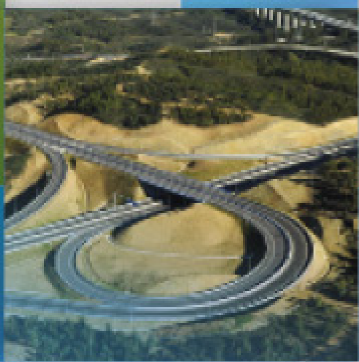
MOTA-ENGIL, SGPS, S.A.

Management Report and Consolidated Financial Statements

As of 1st Half

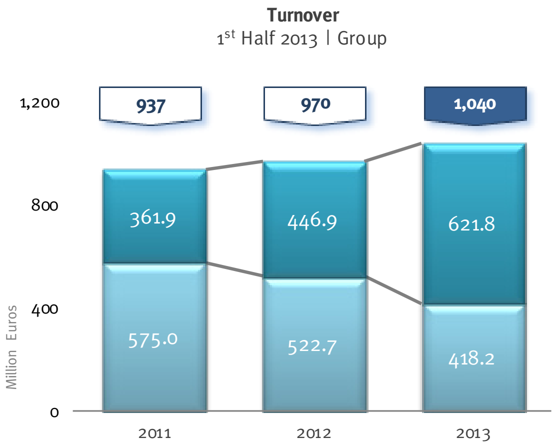
2013

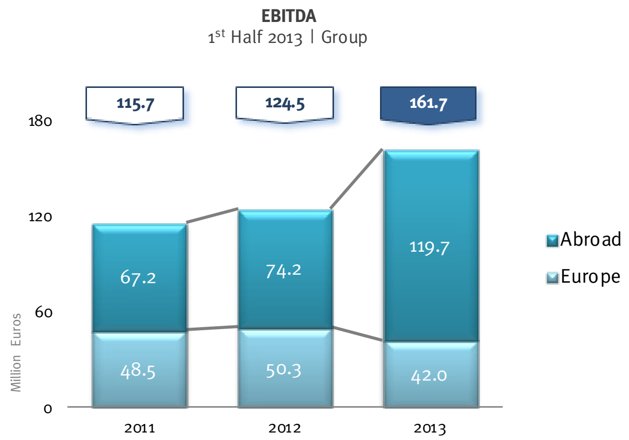


Mota-Engil. A World of Inspiration

Highlights

- GROUP net income grows 13.2% to €20.7 million
- GROUP's international activity represents 70% of total revenues
- EBITDA rises 30% and EBIT approximately 31%, with margins of 15.5% and 9.8%, respectively(*)
- Order book of €3.6 billion (more than 80% in foreign markets)
- Significant increase in debt maturity, with short term being transferred to medium to long term debt





thousand euros

	1H13	% T	Δ	1H12 (*)	% T	2Q13	% T	Δ	2Q12 (*)	% T
	(non audited)			(non audited)		(non audited)			(non audited)	
Turnover	**1,039,959**		**7.3%**	**969,510**		**568,747**		**11.4%**	**510,475**	
EBITDA	**161,695**	**15.5%**	**29.9%**	**124,468**	**12.8%**	**99,474**	**17.5%**	**48.2%**	**67,120**	**13.1%**
EBIT	101,885	9.8%	31.0%	77,788	8.0%	66,047	11.6%	47.3%	44,854	**8.8%**
Net financial income	(51,583)	(5.0%)	(28.3%)	(40,216)	(4.1%)	(27,029)	(4.8%)	(27.0%)	(21,282)	**(4.2%)**
Net income/losses from equity method	405	0.0%	(94.6%)	7,479	0.8%	(3,230)	(0.6%)	(177.5%)	4,166	**0.8%**
Income before taxes	50,707	4.9%	12.6%	45,051	4.6%	35,788	6.3%	29.0%	27,737	**5.4%**
Net income	36,870	3.5%	6.2%	34,733	3.6%	26,189	4.6%	28.3%	20,410	**4.0%**
Attributable to:										
Non-controlling interests	16,128	1.6%	(1.7%)	16,412	1.7%	10,982	1.9%	66.1%	6,612	1.3%
Group	**20,743**	**2.0%**	**13.2%**	**18,321**	**1.9%**	**15,208**	**2.7%**	**10.2%**	**13,798**	**2.7%**

Ebitda = Operating result + amortisation + provisions and impairment losses; Net debt = Debt – cash and cash equivalents;

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

Non-audited accounts

MOTA-ENGIL, SGPS, S.A.

Index

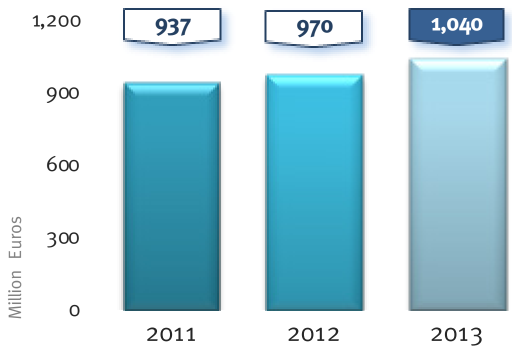
Management Report and Consolidated Financial Statements as of 1st Half of 2013

01.
Interim Consolidated Management Report

MOTA-ENGIL, SGPS, S.A.

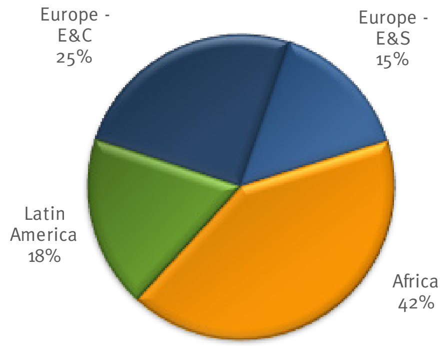
1. Financial Analysis

Turnover
1st Half 2013 | Group



2012 and 2011: Proforma figures, INDAQUA equity consolidated

Turnover
1st Half 2013 | Business areas

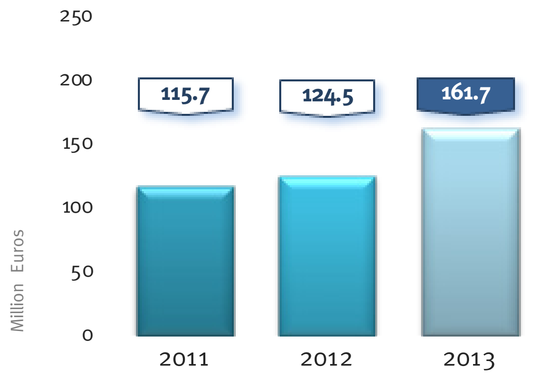


GROUP's revenues reached €1.04 billion in the first half of 2013, up 7% year on year (2012 pro-forma: €970 million). In the second quarter of the year, revenues were of €569 million, an 11.4% increase as compared to the €511 million of pro forma revenues obtained in the same period of 2012.

As referred in the first quarter report, the GROUP integrated the Portuguese and Central European markets in one single regional platform in order to fully take advantage of both operating and financial synergies. As a result the regional analysis herein disclosed includes the following breakdown: Europe, Africa and Latin America.

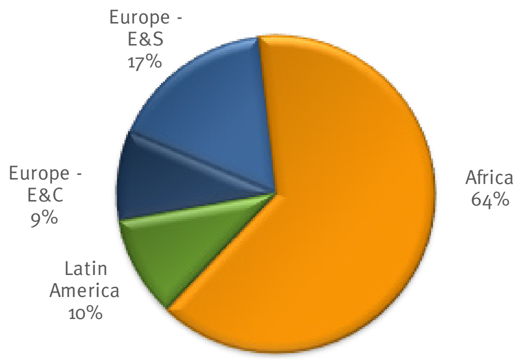
Revenues growth was primarily reached on the behalf of the good performance achieved in Latin America (a 48% growth) and, as previously announced, an outstanding performance in Africa (68% increase in the second quarter and 36% accumulated in the first half year). These two markets' weight in total revenues has been growing steadily, accounting now for approximately 60% (1st half of 2012: 46%) of total consolidated revenues. A high order book in both markets and the addition of new countries in Africa bode well for a good evolution of the GROUP's international activity, going forward. Once more, it is worth mentioning that this performance is in line with the strategic guidelines presented in the GROUP's Strategic Plan: Ambition 2.0, though it is foreseeable that the business mix will continue to change towards a lower weight of European operations and higher contribution from the other geographies.

EBITDA
1st Half 2013 | Group



2012 and 2011: Proforma figures, INDAQUA equity consolidated

EBITDA
1st Half 2013 | Business areas

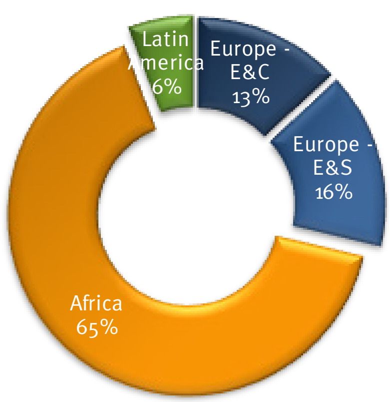


The performance achieved at the EBIDA level was also excellent, with a 30% increase up to June to more than €37 million as compared to the first half of 2012, once more, mainly due to the contribution of the African market (EBITDA margin in excess of 23%), though Latin America's margin recovered in the 2nd quarter of the year and margins remained close to 10% in Europe.

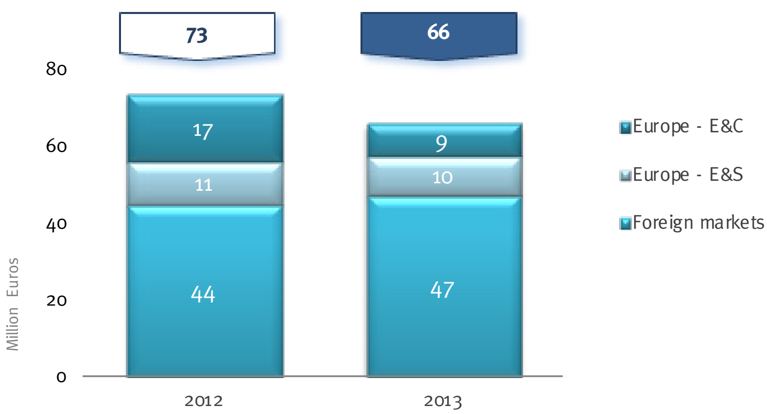
African and Latin American markets have increased their contribution to the GROUP's operating profitability (1st half of 2013: 74%; 1st half of 2012: 60%).

The EBITDA margin's improvement to 15.5% in the first six months of 2013 as compared to 12.8% in the same period of 2012 (pro forma) comes not only as a result of the aforementioned change in the mix of revenues and margins but also of the efforts undertaken to improve operating efficiency. The latter came as a result of cross border know how and best practices sharing and quality standards achieved in more mature markets. Lastly, the above mentioned improvement in margins also came as a result of a combination of projects in different regions that allowed for all time high margins in the vast majority of the countries where the GROUP operates.

Capex
!st Half 2013 | Group



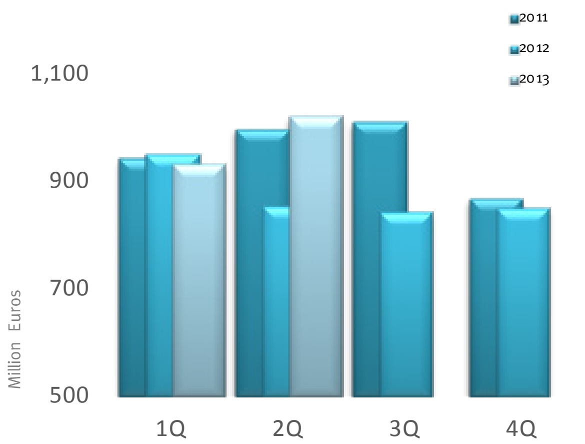
Capex Evolution



2012: Proforma figures, excluding INDAQUA's CAPEX

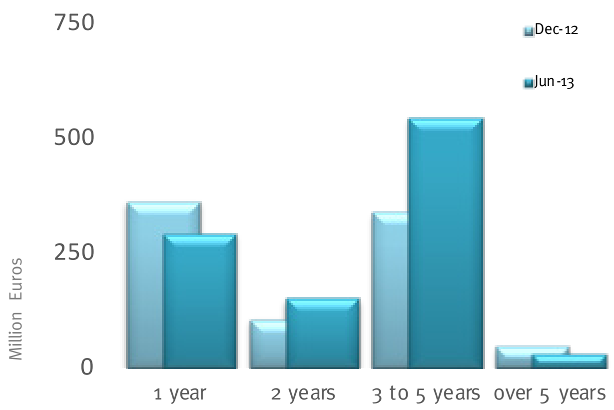
During the first half of 2013, net consolidated capital expenditure reached €66 million (2012 pro forma: €73 million), with non-European markets contributing naturally with larger amounts (2013: €47 million versus 2012: €44 million). When analysing capital expenditure by its nature, expansion capex reached €40 million (including €31 million in Africa and Latin America and €8 million in non-construction areas in Europe) and maintenance capex was of approximately €27 million.

Total Net Debt Evolution



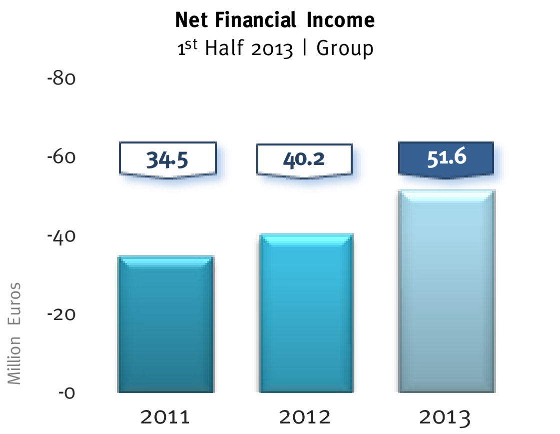
2012 and 2011: Proforma figures, Indaqua equity consolidated

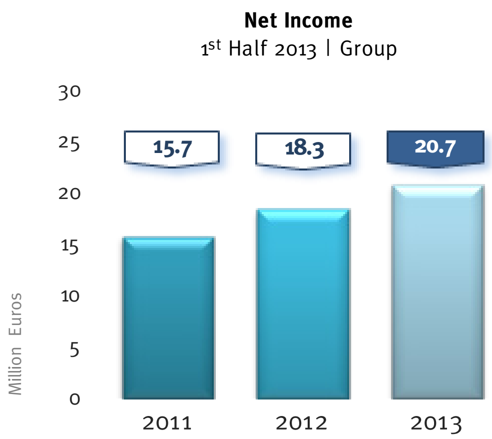
Total Net Debt Maturity Evolution



As mentioned before, a great effort was made to accelerate production levels in a set of projects in several countries that were affected by the abnormal weather conditions during the winter time. Furthermore, the Group started preparing its entrance in new markets which had a negative impact on working capital and therefore total net debt increased to €1.02 billion, offsetting the trend of lowering debt that happened at the beginning of the quarter.

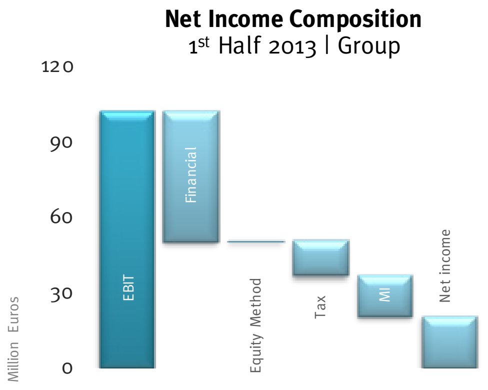
It is, however, worth mentioning that the Group's debt maturities were extended, thanks in part to the €175 million retail bond issue, maturing in 2016, and to another bond issue placed with international investors, worth US$ 50 million, also maturing in 2016. As a result, considering the total net debt, including leasing and factoring, approximately €900 million, or 70% of the total, as of June 30th, 2013 had maturities above 1 year. Short term net debt decreased therefore by €90 million as compared to the figure reported in 2012 FY.

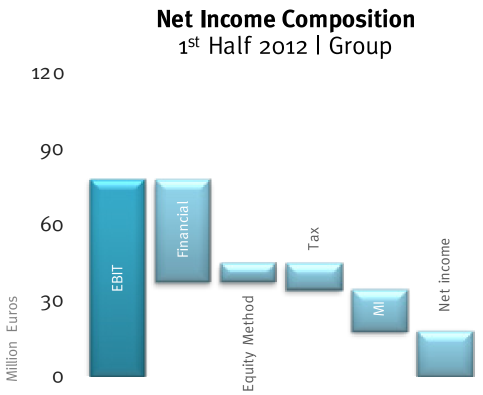




2012 e **2011**: Proforma figures, INDAQUA equity consolidated

In the first half of 2013, net financial expenses were of €51.6 million (2012 pro forma: €40.2 million), a 28% increase as compared to the same period of 2012. The deterioration was mainly explained by foreign exchange losses (as opposed to gains in 2012), changes in the consolidation perimeter and obviously by an increase in the cost of debt.

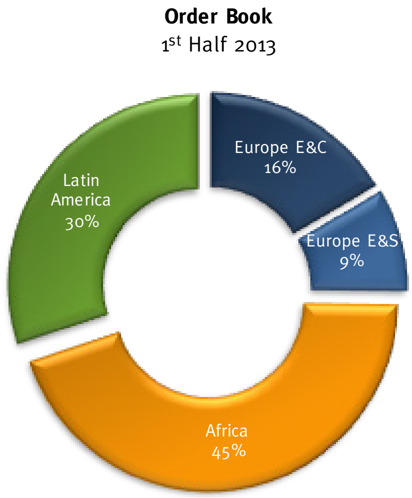




2012: Proforma figures, INDAQUA equity consolidated

Income from equity consolidated companies had a positive contribution to GROUP's net income of €405 thousand (2012 pro forma: €7.5 million). Ascendi, the sub-holding company for road and railroad concessions had a contribution of €11.7 million (2012: €8.6 million).

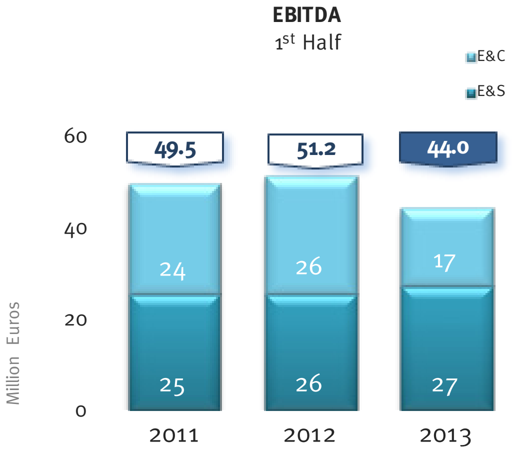
As a result of both the operating and financial performances, GROUP's net attributable income increased by 13.2% to €21 million (2012: €18 million).



The order book as of the end of June 2013 reached €3.6 billion, €2.9 billion of which in foreign markets, representing more than 80% of the total figure. As usually reported the order book only includes construction, waste and maintenance contracts and does not include future predictable revenues in water sanitation and distribution nor future revenues in seaport terminal concessions.

2. Business areas' analysis

Europe

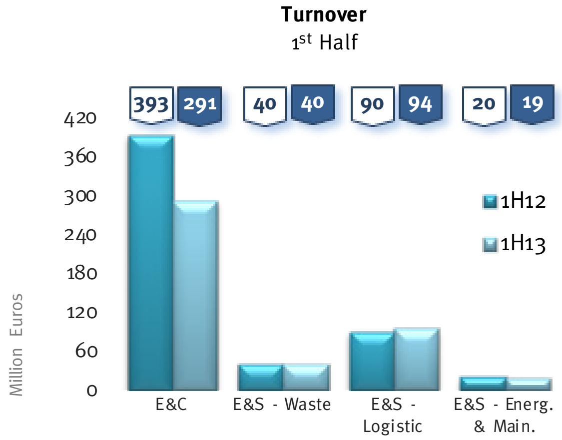


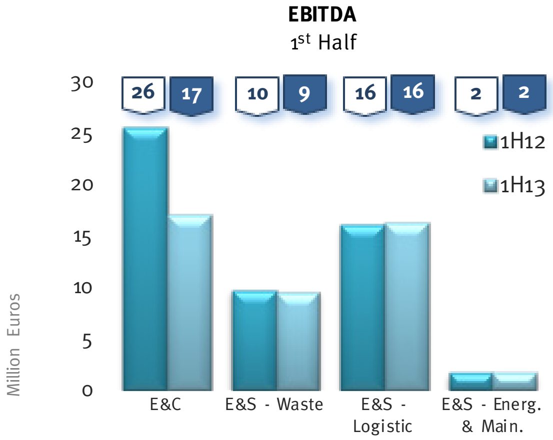
2012 e **2011**: Proforma figures, INDAQUA equity consolidated

Europe's business area includes engineering & construction and environment & services activities performed by the GROUP in Portugal and Central Europe or managed by the management structure in the aforementioned region. As far as the environment & services businesses are concerned, the GROUP is involved in logistics, waste, water, energy and maintenance activities.

MOTA-ENGIL's revenues in Europe reached €444 million in the first half of 2013 (2012 pro forma: €538 million), a 17.5% drop year on year on lower revenues in Construction (-26%) that was not offset by the environment & services activities whose revenues reached €156 million (2012 pro forma: €152 million).

EBITDA in Europe, despite the margin slight improvement to 9.9% (2012 pro forma: 9.5%), fell 14% in absolute terms to €44 million (2012 pro forma: €51.2 million) mainly because of lower activity in the construction related companies.



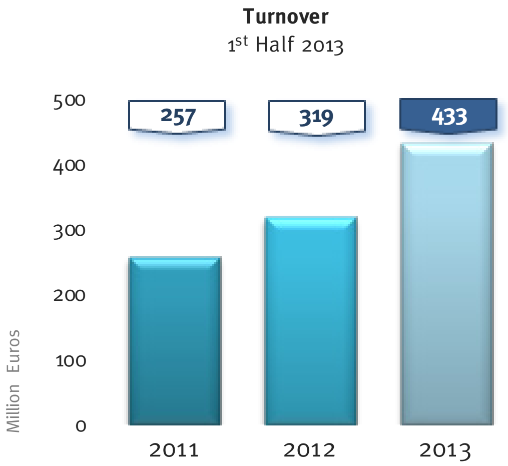


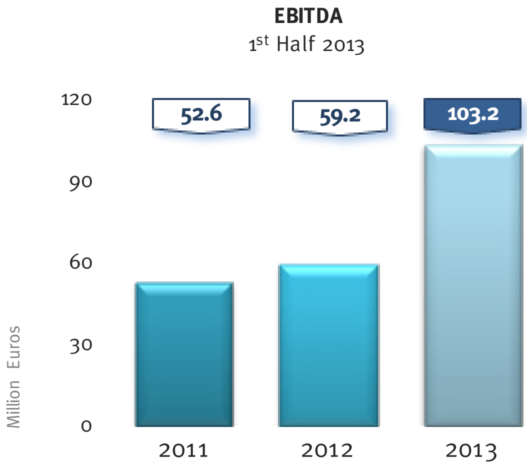
The performance of the waste management segment in Europe, in the first half of 2013, was similar to that of the first half of 2012 at both the revenues (2013 and 2012: €40 million) and EBITDA levels (2013: €9 million and 2012: €10 million).

Logistics remains the largest in terms of revenues within the environment & services activities. Revenues advanced by 5% year on year (€93.9 million in 2013 as compared to €89.8 million in 2012) and EBITDA was flat (2013 and 2012: €16 million). This performance was obtained on the back of higher volumes in the ports business but also of efficiency gains obtained by an integrated management approach to the latter concessions.

The maintenance and energy segment despite a slightly lower activity produced an EBITDA in line with last year's (€2 million).

Africa





Africa is a natural market for the Group as its presence in Angola started more than 66 years ago. This footprint allows it to operate with a strong brand in the marketplace: Mota-Engil Angola. With a strong activity also in Mozambique and Malawi and expanding in South Africa, Cape Verde, S. Tomé and Príncipe, Zambia, Ghana and Zimbabwe, Mota-Engil is increasing its reach in sub-Saharan Africa, enlarging geographically its activity, researching new markets and looking forward to diversifying its activities to new business areas, fully committed to contribute to the development of these promising economies.

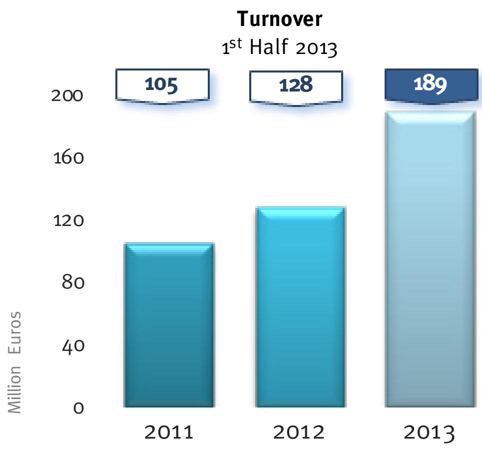
It is worth mentioning the award in the second quarter of 2013 of important contracts in Zambia and Ghana for approximately €200 million, two newly added countries in the region. Zambia was one of the countries that was researched in order to execute the pan-African vision. The country that has common borders with three other countries where the Group has operations (Angola, Mozambique and Malawi) is a member of SADC and COMESA, two organisations that aim at fostering regional development. After the year 2000, Zambia's GDP stopped suffering from cyclicality and grew steadily: 7.6%, 6.8% and 7.3% in 2010, 2011 and 2012. This trend should last until at least 2017, according to IMF forecasts. Ghana was also a country researched by the Group, following a previous experience in the marketplace. Anchored on sound macroeconomic management, a favourable evolution of oil, gold and cocoa prices, real GDP has grown fast with 8%, 14.4% and 7% in 2010, 2011 and 2012.

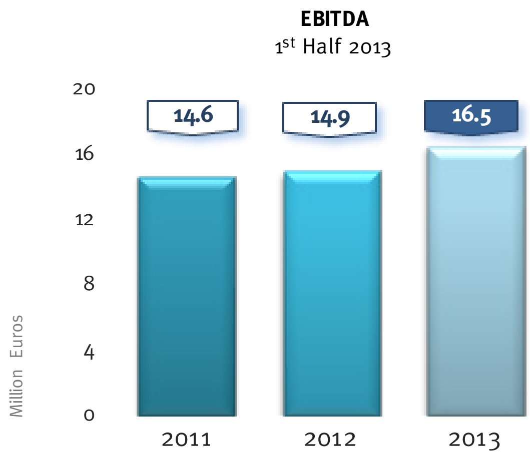
Revenues in Africa represented approximately 42% of Group's total revenues (2012: 33%).

In the first half of 2013, revenues in Africa reached €433 million, up a whopping 35.7% as compared to the first half of 2012 (€319 million). The EBITDA margin improved from 18.6% in 2012 to 23.8% in 2013. Together with higher revenues, it allowed EBITDA to attain €103.2 million (2012: €59.2 million).

As for the order book in the region, it reached of €1.59 billion in June 2013 (December 2012: €1.48 billion) and allows for an optimistic view as far as the region's growth prospects are concerned.

Latin America





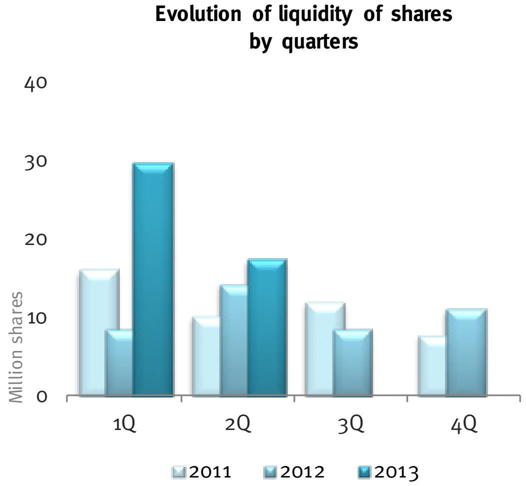
In Latin America, MOTA-ENGIL currently concentrates its activities in Peru, Mexico, Brazil and since 2013, Colombia as well. The region already represented 18% of the GROUP's activity (1st half of 2012: 13%). The recently announced awards of approximately €400 million (€185 million in Brazil, €134 million in Peru, €65 million in Mexico and €12 million in Colombia) are encouraging signals for future growth going forward, in accordance with the goals set in the Strategic Plan Ambition 2.0 (2015: approximately 27% of MOTA-ENGIL revenues).

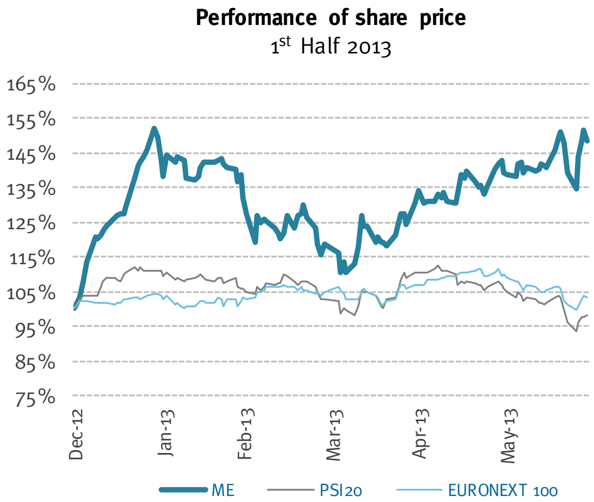
In the first half of 2013, revenues in the region attained €189 million, a whopping 47.8% growth year on year (2012: €128 million).

EBITDA margin was eroded from 11.7% in the first half of 2012 to 8.7% in the current year mainly due to the diversification effort, in terms of type of works but also to start-up costs in new countries that put margins under pressure. This diversification will lead to risk mitigation related to an excessive concentration of clients in few business areas.

As of June 2013, the order book in the region reached €1.07 billion.

3. Share price behaviour and dividends





MOTA-ENGIL's stock climbed approximately 25% in the second quarter of the year and 49% year to date whereas the PSI 20 Index dropped 3% in the second quarter and 1% year to date. The stock's turnover rose to approximately 17.4 million in the second quarter of 2013 as compared to 14 million in the same period of 2012. This behaviour came mainly as a result of resumed interest from non- resident investors in the stock, attracted by the good prospects in the emerging markets of Africa and Latin America where MOTA-ENGIL conducts business.

The General Shareholders' meeting as of 24 April 2013 decided, in accordance with the Board of Directors proposal, to pay a 11 euro cents dividend, paid in 24 May 2013.

Porto, August 26th, 2013

Gonçalo Moura Martins
Chief Executive Officer

José Pedro Freitas
Chief Financial Officer

Management Report and Consolidated Financial Statements as of 1st Half of 2013

02. *Interim Consolidated Financial Information*

Separate Consolidated Income Statement
For The Periods Ended June 30, 2013 & 2013

	1st Half		2nd Quarter	
	2013 Euro	2012 Euro	2013 Euro	2012 Euro
	(non audited)	(non audited)	(non audited)	(non audited)
Sales & services rendered	1,039,958,675	1,012,106,383	568,747,191	530,637,477
Other revenues	13,778,387	52,331,293	(2,390,875)	22,105,060
Cost of goods sold, mat. cons. & Subcontractors	(462,585,655)	(555,335,562)	(228,967,248)	(284,765,908)
Gross profit	**591,151,407**	**509,102,114**	**337,389,068**	**267,976,629**
Third-party supplies & services	(222,813,788)	(196,691,102)	(126,526,151)	(112,517,853)
Wages and salaries	(217,797,066)	(202,391,820)	(114,273,846)	(105,389,084)
Other operating income / (expenses)	11,154,847	24,348,481	2,885,111	22,346,905
	161,695,400	**134,367,673**	**99,474,182**	**72,416,597**
Depreciation & Amortization	(51,031,759)	(46,990,314)	(26,538,538)	(23,974,301)
Provisions and impairment losses	(8,778,873)	(3,820,227)	(6,888,245)	(338,831)
Operating profit	**101,884,768**	**83,557,132**	**66,047,399**	**48,103,465**
Financial income & gains	43,009,019	73,386,169	12,329,818	44,652,683
Financial costs & losses	(94,592,283)	(119,110,021)	(39,359,082)	(68,704,715)
Gains / (losses) in associates and jointly controlled companies	405,486	7,401,462	(3,229,768)	3,988,294
Income Tax	(13,836,501)	(10,427,729)	(9,599,013)	(7,475,811)
Consolidated net profit of the year	**36,870,489**	**34,807,013**	**26,189,354**	**20,563,916**
Attributable:				
to non-controlling interests	16,127,679	16,486,229	10,981,626	6,765,915
to the Group	**20,742,810**	**18,320,784**	**15,207,728**	**13,798,001**
Earnings per share:				
basic	0.1072	0.0947	0.0786	0.0713
diluted	0.1072	0.0947	0.0786	0.0713

To be read with the Notes to the Consolidated Financial Statements

Statement of Consolidated Comprehensive Income
For The Periods Ended June 30, 2013 & 2012

	1st Half		2nd Quarter	
	2013 Euro	2012 Euro	2013 Euro	2012 Euro
	(non audited)	(non audited)	(non audited)	(non audited)
Consolidated net profit for the period	**36,870,489**	**34,807,013**	**26,189,354**	**20,563,916**
Other comprehensive income				
Exchange differences stemming from transposition of financial statements expressed in foreign currencies	(2,819,273)	4,683,623	(10,164,292)	9,082,177
Variation, net of tax, of the fair value of financial derivatives	223,929	(1,530,152)	68,365	(512,076)
Other comprehensive income in investments in associates using the equity method and other	26,557,674	(48,546,826)	8,802,376	(35,159,491)
Total comprehensive income for the period	60,832,819	(10,586,342)	24,895,803	(6,025,474)
Attributable:				
to non-controlling interests	17,128,621	17,534,226	(8,290,211)	9,910,955
to the Group	**43,704,198**	**(28,120,568)**	**33,186,014**	**(15,936,429)**

To be read with the Notes to the Consolidated Financial Statements

Consolidated Statement of Financial Position as at June 30, 2013 & December 31, 2012

	2013 Euro	2012 Euro
	(non audited)	(audited)
Assets		
Non-current		
Goodwill	128,408,485	127,032,435
Intangible fixed assets	134,096,975	125,049,866
Tangible fixed assets	635,373,771	613,431,371
Financial investments under the equity method	211,494,253	218,904,879
Available for sale financial assets	6,690,791	39,035,324
Investment properties	72,862,380	66,184,763
Customers & other debtors	183,997,595	174,431,385
Deferred tax assets	53,261,063	50,344,866
	1,426,185,313	1,414,414,889
Non-current Assets Held for Sale	93,919,833	79,397,669
Current		
Inventories	303,000,262	268,514,341
Customers	984,188,461	924,465,249
Other debtors	370,566,417	318,835,576
Other current assets	337,289,555	321,342,072
Cash & cash equivalents – Demand Deposits	225,446,660	206,998,794
Cash & cash equivalents – Term Deposits	68,807,339	64,779,943
	2,289,298,694	2,104,935,975
Total Assets	3,809,403,840	3,598,748,533
Liabilities		
Non-current		
Debt	727,158,343	490,539,261
Sundry Creditors	247,606,092	289,339,934
Provisions	104,105,586	99,626,053
Other non-current liabilities	2,298,794	1,410,964
Deferred tax liabilities	34,695,809	31,613,544
	1,115,864,624	912,529,756
Current		
Debt	586,493,767	631,693,024
Suppliers	557,781,359	525,854,871
Derivative financial instruments	1,080,370	1,393,557
Sundry Creditors	570,501,818	513,404,237
Other current liabilities	492,893,779	577,892,073
	2,208,751,093	2,250,237,762
Total Liabilities	3,324,615,717	3,162,767,518
Shareholders' equity		
Equity capital	204,635,695	204,635,695
Reserves	116,157,218	78,739,445
Consolidated net profit for the year	**20,742,810**	**40,745,635**
Own funds attributable to the Group	341,535,723	324,120,775
Non-controlling interests	143,252,400	111,860,240
Total shareholders' equity	484,788,123	435,981,015
Total shareholders' equity & liabilities	3,809,403,840	3,598,748,533

To be read with the Notes to the Consolidated Financial Statements

Statement of Consolidated
During The Periods Ended

	Equity capital	Own Shares	Issue premiums	Fair value reserves: Available-for-sale investments	Fair value reserves: Lands assigned to quarrying operations	Fair value reserves: Derivatives
Balance as at January 1, 2012 (audited)	**204,635,695**	**(22,749,225)**	**87,256,034**	**27,702,096**	**1,549,652**	**(10,037,500)**
Total comprehensive income for the period	-	-	-	-	-	(761,869)
Dividend distribution	-	-	-	-	-	-
Other distributions of results	-	-	-	-	-	-
Transfers for other reserves	-	-	-	-	-	-
Capital Increase	-	-	-	-	-	-
Balance as at June 30, 2012 (non audited)	**204,635,695**	**(22,749,225)**	**87,256,034**	**27,702,096**	**1,549,652**	**(10,799,369)**
Balance as at January 1, 2013 (audited)	**204,635,695**	**(22,749,225)**	**87,256,034**	**27,702,096**	**4,982,989**	**(996,393)**
Total comprehensive income for the period	-	-	-	-	-	223,929
Dividend distribution	-	-	-	-	-	-
Other distributions of results	-	-	-	-	-	-
Transfers for other reserves	-	-	-	-	-	-
Changes in the consolidation perimeter and in the interest of subsidiaries	-	-	-	-	-	-
Balance as at June 30, 2013 (non audited)	**204,635,695**	**(22,749,225)**	**87,256,034**	**27,702,096**	**4,982,989**	**(772,464)**

To be read with the Notes to the Consolidated Financial Statements

Changes in Equity
June 30, 2013 & 2012

Currency translation reserve	Other reserves	Net Profit	Own funds attributable to shareholders	Own funds attributable to non-controlling interests	Shareholders' equity
(28,523,967)	19,726,769	33,432,054	312,991,608	101,832,978	414,824,586
(2,566,854)	(13,548,020)	4,522,783	(12,184,139)	7,623,271	(4,560,868)
-	-	-	-	(3,222,493)	(3,222,493)
-	(166,664)	-	(166,664)	(110,359)	(277,023)
-	33,432,054	(33,432,054)	-	-	-
(31,090,821)	39,444,139	4,522,783	300,640,805	106,123,397	406,764,202
(34,537,451)	17,081,395	40,745,635	324,120,775	111,860,240	435,981,015
5,251,241	(423,703)	5,535,082	10,518,184	25,418,832	35,937,016
-	-	-	-	(4,072,265)	(4,072,265)
-	40,745,635	(40,745,635)	-	-	-
(29,286,210)	57,403,327	5,535,082	334,638,959	133,206,807	467,845,766

Statement of Consolidated Cash-Flows
For The Periods Ended June 30, 2013 & 2013

	2013 Euro	2012 Euro
OPERATING ACTIVITY	(non audited)	(audited)
Cash receipts from customers	439,401,747	456,213,168
Cash paid to suppliers	(381,766,564)	(394,304,053)
Cash paid to employees	(79,760,914)	(88,556,661)
Cash generated from operating activities	**(22,125,731)**	**(26,647,546)**
Income tax paid/received	(4,180,714)	(2,543,667)
Other receipts/payments generated by operating activities	(5,869,687)	(4,742,353)
NET CASH FROM OPERATING ACTIVITIES (1)	**(32,176,132)**	**(33,933,566)**
INVESTING ACTIVITY		
Cash receipts from:		
Tangible fixed assets	371,063	692,949
Interest and similar incomes	1,474,798	3,378,215
Dividends	-	55,260
Others	-	612,797
	1,845,861	**4,739,221**
Cash paid in respect of:		
Financial assets	(565,000)	(1,351,773)
Intangible fixed assets	(948,048)	(13,634,969)
Tangible fixed assets	(23,947,410)	(16,312,019)
	(25,460,458)	**(31,298,762)**
NET CASH FROM INVESTING ACTIVITIES (2)	**(23,614,597)**	**(26,559,541)**
FINANCING ACTIVITY		
Cash receipts from:		
Loans obtained	193,929,001	87,245,889
	193,929,001	**87,245,889**
Cash paid in respect of:		
Loans obtained	(43,928,749)	(7,559,105)
Amortization of finance lease contracts	(5,656,937)	(7,130,165)
Interest & similar expense	(22,237,945)	(20,288,177)
Other	(1,022,668)	(848,629)
	(72,846,299)	**(35,826,076)**
NET CASH FROM FINANCING ACTIVITIES (3)	**121,082,702**	**51,419,813**
Variation of cash & cash equivalents (4)=(1)+(2)+(3)	**65,291,973**	**(9,073,294)**
Variations caused by changes to the perimeter	(39,581)	1,042,470
Exchange rate effect	5,174,005	(1,585,247)
Cash & cash equivalents at the beginning of the year	**271,778,737**	**234,220,106**
CASH & CASH EQUIVALENTS AT THE END OF THE PERIOD	**342,205,134**	**224,604,035**

To be read with the Notes to the Consolidated Financial Statements

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