ELSAMEX PORTUGAL S.A.

FINANCIAL STATEMENTS

2013

I. MANAGEMENT REPORT

31ST Dec 2013

1. INTRODUCTION

In agreement with the legal disposals established by the Portuguese Commercial Companies Code (Código das Sociedades Comerciais), the Balance Sheet, the Demonstration of Results and the Annexes related to 2013 are sent for your appreciation.

2. CURRENT SITUATION – ANALYSIS OF THE COMPANY'S ACTIVITY IN 2013

The economic recession climate and the global crisis continue, bringing serious damage to civil construction and public works areas. This situation has been affecting the company's performance and the implementation of the company's growth plan.

The processes of re-dimensioning the company's staff and of looking for international market's growth activity have been implemented according to a plan to be adjusted to the kinds of work that have been done.

Our goal for 2013 was to achieve a turnover of € 3 to € 4 Million, therefore gaining similar values obtained in 2011. This objective was not totally achieved, however the company recovered, when comparing the results from the previous year.

The 30% growth allowed us to reach round € 3 Million. The national market's sharped slowdown and the difficulty to put into practice worldwide projects prevented a better result.

The year of 2013 is the first to put into practice works within the IL&FS Group, in a process of bringing together skills directed to the development of two contracts of project in India, in the area of tunnels. Both contracts were effectively started in the last quarter of 2012, were developed during the year of 2013 and will run for the next years in what concerns technical assistance and construction's supervision.

Thus, 2013 is a turning point year. In fact, after following a deep re-dimensioning of the company's structure, in 2013 it was possible to resume the growth process according to the new goals of the global strategy defined by the group in which the company takes part.

In what concerns the procurement of new businesses for the Group in countries of Portuguese-speaking countries, all the work done together with ITNL during 2013 should also be referred to. Applications were submitted to several financing projects in the area of transport infrastructure in Angola and in Mozambique.

The most important aspects of the work done during the year in each business area are as follows:

CONSULTATION & SYSTEMS

The turnover was higher than expected, maintaining the works done for Ascendi and Intevial.

TECHNICAL ASSISTANCE

Technical assistance and geotechnical and ground specialized consultancy is still crucial for the company's core business. The specialized level obtained is an evidence of the international market's affirmation, giving special relevance for the performance in the tunnels' projects in India.

The targets for 2013 in terms of turnover were not achieved. However the performance put into practice is to be highlighted. The high quality showed in these very skilled works were acknowledged by the several involved entities.

MONITORING AND CONTROLLING WORKS

This is the most dependant area as far the domestic market is concerned. The cancelled contracts for road concessions were not resumed and the reduction in turnover increased in 2013.

CENTRAL LAB

The targets were achieved in terms of turnover, but with worse results than expected. The lab in Mozambique is already operational and there is a first quality control contract to start at the beginning of 2014

TECHNOLOGY

The turnover in this area was according to the expectations.

INTERNATIONAL

There was a strong activity together with ITNL/Dubai, regarding the financing projects in Angola and in Mozambique. It is expected to start obtaining results on a short notice and Elsamex PT is expected to obtain new contracts of projects' management in the Group IL&FS.

Our final remarks in terms of subsidiaries and affiliates go to the branch in Mozambique, which has been consolidating its activity, and go to Norvia with its shares held, which is an effective partnership in what concerns the activity developed by both companies.

RESULTS

In 2013 the total amount of services' supply was of € 2.932.805,82 (which represents an increase of 31 % compared to the previous year).

The operational results of € 228.168,47 represent a margin of about 8% of the turnover, significantly higher than the 2% from the previous year and exceeding the 6% reached in 2010 and in 2011.

The net result after tax is € 151.931,42.

Even though the turnover was not as high as it was expected, the operating results were recovered and were higher than in the last three years

Due to the pursuit of targets defined for the restructure and structural re-dimensioning of the company, with additional investments necessary to ensure a stronger presence in the international market, it is suggested (as in previous years) that no dividends' distribution are to be made to shareholders.

The results for the year will therefore be considered Free Reserves.

3. DEBTS TO THE STATE

According to the Portuguese legislation, it is declared that the company does not register any debts whatsoever to the State or to the Social Security Services.

At the end of 2013 the company continues holding 3.500 of its equity, with the nominal value of € 17.500 and registered by the amount of € 35.000. There were no equity transactions during this period.

4. GOALS FOR 2014

The activity plan for 2014 still keeps the objective of increasing the turnover from € 3 M to € 4 M. To consolidate the company's international area of activity is the basis of this goal.

The effective involvement process of the companies from the IL&FS group in setting up the group's global strategy showed in 2013 a first year of probable significant results. These results may be considered positive if we take into consideration the skills development of each company and the desired optimization assured by each of the companies in geographically diversified markets.

As far as our company's development is concerned, we may highlight the following business areas to work on in 2014:

In ***CONSULTATION & SYSTEMS***, we intend to consolidate the know-how acquired and the technology developed for the services provided of inventory and technical assistance to operation and maintenance of road infrastructure. This way we would be reinforcing our presence in the domestic market and looking for opportunities in the international market, within the IL&FS group.

In ***TECHNICAL ASSISTANCE***, our aim is to consolidate within the domestic market the specialised presence in a very specific consultancy area, having as a base the projects' geotechnical component; and to reinforce worldwide the existent skills, in a partnership along with other designers and companies from the group, giving special relevance to the existing know-how in the tunnels project.

As far as ***MONITORING AND CONTROLLING WORKS*** are concerned, we want to maintain a minimal activity in Portugal in order to assure our presence in the market, looking for new projects abroad, particularly in the African market. A special mention goes to our presence in India, where the projects conceived in 2013 will now move on to the next phase, which is controlling works.

In what concerns ***CENTRAL LAB***, our objectives are to consolidate the independent activity in Portugal and to start the works in the new branch in Mozambique.

In ***TECHNOLOGY***, and having as a base its association regarding the Projects' Management ***INTERNATIONAL*** area and the global strategy implemented by the Group, our aim is to ensure that the projects that guarantee a consolidated presence of the company abroad are to happen. A special mention goes for Africa and the Portuguese-speaking countries, Angola and Mozambique, namely.

The bases of the strategic growth plan defined for an average period of time keep highly constrained by the growing activity in the international market. This activity will have to emerge from a consolidation process within the group of a policy that values the existing skills and competences, ensuring its involvement and its complementarity according to a wider range of multidisciplinary projects.

Lisbon, Feb 14th 2014

The Board of Directors,

Chairman – Tomás Maria Santos Rebelo do Espírito Santo

Administrator – David Rivas Lopez

Administrator – Enrique Pérez Rebanal

FINANCIAL STATEMENTS

- **BALANCE SHEET**

Ended on 31.12.2013

Euros

ITEMS	Notes	Dates	
		31.12.2013	31.12.2012
ASSET			
Non-current asset			
Tangible fixed assets	4	136.798,14	239.098,76
Financial investments – Patrimonial Equity Method	5	0,01	0,01
Financial investments – Other methods	5	74.546,06	74.546,06
		211.344,21	313.644,83
Current assets			
Costumers	6	1.574.206,82	1.820.638,03
State and other public entities	12.1	20.512,61	52.718,95
Other receivables	7	284.232,49	399.348,60
Deferrals		12.527,38	13.374,31
Bank deposits and cash	8	263.138,56	34.090,04
		2.154.617,86	2.320.169,93
Total assets		2.365.962,07	2.633.814,76

EQUITY AND LIABILITIES			
EQUITY	9		
Paid up capital		350.000,00	350.000,00
Own shares		(35.000,00)	(35.000,00)
Legal reserve		77.593,98	77.593,98
Other reserves		759.752,85	753.362,73
Retained earnings		162,87	162,87
Adjustments in financial assets		(24.993,54)	(24.993,54)
Net result for the year		151.931,42	6.390,12
Total Equity		1.279.447,58	1.127.516,16
LIABILITIES			
Non-current liabilities			
Funds raised	10	18.359,19	78.845,72
		18.359,19	78.845,72
Current liabilities			
Suppliers	11	741.802,73	487.507,21
State and other public entities	12.2	97.782,21	81.079,90
Shareholders	18.4	27.500,00	75.000,00
Funds raised	10	60.867,56	276.975,95
Other payables	13	140.202,79	150.489,81
Deferrals			356.400,00
		1.068.155,30	1.427.452,88
Total Liabilities		1.068.155,30	1.506.298,60
Total Equities and Liabilities		2.365.962,07	2.633.814,76

- **PROFIT AND LOSS STATEMENT BY NATURE**

Ended on 31.12.2013

Euros

PROFITS AND LOSSES		Notes	Years 2013	2012
Sales and rendered services	+	14	2.932.805,82	2.239.139,13
Operating subsidies	+		6.642,73	
Supply and external services	-	15	(1.712.361,54)	(917.323,48)
Personnel costs	-	16	(840.445,98)	(1.118.739,33)
Impairment of accounts receivable (losses/reversals)	- /+	17	(7.975,00)	(7.930,00)
Other income and gains	+		1.715,90	16.277,80
Operating costs	-		(29.438,31)	(21.166,25)
Results before depreciation, financial expenses and tax	=		350.943,62	190.257,87
Expenses/reversals of depreciation and amortization	- /+	4	(122.775,15)	(154.034,09)
Operating income (before financial expenses and tax)	=		228.168,47	36.223,78
Interests and similar earnings receivable	+			0,08
Interests and similar expenses payable	-	10.1	(10.854,67)	(18.625,31)
Income before taxes	=		217.313,80	17.598,55
Income tax	- /+	12.3	(65.382,38)	(11.208,43)
Net profit	=		151.931,42	6.390,12
Results from discontinued activities (net of tax) included in the net profit				
Net profit attributable to: (2)				
Equity holders from mother-company	+/-			
Minority interests	+/-			
Basic earnings per share	=		2,17	0,09

- **CASH FLOW STATEMENT**

Ended on 31.12.2013

Euros

ITEMS			Notes	Years 2013	Years 2012
Operating activities cash flow – direct method					
Received from costumers		+		3.264.439,18	3.000.414,72
Payments to suppliers		-		(1.575.948,67)	(1.030.398,06)
Payments to employees		-		(537.132,21)	(791.217,85)
Inflow/outflow from operation		+/-		1.151.358,30	1.178.798,81
Payment/receipt of tax year		-/+		21.128,91	(74.680,27)
Other receipts/payments		+/-		(642.481,09)	(973.035,08)
Operating activities cash flow	(1)	+/-		530.006,12	131.083,46
Investment activities cash flow					
Tangible fixed assets				(25.368,79)	
Tangible fixed assets		-		7.771,33	
Investment subsidies				6.642,73	
Investment activities cash flow	(2)	+/-		(10.954,73)	
Financing activities cash flow					
Loans		+			81.000,00
Loans		-		(177.879,79)	(59.801,91)
Amortisation of financial leasing agreements		-		(99.188,65)	(119.413,10)
Interests and similar expenses		-		(12.934,43)	(30.189,35)
Financing activities cash flow	(3)			(290.002,87)	(128.404,36)
Increase/decrease in cash and cash equivalents	(1)+(2)+(3)			229.048,52	2.679,10
Effect of currency exchange differences		+/-			
Cash and equivalents at the beginning of the period		+/-		34.090,04	31.410,94
Cash and equivalents at the end of the period		+/-		263.138,56	34.090,04

- **CHANGES IN EQUITY STATEMENT**

Ended on 31.12.2012

Euros

DESCRIPTION		NOTES	Paid-up capital	Own shares	Supplementary payments and other forms of equity	Share issuance premiums	Legal reservations	Other reservations	Retained earnings	Adjustments on financial instruments	Other equity variations	Net profit for the period	Total equity
FINANCIAL POSITION AT THE BEGINNING OF 2012	6		350.000,00	(35.000,00)			77.593,98	656.198,65	162,87	(24.993,54)		97.164,08	1.121.126,04
CHANGES IN THE PERIOD													
Other equity changes								97.164,08				(97.164,08)	
	7							97.164,08				(97.164,08)	
NET PROFIT OF THE PERIOD	8											6.390,12	6.390,12
ENTIRE RESULT	9=7+8											(90.773,96)	6.390,12
TRANSACTIONS WITH EQUITY HOLDERS WITHIN THE YEAR													
Distributions													
	10												
FINANCIAL POSITION AT THE END OF 2012	1=6+7+8+10		350.000,00	(35.000,00)			77.593,98	753.362,73	162,87	(24.993,54)		6.390,12	1.127.516,16

Ended on 31.12.2013

Euros

DESCRIPTION		NOTES	Paid-up capital	Own shares	Supplementary payments and other forms of equity	Share issuance premiums	Legal reservations	Other reservations	Retained earnings	Adjustments on financial instruments	Other equity variations	Net profit for the period	Total equity
FINANCIAL POSITION AT THE BEGINNING OF 2013	6		350.000,00	(35.000,00)			77.593,98	753.362,73	162,87	(24.993,54)		6.390,12	1.127.516,16
CHANGES IN THE PERIOD													
Other equity changes								6.390,12				(6.390,12)	
	7							6.390,12				(6.390,12)	
NET PROFIT OF THE PERIOD	8											151.931,42	151.931,42
ENTIRE RESULT	9=7+8											145.541,30	151.931,42
TRANSACTIONS WITH EQUITY HOLDERS WITHIN THE YEAR													
Distributions													
	10												
FINANCIAL POSITION AT THE END OF 2013	1=6+7+8+10		350.000,00	(35.000,00)			77.593,98	759.752,85	162,87	(24.993,54)		151.931,42	1.279.447,58

ANNEXES ON THE FINANCIAL STATEMENTS

1. Company identification

ELSAMEX PORTUGAL – Engenharia e Sistemas de Gestão, SA is a public limited liability company, with its location in Rua Quinta das Romeiras, Edifício Eduardo Viana, no. 104 - 5º A, Algés, Portugal.

Its main business centre is located at the same address and its main activity is consultancy and provision of services in the civil engineering area.

The company is held 70% by ELSAMEX INTERNATIONAL, SL, a Spanish-based company, with its headquarters in Parque Empresarial Barajas Park, San Severo, Madrid, Spain.

2. Accounting framework when preparing financial statements

2.1. Accounting framework when preparing financial statements

The financial statements are in agreement with all rules from the National (Portuguese) Accounts Control System – NCS. We should consider part of those rules the Basis for Financial Statements Presentation, the Models for Financial Statements, the Code of Accounts and the Generally Accepted Accounting Principles (NCRF) and Explanatory Guidelines.

Whenever NCS does not respond to particular aspects related to transactions or situations the International Accounting Standard (IAS), adopted under the Regulation (CE) no. 1606/2002, from the European Parliament and Board from 19th July, will be applied accordingly and as follows: IAS, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and SIC-IFRIC interpretations.

Accounting policies and measurement criteria adopted on 31st December 2013 are comparable to those used in preparing financial statements on 31st December 2012.

3. Main accounting policies

Tangible fixed assets

Tangible fixed assets are valued at acquisition cost, deducted from correspondent depreciation and loss by accumulated impairment.

Depreciations are measured after the date in which the goods are available to be used through the straight line method according to the lifespan estimated for each group of goods.

Depreciation rates in use correspond to the following lifespan estimated in years:

Depreciation methods, working life and depreciation rates used in tangible fixed assets	Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets
Lifespan	From 5 to 10 years	4	From 3 to 4 years	From 3 to 8 years
Depreciation rates	From 10% to 20%	25,00%	From 25% to 33,33%	From 12,5% to 33,33%
Depreciation methods	Constant market shares	Constant market shares	Constant market shares	Constant market shares

Significant or relevant changes in lifespan or residual amount were not found, so there was no need to revise any asset depreciation, in a prospective way, in order to think over the eventual new expectations.

Expenses with repair which do not increase assets lifespan nor improve tangible fixed assets are registered as expense in due period. Expenses with inspection and preservation of assets are registered as expense.

Gains or losses resulting from the selling or the disposal of tangible fixed assets are calculated as the difference between the selling price and the carrying amount of the asset at the date of its sale-disposal. They are registered in “Other income and gains” or “Other expenses or losses”.

Financial investments

The item “financial investments – other methods” comprises investments in an invested company in which the company itself does not control (which would happen if the company controlled directly or indirectly 50 % of the votes from the general shareholder meeting or if it controlled its financial and operational policies) nor has any influence (which would happen if the company participated in the financial and operational decisions of the company, which generally happens in investments that represent from 20% to 50% of the company’s asset).

Financial investments are stated at the subtracting cost of any loss by accumulated impairment. Dividends are acknowledged when the payment right is established by the company and are stated at "interest and other similar income".

Financial investments – patrimonial equity method

Investments in associated entities are counted by the patrimonial equity method, except when there are severe and lasting restrictions that jeopardise significantly the ability to transfer funds. If so the cost method shall be used.

Associated entities are those over which the company has significant influence; that is, it has the power to participate in financial and operational decisions. According to patrimonial equity method, investments in associated entities are initially recognised by their cost and the amounts written are increased or decreased in order to establish the part of the company in the associated entity results after the acquisition date. The amounts written are yet adjusted to face changes in the entity's equity. This adjustment is directly attributed in the company's asset.

When the company participates in the entity's losses and these are equal or higher than the investment done (including other accounts receivable – long term), the company stops the recognition of its part of additional losses, unless the company is involved in legal or constructive obligations or done payments to the associated entity.

Gains and losses not transformed into transactions with associated entities are erased in the proportion of the company in its associated entities.

Impairment on equity

As it happens and whenever an event or a change of circumstances show that the amount through which the asset is registered may not be recovered, an evaluation of tangible and intangible fixed assets impairment occurs.

Whenever the registered amount of the asset may be higher than its recovered part, there is a loss of impairment. It is registered in the income statement, in the item called "Impairment of depreciable/amortized investments (losses/reversals)" or in "Impairment of receivable debts (losses/reversals)", as far as non-depreciable assets are concerned.

The recovered amount is the highest between the net selling price and its value in use. The net selling price is the amount that would be obtained from the assets selling, in an independent and consolidated entity transaction deducted from direct selling costs. The value in use is the current value of future estimated cash flows, which are expected to form the asset's continued use and its lifespan selling. The recovered amount is estimated for each asset, individually or, in case that is not possible, to the generated unit of cash flows in which the asset belong to.

The loss reversal by impairment recognized in previous years is registered when losses by impairment previously recognised do not exist anymore or have decreased and they are registered in the demonstration of results mentioned above. The loss reversal by impairment is done until the limit of the amount that would be recognized (free from depreciation or amortization), in case loss by impairment had not been registered in previous years.

Leases

Financial and operational leases are classified according to contracts and not according to their form.

Leasing contracts can be classified as (i) financial leases if through them all the risks and rewards incident to ownership of the leased assets are substantially transferred. Leasing contracts can be classified as (ii) operating leases if through them all risks and rewards incident to ownership are not substantially transferred.

Assets acquired under financial leases as well as their responsibility are considered by the financial method. According to this method, the cost is registered in the asset and its responsibility is registered in the liability; the interests are included in the rent amount; the amortization/depreciation of assets, calculated as referred above, are registered as expenses in the income statement in the period they are related to.

In operating leases, rents referring to goods acquired in this way are recognised as expenses in the income statement in the period they are related to.

Expenses with obtained funding

Expenses with obtained funding are classified as expenses in the income statements of the year, in accordance with an increase assumption.

Provisions

Provisions are recognised when and only when the company has a current obligation (legal and constructive) arising from a past event; when to solve the obligation it needs to spend resources and the amount of that obligation may be reasonably estimated. Provisions are analysed in the date of each financial position statement and adjusted, in order to reflect better disclosure.

Financial instruments

i. *Costumers*

The majority of the sales and provision of services are done in regular credit situations and the costumers bank extracts do not include interests to the costumer.

However there is a significant part of the sales/provision of services that occur in special credit conditions and result from the high specificity of the services provided and from the fact that the costumer may not always be the final client.

In these cases, it is expected that the credit is extended until it meets the final client or main contractor. This situation leads to a wider payment limit, not always predictable at the time of taxation, without being susceptible of interest payment or credit badly stopped.

The same credit conditions are the same in the subcontracted services.

At the end of the year costumers accounts are analysed, in order to evaluate if there is any objective evidence that they will not be recovered. In this case, it is immediately recognised the loss by impairment. Losses by impairment are registered in the sequence of referred events that show and quantify the partial or total amount of the debt that will not be paid. Thus, the entity has market information to makes evidence that the customer is in debt of his/her responsibilities, as well as historical information regarding not received and overdue credit.

ii. *Loans and non-current payable accounts*

Loans and paying bills used in the option NCRF 27 are both registered in the liabilities by their cost.

iii. Suppliers and third partied debts

Debts to suppliers or to third parties are registered by their nominal value, since they do not bear interests and the discount effect is immaterial.

Purchasing is performed in regular conditions, excepting in sub-contract services, in which the same credit conditions are the same as in Customers.

iv. Discounted bills and receivable "factoring" accounts

The entity does not recognize financial assets in its financial statements only when it assumes substantially all the risks and rewards regarding those assets to a third part. If the company does not substantially withhold all risks and rewards regarding those assets, it still recognizes them in its financial statement by registering the amount of money given in liabilities in the item "Loans obtained".

Consequently, customer balances titled by bills discounted and not due and the receiving accounts disposed in factoring at the Balance sheet date, except the factoring without resource operations are recognized in the company's financial statements until it is received.

Contingent assets and liabilities

Contingent assets are possible assets that come from past events and which existence will only be confirmed throughout the occurrence or not of one or more uncertain future events, not in the total control of the company.

These contingent assets are not recognized in the company's financial statements but are mentioned when there is the possibility of an economic future benefit.

Contingent liabilities are defined as: (i) possible bonds coming from past events and which existence will only be confirmed throughout the occurrence or not of one or more uncertain future events, not in the total control of the company; or (ii) current bonds which come from past events but are not recognized because it is not probable that financial resources affecting economic benefits are necessary to settle the bond or that the bond's amount cannot be measured well enough.

Income tax

The expense referring to "income tax" represents the addition of the current tax plus the deferred tax.

The current income tax is calculated according to the company's taxable results and taxation. The deferred tax is calculated according to the temporary difference between assets and liabilities (the carrying amount) and the correct amounts for taxation (fiscal basis).

Assets and liabilities deferred taxes are calculated and evaluated annually, by using legal taxes or announced taxes to be put into practise at the time of the reversed temporary differences.

Assets from deferred taxes are only recognized when there are reasonable expectations of enough future tax profits for its use or in situations where there are temporary taxable differences that compensate the temporary deductible differences by the time of its reversal.

By the end of each year a revision of these deferred taxes is done. These may be really low whenever it is not probable to be used in the future.

Deferred taxes are registered as expenses or income tax, unless they come directly from registered equity values, in which the deferred tax is also registered in the same item.

Revenue

The revenue is only recognizable when the economic benefits from the transaction are to flow for the company.

This revenue coming from the provision of services is recognized with reference to the stage of completion of the provided services at the closing time.

Judgements and estimations

While preparing financial statements, the company has adopted certain assumptions and estimated that affect assets and liabilities, income and expenses. All estimates and assumptions done by the management committee were based on the financial statement's approval, on events and on transactions taking place.

The most significant accounting estimates reflected on the financial statements include: (i) tangible fixed assets useful lifespan; (ii) impairment analysis and receivable accounts.

The estimates were determined based on the best available piece of information at the date of the financing statements, based on the best knowledge and experience in past events and/or current events. Nevertheless, there may be situations in subsequence periods that, even though not predicted to this date, have not been considered. Any changing to these estimates, while occurring after financing statements' date, will be corrected prospectively in the income statement.

4. Tangible fixed assets

Tangible fixed assets information

(Values in euros)

Tangible fixed assets		Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Fixed assets in development	Total
In 01.01.2012	Carrying gross amounts	809.795,73	343.361,59	144.189,59	103.184,89		1.400.531,80
	Depreciation and losses by accumulated impairment	(548.308,28)	(245.974,22)	(130.976,70)	(90.950,09)		(1.016.209,29)
	Carrying net amounts	261.487,45	97.387,37	13.212,89	12.234,80		384.322,51
Additions		1.039,01				7.771,33	8.810,34
Selling, accidents and disposals							
Depreciations		(98.535,96)	(46.042,02)	(6.071,97)	(3.384,14)		(154.034,09)
In 31.12.2012 (01.01.2013)	Carrying gross amounts	810.834,74	293.442,41	144.189,59	103.184,89	7.771,33	1.359.422,96
	Depreciation and losses by accumulated impairment	(646.844,24)	(242.097,06)	(137.048,67)	(94.334,23)		(1.120.324,20)
	Carrying net amounts	163.990,50	51.345,35	7.140,92	8.850,66	7.771,33	239.098,76
Additions		7.360,20		20.723,87	161,79		28.245,86
Selling, accidents and disposals							
Other changes						(7.771,33)	(7.771,33)
Depreciations		(79.521,71)	(33.211,08)	(7.724,42)	(2.317,94)		(122.775,15)
In 31.12.2013	Carrying gross amounts	818.194,94	282.662,17	164.913,46	103.346,68		1.369.117,25
	Depreciation and losses by accumulated impairment	(726.365,95)	(264.527,90)	(144.773,09)	(96.652,17)		(1.232.319,11)
	Carrying net amounts	91.828,99	18.134,27	20.140,37	6.694,51		136.798,14

Details from depreciations considered in tangible fixed asset:

(Values in euros)

Depreciation in tangible fixed assets	Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Total
Accumulated depreciation in 01.01.2012	548.308,28	245.974,22	130.976,70	90.950,09	1.016.209,29
Reinforcement	98.535,96	46.042,02	6.071,97	3.384,14	154.034,09
Sale		(49.919,18)			(49.919,18)
Accumulated depreciation in 31.12.2012 (01.01.2013)	646.844,24	242.097,06	137.048,67	94.334,23	1.120.324,20
Reinforcement	79.521,71	33.211,08	7.724,42	2.317,94	122.775,15
Sale		(10.780,24)			(10.780,24)
Accumulated depreciation in 31.12.2013	726.365,95	264.527,90	144.773,09	96.652,17	1.232.319,11

Depreciation known in results		Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Total
2013	Depreciations recognized in results	79.521,71	33.211,08	7.724,42	2.317,94	122.775,15
2012	Depreciations recognized in results	98.535,96	46.042,02	6.071,97	3.384,14	154.034,09

In 2013 the purchase of tangible fixed assets was quite reduced due to the company's less favourable economic situation and mostly only with renovation, replacement and actualization approach.

Tangible fixed assets financed through financial location contracts are explained in note 10.

5. Financial investments

Information on the financial investment

On 31st December 2013, the financial investments held by the company were:

COMPANY	HEADQUARTER	EQUITY HELD	DATE	METHOD
Norvia, S.A.	Vila Real	8,08%	01.09.1987	Excluded (<20%)
Elsamex Brazil, Ltd.	Barueri, Brazil	63,00%	03.04.2000	Patrimonial equity

COMPANY	INITIAL	RAISE	SELLING	CLOSING BALANCE	%
Norvia, S.A.	74.546,05	0,00	0,00	74.546,05	8,08%
Elsamex Brazil, Ltd	0,01	0,00	0,00	0,01	63,00%
Total	74.546,06	0,00	0,00	74.546,06	

The financial participation in the company Elsamex Brazil Ltd is valued in a cent because the participated company is still presenting negative shareholders' equity.

This participated activity is suspended and we can foresee the participation definite selling, in a medium term or, alternatively, the closing of the company. According to the administration, there are no other responsibilities to register as a result from this participation.

6. Debts receivable

Current accounts customers presented this maturity:

Euros

Current accounts customers Balance by age/maturity	31.12.2013	31.12.12
Until 90 days	909.391,82	1.039.433,94
From 90 to 180 days	147.837,35	193.786,12
From 180 to 365 days	24.564,25	227.092,55
Over a year	492.413,40	360.325,42
Total	1.574.206,82	1.820.638,03

And represented the following breaking up:

Euros

Reconciliation between gross and net quantities	2013			2012		
	Gross amount	Losses by accumulated imparity	Net amounts	Gross amount	Losses by accumulated imparity	Net amounts
Current account customers						
Customers - Mother company						
Customers - Group and associated companies	527.505,31		527.505,31	109.273,31		109.273,31
Customers - related parts	161.154,02		161.154,02	137.224,07		137.224,07
General customers	885.547,49		885.547,49	1.574.140,65		1.574.140,65
Total	1.574.206,82		1.574.206,82	1.820.638,03		1.820.638,03
Customer – doubtful customers	123.761,87	(123.761,87)		115.786,87	(115.786,87)	
Total	1.697.968,69	(123.761,87)	1.574.206,82	1.936.424,90	(115.786,87)	1.820.638,03

Balances and transactions with related parts are detailed in note 18

7. Other receivable accounts

The other accounts subdivide themselves as follows:

Euros

Other receivable accounts	31.12.2013	31.12.2012
A revenue debtor	242.834,78	358.608,00
Other in-debt customers	41.397,71	40.740,60
Total	284.232,49	399.348,60

The balance revenue on 31-12-2013 includes € 35.000 related to works done for the company from IL&FS's group.

8. Cash in hand and bank deposits

Euros

Net financial means present in Balance		31.12.2013			31.12.2012		
		Available quantities in use	Amount unavailable to use	Total	Available quantities in use	Amount unavailable to use	Total
Cashier	Cash	8.586,55		8.586,55	7.133,67		7.133,67
Bank deposits	Demand deposits	104.552,01		104.552,01	26.956,37		26.956,37
	Other bank deposits	150.000,00		150.000,00			
Total		263.138,56		263.138,56	34.090,04		34.090,04

9. Social capital

The social capital of the company is decomposed in 70.000 shares with the nominal value of € 5,00.

Euros

Category of issued shares		Number of shares			Shares nominal value		
		Issued shares		Company´s own shares	Issued shares		Company´s own shares
		Totally paid	Total		Totally paid	Total	
31.12.2013	Ordinary	70.000	70.000	3.500	350.000,0	350.000,0	17.500,00
31.12.2012	Ordinary	70.000	70.000	3.500	350.000,0	350.000,0	17.500,00

The company holds its own shares in the amount of € 17.500,00.

€ 17.500,00 were paid as an issuing premium for these shares' acquisition.

10. Funding obtained

As obtained funding is concerned, the information is as follows:

Euros

Funding obtained	2013	2012
Non-current liabilities		
Leasing Contract	18.359,19	78.845,72
Total	18.359,19	78.845,72
Current liabilities		
Leasing Contract	60.867,56	99.096,16
Bank financing		177.879,79
Total	60.867,56	276.975,95
Totals	79.226,75	355.821,67

The company's main financing source, beyond the fixed assets' acquisitions through leasing contracts, consists of bank financing, under secured current accounts, annually renegotiated, which registered the following contracted and used amounts:

Euros

Bank loans	31.12.2013		31.12.2012	
	Credit limits	Amounts used	Credit limits	Amounts used
CC MILLENNIUM BCP	75.000,00		75.000,00	35.000,00
CC BES	100.000,00		100.000,00	93.000,00
CC CGD	49.879,79		49.879,79	49.879,79
Total	224.879,79		224.879,79	177.879,79

Despite the negative situation in what concerns getting a bank loan, it is not expected to occur at the renovation dates any negative change concerning the hired credit limits or any significant changes in the financing conditions, namely in credit spreads.

The financing amount obtained, considered as non-current liability, concerns exclusively in-debt amounts, and it is related to financial lease contracts, which maturity is over a year term.

In-debt maturity amounts referring to financial lease contracts are as follows:

Euros

Reconciliation between minimum future financial lease payments and its present amounts	31.12.2013			31.12.2012		
	Leasing minimum future payments	Difference between minimum future payments – Net financial expenses	Current amounts at the Balance date for leasing minimum future payments	Leasing minimum future payments	Difference between minimum future payments – Net financial expenses	Current amounts at the Balance date for leasing minimum future payments
Until a year	62.857,56	1.990,00	60.867,56	103.099,56	4.003,40	99.096,16
From 1 to 5 years	18.952,59	593,40	18.359,19	81.437,16	2.591,44	78.845,72
Total	81.810,15	2.583,40	79.226,75	184.536,72	6.594,84	177.941,88

Assets details financed by leasing contracts:

Euros

Assets being financed through leasing contracts	Financial leasing contracts into force				2013	2012
	Rental agent	Contract ID	Due term contract		Net amounts written from leased assets on 31-12-2013	Net amounts written from leased assets on 31-12-2012
			Starting term	Ending term		
Lab equipment	Barclays	916387	08-04-2009	08-04-2014	3.458,96	17.294,80
Lab equipment	Caixa Leasing	342019	20-07-2008	20-07-2013	15.953,47	3.787,00
Renault Kangoo 98-JC-51	Barclays	1018269	14-05-2010	14-05-2014	920,43	3.680,85
Renault Kangoo 49-JF-09	Caixa Leasing	100010684	01-07-2010	01-07-2014	1.302,48	3.906,02
RENAULT MEGANE 36-JX-20	Caixa Leasing	100043431	20-12-2010	20-12-2014	4.784,31	10.003,56
Renault Clio 1.5 Dci 45-LN-94	Caixa Leasing	100047783	10-04-2011	10-04-2015	3.709,35	6.676,83
Renault Clio 1.5 Dci 46-LN-59	Caixa Leasing	100047783	10-04-2011	10-04-2015	3.709,35	6.676,83
Renault Clio 1.5 Dci 46-LN-62	Caixa Leasing	100047783	10-04-2011	10-04-2015	3.709,35	6.676,83
Lab equipment	Caixa Leasing	100047002	20-03-2011	20-03-2016	31.900,54	44.249,14
				Total	69.448,24	177.041,72

10.1. Obtained financing costs

Funds of costs related to leasing contracts are recognised in the income statement to which they refer to, respecting the principle of statements specialization.

Cost funds were as follows:

Euros

Funds of costs obtained paid during the year	2013	2012
Interests paid from bank loans	7.095,81	10.954,99
Interests paid from financial leasing contracts	3.758,86	7.670,32
Totals	10.854,67	18.625,31

11. Debts payable to suppliers

Debts payable to suppliers are as follows:

Euros

Debts payable to suppliers	31.12.2013	31.12.2012
Suppliers - Mother company	190.237,49	69.443,00
Suppliers - Group and Associated companies	80.099,36	148.460,64
Suppliers - Other related parts	327.840,97	156.685,94
Current suppliers	143.624,91	112.917,63
Totals	741.802,73	487.507,21

And maturities are as follows:

Euros

Supplier balance by age/maturity	31.12.2013	31.12.2012
Until 90 days term	416.363,13	218.541,36
From 90 to 180 days term	28.750,10	32.330,85
From 180 to 365 days term	206.131,93	137.289,96
Over a year	90.557,57	99.345,04
Totals	741.802,73	487.507,21

Balances and transactions' details are explained in note 18.

12. State and other public entities

12.1. Debts receivable by the state and other public entities

Euros

Debts receivable by the state and other public entities	31.12.2013	31.12.2012
IRC (Code Taxation and Revenue Authorities) Withholding taxes	2.160,99	2.160,99
IRC (Code Taxation and Revenue Authorities) Payments on account	5.091,00	37.824,00
Adjustments on VAT (Value-added tax)	120,53	61,14
VAT to Recover Mozambique Delegation	13.140,09	12.672,82
Total	20.512,61	52.718,95

12.2. Debts payable to the State and to other public entities

Euros

Debts payable to State and other public entities	31.12.2013	31.12.2012
IRS/IRC Withholding taxes	8.739,59	6.699,68
IVA	9.614,26	45.677,29
Social Security Services	14.045,98	17.494,50
Income tax	65.382,38	11.208,43
VAT regularisation		
Total	97.782,21	81.079,90

12.3. Income tax

Euros

Amounts from the main components (expenses)/tax expense			2013			2012		
			Income statements	Other items from equity investment	Total	Income statements	Other items from equity investment	Total
Adjustments recognized in period from current period taxes		1						
Income tax year	Current tax	2	65.382,38		65.382,38	11.208,43		11.208,43
		3						
Tax on the income from the period		4=2+3	65.382,38		65.382,38	11.208,43		11.208,43
Total		5=1+4	65.382,38		65.382,38	11.208,43		11.208,43

Accountable profit and tax expenses/(income) statement					2013		
			Base	Tax	Base	Rate	Tax
Accountant profit product (pre-tax results) times the applicable tax rate	Net earnings for the period		1	-	151.931,42		
	Income tax expenses (income)		2	-	65.382,38		
	Profit before tax		3=1+2	3	217.313,80	25%	54.328,45
Adjustment for the taxable profit	Definite differences	Raise...	4		6.674,20	25%	1.668,55
		Deduct...	5				
Profit (tax loss)			8=3+4-5+6-7		223.988,00	25%	55.997,00
Taxable amount / tax to be collected			10=8-9		223.988,00	25%	55.997,00
Other tax components	Additional taxation		12		63.655,65	5% 10% 50%	6.025,56
	Over tax		12		223.988,00	1,50%	3.359,82
	Down rate		12			12,50%	
Current tax liability			3	13=10-11+12	217.313,80	30,09%	65.382,38
Expenses (income) from taxes and medium effective tax			3	16=13-14-15	217.313,80	30,09%	65.382,38

13. Other payables

Other payables are as follows:

Euros

Other payables	31.12.2013	31.12.2012
Creditors for over-expenses	86.057,82	143.697,90
Debts to staff	22.152,80	2.482,49
Other creditors	31.992,17	4.309,42
Total	140.202,79	150.489,81

Debts to staff follow the agreement celebrated with an employee for phased financial compensation, referring to rescission of contract.

14. Sales and provided services

The company's activity consists of providing services.

Provided services are subdivided as follow:

Euros

Provided services	2013	2012
Domestic territory	1.512.707,22	1.270.675,63
Extra-European Community territory	1.420.098,60	968.463,50
Total	2.932.805,82	2.239.139,13

15. Supply and external services

The main component in supplies and external services is related to contracts.

The decomposition of supplies and external services was as follows:

Euros

Supplies and external services	31.12.2013	31.12.2012
Sub contracts	1.334.965,81	499.885,58
Specialized works	43.607,77	19.685,83
Petrol	41.731,72	60.073,90
Rent and leasing	81.514,53	142.479,00
Conservation and repair	19.487,60	33.016,22
Travel and accommodation	60.692,07	63.174,06
Fees	49.994,37	13.278,66
Other European Social Funds	80.367,67	85.730,23
Total	1.712.361,54	917.323,48

There has been a huge increase with subcontract expenses, due to a bigger complementarity and involvement with other companies, regarding a wide and multidisciplinary set of projects.

The expenses with rents and leasing contracts include operational locations which are classified as such whenever risks and advantages related to located goods are not transferred.

Operational leasing is exclusively related to vehicles as followed:

Operational leasing and sublease and leasing and sublease payments recognized as expenses	Operational leasing into force				2013	2012
	Leasing agent	Contract ID	Lease term		Minimum leasing payment	Minimum leasing payment
			Start	End		
Renault Kangoo 2	ARVAL	5975	04-03-2010	04-03-2013		873,36
Renault Kangoo Express 2	SANTANDER	3325	09-07-2010	31-05-2013		1.516,44
Renault Kangoo Express 1,5DC	SANTANDER	4178	30-08-2010	04-09-2013	377,31	3.778,83
Renault Kangoo 1,5 DCI 70CV	MULTIRENT	2011.003975.01	09-08-2011	08-08-2013		2.352,00
Renault Kangoo 1,5 DCI 70CV	LOCARENT	45701	05-08-2011	05-08-2013		2.568,00
Total					377,31	11.088,63

Euros

Future (payments)/minimum future non-cancellable leasing/subleasing operational cash inflows	31.12.2013 Minimum future payments from operational non-cancellable leasing	31.12.2012 Minimum future payments from operational non-cancellable leasing
Until a year	377,31	11.088,63
From 1 to 5 years		
Total	377,31	11.088,63

16. Expenses with staff

Expenses with staff were as follows:

Euros

Expenses with staff	2013	2012
Social bodies payment	59.664,28	59.084,89
Staff payment	650.316,71	879.592,38
Fees with payments	114.920,85	162.072,04
Insurance against accidents at work and professional diseases	5.033,43	6.199,92
Other expenses with staff	10.510,71	11.790,10
Total	840.445,98	1.118.739,33

During 2013 there was a significant decrease of staff expenses, as a result from the company's re-dimensioning process, according to a plan to be adjusted to the kinds of work to be done.

The average and total number of employees during the year were as follows:

Number of staff analysis	2013				2012			
	Average number		31.12.2013		Average number		31.12.2012	
	Men	Women	Men	Women	Men	Women	Men	Women
Senior management	3		3		3		3	
Middle management	12	1	10	1	14	2	12	2
Non-qualified employees	6		5		20		10	
Administrative personnel		3		3		3		3
Others								
Total	21	4	18	4	37	5	25	5

According to Management Key Personnel, see note 18.2

17. Assets impairment

At the end of the year an asset impairment analysis was made and they were recognized in the income statement of the year as follows:

Euros

Impairment losses amounts and respective reversals recognized during the year			Customers	Total
2013	Impairment losses recognized in results	Raises	7.975,00	7.975,00
		Reversals		
		Total	7.975,00	7.975,00
2012	Impairment losses recognized in results	Raises	7.930,00	7.930,00
		Reversals		
		Total	7.930,00	7.930,00

18. Related parts

18.1. Relationship with Mother-companies

Immediate Mother Company:

ELSAMEX INTERNATIONAL, SL
Parque Empresarial Barajas Park, San Severo, Madrid, Spain

18.2 Management Key Personnel payments

Euros

Management Key Personnel	2013	2012
Management Key Personnel payments	59.664,28	59.084,89
Company's obligations	12.263,46	9.358,74
Total	71.927,74	68.443,63

This amount essentially refers to earnings paid to Key Personnel.

18.3 Transaction between related parts.

Euros

Transactions between related parts		2013		2012	
		Sales	Services purchase	Sales	Services purchase
Mother Company	ELSAMEX INTERNACIONAL, SL		432.633,89		69.443,00
	Subtotal		432.633,89		69.443,00
Associated Companies	ELSAMEX, S.A.	4.648,13	105,82		
	Intevial	347.203,61	224,52	320.768,68	
	Ciesm		143.172,63		139.151,43
	Subtotal	351.851,74	143.502,97	320.768,68	139.151,43
Other related parts	IL&FS	848.768,25		192.562,00	
	Norvia, S.A.	433.182,22	561.784,37	303.289,10	261.018,85
	Sub total	1.281.950,47	561.784,37	495.851,10	261.018,85
Total		1.633.802,21	1.137.921,23	816.619,78	469.613,28

The amount of sales with related companies comprises works made but not yet been paid in the amount of € 35.000,00 to IL&FS and 119.275,00 to Norvia, S.A.

Amounts from pending balances with related parts, respective impairment accumulated losses and recognized expenses related to non-chargeable debts or to doubtful clients from related parts		2013				2012			
		Pending balances in 31.12.2013		Impairment losses related to pending balances		Pending balances in 31.12.2012		Purchase services	
		Receiving	Paying	Reinforcements or reversals	Amounts accumulated at the end of the year	Receiving	Paying	Reinforcements or reversals	Amounts accumulated at the end of the year
Mother Company	ELSAMEX INTERNACIONAL, SL		(190.237,49)				(69.443,00)		
	Sub total		(190.237,49)				(69.443,00)		
Associated	Ciesm		(38.233,54)				(117.167,85)		
	Elsamex, S.A.	3.188,13	(105,82)			250,00	(1.710,00)		
	Intevial	44.853,43				124.023,31			
	Progescan		(41.760,00)				(41.760,00)		
	Sub total	48.041,56	(80.099,36)			124.273,31	(160.637,85)		
Other related parts	IL&FS	514.463,75				192.562,00			
	Norvia, S.A.	280.429,02	(327.840,97)			137.224,07	(156.685,94)		
	Sub total	794.892,77	(327.840,97)			329.786,07	(156.685,94)		
Total		842.934,33	(598.177,82)			454.059,38	(386.766,7)		

Beyond transactions with the Mother Company, Elsamex International, SL, it is relevant to reinforce the strategic partnership with the company Norvia – Consultores de Engenharia, S.A., in what sharing the necessary know-how and complementing services are concerned.

2013 showed the collaboration consolidation started in 2012 with the associated INTEVIAL, S.A.

In all services done or acquired with related parts, normal market rates are applied.

18.4 Debts to shareholders and partners

At the end of the year, the balance in debt to shareholders and partners was in the amount of € 27.500,00 related to dividends to be reimbursed and referring to 2009.

The company, with the shareholders' agreement, is waiting for a more favourable moment in terms of cash management to do the payment.

19. Required Information by legal diploma

19.1 Fees charged by statutory auditors

Statutory auditor: RSM PATRÍCIO, MOREIRA, VALENTE & ASSOCIADOS, SROC

NIPC: 501612181

Euros

Fees charged by statutory auditors	2013		2012	
	Fees charged	Total	Fees charged	Total
Statutory audit	5.000,00	5.000,00	5.000,00	5.000,00
Total	5.000,00	5.000,00	5.000,00	5.000,00

20. Other information

20.1. Responsibilities for given guarantees

There are responsibilities for given guarantees, hired from banks, and which respect good valued work and the fulfilment of contractual obligations.

By the end of the year this was the situation:

Euros

Responsibilities for contractual guarantees		2013
Issuing Bank	Name of the beneficiary	Value
Millennium BCP	PETROGAL	3.500,00
Millennium BCP	Aplicação Urbana V	15.321,00
Millennium BCP	BCR	3.456,95
Millennium BCP	BCR	3.990,00
BES	ITN	605,00
BES	ITN	425,00
BES	ITN	494,50
BES	ITN	450,00
BES	ITN	559,37
BES	ITN	471,15
BES	ITN	375,00
BES	BCR	4.678,00
BES	BCR	3.193,80
BES	AFROENG	99.000,00
Caixa Geral Depósitos	INTEVIAL	95.000,00
	Total	231.519,77

20.2 After the Balance Sheet closed

There were no relevant material issues after the Balance Sheet closing date. Thus, the financial statement of the year ended on the 31st December 2013 was approved by the management body and therefore authorized to be issued on 14th February 2014.