



# Annual Report & Accounts '09

ENSULMECI Gestão de Projectos de Engenharia

ensulmeci   
esfera engenharia

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**Message from  
the Chair of  
the Board  
of Directors**





**Carlos Francisco Diniz da Costa**

*The year 2009 was marked in ENSULMECI essentially for initiating and implementing a group of projects of great importance in the priority sectors of recognised strategic importance, as is the case, specifically, of the petrochemical industry and energy production, both thermal and hydropower.*

*It was the culmination of a deep and thorough process of preparation and internal reorganisation, which enabled the Company to grow in size, strengthen technical skills, focus on innovation and diversification, expand the capacity of analysis and intervention in the markets, duly equipping it to give appropriate responses to the guidelines that were set giving priority to its entry into niche markets, construction, segments and clients with a high level of demand, who call for expertise and favour versatility.*

*The experience and skills acquired, the partnerships we have established with key partners who trust us and acknowledge the added value of our participation and the positive and encouraging results that this entails, lead us to take a wide-ranging look at the whole geographical markets, from the point of view of internationalisation, replicating and developing on the outside the capabilities that we exercise internally.*

*To extend the borders in segments in which we are positioned, it is essential to have scale, expertise and*

*critical mass to understand the ways of the future and seize opportunities opening up in the light of new needs and requirements dictated by the qualitative evolution of the parameters of community life, particularly in large population centres, where people eagerly await being presented with integrated, innovative solutions to problems and concerns which are now given particular attention, such as in the areas of mobility, energy saving, environmental protection and infrastructure.*

*We are prepared to face the future with confidence and tranquillity and to overcome the depressive cycles in the global economy, because we are well aware of market developments and needs, because we have not stagnated or become complacent, because we remain completely willing to keep treading the path of change, because we have ensured that we are in possession of appropriate skills and qualifications, because we are associated with credible partners who respect and value us, because we work comprehensively and seriously abroad, be it through the creation of our own local and permanent structures*

*(France, Timor, the Republic of Ireland and, in the future, Angola), or with a temporary presence in various parts of the globe where we are able, at times, to provide our services and put our solutions into practice, and especially because we can still rely on the combined efforts of the entire company and its employees, who are totally committed, motivated and organised to fully achieve the objectives we set ourselves.*

*To successfully attain the goals we set, it is always important to be supported by shareholders, especially when, as happened in this period, we have to face an external environment and market conditions that are particularly demanding and disturbing.*

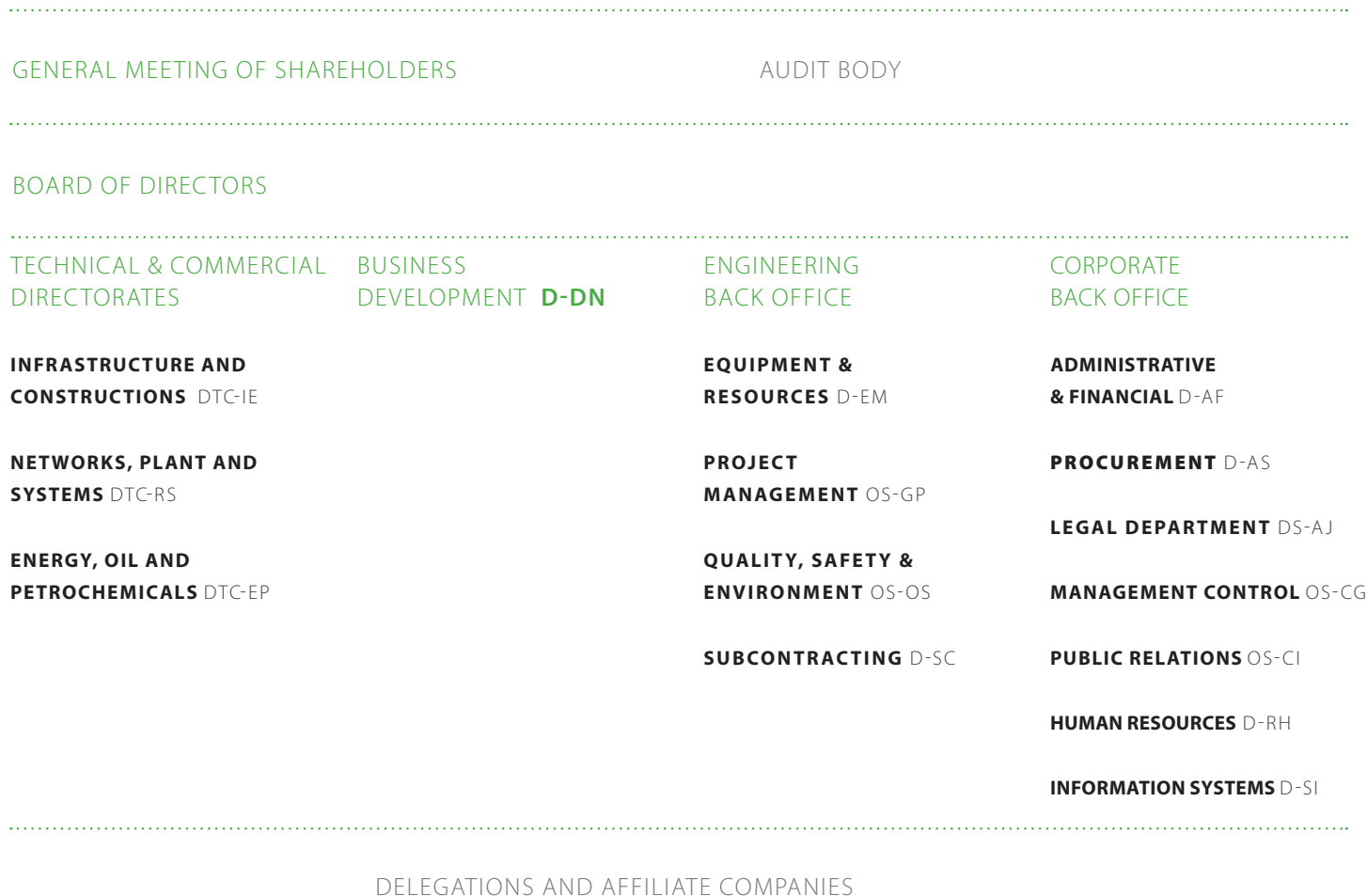
*The mandate of the present Board of Directors, elected for the 2007-2009 period, is now coming to an end, and I express my sincere gratitude to all members, who have always collaborated in an exemplary and highly competent way, and have been responsible, loyal and united.*

# 01

## Introduction



# 01 Organisational Chart



# 02

## Corporate Bodies



## 02 Corporate Bodies

### BOARD OF THE GENERAL MEETING

#### **CHAIRMAN**

Jorge Manuel Bonifácio  
Pedroso de Almeida

#### **DEPUTY CHAIRMAN**

António José Marçal Martins

#### **COMPANY SECRETARY**

António José Lucas Silvio Casal

### BOARD OF DIRECTORS

#### **CHAIRMAN**

Carlos Francisco Diniz da Costa

#### **BOARD MEMBERS**

Antonio Jorge Aldinhas Ferreira  
Domingos Gonçalo Soares Sampaio  
Paulo Alexandre Andrade da Silva  
Vitor Manuel Pereira de Almeida

### STATUTORY AUDITORS

#### **AUDITOR**

Armando dos Santos Nogueira

#### **SUBSTITUTE**

António Luís Noras Silvério

# 03

## Directorates and Staff Management Bodies

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## 03

### Directorates and Staff Management Bodies

#### ENGINEERING BACK OFFICE

##### **EQUIPMENT AND RESOURCES**

Jacinto Couto André

##### **PROJECT MANAGEMENT**

Vitor Manuel Alcobia Coelho

##### **QUALITY, SAFETY AND**

##### **THE ENVIRONMENT**

Fernando David Garcês Ferreira  
Quaresma

##### **SUBCONTRACTING**

Jorge Paulo Cunha Gonçalves

#### TECHNICAL & COMMERCIAL DIRECTORATES

##### **INFRASTRUCTURE**

##### **AND CONSTRUCTIONS**

Carlos José da Silva Manique

##### **NETWORKS, PLANT AND SYSTEMS**

Arnaldo José Andrade Gaspar

##### **ENERGY, OIL AND**

##### **PETROCHEMICALS**

Domingos Gonçalo  
Soares Sampaio

##### **BUSINESS DEVELOPMENT**

Luís Miguel Ferreira Varela Pais

# 04

## Directors' Report

In compliance with legal requirements, the Board hereby presents its Annual Report and Accounts for the year 2009



## 04.1 Directors' Report General Indicators

	2007	2008	2009
Production	62,780	149,747	136,096
EBITDA	4,756	6,880	6,500
EBIT	2,862	4,941	4,698
Net Profit	387	220	701
Assets	47,005	119,718	117,533
Liabilities	37,087	101,717	99,857
Own Equity	9,918	18,001	17,675

**GENERAL INDICATORS**, UNITS: THOUSANDS OF EUROS



## 04.2 Directors' Report Macroeconomic Framework

In a context dominated by the gradual easing of the international financial crisis, the Eurosystem projections of December 2009, published in the Monthly Bulletin of the European Central Bank, indicated that economic activity in the euro area returned to positive values in the third quarter of 2009, for the first time since early 2008. In terms of the annual average, after increasing 0.5 per cent in 2008, GDP in the euro area contracted between 3.9 and 4.1 per cent in 2009, and should record a growth in the range of 0.1 to 1.5 per cent in 2010 and between 0.2 and 2.2 in 2011. This favourable trend reflected, in a first stage, the role played by a set of interrelated factors, among which the implementation of budgetary stimulus packages, the replacement of average levels of stocks after the dishoarding registered in the recent past and the growth of international trade were important. On the horizon, the de-phased effects of monetary policy measures and significant efforts to regulate the functioning of the financial system also contribute to the gradual recovery of economic activity. It should be noted, however, that the pace of economic growth is significantly lower than that recorded before the onset of the recession, resulting from the need for balance sheet restructuring in various sectors, particularly reflected in the poor

growth in private consumption in a context where poor levels of job creation are also anticipated.

Economic activity in Portugal showed a sharp drop in the last quarter of 2008, which lasted into the first quarter of the following year. The current projections by the Bank of Portugal point to a downturn of 2.7 per cent in economic activity in 2009, the most severe in decades, followed by a recovery to positive values, anticipating a growth of 0.7 per cent in 2010 and 1.4 per cent in 2011. This evolution is marked by the behaviour of economic activity in the private sector, to the extent that GDP in the public sector is expected to shrink substantially lower than the private sector in 2009 and to record a growth only marginally positive in 2010 and 2011.

At the sectoral level, the current projection comprises a heterogeneous development, with particularly sharp falls in the sectors most sensitive to cyclical fluctuations (construction and manufacturing).

For the manufacturing sector, after a strong downturn in 2009, a return to positive growth rates is projected in 2010 and 2011, as part of the gradual recovery in economic activity globally. This projection reflects the profile of both domestic demand and external demand.

In the construction sector, a downturn is expected throughout the projection horizon, albeit at a



## 04.2 Directors' Report Macroeconomic Framework

progressively lesser pace. This trend is expected to be associated with a systematic decline in both business and residential investment. In 2009, this situation was partially offset by the evolution of public investment, which reflected a set of budgetary stimulus measures.

In the services sector, after a slight downturn in 2009, a gradual recovery is expected during the projection period, reflecting the evolution of household spending and tourism exports. Tourism exports are likely to experience significant growth in 2011, after the sharp downturn of 2009, resulting from the decline in economic activity in advanced economies and in particular in the main countries of origin of tourists.

In terms of the composition of demand, the sharp drop that was observed was felt mainly in exports and investment (about 12 per cent), reflecting the deteriorating outlook for demand.

According to the Bank of Portugal, private consumption was expected to shrink by 0.9 per cent in 2009, after growth of just over 1.5 per cent in the previous two years. The drop in consumption occurred in the context of an increase in disposable income in real terms that was determined largely by the growth of transfers to families and remuneration of work, despite considerable job losses.

The positive impact on disposable income is also noted, due to the strong decline in bank interest rates throughout 2009, given the negative net position of households in terms of interest bearing assets and liabilities.

Projections for the GFCF point to a decline of about 12 per cent in 2009, after a reduction of 1.3 per cent in 2008. This sharp fall in GFCF in 2009 was associated with the profound deterioration of business expectations in relation to levels of demand both domestically and on the destination markets of Portuguese exports in an international context dominated by the sharp downturn in world demand, by abnormally high levels of uncertainty and by the consequent increase in premiums for credit risk. Negative forecasts regarding future levels of demand and the sharp fall in international trade flows also led to a significant reduction in the level of stocks, similar to what happened in other European countries, which implied an abnormally negative contribution of this component to the growth of GDP and increased the fall in investment.

In the context of the significant decline in world trade from the last quarter of 2008, whose most acute phase occurred in the first quarter of 2009, the downturn of exports of goods and services



significantly contributed to the recession that characterised Portuguese economic activity in 2009. Indeed, after a negative change in volume of -0.5 per cent in 2008, there was an unprecedented slowdown in exports in 2009 (-12.5 per cent), associated with a fall in the external demand indicator for companies operating in Portugal of similar magnitude.

For the HICP, the current projection points to a reduction in consumer prices of 0.9 per cent in 2009, anticipating a return to positive growth rates from the beginning of 2010. Indeed, the current projection points to an inflation rate of 0.7 per cent in 2010 and 1.6 per cent in 2011.

The reduction in consumer prices in 2009 was an unprecedented fact in the last three decades and reflected a negative contribution in both energy goods and the non-energy component, which recorded a decline of 8 and 0.2 per cent respectively.

After reaching a monthly average of \$134 per barrel in July 2008, the price of oil went into sharp decline in the second half of the year, particularly in the last quarter, recording a monthly average of \$42 per barrel in December. In 2009, oil prices resumed an upward trend, having been fixed at a value close to \$62 a barrel. Expectations implicit in the futures market point to maintaining a rising trend to \$87 per barrel. In

average annual terms, this profile implies a reduction in the price of oil of \$98 per barrel in 2008 to about \$62 in 2009, followed by a rise to nearly \$80 per barrel in 2010 and \$86 in 2011. Taking into account expected developments in the exchange rate of the euro against the dollar, this profile should lead to an annual average price of a barrel of oil from 44 euros in 2009 (66 euros in 2008), 54 euros in 2010 and 58 euros in 2011.

Regarding the prices of non-energy raw materials, there are indications of a decline of about 12 per cent in the price of foodstuffs and 27 per cent in the remaining non-energy raw materials in 2009, reflecting the impact on prices of the abrupt reduction of expectations of demand. Prices of non-energy raw materials should increase again in 2010 and 2011 (25 per cent and 4 per cent respectively), in a context where a recovery in global demand and hence the demand for raw materials is anticipated.

Employment growth will be marked by the strong economic downturn in 2009, which will tend to have an effect on the demand for labour in 2010, particularly reflecting the usual time lag between the product and the employment cycles. Thus, after a contraction of 2.8 per cent in 2009, employment should shrink by 1.3 per cent in 2010, and be followed by growth of 0.4 per cent in 2011.



## 04.2 Directors' Report Macroeconomic Framework

With respect to labour supply, after a decline in the rate of participation in 2009 and projected for 2010, forecasts are for some reversal in 2011. This development should reflect, in part, a situation of discouraging participation in the labour market. The evolution of the rate of activity, coupled with the low growth in the population of working age, in line with its recent behaviour and a context of population aging, implies a downturn in the labour force in 2009 and 2010 and a growth of around 0.6 per cent in 2011, which contrasts with the average growth of about 1 per cent over the last decade.

The current projections for the Portuguese economy, therefore, point to a recovery in economic

activity, which should grow at moderate levels throughout the projection horizon. This dynamic is based on a gradual dissipation of the financial crisis on the international markets over the projection horizon, and a gradual reversal of the degree of risk aversion on the global scale. These developments will be passed on to the Portuguese economy both by the recovery of external demand for companies operating in Portugal, and the improvement of financing conditions for Portuguese households and businesses, due to the more favourable conditions for access by the banks to markets for wholesale financing, albeit more restrictive than those prevailing in the period immediately preceding the outbreak of the financial crisis.

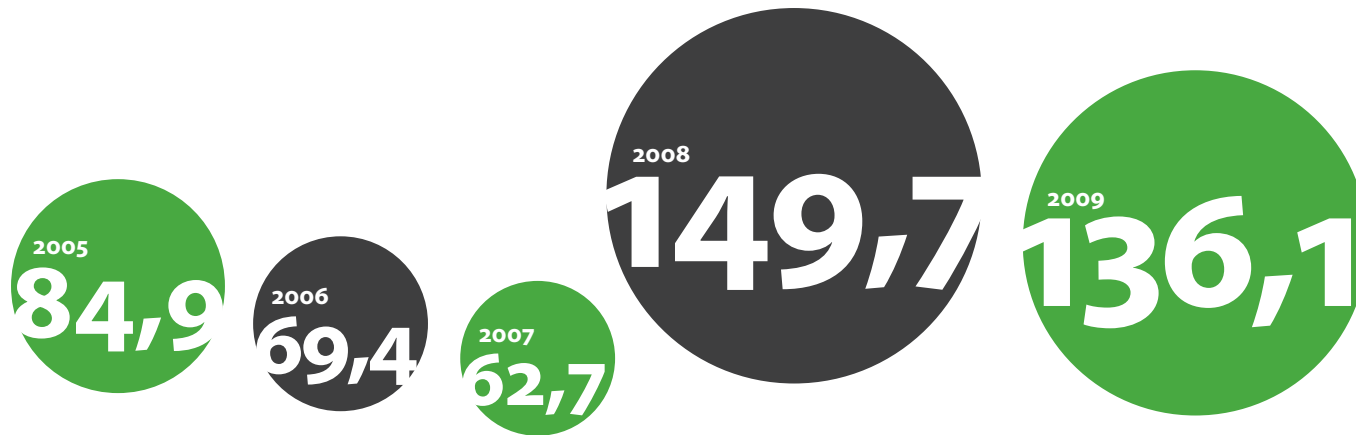


### 04.3 Directors' Report Activity

In 2009, ENSULMECI saw a negative variation in production of 9.1% compared to the previous year (from 149.7 million euros in 2008 to 136.1 million euros in 2009).

This decline in activity resulted primarily from the postponement of the start of certain projects.

This production figure does not include activities undertaken abroad (Spain, France, Ireland and Timor) since it was supported by limited liability companies in each of those countries.



**ANNUAL PRODUCTION EVOLUTION**  
IN MILLIONS OF EUROS.

## 04.3 Directors' Report Activity

### MAIN PROJECTS 2009

In 2009, according to the goals that we had set out, ENSULMECI saw its activity marked by high-value projects started in 2008, and by the start of new ones in areas of great importance both for the company and in terms of significance to the focus of infrastructure in the country.

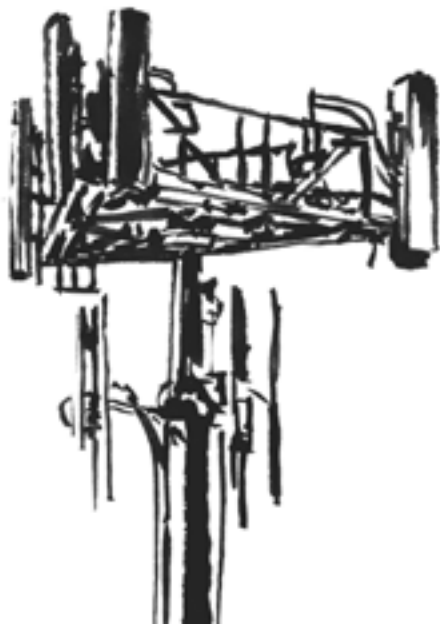
### COMMUNICATIONS

Continuing the activity in recent years, ENSULMECI continued to participate in the national programme of Digital Cities and Regions, thus contributing to the development of the Information and Knowledge Society targets set by Government. The main projects in which the company participated in 2009 were Algarve Digital, Setúbal Peninsula Digital, Almada digital city, Évora Digital Broadband Network, Terras Quentes Community Broadband Digital Network, and others.

There is now a continuation of the various projects under the Digital Cities and Regions, with various requests for the maintenance, expansion and improvement of services (redundant ring network closure) of the networks built.

For Vodafone, ENSULMECI continued with several works in the optical fibre sector, namely the project for the Fibre Optic connection of 50 Telecommunications Base Stations - FTTN (Fibre To The Neighbourhood) in the areas of Lisbon, Almada, Seixal, Setúbal and Faro. This work involves the development of ORAC processes, preparing municipal licensing procedures, construction of underground infrastructure, supply and installation of fibre optic cables and the preparation of records.

In this segment of communications, ENSULMECI initiated a pioneering project that represents a new area of activity, thereby broadening the existing broad portfolio. ENSULMECI was the company chosen by Q-FREE to install its technology in a pioneering project in Portugal for AENOR - Virtual Tolls. The project was started in 2009, and 56 virtual toll sites have been installed. On completion of this work, Q-FREE expressed an interest in continuing to rely on the cooperation of ENSULMECI, and a contract for "Maintenance Services" has already been established.



## **ENERGY**

A central focus of the company, alongside investment in projects in the petrochemical sector, is energy, an area in which ENSULMECI had a wider range of projects in 2009. Besides work on the national grid and gas networks, the company is involved in large-scale projects like the national dams plan and cogeneration plants for PORTUCEL SOPORCEL and the Porto Refinery.

The completion of the contract to design, manufacture, supply, construct, install, commissioning and start-up the PORTUCEL SOPORCEL cogeneration plant is an essential step for increasing the capacity of paper production and is associated with the implementation of the new Portucel Soporcel group's paper mill located in its manufacturing plant. The new cogeneration plant project for the ENSULMECI/Somague consortium, aims to supply steam to the new paper mill of About the Future - Empresa Produtora de Papel S.A., a company in the Portucel Soporcel group, and consists of two gas turbines, two recovery boilers and one steam turbine.

The start of work by the ENSULMECI|ANDRITZ HYDRO consortium, enhancing the power of Bemposta II, marks a milestone for the company, which was also awarded the contract for the new Baixo Sabor

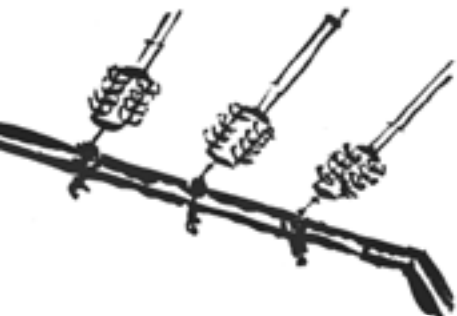
Hydroelectric Plant. In both projects, the work comprises the supply of all equipment for the new hydroelectric plants.

In the area of substations, in which ENSULMECI brings together various skills, it is working on several contracts, including Civil Construction. In 2009, for the National Grid (REN), it was responsible for the construction of a 400/60kV substation in São Lourenço de Mamporcão, Estremoz. Amongst the works that stand out as being most significant are the excavations and embankments for the construction of the substation platform and access road, the building of infrastructure and sunken foundation blocks for electrical equipment, the construction of technical buildings and the peripheral fence, and all the drainage networks and earthing networks.

Besides this project, there were several other construction, remodelling and maintenance contracts in other substations (SSs). The 400/220/60 kV Batalha SS is one of those highly complex projects of deployment on the ground because it involves replacing in-service panels by others to be built on the same site, but with different pitch and without significantly interrupting the supply.



### 04.3 Directors' Report Activity



The expansion of Fanhões-Loures 400/220/150/60kV SS with new panels from the Carregado II and Alto de Mira II 220kV Line, results from the opening of the existing 220kV power line currently established between the Carregado and Carriche SSs. The contract started on the Pereiros 220/60 kV SS includes the partial refurbishment of the panels, which will comprise the replacement of high voltage equipment, including isolators and their controls, circuit breakers, measurement transformers, voltage arresters, high voltage connections from the panel (including connectors, stretchers, etc.) isolator chains, as well as some civil construction works. A set of tests related with HV connections and connections to the earth and also with the electrification works performed are part of the supply.

The conservation project at Tunes SS included the partial refurbishment of the panels, which consisted in replacing high voltage equipment and at Portimão SS the project was to extend the 400/150/60 kV SS.

Finally, a note about the Cascais 60/10 kV SS. This project was aimed at supplying the electrical assembly, testing and commissioning of the new Cascais SS, involving assembly and opening of the new substation. Some work on the Alcoitão SS

was also included relating to the installation and connection of high voltage equipment designed to feed the Cascais SS, and also involving the testing and commissioning of new equipment and the High Voltage Panel itself.

Within the Development and Investment Plan for the National Grid, ENSULMECI was the company responsible for upgrading the 200 kV Carregado-Sacavém line. This project was carried out with the purpose of enabling the use of the line for a maximum temperature of 85°C.

At the Alto Arganil Windfarm, another wind project by EDP, ENSULMECI was the company responsible for the construction of the substation and the medium voltage internal network. This Wind Farm is located in the Serra do Cebola, and stretches for 8km, crossing the municipalities of Arganil and Covilhã. The installation consists of 18 wind turbines with a unit capacity of 2 MW, which amounts to a total installed power of 36 MW. The generators are interlinked through a 20kV internal underground network. The 60/20 kV Substation links the Wind Farm to the EDP Distribuição Electrical Network through a 60 kV overhead line built between it and the REN Substation at Tábua.

## 04.3 Directors' Report Activity

In the gas sector, we would highlight the following projects carried out by ENSULMECI.

The construction of the Leça Industrial Branch, a distance of approximately 23 Km in DN 300 Steel, which will enable the Matosinhos Refinery to be fed Natural Gas at High Pressure. For this work, in addition to the construction of a GRMS and a BV and JCT, a significant number of horizontal drillings are noteworthy, with particular emphasis on the Guided Horizontal Drilling in the vicinity of Sá Carneiro Airport, over a distance of approximately 700m and with a drilling diameter of 630mm, for the REN gas pipelines.

For the same client, ENSULMECI was the company responsible for the construction of the ICJCTs of Ameal, Gaia, Oiã and Roxico.

For Duriensegás, the construction of the infrastructure for natural gas, Type B, i.e. the construction of a secondary distribution network and its branches, in Chaves, a length of approximately 7 km of network and 200 branches to supply customers.

For Lusitaniagás, the continuation of the construction and maintenance contract for the extension of secondary distribution networks and their respective branches, in Area 3, which

encompasses the municipalities of Coimbra, F. da Foz, Montemor-o-velho, Soure and Pombal.

Also for EDPgás, the continuation of the "Existing Market" contract, with the connection in 2009 of approximately 1,800 natural gas customers in the municipalities of Valongo, Paredes, Penafiel and Felgueiras. It should be noted that, in 2009, work started on the construction and maintenance contract of the natural gas distribution networks in the municipalities of Porto, Gaia, Gondomar, Valongo, Paredes, Lousada and Paços de Ferreira. In addition to building and maintaining networks and branches, this contract also includes other types of work, most notably call-out and emergency services, both for the secondary networks and for customer support.

We would also draw attention to the work for the client EDPgás of Systematic Leak Inspection, in distribution networks (primary and secondary) and the respective branches, in the whole of the distributor's concession area, as well as the Maintenance of PRMS (Regulation and Measurement Stations) for 2nd and 3rd class customers of EDPgás.

Finally, for Lisboaagás, we refer to the continuation of the Cascais and Sintra Natural Gas Project, i.e. the

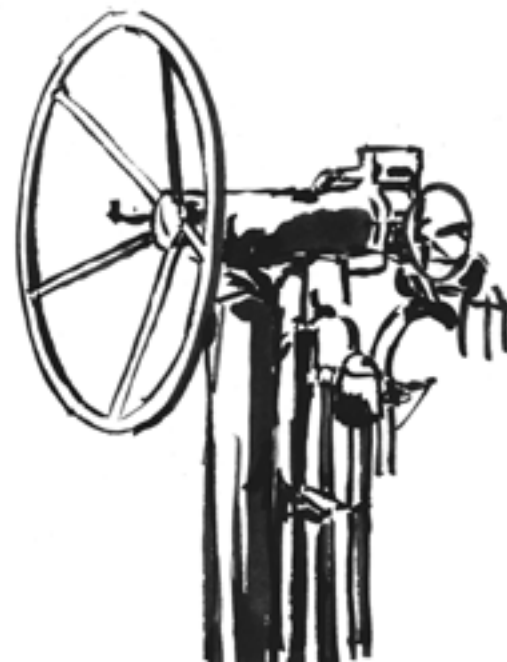


## 04.3 Directors' Report Activity

construction of the infrastructure for Natural Gas, Type C, in the municipalities of Sintra and Cascais, and the connection of about 2500 customers to natural gas.

It is equally relevant to mention the continuation of the contract for Technical Assistance to Lisboagás

customers in the municipalities of Lisbon (West) and Amadora, where an average of 250 interventions are made daily in the context of replacing gas metres, reconnections, cuts and respective gas connections.



#### **GOVERNMENT**

The ENSULMECI has undertaken several jobs for a number of various public entities, in the area of the geo-referenced cadastral maps of hydraulic infrastructures. We would highlight the work of mapping the networks of storm and domestic water, conducting topographical surveys, recording the land registration entries and cleaning and video inspection of sewers by CCTV, for SIMARSUL and Sesimbra City Council.

For ANA – AEROPORTOS DE PORTUGAL, SA, the geo-information solutions are an essential pillar to support decisions and so the work done by ENSULMECI has boosted the improvement of client activity. Of the infrastructure at Flores, Sta. Maria, Madeira and Faro airports, the following stand out: electricity grids, telecommunications networks, water networks, drainage networks, sewerage networks, fuel networks, gas networks. The project also included the integration of data into a GIS application developed for the project (Geomedia).

In 2009 ENSULMECI also increased its activities under the technology partnerships, notably in providing orthorectification and remote sensing software, via the products of PCI Geomatics, which

has more than 15 customers in Portugal, and for whom ENSULMECI is currently the exclusive representative in Portugal.

In 2009, ENSULMECI strengthened its partnerships with European Space Imaging (EUSI) and Eurimage. Keeping abreast of the great momentum that the Angolan market has given in construction of infrastructure, ENSULMECI had a significant increase in requests this year for the supply of High Resolution Satellite Images (HRSI) for many cities in the country, with the purpose of being used as mapping support in the planning of electrical networks.

With more than 10 years' experience in conducting Geomatics work, ENSULMECI has methods and technologies available for undertaking Cartography, Land Registry, Surveying, GIS and Inventory activities, and Registration of infrastructure. In 2009, besides the above, a number of land registry projects have been undertaken, notably the digitisation, geo-referencing and vectorisation of 6000 partial plans for Estradas de Portugal (EP), corresponding to more than 1 million plots expropriated by EP and its predecessors in building the network of national roads. ENSULMECI also began a pilot project for the Inventory and Registration of property for the Instituto da Água



(INAG), covering the whole area of expropriation by the enterprise Hidráulico Odeleite-Beliche, which consists of scanning, geo-referencing and vectorisation of partial plans, and the computerisation of all the expropriation procedures.

#### **INFRASTRUCTURE & CONSTRUCTIONS**

Besides ENSULMECI 's involvement in construction projects in the area of substations, but especially in the Matosinhos and Sines refineries, the company has kept and completed some other projects in the construction area.

In 2009, it continued the private contract (for the client SITH - Sociedade de Investimento Turísticos e Hotelaria, S.A.) for the construction of a 4-star hotel located in Pragal, within the Almada Business Centre, for which design ENSULMECI was also responsible. The hotel is a 9-storey building with 106 rooms, meeting rooms, business centre, bar, restaurant and parking. The work involved carrying out excavations, special foundations, retaining walls, reinforced concrete structure, finishes and special facilities.

In another infrastructure project for the country, ENSULMECI, in consortium with EDIFER, was awarded a

set of three contracts by Parque Escolar, E.P.E. included in the School Modernisation Programme for Secondary Schools. Part of the School Modernisation Programme, the schools where work is taking place are the Secondary Schools of Paços de Ferreira, Maia and Rio Tinto.

In general, the work involves the remodelling of existing facilities, that is their interior redevelopment, improvement of interior and exterior finishes, maintenance of structural conditions, full refurbishment of the electrical, telecommunications, water and sewage infrastructure, construction of new buildings, including science and technology centres, sports venues, and indoor and outdoor multipurpose spaces.

In the upgrading of the Riverfront in Lagos, there are two ongoing contracts for the design and construction of two car parks, conducted by the consortium ENSULMECI, FDO Construções and IRMÃOS CAVACO. The Riverfront Car Park is a development with a construction area of 12,570m<sup>2</sup> and volumetry of 40,000m<sup>3</sup>, in two almost entirely subterranean floors, and three floors to the North. This car park has capacity for 493 vehicles and provides a rooftop recreational and commercial space for the public, which has six modules for bars, benches and a terrace with sunshades.



## 04.3 Directors' Report Activity

The construction for within the building provides all the mechanical and engineering works, including smoke removal (HVAC), water and fire fighting networks, power grid, automatic fire detection, video surveillance system, lifts, generator group and transformer post.

The other venture is the Anel Verde Car Park, comprising three underground floors with a total construction area of 12,569 m<sup>2</sup> and volumetry of 41,223 m<sup>3</sup>. This park has a floor area of 4,164 m<sup>2</sup> and a capacity for 396 vehicles.

### **OIL AND PETROCHEMICALS**

Participation in large Portuguese energy sector projects is one of ENSULMECI'S central challenges. With the planned investment in domestic refineries, the presence of ENSULMECI in major projects in progress on several fronts should be highlighted, thus confirming itself as one of the leading companies within this sector.

Within the project for the Conversion of the Matosinhos refinery, ENSULMECI has several jobs underway for Petrogal S.A./Fluor. Project K018 - VUVB

CIVIL WORKS involves civil construction works on the Vacuum Visbreaker Unit, including excavations, reinforced concrete piles, foundations, blocks for equipment and structures in reinforced concrete and metal, underground drainage channels consisting of precast concrete boxes and gutters and carbon steel pipes, implementation of the whole underground electrical infrastructure, earthing systems, manufacture, raising, positioning and assembly of prefabricated pipe-racks in reinforced concrete enclosed in a metal structure, and landfill and reinforced concrete floors.

Project K030 - SUBSTATION A/Y comprises the works of excavation, foundations and reinforced concrete structure, finishes and internal infrastructure in the substation A/Y building of the Matosinhos Refinery.

Still at the Matosinhos refinery, project K038 - SOUR WATER STRIPPER includes excavation works, foundations, reinforced concrete blocks and structures, all electrical underground and above ground infrastructure (electrical installations, instrumentation and earthing system) and landfill and reinforced concrete floors. It also includes the excavation and controlled landfill for the foundations for a tank; the implementation of retention basin using a reinforced



## 04.3 Directors' Report Activity

concrete wall, waterproofing and reinforced concrete paving, in addition to inter-connection between the main unit and the tank area.

A core infrastructure in the Galp Energia investment programme for the Matosinhos refinery, the construction of a new cogeneration plant at the refinery in Matosinhos and maintenance of the turbogenerators is the responsibility of a consortium formed by ENSULMECI and EFACEC. The new plant will be equipped with two turbines with a capacity for producing 82 MW of electricity and allowing a significant reduction of gas emissions into the atmosphere, particularly CO<sub>2</sub>. This plant will become operational in 2011 and represents a total investment of 110 million euros.

In the conversion of the Sines Refinery for Petrogal S.A./Técnicas Reunidas, the participation of ENSULMECI involves all civil construction works, including excavation, landfill and general earth-moving, implementation of blocks, foundations and reinforced concrete structures in various new processing units, flooring, waterproofing, road layouts, foundations for storage tanks, construction of pipe tracks and storm basin. Besides these works, ENSULMECI is responsible for the construction of three buildings for substations at the Sines refinery, their respective transformers areas and three "Satellite Control Buildings." The work includes setting-out, excavations, reinforced concrete structure, finishes and facilities.



#### **TRANSPORT**

ENSULMECI is involved on many fronts in the Expansion Plan at Lisbon Airport, launched in 2007 by ANA - Aeroportos de Portugal. Having been involved in the construction of the New Cargo Complex, ENSULMECI is the company responsible for the maintenance of special facilities at this new infrastructure at Lisbon Airport.

Another project of great importance for the airport expansion is the construction of new facilities for the GOC (Fuel Operating Group) at Lisbon airport. The works by the MOTA-ENGIL/ENSULMECI/AMAL consortium comprise the construction of fuel tanks for supplying the aircraft and the construction of administrative support buildings. In addition to these infrastructures, the project includes process control and maintenance, electromechanical installations, such as power supply, HVAC, water and drainage networks, fire prevention networks, telecommunication and safety networks, and instrumentation for controlling the whole process of receiving and dispatching fuel, as well as the entire installation.

Still at Lisbon Airport, ENSULMECI is responsible for remodelling medium voltage network and new power supplies to the airport. The aim of the works is to meet current and future power supply needs at Medium and Low Voltage for different centres and installations at the Lisbon Airport complex. And, as well, to rebuild and/or replace components that, due to their age and to the requirements imposed by the expansion of the facility, do not offer guarantees of reliability of the installation consistent with those required, given the nature of the complex. ENSULMECI is also responsible for reformulating the Airport's emergency power supply and ensuring the suitability or replacement of the Low Voltage (QGBT) switchboards.



### 04.4.1 Participated Companies Portuguese

#### MTS – METRO TRANSPORTES DO SUL, S.A

MTS – METRO, TRANSPORTES DO SUL, S.A., in which ENSUL MECI owns shares corresponding to 10.65% of the share capital, is the concessionaire for the design, construction, equipment supply, operation, maintenance and conservation of the whole light-rail metro system on the south bank of the Tagus.

The start of operations for the whole of the 1st phase of the MST network was on 26th November 2008.

In 2009, the company concentrated its efforts on providing a quality service, which has resulted in a steady growth in passenger numbers - in 2009, 6,088,365 were transported and the sale of tickets totalled 2.8 million euros - alongside their loyalty, which is reflected in particular in an increase in the number of passes/add-ons compared to single/

pre-purchased tickets. The assessment of a year of operation therefore provides confirmation that the service offered by MTS represents a new and important development in the transport system on the south bank of the Tagus, a flexible choice of routes for those needing to make trips to Lisbon and Setúbal, increased choice in the modes of transportation to be used, functioning as the favoured mode for the journeys within the municipalities of Almada and Seixal.

Over the coming years, the Concessionaire will maintain its commitment to invest in continuous improvement in the quality of services as a way of increasing passenger numbers for a system that is new in the region and which, increasingly, will be consolidated.



## 04.4.2 Participated Companies International

### FRANCE

The year 2009 was characterised in France, like in other European countries, by State aid in several coordinated measures designed to counteract the negative effects of the global crisis. Early in the year, the French government launched a development plan for infrastructure and transportation, helping to revitalise the economy from the second half of the year.

Even so, this initiative did not stop the turnover drop in public works by about 6% compared to the previous year, and the performance of MECI, wholly owned by ENSULMECI, fitted the general picture.

The fall in selling prices in the sector, in response to a climate of instability, uncertainty in the markets and competitive pressure, was another downside this year, which entailed, during the first half, the loss of some additional short-term contracts for specific works. In 2009, MECI continued to undertake traditional works, through the two French branches in Cournon and Lyon, and it was notable that there was a noticeable development in the turnover in Lyon, up by about 43% over 2008.

Investment in the development of internal skills in 2009 meant that MECI became independent in virtually all business segments in terms of project implementation, thereby increasing its skills for the client GRDF/ERDF.

We emphasise the eligibility for ERDF in Substations, allowing the addition of MECI to the list of national suppliers for this type of service. To this end, MECI carried out a test job in the city of Tours, which was aimed at adapting existing facilities with the assembly of a new transformer (90/20 kVA) to reinforce the power supply to the city.

Another important project was the award of an ongoing contract for the placement of steel valves in networks up to 19 bar without interruption of gas supplies. It was the first external contract of its kind by GRDF, and MECI was one of three French companies to be awarded this project. MECI is responsible for about half of the total valves put out to tender.

Finally, the fact should be noted that, in 2009 and as a result of an audit performed by GRDF, MECI have seen all its Gas Qualifications revalidated.



## 04.4.2 Participated Companies International

### TIMOR

2009 in Timor was marked by the consolidation of political and social structures in a country with only seven years of experience as a democracy. The Alliance of the Parliamentary Majority government completed two years of activity and began the Strategic Planning of major infrastructure projects that this young country badly needs.

This is certainly an important step in the sustained decision to provide the RDTL with the basic resources in Energy, Mobility and Telecommunications. At the end of 2009, Timor, a country that has a wide range of natural oil resources, added more than 5 billion USD to the Petroleum Fund, which enables it to use the Fund as an important source of collateral for future financing of economic development.

In 2009, ENSUL Engenharia S.A., a company under local Timorese law, began or completed several important projects in this country's nine-year history. Examples are the construction of the residence of the President of the

Republic in the Lahane palace, the construction of the headquarters of the military police, the bunker for the Defence Force of East Timor (FDTL) and, especially, because of its complexity and size, the supply and assembly of Phase 6 of the GSM mobile phone infrastructure for Timor Telecom, a project worth more than 3.5 million dollars.

Also, its trading activity in the consumer goods sector was secured with the creation of the "Páteo" own brand, thus differentiating this business in the perception of its customers. Marketing of products in this sector was begun through a new sales channel closer to its customers outside the district of Dili, with remarkable success.

Also in 2009, ENSUL Engenharia altered its human resources structure by consolidating the department for budgeting and commercial assistance. A new sales software solution was implemented and the offices and warehouses were refurbished.

ENSUL Engenharia will have completed 10 years of activity in 2010; it has been there continuously for all the key events in the history of democratic East Timor. It will



## 04.4.2 Participated Companies International

be a time to celebrate with pride and also with confidence because the recent past of Timor, which is closely linked to the key works that ENSUL has completed, enables it to demonstrate that with the capacity and skills of more than two hundred employees, it is ready to face new and ambitious projects in virtually all areas of economic activity in this strategic country in Southeast Asia. It is also in this part of the world that the highest economic growth rates worldwide are forecast.

### IRELAND

On 12 March 2007, MECI - Engineering Project Management Ltd was formed, based in Dublin, Ireland, with a share capital of 5,000 euros fully subscribed by ENSULMECI. This meant the first step in ENSULMECI's internationalisation strategy in English-speaking countries. Its strategic goals comprise the Utility, Energy, Railway and Environment markets.

In 2008, MECI set up a joint venture (50%) with an Irish company for the substation market, and was one of the companies selected by ESB-Networks for a remodelling programme for 38 / 20-10kV distribution substations across Ireland. This contract developed in 2009 with the completion of the Longford substations and the first phase of Ballyjamesduff. In 2010, the Olcastle, Ardenaree and Ballinrobe substations will be built.

In 2009 the joint venture was awarded a second programme contract for the refurbishment of ESB's 110kV substation network, which will be undertaken in 2010 and will consolidate this partnership for the ESB substations market.

The prospect for 2010 will be the consolidation of existing contracts and the boosting of new partnerships in other areas.



## 04.4.2 Participated Companies International

### ANGOLA

PENGEST – Gestão de Projectos de Engenharia de Angola, Lda. was incorporated on 28 November 2009, with a share capital of USD 100,000 (one hundred thousand dollars). ENSULMECI holds 90% of the share capital of this new company, which is based in Luanda, the remaining 10% held by JLF - Sociedade de Construções, S.A.

This is an initial, but decisive step, towards the company developing its business in a rapidly developing country and in the continent of Africa.



## 04.5.1 Economic and Financial Analysis Most Relevant Aspects

The year 2009 was marked primarily by a significant increase in profits, both in absolute terms and in percentage terms, obtained in an adverse macroeconomic environment. However, production showed a decrease of about 9% as a result of postponing the start of some projects of great importance for the company.

The financial structure has remained balanced, despite a general fall under the items of Assets, Liabilities and Equity Capital.

The reduction in the level of bank debt by about 3 million euros, i.e. -6.5% also deserves a special mention.

In 2009, too, there was a further increase in share capital of 6 million euros, by the capitalization of reserves.

One more fact to highlight in this financial year is the extension of the range of integration with the start of activity of ENSULMECI EFACEC - Cogeração do Porto, ACE, created for the construction of the Cogeneration Plant for the Matosinhos Refinery.

In the light of recent changes, the financial year 2009 will be the last to be dealt with under the rules of the Official Audit Plan, and the new Accounting Standards System will be used in future.

ITEMS	2009	2008	VARIATION	
			ABSOLUTE	%
Turnover	136,096	149,677	-13,581	-9.1%
Operating Profit	4,807	2,450	2,357	96.2%
Net Profit	701	221	480	217.5%
EBIT	4,698	4,941	-243	-4.9%
EBITDA	6,500	6,880	-379	-5.5%
Assets	117,533	119,718	-2,186	-1.8%
Liabilities	99,857	101,717	-1,860	-1.8%
Own Equity	17,675	18,001	-326	-1.8%

**PRINCIPAL INDICATORS**, UNIT: THOUSANDS OF EUROS

## 04.5.2 Economic and Financial Analysis Profit and Loss Account

### ECONOMIC INDICATORS

ITEMS	2009	2008	VARIATION	
			ABSOLUTE	%
Income	137,031	154,022	-16,991	-11.0%
Costs	135,517	153,151	-17,634	-11.5%
Operating Profit	4,807	2,450	2,357	96.2%
Pre-tax Profits	1,514	871	643	73.7%
Net Profit for Financial Year	701	221	480	217.5%
EBIT	4,698	4,941	-243	-4.9%
EBITDA	6,500	6,880	-379	-5.5%
Return on Sales	3.53%	1.63%	0	116.7%
Return on Assets	4.00%	0.18%	0	2120.7%
Return on Equity	3.97%	1.23%	0	222.4%

**ECONOMIC INDICATORS.** UNIT: THOUSANDS OF EUROS



## 04.5.2

### Economic and Financial Analysis

#### Profit and Loss Account

#### REVENUE

Revenues in 2009 amounted to 137 million euros. Of the total revenues, 136.1 million euros represent operating income (99.3%) and 0.9 million euros non-operating income (0.7%). The decrease in level of income was less acute in operating income (-9.6%) than in non-operating income (-73.7%).

The fall recorded under operating income was mainly a result of postponing the start of certain relevant projects, which implied an increase in the portfolio for the years ahead.

ITEMS	2009	2008	VARIATION	
			ABSOLUTE	%
Turnover	136,096	149,677	-13,581	-9.1%
Other Operating Profits	4	804	-800	-99.5%
Total Operating Profits	136,101	150,481	-14,381	-9.6%
Financial Profits	311	2,477	-2,166	-87.5%
Extraordinary Profits	620	1,064	-444	-41.8%
Total Non-Operating Profits	930	3,541	-2,611	-73.7%
Total Profits	137,031	154,022	-16,991	-11.0%

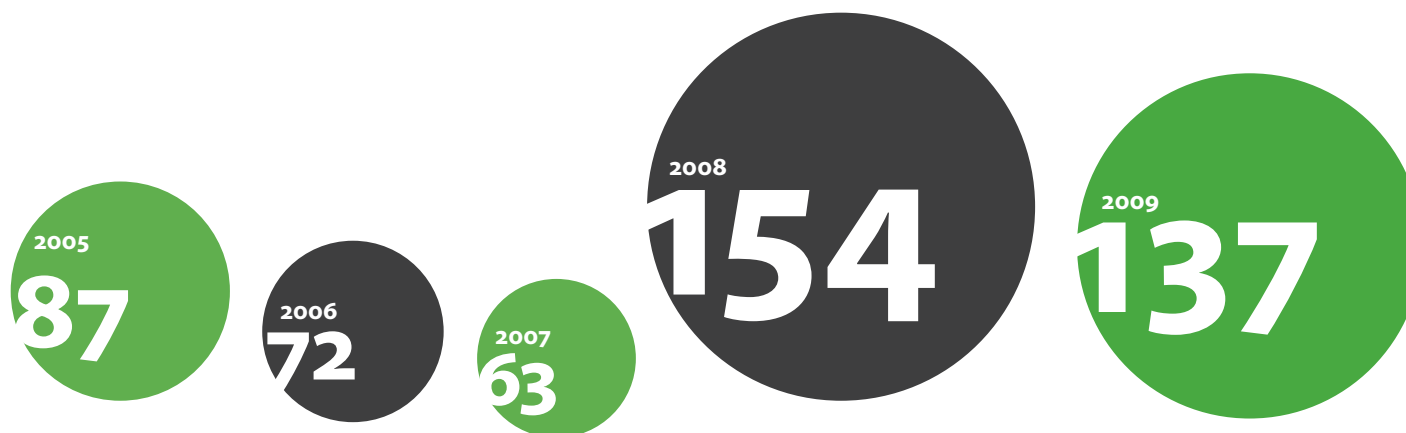
**PROFITS**, UNIT: THOUSANDS OF EUROS

## 04.5.2 Economic and Financial Analysis Profit and Loss Account

Sales and Services Rendered, with a total of 135.8 million euros, represented 99.8% of operating income and 99.1% of total revenues.

Regarding non-operating income, there was a significant reduction in financial revenue, due to the fact

that we have altered the method of accounting for the integration of Company Groups in which ENSULMECI participates: MECI SOMAGUE – Cogeração de Setúbal, ACE and ENSULMECI EFACEC – Cogeração do Porto, ACE.



**INCOME**  
IN MILLIONS OF EUROS

## 04.5.2

### Economic and Financial Analysis

#### Profit and Loss Account

#### COSTS

The costs amounted to 135.5 million euros. Of these costs, 131.3 million euros represented operating costs (96.9% of total), and 4.2 million euros non-operating costs (3.1% of total).

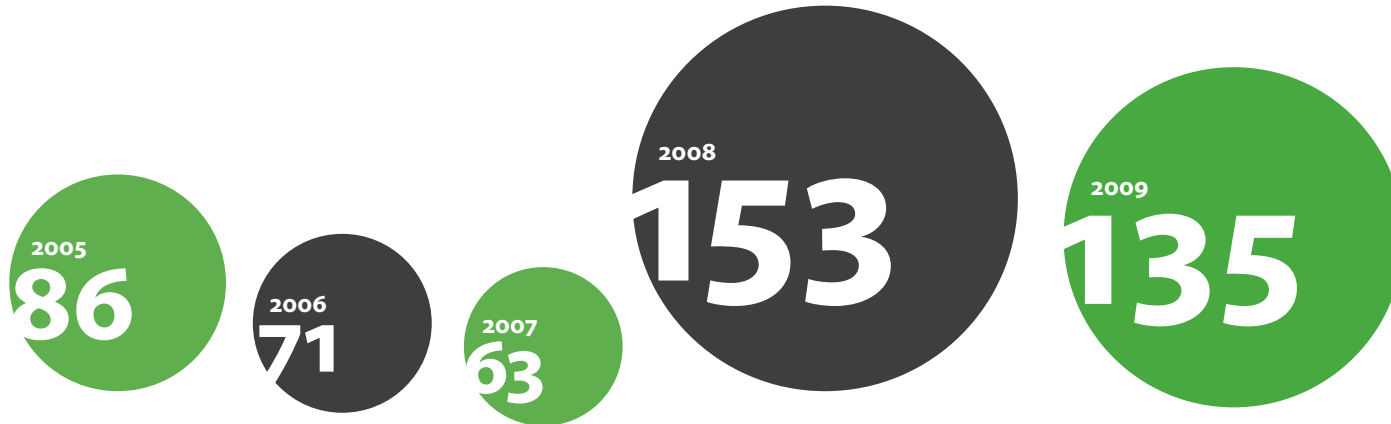
ITEMS	2009	2008	VARIATION	
			ABSOLUTE	%
Cost of Materials Consumed	35,542	22,922	12,620	55.1%
Supplies and External Services	72,611	101,022	-28,412	-28.1%
Personnel Costs	20,411	21,585	-1,174	-5.4%
Other Operating Costs	2,731	2,502	229	9.1%
Total Operating Costs	131,294	148,031	-16,737	-11.3%
Financial Costs	3,184	4,070	-886	-21.8%
Extraordinary Costs	1,039	1,050	-11	-1.0%
Total Non-Operating Costs	4,223	5,120	-897	-17.5%
Total Costs	135,517	153,151	-17,634	-11.5%

**COSTS**, UNIT: THOUSANDS OF EUROS

## 04.5.2 Economic and Financial Analysis Profit and Loss Account

Of the operating costs, the costs for Materials Consumed (35.5 million euros), Supplies and External Services (72.6 million euros) and Personnel (20.4 million euros), with an accumulative total of 128.5 million euros, represent 97.9% of operating costs and 94.9% of total costs.

Under non-operating costs, there is a significant reduction in financial costs that fell from 4.1 million euros to 3.2 million euros, which resulted in a negative variation of 21.8%. This decrease stems not only from falls in interest rates, but also a reduction of the level of Company debts during the year.



**COSTS**  
IN MILLIONS OF EUROS

## 04.5.2 Economic and Financial Analysis Profit and Loss Account

### RESULTS

The results recorded were, in general, extremely positive.

Operating profits stood at 4.8 million euros compared to 2008, a rise of 96.2%.

The negative balance of the financial results, due to the abovementioned change in accounting method for Company Groups, decreased by about 1.3 million euros.

As for pre-tax earnings and the net result of the financial year, the variations were positive: 125.5% (from 0.9 million euros in 2008 to 1.9 million euros in 2009) and 217.5% (0.2 million euros in 2008 to 0.7 million euros in 2009).

Income tax amounted to 0.8 million euros. However, the decreased lower tax burden from 74% to 54% should be noted.

ITEMS	2009	2008	VARIATION	
			ABSOLUTE	%
Operating Results	4,807	2,450	2,357	96.2%
Financial Results	-2,873	-1,593	-1,281	80.4%
Current Results	1,933	857	1,076	125.5%
Pre-tax Results	1,514	871	643	73.7%
Net Result for Financial Year	701	221	480	217.5%

**RESULTS, UNIT: THOUSANDS OF EUROS**



## 04.5.2 Economic and Financial Analysis Profit and Loss Account

### EBIT AND EBITDA

The EBIT of ENSULMECI showed a slight negative variation of 0.2 million euros, equivalent to - 4.9%.

The behaviour of the EBITDA was similar to EBIT falling from 6.9 million euros in 2008 to 6.5 million euros in 2009, which represents an equally slight reduction of 0.4 million euros or -5.5%.

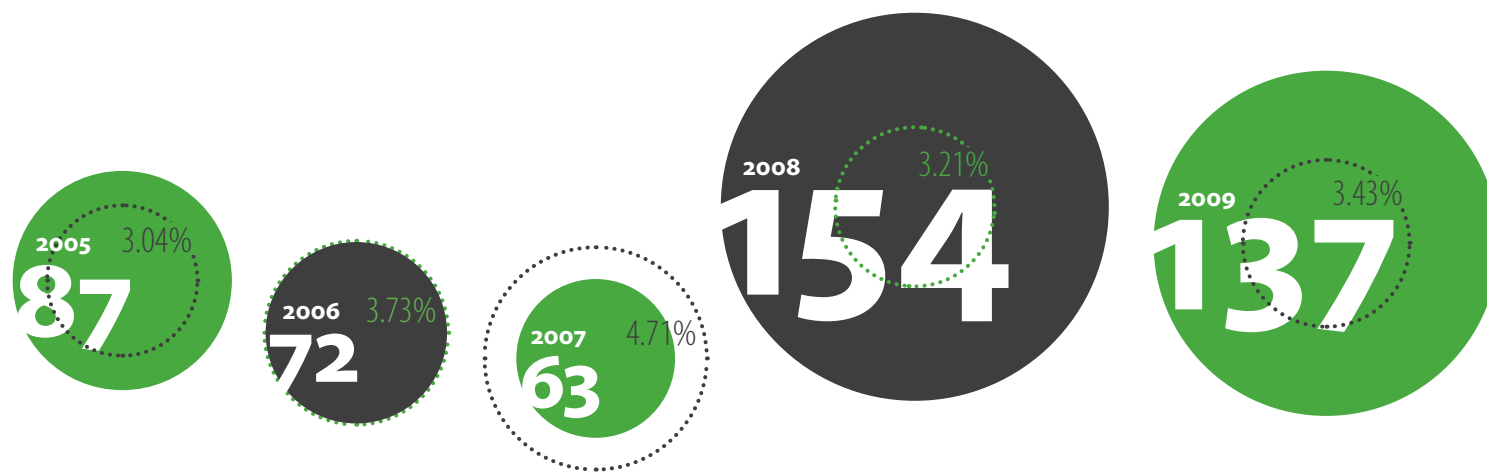
ITEMS	2009	2008	VARIATION	
			ABSOLUTE	%
EBIT	4,698	4,941	-243	-4.9%
EBITDA	6,500	6,880	-379	-5.5%
EBIT/Revenue	3.43%	3.21%	0.22%	6.9%
EBITDA/Revenue	4.74%	4.47%	0.28%	6.2%

**EBIT AND EBITDA**, UNIT: THOUSANDS OF EUROS



## 04.5.2 Economic and Financial Analysis Profit and Loss Account

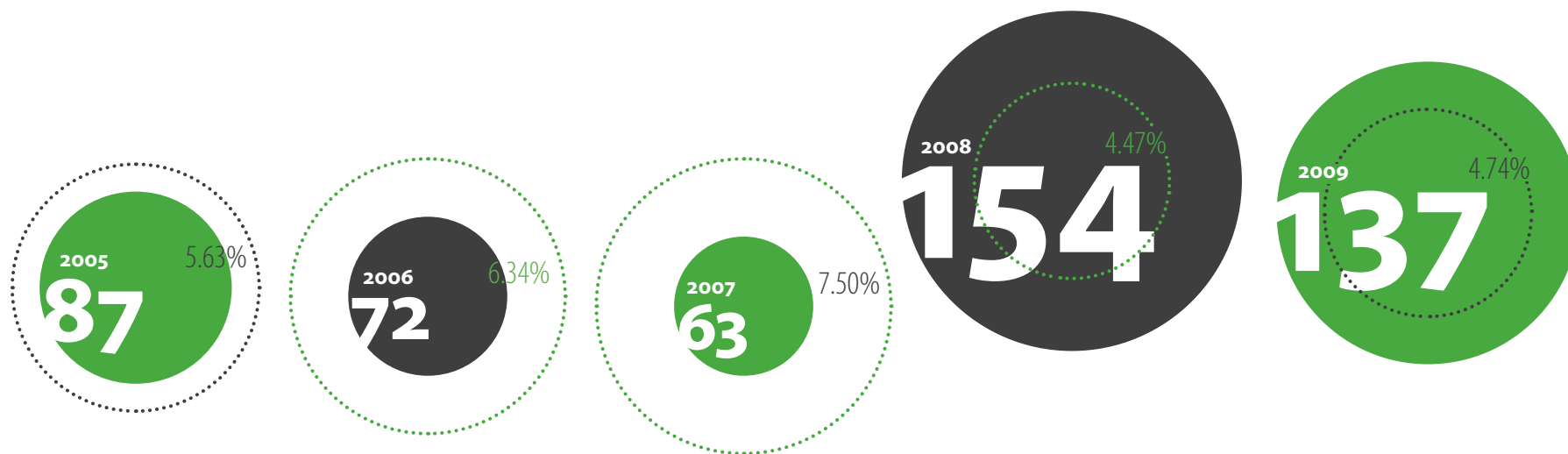
Despite the reduction in the absolute value of the EBIT, EBIT/Revenue ratio rose, standing at 3.43% as against 3.21% in 2008.



**EBIT/REVENUE**  
IN MILLIONS OF EUROS • AS A PERCENTAGE

## 04.5.2 Economic and Financial Analysis Profit and Loss Account

With respect to EBITDA/Revenues, despite the reduction in absolute value, in this case there was an increase from 4.47% in 2008 to 4.74% in 2009.



**EBITDA/REVENUE**  
IN MILLIONS OF EUROS • AS A PERCENTAGE

## 04.5.3 Economic and Financial Analysis Balance Sheet

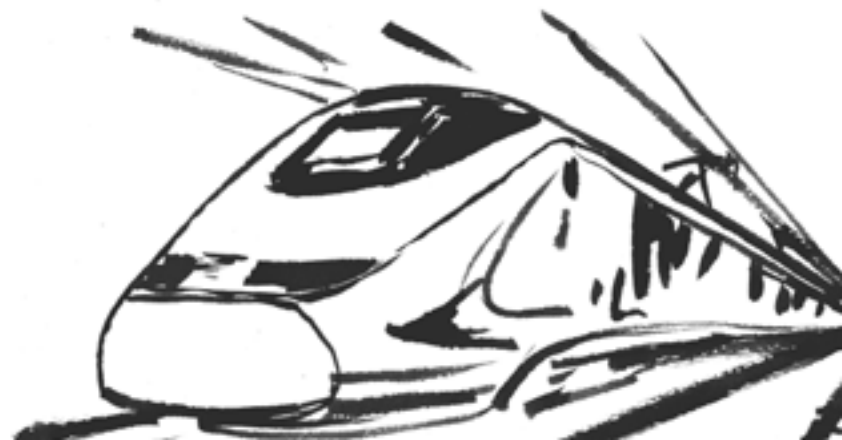
### FINANCIAL INDICATORS

ITEMS	2009	2008	VARIATION	
			ABSOLUTE	%
Assets	117,533	119,718	-2,186	-1.8%
Own Equity	17,675	18,001	-326	-1.8%
Liabilities	99,857	101,717	-1,860	-1.8%
General Liquidity	1.33	1.34	-0.01	-0.7%
Financial Autonomy (%)	15%	15%	0%	0.0%
Coverage of Fixed Assets	2.78	3.03	-0.25	-8.3%

**FINANCIAL INDICATORS**, UNIT: THOUSANDS OF EUROS

### FINANCIAL STRUCTURE

The company's financial structure remains balanced. However, a general decline is noted in all components, i.e. of 2.2 million euros in Assets, 0.3 million euros in Equity and 1.9 million euros under Liabilities.



### 04.5.3

## Economic and Financial Analysis

# Balance Sheet

### ASSETS

Assets in 2009 amounted to 117.5 million euros.

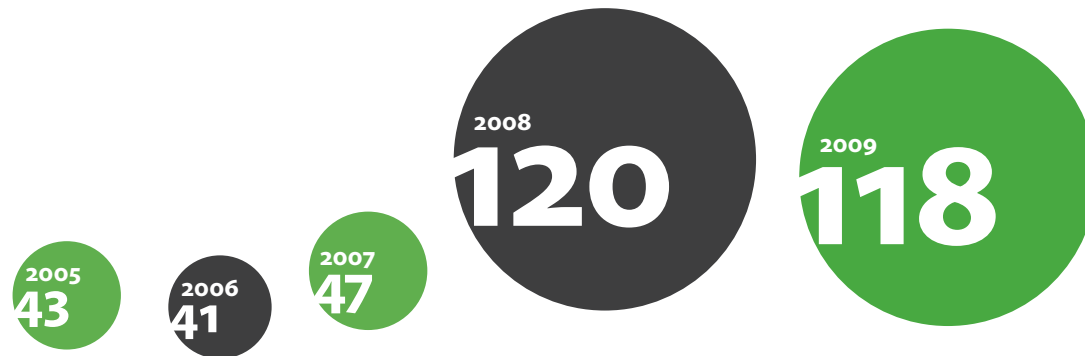
Compared with 2008, there was a negative variation of 2.2 million euros, or -1.8%.

Fixed assets increased from 13.4 million euros to 14.4 million euros, mainly as a result of increased shareholdings, which rose from 7.0 million euros in 2008 to 9.3 million euros in 2009. This increase resulted primarily from the capitalization of results of the Company Groups. Fixed assets represented 12.2% of the total assets, up from 11.2% in 2008.

Current assets, which amounted to 103.2 million euros, saw a reduction of 3.2 million euros. They represent, this year, 87.8% of assets, whereas in 2008 they accounted for 88.8%.

The major components showed the following variations:

- Stocks: from 44.1 million euros to 43.6 million euros;
- Third party Receivables – Short Term: from 57.9 million euros to 56.7 million euros;



**ASSETS**  
IN MILLION OF EUROS

### 04.5.3

## Economic and Financial Analysis

### Balance Sheet

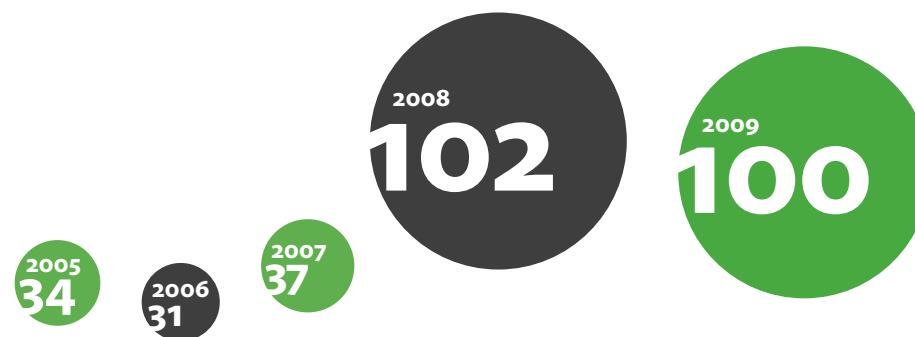
#### LIABILITIES

Liabilities amounted to 99.9 million euros in 2009, reflecting a negative variation of 1.9 million euros compared to 2008 (- 1.8%).

Medium and long-term liabilities were 22.2 million euros, a slight decline of 0.4 million euros compared to the previous year.

There was greater variation in short-term liabilities, which decreased from 79.1 million euros to 77.7 million euros.

The main liability components remained debts to suppliers and bank debt. Regarding the latter, there was a reduction of 3 million euros: from 46.4 million euros in 2008 to 43.4 million euros in 2009, representing a fall of 6.4%. The other aspect of debt that deserves attention is that, for the first time, medium and long-term debts have overtaken the short-term debt, which, given the downturn in both, better accentuates the positive evolution of the company's financial position.



**LIABILITIES**  
IN MILLION OF EUROS

### 04.5.3

#### Economic and Financial Analysis

## Balance Sheet

### EQUITY

Equity amounted to 17.7 million euros in 2009, registering a decrease of 0.3 million euros, or -1.8%. This resulted primarily from the recognition of impairment of some assets, a situation that was not offset by the net income obtained during the year.

The capital increase by 6 million euros also deserves special mention: by capitalising reserves it was raised to 16.5 million euros. The share capital at the end of 2009, therefore, represented 93.3% of own equity.



## 04.5.4 Economic and Financial Analysis Cash Flows

Operational activities have generated a positive cash flow of 9.8 million euros. This cash flow enabled the company to cope with investment activities that delivered a negative cash flow of 2.5 million euros and financing activities that showed a negative cash flow of 7.2 million euros.



## 04.6

### Directors' Report

## Proposed Distribution of Earnings

Accounts for the 2009 financial year show a positive Net Profit of 700,974.98 euros (seven hundred thousand, nine hundred and seventy-four euros and ninety-eight cents), which, pursuant to the terms of Articles 66 and 295 of the Code of Commercial Companies and giving continuity to the wise policy of capitalisation always followed by the company (with the only exception of 2006), the Board of Directors proposes be transferred to retained earnings.

Monte de Caparica, 4 February 2010

#### **THE BOARD OF DIRECTORS**

*Carlos Francisco Diniz da Costa*

*Antonio Jorge Aldinhas Ferreira*

*Domingos Gonçalo Soares Sampaio*

*Paulo Alexandre Andrade da Silva*

*Vitor Manuel Pereira de Almeida*

# 05

## Notes to The Directors' Report

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According to Article 448 (4) of the Code of Commercial Companies, the shareholders who on the closing date of the financial year own more than 10% of Share Capital are the following:

Esphera Capital	66.65%
Gestandre	22.36%
Laredo	10.95%

06

**Auditor's  
Report**



### INTRODUCTION

1. I have examined the attached Financial Statements of ENSULMECI – GESTÃO DE PROJECTOS DE ENGENHARIA, S.A. which comprise the Balance Sheet as of 31 December 2009 (which shows a total Balance of €117,532,547 and total Own Equity of €17,675,300 including Net Profits of €700,975) and the Profit and Loss Account by nature and function as well as the Cash flow Statement for the financial year ending on that date and the respective appendices.

### RESPONSIBILITIES

2. The Board of Directors of ENSULMECI – GESTÃO DE PROJECTOS DE ENGENHARIA, S.A. is responsible for drawing up Financial Statements which present the financial position and the result of the operations of the company in a correct and appropriate fashion, the adoption of appropriate policies and criteria as well as the maintenance of an appropriate system of in-house control.

3. Our responsibility is to express a professional, independent opinion, based on our audit of the above-mentioned financial statements.

### SCOPE

4. The audit was performed in accordance with the Technical Standards and Directives for Auditing of the Ordem dos Revisores Oficiais de Contas (Portuguese Institute of Chartered Accountants), which require the audit be planned and performed so as to obtain an acceptable degree of assurance that the financial statements are free, or not, from any material misstatement.

To this end, the audit included:

- checking, on the basis of a sample, of the support for the sums and disclosures in the Financial Statements and the assessment of estimates, based on judgements and criteria defined by the Board of Directors of ENSULMECI – GESTÃO DE PROJECTOS DE ENGENHARIA, S.A.

- appraisal of the adequacy of the accounting policies adopted and of their disclosure, taking the circumstances into consideration;
- verification of the applicability of the going-concern principle;
- appraisal of the adequacy, in overall terms, of the presentation of the Financial Statements.

5. We consider that the audit provides an acceptable basis for the expression of our opinion.

#### **OPINION**

6. In my opinion, the abovementioned Financial Statements are a true and fair expression, in all materially relevant aspects, of the financial position of the company ENSULMECI – GESTÃO DE PROJECTOS DE ENGENHARIA, S.A. as at 31 December 2009 and the results of its operations and cash flows during the financial year then ended, in accordance with accounting principles generally accepted in Portugal.

*Armando dos Santos Nogueira*

*Lisbon, 10 February 2010.*

# 07

## Report and Opinion of the Statutory Auditor

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Notice to Shareholders,

As Statutory Auditor and pursuant to the terms of the law, I am submitting for your appraisal our report on the audit that we conducted and our opinion on the Directors' Report and the Financial Statements of ENSULMECI – GESTÃO DE PROJECTOS DE ENGENHARIA, S.A as at 31 December 2009.

While carrying out our duties:

a) we have accompanied the activity performed by the company with the regularity and extent that we deemed appropriate, namely by sitting at meetings of the Board of Directors and contacting the relevant departments;

b) we have checked the regularity of book-keeping and the supporting documents, and confirmed their accuracy as we deemed appropriate;

c) we have reviewed the accounting policies and the valuation methods adopted;

d) we have analysed the Balance Sheet, the Profit and Loss Account and the various Appendices required by existing accounting practice and law in Portugal;

e) we have reviewed the Directors' Report prepared by the Board of Directors, and have checked in particular that the financial data it contains agrees with the Financial Statements;

f) we have unreservedly issued as of this date, the corresponding Legal Certification of Accounts.

Pursuant to this, it is our OPINION that the following should be approved:

- the Directors' Report;
- the Financial Statements; and
- the Proposed Distribution of Earnings.

*Armando dos Santos Nogueira*

*Lisbon, 10 February 2010*

08

Financial  
Statements

criar futuro



UNIT: EURO

	NOTES	FINANCIAL YEARS			
		2009		2008	
		GROSS ASSETS	ADJUSTMENTS FOR DEPRECIATION	NET ASSETS	NET ASSETS
<b>ASSETS</b>					
<b>FIXED ASSETS:</b>					
<b>Intangible Fixed Assets:</b>					
Start-up Costs	10 and 14	0.00	0.00	0.00	0.00
Industrial Property	10 and 14	282,985.14	215,778.14	67,207.00	110,119.28
		<b>282,985.14</b>	<b>215,778.14</b>	<b>67,207.00</b>	<b>110,119.28</b>
<b>Tangible Fixed Assets:</b>					
Buildings and Other Constructions	10 and 14	2,688,500.45	1,485,981.79	1,202,518.66	1,445,793.06
Basic Equipment	10 and 14	6,909,796.21	5,124,857.38	1,784,938.83	1,939,390.38
Vehicles	10 and 14	4,356,545.15	3,982,797.90	373,747.25	807,845.02
Tools and Utensils	10 and 14	4,782,550.48	3,897,910.51	884,639.97	1,117,738.12
Office Equipment	10 and 14	5,119,095.80	4,645,098.05	473,997.75	646,559.66
Containers	10 and 14	15,060.52	15,060.52	0.00	0.00
Other Tangible Fixed Assets	10 and 14	1,344,619.22	1,020,676.81	323,942.41	271,774.77
		<b>25,216,167.83</b>	<b>20,172,382.96</b>	<b>5,043,784.87</b>	<b>6,229,101.01</b>
<b>Financial Investments:</b>					
Capital shares	10, 14 and 16	9,252,168.90	0.00	9,252,168.90	7,044,499.19
		<b>9,252,168.90</b>	<b>0.00</b>	<b>9,252,168.90</b>	<b>7,044,499.19</b>
<b>CURRENT ASSETS:</b>					
<b>Stocks:</b>					
Merchandise	41	35,560,000.00	0.00	35,560,000.00	35,564,650.00
Raw Materials, Subsidiary Materials & Consumables	41	1,861,240.15	0.00	1,861,240.15	2,645,203.36
Products and Works in Progress	42	6,175,739.09	0.00	6,175,739.09	5,867,676.70
		<b>43,596,979.24</b>	<b>0.00</b>	<b>43,596,979.24</b>	<b>44,077,530.06</b>
<b>Third Party Receivables – Short Term:</b>					
Clients, current account		50,580,568.62	0.00	50,580,568.62	52,255,750.85
Clients with bills receivable		127,693.31	0.00	127,693.31	220,000.00
Bad Debt Clients		765,423.44	765,423.44	0.00	0.00
Advances to Suppliers		223,595.06	0.00	223,595.06	1,229,796.09
State and Other Public Bodies	48	1,079,706.61	0.00	1,079,706.61	1,890,935.57
Loans to participated companies		4,621,496.91	0.00	4,621,496.91	2,237,210.26
Other Debtors		42,161.35	0.00	42,161.35	75,862.47
		<b>57,440,645.30</b>	<b>765,423.44</b>	<b>56,675,221.86</b>	<b>57,909,555.24</b>
<b>Bank Deposits and Petty Cash:</b>					
Bank Deposits		324,048.80		324,048.80	309,769.99
Petty Cash		411,673.41		411,673.41	300,745.88
		<b>735,722.21</b>		<b>735,722.21</b>	<b>610,515.87</b>
<b>Accruals and Deferrals:</b>					
Accrued Income	48	1,123,334.15		1,123,334.15	2,680,165.28
Deferred Costs	48	1,038,128.62		1,038,128.62	1,056,995.06
		2,161,462.77		2,161,462.77	3,737,160.34
<b>Total Depreciation</b>			20,388,161.10		
<b>Total Adjustments</b>			765,423.44		
<b>Total Assets</b>		<b>138,686,131.39</b>	<b>21,153,584.54</b>	<b>117,532,546.85</b>	<b>119,718,480.99</b>

**AUDITOR**

Fernando Paulo Baptista Canaveira

UNIT: EURO

	NOTES	FINANCIAL YEARS	
		2009	2008
<b>EQUITY AND LIABILITIES</b>			
<b>Own Equity:</b>			
Capital	36 and 40	16,500,000.00	10,500,000.00
Revaluation Reserves	40	0.00	0.00
Mandatory Reserves	40	396,399.18	385,361.18
Available Reserves	40	1,104,775.41	6,895,062.24
Retained Earnings	40	-1,026,849.97	0.00
Net Profit for Financial Year	40	700,974.89	220,751.17
<b>Total Own Equity</b>		<b>17,675,299.51</b>	<b>18,001,174.59</b>
<b>Liabilities:</b>			
<b>Payables to Third Parties - Medium and Long Term</b>			
Debts to Banks		22,000,000.00	22,000,000.00
Suppliers of Fixed Assets, current account		196,148.20	596,864.40
		<b>22,196,148.20</b>	<b>22,596,864.40</b>
<b>Third Party Payables – Short Term:</b>			
Debts to Banks		21,438,795.01	24,413,197.91
Clients with Discounted Bills		127,693.31	220,000.00
Advances on Sales Account		905,884.93	251,430.37
Suppliers, current account		32,937,268.18	37,358,894.99
Suppliers of Fixed Assets, current account		688,715.27	749,798.28
State and Other Public Bodies	48	1,063,877.23	948,966.27
Other Creditors		276,382.88	132,447.05
		<b>57,438,616.81</b>	<b>64,074,734.87</b>
<b>Accruals and Deferrals:</b>			
Accrued Costs	48	4,819,535.91	5,723,941.79
Deferred income	48	15,402,946.42	9,321,765.34
		<b>20,222,482.33</b>	<b>15,045,707.13</b>
<b>Total Liabilities</b>		<b>99,857,247.34</b>	<b>101,717,306.40</b>
<b>Total Equity and Liabilities</b>		<b>117,532,546.85</b>	<b>119,718,480.99</b>

**THE BOARD OF DIRECTORS**

Carlos Francisco Diniz da Costa  
Antonio Jorge Aldinhas Ferreira  
Domingos Gonalo Soares Sampaio  
Paulo Alexandre Andrade da Silva  
Vitor Manuel Pereira de Almeida

UNIT: EURO

	NOTES	FINANCIAL YEARS			
		2009		2008	
<b>COSTS AND LOSSES</b>					
<b>Cost of Goods Sold and Materials Consumed:</b>					
Materials	41	35,541,607.39	35,541,607.39	22,921,899.86	22,921,899.86
<b>Supplies and External Services</b>			72,610,551.82		101,022,216.02
<b>Personnel Costs:</b>					
Salaries		16,425,695.70		17,599,258.90	
Social charges:					
Pensions		22,160.59		23,291.09	
Others		3,962,902.71	20,410,759.00	3,961,979.66	21,584,529.65
<b>Depreciation of Tangible and Intangible Fixed Assets</b>	10	1,802,122.57		1,938,422.00	
<b>Adjustments</b>		0.00		0.00	
<b>Provisions</b>		0.00	1,802,122.57	0.00	1,938,422.00
<b>Taxation</b>		852,771.36		485,997.54	
<b>Other Operating Costs</b>		76,158.89	928,930.25	78,035.87	564,033.41
	(A)		131,293,971.03		148,031,100.94
<b>Losses from Group and associated companies</b>		0.00		0.00	
<b>Depreciation and Adjustments of Financial Applications and Investments</b>		0.00		0.00	
<b>Interest and Similar Costs:</b>					
Others	45	3,184,004.50	3,184,004.50	4,069,800.81	4,069,800.81
	(C)		134,477,975.53		152,100,901.75
<b>Extraordinary Costs and Losses</b>	46		1,039,027.79		1,049,914.85
	(E)		135,517,003.32		153,150,816.60
<b>Tax on Revenue from Financial Year</b>	6 and 48		813,128.46		650,694.40
	(G)		136,330,131.78		153,801,511.00
<b>Net Result for Financial Year</b>			700,974.89		220,751.17
			<b>137,031,106.67</b>		<b>154,022,262.17</b>
<b>REVENUE AND GAINS</b>					
<b>Sales</b>	44	516,297.63		299,806.33	
<b>Services Rendered</b>	44	135,271,888.47	135,788,186.10	167,564,169.52	167,863,975.85
<b>Variation in Production</b>	42		308,062.39		-18,187,190.89
<b>Supplementary income</b>		0.00		0.00	
<b>Revenue grants</b>		4,423.55		731,484.70	
<b>Own work capitalised</b>		0.00		71,019.78	
<b>Other Operating Profits</b>		0.00		0.00	
<b>Reversals in Depreciations and Adjustments</b>		0.00	4,423.55	1,955.18	804,459.66
	(B)		136,100,672.04		150,481,244.62
<b>Other Interest and Similar Income:</b>					
Others	45	310,750.45	310,750.45	2,477,140.12	2,477,140.12
	(D)		136,411,422.49		152,958,384.74
<b>Extraordinary Revenue and Gains</b>	46		619,684.18		1,063,877.43
	(F)		<b>137,031,106.67</b>		<b>154,022,262.17</b>
<b>SUMMARY:</b>					
<b>Operating Results: (B) - (A)</b>			<b>4,806,701.01</b>		<b>2,450,143.68</b>
<b>Financial Results: (D - B) - (C - A)</b>			<b>-2,873,254.05</b>		<b>-1,592,660.69</b>
<b>Current Results: (D) - (C)</b>			<b>1,933,446.96</b>		<b>857,482.99</b>
<b>Pre-tax Results: (F) - (E)</b>			<b>1,514,103.35</b>		<b>871,445.57</b>
<b>Net Result for Financial Year: (F) - (G)</b>			<b>700,974.89</b>		<b>220,751.17</b>

**AUDITOR**

Fernando Paulo Baptista Canaveira

**THE BOARD OF DIRECTORS**

Carlos Francisco Diniz da Costa

Antonio Jorge Aldinhas Ferreira

Domingos Gonalo Soares Sampaio

Paulo Alexandre Andrade da Silva

Vitor Manuel Pereira de Almeida

UNIT: EURO

	NOTES	FINANCIAL YEARS	
		2009	2008
Sales and services rendered	44	136,096,248.49	149,676,784.96
Cost of Sales and Services Rendered		-121,207,155.83	-137,993,484.34
<b>Gross income</b>		<b>14,889,092.66</b>	<b>11,683,300.62</b>
Other extraordinary profit and gains		4,423.55	804,459.66
Distribution costs		0.00	0.00
Administrative costs		-9,157,884.95	-9,473,583.19
Other extraordinary costs and losses		-928,930.25	-564,033.41
<b>Operating Results</b>		<b>4,806,701.01</b>	<b>2,450,143.68</b>
Net financial costs		-2,873,254.05	-1,592,660.69
Profits (losses) in subsidiary and associated companies		0.00	0.00
Profits (losses) on other investments		0.00	0.00
<b>Current profits</b>		<b>1,933,446.96</b>	<b>857,482.99</b>
Taxation on current profits	6	-813,128.46	-650,694.40
<b>Current profit or loss after tax</b>		<b>1,120,318.50</b>	<b>206,788.59</b>
Extraordinary profit or loss		-419,343.61	13,962.58
Taxation on extraordinary profit or loss		0.00	0.00
<b>Net results</b>		<b>700,974.89</b>	<b>220,751.17</b>
<b>Results per Share</b>		<b>0.21</b>	<b>0.11</b>

**AUDITOR***Fernando Paulo Baptista Canaveira***THE BOARD OF DIRECTORS**

*Carlos Francisco Diniz da Costa*  
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*Paulo Alexandre Andrade da Silva*  
*Vitor Manuel Pereira de Almeida*

		UNIT: EURO	
		FINANCIAL YEARS	
	NOTES	2009	2008
<b>OPERATING ACTIVITIES:</b>			
<b>Net Result</b>		700,974.89	220,751.17
<b>Adjustments:</b>			
Depreciation		1,802,122.57	1,938,422.00
Provisions			
Financial Results		2,873,254.05	1,592,660.69
Increase in third party debts		-2,384,286.65	-32,385,685.42
Decrease in third party debts		3,618,620.03	241,914.60
Increase in stocks		-308,062.39	-35,678,068.61
Decrease in stocks		788,613.21	5,078,743.17
Increase in debts to third parties		913,301.35	37,517,513.75
Decrease in debts to third parties		-4,975,732.71	-677,679.26
Increase in deferred revenue		6,081,181.08	7,066,368.49
Decrease in deferred revenue			
Increase in accrued revenue		0.00	-2,680,165.28
Decrease in accrued revenue		1,556,831.13	0.00
Increase in deferred costs		0.00	-317,489.98
Decrease in deferred costs		18,866.44	0.00
Increase in accrued costs		0.00	5,723,941.79
Decrease in accrued costs		-904,405.88	0.00
Gains from disposal of fixed assets			
Losses from disposal of fixed assets			
		<b>9,080,302.23</b>	<b>-12,579,524.06</b>
<b>Cash flow from operating activities [1]</b>		<b>9,781,277.12</b>	<b>-12,358,772.89</b>
<b>INVESTMENT ACTIVITIES:</b>			
<b>Receipts from:</b>			
Financial Investments			
Tangible fixed assets		1,361.80	39,543.66
Intangible fixed assets			
Investment subsidies			
Interest and similar revenue		310,750.45	2,477,140.12
Dividends			
		<b>312,112.25</b>	<b>2,516,683.78</b>
<b>Payments in respect of:</b>			
Financial Investments		2,207,669.71	5,597,028.62
Tangible fixed assets		575,255.95	2,938,996.20
Intangible fixed assets		0.00	8,445.26
		<b>2,782,925.66</b>	<b>8,544,470.08</b>
<b>Cash flow from investment activities [2]</b>		<b>-2,470,813.41</b>	<b>-6,027,786.30</b>
<b>FINANCING ACTIVITIES:</b>			
<b>Receipts from:</b>			
Loans obtained		0.00	15,000,000.00
Increase in capital, additional paid-in capital and loan issuing premiums		0.00	7,759,784.97
Subsidies and donations			
Sale of own shares (interest)			
Coverage of damages			
		<b>0.00</b>	<b>22,759,784.97</b>
<b>Payments in respect of:</b>			
Loans obtained		2,974,402.90	0.00
Depreciation on financial leasing contracts			
Interest and similar costs		3,184,004.50	4,069,800.81
Dividends			
Capital reductions and additional paid-in capital		1,026,849.97	0.00
Acquisition of own shares (stocks)			
		<b>7,185,257.37</b>	<b>4,069,800.81</b>
<b>Cash flow from financing activities [3]</b>		<b>-7,185,257.37</b>	<b>18,689,984.16</b>
<b>Variation of cash and cash equivalents [4] = [1] + [2] + [3]</b>		<b>125,206.34</b>	<b>303,424.97</b>
<b>Effect of exchange rate differences</b>		<b>0.00</b>	<b>0.00</b>
<b>Cash and cash equivalents at start of period</b>	2	<b>610,515.87</b>	<b>307,090.90</b>
<b>Cash and cash equivalents at end of period</b>	2	<b>735,722.21</b>	<b>610,515.87</b>

**AUDITOR**

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09

**Notes to the  
Financial  
Statements**



## 09.1

### Notes to the Financial Statements

## Notes to the Balance Sheet and the Profit and Loss Account

### INTRODUCTORY NOTE

The notes to the Balance Sheet and Profit and Loss Account are intended to reflect information relevant to their reading. The following notes respect the sequential numbering defined in the Official Audit Plan. Notes for numbers not included in this annex are either not applicable to the Company or their presentation is not relevant.

#### 1

##### **PROVISIONS OF THE OFFICIAL AUDIT PLAN APPLIED**

A Financial statements have been drawn up in line with the accounting principles as set forth in the Official Audit Plan, namely according to the historical cost accounting convention and based on the going concern principle in compliance with the accounting principles of prudence, financial year specialisation, consistency, substance over form and materiality.

#### 2

##### **COMPARABILITY OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT BETWEEN FINANCIAL YEARS**

The Balance Sheet and Profit and Loss Account are fully comparable with the previous financial year, since the same accounting criteria were used.



3

**PRESENTATION PRINCIPLES AND PRINCIPAL VALUATION CRITERIA**

The main valuation methods used to prepare the financial statements were as follows:

- Cash in hand – All accounts are expressed in euros according to the existing balance on 31 December 2009.
  - Debts from and to third parties – All accounts are expressed in euros according to the existing balance on 31 December 2009.
  - Stocks:
    - Raw materials, subsidiary and consumption materials are valued at their acquisition cost plus storage costs, taking the average cost as the costing method.
  - Fixed assets:
    - Intangible – Acquisition cost;
    - Tangible – Acquisition cost;
    - Financial investments - Acquisition cost.
- addition or reduction in participation was made by the difference between acquisition cost and the proportional value of participation in own equity of participated companies.
- Depreciations – Calculated on historical or revaluated cost from the month of entry into operation or start of use of assets, in accordance with the method

of constant quotas. Depreciation rates correspond to those stipulated in the Implementing Order 2/90.

- Financial leasing – The financial leasing contracts are reported using the financial method. Hence, assets are recorded as fixed assets by their acquisition cost and responsibility is recorded under liabilities, with interest and depreciation accounted for as costs during the respective financial year.
- Specialisation of financial years – In accordance with the principle of specialisation, costs and gains are recorded in the financial year they refer to, regardless of the period in which they are paid or received. Differences between these periods are recorded in the respective accruals and deferral accounts.
- Balances and transactions expressed in foreign currencies – All assets and liabilities expressed in foreign currencies have been converted in euros using the exchange rate in force at 31 December 2009. Favourable and unfavourable exchange rate differences arising from the differences between the exchange rates in force on the dates of the transactions and those in force on the date of collection or payment are stated as income or costs.



## 09.1

### Notes to the Financial Statements

#### Notes to the Balance Sheet and the Profit and Loss Account

##### 4

##### **EXCHANGE RATES IN FOREIGN CURRENCY**

All assets and liabilities expressed in foreign currencies have been converted into euros using the exchange rate in force on the date of the Balance Sheet.

Differences between the exchange rates in force on the dates of the transactions and those in force on the date of the Balance Sheet are stated in the respective accounts as costs or income.

##### 7

##### **AVERAGE NUMBER OF EMPLOYEES**

During the 2009 financial year, the average number of employees of the Company was 667.



**Notes to the Balance Sheet and the Profit and Loss Account****10****MOVEMENTS IN FIXED ASSETS**

During the financial year 2009, movements in intangible and tangible fixed assets as well as financial investments were as follows:

ITEMS	INITIAL BALANCE	REVALUATION	INCREASES	DISPOSALS	TRANSFERS & WITHDRAWALS	FINAL BALANCE
<b>INTANGIBLE FIXED ASSETS</b>						
Start-up Costs	153,509.62	0.00	0.00	0.00	-153,509.62	0.00
Industrial property and other rights	287,363.59	0.00	0.00	-4,378.45	0.00	282,985.14
	<b>440,873.21</b>	<b>0.00</b>	<b>0.00</b>	<b>-4,378.45</b>	<b>-153,509.62</b>	<b>282,985.14</b>
<b>TANGIBLE FIXED ASSETS:</b>						
Buildings and Other Constructions	2,688,500.45	0.00	0.00	0.00	0.00	2,688,500.45
Basic Equipment	7,555,294.87	0.00	180,248.10	-824,880.85	-865.91	6,909,796.21
Vehicles	4,887,855.10	0.00	0.00	-531,309.95	0.00	4,356,545.15
Tools and Utensils	5,433,406.57	0.00	199,602.23	-849,919.72	-538.60	4,782,550.48
Office Equipment	7,175,434.25	0.00	67,820.94	-1,838,604.25	-285,555.14	5,119,095.80
Containers	31,636.18	0.00	0.00	-16,575.66	0.00	15,060.52
Other Tangible Fixed Assets	1,704,703.58	0.00	127,584.68	-487,136.39	-532.65	1,344,619.22
Fixed assets in progress	0.00	0.00	0.00	0.00	0.00	0.00
Delay in tangible fixed assets	0.00	0.00	0.00	0.00	0.00	0.00
	<b>29,476,831.00</b>	<b>0.00</b>	<b>575,255.95</b>	<b>-4,548,426.82</b>	<b>-287,492.30</b>	<b>25,216,167.83</b>
<b>FINANCIAL INVESTMENTS</b>						
Capital shares	7,044,499.19	0.00	2,207,669.71	0.00	0.00	9,252,168.90
	<b>7,044,499.19</b>	<b>0.00</b>	<b>2,207,669.71</b>	<b>0.00</b>	<b>0.00</b>	<b>9,252,168.90</b>
<b>GROSS ASSETS, UNIT: EURO</b>						

**09.1**

## Notes to the Financial Statements

**Notes to the Balance Sheet and the Profit and Loss Account**

Also, throughout the financial year 2009, movement which occurred in depreciations was as follows:

ITEMS	INITIAL BALANCE	REINFORCEMENT	REGULARISATIONS	FINAL BALANCE
<b>INTANGIBLE FIXED ASSETS</b>				
Start-up Costs	153,509.62	0.00	-153,509.62	0.00
Industrial property and other rights	177,244.31	42,912.28	-4,378.45	215,778.14
	<b>330,753.93</b>	<b>42,912.28</b>	<b>-157,888.07</b>	<b>215,778.14</b>
<b>TANGIBLE FIXED ASSETS:</b>				
Buildings and Other Constructions	1,242,707.39	243,274.40	0.00	1,485,981.79
Basic Equipment	5,615,904.49	334,617.56	-825,664.67	5,124,857.38
Vehicles	4,080,010.08	434,097.77	-531,309.95	3,982,797.90
Tools and Utensils	4,315,668.45	432,653.06	-850,411.00	3,897,910.51
Office Equipment	6,528,874.59	240,334.01	-2,124,110.55	4,645,098.05
Containers	31,636.18	0.00	-16,575.66	15,060.52
Other Tangible Fixed Assets	1,432,928.81	64,963.45	-477,215.45	1,020,676.81
	<b>23,247,729.99</b>	<b>1,749,940.25</b>	<b>-4,825,287.28</b>	<b>20,172,382.96</b>
<b>FINANCIAL INVESTMENTS</b>				
Shares and other financial applications	0.00	0.00	0.00	0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>ADJUSTMENTS FOR DEPRECIATION, UNIT: EURO</b>				

## 09.1

### Notes to the Financial Statements

## Notes to the Balance Sheet and the Profit and Loss Account

### 12

#### BASIC LAWS FOR REVALUATION OF FIXED ASSETS

Laws pursuant to which revaluation of fixed assets was recorded were as follows:

- Decree-Law 118-B/86 of 27 May
- Decree-Law 111/88 of 2 April
- Decree-Law 49/91 of 25 January
- Decree-Law 264/92 of 24 November

### 14

#### FIXED ASSETS

Company fixed assets were distributed as follows:

ITEMS	VALUE
Fixed assets owned by third parties	0.00
Fixed assets associated with company activity	25,499,152.97
Fixed assets on third party properties	0.00
Fixed assets abroad	0.00
Reversible fixed assets	0.00
	<b>25,499,152.97</b>

**FIXED ASSETS**, UNIT: EURO

**09.1**

## Notes to the Financial Statements

**Notes to the Balance Sheet and the Profit and Loss Account****15****ASSETS UNDER LEASING CONTRACTS**

The following assets are under leasing contracts  
as at 31 December 2009:

ITEMS	CONTRACT VALUE	VALUE FROM ACCOUNT 42	VALUE FROM ACCOUNT 48	NET ACCOUNTING VALUE	RENTS DUE
Industrial property and other rights	0.00	0.00	0.00	0.00	0.00
Land and natural resources	0.00	0.00	0.00	0.00	0.00
Buildings and Other Constructions	0.00	0.00	0.00	0.00	0.00
Basic Equipment	397,750.60	397,750.60	147,313.81	250,436.79	108,647.74
Vehicles	1,951,311.61	1,951,311.61	1,398,269.20	553,042.41	403,946.31
Tools and Utensils	237,519.00	264,244.00	107,395.74	156,848.26	129,720.79
Office Equipment	0.00	0.00	0.00	0.00	0.00
Other Tangible Fixed Assets	0.00	0.00	0.00	0.00	0.00
	<b>2,586,581.21</b>	<b>2,613,306.21</b>	<b>1,652,978.75</b>	<b>960,327.46</b>	<b>642,314.84</b>

**ASSETS UNDER LEASING CONTRACTS, UNIT: EURO**

## Notes to the Balance Sheet and the Profit and Loss Account

16

**GROUP COMPANIES, ASSOCIATED  
AND PARTICIPATED COMPANIES**

As at 31 December 2009, financial investments in Group and associated companies, as well as primary financial information of the same, were as follows:

DESIGNATION	REGISTERED OFFICE	PERCENTAGE OF PARTICIPATION	OWN CAPITAL (2008)	NET RESULT (2008)
Caminhos do Campo, SA	Quinta das Pratas - Cartaxo	16.83	77,448.41	-9,597.07
Meci – Gestion de Projects D'IngÈnierie, SASU	3, Rue de Perignat - France	100.00	900,589.29	-283,050.15
MTS – Metro Transportes do Sul, S.A.	Av. das Forças Armadas 125 - 3º C, Lisbon	10.67	6,447,231.89	7,949,142.93
ESTP, S.A.	Largo Marquês de Angeja, nº 18, Lisbon	27.00	38,316.98	-324,883.01
Expo Arade, S.A.	Parque de Feiras e Exposições, Portimão	22.00	-490,653.60	-203,848.16
Maisílhavo, S.A.	Av.25 de Abril - Ílhavo	16.83	44,739.49	-4,169.35
Meci Ireland	12, Merrion Square - Ireland	100.00	-384,036.00	-389,036.00
Ensul - Engenharia, S.A.	Av. Presidente Nicolau Lobato - Timor	100.00	1,866,775.20	-756,731.01
Vista Marina, S.A.	R. do Facho nº 26, Caparica	0.10	172,828.77	-520,616.80
Imobiliária Monte Aventino, S.A.	R. do Facho nº 26, Caparica	10.00	3,040,598.35	16,904.56
Meci Somague - Cogeração de Setúbal, ACE	R. do Facho nº 26, Caparica	55.22	0.00	2,564,151.57
EL - Estacionamento de Lagos, S.A.	R. Belchior Moreira Barbudo, Lagos	16.83	38,874.48	-11,125.52
Ensul MecI - Gestion de Proyectos de Ingenieria Espanã, SL	Calle Rios Rosas - Espanha	100.00	9,317.57	-682.43
Muvipar, S.A.	Ed. Paços do Concelho de Guimarães, Guimarães	16.83	—	—
Ensul MecI - Efacec - Cogeração do Porto, ACE	R. do Facho nº 26, Caparica	51.00	—	—
Pengest - Gestão de Projectos de Engenharia de Angola, Lda.	Km 47, Estrada do Catete, Municipio de Icolo e Bengo	90.00	—	—

**FINANCIAL PARTICIPATIONS, UNIT: EURO**

**09.1**

## Notes to the Financial Statements

**Notes to the Balance Sheet and the Profit and Loss Account****21 ADJUSTMENTS**

Movements which occurred in the financial year 2009 under the adjustments item were as follows:

ITEMS	INITIAL BALANCE	REINFORCEMENT	REVERSION	FINAL BALANCE
<b>STOCKS:</b>				
Raw Materials, Subsidiary Materials & Consumables				
Products and Works in Progress				
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>ACCOUNTS RECEIVABLE:</b>				
Clients, current account				
Bad Debt Clients	765,423.44	0.00	0.00	765,423.44
Advances to Suppliers				
State and Other Public Bodies				
Shareholders				
Other Debtors				
	<b>765,423.44</b>	<b>0.00</b>	<b>0.00</b>	<b>765,423.44</b>

**ADJUSTMENTS, UNIT: EURO**

**Notes to the Balance Sheet and the Profit and Loss Account****23****DOUBTFUL DEBTS**

The balance of the doubtful debts provision reflects an assessment of the existing risks of collection in balances receivable from customers recorded in the Balance Sheet (see note 21),

**32****BANK GUARANTEES PROVIDED TO THIRD PARTIES**

Total bank guarantees that the company had provided on 31 December 2009 amounted to 63,700,103,09 euros and concerned proper implementation guarantees as well as financial guarantees (advances),

**36****COMPOSITION OF SHARE CAPITAL**

As at 31 December 2009, the share capital of the Company was fully subscribed and paid up, and was represented by 3,300,000 bearer shares with a nominal value of €5,

ITEMS	NUMBER OF SHARES	%
Laredo, SA	361,429	10.95%
Esphera Capital, SGPS, S.A.	2,199,486	66.65%
Gestandré – Sociedade Gestora de Participações Sociais, S.A.	737,786	22.36%
António Simões Marques Couto	157	0.00%
Isabel Maria Silva Costa Marques Couto	157	0.00%
José Manuel Couto André	157	0.00%
António André	157	0.00%
Carlos Miguel Couto André	157	0.00%
Jacinto Couto André	157	0.00%
Luis Filipe Couto André	157	0.00%
Silvia Isabel da Silva Costa Marques Couto André	100	0.00%
Alexandre António da Silva Costa Marques Couto	100	0.00%
	<b>3,300,000</b>	<b>100.00%</b>

**COMPOSITION OF SHARE CAPITAL**

**09.1**

## Notes to the Financial Statements

**Notes to the Balance Sheet and the Profit and Loss Account****37****SHARE CAPITAL PARTICIPATION OF MORE THAN 20% IN COMPANIES**

As at 31 December 2009, share capital participation of more than 20% in companies was as follows:

Esphera Capital, SGPS, SA	66,65%
Gestandré – SGPS, SA,	22,36%

**40****VARIATION IN OWN EQUITY ACCOUNTS**

Movements which occurred in the financial year 2008 under the own equity item were as follows:

ITEMS	INITIAL BALANCE	INCREASES	DECREASES	FINAL BALANCE
Capital	10,500,000.00	6,000,000.00	0.00	16,500,000.00
Revaluation Reserves	0.00	0.00	0.00	0.00
Mandatory Reserves	385,361.18	11,038.00	0.00	396,399.18
Available Reserves	6,895,062.24	209,713.17	6,000,000.00	1,104,775.41
Retained Earnings	0.00	0.00	1,026,849.97	-1,026,849.97
Net Result for Financial Year	220,751.17	700,974.89	220,751.17	700,974.89
	<b>18,001,174.59</b>	<b>6,921,726.06</b>	<b>7,247,601.14</b>	<b>17,675,299.51</b>

**OWN EQUITY, UNIT: EURO**

A variation under the item Retained Earnings refers to the regularisation of debts by the following clients:

Cimpor Betão, S,A,	67,710,05 €
Década Informática, S,A,	75,751,89 €
John Lawrence Blumenfeld	666,843,87 €
Luis Manuel Paiva Vilhena	14,596,79 €
Mateace, S,A,	184,988,24 €
Moura & Castro, Lda,	16,959,13 €

**09.1**

## Notes to the Financial Statements

**Notes to the Balance Sheet and the Profit and Loss Account****41****COST OF MATERIALS CONSUMED**

The cost of materials consumed in the financial year 2009 was as follows:

<b>MOVEMENTS</b>	<b>MERCHANDISE</b>	<b>RAW MATERIALS, SUBSIDIARY MATERIALS &amp; CONSUMABLES</b>
Initial stocks	35,564,650.00	2,645,203.36
Purchases	0.00	34,752,994.18
Regularisation of stocks	0.00	0.00
Final stocks	35,560,000.00	1,861,240.15
	<b>4,650.00</b>	<b>35,536,957.39</b>

**COST OF MATERIALS CONSUMED**, UNIT: EURO

## 09.1

### Notes to the Financial Statements

## Notes to the Balance Sheet and the Profit and Loss Account

### 42

#### VARIATION IN PRODUCTION

The variation in production in the financial year 2009 was as follows:

MOVEMENTS	FINISHED AND INTERMEDIATE PRODUCTS	BY-PRODUCTS, WASTAGE, AND REFUSE	PRODUCTS AND WORKS IN PROGRESS
Initial stocks	0,00	0,00	5,867,676.70
Regularisation of stocks	0,00	0,00	0.00
Final stocks	0,00	0,00	6,175,739.09
Income for the year	<b>0,00</b>	<b>0,00</b>	<b>308,062.39</b>

**VARIATION IN PRODUCTION**, UNIT: EURO

## 09.1

### Notes to the Financial Statements

#### Notes to the Balance Sheet and the Profit and Loss Account

#### 43

##### REMUNERATION OF MEMBERS OF THE GOVERNING BODIES

Remunerations to the members of the governing bodies during the financial year as at 31 December 2009 were as follows:

CORPORATE BODIES	REMUNERATION
Board of Directors	922,054,07
Statutory Auditor	45,500,00
	<b>967,554,07</b>

**REMUNERATION OF GOVERNING BODIES, UNIT: EURO**

No liability was undertaken for retirement pensions for members of the governing bodies,

#### 44

##### SALES AND SERVICES RENDERED BY ACTIVITY AND GEOGRAPHICAL MARKET

Sales and services rendered in the year ended on 31,12,2009 were distributed as follows:

ITEMS	VALUE
Portugal	133,289,573,40
France	188,339,14
Spain	111,070,26
Ireland	213,985,72
Timor	1,985,217,58
	<b>135,788,186,10</b>

**SALES AND SERVICES RENDERED, UNIT: EURO**

**Notes to the Balance Sheet and the Profit and Loss Account****45 FINANCIAL PROFIT AND LOSS ACCOUNT**

The financial income for the financial years ended at 31 December 2009 and 2008 is broken down as follows:

COSTS AND LOSSES	FINANCIAL YEARS		REVENUE AND GAINS	FINANCIAL YEARS	
	2009	2008		2009	2008
Interest paid	2,104,660.17	3,293,074.44	Interest received	487.27	72,388.78
Unfavourable exchange rate differences	10,519.79	49.21	Income from Group and associated companies	0.00	1,415,924.50
Other financial costs	1,068,824.54	776,677.16	Income from real estate	2,212.80	2,212.80
			Favourable exchange rate differences	4,244.58	2,722.86
			Cash payment discounts granted	68,148.75	159,704.76
			Other financial profits	235,657.05	824,186.42
Financial Results	-2,873,254.05	-1,592,660.69			
	<b>310,750.45</b>	<b>2,477,140.12</b>		<b>310,750.45</b>	<b>2,477,140.12</b>

**FINANCIAL PROFIT AND LOSS ACCOUNT, UNIT: EURO**

**09.1**

## Notes to the Financial Statements

**Notes to the Balance Sheet and the Profit and Loss Account****46****EXTRAORDINARY PROFIT AND LOSS ACCOUNT**

The extraordinary profits and losses for the financial years ended at 31 December 2009 and 2008 is broken down as follows:

COSTS AND LOSSES	FINANCIAL YEARS		REVENUE AND GAINS	FINANCIAL YEARS	
	2009	2008		2009	2008
Donations	268,195.23	61,000.00	Taxes repaid	123.60	0.00
Bad debts	1,778.70	304,162.92	Gains in fixed assets	52,549.35	164,093.38
Stock losses	2,535.96	5,190.64	Gains from contractual penalties	0.00	0.00
Losses in fixed assets	10,556.84	51,813.30	Adjustments relating to previous financial years	378,018.91	99,161.24
Fines and penalties	15,096.20	24,063.25	Other extraordinary profits and gains	188,992.32	800,622.81
Increases in depreciation	0.00	59,835.53			
Adjustments relating to previous financial years	646,154.25	287,594.01			
Other extraordinary costs and losses	94,710.61	256,255.20			
Extraordinary results	-419,343.61	-302,717.63			
	<b>619,684.18</b>	<b>747,197.22</b>		<b>619,684.18</b>	<b>1,063,877.43</b>

**EXTRAORDINARY PROFIT AND LOSS ACCOUNT, UNIT: EURO**

**09.1**

## Notes to the Financial Statements

**Notes to the Balance Sheet and the Profit and Loss Account****48****OTHER INFORMATION**As at 31 December 2009, balances under the items  
accruals and deferrals were as follows:

ITEMS	FINANCIAL YEARS	
	2009	2008
<b>ACCRUED INCOME</b>		
Accrued Income	1,123,334.15	1,930,580.08
Other accrued income	0.00	749,585.20
	<b>1,123,334.15</b>	<b>2,680,165.28</b>
<b>DEFERRED COSTS</b>		
Insurance	327,702.85	207,190.94
Financial charges	293,853.04	418,541.56
Conservation and repair	13,109.33	16,198.22
Rents and hires	59,984.06	44,966.83
Other supplies and services	308,475.71	237,847.32
Taxation	14,370.68	14,871.23
Others	20,632.95	78,761.49
	<b>1,038,128.62</b>	<b>1,018,377.59</b>
<b>ACCRUED COSTS</b>		
Insurances to be paid	112,432.78	151,945.57
Salaries to be paid	2,127,112.80	2,136,162.65
Supplies and services	236,447.78	146,842.85
Personnel costs	550.00	29,035.24
Financial Costs	211,839.72	477,913.82
Others	150,857.81	158,035.36
Accrued Costs	1,980,295.02	2,624,006.30
	<b>4,819,535.91</b>	<b>5,723,941.79</b>
<b>DEFERRED INCOME</b>		
Deferred income - Other	15,402,946.42	9,321,765.34
	<b>15,402,946.42</b>	<b>9,321,765.34</b>

**ACCRUALS AND DEFERRALS, UNIT: EURO**

## 09.1

### Notes to the Financial Statements

#### Notes to the Balance Sheet and the Profit and Loss Account

As at 31 December 2009, balances with state public sector institutions, all within the respective legal timeframes, were as follows:

ITEMS	FINANCIAL YEARS	
	2009	2008
Income tax	-560,777.62	-462,303.49
Income tax retained at source	-171,826.00	-171,299.05
Value Added Tax	1,079,706.61	1,890,935.57
Stamp Duty	-364.39	-35.00
Social Security contributions	-329,705.81	-314,102.22
State and other public bodies	-1,203.41	-1,226.51

**STATE AND OTHER PUBLIC BODIES**, UNIT: EURO

## 09.2

### Notes to the Financial Statements

#### Notes to the Cash Flow Statement

##### 2

##### CASH FLOW COMPONENTS AND CASH EQUIVALENTS

The cash flow components and cash equivalents as at 31 December 2009 and 2008 are as follows:

COMPONENTS	2009	2008
Cash	411,673.41	300,745.88
Bank deposits on demand	324,048.80	309,769.99
Cash equivalents	0.00	0.00
Cash and cash equivalents	735,722.21	610,515.87

**CASH FLOW COMPONENTS AND CASH EQUIVALENTS**, UNIT: EURO

**FINAL NOTE:**

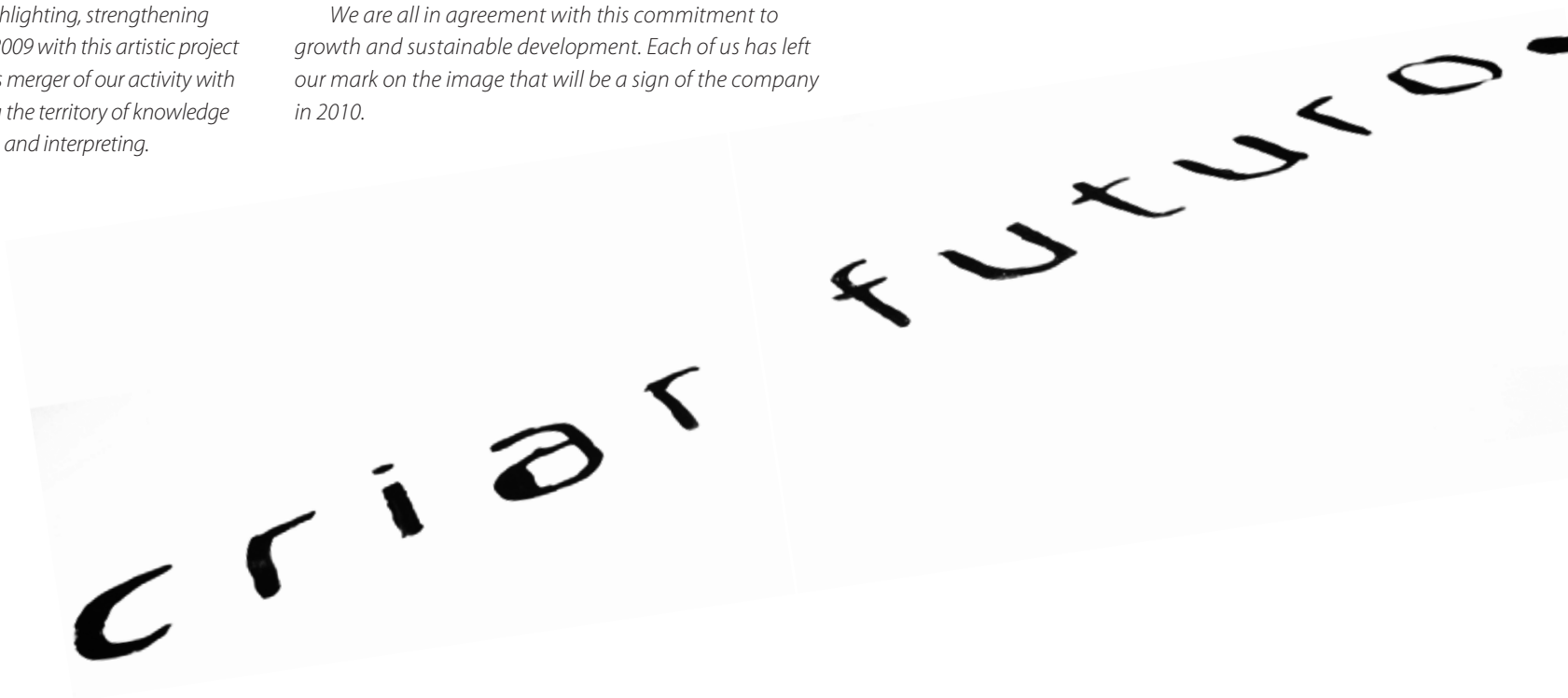
*With the publication of the Annual Reports of the Esfera group of companies, we have been focusing on creating an image that marks not only those publications but also the communication of that year, to create an identity that distinguishes year after year our targets, our progress, our success.*

*In 2009 we made the word FUTURE the image for our focus on sustainable growth and specialisation within the companies. We are building this FUTURE step by step, noting and expanding on details, highlighting, strengthening the whole. We mark the year 2009 with this artistic project because we believe that in this merger of our activity with other areas, we are expanding the territory of knowledge and gain other ways of seeing and interpreting.*

*This year we invited the company's employees to participate in defining the basic image of the Annual Reports and the features that will be present in all communications during 2010.*

*The images used in the Reports and various other communications, were painted on large canvases by the employees and family members who joined in this initiative. Thus we have involved employees, not just in the development of the projects and business results, but also in their presentation and dissemination.*

*We are all in agreement with this commitment to growth and sustainable development. Each of us has left our mark on the image that will be a sign of the company in 2010.*



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