



MOTAENGIL
SGPS, S.A.

*Consolidated
Report &
Accounts*
2013

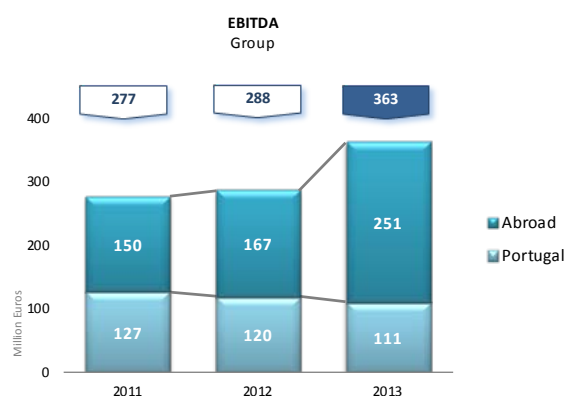
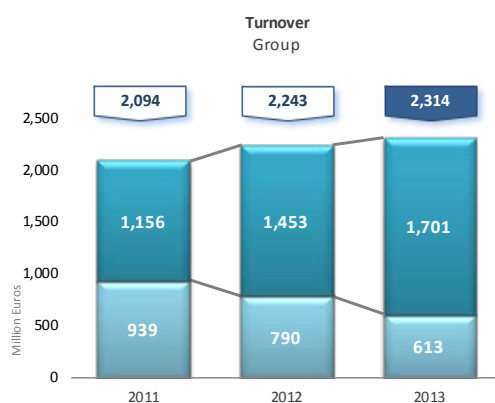
Mota-Engil. A World of Inspiration

01. Consolidated Management Report



Highlights

- > Net result of the Group grows by 24% to 50.5 million euros
- > International activity of the Group represents around 74% (2012: 65%)
- > Africa and Latin America with growth rates over 35%
- > Turnover grows some 3.1% exceeding 2,314 million euros
- > EBITDA increases 26% and EBIT around 42%, with margins of 16% and 11%, respectively
- > Order book of 3.9 billion euros (81% in external markets)
- > Significant increase in debt maturity with transfer from short- term to medium- and long-term



	2013	% T	Δ	2012	% T	4Q13	% T	Δ	4Q12 ^(*)	% T
	(audited)			(audited)		(non audited)			(non audited)	
Turnover	2,313,702		3.1%	2,243,167		650,925		5.2%	618,614	
Europe	911,142		(26.0%)	1,231,918		184,611		(41.7%)	316,876	
Africa	1,008,918		38.4%	728,811		302,896		43.2%	211,484	
Latin America	426,105		35.8%	313,856		123,539		23.6%	99,973	
Other & Interc.	(32,463)			(31,418)		39,879			(9,720)	
EBITDA	362,839	15.7%	26.2%	287,455	12.8%	96,985	14.9%	12.5%	86,178	13.9%
EBIT	242,876	10.5%	41.9%	171,180	7.6%	66,446	10.2%	51.8%	43,785	7.1%
Net financial income	(106,243)	(4.6%)	(28.8%)	(82,483)	(3.7%)	(28,468)	(4.4%)	(25.7%)	(22,641)	(3.7%)
Net income/losses from equity method	(1,451)	(0.1%)	(106.5%)	22,346	1.0%	(210)	(0.0%)	(101.7%)	12,319	2.0%
Income before taxes	135,182	5.8%	21.7%	111,044	5.0%	37,768	5.8%	12.9%	33,463	5.4%
Net income	88,468	3.8%	19.5%	74,007	3.3%	19,500	3.0%	19.3%	16,348	2.6%
Attributable to:										
Non-controlling interests	37,964	1.6%	14.1%	33,261	1.5%	6,911	1.1%	680.3%	886	0.1%
Group	50,505	2.2%	24.0%	40,746	1.8%	12,589	1.9%	(18.6%)	15,462	2.5%

EBITDA = operating result + amortisation + provisions and impairment losses; net debt = debt – cash and cash equivalents; (*) 4T12: Pro forma data considering using the equity method in the recognition of the interests held in the companies of the INDAGUA GROUP

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Message from the Chairman of the Board of Directors

Dear shareholders

We submit to your approval the accounts from the 2013 financial year, which we regard as exceptional considering the difficult world in which we live.

These are the result of an internationalisation and diversification policy that we built over the years and which has enabled us to successfully overcome the global crisis of the last years.

To the current and former executive management I must express my deep gratitude for the success we have achieved.

What we did in the last years poses new challenges and it is that which we have already started, with two important decisions already taken, one already implemented and another one still at the implementation stage.

- The free-float increase in our company
- Quoting our African business in an European stock exchange

In my opinion, it is a decision that, besides strengthening the recognition of Mota-Engil, SGPS, will allow a greater investment in the strategy the Group chose to adopt and that is being implemented.

To respond to this new challenge, the Group will adapt its Governance Model, with a greater Management autonomy in the Regions where we operate, alongside the Group spirit that has always been an integral part of Mota-Engil, with the proposal we shall present to the Shareholders so that the CEOs from each Region find a seat in the Administration Board.

I believe that our Group will be stronger, more competitive and capable of continuing to have success in a World in which it is increasingly important to be a company acknowledged in each market in which we operate.

As this year is marked by the term of the mandate of the Administration Board of the Group and the members of the General Assembly, I would like to thank the great work they have performed.

Lastly, I thank our collaborators for the effort they have been making. I have no doubt they will support another stage of the Group.

António Mota
Chairman of the Board of Directors

Message from the Chief Executive Officer

Having completed another year, I turn to the Shareholders to, in compliance with statutory and governance obligations, report on the course of the society's business.

We have been witnessing a constant improvement, possibly not yet sustained, of economic activity and context, in which we rejoice, but that per se does not yet express the assurance of resolution of, possibly, the largest economic crisis of the last century.

Nevertheless, such signs are encouraging and must be duly noted with the proper precaution, being conveyed in the macroeconomic statistics of the country, in the advanced indicators of the economy, in the improvement of the liquidity of the financial system, in the increase in the expectations of economic agents and in the performance of the capital markets.

Notwithstanding the slight signs of recovery, which we are so very pleased to discern, the Group had yet again very sound behaviour, having, in fact, the best operational performance ever.

Remarkable resilience in the markets still under pronounced decrease, like the Portuguese, strong growth in potential markets, with an improvement in margins which, let it be noted, are at the level of the best in class within the global construction industry.

But what is most comforting is that such powerful operational performance expresses knowledge, experience, efficient and effective resources, motivated teams and an organisation with strategic guidance.

And that renews our confidence in the future.

Thus, the Group proceeded on its path in accordance with the strategic planning approved, toward sustainable growth, increased profitability and strengthening of its balance, increased empowerment of its personnel, renewed investment in its production means, increased proactivity in its commercial activity, deepening of its diversification and presence in its current markets.

Such operational performance on part of the Group, conveyed by the 2013 results now presented, does not go unnoticed by the capital markets, where the Group has envisioned constant and sustained recognition of its value, expressed by the most significant valuation of the main share index (PSI 20) of the Portuguese market and one of the best in Europe, thus such share presented, in 2013, a growth of more than 175%.

And such singular, but fully justified, interest on part of shareholders fills the whole company with pride, but also with even greater responsibility.

Aware of this reality, the management, along with the shareholders, made two relevant decisions that will change the dimension and perspectives of the presence of the Group in capital markets:

- The decision, already realised, of along with the reference shareholder, increase the free-float to around 44%, such decision, besides the success of the operation per se, has already resulted in a significant increase in share liquidity;
- The decision of proceeding with the listing on regulated European market of our subsidiary that comprises assets and activities in Africa, an action that meets the growing interest on part of the community of investors

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in this continental region, in which a powerful growth is estimated for the next decades, with the Group maintaining strong shareholder control.

In this manner, the credibility of the Group in the global community of investors is strengthened.

But the growing exposure of the Group to new markets and international activity, which in the past year, with an increasing fashion, reached some impressive 74%, requires a reform of the organisation.

Such is the process on-going and the main objective for 2014.

An organisation with a holding more present in strategy, in the definition of major policies, allocation of financial resources, assurance of shareholder representativeness and in the union and cohesion of the Group, but relying on operational units for the execution of such guidelines in contexts as varied as the ones in which we nowadays develop our activity.

Such endeavour requires the strengthening of our skills and competences by mobilising them to several markets. Para tal, é necessário reforçar as valências e competências mobilizando-as para os vários mercados.

Only then will we attain an organisation which is one in its strategy, cohesive in its corporate and operational patterns, but flexible in spite of its dimension, and empowered where empowerment is needed to meet, with ever better performance, the commitments and needs of our clients.

I conclude by renewing my thanks to the personal and professional dedication of our collaborators, the commitment of our shareholders, the loyalty of our clients and the support of the financial system and of our suppliers.

Gonçalo Moura Martins
Chief Executive Officer



We explore new business frontiers

Engineering will always be the solid ground of the foundations of Mota-Engil. But our operating capacity and innovative drive goes beyond this sector, forming an increasingly wider and diversified activity portfolio.

Mota-Engil. Building a better future.

Latin America

***Peru
Mexico
Brazil
Colombia***

Africa

***Angola
Malawi
Mozambique
South Africa
Cape Verde
São Tomé and Príncipe
Zambia
Zimbabwe
Ghana***



01.

CONSOLIDATED MANAGEMENT REPORT



MOTA-ENGIL
SGPS, S.A.

Europe

*Portugal
Poland
Spain
Ireland
Czech Republic
Slovakia
Hungary*

Portugal / Lisbon Port

1. Macroeconomic background

Following a growth of 5.1% in 2010, 3.9% in 2011 and 3.2% in 2012, world economy registered a growth of merely 2.1% in 2013, continuing the slowdown that begun after the global financial crisis.

Despite a growth witnessed in 2013 below the growth in the previous years, some signs emerged in the fourth quarter of 2013, which enable to cultivate sound expectations of inversion of this downward trend, for 2014 and 2015. In fact, emerging economies, including China, stalled the phase of gradual decrease in the growth rhythm, being able to discover new opportunities in their national and international markets. On the other hand, the economies of the Euro Zone registered growth again, whereas the United States of America continues to recover from the economic and financial crisis they face. The United Nations forecasts point towards a growth of the global GDP from 3% for 2014 and 3.3% for 2015.

The abovementioned signs, although extremely positive, did not prevent 2013 from being a year of profound recession, particularly in Portugal and Poland, economies in which Mota-Engil focuses its activity in Europe, significantly affecting the volume of contracting and infrastructure construction. Portugal in particular, following the request of financial assistance in 2011, following the closure of financial markets to its economy, is now showing signs of recovery, having managed to redress its trade balance and reduce its dependency on exterior financing. Therefore, the two last quarters of the year registered a knock-on growth, leading to the belief that 2014 shall be the year of economic upturn and that it may enable a decisive boost of private investment.

In Africa, particularly in the Southern African Development Community (SADC), a region in which MOTA-ENGIL is present, the gross domestic product remained stable, with the estimation of a growth of 3.6%. The markets of Angola and Mozambique continue to benefit from mining and Oil & Gas activities. Nonetheless, South Africa, the main provider of raw materials and equipment in the region, was deeply affected by the currency crisis of emerging countries, undergoing a considerable devaluation of its currency.

In terms of employment, the Euro Zone continues having high unemployment rates, which constitute the main challenge of these economies in the years to come. African countries with high natural resources are in a position to benefit from this structural unemployment, as they can use the qualified labour force available to help support its development. Countries such as Angola and Mozambique must direct their investment not only to basic infrastructures, but also to the development of the industrial sector, thus reducing their dependency on other countries.

It is also important to note the growth, above 6%, of the gross domestic product in regions of Western and Eastern Africa, classified by the Group as strategic for the development of business in Africa.

Economic activity in Latin America decelerated in 2013, although their major economies presented a differentiated behaviour. If, on the one hand, Brazil inverted the deceleration cycle, growing again above 2%, on the other hand, Mexico, after growing 3.9% in 2012, witnessed an estimated deceleration to 1.9% in 2013. For 2014 and 2015, the United Nations estimate that the growth of the gross domestic product of the region and of these countries in particular returns to around 4%.

These economies have also been affected by the currency crisis in emerging countries; the Brazilian real depreciated by 20%, whereas the Peruvian nuevo sol (PEN) and the Colombian peso (COP) depreciated around 14% during 2013. The Mexican peso (MXN) was an exception to this trend, benefiting from the link of the economy to the United States of America.



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During 2013, the discussions on the needs of long-term financing continued. This financing is intended to enable states to invest in critical areas such as those of health infrastructure, education infrastructure and sewage networks in the poorest countries, as the latter will enable a sustainable growth of global economy. The benchmark interest rates in the Euro Zone, USA and Japan remained in historically low levels during the year, without however reaching the purpose of fostering private investment.

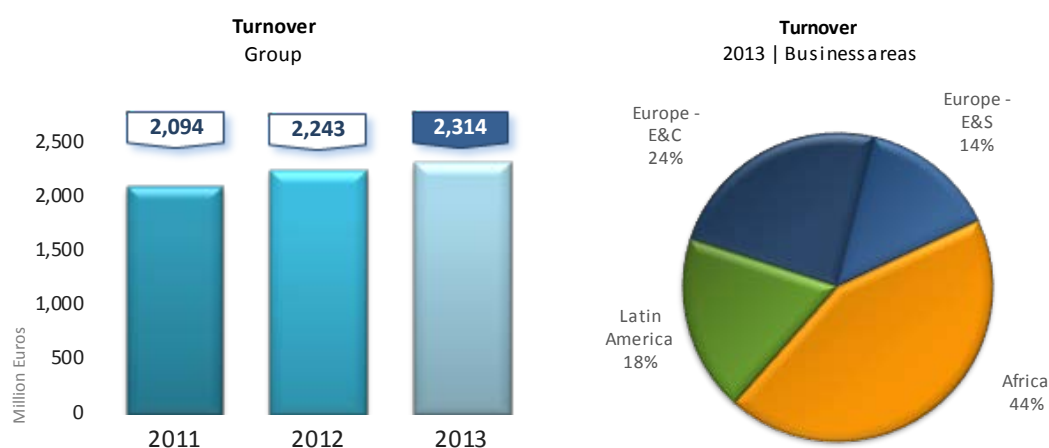
The continuous growth of international trade, although more moderate in 2013, shall enable the Group future growth opportunities whether for the absolute need of construction of logistic corridors, or for their know-how and strategic location for the management of those infrastructures. In this particular aspect, the price of commodities, which was inconstant in 2013, despite of the slight decrease in food price is paramount. For the biennium 2014-2015, the United Nations expect the price of commodities to remain relatively stable.

In conclusion, the macroeconomic background for 2014 enables the consideration that conditions for the increase of investment in infrastructures, particularly in Europe, and the maintenance of the level reached this year, in the regions of Latin America and Africa, have been created.

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2. Analysis of financial performance



2011: Pro forma data considering the asset equity method in the recognition of stakes held in the companies of the Indaqua subgroup

Benefiting from a 38% and a 36% growth in the African and Latin American markets, respectively, the Group's turnover reached the amount of 2,314 million euros in 2013, which represents an increase of 3.1% compared with the € 2,243 million in 2012.

These two markets have increased enormously in importance in the Group's turnover and now represent 62% of the total consolidated business volume compared with 46% for 2012. The maintenance of high order book levels in these markets and the expansion of business in Africa to new countries lead to the expectation of a sustained international development for the Group. Once again it is stressed that this behaviour is in line with the strategic objectives set out in the Strategic Plan for the Group: "Ambition 2.0" although the conditions in the markets result in a change to the mix expected with a reduction in the weighting from Europe and a greater contribution from other regions.



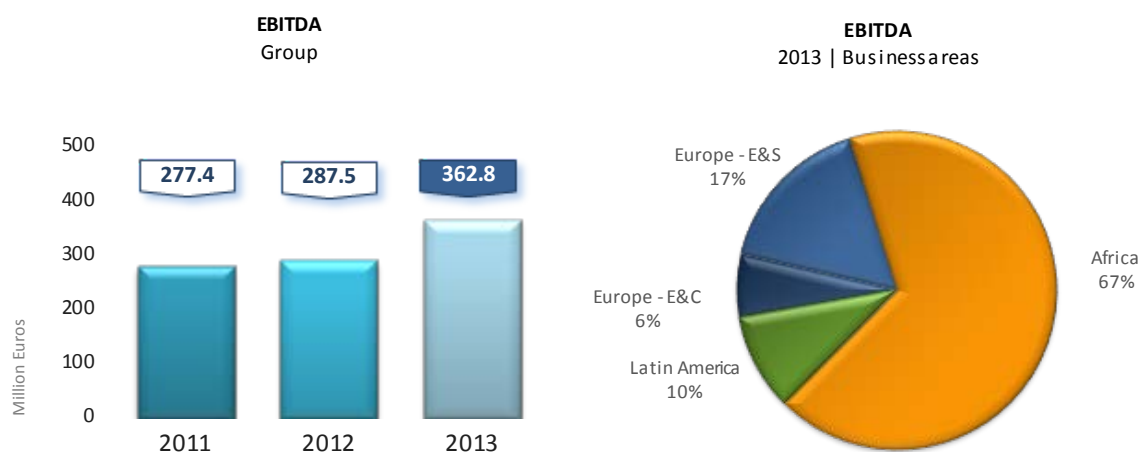
2011: Pro forma data considering the asset equity method in the recognition of stakes held in the companies of the Indaqua subgroup

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This progress has been due to an excellent performance in overseas markets with a growth of 17% in business in the environment and services area. The relative weight of overseas activity in 2013 reached an approximate value of 74% compared with 65% in 2012.

Alongside the progress in the business volume, the international order book has also built up its weighting for the Group with special mention for the progress recorded for Group companies in Latin America.

The growth in the importance of overseas markets is the result of an emphasis on penetration in markets of a number of countries with sustained growth in particular in the emerging markets of Africa and Latin America which, together with the new organisational model, was strengthened by the Group Strategic Plan: "Ambition 2.0".



2011: Pro forma data considering the asset equity method in the recognition of stakes held in the companies of the Indaqua subgroup

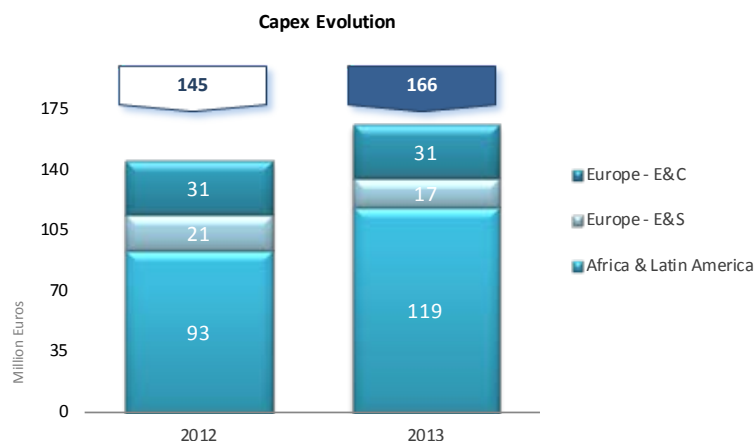
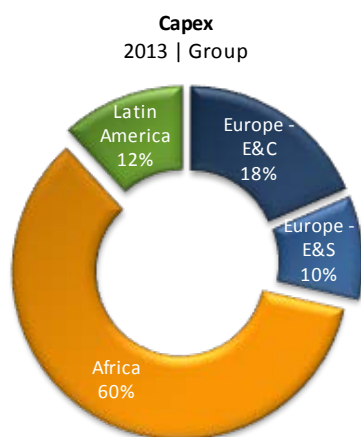
From the point of view of operational profitability, 2013 saw an excellent performance with the EBITDA showing a growth of over 26%, that is € 75.4 million more than last year, and an increase of more than 12% in the 4th quarter (4Q12: pro forma data). Once again, this achievement is due essentially to the African market where the EBITDA margin is over 24% for 2013 and over 26% for the 4th quarter.

As a result the African markets increased their contribution to Group operational profitability which now stands at 67% compared with 47% in the previous year.

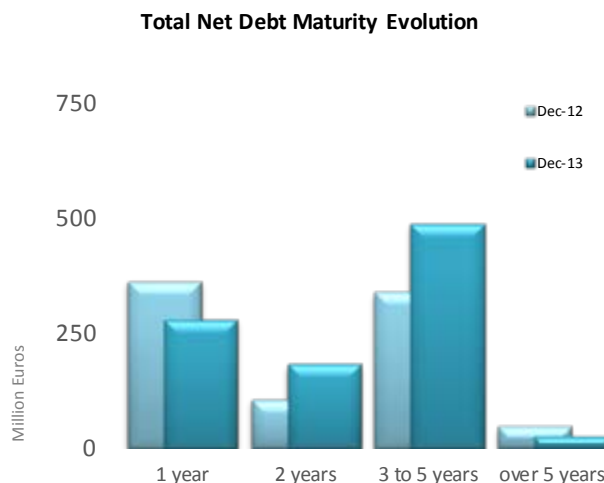
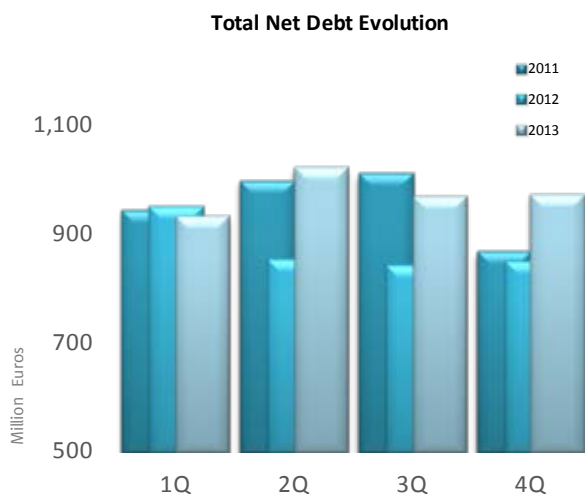
The growth recorded in the consolidated EBITDA to more than 15% in 2013 compares with 12.8% the previous year and is the product of the change in the mix of business volume and margins as well as the result, as stated previously, of efforts to improve operational efficiency, the capacity for the transversal use of know-how, best practises and the quality of the goods and services provided in more mature markets. All of this is the product of a combination of projects in various regions which contributed to the achievement of maximum values for margins in the great majority of countries where the Group operates, resulting also from the seasonal nature of the construction business.

The excellent performance in the domestic market in the fields of the environment and services, in particular in the logistics segment, is remarkable for the margins achieved in the region of 18% along with growth in absolute terms of € 5.3 million.

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In 2013 net consolidated investment reached € 166 million against € 145 million in the previous year, with investment in African and Latin America markets standing out in the sum of € 119 million compared with € 93 million in the previous year. Analysis of overall investment by nature shows that investment in maintenance totalled € 61 million while investment in expansion rose to approximately € 105 million.



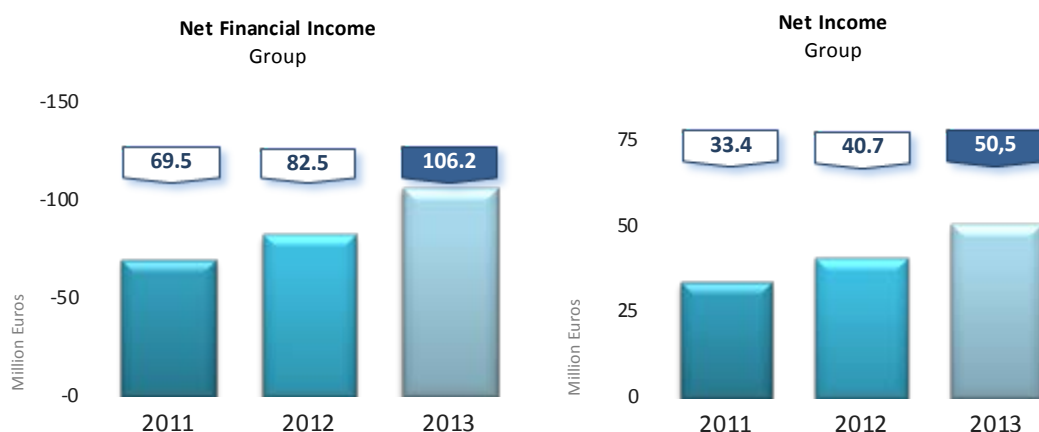
2011: Pro forma data considering the asset equity method in the recognition of stakes held in the companies of the Indaqua subgroup

Total net debt stood at € 972 million compared with € 850 million in 2012. Of this sum, some € 562 million are allocated to Group operational activities, the remainder of € 410 million corresponding to investment in associate companies which do not contribute to EBITDA and in strategic assets.

The strategy of increased maturity of Group debts compared with a majority of short-term debt in previous years has resulted in a rescheduling into medium and long-term debt of a substantial part of the consolidated total so that for the success of the issue, a bond loan in the sum of € 175 million due in 2016 was a major contribution together with another bond issue to international investors for USD 50 million which also matures in 2016 and the contracting of other

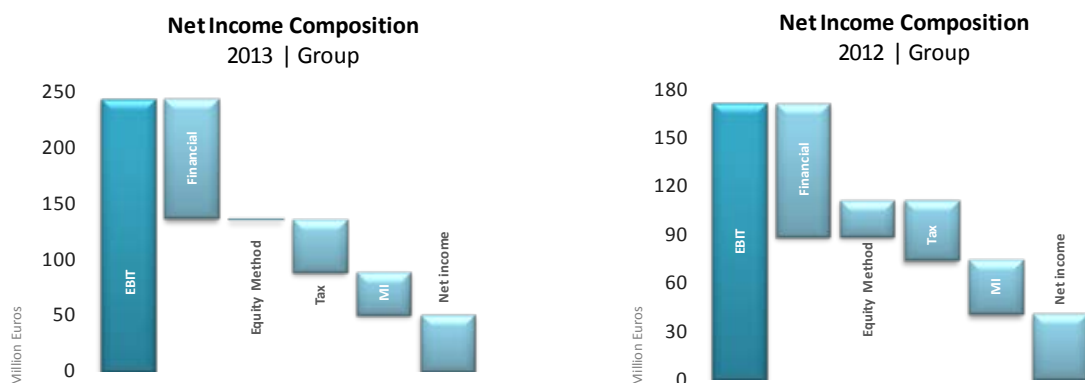
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medium-term financing in the sum of € 80 million. Of the total debt including leasing and factoring, some 68% or approximately € 807 million had a maturity of more than a year at the 31st of December of 2013.



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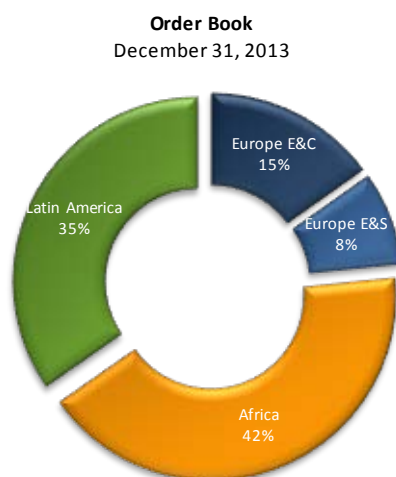
The financial results contributed to the net results with a negative sum of € 106.2 million compared with -€ 82.5 million in 2012, which represents an increase of some € 23.8 million or 28.8% compared with the previous year in net finance charges. This performance resulted essentially from the increase of some € 16 million in net interest paid.



In 2013 profits and losses in associated companies ("Equity Method" in the graphic) made a negative contribution to the results with € 1.5 million compared with the positive amount of € 22.3 million in the previous year. Essentially, the value for 2013 is composed of the following: the Group share in the results of Martifer Group, in the negative sum of € 25 million against the € 21 million loss the previous year; and the Group part of the Ascendi Group results of € 19.8 million compared with € 25 million in the previous year.

As a consequence of this operational and financial performance, the result before tax grew to € 135 million against the € 111 million from the previous year, while the net consolidated result increased to € 88 million compared with the € 74 million in 2012, with € 50.5 million attributable to the Group, which represented a 24% increase on the previous year (€ 40.7 million).

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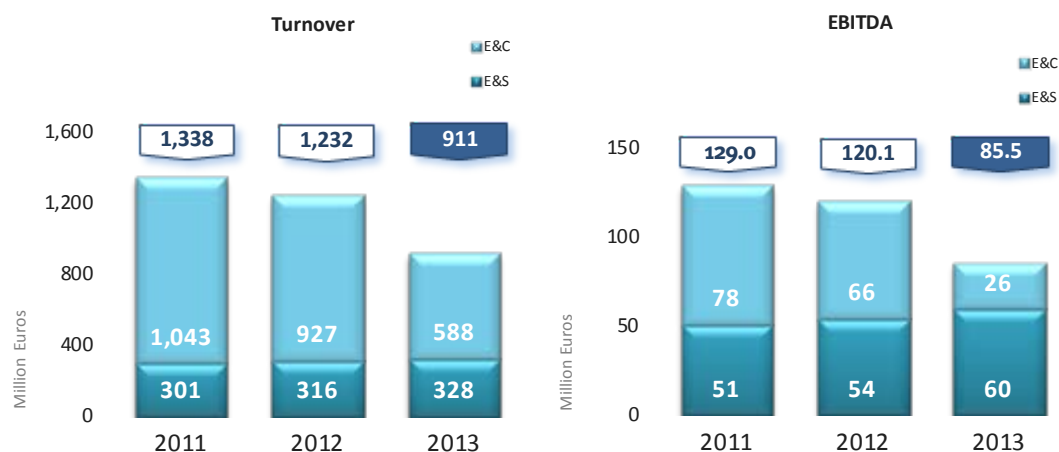


At the end of 2013 the order book stood at almost € 3,900 million of which € 3,100 million are in overseas markets (2012: € 2,600 million) and representing almost 81% compared with 77% the previous year of the total order book. As usual, the order book outside of the construction industry covers only contracts for the provision of services in waste management and maintenance. The Group does not include in the order book the receipts expected from the operation of port terminals.

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3. Analysis by business area

Europe



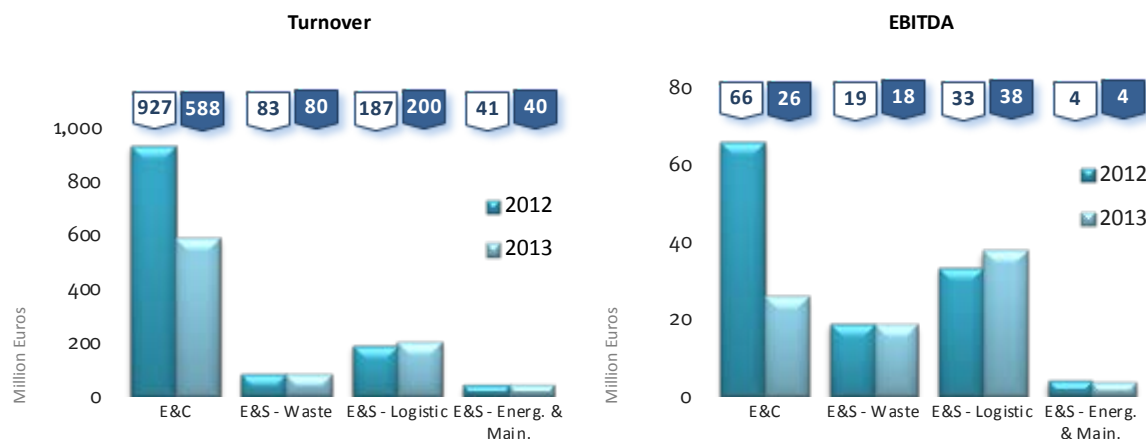
2011: Pro forma data considering the asset equity method in the recognition of stakes held in the companies of the Indaqua subgroup

The European business includes the engineering and construction companies together with those in the field of environment and services which the group has in Portugal and in Central Europe or which are controlled by the regional management structure. In the area of environment and services, logistics, re-cycling, water management and power and maintenance are the main business activities.

The turnover for the Mota-Engil Group in Europe reached € 911 million in 2013 compared with € 1,232 million in 2012 and a decrease of 26%. This drop comprised of a reduction of 36.5% in the engineering and construction area which was not compensated for by the rise in volume for environment and services of 3.7%. Overall, the environment and services segments achieving a consolidated turnover of € 328 million against € 316 million for the previous year.

The operating profitability obtained in Europe, despite the maintenance of the EBITDA margin (9.4% in 2013 and 9.7% in 2012), saw a drop of 28.8% in the absolute value of the indicator to € 85.5 million against € 120.1 million in 2012, mainly due to the fall-off in business in engineering and construction.

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In 2013 the waste disposal business in Europe reached levels identical with those of the previous year in terms of both activity, with € 80 million in 2013 and € 83 million in 2012, as well as in performance terms with an EBITDA of € 18 million in 2013 and € 19 million in 2012.

The logistics business continues to play a major part in the business volume for the environment and services having grown by 6.8% in comparison with the values obtained in 2012 (€ 200 million in 2013 compared with € 187 million in 2012) with a rise in EBITDA to € 38 million compared with € 33 million in the previous year. This achievement is the result of increasing movement in Portuguese ports as well as operational improvements which have been introduced by means of integrated management at the various sites in addition to an increase in business on the part of all of the companies in the segment which underpin the port concessions.

The companies in the field of maintenance and power saw a slight reduction in business while maintaining the same level of EBITDA with € 4 million in both 2013 and 2012.

Engineering and Construction

At the moment the Group is focusing on the engineering and construction industries in Europe as well as in Portugal and Poland, 2013 witnessing a natural decrease in business for the engineering and construction companies in the region by some 36%, the result of the current economic situation in Europe and the easing off of growth in the countries of Central Europe.

Poland has always been regarded as a major strategic platform for penetrating other markets in the region due to its geographic location which favours rapid access to neighbouring markets with a high degree of potential such as Germany, which itself is Poland's biggest trading partner. Following the spike in production in the construction field recorded in 2011 mainly due to the European Football Championship and in spite of the recent trend of fewer new road and motorway building contracts, major investment is expected to continue in the refurbishment, renewal and modernisation of regional and local roads. The Polish authorities are also studying the holding of tender competitions for PPP type road construction which also include the services of maintenance and reconstruction and modernisation. Major investments are also expected in projects in the area of energy and environmental infrastructure justifying the objective of diversification set for this field. In the upcoming Community Support Framework for 2014-2020, the European Union awarded Poland some € 83 billion intended mainly for the development of infrastructure and support for SMEs. Mota-Engil is keeping a close eye on developments and is ready to make the most of the existing

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opportunities to go on developing business in the region with increasing levels of production and profitability in the coming years.

In Portugal, 2013 was the 12th consecutive year of reducing business for group companies in the construction industry with demand falling towards new records in the course of the year. Estimates indicate an overall drop in production for the construction industry of 15% in 2013 although, in spite of the profound crisis, in the second half of 2013 the first signs of stabilisation in the level of business were noticed, overall indicators for the industry showing a significant easing off in the bankruptcies with a number of improvements noted in certain areas. The latest forecasts for the construction industry in 2014 suggest results which are a little contradictory. On the one hand, public works contracts are still suffering the negative consequences of the government's policy of austerity while at the same time the increase in private investment in the non-housing sector and in particular in the tourism field allow a degree of optimism.

In early 2014 a study on "Infrastructures for High Value Added" was presented, in which has been identified a plan for investment in infrastructures considered essential for the country's economic and social development. The study proposes the implementation of at least 30 projects with an estimated total cost of € 5.1 billion until the year of 2020, including the creation of a deepwater terminal in Lisbon, completing the connection high performance railway between Sines and Spain, or a new cargo terminal at Lisbon Airport.

In spite of the prolonged crisis, the Group's perspectives for 2014 are moderately encouraging. The internal reorganisation of the segment which has brought greater levels of operational, financial, economic and management efficiency permit a degree of optimism in facing up to the economic and financial situation in the certainty that this business area will be strengthened after the recovery taking place in the industry in these countries.

Logistics

The logistics business segment covers the the areas of port and road/railway terminals, integrated logistics and railway transport of goods. Mota-Engil occupies a leading position in the operation of port facilities in particular at Leixões, Aveiro, Figueira da Foz, Lisbon and Setúbal.

The Group also operates in the fields of road and rail transport of goods, intermodal logistics installations, distribution, transport and other related services where it is the major private operator in Portugal in the railway transport of goods. International expansion has taken place via the management of port concessions in Peru through the Group's participation in the Euro-Andean Port terminals consortium as well as in Spain with the Ferrol Container Terminal and the goods transport company Transitex which handles container traffic including port-to-port and which also has its own structure in various other countries including Mozambique, Mexico, Brazil, Colombia, Chile, South Africa and Peru.

The group also has an important presence as a railway goods transport business in both Portugal and Spain through its associate companies Takargo and Ibercarga.

The strategy adopted by Mota-Engil in search of diversification includes seeking out partnerships which boost investment capacity and expansion of business, mainly through the replication of the Group's domestic diversification experience in overseas markets.

Following up this strategy, in December 2013 the Group disposed of its minority holding of 36.875% in Tertir – Terminais Portuários, SGPS, SA (a company holding the concessions for port terminals on the Atlantic coast of the Iberian Peninsula) in the sum of some € 59 million. This operation did not change any controlling relationship that the group held in that company, or the respective concessions.

Regarding the Portuguese market, the port terminal business was characterised by a growth of some 6.41% in terms of container handling, increasing from 714 thousand TEU in 2012 to 759 thousand TEU in 2013. In terms of general cargo, the growth was even greater increasing 22.7% from 3.2 million tons in 2012 to almost 4 million tons in 2013.

Business at the concessions held by the Group in the port at Lisbon increased in the period by 16%, recovering from the strike by port workers which had a significant effect on the operations at the port in the last quarter of 2012. On the other hand, operations at the Leixões Port underwent a slight drop of some 3% in 2013 without any benefit from the problems which affected the port of Lisbon the previous year.

Internationally, the port terminal in Peru remained at the construction stage as with the terminal at Ferrol where the investment in facilities was made so that the start of operations could take place in the first half of 2014.

Already in 2014, the Portuguese Constitutional Court found in favour of Liscont in the case of the extension to the contract for the Alcântara container terminal concession. The court's ruling confirmed the sentence issued in March 2012 by the arbitration tribunal which upheld the illegality of the revoking of the law which established the addition of the contract for the concession.

Waste

The waste disposal business has been consolidated into the SUMA sub-group which includes more than two dozen companies which complement their activity in a strategic alliance with the objective of providing a range of solutions in the field of waste disposal.

With generally the same configuration and strategic profile as that over the past few years along with a leadership position in the national waste management market which reached some 48% in 2013, the structure of the SUMA sub-group continues with its strategic management focused on ongoing improvements while seeking out successful alternatives and a greater geographical coverage in order to combat the stagnation and resistance on the national market to the privatisation of urban cleaning solutions and the collection and disposal of waste.

The solid foundations of the project are to be found in the major shareholding of MOTA-ENGIL group and in the skills and experience of its human, logistic and technical resources and the culture of creation of synergies between the more than three dozen companies which ensure the capacity for management of the entire waste disposal process of all types.

The ongoing serious nature of the economic and financial situation added to the budgetary and liquidity limitations of the bulk of customers who are made up of local and regional governments, led to a 3.3% reduction in business volume in the waste management sector which simultaneously revealed the major limits to growth and internal investment deriving from the low level of incentives for private enterprise and maintaining the existing gap between the reality on the ground in Portugal and that of other countries in the European Union in the area of the privatisation of public health services.

All the same, in the field of national business performance, 2013 has gone down as a year marked by about 20 renewed or new service provision contract awards in towns and cities where commercial relations are at the heart of the structure of SUMA together with seven new municipalities in addition to the contracts awarded outside of the local government field. The contracts for the provision of services for a year or more represent 74% of the contracts awarded in 2013.

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In total, SUMA provides services to a total of 41 municipalities for waste collection and street cleaning with a total of more than 2.2 million inhabitants plus a further 26 under negotiation with an estimated population of some 500 thousand.

As the celebration of two whole decades of existence approaches and in spite of the leading position occupied since 1996, the SUMA sub-group continues to lead the field and is marked by its dynamism and innovative policies together with the rigorous nature of its plans for the optimisation of its resources and the extensive and cross-cutting application of best practice throughout the service supply chain.

The policy of the efficient use of the resources available and the monitoring of their performance has led to the creation of made-to-measure solutions such as the COF (Fleet Control and Optimisation – which complements hands-on management and verification with the objective remote recording of the fulfilment of the service, the respective calculation and quantification of deviations) and the applications developed in the GIS (Geographic Information System – which ensures the best and most effective routes). These tools allow vital indicators to be obtained which ensure ongoing operational improvements and the reduction of accidents, with repercussions in the management of human resources, vehicle fleets and the quality of the service provided.

In 2014 the intention is to further raise the profile of the SUMA brand as being synonymous with the mobilisation of awareness and the promotion of national profiles of urban awareness and citizenship by means of the development of environmental awareness raising content for television broadcasting with the interactive MEO Kids application and the opening of a new plant at Chamusca for ENVIROIL, which at the moment is the only oil recycling operator in Portugal.

Water

The strategy for the MOTA-ENGIL Group in the area of water management consists of seeking partnerships which boost investment capacity while expanding the water management business in both Portugal and in overseas markets. At the end of 2012 and as a result of this strategy the Group disposed of a minority holding in INDAQUA, a company which specialises in the water management industry, which resulted in the loss of the Group's control of the company and the deconsolidation of its businesses from the full method. Despite this fact, and as the Group still has an important participation in Indaqua, the main facts occurring during the year will be disclosed here.

The water management business includes the concessions for supply and treatment in the districts of Fafe, Santo Tirso, Trofa, Santa Maria da Feira, Matosinhos, Vila do Conde and Oliveira de Azeméis, which are controlled by holdings in INDAQUA subsidiaries, the first three comprising solely of the service of water supply. There is also a public-private partnership with the municipality of São João da Madeira for the management of the municipal service for the supply of water and the treatment of sewage and collection of rainwater. These concessions are contracted for periods of between 25 and fifty years and involve the management of some 216 thousand customers with a total population of 650 thousand, 5,050 kilometres of water pipes and 20.5 million cubic metres of water sold. In 2013 investment rose to € 17 million.

In commercial terms the INDAQUA concessions continued their growth which translated into an increase of 1.6% in the number of water customers and 3% in the number of sewage customers. Contrary to expectations, at the beginning of the year the total number of concessions managed by INDAQUA also increased water sales by 2% and sewage by 1% with a marked increase in the Santa Maria da Feira concession. On the other hand, INDAQUA substantially reduced losses of water on all of the concessions managed, at the end of 2013 reaching a total level of losses of 20%. The Santo Tirso and Trofa concession are noteworthy for their losses of only 15.8%. This overall reduction in losses has resulted in a significant reduction in the water purchased of almost 7%. These operational and commercial improvements together with the annual review of tariffs resulted in a total increase in sales for the concessions of more than 6% and a general improvement in the profitability of the various concessions.

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In the course of 2013 the opening of two tender processes for concessions were announced, the first promoted by the Nazaré authorities which was cancelled before it reached the stage of submission of bids and the second one by the Odivelas authorities. The latter received six bids which are still under consideration and the preliminary report is awaited. In spite of the company's commercial efforts, no further tender processes are expected as the majority of local authorities are awaiting clarification of the legal framework and community support before taking any decisions on what concerns the options regarding the management of water supply and sewage services.

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Africa



In Africa, a region where the Mota-Engil Group has a long and well-renowned experience accumulated over more than 67 years which began in Angola, 2013 was characterised by the achievement of the strategic objectives built upon a remarkable growth in business and the penetration of new markets in the Sub-Saharan Africa region, which were under study.

The achievement of expectations for 2013 allowed the position of the Mota-Engil Group to be consolidated in terms of logistical capabilities and the mobilisation of resources to make Africa the best regional market for the Group and as a consequence the major contributor to both turnover and EBITDA.

With a highly representative presence in markets such as Angola, which is the biggest market in the region, Mozambique and Malawi, along with others which are currently expanding such as South Africa, Cape Verde, São Tomé and Príncipe, Zambia, Ghana and Zimbabwe, the Group throughout the year continued to follow up its market research in search of new opportunities for geographic growth of business in the region, evaluating new markets and diversifying into new business fields, making a commitment to the development of these economies with a high level of potential. This commitment has resulted in the Mota-Engil group becoming a leading presence in Sub-Saharan Africa.

Business in Africa now represents some 44% of the total of the Mota-Engil Group activities (2012: 32%). In 2013 the turnover in Africa reached € 1,009 million with an increase of 38.4% in comparison with the value achieved the previous year of € 728.8 million. The EBITDA margin for this business increased from 18.7% in 2012 to 24.2% in 2013 which, jointly with the increase in turnover resulted in the highly positive out-turn for operating profit and in absolute terms reaching the sum of € 244 million compared with the € 136.5 million for the previous year.

The order book for the region now stands at € 1,621 million as of December 2013 compared with the € 1,479 million for the previous December and which is the basis for the excellent prospects for growth in Group turnover in the region and denotes a noteworthy capacity for organising and planning which is the only way to attend to the needs of a group of companies in a phase of sustained growth.

The significant growth achieved demonstrates the virtues of the Group's strategy for growth in the region based on the search for opportunities in the business fields with the greatest potential such as power-generation, oil & gas, mining, logistics and agribusiness which are a boost to the development and construction of infrastructure.

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Angola continues to be the principal market for Mota-Engil Group in Africa and represents some 50% of the total volume of business for the company in the region. After the initial few years of implementing and building-up of competencies in the heart of Mota-Engil Angola which is the group company which carries on the business activities in the country, 2013 followed the pattern established. The main projects executed were the construction of the Calueque dam, the rehabilitation of the Dondo Lucapa and Xaua Catata roads and an office centre in South Luanda.

The Group's activity in the countries which make up the SADC (Southern African Development Community) has become significant due to the effects of the construction work on the Nacala logistics corridor. In effect, the growth in business in this region together with expansion into new markets almost reached the same levels as those for Angola in terms of contributing to the volume of business for the region.

During 2013 several contracts were awarded which contributed to the growth in the order book, in particular in Mozambique in addition to the penetration of new markets such as Zambia and Zimbabwe. The works on the Nacala railway in Malawi progressed at a substantial rate and is expected to be completed by the end of 2014. In Mozambique the principal projects underway were on the rehabilitation of the Sena railway and the Chimoio to Espungabera road.

A result of the strategy defined for the African region, a variety of opportunities for the development of business in Eastern and Western Africa were pursued with operations expected to begin in the short-term in Ghana and Uganda.

The product of the development of the business's profile and size in the region, the Board of Directors requested the calling of an extraordinary General Meeting which approved a series of transactions with the group sub-holding as an objective to which business and activities in Africa are to be added (MOTA-ENGIL AFRICA) which will support the economic and financial conditions to successfully pursue the strategy outlined.

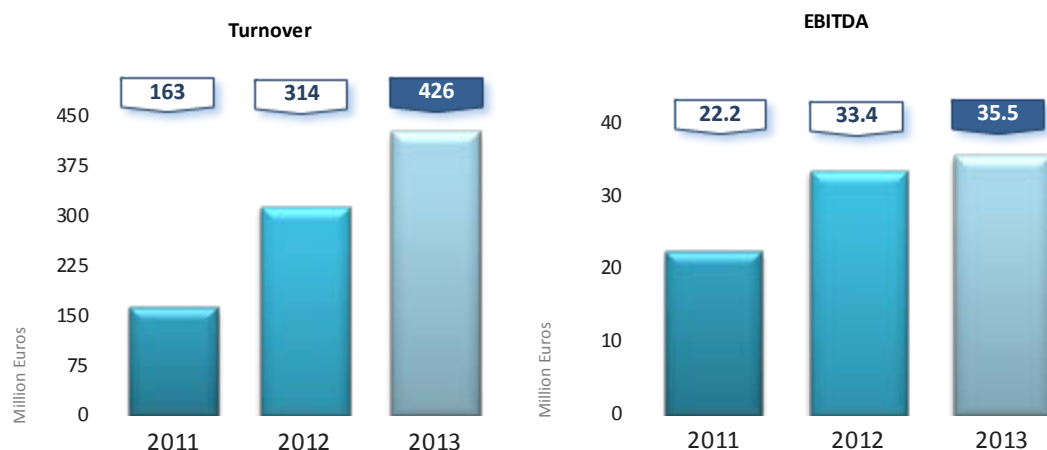
The transaction was structured on the basis of the following:

- A distribution in kind to the shareholders in MOTA-ENGIL (subject however to conditions of prior quotation) for shares representing some 20% of the share capital of MOTA-ENGIL AFRICA which shareholders may hold on to or dispose of, participating directly in the development of the Group's business in one of the most promising regions.
- Admission of the shares in MOTA-ENGIL AFRICA for floatation on a regulated European stock market with a view to achieving access to the global investment community interested in and with an appetite for business on the African continent accompanied by the achievement of an increase in the equity in MOTA-ENGIL AFRICA in cash and reserved for shareholders in MOTA-ENGIL, SGPS, SA.
- Maintenance by the Group of a controlling interest taking into account its cohesion and unity, its business model and development based on a collaborative business and geographical structure.

Mota-Engil Africa, on the basis of its capacity for the mobilisation of resources and for the execution of projects in the region, increasingly seeks to position itself as one of the major players in the region in the construction, EPC and business development segments while always focused on the maximisation of the creation of value for shareholders who will see their investment exponentially increased.

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Latin America



In Latin America the Mota-Engil Group is currently focusing its attention on Peru, Mexico and Brazil, adding Colombia in 2013. The region already makes up 18% of Group business compared with 14% in the previous year. The contracts awarded in the third quarter and the first few days of 2014 in the total value of € 900 million (€ 226 million in Brazil, € 252 million in Peru, € 362 million in Mexico and € 60 million in Colombia) lead to the expectation of sustained business growth for the Group in the region in line with the objectives drawn up in the Strategic Plan “Ambition 2.0” (2015: Latin America to represent 27% of the business volume of the Mota-Engil Group).

In 2013 the business volume in the region reached € 426 million which represents a growth of some 35.8% compared with the previous year when volume reached € 314 million.

The operating profit witnessed a decrease in the EBITDA margin from 10.6% in 2012 to 8.3% in the following year, in part due to the efforts at diversification in the region principally in the type of work but also in terms of start-up costs in the new territories which brought pressure on margins. However, the diversification will serve to mitigate the risks associated with an excessive concentration in terms of customers and their areas of business.

In December of 2013 the order book for the region reached a total of some € 1,343 million (2012: € 867 million).

For the Latin American region 2013 was particularly important to the strategic objective of consolidating the company’s geographical and business area diversification in the region.

Mota-Engil Peru which has been established for some 27 years, in 2013 recorded an excellent operational performance which translated into an increase in business volume of 30% compared to the previous year and consolidated its leading position as one of the top five construction companies with participation in some of the biggest mining projects in the country such as Las Bambas, Cerro Verde and Toromocho. With macro-economic indicators reflecting a notable degree of financial stability translated into the lowest rate of inflation in Latin America and a policy based on a combination of public and private investment with a resulting focus on building up the country’s infrastructure and implying a high rate of growth in the construction industry of 14% which leads Mota-Engil Peru to maintain its dynamic development drawing on the benefits of the strategy implemented to build up technical competencies and increase the order book for engineering services and public works, property, transport infrastructure contracts, foundations and geo-technics which have built on the renowned skills of the company in the mining industry. In an economy which has based its growth prospects on the mining industry and with the announcement by the Central Bank of a range of private investment projects for the 2014 – 2015 period worth some USD 28.5 billion where 50% of this sum is being destined for

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mining developments, Mota-Engil Peru, which increased its business volume by 500% between 2010 and 2013, is undergoing an ambitious organisational process which will complement the growth in and the demands from the Peruvian market with a view to assuring greater efficiency and technical innovation at an operational level.

In Mexico and after in 2012 having completed the work on the Perote-Xalapa road concession which permitted the group's entry into this market in 2008, 2013 was a year marked by the announcement of a series of new contracts awarded to the company in the second year in which it operated alone in the market with an order book significantly increased and consolidating the expansion of business for the company into diverse segments which is a trend that is expected to continue in 2014 on the basis of the ambitious infrastructure programme launched by the Mexican government in August 2013 for which Mota-Engil Mexico, with its strategy of partnerships with local construction businesses and operators, seeks to continue to make a contribution through the recognition of its technical skills acquired by the company and its personnel. The contracts recently awarded in the road construction and rehabilitation segments for the main public-sector operator CAPUFE, the construction of the hospital at Tlalnepantla, the first railway construction contract and the start of the waste management contract in the state of Baja California are representative of this diversification. Mota-Engil Mexico also bid for one of the *autopistas urbanas* in a tender process which ended in September 2013 named Autopista Urbana Siervo de La Nación and constituting not only a boost to the construction order book in a € 260 million project but also one of the most interesting projects put out to tender by the Government of the State of Mexico in 2013 in a concession awarded for a period of 27 years.

In Brazil and supporting the company's acquisition of a majority holding in the Empresa Contrutora Brasil (ECB) in a partnership with local associates which at the end of a year has been successfully completed, the Group through its holding recorded a significant increase in its order book (having been awarded in the period in question contracts in the sum of R\$ 1,004 million including the widening of stretch number 7 of the BR 381 in the state of Minas Gerais worth some R\$ 570 million. The company currently has the contract for the supply and installation of the overhead grid and sub-stations for the power supply for the VLT (Light Rail Vehicle) in Cuiabá in the state of Mato Grosso, the construction of the Enotel in Porto Galinhas in the state of Pernambuco, a dam and various road contracts in the state of Minas Gerais.

In Colombia 2013 was characterised by the confirmation of this country as a market with a Group presence with the awarding of contracts for two projects, the first for the rehabilitation of roadways in the city of Medellín covering a network of 900 kilometres in the department of Antioquia and the second for works to extend the container terminal at the port of Buenaventura in a contract worth some € 47 million. Consolidating the expansion of Mota-Engil into Colombia, the company joined a consortium with Colombia's biggest concession operator (ODINSA) and some of the biggest local building companies (El Condor, ICEIN, Mincivil, Termo Tecnica) having pre-qualified for all of the projects and been selected for 11 of the 20 tenders which in total involve a global investment of USD 47.2 billion and work on 9,000 kilometres of roads (combining construction, rehabilitation and concession). Also in Colombia, as with other markets in the region, the Group has bid for engineering and construction projects in various segments of the economy and is studying the potential to bid for other sectors where the Group has skills and experience which can be used locally.

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ASCENDI GROUP

The ASCENDI GROUP is the result of a partnership entered into between the GRUPO MOTA-ENGIL and Banco Espírito Santo Group for the operation of transport concessions.

The process of share concentration began in 2010 with an operation to increase the fully paid up capital for ESConcessões by the Ascendi Group using the shareholdings in the Norte, Costa de Prata, Beiras Litoral and Alta, and Greater Porto concessions. In 2013 the shareholding transfer process continued with 20% of Copexa which now held 50% and with the transfer of the holding in the Madrid-Toledo motorway. These transactions were effected by the acquisition from ESConcessões Latam Holding BV. Shares were also acquired in the Douro Interior sub-concession which were held by Mota-Engil Engenharia, Opway, BES and ESConcessões with Ascendi Group now holding a total of 80.75%

The structure of the ASCENDI GROUP

Following the events of 2013 the composition of the shareholding in subsidiaries changed to the structure indicated in the table below:

Concession	Current stake (1)	Foreseen stake (1)	Km	Term
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	80.75%	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%	15.00%	81.0	2040
Total Spain			156.0	
Latin America				
Mexico – Concesionaria Autopista Perote – Xalapa	50.00%	50.00%	60.0	2038
Brazil – Concessionária Rodovias do Tietê	50.00%	50.00%	415.0	2039
Total Latin America			475.0	
Africa				
Mozambique – Nova Ponte de Tete	40.00%	40.00%	701.0	2039
Total Africa			701.0	
Railway concessions				
MTS – Metro, Transportes do Sul	18.09 %	24.89%	20.0	2032
TOTAL			2,892.0	

(1) Shares held (or to be held) directly by the Ascendi Group, SGPS, SA, or any other company which forms part of the consolidated perimeter.

The transfer of the remaining shareholdings should take place in the course of 2014. The table shows the current portfolio of holdings and that which is expected by the time the process of transfer of shares has been completed.

Ascendi Norte, Costa da Prata, Beiras Litoral e Alta, Grande Porto and Grande Lisboa

In the course of 2013 the terms of the concession were renegotiated with the Portuguese government represented by the UTAP (Project Monitoring Technical Unit). Availability payments, the financing of major repairs, levels of quality and service and the rate of return for shareholders were all the subject of renegotiation. Notwithstanding the failure to sign a revised contract incorporating the results of the renegotiations and still without the agreement of the finance companies, the management team is convinced that the process will be completed in the course of 2014 and that the agreements will reflect the results of discussions.

Ascendi Pinhal Interior

In the course of 2013, 33 kilometres of road were opened up to traffic. The terms of the sub-concession were also renegotiated with EP – Estradas de Portugal SA, including the schedule for the construction and the scope of the operation and maintenance services. Notwithstanding the failure to sign a revised contract incorporating the results of the renegotiations and still without the agreement of the finance companies, the management team is convinced that the process will be completed in the course of 2014 and that the agreements will reflect the results of discussions.

Lusoponte

Although negotiations were opened in 2013 with the concession authority it was not possible to reach an agreement on the disputes regarding the financial re-balancing of the concession called for by Lusoponte, the previous agreements being signed. The parties did though attempt to terminate the payments from the Government to the concessionaire for the remaining concession period in addition to resolving existing differences. As a consequence of the recessionary macro-economic situation in Portugal, uneven growth in traffic took place in the first half of the year including a reduction of 4.6% but with an increase of 0.4% in the second half. Overall, traffic on the concession fell by 2.1% more or less the same in both directions while receipts increased by 1.3%.

Vialitoral

Vialitoral's general activity in the Madeira Autonomous Region (RAM) is developed in a very difficult situation deriving from the debt of (€ 98 M) owed by RAM to the concession operator which was incurred up to the 31st of December 2011. SCUT toll fees in 2012 and 2013 were paid up in full using a loan taken out by RAM under the Economic and Financial Adjustment Plan although the debt incurred up to 2011 remained without being regularised. In spite of the efforts of the concession operator and the banks, in 2013 an agreement was not yet reached on the regularising of the debt nor was there an initial understanding on the matter of the renegotiation of the concession which is further behind than the negotiations of former mainland SCUT concession operators. The resulting financial inadequacies and the obligatory reserves of course affect part of the business of the concession operator and returns for shareholders which is due to the failure of the concession awarding body. A solution will have to be found for the non-payment of the concession awarding body's debts without prejudice to the concession operator attempting to agree a new contractual stabilisation framework for the concession.

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Brazil - Rodovias do Tietê Concession

In 2013 the Rodovias do Tietê concession operator had a quite active year. In the first half of the year the concession operator focused its activity on its long-term financing which on the 19th of July culminated in the first issue of debentures in the sum of R\$ 1 mil millions. The issue had three noteworthy features. This was the first debenture issue in BRL on the international market as well as being the first under the project finance model and also with a 15-year maturity instead of the local maximum of 12.

The second half of the year began with an unfortunately serious incident. On the 1st of July an accident involving one of the pillars of the new bridge over the Piracicaba river resulted in five fatalities and in the suspension of work. The work on the Piracicaba ring road is one of the major contracts for the concession operator which will allow the direct connection of three adjacent highways with the principal through road operated by the concession holder, the SP 308. The contract for the widening of the SP 308, a key strategic interest in this road system, is ongoing and the road expected to be opened to traffic six years before the date provided for in the contract. In addition, work on a further stage in the widening of the SP 101 connecting the cities of Campinas and Capivari has begun. The contracts are expected to be completed on time in October 2014.

Mexico - Perote-Xalapa Motorway Concession (Copexa)

In the course of 2013 Copexa carried out work on the Libramiento de Xalapa stretch to complete the construction related with the shoring up of banking. The Perote-Banderilla road in 2013 recorded a daily average flow of 5,079 vehicles, 80% light and 20% heavy vehicles, producing a turnover in the order of Peso 173 million. The Libramiento de Xalapa road recorded a daily average flow of 2,119 vehicles of which 60% were light and 40% heavy vehicles, producing a turnover of Peso 128 million. In April 2013 toll fees began to be collected electronically so that by the end of the year 40% of income was collected by this method.

Mozambique – Estradas do Zambeze

In 2013 the NMGT (Net Minimum Guaranteed Turnover) was in line with the financial model. The collection of toll fees on the Samora Machel bridge took place without problems, having been guaranteed by INFRA, one of the shareholders in the concession. A proposal was made to the concession awarding entity for the implementation of the collection of toll fees as soon as the respective toll booths have been completed. Following the tender process in 2012 for the sub-concession of seven service areas to be built along the roads included in the concession, the contract was entered into after negotiations with the Mozambican company PETROMOC. The completion of 100% of the work on the structure of the new bridge and the access viaduct took place while the access roads for the bridge are 42% complete. The planning for the construction of the bridge and the access viaduct took place without problem and on time. Although the contract is expected to be completed by September 2014, there are delays in the building of access roads to the bridge due to hold-ups in the acquisition of land and relocations in the first case and the failure to take a decision on the northern route layout, both delays being attributable to the concession awarding entity. The contract has progressed without accidents under the health and safety plan implemented. The Zambezi highways operator Operadora Estradas do Zambeze, on what routine maintenance is concerned, in 2013 was active mainly on the N9 (Tete-Cassacatiza stretch) together with the N304 (Mussacama-Calomué), although some urgent repairs were made to the main N7/N8 (Cuchamo-Zobué), which is having its surface rehabilitated by the road building consortium. In addition, the seasonal (biannual) verge-cutting and ditch-clearing operation was carried out along the 700 kilometres of concessions operated.

4. Stock price behaviour and dividends

Mota-Engil stock price reached € 4.323 in 31 December 2013, up 47.5% quarter on quarter and 175.9% since 31 December 2012 while the PSI 20 index was up 10.2%, quarter on quarter, and 16% during the year. The turnover also rose to 95.6 million shares in 2013 as compared to 42.2 million in the previous year. As mentioned in the previous quarterly results reports, this performance came as a result of an increasing interest in the stock, mainly from non-resident investors, most likely attracted by the good growth prospects of the emerging markets of Africa and Latin America where Mota-Engil is currently operating.

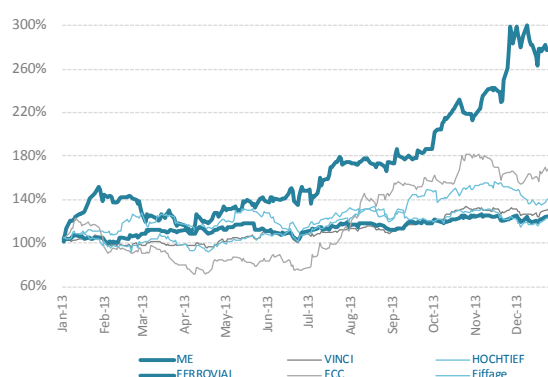
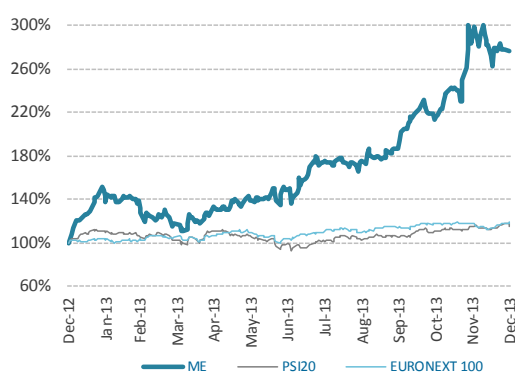
The General Shareholders Meeting as of 24 April 2013 decided, in accordance with the Board of Directors proposal, to pay a 11 euro cents dividend, paid in 24 May 2013.

An Extraordinary Shareholders Meeting took place on 27 December 2013 and approved the two points of the agenda:

- a conditional free share distribution as an extraordinary dividend corresponding to 20% of the share capital of Mota-Engil Africa to its shareholders and the listing of Mota-Engil Africa in a regulated Stock Exchange of an European Union member State and
- the framework of a potential disposal of treasury shares by the company.

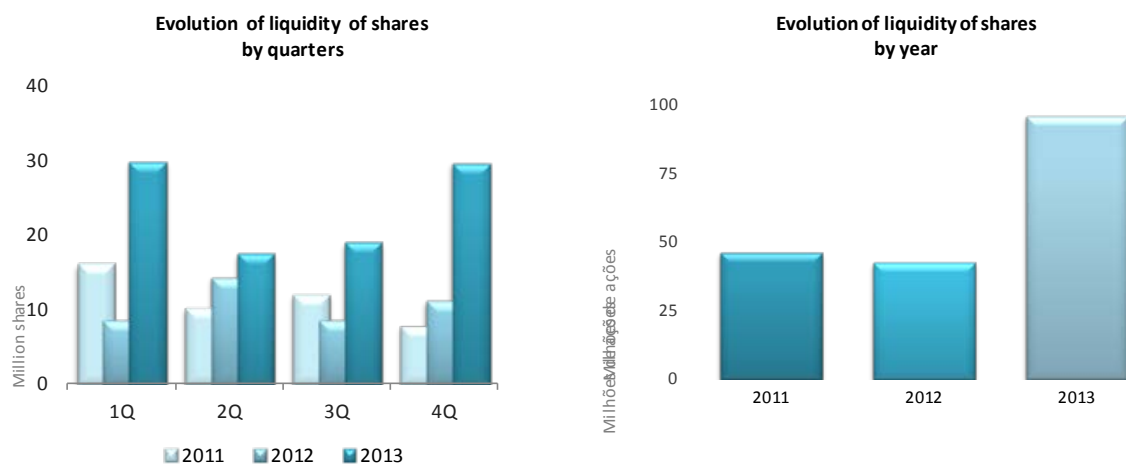
On 26 February 2014, 34.3 million shares of Mota-Engil SGPS were sold and placed with institutional investors (11,101,379 of treasury shares and 23,198,621 sold by its founding shareholder, Mota Gestão e Participações, SGPS, S.A.) in order to increase the company's free-float and therefore enhance the stock's visibility in the Stock Exchange.

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



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With regard to volume, 95.6 million shares were traded in 2013, more than twice than the previous year. The evolution of liquidity is shown in the following charts:



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 12.35 cents per share.

5. Risk management

The management of risk has the central purpose of creating value by means of processes for the management and control of the uncertainties and threats which may affect the GROUP and its subsidiaries, underlying a perspective of continuity of longer term operations.

Exposure to risk on the part of any MOTA-ENGIL GROUP subsidiary should always be subordinated to the group strategy and be limited and accessory to the business activity so that they can all achieve the objectives laid out individually as well as in the different business areas and within the GROUP.

The process of risk management is the responsibility of each of the management teams for the business areas within the GROUP, which generically becomes a sequential series of stages or phases which are respected cyclically and which are set out below.

- Risk identification: establishment of the risks to which the organisation is exposed and the level of tolerance of exposure to said risks
- Risk measurement: quantification of the exposure to risk and production of reports to support decision making
- Risk control and management: establishment of the actions to be taken to meet the risk
- Implementation of the risk management measures established
- Monitoring: evaluation of the risk management process and, where necessary, realignment and redefinition of strategies

However, it should be stressed that, for the coordination of the process on a business area level, the MOTA-ENGIL GROUP has established various committees which are formed as organs of a consultative nature with the mission of monitoring matters of prime importance for sustained development, providing an independent and objective view which underpins Mota-Engil, SGPS, SA's Board of Directors' decision taking process.

Among these is included the Auditing and Risk committee which has as its principal function the assessment of policies for investment and risk for the businesses and projects of the GROUP, examining and issuing opinions on investment or divestment projects, issuing opinions on entering and leaving areas of business and new markets, and monitoring major financial company operations.

Therefore, the main risks to which the GROUP is subject and which are set out below are accompanied by the internal reports from those responsible for particular business areas and the reports from this committee, jointly with the information elaborated by the holders of corporate posts and in particular the Legal Department, the Department of Planning and Corporate Management Control, the Department of Corporate Finance and the Human Resources Department.

The Audit and Risk Committee, with the mission of supporting the MOTA-ENGIL GROUP management in strengthening the means and methods of operation in what concerns the internal control and the anticipation of risk, which is made operative by the Audit and Risk Office, the resource structure of which is specifically allocated to the following functions:

- Identification and evaluation of risks, proposing the establishment of acceptable risk levels based on the management objectives defined

01. Consolidated Management Report

- The issuing of opinions on changes to the degree of existing risk in MOTA-ENGIL GROUP businesses
- Minimisation of operational inefficiencies and losses to boost the capability of MOTA-ENGIL GROUP for identifying potentially damaging events, the assessment of risks and the proposing of responses thus reducing unexpected expenses and losses
- Identification of cross-cutting risks within the GROUP, auditing the implementation of corporate policies and best practises within the MOTA-ENGIL GROUP
- The issuing of prior opinions on the risks inherent to the acquisitions and disposals defined by the MOTA-ENGIL GROUP
- Conformity auditing in the development of the processes or activities in all materially important areas and businesses within the MOTA-ENGIL GROUP

On the basis of the mapping of risk for the materially important MOTA-ENGIL GROUP companies, internal audits are undertaken annually in various GROUP companies seeking to promote the efficiency of the internal control and improvement to the respective business processes. This methodology ensures a dynamic risk monitoring in each of the GROUP's operations while promoting suitable actions on the basis of the perceived risk as well as monitoring its progress.

Cyclical risks

As a result of the credit crisis affecting Europe and particularly in Spain, Greece, Italy, Ireland and Portugal, the European Commission created the European Financial Stability Facility (EFSF) and the European Financial Stabilisation Mechanism (EFSM) to make funds available to Euro-zone countries in financial difficulties and which seek this support. In March 2011 the European Council agreed on the need for Euro-zone countries to implement a permanent stability mechanism known as the European Stability Mechanism (ESM), which is to be activated by mutual agreement to assume the role of the EFSF and the EFSM in the provision of external financial support to Euro-zone countries after June 2013.

In spite of these measures, concerns persist relating to the debt burden of certain Euro-zone countries and their capacity for fulfilling future financial obligations, the stability of the Euro in general and its suitability as a single currency given the adverse political and economic circumstances considered individually in certain Member States. The high levels of sovereign debt and tax deficits in several Member States raise concerns relative to the financial condition of credit institutions, insurers and other businesses i) based in the Member States in question, (ii) with direct or indirect exposure to them or (iii) whose service providers, financiers or suppliers are exposed to these Member States. A significant decrease in the credit rating of one or more sovereign states or financial institutions may have a negative effect on the financial system as a whole and adversely affect some of the markets in which the GROUP operates in ways which are difficult to predict.

In spite of the significant improvement in confidence in financial markets and the reduced aversion on the part of investors to Euro-zone risk, the MOTA-ENGIL GROUP continues to focus its strategy on geographical diversification as was established in the last two strategic plans denominated Strategic Plan: "Ambition 2013" (2008) and Strategic Plan: "Ambition 2.0" (2012). Effectively, since 2008 the weight of the Portuguese market in the GROUP's activities has fallen systematically to represent currently 30% less in the volume of business. "Ambition 2.0" forecasts that the Portuguese, African and Latin American markets will have a similar weighting in the GROUP's activities in 2015, in the area of 30%, which represents a lesser exposure of the GROUP to the conjuncture risks from the various geographic markets where it operates.

Financial Risk Management

The MOTA-ENGIL GROUP, as with other companies and businesses, is exposed to a range of financial risks with interest rates, exchange rates, liquidity and credit worthy of special attention.

These risks result from the carrying on of the GROUP's business and lead to uncertainties regarding the capacity for generating cash-flows and returns adequate for the return on equity.

The GROUP's financial risk management policies seek to minimise the impact and adverse effects deriving from the uncertainties which characterise the financial markets. The uncertainty which is reflected in numerous forms, requires particular attention and specific, concrete and effective management measures.

The management of financial risk is coordinated by the Department of Corporate Finance with support and assistance from the Department of Planning and Corporate Management Control and is carried on in accordance and conformity with the guidance approved by the Board of Directors with consultative input from the Audit, Investment and Risk Committee, which is delegated from it while also being the responsibility of the administration of each of the MOTA-ENGIL GROUP business units.

The posture of the GROUP relative to the management of financial risks is cautious and conservative with recourse where advisable to instruments derived from the cover of risks with a view to them being related with ongoing activities, never assuming positions in derivatives or other financial instruments of a speculative nature.

The various types of financial risk are inter-related and the different management measures, although specific to each one, are linked in the longer term with this integration contributing to the following of the same objective, which is the reduction of volatility in cash-flows and returns expected.

Interest rate risks

The interest rate management policy has the objective of optimising the cost of the debt and the obtaining of a reduced level of volatility in finance charges or rather the control and mitigation of the risk of incurring losses resulting from variations in the rates of interest which are indexed to the GROUP's debts and which are principally denominated in Euros.

Before 2008 various operations for fixing or limiting the variation in interest rates on loans were realised for the distinct areas of business and mainly indexed to Euribor by the contracting of swaps or through other operations structured on derivatives at zero cost and which contributed (and will in future contribute) to the reduction in sensitivity to financial charges and potential upward movements in interest rates.

The contracting of these operations had the underlying rationale of the prosecution of the objective of realising and/or maintaining cover at around 30% of GROUP corporate debts, normally issued under an indexed or variable regime.

Since 2008 and in the light of the stagnation to which short- and medium-term interest rates have been subject and stable at historic lows following the grave and prolonged financial crisis we are dealing with, no new operations to cover this risk have been entered into, the GROUP however being aware of the inversion of the trend which will surely accompany the inevitable upturn in the economy in the coming years.

Exchange rate risk

The exchange rate risk management policy has as its objective the reduction in volatility of express investments and transactions in foreign currencies (currencies other than the Euro), contributing towards a reduced sensitivity of results to exchange fluctuations.

The exposure of MOTA-ENGIL GROUP to exchange rate risk results mainly from the presence of several subsidiaries in various markets, in particular in Angola and in Central Europe, where business represents an increasingly greater part of business turnover, as well as from a presence in Central and Latin America, particularly in the Peruvian, Mexican and Brazilian markets, which bring new challenges with exposure to different currencies and new economic realities.

In terms of management of the exchange rate risk, wherever possible or advisable, natural coverage is sought for exposed currencies by recourse to financial debt denominated in the currency in which the sums at risk are expressed. Whenever it proves possible or advisable, the contracting or undertaking of other transactions is promoted based on structured derivative instruments seeking the minimisation of cost in particular by covering the risks involved in future exchange rate transactions with a high degree of certainty with regard to the sum and the date of its realisation. Mainly in African markets, it is of note that a significant part of the contracts entered into is denominated in USD or Euros.

Liquidity risk

The policy for management of the liquidity risk has as its objective that of ensuring that there are funds available at all times in the GROUP and in its subsidiaries which are sufficient for meeting all financial commitments assumed at the appropriate time. This is therefore a means of ensuring that the GROUP has the financial resources available (cash on hand and financial inflows) necessary to meet commitments (financial outflows) whenever they become due.

The achievement of the high levels of financial flexibility which are vital to the management of this risk has been sought by means of recourse to the following management measures:

- The establishment of partnership relationships with financing entities, ensuring their financial support for the GROUP with a longer term view in the best or at least the least unfavourable conjuncture which affects all business cyclically
- The contracting and maintenance of short-term credit lines which are taken out as liquidity reserves available for use at any time
- The carrying out of tight financial planning for each company with the periodic drawing up and revision of cash-flow budgets which make it possible to forecast future shortages and excesses of cash-flow and their optimisation and integrated management between GROUP companies
- The financing of medium to longer term investments adapting debt maturities and the plan for the payment of liabilities resulting from the financing to cash-flow generating potential for each project or company
- The beginning of the process of negotiating the refinancing of medium- and long-term loans maturing within a year, at least a year in advance of its respective maturity
- The maintenance of a debt structure for companies with financing levels at medium and long term between 60 and 70%, thus reducing their dependency on more volatile, short-term funding, thus contributing to immunity to the conjuncture factors of financial markets

01. Consolidated Management Report



- The scheduling of the maturity of longer term financial debts seeking to extend average maturity so that it coincides more closely with the level of permanence of certain longer term assets held by the GROUP
- The seeking out of new sources of finance and new financiers with the intention of:
 - Geographic diversification and the harnessing of resources in the different markets where the GROUP carries on business;
 - The diversification of debt instruments – the harnessing of funds from alternative sources.

The effective management of risk is closely linked to the management of other financial risks which contribute as a complement to the prosecution of this objective and ensuring the cash-flows at the times and in the sums forecast.

Credit risk

The policy for the management of credit risk has as its objective that of ensuring that GROUP companies achieve the effective payment and receipt of credit granted to third parties at the dates established and/or negotiated for the purpose.

Exposure of the GROUP to credit risk above all is attached to the accounts receivable deriving from the normal day-to-day carrying on of business with special attention paid to the provision of services and/or retail sales.

The mitigation of this risk is achieved preventively before exposure to the risk by recourse to information providers and credit risk profilers which allow a reasoned decision to be taken regarding the granting of credit. Subsequently and after the credit has been granted, the maintenance of credit control and payment structures is promoted and, in certain specific cases, recourse is promoted to the contracting of credit insurance from credible insurers. These measures contribute to the maintenance of customer credit within levels which are not likely to affect the financial health of GROUP companies.

For more than 67 years the GROUP has operated consistently in Angola where, as is well known, oil-related production accounts for 85% of the Gross Domestic Product so that the price per barrel is an overwhelming influence on the Angolan government's capacity to invest in infrastructure projects and even to meet its existing commitments. For this reason and due to the increasing balancing of private and public customers, the GROUP considers that credit risk in this country is under control.

The credit risk policy applied by Mota-Engil ensures that the GROUP is not exposed to significant credit risk from any customer in particular and its activities are carried out on the basis of a broad range of customers distributed over many fields of business and geographical regions.

6. Human Capital Management

The deep change of the profile of the Mota-Engil Group in international terms led to the appearance of new challenges regarding Human Capital Management, materialised in the “Ambition 2.0” strategic plan in terms of the strategic component Organisation and Management of Human Capital, in order to promote a greater efficiency and skill in the whole regions of the Group.

Within the scope of this strategic pivot for action, the Group set forth and strengthened four priorities and macro-purposes of the management of its staff and structures:

Optimisation of the structures of markets and development of their skills

The sustainability of the organisational matrix of the Group around three regions is necessarily based on a continuous reliance on knowledge, development and optimisation of the structures of the markets in which Mota-Engil carries out its activities.

Such purpose reflects the importance of continuity and strengthening of the implementation of the Human Resource Management Corporate Policies, particularly the Corporative Model of Functions and Skills, enabling the analysis and functional framework of the Group’s structures, the knowledge of its skills and critical areas of development.

At the same time, the reorganisation and regionalisation of Mota-Engil strengthened unequivocally the challenge of deepening knowledge and continuous follow-up of human resource indicators, enabling the analysis and characterisation of the Group’s structures in both demographic and performance terms, a scope in which project HR Reporting^{M-E} is particularly relevant.

This challenge also fostered in 2013 the investment in initiatives of extension of the scope and underpinnings of human resource reporting, aimed at promoting a cohesive and integrated vision of the set of human capital indicators, regardless of the location, business and structure of framework of collaborators.

Promoting a balance between the mobility of the permanent staff and the reliance in local permanent staff

Within the context of a Group with an increasingly international profile, the promotion of mobility of collaborators plays a central role, considering the double challenge of response to the needs of markets/business and retainment of talent and technical know-how. This climate strengthened in 2013 the need for the consolidation of a set of processes and instruments supporting a proper management of collaborators in international mobility in the Group, namely in terms of their identification and mobilisation, as well as in terms of their integration in the countries in which they work.

Alongside the mobilisation of resources according with the skills needed in each region/market, promoting a global management of human resources from different provenances for different destinations, the international reliance of the Mota-Engil Group and the sustainability of its presence in such countries requires the development of local permanent staff. It is critical to create opportunities for their integration in management positions and the promotion of initiatives of identification of local talent, development and transfer of know-how and its retainment.

01. Consolidated Management Report



Within this scope, Mota-Engil has been promoting not only a set of projects of attraction and reinforcement of local structures (for example, the programme of corporative reception of trainees – start@ME), but also initiatives of development, training and follow-up of local collaborators, in order to satisfy the needs of growth from markets.

Cultivating meritocracy

The integrated management of the Group's Human Capital is also based on the promotion and implementation of processes that promote a high performance culture, using tools enabling the increase of the profitability and productivity of the regions and the assessment of the best performances, disseminating a culture of meritocracy essential to the success and continuity of the Group and its companies.

Within this scope, Mota-Engil continued to invest in 2013 in the development and implementation of tools such as the Balanced ScoreCard and the Performance Management Corporate Model, aimed at promoting a culture of staff management based on merit, quality and results.

Promoting an homogenous and shared Culture

The organisation of the Group relying on a regional matrix spread over an increasingly larger number of markets requires mandatorily the promotion and fostering of an homogenous and shared Culture, enabling the continuation of a common vision, strategy and culture in the different countries and cultural variety and different business in which Mota-Engil carries out its activities.

MOTA-ENGIL Active School, alongside other initiatives of knowledge sharing and stimulation of the culture, values, history, models and procedures of the Group, is a vehicle of promotion of a Mota-Engil identity and culture which are intended to be as wide as the dimension of the Group, as disseminated as its international presence and representative of the values of the Mota-Engil Group: Ambition, Integrity, Cohesion and Team Spirit.

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 profits

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 47,939,092 euros and 99 cents, which already includes the amounts of 700,000 euro and 300,000 euro allocated for the distribution of profits to the Board of directors, pursuant to the terms of Art. 27, no. 3 of the statutes, and to the workers, respectively:

- a) For the legal reserve, 1,389,492 euros and 35 cents, so that this reserve may total the legal maximum of 20% of share capital;
- b) For distribution to the shareholders, 0.1235 euro cents per share, subject to taxes, in the overall amount of 25,272,508 euros and 33 cents;
- c) For free reserves, the remainder, in the amount of 21,277,092 euros and 31 cents.

9. The Outlook for 2014

The Strategic Plan “Ambition 2.0” supports the GROUP’s strategy and adapted its organisation on the basis of the three regions where business has been built up.

However, in the course of 2014, this reorganisation process on the basis of regional poles will enter a new phase with the floatation of MOTA-ENGIL AFRICA and its contribution to the strengthening of the capacity for growth of business.

Therefore, for the present year and in accordance with this framework, it is possible to set out the following perspectives for GROUP business:

- Maintenance of the growth in Consolidated Turnover on the basis of the order portfolio and the GROUP’s strategy of international expansion and diversification
- The improvement of margins in Europe with the Turnover trend over recent quarters being inverted
- Turnover growth in Africa with sustained margins and the opening up of new markets
- Improvement to margins in Latin America with turnover growth based on the order portfolio corresponding to the double of 2013’s turnover
- Reduction of the contribution from the ASCENDI GROUP to the GROUP’s results
- An order portfolio worth more than 4 billion Euros supported by overseas activities

It should be stressed that these perspectives do not correspond to a commitment to the future performance of the GROUP, but rather just to a greater forecasting capacity with regard to the future business of GROUP companies. As a result, the performance which will be effectively achieved in 2014 may differ substantially from these forecasts. In addition, Mota-Engil is not committed to updating or correcting this information due to changes in any endogenous or exogenous factors which may change the performance of the GROUP.

10. Subsequent events

In 2014, up to the publishing of the present report the following relevant events took place the details of which are disclosed, on what publication of privileged information is concerned, on the websites of MOTA-ENGIL and CMVM:

Mota-Engil reports on the Zimbabwe mining contract and other awards in the sum of some 780 million euros (Note from the 7th of January 2014)

«MOTA-ENGIL reports that it ensured the awarding of a Zimbabwean mining contract worth a total of 260 million dollars (approximately 191 million euros). The contract awarded by the Hwange Colliery company is for a period of 5 years (starting in January 2014) and includes drilling, dynamiting, loading and transport of the coal mined in Zimbabwe. MOTA-ENGIL thus records its entry into a further market on the continent of Africa fulfilling the International Expansion Strategy defined in Plan “Ambition 2.0”.

In addition, MOTA-ENGIL recently ensured the awarding of the following sums for major projects in Africa and Latin America:

Europe (80 million euros)

- In Poland, 80 million euros

Africa (263 million euros)

- In Mozambique, 256 million dollars (approximately 188 million euros)
- In Angola, 102 million dollars (approximately 75 million euros)

Latin America (243 million euros)

- In Peru, 160 million dollars (approximately 118 million euros)
- In Mexico, 50 million dollars (approximately 37 million euros)
- In Brazil, 56 million dollars (approximately 41 million euros)
- In Colombia, 64 million dollars (approximately 47 million euros)

Thus the GROUP added almost 780 million euros to its order book in new projects which is equivalent to 1,060 million dollars.»

Mota-Engil, SGPS, SA informs of the date for the extraordinary conditional dividend (Note of the 10th of January 2014)

«Following the information given to the market regarding the deliberations of the Annual General Meeting held on the 27th of December 2013, MOTA-ENGIL, SGPS, S.A. reports that:

1. The company denominated “MOTA-ENGIL ÁFRICA” has now been formed in the proposal approved by said Annual General Meeting, the details of which are as follows:

MOTA-ENGIL AFRICA, BV

Registered offices: Prins Bernhardplein 200, 1097JB Amsterdam, The Netherlands

Registration nº: 56382057

Share Capital: € 100,000,000 divided into 100 million shares with a nominal value of one euro each

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2. The object of the conditional distribution to the shareholders of MOTA-ENGIL, SGPS, S.A. considered by the Annual General Meeting resolved that it be constituted with 20 million shares representing 20% of the share capital of said company MOTA-ENGIL AFRICA, BV;

3. In view of this decision the Board of Directors of MOTA-ENGIL, SGPS, S.A. on this date gave notice of the start of this process of carrying out the said conditional distribution within which:

- a) In line with the abovementioned Annual General Meeting deliberation which determined the date of the 22nd of January 2014 (Marked Date) as the date set for the right to receive said conditional distribution by which, as is to be published by Euronext Lisbon, from the 17th of January 2014 inclusive, the MOTA-ENGIL SGPS S.A. shares will be floated on the stock exchange without any right being granted to said dividend;
- b) Following the awarding and marking out of this conditional right to be made under the terms of article 68 of the Stock Exchange Code irrevocable instructions will also be issued to the financial intermediary so that, after verification of the conditions the transfer of all 20 million shares in MOTA-ENGIL AFRICA BV will be made to shareholders on the Marked Date or the respective registered transferor.

4. Under the terms of said Annual General Meeting deliberation held on the 27th of December 2013, a right is to be awarded for each ordinary share in MOTA-ENGIL, SGPS, S.A on the date of the deliberation, excluding the 11,101,379 equity shares.

5. Taking equally into consideration the elements referred to above and the tenor of said deliberation, the awarding factor was set at 0.10334084, by which, in case of the conditions are met, 0.10334084 of MOTA-ENGIL ÁFRICA shares per right will be awarded. The holders of rights relative to which, as a result of the application of awarding factor and after deducting the tax due, rounding upwards by default is made shall have the right to a financial compensation in proportion to said rounding, which is to be defined by reference to the subscription price for new shares in MOTA-ENGIL ÁFRICA to be issued in the increase in capital announced to be made in the context of the IPO, by which the award is conditioned.

6. Where the suspension conditions enunciated in said deliberation are not met by the 31st of December 2014 the rights will be extinguished without the titleholders having the right to any compensation for this fact, MOTA-ENGIL SGPS S.A. maintaining title to 100% of the capital MOTA-ENGIL ÁFRICA.

7. In this sense and as a complement to the information published and incorporated into said Annual General Meeting deliberation, pro forma financial accounts (unaudited) are published at the 30th of September 2013 for MOTA-ENGIL AFRICA, BV.»

Mota-Engil, SGPS, SA reports the offer of shares (Note of the 25th of February 2014)

« As was opportunely and publicly announced, MOTA-ENGIL, SGPS, SA (“MOTA-ENGIL” and jointly with its subsidiaries, the “GROUP”) has demonstrated particular attention to the valuation of the various dimensions of its structure and representativity on capital markets. In particular MOTA-ENGIL understands that:

- i. the extension and diversification of its investor base will contribute to increasing the visibility of the GROUP;

01. Consolidated Management Report



- ii. the challenges of growth and the creation of value resulting from a geographical presence with great potential for expansion, the strategy of developing and building-up its business in addition to constantly seeking increased profitability require a strengthening of the structure of the balance sheet;
- iii. a sustained presence in capital markets requires levels of liquidity which are attractive to investors which translates into a free float which further supports a diversification of the shareholder base;
- iv. knowing the composition of the shareholder base of MOTA-ENGIL, the objectives described in the previous points can only be achieved with the collaboration and active involvement of its controlling shareholder.

Therefore, in fulfillment of the above proposals, MOTA-ENGIL informs that, subject to the market conditions of demand and price in addition to the deliberations of the Annual General Meeting approved on the 27th of December 2013, MOTA-ENGIL together with Mota Gestão e Participações, SGPS, S.A., the controlling shareholder will make 34,300,000 ordinary shares available for disposal by means of an accelerated bookbuild process ("Transaction"). The shares which are the subject of the offer do not include the right to receive the conditional dividend in kind of 20% of the shares in MOTA-ENGIL AFRICA BV decided on at the Annual General Shareholders' Meeting and announced on the 27th of December 2013.

The Board of Directors of MOTA-ENGIL mandated Credit Suisse Securities (Europe) Limited ("Credit Suisse"), in the capacity of global coordinator and bookrunner and the Banco Espírito Santo de Investimento, S.A. ("BESI"), Caixa-Banco de Investimento, S.A. ("CaixaBI") and Banco Comercial Português, S.A. ("BCP"), to act as joint-bookrunners within the scope of the Transaction.

As is publicly known, MOTA-ENGIL maintains the same controlling shareholder since its founding in 1946. Since that date and throughout the life of the GROUP during its many stages of growth and consolidation over recent decades it has been made evident that it is committed to the performance in full of its role with the GROUP. By associating itself with the transaction the controlling shareholder once again demonstrates its commitment towards MOTA-ENGIL both now and in the future.

Within the scope of the Transaction and subject to the regular exceptions, MOTA-ENGIL and the controlling shareholder assume a commitment to lock-up for a period of 180 days (from the date of liquidation of the Transaction) relating to the disposal of any other MOTA-ENGIL shares which are directly or indirectly held.

The Board of Directors of MOTA-ENGIL restates its confidence in the performance, commitment and prospects for the GROUP with particular regard to economic performance which has already been translated into the results for the third quarter of 2013 and the best on record for the GROUP which is expected to be confirmed in the annual results to be duly presented.

Mota-Engil, SGPS, SA informs on the results of the share offering (Note of the 26th of February 2014)

« Following the note issued on the 25th of February 2014 related with the offer, jointly with the controlling shareholder Mota Gestão e Participações, SGPS, S.A., of up to 34,300,000 ordinary shares in MOTA-ENGIL, SGPS, S.A. ("MOTA-ENGIL"), including 11,101,379 equity shares, MOTA-ENGIL informs that after the accelerated bookbuilding process all of the 34,300,000 shares were placed at a price of 4.65€ per share.

Payment of the offer should take place on the 3rd of March 2014.»



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 17, 2014

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
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

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

Eng. 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)



01. Consolidated Management Report

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

We work towards development

We are deeply committed to the construction of a new Europe, through projects that foster the future, created with the experience and technical skills gathered over 67 years.

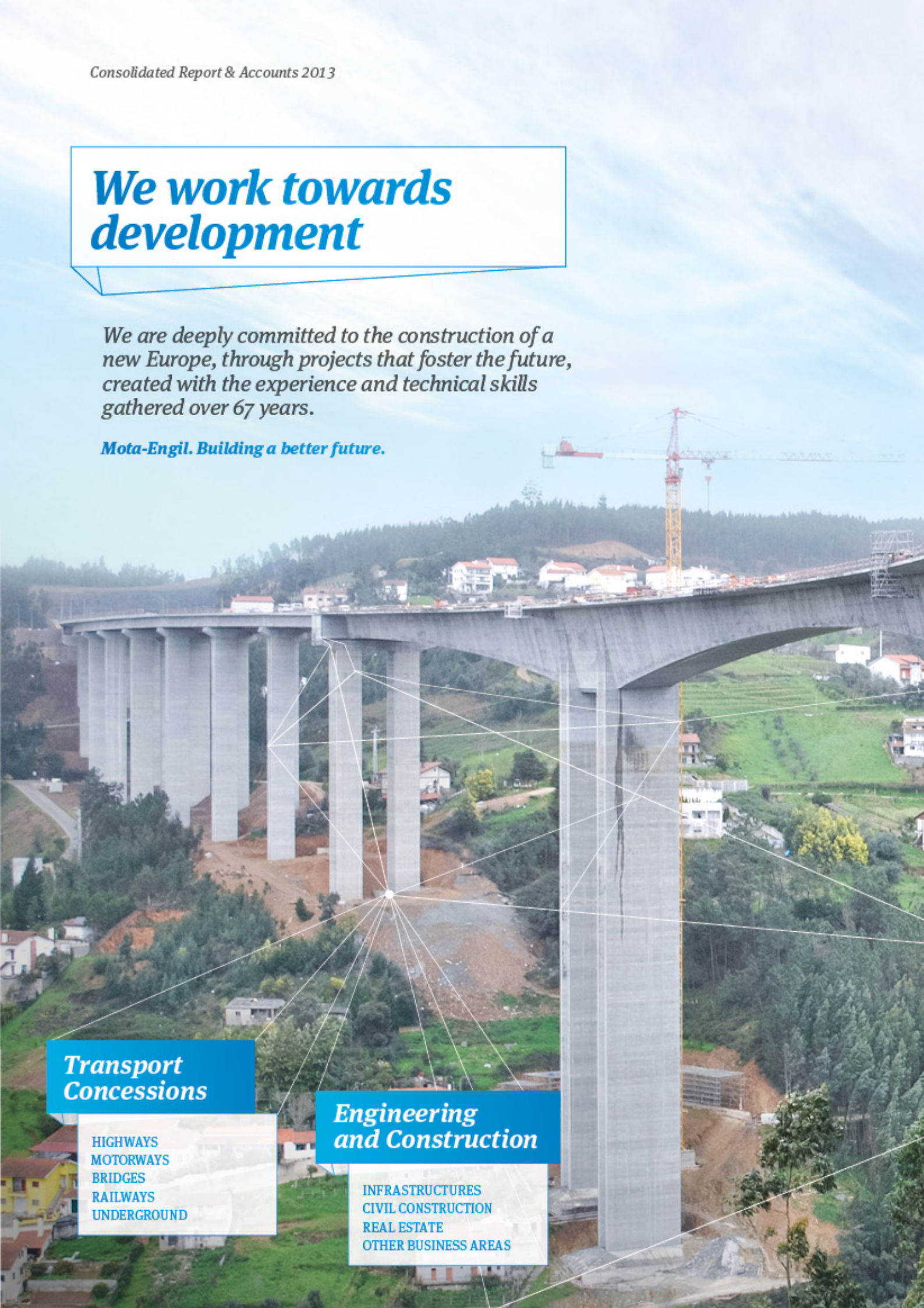
Mota-Engil. Building a better future.

Transport Concessions

HIGHWAYS
MOTORWAYS
BRIDGES
RAILWAYS
UNDERGROUND

Engineering and Construction

INFRASTRUCTURES
CIVIL CONSTRUCTION
REAL ESTATE
OTHER BUSINESS AREAS



02.

CONSOLIDATED FINANCIAL INFORMATION



MOTA-ENGIL
SGPS, S.A.

Mining

PROSPECTING
EXTRACTING
EXPLORATION

Environment and Services

WASTE
WATER
PORTS AND LOGISTICS
MULTISERVICES
ENERGY

Portugal / Rio Ceira's
Bridge



Separate Consolidated Income Statement For The Year Ended December 31, 2013 & 2012

Notes	Year		4th Quarter	
	2013 € '000	2012 € '000	2013 € '000	2012 € '000
	(audited)	(audited)	(unaudited)	(unaudited)
Sales & services rendered 3 and 39	2,313,702	2,243,167	650,925	556,052
Other revenues 4	61,401	82,992	26,249	15,634
Cost of goods sold, mat. cons. & Subcontractors 5	(1,063,745)	(1,146,298)	(319,444)	(236,805)
Gross profit	1,311,359	1,179,862	357,730	334,880
Third-party supplies & services 6	(502,325)	(462,812)	(151,677)	(132,943)
Wages and salaries 7	(446,769)	(416,673)	(113,594)	(102,219)
Other operating income / (expenses) 8	574	(12,922)	4,526	(29,324)
	362,839	287,455	96,985	70,394
Depreciation & Amortization 9, 17, 18 and 39	(102,727)	(91,349)	(25,259)	(19,036)
Provisions and impairment losses 10	(17,236)	(24,926)	(5,280)	(17,071)
Operating profit 39	242,876	171,180	66,446	34,287
Financial income & gains 11 and 39	176,306	136,718	84,514	46,122
Financial costs & losses 11 and 39	(282,548)	(219,201)	(112,981)	(60,353)
Gains / (losses) in associates and jointly controlled companies 12 and 39	(1,451)	22,346	(210)	12,691
Income before taxes 13	135,182	111,044	37,768	32,747
Income Tax 13 and 39	(46,714)	(37,037)	(18,268)	(16,768)
Consolidated net profit of the year	88,468	74,007	19,500	15,980
Attributable:				
to non-controlling interests 34 and 39	37,964	33,261	6,911	518
to the Group 15 and 39	50,505	40,746	12,589	15,462
Earnings per share:				
basic 15	0.26 €	0.21 €	0.07 €	0.08 €
diluted 15	0.26 €	0.21 €	0.07 €	0.08 €

To be read with the Notes to the Consolidated Financial Statements

02. Consolidated Financial Information



Statement of Consolidated Comprehensive Income For The Year Ended December 31, 2013 & 2012

	Year		4th Quarter	
	2013 € '000	2012 € '000	2013 € '000	2012 € '000
	(audited)	(audited)	(unaudited)	(unaudited)
Consolidated net profit for the year	88,468	74,007	19,500	15,980
Items of other comprehensive income that may be reclassified to the income statement				
Exchange differences stemming from transposition of financial statements expressed in foreign currencies	(21,484)	(6,013)	(9,819)	(1,245)
Variation, net of tax, of the fair value of financial derivatives	498	5,668	95	2,879
Other comprehensive income in investments in associates using the equity method (Note 19) and other	34,028	(11,693)	5,749	29,309
Items of other comprehensive income that will not be reclassified to the income statement				
Variation, net of tax, of the fair value of mineral resources and others	-	3,433	-	3,433
Total comprehensive income for the year	101,510	65,401	15,525	50,356
Attributable:				
to non-controlling interests	34,574	33,908	5,598	1,107
to the Group	66,936	31,493	9,927	49,249

To be read with the Notes to the Consolidated Financial Statements

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

	Notes	2013 € '000	2012 € '000
		(audited)	(audited)
Assets			
Non-current			
Goodwill	16 and 39	133,611	127,032
Intangible fixed assets	17 and 39	133,164	125,050
Tangible fixed assets	18 and 39	690,603	613,431
Financial investments under the equity method	19 and 39	218,169	218,905
Available for sale financial assets	20	49,792	39,035
Investment properties	21 and 39	55,304	66,185
Customers & other debtors	23 and 39	213,059	174,431
Deferred tax assets	13	52,158	50,345
Cash & cash equivalents – Term Deposits	23	53,552	-
		1,599,410	1,414,415
Non-current Assets Held for Sale	38 and 39	30,311	79,398
Current			
Inventories	22	311,152	268,514
Customers	23 and 39	978,484	924,465
Other debtors	23 and 39	283,002	318,836
Other current assets	23 and 39	264,889	321,342
Derivative financial instruments	26	-	-
Cash & cash equivalents – Demand Deposits	23	270,961	206,999
Cash & cash equivalents – Term Deposits	23	35,219	64,780
		2,143,708	2,104,936
Total Assets		3,773,429	3,598,749
Liabilities			
Non-current			
Debt	25	747,503	490,539
Sundry Creditors	27 and 39	185,141	289,340
Provisions	28	99,312	99,626
Other non-current liabilities	29 and 39	3,034	1,411
Deferred tax liabilities	13	31,478	31,614
		1,066,469	912,530
Current			
Debt	25	583,844	631,693
Suppliers	27 and 39	488,113	525,855
Derivative financial instruments	26	674	1,394
Sundry Creditors	27 and 39	523,782	513,404
Other current liabilities	29 and 39	551,321	577,892
		2,147,734	2,250,238
Total Liabilities		3,214,203	3,162,768
Shareholders' equity			
Equity capital	24	204,636	204,636
Reserves	24	102,355	78,739
Consolidated net profit for the year		50,505	40,746
Own funds attributable to the Group		357,495	324,121
Non-controlling interests	34	201,731	111,860
Total shareholders' equity		559,226	435,981
Total shareholders' equity & liabilities		3,773,429	3,598,749

To be read with the Notes to the Consolidated Financial Statements

02. Consolidated Financial Information



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, 2012	204,636	(22,749)	87,256	27,702	1,550	(10,038)
Total comprehensive income for the year	-	-	-	-	3,433	3,036
Dividend distribution	-	-	-	-	-	-
Other distributions of results	-	-	-	-	-	-
Transfers for other reserves	-	-	-	-	-	-
Alterations to the consolidation perimeter and in the ownership interest in subsidiaries	-	-	-	-	-	6,005
Balance as at December 31, 2012	204,636	(22,749)	87,256	27,702	4,983	(996)
Balance as at January 1, 2013	204,636	(22,749)	87,256	27,702	4,983	(996)
Total comprehensive income for the year	-	-	-	-	-	498
Dividend distribution	-	-	-	-	-	-
Other distributions of results	-	-	-	-	-	-
Transfers for other reserves	-	-	-	-	-	-
Alterations to the consolidation perimeter and in the ownership interest in subsidiaries	-	-	-	-	5,323	-
Balance as at December 31, 2013	204,636	(22,749)	87,256	27,702	10,306	(499)

To be read with the Notes to the Consolidated Financial Statements

Changes in Equity December 31, 2013 & 2012

Currency translation reserve	Other reserves	Net Profit	Own funds attributable to shareholders	Own funds attributable to non-controlling interests	Shareholders' equity
(28,524)	19,727	33,432	312,992	101,833	414,825
(6,013)	(9,708)	40,746	31,493	33,908	65,401
-	(21,289)	-	(21,289)	(24,523)	(45,812)
-	(804)	-	(804)	(53)	(858)
-	33,432	(33,432)	-	-	-
-	(4,276)	-	1,729	696	2,425
(34,537)	17,081	40,746	324,121	111,860	435,981
(34,537)	17,081	40,746	324,121	111,860	435,981
(18,464)	34,398	50,505	66,936	34,574	101,510
-	(21,289)	-	(21,289)	(27,837)	(49,126)
-	(226)	-	(226)	(97)	(322)
-	40,746	(40,746)	-	-	-
-	(17,370)	-	(12,047)	83,230	71,183
(53,001)	53,341	50,505	357,495	201,731	559,226

02. Consolidated Financial Information



Statement of Consolidated Cash-Flows For the Years Ended December 31, 2013 & 2012

	Notes	2013 € '000	2012 € '000
OPERATING ACTIVITY			
Cash receipts from customers		2,271,724	2,294,820
Cash paid to suppliers		(1,725,111)	(1,569,381)
Cash paid to employees		(415,975)	(382,744)
Cash generated from operating activities		130,637	342,694
Income tax paid/received		(39,340)	(37,088)
Other receipts/payments generated by operating activities		17,772	7,788
Net cash from operating activities (1)		109,069	313,394
INVESTING ACTIVITY			
Cash receipts from:			
Financial assets	37	130,813	5,359
Intangible fixed assets		-	9
Tangible fixed assets		8,407	8,031
Government grants		1,212	4,005
Interest and similar incomes		28,305	22,844
Dividends		7,248	3,114
Others		-	1,103
		175,985	44,465
Cash paid in respect of:			
Financial assets	37	(20,426)	(34,995)
Intangible fixed assets		(18,838)	(6,202)
Tangible fixed assets		(156,781)	(136,176)
Others		-	(138)
		(196,045)	(177,511)
Net cash from investing activities (2)		(20,060)	(133,047)
FINANCING ACTIVITY			
Cash receipts from:			
Loans obtained		277,002	216,862
		277,002	216,862
Cash paid in respect of:			
Loans obtained		(67,887)	(188,967)
Amortization of finance lease contracts		(57,630)	(52,251)
Interest & similar expense		(134,020)	(92,337)
Dividends		(21,289)	(21,289)
		(280,826)	(354,843)
Net cash from financing activities (3)		(3,824)	(137,981)
Variation of cash & cash equivalents (4)=(1)+(2)+(3)		85,185	42,366
Variations caused by changes to the perimeter		22,386	(5,870)
Exchange rate effect		(19,617)	1,062
Cash & cash equivalents at the beginning of the year	23	271,779	234,220
Cash & cash equivalents at the end of the year	23	359,733	271,779

To be read with the Notes to the Consolidated Financial Statements

(1) Includes the amount of 53,552 thousand euros recorded in non-current in 2013

0. Introduction

The core business of Mota-Engil, SGPS, SA, with head office at Edifício Mota, Rua do Rêgo Lameiro, 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 thousand 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 adjusted in the consolidation process, 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 as at December 31, 2013.

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.

January 1st, 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.

In the period ending on the 31st of December 2013 the following standards, interpretations, alterations and revisions endorsed by the European Union became applicable:

EU Regulation	Standard	Issued in
Amendments		
Regulation no. 475/2012	IAS 1 – Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income	16/06/2011
Regulation no. 1255/2012	IAS 12 – Income Taxes - Deferred Tax: Recovery of Underlying Assets	20/12/2010
Regulation no. 475/2012	IAS 19 – Employee Benefits	16/06/2011
Regulation no. 1256/2012	IFRS 7 – Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities	16/12/2011
Regulation no. 1255/2012	IFRS 1 – First-time Adoption - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	20/12/2010
Regulation no. 183/2013	IFRS 1 – First-time Adoption of International Financial Reporting Standards- Government Loans	13/03/2012
New Standards/Interpretations		
Regulation no. 1255/2012	IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine	19/10/2011
Regulation no. 1255/2012	IFRS 13 – Fair Value Measurement	12/05/2011

02. Consolidated Financial Information



EU Regulation	Standard	Issued in
Improvements		
Regulation no. 301/2013	Improvements of international financial reporting standards – 2009-2011	17/05/2012

Except for IFRS 13 - Fair Value Measurement, which was early adopted by the Group in 2012 and whose impacts have been adequately disclosed in the Annual Report of that year, the effects of the adoption of the above mentioned standards were not significant.

The following standards, interpretations, amendments and revisions were endorsed by the European Union and are mandatory for annual periods beginning on or after January 1, 2014:

- IFRS 10 - Consolidated Financial Statements (*);
- IFRS 11 - Joint Arrangements (*);
- IAS 27 - Separate Financial Statements - revised in 2011 (*);
- IAS 28 - Investments in associates and joint ventures (*);
- Amendments to IFRS 10, IFRS 12 and IAS 27 (Investment Entities) standards;
- Amendment to IAS 32 (Compensation between assets and liabilities);
- Amendment to IAS 36 (Disclosures on impairment of non-financial assets);
- Amendment to IAS 39 (Reworking of derivatives and hedge accounting continued).

(*) In accordance with EU Regulation approving the adoption of IFRS 10, IFRS 11 and IFRS 12 standards and amendments to IAS 27 and IAS 28 standards, entities should adopt these rules in years beginning on or after January 1, 2014. Early adoption is however permitted.

The Group did not proceed with early adoption of any of these standards since their application is not mandatory for the year ended December 31, 2013. The impacts that the adoption of such standards should originate are being estimated by the Group.

The consolidated financial statements are presented in euros since this is the main currency of the Group's operations. The financial statements of the subsidiaries in foreign currency were converted into euros in accordance with the accounting policies described in subparagraph xv) of the main valuation criteria herein. All estimates and assumptions made by the Board of Directors were based on their knowledge of the events and transactions 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). These effects will always be reported as at January 1st 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 if no holdings are held directly in their share capital, these entities are consolidated through the full consolidation method. As at December 31st, 2013 and 2012, there are no entities in this situation.

b) Associates

Financial investments in associates (companies where the Group exercises 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 exceeds 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 company, 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 controlled entities

As of January 1st, 2010, financial interest in joint controlled entities 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;
- the effective percentage holding;
- the voting rights that are held.

d) Joint operations (Consortiums)

Given the very singular nature of consortiums, mainly engaged in the construction activity, and with very specific purposes which 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, judgments 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 in equity under the heading Currency conversion reserve.

Positive consolidation differences generated before the IFRS transition date remain 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 January 1st, 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 January 1st, 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 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 January 1st, 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 January 1st, 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 Waterareas, both of the Europe Environment & Services segment, 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

Installations (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.

iv) 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 December 31st, 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
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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 the 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 to.

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 and 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: these 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: these 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 the 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 expires 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 and 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-of-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-of-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.

Variation in the work relative to the amount of revenue agreed in the contract is 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 to 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, being recorded in financial income or financial expenses respectively depending on whether positive or negative, 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 euros 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 euros using the exchange rates as at the reporting date.

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

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

Currency of register		Year end		Average	
		2013	2012	2013	2012
Czech Crown (CZK)	EUR / CZK	27.43	25.15	26.03	25.14
Algerian Dinar (DZD)	EUR / DZD	108.10	103.19	105.93	100.28
S. Tomé And Príncipe Dobra (STD)	EUR / STD	24,500.00	24,500.00	24,500.00	24,500.00
US Dollar (USD)	EUR / USD	1.38	1.32	1.33	1.29
Cape Verde Escudo (CVE)	EUR / CVE	110.27	110.27	110.27	110.27
Hungarian Forint (HUF)	EUR / HUF	297.04	292.30	297.93	287.99
Angola Kwanza (AOK)	EUR / AOK	134.59	126.85	128.16	122.84
Malawian Kwanza (MWK)	EUR / MWK	593.01	427.49	491.70	322.24
Mozambique Metical (MZM)	EUR / MZN	41.24	39.24	39.67	36.49
Romanian New Leu (RON)	EUR / RON	4.47	4.44	4.41	4.46
Peruvian Novo Sol (PEN)	EUR / PEN	3.86	3.37	3.62	3.41
Colombian Peso (COP)	EUR / COP	2,661.66	2,331.38	2,502.15	2,323.89
Mexican Peso (MXN)	EUR / MXN	18.07	17.18	17.13	16.94
South Africa Rand (ZAR)	EUR / ZAR	14.57	11.17	13.01	10.57
Braslian Real (BRL)	EUR / BRL	3.26	2.70	2.89	2.53
Polish Zloty (PLN)	EUR / PLN	4.15	4.07	4.21	4.17

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) Financial charges with loans obtained

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 time 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 it 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) Judgments 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 December 31st, 2013 and 2012 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 in profit or loss in a prospective manner, pursuant to IAS 8.

xxvi) Cash flow accounts

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 invested capital

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.

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 December 31st, 2013 there were financing operations with commitments of maintaining covenants related to levels of financial autonomy and debt ratios based on the Group's consolidated financial statements, 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 licenses for the construction, operation and maintenance of public infrastructures, the Group faces conditions of access to these markets

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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 December 31st, 2013, 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 and Services rendered

The breakdown of the sales and services rendered during the years ended on December 31st, 2013 and 2012 is as follows:

	2013	2012
Sales of merchandise	6,643	9,622
Sales of products	58,234	59,849
Services rendered	2,248,826	2,173,696
	2,313,702	2,243,167

During 2013 and 2012 there was no significant discontinuation in the business activities of the Group. Sales and services rendered by business segment are as presented in Note 39.

The order book of the Group is as follows:

	2013
Europe	904,969
Europe Engineering & Construction	584,381
Europe Environment & Services	320,588
Africa	1,621,473
Latin America	1,343,483
	3,869,924

4. Other income

For the years ended on December 31st, 2013 and 2012, the heading Other income, in the sums of 61,401 thousand euros and 82,992 thousand 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 31st December 2013 and 2012 is broken down as follows:

2013	Merchandise	Raw & Subsidiary materials & consumables	Total
Opening stocks	40,501	62,073	102,573
Transfers	(743)	(2,287)	(3,030)
Regularization	552	(8,728)	(8,176)
Variation of perimeter	(6,141)	(1,644)	(7,785)
Purchases	92,715	360,384	453,099
Closing stocks (Note 22)	(38,735)	(75,673)	(114,408)
	88,148	334,125	422,273
Subcontracts			641,472
Cost of Goods Sold, Materials Consumed & Subcontracts			1,063,745

2012	Merchandise	Raw & Subsidiary materials & consumables	Total
Opening Stocks	38,624	53,199	91,823
Transfers	674	(459)	215
Regularization	61	(363)	(302)
Variation of perimeter	231	(1,039)	(808)
Purchases	33,149	480,427	513,575
Closing stocks (Note 22)	(40,501)	(62,073)	(102,573)
	32,238	469,692	501,930
Subcontracts			644,367
Cost of Goods Sold, Materials Consumed & Subcontracts			1,146,298

6. Third-party Supplies & Services

Third party supplies and services for the years ended on 31st December 2013 and 2012 are broken down as follows:

	2013	2012
Leases & Rents	233,914	212,784
Specialised works	65,324	53,254
Transport, travel and board & lodging	54,531	45,027
Fuel	37,622	39,206
Maintenance & repairs	28,285	38,644
Insurance	11,656	11,437
Water & electricity	8,405	8,529
Vigilance & security	7,699	8,575
Communications	7,313	6,155
Commissions & fees	6,510	4,082
Utensils & office equipment	5,904	6,371
Advertising & publicity	1,727	1,864
Other supplies & services	33,434	26,884
	502,325	462,812

The heading "Leases and rents" essentially refers to lease payments for equipment, machines, vehicles and rents for premises, whose increase relative to 2012 mainly arises from the contribution shown by the increased business in Africa and Latin America.

The heading "Specialised work" essentially refers to technical support services, auditing and consultancy.

The main lease and rent contracts of the Group essentially refer to the lease of machines and equipment 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 31st December 2013 includes the value of 120,793,000 related to operating lease payments, essentially relating to the lease of vehicles and computer equipment.

The income from operational leases due for which there is a viable contract as follows:

Maturity	2013	2012
1 year	11,800	5,927
Between 2 and 5 years	7,879	7,592
	19,679	13,518

The main operating lease contracts of the Group essentially refer to the lease of vehicles and equipment.

7. Staff costs

Staff costs for the years ended on 31st December 2013 and 2012 are broken down as follows:

	2013	2012
Remuneration	353,985	329,083
Social security charges:		
Pensions & other benefits granted	209	87
Other	92,575	87,503
	446,769	416,673

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

The increase in personnel costs compared with 2012 results essentially from the increase in the regions of Africa and Latin America which more than compensated for the reduction in the European market. The personnel costs per business segment are as set out at Note 39.

As at 31st December 2013 and 2012, 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 2013 and 2012, the final number of employees working for the Group is detailed as follows:

	2013	2012
Management	95	96
Employees	8,888	8,414
Workers	19,362	17,651
	28,345	26,161
Europe	7,550	9,395
Africa	14,359	9,709
Latin America	6,007	6,616
Holding and others	429	441
	28,345	26,161

The increased number of personnel relative to 2012 essentially arises from the contribution shown by the by the increased business in Africa.

8. Other operating income / (costs)

Other operating income and costs for the years ended on 31st December 2013 and 2012 are as follows:

	2013	2012
Donations	(1,672)	(3,811)
Gains/(Losses) on the sale of fixed	5,738	1,156
Taxes	(15,987)	(13,814)
Operating Subsidies	211	884
Own work capitalised	19,538	14,840
Other income/(costs)	(7,254)	(12,177)
	574	(12,922)

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 Poland, works in Angola related to the completion of the rehabilitation of the head office and works in the central construction yard.

The heading “Gains / (losses) in the disposal of tangible assets” includes essentially values related with the sale of construction equipment in Portugal.

9. Amortisation and depreciation

The amortisation and depreciation for the years ended on 31st December 2013 and 2012 are as follows:

	2013	2012
Amortization of intangible fixed assets for the year (Note 17):		
Development costs	110	116
Software & other rights	1,333	1,713
Concession Operation Licenses	6,488	6,009
Other intangible fixed assets	20	318
	7,951	8,155
Amortization of tangible fixed assets for the year (Note 18):		
Land & Buildings	8,366	7,754
Equipment		
Europe Engineering & Construction	22,429	38,900
Europe Environment & Services	11,308	12,198
Africa	44,062	19,150
Latin America	5,366	3,180
Other & eliminations	(45)	(610)
Other tangible fixed assets	3,290	2,621
	94,776	83,194
	102,727	91,349

In the course of 2013 the Company completed the reorganisation process for the African segment which is the reason that the heading “Amortizations for the period in tangible assets” in this region underwent a significant increase in comparison with 2012 due to the compensation of a significant reduction in Europe Engineering and Construction. In addition to this fact, there was an increase in business in Africa and a reduction in business in Europe Engineering and Construction which helps to explain the changes in this heading in the two regions.

10. Provisions and impairment losses

Provisions and as impairment losses for the years ended on 31st December 2013 and 2012 are as follows:

	2013	2012
Provisions (Note 28. Provisions)		
Europe Engineering & Construction	12,637	10,084
Europe Environment & Services	425	2,988
Africa	341	507
Latin America	5,300	1,370
Other & eliminations	125	-
	18,828	14,949
Adjustments & Impairment Losses:		
To/In inventories (Note 22. Inventories)		
Africa	3,157	9
	3,157	9
Goodwill (Note 16. Goodwill)		
Europe Engineering & Construction	-	2,552
Europe Environment & Services	1,197	971
	1,197	3,523
Tangible fixed assets		
Europe Engineering & Construction	-	479
	-	479
	4,354	4,011
Customers & other debtors (Note 23. Other Assets)		
Europe Engineering & Construction	5,368	3,483
Europe Environment & Services	1,113	3,884
Africa	517	4,617
Other & eliminations	90	-
	7,087	11,984
Reversal of provisions and impairment losses (Notes 22, 23 and 28)		
Europe Engineering & Construction	(8,008)	(2,568)
Europe Environment & Services	(1,177)	(1,334)
Africa	(2,242)	(2,115)
Latin America	(1,608)	-
	(13,034)	(6,018)
Total of provisions and impairment losses	17,236	24,926

The increase in the heading “Provisions” in Latin America was due to the need to make provisions in this region to prepare for various contingencies. The increase in the heading ‘Provisions’ in Europe Engineering and Construction is due essentially to the recognition of the estimated costs for ongoing closure operations and fiscal contingencies.

The increase in the heading of losses due to impairment “In customers and other debtors” in the area of Europe Engineering and Construction is essentially due to the strengthening of impairments to meet the risk of unrecoverability of certain sums receivable. The heading “Reversal of provisions and impairment losses” in the Europe Engineering and Construction region includes an identical amount relating to the reversal of impairments to meet the reduction in the risk of unrecoverability for other balances receivable.

11. Financial profit / (loss)

The financial results for the years ended on 31st December 2013 and 2012 are broken down as follows:

	2013	2012
Financial income & gains		
Loans and accounts receivable:		
Interest income	24,278	22,540
Payments discounts received	803	1,081
Exchange gains	128,891	102,572
Gains on sales of financial investments	12,887	3,168
Other financial assets & liabilities:		
Income from real estate properties (Note 21)	649	3,976
Gains arising from business combinations	5,855	-
Other financial income & gains	2,943	3,381
	176,306	136,718
Financial costs and losses		
Loans and Accounts Payable:		
Interest losses	104,251	86,618
Payments discount received	1,384	1,299
Exchange losses	126,667	97,183
Impairment losses in financial investments	8,761	-
Other financial Assets & Liabilities:		
Fair value losses - Financial Instruments	2,235	-
Other financial costs & losses	39,250	34,101
	282,548	219,201
	(106,243)	(82,483)

As at 31st December 2013, the heading “Value added in the disposal of financial holdings” essentially refers to gains obtained in the disposal of holdings in the following companies: Vortal, Cimertex & Companhia, Cimertex África, EMSA, BERD, Probigalp and Auto-Sueco. In the case of Auto-Sueco Angola, the GROUP did not dispose of the whole of its holding retaining a holding and capital of 5.13% (Note 20).

As at 31st December 2012, 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.

As at 31st December 2013 and 2012, the heading “Income from real estate properties” basically includes the rent of real estate properties located in Portugal, where the variation in comparison with 2012 is explained by the disposal of the Báltico building (Planinova) (Note 21).

As at 31st December 2013, the heading “Gains in Company concentrations” covers the gains generated through taking control of SOLTYSOWSKA and of VISTA WATER, resulting from the revaluation of the fair price of the financial interests previously held in the same (section i) of Note 1.3 Principal valuation criteria.

As at 31st December 2013, the heading “Losses in the disposal of financial holdings” essentially concerns the loss recorded in the disposal of Planinova and Cimertex Angola.

As at 31st December 2013, the heading “Other losses – Financial investments” refers to the loss from the sale of a promissory note from the Government of Malawi.

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.

02. Consolidated Financial Information



As at 31st December 2013 and 2012, the heading “Interest paid” is broken down as follows:

	2013	2012
Non-convertible bond loans	19,543	5,332
Amounts owe to credit institutions:		
Bank loans	19,766	16,659
Overdraft facilities	9,709	13,926
Guaranteed accounts	29,931	19,445
Other loans obtained:		
Commercial paper issues	8,621	9,726
Other	1,562	361
	89,133	65,449
Other interest expense (factoring, leasing and others)	15,118	21,169
	104,251	86,618

As at 31st December 2013 and 2012, capitalised financial costs are broken down as follows:

	2013	2012
Fixed Assets	573	2,106
Inventories	1,746	3,623
	2,319	5,729

As at 31st December 2013 and 2012, for the effect of capitalisation of financial costs at the acquisition cost of the assets under construction referred to above, an average rate of 6.15% and 8.4% was used, respectively.

As at 31st December 2013 and 2012, the Group’s sensitivity to alterations in the reference interest rate is broken down as follows:

	Estimated Impact	
	2013	2012
Variation of financial profit & loss on a 1 b.p. alteration of the interest rate applied to the entire debt (excluding leasing and factoring)	9,716	8,505
Fixed-rate hedging	(2,173)	(30)
Interest-rate derivatives instruments hedging	(600)	(600)
Sensitivity of financial profit and loss to interest-rate variations:	6,943	7,875

As at 31st December 2013 and 2012, the Group's assets and liabilities by currency are as follows:

Currency of register	2013		2012	
	Assets	Liabilities	Assets	Liabilities
Euro (EUR)	2,020,749	1,967,039	1,909,506	1,949,911
Czech Crown (CZK)	10,947	13,619	15,862	16,921
Algerian Dinar (DZD)	2,209	270	2,374	345
S. Tomé and Príncipe Dobra (STD)	1,716	748	1,409	484
US Dollar (USD)	1,002,728	740,617	1,024,571	642,661
Cape Verde Escudo (CVE)	12,791	9,123	14,844	8,649
Hungarian Forint (HUF)	33,489	6,060	28,431	6,849
Angola Kwanza (AOK)	44,119	29,681	46,791	27,027
Mozambique Metical (MZM)	185,487	164,808	118,837	110,628
Romanian New Leu (RON)	-	345	-	620
Mexican Peso (MXN)	93,991	37,295	49,477	8,586
South Africa Rand (ZAR)	14,097	13,614	633	388
Brazilian Real (BRL)	73,238	29,418	41,955	2,272
Polish Zloty (PLN)	182,686	137,017	256,337	208,941
Colombian Peso (COP)	7,376	6,176	708	61
Peruvian Novo Sol (PEN)	70,206	55,168	82,095	169,352
Malawian Kwacha (MWK)	17,602	3,206	4,917	9,072
	3,773,429	3,214,203	3,598,749	3,162,768

As at 31st December 2013 and 2012, the Group's sensitivity to exchange rate variations of the United States Dollar (USD) and Polish New Zloty (PLN) is broken down as follows:

2013	Net Result	Equity
Estimated impact of the appreciation in 1%		
of US Dollar (USD) to Euro (EUR)	1,085	1,236
of Polish Zloty (PLN) to Euro (EUR)	(45)	516

2012	Net Result	Equity
Estimated impact of the appreciation in 1%		
of US Dollar (USD) to Euro (EUR)	781	2,409
of Polish Zloty (PLN) to Euro (EUR)	(80)	488

12. Gains and losses in associates and joint ventures

Gains in associates and joint ventures for the year ended on 31st December 2013 and 2012 are broken down as follows:

Gains in associates and jointly controlled companies	2013	2012
Auto Sueco Angola	-	2,361
Cimertex & Companhia	-	3,775
Cimertex Angola	-	3,077
Ascendi Group	19,835	25,023
Indaqua Group	-	15,679
Obol Invest Group	44	141
SLPP Group	71	-
SUMA Group Subsidiaries	342	293
HL - Sociedade Gestora do Edifício	953	900
TPE Paita	2,074	3,119
Other	1,494	683
	24,813	55,051

As at 31st December 2012, the value for the Indaqua Group includes approximately 15,400 thousand 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 31st December 2013 and 2012 are broken down as follows:

Losses in associates and jointly controlled companies	2013	2012
Indaqua Group	98	-
Martifer Group ⁽¹⁾	25,075	20,945
SLPP Group	-	1,368
Other	1,092	10,393
	26,264	32,706
Gains/(Losses) in associates and jointly controlled companies	(1,451)	22,346

⁽¹⁾ Values extracted on the basis of provisional financial information and management estimates.

13. Income tax

The detail and movement of deferred tax assets and liabilities, as at 31st December 2013 and 2012, in accordance with the temporary differences that gave rise to them, are as follows:

Deferred Tax Assets 2013	2012	Variation of Perimeter	Effect in results	Effect in reserves	2013
Provisions not accepted for tax	22,657	-	2,789	9	25,455
Accrued costs not accepted for tax	3,527	-	241	-	3,768
Tax losses	14,200	(98)	(1,550)	619	13,171
Reduction of depreciation not accepted for tax purposes	2,250	-	681	-	2,932
Fair value of derivatives (Note 26)	397	-	(222)	-	175
Other	7,313	248	(83)	(821)	6,657
	50,345	150	1,856	(193)	52,158

Deferred Tax Assets 2012	2011	Variation of Perimeter	Effect in results	Effect in reserves	2012
Provisions not accepted for tax	18,885	-	2,550	1,222	22,657
Accrued costs not accepted for tax	3,272	-	255	-	3,527
Tax losses	15,004	(463)	(341)	-	14,200
Reduction of depreciation not accepted for tax purposes	1,636	(88)	702	-	2,250
Fair value of derivatives (Note 26)	5,859	(4,333)	-	(1,129)	397
Other	5,976	1,667	(330)	(0)	7,313
	50,632	(3,217)	2,837	93	50,345

Deferred Tax Liabilities 2013	2012	Variation of Perimeter	Effect in results	Effect in reserves	2013
Revaluation of fixed assets	9,867	-	(704)	-	9,163
Deferred capital gains tax	669	-	(16)	-	653
Depreciation not accepted for tax	4,656	-	1,401	-	6,057
Fair value on incorporated joint ventures	7,711	-	(423)	763	8,051
Untaxed accrued income	1,842	-	1,132	-	2,975
Other	6,868	(52)	(4,776)	2,540	4,580
	31,614	(52)	(3,386)	3,303	31,478

Deferred Tax Liabilities 2012	2011	Variation of Perimeter	Effect in results	Effect in reserves	2012
Revaluation of fixed assets	8,924	-	(136)	1,079	9,867
Deferred capital gains tax	673	-	(4)	-	669
Depreciation not accepted for tax	3,406	-	1,251	-	4,656
Fair value on incorporated joint ventures	8,134	-	(423)	-	7,711
Untaxed accrued income	2,286	-	(444)	-	1,842
Other	6,880	(2,769)	682	2,075	6,868
	30,303	(2,769)	926	3,154	31,614

As at 31st December 2013 and 2012, the effect on the profit and loss account by the recording of assets and liabilities for deferred tax was positive at 5,243 million euros and 1,911 million euros with a negative impact on equity of 3,496 million euros respectively.

02. Consolidated Financial Information



As at 31st December 2013 and 2012, 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:

2013	Tax Losses	Deferred Tax Losses
Year booked:		
Up to & including 2009	45,204	9,199
2010	4,853	1,414
2011	711	279
2012	9,892	1,998
2013	1,791	282
	62,451	13,171

2013	Tax Losses	Deferred Tax Losses
Time limit:		
2014	6,009	1,455
2015	2,064	577
2016	285	63
2017	9,264	1,830
after 2017	44,829	9,246
	62,451	13,171

2012	Tax Losses	Deferred Tax Losses
Year booked:		
Up to & including 2008	38,377	6,843
2009	10,897	2,931
2010	5,215	1,550
2011	1,700	435
2012	11,279	2,441
	67,468	14,200

2012	Tax Losses	Deferred Tax Losses
Time limit:		
2013	3,502	851
2014	6,411	1,594
2015	3,799	1,038
2016	1,017	294
after 2017	52,739	10,424
	67,468	14,200

As at 31st December 2013, 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.

02. Consolidated Financial Information

As at 31st December 2013 and 2012, the tax losses carried forward reached 47,038 thousand euros and 71,469 thousand euros, respectively, whose deferred tax assets are not recorded, for motives of prudence.

2013	Tax Losses	Deferred Tax Losses
Year booked:		
Up to & including 2009	24,304	4,950
2010	7,091	1,176
2011	8,099	1,605
2012	4,091	716
2013	3,454	733
	47,038	9,179

2013	Tax Losses	Deferred Tax Losses
Time limit:		
2014	13,348	3,149
2015	15,419	3,681
2016	2,452	570
2017	2,722	588
after 2017	13,098	1,190
	47,038	9,179

2012	Tax Losses	Deferred Tax Losses
Year booked:		
Up to & including 2008	30,316	7,936
2009	16,037	3,163
2010	7,293	1,089
2011	9,313	1,860
2012	8,510	1,380
	71,469	15,430

2012	Tax Losses	Deferred Tax Losses
Time limit:		
2013	20,643	5,024
2014	10,606	2,623
2015	15,060	3,625
2016	3,647	850
after 2017	21,514	3,307
	71,469	15,430

Income tax recognised for the year ended on 31st December 2013 and of 2012 is detailed as follows:

	2013	2012
Current tax	51,956	38,948
Deferred tax	(5,243)	(1,911)
	46,714	37,037

During the years ended on 31st December 2013 and 2012, the reconciliation of the tax for the year and current tax is broken down as follows:

	2013	2012
Current tax	51,956	38,948
Deferred tax		
Net reversion of taxes brought forward	1,550	341
Deferred taxes related to amortising the fixed-asset revaluation reserves	(523)	(390)
Reversion of deferred taxes generated by temporary differences	(1,048)	(1,904)
Deferred taxes in respect of changes to the tax rates or of the introduction or abolition of taxes	1,019	12
Other differences not previously recognised as deferred taxes	(6,240)	30
	(5,243)	(1,911)
Tax of the year	46,714	37,037
Real tax rate	34.6%	33.4%

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 1st 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. In the course of the period ending at the 31st of December 2013, MOTA-ENGIL and its subsidiaries paid corporation tax at the rate of 25% plus the surcharge of 1.5% on taxable income thus reaching an aggregate rate close to 26.5%.

The State Budget law for 2013 introduced the following alterations:

For the tax periods which begin after the 1st of January 2013, the part of taxable profit above EUR 1,500,000 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 EUR 1,500,000 and EUR 10,000,000: additional rate of 3%;
- ii) Taxable profit above EUR 10,000,000: additional rate of 5%.

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

The State Budget law for 2014 introduced the following alterations:

Corporation Tax changed to 23% and added a surcharge which raised the rate by 7% on that part of the taxable income of companies greater than 35,000,000 euros. The GROUP applied the correction for assets and liabilities for deferred taxes recorded when applicable.

As at 31st December 2013 and 2012, the reconciliation between the nominal and effective income tax rates is presented as follows:

2013	Rate	Tax basis	Tax
Nominal rate & tax on income	31.5%	135,182	42,582
Results of associates using the equity method	0.3%	1,451	457
Difference between tax and book gains and losses	1.2%	5,111	1,610
Tax losses of the year for which no deferred tax assets were recognised	4.4%	18,804	5,923
Reversal of losses carried forward	1.1%	4,921	1,550
Differentiated tax rates	-6.5%	(28,028)	(8,829)
Autonomous taxation	2.1%	9,135	2,877
Other adjustments	0.4%	1,721	542
Effective rate & tax on income	34.6%		46,714

2012	Rate	Tax basis	Tax
Nominal rate & tax on income	28.50%	111,044	31,647
Results of associates using the equity method	-5.7%	(22,346)	(6,369)
Difference between tax and book gains and losses	-1.3%	(4,958)	(1,413)
Tax losses of the year for which no deferred tax assets were recognised	2.2%	8,588	2,448
Reversal of losses carried forward	1.3%	5,175	1,475
Differentiated tax rates	-12.1%	(47,244)	(13,465)
Gains on derived instruments	0.0%	20	6
Autonomous taxation	2.8%	10,901	3,107
Other costs (other than provisions), non fiscal & non revertible	17.0%	66,044	18,822
Other adjustments	0.7%	2,731	778
Effective rate & tax on income	33.4%		37,037

The value recorded under the heading “Differential tax rates” is justified in essence by the fact that MOTA-ENGIL ANGOLA benefits from an exemption from tax (exemption for a period of 8 years beginning in the fiscal year 2011 and ending in 2018).

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 2010 to 2013 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 31st December 2013.

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 EUR 47,939,092 and 99 cents, which already includes the amounts of EUR 700,000 and EUR 300,000 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, 1,389,492 euros and 35 cents by which legal reserves total the legal maximum of 20% of share capital;
- b) For distribution to the shareholders, 0.1235 Euros per share, subject to tax, of the total value of EUR 25,272,508 Euros and 33 cents;
- c) For free reserves, the remainder, of the value of 21,277,092 Euros and 31 cents.

On 24th May 2013, payment was commenced of the dividend of EUR 0.11 per share relative to the fiscal year of 2012, with a total of EUR 22,509,926 and EUR 45 cents having been paid.

At the Annual General Meeting held on the 27th of December 2013 the award to shareholders was approved of 20% of the share capital in Mota-Engil Africa held by the company subject to the following conditions:

- Approval of the balance sheet reported at the 31st of December 2013 which verifies the continuing existence of distributable funds of a sufficient value which are clearly verifiable in the balance sheet reported at 30th of September last;
- Dispersal of Mota-Engil Africa capital sufficient and accompanied by the decision to float on a regulated European Union stock market so that shareholders can dispose of their shares in Mota-Engil Africa.

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 2013 and 2012. 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 2013 and 2012, the calculation of the earnings per share may be demonstrated as follows:

		2013	2012
Consolidated net profit/(loss) attributable to the Group	(I)	50,505	40,746
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	11,101,379
Number of shares outstanding	(II - IV)	193,534,316	193,534,316
Earnings per share:			
basic	(I) / (II - IV)	0.26 €	0.21 €
diluted	(I) / (II - IV)	0.26 €	0.21 €

02. Consolidated Financial Information



16. Goodwill

The information on goodwill, for the years ended on 31st December 2013 and 2012, is broken down as follows:

	2013					2012
	Gross Goodwill	Impairments of the year (Note 10)	Alterations to the consolidation perimeter	Accumulated impairments	Net Goodwill	Net Goodwill
Europe Engineering & Construction						
Cecot	1,440	-	(1,440)	-	-	1,440
Eltor	2,792	-	-	-	2,792	2,847
Grossiman	1,989	-	-	(1,989)	-	-
Mota-Engil Central Europe Poland	6,954	-	-	(929)	6,025	6,144
Mota-Engil Central Europe Czech Rep.	1,142	-	-	-	1,142	1,171
Mota-Engil Engenharia	2,973	-	-	(2,973)	-	-
Other	2,041	-	(10)	(41)	1,989	2,003
	19,330	-	(1,450)	(5,932)	11,948	13,605
Europe Environment & Services						
Suma Group	14,338	(1,197)	-	(3,032)	10,109	10,905
Tertir Group	100,856	-	-	-	100,856	100,681
Other	1,208	-	-	(75)	1,134	1,708
	116,402	(1,197)	-	(3,107)	112,098	113,295
Africa						
Cecot	-	-	1,440	-	1,440	-
Mota-Engil S.Tomé	132	-	10	-	143	132
Vista Water	1,841	-	-	-	1,841	-
	1,974	-	1,450	-	3,424	132
Latin America						
Empresa Construtora Brasil	6,141	-	-	-	6,141	-
	6,141	-	-	-	6,141	-
	143,847	(1,197)	-	(9,039)	133,611	127,032

	2012					2011
	Gross Goodwill	Impairments of the year (Note 10)	Alterations to the consolidation perimeter	Accumulated impairments	Net Goodwill	Net Goodwill
Europe Engineering & Construction						
Cecot	1,440	-	-	-	1,440	1,440
Eltor	2,847	-	-	-	2,847	2,602
Grossiman	1,989	-	-	(1,989)	-	-
Mota-Engil Central Europe Poland	7,072	-	-	(929)	6,144	5,614
Mota-Engil Central Europe Czech Rep.	1,171	-	-	-	1,171	1,162
Mota-Engil Engenharia	2,973	(2,552)	-	(421)	-	2,552
Other	2,045	-	-	(41)	2,003	1,986
	19,537	(2,552)	-	(3,381)	13,605	15,356
Europe Environment & Services						
Suma Group	13,937	(971)	-	(2,061)	10,905	11,877
Tertir Group	100,681	-	-	-	100,681	100,681
Indaqua Group	-	-	-	-	-	5,618
Other	1,783	-	-	(75)	1,708	1,708
	116,402	(971)	-	(2,135)	113,295	119,885
Africa						
Mota-Engil S. Tomé	132	-	-	-	132	132
	132	-	-	-	132	132
	136,071	(3,523)	-	(5,516)	127,032	135,373

The movements which occurred in goodwill during the years ended on 31st December 2013 and 2012 are as follows:

	% of acquisition	2013	2012
Goodwill at the beginning of the year		127,032	135,373
Increase of goodwill			
Empresa Construtora Brasil	50%	6,141	-
Vista Water	7%	1,841	-
		7,982	-
Impairment losses (Note 10.)			
Suma Group		(1,197)	(971)
Mota-Engil Engenharia		-	(2,552)
		(1,197)	(3,523)
Alterations of goodwill for perimeter			
Indaqua Group		-	(5,618)
		-	(5,618)
Alteration to goodwill for currency			
Eltor		(55)	245
Ekosrodowisko		(4)	18
Mota-Engil Central Europe Poland		(119)	529
Mota-Engil Central Europe Czech Rep.		(29)	9
		(207)	801
Goodwill at the end of the year		133,611	127,032

	% of acquisition	2012	2011
Goodwill at the beginning of the year		135,373	135,310
Increase of goodwill			
Cecot	100%	-	1,440
Eltor	100%	-	2,602
		-	4,042
Impairment losses (Note 10.)			
Suma Group		(971)	(1,476)
Mota-Engil Engenharia		(2,552)	-
		(3,523)	(1,476)
Transfers (allocation of acquisition difference)			
Transpolixos (lands)		-	(752)
Fatra (lands)		-	(1,036)
		-	(1,788)
Alterations of goodwill for perimeter variations			
Indaqua Group		(5,618)	-
		(5,618)	-
Alterations of goodwill for currency updates			
Eltor		245	-
Ekosrodowisko		18	(23)
Mota-Engil Central Europe Poland		529	(682)
Mota-Engil Central Europe Czech Rep.		9	(10)
		801	(715)
Goodwill at the end of the year		127,032	135,373

The acquisitions referred to above during 2013 and 2012 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.

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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 31st December 2013 and 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:

2013			
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	3 years	5 years	Useful life
Growth rate of cash-flows			
Year n+1	-14%	3%	n.a.
Year n+3	5%	3%	n.a.
Growth rate of cash-flows in perpetuity	3%	2%	n.a.
Discount rate used	9.10%	5.68%	5,3% - 7,9%

2012			
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%	3%	n.a.
Discount rate used	10.66%	7.65%	7.40%

During the year ended on 31st 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.

During 2013 and as a result of the process for the allotment of the purchase Price at the fair value of the assets and liabilities acquired, the sums for "Goodwill" of 6,141 million euros and 1,841 million euros were recorded relating to EMPRESA CONSTRUTORA BRASIL and VISTA WATER, respectively. On the 31st of December 2012 the investment in EMPRESA CONSTRUTORA BRASIL was recorded under the heading "Financial investments available for sale" in the sum of 19,462 million euros (Note 20).

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 2013, 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 31st December 2013 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 2013 and 2012 is broken down as follows:

	Europe Engineering & Construction	Europe Environment & Services	Africa	Latin America	Other & eliminations & intragroup	Mota-Engil Group
2013						
Development costs	6	303	98	6	13	425
Software & other rights	20,468	788	1,355	1,949	(19,438)	5,121
Concession operation licenses	5,363	97,883	-	4,360	(0)	107,606
Fixed assets in progress	-	18,428	1,219	69	87	19,803
Other intangible fixed assets	-	8	201	-	-	209
	25,837	117,408	2,873	6,384	(19,338)	133,164
2012						
Development costs	7	344	123	7	13	495
Software & other rights	20,455	959	1,645	1,979	(18,840)	6,198
Concession operation licenses	-	107,266	-	-	-	107,266
Fixed assets in progress	15	10,617	101	-	-	10,734
Other intangible fixed assets	-	127	229	-	-	357
	20,478	119,313	2,099	1,986	(18,826)	125,050

The information on the gross values of intangible assets for the years ended on 31st December 2013 and 2012 is broken down as follows:

	Development costs	Software & other rights	Concession operation licenses	Fixed assets in progress	Other intangible fixed assets	Total
2013						
Opening balance	3,615	19,208	157,833	10,734	1,206	192,596
Increases	18	569	5,466	9,260	8	15,321
Write-offs	(1)	(82)	(1,109)	-	-	(1,192)
Exchange differences	(4)	(167)	(230)	-	(1)	(402)
Variation of perimeter	22	(1)	1,032	-	10	1,062
Transfers & other movements	(29)	(15)	475	(190)	(140)	100
	3,622	19,512	163,467	19,803	1,082	207,485
2012						
Opening balance	5,161	16,171	326,171	46,062	-	393,565
Increases	16	3,482	1,086	3,774	158	8,517
Disposals	-	(12)	(17)	-	-	(29)
Write-offs	-	(159)	(85)	(17)	-	(262)
Exchange differences	(27)	(77)	-	-	-	(103)
Variation of perimeter	(1,495)	(575)	(183,645)	(37,523)	-	(223,239)
Transfers & other movements	(39)	378	14,324	(1,563)	1,048	14,147
	3,615	19,208	157,833	10,734	1,206	192,596

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As at 31st December 2013 and 2012, the heading “Concession operating licenses” essentially refers to accounting, in accordance with IFRIC 12, of port concession operating rights.

At the 31st of December 2013, the heading “Licences for the exploitation of concessions” in Latin America refers to the value of a licence for the supply of power in Peru.

The heading “Software and other rights” in Europe Engineering and Construction refers in essence to the value of the trademark “Mota-Engil Central Europe”. For the purpose of reporting by segments, said trademark was recorded in this segment although at a GROUP level this is cancelled out which is the reason that the large sum included in the column “Others, eliminations and intragroup” is justified.

As at 31st December 2013, the values recorded under “Perimeter variations” are explained, in particular, by the company TARUCANI having been consolidated by the global consolidation method and by the company EMSA having been disposed of.

As at 31st 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 31st December 2013 and 2012, is broken down as follows:

	Development costs	Software & other rights	Concession operation licenses	Fixed assets in progress	Other intangible fixed assets	Total
2013						
Opening balance	(3,120)	(13,010)	(50,568)	-	(849)	(67,546)
Increases (Note 9)	(110)	(1,333)	(6,488)	-	(20)	(7,951)
Write-offs	1	77	576	-	-	654
Exchange differences	(4)	73	0	-	1	71
Variation of perimeter	(19)	(181)	610	-	(5)	405
Transfers & other movements	56	(19)	8	-	(0)	45
	(3,196)	(14,390)	(55,861)	-	(873)	(74,321)
2012						
Opening balance	(3,966)	(11,336)	(70,745)	-	-	(86,047)
Increases (Note 9)	(116)	(1,713)	(6,009)	-	(318)	(8,155)
Disposals	-	12	8	-	-	20
Write-offs	-	159	41	-	-	200
Exchange differences	11	(48)	-	-	-	(36)
Variation of perimeter	985	371	25,731	-	-	27,087
Transfers & other movements	(35)	(455)	406	-	(531)	(615)
	(3,120)	(13,010)	(50,568)	-	(849)	(67,546)
Net value						
2013	425	5,121	107,606	19,803	209	133,164
2012	495	6,198	107,266	10,734	357	125,050

The information on the net values of intangible included in the heading “Licences for the exploitation of concessions” allocated to each concession is as follows:

	2013	2012
Tertir Group	97,883	104,351
Other	9,723	2,915
	107,606	107,266

The most significant values included under the heading “Intangible assets in progress” for 2013 and 2012 refer to the following projects:

Description	2013
Lifting equipment (Ferrol)	10,085
Widening works (Ferrol)	6,893
	16,978

Description	2012
Lifting equipment (Ferrol)	9,476
	9,476

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, car parking concessions and the production of electrical energy.

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 31st December 2013 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:

2013	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 the Right of Operation under a Public Service Regime of 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 14th 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 23rd July, which revoked the said Amendment. After appeal by the APL to the Constitutional Court, on the 3rd of March 2014 the Judgement nº 202/2014 was issued which denied the appeal brought by the APL. LISCONT was writing off a concession licence recorded under the heading “Intangible Assets”, together with the costs of the process of preparation of the Addendum referred to above until 2042 which is consistent with the ruling of the Commercial Arbitration Centre and the Constitutional Court referred to above. A part of the investment in this project to extend the concession contract did not benefit from the favourable opinion in previous years

from the Ministry of the Environment.

18. Tangible assets

The information on the net values of the tangible assets by business segment, for 2013 and 2012 is broken down as follows:

	Europe Engineering & Construction	Europe Environment & Services	Africa	Latin America	Other & eliminations & intra-Group	Mota-Engil Group
2013						
Land & buildings	123,747	15,146	85,233	18,377	18,299	260,802
Equipment	108,058	73,443	157,689	34,977	845	375,012
Tangible fixed assets in progress	11,177	8,161	21,394	7,562	91	48,386
Other tangible fixed assets	106	749	624	4,924	1	6,403
	243,088	97,500	264,940	65,840	19,236	690,603
2012						
Land & buildings	123,579	16,713	77,341	11,628	18,786	248,047
Equipment	182,430	82,306	51,437	20,596	1,433	338,202
Tangible fixed assets in progress	10,932	3,216	3,246	1,342	29	18,764
Other tangible fixed assets	176	1,592	656	5,993	1	8,418
	317,117	103,826	132,680	39,560	20,248	613,431

The information on the gross values of the tangible assets for the years ended on 2013 and 2012 is broken down as follows:

	Land & Buildings	Equipment	Tangible fixed assets in progress	Other fixed assets	Total
2013					
Opening Balance	314,617	935,698	18,764	19,700	1,288,780
Increases	21,564	116,892	37,555	1,728	177,739
Disposals	(2,614)	(44,811)	(109)	(244)	(47,777)
Write-offs	(568)	(6,452)	(17)	(582)	(7,619)
Exchange Differences	(1,761)	(9,327)	(116)	(407)	(11,611)
Variation of perimeter	4,160	35,393	2,915	36	42,504
Transfer & other movements	1,400	12,412	(10,607)	(1,981)	1,224
	336,798	1,039,805	48,386	18,251	1,443,240
2012					
Opening Balance	292,373	856,290	15,181	15,148	1,178,992
Increases	7,847	94,385	27,370	7,017	136,619
Disposals	(4,346)	(26,106)	(912)	(15)	(31,379)
Write-offs	(2,917)	(7,375)	(853)	(298)	(11,443)
Revaluation	5,829	-	-	-	5,829
Exchange Differences	1,908	4,018	242	(51)	6,116
Variation of perimeter	11,855	1,203	(438)	3,871	16,491
Transfer & other movements	2,067	13,285	(21,826)	(5,972)	(12,446)
	314,617	935,698	18,764	19,700	1,288,780

During 2013 the company reorganisation process for the Africa division was completed which is the reason that the heading "Equipment" for this region underwent a significant increase compared with 2012 by compensation of a significant reduction in the Europe Engineering and Construction division. In addition, an increase in business in Africa and a reduction in Europe also help to explain the changes in this heading in the two regions along with "Increases" in this heading in 2013.

On the 31st of December 2013 and 2012 the value recorded in tangible assets in the column "Others, eliminations and intragroup" refers in essence to the assets recorded by companies in the tourism field.

As at 31st 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 31st December 2013, the value recorded in "Perimeter Variation" refers, almost entirely, to the EMPRESA CONSTRUTORA BRASIL (positive value of approximately EUR 30,000,000), MALAWI SHIPPING COMPANY (positive value of approximately EUR 7,000,000) AND MARTINOX (positive value of approximately EUR 4,000,000), which, in the period ending on the 31st of

December 2013 were consolidated for the first time using the global integration method.

As at 31st December 2012, the value recorded in "Perimeter Variation" refers, almost entirely, to the Indaqua Group (negative value of approximately 17,000 thousand euros), for which, relative to the year ended on 31st 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 thousand euros), which, for the year ended on 31st 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 31st 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 thousand euros) and to the movement recorded by the subsidiary Bergamon, of the transfer of a plot of land to inventories (approximately 4,000 thousand euros).

As at 31 December, the information on the accumulated depreciation and impairment losses in tangible assets for the years ended on 2013 and 2012 is broken down as follows:

	Land & Buildings	Equipment	Tangible fixed assets in progress	Other fixed assets	Total
2013					
Opening Balance	(66,570)	(597,496)	-	(11,283)	(675,349)
Increases (Note 9)	(8,366)	(83,120)	-	(3,290)	(94,776)
Disposals	1,950	34,166	-	244	36,360
Write-offs	151	4,040	-	16	4,207
Exchange Differences	191	6,280	-	140	6,611
Variation of perimeter	(345)	(27,164)	-	(13)	(27,522)
Transfer & other movements	(3,008)	(1,498)	-	2,338	(2,168)
	(75,996)	(664,793)	-	(11,848)	(752,637)
2012					
Opening Balance	(58,468)	(546,945)	-	(9,022)	(614,435)
Increases	(7,754)	(72,818)	-	(2,621)	(83,194)
Disposals	2,138	19,451	-	14	21,602
Write-offs	983	2,317	-	153	3,452
Exchange Differences	171	(1,003)	-	19	(813)
Variation of perimeter	920	3,292	-	240	4,452
Transfer & other movements	(4,559)	(1,790)	-	(64)	(6,413)
	(66,570)	(597,496)	-	(11,283)	(675,349)
Net Value					
2013	260,802	375,012	48,386	6,403	690,603
2012	248,047	338,202	18,764	8,418	613,431

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The most significant values included under the heading “Tangible assets in progress”, for 2013 and 2012, refer to the following projects:

Description	2013
Acquisition of fixed assets (Biscske Plaza)	1,365
Acquisition of fixed assets (Mota-Engil Engenharia)	6,938
Asphalt plant (MEEC Africa)	1,795
Crushing plant (MEEC Africa)	1,244
Hydropower plant (Hidroeletrica Maraion)	6,142
Hydropower plant (Tarucani)	1,156
Regeneration and recovery plant for used oils (Enviroil II)	4,111
Railway sleepers plant (Mota-Engil Engenharia)	3,504
Installation of the mobile crushing plant (MEEC Africa)	2,586
Land for construction of Landfill (Citrave)	1,073
	29,912

Description	2012
Acquisition of fixed assets (Mota-Engil Engenharia)	4,710
Acquisition of fixed assets (Biscske Plaza)	1,340
Installation of the mobile crushing plant (AMC)	1,100
Land for construction of Landfill (Citrave)	1,065
"24 de Julho" Condominium	922
	9,137

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 31st December 2013 and 2012, the amounts, net of depreciation, of 43,673 thousand euros and 44,504 thousand 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 31st December 2013 and 2012, the following tangible assets, net of accumulated depreciation and impairment losses, were abroad, in branch offices, and owned by Mota-Engil Engenharia and MEEC AFRICA:

	2013	2012
Angola	19,473	22,328
Algeria	35	36
Cape Verde	843	274
Colombia	12	-
Hungary	28	39
Ireland	1,420	3,007
Malawi	67,062	50,934
Mozambique	25,682	15,110
Romania	4	8
S. Tomé and Príncipe	556	88
Zambia	6,254	-
	121,369	91,825

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.

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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
2013			
Land & Buildings	224,866	35,936	260,802
Equipment	374,723	289	375,012
Tangible fixed assets in progress	48,386	-	48,386
Other tangible fixed assets	6,400	3	6,403
	654,375	36,227	690,603
2012			
Land & Buildings	212,112	35,936	248,047
Equipment	337,913	289	338,202
Tangible fixed assets in progress	18,764	-	18,764
Other tangible fixed assets	8,415	3	8,418
	577,204	36,227	613,431

During the fiscal year of 2013, the GROUP carried out a valuation of its principle land and buildings assets from which there were no significant variations to the value compared with the value recorded in the balance sheet.

As at 31st December 2013 and 2012, 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 31st December 2013 and 2012, the values relative to financial investments stated through the equity method are broken down as follows:

	2013	2012
Europe Engennering & Construction		
Berd	-	1,737
Obol Invest Group	24,891	23,620
Other	202	876
	25,094	26,233
Europe Environment & Services		
HEPP	1,573	1,022
Indaqua Group	25,080	23,500
Suma Group subsidiaries	2,702	2,658
SLPP Group	1,463	-
Ibercarga (Esp)	1,146	1,045
Manvia II Condutas	605	362
Tersado	830	996
Other	1,741	2,399
	35,140	31,982
Africa		
Auto Sueco Angola	-	13,527
Cimertex Angola	-	5,166
Cimertex & Companhia	-	13,870
Other	772	609
	772	33,172
Latin America		
TPE Paita	23,689	20,319
Mota-Engil Opway Mexicana (Mex)	4,924	5,196
Other	19	-
	28,632	25,515
Ascendi Group	86,574	33,605
Martifer Group	39,770	66,975
Other	2,187	1,424
	218,169	218,905

During 2013 and 2012, the following movement occurred in the value of the financial investments stated through the equity method:

2013	Opening Balance	Effect on profit & Loss	Effect on Reserves ⁽¹⁾	Transfers and Variation of perimeter	Acquisitions / Disposals	Closing Balance 2013
Auto Sueco Angola	13,527	-	-	(2,724)	(10,803)	-
Berd	1,737	-	-	-	(1,737)	-
Cimertex & Companhia	13,870	-	-	-	(13,870)	-
Cimertex Angola	5,166	-	-	-	(5,166)	-
Ascendi Group	33,605	19,835	33,135	-	-	86,574
Indaqua Group	23,500	(98)	1,599	79	-	25,080
Martifer Group ⁽²⁾	66,975	(25,075)	(2,131)	-	-	39,770
Obol Invest Group	23,620	44	368	-	859	24,891
SLPP Group	-	71	42	1,350	-	1,463
Suma Group subsidiaries	2,658	342	(298)	-	-	2,702
HEPP	1,022	(14)	565	-	-	1,573
Manvia II Condutas	362	268	(25)	-	-	605
Mota-Engil Opway Mexicana	5,196	(1)	(272)	-	-	4,924
Parquegil	418	-	-	-	(418)	-
TPE Paíta	20,319	2,074	1,296	-	-	23,689
Tersado	996	105	6	(277)	-	830
Other	5,934	1,816	(1,683)	-	-	6,067
	218,905	(632)	32,603	(1,572)	(31,136)	218,169

⁽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.

⁽²⁾ Values extracted on the basis of financial information and management estimates.

2012	Opening Balance	Effect on profit & Loss	Effect on reserves ⁽¹⁾	Transfers & variation of perimeter	Acquisitions / Disposals	Closing Balance 2012
Auto Sueco Angola	12,675	2,361	(1,509)	-	-	13,527
Berd	1,658	45	33	-	-	1,737
Cimertex & Companhia	10,364	3,775	(268)	-	-	13,870
Cimertex Angola	2,646	3,077	(557)	-	-	5,166
Crespo	2,358	-	-	-	(2,358)	-
Ascendi Group	49,408	25,023	(30,164)	(10,662)	-	33,605
Indaqua Group	4,189	15,679	(1,699)	5,331	-	23,500
Martifer Group	95,130	(20,945)	(7,210)	-	-	66,975
Obol Invest Group	21,611	141	1,868	-	-	23,620
Suma Group subsidiaries	2,514	293	(148)	-	-	2,658
HEPP	456	(79)	645	-	-	1,022
Mamaia	2,153	-	-	(2,153)	-	-
Manvia II Condutas	576	91	(306)	-	-	362
Mota-Engil Opway Mexicana	4,976	(31)	251	-	-	5,196
Parquegil	473	(40)	(14)	-	-	418
TPE Paíta	-	3,119	-	17,200	-	20,319
Tersado	1,068	(83)	11	-	-	996
Other	4,319	1,483	(353)	484	-	5,934
	216,574	33,910	(39,419)	10,199	(2,358)	218,905

⁽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 thousand 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 31st December 2013 and 2012, the financial investment in the Obol Invest Group includes 21,972 thousand euros and 20,685 thousand euros, respectively, of consolidation differences attributed to identifiable assets (inventories).

As at 31st December 2013 and 2012, the financial investment in the Ascendi Group includes 19,831 thousand euros of goodwill, 146,058 thousand euros (116,624 thousand euros in 2012) of consolidation differences attributed to identifiable assets (account receivable) and 21,258 thousand euros of additional paid-in capital provided by Mota-Engil SGPS to the Ascendi SGPS Group.

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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 Mexico.

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 31st December 2013, the market value of the Martifer Group, according to its market price on that date (EUR 0.69 per share), corresponded to approximately 26,000 thousand 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.

As at 31st December 2013, the main information on the most relevant financial investments stated through the equity method is as follows:

2013	share	Assets	Equity	Sales and services rendered	Net profit
Ambilital	30%	18,497	7,763	3,504	727
Automatriz	45%	11,677	1,358	9,695	1,101
Bay Park	32%	15,315	7,396	710	126
Ecoleziria	15%	6,348	915	3,143	406
Haçor	40%	90,037	3,846	2,898	65
HL - Sociedade Gestora do Edifício	50%	96,062	6,018	2,379	1,907
Ibercarga	50%	5,956	574	16,731	358
Icer	26%	6,618	(1,858)	1,304	(1,471)
Indagua	45%	71,541	15,180	7,802	2,065
Indagua Feira	45%	108,447	(4,957)	14,430	(907)
Indagua Matosinhos	45%	72,167	(1,924)	23,480	(942)
Indagua Sto. Tirso/ Trofa	45%	22,508	1,411	8,409	433
Indagua V. Conde	45%	57,037	635	16,368	37
Logz	30%	50,261	(1,627)	-	(1,586)
Manvia II Condutas	45%	5,187	1,780	4,482	1,075
Mierova	50%	4,786	(500)	3,557	63
Mota-Engil-Opway Mexicana	50%	9,903	9,848	-	(1)
Obol Invest	33%	53,951	15,022	179	225
Obol XI	32%	41,427	1,838	236	(199)
TPE Paita	50%	139,759	47,856	20,161	4,147
Santa Clara	50%	6,981	3	-	(0)
Sadoport	32%	12,016	(8,237)	11,650	115
Sampaio	32%	4,190	930	175	108
Sangobiar	30%	1,265	661	387	15
SLPP	32%	12,557	(3,251)	-	22
Tersado	16%	8,387	3,806	10,134	666
Ascendi Group	60%	4,439,256	208,670	172,880	48,521
Martifer Group	38%	n.a.	n.a.	n.a.	n.a.

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2012	share	Assets	Equity	Sales and Services rendered	Net profit
Berd	25%	17,423	7,009	3,747	183
Probigalp	40%	6,869	(6,807)	2,533	(1,881)
Vortal	25%	15,056	7,881	8,735	1,706
Parquegil	50%	15,652	836	2,306	(81)
Haçor	40%	93,227	1,953	3,016	(13)
HL-Soc. Gestora Edifício	50%	100,558	2,621	2,409	1,800
Vortal SGPS	25%	34,429	30,409	-	2,652
Sadoport	49%	11,378	(8,557)	8,945	(3,136)
SLPP	49%	13,167	259	-	39
Logz	30%	49,099	(686)	-	(720)
Tersado	25%	7,678	3,102	8,192	(336)
Ibercargos	50%	6,466	216	17,913	176
Ambilital	30%	18,711	7,635	3,493	525
Ecoleziria	15%	6,637	763	3,417	366
Indaqua	45%	68,165	17,826	7,549	1,678
Indaqua Fafe	45%	1,460	534	2,634	115
Indaqua St. Tirso	45%	22,091	323	7,147	486
Indaqua Feira	45%	108,896	(6,151)	18,692	(853)
Indaqua Matosinhos	45%	67,054	(2,553)	29,314	(1,246)
Indaqua V. Conde	45%	55,302	1,379	21,297	111
M-Invest Mierova	50%	10,211	(564)	5,523	100
Soltysowska	34%	17,544	2,399	9,448	119
Bay Park	30%	15,069	7,474	583	46
Obol Invest	30%	50,323	15,036	247	385
Obol XI	30%	39,682	2,751	160	64
Sampaio	30%	4,072	835	165	88
Cimertex & Cª	50%	47,109	27,741	36,721	7,549
Cimertex Angola	50%	47,184	8,202	35,878	4,083
Auto Sueco Angola	26%	110,109	47,998	27,976	1,765
Icer	26%	8,540	(458)	2,047	(692)
TPE Paita	50%	137,353	41,007	18,557	6,295
Mota-Engil Opway Mexicana	50%	10,410	10,393	-	(63)
Ascendi Group	60%	3,451,454	164,803	166,956	56,810
Martifer Group	38%	976,375	227,255	210,315	(54,413)

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

As at 31st December 2013 and 2012, the detail of financial investments available for sale is as follows:

	2013	2012
Investments in equity instruments		
Auto - Sueco Angola	2,724	-
BAI-Banco Angolano de Investimentos	39,904	-
Carbine Tungstene	1,704	1,704
Empresa Construtora Brasil	-	19,462
Ecodetra	1,153	1,153
Ersuc	554	554
Martinox	-	1,837
Tirtife	901	901
Other	2,735	2,010
	49,675	27,620
Securities & Other placements		
Other	95	10,928
	95	10,928
Advances & other investment		
Other	22	487
	22	487
Financial investments available for sale	49,792	39,035

During 2012, the Group acquired control over Empresa Construtora Brasil (Brazil) and Martinox (Angola), for the values of 19,462 thousand euros and 1,837 thousand euros, respectively. During 2013, and after the GROUP consolidated said companies using the global integration method, this heading varied by the respective sums. As a result of the purchase price allocation process for EMPRESA CONSTRUTORA BRASIL (Brazil) to the fair price of the assets and liabilities acquired the sum of 6,141 thousand euros was recorded under the heading "Goodwill" (Note 16).

On the 31st of December the amount relating to AUTO-SUECO ANGOLA refers to the part not disposed of by the GROUP (5,13%) in the sale process which took place in 2013 (Note 11).

During 2013, the GROUP acquired a financial stake of 3% in BAI – Banco Angolano de Investimentos, SA for 39,904 thousand euros (Note 27).

During 2013 the variation in the heading "Bonds and other applications" refers mainly to the disposal of a promissory note from the Government of Malawi.

During the years ended on 31st December 2013 and 2012, the following movement occurred in the value of financial investments available for sale:

	2013	2012
Opening Balance on January 1st	39,035	5,449
Acquisitions and advances	40,945	34,722
Disposals	(10,901)	-
Increase / (decrease) of Fair Value	1	-
Transfers & variation of perimeter	(19,288)	(1,135)
	49,792	39,035

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 EUR 1,000,000).

The variation in the perimeter refers in essence to the incorporation of the company EMPRESA CONSTRUTORA BRASIL into the consolidation perimeter in 2013.

21. Investment properties

The information relative to the Group's investment properties as at 31st December 2013 and 2012 is as follows:

	2013	2012
Europe Engineering & Construction	17,496	63,888
Europe Environment & Services	37,808	2,297
	55,304	66,185

The movement in investment properties during 2013 and 2012 is as follows:

	2013	2012
Opening Balance	66,185	62,947
Increases	1,836	4,164
Disposals	(48,278)	-
Transfers	35,561	(926)
	55,304	66,185

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.

On the 31st of December 2013, this heading includes investment properties located in Portugal for rental all of them in the Europe Engineering and Construction division and a plot of land for future capitalisation in the Europe Environment and services division which was moved to the heading "Non-current assets held for sale" (Note 38).

In 2013 the heading "Disposals" includes, essentially the value of the Baltic building (Planinova), disposed of during 2013 (Note 11).

In 2012, 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 its construction only having been completed in 2013.

The gains obtained by the GROUP relative to income from its investment properties in 2013 reached 649 thousand euros (2012: 3.976 million euros) (Note 11), the variation in the heading of gains obtained by the GROUP relating to income is justified by the disposal of the Baltic building (Planinova) in 2013.

The valuations made took into account the “*discount cash-flow*” having carried out profitability studies of the projects which consisted of totalling expected future cash flows and residual value at the end of the respective period updated at a market rate for applications with a similar risk profile. The receipts considered will be estimated with recourse to the Comparative Market Method. The valuations obeyed 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 31st December 2013 and 2012, is broken down as follows:

	2013	2012
Book Value:		
Raw and Subsidiary materials and consumables	75,673	62,073
Products & work in progress	156,484	126,008
Finished products	42,625	44,060
Goods	38,735	40,501
Advances on account of purchases	13,497	8,513
	327,014	281,154
Accumulated adjustments:		
Raw and Subsidiary materials and consumables	(39)	(39)
Products & work in progress	(102)	-
Finished products	(9,821)	(9,825)
Goods	(5,899)	(2,776)
	(15,862)	(12,640)
	311,152	268,514

The balances in the headings “Goods” and “Finished products” in essence refer to property inventories located in Portugal and Angola the object of which is their sale. The balance in the heading “Products and work in progress” refers essentially to property projects in course in Central Europe in Peru and Mozambique.

In 2013, the increase recorded under the heading “Products and work in progress” basically includes the value of the Soltysowska land/property (Poland), invested in 2012 was recorded in investments in the equity method (Note 19).

The movement in the accumulated adjustments to inventories, for the years ended on 31st December 2013 and 2012, is as follows:

	2013	2012
Opening Balance	12,640	11,734
Increase (Note 10)	3,157	9
Reduction	(442)	(51)
Transfers & variation of perimeter	506	948
	15,862	12,640

23. Other assets

a) Loans and receivables

The information relative to loans and accounts receivable from customers, for the years ended on 31st December 2013 and 2012, is broken down as follows:

	Non-current		Current	
Customers	2013	2012	2013	2012
Trade accounts receivable:				
Gross Value:				
Europe Engineering & Construction	24,153	60,131	177,567	297,616
Europe Environment & Services	1,206	583	125,990	144,812
Africa	167	68	751,145	570,475
Latin America	-	-	39,124	18,772
Other, eliminations & intra-Group	(0)	-	(25,802)	(42,434)
	25,526	60,782	1,068,025	989,242
Accumulated impairment losses (Note 10)	(1,794)	(1,172)	(91,561)	(67,391)
	23,732	59,610	976,464	921,851
Trade accounts - Bills receivable	476	476	2,020	2,614
	24,208	60,085	978,484	924,465

The information relative to loans and accounts receivable from other debtors, for the years ended on 31st December 2013 and 2012, is broken down as follows:

	Non-current		Current	
Other debtors	2013	2012	2013	2012
Associate and related companies				
Gross Value	137,526	115,677	6,117	3,905
Accumulated impairment losses	(5,983)	(6,387)	-	-
	131,543	109,289	6,117	3,905
Advances to suppliers	-	-	14,133	16,725
State & other public entities	378	0	51,738	47,537
Other				
Gross value	56,930	5,057	236,502	272,470
Accumulated impairment losses (Note 10)	-	-	(25,487)	(21,801)
	56,930	5,057	211,014	250,669
	188,851	114,346	283,002	318,836
Customers and other debtors	213,059	174,431	1,261,486	1,243,301

The reduction in the heading "Clients, current account" in the Europe Engineering and Construction division is related to the reduction in business during 2013 which was more than compensated for by the significant increase in the Africa division and the consequent increase in accounts receivable.

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As at 31st December 2013 and 2012, 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 and Obol Invest Group. The increase which occurred in 2013 under this heading is explained, almost entirely, by the increase recorded in the Ascendi Group (ASCENDI PINHAL INTERIOR).

The heading "Other debtors - Others" includes balances related with the integration of ACEs, customer retentions, ceding of materials to consortia, balance with the Regional Government of Madeira and balances receivable from consolidated companies by the equity method. At the 31st of December 2013 the debt declared by the Regional Government of Madeira in an agreement signed in 2012 which does not show a fixed payment period is recorded in non-current assets subject to interest at the market rate.

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

Age in the balance sheet 2013	Customers	Other
Overdue Amounts		
] 0 ; 3] months	252,532	92,553
] 3 ; 12] months	227,749	43,657
] 1 ; 3] years	185,365	82,080
Over 3 years	122,670	26,302
	788,316	244,591
Not overdue amounts	214,376	23,353
Total	1,002,692	267,944

Age in the balance sheet 2012	Customers	Other
Overdue amounts		
] 0 ; 3] months	127,856	117,273
] 3 ; 12] months	82,428	8,772
] 1 ; 3] years	357,486	98,050
Over 3 years	183,032	25,641
	750,802	249,736
Not overdue amounts	233,748	5,990
Total	984,550	255,726

As at 31st December 2013, 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 31st December 2013 and 2012, the balances of the heading “State and other public entities” is broken down as follows:

	2013	2012
Corporate income tax	2,389	2,899
Value added tax	16,018	21,380
Personal income tax	-	59
Taxes in other countries	33,708	23,199
	52,116	47,537

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

	2013	2012
Trade accounts receivable:		
Opening balance	68,563	50,930
Increase	6,229	9,277
Reduction	(6,750)	(2,399)
Usage	(29)	(1,099)
Transfers & perimeter variation	25,342	11,855
	93,355	68,563
Other debtors:		
Opening balance	28,188	42,224
Increase	858	2,706
Reduction	(1,165)	(91)
Usage	-	(524)
Transfer & perimeter variation	3,589	(16,128)
	31,471	28,188

As at 31st December 2013, 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.

b) Other current assets

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

	2013	2012
Accrued income		
Production not invoiced	216,060	241,077
Interest receivable	525	1,112
Other accrued income	7,268	19,751
	223,853	261,940
Deferred costs		
Insurance	4,385	3,990
Other deferred costs	36,652	55,411
	41,036	59,402
	264,889	321,342

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

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

	2013	2012
Construction costs incurred to date	7,462,674	6,997,792
Construction costs incurred during the year	1,653,822	1,479,200
Income recognised to date	8,864,934	8,736,159
Income recognised during the year	1,984,607	1,805,385
Customers prepayments	200,224	283,695
Sums withheld by customers	92,222	45,241
Guarantees given by customers	455,850	417,299
Accrued income - excess of production over billing	211,583	259,336
Deferred income - shortfall of production over billing	35,135	27,330

c) Cash & cash equivalents

As at 31st December 2013 and 2012 the heading "Cash and cash equivalents" is broken down as follows:

	Demand deposits		Term deposits ⁽¹⁾		Total	
	2013	2012	2013	2012	2013	2012
Due deposits & others	11,889	3,092	-	-	11,889	3,092
Bank deposits & cash in hand						
Sight deposits	252,526	198,550	88,771	64,780	341,297	263,330
Cash in hand	6,546	5,357	-	-	6,546	5,357
	270,961	206,999	88,771	64,780	359,733	271,779

(1) Includes the amount of 53,552 thousand euros recorded in non-current in 2013

"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 31st December 2013 and 2012, there were 88,771 thousand euros and 64,780 thousand 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 2013 and 2012, reaches EUR 204,635,695, fully underwritten and paid-up, represented by 204,635,695 bearer shares with the value nominal of 1 euro each.

As at 31st December 2013 and 2012, the Group holds 11,101,379 treasury shares.

During 2013, there were no changes in the number of shares.

2013	Quantity	Average cost	Amount
Opening Balance	11,101,379	2.05 €	22,749
Closing Balance	11,101,379	2.05 €	22,749

2012	Quantity	Average cost	Amount
Opening Balance	11,101,379	2.05 €	22,749
Closing Balance	11,101,379	2.05 €	22,749

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.

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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 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 31st December 2013, there were no reserves which could be distributed.

25. Debt

The amounts relative to debt for the years ended on 31st December 2013 and 2012 are as follows:

	Current (1 year)	2 years	3 to 5 years	over 5 years	Non-current	Total
2013						
Non-convertible bond loans	10,000	10,000	321,508	-	331,508	341,508
Amounts owed to credit institutions						
Bank loans	211,141	73,925	72,311	9,723	155,959	367,100
Overdraft facilities	88,240	-	-	-	-	88,240
Guaranteed accounts	244,076	-	-	-	-	244,076
Other loans obtained						
Commercial paper issues	27,400	149,580	88,518	15,400	253,497	280,897
Other loans	2,987	1,577	4,963	-	6,540	9,527
	583,844	235,082	487,299	25,123	747,503	1,331,347
2012						
Non-convertible bond loans	9,793	10,000	90,000	-	100,000	109,793
Amounts owed to credit institutions						
Bank loans	128,030	65,314	60,691	16,705	142,709	270,740
Overdraft facilities	145,965	-	-	-	-	145,965
Guaranteed accounts	330,614	-	-	-	-	330,614
Other loans obtained						
Commercial paper issues	16,000	28,600	182,789	29,260	240,649	256,649
Other loans	1,291	1,307	4,563	1,312	7,181	8,473
	631,693	105,220	338,043	47,276	490,539	1,122,232

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 for periods greater than 12 months, said debts were recorded in non-current liabilities.

As at 31st December 2013 and 2012, the amounts relative to debt are denominated in the following currencies:

	Bonds	Credit institutions	Commercial paper	Other loans	Total
2013					
Czech Crowns	-	4,614	-	-	4,614
US Dollars	36,256	89,658	-	892	126,805
Euros	305,252	426,430	280,897	8,635	1,021,215
Angola Kwanzas	-	124,454	-	-	124,454
Malawian Kwanchas	-	3,040	-	-	3,040
Mexican Pesos	-	17,402	-	-	17,402
South African Rands	-	6,318	-	-	6,318
Brazilian Real	-	6,064	-	-	6,064
Polish Zlotys	-	20,608	-	-	20,608
Other	-	828	-	-	828
	341,508	699,415	280,897	9,527	1,331,347
2012					
Czech Crowns	-	5,323	-	-	5,323
US Dollars	-	119,615	-	-	119,615
Euros	109,793	593,940	256,649	8,473	968,853
Hungarian Forints	-	34	-	-	34
Mozambique Meticals	-	11,563	-	-	11,563
Polish Zlotys	-	16,843	-	-	16,843
	109,793	747,318	256,649	8,473	1,122,232

The average interest rates paid in the main debt headings during the fiscal years of 2013 and 2012 are as follows:

	2013		2012	
	Average rates (%)	Rates interval (%)	Average rates (%)	Rates interval (%)
Non-convertible bond loans	6.97	[5,62 ; 7,37]	5.47	[5,42 ; 7,09]
Amounts owed to credit institutions:				
Bank loans	6.97	[1,93 ; 38,75]	6.31	[1,8 ; 16,25]
Overdraft facilities	7.14	[4,19 ; 38]	5.67	[2,96 ; 8]
Guaranteed accounts	7.86	[4,31 ; 17,2]	6.37	[4,22 ; 18,81]
Other loans obtained:	6.14	[1 ; 19,54]	2.88	[1,3 ; 3,1]
Commercial paper issues	3.56	[1,62 ; 6,21]	3.56	[1,5 ; 8,2]

The main debenture loans and commercial paper programmes obtained by the Group and outstanding as at 31st December 2013, are as follows:

2013						
Type of issue / Issuer	Date of emission	Date of expiritation	Indexation	Reimbursement condition	Amount	Maturity
Bond loans:						
Mota-Engil SGPS	Dec/11	Dec/16	Euribor 6M 360 + 5.5%	i)	15,000	
Mota-Engil SGPS	Dec/12	Dec/17	Euribor 6M 360 + 6.75%	ii)	15,000	
Mota-Engil SGPS	Sep/13	Sep/17	Euribor 6M 360 + 5.5%	ii)	20,000	
Mota-Engil SGPS	Mar/13	Mar/16	Fixed Rate 6.85%	ii)	175,000	
Mota-Engil SGPS	Apr/13	Apr/16	Fixed Rate 7.5%	ii)	36,256	
MEEC Africa	Dec/13	Dec/18	Euribor 6M 360 + 6.75%	iii)	75,000	
Suma	Oct/13	Oct/18	Euribor 6M 360 + 5.25%	iiii)	10,000	
Commercial paper programmes:						
Mota-Engil SGPS	Nov/08	Nov/15	Period Euribor + 2.475%		56,000	Direct placement: from 7 to 364 days/ Auctioning: from 1,2,3,4,5 or 6 months
Mota-Engil SGPS	Nov/06	Nov/16	Period Euribor + 2.85%		10,000	Direct placement: from 7 to 360 days
Mota-Engil SGPS	Dec/12	Dec/17	Euribor 3M 360 + 5%		18,850	Direct placement: quarterly
Mota-Engil SGPS	Dec/13	Dec/15	Period Euribor + 4.3%		20,000	Direct placement: from 7 to 365 days
Mota-Engil SGPS & Mota-Engil Environment & Services	Jan/07	Jan/19	Period Euribor + 1.5%		65,450	From 1, 3, 6 to 12 months
Mota-Engil Engenharia	Jun/07	Jun/15	Period Euribor + 2.0%		16,800	From 7 to 360 days
Mota-Engil Engenharia	Dec/10	Dec/15	Euribor 3M + 6.35%		5,200	Current taken 3 months / Direct placement: from 90 to 181 days / Auctioning: from 3,4,5 or 6 months
Mota-Engil Engenharia	Jan/13	Jan/16	Period Euribor + 5.75%		25,000	Direct placement: from 7 to 90 days / Auctioning: from 7 to 90 days
MEEC Africa	Dec/10	Dec/15	Euribor 3M + 6.35%		44,800	Current taken 3 months / Direct placement: from 90 to 181 days / Auctioning: from 3,4,5 or 6 months
Tertir	Jul/07	Jul/17	Period Euribor + 2.0%		20,000	Direct placement: from 29 to 21 days

i) Interest and repayment paid in 10 half-yearly instalments

ii) Interest paid in half-yearly instalments and single repayment upon on maturity of the contract

iii) Interest paid in half-yearly instalments and repayment in 9 half-yearly instalments of 2,500 thousand euros and last installment of 52,500 thousand euros

iiii) Interest paid in half-yearly instalments with single repayment on maturity of the contract

2012						
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	
Mota-Engil SGPS	17-Dec-12	17-Dec-17	Euribor 6M 360 + 6.75%	ii)	15,000	
Mota-Engil Engenharia	17-Dec-12	17-Dec-17	Euribor 6M 360 + 6.75%	iii)	75,000	
Commercial paper programmes:						
Mota-Engil SGPS	21-Nov-08	25-Nov-15	Period Euribor + 2.475%		56,000	Direct placement: From 7 to 364 days/ Auctioning: From 1,2,3,4,5 or 6 months
Mota-Engil SGPS & Mota-Engil Engenharia	13-Nov-06	13-Nov-16	Euribor + 3.5%		10,000	From 7 to 360 days
Mota-Engil SGPS & Mota-Engil Engenharia	28-Dec-12	28-Dec-17	Euribor + 5%		23,850	3 months
Mota-Engil SGPS & Mota-Engil Environment & Services	15-Jan-07	15-Jan-19	Period Euribor + 1.5%		73,150	From 1, 3, 6 to 12 months
Mota-Engil Engenharia	26-Jun-07	26-Jun-15	Period Euribor + 2.0%		20,100	From 7 to 360 days
Mota-Engil Engenharia	16-Dec-10	16-Dec-15	Euribor 3M + 6.35%		50,000	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	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 thousand euros is broken down as follows:

2013			
Issuer	Type of issue	Amount of the loan	Amount in debt
Other operations:			
Mota-Engil, SGPS	Medium & long term loan	13,000	13,000
Mota-Engil, SGPS	Guaranteed account	17,000	16,989
Mota-Engil Engenharia	Medium & long term loan	70,909	70,909
Mota-Engil Engenharia	Short term loan	17,000	17,000
Mota-Engil Engenharia	Guaranteed accounts	81,401	77,277
Mota-Engil Engenharia	Overdraft facilities	31,800	23,803
Mota-Engil Environment & Services	Medium & long term loan	13,000	13,000
Mota Internacional	Guaranteed accounts	23,204	21,391
Mota-Engil Angola	Short term loan	29,462	29,462
Mota-Engil Angola	Guaranteed accounts	62,411	47,200
Mota-Engil Engineering & Construction Africa	Short term loan	18,000	18,000
Mota-Engil Engineering & Construction Africa	Guaranteed account	90,648	74,876
Mota-Engil Engineering & Construction Africa	Overdraft facilities	15,000	7,472
Mota-Engil Mexico	Medium & long term loan	17,402	17,402
Tertir	Medium & long term loan	42,900	42,900

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2012			
Issuer	Type of issue	Amount of the loan	Amount in debt
Other operations:			
Mota-Engil, SGPS	Overdraft facilities	18,000	17,894
Mota-Engil, SGPS	Medium & long term loan	55,250	30,375
Mota-Engil, SGPS	Guaranteed accounts	47,000	46,989
Mota-Engil Engenharia	Overdraft facilities	51,600	36,124
Mota-Engil Engenharia	Medium & long term loan	45,338	45,338
Mota-Engil Engenharia	Guaranteed accounts	192,695	188,456
Mota-Engil Engenharia	Short term loan	19,000	17,000
Tertir	Medium & long term loan	60,000	47,200
Planinova	Medium & long term loan	26,000	22,123

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 2013 and 2012, the following the derivative financial instruments are contracted by the Group:

Subsidiary	Type	Counterpart	Start	Notional	Contracted rates	Maturity	Fair Value	
							2013	2012
Mota-Engil Engenharia	Cap	BNP Paribas Fortis	jul/07	30,000	Receives Euribor 6M and pays fixed rate (4.05%)	jun/13	-	10
Mota-Engil Engenharia	Collar	BNP Paribas Fortis	jul/07	30,000	CAP 5.17%; Floor 3.25% until Jun-12 and 3% from Jun-14	jun/15	(674)	(1,404)
							(674)	(1,394)

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).

As at 31st December 2013 and 2012, the impact on equity of the derivative financial instruments contracted by Group companies is as follows:

	2013	2012
Impact of fair value of derivative financial instruments of subsidiaries consolidated by the full consolidation method	(499)	(996)
Impact of fair value of derivative financial instruments of associated companies consolidated by the equity method	(107,756)	(145,678)

The exposure of the GROUP to financial derivative instruments is essentially at the level of the INDQUA and ASCENDI groups, consolidated by the equity method.

27. Trade liabilities & other liabilities payable

The information on trade liabilities and other liabilities payable, for the years ended on 31st December 2013 and 2012, is broken down as follows:

	Non-currents		Currents	
	2013	2012	2013	2012
Suppliers:				
Europe Engineering & Construction	16,789	26,077	258,659	377,776
Europe Environment & Services	25	-	75,621	93,698
Africa	4,165	807	148,761	168,673
Central Europe				
Latin America	8,873	81	55,587	28,367
Others, eliminations & intra-Group	(1,051)	(1,075)	(50,515)	(142,659)
	28,801	25,890	488,113	525,855
Suppliers of fixed assets	112,557	126,207	69,936	71,936
Associates & other shareholders	10,029	10,699	24,996	26,126
Customer prepayments on account of sales	26,126	93,249	179,816	179,035
State & other public entities	-	-	77,768	54,816
Other creditors	7,628	33,295	171,266	181,491
	156,340	263,450	523,782	513,404
	185,141	289,340	1,011,895	1,039,259

As at 31st December 2013 and 2012, the heading “Suppliers” includes the amounts of approximately EUR 50,000,000 and EUR 51,000,000, 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.

As at 31st December 2013 and 2012 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 and balances owed by GROUP companies to shareholding stakeholders in MOTA-ENGIL ANGOLA and the GRUPO SUMA. At the 31st of December 2013 the current balance refers essentially to dividends unpaid by said companies to the respective shareholding stakeholders. As at 31st December 2013 and 2012, the heading “Other creditors, non-current” includes the sums for “factoring” with recourse to discounted bills in the sums of 54.658 million euros and 136.550 million euros respectively which, in the case of factoring has no fixed contractual maturity. At the 31st of December 2013 the following are also included under this heading: (i) 24.000 million euros, relating to the outstanding balance for the purchase of an additional holding in Vista SA in Angola and; (ii) some 24.000 million euros for the outstanding balance relating to the purchase of a 3% stake in BAI – Banco Angolano de Investimentos (Nota 20).

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

As at 31st December 2013 and 2012, the residual contractual maturity of the balances recorded under the heading “Suppliers” was as follows:

	2013	2012
Outstanding contractual maturity:		
] 0 ; 1] month	323,991	355,425
] 1 ; 3] months	114,238	109,364
] 3 ; 12] months	49,884	59,463
] 1 ; 3] years	19,111	12,454
Over 3 years	9,691	15,039
	516,914	551,745

As at 31st December 2013, the residual contractual maturity of the balances recorded under the heading “Other creditors” was as follows:

	2013	2012
Outstanding contractual maturity:		
] 0 ; 1] month	66,674	26,995
] 1 ; 3] months	18,479	18,004
] 3 ; 12] months	31,456	1,174
] 1 ; 3] years	7,550	864
Over 3 years	78	31,200
Factoring	54,658	136,550
	178,894	214,786

As at 31st December 2013 and 2012, 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 EUR 180,756,000 and EUR 199,301,000, respectively, with the following maturity periods:

Lease contracts	Outstanding rents on lease contracts		Current value of lease contract	
	2013	2012	2013	2012
1 year	56,122	59,838	51,371	57,050
2 years	41,826	39,352	38,821	37,517
3 years	26,553	30,186	24,845	29,046
4 or more years	56,255	69,925	48,891	59,620
	180,756	199,301	163,928	183,233
Interests included in the rents	(16,829)	(16,068)	-	-
Current value of lease contract rents	163,928	183,233	163,928	183,233

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As at 31st December 2013, the most significant finance lease contracts are as follows:

2013				
Contracting party	Amount	Asset	Lease life	Purchase option
CH&P Anadia	1,277	Sundry equipment	5 years	yes
CH&P Coja	1,274	Sundry equipment	5 years	yes
ME- Engenharia (headquarters)	10,064	Sundry equipment	3 years	201
ME- Engenharia (headquarters)	14,247	Sundry equipment	4 years	305
ME- Engenharia (headquarters)	8,687	Sundry equipment	5 years	127
ME- Engenharia (headquarters)	3,578	Sundry equipment	7 years	73
ME- Engenharia (headquarters)	1,438	Sundry equipment	8 years	72
ME-Central Europe Poland	9,242	Sundry equipment	5 years	362
ME-Central Europe Poland	2,709	Sundry equipment	6 years	186
ME-Central Europe Poland	1,528	Sundry equipment	7 years	15
ME-Central Europe Poland	1,106	Sundry equipment	10 years	562
Mota-Engil Angola	1,967	Sundry equipment	4 years	87
Mota-Engil Angola	5,950	Sundry equipment	5 years	290
Mota-Engil Engineering & Construction Africa	82,269	Sundry equipment	4 years	1,608
PTT	3,582	Land & Construction	10 years	yes
Socarpor Aveiro	1,976	Crane	8 years	40
Socarpor Aveiro	3,300	Crane	12 years	66
Socarpor Aveiro	13,058	Sograin Terminal	12 years	261
Sotagus	7,000	Port Granty	5 years	148
Sotagus	4,000	Port Granty	7 years	80
Takargo	24,140	Railway locomotives	25 years	3,018
Takargo	11,944	Railway wagons	25 years	1,493
TCL	3,021	Sundry equipment	4 years	60

2012				
Contracting party	Amount	Asset	Lease life	Purchase option
Mota-Engil Engenharia	29,058	Sundry equipment	4 years	921
Mota-Engil Engenharia	3,781	Sundry equipment	5 years	76
Mota-Engil Engenharia	2,273	Sundry equipment	3,5 years	45
Mota-Engil Central Europe Poland	2,695	Sundry equipment	6 years	774
Mota-Engil Central Europe Poland	1,128	Sundry equipment	10 years	2,894
Mota-Engil Central Europe Poland	7,840	Sundry equipment	5 years	1,130
Mota-Engil Central Europe Poland	1,558	Sundry equipment	7 years	63
PTT	3,582	Land & Construction	11 years	yes
Socarpor Aveiro	1,976	Crane	8 years	40
Socarpor Aveiro	3,300	Crane	12 years	66
Socarpor Aveiro	13,058	Sograin Terminal	12 years	261
Sotagus	4,000	Port Granty	7 years	80
Sotagus	7,400	Port Granty	5 years	148
Suma	3,835	Sundry equipment	5 years	3,835
Takargo	24,140	Railway locomotives	25 years	3,018
Takargo	11,944	Railway wagons	25 years	1,493
Correia & Correia	1,278	Sundry equipment	20 years	yes

As at 31st December 2013 and 2012, the net book value of assets under finance lease contracts was broken down as follows:

	2013	2012
Land & Buildings	6,990	7,113
Basic equipment	128,479	130,852
Transport equipment	19,992	27,473
Administrative equipment	-	111
Other fixed assets	7,469	11,361
Intangible fixed assets (Concessions)	24,316	17,740
	187,246	194,650

As at 31st December 2013 and 2012, the balances of the heading “State and other public” entities were detailed as follows:

	2013	2012
Income tax	12,633	10,778
Value added tax	408	285
Social Security	2,314	2,433
Personal income tax	1,616	1,090
Other taxes	(300)	(301)
Taxes in other countries	61,096	40,531
	77,768	54,816

The heading “Taxation in other countries” includes the values to be paid as tax on income and added value in essence in Africa and Latin America where the group has subsidiaries and branches in Mozambique, Malawi, Mexico and Peru, the increase in the balance under this heading related to the increase in business in 2013 and 2012.

28. Provisions

The information on provisions, for the years ended on 31st December 2013 and 2012, may be summarised as follows:

	2013	2012
Pensions (Note 31. Retirement plan benefits)	10,734	10,666
Indemities for termination of fixed-term employment contracts	386	993
Sealing & monitoring a landfill	7,271	7,115
Provisions for investments valued using the equity method	10,754	15,311
Legal proceedings	4,290	10,310
Provision related to investment under the scope of IFRIC 12	20,055	20,277
Other contingencies / estimated cost of closing operations	45,823	34,954
	99,312	99,626

The provisions for the sealing and monitoring of landfills essentially refer to the Suma Group.

The provisions for other contingencies include estimated costs for work in progress in the completion phase and fiscal contingencies. 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 concessionaires, to make investments during the concession period and which the concessionaires are entitled to use until the end of the concession e refer to the Tertir Group.

The information relative to the movement of provisions, relative to the fiscal year of 2013 and 2012, is as follows:

2013	Opening Balance	Increase (Note.12)	Reduction (Note.12)	Usage	Transfers & perimeter variation	Closing Balance
Pensions (Note 31. Retirement plan benefits)	10,666	27	(4)	-	44	10,734
Indemities for termination of fixed-term employment contracts	993	-	-	-	(607)	386
Sealing & monitoring a landfill	7,115	453	-	-	(297)	7,271
Legal proceedings	10,310	253	(4,186)	(4,572)	2,485	4,290
Provision related to investment under the scope of IFRIC 12	20,277	385	-	(17)	(589)	20,055
Other contingencies / estimated cost of closing operations	34,954	17,712	(487)	(717)	(5,638)	45,823
	84,315	18,828	(4,677)	(5,306)	(4,601)	88,559
Provisions for investments valued using the equity method	15,311	819	-	-	(5,377)	10,754
	99,626	19,648	(4,677)	(5,306)	(9,978)	99,312

2012	Opening Balance	Increase (Note.12)	Reduction (Note.12)	Usage	Transfers & perimeter variation	Closing Balance
Pensions (Note 31. Retirement plan benefits)	9,987	679	-	-	-	10,666
Indemities for termination of fixed-term employment contracts	263	993	(263)	-	-	993
Sealing & monitoring a landfill	6,616	499	-	-	-	7,115
Legal proceedings	9,982	1,075	(636)	(64)	(47)	10,310
Provision related to investment under the scope of IFRIC 12	21,050	563	(415)	-	(920)	20,277
Other contingencies / estimated cost of closing operations	24,419	11,141	(2,163)	(1,663)	3,220	34,954
	72,316	14,949	(3,477)	(1,727)	2,253	84,315
Provisions for investments valued using the equity method	15,836	11,564	-	-	(12,089)	15,311
	88,152	26,513	(3,477)	(1,727)	(9,835)	99,626

As at 31st December 2013 and 2012, the investments valued through the equity method for which provisions were constituted are as follows:

	2013	2012
SLPP Group	-	2,028
Soltysowska Group	-	1,549
Other	10,754	11,735
	10,754	15,311

During 2013, the SOLTYSOWSKA Group 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 31st December 2013 and 2012, the information relative to other non-current liabilities is as follows:

Other non current liabilities	2013	2012
Deferred income		
Investment subsidies	3,034	1,411
	3,034	1,411

The information relating to other current liabilities with reference to periods ending on the 31st of December 2013 and 2012, is as follows:

Other current liabilities	2013	2012
Accrued costs		
Cost of holiday pay & bonus	38,423	34,285
Interest payable	10,548	5,398
Work in progress by suppliers not billed	384,895	407,531
Other accrued costs	47,347	60,106
	481,213	507,320
Deferred income		
Invoicing in advance	35,888	27,330
Investment subsidies	1,224	2,695
Rents on own properties	-	362
Other deferred income	32,996	40,185
	70,108	70,572
	551,321	577,892

The value recorded under the heading “Early invoicing” refers to the application of the policy described at Note 1. Accounting policies for the recognition of revenue in construction contracts.

At the 31st of December 2013, the heading “Other deferred income” includes the sum of some 19,000 thousand euros from the Europe Environment and Services division.

The principle information relating to investment subsidies awarded to the Group is as follows:

2013			Recognition of income		
Beneficiary company	Amount of the asset	Amount of the subsidy	Deferred income	Recognition of income in 2013	Recognition of income in 2012
Correia & Correia	3,158	463	193	29	31
Enviroil II	2,446	763	763	-	-
ME- Engenharia	44,598	6,314	1,936	387	646
RTA	7,620	3,108	1,348	108	108
SGA	-	1,377	-	58	82
Other	467	203	20	20	101
			4,259	602	969

2012			Recognition of income		
Beneficiary company	Amount of the asset	Amount of the subsidy	Deferred income	Recognition of income in 2012	Recognition of income in 2011
Correia & Correia	3,158	463	218	31	209
ME- Engenharia	48,688	6,314	2,322	646	381
RTA	7,620	3,108	1,455	108	108
SGA	3,957	1,377	58	82	82
Other	1,309	1,045	53	101	-
			4,106	969	780

30. Commitments

As at 31st December 2013 and 2012, 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:

	2013	2012
Czech Crowns	3,752	4,309
US Dollars	422,540	252,855
Capa Verde Escudos	4,051	4,939
Euros	645,314	551,045
Hungarian Forints	4,410	4,389
Angola Kwanzas	17,562	-
Malawian Kwachas	7,386	15,226
Mozambican Meticals	34,999	33,363
Peruvian New Sol	139,499	90,062
South African Rands	6,865	3,783
Brazilian Real	60,913	-
Polish Zlotys	57,206	77,504
Other	660	1,935
	1,405,157	1,039,411

Details by Group companies are as follows:

	2013	2012
Áreagolfe	2,017	1,001
Emocil	8,251	3,010
Empresa Construtora Brasil	60,865	-
Suma Group	12,157	11,590
Tertir Group	40,338	36,969
Manvia	1,912	1,787
ME- Central Europe Czech Rep.	2,250	-
MEEC Africa	73,452	-
MKC	-	1,516
Mota-Engil Environment & Services	6,963	7,363
Mota-Engil Angola	79,061	-
Mota-Engil Central Europe Hungary	2,429	2,773
Mota-Engil Central Europe Poland	56,790	79,659
Mota-Engil Engenharia	837,129	707,380
Mota-Engil Peru	203,259	170,818
Vibeiras	9,579	8,752
Other	8,706	6,794
	1,405,157	1,039,411

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 31st December 2013 and 2012, the liabilities related to pensioners and to currently employed personnel refer almost entirely to Mota-Engil Engenharia (10,186 thousand euros and 10,129 thousand euros respectively), with the values of 548 thousand euros and 358 thousand euros, respectively, referring to other companies.

The values recognized through profit or loss, relative to the pension plan, for the years ended in 2013 and 2012, are of 23 thousand euros and 697 thousand euros, respectively (Note 10 and Note 28).

As at 31st December 2013 and 2012, the liabilities related to pensioners and to currently employed personnel of Mota-Engil Engenharia, as well as their respective coverage, are as follows.

	2013	2012
Liabilities to pensioners	1,099	1,609
Liabilities to personnel in services	9,087	8,519
Provisions set aside (Note 28. Provisions)	10,186	10,129
% 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 31st December 2013 and 2012 assumed the following assumptions:

	2013	2012
Mortality tables	TV 73/77	TV 73/77
Invalidity tables	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	0%	0%
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:

	2013	2012
Accounts receivable	48,477	33,938
Accounts payable	23,886	49,875
Loans granted	125,190	108,699
Loans obtained	10,075	10,699
Sales & services rendered	55,547	106,283
Cost of merchandise sold and subcontracts	9,053	12,307
Interest gains	3,880	4,788
Interest costs	336	499

Balances and transactions with shareholders of the Group with qualifying holdings or with other companies held by the Group are as follows:

	2013	2012
Accounts receivable	746	755
Accounts payable	24,571	99
Vendas e prestações de serviços	318	918

The heading "Accounts payable" to shareholders at the 31st of December 2013 includes in essence the remainder of the sum to be paid following acquisition of the stake in BAI – Banco Angolano de Investimentos (Note 20).

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 and respective directors and directors general 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
Carlos António Vasconcelos Mota dos Santos
F.M. - Sociedade de Controlo, SGPS, S.A.
Mota Gestão e Participações, SGPS, S.A.

The directors of the Group's Holding and of each of its sub-holdings are the following:

MOTA-ENGIL, SGPS, SA

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 Vêla Cova

MOTA-ENGIL, ENGENHARIA E CONSTRUÇÃO, SA

Ismael Antunes Hernandez Gaspar
António Martinho Ferreira de Oliveira
Carlos António Vasconcelos Mota dos Santos

MOTA-ENGIL AMBIENTE E SERVIÇOS, SGPS, SA

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 Board and Statutory Auditor

The remuneration attributed to the members of the administration during the years ended on 31st December 2013 and 2012 reached the values of 3,831 thousand euros (of which 33,079 thousand euros represented fixed remuneration, 671 thousand euros represented variable remuneration and 81 thousand euros represented attendance fees attributed to non-executive directors) and of 4,285 thousand euros (of which 3,328 thousand euros represented fixed remuneration, 886 thousand euros represented variable remuneration and 71 thousand 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 38 thousand euros and 46 thousand 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 31st December 2013 and 2012, the main assets and liabilities assigned to the extraction of the mineral resources of the Group are as follows:

	2013	2012
Fixed:		
Land under exploration	43,673	44,504
Buildings assigned to operations	1,372	1,515
Equipment assigned to operations	10,711	10,231
Inventories:		
Mineral stock	6,696	7,512
Balances receivable	13,053	13,272
Balances payable	8,085	9,170

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 2013 and 2012, the Group's operating income and costs related to the extraction of mineral resources are as presented below:

	2013	2012
Operating income	31,372	33,937
Operating costs	30,602	31,659
EBITDA	770	2,278
EBITDA margin	2.5%	6.7%

During 2013 and 2012, the cash flow of the business of extraction of mineral resources is as follows:

	2013	2012
Cash receipts from customers	31,591	39,357
Cash paid to suppliers	(31,687)	(38,845)
Operating Cash-flow	(96)	512
Acquisition of fixed assets	(739)	(1,473)
Sale of fixed assets	771	147
Investment Cash-flow	32	(1,326)

34. Non-controlling interests

During 2013 and 2012, 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	2013	2012
Empresa Construtora Brasil	579	-
Suma Group subsidiaries	2,734	2,424
Tertir Group subsidiaries	7,575	4,855
Mota-Engil Angola	23,188	23,325
Vista Waste	2,947	2,303
Other	940	354
	37,964	33,261

As at 31st December 2013 and 2012, the equity attributable to non-controlling interests is as presented below:

Own funds attributable to non-controlling interests	2013	2012
Empresa Construtora Brasil	14,049	-
Suma Group subsidiaries	25,763	23,135
Tertir Group subsidiaries	94,126	28,070
Mota-Engil Angola	57,692	49,823
Vista Waste	5,105	8,775
Other	4,996	2,058
	201,731	111,860

Following the strategy which the GROUP has in the areas of diversification which includes the search for partners who will boost the investment and expansion capacity of business mainly replicating in overseas markets the diversification experience in the national market, during 2013 a minority holding of 36.875% was disposed of in TTP (a company which specialises in port concessions located on the Atlantic coast of the Iberian peninsula in the sum of 59 million euros. Said company has stakes in the following port concessions: LISCONT; TCL; SOTAGUS; SOCARPOR AVEIRO; SADOPORT; TERSADO; SEALINE; FERROL. This operation does not change any relationship of control which the GROUP holds over said company nor the respective concessions. In accordance with the accounting policies for the GROUP which observe the IFRS 3 – “Concentration of business activities”, this transaction between holders of capital only affected the headings of equity which explains the variation in “Equity attributable to interests which are not controlled” for the “GRUPO TERTIR PARTICIPADAS” in 2013 compared with 2012.

35. Perimeter alterations

During the year ended on 31st December 2013, 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 variations are attached to the change in the consolidation method for the GRUPO SOLTYSOWSKA to the global integration method and the entry into the consolidation perimeter of the company EMPRESA CONSTRUTORA BRASIL, whose most relevant impacts are presented under the heading "Perimeter alteration", in the respective Notes.

During 2013, the alterations which occurred in the consolidation perimeter, in terms of companies entering and leaving, were as follows:

Acquisition of companies

Business Area - Europe - Engineering and Construction

Lanval Acquisition

Companies consolidated for the first time

Parent Company of the Group and Related Activities

Sangobiar

Business Area - Europe - Environment and Services

Indaqua Oliveira de Azeméis
TCR

Business Area - Africa

Cosamo
Imolap
Malawi Ports Company
Malawi Shipping Company
Martinox
Vista Multi Services

Business Area - Latin America

Empresa Constutora Brasil
Green Water
Marañon
Mota-Engil Energia Peru
MEAS Peru
Santa Clara
Construcciones dos Puertos
Eco Innovacion
GISA
Tarucani

Constitution of companies

Business Area - Europe Engineering and Construction
Immo Park Gdańsk
ME Central Europe PPP 2
Business Area - Europe - Environment and Services
TERGEP
TTP

Merger of companies, corporate reorganisation and alterations of percentage holding

Parent Company of the Group and related activities
Change in holding percentage of Nortenha society
Business Area - Europe Engineering and Construction
Change in holding percentage of Wilanow society (acquisition of 20%)
Change in holding percentage of Immo Park society (acquisition of 11% of EMSA)
Change in holding percentage of the companies of Obol Invest Group (acquisition of 2.5%)
Business Area - Europe - Environment and Services
Acquisition of 5% of the holding of Real Verde society
Disposal of 10% of the holding of Enviroil II society
Acquisition of 48% of the holding of Proempar society
Change in holding percentage of PTT society through the acquisition of 48% of Proempar's holding
Acquisition of 10% of the holding of PTT society
Change in holding percentage of the societies of the Tertir Group, through the reorganising of this Group
Disposal of 36.88% of the holding of TTP society
Change in holding percentage of Liscot society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of Sotagus society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of Tersado society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of SLPP society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of Sadoport society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of Ooerestiva society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of Socarpor SGPS society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of Socarpor Aveiro society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of TCL society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of Ferrol society through the disposal of 36.88% of the holding of TTP society
Change in holding percentage of Sealine society through the disposal of 36.88% of the holding of TTP society
Exclusion from the perimeter of Ternor society through merger with TERGEP
Business Area - Latin America
Change in holding percentage of TPE Paita society, through the reorganising of the Tertir Group
Change in holding percentage of Tertir Peru society, through the reorganising of the Tertir Group

Leaving of companies

Business Area - Europe - Engineering and Construction
Disposal of Berd
Disposal of Planinova
Disposal of Probigalp
Business Area - Europe - Environment and Services
Disposal of Vortal Group
Disposal of EMSA
Disposal of Emsway
Disposal of Parqueil



02. Consolidated Financial Information

Business Area - Africa

Asinter (available for sale)
 Disposal of 20.37% of Auto Sueco Angola (5.13% available for sale)
 Disposal of the participation in Cimertex & Companhia
 Disposal of the participation in Cimertex África
 Disposal of the participation in Cimertex Angola
 Liquidation of GT SGPS
 Liquidation of Traversofer

Alteration to the consolidation method

Change in the consolidation method of equivalent equity for global integration of the following companies of Europe Engineering and Construction:

Balice
 Centralna
 ME PD
 Sikorki
 Soltysowska

Change in the consolidation method of equivalent equity for global integration of the following companies of Africa:

Akwangola
 Vista SA
 Vista Water

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:

	2013	2012	2011	2010	2009 restated
Sales and services rendered	2,313,702	2,243,167	2,176,072	2,004,551	1,978,733
EBITDA	362,839	287,455	295,957	237,294	196,268
EBIT	242,876	171,180	169,384	131,746	112,493
Financial profit / (loss)	(106,243)	(82,483)	(79,714)	(50,928)	(47,836)
Consolidated net profit / (loss) attributable:					
to Non-Controlling interests	37,964	33,261	37,646	32,406	9,947
to the Group	50,505	40,746	33,432	36,951	72,612

	2013	2012	2011	2010	2009 restated
Assets					
Non- current	1,599,410	1,414,415	1,499,574	1,544,114	1,416,446
Non- current available for sale	30,311	79,398	86,340	67,807	29,044
Current	2,143,708	2,104,936	1,938,383	1,844,245	1,458,408
	3,773,429	3,598,749	3,524,297	3,456,166	2,903,897
Liabilities					
Non - current	1,066,469	912,530	1,054,130	1,049,494	878,823
Current	2,147,734	2,250,238	2,055,343	1,925,942	1,632,264
	3,214,203	3,162,768	3,109,472	2,975,436	2,511,087
Equity Capital					
attributable to the Group	357,495	324,121	312,992	411,707	342,609
attributable to non-controlling	201,731	111,860	101,833	69,023	50,202
	559,226	435,981	414,825	480,730	392,811
	3,773,429	3,598,749	3,524,297	3,456,166	2,903,897

37. Notes to the consolidated cash-flow Statement

During the years ended on 31st December 2013 and 2012, the amounts paid for the acquisition of financial investments are detailed as follows:

	2013	2012
Banco Angolano de Investimentos	15,500	-
Carbine Tungstene	-	1,704
Empresa Construtora do Brasil	-	19,462
Martinox	-	1,837
Sangobiar Peru	-	368
Other	4,926	11,625
	20,426	34,995

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 31st December 2013 and 2012, the amounts received in the disposal of financial investments are detailed as follows:

	2013	2012
Auto- Sueco	14,191	-
Berd	2,500	-
Cimertex & Cª	8,641	-
Cimertex Angola	3,539	-
Emsa	5,102	-
Vortal Group	6,500	-
Indaqua (5%)	-	3,000
Mota-Engil Angola	17,856	-
Promissory note from Malawi Government	10,956	-
TTP (36,88%) (Nota 34)	59,000	-
Other	2,528	2,359
	130,813	5,359

38. Non-current assets held for sale

During the years ended on 31st December 2013 and 2012, non-current assets held for sale, by business segment, are as follows:

	2013	2012
Europe Engineering & Construction	332	14,414
Europe Environment & Services	29,980	64,983
	30,311	79,398

As at 31st December 2013, this heading is primarily composed of a non-operational plot of land, whose value will be recovered through their sale and not through their continued use. Although the land had already been included under this heading in 2012 for Portugal Environment & Services, during 2013 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 variation in Europe Environment and services is due to the transfer of a plot of land for future capitalisation under the heading "Investment properties" (Note 21).

The value of non-current assets held for sale at the 31st of December 2012 in the Europe Engineering and services division concerns principally the subsidiary MAMAIA which was the object of disposal in 2013.

39. Business segments

The Group uses its internal organisation for management effects based on its reporting of information by operating segments.

The GROUP was organised by geographic areas Europe Engineering & Construction, Europe Environment & Services, Africa and Latin America.

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:

2013	Europe Engineering & Construction	Europe Environment & Services	Africa	Latin America	Others, eliminations & intra-group	Mota-Engil Group
Sales & services rendered	588,258	328,236	1,008,918	426,105	(37,815)	2,313,702
Other revenues	67,494	11,377	18,455	6,457	(42,382)	61,401
Cost of goods sold, mat. Cons. & Subcontractors	(422,011)	(129,049)	(409,791)	(152,798)	49,904	(1,063,745)
Gross profit	233,741	210,565	617,582	279,764	(30,293)	1,311,359
Third-party supplies & services	(115,956)	(79,321)	(216,887)	(136,801)	46,640	(502,325)
Wages and salaries	(108,914)	(67,035)	(148,662)	(105,600)	(16,558)	(446,769)
Other operating income / (expenses)	16,844	(4,468)	(7,883)	(1,873)	(2,046)	574
EBITDA	25,714	59,741	244,150	35,490	(2,257)	362,839
Depreciation & Amortization	(25,414)	(20,020)	(49,595)	(6,741)	(957)	(102,727)
Provisions and impairment losses	(9,997)	(1,559)	(1,773)	(3,692)	(215)	(17,236)
Operating profit	(9,697)	38,163	192,782	25,057	(3,429)	242,876

2012	Europe Engineering & Construction	Europe Environment & Services	Africa	Latin America	Others, eliminations & intra-group	Mota-Engil Group
Sales & services rendered	927,028	316,411	728,811	313,856	(42,938)	2,243,167
Other revenues	115,078	6,462	42,818	8,695	(90,060)	82,992
Cost of goods sold, mat. Cons. & Subcontractors	(650,055)	(115,353)	(333,850)	(98,237)	51,197	(1,146,298)
Gross profit	392,050	207,520	437,779	224,313	(81,801)	1,179,862
Third-party supplies & services	(177,060)	(78,534)	(183,089)	(107,850)	83,720	(462,812)
Wages and salaries	(150,155)	(68,672)	(104,442)	(76,928)	(16,477)	(416,673)
Other operating income / (expenses)	788	(5,850)	(13,793)	(6,149)	12,082	(12,922)
EBITDA	65,623	54,464	136,456	33,387	(2,475)	287,455
Depreciation & Amortization	(41,864)	(20,837)	(22,608)	(5,364)	(675)	(91,349)
Provisions and impairment losses	(14,029)	(6,509)	(3,018)	(1,370)	-	(24,926)
Operating profit	9,731	27,118	110,830	26,652	(3,150)	171,180

02. Consolidated Financial Information



As at 31st December 2013 and 2012, 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 2013 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 31st December 2013 and 2012, 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:

2013	Europe Engineering & Construction	Europe Environment & Services	Africa	Latin America	Others, eliminations & intra-group	Mota-Engil Group
Goodwill	11,948	112,098	3,424	6,141	-	133,611
Intangible fixed assets	25,837	117,408	2,873	6,384	(19,338)	133,164
Tangible fixed assets	243,088	97,500	264,940	65,840	19,236	690,603
Financial investments under the equity method	25,094	35,140	772	28,632	128,531	218,169
Investments properties	17,496	37,808	-	-	-	55,304
Customers & other debtors (non-current)	137,625	25,527	1,287	27,743	20,877	213,059
Non-current assets Held for sale	332	29,980	-	-	-	30,311
Customers	146,108	121,483	702,008	39,124	(30,239)	978,484
Other debtors	106,368	70,241	213,250	42,569	(149,425)	283,002
Other current assets	51,103	11,651	96,042	106,955	(862)	264,889
Sundry creditors (non-current)	39,516	168,614	54,059	48,733	(125,781)	185,141
Provisions	49,745	36,068	3,864	-	9,635	99,312
Other non-current liabilities	1,452	599	-	-	984	3,034
Suppliers	258,659	75,621	148,761	55,587	(50,515)	488,113
Sundry Creditors	178,970	50,388	339,388	89,383	(134,347)	523,782
Other current liabilities	128,716	46,588	347,784	37,297	(9,064)	551,321

2012	Europe Engineering & Construction	Europe Environment & Services	Africa	Latin America	Others, eliminations & intra-group	Mota-Engil Group
Goodwill	13,605	113,295	132	-	-	127,032
Intangible fixed assets	20,478	119,313	2,099	1,986	(18,826)	125,050
Tangible fixed assets	317,117	103,826	132,680	39,560	20,248	613,431
Financial investments under the equity method	26,233	31,982	33,172	25,515	102,004	218,905
Investments properties	63,888	2,297	-	-	-	66,185
Customers & other debtors (non-current)	265,210	19,751	3,188	53	(113,770)	174,431
Non-current assets Held for sale	14,414	64,983	-	-	-	79,398
Customers	264,610	140,885	546,877	19,070	(46,976)	924,465
Other debtors	187,649	47,879	236,920	26,325	(179,937)	318,836
Other current assets	60,003	9,911	148,484	102,047	897	321,342
Sundry creditors (non-current)	89,776	197,063	92,310	36,993	(126,801)	289,340
Provisions	41,486	45,299	1,978	1,353	9,510	99,626
Other non-current liabilities	270	130	-	-	1,011	1,411
Suppliers	377,776	93,698	168,673	28,367	(142,659)	525,855
Sundry Creditors	299,496	46,800	248,540	55,600	(137,032)	513,404
Other current liabilities	147,380	48,300	338,729	38,817	4,665	577,892

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:

Europe Engineering & Construction	Notes	2013	2012
Sales & Services rendered		588,258	927,028
Other revenues		67,494	115,078
Cost of goods sold, mat. Cons. & subcontractors		(422,011)	(650,055)
Gross profit		233,741	392,050
Third-party supplies & services	39.1.1	(115,956)	(177,060)
Wages and salaries		(108,914)	(150,155)
Other operating income/ (expenses)		16,844	788
EBITDA		25,714	65,623
Depreciation & Amortization	9	(25,414)	(41,864)
Provisions & impairment losses	10	(9,997)	(14,029)
Operating profit		(9,697)	9,731

The main headings of the consolidated financial position for the Europe Engineering & Construction segment are broken down as follows:

Europe Engineering & Construction	Notes	2013	2012
Goodwill	16	11,948	13,605
Intangible fixed assets	17	25,837	20,478
Tangible fixed assets	18	243,088	317,117
Financial investments under the equity method	19	25,094	26,233
Investment properties	21	17,496	63,888
Costumers & other debtors (Non-current)	39.1.2	137,625	265,210
Non-current assets Held for sale	38	332	14,414
Customers	39.1.2	146,108	264,610
Other debtors	39.1.2	106,368	187,649
Other current assets	39.1.2	51,103	60,003
Sundry creditors (Non-current)	39.1.3	39,516	89,776
Provisions	28	49,745	41,486
Other non-current liabilities	39.1.4	1,452	270
Suppliers	39.1.3	258,659	377,776
Sundry creditors	39.1.3	178,970	299,496
Other current liabilities	39.1.4	128,716	147,380

39.1.1. Third-party supplies & services

Third party suppliers and services, for the years ended on 31st December 2013 and 2012, are broken down as follows:

Europe Engineering & Construction	2013	2012
Leases & rents	54,530	81,650
Specialised works	5,606	15,872
Transport, travel and board & lodging	5,787	16,480
Maintenance & repairs	7,929	10,932
Fuel	3,779	5,160
Insurance	3,190	4,513
Comissions & fees	1,150	3,549
Water & electricity	3,771	4,222
Utensils & office equipment	1,188	1,865
Vigilance & security	2,269	3,067
Communications	858	1,180
Adevrtising & publicity	444	444
Other supplies & services	25,454	28,126
	115,956	177,060

39.1.2. Other assets

a) Loans and accounts receivable

The information on loans and accounts receivable from customers, for the years ended on 31st December 2013 and 2012, is broken down as follows:

Europe Engineering & Construction	Non-current		Current	
Costumers	2013	2012	2013	2012
Trade accounts receivable				
Gross value:	24,153	60,131	177,567	297,616
Other, eliminations & intra-Group				
	24,153	60,131	177,567	297,616
Accumulated impairment losses	(1,631)	(1,032)	(32,570)	(34,236)
	22,522	59,100	144,998	263,380
Trade accounts - Bills receivable	476	476	1,110	1,231
	22,998	59,575	146,108	264,610

The information on loans and accounts receivable from other debtors, for the years ended on 31st December 2013 and 2012, is broken down as follows:

Europe Engineering & Construction	Non-current		Current	
	2013	2012	2013	2012
Other debtors				
Associate and related companies				
Gross value	76,731	207,507	5,542	30,667
Accumulated impairment losses	(5,969)	(6,387)	-	-
	70,762	201,120	5,542	30,667
Advances to suppliers			907	1,862
State & other public entities	-	-	13,905	18,320
Other				
Gross value	43,865	4,515	91,333	141,327
Accumulated impairment losses	-	-	(5,320)	(4,527)
	43,865	4,515	86,013	136,800
	114,627	205,635	106,368	187,649
Costumers and other debtors	137,625	265,210	252,476	452,259

b) Other current assets

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

Europe Engineering & Construction	2013	2012
Accrued income		
Production not invoiced	37,698	41,618
Interest receivable	324	391
Other accrued income	4,908	13,542
	42,930	55,551
Deferred costs		
Insurance	1,638	2,119
Other deferred costs	6,535	2,333
	8,172	4,452
	51,103	60,003

39.1.3. Trade liabilities and other liabilities payable

The information relative to trade liabilities and other liabilities payable, for the years ended on 31st December 2013 and 2012, is broken down as follows:

Europe Engineering & Construction	Non-current		Current	
	2013	2012	2013	2012
Suppliers	16,789	26,077	258,659	377,776
	16,789	26,077	258,659	377,776
Suppliers of fixed assets	21,943	61,780	22,891	40,859
Group companies, associates & other	-	686	7,418	3,015
Customer prepayments on account of sales	7	326	7,379	15,303
State & other public entities	-	-	7,523	26,491
Other creditors	778	906	133,758	213,829
	22,727	63,699	178,970	299,496
	39,516	89,776	437,629	677,272

39.1.4. Other current & non-current liabilities

As at 31st December 2013 and 2012, the information on other non-current liabilities is as follows:

Other non-current liabilities - Europe Engineering & Construction	2013	2012
Deferred income		
Investment subsidies	1,452	270
	1,452	270

The information on other current liabilities, for the years ended on 31st December 2013 and 2012 is as follows:

Other non-current liabilities - Europe Engineering & Construction	2013	2012
Accrued costs		
Cost of holiday pay & bonus	11,251	14,689
Interest payable	2,558	2,944
Work in progress by suppliers not billed	99,662	56,731
Other accrued costs	13,366	42,659
	126,837	117,024
Deferred income		
Invoicing in advance	646	27,330
Investments subsidies	484	2,064
Rents on own properties	12	353
Other deferred income	738	609
	1,879	30,356
	128,716	147,380

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:

Europe Environment & Services	Notes	2013	2012
Sales & services rendered		328,236	316,411
Other revenues		11,377	6,462
Cost of goods sold, mat. Cons. & subcontractors		(129,049)	(115,353)
Gross profit		210,565	207,520
Third-party supplies & services	39.2.1	(79,321)	(78,534)
Wages and salaries		(67,035)	(68,672)
Other operating income / (expenses)		(4,468)	(5,850)
EBITDA		59,741	54,464
Depreciation & Amortization	9	(20,020)	(20,837)
Provisions and impairment losses	10	(1,559)	(6,509)
Operating profit		38,163	27,118

The main headings of the consolidated financial position for the Portugal Environment & Services segment are broken down as follows:

Europe Environment & Services	Notes	2013	2012
Goodwill	16	112,098	113,295
Intangible fixed assets	17	117,408	119,313
Tangible fixed assets	18	97,500	103,826
Financial investments under the equity method	19	35,140	31,982
Investment properties	21	37,808	2,297
Costumers & other debtors (non-current)	39.2.2	25,527	19,751
Non-current assets held for sale	38	29,980	64,983
Costumers	39.2.2	121,483	140,885
Other debtors	39.2.2	70,241	47,879
Other current assets	39.2.2	11,651	9,911
Sundry creditors (non-current)	39.2.3	168,614	197,063
Provisions	28	36,068	45,299
Other non-current liabilities	39.2.4	599	130
Suppliers	39.2.3	75,621	93,698
Sundry creditors	39.2.3	50,388	46,800
Other current liabilities	39.2.4	46,588	48,300

39.2.1. Third-party Supplies & Services

Third party supplies and services, for the years ended on 31st December 2013 and 2012, are broken down as follows:

Europe Environment & Services	2013	2012
Leases & rents	34,363	32,937
Specialised works	6,728	8,915
Transport, travel and board & lodging	3,083	3,193
Maintenance & repairs	10,801	10,026
Fuel	7,536	7,960
Insurance	2,440	2,399
Commissions & fees	1,122	1,315
Water & electricity	3,200	3,140
Utensils & office equipment	1,639	1,500
Vigilance & security	1,620	1,624
Communications	1,040	1,075
Advertising & publicity	422	346
Other supplies & services	5,325	4,103
	79,321	78,534

39.2.2. Other assets

a) Loans and receivables

The information on loans and accounts receivable from customers, for the years ended on 31st December 2013 and 2012, is broken down as follows:

Europe Environment & Services	Non-current		Current	
Customers	2013	2012	2013	2012
Trade accounts receivable				
Gross value:	1,206	583	125,990	144,812
	1,206	583	125,990	144,812
Accumulated impairment losses	(163)	(141)	(5,418)	(4,994)
	1,043	442	120,572	139,818
Trade accounts - bills receivable	-	-	910	1,067
	1,043	442	121,483	140,885

The information on loans and accounts receivable from other debtors, for the years ended on 31st December 2013 and 2012, is broken down as follows:

Europe Environment & Services	Non-Current		Current	
Other debtors	2013	2012	2013	2012
Associate and related companies				
Gross value	24,484	19,127	13,367	65
	24,484	19,127	13,367	65
Advances to suppliers	-	-	480	437
State & other public entities	-	-	8,556	10,121
Other				
Gross value	-	183	64,171	53,733
Accumulated impairment losses	-	-	(16,333)	(16,476)
	-	183	47,838	37,257
	24,484	19,309	70,241	47,879
Customers and other debtors	25,527	19,751	191,723	188,764

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Other current assets

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

Europe Environment & Services	2013	2012
Accrued income		
Production and services rendered not invoiced	5,130	3,500
Interest receivable	186	105
Other accrued income	2,161	2,137
	7,477	5,741
Deferred costs		
Insurance	934	736
Other deferred costs	3,240	3,434
	4,174	4,169
	11,651	9,911

39.2.3. Trade liabilities & other liabilities payable

The information on trade liabilities and other liabilities payable, for the years ended on 31 December 2013 and 2012, is broken down as follows:

Europe Environment & Services	Non-Current		Current	
	2013	2012	2013	2012
Suppliers	25	-	75,621	93,698
	25	-	75,621	93,698
Suppliers of fixed assets	53,751	64,215	12,087	15,757
Group companies, associate and other shareholders	111,653	130,322	4,011	6,379
Customer prepayment on account of sales	3	-	1,499	1,329
State & other public entities	-	-	6,223	1,412
Other creditors	3,182	2,526	26,568	21,924
	168,589	197,063	50,388	46,800
	168,614	197,063	126,009	140,498

39.2.4. Other current & non-current liabilities

As at 31 December 2013 and 2012, the information relative to the other non-current liabilities is as follows:

Other non current liabilities - Portugal Environment & Services	2013	2012
Deferred income		
Investment subsidies	572	130
Other income	26	-
	599	130

The information on other current liabilities, for the years ended on 31st December 2013 and 2012, is as follows:

Other current liabilities - Portugal Environment & Services	2013	2012
Accrued costs		
Cost of holiday pay & bonus	8,620	6,810
Interest payable	1,394	1,238
Work in progress by suppliers not billed	1,554	-
Other accrued costs	11,229	11,887
	22,797	19,934
Deferred income		
Investment subsidies	404	128
Rents on own properties	9	9
Other deferred income	23,378	28,229
	23,791	28,366
	46,588	48,300

39.3. Segment reporting – Africa

The statement of consolidated net operating income for the Africa segment is broken down as follows:

Africa	Notes	2013	2012
Sales & services rendered		1,008,918	728,811
Other revenues		18,455	42,818
Cost of Goods sold, mat. Cons. & Subcontractors		(409,791)	(333,850)
Gross Profit		617,582	437,779
Third-party supplies & services	39.3.1	(216,887)	(183,089)
Wages and salaries		(148,662)	(104,442)
Other operating income / (expenses)		(7,883)	(13,793)
EBITDA		244,150	136,456
Depreciation & Amortization	9	(49,595)	(22,608)
Provisions and impairment losses	10	(1,773)	(3,018)
Operating profit		192,782	110,830

The main headings of the consolidated financial position for the Africa segment are broken down as follows:

Africa	Notes	2013	2012
Goodwill	16	3,424	132
Intangible fixed assets	17	2,873	2,099
Tangible fixed assets	18	264,940	132,680
Financial investments under the equity method	19	772	33,172
Customers & other debtors (Non-Current)	39.3.2	1,287	3,188
Customers	39.3.2	702,008	546,877
Other debtors	39.3.2	213,250	236,920
Other current assets	39.3.2	96,042	148,484
Sundry creditors (Non-current)	39.3.3	54,059	92,310
Provisions	28	3,864	1,978
Suppliers	39.3.3	148,761	168,673
Sundry Creditors	39.3.3	339,388	248,540
Other current liabilities	39.3.4	347,784	338,729

39.3.1. Third-party Supplies & Services

Third party supplies and services for the years ended on 31st December 2013 and 2012 are broken down as follows:

Africa	2013	2012
Leases & rents	78,016	76,942
Specialised works	58,072	34,290
Transport, travel and board & lodging	38,442	25,042
Maintenance & repairs	2,937	13,481
Fuel	2,863	1,866
Insurance	5,613	5,159
Commissions & fees	517	264
Water & electricity	1,016	961
Utensils & office equipment	2,046	2,425
Vigilance & security	2,841	3,033
Communications	3,748	2,672
Advertising & publicity	402	754
Other supplies & services	20,375	16,199
	216,887	183,089

39.3.2. Other assets

a) Loans and accounts receivable

The information on loans and accounts receivable from customers for the years ended on 31st December 2013 and 2012 is broken down as follows:

Africa	Non-Current		Current	
	2013	2012	2013	2012
Customers				
Trade accounts receivable				
Gross value:	167	68	751,145	570,475
	167	68	751,145	570,475
Accumulated impairment losses	-	-	(49,137)	(23,599)
	167	68	702,008	546,877

The information on loans and accounts receivable from other debtors for the years ended on 31st December 2013 and 2012 is broken down as follows:

Africa	Non-current		Current	
	2013	2012	2013	2012
Other debtors				
Associate and related companies				
Gross Value:	893	2,791	116	822
	893	2,791	116	822
Advances to suppliers	-	-	3,539	10,233
State & other public entities	-	-	18,508	19,638
Other				
Gross Value	227	329	191,131	206,949
Accumulated impairment losses	-	-	(44)	(722)
	227	329	191,087	206,227
	1,120	3,120	213,250	236,920
Customers & other debtors	1,287	3,188	915,258	783,797

b) Other current assets

The heading "Other current assets" is broken down as follows:

Africa	2013	2012
Accrued income		
Production and services rendered not invoiced	76,671	101,055
Other accrued income	1,021	511
	77,693	101,566
Deferred costs		
Insurance	759	860
Other deferred costs	17,590	46,058
	18,349	46,918
	96,042	148,484

39.3.3. Trade liabilities & other liabilities payable

Africa	Non-current		Current	
	2013	2012	2013	2012
Suppliers	4,165	807	148,761	168,673
	4,165	807	148,761	168,673
Suppliers of fixed assets	33,087	194	46,567	23,540
Group companies, associates & shareholders	1,311	2,049	41,874	50,872
Customers prepayments on account of sales	15,495	60,668	128,165	125,879
State & other public entities	-	-	35,538	22,722
Other creditors	(0)	28,591	87,244	25,528
	49,893	91,502	339,388	248,540
	54,059	92,310	488,149	417,213

39.3.4. Other current liabilities

The information on other current liabilities, for the years ended on 31st December 2013 and 2012, is as follows:

Other current liabilities - Africa	2013	2012
Accrued costs		
Cost of holiday pay and bonus	8,841	5,269
Interest payable	1,579	-
Works in progress not billed by suppliers and provisions for guarantees	274,003	297,287
Other accrued costs	26,337	27,215
	310,761	329,772
Deferred income		
Invoicing in advance	35,242	-
Rents on own properties	(27)	-
Other deferred income	1,808	8,957
	37,024	8,957
	347,784	338,729

39.4. Segment reporting – Latin America

The statement of consolidated net operating income for the Latin America segment is broken down as follows:

Latin America	Notes	2013	2012
Sales & services rendered		426,105	313,856
Other revenues		6,457	8,695
Cost of Goods sold, mat. Cons. & Subcontractors		(152,798)	(98,237)
Gross profit		279,764	224,313
Third-party supplies and services	39.4.1	(136,801)	(107,850)
Wages and salaries		(105,600)	(76,928)
Other operating income / (expenses)		(1,873)	(6,149)
EBITDA		35,490	33,387
Depreciation & Amortization	9	(6,741)	(5,364)
Provisions and impairment losses	10	(3,692)	(1,370)
Operating profit		25,057	26,652

The main headings of the consolidated financial position for the Latin America segment are broken down as follows:

Latin America	Notes	2013	2012
Goodwill	16	6,141	-
Intangible fixed assets	17	6,384	1,986
Tangible fixed assets	18	65,840	39,560
Financial investments under the equity method	19	28,632	25,515
Customers and other debtors (Non-current)	39.4.2	27,743	53
Customers	39.4.2	39,124	19,070
Other debtors	39.4.2	42,569	26,325
Other current assets	39.4.2	106,955	102,047
Sundry creditors (Non-current)	39.4.3	48,733	36,993
Provisions	28	-	1,353
Suppliers	39.4.3	55,587	28,367
Sundry creditors	39.4.3	89,383	55,600
Other current liabilities	39.4.4	37,297	38,817

39.4.1. Third-party Supplies & Services

Third party supplies and services for the years ended on 31st December 2013 and 2012 are broken down as follows:

Latin America	2013	2012
Leases & rents	70,437	50,405
Specialised works	12,842	7,523
Transport, travel and board & lodging	12,448	11,606
Maintenance & repairs	4,122	2,358
Fuel	23,521	24,244
Insurance	325	133
Commissions & fees	3,327	438
Water & electricity	219	111
Utensils & office equipment	388	142
Vigilance & security	935	803
Communications	1,259	977
Advertising & publicity	219	218
Other supplies & services	6,760	8,890
	136,801	107,850

39.4.2. Other assets

a) Loans and accounts receivable

The information on loans and accounts receivable from other debtors, for the years ended on 31st December 2013 and 2012, is broken down as follows:

Latin America	Non-Current		Current	
	2013	2012	2013	2012
Costumers				
Trade accounts receivable				
Gross value:	-	-	39,124	18,772
	-	-	39,124	18,772
Accumulated impairment losses	-	-	-	(20)
	-	-	39,124	18,753
Trade accounts - Bills receivable	-	-	-	317
	-	-	39,124	19,070

The information on loans and accounts receivable from customers, for the years ended on 31st December 2013 and 2012, is broken down as follows:

Latin America	Non-current		Current	
	2013	2012	2013	2012
Other debtors				
Associate and related companies				
Gross value	343	37	3,228	-
	343	37	3,228	-
Advances to suppliers	-	-	9,204	4,461
State & other public entities	378	0	10,732	1,305
Other				
Gross value	27,023	15	23,195	20,636
Accumulated impairment losses	-	-	(3,791)	(76)
	27,023	15	19,405	20,560
	27,743	53	42,569	26,325
Costumers and other debtors	27,743	53	81,693	45,395

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b) Other current assets

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

Latin America	2013	2012
Accrued income		
Production and services rendered not invoiced	96,296	94,904
Other accrued income	727	3,607
	97,023	98,511
Deferred costs		
Cost tenders and startup works		
Insurance	982	226
Other deferred costs	8,949	3,310
	9,932	3,536
	106,955	102,047

39.4.3. Trade liabilities & other liabilities payable

The information on trade liabilities and other liabilities payable, for the years ended on 31st December 2013 and 2012, is broken down as follows:

Latin America	Non-current		Current	
	2013	2012	2013	2012
Suppliers	8,873	81	55,587	28,367
	8,873	81	55,587	28,367
Suppliers of fixed assets	3,722	-	892	4
Group companies, associates & other	21,789	902	2,626	-
Customer prepayments on account of sales	10,621	33,893	44,083	36,512
State & other public entities	-	-	19,258	7,553
Other creditors	3,728	2,117	22,525	11,531
	39,860	36,912	89,383	55,600
	48,733	36,993	144,970	83,967

39.4.4. Other current liabilities

The information on other current liabilities, for the years ended on 31st December 2013 and 2012, is as follows:

Other current liabilities - Latin America	2013	2012
Accrued costs		
Cost of holiday pay & bonus	6,138	3,943
Interest payable	-	65
Works in progress not billed by suppliers and provisions for guarantees	18,781	30,816
Other accrued costs	6,905	3,575
	31,824	38,399
Deferred income		
Other deferred income	5,473	418
	5,473	418
	37,297	38,817

40. Subsequent events

In 2014, up to the issue of the present report the following relevant events took place the details of which are adequately divulged in chapter 10 of the Management report and as privileged information on the websites of MOTA-ENGIL and CMVM:

- MOTA-ENGIL, SGPS, SA reports on the mining contract in Zimbabwe and other awards in the sum of almost 780 million euros (Note of the 7th of January 2014);
- MOTA-ENGIL, SGPS, SA reports on the date of the extraordinary conditional dividend (Note of the 10th of January 2014);
- MOTA-ENGIL, SGPS, SA reports the private offer of shares (Note of the 25th of de February 2014);
- MOTA-ENGIL, SGPS, SA reports on the results of the private offer of shares (Note of the 26th of February 2014).

41. Approval of the financial statements

These financial statements were approved by the Board of Directors of the Group on 17th March 2014. 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:

Designation	Headquarters	Effective holding percentage	Activity	Set up date	Acquisition date
Parent Company of the Group and Related Activities					
Mota-Engil, SGPS, S.A., Sociedade Aberta ("Mota-Engil SGPS")	Portugal (Porto)	-	Management of financial holdings	01/08/1990	-
Largo do Paço – Investimentos Turísticos e Imobiliários, Lda. ("Largo do Paço")	Portugal (Amarante)	100.00	Real Estate Development	-	01/10/2001
Through Mota-Engil SGPS		100.00			
ME 3I, SGPS, S.A. ("ME 3I SGPS")	Portugal (Linda-a-Velha)	61.20	Management of financial holdings	01/10/2011	-
Through Mota-Engil Indústria e Inovação		61.20			
MESP Central Europe Sp. z o. o. ("MESP Central Europe")	Poland (Cracow)	100.00	Administrative Services	01/12/2009	-
Through Mota-Engil Serviços Partilhados		100.00			
MESP - Mota Engil, Serviços Partilhados, Administrativos e de Gestão, S.A. ("Mota-Engil Serviços Partilhados")	Portugal (Porto)	100.00	Administrative Services	01/12/2002	-
Through Mota-Engil SGPS		100.00			
Mota-Engil Indústria e Inovação, SGPS, S.A. ("Mota-Engil Indústria e Inovação")	Portugal (Linda-a-Velha)	100	Management of financial holdings	01/11/2010	-
Through Mota-Engil SGPS		100.00			
MK Contractors, LLC ("MKC")	USA (Miami)	100.00	Real Estate Development	01/03/2002	-
Through Mota-Engil Engenharia		100.00			
Mota-Engil Finance, B.V. ("ME Finance BV")	Netherlands (Amsterdam)	100.00	Consulting Services	21/12/2012	-
Through Mota-Engil SGPS		100.00			
RTA - Rio Tâmega, Turismo e Recreio, S.A. ("RTA")	Portugal (Amarante)	100.00	Real Estate and Tourism	-	01/05/2000
Through Mota-Engil SGPS		100.00			
SGA – Sociedade de Golfe de Amarante, S.A. ("SGA")	Portugal (Amarante)	97.17	Golf Practice and Marketing and related activities	01/12/2000	-
Through RTA		96.89			
Through Mota-Engil Engenharia		0.28			
Europe					
Engineering and Construction					
Mota-Engil Engenharia e Construção, S.A. ("Mota-Engil Engenharia")	Portugal (Amarante)	100.00	Construction works, and purchase and sale of real estate	-	01/12/2000
Through Mota-Engil SGPS		100.00			
Aurimove – Sociedade Imobiliária, S.A. ("Aurimove")	Portugal (Porto)	100.00	Real Estate Development	01/12/1993	-
Through Mota-Engil Real Estate Portugal		100.00			
Calçadas do Douro - Sociedade Imobiliária, Lda. ("Calçadas do Douro")	Portugal (Porto)	100.00	Real Estate Development	-	01/09/2000
Through Mota-Engil Real Estate Portugal		100.00			
Carlos Augusto Pinto dos Santos & Filhos S.A. ("Capsfil")	Portugal (Vila Flor)	100.00	Extraction of gravel, sand and crushed stone	19/03/1977	02/10/2009
Through Mota-Engil Engenharia		100.00			
Corgimobil - Empresa Imobiliária das Corgas, Lda. ("Corgimobil")	Portugal (Cascais)	97.25	Construction works, studies and real estate	-	11/11/2000
Through Mota-Engil Engenharia		71.79			
Through Mota-Engil Real Estate Portugal		25.46			
Edifício Mota Viso – Soc. Imobiliária, Lda. ("Mota Viso")	Portugal (Porto)	100.00	Real Estate Development	01/06/1994	-
Through Mota-Engil Real Estate Portugal		100.00			
Edipainel – Sociedade Imobiliária, S.A. ("Edipainel")	Portugal (Porto)	100.00	Real Estate Development	01/03/2002	-
Through Mota-Engil Real Estate Portugal		70.00			
Through Mota-Engil Engenharia		30.00			
Grossiman, S.L. ("Grossiman")	Spain (Alcobendas)	100.00	Special foundations	01/02/1996	01/12/1995
Through Mota-Engil Engenharia		100.00			
Mercado Urbano - Gestão Imobiliária, S.A. ("Mercado Urbano")	Portugal (Porto)	100.00	Real Estate Development	01/07/2009	01/03/2011
Through Mota-Engil Engenharia		100.00			
Mil e Sessenta – Sociedade Imobiliária, Lda. ("Mil e Sessenta")	Portugal (Porto)	100.00	Real Estate Development	-	01/07/2001
Through Mota-Engil Real Estate Portugal		100.00			
Motadómus - Sociedade Imobiliária, Lda. ("Motadómus")	Portugal (Porto)	100.00	Construction works	21/01/1997	01/01/2001
Through Aurimove		95.00			
Through Mota-Engil Real Estate Portugal		5.00			
Mota-Engil Ireland Construction Limited ("Mota-Engil Irlanda")	Ireland	60.00	Construction works	01/10/2007	-
Through Mota-Engil Engenharia		60.00			
ME Real Estate - Mota-Engil Real Estate Portugal, S.A. ("Mota-Engil Real Estate Portugal")	Portugal (Porto)	100.00	Real Estate Development	01/09/2001	-
Through Mota-Engil Engenharia		100.00			
Nortedomus, Sociedade Imobiliária SA. ("Nortedomus")	Portugal (Lisbon)	100.00	Real Estate Development	-	01/10/2001
Through Mota-Engil Engenharia		100.00			
Sedengil – Sociedade Imobiliária, S.A. ("Sedengil")	Portugal (Matosinhos)	100.00	Real Estate Development	01/10/1982	05-1995 / 05-1997
Through Mota-Engil Engenharia		100.00			
Mota-Engil Central Europe, SGPS, S.A. ("Mota-Engil Central Europe SGPS")	Portugal	100.00	Management of financial holdings	01/12/2002	-
Through Mota-Engil Engenharia		100.00			
Bergamon, A.S. ("Bergamon")	Slovakia (Bratislava)	100.00	Real Estate Development	01/05/2004	-
Through Mota-Engil Central Europe, SGPS		100.00			
Bicske Plaza Kft. ("Bicske Plaza")	Hungary (Budapest)	100.00	Real Estate Development	30/01/2008	-
Through Mota-Engil Central Europe, SGPS		100.00			

Designation	Headquarters	Effective holding percentage	Activity	Set up date	Acquisition date
Bohdalecká Project Development s.r.o. ("Bohdalecká") Through Mota-Engil Central Europe, SGPS	Czech Republic (Prague)	100.00	Real Estate Development	-	01/09/2007
Centralna Project Development Sp. z o.o. ("Centralna") Through Mota-Engil Central Europe, SGPS	Poland (Cracow)	100.00	Real Estate Development	30/10/2012	-
Devonská Project Development A.S. ("Devonská") Through Mota-Engil Central Europe Polónia	Czech Republic (Prague)	100.00	Real Estate Development	01/12/2006	-
Dmowskiego Project Development, Sp. z o.o. ("Dmowskiego") Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00	Real Estate Development	01/08/2007	-
Ekosrodowisko Spółka z o.o. ("Ekosrodowisko") Through MES	Poland (Bytom)	61.50	Urban solid waste	16/02/2005	01/12/2005
Eltor, S.A. ("Eltor") Through Mota-Engil Central Europe Polónia	Poland (Tczew)	100.00	Construction and public works	01/01/1992	01/04/2011
Hungária Hotel Kft. ("Hotel Achat Hungria") Through Mota-Engil Central Europe, SGPS	Hungary (Budapest)	100.00	Real Estate Development	01/06/2008	-
Immo Park Gdańsk, Sp. z o.o. ("Immo Park Gdańsk") Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00	Design, construction, management and exploitation of parking lots	01/03/2013	-
Immo Park Warszawa, Sp. z o.o. ("Immo Park Warszawa") Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00	Design, construction, management and exploitation of parking lots	01/10/2012	-
Immo Park, Sp. z o.o. ("Immo Park") Through Mota-Engil Central Europe Polónia Through Mota-Engil Central Europe, SGPS Through Mota-Engil Engenharia	Poland (Cracow)	88.00 47.00 40.00 1.00	Design, construction, management and exploitation of parking lots	01/01/2008	01/03/2011
Jeremiasova Project Development, s.r.o. ("Jeremiasova") Through Mota-Engil Central Europe Polónia Through Mota-Engil Central Europe República Checa	Czech Republic (Prague)	100.00 99.00 1.00	Real Estate Development	25/06/2008	06/10/2009
Kilinskiego Project Development Sp. z o.o. ("Kilinskiego") Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00	Real Estate Development	01/08/2007	-
Kilinskiego Property Investment Sp. z o.o. ("Kilinskiego PI") Through Kilinskiego Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00 99.99 0.01	Real Estate Development	01/09/2011	-
Kordylewskiego Project Development Sp. z o.o. ("Kordylewskiego") Through Mota-Engil Central Europe, SGPS	Poland (Cracow)	100.00	Real Estate Development	01/02/2005	-
Lanval Sp. z o.o. ("Lanval") Through Mota-Engil SGPS	Poland (Cracow)	100.00	Construction works and purchase and sale of real estate	-	01/12/2013
ME Project Development Sp. z o.o. ("ME PD") Through Mota-Engil Central Europe, SGPS	Poland (Cracow)	100.00	Real Estate Development	01/06/2012	-
MES, Mota-Engil Srodowisko, Sp. z o.o. ("MES") Through Suma	Poland (Cracow)	61.50 61.50	Urban solid waste	01/12/2005	-
Metroepszolg, Zrt ("Metroepszolg") Through Mota-Engil Magyarország	Hungary (Budapest)	100.00	Public works	01/12/2000	-
M-Invest Bohdalec, A.S., v likvidaci ("M-Invest Bohdalec") Through Mota-Engil Central Europe, SGPS	Czech Republic (Prague)	100.00	Real Estate Development	01/09/2003	-
M-Invest Devonska, s.r.o. ("M-Invest Devonska") Through Mota-Engil Central Europe, SGPS	Czech Republic (Prague)	100.00	Real Estate Development	01/11/2006	-
Mota-Engil Central Europe, S.A. ("Mota-Engil Central Europe Polónia") Through Mota-Engil Central Europe, SGPS Through Mota-Engil Real Estate Management	Poland (Cracow)	96.91 92.58 4.33	Construction works	01/02/1953	01/03/1999
Mota-Engil Central Europe Ceska Republika, AS ("Mota-Engil Central Europe Czech Republic") Through Mota-Engil Central Europe Polónia	Czech Republic (Prague)	100.00	Construction and public works	01/01/1997	-
Mota-Engil Central Europe Hungary Beruházási és Épitőipari Kft. ("ME Central Europe Hungria") Through Mota-Engil Central Europe Polónia	Hungary (Budapest)	100.00	Construction and public works	01/02/2008	-
Mota-Engil Central Europe Romania S.R.L. ("Mota-Engil Central Europe România") Through Mota-Engil Central Europe Polónia	Romania (Bucharest)	100.00	Road construction works	01/07/2009	-
Mota-Engil Central Europe Slovenská Republika, AS ("Mota-Engil Central Europe Slovakia") Through Mota-Engil Central Europe Polónia	Slovakia (Bratislava)	100.00	Construction works	01/08/2004	-
Mota-Engil Brand Management B.V. ("Mota-Engil Brand Management") Through Mota-Engil Central Europe, SGPS	Netherlands (Amsterdam)	100.00	Management of trademarks and other intellectual property	01/12/2009	-
Mota-Engil, Brands Development Limited ("Mota-Engil Brands Development") Through Mota-Engil Central Europe, SGPS	Ireland (Dublin)	100.00	Marketing and development of trademarks and other intellectual property	01/12/2009	-
Mota-Engil Investitii AV s.r.l. ("Mota-Engil Investitii") Through Mota-Engil Central Europe, SGPS	Romania (Bucharest)	100.00	Real Estate Development	-	01/09/2007
Mota-Engil Magyarország Zrt. ("Mota-Engil Magyarország") Through Mota-Engil Engenharia	Hungary (Budapest)	100.00	Public works	01/01/1996	-
Mota-Engil Central Europe EIP Energia Sp. z o.o. ("MECE EIP Energia") Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00	Design and construction of electricity infrastructures	01/03/2012	-
Mota-Engil Parking 2 Sp. z o.o. ("ME Parking 2") Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00	Design, construction, management and exploitation of parking lots	01/03/2012	-
Mota-Engil Central Europe PPP Sp. z o.o. ("ME Central Europe PPP") Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00	Design and construction of social housing	01/03/2012	-
Mota-Engil Central Europe PPP 2 Sp. z o.o. ("ME Central Europe PPP 2") Through Mota-Engil Central Europe Polónia	Poland (Cracow)	100.00	Design and construction of social housing	01/12/2013	-

Designation	Headquarters	Effective holding percentage	Activity	Set up date	Acquisition date
Mota-Engil Project 1 Kft. ("ME Project 1")	Hungary	100.00	Public works	07/10/2005	-
Through Mota-Engil Real Estate Hungria	(Budapest)	100.00			
Mota-Engil Real Estate Hungary Kft. ("Mota-Engil Real Estate Hungria")	Hungary	100.00	Real Estate Development	01/07/2005	-
Through Mota-Engil Central Europe, SGPS	(Budapest)	100.00			
Mota-Engil Real Estate Management, sp. z o.o. ("Mota-Engil Real Estate Management")	Poland	100.00	Real Estate Development	01/06/2005	-
Through Mota-Engil Central Europe, SGPS	(Cracow)	100.00			
Balice Project Development Sp. z o.o. ("Balice")	Poland	100.00	Real Estate Development	01/10/2012	-
Through Mota-Engil Central Europe, SGPS	(Cracow)	100.00			
Sikorki Project Development Sp. z o.o. ("Sikorki")	Poland	100.00	Real Estate Development	01/10/2012	-
Through Mota-Engil Central Europe, SGPS	(Cracow)	100.00			
Soltysowska Project Development Sp. z o.o. ("Soltysowska")	Poland	100.00	Real Estate Development	01/11/2005	-
Through Mota-Engil Central Europe, SGPS	(Cracow)	100.00			
Steinerova Project Development A.S. ("Steinerova")	Czech Republic	100.00	Real Estate Development	01/02/2004	-
Through Mota-Engil Central Europe Polónia	(Prague)	100.00			
Száz - Invest Project Development Kft. ("Száz - Invest")	Hungary	100.00	Real Estate Development	01/08/2011	-
Through Mota-Engil Central Europe, SGPS	(Budapest)	100.00			
Tetenyi Project Development Kft. ("Tetenyi")	Hungary	100.00	Real Estate Development	01/01/2005	-
Through Mota-Engil Central Europe, SGPS	(Budapest)	100.00			
Wilanow Project Development SP. z.o.o. ("Wilanow")	Poland	100.00	Real Estate Development	01/06/2007	-
Through Mota-Engil Central Europe, SGPS	(Cracow)	100.00			
Wilenska Project Development Sp. z.o.o. ("Wilenska")	Poland	100.00	Real Estate Development	01/01/2005	-
Through Mota-Engil Central Europe, SGPS	(Cracow)	100.00			
Zöld-Project 2 Kft. ("Zöld-Project 2")	Hungary	100.00	Public works	05/06/2008	-
Through Mota-Engil Central Europe, SGPS	(Budapest)	100.00			
Zsombor Utcai Kft. ("Zsombor")	Hungary	100.00	Real Estate Development	20/06/2007	-
Through Mota-Engil Central Europe, SGPS	(Budapest)	100.00			
Environment and Services					
Mota-Engil, Ambiente e Serviços, SGPS, S.A. ("Mota-Engil Ambiente e Serviços")	Portugal	100.00	Management of financial holdings	01/06/1997	-
Through Mota-Engil SGPS	(Porto)	100.00			
Área golf - Gestão, Construção e Manutenção de Campos de Golfe, S.A. ("Área golf")	Portugal	66.67	Management, construction and maintenance of golf courses	-	01/07/2007
Through Vibeiras	(Torres Novas)	66.67			
CH&P - Combined Heat & Power Anadia, Sociedade Unipessoal, Lda ("CH&P Anadia")	Portugal	90.00	Exploitation of a co-generation plant for the production of electric and thermal energy	23/05/2011	-
Through Manvia	(Linda-a-Velha)	90.00			
CH&P - Combined Heat & Power Coja, Unipessoal, Lda ("CH&P Coja")	Portugal	90.00	Exploitation of a co-generation plant for the production of electric and thermal energy	23/05/2011	-
Through Manvia	(Linda-a-Velha)	90.00			
Citrave - Centro Integrado de Tratamento de Resíduos de Aveiro, S.A. ("Citrave")	Portugal	46.13	Treatment and disposal of non-hazardous waste	01/12/1987	01/10/2006
Through Suma	(Lisboa)	44.90			
Through Novaflex		0.62			
Through Suma Espoende		0.62			
Correia & Correia, Lda. ("Correia & Correia")	Portugal	48.19	Trade and collection of used oils	01/09/1988	01/02/2000
Through Enviroil	(Sertão)	48.19			
Enviroil SGPS, Lda. ("Enviroil")	Portugal	48.19	Management of financial holdings	01/11/1997	-
Through Suma	(Torres Novas)	48.19			
Enviroil II - Reciclagem de Óleos Usados, Lda. ("Enviroil II")	Portugal	43.37	Oil recycling, electricity production and bulk trade of fuels and related products	01/04/2011	-
Through Enviroil	(Torres Novas)	43.37			
FCT - Ferrol Container Terminals S.L.U. ("Ferrol")	Spain	34.80	Cargo handling	14/03/2011	-
Through TCL	(Ferrol)	34.80			
Glan Agua, Ltd ("Glanagua")	Ireland	70.00	Treatment of waste, exploitation and management of water systems	24/01/2008	-
Through MEIS	(Ballinasloe)	70.00			
InvestAmbiente - Recolha de Resíduos e Gestão de Sistemas de Saneamento Básico, S.A. ("InvestAmbiente")	Portugal	31.98	Collection of non-hazardous waste	03/02/2000	01/12/2007
Through Novaflex	(Lisbon)	31.98			
Liscont - Operadores de Contentores, S.A. ("Liscont")	Portugal	52.36	Port operations	24/11/1983	01/10/2006
Through TTP	(Lisbon)	52.36			
Lokemark - Soluções de Marketing, S.A. ("Lokemark")	Portugal	70.00	Services, marketing solutions, construction and sale of data bases, management and exploitation of the postal service's infrastructures	01/06/2003	01/09/2007
Through Mota-Engil Ambiente e Serviços	(Setúbal)	70.00			
Manvia - Manutenção e Exploração de Instalações e Construção, S.A. ("Manvia")	Portugal	90.00	Maintenance and exploitation of installations	04/07/1994	01/06/1998
Through Mota-Engil Ambiente e Serviços	(Linda-a-Velha)	90.00			
Mota-Engil Energia, S.A. ("Mota-Engil Energia")	Portugal	100.00	Production of hydroelectricity	01/06/2010	-
Through Mota-Engil SGPS	(Linda-a-Velha)	100.00			
Mota-Engil II, Gestão, Ambiente, Energia e Concessões de Serviços, S.A. ("MEAS II")	Portugal	100.00	Projects' management	01/12/2003	-
Through Mota-Engil Ambiente e Serviços	(Porto)	100.00			
Mota-Engil Ireland Services Ltd. ("MEIS")	Ireland	70.00	Treatment of waste, exploitation and management of water systems	22/01/2008	-
Through Mota-Engil Engenharia	(Ballinasloe)	70.00			
Multiterminal - Soc. de Estiva e Tráfego, S.A. ("Multiterminal")	Portugal	100.00	Exploitation of port terminals	04/05/1979	01/10/2006
Through Tertir	(Lisbon)	100.00			

Designation	Headquarters	Effective holding percentage	Activity	Set up date	Acquisition date
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 non-hazardous waste	-	01/12/2007
Novaflex - Técnicas do Ambiente, S.A. ("Novaflex") Through Suma	Portugal (Lisbon)	61.50 61.50	Collection of other non-hazardous waste	-	01/12/2007
Proempar - Promoção e Gestão de Parques Empresariais e Tecnológicos, S.A. ("Proempar") Through Mota-Engil Ambiente e Serviços Through Mota-Engil Engenharia	Portugal (Porto)	100.00 74.00 26.00	Marketing, management and exploitation of technological and industrial business parks	02/10/2006	-
PTT - Parque Tecnológico do Tâmega, S.A. ("PTT") Through Proempar Through Mota-Engil Ambiente e Serviços Through Mota-Engil Engenharia	Portugal (Felgueiras)	90.00 70.00 10.00 10.00	Marketing and management of technological business hosting	01/12/2006	-
Real Verde - Técnicas de Ambiente, S.A. ("Real Verde") Through Novaflex	Portugal (Vila Real)	61.50 61.50	Treatment and disposal of other non-hazardous waste	01/12/2007	-
Resiges - Gestão de Resíduos Hospitalares, Lda. ("Resiges") Through Novaflex	Portugal (Setúbal)	61.50 61.50	Collection of hazardous waste	06/05/1998	01/12/2007
Resilei - Tratamento de Resíduos Industriais, S.A. ("Resilei") Through Suma	Portugal (Leiria)	30.75 30.75	Treatment and disposal of other non-hazardous waste	-	01/06/2003
Rima - Resíduos Industriais e Meio Ambiente, S.A. ("Rima") Through Suma	Portugal (Lourousa)	59.12 59.12	Treatment of industrial waste	14/08/2001	-
Sealine - Navegação e Afretamentos, Lda ("Sealine") Through Socarpor SGPS Through Socarpor Aveiro	Portugal (Aveiro)	38.39 32.26 6.13	Navigation agents	-	01/10/2006
SIGA - Serviço Integrado de Gestão Ambiental, S.A. ("Siga") Through Suma	Portugal (Ponta Delgada)	43.05 43.05	Treatment and disposal of non-hazardous waste	27/10/2008	-
Socarpor - Soc. Cargas Port. (Aveiro), S.A. ("Socarpor Aveiro") Through Socarpor SGPS Through TTP Through Socarpor Aveiro (ações próprias)	Portugal (Aveiro)	40.85 28.47 6.31 6.07	Port services	-	01/10/2006
Socarpor - Soc. Gestora de Participações Sociais (Douro/ Leixões), S.A. ("Socarpor SGPS") Through TTP and shares	Portugal (Matosinhos)	37.96 37.96	Management of financial holdings	-	01/10/2006
Sol-S Internacional, Tecnologias de Informação, S.A. ("Sol-S Internacional") Through Suma	Portugal (Funchal)	61.50 61.50	Computer programming activities	01/06/2000	-
Sotagus - Terminal de Contentores de Santa Apolónia, S.A. ("Sotagus") Through TTP	Portugal (Lisbon)	63.13 63.13	Port operations	-	01/10/2006
SRI - Gestão de Resíduos, Lda ("SRI") Through Correia & Correia	Portugal (Sertão)	48.19 48.19	Collection of hazardous waste	27/07/2008	-
STM - Sociedade de Terminais de Moçambique, Lda ("STM") Through Tertir	Mozambique (Maputo)	50.00 50.00	Port operations	14/02/1994	14/02/1994
Suma (Douro) - Serviços Urbanos e Meio Ambiente, Lda. ("Suma Douro") Through Suma	Portugal (Murça)	61.50 61.50	Collection of urban solid waste	27/07/2000	-
Suma (Espesinde) - Serviços Urbanos e Meio Ambiente, Lda. ("Suma Espesinde") Through Suma	Portugal (Espesinde)	61.50 61.50	Collection of urban solid waste	06/12/1999	-
Suma (Matosinhos) - Serviços Urbanos e Meio Ambiente, S.A. ("Suma Matosinhos") Through Suma	Portugal (Matosinhos)	61.50 61.50	Collection of urban solid waste	01/12/2000	-
Suma (Porto) - Serviços Urbanos e Meio Ambiente, S.A. ("Suma Porto") Through Suma	Portugal (Porto)	61.50 61.50	Collection of urban solid waste	06/11/2008	-
Suma - Serviços Urbanos e Meio Ambiente, S.A. ("Suma") Through Mota-Engil Ambiente e Serviços	Portugal (Lisbon)	61.50 61.50	Collection of urban solid waste	01/06/1994	-
Takargo-Transporte de Mercadorias, S.A. ("Takargo") Through TERGEP Through Mota-Engil Engenharia	Portugal (Linda-a-Velha)	100.00 70.00 30.00	Rail transport of goods	11/09/2006	-
TCL - Terminal de Contentores de Leixões, S.A. ("TCL") Through TTP Through TCL (shares) Through Socarpor SGPS	Portugal (Matosinhos)	34.80 18.69 1.78 14.33	Cargo handling	31/01/1996	-
TCR - Tratamento Complementar de Resíduos, S.A. ("TCR") Through Suma Through Mota-Engil Engenharia	Portugal (Porto)	37.29 36.29 1.00	Construction and exploitation of a landfill	01/11/2012	-
TERGEP, SGPS, S.A. ("TERGEP") Through Mota-Engil Ambiente e Serviços	Portugal (Porto)	100.00 100.00	Management of financial holdings	16/04/2013	-
Tertir - Concessões Portuárias, SGPS, S.A. ("Tertir SGPS") Through Tertir Through Multiterminal	Portugal (Linda-a-Velha)	100.00 68.89 31.11	Management of financial holdings	01/10/2007	-
Tertir - Terminais de Portugal, S.A. ("Tertir") Through Mota-Engil Ambiente e Serviços Through TERGEP	Portugal (Matosinhos)	100.00 64.67 35.33	Exploitation of port terminals	-	01/10/2006
Tertir - Terminais Portuários, SGPS, S.A. ("TTP") Through TERGEP	Portugal (Linda-a-Velha)	63.13 63.13	Management of financial holdings	06/06/2013	-
Transitex do Brasil Serviços de Logística, Ltda. ("Transitex Brasil") Through Transitex Espanha Through Transitex Portugal	Brazil (São Paulo)	85.00 84.41 0.60	Organisation of transport by land, sea or air	01/05/2010	-

Designation	Headquarters	Effective holding percentage	Activity	Set up date	Acquisition date
Transitex Colombia, S.A.S. ("Transitex Colombia")	Colombia (Bogotá)	85.00	Organisation of transport by land, sea or air	14/12/2011	11/01/2012
Through Transitex Espanha		85.00			
Transitex Moçambique, Lda ("Transitex Moçambique")	Mozambique (Maputo)	85.00	Organisation of transport by land, sea or air	01/11/2008	-
Through Transitex Portugal		80.75			
Through Transitex Espanha		4.25			
Transitex México, S.A. de C.V. ("Transitex México")	Mexico (Mexico City)	85.00	Organisation of transport by land, sea or air	01/02/2009	-
Through Transitex Espanha		85.00			
Through Transitex Portugal		0.002			
Transitex - Trânsitos de Extremadura, S.A. ("Transitex Portugal")	Portugal (Lisbon)	85.00	Organisation of transport by land, sea or air	01/05/2008	-
Through Transitex Espanha		85.00			
Transitex - Trânsitos de Extremadura, S.L. ("Transitex Espanha")	Spain (Badajoz)	85.00	Organisation of transport by land, sea or air	11/11/2002	-
Through Tertir SGPS		85.00			
Transitex Global Logistics Operations ("Transitex South Africa")	South Africa (Isando)	85.00	Organisation of transport by land, sea or air	23/01/2012	-
Through Transitex Portugal		85.00			
Transitex Peru SAC ("Transitex Peru")	Peru (Callao)	46.75	Organisation of transport by land, sea or air	23/01/2012	-
Through Transitex Spain		29.84			
Through Transitex Brazil		16.92			
Tratofoz - Sociedade de Tratamento de Resíduos, S.A. ("Tratofoz")	Portugal (Porto)	99.62	Collection of urban solid waste	01/10/2002	-
Through Mota-Engil Ambiente e Serviços		99.00			
Through Suma		0.62			
Triu - Técnicas de Resíduos Industriais e Urbanos, S.A. ("Triu")	Portugal (Loures)	48.19	Collection of non-hazardous waste	01/04/1991	01/09/2008
Through Enviroil		48.19			
Vibeiras - Sociedade Comercial de Plantas, S.A. ("Vibeiras")	Portugal (Torres Novas)	66.67	Landscape gardening	01/07/1988	01/10/1998
Through Mota-Engil Ambiente e Serviços		66.67			
Africa					
Mota-Engil Engenharia e Construção África, S.A. ("MEEC África")	Portugal (Porto)	100.00	Construction works	11/08/2012	-
Through Mota-Engil SGPS		100.00			
Mota-Engil África, B.V. ("ME África BV")	Netherlands (Amsterdam)	100.00	Management of societies' management	11/10/2012	-
Through Mota-Engil SGPS		100.00			
Mota-Engil África, SGPS, S.A. ("Mota-Engil África")	Portugal (Porto)	100.00	Management of financial holdings	01/05/2010	-
Through MEEC África		100.00			
Mota Internacional - Comércio e Consultadoria Económica, Lda. ("Mota Internacional")	Portugal (Funchal)	100.00	Trade and management of international holdings	01/09/1997	01/12/1998
Through Mota-Engil África		100.00			
AGIR - Ambiente e Gestão Integrada de Resíduos, Lda. ("Agir")	Cape Verde (Praia)	80.75	Collection of urban solid waste	01/12/2007	-
Through Mota-Engil Ambiente e Serviços		50.00			
Through Suma		30.75			
Akwangola, S.A. ("Akwangola")	Angola (Luanda)	48.28	Exploitation of water market	01/12/2010	Dec 13
Through Vista Water		48.28			
Cecot - Centro de Estudos e Consultas Técnicas, Lda. ("Cecot")	Mozambique (Maputo)	100.00	Construction works' projects and inspection	01/09/1998	01/04/2011
Through MEEC África		100.00			
Cosamo (Proprietary) Limited ("Cosamo")	South Africa (Johannesburg)	100.00	Commercial	01/12/1976	-
Through Mota Internacional		100.00			
Fibreglass Sundlete (Moç), Lda. ("Fibreglass")	Mozambique (Maputo)	100.00	Commercial	01/08/1962	01/03/1999
Through ME Mauritius		100.00			
Emocil - Empresa Moçambicana de Construção e Promoção Imobiliária, Lda. ("Emocil")	Mozambique (Maputo)	100.00	Real Estate Development	01/07/1994	-
Through MEEC África		50.00			
Through Indimo		50.00			
Fatra - Fábrica de Trefilaria de Angola, S.A. ("Fatra")	Angola (Luanda)	35.70	Manufacturing of iron-derived products	-	01/11/2010
Through Mota-Engil Angola		35.70			
Mota-Engil Angola, S.A. ("Mota-Engil Angola")	Angola (Luanda)	51.00	Construction works and public and private works	01/05/2010	-
Through Mota Internacional		51.00			
Indimo, Lda. ("Indimo")	Mozambique (Maputo)	100.00	Real Estate Development	-	01/10/2004
Through Cecot		50.00			
Through MEEC África		50.00			
Malawi Ports Company Limited ("Malawi Ports Company")	Malawi (Lilongwe)	100.00	Sea transport	01/11/2010	-
Through MEEC África		88.00			
Through ME Malawi		12.00			
Malawi Shipping Company Limited ("Malawi Shipping Company")	Malawi (Lilongwe)	100.00	Sea transport	01/11/2010	-
Through MEEC África		88.00			
Through ME Malawi		12.00			
Martinox, SA ("Martinox")	Angola (Benguela)	48.45	Stainless steel works	01/02/2008	01/12/2011
Through Mota-Engil Angola		48.45			
Mota-Engil Mining Management (Proprietary) Limited ("ME Mining Management")	South Africa (Johannesburg)	100.00	Management of human resources in mining	01/04/2011	-
Through Mota-Engil Minerals Mining Investment B.V.		100.00			
Mota & Companhia Maurícias, Lda. ("ME Maurícias")	Mauritius (Ebene)	100.00	Construction works	01/05/2010	-
Through MEEC África		100.00			
Mota-Engil (Malawi) Limited ("ME Malawi")	Malawi (Lilongwe)	99.99	Public works and /or construction works contractor	01/07/2011	-
Through MEEC África		99.99			
Mota-Engil Investments (Malawi) Limited ("ME Investments Malawi")	Malawi (Lilongwe)	99.00	Public works and /or construction works contractor	01/03/2011	-
Through Mota-Engil África		99.00			
Mota-Engil Minerals & Mining (Malawi) Limited ("ME Minerals & Mining Malawi")	Malawi (Lilongwe)	99.99	Prospecting, exploitation and processing of minerals	01/03/2011	-
Through Mota-Engil Minerals Mining Investment B.V.		99.99			
Mota-Engil Minerals & Mining (Zimbabwe) (Private) Limited ("ME Minerals & Mining Zimbabwe")	Zimbabwe (Harare)	100.00	Prospecting, exploitation and processing of minerals	01/05/2011	-
Through Mota-Engil Minerals Mining Investment B.V.		100.00			

Designation	Headquarters	Effective holding percentage	Activity	Set up date	Acquisition date
Mota-Engil Minerals Mining Investment B.V. ("ME Minerals Mining Investment BV")	Netherlands (Amsterdam)	100.00	Management of other companies	01/10/2010	-
Through Mota-Engil SGPS		100.00			
Mota-Engil S.Tomé e Príncipe, Lda. ("Mota-Engil S.Tomé")	São Tomé e Príncipe (São Tomé)	100.00	Public works and /or construction works contractor	08/12/2004	-
Through Mota Internacional		95.00			
Through MEEC África		5.00			
Novicer-Cerâmicas de Angola, Lda. ("Novicer")	Angola (Luanda)	51.00	Manufacturing and trade in clay goods	08/09/2007	-
Through Mota-Engil Angola		51.00			
Prefal - Préfabricados de Luanda, Lda. ("Prefal")	Angola (Luanda)	45.90	Manufacturing of prestressed goods	01/12/1993	-
Through Mota-Engil Angola		45.90			
Penta - Engenharia e Construção, Lda. ("Penta")	Cape Verde	100.00	Construction works and public and private works	01/04/2007	-
Through MEEC África		96.00			
Through Mota Internacional		4.00			
Rentaco Angola - Equipamentos e Transportes, Lda. ("Rentaco Angola")	Angola (Luanda)	51.00	Rental of construction equipment	01/01/2008	-
Through Mota-Engil Angola		51.00			
Sonauta - Sociedade de Navegação, Lda. ("Sonauta")	Angola (Luanda)	100.00	Sea transport, excluding coastal transport	16/11/1994	-
Through Mota Internacional		100.00			
Tracevia Angola - Sinalização, Segurança e Gestão de Tráfego, Lda. ("Tracevia Angola")	Angola (Luanda)	40.80	Road signs	-	01/09/2007
Through Mota-Engil Angola		40.80			
VBT - Projectos e Obras de Arquitectura Paisagística, Lda ("VBT")	Angola (Luanda)	43.34	Landscape gardening	01/09/2008	-
Through Vibeiras		33.34			
Through Mota-Engil Ambiente e Serviços		10.00			
Vista Energy Environment & Services, S.A. ("Vista SA")	Angola (Luanda)	51.00	Management of financial holdings	01/07/2008	01/12/2013
Through Mota-Engil Angola		51.00			
Vista Waste Management, Lda ("Vista Waste")	Angola (Luanda)	56.15	Collection of waste	01/12/2009	-
Through Mota-Engil Angola		5.10			
Through Vista SA		20.91			
Through Suma		30.14			
Vista Multi Services, Lda ("Vista Multi Services")	Angola (Luanda)	40.80	Urban services	01/05/2009	01/12/2013
Through Vista SA		40.80			
Vista Water, Lda. ("Vista Water")	Angola (Luanda)	48.32	Exploitation of the water market	01/05/2009	01/12/2013
Through Mota-Engil Angola		6.38			
Through Vista SA		21.68			
Through Indaqua		20.27			
Latin America					
Mota-Engil Latin America BV ("ME Latin America")	Netherlands (Amsterdam)	100.00	Management of financial holdings	01/11/1998	-
Through Mota-Engil SGPS		100.00			
Construcciones dos Puertos SA de CV ("Construcciones des Puertos")	Mexico (Xalapa)	70.00	Construction and public works	14/07/2012	-
Through Mota-Engil Mexico		70.00			
Empresa Construtora Brasil, SA ("Empresa Construtora Brasil")	Brazil (Belo Horizonte)	50.00	Construction and public works	01/11/2012	-
Through Mota-Engil Brasil Participações, Ltda		50.00			
Green Water SA ("Green Water")	Peru	100.00	Generation and distribution of electric energy		
Through Mota-Engil Peru		99.90			
Through Mota-Engil Engenharia		0.10			
Hidroelectrica Marañón SRL ("Marañón")	Peru (Lima)	100.00	Generation and distribution of electric energy	14/02/1999	
Through Mota-Engil Peru		99.90			
Through Mota-Engil Engenharia		0.10			
Mota-Engil Brasil Participações, Ltda. ("ME Brasil")	Brazil (São Paulo)	100.00	Management of financial holdings	01/02/2009	-
Através MEBR Engenharia, Consultoria e Participações, Ltda.		100.00			
MEBR Engenharia, Consultoria e Participações, Ltda. ("MEBR")	Brazil (São Paulo)	100.00	Construction and public works	01/03/2011	-
Through Mota-Engil Engenharia		57.69			
Through Mota-Engil Peru		42.31			
Mota-Engil Colômbia, S.A.S ("Mota-Engil Colômbia")	Colombia (Bogotá)	100.00	Construction and public works	01/02/2011	-
Through Mota-Engil Peru		100.00			
Mota-Engil Energia Peru S.A. ("Mota-Engil Energia Peru")	Peru (Lima)	100.00	Other business activities	01/05/2011	
Through Mota-Engil Peru		99.98			
Through Mota-Engil Engenharia		0.02			
Mota-Engil México, S.A. de C.V. ("Mota-Engil México")	Mexico (Mexico City)	100.00	Construction and public works	01/01/2010	-
Through Mota-Engil Engenharia		99.98			
Through Mota Internacional		0.02			
Mota-Engil Peru, S.A. ("Mota-Engil Peru")	Peru (Lima)	100.00	Construction and public works	01/09/1986	01/06/1998
Through Mota-Engil Latin America BV		99.90			
Through Mota-Engil Engenharia		0.10			
Mota-Engil Peru Ambiente e Serviços, S.A. ("MEAS Peru")	Peru (Lima)	100.00	Other business activities	11/10/2011	
Through Mota-Engil Peru		99.90			
Through Mota-Engil Engenharia e Construção		0.10			
Tarucani Generating Company S.A. ("Tarucani")	Peru (Lima)	100.00	Generation and distribution of electric energy	01/04/2000	
Mota-Engil Energia Peru		99.98			
Mota-Engil Peru		0.02			
Tertir Peru, S.A. ("Tertir Peru")	Peru	100.00	Exploitation of terminals	-	-
Through Tertir		80.00			
Through Mota-Engil Peru		20.00			
Tracevia do Brasil -Sistemas de Telemática Rodoviária Ltda. ("Tracevia Brasil")	Brazil (São Paulo)	100.00	Design, installation, development and maintenance of ITS	15/03/2011	-
Through MEBR Engenharia, Consultoria e Participações, Ltda.		99.00			
Through ME Brasil Participações		1.00			

Investments in associates using equity method

As empresas do Grupo e associadas incluídas na consolidação pela aplicação do Método da Equivalência Patrimonial, suas respectivas sedes e proporção do capital detido em 31 de dezembro de 2012, são as seguintes:

Designation	Headquarters	Effective holding percentage
Parent Company of the Group and related activities		
Nortenha Angola, SGPS, S.A. ("Nortenha")	Portugal	29.99
Sangobiar Perú, S.A. ("Sangobiar")	Peru	29.99
Europe - Engineering and Construction		
Turalgo-Sociedade de Promoção Imobiliária e Turística do Algarve, S.A. ("Turalgo")	Portugal	51.00
Bay 6.3 Kft. ("Bay 6.3") - Obol Invest Group	Hungary	32.18
Bay Office Kft. ("Bay Office") - Obol Invest Group	Hungary	32.18
Bay Park Kft. ("Bay Park") - Obol Invest Group	Hungary	32.18
Bay Tower Kft. ("Bay Tower") - Obol Invest Group	Hungary	32.18
Bay Wellness Kft. ("Bay Wellness") - Obol Invest Group	Hungary	32.18
Engber Kft. ("Engber") - Obol Invest Group	Hungary	32.18
M-Invest Slovakia Mierova, s.r.o. ("Mierova")	Slovakia	50.00
Nádor Öböl Kft. ("Nádor Obol") - Obol Invest Group	Hungary	32.18
Öböl Invest Kft. ("Obol Invest") - Obol Invest Group	Hungary	32.50
Öböl XI Kft. ("Obol XI") - Obol Invest Group	Hungary	32.18
Sampaio Kft. ("Sampaio") - Obol Invest Group	Hungary	32.18
Europe - 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	42.50
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	50.00
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 Oliveira de Azeméis - Gestão de Águas de Oliveira de Azeméis, S.A. ("Indaqua Oliveira de Azeméis") - Indaqua Group	Portugal	45.06
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	30.00
Manvia II Condutas, Lda. ("Manvia II Condutas")	Portugal	45.00
Operestiva - Empresa de Trabalho Portuário de Setúbal, Lda. ("Operestiva") - Grupo SLPP	Portugal	18.94
Sadoport - Terminal Marítimo do Sado, S.A. ("Sadoport") - SLPP Group	Portugal	31.56
SLPP - Serviços Logísticos de Portos Portugueses, S.A. ("SLPP") - SLPP Group	Portugal	31.56
Tersado - Terminais Portuários do Sado, S.A. ("Tersado")	Portugal	15.78
Africa		
Automatriz, SA ("Automatriz")	Angola	45.00
Icer - Indústria de Cerâmica, Lda. ("Icer")	Angola	25.50
Imolap - Sociedade Imobiliária Lar do Patriota, Lda ("Imolap")	Angola	33.33
Latin America		
Eco Innovacion Ambiental SAPI de CV ("Eco Innovacion")	Mexico	25.00
Gestion e Innovacion en Servicios Ambientales SA de CV ("GISA")	Mexico	50.00
Mota-Engil-Opway Mexicana, S.A. De C.V. ("Mota-Engil-Opway Mexicana")	Mexico	50.00
Promotora Inmobiliaria Santa Clara S.A. ("Santa Clara")	Peru	50.00
Terminais Portuários Euroandinos Paita, S.A. ("TPE Paita")	Peru	50.00
Ascendi Group	Portugal	60.00
Martifer Group	Portugal	37.50



We take experience further

Committed in turning the world into a better place to live, we take the experience and the skills that made us leaders in Portugal to the communities of 3 continents and 20 countries.

Mota-Engil. Building a better future.

Nacala Corridor

Execution of a railway between the border of Mozambique with Malawi over an extension of 145.1 km.

3 500

Collaborators

10 Millions m³

Earthworks

03.

REPORT ON CORPORATE GOVERNANCE PRACTICES



MOTAENGIL
SGPS, S.A.



Malawi / Nacala Corridor

03. Report on Corporate Governance Practices



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PART I – INFORMATION ON SHAREHOLDER STRUCTURE, ORGANISATION AND GOVERNANCE OF THE COMPANY

A. SHAREHOLDER STRUCTURE

I. Capital structure

1. Capital structure (share capital, number of shares, distribution of capital to shareholders, etc.) 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 (Article 245-A, paragraph 1, subparagraph a).

The share capital of Mota-Engil SGPS, S.A. is EURO 204,635,695 and is represented by 204,635,695 ordinary shares with a nominal value of one euro per share. All shares are listed on NYSE Euronext Lisbon.

Distribution of capital to shareholders on 31st December 2013:

Shareholders	No. of shares	% Capital	% Voting Rights (1)
Treasury shares (2):	11,101,379	5.42%	0.00%
Qualified holdings:			
FM – Sociedade de Controlo, SGPS, SA	138,629,387	67.74%	71.63%
Freefloat	54,904,929	26.83%	28.37%
	204,635,695	100.00%	100.00%

(1) Whereas the suspension of voting rights attached to the 11,101,379 shares held by the company itself;

(2) Sold in full on February 26, 2014, following a process of private placement (accelerated bookbuild).

2. Restrictions to the transferability of shares, such as consent for alienation clauses, or limitations to share ownership (Article 245-A, paragraph 1, subparagraph b).

There are no restrictions on the transfer of shares.

3. Number of own shares, corresponding percentage of share capital and percentage of voting rights to vote that would correspond to its own shares (Article 245-A, paragraph 1, subparagraph a)).

On 31st December 2013, Mota-Engil SGPS, S.A. held 11,101,379 own shares, representative of 5.42% of its social capital, which corresponds to 5.42% of the voting rights, if such rights were not suspended under the terms of Article 324, paragraph 1, subparagraph a, of Companies Code.

03. Report on Corporate Governance Practices



4. Significant agreements in which the Company is a party and that shall come into force, be modified or terminated upon a change in the Company's control, as a result of a public offer of acquisition, as well as their effects, unless if, due to its nature, their disclosure is prejudicial to the Company, except if the Company is obliged to disclose such information under other legal imperatives (Article 245-A, paragraph 1, subparagraph j).

There are no significant agreements in which the Company is a party or that shall come into force, be modified or terminated in case of change in the Company's control.

5. System of renewal or revoking of defensive measures, especially those that stipulate the limitations of the number of votes susceptible of being held, or exercised, by a single shareholder individually or in coordination with other shareholders.

No defensive measures were adopted and there are no statutory limitations on the number of votes that may be exercised by a single shareholder.

6. Shareholders' agreements that may be known to the company and lead to restrictions in the transmission of securities or voting rights (Article 245-A, paragraph 1, subparagraph g).

Company has no knowledge of any shareholders' agreements that may result in restrictions in the transmission of securities or voting rights.

II. Participations and Bonds

7. Identification of legal persons who, directly or indirectly, hold qualified holdings (Article 245-A, paragraph 1, subparagraphs c) and d) and Article 16), with detailed indication of the percentage of capital, attributable votes, source and causes of attribution.

On 31st December 2013 and according to the notifications received by the Company, the shareholders who, under Article 20 of the Companies Code, have representative qualifying holdings of, at least, 2% of the social capital of Mota-Engil, are the following:

Shareholders	No. of shares	% Capital	% Voting Rights (1)
Mota Gestão e Participações, SGPS, SA	121,724,196	59.48%	62.90%
António Manuel Queirós Vasconcelos da Mota	5,292,359	2.59%	2.73%
Maria Manuela Queirós Vasconcelos Mota dos Santos	3,675,066	1.80%	1.90%
Maria Teresa Queirós Vasconcelos Mota Neves da Costa	3,676,836	1.80%	1.90%
Maria Paula Queirós Vasconcelos Mota de Meireles	4,231,630	2.07%	2.19%
Carlos António Vasconcelos Mota dos Santos	29,300	0.01%	0.02%
Atribuível à FM – Sociedade de Controlo, SGPS, SA	138,629,387	67.74%	71.63%

(1) Whereas the suspension of voting rights attached to the 11,101,379 shares held by the company itself

There are no shareholders, or category of shareholders, who hold special rights.

8. Indication of the number of shares and bonds held by management members and supervisory bodies. [NOTE: the information shall be provided in compliance with paragraph 5 of Article 447 of the Companies Code]

Shares held by management members and supervisory bodies in the Company are divulged and annexed to the annual management report under the terms of Article 447 of Companies Code and paragraph 7, Article 14 of the CMVM (Securities Market Commission) Regulations no. 5/2008.

9. Special powers of the management body, namely regarding the decision to the increase in capital (Article 245-A, paragraph 1, subparagraph i)), with date indication on which such powers were granted, term to which they may be exercised, maximum quantitative limit of the increase in social capital, amount already issued under the powers granted and way of achieving the assigned powers.

The Board of Directors of Mota-Engil SGPS, S.A. may deliberate on the increase in share capital of the Company, due to cash inflow, one or more times, in the maximum amount of eighty million Euros, with the sole purpose of providing new shares to holders, which have requested the conversion of convertible bonds into ordinary shares of the Company. On 31st December 2013, the Company had not issued any convertible bonds.

10. Information on the existence of significant relations of commercial nature between the holders of qualifying holdings and the Company.

There are no significant relations of commercial nature between the holders of qualifying holdings and the Company.

B. COMPANY BODIES AND COMMITTEES

I. Annual General Meeting

11. Identification and duties of members of the Board of Annual General Meeting and respective terms of office

On December 31st, 2013, the Board of the Annual General Meeting was composed of the following members mandated for the period 2010-2013:

Chairman: Luís Neiva Santos
Secretary: Rodrigo Neiva Santos

12. Potential restrictions to the right to 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.

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.

03. Report on Corporate Governance Practices



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.

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.

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).

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.

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.

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.

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.

The Company has not adopted any mechanism that causes the mismatch between the right to receive dividends or subscription of new securities and the voting rights of each share.

13. Maximum percentage of voting rights which may be exercised by a sole shareholder or shareholders who find themselves in one of the relationships covered by number 1 of article 20

The memorandum of association of the Company does not provide for a limitation to the votes able to be held or exercised by a sole shareholder individually or jointly with other shareholders.

14. Shareholder decisions which, by requirement of the articles of association, can only be taken with a qualified majority

In accordance with the provisions of the articles of association of the company, the decisions of the Annual General Meeting should be taken by a simple majority except where the law requires differently.

II. Administration and Supervision

15. Identification of the governance model adopted

Mota-Engil adopts a Latin/classic model of governance comprising of a Board of Directors, a Statutory Audit Board and a Statutory Auditor not a member of the Statutory Audit Board. The Board of Directors is the body responsible for undertaking all of the administrative actions relating to the company business, deciding on the strategic direction and the designation and general supervision of the Executive Committee and the expert committees formed by the same. The other two bodies have the responsibility of supervision and monitoring.

The details of the structure adopted, the bodies of which it is composed and their corresponding functions and responsibilities are set out below.

16. Regulations in the articles of association regarding procedural and material requirements applicable to the nomination and substitution of members where applicable for the Board of Directors, the Executive Administration Board and the General and Supervisory Board (art. 245-A, no. 1, sec. h)

The members of the Board of Directors are elected in accordance with the law and the articles of association under the terms of the proposal approved at the Annual General Meeting. In addition and as provided for by the law and the articles of association, the Board of Directors selected an Executive Committee. The articles of association do not provide for any specific regime relative to the substitution of members of the Board of Directors and therefore this takes place under the provisions of number 3 of article 39 of the Companies Code.

17. Composition as applicable of the Board of Directors, the Administrative Board,, the Executive Administration Board and the General Supervisory Board with indication of the statutory minimum and maximum number of members, the statutory duration of the mandate of each member.

In accordance with the articles of association of the company the Board of Directors is composed of a minimum of three members and a maximum of fifteen who may or may not be shareholders, elected at an Annual General Meeting. The mandate of the Board of Directors is four years with their re-election being permitted in legal term. The present mandate of the Board of Directors corresponds to the four year period from 2010 to 2013. The Annual General Meeting designates the Chairman and up to three Deputy-chairmen from the Directors elected.

On the 31st of December 2013 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.

Director	First Appointment	Current term of office
António Manuel Queirós Vasconcelos da Mota	March 31, 2000	December 31, 2013
Arnaldo José Nunes da Costa Figueiredo	May 26, 2008	December 31, 2013
Gonçalo Nuno Gomes de A. Moura Martins	March 28, 2008	December 31, 2013
Maria Manuela Queirós V. Mota dos Santos	March 31, 2000	December 31, 2013
Maria Teresa Queirós V. Mota Neves da Costa	March 31, 2000	December 31, 2013
Maria Paula Queirós V. Mota de Meireles	March 31, 2000	December 31, 2013

03. Report on Corporate Governance Practices



Director	First Appointment	Current term of office
Ismael Antunes Hernandez Gaspar	March 28, 2008	December 31, 2013
Luís Filipe Cardoso da Silva	March 31, 2010	December 31, 2013
Maria Isabel da Silva Ferreira Rodrigues Peres	March 31, 2010	December 31, 2013
Pedro Manuel Teixeira Rocha Antelo	April 17, 2012	December 31, 2013
Carlos António Vasconcelos Mota dos Santos	April 17, 2012	December 31, 2013
José Pedro Matos Marques Sampaio de Freitas	January 7, 2013 ⁽¹⁾ April 24, 2013 ⁽²⁾	December 31, 2013
Luís Valente de Oliveira	March 31, 2006	December 31, 2013
António Bernardo A. da Gama Lobo Xavier	March 31, 2006	December 31, 2013
António Manuel da Silva Vila Cova	April 15, 2009	December 31, 2013

(1) Co-optation by the Board of Directors

(2) Ratification of the co-optation in the Annual General Meeting

18. Distinction between executive and non-executive members of the Board of Directors and, regarding the non-executive members, identification of the members who could be considered independent or, where applicable, identification of the independent members of the General and Supervisory Board

Director	Executive / Non-executive ⁽¹⁾	Independent / Non-independent ⁽²⁾
António Manuel Queirós Vasconcelos da Mota	Non-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	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
José Pedro Matos Marques Sampaio de Freitas	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) Executive: member of the Executive Committee; non-executive: non-members of the Executive Committee.

(2) Considered independent under the independence criteria set out in paragraph 18.1 of Annex I to CMVM Regulation No. 4/2013 of the CMVM and the recommendation II.1.7 of the Corporate Governance Code of CMVM (2013).

It is understood that the annual remuneration of 35,000 euros and 46,000 euros (see paragraph 77) of directors António Bernardo A. da Gama Lobo Xavier and Antonio Manuel da Silva Vila Cova, respectively, does not deprive them of their independence.

19. Professional qualifications and other curricular elements of interest of each member, where applicable, of the Board of Directors, the General and Supervisory Board and the Executive Board

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

Arnaldo José Nunes da Costa Figueiredo (Deputy-Chairman)

Professional Qualifications

- Licentiate Degree in Civil Engineering from the School of Engineering of the University of Porto

Professional activity in the last five years

- Chairman of the Board of Directors of Mota-Engil, Engenharia e Construção, SA
- Chairman of the Board of Directors of MEITS - Mota-Engil, Imobiliária e Turismo, SA
- Manager of Mota Internacional, Lda.
- Member of the Remuneration Committee of Aurimove – Sociedade Imobiliária, SA
- Currently, besides being the Deputy-Chairman of the Board of Directors and member of the Executive Committee of Mota-Engil, SGPS, SA, he performs duties in various governing bodies of companies of the Mota-Engil Group

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

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 over 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

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

- On 31st December 2012, and 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

Ismael Antunes Hernandez Gaspar (Member)

Professional Qualifications

- Licentiate Degree in Civil Engineering (ISEL - Lisbon Higher Institute of Engineering)

Professional activity in the last five years

- Deputy-Chairman of the Board of Directors of Mota-Engil, Engenharia e Construção, SA (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

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
- Former member of the Supervisory Board of several 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

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 of Human Resources Development of MESP – Mota-Engil Serviços Partilhados, SA
- Corporate Diretor of Human Resources of Mota-Engil SGPS, SA
- Currently, member of the Board of Directors and the Executive Committee of Mota-Engil, SGPS, SA

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 of Mota-Engil, Engenharia e Construção, SA (from 2006 to March 2008)
- Director of Mota-Engil, Engenharia e Construção, SA (from March 2008 to 2012)
- Director of 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

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

José Pedro Matos Marques Sampaio de Freitas (Member)

Professional Qualifications

- Licentiate Degree in Economics from the Portuguese Catholic University – Porto

Professional activity in the last five years

- General-Director at Mota Gestão e Participações, SGPS, SA (2011-2012)
- Responsible for the Financial Services at Ascendi Group (2009-2011)
- Controller in the Department of Management Planning and Control at Sogrape Vinhos, S.A. (2004-2008)

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 - AEP
- European Coordinator of Auto-Estradas do Mar
- Director of Fundação Luso-Americana para o Desenvolvimento (FLAD) (Luso-American Development Foundation)
- Member and Chairman of the Audit and Risk Committee of Millennium BCP
- Chairman of the Supervisory Board of EFACEC
- Since 2006, independent member of the Board of Directors of Mota-Engil, SGPS, SA

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

03. Report on Corporate Governance Practices

António Manuel da Silva Vila Cova (Independent Member)

Professional Qualifications

- Licentiate Degree in Economics from the School of Economics of Porto

Percorso profissional nos últimos cinco anos

- From June to December 2008, a member of the Board of Directors of Banco Português de Negócios
- From June 2008 to August 2009, member of the Board of Directors of Sociedade Lusa de Negócios
- 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

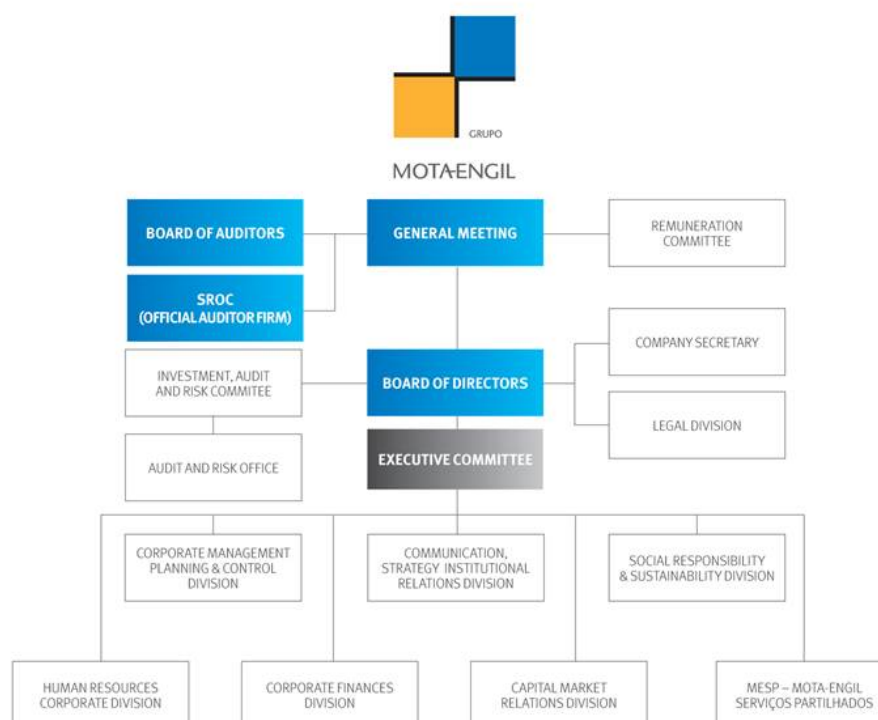
20. Family and professional or commercial relationships which are ongoing and significant of the members of the Board of Directors, the General and Supervisory Board and the Executive Board with shareholders to whom qualified participation is attributable greater than 2% of voting

The members of the Board of Directors, António Manuel Queirós Vasconcelos da Mota, Maria Manuela Queirós Vasconcelos Mota dos Santos, Maria Teresa Queirós Vasconcelos Mota Neves da Costa and Maria Paula Queirós Vasconcelos Mota de Meireles, are siblings and holders of 99% of the share capital of FM – Sociedade de Controlo, SGPS, SA, to which dominance of Mota-Engil's share capital and the respective voting rights are attributed.

Board of Directors member Carlos António Vasconcelos Mota dos Santos is the son of Maria Manuela Queirós Vasconcelos Mota dos Santos while the member José Pedro Matos Marques Sampaio de Freitas is the brother-in-law of Maria Paula Queirós Vasconcelos Mota de Meireles.

03. Report on Corporate Governance Practices

21. 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



Management bodies

As at December 31st, 2013, Mota-Engil had a Board of Directors made up of 15 members: one chairman, two deputy-chairmen and twelve 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. The executive members provide to non-executive members as well as the other board members all necessary explanations for the exercise of these powers, either on his own initiative or at the request of the same.

03. Report on Corporate Governance Practices

In addition to the functions that are attributed to it by law, the Board is essentially committed to defining and controlling the strategic development of the Group and each of its business and decision-making on matters of greater importance. In this context, were not delegated responsibilities concerning strategy and general policies of the company, corporate structure of the group and decisions that must be considered strategic due to the amounts, risk and particular characteristics.

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:

Gonçalo Nuno Gomes de Andrade Moura Martins

- Coordination of the Executive Committee
- Legal Office
- Communication, Strategy and Institutional Relations Division
- Tourism Business Unit
- Ascendi Group

Arnaldo José Nunes da Costa Figueiredo

- Chairman of Mota-Engil Indústria e Inovação SGPS, SA
- New projects
- Representative of the Group on the Board of Directors of Martifer SGPS, SA

José Pedro Matos Marques Sampaio de Freitas

- Chief Financial Officer (CFO)
- Chief Information Officer (CIO)
- Division of Corporate Finance
- Division of Relations with the Capital Market
- Division of Corporate Planning and Management Control
- Division of Corporate Taxation
- Division of Mergers, Divestments and Acquisitions
- Division of Corporate Information Systems
- Shared Services

Ismael Antunes Hernandez Gaspar

- Africa Business Area

Maria Isabel da Silva Ferreira Rodrigues Peres

- Division of Corporate Human Resources
- Division of Social Responsibility and Sustainability
- Interlocutress of the Executive Committee at the Manuel António Mota Foundation

Carlos António Vasconcelos Mota dos Santos

- Europe Business Area
- Latin America Business Area

As at December 31st, 2013, Gonçalo Nuno Gomes de Andrade Moura Martins, in the capacity of Chairman of the Executive Committee, was considered the Chief Executive Officer (CEO) of Mota-Engil. José Pedro Matos Marques

03. Report on Corporate Governance Practices



Sampaio de Freitas, in the capacity of responsible for the financial areas of Mota-Engil, was considered the Chief Financial Officer (CFO).

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 2013. 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 accomplished 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 December 31st, 2013, 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.

No other committees were created within the Board of Directors, including the assessment of performance of executive directors and reflection on system structure and governance practices adopted, since it does not become necessary.

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22. Existence and site where the regulations can be consulted where applicable to the Board of Directors, the General and Supervisory Board and the Executive Board

The management and supervisory bodies for the company have internal regulations for their function which are not published on the company website and which are not available for consultation. Mota-Engil understands that the regulations go beyond the mere functioning of the bodies with a reserved content which is the reason that they are not publicly available.

23. Number of meetings held and level of attendance to the meetings held of each member, where applicable, of the Management Board, the General and Supervisory Board and the Executive Board

In the course of 2013, 22 meetings of the Board of Directors and 20 meetings of the Executive Committee were held with the following degree of fulfilment:

Director	Board of Directors	Executive Committee
António Manuel Queirós Vasconcelos da Mota	32%	n.a.
Arnaldo José Nunes da Costa Figueiredo	77%	100%
Gonçalo Nuno Gomes de A. Moura Martins	45%	100%
Maria Manuela Queirós V. Mota dos Santos	95%	n.a.
Maria Teresa Queirós V. Mota Neves da Costa	95%	n.a.
Maria Paula Queirós V. Mota de Meireles	86%	n.a.
Ismael Antunes Hernandez Gaspar	41%	95%
Luís Filipe Cardoso da Silva	95%	n.a.
Maria Isabel da Silva Ferreira Rodrigues Peres	95%	100%
Pedro Manuel Teixeira Rocha Antelo	27%	n.a.
Carlos António Vasconcelos Mota dos Santos	77%	90%
José Pedro Matos Marques Sampaio de Freitas	73%	100%
Luís Valente de Oliveira	14%	n.a.
António Bernardo A. da Gama Lobo Xavier	14%	n.a.
António Manuel da Silva Vila Cova	14%	n.a.

24. Indication of the company bodies responsible for assessing the performance of executive directors

The Remuneration Committee is the body responsible for assessing the performance and approving the remuneration of the members of the Board of Directors as representative of shareholders in accordance with the remuneration policy approved by the Annual General Meeting.

25. Pre-determined criteria for the assessment of performance of executive directors

The quantitative element of the assessment of performance consists of a series of KPI indexed in the Strategic Plan “Ambition 2013” (recently updated by “Ambition 2.0”) in accordance with the Balanced Scorecard methodology which orientates the performance in four value perspectives: the financial sustainability of the Group and the creation of shareholder value; the satisfaction of customer requirements; efficiency and innovation of internal processes; and the development and enabling of human capital.

Below is an example of the KPI chart adopted in the current Balanced Scorecard tool for 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

ROCE = Operating Results / Invested Capital

EBITDA = Operating profit + depreciation + provisions and impairment losses

The quantitative assessment is subsequently weighted by a discretionary, individual, qualitative assessment which may result in a pay-out value between a pre-established minimum and maximum percentage.

26. Availability, where applicable, of each member of the Board of Directors, the General and Supervisory Board and the Executive Board with an indication of the responsibilities exercised simultaneously at other companies within and outside of the Group and other relevant activities exercised by members of said bodies in the course of the year

The responsibilities exercised by the directors in other companies (in their majority in Group companies or representing the Group) and other relevant activities are broken down at Appendix “Functions performed by members of the Board of directors, being the availability of each member for the exercise of their functions demonstrated not only by the posts they occupy but also by the degree of attendance and active participation of the directors in meetings whether of the Executive Committee, in the case of executive directors, or in meetings of the Board of Directors, for all members (according to 23 above).

27. Identification of the committees created, where applicable, in the Board of Directors, the General and Supervisory Board and the Executive Board and the site where the regulations for their functioning may be consulted

In addition to the Executive Committee, the Board of Directors created the Investment, Audit and Risk Committee (according to 21 above). The respective internal regulations are not available for consultation.

28. Composition, where applicable, of the executive committee and/or the identification of director(s)

Director	Function
Gonçalo Nuno Gomes de A. 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
Ismael Antunes Hernandez Gaspar	Member
Maria Isabel da Silva Ferreira Rodrigues Peres	Member
Carlos António Vasconcelos Mota dos Santos	Member
José Pedro Matos Marques Sampaio de Freitas	Chief Financial Officer (CFO) and Chief Information Officer (CIO)

29. Indication of the responsibilities of each of the committees created and synthesis of the activities carried on in their exercise

On this matter reference is made to 21 and 27 above.

III. Supervision

30. Identification of the Supervisory body (Statutory Audit Board, Audit Committee or General and Supervisory Board) corresponding to the model adopted

The Statutory Audit Board and the Statutory Auditor are the company's supervisory bodies under the governance model adopted.

31. Composition, where applicable, of the Statutory Audit Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Matters with an indication of the statutory minimum and maximum number of members, statutory duration of their mandate, the number of effective members, the date of nomination and the termination date for each member with reference to the point in the report where this information appears under the provisions of no. 18

In accordance with the company's articles of association, the Statutory Audit Board should be composed of a minimum of three effective members, this number being set by the Annual General Meeting. The Statutory Audit Board also will have two alternate members if constituted with three or more effective members respectively. The Statutory Audit Board nominates its chairperson when the Annual General Meeting fails to do so. The mandate for members of the Statutory Audit Board has a duration of four years.

The members nominated for the current mandate (four year period 2011-2014) and currently in post are:

Member	Function	First appointment	Current term of office
Alberto João Coraceiro de Castro	Chairman	March 30, 2007	December 31, 2014
José Rodrigues de Jesus	Full Member	March 30, 2007	December 31, 2014

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Member	Function	First appointment	Current term of office
Horácio Fernando Reis e Sá	Full Member	April 14, 2011	December 31, 2014
Pedro Manuel Seara Cardoso Perez	Alternate Member	March 30, 2007	December 31, 2014

32. Identification, where applicable, of the members of the Statutory Audit Board, the General Board and the Committee for Financial Matters who are considered to be independent under the terms of art. 414, no. 5 CSC, referring to the point in the report where this information appears under the provisions of no. 19

All the members of the Statutory Audit Board, both full and alternate, comply with the independence criteria provided for under no. 5 of article 414, along with the incompatibility regulations provided for under no. 1 of article 414-A and those of the Company Code.

33. Professional qualifications, where applicable, of each member of the Statutory Audit Board, the Audit Committee, the General and Supervisory Board or the Committee for Financial Matters and other relevant curricular matters referring to the point in the report where this information appears under the provisions of no. 21

Alberto João Coraceiro de Castro (Chairman)

Professional Qualifications

- Licentiate Degree in Economics from the School of Economics of the University of Porto
- Doctorate in Economics from the University of South Carolina

Professional activity in the last five years

- Professor at the Portuguese Catholic University (Porto)
- Deputy-Chairman of the General and Supervisory Board of EDP (since 2006)
- Chairman of the Fiscal Board of Unicer (since 2007)
- Ombudsman of 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)

José Rodrigues de Jesus (Full Member)

Professional Qualifications

- Licentiate Degree in Economics from the School of Economics of the University of Porto
- Statutory Auditor

Professional activity in the last five years

- University lecturer
- Statutory Auditor

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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

34. Existence and site where the functional regulations, where applicable, for the Statutory Audit Board, the Audit Committee, the General and Supervisory Board and the Committee for Financial Matters, may be consulted, referring to the point in the report where this information appears under the provisions of no. 24

The Statutory Audit Board for Mota-Engil, SGPS, SA has internal functional regulations although this is not published on the company website and is not available for consultation. Mota-Engil understands that the regulations go beyond the merely functional aspects of the body with a reserved content which is why it is not made public.

35. Number of meetings held and the level of attendance, where applicable, of each member of the Statutory Audit Board, the Audit Committee, the General and Supervisory Board and the Committee for Financial Matters referring to the point in the report where this information appears under the provisions of no. 25

During 2013, 4 meetings of the Statutory Audit Board were held, with the presence of all of its members in office.

36. Availability of each of the members, where applicable, of the Statutory Audit Board, the Audit Committee, the General and Supervisory Board and the Committee for Financial Matters with indication of the posts held simultaneously in other companies within and outside of the group and other relevant activities carried on by the members of said bodies in the course of the period referring to the point in the report where this information appears under the provisions of no. 26

Alberto João Coraceiro de Castro (Chairman)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Does not hold positions in other societies of the Mota-Engil Group

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Member of the General and Supervisory Board of EDP – Electricidade de Portugal, S.A.
- Chairman of the Fiscal Board of Unicer – Bebidas S.A.
- Deputy-Chairman of the General Meeting of Metro do Porto, S.A.
- Member of the General Meeting of CGC – Centro de Genética Clínica e Patologia, SA
- Chairman of the Supervisory Board of the Portuguese Red Cross

José Rodrigues de Jesus (Full Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Does not hold positions in other societies of the Mota-Engil Group

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Member of the Supervisory Board of the following societies:
 - Millenniumbcp Fortis, Grupo Segurador, S.G.P.S., S.A.
 - Germen – Moagem de Cereais, S.A.
 - Fundação Cidade de Guimarães
- Single Auditor of the following societies:
 - Calfor - Indústrias Metálicas, S.A.
 - Porto Vivo, SRU – Sociedade de Reabilitação Urbana da Baixa Portuguesa, S.A.
 - Edemi Gardens – Promoção Imobiliária, S.A.
 - Lankhorst Euronete Ropes, S.A.
 - Arsopi – Holding, Sociedade Gestora de Participações Sociais, S.A.
 - Arsopi – Indústrias Metalúrgicas Arlindo S. Pinho, S.A.
 - Arlindo Soares de Pinho, Lda.
 - Imoágueda, S.A.
 - Fundação Cidade de Guimarães
 - Farmácia Ribeiro, S.A.
 - Camilo dos Santos Mota, S.A.
 - Oliveira Dias, S.A.
 - Vacatio, S.A.
 - Divinvest – Promoção Imobiliária, S.A.
 - DIMO – Desenvolvimento Imobiliário e Construção, S.A.
 - Toupronto – Imobiliária, S.A.
 - Y2K – Imobiliária, S.A.
 - Evitu – Imobiliária, S.A.
 - Sekiwi, SGPS, S.A.
 - Címbalo – Serviços de Consultoria, S.A.
 - Instituto dos Vinhos do Douro e do Porto
 - Um Porto para o Mundo – Associação para o Congresso OIV 2011
- Deputy-Chairman of the Association of Statutory Auditors
- Non-executive director, also sitting on the Audit Committee, of Banco Comercial Português, S.A.

Horácio Fernando Reis e Sá (Full Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Does not hold positions in other societies of the Mota-Engil Group

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Does not hold positions in other societies outside the Mota-Engil Group

37. Description of the procedures and criteria applicable to the activities of the supervisory body for the purposes of contracting services additional to the external auditor

The Statutory Audit Board, under the terms of article 62-B of Decree Law 487/99 of the 16th of November (amended by decree law 224/2008 of the 20th of November), receives annually the statement of the auditor's independence where the services provided by this and other entities in the same network, the respective fees paid, any threats to independence and the safeguard measures taken against them. All threats to the independence of the auditor are assessed and discussed together with the safeguarding measures.

In addition and as is provided for in the respective functional regulations, the Statutory Audit Board is responsible for studying and deciding, after hearing from the Audit, Investment and Risk Committee on the provision by the external auditor of additional services to the company and companies within the Group together with the respective conditions. Where the added value for services other than auditing or related with the audit exceeds the sum of 300,000 euros per year, the Statutory Audit Board should forward an opinion to the Executive Committee for study.

38. Other functions of the supervisory bodies and, where applicable, the Committee for Financial Matters

The Statutory Audit Board is responsible for the following under the terms of the law and the respective Functional regulations:

- Verify the observance of the Law and regulations, the statutes and the regulations issued by the supervisory authorities together with the general policies, regulations and practises instituted within the Group
- Verify the prosecution of the fundamental objectives regarding internal control and management of risks set by the Stock Exchange Commission in the Group companies subject to supervision on the basis of consolidation
- Assess the reliability of the reports concerning the Group and Group companies subject to this obligation
- Verify the suitability and supervise the fulfilment of the policies, criteria and accounting practices adopted and the documents on which they are based
- Verify the books, accounting records and documents on which they are based
- Verify the extent of cash and stocks of any type of goods or securities belonging to the company or received by the same as guarantee, deposit or other basis whenever judged to be necessary and in the manner felt to be appropriate
- Call the annual general meeting where the chair fails to do so
- Verify the accuracy of the accounting documents
- Provide an opinion on the report, the accounts and the proposals submitted by the Board of Directors attesting to whether or not the report on the structure and practises of corporate governance published includes the elements referred to in article 245 of the Securities Code
- Elaborate an annual report on its supervisory activity
- Supervise the process of preparation and publication of financial information by the company
- Learn of the communication of any irregularities detected by employees, shareholders or others
- Contract the provision of specialist services which support one or more of its members in the exercise of their functions, the contracting and the remuneration of the specialists taking into account the importance of the matters in question and the financial situation of the company
- Propose the nomination of the Statutory Auditor to the Annual General Meeting; supervise the audit of the accounts and documents for the provision of accounts to the company; supervise the independence of the

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auditor and study and decide on the provision of additional services by the auditor to the companies in the Group together with the respective conditions after consulting the Audit Committee

- Submit to the Executive Committee a proposal relating to the External Auditor to be contracted by the Company including not only the proposal of who should provide these services and their proposed remuneration; represent the company to all intents and purposes together with the external auditor serving as the primary spokesman for the company and recipient of the respective reports; ensure that adequate conditions are provided for the provision of their services by the company; supervise the independence of the External auditor and study and decide upon the provision of additional services and the respective conditions by the External auditor to the company and Group companies after consulting the Audit, Investment and Risk Committee; where the value of services additional to the audit or related with the audit exceeds the sum of 300,000 euros per year, the Statutory Audit Board should forward an opinion to the Executive Committee for study; assess on an annual basis the action performed by the External Auditor; provide an opinion on maintaining the external auditor beyond a period of eight years studying the conditions of independence and the advantages and costs of the replacement
- Oversee the official activities of the CMVM, the General Taxation Board and the General Financial Inspectorate at Group companies
- Ensure the effectiveness of the systems of internal control, internal auditing and management of risks
- Provide a report on the transactions realised with qualified shareholders or entities related with them under the terms of article 20 of the Securities Code or the respective renovations where the added value per entity is greater than 500,000 euros per year

IV. Statutory Auditor

39. Identification of the Statutory Auditor and the engagement partner

The post of Statutory Auditor is performed by António Magalhães & Carlos Santos, SROC, represented by António Monteiro de Magalhães, ROC (chartered accountant).

40. Indication of the number of consecutive years in which the Statutory Auditor has exercised the function for the company and/or Group

The post of Statutory Auditor is performed by António Magalhães & Carlos Santos, SROC since 2007, or for seven years, and this year it has been carried on the rotation of the engagement partner.

41. Description of other services provided by the Statutory Auditor to the company

During 2013 António Magalhães & Carlos Santos, SROC did not provide any other services to the company and/or subsidiaries other than those of auditing.

V. External Auditor

42. Identification of the external auditor nominated for the purposes of article 8 and the representative partner for the fulfilment of these functions together with the respective CMVM registration number

The external auditor for the company is Deloitte & Associados, SROC, SA, represented by Jorge Manuel Araújo de Beja Neves.

43. Indication of the number of consecutive years in which the external auditor and the respective chartered account representing the company exercise their functions for the company and/or the group

Deloitte & Associados, SROC, SA provides the services of external auditing to the company since 2002, therefore for 11 years. In 2009 a new auditor representing the company became responsible for the orientation and execution of said services (seven years after the previous substitution).

44. Policy and frequency of rotation of the external auditor and the respective chartered account representing the former in the fulfilment of said functions

The Company's policy in terms of rotation of the external auditor is to carry out a consultation process to select the external auditor each 4 years. In 2013, as part of its duties, the Audit Committee promoted the launch of a consultation process for the period 2013-2016 and invited 4 audit firms of international repute to submit a proposal for the provision of audit services to Mota-Engil.

45. Indication of the body responsible for the assessment of the external auditor and frequency of said assessment

The Statutory Audit Board annually assesses the external auditor, taking responsibility for supervising their qualifications and independence, as well as to ensure that are provided within the company the appropriate conditions for the provision of their services, being the point of contact and the first recipient of their respective reports.

Although not specific or exclusive competence of the General Assembly, nothing prevents it to be called upon to decide, in case of questioning by the Statutory Audit Board for the removal of the external auditor, where there is just cause for the effect. In any case, and to date, the Statutory Audit Board of Mota-Engil found no reason to consider taking steps towards removing for cause an entity that has played the role of external auditor of the Company.

46. Identification of the tasks other than auditing carried out by the external auditor for the company and/or for companies which it controls as well as indicating the internal procedures for the purposes of approval of the contracting of said services and the reasons for doing so

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The work, other than audit, provided by the external auditor mainly comprised tax advisory services and the total cost was around 137,000 euros (about 13% of the total billed by the external auditor to the Group).

The services of fiscal consulting and other services rendered are provided by specialists other than those involved in the process of auditing, by which the independence of the auditor is considered to be reinforced. The External Auditor's quality control system manages and monitors the potential risks of loss of independence or potential conflicts of interest with Mota-Engil. In addition, a "Letter of Independence" is obtained in which Deloitte guarantees fulfilment of the IFAC (International Federation of Accountants) international guidelines on the matter of auditor independence.

The Statutory Audit Board also receives the declaration of the independence of the auditor under the terms of article 62-B of Decree Law number 487/99 of the 16th of November (amended by Decree law number 224/2008 of the 20th of November, which describes the services provided by the auditor and other entities in the same network, the respective fees paid, any threats to their independence and the measures for its safeguarding. All threats to the independence of the auditor are assessed and discussed with the auditor together with the respective safeguarding measures.

The external auditor verifies the implementation of remuneration policies and systems as well as the effectiveness and operation of internal control mechanisms. In case of finding any defect or irregularity, this will be reported to the Audit Committee.

47. Indication of the annual amount paid by the company and/or companies, controlled or part of the group, to the auditor and to other individuals or companies belonging to the same network, as well as the percentage for the following services (for the purposes of this information, the concept of "network" is that deriving from the Recommendation of the European Commission no. C (2002) 1873, of the 16th of May)

During 2013 the annual remuneration borne by Mota-Engil and other companies which it controlled or part of the Group from the External Company Auditors (Deloitte & Associados, SROC, SA), including other entities forming part of the same network, was 1,041,063 euros which was shared by the following services (values rounded):

Nature of the Service	Company		Other group entities		TOTAL	
	Amount (€)	%	Amount (€)	%	Amount (€)	%
Statutory audit of accounts	37,000	39%	821,515	87%	858,515	82%
Other reliability guarantee services	42,000	45%	4,000	0%	46,000	4%
Tax consultancy	14,750	16%	56,673	6%	71,423	7%
Other consulting services	-	0%	65,666	7%	65,666	6%
TOTAL	93,750	100%	947,853	100%	1,041,603	100%

C. INTERNAL ORGANISATION

I. Articles of Association

48. Regulations applicable to the amendment of the articles of association of the company (art. 245-A, no. 1, sec. h).

Amendments to the articles of association obey the terms of the Companies Code and require a two thirds majority of votes issued for approval of this decision.

II. Reporting of irregularities

49. Means and policies for the reporting of irregularities which occur in the company

At the end of 2008 the “Statutory Audit Board Regulation on procedures to be adopted on the reporting of irregularities” was approved and published throughout the Group in an internal service order.

The Mota-Engil Board of Directors, by approving this regulation, sought to promote the internal reporting of irregular practices so as to prevent irregularities and avoiding serious damage from the ongoing irregular practice and fulfilling the recommendation of the Stock Market Commission on the matter.

The regulation considers that acts or omissions, either intentional or negligent taking place within the scope of the activities of the Mota-Engil Group and which could affect the financial accounts or others and which are damaging to the good name and integrity of the group including the violation of any law, regulation or rule, the practise of fraud, abuse of authority, bad management, wastage of funds, damage to health or safety of employees and environmental damage constitute irregular practices.

The Statutory Audit Board guarantees the confidentiality of any reports as well as the anonymity of the source which reports indications of the practice of irregularities without prejudice to the awareness of the Board of Directors of Mota-Engil. When the indications of irregularities are reported by employees of the Mota-Engil Group companies, the rights of the former will not suffer any loss of rights as a result. Anyone maliciously reporting indications of irregular practices, falsely or in bad faith as with anyone infringing the duty of confidentiality may be subject to legal sanctions together with disciplinary procedures in the case of Mota-Engil Group employees.

The stages in the process of reporting irregularities which are the responsibility of the Statutory Audit Board are as follows:

- a) Receipt and recording
- b) Preliminary study and assessment of the consistency of the report received
- c) Investigation
- d) Final report reported to the Chairman of the Board of Directors

The process of investigation is promoted by the Statutory Audit Board assisted by the Investment, Audit and Risk Committee which will be responsible for matters other than the taking of decisions. The Investment, Audit and Risk Committee may propose the employment of external auditors or other experts to assist in the investigation where the specialisation of the matter in question requires.

By the 31st of January of each year the Statutory Audit Board assesses the activity carried out the previous year and proposes the amendments considered necessary for improvements and the perfecting of the system for reporting irregular practices.

III. Internal control and risk management

50. People, bodies or committees responsible for internal audit and/or implementation of internal control systems.

The Executive Committee and, ultimately, the Board of Directors is responsible for guaranteeing the creation and functioning of the internal control and risk management systems, and to the Statutory Board is granted, among others, the responsibility to evaluate the functioning of these systems and propose any adjustment in accordance with the Company's needs. Furthermore, on this matter, as stipulated in subparagraph i) of paragraph 1 of Article 420 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 Investment, Audit and Risk Committee, created within the Board of Directors (see paragraph 21) for the purpose of supporting the management of the Mota-Engil Group to reinforce the means and methods of action at the internal control level and the anticipation of business risk, operates through the Office of Audit and Risk, resource structure which is specifically allocated to the following functions:

- To identify and assess risks, suggesting the establishment of acceptable levels of risk in light of the defined management objectives;
- To issue opinions regarding changes in the level of risk in the business deals of the Mota-Engil Group;
- To minimise the operational inefficiencies and losses, thus by strengthening Mota-Engil Group's capacity by identifying potentially damaging events, assessing risks and proposing responses, thus reducing unforeseen costs or losses;
- To identify transverse risks within the Group, by auditing the implementation of corporate policies and good practices of the Mota-Engil Group;
- To issue prior opinions regarding risks inherent in acquisitions or transfers of ownerships defined by the Mota-Engil Group;
- To audit the conformity in the development of processes and activities in all areas and companies that are materially relevant to the Mota-Engil Group.

The Statutory Board accesses the reports and opinions issued by the Investment, Audit and Risk Committee making an assessment of the functioning of the implemented internal control and risk management systems and their adjustment to the needs of the Company.

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 technological conditions susceptible of providing an environment of control that is proportionate and suited to the risks of the activity.

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51. Explanation, even if through the inclusion of an organisational chart, of the hierarchical and/or functional dependence relations regarding other bodies or committees of the Company.

The Audit and Risk Department hierarchically and functionally reports to the Investment, Audit and Risk Committee. This committee is normally composed of three permanent members (three non-executive directors, one of whom is an independent director). Although it does not report, functionally, to an independent director or the Statutory Board, the independence of this department from the executive management body is considered guaranteed.

52. Existence of other functional areas with risk control competences.

Mota-Engil's risk management is an integrating element of all organisational and decision processes within the Company rather than an isolated activity apart from the Company's main activities. Within this scope, and besides the specialised bodies and committees already identified with responsibilities on this matter, risk management and control is monitored by the heads of business areas and by the corporate functions of the Company, namely the Legal Department, the Department of Planning and Corporate Management Control, the Department of Corporate Finance and the Corporate Department of Human Resources.

53. Identification and description of the main economic, financial and legal risks that the Company is exposed to in the course of its activities.

The mapping of the materially relevant risks of the Mota-Engil Group has allowed to determine that the main risks to which the Company is exposed to include its dependence on costumers, the behaviour of its competition, liquidity, level on indebtedness, interest rate, as well as the diversity of legal and tax frameworks to which the Company is exposed to as a result of the its wide geographical presence. For more information on the risks to which the Group is exposed, refer to chapter 5 of the Management Report on the Report and Consolidated Accounts of 2013.

54. Description of the process of risk identification, assessment, monitoring, control and management.

The Mota-Engil Group is subject to a diversified set of risks that may have a negative impact on its activity. All these risks are properly duly identified, assessed and monitored, where different structures within the Company are responsible to manage and/ or mitigate them, with special importance given to the role of the Investment, Audit and Risk Committee. The sensitivity analyses of the main financial risks, considering their high probability of occurrence, are described in Note 11 of the Consolidated Report and Accounts of 2013.

The risk management process of at Mota-Engil is supported by COSO (Enterprise Risk Management – Integrated Framework) methodology, which comprises, specifically: the assessment and attribution of degrees of criticalness and priority to risks according to their impact on business objectives and the probability of occurrence. In generic terms, the functioning of the internal control and risk management system implemented in the Company is as follows:

- Scope of process: The main risks to which the Group is exposed are monitored, specifically market risks of the business segments, financial risks (of foreign exchange and interest rates) and other business risks (operational, integrity, information and communication systems), through internal reports from the Investment, Audit and Risk Committee, as well as the reports and communication issued by the corporate officers (namely the Legal Office, the Department of Planning and Corporate Management Control, the Department of Corporate Finance and the Division of Corporate Human Resources).

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- Description of the Operating Process: Risk Management falls under the responsibility of each of the Management bodies of the Group's business areas, executed in general terms through the following set of sequential cyclical phases:
 - Risk identification: determination of risks to which the organisation is exposed to and the level of tolerance of exposure to those risks;
 - Risk measurement: quantification of risk exposure and production of decision support reports;
 - Risk control and management: definition of actions to be taken to cope with risk;
 - Implementation of the risk management measures defined;
 - Monitoring: evaluation of the risk management process and, if necessary, realignment and redefinition of strategies.

Additionally, all investments or new businesses are analysed regarding risk by the various corporate areas, and are subjected to 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 allowed the assessment of its efficacy, notwithstanding the reference of improvement measures to be implemented in the short and medium term.

55. Main elements of the internal control and risk management systems implemented in the Company regarding the dissemination process of financial information (Article 245-A, paragraph 1, subparagraph m)).

Regarding risk control in the process of disclosing financial information, only a very restricted number of Mota-Engil collaborators are involved in the process. To this end, and by way of legal provision (Article 248(6) of the CVM-Securities Code) Mota-Engil drafted a list of the collaborators, employed or not by the company, who have access, either regularly or occasionally, to privileged information. This list was provided to all collaborators involved, with clarification regarding: (i) the reasons that led to his/her inclusion in such list; (ii) the rights and obligations set forth in the law; (iii) the consequences resulting from the dissemination or abusive disclosure or use of privileged information.

IV. Investor support

56. Service responsible for investor support, its composition, functions, information provided by such service and contacts

Mota-Engil maintains ongoing contact with investors and analysts through the Market Relations Division which makes up-to-date information available which is relevant and reliable, as well as providing clarifications regarding the business of the Group with a view to improve their awareness and understanding of the Group.

The Capital Market Relations Division, jointly with the Planning and Corporate Management Board, regularly prepares presentations for the financial community, reports with quarterly, six-monthly and annual results as well as market relevant communications whenever this proves necessary for divulging or clarifying any event which might influence the share price of Mota-Engil, SGPS, SA. In addition and when requested, clarifications are provided about the Group's activities in response to questions raised by e-mail or telephone.



All information divulged is made available on the CMVM webpage (www.cmvm.pt) and that of Mota-Engil (www.mota-engil.pt).

João Vermelho is responsible for the Market Relations Division.

Contact information:

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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

57. Representative for Market Relations

The representative for Market Relations is Luis Filipe Cardoso da Silva.

Contact information:

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

58. Information on the proportion and the period for responses to requests for information received in the current year or outstanding from previous years

As already mentioned, the Company maintains permanent contact, through the Market Relations Division, with the capital market, its shareholders and analysts by providing constantly updated information. When requested, provides clarification on the relevant facts of the activities of the Society, becoming available under the law. All requested information is analysed and answered in a period not exceeding five working days. The Company believes that its Market Relations Division ensures permanent contact with investors, keeping a register of applications and the respective treatment that was given.

V. Website

59. Address(es)

The company website is available in both Portuguese and English and can be accessed at the following address www.mota-engil.pt. In the area for investors is provided information that enables knowledge about the evolution of the company and its current reality in economic, financial and governance terms.

60. Web address providing information on the company, its status as an open capital company, registered offices and other elements referred to in article 171 of the Companies' Code

<http://www.mota-engil.pt/CompanyDetailSimple.aspx?contentId=127&Language=2>

61. Web address for the articles of association and the regulations for the function of its bodies and committees

<http://www.mota-engil.pt/InvestorBoard.aspx?contentId=909&Language=2>

62. Web address where information on the identity of the holders of offices on company bodies, the representative for market relations, the Investor Support Office or equivalent structure and their respective functions and means of access may be found

<http://www.mota-engil.pt/CompanyDetailSimple.aspx?contentId=127&Language=2>

<http://www.mota-engil.pt/Contact.aspx?contentId=128&Language=2>

63. Web address where documents providing accounts can be found and which should be available for at least five years together with a six-monthly calendar of corporate events published at the beginning of each period including annual General Meetings, the publication of annual, six-monthly and where applicable, quarterly accounts

<http://www.mota-engil.pt/InvestorBoard.aspx?contentId=131&Language=2>

64. Web address where the notice of the annual general meeting is published together with all of the related preparatory and subsequent information

<http://www.mota-engil.pt/InvestorBoard.aspx?contentId=132&Language=2>

65. Web address where the company archives are made available including decisions taken at annual general meetings for the company, the share capital represented and the results of votes for the previous 3 years

<http://www.mota-engil.pt/InvestorBoard.aspx?contentId=132&Language=2>

D. REMUNERATION

I. Responsibility for determination

66. Indication of the responsibility for determining the remuneration of corporate bodies, the members of the executive committee or the managing director and company directors

In accordance with the articles of association, the Remuneration Committee, elected by the shareholders in the Annual General Meeting has the function of defining the policy for the remuneration of company officers, setting the applicable remuneration taking into consideration the functions exercised, their performance and the financial situation of the company.

The remuneration of officers of the company is determined by the respective administration body observing the principles of the remuneration policy submitted by the Remuneration Committee for study by the Annual General Meeting as established under Law 28/2009 of the 19th of June.

II. Remuneration Committee

67. Composition of the remuneration committee including the identification of the persons or companies hired to provide support and declare on the independence of each of its members and advisers

The committee elected for the four-year period 2010-2013 is composed 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 board of directors, and Manuel Teixeira Mendes.

António Manuel Queirós Vasconcelos da Mota (Chairman, non-executive member of the Board of Directors and relative of two executive members) and Maria Teresa Queirós Vasconcelos Mota Neves da Costa (non-executive member of the Board of Directors and relative of two executive members) 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 relatives remunerations as members of the management body.

The company did not hire any firm to support the Compensation Committee in its functions.

68. Knowledge and experience of the members of the remuneration committee on remuneration policy.

It is considered that, by virtue of their respective curricula and career paths, the three members of the Remuneration Committee have knowledge and experience in matters of remuneration policy. Additionally and when necessary, the Remuneration Committee is assisted by specialized internal or external to the Company's resources to support their decisions regarding the remuneration policy.

III. Structure of the remuneration

69. Description of the remuneration policy for the management and supervisory bodies referred to in article 2 of Law 28/2009, of the 19th of June.

As stipulated by Law 28/2009, of the 19th of June, a declaration on the remuneration policy of the management and supervisory bodies is submitted annually for study to the Annual General Meeting.

The general principles to be observed in the setting of remuneration are the following:

a) Functions performed

The functions performed by each member should be taken into account in the broadest sense of the activity effectively exercised and the associated responsibilities and not solely in a formal sense. All of the directors or the members of the Supervisory Board will not be in the same position. Consideration of the functions should be made in the broadest sense with the requirement that criteria such as responsibility, the time spent or the value added for the Group which results from a specific type of activity or institutional representation should be taken into account not discounting any functions performed at other companies controlled which implies an increase in responsibility as a cumulative source of income.

In line with the principle enunciated the Group has established a remuneration policy, the coverage of which is extended by segments to members of management and employees based on the international Hay model for the marking of functions.

In accordance with the current methodology, functions are assessed on the basis of knowledge, complexity and responsibility/autonomy required and fitting subsequently into pre-defined functional groups, which constitutes the vector for the determining of conditions in matters of remuneration.

b) Financial situation of the company

The financial situation of the company should be taken into consideration together with its interests from a longer term perspective and its growth and the creation of shareholder value.

In 2008 the Group developed a five-year strategic plan “Ambition 2013” (updated in 2012 to “Ambition 2.0”) the execution of which is subject to periodic assessment through a series of KPI (Key Performance Indicators) making up the Balanced Scorecard which guides performance along four value perspectives: the financial sustainability of the Group and the creation of shareholder value; the satisfaction of customer needs; efficiency and innovation of internal processes; and the development and qualification of human resources.

As “Ambition 2.0” is the instrument which strategically guides the Group, the KPI comprise one of the key components for the assessment of members of Group management and for the determination of their respective remuneration driving the incentive mechanisms toward the effective creation of value with a long-term horizon.

c) General market conditions for equivalent situations

The establishment of any remuneration cannot avoid the laws of supply and demand and the members of company bodies are no exception. Respect for market practises allows professionals to be maintained with a level of performance

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which is adequate to the complexity of their functions and their responsibilities. It is important that the remuneration should be in line with the market and stimulating as a means for achieving a high level of individual and collective performance assuring not only their own interests but essentially those of the company and the creation of shareholder value.

Taking into account the abovementioned principle, the periodic auditing of compensation practice as well as their comparison with the market is the remuneration policy environment for the Group. To this end the international Hay methodology for the marking of functions is adopted along with Hay salary studies aimed at the comparative functional group thus ensuring competitive rationales adjustments to the strategy for the development of human capital and the evolution of the salary market.

The specific remuneration policy options submitted and approved were the following:

1. The remuneration of executive members of the Board of Directors along with non-executive Directors which are not independent will be composed of fixed and variable elements.

The remuneration policy embodies two fundamental aspects in the compensation of all members of Group management and employees: first the equity/competitiveness of salaries which is safeguarded by internal analysis and external comparison of the proportion of fixed payments in relation to the function exercised by the postholders (using the Hay methodology as support); secondly meritocracy complementing the fixed salary with a variable element dependent on assessment of performance.

2. The remuneration of non-executive, independent members of the Board of Directors, the members of the Supervisory Board and the members of the Annual General Meeting Panel is composed solely of a fixed element.
3. The fixed element of the remuneration of members of the Board of Directors with executive functions along with the non-executive members who are not independent will consist of a monthly sum payable 14 times per year.
4. The setting of the monthly amount of the fixed element of the remuneration of members of the Board of Directors will be made for all of those who are members of the Executive Committee and for those which, although not part of this committee, are not considered to be independent.
5. The setting of a predetermined sum for each participation in meetings of the members of the Board of Directors will be made for those considered to be independent and have essentially non-executive functions.
6. The fixed remuneration of the members of the Supervisory Board and the Panel of the Annual General Meeting will consist of a fixed amount payable 12 times per year.
7. The process of attribution of variable remuneration to executive members of the Board of Directors should obey the criteria proposed by the Remuneration Setting Committee on the basis of the assessment of the performance carried out, of their rank in the hierarchy, long-term Company performance criteria and its real growth and the performance variable selected.

Under the remuneration policy defined for the Group the variable remuneration is dependent on the assessment of performance the general principles of which and the respective mode of application are to be found in the Corporate Performance Management Model.

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The assessment of performance in the Group covers two elements: quantitative assessment measured through the fulfilment of KPIs indexed to the strategic plan "Ambition 2.0" and which are measured by annual targets at the start of the assessment cycle; and the qualitative assessment which results from an individual assessment covering key competencies for the Group (corporate management and personal).

The determining of Group's variable remuneration presupposes the observance of two cumulative conditions: the attainment of the target barriers defined at the start of each annual assessment cycle developed from the long term strategic plan; and the attainment of 95% on average of the quantitative targets weighted by the individual qualitative assessment which may result in a pay-out sum which varies between a predefined minimum and maximum percentage.

In addition, preventive mechanisms are established which inhibit the payment of variable remuneration so as to minimise the incentive for unaligned results with a perspective of the creation of sustainable value with a long term horizon.

Therefore, there will be no variable remuneration where any of the following conditions is found:

- One of the target barriers (which corresponds to the minimum to be attained in each KPI to be eligible for the payment of variable remuneration) not being attained in accordance with the parameters set at the start of the annual assessment cycle;
 - The attainment on average of the targets defined by KPI weighted with the individual qualitative assessment being less than 95%.
8. In the setting of all remuneration and the specific distribution of the total sum for variable remuneration of the members of the Board of Directors, the general principles quoted above will be observed: functions performed, financial situation of the company and market criteria.

The Group's remuneration policy is extended to cover management and employees and is segmented into predefined functional groups (members of the Board of Directors being included in top executives) using the international Hay model for the marking of functions. Under the Group's remuneration policy it is ensured that the fixed remuneration for each functional group (for both the fixed and the variable elements) has as its rationale, internal equity and salary benchmarking for the market produced periodically.

The policy and recommendation practices of the groups of companies taken as comparative elements for the setting of remuneration, all national companies of an equivalent size are taken into account by the Remuneration Committee within the limits of accessible information and specifically the PSI-20 as well as companies on other international markets with characteristics equivalent to those of the Group.

No agreements for payments by the Group are set by the Remuneration Committee for the relief or termination of the functions of directors by agreement.

As already mentioned, 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.

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.

No mechanisms have been formally provided that would inhibit executive directors from entering into contracts that might put into question the rationale of the variable remuneration. The Remuneration Committee, however, always takes this factor into consideration in the criteria used for setting the variable remuneration and the Board of Directors considers that it is forbidden the possibility to conclude contracts with the Company and its subsidiaries and / or affiliates, or third parties that may mitigate the risk inherent in the variability of the remuneration fixed by the Company.

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.

70. Information on the mode by which remuneration is structured so as to permit the alignment of the interests of members of the management board with the long term interests of the company together with the mode by which assessment of performance is based while acting as a disincentive to the excessive assumption of risk

The current Group's remuneration policy as approved by the last Annual General Meeting seeks to promote the alignment of the interests of the directors and other company bodies and managers with the interests of the company in the medium and long term and is based on a fixed basic with a variable element (where applicable) on the basis of the results of the activities carried on and the financial situation of the company.

As described at paragraph 69, the Group's remuneration policy has underlying variable remuneration instruments structured so as to promote the alignment of the interests of the Board of Directors with the longer term interests of the company which acts as a disincentive to the assumption of excessive risk.

To this end, indexation mechanisms are defined for variable remuneration based on the assessment of performance which in turn is based on KPI set by the Strategic Plan "Ambition 2013" (recently updated by "Ambition 2.0") which was defined for a long-term horizon.

Under the quantitative element of the assessment of performance, at the start of the assessment cycle, targets are defined for each KPI.

The determination of the variable remuneration in the GROUP assumes an average minimum attainment of 95% of the targets set weighted by the individual qualitative assessment (which may result in a pay-out sum which varies between a minimum and maximum, preset percentage).

In addition, preventive mechanisms for the inhibition of the payment of the variable remuneration are established should any of the following conditions be found:

- One of the target barriers (which corresponds to the minimum to be attained in each KPI to be eligible for the payment of variable remuneration) not being attained in accordance with the parameters set at the start of the annual assessment cycle;
- The attainment on average of the targets defined by KPI weighted with the individual qualitative assessment being less than 95%.

71. Reference, if applicable, to the existence of a variable component of remuneration 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 of the Society abides by a plan comprised of: (i) a fixed component defined in accordance with the position, the corresponding position within the functional groups predefined for Mota-Engil Group and market benchmarking (supported by the Hay international methodology for measuring jobs evaluation), which includes the base gross remuneration paid in reference to the period of one year; and (ii) a variable component paid as performance bonus, taking into consideration performance, based upon criteria defined and revised annually by the Remuneration Committee.

The criteria for allocating variable compensation to members of the Group's management bodies are indexed to the performance evaluation, which falls under the responsibility of the Remuneration Committee.

Performance evaluation comprises two components: quantitative evaluation, measured through the fulfilment of the KPIs indexed to "Ambition 2013" strategic plan (recently updated by "Ambition 2.0") and expressed in annual goals, which are set at the beginning of each evaluation cycle; and qualitative evaluation that results from a discretionary individual evaluation.

Determining the variable compensation applicable to key office-holders of Mota-Engil Group, presupposes the compliance of two cumulative conditions: achievement of barrier goals, defined at the beginning of each annual evaluation cycle, and drawn from the long-term strategic plan; the average achievement of, at least, 95% of the quantitative goals weighed with individual qualitative evaluation, which can result in a pay-out amount that varies between predefined minimum and maximum percentages.

72. Deferral in the payment of the variable component of the remuneration, with mention to the deferment period.

There is no deferral in the payment of the aforesaid variable remunerations mentioned. Nevertheless, the Remuneration Committee structures the remuneration of the members of the management body in a way that allows for long-term continuous positive performance of the Company. Ex-ante, monitoring of positive performance is carried out through periodic evaluation of the KPIs drawn from the "Ambition 2013" strategic plan (recently updated by "Ambition 2.0") and integrated in the Balanced Scorecard methodology, allowing the monitoring of the Company's performance progression. *Ex-post*, there are mechanisms defined in the remuneration policy that aim to prevent the payment of the variable remuneration when one of the following conditions is not met:

- Failure to achieve one of the barrier goal (which corresponds to the minimum value amount to be achieved per KPI to be eligible for the payment of the variable compensation), in accordance with the parameters established at the beginning of each annual cycle of evaluation;
- Average achievement of the goals, defined per KPI, weighed with individual qualitative evaluation, below 95%.

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73. Criteria on which the allocation of variable remuneration in shares is based, as well as regarding the maintenance, by executive directors, of such shares; criteria for the potential conclusion of contracts related to those shares, specifically hedging or risk transfer contracts, their respective limits and relation with the value of total annual remuneration.

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.

74. Criteria for the attribution of variable remuneration in options and indication of the period of deferral and the price of exercise.

The Company does not have, or plan to have, any remuneration measure that allows for the attribution of rights to acquire options over shares.

75. Main parameters and grounds of any annual bonus system or any other non-monetary benefits.

The Company does not have an annual bonus system or other non-monetary benefits.

76. Main characteristics of the complementary pension regimes or early retirement for directors and date on which they were approved individually in General Meeting.

With the exception of founding shareholders, the Company does not have complementary pension regimes or early retirement for directors. The founding shareholder directors are beneficiaries of a pension plan with defined benefits, which allow them to receive a pension equivalent to 80% of the salary on the date of retirement. This plan was already in effect prior to Mota-Engil admission to stock exchange.

IV. Publication of remuneration

77. Indication of the annual sum of the remuneration received from the company, in aggregate and individually by the members of the company's management bodies, including fixed and variable remuneration and, regarding the latter, reference to the various components which gave rise to it.

Amounts in euros					
Members	Company	Fixed Component	Variable Component (Profit Sharing)	Attendance Fees	Total
Board of Directors					
António Manuel Queirós V. da Mota	Mota-Engil SGPS	476,000	120,000	-	596,000
Gonçalo Nuno Gomes de A. Moura Martins	Mota-Engil SGPS	369,096	69,800	-	438,896
Arnaldo José Nunes da Costa Figueiredo	Mota-Engil SGPS	286,000	80,000	-	366,000
Maria Manuela Q. V. Mota dos Santos	Mota-Engil SGPS	251,000	50,000	-	301,000
Maria Teresa Q. V. Mota Neves da Costa	Mota-Engil SGPS	251,000	50,000	-	301,000
Maria Paula Queirós V. Mota de Meireles	Mota-Engil SGPS	251,000	50,000	-	301,000
Ismael Antunes Hernandez Gaspar	Mota-Engil SGPS	280,771	72,400	-	353,171
Luís Filipe Cardoso da Silva	MESP	233,332	40,000	-	273,332
Pedro Manuel Teixeira Rocha Antelo	MESP	201,332	51,200	-	252,532
Maria Isabel da Silva F. Rodrigues Peres	Mota-Engil SGPS	209,091	40,000	-	249,091
Carlos António Vasconcelos Mota Santos	Mota-Engil SGPS	186,435	47,600	-	234,035
José Pedro Matos Marques Sampaio Freitas	Mota-Engil SGPS	83,547	-	-	83,547
Luís Valente de Oliveira	Mota-Engil SGPS	-	-	-	-
António Bernardo A. da Gama Lobo Xavier	Mota-Engil SGPS	-	-	35,000	35,000
António Manuel da Silva Vila Cova	Mota-Engil SGPS	-	-	46,000	46,000
					3,830,605

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 paragraph 69.

Information regarding the connection between remuneration and the performance of management bodies is that which is stated in the remuneration policy described in paragraph 69.

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 paragraph 69. There are no other non-monetary benefits.

During 2013, 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.

78. Amounts of any kind paid by other companies under Group control, members of the Group or which are subject to joint control

The sums paid by other Group companies are set out in the table of the point above.

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79. Remuneration paid as a form of share of profits and/or payment of bonuses and the reasons for said bonuses and/or the profit share granted

The bonuses paid to executive directors are set out in the table at 77.

80. Compensation paid or owed to former executive directors relating to the termination of their functions during the period

No compensation was paid to former executive directors relating to the termination of their functions during the period.

81. Indication of the annual remuneration received, in aggregate and individually, by members of the company's supervisory bodies for the purposes of Law 28/2009, of the 19th of June

Amounts in euros

Members	Company	Total
Alberto João Coraceiro de Castro	Mota-Engil SGPS	30,000
José Rodrigues de Jesus	Mota-Engil SGPS	30,000
Horácio Fernando Reis Sá	Mota-Engil SGPS	6,000
		66,000

82. Indication of the remuneration of the chairperson of the annual general meeting for the period

During 2013, the chair of the Annual General Meeting received 6,000 euros.

V. Agreements with remunerative implications

83. Contractual limitations for the compensation to be paid for undue termination of a director and its relationship with the variable element of the remuneration

No limits are contractually set for the compensation to be paid for undue termination of a director other than that provided for in law. The Company resorts to the legal instruments available in law adequate for this situation in particular where the performance of the director is inadequate. On the other hand, there is no legal instrument entered into with directors requiring the Company in cases provided for in recommendation III.8, the payment of any damages or compensation beyond what is legally required.

84. Reference to the existence and description with indication of the amounts involved in agreements between the company and officers on the board and managers in the context of no. 3 of article 248-B of the Stock Market Code which provides for compensation in case of dismissal, termination without due cause or termination of the employment relationship following a change in control of the company (art. 245-A, no. 1, sec. I)

No agreements were entered into between the company and directors and managers which provide for compensation in case of dismissal, termination without due cause or termination of the employment relationship following a change in control of the company.

VI. Plans for the awarding of shares or share options

85. Identification of the plan and the respective awardees

The company presently does not have any means of remuneration which includes the awarding of the rights to acquire share options.

86. Characterisation of the plan (conditions for the awarding, clauses prohibiting the disposal of shares, criteria relating to the price of the shares and the price for the exercise of options, the period during which the options may be exercised, characteristics of the shares or options to be awarded, the existence of incentives for the acquisition of shares and/or the exercise of options)

The company does not have or intend to have any remunerative measure in which there is an awarding of the right to acquire share options.

87. Option rights awarded for the acquisition of shares of which employees of the company are beneficiaries

The company presently does not have any means of remuneration which include the awarding of the rights to acquire share options.

88. Mechanisms of control provided for in any system of employee participation in the company capital where the rights to vote are not exercised directly by the latter (art. 245.^a-A, no. 1, sec. e)

The company presently does not have any means of remuneration which includes the awarding of the rights to acquire share options.

E. TRANSACTIONS WITH RELATED PARTIES

I. Mechanisms and control procedures

89. Mechanisms implemented by the company for the purposes of the control of transactions with related parties

All business carried out between the company and related parties respect the interests of the company and its subsidiaries and are undertaken in the normal conditions of the market. The mechanisms implemented for the control of transactions go through specific administrative procedures which derive from regulatory requirements including those relating to transfer pricing regulations and the obligation of approval by means of prior study by the Statutory Audit Board of the transactions realised with the holders of qualified shares or entities related with them under the terms of article 20 of the Stock Market Code or its respective renewals, the aggregate value of which per entity is not greater than 500,000 euros per year.

90. Indication of the transactions which were subject to control in the period in question

During 2013 there were no transactions which were subject to control.

91. Description of the procedures and criteria applicable to the actions of the supervisory body for the purposes of the prior assessment of the transactions to be carried out between the company and the holders of qualified shares or entities with which there is any relationship under the terms of article 20 of the Stock Market Code

As is provided for by the Regulations for the Functioning of the Statutory Audit Board, the body is responsible for the prior study of transactions entered into with the holders of qualified shares or related entities under the terms of article 20 of the Stock Market Code or the respective renewals, the added value of which per entity is greater than 500,000 euros per year.

II. Elements relative to the business

92. Indication of the site of accounting documents where information is available on business with related parties in accordance with IAS 24 or, alternately, the reproduction of this information

The information on business between related parties is described at Note 32 to the consolidated financial accounts in the Report of Consolidated Accounts 2013.

PART II – ASSESSMENT OF CORPORATE GOVERNANCE

1. Identification of the corporate governance model adopted

The present report follows the model featured in the CMVM Regulations 4/2013, of the 1st of August and uses the CMVM Corporate Governance Code of 2013 published by the CMVM at the website www.cmvm.pt

2. Analysis of compliance with the Corporate Governance Code adopted

Breakdown of the recommendations included in the CMVM Corporate Governance Code adopted and not adopted by Mota-Engil, SGPS, SA:

Recommendation/Chapter	Fulfilment	Report
I. VOTING AND CORPORATE CONTROL		
I.1. Companies shall encourage shareholders to attend and vote at general meetings and shall not set an excessively large number of shares required for the entitlement of one vote, and implement the means necessary to exercise the right to vote by mail and electronically.	In compliance	12
I.2. Companies shall not adopt mechanisms that hinder the passing of resolutions by shareholders, including fixing a quorum for resolutions greater than that provided for by law.	In compliance	14
I.3. Companies shall not establish mechanisms intended to cause mismatching between the right to receive dividends or the subscription of new securities and the voting right of each common share, unless duly justified in terms of long-term interests of shareholders.	In compliance	12
I.4. The company's articles of association that provide for the restriction of the number of votes that may be held or exercised by a sole shareholder, either individually or in concert with other shareholders, shall also foresee for a resolution by the General Meeting (5 year intervals), on whether that statutory provision is to be amended or prevails – without super quorum requirements as to the one legally in force – and that in said resolution all votes issued be counted, without applying said restriction.	Does not apply	
I.5. Measures that require payment or assumption of fees by the company in the event of change of control or change in the composition of the Board and that which appear likely to impair the free transfer of shares and free assessment by shareholders of the performance of Board members, shall not be adopted.	In compliance	4
II. SUPERVISION, MANAGEMENT AND OVERSIGHT		
II.1. SUPERVISION AND MANAGEMENT		
II.1.1. Within the limits established by law, and except for the small size of the company, the board of directors shall delegate the daily management of the company and said delegated powers shall be identified in the Annual Report on Corporate Governance.	In compliance	21
II.1.2. The Board of Directors shall ensure that the company acts in accordance with its objectives and shall not delegate its responsibilities as regards the following: i) define the strategy and general policies of the company, ii) define business structure of the group iii) decisions considered strategic due to the amount, risk and particular characteristics involved.	In compliance	21
II.1.3. The General and Supervisory Board, in addition to its supervisory duties supervision, shall take full responsibility at corporate governance level, whereby through the statutory provision or by equivalent means, shall enshrine the requirement for this body to decide on the strategy and major policies of the company, the	Does not apply	

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Recommendation/Chapter	Fulfilment	Report
definition of the corporate structure of the group and the decisions that shall be considered strategic due to the amount or risk involved. This body shall also assess compliance with the strategic plan and the implementation of key policies of the company.		
<p>II.1.4. Except for small-sized companies, the Board of Directors and the General and Supervisory Board, depending on the model adopted, shall create the necessary committees in order to:</p> <p>a) Ensure a competent and independent assessment of the performance of the executive directors and its own overall performance, as well as of other committees;</p> <p>b) Reflect on the system structure and governance practices adopted, verify its efficiency and propose to the competent bodies, measures to be implemented with a view to their improvement.</p>	Not in compliance	21
II.1.5. The Board of Directors or the General and Supervisory Board, depending on the applicable model, should set goals in terms of risk-taking and create systems for their control to ensure that the risks effectively incurred are consistent with those goals.	In compliance	50, 51, 52, 53, 54 and 55
II.1.6. The Board of Directors shall include a number of non-executive members ensuring effective monitoring, supervision and assessment of the activity of the remaining members of the board.	In compliance	17 and 18
<p>II.1.7 Non-executive members shall include an appropriate number of independent members, taking into account the adopted governance model, the size of the company, its shareholder structure and the relevant free float. The independence of the members of the General and Supervisory Board and members of the Audit Committee shall be assessed as per the law in force. The other members of the Board of Directors are considered independent if the member is not associated with any specific group of interests in the company nor is under any circumstance likely to affect an exempt analysis or decision, particularly due to:</p> <p>a) having been an employee at the company or at a company holding a controlling or group relationship within the last three years;</p> <p>b) having, in the past three years, provided services or established commercial relationship with the company or company with which it is in a control or group relationship, either directly or as a partner, board member, manager or director of a legal person;</p> <p>c) being paid by the company or by a company with which it is in a control or group relationship besides the remuneration arising from the exercise of the functions of a board member;</p> <p>d) living with a partner or a spouse, relative or any first degree next of kin and up to and including the third degree of collateral affinity of board members or natural persons that are direct and indirectly holders of qualifying holdings;</p> <p>e) being a qualifying shareholder or representative of a qualifying shareholder.</p>	In compliance	18
II.1.8. When board members that carry out executive duties are requested by other board members, said shall provide the information requested, in a timely and appropriate manner to the request.	In compliance	21
II.1.9. The Chair of the Executive Board or of the Executive Committee shall submit, as applicable, to the Chair of the Board of Directors, the Chair of the Supervisory Board, the Chair of the Audit Committee, the Chair of the General and Supervisory Board and the Chairman of the Financial Matters Board, the convening notices and minutes of the relevant meetings.	In compliance	21
II.1.10. If the chairman of the board of directors carries out executive duties, said body shall appoint, from among its members, an independent member to ensure the coordination of the work of other non-executive members and the conditions so these can make independent and informed decisions or to ensure the existence of an equivalent mechanism for such coordination.	Does not apply	
II.2. SUPERVISION		
II.2.1. Depending on the applicable model, the Chair of the Supervisory Board, the Audit Committee or the Financial Matters Committee shall be independent in accordance with the applicable legal standard, and have the necessary skills to carry out their relevant duties.	In compliance	32
II.2.2. The supervisory body shall be the main representative of the external auditor and the first recipient of the relevant reports, and is responsible, inter alia, for proposing the relevant remuneration and ensuring that	In compliance	38 and 45

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Recommendation/Chapter	Fulfilment	Report
the proper conditions for the provision of services are provided within the company.		
II.2.3. The supervisory board shall assess the external auditor on an annual basis and propose to the competent body its dismissal or termination of the contract as to the provision of their services when there is a valid basis for said dismissal.	In compliance	45
II.2.4. The supervisory board shall assess the functioning of the internal control systems and risk management and propose adjustments as may be deemed necessary.	In compliance	50 and 51
II.2.5. The Audit Committee, the General and Supervisory Board and the Supervisory Board decide on the work plans and resources concerning the internal audit services and services that ensure compliance with the rules applicable to the company (compliance services), and should be recipients of reports made by these services at least when it concerns matters related to accountability, identification or resolution of conflicts of interest and detection of potential illegalities.	In compliance	50

II.3. REMUNERATION SETTING

II.3.1. All members of the Remuneration Committee or equivalent should be independent from the executive board members and include at least one member with knowledge and experience in matters of remuneration policy.	Not in compliance	67
II.3.2. Any natural or legal person that provides or has provided services in the past three years, to any structure under the board of directors, the board of directors of the company itself or who has a current relationship with the company or a consultant of the company, shall not be hired to assist the Remuneration Committee in the performance of their duties. This recommendation also applies to any natural or legal person that is related by employment contract or provision of services with the above.	In compliance	67
II.3.3. A statement on the remuneration policy of the management and supervisory bodies referred to in Article 2 of Law 28/2009 of 19 June, shall also contain the following: a) Identification and details of the criteria for determining the remuneration paid to the members of the governing bodies b) Information regarding the maximum potential, in individual terms, and the maximum potential, in aggregate form, to be paid to members of corporate bodies, and identify the circumstances whereby these maximum amounts may be payable d) Information regarding the enforceability or unenforceability of payments for the dismissal or termination of appointment of board members	In compliance	69
II.3.4. Approval of plans for the allotment of shares and/or options to acquire shares or based on share price variation to board members shall be submitted to the General Meeting. The proposal shall contain all the necessary information in order to correctly assess said plan.	Does not apply	
II.3.5. Approval of any retirement benefit scheme established for members of corporate members shall be submitted to the General Meeting. The proposal shall contain all the necessary information in order to correctly assess said system.	Does not apply	

III. REMUNERATION

III.1. The remuneration of the executive members of the board shall be based on actual performance and shall discourage excessive risk-taking.	In compliance	69 and 70
III.2. The remuneration of non-executive board members and the remuneration of the members of the supervisory board shall not include any component whose value depends on the performance of the company or of its value.	Not in compliance	69
III.3. The variable component of remuneration shall be reasonable overall in relation to the fixed component of the remuneration and maximum limits should be set for all components.	In compliance	69
III.4. A significant part of the variable remuneration should be deferred for a period not less than three years, and the right of way payment shall depend on the continued positive performance of the company during that period.	Not in compliance	72

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Recommendation/Chapter	Fulfilment	Report
III.5. Members of the Board of Directors shall not enter into contracts with the company or with third parties which intend to mitigate the risk inherent to remuneration variability set by the company.	In compliance	69
III.6. Executive board members shall maintain the company's shares that were allotted by virtue of variable remuneration schemes, up to twice the value of the total annual remuneration, except for those that need to be sold for paying taxes on the gains of said shares, until the end of their mandate.	Does not apply	
III.7. When the variable remuneration includes the allocation of options, the beginning of the exercise period shall be deferred for a period not less than three years.	Does not apply	
III.8. When the removal of board member is not due to serious breach of their duties nor to their unfitness for the normal exercise of their functions but is yet due on inadequate performance, the company shall be endowed with the adequate and necessary legal instruments so that any damages or compensation, beyond that which is legally due, is unenforceable.	In compliance	83

IV. AUDITING

IV.1. The external auditor shall, within the scope of its duties, verify the implementation of remuneration policies and systems of the corporate bodies as well as the efficiency and effectiveness of the internal control mechanisms and report any shortcomings to the supervisory body of the company.	In compliance	46
IV.2. The company or any entity with which it maintains a control relationship shall not engage the external auditor or any entity with which it finds itself in a group relationship or that incorporates the same network, for services other than audit services. If there are reasons for hiring such services – which must be approved by the supervisory board and explained in its Annual Report on Corporate Governance – said should not exceed more than 30% of the total value of services rendered to the company.	In compliance	46
IV.3. Companies shall support auditor rotation after two or three terms, whether of four or three years, respectively. Its continuance beyond this period must be based on a specific opinion of the supervisory board that explicitly considers the conditions of auditor's independence and the benefits and costs of its replacement.	In compliance	44

V. CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS

V.1. The company's business with holders of qualifying holdings or entities with which they are in any type of relationship pursuant to article 20 of the Portuguese Securities Code shall be conducted during normal market conditions.	In compliance	89
V.2. The supervisory or oversight board shall establish procedures and criteria that are required to define the relevant level of significance of business with holders of qualifying holdings – or entities with which they are in any of the relationships described in no. 1 of article 20 of the Portuguese Securities Code – thus significant relevant business is dependent upon prior opinion of that body.	In compliance	89 and 91

VI. INFORMATION

VI.1. Companies shall provide, via their websites in both the Portuguese and English languages, access to information on their progress as regards the economic, financial and governance state of play.	In compliance	59
VI.2. Companies shall ensure the existence of an investor support and market liaison office, which responds to requests from investors in a timely fashion, and a record of the submitted requests and their processing shall be kept.	In compliance	56 and 58

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3. Other information

There are no recommendations of which the failure to observe or to apply require subsequent justification.

Appendix

Declaration under the terms of Article 254(1) (c) of 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 assets and liabilities, the financial situation and the results of Mota-Engil, SGPS, SA and companies included in the consolidation perimeter, 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 the consolidation perimeter, and contains a description of the main risks and uncertainties with which they are confronted.

Porto, March 17, 2014

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
and Member of the Executive Committee

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

03. *Report on Corporate Governance Practices*



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

Eng. 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



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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

Article 324 paragraph 2 and Article 66 paragraph 5 subparagraph c) of the Companies Code

During 2013, Mota-Engil SGPS, SA did not acquire any of its own shares. On 31st December 2013, Mota-Engil SGPS, S.A. held 11,101,379 of its own shares, representative of 5.42% of its social capital. Furthermore, the shares mentioned were disposed of in full on 26th February 2014 as a result of a process of accelerated bookbuilding.

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 Key office-holders, as well as 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	Closing Balance	5,292,359				2.59%	0	0.0%	28,701	34.5%
Maria Manuela Queirós Vasconcelos Mota dos Santos	Saldo Final	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		Doação	NA		0	0.0%	17,902	21.5%
	23/Sep/2013	-70,000								
	Closing Balance	3,676,836				1.80%	0	0.0%	17,902	21.51%
Maria Paula Queirós Vasconcelos Mota de Meireles	Closing Balance	4,231,630				2.07%	0	0.0%	17,902	21.51%
Carlos António Vasconcelos Mota dos Santos	Closing Balance	29,300				0.01%				
Pedro Manuel Teixeira Rocha Antelo	Closing Balance	10,000				0.00%				
Luís Filipe Cardoso da Silva	Closing Balance	12,500				0.01%				
Gonçalo Nuno Gomes de Andrade Moura Martins	Closing Balance	12,435				0.01%				
Ismael Antunes Hernandez Gaspar	Closing Balance	1,000				0.00%				
José Pedro Matos Marques Sampaio de Freitas	Closing Balance	12,727								
Alberto João Coraceiro de Castro	Closing Balance	2,200				0.00%				
F.M. - Sociedade de Controlo, SGPS, SA	Closing Balance	-				-	6,337,640	100.0%		
Mota Gestão e Participações, SGPS, SA	Closing Balance	121,724,196				59.48%	-	-		

Article 448 of the Companies Code

In compliance with the stipulations of Article 448(4) of the Companies Code, hereunder is presented a list of the shareholders who, as at 31st December 2013, held at least 10%, 33% or 50% of the share capital of Mota-Engil, SGPS, SA:

Shareholder	2013		2012	
	No. of shares	% capital	No. of shares	% capital
Mota Gestão e Participações, SGPS, SA	121,724,196	59.48%	85,229,078	41.65%

Decree-Law no. 411/91, of 17th October

Under the terms and for the purposes of Article 21 of Decree-Law no. 411/91, of 17th October, we hereby declare that Mota-Engil Group has no past-due debt to Social Security.

Article 66(5) of the Companies Code

The Mota-Engil Group has branches in the following countries:

Company	Country
Mota-Engil, Engenharia e Construção, SA	Algeria
	Brazil
	Cape Verde
	Colombia
	Slovakia
	Spain
	USA
	France
	Hungary
	Ireland
	Peru
	Poland
	Czech Republic
Mota-Engil, Engenharia e Construção África, SA	Romania
	Angola
	Cape Verde
	Malawi
	Mozambique
Mota-Engil, Ambiente e Serviços, SGPS, SA	Zambia
	Ireland
Trânsitos de Extremadura, SL	Poland
	Lithuania

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Company	Country
Vibeiras - Sociedade Comercial de Plantas, S.A.	Morocco
Mota-Engil Africa, BV	Uganda
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, hereunder is the list of the holders of qualifying holdings, giving the number of shares held and the corresponding percentage of rights to vote, computed as at 31st December, 2013, under the terms of Article 20 of the Securities Code:

Shareholders	No. of shares	% Capital	% Voting Rights (1)
Mota Gestão e Participações, SGPS, SA	121,724,196	59.48%	62.90%
António Manuel Queirós Vasconcelos da Mota	5,292,359	2.59%	2.73%
Maria Manuela Queirós Vasconcelos Mota dos Santos	3,675,066	1.80%	1.90%
Maria Teresa Queirós Vasconcelos Mota Neves da Costa	3,676,836	1.80%	1.90%
Maria Paula Queirós Vasconcelos Mota de Meireles	4,231,630	2.07%	2.19%
Carlos António Vasconcelos Mota dos Santos	29,300	0.01%	0.02%
Atribuível à FM – Sociedade de Controlo, SGPS, SA	138,629,387	67.74%	71.63%

⁽¹⁾ Whereas the suspension of voting rights attached to the 11,101,379 shares held by the company itself

Statement of the Board of Directors on the remuneration policies applicable to key office-holders of Mota-Engil Group, as described in Article 248-B(3) of the Securities Code

1. INTRODUCTION

In line with the recommendations made by CMVM regarding the importance of the remuneration policy covering key office-holders, as described in Article 248-B(3) of the Securities Code, hereunder we present the principles and general options in force, that are extended to collaborators of Mota-Engil, including other staff whose professional activity may have relevant impact on the company's risk profile and whose remuneration contains an important variable component. Regarding the remuneration options applicable to members of the management and supervisory body, which are mandated in Law no. 28/2009, of 19th June, please see the Declaration made by the Remuneration Committee for the concrete options in this matter.

2. GENERAL PRINCIPLES

Mota-Engil Group remuneration policy comprises a set of operative principles that aim to guarantee their contribution to the pursuit of the strategic vision and culture outlined for the Group, as well as the alignment of the interests of the key office-holders with the Group's long-term interests.

- **Ability to capture and retain**
Mota-Engil Group, through its remuneration policy, seeks to guarantee the attraction and retaining of talent, adopting a competitive positioning in the market, taking into account the level of responsibility and contribution of the collaborators for the creation of value.
- **Alignment of remuneration practices with short and long-term performance:**
Mota-Engil Group remuneration policy and corresponding rules of application are indexed to the performance evaluation model in effect, which, in turn, encompasses the evaluation of indicators and performance goals taken from the Group's strategic plan defined for the long-term.
- **Equity/competitiveness:**
The remuneration policy is segmented into functional groups formed as a result from an evaluation of function, allowing, on one hand, an internal levelling of the compensation practices according to criteria of responsibility, complexity and autonomy whilst, on the other hand, guarantees its competitiveness with the practices in the market of reference.
- **Meritocracy:**
The criteria that establish the increase of the remuneration components are underlain by the success achieved by the Group and its business, as well as the individual evaluation of collaborators, in order to recognise and reward merit and excellence.
- **Transversality/verticality:**
Mota-Engil Group aims to associate its management model to a common policy for executive and management positions, promoting transversal alignment and convergence toward the strategy, culture and objectives of the Group. In order to safeguard the specificity of the different business areas, the remuneration policy also embodies rules of vertical application, company by company, in order to adjust its practices to the respective sector of activity and reference market.

The Group's remuneration policy is divided in functional groups which aggregate positions according to parameters, such as level of knowledge, complexity or responsibility/autonomy required, periodically assessed through the Hay international methodology, and are structured as follow:

- Top Executives
- Executives
- Top Management
- Management

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- Technicians
- Administrative and Operational

The functional groups listed comprise the essential basis for the definition of human resources policies, namely the remuneration policy, which establishes, for each functional group, the remuneration components and conditions, whether they be of a fixed, variable and/or in benefits nature, taking into account the positioning strategy envisioned and the salary practices of specific reference markets.

Key office-holders at Mota-Engil Group fall into the functional groups of Top Executives, Executives and Top Management.

3. CONCRETE OPTIONS

3.1 Overall architecture of the Group's remuneration policy

Mota-Engil Group remuneration policy comprises three remuneration components, which are defined considering the position held, the alignment with salary practices of the market and the performance of the collaborators:

- Fixed remuneration, which consists of the gross base remuneration with reference to a one-year period. Each functional group has an associated salary band that establishes the minimum, medium and maximum values, considering the position held, level of experience, and performance of the employee, and salary practices of the reference market and Mota-Engil.
- Variable remuneration, which includes a short-term bonus, paid according to the achievement of defined performance goals and, in functional groups with greater responsibility, includes a medium and long-term bonus, deferred over three years. Each functional group establishes a set of target pays based upon salary practices in the reference market for positions with equivalent levels of responsibility, according to the level of performance achieved by the Group and the employee.
- Benefits, for which there is an established portfolio of applicable benefits, in accordance with the position and corresponding functional group.

3.2 Indexation of the remuneration policy to Mota-Engil Group performance

Aiming to promote the alignment of short and long-term interests of Mota-Engil and preventing excessive risk-taking, the payment of the variable component is indexed to the performance evaluation, whose general principles and corresponding application method are provided for in the Corporate Performance Management model.

The Group's performance evaluation consists of two components:

- Quantitative evaluation, which comprises a set of Key Performance Indicators (KPIs), indexed to "Ambition 2.0" strategic plan, in accordance with the Balanced Scorecard methodology, that organises the performance in four value perspectives: financial sustainability of the Group and creation of value for shareholders; satisfaction of the customer's needs; efficiency and innovation at the level of internal processes and development and empowerment of human capital.

A summary of the KPIs matrix adopted in the Balanced Scorecard tool in effect in the Group is presented below.

Financial Perspective	• ROCE
	• EBITDA
	• Turnover
Customers	• % of international turnover generated in selected markets
Internal Processes	• Weight of investment on the generation of future turnover

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Learning and Growth

• Participation of Staff Members in ME Active School

- Qualitative evaluation, which results from the individual evaluation focusing on key-competencies for the Group (corporate, management and personal).

There have also been established preventive mechanisms aiming to promote restraint in risk-taking that may be prejudicial to the Company's interests of the Society and prevent the payment of the variable remuneration, in order to minimise the incentive of results not in line with a perspective of creating sustainable value in the long-term. Thus, in performance evaluation criteria such as risks taken by the employee in decision-making, as well as, compliance with the standards applicable to the Company's activity are taken into consideration.

3.3 Plans for the attribution of shares or options on the acquisition of shares

There are no plans for the attribution of shares or options on the acquisition of shares regarding key office-holders within the meaning of paragraph 3 of Article 24-B of the Securities Code.

List of offices held by directors

António Manuel Queirós Vasconcelos da Mota (Chairman)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Member of the Board of Directors 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 Manvia – Manutenção e Exploração de Instalações e Construções, 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 Tertir – Terminais Portuários, SGPS, S.A.
- 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 Remuneration Committee of Tergep, SGPS, 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

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- 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

Gonçalo Nuno Gomes de Andrade Moura Martins (Deputy-Chairman)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Chairman of the Board of Directors of Mota-Engil II, Gestão, Ambiente, Energia e Concessões de Serviços, SA
- Chairman of the Board of Directors of Tertir –Concessões Portuárias, SGPS, SA
- Chairman of the Board of Directors of Ascendi Group, SGPS, SA
- Chairman of the Board of Directors of Ascendi Norte, SA
- Chairman of the Board of Directors of Ascendi Beiras Litoral e 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- Operação e Manutenção Rodoviária, SA
- Chairman of the Board of Directors of Ascendi Operadora BLA - Operação e Manutenção Rodoviária, SA
- Chairman of the Board of Directors of Ascendi Operadora CP, Operação e Manutenção Rodoviária, SA
- Chairman of the Board of Directors of Ascendi Operadora GP, Operação e Manutenção Rodoviária, SA
- Chairman of the Board of Directors of Ascendi Operadora GL - Operação e Manutenção Rodoviária, SA
- Chairman of the Board of Directors of Ascendi Operadora DI, Operação e Manutenção Rodoviária, SA
- Chairman of the Board of Directors of Ascendi Operadora PI, Operação e Manutenção Rodoviária, SA
- Chairman of the Board of Directors of Ascendi, Serviços de Assessoria, Gestão e Operação, SA
- Chairman of the Board of Directors of Ascendi O&M, SA
- Chairman of the Board of Directors of Ascendi IGI, Inovação e Gestão de Infra-Estruturas, S.A.
- Chairman of the Board of Directors of Ascendi México S.A. de C.V.
- Vice-Chairman of the Board of Directors of Vista Energy, Environment and Services, S.A. (Angola)
- Member of Board of Directors of Concessionária Autopista Perote-Xalapa, SA de C.V. (Mexico)
- Member of Board of Directors of Lusoponte –Concessionária para a Travessia do Tejo SA
- Director of Ascendi Financing, B.V.
- Chairman of the Board of the General Meeting of Multiterminal – Sociedade de Estiva e Tráfego, SA
- Chairman of the Board of the General Meeting of Lokemark - Soluções de Marketing, SA
- Member of the Remuneration Committee of Takargo – Transporte de Mercadorias, SA
- Member of the Remuneration Committee of Liscont – Operadores de Contentores, SA
- Member of the Remuneration Committee of Transix – Transitos da Extremadura, SA
- Member of the Remuneration Committee of Multiterminal – sociedade de Estiva e tráfego, 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
- Member of the Remuneration Committee of SOL – S Internacional, Tecnologias de Informação, SA
- Member of the Remuneration Committee of Ascendi Grande Lisboa, Auto Estradas da Grande Lisboa, SA
- Member of the Remuneration Committee of Ascendi Norte, Auto-Estradas do Norte, S.A.
- Member of the Remuneration Committee of Ascendi Beiras Litoral e Alta, Auto-Estradas das Beiras Litoral e Alta, S.A.
- Member of the Remuneration Committee of Ascendi Costa de Prata, Auto Estradas da Costa da Prata, S.A.
- Member of the Remuneration Committee of Ascendi Douro –Estradas do Douro Interior, S.A.
- Member of the Remuneration Committee of Ascendi Grande Porto, Auto Estradas do Grande Porto, S.A.
- Member of the Remuneration Committee of Ascendi Pinhal Interior, Estradas do Pinhal Interior, S.A.
- Member of the Remuneration Committee of Ascendi Operadora BLA – Operação e Manutenção Rodoviária, S.A.
- Member of the Remuneration Committee of Ascendi Operadora CP, Operação e Manutenção Rodoviária, S.A.
- Member of the Remuneration Committee of Ascendi Operadora GP – Operação e Manutenção Rodoviária, S.A.
- Member of the Remuneration Committee of Ascendi Operadora NT- Operação e Manutenção Rodoviária, S.A.
- Member of the Remuneration Committee of Ascendi Operadora DI, Operação e Manutenção Rodoviária, S.A.
- Member of the Remuneration Committee of Ascendi Operadora GL – Operação e Manutenção Rodoviária, S.A.
- Member of the Remuneration Committee of Ascendi Operadora PI, Operação e Manutenção Rodoviária, S.A.
- Member of the Remuneration Committee of LUSOPONTE – Concessionária para a Travessia do Tejo S.A., em representação da Ascendi Group, SGPS, S.A
- Member of the Remuneration Committee of ME Real Estate – Mota-Engil, Real Estate Portugal, S.A.
- Member of the Remuneration Committee of Mota- Engil, Ambiente e Serviços, SGPS, S.A
- Member of the Supreme Council of Suma – Serviços Urbanos e Meio Ambiente, S.A.
- Member of the Supreme Council of Tertir – Terminais de Portugal, S.A.
- Member of the Supreme Council and Supervisory Board of Mota-Engil, Angola, S.A.

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

He does not perform any duties in companies outside of the Mota-Engil Group

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Arnaldo José Nunes da Costa Figueiredo (Deputy-Chairman)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Non-executive director of Martifer, SGPS, SA
- Chairman of the Board of Directors of Mota-Engil, Indústria e Inovação, SGPS, SA
- Chairman of the Board of the General Meeting of Mercado Urbano – Gestão Imobiliária, SA

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Member of the General Council of AEM – Associação de Empresas Emitentes de Valores Cotados em Mercado

Maria Manuela Queirós Vasconcelos Mota dos Santos (Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Manager 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 Transixex- Transitos da Extremadura, SA
- Member of the Remuneration Committee of Áreagolfe – 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 Construções, SA
- Member of the Remuneration Committee of Sedengil – Sociedade Imobiliária, S.A.
- Member of the Remuneration Committee of Sadoport – Terminal Marítimo do Sado, SA
- Member of the Remuneration Committee of Sadoport – Terminal Marítimo do Sado, SA
- Member of the Remuneration Committee of Tertir – Terminais Portuários, SGPS, SA
- Member of the Remuneration Committee of Vibeiras – Sociedade Comercial de Plantas, SA

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- 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 Administração da 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 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)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- 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, S.A.
- 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 SLPP – Serviços Logísticos de Portos Portugueses, SA
- Manager of Edifícios Galiza – Sociedade Imobiliária, Lda.

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Vice-Chairman 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 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)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Chairman of the Board of Directors of RTA – Rio Tâmega, Turismo e Recreio, SA
- Chairman 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.
- 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.
- Member of the Supreme Council and Supervisory Board of Mota-Engil, Angola, S.A.

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Member of the Board of Directors of Administração da 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.

03. Report on Corporate Governance Practices



Ismael Antunes Hernandez Gaspar (Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Chairman of Board of Directors of Mota-Engil, África, SGPS, SA
- Chairman of Board of Directors of Mota-Engil, Engenharia e Construção África, S.A.
- Chairman of Board of Directors of Mota-Engil-Opway Mexicana, S.A. de CV
- Chairman of Board of Directors of TERGEP, SGPS, S.A.
- Vice-Chairman of Board of Directors of Mota-Engil, Ambiente e Serviços, SGPS, SA
- Vice-Chairman of Board of Directors of Mota-Engil, Engenharia e Construção, S.A.
- Member of the Supreme Council and Supervisory Board of Mota-Engil, Angola, 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 Mota-Engil, África, B.V.
- Member of the Supervisory Board of Mota-Engil, Central Europe, S.A.
- 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 Bergamo AS

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- 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)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- 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 Martifer, SGPS, S.A.
- Director of Mota-Engil Brand Management, B.V

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Does not perform any duties in companies outside the Mota-Engil Group

Maria Isabel da Silva Ferreira Rodrigues Peres (Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Member of the Board of Directors of MESP – Mota-Engil, Serviços Partilhados, Administrativos e de Gestão, S.A.

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Member of the Board of Directors of Fundação Manuel António da Mota
- Member of the Founders Board of Fundação Casa da Música, em representação da Mota-Engil, SGPS, SA
- Member of the Founders Board of Fundação de Serralves, em representação da Mota-Engil, SGPS, SA
- Member of the General Council of EGP – University of Porto Business School, em representação da 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)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Member of the Board of Directors of Mota-Engil, Ambiente e Serviços, SGPS, S.A.
- Member 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 Central Europe, SGPS, S.A.
- Member of the Board of Directors of Mota-Engil, Engenharia e Construção, S.A.
- Member of the Board of Directors of Tergep, SGPS, S.A.
- Member of the Board of Directors of Tertir – Terminais Portuários, SGPS, S.A.
- Member of the Board of Directors of Mota-Engil America Latina, SAPI de CV (México)
- Member of the Remuneration Committee of ME REAL ESTATE – Mota-Engil, Real Estate Portugal, S.A.
- Member of the Remuneration Committee of Mota-Engil, Ambiente e Serviços, SGPS, S.A.
- Director of Mota-Engil, Latin America, BV

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Member of the Board of Directors of Mota Gestão e Participações – Sociedade Gestora de Participações Sociais, SA

Pedro Manuel Teixeira Rocha Antelo (Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- 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 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.
- 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 Board of Directors of Ascendi, Serviços de Assessoria, Gestão e Operação, S.A.
- Member of Supervisory Board of Mota-Engil, Central Europe, S.A.
- Member of Supervisory Board of Bergamon, a.s
- Member of the Statutory Audit Board of Mota-Engil, Angola, S.A.
- Director of Mota-Engil, Finance, B.V.
- 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 Imobiliária, Lda.
- Manager of Mil e Sessenta, Sociedade Imobiliária, Lda.
- Manager of Mota domus – Sociedade Imobiliária, Lda.
- Manager of Largo do Paço - Investimentos Imobiliários, Lda.

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Chairman of the Board of Directors of Empresa Agrícola Florestal Portuguesa, SA

José Pedro Matos Marques Sampaio de Freitas (Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

- Chairman of the Board of Directors of MESP – Mota-Engil, Serviços Partilhados, Administrativos e de Gestão, S.A.
- Director of Mota-Engil, Finance, B.V.

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Manager of Cerâmica de Boialvo, Lda.
- Member of the Board of Directors of Sunviauto – Indústria de Componentes de Automóveis, SA
- Member of the Board of Directors of Caves da Cerca, S.A.

03. Report on Corporate Governance Practices



Luís Valente de Oliveira (Independent Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

Does not perform any duties in companies of Mota-Engil Group

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Member of the Board 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)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

Does not perform any duties in companies of Mota-Engil Group

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Executive member of the Board of Directors of Sonaecom, SGPS, SA
- Non-executive member the Board of Directors of Banco BPI, SA
- Member of the Board of Directors of EPM, SGPS, SA;
- Non-executive member the Board of Directors of Riopelle, SA
- Non-executive member the Board of Directors of Público Comunicação Social, SA;
- Non-executive member the Board of Directors of Vallis Capital Partners
- Chairman of the Board of Directors of Têxtil Manuel Gonçalves, SA
- Member of the Supervisory Board of Fundação Belmiro de Azevedo

António Manuel da Silva Vila Cova (Independent Member)

Positions in other societies of the Mota-Engil Group, on 31st December 2013

Does not perform any duties in companies of Mota-Engil Group

Positions in other societies outside the Mota-Engil Group, on 31st December 2013

- Member of the Supervisory Board of Banco Finantia



We mobilise talent across the world

Our greatest force is people. A multinational team, mobilised to the several countries where we operate, but united by the same entrepreneurial vision, know-how, skills, talent, and devotion.

Mota-Engil. Building a better future.

+28.000

Collaborators



04.

SUPERVISION REPORTS



MOTAENGIL
SCS, S.A.

+45 Origins

*Nationalities
within the Group*

*Peru / Construction of drains and
subdrains Toromocho*

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.**”, which include the Consolidated Statement of Financial Position at the 31st December 2013, (which evidences a total of 3.773.429 thousand Euro and a total equity of 559.226 thousand Euro, including a consolidated net profit of 50.505 thousand Euro), 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.**”, on the 31st of December 2013, 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, 31st March 2014

Carlos Afonso Dias Leite Freitas dos Santos
Statutory Auditor n.º1314 – Executor

António Magalhães & Carlos Santos
Statutory Auditors Company
represented by the Partner-Director
António Monteiro de Magalhães
Statutory Auditor n.º 179

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 2013, 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.

During the year 2013 the Supervisory Board released under CMVM recommendation III.1.3 of the Corporate Governance Code in force at the time, the process for hiring the external auditor for the next four years which resulted in the hiring of Deloitte & Associados SROC.

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 2013 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, 31 March 2014

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 2013 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 2013, that presents a total of 3,773,429 thousands of Euros and shareholders' equity of 559,226 thousands of Euros, including a net consolidated profit attributable to the Group of 50,505 thousands of 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 2013, 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, 31 March 2014

Deloitte & Associados, SROC S.A.
Represented by Jorge Manuel Araújo de Beja Neves



Mota-Engil
Consolidated
Report &
Accounts
2013

www.mota-engil.com

MOTA-ENGIL
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Alcobendas - Madrid
Spain

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Enterprise & Technology Centre,
Creagh Road
Galway, Ballinasloe
Ireland

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Hungary

MOTA-ENGIL
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Malawi

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Mozambique

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and Lower Road
Sandton 2146 - Johannesburg
South Africa

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721 - Plateau - Praia
Cape Verde

SÃO TOMÉ AND PRÍNCIPE
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Woodlands - Lusaka
Zambia

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Ambassador Hotel
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