Annual Report 2014

Seth

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Seth - Sociedade de Empreitadas e Trabalhos Hidráulicos was set up in 1933 by the Danish firm Højgaard & Schultz a/s. It is now one of Portugal's major Marine Works companies and it has gained international renown in Coastal and Port Engineering.

Throughout its 82 years of history the Company has undertaken countless civil construction, industrial and public works jobs for central and local government, autonomous institutes, the Portuguese Armed Forces, the US Armed Forces and NATO.

Seth soon became a technologically-advanced company all-time and the image of the Company is the innovation in the search for solutions in carrying out the customers' projects. This form of action constituted the basis of the Company's internationalisation as from 2004, which now extends to countries such as Algeria, Guinea-Conakry, Cape Verde, Mozambique, Angola and Gibraltar.

The year 2014 under review did not confirm expectations based on the fact that the company had the biggest order book of its history at the beginning of the period. Indeed, the significant delay to the start of projects awarded in 2013 in respect of the construction of power transmission lines in Mozambique, a type of work constituting the greater part of the projects in the portfolio, caused a significant reduction of business that could not be replaced due to the still recessive Portuguese market. A start should have been made to the contracts in question early in the first quarter of the year and they actually started only in the last quarter of 2014. This meant that the company's order book at the end pf 2014 stood at a new record high, a significant amount of business having been generated during last month of the year, which will have an effect in 2015.

In view of the foregoing, most of the company's business took place in foreign markets, particularly in Gibraltar and Mozambique.

Economic and Financial Indicators

At the end of the period, assets amounted to €29,931,223 while liabilities totalled €24,873,195.
At the end of the period the company's Equity stood at €5,058,028.

In 2014 depreciation of tangible fixed assets, using the straight-line method, totalled €997,194. Assets of an acquisition price of less than €1,000 were fully written down during the period.

Outlook for 2015

The confirmation of the award of Option 1 of the MixCredit contract in Mozambique for EDM totalling €25.3 million (50% for Seth) and the signature of the contract for the construction of the third phase of the Kamsar container quay in Guinea Conakry for the Guinea Alumina Corporation for the sum of €12.5 million, mean that a new record has been achieved by the order book, now standing at €67.7 million to be executed during the next three years. This sum does not include the works inherent in the intent to award in Angola that, because of the recent events in the economy, are not certain to be executed in 2015, although so far there has been no indication to the effect by the customers, which maintain the intention that a start be made to them. Since the constraints to carrying out the work in Mozambique have been overcome, and provided there is no worsening of the health conditions in Guinea, we can look forward to a sharp increase of turnover to €62 million and to a net profit, with the EBIT standing at 6%.

2014, Annual Report

Seth

INTRODUCTION

The year 2014 under review did not confirm expectations based on the fact that the company had the biggest order book of its history at the beginning of the period. Indeed, the significant delay to the start of projects awarded in 2013 in respect of the construction of power transmission lines in Mozambique, a type of work constituting the greater part of the projects in the portfolio, caused a significant reduction of business that could not be replaced due to the still recessive Portuguese market. A start should have been made to the contracts in question early in the first quarter of the year and they actually started only in the last quarter of 2014. At the same time a number of other projects under negotiation in Angola and Guinea, that were expected to make a contribution in 2014, ended up by being concluded only at the end of the year and as such had no impact on the period.
This meant that the company's order book at the end pf 2014 stood at a new record high, a significant amount of business having been generated during last month of the year, which will have an effect in 2015.
The year under review was yet another year of crisis in the construction sector in Portugal with a market downturn of 9.5% compared to 2013, bringing about a cumulative loss in the last 10 years of 65%. However, the fact that the GDP of the Portuguese economy grew by 1.0% provides expectations that the decline has ended, and one can now expect a period of stagnation, which the new Community Support Framework is set to reverse as from 2016.
In view of the foregoing, most of the company's business took place in foreign markets, particularly in Gibraltar and Mozambique.
The very slow pace of decision-making by our customer Electricidade de Moçambique affected the implementation and contribution in 2014 of the major (MixCredit) project in the portfolio, funded by the government of Denmark, which forms the basis of the company's order book.
The was also true of the contracts in respect of the five lots of the EDAP project for the same customer. Consignment only occurred in two of the contracts and in the closing months of the year, notwithstanding the fact that they were all awarded in the first quarter and are fully funded by international organisations such as the European Investment Bank and the World Bank. The fact that the country has gone through a turbulent election period entailing situations of near civil war in areas where some of these projects are to be executed will not have been foreign to this delay. The peaceful conclusion of the election process provides expectations that these constraints will not be prolonged, and business is expected to return to normal in 2015.
Also the Ebola outbreak in countries of the Gulf of Guinea prevented the execution of several jobs awarded in Guinea Conakry, as did the delay to the award of the last phase of the Kamsar container terminal, which is expected to occur in early 2015.
As a result of the foregoing situations, turnover was substantially lower than expected and it did not prove possible to replace orders that were not confirmed by new ones in time to reverse the situation. An operating loss was returned and a negative EBIT was returned in the sum of €1,132,444. The Net Loss amounted to €1,889,096. Turnover in the sum of €23,113,879 was down by 2.26% compared to the previous year.

ACTIVITY IN THE MARKETPLACE

During the year, the company continued to carry on its business and to seek new opportunities in accordance with the basic principles of its business plan, which focuses on the following areas and skills:
Marine and Hydraulic Infrastructure, Power Transmission and Geotechnics.
Besides the domestic market, the plan's geographical areas involve Southern Africa and the Gulf of Guinea, the target customers operating in the Oil & Gas, Mining and Port Concessionaire sectors in the case of private-owned companies, and energy companies and port authorities, in the case of public customers.
During 2014 the Company was engaged in jobs in Portugal, Gibraltar, Cape Verde, Angola and Mozambique.

Of the jobs concluded in 2014 we would underscore the following:
- Enlargement of the open-air storage yard of the Port of Mindelo, Sao Vicente - Republic of Cape Verde

Of the jobs in progress continuing into 2015, we would underline:
- Reinforcement and Extension of the National Power Transmission Grid (MixCredit) - EDM Moçambique;
- EDAP Grid Extension, Lots 2,4,5,7 and 8 - EDM Moçambique;
- North Mole Pier Extension - Casais Gibraltar Ltd - Government of Gibraltar
- Fuel Quay - Enacol - Cape Verde

BRANCHES, SUBSIDIARIES AND GROUPS

BRANCHES

Seth ALGERIA
It was decided to put an end to operations in this market and the branch will remain active only for the fulfilment of legal obligations and recovery of several credits within the scope of the consortia and joint ventures of which it was a member.

Seth MOZAMBIQUE
Activity in Mozambique was much lower than expected,

due to delays resulting from the lengthy decision-making process by the customer in making available the areas for the work and in the consignment of the jobs awarded in the meantime. The electrification works for EDM, including the Mix Credit contract, total at this time €111 million, which will ensure activity over the coming three years. It should be noted that all these jobs are financed by European aid agencies or development banks so that the certainty of payments and the predictability of timely cash flows are very good.
The coming year will see a great deal of activity in that the constraints experienced during 2014 have not been overcome.

Seth GUINEA
The branch was wound up at the beginning of 2014 for lack of activity during more than a year. Also at the end of 2014, the execution was expected of a contract awarded by CBG in the meantime, as was the negotiation of the final phase of the Kamsar container terminal. However, the Ebola outbreak and the resultant consequences mean that the work in question will only be carried out in 2015.
We therefore hope to re-establish the branch in 2015 in order to execute the aforesaid contracts.

Seth CAPE VERDE
The association headed by Seth considered that the port-work job involving enlargement of the container terminal at the port of Mindelo on São Vicente Island had come to an end.
Following this, the association was awarded work relating to a new fuel quay for the local company, Enacol. The works are going ahead as planned and are scheduled for completion in March 2015.
Though continuing its commercial activity directed at identifying new opportunities in this market, no new orders are on the horizon.

Seth GIBRALTAR
The branch was established in 2014 following the award of a contract to execute a pier and an adjacent embankment in Gibraltar whose the end customer is the government of that territory. The conclusion of the contract is scheduled for May 2015.

SUBSIDIARIES

SETHANGOLA, SA
Despite the intense sales activity during the year no new orders were received and there was therefore little work during the year.
At the end of the year, however, the company received confirmation of the intention to award a Sealine at Cabinda for AmalAngola/Sonangol and the construction of a Wharf and Breakwater in Cabinda for IMPA, the latter a job in consortium with Mota-Engil Angola and the Chinese company CGGC. The value of these jobs amounts to a total of US$ 40 million over the next two years. However, recent developments in the Angolan economy, the result of the sharp drop in oil prices, could delay the start of these projects.
A profit was returned in 2014, in line with expectations.

SETHMOZ, SA
The company carried out no work during the year, and it was engaged in obtaining the necessary operating permits. These were obtained at the end of the year and the company is set to make a start to its activity at the beginning of 2015.
Seth controls 60% of the company, the remainder of the share capital being held by Mozambican entities.

MARINERTES, SA
The company has lodged a number of legal actions to contest the impediments that were raised in respect of fulfilment of the obligations stemming from the licences that had been granted to it.
There were no significant developments in this matter.
Seth has a 29% stake in this company.

MAISTRÊS – UNIPESSOAL LDA
The company's activity is the exploration of owned residential apartments. In 2014, one of the three properties were sold. Seth holds 100% of this company.

JOINT VENTURES

CONSTRUSALAMONDE, ACE
The works directly entrusted to Seth were greatly affected by the weather and therefore continued into the first quarter of 2015, though only residually. This did not impact on the overall planning of the project. Seth is awaiting a decision as to several requests for works not initially foreseen, forming part of a broader claim under negotiation within the joint-venture with the customer. The result of this negotiation may have a positive impact on the economic expectation of the job.
Seth has a 7.5% stake in this joint venture.

GMP MEK ACE and GMP ACE
In 2012, these joint ventures concluded the contract works in Algeria, which are now in the warranty period. Seth has a 33.3% holding in both these incorporated joint ventures.

SOMAGUE/SETH – CAIS DO JARDIM DO TABACO 1ª FASE, ACE
The incorporated joint venture was set up for the contract for the Rehabilitation and Reinforcement of the Quays between Santa Apolónia and Jardim do Tabaco – 1st Stage. The final acceptance of the work took place on March 7, 2014. The joint venture will be wound up at the beginning of 2015.

CAIS DE CRUZEIROS, 2ª FASE ACE
The incorporated joint venture was set up for the contract for the Rehabilitation and Reinforcement of the Quays between Santa Apolónia and Jardim do Tabaco – 2nd Stage. The works were completed in 2011, and they are therefore in the warranty period. During 2014 an agreement was reached on the amount of interest payable by the customer, which has already been paid.

AARSLEFF – SETH JV I/S

In 2013 a joint venture was formed with the Danish company Per Aarsleff a/s for the sole purpose of execution of the contract for thee Reinforcement and Extension of the National Power Transmission Grid (MixCredit) contract for Electricidade de Moçambique. The joint venture is headquartered at Aabyhoe in Denmark and, during that year, a branch was established in Mozambique. Each company has a 50% stake in the joint venture.

HYGIENE, SAFETY AND ENVIRONMENT

Within the scope of the monitoring of the certification of the Integrated Safety and Environment Management System (SGISA) under the ISO 14001:2004 and NP 4397-2008 (OHSAS 18001:2007) standards, the second audit was performed of this certification cycle on July 1, 3 and 4, 2014.

The follow-up audit of the Integrated Safety and Environment Management System was the first to be conducted simultaneously with the Quality Management System. The audit was conducted by APCER - Associação Portuguesa de Certificação.

The audit focused on verification of the documentation of the Ribeira das Naus Contract, in Lisbon, and entailed a visit to the Seth Central Yard and head office. The audit report included the findings of the certifying entity, detailing the nonconformities and the opportunities for improvement under the recent SGISA.

All the findings were once again included in the objectives of our system. The conclusions of the audit were again very good and, in general, the audit team considered that Seth's SGISA is documented and consolidated, meeting the requirements of the reference standards.

Both certifications are now fundamental for international jobs, for which they are now required, and this is why the process of Systems Integration has been concluded, in order to expedite renewals of these systems.

During the year training courses increased and the means of prevention were strengthened, mainly in respect of collective protection equipment and of equipment for very large jobs. The training courses have covered Seth workers and also workers of subcontractors, thereby enhancing a culture of safety at our jobs.

This result demonstrates that, although there are still opportunities for improvement, the implemented systems have adapted to the reference standard and, overall, Seth has once again revealed that it acts in accordance with the definitions of the Safety, Health at Work and Environment Management Systems, and we must therefore congratulate all employees for their personal commitment.

2014 Accident Rates

The 2014 Accident Rates figure for the Frequency Index was 6.29, which in accordance with international best practices, is classified as Very Good, and for the Severity Index 0.06, which classifies it as Very Good – there were just three work accidents but only one entailed days off.

QUALITY AND R&D

The second follow-up audit of the Quality Management System in accordance with the NP EN ISO 9001:2008 standard took place in July 2014, and this time, as mentioned above, the audit was conducted simultaneously with the Integrated Safety and Environment Management System.

This audit found that the Management Systems certified by APCER have come to be increasingly effective and are being altered the better to adapt to the reality of the company.

Of the strong points observed during the audit emphasis is given to: the commitment and motivation of the workforce and of the areas involved, the organisation of the documents on site, the motivation of employees contacted and their involvement in the improvement of the systems implemented, and the willingness and constructive attitude demonstrated by all employees.

It was also considered that Seth has the appropriate skills to trigger effective corrective measures and to ensure the conditions required to achieve its objectives in accordance with its policy, also stressing the effort made by the company in the search for new opportunities through its internationalisation.

Once again and given the situation of the markets, both domestic and international, during 2014 there has been a reduction of Research, Development and Innovation (RDI) projects undertaken by the company. However, despite this constraint an in-house group was set up to study application of the BIM models in the management and execution of works, an instrument that is understood as being, in the future, critical to the company's competitiveness if it is to present whenever possible innovative solutions for the execution of its projects, thus responding to the needs and requirements of each customer.

Seth continues to be an associate of the Portuguese Technological Construction Platform (PTPC), which aims to promote reflection on the industry and implementation of research, development and innovation initiatives and projects that can contribute to improving the competitiveness and internationalisation of the Portuguese construction industry.

As from 2015 the company will also be an associate of FUNDEC - Association for Training and Development in Civil Engineering and Architecture, in a partnership between the university and businesses that will enhance the company's R&D potential.

SOCIAL RESPONSIBILITY

The Social Responsibility Policy that Seth has implemented in its business is governed by moral principles and professional ethics that safeguard respect, integrity and trust. Through it, Seth undertakes to comply with various legal, social and moral commitments to employees, customers and society in general.

Seth views itself a socially responsible organisation, where in decision-making it values and respects the community and the environment in which it operates.
In its business it has demonstrated respect for human rights, concern for future generations by focusing on sustainable development, investment in employees' personal enhancement, environmental protection, compliance with social standards and respect for the ethical values and principles of our society.

Regard for the Environment

The company's Environmental Policy assumes protection and conservation of the environment as a concern, not only for the need to respond to the requirements of applicable legislation but also because it contributes to sustainable development.

With due respect for preservation of the environment, Seth has implemented several eco-efficiency measures at its head office and, due to the importance given by the company to environmental protection, coupled with the fact that new solutions constantly arise on the market, new energy-saving measures are under review for implementation at the head office and at the central yard, in Palmela.

There are frequent training courses for our employees, during which they are sensitised to environmental conservation through responsible and effective use of available resources.

Support for the Community

Over the years Seth has been involved, with donations of varying amounts, in projects and with charitable institutions that perform humanitarian and solidarity activities at national and international level. All these initiatives providing support to the community do not merely serve the short-term purpose of return on the image or financial return, rather the primary purpose of contributing to the development and well-being of these communities.

Of the sponsorship provided, we would underscore:
APCA – Portuguese Access Class Association
Seth supports APCA, a non-profit sports association, the aim of which is to promote Access Class Sail and to provide its technical management as an adapted-sail sport. Seth sponsors the "SETH Sail" project, which aims to divulge and promote adapted sailing up and down the country.

Of the donations made in 2014 we would underscore:
Pro Dignitate – Human Rights Foundation
The non-profit Pro Dignitate Foundation is directed at humanitarian and social goals and at promoting human rights through scientific studies, planning, promotion and appraisal of preventive and other measures addressing the defence of these rights.

ECONOMIC AND FINANCIAL INDICATORS

At the end of the period, assets amounted to €29,931,223 while liabilities totalled €24,873,195.
At the end of the period the company's Equity stood at €5,058,028.

In 2014 depreciation of tangible fixed assets, using the straight-line method, totalled €997,194. Assets of an acquisition price of less than €1,000 were fully written down during the period.

APPROPRIATION OF RESULTS

The Board of Directors proposes that the net loss of €1,889,096 for period be taken to retained earnings.

2015 PREVIEW AND SUBSEQUENT EVENTS

The confirmation of the award of Option 1 of the MixCredit contract in Mozambique for EDM totalling €25.3 million (50% for Seth) and the signature of the contract for the construction of the third phase of the Kamsar container quay in Guinea Conakry for the Guinea Alumina Corporation for the sum of €12.5 million, mean that a new record has been achieved by the order book, now standing at €67.7 million to be executed during the next three years. This sum does not include the works inherent in the intent to award in Angola that, because of the recent events in the economy, are not certain to be executed in 2015, although so far there has been no indication to the effect by the customers, which maintain the intention that a start be made to them. Since the constraints to carrying out the work in Mozambique have been overcome, and provided there is no worsening of the health conditions in Guinea, we can look forward to a sharp increase of turnover to €62 million and to a net profit, with the EBIT standing at 6%.

In early 2015, the capital of SETH held by Portuguese shareholders (40%) has changed to Approachdetail - SGPS, SA ownership. That transaction was agreed by the majority shareholder.

Queijas, February 27, 2015

The Board of Directors
Ricardo Gomes (President)
Peter Kofoed
Jesper Nordby
Villy Petersen

Seth

Monetary Unit: EURO

HEADINGS	Notes	Dates Dec 31, 2014	Dec 31, 2013
ASSETS			
Non-current assets			
Tangible fixed assets	5	5 799 850	6 016 771
Customers with guarantee deposit	9	1 092 409	167 748
		6 892 259	**6 184 519**
Current assets			
Inventories	8	319 942	463 929
Customers	9	7 765 142	6 494 018
Advances to suppliers	10	2 582 326	91 185
State & other public entities	11	889 214	943 892
Other receivables	12	8 890 969	5 325 062
Deferrals	13	126 781	350 487
Financial assets held for trading	14	20 116	20 800
Non-current Properties held for Sale	15	277 213	-
Cash & Bank deposits	4	2 167 261	2 609 968
		23 038 964	16 299 341
Total Assets		**29 931 223**	**22 483 860**
EQUITY & LIABILITIES			
Equity			
Paid-up equity capital	16	4 000 000	4 000 000
Legal reserves	17	801 069	801 069
Other reserves	18	197 542	117 648
Retained Earnings	19	1 915 082	2 535 897
Adjustments to financial assets	20	47 117	61 483
Other changes in equity	21	(13 686)	(37 742)
Net profit		**(1 889 096)**	**(707 617)**
Total equity		**5 058 028**	**6 770 738**
Liabilities			
Non-current liabilities			
Provisions	22	29 910	43 865
Loans	23	1 565 166	2 344 577
		1 595 076	**2 388 442**
Current liabilities			
Suppliers	25	7 282 315	6 452 442
Customers prepayments	26	6 524 303	523 562
State & other public entities	11	735 390	632 509
Loans	23	2 465 900	666 924
Other accounts payable	24	5 548 042	3 500 056
Deferred income	13	722 169	1 549 187
		23 278 119	**13 324 680**
Total liabilities		**24 873 195**	**15 713 122**
Total equity and liabilities		**29 931 223**	**22 483 860**

The Board
Ricardo Pedrosa Gomes (President)
Peter Kofoed
Jesper Nordby
Villy Petersen

The Accountant
Sofia Mendes

Consolidated Income Statement by Nature of Expense for the Period

(Ended December 31, 2014)
Monetary Unit: EURO

INCOME & EXPENSES	Notes	PERIODS Dec 31, 2014	Dec 31, 2013
Sales & services rendered	27	23 113 879	23 647 360
Operating subsidies	28	4 782	5 977
Own works capitalised	29	3 844	30 728
Cost of goods sold & materials consumed	30	(3 704 200)	(3 596 280)
Third party supplies & services	31	(14 678 528)	(14 487 398)
Staff costs	32	(5 308 582)	(4 729 577)
Impairment of receivables (losses/reversals)	9	(162 167)	212 953
Provisions (increases/reductions)	22	22 183	296 352
Increases/reductions of fair value	14	(684)	-
Other income & gains	33	1 472 421	1 432 990
Other costs & losses	34	(898 206)	(1 073 959)
Earnings before depreciation, borrowing costs and taxes		(135 250)	1 739 146
Expenses / reversals of depreciation & amortisation	5	(997 194)	(1 154 781)
Operating profit (before borrowing costs and taxes)		(1 132 444)	584 365
Interest & similar income	35	116 260	164 483
Interest & similar costs	3	(418 150)	(1 165 927)
Profit before tax		(1 434 334)	(417 079)
Income tax for the period	7	(454 762)	(290 538)
Net profit for the period		(1 889 096)	(707 617)
Profit/(loss) on discontinued business (net of taxes), included in the net profit for the period			
Net profit /(loss) for the period attributable to:			
Parent company equityholders			
Non-controlling interests			
Basic earnings per share		(0,47)	(0,88)

The Board
Ricardo Pedrosa Gomes (President)
Peter Kofoed
Jesper Nordby
Villy Petersen

The Accountant
Sofia Mendes

Consolidated Statement of Changes in Equity during the 2014 Period

Monetary Unit: EURO

Description	Notes	Equity attributed to the parent company's equityholders											
		Issued Capital	Treasury Shares	Other equity instruments	Issue premiums	Legal Reserves	Other Reserves	Retained Earnings	Adjustments to Financial Assets	Revaluation Surpluses	Other Changes in Equity	Net Profit for the Period	Total
POSITION AT THE START OF THE PERIOD 2014 **1**	2.4	4 000 000	-	-	-	801 069	117 648	2 535 897	61 483	-	(37 742)	(707 617)	**6 770 738**
CHANGES DURING THE PERIOD													
First adoption of the new accounting standards													-
Accounting policies alterations													-
Financial statement conversion differences													-
Realisation of the tangible and intangible fixed assets revaluation surplus													-
Deferred tax adjustments													-
Other changes recognised in equity							79 894	86 801	(14 365)		24 056		176 386
2		-	-	-	-	-	79 894	86 801	(14 365)		24 056	-	176 386
NET PROFIT FOR THE PERIOD **3**												(1 889 096)	**(1 889 096)**
COMPREHENSIVE RESULT **4=2+3**												(1 889 096)	**(1 889 096)**
TRANSACTIONS WITH EQUITYHOLDERS DURING THE PERIOD													
Equity capital paid up													-
Issue premiums paid up													-
Distributions													-
Inflows to cover losses													-
Other transactions								(707 617)				(707 617)	-
5		-	-	-	-	-	-	(707 617)	-	-	-	(707 617)	-
POSITION AT THE END OF THE PERIOD 2013 **6=1+2+3+5**		4 000 000	-	-	-	801 069	197 542	1 915 082	47 118	-	(13 686)	(1 889 096)	5 058 028

The Board
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Villy Petersen

The Accountant
Sofia Mendes

Monetary Unit: EURO

Description	Notes	Equity attributed to the parent company's equityholders											
		Issued Capital	Treasury Shares	Other equity instruments	Issue premiums	Legal Reserves	Other Reserves	Retained Earnings	Adjustments to Financial Assets	Revaluation Surpluses	Other Changes in Equity	Net Profit for the Period	Total
POSITION AT THE START OF THE PERIOD 2013 **1**	2.4	4 000 000	-	-	-	801 069	140 705	6 211 639	(166 796)	-	(190 005)	(3 530 926)	**7 265 686**
CHANGES DURING THE PERIOD													
First adoption of the new accounting standards													-
Accounting policies alterations													-
Financial statement conversion differences													-
Realisation of the tangible and intangible fixed assets revaluation surplus													-
Deferred tax adjustments													-
Other changes recognised in equity							(23 057)	(144 816)	228 279		152 263		212 669
2		-	-	-	-	-	(23 057)	(144 816)	228 279		152 263	-	212 669
NET PROFIT FOR THE PERIOD **3**												(707 617)	**(707 617)**
COMPREHENSIVE RESULT **4=2+3**												(707 617)	**(707 617)**
TRANSACTIONS WITH EQUITYHOLDERS DURING THE PERIOD													
Equity capital paid up													-
Issue premiums paid up													-
Distributions													-
Inflows to cover losses													-
Other transactions								(3 530 926)				3 530 926	-
5		-	-	-	-	-	-	(3 530 926)	-	-	-	3 530 926	-
POSITION AT THE END OF THE PERIOD 2013 **6=1+2+3+5**		4 000 000	-	-	-	801 069	117 648	2 535 897	61 483	-	(37 742)	(707 617)	6 770 738

The Board
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Consolidated Cash-Flow Statement

(Period ended December 31, 2014)

Monetary Unit: EURO

Headings	Notes	Period 31 Dec 2014	Period 31 Dec 2013
Cash flows from operating activities - Direct method			
Cash receipts from customers		24 871 705	20 001 253
Cash paid to to suppliers		(19 700 500)	(13 590 780)
Cash paid to employees		(5 204 832)	(4 737 915)
Cash generated by operating activities		**(33 627)**	**1 672 558**
Income tax (paid) / received		(338 688)	(557 205)
Other receipts/payments		(817 940)	805 559
Cash flow from operating activities (1)		**(1 190 255)**	**1 920 912**
Cash Flow from Investing activities			
Cash paid in respect of:			
Tangible fixed assets		(453 149)	(500 065)
Financial investments		(13 000)	(10 621)
Cash receipts from:			
Tangible fixed assets		284 017	409 187
Financial investments		200 000	-
Interest & similar income		5 031	5 459
Cash Flow from Investing Activities (2)		**22 898**	**(96 040)**
Cash flow from financing activities			
Cash receipts from:			
Borrowings		1 688 237	101 367
Cash paid in respect of:			
Borrowings		(855 673)	(1 773 791)
Interest & similar costs		(107 915)	(302 441)
Cash Flow from Investing Activities (3)		**724 649**	**(1 974 865)**
Variation of cash & cash equivalents (1+2+3)		**(442 707)**	**(149 993)**
Effect of currency translation differences			
Cash & cash equivalents of the beginning of the period		2 609 968	2 759 961
Cash & cash equivalents at the end of the period		**2 167 261**	**2 609 968**

The Board
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Jesper Nordby
Villy Petersen

The Accountant
Sofia Mendes

Notes to the Accounts

1 Identity of the entity

Sociedade de Empreitadas e Trabalhos Hidráulicos, SA, ("SETH" or "Company") is a public limited company having its registered office at Avenida Tomás Ribeiro, 145, Queijas, having been incorporated on 17/3/1933, and is principally engaged in Engineering and Civil Construction.

MT Hojgaard a/s, having its registered office in Denmark, has a majority holding in the Company.

2 Accounting standard for the preparation of the financial statements

2.1 The consolidated financial statements of SETH have been prepared in accordance with the Accounting Standardisation System (ASS), in accordance with Decree-Law 158/2009, of July 13. The ASS consists of the Bases for the Presentation of Financial Statements (BPFS), Draft Financial Statements (DFS), Accounts Code (AC), Accounting and Financial Reporting Standards (AFRS), Interpretive Standards (IS) and the Conceptual Structure.

The financial statements, which include the balance sheet, the statement of income by nature of expense, the statement of changes in equity, the statement of cash flows and the notes to the accounts, were approved by Company's Board of Directors on February 27, 2015, are expressed in euros and were prepared on the going-concern and accrual accounting basis in which items are recognised as assets, liabilities, equity, income and costs expenses when they satisfy the definitions and the recognition criteria for these items as contained in the conceptual structure, in accordance with the qualitative characteristics of understandability, relevance, materiality, reliability, reliable representation, substance over form, neutrality, prudence, fullness and comparability.

The accounting policies set out in Note 3 were used in the financial statements for the period ended December 31, 2014, and in the comparative financial information presented in these financial statements for the period ended December 31, 2013.

Companies included in the consolidation:

Subsidiaries

MAISTRÊS – Desenvolvimento Imobiliário Sociedade Unipessoal, LDA.
Av. Tomás Ribeiro, 145 – 2790 – 467 QUEIJAS
SETH shareholding - 100%
SethAngola, S.A.
Av. Comandante Valódia, n.º 5 – 6.º, apt 61, Kinaxixi – Luanda – ANGOLA
SETH shareholding – 60%
SethMoz – Construção, Engenharia & Obras Públicas, SA.
Praça dos Trabalhadores, nº 50, 5º andar
Maputo - Mozambique
SETH shareholding – 60%

Associate companies

Marinertes, S.A.
Rotunda Engenheiro Edgar Cardoso, 23, 8.ºA,
4400-676 VILA NOVA DE GAIA
SETH shareholding - 29%

Joint Ventures

SOMAGUE/SETH
Cais do Jardim do Tabaco – 1st Phase, ACE
Rua da Tapada da Quinta de Cima, Linhó
2714-555 SINTRA
SETH shareholding - 50%
Cais de Cruzeiros – 2nd Phase, ACE
Rua da Tapada da Quinta de Cima, Linhó
2714-555 SINTRA
SETH shareholding - 37,5%
GMP - GRUPO MARÍTIMO PORTUGUÊS, A.C.E.
Lagoas Park, Edifício Um, 2740-265 PORTO SALVO
SETH shareholding - 33,33%
GMP MEK – GRUPO MARÍTIMO PORTUGUÊS MERS EL KEBIR, A.C.E.
Lagoas Park, Edifício Um, 2740-265 PORTO SALVO
SETH shareholding - 33,33%
AARSLEFF – SETH JV I/S
Lokesvej 15, DK8230 Aabyhøj, DINAMARCA
SETH shareholding - 50%

2.2 There were no derogations of the provisions of the ASS.

2.3 There are no accounts of the balance sheet and statement of income whose contents are not comparable with those of the previous period.

3 Main accounting policies

The main accounting policies applied in preparing the financial statements are as follows:

3.1 Measurement bases used in preparing the financial statements

The financial statements have been prepared under the historic-cost principle.

Preparation of financial statements in conformity with the AFRS requires the Board of Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the amounts of assets and liabilities, income and costs. The associated estimates and assumptions are based on historical experience and other factors considered reasonable under the circumstances and form the basis for making judgements as to the value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Matters that require a greater degree of judgement or complexity, or where the assumptions and estimates are considered significant are presented in Note 3.3 - Main estimates and judgements used in the preparation of the financial statements, in Note 3.4 - Key assumptions concerning the future and in Note 3.5 - Key sources of estimation uncertainty.

3.2 Other significant accounting policies

a) Consolidation Principles

Reference dates
The financial statements reflect the assets, liabilities and results of the Group and its subsidiaries for the periods December 31, 2014 and 2013.
The accounting policies have been applied consistently by all Group companies.

Financial holdings in subsidiaries
Companies over which SETH exercises control are classified as subsidiaries. Control is normally presumed to exist when the Company has the power to exercise the majority of the voting rights. Control may also exist where SETH has the power, directly or indirectly, to manage the financial and operating policies of a given company so as to obtain benefits from its business, even if its holding of the equity is less than 50%. Subsidiaries are fully consolidated from the time when SETH assumes control over its business up to the moment when control ceases.
When the accumulated losses of a subsidiary exceed the non-controlling interest in the equity of that subsidiary, the excess is attributable to SETH to the extent that it is incurred. Subsequent profits made by such a subsidiary are recognised as SETH's income until the losses previously absorbed are recouped.

Translation of financial statements in foreign currency
The financial statements of subsidiaries are prepared SETH in their working currency. The consolidated financial statements are prepared in euros, which is SETH's working currency of SETH.
The financial statements of companies whose working currency is other than the euro are translated into euros in keeping with the following criteria:

- Assets and liabilities are translated at the exchange rate ruling on the balance sheet date;
- Income and costs are translated using the exchange rates approximating the actual rates ruling on the dates of the transactions;
- Exchange differences resulting from translation into euros of the financial position at the beginning of the year and translation at the exchange rate ruling on the balance sheet date to which the consolidated accounts refer are recorded against reserves. Likewise, in relation to the results of subsidiaries and associate companies, exchange differences arising from the translation into euros of the net income for the period between the exchange rates used in the statement of income and those on the reporting date are recognised in reserves. On disposal of the company, these differences are recognised in profit or loss as an integral part of the gain or loss on the disposal.

Balances and transactions eliminated in the consolidation
Balances and transactions between Group companies, including any unrealised gains or losses resulting from intra-group transactions, are eliminated in the consolidation process, except where unrealised losses provide evidence of an impairment that should be recognised in the consolidated accounts.
Unrealised gains arising from transactions with associates are eliminated in the proportion of SETH's holding therein. Unrealised losses are also eliminated, but only in situations where there is no sign of impairment.

Jointly-controlled entities
Jointly controlled entities are recognised using the equity method as from the date that joint control commenced until the date that it ceases, and they are entities in which the Company has joint control, established by contractual agreement.

b) Tangible fixed assets

Tangible fixed assets are carried at cost, which comprises their purchase price, including import duties and non-refundable purchase taxes, after deducting discounts and rebates, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, less accumulated depreciation and impairment losses.
On the date of transition to the AFRS the Company decided to consider as cost of the tangible fixed assets their revalued value determined in accordance with the previous accounting policies, which was broadly comparable to their cost measured in accordance with AFRS 7.
Subsequent costs are recognised as tangible fixed assets only if it is probable that future economic benefits will flow to the Company.
Routine maintenance and repair costs are recognised to the extent they are incurred in accordance with the accrual accounting mechanism.
The Company carries out impairment tests whenever events or circumstances indicate that the carrying amount exceeds the recoverable amount, the difference, if any, being recognised in profit or loss. The realisable value is determined as the higher of its fair value less selling costs and its value in use, the latter calculated on the basis of the present value of the expected future cash flows expected to be obtained from ongoing use of the asset and from its sale at the end of its useful life.
Land is not depreciated. Depreciation of tangible fixed assets is calculated using the straight-line method, after deducting their residual value, according to the following estimated useful lives of the assets:

	Number of years
Buildings & other constructions	8-50
Plant & machinery	3-16
Transport equipment	4-10
Office equipment	3-10
Biological equipment	-
Other tangible fixed assets	5-12

The useful lives, depreciation method and residual value of assets are reviewed annually. The effect of alterations of these estimates is recognised prospectively in the

statement of income.
Gains or losses arising from writing off or disposal are determined by the difference between the amount received and the carrying amount of the asset, recognised as income or cost for the period. In the event of disposal of revalued assets, the amount included under revaluation surplus is transferred to retained earnings.

c) **Leasing**
The Company classifies lease transactions as finance leases or operating leases based on the substance of the transaction rather than the form of the contract. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating finance lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases
Payments/ receipts made by the Company in light of operating leases are recognised as costs/ income for the periods to which they relate on a straight-line basis.

Finance leases
The finance lease contracts are recorded at their inception as assets and liabilities at the fair value of the leased property, or if lower, the present value of the minimum lease payments. The lessee's initial direct costs are added to the amount recognised as an asset.
The minimum finance lease payments are split between the financial charge and the reduction of the outstanding liability. The financial charges are allocated to each period over the life of the lease so as to produce a constant periodic interest rate on the outstanding balance of the liability.

d) **Financial holdings**

Investments in subsidiaries
Financial holdings in subsidiaries in which the Company exercises direct and indirect control are carried using the equity method, from the date on which the Company assumes control over their financial and operational activities until the moment that control ceases. Control is deemed to exist when the company holds more than half of the voting rights or when it has the power to manage the financial and operating policies of an enterprise or of an economic activity in order to obtain the benefits therefrom, even if the percentage it holds is less than 50%.

Investments in associates
Financial investments in associates are recorded for using the equity method from the date on which the Company directly or indirectly acquires significant influence to the moment it ceases, unless there are lasting severe restrictions which that impair the ability to transfer funds to the Company, in which case the cost method is used. Associates are entities over which the Company has significant influence, but not control, over their financial and operating policies. The Company is presumed to exercise significant influence when it has the power to exercise more than 20% of the voting rights of the associate. If the Company owns less than 20% of the voting rights, it is assumed that it exercises no significant influence unless such influence can be clearly demonstrated.

The existence of significant influence is usually evidenced by one or more of the following:
- Representation on the Board of Directors or equivalent management body;
- Participation in policy-making processes, including participation in decisions about dividends or other distributions;
- Existence of material transactions between the Company and the associate;
- Exchange of management staff;
- Provision of essential technical information.

The goodwill relating to an associate is included in the carrying amount of the investment. However, such goodwill cannot be written down and is therefore not included in the determination of the investor's share of the income of the associate.
Goodwill is tested annually, regardless of the existence of impairment indicators. Any impairment losses are recognised in profit or loss. The recoverable amount is determined based on value in use of the assets, calculated using valuation methodologies underpinned discounted cash-flow techniques, considering market conditions, the time span and the business risk.
Any excess of the investor in the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate above the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the investor's share of the associate's results for period in which the investment is acquired.

Investments in subsidiaries
and associates resident abroad
With regard to holdings expressed in foreign currency in respect of which the equity method is used, exchange differences determined between the translation into euros of the financial position at the beginning of the year and the translation at the exchange rate ruling on the reporting date are recorded against reserves.
The goodwill generated in foreign currency on acquisition of these investments is revalued at the exchange rate ruling on the reporting date, with a contra entry in reserves.

Jointly-controlled entities
Jointly controlled entities are recognised using the equity method as from the date that joint control commenced until the date that it ceases, and they are entities in which the Company has joint control, established by contractual agreement.

e) **Corporation tax for the period**
Corporation tax for the period is calculated based on the Company's taxable income and considers deferred taxation.
Current corporation tax is calculated based on the Company's taxable income (which differs from the book

income) in accordance with the tax rules in force as of the date of the reporting date at the place of the Company's registered office. The Company is subject to Corporation Tax (IRC) on taxable income at the rate of 23%. Taxation is increased by the 1.5% municipal surcharge on the taxable income, leading to an aggregate tax rate of 24.5% (including the relevant municipal surcharge of up to 1.5%).

Additionally, taxable income exceeding €1,500,000 is subject to a State surcharge at the following rates:

- 3% for taxable income between €1,500,000 and €7,500,000;
- 5% for taxable income between €1,500,000 and €7,500,000;
- 7% for taxable income over €35,000,000.

Deferred taxes refer to temporary differences between the amounts of assets and liabilities for accounting purposes and the respective amounts for taxation purposes.

Deferred tax assets and liabilities are calculated and assessed periodically using the tax rates in force as of the reporting date, with no financial discount.

Deferred tax assets are recognised only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. At each balance sheet date, a reassessment is made of the temporary differences related to deferred tax assets with a view to recognising or adjusting in the light of the current expectation of their future recovery.

The tax losses carried forward calculated in taxation periods started on or after January 1, 2014, can be used during 12 years. For 2012 and 2013 the deadline for the use of tax losses carried forward is five tax years. This term is four years for tax losses carried forward established during 2010 and 2011 and six years for previous taxation periods.

Additionally, the deduction of tax losses carried forward is limited to 70% of the taxable income, and this rule applies to deductions made in taxation periods beginning on or after January 1, 2014, regardless of the tax period in which they were established. This limit is 75% for the 2012 and 2013.

Income tax is recognised in the statement of income, except when it relates to items that accounted under equity, which implies its recognition in equity.

Deferred taxes recognised in equity are recognised in profit or loss when recognised in the dates of gains and loss that gave rise to them.

In accordance with the provisions of paragraph 68 of AFRS 25, the Company offsets deferred tax assets and tax liabilities where the Company:

Has a legally enforceable right to offset current tax assets against current tax liabilities;

The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

f) **Inventories**

Inventories are valued at the lower of acquisition cost and net realisable value. The cost of inventories comprises all purchasing costs, conversion costs and other costs incurred in bringing the inventories to their present location in their present condition. The net realisable value is the estimated selling price in the ordinary course of business less selling costs.

The formula for costing warehouse outgoings (consumption) is the weighted average cost.

The Company writes down the cost of inventories to their net realisable value when the assets are carried at amounts greater than those that will which foreseeably result from their sale or use

g) **Receivables**

Trade receivables are initially recognised at fair value and subsequently stated at cost or amortised cost, using the effective interest rate method, carried in the balance sheet net of impairment losses pertaining thereto.

Impairment losses are recorded based on regular assessment of the existence of objective evidence of impairment associated with doubtful debt on the balance sheet date. Impairment losses identified are recognised against profit or loss and are subsequently reversed if there is a reduction of the estimated loss in a subsequent period.

h) **Non-current assets held for sale**

Available-for-sale non-current assets or groups of non-current assets (groups of assets together with the respective liabilities, which include at least one non-current asset), are classified as available-for-sale when they are available for immediate sale in their present condition subject only to terms that are usual and customary for their sale and whose sale is highly probable.

The company also classifies as available-for-sale non-current assets or groups of non-current assets acquired for the purpose of later sale, which are available for immediate sale as found, subject only to terms that are usual and customary for their sale and whose sale is highly probable.

Immediately before their classification as such, available-for-sale non-current assets held for sale and all assets and liabilities included in a group of available-for-sale assets are measured at the lesser of cost and fair value, less costs to sell.

i) **Cash & cash equivalents**

Cash & cash equivalents comprise cash, sight deposits and highly-liquid short-term investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

j) **Transactions in foreign currency**

Transactions in foreign currencies are translated to euros at the exchange rate ruling on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated to euros at the exchange rate ruling on the balance sheet date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities carried at historical cost denominated in a foreign currency are translated using the exchange rate ruling on the transaction date.

Non-monetary assets and liabilities denominated

in foreign currency and carried at fair value are translated using the exchange rate ruling when the fair value was determined.
Exchange differences arising on the settlement of monetary items or reporting monetary items at rates different from those initially recorded during the period, or reported in previous financial statements, are recognised in profit or loss in the period they occur.
When a gain or loss on a non-monetary item is recognised directly in equity, any exchange difference included in that gain or loss is recognised directly in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange difference included in that gain or loss is recognised in profit or loss.
The exchange rates used in preparing the financial statements are as follows:

		Rates in December 2014		Rates in December 2013	
Currency		Closing Rate	Average Rate	Closing Rate	Average Rate
United States dollar	USD	1,23	-	1,3791	-
Sterling	GBP	0,79	-	0,8337	-
Kwanza	AKZ	125,11	127,05	134,5920	131,1568
Algerian dinar	DZD	106,74	105,98	108,1034	106,1607
Cape Verde escudo	CVE	110,27	110,27	110,2650	110,2650
Guinean franc	GNF	-	-	9.570,95	9.410,95
Mozambican metical	MZN	38,28	40,38	41,24	39,67

k) **Provisions**

Provisions are recognised when:

- The Company has a present legal or constructive obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate of the obligation can be made.

Provisions are subject to review on an annual basis, in keeping with the estimate of the respective future liabilities. The financial update of the provision, with reference to the end of each period, is recognised as finance cost.

l) **Provisions for onerous contracts**

The Company recognises a provision for onerous contracts where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

m) **Contingent assets and liabilities**

The Company does not recognise contingent assets and liabilities.
Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. The assets are disclosed when an inflow of economic benefits is probable.

n) **Recognition of costs and income**

Income and costs are recorded during the period to which they relate regardless of their receipt or payment, in accordance with the accrual-accounting mechanism. Differences between the amounts received and paid and the corresponding income and costs is recorded under Other assets or liabilities depending on whether they are amounts receivable or payable.

o) **Revenue**

Revenue is measured at the fair value of the remuneration received or receivable. The Company's revenue results primarily from the provision of construction services that fall under AFRS 19 - Construction contracts and sale of goods.
In accordance with NCRF 19, when the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity as of the reporting date. An expected loss on the construction contract are recognised immediately as an expense.

The outcome of a construction contract can be estimated reliably when all the following conditions are fulfilled:

- The contract revenue can be measured reliably;
- It is probable that the economic benefits associated with the contract will flow to the entity;
- Both the contract costs to complete it as well as the stage of completion of the contract as at the reporting date can be measured reliably; and
- The contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with previous estimates.

When the outcome of a construction contract cannot be estimated reliably:

- The revenue is recognised only to the extent that it is probable that the contract costs incurred are recoverable; and
- The contract costs are recognised as an expense in the period in which they are incurred.

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

- The Company does not have ongoing management involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- The amount of revenue can be reliably measured;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The stage of completion of the contract is determined based on the proportion of costs incurred for work performed up to the reporting date to the estimated total contract costs. Progress payments and advances received from customers do not reflect work performed are therefore not considered in the recognition of revenue.

Revenue comprises the amounts invoiced on the sale of products or services rendered, net of value added tax, rebates and discounts. When the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount. This difference is recognised as interest income.

p) **Financing costs/income**

Expenses/income of loans include interest paid on borrowings, interest received on investments made before the borrowings are used, and similar income and expenses obtained and borne in respect of exchange differences associated with loans and swap contracts or other derivatives related hedging the risk associated with borrowings.

Interest is recognised on an accrual basis using the amortised cost method.

Interest from financial placements and other investment income is recognised in the statement of income under other income and gains.

q) **Subsequent events**

The financial statements reflect subsequent events until February 17, 2015, the date they were approved by the Management Body as stated in Note 2.1.

Events occurring after the balance sheet date about conditions that existed at the balance sheet date are taken into consideration in the preparation of the financial statements.

Material events after the balance sheet date that do not involve adjustments are disclosed in Note 39.

r) **Financial Instruments**

The Company recognizes a financial asset, a financial liability or an equity instrument only when it becomes a party to the contractual provisions of the instrument.

A financial instrument is classified as a financial liability when there is a contractual obligation for the issuer to settle the principal and/or interest in cash or by delivering another financial asset, regardless of its legal form.

The initial costs do not include transaction costs of financial assets or liabilities measured at fair value recorded against profit or loss.

The Company measures its financial assets and liabilities at each reporting date at cost or amortised cost less any impairment loss or at fair value with changes in fair value being recognised in the statement of income.

The Company measures financial instruments at cost or amortised cost less impairment loss when they satisfy the following conditions:

- they are at sight or have a defined maturity;
- the returns to the holder are (i) a fixed sum, (ii) fixed interest rate during the life of the instrument or variable rate that is a typical market index for financing operations (such as the Euribor) or includes a spread over and above that index;
- contains no contractual provision that may cause the holder a loss of the par value and the accrued interest (excluding the typical cases of credit risk).

s) **Impairment**

On each reporting date an assessment is made of the existence of objective evidence of impairment, particularly having a particularly adverse impact on the estimated future cash flows of the financial asset or group of financial assets, provided it can be measured reliably.

For financial assets that show signs of impairment the recoverable amount is determined, the impairment losses being recorded against profit or loss.

A financial asset or group of financial assets is impaired where there is objective evidence of loss of value resulting from one or more events occurring after initial recognition.

t) **Hedge accounting**

The Company uses financial instruments to hedge its exposure to the interest-rate, exchange-rate and price risk arising from its operating and financing activities. Derivatives that do not qualify as hedges are carried as trading derivatives.

Hedging derivatives are recorded at fair value and gains or losses are recognised in accordance with the hedge accounting model adopted by the Company. A hedge relationship exists where:

- at the inception of the relationship, there is formal documentation of the hedge;
- there is expectation that the hedge will be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is assessed on an ongoing basis and actually determined as being highly effective throughout the financial reporting period;

Regarding the hedging of a planned transaction, it must be highly probable and must be exposed to present an exposure to variations in cash flows that could ultimately affect results.

Hedging Fixed interest-rate risk or commodity-price risk for goods held

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded against profit, together with changes in the fair value of the hedged risk of the asset, liability or group of assets and liabilities. Should the hedging relationship no longer meet the requirements for hedge accounting and the hedged instrument is not derecognised, the cumulative gain or loss recognised in the valuation of the hedged risk is amortised to maturity of the hedged item using the original effective interest-rate method.

Effectiveness
For a hedging relationship to be classified as such, its effectiveness has to be demonstrated. Accordingly, the Company performs prospective tests at the start date of the hedging relationship and prospective and retrospective tests at each reporting date in order to demonstrate its effectiveness by showing that changes in the fair value of the hedged item are offset by changes in fair value of the hedging instrument, in relation to the hedged risk. Any ineffectiveness determined is recognised in profit or loss when incurred.

3.3 Main estimates and judgements
The AFRS require that judgements and estimates be made within the framework of decision-taking on certain accounting procedures impacting on the amounts reported under total assets, liabilities, equity, income and costs. The actual effects may differ from the estimates and judgements made, particularly with regard to the effect of actual income and costs.
The main accounting estimates and judgements used in the application of the accounting principles are discussed in this note with a view to improving the understanding of how their application affects the results reported by the Company and their disclosure. A detailed description of the accounting policies used by the Company is provided in Note 3.2 of the Notes to the Accounts.
Considering that in many cases there are alternatives to the accounting treatment adopted by the Company, the reported results would differ if a different treatment had been selected. The board of directors considers that the choices made are appropriate and that the financial statements truly and fairly present the Company's financial position and the results of its operations in all materially relevant aspects. The results of the alternatives analysed hereunder are presented only to assist the reader in understanding the financial statements and are not intended to suggest that other alternatives or estimates are more appropriate.

Provisions
The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation as at the reporting date.

Fair value of the financial instruments
The fair value is based on market prices, where available, and in the absence of a price it is determined based on the use of prices of recent similar transactions conducted at arm's length or based on valuation methodologies supported by flows future cash-flow techniques, discounted considering market conditions, the value over time, the yield curve and volatility factors. These methods may require the use of assumptions or judgements in estimating the fair value.
Consequently, the use of other methods or different assumptions or judgements in applying a given model could give rise to financial results different from those reported.

Recoverability of trade accounts receivable and of other receivables
Impairment losses in respect of the debtor balances of customers and of other debtors are based on the valuation performed by the Company of the likelihood of recovering the receivables, of the age of the balances, of debt cancellation and of other factors. There are certain circumstances and facts that can change the estimate of impairment losses on receivables vis-à-vis the assumptions considered, including changes in the economic climate, sectoral trends, deterioration of the credit status of key customers and major defaults. This evaluation process is subject to various estimates and judgements. Alterations of these estimates may imply determination of different levels of impairment and, consequently, different impacts on results.

Corporation tax
There are various transactions and calculations in respect of which determination of the final amount of tax payable is uncertain during the normal business cycle. Other interpretations and estimates could result in a different amount of income taxes, current and deferred, recognised during the period.
In Portugal, the Tax Authorities are entitled to review the calculation of the taxable income made by the Company during a period of four to six years (four years as from losses generated during 2010), in the case of tax losses carried forward. The may therefore be corrections to the taxable income, resulting primarily from differences in the interpretation of tax legislation. However, it is Company's belief that there will be no significant corrections to the corporation tax recorded in the financial statements.
The recognition of deferred tax assets relating to tax losses is based on the Company's projections showing the existence of future taxable income.

Useful life of tangible fixed assets
The useful life is the period during which the Company expects the asset to be available for use. The estimated useful lives presented in Note 3.2 were determined considering the following factors:

- Expected use of the asset;
- Normal wear and tear expected of the asset considering the levels of activity and maintenance and repair programme;
- Technical or commercial obsolescence arising from changes to or improvements in production or from a change in market demand for the product or service derived from the asset; and
- Legal or similar limits on the use of the asset.

The useful life of the asset is thus a matter of value judgement based on the Company's experience. The Board of Directors believes that the useful lives considered are those that best reflect the asset's expected usefulness.

Estimated total contract costs
The revenue of provision of construction services contracts is recognised by reference to stage of completion of the activity of the contract as of the reporting date.

In determining the stage of completion of the contract estimates of total contract costs are considered. These total contract cost estimates are determined on the basis of Production Department estimating system that identifies and values the activities to be performed throughout the project that cause alterations in gauging the stage of completion of the contract as of the reporting date and consequently to the amount of contract revenue to be recognised.

The Board of Directors reviews the estimated total contract costs on each reporting date and believes that, based on the estimating system, on the monitoring of the execution of the projects and on its experience, the estimates appropriately reflect the probable outcome of contracts as of the reporting date.

3.4 Key assumptions concerning the future

The Company's governing body did not determine any situation which could cause material adjustments to the carrying amounts of assets and liabilities during the coming year or even call into question the continuity of the Company. On December 31, 2014, the works portfolio totalled approximately 67.7 million Euro to be completed within three years.

3.5 Main sources of uncertainty of the estimates

The main sources of uncertainties are detailed in Note 3.3.

4 Cash Flows

The Statement of Cash Flows is prepared under the direct method, through which gross cash receipts and in operating, investing and financing activities are disclosed.

The Company classifies interest and dividends paid as financing activities and interest and dividends received as investing activities.

4.1 As at December 31, 2014, all cash and cash equivalent balances are available for use.

4.2 Cash and bank deposits comprise the following balances:

(expressed in euros)

Description	**31-12-2014**	**31-12-2013**
Cash		
Cash Head Office	1.156	3.180
Cash Works	9.503	9.400
Cash Branches	18.891	24.533
Cash Joint Ventures/Subsidiaries	2.444	2.765
	31.994	**39.878**
Sight deposits		
Banks Head Office	159.674	998.577
Banks Branches	425.695	314.363
Banks Joint Ventures/Subsidiaries	1.349.898	1.006.650
	1.935.267	**2.319.590**
Other bank deposits		
Banks Head Office	200.000	200.000
Banks Joint Ventures	-	50.500
	200.000	**250.500**
Total:	***2.167.261***	***2.609.968***

5 Tangible fixed assets

The breakdown of this heading is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Gross Value:		
Land & natural resources	1.074.621	1.172.795
Buildings & other constructions	3.404.797	3.964.372
Plant & machinery	11.695.113	11.996.244
Transport equipment	2.177.929	1.634.350
Office equipment	1.474.106	1.319.717
Other tangible fixed assets	53.900	53.147
Investments in progress	-	20.610
	19.880.466	20.161.235
Accumulated depreciation & impairment		
Depreciation for the period	997,194	(1.154.781)
Accumulated depreciation of previous periods	13.083.422	(12.989.683)
	14.080.616	(14.144.464)
Net carrying amount:	***5.799.850***	***6.016.771***

The breakdown of movements under tangible fixed assets during the 2014 is as follows:

(expressed in euros)

Description	Opening balance	Additions	Disposals	Transfers	Other changes	Closing balance
Gross value:						
Land & natural resources	1,172,795	-	-	98,174	-	1,074,621
Buildings & other constructions	3,964,372	7,085	-	566,660	-	3,404,797
Plant & machinery	11,996,244	277,366	609,993	20,610	10,886	11,695,113
Transport equipment	1,634,350	513,718	63,767	-	93,628	2,177,929
Office equipment	1,319,717	150,153	540	-	4,775	1,474,105
Other tangible fixed assets	53,147	378	-	-	376	53,901
Investments in progress	20,610	-	-	20,610	-	-
	20,161,235	948,700	674,300	664,834	109,665	19,880,466
Accumulated depreciation & impairment						
Buildings & other constructions	1,475,137	133,622	-	387,621	-	(1.221.138)
Plant & machinery	10,113,825	511,316	608,867	-	-	(10.016.274)
Transport equipment	1,270,438	304,685	64,015	-	-	(1.511.108)
Office equipment	1,244,396	44,899	540	-	-	(1.288.755)
Other tangible fixed assets	40,668	2,672	-	-	-	(43.340)
	14,144,464	997,194	673,422	387,621	-	(14.080.616)
Net carrying amount:	***6,016,771***					5,799,850

The main additions in 2014 are in respect of the acquisition of machinery and transport equipment.
The main disposals in 2014 relate to the sale of two machines.

Transfers primarily relates to the transfer of a building and its land to available-for-sale non-current assets (see note 15).
As at December 31, 2014, the value of tangible fixed assets financed by lease contracts is as follows:

(expressed in euros)

	31-12-2014			31-12-2013		
Heading	**Gross value**	**Depreciation/ Impairment**	**Net value**	**Gross value**	**Depreciation/ Impairment**	**Net value**
Land & natural resources	1 030 558	-	1 030 558	1 030 558	-	1 030 558
Buildings & other constructions	2.718.549	659.095	2.059.454	2.718.549	541.145	2.177.404
Plant & machinery	145.009	19.921	125.088	106.000	2.523	103.477
Transport equipment	112.993	93.337	19.656	112.993	65.088	47.905
Total:	***4.007.109***	***772.353***	***3.234.756***	***3.968.100***	***608.756***	***3.359.344***

Total future minimum lease payments are as follows:

(expressed in euros)

	31-12-2014			31-12-2013		
Description	**Capital owed**	**Interest owed**	**Rents falling due**	**Capital owed**	**Interest owed**	**Rents falling due**
Less than one year	302.663	12.108	314.771	310.674	16.751	327.425
One to five years	965.166	40.647	1.005.813	1.139.572	30.204	1.169.776
Over five years	-	-	-	130.005	316	130.321
Total:	***1.267.829***	***52.755***	***1.320.584***	***1.580.251***	***47.271***	***1.627.522***

6 Financial holdings – equity method

The breakdown of this heading is as follows:

(expressed in euros)

	31-12-2014			31-12-2013		
Description	**Gross value**	**Impairment**	**Net value**	**Gross value**	**Impairment**	**Net value**
Marinertes, SA	612.649	(612.649)	-	612.649	(612.649)	-
Total:	***612.649***	***(612.649)***	***-***	***612.649***	***(612.649)***	***-***

The Company applies the equity method in the valuation of the financial investments in its financial statements.
Movement under the financial holding is as follows:
The summary financial information concerning associates, subsidiaries and joint ventures is as follows:

Company name	**Holding %**	**Reference date**	**Assets**	**Liabilities**	**Equity**	**Income**	**Net income**
Marinertes, SA	29,00%	31-12-2014	11,960	(435,645)	423,685	-	(28,374)

7 Corporation tax for the period

The main components of tax expense/income are as follows:

(expressed in euros)

Description	**2014**	**2013**
Current taxes	454,762	290.538
Origin & reversal of temporary differences	-	-
	454,762	***290.538***

The breakdown of tax credits carried forward is as follows:

(expressed in euros)

Carry forward limit	**31-12-2014**	**31-12-2013**
2017	37,742	37,747
2018	90,625	51,181
	128,367	***88,928***

The company did not recognise the following deferred tax assets:

(expressed in euros)

	31-12-2014		**31-12-2013**	
Description	**Tax base**	**Tax**	**Tax base**	**Tax**
Tax losses				
2011	1,008,403	231,933	1,008,403	231,933
2012	3,288,129	756,270	3,288,129	756,270
2013	1,436,085	330,300	1,436,085	330,300
2014	1,894,311	435,691	-	-
	7.626.928	***1,754,194***	***5,732,617***	***1,318,503***

The effective tax rate is as follows:

(expressed in euros)

Description	**2014**	**2013**
Pre-tax income	(1,448,567)	(466,025)
Nominal tax rate	24.5%	26.5%
Expected tax	(354,899)	(123,497)
Differences between book and taxable income		
Temporary differences	(241,559)	(241,559)
Equity method	(147,015)	369,578
Impairments in the period not accepted	46,807	32,491
Non-deductible provisions	2,672	31,890
Tax loss imputed by joint venture	(71,662)	(213,235)
Impairments taxed	(145)	(244,843)
Provisions taxed	(8,228)	(291,697)
Other	(26,614)	(78,144)
Taxable profit/(tax loss)	(1,894,311)	(1,101,544)
Deduction of previous years' tax losses	-	-
Tax calculated	-	-
Adjustments to the assessment - autonomous taxation	152,097	142,337
Tax rate differences - Branches	288,432	99,255
Corporation tax for the period - payable/(receivable)	440,529	241,592
Current tax - expense / (income)	440,529	241,592
Deferred tax for the period - expense / (income)	-	-
	440,529	***241,592***
Effective tax rate	**30.4%**	**51,8%**

The permanent differences relate to increases of and deductions from taxable income, while the adjustments to the assessment relate to deductions from the assessment in keeping with the tax rules in effect on the reporting date.

8 Inventories

The breakdown of this heading is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Gross Value:		
Raw & subsidiary materials & consumables	319.942	463.929
Net carrying amount:	***319.942***	***463.929***

During the period Cost of Goods Sold and Materials Consumed totalled €3,704,200 (2013: €3.596.280), as per Note 31.

9 Trade accounts receivable

The breakdown of this heading is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Gross Value:		
Trade accounts receivable		
General	4.131.883	6.581.974
Subsidiary companies	591	1.242
Associate companies	18.165	32.212
Joint ventures	4.406.951	508.871
	8.557.590	7.124.299
Accumulated impairment		
Impairment losses for the period	(162.167)	(31,890)
Impairment losses of previous periods	(630.281)	(598.391)
	(792.448)	(630.281)
Net carrying amount:	***7.765.142***	***6.494.018***

The general customers heading mostly consists of the balances of the following companies:

(expressed in euros)

Customer	31-12-2014	31-12-2013
ELECTRICIDADE DE MOÇAMBIQUE	4,129,714	-
DGITT	366,966	691,163
SDNM-SOC.DE DESENVOLVIMENTO DO NORTE	287,994	287,994
SIEMENS LIMITED	250,811	-
ACUPM	180,725	151,735
CONSTRUSALAMONDE, ACE	179,645	1,034,016
AVEIRO CITY COUNCIL	114,805	248,336
SGPAMAG, SA	4,325	242,627
CASAIS - ENGENHARIA E CONSTRUÇÃO, SA.	1,276	297,635
ROHDE NIELSEN A/S	-	928,805
OTHER	2,248,881	2,611,707
Total:	***7,765,142***	***6,494,018***

The balance of Customers with warranty deposit as at December 31, 2014, amounts to €1,092,409 (2013: €167,748). About 70% of the balance is due to the contract undertaken by the Aarsleff-Seth joint venture.
This item comprises amounts withheld by customers by way of contractual warranty, the release of the guarantees occurring between 1 and 5 years.

Movements under impairment losses are as follows:

(expressed in euros)

Description	Opening balance	Losses	Reversals	Closing balance
Impairment losses				
General customers	(630,281)	(162,167)	-	792,448)
Total:	***(630,281)***	***(162,167)***	**-**	***792,448)***

The age of trade accounts receivable is as follows:

(expressed in euros)

Age:	**Less than 1 month**	**1 to 2 months**	**2 to 3 months**	**3 to 6 months**	**6 to 12 months**	**12 to 18 months**	**18 to 24 months**	**Over 24 months**	**Total**
Trade accounts receivable	4,730,217	393,694	262,542	482.043	250,155	202,700	298,195	1,145,596	7,765,142

10 Advances to suppliers

The breakdown of advances to suppliers is as follows:

(expressed in euros)

Description	**31-12-2014**	**31-12-2013**
Gross Value:		
General Suppliers	2,582,326	91.185
Net carrying amount:	***2,582,326***	***91.185***

The balance as at December 31, 2014, mainly concerns suppliers of the contract performed by the Aarsleff-Seth joint venture.

11 State & other public entities

The breakdown of State & other public entities is as follows:

(expressed in euros)

Description	**31-12-2014**	**31-12-2013**
Assets		
VAT refund applications	37,498	138.035
VAT Recoverable	25,920	100.803
Corporation tax	146,216	98.274
VAT Recoverable (Branches)	562,946	467,832
Corporation tax (Branches)	36,526	51,699
Other taxes (Branches)	80,108	87,249
Total:	***889,214***	***943.892***
Liabilities		
Corporation tax	152,097	141.693
Social Security contributions	78,470	88.689
Income tax withheld	60,532	74.952
Corporation tax (Branches)	286,527	94,653
Social Security contributions (Branches)	1,993	293
Other taxes	126,688	127,072
Other taxes (Branches)	29,083	105,157
Total:	***735,390***	***632.509***

12 Other receivables

The breakdown of other receivables is as follows

(expressed in euros)

Description	31-12-2014	31-12-2013
Gross Value:		
Other debtors	5,296,224	2.570.261
Stage of completion	1,552,510	686.882
Other accrued income	2,412,866	2.438.550
	9,261,600	5.695.693
Accumulated impairment		
Impairment of the period	-	-
Impairment of prior periods	(370.631)	(370.631)
	(370.631)	(370.631)
Net carrying amount:	***8,890,969***	***5.325.062***

The most significant amounts under Other debtors are the debts of the GMP ACE and GMP MEK joint ventures, and of the Mozambique branch.
This item also includes €251,750 (2013: €261,751), which in keeping with the resolution of the Board of Directors dated January 27, 2012, refers to advances made for director Ricardo Antonio Pedrosa Gomes
The stage of completion heading refers to amounts related to the provision of construction services by SETH as of the reporting date, as per the respective bills of quantities of costs incurred, for which the respective invoice has not issued.

Job	Stage of completion €
Salamonde ACE, EDP	110.428
EDAP Lot 2, EDM	72.122
EDAP Lot 4, EDM	73.986
EDAP Lot 5, EDM	75.046
EDAP Lot 7, EDM	95.006
EDAP Lot 8, EDM	85.191
Quay, Enacol CV	169.396
Moz Power Grid Distribution	562.985
EFACEC Subcontract	45.466
Sheetpiling, Mondego	4.000
EDM 33Kv	203.163
APL, Barreiro	55.722
Total:	***1.552.510***

Other accrued income includes primarily the sum of €1,520,550 related to a job that is ongoing in Gibraltar.

13 Deferrals

The breakdown of deferrals is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Assets		
Costs pending recognition		
Insurance paid	39,456	188
Other costs pending recognition	87,325	350.299
Total:	***126,781***	***350.487***
Liabilities		
Income pending recognition		
Stage of completion	246,892	857.237
Interest	427,867	427.035
Job warranty	43,542	142.903
Other income pending recognition	3,868	122.012
Total:	***722,169***	***1.549.187***

Stage of completion refers to amounts related to the provision of construction services not yet performed on the reporting date but already charged to the customer.

Job	Stage of completion €
Caissons, Gibraltar	135,522
Ponta de Gafa, APA	70,313
Curtain EDP	410,576
Total:	***246,892***

Interest income pending recognition has to do with interest charged to customers recognition of which depends on its actual receipt.
Job warranty refers to the amount estimated by SETH of the income pending recognition required to meet the costs of additional work to meet the contractual warranties of jobs completed and in progress.

14 Financial assets held for trading

The breakdown of Financial assets held for trading is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Financial assets (Shares)	20.116	20.800
Total:	***20.116***	***20.800***

The balance of the item essentially comprises shares in LISGARANTE carried at market value as at the reporting date.

15 Available-for-sale non-current assets

Upon completion of the process of legalisation of the four condominium units owned by the Company, located at Rotunda Nuno Rodrigues dos Santos, Portela de Sacavém, the Board could make a start to their sale. In June 2014, these properties were offered for sale through a real estate broker for a consideration of €500,000.
Right now, there are negotiations (final phase) with a potential buyer and the Company's expectation is that the sale of the properties will take place during 2015.

16 Paid-up share capital

The equity capital of €4,000,000, represented by 4 million ordinary shares each of a par value of €1, is fully paid up as at 31 December 2014.
As at December 31, 2014, the Company's shareholder structure is as follows:

(number of shares)

Description	31-12-2014	31-12-2013
MT Højgaard a/s	2.400.000	2.400.000
Operatio SGPS SA	1.600.000	1.600.000
Total:	***4.000.000***	***4.000.000***

17 Legal reserves

In accordance with Article 295 of the Companies Code and with the Company's articles of association, the legal reserve is necessarily allocated a minimum of 5% of the annual net income until such time as it equals 20% of the Company's equity capital. This reserve can only be used to cover losses or to increase the equity capital.

18 Other reserves

The breakdown of this heading is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Other reserves	(197,542)	(117.648)
Total:	***(197,542)***	***(117.648)***

The balance essentially comprises foreign exchange adjustments with the branches and with subsidiary SethAngola.

19 Retained earnings

The variation of retained earnings includes the appropriation of the 2013 in the sum of €707,617, including exchange differences arising from the translation of the previous years' results of the branches.

20 Adjustments to financial assets

The breakdown of this heading is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Related to the equity method:		
Stemming from other changes in equity of subsidiaries	(47,117)	(61.483)
Other	-	-
Total:	***(47,117)***	***(61.483)***

21 Other changes in equity

The breakdown of Other changes in equity is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Financial statement translation differences	13,686	37.742
Total:	***13,686***	***37.742***

Financial statement translation differences includes the amount resulting from the change in euros of the equity of the branch companies expressed in foreign currency due to the alteration of the respective exchange rate.

22 Provisions, Contingent Liabilities and Contingent Assets

Movement under provisions is as follows:

(expressed in euros)

Description	Opening balance	Additions	Reversals	Closing balance
Warranties for customers	43,865	-	(13,955)	29,910
	43,865	***-***	***(13,955)***	***29,910***

As at December 31, 2014, there are legal proceedings against the Company, totalling €1,513,000, which the Board believes, given the assumptions and background of the legal actions, the expectations of the Company's lawyers and other circumstances inherent in the proceedings, will not result in liabilities for the Company that would justify a need for provisions for legal proceedings in progress.
The proceedings are related to claims relating to Corporation tax assessments for 1997, 1998, 2004, 2005, 2006, 2007 and 2008.

As at December 31, 2014, the Company had provided the following bank guarantees:

(*expressed in euros*)

Description	31-12-2014	31-12-2013
Bank guarantees provided to third parties		
- Good performance (construction contracts)	15,111,691	13.264.011
- Tenders	-	1.402.306
- Services acquired	62.422	62.422
- Legal	1,853,660	1.853.660
Total:	***17,027,773***	***16.582.399***

The bank guarantees in the sum of €1,853,660 are related to legal proceedings described above.
The Company does not predict the occurrence of facts requiring an economic outflow.

23 Borrowings

The breakdown of this heading is as follows:

(*expressed in euros*)

Description	31-12-2014	31-12-2013
Non-current		
Credit institutions and financial companies		
Bank loans	600,000	1.075.000
Finance leases	965,166	1.269.577
	1,565,166	2.344.577
Current		
Credit institutions and financial companies		
Bank loans	1,605,000	356.250
Overdraft facilities	558,237	-
Finance leases	302,663	310.674
	2,465,900	666.924
Total:	***4,031,066***	***3.011.501***

Non-current financing relates to borrowings and finance leases contracted with BPI and Santander Totta, with maturities up to 2019. The breakdown of Borrowings by maturity is as follows:

(*expressed in euros*)

Description	31-12-2014	31-12-2013
Credit institutions and financial companies		
Bank loans		
Up to 1 year	2,163,237	356.250
1 to 5 years	600,000	1.075.000
Over 5 years	-	-
	2,763,237	1.431.250
Credit institutions and financial companies		
Finance leases		
Up to 1 year	302,663	310.674
1 to 5 years	965,166	1.269.577
Over 5 years	-	-
	1,267,829	1.580.251
Total:	***4,031,066***	***3.011.501***

As at December 31, 2014, the breakdown of future payments of principal and accrued interest of non-current borrowings is as follows:

(expressed in euros)

Description	2015	2016	2017	2018	2019	Total
Credit institutions and financial companies						
Bank loans	2.163.237	412.500	162.500	25.000	-	2.763.237
Finance leases	302.663	294.310	271.444	271.619	127.793	1.267.829
Total:	***2.465.900***	***706.810***	***433.944***	***296.619***	***127.793***	***4.031.066***

24 Other payables

The breakdown of Other payables is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Current		
Remuneration payable	544,484	525.896
Other creditors for accrued costs	917,408	1.065.884
Other creditors	4,086,150	1.908.276
Total:	***5,548,042***	***3.500.056***

Other Creditors for Accrued Costs as at December 31, 2014, mostly comprises expenses of the Cape Verde and Gibraltar branches in the sum of €304,323 (2013: €601,495) and €450,260, respectively.

25 Suppliers

The breakdown of Trade accounts payable is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Trade accounts payable		
General	3,205,528	6.449.670
Parent company	15,595	-
Subsidiary companies	81,288	1.531
Associated Companies	-	-
Joint Ventures	3,979,904	-
Other related parties	-	1.241
Total:	***7,282,315***	***6.452.442***

26 Customer prepayments

The breakdown of Customer prepayments is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
General customers	6,524,303	523.562
Total:	***6,524,303***	***523.562***

The major amounts most, which account for 85% of the balance of this item, relate to prepayments by Electricidade de Moçambique (€1,256,020) in contracts performed either by SETH or by the Aarsleff-SETH JV I/S joint venture (€4,215,829).

27 Sales & services rendered

The breakdown of Sales & services rendered is as follows:

(expressed in euros)

Description	2014	2013
Services rendered		
Construction works	21,786,675	23.240.966
Secondary services	1,327,204	406.394
Total:	***23,113,879***	***23.647.360***

The major jobs in 2014 are as follows:

(expressed in euros)

Job	2014	2013
Caissons, Gibraltar	6,864,400	-
Mozambique Power Grid	6,917,672	818,179
Salamonde ACE, EDP	2,618,083	4,127,238
Mindelo Port, Cape Verde	1,815,455	3,886,713
Siemens, Nacala	1,445,514	-
Quay, Enacol CV	654,397	-
EDM	445,383	-
EDAP	401,351	-
Rehabilitation electricity distribution network, Mozambique	297,788	3,632,741
WTP and WWTP, Lajes	228,026	413,956
Restoration of the quay, Nova Cimangola	114,514	712,013
Porto Amboim, Angola	-	6,883,954
Radar System Raytheon, Lajes	-	859,585
Tagus River Front	-	746,834
Other	1,311,296	1,566,147
Total:	***23,113,879***	***23,647,360***

28 Operating Grants

Operating grants in the sum of €4,782 (2013: €5,977) has to do with subsidies for vocational training and training courses received through the Employment and Vocational Training Institute (IEFP) and the Human Potential Operational Programme (POPH) under the NSRF.

29 Own work capitalised

The breakdown of Own work capitalised is as follows:

(expressed in euros)

Description	2014	2013
Tangible fixed assets	3,844	30.728
Total:	***3,844***	***30.728***

30 Cost of goods sold & materials consumed

Cost of goods sold & materials consumed is as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Opening balance (+)	463,929	466.856
Purchases (+)	3,560,213	3.593.353
Adjustments (+/-)	-	-
Closing balance (-)	319,942	463.929
Cost of Goods Sold & Materials Consumed	***(3,704,200)***	***(3.596.280)***

31 Third-party supplies & services

The breakdown of Third-party supplies & services is as follows:

(expressed in euros)

Description	2014	2013
Subcontracts	9,384,669	5.025.143
	9,384,669	***5.025.143***
Specialised services:		
Specialised work	1,527,039	5.498.175
Maintenance & repairs	468,191	459.902
Fees	119,365	130.694
Guards & security	96,451	116.891
Advertising & publicity	14,364	8.598
Other	590	487
	2,226,000	***6.214.747***
Materials:		
Rapid-wear tools & utensils	98,789	48.686
Office supplies	22,670	25.900
Gift articles	10,710	17.388
Books & technical documentation	1,852	16.417
Other	68,583	13.442
	202,604	***121.833***
Energy & fluids:		
Fuel	280,450	1.051.022
Electricity	49,146	64.807
Water	21,346	11.530
Other	17,850	17.773
	368,792	***1.145.132***
Travel, board and transport:		
Carriage of goods	235,444	332.251
Travel, board & lodging	247,676	374.294
Transport of personnel	5,885	5.677
	489,005	***712.222***
Sundry services:		
Leases & rentals	1,343,757	539.870
Insurance	271,915	175.193
Communication	87,936	108.518
Cleaning, hygiene & comfort	49,371	47.329
Entertainment costs	8,768	18.244
Litigation and notaries	4,157	2.703
Other services	241,554	376.464
	2,007,458	***1.268.321***
Total:	***14,678,528***	***14.487.398***

Use of subcontracts was greater by €4,359,526 than in 2013 as a result of the contract undertaken by the Aarsleff-Seth Joint Venture.
The variation under Rents & leases is mostly due to works carried out in Mozambique and Gibraltar.
On the other hand, the decrease of fuel consumption from 2013 to 2014 was caused by the different nature and consequent need for resources of the work in progress during the two periods. In 2013, a single job (performed by Sethangola) accounted for half the total amount for the year, while the nature of the jobs under way in 2014 meant that they did not entail high fuel consumption.

32 Staff costs

The breakdown of Staff costs is as follows:

(expressed in euros)

Description	2014	2013
Remuneration of corporate officers	257,097	265.342
Remuneration of personnel	4,151,940	3.560.811
Charges on remuneration	697,960	711.091
Indemnities	3,989	44.792
Workmen's compensation & occupational diseases insurance	62,323	63.496
Social costs	-	603
Other staff costs	135,273	83.442
Total:	***5,308,582***	***4.729.577***

The variation under Other staff costs was primarily the result of more personnel hired by the branch in Mozambique and by the Joint Venture Aarsleff-Seth Joint Venture.
The breakdown the permanent staff as at December 31, 2013 & 2014, by management positions / senior managers and professional category is presented as follows:

Description	31-12-2014	31-12-2013
Governing bodies	2	2
Managers/ Senior management	5	5
Upper management	21	20
Middle management	9	9
Foremen	10	10
Highly-skilled labour	14	14
Skilled labour	30	31
Semi-skilled labour	2	2
Unskilled labour	1	1
Total:	***94***	***94***

33 Other income & gains

The breakdown of Other income & gains is as follows:*(expressed in euros)*

Description	2014	2013
Supplementary income	593,716	485.501
Other financial assets	437,108	607.473
Non-financial investments	109,206	150.701
Gains on inventories	102,609	3.927
Prompt-payment discounts earned	168	7.167
Other	229,622	178.221
Total:	***1,472,429***	***1.432.990***

As at December 31, 2014, assignment of personnel and equipment rental account for almost all the additional income item.
Other financial assets reflects exchange differences during the period.

34 Other costs & losses

The breakdown of Other costs & losses is as follows:

(expressed in euros)

Description	2014	2013
Banking fees and services	618,937	384,704
Taxes	93,017	168,282
Non-financial investments	7,057	31,931
Bad debt	21,180	3,588
Other	158,015	485,454
Total:	***898,206***	***1,073,959***

35 Interest & similar income

The breakdown of Interest & similar income is as follows:

(expressed in euros)

Description	2014	2013
Interest income	6,599	97,898
Other similar income	109,661	66,585
Total:	***116,260***	***164,483***

36 Interest & similar costs

The breakdown of Interest & similar cost is as follows:

(expressed in euros)

Description	2014	2013
Interest expense	107,915	302,440
Other costs & losses	310,235	863,487
Total:	***418,150***	***1,165,927***

Interest expense relates to the borrowings mentioned in Note 23. The reduction in interest rates allowed the reduction of charges incurred.
Other costs & losses reflects exchange differences during the period.

37 Related-party Disclosures

Balances with related parties are as follows:

(expressed in euros)

Description	31-12-2014	31-12-2013
Assets		
Subsidiaries	231,961	533,567
Associates	18,165	4,493
Joint ventures	490,873	604.023
Ricardo Gomes	251,750	261,751
Total:	***992,749***	***1,403,834***
Liabilities		
Subsidiaries	1,544	1.524
Associates	5,011	43.118
Joint ventures	718,948	-
MT Højgaard a/s	-	-
Total:	***725,503***	***44,642***

Transactions during the period are summarised as follows:

(expressed in euros)

	31-12-2014		31-12-2013	
Description	**GMP ACE**	**GMP ACE MEK**	**GMP ACE**	**GMP ACE MEK**
Income	-	-	(14,959)	-
Costs	-	-	24,121	1,819
Total:	**-**	**-**	***9,162***	***1,819***

38 Construction Contracts

The method of accounting for construction contracts is the stage of completion method. Contract revenue and costs are recognised in accordance with AFRS 19.

(expressed in euros)

Description	Recognised previous years	Recognised in the period	Deferred / Not Recognised	Total
Costs	23,526,221	21,222,936	-	***44,749,157***
Income/Revenue	25,578,107	24,189,933	(246,892)	***49,521,148***

39 Subsequent Events

The Financial Statements were authorised for issue by the Board of Directors on February 27, 2015.
At the beginning of 2015 the SETH share capital held by Portuguese investors (40%) was transferred to the ownership of Approachdetail – SGPS, SA. This transaction was agreed by the majority shareholder.

The Board of Directors
Ricardo Pedrosa Gomes (President)
Peter Kofoed
Jesper Nordby
Villy Petersen

The Accountant
Sofia Mendes

Statutory Auditor's Report and Opinion

To the Members of
SETH – Sociedade de Empreitadas e Trabalhos Hidráulicos, SA

In accordance with the provisions of article 420.1(g) of the Companies Code, it is incumbent upon us as Statutory Auditor of **SETH – Sociedade de Empreitadas e Trabalhos Hidráulicos, SA**, to present our audit report as well as our opinion on the consolidated management report, the consolidated accounts and the proposal submitted by the Board of Directors of SETH – Sociedade de Empreitadas e Trabalhos Hidráulicos, SA, for the year ended December 31, 2014.

Through contacts with the Board of Directors, as well as clarification and information collected from the company's services, we took cognisance of the company's activity and of the management of the business and checked the financial information produced during the year ended December 31, 2014, performing such analyses as were deemed appropriate.
We ascertained due observance of the law and of the company's articles of association, verified that the bookkeeping and its supporting documentation were in order, ascertained that the accounting policies adopted by the Company and the disclosures included in the Notes to the Consolidated Accounts led to a correct representation of the assets and consolidated results and undertook such other procedures as were deemed necessary under the circumstances.
After the close of the accounts we appraised the accounting documents, in particular, the consolidated management report, prepared by the Board of Directors, as well as the consolidated financial statements, which include the Consolidated balance sheet, the Consolidated statement of income by nature of results, the Consolidated statement of changes in equity and the Consolidated cash-flow statement, and the corresponding Notes to the accounts.
We also issued the respective Legal Certification of the Consolidated Accounts, with three reserves arising from the audit.
At all times we received from the Board of Directors and the company's services such documentation and clarification as we requested, for which our thanks, concluding that, except as stated in paragraphs 7, 8 and 9 of the Legal Certification of the Consolidated Accounts:

a. The financial statements provide a good understanding of the financial position and results of the Company;
b. The accounting policies adopted and disclosures made are adequate, and
c. The consolidated management report presents the development of business and the position of the Seth Group, in accordance with the legal and statutory provisions.

Without affecting our conclusion, we should draw attention to in accordance with Article 397 of the Companies Code the Company is not allowed to grant loans or extend credit to directors, to make payments on their behalf, to provide guarantees for liabilities incurred by them and to provide them with advances of remuneration greater than one month. The Company carries as a receivable the sum of €261,750 which, under that article, should be put in order.
In light of the foregoing the Annual General Meeting shall pass resolutions as to:

d. The Consolidated Management Report and the Consolidated Accounts for the period ended December 31, 2014;
e. The proposal for the appropriation of the consolidated results contained in the said Consolidated Management Report.

Lastly, we must emphasise and acknowledge the excellent co-operation received in the performance of our duties from the Board of Directors of the Company and from the services we had the opportunity to contact.

Lisbon, May 18, 2015

THE STATUTORY AUDITOR

____

KPMG & Associados -
Sociedade de Revisores Oficiais de Contas, SA (nº 189)
represented by
João Paulo da Silva Pratas (ROC nº 965)

Legal Certification of the Consolidated Accounts

Seth

Introduction

1 We have audited the financial statements of **SETH - Sociedade de Empreitadas e Trabalhos Hidráulicos, SA**, which include the consolidated Balance Sheet as at December 31, 2014 (which shows a total of €29,931,223 and total €5,058,028, including a net loss of €1,889,096), the consolidated Statement of Income by Nature of Expense, and the consolidated Statement of Cash Flows for the period then ended, and also the Notes to the Accounts.

Responsibilities

2 The Board of Directors is responsible for the preparation of consolidated financial statements that truly and fairly reflect the financial situation of the group of companies included in the consolidation, the consolidated results of their operations, the changes of their consolidated equity and their consolidated cash flows, for the adoption of adequate accounting policies and criteria, and for maintaining appropriate systems of internal control.

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

Scope

4 Our audit was performed in accordance with the Technical Rules and Auditing Directives of the Association of Official Auditors, which require that it be so planned and performed as to obtain an acceptable degree of certainty as to whether the consolidated financial statements contain any materially relevant distortions. For the purpose, the said audit included:

- verification that the financial statements of the companies included in the consolidation have been appropriately audited and, in those significant cases in which they have not, verification on a test basis of the evidence underlying the figures and disclosures contained therein and an evaluation of the estimates, based on judgements and criteria established by the board of directors, used in their preparation;
- verification of the consolidation operations and of the application of the equity method;
- an appraisal of the adequacy of the accounting policies employed, of their consistent application and of their disclosure, taking the circumstances into account;
- verification of the applicability of the going-concern principle; and
- an appraisal as to the adequacy, in overall terms, of the presentation of the consolidated financial statements.

5 Our audit also included verification of the consistency of the consolidated financial information contained in the management report with the consolidated financial statements.

6 We believe that our audit provides an acceptable basis for the expression of our opinion.

Opinion

7 In our opinion, these consolidated financial statements present a true and fair view, in all material respects, of the consolidated financial position of **SETH - Sociedade de Empreitadas e Trabalhos Hidráulicos, SA**, as at December 31, 2013, the consolidated results of its operations, the changes in equity and its consolidated cash flows for the period then ended, in conformity with accounting principles generally accepted in Portugal.

Reserves

8 The item Sales & Services Rendered includes the amount of € 651,000 related to revenue from a job located in Salamonde, Portugal, whose documentation, of formal acceptance of the customer, is not in accordance with the Accounting and Financial Reporting Standards (NCRF), particularly the NCRF 20 – Revenue. On this basis, the net loss for the period is understated, offset by an overstatement of assets by the same amount.

9 The Aarsleff-SETH Joint Venture presented audited financial information reported as of 30th November, 2014, having the company adjusted revenue and costs to December 2014 in €1,117,000 and € 587,000, respectively. Based on the evaluated information we were unable to attest that the estimated revenue and costs were in fact properly recognized by the Joint Venture and therefore revenue and costs are overstated in €1,117,000 and € 587,000, respectively, and the net loss of the period undervalued in € 530,000.

10 It's our understanding that the amount of € 274.000 in item Clients should have been subject of impairment due to its maturity and recoverability. On this basis, the net loss of the period is underestimated, offset by an overstatement by the same amount.

Opinion with reserves

11 In our opinion, except for the effects of the situations described in paragraphs 7, 8 and 9 above, these consolidated financial statements present a true and fair view, in all material respects, of the consolidated financial position of SETH - Sociedade de Empreitadas e Trabalhos Hidráulicos, SA, as at December 31, 2014, the consolidated result of its operations, the changes in equity and its consolidated cash flows for the period then ended, in conformity with accounting principles generally accepted in Portugal.

Report on other legal requirements

12 It is also our opinion that the information in the management report is consistent with the consolidated financial statements for the period.

Lisbon, May 18, 2015

KPMG & Associados -
Sociedade de Revisores Oficiais de Contas, SA (nº 189)
represented by
João Paulo da Silva Pratas (ROC nº 965)

Certifications

Certificado
Certificate

NÚMERO **2012/CEP.4165**
Number

O Sistema de Gestão da Qualidade da
The Quality Management System of

SETH – Sociedade de Empreitadas e Trabalhos Hidráulicos, S.A.

Sede
Avenida Tomás Ribeiro, 145
2790-467 QUEIJAS

Estaleiro Central de Palmela
Rua da Ponte 2 Orvidais, Palmela
2950-422 SETÚBAL

implementado em obras de construção civil, engenharia portuária e costeira, cravação de estacas, trabalhos de hidráulica fluvial e marítima, estações de tratamento de águas e de águas residuais, cumpre os requisitos da norma
implemented in the civil construction, Marine, Harbour and Shore protection works, Pile–driving, Hydraulic works, Water and SewageTreatment Plant, meets the requirements of the standard

NP EN ISO 9001:2008

José Leitão
CEO

Emitido em 2014-02-18
Date of issue
Válido até 2015-05-17
Valid until

APCER – Associação Portuguesa de Certificação
Edifício de Serviços da Exponor, 2º Andar, Av. Dr. António Macedo
4450-617 Leça da Palmeira
www.apcer.pt

THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

IQNet and
APCER
hereby certify that the organization

SETH – Sociedade de Empreitadas e Trabalhos Hidráulicos, S.A.

Sede
Avenida Tomás Ribeiro, 145
2790-467 QUEIJAS

Estaleiro Central de Palmela
Rua da Ponte 2 Orvidais, Palmela
2950-422 SETÚBAL

for the following field of activities

Civil construction, marine, harbour and shore protection works, pile–driving, hydraulic works, water and sewagetreatment plants

has implemented and maintains a

Quality Management System

Which fulfils the requirements of the following standard

ISO 9001:2008

Issued on: 2014-02-18
Validity date: 2015-05-17

Registration Number: PT- 2012/CEP.4165

Michael Drechsel
President of IQNet

José Leitão
APCER CEO

Any additional clarification concerning the scope of this certificate may be obtained by consulting APCER.

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Certificado
Certificate

NÚMERO **2009/AMB.0420**
Number

O Sistema de Gestão Ambiental da
The Environmental Management System of

SETH – Sociedade de Empreitadas e Trabalhos Hidráulicos, S.A.

Sede
Avenida Tomás Ribeiro, 145
2790-467 QUEIJAS

Estaleiro Central de Palmela
Rua da Ponte 2 Orvidais, Palmela
2950-422 SETÚBAL

implementado na coordenação e execução de obras de construção civil e públicas, designadamente para obras de protecção costeira, portuárias, hidráulicas, gasodutos, estruturas de betão e metálicas e cravação de estacas em Portugal e Ilhas, cumpre os requisitos da norma
implemented in the coordination and execution of civil construction and public works, namely coastal and shore protection works, harbour works, hydraulic works, gas pipelines, reinforced concrete and steel structures and pile-driving in Portugal and Islands, meets the requirements of the standard

NP EN ISO 14001:2012

José Leitão
CEO

APCER – Associação Portuguesa de Certificação
Edifício de Serviços da Exponor, 2º Andar, Av. Dr. António Macedo
4450-617 Leça da Palmeira
www.apcer.pt

Emitido em 2014-02-18
Date of issue
Válido até 2015-03-16
Valid until

THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

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APCER
hereby certify that the organization

SETH – Sociedade de Empreitadas e Trabalhos Hidráulicos, S.A.

Sede
Avenida Tomás Ribeiro, 145
2790-467 QUEIJAS

Estaleiro Central de Palmela
Rua da Ponte 2 Orvidais, Palmela
2950-422 SETÚBAL

for the following field of activities

Coordination and execution of civil construction and public works, namely coastal and shore protection works, harbour works, hydraulic works, gas pipelines, reinforced concrete and steel structures and pile-driving in Portugal and Islands

has implemented and maintains a

Environmental Management System

Which fulfils the requirements of the following standard

ISO 14001:2004

Issued on: 2014-02-18
Validity date: 2015-03-16

Registration Number: PT- 2009/AMB.0420

Michael Drechsel
President of IQNet

José Leitão
APCER CEO

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FCAV *Brazil* FONDONORMA *Venezuela* ICONTEC *Colombia* IMNC *Mexico* INNORPI *Tunisia*
Inspecta Certification *Finland* IRAM *Argentina* JQA *Japan* KFQ *Korea* MIRTEC *Greece* MSZT *Hungary* Nemko AS *Norway*
NSAI *Ireland* PCBC *Poland* Quality Austria *Austria* RR *Russia* SII *Israel* SIQ *Slovenia* SIRIM QAS International *Malaysia*
SQS *Switzerland* SRAC *Romania* TEST St Petersburg *Russia* TSE *Turkey* YUQS *Serbia*
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Certificado de Conformidade
Certificate of Registration

APCER – Associação Portuguesa de Certificação

NÚMERO **2008/SST.0177**
Number

APCER – Associação Portuguesa de Certificação certifica que o Sistema de Gestão da Segurança e Saúde do Trabalho da
APCER – Associação Portuguesa de Certificação certifies that the Occupational Health and Safety Management System of

SETH – SOCIEDADE DE EMPREITADAS E TRABALHOS HIDRÁULICOS, S.A.

Sede
Avenida Tomás Ribeiro, 145
2790-467 Queijas
PORTUGAL

Estaleiro Central de Palmela
Rua da Ponte 2 Orvidais, Palmela
2950-422 SETÚBAL
PORTUGAL

implementado na coordenação e execução de obras de construção civil e públicas, designadamente para obras de protecção costeira, portuárias, hidráulicas, gasodutos, estruturas de betão e metálicas e cravação de estacas em Portugal e Ilhas, cumpre os requisitos da norma
implemented in the coordination and execution of civil construction and public works, namely coastal and shore protection works, harbour works, hydraulic works, gas pipelines, reinforced concrete and steel structures and pile-driving in Portugal and Islands, meets the requirements of the standard

OHSAS 18001:2007 / NP 4397:2008

Occupational Health and Safety Management Systems – Requirements / Sistemas de Gestão da Segurança e Saúde do Trabalho – Requisitos

Data de emissão 2012-09-11
Date of issue

Válido até 2015-09-10
Valid until

José Leitão
CEO

Qualquer esclarecimento adicional sobre este certificado pode obter-se consultando a APCER
Any additional clarification concerning this certificate may be obtained by consulting APCER

APCER – Associação Portuguesa de Certificação
Edifício de Serviços da Exponor, 2º Andar, Av. Dr. António Macedo
4450-617 Leça da Palmeira
www.apcer.pt

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CERTIFICATE

IQNet and

APCER

hereby certify that the organization

SETH – SOCIEDADE DE EMPREITADAS E TRABALHOS HIDRÁULICOS, S.A.

Sede
Avenida Tomás Ribeiro, 145
2790-467 Queijas - PORTUGAL

Estaleiro Central de Palmela
Rua da Ponte 2 Orvidais, Palmela
2950-422 SETÚBAL - PORTUGAL

for the following field of activities

Coordination and execution of civil construction and public works, namely coastal and shore protection works, harbour works, hydraulic works, gas pipelines, reinforced concrete and steel structures and pile-driving in Portugal and Islands

has implemented and maintains a

Occupational Health and Safety Management System

Which fulfils the requirements of the following standard

OHSAS 18001:2007

Issued on: 2012-09-11
Validity date: 2015-09-10

Registration Number: PT- 2008/SST.0177

Michael Drechsel
President of IQNet

José Leitão
APCER CEO

Any additional clarification concerning the scope of this certificate may be obtained by consulting APCER.

IQNet Partners*:
AENOR *Spain* AFNOR Certification *France* AIB-Vinçotte International *Belgium* ANCE *Mexico* APCER *Portugal* CCC *Cyprus* CISQ *Italy* CQC *China* CQM *China* CQS *Czech Republic* Cro Cert *Croatia* DQS Holding GmbH *Germany* DS *Denmark* ELOT *Greece* FCAV *Brazil* FONDONORMA *Venezuela* HKQAA *Hong Kong China* ICONTEC *Colombia* IMNC *Mexico* Inspecta Certification *Finland* IRAM *Argentina* JQA *Japan* KFQ *Korea* MSZT *Hungary* Nemko AS *Norway* NSAI *Ireland* PCBC *Poland* Quality Austria *Austria* RR *Russia* SII *Israel* SIQ *Slovenia* SIRIM QAS International *Malaysia* SQS *Switzerland* SRAC *Romania* TEST St Petersburg *Russia* TSE *Turkey* YUQS *Serbia*
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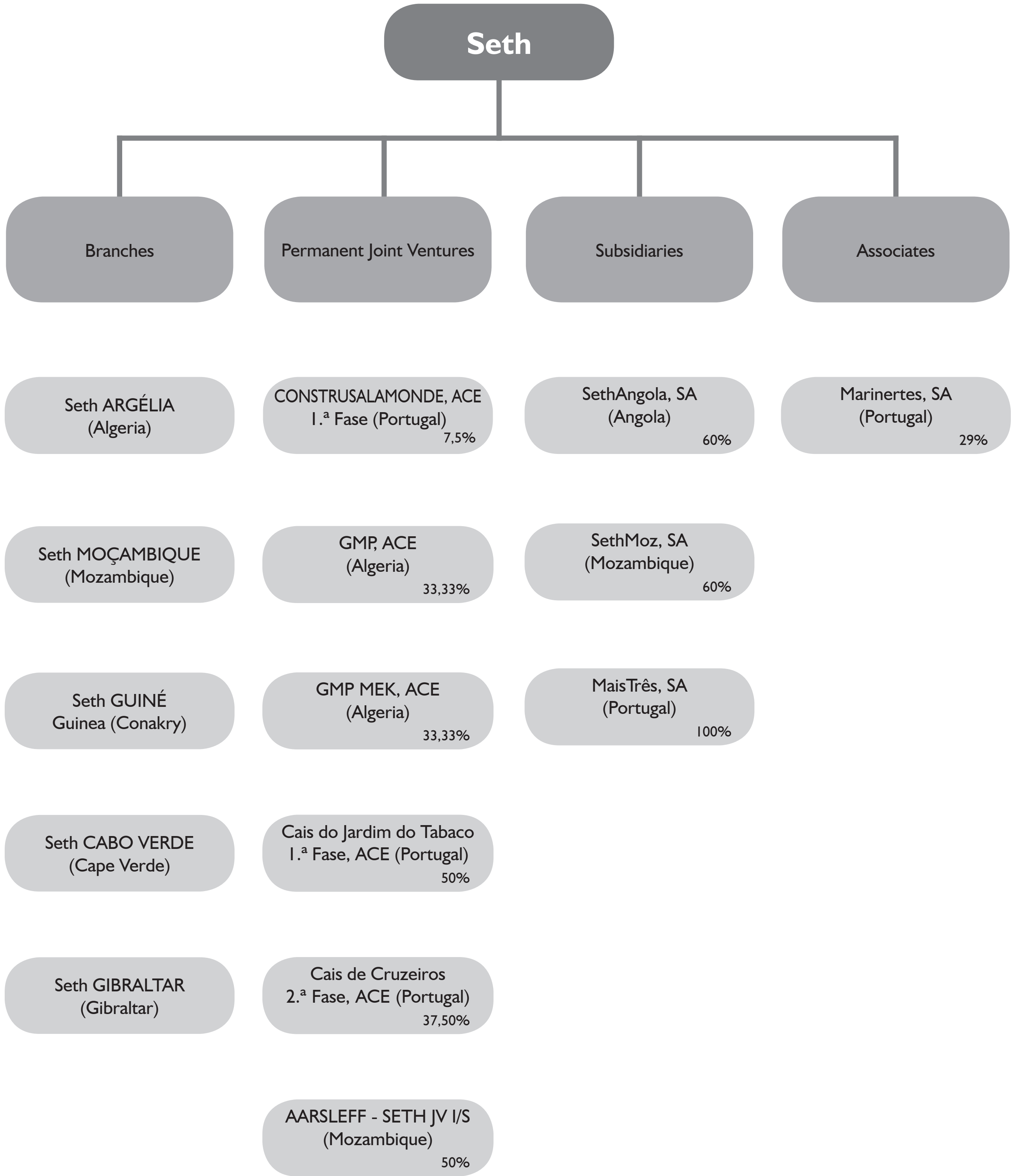
Organisation Chart


Seth
Branches
Permanent Joint Ventures
Subsidiaries
Associates
Seth ARGÉLIA (Algeria)
Seth MOÇAMBIQUE (Mozambique)
Seth GUINÉ Guinea (Conakry)
Seth CABO VERDE (Cape Verde)
Seth GIBRALTAR (Gibraltar)
CONSTRUSALAMONDE, ACE 1.ª Fase (Portugal) 7,5%
GMP, ACE (Algeria) 33,33%
GMP MEK, ACE (Algeria) 33,33%
Cais do Jardim do Tabaco 1.ª Fase, ACE (Portugal) 50%
Cais de Cruzeiros 2.ª Fase, ACE (Portugal) 37,50%
AARSLEFF - SETH JV I/S (Mozambique) 50%
SethAngola, SA (Angola) 60%
SethMoz, SA (Mozambique) 60%
MaisTrês, SA (Portugal) 100%
Marinertes, SA (Portugal) 29%

SETH – ANNUAL REPORT 2014

Credits

Editorial Coordination – Inácio Beirão
Texts – Seth
Translation – Seth (SM) + Peter Ingham
Cover Photo – Seth (Caissons for Extension of the Existing Quay/Breakwater located in the north-western part of the peninsula of Gibraltar)
Proof Reading – IB
Designed, Printed and Bound in Portugal by Gráfica Sobreirense (Sobreiro, Mafra)

Seth

Avenida Tomás Ribeiro, 145
2790-467 QUEIJAS – Portugal
Phone: +(351) 21 943 14 79
Fax: +(351) 21 943 15 18
seth@seth.pt

Portuguese License Construction No. 5
Tax Identification Number 500 257 760