favourable performance of the external component.

The State General Budget, already approved for 2013, foresees strong growth in the real GDP, with the oil sector growing 6.6% and the non-oil at 7.3%. Notwithstanding the confirmation of these extremely positive numbers for the Angolan economy, MOTA-ENGIL has sought to intervene in construction projects with guaranteed financing from the SGB, or financed by international organisations, seeking furthermore to supplement the offer by raising lines of international financing, or even domestic financing directly from the Angolan State. Doing so means that, in the projects awarded to the company, there is a guarantee of revenue flow adjusted to its production costs and the direct support for a large portion of the import costs for materials and goods associated with production,

thus avoiding the constraints related to obtaining foreign currency and exporting it. Despite all these actions, in Angola financing from the working capital is an important challenge that the MOTA-ENGIL GROUP has learned to manage with support as well from the Angolan banking system, which has played an important role in financing the economy. Note that these mitigation measures, as well as the acquired knowledge in risk management in Angola, have been used successfully in other countries where the GROUP operates.

The credit risk management policy adopted by MOTA-ENGIL ensures that the GROUP is not exposed to a significant credit risk with any customer in particular. In fact, the activities carried out are based on a high number of customers, spread out over various areas of business and geographic regions.

6. Group's human capital management

Maintaining as its Mission the development of a global management of the GROUP's human capital, the performance of the Department of Human Resources, in 2012, concentrated on the response to new challenges placed on the development of human capital, resulting from the definition of a new model of organisation by MOTA-ENGIL.

In this regard, 2012 was characterised, on the one hand, by the continuation of the work in defining, implementing and consolidating corporate policies and models for human resources, and on the other hand, by the response to the newly defined challenges:

1. Consolidate the new organisational model as a support to the development of a structure with capacity to respond to the challenges of a growing internationalization.
2. Reinforce a centralised management of human resources as support for the universalization of models and policies, each region being responsible for adapting and customising the procedures in light of the corresponding context and specificities, as well as in line with the outlined goals and identified needs.
3. Continue betting on people through a close and active management of the development of human resources, by promoting talent, fostering a rewards system and ensuring the geographic and functional mobility of staff members.

Focusing its performance on the response to the new challenges of the global management of human resources within the MOTA-ENGIL universe, the following human capital development initiatives can be highlighted.

The role of human resources in the Group

As a result of defining the organisational matrix supported by the four regions of the MOTA-ENGIL GROUP, 2012 saw the reorganisation of the role of human resources within the GROUP.

Within this context, combined with the strategic role of the management of human capital and the corporate role as support to the organisational model, with a view to defining a sole management model that is transversal throughout the Group and to monitoring the fulfilment of the transverse guidelines for human resources, 2012 also saw a strengthening of regional structures of human resource management. In this way, MOTA-ENGIL sought to consolidate the principle of global management of the GROUP's human capital by reinforcing transversality on the one hand, and, on the other, by integrating the specificities of the different geographic areas and businesses.

Corporate policies and models

Providing continuity to the work already developed, there was a reinforcement of the implementation of corporate policies and models in the four regions of the MOTA-ENGIL universe, highlighting in particular in 2012 the projects developed around the structures of duties in the various regions, in line with the corporate model of duties and skills and with the GROUP's reorganisation.

In fact, while some of the regions in the GROUP promoted the analysis, consolidation and reorganisation of the corresponding structure of duties, based on the corporate model of duties and skills, in other places, the first steps were taken in implementing this corporate model and in creating a common language for managing people, which will support the development of other human resource management policies in the future.

Promotion of talent in the Mota-Engil Group

In 2012 year the focus on the on-going bet on people was maintained, as evidenced by the following initiative carried out:



The [start@ME Programme](#), with the objective of welcoming and integrating a GROUP of newly-licensed young people from various locations, enables:

- the Mota-Engil Group to benefit from young people with high potential, a spirit of leadership and the motivation to embrace challenges;
- these new teams to develop a vision and knowledge of the GROUP, being capable of stimulating synergy and facilitating internal mobility;
- the promotion of a preparation for the future, guaranteeing the rejuvenation of the Group.

Based on the aforementioned mission defined for the Trainees Corporate Welcome Programme, during the year in question, two programmes were developed that would respond to the needs for recruiting and retaining young talent in the markets of Peru and Angola.

Geographic and functional mobility of the staff members

As a result of the strategy that has been followed by the business, the strategic axis of the human resources department oriented towards the promotion of internationalisation and mobility of staff was reinforced, as reflected in the consolidation of a set of processes and instruments that sustain an adequate management of employees in international mobility within the GROUP.

On the other hand, the corporate model of recruiting and integration was consolidated in 2012, resulting in internal mobility and the rotation of staff members between the different business areas and/or locations, making it possible, on one side, to respond to the recruitment needs of the GROUP and on the other, contribute to the retention of talent.

In 2012 the organisational changes occurring in the MOTA-ENGIL GROUP stand out, giving rise to new challenges for the human resource strategy, never abandoning, however, the principle of there being only «one Group, one Project and one Strategy».

The year 2013 will necessarily lead to the consolidation and reinforcement of the role of human resources in the GROUP, based on an international strategy and having as its mission to support the achievement of the goals outlined in MOTA-ENGIL's new strategic plan: AMBITION 2.0.

7. Activity carried out by non-executive Board Members

During the year, the non-executive directors participated regularly in the meetings of the Board of Directors, discussing the issues being analysed and expressing their opinions about strategic directives and specific areas of business. Whenever necessary, they maintained direct contact with the corporate directors and business managers.

8. Proposal for the appropriation of results

The Individual Management Report contains the following proposal: The Board of Directors of Mota-Engil, SGPS, SA proposes to the annual general meeting the following distribution of the net result of the financial year, in the amount of 31,006,109 euros, which already includes the amounts of 700,000 euros and 300,000 euros allocated for the distribution of profits to the Board of Directors, pursuant to the terms of Art. 27(3) of the Statutes, and to the workers, respectively:

- a) For the legal reserve, 5%, corresponding to 1,550,305 euros and 45 cents;
- b) For distribution to the shareholders, 11 cents per share, subject to taxes, in the overall amount of 22,509,926 euros and 45 cents;
- c) For free reserves, the remainder, in the amount of 6,945,877 euros and 10 cents.

9. The Outlook for 2013

In 2012, the GROUP announced the update of its Strategic Plan, and submitted the Ambition Plan 2.0, which, reinforcing the strategic force, has adapted to the new organization of the GROUP around the four regions where we consolidated our operations.

As we look to 2013 and for the subsequent years, framed by the performance achieved in 2012 and by the thinking behind the development of Ambition Plan 2.0, we are certain that it will be possible to achieve the goals that we draw here:

- Maintenance of the levels of Growth of the Consolidated Turnover, supported in the order book in the foreign markets and strengthening of the internationalisation efforts of diversification;
- Maintenance of the margins in Portugal, despite reduced Turnover;
- Reduction of Turnover in Central Europe and efforts to recover margins;
- Growth in Turnover in Africa, with sustained margins and enhanced geographic diversification and business;
- Improved margins in Latin America, with growth in turnover supported in the contribution of new markets;

- Reduction in the contribution from the ASCENDI GROUP to the Result of the GROUP;
- Order book above 3.5 billion euros, supported in international activity.

Please note that this outlook does not represent a commitment to the future performance of the GROUP, but only to the best predictive capacity, today, about the future of their business activity. Therefore, the performance that can be effectively achieved in 2013 may substantially differ from these forecasts. Moreover, MOTA-ENGIL does not undertake to make updates or corrections of this information due to changes in any endogenous or exogenous factor that might affect the performance of the GROUP.

10. Subsequent events

On February 7 MOTA-ENGIL announced the initial public offer for subscription and admission to trading on the Euronext Lisbon securities exchange, managed by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, SA of up to 150,000 non-registered bonds, nominative, with a nominal unitary value of €500, to be issued by MOTA-ENGIL, SGPS, SA, representing the debenture loan " MOTA-ENGIL Fixed Rate Bonds 2013/2016" in a total amount of up to 75,000,000 euros, with the possibility of increasing the amount by a decision to be made by MOTA-ENGIL by March 6, 2013.

On March 5, 2013, MOTA-ENGIL decided to increase the maximum overall nominal amount of the debenture loan to 175,000,000 euros and the maximum number of bonds to be issued to 350,000.

The offer is a public offer for subscription made to the general public, with a fixed interest rate of 6.85 per cent. Interest will be paid twice yearly and in arrears, and the Bonds will be fully repaid at their nominal value, in a single payment on March 18, 2016. The calculation of the results of the Offer took place on March 14, 2013, and the physical settlement for the Bonds took place on March 18, 2013, in the amount of 175,000,000 euros.

This bond issue will allow MOTA-ENGIL to increase the average maturity of its debt and adjust the amortisation profile to the expected expansion of business foreseen in the Ambition 2.0 Strategic Plan, which involves internationalisation.

11. Closing remarks

In closing, we express our gratitude for the personal and professional dedication shown by the employees of the MOTA-ENGIL GROUP, the members of the corporate governing bodies, the customers and all those related to the Group's various companies.

Porto, March 18, 2013

António Manuel Queirós Vasconcelos da Mota
Chairman of the Board of Directors

Gonçalo Nuno Gomes de Andrade Moura Martins
Deputy-Chairman of the Board of Directors and
Chief Executive Officer

Arnaldo José Nunes da Costa Figueiredo
Deputy-Chairman of the Board of Directors
and Member of the Executive Committee

Maria Manuela Queirós Vasconcelos Mota dos Santos
Member of the Board of Directors

Maria Teresa Queirós Vasconcelos Mota Neves da Costa
Member of the Board of Directors

Maria Paula Queirós Vasconcelos Mota Meireles
Member of the Board of Directors

Ismael Antunes Hernandez Gaspar
Member of the Board of Directors
and Member of the Executive Committee

Luís Filipe Cardoso da Silva
Member of the Board of Directors

Maria Isabel da Silva Ferreira Rodrigues Peres
Member of the Board of Directors
and Member of the Executive Committee

Carlos António Vasconcelos Mota dos Santos
Member of the Board of Directors
and Member of the Executive Committee

Pedro Manuel Teixeira Rocha Antelo
Member of the Board of Directors

José Pedro Matos Marques Sampaio de Freitas
Member of the Board of Directors and
Member of the Executive Committee(Chief Financial Officer)

Luís Valente de Oliveira
Non-executive and independent member
of the Board of Directors

António Bernardo Aranha da Gama Lobo Xavier
Non-executive and independent member
of the Board of Directors

António Manuel da Silva Vila Cova
Non-executive and independent member
of the Board of Directors

*Consolidated
Report & Accounts
2012*

02.

*Consolidated
Financial
Information*



Separate Consolidated Income Statement For The Year Ended December 31, 2012 & 2011

	NOTES	YEAR		4TH QUARTER	
		2012 EURO	2011 EURO	2012 EURO	2011 EURO
		(audited)	(audited)	(unaudited)	(unaudited)
Sales & services rendered	3 and 39	2,243,167,461	2,176,072,110	556,051,800	619,620,160
Other revenues	4	82,992,378	94,107,256	15,633,564	38,500,473
Cost of goods sold, mat. cons. & Subcontractors	5	(1,146,297,876)	(1,174,263,751)	(236,805,369)	(357,390,336)
Gross profit		1,179,861,963	1,095,915,615	334,879,995	300,730,297
Third-party supplies & services	6	(462,812,154)	(415,750,469)	(132,942,553)	(113,943,254)
Wages and salaries	7	(416,672,565)	(373,488,767)	(102,219,420)	(83,805,584)
Other operating income / (expenses)	8	(12,922,101)	(10,719,064)	(29,323,870)	(6,447,545)
		287,455,143	295,957,315	70,394,152	96,533,914
Depreciation & Amortization	39, 9, 17 and 18	(91,348,743)	(91,195,469)	(19,035,962)	(19,591,331)
Provisions and impairment losses	10	(24,926,005)	(35,377,966)	(17,071,076)	(30,099,133)
Operating profit	39	171,180,395	169,383,880	34,287,114	46,843,450
Financial income & gains	39 and 11	136,718,036	81,185,867	46,122,047	30,484,777
Financial costs & losses	39 and 11	(219,200,658)	(160,899,960)	(60,353,170)	(44,180,441)
Gains / (losses) in associates and jointly controlled companies	39 and 12	22,345,779	630,094	12,691,463	(2,669,019)
Income Tax	39 and 13	(37,037,013)	(19,221,542)	(16,767,730)	(5,505,230)
CONSOLIDATED NET PROFIT OF THE YEAR		74,006,539	71,078,339	15,979,724	24,973,537
Attributable:					
to non-controlling interests	34 and 39	33,260,904	37,646,285	517,749	13,494,222
to the Group	39 and 15	40,745,635	33,432,054	15,461,975	11,479,315
Earnings per share:					
basic	15	0.2105	0.1727	0.0799	0.0593
diluted	15	0.2105	0.1727	0.0799	0.0593

To be read with the Notes to the Consolidated Financial Statements

Statement of Consolidated Comprehensive Income For The Year Ended December 31, 2012 & 2011

	YEAR		4TH QUARTER	
	2012 EURO	2011 EURO	2012 EURO	2011 EURO
	(audited)	(audited)	(unaudited)	(unaudited)
CONSOLIDATED NET PROFIT FOR THE PERIOD	74,006,539	71,078,339	15,979,724	24,973,537
Other comprehensive income				
Exchange differences stemming from transposition of financial statements expressed in foreign currencies	(6,013,484)	268,601	(1,245,047)	17,029,858
Variation, net of tax, of the fair value of financial derivatives	5,667,864	(8,536,077)	2,878,512	(1,668,888)
Variation, net of tax, of the fair value of mineral resources and others	3,433,337	(3,241,575)	3,433,337	(5,303,180)
Other comprehensive income in investments in associates using the equity method (Note 19) and other	(11,693,027)	(103,912,910)	29,309,268	(102,402,766)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	65,401,229	(44,343,622)	50,355,794	(67,371,439)
Attributable:				
to non-controlling interests	33,907,843	31,126,145	1,107,144	16,244,920
to the Group	31,493,386	(75,469,767)	49,248,650	(83,616,359)

To be read with the Notes to the Consolidated Financial Statements

Statement of Consolidated Financial Position as at December 31, 2012 & 2011

	NOTES	2012 EURO	2011 EURO
		(audited)	(audited)
ASSETS			
Non-current			
Goodwill	16 and 39	127,032,435	135,372,921
Intangible fixed assets	17 and 39	125,049,866	307,517,983
Tangible fixed assets	18 and 39	613,431,371	564,556,702
Financial investments under the equity method	19 and 39	218,904,879	216,573,611
Available for sale financial assets	20	39,035,324	5,448,764
Investment properties	21 and 39	66,184,763	62,947,053
Customers & other debtors	23 and 39	174,431,385	156,525,091
Deferred tax assets	13	50,344,866	50,631,819
		1,414,414,889	1,499,573,944
Non-current Assets Held for Sale	38 and 39	79,397,669	86,340,429
Current			
Inventories	22	268,514,341	242,360,589
Customers	23 and 39	924,465,249	921,214,752
Other debtors	23 and 39	318,835,576	364,422,378
Other current assets	23 and 39	321,342,072	175,695,222
Derivative financial instruments	26	-	469,508
Cash & cash equivalents – Demand Deposits	23	206,998,794	231,131,348
Cash & cash equivalents – Term Deposits	23	64,779,943	3,088,758
		2,104,935,975	1,938,382,555
TOTAL ASSETS		3,598,748,533	3,524,296,928
LIABILITIES			
Non-current			
Debt	25	490,539,261	671,951,383
Sundry Creditors	27 and 39	289,339,934	237,537,318
Provisions	28	99,626,053	88,151,934
Other non-current liabilities	29 and 39	1,410,964	26,186,042
Deferred tax liabilities	13	31,613,544	30,302,950
		912,529,756	1,054,129,627
Current			
Debt	25	631,693,024	567,028,838
Suppliers	27 and 39	525,854,871	478,149,258
Derivative financial instruments	26	1,393,557	27,700,288
Sundry Creditors	27 and 39	513,404,237	500,827,625
Other current liabilities	29 and 39	577,892,073	481,636,706
		2,250,237,762	2,055,342,715
TOTAL LIABILITIES		3,162,767,518	3,109,472,342
SHAREHOLDERS' EQUITY			
Equity capital	24	204,635,695	204,635,695
Reserves	24	78,739,445	74,923,859
Consolidated net profit for the year		40,745,635	33,432,054
OWN FUNDS ATTRIBUTABLE TO THE GROUP		324,120,775	312,991,608
Non-controlling interests	34	111,860,240	101,832,978
TOTAL SHAREHOLDERS' EQUITY		435,981,015	414,824,586
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		3,598,748,533	3,524,296,928

To be read with the Notes to the Consolidated Financial Statements

Statement of Consolidated During The Years 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, 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	-	-	-	-	(3,241,575)	(4,510,044)
Dividend distribution	-	-	-	-	-	-
Other distributions of results	-	-	-	-	-	-
Acquisition of own shares	-	(122,705)	-	-	-	-
Transfers for other reserves	-	-	-	-	-	-
Alterations to the consolidation perimeter and in the ownership interest in subsidiaries	-	-	-	-	-	-
BALANCE AS AT DECEMBER 31, 2011	204,635,695	(22,749,225)	87,256,034	27,702,096	1,549,652	(10,037,500)
BALANCE AS AT JANUARY 1, 2012	204,635,695	(22,749,225)	87,256,034	27,702,096	1,549,652	(10,037,500)
Total comprehensive income for the period	-	-	-	-	3,433,337	3,036,100
Dividend distribution	-	-	-	-	-	-
Other distributions of results	-	-	-	-	-	-
Acquisition of own shares	-	-	-	-	-	-
Transfers for other reserves	-	-	-	-	-	-
Alterations to the consolidation perimeter and in the ownership interest in subsidiaries	-	-	-	-	-	6,005,007
BALANCE AS AT DECEMBER 31, 2012	204,635,695	(22,749,225)	87,256,034	27,702,096	4,982,989	(996,393)

To be read with the Notes to the Consolidated Financial Statements

Changes in Equity December 31, 2012 & 2011

CURRENCY TRANSLATION RESERVE	OTHER RESERVES	NET PROFIT	OWN FUNDS ATTRIBUTABLE TO SHAREHOLDERS	OWN FUNDS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	SHAREHOLDERS' EQUITY
(30,985,744)	109,511,336	36,950,674	411,707,342	69,022,557	480,729,899
2,461,777	(103,611,979)	33,432,054	(75,469,767)	31,126,145	(44,343,622)
-	(21,299,303)	-	(21,299,303)	(4,505,557)	(25,804,860)
-	(795,786)	-	(795,786)	(32,139)	(827,925)
-	-	-	(122,705)	-	(122,705)
-	36,950,674	(36,950,674)	-	-	-
-	(1,028,173)	-	(1,028,173)	6,221,972	5,193,799
(28,523,967)	19,726,769	33,432,054	312,991,608	101,832,978	414,824,586
(28,523,967)	19,726,769	33,432,054	312,991,608	101,832,978	414,824,586
(6,013,484)	(9,708,202)	40,745,635	31,493,386	33,907,843	65,401,229
-	(21,288,752)	-	(21,288,752)	(24,523,438)	(45,812,190)
-	(804,392)	-	(804,392)	(53,473)	(857,865)
-	-	-	-	-	-
-	33,432,054	(33,432,054)	-	-	-
-	(4,276,082)	-	1,728,925	696,330	2,425,255
(34,537,451)	17,081,395	40,745,635	324,120,775	111,860,240	435,981,015

Statement of Consolidated Cash-Flows For the Years Ended December 31, 2012 & 2011

	NOTES	2012 EURO	2011 EURO
OPERATING ACTIVITY			
Cash receipts from customers		2,294,819,628	2,214,911,902
Cash paid to suppliers		(1,569,381,022)	(1,601,953,259)
Cash paid to employees		(382,744,435)	(351,744,481)
Cash generated from operating activities		342,694,171	261,214,162
Income tax paid/received		(37,088,076)	(19,714,829)
Other receipts/payments generated by operating activities		7,788,268	12,126,789
NET CASH FROM OPERATING ACTIVITIES (1)		313,394,363	253,626,122
INVESTING ACTIVITY			
Cash receipts from:			
Financial assets	37	5,358,975	1,193,229
Intangible fixed assets		8,698	-
Tangible fixed assets		8,030,838	8,114,967
Investment grants		4,004,729	5,216,022
Interest and similar incomes		22,844,291	16,404,450
Dividends		3,114,327	4,056,624
Others		1,102,823	-
		44,464,681	34,985,292
Cash paid in respect of:			
Financial assets	37	(34,995,473)	(2,151,013)
Intangible fixed assets		(6,201,562)	(45,978,215)
Tangible fixed assets		(136,176,115)	(96,373,080)
Others		(138,301)	-
		(177,511,451)	(144,502,308)
NET CASH FROM INVESTING ACTIVITIES (2)		(133,046,770)	(109,517,016)
FINANCING ACTIVITY			
Cash receipts from:			
Loans obtained		216,862,269	61,022,208
		216,862,269	61,022,208
Cash paid in respect of:			
Loans obtained		(188,967,342)	(37,417,333)
Amortization of finance lease contracts		(52,250,717)	(39,979,671)
Interest & similar expense		(92,336,677)	(78,656,797)
Dividends		(21,288,752)	(21,299,303)
Acquisition of treasury shares		-	(122,705)
		(354,843,488)	(177,475,809)
NET CASH FROM FINANCING ACTIVITIES (3)		(137,981,219)	(116,453,601)
Variation of cash & cash equivalents (4)=(1)+(2)+(3)		42,366,374	27,655,505
Variations caused by changes to the perimeter		(5,870,107)	18,617
Exchange rate effect		1,062,364	5,919,882
Cash & cash equivalents at the beginning of the year	23	234,220,106	200,626,102
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	23	271,778,737	234,220,106

To be read with the Notes to the Consolidated Financial Statements

o. Introduction

The core business of MOTA-ENGIL, SGPS, SA, with head office at Edifício Mota, Rua of the Rêgo Lameiro, nº 38 4300-454 Porto (MOTA-ENGIL SGPS or COMPANY), and subsidiaries (GROUP) is public and private construction work and related activities.

A more detailed description of the Group's business is provided in Note 39. Business Segments of these notes.

All the amounts presented in these notes are presented in euros rounded off to the unit, unless explicitly stated otherwise.

1. Accounting policies

1.1. Basis of presentation

The consolidated financial statements of the MOTA-ENGIL GROUP were prepared on a going concern basis from the books and accounting records of the companies comprising the GROUP, in a manner such that the consolidated financial statements are in accordance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB), and with the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standards Interpretation Committee (SIC), as adopted by the European Union.

Interim consolidated financial statements have been presented quarterly, in accordance with IAS 34 – Interim Financial Reporting.

For the GROUP, there are no differences between the IFRS adopted by the European Union and the IFRS published by the International Accounting Standards Board.

1 January 2005 marked the beginning of the period of first application by the Group of IAS/IFRS, pursuant to IFRS 1 – First-time Adoption of the International Financial Reporting Standards.

The following amendment endorsed by the European Union, of mandatory application in the fiscal year started on 1 January 2012, was adopted for the first time by the MOTA-ENGIL GROUP in the fiscal year ended on 31 December 2012, where this adoption did not have a significant effect.

Standard	Date of Issue	Date of Application ⁽¹⁾	Adopted by the EU
Amendment			
IFRS 7 - Financial instruments: Disclosures – Transfers of financial assets	07/10/2010	01/07/2011	yes
⁽¹⁾ Fiscal years started on or after the said date.			

By the date of approval of these financial statements, IASB and IFRIC had issued the following accounting standards, interpretations, amendments and revisions, of mandatory application only for fiscal years started after 1 January 2012, since some of them had not yet been endorsed by the European Union:

Standard	Date of Issue	Date of Application ⁽¹⁾	Adopted by the EU
Amendments			
IAS 1 – Presentation of financial statements - Presentation of items of other comprehensive income	16/06/2011	01/07/2012	Yes
IAS 12 – Income Taxes - Deferred Tax: Recovery of Underlying Assets	20/12/2010	01/01/2013	Yes
IAS 19 – Employee benefits	16/06/2011	01/01/2013	Yes

Standard	Date of Issue	Date of Application ⁽¹⁾	Adopted by the EU
IAS 32 – Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities	16/06/2011	01/01/2013	Yes
IFRS 1 – First-time Adoption of International Financial Reporting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	20/12/2010	01/07/2013	Yes
IFRS 7 - Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities	16/12/2011	01/01/2013	Yes
IFRS 7 - Financial instruments: Disclosures – Disclosures on transition to IFRS 9	16/12/2011	01/01/2015	No
IFRS 1 – First-time Adoption of International Financial Reporting Standards - Government Loans	13/03/2012	01/01/2013	No
IFRS 10, IFRS 11 and IFRS 12 – Transition guide	28/06/2012	01/01/2013	No
IFRS 10, IFRS 11 and IFRS 12 – Investment entities	31/10/2012	01/01/2014	No
New Standards/Interpretations			
IFRIC 20 – Costs in the Production Phase of a Surface Mine	19/10/2011	01/01/2013	Yes
IFRS 10 - Consolidated financial statements	12/05/2011	01/01/2014	Yes
IFRS 11 – Joint arrangements	12/05/2011	01/01/2014	Yes
IFRS 12 – Disclosure of interests in other entities	12/05/2011	01/01/2014	Yes
IFRS 13 - Fair value: measurement and disclosure	12/05/2011	01/01/2013	Yes
IFRS 9 - Financial Assets - Classification and measurement	12/11/2009	01/01/2015	No
Revisions			
IAS 27 – Separate Financial statements	12/05/2011	01/01/2014	Yes
IAS 28 – Investments in associates and joint ventures	12/05/2011	01/01/2014	Yes
Improvements			
Improvements of international financial reporting standards – 2009-2011	17/05/2012	01/01/2013	No

(1) Fiscal years started on or after the said date.

For the fiscal year ended on 31 December 2012, the Group decided on the early adoption of IFRS 13 – Fair Value Measurement, which replaces the existing guidelines in the different IFRS standards in relation to the measurement of fair value. This adoption was carried out in accordance with the transitional provisions of this standard, with the greatest changes, in relation to the previous standard, operating in terms of the valuation of derivative financial instruments. The determination of fair value for these derivative financial instruments is classified and placed under level 2 of the respective hierarchy defined in the standard, since it now incorporates an estimate of the credit risk of the company holding the derivative instrument. With the exception of IFRS 13, and as they are not mandatory, the GROUP does not currently apply any of the standards referred to above, since the effects of their application has not yet been fully estimated at the present date.

The consolidated financial statements are presented in Euro since this is the main currency of the Group's operations. The financial statements of the subsidiaries in foreign currency were converted into Euro in accordance with the accounting policies described in subparagraph xv) of the main valuation criteria of the estimates and assumptions made by the Board of Directors were based on their knowledge of the events and transaction in course, as at the date of approval of the financial statements.

In preparing the consolidated financial statements, in conformity with IAS/IFRS, the GROUP's Board of Directors adopted certain assumptions and estimates which affect the reported assets and liabilities, as well as the income and costs incurred relative to the reported periods, which are described in subparagraph xxv) of the main valuation criteria of this Note.

The consolidated financial statements attached herewith were prepared for appraisal and approval at the General Meeting of Shareholders. The GROUP's Board of Directors believes that they will be approved without amendment.

1.2. Basis of consolidation

The following methods of consolidation are adopted by the GROUP:

a) Group companies

Financial holdings in companies in which the GROUP holds, directly or indirectly, more than 50% of the voting rights at General Meetings of Shareholders/Partners and/or has the power to control their financial and operating policies (the definition of «control» used by the GROUP), were included in the consolidated financial statements attached herewith through the full consolidation method. The equity and net income of these companies corresponding to third party holdings in these companies are presented in the statement of the consolidated financial position (under the equity heading) and in the consolidated income statement (included in consolidated net income), respectively, under the subheadings of non-controlling interests.

When losses attributable to minorities exceed the minority interest in the equity of the subsidiary, the GROUP absorbs this excess and any additional loss, unless the minorities have the obligation and capacity to cover these losses. If the subsidiary subsequently reports profits, the GROUP appropriates all the profits until the minority's share of the absorbed losses have been recovered.

The net income of the subsidiaries acquired or sold during the fiscal year are included in the income statements as of their date of taking control or up to the date of their sale (assignment of control), with these effects always being reported as at 1 January each fiscal year.

Transactions, balances and dividends distributed between Group companies are eliminated in the consolidation process.

In situations where the GROUP holds, in substance, the control of other entities created for a specific purpose (SPEs), even no holding are held directly in their share capital, these entities are consolidated through the full consolidation method. As at 31 December 2012 and 2011, there are no entities in this situation.

b) Associates

Financial investments in associates (companies where GROUP exercise significant influence, but does not control them, through participation in the financial and operating decisions of the associate – generally investments representing 20% to 50% of the share capital of a company) are recorded through the equity method, under the heading “Financial investments stated through the equity method”.

Pursuant to the equity method, financial holdings are recorded at their acquisition cost, adjusted by the value corresponding to the Group's holding in the changes in equity (including net income) of the associates against gains or losses for the fiscal year and by the dividends received, net of accumulated impairment losses.

The assets and liabilities of each associate (including contingent liabilities) are identified at their fair value on the acquisition date. Any surplus/shortfall of the acquisition cost relative to the fair value of the net assets and liabilities acquired is recognised, respectively, as a positive consolidation difference (“Goodwill”), and added to the value of the financial investment, or, in the case of a shortfall which is maintained after reconfirmation of the fair value measurement process, stated in the income statement for the year.

A valuation is made of the investments in associates when there is indication that the asset might be impaired, with a loss being recorded in the income statement whenever this is confirmed. When impairment losses recognised in previous periods no longer exist, they are reversed.

When the Group's proportion in the accumulated losses of the associate exceed the value at which the investment is recorded, the investment is stated at zero until the equity becomes positive, unless the GROUP has assumed commitments with the associated, in which case a provision is recorded to meet such liabilities.

Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the associate

against the investment in that same associate. Unrealised losses are likewise eliminated, but only up to the point at which the loss does not show evidence that the transferred asset is in a situation of impairment.

Whenever necessary, the financial statements of the associates are adjusted to ensure their consistency with the accounting policies used by the Group.

c) Joint ventures

As of 1 January 2010, financial interest in joint ventures started to be consolidated in the financial statements attached herewith through the equity method. Pursuant to this method, financial holdings are recorded at their acquisition cost, adjusted by the value corresponding to the Group's holding in the changes of equity (including net income) of these companies against gains or losses for the year and by the dividends received, net of accumulated impairment losses.

The classification of financial interests held in joint ventures is determined based:

- on the shareholders' agreements regulating the joint venture;
- on the effective percentage holding;
- on the voting rights that are held.

Transactions, balances and dividends distributed between joint ventures are eliminated, in proportion to the control attributable to the Group.

d) Incorporated joint ventures (ACEs)

Given the very singular nature of Incorporated Joint Ventures (ACEs), mainly engaged in construction activity, have very specific purposes and are limited in time, their results are included in the consolidated income statement heading by heading, in the proportion of the control attributable to the Group.

1.3. Main valuation criteria

The main valuation criteria, judgements and estimates used in the preparation of the Group's consolidated financial statements during the periods under review are as follows:

i) Goodwill

Differences between the acquisition price of the financial investments in Group companies (subsidiaries), plus the value of non-controlling interests, and the amount attributed at fair value of the identifiable assets and liabilities of these companies on the date of their acquisition, when positive, are recorded under the heading "Goodwill" and, when negative, after revaluation of their calculation, are recorded directly in the income statement. Differences between the acquisition price of financial investments in associates and joint ventures, and the amount attributed at fair value of the identifiable assets and liabilities of these companies, on the date of their acquisition, when positive, are maintained under the heading "Financial investments stated through the equity method" and when negative, after revaluation of their calculation, are recorded directly in the income statement.

Furthermore, differences between the acquisition cost of investments in subsidiaries based abroad and the fair value of the identifiable assets and liabilities of these subsidiaries on the date of their acquisition are recorded in the reporting currency of these subsidiaries, and converted to the Group's reporting currency (Euro) at the exchange rate in force on the reporting date. Any currency conversion differences created during this conversion are recorded under the heading "Currency conversion reserve".

Positive consolidation differences generated before the IFRS transition date continue recorded at their net book value, calculated in accordance with the Official Accounting Plan (POC), having been subject to impairment tests on that date. Moreover, and in accordance with the alternative foreseen in IFRS 1 – First-time Adoption of the International Financial Reporting Standards, MOTA-ENGIL SGPS did not retrospectively apply the provisions of IAS 21 – Effects of Changes in Foreign Exchange Rates, to the positive consolidation differences generated before 1 January 2004, hence, as of this date, these consolidation differences began to be measured in the reporting currency of their subsidiaries at the equivalent value in euros on that date.

The GROUP, on a transactional basis (for each business combination), decided to measure any non-controlling interest in the acquired entity either at fair value or in proportion to the non-controlling interest in the identifiable net assets of the acquired entity. Prior to 1 January 2012, non-controlling interests were valued exclusively in accordance with the proportion of the fair value of the acquired assets and liabilities.

The value of future contingent payments is recognised as a liability at the time of the business combination in accordance with the its fair value, with any change of the initially stated value being recorded against the value of “Goodwill”, but only if this occurs within the remeasurement period (12 months after the acquisition date) and if it is related to events prior to the acquisition date, otherwise it should be recorded against profit or loss.

Transactions of purchase or sale of interests in entities that are already controlled, without such resulting in loss of control, are treated as transactions between equity holders affecting only the equity headings, without there being impact under the “Goodwill” heading or in the income statement.

Furthermore, when a sale transaction generates a loss of control, the assets and liabilities of the entity are derecognised, and any interest retained in the disposed entity should be remeasured at fair value, where any loss or gain calculated with the disposal is recorded through profit or loss.

Up to 1 January 2004, “Goodwill” was amortised during the estimated recovery period of the investment, with the amortisations recorded in the income statement under the heading “Amortisation” for the year. As of 1 January 2004, in accordance with IFRS 3 – “Business Combinations”, the GROUP suspended the amortisation of “Goodwill”, subjecting it to impairment tests.

On an annual basis and with reference to the accounts closing date, MOTA-ENGIL carries out formal impairment tests to these business combinations. Whenever the amount at which the positive consolidation difference is recorded is higher than its recoverable amount, an impairment loss is recognised, recorded in the income statement under the heading “Other operating costs”. The recoverable amount is the highest value between net sales price and the value in use. The net sales value is the amount which would be obtained with the disposal of the asset in a transaction within the reach of the parties involved, minus the costs directly attributable to the disposal. The value in use is the present value of the estimated future cash flow that is expected to arise from the continued use of the asset and from its disposal at the end of its useful life. The recoverable amount is estimated for each asset, individually or, where this is not possible, for the cash generating unit to which the asset belongs.

Impairment losses relative to consolidation differences cannot be reversed.

ii) Intangible Assets

Intangible assets are recorded at acquisition or production cost, minus amortisations and any accumulated impairment losses, and recognised only if it is likely that they will generate future economic benefits for the GROUP, and if their value can be reasonably measured and if the GROUP has control over them.

Intangible assets are basically composed of concession operating rights (arising from the adoption of IFRIC 12 and from the processes of imputation of fair value to assets and liabilities acquired in business combinations), which are amortised by the straight line method during their enforcement period, and software, which is amortised by the straight line method over a period between three to six years.

Operating rights arising from the adoption of IFRIC 12 refer to the concession contracts of the Logistics and Water

segments, both of the Portugal Environment & Services area, where the GROUP:

- a) Does not have control over the infrastructures it constructed (or will construct) and which it currently operates, since the concession owners control the use of the infrastructures and the conditions under which the services are provided, and due to the fact that the infrastructures revert back to the concession owners at the end of the concession period;
- b) Receives a right (license) to charge the users in consideration of the services of construction, operation and maintenance of the infrastructures for provision of the public service, which depends on the volume of use of the infrastructures by the users.

Consequently, and pursuant to IFRIC 12, the concessions of the Group companies fall under the Intangible Asset model, where the GROUP has adopted the following accounting policies on this matter:

- a) The revenue and expenditure relative to construction services are treated in accordance with IAS 11 – Construction contracts. Therefore, all the expenses incurred with the construction of the infrastructures operated by the GROUP are recorded as costs in the income statement for the year to which they refer. The retribution receivable in exchange for the construction services provided is recorded as revenue in the year to which it refers, in accordance with the percentage completion method, calculated by the ratio between the construction costs incurred and the estimated total construction costs, against the recording of an Intangible Asset (“Concession Operating Licenses”).
- b) “Concession Operating Licenses” are amortised as of the time when they are ready for use and on a systematic basis over the entire lifetime of the concession, using the straight line method or unit production method, as appropriate.
- c) Revenue and other income relative to operating and maintenance services are treated in accordance with IAS 18 – Revenue. The costs incurred annually in relation to the operation and maintenance of infrastructures are recorded as costs in the year to which they refer. Contractual obligations to maintain or restore the infrastructure to certain levels of capacity for the provision of the public service (namely major repairs) are recorded in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, that is, every year a liability is constituted in accordance with the present value of the best estimate of the expenditure required to settle this obligation through the recording of a separate cost in the income statement.
- d) Costs related to loans received which are attributable to the agreement (concession contract) are capitalised during its construction stage, in conformity with IAS 23 – Borrowing Costs.
- e) Where the agreements, on the one hand, establish, apart from the initial construction services, the provision of upgrade services (improvements to the construction) in consideration of the license received, and, on the other hand, whose future economic benefits cannot be directly related to the actual improvement services, a single intangible asset is recognised for both construction services (initial and upgrade). In this case, since there is an unconditional obligation to provide upgrade construction services for the infrastructure, the entirety of this intangible asset is recognised at the time of the initial construction, pursuant to IAS 11 and IAS 18, including the fair value of the upgrade construction services to be provided in the future.
- f) All the costs related to the agreement and which cannot be disassociated from it should be added to the intangible asset (“Concession Operating Licenses”) at their fair value.

Research expenses are recognised as costs for the year when they are incurred, while expenses related to incorporation and share capital increases are deducted from equity.

iii) Premises

Immovables (land and buildings) for the company’s own use are recorded at a revalued amount, which is their fair value as at the revaluation date minus any subsequent accumulated depreciation and/or any accumulated impairment losses. The revaluations are carried out periodically by independent real estate valuers, so that the revalued

amount does not differ materially from the fair value of the respective property. When the fair value calculated in the valuations is slightly higher than the book value in the statement of the financial position, the GROUP, for reasons of prudence, does not update the assets subject to the valuation to their fair value. Due to the operation of the respective markets, the GROUP has decided not to apply this policy to real estate assets held in African countries, and in some countries of Central Europe, recording them at their acquisition cost minus any subsequent accumulated depreciation and/or any accumulated impairment losses.

Adjustments arising from revaluations of real estate assets for own use are recorded against equity. When a tangible asset which had been revalued positively in former fiscal years is subsequently revalued negatively, the adjustment is recorded against equity up to the amount corresponding to the increased equity arising from previous revaluation, minus the amount realised through depreciation, with its excess being recorded as a cost for the year through profit or loss for the year.

Depreciation is imputed on a systematic basis during the estimated useful life of the buildings, which currently varies between 20 and 50 years, while land is not depreciable.

iii) Land assigned to quarry operations

Land assigned to the operation of quarries, as well as various related costs (expenses incurred with the licensing and start-up of the quarries and costs to be incurred with restoration of landscape), are recorded at a revalued amount, which is its fair value on the revaluation date minus any subsequent accumulated depreciation and/or any accumulated impairment losses. When the fair value calculated in the valuation is slightly higher than its book value in the statement of the financial position, the GROUP, for reasons of prudence, does not update the assets subject to the valuation to their fair value. The valuations are undertaken periodically, by specialised external experts, so that the revalued amount does not differ materially from the fair value of the respective quarry. These assets are depreciated in accordance with the quantity of stone extracted each year, taking into account the residual value of the quarry at the end of the extraction.

Adjustments arising from the revaluation of the land assigned to quarry operations are recorded against equity. When a quarry asset which had been revalued positively in former fiscal years is subsequently revalued negatively, the adjustment is recorded against equity up to the amount corresponding to the increased equity arising from previous revaluation, minus the amount realised through depreciation, with its excess being recorded as a cost for the year through profit or loss for the year.

v) Other tangible assets

Other tangible assets acquired up to 31 December 2003 are recorded at their deemed cost, which corresponds to their acquisition cost or to the acquisition cost revalued in accordance with the accounting principles generally accepted in Portugal up to that date, minus accumulated depreciation and accumulated impairment losses.

Other tangible assets acquired after this date are recorded at acquisition cost minus accumulated depreciation and impairment losses.

Tangible assets in progress represent assets still under construction/development, and are recorded at acquisition cost, minus any accumulated impairment losses.

Depreciation is calculated after the assets are in condition to be used, that is, when their underlying assets are available for use and in the necessary conditions, in terms of quality and technical reliability, to operate as intended by the Group's Board of Directors, and is imputed systematically during their useful life. The useful life of an asset is determined based on its expected use by the GROUP, expected natural wear, predictable technical obsolescence and the residual value attributable to the asset. The residual value attributable to the asset is estimated based on the residual value prevailing on the date of the estimate of similar assets which have reached the end of their useful lives and operated under conditions similar to those in which the asset will be used.

The depreciation rates used correspond to the following periods of estimated useful life (in years):

Equipment:

Basic equipment (excluding that assigned to concessions)	3 to 10
Administrative equipment	4 to 10
Transport equipment	3 to 10
Tools and utensils	3 to 6

Other tangible assets 3 to 10

Subsequent expenses related to replacement of tangible asset components incurred by the GROUP are added to the respective tangible assets, with the net value of the replaced components of these assets being written off and recorded as a cost under the heading "Other operating costs".

Maintenance and repair costs that neither increase the useful life nor give rise to significant improvements in the items of the tangible assets are recorded as a cost for the year when they occur.

Depreciation and amortisation of the tangible and intangible assets are recorded on a monthly basis under the heading "Amortisation", in the income statement. Any changes to the period of estimated useful life of the tangible assets are carried out prospectively.

vi) Leases

Lease contracts are classified as (i) finance leases when they substantially transfer all the risks and advantages inherent to possession of the leased asset; and as (ii) operating leases when they substantially transfer all the risks and advantages inherent to possession of the leased asset.

The classification of leasing into finance or operating is undertaken based on the substance and not the form of the contract.

Tangible assets acquired under finance lease contracts, as well as the corresponding liabilities, are recorded through the financial method, recognising the tangible assets and their corresponding accumulated depreciation, as defined in subparagraphs iii) and v) above, and any outstanding debts pending settlement are stated in accordance with the contractual financial plan. Furthermore, the interest included in the value of lease payments and depreciation of the tangible assets are recognised as costs in the income statement for the year they refer.

In leases considered as operating, the lease payments owed are recognised as a cost in the income statement on a linear basis during the contract lease period.

vii) Investment properties

Investment properties consist of land and buildings held for the purpose of obtaining rents and/or the appreciation of the invested capital and not for use in the production or supply of products or services, or for administrative purposes, or for sale during daily business activity.

Investment properties, including those under construction, are recorded at their fair value, determined by the annual valuation carried out by independent specialised entities or in accordance with current prices that are realisable on the market in question.

Variations in the fair value of investment properties are recognised directly in the income statement for the year, under the heading "Variation of value in investment properties".

Costs incurred with investment properties in use, namely maintenance, repairs, insurance and property taxes (Municipal Property Tax), are recognised in the consolidated income statement for the year to which they refer.

viii) Held-for-sale non-current assets

Non-current assets are classified as held for sale when their book value can only be recovered through its sale and not through their continued use. In order for these assets to be classified as such, they must be available for immediate sale under their current conditions, the sale must be highly probable, the Board of Directors must be committed to execute this sale and the disposal must predictably occur within a period of 12 months, as established in IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

Non-current assets classified as held for sale are recorded at the lowest amount between their book value and their fair value minus the expected costs of their sale.

ix) Financial assets & liabilities

Financial assets and liabilities are recognised in the statement of the financial position when the GROUP becomes a contracting party of the respective financial instrument.

a) Financial instruments

The GROUP classifies financial investments into the following categories: “Investments recorded at fair value through profit or loss”, “Loans and accounts receivable”, “Investments held to maturity”, “Investments available for sale” and “Loans and accounts payable”. The classification depends on the intention underlying the acquisition of the investment.

The classification is defined at the time of the initial recognition and reappraised on a half-yearly basis.

- Investments recorded at fair value through profit or loss: this category is divided into two subcategories, “Financial assets held for trading” and “Investments recorded at fair value through profit or loss”. A financial asset is classified into this category, particularly, when acquired for the purpose of its sale in the short term or if the adoption of valuation through this method eliminates or significantly reduces an accounting lag. Derivative instruments are also classified as held for trading, unless they are assigned to hedging operations. Assets of this category are classified as current assets if they are held for trading or if expected to be realised within 12 months of the reporting date.

- Loans and accounts receivable: are non-derivative financial assets, with fixed or variable repayment, which are not listed in active/liquid markets. These financial investments arise when the GROUP provides cash, products or services directly to a debtor with no intention to negotiate the debt. “Loans and accounts receivable” are classified as current assets, except in cases where their maturity is longer than 12 months after the reporting date, in which case they are classified as non-current assets. In both cases, this category appears in the statement of the financial position, included under the headings “Customers” and “Other debtors”.

- Investments available for sale: include non-derivative financial assets, which are named as available for sale, or those that do not fall under the previous categories. This category is included under non-current assets unless the Board of Directors intends to sell the investment within 12 months as of the reporting date.

Investments held to maturity are classified as non-current investments, unless they fall due within 12 months as of the reporting date.

All purchases and sales of these investments are recognised on the date of the signing of the respective purchase and sale contracts, regardless of the financial settlement date.

These investments are initially recorded at their acquisition value, which is the value paid on the acquisition date and corresponds to their fair value on that date, including transaction costs.

After initial recognition, investments recorded at fair value through profit or loss and investments available for sale are revalued at their fair values as marked to market as at the reporting date, with no deduction relative to any

transaction costs which might occur up to their sale.

Gains or losses arising from a change in the fair value of investments available for sale are recorded in the consolidated statement of comprehensive income, under the heading “Fair value reserves – investments available for sale” until the investment is sold, received or disposed in any form, or in situations where the fair value of the investment is lower than its acquisition cost and this situation is considered a significant or permanent impairment loss, at which time the accumulated gain or loss is recorded separately in the income statement.

Gains or losses arising from a change in the fair value of the investments held for trading are recorded in the income statement for the year.

Gains and losses, realised or not, arising from a change in the fair value of “Investments recorded at fair value through profit or loss”, are recorded in the income statement for the year.

The fair value of investments is based on current market prices. If the market to which the investments belong is not an active/liquid market (unlisted investments), the GROUP RECORDS THEM AT acquisition cost minus any accumulated impairment losses. The fair value of listed investments is calculated based on the closing price of the respective market as at the reporting date.

The GROUP performs valuations as at each reporting date whenever there is objective evidence that a financial asset might be impaired. In the case of equity instruments classified as available for sale, a significant or prolonged decline of their fair value to levels below their cost indicates that the asset is impaired. For all other assets, objective indications of impairment may include:

- significant financial difficulties by the counterparty in settling its debts;
- failure to meet payments in due time by the counterparty relative to credit extended by the GROUP;
- high probability that the counterparty might enter into bankruptcy or debt restructuring proceedings.

For financial assets recognised at amortised cost, the amount of the impairment is calculated as the difference between their book value and the present value of future cash flow discounted at the initial effective interest rate.

The book value of financial assets is reduced directly by any detected impairment losses, with exception of the accounts receivable from customers and other debtors for which the GROUP constitutes a specific account of “Accumulated impairment losses”. When an account receivable from customers and other debtors is considered uncollectible, it is annulled against the “Accumulated impairment losses” account. Amounts received subsequently relative to annulled accounts receivable from customers and other debtors of the financial statements are credited to the income statement for the year. Changes to “Accumulated impairment losses” are recorded in the income statement for the year.

With the exception of the “Investments available for sale”, if, in a subsequent fiscal year, there is a reduction of the accumulated impairment losses and if this decrease is objectively due to an event after the date of recognition of this impairment, the said decrease is recorded through the income statement for the year up to the limit of the existing accumulated impairment loss.

Investments held to maturity are recorded at amortised cost through the effective interest rate method, net of amortisation of principal and interest received.

All financial investments available for sale representing shares in unlisted companies are recorded at their acquisition cost, always considering any impairment losses in the event of objective evidence of impairment. The Group’s Board of Directors believes that the fair value of these investments does not differ significantly from their acquisition cost.

Dividends received relative to equity instruments classified as “Investments available for sale” are recognised in the income statement in the year when the right to receive them was established.

b) Customers and other debtors

Debts of “Customers” and “Other debtors” are recorded at their nominal value, minus any accumulated impairment losses, so that they reflect their net realisable value.

c) Loans

Loans are recorded in the liabilities at amortised cost. Any costs incurred with the issue of these loans are recorded as a deduction to the debt and recognised, over the lifetime of these loans, in accordance with the effective interest rate method.

d) Accounts payable

Accounts payable, included under the headings “Suppliers” and “Sundry creditors” which do not earn interest, are recorded at their nominal value, which is substantially equivalent to their fair value, since the effect of any discount is considered immaterial.

e) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified in accordance with the contractual substance of the transaction. The Group defines equity instruments as those where the underlying contract of the transaction shows that the GROUP holds a residual interest in a set of assets after deduction of a series of liabilities.

f) Derivative instruments

The GROUP uses derivative instruments in the management of its financial risks solely to ensure the hedging of these risks, and never uses derivative instruments for purposes of speculation. The use of derivative financial instruments is duly approved by the Group’s Board of Directors.

The derivative financial instruments used by the GROUP defined as cash flow hedge instruments refer exclusively to interest rate and exchange rate hedge instruments relative to loans received. The amount of the loans, maturity periods of the interest and repayment plans of the loans underlying the interest rate and de exchange rate hedge instruments are similar to the conditions established for the contracted loans.

The following criteria are used by the GROUP to classify derivative instruments as cash flow hedge instruments:

- The hedge is expected to be highly effective in offsetting changes in cash flow attributable to the hedged risk;
- The effectiveness of the hedge can be measured reliably;
- There is sufficient documentation on the transaction to be hedged at the beginning of the hedge operation;
- The transaction covered by the hedge is highly likely.

Interest rate and exchange rate hedge instruments are initially recorded at cost, if any, and subsequently revalued at fair value. Alterations to the fair value of these instruments, associated to the part that is effectively hedged, are recognised in the consolidated statement of comprehensive income under the heading “Fair value reserves – derivatives”, and are transferred to net income for the year in the same period when the hedged instrument affects net income. In 2012, the GROUP decided on the early adoption of IFRS 13 – Fair Value Measurement, which replaces the existing guidelines in the different IFRS standards in relation to the measurement of fair value. Hence, the valuation of derivative financial instruments began to incorporate an estimate of the credit risk of the company holding the instrument in the measurement of the fair value of its interest rate hedge derivatives.

The reporting of derivative instruments ceases when the instrument falls due or is sold. In situations where the derivative financial instrument no longer qualifies as a hedge instrument, the accumulated fair value differences deferred in the consolidated statement of comprehensive income under the heading “Fair value reserves – derivatives” are transferred to net income for the fiscal year or added to the value of the asset which resulted from

the hedged transactions, and subsequent revaluations are recorded directly under the headings of the income statement.

Regarding derivative instruments which, although contracted for economic hedging purposes, do not meet all the requirements of IAS 39 (Financial Instruments: Recognition and Measurement) with respect to the possibility of qualifying for hedge accounting, the respective changes in fair value are recorded in the income statement for the period when they occur.

g) Treasury shares

Treasury shares are stated at their acquisition value as a deduction from equity. Gains or losses inherent to the disposal of treasury shares are recorded under the heading “Other reserves”.

h) Discounted bills and accounts receivable assigned under factoring

The GROUP derecognises financial assets from its financial statements solely when the contractual right to the cash flow inherent to these assets expire or when the GROUP substantially transfers all the risks and benefits inherent to the possession of these assets to a third party.

Consequently, customer balances secured by discounted bills that have not yet fallen due and accounts receivable assigned in factoring as at each reporting date, with the exception of factoring operations without recourse, are recognised in the Group’s financial statements against the heading “Sundry creditors” until they are received.

x) Cash & cash equivalents

a) Cash and cash equivalents – demand deposits

The amounts included under the heading “Cash and cash equivalents – demand deposits” correspond to cash, bank deposits at sight and with agreed maturity dates and other cash investments falling due within less than three months, that are repayable on demand and have an insignificant risk of change of value.

b) Cash and cash equivalents - term deposits

The amounts included under the heading “Cash and cash equivalents – term deposits” correspond to cash, bank sight and term deposits and other cash investments that are not immediately available, due to having been given as guarantees or being blocked.

xi) Inventories

Merchandise and raw materials and consumables are valued at the lowest value between the average acquisition cost and the respective market value (estimate of their sales price minus the costs to be incurred with their disposal). Finished and semi-finished products, by-products, and products and work in progress are valued at production cost, which is lower than their market value. Production costs include the cost of the incorporate raw material, direct labour and general factory costs.

xii) Accrual accounting

Income and expenditure are recorded in accordance with the accrual accounting principle, whereby they are recognised as and when they are generated, regardless of the time when they are received or paid. The differences between the amounts received and paid and the corresponding income and expenses are recorded under the headings “Other current assets”, “Other current liabilities” and “Other non-current liabilities”.

xiii) Revenue

Revenue is recorded at the fair value of the assets received or receivable, net of discounts and expected returned

products.

a) Production and provision of services that have not been invoiced

The GROUP recognises the net income of the works of each contract in accordance with the percentage completion method, which is defined as the ratio between the costs incurred in each work up to a given date and the sum of these costs with the costs estimated to complete the work. The differences obtained between the values resulting from the application of the percentage completion to the estimated income and the invoiced values are stated under the subheadings "Production not invoiced" or "Advance billing", included under the headings "Other current assets" and "Other current liabilities".

Regarding construction contracts executed by companies/branches located in various African countries, the income is recorded based on measurement reports of the work carried out, with the positive or negative differences in relation to the invoicing that has been made being calculated for each contract and presented under the subheadings "Production not invoiced" or "Advance billing", included under the headings "Other current assets" and "Other current liabilities". The impact of the adoption of this policy compared to the policy described in the paragraph above has no materially relevant effect on the consolidated financial statements attached herewith.

Variation in the work relative to the amount of revenue agreed in the contract are recognised through profit or loss for the year when it is likely that the customer will approve the amount of revenue arising from the variation and it may be measured reliably.

Claims for reimbursement of costs not included in the contract price are included in the revenue of the contract when the negotiations reach an advanced stage, indicating that it is likely that the customer will accept the claim and it can be measured reliably.

In order to meet the costs to be incurred during the works' warranty period, the GROUP recognises a liability on an annual basis to meet this legal obligation, which is calculated taking into account the annual volume of production and the historical records of costs incurred in the past with works during the warranty period.

When it is likely that the total costs foreseen in the construction contract exceed the income defined therein, the expected loss is recognised immediately in the income statement for the period.

b) Civil construction works and public works of short duration

In these service contracts, the GROUP recognises the income and costs as they are invoiced or incurred, respectively.

c) Recognition of costs and income in real estate business

Relevant costs incurred with real estate undertakings are calculated taking into account the direct construction costs as well as all the costs related to the preparation of projects and licensing of works. Costs imputable to the funding, supervision and inspection of the undertaking are also added to the cost of real estate undertakings, provided that they are still underway.

For the effect of capitalisation of financial costs and costs related to the supervision and inspection of the undertaking, it is considered that it is underway if awaiting decision of the authorities involved or if it is under construction. Should the undertaking not be at either of these stages, it is considered stopped and the capitalisation referred to above is suspended.

Pursuant to IFRIC 15, sales generated by the real estate business are recognised when all the risks associated to the asset are substantially transferred to the buyer (that is, at the time of the signing of the property deed).

d) All other business

Revenue arising from sales and provision of services in general is recognised at the time of its realisation or with reference to the completion stage of the transaction as at the reporting date, provided that all of the following

conditions are met: i) the amount of the revenue can be measured reliably; ii) it is likely that the Group will receive future economic benefits associated to the transaction; iii) the costs incurred or to be incurred with a transaction can be measured reliably; iv) the completion stage of the transaction as at the reporting date can be measured reliably.

Interest income is recognised using the effective interest rate method, provided that it is likely that the Group will receive economic benefits and their amount can be measured reliably.

Revenue derived from dividends is recognised when the Group's right to receive the corresponding amount is established.

xiv) Own work capitalised

Own work capitalised basically corresponds construction and improvement work, carried out by the actual companies, as well as major repair of equipment and includes costs related to materials, direct labour and general expenses.

These expenses are capitalised only when the following requirements are met:

- The assets developed are identifiable;
- There is strong probability that the assets will generate future economic benefits; and
- The development costs are measurable in a reliable manner.

xv) Assets, liabilities and transactions in foreign currency

All transactions in foreign currency should be recorded in the functional currency at the time of their initial recognition through the application, to the amount in foreign currency, of the spot exchange rate between the functional currency and the foreign currency as at the transaction date.

At the end of each reporting period: a) monetary items in foreign currency should be converted at the closing rate; b) non-monetary items which are measured in terms of historical cost in a foreign currency should be converted through use of the exchange rate as at the transaction date; and c) non-monetary items which are measured at fair value in a foreign currency should be converted at the exchange rates as at the date when the fair value was determined.

Currency conversion differences arising from the settlement of monetary items or from the conversion of monetary items at rates which are different from those used to convert them in the initial recognition during the period or in previous financial statements should be recognised through profit or loss for the period when they occur, unless they arise from a monetary item which is part of a net investment in a foreign operating unit. In this case, these currency conversion differences are initially recognised in other comprehensive income and reclassified from equity to profit or loss at the time of the disposal of the net investment.

In preparing the consolidated financial statements, the net income and financial position of entities belonging to the consolidation perimeter, whose functional currencies are not the currency of a hyperinflationary economy, are converted into Euro using the following procedures: a) the assets and liabilities of each statement of the financial position presented are converted at the closing rate as at the reporting date; b) the income and costs of each statement of comprehensive income or separate income statement presented are converted at the annual average rates; and c) all the resulting currency conversion differences are recognised under other comprehensive income, affecting the equity heading "Currency conversion reserves". At the time of the disposal of these foreign entities, the accumulated currency conversion differences are recorded in the income statement for the year.

Consolidation differences and adjustments to fair value of the assets and liabilities of foreign entities are treated as assets and liabilities in foreign currency and are converted into Euro using the exchange rates as at the reporting date.

The financial statements of subsidiaries and branches expressed in foreign currency are converted into Euro.

The exchange rates used to convert the accounts of the GROUP's foreign companies, joint ventures and associates into Euro were as follows:

CURRENCY EXCHANGE		YEAR END		AVERAGE	
		2012	2011	2012	2011
Czech Crown	EUR / CZK	25.15	25.79	25.14	24.60
Algerian Dinar	EUR / DZD	103.19	98.36	100.28	102.04
S. Tomé and Príncipe Dobra	EUR / STD	24,500.00	24,500.00	24,500.00	24,500.00
US Dollar	EUR / USD	1.32	1.29	1.29	1.40
Cape Verde Escudo	EUR / CVE	110.27	110.27	110.27	110.27
Hungarian Forint	EUR / HUF	292.30	314.58	287.99	280.67
Angola Kwanza	EUR / AOK	126.85	133.93	122.84	132.42
Malawian Kwacha	EUR / MWK	427.49	212.34	322.24	219.91
Mozambique Metical	EUR / MZN	39.24	34.96	36.49	40.28
Romania New Leu	EUR / RON	4.44	4.32	4.46	4.24
Peruvian New Soles	EUR / PEN	3.37	3.49	3.41	3.85
Mexican Peso	EUR / MXN	17.18	18.05	16.94	17.42
Colombian Peso	EUR / COP	2,331.38	2,508.23	2,323.89	2,593.69
South Africa Rand	EUR / ZAR	11.17	10.48	10.57	10.14
Brazilian Real	EUR / BRL	2.70	2.42	2.53	2.34
Polish Zloty	EUR / PLN	4.07	4.46	4.17	4.14

xvi) Income tax

MOTA-ENGIL SGPS is covered, since January 2010, by the Special Tax Regime for Groups of Companies (RETGS), therefore, current tax is calculated based on the taxable profit or loss of the companies included in the consolidation and on the special regime referred to above, pursuant to its rules.

The RETGS covers all the subsidiaries whose share capital is at least 90% held, directly or indirectly, and which are resident in Portugal and subject to Corporate Income Tax.

For companies not covered by the special tax regime, current tax is calculated based on the respective taxable profit or loss, pursuant to the tax rules in force at the location of head office of each company.

Deferred taxes are calculated based on the balance sheet liability method and refer to temporary differences between the amounts of the assets and liabilities reported for accounting purposes and their respective amounts for tax purposes.

Deferred tax assets and liabilities are calculated and valued annually using the tax rates in force, or announced to be in force, as at the date of the reversal of the temporary differences.

Deferred tax assets are recorded only when there are reasonable expectations of sufficient future tax profits for their use. On each reporting date a reappraisal is made of differences underlying the deferred tax assets in order to recognise deferred tax assets not recorded previously because they did not meet the requirements for their recording and/or to reduce the amount of the recorded deferred tax assets according to the current expectation of their future recovery.

The amount of tax to be included, both in current tax and deferred tax, arising from transactions or events recognised under reserves is recorded directly under these same headings, and does not affect the net income for the year.

xvii) Borrowing costs

Financial costs related to loans received are generally recognised as a cost, in accordance with the accrual accounting principle.

Financial costs related to loans received that are directly related to the acquisition, construction or production of fixed assets, or associated to real estate projects classified under inventories, are capitalised, thus being incorporated in

the cost of the asset. The capitalisation of these costs starts after the beginning of the preparation of the construction or development of the asset and is interrupted after the beginning of its use, the end of production or construction of the asset, or when the project in question is suspended.

xviii) Provisions

Provisions are recognised when, and only when, the GROUP has a present obligation (legal or implicit) arising from a past event, it is likely that in order to resolve this obligation there will be an outflow of funds and the amount of the obligation can be estimated reasonably. The provisions are reviewed on each reporting date and adjusted so as to reflect the best estimate on that date, taking into account the risks and uncertainties inherent to such estimates. When a provision is calculated in view of the future cash flow required to settle this obligation, it is recorded at the current values of this future cash flow.

Provisions for restructuring costs are recognised by the GROUP whenever there is a formal and detailed restructuring plan and it has been disclosed to the parties involved.

xix) Pensions

Liabilities related to defined benefit pension plans, attributed to various former employees and current directors of the GROUP, are calculated in accordance with the projected unit credit method, using the actuarial and financial assumptions that are most suited to the established plan.

xx) Government grants

Grants attributed to fund staff training actions are recognised as income during the period of tempo during which the GROUP incurs the respective costs, and are presented in the income statement minus these costs.

Grants attributed to fund investments in tangible assets are recorded as deferred income and recognised in the income statement during the estimated period of useful life of these assets.

xxi) Impairment/adjustment of assets other than goodwill

Impairment is assessed as at each reporting date and whenever an event or alteration in circumstances is identified which indicates that the amount at which an asset is stated might not be recovered. Whenever the amount at which an asset is recorded is higher than its recoverable amount, an impairment loss is recognised, recorded in the income statement under the heading "Other operating costs". The recoverable amount is the highest value between the net sales price and the value in use. The net sales price is the amount which would be obtained with the disposal of the asset in a transaction within the reach of the parties involved, minus any costs directly attributable to the disposal. The value in use is the present value of the estimated future cash flow which would be expected to arise from the continued use of the asset and from its disposal at the end of its useful life. The recoverable amount is estimated for each asset, individually or, if this is not possible, for the cash generating unit to which the asset belongs.

The reversal of impairment losses recognised in previous fiscal years is recorded when the motives which led to its recording no longer exist and, consequently, the asset is no longer impaired. The reversal of impairment losses is recognised in the income statement as net operating income. However, the reversal of an impairment loss is undertaken up to the limit of the amount that would have been recognised (either through its historical cost or through its revalued amount, net of amortisation or depreciation), if the impairment loss had not been recorded in previous years.

Evidence of the existence of impairment in the accounts receivable arises when:

- the counterparty is in significant financial difficulty;
- there are significant delays in the payment of interest and other important payments by the counterparty;
- it becomes likely that the debtor will enter into liquidation or financial restructuring.

Concerning inventories, any reductions to their net realisable value are calculated based on market values and various inventory rotation indicators.

For goodwill and financial investments, the recoverable amount is essentially determined based on the latest financial projections on these assets.

xxii) Balance-sheet classification

Assets that are realisable and liabilities that are payable more than one year after the reporting date are classified, respectively, as non-current assets and liabilities. Furthermore, due to their nature, deferred tax assets and liabilities and provisions are classified as non-current assets and liabilities (Note 13. Income Tax and Note 28. Provisions, respectively).

xxiii) Contingencies

Contingent liabilities are not recognised in the consolidated financial statements, but are disclosed in the Notes, unless the possibility of an outflow of funds affecting future economic benefits is remote.

A contingent asset is not recognised in the financial statements, but is disclosed in the Notes whenever it is likely that there will be a future economic benefit.

xxiv) Subsequent events

Events occurring after the reporting date that provide additional information on conditions which existed as at the reporting date (adjusting events) are reflected in the consolidated financial statements. Events after the reporting date that provide information on conditions which occur after the reporting date (non-adjusting events), if material, are disclosed in the Notes to the consolidated financial statements.

xxv) Judgements and estimates

In preparing the consolidated financial statement, the Group's Board of Directors based its work on its best knowledge and experience of past and/or current events, considering certain assumptions relative to future events.

The most significant accounting estimates reflected in the consolidated financial statements for the years ended on 31 December 2012 and 2011 include:

- Fair value and useful lives of the tangible assets, in particular land, buildings and quarries;
- Impairment tests performed on consolidation differences and intangible assets;
- Recording of provisions and impairment losses for accounts receivable and inventories;
- Recognition of income and costs for works in progress;
- Outcome of legal and tax proceedings underway filed against the GROUP and possible need of provision;
- Calculation of the fair value of derivative financial instruments.

The estimates were determined based on the best information available as at the date of preparation of the consolidated financial statements. However, situations might occur in subsequent periods which, due to not being predictable at the moment, were not considered in these estimates. Any changes to these estimates which occur after

the date of the consolidated financial statements will be corrected profit or loss in a prospective manner, pursuant to IAS 8.

xxvi) Cash-flow statement

The consolidated cash flow statement is prepared in accordance with IAS 7, through the direct method. The GROUP classifies investments falling due in less than three months and for which the risk of alteration of value is insignificant, including blocked sums of term deposits of concessionaire companies assigned to debt service, as well as deposits given in guarantee under contractual clauses, under the heading “Cash and cash equivalents” .

The cash flow statement is classified into operating, financing and investment activities. Operating activities comprise receipts from customers, payments to suppliers, payments to staff and others related to operating activity. The cash flow involved in investment activities include, in particular, acquisitions and disposals of investments in subsidiaries and receipts and payments arising from the purchase and sale of fixed assets. The cash flow related to financing activities include, namely, payments and receipts relative to loans received, finance lease contracts and payment of dividends.

xxvii) Management of capital invested

In the MOTA-ENGIL GROUP, the management of capital is carried out with the fundamental objective of ensuring the continuity of the GROUP’S operations, seeking to maximise the creation of value for its shareholders, in particular, through the adoption of an efficient structure of employed capital through the optimisation, in the balance sheet, of the ratio between equity and borrowed funds.

Hence, the Group’s capital structure consists of the equity attributable to shareholders, debt and the amounts available in cash and cash equivalents.

The equity attributable to the shareholders consists of the share capital of MOTA-ENGIL SGPS, fully underwritten and paid-up, of the value of 204,635,695 euros, represented by 204,635,695 shares (ordinary) with the nominal value of one euro, listed for trading on Euronext Lisbon. It also includes all the capital reserves accumulated by the GROUP, namely those imposed by law, free reserves, asset revaluation reserves, currency conversion reserves and other reserves derived from the consolidations of the companies of GROUP. Lastly, the equity also includes net income of previous years that was not distributed to the shareholders.

The maturity structure of the debt is appropriate to the characteristics of the assets that it funds, favouring long term maturities to meet, above all, the permanent investments in the GROUP.

The origin of the capital requirements imposed externally on the GROUP may be legal, contractual or related to market access.

The main legal requirement of capital is established by article 35 of the Companies Code, which stipulates that the equity of a company must be greater than half its share capital. At the MOTA-ENGIL GROUP there are no cases of continued non-compliance with this rule, since, in situations where this compliance might be placed in question, the most suitable measures are adopted immediately for each specific case.

Capital requirements imposed contractually are particularly present in bank financing contracts. Thus, in the more relevant funding operations, covenants are sometimes defined, associated to the ratios between the group’s capital structure and its operating profitability. These contractual clauses are defined through negotiations with the funding entities and in the entire history of the GROUP there is no single incidence of breach of these contracts based on their non-compliance.

As at 31 December 2012 there were financing operations with commitments of maintaining covenants related to levels of financial autonomy and debt ratios, whose conditions were negotiated in accordance with normal market practices.

As at the reporting date none of these commitments have been breached, and the Board of Directors believes that the occurrence of such non-compliance is improbable.

A large part of the business developed by the MOTA-ENGIL GROUP takes place in close connection with the public sector of the different countries in which it operates. Whether in the construction of public works, or in obtaining of licenses for the construction, operation and maintenance of public infrastructures, the GROUP faces conditions of access to these markets which are strongly regulated and supervised. Some of the conditions of access to these markets imply the proven capacity and financial robustness of the bidder, without which the bidder is simply excluded. The MOTA-ENGIL GROUP is particularly concerned in complying with the requirements usually imposed through this route and, indeed, has effectively been capable of turning this aspect into one of its strengths when compared with its main competition, with this being a competitive advantage that it presents before rivals in tenders for major national and international projects.

xxviii) Financial-risk management

The Group's management of the financial risks incurred is presented in point 5 of the management report, included in this Annual Report.

2. Companies included in the consolidation

As at 31 December 2012 and 2011, the companies included in the consolidation and respective consolidation methods, head office, effective percentage holding, business, date of incorporation and date of acquisition of the financial holdings are presented in Appendix A.

The main alterations to the consolidation perimeter during 2012 are referred to in Note 35. Perimeter alterations.

3. Sales & services rendered

The breakdown of the sales and services rendered during the years ended on 31 December 2012 and 2011 is as follows:

	2012	2011
Sales of merchandise	9,622,348	35,312,186
Sales of products	59,849,455	64,519,811
Services rendered	2,173,695,658	2,076,240,113
	2,243,167,461	2,176,072,110

During 2012 and 2011 there was no significant discontinuation in the business activities of the GROUP.

For the effect of comparison with 2011, the sales and services rendered are affected by the fact that they do not include the values relative to the Indaqua Group which, during 2012 reached approximately 81 million euros (Note 35).

4. Other revenues

For the years ended on 31 December 2012 and 2011, the heading "Other income", of the values of 82,992,378 euros and 94,107,256 euros respectively, essentially include the values relative to the net change of production/inventories, debits arising from the consortium balances and the re-invoicing of costs to companies outside the GROUP.

5. Cost of merchandise and of subcontracts

The cost of merchandise and raw materials and consumables, and subcontracts for the years ended on 31 December 2012 and 2011 is broken down as follows:

2012	MERCHANDISE	RAW & SUBSIDIARY MATERIALS & CONSUMABLES	TOTAL
Opening stocks	38,624,395	53,198,943	91,823,338
Variation of perimeter, transfers and regularization	965,980	(1,861,007)	(895,027)
Purchases	33,148,713	480,426,709	513,575,422
Closing stocks	(40,500,697)	(62,072,584)	(102,573,281)
	32,238,391	469,692,061	501,930,452
Subcontracts			644,367,424
COST OF GOODS SOLD, MATERIALS CONSUMED & SUBCONTRACTS			1,146,297,876

2011	MERCHANDISE	RAW & SUBSIDIARY MATERIALS & CONSUMABLES	TOTAL
Opening stocks	38,286,426	47,947,573	86,233,999
Variation of perimeter, transfers and regularization	4,773,164	(6,884,843)	(2,111,679)
Purchases	30,984,730	429,837,681	460,822,411
Closing stocks	(38,624,395)	(53,198,943)	(91,823,338)
	35,419,925	417,701,468	453,121,393
Subcontracts			721,142,358
COST OF GOODS SOLD, MATERIALS CONSUMED & SUBCONTRACTS			1,174,263,751

6. Third-party Supplies & Services

Third party supplies and services for the years ended on 31 December 2012 and 2011 are broken down as follows:

	2012	2011
Leases & rents	212,784,202	174,537,190
Specialised works	53,253,856	60,204,656
Transport, travel and board & lodging	45,026,766	40,004,708
Maintenance & repairs	38,644,209	37,334,491
Fuel	39,205,961	27,230,995
Insurance	11,437,103	10,072,525
Commissions & fees	4,082,365	6,419,202
Water & electricity	8,528,690	9,985,546
Utensils & office equipment	6,370,843	7,344,370
Vigilance & security	8,575,217	8,261,066
Communications	6,154,566	5,616,315
Advertising & publicity	1,864,043	2,335,480
Other supplies & services	26,884,333	26,403,925
	462,812,154	415,750,469

The heading “Leases and rents” essentially refers to lease payments for equipment, machines, vehicles and rents for premises, whose increase relative to 2011 mainly arises from the contribution shown by the increased business in Africa and Latin America.

The main lease and rent contracts of the Group essential refer to the lease of machines and equipments by construction companies, as well as the rental of premises and the lease of vehicles and information technology equipment.

The heading “Leases and rents”, as at 31 December 2012 and 2011, includes the values of 14,797,564 euros and 10,794,039 euros, respectively, relative to operating lease payments.

The operating lease payments fall due as follows:

MATURITY	2012	2011
1 year	5,926,658	7,665,393
Between 2 and 5 years	7,591,731	11,920,110
more than 5 years	-	948,953
	13,518,389	20,534,456

The main operating lease contracts of the Group essentially refer to the rental of premises and lease of vehicles and information technology equipment.

7. Staff costs

Staff costs for the years ended on 31 December 2012 and 2011 are broken down as follows:

	2012	2011
Remuneration	329,083,201	294,473,829
Social security charges:		
Pensions & other benefits granted	86,755	2,953,038
Other	87,502,609	76,061,900
	416,672,565	373,488,767

The liabilities related to Retirement and Pension Plans are detailed in Note 31.

As at 31 December 2012 and 2011, the heading “Other” essentially includes the costs paid in relation to Social Security and other similar contribution systems in each country, meals allowances and cash sickness benefits, occupational accident insurance and indemnities.

Number of employees at the end of the year

During 2012 and 2011, the number of personnel working for the GROUP at the end of the year is broken down as follows:

	2012	2011
Management	96	101
Employees	8,414	8,951
Workers	17,651	11,601
	26,161	20,653
	-	-
Companies in Portugal	6,762	7,756
Companies abroad	15,543	11,119
Branch offices	3,856	1,778
	26,161	20,653

The increased number of personnel relative to 2011 essentially arises from the contribution shown by the by the increased business in Africa and Latin America.

8. Other operating income /(costs)

Other operating income and costs for the years ended on 31 December 2012 and 2011 are as follows:

	2012	2011
Donations	(3,811,492)	(1,194,089)
Gains/(losses) on the sale of fixed assets	1,156,259	1,316,175
Taxes	(13,814,342)	(10,139,840)
Operating subsidies	884,138	1,128,411
Own work capitalised	14,839,998	16,583,495
Other income/(costs)	(12,176,662)	(18,413,216)
	(12,922,101)	(10,719,064)

The heading “Own work capitalised” essentially includes the values related to the construction of real estate projects developed by the Group in the Czech Republic and works in Angola related to the completion of the rehabilitation of the head office and works in the central construction yard.

9. Amortisation and depreciation

The amortisation and depreciation for the years ended on 31 December 2012 and 2011 are as follows:

	2012	2011
Amortization of intangible fixed assets for the year (Note 17):		
Development costs	115,579	383,675
Software & other rights	1,712,509	1,521,665
Concession Operation Licenses	6,009,127	10,399,383
Other intangible fixed assets	317,876	-
	8,155,091	12,304,723
Depreciation of tangible fixed assets for the year (Note 18):		
Land & buildings	7,754,262	7,101,190
Equipment		
Portugal Engineering & Construction	31,535,662	27,927,632
Portugal Environment & Services	12,198,479	15,721,377
Africa	19,149,845	18,269,875
Central Europe	7,364,270	5,451,011
Latin America	3,180,182	2,695,448
Other & eliminations	(610,349)	579,656
Other tangible fixed assets	2,621,301	1,144,557
	83,193,652	78,890,746
	91,348,743	91,195,469

10. Provisions and impairment losses

Provisions and as impairment losses for the years ended on 31 December 2012 and 2011 are as follows:

	2012	2011
Provisions (Note 28. Provisions)		
Portugal Engineering & Construction	9,945,015	15,342,816
Portugal Environment & Services	2,988,132	2,047,469
Africa	506,885	496,797
Central Europe	138,628	527,560
Latin America	1,370,225	27,168
Other & eliminations	-	-
	14,948,885	18,441,810
Adjustments and Impairment Losses		
To/In inventories (Note 22 Inventories)		
Portugal Engineering & Construction	-	5,336,175
Portugal Environment & Services	-	2,605,828
Africa	9,236	-
Central Europe	-	160,695
	9,236	8,102,698
Goodwill (Note 16. Goodwill)		
Portugal Engineering & Construction	2,551,602	-
Portugal Environment & Services	971,387	1,475,566
	3,522,989	1,475,566
Tangible fixed assets		
Portugal Engineering & Construction	479,020	-
	479,020	-
	-	-
	4,011,245	9,578,264
Customers & other debtors (Note 23. Other Assets)		
Portugal Engineering & Construction	2,105,335	3,991,196
Portugal Environment & Services	3,883,713	3,420,949
Africa	4,616,931	3,279,106
Central Europe	1,377,629	3,488,241
Latin America	-	3,166,809
Other & eliminations	-	-
	11,983,608	17,346,301
Reversal of provisions and impairment losses		
Portugal Engineering & Construction	(485,044)	(2,819,108)
Portugal Environment & Services	(1,334,062)	(2,021,320)
Africa	(2,115,231)	(867,057)
Central Europe	(2,083,396)	(4,280,924)
Other & eliminations	-	-
	(6,017,733)	(9,988,409)
Total of provisions and impairment losses	24,926,005	35,377,966

During 2011, the value recorded under the heading "Inventory losses on inventories" is explained by the impairment recorded in the subsidiary PTT, on a plot of land, and by the impairments recorded on land in the PORTUGAL ENGINEERING & CONSTRUCTION area.

11. Financial profit /(loss)

The financial results for the years ended on 31 December 2012 and 2011 are broken down as follows:

	2012	2011
Financial income & gains		
Loans and accounts receivable:		
Interest income	22,539,540	20,920,573
Payments discounts received	1,080,943	904,165
Exchange gains	102,572,241	49,609,420
Gains on sales of financial investments	3,168,083	2,814
Other financial assets & liabilities:		
Income from real estate properties	3,975,949	2,729,641
Income from equity investments	31,454	12,157
Fair Value Gains - Financial Instruments	-	342,875
Other financial income & gains	3,349,826	6,664,222
	136,718,036	81,185,867
Financial costs & losses		
Loans and accounts payable:		
Interest losses	86,617,814	81,418,188
Payments discounts received	1,299,042	95,200
Exchange losses	97,182,959	50,014,431
Impairment losses in financial investments	-	2,114,378
Other financial assets & liabilities:		
Fair Value losses - Financial Instruments	-	3,290,267
Other financial costs & losses	34,100,843	23,967,496
	219,200,658	160,899,960
	(82,482,622)	(79,714,093)

The heading “Gains on sales of financial investments” essentially refers to the gain achieved in the disposal of GEOVISION, which also includes the values arising from the reclassification of losses previously recognised under other comprehensive income, relative to the fair value of derivative financial instruments, following the disposal of GEOVISION.

The heading “Income from real estate properties” basically includes the rent of real estate properties located in Portugal.

The heading “Other financial costs and losses” essentially includes costs related to bank guarantees, the organisation of loans and various commissions and costs debited by financial institutions.

As at 31 December 2011, the heading "Impairment losses in financial investments" fundamentally refers to risk hedging associated to the financial investment in Cerâmica de Boialvo.

As at 31 December 2012 and 2011, the heading “Interest paid” is broken down as follows:

	2012	2011
Non-convertible bond loans	5,331,885	4,060,428
Amounts owe to credit institutions:		
Bank loans	16,658,867	25,296,559
Overdraft facilities	13,925,578	11,668,461
Guaranteed accounts	19,444,839	10,058,233
Other loans obtained:		
Commercial paper issues	9,726,391	10,613,156
Other	361,445	1,008,308
	65,449,005	62,705,145
Other interest expense(factoring, leasing and others)	21,168,809	18,713,043
	86,617,814	81,418,188

As at 31 December 2012 and 2011, capitalised financial costs are broken down as follows:

	2012	2011
Fixed assets	2,105,754	2,789,084
Inventories	3,622,788	3,590,301
	5,728,542	6,379,385

As at 31 December 2012 and 2011, for the effect of capitalisation of financial costs at the acquisition cost of the assets under construction referred to above, an average rate of 8.4% and 6.8% was used, respectively.

As at 31 December 2012 and 2011, the GROUP's sensitivity to alterations in the reference interest rate is broken down as follows:

	ESTIMATED IMPACT	
	2012	2011
Variation of financial profit & loss on a 1 p.p. alteration of the interest rate applied to the entire debt (excluding leasing and factoring)	8,504,535	10,047,601
Fixed-rate hedging	(29,528)	(646,321)
Interest-rate derivatives instruments hedging	(600,000)	(2,360,425)
SENSITIVITY OF FINANCIAL PROFIT & LOSS TO INTEREST-RATE VARIATIONS:	7,875,007	7,040,855

As at 31 December 2012 and 2011, the GROUP's assets and liabilities by currency are as follows:

CURRENCY OF REGISTER	2012		2011	
	ASSETS	LIABILITIES	ASSETS	LIABILITIES
Euro (EUR)	1,909,506,259	1,949,910,865	2,263,596,912	2,206,123,405
Czech Crown (CZK)	15,862,157	16,921,362	16,352,342	16,344,056
Algerian Dinar (DZD)	2,373,632	345,437	2,417,504	205,646
S. Tomé and Príncipe Dobra (STD)	1,409,301	484,121	5,218,556	4,514,202
US Dollar (USD)	1,024,570,657	642,661,228	802,638,047	546,042,974
Cape Verde Escudo (CVE)	14,843,892	8,648,613	12,122,051	7,995,281
Hungarian Forint (HUF)	28,431,363	6,849,094	7,402,566	8,916,184
Angola Kwanza (AOK)	46,791,177	27,026,854	40,435,759	26,879,812
Mozambique Metical (MZM)	118,837,360	110,627,636	136,875,868	114,086,875
Romania New Leu (RON)	-	619,664	550,338	2,536,142
Mexican Peso (MXN)	49,477,122	8,586,160	1,788,986	60,179
South Africa Rand (ZAR)	633,285	388,300	-	886,346
Brazilian Real (BRL)	41,954,524	2,272,268	321,072	103,860
Polish Zloty (PLN)	256,337,344	208,941,132	219,273,183	173,850,406
Colombian Peso (COP)	708,025	60,712	-	-
Peruvian Novo Sol (PEN)	82,095,245	169,351,865	-	-
Malawian Kwacha (MWK)	4,917,190	9,072,206	15,303,743	926,971
	3,598,748,533	3,162,767,518	3,524,296,928	3,109,472,342

As at 31 December 2012 and 2011, the GROUP's sensitivity to exchange rate variations of the United States Dollar (USD) and Polish New Zloty (PLN) is broken down as follows:

	NET RESULT	EQUITY
Estimated impact of the appreciation of 1%:		
of US Dollar (USD) to Euro (EUR)	780,894	2,408,953
of Polish Zloty (PLN) to Euro (EUR)	(80,164)	488,415

2011	NET RESULT	EQUITY
Estimated impact of the appreciation of 1%:		
of US Dollar (USD) to Euro (EUR)	519,595	2,178,887
of Polish Zloty (PLN) to Euro (EUR)	20,037	470,473

12. Gains and losses in associates and joint ventures

Gains in associates and joint ventures for the year ended on 31 December 2012 and 2011 are broken down as follows:

GAINS IN ASSOCIATES AND JOINTLY CONTROLLED COMPANIES	2012	2011
Asinter	69,421	203,768
Auto Sueco Angola	2,361,126	2,124,893
Cimertex & Companhia	3,774,696	1,640,345
Cimertex Angola	3,077,302	977,827
Ascendi Group	25,023,416	19,859,480
Indaqua Group	15,678,532	-
Obol Invest Group	141,278	-
Soltysowska Group	37,330	142,375
Suma Group subsidiaries	292,602	269,907
Haçor	-	154,381
HL - Sociedade Gestora do Edifício	900,018	-
Ibercargos	87,174	-
TPE Paita	3,119,282	-
STM	-	94,329
Tersado	-	192,542
Vortal Group	237,845	310,466
Other	251,466	1,213,784
	55,051,489	27,184,098

The value for the INDAQUA GROUP includes approximately 15,400,000 euros relative to the recognition of a gain in the revaluation of the investment held in INDAQUA, measured at its fair value, following the sale of a minority position and consequent loss of the GROUP's control in the business group.

During 2012, and following the loss of the GROUP's control, the company Terminais Portuários Euroandinos was no longer consolidated through the full method and began to be considered an associate, thus being recorded through the equity method. Its book value does not differ significantly from its fair value.

Losses in associates and joint ventures for the year ended on 31 December 2012 and 2011 are broken down as follows:

LOSSES IN ASSOCIATES AND JOINTLY CONTROLLED COMPANIES	2012	2011
Martifer Group	20,944,871	18,600,131
Obol Invest Group	-	174,531
SLPP Group	1,368,090	173,588
Haçor	5,129	-
HL - Sociedade Gestora do Edifício	-	236,321
Ibercargos	-	1,148,217
Mota-Engil Opway Mexicana	31,340	3,453,841
Probigalp	-	2,010,770
Tersado	83,087	-
Other	10,273,193	756,605
	32,705,709	26,554,004
GAINS / (LOSSES) IN ASSOCIATES AND JOINTLY CONTROLLED COMPANIES	22,345,779	630,094

13. Income tax

The detail and movement of deferred tax assets and liabilities, as at 31 December 2012 and 2011, in accordance with the temporary differences that gave rise to them, are as follows:

DEFERRED TAX ASSETS	2011	VARIATION OF PERIMETER	EFFECT IN RESULTS	EFFECT IN RESERVES	2012
Provisions not accepted for tax purposes	18,885,002	-	2,550,384	1,221,967	22,657,353
Accrued costs not accepted for tax purposes	3,271,549	-	255,152	-	3,526,701
Tax losses	15,004,239	(462,606)	(341,162)	-	14,200,471
Reduction of depreciation not accepted for tax purposes	1,636,007	(87,738)	702,164	-	2,250,433
Fair value of derivatives (Note 26)	5,859,130	(4,332,934)	-	(1,129,032)	397,164
Other	5,975,892	1,666,677	(329,643)	(182)	7,312,744
	50,631,819	(3,216,601)	2,836,895	92,753	50,344,866
DEFERRED TAX ASSETS	2010		EFFECT IN RESULTS	EFFECT IN RESERVES	2011
Provisions not accepted for tax purposes	16,097,547		2,787,455	-	18,885,002
Accrued costs not accepted for tax purposes	4,386,776		(1,115,227)	-	3,271,549
Tax losses	15,621,452		613,829	(1,231,042)	15,004,239
Reduction of depreciation not accepted for tax purposes	1,547,812		88,195	-	1,636,007
Fair value of derivatives (Note 26)	3,607,759		-	2,251,371	5,859,130
Other	6,607,939		624,917	(1,256,944)	5,975,892
	47,869,265		2,999,169	(236,615)	50,631,819
DEFERRED TAX LIABILITIES	2011	VARIATION OF PERIMETER	EFFECT IN RESULTS	EFFECT IN RESERVES	2012
Revaluation of fixed assets	8,923,745	-	(135,752)	1,078,627	9,866,620
Deferred capital gains tax	673,180	-	(4,159)	-	669,021
Depreciation not accepted for tax purposes	3,405,618	-	1,250,753	-	4,656,371
Fair value on incorporated joint ventures	8,134,290	-	(422,989)	-	7,711,301
Untaxed accrued income	2,285,813	-	(443,598)	-	1,842,215
Other	6,880,304	(2,769,012)	681,501	2,075,223	6,868,016
	30,302,950	(2,769,012)	925,756	3,153,850	31,613,544
DEFERRED TAX LIABILITIES	2010		EFFECT IN RESULTS	EFFECT IN RESERVES	2011
Revaluation of fixed assets	10,568,929		(45,779)	(1,599,405)	8,923,745
Losses on incorporated joint ventures	-		-	-	-
Deferred capital gains tax	672,857		323	-	673,180
Depreciation not accepted for tax purposes	2,498,260		907,358	-	3,405,618
Fair value on incorporated joint ventures	8,557,279		(422,989)	-	8,134,290
Untaxed accrued income	2,533,523		(235,022)	(12,688)	2,285,813
Other	7,652,056		2,195,570	(2,967,322)	6,880,304
	32,482,904		2,399,461	(4,579,415)	30,302,950

As at 31 December 2012 and 2011, the effect on the income statement of the recording of deferred tax assets and liabilities was positive by 1,911,139 euros and 599,708 euros, while the effect on equity was negative by 3,061,097 euros and 4,342,800 euros, respectively.

As at 31 December 2012 and 2011, according to the tax returns of the companies which recorded deferred tax assets for tax losses, using for this effect the exchange rates on that date, the following deferred tax assets were carried forward:

2012	TAX LOSSES	DEFERRED TAX ASSETS
Year booked:		
up to & including 2008	38,377,314	6,843,168
2009	10,896,523	2,931,017
2010	5,214,820	1,550,380
2011	1,699,947	435,168
2012	11,279,187	2,440,738
	67,467,791	14,200,471
Time limit:		
2013	3,502,192	850,542
2014	6,410,555	1,594,109
2015	3,799,438	1,037,672
2016	1,016,614	294,124
after 2017	52,738,992	10,424,024
	67,467,791	14,200,471

2011	TAX LOSSES	DEFERRED TAX ASSETS
Year booked:		
up to & including 2007	9,077,381	2,249,144
2008	34,110,529	6,151,025
2009	9,456,099	2,433,527
2010	13,300,392	3,272,871
2011	3,800,285	897,672
	69,744,686	15,004,239
Time limit:		
2012	4,225,305	1,054,419
2013	2,719,690	656,293
2014	15,972,118	3,996,061
2015	12,715,387	3,151,217
after 2016	34,112,186	6,146,249
	69,744,686	15,004,239

As at 31 December 2012, an assessment was made of the deferred tax assets to be recognised arising from tax losses. For situations where this generated deferred tax assets, they were only recorded when it was considered likely that there would be taxable profits in the future and that they could be used to recover the deductible tax losses or taxable differences. This assessment was based on the business plans of the companies of the GROUP, which are periodically reviewed and updated, and on the available and identified tax planning opportunities.

As at 31 December 2012 and 2011, the tax losses carried forward reached 71,469,010 euro and 84,021,641 euros, respectively, whose deferred tax assets are not recorded, for motives of prudence.

2012	TAX LOSSES	DEFERRED TAX ASSETS
Year booked:		
up to & including 2008	30,315,822	7,936,416
2009	16,037,256	3,163,344
2010	7,292,935	1,089,322
2011	9,312,837	1,860,121
2012	8,510,160	1,380,386
	71,469,010	15,429,589
Time limit:		
2013	20,642,833	5,024,291
2014	10,606,332	2,623,428
2015	15,059,622	3,625,154
2016	3,646,502	849,547
after 2017	21,513,721	3,307,169
	71,469,010	15,429,589

2011	TAX LOSSES	DEFERRED TAX ASSETS
Year booked:		
up to & including 2007	24,101,234	5,984,296
2008	6,338,760	824,504
2009	22,351,770	3,277,189
2010	20,090,997	3,952,155
2011	11,138,880	2,837,612
	84,021,641	16,875,756
Time limit:		
2012	19,182,946	4,739,967
2013	8,362,242	2,054,875
2014	5,986,092	796,850
2015	6,596,330	939,439
after 2016	43,894,031	8,344,625
	84,021,641	16,875,756

Income tax recognised for the year ended on 31 December 2012 and of 2011 is detailed as follows:

	2012	VARIATION OF PERIMETER
Current tax	38,948,152	19,821,250
Deferred tax	(1,911,139)	(599,708)
	37,037,013	19,221,542

During the years ended on 31 December 2012 and 2011, the reconciliation of the tax for the year and current tax is broken down as follows:

	2012	VARIATION OF PERIMETER
Current tax	38,948,152	19,821,250
Deferred tax		
Net reversion of taxes brought forward	341,162	(613,829)
Deferred taxes related to amortising the fixed-asset revaluation reserves	(389,826)	(387,398)
Reversion of deferred taxes generated by temporary differences	(1,904,236)	2,030,736
Deferred taxes in respect of changes to the tax rates or of the introduction or abolition of taxes	12,218	(1,463,824)
Other differences not previously recognised as deferred taxes	29,543	(165,393)
	(1,911,139)	(599,708)
TAX OF THE YEAR	37,037,013	19,221,542
Real tax rate	33.4%	21.3%

MOTA-ENGIL SGPS is covered, since January 2010, by the Special Tax Regime for Groups of Companies (RETGS), therefore current tax is calculated based on the taxable profit or loss of the companies included in the consolidation and on the special regime referred to above, pursuant to its rules

The RETGS covers all the subsidiaries whose share capital is at least 90% held, directly or indirectly, and which are resident in Portugal and subject to Corporate Income Tax.

For companies not covered by the special tax regime, current tax is calculated based on the respective taxable profit or loss, pursuant to the tax rules in force at the location of head office of each company.

As of 1 January 2007, the municipalities began to be entitled to deliberate an annual surcharge up to the maximum limit of 1.5% of taxable profit subject to and not exempt from Corporate Income Tax. This provision thus implies that the tax rate used in the calculation of deferred taxes on any tax losses carried forward is now 25%, and 28.5% for all other temporary differences generated in the recognition of the income tax for the year.

The State Budget law for 2012 introduced the following alterations:

The part of taxable profit above 1,500,000 euros subject to and not exempt from Corporate Income Tax calculated for taxable persons resident on Portuguese territory which exercise, as the core business, an activity of commercial, industrial or agricultural nature, and for non-residents with stable establishments on Portuguese territory, is subject to the additional rates presented in the following table:

- i) Taxable profit between 1,500,000 euros and 10,000,000 euros: additional rate of 3%;
- ii) Taxable profit above 10,000,000 euros: additional rate of 5%.

The amount of the part of taxable profit in excess of 1,500,000 euros, when above 10,000,000 euros, is divided into two parts: one, equal to 8,500,000 euros, which is subject to the rate of 3%; the other, equal to the taxable profit in excess of 10,000,000 euros, subject to the rate of 5%.

The State Budget law for 2013 introduced the following alterations:

For taxation periods which start after 1 January 2013, the part of taxable profit above 1,500,000 euros subject to and not exempt from Corporate Income Tax calculated for taxable persons resident on Portuguese territory which exercise, as the core business, an activity of commercial, industrial or agricultural nature, and for non-residents with stable establishments on Portuguese territory, is subject to the additional rates presented in the following table:

- iii) Taxable profit between 1,500,000 euros and 7,500,000 euros: additional rate of 3%;
- iv) Taxable profit above 7,500,000 euros: additional rate of 5%.

The amount of the part of taxable profit in excess of 1,500,000 euros, when above 7,500,000 euros, is divided into two parts: one, equal to 6,000,000 euros, which is subject to the rate of 3%; the other, equal to the taxable profit in excess of 7,500,000 euros, subject to the rate of 5%.

When the special tax regime for groups of companies is applicable, the rates referred to in number 1 are incident on the taxable profit calculated in the individual periodic tax return of each company group, including that of the dominant company.

As at 31 December 2012 and 2011, the reconciliation between the nominal and effective income tax rates is presented as follows:

	RATE	TAX BASIS	TAX
Nominal rate & tax on income	28.50%	111,043,552	31,647,412
Results of associates using the equity method	-5.7%	(22,345,779)	(6,368,547)
Difference between tax and book gains and losses	-1.3%	(4,957,608)	(1,412,918)
Tax losses of the year for which no deferred tax assets were recognised	2.2%	8,588,208	2,447,639
Reversal of losses carried forward	1.3%	5,174,575	1,474,754
Differentiated tax rates	-12.1%	(47,244,275)	(13,464,619)
Gains on derivative instruments	0.0%	19,633	5,595
Autonomous taxation	2.8%	10,901,247	3,106,855
Other costs (other than provisions), non fiscal & non revertible	17.0%	66,043,666	18,822,445
Other adjustments	0.7%	2,731,214	778,397
	-	-	-
EFFECTIVE RATE & TAX ON INCOME	33.4%	-	37,037,013

	RATE	TAX BASIS	TAX
Nominal rate & tax on income	26.50%	90,299,881	23,929,468
Results of associates using the equity method	-0.2%	(630,094)	(166,975)
Difference between tax and book gains and losses	1.5%	5,200,087	1,378,023
Tax losses of the year for which no deferred tax assets were recognised	1.2%	4,257,596	1,128,263
Reversal of losses carried forward	0.1%	232,869	61,710
Dividends not taxable	0.0%	-	-
Differentiated tax rates	-14.9%	(50,567,755)	(13,419,443)
Gains on derivative instruments	0.0%	22,941	6,079
Autonomous taxation & other costs (other than provisions), non fiscal & non revertible	2.4%	8,056,726	2,135,032
Other adjustments	4.6%	15,733,525	4,169,385
EFFECTIVE RATE & TAX ON INCOME	21.3%		19,221,542

Pursuant to the national legislation in force, tax returns are subject to review and correction by the tax authorities during a period of four years (five years for Social Security), unless tax losses have occurred, tax benefits have been granted or inspections, claims or objections are underway, in which case, depending on the circumstances, these periods are extended or suspended. Therefore, the tax returns for 2009 to 2012 may still be subject to review. The GROUP's Board of Directors is of the opinion that any corrections, arising from different interpretations of the legislation in force, by the tax authorities, will not have a significant effect on the consolidated financial statements attached herewith.

No provision has been created to cover any risks related to the events/disputes for which there are proceedings underway and/or guarantees have been provided, since the Board of Directors believes that the settlement of the said events/disputes will not give rise to any liabilities for the GROUP.

As corroborated by our lawyers and tax consultants. There are no material assets or liabilities associated to probable or possible tax contingencies which should be disclosed in the Notes to the consolidated financial statements as at 31 December 2012.

14. Dividends

The Individual Management Report presents the following proposal: the Board of Directors of MOTA-ENGIL, SGPS, SA proposes to the Annual General Meeting, the following appropriation of the Net Income for the Year, of the value of 31,006,109 euros, which already includes the amounts of 700,000 euros and 300,000 euros allocated to the distribution of profits, respectively, to the Board of Directors, under the terms of number 3 of article 27 of the Memorandum and Articles of Association, and to the remaining workers:

- a) For the legal reserve, 5% corresponding to 1,550,305 euros and 45 euro cents;
- b) For distribution to the shareholders, 11 euro cents per share, subject to tax, of the total value of 22,509,926 euros and 45 euro cents;
- c) For free reserves, the remainder, of the value of 6,945,877 euros and 10 euro cents.

On 17 May 2012, payment was commenced of the dividend of 0.11 euros per share relative to the fiscal year of 2011, with a total of 22,509,926 euros and 45 euro cents having been paid.

On 28 April 2011, payment was commenced for the dividend of 0.11 euros per share relative to the fiscal year of 2010, with a total of 22,509,926 euros and 45 euro cents having been paid.

15. Earnings per share

The COMPANY has only issued ordinary shares, hence there are no special rights to dividends or voting.

There is no situation in the GROUP which might lead to a reduction of earnings per share as a result of options, warrants, convertible bonds or other rights associated to ordinary shares.

Therefore, there is no dissimilarity between the calculation of basic earnings per share and the calculation of diluted earnings per share.

No ordinary shares were issued during 2012 and 2011. The average number of ordinary shares during these years was affected by the net changes which occurred in the number of treasury shares, which are presented in detail in Note 24. Share capital and reserves.

For the fiscal years of 2012 and 2011, the calculation of the earnings per share may be demonstrated as follows:

		2012	VARIATION OF PERIMETER
Consolidated net profit/(loss) attributable to the Group	(I)	40,745,635	33,432,054
Total number of ordinary shares	(II)	204,635,695	204,635,695
Number of own shares at the year-end	(III)	11,101,379	11,101,379
Weighted average number of own shares	(IV)	11,101,379	11,036,315
NUMBER OF SHARES OUTSTANDING	(II - IV)	193,534,316	193,599,380
Earnings per share:		-	-
basic	(I) / (II - IV)	0.2105	0.1727
diluted	(I) / (II - IV)	0.2105	0.1727

16. Goodwill

The information on goodwill, for the years ended on 31 December 2012 and 2011, is broken down as follows:

	2012				2011	
	GROSS GOODWILL	IMPAIRMENTS OF THE YEAR (NOTA 10.1)	ALTERATIONS TO THE CONSOLIDATION	ACCUMULATED IMPAIRMENTS	NET GOODWILL	NET GOODWILL
Portugal Engineering & Construction						
Aurimove	83,242	-	-	(33,297)	49,945	49,945
Cecot	1,440,027	-	-	-	1,440,027	1,440,027
Corgimobil	635,615	-	-	-	635,615	635,615
Grossiman	1,989,078	-	-	(1,989,078)	-	-
Mota-Engil Engenharia	2,972,937	(2,551,602)	-	(421,335)	-	2,551,602
Mota Viso	19,900	-	-	(7,960)	11,940	11,940
MKC	271,708	-	-	-	271,708	271,708
Mota-Engil S.Tomé	10,312	-	-	-	10,312	10,312
	7,422,819	(2,551,602)	-	(2,451,670)	2,419,547	4,971,149
Portugal Environment & Services						
Indaqua Group	-	-	-	-	-	5,618,187
Suma Group	13,937,360	(971,387)	-	(2,060,548)	10,905,425	11,876,812
Tertir Group	100,681,422	-	-	-	100,681,422	100,681,422
Lokemark	521,418	-	-	-	521,418	521,418
Manvia	1,072,318	-	-	(74,662)	997,656	997,656
Vibeiras	189,314	-	-	-	189,314	189,314
	116,401,832	(971,387)	-	(2,135,210)	113,295,235	119,884,809
Africa						
Mota-Engil S. Tomé	132,440	-	-	-	132,440	132,440
	132,440	-	-	-	132,440	132,440
Central Europe						
Eltor	2,846,770	-	-	-	2,846,770	2,601,556
Mota-Engil Central Europe Slovakia	818,242	-	-	-	818,242	818,242
Mota-Engil Central Europe Poland	7,072,457	-	-	(928,847)	6,143,610	5,614,416
Mota-Engil Central Europe Czech Republic	1,170,967	-	-	-	1,170,967	1,162,396
Ekosrodowisko	205,624	-	-	-	205,624	187,913
	12,114,060	-	-	(928,847)	11,185,213	10,384,523
	136,071,151	(3,522,989)	-	(5,515,727)	127,032,435	135,372,921

The movements which occurred in goodwill during the years ended on 31 December 2012 and 2011 are as follows:

	% OF ACQUISITION	2012	2011
GOODWILL AT THE BEGINNING OF THE YEAR		135,372,921	135,309,629
Increases of goodwill			
Cecot	100%	-	1,440,027
Eltor	100%	-	2,601,556
		-	4,041,583
Impairment losses			
Suma Group		(971,387)	(1,475,566)
Mota-Engil Engenharia		(2,551,602)	-
		(3,522,989)	(1,475,566)
Transfers			
Transpolixos (lands)		-	(751,927)
Fatra (lands)		-	(1,035,945)
		-	(1,787,872)
Alterations of goodwill for perimeter variations			
Indaqua Group		(5,618,187)	-
		(5,618,187)	-
Alterations to goodwill for currency updates			
Eltor		245,214	-
Ekosrodowisko		17,711	(22,832)
Mota-Engil Central Europe Poland		529,194	(682,203)
Mota-Engil Central Europe Czech Rep.		8,571	(9,818)
		800,690	(714,853)
GOODWILL AT THE END OF THE YEAR		127,032,435	135,372,921

The acquisitions referred to above during 2011 were recorded through the purchase method and their acquisition was paid for in cash. As a result of these acquisitions, the GROUP did not dispose of any of the operations developed by the acquired companies.

The MOTA-ENGIL GROUP performs annual impairment test on goodwill, as defined in subparagraph i) of the Main valuation criteria in Note 1. Accounting Policies. As at 31 December 2012, the methods and assumptions used in the appraisal of the existence, or not, of impairment for the main values of goodwill recorded in the financial statements attached herewith were as follows:

Assumptions	MOTA-ENGIL CENTRAL EUROPE POLAND	SUMA GROUP	TERTIR GROUP
Method used	Value in use	Value in use	Value in use
Basis used	Forecasts	Forecasts	Business Plans
Period used	5 years	5 years	Useful life
Growth rate of cash-flows			
Year n+1	-29%	8%	n.a.
Year n+3	5%	2%	n.a.
Growth rate of cash-flows in perpetuity	3.00%	3.00%	n.a.
Discount rate used	10.66%	7.65%	7.40%

During the year ended on 31 December 2010, the GROUP started to record the acquisition differences in accordance with the alterations introduced by the new IFRS 3.

The value in use corresponds to the estimated present value of future cash flow, calculated based on budgets and business plans duly approved by the GROUP's Board of Director, which, with the exception of those relative to concession projects, cover, on average, a period of five years. Cash flow projections beyond five years were extrapolated by applying a fixed growth rate in perpetuity, which does not exceed the average rate of future growth of revenue of the sector in which the company operates.

Differences between the acquisition price of the financial investments in GROUP companies (subsidiaries), increased by the value of non-controlling interests, and the amount attributed to the fair value of the identifiable assets and liabilities of these companies as at the date of their acquisition, when positive are recorded under the heading

“Goodwill” and, when negatives, after a revaluation of their measurement, are recorded directly in the income statement.

The main assumptions used in the calculation of the value in use included in particular: (i) the subsidiary’s market share; (ii) growth prospects of the market in which the subsidiary operates; (iii) regulatory alterations which might influence the subsidiary’s business in the future; (iv) the necessary level of investment, etc. These assumptions were quantified based on historical data, as well as on the experience of the GROUP’s Board of Directors. However, these assumptions might be affected by phenomena of political, economic or legal nature which are unpredictable at this moment in time.

Acquisitions of interests in entities which are already controlled and sales of interests in entities, which do not lead to a loss of control, are treated as transactions between shareholders affecting only the equity headings, with there being no impact on the heading “Goodwill” or on net income.

The acquisitions of financial holdings which occurred during 2012, consolidated through the full method, did not have any material impact on the GROUP’s assets, liabilities, costs and income, hence they were not disclosed.

The MOTA-ENGIL GROUP did not acquire any financial holding of material significance between 31 December 2012 and the date of approval of these financial statements.

17. Intangible assets

The information on the net values of intangible assets by segment, for the fiscal years of 2012 and 2011 is broken down as follows:

	PORTUGAL ENGINEERING & CONSTRUCTION	PORTUGAL ENVIRONMENT & SERVICES	AFRICA	CENTRAL EUROPE	LATIN AMERICA	OTHER & ELIMINATIONS	MOTA-ENGIL GROUP
2012							
Development costs	-	343,863	123,275	7,475	7,240	13,475	495,328
Software & other rights	134,241	958,958	1,644,745	20,321,215	1,979,100	(18,839,894)	6,198,365
Concession Operation Licenses	-	107,265,730	-	-	-	-	107,265,730
Fixed assets in progress	15,000	10,617,280	101,334	-	-	-	10,733,614
Other intangible fixed assets	-	127,400	229,429	-	-	-	356,829
	149,241	119,313,231	2,098,783	20,328,690	1,986,340	(18,826,419)	125,049,866
2011							
Development costs	-	438,921	89,947	8,121	657,544	(1)	1,194,532
Software & other rights	232,240	820,559	198,307	20,426,460	1,340,334	(18,182,956)	4,834,944
Concession Operation Licenses	-	254,939,793	-	-	486,348	2	255,426,143
Fixed assets in progress	-	36,550,966	103,331	-	9,369,817	38,250	46,062,364
	232,240	292,750,239	391,585	20,434,581	11,854,043	(18,144,705)	307,517,983

The information on the gross values of intangible assets for the years ended on 31 December 2012 and 2011, is broken down as follows:

	DEVELOPMENT COSTS	SOFTWARE & OTHER RIGHTS	CONCESSION OPERATION LICENSES	FIXED ASSETS IN PROGRESS	OTHER INTANGIBLE FIXED ASSETS	TOTAL
2012						
Opening balance	5,160,904	16,170,956	326,170,697	46,062,364	-	393,564,921
Increases	16,018	3,482,372	1,086,028	3,774,489	157,685	8,516,592
Disposals	-	(12,297)	(16,726)	-	-	(29,023)
Write-offs	-	(159,353)	(85,000)	(17,389)	-	(261,742)
Exchange Differences	(26,768)	(76,542)	-	-	-	(103,310)
Variation of perimeter	(1,495,306)	(575,320)	(183,645,100)	(37,523,256)	-	(223,238,982)
Transfers & other movements	(39,374)	378,053	14,323,560	(1,562,594)	1,047,819	14,147,464
	3,615,474	19,207,869	157,833,459	10,733,614	1,205,504	192,595,920
2011						
Opening balance	5,463,168	13,703,962	301,139,066	15,938,021	-	336,244,217
Increases	380,041	1,031,986	14,100,694	30,950,602	-	46,463,323
Disposals	-	(28,511)	(303,074)	(273,250)	-	(604,835)
Write-offs	(333,539)	(86,256)	(164,733)	-	-	(584,528)
Exchange Differences	(58,943)	24,084	-	64,795	-	29,936
Variation of perimeter	93	1,314	-	-	-	1,407
Transfers & other movements	(289,916)	1,524,377	11,398,744	(617,804)	-	12,015,401
	5,160,904	16,170,956	326,170,697	46,062,364	-	393,564,921

As at 31 December 2012 and 2011, the heading “Concession operating licenses” essentially refers to the accounting, in accordance with IFRIC 12, of port concession operating rights (as well as water/sanitation concessions relative to the INDAQUA GROUP during 2011).

As at 31 December 2012, the values recorded under perimeter variations are explained, in particular, by the fact that the INDAQUA SUBGROUP and the company TPE PAITA changed their method from full consolidation to integration through the equity method (Note 35).

The information on the accumulated amortisation and impairment losses of intangible assets, for the years ended on 31 December 2012 and 2011, is broken down as follows:

	DEVELOPMENT COSTS	SOFTWARE & OTHER RIGHTS	CONCESSION OPERATION LICENSES	FIXED ASSETS IN PROGRESS	OTHER INTANGIBLE FIXED ASSETS	TOTAL
2012						
Opening balance	(3,966,372)	(11,336,012)	(70,744,554)	-	-	(86,046,938)
Increases	(115,579)	(1,712,509)	(6,009,127)	-	(317,876)	(8,155,091)
Disposals	-	12,297	8,028	-	-	20,325
Write-offs	-	159,078	40,800	-	-	199,878
Exchange Differences	11,235	(47,708)	-	-	-	(36,473)
Variation of perimeter	985,155	370,641	25,731,289	-	-	27,087,085
Transfers & other movements	(34,585)	(455,291)	405,835	-	(530,799)	(614,840)
	(3,120,146)	(13,009,504)	(50,567,729)	-	(848,675)	(67,546,054)
2011						
Opening balance	(3,853,777)	(10,049,656)	(57,359,963)	-	-	(71,263,396)
Increases	(383,675)	(1,521,665)	(10,399,383)	-	-	(12,304,723)
Disposals	-	22,375	133,352	-	-	155,727
Write-offs	59,126	86,256	72,483	-	-	217,865
Exchange Differences	46,461	(24,084)	-	-	-	22,377
Variation of perimeter	(93)	(506)	-	-	-	(599)
Transfers & other movements	165,586	151,268	(3,191,043)	-	-	(2,874,189)
	(3,966,372)	(11,336,012)	(70,744,554)	-	-	(86,046,938)
NET VALUE						
2012	495,328	6,198,365	107,265,730	10,733,614	356,829	125,049,866
2011	1,194,532	4,834,944	255,426,143	46,062,364	-	307,517,983

The information on the net values of intangible allocated to each concession is as follows:

	2012	2011
Indagua Group	-	157.427.464
Tertir Group	104.350.546	95.062.311
Other	2.915.184	2.936.368
	107.265.730	255.426.143

The most significant values included under the heading “Intangible assets in progress” for 2012 and 2011 refer to the following projects:

Description	2012
Lifting equipment (Ferrol)	9.475.846
	9.475.846
DESCRIPTION	2011
Widening works extensions for water supply / sanitation (Indagua Group)	34.195.384
Construction of a new pier for containers (Paíta - Peru)	2.021.332
Site Sograin - NSRF Project (Socarpor Aveiro)	2.583.359
Improvement works of the Port of Leixões (TCL)	5.369.494
	44.169.569

In 2010, the application of IFRIC 12 introduced various alteration relative to the provisions and interpretations of the standards which were in force, whose impact on the financial statements of the GROUP's concessionaire companies mainly occurred: (i) in the reclassification to the intangible assets heading of part of the assets under concession where the concessionaire companies of the MOTA-ENGIL GROUP had and have an operating right of these concessions, and where these companies assume the risk of demand of the operation (intangible model): port concessions and water/sanitation concessions.

The concession operating licenses are being amortises during the respective validity period of the concession.

The appraisal of the existence, or not, of impairment for the main values of the intangible assets is based on the Business Plans of the respective companies, as mentioned in Note 16. Goodwill, relative to impairment tests on

goodwill.

The valuation criteria established by the GROUP for the measurement of the value of these intangible assets are noted in subparagraph ii) of the Main valuation criteria in Note 1. Accounting Policies.

As at 31 December 2011 and 2012, the book value of the intangible assets would not undergo significant alterations if carried in accordance with the cost model.

The main port concessions in operation of the GROUP's subsidiaries, consolidated through the full consolidation method, their main characteristics and duration are presented below:

	TYPE	DURATION WITHOUT PROROGATION	REVERSIBLE ASSETS
Tertir Group			
Liscont	Port	2042	yes
Socarpor Aveiro	Port	2026	yes
Sotagus	Port	2020	yes
TCL	Port	2024	yes

In July 2010, the Assembly of the Republic revoked the Amendment to the Concession Contract for Alcântara Container Terminal, which provided for the extension of the concession contract until 2042. This revocation was analysed by the Commercial Arbitration Centre which, on 14 October 2011, judged that the application of annulment of the Amendment to the Concession Contract for the Right of Operation under a Public Service Regime of Alcântara Container Terminal, submitted by APL – Administração do Porto de Lisboa, S.A., was unfounded, based on the grounds of the unconstitutionality of Law number 14/2011, of 23 July, which revoked the said Amendment. Furthermore, part of the investments foreseen in the draft extension of the concession contract had not received the favourable opinion of the Ministry of the Environment. In view of the arbitral award issued by the Commercial Arbitration Centre, the Board of Directors believes that the concession period of the terminal expires in 2042, and therefore the COMPANY is amortising the concession license, recorded under the heading "Intangible assets", as well as the costs inherent to the process of preparation of the Amendment referred to above recorded under the heading "Deferred Assets", up to 2042 (Note 23).

18. Tangible assets

The information on the net values of the tangible assets by business segment, for 2012 and 2011 is broken down as follows:

	PORTUGAL ENGINEERING & CONSTRUCTION	PORTUGAL ENVIRONMENT & SERVICES	AFRICA	CENTRAL EUROPE	LATIN AMERICA	OTHER & ELIMINATIONS	MOTA-ENGIL GROUP
2012							
Land & buildings	95,270,824	16,713,107	77,340,533	28,308,616	11,628,016	18,786,120	248,047,216
Equipment	135,946,650	82,305,820	51,437,338	46,483,519	20,596,243	1,432,517	338,202,087
Tangible fixed assets in progress	8,075,702	3,215,540	3,246,054	2,856,090	1,342,255	28,843	18,764,484
Other tangible fixed assets	172,994	1,591,557	656,273	2,798	5,993,041	921	8,417,584
	239,466,170	103,826,024	132,680,198	77,651,023	39,559,555	20,248,401	613,431,371
2011							
Land & buildings	99,918,995	23,343,884	58,917,529	29,622,200	2,837,488	19,264,749	233,904,845
Equipment	108,523,245	95,379,588	44,318,675	41,689,372	17,167,413	2,266,663	309,344,956
Tangible fixed assets in progress	3,219,845	4,684,822	3,591,182	3,400,985	284,143	(i)	15,180,976
Other tangible fixed assets	554,904	2,320,780	766,275	37,909	2,445,136	921	6,125,925
	212,216,989	125,729,074	107,593,661	74,750,466	22,734,180	21,532,332	564,556,702

The information on the gross values of the tangible assets for the years ended on 2012 and 2011 is broken down as follows:

	LAND & BUILDINGS	EQUIPMENT	TANGIBLE FIXED ASSETS IN PROGRESS	OTHER FIXED ASSETS	TOTAL
2012					
Opening balance	292,372,632	856,289,740	15,180,976	15,148,320	1,178,991,668
Increases	7,847,473	94,385,019	27,370,090	7,016,689	136,619,271
Disposals	(4,345,546)	(26,106,029)	(912,305)	(14,684)	(31,378,564)
Write-offs	(2,916,674)	(7,375,309)	(852,660)	(297,880)	(11,442,523)
Revaluation	5,828,903	-	-	-	5,828,903
Exchange Differences	1,907,523	4,017,650	241,891	(50,803)	6,116,261
Variation of perimeter	11,855,365	1,202,620	(437,900)	3,870,524	16,490,609
Transfers & other movements	2,067,189	13,284,523	(21,825,608)	(5,971,783)	(12,445,679)
	314,616,865	935,698,214	18,764,484	19,700,383	1,288,779,946
2011					
Opening balance	285,224,542	819,629,773	28,032,677	11,957,193	1,144,844,185
Increases	10,300,011	50,683,038	29,847,132	2,518,500	93,348,681
Disposals	(8,101,169)	(24,071,426)	(7,021,008)	(1,175,199)	(40,368,802)
Write-offs	(3,592,307)	(17,344,586)	(350,331)	(303,358)	(21,590,582)
Revaluation	(4,591,742)	-	-	-	(4,591,742)
Exchange Differences	139,665	(1,357,315)	(455,285)	67,365	(1,605,570)
Variation of perimeter	209,372	854,060	22,843	-	1,086,275
Transfers & other movements	12,784,260	27,896,195	(34,895,052)	2,083,819	7,869,222
	292,372,632	856,289,740	15,180,976	15,148,320	1,178,991,668

As at 31 December 2012, the net change recorded in revaluation under the heading “Land and buildings” is essentially explained by the revaluation of a plot of land and buildings for own use located in Peru.

As at 31 December 2011, the net change recorded in revaluation under the heading “Land and buildings” is mainly explained by the revaluation of the land assigned to the operation of quarries.

As at 31 December 2012, the value recorded in perimeter variation refers, almost entirely, to the INDAQUA SUBGROUP (negative value of approximately 17,000,000 euros), for which, relative to the year ended on 31 December 2012, the GROUP changed the method from full consolidation to integration through the equity method, and to the company NOVICER (positive value of approximately 28,000,000 euros), which, for the year ended on 31 December 2012, was consolidated for the first time through the full consolidation method due to the GROUP’s increased holding in this company.

As at 31 December 2011, the value recorded in perimeter variation refers, almost entirely, to the subsidiaries ELTOR and CECOT, which, for the year ended on 31 of December 2011, were consolidated for the first time.

As at 31 December 2012, the value recorded under the heading “Transfers and other movements” essentially refers to the transfer made by the subsidiary FERROL of a tangible to an intangible asset (approximately 10,000,000 euros) and to the movement recorded by the subsidiary BERGAMON, of the transfer of a plot of land to inventories (approximately 4,000,000 euros).

As at 31 December 2011, the value recorded under the heading “Transfers and other movements” essentially refers to the transfer relative to Nsanje Port (Malawi).

As at 31 December 2011, the value recorded under the heading “Write-offs” is explained by the high number of write-offs made in the subsidiaries of Portugal of the ENGINEERING & CONSTRUCTION area, under the process of the merger of these companies into MOTA-ENGIL ENGENHARIA which took place during 2012.

As at 31 December, the information on the accumulated depreciation and impairment losses in tangible assets for the years ended on 2012 and 2011 is broken down as follows:

	LAND & BUILDINGS	EQUIPMENT	TANGIBLE FIXED ASSETS IN PROGRESS	OTHER FIXED ASSETS	TOTAL
2012					
Opening balance	(58,467,787)	(546,944,784)	-	(9,022,395)	(614,434,966)
Increases	(7,754,262)	(72,818,089)	-	(2,621,301)	(83,193,652)
Disposals	2,137,701	19,450,692	-	14,022	21,602,415
Write-offs	982,724	2,316,635	-	152,574	3,451,933
Exchange Differences	170,715	(1,002,952)	-	19,167	(813,070)
Variation of perimeter	920,408	3,291,986	-	239,618	4,452,012
Transfers & other movements	(4,559,148)	(1,789,615)	-	(64,484)	(6,413,247)
	(66,569,649)	(597,496,127)	-	(11,282,799)	(675,348,575)
2011					
Opening balance	(58,818,919)	(509,794,140)	-	(7,172,223)	(575,785,282)
Increases	(7,101,190)	(70,644,999)	-	(1,144,557)	(78,890,746)
Disposals	1,206,032	23,266,075	-	408,782	24,880,889
Write-offs	2,111,793	13,865,790	-	59,082	16,036,665
Exchange Differences	(29,000)	49,270	-	(30,975)	(10,705)
Variation of perimeter	(33,107)	(690,058)	-	-	(723,165)
Transfers & other movements	4,196,604	(2,996,721)	-	(1,142,504)	57,379
	(58,467,787)	(546,944,784)	-	(9,022,395)	(614,434,966)
NET VALUE	-	-	-	-	-
2012	248,047,216	338,202,087	18,764,484	8,417,584	613,431,371
2011	233,904,845	309,344,956	15,180,976	6,125,925	564,556,702

The most significant values included under the heading “Tangible assets in progress”, for 2012 and 2011, refer to the following projects:

DESCRIPTION	2012
Acquisition of fixed assets (Mota-Engil Engenharia)	4,709,760
Acquisition of fixed assets (Biscske Plaza)	1,340,187
Installation of the mobile crushing plant (AMC)	1,100,000
Land for construction of Landfill (CITRAVE)	1,065,323
"24 de Julho" Condominium	922,210
	9,137,480
DESCRIPTION	VALUE
Acquisition of fixed assets (Biscske Plaza)	1,291,710
Maputo Sunrise Condominium	3,852,314
"24 de Julho" Condominium	2,719,776
Land for construction of Landfill	1,031,506
	8,895,306

The adopted valuation criteria, the depreciation rates used and the residual values defined are referred to in subparagraphs iii), iv) and v) of the Main valuation criteria in Note 1. Accounting Policies.

As at 31 December 2012 and 2011, the amounts, net of depreciation, of 44,503,883 euros and 45,270,213 euros, respectively, assigned to the operation of quarries, are recorded under the heading “Land and buildings”. The calculation of the fair value of the quarries takes in consideration various factors, in particular the licensed area, operating capacity, landscape restoration costs and the residual value of the land after closure of the quarry. Supplementary information on the operation of the GROUP’s mineral assets is presented in Note 33. Operation of mineral assets.

As at 31 December 2012 and 2011, the following tangible assets, net of accumulated depreciation and impairment losses, were abroad, in branch offices, and owned by MOTA-ENGIL ENGENHARIA:

	2012	2011
Angola	22,327,896	27,710,324
Algeria	36,340	-
Cape Verde	274,222	217,213
Hungary	39,456	47,136
Ireland	3,007,290	3,875,058
Malawi	50,933,784	21,739,891
Mozambique	15,109,501	8,804,462
Poland	-	539,025
Romania	7,652	20,271
S. Tomé and Príncipe	88,456	105,832
	91,824,597	63,059,212

Land and buildings are recorded at their revalued cost. The valuation method used by the real estate valuers to measure the fair value the GROUP's real estate properties was the depreciated replacement cost method, with the valuation having been made in accordance with international valuation standards.

The fair value of the real estate properties does not include any tax or costs that the buyer might incur with the purchase of the property and was calculated, in the case of land, taking into account actual market prices for similar assets and, in the case of buildings, the actual cost of their construction. The location, accesses, size and form of the properties were also considered in the calculation of their fair value.

The book value which would have been recognised if the asset had been recorded pursuant to the cost model is as follows:

	COST	REVALUATION	TOTAL
2012			
Land & buildings	212,111,587	35,935,629	248,047,216
Equipment	337,913,056	289,031	338,202,087
Tangible fixed assets in progress	18,764,484	-	18,764,484
Other tangible fixed assets	8,414,873	2,711	8,417,584
	577,204,000	36,227,371	613,431,371
2011			
Land & buildings	203,798,119	30,106,726	233,904,845
Equipment	309,055,925	289,031	309,344,956
Tangible fixed assets in progress	15,180,976	-	15,180,976
Other tangible fixed assets	6,123,214	2,711	6,125,925
	534,158,234	30,398,468	564,556,702

During the fiscal year of 2012, the GROUP did not undertake any valuation of land and buildings, due to considering that during the year there were no significant variations in relation to the previous valuations obtained.

As at 31 December 2012 and 2011, except for the assets acquired under finance leasing and for the tangible assets assigned to concessions, there are other tangible assets which are pledged or mortgaged to financial institutions in order to secure loans received.

The appraisal of the existence, or not, of impairment for the main values of tangible assets is based on the Business Plans of the respective companies, as mentioned in Note 16. Goodwill relative to impairment tests to goodwill.

19. Financial investments through the equity method

As at 31 December 2012 and 2011, the values relative to financial investments stated through the equity method are broken down as follows:

	2012	2011
Portugal Engineering & Construction		
Berd	1,736,737	1,658,375
Crespo	-	2,358,339
Ascendi Group	-	26,656,211
Other	875,661	882,816
	2,612,398	31,555,741
Portugal Environment & Services		
HEPP	1,021,880	455,535
Indaqua Group	23,499,583	4,188,875
Suma Group subsidiaries	2,658,070	2,513,513
Ibercarga (Esp)	1,044,968	984,153
Manvia II Condutas	361,822	576,116
Parquegil	418,206	472,881
Tersado	996,224	1,067,931
Other	1,980,786	991,469
	31,981,539	11,250,473
Africa		
Auto Sueco Angola	13,527,053	12,675,231
Cimertex Angola	5,165,610	2,645,753
Cimertex & Companhia	13,870,445	10,363,509
Other	608,673	(545,771)
	33,171,781	25,138,722
Central Europe		
Obolinvest Group	23,620,170	21,610,579
Mamaia	-	2,153,337
Other	-	634,716
	23,620,170	24,398,632
Latin America		
TPE Paita	20,318,986	-
Mota-Engil Opway Mexicana (Mex)	5,196,374	4,976,284
	25,515,360	4,976,284
Ascendi Group	33,604,742	22,751,745
Martifer Group	66,975,354	95,130,081
Other	1,423,535	1,371,933
	218,904,879	216,573,611

During 2012 and 2011, the following movement occurred in the value of the financial investments stated through the equity method:

2012	OPENING BALANCE	EFFECT ON PROFIT & LOSS	EFFECT ON RESERVES (1)	TRANSFERS AND VARIATION OF PERIMETER	ACQUISITIONS/ DISPOSALS	CLOSING BALANCE
Auto Sueco Angola	12,675,231	2,361,126	(1,509,304)	-	-	13,527,053
Berd	1,658,375	45,393	32,969	-	-	1,736,737
Cimertex & Companhia	10,363,509	3,774,696	(267,760)	-	-	13,870,445
Cimertex Angola	2,645,753	3,077,302	(557,445)	-	-	5,165,610
Crespo	2,358,339	-	-	-	(2,358,339)	-
Ascendi Group	49,407,956	25,023,416	(30,164,146)	(10,662,484)	-	33,604,742
Indaqua Group	4,188,875	15,678,532	(1,698,554)	5,330,730	-	23,499,583
Martifer Group	95,130,081	(20,944,871)	(7,209,856)	-	-	66,975,354
Obol Invest Group	21,610,579	141,278	1,868,313	-	-	23,620,170
SLPP Group	-	(1,368,090)	-	1,368,090	-	-
Suma Group subsidiaries	2,513,513	292,602	(148,045)	-	-	2,658,070
HEPP	455,535	(78,655)	645,000	-	-	1,021,880
Mamaia	2,153,337	-	-	(2,153,337)	-	-
Manvia II Condutas	576,116	91,412	(305,706)	-	-	361,822
Mota-Engil Opway Mexicana	4,976,284	(31,340)	251,430	-	-	5,196,374
Parquegil	472,881	(40,291)	(14,384)	-	-	418,206
TPE Paita	-	3,119,282	-	17,199,704	-	20,318,986
Tersado	1,067,931	(83,087)	11,380	-	-	996,224
Other	4,319,316	(8,712,926)	-	10,327,233	-	5,933,623
	216,573,611	22,345,779	(39,066,108)	21,409,936	(2,358,339)	218,904,879

(1) Essentially includes currency conversion variations, variations of the fair value of derivative financial instruments, variations in the value of additional paid-in capital and distribution of dividends.

2011	OPENING BALANCE	EFFECT ON PROFIT & LOSS	EFFECT ON RESERVES (1)	TRANSFERS AND VARIATION OF PERIMETER	ACQUISITIONS/ DISPOSALS	CLOSING BALANCE
Auto Sueco Angola	9,085,418	2,124,893	1,464,920	-	-	12,675,231
Berd	1,170,619	(220,471)	708,227	-	-	1,658,375
Cimertex & Companhia	10,059,923	1,640,345	(1,336,759)	-	-	10,363,509
Cimertex Angola	1,362,358	977,827	305,568	-	-	2,645,753
Crespo	1,761,885	(472)	596,926	-	-	2,358,339
Ascendi Group	116,744,862	19,859,480	(87,196,386)	-	-	49,407,956
Indaqua Group	-	171,600	-	4,017,275	-	4,188,875
Geo Vision Group (Note 38.)	40,798,809	-	-	(40,798,809)	-	-
Martifer Group	116,843,043	(18,600,131)	(3,112,831)	-	-	95,130,081
Obol Invest Group	26,551,107	(174,531)	(4,765,997)	-	-	21,610,579
SLPP Group	1,217,338	(173,588)	(1,043,750)	-	-	0
Soltysowska Group	542,403	142,375	(50,697)	-	-	634,081
Suma Group subsidiaries	2,286,127	269,907	(42,521)	-	-	2,513,513
Mamaia	2,270,894	(573)	(116,984)	-	-	2,153,337
Mota-Engil Opway Mexicana (Mex)	-	(3,453,841)	-	8,430,125	-	4,976,284
Parquegil	453,630	20,866	(1,615)	-	-	472,881
Probigalp	1,680,375	(2,010,770)	330,395	-	-	-
STM	177,684	94,329	(272,013)	-	-	-
Tersado	1,195,170	192,542	(319,781)	-	-	1,067,931
Other	2,718,991	(229,694)	2,227,587	-	-	4,716,884
	336,920,636	630,094	(92,625,711)	(28,351,409)	-	216,573,611

(1) Essentially includes currency conversion variations, variations of the fair value of derivative financial instruments, variations in the value of additional paid-in capital and distribution of dividends.

A provision was constituted for financial investments with negative contribution (Note 28).

The value relative to the INDAQUA GROUP with effect on net income in 2012, includes the amount of approximately 15,400,000 euros relative to the recognition of gains in the revaluation of the investment held in INDAQUA, measured at its fair value, following the sale of a minority position and consequent loss of the GROUP's control in this group of companies.

As at 31 December 2012 and 2011, the financial investment in the OBOL INVEST GROUP includes 20,685,258 euros and 19,220,233 euros, respectively, of consolidation differences attributed to identifiable assets (inventories).

As at 31 December 2012 and 2011, the financial investment in the ASCENDI GROUP includes 19,830,852 euros of

goodwill, 116,624,284 euros (93,143,057 euros in 2011) of consolidation differences attributed to identifiable assets (account receivable) and 21,257,584 euros of additional paid-in capital provided by MOTA-ENGIL SGPS to the ASCENDI SGPS GROUP.

The net change recorded in the ASCENDI GROUP, in the value of consolidation differences attributed to its identifiable assets arises from the increased holding of the ASCENDI GROUP in the investments in Brazil and Portugal.

The value recorded under the heading “Effect on reserves” in the ASCENDI GROUP essentially refers to the net change in the fair value of derivative financial instruments (Note 26) and currency conversion variations.

As at 31 December 2012, the market value of the MARTIFER GROUP, according to its market price on that date (0.56 euros per share), corresponded to approximately 21,000,000 euros. However, the GROUP’s Board of Directors believes, based on the existing business plans and net worth of the MARTIFER GROUP, that this investment is not impaired.

During 2011, the GEOVISION GROUP was recorded as a non-current asset held for sale (Note 38) and was sold during 2012.

As at 31 December 2012, the main information on the most relevant financial investments stated through the equity method is as follows:

	SHARE	ASSETS	EQUITY	SALES AND SERVICES RENDERED	NET PROFIT
Berd	25%	17,423,102	7,009,380	3,746,521	183,110
Probigalp	40%	6,869,221	(6,806,710)	2,533,444	(1,880,561)
Vortal	25%	15,055,736	7,881,036	8,735,193	1,705,715
Parquegil	50%	15,652,342	836,411	2,305,992	(80,582)
Haçor	40%	93,227,210	1,953,020	3,016,107	(12,822)
HL-Soc. Gestora Edifício,SA	50%	100,557,564	2,621,285	2,408,518	1,800,036
Vortal SGPS	25%	34,429,138	30,408,518	-	2,652,260
Sadoport	49%	11,378,120	(8,556,920)	8,944,606	(3,136,138)
SLPP	49%	13,166,928	259,123	-	39,303
Logz	30%	49,099,416	(686,136)	-	(720,357)
Tersado	25%	7,678,286	3,101,773	8,191,691	(336,128)
Ibercargo (Esp)	50%	6,466,426	215,799	17,913,000	175,731
Ambilital	30%	18,711,252	7,634,630	3,493,045	525,174
Ecoleziária	15%	6,636,536	763,229	3,417,415	366,471
Indaqua	45%	68,164,997	17,825,759	7,549,305	1,677,833
Indaqua St. Tirso	45%	22,091,471	323,443	7,147,257	486,165
Indaqua Feira	45%	108,895,740	(6,150,574)	18,691,795	(852,909)
Indaqua Matosinhos	45%	67,054,419	(2,553,357)	29,314,277	(1,246,331)
Indaqua V. Conde	45%	55,302,058	1,379,329	21,297,479	110,648
M-Invest Mierova (Svk)	50%	10,210,894	(563,552)	5,523,165	100,127
Soltysowska (Pol)	34%	17,543,701	2,398,937	9,448,197	118,513
Bay Park (Hun)	30%	15,068,705	7,473,951	582,666	45,752
Obol Invest (Hun)	30%	50,322,653	15,035,926	247,233	385,385
Obol XI (Hun)	30%	39,681,687	2,750,595	160,284	64,062
Sampaio (Hun)	30%	4,071,656	835,335	165,286	87,940
Cimertex & C ^a	50%	47,109,338	27,740,889	36,720,811	7,549,392
Cimertex Angola	50%	47,184,337	8,201,917	35,878,341	4,082,748
Auto Sueco Angola	26%	110,109,363	47,997,515	27,975,781	1,765,457
Icer (Ang)	26%	8,539,766	(458,137)	2,046,798	(691,766)
TPE Paíta (Peru)	50%	137,352,575	41,006,703	18,557,496	6,295,170
Mota-Engil Opway Mexicana (Mex)	50%	10,409,638	10,392,748	-	(62,680)
Ascendi Group	60%	3,451,454,208	164,803,493	166,956,280	56,810,065
Martifer Group	38%	976,375,201	227,255,223	210,314,614	(54,412,618)

The appraisal of the existence, or not, of impairment for the main values of the financial investments stated through the equity method is based on the Business Plans of the respective companies.

20. Financial investments available for sale

Em 31 de dezembro de 2012 e 2011, o detalhe dos investimentos financeiros disponíveis para venda é como segue:

	2012	2011
Investments in equity instruments		
Carbine Tungstene	1,703,872	-
Cerâmica do Boialvo	319,343	319,343
Cosamo	152,049	152,049
Empresa Construtora do Brasil	19,461,737	-
Ecodetra	1,153,202	1,153,202
Ersuc	554,381	554,381
Iberfibran	375,000	375,000
Indimo	-	500,307
Martinox	1,836,600	-
Sangobiar Peru	367,922	-
Tirtife	900,600	900,600
Tracevia Brasil	-	326,651
Other	795,195	907,773
	27,619,901	5,189,306
	2012	2011
Securities & Other placements		
Other	10,928,216	206,266
	10,928,216	206,266
	2012	2011
Advances & other investment		
Other	487,207	53,192
	487,207	53,192
FINANCIAL INVESTMENTS AVAILABLE FOR SALE	39,035,324	5,448,764

During 2012, the GROUP acquired control over EMPRESA CONSTRUTORA BRASIL (Brazil) and MARTINOX (Angola), for the values of 19,461,737 euros and 1,836,600 euros, respectively. The process of imputation of the fair value of the assets and liabilities acquired under these business combinations has not yet been finalised, hence the value of the financial investment and any acquisition differences contained therein were, provisionally, recognised under the heading “Financial investments available for sale”. The inclusion of these subsidiaries in the consolidation perimeter as at 31 December 2012 would not have had a materially relevant impact on the consolidated financial statements.

The net change under the heading “Securities and other placements” mainly refers to a promissory note of the Malawian Government, which earns interest on a quarterly basis.

During the years ended on 31 December 2012 and 2011, the following movement occurred in the value of financial investments available for sale:

	2012	2011
Opening balance	5,448,764	20,678,852
Acquisitions and advances	34,722,055	40,568
Disposals	-	(1,484,546)
Transfers	(1,135,495)	(13,786,110)
	39,035,324	5,448,764

In view of the nature of most of the financial investments referred to above and the difficulty of ensuring the reliable calculation of their fair value, the GROUP recorded these investments at their acquisition cost, deducting, if necessary, any respective impairment losses identified (approximately 1,200,000 euros).

21. Investment properties

The information relative to the GROUP's investment properties as at 31 December 2012 and 2011 is as follows:

	2012	2011
Portugal Engineering & Construction	63,888,184	60,650,474
Portugal Environment & Services	2,296,579	2,296,579
	66,184,763	62,947,053

	2012	2011
Opening balance	62,947,053	88,614,797
Acquisitions and advances	4,163,994	2,559,749
Disposals	-	(29,401)
Transfers	(926,284)	(28,198,092)
	66,184,763	62,947,053

The valuation criteria established by the GROUP for the measurement of its investment properties are referred to in subparagraph vii) of the Main valuation criteria in Note 1. Accounting Policies.

The investment properties located in Portugal are recorded at their market value, in accordance with independent valuations based on evidence of recent market transactions of similar properties.

The investment properties located in Portugal are destined for rental.

In 2012 and 2011, the heading "Increases" basically includes the value of Edifício Mercado Urbano. It should be noted that this building had not yet generated rents by the fiscal year of 2012, due to still being under construction.

In 2011, the heading "Transfers" primarily includes the value of the JEREMIASOVA land/property (Czech Republic) and KILINSKIEGO land/property, transferred to inventories (products and work in progress, Note 22), since the respective real estate development projects have yet to be started.

During 2011, the real estate properties located in Angola which were rented and, therefore, recorded under the heading "Investment properties", began to be used in the branch's business, the reason for which they were transferred to the heading "Tangible assets".

As at 31 December 2012, the investment properties held by the GROUP were essentially the following: i) MOTADOMUS commercial condominium (4,746,573 euros); ii) Edifício Báltico (48,278,196 euros); and iii) Edifício Mercado Urbano (5,895,943 euros), all located in Portugal.

The gains achieved by the GROUP relative to rents of its investment properties reached 3,975,949 euros in 2012 (2,729,641 euros in 2011) (Note 11).

The valuations were made under the following valuation methods: income method (MOTADOMUS commercial condominium and EDIFÍCIO BÁLTICO), using for such the method of capitalisation of expected future rents. This valuation complied with the international and European standards promoted by the IVSC (International Valuation Standards Committee) and TEGoVA in the "Approved European Property Valuation Standards".

22. Inventories

The information relative to inventories for the years ended on 31 December 2012 and 2011, is broken down as follows:

	2012	2011
Book value:		
Raw & subsidiary materials and consumables	62,072,584	53,198,943
Products & work in progress	126,008,121	103,892,234
Finished products	44,059,789	44,633,034
Goods	40,500,697	38,624,395
Advances on account of purchases	8,513,259	13,746,458
	281,154,450	254,095,064
Accumulated adjustments		
Raw & subsidiary materials and consumables	(39,021)	(71,311)
Products & work in progress	-	(108,596)
Finished products	(9,825,396)	(11,397,953)
Goods	(2,775,692)	(156,615)
	(12,640,109)	(11,734,475)
	268,514,341	242,360,589

In 2011, the increase recorded under the heading “Products and work in progress” basically includes the value of the JEREMIASOVA land/property (Czech Republic) and KILINSKIEGO land/property, transferred from investment properties to inventories (Note 21).

The movement in the accumulated adjustments to inventories, for the years ended on 31 December 2012 and 2011, is as follows:

	2012	2011
Opening balance	11,734,475	7,157,345
Increase (Note 10)	9,236	8,102,698
Reduction	(51,152)	(1,025,817)
Transfers & variation of perimeter	947,550	(2,499,751)
	12,640,109	11,734,475

In 2011, the increase recorded under the heading “Adjustments to inventories” was explained by the impairment recorded in the subsidiary PTT in a plot of land and impairments recorded in land in the ENGINEERING & CONSTRUCTION area.

23. Other assets

a) Loans and receivables:

The information relative to loans and accounts receivable from customers, for the years ended on 31 December 2012 and 2011, is broken down as follows:

CUSTOMERS:	Non-current		Current	
	2012	2011	2012	2011
Trade accounts receivable				
Gross value:				
Portugal Engineering & Construction	59,776,443	80,035,044	268,671,380	278,969,542
Portugal Environment & Services	582,665	5,480,990	144,812,287	169,752,157
Africa	67,878	58,329	570,475,132	534,090,146
Central Europe	354,673	480,506	36,396,126	22,351,277
Latin America	-	2,342,715	18,772,232	22,440,563
Others, eliminations & intra-Group	-	-	(49,885,332)	(59,748,443)
	60,781,659	88,397,584	989,241,825	967,855,242
Accumulated impairment losses	(1,172,126)	(1,806,624)	(67,390,974)	(49,123,276)
	59,609,533	86,590,960	921,850,851	918,731,966
Trade accounts – Bills receivable	475,533	475,533	2,614,398	2,482,786
	60,085,066	87,066,493	924,465,249	921,214,752

The information relative to loans and accounts receivable from other debtors, for the years ended on 31 December 2012 and 2011, is broken down as follows:

Other debtors:	Non-current		Current	
	2012	2011	2012	2011
Associate and related companies				
Gross value	115,676,501	71,492,148	3,904,716	5,426,611
Accumulated impairment losses	(6,387,343)	(6,275,275)	-	-
	109,289,158	65,216,873	3,904,716	5,426,611
Advances to suppliers	-	-	16,724,739	14,271,485
State & other public entities	177	13,242	47,537,220	41,315,928
Other	-	-	-	-
Gross value	5,056,984	4,228,483	272,469,813	339,357,574
Accumulated impairment losses	-	-	(21,800,912)	(35,949,220)
	5,056,984	4,228,483	250,668,901	303,408,354
	114,346,319	69,458,598	318,835,576	364,422,378

As at 31 December 2012 and 2011, the value recorded under the heading “Other debtors – Associates and related companies” includes balances receivable from companies consolidated through the equity method, namely the ASCENDI GROUP, INDAQUA GROUP (2012), OBOL INVEST GROUP and LEGOWA PROJECT DEVELOPMENT.

Following the sale of a minority position and consequent loss of the GROUP’s control in INDAQUA, its consolidation was changed from the full consolidation method to the equity method (Note 35).

The increased which occurred in 2012 under the heading “Other debtors – Associates and related companies” is explained, almost entirely, by the contribution of the INDAQUA GROUP whose consolidation method was changed during the fiscal year of 2012 from full consolidation to the equity method (Note 35), and by the increase recorded in the ASCENDI GROUP, arising from the transfer of the value recorded in 2011 under current other debtors to non-current other debtors.

The exposure of the GROUP to credit risk is attributable, above all, to the accounts receivable of its operating activity. Accumulated impairment losses were estimated by the GROUP, in accordance with its experience and based on its appraisal of overall economic and financial circumstances.

The Board of Directors believes that the value at which these assets are recorded in the balance sheet is close to their fair value.

The GROUP does not charge any interest costs provided that the established payment deadlines are observed. One these deadlines are reached, interest is charged as defined contractually, pursuant to the law in force and applicable to each situation.

As at 31 December 2012 and 2011, the age structure of the commercial balances relative to financial assets that were not impaired was as follows:

AGE IN THE BALANCE SHEET 2012	CUSTOMERS	OTHER
Overdue amounts		
] 0 ; 3] months	127,856,028	117,272,882
] 3 ; 12] months	82,428,170	8,772,369
] 1 ; 3] years	357,486,180	98,049,785
Over 3 years	183,031,667	25,641,040
	750,802,045	249,736,076
Not overdue amounts	233,748,270	5,989,809
TOTAL	984,550,315	255,725,885

AGE IN THE BALANCE SHEET 2011	CUSTOMERS	OTHER
Overdue amounts		
] 0 ; 3] months	252,432,484	100,853,651
] 3 ; 12] months	196,088,257	50,564,643
] 1 ; 3] years	211,073,264	112,622,625
Over 3 years	93,137,192	9,615,909
	752,731,197	273,656,828
Not overdue amounts	255,550,048	33,980,009
TOTAL	1,008,281,245	307,636,837

As at 31 December 2012, the GROUP'S net exposure of accumulated impairment losses to balances aged over one year primarily arises from confirmed debts of public entities (city halls, regional governments, Angolan public bodies, etc.), withheld amounts of guarantees provided to customers and customer balances with debt settlement agreements, where the GROUP'S Board of Directors believes that these accounts receivable are not impaired.

Adjustments to accounts receivable due to impairment losses are recorded when there is objective indication that the GROUP will not receive the full amounts to which it was entitled pursuant to the original terms of established contracts. The adjustments are calculated considering the age of the accounts receivable, the risk profile of the debtor and the financial conditions of the debtor.

As at 31 December 2012 and 2011, the balances of the heading "State and other public entities" is broken down as follows:

	2012	2011
Corporate income tax	2,899,354	1,033,794
Value added tax	21,380,431	25,660,297
Personal income tax	58,721	-
Taxes in other countries	23,198,891	14,635,079
	47,537,397	41,329,170

The movement of the impairment losses in loans and accounts receivable is as follows:

	2012	2011
Trade accounts receivable:		
Opening balance	50,929,900	45,325,154
Increase	9,277,259	14,371,822
Reduction	(2,399,233)	(7,273,116)
Usage	(1,099,330)	(966,505)
Transfers & perimeter variation	11,854,504	(527,455)
	68,563,100	50,929,900
Other debtors		
Opening balance	42,224,495	22,506,637
Increase	2,706,349	2,974,479
Reduction	(90,725)	(52,818)
Usage	(523,917)	(163,877)
Transfers & perimeter variation	(16,127,947)	16,960,074
	28,188,255	42,224,495

As at 31 December 2011, the value recorded under “Transfers and perimeter variation” primarily refers to the value reclassified by the ANGOLA BRANCH from other accrued costs to impairment losses of accounts receivable.

During the year ended on 31 December 2012, an agreement was established with the Regional Government of Madeira foreseeing the settlement of part of the debt in the current period and the remaining part in the non-current period, hence, as such, a portion was included under non-current “Customers and Other debtors”.

b) Other current assets

The heading “Other current assets” is broken down as follows:

	2012	2011
Accrued income		
Production not invoiced	241,077,244	117,227,815
Indemnities receivable	-	260,263
Interest receivable	1,112,238	20,532,104
Other accrued income	19,750,815	24,972,973
	261,940,297	162,993,155
Deferred costs		
Insurance	3,990,302	3,964,568
Other deferred costs	55,411,473	8,737,499
	59,401,775	12,702,067
	321,342,072	175,695,222

The reduction which occurred under the heading “Interest receivable” is explained by an increase of the same amount under the heading “Customers, current account” through the issue of debit notes for interest on late payment received, stated in previous years in the area of Portugal Engineering & Construction.

The heading “Other accrued income” fundamentally includes costs related to maintenance contracts concluded.

The information on construction contracts in progress is broken down as follows:

	2012	2011
Construction costs incurred to date	6,997,792,377	6,075,142,987
Construction costs incurred during the year	1,479,199,713	1,460,029,207
Income recognized to date	8,736,158,536	7,351,947,410
Income recognized during the year	1,805,385,412	1,773,230,640
Customers prepayments	283,694,746	78,675,617
Sums withheld by customers	45,240,614	16,188,101
Guarantees given by customers	417,299,390	386,902,862
Accrued income - excess of production over billing	259,336,452	98,688,463
Deferred income - shortfall of production over billing	27,330,069	73,108,730

c) Cash & cash equivalents

The heading “Cash and cash equivalents” is broken down as follows:

	DEMAND DEPOSITS		TERM DEPOSITS		TOTAL	
	2012	2011	2012	2011	2012	2011
Due deposits & others	3,091,695	1,535,877	-	-	3,091,695	1,535,877
Bank deposits & cash in hand						
Sight deposits	198,550,232	226,388,518	64,779,943	3,088,758	263,330,175	229,477,276
Cash in hand	5,356,867	3,206,953	-	-	5,356,867	3,206,953
	206,998,794	231,131,348	64,779,943	3,088,758	271,778,737	234,220,106

“Cash and cash equivalents” include cash held by the Group and short term bank deposits with original maturity equal to or less than three months, for which the risk of alteration of value is insignificant. The value at which this group of assets is recorded is close to its fair value.

As at 31 December 2012 and 2011, there were 64,779,943 euros and 3,088,758 euros, respectively, recorded under cash and cash equivalents not immediately available, due to having been in guarantee or being clocked, pursuant to contracts assumed with financial institutions.

24. Share capital and reserves

The share capital of the MOTA-ENGIL SGPS, as at 31 December 2012 and 2011, reaches 204,635,695 euros, fully underwritten and paid-up, represented by 204,635,695 bearer shares with the value nominal of 1 euro each.

As at 31 December 2012 and 2011, the GROUP holds 11,101,379 treasury shares.

During 2012, there were no changes in the number of shares.

	QUANTITY	AVERAGE COST	AMOUNT
Opening balance	11,101,379	2.05	22,749,226
CLOSING BALANCE	11,101,379	2.05	22,749,226

	QUANTITY	AVERAGE COST	AMOUNT
Opening balance	11,005,456	2.06	22,626,521
Increase			
September	95,923	1.28	122,705
	95,923	1.28	122,705
CLOSING BALANCE	11,101,379	2.05	22,749,226

Reserves:

Issue premiums

Issue premiums correspond to premiums obtained through the issue or increase of share capital. Pursuant to the Portuguese commercial legislation, the values included under this heading follow the procedures established for the “Legal reserve”, that is, the values are not distributable except in the event of liquidation, but may be used to absorb losses, after all other reserves have been depleted, and for incorporation in the share capital.

Legal reserve

The Portuguese commercial legislation establishes that at least 5% of the annual net income must be assigned to increasing the “Legal reserve” until it represents at least 20% of the share capital. This reserve is not distributable except in the event of liquidation, but may be used to absorb losses, after all other reserves have been depleted, and for incorporation in the share capital.

Fair value reserve – derivatives

The “Fair value reserve – derivatives” reflects the net changes in the fair value of cash flow hedge derivative financial instruments which are considered effective (Note 26. Derivative financial instruments) and cannot be distributed or used to absorb losses.

Fair value reserve – investments available for sale

The “Fair value reserve – investments available for sale” reflects the net changes in the fair value of financial instruments held for sale and cannot be distributed or used to absorb losses.

Currency conversion reserve

Currency conversion reserves reflect net changes in the currency conversion of the financial statements of branch offices stated in a currency other than the euro and cannot be distributed or used to absorb losses.

Revaluation reserves

Revaluation reserves cannot be distributed to shareholders, unless they have been fully written-down or if the respective revalued assets have been sold.

Under the terms of the Portuguese commercial legislation, the amount of distributable reserves is determined in accordance with the individual financial statements of the COMPANY, presented pursuant to the Accounting Standardisation System (SNC). As at 31 December 2012, there were no reserves which could be distributed.

25. Debt

The amounts relative to debt for the years ended on 31 December 2012 and 2011 are as follows:

	1 YEAR	2 YEARS	3 TO 5 YEARS	OVER 5 YEARS	TOTAL
2012					
Non-convertible bond loans	9,792,841	10,000,000	90,000,000	-	109,792,841
Amounts owed to credit institutions					
Bank loans	128,030,458	65,313,710	60,690,970	16,704,687	270,739,825
Overdraft facilities	145,965,018	-	-	-	145,965,018
Guaranteed accounts	330,613,575	-	-	-	330,613,575
Other loans obtained					
Commercial paper issues	16,000,000	28,600,000	182,788,522	29,260,000	256,648,522
Other loans	1,291,132	1,306,500	4,563,113	1,311,759	8,472,504
	631,693,024	105,220,210	338,042,605	47,276,446	1,122,232,285
2011					
Non-convertible bond loans	54,546,732	30,000,000	15,000,000	-	99,546,732
Amounts owed to credit institutions					
Bank loans	118,905,035	62,802,340	106,071,631	123,844,307	411,623,313
Overdraft facilities	172,170,427	-	-	-	172,170,427
Guaranteed accounts	179,690,799	-	-	-	179,690,799
Other loans obtained					
Commercial paper issues	37,617,999	163,511,531	120,275,971	45,810,000	367,215,501
Other loans	4,097,846	875,182	3,685,035	75,386	8,733,449
	567,028,838	257,189,053	245,032,637	169,729,693	1,238,980,221

Although the commercial paper issues fall due at one year, they are covered by medium and long term programmes which ensure their automatic renewal over time. In view of these circumstances, and since the GROUP's Board of Directors intends to continue to use the said issues in the long term, these debts were recorded as medium and long term.

As at 31 December 2012 and 2011, the amounts relative to debt are denominated in the following currencies:

	BONDS	CREDIT INSTITUTIONS	COMMERCIAL PAPER	OTHER LOANS	TOTAL
2012					
Czech Crowns	-	5,323,090	-	-	5,323,090
US Dollars	-	119,615,164	-	-	119,615,164
Euros	109,792,841	593,939,542	256,648,522	8,472,504	968,853,409
Hungarian Forints	-	34,390	-	-	34,390
New Family Meticals (Mozambique)	-	11,563,223	-	-	11,563,223
Polish Zlotys	-	16,843,009	-	-	16,843,009
	109,792,841	747,318,418	256,648,522	8,472,504	1,122,232,285
2011					
Czech Crowns	-	3,643,316	-	-	3,643,316
US Dollars	-	50,212,077	-	459,254	50,671,331
Euros	99,546,732	695,976,359	367,215,501	8,274,195	1,171,012,787
Hungarian Forints	-	650,633	-	-	650,633
New Family Meticals (Mozambique)	-	587,881	-	-	587,881
Polish Zlotys	-	12,414,273	-	-	12,414,273
	99,546,732	763,484,539	367,215,501	8,733,449	1,238,980,221

The average interest rates paid in the main debt headings during the fiscal years of 2012 and 2011 are as follows:

	2012		2011	
	AVERAGE RATES (%)	RATES INTERVAL (%)	AVERAGE RATES (%)	RATES INTERVAL (%)
Non-convertible bond loans	5.47	[5.42 ; 7.09]	5.48	[5.47 ; 5.49]
Amounts owed to credit institutions				
Bank loans	6.31	[1.8 ; 16.25]	4.80	[2.19 ; 19.25]
Overdraft facilities	5.67	[2.96 ; 8]	6.28	[3 ; 22.58]
Guaranteed accounts	6.37	[4.22 ; 18.81]	6.22	[4.01 ; 20.64]
Other loans obtained	2.88	[1.3 ; 3.1]	2.93	[2.32 ; 3.27]
Commercial paper issues	3.56	[1.5 ; 8.2]	2.66	[0.04 ; 24]

The main debenture loans and commercial paper programmes obtained by the Group and outstanding as at 31 December 2012, are as follows:

TYPE OF ISSUE / ISSUER	DATE OF EMISSION	DATE OF EXPIRATION	INDEXATION	REIMBURSEMENT CONDITION	AMOUNT	MATURITY
Bond loans:						
Mota-Engil SGPS	30-Dec-11	30-Dec-16	Euribor 6M 360 + 5.5%	i)	20,000,000	
Mota-Engil SGPS	17-Dec-12	17-Dec-17	Euribor 6M 360 + 6.75%	ii)	15,000,000	
Mota-Engil Engenharia	17-Dec-12	17-Dec-17	Euribor 6M 360 + 6.75%	iii)	75,000,000	
Commercial paper programmes:						
Mota-Engil SGPS	21-Nov-08	25-Nov-15	Period Euribor + 2.475%		56,000,000	Direct placement: From 7 to 364 days/ Auctioning: From 1,2,3,4,5 or 6 months
Mota-Engil SGPS and Mota-Engil Engenharia	13-Nov-06	13-Nov-16	Euribor + 3.5%		10,000,000	From 7 to 360 days
Mota-Engil SGPS and Mota-Engil Engenharia	28-Dec-12	28-Dec-17	Euribor + 5%		23,850,000	3 months
Mota-Engil SGPS and Mota-Engil Ambiente e Serviços	15-Jan-07	15-Jan-19	Period Euribor + 1.5%		73,150,000	From 1, 3, 6 to 12 months
Mota-Engil Engenharia	26-Jun-07	26-Jun-15	Period Euribor + 2.0%		20,100,000	From 7 to 360 days
Mota-Engil Engenharia	16-Dec-10	16-Dec-15	Euribor 3M + 6.35%		50,000,000	Direct placement: From 90 to 181 days/ Auctioning: From 3,4,5 or 6 months
Tertir	03-Jul-07	03-Jul-17	Period Euribor + 2.0%		25,000,000	1, 3, 6 or 12 months

i) Interest paid in 10 half-yearly instalments as of 30 June 2012. Repayment in 10 half-yearly instalments, as of the 1st coupon

ii) Interest paid in 10 half-yearly instalments as of 17 June 2013. Single repayment upon on maturity of the Contract

iii) Interest paid in 10 half-yearly instalments as of 17 June 2013. Repayment in 10 half-yearly instalments as of the 1st coupon

The total amount of debt incurred through other loan contracts of a value above 10,000,000 euros is broken down as follows:

ISSUER	TYPE OF ISSUE	AMOUNT OF THE LOAN	AMOUNT IN DEBT
Other Operations:			
Mota-Engil, SGPS	Overdraft facilities	18,000,000	17,894,365
Mota-Engil, SGPS	Medium & long term loan	55,250,000	30,375,000
Mota-Engil, SGPS	Guarantee accounts	47,000,000	46,989,000
Mota-Engil Engenharia	Overdraft facilities	51,600,000	36,123,758
Mota-Engil Engenharia	Medium & long term loan	45,338,160	45,338,160
Mota-Engil Engenharia	Guarantee accounts	192,695,311	188,456,176
Mota-Engil Engenharia	Short term loan	19,000,000	17,000,000
Tertir	Medium & long term loan	60,000,000	47,200,000
Planinova	Medium & long term loan	26,000,000	22,122,609

The amounts considered under “Other loans” above all refer to loans received from the Portuguese Agency for Investment (AICEP) and the Institute of Support to Small and Medium-sized Companies and to Investment (IAPMEI) as support to investment. These loans do not earn interest.

26. Derivative financial instruments

The GROUP uses interest rate derivative financial instruments to manage its exposure to movements in the interest rates in force in its funding contracts, establishing variable interest rates.

As at 31 December 2012 and 2011, the following the derivative financial instruments are contracted by the GROUP:

Subsidiary	Type	Counterpart	Start	Notional	Contracted rates	Maturity	Fair value	
							2011	2010
Indaqua Feira	Interest Rate Swap	Millennium BCP	Sep-07	17,960,740	Receives Euribor 6M and pays fixed rate (4,526%)	Sep-29	-	(4,195,541)
Indaqua Feira	Interest Rate Swap	Santander	Sep-07	17,960,740	Receives Euribor 6M and pays fixed rate (4,526%)	Sep-29	-	(4,195,541)
Indaqua Matosinhos	Interest Rate Swap	CGD	Jun-08	7,089,053	Receives Euribor 6M and pays fixed rate (4,485%)	Jun-28	-	(5,996,684)
Indaqua St. Tirso	Interest Rate Swap	Caixa BI	Sep-11	15,565,524	Receives Euribor 6M and pays fixed rate (3,845%)	Sep-26	-	(1,962,928)
Mota-Engil SGPS	Interest Rate Swap	Santander Totta	Nov-09	25,000,000	Receives fixed rate (2,139%) and pays Euribor 6M	Nov-12	-	137,018
Mota-Engil SGPS	Swap in Arrears	Santander Totta	Nov-09	25,000,000	Receives fixed rate (2,139%) and pays Euribor 12M	Nov-12	-	332,490
Mota-Engil Engenharia	Cap	BNP Paribas Fortis	Jul-07	30,000,000	Receives Euribor 6M and pays fixed rate (4,05%)	Jun-15	10,419	2,557
Mota-Engil Engenharia	Collar	BNP Paribas Fortis	Jun-07	30,000,000	Receives Euribor 6M and pays fixed rate (4,05%)	Jun-15	(1,403,976)	(1,611,377)
Suma	Interest Rate Swap	Banco Espírito Santo	Jul-10	20,400,000	Receives Euribor 6M and pays fixed rate (6,62%)	Jul-17	-	(3,389,467)
Suma	Forward	Banco Espírito Santo	Jul-10	7,066,486	3,58 Eur/ BRL	Jul-17	-	(6,351,307)
							(1,393,557)	(27,230,780)

The criteria used in the classification and valuation of these instruments are described in subparagraph ix) f) of the Main valuation criteria in Note 1. Accounting Policies.

The calculation of the fair value of the derivatives contracted by the GROUP was carried out by the respective counterparts, which are considered to be suitable/independent financial entities of recognised merit. The valuation models employed are based on the discounted cash flow method: using Par Rates of Swaps, listed on the interbank market and available on Reuters and Bloomberg pages, for the relevant periods, with calculation of the respective forward rates and discount factors which are used to discount fixed cash flow (fixed leg) and variable cash flow (floating leg). The sum of the two legs is equivalent to the Net Present Value (NPV). In 2012, the GROUP decided on the early adoption of IFRS 13 – Fair Value Measurement, which replaced the existing guidelines in the different IFRS

relative to the measurement of fair value. Hence, the valuation of derivative financial instruments began to incorporate an estimate of the credit risk of the company holding the instrument, in the measurement of the fair value of their interest rate hedge derivatives.

Derivative financial instruments contracted by companies belonging to the Indaqua Group are no longer reported due to the alteration of the consolidation method applicable to the INDAGUA SUBGROUP in 2012 (Note 35).

As at 31 December 2012 and 2011, the impact on equity of the derivative financial instruments contracted by GROUP companies is as follows:

	2012	2011
Impact of fair value of derivative financial instruments of subsidiaries consolidated by the full consolidation method	(996,393)	(18,148,470)
Impact of fair value of derivative financial instruments of associated companies consolidated by the equity method	(145,678,359)	(119,407,559)

27. Trade liabilities & other liabilities payable

The information on trade liabilities and other liabilities payable, for the years ended on 31 December 2012 and 2011, is broken down as follows:

	NON-CURRENTS		CURRENTS	
	2012	2011	2012	2011
Suppliers				
Portugal Engineering & Construction	16,492,666	16,455,670	284,658,547	257,927,983
Portugal Environment & Services	-	-	93,697,946	94,135,488
Africa	807,241	549,191	168,672,843	121,582,652
Central Europe	10,343,327	4,269,160	114,100,488	106,446,321
Latin America	80,591	-	28,367,194	17,933,551
Others, eliminations & intra-Group	(1,833,718)	(36,421)	(163,642,147)	(119,876,737)
	25,890,107	21,237,600	525,854,871	478,149,258
Suppliers of fixed assets	126,207,158	116,163,633	71,935,697	73,654,454
Associates & other shareholders	10,698,600	525,781	26,125,676	6,055,543
Customer prepayments on account of sales	93,248,868	40,925,981	179,035,360	93,630,069
State & other public entities	-	-	54,816,263	21,898,492
Other creditors	33,295,201	58,684,323	181,491,241	305,589,067
	263,449,827	216,299,718	513,404,237	500,827,625
	289,339,934	237,537,318	1,039,259,108	978,976,883

As at 31 December 2012 and 2011 the value recorded under the heading “Associates and other shareholders” includes balances owed by companies of the GROUP to companies integrated through the equity method.

As at 31 December 2012 and 2011, the heading “Other creditors, non-current” refers to the debts that the companies record with partner shareholders of the GROUP, namely the subsidiary MOTA-ENGIL ANGOLA and INDAGUA SUBGROUP (2011). Following the sale of a minority position and consequent loss of the GROUP’S control in the INDAGUA SUBGROUP, its consolidation was changed from the full consolidation method to the equity method.

As at 31 December 2012 and 2011, the heading “Suppliers” includes the amounts of approximately 51,000,000 euros and 43,000,000 euros, respectively, relative to confirming contracts. These amounts refer, above all, to debts derived from subcontracting during the implementation of contract work awarded to the GROUP.

The Board of Directors believes that the book value of these liabilities in the balance sheet is close to their fair value.

As at 31 December 2012 and 2011, the residual contractual maturity of the balances recorded under the heading “Suppliers” was as follows:

	2012	2011
Outstanding contractual maturity:		
] 0 ; 1] month	355,425,064	263,708,504
] 1 ; 3] months	109,363,894	118,194,335
] 3 ; 12] months	59,463,375	76,175,204
] 1 ; 3] years	12,454,046	20,799,669
Over 3 years	15,038,599	20,509,146
	551,744,978	499,386,858

As at 31 December 2012, the residual contractual maturity of the balances recorded under the heading “Other creditors” was as follows:

	2012	2011
Outstanding contractual maturity:		
] 0 ; 1] month	26,994,551	83,844,906
] 1 ; 3] months	18,003,899	18,160,682
] 3 ; 12] months	1,173,831	9,237,431
] 1 ; 3] years	864,411	1,198,381
Over 3 years	31,199,593	67,143,879
Factoring	136,550,157	184,688,111
	214,786,442	364,273,390

As at 31 December 2012 and 2011, the heading “Other creditors” includes the amounts relative to factoring with recourse and discounted bills, of 136,550,157 euros and 184,688,111 euros, respectively, which, in the case of factoring, do not have a defined contractual maturity.

As at 31 December 2012 and 2011, the GROUP had liabilities payable to lessors, recorded under the heading “Fixed asset suppliers”, relative to lease payments, payable in the future, of finance lease contracts to the values of 199,300,843 euros and 184,999,581 euros, respectively, with the following maturity periods:

LEASE CONTRACTS	OUTSTANDING RENTS ON LEASE CONTRACTS		CURRENT VALUE OF LEASE CONTRACTS	
	2012	2011	2012	2011
1 year	59,837,825	53,437,036	57,049,817	48,078,290
2 years	39,351,554	37,951,043	37,516,739	34,501,588
3 years	30,185,973	23,323,695	29,045,754	20,897,266
4 or more years	69,925,491	70,287,807	59,620,253	60,730,009
	199,300,843	184,999,581	183,232,563	164,207,153
Interest included in the rents	(16,068,280)	(20,792,428)	-	-
CURRENT VALUE OF LEASE CONTRACT RENTS	183,232,563	164,207,153	183,232,563	164,207,153

As at 31 December 2012, the most significant finance lease contracts are as follows:

CONTRACTING PARTY	AMOUNT	ASSET	LEASE LIFE	PURCHASE OPTION
Mota-Engil Engenharia	29,057,862	Sundry Equipment	4 years	921,338
Mota-Engil Engenharia	3,780,842	Sundry Equipment	5 years	75,617
Mota-Engil Engenharia	2,273,134	Sundry Equipment	3.5 years	45,463
Mota-Engil Central Europe Poland	2,694,772	Sundry Equipment	6 years	773,925
Mota-Engil Central Europe Poland	1,127,570	Sundry Equipment	10 years	2,894,056
Mota-Engil Central Europe Poland	7,840,136	Sundry Equipment	5 years	1,129,998
Mota-Engil Central Europe Poland	1,558,301	Sundry Equipment	7 years	63,485
PTT	3,581,504	Land & construction	11 years	yes
Socarpor Aveiro	1,976,000	Crane	8 years	39,520
Socarpor Aveiro	3,300,000	Crane	12 years	66,000
Socarpor Aveiro	13,057,915	Sograin Terminal	12 years	261,158
Sotagus	4,000,000	Port Gantry	7 years	80,000
Sotagus	7,400,000	Port Gantry	5 years	148,000
Suma	3,835,050	Sundry Equipment	5 years	3,835,050
Takargo	24,140,200	Railway Locomotives	25 years	3,017,525
Takargo	11,943,750	Railway Wagons	25 years	1,492,969
Correia & Correia	1,278,000	Sundry Equipment	20 years	yes

As at 31 December 2012 and 2011, the net book value of assets under finance lease contracts was broken down as follows:

	2012	2011
Land & buildings	7,113,226	6,735,764
Basic equipment	130,852,110	107,814,770
Transport equipment	27,473,035	25,929,004
Administrative equipment	110,616	72,224
Other fixed assets	11,360,978	3,927,522
Intangible fixed assets (Concessions)	17,740,070	15,535,614
	194,650,035	160,014,898

As at 31 December 2012 and 2011, the balances of the heading “State and other public” entities were detailed as follows:

	2012	2011
Income tax	10,778,471	6,032,337
Value added tax	284,957	1,707,345
Social security	2,432,743	3,429,271
Personal income tax	1,090,451	1,595,290
Other taxes	(301,173)	(1,877)
Taxes in other countries	40,530,814	9,136,126
	54,816,263	21,898,492

28. Provisions

The information on provisions, for the years ended on 31 December 2012 and 2011, may be summarised as follows:

	2012	2011
Pensions (Note 31. Retirement plan benefits)	10,666,318	9,987,078
Indemnities for termination of fixed-term employment contracts	992,607	262,653
Sealing & monitoring a landfill	7,114,794	6,615,853
Provisions for investments valued using the equity method	15,311,094	15,835,688
Legal proceedings	10,310,194	9,981,713
Quality warranties	20,277,094	21,049,620
Other contingencies/ estimated cost of closing operations	34,953,952	24,419,329
	99,626,053	88,151,934

The provisions for the sealing and monitoring of landfills essentially refer to the SUMA SUBGROUP.

The provisions for lawsuits and other contingencies basically refer to the TERTIR SUBGROUP.

The provision for investment stipulated under IFRIC 12 reflects the contractual obligation, by the concessionaire, to make investments during the concession period and which the concessionaire is entitled to use until the end of the concession.

The information relative to the movement of provisions, relative to the fiscal year of 2012 and 2011, is as follows:

2012	OPENING BALANCE	INCREASE	REDUCTION	USAGE	TRANSFERS & PERIMETER VARIATION	CLOSING BALANCE
Pensions (Note 31. Retirement plan benefits)	9,987,078	679,240	-	-	-	10,666,318
Indemnities for termination of fixed-term employment contracts	262,653	992,607	(262,653)	-	-	992,607
Sealing & monitoring a landfill	6,615,853	498,941	-	-	-	7,114,794
Legal proceedings	9,981,713	1,074,577	(635,813)	(63,735)	(46,548)	10,310,194
Provision for investment stipulated under IFRIC 12	21,049,620	562,895	(415,090)	-	(920,331)	20,277,094
Other contingencies/ estimated cost of closing operations	24,419,329	11,140,625	(2,163,067)	(1,662,890)	3,219,955	34,953,952
	72,316,246	14,948,885	(3,476,623)	(1,726,625)	2,253,076	84,314,959
Provisions for investments valued using the equity method	15,835,688	11,563,955	-	-	(12,088,549)	15,311,094
	88,151,934	26,512,840	(3,989,086)	(1,726,625)	(9,835,473)	99,626,053

2011	OPENING BALANCE	INCREASE	REDUCTION	USAGE	TRANSFERS & PERIMETER VARIATION	CLOSING BALANCE
Pensions (Note 31. Retirement plan benefits)	9,351,392	1,044,562	(355,739)	5,745	(58,882)	9,987,078
Indemnities for termination of fixed-term employment contracts	70,935	-	-	-	191,718	262,653
Sealing & monitoring a landfill	6,135,408	480,445	-	-	-	6,615,853
Legal proceedings	7,430,131	1,764,414	(7,225)	(138)	794,531	9,981,713
Provision for investment stipulated under IFRIC 12	21,189,213	621,259	-	(554,791)	(206,061)	21,049,620
Other contingencies/ estimated cost of closing operations	12,411,322	14,531,130	(1,235,010)	(613,489)	(674,624)	24,419,329
	56,588,401	18,441,810	(1,597,974)	(1,162,673)	46,682	72,316,246
Provisions for investments valued using the equity method	15,186,062	-	(38,685)	-	688,311	15,835,688
	71,774,463	18,441,810	(1,636,659)	(1,162,673)	734,993	88,151,934

As at 31 December 2012 and 2011, the investments valued through the equity method for which provisions were constituted are as follows:

	2012	2011
SLPP Group	2,027,626	5,226,544
Soltysowska Group	1,548,888	-
Haçor	-	3,926,876
HL – Sociedade Gestora do Edifícios	-	2,321,293
STM	-	1,371,360
Other	11,734,580	2,989,614
	15,311,094	15,835,688

During 2012, the additional paid-in capital provided to the subsidiaries HAÇOR and HL - SOCIEDADE GESTORA DO EDIFÍCIO explains the net change which occurred in the value of these investments.

During 2012 the subsidiary STM began to be consolidated through the full consolidation method.

With the exception of the provisions created for the sealing and monitoring of landfills, and for the subsidiary TCL (relative to the adoption of IFRIC 12), the date of use cannot be estimated for any of the others and, therefore, these provisions were not financially updated.

29. Other current & non-current liabilities

As at 31 December 2012 and 2011, the information relative to other non-current liabilities is as follows:

Other non current liabilities	2012	2011
Deferred income		
Investment subsidies	1,410,964	15,973,375
Other deferred income (branch lines)	-	10,212,667
	1,410,964	26,186,042

The value recorded in 2011 under the heading “Other deferred income (connecting pipelines)” refers to income related to the sale of connecting pipelines by the INDAQUA SUBGROUP and is treated as investment grants, with the income being recognised over the entire concession period at the same rate as the amortisation of the concession right (cost of the pipeline).

The net change which occurred from 2011 to 2012 was primarily due to the fact that the INDAQUA SUBGROUP changed to being consolidated through the equity method.

The information on other current liabilities, for the years ended on 31 December 2012 and 2011, is as follows:

Other current liabilities	2012	2011
Accrued costs		
Cost of holiday pay & bonus	34,285,373	30,109,027
Interest payable	5,397,785	10,527,050
Work in progress by suppliers not billed	384,829,782	160,438,172
Other accrued costs	82,806,733	151,494,645
	507,319,673	352,568,894
Deferred income		
Invoicing in advance	27,330,266	80,234,975
Investment subsidies	2,694,911	1,891,083
Rents on own properties	362,164	219,641
Other deferred income	40,185,059	46,722,113
	70,572,400	129,067,812
	577,892,073	481,636,706

The value recorded under the heading “Invoicing in advance” refers to the application of the policy described in Note 1 for recognition of revenue in construction contracts.

2012					
BENEFICIARY COMPANY	AMOUNT OF THE ASSET	AMOUNT OF THE SUBSIDY	RECOGNITION OF INCOME		
			DEFERRED INCOME	RECOGNITION OF INCOME IN 2012	RECOGNITION OF INCOME IN 2011
Correia & Correia	3,158,324	462,575	217,799	31,258	208,848
Mota-Engil Engenharia	48,688,049	6,313,795	2,322,417	645,742	380,826
RTA	7,619,971	3,108,194	1,455,448	107,941	107,941
SGA	3,956,914	1,377,415	57,680	82,302	82,302
Other	1,309,432	1,045,388	52,531	101,339	-
			4,105,875	968,582	779,916

2011					
BENEFICIARY COMPANY	AMOUNT OF THE ASSET	AMOUNT OF THE SUBSIDY	RECOGNITION OF INCOME		
			DEFERRED INCOME	RECOGNITION OF INCOME IN 2012	RECOGNITION OF INCOME IN 2011
Correia & Correia	3,158,324	462,575	253,728	208,848	-
Ferrovias	14,456,479	1,381,442	655,168	142,338	284,568
Indaqua Feira	12,500,000	12,500,000	12,500,000	-	-
Mota-Engil Engenharia	15,134,461	4,072,500	1,944,118	238,488	2,130,732
RTA	7,619,971	3,108,194	1,563,389	107,941	107,941
SGA	3,956,914	1,377,415	139,981	82,302	82,302
Other	2,993,125	962,246	808,074	-	-
			17,864,458	779,916	2,605,543

30. Commitments

As at 31 December 2012 and 2011, the guarantees provided by the GROUP to third parties relative to bank guarantees and fidelity insurance provided to owners of works whose contracts are under various companies of the GROUP, detailed by currency, are as follows:

	2012	2011
Czech Crowns	4,309,001	3,780,599
New Romanian Leu	546,143	-
Algerians Dinars		4,892,293
US Dollars	252,854,868	112,377,675
Cape Verde Escudos	4,939,201	6,320,471
Euros	551,045,253	662,030,367
Hungarian Forints	4,389,365	19,859,106
Malawi Kwashas	15,225,512	17,392,052
Mozambican Meticals	33,363,179	32,923,248
Peruvian New Soles	90,061,857	42,756,149
Mexican Pesos		-
South African Rands	3,783,365	-
Polish Zlotys	77,504,120	92,557,247
Other	1,389,235	90,779
	1,039,411,099	994,979,986

Details by companies of the GROUP are as follows:

	2012	2011
Áreagolfe	1,001,107	1,190,449
Emocil	3,010,271	5,031,232
Indaqua Group		81,447,245
Suma Group	11,589,642	10,852,786
Tertir Group	36,969,447	35,327,031
Manvia	1,787,301	1,640,265
MKC	1,515,841	1,545,715
Mota-Engil Ambiente e Serviços	7,362,500	15,627,500
Mota-Engil Central Europe Poland	79,658,809	94,152,967
Mota-Engil Engenharia	707,379,556	626,526,349
Mota-Engil Central Europe Hungria	2,773,099	3,268,525
Mota-Engil Pavimentações		8,484,598
Mota-Engil Peru	170,817,681	99,703,649
Vibeiras	8,752,015	8,132,079
Other	6,793,830	2,049,596
	1,039,411,099	994,979,986

31. Retirement Plan Benefits

The GROUP has assumed liabilities related to defined benefit retirement plans attributed to various former employees and various current employees and directors.

The accounting policies for these plans adopted by the GROUP are described in subparagraph xix) of the Main valuation criteria in Note 1. Accounting Policies.

As at 31 December 2012 and 2011, the liabilities related to pensioners and to currently employed personnel refer almost entirely to MOTA-ENGIL ENGENHARIA (10,128,763 euros and 9,628,911 euros respectively), with the values of 537,555 euros and 358,167 euros, respectively, referring to other companies.

The values recognized through profit or loss, relative to the pension plan, for the years ended in 2012 and 2011, are of 697,240 euros and 1,044,562 euros, respectively (Note 10 and Note 28).

As at 31 December 2012 and 2011, the liabilities related to pensioners and to currently employed personnel of MOTA-ENGIL ENGENHARIA, as well as their respective coverage, are as follows:

	2012	2011
Liabilities to pensioners	1,609,415	1,644,900
Liabilities to personnel in service	8,519,348	7,984,012
Provisions set aside (Note 28. Provisions)	10,128,763	9,628,911
% of cover	100%	100%

The liabilities related to defined benefit pension plans are calculated in accordance with the projected unit credit method, based on the most suitable actuarial and financial assumptions for the established plan.

The actuarial studies relative to 31 December 2012 and 2011 assumed the following assumptions:

	2012	2011
Mortality tables	TV 73/77	TV 73/77
Invalidity table	EKV80	EKV80
Turnover table	PCRTurnOver	PCRTurnOver
Fund return rate	4.5%	4.5%
Expected wage increase rate	2%	2%
Pension discount rate	4%	4%
Pension growth rate		
Age of retirement	65	65
Number of payments of the benefit	14	14

32. Transactions with related parties

a) Commercial transactions

Balances and transaction with associates and joint ventures, stated through the equity method, are not eliminated, and are as follows:

	2012	2011
Accounts receivable	33,937,745	91,971,785
Accounts payable	49,874,801	27,511,469
Loans granted	108,698,750	62,483,305
Loans obtained	10,698,600	844,249
Sales & services rendered	106,283,233	45,312,664
Cost of merchandise sold	12,306,826	25,988,182
Interest gains	4,787,778	4,357,988
Interest costs	499,257	36,858

Balances and transactions with shareholders of the GROUP with qualifying holdings or with other companies held by the GROUP are as follows:

	2012	2011
Accounts receivable	804	276,810
Accounts payable	99,855	75,988
Sales & services rendered	917,671	739,859
Cost of merchandise sold	-	18,027

Balances and transactions were carried out with the following companies with shareholders that are common to the GROUP:

António de Lago Cerqueira, SA
Cogera - Sociedade de Produção de Energia por Cogeração, Lda
Covelas - Energia, Lda
F.M. - Sociedade de Controlo, SGPS, SA
Mota Gestão e Participações, SGPS, SA
Sunviauto - Indústria de Componentes de Automóveis, SA

The list of the GROUP's shareholders with qualifying holdings is as follows:

António Manuel Queirós Vasconcelos da Mota
Maria Manuela Queirós Vasconcelos Mota dos Santos
Maria Teresa Queirós Vasconcelos Mota Neves da Costa
Maria Paula Queirós Vasconcelos Mota de Meireles
Maria Inês Fonseca Vasconcelos Mota Sá
Algosi - Gestão de Participações Sociais, SGPS, S.A.
F.M. - Sociedade de Controlo, SGPS, S.A.
Mota Gestão e Participações, SGPS, S.A.
Privado Holding SGPS, S.A.
QMC Development Capital Fund, Plc

Due to impossibility of determination, this list does not include other companies in which QMC Development Capital Fund, Plc and Privado Holding, SGPS, SA are also shareholders.

The directors of the GROUP's Holding and of each of its sub-holdings are the following:

MOTA-ENGIL, SGPS, S.A.

António Manuel Queirós Vasconcelos da Mota
Gonçalo Nuno Gomes de Andrade Moura Martins
Arnaldo José Nunes da Costa Figueiredo
Maria Manuela Queirós Vasconcelos Mota dos Santos
Maria Teresa Queirós Vasconcelos Mota Neves da Costa
Maria Paula Queirós Vasconcelos Mota de Meireles
Ismael Antunes Hernandez Gaspar
Carlos António Vasconcelos Mota dos Santos
Maria Isabel da Silva Ferreira Rodrigues Peres
José Pedro Matos Marques Sampaio de Freitas
Luís Filipe Cardoso da Silva
Pedro Manuel Teixeira Rocha Antelo
Luís Valente de Oliveira
António Bernardo Aranha da Gama Lobo Xavier
António Manuel da Silva Vila Cova

MOTA-ENGIL, ENGENHARIA E CONSTRUÇÃO, S.A.

Ismael Antunes Hernandez Gaspar
António Martinho Ferreira de Oliveira
Carlos António Vasconcelos Mota dos Santos

MOTA-ENGIL AMBIENTE E SERVIÇOS, SGPS, S.A.

Carlos António Vasconcelos Mota dos Santos
Ismael Antunes Hernandez Gaspar
Eduardo João Frade Sobral Pimentel

The GROUP's subsidiaries and associates are listed in Appendix A of these Notes to the consolidated financial statements.

b) Remuneration of the administration and Statutory Auditor

The remuneration attributed to the members of the administration during the years ended on 31 December 2012 and 2011 reached the values of 4,285,045 euros (of which 3,328,195 represented fixed remuneration, 885,850 euros represented variable remuneration and 71,000 euros represented attendance fees attributed to non-executive directors) and of 4,404,750 euros (of which 3,285,000 euros represented fixed remuneration, 1,014,750 euros represented variable remuneration and 105,000 euros represented attendance fees attributed to non-executive directors), respectively.

These remunerations are determined by the Remuneration Committee, taking into account individual performance and the evolution of this type of labour market.

For each of these same fiscal years, the remuneration attributed to the Statutory Auditor reached 45,848 euros and 45,848 euros, respectively.

Various members of the administration have retirement plans with defined benefits. The information on these plans is presented in Note 31. Retirement plan benefits.

33. Exploration of mineral resources

As at 31 December 2012 and 2011, the main assets and liabilities assigned to the extraction of the mineral resources of the GROUP are as follows:

	2012	2011
Fixed:		
Land under exploration	44,503,883	45,270,213
Buildings assigned to operations	1,515,496	1,885,488
Equipment assigned to operations	10,230,555	10,897,573
Inventories:		
Mineral stock	7,512,103	6,958,352
Balances receivable	13,271,733	18,691,026
Balances payable	9,169,668	16,355,659

The accounting of the land assigned to the extraction of mineral resources is carried out in accordance with the criteria described in subparagraph iv) of the Main valuation criteria in Note 1. Accounting Policies.

During 2012 and 2011, the GROUP's operating income and costs related to the extraction of mineral resources are as presented below:

	2012	2011
Operating income	33,937,343	51,404,350
Operating costs	31,659,004	44,779,978
EBITDA	2,278,339	6,624,372
EBITDA margin	6.7%	12.9%

During 2012 and 2011, the cash flow of the business of extraction of mineral resources is as follows:

	2012	2011
Cash receipts from customers	39,356,636	55,086,053
Cash paid to suppliers	(38,844,995)	(51,423,026)
OPERATING CASH-FLOW	511,641	3,663,027
Acquisition of fixed assets	(1,472,904)	(1,836,480)
Sale of fixed assets	146,770	1,258,096
INVESTMENT CASH-FLOW	(1,326,134)	(578,384)

34. Non-controlling interests

During 2012 and 2011, the net income attributable to non-controlling interests is broken down as presented below:

CONSOLIDATED NET PROFIT OF THE YEAR ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	2012	2011
Indaqua Group subsidiaries	-	416,485
Suma Group subsidiaries	2,423,516	1,501,457
Tertir Group subsidiaries	4,855,117	3,801,377
Mota-Engil Angola	23,325,350	22,880,237
TPE Paita	-	3,868,536
Vista Waste	2,303,147	5,477,335
Other	353,774	(299,142)
	33,260,904	37,646,285

As at 31 December 2012 and 2011, the equity attributable to non-controlling interests is as presented below:

OWN FUNDS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	2012	2011
Indaqua Group subsidiaries	-	(4,590,160)
Suma Group subsidiaries	23,135,274	18,125,188
Tertir Group subsidiaries	28,070,003	26,378,560
Mota-Engil Angola	49,822,626	42,412,271
TPE Paita	-	9,892,495
Vista Waste	8,774,596	6,402,478
Other	2,057,741	3,212,146
	111,860,240	101,832,978

35. Perimeter alterations

During the year ended on 31 December 2012, there were no materially relevant alterations to the perimeter, hence the effects are not presented under the main headings of the statement of the financial position and income statement.

The most significant alteration which did occur is related to the alteration of the consolidation method for the Sub INDAQUA GROUP, whose most relevant impacts are presented under the heading “Perimeter alteration”, in the respective Notes.

During 2012, the alterations which occurred in the consolidation perimeter, in terms of companies entering and leaving, were as follows:

Acquisition of companies

BUSINESS AREA - CENTRAL EUROPE

Mota-Engil Central Europe Poland acquisition of 40% capital of Imppo Park from Parkinvest, with the group now holding 99% of the company's share capital

BUSINESS AREA - PORTUGAL ENGINEERING AND CONSTRUCTION

Mota-Engil Engenharia e Construção acquisition of 25% capital of Mercado Urbano, with the group now holding 100% of the company's share capital

Companies consolidated for the first time

BUSINESS AREA - PORTUGAL ENVIRONMENT AND SERVICES

CH&P Anadia
CH&P Coja
Ferrol
Vortal SGPS

BUSINESS AREA - AFRICA

Agir
Automatriz
Indimo
ME Maurícias
ME Mining Management
ME Malawi
ME Investments Malawi
ME Minerals & Mining Malawi
ME Minerals & Mining Zimbabwe
ME Minerals Mining Investment BV
Penta

BUSINESS AREA - LATIN AMERICA

Tertir Peru
Tracevia Brasil

Constitution of companies

PARENT COMPANY OF GROUP AND CONNECTED ACTIVITIES

ME Finance BV
Nortenha

BUSINESS AREA - PORTUGAL ENVIRONMENT AND SERVICES

Emsway
Transitex Colombia
Transitex África do Sul
Transitex Peru

BUSINESS AREA - AFRICA

ME África BV
MEEC África

BUSINESS AREA - CENTRAL EUROPE

Centralna
Immo Park Warszawa
Legowa
ME Central Europe PPP
ME Parking 1
ME Parking 2
Nowohucka
Sikorki

Merger of companies, corporate reorganisation and alterations of percentage holding

BUSINESS AREA - PORTUGAL ENGINEERING AND CONSTRUCTION

CPTP into Mota-Engil Engineering
Ferrovias into Mota-Engil Engineering
Mota-Engil Betão e Pré-Fabricados into Mota-Engil Engineering
Mota-Engil Pavimentações into Mota-Engil Engineering
Rentaco into Mota-Engil Engineering
Tecnocarril into Mota-Engil Engineering
Tracevia into Mota-Engil Engineering

BUSINESS AREA - PORTUGAL ENVIRONMENT AND SERVICES

Corporate reorganisation of companies in Suma Group, Correia e Correia, SRI, Triu, Enviroil, Enviroil II
Transitex Espanha acquisition of 50% of Chinalog from Tertir SGPS

BUSINESS AREA - CENTRAL EUROPE

PRD-M Lublin

Leaving of companies:

PARENT COMPANY OF GROUP AND CONNECTED ACTIVITIES

Pentele Alisca exit from group perimeter

BUSINESS AREA - PORTUGAL ENGINEERING AND CONSTRUCTION

Disposal of Crespo holding

BUSINESS AREA - PORTUGAL ENVIRONMENT AND SERVICES

Liquidation of Ambigere company

BUSINESS AREA - CENTRAL EUROPE

Disposal of holdings in Trnavska company
Liquidation of M-Invest company
Liquidation of ME-Property
Liquidation of Piastowska
Mamaia exit from group perimeter due to being registered as an asset being held for sale

Alteration to the consolidation method

CHANGE IN CONSOLIDATION METHOD FROM GLOBAL INTEGRATION TO THE EQUITY METHOD OF THE FOLLOWING COMPANIES IN PORTUGAL - ENVIRONMENT AND SERVICES:

Águas de S. João
Aquallevel
Indaqua
Indaqua Fafe
Indaqua Feira
Indaqua Matosinhos
Indaqua Santo Tirso
Indaqua Vila do Conde

CHANGE IN CONSOLIDATION METHOD FROM EQUITY METHOD TO GLOBAL INTEGRATION OF THE FOLLOWING COMPANIES IN AFRICA:

STM
Novicer

CHANGE IN CONSOLIDATION METHOD FROM GLOBAL INTEGRATION TO THE EQUITY METHOD OF THE FOLLOWING COMPANIES IN AFRICA:

Akwangola
Vista Water

CHANGE IN CONSOLIDATION METHOD FROM GLOBAL INTEGRATION TO THE EQUITY METHOD OF THE FOLLOWING COMPANIES IN LATIN AMERICA:

TPE Paita

36. Financial statements for the past 5 years

The key indicators of the Group's consolidated financial statements for the past 5 year are presented below:

	2012	2011	2010	2009 RESTATED	2008
Sales and services rendered	2,243,167,461	2,176,072,110	2,004,550,902	1,978,732,739	1,868,731,191
EBITDA	287,455,143	295,957,315	237,293,889	196,268,213	311,336,139
EBIT	171,180,395	169,383,880	131,746,011	112,493,490	192,740,342
Financial profit / (loss)	(82,482,622)	(79,714,093)	(50,927,593)	(47,835,971)	(129,759,258)
Consolidated net profit / (loss) attributable:					
to Non-Controlling interests	33,260,904	37,646,285	32,406,014	9,946,801	9,204,245
to the Group	40,745,635	33,432,054	36,950,674	72,612,478	30,565,438

	2012	2011	2010	2009 RESTATED	2008
Assets					
Non-current	1,414,414,889	1,499,573,944	1,544,113,841	1,416,446,234	2,253,100,986
Non-current available for sale	79,397,669	86,340,429	67,807,496	29,043,672	29,043,672
Current	2,104,935,975	1,938,382,555	1,844,244,847	1,458,407,514	1,427,506,596
	3,598,748,533	3,524,296,928	3,456,166,184	2,903,897,420	3,709,651,254
Liabilities					
Non-current	912,529,756	1,054,129,627	1,049,494,243	878,822,935	1,934,379,034
Current	2,250,237,762	2,055,342,715	1,925,942,042	1,632,263,747	1,433,955,137
	3,162,767,518	3,109,472,342	2,975,436,285	2,511,086,682	3,368,334,171
Equity capital					
Attributable to the Group	324,120,775	312,991,608	411,707,342	342,609,114	289,021,913
Attributable to Non-controlling interests	111,860,240	101,832,978	69,022,557	50,201,624	52,295,170
	435,981,015	414,824,586	480,729,899	392,810,738	341,317,083
	3,598,748,533	3,524,296,928	3,456,166,184	2,903,897,420	3,709,651,254

37. Notes to the Consolidated Cash-flow Statement

During the years ended on 31 December 2012 and 2011, the amounts paid for the acquisition of financial investments are detailed as follows:

	2012	2011
Carbine Tungstene	1,703,872	-
Empresa Construtora do Brasil	19,461,737	-
Martinox	1,836,600	-
Sangobiar Peru	367,922	-
Other	11,625,342	2,151,013
	34,995,473	2,151,013

The value under "Other" primarily refers to additional paid-capital provided to the associates HAÇOR and HL - SOCIEDADE GESTORA DO EDIFÍCIO.

During the years ended on 31 December 2012 and 2011, the amounts received in the disposal of financial investments are detailed as follows:

	2012	2011
Indaqua (5%)	3,000,000	-
Outros	2,358,975	1,193,229
	5,358,975	1,193,229

The net changes in the perimeter are essentially explained by the fact that the INDAQUA SUBGROUP began to be consolidated through the equity method, during the fiscal year ended on 31 December 2012.

38. Non-current assets held for sale

During the years ended on 31 December 2012 and 2011, non-current assets held for sale, by business segment, are as follows:

	2012	2011
Portugal Engineering & Construction	-	473,279
Portugal Environment & Services	64,983,272	85,867,150
Central Europe	14,414,397	-
	79,397,669	86,340,429

As at 31 December 2012, this heading is primarily composed of non-operational plots of land, whose values will be recovered through their sale and not through their continued use. Although the land had already been included under this heading in 2011 for Portugal Environment & Services, during 2012 it has not yet been possible to carry out their sale. However, both parties (buyer and seller) continue willing to conclude this business, which is merely pending various legal and administrative procedures. Furthermore, since the fair value of these plots of land minus the expected costs of the sale is higher than their acquisition, these properties are recorded at cost.

The net change in Portugal Environment & Services is due to the conclusion of the operation for the sale of GEO VISION.

The value of non-current assets held for sale as at 31 December 2012 in the Central Europe business segment primarily refers to the subsidiary MAMAIA, which will be sold during 2013.

39. Business segments

The GROUP uses its internal organisation for management effects based on its reporting of information by operating segments.

Up to 31 December 2011, the GROUP was organised into two core business areas: Engineering & Construction, which included the activities of construction, public works and property development; Environment & Services, which basically covered solid urban waste collection and treatment companies, water and basic sanitation companies and port operation companies.

In early 2012, and following the implementation of its new organisational model, the GROUP altered its business matrix, which was thereafter established by geographic areas, changing the logic of business areas that had been followed previously. In this context, as of 1 January 2012, the GROUP was thus organised into the following core business areas: Portugal, Africa, Latin America and Central Europe.

As with the previous procedure, the values relative to the COMPANY, to MESP and the GROUP companies of the Tourism are included under the heading “Other, eliminations and intra-group”, which also includes the amounts relative to flows and balances between the operating segments.

The statement of consolidated net operating income by operating segment is broken down as follows:

2012	PORTUGAL ENGINEERING & CONSTRUCTION	PORTUGAL ENVIRONMENT & SERVICES	AFRICA	CENTRAL EUROPE	LATIN AMERICA	OTHERS, ELIMINATIONS & INTRA-GROUP	MOTA-ENGIL GROUP
Sales & services rendered	516,877,668	316,410,769	728,811,174	429,428,291	313,855,741	(62,216,182)	2,243,167,461
Other revenues	113,437,520	6,461,952	42,818,140	2,821,686	8,694,867	(91,241,787)	82,992,378
Cost of goods sold, mat. cons. & Subcontractors	(332,000,000)	(115,352,572)	(333,850,070)	(318,058,427)	(98,237,137)	51,200,330	(1,146,297,876)
Gross profit	298,315,188	207,520,149	437,779,244	114,191,550	224,313,471	(102,257,639)	1,179,861,963
Third-party supplies & services	(105,746,313)	(78,534,027)	(183,088,797)	(72,451,571)	(107,849,773)	84,858,327	(462,812,154)
Wages and salaries	(102,630,627)	(68,671,656)	(104,441,885)	(47,524,156)	(76,927,631)	(16,476,610)	(416,672,565)
Other operating income / (expenses)	(21,785,233)	(5,850,344)	(13,792,963)	3,254,486	(6,149,279)	31,401,232	(12,922,101)
EBITDA	68,153,015	54,464,122	136,455,599	(2,529,691)	33,386,788	(2,474,690)	287,455,143
Depreciation & Amortization	(33,906,019)	(20,837,379)	(22,608,055)	(7,958,011)	(5,364,181)	(675,098)	(91,348,743)
Provisions and impairment losses	(14,595,928)	(6,509,170)	(3,017,821)	567,140	(1,370,226)	-	(24,926,005)
Operating profit	19,651,068	27,117,573	110,829,723	(9,920,562)	26,652,381	(3,149,788)	171,180,395

2011	PORTUGAL ENGINEERING & CONSTRUCTION	PORTUGAL ENVIRONMENT & SERVICES	AFRICA	CENTRAL EUROPE	LATIN AMERICA	OTHERS, ELIMINATIONS & INTRA-GROUP	MOTA-ENGIL GROUP
Sales & services rendered	659,842,724	382,337,740	610,691,588	382,688,895	162,506,195	(21,995,032)	2,176,072,110
Other revenues	132,228,724	10,557,608	40,999,985	3,043,386	9,017,002	(101,739,449)	94,107,256
Cost of goods sold, mat. cons. & Subcontractors	(459,072,300)	(150,449,864)	(306,775,262)	(243,082,430)	(55,616,325)	40,732,430	(1,174,263,751)
Gross profit	332,999,148	242,445,484	344,916,311	142,649,851	115,906,872	(83,002,051)	1,095,915,615
Third-party supplies & services	(119,685,625)	(88,124,816)	(152,257,456)	(85,038,408)	(53,048,447)	82,404,283	(415,750,469)
Wages and salaries	(134,682,092)	(82,825,160)	(57,853,247)	(49,814,339)	(37,363,951)	(10,949,978)	(373,488,767)
Other operating income / (expenses)	(14,266,293)	(1,607,085)	(7,016,265)	5,546,293	(3,248,728)	9,873,014	(10,719,064)
EBITDA	64,365,138	69,888,423	127,789,343	13,343,397	22,245,746	(1,674,732)	295,957,315
Depreciation & Amortization	(31,272,747)	(27,742,754)	(19,440,939)	(6,612,634)	(4,087,151)	(2,039,244)	(91,195,469)
Provisions and impairment losses	(21,851,079)	(7,528,492)	(2,908,846)	104,431	(3,193,977)	(3)	(35,377,966)
Operating profit	11,241,312	34,617,177	105,439,558	6,835,194	14,964,618	(3,713,979)	169,383,880

As at 31 December 2012 and 2011, the sales and services rendered between business segments are included in the column “Other, eliminations and intra-group” and are immaterial.

Gains/(losses) in associates and joint ventures for 2012 are primarily explained by the effect of the application of the equity method to the financial investment held in MARTIFER and in the ASCENDI GROUP (Note 12).

During the years ended on 31 December 2012 and 2011, the intra-group sales were made at prices similar to those practised for sales to external customers.

The main headings of the consolidated financial position by operating segment are broken down as follows:

2012	PORTUGAL ENGINEERING & CONSTRUCTION	PORTUGAL ENVIRONMENT & SERVICES	AFRICA	CENTRAL EUROPE	LATIN AMERICA	OTHERS, ELIMINATIONS & INTRA-GROUP	MOTA-ENGIL GROUP
Goodwill	2,419,547	113,295,235	132,440	11,185,213	-	-	127,032,435
Intangible fixed assets	149,241	119,313,231	2,098,783	20,328,690	1,986,340	(18,826,419)	125,049,866
Tangible fixed assets	239,466,170	103,826,024	132,680,198	77,651,023	39,559,555	20,248,401	613,431,371
Financial investments under the equity method	2,612,398	31,981,539	33,171,781	23,620,170	25,515,360	102,003,631	218,904,879
Investment properties	63,888,184	2,296,579	-	-	-	-	66,184,763
Customers & other debtors (Non-current)	320,918,452	19,751,486	3,187,797	17,753,522	52,648	(187,232,520)	174,431,385
Non-current Assets Held for Sale	-	64,983,272	-	14,414,397	-	-	79,397,669
Customers	238,989,644	140,885,040	546,876,542	33,072,281	19,069,636	(54,427,894)	924,465,249
Other debtors	204,123,376	47,878,929	236,920,264	16,132,427	26,324,910	(212,544,330)	318,835,576
Other current assets	18,867,264	9,910,621	148,484,252	41,136,093	102,047,162	896,680	321,342,072
Sundry Creditors (Non-current)	64,177,584	197,062,930	92,309,532	97,728,147	36,992,899	(198,931,158)	289,339,934
Other non-current liabilities	270,485	129,849	-	-	-	1,010,630	1,410,964
Suppliers	284,658,547	93,697,946	168,672,843	114,100,488	28,367,194	(163,642,147)	525,854,871
Sundry Creditors	222,642,839	46,800,129	248,539,949	98,379,543	55,599,960	(158,558,183)	513,404,237
Other current liabilities	124,291,342	48,300,266	338,728,830	23,095,659	38,817,237	4,658,739	577,892,073

2011	PORTUGAL ENGINEERING & CONSTRUCTION	PORTUGAL ENVIRONMENT & SERVICES	AFRICA	CENTRAL EUROPE	LATIN AMERICA	OTHERS, ELIMINATIONS & INTRA-GROUP	MOTA-ENGIL GROUP
Goodwill	4,971,149	119,884,809	132,440	10,384,523	-	-	135,372,921
Intangible fixed assets	232,240	292,750,239	391,585	20,434,581	11,854,043	(18,144,705)	307,517,983
Tangible fixed assets	212,216,989	125,729,074	107,593,661	74,750,466	22,734,180	21,532,332	564,556,702
Financial investments under the equity method	31,555,741	11,250,473	25,138,722	24,398,632	4,976,284	119,253,759	216,573,611
Investment properties	63,888,184	2,296,579	-	-	-	(3,237,710)	62,947,053
Customers & other debtors (Non-current)	226,665,960	9,921,777	2,991,525	18,416,460	6,949,127	(108,419,758)	156,525,091
Non-current Assets Held for Sale	473,279	85,867,150	-	-	-	-	86,340,429
Customers	249,349,421	165,617,435	530,163,566	18,111,002	17,729,253	(59,755,925)	921,214,752
Other debtors	100,287,180	60,784,010	249,165,443	24,798,101	7,563,036	(78,175,392)	364,422,378
Other current assets	37,042,694	14,410,991	46,440,619	51,915,970	23,830,602	2,054,346	175,695,222
Sundry Creditors (Non-current)	45,329,564	212,070,078	79,446,330	91,950,694	1,464,786	(192,724,134)	237,537,318
Other non-current liabilities	1,696,124	23,390,322	-	10,002	-	1,089,594	26,186,042
Suppliers	257,927,983	94,135,488	121,582,652	106,446,321	17,933,551	(119,876,737)	478,149,258
Sundry Creditors	265,385,701	50,857,558	188,888,056	57,811,251	45,044,203	(107,159,144)	500,827,625
Other current liabilities	133,115,673	59,133,475	252,469,255	21,134,229	9,387,515	6,396,559	481,636,706

39.1. Segment reporting – Portugal Engineering & Construction

The statement of consolidated net operating income for the Portugal ENGINEERING & CONSTRUCTION segment is broken down as follows:

PORTUGAL ENGINEERING & CONSTRUCTION	NOTES	2012	2011
Sales & services rendered		516,877,668	659,842,724
Other revenues		113,437,520	132,228,724
Cost of goods sold, mat. cons. & Subcontractors		(332,000,000)	(459,072,300)
Gross profit		298,315,188	332,999,148
Third-party supplies & services	39.1.1	(105,746,313)	(119,685,625)
Wages and salaries		(102,630,627)	(134,682,092)
Other operating income / (expenses)		(21,785,233)	(14,266,293)
EBITDA		68,153,015	64,365,138
Depreciation & Amortization	9	(33,906,019)	(31,272,747)
Provisions and impairment losses	10	(14,595,928)	(21,851,079)
Operating profit		19,651,068	11,241,312

The main headings of the consolidated financial position for the Portugal Engineering & Construction segment are broken down as follows:

PORTUGAL ENGINEERING & CONSTRUCTION	NOTES	2012	2011
Goodwill	16	2,419,547	4,971,149
Intangible fixed assets	17	149,241	232,240
Tangible fixed assets	18	239,466,170	212,216,989
Financial investments under the equity method	19	2,612,398	31,555,741
Investment properties	21	63,888,184	63,888,184
Customers & other debtors (Non-current)	39.1.2	320,918,452	226,665,960
Non-current Assets Held for Sale	38	-	473,279
Customers	39.1.2	238,989,644	249,349,421
Other debtors	39.1.2	204,123,376	100,287,180
Other current assets	39.1.2	18,867,264	37,042,694
Sundry Creditors (Non-current)	39.1.3	64,177,584	45,329,564
Other non-current liabilities	39.1.4	270,485	1,696,124
Suppliers	39.1.3	284,658,547	257,927,983
Sundry Creditors	39.1.3	222,642,839	265,385,701
Other current liabilities	39.1.4	124,291,342	133,115,673

39.1.1. Third-party Supplies & Services

Third party suppliers and services, for the years ended on 31 December 2012 and 2011, are broken down as follows:

PORTUGAL ENGINEERING & CONSTRUCTION	2012	2011
Leases & rents	35,894,148	34,365,877
Specialised works	10,856,016	13,196,281
Transport, travel and board & lodging	15,435,729	16,136,816
Maintenance & repairs	8,656,672	11,594,286
Fuel	4,267,958	6,231,437
Insurance	3,325,739	3,810,923
Commissions & fees	548,130	871,202
Water & electricity	2,431,863	3,000,790
Utensils & office equipment	1,091,173	1,773,658
Vigilance & security	1,716,267	1,875,843
Communications	752,996	1,021,936
Advertising & publicity	238,881	537,022
Other supplies & services	20,530,741	25,269,554
	105,746,313	119,685,625

39.1.2. Other assets

a) Loans and accounts receivable

The information on loans and accounts receivable from customers, for the years ended on 31 December 2012 and 2011, is broken down as follows:

PORTUGAL ENGINEERING & CONSTRUCTION		NON-CURRENT		CURRENT	
CUSTOMERS		2012	2011	2012	2011
Trade accounts receivable					
Gross value:		59,776,443	80,035,044	268,671,380	278,969,542
Others, eliminations & intra-Group					
		59,776,443	80,035,044	268,671,380	278,969,542
Accumulated impairment losses		(1,031,507)	(1,110,885)	(30,912,482)	(30,441,541)
		58,744,936	78,924,159	237,758,898	248,528,001
Trade accounts – Bills receivable					
		475,533	475,533	1,230,746	821,420
		59,220,469	79,399,692	238,989,644	249,349,421

The information on loans and accounts receivable from other debtors, for the years ended on 31 December 2012 and 2011, is broken down as follows:

PORTUGAL ENGINEERING & CONSTRUCTION		NON-CURRENT		CURRENT	
Other debtors		2012	2011	2012	2011
Associate and related companies					
Gross value		263,778,399	151,142,612	27,194,490	4,049,868
Accumulated impairment losses		(6,387,343)	(6,275,275)	-	-
		257,391,056	144,867,337	27,194,490	4,049,868
Advances to suppliers					
		-	-	1,427,006	551,573
State & other public entities					
		-	-	15,677,790	14,576,894
Other					
Gross value		4,306,927	2,398,931	164,351,275	85,295,471
Accumulated impairment losses		-	-	(4,527,185)	(4,186,626)
		4,306,927	2,398,931	159,824,090	81,108,845
		261,697,983	147,266,268	204,123,376	100,287,180

a) Other current assets

The heading “Other current assets” is broken down as follows:

PORTUGAL ENGINEERING & CONSTRUCTION		2012	2011
Accrued income			
Production not invoiced		3,038,721	14,131,099
Indemnities receivable		-	260,263
Interest receivable		118,588	18,762,074
Other accrued income		13,460,063	269,829
		16,617,372	33,423,265
Deferred costs			
Insurance		1,210,943	1,216,870
Other deferred costs		1,038,949	2,402,559
		2,249,892	3,619,429
		18,867,264	37,042,694

39.1.3. Trade liabilities and other liabilities payable

The information relative to trade liabilities and other liabilities payable, for the years ended on 31 December 2012 and 2011, is broken down as follows:

PORTUGAL ENGINEERING & CONSTRUCTION	Non-current		Current	
	2012	2011	2012	2011
Suppliers	16,492,666	16,455,670	284,658,547	257,927,983
	16,492,666	16,455,670	284,658,547	257,927,983
Suppliers of fixed assets	46,646,732	27,552,143	34,421,772	34,762,659
Group companies, associates & other shareholders	-	-	160,000	400,000
Customer prepayments on account of sales	317,655	580,696	5,565,063	962,580
State & other public entities	-	-	14,701,829	12,488,712
Other creditors	720,531	741,055	167,794,175	216,771,750
	47,684,918	28,873,894	222,642,839	265,385,701
	64,177,584	45,329,564	507,301,386	523,313,684

39.1.4. Other current & non-current liabilities

As at 31 December 2012 and 2011, the information on other non-current liabilities is as follows:

OTHER NON CURRENT LIABILITIES - PORTUGAL ENGINEERING & CONSTRUCTION	2012	2011
Deferred income		
Investment subsidies	270,485	1,696,124
	270,485	1,696,124

The information on other current liabilities, for the years ended on 31 December 2012 and 2011 is as follows:

OTHER CURRENT LIABILITIES - PORTUGAL ENGINEERING & CONSTRUCTION	2012	2011
Accrued costs		
Cost of holiday pay & bonus	13,985,905	16,391,241
Interest payable	2,391,762	2,252,696
Work in progress by suppliers not billed	37,503,199	993,050
Other accrued costs	42,365,292	39,359,490
	96,246,158	58,996,477
Deferred income		
Invoicing in advance	25,131,431	71,885,171
Investment subsidies	2,051,934	903,163
Rents on own properties	353,331	219,641
Other deferred income	508,488	1,111,221
	28,045,184	74,119,196
	124,291,342	133,115,673

39.2. Segment reporting – Portugal Environment & Services

The statement of consolidated net operating income for the Portugal Environment & Services segment is broken down as follows:

PORTUGAL ENVIRONMENT & SERVICES	NOTES	2012	2011
Sales & services rendered		316,410,769	382,337,740
Other revenues		6,461,952	10,557,608
Cost of goods sold, mat. cons. & Subcontractors		(115,352,572)	(150,449,864)
Gross profit		207,520,149	242,445,484
Third-party supplies & services	39.2.1	(78,534,027)	(88,124,816)
Wages and salaries		(68,671,656)	(82,825,160)
Other operating income / (expenses)		(5,850,344)	(1,607,085)
EBITDA		54,464,122	69,888,423
Depreciation & Amortization	9	(20,837,379)	(27,742,754)
Provisions and impairment losses	10	(6,509,170)	(7,528,492)
Operating profit		27,117,573	34,617,177

The main headings of the consolidated financial position for the Portugal Environment & Services segment are broken down as follows:

PORTUGAL ENVIRONMENT & SERVICES	NOTES	2012	2011
Goodwill	16	113,295,235	119,884,809
Intangible fixed assets	17	119,313,231	292,750,239
Tangible fixed assets	18	103,826,024	125,729,074
Financial investments under the equity method	19	31,981,539	11,250,473
Investment properties	21	2,296,579	2,296,579
Customers & other debtors (Non-current)	39.2.2	19,751,486	9,921,777
Non-current Assets Held for Sale	38	64,983,272	85,867,150
Customers	39.2.2	140,885,040	165,617,435
Other debtors	39.2.2	47,878,929	60,784,010
Other current assets	39.2.2	9,910,621	14,410,991
Sundry Creditors (Non-current)	39.2.3	197,062,930	212,070,078
Other non-current liabilities	39.2.4	129,849	23,390,322
Suppliers	39.2.3	93,697,946	94,135,488
Sundry Creditors	39.2.3	46,800,129	50,857,558
Other current liabilities	39.2.4	48,300,266	59,133,475

39.2.1. Third-party Supplies & Services

Third party supplies and services, for the years ended on 31 December 2012 and 2011, are broken down as follows:

PORTUGAL ENVIRONMENT & SERVICES	2012	2011
Leases & rents	32,936,749	31,573,938
Specialised works	8,914,919	12,689,740
Transport, travel and board & lodging	3,192,987	3,696,433
Maintenance & repairs	10,026,205	12,194,830
Fuel	7,960,044	8,750,350
Insurance	2,399,347	2,893,443
Commissions & fees	1,315,472	1,102,243
Water & electricity	3,139,748	4,025,531
Utensils & office equipment	1,499,555	2,371,972
Vigilance & security	1,624,299	1,819,837
Communications	1,074,931	1,294,884
Advertising & publicity	346,364	350,871
Other supplies & services	4,103,407	5,360,744
	78,534,027	88,124,816

39.2.2. Other assets

a) Loans and receivables

The information on loans and accounts receivable from customers, for the years ended on 31 December 2012 and 2011, is broken down as follows:

PORTUGAL ENVIRONMENT & SERVICES	NON-CURRENT		CURRENT	
	2012	2011	2012	2011
CUSTOMERS				
Trade accounts receivable				
Gross value:	582,665	5,480,990	144,812,287	169,752,157
	582,665	5,480,990	144,812,287	169,752,157
Accumulated impairment losses	(140,619)	(693,049)	(4,993,964)	(5,796,088)
	442,046	4,787,941	139,818,323	163,956,069
Trade accounts – Bills receivable	-	-	1,066,717	1,661,366
	442,046	4,787,941	140,885,040	165,617,435

The information on loans and accounts receivable from other debtors, for the years ended on 31 December 2012 and 2011, is broken down as follows:

b) Other current assets

The heading “Other current assets” is broken down as follows:

PORTUGAL ENVIRONMENT & SERVICES	2012	2011
Accrued income		
Production and services rendered not invoiced	3,499,572	3,854,147
Interest receivable	105,065	67,442
Other accrued income	2,136,699	3,767,030
	5,741,336	7,688,619
Deferred costs		
Insurance	735,775	589,163
Other deferred costs	3,433,510	6,133,209
	4,169,285	6,722,372
	9,910,621	14,410,991

39.2.3. Trade liabilities & other liabilities payable

The information on trade liabilities and other liabilities payable, for the years ended on 31 December 2012 and 2011, is broken down as follows:

PORTUGAL ENVIRONMENT & SERVICES	NÃO CORRENTES		CORRENTES	
	2012	2011	2012	2011
Suppliers	-	-	93,697,946	94,135,488
	-	-	93,697,946	94,135,488
Suppliers of fixed assets	64,214,636	71,147,165	15,757,178	25,311,580
Group companies, associates & other shareholders	130,322,428	119,174,298	6,378,517	8,732,213
Customer prepayments on account of sales	-	-	1,329,144	1,879,253
State & other public entities	-	-	1,411,774	480,489
Other creditors	2,525,866	21,748,615	21,923,516	14,454,023
	197,062,930	212,070,078	46,800,129	50,857,558
	197,062,930	212,070,078	140,498,075	144,993,046

39.2.4. Other current & non-current liabilities

As at 31 December 2012 and 2011, the information relative to the other non-current liabilities is as follows:

OTHER NON CURRENT LIABILITIES - PORTUGAL ENVIRONMENT & SERVICES	2012	2011
Deferred income		
Investment subsidies	129,849	13,177,656
Other deferred income (branch lines)	-	10,212,666
	129,849	23,390,322

The information on other current liabilities, for the years ended on 31 December 2012 and 2011, is as follows:

OTHER CURRENT LIABILITIES - PORTUGAL ENVIRONMENT & SERVICES	2012	2011
Accrued costs		
Cost of holiday pay & bonus	6,809,554	8,561,109
Interest payable	1,237,912	5,552,381
Other accrued costs	11,886,730	14,070,007
	19,934,196	28,183,497
Deferred income		
Investment subsidies	128,134	302,163
Rents on own properties	8,833	-
Other deferred income	28,229,103	30,647,815
	28,366,070	30,949,978
	48,300,266	59,133,475

39.3. Segment reporting – Africa

The statement of consolidated net operating income for the Africa segment is broken down as follows:

AFRICA	NOTES	2012	2011
Sales & services rendered		728,811,174	610,691,588
Other revenues		42,818,140	40,999,985
Cost of goods sold, mat. cons. & Subcontractors		(333,850,070)	(306,775,262)
Gross profit		437,779,244	344,916,311
Third-party supplies & services	39.3.1	(183,088,797)	(152,257,456)
Wages and salaries		(104,441,885)	(57,853,247)
Other operating income / (expenses)		(13,792,963)	(7,016,265)
EBITDA		136,455,599	127,789,343
Depreciation & Amortization	9	(22,608,055)	(19,440,939)
Provisions and impairment losses	10	(3,017,821)	(2,908,846)
Operating profit		110,829,723	105,439,558

The main headings of the consolidated financial position for the Africa segment are broken down as follows:

AFRICA	NOTES	2012	2011
Goodwill	16	132,440	132,440
Intangible fixed assets	17	2,098,783	391,585
Tangible fixed assets	18	132,680,198	107,593,661
Financial investments under the equity method	19	33,171,781	25,138,722
Customers & other debtors (Non-current)	39.3.2	3,187,797	2,991,525
Customers	39.3.2	546,876,542	530,163,566
Other debtors	39.3.2	236,920,264	249,165,443
Other current assets	39.3.2	148,484,252	46,440,619
Sundry Creditors (Non-current)	39.3.3	92,309,532	79,446,330
Suppliers	39.3.3	168,672,843	121,582,652
Sundry Creditors	39.3.3	248,539,949	188,888,056
Other current liabilities	39.3.4	338,728,830	252,469,255

39.3.1. Third-party Supplies & Services

Third party supplies and services for the years ended on 31 December 2012 and 2011 are broken down as follows:

AFRICA	2012	2011
Leases & rents	76,942,314	45,141,526
Specialised works	34,290,268	54,761,661
Transport, travel and board & lodging	25,041,825	17,079,831
Maintenance & repairs	13,480,812	9,045,715
Fuel	1,865,675	1,641,820
Insurance	5,159,432	2,331,182
Commissions & fees	264,309	882,379
Water & electricity	960,947	763,319
Utensils & office equipment	2,424,754	1,930,571
Vigilance & security	3,033,147	2,608,490
Communications	2,672,082	1,983,596
Advertising & publicity	754,127	1,073,072
Other supplies & services	16,199,105	13,014,294
	183,088,797	152,257,456

39.3.2. Other assets

a) Loans and accounts receivable

The information on loans and accounts receivable from customers for the years ended on 31 December 2012 and 2011 is broken down as follows:

AFRICA	NON-CURRENT		CURRENT	
	2012	2011	2012	2011
CUSTOMERS				
Trade accounts receivable				
Gross value:	67,878	58,329	570,475,132	534,090,146
	67,878	58,329	570,475,132	534,090,146
Accumulated impairment losses	-	(2,690)	(23,598,590)	(3,926,580)
	67,878	55,639	546,876,542	530,163,566
	67,878	55,639	546,876,542	530,163,566

The information on loans and accounts receivable from other debtors for the years ended on 31 December 2012 and 2011 is broken down as follows:

AFRICA	NON-CURRENT		CURRENT	
	2012	2011	2012	2011
Other debtors				
Associate and related companies				
Gross value	2,790,790	2,935,886	822,226	1,116,819
	2,790,790	2,935,886	822,226	1,116,819
Advances to suppliers	-	-	10,232,836	7,104,478
State & other public entities	-	-	19,637,871	3,365,939
Other				
Gross value	329,129	-	206,948,999	253,610,534
Accumulated impairment losses	-	-	(721,668)	(16,032,327)
	329,129	-	206,227,331	237,578,207
	3,119,919	2,935,886	236,920,264	249,165,443

a) Other current assets

The heading “Other current assets” is broken down as follows:

AFRICA	2012	2011
Accrued income		
Production and services rendered not invoiced	101,055,142	12,751,688
Other accrued income	510,954	25,362,880
	101,566,096	38,114,568
Deferred costs		
Insurance	860,028	918,061
Other deferred costs	46,058,128	7,407,990
	46,918,156	8,326,051
	148,484,252	46,440,619

39.3.3. Trade liabilities & other liabilities payable

AFRICA	NON-CURRENT		CURRENT	
	2012	2011	2012	2011
Suppliers	807,241	549,191	168,672,843	121,582,652
	807,241	549,191	168,672,843	121,582,652
Suppliers of fixed assets	193,662	692,840	23,539,671	8,555,443
Group companies, associates & other shareholders	2,049,203	19,135	50,871,551	744,905
Customer prepayments on account of sales	60,668,026	40,336,783	125,879,414	44,923,829
State & other public entities	-	-	22,721,675	9,152,835
Other creditors	28,591,400	37,848,381	25,527,638	125,511,044
	91,502,291	78,897,139	248,539,949	188,888,056
	92,309,532	79,446,330	417,212,792	310,470,708

39.3.4. Other current liabilities

The information on other current liabilities, for the years ended on 31 December 2012 and 2011, is as follows:

OTHER CURRENT LIABILITIES - AFRICA	2012	2011
Accrued costs		
Cost of holiday pay & bonus	5,269,400	431,770
Work in progress by suppliers not billed	297,287,310	134,580,069
Other accrued costs	27,215,380	95,767,164
	329,772,090	230,779,003
Deferred income		
Invoicing in advance	-	8,346,828
Other deferred income	8,956,740	13,343,424
	8,956,740	21,690,252
	338,728,830	252,469,255

39.4. Segment reporting – Central Europe

The statement of consolidated net operating income for the Central Europe segment is broken down as follows:

CENTRAL EUROPE	NOTES	2012	2011
Sales & services rendered		429,428,291	382,688,895
Other revenues		2,821,686	3,043,386
Cost of goods sold, mat. cons. & Subcontractors		(318,058,427)	(243,082,430)
Gross profit		114,191,550	142,649,851
Third-party supplies & services	39.4.1	(72,451,571)	(85,038,408)
Wages and salaries		(47,524,156)	(49,814,339)
Other operating income / (expenses)		3,254,486	5,546,293
EBITDA		(2,529,691)	13,343,397
Depreciation & Amortization	9	(7,958,011)	(6,612,634)
Provisions and impairment losses	10	567,140	104,431
Operating profit		(9,920,562)	6,835,194

The main headings of the consolidated financial position for the Central Europe segment are broken down as follows:

CENTRAL EUROPE	NOTES	2012	2011
Goodwill	16	11,185,213	10,384,523
Intangible fixed assets	17	20,328,690	20,434,581
Tangible fixed assets	18	77,651,023	74,750,466
Financial investments under the equity method	19	23,620,170	24,398,632
Customers & other debtors (Non-current)	39.4.2	17,753,522	18,416,460
Non-current Assets Held for Sale	38	14,414,397	-
Customers	39.4.2	33,072,281	18,111,002
Other debtors	39.4.2	16,132,427	24,798,101
Other current assets	39.4.2	41,136,093	51,915,970
Sundry Creditors (Non-current)	39.4.3	97,728,147	91,950,694
Other non-current liabilities	39.4.4	-	10,002
Suppliers	39.4.3	114,100,488	106,446,321
Sundry Creditors	39.4.3	98,379,543	57,811,251
Other current liabilities	39.4.4	23,095,659	21,134,229

39.4.1. Third-party Supplies & Services

Third party supplies and services for the years ended on 31 December 2012 and 2011 are broken down as follows:

CENTRAL EUROPE	2012	2011
Leases & rents	45,837,796	59,179,397
Specialised works	5,974,326	2,760,430
Transport, travel and board & lodging	1,047,762	1,117,065
Maintenance & repairs	2,275,179	1,957,963
Fuel	891,786	365,100
Insurance	1,187,452	1,147,082
Commissions & fees	3,058,351	5,824,531
Water & electricity	1,790,503	1,615,503
Utensils & office equipment	773,807	1,295,296
Vigilance & security	1,350,472	1,424,151
Communications	427,836	494,705
Advertising & publicity	205,002	218,124
Other supplies & services	7,631,299	7,639,061
	72,451,571	85,038,408

39.4.2. Other assets

a) Loans and accounts receivable

The information on loans and accounts receivable from customers, for the years ended on 31 December 2012 and 2011, is broken down as follows:

CENTRAL EUROPE	Non-current		Current	
CUSTOMERS	2012	2011	2012	2011
Trade accounts receivable				
Gross value:	354,673	480,506	36,396,126	22,351,277
	354,673	480,506	36,396,126	22,351,277
Accumulated impairment losses	-	-	(3,323,845)	(4,240,275)
	354,673	480,506	33,072,281	18,111,002
	354,673	480,506	33,072,281	18,111,002

The information on loans and accounts receivable from other debtors, for the years ended on 31 December 2012 and 2011, is broken down as follows:

CENTRAL EUROPE	NON-CURRENT		CURRENT	
	2012	2011	2012	2011
Other debtors				
Associate and related companies				
Gross value	17,190,765	17,715,886	3,565,164	5,059,493
	17,190,765	17,715,886	3,565,164	5,059,493
Advances to suppliers	-	-	434,681	3,870,482
State & other public entities	-	-	2,642,623	3,973,885
Other	-	-	-	-
Gross value	208,084	220,068	9,489,959	11,894,241
	208,084	220,068	9,489,959	11,894,241
	17,398,849	17,935,954	16,132,427	24,798,101

a) Other current assets

The heading “Other current assets” is broken down as follows:

CENTRAL EUROPE	2012	2011
Accrued income		
Production and services rendered not invoiced	38,579,395	49,204,636
Interest receivable	272,810	294,432
Other accrued income	81,892	287,870
	38,934,097	49,786,938
Deferred costs		
	-	-
Insurance	907,681	904,481
Other deferred costs	1,294,315	1,224,551
	2,201,996	2,129,032
	41,136,093	51,915,970

39.4.3. Trade liabilities & other liabilities payable

The information on trade liabilities and other liabilities payable, for the years ended on 31 December 2012 and 2011, is broken down as follows:

CENTRAL EUROPE	NON-CURRENT		CURRENT	
	2012	2011	2012	2011
Suppliers				
	10,343,327	4,269,160	114,100,488	106,446,321
	10,343,327	4,269,160	114,100,488	106,446,321
Suppliers of fixed assets	15,133,513	17,793,181	6,525,434	7,171,653
Group companies, associates & other shareholders	72,056,614	69,695,911	2,854,585	293,687
Customer prepayments on account of sales	8,827	8,502	9,737,560	10,290,364
State & other public entities	-	-	11,789,395	5,811,074
Other creditors	185,866	183,940	67,472,569	34,244,473
	87,384,820	87,681,534	98,379,543	57,811,251
	97,728,147	91,950,694	212,480,031	164,257,572

39.4.4. Other current liabilities

The information on other current liabilities, for the years ended on 31 December 2012 and 2011, is as follows:

OTHER CURRENT LIABILITIES - CENTRAL EUROPE	2012	2011
Accrued costs		
Cost of holiday pay & bonus	703,517	544,523
Interest payable	552,434	1,411,578
Work in progress by suppliers not billed	19,227,879	17,512,265
Other accrued costs	300,621	1,493,670
	20,784,451	20,962,036
Deferred income		
Invoicing in advance	2,198,834	2,976
Investment subsidies	12,346	81,983
Other deferred income	100,028	87,234
	2,311,208	172,193
	23,095,659	21,134,229

39.5. Segment reporting – Latin America

The statement of consolidated net operating income for the America segment is broken down as follows:

LATIN AMERICA	NOTES	2012	2011
Sales & services rendered		313,855,741	162,506,195
Other revenues		8,694,867	9,017,002
Cost of goods sold, mat. cons. & Subcontractors		(98,237,137)	(55,616,325)
Gross profit		224,313,471	115,906,872
Third-party supplies & services	39.5.1	(107,849,773)	(53,048,447)
Wages and salaries		(76,927,631)	(37,363,951)
Other operating income / (expenses)		(6,149,279)	(3,248,728)
EBITDA		33,386,788	22,245,746
Depreciation & Amortization	9	(5,364,181)	(4,087,151)
Provisions and impairment losses	10	(1,370,226)	(3,193,977)
Operating profit		26,652,381	14,964,618

The main headings of the consolidated financial position for the America segment are broken down as follows:

LATIN AMERICA	NOTES	2012	2011
Goodwill	16	-	-
Intangible fixed assets	17	1,986,340	11,854,043
Tangible fixed assets	18	39,559,555	22,734,180
Financial investments under the equity method	19	25,515,360	4,976,284
Customers & other debtors (Non-current)	39.5.2	52,648	6,949,127
Customers	39.5.2	19,069,636	17,729,253
Other debtors	39.5.2	26,324,910	7,563,036
Other current assets	39.5.2	102,047,162	23,830,602
Sundry Creditors (Non-current)	39.5.3	36,992,899	1,464,786
Suppliers	39.5.3	28,367,194	17,933,551
Sundry Creditors	39.5.2	55,599,960	45,044,203
Other current liabilities	39.5.4	38,817,237	9,387,515

39.5.1. Third-party Supplies & Services

Third party supplies and services for the years ended on 31 December 2012 and 2011 are broken down as follows:

LATIN AMÉRICA	2012	2011
Leases & rents	50,405,260	23,594,851
Specialised works	7,523,304	9,412,044
Transport, travel and board & lodging	11,606,149	4,364,452
Maintenance & repairs	2,358,119	761,561
Fuel	24,244,246	10,151,863
Insurance	132,892	296,700
Commissions & fees	438,338	799,660
Water & electricity	111,489	449,982
Utensils & office equipment	142,498	585,731
Vigilance & security	802,912	528,027
Communications	976,821	470,829
Advertising & publicity	217,753	91,080
Other supplies & services	8,889,992	1,541,667
	107,849,773	53,048,447

39.5.2. Other assets

a) Loans and accounts receivable

The information on loans and accounts receivable from customers for the years ended on 31 December 2012 and 2011 is broken down as follows:

LATIN AMÉRICA	NON-CURRENT		CURRENT	
CUSTOMERS	2012	2011	2012	2011
Trade accounts receivable				
Gross value:	-	2,342,715	18,772,232	22,440,563
	-	2,342,715	18,772,232	22,440,563
Accumulated impairment losses	-	-	(19,529)	(4,711,310)
	-	2,342,715	18,752,703	17,729,253
Trade accounts – Bills receivable	-	-	316,933	-
	-	2,342,715	19,069,636	17,729,253

The information on loans and accounts receivable from other debtors, for the years ended on 31 December 2012 and 2011, is broken down as follows:

b) Other current assets

The heading “Other current assets” is broken down as follows:

LATIN AMERICA	2012	2011
Accrued income		
Production and services rendered not invoiced	94,904,413	22,720,820
Other accrued income	3,606,774	-
	98,511,187	22,720,820
Deferred costs		
Insurance	226,404	307,021
Other deferred costs	3,309,571	802,761
	3,535,975	1,109,782
	102,047,162	23,830,602

39.5.3. Trade liabilities & other liabilities payable

The information on trade liabilities and other liabilities payable, for the years ended on 31 December 2012 and 2011, is broken down as follows:

LATIN AMERICA	NON-CURRENT		CURRENT	
	2012	2011	2012	2011
Suppliers	80,591	-	28,367,194	17,933,551
	80,591	-	28,367,194	17,933,551
Suppliers of fixed assets	-	-	4,034	-
Group companies, associates & other shareholders	902,308	756,057	-	279,058
Customer prepayments on account of sales	33,892,691	-	36,511,817	35,572,811
State & other public entities	-	-	7,552,863	1,816,907
Other creditors	2,117,309	708,729	11,531,246	7,375,427
	36,912,308	1,464,786	55,599,960	45,044,203
	36,992,899	1,464,786	83,967,154	62,977,754

39.5.4. Other current & non-current liabilities

The information on other current liabilities, for the years ended on 31 December 2012 and 2011, is as follows:

OTHER CURRENT LIABILITIES - LATIN AMERICA	2012	2011
Accrued costs		
Cost of holiday pay & bonus	3,942,762	1,860,749
Interest payable	65,456	3,230
Work in progress by suppliers not billed	30,815,635	7,351,593
Other accrued costs	3,575,146	171,943
	38,398,999	9,387,515
Deferred income		
Other deferred income	418,238	-
	418,238	-
	38,817,237	9,387,515

40. Subsequent events

The main subsequent events which occurred during 2013 up to the date of approval of the consolidated financial statements are summarised in Chapter 10 of the Management Report (“Relevant facts after the end of the fiscal year”), and had no effects whatsoever on the financial statements attached herewith.

41. Approval of the financial statements

These financial statements were approved by the Board of Directors of the Group on 18 March 2013. However, they are still pending approval by the General Meeting of Shareholders, although the Group’s Board of Directors believes that they will be approved without alteration.

Appendix A. Consolidated companies

Investments in subsidiaries included in consolidated financial statements

Investments in subsidiaries included in consolidated financial statements using the full consolidation method, their registered offices, the percentage of share capital held, their business, their constitution date, are as follows:

NAME	HEAD OFFICE	EFFECTIVE PERCENTAGE OF HOLDING	ACTIVITY	DATE FOUNDED	ACQUISITION DATE
PARENT COMPANY OF GROUP AND CONNECTED ACTIVITIES					
Mota-Engil, SGPS, S.A., Open Company ("Mota-Engil SGPS")	Portugal (Amarante)	-	SGPS	Aug-90	-
Largo do Paço – Investimentos Turísticos e Imobiliários, Lda. ("Largo do Paço") Through Mota-Engil SGPS	Portugal (Amarante)	100.00 100.00	Real Estate Promotion	-	Oct-01
ME 31, SGPS, S.A. ("ME 31 SGPS") Through Mota-Engil Industry and Innovation	Portugal (Linda-a-Velha)	61.20 61.20	Holding Company	Oct-11	-
MESP Central Europe Sp. z o.o. ("MESP Central Europe") Through Mota-Engil Shared Services	Poland (Kraków)	100.00 100.00	Administrative Services	Dec-09	-
MESP - Mota Engil, Serviços Partilhados, Administrativos e de Gestão, S.A. ("Mota-Engil Shared Services") Through Mota-Engil SGPS	Portugal (Amarante)	100.00 100.00	Administrative Services	Dec-02	-
Mota-Engil Industry and Innovation, SGPS, S.A. ("Mota-Engil Industry and Innovation") Through Mota-Engil SGPS	Portugal (Linda-a-Velha)	100.00 100.00	Holding Company	Nov-10	-
MK Contractors, LLC ("MKC") Through Mota-Engil Engineering	USA (Miami)	100.00 100.00	Real Estate Promotion	Mar-02	-
Mota-Engil Finance, B.V. ("ME Finance BV") Through Mota-Engil SGPS	Netherlands (Amsterdam)	100.00 100.00	Advisory services to companies	Dec-12	-
RTA - Rio Tâmega, Turismo e Recreio, S.A. ("RTA") Through Mota-Engil SGPS	Portugal (Amarante)	100.00 100.00	Real estate and tourism	-	May-00
SGA – Sociedade de Golfe de Amarante, S.A. ("SGA") Through RTA Through Mota-Engil Engineering	Portugal (Amarante)	97.17 96.89 0.28	Practice and commercialisation of golf and related activities	Dec-00	-
PORTUGAL					
ENGINEERING AND CONSTRUCTION					
Mota-Engil Engineering and Construction, S.A. ("Mota-Engil Engineering") Through Mota-Engil SGPS	Portugal (Amarante)	100.00 100.00	Execution of works and purchase and sale of real estate	-	Dec-00
Aurimove – Sociedade Imobiliária, S.A. ("Aurimove") Through Mota-Engil Real Estate Portugal	Portugal (Oporto)	100.00 100.00	Real Estate Promotion	Dec-93	-
Calçadas do Douro - Sociedade Imobiliária, Lda. ("Calçadas do Douro") Through Mota-Engil Real Estate Portugal	Portugal (Oporto)	100.00 100.00	Real Estate Promotion	-	Sep-00
Carlos Augusto Pinto dos Santos & Filhos S.A. ("Capsfil") Through Mota-Engil Engineering	Portugal (Vila Flor)	100.00 100.00	Extraction of Gravel, Sand and Crushed Rock	Mar-77	Oct-09
Corgimobil - Empresa Imobiliária das Corgas, Lda. ("Corgimobil") Through Mota-Engil Engineering Through Mota-Engil Real Estate Portugal	Portugal (Cascais)	97.25 71.79 25.46	Constructions studies and real estate developments	-	Nov-00
Edifício Mota Viso – Soc. Imobiliária, Lda. ("Mota Viso") Through Mota-Engil Real Estate Portugal	Portugal (Oporto)	100.00 100.00	Real Estate Promotion	Jun-94	-
Edipainel – Sociedade Imobiliária, Lda. ("Edipainel") Through Mota-Engil Real Estate Portugal Through Mota-Engil Engineering	Portugal (Oporto)	100.00 70.00 30.00	Real Estate Promotion	Mar-02	-
Grossiman, S.L. ("Grossiman") Through Mota-Engil Engineering	Spain (Alcobendas)	100.00 100.00	Special foundations	Feb-96	Dec-95
Mercado Urbano - Gestão Imobiliária, S.A. ("Mercado Urbano") Through Mota-Engil Engineering	Portugal (Oporto)	100.00 100.00	Real Estate Promotion	Jul-09	Mar-11
Mil e Sessenta – Sociedade Imobiliária, Lda. ("Mil e Sessenta") Through Mota-Engil Real Estate Portugal	Portugal (Oporto)	100.00 100.00	Real Estate Promotion	-	Jul-01
Motadómus - Sociedade Imobiliária, Lda. ("Motadómus") Through Aurimove Through Mota-Engil Real Estate Portugal	Portugal (Oporto)	100.00 95.00 5.00	Execution of works	Jan-97	Jan-01
Mota-Engil Ireland Construction Limited ("Mota-Engil Irlanda") Through Mota-Engil Engineering	Ireland	60.00 60.00	Civil Construction	Oct-07	-
ME Real Estate - Mota-Engil Real Estate Portugal, S.A. ("Mota-Engil Real Estate Portugal") Through Mota-Engil Engineering	Portugal (Oporto)	100.00 100.00	Real Estate Promotion	Sep-01	-
Nortedomus, Sociedade Imobiliária SA. ("Nortedomus") Through Mota-Engil Engineering	Portugal (Lisbon)	100.00 100.00	Real Estate Promotion	-	Oct-01
Planinova – Sociedade Imobiliária, S.A. ("Planinova") Through Mota-Engil Real Estate Portugal	Portugal (Oporto)	100.00 100.00	Real Estate Promotion	Dec-00	-
Sedengil – Sociedade Imobiliária, Lda. ("Sedengil") Through Mota-Engil Engineering	Portugal (Matosinhos)	100.00 100.00	Real Estate Promotion	Oct-82	May-95 / May-97

NAME	HEAD OFFICE	EFFECTIVE PERCENTAGE OF HOLDING	ACTIVITY	DATE FOUNDED	ACQUISITION DATE
ENVIRONMENT AND SERVICES					
Mota-Engil, Ambiente e Serviços, SGPS, S.A. ("Mota-Engil Environment and Services") Through Mota-Engil SGPS	Portugal (Oporto)	100.00 100.00	Holding Company	Jun-97	-
Áreagolfe - Gestão, Construção e Manutenção de Campos de Golf, S.A. ("Áreagolfe") Through Vibeiras	Portugal (Torres Novas)	66.67 66.67	Golf courses	-	Jul-07
CH&P - Combined Heat & Power Anadia, Sociedade Unipessoal, Lda ("CH&P Anadia") Through Manvia	Portugal (Linda-a-Velha)	90.00 100.00	Operation of a cogeneration plant for the production of electrical and thermal energy	May-11	-
CH&P - Combined Heat & Power Coja, Unipessoal, Lda ("CH&P Coja") Through Manvia	Portugal (Linda-a-Velha)	90.00 100.00	Operation of a cogeneration plant for the production of electrical and thermal energy	May-11	-
Citrave - Centro Integrado de Resíduos de Aveiro, S.A. ("Citrave") Through Suma Through Novaflex Through Suma Esposende	Portugal (Lisbon)	46.13 44.90 0.62 0.62	Treatment and disposal of other non-hazardous wastes	Dec-87	Oct-06
Correia & Correia, Lda. ("Correia & Correia") Through Enviroil	Portugal (Sertão)	48.19 48.19	Trade and collection of used oils	Sep-88	Feb-00
EMSA - Empreendimentos e Exploração de Estacionamento, S.A. ("EMSA") Through Mota-Engil Environment and Services	Portugal (Cascais)	100.00 100.00	Design, construction, management and operation of parking spaces	Dec-00	-
Emsway Park- Gestão de Estacionamento, LDA. ("Emsway Park") Through EMSA - Empreendimentos e Exploração de Estacionamento, S.A.	Portugal (Lisbon)	70.00 70.00	Design, construction, management and operation of parking spaces	Dez 11	-
Enviroil SGPS, Lda. ("Enviroil") Through Suma	Portugal (Torres Novas)	48.19 48.19	Recycling of Non-metallic wastes	Nov-97	-
Enviroil II - Reciclagem de Óleos Usados, Lda. ("Enviroil II") Through Enviroil	Portugal (Torres Novas)	48.19 48.19	Recycling of Non-metallic wastes	Apr-11	-
FCT - Ferrol Container Terminals S.L.U. ("Ferrol") Through TCL	Spain (Naron)	54.50 54.50	Cargo Handling	Mar-11	-
Glan Agua, Ltd ("Glanagua") Through MEIS	Ireland (Ballinasloe)	70.00 70.00	Waste treatment, operation and management of water systems	Jan-08	-
InvestAmbiente - Recolha de Resíduos e Gestão de Sistemas de Saneamento Básico, S.A. ("Investambiente") Through Novaflex	Portugal (Lisbon)	31.98 31.98	Collection of non-hazardous wastes	Feb-00	Dec-07
Liscont - Operadores de Contentores, S.A. ("Liscont") Through Tertir SGPS	Portugal (Lisbon)	82.01 82.01	Container operators	Nov-83	Oct-06
Lokemark - Soluções de Marketing, S.A. ("Lokemark") Through Mota-Engil Environment and Services	Portugal (Setúbal)	70.00 70.00	Other Support and Service Activities	Jun-03	Sep-07
Manvia - Manutenção e Exploração de Instalações e Construção, S.A. ("Manvia") Through Mota-Engil Ambiente e Serviços	Portugal (Lisbon)	90.00 90.00	Maintenance and operation of installations	Jul-94	Jun-98

NAME	HEAD OFFICE	EFFECTIVE PERCENTAGE OF HOLDING	ACTIVITY	DATE FOUNDED	ACQUISITION DATE
Mota-Engil Energia, S.A. ("Mota-Engil Energia") Through Mota-Engil SGPS	Portugal (Linda-a-Velha)	100.00 100.00	Hydroelectric energy production	Jun-10	-
Mota-Engil II, Gestão, Ambiente, Energia e Concessões de Serviços, S.A. ("MEAS II") Through Mota-Engil Environment and Services	Portugal (Oporto)	100.00 100.00	Project management	Dec-03	-
Mota-Engil Ireland Services Ltd. ("MEIS") Through Mota-Engil Environment and Services	Ireland (Ballinasloe)	70.00 70.00	Waste treatment, operation and management of water systems	Jan-08	-
Multiterminal - Soc. De Estiva e Tráfego, S.A. ("Multiterminal") Through Tertir	Portugal (Lisbon)	98.88 98.88	Operation of Terminals	May-79	Oct-06
Nova Beira - Gestão de Resíduos, S.A. ("Nova Beira") Through Novaflex Through Investambiente	Portugal (Lisbon)	30.85 20.30 10.55	Treatment and disposal of other non-hazardous wastes	-	Dec-07
Novaflex - Técnicas do Ambiente, S.A. ("Novaflex") Through Suma	Portugal (Lisbon)	61.50 61.50	Collection of other non-hazardous wastes	-	Dec-07
Proempar - Promoção e Gestão de Parques Empresariais e Tecnológicos, S.A. ("Proempar") Through Mota-Engil Environment and Services Through Mota-Engil Engineering	Portugal (Oporto)	52.00 26.00 26.00	Promotion management and operation of technological and industrial business parks	Oct-06	-
PTT - Parque Tecnológico do Tâmega, S.A. ("PTT") Through Proempar Through Mota-Engil Environment and Services Through Mota-Engil Engineering	Portugal (Felgueiras)	51.20 31.20 10.00 10.00	Promotion and management of technological business hosting	Dec-06	-
Real Verde - Técnicas do Ambiente, S.A. ("Real Verde") Through Novaflex	Portugal (Vila Real)	58.43 58.43	Treatment and disposal of other non-hazardous wastes	Dec-07	-
Resiges - Gestão de Resíduos Hospitalares, Lda. ("Resiges") Through Novaflex	Portugal (Setúbal)	61.50 61.50	Collection of hazardous wastes	May-98	Dec-07
Resilei - Tratamento de Resíduos Industriais, S.A. ("Resilei") Through Suma	Portugal (Leiria)	30.75 30.75	Treatment and disposal of other non-hazardous wastes	-	Jun-03
Rima - Resíduos Industriais e Meio Ambiente, S.A. ("Rima") Through Suma	Portugal (Silvares)	59.12 59.12	Treatment of industrial wastes	Aug-01	-
Sealine - Navegação e Afretamentos, Lda. ("Sealine") Through Socarpor SGPS Through Socarpor Aveiro	Portugal (Aveiro)	60.14 50.54 9.60	Shipping agents	-	Oct-06
SIGA - Serviço Integrado Gestão Ambiental, S.A. ("Siga") Through Suma	Portugal (S. Roque)	43.05 43.05	Treatment and disposal of non-hazardous wastes	Oct-08	-
Socarpor - Soc. Cargas Port. (Aveiro), S.A. ("Socarpor Aveiro") Through Socarpor SGPS Through Tertir SGPS	Portugal (Aveiro)	63.98 52.37 11.61	Port Services	-	Oct-06
Socarpor - Soc. Gestora de Participações Sociais (Douro/ Leixões), S.A. ("Socarpor SGPS") Through Tertir SGPS	Portugal (Matosinhos)	59.46 59.46	Management of financial holdings	-	Oct-06
Sol-S Internacional, Tecnologias de Informação, S.A. ("Sol-S Internacional") Through Suma	Portugal (Funchal)	61.50 61.50	Computer programming activities	Jun-00	-
Sotagus - Terminal de Contentores de Santa Apolónia, S.A. ("Sotagus") Through Tertir SGPS	Portugal (Lisbon)	98.88 98.88	Container terminal	-	Oct-06
SRI - Gestão de Resíduos, Lda ("SRI") Through Correia & Correia	Portugal (Sertã)	48.19 48.19	Collection of hazardous wastes	Jul-08	-
STM - Sociedade de Terminais de Moçambique, Lda ("STM") Through Tertir S.A.	Mozambique (Maputo)	49.44 49.44	Operation of Terminals	Feb-94	Feb-94
Suma (Douro) - Serviços Urbanos e Meio Ambiente, Lda. ("Suma Douro") Through Suma	Portugal (Murça)	61.50 61.50	Collection of urban solid wastes	Jul-00	-
Suma (Esposende) - Serviços Urbanos e Meio Ambiente, Lda. ("Suma Esposende") Through Suma	Portugal (Esposende)	61.50 61.50	Collection of urban solid wastes	Dec-99	-
Suma (Matosinhos) - Serviços Urbanos e Meio Ambiente, S.A. ("Suma Matosinhos") Through Suma	Portugal (Matosinhos)	61.50 61.50	Collection of urban solid wastes	Dec-00	-
Suma (Porto) - Serviços Urbanos e Meio Ambiente, S.A. ("Suma Porto") Through Suma	Portugal (Oporto)	61.50 61.50	Collection of urban solid wastes	Nov-08	-
Suma - Serviços Urbanos e Meio Ambiente, S.A. ("Suma") Through Mota-Engil Environment and Services	Portugal (Lisbon)	61.50 61.50	Collection of urban solid wastes	Jun-94	-
Takargo-Transporte de Mercadorias, S.A. ("Takargo") Through Tertir SGPS Through Mota-Engil Engineering	Portugal (Linda-a-Velha)	99.21 69.21 30.00	Rail Transport of goods	Sep-06	-

NAME	HEAD OFFICE	EFFECTIVE PERCENTAGE OF HOLDING	ACTIVITY	DATE FOUNDED	ACQUISITION DATE
TCL - Terminal de Contentores de Leixões, S.A. ("TCL") Through Tertir SGPS Through Socarpor SGPS	Portugal (Matosinhos)	54.50 30.85 23.65	Cargo Handling	Jan-96	-
Temor - Sociedade de Exploração de Terminais, S.A. ("Temor") Through Mota-Engil Environment and Services Through Tertir	Portugal (Matosinhos)	98.00 94.16 3.84	Non-refrigerated storage	Feb-74	Oct-06
Tertir - Concessões Portuárias, SGPS, S.A. ("Tertir SGPS") Through Tertir Through Multiterminal	Portugal (Lisbon)	98.88 68.12 30.76	Holding Company	Oct-07	-
Tertir - Terminais de Portugal, S.A. ("Tertir") Through Mota-Engil Environment and Services Through Temor Through Liscont	Portugal (Lisbon)	98.88 64.67 32.07 2.14	Operation of Terminals	-	Oct-06
Transitex do Brasil Serviços de Logística, Ltda. ("Transitex Brasil") Through Transitex Espanha Through Transitex Portugal	Brazil (São Paulo)	84.04 83.20 0.84	Organisation of Transport	May-10	-
Transitex Colombia, S.A.S. ("Transitex Colombia") Through Transitex Espanha	Colombia (Bogota)	84.04 84.04	Transport Activities	Dec-11	Jan-12
Transitex Moçambique, Lda ("Transitex Moçambique") Through Transitex Portugal Through GT SGPS	Mozambique (Maputo)	84.04 79.84 4.20	Container operators	Nov-08	-
Transitex México, S.A. de C.V. ("Transitex México") Through Transitex Espanha	Mexico (Mexico City)	84.04 84.04	Organisation of Transport	Feb-09	-
Transitex - Trânsitos de Extremadura, S.A. ("Transitex Portugal") Through Transitex Espanha	Portugal (Lisbon)	84.04 84.04	Organisation of Transport	May-08	-
Transitex - Trânsitos de Extremadura, S.L. ("Transitex Espanha") Through Tertir SGPS	Spain (Badajoz)	84.04 84.04	Container operators	Nov-02	-
Transitex Global Logistics Operations ("Transitex África do Sul") Through Transitex Espanha	South Africa (Isando)	84.04 84.04	Container operators	Jan-12	-
Transitex Peru SAC ("Transitex Peru") Through Transitex Espanha	Peru (Callao)	46.22 46.22	Container operators	Jan-12	-
Transitos de Extremadura S.L. Transitex Lietuvos filialas ("Transitex Lituânia") Through Transitex Espanha	Spain (Badajoz)	84.04 84.04	Container operators	Apr-08	-
Tratofoz - Sociedade de Tratamento de Resíduos, S.A. ("Tratofoz") Through Mota-Engil Environment and Services Through Suma	Portugal (Maiorca)	99.62 99.00 0.62	Collection of urban solid wastes	Oct-02	-
Triu - Técnicas de Resíduos Industriais e Urbanos, S.A. ("Triu") Through Enviroil	Portugal (Prior Velho)	48.19 48.19	Collection of non-hazardous wastes	Apr-91	Sep-08
Vibeiras - Sociedade Comercial de Plantas, S.A. ("Vibeiras") Through Mota-Engil Environment and Services	Portugal (Torres Novas)	66.67 66.67	Garden Planting and Maintenance Activities	Jul-88	Oct-98
AFRICA					
Mota-Engil Engineering and Construction África, S.A. ("MEEC África") Through Mota-Engil,SGPS	Portugal (Oporto)	100.00 100.00	Execution of works	Aug-12	-
Mota-Engil África, B.V. ("ME África BV") Through Mota-Engil,SGPS	Netherlands (Amsterdam)	100.00 100.00	Management of company administration	Oct-12	-
Mota-Engil África, SGPS, S.A. ("Mota-Engil África") Through Mota-Engil Engineering	Portugal (Oporto)	100.00 100.00	Holding Company	May-10	-
Mota Internacional - Comércio e Consultadoria Económica, Lda. ("Mota Internacional") Through Mota-Engil África	Portugal (Funchal)	100.00 100.00	Commerce and management of international holdings	Sep-97	Dec-98
AGIR - Ambiente e Gestão Integrada de Resíduos, Lda. ("Agir") Through Mota-Engil Environment and Services Through Suma	Cape Verde (Praia)	80.75 50.0 30.8	Collection of urban solid wastes	Dec-07	-
Cecot - Centro de Estudos e Consultas Técnicas, Lda. ("Cecot") Through Mota-Engil Engineering	Mozambique (Maputo)	100.00 100.00	Civil Construction Projects and Inspection	Sep-98	Apr-11
Fibreglass Sundlete (Moc), Lda. ("Fibreglass") Through Mota-Engil Engineering	Mozambique (Maputo)	100.00 100.00	Manufacture of Fibre-glass	Aug-62	Mar-99
Emocil - Empresa Moçambicana de Construção e Real Estate Promotion, Lda. ("Emocil") Through Mota-Engil Engineering Through Indimo	Mozambique (Maputo)	100.00 50.00 50.00	Real Estate Promotion	Jul-94	-
Fatra - Fábrica de Trefilaria de Angola, S.A. ("Fatra") Through Mota-Engil Angola	Angola (Luanda)	35.70 35.70	Manufacture of iron by-products	-	Nov-10

NAME	HEAD OFFICE	EFFECTIVE PERCENTAGE OF HOLDING	ACTIVITY	DATE FOUNDED	ACQUISITION DATE
GT - Investimentos Internacionais SGPS, SA ("GT SGPS") Through Tertir SGPS	Portugal (Oporto)	98.88 98.88	Holding Company	Oct-06	-
Mota-Engil Angola, S.A. ("Mota-Engil Angola") Through Mota International	Angola (Luanda)	51.00 51.00	Civil Construction and public and private works	May-10	-
Indimo, Lda. ("Indimo") Through Cecot	Mozambique (Maputo)	100.00 50.00	Real Estate Promotion	-	Out-04
Through Mota-Engil Engineering and Construction		50.00			
ME Mining Management (Proprietary) Limited ("ME Mining Management") Through Mota-Engil Minerals Mining Investment B.V.	South Africa (Johannesburg)	100.00 100.00	Human Resource Management in mining	Apr-11	-
Mota & Companhia Maurícias, Lda. ("ME Maurícias") Through Mota Engil Engineering	Maurícias (Ebene)	100.00 100.00	Civil Construction	May-10	-
Mota-Engil (Malawi) Limited ("ME Malawi") Through Mota-Engil Engineering and Construction	Malawi (Lilongwe)	99.99 99.99	-	Jul-11	-
Mota-Engil Investments (Malawi) Limited ("ME Investments Malawi") Through Mota Engil Africa SGPS	Malawi (Lilongwe)	99.00 99.00	-	Mar-11	-
Mota-Engil Minerals & Mining (Malawi) Limited ("ME Minerals & Mining Malawi") Through Mota-Engil Minerals Mining Investment B.V.	Malawi (Lilongwe)	99.99 99.99	Commerce or trade in prospecting, operating and processing of minerals	Mar-11	-
Mota-Engil Minerals & Mining (Zimbabwe) (Private) Limited ("ME Minerals & Mining Zimbabwe") Through Mota-Engil Minerals Mining Investment B.V.	Zimbabwe (Harare)	100.00 100.00	Commerce or trade in prospecting, operating and processing of minerals	May-11	-
Mota-Engil Minerals Mining Investment B.V. ("ME Minerals Mining Investment BV") Through Mota Engil SGPS	Netherlands (Amsterdam)	100.00 100.00	management of other companies	Oct-10	-
Mota-Engil S.Tomé e Príncipe, Lda. ("Mota-Engil S.Tomé") Through Mota International	S. Tomé and Príncipe (S. Tomé)	100.00 95.00	Contractor for Public Works and/or Civil Construction	Dec-04	-
Through Mota-Engil Engineering		5.00			
Novicer-Cerâmicas de Angola, Lda. ("Novicer") Through Mota Engil Angola	Angola (Luanda)	51.00 51.00	manufacture and trading of clay materials	Sep-07	-
Prefal - Pré-fabricados de Luanda, Lda. ("Prefal") Through Mota-Engil Angola	Angola (Luanda)	45.90 45.90	Manufacture of pre-stressed materials	Dec-93	-
Penta - Engineering e Construção, Lda. ("Penta") Through Mota-Engil Engineering	Cape Verde	100.00 96.00	Civil Construction and public and private works	Apr-07	-
Through Mota International		4.00			
Rentaco Angola- Equipamentos e Transportes, Lda. ("Rentaco Angola") Through Mota-Engil Angola	Angola (Luanda)	51.00 51.00	Rental of construction equipment	Jan-08	-
Sonauta - Sociedade de Navegação, Lda. ("Sonauta") Through Mota International	Angola (Luanda)	100.00 100.00	Maritime Transport, excluding Coastal Shipping	Nov-94	-
Tracevia Angola - Sinalização, Segurança e Gestão de Tráfego, Lda. ("Tracevia Angola") Through Mota-Engil Angola	Angola (Luanda)	40.80 40.80	Highway Signage	-	Sep-07
Traversofer - Industrie et Services Ferroviaires SARL ("Traversofer") Through Mota-Engil Engineering	Algeria (Algiers)	50.00 50.00	Railroad construction and maintenance	Dec-07	-
VBT - Projectos e Obras de Arquitectura Paisagística, Lda ("VBT") Through Vibeiras	Angola (Luanda)	43.34 33.34	Garden Planting and Maintenance Activities	Sep-08	-
Through Mota-Engil Environment and Services		10.00			
Vista Waste Management, Lda ("Vista Waste") Through Suma	Angola (Luanda)	50.64 30.14	Waste collection	Dec-09	-
Through Vista SA		20.50			
CENTRAL EUROPE					
Mota-Engil Central Europe, SGPS, S.A. ("Mota-Engil Central Europe SGPS") Through Mota-Engil Engineering	Portugal	100.00 100.00	Holding Company	Dec-02	-
Bergamon, A.S. ("Bergamon") Through Mota-Engil Central Europe, SGPS	Slovakia (Bratislava)	100.00 100.00	Real Estate Promotion	May-04	-
Bicske Plaza Kft. ("Bicske Plaza") Through Mota-Engil Central Europe, SGPS	Hungary (Budapest)	100.00 100.00	Real Estate Promotion	Jan-08	-
Bohdalecká Project Development s.r.o. ("Bohdalecká") Through Mota-Engil Central Europe, SGPS	Czech Rep. (Prague)	100.00 100.00	Real Estate Promotion	-	Sep-07
Devonská Project Development A.S. ("Devonská") Through Mota-Engil Central Europe Poland	Czech Rep. (Prague)	100.00 100.00	Real Estate Promotion	Dec-06	-
Dmowski Project Development, Sp. z o.o. ("Dmowski") Through Mota-Engil Central Europe Poland	Poland (Kraków)	100.00 100.00	Real Estate Promotion	Aug-07	-
Ekosrodowisko Spółka z o.o. ("Ekosrodowisko") Through MES	Poland (Bytom)	61.50 61.50	Urban solid wastes	Feb-05	Dec-05
Eltor, S.A. ("Eltor") Through Mota-Engil Central Europe Poland	Poland (Tczew)	100.00 100.00	Civil construction and public works	Jan-92	Apr-11
Hungária Hotel Kft. ("Hotel Achat Hungria") Through Mota-Engil Central Europe, SGPS	Hungary (Budapest)	100.00 100.00	Real Estate Promotion	Jun-08	-
Immo Park Warszawa, Sp. z o.o. ("Immo Park Warszawa") Through Mota-Engil Central Europe Poland	Poland (Kraków)	100.00 100.00	Design, construction, management and operation of parking spaces	Oct-12	-
Immo Park, Sp. z o.o. ("Immo Park") Through Mota-Engil Central Europe Poland	Poland (Kraków)	99.00 47.00	Design, construction, management and operation of parking spaces	Jan-08	Mar-11
Through Mota-Engil Central Europe, SGPS		40.00			
Through EMSA		11.00			
Through Mota-Engil Engineering		1.00			
Jeremiasova Project Development, s.r.o. ("Jeremiasova") Through Mota-Engil Central Europe Poland	Czech Rep. (Prague)	100.00 99.00	Real Estate Promotion	Jun-08	Oct-09
Through Mota-Engil Central Europe Czech Republic		1.00			

NAME	HEAD OFFICE	EFFECTIVE PERCENTAGE OF HOLDING	ACTIVITY	DATE FOUNDED	ACQUISITION DATE
Kilńskiego Project Development Sp. z o.o. ("Kilńskiego") Through Mota-Engil Central Europe Poland	Poland (Kraków)	100.00 100.00	Real Estate Promotion	Aug-07	-
Kilńskiego Property Investment Sp. z o.o. ("Kilńskiego PI") Through Kilńskiego Through Mota-Engil Central Europe Poland	Poland (Kraków)	100.00 99.99 0.01	Real Estate Promotion	Sep-11	-
Kordylewskiego Project Development Sp. z o.o. ("Kordylewskiego") Through Mota-Engil Central Europe, SGPS	Poland (Kraków)	100.00 100.00	Real Estate Promotion	Feb-05	-
MES, Mota-Engil Srodowisko, Sp. z o.o. ("MES") Through Suma	Poland (Kraków)	61.50 61.50	Urban solid wastes	Dec-05	-
Metroepszolg, Zrt ("Metroepszolg") Through Mota-Engil Magyarország	Hungary (Budapest)	100.00 100.00	Execution of public works	Dec-00	-
M-Invest Bohdalec, A.S., v likvidaci ("M-Invest Bohdalec") Through Mota-Engil Central Europe, SGPS	Czech Rep. (Prague)	100.00 100.00	Real Estate Promotion	Sep-03	-
M-Invest Devonska, s.r.o. ("M-Invest Devonska") Through Mota-Engil Central Europe, SGPS	Czech Rep. (Prague)	100.00 100.00	Real Estate Promotion	Nov-06	-
Mota-Engil Central Europe, S.A. ("Mota-Engil Central Europe Poland") Through Mota-Engil Central Europe, SGPS Through Tabella Through Mota-Engil Real Estate Management	Poland (Kraków)	100.00 77.88 17.65 4.47	Execution of works	Feb-53	Mar-99
Mota-Engil Central Europe Ceska Republika, AS ("Mota-Engil Central Europe Czech Republic") Through Mota-Engil Central Europe Poland	Czech Rep. (Prague)	100.00 100.00	Civil construction and public works	Jan-97	-
Mota-Engil Central Europe Hungary Beruházási és Építőipari Kft. ("ME Central Europe Hungria") Through Mota-Engil Central Europe Poland	Hungary (Budapest)	100.00 100.00	Civil construction and public works	Feb-08	-
Mota-Engil Central Europe Romania S.R.L. ("Mota-Engil Central Europe România") Through Mota-Engil Central Europe Poland	Romania (Bucarest)	100.00 100.00	Highway construction	Jul-09	-
Mota-Engil Central Europe Slovenská Republika, AS ("Mota-Engil Central Europe Eslováquia") Through Mota-Engil Central Europe Poland	Slovakia (Bratislava)	100.00 100.00	Execution of works	Aug-04	-
Mota-Engil Brand Management B.V. ("Mota-Engil Brand Management") Through Mota-Engil Central Europe, SGPS	Netherlands (Amsterdam)	100.00 100.00	Management of brands and other intellectual property	Dec-09	-
Mota-Engil Brands Development Limited ("Mota-Engil Brands Development") Through Mota-Engil Central Europe, SGPS	Ireland (Dublin)	100.00 100.00	Promotion and development of brands and other intellectual property	Dec-09	-
Mota-Engil Investitii AV s.r.l. ("Mota-Engil Investitii") Through Mota-Engil Central Europe, SGPS	Romania (Bucarest)	100.00 100.00	Real Estate Promotion	-	Sep-07
Mota-Engil Magyarország Zrt. ("Mota-Engil Magyarország") Through Mota-Engil Engineering	Hungary (Budapest)	100.00 100.00	Execution of public works	Jan-96	-
Mota-Engil Parking 1 Sp. z o.o. ("ME Parking 1") Through Mota-Engil Central Europe Poland Through EMSA	Poland (Kraków)	100.00 50.00 50.00	Design, construction, management and operation of parking spaces	Mar-12	-
Mota-Engil Parking 2 Sp. z o.o. ("ME Parking 2") Through Mota-Engil Central Europe Poland Through EMSA	Poland (Kraków)	100.00 50.00 50.00	Design, construction, management and operation of parking spaces	Mar-12	-
Mota-Engil Central Europe PPP Sp. z o.o. ("ME Central Europe PPP") Through Mota-Engil Central Europe Poland	Poland (Kraków)	100.00 100.00	Design and construction of Social Housing	Mar-12	-
Mota-Engil Project 1 Kft. ("ME Project 1") Through Mota-Engil Real Estate Hungary	Hungary (Budapest)	100.00 100.00	Execution of public works	Oct-05	-
Mota-Engil Real Estate Hungary Kft ("Mota-Engil Real Estate Hungary") Through Mota-Engil Central Europe, SGPS	Hungary (Budapest)	100.00 100.00	Real Estate Promotion	Jul-05	-
Mota-Engil Real Estate Management, sp. z o.o. ("Mota-Engil Real Estate Management") Through Mota-Engil Central Europe, SGPS	Poland (Kraków)	100.00 100.00	Real Estate Promotion	Jun-05	-
Steinerova Project Development A.S. ("Steinerova") Through Mota-Engil Central Europe, SGPS	Czech Rep. (Prague)	100.00 100.00	Real Estate Promotion	Feb-04	-
Száz - Invest Project Development Kft. ("Száz - Invest") Through Mota-Engil Central Europe, SGPS	Hungary (Budapest)	100.00 100.00	Real Estate Promotion	Aug-11	-

NAME	HEAD OFFICE	EFFECTIVE PERCENTAGE OF HOLDING	ACTIVITY	DATE FOUNDED	ACQUISITION DATE
Tabella Holding, BV ("Tabella") Through Mota-Engil Central Europe, SGPS	Netherlands (Amsterdam)	100.00 100.00	Management of financial holdings	Nov-98	-
Tetenyi Project Development Kft ("Tetenyi") Through Mota-Engil Central Europe, SGPS	Hungary (Budapest)	100.00 100.00	Real Estate Promotion	Jan-05	-
Wilanow Project Development SP. z.o.o. ("Wilanow") Through Mota-Engil Central Europe Poland	Poland (Kraków)	80.00 80.00	Real Estate Promotion	Jun-07	-
Wilenska Project Development Sp. z.o.o. ("Wilenska") Through Mota-Engil Central Europe, SGPS	Poland (Kraków)	100.00 100.00	Real Estate Promotion	Jan-05	-
Zöld-Project 2 Kft. ("GOD 2") Through Mota-Engil Central Europe, SGPS	Hungary (Budapest)	100.00 100.00	Execution of public works	Jun-08	-
Zsombor Utcai Kft. ("Zsombor") Through Mota-Engil Central Europe, SGPS	Hungary (Budapest)	100.00 100.00	Real Estate Promotion	Jun-07	-
LATIN AMÉRICA					
Mota-Engil Brasil Participações, Ltda. ("ME Brasil") Through Mota-Engil Engineering	Brazil (São Paulo)	100.00 100.00	Holding Company	Feb-09	-
MEBR Engenharia, Consultoria e Participações, Ltda. ("MEBR") Through Mota-Engil Engineering	Brazil (São Paulo)	100.00 100.00	Construction and public works	Mar-11	-
Mota-Engil Colômbia, S.A.S ("Mota-Engil Colômbia") Through Mota-Engil Peru	Colombia (Bogotá)	100.00 100.00	Civil construction and public works	Feb-11	-
Mota-Engil México, S.A. de C.V. ("Mota-Engil México") Through Mota-Engil Engineering	Mexico (Mexico City)	100.00 100.00	Construction	Jan-10	-
Mota-Engil Peru, S.A. ("Mota-Engil Peru") Through Mota International Through Mota-Engil Engineering	Peru (Lima)	100.00 99.90 0.10	Construction industry and supplementary activities	Sep-86	Jun-98
Tertir Peru, S.A. ("Tertir Peru") Through Tertir Through Mota-Engil Peru	Peru	99.10 79.10 20.00	Operation of Terminals	-	-
Tracevia do Brasil -Sistemas de Telemática Rodoviária Ltda. ("Tracevia Brasil") Mota - Engil Engineering e Construção Through ME Brazil Holdings	Brazil S. Paulo	100.00 99.00 1.00	Design, installation, development and maintenance of IT systems	Mar-11	-

Investments in associates using equity method

Group and associate companies included in the consolidation using the equity method, their registered offices and proportion of share capital held as at December 2012, are as follows:

TITLE	OFFICE	EFFECTIVE PERCENTAGE OF HOLDING
PARENT COMPANY OF GROUP AND CONNECTED ACTIVITIES		
HEPP - Hidroenergia de Penacova e Poiares, Lda. ("HEPP")	Portugal	50.00
PORTUGAL		
PARENT COMPANY OF GROUP AND ACTIVITIES		
Nortenha Angola, SGPS, S.A. ("Nortenha")	Portugal	30.10
PORTUGAL - ENGINEERING AND CONSTRUCTION		
Berd - Projecto Investigação e Engenharia de Pontes, SA ("Berd")	Portugal	24.79
Probigalp Ligantes Betuminosos, S.A. ("Probigalp")	Portugal	40.00
Turalgo-Sociedade de Promoção Imobiliária e Turística do Algarve, S.A. ("Turalgo")	Portugal	51.00
PORTUGAL - ENVIRONMENT AND SERVICES		
Aqualevel - Gestão de Sistemas de Informação, Soc. Unipessoal, Lda. ("Aqualevel") - Indaqua Group	Portugal	45.06
Águas de S. João, E.M., S.A. ("Águas de S. João") - Indaqua Group	Portugal	22.08
Ambilital - Investimentos Ambientais no Alentejo, EIM. ("Ambilital")	Portugal	30.14
Chinalog - Serviços Logísticos e Consultadoria, Lda. ("Chinalog")	Portugal	42.02
Citrup - Centro Integrado de Resíduos, Lda. ("Citrup")	Portugal	18.45
Ecolezíria - Empresa Intermunicipal para Tratamento de Resíduos Sólidos, E. I. M. ("Ecolezíria")	Portugal	15.07
Haçor, Conc. Edifício do hospital da ilha terceira, SA ("Haçor")	Portugal	40.00
HL - Sociedade Gestora do Edifício, S.A. ("HL - Sociedade Gestora do Edifício")	Portugal	50.00
HEPP - Hidroenergia de Penacova e Poiares, Lda. ("HEPP")	Portugal	50.00
Ibercargo Rail, S.A. ("Ibercargo")	Spain	49.61
Indaqua - Indústria e Gestão de Águas, S.A. ("Indaqua") - Indaqua Group	Portugal	45.06
Indaqua Fafe - Gestão de Águas de Fafe, S.A. ("Indaqua Fafe") - Indaqua Group	Portugal	45.06
Indaqua Feira - Indústria de Águas de Santa Maria da Feira, S.A. - ("Indaqua Feira") - Indaqua Group	Portugal	45.16
Indaqua Matosinhos - Gestão de Águas de Matosinhos, S.A. ("Indaqua Matosinhos") - Indaqua Group	Portugal	44.93
Indaqua Santo Tirso/Trofa - Gestão de Águas de Santo Tirso e Trofa, S.A. ("Indaqua Sto. Tirso/Trofa") - Indaqua Group	Portugal	45.06
Indaqua Vila do Conde - Gestão de Águas de Vila do Conde, S.A. ("Indaqua V. Conde") - Indaqua Group	Portugal	45.02
Logz - Atlantic Hub, S.A. ("Logz")	Portugal	29.66
Manvia II Condutas, Lda. ("Manvia II Condutas")	Portugal	45.00
Operestiva - Empresa de Trabalho Portuário de Setúbal, Lda. ("Operestiva")	Portugal	29.66
Parquegil - Planeamento e Gestão de Estacionamento, S.A. ("Parquegil")	Portugal	50.00
Sadoport - Terminal Marítimo do Sado, S.A. ("Sadoport") - SLPP Group	Portugal	49.44
SLPP - Serviços Logísticos de Portos Portugueses, S.A. ("SLPP") - SLPP Group	Portugal	49.44
Tersado - Terminais Portuários do Sado, S.A. ("Tersado")	Portugal	24.72
Group Vortal ("Group Vortal")	Portugal	24.98
AFRICA		
Akwangola, S.A. ("Akwangola")	Angola	41.49
Asinter - Comércio Internacional, Lda. ("Asinter")	Angola	30.00
Auto Sueco Angola, S.A. ("Auto Sueco Angola")	Angola	25.50
Automatríz, SA ("Automatríz")	Angola	45.00
Cimertex & Companhia - Comércio Equip. e Ser. Técnicos, Lda. ("Cimertex & Companhia")	Angola	50.00
Cimertex Angola - Sociedade de Máquinas e Equipamentos, Lda. ("Cimertex Angola")	Angola	50.00
Icer - Indústria de Cerâmica, Lda. ("Icer")	Angola	25.50
Vista Energy Environment & Services ("Vista SA")	Angola	50.00
Vista Water, Lda. ("Vista Water")	Angola	41.53
CENTRAL EUROPE		
Bay 6.3 Kft. ("Bay 6.3") - Obol Invest Group	Hungary	29.70
Bay Office Kft. ("Bay Office") - Obol Invest Group	Hungary	29.70
Bay Park Kft. ("Bay Park") - Obol Invest Group	Hungary	29.70
Bay Tower Kft. ("Bay Tower") - Obol Invest Group	Hungary	29.70
Bay Wellness Kft. ("Bay Wellness") - Obol Invest Group	Hungary	29.70
Centralna Project Development Sp. z o.o. ("Centralna") - Group Soltysowska	Poland	34.00
Engber Kft. ("Engber") - Obol Invest Group	Hungary	29.70
Legowa Project Development Sp. z o.o. ("Legowa") - Group Soltysowska	Poland	16.66
M-Invest Slovakia Mierova, s.r.o. ("Mierova")	Slovakia	50.00
Nádor Öböl Kft. ("Nádor Obol") - Obol Invest Group	Hungary	29.70
Nowohucka Project Development Sp. z o.o. ("Nowohucka") - Group Soltysowska	Poland	34.00
Öböl Invest Kft. ("Obol Invest") - Obol Invest Group	Hungary	30.00
Öböl XI Kft. ("Obol XI") - Obol Invest Group	Hungary	29.70
Sampaio Kft. ("Sampaio") - Obol Invest Group	Hungary	29.70
Sikorki Project Development Sp. z o.o. ("Sikorki") - Group Soltysowska	Poland	34.00
Soltysowska Project Development Sp. z o.o. ("Soltysowska") - Group Soltysowska	Poland	34.00
LATIN AMERICA		
Mota-Engil-Opway Mexicana, S.A. De C.V. ("Mota-Engil-Opway Mexicana")	Mexico	50.00
Terminais Portuários Euroandinos Paita, S.A. ("TPE Paita")	Peru	49.55
ASCENDI GROUP		PORTUGAL 60.00
MARTIFER GROUP		PORTUGAL 37.50

*Consolidated
Report & Accounts
2012*

03.

*Report
on corporate
governance
practices*

o. Statement of compliance

o.1 This report has been drawn up in accordance with the draft document contained in the annex to CMVM Regulation no. 1/2010 and references the 2010 Code of Corporate Governance published by CMVM on its website at www.cmvm.pt.

o.2 Detailed list of the recommendations adopted in the CMVM Code of Corporate Governance Code and not adopted by Mota-Engil, SGPS, SA:

Recommendation/Chapter	Status of Compliance	Description in this Report
I. General Meeting		
I.1 BOARD OF THE GENERAL MEETING		
I.1.1 The chairman of the board of the General Meeting shall be provided with the human and logistic support resources appropriate to its needs, taking the company's economic situation into account.	In compliance	I.1
I.1.2 The remuneration of the chairman of the board of the General Meeting shall be disclosed in the company's annual management report..	In compliance	I.3
I.2 PARTICIPATION IN THE MEETING		
I.2. The period during which shares are deposited or blocked in order to take part in a General Meeting as imposed by the articles of association shall be no more than 5 business days.	Does not apply	I.4
I.2.2 2 In the event of suspension of the General Meeting the Company shall not impose blockage during the entire period until the meeting is resumed, the period required in advance of the first session being sufficient.	Does not apply	I.5
I.3 VOTING AND THE EXERCISE OF THE RIGHT TO VOTE		
I.3.1 The Companies shall not make any statutory restriction on voting by correspondence or on electronic voting by correspondence, when such is adopted and permitted.	In compliance	I.9 e I.12
I.3.2 The statutory period in advance of the meeting for the reception of votes by correspondence shall be no more than 3 business days.	In compliance	I.11
I.3.3 The Companies shall guarantee the proportionality between the voting rights and shareholder participation, preferably through the statutory provision that grants one vote to each share. Companies in the following cases do not comply with the proportionality requirement: i) if they have non-voting shares; ii) if they determine that the right to vote is limited to a certain maximum number, when votes are cast by one shareholder or by related shareholders.	In compliance	I.6
I.4 QUORUM FOR DELIBERATIONS		
I.4.1 Companies shall not set a quorum for deliberations greater than that established by law.	In compliance	I.8
I.5 MINUTES OF MEETINGS AND INFORMATION ON RESOLUTIONS ADOPTED		
I.5. Minutes of General Meetings, or documents of equivalent content, shall be made available to shareholders on the Company's website, within five days after holding the General Meeting as long as they do not contain privileged information. The information disclosed should cover the decisions made, the capital represented and the results of voting. This information should remain on the Company's website for a minimum of three years	In compliance	I.13 e I.14
I.6 MEASURES RELATED TO COMPANY CONTROL		
I.6.1 The measures that are adopted with the intent of impeding successful take-over bids must respect the interests of the Company and its shareholders. The statutes of the Companies that, respecting that principle, set a limit to the number of votes that can be held or exercised by one single shareholder, either individually or in agreement with other shareholders, shall likewise establish that the alteration or retention of that statutory provision shall be subject to deliberation by the General Meeting every 5 years at least. Such deliberation shall be held without quorum requirements higher than those set by law and all votes submitted shall be counted without the application of that limitation.	In compliance	I.19
I.6.2 Defensive measures shall not be adopted, the effect of which is to automatically provoke a serious	In compliance	I.20

Recommendation/Chapter	Status of Compliance	Description in this Report
erosion of the company's assets in the event of transition of control or alterations to the composition of the management body, thereby hindering the free transferability of shares and the free assessment by shareholders of the performance of the members of the management body.		

II. MANAGEMENT AND SUPERVISORY BODIES

II.1.1 GENERAL MATTERS – STRUCTURE AND COMPETENCE

II.1.1.1 In its governance report the management body shall assess the model adopted, identifying any constraints to its working and proposing measures that, in its judgement, will be appropriate in overcoming them.	In compliance	II.3
II.1.1.2 Companies shall create internal risk control and management systems to safeguard their value and to benefit the transparency of its corporate governance, which allow it to identify and manage risk. These systems should integrate the following components, at least: i) establishment of the Company's strategic objectives in risk assumption; ii) identification of the main risks linked to the actual activity engaged in and the events susceptible of creating risks; iii) analysis and measurement of the impact and probability of occurrence for each potential risk; iv) risk management with a view to aligning the risks effectively incurred with the strategic option of the Company regarding risk assumption; v) mechanisms to control the execution of risk management measures adopted and their efficacy; vi) adoption of internal information and communication mechanisms on the various components of the system and the risk alerts; vii) periodic evaluation of the system implemented and the adoption of the modifications that are deemed necessary.	Not in compliance	0.4, II.5, II.6 e II.9
II.1.1.3 The management body should guarantee the creation and functioning of the internal control and risk management systems, the supervisory body having the responsibility to evaluate the functioning of these systems and propose any adjustment in them in accordance with the Company's needs.	In compliance	II.6
II.1.1.4 The Companies shall, in their annual Corporate Governance report: i) identify the main economic, financial and legal risks that the Company is exposed to in the performance of its activities; ii) describe the actions and efficacy of the risk management system.	In compliance	II.5 e II.9
II.1.1.5 The management and supervisory bodies shall have working regulations that are to be published on the company's Internet site.	In compliance	0.4 e II.7

II.1.2 GENERAL MATTERS – INCOMPATIBILITIES AND INDEPENDENCE

II.1.2.1 The board of directors shall include a number of non-executive members to ensure effective powers of supervision, inspection and appraisal of the activity of the executive members..	In compliance	II.14
II.1.2.2 The non-executive directors shall include an appropriate number of independent directors, taking into account the size of the company and its shareholder structure, which cannot in any case be less than one quarter of the total number of directors.	Not in compliance	0.4 e II.14
II.1.2.3 The management body's assessment of the non-executive members' independence should bear in mind the legal and regulatory rules in effect regarding the requirements for independence and the regime of incompatibilities applicable to members of the other corporate bodies, ensuring systematic and temporal coherency in the application of independence criteria to the entire Company. A director is not to be considered independent if, in another corporate body, he cannot assume that classification due to the applicable standards.	In compliance	II.15

II.1.3 GENERAL MATTERS – ELIGIBILITY AND APPOINTMENT

II.1.3.1 Depending on the applicable mode, the Chairman of the Audit Board, of the Statutory Audit Committee or of the Committee for Financial Affairs shall be independent and shall have the competences required for the exercise of the respective duties.	In compliance	II.22
II.1.3.2 The process of selecting candidates for non-executive directors should be conceived so as to impede the interference of executive directors.	Not in compliance	0.4 e II.16

II.1.4 TEMAS GERAIS – POLÍTICA DE COMUNICAÇÃO DE IRREGULARIDADES

II.1.4.1 The Company shall adopt a policy of communicating irregularities that allegedly have taken place within the company, with the following elements: i) indication of the means whereby communication of irregular practices can be made internally, including the persons entitled to receive such communications; ii) indication of the manner in which the communications will be handled, including confidential treatment if so requested by the declarer.	Cumprida	II.35
--	----------	-------

Recommendation/Chapter	Status of Compliance	Description in this Report
II.1.4.2 The general terms of this policy should be published in the Corporate Governance report.	In compliance	II.35

II.1.5 TEMAS GERAIS – REMUNERAÇÃO

<p>II.1.5.1 The remuneration of members of the management body shall be structured so as to allow the alignment of their interests with the long-term interests of the Company, based on performance evaluation and discouraging the excessive assumption of risks. To this end, wages should be structured, specifically, in the following manner:</p> <p>The remuneration of directors who perform executive functions shall include a variable component that is determined based on a performance evaluation made by the competent corporate bodies. This performance evaluation shall follow predetermined measurable criteria that consider the real growth of the company and the wealth effectively created for the shareholders, its long-term sustainability and the risks assumed, as well as the fulfilment of rules applicable to the company's activity.</p> <p>(ii) The variable component of the remuneration overall shall be reasonable in relation to the fixed remuneration component, and maximum limits shall be set for all components.</p> <p>(iii) A significant portion of the variable remuneration shall be deferred for a period of no less than three years and its payment shall be dependent upon the continuation of positive Company performance throughout that period.</p> <p>(iv) The members of the management body shall not sign contracts, whether with the Company or with third parties, that would lessen the risk inherent to the variability of the remuneration set for them by the Company.</p> <p>(v) Until the end of their term of office, the executive directors shall keep the Company shares that they were awarded by virtue of variable remuneration schemes, up to the limit of two times the amount of total annual remuneration, with exception of those shares which need to be divested to pay the taxes related to the benefit of those same shares.</p> <p>(vi) When the variable remuneration includes the allocation of options, the beginning of the period of the financial year shall be deferred for a period of no less than three years.</p> <p>(vii) Appropriate legal instruments shall be established so that the set compensation for any form of dismissal of a director without just cause is not payable if the dismissal or termination by agreement is due to the inadequate performance of the director.</p> <p>(viii) The remuneration of non-executive members of the management body shall not include any component the value of which is dependent on the Company's performance or value.</p>	Not in compliance	0.4, II.31, II.32 e II.33
<p>II.1.5.2 The remuneration policy statement for management and supervisory bodies referred to in article 2 of Law no. 28/2009, of 19 June shall, besides the content specified therein, contain sufficient information regarding: i) which groups in the Companies whose remunerative policies and practices were used as a comparative element in setting remuneration; ii) payments related to the dismissal or termination of directors from their duties by agreement.</p>	In compliance	II.30
<p>II.1.5.3 The remuneration policy statement referred to in article 2 of Law no. 28/2009 shall likewise cover the remunerations of the managers as defined by article 248-B(3) of the CVM (Securities Code) and whose remuneration includes an important variable component. The statement shall be detailed and the policy presented should specifically take into consideration the long-term performance of the Company, the fulfilment of the norms applicable to the company's activities and the restraint in risk-taking.</p>	Not in compliance	0.4 e II.29
<p>II.1.5.4 The proposal related to the approval of plans for attribution of shares and/or options for acquisition of shares or based on the variation in prices of shares to members of the management and supervisory bodies and other managers as defined in article 248-B(3) of the Securities Code shall be presented to the General Meeting. The proposal shall include all the elements necessary to make a proper assessment of the plan. The proposal shall be accompanied by the regulations of the plan or, in the event it has not been created yet, the conditions under which the plan will be executed. In the same way, the main features of the system of retirement benefits established for members of the management and supervisory bodies and other managers as defined in article 248-B(3) of the Securities Code shall be approved in General Meeting.</p>	Does not apply	
<p>II.1.5.6 At least one representative of the Remuneration Committee shall be present in the general shareholder meetings..</p>	In compliance	I.15

Recommendation/Chapter	Status of Compliance	Description in this Report
II.1.5.7 The total remuneration received, in aggregate and individually, in other companies of the Group and the pension rights acquired in the financial year in question shall be published in the annual Corporate Governance report.	In compliance	II.31
II.2 BOARD OF DIRECTORS		
II.2.1 Within the limits of the law established for each management and supervisory body, and except as a result of the small size of the company, the board of directors shall delegate the day-to-day management of the company, the competences to be delegated to be detailed in the annual report on Corporate Governance.	In compliance	II.3
II.2.2 The board of directors shall ensure that the company acts in a manner consentaneous with its objectives, and shall not delegate its competence with regard in particular to: i) defining the company's strategy and general policies; ii) defining the corporate structure of the Group; iii) decisions that must be considered strategic due to the sum involved, the risk or their special characteristics.	In compliance	II.3
II.2.3 Should the chairman of the Board of Directors perform executive duties, the Board of Directors shall find efficient mechanisms for coordinating the non-executive members' work, which specifically guarantee that the latter can decide in an independent and informed manner, the due explanation of those mechanisms to be given to shareholders within the scope of the Corporate Governance report.	Does not apply	-
II.2.4 The annual management report shall include a description of the activity of the non-executive directors, stating in particular any constraints they may have had to deal with..	In compliance	II.3
II.2.5 The Company shall outline its policy of rotating posts on the Board of Directors, specifically for the member charged with financial matters and give such information in the annual Corporate Governance report.	Not in compliance	o.4, II.3 e II.11
II.3 MANAGING DIRECTOR, EXECUTIVE COMMITTEE AND EXECUTIVE BOARD OF DIRECTORS		
II.3.1 When so requested by other corporate officers, directors performing executive duties shall provide, adequately and in a timely manner, such information as may be requested of them.	In compliance	II.3
II.3.2 The Chairman of the Executive Committee shall send to the Chairman of the Board of Directors and, as applicable, to the Chairman of the Board of Auditors or of the Audit Committee, respectively, notice of meetings and the corresponding minutes.	In compliance	II.3 e II.13
II.3.3 The chairman of the executive board of directors shall send to the chairman of the General and Supervisory Board and to the Chairman of the Committee for Financial Affairs, notice of meetings and the corresponding minutes.	Does not apply	-
II. 4 GENERAL AND SUPERVISORY BOARD, COMMITTEE FOR FINANCIAL AFFAIRS, AUDIT COMMITTEE AND BOARD OF AUDITORS		
II.4.1 Besides complying with the supervisory duties entrusted to it, the General and Supervisory Board shall provide counselling, monitoring and on-going assessment on the management of the company by the Executive Board of Directors. The matters on which the General and Supervisory Board must express its opinion include: i) the definition of the company's strategy and general policies; ii) the corporate structure of the group; and iii) decisions considered strategic owing to the sum involved, the risk or their special characteristics.	Does not apply	-
II.4.2 The annual reports on the activity of the General and Supervisory Board, the Committee for Financial Affairs, the Statutory Board of Auditors and the Audit Committee shall be published on the company's Internet site, in conjunction with the financial statements.	In compliance	II.4 e II.21
II.4.3 The annual reports on the activity of the General and Supervisory Board, the Committee for Financial Affairs, the Statutory Board of Auditors and the Audit Committee shall include a description of the supervisory activity carried out, stating in particular any constraints encountered.	In compliance	II.4 e II.21
II.4.4 The General and Supervisory Board, the Audit Committee, and the Board of Auditors, as applicable, shall represent the company, for all purposes, before the external auditor and they are charged in particular with: proposing the provider of these services and the corresponding remuneration; ensuring that there are adequate conditions within the company for the provision of those services; and being the company's interlocutor and first addressee of the corresponding reports.	In compliance	II.24 e III.17
II.4. 5 The General Supervisory Board, the Audit Committee, and the Board of Auditors, as applicable, shall each year assess the external auditor and propose the dismissal thereof to the General Meeting in the event of due cause.	In compliance	II.24
II.4.6 The internal auditing services and those that ensure the compliance with the standards applied to the Company (compliance services) should functionally report to the Audit Committee, the General and Supervisory Board or, in the case of Companies that adopt the Latin model, to an independent director or	Not in compliance	o.4 e II.3

Recommendation/Chapter	Status of Compliance	Description in this Report
the Board of Auditors, independently of the hierarchical relationship those services maintain with the Company's executive board.		

II.5 SPECIALISED COMMITTEES

II.5.1 Save for reasons having to do with the small size of the Company, the Board of Directors and the General and Supervisory Board shall, depending on the model adopted, create such committees as are deemed necessary for: i) ensuring a competent and independent assessment of the executive directors and for the assessment of its own overall performance, as well as that of the various existing committees; ii) reflecting on the system of governance adopted, verifying its efficacy and proposing to the proper bodies the measures to be executed with a view to their improvement; iii) identifying, in a timely manner, potential candidates with the high qualifications needed to perform the duties of a director..	Not in compliance	0.4 e II.3
II.5.2 The members of the Remuneration Committee or similar body shall be independent in relation to the members of the management body and shall include at least one member with knowledge and experience in matters of remuneration policy.	Not in compliance	0.4 e II.3, II.38 e II.39
II.5.3 No natural or collective person who provides, or has provided in the past three years, services to any structure dependent upon the Board of Directors, to the Company's Board of Directors itself, or who has a current relationship with the company consultant, shall be contracted to support the Remuneration Committee in the performance of its duties. This recommendation is equally applicable to any natural or collective person who is connected to these bodies by a work or service provision contract.	In compliance	II.39
II.5.4 All committees shall draw up minutes of their meetings..	In compliance	II.3

III. INFORMATION AND AUDITS

III.1 GENERAL DUTIES OF INFORMATION

III.1.1 Companies shall ensure the existence of permanent contact with the market, respecting the principle of shareholder equality and preventing asymmetries in investor access to information. To this end, the company shall have an investor support office.	In compliance	III.16
III.1.2 The following information available on the company's Internet site shall be published in English: a) the name, the standing as a public limited company, the registered office and the other elements listed in Article 171 of the Companies Code; b) the memorandum and articles of association; c) the identity of the corporate officers and of the market relations representative; d) the Investor Support Office, its duties and means of access; e) the financial statements; f) half-yearly calendar of corporate events; g) proposals submitted for discussion and voting at General Meetings; and h) notices of General Meetings.	In compliance	-
III.1.3 Companies should proceed with the rotation of the auditor at the end of two or three terms, depending on whether the terms are for four or three years, respectively. Their retention beyond this period shall be justified on grounds presented in a specific opinion of the statutory audit board that expressly considers the conditions for the auditor's independence and the advantages and costs of substituting the auditor.	In compliance	III.18
III.1.4 The external auditor shall, within its scope of duties, verify the application of remuneration policies and systems, the efficacy and functioning of the mechanisms of internal control and report any deficiencies to the Company's supervisory body.	In compliance	-
III.1.5 The Company shall not contract the external auditor, or any other entities that are in a relationship of participation with the auditor or that are part of the same network, for the provision of any services apart from the auditing. Should there be reasons to contract for such services – reasons that shall be approved by the supervisory body and detailed in the annual Corporate Governance report – they shall not be greater than 30% of the total value of services provided to the Company.	Not in compliance	0.4 e III.17

IV. CONFLICTS OF INTEREST

IV.1 SHAREHOLDER RELATIONS

IV.1.1 The Company's business transactions with shareholders with qualified holdings, or with entities with which they have any relationship, pursuant to the terms of article 20 of the CVM (Securities Code), shall be carried out under normal market conditions.	In compliance	III.11 e III.12
IV.1.2 Significantly important business transactions with shareholders with qualified holdings, or with entities with which they have any relationship, pursuant to the terms of article 20 of the CVM (Securities Code), shall be submitted to the supervisory body for prior approval. This body shall establish the necessary procedures	In compliance	III.13

Recommendation/Chapter	Status of Compliance	Description in this Report
and criteria for defining the relevant level of significance of these transactions and the remaining terms for its intervention.		

0.3 Overall assessment of the degree of adoption of groups of recommendations interrelated by topic.

MOTA-ENGIL believes that, despite not having complied with all of the CMVM recommendations, as justified in detail in the following paragraphs, the degree of adoption of those recommendations is sufficiently ample and complete.

0.4 Explanation of the discrepancies between the company's governance practices and the CMVM recommendations

II.1.1.2 Companies shall create internal risk control and management systems to safeguard their value and to benefit the transparency of its corporate governance, which allow it to identify and manage risk. These systems should integrate the following components, at least: i) establishment of the Company's strategic objectives in risk assumption; ii) identification of the main risks linked to the actual activity engaged in and the events susceptible of creating risks; iii) analysis and measurement of the impact and probability of occurrence for each potential risk; iv) risk management with a view to aligning the risks effectively incurred with the strategic option of the Company regarding risk assumption; v) mechanisms to control the execution of risk management measures adopted and their efficacy; vi) adoption of internal information and communication mechanisms on the various components of the system and the risk alerts; vii) periodic evaluation of the system implemented and the adoption of the modifications that are deemed necessary.

The current model for risk management and internal control at MOTA-ENGIL does not yet allow for a full response to the requirements outlined in recommendation II.1.1.2., specifically in relation to the analysis and measurement of the impact and the probability of occurrence for each potential risk. Despite this fact, the Board of Directors and the Audit Board recognise the importance that the risk management and internal control systems have on the organisation and they therefore try to encourage the human and technical conditions susceptible of providing an environment of control that is proportionate and suited to the risks of the activity. Within this scope, and with a view to adopting the best practices in this matter, a process of revision of the current internal control and risk management model for the MOTA-ENGIL GROUP is in progress.

II.1.2.2 The non-executive directors shall include an appropriate number of independent directors, taking into account the size of the company and its shareholder structure, which cannot in any case be less than one quarter of the total number of directors.

Of the nine non-executive directors on the MOTA-ENGIL Board of Directors, only three were qualified as independent directors, representing 20% of the total of the management body. Although this recommendation is not being complied with, as MOTA-ENGIL takes into consideration the size of the Company and its shareholder structure, it considers this to be an appropriate number of independent directors.

II.1.3.2 The process of selecting candidates for non-executive directors should be conceived so as to impede the interference of executive directors.

Considering the size of the COMPANY and its shareholder structure, it is not thought necessary to have a formal selection process for non-executive director candidates. The candidates for non-executive director positions are elected by the General Meeting. In the electoral General Meetings that have been held, the names on the lists for the purposes of election to corporate bodies, in particular as they relate to the management body and its non-executive members, have been proposed by the shareholder signatories to the proposal in question, with the executive directors not participating in the selection process.

II.1.5.1 The remuneration of members of the management body shall be structured so as to allow the

alignment of their interests with the long-term interests of the Company.

The recommendation is not complied with in terms of the following subparagraphs. In spite of the non-compliance in these items, MOTA-ENGIL believes that this does not put in question the objective of aligning the interests of the management body's members with those of the Company.

((iii) A significant portion of the variable remuneration shall be deferred for a period of no less than three years and its payment shall be dependent upon the continuation of positive Company performance throughout that period.

Although there is no deferment of payments of the aforesaid variable remunerations, the Remuneration Committee structures the remuneration to members of the management body in such a way as to continue the Company's long-term positive performance.

(iv) The members of the management body shall not sign contracts, whether with the Company or with third parties, that would lessen the risk inherent to the variability of the remuneration set for them by the Company.

No mechanisms have been formally provided for that would impede executive directors from entering into contracts that might put into question the reason for having the variable remuneration. The Remuneration Committee, however, always takes this factor into consideration in the criteria used for setting the variable remuneration.

(viii) The remuneration of non-executive members of the management body shall not include any component the value of which is dependent on the Company's performance or value.

The remuneration of non-executive members of the management body includes variable components. MOTA-ENGIL believes that, besides having the duty to reward the long-term strategy carried out by the entire Board of Directors, including the non-executive directors, this does not pervert their non-executive function.

II.1.5.3 *The remuneration policy statement referred to in article 2 of Law no. 28/2009 shall likewise cover the remunerations of the managers as defined by article 248-B(3) of the CVM (Securities Code) and whose remuneration includes an important variable component. The statement shall be detailed and the policy presented should specifically take into consideration the long-term performance of the Company, the fulfilment of the norms applicable to the company's activities and the restraint in risk-taking.*

Even though the statement on remuneration policy presented at the General Meeting did not cover managers' remunerations, the said policy regarding managers is amply covered in this report (see point II.2.9). The MOTA-ENGIL Board of Directors believes that the remuneration policy for its employees, specifically the managers, is a management task that is their exclusive responsibility, as clearly stated in art. 405 of the Companies Code. This article states that it is the responsibility of the Board of Directors to manage the activities of the company, being subject to the shareholders' resolutions only in those cases when the law or the articles of association so specify. Hence, the statement referred to in Art. 2 of Law no. 28/2009, issued by the Remunerations Committee, should not encompass remunerations to managers. In spite of this position, and although the policy regarding managers is amply covered in this report, the 2012 Report and Accounts to be submitted for approval at the 2013 Annual General Shareholders Meeting includes, in its annexes, the Board of Directors' statement regarding remuneration policies applicable to MOTA-ENGIL GROUP managers.

II.2.5 *The Company shall outline its policy of rotating post on the Board of Directors, specifically for the member charged with financial matters and give such information in the annual Corporate Governance report.*

No provision is made for a policy of rotating posts for areas of responsibility on the Board of Directors (Executive Committee), specifically for the member charges with financial matters. It is MOTA-ENGIL's position that a rigid and abstract policy for rotation of posts for areas of responsibility does not serve its interests, hence the positions are decided and allocated by the Executive Committee at the beginning of its term according to the capacities, skills, and professional experience of each member, as it is not admissible that all the directors are able to perform all the duties with the same capacity and degree of performance.

II.4.6 The internal auditing services and those that ensure the compliance with the standards applied to the Company (compliance services) should functionally report to the Audit Committee, the General and Supervisory Board or, in the case of Companies that adopt the Latin model, to an independent director or the Board of Auditors, independently of the hierarchical relationship those services maintain with the Company's executive board.

The internal auditing services (Office of Audit and Risk) functionally report to the Investment, Audit and Risk Committee. This committee typically consists of three permanent members (three non-executive directors, one of which is an independent director). Although it does not functionally report to an independent director or the Audit Board, the independence of this office in relation to the executive management body is deemed to be guaranteed.

II.5.1 Save for reasons having to do with the small size of the Company, the Board of Directors and the General and Supervisory Board shall, depending on the model adopted, create such committees as are deemed necessary for: i) ensuring a competent and independent assessment of the executive directors and for the assessment of its own overall performance, as well as that of the various existing committees; ii) reflecting on the system of governance adopted, verifying its efficacy and proposing to the proper bodies the measures to be executed with a view to their improvement; iii) identifying, in a timely manner, potential candidates with the high qualifications needed to perform the duties of a director.

The committees recommended were not created, since they were not deemed necessary.

II.5.2 The members of the Remuneration Committee or similar body shall be independent in relation to the members of the management body and shall include at least one member with knowledge and experience in matters of remuneration policy.

António Manuel Queirós Vasconcelos da Mota (Chairman and non-executive member of the Board of Directors) and Maria Teresa Queirós Vasconcelos Mota Neves da Costa (non-executive member of the Board of Directors) form the Remuneration Committee, having been elected for these duties by the General Meeting, under a proposal from the majority shareholder Mota Gestão e Participações, SGPS, SA. Their participation on the Remuneration Committee is limited exclusively to the representation of the shareholder interest, intervening there in that capacity and not as members of the management body. To ensure their independence in the performance of these duties, these members do not take part in any discussion or deliberation in which there is or there may be a conflict of interest, specifically when it comes to the setting of their own remunerations as members of the management body. It is felt that, by virtue of their respective curricula and professional careers (as found in point II.18), the three members of the Remuneration Committee possess knowledge and experience in matters of remuneration policy. Additionally, and when necessary, the Remuneration Committee is aided by specialised resources, internal or external to the Company, to support its decisions in matters of remuneration policy.

III.1.5 The Company shall not contract the external auditor, or any other entities that are in a relationship of participation with the auditor or that are part of the same network, for the provision of any services apart from the auditing. Should there be reasons to contract for such services – reasons that shall be approved by the supervisory body and detailed in the annual Corporate Governance report – they shall not be greater than 30% of the total value of services provided to the Company.

Although various services besides those of auditing were contracted from the external auditor, in an amount greater than 30% of the total value of services provided to the Company, as can be seen in point III.17 of this report, Mota-Engil believes that, in light of the existing mechanisms, its independence is guaranteed.

I. General Meeting

I.1 Members of the Board of the General Meeting

Chairman: Luís Neiva Santos

Secretary: Rodrigo Neiva Santos

The human and logistic resources appropriate for the needs of the Chairman of the Board of the General Meeting are provided specifically through the support given by the services of the MOTA-ENGIL Legal Office. This support is deemed adequate to the Company's size and economic situation.

Minutes of General Meetings are available on the Company's Internet site, as are the attendance lists, the agendas and the resolutions adopted in regard to the meetings held during the past three years.

I.2. Indication of the beginning and end of the respective terms of office

The start and end dates of the terms of office for the members of the Board of the General Meeting are 2010 and 2013, respectively.

I.3 Indication of the remuneration of the Chairman of the Board of the General Meeting

During 2012, the Chairman of the Board of the General Meeting earned 6,000 euros.

I.4 Indication of the period during which shares are deposited or blocked in order to take part in a general meeting

By virtue of the publication of Decree-Law no. 49/2010 of 19 May, this recommendation is no longer applicable.

I.5 Indication of the rules applicable to the blockage of shares in the event of suspension of the general meeting

By virtue of the publication of Decree-Law no. 49/2010 of 19 May, this recommendation is no longer applicable.

I.6 Number of shares corresponding to one vote

According to the MOTA-ENGIL articles of association, each share corresponds to one vote, thus ensuring the necessary proportionality between the holding of capital and the right to vote.

I.7 Indication of statutory rules that provide for shares that do not confer the right to vote or that determine that the right to vote is limited to a certain maximum number, when votes are cast by a single shareholder or by shareholders related to a single shareholder.

Even though MOTA-ENGIL's articles of association provide for the possibility of the Company issuing preferred non-voting shares, this class of shares does not currently exist.

I.8 Existence of statutory rules on exercising the right to vote, including quorums for holding Shareholder's meetings or for adopting resolutions or systems for distinguishing rights with patrimonial content

According to article 23 of the Company's articles of association, in order for the General Meeting to gather and deliberate at first call, shareholders who hold shares corresponding to more than 50% of the share capital must be present or represented.

I.9 Existence of statutory rules on the exercise of voting rights by correspondence

The statutory rules on the exercise of voting rights by correspondence are stipulated in Article 22 of the Company's articles of association.

In accordance with this article, shareholders may vote by correspondence on each and every matter, there being no restriction in this regard.

I.10 Provision of a form for the exercise of voting rights by correspondence

The Company provides a form for the exercise of voting rights by correspondence. This form can be obtained through from the Capital Market Relations Division (João Vermelho – e-mail: jvermelho@mota-engil.pt).

I.11 Requirement as to the period between reception of the postal ballot and the date on which the General Meeting is held

Postal ballots shall be considered only if received at the Company's registered office at least three days before the date of the General Meeting.

I.12 Exercise of voting rights using electronic means

The exercise of voting rights by electronic means is not yet possible. To date the company has received no request for or expression of interest in the provision of these means from shareholders or investors.

I.13 Possibility of shareholders accessing extracts of General Meeting minutes on the Company's website within 5 days after the General Meeting is held

The Company shareholders may access, at the website (www.mota-engil.pt) the extracts of the General Meeting minutes, which are published within five days after the meeting is held.

I.14 Existence of a historical compilation on the Company's website of the resolutions made at the Company's General Meetings, the share capital represented and the results of the votes, dating back three years.

The Company has available, on its website (www.mota-engil.pt), information regarding resolutions made in the Company's General Meetings for the last three financial years, as well as the share capital represented and the results of the votes.

I.15 Information regarding the representative(s) of the Remuneration Committee present at General Meetings

At the Company's Annual General Meetings, the Remunerations Committee has been represented by all its members.

I.16 Information regarding participation of the General Meeting in terms of the Company's remuneration policy and the performance evaluation of the members of the management body and other managers

It is the responsibility of the General Shareholders Meeting to appoint a Remuneration Committee, which must define the remuneration policy for the corporate bodies and other officers that promotes, in the medium and long-term, the alignment of those interests with those of the Company. The policy statement on the remuneration of management and supervisory bodies is submitted to the General Meeting, as provided for in Law no. 28/2009 of 19 June.

I.17 Information regarding the intervention of the General Meeting input in the proposal concerning plans of allocation of shares and/or share acquisition options, or based on variations of share prices, to members of the management and supervisory bodies and other officers, as defined in article 248-B(3) of the CVM (Securities Code), as well as the elements provided to the General Meeting with the purpose of correctly evaluating those plans

No plans for allocation of shares and share acquisition options are in effect.

I.18 Information regarding the General Meeting's input in the approval of the main features of the retirement benefit system which members of the management and supervisory bodies and other managers, as defined in article 248-B(3) of the CVM (Securities Code) are entitled to.

With the exception of the founding shareholders, the Company does not have supplemental regimes for pensions or early retirement for its directors.. The founding shareholder directors are beneficiaries of a pension plan with defined benefits that will allow them to receive a pension equivalent to 80% of the salary earned on the date of retirement. It is important to note that this plan was already in effect prior to the date of MOTA-ENGIL's entry in the stock exchange.

I.19 Existence of a statutory standard that provides for the obligation to submit at least every five years to the deliberation of the General Meeting, the decision to maintain or eliminate the statutory standard that sets a limitation on the number of votes which may be held by or cast by a single shareholder, either individually or in conjunction with other shareholders.

The Company's articles of association do not provide for the limitation of votes which may be held by or cast by a single shareholder, either individually or in conjunction with other shareholders.

I.20 Indication of defensive measures, the effect of which is to automatically provoke a serious erosion of the company's assets in the event of transition of control or alterations to the composition of the management body

There are no defensive measures, the effect of which is to automatically provoke a serious erosion of the company's assets in the event of transition of control or alterations to the composition of the management body.

I.21 Significant agreements to which the Company is a party that come into force, are altered or cease in the event of change of control of the Company, as well as the subsequent effects, unless by their nature the disclosure thereof would be seriously detrimental to the Company, provided always that the Company is obliged to disclose that information by virtue of other legal impositions

There are no significant agreements to which the Company is a party that come into force, are altered or cease in the event of change of control of the Company.

I.22 Agreements between the Company and the members of the management body and managers, as defined in Article 248-B(3) of the CVM (Securities Code), stipulating indemnities in the event of resignation, dismissal without just cause or termination of the employment tie in the wake of a change of control of the Company

There are no agreements between the Company and the members of the management body and managers, as defined in Article 248-B(248.^o-B) of the CVM (Securities Code), stipulating indemnities in the event of resignation, dismissal without just cause or termination of the employment tie in the wake of a change of control of the Company.

II. Management and supervisory bodies

II.1 Identification and composition of corporate bodies

Board of Directors (2010-2013):

António Manuel Queirós Vasconcelos da Mota (Chairman)
 Jorge Paulo Sacadura de Almeida Coelho (Deputy-Chairman) ⁽¹⁾
 Gonçalo Nuno Gomes de Andrade Moura Martins (Deputy-Chairman) (CEO) ⁽¹⁾
 Arnaldo José Nunes da Costa Figueiredo (Deputy-Chairman)
 Maria Manuela Queirós Vasconcelos Mota dos Santos (Member)
 Maria Teresa Queirós Vasconcelos Mota Neves da Costa (Member)
 Maria Paula Queirós Vasconcelos Mota de Meireles (Member) ⁽²⁾
 Ismael Antunes Hernandez Gaspar (Member)
 Luís Filipe Cardoso da Silva (Member)
 Pedro Manuel Teixeira Rocha Antelo (Member)
 Carlos António Vasconcelos Mota dos Santos (Member)
 Maria Isabel da Silva Ferreira Rodrigues Peres (Member)
 José Pedro Matos Marques Sampaio de Freitas (CFO) ⁽¹⁾
 Luís Valente de Oliveira (Independent member)
 António Bernardo Aranha da Gama Lobo Xavier (Independent member)
 António Manuel da Silva Vila Cova (Independent member)

(1) In January of 2013, Jorge Paulo Sacadura de Almeida Coelho resigned his duties as deputy-chairman of the Board of Directors and Chairman of the Executive Committee. Following that resignation, the Board of Directors resolved the following: simultaneously electing José Pedro Matos Marques Sampaio de Freitas for the current term of office (2010-2013), as well as nominating him as member of the Executive Committee in the capacity of CFO (Chief Financial Officer); and appoint Gonçalo Nuno Gomes de Andrade Moura Martins as chairman of the executive committee.

(2) In January of 2013, Maria Paula Queirós Vasconcelos Mota de Meireles presented her resignation as non-executive member on the Board of Directors. Afterward, in March 2013, Maria Paula Queirós Vasconcelos Mota de Meireles was co-opted to the position she had resigned.

Although the Board of Directors changed its composition in January 2013, all the information in this report

refers to the existing composition as of 31 December, 2012.

Executive Committee (2010-2013):

Gonçalo Nuno Gomes de Andrade Moura Martins (Chairman) ⁽¹⁾

Jorge Paulo Sacadura de Almeida Coelho ⁽¹⁾

Arnaldo José Nunes da Costa Figueiredo

Ismael Antunes Hernandez Gaspar

Carlos António Vasconcelos Mota dos Santos

Maria Isabel da Silva Ferreira Rodrigues Peres

José Pedro Matos Marques Sampaio de Freitas (CFO) ⁽¹⁾

- (1) In January of 2013, Jorge Paulo Sacadura de Almeida Coelho resigned his duties as deputy-chairman of the Board of Directors and Chairman of the Executive Committee. Following that resignation, the Board of Directors resolved the following: simultaneously electing José Pedro Matos Marques Sampaio de Freitas for the current term of office (2010-2013), as well as nominating him as member of the Executive Committee in the capacity of CFO (*Chief Financial Officer*); and appoint Gonçalo Nuno Gomes de Andrade Moura Martins as chairman of the executive committee.

Although the Executive Committee changed its composition in January 2013, all the information in this report refers to the existing composition as of 31 December, 2012.

Statutory Audit Board (2011-2014):

Alberto João Coraceiro de Castro (Chairman)

José Rodrigues de Jesus (Full Member)

Horácio Fernando Reis e Sá (Full Member)

Pedro Manuel Seara Cardoso Perez (Alternate Member)

Official Auditor (2011-2014):

António Magalhães e Carlos Santos, SROC, represented by Dr. Carlos Alberto Freitas dos Santos, ROC

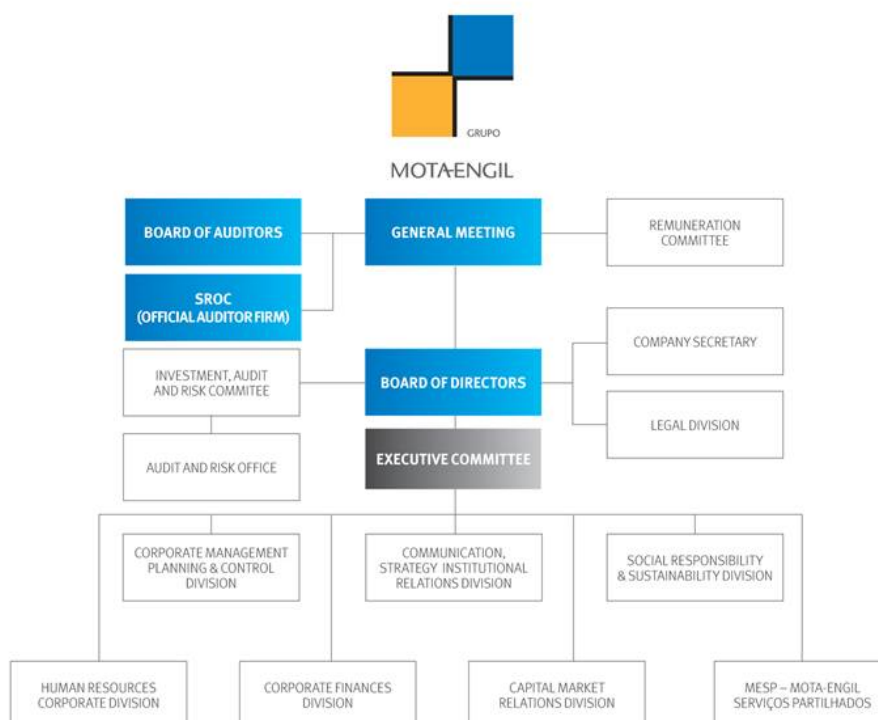
External Auditor registered with the CMVM:

Deloitte & Associados, SROC, SA, represented by Jorge Manuel Araújo de Beja Neves

II.2 Identification and composition of other committees set up, having responsibilities in the matter of management or supervision of the Company

In addition to those referred to in the next point, no other committees have been set up having responsibilities in the matter of the management or supervision of the Company.

II.3 Organisational charts or tables of duties related to the division of responsibilities between the various corporate bodies, committees and/or departments of the Company, including information regarding the scope of the delegation of responsibilities, in particular as it relates to the delegation of the day-to-day management of the Company, or to the distribution of posts among members of the management or supervisory bodies and a list of the matters not subject to delegation and the responsibilities effectively delegated.



Management bodies

As at 31 December 2012, MOTA-ENGIL, had a Board of Directors made up of 15 members: one chairman, three deputy-chairmen and eleven directors. On that same date, six of its members performed executive functions and formed an Executive Committee, while the remaining nine performed non-executive functions.

The Executive Committee was elected by the Board of Directors, having been delegated all the powers related to the management of activities at MOTA-ENGIL and all its subsidiaries, in its strictest interpretation of making tactical options and controlling concrete lines of development in the various activities, assuming the responsibilities of executive management of the Group's business in line with the guidelines and policies defined by the Board of Directors. The Executive Committee can discuss all the matters that are the responsibility of the Board of Directors, without prejudice to only being able to deliberate on the matters delegated to them. All matters dealt with by the Executive Committee, even if included in its delegated responsibilities, are made known to the non-executive directors, who have access to the corresponding minutes and support documents.

The Executive Committee meetings are held every fortnight, and at the beginning of the fiscal year, all meetings to be held during the year are scheduled.. The chairman of the Executive Committee, through the Communication, Strategy and Institutional Relations Division, submits the notices and the minutes of the respective meetings in a timely fashion to the chairman of the Board of Directors and the chairman of the Statutory Audit Board.

All decisions related to the definition of the COMPANY strategy, as well as the general policies of the Company and the GROUP's business structures, are matters that are the sole responsibility of the Board of Directors, the Executive Committee having no responsibilities delegated in them in this connection.

The chairman of the Board of Directors has the responsibilities entrusted to him by law and by the articles of association.

With regard to the assignment of posts to the members of the Board of Directors, particularly within the scope of the Executive Committee, the following are underscored:

- Jorge Paulo Sacadura de Almeida Coelho

- Coordination of the Executive Committee
- Legal Office
- Communication, Strategy and Institutional Relations Division

- Arnaldo José Nunes da Costa Figueiredo

- Chairman of Mota-Engil Indústria e Inovação SGPS, SA
- High Speed Network
- New projects
- Representative of the GROUP on the Board of Directors of Martifer SGPS, SA

- Gonçalo Nuno Gomes de Andrade Moura Martins

- Chief Financial Officer (CFO)
- Division of Corporate Planning and Management Control
- Division of Corporate Finance
- Division of Relations with the Capital Market
- Division of Mergers, Divestments and Acquisitions
- Ascendi Group
- Shared Services

- Ismael Antunes Hernandez Gaspar

- Africa Business Area
- Central Europe Business Area

- Maria Isabel da Silva Ferreira Rodrigues Peres

- Division of Corporate Human Resources
- Division of Social Responsibility and Sustainability
- Interlocutor of the Executive Committee at the Fundação Manuel António Mota

- Carlos António Vasconcelos Mota dos Santos

- Portugal Business Area
- Latin America Business Area

As at 31 December 2012, Jorge Paulo Sacadura de Almeida Coelho, in the capacity of Chairman of the Executive Committee, was considered the Chief Executive Officer (CEO) of MOTA-ENGIL. Gonçalo Nuno Gomes de Andrade Moura Martins, in the capacity of responsible for the financial areas of MOTA-ENGIL, was considered the Chief Financial Officer (CFO).

No provision is made for a policy of rotating seats for areas of responsibility on the Board of Directors (Executive Committee), specifically for the member charges with financial matters. It is Mota-Engil's position that a rigid and abstract policy for rotation of posts for areas of responsibility does not serve its interests,

hence the positions are decided and allocated by the Executive Committee at the beginning of its term according to the capacities, skills, and professional experience of each member, as it is not admissible that all the directors are able to perform all the duties with the same capacity and degree of performance.

Non-executive directors monitor the Company's business, thus guaranteeing their effectiveness to supervise, inspect and assess the business, specifically through periodic meetings of the Board of Directors, without prejudice to access to any information or documentation as may be requested at any time. In exercising their non-executive duties the directors were not faced with any constraints in 2012. The annual management report includes a description of the activity of the non-executive directors.

Supervisory bodies

Supervision of the COMPANY is performed by a Statutory Audit Board and by a Statutory Auditor (auditing firm), performing the duties called for by law and by the articles of association.

The General Meeting shall elect the Statutory Audit Board and designate, at the proposal of the Statutory Audit Board, the Statutory Auditor or auditing firm.

The MOTA-ENGIL Statutory Audit Board is made up of four members, a chairman, two full members and an alternate member.

Specialised committees

Remuneration Committee

In accordance with the articles of association the duties of the Remuneration Committee, elected by the shareholders at a General Meeting, are to define the policy for the remuneration of the corporate officers, setting the applicable remuneration taking into account the duties performed, their performance and the Company's economic situation. In this connection, the Remuneration Committee constantly monitors and assesses the performance of the directors, verifying the extent to which the proposed objectives have been and meets as and when necessary. The directors' remuneration includes a performance-based component.

The committee elected for the 4-year term of office 2010-2013 is made up of the following members: António Manuel Queirós Vasconcelos da Mota, Maria Teresa Queirós Vasconcelos Mota Neves da Costa, both of whom are members of the management body, and Manuel Teixeira Mendes. Minutes are drawn up of all meetings held.

Investment, Audit and Risk Committee

The Investment, Audit and Risk Committee is normally composed of three permanent members (three non-executive directors, one of whom is an independent non-executive director), and it may invite other senior GROUP staff connected with the projects under evaluation. The main functions and responsibilities of the Committee is to appraise and suggest investment and business risk policies and projects to the Board of Directors, examine and issue opinions on investment or divestment projects, issue opinions on getting into and out of new business areas and monitor relevant financial and corporate operations. Minutes are drawn up of all meetings held. As at 31 December 2012, members of the committee were Maria Teresa Queirós Vasconcelos Mota Neves da Costa, Luís Filipe Cardoso da Silva and António Manuel da Silva Vila Cova, the last one being an independent non-executive director.

The management body's assessment of the governance model adopted

The Board of Directors declares that the Corporate Governance model adopted has been appropriate to the proper internal and external working of the Company. In the assessment of the governance model performed in 2012, no

relevant constraints were found in the model used, which is based on the “Latin” / Reinforced Classic governance model. It is made up of a Board of Directors, a Statutory Audit Board and a Statutory Auditor not a member of the Statutory Audit Board.

II.4 Reference to the fact that the annual reports on the activity of the General and Supervisory Board, the Committee for Financial Affairs, the Audit Committee and the Statutory Board of Auditors include a description of the supervisory activity carried out, with reference to any constraints detected, and published on the company’s Internet site, in conjunction with the financial statements.

II.4 Reference to the fact that the annual reports on the activity of the General and Supervisory Board, the Financial Matters Committee, the Audit Committee and the Statutory Board of Auditors include a description of the supervisory activity carried out, with reference to any constraints detected, and published on the company’s Internet site, in conjunction with the financial statements. The Company does not have a General and Supervisory Board, a Committee for Financial Affairs, or an Audit Committee.

II.5 Description of the internal control and risk management systems implemented at the Company, specifically related to the process for disclosing financial information, to the manner in which this system functions and to its efficacy

The MOTA-ENGIL Group finds itself subject to a diversified set of risks that can have a negative impact on its business. All these risks are duly identified, assessed and monitored, different structures within the Company being responsible to manage and/or mitigate them, with special importance given to the role of the Investment, Audit and Risk Committee in this domain.. The sensitivity analyses made on the main financial risks, taking into consideration their high probability of occurrence, are described in Note 11 of the 2012 Consolidated Report and Accounts.

The Investment, Audit and Risk Committee, with its mission of supporting the management of the MOTA-ENGIL GROUP in reinforcing the means and methods of action at the internal control level and the anticipation of business risk, has the Office of Audit and Risk, with a structure of resources specifically allocated to the following functions:

- Identification and assessment of risks, suggesting the establishment of acceptable levels of risk in light of the defined management objectives;
- Issuance of opinions regarding changes in the level of risk in the business deals of the Mota-Engil group;
- Minimisation of operating inefficiencies and losses, thus strengthening MOTA-ENGIL GROUP’s capacity, by identifying potentially damaging events, assessing risks and proposing responses, in this way reducing unforeseen costs or losses;
- Identification of transverse risks within the Group, auditing the implementation of corporate policies and good practices of the Mota-Engil Group;
- Issuance of advance opinions regarding risks inherent in the acquisitions or transfers of ownership decided by the Mota-Engil Group;
- Audit of conformity in the development of processes or activities in all areas and companies that are materially relevant to the Mota-Engil Group.

The risk management process at MOTA-ENGIL is supported by the COSO (Enterprise Risk Management – Integrated Framework) methodology, which encompasses, specifically: the assessment and attribution of degrees of criticalness and priority to risks in light of their impact on business objectives and of their probability of occurrence. In generic terms, the method of functioning for the internal control and risk management system implemented at the Company

is as follows:

- Scope of process: The main risks to which the GROUP is subject are monitored, specifically market risks in the business segments, financial risks (of foreign exchange and interest rates) and other business risks (operating, integrity, information and communication systems) through internal reports from the Investment, Audit and Risk Committee, together with reports or communications issued by the corporate officers (highlighting the Legal Office, the Department of Planning and Corporate Management Control, the Department of Corporate Finance and the Division of Corporate Human Resources).
- Description of the Operating Process: Risk Management is the responsibility of each one of the Management bodies of the GROUP's business areas, executed in general terms through the following set of sequential cyclical phases:
 - Identification of risk: determination of risks that the organisation is exposed to and the level of tolerance of exposure to those risks;
 - Measurement of risk: quantification of the exposures to risk and preparation of reports on which to base the decision-making process;
 - Risk control and management: definition of actions to be taken to deal with risk;
 - Implementation of defined risk management measures;
 - Monitoring: evaluation of the risk management process and, if necessary, realignment and redefinition of strategies.

Additionally, all investments or new businesses will be analysed regarding risk by the various corporate areas, and will be the subject of a preliminary opinion from the Investment, Audit and Risk Committee before being submitted for approval by the Board of Directors.

The evaluation of the internal control and risk management system made it possible to gauge its efficacy without neglecting to point out steps for improvements to be implemented in the short and medium term.

In regard to risk control in the process of disclosing financial information, only a very limited number of MOTA-ENGIL employees are involved in the process of disclosure of financial information. To this end, and by legal obligation (article 248(6) of the CVM-Securities Code), MOTA-ENGIL drew up a list of its collaborators, with or without employment ties, who have access either regularly or occasionally to privileged information. This list was shown to each employee involved, with an explanation of: (i) the motives that led to their names being included on said list; (ii) the rights and obligations set forth in the law; (iii) the consequences resulting from the abusive disclosure or use of privileged information.

II.6 Responsibility of the management body and the supervisory body in the creation and functioning of the internal control and risk management systems of the Company, as well as the evaluation of the functioning of these systems and the adjustment in them in accordance with the Company's needs

The Board of Directors and the Statutory Audit Board recognise the importance that the risk management and internal control systems have on the organisation, encouraging the human and technical conditions susceptible of providing an environment of control that is proportionate and suited to the risks of the activity.

The Board of Directors is responsible for guaranteeing the creation and functioning of the internal control and risk management systems, the Statutory Audit Board having the responsibility to evaluate the functioning of these systems and propose any adjustment in them in accordance with the Company's needs. On this point, it is also worth

mentioning that, as stipulated in Art. 420(1)(i) of the Companies Code, it is the Statutory Audit Board's task to verify the efficacy of the risk management system, internal control system and the internal audit system.

The supervisory body monitors all matters relevant to the Company, attending all Board of Directors' meetings. The management body as well as the supervisory body have access to the reports and opinions issued by the Investment, Audit and Risk Committee, mentioned in the previous point, making an assessment of the functioning of the implemented internal control and risk management systems and their adjustment to the needs of the Company.

II.7 Indication as to the existence of working regulations for the company's bodies, or other rules relating to incompatibility defined internally and to the maximum number of offices that can be accumulated, and the place where they may be consulted.

The management and supervisory bodies of MOTA-ENGIL have internal working regulations that are published on the Company's website: www.mota-engil.pt. Rules related to the incompatibilities and the maximum number of accumulated offices has not been established internally, beyond the rules of conflict of interest and incompatibilities set forth in the Companies Code.

II.8 Should the chairman of the management body perform executive functions, indication of the mechanisms of coordinating the work of non-executive members who ensure the independent and informed nature of his decisions

The chairman of the Board of Directors does not perform executive functions.

II.9 Identification of the main economic, financial and legal risks that the Company is exposed to in the performance of its activities

The mapping of the materially relevant risks of the MOTA-ENGIL GROUP made it possible to determine that the main risks that the Company is exposed to are: its dependence on customers, the behaviour of its competition, liquidity, level of indebtedness, interest rate, as well as the diversity of the legal and tax frameworks that the Company is exposed to, as a consequence of the various geographical locations where it is operating.

II.10 Powers of the management body, specifically as related to resolutions for the increase of capital

The powers of the management body are those granted by the Companies Code and those found in Art. 13 and 14 of the Company's articles of association. The articles of association do not confer powers to the management body regarding resolutions for the increase of capital.

II.11 Information regarding the policy of rotating posts on the Board of Directors, specifically that which is responsible for financial affairs, as well as on the rules applicable to the appointment and substitution of members in the management and supervisory bodies

The rules applicable to the appointment and substitution of the members of the management and supervision are those provided for in the Companies Code and in the Company's articles of association:

- **Board of Directors:** The General Meeting is responsible for electing the directors (Art. 391(1) of the Companies Code). The articles of association do not provide for any specific regime related to the substitution of members of the Board of Directors, so that this is carried out as set forth in Art. 393(3) of the Companies Code. No provision is made for a policy of rotating posts for areas of responsibility on the Board of Directors (Executive Committee), specifically for the member charges with financial matters. It is

Mota-Engil's position that a rigid and abstract policy for rotation of posts for areas of responsibility does not serve its interests, hence the positions are decided and allocated by the Executive Committee at the beginning of its term according to the capacities, skills, and professional experience of each member, as it is not admissible that all the directors are able to perform all the duties with the same capacity and degree of performance.

- Statutory Audit Board: The General Meeting is responsible for electing the Statutory Audit Board, as well as the alternate or alternates for it, (Art. 16(2) of the articles of association). The articles of association do not provide for any specific regime related to the substitution of members of the Statutory Audit Board, so that this is carried out as set forth in Art. 415 of the Companies Code.
- SROC: The General Meeting is responsible for electing, upon proposal by the Statutory Audit Board, the Statutory Auditor or the Statutory Auditing Firm (SROC) (Art. 16(3) of the articles of association)..

II.12 Number of meetings of the management and supervisory bodies, as well as reference to the drawing up of minutes of those meetings

Body	No. of meetings 2012
Board of Directors	18
Executive Committee	25
Statutory Audit Board	4

The corresponding minutes were drawn up for each of the listed meetings.

II.13 Information regarding the number of meetings of the Executive Committee or the Executive Board of Directors, as well as reference to the drawing up of minutes of those meetings and their delivery, accompanied by notices of meetings – as applicable – to the Chairman of the Board of Directors, the Chairman of the Statutory Audit Board or Audit Committee, to the Chairman of the General and Supervisory Board and the Chairman of the Committee for Financial Affairs

The Executive Committee met 25 times during the 2012 fiscal year. The notices, along with the agendas and supporting documents, including minutes from previous meetings for approval, are sent by the Executive Committee Coordinating Office, with the necessary advance time, to the members of the Executive Committee. In a similar manner, after approval by members of the Executive Committee, the meeting minutes and corresponding notices are sent to the chairman of the Board of Directors and the chairman of the Statutory Audit Board.

II.14 Distinction between the executive and non-executive members, and among them, a description of the members who would meet, if applicable, the rules of incompatibility provided for in Art. 414-A(1) of the Companies Code, with the exception of that provided for in subparagraph b), and the independence criteria provided for in Art. 414(5), also of the Companies Code

Director ⁽¹⁾	Executive / Non-executive ⁽²⁾	Independent / Non-independent
António Manuel Queirós Vasconcelos da Mota	Non-executive	Non-independent
Jorge Paulo Sacadura de Almeida Coelho ⁽³⁾	Executive	Non-independent
Arnaldo José Nunes da Costa Figueiredo	Executive	Non-independent
Gonçalo Nuno Gomes de A. Moura Martins	Executive	Non-independent
Maria Manuela Queirós V. Mota dos Santos	Non-executive	Non-independent
Maria Teresa Queirós V. Mota Neves da Costa	Non-executive	Non-independent
Maria Paula Queirós V. Mota de Meireles ⁽⁴⁾	Non-executive	Non-independent
Ismael Antunes Hernandez Gaspar	Executive	Non-independent
Luís Filipe Cardoso da Silva	Non-executive	Non-independent
Maria Isabel da Silva Ferreira Rodrigues Peres	Executive	Non-independent
Pedro Manuel Teixeira Rocha Antelo	Non-executive	Non-independent
Carlos António Vasconcelos Mota dos Santos	Executive	Non-independent
Luís Valente de Oliveira	Non-executive	Independent
António Bernardo A. da Gama Lobo Xavier	Non-executive	Independent
António Manuel da Silva Vila Cova	Non-executive	Independent

(1) 31 December 2012

(2) Executive: member of the Executive Committee; non-executive: non-member of the Executive Committee.

(3) In January of 2013, Jorge Paulo Sacadura de Almeida Coelho resigned his duties as deputy-chairman of the Board of Directors and Chairman of the Executive Committee. Following that resignation, the Board of Directors resolved the following: simultaneously electing José Pedro Matos Marques Sampaio de Freitas for the current term of office (2010-2013), as well as nominating him as member of the Executive Committee in the capacity of CFO (*Chief Financial Officer*); and appoint Gonçalo Nuno Gomes de Andrade Moura Martins as chairman of the executive committee.

(4) In January of 2013, Maria Paula Queirós Vasconcelos Mota de Meireles presented her resignation as non-executive member on the Board of Directors. Afterward, in March 2013, Maria Paula Queirós Vasconcelos Mota de Meireles was co-opted to the position she had resigned.

The three non-executive independent directors listed above are not affected by any incompatibilities mentioned in article 414-A(1) of the Companies Code.

On 31 December, 2012, the Board of Directors consisted of 15 members, six of which were executive and nine were non-executive, a make-up that Mota-Engil considers as a guarantee of an effective capacity in supervising, inspecting and assessing the activity of the members of the Executive Committee.

Of the nine non-executive directors, only three are qualified as independent directors, representing 20% of the total of the management body. Although the recommendation set forth in the Corporate Governance Code is not being complied with in terms of the minimum number of independent directors, MOTA-ENGIL, taking into consideration the size of the Company and its shareholder structure, considers this to be an appropriate number of independent directors.

The independent directors participate in the majority of the Board of Directors' meetings, following in this way MOTA-ENGIL's activities, being able to formulate questions to any other company bodies or internal structures of MOTA-ENGIL GROUP.

The Investment, Audit and Risk Committee consists of three directors, one of which is a non-executive independent director.

II.15 Indication of the legal rules, regulations and other criteria that have been the basis for the evaluation made by the management body in regard to the members' independence

For the evaluation of the independence of members on the Board of Directors, the referential provided for in article 414(5) of the Companies Code was used solely and exclusively, with the rules applicable to terms of incompatibilities provided for in article 414-A(1) of the same Code also being taken into consideration, with the necessary adaptations. No other evaluation criteria are defined internally.

II.16 Indication of the rules of the process of selecting candidates for non-executive directors and the manner in which they ensure the non-interference of executive directors in this process.

Considering the size of the Company and its shareholder structure, it is not thought necessary to have a formal selection process for non-executive director candidates. The candidates for non-executive director positions are elected by the General Meeting. In the electoral General Meetings that have been held, the names on the lists for the purposes of election to corporate bodies, in particular as they relate to the management body and its non-executive members, have been proposed by the shareholder signatories to the proposal in question, with the executive directors not participating in the selection process.

II.17 Reference to the fact that the annual management report of the Company shall include a description of the activity of the non-executive directors and any constraints detected

MOTA-ENGIL GROUP's 2012 consolidated management report includes, in point 7, a description of the activity of the non-executive administrators and any constraints detected.

II.18 and II.19 Professional qualifications of the members of the Board of Directors, information regarding their professional activities carried out during the last five years at least, the number of Company shares owned, date of first appointment and their term of office. Functions that the members of the management body perform at other Companies, specifying separately those that are performed at other Companies in the same group.

António Manuel Queirós Vasconcelos da Mota (Chairman)

Professional qualifications

- Licentiate Degree in Civil Engineering (Roadways) from the School of Civil Engineering of the University of Porto

Professional activity in the last five years

- Currently, and besides being the Chairman of the Board of Directors and chairman of the Remuneration Committee of Mota-Engil, SGPS, SA, for the last eight years, he performs duties in various governing bodies of companies of the Group and outside the Group

No. of shares as at 31/12/2012

5,292,359 shares

1st Appointment

31 March 2000

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Member of the Board of Directors of Auto Sueco (Angola) SARL
- Chairman of the Board of the General Meeting of Mota-Engil, Engenharia e Construção, S.A.
- Chairman of the Board of the General Meeting of Mota-Engil, Ambiente e Serviços, SGPS, SA
- Chairman of the Board of the General Meeting of Tratofoz – Sociedade de Tratamento de Resíduos, SA
- Member of the Remuneration Committee of ÁreaGolfe – Gestão, Construção e Manutenção de Campos de Golfe, SA
- Member of the Remuneration Committee of Aurimove, Sociedade Imobiliária, SA
- Member of the Remuneration Committee of EMSA – Empreendimentos e Exploração de Estacionamentos, SA
- Member of the Remuneration Committee of Manvia – Manutenção e Exploração de Instalações e Construção, SA
- Member of the Remuneration Committee of Martifer, SGPS, SA
- Member of the Remuneration Committee of ME Real Estate – Mota-Engil Real Estate Portugal, SA
- Member of the Remuneration Committee of Mesp – Mota-Engil, Serviços Partilhados, Administrativos e de Gestão, SA
- Member of the Remuneration Committee of Mota-Engil, Ambiente e Serviços, SGPS, SA
- Member of the Remuneration Committee of Mota-Engil, Energia, SA
- Member of the Remuneration Committee of Mota-Engil, Engenharia e Construção, SA
- Member of the Remuneration Committee of Mota-Engil II, Gestão, Ambiente, Energia e Concessões de Serviços, SA
- Member of the Remuneration Committee of Mota-Engil, Indústria e Inovação, SGPS, S.A.
- Member of the Remuneration Committee of Nortedomus – Sociedade imobiliária, SA
- Member of the Remuneration Committee of Planinova – Sociedade Imobiliária, SA
- Member of the Remuneration Committee of Sedengil – Sociedade Imobiliária, SA
- Member of the Remuneration Committee of Sol-S International, Tecnologias de Informação, SA
- Member of the Remuneration Committee of Suma – Serviços Urbanos e Meio Ambiente, SA
- Member of the Remuneration Committee of Takargo – Transporte de Mercadorias, SA
- Member of the Remuneration Committee of Tertir – Concessões Portuárias, SGPS, SA
- Member of the Remuneration Committee of Tertir – Terminais de Portugal, SA
- Member of the Remuneration Committee of Tratofoz – Sociedade de Tratamento de Resíduos, SA
- Member of the Remuneration Committee of Vibeiras – Sociedade Comercial de Plantas, SA
- Member of the Remuneration Committee of Mota-Engil, Angola, SA
- Member of the Remuneration Committee of Mota-Engil, Engenharia e Construção África, S.A.
- Member of the Supreme Council and Supervisory Board of Mota-Engil, Angola, SA
- Chairman of the Supreme Council of Tertir – Terminais de Portugal, SA

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Chairman of the Board of Directors of FM – Sociedade de Controlo, SGPS, SA
- Chairman of the Board of Directors of Mota Gestão e Participações, Sociedade Gestora de Participações Sociais, SA
- Chairman of the Board of Directors of Sunviauto – Indústria de Componentes de Automóveis, SA
- Manager of Sociedade Agrícola Moura Basto, Lda.
- Member of the Remuneration Committee of António de Lago Cerqueira, SA
- Member of the Board of Curators of Fundação Manuel António da Mota
- Member of the Consultative Council of the School of Engineering of Universidade do Minho
- Member of the General Council of AEP, representing Mota-Engil, SGPS, SA
- Member of the Board of Curators of Fundação AIP
- Member of the Board of Curators of Fundação AEP, representing Mota-Engil, SGPS, S.A.
- Member of the Council of EIC – European International Contractors
- Vice-Chairman of the General Council of ELO – Associação Portuguesa para o Desenvolvimento Económico e a Cooperação, representing Mota-Engil, Engenharia e Construção, SA

Jorge Paulo Sacadura de Almeida Coelho (Deputy-Chairman)

Professional qualifications

- Licentiate Degree in Business Organisation and Management by ISEG (Universidade Técnica de Lisboa)

Professional activity in the last five years

- Between 2001 and 2006, part-time deputy and chairman of the Committee on Local Power and Land Use Planning at the Assembly of the Republic
- Between 2004 and 2008, member of the Council of State
- Between 2001 and 2008, director of Congetmark – Consultoria, Estudos e Management, Lda.
- Between 2001 and 2008, Guest Professor and member of the Scientific Council of the Higher Institute of Business Communication (ISCEN) and chairman of the Consultative Council of the School of Advanced Studies of Beiras
- As at 31 December 2012, besides being Deputy-Chairman of the Board of Directors and chairman of the Executive Committee of Mota-Engil, SGPS, SA, he was a member of the Supreme and Supervisory Council of Mota-Engil, Angola, SA

No. of shares as at 31/12/2012

He did not hold any shares of Mota-Engil, SGPS, SA

1st Appointment

26 May 2008

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Member of the Supreme Council and Supervisory Board of Mota-Egil, Angola, SA

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Member of the Board of Curators of Fundação Manuel António da Mota
- Member of the Consultative Council of Banco de Investimento Global (BIG);
- Chairman of the Board of the General Meeting of the Company Águas da Curia;
- Chairman of the Board of the General Meeting of Maratona Clube de Portugal

Arnaldo José Nunes da Costa Figueiredo (Vice-Presidente)

Qualificações Profissionais

- Licenciatura em Engenharia Civil pela Faculdade de Engenharia da Universidade do Porto

Percurso profissional nos últimos cinco anos

- Presidente do Conselho de Administração da Mota-Engil, Engenharia e Construção, SA
- Presidente do Conselho de Administração da MEITS - Mota-Engil, Imobiliária e Turismo, SA
- Gerente da Mota Internacional, Lda.
- Membro da Comissão de Fixação de Vencimentos da Aurimove – Sociedade Imobiliária, SA
- Atualmente, para além de Vice-Presidente do Conselho de Administração e membro da Comissão Executiva da Mota-Engil, SGPS, SA, exerce funções em vários órgãos sociais de empresas do Grupo

Nº de ações em 31/12/2012

Não possuía quaisquer ações da Mota-Engil, SGPS,SA

1ª Designação

26 de maio de 2008

Termo do mandato

31 de dezembro de 2013

Funções em outras sociedades do Grupo Mota-Engil em 31 de dezembro de 2012

- Administrador não executivo da MARTIFER, SGPS, SA;
- Presidente do Conselho de Administração da MOTA-ENGIL, INDÚSTRIA E INOVAÇÃO, SGPS, SA;
- Presidente da Mesa da Assembleia Geral da Mercado Urbano – Gestão Imobiliária, SA
- Administrador da Tabella Holding, B.V.

Funções em outras sociedades fora do Grupo Mota-Engil em 31 de dezembro de 2012

- Membro do Conselho Geral da AEM – Associação de Empresas Emitentes de Valores Cotados em Mercado

Gonalo Nuno Gomes de Andrade Moura Martins (Vice-Chairman)

Professional qualifications

- Licentiate Degree in Law from the School of Law of the University of Lisbon

Professional activity in the last five years

- Since March 2006, he has been Chairman of the Board of Directors of Mota-Engil, Ambiente e Servios, SGPS, SA
- Since January 2009, he has been Chairman of the Board of Directors of Ascendi Group, SGPS, SA
- On 31 December 2012, besides being the Vice-Chairman of the Board of Directors and member of the Executive Committee of Mota-Engil, SGPS, SA, he was performing duties in various governing bodies of companies of the Mota-Engil Group

No. of shares as at 31/12/2012

12,435 shares

1st Appointment

28 March 2008

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 11 December 2012

- Chairman of the Board of Directors of Mota-Engil II, Gesto, Ambiente, Energia e Concesses de Servios, SA
- Chairman of the Board of Directors of Ternor – Sociedade de Explorao de Terminais, SA
- Chairman of the Board of Directors of Tertir – Concesses Porturias, SGPS, SA
- Chairman of the Board of Directors of Ascendi Group, SGPS, SA
- Chairman of the Board of Directors of Ascendi Norte – Auto Estradas do Norte, SA
- Chairman of the Board of Directors of Ascendi Beiras Litoral and Alta, Auto-Estradas das Beiras Litoral e Alta, SA
- Chairman of the Board of Directors of Ascendi Costa de Prata, Auto-Estradas da Costa de Prata, SA
- Chairman of the Board of Directors of Ascendi Grande Porto - Auto-Estradas do Grande Porto, SA
- Chairman of the Board of Directors of Ascendi Grande Lisboa - Auto-Estradas da Grande Lisboa, SA
- Chairman of the Board of Directors of Ascendi Douro - Estradas do Douro Interior, SA
- Chairman of the Board of Directors of Ascendi Pinhal Interior, Estradas do Pinhal Interior, SA
- Chairman of the Board of Directors of Ascendi Operadora NT, Operao e Manuteno Rodoviria, SA
- Chairman of the Board of Directors of Ascendi Operadora BLA, Operao e Manuteno Rodoviria, SA
- Chairman of the Board of Directors of Ascendi Operadora CP, Operao e Manuteno Rodoviria, SA
- Chairman of the Board of Directors of Ascendi Operadora GP, Operao e Manuteno Rodoviria, SA
- Chairman of the Board of Directors of Ascendi Operadora GL, Operao e Manuteno Rodoviria, SA
- Chairman of the Board of Directors of Ascendi Operadora DI, Operao e Manuteno Rodoviria, SA
- Chairman of the Board of Directors of Ascendi Operadora PI, Operao e Manuteno Rodoviria, SA
- Chairman of the Board of Directors of Ascendi, Servios de Assessoria, Gesto e Operao, SA
- Chairman of the Board of Directors of Ascendi O&M, SA
- Chairman of the Board of Directors of Ascendi IGI, Inovao e Gesto de Infra-Estruturas, SA
- Chairman of the Board of Directors of GT - Investimentos Internacionais, SGPS,SA
- Chairman of the Board of Directors of MESP – Mota-Engil, Servios Partilhados, Administrativos e de Gesto, SA
- Chairman of the Board of Directors of Ascendi Mxico S.A. de C.V.
- Vice-Chairman of the Board of Directors of Vista Energy, Environment and Services, SA (Angola)
- Member of the Board of Directors of EMSA - Empreendimentos e Explorao de Estacionamento, SA
- Member of the Board of Directors of Concessionaria Autopista Perote-Xalapa, SA de C.V. (Mexico)
- Member of the Board of Directors of Lusoponte – Concessionria para a Travessia do Tejo SA
- Member of the Board of Directors of Gestiponte – Operao e Manuteno das Travessias do Tejo, SA
- Director of Ascendi Financing, B.V.
- President of the Bureau of the General Meeting of Multiterminal – Sociedade de Estiva e Trfego, SA
- President of the Bureau of the General Meeting of Lokemark - Solues de Marketing, SA
- Member of the Salary Committee of Takargo – Transporte de Mercadorias, SA
- Member of the Salary Committee of Liscont – Operadores de Contentores, SA
- Member of the Salary Committee of TransiteX – Trnsitos de Extremadura, SA
- Member of the Salary Committee of Multiterminal – Sociedade de Estiva e Trfego, SA
- Member of the Salary Committee of Sadoport- Terminal Martimo do Sado, SA
- Member of the Salary Committee of SLPP - Servios Logsticos de Portos Portugueses, SA
- Member of the Salary Committee of SOL – S Internacional, Tecnologias de Informao, SA
- Member of the Salary Committee of Ascendi Grande Lisboa, Auto-Estradas da Grande Lisboa, SA
- Member of the Salary Committee of Ascendi Norte, Auto-Estradas do Norte, SA
- Member of the Salary Committee of Ascendi Beiras Litoral e Alta, Auto-Estradas das Beiras Litoral e Alta, SA
- Member of the Salary Committee of Ascendi Costa de Prata, Auto-Estradas da Costa da Prata, SA
- Member of the Salary Committee of Ascendi Douro – Estradas do Douro Interior, SA
- Member of the Salary Committee of Ascendi Grande Porto, Auto-Estradas do Grande Porto, SA
- Member of the Salary Committee of Ascendi Pinhal Interior, Estradas do Pinhal Interior, SA

Gonçalo Nuno Gomes de Andrade Moura Martins (Vice-Chairman)

- Member of the Salary Committee of Ascendi Operadora BLA, Operação e Manutenção Rodoviária, SA
- Member of the Salary Committee of Ascendi Operadora CP, Operação e Manutenção Rodoviária, SA
- Member of the Salary Committee of Ascendi Operadora GP, Operação e Manutenção Rodoviária, SA
- Member of the Salary Committee of Ascendi Operadora NT, Operação e Manutenção Rodoviária, SA
- Member of the Salary Committee of Ascendi Operadora DI, Operação e Manutenção Rodoviária, SA
- Member of the Salary Committee of Ascendi Operadora GL, Operação e Manutenção Rodoviária, SA
- Member of the Salary Committee of Ascendi Operadora PI, Operação e Manutenção Rodoviária, SA
- Member of the Salary Committee of Ternor – Sociedade de Exploração de Terminais, SA
- Member of the General Council of Asterium, ACE
- Member of the Supreme Council of SUMA – Serviços Urbanos e Meio Ambiente, SA
- Member of the Supreme Council of Tertir – Terminais de Portugal, SA
- Representative of Ascendi Group, SGPS, SA on the Salary Committees of Lusponete – Concessionária para a Travessia do Tejo SA and Gestiponte – Operação e Manutenção das Travessias do Tejo, SA
- Voting member of the Supreme Council and Supervisory Board of Mota-Engil, Angola, SA

Duties in other companies outside the Mota-Engil Group as at 11 December 2012

- Manager of Cogera - Sociedade de Produção de Energia por Cogeração, Lda
- Manager of Covelas – Energia, Lda

Maria Manuela Queirós Vasconcelos Mota dos Santos (Member)

Professional qualifications

- Licentiate Degree in Economics from the School of Economics of the University of Porto

Professional activity in the last five years

- Currently, besides being a member of the Board of Directors of Mota-Engil, SGPS, SA, for the past six years, she performs duties in various governing bodies of companies of the Mota-Engil Group and companies outside the Group

No. of shares as at 31/12/2012

3,675,066 shares

1st Appointment

31 March 2000

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Manager of Edifícios Galiza – Sociedade Imobiliária, Lda.
- Member of the Remuneration Committee of Indaqua – Indústria e Gestão de Águas, SA
- Member of the Remuneration Committee of Liscont – Operadores de Contentores, SA
- Member of the Remuneration Committee of Lokemark – Soluções de Marketing, SA
- Member of the Remuneration Committee of Martifer, SGPS, SA
- Member of the Remuneration Committee of Mesp – Mota-Engil, Serviços Partilhados, Administrativos e de Gestão, SA
- Member of the Remuneration Committee of Mota-Engil II, Gestão, Ambiente, Energia e Concessões de Serviços, SA
- Member of the Remuneration Committee of Nortedomus – Sociedade Imobiliária, SA
- Member of the Remuneration Committee of Takargo – Transporte de Mercadorias, SA
- Member of the Remuneration Committee of Tertir – Concessões Portuárias, SGPS, SA
- Member of the Remuneration Committee of Tertir – Terminais de Portugal, SA
- Member of the Remuneration Committee of Tratofoz – Sociedade de Tratamento de Resíduos, SA
- Member of the Remuneration Committee of Transítex – Transítos da Extremadura, SA
- Member of the Remuneration Committee of Areagolfe – Gestão Construção e Manutenção de campos de Golf, SA
- Member of the Remuneration Committee of Aurimove – Sociedade Imobiliária, SA
- Member of the Remuneration Committee of Mota-Engil Energia, SA
- Member of the Remuneration Committee of Mota-Engil Indústria e Inovação, SGPS, SA
- Member of the Remuneration Committee of Planinova – Sociedade Imobiliária, SA
- Member of the Remuneration Committee of RTA – Rio Tâmega, Turismo e Recreio, SA
- Member of the Remuneration Committee of SGA – Sociedade de Golf de Amarante, SA
- Member of the Remuneration Committee of Manvia – Manutenção e Exploração de Instalações e Construção, SA
- Member of the Remuneration Committee of Ternor – Sociedade de Exploração de Terminais, SA
- Member of the Remuneration Committee of ME Real Estate - Mota-Engil, Real Estate Portugal, SA
- Member of the Remuneration Committee of Mota-Engil Ambiente e Serviços, SGPS, SA
- Member of the Remuneration Committee of Sedengil – Sociedade Imobiliária, S.A.

Maria Manuela Queirós Vasconcelos Mota dos Santos (Voga)

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Manager of Casal Agrícola de Parada, Lda.
- Manager of Sociedade Agrícola Moura Basto, Lda.
- Manager of Mineira do Jarmelo, Lda.
- Manager of Mineira de Pensalvos, Lda.
- Manager of Socomagra – Sociedade Agrícola e Comercial, Lda.
- Manager of Serra Lisa, Sociedade de Empreendimentos Imobiliários, Lda.
- Member of the Board of Directors of FM – Sociedade de Controlo, SGPS, SA
- Member of the Board of Directors of Mota Gestão e Participações – Sociedade Gestora de Participações Sociais, SA
- Member of the Board of Directors of Agrimota – Sociedade Agrícola e Florestal, SA
- Member of the Remuneration Committee of António de Lago Cerqueira, SA
- Member of the Board of Directors of Empresa Agrícola Florestal Portuguesa, SA
- Member of the Board of Curators and the Board of Directors of Fundação Manuel António da Mota

Maria Teresa Queirós Vasconcelos Mota Neves da Costa (Member)

Professional qualifications

- Licentiate Degree in Economics from the School of Economics of the University of Porto

Professional activity in the last five years

- Currently, besides being a member of the Board of Directors and the Remuneration Committee of Mota-Engil, SGPS, SA, for the past six years, she performs duties in various governing bodies of companies of the Mota-Engil Group and companies outside the Group

No. of shares as at 31/12/2012

3,746,836 shares

1st Appointment

31 March 2000

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Member of the Remuneration Committee of EMSA – Empreendimentos e Exploração de Estacionamentos, SA
- Member of the Remuneration Committee of Liscont – Operadores de Contentores, SA
- Member of the Remuneration Committee of Mesp – Mota-Engil, Serviços Partilhados, Administrativos e de Gestão, SA
- Member of the Remuneration Committee of Mota-Engil, Engenharia e Construção, SA
- Member of the Remuneration Committee of Mota-Engil, Engenharia e Construção África, SA
- Member of the Remuneration Committee of Mota-Engil, SGPS, SA
- Member of the Remuneration Committee of Transitex – Trânsitos de Extremadura, SA
- Member of the Remuneration Committee of Tratofoz – Sociedade de Tratamento de Resíduos, SA
- Member of the Remuneration Committee of Vibeiras – Sociedade Comercial de Plantas, SA
- Member of the Remuneration Committee of Sadoport – Terminal Marítimo do Sado, SA
- Member of the Remuneration Committee of SLPP – Serviços Logísticos de Portos Portugueses, SA

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Deputy-Chairperson of the Board of Directors of FM – Sociedade de Controlo, SGPS, SA
- Member of the Board of Directors of Mota Gestão e Participações – Sociedade Gestora de Participações Sociais, SA
- Member of the Board of Directors of Navarras Supermercados, SA
- Manager of Edifícios Galiza – Sociedade Imobiliária, Lda.
- Manager of Imobiliária Toca do Lobo, Lda.
- Manager of Sociedade Agrícola Moura Basto, Lda.
- Manager of Casal Agrícola de Parada, Lda.
- Manager of Mineira de Pensalvos, Lda.
- Manager of Mineira do Jarmelo, Lda.
- Member of the Board of Curators of Fundação Manuel António da Mota

Maria Paula Queirós Vasconcelos Mota de Meireles (Member)

Professional qualifications

- Licentiate Degree in Civil Engineering from the School of Engineering of the University of Porto (FEUP)

Professional activity in the last five years

- Currently, besides being a member of the Board of Directors and the Executive Committee of Mota-Engil, SGPS, SA, for the past five years, she performs duties in various governing bodies of companies of the Mota-Engil Group and companies outside the Group

No. of shares as at 31/12/2012

4,231,630 shares

1st Appointment

31 March 2000

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Chairperson of the Board of Directors of RTA – Rio Tâmega, Turismo e Recreio, SA
- Chairperson of the Board of Directors of SGA – Sociedade do Golfe de Amarante, SA
- Manager of Edifícios Galiza – Sociedade Imobiliária, Lda.
- Manager of Largo do Paço – Investimentos Turísticos e Imobiliários, Lda.
- Chairperson of the Board of the General Meeting of EMSA – Empreendimentos e Exploração de Estacionamento, SA
- Member of the Remuneration Committee of Mota-Engil II, Gestão, Ambiente, Energia e Concessões de Serviços, SA
- Member of the Remuneration Committee of RTA – Rio Tâmega, Turismo e Recreio, SA
- Member of the Remuneration Committee of SGA – Sociedade do Golfe de Amarante, SA.

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Member of the Board of Directors of FM – Sociedade de Controlo, SGPS, SA
- Member of the Board of Directors of Mota Gestão e Participações – Sociedade Gestora de Participações Sociais, SA
- Manager of Casal Agrícola de Parada, Lda.
- Manager of Mineira de Pensalvos, Lda.
- Manager of Mineira do Jarmelo, Lda.
- Manager of Predimarão – Sociedade de Construções, Lda.
- Manager of Sociedade Agrícola Moura Basto, Lda.
- Manager of Verotâmega – Sociedade Imobiliárias, Lda.
- Member of the Board of Curators of Fundação Manuel António da Mota
- Member of the Remuneration Committee of António de Lago Cerqueira, SA.

Ismael Antunes Hernandez Gaspar (Member)

Professional qualifications

- Licentiate Degree in Civil Engineering (ISEL)

Professional activity in the last five years

- Deputy-Chairman of the Board of Directors of Mota-Engil, Engenharia e Construção, SA (Post responsible for Central Europe)
- Currently, besides being a member of the Board of Directors and the Executive Committee of Mota-Engil, SGPS, SA, for the past six years, he performs duties in various governing bodies of companies of the Mota-Engil Group and companies outside the Group

No. of shares as at 31/12/2012

1,000 shares

1st Appointment

28 March 2008

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Chairman of the Board of Directors of Mota-Engil, Engenharia e Construção, SA
- Chairman of the Board of Directors of Mota-Engil Central Europe, SGPS, SA;
- Chairman of the Board of Directors of ME Real Estate – Mota-Engil, Real Estate Portugal, SA

Ismael Antunes Hernandez Gaspar (Member)

- Chairman of the Board of Directors of Mota-Engil, África, SGPS, SA
- Chairman of the Board of Directors of Mota-Engil, Engenharia e Construção África, S.A.
- Deputy-Chairman of the Board of Directors of Mota-Engil, Ambiente e Serviços, SGPS, SA
- Member of the Supreme Council and Supervisory Board of Mota-Engil, Angola, SA
- Member of the Remuneration Committee of ME Real Estate – Mota-Engil, Real Estate Portugal, SA
- Member of the Remuneration Committee of Nortedomus – Sociedade Imobiliária, SA
- Member of the Remuneration Committee of Aurimove – Sociedade Imobiliária, SA
- Member of the Remuneration Committee of Planinova – Sociedade Imobiliária, SA
- Manager of Mota-Internacional, Comércio e Consultadoria Económica, Lda.
- Chairman of the Board of the General Meeting of SEDENGIL – Sociedade Imobiliária, SA.
- Director of Mota-Engil Minerals & Mining Investments, BV
- Director of Mota-Engil Mining Management (Proprietary) Limited
- Director of Tabella Holding, B.V.
- Chairman of the Board of Mota-Engil-Opway Mexicana, S.A. de CV
- Director of Mota-Engil Ireland Construction Limited
- Director of Mota-Engil, África, B.V.
- Member of the Supervisory Board of Mota-Engil Central Europe Ceska Republika A.S.
- Member of the Supervisory Board of Metro Epitoipari Gepeszeti Es Szallitagi Zrt.
- Member of the Supervisory Board of Mota-Engil Central Europe Hungary Beruhazasi Es Epitoipari Kft
- Member of the Supervisory Board of Mota-Engil, Magyarországi Beruhási Zrt.
- Member of the Supervisory Board of Obol Invest Befektetési Es Uzletviteli Tanacsado Kft.
- Member of the Supervisory Board of Obol XI Ingatlanhasznosítási Beruhazo Es Szolgaltato Kft.
- Member of the Supervisory Board of Mota-Engil, Central Europe, S.A.
- Member of the Supervisory Board of Bergamon AS
- Member of the Supervisory Board of Mota-Engil, Central Europe Slovenska Republika AS

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Member of the Supervisory Board of FUNDIC – Fundo para o Desenvolvimento das Ciências da Construção
- Representative for Mota-Engil, Engenharia e Construção, SA in the CCAP – Câmara de Comércio Americana em Portugal
- Representative for Mota-Engil, Engenharia e Construção, SA in the CCLH – Câmara de Comércio Luso Húngara

Luís Filipe Cardoso da Silva (Member)

Professional qualifications

- Licentiate Degree in Economics from the School of Economics of the University of Porto

Professional activity in the last five years

- Director of MESP – Mota-Engil Serviços Partilhados Administrativos e de Gestão, SA;
- Director of MESP Central Europe Sp. z.o.o.;
- Director of Mota-Engil Brand Management B.V.;
- Member of the General Council and Supervisory Board of Vortal - Comércio Electrónico, Consultadoria e Multimédia, SA;
- Member of the Supreme Council of Ascendi Group, SGPS, SA;
- Director of Martifer, SGPS, SA
- He has been a member of the Supervisory Board of various companies of the Ascendi Group;
- Currently, besides being a member of the Board of Directors of Mota-Engil, SGPS, SA, he performs duties in various governing bodies of companies of the Mota-Engil Group

No. of shares as at 31/12/2012

12,500 shares

1st Appointment

31 March 2010

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Member of the Board of Directors of MESP – Mota-Engil, Serviços Partilhados, Administrativos e de Gestão, SA
- Member of the Board of Directors of Martifer, SGPS, S.A.
- Director of Mota-Engil Brand Management, B.V.

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

He does not perform any duties in companies outside the Mota-Engil Group

Maria Isabel da Silva Ferreira Rodrigues Peres (Member)

Professional qualifications

- Licentiate Degree in Law from the Universidade Católica Portuguesa – Porto
- Post-graduate course in Management of Human Resources, from AEP
- XVIII PDE – Company Management Programme, from AESE

Professional activity in the last five years

- Diretor Development of Human Resources at MESP – Mota-Engil Serviços Partilhados, SA
- Corporate Diretor of Human Resources at Mota-Engil SGPS, SA
- Currently, member of the Board of Directors and the Executive Committee of Mota-Engil, SGPS, SA

No. of shares as at 31/12/2012

She did not hold any shares of Mota-Engil, SGPS, SA

1st Appointment

31 March 2010

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Member of the Board of Directors of MESP – Mota-Engil Serviços Partilhados, Administrativos e de Gestão, SA

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Member of the Board of Directors of Fundação Manuel António da Mota
- Member of the Founders Board of Fundação Casa da Música, representing Mota-Engil, SGPS, SA
- Member of the Founders Board of Fundação de Serralves, representing Mota-Engil, SGPS, SA
- Member of the General Council of EGP – University of Porto Business School, representing Mota-Engil, SGPS, SA
- Member of the Strategic Council for the Training of Executives of Universidade Católica Portuguesa – School of Economics and Business Sciences

Carlos António Vasconcelos Mota dos Santos (Member)**Professional qualifications**

- Licentiate Degree in Civil Engineering from the School of Engineering of the University of Porto
- Master in Business Administration from the University of Porto

Professional activity in the last five years

- Assistant Director – Mota-Engil, Engenharia e Construção, SA (from 2006 to March 2008)
- Director – Mota-Engil, Engenharia e Construção, SA (from March 2008 to 2012)
- Director – Mota-Gestão e Participações, SGPS, SA (since August 2009)
- Currently, member of the Board of Directors and the Executive Committee of Mota-Engil, SGPS, SA

No. of shares as at 31/12/2012

29,300 shares

1st Appointment

17 April 2012

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Chairman of the Board of Directors of Mota-Engil, Ambiente e Serviços, SGPS, S.A.
- Deputy-Chairman of the Board of Directors of Mota-Engil, Engenharia e Construção, S.A.

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Member of the Board of Directors of Mota Gestão e Participações – Sociedade Gestora de Participações Sociais, SA

Pedro Manuel Teixeira Rocha Antelo (Member)

Professional qualifications

- Licentiate Degree in Company Organisation and Management from INP
- PAFE in Finances from CIFAG

Professional activity in the last five years

- CFO of Mota-Engil, Engenharia e Construção, SA. (from March 2006 until 2012)
- Director of San Jacinto Investments Ltd. (since 2000)
- Currently, besides being a member of the Board of Directors of Mota-Engil, SGPS, SA, he performs duties in various governing bodies of companies of the Mota-Engil Group

No. of shares as at 31/12/2012

10,000 shares

1st Appointment

17 April 2012

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- Member of the Board of Directors of Mota-Engil Central Europe, SGPS, S.A.
- Chairman of the Board of Directors of ME Real Estate – Mota-Engil, Real Estate Portugal, S.A.
- Member of the Board of Directors of Mota-Engil, África, SGPS, S.A.
- Member of the Board of Directors of Aurimove – Sociedade Imobiliária, S.A.
- Member of the Board of Directors of Nortedomus – Sociedade Imobiliária, S.A.
- Member of the Board of Directors of Planinova – Sociedade Imobiliária, S.A.
- Chairman of the Board of Directors of Proempar – Promoção e Gestão de Parques Empresariais e Tecnológicos, S.A.
- Member of the Board of Directors of MESP – Mota-Engil, Serviços Partilhados, Administrativos e de Gestão, S.A.
- Member of the Board of Directors of Turalgo – Sociedade de Promoção Imobiliária e Turística do Algarve, S.A.
- Member of the Board of Directors of Construtora Autopista Perote Xalapa, S.A. de C.V.
- Member of the Board of Directors of RTA – Rio Tâmega, Turismo e Recreio, S.A.
- Member of the Board of Directors of SGA – Sociedade do Golfe de Amarante, S.A.
- Member of the Supervisory Board of Mota-Engil, Central Europe, S.A.
- Member of the Supervisory Board of Bergamon a.s.
- Member of the Statutory Audit Board of Mota-Engil, Angola, S.A.
- Director of Mota-Engil, Ireland Construction, Limited
- Director of Mota-Engil, Minerals & Mining Investments, B.V.
- Manager of Mota-Internacional, Comércio e Consultadoria Económica, Lda.
- Manager of Calçadas do Douro – Sociedade Imobiliária, Lda.
- Manager of Corgimobil – Empresa imobiliária das Corgas, Lda.
- Manager of Edifícios Mota-Viso, Sociedade Imobiliária, Lda.
- Manager of Edipainel – Sociedade Imobiliárias, Lda.
- Manager of Mil e Sessenta, Sociedade Imobiliárias, Lda.
- Manager of Motadomus – Sociedade Imobiliárias, Lda.
- Manager of Largo do Paço – Investimentos Imobiliários, Lda.

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Chairman of the Board of Directors of Empresa Agrícola Florestal Portuguesa, SA

Luís Valente de Oliveira (Independent member)

Professional qualifications

- Licentiate Degree in Civil Engineering (UO)
- Doctorate Degree in Civil Engineering
- Professor (retired) of the School of Engineering of the University of Porto

Professional activity in the last five years

- Director of Associação Empresarial de Portugal
- European Coordinator of Auto-Estradas do Mar
- Director of Fundação Luso-Americana para o Desenvolvimento (FLAD)
- Member and Chairman of the Audit and Risk Committee of Millenium BCP
- Chairman of the Supervisory Board of EFACEC
- Since 2006, independent member of the Board of Directors of Mota-Engil, SGPS, SA

No. of shares as at 31/12/2012

He did not hold any shares of Mota-Engil, SGPS,SA

1st Appointment

31 March 2006

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

He does not perform any duties in other companies of the Mota-Engil Group

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Voting member of the Board of Directors of Fundação AEP
- European Coordinator of Auto-Estradas do Mar
- Chairman of the Founders Board of Casa da Música
- Member of the Consultative Committee of Foundations (Presidency of the Council of Ministers)

António Bernardo Aranha da Gama Lobo Xavier (Independent member)

Professional qualifications

- Licentiate Degree in Law from the School of Law of the University of Coimbra
- Masters Degree in Juridical-Economic Sciences from the School of Law of the University of Coimbra

Professional activity in the last five years

- From 1999 to the present, he has been a consultant for the executive committee of SonaeCom, being charged with directing the legal, tax, public relations and regulations departments
- Since 1985 he has worked independently as a legal consultant in the areas of Finance Law and Tax Law
- Since 2006, independent member of the Board of Directors of Mota-Engil, SGPS, SA

No. of shares as at 31/12/2012

He did not hold any shares of Mota-Engil, SGPS,SA

1st Appointment

31 March 2006

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- He does not perform any duties in other companies of the Mota-Engil Group.

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Executive member of SonaeCom, SGPS, SA
- Non-executive member of Banco BPI, SA
- Member of the Board of Directors of EPM, SGPS, SA;
- Non-executive member of the Board of Directors of Ríopele, SA
- Non-executive member of the Board of Directors of Público Comunicação Social, SA;
- Non-executive member of the Board of Directors of Vallis Capital Partners
- Chairman of the General Meeting of Têxtil Manuel Gonçalves, SA
- Chairman of the Board of Directors of Douro Old Chaps, SGPS, S.A.
- Member of the Supervisory Board of Fundação Belmiro de Azevedo

António Manuel da Silva Vila Cova (Independent member)

Professional qualifications

- Licentiate Degree in Economics from the School of Economics of Porto

Professional activity in the last five years

- In 2006 and 2007, member of the Board of Directors of Mota-Engil, SGPS, SA, as a non-executive independent member
- In 2007 and until June 2008, a member of the Board of Directors of Banco Finantia, also as a non-executive independent member.
- From June to December 2008, a member of the Board of Directors of Banco Português de Negócios
- From June 2008 to August 2009, a member of the Board of Directors of Sociedade Lusa de Negócios, as such serving in the roles of chairman of the Board of Directors and director of companies of that Group
- Currently, he is a non-executive independent member of the Board of Directors of Mota-Engil, SGPS, SA and Member on the Supervisory Board of Banco Finantia

No. of shares as at 31/12/2012

He did not hold any shares of Mota-Engil, SGPS,SA

1st Appointment

15 April 2009

Term of office

31 December 2013

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- He does not perform any duties in other companies of the Mota-Engil Group

Duties in other companies outside the Mota-Engil Group as at 31 December 2012

- Member of the Supervisory Board of Banco Finantia

II.21 Identification of the members of the Statutory Audit Board, stating that they comply with the rules of incompatibility set forth in article 414-A(1) and comply with the criteria for independence provided for in article 414(5), of the Companies Code. For this purpose, the Statutory Audit Board carries out the corresponding self-assessment

Member	Incompatibility Criteria	Criteria for Independence
Alberto João Coraceiro de Castro	In compliance	In compliance
José Rodrigues de Jesus	In compliance	In compliance
Horácio Fernando Reis e Sá	In compliance	In compliance

The Statutory Audit Board meets with the Statutory Auditor and the External Auditor, on a recurring basis that it considers adequate, accompanying the review/auditing work carried out and monitoring its independence. The decisions regarding the choice of service providers and their corresponding remunerations are the responsibility of the Board of Directors, under proposals presented in advance by the Statutory Audit Board.

The annual report issued by the Statutory Audit Board on the activity performed is published in conjunction with the Reporting and Accounts, available on the MOTA-ENGIL website. Any constraints faced by the Statutory Audit Board in the scope of its activity during the year are point out in its report.

Although the Statutory Audit Board is the preferred interlocutor in the relations with the Statutory Auditor and the External Auditor and the first addressee of the reports prepared by them, the Board of Directors accompanies with these tasks through some joint meetings between the Statutory Audit Board and a member of the Board of Directors with the auditors and reviewers.

The External Auditor is evaluated by the Statutory Audit Board on a permanent basis.

The meetings of the Board of Directors are announced to the members of the Statutory Audit Board, specifically its chairman, who attend regularly and thus are able to follow the overall activity of the GROUP.

II.22 and II.23 Professional qualifications of the members of the Statutory Audit Board, information regarding their professional activities carried out during the last five years at least, the number of Company shares owned, date of first appointment and their term of office. Functions that the members of the Statutory Audit Board perform at other Companies, specifying separately those that are performed at other Companies in the same group.

Alberto João Coraceiro de Castro (Chairman)

Professional qualifications

- Licentiate Degree in Economy from the School of Economics of Porto
- Doctorate in Economy from the University of South Carolina (USA)

Professional activity in the last five years

- Professor at the Portuguese Catholic University (Porto)
- Vice-Chairman of the General Council and Supervisory Board of EDP since (2006)
- Chairman of the Supervisory Board of Unicer (since 2007)
- Customer Ombudsman at the Port of Leixões
- Chairman of the Board of Directors of Ciencinvest – Valorização Económica da Ciência, SA (2005-2008)
- Non-executive member of the Board of Directors of Douro Azul, SA (until 2008)

No. of shares as at 31/12/2012

2.200 shares

1st Appointment

30 March 2007

Term of office

31 December 2014

Duties in other companies of the Mota-Engil Group as at 11 December 2012

- He has no duties in other companies of the MOTA-ENGIL GROUP

Duties in other companies outside the Mota-Engil Group as at 11 December 2012

- Member of the General Council and Supervisory Board of EDP – Energias de Portugal, SA
- Chairman of the Supervisory Board of Unicer - Bebidas de Portugal SGPS, SA (since 2007)
- Vice-President of the Bureau of the General Meeting of Metro do Porto, SA
- Voting member of the Bureau of the General Meeting of CGC – Centro de Genética Clínica e Patologia, SA

José Rodrigues de Jesus (Auditor)

Professional qualifications

- Licentiate Degree in Economy from the School of Economics of Porto
- Statutory Auditor(ROC)

Professional activity in the last five years

- University professor
- Statutory Auditor

No. of shares as at 31/12/2012

He did not hold any shares of Mota-Engil, SGPS, SA

1st Appointment

30 March 2007

Term of office

31 December 2014

Duties in other companies of the Mota-Engil Group as at 11 December 2012

- He has no duties in other companies of the MOTA-ENGIL GROUP

José Rodrigues de Jesus (Auditor)

Duties in other companies outside the Mota-Engil Group as at 11 December 2012

- Member of the Supervisory Board of the following companies:
 - Millenniumbcp Fortis, Grupo Segurador, SGPS, SA
 - Germen – Moagem de Cereais, SA
 - Fundação Cidade de Guimarães
- Sole auditor of the following companies:
 - Calfor - Indústrias Metálicas, SA
 - Porto Vivo, SRU – Sociedade de Reabilitação Urbana da Baixa Portuense, SA
 - Edemi Gardens – Promoção Imobiliária, SA
 - Lankhorst Euronete Ropes, SA
 - Arsopi – Holding, Sociedade Gestora de Participações Sociais, SA
 - Arsopi – Indústrias Metalúrgicas Arlindo S. Pinho, SA
 - Arlindo Soares de Pinho, Lda
 - Imoágueda, SA
 - Farmácia Ribeiro, SA
 - Camilo dos Santos Mota, SA
 - Oliveira Dias, SA
 - Divinvest – Promoção Imobiliária, SA
 - DIMO – Desenvolvimento Imobiliário e Construção, SA
 - Toupronto – Imobiliária, SA
 - Y2K – Imobiliária, SA
 - Évitu – Imobiliária, SA
 - Címbalo – Serviços de Consultoria, SA
 - Sekiwi, SGPS, SA
 - Vacatio, SA
 - Agência Portuguesa para o Investimento, EPE
 - Instituto dos Vinhos do Douro e do Porto
 - Um Porto para o Mundo – Associação para o Congresso OIV 2011
- Vice-President of the Association of Statutory Auditors
- Chairman of the Audit Committee of the European Investment Bank
- Non-administrative administrator, and member of the Audit Committee of Millenniumbcp

Horácio Fernando Reis e Sá (Full Member)

Professional qualifications

- Licentiate Degree in Law from the School of Law of the University of Coimbra

Professional activity in the last five years

- Lawyer

No. of shares as at 31/12/2012

He did not hold any shares of Mota-Engil SGPS SA

1st Appointment

14 April 2011

Term of office

31 December 2014

Duties in other companies of the Mota-Engil Group as at 31 December 2012

- He does not perform duties in other companies of the MOTA-ENGIL GROUP

Duties in other companies outside the Mota-Engil Group

- He does not perform duties in other companies of the Mota-Engil Group

II.24 Reference to the fact that the Statutory Audit Board annually evaluates the external auditor and the possibility of proposing to the General Meeting the dismissal of the auditor with just cause

The Statutory Audit Board evaluates the external auditor annually, having the responsibility of supervising his qualifications and independence. In spite of it not being a specific or exclusive competence of the General Meeting, nothing prevents it from being called on in situations of interpellation by the Statutory Audit Board, to decide on the dismissal of the external auditor when there is just cause for such action. At any rate, and to the present date, the MOTA-ENGIL Statutory Audit Board has not found any reasons to consider taking action to dismiss with just cause any entity that has performed the duties of external auditor for the Company

II.25 Identification of the members of the General and Supervisory Board and other committees formed within it for the purposes of evaluating individual and group performances of executive directors, reflection on the governance system adopted by the Company and identification of potential candidates with the qualifications for the office of director

Does not apply

II.26 Statement that the members comply with the rules of incompatibility set forth in article 414-A(1), including subparagraph (f) and comply with the criteria for independence provided for in article 414(5), of the Companies Code. For this purpose, the General and Supervisory Board carries out the corresponding self-assessment

Does not apply

II.22 and II.23 Professional qualifications of the members of the General and Supervisory Board and other committees formed within it, information regarding their professional activities carried out during the last five years at least, the number of Company shares owned, date of first appointment and their term of office.

Does not apply

II.28 Duties performed at other Companies by members of the General and Supervisory Board and other committees formed within it, specifying separately those that are performed at other Companies in the same group..

Does not apply

II.29 Description of the remuneration policy, including, specifically that of officers as described in article 248-B(3) of the CVM (Securities Code) and that of the other workers whose professional activity could have a significant impact on the company's risk profile and whose remuneration includes an important variable component.

The remuneration policy at MOTA-ENGIL is described in the statement on this matter submitted by the Remuneration Committee to the General Meeting for review, as established in Art. 2 of Law no. 28/2009, of 19 June.

Even if the above-mentioned statement had not explicitly covered the remunerations for managers, as described in article 248-B(3) of the CVM (Securities Code), the compensation policy of the GROUP is segmented into functional groups, including the managers, as well as the entire universe of employees of MOTA-ENGIL. The functional groups defined in the scope of compensation policy of the GROUP, aggregate the functions according to parameters such as level of knowledge, complexity or responsibility/autonomy required, which are gauged through the international Hay methodology, being structured in the following manner:

- *Top Executives*
- *Executives*
- *Top Management*
- *Management*
- *Technicians*
- *Administrative and Operational*

The functional groups listed constitute the fundamental support for the definition of human resource policies, specifically compensation policy that establishes, for each functional group, the compensation components and conditions whether they be fixed, variable and/or in benefits.

II.30 Description of the remuneration policy for management and supervisory bodies referred to in Art. 2 of Law no. 28/2009, of 19 June

As stipulated in Law no. 28/2009 of 19 June, a statement regarding the remuneration policy of members of the management and supervisory bodies is submitted annually to the General Meeting for review. The current remuneration policy at MOTA-ENGIL, as approved at the last General Meeting, seeks to promote, in the medium and long term, the alignment of the interests of administrators and other company bodies and managers with the interests of the Company, and is established primarily on a fixed base, with a variable component (when applicable) in light of the results from activity performed and the Company's economic and financial situation.

The general principles to observe in the establishment of the remunerations are, essentially, as follows:

a) Duties performed

The functions performed by each of the elements are to be taken into account, in a broader sense of the activity effectively performed and the associated responsibilities and not just in a formal sense. Not all the directors among themselves, nor the executive directors among themselves, nor the Statutory Audit Board members will be in the same position. The reflexion on functions should be made in the broadest sense, being necessary to take into consideration criteria as diverse as responsibility, for example, or the length of service or value added to the Company resulting from a certain type of activity or institutional representation. Likewise, functions performed at other subsidiaries cannot be left out of this reflexion since those duties represent both an increase in responsibility as well as a cumulative source of income.

In alignment with the principle expressed, the MOTA-ENGIL GROUP has a defined compensation policy that covers, by segments, all managers and employees and scores their functions, based on the Hay international model.

According to the methodology in effect, the functions are evaluated based on the knowledge, complexity and responsibility/autonomy required and later framed into predefined functional groups, with this being the vector for determining the conditions in the matter of compensation.

b) The Company's economic situation

The Company's economic situation must be considered, as well as its interests in a long-term and real-growth perspective for the Company and the creation of value for its shareholders.

In this scope, the MOTA-ENGIL GROUP developed a five-year strategic plan in 2008 – “Ambition Plan 2013” (updated in 2012 through “Ambition 2.0”), execution of which is the target of periodic evaluation through a set of KPI (Key-Performance Indicators) integrated in the “Balanced Scorecard” methodology, orienting the performance around four value perspectives: the Group's Financial sustainability and the creation of value for the shareholders; the satisfaction of customer needs; efficiency and innovation in terms of internal processes; and the development and enabling of human capital.

With “Ambition 2.0” as the guiding strategic instrument for the GROUP, the KPIs constitute one of the key-components

for the evaluation of managers at MOTA-ENGIL and for the determination of their compensations in matters of reward, directing the incentive mechanisms to the effective creation of value in the long-term.

c) General market conditions for equivalent situations

The definition of any remuneration cannot escape the law of supply and demand, the case of officers of the corporate bodies being no exception.. Only the respect for market practices allows the Company to retain professionals with a level of performance suited to the complexity of their functions and responsibilities. It is important that the remuneration be in line with the market and be stimulating, serving as a means to achieve a high level of individual and collective performances, ensuring not only their own interests but essentially those of the Company and the creation of value for all the shareholders.

With the principle mentioned above being taken into consideration, it is within the scope of MOTA-ENGIL GROUP's compensation policy to periodically audit its compensation practices and compare them to the market. To that end, the international Hay methodology for scoring functions is adopted, as well as the Hay salary studies directed at comparative functional groups, thus guaranteeing adjustment rationale that is competitive in regard to the strategy for the development of human capital and the evolution of the salary market.

The concrete options submitted and approved for the remuneration policy were as follows:

1. The remuneration of executive members, as well as non-independent non-executives, of the Board of Directors shall consist of a fixed part and a variable part.

The compensation policy establishes two fundamental aspects in the compensation of the universe of managing members and employees in the GROUP: on the one hand, the compensation equity/competitiveness, safeguarded through the internal analysis and external comparison of the proportion of fixed compensation in relation to the function performed by the officers (using the Hay methodology as support); on the other hand, the meritocracy, complementing the fixed compensation with a variable compensation, is dependent on the performance evaluation.

2. The remuneration for independent non-executive members of the Board of Directors, members of the Statutory Audit Board and members of the Board of the General Meeting shall one consist of a fixed part.
3. The fixed part of the remunerations for members of the Board of Directors with executive functions, as well as non-independent non-executive members, shall consist of a monthly amount payable 14 times per year.
4. The setting of the monthly amount for the fixed part of the remunerations for members of the Board of Directors shall be made for all those who are members of the Executive Committee and for those who, even though they do not belong to that committee, are not considered independent.
5. The setting of the predetermined amount for each meeting attended by members of the Board of Directors shall be made for those who are considered independent and have essentially non-executive functions.
6. The fixed wages for members of the Statutory Audit Board and the Board of the General Meeting shall all consist of a fixed amount, payable 12 times per year.
7. The process of allocating variable remunerations to executive members of the Board of Directors shall follow the criteria proposed by the Committee for Setting Remunerations, considering the performance evaluation made, their hierarchical position, the Company's long-term performance criteria and its real growth, and the performance variables chosen.

Under the terms of the compensation policy defined for the GROUP, the variable compensation is dependent on the performance evaluation, the general principles for which and the corresponding method of application are provided for in the Corporate Model of Performance Management.

The performance evaluation in the GROUP encompasses two components: the quantitative evaluation, measured through the fulfilment of the KPI indexed to the Ambition 2.0 strategic plan, and which are outlined in annual goals at the beginning of each evaluation cycle; and the qualitative evaluation that results from an individual evaluation focusing on key-competencies for the GROUP (corporate, managerial and personal).

Determining the variable compensation in the MOTA-ENGIL GROUP presupposes the observance of two cumulative conditions: the achievement of milestones, defined in the beginning of each annual evaluation cycle, laid out from the long-range strategic plan; the average achievement of at least 95% of the quantitative goals covered in the individual qualitative evaluation, which can result in a pay-out amount that varies between predefined minimum and maximum percentages.

Additionally, there are preventative mechanisms in place for inhibiting the variable compensation payment, in order to minimize the incentive for results out of line with a perspective for creating sustainable value, in the long-term.

As such, no variable compensation will be paid should any of the following conditions occur:

- One of the milestones (which correspond to the minimum amount to be achieved per KPI to be eligible for the variable compensation payment) is not met, according to the parameters set at the beginning of each annual evaluation cycle;
 - The average attained for the goals defined per KPI, weighed with the individual qualitative evaluation, is lower than 95%.
8. In setting all the remunerations, specifically in the distribution of the total amount of variable remuneration for members of the Board of Directors, the general principles outlined above shall be observed: functions performed, the Company's situation and market criteria.

MOTA-ENGIL GROUP's compensation policy extends to managers and employees, segmented into predefined functional groups (with the members of the Board of Directors included in Top Executives), using the Hay international model as a basis for scoring functions. Mota-Engil's compensation policy guarantees that the compensation set for each functional group (whether it is a fixed or a variable component) have as a rationale the internal equity and the salary benchmarking relative to the market of reference, carried out periodically.

Regarding the company groups with a policy and recommended practices that were used as comparison for setting remunerations, the Remuneration Committee has taken into consideration, within the limits of accessible information, all the national companies of equivalent size, specifically within the PSI-20 as well as companies in other international markets with characteristics similar to the MOTA-ENGIL GROUP.

There are no agreements made by the Wages Committee regarding payments by MOTA-ENGIL for dismissal or termination of directors by agreement.

II.31 Information on the annual amount of remuneration earned individually by members of the management and supervisory bodies of the Company, including fixed and variable remuneration and, regarding the latter, mention of the different components that make it up, the portion that is deferred and the portion that has already been paid

Members	Company	Fixed Component	Variable Component		Attendance Fees	TOTAL
			Profit Sharing	Other Premiums		
Board of Directors						
António Manuel Queirós V. da Mota	Mota-Engil SGPS	476,000	120,000	-	-	596,000
Jorge Paulo Sacadura de Almeida Coelho	Mota-Engil SGPS	471,380	126,880	-	-	598,260
Arnaldo José Nunes da Costa Figueiredo	Mota-Engil SGPS	286,000	76,240	-	-	362,240
Gonçalo Nuno Gomes de A. Moura Martins	Mota-Engil A&S, SGPS	64,750	-	73,600	-	344,980
	Mota-Engil SGPS	206,630	-	-	-	
Maria Manuela Q. V. Mota dos Santos	Mota-Engil SGPS	251,000	66,880	-	-	317,880
Maria Teresa Q. V. Mota Neves da Costa	Mota-Engil SGPS	251,000	66,880	-	-	317,880
Maria Paula Queirós V. Mota de Meireles	Mota-Engil SGPS	251,000	66,880	-	-	317,880
Ismael Antunes Hernandez Gaspar	Mota-Engil E&C SA	262,380	95,240	-	-	357,620
Luís Filipe Cardoso da Silva	Mota-Engil SGPS	55,300	40,000	-	-	271,603
	MESP	176,303	-	-	-	
Pedro Manuel Teixeira Rocha Antelo	Mota-Engil E&C SA	22,750	77,250	-	-	253,875
	MESP	153,875	-	-	-	
Maria Isabel da Silva F. Rodrigues Peres	Mota-Engil SGPS	209,546	40,000	-	-	249,546
Carlos António Vasconcelos Mota Santos	Mota-Engil SGPS	146,131	-	-	-	146,131
	Mota-Engil E&C SA	44,150	36,000	-	-	80,150
Luís Valente de Oliveira	Mota-Engil SGPS	-	-	-	-	-
António Bernardo A. da Gama Lobo Xavier	Mota-Engil SGPS	-	-	-	30,000	30,000
António Manuel da Silva Vila Cova	Mota-Engil SGPS	-	-	-	41,000	41,000
						4,285,045
Statutory Audit Board						
Alberto João Coraceiro de Castro	Mota-Engil SGPS	30,000	-	-	-	30,000
José Rodrigues de Jesus	Mota-Engil SGPS	30,000	-	-	-	30,000
Horácio Fernando Reis Sá	Mota-Engil SGPS	6,000	-	-	-	6,000
						66,000

There are no plans for allocation of shares or rights to acquire options on shares or any other incentive system with shares, since the criteria related to the variable components of the management bodies' remuneration are those that are listed in the remuneration policy described in point II.30.

Information regarding the connection between remuneration and the performance of management bodies is that which is stated in the remuneration policy described in point II.30.

Information regarding the main parameters and the grounds for any system of annual premiums is that which is stated in the remuneration policy described in point II.30. There are no other non-monetary benefits.

During 2012, no amounts were paid or owed to any ex-executive directors as indemnification for termination of duties.

There are no other amounts to be paid for any reason to other companies in a domain or group relationship.

Some of the directors (founding shareholders) are beneficiaries of a pension plan with defined benefits that will allow them to receive a pension equivalent to 80% of the salary earned on the date of retirement. It is important to note that this plan was already in effect prior to the date of MOTA-ENGIL, SGPS, SA's entry in the stock exchange.

According to note 31 of the Annex to the consolidated accounts, on 31 December of 2012 and 2011, the responsibilities to pensioners and with active personnel as well as the corresponding coverage, are as follows:

	2012	2011
Responsibilities to pensioners	1,609,415	1,644,900
Responsibilities to current workers	8,519,348	7,984,012
Provisions constituted	10,128,763	9,628,911
% of coverage	100%	100%

These responsibilities were updated in 2012, as a result of the last actuarial study available, as at 31 December, 2012, and which assumes the following presuppositions (without alterations compared to 2011):

	2012	2011
Mortality Table	TV 73/77	TV 73/77
Disability Table	EKV80	EKV80
Turnover Table	PCRTurnOver	PCRTurnOver
Earning Rate of the Fund	4.5%	4.5%
Growth Rate of Wages	2%	2%
Adjustment Rate for Pensions	4%	4%
Growth Rate of Pensions	0%	0%
Retirement Age	65	65
Number of benefit payments	14	14

The responsibilities for defined pension benefit plans are calculated according to the Projected Unit Credit Method, using the actuarial and financial presuppositions most appropriate to the plan set up.

II.32 Information on the manner in which the remuneration is structured so as to allow the alignment of the interests of members of the management body with the long-term interests of the Company, and on how it is based on performance evaluation and discourages the excessive assumption of risks.

As described in point II.30, MOTA-ENGIL GROUP's compensation policy has underlying variable compensation instruments structured in such a way as to promote the alignment of the interests of the management body members with the long-term interests of the Company, discouraging the excessive assumption of risks.

As such, defined in the compensation policy are mechanisms for indexing variable compensation to performance evaluation, which, in turn, is based on KPIs (Key-Performance Indicators) established from the "Ambition 2013" Strategic Plan (recently updated through "Ambition 2.0"), defined with a long-term approach.

Under the terms of the quantitative component of the performance evaluation, the goals to be met for each KPI are defined at the start of the evaluation cycle.

Determining the variable compensation in the Group presupposes an average minimal achievement of 95% of the goals set, weighed with the individual qualitative evaluation (which can result in a pay-out amount that varies between a predefined minimum and maximum percentage).

Additionally, there are preventative mechanisms in place for inhibiting the variable compensation payment, should any of the following conditions occur:

- One of the milestones (which correspond to the minimum amount to be achieved per KPI to be eligible for the variable compensation payment) is not met, according to the parameters set at the beginning of each annual evaluation cycle;
- The average attained for the goals defined per KPI, weighed with the individual qualitative evaluation, is lower than 95%.

II.33 Concerning the remuneration of executive directors:

a) Reference to the fact that the remuneration of executive directors includes a variable component and information regarding the way this component depends on the performance evaluation

The remuneration and compensation policy for executive members of the Company's Board of Directors follows a plan consisting of: (i) a fixed component defined according to the function, the corresponding position within the functional groups predefined for the MOTA-ENGIL GROUP and market benchmarking (supported by the Hay international methodology of scoring functions), *and which includes the base gross remuneration paid in reference to the period of a year; and (ii) a variable component* paid as a performance bonus, taking into consideration the progress of the director's performance, based on criteria defined and annually reviewed by the Remuneration Committee.

The criteria for allocating variable compensation to members of the GROUP's management bodies are indexed to the performance evaluation, the responsibility of the Remuneration Committee.

The performance evaluation encompasses two components: the quantitative evaluation, measured through the fulfilment of the KPIs indexed to the "Ambition 2013" strategic plan (recently updated by "Ambition 2.0"), and which are laid out in annual goals, set at the beginning of each evaluation cycle; and the qualitative evaluation that results from an discretionary individual evaluation.

Determining the variable compensation applicable to managers in the MOTA-ENGIL GROUP presupposes the observance of two cumulative conditions: the achievement of milestones, defined in the beginning of each annual evaluation cycle, laid out from the long-range strategic plan; the average achievement of at least 95% of the quantitative goals covered in the individual qualitative evaluation, which can result in a *pay-out* amount that varies between predefined minimum and maximum percentages.

b) Indication of the Company bodies qualified to make the performance evaluations of the executive directors

The evaluation of members of the Executive Board of Directors is made by the Remuneration Committee.

c) Indication of the predetermined criteria for the performance evaluations of the executive directors

The quantitative component of the performance evaluation includes a set of KPIs, indexed in the "Ambition 2013" Strategic Plan (recently updated by "Ambition 2.0"), according to a Balanced Scorecard methodology, orienting the performance around four value perspectives: the Group's Financial sustainability and the creation of value for the shareholders; the satisfaction of customer needs; efficiency and innovation in terms of internal processes; and the development and enabling of human capital.

Presented below is a sample summary of the KPI matrix adopted in the Balanced Scorecard tool in effect in the GROUP.

Financial Perspective	<ul style="list-style-type: none"> • ROCE • EBITDA • Turnover
Customers	<ul style="list-style-type: none"> • % international turnover generated in selected markets
Internal Processes	<ul style="list-style-type: none"> • Weight of investment on the generation of future turnover
Learning and Growth	<ul style="list-style-type: none"> • Participation of Staff Members in the ME Active School

The quantitative evaluation is later weighed with the individual qualitative evaluation, of a discretionary nature, which can result in a pay-out amount that varies between predefined minimum and maximum percentages.

d) Explanation of the relative importance of the variable and fixed components of the remuneration of directors and an indication regarding the maximum limits for each component.

The relative importance of the variable and fixed components of the remuneration of directors is found described in point II.30.

Besides the articles of association determining that, in overall terms, the variable salary of the Board of Directors cannot exceed 5% of the profits for the financial year, there are mechanisms in the compensation policy set in place that aim, on the one hand, to reward the effective creation of value in a long-range perspective, whilst on the other hand, they see to discourage the assumption of excessive risks and behaviours that are out of line with the strategy outlined for the GROUP.

In this way, the fixed and variable compensation is delimited by compensation place holders that have as their rationale the function, the corresponding functional group and the benchmarking in the market of reference. The fixed compensation has an underlying predefined minimum and maximum value by functional group and the variable compensation is dependent on the performance evaluation, which can result in a pay-out amount that varies between predefined minimum and maximum percentages. In aggregate terms, the mix of fixed and variable compensations is balanced, due to the setting of minimum and maximum limits, provided in the scope of the compensation policy.

e) Indication on the deferred payment of the variable component of the remuneration, with mention of the period of deferment.

There is no deferment in the payment of the aforesaid variable remunerations.

f) Explanation about how the payment of the variable remuneration is subject to the continued positive performance of the Company throughout the period of deferment.

Under the terms of point II.30, the payment of the variable remuneration is subject to the continued positive performance of the Company.

Ex-ante, the monitoring of positive performance is carried out through the periodic evaluation of the KPIs laid out from the “Ambition 2013” Strategic Plan (recently updated by “Ambition 2.0”) and integrated in the Balanced Scorecard methodology, making it possible to monitor the Company’s performance track. *Ex-post* there are compensation policy mechanisms in place which seek to prevent the payment of variable compensation should one of the following conditions not occur:

- One of the milestones (which correspond to the minimum amount to be achieved per KPI to be eligible for the variable compensation payment) is not met, according to the parameters set at the beginning of each annual evaluation cycle;
- The average attained for the goals defined per KPI, weighed with the individual qualitative evaluation, is

lower than 95%.

g) Sufficient information regarding the criteria on which the allocation of variable remuneration in shares is based as well as regarding the retaining, by executive directors, of the Company shares they have acceded to, the future making of contracts related to those shares, specifically hedging or risk transfer contracts, their respective limits and relation to the total annual remuneration amount

The Company does not have, or plan to have any remuneration measure in effect that includes the allocation of shares and/or any other incentive system with shares.

h) Sufficient information regarding the criteria on which the allocation of variable remuneration in options is based and indication of the period of deferment and price of the financial year

The Company does not have, or plan to have any remuneration measure in effect that includes the allocation of rights to acquire options over shares.

i) Identification of the principal parameters and grounds for any annual bonus system or any other non-monetary benefits

The Company does not have an annual bonus system or any other non-monetary benefits.

j) Remuneration paid as profit sharing and/or bonus payments and the reasons for such bonuses and/or profit sharing being awarded

The remunerations paid as profit sharing and/or bonus payments are shown in point II.31 and are part of a variable component, as a performance bonus, taking into account the criteria listed.

l) Indemnification paid or owed to ex-executive directors related to the termination of their duties during the financial year

During 2012, no amounts were paid or owed to any ex-executive directors as indemnification for termination of duties.

m) Reference to the contractual limitation provided for in regard to the compensation to be paid for dismissal of a director without just cause and its relation to the variable remuneration component

No limits have been set contractually for the compensation to be paid for the dismissal of a director without just cause beyond that set forth in the law. MOTA-ENGIL resorts to the legal instruments available in the law that are appropriate for this situation, specifically when there is inadequate performance by a director.

n) Amounts of any type paid by other Companies in a subsidiary or group relation

In financial year 2012, no amounts were paid to MOTA-ENGIL executive directors (or to non-executive directors) by Companies in a subsidiary or group relation.

o) Description of the main features of supplementary pension regimes or early retirement for directors, indicating whether or not they were subject to review by the General Meeting

Some of the directors (founding shareholders) are beneficiaries of a pension plan with defined benefits that will allow them to receive a pension equivalent to 80% of the salary earned on the date of retirement. It is important to note that this plan was already in effect prior to the date of MOTA-ENGIL's entry in the stock exchange.

p) Estimate of the value of significant non-monetary benefits considered as remuneration and not covered in previous situations

The Company does not attribute any non-monetary benefits as remuneration.

q) The existence of mechanisms that would impede executive directors from entering into contracts that might put into question the reason for having the variable remuneration.

No mechanisms have been formally provided for that would impede executive directors from entering into contracts that might put into question the reason for having the variable remuneration. The Remuneration Committee, however, always takes this factor into consideration in the criteria used for setting the variable remuneration.

II.34 Reference to the fact that the remuneration of non-executive members of the management body does not include variable components.

The remuneration of non-executive members of the management body includes variable components. Mota-Engil believes that, besides having the duty to reward the long-term strategy carried out by the entire Board of Directors, including the non-executive directors, this does not pervert their non-executive function.

II.35 Information regarding the Company's adopted policy on communicating irregularities (means of communication, people with the right to receive such communications, how to treat communications and listing of people and bodies with access to the information and their respective interaction in the process)

At the end of 2008, the "Regulation of the Statutory Audit Board on proceedings to adopt in matters of the communication of irregularities" was approved and distributed to the entire GROUP through an internal service order.

MOTA-ENGIL's Board of Directors, by the approval of this regulation, wished to see a boost in the internal communication of irregular practices in order to prevent or repress irregularities, avoiding aggravated damage caused by a continuing irregular practice and complying with the recommendation of the CMVM (Securities Exchange Commission) on this matter.

The regulation considers as irregular practice all acts or omissions, wilful or negligent, practiced within the scope of the activity of the MOTA-ENGIL GROUP companies that could have an impact on the financial, or other, statements and that could damage the patrimony and good name of the GROUP, specifically violations of any law, standard or regulation, practice of fraud, abuse of authority, poor management, inappropriate use of funds, damage to the health and safety of workers and damages to the environment.

The Statutory Audit Board guarantees the confidentiality of reports, as well as anonymity of their authors, to anyone who communicates indications of irregular practices, without prejudice to the knowledge on the part of the MOTA-ENGIL Board of Directors. When the instances of irregularities are communicated by employees of companies of the MOTA-ENGIL GROUP, they can never have their rights harmed for doing so. Whoever denounces instances of irregular practices with obvious dishonesty or in bad faith, as well as anyone who violates the duty of confidentiality may have criminal proceedings brought against them, as well as disciplinary actions in the case of employees of MOTA-ENGIL GROUP companies.

The procedural phases of the system of communicating irregularities, the responsibility of the Statutory Audit Board,

are as follows:

- a) Receipt and recording;
- b) Preliminary analysis and evaluation of the consistency of the communication received;
- c) Investigation;
- d) Final report, with communication to the chairman of the Board of Directors.

The investigation process is carried out by the Statutory Audit Board, assisted by the Investment, Audit and Risk Committee, which has the authority to focus on non-decisive issues. The Investment, Audit and Risk Committee may propose the hiring of external auditors or other experts to assist in the investigations, when warranted by the specialty of the issues in question.

By 31 January of each year, the Statutory Audit Board evaluates the activity carried out in the year just ended and proposes changes that it considers necessary for improving and perfecting the system for communicating irregular practices.

II.36 Identification of the members of the committees formed for the purposes of evaluating individual and group performances of executive directors, reflection on the governance system adopted by the Company and identification of potential candidates with the qualifications for the office of director

There are no committees with specific responsibilities in these matters that have been formed as part of the management or supervisory bodies.

II.37 Number of meetings of committees formed with responsibilities in the matter of management and supervision during the financial year in question, as well as reference to the drawing up of minutes of those meetings

Not applicable, in light of that which was explained in the previous point.

II.38 Reference to the fact that a member of the Remuneration Committee has the knowledge and experience in remuneration policy matters

It is felt that, by virtue of their respective curricula and professional careers (as found in point II.18), the three members of the Remuneration Committee possess knowledge and experience in matters of remuneration policy. Additionally, and when necessary, the Remuneration Committee is aided by specialised resources, internal or external to the Company, to support its decisions in matters of remuneration policy.

II.39 Reference to the independence of natural or collective persons contracted for the Remuneration Committee through a work or service contract in relation to the Board of Directors and, when applicable, to whether these people have a current relationship with the company's consultant

António Manuel Queirós Vasconcelos da Mota (Chairman and non-executive member of the Board of Directors) and Maria Teresa Queirós Vasconcelos Mota Neves da Costa (non-executive member of the Board of Directors) form the Remuneration Committee, having been elected for these duties by the General Meeting, under a proposal from the majority shareholder Mota Gestão e Participações, SGPS, SA. Their participation on the Remuneration Committee is limited exclusively to the representation of the shareholder interest, intervening there in that capacity and not as members of the management body. To ensure their independence in the performance of these duties, these members do not take part in any discussion or deliberation in which there is or there may be a conflict of interest, specifically when it comes to the setting of their own remunerations as members of the management body. No company was hired to support the Remuneration Committee in its functions.

III. Information

III.1 Capital structure, including listing of shares not admitted for trading, different categories of shares, rights and duties inherent to them and the percentage of capital that each category represents

The share capital of MOTA-ENGIL, SGPS, SA, on 31 December, 2012, totalled 204,635,695 Euros, be fully paid up and represented by 204,635,695 ordinary bearer shares with a nominal value of one euro each, which, with the exception of own shares, confer the right to dividends. All shares that make up the share capital are accepted for trade at Euronext Lisbon.

III.2 Qualified holdings in the issuer's share capital, calculated under the terms of Article 20 of the CVM (Securities Code)

Shareholders	Nº of shares	% Capital
Mota Gestão e Participações, SGPS, SA	121,724,196	59.48%
António Manuel Queirós Vasconcelos da Mota	5,292,359	2.59%
Maria Manuela Queirós Vasconcelos Mota dos Santos	3,675,066	1.80%
Maria Teresa Queirós Vasconcelos Mota Neves da Costa	3,746,836	1.83%
Maria Paula Queirós Vasconcelos Mota de Meireles	4,231,630	2.07%
Carlos António Vasconcelos Mota dos Santos	29,300	0.01%
Attributable to FM – Sociedade de Controlo, SGPS, SA	138,699,387	67.78%
Kendall II, SA	9,472,764	4.63%
Investment Opportunities, SA	620,510	0.30%
Banco Privado Português, SA	271,243	0.13%
Attributable to Private Holding SGPS, SA	10,364,517	5.06%

III.3 Identification of the shareholders with special rights and the descriptions of those rights

No shareholders, or categories of shareholders, have title to special rights.

III.4 Any restrictions to the transferability of shares, such as consent for alienation clauses or limitations to share ownership

There are no restrictions of any kind regarding the transferability of MOTA-ENGIL shares, such as consent for alienation clauses or limitations to share ownership.

III.5 Shareholder agreements that may be known to the Company and lead to restrictions in the transmission of securities or voting rights

The Company has no knowledge of any shareholder agreements that could lead to restrictions in the transmission of securities or voting rights.

III.6 Rules applicable to the alteration of the Company's articles of association

There are no special rules regarding the alteration of the articles of association, beyond those that result from the application of the general regime provided for in the Companies Code.

III.7 Control mechanisms provided for in a possible system for employees to share in the capital to the extent that the voting rights would not be exercised directly by them

There are no planned mechanisms for MOTA-ENGIL employees to share in the capital.

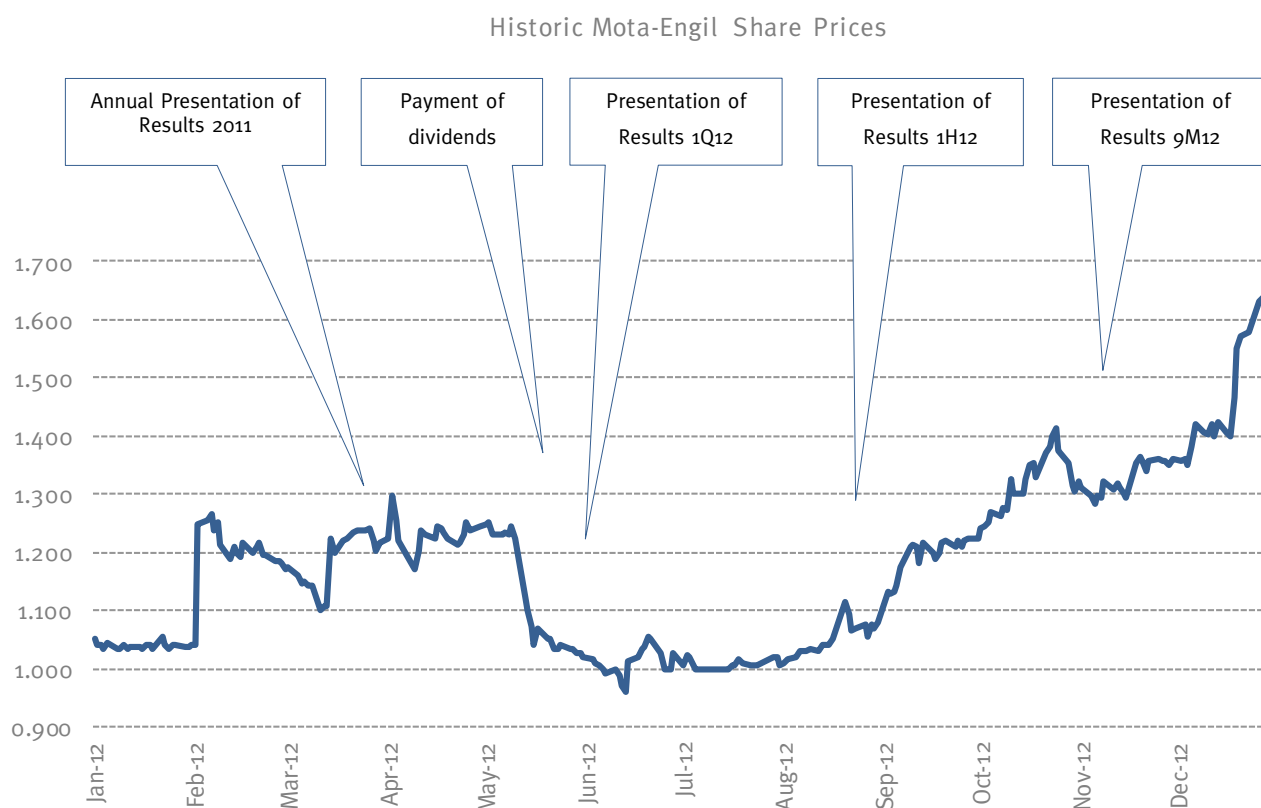
III.8 Description of the variations in the quotations of the issuer's shares, taking into consideration specifically: a) the issuance of shares or other securities that would give the right to the subscription or acquisition of shares; b) the announcement of results; c) the payment of dividends made by share category with indication of the net value per share

The rise of MOTA-ENGIL shares, which started in the third quarter of 2012, was very prominent in the fourth quarter, allowing for an annual appreciation of 51.4% (27.9% in the fourth quarter) in what was one of the best PSI 20 index performances, which appreciated by only 2.9% over the year (8.7% in the fourth quarter). This positive change in the stock market and, from the start, in the quotation of MOTA-ENGIL, particularly accentuated during the last quarter of the year, reflects in large measure, the steps announced by the European Central Bank in the direction of fighting the financial crisis in the Euro Zone, specifically the intention to buy public debt from countries receiving financial assistance. Hence, the interest on the Portuguese public debt began a downward path and had a positive influence on the securities exchange, which was evidence in the generalised increase in the quotations of most of the listed companies. The volume of Mota-Engil shares traded on the stock exchange reached 42.2 million, a drop of 9.4% compared to 2011.

The annual behaviour of the stock can be analysed in the following way:

	1st Half 2012	2nd Half 2012	Total Performance 2012	1st Half 2011	2nd Half 2011	Total Performance 2011
Mota-Engil shares	-1%	52%	51%	-8%	-32%	-41%
PSI-20	-14%	17%	3%	-3%	-24%	-28%
EURONEXT 100	3%	12%	15%	2%	-16%	-14%

The changes in values can be seen in the following graph:



With the exception of own shares, all shares that make up MOTA-ENGIL's share capital confer the right to dividends. On 17 May, 2012, the dividend related to the 2011 fiscal year was placed at the shareholders' disposal, with a net value of 0.08250 euros per share.

During 2012, there were no shares or other securities issued that would give the right to subscribe or acquire shares.

III.9 Description of the dividend distribution policy adopted by the Company, identifying specifically the value of dividend per share distributed in the last three fiscal years

The dividend policy adopted by the Company consists in the attribution of a dividend that materialises, in each financial year, a minimum Pay-Out Ratio of 50% and maximum of 75%, depending on the Board of Directors' evaluation of a set of temporal conditions, but in which the categorical objective is to achieve an adequate remuneration of shareholder capital by that method. In the last three fiscal years, the gross dividend per share rose to 11 cents.

III.10 Description of the main characteristics of the share allocation plans and option plans for share acquisition adopted or in effect during the financial year in question, specifically the justification for the adoption of the plan, the category and number of plan recipients, allocation conditions, share anti-alienation clauses, criteria related to the price of shares and the price for exercising the options, period during which options may be exercised, characteristics of the shares to be allocated, existence of incentives for the acquisition of shares and/or the exercise of options, and the competency of the management body to execute and/or modify the plan.

Indication: a) the number of shares needed to respond to the exercise of options allocated, and the number of shares needed to respond to the exercise of exercisable options, by reference to the beginning and the end of the year; b) the number of options allocated, exercisable and expired during the year; c) the review at the general meeting of the characteristics of the plans adopted or in effect during the financial year in question

No plans for allocation of shares and share acquisition options are in effect.

III.11 Description of the main elements of business and operations transacted between the Company and the members of the management and supervisory bodies or Companies that are in a subsidiary or group relationship, as long as they are significant in economic terms for any of the parties involved, except in regard to business transactions or operations that, cumulatively, are being handled under normal market conditions for similar operations and are part of the Company's current activity

There were no economically significant business transactions or operations between members of the management and supervisory bodies or companies that are in a subsidiary or group relationship, except for business transactions that, as part of the current activity, were carried out in normal market conditions.

III.12 Description of the fundamental elements of business transactions and operations carried out between the Company and bearers of qualified shares or entities with whom they have any relationship, under the terms of Article 20 of the Securities Code, outside normal market conditions

No economically significant business transactions or operations were carried out between the Company and bearers of qualified shares or entities with whom they have any relationship, under the terms of Article 20 of the Securities Code.

III.13 Description of the procedures and criteria applicable to the participation of the supervisory body for the purposes of making a preliminary assessment of business transactions to be carried out between the Company and bearers of qualified shares or entities with whom they have any relationship, under the terms of Article 20 of the Securities Code

All transactions with an aggregate value per entity greater than 500,000 euros per year, and the corresponding renewals, carried out with the bearers of qualified shares or entities with whom they have a relationship, under the terms of Article 20 of the Securities Code, are subject to prior review by the Statutory Audit Board.

III.14 Description of the statistical elements (number, average value and maximum value) related to business transactions subject to prior intervention by the supervisory body

Does not apply

III.15 Indication of the availability, on the Company's website, of the annual reports on the activity carried out by the General and Supervisory Board and by the Committee for Financial Affairs, by the Audit Committee and the Statutory Audit Board, including indication of any constraints that were encountered, posted together with the financial accounts.

The annual reports on activity carried out by the Statutory Audit Board are published on the Company's website (www.mota-engil.pt), together with the financial accounts.

III.16 Reference to the existence of an Office of Support to the Investor or a similar service with reference to: a) Office functions; b) type of information provided by the Office; c) ways to access the Office; d) Company's site on the internet; e) identification of the representative for market relations.

MOTA-ENGIL maintains constant contact with investors and analysts through the Division of Market Relations, which provides up-to-date, relevant and reliable information, in addition to providing clarification related to the GROUP's business, with the objective of improving their knowledge and comprehension in relation to the GROUP.

The Division of Relations with the Capital Market, in conjunction with the Division of Corporate Planning and Control, regularly prepares presentations for the financial community, communications regarding quarterly, 6-month and annual results, as well as communications relevant to the market as needed to disclose or clarify any event that could possibly influence the quotation of shares of MOTA-ENGIL, SGPS, SA. Additionally, and whenever requested, it will provide clarification regarding the GROUP's activities, answering queries sent via e-mail or over the telephone.

All information published is made available on the CMVM website (www.cmvm.pt) as well as that of MOTA-ENGIL (www.mota-engil.pt).

The representative for Market Relations is Luis Filipe Cardoso da Silva, whose contact information is:

Luís Silva
Edifício Mota
Rua do Rego Lameiro, 38
4300-454 Porto
Tel.: +351 225 190 300
Fax: +351 225 190 303
e-mail: investor.relations@mota-engil.pt

The person in charge of the Division of Relations with the Capital Market is João Vermelho. His contact information:

João Vermelho
Rua Mário Dionísio, 2
2796-957 Linda-a-Velha
Tel.: 351 214 158 200
Fax: +351 214 158 688
e-mail: jvermelho@mota-engil.pt

III.17 Indication of the amount of annual remuneration paid to the auditor and other natural or collective persons belonging to the same network supported by the Company and/or by companies in subsidiary or group relationship, as well as the discrimination of the percentage related to the following services: a) statutory auditing services; b) other reliability guarantee services; c) fiscal consultancy services; d) services other than statutory auditing. If the auditor provides any services described in subparagraphs c) and d), a description should be made of the means to safeguard his independence. For the purposes of this information, the concept of network is that deriving from the Recommendation by the European Commission No. C (2002) 1873, of 16 May

During fiscal year 2012, the annual remuneration paid by MOTA-ENGIL, and by other companies in subsidiary or group relationship, to the Company's External Auditors (Deloitte & Associados, SROC, SA), including other entities belonging to the same network, was 4,146,220 euros, said payment being divided according to the following services provided (rounded values):

Nature of Service	Amount	%
Statutory audit of accounts	1,002,768	25%
Other reliability guarantee services	12,000	0%
Tax consultancy	189,028	5%
Other consultancy services	2,740,888	69%
TOTAL	3,944,684	100%

The large share of "Other consulting services" in 2012 was due to the development of special and non-recurring projects in Angola (a two-year project: 2011 and 2012), in the areas of equipment, purchasing and integration of assets. Its cost came to approximately 2.7 million Euros (2.5 million Euros in 2011), seeing that, given the specificity of the aforesaid projects and the country in question, the choice fell on Deloitte, who presented the best curriculum and the best technical skills in those areas and in that country, and the Board of Directors did not see any other alternatives in the awarding of that contract.

The fiscal consultancy services and other services are provided by technicians other than those involved in the audit process, so that the auditor's independence is considered to be reinforced. In 2012, the honoraria supported by Mota-Engil related to the businesses in the Deloitte network in Portugal represented less than 3% of the total annual invoicing of Deloitte in Portugal. The External Auditor's quality system controls and monitors the potential risks of loss of independence or the possible conflicts of interest with MOTA-ENGIL. Additionally, a "Letter of Independence" is obtained, in which Deloitte guarantees the compliance with the international guidelines of IFAC (International Federation of Accountants) in the matters of auditor independence.

Additionally, the Statutory Audit Board annually receives, pursuant to the terms of Article 62-B of Decree-Law 487/99, of 16 November (as amended by Decree-Law 224/2008, of 20 November), the auditor's statement of independence, which describes the services provided by this and other entities in the same network, the corresponding honoraria paid, possible threats to its independence and safeguards for dealing with them. All the threats to the auditor's independence are evaluated and discussed with the auditor, as well as the corresponding safeguards.

The Statutory Audit Board evaluates the external auditor annually, having the responsibility of supervising his qualifications and independence. In spite of it not being a specific or exclusive competence of the General Meeting, nothing prevents it from being called on in situations of interpellation by the Statutory Audit Board, to decide on the dismissal of the external auditor when there is just cause for such action. At any rate, and to the present date, the Mota-Engil Statutory Audit Board has not found any reasons to consider taking action to dismiss with just cause any entity that has performed the duties of external auditor for the Company.

III.18 Reference to the rotation period for the external auditor

Deloitte & Associados, SROC, SA has provided external auditing services to MOTA-ENGIL since 1992, under the terms of one-year service contracts. A new associate responsible for the orientation or direct execution of the aforesaid services was appointed in 2009 (seven years after the previous substitution).

MOTA-ENGIL has not defined or implemented any rotation policy for the external auditor. The Board of Directors believes that substituting the associate responsible for the auditing services every seven years (according to the practice adopted by Deloitte whether through Deloitte & Associados, SROC, SA, or the Deloitte international network) in combination with the powers attributed to the Statutory Audit Board, is sufficient to guarantee the external auditor's independence.

The retaining of the auditor is based on an opinion given by the supervisory body that expressly weighed the conditions of auditor independence with the advantages and costs of its substitution.

Annexes

Declaration under the terms of Article 254(1)(c) of the CVM (Securities Code)

Under the terms of Article 254(1)(c) of the Securities Code, the members of the Board of Directors declare that, to the best of their knowledge, the information contained in this report and accounts has been drawn up according to the international financial reporting standards (IFRS) as adopted by the European Union, providing a true and appropriate image of the assets and liabilities, the financial situation and the results of MOTA-ENGIL, SGPS, SA and the companies included in its perimeter of consolidation, and that this management report faithfully expresses the progression of the business, the performance and the position of MOTA-ENGIL, SGPS, SA, and the companies included in its perimeter of consolidation and contains a description of the main risks and uncertainties with which they are confronted.

Porto, 18 March 2013

António Manuel Queirós Vasconcelos da Mota
Chairman of the Board of Directors

Gonçalo Nuno Gomes de Andrade Moura Martins
Deputy-Chairman of the Board of Directors and
Chief Executive Officer

Arnaldo José Nunes da Costa Figueiredo
Deputy-Chairman of the Board of Directors and
Member of the Executive Committee

Maria Manuela Queirós Vasconcelos Mota dos Santos
Member of the Board of Directors

Maria Teresa Queirós Vasconcelos Mota Neves da Costa
Member of the Board of Directors

Maria Paula Queirós Vasconcelos Mota de Meireles
Member of the Board of Directors

Ismael Antunes Hernandez Gaspar
Member of the Board of Directors and
Member of the Executive Committee

Luís Filipe Cardoso da Silva
Member of the Board of Directors

Maria Isabel da Silva Ferreira Rodrigues Peres
Member of the Board of Directors and
Member of the Executive Committee

Carlos António Vasconcelos Mota dos Santos
Member of the Board of Directors and
Member of the Executive Committee

Pedro Manuel Teixeira Rocha Antelo
Member of the Board of Directors

José Pedro Matos Marques Sampaio de Freitas
Member of the Board of Directors and
Member of the Executive Committee (*Chief Financial Officer*)

Luís Valente de Oliveira
Non-executive and independent member of the
Board of Directors

António Bernardo Aranha da Gama Lobo Xavier
Non-executive and independent member of the
Board of Directors

António Manuel da Silva Vila Cova
Non-executive and independent member of the
Board of Directors

Articles 324(2) and 66(5)(c) of the Companies Code

During 2012, MOTA-ENGIL SGPS, SA did not acquire any own shares. As at 31 December, 2012, MOTA-ENGIL SGPS, SA held 11,101,379 own shares, representing 5.42% of its share capital.

Article 447 of the Companies Code and Article 14(7) of CMVM Regulation no. 5/2008

Disclosure of shares and other securities held by members of the Board of Directors and by Managers, as well as by people closely related to them, under the terms of Article 248-B of the Securities Code, and of transactions thereon made over the course of the financial year.

Annex referred to in Article 447 of the Companies Code and Article 14(7) of CMVM Regulation no. 5/2008:

Directors		Date	Holding shares of								
			MOTA-ENGIL, SGPS, SA					MGP, SGPS, SA		FM, SGPS, SA	
			Qt.	Price	Buy / Sell	On /Off Exch.	%	Qt.	%	Qt.	%
António Manuel Queirós Vasconcelos da Mota	Starting Balance		5,257,005				2.57%	517,500	8.6%	19,115	38.2%
	13/01/2012		6,500	1.04	Buy	On Exch.					
	13/01/2012		1,500	1.036	Buy	On Exch.					
	13/01/2012		514	1.036	Buy	On Exch.					
	13/01/2012		533	1.036	Buy	On Exch.					
	13/01/2012		249	1.036	Buy	On Exch.					
	13/01/2012		268	1.036	Buy	On Exch.					
	13/01/2012		613	1.036	Buy	On Exch.					
	13/01/2012		2,186	1.036	Buy	On Exch.					
	13/01/2012		6,000	1.036	Buy	On Exch.					
	16/01/2012		300	1.036	Buy	On Exch.					
	16/01/2012		1,105	1.036	Buy	On Exch.					
	16/01/2012		1,000	1.036	Buy	On Exch.					
	16/01/2012		1,491	1.036	Buy	On Exch.					
	16/01/2012		2,500	1.036	Buy	On Exch.					
	17/01/2012		241	1.036	Buy	On Exch.					
			10,354		Buy	On Exch.					
	28/12/2012							-517,500	Reorg. FM/MGP ⁽ⁱ⁾	9,586	Reorg. FM/MGP ⁽ⁱ⁾
	Final Balance		5,292,359				2.59%	0	0.0%	28,701	34.48%
Maria Manuela Queirós Vasconcelos Mota dos Santos	Starting Balance		3,675,066					427,500	7.1%	10,295	20.6%
	28/12/2012							-427,500	Reorg. FM/MGP ⁽ⁱ⁾	7,607	Reorg. FM/MGP ⁽ⁱ⁾
	Final Balance		3,675,066				1.80%	0	0.0%	17,902	21.51%
Maria Teresa Queirós Vasconcelos Mota Neves da Costa	Starting Balance		3,746,836					427,500	7.1%	10,295	20.6%
	28/12/2012							-427,500	Reorg. FM/MGP ⁽ⁱ⁾	7,607	Reorg. FM/MGP ⁽ⁱ⁾
	Final Balance		3,746,836				1.83%	0	0.0%	17,902	21.51%
Maria Paula Queirós Vasconcelos Mota de Meireles	Starting Balance		4,231,630					427,500	7.1%	10,295	20.6%
	28/12/2012							-427,500	Reorg. FM/MGP ⁽ⁱ⁾	7,607	Reorg. FM/MGP ⁽ⁱ⁾
	Final Balance		4,231,630				2.07%	0	0.0%	17,902	21.51%
Carlos António Vasconcelos Mota dos Santos	Final Balance		29,300				0.01%				
Pedro Manuel Teixeira Rocha Antelo	Final Balance		10,000				0.00%				
Luís Filipe Cardoso da Silva	Final Balance		12,500				0.01%				
Gonçalo Nuno Gomes de Andrade Moura Martins	Final Balance		12,435				0.01%				
Ismael Antunes Hernandez Gaspar	Final Balance		1,000				0.00%				
Alberto João Coraceiro de Castro	Final Balance		2,200				0.00%				

Directors	Date	Holding shares of								
		MOTA-ENGIL, SGPS, SA					MGP, SGPS, SA		FM, SGPS, SA	
		Qt.	Price	Buy / Sell	On / Off Exch.	%	Qt.	%	Qt.	%
Algosi - Gestão de Participações Sociais, SGPS, SA	Starting Balance	30538198								
	28/12/2012	-30,538,198		Reorg. FM/MGP ⁽¹⁾		14.92%				
F.M. - Sociedade de controlo, SGPS, SA	Starting Balance	-					4,200,000	70.0%		
	28/12/2012	-					2,137,640	Reorg. FM/MGP ⁽¹⁾		
Mota Gestão e Participações, SGPS, SA	Starting Balance	85,229,078				41.65%				
	02/01/2012	6,760	1.035	Buy	On Exch.					
	04/01/2012	16,734	1.035	Buy	On Exch.					
	05/01/2012	54,589	1.035	Buy	On Exch.					
	06/01/2012	6,204	1.035	Buy	On Exch.					
	09/01/2012	10,148	1.035	Buy	On Exch.					
	10/01/2012	156,882	1.035	Buy	On Exch.					
	11/01/2012	60,081	1.035	Buy	On Exch.					
	12/01/2012	24,438	1.035	Buy	On Exch.					
	13/01/2012	5,436	1.035	Buy	On Exch.					
	17/01/2012	2,076	1.035	Buy	On Exch.					
	18/01/2012	2,924	1.035	Buy	On Exch.					
	19/01/2012	1,851	1.035	Buy	On Exch.					
	20/01/2012	996	1.035	Buy	On Exch.					
	23/01/2012	3,434	1.035	Buy	On Exch.					
	25/01/2012	207,973	1.035	Buy	On Exch.					
	17/05/2012	3	1.035	Buy	On Exch.					
	18/05/2012	4,000	1.035	Buy	On Exch.					
	22/05/2012	23,903	1.035	Buy	On Exch.					
	23/05/2012	5,296	1.027	Buy	On Exch.					
	23/05/2012	1,000	1.030	Buy	On Exch.					
	23/05/2012	1,000	1.031	Buy	On Exch.					
	23/05/2012	1,400	1.033	Buy	On Exch.					
	23/05/2012	1,000	1.034	Buy	On Exch.					
	23/05/2012	804,777	1.035	Buy	On Exch.					
	24/05/2012	251,545	1.035	Buy	On Exch.					
	28/05/2012	4,089	1.035	Buy	On Exch.					
	29/05/2012	24,743	1.035	Buy	On Exch.					
	30/05/2012	38,632	1.025	Buy	On Exch.					
	30/05/2012	100,000	1.030	Buy	On Exch.					
	30/05/2012	1,177,244	1.035	Buy	On Exch.					
	31/05/2012	26,466	1.025	Buy	On Exch.					
	31/05/2012	50,000	1.030	Buy	On Exch.					
	31/05/2012	600,000	1.035	Buy	On Exch.					
	01/06/2012	87,280	1.020	Buy	On Exch.					
	01/06/2012	134,902	1.025	Buy	On Exch.					
	04/06/2012	1,569	1.013	Buy	On Exch.					
	04/06/2012	2,243	1.017	Buy	On Exch.					
	04/06/2012	197,757	1.018	Buy	On Exch.					
	04/06/2012	2,682	1.019	Buy	On Exch.					
	04/06/2012	310,038	1.020	Buy	On Exch.					
	05/06/2012	32,774	1.006	Buy	On Exch.					
	05/06/2012	105,234	1.010	Buy	On Exch.					
	05/06/2012	50,000	1.012	Buy	On Exch.					
	05/06/2012	48,431	1.013	Buy	On Exch.					
	06/06/2012	3,671	1.002	Buy	On Exch.					
	06/06/2012	40,000	1.004	Buy	On Exch.					
	06/06/2012	97,226	1.006	Buy	On Exch.					
	07/06/2012	11,471	0.997	Buy	On Exch.					
	07/06/2012	27,674	0.998	Buy	On Exch.					
	07/06/2012	38,109	1.000	Buy	On Exch.					
	07/06/2012	36,329	1.002	Buy	On Exch.					
	08/06/2012	47,947	0.984	Buy	On Exch.					
	08/06/2012	22,500	0.990	Buy	On Exch.					
	08/06/2012	200	0.991	Buy	On Exch.					
	08/06/2012	25,540	0.998	Buy	On Exch.					
	08/06/2012	3,659	0.999	Buy	On Exch.					
	08/06/2012	1,992	1.000	Buy	On Exch.					
	11/06/2012	5,449	0.995	Buy	On Exch.					
	11/06/2012	406	0.996	Buy	On Exch.					
	11/06/2012	5,000	0.998	Buy	On Exch.					
	11/06/2012	200	1.000	Buy	On Exch.					
	11/06/2012	5,000	1.001	Buy	On Exch.					
	11/06/2012	5,000	1.003	Buy	On Exch.					
	11/06/2012	10,000	1.006	Buy	On Exch.					
	11/06/2012	5,000	1.020	Buy	On Exch.					
	12/06/2012	2,000	0.988	Buy	On Exch.					

Directors	Date	Holding shares of								
		MOTA-ENGIL, SGPS, SA					MGP, SGPS, SA		FM, SGPS, SA	
		Qt.	Price	Buy / Sell	On / Off Exch.	%	Qt.	%	Qt.	%
	12/06/2012	300	0.989	Buy	On Exch.					
	12/06/2012	12,000	0.990	Buy	On Exch.					
	12/06/2012	10,000	0.992	Buy	On Exch.					
	12/06/2012	10,425	0.994	Buy	On Exch.					
	12/06/2012	5,200	0.995	Buy	On Exch.					
	12/06/2012	2,000	0.998	Buy	On Exch.					
	13/06/2012	3,551	0.967	Buy	On Exch.					
	13/06/2012	20,000	0.972	Buy	On Exch.					
	13/06/2012	20,000	0.973	Buy	On Exch.					
	13/06/2012	20,000	0.974	Buy	On Exch.					
	13/06/2012	21,109	0.975	Buy	On Exch.					
	13/06/2012	3,891	0.976	Buy	On Exch.					
	13/06/2012	5,000	0.979	Buy	On Exch.					
	13/06/2012	50,000	0.980	Buy	On Exch.					
	13/06/2012	2,000	0.981	Buy	On Exch.					
	13/06/2012	2,000	0.982	Buy	On Exch.					
	13/06/2012	2,000	0.983	Buy	On Exch.					
	13/06/2012	4,000	0.984	Buy	On Exch.					
	13/06/2012	2,000	0.985	Buy	On Exch.					
	14/06/2012	7,637	0.959	Buy	On Exch.					
	14/06/2012	10,000	0.960	Buy	On Exch.					
	14/06/2012	10,000	0.961	Buy	On Exch.					
	14/06/2012	250,000	0.962	Buy	On Exch.					
	14/06/2012	10,000	0.963	Buy	On Exch.					
	14/06/2012	10,000	0.964	Buy	On Exch.					
	14/06/2012	10,000	0.965	Buy	On Exch.					
	14/06/2012	10,000	0.966	Buy	On Exch.					
	14/06/2012	6,449	0.967	Buy	On Exch.					
	14/06/2012	5,000	0.969	Buy	On Exch.					
	15/06/2012	3,653	0.951	Buy	On Exch.					
	15/06/2012	5,000	0.952	Buy	On Exch.					
	15/06/2012	5,000	0.953	Buy	On Exch.					
	15/06/2012	5,000	0.954	Buy	On Exch.					
	15/06/2012	5,000	0.955	Buy	On Exch.					
	15/06/2012	5,000	0.956	Buy	On Exch.					
	15/06/2012	5,000	0.957	Buy	On Exch.					
	15/06/2012	10,000	0.958	Buy	On Exch.					
	15/06/2012	2,363	0.959	Buy	On Exch.					
	19/06/2012	5,769	1.022	Buy	On Exch.					
	19/06/2012	4,519	1.025	Buy	On Exch.					
	19/06/2012	5,500	1.032	Buy	On Exch.					
	21/06/2012	500	1.030	Buy	On Exch.					
	21/06/2012	500	1.046	Buy	On Exch.					
	25/06/2012	3,000	1.027	Buy	On Exch.					
	25/06/2012	529	1.029	Buy	On Exch.					
	25/06/2012	811	1.030	Buy	On Exch.					
	25/06/2012	500	1.034	Buy	On Exch.					
	26/06/2012	2,235	0.999	Buy	On Exch.					
	26/06/2012	27,337	1.000	Buy	On Exch.					
	26/06/2012	5,000	1.001	Buy	On Exch.					
	27/06/2012	2,551	0.996	Buy	On Exch.					
	27/06/2012	5,000	0.997	Buy	On Exch.					
	27/06/2012	11,373	0.998	Buy	On Exch.					
	27/06/2012	2,765	0.999	Buy	On Exch.					
	27/06/2012	10,000	1.000	Buy	On Exch.					
	28/06/2012	3,500	0.998	Buy	On Exch.					
	28/06/2012	5,000	0.999	Buy	On Exch.					
	28/06/2012	4,000	1.000	Buy	On Exch.					
	29/06/2012	4,772	0.997	Buy	On Exch.					
	29/06/2012	5,127	0.998	Buy	On Exch.					
	29/06/2012	770	1.000	Buy	On Exch.					
	29/06/2012	2,011	1.011	Buy	On Exch.					
	29/06/2012	200	1.013	Buy	On Exch.					
	02/07/2012	6,000	1.010	Buy	On Exch.					
	03/07/2012	1,500	1.020	Buy	On Exch.					
	04/07/2012	17,000	1.020	Buy	On Exch.					
	05/07/2012	266	1.010	Buy	On Exch.					
	05/07/2012	2,713	1.010	Buy	On Exch.					
	05/07/2012	200	1.010	Buy	On Exch.					
	06/07/2012	3,484	0.990	Buy	On Exch.					
	06/07/2012	5,000	0.990	Buy	On Exch.					
	06/07/2012	5,000	1.000	Buy	On Exch.					

Directors	Data	Holding shares of								
		MOTA-ENGIL, SGPS, SA					MGP, SGPS, SA		FM, SGPS, SA	
		Qt.	Price	Buy / Sell	On / Off Exch.	%	Qt.	%	Qt.	%
	06/07/2012	7,449	1.000	Buy	On Exch.					
	06/07/2012	228	1.000	Buy	On Exch.					
	06/07/2012	5,000	1.000	Buy	On Exch.					
	06/07/2012	5,000	1.000	Buy	On Exch.					
	06/07/2012	1,000	1.000	Buy	On Exch.					
	09/07/2012	100	1.000	Buy	On Exch.					
	09/07/2012	2,000	1.000	Buy	On Exch.					
	11/07/2012	349	0.990	Buy	On Exch.					
	11/07/2012	3,000	1.000	Buy	On Exch.					
	12/07/2012	500	0.990	Buy	On Exch.					
	12/07/2012	5,000	0.990	Buy	On Exch.					
	12/07/2012	5,000	0.990	Buy	On Exch.					
	12/07/2012	5,000	0.990	Buy	On Exch.					
	12/07/2012	5,000	0.990	Buy	On Exch.					
	12/07/2012	1,167	0.990	Buy	On Exch.					
	16/07/2012	10,345	1.000	Buy	On Exch.					
	17/07/2012	9	0.990	Buy	On Exch.					
	17/07/2012	166	1.000	Buy	On Exch.					
	17/07/2012	100	1.000	Buy	On Exch.					
	17/07/2012	7,000	1.010	Buy	On Exch.					
	18/07/2012	200	1.010	Buy	On Exch.					
	18/07/2012	15,000	1.010	Buy	On Exch.					
	19/07/2012	200	1.010	Buy	On Exch.					
	19/07/2012	7,000	1.020	Buy	On Exch.					
	20/07/2012	200	1.010	Buy	On Exch.					
	20/07/2012	14,000	1.010	Buy	On Exch.					
	23/07/2012	2,491	0.990	Buy	On Exch.					
	23/07/2012	5,000	1.000	Buy	On Exch.					
	23/07/2012	5,000	1.000	Buy	On Exch.					
	23/07/2012	5,000	1.000	Buy	On Exch.					
	23/07/2012	5,000	1.000	Buy	On Exch.					
	23/07/2012	100	1.000	Buy	On Exch.					
	23/07/2012	12,000	1.000	Buy	On Exch.					
	24/07/2012	3,268	1.000	Buy	On Exch.					
	24/07/2012	200	1.000	Buy	On Exch.					
	25/07/2012	2,000	1.010	Buy	On Exch.					
	26/07/2012	2,000	1.010	Buy	On Exch.					
	31/07/2012	100	1.010	Buy	On Exch.					
	31/07/2012	185	1.020	Buy	On Exch.					
	31/07/2012	100	1.020	Buy	On Exch.					
	31/07/2012	100	1.020	Buy	On Exch.					
	31/07/2012	3,500	1.020	Buy	On Exch.					
	01/08/2012	100	1.010	Buy	On Exch.					
	01/08/2012	100	1.010	Buy	On Exch.					
	01/08/2012	100	1.020	Buy	On Exch.					
	02/08/2012	5,000	1.000	Buy	On Exch.					
	02/08/2012	360	1.010	Buy	On Exch.					
	02/08/2012	200	1.010	Buy	On Exch.					
	02/08/2012	7,000	1.010	Buy	On Exch.					
	02/08/2012	1,000	1.020	Buy	On Exch.					
	02/08/2012	100	1.020	Buy	On Exch.					
	03/08/2012	200	1.010	Buy	On Exch.					
	06/08/2012	2,231	1.010	Buy	On Exch.					
	06/08/2012	5,123	1.020	Buy	On Exch.					
	07/08/2012	100	1.020	Buy	On Exch.					
	07/08/2012	550	1.020	Buy	On Exch.					
	07/08/2012	5,600	1.030	Buy	On Exch.					
	08/08/2012	2,166	1.030	Buy	On Exch.					
	08/08/2012	500	1.030	Buy	On Exch.					
	09/08/2012	100	1.020	Buy	On Exch.					
	09/08/2012	3,716	1.030	Buy	On Exch.					
	09/08/2012	200	1.030	Buy	On Exch.					
	10/08/2012	100	1.030	Buy	On Exch.					
	10/08/2012	200	1.030	Buy	On Exch.					
	10/08/2012	100	1.040	Buy	On Exch.					
	13/08/2012	7,800	1.020	Buy	On Exch.					
	13/08/2012	100	1.030	Buy	On Exch.					
	13/08/2012	100	1.030	Buy	On Exch.					
	13/08/2012	100	1.030	Buy	On Exch.					
	28/12/2012	30,538,198		Reorg. FM/MGP ⁽¹⁾						
Final Balance		121,724,196				59.48%	-	-		

(1) Company reorganisation that involved the merger by incorporation of ALGOSI – Gestão de Participações Sociais, SGPS SA into Mota Gestão e Participações, SGPS, SA and an increase in the capital of F.M. – Sociedade de Controlo, SGPS, SA due to contributions in kind.

Article 448 of the Companies Code

In compliance with the stipulations of Article 448(4) of the Companies Code, the following is a list of the shareholders who, as at 31 December 2012, held at least 10%, 33% or 50% of the share capital of MOTA-ENGIL, SGPS, SA:

Shareholder	2012		2011	
	N. of shares	% capital	N. of shares	% capital
Mota Gestão e Participações, SGPS, SA	121.724.196	59,48%	85.229.078	41,65%
ALGOSI – Gestão de Participações Sociais, SGPS SA ⁽¹⁾	-	-	30.538.198	14,92%

(1) Company merged into Mota Gestão e Participações, SGPS, SA on 27 December 2012.

Decree-Law n.º 411/91, of 17 October

Under the terms and for the purposes of article 21 of Decree-Law 411/91, of 17 October, we hereby declare that the MOTA-ENGIL GROUP has no past-due debt to Social Security.

Article 66(5)(g) of the Companies Code

The MOTA-ENGIL GROUP has branches in the following countries:

Company	Country
Mota-Engil, Engenharia e Construção, SA	Angola
	Algeria
	Brazil
	Cape Verde
	Chad
	Colombia
	Slovakia
	Spain
	United States
	Hungary
	Ireland
	Malawi
	Mozambique
	Peru
	Poland
	Czech Republic

Company	Country
	Romania
Mota-Engil, Ambiente e Serviços, SGPS, SA	Ireland
Trânsitos de Extremadura, SL	Lithuania
Vibeiras - Sociedade Comercial de Plantas, S.A.	Morocco
MESP Central Europe Sp. z.o.o.	Slovakia
	Hungary
	Czech Republic

Qualified holdings

In compliance with the provision of Article 2(4) of CMVM Regulation no. 5/2008, the following is a list of the holders of qualified holdings, giving the number of shares held and the corresponding percentage of rights to vote, computed as at 31 December, 2012, under the terms of article 20 of the Securities Code:

Shareholders	Nº of shares	% Capital
Mota Gestão e Participações, SGPS, SA	121,724,196	59.48%
António Manuel Queirós Vasconcelos da Mota	5,292,359	2.59%
Maria Manuela Queirós Vasconcelos Mota dos Santos	3,675,066	1.80%
Maria Teresa Queirós Vasconcelos Mota Neves da Costa	3,746,836	1.83%
Maria Paula Queirós Vasconcelos Mota de Meireles	4,231,630	2.07%
Carlos António Vasconcelos Mota dos Santos	29,300	0.01%
Attributable to FM – Sociedade de Controlo, SGPS, SA	138,699,387	67.78%
Kendall II, SA	9,472,764	4.63%
Investment Opportunities, SA	620,510	0.30%
Banco Privado Português, SA	271,243	0.13%
Attributable to Private Holding SGPS, SA	10,364,517	5.06%

Statement of the Board of Directors on remuneration policies applicable to Mota-Engil Group managers, as described in article 248-B(3) of the Securities Code (Recommendation no. II.1.5.3 of the CMVM Company Governance Code)

1. INTRODUCTION

In alignment with the recommendations made by the CMVM regarding the importance of the remuneration policy covering managers, as described in article 248-B(3) of the Securities Code, we present below the principles and general options in force, which extend to the entire group of Mota-Engil employees, including other staff whose professional activity could have a significant impact on the company's risk profile and whose remuneration contains an important variable component. Regarding the options in terms of remuneration applicable to the members of the management and supervisory bodies, which are mandated in Law 28/2009 of 19 June, please see the Declaration made by the Remuneration Committee for the concrete options in this matter.

2. GENERAL PRINCIPLES

The Mota-Engil Group's remuneration policy encompasses a set of operative principles that seek to guarantee their contribution to the pursuit of the strategic vision and culture outlined for the GROUP, as well as the alignment of the managers' interests with the Group's long-term interests.

- Ability to capture and retain

Through its remuneration policy, the Mota-Engil Group seeks to guarantee the attraction and retention of talent, adopting a competitive position in the market, taking into account the degree of responsibility of the employees and their contribution to the creation of value.

- Alignment of remuneration practices with short and long-term performance

Mota-Engil Group's remuneration policy and corresponding rules of application are indexed to the performance evaluation model in effect, which in turn encompasses the evaluation of performance indicators and goals taken from the Group's strategic plan, defined with a long-range perspective.

- Equity/Competitiveness

The remuneration policy is segmented into functional groups formed as a result of an evaluation of function, on the one hand allowing for an internal levelling of the compensation practices according to criteria of responsibility, complexity and autonomy whilst on the other hand, it guarantees its competitiveness with the practices in the market of reference..

- Meritocracy:

Underlying the criteria that establish the increase in compensation components is the success achieved by the Group and its businesses, as well as the evaluation of the individual performance of employees, in order to recognise and reward merit and excellence.

- Transversality/verticality:

The Mota-Engil Group seeks to associate a common policy for executive and management functions with its management model, promoting the transversal alignment and the convergence towards the Group's strategy, culture and objectives. In order to safeguard the specificity of the different businesses, the remuneration policy further incorporates rules for vertical application, company to company, in order to adapt its practices to the context of the related sector of activity and market of reference.

The Group's compensation policy is segmented into functional groups that aggregate functions according to parameters such as level of knowledge, complexity or responsibility/autonomy required, which are gauged through the international Hay methodology, being structured in the following manner:

- Top Executives
- Executives
- Top Management
- Management
- Technicians
- Administrative and Operational

The functional groups listed constitute the fundamental support for the definition of human resource policies, specifically the compensation policy, which that establishes, for each functional group, the compensation components and conditions whether they be fixed, variable and/or in benefits, taking into account the strategy outlined for positioning and the salary practices of the chosen markets of reference.

The Mota-Engil Group managers are categorised in the functional groups: Top Executives, Executives and Top Management.

3. CONCRETE OPTIONS

3.1 Overall architecture of the Group's remuneration policy

The Mota-Engil Group's remuneration policy includes three compensation components, which are defined in light of the function performed, the alignment with the salary practices of the market, and the performance exhibited by the employees:

- Fixed remuneration, which consists of gross base compensation with reference to a one-year period. Each functional group has an associated salary band, establishing minimum, average and maximum amounts, taking into consideration the function, level of experience and performance of the job holder and the salary practices of the market of reference and MOTA-ENGIL.
- Variable remuneration, which includes a short-term bonus, payable according to the achieving of defined performance goals and, in functional groups with greater responsibility, it includes a medium and long-term bonus, deferred over a three-year period. Each functional group establishes a set of target pays based on the salary practices in the market of reference for functions of an equivalent level of responsibility, according to the level of performance attained by the Group and the employee.
- Benefits, for which there is an established portfolio of applicable benefits, in accordance with the function performed and the corresponding functional group.

3.2 Indexing of the remuneration policy to the performance of the MOTA-ENGIL GROUP

With the objective of promoting the alignment of short and long-term interests of Mota-Engil and preventing the excessive assumption of risks, the payment of the variable component is indexed to the performance evaluation, the general principles of which and the corresponding method of application are set forth in the Corporate Performance Management model.

The performance evaluation in the Group encompasses two components:

- The quantitative evaluation, includes a set of Key Performance Indicators (KPIs), indexed to the "Ambition 2013" Strategic Plan (recently updated by "Ambition 2.0"), according to the Balanced Scorecard methodology, orienting the performance around four value perspectives: the Group's Financial sustainability and the creation of value for the shareholders; the satisfaction of customer needs; efficiency and innovation in terms of internal processes; and the development and enabling of human capital.

Presented below is a sample summary of the *KPI* matrix adopted in the *Balanced Scorecard* tool in effect in

the Group.

Financial Perspective	• ROCE • EBITDA • Turnover
Customers	• % international turnover generated in selected markets
Internal Processes	• Weight of investment on the generation of future turnover
Learning and Growth	• Participation of Staff Members in the ME Active School

- Qualitative evaluation, which results from an individual evaluation focusing on key-competencies for the Group (corporate, managerial and personal).

Preventative mechanisms are also set in place, which seek to promote restraint in the assumption and taking of risks that could be damaging to the interests of the Company. They inhibit the payment of variable compensation in order to minimise the incentive of results not in line with a perspective of creating sustainable value with a long-term perspective. Additionally, in the performance evaluations, criteria such as the risks assumed by those making decisions as well as the following of norms applicable to the Company's business are taken into consideration.

3.3 Plans for allocating shares or options for acquiring shares

There are no plans for allocating shares or options for acquiring shares related to the managers, as described in Article 248-B(3) of the Securities Code.



*Consolidated
Report & Accounts
2012*

04.

*Audit
Reports*

LEGAL CERTIFICATION OF CONSOLIDATED ACCOUNTS
(TRANSLATION OF A REPORT ORIGINALLY ISSUED IN PORTUGUESE)

INTRODUCTION

1. We have audited the consolidated financial statements of “**MOTA - ENGIL, SGPS, S.A.**” and subsidiaries, which include the Consolidated Statement of Financial Position at the 31st December 2012, (which evidences a total of Euro 3.598.748.533 and a total equity of Euro 435.981.015, including a consolidated net profit of Euro 40.745.635), the Consolidated Statements of Profit and Loss and of Comprehensive Income, of Changes in Equity and of Cash Flow for the financial year finished at that date and the corresponding Notes.

RESPONSABILITIES

2. The Company’s Board of Directors is responsible for the preparation of consolidated financial statements which disclose a true and suitable view of the group of companies included in the consolidation financial position, the consolidated results and the consolidated comprehensive income of its operations, the consolidated changes in equity and the consolidated cash flows, as well as the utilization of adequate methods and policies of accounting for that purpose, and the maintenance of an appropriate internal control system.

3. Our responsibility consists of expressing a professional and independent opinion based in our examination of those consolidated financial statements.

SCOPE

4. Our examination was performed in accordance with the Technical Standards and Guidelines issued by the Ordem dos Revisores Oficiais de Contas (Portuguese Institute of Statutory Auditors), which require a planned and executed examination in order to obtain an acceptable reliance degree on if the consolidated financial statements are exempt from significant deviations. So, the aforesaid examination included:

- the verification if the financial statements of the group of companies included in the consolidation were properly examined and if not, on the relevant cases, the verification, in a sampling basis, of the support of the amounts and the disclosure, in them contained, and the evaluation of the estimates, based on judgments and methods defined by the Company’s Board of Directors, used in their preparation;
- the verification of the consolidation operations and the application of the equity method;
- the appreciation of the adequacy of the adopted accounting policies, their uniform application and their disclosure, taking into account the circumstances.
- the verification of the applicability of the going concern concept; and
- the appreciation of being adequate, on the whole, the consolidated financial statements presentation.

5. Our examination also includes verifying that the financial information included in the consolidated Management Report is consistent with the consolidated financial statements mentioned above, as well as with the verifications required by the numbers 4 and 5 of the Article 451º of Código das Sociedades Comerciais (Portuguese Companies Code).

6. We understand that the performed examination allows an acceptable basis for the expression of our opinion.

OPINION

7. In our opinion, the mentioned consolidated financial statements present in a true and appropriate manner, in all relevant aspects, the consolidated financial position of “**MOTA-ENGIL, SGPS, S.A.**” and subsidiaries, on the 31st of December 2012, the consolidated results and the comprehensive income of its operations, the consolidated changes in equity and the consolidated cash flows for the year then ended, in conformity with International Financial Reporting Standards as adopted by the European Union.

REPORT ON OTHER LEGAL REQUIREMENTS

8. It is also our opinion that the consolidated financial information included in the consolidated Management report is consistent with the consolidated financial statements and that the Corporate Governance Report includes the information required by the Article 245º-A of Código dos Valores Mobiliários (Securities Market Code).

Porto, 19th March 2013

António Magalhães & Carlos Santos - SROC, Statutory Auditors Company,
represented by Carlos Alberto Freitas dos Santos – Statutory Auditor n.º 177

REPORT AND OPINION OF THE STATUTORY AUDIT BOARD
(translation of a report originally issued in Portuguese)

To the Shareholders of MOTA-ENGIL, SGPS, S.A.

In compliance with legal and statutory obligations, the Statutory Audit Board of MOTA-ENGIL, SGPS, S.A., presents the report of its activities during 2012, as well as its opinion on the documents comprising the consolidated financial report, which include the management report and consolidated financial statements presented by the Company's Board of Directors for that year.

The Statutory Audit Board, as is customary, met regularly and accompanied the progress of the Company, particularly through contacts with the Board of Directors and its members and with the main persons responsible for the Group's services, who provided all the information that was needed.

The Statutory Audit Board also accompanied the activity of the Firm of Statutory Auditors, and in this way, obtained elements that were useful to them in the performance of their supervisory responsibilities.

The Statutory Audit Board analysed the aforesaid documents of the consolidated financial report, the Audit Clearance for the Consolidated Accounts, issued by the Statutory Audit Firm, and the Report of the Statutory Auditor, who is registered with the CMVM (Securities Exchange Commission).

Pursuant to the terms of Art. 245(1)(c) of the Securities Code, the members of the Statutory Audit Board hereby declare that, to the best of our knowledge, the information contained in the Consolidated Report and Accounts for 2012 was drawn up in accordance with the applicable accounting principles and gives a true and fair view of the assets and liabilities, the financial situation and the results of MOTA-ENGIL, SGPS, S.A. and the companies within the perimeter of its consolidation, and that the management report faithfully describes the progress of the business, performance and position of MOTA-ENGIL, SGPS, S.A., and the companies within the perimeter of its consolidation, including a description of the main risks and uncertainties they face.

In light of the foregoing, the Statutory Audit Board is of the opinion that the aforementioned documents of the consolidated financial report presented by the Board of Directors should be approved.

Porto, 19 March 2013

AUDITORS' REPORT

CONSOLIDATED FINANCIAL STATEMENTS (translation of a report originally issued in Portuguese)

Introduction

1. In compliance with article nº245 of the Securities Market Code, we hereby present our Auditors' Report on the consolidated financial information contained in the Board of Directors Report and on the accompanying consolidated financial statements for the year ended 31 December 2012 of Mota-Engil, S.G.P.S., S.A. and subsidiaries ("the Company"), which comprise the consolidated Statement of the Financial Position as of 31 December 2012, that presents a total of 3,598,748,533 Euros and shareholders' equity of 435,981,015 Euros, including a net consolidated profit of 40,745,635 Euros, the Consolidated Statements of Income and Comprehensive Income, of Changes in Equity and of Cash Flows for the year then ended and the corresponding notes.

Responsibilities

2. The Company's Board of Directors is responsible for: (i) the preparation of consolidated financial statements that present a true and fair view of the financial position of the Company and of the group of companies included in the consolidation, the consolidated results and comprehensive income of their operations, the consolidated changes in its equity and their consolidated cash flows; (ii) the preparation of historical financial information in accordance with the International Financial Reporting Standards as adopted by the European Union, and that is complete, true, up-to-date, clear, objective and licit, as required by the Securities Market Code; (iii) adopting adequate accounting principles and criteria and the maintenance of appropriate internal control systems; and (iv) informing on any significant facts that have influenced its operations and the operations of the group of companies included in the consolidation, their financial position, their results or their comprehensive income.
3. Our responsibility is to verify the financial information included in the documents of account referred to above, namely if, in all material respects, the information is complete, true, up-to-date, clear, objective and licit, as required by the Securities Market Code, and issuing a professional and independent report on that financial information based on our examination.

Scope

4. Our examination was performed in accordance with the Technical Review/Audit Standards ("*Normas Técnicas e as Directrizes de Revisão/Auditoria*") issued by the Portuguese Institute of Statutory Auditors ("*Ordem dos Revisores Oficiais de Contas*"), which require that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the consolidated financial statements are free of material misstatement. An examination includes verifying, on a sample basis, evidence supporting the amounts and disclosures in the financial statements and assessing the estimates, based on judgements and criteria defined by the Company's Board of Directors, used in their preparation. An examination also includes: the verification of the consolidation procedures used, the application of the equity method, as well as verifying that the financial statements of the companies included in the consolidation have been appropriately examined; assessing the adequacy of the accounting principles used and their uniform application and disclosure, taking into consideration the circumstances; the verification of the applicability of the going concern concept; the adequacy of the overall presentation of the consolidated financial statements; and assessment that, in all material respects, the information is complete, true, up-to-date, clear, objective and licit. Our examination also comprises verifying that the consolidated financial information contained in the Board of Directors' Report is in accordance with the other consolidated documents of account, as well to perform the verifications established in nº4 and nº5 of the article 451º of the Securities Market Code. We believe that our examination provides a reasonable basis for expressing our opinion.

Opinion

5. In our opinion, the consolidated financial statements referred to in paragraph 1 above, present fairly, in all material respects, the consolidated financial position of Mota-Engil, S.G.P.S., S.A. and subsidiaries as of 31 December 2012, the consolidated results and comprehensive income of its operations, the consolidated changes in its equity and their consolidated cash flows for the year then ended, in accordance with the International Financial Reporting Standards as adopted by the European Union, and the information contained therein is, in terms of the definitions included in the technical standards and review recommendations referred to in paragraph 4 above, complete, true, up-to-date, clear, objective and licit.

Report on other legal requirements

6. It is also our opinion that the financial information included in the Board of Directors' Report is in accordance with the consolidated financial statements of the year and that the Corporate Governance Report includes the information required to the Company, as established by the Article 245º- A of the Securities Market Code.

Porto, 19 March 2013

Deloitte & Associados, SROC S.A.
Represented by Jorge Manuel Araújo de Beja Neves



Porto offices

Rua do Rego Lameiro, n.º 38
4300-454 Porto
TEL.: +351 225 190 300
FAX: +351 225 191 261

Lisbon offices

Rua Mário Dionísio, n.º 2
2799-557 Linda-a-Velha
TEL.: +351 214 158 200
FAX: +351 214 158 700

www.mota-engil.pt